UNITED STATES OF AMERICA

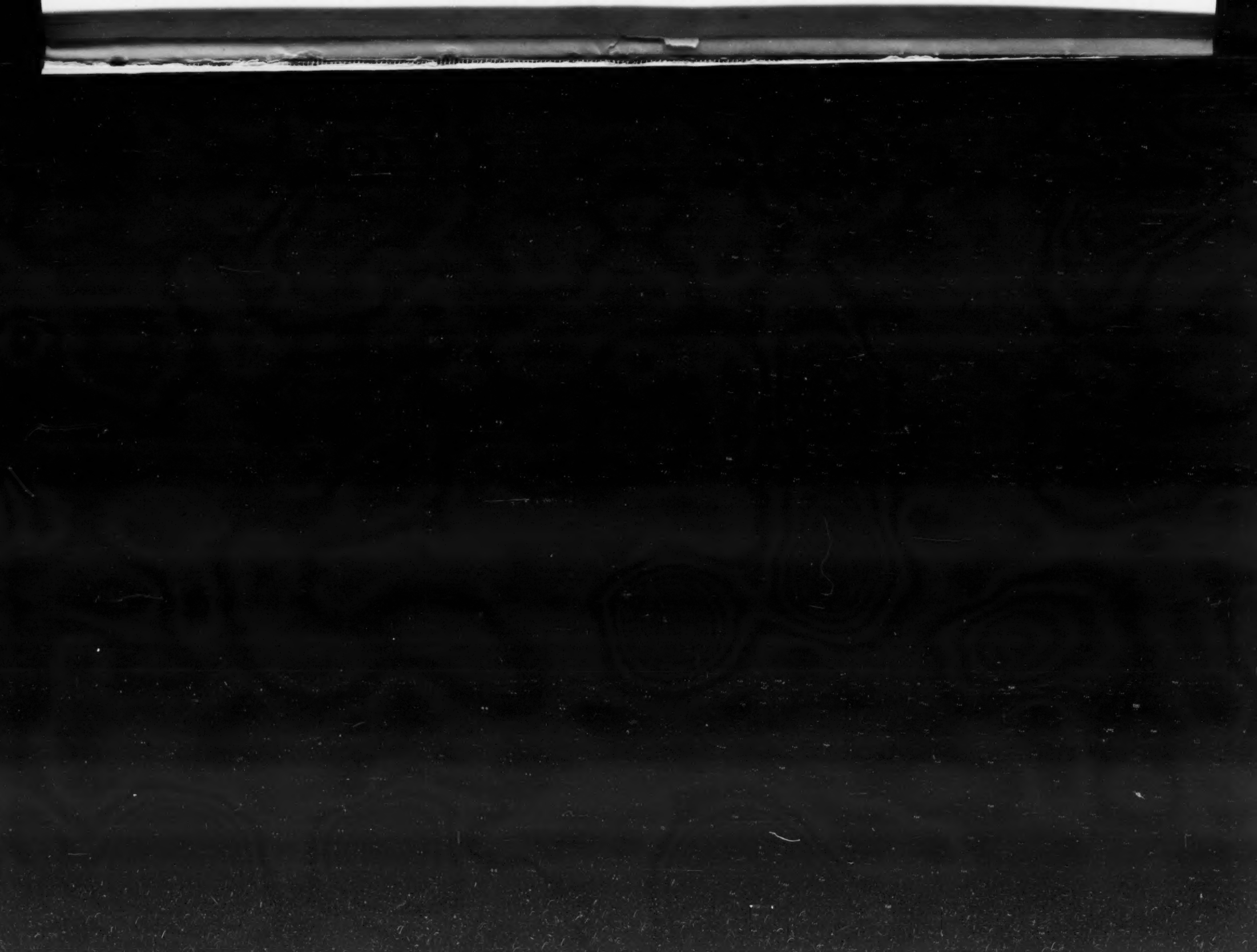
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Congressional Record

PROCEEDINGS AND DEBATES OF THE 81st CONGRESS, SECOND SESSION

SENATE

MONDAY, NOVEMBER 27, 1950

The 27th day of November being the day to which Congress adjourned, under the terms of House Concurrent Resolution 287, adopted September 23, 1950, the Senate reassembled in the old Supreme Court Chamber in the Capitol.

ALBEN W. BARKLEY, of Kentucky, Vice President of the United States, called the Senate to order at 12 o'clock meridian.

The Chaplain, Rev. Frederick Brown Harris, D. D., of the city of Washington, offered the following prayer:

Almighty God, unto whom all hearts are open, all desires known, and from whom no secrets are hid, cleanse the thoughts of our hearts by the inspiration of Thy Holy Spirit, that we may perfectly love Thee, and worthily magnify Thy holy name: Grant, we beseech Thee, to these chosen servants of the commonwealth clear vision, true insights, and pure hearts as, facing perplexing tasks and great responsibilities, they again ascend this holy hill of the Nation's life. In these fateful days, for whose decisions the future will judge us, by Thine enabling might may we maintain our integrity unsullied by animosities, prejudices, or personal ambitions, regarding always public office as a sacred trust.

Thou who through storm and night art still guiding and guarding, in these perilous times to Thee we cry: God save the state.

We ask it in the name that is above every name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Saturday, September 23, 1950, was dispensed with.

ENROLLED BILLS SIGNED AFTER ADJOURNMENT

Subsequent to the adjournment of the Senate, the President pro tempore, under the authority of House Concurrent Resolution 288, signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 450. An act to amend the Civil Aeronautics Act of 1938, as amended, by providing for the delegation of certain authority of the Secretary of Commerce and of the Administrator of Civil Aeronautics, and for other purposes;

S. 3504. An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof; and

S. 3960. An act to amend subsection (b) of section 10 of the act of June 26, 1884, as amended (U. S. C., title 46, sec. 599 (b)).

ENROLLED BILLS PRESENTED TO THE PRESIDENT AFTER ADJOURNMENT

The Secretary of the Senate reported that on September 25, 1950, he presented to the President of the United States the following enrolled bills:

S. 450. An act to amend the Civil Aeronautics Act of 1938, as amended, by providing for the delegation of certain authority of the Secretary of Commerce and of the Administrator of Civil Aeronautics, and for other purposes;

S. 3504. An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof; and

S. 3960. An act to amend subsection (b) of section 10 of the act of June 26, 1884, as amended (U. S. C., title 46, sec. 599 (b)).

APPROVAL OF SENATE BILLS AFTER ADJOURNMENT

The President of the United States, subsequent to the adjournment of the Senate until November 27, 1950, notified the Secretary of the Senate that he had approved and signed acts, as follows:

On September 22, 1950:

S. 3807. An act to authorize the President to appoint Col. Henry A. Byroade as Director of the Bureau of German Affairs, Department of State, without affecting his military status and perquisites.

On September 23, 1950:

S. 2317. An act relating to the construction of school facilities in areas affected by Federal activities, and for other purposes;

S. 2477. An act to amend title 14, United States Code, so as to equalize pay and retirement benefits of a certain class of commissioned officers of the Coast Guard;

S. 2636. An act to amend the Soil Conservation and Domestic Allotment Act, as amended;

S. 2724. An act to amend the Armed Forces Leave Act of 1946, as amended, and for other purposes;

S. 3398. An act to authorize the exchange of certain land for purposes of the Colonial National Historical Park, and for other purposes;

S. 3437. An act to amend the Atomic Energy Act of 1946;

S. 3728. An act to implement Reorganization Plan No. 20 of 1950 by amending title 1 of the United States Code, as regards publication of the United States Statutes at Large, to provide for the publication of treaties and other international agreements between the United States of America and other countries in a separate compilation, to be known as United States Treaties and Other International Agreements, and for other purposes;

S. 3796. An act to amend section 4474 of the Revised Statutes, as amended, relating to the use of petroleum as fuel aboard steam vessels; and

S. 3889. An act to increase the amount of Federal aid to State or Territorial homes for the support of disabled soldiers and sailors of the United States.

On September 25, 1950:

S. 3136. An act to authorize the Secretary of the Interior to transfer to the town of Mills, Wyo., a sewerage system located in such town;

S. 3431. An act for the relief of Tatiana Moravec; and

S. 3706. An act to amend the act of May 28, 1926 (44 Stat. 670), entitled "An act granting public lands to the county of Kern, Calif., for public park purposes.

On September 26, 1950:

S. 3727. An act to authorize certain construction at Griffiss Air Force Base, and for other purposes; and

S. 3814. An act authorizing the Secretary of the Interior to issue patents in fee to certain allottees on the Blackfeet Indian Reservation.

On September 27, 1950:

S. 1507. An act to amend section 10 of the act of August 2, 1946, relating to the receipt of pay, allowances, travel, or other expenses while drawing a pension, disability allowance, disability compensation, or retired pay, and for other purposes;

S. 2801. An act to give effect to the International Convention for the Northwest Atlantic Fisheries, signed at Washington under date of February 8, 1949, and for other purposes;

S. 2875. An act to extend for a period of 5 years the time for appropriating and expending funds to carry out the Federal Airport Act;

S. 2922. An act for the relief of Chieko Murata;

S. 3015. An act for the relief of Walter Tyson;

S. 3018. An act for the relief of W. F. Steiner;

S. 3123. An act to amend section 5 of the act of February 26, 1944, entitled "An act to give effect to the Provisional Fur Seal Agreement of 1942 between the United States of America and Canada; to protect the fur seals of the Pribilof Islands; and for other purposes";

S. 3517. An act to authorize the construction, operation, and maintenance of the Vermejo reclamation project, New Mexico;

S. 3579. An act for the relief of Midshipman Willis Howard Dukelow, United States Navy;

S. 3917. An act for the relief of Basilio Gorgone;

S. 4088. An act to amend section 61 of the National Defense Act to permit the States to organize military forces, other than as parts of their National Guard units, to serve while the National Guard is in active Federal Service; and

S. 4136. An act to include the Coast Guard within the provisions of the Selective Service Act of 1948 and to authorize the President to extend enlistments in the Coast Guard.

On September 28, 1950:

S. 1192. An act for the relief of certain Basque aliens;

S. 2028. An act to permit the Board of Education of the District of Columbia to participate in the foreign teacher exchange program in cooperation with the United States Office of Education;

S. 2324. An act for the relief of Maria Balsam;

S. 3321. An act for the relief of Dr. Zena (Zenobia) Symeonides;

S. 3434. An act for the relief of Mikiko Anzai; and

S. 3824. An act for the relief of Kenneth Bruce Kohel Kozai.

On September 29, 1950:

S. 450. An act to amend the Civil Aeronautics Act of 1938, as amended, by providing for the delegation of certain authority of the Secretary of Commerce and of the Administrator of Civil Aeronautics, and for other purposes;

S. 1292. An act to amend section 32 (a) (2) of the Trading With the Enemy Act;

S. 2599. An act for the relief of Arturo Benetti; and

S. 3960. An act to amend subsection (b) of section 10 of the act of June 26, 1884, as amended (U. S. C., title 46, sec. 599 (b)).

On September 30, 1950:

S. 1208. An act for the relief of Pasch Bros.;

S. 1357. An act for the relief of Gregory Pirro and Nellie Pirro;

S. 1501. An act for the relief of Mr. and Mrs. Ray S. Berrum;

S. 2195. An act to authorize the Palisades Dam and Reservoir project, to authorize the north side pumping division and related works, to provide for the disposition of reserved space in American Falls Reservoir, and for other purposes;

S. 2609. An act to provide a system for the treatment and rehabilitation of youth offenders, to improve the administration of criminal justice, and for other purposes;

S. 2648. An act for the relief of Carlo Fava;

S. 2835. An act for the relief of Boris Paul von Stuckenberg and wife Maria Alexander von Stuckenberg;

S. 3000. An act to amend the War Claims Act of 1948, as amended;

S. 3121. An act for the relief of Mario Juan Blas Besso-Pianetto;

S. 3306. An act for the relief of Dr. George Peter Petropoulos;

S. 3307. An act for the relief of Colvin Bernard Meik; and

S. 3504. An act to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

CREDENTIALS

The VICE PRESIDENT laid before the Senate the certificate of election of Hon. EARLE C. CLEMENTS, Senator-elect from the State of Kentucky, which was read and ordered to be placed on file, as follows:

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF STATE,
Frankfort.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, EARLE C. CLEMENTS was duly chosen by the qualified electors of the State of Kentucky, a Senator from said State to represent said State in the Senate of the United States for the unexpired term of 6 years, ending January 2, 1951.

Witness: His Excellency our Governor, EARLE C. CLEMENTS, and our seal hereto affixed at Frankfort, this 16th day of November, in the year of our Lord 1950.

EARLE C. CLEMENTS,
Governor.

By the Governor:
[SEAL] GEORGE GLENN HATCHER,
Secretary of State.

The VICE PRESIDENT. Are there other certificates of election?

Mr. HOEY. Mr. President, I present herewith a letter from the executive secretary of the State board of elections of North Carolina, showing that Willis Smith received a majority of the votes cast for United States Senator for the unexpired term of the late Senator Broughton, ending January 2, 1955. The State board of elections does not meet until tomorrow, and the certificate of election has not been officially issued. There is no controversy, and the certificate will be issued tomorrow. I ask unanimous consent that I may be permitted to file the statement today and the official certification tomorrow, and that the Senator-elect, who is present, may be permitted to take the oath of office.

The VICE PRESIDENT. Is there objection to the unanimous-consent request of the senior Senator from North Carolina?

Mr. WHERRY. I have no objection.

Mr. LUCAS. I have no objection.

ADMINISTRATION OF OATH

The VICE PRESIDENT. There being no objection, if there are no other certificates of election, the two Senators-elect will come forward and the Chair will administer the oath of office to them.

Mr. CLEMENTS, escorted by Mr. ANDERSON, and Mr. SMITH of North Carolina, escorted by Mr. HOEY, advanced to the desk and the oath prescribed by law was administered to them by the Vice President.

LEAVES OF ABSENCE

Mr. WHERRY. Mr. President, may I ask the majority leader if he intends to have a quorum call?

Mr. LUCAS. I did not expect to have a quorum call.

Mr. WHERRY. I should like to request certain leaves of absence if I may at the beginning of the session.

The VICE PRESIDENT. Is there objection?

Mr. LUCAS. I have no objection.

Mr. WHERRY. I ask unanimous consent that the following Senators be granted leave of absence from the sessions of the Senate as indicated:

The junior Senator from Ohio [Mr. BRICKER], the junior Senator from Idaho [Mr. DWORSHAK], the senior Senator from New Jersey [Mr. SMITH], and the junior Senator from Utah [Mr. WATKINS] for today.

The junior Senator from Missouri [Mr. KEM] and the junior Senator from Nevada [Mr. MALONE], who are on official business of the Committee on Public Works, and the junior Senator from Oregon [Mr. MORSE] until Wednesday next.

The junior Senator from California [Mr. KNOWLAND] and the junior Senator from South Dakota [Mr. MUNDT] for this week.

The junior Senator from Massachusetts [Mr. LODGE] as a delegate to the General Assembly of the United Nations for an indefinite period of time.

Mr. FERGUSON. I ask unanimous consent that my distinguished colleague the senior Senator from Michigan [Mr. VANDENBERG] be excused from attending the sessions of the Senate for the remainder of the session.

Mr. LUCAS. I ask unanimous consent that the Senator from Louisiana [Mr. LONG] be excused from attending the sessions during this week.

I also ask unanimous consent that the junior Senator from Alabama [Mr. SPARKMAN] be excused for an indefinite period, inasmuch as he is a representative of the United States to the fifth session of the General Assembly of the United Nations.

The VICE PRESIDENT. Without objection the respective requests for leave of absence are granted.

MORNING BUSINESS

The VICE PRESIDENT. Inasmuch as the Senate meets following an adojurnment, automatically morning business will be transacted unless it is waived.

STATEHOOD FOR HAWAII AND ALASKA

The VICE PRESIDENT laid before the Senate a communication from the President of the United States, which was read and ordered to lie on the table, as follows:

THE WHITE HOUSE,
Washington, November 27, 1950.

Hon. ALBEN W. BARKLEY,
The President of the Senate.

MY DEAR MR. VICE PRESIDENT: I hope that at this session the Senate will approve the bills now before it for the admission of the Territories of Hawaii and Alaska to the Union as States. These bills, H. R. 49, relating to Hawaii, and H. R. 331, relating to Alaska, were approved by the House of Representatives in March 1950, and reported favorably by the Senate Committee on Interior and Insular Affairs on June 29, 1950. They now await final action by the Senate.

Prompt approval of these measures is essential not only to the welfare and security of Hawaii and Alaska, but also to the security of the Nation as a whole.

Since these bills came before the Senate, this country has moved to check aggression in Korea, in support of the principles of the United Nations. As a result, our position in the Pacific area, and our attitude toward the peoples of that area have become of even greater importance to our national security and to the success of our efforts to achieve a just peace.

Both Hawaii and Alaska are vital to the defense of the United States in the Pacific. They are also the proving ground of our democratic institutions in the Pacific area, with tremendous psychological influence on the hearts and minds of the people of Asia and the Pacific islands.

As frontiers of our national territory, Hawaii and Alaska must maintain a high degree of military readiness. The security of our national defense forces there rests upon the wholehearted effort and support of the local population. The morale of the people of Hawaii and Alaska, who are our fellow citizens, will be heightened if we show them that we truly regard them as our equals in the responsibilities and privileges of statehood. Statehood will increase the effectiveness and the vitality of their local governments, and render them better able to back up our Armed Forces.

Furthermore, statehood will mean full participation by the elected representatives from these areas in the work of the Congress. The defense needs and responsibilities of the two Territories will be presented more forcefully by Members of Congress who are entitled to vote. As a result, the Government will be better informed and better able to provide for our national security in the Pacific area.

Statehood will not only strengthen the moral and physical aspects of our national defense in these areas—it will also improve our relations with the other free peoples of the Pacific area, and strike a blow at Communist influence among them. Communism seeks to create distrust of the sincerity of our intentions, particularly among the peoples of the Far East. The granting of statehood to Hawaii and Alaska would speak far louder than words of our devotion to our national ideals. It would show, particularly in the case of Hawaii, that this Government judges people by their deeds, and not by their racial or national origins. It would give additional convincing proof to the people of the Far East that this country is still truly dedicated to the proposition that all men are created equal.

In all fairness, we should not longer deny the desire for statehood of our fellow citizens in Hawaii and Alaska. Unlike our other overseas areas, Hawaii and Alaska are incorporated Territories. Their special legal status has long been regarded by them and by us as the first major step toward statehood. They have asked for statehood. An overwhelming majority of the people of Hawaii voted on November 7 in favor of the adoption of a State constitution. Similarly, the people of Alaska have voted almost 3 to 1 in favor of statehood.

Both areas pay all Federal taxes, although they have no voice in levying them or in the spending of tax revenues. Their young men are inducted into the Armed Forces of the Nation. The people of Hawaii have about five times as many men on the casualty lists from Korea, in proportion to their total population, as the rest of the country.

It is now obvious that the people of both Territories can exercise effectively all the rights of self-government under statehood both in local and national affairs. Having earned these rights and expressed a desire to exercise them, the people of Hawaii and Alaska should be granted them without delay. Our sense of justice and fair play demands it.

For these reasons, I urge that the Senate give the highest priority to the statehood measures before it and complete legislative action on them before the present Congress adjourns.

Very sincerely yours,

HARRY S. TRUMAN.

REPORT OF ECONOMIC COOPERATION ADMINISTRATION—MESSAGE FROM THE PRESIDENT (H. DOC. NO. 713)

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Foreign Relations:

To the Congress of the United States of America:

I am transmitting herewith the ninth report of the Economic Cooperation Administration created by the Foreign Assistance Act of 1948 (Public Law 472, 80th Cong.), approved April 3, 1948.

The report covers activities under the Economic Cooperation Act of 1948 (title I of Public Law 472), as amended, as well as the programs of economic aid to China under Public Laws 47 and 447, Eighty-first Congress, and to the Republic of Korea under the provisions of the Foreign Aid Appropriation Act of 1949 (Public Law 793, 80th Cong.), and Public Laws 430 and 447, Eighty-first Congress.

There is included in the appendix a summary of the status of the United States foreign relief program (Public Law 84, 80th Cong.) and the United States foreign aid program (Public Law 389, 80th Cong.).

This report covers the quarter ended June 30, 1950.

HARRY S. TRUMAN.

THE WHITE HOUSE,
November 17, 1950.

EXECUTIVE COMMUNICATIONS ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

REPORT ON NATURAL FIBERS REVOLVING FUND

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on the status of the Natural Fibers Revolving Fund, for the period June 29, 1940, to June 30, 1950 (with an accompanying report); to the Committee on Agriculture and Forestry.

PUBLIC AIRPORTS IN CERTAIN AREAS

A letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to authorize the Secretary of Agriculture to acquire, construct, operate, and maintain public airports in certain areas and for other purposes (with an accompanying paper); to the Committee on Agriculture and Forestry.

REPORT OF FARM CREDIT ADMINISTRATION

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report of the Farm Credit Administration, for the fiscal year ended June 30, 1950 (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORTS ON CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE, UNITED STATES AND MEXICO

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States and Mexico in the control and eradication of foot-and-mouth disease, for the month of August 1950 (with an accmpanying report); to the Committee on Agriculture and Forestry.

A letter from the Acting Secretary of Agriculture, transmitting, pursuant to law, a report on control and eradication of foot-and-mouth disease, United States and Mexico, for the month of September 1950 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORTS OF SETTLEMENT OF CLAIMS UNDER FARMERS HOME ADMINISTRATION ACT

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, reports on the settlement of certain claims under the Farmers Home Administration Act of 1946, dated June 30, 1950 (with accompanying reports); to the Committee on Agriculture and Forestry.

REPORT ON APPROPRIATION FOR NATIONAL SERVICE LIFE INSURANCE

A letter from the Director of the Bureau of the Budget, reporting, pursuant to law, on the appropriation for the Veterans' Administration for national service life insurance, fiscal year 1951 (with accompanying papers); to the Committee on Appropriations.

REPORT ON APPROPRIATIONS FOR AIR FORCE, ARMY, AND NAVY PENSIONS

A letter from the Director of the Bureau of the Budget, transmitting, pursuant to law, a report on the appropriation to the Veterans' Administration for Air Force, Army, and Navy pensions, fiscal year 1951 (with accompanying papers); to the Committee on Appropriations.

REPORTS OF SECRETARY OF DEFENSE, AND SECRETARIES OF THE ARMY, NAVY, AND AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, reports of the Secretary of Defense, and Secretaries of the Army, Navy, and Air Force, for the period January 1 to June 30, 1950 (with accompanying reports); to the Committee on Armed Services.

REPORT ON TRANSPORTATION FURNISHED FOR CERTAIN GOVERNMENT AND OTHER PERSONNEL

A letter from the Secretary of the Army, transmitting, pursuant to law, a report on transportation furnished for certain Government and other personnel, for the period July 1, 1949, through June 30, 1950 (with an accompanying report); to the Committee on Armed Services.

REPORT ON FLIGHT PAY FOR CERTAIN OFFICERS OF AIR FORCE

A letter from the Acting Secretary of the Air Force, transmitting, pursuant to law, a report on the average monthly flight pay authorized to be paid to officers above the rank of major, during the period January 1 to July 1, 1950 (with an accompanying report); to the Committee on Armed Services.

REPORT OF UNITED STATES SOLDIERS' HOME

A letter from the Secretary of the Army, transmitting, pursuant to law, a report of the United States Soldiers' Home, for the fiscal year 1950 (with an accompanying report); to the Committee on Armed Services.

ACCEPTANCE OF CONDITIONAL GIFTS TO FUTURE DEFENSE EFFORT

A letter from the Acting Secretary of the Treasury, transmitting a draft of proposed legislation to authorize the acceptance of conditional gifts to further the defense effort (with an accompanying paper); to the Committee on Armed Services.

REPORT ON TRANSFERS AND ADJUSTMENTS IN CERTAIN APPROPRIATIONS, DEPARTMENT OF AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on transfers and adjustments within the military department of appropriations available for obligation in the Department of the Air Force (with an accompanying report); to the Committee on Armed Services.

REPORT OF DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

A letter from the Chairman of the District of Columbia Redevelopment Land Agency, reporting, pursuant to law, on the activities of the Agency, for the period ended September 28, 1950; to the Committee on the District of Columbia.

RELIEF OF CERTAIN AUTHORIZED CERTIFYING OFFICERS OF TERMINATED WAR AGENCIES

A letter from the Secretary of Labor, transmitting a draft of proposed legislation to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Labor (with an accompanying paper); to the Committee on Expenditures in the Executive Departments.

FINANCIAL STATEMENT OF THE AMERICAN LEGION

A letter from the director, national legislative commission, the American Legion, Washington, D. C., transmitting, pursuant to law, a financial statement of the Legion for the period ended October 31, 1950 (with an accompanying paper); to the Committee on Finance.

LAWS ENACTED BY LEGISLATIVE ASSEMBLY OF VIRGIN ISLANDS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Interior and Insular Affairs.

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislative Assembly of the Virgin Islands (with accompanying papers); to the Committee on Interior and Insular Affairs.

LAWS ENACTED BY MUNICIPAL COUNCILS, VIRGIN ISLANDS

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Municipal Councils of St. Thomas and St. John, and St. Croix, V. I. (with accompanying papers); to the Commitee on Interior and Insular Affairs.

LAWS ENACTED BY LEGISLATURE OF GUAM

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, copies of laws enacted by the Legislature of Guam (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT OF INDIAN CLAIMS COMMISSION IN CASE OF CHICKASAW NATION *v.* UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, transmitting, pursuant to law, a report by the Commission on action taken in the case of *The Chickasaw Nation* v. *United States* (with an accompanying report); to the Committee on Interior and Insular Affairs.

REPORT OF INDIAN CLAIMS COMMISSION IN CASE OF CHOCTAW NATION *v.* UNITED STATES

A letter from the Chief Commissioner, Indian Claims Commission, transmitting, pursuant to law, a report of the Commission on action taken in the case of *The Choctaw Nation* v. *The United States* with an accompanying report); to the Committee on Interior and Insular Affairs.

TITLE OF CHICALE DAY SCHOOL SITE, NEW MEXICO

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to declare title to the Chicale Day School site to be vested in the United States in trust for the Pueblo of Isleta (with an accompanying paper); to the Committee on Interior and Insular Affairs.

ADDITIONAL DEVELOPMENTS, CENTRAL VALLEY PROJECT, CALIFORNIA

A letter from the Acting Secretary of the Interior, transmitting a draft of proposed legislation to authorize the Secretary of the Interior, through the Bureau of Reclamation, to undertake certain additional developments in connection with the Central Valley Project, California, and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON ALLOCATION AND REPAYMENT OF COSTS, PALISADES DAM AND RESERVOIR, IDAHO

A letter from the Secretary of the Interior, transmitting, pursuant to law, a supplemental report on the allocation and repayment of costs of the Palisades Dam and Reservoir project in Idaho (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORT ON NORTH SIDE PUMPING DIVISION OF MINIDOKA PROJECT, IDAHO

A letter from the Secretary of the Interior, transmitting, pursuant to law, his report on the north side pumping division of the Minidoka project in Idaho (with accompanying papers); to the Committee on Interior and Insular Affairs.

TRIBAL OWNERSHIP OF CERTAIN LANDS, CROW RESERVATION, MONT.

A letter from the Secretary of the Interior, transmitting a draft of proposed legislation authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT ON SEWAGE CONDITIONS IN YORKTOWN AREA OF COLONIAL NATIONAL HISTORICAL PARK, VA.

A letter from the Acting Secretary of the Interior, transmitting, pursuant to law, a report on the study of sewage conditions in the Yorktown area of Colonial National Historical Park, Va. (with accompanying papers); to the Committee on Interior and Insular Affairs.

REPORTS OF ACTION TAKEN UNDER MERCHANT MARINE ACT, 1936

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report of action taken by the United States Maritime Administration under the provisions of the Merchant Marine Act, 1936, for the period from May 1 to August 31, 1950 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

A letter from the Acting Secretary of Commerce, transmitting, pursuant to law, a report of action taken by the Maritime Administration under the provisions of the Merchant Ship Sales Act, 1946, for the period July 1 through September 30, 1950 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

REPORT OF TORT CLAIMS PAID BY VETERANS' ADMINISTRATION

A letter from the Deputy Administrator, Veterans' Administration, transmitting, pursuant to law, a report of tort claims paid by the Administration under the provisions of the Federal Tort Claims Act, for the fiscal year ended June 30, 1950 (with an accompanying report); to the Committee on the Judiciary.

UNITED STATES *v.* JOSEPH GROEN, ET AL.

A letter from F. Dickinson Letts, judge of the District Court of the United States for the District of Columbia, transmitting, pursuant to law, a supplementary report of the proceedings in the case of *United States* v. *Joseph Groen, et al.* (with accompanying papers); to the Committee on the Judiciary.

RUTGERS UNIVERSITY *v.* UNITED STATES

A letter from the clerk of the United States Court of Claims, Washington, D. C., transmitting, pursuant to law, copies of the plaintiff's motion to dismiss and the order of the court, dated November 7, 1950, in the case of *Rutgers University* v. *United States* (with accompanying papers); to the Committee on the Judiciary.

REPORT ON WAR CONTRACT TERMINATIONS AND SETTLEMENTS

A letter from the Admiinstrator, General Services Administration, transmitting, pursuant to law, a report on war contract terminations and settlements, for the quarter ended September 30, 1950 (with an accompanying report); to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

A letter from the Attorney General of the United States, withdrawing the name of Lucille Fox or Lucille Yablochnick or Niusia Yablochnick from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted to the Senate on January 16, 1950; to the Committee on the Judiciary.

Nine letters from the Acting General, withdrawing the names of Dorothy Beryl Royce nee Fleming; Pierre Maurice Piron, Bela Ezsias, Sadie Thelma Goldberg, Maria Clara Harnecker, Thomas John McLean, Tom Freemantle Perry, and Irene Caulkins or Irene Geiger and Irene Walton, from reports relating to aliens whose deportation he suspended more than 6 months ago, transmitted to the Senate on October 17, 1949, January 16 and August 1, 1950, respectively; to the Committee on the Judiciary.

REPORT ON ADDITIONAL STEP INCREASES AS REWARD FOR SUPERIOR ACCOMPLISHMENT

A letter from the Chairman of the United States Civil Service Commission, transmitting, pursuant to law, a report on additional step increases as rewards for superior accomplishment, fiscal year 1950 (with an accompanying report); to the Committee on Post Office and Civil Service.

REPORT ON ADDITIONAL COMPENSATION FOR HAZARDOUS EMPLOYMENTS

A letter from the Executive Director, United States Civil Service Commission, transmitting, pursuant to law, a report on additional compensation for hazardous employments (with accompanying papers); to the Committee on Post Office and Civil Service.

REPORT ON ADMINISTRATION OF ADVANCE PLANNING PROGRAM

A letter from the Administrator, Housing and Home Finance Agency, transmitting, pursuant to law, a report on the administration of the advance planning program of non-Federal public works (with an accompanying report); to the Committee on Public Works.

PROGRESS REPORT BY COMMITTEE ON EXPENDITURES IN EXECUTIVE DEPARTMENTS FILED DURING ADJOURNMENT

Pursuant to the authority of the order of the Senate of September 13, 1950, Mr. MCCLELLAN, on October 12, 1950, from the Committee on Expenditures in the Executive Departments, submitted a progress report (No. 2581) on the recommendations of the Hoover Commission on Organization of the Executive Branch of the Government.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation three lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MURRAY:

S. 4194. A bill to amend Public Law 441, 81st Congress, so as to provide for the annual

proclamation of National Children's Dental Health Day; to the Committee on the Judiciary.

By Mr. FREAR:

S. 4195. A bill authorizing the construction of a highway bridge across the Chesapeake and Delaware Canal at Summit, Del.; to the Committee on Public Works.

By Mr. LANGER:

S. 4196. A bill for the relief of Attar Ali and Abarath Ullah; to the Committee on the Judiciary.

By Mr. LEHMAN (for Mr. KEFAUVER):

S. 4197. A bill for the relief of Winifred Margaret Short; to the Committee on the Judiciary.

COMMITTEE TO ATTEND MEETING OF COMMONWEALTH PARLIAMENTARY ASSOCIATION

Mr. CONNALLY. Mr. President, I submit a resolution which relates to the appointment by the President of the Senate of a committee to go to Australia to attend the meeting of the Commonwealth Parliamentary Association. The Senate adopted a concurrent resolution to take care of this matter at the last session which went to the House, but the House has not yet acted on it. If the House adopts that resolution, the one I am offering today will not have any effect, but in case they should not adopt it, it is our desire that the Senate agree to the resolution I am now submitting, authorizing the sending of a delegation from the Senate, irrespective of the action of the House.

The VICE PRESIDENT. The clerk will read the resolution.

The resolution (S. Res. 360) was read as follows:

Resolved, That the President of the Senate is authorized to appoint not more than four Members of the Senate to attend the next general meeting of the Commonwealth Parliamentary Association to be held in Australia and to designate the chairman of the delegation to be present at such meeting. The expenses incurred by the members of the delegation and staff appointed for the purpose of carrying out this resolution shall not exceed $10,000 and shall be reimbursed to them from the contingent fund of the Senate, upon submission of vouchers approved by the chairman of the delegation.

Mr. CONNALLY. Mr. President, I ask for the immediate consideration of the resolution.

Mr. WHERRY. Mr. President, I should like to ask the distinguished Senator from Texas whether the former resolution, which was in the form of a concurrent resolution, was reported from the Committee on Foreign Relations unanimously.

Mr. CONNALLY. I do not recall exactly about that but I think so.

Mr. WHERRY. There is an objection to the resolution. A similar resolution passed the Senate before, and it is now in the House, is it?

Mr. CONNALLY. That is correct.

Mr. WHERRY. Was the resolution referred to the Committee on Rules and Administration a year ago for the consideration of the matter of an appropriation?

Mr. CONNALLY. The senior Senator from Arizona [Mr. HAYDEN], the chairman of the Committee on Rules and Administration, I understand has passed on the resolution I am referring to, and has approved it.

Mr. HAYDEN. Mr. President, I have conferred with the members of the committee, and there is no objection on their part. I was not present when the other resolution was agreed to.

Mr. WHERRY. The Senator has not conferred with me, but so far as I am concerned, the resolution is perfectly agreeable. I was merely bringing out for the record the fact that the former resolution was considered by the Committee on Rules and Administration. If the Senator from Arizona polled the committee and they are agreeable, there is no objection on my part.

The VICE PRESIDENT. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF INVESTIGATION RELATING TO PRODUCTION OF AGRICULTURAL CROPS

Mr. GILLETTE submitted the following resolution (S. Res. 361), which was referred to the Committee on Agriculture and Forestry:

Resolved, That the authority of the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, under Senate Resolution 36, Eighty-first Congress, agreed to April 11, 1949, and Senate Resolution 198, Eighty-first Congress, agreed to February 1, 1950 (providing for an investigation with respect to the production of agricultural crops), is hereby continued until February 28, 1951.

INVESTIGATION OF ADMINISTRATION OF JUSTICE IN GERMANY AND AUSTRIA

Mr. LANGER. Mr. President, I am today offering a resolution providing for a complete study and investigation of the administration of justice in the American zones of occupation in Germany and Austria with a view of ascertaining—first, the extent to which persons who are or have been Communists were given responsibility for the policies and administration of justice in such zones; second, the extent to which persons who are or have been Communists were given responsibility for the program for denazification of several million Germans; third, whether or not the activities of such persons were responsible for the moving of many German and Austrian engineers, scientists, and other highly trained men to Russia; and fourth, whether any of the persons now employed by the State Department in connection with the administration of justice in such zones are or have been members of the Communist Party.

The resolution (S. Res. 362) submitted by Mr. LANGER was referred to the Committee on the Judiciary, as follows:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof is authorized and directed to make a full and complete study and investigation of the administration of justice in the American zones of occupation in Germany and Austria with a view to ascertaining (1) the extent to which persons who are or have been Communists were given responsibility for the policies and administration of justice in such zones; (2) the extent of which persons who are or have been Communists were given responsibility for the program for denazification of several million Germans; (3) whether or not the activities of such persons were responsible for the moving of many German and Austrian engineers, scientists, and other highly trained men to Russia; and (4) whether any of the persons now employed by the State Department in connection with the administration of justice in such zones are or have been members of the Communist Party. The committee shall report to the Senate at the earliest practicable date the results of its study and investigation, together with such recommendations for legislation as it may deem necessary to provide for improvement of the administration of justice in the American zones of occupation in Germany and Austria.

SEC. 2. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to employ on a temporary basis such technical, clerical, and other assistants as it deems advisable. The expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

Mr. LANGER. Mr. President, I ask unanimous consent that I may be allowed to speak for 3 minutes on the resolution.

The VICE PRESIDENT. Without objection, the Senator from North Dakota is recognized for 3 minutes.

Mr. LANGER. Mr. President, I have just returned from a trip to Austria and Germany. Not going at Government expense, I was free to make my own investigation, and I did so without in any way being obligated to any public official of the United States now serving in either one of these two countries.

My conclusion—with as careful an investigation as I could make with 7 days in Austria and 3 days in Germany—was that if Joe Stalin had had charge of the occupation of Germany in behalf of the United States, he could not have done a better job for Russia than was done by many of the public officials sent there by the United States Government until the appointment of Mr. McCloy as High Commissioner of Germany.

Today I have submitted a resolution asking for a thorough investigation by the Judiciary Committee of the administration of justice in Germany, and of the Communist influence on said administration of justice. I am sure the Senate will want to find out how many Communists, fellow travelers, and members of Communist-front organizations were appointed to administer justice, or to determine the policy of the administration of justice, or actually to take part in some capacity in the administration of justice.

The people of the United States—who have to furnish the boys to fight their battles—will, in my opinion, be horrified at what an impartial investigation such as I have asked for will disclose.

This investigation will show a carefully conceived and flawlessly carried out plan on the part of the Communists to prevent the German people from becoming friendly to the people of the United States, and to keep them from assisting the western forces in time of war and not to take up arms against Communist Russia.

This investigation will disclose that some people in our State Department worked hand in glove with our enemies, the results of which were apparent in

the elections held a week ago in Württemberg-Baden and Hessen, and yesterday in Bavaria.

I ask unanimous consent that the article published in the Abendpost, a newspaper of Frankfurt, Germany, giving the results of the elections in Hessen and Württemberg-Baden last Sunday, be inserted at this point in my remarks. I also ask unanimous consent that the English translation may follow the German text.

The VICE PRESIDENT. Is there objection?

There being no objection, the article and translation were ordered to be printed in the RECORD, as follows:

DIE NEUEN LANDTAGE

Die Sitze de Parteien verteilen sich in den neuen Landtagen von Hessen und Württemberg-Baden folgendermassen:

HESSEN

	Sitzen	*Sitzen*
SPD	47	(bisher 38)
CDU	12	(bisher 28)
FDP	21	(bisher 14)
KPD	0	(bisher 10)
Bei insgesamt	80	90

WÜRTTEMBERG-BADEN

	Sitzen	*Sitzen*
SPD	35	(bisher 32)
CDU	31	(bisher 39)
DVP	21	(bisher 19)
KPD	0	(bisher 10)
DG	13	(bisher 0)
Bei insgesamt	100	100

Die DVP (Demokratische Volkspartei) in Württemberg-Baden entspricht der FDP im übrigen Bundesgebiet.—DG=Deutsche Gemeinschaft.

HESSEN

DD. WIESBADEN (Eig. Bericht).—Das vom Wahlbüro für Hessen herausgegebene offizielle vorläufige Endergebnis:

Wahlberechtigte (ohne Wahlscheine)	2,981,971
Abgegebene gültige Stimmen	1,848,930
Ungültig	86,661
Abgegebene Stimmen insgesamt	1,935,591

	Davon erhielten	Bundestagswahl 1949	Hess. Landtagswahlen 1946
SPD	820,444	684,042	687,431
CDU	347,803	454,437	498,158
FDP	588,191	597,081	252,202
KPD	87,446	142,539	171,592
NDP	1,988	----------	----------
Sonstige	3,058	----------	----------

Wahlbeteiligung 64.9 prozent.

WÜRTTEMBERG-BADEN

STUTTGART (UP).—Das Innenministerium in Stuttgart gab folgendes vorläufige Endergebnis von den Landtagswahlen in Württemberg-Baden bekannt:

Wahlberechtigt	2,565,071
abgegebene Stimmen	1,476,400
gültige Stimmen	1,440,190

Wahlbeteiligung: 57,1 Prozent.

	Davon erhielten	Landtagswahl (1946)	Bundestagswahl (1949)
SPD	475,872	404,716	441,237
CDU	379,181	474,555	542,588
DVP	303,331	247,710	318,198
KPD	70,207	130,253	129,283
Deutsche Gemeinschaft	211,599	----------	248,298

[Translation]

THE NEW LANDTAGS

The party seats are divided in the new Landtags of Hesse and Württemberg-Baden as follows:

HESSE

	Seats	*Seats*
Social Democratic Party	47	(formerly 38)
Christian Democratic Union	12	(formerly 28)
Free Democratic Party	21	(formerly 14)
Communist Party	0	(formerly 10)
Total	80	90

WÜRTTEMBERG-BADEN

Social Democratic Party	35	(formerly 32)
Catholic Democratic Union	31	(formerly 39)
German People's Party	21	(formerly 19)
Communist Party	0	(formerly 10)
German Communist Party	13	(formerly 0)
Total	100	100

The Democratic People's Party in Württemberg-Baden corresponds to the Free Democratic Party in the rest of the federal territory.

HESSE

WIESBADEN.—Official current results given out by the election bureau for Hesse:

Registered voters	2,981,971
Valid votes	1,848,930
Invalid votes	86,661
Total votes	1,935,591

Received from these—	Bundestag election 1949	Hesse Landtag election 1946
Social Democratic Party	820,444	684,042	687,431
Christian Democratic Union	347,803	454,437	498,158
Free Democratic Party	588,191	597,081	252,202
Communist Party	87,446	142,539	171,592
National German Party	1,988	----------	----------
Others	3,058	----------	----------

Participation 64.9 percent.

WÜRTTEMBERG-BADEN

STUTTGART.—The Ministry of the Interior in Stuttgart announced the following current results of the Landtag elections:

Registered	2,565,071
Votes cast	1,476,400
Valid votes	1,440,190

Participation, 57.1 percent.

Received from these—	Landtag election, 1946	Bundestag election, 1949
Social Democratic Party	475,872	404,716	441,237
Christian Democratic Union	379,181	474,555	542,588
German People's Party	303,331	247,710	318,498
Communist Party	70,207	130,253	129,283
German Community Party	211,599	----------	248,298

Source: Abendpost, Frankfurt, Nov. 20, 1940.

Mr. LANGER. Mr. President, I ask unanimous consent that the article which appeared on the front page of the Washington Post this morning entitled "Socialists Win Early Lead in Bavarian Vote," together with the United Press press report giving the results from 371 out of 430 districts in Munich, be inserted at this point in my remarks.

The VICE PRESIDENT. Is there objection?

There being no objection, the article and report were ordered to be printed in the RECORD, as follows:

SOCIALISTS WIN EARLY LEAD IN BAVARIAN VOTE—PARTY IN MUNICH TOPS CHRISTIAN DEMOCRATS 2–1 IN MOST DISTRICTS

MUNICH, GERMANY, November 26.—The Socialist Party, which opposes west German rearmament, jumped off to an early lead in first scattered returns tonight from the Bavarian state election.

The first returns from the Sunday voting were too meager to show a decisive trend, but in this rock-ribbed conservative state ruled by the prorearmament Christian Democrats since the war, any strong Socialist showing would be considered significant.

Bavaria, largest German state in the American occupation zone, elected a new state parliament in a third crucial test of German sentiment toward rearming for defense of western Europe against communism. Early estimates said that about 70 percent of the 6,000,000 eligible voters had cast their ballots, a heavy turnout.

[The United Press reported that results from 371 out of 430 districts in Munich gave the Socialists 138,426 votes; Chancelor Konrad Adenauer's Christian Democrats, 65,185; the Bavarian Party, 53,714; the Free Democrats (FDP), 32,005; Reconstruction Party, 19,997, and Communists, 15,211.]

Mr. LANGER. Mr. President, I also ask that an article which appeared in the Washington Star today entitled "Bavarian Socialists, Opposing Rearming, Score Big Vote Gains."

The VICE PRESIDENT. Is there objection?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BAVARIAN SOCIALISTS OPPOSING REARMING, SCORE BIG VOTE GAINS

MUNICH, GERMANY, November 27.—West Germany's Socialists—bitter opponents of German rearmament for western defense—scored big gains today in Bavarian state elections.

With returns still incomplete, the Socialists were running a strong second to the prorearmanent Christian Democrats in the balloting yesterday for members of the state parliament.

The surprising Socialist showing in this traditionally conservative state was certain to be interpreted as a third protest vote within a week by German voters against rearmament.

REBUFF TO GOVERNMENT

Hesse and Württemberg-Baden rolled up Socialist victories on November 19 in elections widely regarded as a slap at the Christian Democrats, who control the Federal government, for their support of German rearmament.

Federal Chancelor Konrad Adenauer, the Christian Democrats' leader, already has agreed to take west Germany into the projected western defense system. He must obtain approval from the Federal parliament, however.

Bavaria has been a Christian Democratic stronghold since 1946. In the election that year, the party received more than 50 percent of all votes.

This year the Socialists challenged the Christian Democrats in Bavaria solely on the rearmament issue. They argued that the Germans should refuse to take up arms again until they have full independence and enough allied troops in Germany to repel any Soviet attack.

RETURNS TABULATED

The Christian Democrats countered that the danger of Soviet aggression was imminent, and, therefore, Germany should not delay in agreeing to rearm.

At 9:30 a. m. (3:30 a. m. eastern standard time), the still incomplete returns showed this vote:

Christian Democrats, 1,861,455 (29.1 percent of the total).

Socialists, 1,647,537 (25.8).

Bavarian Party (prorearmament), 1,193,899 (18.6).

Refugees (antirearmament, 896,584 (14).

Free Democrats (prorearmament), 418,819 (6.6).

Economic Reconstruction Party (antirearmament), 138,730 (2.2).

Communists (antirearmament), 93,083 (1.5).

Seven splinter parties had polled about 2 percent of the votes.

Mr. LANGER. Mr. President, I further ask unanimous consent that an editorial which appeared in the Saturday Evening Post of November 25, 1950, entitled "Nuremberg Verdicts Cool Ardor of Germany for Defending West," be published at this point in my remarks and call the attention of the Senate to the fact that this editorial was written before the elections, and I state to the Senate that my investigation confirms what the editorial stated.

The VICE PRESIDENT. Is there objection?

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

NUREMBERG VERDICTS COOL ARDOR OF GERMANY FOR DEFENDING WEST

The wife of one of our younger gauleiters in west Germany recently wrote to her family an account of a meeting of a discussion group of young Germans sponsored by the occupation authorities, apparently for the betterment of relations. The subject for discussion on this occasion was How Can Germany Cooperate in the Defense of the West? To the great surprise of the lady whose letter we saw, the young Germans almost unanimously declared that they wanted no part of defending the west, that the west had hanged Germany's leaders and humiliated the German people and that, until the west made some move to restore German honor, the west could jolly well defend itself. Wrote the gauleiter's wife: "It is discouraging that the Nuremberg trials have had so little effect on the attitude of the Germans."

Actually the Nuremberg trials had a catastrophic effect on the Germans, but not the effect that was supposedly intended. There are plenty of reasons why this is so. For example, the Germans know that, while their leaders were tried for crimes against humanity, including the torture of Germans by Germans, the Soviet Union had probably tortured, imprisoned, and murdered 10 times as many individuals as Hitler did. Nobody was tried for such crimes against humanity as the murder of 4,000 Polish officers in the Katyn Forest. The Germans know that representatives of the nations whose air forces destroyed Dresden, packed with refugees, in a single night, and wiped out two Japanese cities with atomic bombs, undertook to try Germans for causing the destruction of cities, towns, and villages and devastation not justified by military necessity. The Germans might be willing to concede that the bombing of London, Coventry, Lidice, and Rotterdam were crimes against humanity, but they don't see why they were any worse than Berlin, Hiroshima, Hamburg, and Tokyo.

Finally, of course, there is the normal closing of ranks when foreigners undertake to punish a nation's leaders. Millions of Germans forgot how they hated the Nazis when a war-crimes tribunal sat in judgment, not only on the Nazi conspirators but on military commanders, and even on anti-Nazis like Baron Weizsaecker, for years the Allies' contact man in the German Foreign Office, or General von Falkenhausen, who, as military governor in Belgium, saved hundreds from the vengeance of the Nazis.

The task of the victors in Germany, with Russians and German Communists leering at them over the wall, is to undo some of the moral and psychological damage of the Nuremberg trials, most of which resulted from our effort to go beyond the punishment of clear violations of the laws of war into elaborate inventions of war crimes which had no previous legal standing. The belated releases of Weizsaecker and others erroneously convicted should help, but we must expect no miraculous changes in German attitude. Recovery from the effects of Morgenthauism and an unrealistic mixture of morality and vengeance cannot occur in a day. It will come only when, as Ferdinand Eberstadt said in his recent statement, Germany and Japan are restored to positions of respectability and responsibility in the United Nations. This does not imply any revision of our attitude toward nazism or aggression, but rather a better understanding of the facts of international life, with special emphasis on the fact that thousands of American boys will have to go to Europe if Europeans can't be persuaded that it's worth while to defend themselves.

AID FOR FLOOD SUFFERERS IN PROVINCE OF MANITOBA, CANADA—INDEFINITE POSTPONEMENT OF CONCURRENT RESOLUTION

The VICE PRESIDENT. There are a concurrent resolution and two simple resolutions coming over from a former session, which the clerk will report.

The legislative clerk read Senate Concurrent Resolution 89, submitted by Mr. WHERRY on May 16, 1950, as follows:

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Congress of the United States that the President should direct the appropriate agencies of the United States to make available immediately the fullest aid consistent with law to the appropriate agencies of the Dominion of Canada in order that the facilities and resources of the United States may assist the Dominion of Canada in giving aid and relief to those suffering as a result of the recent disastrous floods in the Province of Manitoba, and especially in the city of Winnipeg. The physical, financial, and moral support of the United States should be extended to the Canadian people in their hour of need not alone as an act of mercy but as a natural and fitting expression of the historic friendship and kinship of the peoples of the United States and of Canada.

Mr. WHERRY. Mr. President, I ask that the concurrent resolution be indefinitely postponed for there is no further need for such a resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

INVESTIGATION OF DISLOYALTY AMONG EMPLOYEES OF GOVERNMENT—INDEFINITE POSTPONEMENT OF RESOLUTION

The VICE PRESIDENT. The clerk will read the next resolution coming over.

The legislative clerk read Senate Resolution 312, submitted by Mr. WHERRY on July 20, 1950, as follows:

Resolved, That the report of the Committee on Foreign Relations made pursuant to Senate Resolution 231 (relating to an investigation of disloyalty among employees of the Government) be recommitted to the Committee on Foreign Relations, with the following instructions:

(1) The Committee on Foreign Relations shall conduct a full and complete investigation in accordance with the provisions of Senate Resolution 231; or

(2) In the event said committee decides by a majority vote that a continuation by said committee of such investigation is not in the public interest, the committee shall recommend to the Senate the establishment of a trained bipartisan commission, wholly independent of the executive, to conduct a full, complete, and relentless search into the whole subject of foreign penetration of the Department of State and other agencies of the Government in accordance with the provisions of said Senate Resolution 231.

The VICE PRESIDENT. The Chair assumes that, in the language of Grover Cleveland, this resolution is in a state of innocuous desuetude, and without objection, it will be indefinitely postponed. The Chair hears no objection.

FURTHER DISMANTLING OF GERMAN INDUSTRIAL PLANTS — RESOLUTION PASSED OVER

The VICE PRESIDENT. The clerk will read the next resolution coming over.

The legislative clerk read Senate Resolution 324, submitted by Mr. EASTLAND, for himself and Mr. BRIDGES, on August 4, 1950, as follows:

Whereas the outbreak of war in Korea has completely changed the international situation and has confronted the anti-Soviet world with the prospects of a series of new acts of naked aggression; and

Whereas the American people are now asked to make new sacrifices to strengthen the economic, social, political, and military defenses of the anti-Soviet world; and

Whereas such defenses cannot adequately be prepared unless the anti-Soviet world contributes its own full share to this undertaking; and

Whereas the revival of the east German Wehrmacht constitutes the gravest danger to Western Germany; and

Whereas our policies of weakening both the peacetime economic strength and even the military potential necessary to self-defense, of Western Germany, are continuing to play directly into the hands of Russia; and

Whereas economically, Western Germany is burdened with tremendous shortages of peacetime goods together with over 2,000,000 unemployed; and

Whereas, financially, Western Germany is still staggering under an annual one billion deficit in her balance of payments, the cost of which is borne by the American taxpayer; and

Whereas to remedy this dangerous situation, France has offered Germany full partnership in the Schuman plan in order to encourage the full use of the integrated productive capacity of these two nations; and

Whereas 10,000,000 refugees have now been turned over to German and Austrian authorities as additional staggering burdens on their economies by IRO on July 1, 1950; and

Whereas both General Bradley and Mr. Paul Hoffman, together with Senator CONNALLY have now recognized the need to permit Western Germany not only to defend themselves but to make their maximum contribution to the strengthening of the North Atlantic Pact, and Ambassador Charles M. Spofford has been sent as special American Envoy by the American Government to implement such a policy; and

Whereas the State Department reveals that there is still a total of approximately 206 German industrial plants which have either been totally dismantled or which yet remain to be dismantled, all of which are to be shipped out of Western Germany as reparations: Therefore be it

Resolved, That it is the sense of the United States Senate that a complete moratorium be declared on the further destruction, dismantling, or shipment of these plants out of Western Germany until a congressional committee of both Houses of Congress have ascertained whether it is possible—

First, for this remaining industrial plant equipment to be converted to meet the tremendous peacetime needs of western Germany such as housing, and so forth;

Second, whether a maximum contribution to the over-all European defense effort cannot better be obtained by empowering the Bonn Government, which on June 8, 1950, received authority from the Allied High Commission to negotiate and to conclude international treaties, to renegotiate its reparation settlements with recipient countries;

Third, whether an immediate lifting of the ban on steel production and the full utilization of the existing steel capacity under allied supervision and control would not facilitate a flow of steel both to the western European allies and to the United States which the anti-Soviet world now so desperately needs.

Mr. WHERRY. Mr. President, I ask unanimous consent that the resolution be passed over.

The VICE PRESIDENT. Without objection, the resolution will be passed over.

THE NEED OF A UNITED AMERICA—STATEMENT BY SENATOR GRAHAM

[Mr. HOEY asked and obtained leave to have printed in the RECORD a statement entitled "The Need of a United America," made by Senator GRAHAM, which appears in the Appendix.]

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

PROHIBITION OF TRANSPORTATION OF GAMBLING DEVICES IN INTERSTATE AND FOREIGN COMMERCE—CONFERENCE REPORT

Mr. JOHNSON of Colorado. Mr. President, it was my purpose today to call up the conference report on Senate bill 3357, the so-called slot machine conference report, but I am advised that the junior Senator from Nevada [Mr. MALONE] is out of the country and will not return for a few days. Inasmuch as he is extremely interested in this conference report, I shall not call it up until his return.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I thank the distinguished Senator from Colorado for that announcement, as I had been informed by the Senator from Nevada that he would like to be present when the subject comes up. Now that the statement has been made by the Senator from Colorado as a matter of record, I will say I deeply appreciate it.

CALL OF THE CALENDAR DISPENSED WITH

The VICE PRESIDENT. Morning business having been completed, the next business in order is the call of the calendar.

Mr. LUCAS. Mr. President, I ask unanimous consent that the call of the calendar be dispensed with.

The VICE PRESIDENT. Without objection, the call of the calendar is dispensed with.

AMENDMENT OF RAILWAY LABOR ACT

Mr. LUCAS. Mr. President, on the day the Senate adjourned, on the 23d of September, a motion was made to postpone consideration of Senate bill 3295 until November 27, which is today. As the Senate recalls, Senate bill 3295 is a bill to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes under certain conditions.

As I recall, the able Senator from Alabama [Mr. HILL] was debating the bill at the same time the Senate adjourned. The Senator from Alabama was at that time acting more or less on behalf of the Senator from Utah [Mr. THOMAS] who was then campaigning, as I remember. I wonder whether the Senator from Utah who is now present, desires to press further consideration of the bill at this short session.

Mr. THOMAS of Utah. Mr. President, the Senator from Utah wants the bill to remain the unfinished business. If it is desired to bring up other business at this time, however, I shall have no objection to having Senate bill 3295 temporarily laid aside so that other business, which the majority leader may desire brought before the Senate, can be considered.

Mr. LUCAS. In reply to the statement made by the Senator from Utah, I should like to say that in conference with the President of the United States this morning the President stated that he is very anxious that the Senate immediately consider House bill 331, an act to provide for the admission of Alaska into the Union. That is Calendar No. 1932. As we all know, the House of Representatives has passed favorably upon that bill. It has been pending upon the Senate calendar for some time.

Mr. President, I now move that the Senate temporarily lay aside Senate bill 3295 and proceed to the consideration of House bill 331.

Mr. THOMAS of Utah. Mr. President——

The VICE PRESIDENT. The Chair will state that the Senate is still in the morning hour, which lasts until 2 o'clock; and it will not be in order at this time to make that motion, because the bill does not come down automatically.

Mr. LUCAS. I thought the morning hour had been ended.

The VICE PRESIDENT. Morning business has been concluded, but the morning hour ends at 2 o'clock.

Mr. LUCAS. Mr. President, if there be no further morning business to be brought before the Senate, I ask unanimous consent that the morning hour be considered as having been concluded, so we can proceed to the consideration of the bill I have indicated.

The VICE PRESIDENT. Is there objection?

Mr. RUSSELL. Mr. President, I am not sure that I understand the parliamentary situation. Just what was the Senator from Illinois proposing?

Mr. LUCAS. I will say in reply to the Senator from Georgia that I thought the morning hour had been concluded, but the Vice President advises that only morning business has been concluded. I now renew my request that the morning hour be considered as having been concluded.

The VICE PRESIDENT. Is there objection?

Mr. RUSSELL. Mr. President, I should like to know what bill the Senator from Illinois proposed to take up.

Mr. LUCAS. I was proposing that Senate bill 3295 be temporarily laid aside, and that the Senate proceed to consider H. R. 331, which is a bill to provide for the admission of Alaska into the Union. But I have withdrawn that unanimous-consent request in view of the fact that I had been mistaken in my impression that the morning hour had been concluded. Only morning business has been concluded. So when the morning hour is concluded I shall proceed to make the motion.

Mr. RUSSELL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. RUSSELL. Is a motion to lay aside a bill temporarily in order?

The VICE PRESIDENT. No, it is not in order. That can only be done by unanimous consent.

Mr. RUSSELL. That is my impression, Mr. President. That is why I propounded my inquiry. If I correctly understood the distinguished majority leader, he moved temporarily to lay aside a bill. I did not think such a motion was in order under the rules of the Senate.

The VICE PRESIDENT. It is not necessary to move to lay aside a bill which is the unfinished business. A motion to take up another bill, if adopted, displaces that bill automatically.

Mr. LUCAS. Mr. President, I correctly understood the parliamentary situation. The only thing I was trying to do was to protect the position of the Senator from Utah even though it was objectionable. If no one objected, the request could be granted.

The VICE PRESIDENT. The Senator from Illinois has asked unanimous consent that the morning hour be considered as having been concluded; as if the hour of 2 o'clock had arrived.

Mr. WHERRY. Mr. President, reserving the right to object; as I understand, the majority leader is asking unanimous consent that, in view of the fact that the morning business has been concluded, the morning hour now be considered as having been concluded.

The VICE PRESIDENT. The Senator is correct. Is there objection?

Mr. RUSSELL. Mr. President, reserving the right to object, I should like to ask the distinguished Senator if he proposes, if the unanimous consent be agreed to, to make the Alaska statehood bill the unfinished business today?

Mr. LUCAS. The Senator from Georgia is correct.

Mr. RUSSELL. Mr. President, I do not know that there will be any objection to that course tomorrow, but I should like to consult a number of Senators who are interested in the matter. I hope the Senator will not press the unanimous-consent request at this time, but will make the motion tomorrow.

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Wyoming?

Mr. LUCAS. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Mr. President, I desire to state that this morning I consulted the senior Senator from Nebraska [Mr. BUTLER], who is the ranking Republican member of the Committee on Interior and Insular Affairs, with respect to the handling of the statehood bills, and I agreed with him, and he agreed with me, that it would be preferable for all concerned not to take action upon either of these bills today, but if the statehood bill with respect to Alaska should be made the unfinished business, we would then agree not to take it up until tomorrow. As the Senator from Georgia has just stated, many Senators who are not present now are interested in the statehood measures. As a matter of fact, I think that Senators, both opposing and favoring these bills, are not prepared today to proceed with the debate. I think it would not be a proper method to proceed to debate the statehood bills today. So I should like to have it understood that if the request of the Senator from Illinois that the morning hour be terminated is granted and the Alaskan statehood bill is made the unfinished business, it shall then be my purpose to ask that the Senate go over until tomorrow before taking up either one of the statehood bills.

Mr. LUCAS. Mr. President, I have no objection to the suggestion made by the Senator from Wyoming. The only thing I was trying to do was to get the bill before the Senate. If that can be done, and we then can agree to have the bill go over until tomorrow, as has heretofore been agreed upon by the majority and the minority ranking members of the Committee on Interior and Insular Affairs, I shall have no objection.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois that the morning hour be regarded as having terminated?

Mr. RUSSELL. Mr. President, reserving the right to object, far be it from me to interfere with any plans on which the Senator from Wyoming and the Senator from Nebraska have agreed, but I doubt the advisability of making this bill the unfinished business today until more Senators are apprised of the fact that that course of action is to be followed. I shall not object to terminating the morning hour.

The VICE PRESIDENT. The morning hour therefore will be regarded as having terminated.

The Chair lays before the Senate the unfinished business, Senate bill 3295.

The Senate resumed the consideration of the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

STATEHOOD FOR ALASKA

Mr. LUCAS. Mr. President, I now move to set aside Senate bill 3295 and proceed to the consideration of House bill 331.

The VICE PRESIDENT. The question is on the motion of the Senator from Illinois.

Mr. RUSSELL. Mr. President, before that motion is agreed to, I think we should have a quorum present so all Senators may be advised as to the action proposed to be taken. I therefore suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

Mr. WHERRY. Mr. President, will the Senator from Georgia withhold his suggestion temporarily?

The VICE PRESIDENT. Does the Senator from Georgia withhold his suggestion?

Mr. RUSSELL. Yes.

The VICE PRESIDENT. The motion to set aside is not in order. The proper motion is to take up consideration of another bill.

Mr. WHERRY. If agreed, that automatically would set aside the pending business?

The VICE PRESIDENT. Yes.

Mr. WHERRY. That is the motion of the Senator from Illinois?

The VICE PRESIDENT. That is the motion of the Senator from Illinois.

Mr. RUSSELL. And if the motion prevails it would have the effect of sending the so-called railroad bill back to the calendar.

The VICE PRESIDENT. The bill would go back to the calendar.

Mr. RUSSELL. Very well.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Connally	Frear
Anderson	Cordon	Fulbright
Benton	Darby	George
Brewster	Donnell	Gillette
Bridges	Douglas	Green
Butler	Downey	Gurney
Byrd	Eastland	Hayden
Cain	Ecton	Hendrickson
Capehart	Ellender	Hickenlooper
Chapman	Ferguson	Hoey
Clements	Flanders	Holland
Hunt	McKellar	Smith, Maine
Ives	McMahon	Smith, N. C.
Johnson, Colo.	Magnuson	Stennis
Johnson, Tex.	Martin	Thomas, Okla.
Johnston, S. C.	Maybank	Thomas, Utah
Kerr	Millikin	Thye
Kilgore	Murray	Tobey
Langer	Myers	Tydings
Leahy	O'Connor	Wherry
Lehman	O'Mahoney	Wiley
Lucas	Robertson	Williams
McCarthy	Russell	Young
McClellan	Saltonstall	
McFarland	Schoeppel	

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent on official business as chairman of the Committee on Public Works.

The Senator from Alabama [Mr. HILL], the Senator from Tennessee [Mr. KEFAUVER], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Florida [Mr. PEPPER] are absent on official business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Louisiana [Mr. LONG] is absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business, as a representative of the United States to the fifth session of the General Assembly of the United Nations.

The Senator from West Virginia [Mr. NEELY], and the Senator from Idaho [Mr. TAYLOR] are unavoidably detained because of adverse weather conditions.

Mr. WHERRY. I anounce that the Senator from Ohio [Mr. BRICKER], the Senator from Idaho [Mr. DWORSHAK], the Senator from California [Mr. KNOWLAND], the Senator from Oregon [Mr. MORSE], the Senator from South Dakota [Mr. MUNDT], the Senator from New Jersey [Mr. SMITH], the Senator from Utah [Mr. WATKINS] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Missouri [Mr. KEM] and the Senator from Nevada [Mr. MALONE] are absent on official business of the Committee on Public Works.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from Indiana [Mr. JENNER] and the Senator from Ohio [Mr. TAFT] are unavoidably detained.

The VICE PRESIDENT. A quorum is present.

The question is on agreeing to the motion of the Senator from Illinois.

Mr. LUCAS. Mr. President, during the quorum call the motion I made a moment ago was discussed by various Members of the Senate who are vitally interested in this matter. It was agreed that I would enter the motion, but that we would take no action on it until tomorrow. I think that is satisfactory to everyone who is interested in this very important piece of proposed legislation.

The VICE PRESIDENT. Unless a recess, instead of an adjournment, is taken, the motion will die.

Mr. LUCAS. I shall try to have the Senate take a recess. I think that will be possible.

Mr. THOMAS of Utah. Mr. President——

Mr. LUCAS. I yield to the Senator from Utah.

Mr. THOMAS of Utah. Mr. President, I think I should enlighten the Senate by informing it of the fact that the bill of which I am in charge is the unfinished business. I think I should at least make this statement before action is taken on the request of the majority leader.

The bill did receive some consideration before the adjournment was taken; and as the Senator from Illinois has already said, the bill was taken care of by the Senator from Alabama [Mr. HILL]. In light of the President's message in regard to Alaska, I cannot object in any way to the motion the majority leader is going to make. I think the Senate should proceed with the Alaska statehood bill after receiving, and especially because of, the message the President of the United States has sent here.

Mr. LUCAS. I thank the distinguished Senator from Utah.

I believe that I should state for the record that the measure just referred to by the able Senator from Utah has not passed the House of Representatives. I have been informed that the Rules Committee of the House failed to grant a rule prior to the date when Congress adjourned in September. I have serious doubt that such a bill can pass the House under the prevailing conditions.

Mr. WHERRY. Mr. President——

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. WHERRY. I should like to make a further inquiry. Of course the motion is debatable; but for the RECORD, so that all Members who have heard this colloquy will know what the situation is when the motion comes up later, if the Senate takes a recess now, without having further debate today on the motion, I think I should state that the motion is debatable.

The VICE PRESIDENT. The motion is debatable.

Mr. LUCAS. Mr. President, if there is no further business to come before the Senate at this time, I shall move that the Senate stand in recess.

THE FEDERAL BUREAU OF INVESTIGATION—REVIEWS OF BOOK BY MAX LOWENTHAL

Mr. HICKENLOOPER. Mr. President, there is a very brief statement, of about 5 minutes' duration, which I should like to make at this time, if the Senator from Illinois will yield to me for that purpose.

Mr. LUCAS. Yes. I ask unanimous consent that the Senator from Iowa be permitted to speak for 5 minutes at this time.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. HICKENLOOPER. Mr. President, in the Washington Post of November 26, 1950, there are published two reviews of a recent book entitled "The Federal Bureau of Investigation," by Max Lowenthal, New Deal mystery man of Washington.

The first review is by Rev. Edmund A. Walsh, S. J. Reverend Walsh is known to the world as an opponent of communism and a devoted supporter of the American way of life. I ask unanimous consent that the review by him, as published in the Washington Post of November 26, be incorporated in the RECORD at this point.

There being no objection, the review was ordered to be printed in the RECORD, as follows:

A LAWYER'S INDICTMENT IN MOOD OF PROSECUTOR

(By Rev. Edmund A. Walsh, S. J.)

This thick volume—of which 90 pages are devoted to citation of sources and index—reviews the record of the FBI since it was first organized in 1908 by Attorney General Charles J. Bonaparte. Readers who take up Mr. Lowenthal's book, as the present reviewer did, in the pleasurable anticipation of perusing a balanced and objective historical study of the Federal Bureau of Investigation will be rudely disappointed. What the author has produced is a lawyer's indictment of the FBI in the style and mood of a prosecuting attorney.

Mr. Lowenthal specializes on those chapters of the Bureau's record which he describes as "little known, having been forgotten or sparingly publicized." Since he is drawing an indictment, not writing a biography, he selects his material with an eye to getting a conviction. He clearly conceives the FBI as a distinct menace to the security and liberties of the people of the United States. It will take some tall persuading to get such a verdict from the American people at the present, most dangerous crisis in our national existence.

Proceeding chronologically in his account, Mr. Lowenthal declares the bureau to have been an illegitimate child from the very moment of its conception; it was quietly brought into existence by Attorney General Bonaparte, without any approval of Congress, in 1908. This bar sinister, he argues, has characterized its growth and made it a progressively unwarranted and illegal interloper in the field of crime detection and crime prevention.

But before the reader meets the specific arguments in support of these allegations, he will notice a choice of words and phrases designed to slant the mind toward unfriendliness; thus the agents of the FBI are commonly called detectives, with considerable quotations from hostile witnesses who maintain that no detective can have high moral ideals, since he must always lead a life of deception. Increased responsibilities laid on the Bureau from time to time by Congress are described as greatly augmenting the business of the FBI. When the Bureau set itself to analyze communism in directives for its field agents, Mr. Lowenthal refers with sarcasm to the detective historians. By introducing comparisons between the FBI and the Czarist secret police of former times, the "hated black cabinet of St. Petersburg," he suggests guilt by analogy. Examples of such well-known propaganda techniques abound throughout the text.

In his citation of native-born Americans who had expressed opposition to FBI interference in matters of a political character, Mr. Lowenthal reproduces with approval the testimony of John Reed, an early enthusiast for freedom of speech in this country during World War I. But he omits entirely the relevant fact that John Reed's loyalty lay with Soviet Russia; he went to Moscow, espoused the cause of Lenin, and lies buried as a hero just outside the Kremlin wall. On a wintry afternoon in November 1922 the present reviewer wandered through the Red Square out of a curiosity to see the last resting place of that brilliant, but erratic Harvard graduate.

In working up to the main allegation of illegality in certain FBI activities, Mr. Lowenthal, at one point, devotes something like four pages to quotations from Mr. J. Edgar Hoover's analysis of communism as an international menace. These reports were compiled while Mr. Hoover was in a subordinate position in the Bureau, over 30 years ago. His analysis, and foresight, however, reveal how accurately he had penetrated even then to the tangled roots and hidden objectives of the Communist organization both in the United States and elsewhere. Communism, he knew, is like the mass of an iceberg: one-ninth above water, the rest out of sight.

Mr. Lowenthal's quotations are textually accurate; but the tone of his comment and the choice of words in weaving the excerpts together convey a subtle sense of ridicule and boredom similar to the sophisticated posing of the pseudo-liberals during the unlamented pink decade. Always he is the prosecuting attorney, now indignant and positive, now cajoling and insinuating.

He frequently beclouds the difference between unorthodox opinions and Communist advocacy of violence under pretense of free speech. But he is too late. Verdict has already been handed down—in Korea as well as by recent history in the captive lands behind the iron curtain and by the performances of Mr. Malik and Mr. Vishinsky in the United Nations.

What Mr. Hoover contended for in those early years has now become the law of the land. On May 8, 1950, the Supreme Court, in the case of American Communications Association versus Douds, upheld the provisions of the Taft-Hartley Act in requiring an oath of nonmembership in the Communist Party from officers of a labor union as a prerequisite to profiting from the law. Mr. Justice Jackson delivered a notable opinion on the difference between the Communist Party and all other legitimate political groups in American history.

After analyzing the objectives of communism and the violent and undemocratic methods it adopts, the Justice declared that every member of the Communist Party is an agent to execute the Marxist program and hence to seize powers of Government in this country by force and violence; the entire conspiracy, he declared, is directed and controlled by a foreign government.

At certain stages in his long brief, Mr. Lowenthal steps on somewhat firmer ground than the unsubstantial foothold provided by dislike for Mr. Hoover, against whom he has worked up an elaborate personal vendetta. The claims of overzealousness in search and seizure during the Palmer raids and deportations of 1919–20, are resurrected. The legitimate complaints of some Senators and dissenting lawyers at that time are all compiled with a meticulousness and thoroughness not found in assembling the later record of constructive service and successful dealings with kidnaping, sabotage, and espionage. The shadows are deep black and the highlights always faint.

The precipitate actions charged as illegal procedure against some agents of the bureau in selected cases over the 42 years of its activities have always met the corrective influence of the courts, the Congress, and the press. Wire tapping at present is under public scrutiny and the Attorney General has made a ruling on the limited occasions when it may be employed.

One of the best contributions of the Greek philosophers was their ability to see life steadily and see it whole. Mr. Lowenthal's fears of an American Gestapo or an MVD in the United States are manufactured fears. The analogy of a police state, which he labors to picture, ignores the essential and permanent difference between police power in a controlled democracy and in an uncontrolled dictatorship. The very publication of Mr. Lowenthal's book at this time is a shining example of one important difference.

The FBI, moreover, must come, hat in hand, to plead yearly for its budget before a

congressional committee. Special investigations are available when required. An alert and vociferous opposition party in the Congress will not let opportunity pass for embarrassing the incumbent administration, should authentic and substantive abuses be discovered in the Department of Justice. The Supreme Court has more than once reversed a policy or action of a President without the intimation being raised that the Presidency be abolished.

Mr. Hoover's immediate superiors have been Cabinet officers responsible to the Chief Executive as well as to the Congress. Not one of them, Republican or Democrat, has raised the pother of trivia assembled in this book. After every flurry and investigation, Congress consistently voted the necessary funds and refused to hamstring the Bureau.

Mr. Lowenthal is greatly alarmed over secret files. The danger of FBI records being diverted to unlawful use is no greater per se than that attending any accumulation of confidential reports in the State Department, in local police files, in hospitals, in the archives of the Armed Forces, in the records of practicing physicians and lawyers. The mounting expenses and budget of the FBI are cited as indication of empire building and growing extravagance. No comparable figures are produced to show the over-all increase in all Government departments in recent years, a trend so marked and comprehensive as to bring about the Hoover (Herbert) Commission on the Reorganization of the Federal Government. The recurrent drive to bring all employees of the FBI under civil service is renewed by Mr. Lowenthal despite the consistent refusal of the Congress to do so.

The Director of the Bureau, Mr. J. E. Hoover, is criticized for his speech-making and alleged publicity proclivities; but no mention is made of the frequent appearances of other high Government officials on lecture platforms, at political gatherings, at picnics, and on Nation-wide electioneering tours. Exception is taken to the practice of former FBI agents accepting lucrative positions in private industry. No mention is made of the scores of former Government officials and Senators who have opened offices in Washington for the practice of law or for other purposes in which their experience and special knowledge of government is of great benefit to their clients. Mr. Lowenthal himself, when recently questioned by the House Committee on Un-American Activities, was accompanied by a lawyer who had been a distinguished Member of the Senate.

The publications of the Bureau on crime prevention, juvenile delinquency, and similar community problems are denounced. But no mention is made of the tons of Government literature published and distributed by other agencies on such subjects as soil conservation, gardening, rotation of crops, fertilizers, pest control, peanut crops, and the ravages of termites.

The training programs of the Bureau, including both agent training and the police academy for officers of the various State, municipal, and county jurisdictions, are criticized either as inexpedient or an infringement of State jurisdiction. * * * In sober judgment this latter activity, now called the FBI National Academy, has been a highly laudable demonstration of the voluntary cooperation now existing between the Federal agency and the numerous State and local police units. The lack of such a unified front against criminality and the ready refuge thus afforded to criminals was one of the defects in crime enforcement cataloged by the President's Research Committee on Social Trends (1933).

High officials and men of lower rank from local police jurisdictions throughout the Nation have assembled regularly since 1935 in the halls of the FBI for advanced courses in professional police work. During the past 15 years 2,252 of them, including sheriffs and parole officers, came to Washington at their own expense, paid for their own board and lodging for 3 months, and returned to their respective communities fortified in morale and improved in technique. Among the trainees were representatives of Scotland Yard, the Royal Canadian Mounted Police, and other foreign governments, such as Egypt, China, and the Netherlands. The present reviewer has personally interviewed dozens upon dozens of these graduates of the FBI National Academy and found no evidence of the sinister doubts and suspicions apparently lurking in Mr. Lowenthal's mind.

It may be asked, Has this anthology of anti-Hooverisms no merit whatsoever? Its sole contribution would seem to consist in having swept up and put between book covers about all that has ever been said or imagined in defamation of the FBI. Consciously or unconsciously, Mr. Lowenthal has compiled a quick reference manual for all hostile elements, foreign and domestic, who seek ammunition for destroying confidence in one of our most trusted security agencies.

Mr. HICKENLOOPER. The second review is written by Joseph L. Rauh, Jr., who is listed as a former MacArthur staff officer, former Deputy Housing Administrator, and now a Washington lawyer.

The Post neglects to tell all the facts about Mr. Rauh, Jr., such as, for example, that he was chairman of the National Committee for Democratic Action, or that in February of 1950 he distributed to Members of Congress a speech in which he gave a distorted account of the work of the FBI.

One may well inquire whether the writing of Mr. Rauh is his own or whether it is from the pen of Lowenthal, Felix Frankfurter, or William W. Remington. Incidentally, Remington's perjury trial is scheduled to begin today.

The Post omits stating that Mr. Rauh is a former Frankfurter law clerk friend of the Hiss brothers, and at the present time the attorney for Remington, who stands accused of perjury in denying his Communist membership.

Mr. Rauh, Jr., is a friend of James L. Fly, of Americans for Democratic Action notoriety. As a matter of record, Mr. Rauh has been very articulate in his denunciation of the entire loyalty program and the efforts to rout Communists out of Government offices.

On February 17, 1942, there appeared in the newspaper PM a story by I. F. Stone, concerning lend-lease. This is the same Mr. Stone whom Cordell Hull publicly labeled a "liar." The story dealt with such phases of lend-lease as could only have been known to high lend-lease officials.

Mr. Rauh was at the time a top attorney in that agency. Shortly thereafter he quietly resigned. If, as some people believe, he "leaked" this story to the left-wing press, one can more readily understand Rauh's views on the loyalty program, on the work of the FBI, and on the book of Max Lowenthal's.

I cite these facts concerning Mr. Rauh's background merely for the information of my colleagues, so that they may evaluate the quarters from whence comes the inspiration for such an attack on the FBI as that made by Max Lowenthal.

For my personal belief, I have had the opportunity of close observation of the work of the FBI for a number of years. I know the Director and many of the top staff personnel of the Bureau. I have the greatest admiration and respect for the integrity of the Director, Mr. J. Edgar Hoover, and his staff personnel. He has operated the Federal Bureau of Investigation on the basis of service to the American people and the integrity of our American system. He has zealously and alertly investigated the activities of subversives and criminals who would undermine our national structure, and he has repeatedly warned the country about the dangers of indifference. He has been vigilant, and for this he is, of course, condemned repeatedly by the left wing reformers who would "make America over."

The American people have confidence in Mr. Hoover and in his administration of the Federal Bureau of Investigation. Such biased attacks as those made by Mr. Lowenthal in his book should serve to sharpen the awareness of the public to the fact that there are elements in the United States who would rejoice greatly if through propaganda or otherwise the confidence in the great service rendered by the FBI could be shaken or destroyed.

Mr. Lowenthal can write any kind of book he wants to, I presume, but certainly his Objective Picture of the FBI appears to be not objective but an utterly biased piece of propaganda and I have no doubt it will be so received by the American people.

Mr. President, I should like to incorporate at this point in my remarks an article by Bert Andrews, which appeared in the New York Herald Tribune of November 22, 1950, under the headline "Book attacking record of FBI by Truman friend stirs dispute."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

BOOK ATTACKING RECORDS OF FBI BY TRUMAN FRIEND STIRS DISPUTE—MAX LOWENTHAL'S VOLUME IS EXPECTED TO RALLY J. EDGAR HOOVER'S FRIENDS IN CONGRESS

(By Bert Andrews)

WASHINGTON, November 21.—A book written by a close friend of President Truman—a book which many believe was done with the hope of destroying J. Edgar Hoover, Director of the Federal Bureau of Investigation—is having many effects that are just about opposite to those designed by the author, Max Lowenthal.

The situation as it shapes up today can be disclosed on the basis of considerable research, concrete and circumstantial evidence, the application of logic and the study of another volume by another friend of President Truman, who might well say by now:

"Protect me from book-writing friends."

The situation resulting from the publication of Mr. Lowenthal's The Federal Bureau of Investigation, by William Sloane Associates, is this:

1. Mr. Lowenthal's book comes as a last bit of evidence which justifies bringing into the open a matter that many observers in Washington have known about for a long time. This is that President Truman has little use for Mr. Hoover and probably would have had his Attorney General oust him long since if he wasn't fully aware that a majority of the Congress would rise up in wrathful protest.

2. The volume has brought Mr. Lowenthal under prompt counterattack from congressional friends of the FBI, and this, of course, hasn't displeased the FBI. The congressional friends have brought out that Mr. Lowenthal knew Alger Hiss, convicted of perjury on charges growing out of his relationship with Whittaker Chambers, one-time courier for the Russians. The congressional friends have brought out, too, that Mr. Lowenthal associated with Lee Pressman and a long list of others who either turned out to be Communists or denied it on the ground that an admission might incriminate them.

3. The Lowenthal onslaught on Mr. Hoover is bound to bring Mr. Hoover's friends on Capitol Hill to his defense when the "lame duck" session convenes on November 27 and when the Eighty-second Congress takes over on January 3 after the "lame ducks" limp out.

ON LOWENTHAL'S SIDE

On Mr. Lowenthal's side, there are these points:

1. The critics of the FBI are hailing it a masterful presentation of the views they have always held.

2. It will be widely read and, if read alone, might well convince a reader that the FBI was a Gestapo or was trying to be one.

3. One reason it will be widely read is that more free copies have been distributed in Washington than are usually sent out. Three copies were sent to the Washington Bureau of the New York Herald Tribune, for example, where usually publishers send only one. President Truman and his aides in the White House may—and probably will—deny that he has any intention of chopping the Hoover head off. (And nothing in this article, incidentally, is meant to suggest that the President has read or approves of the Lowenthal book.)

DANIELS BOOK CITED

However, the research supplies such point-by-point logic as the following—and supporting quotations will follow:

A. There has been talk for years that President Truman's dislike for Mr. Hoover dates back to the time the FBI took part in the investigation that led to the downfall of the late Thomas J. Pendergast, the President's original political sponsor.

B. There has been talk also that the dislike has increased over the years.

C. Jonathan Daniels, former White House adviser, in The Man of Independence emphasized that President Truman and Mr. Lowenthal have long been friends.

D. Mr. Daniels gave reporters the impression that President Truman had read his book in manuscript and approved of all of it.

E. This would mean that President Truman approved of the passages extolling Mr. Lowenthal and telling of their friendship.

F. Mr. Lowenthal in his book has a couple of examples of what seem to be inside dope on President Truman's feeling toward Mr. Hoover, as, for example, his statement that the President twice rejected suggestions—once in 1950 and once some years earlier—that Mr. Hoover be made the over-all head of a superintelligence agency including the FBI and the Central Intelligence Agency.

1949 PRESS CONFERENCE

G. At one press conference in June 1949, President Truman was asked if Mr. Hoover had his confidence. He replied that Mr. Hoover had done a good job. A reporter said: "You said last week that all these investigations just amounted to a lot of headline hunting. Does that include Hoover?" The President told the reporter he could assay that situation as well as the President could. He was asked if he conferred with Mr. Hoover from time to time. He replied that Mr. Hoover makes reports to him from time to time and that he conferred with him through the Attorney General.

H. Nevertheless it is known that the President hasn't called Mr. Hoover in in a long time for a conference. This is in decided contrast to the actions of his predecessor, the late Franklin D. Roosevelt, who consulted frequently with Mr. Hoover.

So, it seems:

That President Truman doesn't like Mr. Hoover and would like to see him out.

That Mr. Lowenthal certainly doesn't like Mr. Hoover and would like ditto.

The circumstantial evidence in Daniel's book telling how Mr. Hoover arrived in Kansas City on April 4, 1939, how Mr. Pendergast was indicted on April 7 on insurance fraud charges, and how President Truman reacted with the words:

"Pendergast has been my friend when I needed it. I am not one to desert a ship when it starts to go down."

There is another passage—showing what a good hater President Truman can be—which observes that President Truman refused to reappoint the district attorney, Maurice Milligan, after he became President in 1945.

But the most interesting passages, in the light of the Lowenthal book, are the Daniel's discussions of the Truman-Lowenthal friendship.

Some of them follow:

Page 234 tells how "a self-effacing but ubiquitous man named Max Lowenthal" worked in 1936 for a Senate subcommittee investigating railroad finances and how Senator Truman became chairman of the subcommittee just as hearings about the Missouri Pacific came up.

Mr. Daniels writes:

"Max Lowenthal and other members of the staff of the subcommittee were a little disturbed about this unexpected coincidence of a Missouri railroad and a Missouri Senator. They pointed to Truman that some of the things which would come out in the investigation might embarrass him at home.

"'No', Truman told them. He would not be embarrassed.

"'Then,' said Lowenthal, 'some of the lawyers told Truman that some of the exhibits were pretty hot stuff and it would be possible to just put them into the record without bringing them out in the hearing.

"'No,' Truman told them. 'Treat this just as you would any other hearing.'

"The messages and telephone calls, telegrams, and letters began pouring in from Missouri asking him, first: to stop the hearings on the Missouri Pacific and, second: to go easy on it.

"LIKE ANY OTHER HEARING

"'Treat this like any other hearing,' Truman told them again. Lowenthal, who had had the image of the Pendergast office boy in his mind when Truman had assumed the chairmanship, was impressed. He began to watch this Senator from Missouri. Unnoticed then, his methods in investigation were the same which made his Truman committee later so effective in the war effort. He combined the politician's ease with the public servant's determination.

"'There were not half a dozen Senators then who would have withstood the pressure he took,' Lowenthal said.

"Casually one day, but with the secret feeling of a man offering a well-earned accolade, Lowenthal suggested to Truman that he would like to take him to see his friend Justice Louis D. Brandeis. Brandeis was over 80 then and had become, with Oliver Wendell Holmes, one of the two great judges of the American liberal tradition. Brandeis' California Street apartment had become a Washington institution when Lowenthal invited Truman to go with him there. Truman regarded him very seriously.

"'I'm not used to meeting people like that,' he said.

"It was true. Most of his growth and studying had been free from great intellectual companionship, as his voracious reading as a small-town boy had been largely self-directed.

"After his first meeting with Brandeis, he went often to California Street, almost every other week, to the open houses which the justice held for his selected friends."

FRIENDSHIP CONTINUES

The Truman-Lowenthal friendship continued over the years.

Mr. Daniels writes of 1944:

"His new stature as chairman of the Truman committee suggested him to some as a solution to them. His friend Lowenthal had been one of those strongly urging him to run for the Vice Presidency. And on one of the last Sundays before the convention in Chicago he called Truman's secretary, Bill Boyle, about it.

"Lowenthal went up to the Senate Office Building to see Truman. They talked in the Sunday quietness of that huge building.

"Truman said he had talked it over with the Mrs. and had decided not to be a candidate. Also, he had a daughter and the White House was no place for children.

"That statement suggests that there was a time before the convention when Truman was thinking and thinking hard about the nomination. The statement Lowenthal remembers about the child and the White House emphasizes the current political calculation that the Democratic Vice Presidential nominee that year would probably become President of the United States.

"'He drove me home,' Lowenthal said. 'We stopped at his apartment on Irving Street to get his bags, then he dropped me at my house in Chevy Chase.'

"Somewhere along the way Truman told Lowenthal that he was too poor to think about running. And he used an earthy American expression about the lack of both a pot and a window. Lowenthal was still arguing, reluctant to agree, when he got out of the car at his own house."

The Daniels' description of the Truman-Lowenthal friendship is cited at length because of a passage in Mr. Lowenthal's book, in which he says President Truman twice rejected the suggestions that Mr. Hoover be made the top, over-all head of espionage and counterespionage.

This was not general knowledge at the times Mr. Lowenthal lists.

This reporter has learned that the suggestions came from the Military Establishment and that President Truman would have none of them. Mr. Lowenthal, after noting that Congress voted Mr. Hoover a salary raise and praised him, goes on to say:

"There are some indications, however, that the views * * * are not universally held by Americans interested in effective counterespionage. President Truman, when he set up the CIA (Central Intelligence Agency) as a new espionage and counter-espionage organization, disregarded suggestions that Mr. Hoover himself should become the head of any such superintelligence organization. In 1950, when the President made a new appointment to the post, he again disregarded the suggestions that Mr. Hoover be promoted to that position. Indeed, when the President created the CIA he went further and withdrew from the FBI authority it had possessed for 7 years in counterespionage work throughout Central and South America."

LAW-ENFORCEMENT REPORT

Mr. Lowenthal makes much of the fact that a Senate committee of which Mr. Truman was a member issued a report on law enforcement which while specifically stating that its charges were directed against the FBI, acknowledged that it was aimed at that police unit.

Mr. Lowenthal a number of times uses quotes of President Truman to criticize quotes of Mr. Hoover, as for example:

"In May 1950, Mr. Hoover described the Communists as the most dangerous and one of the most powerful forces in the United States.

"But some informed authorities believe otherwise today, as in the past. In 1950, President Truman gave his opinion, 'we know that the greatest threat to us does not come from the Communists in this country. Communism has little appeal for people who are healthy, well-educated, prosperous, and free. The fact of the matter is—because of the measures we are taking—the internal security of the United States is not seriously threatened by the Communists in this country.'"

To sum up the Lowenthal-FBI feud:

Mr. Lowenthal has started quite a free-for-all.

The FBI, while officially making no comment, is fighting back through its friends on Capitol Hill. One example of this came when Congressmen circulated a House Committee on Un-American Activities report of testimony taken from Mr. Lowenthal on September 15. The committee showed much interest in Mr. Lowenthal's associations with many men who have been labeled as Communists or fellow travelers by witnesses before the committee.

LOWENTHAL TESTIMONY

Mr. Lowenthal showed much interest in pointing out that he had done extensive work for the Government and in stating:

"In the course of 38 years I have met tens of thousands of people, and worked with them, too. I have dealt with many organizations. I think if you take it in proportion to the sum total of what I have been engaged in, all these questions, even if the answer was 'yes,' to them, wouldn't amount to a hill of beans in proportion."

One Washington opinion of the Lowenthal book was voiced by Rex Collier, in the Evening Star. It noted that the publisher, William Sloane Associates, Inc., of New York, said the book with its "unbiased and profoundly conservative approach" would lead "to some startling conclusions." Mr. Collier said: "One conclusion of this reviewer is that this is the most nonobjective objector book on the FBI ever published."

John Keats, in the Washington Daily News, noted that no one can ever do an inside job on the workings of the FBI, because the FBI won't yield the necessary information.

Mr. Keats added:

"No evil can come from the public's critical examination of the country's Federal police, if it is done thoughtfully and objectively. This book starts the discussion. This country has been singularly free from activities of secret police. The time is probably now to find out whether it needs more or less of this commodity, and how to check its activities in terms of our budget as well as our political philosophy."

All in all, it's quite a "rhubarb."

Mr. HICKENLOOPER. Mr. President, I should also like to incorporate as a part of my remarks at this point an editorial entitled "Smearing the FBI," from the New York Herald Tribune of November 23, 1950.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SMEARING THE FBI

Had the FBI been made the victim of an ordinary smear artist the results would have been deplorable enough. The attack made by Max Lowenthal in his newly published book (The Federal Bureau of Investigation) is, however—by reason of its method and circumstances—particularly obnoxious. This lengthy volume, with its outward pretense to authoritativeness and objectivity, could easily be mistaken for a factual guide to the course of the FBI during its 42 years of existence. It is only when the text has been examined that the author's manner and aims become clear. Mr. Lowenthal has strung together an exhausting series of quotations from public records, inconclusive, tendentious and frequently out of context, designed to have the cumulative result of implying that the FBI has been ineffectual, prejudiced, concerned chiefly with notoriety for itself, and careless of the civil liberties of the citizens. The book's publication occurs at a time when the FBI's activities against Communist infiltration require—as indeed they merit—an unhesitating public confidence; and the whole venture is made the more disturbing by suggestions of White House encouragement.

What is the truth? The FBI under J. Edgar Hoover has been a vigilant and highly effective agency in the fields of crime over which it has jurisdiction. In the more pervasive and general assignment which the Communist conspiracy cast upon it, the FBI has been as alert as it has been fruitful in results. Throughout there has been a sharp awareness on the part of the Director of the need for a Federal policing agency to work within the rigid lines laid down by the Constitution, and within the frame of values of a free, liberty-loving people. The American Civil Liberties Union last summer wrote to Mr. Hoover, congratulating him on the fine balance he had maintained in dealing with the serious and intricate problem of national security in relation to civil liberties. This judgment finds no place in the pages of Mr. Lowenthal's book, but it is one that will be echoed by every impartial observer who has watched national police agencies in other countries ride roughshod over individual rights.

Americans have every reason to be proud of the FBI and thankful for the record of the man who for more than 25 years has shaped and directed its activities. It would be nothing less than a calamity if, at this crucial moment in the Nation's life, the insinuations and distortions of the Lowenthal book were to undermine Mr. Hoover's position or to cast doubt upon his work.

Mr. HICKENLOOPER. Mr. President, I should like also to incorporate at this point in my remarks an editorial entitled, "Harry Gunning for Hoover?", from the New York Daily News of Monday, November 27, 1950.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

HARRY GUNNING FOR HOOVER?

J. Edgar Hoover, we mean, Chief of the Federal Bureau of Investigation; and the Harry mentioned above is Harry S. Truman.

Widespread curiosity as to whether Harry is after Mr. Hoover's official hide has been inspired by the recent publication of a book which savagely and, we think, unfairly attacks Hoover and the FBI.

Author: Max Lowenthal, lawyer, long-time pal of Reds and fellow travelers, persistent smearer of the FBI, and close friend of Mr. Truman.

Title of the book: The Federal Bureau of Investigation, William Sloane Associates, New York, 1950; 559 pages, $4.50.

As is well known, Mr. Truman seldom has been more than formally polite to J. Edgar Hoover. It is widely believed that the President would like to get Hoover fired off the FBI if he could.

In his book, Mr. Lowenthal has collected just about every unfavorable criticism ever made of the FBI and Mr. Hoover. Some of our own editorials, for example, are quoted from, pieces we printed about 10 years ago, when we felt that Mr. Hoover was being far too zealous in trying to enforce the largely unenforceable Mann Act.

We still think that criticism was justified. But the short-lived Mann Act hullabaloo was virtually the only Hoover performance we ever took exception to. We believe the FBI's anti-Communist, antispy, and antisabotage services to this country have been and are invaluable.

To hear Lowenthal tell it, the FBI is a bungling, antidemocratic secret-police organization using methods resembling those of Stalin's MVD and the late Hitler's Gestapo, and a serious threat to civil liberties.

Hoover himself is portrayed as a cross between A. Mitchell Palmer (hysterical Attorney General in Woodrow Wilson's time) and the late Dr. Paul Joseph Goebbels, Hitler's propagandist-in-chief. He gets no credit for keeping effective tabs on the Communist traitors, for helping importantly toward conviction of the 11 top United States Reds on conspiracy charges, or for safeguarding American institutions and customs in numerous other ways.

If President Truman didn't give his friend Lowenthal's smear volume a friendly nod, as is being widely surmised, why not just repudiate the book publicly as an unjustified attack on a top-value American?

If Harry actually is gunning for Hoover, he will have Congress to reckon with. In that body, any serious Truman attempt to get Hoover seems 98 percent likely to draw a rebuff which will leave Harry wondering for days afterward what hit him.

In case you're curious about the kind of people Hoover is up against in his FBI contests with United States Reds, we recommend another recently issued book, The Front Is Everywhere, by Lt. Col. William R. Kintner, University of Oklahoma Press, Norman, Okla.; 274 pages, 9 illustrations, $3.75.

Colonel Kintner discusses the communism versus freedom front all over the world outside the iron curtain, with particular reference to the United States.

The world-wide Communist Party, he finds after exhaustive study of its set-up and its official literature, is not a political party like the Democrats or Republicans, but an army. It is organized on military lines like any other army. Its membership is highly disciplined, fanatically loyal to the Moscow high command, and prepared to jump into battle for the overthrow of existing governments wherever and whenever the opportune moment arrives.

COMMUNIST PARTY IS REALLY AN ARMY

It's a mistake, says Kintner, to try to treat these people as if they were members of just another political party. The way to deal with them, he insists, is to handle them as traitors—persons sworn and determined to topple our social system and bring in Stalinism in an unconstitutional way.

This is the kind of thing J. Edgar Hoover and the FBI have been fighting for years, and are still fighting. They have to fit their methods to the enemy's tactics and strategy, or they can't hope to win.

Because they have been and are so successful, they are at the top of the United States Communists and fellow travelers' hate list, and are libeled, smeared, and vilified in every way these traitors' brilliant imaginations can invent.

It will be interesting to watch how big a play Lowenthal's attack on the FBI gets in various broad-minded newspaper and magazine book review columns, and how little a play, if any, is given Colonel Kintner's cold-turkey diagram of the underground Red army as now organized in this and all other non-Stalinist countries.

Mr. HICKENLOOPER. Mr. President, as I close my remarks, I should like to refer to a speech regarding Mr. Lowenthal, entitled "A Man of Mystery," made

in the House of Representatives on Friday, September 1, 1950, by Representative DONDERO. I shall not ask to have it incorporated at this point in my remarks, because it is already in the RECORD, at page 14150.

I thank the Senator from Illinois for his courtesy.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 12 o'clock and 51 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, November 28, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate November 27, 1950:

DEPARTMENT OF DEFENSE

Robert A. Lovett, of New York, to be Deputy Secretary of Defense, a position to which he was appointed during the last recess of the Senate.

Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense, a position to which she was appointed during the last recess of the Senate.

DEPARTMENT OF LABOR

Robert T. Creasey, of Texas, to be Assistant Secretary of Labor, United States Department of Labor, following recess appointment.

DIPLOMATIC AND FOREIGN SERVICE

Walter S. Gifford, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

Howard H. Tewksbury, of New Hampshire, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay, to which office he was appointed during the last recess of the Senate.

Sidney H. Browne, of New Jersey, now a Foreign Service officer of class 2 and a secretary in the diplomatic service, to be also a consul general of the United States of America, to which office he was appointed during the last recess of the Senate:

Robert Y. Brown, of Alabama, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America, to which office he was appointed during the last recess of the Senate.

The following-named persons for appointment as Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America, to which offices they were appointed during the last recess of the Senate.

Charles C. Adams, of New York.
John A. Baker, Jr., of Connecticut.
Michael P. Balla, of Pennsylvania.
Harry G. Barnes, Jr., of Minnesota.
Alf E. Bergesen, of New York.
Lawrence H. Berlin, of Illinois.
James R. Billman, of California.
Vincent S. R. Brandt, of Rhode Island.
Samuel C. Brown, of Rhode Island.
Frank N. Burnet, of New York.
Pratt Byrd, of Kentucky.
Thomas A. Cassilly, of Maryland.
Christian G. Chapman, of New York.
John M. Cluff, of California.
Carleton S. Coon, Jr., of Massachusetts.
Frank J. Curtis, Jr., of Pennsylvania.
Richard C. Davis, of Pennsylvania.
Arthur R. Day, of New Jersey.
Jonathan Dean, of New York.
Dexter W. Draper, Jr., of California.
Walter H. Drew, of Colorado.
William L. Eagleton, Jr., of Illinois.
Carl J. Erickson, Jr., of Washington.
Richard D. Geppert, of New Jersey.
Herbert I. Goodman, of Pennsylvania.
Lindsey Grant, of New York.
James C. Haahr, of Minnesota.
Roland F. Haney, of California.
Gordon G. Heiner 3d, of Maryland.
William A. Helseth, of Florida.
Benjamin C. Hilliard 3d, of West Virginia.
Max E. Hodge, of New York.
Roscoe L. Hoffacker, of Arizona.
Robert A. Hurwitch, of Illinois.
Walter E. Jenkins, Jr., of Massachusetts.
James R. Johnston, of Ohio.
William M. Kahmann, of Missouri.
Lowell Bruce Laingen, of Minnesota.
Paul Baxter Lanius, Jr., of Colorado.
John C. Leary, of Massachusetts.
Philip M. Lindsay, of California.
Leo Michael Linehan, of Massachusetts.
Walter M. McClelland, of Massachusetts.
Edward E. Masters, of Ohio.
Milton W. Meyer, of Connecticut.
Kermit S. Midthun, of Michigan.
Lawrence C. Mitchell, of California.
Benjamin R. Moser, of Virginia.
Jacob M. Myerson, of the District of Columbia.
Harry I. Odell, of New York.
Peter J. Peterson, of California.
H. Earle Russell, Jr., of Michigan.
David T. Schneider, of Massachusetts.
Ernest E. Schneider, of California.
Peter A. Seip, of Iowa.
Robert Wade Seward, Jr., of Virginia.
John J. Shea, of New York.
John W. Simms, of Pennsylvania.
Herman T. Skofield, of New Hampshire.
Richard E. Snyder, of New Jersey.
William F. Spengler, of Wisconsin.
Robert J. Tepper, of New York.
William N. Turpin, of Georgia.
Peter C. Walker, of New York.
Bradford Wells, of Ohio.
Robert F. Weltzien, of New York.
Merrill A. White, of Massachusetts.
Frank S. Wile, of Michigan.
Arthur I. Wortzel, of New Jersey.

The following-named Foreign Service staff officers to be consuls of the United States of America, to which office they were appointed during the last recess of the Senate:

James G. Evans, of Virginia.
George A. Mann, of Virginia.
Edward C. Webster, Jr., of Massachusetts.

Willard F. Barber, of Maryland, a Foreign Service Reserve officer, to be a secretary in the diplomatic service of the United States of America, to which office he was appointed during the last recess of the Senate.

ECONOMIC COOPERATION ADMINISTRATION

William C. Foster, of New York, to be Administrator for Economic Cooperation, to which office he was appointed during the last recess of the Senate.

Richard M. Bissell, Jr., of Massachusetts, to be Deputy Administrator for Economic Cooperation, to which office he was appointed during the last recess of the Senate.

TECHNICAL COOPERATION ADMINISTRATION

Henry G. Bennett, of Oklahoma, to be Technical Cooperation Administrator, to which office he was appointed during the last recess of the Senate.

INTERNATIONAL DEVELOPMENT ADVISORY BOARD

Nelson A. Rockefeller, of New York, to be Chairman of the International Development Advisory Board, to which office he was appointed during the last recess of the Senate.

NORTH ATLANTIC TREATY ORGANIZATION

Vice Adm. Jerauld Wright, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Deputy United States representative to the standing group of the North Atlantic Treaty Organization.

MUNITIONS BOARD

John D. Small, of New York, to be Chairman of the Munitions Board, a position to which he was appointed during the last recess of the Senate.

FEDERAL TRADE COMMISSION

Stephen J. Spingarn, of New York, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1946, to which office he was appointed during the last recess of the Senate.

ECONOMIC STABILIZATION ADMINISTRATION

Alan Valentine, of New York, to be Economic Stabilization Administrator, to which office he was appointed during the last recess of the Senate.

RECONSTRUCTION FINANCE CORPORATION

The following-named persons to be members of the Board of Directors of the Reconstruction Finance Corporation for terms of 2 years from July 1, 1950, to which office they were appointed during the last recess of the Senate:

Walter E. Cosgriff, of Utah.
W. Elmer Harber, of Oklahoma.

C. Edward Rowe, of Massachusetts, to be a member of the Board of Directors of the Reconstruction Finance Corporation for a term of 1 year from July 1, 1950, to which office he was appointed during the last recess of the Senate.

William E. Willett, of Maryland, to be a member of the Board of Directors of the Reconstruction Finance Corporation for the term expiring June 30, 1953.

Walter Lee Dunham, of Michigan, to be a member of the Board of Directors of the Reconstruction Finance Corporation for a term expiring June 30, 1951.

NATIONAL LABOR RELATIONS BOARD

George J. Bott, of Maryland, to be General Counsel of the National Labor Relations Board for a term of 4 years, to which office he was appointed during the last recess of the Senate.

NATIONAL SCIENCE BOARD

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1952, to which office they were appointed during the last recess of the Senate:

Sophie Bledsoe Aberle, of New Mexico.
Chester I. Barnard, of New York.
Robert Percy Barnes, of the District of Columbia.
Detlev W. Bronk, of Maryland.
Gerty T. Cori, of Missouri.
Charles Dollard, of New York.
Robert F. Loeb, of New York.
Andrey A. Potter, of Indiana.

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1954, to which office they were appointed during the last recess of the Senate:

Lee A. DuBridge, of California.
Donald H. McLaughlin, of California.
Edward L. Moreland, of Massachusetts.
Joseph C. Morris, of Louisiana.
Harold M. Morse, of New Jersey.
James A. Reyniers, of Indiana.
Elvin C. Stakman, of Minnesota.
P. H. Yancey, of Alabama.

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1956, to which office they were appointed during the last recess of the Senate:

James B. Conant, of Massachusetts.
John W. Davis, of West Virginia.
Edwin B. Fred, of Wisconsin.
Paul M. Gross, of North Carolina.
George D. Humphrey, of Wyoming.
O. W. Hyman, of Tennessee.
Frederick A. Middlebush, of Missouri.
Charles E. Wilson, of New York.

SUBVERSIVE ACTIVITIES CONTROL BOARD

Seth W. Richardson, of the District of Columbia, to be a member of the Subversive Activities Control Board for a term of 3 years, to which office he was appointed during the last recess of the Senate.

The following-named persons to be members of the Subversive Activities Control Board for terms of 1 year, to which office they were appointed during the last recess of the Senate:

Peter Campbell Brown, of New York.
Charles M. LaFollette, of Virginia.

The following-named persons to be members of the Subversive Activities Control Board for terms of 1 year, to which office they were appointed during the last recess of the Senate:

David J. Coddaire, of Massachusetts.
Kathryn McHale, of Indiana.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

John A. Remon, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1955, to which office he was appointed during the last recess of the Senate.

COLLECTORS OF CUSTOMS

H. Tucker Gratz, of Honolulu, T. H., to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, T. H., to fill an existing vacancy.

V. Allan Hubbard, of Chaffee, Mo., to be collector of customs for customs collection district No. 45, with headquarters at St. Louis, Mo., to fill an existing vacancy.

Albert H. Kleffman, of Hibbing, Minn., to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn., in place of Viena P. Johnson.

These officers are now serving under temporary commissions issued during the recess of the Senate.

UNITED STATES DISTRICT JUDGES

Hon. Oliver J. Carter, of California, to be United States district judge for the northern district of California. He is now serving under a recess appointment.

Hon. William M. Byrne, of California, to be United States district judge for the southern district of California. He is now serving under a recess appointment.

Hon. Paul D. Shriver, of Colorado, to be United States judge for the District Court of Guam. He is now serving under a recess appointment.

Hon. Walter M. Bastian, of the District of Columbia, to be United States district judge for the District of Columbia. He is now serving under a recess appointment.

CIRCUIT COURTS, TERRITORY OF HAWAII

Hon. Chuck Mau, of Hawaii, to be second judge of the First Circuit, Circuit Courts, Territory of Hawaii. He is now serving under a recess appointment.

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Hon. Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia. He is now serving under a recess appointment.

UNITED STATES ATTORNEY

James G. Mackey, of New York, to be United States attorney for Guam. He is now serving under a recess appointment.

IN THE AIR FORCE

The following-named officers for promotion in the United States Air Force under the provisions of section 107 of the Army-Navy Nurses Act of 1947, as amended by Public Law 514, Eighty-first Congress. The officer whose name is preceded by the symbol × is subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be captains

Air Force Nurses

Gersema, Vivian M., AN1134.
Hartman, Mary Barbara, AN1449.
Vickers, Virginia Ramage, AN1693.
Webb, Bertha E., AN1133.

To be captain

Women's Medical Specialist

×Brice, Virginia Newkirk, AR10049.

NOTE.—All of the officers named on this nomination for promotion to captain will complete the required 7 years' service during the months of November and December 1950. Dates of rank will be determined by the Secretary of the Air Force.

The following-named officers for promotion in the United States Air Force, under the provisions of sections 502 and 509 of the Officer Personnel Act of 1947 and sections 303 and 306 of the Women's Armed Services Integration Act of 1948. Those officers whose names are preceded by the symbol × are subject to physical examination required by law. All others have been examined and found physically qualified for promotion.

To be lieutenant colonels with rank from October 19, 1950

United States Air Force

Adams, Louis Charles, Jr., 3450A.
Akin, Leroy, 3101A.
Alexander, William Davidson, 3d, 19560A.
Alford, Ray Wilbur, 2926A.
Allen, Marian Frances, AL80008.
Almand, James Lee, 3164A.
Altman, James Earnest, 3465A.
Andersen, Milo Peter, 3386A.
×Anderson, Dale Leroy, 3223A.
Andrews, Charles Comer, 3476A.
Armold, Harold Arthur, 3042A.
Armstrong, Jack Lawrence, 2904A.
Arnett, Thomas Nelson, 3084A.
×Arnold, Richard, Jr., 3411A.
Ashton, Thurlo Martin, 3372A.
Atwood, Robert Greene, 3383A.
Auten, Frank Caldwell, Jr., 3370A.
Back, Klair E., 3236A.
Baer, Charles Peyton, 2966A.
Bagwell, Ray Oscar, 2902A.
Bailey, Edward Par, 3200A.
Baker, Francis Manly, 2412A.
Baker, Lee Edward, 3287A.
Bane, Edwin Ronald, 3454A.
Banks, John McMillan, 3361A.
Barko, James Stephen, 5265A.
Barlow, Myron Ford, 3467A.
Barney, Walter Perry, 3108A.
Barrere, Robert Andrew, 3460A.
Barth, Grace Margaret, AL80205.
Bartlett, William Lewis, 2990A.
Bates, Paul E., 3336A.
Beach, Rex Ward, 3290A.
Beasley, Henry Allen, 3151A.
Beaver, Authney Wayne, 3328A.
Bechtel, Howard John, 3015A.
Beck, Howard Alfred, 3153A.
Beightol, Willis Eugene, 3448A.
Bell, Leon Edwin, Jr., 3091A.
Belville, Robert Edward, 3323A.
Benjamin, Walter Paul, 3480A.
×Bennett, Thomas Marion, 3313A.
Bennett, William Albert, Jr., 3067A.
Binford, Everett Eugene, 2975A.
Blaha, Elmer Carl, 3051A.
Bledsoe, Hugh Harold, 2870A.
Bodine, Edmund John, 3481A.
Bonawitz, Norval C., 3320A.
Bond, Ralph Winston, 3063A.
Borden, David Ben, Jr., 2958A.
Borowski, Edmund Joseph, 2984A.
Bosch, George Arthur, 3178A.
Boutz, William Ray, 3215A.
Bowie, William Allen, 3376A.
Boyd, Raymond Gilbert, 2883A.
Braddock, Joel Quinn, 3331A.
Brandeberry, Frank Elwood, Jr., 3199A.
Brann, Ralph Austin, 3252A.
×Brewer, Joseph Cross, 2884A.
Brickell, Harold Odell, 2891A.
Bridges, John DeGraff, 3425A.
Bringman, George Albert, 2937A.
Brooks, Bascom Anthony, 3340A.
Brooks, Clyde Edward, 3482A.
Brown, Bill Roe, 2918A.
Brown, Edward Tompkins, 2899A.
Brown, Harold Paul, 3038A.
Brown, Margaret Goodman, AL80003.
Bryant, Alexander Wilson, 3428A.
Budd, Hyme Allan, 3275A.
Bull, Fredrick Kemmerer, 3318A.
Burhanna, Howard, Jr., 3235A.
Burns, Luther William, 3040A.
Bush, Eugene Edward, 2924A.
Bush, Joseph, 3237A.
Cain, Clarence Cecil, 2906A.
Camp, Kenneth Lee, 3373A.
Campbell, Arch Graham, Jr., 3221A.
Campbell, Murdoch William, 3394A.
Caples, James Stephen, 2943A.
Carmack, Beverly Eugene, 3272A.
Carnes, Sam Abbott, 2987A.
Carr, John Kermit, 3420A.
Carroll, Louis Orville, 3231A.
Carson, Charles Edgar, 3140A.
Carson, James Harman, 3485A.
Carter, Sam Filson, 3395A.
Carter, William Alamath, 3019A.
Casey, Edward Richard, 3415A.
Cassell, Raymond Walter, 3007A.
Cate, Albert Murray, 3437A.
Chaney, Louis Hasler, 2922A.
Chapman, Wilson Alexander, 3209A.
Chase, Kenneth Bryant, 2939A.
Christensen, John Albert, 3347A.
Clark, Arthur Malcolm, 3046A.
Clark, James Walker, 3270A.
Clark, William Coombs, 3422A.
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×Earl, Gerald Mercer, 3377A.
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×Glaser, Goodlett John, 3102A.
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×Hanley, Lloyd Graham, 19551A.
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×Hinrichs, Clair Allen, 2960A.
×Hoffman, Ward Gerald, 3130A.
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×Holdiman, Thomas Alexander, 3049A.
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×Hosken, Robert Thomas, 3330A.
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Howell, John Douglas, 2911A.
Hreha, Joseph Albert, 2865A.
Huff, Howard Chester, 2902A.
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×Huthnance, Guy Thomas, 3070A.
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McFarland, Jack Boaz, 3125A.
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×Messerschmitt, Kermit Day, 3195A.
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×Proctor, William Genier, 19535A.
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Rheberg, Steven Candler, 3057A.
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×Robinson, Raymond Edward, 3106A.
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Rogers, Frank Astor, Jr., 3060A.
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Bowden, Burton Houston, 3076A.
Rundquist, Douglas LeRoy, 3075A.
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Rupert, Claude Kimberly, 2890A.
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×Scott, Winfield Wolfe, 2932A.
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Stevens, Eugene Maurice, 2923A.
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Todd, Alfred Grady, 3469A.
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Waldecker, Charles Duane, 3369A.
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Welch, George Albert, 3090A.
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Wergin, James Robert, 3186A.
Whipple, Robert Clarence, 3360A.
White, William Joseph, 3121A.
Wildes, Gordon Weber, 2913A.
Willeford, Edward Owen, 3391A.
Williams, Joe Ross, 3403A.
Williams, Joseph Bethea, 3463A.
Williamson, William Padgett, 3169A.
Wills, Milton Eugene, Jr., 3262A.
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Wright, Tilden Perkins, 3353A.
Young, Donald Alexander, 3016A.
Zuerner, William Edward, 3133A.
Zwanzig, Samuel August, 3484A.

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Alden, Carlos Coolidge, Jr., 19599A.
Andersen, Kermit Hudson, 19180A.
Bollerud, Jack, 19194A.
Boyd, Harvey Clark, 19174A.
Brooks, Robert Haney, 19187A.
Brown, James Wellington, 19170A.
Chalker, Everett Marquis, 19166A.
Coone, Herbert William, 19189A.
Corwin, Robert Flinn, 19160A.
Crouch, Thomas Henry, 19192A.
×D'Amore, Adanto Arcangelo Secondo, 19137A.
Davis, Paul Vincent, 19163A.
Drummond, N. Robert, 19195A.
Duff, Fratis L., 19188A.
Ervin, Lindsay James, 19143A.
Fisackerly, James Samuel, 19173A.
Freer, Everett Charles, 19167A.
Frese, Frederick Joseph, Jr., 19177A.
Funsch, Harold Frederick, 19181A.
×Gatto, Lucio Ernest, 19633A.
Goder, George Augustine, 19153A.
Gold, David, 19600A.
×Groover, Marshall Eugene, Jr., 19150A.
Grunwell, John Roscoe, Jr., 19193A.
×Guerin, John Warren, 19157A.
Halbouty, Manah Robert, 19183A.
Hall, Carl Winn, 19172A.
Hammond, James Harold, 19169A.
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Howell, Thomas Wellington, 19165A.
Jenkins, Raymond Taylor, 19154A.
Jensen, Walter Neil, 19635A.
Kerr, Herbert Herbott, 19175A.
Kojac, George Harold, 19142A.
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Lawrence, Howard Robert, 19190A.
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Look, William Blackford, 19938A.
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Melcher, Charles Ellison, 19179A.
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Nuernberger, Robert Earle, 19152A.
O'Brian, Spencer Amos, 19197A.
Pletcher, Kenneth Eugene, 19136A.
Sanders, Hallman Earl, 19144A.
Scamahorn, Charles Culmer, 19141A.
Schwartz, Edward Norton, 19196A.
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Smith, Larry Allen, 19176A.
Stilson, Carl Bennett, 19155A.
Talbot, John Mayo, 19171A.
Towner, Alonzo Allan, Jr., 19158A.
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×Veale, Norman Clemm, 19159A.
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Brooks, Benjamin Lee, Jr., 18876A.
Disheroon, Charles Dodson, 19614A.
Dixon, Edward Ralph, 18863A.
Dunn, Benjamin Walter, 18875A.
Fischer, Theodore Emmett, 18881A.
Fowler, Nolton Ewing, 18871A.
×Graham, Walter Nicholls, 18869A.
Grove, Donald William, 18878A.
Hudson, Donald Charles, 18874A.
Jones, Charles Stewart, 18879A.
×Lenkerd, Donald Bliss, 18868A.
Lesemann, George Graydon, 18872A.
×Mac Kown, John Lloyd, Jr., 18866A.
McAllister, William Joseph, 18880A.
Naderhoff, Adolph Charles, 18864A.
Oakes, William Ralph Thomas, 18870A.
×Richardson, Frederick Henry, Jr., 18867A.
Ruediger, Norman Edward, 18877A.
Rule, John Sudduth, Jr., 18873A.
Schuessler, Carlos Francis, 18865A.

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Karr, James Ralph, 18977A.
Leach, Benjamin Francis, 18979A.
Miller, Robert Ransome, 18981A.
Robinson, Charles Edwin, 18980A.
Snodgrass, William Birchard, 18983A.
Van Sant, Willard Merrill, 18978A.

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×Butler, Henry Milton, 19391A.
Crow, Allen Randolph, 19398A.
Curd, Howell Louis, 19395A.
×Daykin, Samuel Paul, 19577A.
×Domanski, Thaddeus John, 19394A.
×Henderson, Arthur Melville, 19387A.
Johnson, Francis Marion, 19386A.
×Johnson, James Thomas, 19393A.
Kinney, Joe Richard, 19405A.
Kjolsrud, Gordon Spencer, 19403A.
×Korn, Bernard, 19410A.
×La Casse, Walter Joseph, 19390A.
Luft, John, 19388A.
×Nelson, Howard Brim, 19401A.
Painter, John Valdo, 19407A.
Polkinghorn, James Wilbur, 19408A.
×Reid, William Ordway, 19406A.
Sandberg, Ennis Dallas, 19411A.
×Splittgerber, Homer Herman, 19397A.
Streidl, Edward Gabriel, 19402A.
×Zagelow, Leonard Paul, 19579A.
Zubkoff, Harry, 19409A.

Chaplains

Anderton, John Leo, 18723A.
Anthony, Thomas Melville, 18732A.
Blaisdell, Russell Lloyd, 18734A.
Duggan, John Philip, 18724A.
Gallagher, Hugh Joseph, 18728A.
Habetz, Leonard Clement, 18725A.
Hamel, Henri A., 18729A.
Patterson, James Francis, 18727A.
Pincus, Philip, 18726A.
Powers, Stanley Michael, 18730A.
Woods, William George, 18733A.

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Chaplains

×McArthur, Luther Wheeler, 18768A.
Pennington, Henry Clay, 18769A.

To be captains

United States Air Force

Acre, John Pleasent, 14788A.
Alexander, Glenn Ross, 14777A.
Amos, William John, 14823A.
Anderson, Raymond Iver, 14912A.
Arnold, William Alfred, Jr., 14944A.
Bauman, Ray Wilbur, 14721A.
Baumgardner, Haynes Madden, 14897A.
Beaty, Edward Emmett, 14860A.
Beavers, James Litchfield, 2d, 14832A.
Berodt, Howard Herman, 14782A.

Blakeney, Charles Mack, 14855A.
Blessing, Samuel Ervin, 14877A.
Bowers, Hal Gregory, 14969A.
Bracha, Vincent John, 14878A.
Brame, George Frederick, 15033A.
Brandt, George W. A., Jr., 14689A.
Brannen, Shelton, Jr., 14941A.
Brereton, Roy George, 14916A.
Bridgman, Paul West, 14982A.
Bright, William, 14746A.
Brinkman, Edward Albert, 15034A.
Britting, Wesley Elmer, 14945A.
Brooks, William DeLance, Jr., 14712A.
Brown, Donald Gilbert, 14994A.
Brown, Robert Cassel, 14793A.
Bulli, Dante Eugene, 14964A.
Burgdorf, Paul Joseph, 14709A.
Bush, Cecil Thornton, 14754A.
Bush, William Boyd, Jr., 14828A.
Butler, John Elzie, Jr., 14961A.
×Caldwell, George Philip, 15006A.
Callahan, Ellsworth Deardorff, 14875A.
Campbell, Warren Edmond, 15032A.
Carmichael, Donald Leroy, 14790A.
Carris, Roy Burman, 14874A.
Carroll, Thomas Patrick, 15017A.
Cartmill, John Bruce, 14815A.
Casbeer, Roy Newton, 14858A.
Casto, Lloyd Lee, 14771A.
Clark, John Buren, Jr., 14888A.
Clarke, John Scott, Jr., 14963A.
×Claybaugh, K. Wayne, 14854A.
Cleveland, Lewis Alman, Jr., 14753A.
Coleman, Robert George, 14719A.
Collings, Kenneth LeRoy, 14939A.
Cook, Warren Glenn, 14702A.
Cooper, Ernest Garfield, Jr., 14903A.
Cooperman, Harold, 14812A.
Copeland, Phillips Jerome, 14920A.
Cotton, J. W., Jr., 14972A.
Cowgill, Wayne J., 14906A.
Crans, Robert Edward, 14759A.
Crews, Sidney Walker, 14824A.
Culbertson, William Westly, 14738A.
Cushman, Gene Moore, 14905A.
×Cusic, William Downs, Jr., 15014A.
Dailey, John Gregory, 14910A.
×Dale, Howard Haines, 14987A.
Daly, Robert Paul, 14795A.
Darby, Dale LeRay, 14693A.
×Daus, Nelson Carl, 14814A.
Davis, Ruby Earl, Jr., 14946A.
Deckert, George Franklin, Jr., 14923A.
DeMorest, John Nichols, 14898A.
Dennis, Gordon Alfred, 14968A.
De Zonia, Lawrence Edward, 14899A.
Distler, Jack Louis, 14796A.
Dixon, Dick, 14952A.
Dodge, William Louis, 14850A.
Donnelly, Leonard Francis, 14743A.
×Dotson, Verl Dewain, 14811A.
Douglass, Walter Alexander, 14742A.
Dow, Hugh Delaney, 14797A.
Dow, Norman Clifton, 14856A.
Downey, Frank Alden, 14986A.
Downey, Russell Alfred, 14747A.
Dreesen, Victor LaVerne, 14802A.
Dukes, Ernest Franklin, Jr., 14801A.
Dunlap, Glyn Randolph, 14932A.
Dunmire, Floyd Theodore, 14764A.
Dyer, James T., Jr., 14974A.
Edmonson, Richard Warren, 15037A.
Elder, James Albert, Jr., 15039A.
Erickson, Donald Henry, 14784A.
Evans, Wilbur Lee, 14958A.
Farmer, Marion Lee, 14849A.
Faustman, David Herman, 14926A.
Fernley, Aaron Robert, 15005A.
Fetty, Randall Lyle, 14979A.
Flaherty, William Francis, 14868A.
Fox, Edward John, 14773A.
Franklin, George Walton, 14699A.
Freer, Romeo Henry, Jr., 14690A.
Friend, Robert Jones, 14915A.
Gale, Louis Edward, 14908A.
Galentine, Paul Guy, Jr., 14734A.
Garlock, Karl Herbert, 14785A.
Gatchel, Charles William, 14955A.
Gatling, William David, 14799A.
Gilbert, Ellen Thomas, AL80256.
Gillespie, George Field, 15035A.
Gleason, George Wilson, 14768A.
Glommen, Martell Johaness, 14836A.
Goss, Donald Kenneth, 14760A.
Grace, Gerald Joseph, 14940A.
Grant, Archie William, 14698A.
×Grantham, Douglas Lawrence, Jr., 14739A.
Green, Jack Carney, 15015A.
Grier, Robert Kenneth, 14999A.
Griffis, John William, Jr., 14993A.
Grimes, Robert Zeno, 14842A.
Grove, Harry James, 14701A.
Guffey, Herman Findley, 14736A.
Guinn, Euin Nickel, 14861A.
Hall, Hubert Edell, 14830A.
Hansen, Homer Kermit, 14983A.
Hansen, Paul Kjelgard, 15030A.
Harden, Charles Reynolds, 14835A.
Harkins, Walter Clyde, 15026A.
×Harmon, George Littler, 15018A.
Harp, Leland Jefferson, 15040A.
Harper, Flamm D., 14890A.
Harris, Robert B., 15002A.
Haskett, Harry Estil, 14725A.
Havard, David James, 14937A.
Haven, Donald Victor, 14891A.
Hays, Raymond Francis, 14808A.
Heintz, James Edward, 14726A.
Herbert, Floyd, 14804A.
Hershberger, George A., 14887A.
Hessler, Elmo Basil, 14862A.
Heyroth, James William, 14789A.
Hill, Alvin Walter, 14954A.
Hill, Harold Irvin, 14714A.
Hodges, Hubert Wayne, 14864A.
Hoey, William Kenneth, 14717A.
Holden, Lloyd Blaine, 14791A.
Holman, Averill Francis, 14798A.
Hoover, Ferris Edward, 15044A.
Hosford, Lynn Harris, Jr., 14767A.
Hoskins, Robert Owen, 14962A.
×Howard, Ronald Mitchell, 14900A.
Hudelson, Wesley Lorimor, 15004A.
Hudson, Dale Gene, 15011A.
Hull, Carl Victor, 14943A.
Hurlbut, Byron Almeron, 14727A.
Hydorn, William Edson, Jr., 14829A.
Iles, George Jewell, 14792A.
Jacobs, John Weldon, 14774A.
Jamison, Forrest Bedford, Jr., 15003A.
Johnson, Alfred Edgar, 14711A.
Johnson, Charles Gay, 14992A.
Johnson, Gordon Melville, 14949A.
×Johnson, Maurice Ledgerwood, 14756A.
Johnson, Walter Eliot, 14839A.
Jones, Donald Odell, 15016A.
Jones, Howard Austin, 14965A.
Jorgensen, Kenneth Buford, 14732A.
Julin, Donald David, 14872A.
Junker, Harold Robert, 14876A.
Kastilahn, William Walter, 14990A.
Kaurin, Robert Helman, 14733A.
Keith, Jack Bernard, 14763A.
×Kekoa, Curtis, 14730A.
Kelley, Earnest Earl, 14783A.
Kennedy, William Edward, 15021A.
×Kensler, Thomas Cranston, Jr., 14909A.
King, Charles Albert, 14696A.
King, John Franklin, 14997A.
Kinney, James Franklin, 14893A.
Klingler, D'Jack, 14975A.
Knight, William Travis, 14889A.
Kozina, Joseph James, 14757A.
Kregloh, Edwin Robert, 14724A.
×Laird, Henry Lee, 14720A.
Lampert, Francis Gerald, 15023A.
Lang, John William, 14907A.
Langley, Edwin William, 14806A.
×Larsen, Lauritz Solberg, 14846A.
Larson, Oliver Buford, 14927A.
Leach, Wayne, 14851A.
×Legge, Leonard Maurice, 14749A.
Leighty, Robert Marquis, 14843A.
Lewis, Charles Howard, 14703A.
Light, Clifton Floyd, 14810A.
Lindquester, David Martin, 14827A.
Lindsey, John Edwin, 14884A.
Lively, James Robert, 15031A.
×Long, Philip Lowell, 14981A.
Loob, Frank Andrew, 14895A.
Lyall, John Richard, 14885A.
MacGregor, Jack Marvin, 14859A.
Maher, Philip Joseph, Jr., 14761A.
Malkiewicz, Frank Joseph, 14978A.
Mann, Gerald Eugene, 14925A.
Maurer, Homer Franklin, 14729A.
McAllister, John George, 14833A.
McDaniel, Robert Edward, 14894A.
McFarland, Charles M., 15046A.
McKenney, Earl Franklin, 14834A.
McLendon, Robert Aids, 14984A.
McNary, Lawrence Burton, 14902A.
×Mc Vey, William Hugh, 14700A.
Mersereau, Robert Thomas, 14971A.
Metcalf, John Cleo, 14809A.
Miller, Frederick William, 14816A.
Millikin, Eugene James, 15001A.
Minner, Elsworth Sherman, 14892A.
Mitchell, Clarence David, Jr., 14929A.
Mitchell, Howard Chester, 14740A.
Moats, Sanford Kenneth, 14948A.
Morgan, Wayne D., 14722A.
Morton, William Grover, 14838A.
Mosher, Francis Leo, 14942A.
Mowat, John Jacob, 14991A.
Mucha, Robert Henry, 15009A.
Murray, Raymond Clifford, 14769A.
Nelson, Carl Amos, 14825A.
Neu, John Joseph, 14896A.
Neumann, Howard Glenn, 14713A.
Newman, John Charles, 14976A.
Nixon, Lewis Drake, 14913A.
Nolan, Bernard Thomas, 14794A.
Nordgren, Orville John, 14956A.
Norman, Isaac Gregory, 14911A.
Norris, Loy Ringo, 14953A.
Nutt, Joseph Eugene, 14765A.
Obus, Louis Jack, 14866A.
O'Connell, William Andrews Clark, 14831A.
O'Connor, Walter B., 14708A.
Ostendorf, Ted Harry, 14752A.
O'Toole, Lawrence Anthony, 14995A.
Palmos, Peter George, 14919A.
Pascoe, Herschel Thomas, 14845A.
×Pawlowski, Thomas, 15029A.
Pennell, Charlie Andrew, 14871A.
Perfetto, Albert Joseph, 14863A.
Pierson, Robert Edwin, 14826A.
Porter, Clifford Lee, 14935A.
Prather, Jack Fletcher, 14715A.
Priest, Royce Whitman, 14758A.
×Reger, Ted Eugene, 14820A.
Rehbein, Norman William, 15012A.
Rettinger, Henry Paul, 14917A.
Rice, Edward Andrew, 14737A.
Ridgway, Guy Edward, Jr., 14930A.
Roberts, Earl Ray, 15041A.
Robinson, Robert Archibald, 14931A.
Rolin, Mitchell Albert, 14933A.
Rose, Frank Lyons, Jr., 14803A.
Rowe, Mayron Hall, 14928A.
Rufener, Kenneth Edward, 14819A.
Ryan, John James, 14869A.
Scherberger, Joseph Matthew, 14883A.
Schindler, Tobias, 14922A.
Schlipf, Harold Anthony, 14750A.
Schmerbeck, David John, 14781A.
Schmidt, Fred John, 14807A.
Schneider, Charles Dix, 15010A.
Schreiber, Joseph, 14988A.
Schuth, Richard Ernest, 14704A.
Scurlock, Frank Lyle, 14748A.
Seaver, Owen L., 14805A.
×Shaw, Dan Lester, 14881A.
Shea, Robert Bradley, 14950A.
Shelton, Melvin Dewey, Jr., 14938A.
Shipley, Fred Donald, 14755A.
Shook, Abraham Edward, 14821A.
Simmons, John Calloway, 14844A.
Simokaitis, Frank J., 15013A.
Sims, Lewis Parry, 14692A.
Skoglund, Peter John, 14921A.
Sloan, Howard Melville, 14745A.
Smallfield, George Blair, 14959A.
Smith, Orrin Richard, Jr., 15038A.
Spencer, Horace Lee, 15000A.
Spiker, William Owen, 14970A.
×Stanton, Frank Goodnow, 15025A.
Stein, David Meyer, 14867A.
Steinkrauss, Lawrence William, 14847A.
Stenger, Edward John, 14967A.
Stillie, Edward Oliver, 14947A.

Stokes, Arthur Jackson, 14973A.
Stone, Carroll Mitchell, 14710A.
Story, Harvey Lain, 14772A.
Stowell, Frederick Robert, 15008A.
Strand, George Edward, 14870A.
×Struby, Joseph Riley, 14707A.
Stuber, Harold Britton, 15019A.
Sullivan, Harold Joseph, 14770A.
Sullivan, James Erwin, 14936A.
Sumner, Charles Dewey, Jr., 15045A.
×Svenson, Wesley Winfield, 14818A.
Sweeney, Frank Carrol, Jr., 14751A.
×Tabor, William Justin, 14886A.
Tarasko, Frank Edward, 14918A.
Tatchio, Orrin R., 14697A.
Tattersall, Jess Joseph, 14852A.
Taylor, Hubert James, 14776A.
Taylor, Kenneth Baker, 15007A.
Teague, Homer Franklin, 14786A.
Tennyson, Allen Romady, 15028A.
Thomas, John Barnes, 14996A.
×Thompson, Brian Chandler, 14691A.
×Thoms, James Cain, Jr., 14723A.
Thresher, Robert Douglass, 14694A.
Tinsley, Marcus Flannery, 14853A.
Trapp, Jack Alden, 15042A.
Trevisani, John James, 14840A.
Trout, Darvin Lee, 14822A.
Trueblood, Roger William, 14848A.
Tull, Gordon Frederick, 14957A.
Tully, Edward Fredrick, 14924A.
Twedt, Orlean Lincoln Jerome, 14879A.
Tychsen, Charles Ernest, 14817A.
×Tyldesley, Robert Harry, 15043A.
Tyler, Loren Spencer, 14966A.
Vanderveer, John David, 15027A.
Vella, Vito Thomas, 14841A.
Verbeck, Ernest Leroy, 14904A.
Versurah, Vincent Victor, 14989A.
Vowinkel, Merlin Jacob, 14778A.
Ware, Cecil Odell, 14880A.
Weaver, William Henry, Jr., 14813A.
Welborn, James Edward, Jr., 14901A.
Wenzel, Lloyd Marvin Norman, 14960A.
Weyle, Lowell Felix, 14766A.
Whye, Harry Donald, 14865A.
Wiese, Frank Edward, 15024A.
Williams, Bill Dean, 14934A.
Willingham, Harry Eugene, Jr., 14857A.
Wilson, John Edward, Jr., 14716A.
Wilson, William, 14735A.
Woda, Robert George, 14744A.
Wood, Denver Jeff, 14718A.
Woolam, Charles Woodbury, 15036A.
Wurth, Herbert Louis, 14980A.
Youngblood, Joe Taylor, 14741A.
Younger, John Patrick, 14705A.
Zimmerman, Robert Edward, 14914A.
Zimmermann, Hugo, 14728A.

NOTE.—All of the officers named on this nomination for promotion to the grade of lieutenant colonel received recess promotions during the recess of the Senate. The officers named on this nomination for promotion to major will complete 14 years' service for promotion during the month of December 1950. All officers named for promotion to captain will complete the required 7 years' service during the months of November and December 1950. Dates of rank for those officers nominated for promotion to the grades of major and captain will be determined by the Secretary of the Air Force.

IN THE NAVY

Rear Adm. Edward W. Clexton, United States Navy, to be Director of Budget and Reports in the Department of the Navy, with the rank of rear admiral, for a term of 3 years.

The following-named officers of the Navy for temporary appointment to the grade of rear admiral:

Thomas B. Williamson Marion E. Murphy
Aaron P. Storrs III Howard E. Orem
Richard M. Watt, Jr. Sherman R. Clark
Wilson D. Leggett, Jr.

The following-named officers of the Navy and Naval Reserve on active duty for permanent appointment in the grade and corps indicated, subject to qualification therefor as provided by law:

For permanent appointment in the Navy:

Lieutenant commander, Medical Corps

William K. Hall

Lieutenant, Medical Service Corps

Sylvester H. N. Zumbrun

Lieutenant (junior grade), line

Victor D. Brockmann
Jack M. Stufflebeam

Lieutenant (junior grade), Civil Engineer Corps

William M. Johnson
Robert D. Darragh, Jr.

Lieutenant (junior grade), Nurse Corps

Floy G. Mangold
Mary V. Mele

Chief carpenter

Bruce A. O'Neal

Chief machinist

Walter W. Rickett

Chief pay clerk

Edward D. Verell

For permanent appointment in the Naval Reserve:

Lieutenant (junior grade), line

Philip Steinberg

The following-named officers of the Navy for permanent appointment to the grade of lieutenant in the corps indicated and to correct spelling of name as previously nominated and confirmed:

Line

Hubert Glenzer, Jr.
Jene L. Leslie

Medical Corps

Donald J. Nollet

Supply Corps

Carl J. Stringer, Jr.
Armand E. Wulffaert

HOUSE OF REPRESENTATIVES

MONDAY, NOVEMBER 27, 1950

The House met at 12 o'clock noon, pursuant to House Concurrent Resolution 287, and was called to order by the Speaker.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art far beyond the wisdom and the best reasoning of our finite minds, we rejoice that Thou art always within reach of sincere and simple faith and ready to reveal Thy will unto the humble spirit and contrite heart.

We thank Thee for this new day with its many opportunities for noble and courageous service and further effort in the building of a better world. May our faith never be eclipsed by doubt or fear and may we never grow weary in well-doing.

Grant that in all the emergencies and crises of our national life we may rely upon Thy divine providence. May the sense of Thy presence be as clear in politics and statecraft as in religion and may it motivate all our thoughts and actions.

We pray that our President, our Speaker, our chosen Representatives, our statesmen, our soldiers and all the citizens of our Republic may feel the compelling constraints of establishing the kingdom of peace and righteousness upon the earth. In their plans and labors, their struggles and sacrifices, may they be sustained by a radiant vision of its ultimate triumph.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Saturday, September 23, 1950, was read and approved.

APPOINTMENTS MADE AFTER ADJOURNMENT

FEDERAL RECORDS COUNCIL

The SPEAKER, pursuant to the provisions of Public Law 754, Eighty-first Congress, and the order of the House of September 23, 1950, did on September 26, 1950, designate as members of the Federal Records Council the gentleman from West Virginia [Mr. BURNSIDE] and the gentleman from Maryland [Mr. MILLER].

BILLS AND JOINT RESOLUTIONS APPROVED AFTER ADJOURNMENT

The President of the United States, subsequent to the adjournment of the House until November 27, 1950, notified the Clerk of the House of Representatives that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On September 23, 1950:

H. R. 1133. An act for the relief of Mrs. Merle Leatherbury Pyle and Patricia M. Pyle;

H. R. 4045. An act for the relief of Katherine L. Anderson, a civil-service employee, permanently injured through negligent treatment at the Army Advisory Group Station Hospital in Nanking, China;

H. R. 4365. An act for the relief of Fe'R Dumaguing;

H. R. 4901. An act authorizing the Eastern Band of Cherokee Indians, North Carolina, to lease certain lands for business purposes for a period not exceeding 25 years;

H. R. 5679. An act to authorize the transfer of certain agricultural dry land and irrigation field stations to the States in which such stations are located, and for other purposes;

H. R. 5810. An act relating to the furnishing of accommodations at Klamath Falls, Oreg., for the United States District Court for the District of Oregon;

H. R. 6106. An act for the relief of Danfel Kokal;

H. R. 6990. An act for the relief of Christina Karamanos Demas and Antonia Karamanos Demas;

H. R. 7095. An act for the relief of Rosette Selina Romano, a minor;

H. R. 7236. An act for the relief of Mrs. Fumie Ishibashi Akimoto;

H. R. 7733. An act for the relief of Sisters Rita Pinto de Carvalho, Maria Leite da Silva, Carmelinda Lopes de Aguiar, Marie Adozinda da Fonseca Melo Joaquine de Jesus, and Maria Luisa Pinto Carvalho;

H. R. 8258. An act for the relief of Il Nai Che;

H. R. 8458. An act authorizing the Housing and Home Finance Administrator to release the trustees of Columbia University, in the city of New York, and the Citizens' Veterans Homes Association of Rockland County, Inc., from obligations under their contracts for operation of veterans' temporary housing project, NY-V-30212;

H. R. 8710. An act to provide for the improvement of stadium facilities at the Eastern Senior High School in the District of Columbia;

H. R. 8761. An act for the relief of Susan E. Scott;

H. R. 8780. An act for the relief of Leila M. Dodd;

H. R. 8920. An act to provide revenue, and for other purposes;

H. R. 8987. An act for the relief of Setsuko Kato;

H. R. 9334. An act for the relief of Mrs. Else Samstag Yurchak;

H. R. 9362. An act to provide for the exchange of certain national park land situated in the District of Columbia for certain lands owned by the New Temple Committee, Inc.; and

H. R. 9430. An act to amend the act entitled "An act to authorize certain administrative expenses in the Government service, and for other purposes," approved August 2, 1946 (60 Stat. 806), to simplify administration in the Government service, and for other purposes.

On September 25, 1950:

H. R. 2401. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims of the State of California;

H. R. 3406. An act for the relief of Ellen Fullard-Leo, widow of Leslie Fullard-Leo, Leslie Vincent Fullard-Leo, Dudley Leinani Fullard-Leo, and Ainsely Allen Kahealani Fullard-Leo, and the estate of Leslie Fullard-Leo, deceased, as their interests may appear;

H. R. 5083. An act for the relief of Sister Maria Emelia (Anna Bohn);

H. R. 5101. An act to provide for the transfer to Pierce County, Wash., of certain surplus land in the Fort Lewis Military Reservation;

H. R. 5381. An act for the relief of Billy Ray Ridenour and L. L. Ridenour;

H. R. 7451. An act for the relief of Sumiko Fujita;

H. R. 7722. An act to provide for the acquisition and preservation, as a part of the National Capital Parks system, of the Old Stone House in the District of Columbia;

H. R. 7856. An act for the relief of Mrs. Teruko Tominaga Ikeuchi;

H. R. 7934. An act to reduce and revise the boundaries of the Joshua Tree National Monument in the State of California, and for other purposes;

H. R. 8062. An act for the relief of the legal guardian of Charles Spiller and Glen T. Spiller, minors;

H. R. 8184. An act for the relief of Michiyo Takada and her minor daughter, Michiko;

H. R. 8401. An act for the relief of Mrs. Maurice N. Goss;

H. R. 8562. An act for the relief of Yukie Yabe and her son;

H. R. 9055. An act for the relief of Cynthia Anne Kane;

H. R. 9056. An act for the relief of Hideko Kashara and her minor child;

H. R. 9077. An act for the relief of Kimie Kurio;

H. R. 9086. An act for the relief of Maria Luisa Mercado; and

H. J. Res. 487. Joint resolution to confirm title in fee simple in Joshua Britton to certain lands in Jefferson County, Ill.

On September 26, 1950:

H. R. 163. An act to authorize Sacramento Valley irrigation canals, Central Valley project, California;

H. R. 8345. An act to amend the Columbia Basin Project Act with reference to recordable contracts;

H. R. 8677. An act to authorize and provide for the maintenance and operation of the Panama Canal by the present corporate adjunct of the Panama Canal, as renamed; to reconstitute the agency charged with the civil government of the Canal Zone, and for other purposes; and

H. R. 8874. An act to authorize the sale of lands to the city of Flagstaff, Ariz.

On September 27, 1950:

H. R. 577. An act to correct possible inequity in the case of a certain application for letters patent of William R. Blair;

H. R. 1920. An act to amend the Columbia Basin Project Act with reference to State lands;

H. R. 2631. An act to authorize cancellation of deportation in the case of Frank Grimaldi;

H. R. 4600. An act for the relief of the legal guardian of Janet Judith Keeninger, a minor;

H. R. 4836. An act for the relief of Xylda L. Driver;

H. R. 4904. An act for the relief of the estate of Conrad L. Steele, deceased;

H. R. 6409. An act for the relief of Mrs. Grace A. Olson;

H. R. 3995. An act for the relief of Annetta Bachis, Anna Bellani, Angelina Colombo, Maria Grazia Impari, Franca Porricino, and Antonia Tirabassi;

H. R. 5226. An act to amend paragraph 207 of the Tariff Act of 1930 and section 3424 (a) of the Internal Revenue Code;

H. R. 7114. An act for the relief of John Joseph Griffin;

H. R. 7390. An act for the relief of Erika Kuebart and her minor son;

H. R. 7393. An act for the relief of Francisco Blanco and Mrs. Celine Smith;

H. R. 7563. An act for the relief of Dr. Nicola Di Palma;

H. R. 7631. An act for the relief of Ottavia De Gaspare and Sandra De Gaspare;

H. R. 7964. An act for the relief of the estate of Francis A. Waldron;

H. R. 8093. An act for the relief of Regolo Gagliacco and his wife, Gina;

H. R. 8523. An act for the relief of Marianna Gantschnigg and Merle Richard Gantschnigg;

H. R. 8533. An act for the relief of Emiko Nishimura;

H. R. 8718. An act for the relief of Fred Hess;

H. R. 8769. An act for the relief of Annmarie Stritter and her minor daughter;

H. R. 9166. An act for the relief of Louis J. T. Hendrickx;

H. R. 8797. An act to exempt property of the Young Men's Christian Association of the City of Washington (incorporated under the act of Congress of June 28, 1864, 13 Stat. L. 411) from taxation;

H. R. 9062. An act for the relief of Mrs. Willie G. Heath;

H. R. 9082. An act for the relief of Mrs. Chang-Sei Kim, David Kim, and Arthur Kim;

H. R. 9434. An act for the relief of Christina Shalfeieff;

H. R. 9526. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and

H. J. Res. 511. Joint resolution providing for recognition and endorsement of the Inter-American Cultural and Trade Center.

On September 28, 1950:

H. R. 1025. An act for the relief of Waymon H. Massey;

H. R. 1500. An act for the relief of Mrs. Barbara Guanapoulos;

H. R. 1503. An act for the relief of George Washington;

H. R. 6480. An act to amend title 18, United States Code, entitled "Crimes and Criminal Procedure";

H. R. 8452. An act for the relief of Ronald Mow and Angeline Cecilia Mow;

H. R. 8847. An act to aid the development and maintenance of American-flag shipping on the Great Lakes, and for other purposes;

H. R. 8971. An act for the relief of Gertrude Hell;

H. R. 9084. An act for the relief of Hifumi Kato and her minor son, Kazuyuki Kato;

H. R. 9144. An act for the relief of Mrs. Olga Kowalik and Czesiawa Kowalik; and

H. J. Res. 516. Joint resolution authorizing the President, or such officer or agency as he may designate, to conclude and give effect to agreements for the settlement of intercustodial conflicts involving enemy property.

On September 29, 1950:

H. R. 5731. An act to discharge a fiduciary obligation to Iran;

H. R. 9399. An act to provide a more effective method of delivering applications for absentee ballots to servicemen and certain other persons; and

H. R. 9455. An act to amend the act of September 16, 1942, as amended, so as to facilitate voting by members of the Armed Forces, and certain others, absent from their places of residence.

On September 30, 1950:

H. R. 4569. An act authorizing the transfer of Fort Des Moines, Iowa, to the State of Iowa;

H. R. 5327. An act to continue until the close of June 30, 1951, the suspension of duties and import taxes on metal scrap, and for other purposes;

H. R. 5372. An act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Oahe Dam and Reservoir, Missouri River development, and for other related purposes;

H. R. 6319. An act to authorize a $75 per capita payment to members of the Red Lake Band of Chippewa Indians from the proceeds of the sale of timber and lumber on the Red Lake Reservation;

H. R. 6355. An act to provide for the conveyance of certain real property to the city of Richmond, Calif.;

H. R. 7824. An act to provide for the administration of performance-rating plans for certain officers and employees of the Federal Government, and for other purposes;

H. R. 7940. An act to provide financial assistance for local educational agencies in areas affected by Federal activities, and for other purposes;

H. R. 8396. An act to authorize Federal assistance to States and local governments in major disasters, and for other purposes; and

H. R. 8641. An act for the relief of Clyde L. Watson, Jr., and Laverne F. Andrews.

DISAPPROVAL OF BILLS AFTER ADJOURNMENT

The message further informed the House that on the following dates the President had withheld his approval of the bills of the House of the following titles:

DR. JACOB ORNSTEIN

I am withholding approval of H. R. 1799, a bill for the relief of Dr. Jacob Ornstein.

This bill would authorize the Secretary of the Treasury to pay the sum of $1,858 to Dr. Jacob Ornstein, of Waldorf College, Forest City, Iowa, for the purchase of an automobile equipped with such special attachments and devices as may be necessary to enable Dr. Ornstein to operate such automobile by hand.

The records of the Bureau of Employees' Compensation of the Department of Labor show that Dr. Ornstein was employed by the Office of Strategic Services in September 1942, in a civilian capacity as a linguist; that on May 30, 1945, while assigned to duty in Italy, he contracted poliomyelitis in the performance of his duties; and that he was a patient at the Elizabeth Kenny Institute at Minneapolis, Minn., from August 2, 1945, to September 5, 1947.

The latest medical report on file in the Bureau of Employees' Compensation indicates that both of Dr. Ornstein's lower limbs are paralyzed. The Bureau of Employees' Compensation has, up to the present time, expended $4,088.06 for medical, hospital, and appliance ex-

penses as a result of Dr. Ornstein's illness, and he is presently receiving under the authority of the Federal Employees' Compensation Act, as amended, compensation and other benefits for this disability in an amount totaling $332.84 a month. In addition, he is regularly employed in the teaching profession.

In enacting this legislation, the Congress apparently has wished to recognize the contribution of Dr. Ornstein to his country as being equivalent to that of members of the Armed Forces. In effect, this measure would extend, although on a somewhat more liberal basis, a benefit now available to veterans of World War II who are entitled to compensation for the loss or loss of use of one or both legs. Under the veterans' laws such persons are entitled to a one-time gift of a specially equipped automobile, the cost of which is not to exceed $1,600. While I have no fault to find with the concept of recognizing civilian service to one's country in time of war, particularly in the battle zone, as being equivalent to service in the Armed Forces, a distinction between the two kinds of service has been established and maintained over a great many years. I believe the distinction must continue to be maintained.

Without prejudice to the valuable services rendered by Dr. Ornstein and others who served their country as civilians during the past war, I do not feel that we can relax the well-established principle that special benefits for military service accrue only to veterans of the Armed Forces. Such benefits are by their nature designed to compensate this class of personnel for the hardship or liability to hardship to which they were exposed because of military duty, and to care for individuals or their dependents in accordance with need occasioned thereby.

With regard to the general legislation authorizing the provision of special automobiles to certain veterans, I have already indicated my opposition to any extension in scope of this law by withholding my approval of S. 2115, Eighty-first Congress, which would have made all veterans who have lost the use of one or both hands or feet or suffered impairment of vision to a prescribed degree eligible for such benefits. To approve H. R. 1799, particularly in view of the higher ceiling on the purchase price of automobiles provided therein, would certainly encourage enactment of legislation extending the scope of the existing law and raising the purchase price to an amount equal to that stipulated in H. R. 1799.

While it is to be regretted that Dr. Ornstein has been permanently disabled in line of duty, I believe that for the Federal Government to grant him an additional award of $1,858 to purchase a specially equipped automobile would discriminate against other Federal civilian employees who may have suffered similar or greater disabilities and whose plights are as deserving as that of Dr. Ornstein.

For these reasons, I feel that I cannot approve this measure.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 28, 1950.*

WYOMING NATIONAL BANK

I have withheld my approval from the enrolled bill (H. R. 3012) for the relief of the Wyoming National Bank of Wilkes-Barre.

This bill would direct the Secretary of the Treasury to pay to the claimant $46,841.16 in full settlement of all claims against the United States for costs incurred and losses sustained under three contracts originally entered into by the Signal Corps of the War Department and Preston C. Sherman, doing business under the firm name of Sherman Associates, and ultimately completed by the bank.

The direct involvement of the claimant bank in the foregoing transactions occurred after the filing of an involuntary petition in bankruptcy against Sherman Associates. The bank had theretofore advanced Sherman Associates funds with which to perform the contracts and approximately 50 percent of the work had been completed at the time bankruptcy ensued. According to the testimony of the bank's counsel, given before a congressional committee, the bank was then faced with a dilemma which was expressed in the following terms to a Signal Corps representative:

> We have already quite a lot of money put into this, and we do not know whether we should stop now and take any loss we might have to take on it or whether we should go further and advance more money.

It is alleged that the contracting officer thereupon gave the bank assurances that if the work was completed the bank need "not worry about the payment for it; that we—the Signal Corps—will find some way to do that." I am in receipt of a report from the Department of the Army that the contracting officer, who was not called as a witness before the congressional committee, categorically denied making any agreement directly or indirectly to reimburse the bank in any amounts other than those which would become due under the original Sherman Bros. fixed-price contracts as the work thereunder progressed and was completed.

Certain it is that the written supplementary agreement under which the bank undertook to complete the contracts contained no provision indicating the existence of any other understanding. Thereunder the bank, in the terms of the supplementary agreement, agreed through its agent "to assume and hereby assumes all of the duties, liabilities, and obligations of the transferor—the trustee in bankruptcy." The obligations of the United States were expressed in article IV of the supplemental agreement, reading:

> Article IV. The Government agrees to recognize the transferee as the successor in interest in and under said contracts and, as the contractor thereunder, entitled to such payments as may be due or become due thereunder.

As before stated, the contracts originally entered into by Sherman Associates, and assumed by the bank under the provisions of the supplemental agreement above quoted, were fixed-price contracts and contained no guaranty of reimbursement for possible losses incurred thereunder. The written supplemental agreement entered into by the bank was therefore on its face contrary to what the bank now says was intended, despite the fact that the bank was represented by able counsel in negotiating that agreement. Moreover, as before pointed out, the contracting officer has stated that the supplemental agreement fully expressed the intent of the parties and that no other underlying agreement in variance therewith existed.

The full contract price for each of the three contracts involved has been paid by the United States. The matter was presented before the Board of Contract Appeals, which held that no further relief could be afforded the bank. An appeal was thereupon taken to the Court of Claims. In this connection it is to be noted that the congressional committee was erroneously advised that the Court of Claims dismissed this appeal on grounds similar to that which had caused its dismissal by the Board of Contract Appeals. In point of fact the records of the Court of Claims show that the appeal to that court was dismissed for failure of the plaintiff to prosecute it.

In the light of all the foregoing facts I find it at least difficult to give credence to the allegation that there existed an oral agreement, contrary to the written understanding of the parties, that the bank was to be allowed full recoupment of any losses suffered in this transaction. My difficulties with this bill, however, do not end there. Apart from any issue as to the authority of the Signal Corps' contracting officer so to bind the United States, if indeed he purported to do so, it is to be observed that it is impossible to determine to what extent Sherman Associates was indebted to the bank at the time of the filing of the bankruptcy petition. The record made before the Board of Contract Appeals seems to indicate that the bulk of the bank's losses was suffered on account of loans already made to Sherman Associates before bankruptcy ensued. This bill apparently would reimburse the bank for all losses suffered in the entire course of its transactions in connection with these contracts, and it therefore appears probable that the bank is to receive payment for substantial losses incurred prior to the time any conferences were held between the bank and personnel of the Signal Corps. These losses could not therefore have been suffered by reason of any alleged representations on the part of such Government personnel.

I am not persuaded that this claimant is either legally or equitably entitled to the relief proposed by H. R. 3012, and I am accordingly unable to give my approval to this bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 30, 1950.*

MERCHANT SHIP SALES ACT OF 1946

I have withheld my approval from H. R. 3419, to amend the Merchant Ship Sales Act of 1946.

This bill provides that in certain cases the cost basis of a war-built vessel purchased prior to the enactment of the Merchant Ship Sales Act shall be the undepreciated original purchase price

reduced by the net amount of the adjustment provided in section 9 (b) of the act.

The purpose of the Merchant Ship Sales Act was to establish a uniform pricing policy for the sale of Government vessels. The prices computed by the formula provided in the act are considerably below the actual construction cost of the vessels and also below the prices of identical vessels sold prior to the date of enactment.

In order to accord prior purchasers a parity of treatment with those buying vessels subsequent to passage of the act, section 9 (b) prescribes certain procedures by which a prior purchaser voluntarily may obtain adjustments in his original price. The buyer is treated as if he purchased his vessels at the date of enactment of the Merchant Ship Sales Act, and certain previous negotiations between the buyer and the Government are taken into account in determining the net adjustment downward. Thus, among other items, the buyer is required to credit to the Government the amount of charter-hire paid by it to him for the use of his vessel during this period. The Government, in turn, credits the buyer with the taxes paid on this charter-hire and with interest on certain amounts of his investment in the vessel. The net effect of these adjustments has usually been in favor of the Government so that the adjusted obligation of the prior purchaser has been somewhere between the price which he originally paid for the vessel and the statutory sales price.

The enactment of this bill arises primarily from the fact that the Treasury Department has ruled that for tax purposes the cost basis of a prior purchased vessel is the statutory sales price. In so ruling, the Treasury Department has held that the adjustments which raised the purchaser's obligation above the statutory sales price are in the nature of bookkeeping corrections, designed to cancel out completely the financial transactions between the Government and the shipowners who bought war-built vessels prior to the passage of the Merchant Ship Sales Act. These shipowners, on the other hand, contend that the section 9 (b) language is not intended to undo the previous operations and that it merely prescribes a formula for arriving at a price which should reflect the net cost for tax purposes as well as for other purposes. On the basis of this interpretation, the shipowners argue that they ultimately will be required to pay the Government an amount greater than the statutory sales price and that consequently the cost basis of the vessels, upon which depreciation allowances are claimed, should include this additional amount.

The fundamental question presented by this bill is which of the two interpretations of the section 9 (b) provisions results in the more equitable treatment to all parties concerned. This measure would resolve the issue in favor of the shipowners' contention.

It is my belief, however, that, as a matter of principle and if no adjustment contracts had already been executed, interpretation of section 9 (b) to require an undoing of all transactions prior to the enactment of the Merchant Ship Sales Act would afford more equitable treatment to both prior and subsequent purchasers and to the Government. Only this interpretation can negate the benefit to prior purchasers of profits on charter-hire rates which were based upon a valuation of the vessels considerably in excess of the statutory sales price set in 1946. Furthermore, other provisions of the Merchant Ship Sales Act already provide that for certain purposes the cost basis of the vessels owned by prior purchasers shall be the statutory sales price. The consistent pattern of treatment provided in the act would be destroyed by granting in this one subsection the concession on cost basis entailed in this measure. Finally, the benefits accruing to prior purchasers, if they are allowed to capitalize these amounts above the statutory sales price, would afford them the special operating advantages which arise from the higher depreciation allowances possible under this measure.

I am concerned, however, lest some shipowners who have already accepted price adjustments did so on the assumption that the cost basis of their vessels for tax purposes would be the original price reduced by the net amount of the adjustments under section 9 (b), operating only as a pricing formula. I am advised that, as a consequence, these owners may not be able to choose the course of action which would prove the more beneficial to them taxwise, an election which will still be available to purchasers who have filed for price adjustments but have not yet accepted them. I believe, therefore, that the owners who have taken the adjustments and now find that their contracts are disadvantageous should request the Secretary of Commerce to examine the possibility of relieving them from these commitments. If it is determined that no authority exists to take such action, I believe the Congress should be requested to enact legislation which would permit these owners to be released from price-adjustment commitments already made.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 28, 1950.*

UNITED TRANSFORMER CO.

I am withholding my approval from H. R. 6489, an act "for the relief of the United Transformer Co. (formerly United Transformer Corp.)."

This act would authorize and direct the Secretary of the Treasury to pay to the United Transformer Co. of New York, N. Y., the sum of $54,458 in full satisfaction of its claim against the United States for compensation for war materials shipped to Horni Signal Manufacturing Co., of New York, N. Y.

In 1943 and 1944, the United Transformer Co., as subcontractor, supplied to Horni Signal Manufacturing Co., as prime contractor, transformers which were incorporated in mine detectors manufactured by the contractor under prime contracts with the Army Signal Corps. The sealing compound used in a total of 18,650 transformers valued at $2.92 each proved to be defective. The defective transformers were returned by the Army to the contractor and were replaced. The new transformers were supplied to the contractor by the subcontractor.

The Government thereafter paid $67,727.17 to the contractor in full satisfaction for the cost of the replaced transformers and the labor involved. Of this sum, the subcontractor was entitled to be paid $54,458 for the new transformers supplied by it to the contractor, but the latter failed to make this payment.

The present claim is predicated upon the contentions that, at the request of the Army Signal Corps, the subcontractor shipped the transformers to the contractor on an open account basis; that the Army Signal Corps refused to enter into direct negotiation with the subcontractor to settle its claim of $54,458 on account of the replacement of the defective transformers; and that the subcontractor was instructed by the Army Signal Corps to process its claim through the prime contractor.

It has been settled in a proceeding brought by the subcontractor before the Appeal Board of the Office of Contract Settlement that the Army's request that the subcontractor deal with the contractor on an open account basis did not apply to the transaction involving the replacement of the defective transformers already mentioned. Furthermore, the Army was within its rights in dealing with the prime contractor rather than with the subcontractor in the settlement of the claim which arose by reason of the replacement of the defective transformers. The Government had no alternative but to deal with its prime contractor; in so doing the prime contractor was not made the Government's agent with respect to dealings between the contractor and the subcontractor. Payment for the replaced transformers having already been properly made to the contractor, it is clear that there is no liability on the part of the Government for any further payment to the subcontractor.

Audits of the records of the subcontractor made in connection with renegotiation of its war business indicate that it earned substantial profits on all of that business, even after deducting the amounts which were uncollected from the contractor. For the 15-month period ending February 28, 1945, in which the transaction here involved took place, its records show that the subcontractor earned a net over-all profit of $773,695 on renegotiable war business.

Furthermore, as I have pointed out to the Congress in my veto message of June 30, 1950, on H. R. 3436, and in my veto message of August 21, 1950, on S. 3906, I am opposed to the enactment into law of any legislation whereby the Government would be construed as insuring contractors supplying goods and services to the Government in wartime against net losses which they might incur. This bill would, as to this one concern, adopt such a form of insurance, and would in fact go one step farther, in that it would reimburse a concern for a loss incurred on a single contract although its total wartime business had been extremely profitable. I adhere to the views I have

previously expressed on this subject, and feel that the present bill is clearly in contradiction of them.

So far as the equities of the situation are concerned, it appears that the United Transformer Co. extended certain credit to a prime contractor and has not been paid. The Government, on the other hand, has paid the prime contractor, and there is no good reason why it should pay twice for the same services. Also, the Government lost substantially more as a result of the Horni Signal Manufacturing Co.'s bankruptcy than did the United Transformer Co., recovering only about $300,000 on a claim which it filed in the bankruptcy proceedings for approximately $2,000,000. Under such circumstances, equity would seem to dictate that the losses of the parties should be left as they are.

Similarly, the United Transformer Co. has taken credit for this loss both for income tax purposes and as a credit in the renegotiation of its wartime profits. It is highly unlikely that the renegotiation proceedings, at least, could be reopened at this time, so that the result of this payment would be to credit the United Transformer Co. with additional income attributable to its wartime business, in addition to the amounts left it after renegotiation, which represented a slightly higher precentage of its gross income than the average for its industry.

Since there is neither a legal nor an equitable basis for relief of the type provided by this bill, and since it represents a form of insurance against wartime losses to which I am opposed, I am constrained to withhold my approval from H. R. 6489.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 28, 1950.*

BOARD OF COUNTY COMMISSIONERS OF SEDGWICK COUNTY, KANS.

I am withholding approval of H. R. 7854 "to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans."

The bill confers jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Board of County Commissioners of Sedgwick County, Kans., against the Government of the United States on account of delinquent real-estate taxes for the tax years 1944, 1945, 1946, and 1947 (together with penalties, interest, and charges) assessed and levied against three tracts of land in Sedgwick County, constituting the aircraft factory and grounds owned in such years by the Defense Plant Corporation and the Reconstruction Finance Corporation and which were leased to the Boeing Airplane Co., and transferred on or about February 25, 1948, to the United States. The measure also provides that the court shall determine the amount of taxes, penalties, interest, and charges, and render judgment in favor of the board of county commissioners against the United States for the amount of any of such items which the court may find and adjudge to have been lawfully assessed against the real estate and remaining due and unpaid.

The record shows that title to certain lands and buildings in Sedgwick County, Kans., was vested during those years in the Reconstruction Finance Corporation. The Corporation leased these lands to the Boeing Airplane Co. for the manufacture of aircraft under the contract with the Air Force. Under the provisions of the lease agreement, Boeing was responsible for any taxes validly assessed and the United States was in turn required to reimburse Boeing under a cost-plus-fixed-fee contract. The county taxing authorities levied taxes upon the real estate in question for each of the years 1944, 1945, 1946, and 1947, which taxes have not been paid. On February 25, 1948, the Reconstruction Finance Corporation conveyed the property to the United States. Thereafter, the county commissioners instituted an action in the district court of Sedgwick County to foreclose a lien for taxes on the property. The action was dismissed by the court on the ground that it was a suit against the United States and the United States had not consented to be sued.

I find objectionable those provision in the bill which authorize the court to render judgment in favor of the county and against the United States for the amount of any penalties, interest, and charges, in connection with the taxes levied by the board of county commissioners. To impose a liability upon the Federal Government for such penalties, interest, and charges is inconsistent with the sound and long-established doctrines that claims against the United States do not bear interest and that the Federal Government is not liable for penalties. The enactment of legislation in derogation of these firmly established principles would, in my opinion, create a most undesirable precedent. Moreover, such provisions would discriminate against all other claimants. While I would not object to a measure which would merely permit Sedgwick County to secure a judicial determination in the Court of Claims of the question as to whether the tax assessed against the property involved was lawful, without creating any new cause of action, I cannot approve a measure which would permit recovery of penalties and interest against the United States.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 28, 1950.*

LA FAYETTE BREWERY, INC.

I am withholding approval of H. R. 1601, a bill "for the relief of the La Fayette Brewery, Inc."

The bill directs the Secretary of the Treasury to pay to the La Fayette Brewery, Inc., of La Fayette, Ind., the sum of $5,642 in satisfaction of its claim for refund of the value of 89 canceled and 24 uncanceled internal revenue malt liquor stamps burglarized from its safe on January 28, 1944.

The claimant sustained a loss of malt liquor stamps in the manner and to the extent described above.

The record discloses that the claimant has been fully compensated by its insurance carrier, the United States Fidelity & Guaranty Co., of Baltimore, Md., for the losses which it sustained as a result of the theft of the stamps in question. Due to the terms of the policy and an option elected thereunder, the present claim is being advanced in the name of the claimant, although the payment contemplated by this measure would actually constitute a payment to the insurance carrier.

It appears that the stolen canceled and uncanceled stamps were in varying denominations, some of which were designed for use in connection with the distribution of fermented liquor in barrels; others were to be used when such liquor was carried from the brewery by pipeline. The differences between these two methods of distribution necessarily require differing procedures with regard to the manner in which the fermented liquor stamps are employed. I am informed that, due to these differences, there is a very definite possibility that stamps for barrel distribution might be illegally used by an unscrupulous brewer but that there is little, if any, possibility that stamps covering pipeline distribution could be so used.

To require the Government to assume a risk which in no way was due to the negligent acts or omissions of its employees would manifestly be unwarranted. Risk-taking is the purpose for which insurance companies are established and for which they are paid premiums. On the other hand, it would be equally unwarranted to require an insurance carrier to pay compensation on account of a paper loss which, undoubtedly, will never result in an actual loss to the Government.

Consequently, on the basis of the facts in this case, I believe that the claimant should be compensated in an amount equal to the value of stolen stamps earmarked for payment of the tax on fermented liquors distributed by pipeline, but I do not believe that there is any justification whatsoever for the granting of an award covering the full value of all of the subject stamps which were stolen, as is proposed by the instant measure.

HARRY S. TRUMAN.

THE WHITE HOUSE, *September 30, 1950.*

ADJOURNMENT UNTIL THURSDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

HON. MYRON V. GEORGE

The SPEAKER laid before the House the following communication from the Clerk of the House:

NOVEMBER 27, 1950.

The Honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law, showing the election of the Honorable MYRON V. GEORGE as a Representative-elect to the Eighty-first Congress from the Third Congressional District of the State of

Kansas, to fill the vacancy caused by the death of the Honorable HERBERT A. MYER, is on file in this office.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

Mr. GEORGE appeared at the bar of the House and took the oath of office.

NINTH REPORT OF THE ECONOMIC COOPERATION ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 713)

The SPEAKER. The Chair lays before the House the following communication from the Clerk of the House.

The Clerk read as follows:

NOVEMBER 17, 1950.

The Honorable the SPEAKER,
House of Representatives.

SIR: I have the honor to transmit herewith a sealed envelope from the President of the United States, addressed to the Speaker of the House of Representatives, received in the office of the Clerk at 10:55 a. m. on November 17, 1950.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed, with illustrations:

To the Congress of the United States of America:

I am transmitting herewith the ninth report of the Economic Cooperation Administration created by the Foreign Assistance Act of 1948 (Public Law 472, 80th Cong.), approved April 3, 1948.

The report covers activities under the Economic Cooperation Act of 1948 (title I of Public Law 472), as amended, as well as the programs of economic aid to China under Public Laws 47 and 447, Eighty-first Congress, and to the Republic of Korea under the provisions of the Foreign Aid Appropriation Act of 1949 (Public Law 793, 80th Cong.), and Public Laws 430 and 447, Eighty-first Congress.

There is included in the appendix a summary of the status of the United States foreign relief program (Public Law 84, 80th Cong.) and the United States foreign aid program (Public Law 389, 80th Cong.).

This report covers the quarter ended June 30, 1950.

HARRY S. TRUMAN.

THE WHITE HOUSE, *November 17, 1950.*

SPECIAL ORDER GRANTED

Mr. FERNÓS-ISERN asked and was given permission to address the House for 10 minutes Thursday, following the legislative program.

HOUSING AND RENT ACT OF 1950

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and include therein a letter which I have received from the President of the United States; and also ask unanimous consent that the Clerk may read the letter.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read as follows:

THE WHITE HOUSE,
Washington, November 27, 1950.

DEAR MR. CHAIRMAN: As you know, the Housing and Rent Act of 1950 will eliminate rent control in all incorporated cities, towns, and villages after December 31, 1950, unless they have taken affirmative action by that date to continue such control. I strongly recommend that the Congress extend that date to March 31, 1951. Such an extension would not interfere with the authority local communities now have to decontrol rents when in their judgment it seems proper.

The present rent control law was enacted before the outbreak of hostilities in Korea. It was passed to provide for the orderly transition to a free rental market in a peacetime economy. There has been a marked change in the situation since the law was passed. The outbreak of aggression during recent months has compelled us to move rapidly to increase our military strength. We are expanding our Army, Navy, and Air Force. We are stepping up our production of defense items and increasing our industrial capacity. To carry out this program successfully and to safeguard our economy, it will be necessary to keep rents in vital defense areas from rising to unreasonable levels.

Therefore, we must consider anew the whole problem of rent control in relation to the pressures now being created by the defense program. We must look into the situation around reactivated military camps and installations so that servicemen and their families can be given necessary protection against rent gouging. We must prevent high rents from interfering with the recruiting of defense workers and their movement to defense jobs. We must consider the relation of rent control to the price and wage aspects of our stabilization program.

I realize that there is insufficient time for the Congress to make a full investigation of these problems and consider a new rent control law during the present session. Moreover, during the next few months it should be possible to form a more accurate judgment concerning the effects of our expanded defense program on rents and housing needs. The extension of the automatic decontrol date to March 31, 1951, will permit the Eighty-second Congress to give full consideration to the effects of our defense program and make whatever changes in the law may be necessary. Unless this extension is made, many communities may be decontrolled by the operation of the present law before they, or the Congress, have been able to examine the problems confronting them, and with results that may be damaging to the national defense.

I will appreciate it if you will take this matter up with your committee with a view to obtaining favorable action upon such an extension.

Very sincerely yours,

HARRY S. TRUMAN.

HON. BRENT SPENCE,
Chairman, Committee on Banking and Currency,
The House of Representatives,
Washington, D. C.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. SPENCE. Mr. Speaker, pursuant to the letter which has just been read, which I received from the President, I have introduced a bill to extend the present Rent Control Act to March 31 of next year, in order that the new Congress may have opportunity to consider matters in status quo. There has been a great change in the condition of the Nation since the last act was passed.

Our military requirements have increased. It may be necessary to greatly enlarge existing military installations and to establish new ones. That would require a vast number of employees to be housed in their vicinities, and some protection must be given to them. We hope these conditions may not arise, but we must be prepared. Because of these conditions we would be recreant to our duty if we did not give the Eighty-second Congress the opportunity to reconsider the present law while it is still in effect.

The SPEAKER. The time of the gentleman from Kentucky [Mr. SPENCE] has expired.

LEAVE OF ABSENCE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that my colleague the gentleman from New York [Mr. O'TOOLE] may have leave of absence indefinitely, on account of attending to Government business.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

ECONOMY IN GOVERNMENT EXPENDITURES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker and Members of the "lame duck" session of the Eighty-first Congress: I may be a duck, but I am not a lame one. I still have plenty of fight in me and will continue to fight for right until stripped of my authority to speak on the floor of the House.

Let us start off the Eighty-second Congress with a slogan: "Stop spending, little lending, and no giving." Let us take care of America and keep America strong before all the resources left to America are squandered in foreign countries. The program now outlined by the State Department and the Foreign Affairs Committee will surely wreck this country. Change this policy, and do it at once.

One thing that I cannot recommend too strongly, is to keep Government functions to the minimum. Limit them and stop making them permanent. The Voice of America started out by spending $34,963,927; this was reduced to $26,000,000 in fiscal year 1948. Since that time the amount has been steadily increased and this year the Congress approved an appropriation of $110,000,000. Remember there are not many radios in Russia and other foreign countries. They just do not have them. Therefore over a hundred stations in this country broadcasting the Voice—and remember the subject and dialog in some of these broadcasts—seems extremely foolish to me.

During the past week it has been proposed that the Voice of America buy a 10-story building in New York City to

carry on their work. Congress, stop this foolish move. Prohibit them from obligating themselves to purchase such a building for that purpose. I call upon you good, sensible Jeffersonian Democrats and you sound Republicans to put an end to these moves which keep adding and adding to the daily increasing cost of government. Another move to make the Voice radio permanent. Will the Eighty-second Congress have more sense and foresight than the Eighty-first? My prayer is that it will. It is only by cutting down the functions of government, talking and acting economy, and working for common-sense moves in government that this Nation will survive. We want more business in government and less Government in business.

EXCESS-PROFITS TAX

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I am at this time introducing a joint resolution to redefine the intent of Congress:

Joint resolution to redefine the intent of Congress

Resolved, etc., That section 701 (a) of Public Law 814 of the Eighty-first Congress is hereby amended to read as follows:

"SEC. 701. Excess-profits tax.

"(a) The House Committee on Ways and Means and the Senate Committee on Finance are hereby directed to report to the respective Houses of Congress a bill for raising revenue and for combating inflation by the levying, collection, and payment of corporate excess-profits taxes and/or corporate defense profits taxes with retroactive effect to October 1, or July 1, 1950, said bill to originate as required by article I, section 7, of the Constitution. Said bill shall be reported as early as practicable during the Eighty-first Congress after November 15, 1950, if the Congress is in session in 1950 after such date; and if the Congress is not in session in 1950 after November 15, 1950, said bill shall be reported during the first session of the Eighty-second Congress, and as early as practicable during said session."

Mr. Speaker, the driving force of our country's industrial economy is seriously imperiled as the result of an apparent misconstruction of the intent of Congress expressed in section 701 (a) of the Revenue Act of 1950 by the Democratic members of the Ways and Means Committee. This section which received the overwhelming support of both political parties directed the Ways and Means Committee to as soon as practicable report a bill for raising revenue by means of a corporate excess-profits tax with retroactive effect to October 1 or July 1, 1950. Pursuant to this directive the Ways and Means Committee commenced public hearings on November 15 on which day the Secretary of the Treasury recommended to the committee that an additional $4,000,000,000 be raised by the imposition of the same type of an excess-profits tax which was levied during World War II.

The Republican minority on the committee have consistently taken the position that section 701 (a) was not intended by the Congress to preclude the committee from considering an excess-profits tax combined with alternate forms of increased corporate taxation. Moreover, we do not believe that the Congress intended the committee to be limited to a consideration of only the President's recommendations, or modifications of it, as was done during the public hearings.

But Republican efforts to broaden the narrow construction by the Democratic members of section 701 (a) and thereby expedite the work of the committee in preparing a tax bill have been consistently blocked and our recommendations for various combined or alternate proposals for taxing excessive profits and raising revenue have been ruled out of order.

The net result of this limited interpretation of the intent of Congress is that the Ways and Means Committee now faces an impossible task. On the one hand it is of the utmost importance that a revenue bill for siphoning off excessive war profits, combating inflation, and raising additional revenue through an increase in corporate taxes be swiftly enacted; and on the other hand, it is clear beyond any doubt that enactment of the President's recommendations would be highly inflationary and detrimental to our national economy.

In order, therefore, to solve this grave problem I am introducing a joint resolution to clarify the intent of Congress. As amended by my joint resolution the authority of the committee would be redefined so as to permit it to immediately report a bill not only for raising revenue but also to combat inflation by the levying of a corporate excess-profits tax and/or a corporate defense tax.

As amended by my resolution section 701 (a) would read as follows:

SEC. 701. Excess-profits tax.

The House Committee on Ways and Means and the Senate Committee on Finance are hereby directed to report to the respective Houses of Congress a bill for raising revenue and for combating inflation by the levying, collection, and payment of corporate excess-profits taxes and/or corporate defense profits taxes with retroactive effect to October 1, or July 1, 1950, said bill to originate as required by article I, section 7, of the Constitution. Said bill shall be reported as early as practicable during the Eighty-first Congress after November 15, 1950, if the Congress is in session in 1950 after such date; and if the Congress is not in session in 1950 after November 15, 1950, said bill shall be reported during the first session of the Eighty-second Congress, and as early as practicable during said session.

I am confident that my resolution will meet with the swift approval of the Congress because it will make it possible for the Ways and Means Committee to immediately prepare a tax bill which will raise additional revenue, stem inflation, and siphon off excessive corporate profits derived directly or indirectly from the war.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. REED of New York. Mr. Speaker, I move the immediate adoption of this resolution.

The SPEAKER. The Chair does not recognize the gentleman for that purpose.

TROOP TRAIN WRECKED IN GEORGIA

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, we learned today over the radio that there was a train wreck in Georgia, a troop train. This is the second within a few months.

Mr. Speaker, I am asking for an investigation.

Our men who are fighting for us, defending our country, should have the best cars and the best engineers there are. The wrecks may be due to sabotage; anyway, the matter should be investigated.

RENT CONTROL

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOLCOTT. Mr. Speaker, if I understood correctly, my very esteemed colleague, the chairman of the Committee on Banking and Currency, Mr. SPENCE, has announced that he is introducing a resolution to continue rent control for 90 days.

Almost 6 months ago we decided here in this Congress that rent control was no longer a Federal problem, that henceforth it should be a local problem. The municipalities have had 6 months in which to determine whether rent controls should be continued in their cities beyond December 31, 1950. I think it is very unfortunate that at this particular time a resolution is introduced which might give the cities encouragement that rent control will be continued beyond that time. I think we should reevaluate rent control in the light of its lapse on December 31 in those cities which do not want to continue it.

THE LATE HONORABLE JOHN F. FITZGERALD

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, during the recess of the Congress, the Commonwealth of Massachusetts and the city of Boston were grieved by the death of the Honorable John F. Fitzgerald in the eighty-eighth year of his long and fruitful career.

Death came quietly before midnight on October 3 to one of the most genial and affectionate personalities who ever graced the political and civic stage in the city of Boston.

In a lifetime of public service extending over a period of 60 years, John F. as he was affectionately known by his host of friends, won honors at home and

abroad for his diligent efforts to better the lot of his fellow men.

A native son of Boston, and one imbued with a keen sense of its history, John F. Fitzgerald who was the grandfather of our distinguished colleague from Massachusetts [Mr. KENNEDY] spent the greater part of his energies in making his home city a finer and better place to live.

Throughout his long and colorful career, John Fitzgerald spent 6 years in the office of mayor of Boston, 6 years in this House as Congressman from his beloved district, a year in the common council of Boston, and the whole of his life in expending his great talents and prodigious energy in the service of his fellow citizens.

In the latter part of his life, he devoted almost all his time to the demanding duties of the port of Boston authority on which he served from 1934–1948. During those years he enjoyed the reward of seeing the port facilities restored to their former grandeur so that today Boston has better piers, finer docking facilities, and accommodations for the largest ships that sail the seas.

John F. Fitzgerald was the first son of Irish immigrants to be elected mayor of Boston. His formal education and his aspiration to become a doctor were cut off by the untimely death of his father, and after withdrawing from the Harvard Medical School, he became the father of a family consisting of his widowed mother and 7 younger brothers.

For over ten years he supported this family on the meager salary of a customs house clerk, and in 1891 he launched upon his prominent political career with election to the old Boston common council.

Thereafter, and successively, he went to the State senate of Massacusetts and to the Halls of Congress where he served from 1895 to 1901.

Returning to devote his administrative abilities and genius for Government to the home scene, he was elected mayor of Boston in 1906 and 1907, and in 1910 he was the first Boston mayor to be elected for a 4-year term.

Long in advance of the time when the people of this Nation came to look upon social legislation as commonplace, John F. Fitzgerald introduced bills to establish maximum hours for laborers, to establish workmen's compensation insurance systems and old-age pensions. In the early years of this century he was a leader in the struggle to establish the Australian ballot in order to prevent manipulation of elections by ward bosses and industrial owners.

While in this Congress he started his efforts to develop Boston Harbor and procured an $8,000,000 appropriation for its development when he was the only Democratic Congressman in the entire New England delegation. One of the greatest monuments to his memory is the present commonwealth pier in Boston.

His reverence and love for the lore of Massachusetts history led him to abolish the old Puritan "fast day" in Massachusetts and replace it with Patriots' Day in memory of the opening battle of the Revolutionary War.

In Washington, on Beacon Hill, and in the city hall on School Street, John F. Fitzgerald has left a record of intelligent, conservative, and humane legislation. In the hearts of all of the citizens of the commonwealth, and in the memories of his host of friends everywhere, he has left the imprint of his great and generous soul.

He shall be missed as one who spent all his energy in the service of his city, his State, and his Nation.

No man could have done more as a servant of his fellow man.

May he rest in peace.

Mr. Speaker, as part of my remarks I include the following editorials from Boston newspapers:

[From the Boston (Mass.) Globe]

JOHN F. FITZGERALD

Boston will remember John F. Fitzgerald not only as an ex-mayor and a formidable candidate in every one of the political campaigns he undertook, but also as a tireless worker for the city's growth and prosperity. It was he who, as mayor, initiated the bigger, busier, and better Boston campaign of the pre-World War I era. Forty years later as a zealous member of the Boston Port Authority, he was still guided by those ambitions.

His energy was boundless. As a member of the old common council, as a State senator, as a Congressman, as mayor for two terms, as an aspirant for the United States Senate and the governorship, as an appointed official and the adviser of younger Democrats, he was in public life for 55 years. Few men have had such long careers. None enjoyed his more.

The rest of the country, reading of his death, will remember him as the Boston ex-mayor who sang Sweet Adeline, the song with which he was more closely identified than its authors. It is probable that John F. Fitzgerald would like to be remembered as a man who was forever trying to arouse crowds to his own pitch of enthusiasm.

[From the Boston (Mass.) Herald]

JOHN F. FITZGERALD

Most Bostonians loved John F. Fitzgerald and mourn his passing. It is easy to understand why. He became a kind of symbol of the underprivileged Irish boy who made good in his chosen city. More than making good personally, he spent great time and effort in promoting the community he loved, in assisting the development of the port, in the improvement of educational opportunities for boys not able to go to college, and in many other ways. He was, indeed, dedicated to making Boston a better place in which to live.

We who write these columns feel a personal loss because, during the latter years in his life, the old gentleman would call us on the telephone with regularity, telling us straightforwardly what he liked about the current Boston situation and what he thought was bad. He never lost interest in anything that had to do with Boston town.

A special interest was in forwarding the recognition of his fellow Irish-Americans in the politics and commerce of this community. He did much to help them. It was a generous attitude for, not content with having gained power and recognition for himself, he wanted others of his kind to make their way, too.

We add our expression of sympathy to the many others which are being uttered these days for a man widely beloved, who served his city well.

[From the Boston (Mass.) Post]

JOHN F. FITZGERALD

It is an undeniable tradition, proven beyond debate, that America is the land of opportunity. Before our eyes, John F. Fitzgerald lived it. Son of immigrant parents, he sat in the Halls of Congress and in city hall. Having had his chance, made possible by his own diligence and ability, he was grateful.

Down the long, useful years that were given to him, he expressed that gratitude by becoming one of the greatest champions of the Hub in all its history. Inspired alone by an abiding love of his native heath, through New England, the Nation and beyond the seas he told the Boston story. And bigger, better, busier Boston is still the bright banner that it was when he first lifted it in a time when others thought that the city had lived its day.

No man was ever more conscious of historic Boston. In countless ways he demonstrated that. He brought the U. S. S. *Constitution* to the Hub for a home. He established April 19 as Patriots' Day. He launched the custom of reading the Declaration of Independence from the balcony of the Old State House.

But the very historic markers amid which he was born did not entice him to live in the past. He used them as stepping stones to help lead the way to Boston's prosperous present and from them, as an eminence, with vigor and vision that belied his decades, pointed to the future so bright and so promising that he has bequeathed to those who remain.

Eyes always on the future, the lifelong enthusiast for better tomorrows early saw who would be the inheritors. For their sake he founded the Franklin Park Zoo and the Boston Aquarium. That they might have their chance he established the High School of Commerce. For their well being he set up a child-hygiene system. And for their delight he erected the first Christmas tree on Boston Common.

The habit of doing for others he acquired early. Left motherless while young and then fatherless, he helped to raise seven brothers, caring for the home and working at the same time, sacrificing his hope of becoming a doctor and turning to public life as an outlet for his tremendous energy, which carried him smiling and singing through many bruising political campaigns.

On Beacon Hill, in Washington and on School Street, he left legislative records all bearing on making life more abundant for all the people and in particular for those who needed a helping hand. But his monument is the port of Boston, for he early recognized that a seaside city cannot live without ocean traffic and he refused to allow that flag to be hauled down from the mast.

Even when almost a lone voice in a wilderness of indifference or inattention, his zeal did not diminish, his hopes did not despair. He lived to see the dream that would not die made tangible with new piers which are now reaching welcoming arms to seaborne commerce from the ends of the earth. For this, "my own, my native land," no one man could do more.

Edwin Markham once wrote a piece of poetry which applies to his passing:

"As when a lordly cedar, green with boughs,
Goes down with a great shout upon the hills,
And leaves a lonesome place against the sky."

[From the Boston (Mass.) Traveler]

JOHN F. FITZGERALD

John F. Fitzgerald's death leaves a gaping void in the city of Boston. There will never be another like him because the gay, warmhearted era whose best qualities he typified is in history's discard. Now that he is gone,

the people of Boston can take comfort from the memories of his 60 years of cheerful service to their city.

"Bigger, better, busier Boston." That was John F.'s slogan 50 years ago when he pioneered in the art of civic tub thumping. Always a Boston booster, he did far more than talk about it. He had more to do than anyone with the improvement of Boston Harbor and its opening to all the world's commerce. As Congressman, mayor, and just plain citizen he fought all his long life for the prosperity and welfare of the people of Boston.

"Perhaps with the coming of the twentieth century airships may be invented to sail from this country to other parts of the world. [Laughter.]" The words were those of Congressman John F. Fitzgerald in 1901, 2 years before the Wright brothers' first flight. The laughter came from his colleagues. John F. believed anything was possible, where there was a will to do it, and many of the miracles he believed in came to pass.

These miracles included heaping measures of welfare and comfort for the people he represented. He led the way in Boston in parks, playgrounds, schools, transportation. He never forgot the struggles, or the joys, of his people in the North End.

Some will remember him when they hear the strains of Sweet Adeline, which he used to sing in a golden voice that earned him the name "Honey Fitz." Real old-timers may remember that he was the champion greased-pig chaser of St. Stephen's Parish 3 years in a row. Almost everyone who ever came near him will think of John F. Fitzgerald's energy, good humor, and spirit as representing a great deal of what was good in Boston for the 87 years he was among us.

THE LATE HONORABLE PAUL STEWART

Mr. ALBERT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

Mr. ALBERT. Mr. Speaker, it is my sad duty to advise the House of the death on November 13 of my distinguished predecessor in this House, the late Honorable Paul Stewart of Antlers, Okla.

Mr. Stewart served with distinction in the Seventy-eighth and Seventy-ninth Congresses from the Third District of Oklahoma. He retired voluntarily after two terms on account of his health.

Paul Stewart was born in Clarksville, Ark., on February 27, 1892. Son of a Presbyterian missionary, he was reared in the Choctaw Indian country of southeastern Oklahoma.

Prior to his election to Congress, Mr. Stewart had served 20 years in the Oklahoma State Legislature. He served two terms in the House of Representatives and was elected for a third term. He resigned as Representative to enter the race for State senator in a special election in 1926. During his career in the senate, he became one of the outstanding public officials of Oklahoma, holding every important office in that body up to and including that of president pro tempore.

Paul Stewart was a great American and a great Oklahoman. His death is a tremendous loss to our State and particularly to southeastern Oklahoma, known as Little Dixie, which he represented so long in the State legislature and in the Congress. It would be no exaggeration to state that practically every public monument, almost every highway, schoolhouse, and public building constructed in the area in which he lived, are monuments to his long years of faithful service. He was a part and parcel of the country which he helped to build.

Paul Stewart was a man of strong and definite convictions. He was one of the most courageous men I have ever known. He was never afraid to fight when he thought he was right. He succumbed while fighting a grass fire at his ranch house. He literally died with his boots on.

Paul Stewart was a man of broad experience and unlimited talents. He was a newspaper editor, a Congressman, senator, legislator, statesman, lawyer, cattleman, businessman, banker, humorist, and philosopher. His friends will miss him. Southeastern Oklahoma will miss him. The old man of the mountains is gone, but his handiwork remains as majestic, as towering, and as enduring as the lofty peaks of the Kiamichis which he knew so well and loved so much.

I extend my deepest sympathies to his bereaved wife and loved ones.

GENERAL LEAVE FOR OKLAHOMA MEMBERS TO EXTEND THEIR REMARKS

Mr. ALBERT. Mr. Speaker, I ask unanimous consent that all Members of the Oklahoma delegation may have permission to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

PAUL STEWART

Mr. STIGLER. Mr. Speaker, in the passing of the Honorable Paul Stewart of Antlers, Okla., a former colleague of ours, I lost a great friend and the southeastern part of my State lost a great builder.

He had a multitude of friends and was affectionately known as "The Ole Man of the Mountain" because he loved his section of our great State and was always ready to expend his entire time in promoting its best interest. The scenery to him was unsurpassed and second to none. Many times have I heard him extol the virtues of his home land.

It was my pleasure to know him for many years. He was a positive character-never equivocal. No one ever had to guess where he stood on any public issue. If he liked you there wasn't anything he wouldn't do for you and nothing was too good for his friends.

I served in our State senate with him. Before retiring, he was elected President pro tempore of that body and made an outstanding presiding officer.

Today a sense of deep grief pervades the souls of those who knew Paul Stewart during his lifetime. In our State he made an indelible imprint on the legislative history of his time. We deeply mourn our loss and extend to his fine family our deepest sympathy.

SPECIAL ORDER GRANTED

Mr. RIVERS asked and was given permission to address the House for 30 minutes on Thursday next, following the legislative program and any special orders heretofore entered.

PERMISSION TO ADDRESS THE HOUSE

Mr. MACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. MACY addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. MACY. Mr. Speaker, I ask unanimous consent to insert in the Appendix of the RECORD my revised remarks somewhat amplifying and pointing out the record in this very tragic situation.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. FALLON (at the request of Mr. BOLLING), for today, on account of death in the family.

To Mr. VAN ZANDT (at the request of Mr. GRAHAM), from November 27 to December 20, on account of active duty with United States Navy as a Naval Reserve officer.

To Mr. WOLVERTON (at the request of Mr. MARTIN of Massachusetts), for 3 days, on account of official business.

To Mr. KEARNS (at the request of Mr. SIMPSON of Pennsylvania), on account of illness of his mother.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. LARCADE (at the request of Mr. PASSMAN) was given permission to extend his remarks in two instances, in each to include an editorial.

Mr. CELLER asked and was given permission to extend his remarks in three instances.

Mr. MULTER asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. GATHINGS asked and was given permission to extend his remarks and include recommendations of the Arkansas Wholesale Grocers' Association.

Mr. BIEMILLER asked and was given permission to extend his remarks in five instances.

Mr. GRAHAM asked and was given permission to extend his remarks.

Mr. RICH asked and was given permission to extend his remarks and include an editorial from the Washington Times-Herald of November 26: Wake the Watchman.

Mr. SHORT asked and was given permission to extend his remarks and include an editorial.

Mr. GOODWIN asked and was given permission to extend his remarks and include a newspaper article.

Mr. HORAN asked and was given permission to extend his remarks and include a newspaper article.

Mr. COLE of New York asked and was given permission to extend his remarks and include an article appearing in the New York Times by Dr. Walter F. Wilcox, on the subject of congressional reapportionment.

Mr. POULSON asked and was given permission to extend his remarks and include an editorial.

Mr. HOFFMAN of Michigan (at the request of Mr. POTTER) was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. HESELTON asked and was given permission to extend his remarks in five instances and in each to include extraneous matter.

Mr. DOLLIVER asked and was given permission to extend his remarks and include a poem by J. A. Swisher, on the subject of Iowa.

Mrs. ROGERS of Massachusetts asked and was given permission to extend her remarks and include material from the American Legion regarding universal military training.

Mr. McCORMACK asked and was given permission to extend his remarks and include four editorials.

Mr. PRICE asked and was given permission to extend his remarks and include a newspaper article.

Mr. CARNAHAN asked and was given permission to extend his remarks and include extraneous material.

Mr. CRAWFORD asked and was given permission to extend his remarks and include a brief statement on small business.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include a radio address.

Mr. JAVITS asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. PHILBIN asked and was given permission to extend his remarks in two instances.

Mr. DOYLE asked and was given permission to extend his remarks in two instances and include extraneous matter.

HERBERT A. MEYER

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, I rise to announce the untimely passing of a distinguished Member of this House, the Honorable HERBERT A. MEYER, who died October 2, 1950.

HERBERT MEYER served with distinction during the Eightieth and Eighty-first Congresses.

Prior to entering the political arena, he graduated from the Staunton Military Academy, the George Washington University, and the National University School of Law. He served as an officer of World War I and afterward became one of the distinguished and influential newspaper publishers of our State.

During his service in Congress, HUB MEYER, as he was familiarly known, was a hard fighter when dealing with problems in which he was particularly interested. He was a diligent worker. He was unassuming. He was the type of man upon whom the membership could depend. HUB MEYER had the respect and the friendship of Members on both sides of the aisle. He was a member of the Committee on Veterans' Affairs. He was an ardent worker for the servicemen and their dependents.

Only a short time before his death he was assigned to membership on the House Committee on Armed Forces. He devoted his career to public interest. He was a builder for the good of his community and for our country. He was fearless. He was courageous. He had a deep sense of justice. He had all of the attributes that go to make up a truly Christian gentleman. To his immediate family we extend our deepest sympathy.

I am reminded of Thomas Moore's immortal lines:

When I remember all
The friends so linked together,
I've seen around me fall,
Like leaves in wintry weather,
I feel like one
Who treads alone
Some banquet hall deserted,
Whose lights are fled,
Whose garlands dead,
And all but he departed.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the gentleman from Indiana.

Mr. HALLECK. First of all, Mr. Speaker, I ask unanimous consent that all Members may be permitted to extend their remarks on our late colleague at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MICHENER. Mr. Speaker, I held the late Representative HERBERT A. MEYER in such high regard that I cannot permit this occasion to pass without adding my tribute of affection and respect to the eulogies of the others. I became acquainted with Mr. MEYER shortly after his election. We lived at the same hotel and it was not long before I knew why the people of Kansas sent HUB MEYER to Congress. Always reliable, a crusader for a cause in which he believed, and a violent opponent of principles and philosophies which he considered detrimental to the American way of life, he was a factor to be reckoned with in the Congress.

There is not much that I can add to what has been said here today that would not be repetitious. HUB MEYER has left a splendid heritage to his fine family and this is a better Congress because he served in it and this is a better world because he lived in it. To the fine wife we extend our genuine sympathy.

Mr. COLE of New York. Mr. Speaker, although I had met Mr. MEYER when he first became a Member of the Eightieth Congress, I did not come to know the full measure of his talents until he acquired membership on the Committee on Armed Services. His attendance at the deliberations of that group was punctual and faithful; he was constantly alert and attentive and on many occasions he made valuable contributions from the wealth of his experience and the breadth of his knowledge and understanding. He was marked for greater and greater responsibilities in connection with the work of that committee. He had only nicely started with that work when he was suddenly taken from us. But he was with us long enough to have made a profound impression upon us with respect to his true character, his sober judgment, his patient tolerance, and his thorough Americanism.

Deeply though we may mourn his passing and generously extend our sympathy to his bereaved family, we are moved with abiding thankfulness that he lived and served with us; our lives have been made richer because of his presence; America is stronger because of the type of manhood which he represented and possessed in such abundance.

Mr. HAYS of Arkansas. Mr. Speaker, news of the death of Hon. HERBERT MEYER brought to me not only a sense of the great loss to the public service but a personal grief as well. We became warm and intimate friends soon after his arrival in Washington to represent his district. He preceded me as a student at George Washington University and we had been members of the same fraternity. These and other circumstances brought us together, and I quickly developed an appreciation of his splendid qualities. We are all saddened by the interruption of a congressional career that had already gained wide recognition.

Tennyson's tribute to his friend might appropriately have been applied to HERBERT MEYER:

I would the great world grew like thee
Who grewest not alone in power
And knowledge, but by day and hour
In reverence and in charity.

There was a quiet charm and an obvious sincerity in his manner, and his devotion to the high standards of political service was universally approved. He will be greatly missed.

Mr. EVINS. Mr. Speaker, I wish to join with my colleagues in paying a tribute of respect to the memory of HERBERT A. MEYER, of Kansas. I was deeply shocked to learn of his untimely passing. It was my privilege to serve with HERB MEYER in both the Eightieth and Eighty-first Congresses—we came to Congress at the same time, and he, like myself, was assigned to the Committee on Veterans' Affairs. As a member of the Committee on Veterans' Affairs, it has been my privilege to know and admire the

work of HERBERT MEYER. He was capable, conscientious, and energetic. He applied himself diligently to his duties. We served together as members of a special subcommittee concerned with Spanish-American War veterans' legislation. He was keenly interested in the welfare of all our American veterans. In addition to being an able representative of his people, he was a thorough gentleman, kind and modest, and the type of person one learns to genuinely like and admire. I regarded him as a fine friend and I deeply regret his passing.

I extend to his wife and members of his family my most sincere and heartfelt sympathy in the great loss which they have sustained.

Mr. HALLECK. Mr. Speaker, HUB MEYER, as we affectionately knew him, was too good a man, too valuable a man, too young a man, to die. However, I am sure we all recognize that death is inevitable and it is always imminent. Whenever the call comes there is not much we can do about it, but I think that as friends of the family of the departed one whom we have loved and respected and admired, we can all take great comfort in the fact that he was permitted to live and that the good things that he accomplished still live after him. I met HUB MEYER first when he came here to the Congress. I recognized in him one of the finest, gentlest, kindest men I ever knew, but who at the same time was strong and courageous and able. He was a man of integrity, of diligence, and of honesty. We on our side recognized his great ability. In the midst of the great controversy and conflict that has beset us in recent months and years, we saw fit to assign him to the great Committee on Armed Services, a committee which, as we all know, now carries a great responsibility for our country and for the world.

HUB MEYER had the respect of all of us who served with him here. I might add a further word out of a personal experience of mine with him. Last February he invited me to go out to his home town of Independence, Kans., to speak there in a great Republican rally in that area. I met and came to know his family there, and his friends. I visited in his home. I went about among the people who were there and observed their feelings toward HUB MEYER. I do not need to tell you who served with him here what a great man he was, but I certainly can say that equally was he great among the people whom he served so ably and so well in the House of Representatives.

I knew of his illness. I had hoped above everything else that he would recover, but he did not. He is no longer with us, except as he shall be here present in the memory of every one of us. All of us certainly mourn his passing. We say to his family and his friends how sorry we are that he is gone, and offer them the note of comfort that can come from the hearts and the minds of true friends.

Mr. HOPE. Mr. Speaker, the death of Hon. HERBERT A. MEYER on October 2, 1950, shortly after the beginning of the congressional recess was a great shock to me as it was to his many friends everywhere. I had known of his illness but all reports indicated that he was rapidly recovering. I had hoped that he would soon be able to return to his family and friends in Kansas.

My acquaintance with HUB MEYER was not long as time goes. I first met him after his nomination for Congress in 1946, and had no opportunity to really become acquainted until the Eightieth Congress met in January 1947. That acquaintance developed into a friendship which became closer as the years went by and I shall always regard my association with HUB MEYER as one of the happiest experiences of my congressional career.

HUB MEYER came to Congress with a long and varied background of business experience. He had a fine mind and a good education. He had a record of success in all of his undertakings. His work in Congress was no exception. I have never known a man in my congressional experience who was more eager to do a good job; who took his duties more seriously; or who carried them out more faithfully than HUB MEYER. As he became familiar with congressional work, he asked for harder and more important assignments, not because he was looking for honor or glory but because he craved the opportunity to render the greatest possible service. It was in recognition of his ability and his splendid record that only a few weeks before his death he was given a place upon the great Armed Services Committee, so important at this time of world turmoil and conflict.

HUB MEYER was a Christian gentleman in the fullest and best sense of the word. He was a man of the highest principles. His patriotism and courage were apparent to all. In his personal relationships he was gentle, tolerant, and unassuming. He had a great gift for friendship and I know of no man who had finer or truer friends than HUB MEYER.

He leaves to mourn him his gracious wife and his fine capable son. To them I extend my heartfelt sympathy and the hope that they will be given the strength to carry their heavy burden.

Mr. COTTON. Mr. Speaker, in the earlier days of our service here we frequently witness the passing of older Members whom we respect and admire. We regret their loss and honor their memory. The real shock and the deepest sense of personal bereavement does not reach us, however, until death begins to take the comrades who entered Congress with us and with whom we have served in close companionship.

HUB MEYER and I became Members of Congress the same day. He was one of the first with whom I became acquainted, and that acquaintance developed into a fast friendship and close association, so that we spent many hours together in the Office Building, in the Restaurant, and in the House during the 4 years that followed. It is hard for me to believe he is gone, and I shall miss him so deeply that I can comprehend and share the grief of the family he loved so well.

HERBERT A. MEYER had a keen and analytical mind, and was a master of English. He did not speak frequently in the House, but when he did so his addresses merited and received the attention of his colleagues. I am inclined to believe that he made an even greater contribution to our thinking in the newsletters that he prepared for the information of his constituents. Many of us requested and received copies. An editor and newspaperman of years' experience, he was peculiarly able to analyze legislation and spread it upon the written page, so that it clarified our thinking. His reports and editorials must have been of inestimable value to the people of his district. He was frank, fair, fearless, and faithful to his duties. He was a hard-working Congressman.

But above all we shall treasure in our memories the human side of HUB MEYER. A byproduct of his analytical mind was his keen and acute sense of humor. His humor was not the bitter and biting kind that wounds. It was the warm and friendly kind that gave a shrewd appraisal of our problems and at the same time relieved the tension of our life here with a little light and laughter. It is no wonder he was loved and sought after by his colleagues.

Over whatever seas he is sailing
Whatever strange winds fan his brow.
What company rare he's regaling,
I know it is well with him now.
And when my last voyage I am making
May I go, as he went, unafraid,
And the pilot that guided him taking,
May I make the same port he has made.

Mr. POULSON. Mr. Speaker, when I read in a newspaper in Oregon, while on my vacation, of the death of HERBERT A. MEYER I was as shocked as though a member of my family had passed away. During Hub's term of service here in Congress he had become one of my best friends. In fact, he was one of my regular breakfast cronies and our bantering back and forth was a sort of relaxation from some of the problems of our troubled world. It is true that we were in general accord on our political philosophy and that, of course, added to the depth of our friendship. The death of such a man is indeed a great loss to the country in these trying times.

Mr. HILL. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield.

Mr. HILL. Mr. Speaker, I wish to add my tribute to the statements that have been made concerning the death of our colleague, the Honorable HERBERT A. MEYER, of Kansas, who served with distinction during the Eightieth and Eighty-first Congresses.

I knew him quite well, having visited him in his own home town of Independence, Kans. He was a real American and a true Christian gentleman.

Congressman MEYER was a modest man. He sought nothing more by way of reward than performing his tasks to the limit of his ability. He was gentle and kind. His dealings with his fellow Congressmen displayed his great ability

and his high intelligence contributed to make him a highly respected and deeply appreciated Member of the House. His advice and counsel will be sorely missed. His sudden passing touches us deeply, and to his bereaved family I extend my sincerest sympathy.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Mississippi [Mr. RANKIN], chairman of the Committee on Veterans' Affairs.

Mr. RANKIN. Mr. Speaker, one of the greatest shocks I have had since I have been a Member of this body was the sad news of the passing of HERBERT A. MEYER, of Kansas.

Someone has described the friendships that grow up between Members on different sides of this aisle as the "flowers that overhang the walls of party politics."

In all my experience as a Member of Congress I have never met any man for whom I had a warmer friendship or for whom I had a higher regard, or greater admiration than I had for HERBERT A. MEYER, who served on the Veterans' Affairs Committee, of which I am chairman. I believe I knew him as well as any other Member of Congress. His devotion to his country rose high above the scramble for party vantage or the noisy clamor of men for place and power. He put the welfare of his country above all other considerations. He was a man of honor and integrity—a Christian gentleman, if you please, a real American.

His life was gentle, and the elements
So mixed in him that nature might stand up
And say to all the world, "This was a man."

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I was deeply shocked at the passing of HUB MEYER. There was no man who ever came to the Congress who had higher ideals. There was no man who was more anxious to give to the country a finer portrayal of the Congress, of its dignity, and of all that was fine and noble in the membership of the Congress.

As you all know, he was the editor and publisher of a newspaper. He always wanted to give through his newspaper, through his editorials, the things that would help the country and the things that have helped the people of the country. I had the honor to be chairman of the Committee on Veterans' Affairs when he first came to Congress. I want the Members to know what a loyal and fine Member he was for the veterans and how much help he was to the chairman and everyone else on that committee. The veterans never had a truer friend than he and the country never had a finer American. I mourn with his wife at his passing. He leaves behind a lovely and delightful helpmeet. They were devoted to each other. We will miss him more than we know as the days go by. Today, Mr. Speaker, we need men of his caliber.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield.

Mr. SHORT. Mr. Speaker, when HERBERT A. MEYER was first stricken with virus pneumonia his secretary and his son from Kansas came hurriedly to my office and asked me if I would be kind enough to make a radio broadcast for Mr. MEYER. I replied to them I would be only too happy to do so, and with the permission of the House I would like to insert at this point in the RECORD the radio broadcast I made for HERBERT A. MEYER shortly before his passing.

Mr. Speaker, this is what I said about HERB MEYER before he died, not afterward. I am very happy he knew before he died what I thought of him. He had always known it. So did his family. Nothing I could say now would change my honest opinion.

Mr. Speaker, the following is the address I gave on September 23, 1950, about our late and lamented colleague, Hon. HERBERT A. MEYER:

Mr. SHORT. My good friend, HUB MEYER, is laid up with the virus pneumonia bug and so instead of being at home with you folks of the Third District, as he had planned at this time, he is in the Naval Hospital in Bethesda, Md., to give the doctors a change to get that bug out of his system.

Now I want to talk to you folks about HUB MEYER, although you probably know him even better than I do. But I know more about his work in Congress since we work side by side in Washington. I probably don't need to tell you that HUB MEYER is hard working. He is one of the hardest working Members we have in Washington. I understand that he made a promise to you folks back there in the Third District about staying on the job. He has kept that promise. In fact, he has kept it so well that he got so tired out that virus pneumonia bug had a chance to get in its dirty work on him.

As you probably know, I am the ranking Republican on the House Committee on Armed Services. I can tell you that when there was a minority vacancy on our committee, that the Republican leadership leaped at the opportunity to get HUB MEYER in on that extremely important committee and he was selected by unanimous consent, something that rarely ever happens. Why did we want him on our committee? The answer to that is very simple. His voting record showed that he was not only a real Republican from our great Middle West, but a party man with courage to express his own convictions.

Because of the utter failure of the Democratic administration in its foreign policy as well as its domestic policy, we find that we are going to be compelled to live under a semimilitary state. That means that the House Armed Services Committee is certainly one of the most important committees in the House. On this committee we need men who will not only give thought and study to the problems of our national defense but to see that we have adequate defense without turning this great Republic of ours into a rigid military state.

HUB MEYER's diligence toward any job he undertakes, his keen intelligence, coupled with his experience as an officer in the Army Air Corps in World War I and his past experience on the Veterans' Affairs Committee in the House, make him the perfect selection. Since he has served on our Armed Services Committee, he has made valuable contributions; not only to you people he represents, but to the country's defense. We cannot afford to lose the services of a man like this.

Now when you elected HUB MEYER as your Representative for the last two terms, you elected a real American and a real Republican. Your Representative is not traveling down any broad socialistic highway. His voting record shows that. His attitude has always been to give the American people sound money, sound government, free enterprise, individual freedom, a chance to use their own talents and even make their own mistakes. HUB MEYER believes in letting people take home the money they earn and pay their own taxes.

He has stood out consistently against reckless spending and a hand-out "gimmie" State in this country. He has voted for the elimination of Communists and fellow travelers in our Government and for their fearless exposure.

He has voted for adequate labor legislation to protect the general public interest and the individual worker from dominating labor bosses.

He has voted in favor of sound fiscal policies in this country with cuts in unnecessary expenditures. HUB MEYER does not believe in politics as usual, business as usual, when our men are fighting and dying on the bloody battlefields of Korea.

He knows we have to tighten our belts but he also insists that this Democratic administration tighten its belt by eliminating their socialized medicine, socialized farm and other crackpot schemes which have no place in American lives even in normal times.

He does not go along with the President who has made 38 Cabinet changes in 5½ years, who accuses the courageous Marines, right now spearheading the invasion of Seoul, of having a propaganda machine similar to the Kremlin. He does not go along with these men in high places who like "good old Joe," and have appeased him to the extent that today our national life is in grave danger and time is short to prepare for what may be an all-out attack on our country. He doesn't go along with the President who does not turn his back on Acheson who does not turn his back on Alger Hiss, the convicted traitor. He does not go along with the Tydings "whitewash" committee who fails to do their sacred duty of ferreting out these Communists and fellow travelers in the State Department and other Government agencies.

HUB MEYER stands for true Americanism. He stands for honesty in Government. We Republicans who fight side by side with him to preserve our country and our republican form of government know of his great patriotism and his hard work in connection with legislation for the good of the country as a whole and not for small segments of our population alone. He knows there can be no security for anyone in a bankrupt nation.

HUB MEYER also knows that the executive branch is in the hands of small, cheap men, catering to pressure groups, grabbing support wherever they can even to the extent of putting on their fund-raising campaign a man whose handbook and racketeering clients are appearing before the Kefauver Crime Investigating Committee in the Senate. Only the pressure of outraged citizens forced the withdrawal of this man's name.

HUB MEYER has fought against forcing the American taxpayer to carry on his back all the Socialist countries in the world, while at the same time developing a socialistic system in America through deficit financing. He realizes that under this present administration that we are simply mortgaging the coming generations for political panaceas and that this vicious circle of inflation will have but one result—the crash of our financial structure.

HUB MEYER has objected strenuously and has voted against throwing away American

tax dollars down the socialistic rat holes of Europe while at the same time denying such necessary domestic programs as flood control and the conservation of our own resources. He has voted consistently for American principles and against the subversion of these same principles toward political ends.

Some bitter invectives have been thrown against him, as against all of us, who have dared to stand in opposition to the little men in power, those men who brand anyone who dares to stand against this craving for power as being agents of the Kremlin or giving comfort to communism.

Today we are paying the bitter price of a political administration whose record of folly and failure are written for all to see. Secret agreements arrived at secretly and withheld from the American people—illegal treaties never passed upon by the Senate of the United States—illegal undeclared little wars disguised as police actions—the catering to powerful pressure groups and reckless promises of something for nothing—all these HUB MEYER has voted against relentlessly.

It is not too late as yet. A Republican Congress can force the President to operate the executive branch under Constitutional Government. They can compel the President to be the President of all the people, and not of Pendergast ward-heel political groups.

Today and in the future, because of the sell-out at Yalta, confirmed by the President at Potsdam, where he learned to like "good old Joe" men will be called from their homes and jobs and their families in an endeavor to stop the colossus raised by the failure of the Democrat foreign policy for the last 18 years and the recognition of Communist Russia in 1933 after the refusal of three Republican Presidents to recognize this power.

We will be living under controls. We will have to lower our standard of living and each and every one of us will be affected. Now this same group of little men are crying for a continuation of the power which has brought us to this state we are in today, crying that any who opposes them are giving comfort to our enemies.

Our only hope to survive and to protect ourselves both at home and abroad is through the election of real Americans like HUB MEYER to Congress. Our only salvation lies with men of integrity, wisdom, experience, capabilities, and a burning patriotism. You have such a Congressman in HUB MEYER Send him back. We need him.

Mr. Speaker, since giving the above address, HUB MEYER has passed to his eternal reward. His innumerable friends mourn his passing and pray that his noble example will forever remain a comfort and an inspiration to all who follow.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. REES. I yield.

Mr. JAVITS. Mr. Speaker, I would like to express my sincere condolences to HUB MEYER'S family. I happened to know HUB MEYER socially, quite apart from my knowledge of him in the House of Representatives. It is with deepest grief that I learn only this morning of his passing. He was a fine, able man, a high-minded man, and his memory will inspire us all in our devotion to duty.

Mr. REES. Mr. Speaker, I offer a resolution (H. Res. 868) and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That the House has heard with profound sorrow of the death of Hon. HERBERT A. MEYER, a Representative from the State of Kansas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

The resolution was agreed to.

ADJOURNMENT

Accordingly (at 12 o'clock and 41 minutes p. m.), under its previous order, the House adjourned until Thursday, November 30, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1684. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated September 14, 1950, submitting a report, together with accompanying papers and an illustration, on a preliminary examination and survey of Little Creek, Kent Island, Queen Annes County, Md., authorized by the River and Harbor Act approved on July 24, 1946, pursuant to Public Law No. 759, Eighty-first Congress (H. Doc. No. 715); to the Committee on Public Works and ordered to be printed, with an illustration.

1685. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 8, 1950, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Sandy Lick Creek at and in the vicinity of Reynoldsville, Pa. This interim report is submitted under the authority for a preliminary examination of Allegheny and Susquehanna Rivers, Pa., tributaries, sources, and headwaters, authorized by the Flood Control Act approved on June 22, 1936, pursuant to Public Law No. 759, Eighty-first Congress (H. Doc. No. 716); to the Committee on Public Works and ordered to be printed, with illustrations.

1686. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated March 6, 1950, submitting a report, together with accompanying papers and an illustration, on a review of reports on Honolulu Harbor, T. H., requested by a resolution of the Committee on Public Works, House of Representatives, adopted on April 22, 1947, pursuant to Public Law No. 759, Eighty-first Congress (H. Doc. No. 717); to the Committee on Public Works and ordered to be printed, with an illustration.

1687. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 16, 1950, submitting a report, together with accompanying papers and an illustration, on a review of reports on Queenstown Harbor, Md., with a view to improvement at and in the vicinity of the mouth of Little Queenstown Creek, requested by a resolution of the Committee on Public Works, House of Representatives, adopted on June 17, 1948, pursuant to Public Law No. 759, Eighty-first Congress (H. Doc. No. 718); to the Committee on Public Works and ordered to be printed, with an illustration.

1688. A letter from the National Adjutant, Disabled American Veterans, Cincinnati, Ohio, transmitting reports and the proceedings of the national meeting of the Disabled American Veterans, held in San Francisco, Calif., August 13 to 19, pursuant to Public Law No. 249, Seventy-seventh Congress (H. Doc. No. 719); to the Committee on Veterans' Affairs, and ordered to be printed, with illustrations.

1689. A letter from the Acting Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of September 1950, pursuant to Public Law No. 8, Eightieth Congress; to the Committee on Agriculture.

1690. A letter from the Assistant Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of August 1950, pursuant to Public Law No. 8, Eightieth Congress; to the Committee on Agriculture.

1691. A letter from the Assistant Secretary of Agriculture, transmitting reports showing the names of all persons against whom claims in excess of $1,000 have been settled during the fiscal year 1950, in accordance with section 41 (g) 4 of the Farmers Home Administration Act of 1946, Public Law No. 731; to the Committee on Agriculture.

1692. A letter from the Director, Bureau of the Budget, Executive Office of the President, transmitting a report showing that the appropriation to the Veterans' Administration for Air Force, Army, and Navy pensions for the fiscal year 1951 has been apportioned on a basis which indicates a necessity for a supplemental estimate of appropriation, in accordance with the provisions of paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1693. A letter from the Secretary of the Army, transmitting a report providing for furnishing transportation for certain Government and other personnel, and for other purposes, covering the period from July 1, 1949, through June 30, 1950, pursuant to the provisions of section 2 of Public Law No. 560, Eightieth Congress; to the Committee on Armed Services.

1694. A letter from the acting Secretary of the Treasury, transmitting a draft of a proposed bill entitled "A bill to authorize the acceptance of conditional gifts to further the defense effort"; to the Committee on Armed Services.

1695. A letter from the Secretary of the Army, transmitting the second annual report on the status of the natural fibers revolving fund, covering the period from June 29, 1949, to June 30, 1950, pursuant to section 4, act of June 29, 1948 (62 Stat. 1098–1099; 5 U. S. C. 234); to the Committee on Armed Services.

1696. A letter from the Acting Secretary of the Air Force, transmitting the report on the United States Air Force flying pay during the 6-month period from January 1 to July 1, 1950, pursuant to Public Law No. 301, Seventy-ninth Congress; to the Committee on Armed Services.

1697. A letter from the Secretary of Defense, transmitting the report of Secretary of Defense Johnson, together with the reports of the Secretaries of the Army, the Navy, and the Air Force for the period from January 1 to June 30, 1950; to the Committee on Armed Services.

1698. A letter from the Secretary of Defense, transmitting a report relative to adjustments made by the Department of the Air Force, with the approval of the President and the Secretary of Defense, making certain adjustments between appropriations to improve the administration of appropriated funds available to the Department of the Air Force, pursuant to section 403 of the National Security Act, as amended; to the Committee on Armed Services.

1699. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to amend section 3 of an act authorizing the Commissioners of the District of Columbia to settle claims and

suits against the District of Columbia, approved February 11, 1929, and for other purposes"; to the Committee on the District of Columbia.

1700. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to increase the fee of jurors in condemnation proceedings instituted by the District of Columbia"; to the Committee on the District of Columbia.

1701. A letter from the Chairman, District of Columbia Redevelopment Land Agency, transmitting the Annual Report of the District of Columbia Redevelopment Land Agency, pursuant to Public Law No. 592, Seventy-ninth Congress, the District of Columbia Redevelopment Act of 1945; to the Committee on the District of Columbia.

1702. A letter from the President, Board of Commissioners of the District of Columbia, transmitting a draft of a proposed bill entitled "A bill to provide for granting to officers and members of the Metropolitan Police force, the Fire Department of the District of Columbia, and the White House and United States Park Police forces compensatory time for working on holidays"; to the Committee on the District of Columbia.

1703. A letter from Justice Letts, District Court of the United States for the District of Columbia, transmitting a supplementary report of proceedings in the case entitled "*United States of America* v. *Joseph Groen et al.*" (Equity No. 31578), pursuant to provisions of the act of Congress entitled "An act providing for the protection of the interests of the United States in lands and waters comprising any part of the Potomac River, the Anacostia River or Eastern Branch, and Rock Creek and lands adjacent thereto," approved April 27, 1912 (37 Stat. 93); to the Committee on the District of Columbia.

1704. A letter from the Secretary of Agriculture, transmitting a draft of a proposed bill entitled "A bill to authorize the Secretary of Agriculture to acquire, construct, operate, and maintain public airports in certain areas and for other purposes"; to the Committee on Interstate and Foreign Commerce.

1705. A letter from the Deputy Attorney General, transmitting a letter recommending early enactment of legislation to prohibit the arming of aircraft against friendly powers, to provide for the forfeiture of such aircraft, and for other purposes; to the Committee on the Judiciary.

1706. A letter from the Secretary of the Army, transmitting a draft of a proposed bill entitled "A bill for the relief of Capt. Marciano O. Garces"; to the Committee on the Judiciary.

1707. A letter from the Secretary of Labor, transmitting a draft of a proposed bill entitled "A bill to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Labor"; to the Committee on the Judiciary.

1708. A letter from the Administrator, General Services Administration, transmitting the Twenty-fifth Quarterly Report on Contract Settlement, covering the period July 1 through September 30, 1950; to the Committee on the Judiciary.

1709. A letter from the Deputy Administrator, Veterans' Administration, transmitting a report of the tort claims paid by the Veterans' Administration during the fiscal year ended June 30, 1950, pursuant to section 404 of the Federal Tort Claims Act, title IV, Public Law No. 601, Seventy-ninth Congress (28 U. S. C. 2673); to the Committee on the Judiciary.

1710. A letter from the Acting Attorney General, transmitting a letter relative to the case of Bela Ezsias, file No. A-3733090 CR 26724, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1711. A letter from the Acting Attorney General, transmitting a letter relative to the case of Irene Caulkins or Irene Geiger and Irene Walton, file No. A-7554174 CR 28591, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1712. A letter from the Acting Attorney General, transmitting a letter relative to the case of Tom Freemantle Perry, file No. A-6989839 CR 27194, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1713. A letter from the Acting Attorney General, transmitting a letter relative to the case of Thomas John McLean, file No. A-9743548 CR 27077, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1714. A letter from the Attorney General, transmitting a letter relative to the case of Lucille Fox or Lucille Yablochnick or Niusia Yablochnick, file No. A-5082458 CR 27356, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1715. A letter from the Acting Attorney General, transmitting a letter relative to the case of Dorothy Beryl Royce, nee Fleming, file No. A-4871200 CR 25144, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1716. A letter from the Acting Attorney General, transmitting a letter relative to the case of Spyridion A. Antonopoulos, file No. A-6234984 CR 26547, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1717. A letter from the Acting Attorney General, transmitting a letter relative to the case of Maria Clara Harnecker, file No. A-1442898, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1718. A letter from the Secretary of Commerce, transmitting the nineteenth report of action taken by the United States Maritime Administration under section 217 of the Merchant Marine Act, 1936, as amended (Public Law No. 498, 77th Cong.); to the Committee on Merchant Marine and Fisheries.

1719. A letter from the Acting Secretary of Commerce, transmitting the quarterly report of the Maritime Administration of the Department of Commerce on the activities and transactions of the Administration under the Merchant Ship Sales Act of 1946 from July 1 through September 30, 1950, pursuant to section 13 of that act; to the Committee on Merchant Marine and Fisheries.

1720. A letter from the Chairman, United States Civil Service Commission, transmitting a consolidated report covering additional step increases as rewards for superior accomplishment made by the several Government departments and agencies during the fiscal year ended June 30, 1950, also a report giving the findings of the Civil Service Commission with respect to the administration of this program, pursuant to provisions of secion 702 (c) of the Classification Act of 1949; to the Committee on Post Office and Civil Service.

1721. A letter from the Executive Director, United States Civil Service Commission, transmitting a report on additional compensation for hazardous employments, pursuant to section 803 of the Classification Act of 1949 (Public Law No. 429, 81st Cong.); to the Committee on Post Office and Civil Service.

1722. A letter from the Secretary of the Interior, transmitting a supplemental report on the allocation and repayment of costs of the Palisades Dam and Reservoir project in Idaho, pursuant to Public Law No. 864, Eighty-first Congress (H. Doc. No. 720); to the Committee on Public Lands and ordered to be printed, with illustrations.

1723. A letter from the Secretary of the Interior, transmitting a report on the north-side pumping division of the Minidoka project, Idaho, pursuant to Public Law No. 864, Eighty-first Congress (H. Doc. No. 721); to the Committee on Public Lands and ordered to be printed, with illustrations.

1724. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report of conclusion of proceedings with respect to the claim of *The Choctaw Nation, petitioner* v. *United States of America, defendant*, Docket No. 56, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 959; 25 U. S. C. 70); to the Committee on Public Lands.

1725. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report of conclusion of proceedings with respect to the claim of *The Chickasaw Nation, petitioner* v. *United States of America, defendant*, Docket No. 23, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 959: 25 U. S. C. 70); to the Committee on Public Lands.

1726. A letter from the Chief Commissioner, Indian Claims Commission, transmitting a report of conclusion of proceedings with respect to the claim of *The Choctaw Nation, petitioner* v. *United States of America, defendant*, Docket No. 16, pursuant to provisions of section 21 of the Indian Claims Commission Act of August 13, 1946 (60 Stat. 959; 25 U. S. C. 70); to the Committee on Public Lands.

1727. A letter from the Assistant Secretary of the Interior, transmitting copies of legislation passed by the Legislative Assembly of the Virgin Islands, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Public Lands.

1728. A letter from the Acting Secretary of the Interior, transmitting copies of legislation passed by the Municipal Council of St. Thomas and St. John and the Municipal Council of St. Croix, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Public Lands.

1729. A letter from the Acting Secretary of the Interior, transmitting copies of laws enacted by the Tenth Guam Congress, pursuant to section 19 of Public Law No. 630, Eighty-first Congress, the Organic Act of Guam; to the Committee on Public Lands.

1730. A letter from the Assistant Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to declare title to the Chicale Day School site to be vested in the United States in trust for the Pueblo of Isleta"; to the Committee on Public Lands.

1731. A letter from the Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes"; to the Committee on Public Lands.

1732. A letter from the Acting Secretary of the Interior, transmitting copies of legislation passed by the Legislative Assembly of the Virgin Islands, pursuant to section 16 of

the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Public Lands.

1733. A letter from the Acting Secretary of the Interior, transmitting a draft of a proposed bill entitled "A bill to authorize the Secretary of the Interior, through the Bureau of Reclamation, to undertake certain additional developments in connection with the Central Valley project, California, and for other purposes"; to the Committee on Public Lands.

1734. A letter from the Acting Secretary of the Interior, transmitting a report on proposed sewage-disposal system in the Yorktown area, Colonial National Historical Park Va., pursuant to the act of March 5, 1948 (62 Stat. 70); to the Committee on Public Lands.

1735. A letter from the Administrator, Housing and Home Finance Agency, transmitting the Third Quarterly Report on the Administration of the Advance Planning Program, authorized under Public Law No. 352, Eighty-first Congress, approved October 13, 1949 (H. Doc. No. 722); to the Committee on Public Works and ordered to be printed, with illustrations.

1736. A letter from the Deputy Attorney General, Department of Justice, transmitting a draft of a bill entitled "A bill to amend the act entitled 'An act to provide better facilities for the enforcement of the customs and immigration laws,' approved June 26, 1930, as amended"; to the Committee on Public Works.

1737. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated October 24, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Nissequogue River, N. Y., and at Smithtown, Long Island, N. Y., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

1738. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated October 23, 1950, submitting a report, together with accompanying papers on a Review of Reports on Inland Waterway from Norfolk, Va., to Beaufort Inlet, N. C., requested by resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on October 30, 1945; to the Committee on Public Works.

1739. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 22, 1950, submitting a report, together with accompanying papers and illustrations, on a preliminary examination and survey of Steinway Creek, Astoria, N. Y., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

1740. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated September 13, 1950, submitting a report, together with accompanying papers, on a review of report on Salt River, Ky., with a view to flood protection at and in the vicinity of Shepherdsville, Ky., requested by a resolution of the Committee on Flood Control, House of Representatives, adopted on March 20, 1945; to the Committee on Public Works.

1741. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 9, 1950, submitting a report, together with accompanying papers, on a preliminary examination of the shore of Galveston Bay, Tex., with a view of preventing its erosion, authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

1742. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 22, 1950, submitting a report, together with accompanying papers, on a preliminary examination and survey of channel between Ramsey Bay and Chesapeake Bay, and other measures for the prevention of damage from erosion near the mouth of South River, Anne Arundel County, Md., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

1743. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 8, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Rondout Harbor, N. Y., authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

1744. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated August 1, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Patuxent River, Md., with a view to establishing a deep-water port at Benedict and a suitable navigation channel thence to Solomons Island, authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

1745. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 22, 1950, submitting a report, together with accompanying papers, on a preliminary examination of Waccasassa River and its tributaries, Florida, with a view to improvement in the interest of navigation, flood control, and related purposes, and of adjacent areas in Gilchrist and Levy Counties, Fla., authorized by the River and Harbor Act approved on March 2, 1945, and the Flood Control Act approved on December 22, 1944; to the Committee on Public Works.

1746. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 22, 1950, submitting a report, together with accompanying papers, on a preliminary examination and survey of Aucilla River, Fla., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

1747. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 22, 1950, submitting a report, together with accompanying papers, on a preliminary examination of channel from old Tampa Bay to Oldsmar, Fla., authorized by the River and Harbor Act approved on March 2, 1945; to the Committee on Public Works.

1748. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated June 8, 1950, submitting a report, together with accompanying papers, on a review of report on and a preliminary examination of the Intracoastal Waterway from Cape Fear River, N. C., to St. Johns River, Fla., with a view to constructing a small-boat harbor on the inland waterway at or near Ocean Drive Beach, S. C., requested by a resolution of the Committee on Commerce, United States Senate, adopted on March 14, 1946, and also authorized by the River and Harbor Act approved on July 24, 1946; to the Committee on Public Works.

1749. A letter from the Acting Attorney General, transmitting a letter relative to the case of Sadie Thelma Goldberg, file No. A-6782662 CR-26945, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1750. A letter from the Secretary of the Army, transmitting the Annual Report of the United States Soldiers' Home, for the fiscal year 1950, together with a photostatic copy of the Report of Annual Inspection, 1950, of the home by the Inspector General of the Army, in accordance with provisions of the act of Congress approved March 3, 1883; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

On October 20, 1950.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298, resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3137). Referred to the Committee of the Whole House on the State of the Union.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298, resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3138). Referred to the Committee of the Whole House on the State of the Union.

On November 27, 1950.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298, resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3139). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SPENCE:

H. R. 9763. A bill to amend the Housing and Rent Act of 1947, as amended; to the Committee on Banking and Currency.

By Mr. CANNON:

H. R. 9764. A bill to protect the security of the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. HELLER:

H. R. 9765. A bill to provide pay increases for employees of the United States; to the Committee on Post Office and Civil Service.

H. R. 9766. A bill authorizing the President of the United States to award posthumously a Congressional Medal of Honor to Al Jolson; to the Committee on Armed Services.

By Mr. HERTER:

H. R. 9767. A bill designating the 24th day of October as United Nations Day, and making such day a legal holiday; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 9768. A bill to grant certain benefits provided for veterans of World War II to persons on active service with the Armed Forces during the military, naval, and air operations in and around Korea, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. RANKIN (by request):

H. R. 9769. A bill to provide group life insurance for persons now in, or hereafter entering, the active service in the military forces of the United States, and mutual insurance for veterans of such service, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 9770. A bill to provide group life insurance for persons in, or hereafter entering, the active service in the military forces of the United States, and mutual insurance for veterans of such service, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 9771. A bill to provide group and mutual life insurance for persons now in, or hereafter entering, the active service in the military forces of the United States, and

mutual insurance for veterans of such service, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 9772. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 9773. A bill to amend the National Service Life Insurance Act of 1940, as amended, to authorize use of a current annuity table in calculating payment of life annuities, and for other purposes; to the Committee on Veterans' Affairs.

H. R. 9774. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended, to the Committee on Veterans' Affairs.

H. R. 9775. A bill to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended; to the Committee on Veterans' Affairs.

H. R. 9776. A bill to establish parity in the rates of disability and death compensation payable for disability or death resulting from service-connected disability; to the Committee on Veterans' Affairs.

By Mr. SIKES:

H. R. 9777. A bill to amend the definition of agriculture as contained in section 3 (f) of the Fair Labor Standards Act of 1938, as amended; to the Committee on Education and Labor.

By Mr. TAYLOR:

H. R. 9778. A bill to provide for the issuance of a special postage stamp in commemoration of the fiftieth anniversary of Theodore Roosevelt's becoming President of the United States; to the Committee on Post Office and Civil Service.

By Mr. TEAGUE:

H. R. 9779. A bill to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended; to the Committee on Veterans' Affairs.

By Mr. WALTER:

H. R. 9780. A bill providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence; to the Committee on the Judiciary.

By Mr. REED of New York:

H. J. Res. 547. Joint resolution to redefine the intent of Congress; to the Committee on Ways and Means.

By Mr. MARCANTONIO:

H. Res. 859. Resolution to investigate the crash on the Long Island Railroad on Wednesday, November 22, 1950; to the Committee on Rules.

MEMORIALS

Under clause 3 of rule XXII, memorials were presented and referred as follows:

By the SPEAKER: Memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States relating to the United States Marines; to the Committee on Armed Services.

Also, memorial of the Legislature of the State of California, memorializing the President and the Congress of the United States in respect to residential construction; to the Committee on Banking and Currency.

Also, memorial of the Legislature of the State of California, commending the Federal Bureau of Investigation; to the Committee on the Judiciary.

Also, memorial of the Legislature of the State of Maryland, informing the Congress of the United States that the people and the government of the State of Maryland are ready and willing to pledge their full support to any legislation that the Congress may enact for the mobilization of the manpower, agriculture, industries, and finances of the Congress to meet any and all aggression against the freedom and liberties of any country; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the Territory of Hawaii, requesting the Congress of the United States to grant statehood to Hawaii; to the Committee on Public Lands.

Also, memorial of the Legislature of the Territory of Hawaii, requesting the Congress of the United States to pass legislation to extend the Federal reclamation program to cover the Territory of Hawaii and its reclamation and irrigation needs; to the Committee on Public Lands.

Also, memorial of the Legislature of the Virgin Islands, relative to two resolutions relating to expressing the appreciation of the people of the Virgin Islands to the President and the Congress of the United States for the inclusion of said islands in the social-security program embodied in Public Law No. 734, Eighty-first Congress, and pertaining to taxes collected under the internal-revenue laws of the United States on articles produced in the Virgin Islands and transported to the United States of America; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOYLE:

H. R. 9781. A bill to record the lawful admission for permanent residence of aliens Max Mayer Hirsch Winzelberg and Mrs. Jenty Fuss De Winzelberg; to the Committee on the Judiciary.

By Mr. HERTER:

H. R. 9782. A bill for the relief of Zanis A. Valdmanis; to the Committee on the Judiciary.

H. R. 9783. A bill for the relief of Mary Zelveian; to the Committee on the Judiciary.

By Mr. JACKSON of Washington:

H. R. 9784. A bill for the relief of Jenny Evelyn Elsie Duncan; to the Committee on the Judiciary.

By Mr. KILDAY:

H. R. 9785. A bill for the relief of the endorsers on certain Government checks drawn to the order of Henry C. Schrader; to the Committee on the Judiciary.

H. R. 9786. A bill for the relief of Joseph Vyskocil; to the Committee on the Judiciary.

By Mr. McDONOUGH:

H. R. 9787. A bill for the relief of Masako Hachisuka; to the Committee on the Judiciary.

H. R. 9788. A bill for the relief of Dr. Tin-Yu-Kwong; to the Committee on the Judiciary

By Mr. MULTER:

H. R. 9789. A bill for the relief of Mirla Rubin; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 9790. A bill for the relief of Mrs. Shui-fong Lee Kwong, Kai-pond Kwong, and Kai-Lai Kwong; to the Committee on the Judiciary.

H. R. 9791. A bill for the relief of Mrs. Alice Orans; to the Committee on the Judiciary.

By Mr. SHORT:

H. R. 9792. A bill for the relief of Heinrich von Biel, Margarethe von Biel, and Doris Schumann; to the Committee on the Judiciary

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2384. By the SPEAKER: Petition of Joseph A. Hrdlick, secretary, Thirty-second Division Veteran Association, Milwaukee, Wis., declaring its advocacy and support of a law to require universal military training to the end that the United States may be strong enough to defend itself if necessary; to the Committee on Armed Services.

2385. Also, petition of John Langhorne, chairman, National Association of Insurance Brokers, Inc., New York, N. Y., recommending that appropriate legislation be enacted to reestablish the War Damage Corporation to underwrite war-risk insurance at a reasonable premium cost to the public, and so forth; to the Committee on Banking and Currency.

2386. Also, petition of John J. A. Ager, national adjutant, Twenty-ninth Division Association, Inc., Washington, D. C., opposing a system of socialized medicine for the United States; to the Committee on Interstate and Foreign Commerce.

2387. Also, petition of A. F. Peters, president, San Antonio Retail Credit Association, Inc., San Antonio, Tex., making an urgent plea to the members of the Texas delegation in the Congress of the United States that they do everything in their power to enact legislation that will acknowledge the exclusive ownership of the Texas tidelands by the State of Texas, without molestation by the Federal Government; to the Committee on the Judiciary.

2388. Also, petition of G. E. Sprecher, secretary, American Fisheries Society, Madison, Wis., commending the Eighty-first Congress and the President for the enactment of Public Law No. 681, providing that the United States shall aid the States in fish restoration and management projects; to the Committee on Merchant Marine and Fisheries.

2389. Also, petition of Joseph F. Lamb, Secretary, Knights of Columbus, New Haven, Conn., relative to the supreme council expressing its united opposition to the machinations of the Communist conspiracy within our borders and requesting that the President, Vice President, and the Congress of the United States take every necessary step to check the treasonable activities of the Communist agents and their sympathizers; to the Committee on Un-American Activities.

2390. Also, petition of Foster F. Farrell, secretary, National Fraternal Congress of America, Chicago, Ill., urging that all local lodges call a representative meeting of all loyal citizens to organize against communism and smoke out communistic leaders; to the Committee on Un-American Activities.

2391. Also, petition of W. H. Wisely, secretary, Federation of Sewage Works Association, Champaign, Ill., relative to the conservation and protection of the natural water resources of our Nation and the control of water pollution; to the Committee on Public Works.

2392. Also, petition of Adam Castillo, president, Mission Indian Federation of California, San Diego, Calif., relative to petition signed by some 3,000 California registered voters, urging the Congress to enact House bill 7473, and its companion bill, Senate bill 3197, pertaining to personal rights and duties of California Indians; to the Committee on Public Lands.

2393. Also, petition of Mrs. M. B. Claypoole and others, St. Petersburg, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

2394. Also, petition of William H. Endsley and others, Orlovista Club No. 1, Orlovista, Fla., requesting passage of House bills 2135 and 2136, known as the Townsend plan; to the Committee on Ways and Means.

2395. By Mr. GRAHAM: Petition of the Veterans of Foreign Wars of the United States and its auxiliaries of the Twenty-fifth District of Pennsylvania, demanding a congressional investigation of the Department of State; to the Committee on Rules.

REGULATION OF LOBBYING ACT

In compliance with Public Law 601, Seventy-ninth Congress, title III, Regulation of Lobbying Act, section 308 (b), which provides as follows:

(b) All information required to be filed under the provisions of this section with the Clerk of the House of Representatives and the Secretary of the Senate shall be compiled by said Clerk and Secretary, acting jointly, as soon as practicable after the close of the calendar quarter with respect to which such information is filed and shall be printed in the CONGRESSIONAL RECORD.

The Clerk of the House of Representatives and the Secretary of the Senate jointly submit their report of the compilation required by said law and have included all registrations and quarterly reports received for the third calendar quarter of 1950.

REGISTRATIONS

The following registrations were submitted for the third calendar quarter 1950:

(NOTE.—The form used for registration is reproduced below. Questions are not repeated, only the answers are printed and are indicated by their respective letter and number.)

File two copies with the Secretary of the Senate and file two copies with the Clerk of the House of Representatives:
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT: To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.
Fill in the year in the box at the left of the "Report" heading below.

Year: 19----	REPORT PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT	P	1	2	3	4

A. ORGANIZATION OR INDIVIDUAL FILING—State name, business address, and nature of business:

B. EMPLOYER—State name, address, and nature of business. If there is no employer, write "None." (If the work is done in the interest of one person, but payment therefor is made by another, list both persons as employers.)

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If legislative interests have terminated with the current quarter: Please explain, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known.

3. In the case of each publication which the person filing has issued or caused to be issued in connection with legislative interests, set forth: (*a*) description, (*b*) quantity published, (*c*) date of publication, (*d*) name of printer.

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. NOTE.—If this is a "Preliminary" Report, in addition to the other data in the space above, state: (*a*) whether compensation is to be paid by the day, by the month, or by the year; (*b*) what the rate of compensation is to be; (*c*) what the approximate period of employment will be; (*d*) what the nature and amount of anticipated expenses will be.

AFFIDAVIT

[Omitted in printing]

PAGE 1

A. Elizabeth Arnold, public relations, 4310 Chesapeake Street NW., Washington, D. C.

B. Fred B. Prophet Co., food, Detroit, Mich.

C. (1) Legislative interest could continue 1 year. Contract calls for settlement.

A. American College of Radiology, 20 North Wacker Drive, Chicago, Ill.; medical association.

C. (1) Indefinitely.

C. (2) Legislation involving the practice of medicine; S. 1453; S. 1411; H. R. 6000; Reorganization Plan No. 27; H. R. 8746; all national health insurance legislation.

C. (3) (a) Description: (1) Annual bulletin; (2) monthly news letter; (3) annual proceedings; (4) special bulletin; (b) quantity published: (1) 3,600 annually; (2) each month 3,300; (3) 2,900 annually; (4) 160 per mailing; (c) date of publication: (1) Annually in May; (2) each month; (3) annually in May; (4) intermittent (2 in 1950); (d) name of printer: (1), (2), and (3) Service Printers, 120 North Green Street, Chicago, Ill., (4) Civic Letter Service, 20 North Wacker Drive, Chicago, Ill.; Note: (1) Approximately 2½ pages out of 176 in 1950 Bulletin devoted to a discussion of Federal legislation; (2) once every 3 or 4 months a one-page article discussing Federal legislation is carried in Monthly News Letter. This is nearly always reported without editorial comment, without recommending action, and merely as an information service; (3) the Annual Proceedings are an edited version of the minutes of the previous annual meeting and Board of Directors' meetings. At rare times there may be an expression of opinion regarding Federal legislation; (4) special bulletins are issued in connection with many matters affecting the practice of radiology to State councilors. Two of these bulletins within the calendar year 1950 have dealt with Federal legislation.

C. (4) (a), (b), (c) Not applicable; (d) nature and amount of anticipated expenses to end of calendar year 1950; (1) printing and duplication, $32; (2) office overhead, $5; (3) telephone and telegraph, $5; (4) travel, food, lodging—no entertainment, none; (5) wages, salaries, fees, $25; Note: Because legislative activities of the American College of Radiology play such a minute part in the organization program, it is impossible to do more than estimate the sum chargeable to such activities. The figures submitted are such an estimate.

A. David E. Bamford, 730 Jackson Place NW., Washington, D. C.; attorney.

B. Mytinger & Casselberry, Inc., Long Beach, Calif.

C. (1) Indefinitely.

C. (2) Food and drug legislation.

C. (3) No publications.

C. (4) Compensation not yet determined; expenses expected to be nominal.

A. Kenneth W. Bergen, 84 State Street, Boston, Mass.; lawyer.

B. The Merchants National Bank of Boston, executor of estate of Helen P. Dane, 28 State Street, Boston, Mass.

C. (1) Uncertain.

C. (2) Amendment to section 811 (c) (2) of Internal Revenue Code.

C. (3) Typed memorandum submitted to Senate Finance Committee consisting of original and 10 carbon copies. Registrant is one of the counsel of the executor of the above-named estate and is receiving no special compensation for work on the above-mentioned amendment, although ultimately he will be compensated for all legal services performed by him in connection with the administration of the estate, including work on this proposed amendment. The period of employment is uncertain, and only anticipated expenses will be travel and living expenses while in Washington, D. C.

A. John T. Bernard, 7015 South Woodlawn Street, Chicago, Ill.; trade-union legislative representative.

B. United Electrical, Radio & Machine Workers of America, District Council 11, 37 South Ashland Ave., Chicago, Ill.; expenses to be partly paid by National Committee to Defeat the Mundt Bill, 902 Twentieth Street NW., Washington, D. C.

C. (1) Legislative interests continue while Mundt-Ferguson-Nixon bills and similar bills are before Congress.

C. (2) General legislative interests are in bills curtailing civil rights, specifically the Nixon bill (H. R. 7595) and the Wood bill (H. R. 9490).

C. (3) No publications.

C. (4) Compensation: (a) To be paid by the week; (b) in amounts covering minimum travel and subsistence expenses only; (c) during August 1950 and possibly some part of September 1950; (d) for travel and subsistence expenses not exceeding $200.

A. Joe Betts, American Farm Bureau Federation, 261 Constitution Avenue, NW., Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (1) Indefinite.

C. (2) In accordance with the annual meeting resolutions adopted by the American

Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Appropriations for the fiscal year 1951; Commodity Credit Corporation; section 22 of the Agricultural Adjustment Act; cotton, wheat, peanut, and rice quotas and allotments; wheat-marketing certificate program; commercial corn-producing areas; marketing quotas for cigar-wrapper tobacco; potato marketing quotas; sugar quotas; extension of Agricultural Marketing Agreements Act of 1937; foreign economic assistance; displaced persons; point 4 program; Foreign Economic Commission; import controls; educational exchange; trade policy with Communist countries; customs regulations; oil imports; agricultural credit; Rural Electrification Act amendment; Brucellosis; Government reorganization; rural roads; taxation; social security; education; postal rates; farm labor; rural housing; farm program; marketing facilities for perishables; tenant purchase, production, and subsistence loans; extension of civil service; Farm Bureau-Extension Service relationships; Cooperative Forest Management Act; Central Valley California projects; antitrust.

C. (3) See report filed for American Farm Bureau Federation for this information.

C. (4) (a) Compensation is to be paid semimonthly; (b) present rate of compensation is $6,600 annually; (c) indefinite; (d) indefinite.

A. Isidore Blumberg. (See quarterly report listing.)

A. Daniel L. Boland, 1500 Rhode Island Avenue NW., Washington, D. C.; associate general counsel for trade association.

B. National Paint, Varnish & Lacquer Association, Inc., 1500 Rhode Island Avenue NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Legislation that more or less specifically affects the paint, varnish, and lacquer industry.

C. (3) No publication has been issued for the purpose of influencing the passage or defeat of legislation proposed in either House of Congress.

C. (4) (a) Compensation is paid monthly; (b) $10,000 per annum for all services, of which legislative matters comprise a very minor part; (c) permanent; (d) reimbursement of actual taxi, telephone, and other incidental expenses.

A. Carl E. Bostrom, president, Chicago Board of Trade.

B. Chicago Board of Trade.

C. (1) Indefinite.

C. (2) (a) Defense Production Act of 1950—commodity speculation; (b) H. R. 9176, sections 411 and 412, S. 3936, sections 411 and 412; (c) in general all matters relating to regulation of commodity exchanges.

A. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio; labor organization.

C. (1) Indefinitely.

C. (2) S. 3295, S. 1103, H. R. 7789, H. R. 2945, and other legislation affecting labor, especially railway labor.

A. Robert W. Brown, manager, legislative department, American Automobile Association, room 222, Mills Building, Washington, D. C.; compensation at annual salary rate, payable bimonthly, on a permanent basis with reimbursement for normal business expenses, such as transportation, meals, and lodging, none of which is allocated, or anticipated, for any purpose as would require this registration.

B. American Automobile Association, Seventeenth and Pennsylvania Avenue NW., Washington, D. C.; the AAA is a nonprofit, nonstock corporation serving the motoring and travel interests of its members, affiliates, and the public in accordance with its charter and bylaws.

C. (1) Legislative interests will continue indefinitely.

C. (2) Legislative interests involve those measures affecting motorists.

C. (3) No publications have been issued or caused to be issued by me. NOTE.—My employment is not for the principal purpose of aiding or accomplishing the passage or defeat of any legislation by the Congress of the United States, and accordingly it is not of such character as would require registration under the Federal Regulation of Lobbying Act (Public Law 601, 79th Cong.). This is filed only as a precaution against the possibility of future interpretations beyond the scope of the act. The filing of this statement or subsequent reports under that law, does not concede its application to me or that I am required to file any such statement or report. This statement is made under advice of counsel.

A. Edward J. Brunenkant, Jr., 1424 K Street NW., room 619, Washington, D. C.; trade association executive.

B. National Agricultural Limestone Association, Inc., 1424 K Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

C. (3) The only publications utilized are letters to members which are issued as the occasion arises.

C. (4) (a) Month; (b) varied; (c) indefinite; (d) varied.

A. H. Scott Byerly, 714 Kass Building, Washington, D. C.; association executive.

B. National Council of Private Motor Truck Owners, Inc., 714 Kass Building, Washington, D. C.; an association of persons in industry and agriculture operating private motor vehicles and of affiliated associations of such persons.

C. (1) Indefinitely.

C. (2) The registrant believes that this registration is not required of him by the terms and intent of the act but files this registration as a precaution to comply fully with the requirements to the extent, if any, that it might be held applicable and valid. Registrant is employed as managing director of the National Council of Private Motor Truck Owners, Inc., a New York Corporation with headquarters at suite 714, Kass Building, Washington, D. C. My employment is not principally for the purpose of or necessarily in any part for the purpose of influencing legislation, although need for attempting to influence legislation of interest to private motor truck owners may or may not arise in the course of my employment. My principal duties involve management of association affairs and rendering of informational services to the members of this organization regarding various legislative, regulatory, trade, and other activities affecting their operations as private motor truck owners. This includes the issuance of bulletins and various other informational services, publications, statistical reviews, etc. At the present time the statute or bills in which we are interested include the following: Senate Resolution 50 (General Transportation Inquiry); H. R. 7547; S. 3936 and H. R. 9176 (Defense Production Act of 1950); S. 3424 and H. R. 7941 (Federal-aid highway legislation).

C. (3) Publications since the beginning of the current quarter include the following: Council Bulletin No. 35, dated July 31, 1950, mimeographed at headquarters and supplied to entire Council membership. Council Bulletin No. 36, dated August 1, 1950, mimeographed at headquarters and supplied to entire council membership.

C. (4) I receive a regular semimonthly salary as managing director of the council, which is the compensation for all of my duties. I am not paid either particularly or principally for the purpose of attempting to influence legislation; such attempts, if any, being only incidental to my general employment as managing director. I receive remuneration for out-of-pocket expenses incurred in traveling, etc. There is no prodetermined expense allocation.

A. Carl Byoir & Associates, Inc., 10 East Fortieth Street, New York, N. Y.; public relations and publicity.

B. W. A. Sheaffer Pen Co., Fort Madison, Iowa; manufacture and sale of fountain pens, ballpoint writing instruments, mechanical pencils, and writing ink.

C. (1) Interest expected to continue intermittently for duration of the employer's retention of Carl Byoir & Associates, Inc., as general public relations counsel for W. A. Sheaffer Pen Co. under yearly contract.

C. (2) W. A. Sheaffer Pen Co. is interested in the Defense Production Act of 1950 and such other bills as may pertain to economic controls over industry, especially during emergency periods.

C. (3) No publications of this nature have been issued.

C. (4) (a) Compensation is by the year, being for general public relations-publicity services of which Washington activities are only an incidental part; (b) $36,000 per year plus actual expenses for salaries, travel, etc. (This fee-and-expenses arrangement, of course, covers the whole range of public relations-publicity services performed for W. A. Sheaffer Pen Co. by Carl Byoir & Associates, including Nation-wide product and prestige-type publicity in newspapers, magazines, radio, and other media, consultation and work on employee and stockholder relations, trade-paper publicity, dealer relations, and other fields in no way related to lobbying); (c) Yearly contract; (d) The nature of such work as might be interpreted as "legislative activities" will be: preparation and distribution of news material based upon client statements and/or expressing client views; aiding in preparation of such statements when so requested; relaying client views, statistical data, information, etc., to legislators. It is impossible at this stage of the relationship to estimate the amount of such activities or their cost, but details will of course be furnished in each quarterly report.

A. William W. Clary, 433 South Spring Street, Los Angeles, Calif.; attorney.

B. Signal Oil & Gas Co., Long Beach Oil Development Co., Southwest Exploration Co., all of 811 West Seventh Street, Los Angeles, Calif.; oil companies.

C. (1) Indefinite.

C. (2) Legislation pertaining generally to oil and gas, including such bills as H. R. 5991, H. R. 5992, and Senate Joint Resolution 195.

C. (4) Time and rate of compensation undetermined; period of employment indefinite; anticipated expenses, travel, food and lodging only, amount unknown.

A. Cox, Langford, Stoddard & Cutler. (See quarterly report listing.)

A. Robert B. Craig, 1075 Twenty-first Street NW., Washington, D. C.; representing Diesel Engine Manufacturers Association.

B. Diesel Engine Manufacturers Association, 1 North La Salle Street, Chicago, Ill.

C. (1) To bring to the members of the association any legislation or appropriations which may have bearing on their business.

C. (4) (b) Compensation is at the rate of $7,500 per year; (d) expenses to be paid as incurred.

A. F. M. Crance, 408-409 Young Building, Lynchburg, Va.; lobbying for amendments to Railway Labor Act.

B. Brotherhood of Maintenance of Way Employees, 61 Putman Avenue, Detroit, Mich.; looking after the interests of the members of the brotherhood.

C. (1) Indefinitely.

C. (2) H. R. 7789 and S. 3295 to amend the Railway Labor Act and other bills pertaining to labor.

A. Dice Crane, Klamath Agency, Oreg.

B. Klamath Tribe of Indians of Oregon.

C. (1) Indefinitely.

C. (2) I am interested in legislation affecting the status of Indian tribes, especially the Klamath Tribe of Oregon. I am instructed to oppose enactment of S. 186, S. 188, S. 764, S. 765, S. 766, H. R. 1537, and H. R. 2724. I am instructed to favor enactment of H. R. 5098.

NOTE.—A quarterly report was filed by applicant for the second quarter of this year. Through inadvertance no registration was filed prior to the filing of the quarterly report. This registration is filed to complete the records.

A. Davies, Richberg, Beebe, Landa & Richardson,[1] and the following group of individual persons: Joseph E. Davies, Franklin D. Jones, Donald R. Richberg, Raymond N. Beebe, Alfons B. Landa, Seth W. Richardson, T. Peter Ansberry, James T. Welch, Adrien F. Busick, Raymond C. Cushwa, C. Robert Mathis, Delmar W. Holloman, Arthur D. Condon, Stephen J. McMahon, Jr., 1000 Vermont Avenue NW., Washington, D. C.; law firm.

B. The Republic of Chile, Embassy of Chile, 1736 Massachusetts Avenue NW., Washington, D. C.

C. (1) Indefinite.

C. (2) To professionally advise, counsel, and represent the Republic of Chile with respect to any and all legislation affecting tariffs upon copper, which discourage trade between the United States and Chile.

C. (3) No publication; (a) not applicable; (b) no compensation; (c) indefinite; (d) no expenses to be billed. NOTE.—Within the opinion of registrants, it is not required to file this report but has done so in order that its position be made a matter of public record for the information of the Congress and the convenience of all persons possibly interested.

A. R. T. DeVany, National Association of Manufacturers, 918 Sixteenth Street NW., Washington, D. C. (member of Washington staff).

B. National Association of Manufacturers, 14 West Forty-ninth Street, New York, N. Y. (Washington address: 918 Sixteenth Street NW., Washington, D. C.); the NAM is a nonprofit, incorporated association of American manufacturing concerns.

C. (1) My legislative interests will continue indefinitely.

C. (2) My general legislative interests will embrace all legislation affecting American industry. Specifically, this type of legislation includes revenue measures, national labor policy, appropriations bills and Federal programs competitive to or regulatory of industry.

C. (3) As I understand the term "publication" I will neither "issue" nor "cause to be issued" any publication. It will be my responsibility, however, to prepare, at irregular intervals, analyses and status reports on legislation for distribution to NAM staff members and other association executives.

C. (4) (a) My compensation will be on an annual basis; (b) most of my time will be taken up with work unrelated to legislation, such as planning meetings, traveling, handling correspondence, etc. Such time as I do spend in the legislative field will vary from day to day, week to week, and month to month. I am certain, however, that at no time could I justifiably allocate more than $400 per month of my salary as compensation for my work in connection with legislation; (c) the period of my employment is indefinite; (d) it is impossible to predict with accuracy what my expenses will be. They will include, however, such items as travel, taxicabs, trade-association dues, telephone, hotel bills, and other expenses as may be incurred in the normal course of business and which will be advanced or reimbursed by the employer.

[1] Registration with the Clerk only.

A. Russell E. Douglas, 128 South Mount Carmel, Wichita, Kans., State Townsend representative for the State of Kansas.

B. Townsend national headquarters, 6875 Broadway, Cleveland, Ohio.

C. (1) My interets will continue until the Townsend plan is made a law.

C. (2) H. R. 2135 and H. R. 2136 and similar bill in the Senate.

C. (3) All publications come out of Cleveland, Ohio.

A. Dudley, Algire, Jones & Ostmann,[1] 1223 Dupont Circle Building, Washington, D. C.; lawyers.

B. The New York, Chicago & St. Louis Railroad Co., the Terminal Tower, Public Square (general offices), Cleveland, Ohio; railroad.

C. (1) Probably 6 months.

C. (2) In connection with the proposed excess profits tax law, our interest is to prevent an inequitable situation arising from the lease of the properties and franchises of the Wheeling & Lake Erie Railway Co. on December 1, 1949.

C. (4) NOTE.—There is no agreed basis of compensation other than that a reasonable fee shall be paid for services rendered. Probable period of employment is 6 months. Anticipated expenses, nominal.

A. H. C. Dunlap, vice president and manager, Dried Fruit Association of California, 1 Drumm Street, San Francisco, Calif.; secretary, California Dried Fruit Export Association.

B. Dried Fruit Association of California, a trade association having in its membership commercial and grower cooperative processors of California dried fruits; California Dried Fruit Export Association, an association of processor and merchant exporters of dried fruits, organized and operating under the Export Trade (Webb-Pomerene) Act.

C. (1) Above-named employers have occasional interest in legislation affecting the handling and marketing of California dried fruits in both domestic and export trade. Evidencing this interest, the undersigned affiant has occasionally addressed communications to and made calls on Members of the Congress and has testified in committee hearings. The only costs incurred in this have been the affiant's transportation, hotel, and other out-of-pocket expense while traveling. At this writing, the above-named employers have no more than the normal citizen's interest in any legislation actively pending. Said employers do not publish or participate in any publication issued in connection with legislative matters.

A. Samuel W. Earnshaw, 927 Munsey Building, Washington D. C.; transportation counsel.

B. Illinois Territory Industrial Traffic League, Room 2301, 1 North La Salle Street, Chicago, Ill.; general shipper activity, representation on traffic and transportation matters.

C. (1) August–September 1950 only.

C. (2) S. 2113, H. R. 5967, general transportation legislation.

A. Otis H. Ellis, 402 Commonwealth Building, Washington, D. C.; attorney.

B. National Oil Jobbers Council, 430 Syndicate Building, Minneapolis, Minn.; the NOJC is a council composed of members appointed by approximately 25 State associations; the purpose of the council is to provide a central forum for the discussion and solution of the day-to-day problems of the independent jobber and marketer of petroleum products.

C. (1) Affiant's legislative interests will continue until January 1, 1951, unless otherwise renewed.

C. (2) Affiant is interested in general legislation which might affect the business interests of independent oil jobbers—no specific legislation.

[1] Registration with the Clerk only.

C. (3) Affiant has not issued or caused to be issued any publications in connection with legislative interests.

C. (4) (a) Compensation is monthly; (b) $750 per month; (c) employment until January 1, 1951; (d) anticipated expenses will include local transportation costs to and from congressional office buildings and should not exceed $25 per month. NOTE.—See letter of transmittal.[2]

A. Robert Engler. (See quarterly report listing.)

A. Frank L. Hinckley, 2200 Industrial Trust Building, Providence, R. I.; attorney-at-law.

B. Mrs. Gladys Candler Baker, 72 Waterman Street, Providence, R. I., housewife; Felix J. Freeman, Jr., Mariton Hotel, 3 West Eighth Street, New York, N. Y., employed by bank in New York City.

C. (1) Legislatives interests are to continue until the final adjournment of the present Congress.

C. (2) The general legislative interests of the person filing relate to any bills or proposed legislation affecting the interests or rights of the employers named in paragraph B above under the provisions of the Trading With the Enemy Act, as amended. The specific legislative interests of the person filing relate to: the Trading With the Enemy Act of 1917 (40 Stat. 411), as amended; S. 1292, a bill to amend section 32 (a) (2) of the Trading With the Enemy Act, Eighty-first Congress, second session; H. R. 1848, a bill to amend section 32 (a) (2) of the Trading With the Enemy Act, Eighty-first Congress, second session.

C. (3) The person filing has not issued or caused to be issued any publication in connection with said legislative interests.

C. (4) (a) No agreement has been made as to whether any compensation is to be paid to the person filing or when such compensation if any is to be paid; (b) no agreement has been made in regard to the rate or amount of compensation if any to be paid; (c) the approximate period of employment will be until the end of the Eighty-first Congress and also possibly during the first session of the Eighty-second Congress; (d) the nature of anticipated expenses will be long distance telephone calls, telegraph charges, travel, food, and lodgings. It is impossible to state the amount of such expenses at the present time, but it is not likely that they will be very considerable.

A. William Calhoun Hope, 60 Beaver Street, New York, N. Y.; political and market analyst.

B. Robert Moore & Co., 60 Beaver Street, New York, N. Y.; cotton futures brokers.

C. (1) Indefinitely.

C. (2) S. 3936, H. R. 9176. No money received as lobbyist; work as market analyst in New York; pay occasional visits to Washington.

A. International Crop Improvement Association,[1] in care of Tennessee Crop Improvement Association, post-office box 1071, Knoxville, Tenn.

C. (1) The International Crop Improvement Association has taken no interest in effective legislature since about 1945–46. At this time a proposal was submitted to provide additional funds for the Agricultural Research Administration, United States Department of Agriculture for specific research on the development of new varieties of forage crops and studies on seed production as affected by beneficial and harmful insects. No legislative activity is contemplated in the near future.

A. Iowa Associated Businessmen, Inc.,[3] 463 Westwood Drive, Ames, Iowa. An Iowa retail trade association representing various types of retailing and not any one or two particular lines. General program of procedure includes watching best interests of

[1] Registration with the Clerk only.
[2] Not printed. Filed in the Clerk's office.
[3] Registration with the Secretary only.

these independent merchants along avenues of mutual concern.

C. (1) Until objectives are reached.

C. (2) The Mason bill, H. R. 5064; amendment proposed by Senator Williams to H. R. 3905; compromise by Davis of Tennessee, H. R. 7343.

C. (3) No publication.

C. (4) As to compensation, since April 1, 1950, it has been on a monthly basis so far as Iowa Associated Businessmen, Inc., is concerned, but no definite arrangement has as yet been made regarding this so far as exact amounts are involved. As per two quarterly reports now submitted, receipts and expenditures have been listed, and that data will, of course, be included in following quarterly reports. As to period of employment, that also has not been guaranteed as of today.

A. Robert L. Irvin, 615 Jergins Trust Building, Long Beach, Calif.; public-relations counsel.

B. Mytinger & Casselberry, Inc., 1724 Santa Fe Avenue, Long Beach, Calif.

C. (1) 1 year.

C. (2) Food and drug legislation.

C. (3) No publications.

C. (4) Compensation not yet determined; expenses expected to be nominal.

A. Robert G. Jeter, Dresden, Tenn., attorney at law, stockholder and director of H. C. Spinks Clay Co., Inc., Paris, Tenn.

B. H. C. Spinks Clay Co., Paris, Tenn.; Kentucky-Tennessee Clay Co., Mayfield, Ky.; Bell Clay Co., Gleason, Tenn.; Cooley Clay Co., Mayfield, Ky.; United Clay Mines Corp., Trenton, N. J.; Old Hickory Clay Co., Paducah, Ky.; and Kentucky Clay Mining Co., Mayfield, Ky., all mine ball, wad, and sagger clays.

C. (1) Legislative interest will continue until H. R. 8920 is disposed of, our interest is retaining our present percentage depletion on ball, wad, and sagger clays.

C. (2) We are interested in retaining percentage depletion for ball, wad, and sagger clays as set out in House bill H. R. 8920.

C. (4) (a) Compensation will be paid when bill disposed of; (b) rate of compensation will be reasonable fee; (c) period of employment will be until bill is disposed of; (d) expenses will amount to about $600 for trips to Washington.

A. Luke Lea, post-office box 1066, Nashville, Tenn.

B. National Federation of Private School Associations, 2601 Sixteenth Street NW., Washington, D. C.

C. (1) Present session of Congress.

C. (2) Clarification of Public Law 610, veterans' education amendments of 1950.

C. (3) No publications.

C. (4) (a) Compensation for balance of 1950; (b) $5,000; (c) 5 months; (d) travel and hotel, telephone and telegraph, approximately $1,500.

A. G. E. Leighty, chairman, Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.; handling legislation for benefit of railway employees and labor in general.

C. (1) Indefinitely.

C. (2) At present working on H. R. 7789 and S. 3295 to amend the Railway Labor Act authorizing agreements for union shops, etc.

A. Bryan P. Leverich, Union Pacific Building, 10 South Main Street, Salt Lake City, Utah; railroad attorney.

B. Union Pacific Railroad.

C. (1) To October 1, 1950, possibly longer.

C. (2) (a) Railroad union shop bill; (b) H. R. 7789; S. 3295; (c) Railroad Labor Act.

C. (3) No publications.

C. (4) Compensation paid by the Union Pacific Railroad monthly, annual salary, $15,000; legislative work incidental only to regular employment; nature and amount of expenses unknown at this time.

A. Arnold Levy, Freedman & Levy, 829 Washington Building, Washington, D. C.; attorney at law.

B. Anthracite Institute, Wilkes-Barre, Pa.; this is an association representing persons and companies engaged in producing and distributing anthracite coal.

C. (1) Indefinite.

C. (2) All legislation affecting the anthracite industry.

C. (4) There is a general retainer covering legal services to the Anthracite Institute at the rate of $1,500 per month, plus reimbursement monthly for transportation, long-distance telephone calls and other out-of-pocket expenses. The legal services are predominantly nonlegislative in character and no separate compensation is received for legislative activities.

A. Mrs. Frances B. Lucas, 1776 D Street NW., Washington, D. C., executive secretary.

B. National Defense Committee, National Society Daughters of the American Revolution, 1776 D Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) In general all legislation concerning defense and freedom; all bills concerning world government, such as S. 56, S. 57, and S. 66; and all bills relating to socialized medicine.

C. (4) Registrant is not employed for the purpose of influencing legislation. She is employed at an annual salary to perform all the duties of the executive secretary of the National Defense Committee of the National Society Daughters of the American Revolution. She estimates that approximately one-sixth of her time during her tenure of office will be spent on matters relating to Federal legislation and that of the total compensation received by her approximately $100 a quarter will be allocable to legislative matters. Registrant anticipates that her only expenses will not exceed $50 a year. The filing of this registration and of subsequent reports is not to be construed as an admission that the registrant is subject to the provisions of the Federal Regulation of Lobbying Act or that she has received or expended funds for the purpose of influencing Federal legislation.

A. Melvin C. Merrill, part-time service as executive officer of the Organization of Professional Employees of the United States Department of Agriculture; 6701 Second Street NW., Washington, D. C.

B. One employer only, namely, the Organization of Professional Employees of the United States Department of Agriculture, post office box 381, Washington D. C., which is an association of Federal employees engaged in professional activities; the purpose of the association is to promote the professional interests of its members, the professional standards of Federal service, and the quality of professional service to the public.

C. (1) So long as Congress considers and enacts legislation affecting the classified employees of the Federal Government, the legislative interests of this organization will continue.

C. (2) The general legislative interests of the person here registering will be those bearing in general upon the bills offered by the committees on post office and civil service, education and labor, and Federal expenditures in Government departments. Illustrations of these are S. 1275, legislation affecting leave, and other matters of interest to the members of the organization.

C. (3) OPEDA printed newsletter of about four pages, issued quarterly; (2) quantity published, 3,200; (c) date of publication, quarterly; (d) name of printer, the Trades Unionist.

C. (4) The compensation is to be paid by the month; (b) the rate will be $100 per month; (c) the approximate period will be 3 months; (d) no anticipated expenses in connection with this position.

A. Joseph Molnar,[1] 225 Indiana Avenue NW., Washington, D. C.

C. (1) Indefinite.

C. (2) H. R. 3593.

A. Morgan & Calhoun, 412 Washington Building, Washington, D. C.; attorneys-at-law.

B. National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.; an association of life insurance agents.

C. (1) Temporary. Until final action on pending revenue bill.

C. (2) (a) Revenue Act of 1950; (b) H. R. 8920.

C. (4) Compensation to be reasonable fee to be determined solely on time basis.

A. F. Weaver Myers, 1000 Shoreham Building, Washington, D. C.; attorney. NOTE.—Registrant is a partner in the law firm of Hamel, Park & Saunders, 1000 Shoreham Building, Washington, D. C. Compensation for the services to be performed for New York University is to be determined on the basis of reasonable fees and out-of-pocket expenses will be reimbursed.

B. New York University, Washington Square, New York, N. Y.

C. (1) Legislative interests likely to continue during the consideration of H. R. 8920, Eighty-first Congress, second session (the revenue bill).

C. (2) Legislative interests are concerned primarily with section 302 (relating to the effective date) of H. R. 920, Eighty-first Congress, second session.

C. (3) No publication is involved.

A. National Committee on Resources,[1] 312 Pennsylvania Avenue SE., Washington, D. C.

C. (1) Legislative activity terminated. This group came into existence early in 1950. It received $2,496 from CIO, but was unable to get matching funds; hence, the CIO fund has been returned and the committee terminated.

A. New York Committee To Defeat the Mundt Bill. (See quarterly report listing.)

A. Nugent, T. C., 1818 Canal Building, New Orleans, La. Oil business.

B. The California Co., 1818 Canal Building, New Orleans, La. Exploration for, and production of, oil and gas.

C. (1) Indefinite, approximately 1 year.

C. (2) Legislation affecting public domain, acquired lands, tidelands and taxes.

C. (4) Regular monthly salary with reimbursement for actual expenses away from New Orleans; have been employed on regular payroll of company for 13 years.

A. O'Brien, Edward J., 1209 North Wilton Street, Philadelphia, Pa. Working for legislation for benefit of railroad employees and labor in general.

B. Brotherhood of Maintenance of Way Employees, 61 Putnam Avenue, Detroit, Mich. Looks after interests of members of organization.

C. (1) Indefinitely.

C. (2) H. R. 7789 and S. 3295 to amend Railway Labor Act authorizing agreements for union shops, etc., also any bills affecting labor in general.

A. Regional Committee for an MVA,[1] 300 B. Street SE., Washington, D. C.

C. (1) Legislative activity terminated. This committee was represented in Washington for a time by Benton J. Strong, who received salary from National Farmers Union as a contribution toward the committee's work. This arrangement is terminated. The committee has not collected or disbursed any funds in connection with legislature, except as previously indicated.

A. Rhyne, Charles S., attorney, 730 Jackson Place NW., Washington, D. C.

B. Mytinger & Casselberry, Inc., Long Beach, Calif.

C. (1) Indefinitely.

[1] Registration with the Clerk only.

C. (2) Food and drug legislation.
C. (3) No publications.
C. (4) Compensation not yet determined; expenses expected to be nominal.
A. Rising, E. W. (See quarterly report listing.)
A. Roscoe, George B., National Trade Association, 610 Ring Building, Washington, D. C.
B. National Electrical Contractors Association, Inc., 610 Ring Building, Washington, D. C.
C. (1) Indefinite.
C. (2) Nothing specific.
C. (4) (a) Yearly. (b) The registrant is paid at the rate of $10,000 per year as director of the public relations and governmental affairs of National Electrical Contractors Association, which includes substantial duties and activities not covered by this act. (c) Indefinite. (d) No fixed amount.
A. Russian Dollar-Bondholders Committee, room 2200, 44 Wall Street, New York, N. Y.; committee represents claimants, American nationals who, as legal owners of dollar-bonds issued by prior governments of Russia, are seeking partial satisfaction from United States Treasury special deposit account No. 3.
C. (1) The committee desires passage of legislation which will empower the Secretary of the Treasury to make disbursements from United States Treasury special deposit account No. 3, to rightful claimants.
C. (2) Has specific interest in H. R. 5118, a bill to provide for the disposition of the fund known as United States Treasury special deposit account No. 3.
C. (4) Compensation to committee for such representation to be maximum of 10 percent of awards made to claimants so represented; expenditures and disbursements of the committee for prosecution of claims to be assumed by committee; estimated expenses under $1,000.
A. Saltzstein, Benjamin F., attorney for Hedwig Lydia Reidner, Empire Building, Milwaukee, Wis.
C. (1) For duration of Eighty-first Congress.
C. (2) S. 1292, advocating passage of this bill regarding alien property.
C. (3) No publications issued or to be issued.
C. (4) Compensation; legal fees to be determined.
A. Saltzstein, Robert A., attorney at law, 1015 Ring Building, Washington, D. C.
B. Attorney for Hedwig Lydia Reidner, Empire Building, Milwaukee, Wis.
C. (1) Duration of Eighty-first Congress.
C. (2) S. 1292; advocating passage of this bill regarding alien property.
C. (3) No publications issued or to be issued.
C. (4) Compensation: Legal fees to be determined.
A. Selvage, Lee & Bledso, industrial public relations, 1730 Eye Street NW., Washington, D. C.; parent firm: Selvage & Lee, 1 East Forty-third Street, New York, N. Y.
B. New York Cotton Exchange, 60 Beaver Street, New York, N. Y.
C. (1) Indefinite duration.
C. (2) Maybank-Spence bill, S. 3936, H. R. 9176.
C. (3) (a) Testimony for Perry E. Moore, president, New York Cotton Exchange before Banking and Currency Committee; (b) 750; (c) July 27, 1950; (d) After Five Mimeographing Co.
C. (4) (a) Monthly; (b) $1,000 month; (c) 1 year; (d) telephone, postage, taxis, mimeographing; cannot estimate expenses at this time; but nominal.
A. Shaw, Lucien W., lawyer, 101 North Palm Canyon Drive, Palm Springs, Calif.
B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.; national trade association of aircraft manufacturing industry.
C. (1) Approximately 3 months.
C. (2) Proposed excess-profits tax.
C. (4) Retainer $1,000 plus per diem fee of $150 per day, and actual travel expenses to and from Washington and living expenses in Washington.
A. Shields, A. Graham, 412 Fifth Street NW., Washington, D. C.; managing director, the Oil Heat Institute of Greater Washington, Inc., trade association of fuel oil and oil heating equipment dealers.
B. Oil Heat Institute of Greater Washington, Inc., 412 Fifth Street NW., Washington, D. C.; trade association of fuel oil and oil heating equipment dealers in the greater Washington area.
C. (1) General legislative interest in bills which may be introduced and which could affect the local fuel oil industry.
C. (4) No compensation or expenses allocated other than present salary for employment as managing director of the institute.
A. Steinback, Otts D., Independence Avenue SW., Washington, D. C.; legislative representative of organization listed below.
B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees (a railway labor organization), 1015 Vine Street, Cincinnati, Ohio.
C. (1) Legislative interests will continue indefinitely.
C. (2) S. 3295 and H. R. 7789; these are bills in which we are interested, but their listing should not be construed as confining our activities merely to them as this brotherhood is interested in all legislation affecting labor, especially railroad labor.
A. Stewart, Erskine,[1] National Retail Dry Goods Association (trade association), 808 Kass Building, 711 Fourteenth Street NW., Washington, D. C.
B. National Retail Dry Goods Association (trade association), 100 West Thirty-first Street, New York, N. Y.
C. (1) Unknown.
C. (2) Defense Production Act of 1950 (H. R. 9176, S. 3936); Lifo (H. R. 810); Revenue Act of 1950 (H. R. 8920).
C. (4) I will be compensated on a semimonthly basis; that portion of my salary attributed to legislative work is $1,500 per year. I am permanently employed; it is impossible to state what my expenses will be.
A. William C. Stronach, executive secretary, 20 North Wacker Drive, Chicago, Ill.
B. American College of Radiology, 20 North Wacker Drive, Chicago, Ill.; medical association.
C. (1) Indefinite.
C. (2) Legislation affecting the practice of medicine, S. 1453; S. 1411; H. R. 6000; Reorganization Plan No. 27; H. R. 8746, all national health insurance legislation.
C. (4) (a) Annual; (b) $10,000; (c) indefinite; (d) none, not reimbursed. NOTE.—Probably not more than an aggregate of 2 days is spent annually in duties relating to legislation, in writing letters, etc.
A. Taber, Paul, 744 Jackson Place NW., Washington, D. C.; assistant to the master, the National Grange; administrative assistant and in charge of grange extension and public relations.
B. The National Grange, patrons of husbandry, 744 Jackson Place NW., Washington, D. C., national farm fraternity.
C. (1) Legislative interests will occupy a very small part of my time until my tenure expires, between June 30 and December 31, 1951.
C. (2) My legislative interests will be those required by this organization in its broad national agricultural policy as defined each year in its annual convention. Within that scope my activity will be confined to assisting in case of inability of others to fully meet the demands, and to interpreting the National Grange position to Members of Congress, to grange members and to the public.
C. (3) I shall assist in preparing material for the National Grange Monthly issued the first of each month. One hundred and sixty thousand copies printed by the Phelps Publishing Co. Also supervise internal news bulletins to our Grange leaders and general publicity which are duplicated in our own office. In all of the above, reports of national legislative activities of the Grange is a small part of the whole.
C. (4) Compensation is paid monthly at the rate of $6,500 per year; employment terminates between June 30 and December 31, 1951; I will be paid for actual traveling and entertainment expense; only a very small portion of my salary and a minor amount of expense can be justly charged to lobbying.
A. Vegetable Growers Association of America, Inc., horticulture department, Ohio State University, Columbus Ohio. Objects: To promote and encourage the interests of vegetable growing by collecting and disseminating information; to hold meetings and exhibitions; to encourage the consumption of vegetables.
C. (1) For the life of the organization.
C. (2) We are interested in interstate commerce, tariffs, social legislation, taxation, marketing, etc.; we supported H. R. 8320 (the Cooley bill).
A. Wheeler, Edward K., attorney, Wheeler & Wheeler, 704 Southern Building, Washington, D. C.
B. Shore Line Oil Co., Las Vegas, Nev.; Craw Co., Las Vegas, Nev.
C. (1) Indefinite.
C. (2) The firm of Wheeler & Wheeler represents the Shore Line Oil Co. and the Craw Co., both of Las Vegas, Nev., on measures pertaining to the so-called tidelands oil question, the above-named companies being the same parties and the representation being with respect to the same matters described in lobbying reports previously filed; lobbying reports were filed prior to 1949, however, the filing thereof was discontinued since both our compensation and activities with respect to this type of legislation were discontinued, and no further legislative activities were contemplated; however, it appears to us that proposed legislation may affect the rights of the companies represented, and in that event, we may confer with Members of Congress, testify at hearings, etc.; while we do not contemplate any specific action which would appear to be covered by the Lobbying Act, this form is filed merely upon the possibility that such action may be taken.
C. (4) No compensation is contemplated at this time other than that received and reported in lobbying reports previously filed; the firm will be reimbursed for any out-of-pocket expenses such as telephone, taxi fares, etc.
A. Wheeler, George Y., II, 724 Fourteenth Street NW., Washington, D. C.
B. National Broadcasting Co., Inc., 724 Fourteenth Street NW., Washington, D. C., and affiliated companies.
C. (1) Indefinite.
C. (2) As part of registrants duties as assistant vice president of National Broadcasting Co., Inc., Washington office, registrant may engage in activities relating to legislation affecting National Broadcasting Co., Inc., and/or its affiliated companies.
C. (4) (a) Registrant's compensation is paid by the month; (b) registrant's compensation covers all of his duties as assistant vice president of National Broadcasting Co., Inc., and no specific portion thereof is allocable to his duties relating to legislation; (c) the expenses to be included are expenses actually incurred in carrying out registrant's duties.

[1] Registration with the Clerk only.

QUARTERLY REPORTS

The following quarterly reports were submitted for the third calendar quarter 1950:

(NOTE.—The form used for quarterly reports is reproduced below. Questions are not repeated, only the answers are printed and are indicated by their respective letter and number. Answers to E. 16 are omitted in printing in order to reduce space.)

File two copies with the Secretary of the Senate and file two copies with the Clerk of the House of Representatives:
This page (page 1) is designed to supply identifying data; and page 2 (on the back of this page) deals with financial data.
Place an "X" below the appropriate letter or figure in the box at the right of the "Report" heading below:
"PRELIMINARY" REPORT: To "register," place an "X" below the letter "P" and fill out page 1 only.
"QUARTERLY" REPORT: To indicate which one of the four calendar quarters is covered by this Report, place an "X" below the appropriate figure. Fill out both page 1 and page 2 and as many additional pages as may be required. The first additional page should be numbered as page "3," and the rest of such pages should be "4," "5," "6," etc. Preparation and filing in accordance with instructions will accomplish compliance with all quarterly reporting requirements of the Act.
Fill in the year in the box at the left of the "Report" heading below.

Year: 19----	REPORT	P	1	2	3	4
	PURSUANT TO FEDERAL REGULATION OF LOBBYING ACT					

A ORGANIZATION OR INDIVIDUAL FILING—State name, business address, and nature of business:

B EMPLOYER—State name, address, and nature of business. If there is no employer, write "None." (If the work is done in the interest of one person, but payment therefor is made by another, list both persons as employers.)

C. LEGISLATIVE INTERESTS, AND PUBLICATIONS in connection therewith:

1. State approximately how long legislative interests are to continue. If legislative interests have terminated with the current quarter: Please explain, so that this Office will no longer expect to receive Reports.

2. State the general legislative interests of the person filing and set forth the *specific* legislative interests by reciting: (*a*) Short titles of statutes and bills; (*b*) House and Senate numbers of bills, where known; (*c*) citations of statutes, where known.

3. In the case of each publication which the person filing has issued or caused to be issued in connection with legislative interests, set forth: (*a*) description, (*b*) quantity published, (*c*) date of publication, (*d*) name of printer.

(Answer items 1, 2, and 3 in the space below. Attach additional pages if more space is needed.)

4. NOTE.—If this is a "Preliminary" Report, in addition to the other data in the space above, state: (*a*) whether compensation is to be paid by the day, by the month, or by the year; (*b*) what the rate of compensation is to be; (*c*) what the approximate period of employment will be; (*d*) what the nature and amount of anticipated expenses will be.

AFFIDAVIT

[Omitted in printing]

PAGE 1

D. RECEIPTS (INCLUDING CONTRIBUTIONS AND LOANS)
(from which Expenditures are made, or will be made, in connection with legislative interests)

Receipts (other than loans)
1. $--------Dues and assessments
2. $--------Gifts of money
3. $--------Printed or duplicated matter received as a gift
4. $--------Receipts from sale of printed or duplicated matter
5. $--------Received for services, i. e., salary, fee, per diem, etc.
6. $--------Other contributions received
7. $--------TOTAL for this Quarter (Add items "1" through "6")
8. $--------Received during previous Quarters of calendar year
9. $--------TOTAL from Jan. 1 through this Quarter (Add "7" and "8")

Loans Received
Section 302 (a). "The term 'contribution' includes a . . . *loan* . . ."
10. $--------TOTAL now owed to others on account of loans
11. $--------Borrowed from others during this Quarter
12. $--------Repaid to others during this Quarter

Contributors of $500 or More
(from Jan. 1 through this Quarter)
13. Have there been such contributors?
Please answer "yes" or "no": --------
14. In the case of each contributor whose contributions (including loans) during the "period" from January 1 through the last day of this Quarter, total of $500 or more:
Attach hereto plain sheets of paper, approximately the size of this page, tabulate data under the headings "Amount" and "Name and Address of Contributor"; and indicate whether the last day of the period is March 31, June 30, September 30, or December 31. Prepare such tabulation in accordance with the following example:

Amount *Name and Address of Contributor* (*"Period"* from Jan. 1 through ----------, 19----)
$1,500.00 John Doe, 1621 Blank Bldg., New York, N. Y.
1,785.00 The Roe Corporation, 2511 Doe Bldg., Chicago, Ill.
$3,285.00 TOTAL

E. EXPENDITURES (INCLUDING LOANS) in connection with legislative interests:

Expenditures (other than loans)
1. $--------Public relations and advertising services
2. $--------Wages, salaries, fees, commissions (other than Item "1")
3. $--------Gifts or contributions made during Quarter
4. $--------Printed or duplicated matter, including distribution cost
5. $--------Office overhead (rent, supplies, utilities, etc.)
6. $--------Telephone and telegraph
7. $--------Travel, food, lodging, and entertainment
8. $--------All other expenditures
9. $--------TOTAL for this Quarter (add "1" through "8")
10. $--------Expended during previous Quarters of calendar year
11. $--------TOTAL from January 1 through this Quarter (Add "9" and "10")

Loans Made to Others
Section 302 (b). "The term 'expenditure' includes a . . . *loan* . . ."
12. $--------TOTAL now owed to person filing
13. $--------Lent to others during this Quarter
14. $--------Repayments received during this Quarter

15. $--------If there is an employer, state what amount of the Expenditures for this Quarter has been or will be defrayed by such employer.

16. Recipients of Expenditures of $10 or More
In the case of expenditures made during this Quarter by, or on behalf of, the person filing: Attach plain sheets of paper approximately the size of this page and tabulate data as to expenditures under the following headings: "Amount," "Date or Dates," "Name and Address of Recipient," "Purpose." Prepare such tabulation in accordance with the following example:

Amount *Date or Dates—Name and Address of Recipient—Purpose*
$1,750.00 7-11: Roe Printing Co., 3214 Blank Ave., St. Louis, Mo. Printing and mailing circulars on the "Marshbanks Bill."
$2,400.00 7-15, 8-15, 9-15 Britten & Blatten, 3127 Gremlin Bldg., Washington, D. C. Public relations service at $800.00 per month.
$4,150.00 TOTAL

PAGE 2

A. Adkerson, J. Carson, mining engineer, 976 National Press Building, Washington, D. C.

C. (1) Indefinite.

C. (2) Strategic minerals, including manganese; (a) mineral bills; (b) H. R. 834, H. R. 8883, H. R. 2767, H. R. 2777, S. 1223.

D. (6) $40; (8) $925; (9) $965; (13) no.

E. (4) $54.06; (5) $8.62; (6) $17.71; (7) $70.70; (8) $24.75; (9) $175.84; (10) $835.49; (11) $1,011.33.

A. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.; national trade association of the aircraft manufacturing industry.

C. (1) Indefinite.

C. (2) Association is generally interested in any legislation which will affect the welfare of the aircraft industry: S. 2113, S. 4067, H. R. 9503, H. R. 9480, S. 3504 (enacted into Public Law 867), H. R. 8536.

D. (1) $4,262.42; (8) $6,187.17; (9) $10,449.59; (10) only liabilities are current business accounts; (13) yes; (14) the association is supported by dues paid by its members. All dues are received without designation as to the purpose for which the money is to be spent. Expenditures listed under E total $10,449.59, and total receipts shown on line 9 of schedule D are stated at the same amount. Total dues prorated for the 9 months from January 1 to September 30, 1950, amount to $466,747.47. Hence less than 2¼ percent of the total dues for the period could be allocable to legislative activities. In our opinion the amount shown in schedule E is high. Consequently legislative activity is not a principal purpose of this association. Total dues in excess of $500 have been received during the period January 1 to September 30, 1950, from only the following in addition to those mentioned in our last report: Aircraft gas turbine division, General Electric Corp., Schenectady, N. Y.; Lockheed Aircraft Corp., Burbank, Calif.

E. (1) $3,249.99; (9) $3,249.99; (10) $7,199.60; (11) $10,449.59; only receivables are current office accounts.

A. Air Transport Association of America,[4] 1107 Sixteenth Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) House bills 42, 43, 73, 103, 141, 161, 205, 208, 306, 347, 393, 421, 448, 780, 804, 1008, 1228, 1327, 1540, 1564, 1734, 1838, 1843, 1895, 2032, 2100, 2165, 2299, 2407, 2543, 2651, 2657, 2845, 2908, 2910, 2911, 2912, 2913, 2945, 3183, 3374, 3488, 3538, 3550, 3656, 3658, 3714, 3844, 3846, 3905, 4082, 4199, 4217, 4290, 4298, 4321, 4550, 4636, 4751, 4786, 4801, 4946, 5064, 5163, 5173, 5185, 5396, 5468, 5510, 5560, 5561, 5621, 5735, 5808, 5919, 6103, 6136, 6151, 6352, 6538, 6545, 6549, 6558, 6563, 6605, 6636, 6641, 6775, 6828, 6842, 6924, 6928, 7126, 7158, 7190, 7191, 7241, 7333, 7382, 7429, 7430, 7767, 7789, 7870, 8126, 8304, 8413, 8536, 8572, House Joint Resolutions 331, 406, 470, House Resolutions 46, 281; Senate bills 1, 4, 8, 10, 12, 237, 249, 181, 401, 402, 417, 418, 420, 421, 423, 424, 426, 427, 428, 429, 430, 431, 432, 433, 442, 444, 445, 448, 450 451, 453, 455, 456, 636, 643, 789, 810, 822, 953, 954, 1009, 1029, 1077, 1095, 1103, 1281, 1431, 1603, 1768, 1832, 1836, 1888, 1908, 1946, 1960, 2056, 2059, 2212, 2301, 2330, 2435, 2437, 2438, 2498, 2627, 2751, 2759, 2875, 2984, 3069, 3147, 3295, 3377, 3455, 3463, 3504, 3507, 3620, Senate Joint Resolutions 27, 92, Senate Resolutions 34, 50, 267.

D. (1) $4,421.06; (8) $5,548.94; (9) $9,970; (13) Yes.

The association receives its contributions from its members on the basis of a semiannual estimate of operating budgets for its various departments for the following months period. No contributions are earmarked at the source or by the association for purposes within the purview of the Federal Regulation of Lobbying Act. Our allocations in this report are arrived at by prorating our reported expenditures on the same basis as our members paid their dues to the association for the first 6 months of 1950. For the 6 months ended June 30, 1950: $1,842.20, American Airlines, 100 Park Avenue, New York, N. Y.; $1,257.65, Eastern Air Lines, 10 Rockefeller Plaza, New York, N. Y.; $536.97, Northwest Airlines, 1885 University Avenue, St. Paul, Minn.; $1,045.02, Pan American Airways, 135 East Forty-second Street, New York, N. Y.; $1,302.87, Trans World Airlines, 101 West Eleventh Street, Kansas City, Mo.; $1,556.22, United Air Lines, Inc., 5959 South Cicero Avenue, Chicago, Ill.; $7,540.93, total: $2,429.07, 32 members contributing less than $500 (as allocated); $9,970, grand total.

E. (2) $3,915.30; (4) $445.21; (8) $60.55; (10) $5,548.94; (11) 9,970.

A. Alifas, Nels Peter, legislative representative of District Lodge No. 44, International Association of Machinists, 303 Machinists Building, Washington, D. C.

B. District No. 44, International Association of Machinists, 303 Machinists Building, Washington, D. C.

C. (1) Until my present term of office expires December 31, 1951, or earlier if I retire.

C. (2) Lobbying, i. e., supporting or opposing, as the case may be, legislation affecting working conditions of Government employees and incidentally organized labor in general; not more than 20 percent of my time was spent on this work during third quarter of 1950.

C. (3) I do not recall having any material printed bearing on legislation during the third quarter of 1950, other than mimeographed circular letters mailed to approximately 580 persons, and individual letters imparting information about the status of legislation; and answering inquiries relating to legislation; and perhaps suggesting in response to inquiries that they write their Senators and Congressmen.

D. (5) $1,999.98; (6) $25; (7) $2,024.98; (8) $4,054.96; (9) $6,079.94; (13) No.

E. (7) $25; (10) $55; (11) $80; (15) $25.

A. Allman, R. G., attorney, resident agent, 927 Fifteenth Street NW., Washington, D. C.

C. (1) Until section 8 of the War Claims Act of 1948 is passed.

D. (13) No.

E. (5) $30; (6) $20; (7) $50; (9) $100; (10) $100 approximately per month; (11) $800, approximately.

A. Alvord, Ellsworth C., attorney, 1200 Eighteenth Street NW., Washington, D. C.

B. As chairman of a committee representing companies similarly interested; Victor L. Brown, president, Motors Acceptance Co.; First Wisconsin National Bank Building, Milwaukee, Wis.

C. (1) Terminated with enactment of Public Law 680, Eighty-first Congress, second session.

C. (2) Amend section 501 (b) (6), Internal Revenue Code, regarding personal holding-company income.

D. (5) $21,250; (6) $64.91 (reimbursement for expenses); (9) $21,314.91; (13) Yes; (14) chairman of a committee representing companies similarly interested; Victor L. Brown, president, Motors Acceptance Co., First Wisconsin National Bank Building, Milwaukee, Wis.; fee for professional services, $21,250; reimbursement for out-of-pocket expenses, $64.91; total, $21,314.91.

E. (6) $42.39; (8) $1.80; (9) $44.19; (10) $25.47; (11) $69.66.

A. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., 1214 Griswold Street, Detroit, Mich.; A. L. Spradling, international president, same address.

B. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., an unincorporated labor organization, 1214 Griswold Street, Detroit, Mich., is the employer and is represented by its international president and other international officers and representatives, assisted by its general counsel and staff.

C. (1) Legislative interests will not continue, but this is not a final report, as there will be additional payments made during the fourth quarter.

C. (2) The principal legislative interest was in H. R. 6000, the social-security amendments, which were adopted and approved by the President during the third quarter.

C. (3) The association published its monthly official organ, The Motorman and Conductor and Motor Coach Operator, national in distribution to members; also its official weekly journal of the organized street railway, rapid transit and bus employees of the Chicago, Ill., region, The Union Leader; these publications are not primarily concerned with legislative interests but they have contained in the past and will contain in the future news stories, reports, and recommendations involving pending or suggested legislation, local, State, and National.

C. (4) (a) Officers and employees of the association are paid salaries or wages for their regular work; no additional compensation has been paid during third quarter 1950 for legislative work; the association's general counsel and his staff have performed legislative work, however, and will be paid for same after the semiannual statement for such work is rendered; (b) no additional compensation; (c) our legislative interest is completed for the time being; (d) travel, hotel, meals, taxis, etc., and counsel fees, mimeographing, etc.

D. (13) No.

E. (2) Wages and salaries were the normal salaries which would have been paid if no legislative work had been performed; none additional was paid for legislative work; later on our counsel and his staff will be paid for their work; (7) $254.32; (11) $254.32; (15) $254.32.

A. American Association of University Women, educational nonprofit organization promoting higher aducation for women, 1634 Eye Street NW., Washington, D. C.

C. (1) Legislative interests are continuing and are within framework of a program voted by membership at biennial convention.

C. (2) Federal aid to education, S. 246 (except section 6), H. R. 7160; ECA and point 4 programs, S. 3304 and H. R. 7797; Reorganization Plan No. 27, as regards the Office of Education only; equal-rights amendment, Senate Joint Resolution 25 as amended; strengthening the United Nations, Senate Concurrent Resolution 72; school construction and teachers' pay.

C. (3) Mimeographed materials on status of current legislation being supported by the association, sent to State legislative program chairmen.

E. (4) $96.49; (9) $96.49; (10) $209.76; (11) $306.25.

A. American Booksellers Association,[4] 31 Madison Avenue, New York, N. Y., trade association.

C. (1) Our interest in legislation is continuous.

C. (2) This association is interested in all legislation in any way affecting the interests of books and booksellers; currently, we are specifically interested in S. 1103 and H. R. 2945.

D. (13) No.

E. (7) $53.09; (9) $53.09; (10) $60.98; (11) $114.07.

A. American Booksellers Association, 31 Madison Avenue, New York, N. Y., trade association.

C. (1) Our interest in legislation is continuous.

C. (2) This association is intereted in all legislation in any way affecting the interest

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

of books and booksellers; currently, we are specifically interested in S. 1103 and H. R. 2945.

D. (13) No.

E. (3) $1,000; (10) $114.07; (11) $1,114.07.

A. American Butter Institute, 110 North Franklin Street, Chicago, Ill., national trade association for the butter manufacturing industry.

C. (1) Continuous observation of general farm legislation affecting the butter and dairy industry.

C. (2) H. R. 6000, wage-hour law and all appropriation bills.

D. It is not possible to report contributions received for the purposes designated in "expenditures" since no solicitation for funds is made by the American Butter Institute for these purposes. The income of the Institute is derived from annual membership dues and is received in contemplation of supporting all of the programs and activities of the institute. These programs and activities are not principally related to proposed legislation.

E. (1) $1,665.23; (4) $83.32; (5) $165.92; (6) $2,037.78; (9) $7,952.25; (10) $12,131.77; (11) $20,084.02.

A. American Cemetery Association, 50 West Broad Street, Columbus, Ohio; professional association serving educational interests of cemeteries in United States and abroad and organized to maintain high ethics.

B. (Membership list filed with first quarterly report.)

C. (1) Legislative interests will continue permanently on all bills pertaining to cemeteries or their interests.

C. (2) All national cemetery bills; all bills pertaining to burial allowances or burial.

C. (3) The Myth of Something for Nothing, 10,000 copies, December 9, 1948, Byrum Lithographing Co., Columbus, Ohio; A Statement of Our Case, 10,000 copies, August 10, 1949, Allen Press, Columbus, Ohio (copies of publications filed with first quarterly report).

D. (13) No.

Treasurer's report, January 1, 1950, to July 31, 1950.—Receipts: Cash balance January 1, 1950, general fund, $4,398.53; balance special voluntary subscription fund (January 1, 1950), $3,110.44; membership dues, $13,885.50; annual convention, $3,500; subscriptions and publications, $257.56; educational conference, $505; miscellaneous (rental office space, delinquent dues, etc.), $520; combined total, $26,177.03. Expense: Executive office, $8,742.28; educational committee, $715.35; joint monument study committee, $195.62; legislative committee, $372.11; membership committee, $173.31; executive committee, $278.94; president's office, $212.96; publications committee, ACA Bulletin, preneed sales kit, releases, $2,549.60; convention, $742.98; cash balance in general fund July 31, 1950, $10,820.95; balance in special voluntary subscription fund, $1,372.93; combined total, $26,177.03; United States Government bond M112424–F, issued March 1942, original cost, $740, maturity value, $1,000.

A. American Chamber of Commerce of Mexico,[1] Cook Building, San Juan de Letran 24, Mexico, D. F.

C. (1) 2 years.

C. (2) Internal Revenue Code, section 116 (a) (to exempt from United States income taxes income derived from sources abroad by nonresident United States citizens actively engaged in a trade or business abroad.

D. (13) No.

E. (10) $1,426.31.

A. American Chamber of Commerce of Mexico, Cook Building, San Juan de Letran 24, Mexico, D. F.

C. (1) 2 years.

C. (2) Internal Revenue Code, section 116 (a) (to exempt from United States income taxes income derived from sources abroad by nonresident United States citizens actively engaged in a trade or business abroad.

D. (13) No.

E. (7) $104.64; (9) $104.64; (10) $1,426.31; (11) $1,530.95.

A. American Civil Liberties Union, Inc., 170 Fifth Avenue, New York City, N. Y., independent nonpolitical organization devoted to the preservation and promotion of civil liberties.

C. (1) As long as problems involving civil liberties continue to be reflected in legislation.

C. (2) We are interested in all legislation in any way affecting civil liberties. Among specific bills of present concern are: Antilynching (S. 91, H. R. 4683); antipoll tax (S. 1727, H. R. 3199); omnibus civil rights (S. 1725, H. R. 4682); FEPC (S. 1728, H. R. 4453); displaced persons (H. R. 4567); Convention on Genocide; bills for establishing fair procedures for congressional committees (S. Con. Res. 2, H. J. Res. 20, et al.); home rule for the District of Columbia (S. 1527); the Mundt-Ferguson-Johnston bill (S. 2311) and the Nixon bill (H. R. 7595); several bills affecting immigration and naturalization; several bills affecting American Indians. Also, all other antisubversive legislation infringing upon civil liberties.

D. Percentage considered to have been paid for influencing legislation, 3.6 percent; (2) $627.90; (3) $92.95; (5) $19.19; (6) $22.48; (7) $762.52; (8) $616.92; (9) $1,379.44; (13) Yes; (14) $1,000, estate of Clara E. Greuninger; $500, estate of Fay Lewis, care of Illinois Bank & Trust Co., 228 South Main Street, Rockford, Ill.; $1,500, total.

E. (3) $207.20; (6) $371.03; (7) $121.83; (8) $62.46; (9) $762.52; (10) $616.92; (11) $1,379.44.

A. American Coalition, Southern Building, Washington, D. C. (see note under section C).

C. (1) Indefinitely.

C. (2) American Coalition is a patriotic, nonprofit organization representing organizations of like character, the purpose of which is to promote patriotism and a better understanding of the American form of government and to preserve it against attack. This report is being filed to avoid any question as to the duty of American Coalition to file reports under the statute and is not to be deemed an admission that the statute requires it to file such a report.

D. (2) $707.48; (7) $707.48; (8) $4,804.13; (9) $5,511.61; (13) No.

E. (2) $750; (5) $535.24; (6) $69.69; (9) $1,354.93; (10) $5,663.42; (11) $7,018.35.

A. American Coal Sales Association, 419 Washington Building, Washington, D. C.; trade association.

D. (13) No.

A. American Council on Human Rights, Elmer W. Henderson, director, 1130 Sixth Street NW., Washington, D. C.; to further the cause of human and civil rights.

B. American Council on Human Rights, 1130 Sixth Street NW., Washington, D. C.

C. (1) Duration of Congress.

C. (2) Civil rights and social-welfare legislation: S. 1728, FEPC; H. R. 4493, FEPC.

D. (9) $4,375; (13) yes; (14) the American Council on Human Rights is a cooperative program of the seven collegiate fraternities and sororities listed below. Its purpose is to further the cause of human and civil rights. In connection with its program the council supports or opposes legislation, both State and Federal, and its director makes occasional contacts with Congressmen and Senators and appears before congressional committees. The council's total budget is $17,500 per year which is made up from equal contributions by the organizations listed below. We are listing the director's salary as a specific expenditure for legislative purposes: $625, Alpha Kappa Alpha Sorority, Mrs. Laura T. Lovelace, president, 1303 Burdette Avenue, Cincinnati, Ohio, April 1–June 30, 1950; $625, Alpha Phi Alpha Fraternity, Mr. Belford V. Lawson, Jr., president, 2001 Eleventh Street NW., Washington, D. C., April 1–June 30, 1950; $625, Delta Sigma Theta Sorority, Miss Dorothy I. Height, president, 600 Lexington Avenue, New York, N. Y., April 1–June 30, 1950; $625, Kappa Alpha Psi Fraternity, Mr. J. Ernest Wilkins, president, 180 West Washington Street, Chicago, Ill., April 1–June 30, 1950; $625, Phi Beta Sigma Fraternity, Dr. R. O. Johnson, president, 634 Beckwith Street SW., Atlanta, Ga., April 1–June 30, 1950; $625, Sigma Gamma Rho Sorority, Mrs. Sallie Nuby Edwards, president, 3517 North Taylor Avenue, St. Louis, Mo., April 1–June 30, 1950; $625, Zeta Phi Beta Sorority, Dr. Nancy B. Woolridge, president, box 213, Hampton Institute, Hampton, Va., April 1–June 30, 1950.

E. (2) $1,750; (9) $1,750.

A. American Council of Style & Design, Inc., 60 East Forty-second Street, New York, N. Y.; trade association.

C. (1) Indeterminate.

C. (2) No specific interest in any statutes or bills now before the House or Senate; interest of council is in securing adequate legislation to protect original commercial styles and designs on textile fabrics and other commodities.

D. (13) No.

A. American Dental Association, 222 East Superior Street, Chicago, Ill.

C. (1) Indefinitely.

C. (2) See report for first quarter 1950; additional bills and reorganizational plan relating to these general subjects which have been introduced since April 1, 1950, are also of interest to association.

C. (3) American Dental Information Bulletin; a digest of bills pending before the Congress relating to public health matters; 75,000 printed in June 1950 by Carp, Fleming & Co., Chicago, Ill.

D. (1) $10,457.80, represents amounts made available from general funds of the association for legislative activities during second quarter of 1950; (7) $10,457.80; (8) $24,757.52; (9) $35,215.32; (13) No.

E. (2) $7,056.65; (4) $1,209.07; (5) payable out of general administrative budget. Exact amount chargeable to legislation not ascertainable; (6) $113.64; (7) $1,563.81; (8) $514.63; (9) $10,457.80; (10) $24,757.52; (11) $35,215.32; (15) $929.11.

A. American Farm Bureau Federation, Chicago, Ill. (221 North La Salle Street), Washington, D. C. (261 Constitution Avenue NW.); the American Farm Bureau Federation is a general farm organization with a membership of farm families in 45 States and the insular possession of Puerto Rico; it has approximately 1,400,00 farm family members; as a general farm organization it carries on an educational program involving the interests of farmers of a social, educational, and economic character.

C. (1) The legislative interests of the American Farm Bureau Federation have been existent since its organization early in 1920 and no doubt will continue during the coming years.

C. (2) The general legislative interests of the American Farm Bureau Federation cover primarily the fields of legislation affecting agriculture directly.

C. (3) The American Farm Bureau Federation publishes periodically two publications—one is known as the Nation's Agriculture, with a circulation of approximately 1,400,000, issued monthly to all of its members of record; in addition to the Nation's Agriculture it publishes a newsweekly; this is published weekly and has a circulation of approximately 29,000; this is circulated among the officers and directors primarily

[1] Filed for second quarter, 1950.

of the State farm bureaus and the county farm bureaus; the Nation's Agriculture is published by the Kable Bros. Co., of Mt. Morris, Ill., and the newsweekly is published by the Prairie Press, 1230 West Washington, Chicago, Ill.

D. Income: Collections from State organizations, $46,119.31; income from investments, $4,907.84; news letter subscriptions, $754.92; miscellaneous, $400; total income, $52,182.07.

E. Expense: Total expense, $208,720.19.

NOTE.—No part of the foregoing disbursements was made to any person to influence legislation except as the registered persons in the employment of the association are needed to meet salaries and travel and sustenance expenses. There were no gifts or loans made to anyone.

A. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.; federation of trades and labor unions.

C. (1) Indefinitely.

C. (2) Legislation affecting the interests of the working people.

C. (3) American Federationist, organization journal; quantity, 140,600 per month, published monthly; printed by Ransdell, Inc.

D. (1) $30,126.84; (4) $325.50; (7) $30,452.34; (8) $60,744.88; (9) $91,197.22.

E. (9) $29,458.06; (10) $58,728.87; (11) $88,186.93.

A. American Federation of the Physically Handicapped, 1370 National Press Building, Washington, D. C., an organization composed primarily of handicapped citizens, concerned with development of ameliorative national and local programs of benefit to physically handicapped people.

B. American Federation of the Physically Handicapped.

C. (2) S. 1066 (as amended) and H. R. 9173, to establish a Federal Commission (Agency) on Services for the Physically Handicapped; S. 458 and H. R. 3937, survey (census) of handicapped; Senate Concurrent Resolution 87 and House Concurrent Resolution 143, to repeal ICC rule prohibiting amputees from driving trucks or busses in interstate commerce. (Our bills on National Cerebral Palsy Act, and National Epilepsy Act, were included in an omnibus bill which passed both House and Senate); S. 2761 and H. R. 5234, National Leprosy Act; the foregoing are all our own bills; we have given publicity to them by bulletins, correspondence, etc., as that part of the work of this federation on national level.

C. (3) Bulletins are issued from time to time, by the American Federation of the Physically Handicapped, containing status of pending legislation; printed in varying quantities; Washington Planograph Co.; the National Publishing Co. prints our official organ, Valor.

D. (6) $4,500; (7) $4,500; (8) $13,500; (9) $16,000; (13) Yes; (14) $2,500, International Ladies Garment Workers Union, New York, January 1 through March 31, 1950; $500, Brotherhood of Locomotive Firemen & Enginemen, Cleveland, Ohio, January 1 through March 31, 1950; $2,500, United Mine Workers of America, Washington, D. C., January 1 through March 31, 1950; $2,500, United Steel Workers of America, Pittsburgh, Pa., April 1 through June 30, 1950; $500, International Association of Bridge, Structural & Ornamental Iron Workers, St. Louis, Mo., April 1 through June 30, 1950; $500, Amalgamated Clothing Workers of America, New York, April 1 through June 30, 1950; $2,000, Brotherhood of Maintenance of Way Employees, Detroit, Mich., April 1 through June 30, 1950; $2,500, United Mine Workers of America, Washington, D. C., April 1 through June 30, 1950; $1,000 Brotherhood of Maintenance of Way Employees, Detroit, Mich, July 1 through September 30; $1,000, United Auto Workers, July 1 through September 30; $2,500, United Steel Workers of America, Pittsburgh, Pa., July 1 through September 30; $18,000, total; in addition to legislation work, this federation promotes a program for employment of handicapped persons; approximately 20 percent of amount of moneys received used for legislative work.

E. (2) $600; (4) $620; (7) $135; (8) $225; (9) $1,580; (10) $3,411.33; (11) $4,991.33; (15) $1,580.

A. American Hospital Association, 18 East Division Street, Chicago, Ill., an association whose membership includes most of the hospitals of the Nation and the Blue Cross plans.

C. (1) Continuing interest.

C. (2) The American Hospital Association is concerned about all legislation which may affect hospital care for the American people or which may affect the ability of hospitals to continue to render good care. Specific legislative interests are as follows: S. 5, House Joint Resolution 7, Senate Concurrent Resolution 7, House Resolution 12, Senate Resolution 16, Senate Concurrent Resolution 17, House Concurrent Resolution, 29, Senate Joint Resolution 126, S. 132, Senate Resolution 147, Senate Resolution, 184, H. R. 184, H. R. 185, S. 205, S. 231, S. 247, S. 249, S. 249 amendment, H. R. 258, H. R. 267, H. R. 311, H. R. 323, House Resolution, 343, H. R. 345, H. R. 359, H. R. 363, H. R. 447, S. 522, H. R. 536, S. 614, S. 653, S. 659, S. 704, S. 758, H. R. 782, H. R. 783, H. R. 785, H. R. 809, S. 859, S. 870, S. 904, H. R. 991, S. 1066, S. 1106, H. R. 1158, H. R. 1402, S. 1411, S. 1453, S. 1456, S. 1538, S. 1581, S. 1591, S. 1592, S. 1651, S. 1679, S. 1679 amendment, H. R. 1721, H. R. 1729, S. 1765, H. R. 1779, S. 1805, H. R. 1845, S. 1953, S. 1969, S. 1970, S. 2008, H. R. 2018, H. R. 2023, H. R. 2032, H. R. 2033, H. R. 2045, S. 2060, S. 2060 amendment, S. 2116, H. R. 2175, H. R. 2176, S. 2211, S. 2228, S. 2272, H. R. 2297, H. R. 2308, S. 2352, H. R. 2371, S. 2404, H. R. 2497, H. R. 2524, H. R. 2525, H. R. 2526, H. R. 2567, S. 2581, S. 2584, S. 2591, S. 2642, H. R. 2645, S. 2697, H. R. 2751, S. 2761, H. R. 2870, H. R. 2892, H. R. 2893, H. R. 2976, H. R. 3025, H. R. 3033, H. R. 3070, H. R. 3089, H. R. 3147, H. R. 3228, H. R. 3258, H. R. 3296, H. R. 3515, H. R. 3645, H. R. 3647, H. R. 3737, H. R. 3828, H. R. 3893, H. R. 3894, H. R. 3929, H. R. 3937, H. R. 3943, H. R. 3983, H. R. 3984, H. R. 4030, H. R. 4089, H. R. 4114, H. R. 4126, H. R. 4135, H. R. 4147, H. R. 4157, H. R. 4215, H. R. 4240, H. R. 4244, H. R. 4245, H. R. 4272, H. R. 4290, H. R. 4291, H. R. 4297, H. R. 4312, H. R. 4313, H. R. 4348, H. R. 4352, H. R. 4384, H. R. 4396, H. R. 4426, H. R. 4465, H. R. 4596, H. R. 4618, H. R. 4620, H. R. 4660, H. R. 4725, H. R. 4763, H. R. 4771, H. R. 4784, H. R. 4811, H. R. 4815, H. R. 4840, H. R. 4841, H. R. 4846, H. R. 4874, H. R. 4876, H. R. 4914, H. R. 4918, H. R. 4919, H. R. 4920, H. R. 4921, H. R. 4922, H. R. 4923, H. R. 4924, H. R. 4925, H. R. 4926, H. R. 4927, H. R. 4928, H. R. 4929, H. R. 4930, H. R. 4931, H. R. 4944, H. R. 5046, H. R. 5087, H. R. 5162, H. R. 5175, H. R. 5182, H. R. 5234, H. R. 5284, H. R. 5393, H. R. 5504, H. R. 5567, H. R. 5625, H. R. 5669, H. R. 5830, H. R. 5835, H. R. 5856, H. R. 5865, H. R. 5903, H. R. 5940, H. R. 5965, H. R. 5969, H. R. 6000, H. R. 6034, H. R. 6084, H. R. 6200, H. R. 6201, H. R. 6202, H. R. 6253, H. R. 6297, H. R. 6324, S. 3951, H. R. 9129, H. R. 7303, H. R. 9313, H. R. 8886, H. R. 9043, S. 3900, S. 3996, H. R. 8997, H. R. 9128, H. R. 9156, H. R. 9157, H. R. 9173, H. R. 9294, S. 4029, H. R. 9311, H. R. 9327, H. R. 9357, Senate Resolution 300, House Resolution 647, H. R. 8920, House Resolution 689, H. R. 8815, H. R. 8746, H. R. 8886, H. R. 8905, H. R. 9473, H. R. 9076, H. R. 9088, S. 3959, H R. 4384, H. R. 9508, House Joint Resolution 540, H. R. 9429, H. R. 9435, H. R. 9500, H. R. 9566.

C. (3) Publications issued in connection with legislative interests are as follows: Sent to institutional members, July 13, 1950, explanation of title III of H. R. 8920, excise tax repeal bill, and its possible effect upon the tax-exempt status of nonprofit hospitals; mimeographed Chicago (no expense); mailing, $71.70. Sent to nonprofit institutional members, July 18, 1950, re the cost of the letter Employee Maintenance Taxation signed by John Hayes; printing, $148.40; mailing, $25.88. Sent to institutional members, July 27, 1950, information on developments in mobilization that may affect hospitals, mimeographed Chicago, $124; mailing, $126.27. Sent to Senate Finance Committee, August 7, 1950, comments and suggestions of the American Hospital Association on provisions of title III of excise tax repeal bill, which endanger tax-exempt status of nonprofit hospitals; typed in Washington office (no expense). Sent to conference committee on chapter V of omnibus appropriation bill, August 9, 1950, letter urging favorable consideration of hospital research appropriation under chapter V of the omnibus appropriation bill; typed in Washington office (no expense). Sent to institutional members, August 18, 1950, information on developments in mobilization that may affect hospitals; mimeographed Chicago, $180.00; mailing, $127.14. Sent to nonprofit institutional members, August 28, 1950, explanation of procedure by which employees of nonprofit organizations may obtain Social Security coverage, mimeographed Chicago, $84; mailing, $72.33. Sent to officers of State hospital associations, August 30, 1950, explanation of authorized grant-in-aid allocations under the 1950 amendments to the Social Security Act; mimeographed Chicago (no expense). Sent to nonprofit institutional members, September 1, 1950, review of revisions in excise tax repeal bill, now war tax bill, to date; mimeographed Chicago, $79; mailing, $72. Sent to officers of State hospital associations, September 25, 1950, two copies of resolution regarding Hill-Burton cuts under appropriation bill reduction, passed by the American Hospital Association's House of Delegates on September 20, with covering letter; mimeographed Washington office (no expense); total, $1,110.72.

D. (1) $7,503.73; (7) $7,503.73; (8) $13,483.50; (9) $20,987.23; (13) No.

E. (2) $3,713.42; (4) $1,406.80; (5) $831.28; (6) $427.37; (7) $255.51; (8) $869.35; (9) $7,503.73; (10) $13,483.50; (11) $20,987.23.

A. American Hotel Association,[1] a trade association, 221 West Fifty-seventh Street, New York, N. Y.

C. (1) Indefinitely.

C. (2) All bills and statutes of interest to the hotel industry.

C. (3) No publications except bulletins to State hotel associations and to members thereof (not sent to nonmembers or general public).

D. (1) $113,015.95; (6) $19,961.57; (7) $132,977.52; (8) $251,495.73; (9) $384,473.25; (13) The American Hotel Association is a federation of State hotel associations. These State hotel associations presently have a membership of approximately 5,862 hotels located throughout the United States. The State hotel associations pay dues to the American Hotel Association based upon the total number of hotel rooms in the hotels which are members of the particular State hotel association. These dues vary from 50 cents to $1 per year for each rentable room. During the period covered by this report the American Hotel Association received dues of $113,015.95. In addition, the American Hotel Association receives varying amounts each year from the American Hotel Association Directory Corp., a corporation which publishes a hotel directory known as the Hotel Red Book. During the period covered by this report the American Hotel Association received $18,244.31 from the American Hotel Association Directory Corp. It also received $1,717.26 from miscellaneous sources,

[1] Filed with the Clerk only.

such as interest on Government bonds, etc. The total receipts from January 1 through this quarter were $384,473.25. All of the receipts of the association are for general purposes and no allocation of funds is made for the purpose of influencing the passage or defeat of legislation. The association maintains a (1) business promotion department; (2) service department, which tests materials, makes purchase recommendations, reports on new developments relating to service operation, advice, and reports on fire prevention, laundry, food preparation, etc; (3) labor-management relations department, which advises members on contracts, negotiations and developments in the labor relations field; (4) statistical department, which prepares data on the industry, accounting and analysis of business trends; (5) publications department, which keeps the industry advised through a news letter and an operations bulletin. The American Hotel Association employs approximately 40 persons and retains approximately 20 consultants. The American Hotel Association maintains an office in Washington, in the Tower Building, staffed by M. O. Ryan, Paul M. Hawkins, and two secretaries. Messrs. Ryan and Hawkins have registered under the Lobbying Act and have filed separate reports as employees of the American Hotel Association. These two Washington representatives' activities consist of handling association and members' problems, relations, etc., with approximately 30 Government offices, following legislation affecting the industry, obtaining information, data, etc., useful to the association and its members. The total expense of maintaining the Washington office, including salaries and all other items, for the period covered by this report was $10,653.61. The total expense of operating the Washington office has averaged less than 10 percent of the association income. Expenditures which might under any interpretation be said to have been made by M. O. Ryan and Paul M. Hawkins as employees of the American Hotel Association in an attempt to influence the passage or defeat of legislation by Congress represent a small percentage of the moneys expended in maintaining an office in Washington. The reported figure of $10,653.61 is the total expense of operating this office for the period covered by this report, including rent, salaries of personnel, traveling and all other expenses. The total expenses of the Washington office from January 1 through this quarter were $31,777.72. The expenses paid to M. O. Ryan and Paul M. Hawkins as employees of the association and as reported below represent the total expenses for which these employees were reimbursed for all purposes, whether incurred in Washington, D. C., or elsewhere. The smaller amount of expenses reported by said M. O. Ryan and Paul Hawkins in separate reports represent amounts expended by them in Washington, D. C., and only insignificant amounts thereof could under any interpretation be said to have been expended in connection with legislative interests. The association does not consider itself subject to the Federal Regulation of Lobbying Act; however, it will file reports pending clarification on the act.

E. M. O. Ryan, Tower Building, Washington, D. C.—salary for third quarter of 1950, $8,550; expenses for third quarter of 1950, $1,167.07; Paul M. Hawkins, Tower Building, Washington, D. C., salary for third quarter, $2,050; expenses for third quarter of 1950, $263.35. NOTE.—The above salaries represent entire compensation for services, only a small fraction of which might be said to be in connection with legislative interests. Expenses represent payments to taxicabs, railroads, restaurants, hotels, and airlines, etc., and only a small fraction thereof might be said to have been incurred in connection with legislative interests. Governmental affairs committee of the American Hotel Association, travel, hotel and printing expenses, $501.29; William Ingles, 1624 I Street, Washington, D. C., services in connection with proposed amendments to Labor-Management Relations Act, $2,200; James Langan, 41 Tremont Street, Boston, Mass., services in connection with legislation, $7,500; expended during previous quarters of calendar year, $19,277.56; total from January 1 through this quarter, $41,509.27.

A. The American Humane Association,[4] 135 Washington Avenue, Albany, N. Y., Robert F. Seller, president; their agent, Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C., Washington representative, handles lobby work, as reported herein by him, on funds from them.

B. Head of a federation of societies and individuals for the prevention of cruelty especially to children and animals (only a part of the funds supplied our agent are used for lobby work).

C. (1) Indefinite.

C. (2) (a) To promote the enactment of legislation coming under the field of work and interest and conforming to the standards of the association and its federated societies. To discourage legislation, in that field below such standards; (b) S. 1821 and H. R. 4737, protecting animals in traffic from inhumane treatment; H. R. 4668, forbidding interstate shipment of bullfighting bulls; H. R. 2945, postal rate increase; 1703, taking dogs from District pound for experimental purposes; S. 2734, rehabilitation of Navajo and Hopi Indians; S. 238, requiring railroads to provide certain provisions for the protection of passengers and employees; H. R. 5629, protection of the bald eagle in Alaska; S. 2415, provision for handling disasters; 3012, getting adequate educational service for physically handicapped children; H. R. 7524, establishing wildlife area management for Florida Keys; H. R. 6000, social security; Public 818, of Eightieth Congress, protecting wild animals and birds imported into the United States; H. R. 331, Alaska statehood bill; action taken by the Government for civil relief.

D. (5) $360; (6) $106.90; (7) $466.90; (8) $476.83; (9) $943.73.

E. (5) $106.90; (6) $35.77; (9) $142.67; (10) $65.88; (11) $208.55; (15) $142.67.

A. American Library Association, 50 East Huron Street, Chicago, Ill.

C. (1) Indefinitely.

C. (2) H. R. 874, 6059, 1411, 5130, library service bills; H. R. 6000, social security; H. R. 2945, S. 1103, postage rates; H. R. 5539, customs limitation; H. R. 5249, CARE book program; Senate Resolution 243, Marshall plan of ideas; H. R. 1373, library depositories; S. 4034, talking books for blind, Federal aid to education.

C. (3) Mimeographed newsletter issued irregularly at least 12 times per year; quantity varies between three and four hundred; mimeographed by the American Library Association.

D. (2) $921.31; (4) $368.45; (7) $1,289.76; (8) $7,716.40; (9) $9,006.16; (13) yes; (14) period January 1, 1950, through September 30, 1950: $500, public library division of the American Library Association, 50 East Huron Street, Chicago, Ill.; $700, library extension division of the American Library Association, 50 East Huron Street, Chicago, Ill.; total $1,200.

E. (2) $1,863.70; (4) $19.11; (5) $681.88; (6) $96.95; (7) $492.84; (8) $11.45; (9) $3,165.93; (10) $9,906.59; (11) $13,072.52.

A. American Life Convention,[4] 280 North Michigan Avenue, Chicago, Ill. (see exhibit 1, attached to first quarter, 1950 report).

C. (1) Unlimited.

C. (2) The general legislative interests of the American Life Convention include all prospective legislation which will or may affect the life-insurance industry.

C. (4) The American Life Convention is a multipurpose organization which does not receive any funds which are to be expended solely for the purpose of influencing legislation; any such expenditures which may be made will be paid from our general funds raised by dues and assessments; there is no specific allocation of funds within the budget of the American Life Convention for Federal legislation; at the end of each quarter an estimate and report will be made showing the amount received from member companies which might be deemed to come within the meaning of the act.

D. (1) $4,467.84; (7) $4,467.84; (8) $4,847.71; (9) $9,315.55; (13) no.

E. (2) $3,125; (5) $750; (6) $116.61; (7) $476.23; (9) $4,467.84; (10) $4,847.71; (11) $9,315.55.

A. American Life Convention, 230 North Michigan Avenue, Chicago, Ill. (see exhibit 1, attached to first quarter, 1950, report).

C. (1) Unlimited.

C. (2) The general legislative interests of the American Life Convention include all prospective legislation which will or may affect the life insurance industry.

C. (4) The American Life Convention is a multipurpose organization which does not receive any funds which are to be expended solely for the purpose of influencing legislation; any such expenditures which may be made will be paid from the general funds raised by dues and assessments; there is no specific allocation of funds within the budget of the American Life Convention for Federal legislation; at the end of each quarter an estimate and report will be made showing the amount received from member companies which might be deemed to come within the meaning of the act.

D. (1) $3,124.13; (7) $3,124.13; (8) $9,315.55; (9) $12,439.68; (13) No.

E. (2) $2,185.11; (5) $470.03; (6) $148.89; (7) $320.10; (9) $3,124.13; (10) $9,315.55; (11) $12,439.68.

A. American Medical Association, a corporation, 535 North Dearborn Street, Chicago, Ill.; to promote the science and art of medicine.

C. (1) Indefinitely.

C. (2) The general legislative interest of the American Medical Association is to advance the science and art of medicine.

The specific legislative interests of the American Medical Association at the present time are as follows:

I. Federal assistance to establish local public health units: S. 522, a bill to amend the Public Health Service Act to authorize assistance to States and political subdivisions in the development and maintenance of local public health units, and for other purposes. And all similar bills including S. 132, H. R. 785, H. R. 5830, H. R. 5865, and H. R. 6981. II. Amendments to Hospital Survey and Construction Act: S. 614, a bill to amend the Hospital Survey and Construction Act, to extend its duration and provide greater financial assistance in the construction of hospitals, and for other purposes. Similar legislation, include S. 1765, H. R. 323, H. R. 991, H. R. 2175, H. R. 2176, H. R. 2567, H. R. 3025, H. R. 3070, H. R. 3515, H. R. 3737, H. R. 4126, H. R. 4215, and H. R. 4771. III. Physically handicapped: S. 1066, to establish a Federal Commission on Services for the Physically Handicapped, to define its duties, and for other purposes. Similar bills including S. 458, S. 1066, S. 2273, S. 3465, S. 4051, H. R. 3095, H. R. 3937, H. R. 4348, H. R. 6084, H. R. 7801, H. R. 9068, and H. R. 9173. IV. School-health services: S. 1411, to provide for the general welfare by enabling the several States to make more adequate provision for the health of school children through the development of school health services for the prevention, diagnosis, and

[4] Filed for second quarter, 1950.

treatment of physical and mental defects and conditions. Similar bills including H. R. 3942, H. R. 4089, H. R. 4114, H. R. 4135, H. R. 4147, H. R. 4157, H. R. 4240, H. R. 4245, H. R. 4291, H. R. 4297, H. R. 4352, H. R. 4660, H. R. 4784, and H. R. 5284. V. Social Security Act in particular relation to aid to the permanently or totally disabled; H. R. 6000, to extend and improve the Federal Old-Age and Survivors Insurance System, to amend the public-assistance and child-welfare provisions of the Social Security Act, and for other purposes. All similar bills including H. R. 1258, H. R. 3983, H. R. 6297, and H. R. 7617. VI. National Science Foundation Act: S. 247 to promote the progress of science; to advance the national health, prosperity, and welfare; to secure the national defense; and for other purposes. Similar bills including H. R. 12, H. R. 185, H. R. 311, H. R. 359, H. R. 1845, H. R. 2908, H. R. 2751, and H. R. 4846. VII. Health programs: S. 1679, to provide a program of national health insurance and public health and to assist in increasing the number of adequately trained professional and other health personnel, and for other purposes, and other bills proposing the same type of medical care program including S. 1106, S. 1456, S. 1581, S. 1805, S. 1970, S. 2940, H. R. 345, H. R. 4312, H. R. 4313, H. R. 6766, H. R. 6982, H. R. 8746, H. R. 9073, H. R. 9076, and H. R. 9088. VIII. Medical research: Numerous bills proposing Federal aid in medical research projects, including S. 102, S. 659, S. 704, S. 1538, S. 1651, S. 2211, S. 2591, H. R. 62, H. R. 1729, H. R. 3929, H. R. 3943, H. R. 4030, H. R. 4738, H. R. 4840, H. R. 4973, H. R. 5046, H. R. 5073, H. R. 5234, H. R. 6324, H. R. 9478, and House Concurrent Resolution 29. IX. Federal aid to medical education; S. 1453, to amend the Public Health Service Act to provide grants and scholarships for education in the medical, dental, dental hygiene, public health, nursing, and sanitary engineering professions, and for other purposes. Similar bills including H. R. 1779 and H. R. 3894, H. R. 5940, H. R. 8886, H. R. 9128, H. R. 9156, H. R. 9157, H. R. 9501, and H. R. 9508. X. Executive department of health, education, and security, and similar legislation: The bill to establish the Department of Welfare, Education, and Security failed enactment by the Eighty-first Congress, but the association will continue its interest in legislation of this type, such as Reorganization Plan No. 27, S. 2060. XI. Industrial health and safety: H. R. 1247, to provide for cooperation with State agencies administering labor laws in establishing and maintaining safe and proper working conditions in industry and in preparation, promulgation, and enforcement of regulations to control industrial health hazards. Other similar bills including H. R. 3283, H. R. 4075, and H. R. 9379. XII. Federal income-tax deductions in relation to expenses for medical care: S. 1969, to provide for the deduction of subscription charges to certain prepayment health service plans for purposes of the Federal income tax. Other similar legislation, including H. R. 440, H. R. 2442, H. R. 4926, H. R. 4927, H. R. 4928, H. R. 4929, H. R. 4930, H. R. 4931, H. R. 5162, H. R. 6727, H. R. 6819, and H. R. 7418, H. R. 8905. XIII. Amendments to Food, Drug and Cosmetic Act: S. 1867, to amend the Federal Food, Drug, and Cosmetic Act by providing for the certification of batches of drugs composed wholly or partly of any kind of aureomycin, chloramphenicol, and bacitracin, or any derivatives thereof. Other bills proposing amendments to this act, including S. 3852, H. R. 160, H. R. 922, H. R. 2969, H. R. 3151, H. R. 4203, and H. R. 8904. XIV. Legislation proposing a United Medical Administration: H. R. 5182, to consolidate certain hospital, medical, and public health functions of the Government in a United Medical Administration, and its companion bill in the Senate, S. 2008. XV. Drafting of physicians: S. 4029, H. R. 9294, H. R. 9311, H. R. 9327, H. R. 9358, H. R. 9536, and H. R. 9554. XVI. Miscellaneous legislation and other bills relating to health including H. R. 857, H. R. 1000, H. R. 1512, H. R. 2018, H. R. 3001, H. R. 4384, H. R. 5870, H. R. 6566, H. R. 6634, H. R. 7235, H. R. 9043, H. R. 9181, H. R. 9435, H. R. 9485, H. R. 9500, H. R. 9566, S. 758, S. 936, S. 1687, S. 2025, S. 2272, S. 2584, S. 3900, Senate Resolution 204, Senate Concurrent Resolution 17, and House Joint Resolution 540.

C. (3) Informational Bulletins, 4,500 copies, irregular intervals, Washington office of the American Medical Association.

D. (1) $62,375.75; (7) $62,375.75; (8) $495,688; (9) $558,063.75; (13) No.

E. (1) $600,000; (2) $28,291.18; (5) $10,944.22; (6) $1,453.63; (7) $440.64; (8) $2,093.75; (9) $943,223.42; (10) $347,575.48; (11) $1,290,798.90.

A. American National Live Stock Association, 515 Cooper Building, Denver, Colo.

C. (2) The proposed legislation supported or opposed: Capital gains provision (amendment to section 117-j) of Internal Revenue Code; Defense Production Act of 1950; Federal beef grading; freight rates; buy American appropriation.

D. (1) $7,334.71; (7) $7,334.71; (8) $56,838; (9) $64,172.71.

E. (2) $4,500; (6) $16.19; (7) $53.53; (8) $376.86; (9) $4,946.58; (10) $1,993.06; (11) $16,939.64.

A. American Nurses' Association, 1790 Broadway, New York, N. Y., professional organization of graduate registered professional nurses in the United States, Territories, and possessions.

C. (1) Legislative interests will continue so long as legislation relating to nurses, nursing, or health is pending or needed (i. e., indefinitely).

C. (2) The general legislative interest of the American Nurses' Association is in legislation relating to nurses, nursing, or health. The specific legislative interests of the American Nurses' Association include: H. R. 6000 (a bill to extend and improve the Federal Old-Age and Survivors Insurance System, etc.), S. 1453 (an act to amend the Public Health Service Act and the Vocational Education Act of 1946, etc.), S. 249 (the National Labor Relations Act of 1949). Also legislation to authorize the commissioning of men nurses in the armed services, H. R. 9398; and H. R. 9345 (the Lane bill, to provide for the training of nurses for the Armed Forces, governmental and civilian hospitals, etc.).

C. (3) The American Journal of Nursing is the official publication of the American Nurses Association. It is published monthly. Its circulation is approximately 108,000 copies. It is printed by Cuneo Eastern Press, Philadelphia, Pa. (formerly by Kable Printing Co., Mount Morris, Ill.).

D. (1) $30,653.25; (7) $30.653.25; (8) $477,543.75; (9) $508,197.

E. (7) $4.85; (8) $18.68; (9) $23.53; (10) $20.49; (11) $44.12.

A. American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.; promotion of the public health and the art and science of osteopathic medicine.

C. (1) Indefinitely.

C. (2) Bills affecting the public health, e. g., Emergency Professional Health Training Act, H. R. 9508; physically handicapped services, S. 4051; doctor draft, S. 4029, H. R. 9554.

C. (3) Duplication and distribution of letters to the osteopathic profession concerning the Emergency Professional Health Training Act, H. R. 9508, June 26 and July 6, 1950; duplication and distribution of letters to the osteopathic profession concerning the doctor-bill, H. R. 9554 and S. 4029, August 24, 1950.

D. (1) $466.66; (4) $233.34; (7) $700; (8) $1,400; (9) $2,100.

E. (2) $337.50; (4) $89.61; (5) $195.71; (6) $77.18; (9) $700; (10) $1,400; (11) $2,100.

A. American Paper & Pulp Association, 122 East Forty-second Street, New York, N. Y.

C. (1) Legislative interests will continue during continuance of organization.

C. (2) Interested in all legislation affecting the properties, operations, or practices of pulp and paper industry in the United States.

C. (3) Bulletins, letters, and reports to membership of 400 and others interested.

D. (1) $400; (9) $400; (13) no.

E. (2) $275; (6) $50; (7) $75; (9) $400.

A. American Parents Committee, 132 Third Street SE., Washington, D. C.; 52 Vanderbilt Avenue, New York, N. Y.

C. (1) Indefinitely.

C. (2) National school-health services bill, H. R. 3942 public-school construction bill, H. R. 5718; national child-research bill, S. 904, H. R. 4465; Federal aid for education; local public-health units, H. R. 5865; social-security revisions, H. R. 6000; physically handicapped children's education bill, S. 3102, H. R. 7396; school-lunch appropriation, Children's Bureau appropriation.

C. (3) Washington report on legislation affecting children, 500 mimeographed monthly by Parents' Institute, Inc., Bergenfield, N. J.

D. (2) $353.98; (4) $339.99; (6) $14.03; (7) $707.96; (8) $13,550.29; (9) $14,258.25.

E. (2) $4,018.54; (4) $2,049.96; (5) $221.21; (6) $124.39; (8) $82.50; (9) $6,496.60; (10) $8,231.87; (11) $14,728.47.

A. American Pension Committee, Inc., and California Institute of Social Welfare, 15 E Street NW., Washington, D. C.

C. (1) Indefinite; time may be terminated by boards of directors.

C. (2) All legislation pertaining to social security and old-age pensions generally, and H. R. 2620 particularly.

C. (3) Issues weekly report called Comet to clubs and individuals throughout the country, reports cover organization activities generally and also reports on progress of legislation in which organization has special interest.

D. (13) No.

E. (2) $975; (9) $975; (10) $975; (11) $1,950.

A. American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y.; national trade organization.

C. (1) Indefinitely.

C. (2) Legislation affecting the petroleum industry.

The following statement, included in Form A, filed April 2, 1948, is made a part hereof:

"The American Petroleum Institute (the 'institute' or 'API') is a national trade association of the petroleum industry.

"The institute has been advised by counsel and believes that it is not now subject and has not previously been subject to the provisions of the Federal Regulation of Lobbying Act (the 'act' and that it is not now required and has not previously been required to file any reports or statements under the act. The institute does not collect any funds to be used principally to aid in, nor is the principal purpose of the institute to aid in, influencing directly or indirectly the passage or defeat of any legislation by the Congress of the United States.

"Despite the fact that the institute expends only a very small portion of its funds for purposes which bear any relation to Federal legislation, the Department of Justice has expressed the view that the institute is subject to the act. Pending an authoritative construction of the act by the courts, the institute is filing this statement. By doing so, however, it does not admit that it is subject to the provisions of the act or that it is required to file this statement."

D. (1) $3,340; (4) $10; (7) $3,350; (8) $22,798; (9) $26,148; (13) yes; (14) the institute does not receive any contributions for the purposes designated in subparagraph (a)

or (b) of section 307 of the act. Its revenues are received from annual membership dues, from the sale at cost of its publications, and from contributions from individuals or companies engaged in the oil and allied industries. Some of the contributions received are earmarked for specific purposes, such as research projects, but no contributions are earmarked for the purposes designated in subparagraph (a) or (b) of section 307. To the extent that any of the funds of the institute may be deemed to be expended for such purposes, such expenditures are made out of the general funds of the institute, that is out of unearmarked funds collected for the general management and operation of the institute and its over-all functions. In view of item 2 (c) of the instructions issued March 31, 1950, relating to receipts of multipurpose organizations, 1.5 percent of the general dues and contributions received during the period of this report is shown in item D (1) and 1.5 percent of the receipts from sale of printed matter during such period is shown in item D (4). This percentage represents the ratio of the expenditures shown in the institute's reports filed under the act for the year 1949 to the total general receipts of the institute in that year. It is contemplated that reports filed in the year 1951 will use a similar ratio based on 1950 figures. In accordance with the last sentence of item 2 (c) of the instructions, there is listed in the schedule furnished in compliance with item D (14) the name of every person who contributed a total of $500 or more to the institute's general funds during the applicable period even though such persons did not make their contributions solely for legislative purposes. The amount set forth opposite the name of each such contributor is 1.5 percent (the percentage used in items D (1) and D (4) of his total contribution during such period: $142.20, Amerada Petroleum Corp., New York, N. Y.; $7.50, Anderson-Prichard Oil Co., Oklahoma City, Okla.; $14.40, Argo Oil Co., Denver, Colo.; $45, Ashland Oil & Refining Co., Ashland, Ky.; $30, Asiatic Petroleum Corp., New York, N. Y.; $739.26, Atlantic Refining Co., Philadelphia, Pa.; $7.50, Atlati Royalty Corp., Dallas, Tex.; $46.80, Aurora Gasoline Co., Detroit, Mich.; $7.50, Axelson Manufacturing Co., Los Angeles, Calif.; $30, Barnsdall Oil Co., Tulsa, Okla.; $10.80, Baroid Sales Division, National Lead Co., Los Angeles, Calif.; $7.50, Bridwell Oil Co., Wichita Falls, Tex.; $36, British American Producing Co., Tulsa, Okla.; $33.30, Buckeye Pipe Line Co., New York, N. Y.; $204, Carter Oil Co., Tulsa, Okla.; $15, Chanslor-Canfield Midway Oil Co., Chicago, Ill.; $857.10, Cities Service Co., New York, N. Y.; $7.50, Clark Bros. Co., Inc., Olean, N. Y.; $9, Coastal Refineries, Inc., Taylor, Tex.; $7.50, Continental Can Co., New York, N. Y.; $270, Continental Oil Co., Ponca City, Okla.; $7.50, Continental Supply Co., Dallas, Tex.; $36, Cosden Petroleum Corp., Big Springs, Tex.; $12, Cox & Hamon, Dallas, Tex.; $7.50, Crane Co., Chicago, Ill.; $112.50, Creole Petroleum Corp., New York, N. Y.; $18.38, Deep Rock Oil Corp., Tulsa, Okla.; $7.50, Derby Oil Co., Wichita, Kans.; $7.50, Devonian Co., Tulsa, Okla.; $5625, duPont deNemours & Co., Inc., E. I., Wilmington, Del.; $7.50, East Ohio Gas Co., Cleveland, Ohio; $1,359, Esso Standard Oil Co., New York, N. Y.; $165, Ethyl Corp., New York, N. Y.; $14.40, Forest Oil Corp., Bradford, Pa.; $19.80, Frontier Refining Co., Denver, Colo.; $18, Fullerton Oil Co., Los Angeles, Calif.; $64.80, Globe Oil & Refining Co., Witchita, Kans.; $7.50, Guiberson, Jr., S. A., Dallas, Tex.; $2,061.95, Gulf Oil Corp., Pittsburgh, Pa.; $7.50, Halliburton Oil Well Cementing Co., Duncan, Okla.; $72, Honolulu Oil Co., San Francisco, Calif.; $23.40, Houston Oil Co. of Texas, Houston, Tex.; $31.65, Hughes Tool Co., Houston, Tex.; $1,667.10, Humble Oil & Refining Co., Houston, Tex.; $16.20, Husky Refining Co., Cody, Wyo.; $7.50, International Harvester Co., Chicago, Ill.; $60.30, Interstate Oil Pipe Line Co., Tulsa, Okla.; $11.25, Johns Manville Co., New York, N. Y.; $12, Jones & Laughlin Steel Corp., Pittsburgh, Pa.; $9, Jones & Laughlin Supply Co., Tulsa, Okla.; $11.75, Kanotex Refining Co., Arkansas City, Kans.; $15, Kellogg Co., M. W., New York, N. Y.; $25.20, Kewanee Oil Co., Philadelphia, Pa.; $21.60, Lane-Wells Co., Los Angeles, Calif.; $9, Leonard Refineries, Inc., Alma, Mich.; $75, Lion Oil Co., El Dorado, Ark.; $19.50, Lone Star Producing Co., Dallas, Tex.; $11.25, Louisiana Land & Exploration Co., Houma, La.; $7.50, McKee & Co., Arthur G., Cleveland, Ohio; $7.50, Marine Transport Lines, Inc., New York, N. Y.; $30, National Supply Co., Pittsburgh, Pa.; $7.50, National Tank Co., Tulsa, Okla.; $45, National Tube Co., Pittsburgh, Pa.; $382.20, Ohio Oil Co., Findlay, Ohio; $7.50, Pacific Western Oil Corp., Los Angeles, Calif.; $7.50, Panhandle Eastern Pipe Line Co., Chicago, Ill.; $7.50, Parkersburg Rig & Reel Co., Parkersburg, W. Va.; $25.20, Pennzoil Co., Oil City, Pa.; $722.25, Phillips Petroleum Co., Bartlesville, Okla.; $19.80, Placid Oil Co., Dallas, Tex.; $30, Plantation Pipe Line Co., Atlanta, Ga.; $536.10, Pure Oil Co., Chicago, Ill.; $12.38, Quaker State Oil Refining Corp., Oil City, Pa.; $7.50, Reed Roller Bit Co., Houston, Tex.; $15, Republic Steel Corp., Cleveland, Ohio; $187.50, Richfield Oil Corp., Los Angeles, Calif.; $7.50, Rockwell Manufacturing Co., Pittsburgh, Pa.; $9, Saltmount Oil Co., Denver, Colo.; $48.60, Seaboard Oil Co. of Delaware, New York, N. Y.; $16.50, Shamrock Oil & Gas Co., Amarillo, Tex.; $1,670.10, Shell Oil Co., New York, N. Y.; $51.84, Signal Oil & Gas Co., Los Angeles, Calif.; $1,074.30, Sinclair Oil Corp., New York, N. Y.; $241.20, Skelly Oil Co., Tulsa, Okla.; $7.50, Smith Corp., A. O., New York, N. Y.; $2,206.20, Socony-Vacuum Oil Co., Inc., New York, N. Y.; $8.25, Southern Minerals Corp., Corpus Christi, Tex.; $50.40, South Penn Oil Co., Bradford, Pa.; $12, Spang-Chalfant Division, National Supply Co., Pittsburgh, Pa.; $1,676.40, Standard Oil Co. of California, San Francisco, Calif.; $2,184, Standard Oil Co. (Indiana), Chicago, Ill.; $50.40, Standard Oil Co. (Kentucky), Louisville, Ky.; $198.30, Standard Oil Co. (New Jersey), New York, N. Y.; $409.50, Standard Oil Co. (Ohio), Cleveland, Ohio; $802.20, Sun Oil Co., Philadelphia, Pa.; $15, Sunray Oil Corp., Tulsa, Okla.; $30.60, Taylor Refining Co., Taylor, Tex.; $1,936.36, Texas Co., New York, N. Y.; $7.50, Texas Gulf Producing Co., Houston, Tex.; $9, Texas Pacific Coal & Oil Co., Fort Worth, Tex.; $247.50, Tide Water Associated Oil Co., San Francisco, Calif.; $450, Union Oil Co., of California, Los Angeles, Calif.; $64.80, Union Producing Co., Shreveport, La.; $15, Union Sulphur Co., Inc., New York, N. Y.; $37.50, Union Tank Car Co., Chicago, Ill.; $7.50, Universal Oil Products Co., Chicago, Ill.; $22.80, Warren Petroleum Corp., Tulsa, Okla.; $7.50, Worthington Pump & Machinery Corp., Harrison, N. J.; $7.50, Wyatt Metal & Boiler Works, Dallas, Tex.; $12, Youngstown Sheet & Tube Co., Youngstown, Ohio. (NOTE.—The above schedule sets forth the names and addresses of each company which has contributed a total amount of $500 to the institute's general fund, even though the contribution was not made solely for legislative purposes. The amounts of contributions set forth in the above list represent 1.5 percent of the total contribution made by each such company, such percent being the percent used in computing the amounts shown in items D (1) and D (4) of this report.

E. (2) $5,375; (4) $266; (5) $3,500; (6) $465; (6a) $911; (7) $303; (9) $10,820; (10) $29,626; (11) $40,446.

A. American Pulpwood Association, 220 East Forty-second Street, New York, N. Y.

C. (1) Legislative interests will continue while organization exists.

C. (2) Legislative interests are those affecting the pulpwood industry—its properties, operations, and practices.

C. (3) Mimeographed bulletins to membership.

D. (1) $382.57; (7) $882.57; (8) $166.97; (9) $3,049.54; (13) no.

E. (1) $22.77; (2) $392; (3) $156.27; (6) $37.30; (7) $274.23; (9) $882.57; (10) $2,-160.97; (11) $3,049.54.

A. American Retail Federation, 1627 K Street NW., Washington, D. C., retail trade association.

C. (1) Indefinitely.

C. (2) Registrant is generally interested in all legislation and legislative proposals affecting the retail industry, including the industry's relations with the Federal Government, with its suppliers, with its employees and with its customers.

Specifically at this time: Taxation—general revisions, excise tax relief—no specific bills; Hoover Commission recommendations, general principles; postal rates—H. R. 2945, S. 1103, postal rate increases; social security—social-security amendments (H. R. 6000), health insurance (S. 5, S. 1679), temporary disability insurance (H. R. 2893), unemployment compensation (H. R. 8059); labor—Fair Labor Standards Act (29 U. S. C. 201–219), National Labor Relations Act (49 Stat. 449), Fair Employment Practices Act bills (S. 1728, H. R. 4453); trade practices, consumer protection, labeling—cotton labeling bill (S. 124), fiber labeling bill (S. 273), fur labeling bill (H. R. 5187), flammable fabrics bill (S. 403), Wool Labeling Act (15 U. S. C. 68 et seq.); economic controls—Defense Production Act of 1950 (H. R. 9176, Public Law 774).

C. (3) (a) Excise Tax Relief (bulletin); (b) 900; (c) July 6, 1950.

C. (3) (a) Defense Production Act of 1950 (bulletin); (b) 900; (c) July 20, 1950.

C. (3) (a) Defense Production Act of 1950 (bulletin); (b) 900; (c) August 4, 1950.

C. (3) (a) Defense Production Act of 1950 (bulletin); (b) 900; (c) August 4, 1950.

C. (3) (a) NSRB—12 Member Policy Committee (bulletin); (b) 900; (c) August 8, 1950.

C. (3) (a) Defense Production Act of 1950 (bulletin); (b) 1,000; (c) August 17, 1950.

C. (3) (a) Defense Production Act of 1950 (bulletin); (b) 900; (c) August 23, 1950.

C. (3) (a) Fur labeling bill; (b) 75; (c) August 29, 1950.

C. (3) (a) NSRB—Mobilization Policy Committee; (b) 1,200; (c) August 31, 1950.

C. (3) (a) Defense Production Act of 1950 (bulletin); (b) 900; (c) September 7, 1950.

D. (1) $14,821.28; (7) $14,821.28; (8) $74,873.66; (9) $89,694.94; (13) yes; (14) $604.18, Abraham & Straus, Inc., Brooklyn, N. Y.; $3,031.77, Allied Stores Corp., 1440 Broadway, New York, N. Y.; $1,250, B. Altman & Co., Fifth Avenue and Thirty-fourth Street, New York, N. Y.; $3,150, Associated Dry Goods Corp., of New York, 366 Fifth Avenue, New York, N. Y.; $500, L. S. Ayres & Co., Indianapolis, Ind.; $937.50, Carson Pirie Scott & Co., Chicago, Ill.; $500, the Dayton Co., Minneapolis, Minn.; $1,300, Edison Bros. Stores, Inc., St. Louis, Mo.; $650, Wm. Filene's Sons Co., Boston, Mass.; $5,960.78, Federated Department Stores, Inc., Cincinnati, Ohio; $4,950, Gimbel Bros., Inc., Broadway at Thirty-third Street, New York, N. Y.; $2,775, W. T. Grant Co., 1441 Broadway, New York, N. Y.; $1,000, the Hecht Co., Washington, D. C.; $5,000, the Kroger Co., Cincinnati, Ohio; $6,766.18, R. H. Macy & Co., Inc., New York City; $3,600, Marshall Field & Co., Chicago, Ill.; $2,013, Melville Shoe Corp., 25 West Forty-third Street, New York, N. Y.; $1,602.87, National Department Stores Corp. 112 West Thirty-eighth Street, New York, N. Y.; $5,000, J. C. Penney Co., Inc., 330 West

Thirty-fourth Street, New York, N. Y.; $1,150, Rich's, Inc., Atlanta, Ga.; $10,000, Sears, Roebuck & Co., Chicago, Ill.; $2,500, Spiegel, Inc., Chicago, Ill.; $600, Stern Bros., 41 West Forty-second Street, New York, N. Y.; $1,631.33, Western Auto Supply Co., Kansas City, Mo.; $7,500, F. W. Woolworth Co., New York City; $73,972.61, total.

E. (2) $2,625; (4) $597.32; (6) $336.68; (7) $281.50; (9) $3,840.50; (10) $6,716.05; (11) $10,556.55.

A. American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.

C. (1) Continuous.

C. (2) See legislative program, pages 80 through 83, of agenda, copy attached.

C. (3) (a) Agenda and supplement attached; (b) 1,000 each; (c) August 31, 1950; (d) agenda printed by Wilson Epes; supplement reproduced in our own shop.

D. (1) $1,312.20; (7) $1,312.20; (8) $2,985.15; (9) $4,297.35; (13) no.

E. (2) $250; (4) $186.86; (5) $472.50; (6) $48.90; (7) $353.94; (9) $1,312.20; (10) $2,985.15; (11) $4,297.35.

A. American Tariff League, Inc., 19 West Forty-fourth Street, New York, N. Y.; a membership organization with research and education program.

C. (1) Legislative interests at any one time depend upon legislation introduced or general hearings held on tariff or related subjects. Hence, such interests are continuing in general.

C. (2) House Joint Resolution 236 and H. R. 8304 were the two specific bills in which the league had an interest during the third quarter. Neither was, however, activated in any way.

C. (3) League has not issued or caused to be issued such publications during the third quarter.

D. (1) $7,050; (7) $7,050; (8) $29,325; (9) $36,375.

E. (2) $8,386; (4) $455.89 (5) $934; (6) $176.28; (7) $328.26; (8) $574.82; (9) $10,855.25; (10) $27,133.74; (11) $37,988.99.

A. American Trucking Associations, Inc.,[1] 1424 Sixteenth Street NW., Washington, D. C.; national trade association of the trucking industry.

C. (1) Legislative interests are continuing in nature.

C. (2) General legislative interests of American Trucking Association, Inc., include all bills, resolutions, and investigations affecting the trucking industry. Particular bills and resolutions in which we are currently interested are as follows: S. 126, national transportation policy; S. 248 (H. R. 2033), Fair Labor Standards Act, amendment; S. 249 (H. R. 2032), Labor Management Relations Act, amendment; S. 402 (H. R. 306), Department of Transportation; S. 487 (H. R. 2948), National Motor Vehicle Theft Act, amendment; S. 526 (H. R. 2361), reorganization of Government agencies; S. 746 (H. R. 1566), practitioners before Government agencies; S. 822 repeal of 3 percent transportation tax; S. 1008 basing point pricing; S. 1095 (H. R. 103) Federal Traffic Bureau; S. 1728 (H. R. 4453), Fair Employment Practices Commission; S. 2073 Government Reorganization, Independent Offices, I. C. C.; S. 2113 (H. R. 5967), Freight Forwarders Act, amendment; S. 2626 § 216 (c), Part II, Interstate Commerce Act; S. 3357 Transportation of gambling devices; S. 3424, Federal Aid Road Act, amendment; S. 3425, Transcontinental super highway; Senate Resolution 50, investigation of transportation; Senate Resolution 265, disapproval of Reorganization Plan No. 21; Senate Resolution 253, disapproval of Reorganization Plan No. 7; H. R. 104, repeal "Reed-Bulwinkle" Carrier Agreement Act; H. R. 1540, gasoline tax repeal; H. R. 1656, I. C. C. member from New England; H. R. 1730, illuminated motor vehicle license plates; H. R. 1954, prohibits transportation of obscene literature; H. R. 2269, prohibits transportation of alcoholic advertisements; H. R. 2779, prohibits transportation of fighting bulls; H. R. 2978, Motor Carrier Claims Commission; H. R. 3654, prohibits transportation of psittacine birds; H. R. 3908, regulates transportation of anti-Semitic and Negro propaganda; H. R. 3938, prohibits transportation of imitation cheese; H. R. 3939, prohibits transportation of imitation ice cream; H. R. 4149, prohibits transportation of combustible fabrics; H. R. 4177, Independent Offices Appropriations bill; H. R. 4489, repeal of ICC orders by courts; H. R. 5094, review of ICC orders by courts; H. R. 5237, extend jurisdiction of Interstate Commerce Commission; H. R. 6000, Social Security Act of 1949; H. R. 5351, using for-hire motor vehicles in postal service; H. R. 6812, transportation of household goods for Government; H. R. 6898, excise taxes on tires and tubes; H. R. 7301, Administrative Procedure Act, amendment; H. R. 7428, Transportation and traffic management; H. R. 7547, Motor Carrier Act, agricultural exemption; H. R. 7637, Federal regulation of motor vehicle sizes and weights; H. R. 7767, uniform auto registration; H. R. 7941, Federal Aid Road Act, amendment and supplement; H. R. 7983, transportation of goods; H. R. 8025, amendment to National Labor Relations Act, as amended; H. R. 8201, practitioners before Government agencies; H. R. 8318, prohibited transportation of certain goods; H. R. 8350, prohibited transportation of gambling devices; H. R. 8417, extend jurisdiction of I. C. C.; H. R. 8511, Federal Aid Highway Act amendment; H. R. 8714, investigation of inter-government functions and revenues; H. R. 8764, Federal-aid Road Act, amendment; H. R. 8843, National Commission on Intergovernmental Relations; H. R. 8920, excise-tax reductions and tax revisions; H. R. 8996, HLRA amendment, elimination of union shop; H. R. 9001, lobbying; H. R. 9131, National defense, adequate petroleum; H. R. 9181, Office of Coordinated Civilian Defense; House Joint Resolution 61, St. Lawrence Waterway, agreements; House Joint Resolution 196, Lobbying Joint Committee; House Joint Resolution 410, Federal Motor Vehicle Commission; House Joint Resolution 437, Federal Motor Vehicle Commission; House Joint Resolution 452, Federal Motor Vehicle Commission; House Joint Resolution 503, reinstitution of price controls; House Concurrent Resolution 213, investigation of Federal grants-in-aid programs; House Resolution 516, veto of Presidential Reorganization Plan No. 12.

C. (3) During the second quarter of 1950, the following publications were issued:

ATA special legislative bulletins: No. 12, May 26, 1950, 973, mimeographed by ATA.

ATA weekly service letter: No. 716, April 6, 1950, 1,960; No 717, April 13, 1950, 1,960; No. 718, April 20, 1950, 1,960; No. 719, April 27, 1950, 1,960; No. 720, May 4, 1950, 1,961; No. 721, May 11, 1950, 1,961; No. 722, May 18, 1950, 1,961; No. 723, May 25, 1950, 1,961; No. 724, June 1, 1950, 1,970; No. 725, June 8, 1950, 1,970; No. 726, June 15, 1950, 1,970; No. 727, June 22, 1950; 1,970; No. 728, June 29, 1950, 1,970; emergency special, June 30, 1950, 1,970; all multilithed by ATA.

Transport Topics (weekly newspaper): No. 764, April 3, 1950, 18,063; No. 765, April 10, 1950, 17,840; No. 766, April 17, 1950, 40,671; No. 767, April 24, 1950, 18,001; No. 768, May 1, 1950, 18,104; No. 769, May 8, 1950, 17,915; No. 770, May 15, 1950, 40,533; No. 771, May 22, 1950, 18,118; No. 772, May 29, 1950, 18,187; No. 773, June 5, 1950, 18,275; No. 774, June 12, 1950, 18,199; No. 775, June 19, 1950, 40,570; No. 776, June 26, 1950, 18,460; all printed by Ransdell, Inc.

The publications listed above are distributed as follows: Legislative bulletins are sent to members of our executive committee, State associations, and to members of special committees interested in particular legislation. The ATA Weekly Service Letter is a special news service sold to subscribers at the rate of $15 per year. It analyzes and attempts to forecast general trends (including legislative developments) of interest to the motor carrier industry. Transport Topics is a newspaper of general circulation. It is sold to subscribers at the rate of $5 per year, and it covers legislation of interest to motor carriers more thoroughly than most newspapers. It is "issued in connection with legislative interests" only if that term is given the broadest application.

D. (1) $9,389.24; (7) $9,389.24; (9) $9,389.24; (13) Yes; (14) Pennsylvania Motor Truck Association, Telegraph Building, Harrisburg, Pa., $657.51.

E. (2) $4,883.77; (4) $657.67; (5) $137.25; (6) $53.31; (7) $313.54; (9) $6,042.54; (11) $6,042.54.

A. American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C.; national trade association of the trucking industry.

C. (1) Legislative interests are continuing in nature.

C. (2) General legislative interests of American Trucking Association, Inc., include all bills, resolutions, and investigations affecting the trucking industry. Particular bills and resolutions in which we are currently interested are as follows: S. 126, national transportation policy; S. 248 (H. R. 2033), Fair Labor Standards Act amendment; S. 249 (H. R. 2032), Labor Management Relations Act amendment; S. 402 (H. R. 306), department of transportation; S. 487 (H. R. 2948), National Motor Vehicle Theft Act amendment; S. 526 (H. R. 2361), reorganization of Government agencies; S. 746 (H. R. 1566), practitioners before Government agencies; S. 822, repeal of 3-percent transportation tax; S. 1008, basing-point pricing; S. 1095 (H. R. 103), Federal Traffic Bureau; S. 1728 (H. R. 4453), Fair Employment Practices Commission; S. 2073, Government reorganization, independent offices, ICC; S. 2113 (H. R. 5967), Freight Forwarders Act amendment; S. 2626, section 216 (c), part II, Interstate Commerce Act; S. 3357, transportation of gambling devices; S. 3424, Federal Aid Road Act amendment; S. 3425, transcontinental superhighway; S. 3567, governmental reorganization—Hoover Commission suggestions; S. 3936, Defense Production Act of 1950; S. 4040, transportation of lethal munitions prohibited; S. 4067 (H. R. 9503), amendment to Interstate Commerce Act; Senate Joint Resolution 197, investigation postal service, rates, etc.; Senate Resolution 50, investigation of transportation; Senate Resolution 265, disapproval of Reorganization Plan No. 21; Senate Resolution 253, disapproval of Reorganization Plan No. 7; H. R. 104, repeal Reed-Bulwinkle Carrier Agreement Act; H. R. 1540, gasoline tax repeal; H. R. 1656, ICC member from New England; H. R. 1730, illuminated motor-vehicle license plates; H. R. 1954, prohibits transportation of obscene literature; H. R. 2269, prohibits transportation of alcoholic advertisements; H. R. 2779, prohibits transportation of fighting bulls; H. R. 2978, Motor Carrier Claims Commission; H. R. 3654, prohibits transportation of peittacine birds; H. R. 3908, regulated transportation of anti-Semitic and Negro propaganda; H. R. 3938, prohibits transportation of imitation cheese; H. R. 3939, prohibits transportation of imitation ice cream; H. R. 4149, prohibits transportation of combustible fabrics; H. R. 4177, independent offices appropriations bill; H. R. 4489, repeal of ICC orders by courts; H. R. 5094, review of ICC orders by courts; H. R. 5237, extend jurisdiction of Interstate Commerce Commission; H. R. 6000, Social Security Act of 1949; H. R. 5351, using for-hire motor vehicles in postal service; H. R.

[1] Filed for second quarter, 1950.

6812, transportation of household goods for Government; H. R. 6898, excise taxes on tires and tubes; H. R. 7301, Administrative Procedure Act amendment; H. R. 7428, transportation and traffic management; H. R. 7547, Motor Carrier Act agricultural exemption; H. R. 7637, Federal regulation of motor vehicle sizes and weights; H. R. 7707, uniform auto registrations; H. R. 7941, Federal Aid Road Act amendment and supplement; H. R. 7983, transportation of goods; H. R. 8025, amendment to National Labor Relations Act as amended; H. R. 8201, practitioners before Governnment agencies; H. R. 8318, prohibited transportation of certain goods; H. R. 8350, prohibited transportation of gambling devices; H. R. 8417, extend jurisdiction of ICC; H. R. 8511, Federal-Aid Highway Act amendment; H. R. 3714, investigation of inter-Government functions and revenues; H. R. 8764, Federal Aid Road Act amendment; H. R. 8843, National Commission on Intergovernmental Relations; H. R. 8920, excise-tax reductions and tax revisions; H. R. 8996, House Labor Relations Act amendment, elimination of union shop; H. R. 9001, lobbying; H. R. 9131, national defenses, adequate petroleum; H. R. 9176, Defense Production Act of 1950; H. R. 9181, Office of Coordinated Civilian Defense; H. R. 9480, reserve of railroad freight cars, Interstate Commerce Act amendment; H. R. 9611, corporation excess-profits tax; House Joint Resolution 61, St. Lawrence waterway agreements; House Joint Resolution 196, lobbying joint committee; House Joint Resolution 410, Federal Motor Vehicle Commission; House Joint Resolution 437, Federal Motor Vehicle Commission; House Joint Resolution 452, Federal Motor Vehicle Commission; House Joint Resolution 503, reinstitution of price controls; House Concurrent Resolution 213, investigation of Federal grants-in-aid programs; House Resolution 516, veto of Presidential Reorganization Plan No. 12; House Resolution 545, veto of Presidential Reorganization Plan No. 7; House Resolution 689, investigation of social-security programs.

C. (3) During the third quarter of 1950, the following publications were issued:

ATA special legislative bulletins: No. 13, July 26, 1950, 993; No. 14, August 11, 1950, 1,000; No. 15, September 7, 1950, 2,136; No. 16, September 12, 1950, 2,136; No. 17, September 19, 1950, 2,136; all mimeographed by ATA.

ATA Weekly Service Letter: No. 729, July 6, 1950, 1,975; No. 730, July 13, 1950, 1,975; No. 731, July 20, 1950, 1,975; No. 732, July 27, 1950, 1,975; No. 733, August 3, 1950, 2,000; No. 734, August 10, 1950, 2,000; No. 735, August 17, 1950, 2,000; No. 736, August 24, 1950, 2,000; No. 737, August 31, 1950, 2,000; No. 738, September 7, 1950, 2,008; No. 739, September 14, 1950, 2,008; No. 740, September 21, 1950, 2,008; No. 741, September 28, 1950, 2,008; all multilithed by ATA.

Transport Topics (weekly newspaper): No. 777, July 3, 1950, 18,530; No. 778, July 10, 1950, 18,289; No. 779, July 17, 1950, 40,534; No. 780, July 24, 1950, 18,464; No. 781, July 31, 1950, 18,516; No. 782, August 7, 1950, 18,302; No. 783, August 14, 18,034; No. 784, August 21, 1950, 40,020; No. 785, August 28, 1950, 18,172; No. 786, September 5, 1950, 18,225; No. 787, September 11, 1950, 18,298; No. 788, September 18, 1950, 40,163; No. 789, September 25, 1950, 18,421; all printed by Ransdell, Inc.

The publications listed above are distributed as follows: Legislative bulletins are sent to members of our executive committee, State associations, and to members of special committees interested in particular legislation. The ATA Weekly Service Letter is a special news service sold to subscribers at the rate of $15 per year. It analyzes and attempts to forecast general trends (including legislative developments) of interest to the motor-carrier industry. Transport Topics is a newspaper of general circulation. It is sold to subscribers at the rate of $5 per year, and while it covers legislation of interest to motor carriers more thoroughly than most newspapers, it is issued in connection with legislative interests only if that term is given the broadest application.

D. (1) $9,919.12; (7) $9,919.12; (9) $9,919.12; (13) yes; (14) Pennsylvania Motor Truck Association, Telegraph Building, Harrisburg, Pa., $657.51.

E. (2) $4,900.90; (4) $2,931.89; (5) $137.25; (6) $2,682.26; (7) $160.65; (9) $10,812.95; (11) $10,812.95.

A. AMVETS (American Veterans of World War II), 724 Ninth Street, Washington, D. C.; World War II veterans' organization chartered by Congress.

C. (1) Indefinitely, pending existence of corporate organization.

C. (2) All congressional legislation relative to purposes of organization enumerated in congressional charter.

C. (3) Letter of June 28, 1950, to all Senators on H. R. 87; monthly legislative report in national AMVET newspaper; miscellaneous letter.

D. (1) $2,124.95; (7) $2,124.95; (8) $1,195.71; (9) $3,320.66; (13) no.

E. (2) $1,699.95; (5) $150; (6) $50; (7) $25; (9) $2,124.95; (11) $2,124.95.

A. Angelina & Neches River Railroad Co., Keltys, Tex.;[5] Burlington-Rock Island Railroad Co., Houston, Tex.; the Chicago, Rock Island & Pacific Railway Co., Fort Worth, Tex.; Fort Worth & Denver City Railway Co., Fort Worth, Tex.; Gulf, Colorado & Santa Fe Railway Co., Galveston, Tex.; the Kansas City Southern Railway Co., Kansas City, Mo.; Louisiana & Arkansas Railway Co., Kansas City, Mo.; International-Great Northern Railroad Co., Houston, Tex.; Missouri-Kansas-Texas of Texas, Dallas, Tex.; New Orleans, Texas & Mexico Railway Co., Houston, Tex.; Panhandle & Santa Fe Railway Co., Amarillo, Tex.; Paris and Mount Pleasant Railroad Co., Paris, Tex.; Quanah, Acme & Pacific Railway Co., Quanah, Tex.; St. Louis, San Francisco & Texas Railway Co., Fort Worth, Tex.; St. Louis, Southwestern Railway Co. of Texas, St. Louis, Mo.; Southern Pacific Co., San Francisco, Calif., Texas & New Orleans Railroad Co., Houston, Tex.; Texas South-Eastern Railroad Co., Diboll, Tex.; the Texas & Pacific Railway Co., Dallas, Tex.; the Texas Mexican Railway Co., Laredo, Tex.; the Union Terminal Co., Dallas, Tex.; Wichita Falls & Southern Railroad Co., Wichita Falls, Tex.; the Wichita Valley Railway Co., Fort Worth, Tex.

C. (1) Through year 1950.

C. (2) Generally, legislation affecting Texas railroads. Specifically: St. Lawrence Seaway, Senate Resolution 99, House Joint Resolution 61; rivers, harbors and flood control, H. R. 5472; appropriations, H. R. 7786; transportation investigation, Senate Resolution 50; operating rules bill, H. R. 378 and S. 238; I. C. C. jurisdiction over motor carriers, H. R. 5237; railway mail bill, S. 1596; postal rate increases, H. R. 2945; union shop, H. R. 7789 and S. 3295; Kilday motor carrier bill, H. R. 7786; separation of air mail subsidies, H. R. 2908; Inland Waterways Corporation, H. R. 4978 and S. 211; Panama Canal tolls investigation, House Resolution 44; excise tax cut before Ways and Means Committee; venue bill, H. R. 7550; basing point, S. 1008.

D. (13) No.

E. (2) $3,000; (7) $1,560.91; (9) $4,560.91; (10) $9,469.09; (11) $14,030.90.

A. Richard H. Anthony, the American Tariff League, Inc., 19 West Forty-fourth Street, New York, N. Y.; secretary.

B. The American Tariff League, Inc., 19 West Forty-fourth Street, New York, N. Y.

[5] Filed with the Clerk only.

C. (1) Legislative interests at any one time depend upon legislation introduced or general hearings held on tariff or related subjects. Hence, such interests are continuing in general.

C. (2) House Joint Resolution 236 and H. R. 8304 were the two specific bills in which the league had an interest during the third quarter; neither was, however, activated in any way.

C. (3) Do not issue publications personally.

D. (5) $3,125; (8) $6,250; (9) $9,375.

E. (7) $92.28; (9) $92.28; (10) $240.50; (11) $332.78.

A. Lawrence S. Apsey, Raytheon Manufacturing Co., Foundry Avenue, Waltham, Mass.

B. Raytheon Manufacturing Co., Foundry Avenue, Waltham, Mass.

C. (1) Legislative interests terminated in current quarter and registration is hereby withdrawn.

C. (2) (a) An act to correct possible inequity in the case of a certain application for letters patent of William R. Blair; (b) H. R. 577.

D. (5) Only regular salary as general attorney (see registration statement); (13) no.

E. (10) $160.45; (11) $160.45.

A. Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.; trade association.

C. (1) This association is continuously interested in all types of legislation affecting the construction industry. No funds are received or expended solely for the purpose of attempting to influence legislation.

C. (2) The association does not believe that its activities fall within the provisions of the Lobbying Act. (See detailed statement of activities set forth in letter filed under date of January 3, 1947, and letter filed under date of February 24, 1949, both incorporated herein by reference.) The association follows closely developments in the legislative field (including appearances befor congressional committees) for the purpose of reporting the facts fully to its membership at frequent intervals. Mr. Burt L. Knowles of the association is assigned to follow legislative developments while Congress is in session, and it is estimated that possibly two-thirds of his time is devoted to this assignment. During the third quarter of 1950 it is estimated that $1,350 might be apportioned to this particular activity. It is estimated that expenses, other than Mr. Knowles' salary, based on the time of the staff employees required for the analysis and dissemination of the many types of legislation, existing or proposed, on behalf of the membership in the third quarter would approximate $3,750.

C. (3) A bulletin is sent to the membership by the association at intervals, setting forth pertinent developments in the construction field. This deals with all phases of its activities, including legislative reference.

A. Associated Third Class Mail Users, 1010 Vermont Avenue NW., Washington, D. C.; the purpose of the association is to foster more efficient use of third-class mail by those enterprises employing the use of it.

C. (1) Indefinite.

C. (2) All legislation relating to postal laws and regulations.

C. (3) At appropriate times bulletins are issued to members, reporting on status of the aforementioned legislation.

D. (1) $1,501.58; (7) $1,501.58; (8) $17,098.86; (9) $18,600.44; (13) yes; (14) $500, the Reuben H. Donnelley Corp. 350 East Cermark Street, Chicago, Ill.; $500; Guarantee Reserve Life Insurance Co. of Hammond, Hammond, Ind.; $500, Modern Handcraft, Inc., 2401 Burlington, Kansas City, Mo.; $1,000, R. L. Polk & Co., 431 Howard Street,

Detroit, Mich.; $500, Postal Life & Casualty Insurance Co., 4727 Wyandotte Street, Kansas City, Mo.; $550, White Industries, Inc., 16 Union Avenue, Westfield, Mass.; $3,550 total.

E. (2) $5,437.50; (4) $324.37; (5) $268.84; (6) $50.39; (7) $335.02; (8) $3.65; (9) $6,419.77; (10) $6,715.29; (11) $13,135.06.

A. Association of American Railroads, 929 Transportation Building, Washington, D. C. The Association of American Railroads is an unincorporated, nonprofit organization composed of member railroad companies operating in the United States and Canada and in Mexico. It is a joint agency of its member railroads, and its activities cover a wide range having to do with such matters as research, operations, car service, traffic, public relations, accounting, statistics, law, Federal legislation, etc., insofar as they require joint handling in the interest of adequate and efficient railroad service. See also appendix I filed with the report of the association for the first quarter of 1948.

B. See D14 for list of full member roads, A. A. R.

C. (1) Indefinitely.

C. (2) The association represents its full members with respect to all legislation affecting the railroad industry. In general, it opposes measures which are deemed to be against the interests of the railroads and against the public interest in a sound national transportation system, and supports measures which are believed to be in the interests of the railroad industry and in the public interest in a sound national transportation system. Besides the bills which may be supported or opposed by the association, numerous other bills are considered, distributed within the industry, and studied, with respect to which the association may take no action by way of support or opposition. The expenditures of the association in connection with its activities, including appearances at hearings before congressional committees and preparation therefor, with respect to bills falling in all three categories, are included in the report of expenditures made herein. The association maintained a continuing interest during the third quarter of 1950 in bills listed in rider C–2 to the reports of the association for the first and second quarters of 1950, which bills are incorporated in this rider by reference. In addition, the legislative activities during the third quarter of 1950 included activities with respect to the following measures which were supported or which it is contemplated will be supported by the association: H. R. 7547, Interstate Commerce Act, amendment; and H. R. 9184, separation of air-mail pay and subsidy; and with respect to the following measures which were opposed or which it is contemplated will be opposed: H. R. 8847, Great Lakes shipping; and H. R. 9141, agricultural marketing facilities. The legislative activities of the association during the third quarter of 1950 included activities also with respect to a number of measures which were neither supported nor opposed, as for example: S. 3215 and Senate Joint Resolution 157, miscellaneous fuel bills; S. 3936 and H. R. 9176, Defense Production Act of 1950; S. 4067 and H. R. 9503, Interstate Commerce Act, amendment, Government rates; H. R. 448, H. R. 6437, H. R. 8457, and H. R. 8536, miscellaneous air transportation bills; H. R. 6339, tunnel, Laguna Mountains; H. R. 7941, Federal Aid Road Act, amendment; H. R. 9322, navigation on navigable waters of the United States; H. R. 9480, reserve supply of publicly owned freight cars; and H. R. 9526, appropriation, supplemental, 1951.

C. (3) (a) Pamphlet entitled "H. R. 7789—S. 3295," a commentary in opposition to the union shop bills; (b) 25,000 copies; (c) August 9, 1950; (d) Sauls Lithograph Co., Washington, D. C.

D. (1) $59,038.23; (7) $59,038.23; (8) $158,841.21; (9) $217,882.44; (13) yes; (14) $12,259.47, Atchison, Topeka & Santa Fe Railway, Chicago, Ill.; $3,133.51, Atlantic Coast Line Railroad, Wilmington, N. C.; $9,184.58, Baltimore & Ohio Railroad, including Dayton & Union Railroad, Staten Island Rapid Transit Railway, Baltimore, Md.; $560.59, Bessemer & Lake Erie Railroad, Pittsburgh, Pa.; $2,109.44, Boston & Maine Railroad, including Sullivan County Railroad, Vermont Valley Railroad, Boston, Mass.; $1,650.35, Canadian National Railways, Montreal, Quebec; $891.49, Central of Georgia Railway, Savannah, Ga.; $958.64, Central Railroad Co. of New Jersey, Jersey City, N. J.; $717.07, Chicago & Eastern Illinois Railroad, Chicago, Ill.; $5,230.79, Chicago & North Western Railway, Chicago, Ill.; $5,552.60, Chicago, Burlington & Quincy Railroad, Chicago, Ill.; $822.20, Chicago Great Western Railway, Chicago, Ill.; $6,022.16, Chicago, Milwaukee, St. Paul & Pacific Railroad, Chicago, Ill.; $4,723.46, Chicago, Rock Island & Pacific Railway, Chicago, Ill.; $1,292.81, Delaware & Hudson Railroad Corp., New York, N. Y.; $2,277.24, Delaware, Lackawanna & Western Railroad, New York, N. Y.; $1,653.15, Denver & Rio Grande Western Railroad, Denver, Colo.; $1,007.62, Duluth, Missabe & Iron Range Railway, Duluth, Minn.; $1,065.24, Elgin, Joliet & Eastern Railway, Chicago, Ill.; $3,845.35, Erie Railroad, Cleveland, Ohio.; $659.63, Florida East Coast Railway, St. Augustine, Fla.; $5,318.24, Great Northern Railway, St. Paul, Minn.; $1,861.13, Gulf, Mobile & Ohio Railroad, Mobile, Ala.; $6,304.91, Illinois Central Railroad, Chicago, Ill.; $1,005.21, Kansas City Southern Railway, Kansas City, Mo.; $1,778.47, Lehigh Valley Railroad, New York, N. Y.; $1,385.43, Long Island Railroad, New York, N. Y.; $4,569.89, Louisville & Nashville Railroad, Louisville, Ky.; $615,39, Maine Central Railroad, Portland, Maine; $1,563.06, Minneapolis, St. Paul & Sault Ste. Marie Railroad, Minneapolis, Minn.; $1,914.17, Missouri-Kansas-Texas Railroad, St. Louis, Mo.; $4,569.25, Missouri Pacific Railroad, St. Louis, Mo.; $900.06, Gulf Coast Lines; Houston, Tex.; $778.66, International-Great Northern Railroad, St. Louis, Mo.; $816.69, Nashville, Chattanooga & St. Louis Railway, Nashville, Tenn.; $19,514.73, New York Central Railroad, New York, N. Y.; $3,270.47, New York, Chicago & St. Louis Railroad, Cleveland, Ohio; $3,738.41, New York, New Haven & Hartford Railroad, New Haven, Conn.; $3,891.49, Norfolk & Western Railway, Roanoke, Va.; $3,756.86, Northern Pacific Railroad, St. Paul, Minn.; $21,904.33, Pennsylvania Railroad, Philadelphia, Pa.; $2,832.55, Reading Co., Philadelphia, Pa.; $572.48, Richmond, Fredericksburg & Potomac Railroad, Richmond, Va.; $2,809.43, St. Louis-San Francisco Railway, St. Louis, Mo.; $1,521.58, St. Louis Southwestern Railway, St. Louis, Mo.; $3,114.28, Seaboard Air Line Railroad, Norfolk, Va.; $13,654.83, Southern Pacific Co., San Francisco, Calif.; $7,457.43, Southern Railway, Washington, D. C.; $628.72, Spokane, Portland & Seattle Railway, St. Paul, Minn.; $1,632.36, Texas & Pacific Railway, Dallas, Tex.; $10,145.77, Union Pacific Railroad, Omaha, Nebr.; $599.20, Union Railroad (Pittsburgh), Pittsburgh, Pa.; $771.24, Virginian Railway, Norfolk, Va.; $2,386.13, Wabash Railroad, St. Louis, Mo.; $1,000.01 Western Maryland Railway, Baltimore, Md.; $917.36, Western Pacific Railroad, San Francisco, Calif.; $205,117.61, total for roads contributing $500 or more; $12,764.83, total for roads contributing less than $500; $217,882.44 grand total. NOTE.—The percentage of total receipts of the A. A. R. during the first three quarters of 1950, used for legislative activities, was 4.271220 percent. Contributions of individual railroads shown above was calculated by application of this percentage to their assessments during this period. The above list may include several railroads whose total contributions for all purposes did not amount to $500 during the period covered by this report.

E. (2) $40,981.72; (3) $7,817.87; (4) $419.26; (5) $6,274.11; (6) $517.63; (7) $1,283.87; (8) $1,743.77; (9) $59,038.23; (10) $158,844.21; (11) $217,882.44.

A. Association of American Ship Owners, 90 Broad Street, New York, N. Y.; trade association.

B. The registrant is an unincorporated association. For a statement as to the nature of its business, reference is hereby made to paragraph 2 of registrant's registration statement on Form B, which paragraph is hereby made a part hereof.

C. (1) and (2) For a statement as to the interests of the registrant, reference is hereby made to paragraph 2 of the registrant's registration statement on Form B, which paragraph is hereby made a part hereof.

C. (3) The registrant did not cause any article or editorial to be published during the quarter for which this report is filed. For a statement with respect to publications caused to be issued by any officer of the registrant, reference is hereby made to the report being currently filed by George W. Morgan, its president, and such report is hereby made a part hereof.

D. No money has been received by the registrant for activities in furtherance of any object necessitating registration under Public Law 601.

E. During the quarter for which this report is filed, no expenditure has been made by or on behalf of the registrant to any person for any amount or value in furtherance of any object necessitating registration, except that registrant has paid salaries to and expenses of George W. Morgan, its president, and Joseph H. Ball, its vice president. For the extent, if any, to which salaries and expenditures have been applied to activities in furtherance of any object necessitating registration, reference is hereby made to the reports being currently filed by such officers and such reports are hereby made a part hereof.

A. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.

B. See the attached list of member companies.[2]

C. (1) Indefinite.

C. (2) Legislation affecting casualty and surety companies. Specific legislative interests: H. R. 8706 relating to the bonding of Federal employees.

C. (3) The association publishes the Casualty and Surety Journal. Also issues releases to insurance trade press and to papers and periodicals of general circulation, such releases being mainly concerned with accident prevention problems. The association has issued no publications in connection with legislative interests.

D. (1) $1,431.11; (7) $1,431.11; (8) $12,923.75; (9) $14,354.86; (13) yes; (14) $840.61, Aetna Casualty and Surety Co., 151 Farmington Avenue, Hartford, Conn.; $715.81, Fidelity & Casualty Co., of New York, 80 Maiden Lane, New York, N. Y.; $1,111.29, Hartford Accident & Indemnity Co., 690 Asylum Avenue, Hartford, Conn.; $569.93, Maryland Casualty Co., Maryland Casualty Building, Baltimore, Md.; $762.42, Travelers Indemnity Co., 700 Main Street, Hartford, Conn.; $794.99, Travelers Insurance Co., 700 Main Street, Hartford, Conn.; $969.24, United States Fidelity & Guaranty Co., Calvert and Redwood Streets, Baltimore, Md.; $5,764.29 total.

E. (2) $1,104.61; (4) $11.50; (5) $120.02; (6) $24.05; (7) $41.01; (8) $129.92; (9) $1,431.11; (10) $12.923.75; (11) $14,354.86; (15) all.

A. The Association of Western Railways, 474 Union Station Building, Chicago, Ill. See report filed for first quarter of 1950 and documents therein referred to.

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[2] Not printed. Filed in the Clerk's office.

C. (1) This association is interested in any and all Federal legislative proposals which do or may affect the western railroads. It may or may not engage in activity in connection therewith but desires to be in a position to do so and it expects to report its expenditures and otherwise comply with the law in the event it engages in such activity. Its legislative interests are to continue indefinitely.

C. (2) During the third quarter of 1950 this association was interested in S. 4067–H. R. 9503, and one of its employees devoted approximately 12 days' time in connection therewith.

C. (3) During the third quarter of 1950 this association did not issue or cause to be issued any publication dealing with Federal legislative matters.

D. (1) $725.30; (7) $725.30; (9) $725.30; (13) no.

E. (2) $412; (7) $313.30; (9) $725.30; (11) $725.30.

A. Hector M. Aring, 826 Woodward Building, Washington, D. C.; Washington representative.

B. Johns-Manville Corp., 22 East Fortieth Street, New York, N. Y.; construction materials.

C. (1) During present session of Congress.

C. (2) Tax legislation; labor legislation; amendments to the Clayton Act; merchant marine bill; price-basing-point bill.

D. (5) $833.33; (6) $958; (7) $1,791.33; (8) $3,582.66; (9) $5,373.99. See original registration statement for complete explanation. No other contributions received.

E. (8) $958; (9) $958; (10) $1,916; (11) $2,874.

A. Arnold, Fortas & Porter, 1200 Eighteenth Street NW., Washington, D. C.; attorneys.

B. The Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.

C. (1) Western Union as the principal telegraph system of the country will continue to have matters involving legislative policy before Congress and the appropriate committees thereof. It is therefore difficult to state a definite period. The company's full-time representatives will doubtless require continuing legal counsel and analysis of a variety of legislative problems affecting the company's operations.

C. (2) Any legislation involving the company's operations, particularly measures repealing the 25 percent excise tax on domestic telegraph messages.

D. (5) $4,554.27; (7) $4,554.27; (8) $8,039.92; (9) $12,594.19.

E. (6) $19.88; (7) $40.90; (9) $60.78; (10) $229.45; (11) $290.23.

A. Robert Ash, 550 Munsey Building, Washington, D. C.

B. The Connecticut Association of Public Accountants, 15 Broadway, New Haven, Conn.

C. (1) The registrant was employed only in connection with services with respect to H. R. 6000. Since this bill was passed during the third quarter, 1950, the employment of the registrant terminated.

C. (2) (a) Federal Social Security bill; (b) H. R. 6000.

D. NOTE.—Client has been billed for services in amount of $1,000 but fee has not been received in this quarter.

E. (6) $31.26; (7) $6.05; (8) $2.23; (9) $39.54; (11) $39.54.

A. The Atlantic Refining Co., 260 South Broad Street, Philadelphia, Pa.; petroleum products.

C. (1) Registrant's legislative interest subject to the Lobbying Act terminated during the third quarter and this will constitute a final report.

C. (2) Proposed amendments to Internal Revenue Code (section 114 (b) (4)) to include fuller's earth in those minerals entitled to percentage depletion, and possibly the amendment of H. R. 7622 so as to include fuller's earth therein.

C. (3) None.

C. (4) The reporting corporation pays to J. H. Walter, a member of its legal staff, an annual salary and the expenditure shown in item E-10 constitutes an allocation of such salary to the 2 days estimated to have been spent during the second quarter by such person in connection with the legislative interests mentioned in this report. The reporting corporation also furnishes J. H. Walter with the usual employee's business office, secretarial assistance, office stationery and supplies, etc.

D. (13) No.

E. (10) $92.30; (11) $92.30.

A. Atlantic Union Committee, Inc., 537 Fifth Avenue, New York, N. Y.; political action.

D. (1) $12,787.90; (2) $9,929.75; (4) $239.70; (7) $22,957.35; (8) $64,374.25; (9) $87,510.60; (13) yes; (14) $500, Ernest Estwing, 637 Calvin Park Boulevard, Rockford, Ill.; $1,000, Duncan Phillips, director, Phillips Gallery, 1600 Twenty-first Street NW., Washington, D. C.; $1,000, Harman Whittington, Box 2538, Houston, Tex.; $500, Leon Jaworsky, Fulbright, Crooker, Freeman, & Bates, Second National Bank Building, Houston, Tex.; $500, Mr. R. O. Beach, care of George H. McFadden, & Bros., post office box 1427, Houston, Tex.; $500, Mrs. F. N. Iglehart, Rural Delivery 1, Lutherville, Md.; $2,000, Mrs. John M. Johnson, 3401 Sleepy Hollow Court, Houston, Tex.; $1,000, Mr. and Mrs. S. V. McAshan, Jr., 3376 Inwood Drive, Houston, Tex.; $650, W. M. Koar, Anderson Clayton & Co., 60 Beaver Street, New York, N. Y.; $1,000, Mrs. Kenneth D. Owen, 3 Shadowlawn, Houston, Tex.

E. (2) $15,086.57; (4) $5,025.72; (5) $1,261.69; (6) $979.82; (7) $3,008.09; (8) $2,311.84; (9) $27,673.73; (10) $58,650.44; (11) $86,324.17.

A. Attapulgus Clay Co., 210 West Washington Square, Philadelphia, Pa.; producers and marketers of adsorbents (Fullers earth).

C. (1) Registrant's legislative interest subject to the Lobbying Act terminated during third quarter, and this will constitute a final report.

C. (2) Application of percentage depletion to Fullers earth; House Ways and Means Committee included the provision in revenue legislation submitted to the House for consideration (H. R. 7622).

C. (4) Registrant's report covers salaries paid to R. H. Hubbell, Jr., its vice president, and W. E. Sawyer, Jr., its secretary-reasurer, who are paid respectively on an annual basis. During the third quarter no time was assignable for this function; hence, no salaries are indicated.

D. (13) No.

E. (10) $651.99; (11) $651.99.

A. Awalt, Clark & Sparks, a law partnership, consisting of the following partners; F. G. Awalt, Samuel O. Clark, Jr., Raymond Sparks, and W. V. T. Justis, 822 Connecticut Avenue NW., Washington, D. C.

B. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. The National Association of Electric Companies is a trade association whose members are 100 operating electric companies. The preamble of its articles of association describe the functions to be engaged in by the Association as follows: "In order to further the interests of the electric utility companies that are members of this Association and their investors, employees and customers; to maintain the integrity and credit of the industry; to present to the public the essential facts about the industry to the end that there may be a better understanding between the utility companies and the public and a better appreciation of utility progress, achievements and problems; to coordinate regional activities among member companies; to furnish member companies information, reports and statements concerning various phases of electric utility operations and developments; to further cooperation with all agencies and organizations interested in the supply and purchase of electric light and power; to furnish such agencies and organizations with information, reports and statements concerning member companies and the electric utility industry; to present the facts to the public concerning the public benefits resulting from the operation of electric utility companies by businessmen under governmental regulations and, generally, to engage in those practices recognized as being legal and proper to further said ends, certain electric utility companies do hereby establish a national association which shall be adequately qualified and empowered to act in every lawful way when concert of policy and action would be helpful. Thus, the association functions for the following principal purposes; (1) To keep member companies informed of Washington developments affecting them as operating businesses, including information and analyses of governmental hearings, orders, and regulations, both legislative and administrative. (2) To keep the public, including employees, consumers, and investors, informed concerning the accomplishments of the industry, its achievements in serving the public, and the plans of this industry for the future. (3) To furnish—and aid in furnishing—technical information to the instruments of Government and to provide a readily available contact between Government and the industry. (4) To provide the members of the Association with a medium through which they can exchange ideas on problems of mutual concern and interest in order to better serve the public. (5) To act for the member companies in matters of common and national concern.

C. (1) The life of the association is of indefinite duration.

C. (2) One of the purposes of the National Association of Electric Companies as set forth in previous registrations and reports filed pursuant to Title 3 of the Legislative Reorganization Act of 1946 is to provide its members with a medium through which they can develop and exchange ideas and take appropriate action on problems of mutual concern and interest, including matters involving legislation. The association, therefore, and the registrant are generally interested in all developments in and of Federal legislation that might affect the association and its members as going electric utilities, including, but not limited to the following bills and statutes and amendments thereto: H. R. 7786, a bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes; H. R. 5472, a bill authorizing the construction, repair, and preservation of certain public works on rivers and harbors for navigation, flood control, and for other purposes; S. 3376, a bill to provide for the organization of interstate water and power users' associations for the purpose of entering into contracts for the repayment of the costs of water and power projects on interstate streams and for the ownership, operation, and maintenance of such projects, and for other purposes; S. 3657, a bill to provide for the carrying out of certain of the recommendations of the Commission on Organization of the Executive Branch of the Government relating to the Department of the Interior; H. R. 8920, a bill to reduce excise taxes, and for other purposes; Internal Revenue Code (53 Stat. 1); T. V. A. Act (48 Stat. 58); Federal Power Act (49 Stat. 803); Rural Electrification Act of 1936 (49 Stat. 1363); Reclamation Acts (25 Stat. through 45 Stat.); Flood Control Act 1944 (58 Stat. 887); Administrative Procedure Act (60 Stat. 237); for specific detail concerning the policy position of the association, see the document entitled, "Opinions, Recom-

mendations and Answers to the Power Policies Questionnaire of the Staff of the Committee on Appropriations, House of Representatives, January 1948", filed with the Secretary of the Senate and the Clerk of the House of Representatives by the National Association of Electric Companies. A similar document was prepared in response to a request of the Chairman of the President's Commission on Water Resources Development dated March 2, 1950, requesting the association's views on certain policy questions and forwarded by the National Association of Electric Companies to the Secretary of the Senate and the Clerk of the House of Representatives.

D. (5) This registrant received during the third quarter of 1950 the sum of $6,250 from the National Association of Electric Companies on account of retainer fee as general counsel of the association; also the sum of $11.95 in reimbursement of out-of-pocket expenses, which were included in the expenditures for the previous quarter. In addition $117.44 reimbursement was received for out-of-pocket expenses.

E (2) and (5) There is no allocation by the registrant of these expenditures to any client and no client is charged for overhead. No additional persons are employed by the registrant by reason of its duties as general counsel of the National Association of Electric Companies. Reimbursement is received for out-of-pocket expenses.

A. Charles E. Babcock, chairman, National Legislative Committee of the Junior Order, United American Mechanics of the United States of North America, route 4, box 73, Vienna, Va.

B. National Council, Junior Order United American Mechanics, 3025–3029 North Broad Street, Philadelphia, Pa.; a patriotic beneficial fraternity, operated under the lodge system.

C. (1) Indefinitely.

C. (2) S. 2311, Communists; S. 2605, cancer; Federal aid to education; S. 3455, immigration; H. R. 9736, pooling unused immigration quotas; H. R. 9741, naturalization of parents of veterans; H. R. 9758, Communists; any other bills relating to immigration, schools, or Communists.

C. (3) Literature distributed by the National Council.

D. (5) $249.99; (7) $249.99; (8) $499.98; (9) $749.97.

E. (6) $2.94; (7) $96.79; (8) $3; (9) $102.73; (10) $104.50; (11) $207.23.

A. C. Lloyd Bailey, 1000 Eleventh Street NW., Washington, D. C.; educational-legislative work in Washington and among members of the Society of Friends (a religious body) throughout the country.

B. Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C.

C. (1) An indefinite time; the organization was established on a permanent basis.

C. (2) Working for legislation including the admission of displaced persons, relief of Arab refugees, programs of relief and recovery (ECA, point IV), Federal aid to education, extension of civil rights (FEPC, antipoll tax, antilynching), and more support of the United Nations and its specialized agencies. Opposition to conscription, the militarization of America, and the shipment of arms abroad.

C. (3) (a) The Washington Letter, a four- or eight-page publication issued approximately once a month; (b) an average of 12,000 each issue; (c) July 31, August 4, August 29; (d) Drake Press.

D. (5) $1,075; (7) $1,075; (8) $2,150; (9) $3,225; (13) no.

E. (7) $278.65; (9) $278.65; (10) $465.09; (11) $743.74; (15) $278.65.

A. Frazer A. Bailey, president, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.

B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Legislation affecting the steamship industry, including H. R. 8964, require armed services to use commercial shipping; S. 3823, amend section 9 of Shipping Act, 1916, relating to transfer of vessels to foreign registry; H. R. 7786, general appropriations bill, subsidy provisions; H. R. 6061, S. 2484, war risk insurance; S. 4058, H. R. 8677, Panama Canal bill; H. R. 6719, tramp shipping; S. 4037, H. R. 9490, Internal Security Act of 1950; S. 4167, H. R. 9681, waiver of navigation and vessel inspection laws; H. R. 5346, S. 2786, long-range bill, amend Merchant Marine Act, 1936.

C. (3) The Legislative Outlook, Fairplay.

D. (5) $3,750; (7) $3,750; (8) $7,500; (9) $11,250; (13) yes (employer).

A. H. M. Baldridge, United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y., and 408 American Building, Washington, D. C.

B. United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y., and 408 American Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation that refers to sugar generally and the refining of raw cane sugar specifically.

C. (3) No publications issued or caused to be issued.

D. (9) $24,000 annually.

A. Baldwin & Mermey (Maurice Mermey), 205 East Forty-second Street, New York, N. Y.

B. Bureau of Education on Fair Trade, suite 2000, 205 West Wacker Drive, Chicago, Ill.

C. (1) 1 year. Retention of Fair Trade Laws; Fair Trade Newsletter, published monthly; Koppel Printing Co., Inc., 225 West Thirty-ninth Street, New York; 12,000 copies each month; various news releases, mimeographed.

D. (5) $6,000; (6) $10,575.53; (7) $16,575.53; (8) $46,523.04; (9) $63,098.57; (13) yes; (14) $2,000, Abbott Laboratories, Fourteenth and Sheridan Road, North Chicago, Ill.; $500, Bauer & Black, 2500 South Dearborn Street, Chicago, Ill.; $1,000, Johnson & Johnson, New Brunswick, N. J.; $1,000, Lederle Laboratories, 30 Rockefeller Plaza, New York, N. Y.; $2,000, Eli Lilly & Co., Indianapolis, Ind.; $500, Mead, Johnson & Co., 200 St. Joseph Avenue, Evansville, Ind.; $2,000 Parke, Davis & Co., Detroit, Mich.; $1,000 Sharp & Dohme, Inc., 640 North Broad Street, Philadelphia, Pa.; $1,040, E. R. Squibbs & Sons, 745 Fifth Avenue, New York, N. Y.; $1,000, The Upjohn Co., Kalamazoo, Mich.; $500, Wyeth, Inc., 1600 Arch Street, Philadelphia, Pa.; $500, Pyridium Corp., 21 Gray Oaks Avenue, Yonkers, N. Y.; $500, Tampax, Inc., 155 East Forty-fourth Street, New York, N. Y.; $500, Topics Publishing Co., 330 West Forty-second Street, New York, N. Y.; $500, Elizabeth Arden Sales Corp., 681 Fifth Avenue, New York, N. Y.; $500, Bourjois, Inc., 35 West Thirty-fourth Street, New York, N. Y.; $1,000, Colgate-Palmolive-Peet Co., 105 Hudson Street, Jersey City, N. J.; $500, Hudnut Sales Co., 113 West Eighteenth Street, New York, N. Y.; $720, Emerson Drug Co., Baltimore, Md.; $920, Miles Laboratories, Inc., 1127 Myrtle Street, Elkhart, Ind.; $1,240, Sterling Drug, Inc., 170 Varick Street, New York, N. Y.; $860, Vick Chemical Co., 122 East Forty-second Street, New York, N. Y.; $860, Whitehall Pharmacal Co., 22 East Fortieth Street, New York, N. Y.; $14,075, McKesson & Robbins, Inc., 155 East Forty-fourth Street, New York, N. Y.; $500, Philadelphia Wholesale Drug Co., Philadelphia, Pa.; $36,675, total.

E. (1) $6,000; (2) $5,145; (4) $4,210.82; (5) $363.12; (6) $66.38; (7) $193.21; (9) $16,575.53; (10) $46,523.04; (11) $63,098.57; (15) $63,098.57.

A. Ball, Joseph H., 1713 K Street NW., Washington, D. C.

B. Association of American Ship Owners, 90 Broad Street, New York, N. Y.

C. (1) The duration of registrant's employment is indefinite.

C. (2) The registrant is employed as vice president of the above-named employer and is not employed to support or oppose any specific legislation. During the period for which this report is filed, the registrant did, however, support, advocate, or oppose H. R. 483, H. R. 6061, H. R. 9266, S. 3960, H. R. 8677, and H. R. 6719.

C. (3) The registrant did not cause any article or editorial to be published during the quarter for which this report is filed.

D. During the quarter for which this report is made, the registrant received his salary and expenses from the association, plus one contribution of $475. The portion of registrant's salary that may have been applicable to activities in furtherance of any object necessitating registration under Public Law 601 is estimated to be less than $1,250. The portion of the registrant's expenses that may have been applicable to activities in furtherance of any such object is estimated to be less than $50.

E. During the quarter for which this report is made, the registrant has paid only an amount estimated to be less than $50 on account of that portion of his transportation, meals, and similar out-of-pocket expenditures as may have been applicable to activities in furtherance of any object necessitating registration.

A. Hartman Barber, 10 Independence Avenue SW., Washington, D. C.; legislative agent of organization listed below.

B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employes (a railway labor organization), 1015 Vine Street, Cincinnati, Ohio.

C. (1) Legislative interests will continue indefinitely.

C. (2) S. 1103, H. R. 2945, S. 3295, H. R. 7789. These are bills in which we are interested, but their listing should not be construed as confining our activities merely to them as this brotherhood is interested in all legislation affecting labor, especially railroad labor.

D. (5) $1,392; (7) $1,392.

A. Harry S. Barger, 606 National Union Building, Washington, D. C.

B. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.

C. None of the foregoing items, and none of those in this form contained, apply to my employment and relationship as an employee of National Economic Council, Inc., nor to my status as a registered lobbyist. My salary from said council for the third quarter, 1950, was $666.66 a month, a total of $1,999.98; and I have received reimbursement of petty and incidental expenses totaling $24.73 for said quarter. I received no contributions, and made neither loans nor expenditures. Similarly, I prepared no writings, and made no appearances, for the council during said quarter.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.; attorney.

B. Lehigh Valley Railroad Co., Kingsland Underwriters Group, agency of Canadian Car & Foundry Company, Ltd.

C. (1) December 31, 1952.

C. (2) To provide for completion of payments to Americans holding adjudicated awards of the Mixed Claims Commission.

A. James M. Barnes, 1025 Connecticut Avenue NW., Washington, D. C.; attorney.

B. See original registration statement containing names of 18 companies.

C. (1) Legislative interests have terminated. No further reports will be filed.

D. (5) $4,959; (7) $4,959; (8) $5,150; (9) $10,109; (13) yes; (14) $435, Progress Tailoring Co., 500–532 Throop Street, Chicago, Ill.;

$435, J. B. Simpson, Inc., 831 West Adams Street, Chicago, Ill.; $435, the J. R. Watkins Co., Winona, Minn.; $348, American Hosiery Mills, 741 East North Street, Indianapolis, Ind.; $348, Spirella Co., Inc., 2600 Main Street, Niagara Falls, N. Y.; $435, Wallace Brown, Inc., 225 Fifth Avenue, New York, N. Y.; $435, Fashion Frocks, Inc., 3301 Colerain Avenue, Cincinnati, Ohio; $348, the George Master Garment Corp., Ligoniere, Ind.; $348, Hoover Manufacturing & Sales Co., 251 West Nineteenth Street, New York, N. Y.; $348, Atlas Raincoat Co., Inc., 819 West Congress Street, Chicago, Ill.; $348, Charis Corp., 735 Lyndon Street, Allentown, Pa.; $348, the C & D Co., 333 Commerce Avenue SW., Grand Rapids, Mich.; $348, Morton Manufacturing Co., Lynchburg, Va.; $4,959, total.

A. James T. Barnes,[4] executive secretary, Medical Society of North Carolina, 203 Capital Club Building, Raleigh, N. C.

B. Medical Society of the State of North Carolina, Raleigh, N. C.; professional membership organization.

C. (1) Continuous.

C. (2) H. R. 3001, H. R. 4846, H. R. 4918, H. R. 5940, H. R. 6000, H. R. 6566, H. R. 6634, H. R. 6727, H. R. 6819, S. 1411, S. 1453, S. 1456, S. 1697, S. 1970, S. 2940.

E. (2) $1,749.99; (9) $1,749.99; (10) $1,749.99.

A. James T. Barnes, executive secretary, Medical Society of the State of North Carolina, 203 Capital Club Building, Raleigh, N. C.

B. Medical Society of the State of North Carolina, Raleigh, N. C.; professional membership organization.

C. (1) Continuous.

C. (2) H. R. 3001, H. R. 4846, H. R. 4918, H. R. 5940, H. R. 6000, H. R. 6566, H. R. 6634, H. R. 6727, H. R. 6819, S. 1411, S. 1453, S. 1456, S. 1697, S. 1970, S. 2940.

D. (13) No.

E. (2) $1,749.99; (6) $40.99; (9) $1,790.98; (10) $3,499.98; (11) $5,290.96.

A. Arthur R. Barnett, 1200 Eighteenth Street NW., Washington, D. C., registrant is the secretary-treasurer and director of research of the National Association of Electric Companies, a trade association whose members are 102 operating electric companies.

B. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. The National Association of Electric Companies is a trade association whose members are 102 operating electric companies. The preamble of its articles of association describe the functions to be engaged in by the association as follows: "In order to further the interests of the electric utility companies that are members of this association and their investors, employees and customers; to maintain the integrity and credit of the industry; to present to the public the essential facts about the industry to the end that there may be a better understanding between the utility companies and the public and a better appreciation of utility progress, achievements and problems; to coordinate regional activities among member companies; to furnish member companies information, reports and statements concerning various phases of electric utility operations and developments; to further cooperation with all agencies and organizations interested in the supply and purchase of electric light and power; to furnish such agencies and organizations with information, reports and statements concerning member companies and the electric utility industry; to present the facts to the public concerning the public benefits resulting from the operation of electric utility companies by businessmen under governmental regulations and, generally, to engage in those practices recognized as being legal and proper to further said ends, certain electric utility companies do hereby establish a national association which shall be adequately qualified and empowered to act in every lawful way when concert of policy and action would be helpful." Thus the association functions for the following principal purposes: (1) To keep member companies informed of Washington developments affecting them as operating businesses, including information and analyses of governmental hearings, orders, and regulations, both legislative and administrative; (2) To keep the public, including employees, consumers, and investors, informed concerning the accomplishments of the industry, its achievements in serving the public, and the plans of this industry for the future; (3) To furnish—and aid in furnishing—technical information to the instruments of government and to provide a readily available contact between Government and the industry; (4) To provide the members of the association with a medium through which they can exchange ideas on problems of mutual concern and interest in order to better serve the public; (5) To act for the member companies in matters of common and national concern.

C. (1) Of indefinite duration.

C. (2) Registrant is secretary, treasurer, and director of research of the National Association of Electric Companies. One of the purposes of this association as set forth in previous registrations and reports filed pursuant to title 3 of the Legislative Reorganization Act of 1946 is to provide its members with a medium through which they can develop and exchange ideas and take appropriate action on problems of mutual concern and interest, including matters involving legislation. The association, therefore, is generally interested in all developments in and of Federal legislation that might affect its members as going electric utilities, including, but not limited to the following bills and statutes and amendments thereto: H. R. 7786, a bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes; Internal Revenue Code (53 Stat. 1); TVA Act (48 Stat. 58); Federal Power Act (49 Stat. 803); Rural Electrification Act of 1936 (49 Stat. 1363); Reclamation Acts (25 Stat. through 45 Stat.); Flood Control Act 1944 (58 Stat. 887). For specific details concerning the policy position of the National Association of Electric Companies, see the document entitled "Water Resources, Electric Power and National Policy," prepared in response to an invitation of the chairman of the President's Commission on Water Resource Policy dated March 2, 1950, for a complete statement of the association's position on policy questions. Copies of this statement have heretofore been filed with the Secretary of the Senate and the Clerk of the House of Representatives.

D. (5) $3,874.98; (7) $3,874.98; (8) $7,750; (9) $11,624.98; (13) no.

E. (6) $3.31; (7) $373.65; (8) $54.72; (9) $431.68; (10) $775.25; (11) $1,206.93; (15) $431.68.

A. A. K. Barta, 810 Eighteenth Street NW., Washington, D. C.; secretary of the Ethanol Committee.

B. The Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Bills relating to use of alcohol in nonbeverage products. Nothing specific.

C. (3) No publications.

D. (5) $868.69; (7) $868.69; (8) $430.49; (9) $1,299.18.

E. (7) $868.69; (9) $868.69; (10) $430.49; (11) $1,299.18.

A. A. K. Barta, secretary-treasurer, 810 Eighteenth Street NW., Washington, D. C.

B. The Proprietary Association, 810 Eighteenth Street NW., Washington, D. C.; a trade organization.

C. (1) Indefinite.

C. (2) Measures affecting the proprietary medicines industry. Nothing specific.

C. (3) (a) Legislative news bulletins; (b) approximately 500; (c) weekly; (d) mimeographed.

D. (6) $125; (7) $125; (8) $200; (9) $325.

E. (7) $125; (9) $125; (10) $200; (11) $325.

A. Frank E. Bass, executive secretary, Tennessee Education Association, 321 Seventh Avenue North, Nashville, Tenn.

B. Tennessee Education Association (an organization affiliated with but not a part of the National Education Association of the United States), 321 Seventh Avenue North, Nashville, Tenn.

C. (1) Indefinite.

C. (2) Bills pending before the Eighty-first Congress relating to public education. Primary interest in S. 246, H. R. 5939, H. R. 7160.

E. (7) $108.66 (reimbursed by the National Education Association of the United States); (9) $108.66; (10) $507.98; (11) $616.64.

A. J. A. Beirne, president Communications Workers of America, CIO, 1808 Adams Mill Road NW., Washington, D. C.

B. Communications Workers of America, CIO, 1808 Adams Mill Road NW., Washington, D. C.; union.

C. (1) Indefinitely.

C. (2) Legislative matters affecting the interests of the membership of the union.

D. (8) $219.40; (9) $219.40.

E. (10) $219.40; (11) $219.40.

A. Alfred F. Beiter, president, National Customs Service Association, 8503 Longfellow Place, Chevy Chase, Md.

B. National Customs Service Association, an organization of officers and employees of the United States Customs Service.

C. (1) Legislative interests will continue so long as Congress is in session.

C. (1) Legislation affecting interests of United States Customs employees and Government employees generally.

C. (3) Customs Service News is published monthly by National Customs Service Association. Through its medium membership is kept informed of pending legislation affecting Customs employees. Printed by Carroll Record Co., Taneytown, Md.

A. C. Jasper Bell, 904 Bryant Building, Kansas City, Mo.

B. Anderson T. Herd, West Palm Beach, Fla.; S. A. Markel, care of Markel Services, Richmond, Va.; Mrs. Rose Porter Carden and George A. Carden, Jr., administrators of the estate of George A. Carden, Sr., deceased, care of O. M. Ruebhausen, 20 Exchange Place, New York, N. Y.

C. (1) This session of Congress.

C. (2) Representing employers in connection with certain claims of George A. Carden and Anderson T. Herd against the United States and seeking passage of H. R. 4064 (81st Cong., 1st sess.).

C. (3) No publications issued.

D. (8) $1,250; (9) $1,250.

E. (10) $1,188.72; (11) $1,188.72.

A. C. Jasper Bell, 904 Bryant Building, Kansas City, Mo.; attorney at law.

B. Philippine-American Committee, 1025 Connecticut Avenue NW., Washington, D. C.

C. (1) For this session of Congress.

C. (2) A bill to amend further the Philippine Rehabilitation Act of April 1946, as amended; (a) H. R. 7600, introduced in the House of Representatives March 7, 1950, by Congressman MILLER of California; (b) S. 3220, introduced in the Senate on March 8, 1950, by Senator KEFAUVER, of Tennessee.

D. (6) $1,081.17; (7) $1,081.17; salary, $25,000 (8) $4,257.91; (9) $30,339.08; (13) no.

E. (7) $1,368.69; (9) $1,368.69; (10) $4,257.91; (11) $5,626.61; (12) $287.52; (14) $1,081.17; (15) $1,368.69.

A. Ernest H. Benson, national legislative representative, 10 Independence Avenue SW., Washington, D. C.; handle legislative mat-

[4] Filed for second quarter, 1950.

ters affecting Brotherhood of Maintenance of Way Employees.

B. Brotherhood of Maintenance of Way Employees, 61 Putnam Avenue, Detroit, Mich.

C. (1) Indefinitely.

C. (2) H. R. 378 and S. 238, requiring railroads to install and maintain communication systems to promote safety of employees and travelers; H. R. 7789 and S. 3295, to amend Railway Labor Act authorizing agreements for union shops, etc.; H. R. 5785, amending Interstate Commerce Act with respect to carriers by conveyor belts, etc.; all other legislation affecting railroad employees and labor in general.

D. (5) $3,000; (7) $3,000; (13) no.

A. Judd C. Benson, immediate past president, the National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.

B. None. The officers, trustees, and committee chairmen of this association serve without compensation.

C. (1) Legislative interests will continue indefinitely.

C. (2) Amendments to the Social Security Act, H. R. 6000; amendments to the Internal Revenue Code, H. R. 8920.

C. (3) (a) Life Association News; (b) 55,000; (c) monthly; (d) Hamilton Printing Co., Albany, N. Y.

D. (13) No.

E. (6) $137.78; (7) $105.78; (8) $15; (9) $258.56; (10) $1,521.02; (11) $1,779.58; (15) $258.56.

A. Herbert C. Berckes, secretary, Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.

B. Southern Pine Industry Committee, 520 National Bank of Commerce Building, New Orleans, La.; public relations and legislative work in behalf of industry.

C. (1) Legislative activity will continue as long as our industry considers participation by this industry-wide organization necessary in the interest of the industry, the South and the national economy. Future reports will therefore be furnished in accordance with provisions of the law.

C. (2) FLSA, wage-hour law; Walsh-Healey Act; S. 1820 (Anderson bill) and all forestry legislation; Social Security Act; Defense Production Act; labor legislation.

C. (3) (a) United States Government Requirements, taken from specifications of United States Corps of Engineers; (b) 3,000; (c) E. S. Upton Printing Co., New Orleans, La.

D. (5) $750; (7) $750; (8) $750; (9) $1,500.

E. (7) $1,002.88; (10) $875.83; (11) $1,878.71.

A. Wendell Berge, attorney at law, Posner, Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.

B. Associated Third Class Mail Users, Inc., 1002 Ring Building, Washington, D. C.

C. (1) Legislative interest to continue to October 19, 1951.

C. (2) H. R. 2945 and S. 1103.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000. See report of Associated Third Class Mail Users, Inc.

E. (6) $11.76; (7) $88.37; (8) $1.92; (9) $102.05; (10) $160.86; (11) $262.91; (15) all.

A. Kenneth W. Bergen, 84 State Street, Boston, Mass.

B. The Merchants National Bank, executor, 28 State Street, Boston, Mass.

C. See preliminary report.

D. (13) No.

E. (7) $268.78; (9) $268.78.

A. Preston B. Bergin, 1627 K Street NW., Washington, D. C.; trade association.

B. American Retail Federation, 1627 K Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Registrant is generally interested in all legislation and legislative proposals affecting the retail industry, including the industry's relations with the Federal Government, with its suppliers, with its employees and with its customers. Specifically at this time: Taxation—general revisions, excise tax relief—no specific bills; Hoover Commission recommendations—general principles; postal rates—H. R. 2945, S. 1103, postal-rate increases; social security—social-security amendments (H. R. 6000), health insurance (S. 5, S. 1679), temporary disability insurance (H. R. 2893), unemployment compensation (H. R. 8059); labor—Fair Labor Standards Act (29 U. S. C. 201–219), National Labor Relations Act (49 Stat. 449), Fair Employment Practices Act bills (S. 1728, H. R. 4453); trade practices, consumer protection, labeling—cotton-labeling bill (S. 124), fiber-labeling bill (S. 273), fur-labeling bill (H. R. 5187), flammable-fabrics bill (S. 403), Wool Labeling Act (15 U. S. C. 68 et seq.); economic controls—Defense Production Act of 1950 (H. R. 9176, Public Law 774).

D. (5) $625; (7) $625; (8) $1,250; (9) $1,875; (13) yes; salary from employer.

E. (7) $94.55; (9) $94.55; (10) $59.81; (11) $154.36; (15) $94.55.

A. John T. Bernard, 7015 South Woodlawn Street, Chicago, Ill.; trade-union legislative representative.

B. United Electrical, Radio & Machine Workers of America, District Council 11, 37 South Ashland Avenue, Chicago, Ill.; expenses partly paid by National Committee to Defeat the Mundt Bill, 902 Twentieth Street NW., Washington, D. C.

C. (1) Legislative interests terminate with current quarter.

C. (2) General legislative interests: bills affecting civil rights; (b) H. R. 7595 (Nixon bill) and H. R. 9490 (Wood bill).

D. (5) $200; (7) $200; (9) $200; (13) no.

E. (7) $200; (9) $200; (11) $200; (15) $75 by United Electrical Workers; $125 by Committee to Defeat Mundt Bill.

A. Joe Betts, American Farm Bureau Federation, 261 Constitution Avenue NW., Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (1) Indefinite.

C. (2) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Appropriations for the fiscal year 1951; section 22 of the Agricultural Adjustment Act; cotton, wheat, peanut, and rice quotas and allotments; wheat marketing certificate program; commercial corn-producing areas; marketing quotas for cigar-wrapper tobacco; potato marketing quotas; foreign economic assistance; point 4 program; Foreign Economic Commission; education exchange; trade policy with Communist countries; customs regulations; agricultural credit; Brucellosis; Government reorganization; rural roads; taxation; social security; postal rates; farm labor; rural housing; farm program; marketing facilities for perishables; production and subsistence loans; Farm Bureau-Extension Service relationship; Cooperative Forest Management Act; antitrust; Defense Production Act of 1950; International Trade Organization; antimerger (corporations); Assistant Secretaries for Agriculture.

C. (3) See report filed for American Farm Bureau Federation for this information.

D. (5) $1,650; (7) $1,650; (8) $2,475; (9) $4,125; (13) no.

E. (7) $295.35; (9) $295.35; (11) $295.35; (15) $295.35.

A. Bigham, Englar, Jones & Houston, 99 John Street, New York, N. Y.; a partnership, all of whose members are attorneys and counsellors at law; Paul H. Lacques, a member of this firm, has been registered continuously.

B. The firm represents companies engaged in the business of marine insurance and as members of the American Institute of Marine Underwriters, the Association of Marine Underwriters of the United States, American Cargo War Risk Reinsurance Exchange, American Marine Hull Insurance Syndicate.

C. (1) Indefinite. Within the scope of their services as general counsel the firm have over many years kept these organizations advised concerning legislative and administrative developments which might affect the conduct of their business of marine insurance.

C. (2) General questions affecting the insurance of ships and their cargoes against marine risks; reparations; subrogation. (a) Merchant Marine Act, 1936; (b) H. R. 6061 and S. 2484, dealing with marine war risks; H. R. 6053, a private bill for relief based on subrogation.

E. (6) $54.15; (7) $710.70; (9) $764.85; (10) $888.24; (11) $1,653.09; (15) $764.85.

A. Norman E. Biorn,[4] 520 Endicott Building, St. Paul, Minn. attorney.

B. Minnesota Associated Businessmen, Inc., 520 Endicott Building, St. Paul, Minn.; dissemination of information on matters of current interest to businessmen.

C. (1) Legislative interest will continue indefinitely.

C. (2) Federal and State income taxation and governmental expenditures.

D. (6) $176.87; (7) $176.87; (8) $376.89; (9) $553.76; (13) no.

E. (2) $150; (5) $11.50; (6) $1.69; (7) $2; (9) $165.19; (10) $386.23; (11) $551.42; (15) $165.19.

A. Norman E. Biorn, 520 Endicott Building, St. Paul, Minn.; attorney at law.

B. Minnesota Associated Businessmen, Inc., 520 Endicott Building, St. Paul, Minn.; dissemination of information on matters of current interest to businessmen.

C. (1) Legislative interests will continue indefinitely.

C. (2) Federal and State income taxation and governmental expenditures.

D. (6) $242.20· (7) $242.20; (8) $553.76; (9) $795.96; (13) no.

E. (2) $150; (6) $2.03; (7) $82.74; (8) $5.50; (9) $240.27; (10) $551.42; (11) $791.69; (15) $240.27.

A. James C. Black, 1625 K Street NW., Washington, D. C.; manager, Republic Steel Corp.

B. Republic Steel Corp., Republic Building, Cleveland, Ohio.

C. (1) Activities only on behalf of employer; I do not consider that I come under the act.

C. (2) Only insofar as legislation affects my employer.

D. (5) $600; (7) $600; (8) $1,200; (9) $1,800; (13) no.

E. (7) $500; (9) $500; (10) $1,000; (11) $1,500; (15) $500.

A. William Rhea Blake, 162 Madison Avenue, Memphis, Tenn.; executive vice president and secretary.

B. National Cotton Council of America, Postoffice box 18, Memphis, Tenn.; Nonprofit welfare organization to promote the consumption of American-grown cotton, cottonseed, and products thereof.

C. (1) Indefinitely.

C. (2) Any legislation affecting the raw cotton industry.

D. (5) $2,774.35; (7) $2,774.35; (8) $967.93; (9) $3,741.93.

E. (7) $947.42; (9) $947.42; (10) $342.53; (11) $1,290; (15) $947.42.

A. C. B. Blankenship, legislative director, CWA–CIO, 1808 Adams Mill Road NW., Washington, D. C.

B. Communications Workers of America, CIO, 1808 Adams Mill Road, NW., Washington, D. C.; union.

[4] Filed for second quarter, 1950.

C. (1) Indefinitely.

C. (2) Legislative matters affecting the interests of the membership of this union.

D. (5) $3,296.18; (7) $3,296.18; (8) $2,517.87; (9) $5,814.05.

E. (2) $1,624.98; (6) $15.73; (7) $962.67; (8) $692.80; (9) $3,296.18; (10) $2,517.87; (11) $5,814.05.

A. Bleakley, Platt, Gilchrist & Walker, 120 Broadway, New York, N. Y., law firm.

B. Mrs. Elisabeth von Elverfeldt, Hotel New Weston Madison Avenue and Fiftieth Street, New York, N. Y.

C. (1) Legislative interest terminated with the passage of S. 1292 which was signed by the President on September 30, 1950.

C. (2) The person filing has no other legislative interests.

C. (3) The person filing has never issued nor caused to be issued any publication in connection with legislative interest.

D. (8) $143.06; (9) $143.06; (13) no.

E. (6) 55 cents; (7) $35.78; (9) $36.33; (10) $238.78; (11) $325.11; (15) $36.33.

A. Charles J. Bloch, 520 First National Bank Building, Macon, Ga.

B. Attapulgus Clay Co., 210 West Washington Square, Philadelphia, Pa.; production of and marketing of fuller's earth.

C. (1) Through current session of the Congress.

C. (2) Proposed amendments to Internal Revenue Code (sec. 114 (b) (4) to include fuller's earth in those minerals entitled to percentage depletion, and possibly the amendment of H. R. 7622 so as to include fuller's earth therein.

C. (4) Attapulgus Clay Co.'s plant is at Attapulgus, Ga. Registrant, from time to time handles legal matters for it on a fee basis for each matter handled. The services here contemplated will be compensated for on a reasonable basis depending upon the amount of time devoted to the work, probably at the rate of $100 per day for time actually devoted. The nature and amount of the anticipated expenses will be solely traveling expenses to and from Washington, and subsistence, telephone and telegraph expense, taxicabs, etc., while in Washington. It is not anticipated that the period of employment will be more than 10 days from time to time during the current session of Congress.

D. (8) $359.83; (9) $359.83; (13) no.

E. (10) $109.83; (11) $109.83.

A. Isidore Blumberg,[4] room 822, 11 West Forty-second Street, New York, N. Y.

B. New York Committee To Defeat the Mundt Bill, room 822, 11 West Forty-second Street, New York, N. Y.

C. (1) During present session of Congress.

C. (2) To oppose the Mundt-Ferguson-Johnston and Nixon and/or similar bills.

C. (3) See detailed report of the committee (enclosed).

C. (4) Compensation is to be paid weekly, at a rate of $60 weekly, plus $15 weekly for expenses, depending upon the availability of funds received as contributions. Expenses anticipated would include travel expenses (food, lodging, fares) and communication expense (wires, etc.).

D. (5) 344.38; (7) $344.38; (9) $344.38; (13) no.

E. (7) $115; (9) $115; (15) $115.

A. Isidore Blumberg, suite B, 23 West Twenty-sixth Street, New York City; 1534 Selwyn Avenue, New York, N. Y.

B. New York Committee to Defeat Mundt Bill, suite B, 23 West Twenty-sixth Street, New York City.

C. (1) During present session of Congress.

C. (2) To oppose the Mundt-Nixon-Ferguson bill, S. 2311, H. R. 7595, and successor McCarran-Wood bill, S. 4037.

[4] Filed for second quarter, 1950.

C. (3) See committee report. Compensation unable to be paid.

D. (8) $344.38; (9) $344.38; (13) no.

E. (7) $85.20; (9) $85.20; (10) $115; (11) $200.20; (16) $50, August 9 and 29, Pennsylvania Railroad, Thirty-fourth Street and Eighth Avenue, New York City, railroad tickets.

A. D. A. Bodary, national legislative representative and general representative, 10 Independence Avenue SW., Washington, D. C.; handle legislative matters and handle and progress grievances and other activities of my organization.

B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.

C. (1) Indefinitely.

C. (2) H. R. 378 and S. 238 requiring railroads to install and maintain communication systems to promote safety of employees and travelers; H. R. 7789 and S. 3295, amending Railway Labor Act to authorize agreements for union shops, etc.; H. R. 5785, to amend ICC Act with respect to carriers by conveyor belts, etc. All other legislation affecting railroad employees and labor in general. NOTE.—Sixty percent of my time spent in legislative work and 40 percent in general work other than legislation for benefit of carmen belonging to our brotherhood. Salary as noted under receipts covers combined legislative work and general work for Brotherhood Railway Carmen of America.

D. (5) $1,983.33; (6) $1,170; (7) $3,153.33; (13) no.

A. Morton Bodfish, 221 North La Salle Street, Chicago, Ill.

B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.; Nation-wide trade association with membership of 3,700 savings and loan associations and cooperative banks.

C. (1) Continuous.

C. (2) Support all legislation favorable to thrift and home ownership and particularly helpful to savings and loan associations and cooperative banks in carrying out their thrift and home financing objectives and oppose legislation detrimental to home ownership and these institutions.

D. (5) $1,250; (7) $1,250; (9) $1,250; (13) no. It is estimated that 25 percent of total salary of $5,000 is for legislative work.

E. (10) $268.76; (11) $268.76.

A. Maywood Boggs, international representative (represent labor organization), 825 Bowen Building, Washington, D. C.

B. International Brotherhood of Boilermakers, Iron Ship Builders, and Helpers of America, A. F. of L. New Brotherhood Building, Kansas City, Kans.; a labor organization.

C. (1) Indefinitely. Legislative activities ordinarily are a minor part of my work. During the last quarter, however, there has been considerable activity in connection with matters listed under No. 2. I estimate the time devoted to legislative activities during the quarter ending June 30, 1950, to be not more than 50 percent of the total, and expenditures are reported accordingly by the organization.

C. (2) H. R. 6000, amendments to the Social Security Act; S. 3295 and H. R. 7789, amendments to the Railway Labor Act; S. 2786, amendments to the Merchant Marine Act, and other maritime legislation affecting shipbuilding and ship repair, and appropriations therefor. All other legislation affecting labor generally.

D. (5) $1,350; (6) $951.50; (7) $2,301.50; (8) $1,125; (9) $3,426.50.

A. John N. Bohannon, 75 Macon Avenue, Asheville, N. C.; 1028 Connecticut Avenue NW., Washington, D. C.

B. Consolidated Natural Gas Co., 30 Rockefeller Plaza, New York, N. Y.

C. (1) See second quarterly report heretofore filed.

C. (2) See list second quarterly report heretofore filed to include H. R. 9246, H. R. 9176, H. R. 8920, also amendments, and S. 3936.

D. (5) $4,500; (7) $4,500; (8) $9,000; (9) $13,500; (13) no.

E. (5) $350; (6) $121.30; (7) $1,486.37; (8) $96.70; (9) $2,054.37; (10) $3,680.24; (11) $5,734.61.

A. Daniel L. Boland, 1500 Rhode Island Avenue NW., Washington, D. C.; associate general counsel for trade association.

B. National Paint, Varnish, and Lacquer Association, Inc., 1500 Rhode Island Avenue NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) We are interested in legislation that more or less specifically affects our industry. During the calendar quarter just ended we took no action whatever to which the provisions of the Federal Regulation of Lobbying Act apply.

C. (3) We have issued no publication for the purpose of influencing the passage or defeat of any legislation proposed in either House of Congress.

E. (10) $3.71; (11) $3.71.

A. Sanford H. Bolz, 927 Fifteenth Street NW., Washington, D. C.; attorney.

B. American Jewish Congress, Inc., 1834 Broadway, New York, N. Y.; charitable and educational corporation.

C. (1) Indefinite.

C. (2) General: To oppose anti-Semitism and racism in all its forms, e. g., most of the President's civil-rights program. To keep separate church and State; to liberalize immigration laws; to defend civil liberties incident thereto; to investigate denazification policy in Germany. Specific: (a) and (b) FEPC, S. 1728, H. R. 4453; comprehensive civil-rights bill, S. 1725, H. R. 4682, anti-lynching bill, S. 91, H. R. 4683; Genocide Convention ratification; group libel bill; H. R. 2269; Federal Aid to Education, H. R. 7160; displaced persons bill, H. R. 4567; Hobbs bill, H. R. 10; Denazification and Democratization of Germany, Senate Resolution 125 and Senate Resolution 260; Repeal of section 404 (c) Nationality Act of 1940, H. R. 8268; relief of certain Shanghai displaced persons, Senate Joint Resolution 184.

D. (5) $125; (7) $125; (8) $250; (9) $375, based on annual retainer for all legal services rendered, of which not over $500 per year is allocable to legislative activity.

E. (6) 51 cents; (7) $10.25; (9) $10.76; (10) $56.93; (11) $67.69; (15) $10.76.

A. Sanford H. Bolz, 927 Fifteenth Street NW., Washington, D. C.; attorney.

B. Fraser, Morris & Co., Inc., 119 West Fifty-seventh Street, New York, N. Y.; exporters of food and gift parcels, and British-American Trading Corp., 437 Eleventh Avenue, New York, N. Y.

C. (1) No activity this quarter. Probably will not continue beyond end of 1950.

C. (2) General: Legislation affecting export controls and governmental subsidies in connection with shipment of relief and gift parcels abroad. Specific: None at present.

C. (3) None in connection with these legislative interests.

A. Robert Francis Bonamart, Sr., 429 Continental Building, Washington, D. C.; administrative clerk.

B. Fleet Reserve Association, 429 Continental Building, Washington, D. C.; veterans' organization.

C. (1) As long as Congress remains in session.

C. (2) Legislation introduced which affects the active service personnel, Fleet Reserve and Retired. Also legislation affecting the veteran.

D. (13) No.

A. Joseph Borkin, 1017 Ring Building, Washington, D. C.; attorney.

B. A number of incandescent lamp manufacturers: Wabash Appliance Corp., Brooklyn,

N. Y.; Jewel Products, Inc., Bloomfield, N. J.; Duro Test Corp., North Bergen, N. J., Republic Co., Hoboken, N. J.; Solar Electric Co., Warren, Pa.; Pennsylvania Illuminating Co., Scranton, Pa.; Elram Lamp Works, Hoboken, N. J.; Carlton Lamp Corp., Newark, N. J.; Dura Electric Lamp Co., Newark, N. J.; Save Electric Co., Toledo, Ohio.

C. (1) Legislative interests terminated.

A. James L. Bossemeyer, executive vice president, National Association of Travel Officials, 1424 K Street NW., Washington, D. C. This is a full-time, salaried position. The duties are to conduct a program to accomplish the objective outlined in paragraph B.

B. National Association of Travel Officials, 1424 K Street NW., Washington, D. C. This is a nonprofit organization, dedicated to the promotion, improvement, and expansion of the travel business through the cooperative efforts of its members, comprising individuals, firms, and associations engaged in the sale, promotion, and conduct of recreational travel.

C. (1) A continued interest will be maintained in legislation affecting the welfare of the travel industry.

C. (2) See attached set of resolutions, particularly resolutions Nos. 1, 2, 3, and 7, as passed at the last annual convention of the association, held in Denver, Colo., in October 1949 (filed with preliminary report).

C. (3) No printed publications dealing with legislation have been issued. Occasional mimeographed bulletins have been sent to the membership (there are at this time 375 members).

C. (4) (a) Compensation paid by the month; (b) $833 per month, which covers all activities of the association, of which legislation is only a part; (c) the period of employment is continuous; (d) no expenses are anticipated other than the portion of Mr. Bossemeyer's time devoted to legislation and the cost of special bulletins issued to members on this subject.

D. (1) $3,450; (7) $3,450; (8) $2,350; (9) $5,800; (13) no.

E. There was no legislation activity in June. After the outbreak of hostilities in Korea all activity was suspended until the membership meets in annual convention, at which time it will be determined what activity, if any, will take place thereafter.

A. Clarence J. Bourg, 510 Union Trust Building, Washington, D. C.; keeping members informed with regard to legislation and action taken in the Department of Agriculture and other agencies.

B. American Sugar Cane League, New Orleans, La.; Farmers and Manufacturers Beet Sugar Association, Sagninaw, Mich.

C. (1) Permanently.

C. (2) H. R. 12 (appropriation to suppress sugarcane moth borer); H. R. 6000 (social-security amendments); H. R. 9176 (defense production); Senate Resolution 36 (investigation and study of production of agricultural crops).

C. (3) Sugar Bulletin, bimonthly (American Sugar Cane League); Sugar Beet Journal, monthly (Farmers and Manufacturers Beet Sugar Association); both publications sent to entire membership.

E. (8) $177.50. This sum expended in connection with legislation and other contacts with the Government, not exceeding one-fourth expended in connection with legislation, such as taxicab fares and an occasional lunch when Congress is in session.

A. Benjamin Edward Bowden, room 313, Labor Building, 10 Independence Avenue SW., Washington, D. C.; legislative representative (temporary), American Train Dispatchers Association.

B. American Train Dispatchers Association, 10 East Huron Street, Chicago, Ill.; a labor organization, railroad industry.

C. (1) My services terminated upon recess of Congress September 23, 1950, unless my employers assign me to further legislative work, when Congress resumes November 27, 1950. If so, will report in fourth quarter.

C. (2) All legislation affecting railroad labor, particularly H. R. 7789 and S. 3295, known as union security legislation.

C. (3) No publication issued or caused to be issued as a result of my activity.

C. (4) Preliminary report filed on April 6, 1950.

D. (5) $1,200; (7) $1,200.

E. (7) $678; (9) $678.

A. R. B. Bowden, 608 Hibbs Building, Washington, D. C.; executive vice president, Grain and Feed Dealers National Association.

B. Grain and Feed Dealers National Association, 100 Merchants' Exchange Building, St. Louis, Mo.; trade association, organized 1896, for the grain and feed trade members.

C. (1) Indefinitely.

C. (2) Legislation of interest to employers and employees in the grain and feed trade. During third quarter, 1950, opposed proposals to include in Defense Production Act of 1950 powers to have Federal control over margin requirements on commodity exchanges.

C. (3) General newsletters only; occasional comment. (Newsletter issued weekly.)

D. (5) $3,750; (13) no.

E. (7) $424.54; (15) $424.54.

A. H. B. Boyd, 1001 Tower Building, Washington, D. C.; secretary and treasurer, United States Beet Sugar Association.

B. United States Beet Sugar Association, 1001 Tower Building, Washington, D. C.; beet sugar trade association.

C. (1) Indefinite.

C. (2) Interested in any legislation affecting sugar, particularly the Sugar Act of 1948, and related legislation.

A. James M. Brewbaker.

B. National Association of Manufacturers, 623 Investment Building, Washington, D. C.

A. Ira P. Bradford,[4] 1108 Sixteenth Street NW., Washington, D. C.; information service.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.; petroleum business.

C. (1) My interest is solely in seeking information regarding all matters pertaining to the oil industry and reporting to my employer. NOTE.—The undersigned has neither received nor expended any money during the calendar quarter April 1, through June 30, 1950, for purposes defined in section 307 (a) (b) of Public Law 610. My activities have consisted wholly of the maintenance of an information service for my company.

A. Ira P. Bradford, 1108 Sixteenth Street NW., Washington, D. C.; information service.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.; petroleum business.

C. (1) My interest is solely in seeking information regarding all matters pertaining to the oil industry and reporting to my employer. NOTE.—The undersigned has neither received nor expended any money during the calendar quarter July 1 through September 30, 1950, for purposes defined in section 307 (a) (b) of Public Law 610. My activities have consisted wholly of the maintenance of an information service for my company.

A. Joseph E. Brady, 2347 Vine Street, Cincinnati, Ohio.

B. International Union of United Brewery, Flour, Cereal, Soft Drink, and Distillery Workers of America, 2347 Vine Street, Cincinnati, Ohio.

C. (1) As long as registrant holds present office and legislation affecting interest of employing organization is pending.

C. (2) All legislation involving or in the direction of national prohibition, taxation of alcoholic beverages, etc.

D. (8) $524.64; (9) $524.64; (13) no.

E. (10) $524.64; (11) $524.64.

[4] Filed for second quarter, 1950.

A. Harry R. Brashear, 610 Shoreham Building, Washington, D. C.; director, traffic service, Aircraft Industries Association.

B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.; national trade association of the aircraft manufacturing industry.

C. (1) Indefinite.

C. (2) Any legislation affecting transportation matters in which members of the association are interested; (b) S. 2113, S. 4067, H. R. 9503, H. R. 9480.

C. (3) None except bulletins descriptive of above bills sent to members.

D. Nothing received except salary and expenses, no part of either having been paid in connection with legislative interests.

A. John H. Bream, secretary and general counsel, Pennsylvania Associated Businessmen, Inc., 701 Blackstone Building, Harrisburg, Pa.; seeking tax equality for independent businessmen.

B. Pennsylvania Associated Businessmen, Inc., 701 Blackstone Building, Harrisburg, Pa.; seeking tax equality for independent businessmen.

C. (1) Indefinite.

C. (2) Seeking general tax equality; interested in H. R. 5064 and H. R. 3905.

D. (1) $595; (7) $595; (9) $595; (13) no.

E. (1) $362.08; (3) $1,476; (4) $77.64; (5) $191.55; (9) $2,107.27; (10) $3,787.07; (11) $5,894.34.

A. Arthur H. Breed, Jr., and James D. Hahn Associates, 1111 Jackson Street, Oakland, Calif.

B. Pacific American Steamship Association, 16 California Street, San Francisco, Calif.

C. (1) Legislative interests terminated with the successful passage of Panama Canal tolls legislation.

C. (2) Panama Canal tolls legislation, H. R. 8377, signed by President.

D. (5) $5,430.74; (7) $5,430.74; (8) $10,587.86; (9) $16,018.60; (13) no.

E. (5) $2; (6) $89.19; (7) $2,739.55; (9) $2,830.74; (10) $5,387.86; (11) $8,218.60; (15) $2,830.74.

A. O. O. Bright, 1302 Eighteenth Street NW., Washington, D. C.; lumber.

B. Southern Pine Industry Committee, New Orleans, La.

C. (1) Legislation affecting the lumber manufacturing industry.

D. (5) $1,200; (7) $1,200; (8) $2,400; (9) $3,600.

E. (7) $61.54; (9) $61.54; (10) $88.08; (11) $149.62; (15) $1,251.54.

A. Melvin H. Brightman, 1112 Barr Building, Washington, D. C.; executive secretary.

B. Dairy Industry Committee, 1112 Barr Building, Washington, D. C.; information and promotional organization.

C. (1) Indefinitely.

C. (2) Any legislation affecting the dairy industry.

C. (3) A weekly newsletter to members mentioning legislative items when occasion arises.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000.

A. H. E. Brinckerhoff, 220 East Forty-second Street, New York, N. Y.; executive secretary of American Pulpwood Association.

B. American Pulpwood Association, 220 East Forty-second Street, New York, N. Y.; unincorporated nonprofit trade association.

C. (1) Legislative interests will continue during employment.

C. (2) Legislative interests are those of employer, namely, those affecting the pulpwood industry in its properties, operations, or practices.

D. (5) $392; (6) $311.53; (7) $703.53; (8) $1,011.26; (9) $1,714.79; (13) no.

E. (6) $37.30; (7) $274.23; (9) $311.53; (10) $513.26; (11) $824.79; (15) $311.53.

A. Eugene W. Brockenbrough, 1025 Vermont Avenue NW., Washington, D. C.; president, Institute of Shortening and Edible Oils, Inc.

B. Institute of Shortening and Edible Oils, Inc.; 1025 Vermont Avenue NW., Washington, D. C.; institute is trade association in edible fats and oils industry.

C. (1) Indefinitely (see form B, filed May 2, 1949).

C. (2) In general, legislation which concerns or affects fats and oils (see form C's filed quarterly since May 2, 1949). No specific legislative interests and such information not required under the existing statute (see sec. 308 (a)).

C. (3) No publication, papers, periodicals, or magazines issued.

D. (13) No. Registrant receives an annual salary as reported on form B, filed May 2, 1949. The amount of this annual salary was increased $1,500 on July 11, 1950. Registrant engaged in no legislative activities during the period covered by this report, and therefore no part of the salary paid to him can be attributed to legislative activities.

A. Milton E. Brooding, 101 California Street, San Francisco, Calif.; food processing.

B. California Packing Corp., 101 California Street, San Francisco, Calif.; food processing.

C. (1) Indefinitely.

C. (2) General legislation affecting food processing and related activities, including specifically: Antitrust penalties under Sherman and Clayton Acts (H. R. 6679; H. R. 7827, drawback; H. R. 4612); food and drug exports, H. R. 562; food and drug codification, H. R. 9158; food and drug, multiple seizures, H. R. 9466; legislation implementing United States-Mexican and United States-Costa Rican Tuna Treaties, H. R. 6204 and S. 2633; marketing agreements and orders, S. 1464; Defense Production Act of 1950 (H. R. 9176, S. 3936), Public Law 774.

D. (5) $1,000; (7) $1,000; (8) $3,000; (9) $4,000; (13) no; an annual salary is received by registrant from the employer, California Packing Corp., for all duties performed by him, of which, not to exceed about $4,000 per annum, is devoted to activities covered by the Lobbying Act. The allocable portion of this amount, applying to the third quarter, 1950, is estimated to be about $1,000.

E. (6) $50; (7) $550; (9) $600; (10) $925; (11) $1,525; (15) $550.

A. A. E. Brooks,[4] 2202 Fort Worth National Bank Building, Fort Worth, Tex; attorney at law.

B. American Chamber of Commerce of Mexico, Cook Building, San Juan de Letran 24, Mexico, D. F.

C. (1) Two years.

C. (2) Internal Revenue Code, section 116 (a) (to exempt from United States income taxes income derived from sources abroad by nonresident United States citizens actively engaged in a trade or business abroad).

D. (8) $1,426.31; (9) $1,426.31; (13) yes; (14) $1,426.31, American Chamber of Commerce of Mexico, San Juan de Letran 24, Mexico, D. F.

E. (7) $104.64; (9) $104.64; (10) $176.31; (11) $280.95; (15) $104.64.

A. A. E. Brooks, 2202 Fort Worth National Bank Building, Fort Worth, Tex.; attorney at law.

B. American Chamber of Commerce of Mexico, Cook Building, San Juan de Letran 24, Mexico, D. F.

C. (1) 2 years.

C. (2) Internal Revenue Code, section 116 (a) (to exempt from United States income taxes income derived from sources abroad by nonresident United States citizens actively engaged in a trade or business abroad).

D. (5) $104.64; (7) $104.64; (8) $1,426.31; (9) $1,530.95; (13) yes; (14) $1,530.95, American Chamber of Commerce of Mexico, Cook Building, San Juan de Letran 24, Mexico, D. F.

E. (10) $280.95; (11) $280.95.

A. William F. Brooks, 604 Hibbs Building, Washington, D. C.; executive secretary.

B. National Grain Trade Council, 604 Hibbs Building, Washington, D. C.; trade association.

C. (1) Uncertain. The nature of my employment requires me to be interested in legislation affecting agriculture in general and the grain trade in particular.

C. (2) During the period covered by this report I have been interested in pending legislation to amend the basic tax law and with reference to the Defense Production Act of 1950. Specifically these bills are numbered as follows: H. R. 8920; H. R. 9176 and S. 3936.

C. (3) The only publication I have issued or caused to be issued in connection with the afore-mentioned legislative interests, were statements filed with or presented to the Senate and House Committees on Banking and Currency and Members of the House and Senate: all with reference to the Defense Production Act.

D. (5) $5,628.15, salary before tax deductions and reimbursement of actual expenses incurred.

E. My only expenditures in connection with legislative interests have been incurred for local transportation and do not exceed in total $15. All have been for cab fares, no one of which was in excess of $1.

A. Brotherhood of Locomotive Engineers, 1118 B. of L. E. Building, Cleveland, Ohio; a labor organization.

C. (1) Continuously.

C. (2) We support or oppose legislation directly and indirectly affecting the interest of labor.

C. (3) Our official publication is the Locomotive Engineers Journal. It is issued monthly and occasionally discusses legislation.

D. The membership of the Brotherhood of Locomotive Engineers pay dues, on a monthly basis, in an amount determined by their employment status at the first day of each month, as for example: $2 if actually employed as a locomotive engineer; $1.35 if demoted; 70 cents if firing and not having been promoted; nothing if not earning at least $120 per month. The average amount of dues and assessments received varies, but will probably average $100,000 per month.

E. For purpose of reporting pursuant to Federal Regulation of Lobbying Act: J. T. Corbett, salary, $3,295.56; expenses, $1,005.13; Madge I. Harmer, salary as stenographer, $780; office rent, $250.02; total, $5,330.71.

A. C. R. Brown, room 311, Labor Building, 10 Independence Avenue SW., Washington, D. C.; railroad brotherhood (labor union).

B. Brotherhood of Maintenance of Way Employes, 61 Putnam Avenue, Detroit, Mich.; railroad brotherhood (labor union).

C. (1) Indefinitely.

C. (2) S. 3295 and H. R. 7789 to amend Railway Labor Act; S. 328 and H. R. 378 to amend section 25 of the Interstate Commerce Act; generally interested in all legislation affecting labor, especially railroad labor.

D. (5) $1,840; (6) $913.99; (7) $2,753.99; (8) $2,009.89; (9) $4,763.88; (13) no.

A. Edgar G. Brown,[5] director, National Negro Council, 1717 Euclid Street NW., Washington, D. C.

B. National Negro Council, 1717 Euclid Street NW., Washington, D. C.; legislative representative.

C. (1) Indefinite continuance.

C. (2) Rent control; enactment of civil-rights program.

C. (3) (a) Petitions in support of civil rights; (b) 20,000 (approximately); (c) 1942 to 1950; (d) National Republic Printing Co., 511 Eleventh Street NW., Washington, D. C.

D. (1) $206; (7) $206; (9) $206; (13) no.

E. (1) $410; (4) $70; (6) $82; (7) $115; (9) $677; (11) $677.

A. Edgar G. Brown,[4] director, National Negro Council, 1717 Euclid Street NW., Washington, D. C.

B. National Negro Council, 1717 Euclid Street NW., Washington, D. C.; legislative representative.

C. (1) Indefinite continuance.

C. (2) Rent control and enactment of civil-rights program.

C. (3) (a) Petitions and membership blanks; (b) 25,000 (approximately); (c) 1942 to date; (d) National Republic Printing Co., 511 Eleventh Street NW., Washington, D. C.

D. (1) $435; (7) $435; (8) $206; (9) $641; (13) no.

E. (1) $375; (4) $44.81; (6) $75; (7) $165; (9) $659.81; (10) $677; (11) $1,336.81.

A. Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C.; attorneys-at-law. Wendell Lund, a partner in this firm, performs no service under this arrangement, and does not participate in the fee.

B. National Association of Electric Companies, Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely. Only a portion of the activities of this registrant might properly be considered within the purview of the Lobbying Act.

C. (2) Any legislation that might affect the members of the NAEC. H. R. 7786 (1951 appropriations bill); H. R. 8472 (rivers and harbors bill); Internal Revenue Code (53 Stat. 1); TVA Act (48 Stat. 58); Federal Power Act (40 Stat. 803); REA Act of 1936 (49 Stat. 1363); Reclamation Acts (25 Stat. through 45 Stat.); Flood Control Act of 1944 (58 Stat. 887); Administrative Procedure Act (60 Stat. 237).

D. (5) $7,500; (6) $230.62; (7) $7,730.62; (8) $15,098.37; (9) $22,828.99; (13) no.

E. (2) $7,658.34; (5) $375; (6) $14.13; (8) $43.20; (9) $8,090.67; (10) $13,832.11; (11) $21,922.78; (15) $8,090.67.

A. Paul W. Brown, 925 South Homan Avenue, Chicago, Ill.

B. Sears, Roebuck & Co., 925 South Homan Avenue, Chicago, Ill.

C. (1) Postal-rate legislation.

C. (3) (a) (b) Circular notice inserted in customers' packages; 1,500,000 copies.

C. (3) (c) (d) May 1950; I. S. Berlin, Chicago, Ill.

E. (4) $3,205.20; (7) $101.34; (9) $3,306.54; (10) $512.23; (11) $3,818.77; (15) $3,306.54.

A. Russell B. Brown, 1110 Ring Building, Washington, D. C.; general counsel, Independent Petroleum Association of America.

B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.; trade association.

C. (1) Legislative interests are continuing. I am not employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation that might affect the petroleum industry and taking such action with respect to such legislation as directed by the association. My normal duties include periodic reporting to members of the association on pending legislation.

E. (8) $65; (15) $65.

A. Victor L. Brown,[7] president, Motors Acceptance Co., First Wisconsin National Bank Building, Milwaukee, Wis.; as chairman of a committee representing companies similarly interested.

C. (1) Eightieth Congress, second session.

C. (2) Amend section 502, Internal Revenue Code, regarding personal holding company income.

[4] Filed for second quarter, 1950.

[5] Filed for first quarter, 1950.

[7] Filed for the year of 1948

D. (13) Yes; (14) $200, Academy Factors Corp., New York, N. Y.; $150, E. S. Brin Co., New York, N. Y.; $1,000, Commercial Discount Corp., Chicago, Ill.; $100, Dealers & Industrial Corp., Chicago, Ill.; $1,000, First Factoring Corp., Chicago, Ill.; $250, Franklin Discount Co., Boston, Mass.; $250, General Securities Corp., Worcester, Mass.; $400, Inland Industrial Corp., Chicago, Ill.; $250, Iroquois Finance Co., Chicago, Ill.; $100, Linde Factors, New York, N. Y.; $500, Mercantile Discount Corp., Chicago, Ill.; $3,000, National Acceptance Co., Chicago, Ill.; $200, Sterling Factors Co., New York, N. Y.; $200, Whitehall Mercantile Corp., New York, N. Y.; $7,600 total.

A. Victor L. Brown,[3] president, Motors Acceptance Co., First Wisconsin National Bank Building, Milwaukee, Wis.; as chairman of a committee representing companies similarly interested.

C. (1) Eighty-first Congress, first session.

C. (2) Amend section 502, Internal Revenue Code, regarding personal holding company income.

D. (13) Yes; (14) $250, Iroquois Finance Co., Chicago, Ill.; $500, Mastan Corp., New York, N. Y.; $500, Mercantile Discount Corp., Chicago, Ill.; $500, Merchants Acceptance Co., Chicago, Ill.; total, $1,750.

A. Victor L. Brown, president, Motors Acceptance Co., First Wisconsin National Bank Building, Milwaukee, Wis.; as chairman of a committee representing companies similarly interested.

C. (1) Terminated with enactment of Public Law 680, Eighty-first Congress, second session.

C. (2) Amend section 501 (b) (6), Internal Revenue Code, regarding personal holding company income.

D. (6) $1,600; (13) yes; (14) $250, Atlantic Corp., Boston Mass.; $500, General Commercial Acceptance Co., New York, N. Y.; $250, General Securities Corp., Worcester, Mass.; $100, Globe Plan, Inc., Boston, Mass.; $250, Community Finance Corp., Boston, Mass.; $250, Civic Finance Corp., Milwaukee, Wis.; $1,600 total.

E. (2) $21,250; (8) $64.91; (11) $21,314.91.

A. Edward J. Brunenkant, Jr., 1424 K Street NW., Washington, D. C.; trade association executive.

B. National Agricultural Limestone Association, 1424 K Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

C. (3) The only publications utilized are letters to members which are issued as the occasion arises.

E. (7) $11.60; (9) $11.60; (11) $11.60; (15) $11.60.

A. James E. Bryan, as agent for the Medical Society of New Jersey, 315 West State Street, Trenton, N. J.; agent is executive officer of said society.

B. The Medical Society of New Jersey, 315 West State Street, Trenton, New Jersey, a nonprofit membership organization of physicians.

C. (1) Legislative interests will continue so long as national legislation affecting the practice of medicine and the public health is pending in the Congress.

C. (2) Our legislative interest extends to all measures listed by the American Medical Association as being of interest and concern to the medical profession.

C. (3) No publication within the quarter covered by this report.

D. (13) No.

A. William A. Bryans III,[4] 1044 Gas and Electric Building, Denver, Colo.; lawyer.

[4] Filed for second quarter, 1950.
[3] Filed for the year 1949.

B. Public Service Co. of Colorado, 900 Fifteenth Street, Denver Colo.; public utility (gas and electric).

C. (1) Legislative interests to continue indefinitely.

C. (2) Registrant is of counsel for Public Service Co. of Colorado and in that connection, as a part of such employment, is opposing proposed legislation for appropriations for the Bureau of Reclamation for the construction of certain electric power transmission lines in the State of Colorado. Registrant was in Washington from April 13 to April 23, 1950, in connection with the above matters, and the expenses for this trip were paid by Public Service Co. of Colorado. (See item 16 under E.)

D. (13) No.

E. (7) $723; (9) $723; (11) $723; (15) $723.

A. William A. Bryans III, 1044 Gas and Electric Building, Denver, Colo.; lawyer.

B. Public Service Co. of Colorado, 900 Fifteenth Street, Denver, Colo.; Public Utility (gas and electric).

C. (1) Legislative interests to continue indefinitely.

C. (2) Registrant is of counsel for Public Service Co. of Colorado and in that connection, as a part of such employment, is opposing proposed legislation for appropriations for the Bureau of Reclamation for the construction of certain electric power transmission lines in the State of Colorado.

D. (13) No.

E. (10) $723; (11) $723.

A. Jack Bryson, 1600 I Street NW., Washington, D. C.; motion picture industry.

B. Motion Picture Association of America, Inc., 1600 I Street NW., Washington, D. C.; motion picture industry trade association.

C. (1) Indefinite.

C. (2) Any legislation affecting the motion picture industry when introduced in the Congress. NOTE.—In connection with my duties as director of the division of legislation and government of the Motion Picture Association, I have charge of furnishing information as to legislative happenings involving not only the Congress but also the 48 State legislatures. My compensation as always reported is the full amount for services rendered in performing both of the above functions. It is impractical to allocate in dollars the amount paid me for services and expenses in connection with the Federal Regulation of Lobbying Act. Approximately 30 percent of my time is spent on activities covered by this act.

D. (5) $6,280.79; (7) $6,280.79; (8) $12,561.58; (9) $18,842.36; (13) no.

E. (7) $1,125.89; (8) $518.33; (9) $1,644.22; (10) $1,200; (11) $2,844.22; (15) $1,644.22.

A. Mrs. J. L. Blair Buck, president, General Federation of Women's Clubs, 1734 N Street NW., Washington, D. C. The General Federation of Women's Clubs is a national and international organization, with an affiliated membership of some 11,000,000. One-half of the members are in the United States, the Territories and possessions, and in 14 affiliated national organizations. The General Federation does not represent or dictate the policies of these national organizations. The object of the General Federation is "to unite the women's clubs and like organizations throughout the world for the purpose of mutual benefit, and for the promotion of their common interest in education, philanthropy, public welfare, moral values, civics, and fine arts." The General Federation is nonpartisan and nonpolitical. The major interests of the clubs are along educational and welfare lines—to provide adequate educational opportunities for children and adults; to promote better care for the mentally and physically ill; to conserve natural resources; to further interest in music, literature, and art; and to foster better international relations. The General Federation of Women's Clubs employs no professional lobbyist. What active interest the organization takes in legislation at any time is only incidental to the general policies. Authority for supporting or opposing legislation is provided through the adoption of a resolution in national convention. During the first quarter of 1950 the General Federation submitted statements in support of ERA, forest conservation, the International Trade Organization appropriations and Alaska statehood. No formal statements have been submitted during the second quarter. The department of legislation is one of the eight departments of the General Federation. This department, together with divisions and committee, the Council of International Clubs and the Junior Clubs, receives supervision, counsel, and aid from the president. Much of the president's time is necessarily spent visiting State organizations. In the interest of international good will the General Federation sends representatives to visit groups in other countries. The General Federation president and the chairman of legislation are volunteer workers. For all the activities of the General Federation the operating income—received mainly from dues—was approximately $162,000 for the fiscal year ending March 1950. The General Federation received no contributions to be used for lobbying. It is impossible to evaluate how much of the income is used for the comparatively small amount expended in submitting statement to Congress, for telegrams, postage, and miscellaneous.

B. Not employed for pay. The president of the General Federation of Women's Clubs supports or opposes legislation, and asks the organization membership to do likewise, when authority for such action has been provided through the adoption of a resolution is national convention.

C. (1) Term of office as president of the General Federation expired the latter part of May 1950.

D. (7) $865. NOTE.—The president of the General Federation receives no salary or fees. A nominal amount is allowed for travel and miscellaneous expense in connection with the over-all activities of the organization.

A. Henry H. Buckman, 405 Dorset Avenue, Chevy Chase, Md.; consulting engineer.

B. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.

C. (1) For an indefinite term.

C. (2) Generally interested in all legislation relating to river and harbor works, flood control, and other water use and conservation. Specifically interested in H. R. 1786, general appropriations bill, 1951.

D. (5) $1,350; (6) $96.85; (7) $1,446.85; (8) $2,874.03; (9) $4,320.88.

E. (8) $96.85; (9) $96.85; (10) $174.93; (11) $270.88; (15) $96.85.

A. Heny H. Buckman, 405 Dorset Avenue, Chevy Chase, Md., consulting engineer.

B. The Culcan Detinning Co., Sewaren, N. J.

C. (1) For an indefinite term.

C. (2) Potentially interested in general in all legislation affecting tin, tin smelting, detinning, steel scrap, and related subjects. Specific legislative interest includes: House Joint Resolution 324, "to encourage * * * exploration * * * of tin ore resources of the United States," etc.; H. R. 3524, "to strengthen national security * * * by providing for * * * domestic tin smelting industry" (also companion bill, S. 1432); H. R. 8569 and H. R. 3666, companion bills, to extend for 5 years the authority for the Texas City tin-smelter operation.

D. (5) $1,000; (6) $64.76; (7) $1,064.76; (8) $2,134.38; (9) $3,199.14.

E. (6) $75.16; (9) $75.16; (10) $125.29; (11) $200.45; (15) $75.16.

A. George Bugbee, 18 East Division Street, Chicago, Ill.; executive director.

B. American Hospital Association, 18 East Division Street, Chicago, Ill.; an association whose membership includes most of the hospitals of the Nation and the Blue Cross plans.

C. (1) Identical with information reported by the American Hospital Association for the same quarter.

D. (5) $1,343.75; (7) $1,343.75; (8) $2,687.50; (9) $4,031.25; (13) no.

E. (7) $98.31; (9) $98.31; (10) $593.99; (11) $692.30.

A. Building Products Institute, 1032 Shoreham Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Proposals which may affect the producers of building materials. The Building Products Institute is an organization devoted to economic research and analysis of trends in construction, disseminating its findings to those interested in the construction industry and to the public. However, in view of certain provisions of the regulation of Lobbying Act of 1946 concerning what constitutes "principal purpose" and the phrase "To influence directly or indirectly the passage or defeat of any legislation, etc." we are filing this form giving a full disclosure of the information required under the act.

D. (13) No.

E. (8) $4.10; (9) $4.10; (10) $104.61; (11) $108.71.

A. William J. Bulow, Jr., 745 Shoreham Building, Washington, D. C.; lawyer.

B. American Nurses Association, 1790 Broadway, New York, N. Y.

C. (1) Indefinite.

C. (2) Legislation relating to nurses, nursing or health, in which the American Nurses Association is interested.

D. (13) No.

E. (6) $9.25; (9) $9.25; (10) $19.90; (11) $29.15; (15) $9.25.

A. William J. Bulow, Jr., 745 Shoreham Building, Washington, D. C., lawyer.

B. National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Postal-rate legislation H. R. 2945, S. 1103.

D. (13) No.

E. (6) $88.95; (9) 88.95; (10) $139.30; (11) $228.25; (15) $88.95.

A. George J. Burger, retained by Burger Tire Consultant Service and vice president in charge, Washington office, National Federation of Independent Business, 250 West Fifty-seventh Street, New York, N. Y., or 714 Bond Building, Washington, D. C.

B. Burger Tire Consultant Service, 250 West Fifty-seventh Street, New York, N. Y. (consultant service for benefit of independents in rubber tire industry); National Federation of Independent Business, 714 Bond Building, Washington, D. C. (national trade association representing interests of independent business).

C. (1) Interested in rubber tires bill, basing-point bill (S. 1008); anti-trust-law legislation; all legislation affecting independent small business; antimerger bill.

D. (5) $2,659.98.

A. Harold Burke, 115 Pearl Street, New York, N. Y.; United States Cane Sugar Refiners Association.

B. United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y.

C. (1) Indefinitely.

C. (2) None at present.

D. (5) $9,000; (7) $9,000.

A. Burley and Dark Leaf Tobacco Export Association, post office box 860, Lexington, Ky.; promotion of tobacco exports (lobbyist, H. W. Taylor, 1507 N Street NW., Washington, D. C.).

B. Burley and Dark Leaf Export Association employs Mr. Taylor.

C. No legislation and no publications.

D. (8) $7,909.22; (9) $7,909.22.

E. (2) $3,102.96; (5) $1,589.63; (9) $4,692.59.

A. George B. Burnham, 111 First Street NE., Washington, D. C.; chemicals.

B. Numerous stockholders of the Burnham Chemical Co., 5653 College Avenue, Oakland, Calif.; chemicals.

C. (1) To the end of the Eighty-first Congress or possibly longer.

C. (2) Strengthening the antitrust laws; (a) To amend the Sherman and Clayton Acts to provide a uniform period of limitations within which treble-damage actions may be instituted under the antitrust laws; (b) bills S. 1910, H. R. 4985 and H. R. 8763; (c) Sherman Act (26 Stat. 210), Clayton Act (38 Stat. 731, as amended; 15 U. S. C. 15).

D. (1) $2,089.52; (7) $2,089.52; (8) $1,718.15; (9) $3,807.67; (13) no.

E. (2) $800; (4) $1,000.86; (7) $288.66; (9) $2,089.52; (10) $1,718.15; (11) $3,807.67; (15) $2,089.52.

A. Robert M. Burr, 155 East Forty-fourth Street, New York, N. Y.

B. National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y.

C. (1) Duration not predictable.

C. (2) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, and electric fans.

D. (5) $17.27; (7) $17.27; (8) $370.64; (9) $387.91; (13) no.

E. (7) $10.40; (9) $10.40; (11) $80.05.

A. Orrin A. Burrows, 1200 Fifteenth Street NW., Washington, D. C.; assistant to the international president (LBEW) for matters affecting Government employees.

B. International Brotherhood of Electrical Workers, A. F. of L., 1200 Fifteenth Street NW., Washington, D. C.; international labor union, affiliate of the American Federation of Labor.

C. (1) Indefinitely.

C. (2) All legislation affecting the Electrical Workers (A. F. of L.) in particular and labor in general.

C. (3) I, personally, edit no publication. The Electrical Workers Journal is published by the IBEW and deals with general subjects interesting to members of the electrical trade, but this publication does not deal specifically with legislative matters.

D. (5) $2,067; (7) $2,067; (8) $4,134; (9) $6,201; (13) no. I am on an annual salary and most of my duties are primarily of other than legislative matters. Hence, most of these questions are not applicable to me.

A. Carl Byoir & Associates, Inc., 10 East Fortieth Street, New York, N. Y.; public relations.

B. Schenley Industries, Inc., 350 Fifth Avenue, New York, N. Y.; producers and distributors, chiefly of alcoholic beverages.

C. Carl Byoir & Associates, Inc., registered in accordance with Public Law 601, Seventy-ninth Congress, and retained as public-relations counsel for Schenley Industries, Inc., did not, during the third calendar quarter of 1950 (the period covered by this report), conduct any lobbying activities.

A. Eugene J. Butler, 1312 Massachusetts Avenue NW., Washington, D. C.

B. National Catholic Welfare Conference, 1312 Massachusetts Avenue NW., Washington, D. C.

C. All legislation affecting religious, charitable and educational institutions and organizations.

D. (5) $2,349.99; (7) $2,349.99; (8) $2,350; (9) $4,699.99.

A. C. G. Caffrey, Washington representative.

B. The American Cotton Manufacturers Institute, Inc., 1026 Seventeenth Street NW., Washington, D. C.

C. (1) So long as the Congress has an interest in the below-mentioned legislation.

C. (2) (a) Frear amendment, Defense Production Act of 1950, Revenue Act of 1950, renegotiation of contracts, customs simplification; (b) S. 2408, Public Law 744, Public Law 814, H. R. 9564, H. R. 8304.

E. (7) $150; (9) $150; (15) $150.

A. T. C. Carroll, president, Brotherhood of Maintenance of Way Employes, 61 Putnam Avenue, Detroit, Mich.; attending to affairs of members of brotherhood and working for passage of legislation affecting railroad employes and labor in general.

C. (1) Indefinitely.

C. (2) At present working for passage of H. R. 7789 and S. 3295 to amend Railway Labor Act authorizing agreements for union shops, etc.

A. Henderson H. Carson, 640 Shoreham Building, Washington, D. C.; general practice of law.

B. East Ohio Gas Co., 1405 East Sixth Street, Cleveland, Ohio.

C. (1) Unknown. Have represented said company legally both in Washington and Canton, Ohio, for 28 years.

C. (2) All legislation affecting the natural gas industry.

D. (5) $3,000; (6) $474.18; (7) $3,474.18; (8) $6,792.72; (9) $10,266.90.

E. (1) $12.55; (2) $15; (5) $44.10; (6) $54.36; (7) $244.47; (8) $103.70; (9) $474.18; (10) $792.77; (11) $1,266.90.

A. Albert E. Carter, 1026 Sixteenth Street NW., Washington, D. C.; attorney-at-law.

B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.; public utility.

C. (1) Indefinite.

C. (2) Retained to represent the company before administrative agencies and commissions and on legislative matters affecting company's interest.

D. (5) $3,000; (6) $632.38; (7) $3,632.38; (8) $7,893.56; (9) $11,525.94.

E. (5) $525; (6) $28.68; (7) $158.68; (8) $310.25; (9) $1,022.61; (15) $1,022.61.

A. Asa L. Carter,[*] 325 Ashland Avenue, Pittsburgh, Pa.; to get a "Rainhill prize" Government grant for the best electropult or magnetic engine to propel 6 tons start-stop 20 miles in a B-line Big Inch pipeway one-half pounds per square inch absolute (8g desired).

B. Employed by petitioners and their due successors at and after War Department file No. 7040 April 7, 1933 (287 U. S. 929).

C. (1) Indefinite.

C. (2) A grant for a "Rainhill prize" best magnetic engine to propel 6 tons of freight in a B-line pipe.

D. (1) $25; (6) $115.86; (7) $140.86; (8) $90.40; (9) $231.26; (13) no.

E. (4) $36.90; (6) $4.20; (7) $26.80; (8) $54.70; (9) $124.60; (10) $90.40; (11) $215; (15) all.

A. Asa L. Carter, 325 Ashland Avenue, Pittsburgh, Pa.; to get a "Rainhill prize" Government grant for the best electropult or magnetic engine to propel 6 tons start-stop 20 miles in a B-line Big Inch pipeway one-half pounds per square inch absolute (8g desired).

B. Employed by petitioners and their due successors at and after War Department file No. 7040 April 7, 1933 (287 U. S. 929).

C. (1) Indefinite.

C. (2) A grant for a "Rainhill prize" best magnetic engine to propel 6 tons of freight in a B-line pipe. We are interested in instant bills: House 9244, 9379, 9480, Resolution 813; Senate 4118; Resolution 330.

D. (6) $159.18; (7) $159.18; (8) $231.26; (9) $390.44; (13) no.

E. (4) $70.30; (6) $4.80; (7) $35.50; (8) $48.58; (9) $159.18; (10) $215; (11) $374.18; (15) all.

[*] Amended form filed for second quarter, 1950.

A. Clarence B. Carter, post office box 798, New Haven, Conn.; secretary-treasurer-lobbyist, Railroad Pension Conference; no salary attached to this work.

B. Railroad Pension Conference, post office box 798, New Haven, Conn.

C. (1) Length of legislative work unknown.

C. (2) For enactment of 30-year, half-pay railroad retirement legislation based on the 5 years of highest earnings.

A. Leslie O. Carver, 1500 Rhode Island Avenue NW., Washington, D. C.; associate general counsel for trade association.

B. National Paint, Varnish, and Lacquer Association, Inc., 1500 Rhode Island Avenue NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) We are interested in legislation that more or less specifically affects our industry, such as import duties or price supports on fats and oils. During this quarter there has been no activity to date.

C. (3) We have issued no publication for the purpose of influencing the passage or defeat of any legislation proposed in either House of Congress.

E. (10) $3.71; (11) $3.71.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.; attorney at law.

B. Three Affiliated Tribes of Fort Berthold Reservation, N. Dak., under attorney's supplemental contract approved December 10, 1946, by Commissioner of Indian Affairs; Garrison Dam project, Elbowoods, N. Dak.

C. (2) S. 3303, a bill to amend the act of October 29, 1949, Public Law 437, Eighty-first Congress, entitled "An act to vest title to certain lands of the Three Affiliated Tribes of the Fort Berthold Reservation, N. Dak., in the United States, and to provide compensation therefor," and to add to said act certain supplemental provisions. Interest will continue until close of this Congress. There is no publication.

D. (5) $13,500; (7) $13,500; (8) $2,000; (9) $15,500; (13) no.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.; attorney at law.

B. Sioux Tribe of Indians, Cheyenne River Reservation, S. Dak., under attorney's contract approved May 20, 1948, by Commissioner of Indian Affairs; Oahe Dam project. Address, Cheyenne Agency, S. Dak.

C. (2) S. 1488 and H. R. 5372, an act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Oahe Dam and Reservoir, Missouri River development, and for other related purposes. Legislative interests will continue until termination of attorney's contract. There are no publications.

D. (5) $500; (7) $500; (8) $1,000; (9) $1,500; (13) no.

A. Ralph H. Case, 889 National Press Building, Washington, D. C.; attorney at law.

B. Sioux Tribe of Indians, Standing Rock Reservation, N. Dak. and S. Dak., under attorney's contract approved May 12, 1949, by Commissioner of Indian Affairs; Oahe Dam project. Address, Fort Yates, N. Dak.

C. (1) S. 1488 and H. R. 5372, an act to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of Cheyenne River Reservation in South Dakota and of Standing Rock Reservation in South Dakota and North Dakota for Indian lands and rights acquired by the United States for the Oahe Dam and Reservoir, Missouri River development, and for other related purposes. Legislative interests will continue until termination of attorney's contract and purposes thereunder accomplished. There are no publications.

D. (5) $500; (7) $500; (8) $1,000; (9) $1,500; (13) no.

A. D. E. Casey, vice president-secretary, American Taxpayers Association, Inc., 419 Munsey Building, Washington, D. C.

B. American Taxpayers Association, Inc., 419 Munsey Building, Washington, D. C.; tax educational.

C. (1) Elected to office annually to serve for 1 year or until successor is chosen.

D. (13) No.

A. Joseph E. Casey, 1025 Connecticut Avenue, Washington, D. C.; attorney.

B. Committee for Equalization of Tobacco Taxes, 1025 Connecticut Avenue, Washington, D. C.; a committee of cigarette makers formed to change the present inequitable flat tax on cigarettes to an ad valorem or graduated tax.

C. (1) Unknown.

C. (2) General legislative interest is legislation for a fair and equitable tax on cigarettes depending upon the price at which these cigarettes are sold. H. R. 2016, a bill to amend section 2000 (c) (2) of the Internal Revenue Code relating to taxes on tobacco and tobacco products.

A. Joseph E. Casey, 1025 Connecticut Avenue, Washington, D. C.; attorney.

B. Radio-Television Manufacturers Association, 1317 F Street NW., Washington, D. C.; an association of radio and television manufacturers and makers of parts.

C. (1) For the remainder of the calendar year.

C. (2) General legislative interest is opposition to the proposal to impose new 10-percent excise tax on television.

D. (5) $3,667.16; (7) $3,667.16; (8) $9,664.84; (9) $13,332; (13) no.

E. (2) $999; (9) $999; (10) $2,332.33; (11) $3,331.33.

A. Larry Cates, 1185 National Press Building, Washington, D. C., Washington representative, Air Line Pilots Association, International; membership representation and air-safety promotion.

B. Air Line Pilots Association, 3145 West Sixty-third Street, Chicago, Ill.

C. (1) Indefinite.

C. (2) H. R. 5561, S. 8, S. 3504, H. R. 7789, S. 3295, S. 3463.

D. (5) $1,762.30; (7) $1,762.30; (8) $1,583.01; (9) $3,345.31; (13) no. Salary, item 5, includes all types liaison, safety, and pilot representation work with only small portion of time allotted to so-called lobbying and this usually at the request of Members of Congress.

A. William E. Chace, the National Fertilizer Association, 616 Continental Building, Washington, D. C.; chief of publicity of the association.

C. (1) Legislative interests are very minor and are only incidental to principal activities. No term has been fixed for continuance of legislative interests; presumably such interests will continue if and as occasion may arise.

C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, to implement the established national policy of promoting maximum employment, production, and purchasing power, and for other purposes; H. R. 855, to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes; and H. R. 2045, to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes.

D. (5) $20; (7) $20; (13) no. Of salary received by me during the quarter, $20 may be allocable to legislative interests.

A. Chamber of Commerce of the United States of America, 1615 H Street NW., Washington, D. C.; federation of chambers of commerce and trade associations.

C. (1) Indefinitely.

C. (2) Listed below are bills in which the chamber has legislative interests: H. R. 8920, proposed Revenue Act of 1950; S. 706, equal pay for equal work for women; H. R. 6000, social security; S. 2311, protect United States against subversive activities, H. R. 8923, post office (Federal personnel); H. R. 7824, efficiency ratings (Federal personnel); S. 3830, hiring (Federal personnel); Senate Joint Resolution 195, interim development and operation of the submerged lands of the continental shelf; H. R. 7941, Federal Highway Act of 1950; H. R. 4997, create in the Labor Department a Bureau of Accident Prevention; S. 4062, universal military training.

C. (3) Publications of the Chamber of Commerce of the United States which might be construed as issued in connection with legislative interests fall generally into two categories: (a) The first is the legislative reporting service of the Department of Governmental Affairs. This service is basicly built around the Legislative Daily, which has been distributed to Members of Congress. This is a two-page summary of developments in Congress of interest to businessmen. It is supplemented by an an occasional "bill digest" summarizing new bills introduced which affect the business community. In addition, there is the Legislative Outlook, which gives a biweekly prediction of the legislative picture. Then there is the Special Number, issued several times a year, which gives in the laymen's language, the basic issues in a specific bill. All four of these are designed for the use of, and are distributed to, the membership of the chamber. (b) Other publications are issued occasionally by the chamber's various service departments to present a specialized or technical point of view on pending legislation.

D. (7) $610,258.18; (8) $1,523,815.05; (9) $2,134,073.23.

E. (9) $22,761.10; (10) $61,254.40; (11) $66,015.50.

Listed below are publications which might be construed as issued in connection with legislative interests: Governmental Affairs, Legislative Daily (vol. 7, Nos. 127 through 184, 58 issues); 13 at 17,900, 34 at 17,800, 9 at 17,700, 1 at 18,700, 1 at 23,700; daily during sessions of Congress; Judd & Detweiler, Inc. Legislative Outlook (one issue); 23,000; July 8, 1950; Judd & Detweiler, Inc. Business Action (13 issues, vol. 7, Nos. 16 through 28); 1 at 63,600, 7 at 62,500, 1 at 62,000, 1 at 63,000, 3 at 62,700; weekly; Judd & Detweiler, Inc. American Economic Security (two issues, vol. 7, Nos. 4 and 5); 1 at 2,500, 1 at 3,000; June-July, August-September; Judd & Detweiler, Inc. Economic Intelligence (one issue); 15,500; July; Judd & Detweiler, Inc. The Drive for a Controlled Economy via Pale Pink Pills; 2,500 (reprint); July; Judd & Detweiler, Inc. It's Your Money They're Spending (blurb); 3,000; May; Chamber of Commerce of the United States. It's Your Money They're Spending (order blank); 25,000; May; Chamber of Commerce of the United States. The Welfare State and the State of Human Welfare; 15,000; August; Judd & Detweiler, Inc. The Squeeze Is on You; 371,366; August-September; Haynes Lithograph Co.

A. Walter Chamblin, Jr.

B. National Association of Manufacturers, 623 Investment Building, Washington, D. C.

A. The Chase National Bank of the City of New York, 18 Pine Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the Chase National Bank of the City of New York.

D. (13) No.

A. David R. Clarke, 120 South La Salle Street, Chicago, Ill.; attorney.

B. National Metal Trades Association, 122 South La Salle Street, Chicago, Ill.

C. (1) Indefinitely.

C. (2) All legislation affecting industry in general.

D. It is estimated that less than $500 net of annual retainer is apportionable to Federal lobby work for National Metal Trades Association.

A. The Christian Amendment Movement, 914 Clay Street, Topeka, Kans.

B. The Christian Amendment Movement, 914 Clay Street, Topeka, Kans., a voluntary association of citizens promoting a Christian amendment to the Constitution of the United States. Expenses underwritten by the board of trustees of the Synod of the Reformed Presbyterian Church of North America, 209 Ninth Street, Pittsburgh, Pa.; Chester R. Fox, acting treasurer.

C. (1) Continuing until legislative action is secured.

C. (2) Promoting House Joint Resolution 181, a proposed Christian amendment to the Constitution of the United States.

C. (3) (a) The Christian Patriot, a 4-page monthly magazine; (b) 3,000 copies monthly; (c) issued first of each month; (d) printed by Service Print Shop, 1121 Buchanan Street, Topeka, Kans.

D. (2) $39; (4) $85.37; (5) $140; (6) $1,664.31; (7) $1,928.68; (8) $1,470.40; (9) $3,399.08; (13) no.

E. (2) $2,836.85; (4) $884.08; (5) $222.42; (6) $0.50; (7) $453; (9) $4,396.85; (10) $9,615.26; (11) $14,012.11; (15) $4,396.85.

A. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio; trade association of publishers of classroom periodicals.

C. (1) Expect legislative interest to last until close of Eighty-first Congress.

C. (2) General interest in second-class postal rates; particular interest in S. 1103 and H. R. 2945.

D. (1) $1,550.64; (7) $1,550.64; (8) $2,717.24; (9) $4,267.88; (13) yes; (14) $1,066.97, George A. Pflaum, Publisher, Inc., 38 West Fifth Street, Dayton, Ohio; $1,066.97, Civic Educational Service, 1733 K Street NW., Washington, D. C.; $1,066.97, American Education Press, 400 South Front Street, Columbus, Ohio; $1,066.97, Young America Magazines, 961 Bonifant Street, Silver Spring, Md.; $4,267.88, total.

E. (2) $1,500; (8) $50.64; (9) $1,550.64; (10) $2,717.24; (11) $4,267.88.

A. Clear Channel Broadcasting Service (CCBS) Suite 532, Shoreham Building, Washington, D. C.; an informal organization of 15 licensees of class I-A standard broadcast stations.

C. (1) As long as S. 491 and H. R. 4004, or similar bills, are pending before the Congress.

C. (2) CCBS opposes any proposed legislation (such as S. 491 and H. R. 4004) calling for the duplication of class I-A (clear channel) frequencies or the limitation of the power of class I-A standard broadcast stations.

D. (1) $25,166.72; (7) $25,166.72; (8) $50,020.17; (9) $75,186.89. Clear Channel Broadcasting Service (CCBS) is an informal organization of 15 licensees of class I-A (clear channel) standard broadcast stations. The 15 members are set out in the registration statement of Ward L. Quaal, filed February 21, 1949. CCBS receives all of its revenues from dues and assessments paid by the 15 member stations. These funds are not collected to be expended solely or principally for the purpose of attempting to influence legislation. All full-time member stations (i. e., stations operating fulltime on their respective clear channel frequencies) share equally in the expenses of CCBS, and member stations sharing their particular clear channel frequencies pay an amount equal to one-half that paid by full-time member stations. During the third quarter of 1950, CCBS received from its member stations the amount set forth in response to question D (1). This money was not received or expended solely or principally for the purposes set out in section 307 of the Lobbying Act. In response to question E, all expenditures made in connection with the employment of the director of CCBS, Ward L. Quaal, are set out although only a portion of these expenditures was made in connection with activities coming within the purview of the Lobbying Act. No other expenditures came within the purview of the Lobbying Act.

E. (2) $4,714.02; (3) $18.67; (4) $38.16; (5) $847.33; (6) $495.47; (7) $702.56; (8) $26.51; (9) $6,842.72; (10) $13,659.41; (11) $20,502.13.

A. Marcus Cohn, 1420 New York Avenue NW., Washington, D. C.

B. The American Jewish Committee, 386 Fourth Avenue, New York, N. Y.

C. (1) Indefinitely.

C. (2) Immigration, the President's civil-rights program, Federal aid to education, FEPC, genocide convention, S. 1832, S. 4037, S. 4061, H. R. 9313.

C. (3) I have supplied information to the general press on immigration and other matters in which the American Jewish Committee is interested.

E. (2) $93.75; (5) $66.12; (6) $10.33; (7) $7.92; (9) $178.12; (10) $314.36; (11) $492.48.

A. C. Fred Coleman, Lewisville, Ark.

B. St. Louis Southwestern Railway Co.'s division special agent, with headquarters at Lewisville, Ark.

C. (1) Intermittent and casual.

C. (2) (a) H. R. 7789 and S. 3295, known as the union-shop bill.

D. (5) $616; (7) $616; (8) $210; (9) $826.

E. (7) $1,475.75; (9) $1,475.75; (10) $461.80; (11) $1,937.55; (15) $1,475.75.

A. Russell Coleman, the National Fertilizer Association, 616 Continental Building, Washington, D. C.; president of the association.

B. The National Fertilizer Association, 616 Continental Building, Washington, D. C.

C. (1) Legislative interests are very minor and are only incidental to principal activities. No term has been fixed for continuance of legislative interests presumably such interests will continue if and as occasion may arise.

C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 3756, to implement the established national policy of promoting maximum employment, production, and purchasing power, and for other purposes; H. R. 855, to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes, and H. R. 3045, to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes.

D. (5) $50; (7) $50; (13) no. Of salary received by me during the quarter, $50 may be allocable to legislative interests.

A. Marvin J. Coles, Ingoldsby & Coles, 813 Washington Building, Washington, D. C.; attorney at law (amounts received by registrant are in payment of legal services).

B. Committee for the Promotion of Tramp Shipping Under the American Flag in Foreign Commerce, 80 Broad Street, New York, N. Y. This committee is composed of a number of companies operating tramp ships under the American flag.

C. (1) Indefinite.

C. (2) The committee is interested in amending existing shipping legislation in order to extend operating and construction differential subsidies to American-flag vessels engaged in so-called tramp trades. A bill to this effect has been introduced in the House as H. R. 5346.

D. (8) $12,000.

E. (4) $145.35; (6) $36.56; (7) $98; (9) $279.91; (10) $566; (11) $845.91.

A. Marvin J. Coles, Ingoldsby & Coles, 813 Washington Building, Washington, D. C.; attorney at law (amounts received by registrants are in payment for legal services).

B. Employed by committee of attorneys and accountants representing Keystone Shipping Co.; Lykes Bros. Steamship Co., Inc.; American President Lines, Ltd.; Grace Lines, Inc.; Mississippi Shipping Co., Inc., Moore-McCormack Lines, Inc.; Paco Tankers; Socony-Vacuum Oil Co., Inc.; United Mail Steamship Co. Registrant does not directly represent any of these companies and does not have addresses.

C. (1) Indefinite.

C. (2) The committee by which registrant is retained as attorney is seeking clarification of the effect of section 9 of the Merchant Ship Sales Act of 1946 in computing the depreciation base for vessels affected by that section. The bill clarifying this problem is H. R. 3419.

D. (13) No.

E. (6) $55.71; (7) $159.90; (9) $215.61; (10) $122.37; (11) $337.98; (15) we expect to be reimbursed for out-of-pocket expenditures.

A. Marvin J. Coles, Ingoldsby & Coles, 813 Washington Building, Washington, D. C.; attorney at law (amounts received by registrant are for legal services).

B. New York Foreign Freight Forwarders and Brokers Association, 10 Pearl Street, New York, N. Y.; this association is an organization of business concerns engaged in supplying forwarding and custom brokers services to export and import shipments.

C. (1) We have a general legal retainer from the association which is renewable each year. We have not engaged in activities for the association which fall under the Lobbying Act for a substantial period of time, but have continued this registration since originally presenting to Congress information regarding the use of American freight forwarders under the Economic Cooperation Act.

C. (2) As attorneys for the association we have a general interest in legislation affecting the forwarding of export and import cargoes. There is no specific legislation in which the association is interested at this time.

D. (5) $600; (6) $74.86; (7) $674.86; (8) $1,166.04; (9) $1,840.90; (13) no.

E. (4) $25.84; (6) $24.38; (7) $24.64; (9) $74.86; (10) $106.04; (11) $240.90.

A. Marvin J. Coles, Ingoldsby & Coles, 813 Washington Building, Washington, D. C.; attorney-at-law (amounts received by registrant are in payment of legal services).

B. Wisconsin & Michigan Steamship Co., 2489 Detroit National Bank Building, Detroit, Mich.; operators of vessels on the Great Lakes.

C. (1) Indefinite.

C. (2) Wisconsin & Michigan Steamship Co. is interested in legislation amending the Ship Sales Act of 1946 to provide for the purchase of vessels by Great Lakes operators. This legislation was recently enacted as Public Law 856.

D. (5) $800; (6) $28.22; (7) $828.22; (8) $2,433.24; (9) $3,261.46.

E. (6) $27.19; (7) $68.60; (9) $95.79; (10) $54.74; (11) $150.53.

A. Howard O. Colgan, Jr., 15 Broad Street, New York, N. Y.; partner, law firm of Milbank, Tweed, Hope & Hadley.

B. See answer in A.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the Chase National Bank of the City of New York.

D. (13) No.

A. Howard O. Colgan, Jr., 15 Broad Street, New York, N. Y.; partner, law firm of Milbank, Tweed, Hope & Hadley.

B. See answer in A.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affcting the interests of the New York Stock Exchange and its members.

D. (8) $426.21; (9) $426.21; (13) no.

E. (10) $57.21; (11) $57.21.

A. R. A. Colgan, Jr., 1319 Eighteenth Street NW., Washington, D. C.; trade association executive.

B. National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C.; trade association.

C. (1) Continuing.

C. (2) Any legislation affecting the interests of the lumber manufacturing industry of the United States.

C. (3) I am executive vice president of the National Lumber Manufacturers Association, and as such, it might be argued that I "caused to be issued" all of the publications of the association. For that reason, I list below the publications of the association issued in recent months dealing with matters which are or might become the subject of action before Congress: House organ, National Lumber News; 4,900 copies; published monthly; Darby Printing Co., Washington, D. C. Reprint of article Winning the Battle of Timber; 5,000 copies; reprinted by Fortune magazine. Reprint of article Forest Practices on Private Lands; 4,000 copies; reprinted by American Forestry Association. Reprint of article What You Should Know About CVA; 4,000 copies; reprinted by American Forestry Association. Current news bulletins and letters; 20 to 3,000 copies each; issued periodically or occasionally to association members, officers, committee members, etc.; multilithed or mimeographed. Current news releases to trade journals, newspapers, etc.; 60 to 5,000 copies each; issued from time to time; mimeographed.

A. M. H. Collet, 230 Park Avenue, New York, N. Y.; employed as a full-time forestry engineer and assistant to a vice president in employer's wood department.

B. West Virginia Pulp & Paper Co., 230 Park Avenue, New York, N. Y.; manufacturer of pulp, paper, and related products.

C. (1), (2), and (3) I will be interested in legislation affecting my employer's wood procurement and other woods operations as long as I am employed in its wood department. I am not employed to oppose or support any legislation and my salary is not dependent upon or related to any activity involving legislative interests. Any legislative interest which I may have had in the employee definition in H. R. 6000 has been terminated with the current quarter and I have no other specific legislative interests. I have not issued or caused to be issued during the period covered by this report any publication connected with legislative interests.

D. (13) No.

E. (6) $1.91; (7) $52.75; (8) $1.75; (9) $56.41; (10) $319.39; (11) $375.80; (15) all.

A. Colorado Associated Businessmen, Inc., 334 Symes Building, Denver, Colo.; an association of individuals conducting businesses in the State of Colorado whose general purpose is through its membership, to acquaint businessmen with data relative to taxation, economy and government social legislation, labor relations, etc., to assist in effectuating a program of tax equality.

C. (1) Length of time the association will have legislative interests is indefinite.

C. (2) General legislative interests of the group is the taxing of competitive business on the same basis without regard to exemptions under section 101 of the present Internal Revenue Code. Specific bills in which it is presently interested are H. R. 5064, known as the Mason bill; the amendment to H. R. 3905, proposed by Senator WILLIAMS; and H. R. 7343, proposed by Congressman DAVIS.

C. (3) June 6, 1950, wires to members asking them to contact Senators JOHNSON and MILLIKIN urging support of legislation to tax tax-free organizations. July 6, 1950, sent wires to members asking that they try to attend hearings of Senate Finance Committee on July 12, 1950. July 26, 1950, Laman Letter Shop mailed 318 copies of Washington Report of National Association of Businessmen, Inc. August 1, 1950, Laman Letter Shop mailed 327 letters to Colorado members urging that they contact Senators JOHNSON and MILLIKIN to support legislation that would tax cooperatives and mutuals on same basis as all other competing businesses. September 6, 1950, Laman Letter Shop mailed 311 copies of Washington Report of National Association of Businessmen, Inc.

D. (1) $835; (3) $6; (7) $841; (8) $1,283; (9) $2,124.

E. (4) $70.42; (5) $67.63; (7) $215.09; (8) $340; (9) $693.14; (10) $1,352.45; (11) $2,045.59.

A. Colorado Committee to Defeat the Mundt Bill, 2196 South Ash, Denver, Colo.; citizens' committee for purposes of lobbying to defeat Mundt-Nixon bill, S. 2311.

C. (1) Legislative year 1949–50, until bill is defeated or Senate and House adjourn for this session without action on bills.

C. (2) Subversives Activities Control Act of 1950, S. 2311 and H. R. 3342.

C. (3) Mundt-Nixon versus America's Freedom; 6-page brochure issued by Civil Liberties Union of Massachusetts; distributed 6,000 in Colorado. Pictorial leaflet; 1 large page; National Committee to Defeat Mundt bill; 1,000 distributed in Colorado. Hey, Brother; 16-page pamphlet; National Committee To Defeat Mundt Bill; 100 distributed in Colorado. Two-page mimeographed fact sheet on bills; Colorado Commission to Defeat Mundt Bill; 2,000 distributed in Colorado.

D. (2) $223.74; (7) $223.74; (9) $223.74; (10) $19.58; (13) no.

E. (4) $191.75; (5) $45.78; (6) $5.79 (9) $243.32; (11) $243.32.

A. Colorado Railroad Legislative Committee, 615 C. A. Johnson Building, Denver, Colo., consisting of attorneys of the following-named railroad companies, contributing the shares following their names: Atchison, Topeka & Santa Fe Railway Co., 16 percent; Chicago, Burlington & Quincy Railroad Co., 10 percent; Chicago, Rock Island & Pacific Railway Co., 5 percent; Colorado & Southern Railway Co., 14 percent; Denver & Rio Grande Western Railroad Co., 30 percent; Missouri Pacific Railroad Co., 5 percent; Union Pacific Railroad Co., 20 percent. (See explanation in first report of June 14, 1948.)

B. Railroad companies as stated above.

C. (1) Indefinitely.

C. (2) Basing point legislation; communications or operating rules bills; railway mail pay bills; transportation excise taxes; St. Lawrence Seaway; Federal Barge Lines; parcel post rates; repeal of Reed-Bulwinkle Act; bills changing authority of the Interstate Commerce Commission; revenue measures; Railway Labor Act; Senate Resolution 50, investigation of surface transportation by Senate Committee on Interstate and Foreign Commerce.

D. (13) No.

E. (2) $640; (7) $483.96; (9) $1,123.96; (10) $592.92; (11) $1,716.88; (15) $1,123.96 paid by railroads listed under A.

A. Colorado River Association, 306 West Third Street, Los Angeles, Calif.; citizens' organization for presentation of public information concerning Colorado River water matters.

C. (1) Indefinite.

C. (2) Opposing S. 75 and H. R. 934; favoring passage of Senate Joint Resolution 4 and House Joint Resolution 3.

C. (3) (a) Twenty-four page booklet, The Nation's Most Fantastic Project; (b) 100,000; (c) January 6 and March 3, 1950; (d) Wayside Press.

C. (3) (a) Four-page pamphlet, Why the Colorado River Problem Is Your Problem?; (b) 50,000; (c) January 13, 1950; (d) Wolfer & Marleau.

C. (3) (a) One-page circular, Cost To Nation's Taxpayers—By States—Of Central Aribona Project; (b) 10,000; (c) September 8, 1950; (d) Citizen Print Shop.

D. (8) $25; (9) $25; (13) yes; (14) $36,690, Los Angeles Department of Water and Power, 207 South Broadway, Los Angeles, Calif.; $56,258, Metropolitan Water District of Southern California, 306 West Third Street, Los Angeles, Calif.; $23,460, Imperial Irrigation District, El Centro, Calif.; $2,446, San Diego County Water Authority, San Diego, Calif.; $118,854, total.

E. (1) $996.11; (2) $9,826.99; (4) $873.82; (5) $1,604.45; (6) $1,019.32; (7) $1,554.68; (9) $15,875.37; (10) $61,880.94; (11) $77,-756.31.

A. Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y.

C. This committee was incorporated March 5, 1941. Its purposes, as stated in its certificate of incorporation, are: "To uphold constitutional government and the system of free enterprise, with equal opportunity for all, which the Constitution establishes, by nonpartisan educational efforts reaching citizens throughout the United States regardless of their political affiliations." Since its incorporation in 1941, this committee has, now does, and will continue to educate the citizens of the United States, regardless of their political affiliations, in the principles of constitutional government and free enterprise, established by our Constitution and in sound economic principles in general. When issues involving constitutional principles and/or the free enterprise system are publicly raised, this committee distributes the best available material (books, pamphlets, newsletters) to its supporters and leadership individuals across the country, urging them to study the principles involved and to raise their voices for constitutional government and free enterprise and sound economic policies. If these issues reach the stage of proposed legislation, then committee supporters who express their views to their representatives in Washington, may, in the broadest sense of the term, be said to have "legislative interests." No one is employed by the committee mainly for the purpose of influencing legislation. The committee takes no stand with reference to the private interest of any group or individual in pending legislation. It seeks to uphold the basic principles of economics and of personal and economic freedom, as established by the Constitution. The committee offers the results of its research to the general public and sometimes to the Members of Congress. The committee's activities during this quarter were in accordance with its objectives and its long established procedures.

D. (2) $89,894.64; (4) $110,000.10; (5) $10,310; (7) $10,204.74; (8) $80,950.02; (9) $91,154.76; (13) yes; (14) $1,000, Frank E. Gannett, Rochester, N. Y.

E. (1) $1,409.30; (2) $68,412.75; (4) $127,-416.70; (5) $14,231.68; (6) $4,095.70; (7) $10,-780.54; (9) $226,346.67; (10) $517,580.19; (11) $743,926.86.

A. Committee for the Marshall Plan To Aid European Recovery, care of Hugh Moore, treasurer, Twenty-fourth Street and Dixie Avenue, Easton, Pa.

C. (1) There has been no activity whatsoever of the committee since the latter part of 1948, however, since the committee has a small balance of unused funds it remains in existence in case its efforts may be required in furthering the purpose of its formation.

D. (13) No.

A. Committee on National Affairs, 100 East Fiftieth Street, New York, N. Y., engaged in action to strengthen national and

international organization for security, freedom, and justice.

C. (1) Indefinite.

C. (2) Various items of interest.

D. (2) $7,570; (6) $180; (7) $7,750; (8) $2,694; (9) $10,444; (13) yes; (14) $2,200, Lessing J. Rosenwald, Jenkintown, Pa.; $3,000, Edith G. Rosenwald, Alverthorp, Jenkintown, Pa.

E. (2) $255; (3) $6,150; (4) $31.52; (5) $207.01; (8) $963.31; (9) $7,606.84; (10) $2,607.02; (11) $10,213.86.

A. Committee for the Nation's Health, Inc., 1416 F Street NW., Washington, D. C. This committee was incorporated in 1946 as a nonprofit organization. Nature of business: To promote through education and legislative activities passage of national health insurance—basic feature of the President's national health plan. The committee opposes: Socialized medicine; restrictive laws preventing consumers, farmers, workers, and others from organizing health insurance plans.

C. (1) Legislative interests will continue until the passage of national health insurance as stated in A.

C. (2) Legislative interests: President Truman's national health plans embodied in S. 1679, H. R. 4312, H. R. 4313, national health insurance and the Public Health Act; separate bills incorporating the first six titles of S. 1679. Also in opposing various substitute bills such as the Taft bill, S. 1581; the Hill bill, S. 1456, the Flanders-Herter bill, S. 1970.

C. (3) Printed matter: August through September, national health insurance handbook, 7,250; photo-offset, September 27: Committee for the Nation's Health memo, 3,000; the following was mimeographed in the offices of the Committee for the Nation's Health: July 11, Doctors in Politics, 500; July 12, National Health Insurance as a Practicing Physician Sees It, 2,000; July 17, National Health Insurance Handbook Bulletin, 3,500; July 25, Lobbying Against Human Needs, 4,500; August 21, the Medical Lobby's Real Motto, 200; August 28, What Is a Blue Shield Plan?, 200; August 28, Report on AMA Advertising Campaign, 600; August 30, Doctors Write Chain Letters for Taft, 500; September 30, memo to labor editors, 1,000.

D. (2) $6,354.03; (3) $50; (4) $304.77; (7) $7,208.80; (8) $67,505.56; (9) $74,714.36; (13) Yes; (14) $6,000, Mrs. Marion R. Ascoli, 23 Gramercy Park South, New York, N. Y.; $6,000, Mrs. Adele R. Levy, 300 Park Avenue, New York, N. Y.; $6,000, Mr. Lessing J. Rosenwald, Jenkintown, Pa.; $6,000, Mr. and Mrs. Edgar B. Stern, 11 Garden Lane, New Orleans, La.; $3,000, Mr. Leigh B. Block, 1260 Astor Avenue, Chicago, Ill.; $3,000, Mrs. Leigh B. Block, 1260 Astor Avenue, Chicago, Ill.; $6,000, Mr. and Mrs. Sidney F. Brody, 603 North Canon Drive, Beverly Hills, Calif.; $6,000, Mr. and Mrs. Edward Lasker, 136 South Carmelina Avenue, Los Angeles, Calif.; $5,833.33, Mr. and Mrs. Albert Lasker, Chrysler Building, New York, N. Y.; $3,500, Miss Loula Lasker, Hotel Pierre, New York (these donations were received to repay loans obtained by the Committee for the Nation's Health in 1949); $1,500, Mr. Chat Paterson, 9700 Euclid Avenue, Cleveland, Ohio (loan made during 1949 was converted by Chat Paterson into a contribution); $2,000, United Steelworkers–CIO, 1500 Commonwealth Avenue, Pittsburgh, Pa.; $5,000, American Federation of Labor, 901 Massachusetts Avenue, Washington, D. C.; $1,000, International Association of Machinists, Ninth and Mount Vernon Place, Washington, D. C.; $500, Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.; $1,000, District of Columbia Democratic Women's Day Committee, Ring Building, Washington, D. C.; $500, Amalgamated Clothing Workers of America, 15 Union Square, New York; $2,500, International Ladies Garment Workers, 1710 Broadway, New York; $2,000, United Automobile Workers, 411 West Milwaukee Avenue, Detroit, Mich.

E. (2) $4,860.76; (4) $1,351.30; (5) $2,110.61; (6) $183.37; (7) $30.60; (9) $8,536.66; (10) $16,091.11; (11) $24,627.77.

A. Committee for Pipe Line Companies, box 1349, Tulsa, Okla. (Joseph L. Seger, treasurer).

C. (1) Indefinite.

C. (2) The Committee for Pipe Line Companies was organized and functions to protect the legitimate interests of petroleum pipelines, including, when necessary, legislative matters; at this time the only pending legislation affecting petroleum pipelines in which the committee is interested is S. 571 to which the committee is opposed.

D. (1) $3,658; (7) $3,658; (8) $46,191; (9) $49,849; (13) yes; (14) Sinclair Refining Co., pipeline department, box 460, Independence, Kans., $3,658.

E. (2) $9,015.80; (4) $200; (5) $481.28; (6) $102.72; (7) $238.75; (8) $814.24; (9) $10,852.79; (10) $19,117.17; (11) $29,969.96.

A. Committee for Promotion of Tramp Shipping Under American Flag in Foreign Commerce, 80 Broad Street, New York, N. Y.

C. (1) Indefinite.

C. (2) The committee is interested in amending existing shipping legislation in order to extend operating and construction differential subsidies to American-flag vessels engaged in so-called tramp trades; a bill to this effect has been introduced in the House as H. R. 5346.

D. (8) $8,250; (9) $8,250; (13) yes.

E. (7) $317.21; (8) $117.76; (9) $434.97; (10) $15,133.69; (11) $15,568.66.

A. Communications Workers of America, CIO, 1808 Adams Mill Road NW., Washington, D. C. Nature of business: Union.

C. (1) Indefinitely.

C. (2) Legislative matters affecting the interests of the membership of the union.

C. (3) CWA News, the official publication of the union occasionally carries items of a legislative nature; published monthly in Washington, D. C.; 250,000 copies by Mercury Press; The CWA Newsletter published weekly, 10,000 copies in Washington, D. C., by Darby Press, occasionally carries items of a legislative nature.

D. (1) $337,914.63; (7) $337,914.63; (8) $620,728.97; (9) $958,643.60; (13) no.

E. (2) $1,624.98; (6) $15.73; (7) $962.67; (8) $692.80; (9) $3,296.18; (10) $2,610.42; (11) $5,906.60.

A. Compton, R. T., 918 Sixteenth Street NW., Washington, D. C.

B. National Association of Manufacturers, 918 Sixteenth Street NW., Washington, D. C. I am employed by the National Association of Manufacturers. The home office address of my employer is 14 West Forty-ninth Street, New York, N. Y. I am reporting as an individual in compliance with section 308 of the Lobbying Act. My work in connection with legislation during this quarter has been minor and incidental to other activities, and such work terminated as of September 18. For this reason I do not contemplate making any further reports under this act. Compensation for my work in connection with legislative matters which might have been covered by the act during the period from July 1 to September 18 did not exceed $2,000. During this period I incurred expenses amounting to $388.59, some of which may have been in connection with legislative information. These were all reimbursed by my employer. These were expenses incurred in the normal course of business, such as meetings and conference expenses, and travel. They were paid to hotels, clubs, restaurants, taxicabs, trade associations for dues, and railroads. My principal responsibility in connection with legislation was to answer inquiries and to analyze and to report on important legislation affecting industry, including proposals involving appropriations, regulation of business, social security, labor policy, taxation, securities regulation, and Federal subsidies and controls. I am reporting in this fashion upon advice of counsel as set forth in the memorandum attached to my report of July 10, 1950.

A. Boyd Comstock, legislative assistant, legislative Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

B. Legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Bills pending before the Eighty-first Congress relating to public education; primary interest in S. 246, H. R. 5939, H. R. 7160, H. R. 1551.

D. (5) $942.35; (7) $942.35; (8) $1,711.88; (9) $2,654.23.

E. (7) $25.50; (9) $25.50; (10) $102.67; (11) $128.17; (16) full salary for calendar quarter, $1,047.05; estimated for legislative service, 90 percent, or $942.35.

A. Cone, D. C., vice president of labor organization, Brotherhood of Railroad Signalmen of America, 10 Independence Avenue, Washington, D. C.

B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

C. (1) Indefinitely.

C. (2) H. R. 378 and S. 238, to amend section 25 of the Interstate Commerce Act; H. R. 7789 and S. 3295, to amend the Railway Labor Act, and all legislation directly and indirectly affecting the interests of labor, generally, and employees of carriers under the Railway Labor Act in particular.

D. (5) $300; (7) $300; (8) $1,000; (9) $1,300.

A. Cone, John C., in care of Pan American World Airways, Inc., 815 Fifteenth Street NW., Washington, D. C.; Pan American World Airways, Inc., airline executive.

B. Pan American World Airways, Inc., 815 Fifteenth Street NW., Washington, D. C., international airline operator.

C. (1) Indefinite.

C. (2) Very infrequently interested in any legislation, but may be interested in supporting or opposing any aviation legislation that might have a bearing on the operation of Pan American World Airways, Inc.

C. (3) Have not been and do not expect to be concerned with any publication to be issued in connection with legislation; was not, and am not, employed for legislative purposes but, as an executive of the company, may be called upon to discuss, support, or oppose legislation affecting the company.

A. Conference of American Small Business Organizations, Inc., Mr. Fred A. Virkus, chairman, 407 South Dearborn Street, Chicago, Ill.; a nonprofit organization devoted to the legislative and related interests of small business.

C. (1) Permanent.

C. (2) Mundt-Nixon and McCarran amendments to security bill.

D. (1) $4,948; (2) $1,581.20; (7) $6,529.20; (8) $31,737.10; (9) $38,266.30; (13) yes; (14) $500, Victor Chemical Works, Chicago, Ill.

E. (1) $855; (2) $5,484.27; (4) $994.50; (5) $1,097.68; (6) $169.92; (7) $180.50; (9) $8,781.87; (10) $34,348.47; (11) $43,130.34.

A. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. A federation of labor organizations.

C. (1) Indefinitely.

C. (2) Support all legislation favorable to the national peace, security, democracy, property, and general welfare; oppose legislation detrimental to these objectives.

C. (3) (a) Legis-letter: Report of current congressional activities; (b) about 2,200

published; (c) usually weekly; (d) mimeographed by CIO.

D. (7) $5,546.89; (8) $16,866.46 (9) $22,413.35; (13) none of the receipts received during period July 1, 1950, through September 30, 1950, were earmarked for lobbying purposes; items under E were disbursed from general funds. See breakdown of contributions computed on a pro rata basis as per the attached. Contributions of $500 or more on a pro rata basis of per capita payments as related to expenditures: $5,698.68, United Automobile Workers of America, 411 West Milwaukee, Detroit, Mich.; $1,112.77, Amalgamated Clothing Workers of America, 15 Union Square, New York, N. Y.; $1,313.50, Communications Workers of America, 1808 Adams Mill Road NW., Washington, D. C.; $872.11, United Rubber Workers of America, URWA Building, High Street at Mill, Akron, Ohio; $4,546.92, United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.; $1,717.02, Textile Workers Union of America, 15 Union Square, New York, N. Y.; $15,261, total contributions of $500 or more; $7,152.35, total all contributions under $500; $22,413.35, grand total.

E. (2) $1,510.50; (3) $1,500; (4) $313.62; (5) $1,055; (6) $875; (8) $292.77; (9) $5,546.89; (10) $16,866.46; (11) $22,413.35.

A. CIO Maritime Committee,[4] 132 Third Street, Washington, D. C. Legislative office for maritime unions.

C. (1) Indefinitely.

C. (2) Support legislation in interest of seamen; oppose legislation detrimental to them.

D. (1) $5,420; (6) $12.50; (7) $5,432.50; (8) $6,120; (9) $11,512.50; (13) yes; (14) $5,040; National Maritime Union, 346 West Seventeenth Street, New York, N. Y.

E. (2) $2,955.57; (5) $1,212.03; (6) $387.66; (7) $1,158.79; (9) $5,714.05; (10) $4,620.04; (11) $10,334.09.

A. CIO Maritime Committee, 132 Third Street SE., Washington, D. C. Legislative office.

C. (1) Indefinite.

C. (2) Any legislative considerations which affect the members of one or more of the participating organizations.

D. (1) $3,540; (6) $10; (7) $3,550; (8) $11,552.50; (9) $15,102.50; (14) $13,440, National Maritime Union, 346 West Seventeenth Street, New York, N. Y.; $600, Marine Engineers Beneficial Association, 132 Third Street SE., Washington, D. C.; $540, American Radio Association, 5 Beekman Street, New York, N. Y.

E. (1) $3,164.66; (5) $1,221.04; (6) $422.45; (7) $431.89; (9) $5,240.04; (10) $10,334; (11) $15,574.13.

A. Conn, Donald D., executive vice president, Transportation Association of America, 130 North Wells Street, Chicago, Ill.

B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

C. (1) Legislative interests are to be continued permanently.

C. (2) I am interested in all legislation having anything to do with transportation including all pending bills before the House and Senate.

C. (3) During this quarter I have caused to be issued several documents, publications, and testimony before the Senate Committee on Interstate and Foreign Commerce, which is set forth in detail in the separate report which you will receive from the association.

D. (5) $7,500; (6) $262.99; (7) $7,762.99.

E. (7) $262.99.

A. Conover, Julian D., Ring Building, Washington, D. C., mining engineer.

B. American Mining Congress, Ring Building, Washington, D. C.; technical and educational organization of individuals and companies in the mining field.

C. (1) Indefinitely.

C. (2) Measures affecting mining, such as income taxation, social security, public lands, stockpiling, monetary policy, etc.

D. (5) $1,875; (7) $1,875; (9) $1,875.

E. (6) $4.25; (7) $8.45; (11) $12.70; (15) $12.70.

A. Cooper and Griffin, a law firm of which the partners are J. Milton Cooper and Jerry N. Griffin, room 544, Washington Building, Washington, D. C.

B. National Coal Association, Southern Building, Fifteenth and H Streets NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Legislative interests are general in character and we are interested in any legislation which affects the coal industry.

D. This is the usual attorney and client relationship; it is difficult to allocate what part of this employment may be subject to the act, and therefore, the entire compensation for the quarter is reported, to wit: $3,000.

E. No expenditures in connection with legislative activities; other expenditures are those incident to operation of a law office.

A. Cooper, J. Milton, attorney at law, room 544, Washington Building, Washington, D. C.

B. Thomas D. Griffin, 105 West Madison Street, Chicago, Ill., acting for an informal group of licensed small loan companies affected by section 501 (b) (6) of the Internal Revenue Code.

C. (1) Indefinite.

C. (2) Legislation affecting small loan companies.

A. Cooper, J. Milton, attorney at law, 544 Washington Building, Washington, D. C.

B. National Lime Association, 927 Fifteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) H. R. 2537.

A. Cooperative League of the United States of America Association, Inc., 343 South Dearborn Street, Chicago, Ill.

B. An educational and informational agency in the nature of a business association whose purpose is to disseminate knowledge of and interest in cooperatives throughout the United States, to defend in accordance with basic principles of cooperation the general public interest of all the people, and to encourage the use of voluntary cooperative methods on the part of the people as a means of solution of their problems.

C. (1) Legislative interests of the Cooperative League are incidental to its main purposes as stated above. However, such legislative interests are continuing ones since they concern (a) the over-all problem of agriculture and the preservation of the family-sized farm, (b) defense of the general public interest of the American people, and (c) representation of the interest of the people as consumers, and (d) the defense of the right of any group of people voluntarily to organize cooperative business enterprises without discrimination against them on the part of Government, and the securing of such enabling legislation for this purpose as may from time to time be necessary, (e) conservation of natural resources, and (f) the extension of true economic freedom and the combating of monopoly.

C. (2) Specific legislative interests of the past 3 months have been (a) the Revenue Act of 1950 and (b) the appropriation for carrying out the point 4 program.

C. (3) The Cooperative League issues no regular periodical publication. It does publish pamphlet literature on various subjects dealing with cooperation. It also provides to newspapers and magazines the Cooperative News Service, which carries news of cooperative developments generally and which occasionally makes reference to a legislative matter.

D. (1) $2,400; (2) $60; (4) $100; (14) the following organizations not previously reported have contributed $500 or more in dues payments to the Cooperative League between January 1 and September 30, 1950: Farmers Cooperative Exchange, Raleigh, N. C.; National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.; Pacific Supply Cooperative, Box 1004, Walla Walla, Wash.

E. (2) $500; (5) $125; (6) $50; (7) $165; (9) $840.

A. Corbett, John T., 10 Independence Avenue SW., Washington, D. C. National legislative representative and assistant grand chief engineer, Brotherhood of Locomotive Engineers.

B. Brotherhood of Locomotive Engineers, Cleveland, Ohio, labor union.

C. (1) As assistant grand chief engineer and national legislative representative, Brotherhood of Locomotive Engineers, covering all services rendered, including services entirely unrelated to legislation and legislative matters; employed also to support or oppose legislation directly and indirectly affecting the interest of labor.

D. (5) $3,295.56; (6) $1,430.89; (7) $4,726.45; (8) $8,399.20; (9) $13,125.65; (13) no.

E. (5) $255.54; (6) $29.88; (7) $1,145.47; (9) $1,430.89; (10) $1,808.08; (11) $3,238.97; (15) $1,430.89.

A. Cortright, Frank W., 1028 Connecticut Avenue NW., Washington, D. C., executive vice president, National Association of Home Builders.

B. National Association of Home Builders, 1028 Connecticut Avenue NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) I am not employed to support or oppose any legislation, but as executive vice president of the National Association of Home Builders, the trade association of the home building industry. My employment is not dependent upon rendition of services which might be considered lobbying within the meaning of the regulation of the Lobbying Act. I have been advised by counsel and believe that I am not subject to that act, but this report is filed under protest and as a matter of personal precaution in view of the indefiniteness of the act and the lack of judicial interpretation thereof. This filing is not intended in any way to constitute an admission by me that I am subject to the act. This report is filed because I supervise, among other things, the work of that association's legislative department. In that supervisory capacity I am interested in all legislation affecting the home building industry. During the quarter covered by this report, such legislation included: Public Law 774, Defense Production Act of 1950; S. 3746, H. R. 8924, a bill to authorize the creation of private mortgage corporations and to modify the Government's secondary market for FHA-insured and VA-guaranteed residential mortgages; S. 4145, a bill to assist the national defense by authorizing the provision of housing at reactivated military installations, and for other purposes.

C. (3) Although not published in connection with legislative interests, the association publishes a weekly news letter called the Washington Letter, and a monthly magazine, the Correlator, each of which contains material of interest to the membership, including, as occasion requires, information on legislative matters. During the quarter nine issues of the Washington Letter were published on the following dates: July 6, 19, and 26; August 4, 14, 23, and 31; September 13 and 22; approximately 22,000 copies of each issue were printed by Packwood Printing Co., Washington, D. C.; with respect to the Correlator, 22,000 copies were run in July, August, and September by the Darby Printing Co., Washington, D. C.; I also write an article each month for the American Builder, a monthly trade publication devoted to the interests of the housing industry (publisher: Simmonds Boardman Publishing

[4] Filed for second quarter, 1950.

Co., Chicago and New York); news releases are from time to time sent to the Associated Press, INS, UP, and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material which might be considered as affecting legislation directly or indirectly; neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases; in the course of the operations of the association numerous inquiries are received from representatives of various newspapers, magazines, and other publications for information and material to be used in the preparation of articles concerning housing and, in some cases, pending legislation; I do not understand that the furnishing of such information or material constitutes "causing such article to be published" within the meaning of the act; therefore, and because of the physical impossibility of keeping an accurate account of such situations, no detailed report thereof is made.

D. (5) $1,567.25; (7) $1,567.25; (8) $2,975.17; (9) $4,542.42; (13) no.

E. (7) $447.26; (9) $447.26; (10) $641.56; (11) $1,088.82; (15) $447.26.

A. Harold B. Corwin, 1616 I Street NW., Washington, D. C.; assistant legal counsel.

B. Retired Officers Association, Inc., 1616 I Street NW., Washington, D. C. Preamble: "To inculcate and stimulate love of our country and the flag; and to defend the honor, integrity, and supremacy of our National Government and the Constitution of the United States; to foster fraternal relations between all branches of the various services from which our members are drawn; to aid the retired personnel of the various services from which our members are drawn in every proper and legitimate manner; and to present their rights and interests when service matters are under consideration, we unite to form the Retired Officers Association."

C. (1) Indeterminate.

C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, regular and reserve, and their dependents and survivors, of whatever nature, dealing with personnel matters, pay and retirement benefits, and pensions, studying and analyzing bills, preparing statements for presentation to the cognizant committees, and drafting amendments where indicated, appearing before committees of Congress, principally the Committees on Armed Services, the Committees on Veterans' Affairs, and the committees dealing with various privileges, opportunities, and obligations of the personnel involved.

C. (3) The Retired Officers Association Bulletin: (a) An informational bulletin covering all the activities of the association; (b) 20,000 per issue; (c) 15th of March, June, September, and December; (d) Graphic Arts Press, Inc.

D. (5) $900; (7) $900; (8) $1,650; (9) $2,550; (13) no.

A. Council for Clarification of Pricing Practices, 1 North La Salle Street, Chicago, Ill.

C. (1) Had terminated in prior quarter. No legislative interest in current quarter. This is final report.

C. (2) Previously interested in S. 1008.

D. (2) $14,810; (7) $14,810; (8) $1,500; (9) $16,310; (13) yes; (14) registrant had no legislative interests during the current quarter and no contributions received by it during the current quarter were for legislative purposes, except, however, that at the beginning of this quarter registrant had obligations which remained unpaid. Contributions received during this period in the amount of $14,810 went to discharge those obligations previously incurred which were initially for legislative purposes. No contributor had made any commitment to make such contributions during the time the legislative activities continued. During this quarter registrant received six contributions of $500 or more; four of such contributions being for $500, one for $600 and one for $750. The names and addresses of those contributors will be furnished if deemed pertinent under the foregoing circumstances.

E. (2) $10,500. Registrant reimbursed William Simon in the amount of $4,437.07 during this quarter, for expenditures previously made by him covering items in 5, 6, and 7.

A. Council for Social Action, 289 Fourth Avenue, New York, N. Y.; research, education, and action on social questions of interest to the church.

C. (1) Permanent.

C. (2) Generally interested in welfare, international, civil liberties, and economic legislation where ethical principles of interest to the church are involved. In the Eighty-first Congress, interested in Public Law 171, Private Law 475, S. 246, S. 6000, H. R. 4567, S. 3304, H. R. 7797, S. 2311, H. R. 7595.

C. (3) Social Action magazine; October 1949, 6,000, point 4; November 1949, 6,000, housing; Council for Social Action, New York, N. Y. Christian Community; March 1950, 10,000; Civil Liberties; Legislative Action Service; December 1949, January, March 1950; 600; mimeographed.

D. (6) $1,350

E. (2) $700; (4) $50; (5) $400; (6) $50; (7) $150; (9) $1,350.

A. Council of State Chambers of Commerce, Board of Trade Building, Indianapolis, Ind.

C. (1) Indefinite.

C. (2) Federal taxation, Federal expenditures, social security, and labor relations.

C. (3) Federal spending facts bulletins: Bulletin No. 72, notes on the Senate appropriation bill, informative, 4,000, July 14, 1950; No. 73, our national defense expenditures, 1947–50, informative, 5,150, July 31, 1950; No. 74, final "box score" on 1951 appropriations approved by Congress, informative, 4,000, September 27, 1950. Federal spending facts features for weekly newspapers: Feature No. 6, Federal-aid bills flooding Congress found to total 307, informative news release, 8,000, July 24, 1950; No. 7, overhead, not guns, chief defense cost, informative news release, 6,000 bulletins and 2,024 mats and proofs, August 21, 1950; No. 8, post-office deficit, informative news release, 8,000, September 5, 1950. Federal tax-facts bulletins: Bulletin No. 12, Proposed Corporate Rate Increase Unsound, informative, 600, July 6, 1950; No. 13, Needed: A Sound Approach to Federal Tax Revision, informative, 2,800, August 14, 1950; No. 14, Synopsis of the Revenue Act of 1950 (H. R. 8920), informative, 1,000, August 25, 1950. (NOTE.—All the above publications were printed by Ace Letter Service, 1424 K Street NW., Washington, D. C., with the exception of the mats and proofs for the Federal Spending Facts Feature No. 7. These were done by the Advertisers Mat Service, 1428 U Street NW., Washington, D. C.)

D. (1) $12,917.50; (4) $121; (7) $13,038.50; (8) $39,422.27; (9) $52,460.77; (13) yes; (14) $500, Alabama State Chamber of Commerce, Montgomery, Ala.; $1,375, Connecticut State Chamber of Commerce, Hartford, Conn.; $7,400; Chamber of Commerce of Delaware, Inc., Wilmington, Del.; $1,500, Illinois State Chamber of Commerce, Chicago, Ill.; $7,500, Indiana State Chamber of Commerce, Indianapolis, Ind.; $5,000, New Jersey State Chamber of Commerce, Newark, N. J.; $8,125, Ohio Chamber of Commerce, Columbus, Ohio; $10,000, Pennsylvania State Chamber of Commerce, Harrisburg, Pa.; $500, Virginia State Chamber of Commerce, Richmond, Va.; $2,000, West Virginia State Chamber of Commerce, Charlestown, W. Va.; $1,800, Wisconsin State Chamber of Commerce, Madison, Wis.; $45,700, total.

E. (2) $9,575; (4) $4,443.15; (5) $1,315.28; (6) $805.84; (7) $1,982.77; (8) $97.14; (9) $18,219.18; (10) $33,799.31; (11) $52,018.49.

A. Donald M. Counihan, 1420 New York Avenue NW., Washington, D. C.; attorney at law.

B. Classroom Periodical Publishers Association, 38 West Fifth Street, Dayton, Ohio; trade association of publishers of classroom periodicals.

C. (1) Expect legislative interest to last until close of Eighty-first Congress.

C. (2) General interest in second-class postal rates; particular interest in S. 1103 and H. R. 2945.

D. (5) $1,550.64; (7) $1,550.64; (8) $2,717.24; (9) $4,267.88; (13) no.

E. (2) $1,500; (8) $50.64; (9) $1,550.64; (10) $2,717.24; (11) $4,267.88.

A. Donald M. Counihan, 1420 New York Avenue NW., Washington, D. C.; attorney at law.

B. Harnischfeger Corp., Milwaukee, Wis.; heavy equipment and prefabricated houses manufacturer.

C. (1) Indefinite.

C. (2) General interest in housing legislation. Specific interest in Reorganization Plan No. 3 and S. 4145, H. R. 9726, H. R. 9704, housing near military installations; S. 3936, H. R. 9176, Defense Production and Economic Control Act; H. R. 9314, priorities and allocation of materials and facilities; Senate Banking Committee on Lustron investigation.

D. (5) $1,050; (7) $1,050; (8) $2,526.72; (9) $3,576.72; (13) no.

E. (2) $1,050; (9) $1,050; (10) $2,526.72; (11) $3,576.72.

A. Nathan E. Cowan, 718 Jackson Place NW., Washington, D. C.; legislative director of the Congress of Industrial Organizations.

B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C., a federation of labor organizations, and United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa., affiliated union of the CIO.

C. (1) Indefinitely.

C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

C. (3) I have not individually issued or caused to be issued any publication as above described. Any such publications issued by the CIO are listed on the CIO report.

D. (5) $1,875; (6) $920; (7) $2,795; (8) $5,788.57; (9) $8,583.57.

E. (7) $920; (9) $920; (10) $2,038.57; (11) $2,958.57; (15) $920.

A. Cox, Langford, Stoddard & Cutler[1] (law firm), 1210 Eighteenth Street NW., Washington, D. C.

B. California Texas Oil Co., Ltd., 551 Fifth Avenue, New York, N. Y.

C. (1) Indefinite.

C. (2) Bills dealing with acquisition, allocation, transportation, or other regulation or control of materials and products used or marketed by California Texas Oil Co., Ltd. Specific legislative interests during period covered by this report were (a) a bill to amend the customs laws of the United States in order to protect American commerce against discrimination by foreign nations (H. R. 7624) and (b) a bill to amend the Economic Corporation Act of 1948, as amended (H. R. 7797 and S. 3101).

D. (5) $300; (7) $300; (8) $500; (9) $800; (13) no.

A. Cox, Langford, Stoddard & Cutler (law firm), 1210 Eighteenth Street NW., Washington, D. C.

B. California Texas Oil Co., Ltd., 531 Fifth Avenue, New York, N. Y.

C. (1) Indefinite.

C. (2) Bills dealing with acquisition, allocation, transportation, or other regulation

[1] Filed for second quarter, 1950.

or control of materials and products used or marketed by California Texas Oil Co., Ltd. During the period covered by this report there was no interest in specific bills.

D. (13) No.

A. Cox, Langford, Stoddard & Cutler,[4] (law firm), 1210 Eighteenth Street NW., Washington, D. C.

B. Overseas Tankship Corp., 551 Fifth Avenue, New York, N. Y.

C. (1) Indefinite.

C. (2) General legislative interests are bills dealing with ocean transportation of United States financed cargoes. During the period covered by this there was no interest in specific bills.

D. (13) No.

A. Cox, Langford, Stoddard & Cutler (law firm), 1210 Eighteenth Street NW., Washington, D. C.

B. Overseas Tankship Corp., 551 Fifth Avenue, New York, N. Y.

C. (1) Indefinite.

C. (2) General legislative interests are bills dealing with ocean transportation of United States financed cargoes. During the period covered by this report there was no interest in specific bills.

D. (13) No.

A. Cox, Langford, Stoddard and Cutler (law firm), 1210 Eighteenth Street NW., Washington, D. C.

B. Joseph Ross, 40 Mamaroneck Avenue, Scarsdale, N. Y.

C. (1) Not beyond January 1951; may be terminated with this quarter.

C. (2) Private bills to record the lawful admission to the United States of Mr. Ross' sister and niece, Mrs. Maly Braunstein and Mrs. Aurelia Rappaport (S. 4057, H. R. 9460).

C. (4) Compensation for legal services rendered to be paid periodically at rate per hour depending on the number of hours of legal services involved. Only expenses anticipated are for postage, telephone calls, and stenography in a nominal amount.

D. (5) $300; (7) $300.

A. W. W. Coxe, 801 North Jefferson Street, Roanoke, Va.; general solicitor.

B. Norfolk & Western Railway Co., 801 North Jefferson Street, Roanoke, Va.

C. (1) Cannot say with certainty.

C. (2) Proposed canalization of Big Sandy River and its tributaries in States of Kentucky and West Virginia.

D. (5) $5; (13) no.

A. Charles J. Crampton, 700 Insurance Building, San Antonio, Tex.; attorney at law.

B. State Tax Association, post office box 2559, Houston, Tex.; a voluntary association of taxpayers organized to promote tax equalization between the community property and common law states. General purpose: To bring about constructive cooperation between community property and common law States for the development of a plan of tax equalization which will afford an equitable basis for income, estate, and gift taxation in the Federal tax structure. To support complete retroactive repeal of the 1942 estate and gift tax amendments as they apply to community property States in an unfair, discriminatory, inequitable manner. To support the elimination of Federal estate taxes and restore estate taxation to the several States. We have supported and will continue our support of the American Bar Association's recommendations for tax equalization.

C. (1) A continuous study of Federal tax legislation and administrative rulings and court decisions in tax matters affecting community property tax payers inequitably.

C. (2) No specific legislation.

D. (8) $5,500; (9) $5,500; (13) no.

E. (7) $525.22; (9) $525.22; (10) $329.36; (11) $854.58; (15) $525.22. Expense account for third quarter $525.22 submitted but not paid to date.

[4] Filed for second quarter, 1950.

A. Dice Crane, Klamath Agency, Oreg.

B. Klamath Tribe of Indians of Oregon.

C. (1) Indefinitely.

C. (2) I am interested in legislation affecting the status of Indian tribes, especially the Klamath Tribe of Oregon. I am instructed to oppose enactment of S. 186, S. 188, S. 764, S. 765, S. 766, H. R. 1537 and H. R. 2724.

NOTE.—No additional legislative activities are contemplated unless registrant is elected to represent the Klamath Tribe during subsequent Congresses. In that event registrant will file a new registration.

D. (5) Received $10 per day for services and $6 per day per diem during the period registrant was engaged in business of the Klamath Tribe in Washington, D. C.

E. (7) Travel expenses of registrant were paid from tribal funds on Government travel requests. Food, lodging, telephone and telegraph were paid from salary and per diem amounts reported under D.

A. William A. Crawford,[4] 545 Hurt Building, Atlanta, Ga.; executive secretary, Railroad Association of Georgia; general public relations work for the railroads of Georgia.

B. Railroad Association of Georgia, 545 Hurt Building, Atlanta, Ga.; general public relations work for the railroads of Georgia.

C. (1) Interest in legislation affecting the railroads will continue indefinitely.

C. (2) The general legislative interests of the person filing this report concern legislation of general or specific relation to the railroads, for example, H. R. 378 and S. 238, the so-called operating rules bill.

C. (3) There has been no publication issued or caused to be issued in connection with legislative interests during the period.

D. (1) $3,750; (7) $3,750; (8) $3,750; (9) $7,500; (13) yes.

E. (10) $88.80; (11) $88.80.

A. William A. Crawford, 545 Hurt Building, Atlanta, Ga.; executive secretary, Railroad Association of Georgia; general public relations work for the railroads of Georgia.

B. Railroad Association of Georgia, 545 Hurt Building, Atlanta, Ga.; general public relations work for the railroads of Georgia.

C. (1) Interest in legislation affecting the railroads will continue indefinitely.

C. (2) The general legislative interests of the person filing this report concern legislation of general or specific relation to the railroads, for example, H. R. 378 and S. 238, the so-called operating rules bill.

C. (3) There has been no publication issued or caused to be issued in connection with legislative interests during the period.

D. (1) $3,750; (7) $3,750; (8) $7,500; (9) $11,250; (13) yes.

E. (6) $12; (7) $60; (9) $72; (10) $88.80; (11) $160.80; (15) $72.

A. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.; a nonprofit corporation made up of credit union leagues and credit unions.

C. (1) Indefinitely.

C. (2) Legislation affecting credit unions.

D. (1) $34,387.81; (7) $34,387.81; (8) $105,911.16; (9) $140,298.97; (13) yes; (14) $1,370.86, Alabama Credit Union League, Clyde C. Parker, managing director, post-office box 2634, Birmingham, Ala.; $7,500, California Credit Union League, C. E. Murphy, managing director, 1307 Harrison Street, Oakland, Calif.; $2,168.29, Colorado Credit Union League, Clyde Dwyer, managing director, 5721 Saulsbury Street, Arvada, Colo.; $5,538, Connecticut Credit Union League, L. R. Nixon, managing director, 46 Hillcrest Avenue, New Britain, Conn.; $2,237.42, D. C. Credit Union League, H. M. Rhodes, managing director, 3308 Fourteenth Street NW., Washington, D. C.; $3,288.34, Florida Credit Union League, F. L. Andrews, managing director, post-office box 4167, Jacksonville, Fla.; $2,015.79, Georgia Credit Union League, James R. DeLay, managing director, post-office box 2044, Atlanta, Ga.; $7,500, Illinois Credit Union League, J. S. DeRamus, managing director, 309 West Jackson Boulevard, Chicago, Ill.; $3,500, Indiana Credit Union League, C. E. Oldham, managing director, 3861 North Delaware Street, Indianapolis, Ind.; $2,929.70, Iowa Credit Union League, H. W. Vetter, managing director, 220 Securities Building, Des Moines, Iowa; $1,416.43, Kansas Credit Union League, H. L. Peterson, managing director, 208 East Magnolia, Dodge City, Kans.; $2,154.50, Kentucky Credit Union League, W. L. Vandenburgh, managing director, 1296 Starks Building, Louisville, Ky.; $2,224.76, Louisiana Credit Union League, Edgar L. Fontaine, managing director, 717 Carondelet Building, New Orleans, La.; $671.91, Maine Credit Union League, Boris Blumenthal, managing director, room 205, Post Office, Portland, Maine; $2,000, Maryland Credit Union League, J. D. M. Marquette, managing director, 707 Munsey Building, Baltimore, Md.; $4,523.95, Massachusetts CUNA Association, Inc., Miss Agnes C. Gartland, managing director, 5 Park Square, Boston, Mass.; $7,500, Michigan Credit Union League, Al Marble, managing director, 404 Transportation Building, Detroit, Mich.; $5,244.24, Minnesota League of Credit Unions, R. E. Archer, managing director, 2642 University Avenue, St. Paul, Minn.; $1,672.52, Nebraska Credit Union League, Wayne Bornemeier, managing director, 315 Barker Building, Omaha, Nebr.; $4,375, New Jersey Credit Union League, Henry Stricker, Jr., managing director, 421 Morris Avenue, Elizabeth, N. J.; $6,875, New York Credit Union League, Sidney Stahl, managing director, 254 West Thirty-first Street, New York, N. Y.; $1,158.56, North Carolina Credit Union League, B. L. Webster, managing director, post-office box 537, Greensboro, N. C.; $1,031.06, North Dakota Credit Union League, John P. Hillerson, managing director, box 628, Jamestown, N. Dak.; $7,500, Ohio Credit Union League, Robert Kloss, managing director, 20 South Third Street, Columbus, Ohio; $1,104.87, Oklahoma Credit Union League, Ralph Bendel, managing director, 107 Albany Hotel, Tulsa, Okla.; $1,059.11, Oregon Credit Union League, A. J. Gulley, managing director, 730 Mead Building, Portland, Oreg.; $7,500, Pennsylvania Credit Union League, W. W. Pratt, managing director, 1522 Cherry Street, Philadelphia, Pa.; $1,950.65, Rhode Island Credit Union League, Franklin D. Read, managing director, 75 Empire Street, Providence, R. I.; $710.41, South Carolina Credit Union League, J. Gorman Thomas, managing director, Main Post Office, Charleston, S. C.; $2,616.51, Tennessee Credit Union League, Miss Corinne D. St. Johns, office manager, 242 Chamberlain Building, Chattanooga, Tenn.; $6,500, Texas Credit Union League, James M. Barry, managing director, 410 Southland Building Annex, Dallas, Tex.; $792.30, Utah State Credit Union League, Karl S. Little, managing director, 1064 Lincoln Street, Salt Lake City, Utah; $1,666.54, Virginia Credit Union League, G. K. Keeling, managing director, Route 6, White Oak Drive, Lynchburg, Va.; $1,200, Washington Credit Union League, Francis White, managing director, 4310 Woodlawn Avenue, Seattle, Wash.; $7,500, Wisconsin Credit Union League, Fabian Monroe, managing director, 624 North Twenty-seventh Street, Milwaukee, Wis.; $1,441.38, Hawaii Credit Union League, Charles Hudson, managing director, post-office box 2632, Honolulu, Hawaii; $862.61, Credit Union League of Alberta, G. A. Swales, secretary-treasurer, 20 Alberta Block, Calgary, Alberta, Canada; $2,715.64, British Columbia Credit Union League, J. W. Burns, managing director, Broadway at Quebec, Vancouver, British Columbia; $1,880.40, the Cooperative Credit

[4] Filed for second quarter, 1950.

Society of Manitoba, Ltd., D. G. Reimer, manager, post-office box 192, Winnipeg, Manitoba; $681.07, Brunswick Credit Union Federation, Ltd., H. M. Daley, secretary-treasurer, post-office box 221, St. John, New Brunswick; $2,000, Nova Scotia Credit Union League, Rod MacMullin, managing director, Antigonish, Nova Scotia, Canada; $4,436.73, Ontario Credit Union League, John Hallinan, general manager, 30 Bloor Street, Toronto, Ontario; $603.15, Quebec Credit Union League, Miss Isabel K. Williamson, manager, 1445 Crescent Street, Montreal, Quebec; $2,540.72, Credit Union League of Saskatchewan, Thomas Molloy, managing director, room 207, Co-op Block, Regina, Saskatchewan.

E. (2) $342.50; (7) $8.40; (8) 50 cents; (9) $351.40; (10) $689.42; (11) $1,040.82.

A. Frederick T. M. Crowley, 1424 K. Street NW., Washington, D. C.; attorney at law.

B. Associated in general practice of law with Douglas L. Hatch who is also registered under this act as counsel for James Stewart & Co., Inc.

C. (1) Indefinitely.

C. (2) H. R. 6095.

A. Leo J. Crowley, 922 Equitable Building, Denver, Colo., attorney at law.

B. Colorado Legislative Committee, 615 C. A. Johnson Building, Denver, Colo.; this committee consists of the general or State attorneys, representing the following-named railroad companies in Colorado: Atchison, Topeka & Santa Fe Railway Co., Chicago, Burlington & Quincy Railroad Co., Chicago, Rock Island & Pacific Railway Co., Colorado & Southern Railway Co., Denver & Rio Grande Western Railroad Co., Missouri Pacific Railroad Co., and the Union Pacific Railroad Co. The primary purpose of said committee is to look after legislation, taxes, and legal matters of common interest to said railroad companies in the State of Colorado, and secondary to give attention to matters pending before Congress of common interest to said companies.

C. (1) As stated under B, my primary interests are in connection with State matters and secondarily matters pending in Congress, so that the time during which my Federal legislative interests will continue is indefinite. My experience has been that in many quarters I do not participate in the consideration of Federal legislation and make no expenditures during these quarters.

C. (2) I am interested in all legislation both general and special that affects the railroads I represent. There are many specific measures pending in Congress among which are the following: Communications or operating rules bills; railway mail pay bills; transportation excise taxes; the St. Lawrence seaway; the Federal barge lines; parcel post rates; repeal of Reed-Bulwinkle Act; bills changing the authority of the Interstate Commerce Commission; S. Res. 50; the investigation of surface transportation by the Senate Committee on Interstate and Foreign Commerce; revenue measure; Railway Labor Act.

D. (5) $1,123.96; (7) $1,123.96; (8) $592.92; (9) $1,716.88; (13) No.

E. (2) $640; (7) $483.96; (9) $1,123.96; (10) $592.92; (11) $1,716.88; (15) $1,123.96.

A. Leo P. Cullinane, 1025 Vermont Avenue, NW., Washington, D. C.

B. National Associated Businessmen, 1025 Vermont Avenue, NW., Washington, D. C.; chiefly engaged in the dissemination of economic and political information, which member groups translate into action at grass roots, when and if they desire.

C. (1) Indeterminate.

C. (2) Measures that would levy a tax on certain tax-exempt organizations, specifically H. R. 7343, H. R. 5064, and H. R. 8920, all of which would impose taxes on cooperative organizations. Excess profits tax bill about to be written, renegotiations bill about to be written, war tax bill of 1951.

D. (5) $1,893.12; (7) $1,893.12; (8) $3,732; (9) $5,625.12.

E. (7) $222.75; (9) $222.75; (10) $456.17; (11) $678.92; (15) $222.75.

A. Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; attorneys and counselors.

B. New Process Co. (merchandisers by mail), Warren, Pa.

C. (1) Unknown, but probably until end of Eighty-first Congress.

C. (2) Postal rate legislation; H. R. 2945, to readjust postal rates; S. 1103, to readjust postal rates.

A. Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C., attorneys and counselors. Final report. Employment terminated August 1, 1950.

B. United States Lines, 1 Broadway, New York; Farrell Lines, Inc., 26 Beaver Street, New York; American President Lines, 311 California Street, San Francisco; American Export Lines, 25 Broadway, New York; Grace Lines, Inc., 10 Hanover Square, New York; Lykes Bros. Steamship Co., 203 Franklin Street, Tampa, Fla.

C. (1) Employment terminated as of August 1, 1950.

C. (2) All proposed legislation relating to maritime and shipping matters; Merchant Marine Act of 1936, as amended; H. R. 5346, S. 2786, H. R. 6719, H. R. 3337, H. R. 3930, H. R. 4190, H. R. 3291; H. R. 3419, H. R. 6061, H. R. 4450, H. R. 3122, H. R. 4847, S. 402, Senate Resolution 50, H. R. 1251.

D. (5) $3,600; (7) $3,600; (8) $21,600; (9) $25,200; (13) no.

E. (2) $950; (5) $250; (9) $1,200; (10) $7,801.95; (11) $9,001.95.

A. John C. Cuneo, post office box 1054, Modesto, Calif.; California representative for the Townsend Plan, Inc.

B. The Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio.

C. (1) Indefinite.

C. (2) H. R. 2135, H. R. 2136, S. 2181, the Townsend plan bills.

D. (5) $1,093.67; (7) $1,093.67; (8) $5,152.08; (9) $6,245.75.

E. (6) $608.38; (7) $212.02; (8) $327.14; (9) $1,147.54; (10) $2,323.75; (11) $3,471.29.

A. James E. Curry, 519 East Capitol Street, Washington, D. C.; law firm.

B. Alaska Native Brotherhood, National Congress of American Indians, and public bodies (Indian tribes) which are not subject to the lobbying registration law.

C. (1) Interested in legislation of each congressional session.

C. (2) Interested in all legislation affecting continental and/or Alaskan Indians, including H. R. 1537, S. 188, the law and order bill; H. R. 1921, S. 691, Indian social security; H. R. 3275, disposal of submarginal lands in Montana, North Dakota and South Dakota; H. R. 3974, Standing Rock Sioux rehabilitation; H. R. 4461, abolition of salmon traps in Alaska; H. R. 4941, repeal Indian liquor law; H. R. 5372, Negotiations for taking Indian lands for Oahe Dam Reservoir; H. R. 5099, consolidation of Indian land interests; H. R. 6405, Sioux Rehabilitation; H. R. 6999, Pine Ridge submarginal lands; H. R. 7433, Sioux Pony claims; H. R. 7555, allotment for South Dakota Indian veterans; S. 17, disposition of land on the Pyramid Lake Indian Reservation; S. 186, emancipation; S. 363, repeal of power to create reservations in Alaska; S. 3303, amending Public Law 437, Eighty-first Congress, first session.

D. (5) $870; (7) $870; (9) $870; (13) no. Please note that this income is for legal services mainly.

E. (4) $112.50; (6) $16; (11) $128.50.

A. Ralph E. Curtiss, 944 Washington Building, Washington, D. C.; attorney at law.

B. National Licensed Beverage Association, 420 Seventh Street, Racine, Wis.; a national trade association of owners of taverns, restaurants, and cabarets.

C. (1) Indefinitely.

C. (2) Any legislation affecting the tavern and restaurant industry; i. e., H. R. 6000, revenue bills, Federal Alcohol Administration Act.

D. (5) $575; (7) $575; (8) $1,650; (9) $2,225; (13) no.

E. (4) $13.67; (6) $10.05; (7) $293.98; (9) $317.70; (10) $33.12; (11) $350.82; (15) $317.70.

A. Cushman, Bernard, 1029 Vermont Avenue NW., Washington, D. C.; lawyer and labor relations consultant.

B. My principal duties for the employer are without legislative interest. O. David Zimring, lawyer, 1029 Vermont Avenue NW., Washington, D. C., is my employer and will pay me my regular salary during such legislative work. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, A. F. of L., 1214 Griswold Street, Detroit, Mich., is the secondary employer and will pay my employer, O. David Zimring.

C. (1) Legislative interests will not continue. This is final report.

C. (2) General legislative interests of labor organizations, their members and families, and especially the interests of Mr. Zimring and the above-named association. At the time of my primary registration and during June 1950 the primary legislative interest was in H. R. 6000, Senate Report 1669, and proposed amendments thereto.

C. (3) The association publishes the Union Leader, a weekly journal for its members in the Chicago, Ill., area; it also publishes The Motorman, Conductor, and Motor Coach Operator, a monthly journal for its members in the United States and Canada. These publications are not primarily concerned with legislative interests but have contained in the past and will publish in the future news stories, reports and recommendations involving pending or suggested bills, resolutions, and constitutional amendment proposals.

C. (4) I am employed on an annual salary by O. David Zimring, and I handle labor relations consultations, organizational duties, economic statistics, the presentation and preparation of labor arbitrations, and other matters such as presentations before the Interstate Commerce Commission, etc. My legislative work is incidental to my regular employment and there will be no additional compensation therefor.

D. (13) No.

A. Daley, William L., 911 Continental Building, Washington, D. C.; Washington representative, National Editorial Association.

B. Newspaper publishers' association, National Editorial Association, 222 North Michigan Avenue, Chicago, Ill.

C. (1) Indefinitely.

C. (2) H. R. 2734, antimerger; H. R. 5387, Government stamped envelopes; H. R. 7491, Government stamped envelopes; H. R. 9625, liquor prohibition for duration of international tension; H. R. 4237, optometry advertising in District of Columbia; H. R. 2945, to increase postal rates; H. R. 6195, to restore cuts in postal service; H. Res. 827, to create committee to study extent and effect of detrimental suppression of facts; H. R. 2032, to repeal Taft-Hartley Act and reenact Wagner Act of 1935; H. R. 8920, tax revision; H. R. 7738, tax revision; H. R. 7825, tax revision; H. R. 6000, social security; S. 3388, antimerger; S. 3358, gambling information; S. 2126, Government stamped envelopes; S. 1103, increase postal rates; S. 249, to repeal Taft-Hartley Act and reenact Wagner Act of 1935; S. Res. 197, calls for joint committee to study postal rates and methods of improvement in the Post Office Department; S. 3936, defense production bill; S. 3118, returning third-, fourth-, and second-class postal matter; H. R. 9176, defense production bill; H. R.

9490, Subversive Activities Control Act of 1950.

C. (3) The Publishers Tab, approximately 6,000 circulation, tabloid newspaper, published monthly around the 10th, printed by the Times-Press, Hartford, Wis.; The National Publisher, approximately 6,000 circulation, associational magazine, published monthly around the 25th, printed by the Times-Press, Hartford, Wis.; also other publishing trade publications, including bulletins of all State newspaper publishers associations.

D. (5) $825; (6) $172.49; (7) $997.49; (8) $2,119.48; (9) $3,116.97; (13) no; (14) $997.49, National Editorial Association, 222 North Michigan Avenue, Chicago, Ill.

E. (4) $35.26; (5) $24.74; (6) $58.29; (8) $52.50; (9) $172.49; (10) $569.48; (11) $741.97; (15) $172.49.

A. Damon, Eugene J. P., assistant general attorney, St. Louis-San Francisco Railway Co.; chairman, Missouri Railroad Committee, 906 Olive Street, St. Louis, Mo.

B. St. Louis-San Francisco Railway Co., 906 Olive Street, St. Louis, Mo.

C. (1) Continuous.

C. (2) Railroads generally; H. R. 7789, H. R. 3295.

D. (5) $600; (7) $600; (8) $300; (9) $900; (13) no.

E. (7) $530.29; (9) $530.29; (10) $212.99; (11) $743.28; (15) $530.29.

A. John A. Danaher, attorney at law, offices at 50 State Street, Hartford, Conn., and 1625 K Street NW., Washington, D. C.

B. My client is the Fuller Brush Co., Hartford, Conn., engaged in the manufacture and distribution of brushes and household products. The company is interested in extending social security to cover all gainful employment and has appeared in favor of a method of covering the self-employed.

C. (1) While H. R. 6000 is under consideration.

C. (1) While H. R. 6000 is under consid-cial-security legislation; examination of decided cases construing the law; preparation of legal memoranda concerning position of my client with reference thereto; preparation of statement with reference to H. R. 6000 and particularly subsection (k) of section 210, and subsection (d) of section 206 thereof.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) yes.

E. (6) $8.25; (9) $8.25; (10) $68.97; (11) $77.22.

A. John A. Danaher, attorney at law, offices at 50 State Street, Hartford, Conn., and 1625 K Street NW., Washington, D. C.

B. My clients are the B. F. Goodrich Co. and the Firestone Tire & Rubber Co., both of Akron, Ohio.

C. (1) While H. R. 1412, H. R. 5690, H. R. 5691, and S. 640 are under consideration.

C. (2) Bills listed deal with distribution of motor vehicle tires and prevention of manufacturers from selling goods at retail. Study of Federal legislation re same; examination of reported cases concerning constitutionality of proposed bills; preparation of legal memoranda and briefs re same; study of economic data and preparation of hearings.

D. (5) $1,800; (7) $1,800; (8) $3,600; (9) $5,400; (13) yes.

E. (6) $7.51; (9) $7.51; (11) $7.51.

A. John A. Danaher, attorney at law, offices at 50 State Street, Hartford, Conn., and 1625 K Street NW., Washington, D. C.

B. My client is Revere Copper & Brass, Inc., 230 Park Avenue, New York City, engaged in the fabrication of copper and in the manufacture of copper products.

C. (1) While H. R. 5327 and H. R. 7151 are under consideration.

C. (2) Study of import-tax legislation affecting copper; compilation of statistics and economic date; preparation of material for hearings concerning suspension of the import tax on copper contemplated by H. R. 7151 and in opposition to repeal of the present suspension as contemplated by H. R. 5327.

D. (5) $3,000; (7) $3,000; (8) $21,000; (9) $24,000; (13) yes.

E. (6) $31.56; (9) $31.56; (10) $56.70; (11) $88.26.

A. N. R. Danielian,[4] 417 Mayflower Office Building, Washington, D. C.; economic research.

B. Great Lakes-St. Lawrence Association, 417 Mayflower Office Building, Washington, D. C.; trade association.

C. (1) Unknown.

C. (2) St. Lawrence legislation.

D. (5) $6,000; (7) $6,000; (8) $5,000; (9) $11,000.

E. (1) $367.24; (7) $600.05; (9) $967.29; (10) $1,215; (11) $2,182.29.

A. N. R. Danielian, Mayflower Office Building, Washington, D. C.; economic research.

B. Great Lakes-St. Lawrence Association, Mayflower Office Building, Washington, D. C.; trade association.

C. (1) Unknown.

C. (2) St. Lawrence Association.

D. (5) $5,200.17; (7) $5,200.17; (8) $11,000; (9) $16,200.17; (13) no.

E. (7) $1,172.17; (9) $1,172.17; (10) $2,182.29; (11) $3,354.46.

A. Paul J. Daugherty, legislative affairs department, Ohio Chamber of Commerce, 820 Huntington Bank Building, Columbus, Ohio.

B. Ohio Chamber of Commerce, 820 Huntington Bank Building, Columbus, Ohio; nonprofit organization.

C. (1) I assume "legislative interests" refer to Federal legislation—such interest is sporadic and indefinite as to future duration.

C. (2) Legislative interests: As an employee of the Ohio Chamber of Commerce such matters affecting business and commerce in Ohio as are referred to me from time to time by the Ohio Chamber of Commerce; e. g., proposals in the fields of taxation, appropriations, old-age and survivors insurance, unemployment compensation, industrial development, and other management problems. Present specific interests: H. R. 6000, H. R. 8059, H. R. 8920, H. R. 9176, Defense Production Act of 1950; attention has been given during the period covered by this report.

C. (3) During period covered by report private service bulletins to members were issued as follows: (a) H. R. 6000, bill analysis and comments; (b) approximately 5,000; (c) August 18, 1950; (d) Ohio Chamber of Commerce mimeographed.

D. (5) $2,575.02; (7) $2,575.02; (8) $5,074.98; (9) $7,650. This was received for all services and principally on matters other than Federal legislation.

E. (4) $120.05; (7) $146.90; (9) $266.95; (10) $575.87; (11) $842.82.

A. Aled P. Davies, 59 East Van Buren Street, Chicago, Ill.

B. American Meat Institute, 59 East Van Buren Street, Chicago, Ill.; nature of business, trade association and research association for meat-packing industry.

C. (1) To continue indefinitely.

C. (2) Legislature affecting the meat-packing industry; (a) the Defense Production Act of 1950; (b) S. 3936, H. R. 9176; (c) Public Law 74.

D. (5) $2,423.12; (7) $2,423.12; (9) $2,423.12; (13) no.

E. (6) $208.29; (7) $2,610.43; (8) $125.06; (9) $2,943.78; (11) $2,943.78; (15) $2,943.78.

A. John H. Davis, 744 Jackson Place NW., Washington, D. C., executive secretary National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.; a trade organization for farmer cooperatives marketing farm products and/or purchasing farm supplies.

C. (1) Indefinitely.

C. (2) H. R. 8920, Revenue Act of 1950; H. R. 7786, appropriation bill.

C. (3) Washington Situation, a weekly mimeographed house organ summarizing developments in Washington which are of interest to our organization; (b) approximately 1,000; (c) weekly; (d) published in mimeograph form in our office.

D. (5) $3,300; (7) $3,300; (8) $6,600; (9) $9,900.

E. (7) $136.93; (9) $136.93; (10) $969.25; (11) $1,106.18; (15) $136.93.

A. Sherlock Davis, 1117 Barr Building, 910 Seventeenth Street NW., Washington, D. C.; general counsel.

B. United States Cuban Sugar Council, 30 Pine Street, New York, N. Y.; a group of companies owning or operating sugar properties in Cuba, the stockholders of which are predominantly United States citizens.

C. (1) During the preceding calendar quarter registrant has not engaged in any activities covered by section 308 (a) of the Federal Regulation of Lobbying Act and, accordingly, has received no funds and made no disbursements for the purposes covered by the act, but is filing this report for purposes of record (annual salary reported on Form B).

C. (2) General legislative interest: Anything which pertains to sugar to trade with Cuba.

Specific legislative interest: The Sugar Act of 1948 (Public Law 388, 80th Cong.) and any proposed amendments thereto, including House Joint Resolution 426.

A. Bourbon A. Dawes, executive secretary, Hotel Association of Washington, D. C., Inc., 312 1331 G Street NW., Washington, D. C.

B. Hotel Association of Washington, D. C., Inc., 312 1331 G. Street NW., Washington, D. C.; a trade association with membership limited to hotels located in the District of Columbia.

C. (1) Indefinite.

C. (2) Continuing interest in all District of Columbia legislation effecting hotels located in the District of Columbia: H. R. 1188, to regulate the practice of engineering in the District of Columbia; H. R. 5912, to restrict sale of alcoholic beverages on credit; H. R. 6353, to amend ABC Act regarding Sunday sales; H. R. 6669, extension of District of Columbia rent control; H. R. 6779, to allow voluntary control of District of Columbia alcoholic beverage industry; H. R. 7360, to amend ABC Act with respect to certain definitions; S. 3257, to amend District of Columbia Unemployment Compensation Act.

D. (5) $2,175; (7) $2,175; (8) $3,750; (9) $5,925; (13) no.

E. (10) $74; (11) $74.

A. Clarence E. Dawson, 821 Fifteenth Street NW., Washington, D. C.; partner, law firm of Milbank, Tweed, Hope & Hadley.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the Chase National Bank of the City of New York.

D. (13) No.

A. Clarence E. Dawson, 821 Fifteenth Street NW., Washington, D. C.; partner, law firm of Milbank, Tweed, Hope & Hadley.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

D. (13) No.

A. Thomas J. Deegan, Jr., president, Federation for Railway Progress, 4500 Chrysler Building, New York, N. Y.

B. Federation for Railway Progress, 4500 Chrysler Building, New York, N. Y.; a nonprofit, unincorporated association to further the national railroad transportation policy as set forth in the Interstate Commerce Act.

[4] Filed for second quarter, 1950.

Also, publisher of a monthly magazine called Railway Progress.

A. William I. Denning, 1518 K Street NW., Washington, D. C.; lawyer.

B. National Association of Magazine Publishers, 232 Madison Avenue, New York, N. Y.; trade association.

C. (1) For general legal representation in Washington.

C. (2) Activities limited to advising association in connection with postal rate matters.

D. (5) $1,875; (7) $1,875; (8) $1,875; (9) $1,875.

A. Dorothy Detzer, 112 East Nineteenth Street, New York, N. Y.

B. Post War World Council, 112 East Nineteenth Street, New York, N. Y.; legislative consultant.

C. (1) Indefinite.

C. (2) Legislation toward universal and enforceable disarmament.

D. (5) $1,200; (6) $1,810.98; (7) $1,200; (8) $1,650; (9) $2,850; (13) no.

E. (6) $10.25; (7) $53.70; (10) $1,810.98; (15) $1,263.95.

A. R. T. DeVany, 918 Sixteenth Street NW., Washington, D. C.

B. National Association of Manufacturers, 918 Sixteenth Street NW., Washington, D. C. This is a report for the period from September 18 to October 1, 1950, in compliance with Public Law 601, Seventy-ninth Congress, known as the Lobbying Act. I am employed by the National Association of Manufacturers. The home office address of my employer is 14 West Forty-ninth Street, New York, N. Y. I am reporting as an individual in compliance with section 308 of the Lobbying Act. Compensation for my work in connection with legislative matters which might be covered by the act during the period from September 18 to October 1, 1950, did not exceed $200. My expenses for this period amounted to $70.66, all reimbursed by my employer. These are expenses incurred in the normal course of business, such as meeting and conference expenses and travel. They were paid to hotels, restaurants, taxicabs, trade associations for dues, and railroads. I am not employed to support or to oppose specific bills in Congress. My principal responsibility in connection with legislation is to answer inquiries and to analyze and to report on important legislation affecting industry, including proposals involving appropriations, regulation of business, social security, labor policy, taxation, securities regulation, and Federal subsidies and controls.

A. Leo A. Diamond, 25 Broadway, New York, N Y.; employee of law firm and engaged in general practice of tax law.

B. Chadbourne, Parke, Whiteside, Wolff & Brophy, 25 Broadway, New York, N. Y.; engaged in the general practice of law and general counsel of the American Tobacco Co., 111 Fifth Avenue, New York, N. Y.

C. (1) Legislative interests are expected to continue until tax legislation is passed extending the 85 percent dividends received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

C. (2) See (1) above. The proposed legislation was contained in section 120 of H. R. 6712 which was passed by the House of Representatives, second session, Eightieth Congress.

C. (3) No publications issued or caused to be issued.

D. Affiant, as employee of Chadbourne, Parke, Whiteside, Wolff & Brophy, general counsel of the American Tobacco Co., is paid a regular monthly salary for services rendered to the law firm, which services include such services as may be required from time to time on behalf of the interests of the American Tobacco Co. in connection with the proposed legislation interests described in paragraph (C) of this report.

A. John M. Dickerman, 1028 Connecticut Avenue NW., Washington, D. C.; legislative director, National Association of Home Builders.

B. National Association of Home Builders, 1028 Connecticut Avenue NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) As director of the legislative department of the National Association of Home Builders of the United States, the trade association of the home building industry, I am interested in all legislation affecting the home building industry. During the quarter covered by this report, such legislation included: Public Law 774, Defense Production Act of 1950; S. 3746, H. R. 8924, a bill to authorize the creation of private mortgage corporations and to modify the Government's secondary market for FHA-insured and VA-guaranteed residential mortgages; S. 4145, a bill to assist the national defense by authorizing the provision of reactivated military installations, and for other purposes.

C. (3) Although not published "in connection with legislative interests", the association publishes a weekly news letter called the Washington Letter and a monthly magazine, the Correlator, each of which contains material of interest to the membership, including, as occasion requires, information on legislative matters. During the quarter nine issues of the Washington Letter were published, on the following dates: July 6, 19, and 26; August 4, 14, 23, and 31; September 13 and 22. Approximately 22,000 copies of each issue were printed by Packwood Printing Co., Washington, D. C. With respect to the Correlator, 22,000 copies were run in July, August, and September, by the Darby Printing Co., Washington, D. C. News releases are from time to time sent to the Associated Press, INS, UP, and other national newspaper wire services by the association for publication in subscriber papers and magazines, some of which releases may contain material which might be considered as affecting legislation directly or indirectly. Neither the association nor I have any means of ascertaining a complete list of the publications utilizing such releases. In the course of the operations of the association numerous inquiries are received from representatives of various newspapers, magazines and other publications for information and material to be used in the preparation of articles concerning housing and, in some cases, pending legislation. I do not understand that the furnishing of such information or material constitutes "causing such article to be published" within the meaning of the act. Therefore, and because of the physical impossibility of keeping an accurate account of such situations, no detailed report thereof is made.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) no.

E. (7) $163.79; (8) $29.45; (9) $193.24; (10) $556.91; (11) $750.15; (15) $193.24.

A. Disabled American Veterans, a congressionally chartered veteran organization; national headquarters, 1423 East McMillan Street, Cincinnati, Ohio; Washington office, 1701 Eighteenth Street NW., Washington, D. C.

C. (1) The national legislation division of the DAV is a permanent division. This division performs only a minor part of DAV activities. The major part is our national claims service.

C. (2) The DAV is interested in all legislation affecting war veterans, their dependents, and survivors of deceased veterans. The largest number of bills in which we are interested are referred to Senate Finance Committee, Senate Labor and Public Welfare, House Veterans' Affairs Committee; the two Committees on Post Office and Civil Service; and the two Armed Services Committees.

C. (3) Articles pertaining to pending legislation in which the DAV is interested are published in our own newspaper: The DAV Semi-Monthly. This newspaper is published semimonthly at our national headquarters, Cincinnati, Ohio, and is mailed to every DAV member. The membership varies and as of June 30, 1950, was 156,783. Legislative articles are carried as news items for DAV members.

E. (2) $3,192.60; (7) $470.01; (8) $60; (9) $3,722.61; (10) $7,961.90; (11) $11,684.51.

A. Walter L. Disbrow, 900 F Street NW., room 314, Washington, D. C.; employee representative.

B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C.; Federal civilian employees' organization.

C. (1) Legislative interests are expected to continue indefinitely.

C. (2) General legislative interests are: Retention and improvement of the Civil Service Retirements and United States Employees Compensation Acts. Short titles and numbers of bills of specific interest include: S. 2715 and H. R. 6293, to amend the Civil Service Retirement Act of May 29, 1930, as amended; S. 2716 and H. R. 5985, to provide for retirement of certain Government employees in cases of reductions in force; S. 2717 and H. R. 6295, to provide for the continuance of family benefits to civil-service employees separated after 5 years' service; S. 2718 and H. R. 5640, to provide for the continuance of family benefits to civil-service employees separated after 20 years' service; S. 2719 and H. R. 998, to provide reduced annuities at age 55 after 5 years of civilian service for persons involuntarily separated from the Federal service not by removal for cause; H. R. 4501, to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for those civilian employees engaged in hazardous occupations in any branch of the Federal service, and for other purposes; S. 3564, to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who are involuntarily separated after having rendered 20 years of service.

C. (3) No publication in connection with legislative interests has been issued within the past year and none is expected to be issued in the near future.

D. (5) $1,142.31; (6) $99.80; (7) $1,242.11; (8) $2,721.86; (9) $3,963.97; (13) yes.

E. (7) $99.80; (9) $99.80; (10) $282.36; (11) $382.16; (15) $99.80.

A. District of Columbia Petroleum Industries Committee, 1625 K Street NW., Washington, D. C.; trade association for petroleum industry in District of Columbia.

C. (1) Indefinite.

C. (2) Legislation affecting the sale or distribution of petroleum products in the District of Columbia.

D. (1) $547.07; (7) $547.07; (8) $878.91; (9) $1,425.98.

E. (2) $300; (8) $247.07; (9) $547.07; (10) $878.91; (11) $1,425.98.

A. Wesley E. Disney, World Center Building, Washington, D. C.

B. Independent Natural Gas Association, World Center Building, Washington, D. C.; nonprofit corporation organized and existing for the purposes of promoting and advancing the welfare, progress, and development of the natural gas industry in the United States.

C. (1) I am employed permanently as general counsel for the association.

C. (2) General legislative interests include any matters affecting the natural gas industry. Specific current legislation includes tax bill.

D. (5) $1,250; (7) $1,250; (8) $2,491; (9) $3,741; (13) yes.

E. (10) $183.21; (11) $183.21.

A. Wesley E. Disney, World Center Building, Washington, D. C.

B. International Talc Co., Inc., 41 Park Row, New York, N. Y.

C. (1) Indefinitely.

C. (2) Specific legislation employed for is percentage depletion.

D. (5) $1,500; (7) $1,500; (9) $1,500; (13) no.

A. Wesley E. Disney, World Center Building, Washington, D. C.

B. National Building Granite Quarries Association, 114 East Fortieth Street, New York, N. Y.; trade association.

C. (1) Indefinitely.

C. (2) Specific legislation employed for is percentage depletion.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) yes.

A. Wesley E. Disney, World Center Building, Washington, D. C.

B. Western Oil and Gas Association, 510 West Sixth Street, Los Angeles, Calif.

C. (1) I am employed indefinitely as Washington counsel to represent this organization generally.

C. (2) General legislative interests include matters affecting oil and gas. Specific legislation interests include percentage depletion.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) no.

E. (6) $69.64; (7) $188.15; (8) $257.79; (15) $69.64.

A. District Lodge No. 44, International Association of Machinists, room 303, Machinists Building, Washington, D. C.; labor union representing interest of Government employees who are members of the I. A. of M.

B. District Lodge No. 44 is subject to the direction of the international president and the general executive counsel of the I. A. of M. and subject to the will of the membership of district lodge No. 44 as outlined at conventions and as embodied in its bylaws.

C. (1) Its legislative interests will continue without date of termination.

C. (2) Lobbying, i. e., supporting or opposing as the case may be, legislation affecting working conditions of Government employees and, incidentally, organized labor in general; not more than 15 percent of its time and resources was spent on this work during the third quarter of 1950; during the third quarter of 1950, a part of the personnel and resources of district No. 44 was used in an attempt to keep track of the status of H. R. 4964, the purpose of which is to assign certain overhaul and repair work for the Navy to private contractors which formerly has been performed in Government establishments, such as naval shipyards, with a view to oppose its enactment; the personnel and resources of district No. 44 has been used to keep track of the status of S. 2862 and H. R. 6827, the purpose of which are to repeal or modify certain sections of the Vinson-Trammell Act of March 27, 1934, so that the Navy Department be not required to perform certain work in its own establishments, but that the work may be let to private contractors, with a view to oppose them; the personnel and resources of district No. 44 has participated in opposing certain sections of the general appropriations act, H. R. 7786, which would, from its point of view, unfavorably amend the annual leave laws, prohibit the filling of vacancies in the Federal service with certain exemptions, and reduce the total appropriations contained in the act by upward to 10 percent with various percentage reductions designated for certain agencies; district No. 44 has urged incorporation in the general Appropriations Act, H. R. 7786, a section which would prohibit use of certain funds for conducting elemental stop-watch time study; the payment of premiums and bonuses, and the requirement that work of the Navy be performed in naval establishments and arsenals, under certain limitations; district No. 44 is expected to oppose or support as the case may be any other bills or legislative proposals that affect either favorably or unfavorably the working conditions of Government employees.

C. (3) District Lodge No. 44 has issued mimeographed circular letters mailed to approximately 580 persons; and individual letters have been written imparting information about the status of legislation, answering inquiries relating thereto, and a few letters and telegrams have been written suggesting that letters or telegrams be sent Senators and Congressmen on legislative matters at interest.

D. (1) $7,097.22; (2) $750; (6) $698.75; (7) $8,545.97; (8) $17,760.91; (9) $26,306.88; (13) yes; (14) District Lodge No. 44, I. A. of M., derives its principal revenue from a monthly per capita tax received from 58 local lodges based upon the number of members paying their dues each month. Only one of these local lodges has paid in more than $500 during the third quarter of 1950. The so-called grand lodge of the I. A. of M. pays into the treasury of District Lodge No. 44, $250 a month to help support one business representative. The $600 of this total of $698.75 consists of $200 per month paid in by Nels P. Alifas, which consists of the monthly annuities due from an insurance policy which the organization purchased for him, but which monthly payments do not go to him personally until after his retirement; $97.50 of this amount consists of interest received from United States bonds of district lodge No. 44; and $1.25 of this amount consists of a refund from the Superintendent of Documents on an order. One of the 58 local lodges which paid per capita tax into district lodge No. 44 in an amount which exceeded $500 during the third quarter of 1950, and the monthly allotment received from the grand lodge of the I. A. of M., are in amounts as follows: $1,894.13, Nicholas Smedile, financial secretary, room 3, Naval Lodge Building, Washington, D. C., lodge No. 174; $750, grand lodge, I. A. of M., Machinists Building, Washington, D. C. These amounts are not in addition to the receipts for dues and assessments and gifts as noted in item D (1) and item D (2), but are a part thereof.

E. (2) $4,509.85; (4) $155.64; (5) $974.12; (6) $161.73; (7) $538.95; (8) $939.62; (9) $7,279.91; (10) $14,699.63; (11) $21,979.54.

A. Division 241, Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., 1608 West Van Buren Street, Chicago, Ill., Daniel J. McNamara, recording secretary, division 241, same address; final report.

B. Division 241, Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., same address, is the employer, represented by Daniel J. McNamara, recording secretary of division 241, and other officers and representatives; the international headquarters of the said amalgamated association is at 1214 Griswold Street, Detroit, Mich.; it is an unincorporated labor organization.

C. (1) Legislative interests will no longer continue; this is final report.

C. (2) The interests of the registrant were in the social security amendments covered by H. R. 6000, which amendments have been adopted and approved.

C. (3) The association publishes its weekly official journal of the organized street railway, rapid transit and bus employees of the Chicago area, the Union Leader; it also publishes its monthly official organ, the Motorman, Conductor and Motor Coach Operator, which is distributed generally to all members of the association in the United States and Canada. These publications are not primarily concerned with legislative interests, but they have contained in the past and will contain in the future, news stories, reports and recommendations involving pending or suggested legislation, local, county, State, and National.

C. (4) The registrant is paid a regular salary for his normal work. No additional compensation has been or will be paid for his legislative work. His employment by the association is on a year-round basis; his expenses have consisted of necessary actual travel expense, meals, lodging, taxi fare, and minor items.

D. (13) No.

E. (2) My salary was the normal salary which would have been paid to me if no legislative work had been performed. None additional was paid for legislative work; (7) $491.36; (11) $491.36; (15) $491.36.

A. Division 589, Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., 100 Boylston Street, Boston, Mass., John C. Carey, president, division 589, same address; final report.

B. Division 589, Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., same address, is the employer, represented by John C. Carey, president of said division 589, and other officers and representatives; the international headquarters of the said amalgamated association is at 1214 Griswold Street, Detroit, Mich.

C. (1) Legislative interests will no longer continue.

C. (2) The interests of the registrant were in the social-security amendments, covered by H. R. 6000, which amendments have been adopted and approved.

C. (3) The association publishes its weekly official journal of the organized street railway, rapid transit and bus employees of the Chicago area, the Union Leader; it also publishes its monthly official organ, the Motorman, Conductor and Motor Coach Operator, which is distributed generally to all members of the association in the United States and Canada; these publications are not primarily concerned with legislative interests, but they have contained in the past and will contain in the future, news stories, reports and recommendations involving pending and suggested legislation, local, county, State, and National.

C. (4) The registrant is paid a regular salary for his normal work. No additional compensation has been or will be paid for his legislative work. His employment by the association is on a year round basis; his expenses have consisted of necessary actual travel expense, meals, lodging, taxi fare and minor items.

D. (13) No.

E. (2) My salary was the normal salary which would have been paid to me if no legislative work had been performed. None additional was paid for legislative work; (7) $180.84; (9) $180.84; (10) $500; (11) $680.84; (15) $180.84.

A. Division 589, Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., 100 Boylston Street, Boston, Mass.; Joseph P. Fahey, business agent, same address; final report.

B. Division 589, Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., same address, is the employer, represented by Joseph P. Fahey, business agent of said division 589, and other officers and representatives; the international headquarters of the said amalgamated association is at 1214 Griswold Street, Detroit, Mich.

C. (1) Legislative interests will no longer continue.

(2) The interests of the registrant were in the social-security amendments, covered by H. R. 6000, which amendments have been adopted and approved.

C. (3) The association publishes its weekly official journal of the organized street railway, rapid transit and bus employees of

the Chicago area, the Union Leader; it also publishes its monthly official organ, the Motorman, Conductor and Motor Coach Operator, which is distributed generally to all members of the association in the United States and Canada; these publications are not primarily concerned with legislative interests, but they have contained in the past and will contain in the future, news stories, reports and recommendations involving pending or suggested legislation, local, county, State, and National.

C. (4) The registrant is paid a regular salary for his normal work. No additional compensation has been or will be paid for his legislative work. His employment by the association is on a year round basis. His expenses have consisted of necessary actual travel expense, meals, lodging, taxi fare and minor items.

D. (13) No.

E. (2) My salary was the normal salary which would have been paid to me if no legislative work had been performed; none additional was paid for legislative work; (7) $180.84; (9) $180.84; (10) $620; (11) $800.84; (15) $180.84.

A. Homer Dodge, 1244 National Press Building, Washington, D. C., correspondent.

B. Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York City; engaged in educational and propaganda publication work for the purpose of upholding the Constitution of the United States.

C. (1) Indefinitely.

C. (2) Any proposed legislation or policies involving a constitutional question.

C. (3) My duties consist in sending news and informative material to the head office. I have no direction over what is done with the material. I occasionally distribute press statements at Washington.

D. (5) $645; (7) $645; (8) $1,290; (9) $1,935.

E. (9) $225; (10) $450; (11) $675.

A. W. J. Donald, 155 East Forty-fourth Street, New York, N. Y.

B. National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y.

C. (1) Duration not predictable.

C. (2) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, electric fans and legislation with respect to amendment of the Labor Management Relations Act.

D. (9) $111.04; (13) no.

A. Donnelly, James E., 120 South La Salle Street, Chicago, Ill.

B. Illinois Manufacturers' Association, 120 South La Salle Street, Chicago, Ill.

C. (1) Indefinitely.

C. (2) All legislation of general interest to manufacturers.

C. (3) Industrial Review and miscellaneous bulletins.

D. (5) An annual salary for all services rendered of which not over $5,000 per year can reasonably be allocated to activities under Lobbying Act; (13) no.

E. (7) $219.88; (9) $219.88; (10) $757.05; (11) $976.93; (15) $219.88.

A. Donovan, Thomas J., tax council of the Alcoholic Beverage Industries, Inc., 10 East Fortieth Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Legislation affecting excise taxes on alcoholic beverages.

D. (2) $16,747.43; (7) $16,747.43; (8) $21,618.80; (9) $38,366.23; (12) $17,895.09; (13) yes; (14) $17,895.09, Licensed Beverage Industries, Inc., 10 East Fortieth Street, New York City (loan, repaid July 20, 1950); $875, Glenmore Distilleries Co., Inc., 660 South Fourth Street, Louisville, Ky.; $6,875, National Distillers Products Corp., 120 Broadway, New York City; $7,775, Schenley Industries, Inc., 350 Fifth Avenue, New York City; $5,100, Hiram Walker & Sons, Inc., Penobscot Building, Detroit, Mich.; $802.23, Brown-Forman Distillers Corp., Post Office box 1080, Louisville, Ky.; $13,800, Joseph E. Seagrams & Sons, Inc., 405 Lexington Avenue, New York, N. Y.

E. (4) $500.84; (9) $500.84; (10) $17,895.09; (11) $18,395.93.

A. J. Dewey Dorsett, general manager, Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.

B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Legislation affecting casualty and surety companies; no specific legislative interests during the third quarter of the year.

C. (3) Registrant has issued no publications in connection with legislative interests.

D. (5) $75; (7) $75; (8) $150; (9) $225; (13) no.

A. C. L. Dorson, 900 F Street NW., room 314, Washington, D. C.; employee representative.

B. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C.; Federal civilian employees' organization.

C. (1) Legislative interests are expected to continue indefinitely.

C. (2) General legislative interests are: Retention and improvement of the Civil Service Retirement and United States Employees Compensation Acts; short title and numbers of bills of specific interest include: S. 2715 and H. R. 6293, to amend the Civil Service Retirement Act of May 29, 1930, as amended; S. 2716 and H. R. 5985, to provide for retirement of certain Government employees in cases of reductions in force; S. 2717 and H. R. 6295, to provide for the continuance of family benefits to civil-service employees separated after 5 years' service; S. 2718 and H. R. 5640, to provide for the continuance of family benefits to civil-service employees separated after 20 years' service; S. 2719 and H. R. 998, to provide reduced annuities at age 55 after 5 years of civilian service for persons involuntarily separated from the Federal service not by removal for cause; H. R. 4501, to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for those civilian employees engaged in hazardous occupations in any branch of the Federal service, and for other purposes; S. 3564, to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who are involuntarily separated after having rendered 20 years of service.

C. (3) No publication in connection with legislative interests has been issued within the past year and none is expected to be issued in the near future.

D. (5) $1,041.35; (6) $65.85; (7) $1,107.20; (8) $2,425.43; (9) $3,532.63; (13) yes, employer.

E. (7) $65.85; (9) $65.85; (10) $190.43; (11) $256.28; (15) $65.85.

A. John E. Dougherty, 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C.

B. The Pennsylvania Railroad Co., 1740 Broad Street Station Building, Philadelphia, Pa.

C. (1) Indefinitely.

C. (2) Any legislation affecting the interest of the Pennsylvania Railroad Co., including Senate Resolution 50, transportation investigation; S. 238, H. R. 378, H. R. 530, railroad communications and operating rules; S. 211, H. R. 4978, Federal barge lines; S. 211, H. R. 5967, freight forwarders; H. R. 7789, S. 3295, Railway Labor Act; Senate Joint Resolution 99, St. Lawrence seaway; S. 1596, H. R. 4271, mail-pay bill.

D. (5) Salary: $665.81 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation; (13) no.

E. (8) $160.50 was expended by me as expense money, during the second quarter of 1950, for taxicabs, meals, automobile expenses and incidentals; in addition to this amount, I also received $374.55 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act; (15) amounts stated in answer to No. 8 above have been reimbursed by the employer.

A. Robert E. Dougherty, 1319 Eighteenth Street NW., Washington, D. C.

B. National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C.; nature of business, trade association.

C. (1) Indefinite.

C. (2) All legislation affecting the interests of the lumber manufacturing industry; impractical to state names of specific bills and statutes because of broad basis of interests.

D. (5) $1,650; (7) $1,650; (8) $4,344.67; (9) $5,994.67; (13) no.

E. (7) $224.85; (9) $224.85; (10) $421.90; (11) $646.75; (15) $224.85.

A. Fayette B. Dow, attorney, Munsey Building, Washington, D. C.

B. American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y.

C. (1) Not determined.

C. (2) Legislative interest related to excise tax on lubricating oils only.

D. (5) I am senior partner in the law firm, Dow, Lohnes, and Albertson, Munsey Building, Washington, D. C. I am a special representative of the American Petroleum Institute in Washington, D. C., without general authority to act for the Institute but with authority to act only in connection with specific subject matters. The Institute is interested in, and is opposed to, a continuation of the existing excise tax on lubricating oils; for that purpose I have been assisted by Donald C. O'Hara who is connected with my office and who appeared before the Ways and Means Committee at a public hearing in opposition to the continuation of the tax on lubricating oils; there was substantially no other activity on his part or on my part in connection with this particular tax and, under the circumstances, the sum of $600 would be ample for all services rendered by Mr. O'Hara or myself for the period January 1, 1950, to September 30, 1950, both inclusive, in that connection.

A. Fayette B. Dow, attorney, Munsey Building, Washington, D. C.

B. Committee for Pipe Line Companies, Tulsa, Okla.

C. (1) Not determined.

C. (2) The Committee for Pipe Line Companies is interested in, and is opposed to S. 571, which, if enacted, would divorce pipe lines that are subject to the Interstate Commerce Act from their existing owning companies.

D. (5) I am senior partner in the law firm, Dow, Lohnes, and Albertson, Munsey Building, Washington, D. C.; I am general counsel for the Committee for Pipe Line Companies, Tulsa, Okla.; this is a committee whose representatives are connected with pipe line companies that are subject to the jurisdiction of the Interstate Commerce Commission under the Interstate Commerce Act; the Committee for Pipe Line Companies has made a report of receipts and disbursements for the 9 months ending September 30, 1950, to which reference is made; attention is called to the fact that I am informed that this report is a complete report of all receipts and disbursements for the period stated; it therefore covers all of the activities of the Committee for Pipe Lines Companies; in other words, it is the current budget of the committee covering all of its activities,

including any, but not confined to, activities affecting legislation; the pipe lines that are subject to the Interstate Commerce Act have no trade association organization such as those which represent other media of transportation. They are, however, represented by a committee composed of individuals that represent the regulated pipe line companies; I am general counsel for that committee and as such have the responsibilities of an attorney for all the activities of the committee including those, if any, which may involve Federal legislation; the Committee for Pipe Line Companies is interested in, and is opposed to the enactment of S. 571, which, if enacted, would result in the divorcement of pipe line companies from the companies which have constructed and owned them. No hearings have been held on S. 571 during the quarter ended September 30, 1950, and I have engaged in no activities in connection with this proposed legislation or any other legislation and have not engaged in any activities for the Committee for Pipe Line Companies which fall within the provisions of the so-called Lobbying Act; the amount of my time devoted to consideration of S. 571 in any respect whatever would be amply covered by the compensation of $500.

A. M. J. Dowd, consulting engineer, Imperial irrigation district, El Centro, Calif.; full-time consultant to district on irrigation, drainage, power, and general administrative problems.

B. Imperial irrigation district, El Centro, Calif.; a public agency organized under State law for the development and distribution of water for irrigation purposes and electric power for all purposes.

C. (1) Indefinite; legislative interests are incidental to activities as engineering consultant.

C. (2) Conferences and reports to district on legislation affecting its interests, including Senate Joint Resolution 4 and House Joint Resolution 3, and counterparts (Colorado River litigation resolutions); S. 75, H. R. 934, and H. R. 935 (central Arizona project); H. R. 1770 and H. R. 7351 (amendment, reclamation law); S. 3001 and H. R. 7220 (rehabilitation of reclamation projects); H. R. 7786 (1951 appropriation bill); S. 1140, H. R. 2210, and H. R. 6031 (lower Colorado River levee system); S. 2444 and H. R. 6031 (Calexico sanitation project); H. R. 6000 (Social Security Act amendments); H. R. 5472 (rivers and harbors); H. R. 7934 (Joshua Tree Monument, boundary revision).

D. (5) $2,880; (6) $929.67; (7) $3,809.67; (8) $7,860.52; (9) $11,670.19; (14) $11,670.19, Imperial irrigation district, El Centro, Calif. (NOTE.—The above represents total amount received from district, only a portion of which is related to legislative interests; segregation is not possible, as such is only a part of and incidental to my work as full-time consulting engineer on various district problems.)

E. (7) $929.67; (9) $929.67; (10) $2,100.52; (11) $3,030.19; (15) $929.67.

A. Robert M. Drysdale, Jr., executive vice president, Federation for Railway Progress, Railway Progress Building, Washington, D. C.

B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.; a nonprofit, unincorporated association to further the national railroad transportation policy as set forth in the Interstate Commerce Act; also, publisher of a monthly magazine called Railway Progress.

C. (1) Indefinitely.

C. (2) Transportation legislation: H. R. 378, railroad communications systems; H. R. 8920, repeal of excise taxes; S. 3295, H. R. 7789, re union shops and union check-offs in railway labor contracts; H. R. 329, H. R. 429, H. R. 4978, S. 211, re inland waterways; S. 3463, Donnell bill to outlaw strikes and lock-outs; S. 4007, bill to preclude Government seeking reparations on rates negotiated under section 22 of Interstate Commerce Act; H. R. 9480, bill to provide adequate reserve supply of railroad freight cars; H. R. 9184, S. 2437, bills to separate subsidies from air-mail pay.

D. (5) $375; (7) $375; (8) $750; (9) $1,125.

A. Stephen M. DuBrul, 11-162 General Motors Building, Detroit, Mich.; employed by General Motors Corp. as executive in charge of the business research staff.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.; manufacturers of automobiles and other products.

C. (1) See registration statement.

C. (2) See statement (5) of quarterly report, dated April 11, 1949; thereunder, registrant supported specifically certain amendments to S. 3936 and H. R. 6000.

For answers to D and E, see statement attached.[2]

A. Margaret Dudley, 132 Third Street SE., Washington, D. C.; advocacy of measures to strengthen and support the United Nations.

B. United World Federalists, Inc., 7 East Twelfth Street, New York, N. Y.; to strengthen the UN.

C. (1) Indefinitely.

C. (2) Measures relating to United States participation in the UN; specifically, House Concurrent Resolution 64 and Senate Concurrent Resolution 56.

D. (5) $750; (7) $750; (8) $523.68; (9) $1,273.68.

A. Read Dunn, Jr., 1832 M Street NW., Washington, D. C.; director of foreign trade.

B. National Cotton Council of America, post office box 18, Memphis, Tenn., nonprofit welfare organization to promote the consumption of American-grown cotton, cottonseed, and products thereof.

C. (1) Indefinitely.

C. (2) Any legislation affecting the raw cotton industry.

D. (5) $375.50; (7) $375.50; (8) $214.75; (9) $590.25.

E. (7) $38; (9) $38; (10) $46; (11) $84; (15) $38.

A. Dunn, Wm. M., assistant to the president, Communications Workers of America-CIO, 1808 Adams Mill Road NW., Washington, D. C.

B. Communications Workers of America-CIO, 1808 Adams Mill Road NW., Washington, D. C.; nature of business, union.

C. (1) Indefinitely.

C. (2) Legislative matters affecting the interests of the membership of the union.

D. (8) $363.15; (9) $363.15.

E. (10) $363.15; (11) $363.15.

A. Dushane, Matthew, Washington representative, Seafarers International Union of North America (A. F. of L.) the registrant represents the union in dealing with Government agencies and departments on matters of interest to the union and with employer and labor group.

B. Seafarers International Union of North America (A. F. of L.), 450 Harrison Street, San Francisco, Calif.

C. (1) At the pleasure of the union's executive board.

C. (2) S. 2196, H. R. 5008.

D. (5) $485; (6) $41.25; (7) $526.25; (8) $1,052.50; (9) $1,578.75; (13) no.

E. (2) $485; (5) $41.25; (6) $6.50; (7) $80; (8) $20; (9) $632.75; (10) $1,294.65; (11) $1,927.40; (15) $526.25.

A. Dwyer, Joseph L., oil trade association, American Petroleum Institute, 1625 K Street NW., Washington, D. C.

B. American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y.

C. (1) Indefinitely.

C. (2) Petroleum legislation; S. 1498, Senate Resolution 50, and various petroleum bills before House Interstate Commerce Committee, current tax bill.

D. (5) $3,000; (9) $3,000; (13) no.

E. (7) $186.67; (15) $186.67.

A. George S. Eaton,[4] 1412 Union Commerce Building, Cleveland, Ohio; trade association secretary.

B. National Tool and Die Manufacturers Association, 1412 Union Commerce Building, Cleveland, Ohio; trade association.

C. (1) Indefinitely.

C. (2) All bills especially affecting the interests of contract tool and die shops, which are small businesses; this includes H. R. 6000 regarding which I submitted a statement for the hearings of the Senate Finance Committee.

D. (5) $100; (7) $100; (8) $100; (9) $200; (13) no.

A. George S. Eaton, 1412 Union Commerce Building, Cleveland, Ohio.

B. National Tool and Die Manufacturers Association, 1412 Union Commerce Building, Cleveland, Ohio; trade association.

C. (1) Indefinitely.

C. (2) All bills especially affecting the interests of contract tool and die shops, which are small businesses; this includes H. R. 6000 regarding which I submitted a statement for the hearings of the Senate Finance Committee, and H. R. 9246 on renegotiation.

D. (5) $100; (7) $100; (8) $200; (9) $300; (13) no.

A. John B. Eccles, Royal Typewriter Co., Inc., 1105 D Street SW., Washington, D. C.; typewriter business.

C. (1) Approximately 2 years.

C. (2) Typewriter legislation embodied in the independent offices.

D. (5) Salary exclusively derived from acting in the capacity of district sales manager, no extra compensation for lobbying.

A. John W. Edelman, 910 Warner Building, Washington, D. C.; Washington representative of Textile Workers Union of America.

B. Textile Workers Union of America, 99 University Place, New York, N. Y.; a labor union organization affiliated with the Congress of Industrial Organizations.

C. (1) Indefinitely.

C. (2) Support all legislation favorable to the national peace, security, democracy, and general welfare; oppose legislation detrimental to these objectives; supported social security, minimum wage, rent control, housing, point 4, ECA, District home rule, Brannan plan, displaced-person legislation, excess-profits tax; opposed Kerr gas bill, Knowland amendment, Taber-Thomas amendment, McCarran subversive control legislation.

C. (3) Mimeographed bulletins from time to time on legislative issues which are mailed to members of the Textile Workers Union of America.

D. (5) $1,615.32; (6) $285.15; (7) $1,900.47; (8) $3,800.84; (9) $5,701.31; (13) no.

E. (7) $285.15; (9) $285.15; (10) $916.34; (11) $1,201.49; (15) $285.15.

A. Herman Edelsberg, director, Washington regional office of the Anti-Defamation League of B'nai B'rith, 1003 K Street NW., Washington, D. C.

B. Anti-Defamation League of B'nai B'rith, 212 Fifth Avenue, New York, N. Y. The ADL is an educational organization whose primary purpose is to promote understanding and better human relations among Americans.

C. (1) Indefinitely.

C. (2) Incidental to its basic educational purpose, registrant supports legislation which promotes the civil rights of all Americans, and opposes undemocratic discrimination against any Americans; more specifically, the program of the President's Committee on Civil Rights.

D. (5) $140; (6) $140; (8) $280; (9) $420; (13) no.

[2] Not printed. Filed in the Clerk's office.

[4] Filed for second quarter, 1950.

E. (7) $15; (10) $30; (11) $45; (15) $45.

A. Joseph H. Ehlers, 1026 Seventeenth Street NW., room 409, Washington, D. C.; field representative.

B. American Society of Civil Engineers (professional engineering society), 33 West Thirty-ninth Street, New York, N. Y. The objective of the society shall be the advancement of the science and profession of engineering; activities deal primarily with scientific and technical matters.

C. (1) The legislative interests are continuous but not a significant function of society.

C. (3) I prepare a monthly column entitled "From the Nation's Capital" for Civil Engineering, the monthly magazine of the society, reporting among other matters on legislative developments; this publication circulates primarily to the society's own members; I deal with technical problems, routine assistance to members, visits to local sections, reporting for the magazine and contacting the executive departments of Government; activity relating to legislation generally represents less than one-fifth of my activities; my assignment is on a variable part-time basis with total reimbursements from $300 to $750 per month, depending on the amount of time necessary to spend on the work.

D. (5) $1,800; (6) $8.

E. (6) $3; (8) $5; (9) $8; (10) $55; (11) $63.

A. Courtleigh W. Eliason, 9-252 General Motors Building, Detroit, Mich.; employed by General Motors Corp., business research staff.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.; manufacturers of automobiles and other products.

C. (1) See registration statement.

C. (2) See statement (5) of quarterly report sworn to on April 8, 1949; thereunder registrant supported certain amendments to S. 3936; the registrant also supported certain amendments to H. R. 6000.

For answers to D and E, see statement attached.[2]

A. John Doyle Elliott, 305 Pennsylvania Avenue SE., Washington, D. C., statistician and lecturer.

B. Townsend Plan, Inc., 6875 Broadway Avenue, Cleveland, Ohio, nonprofit organization promoting the Townsend plan.

C. (1) Indefinitely.

C. (2) Passage of H. R. 2135 (S. 2181), Eighty-first Congress, generally known as the Townsend plan.

D. (5) $910; (7) $910; (8) $1,820; (9) $2,730; (13) no.

E. (7) $72.84; (9) $72.84; (10) $126.81; (11) $199.65; (12) $72.84; (14) $126.81; (15) $72.84.

A. Clyde T. Ellis, 1303 New Hampshire Avenue NW., Washington, D. C.

B. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C.

C. (1) Legislative interests are to continue indefinitely.

C. (2) Legislation which will further the country's rural electrification program, resulting from the REA Act, as amended, including REA administrative and loan funds for rural electrification and for rural telephones; funds for the construction of multipurpose dams; funds for transmission and related facilities to deliver Federal hydropower to rural electric load centers; proposed legislation providing for surveys and development of water resources.

C. (a) Rural Electrification magazine, monthly trade publication of the rural electric systems of the United States; (b) 14,000; (c) approximately the first of each month; (d) Fleet-McGinley, Baltimore, Md.

D. (5) $4,919.12; (7) $4,919.12; (8) $8,797.02; (9) $13,716.14; (13) no.

[2] Not printed. Filed in the Clerk's office.

A. Otis H. Ellis, attorney, 402 Commonwealth Building, Washington, D. C.

B. National Oil Jobbers Council, 430 Syndicate Building, Minneapolis, Minn.

C. See preliminary report; no change.

A. Newell W. Ellison, Union Trust Building, Washington, D. C.; lawyer.

B. R. W. Britton, 1416 Cherry Street, Erie, Pa.; foundry business.

C. (1) Work will continue while proposals to amend provisions of Internal Revenue Code relating to partnerships are pending.

C. (2) H. R. 516, H. R. 4939, H. R. 6060, H. R. 7738; S. 514.

E. (6) $9.37; (11) $9.37.

A. Northcutt Ely, counselor at law, 1209 Tower Building, Washington, D. C.

B. American Public Power Association, 1757 K Street NW., Washington, D. C.; association membership is comprised of officials of publicly owned electric utility systems and concerns itself with matters affecting public power.

C. (1) Indefinite.

C. (2) Services have not involved legislative matters.

E. (11) $22.97.

A. Northcutt Ely, counselor at law, 1209 Tower Building, Washington, D. C.

B. Department of Water and Power of the city of Los Angeles, 207 South Broadway, Los Angeles, Calif.; employer is a department of the city of Los Angeles, Calif.

C. (1) Indefinite.

C. (2) Conferences and reports to clients on legislation affecting its interest in the Colorado River and other matters, including Senate Joint Resolution 4, House Joint Resolution 3, and counterparts (Colorado River litigation resolutions); S. 75, H. R. 934 and 935 (central Arizona project bills); H. R. 7351 (Reclamation Project Act amendments); Public Law 759 (General Appropriations Act, 1951); Public Law No. 734 (social-security amendments); Public Law No. 750 (flood protective levee system, lower Colorado River); S. 3376 (interstate water and power project policy).

D. (4) $2,400; (7) $2,400; (8) $4,207.14; (9) $6,607.14; (13) yes.

E. (11) $11.19.

A. Northcutt Ely, counselor at law, 1209 Tower Building, Washington, D. C.

B. Imperial irrigation district, El Centro, Calif.; a public agency organized under State law which operates and maintains canals and distribution systems furnishing water for irrigation and which develops and distributes electric power.

C. (1) Indefinite.

C. (2) Conferences and reports to clients on legislation affecting Imperial irrigation district's rights in the Colorado River and other matters including Senate Joint Resolution 4 and House Joint Resolution 3, and counterparts (Colorado River litigation resolutions); S. 75 and H. R. 934 and H. R. 935 (central Arizona project); Public Law No. 786 (American-Mexican Treaty Act of 1950); Public Law No. 750 (flood protective levee system, Lower Colorado River); Public Law No. 837 (Joshua Tree National Monument); Public Law No. 734 (social-security amendments); Public Law 759 (General Appropriations Act, 1951).

D. (5) $2,100; (6) $63.77; (7) $2,163.77; (8) $4,344.90; (9) $6,508.67; (13) yes.

E. (2) $10.50; (4) $20; (6) $27.98; (8) $5.29; (9) $63.77; (10) $11.86; (11) $75.63; (15) $63.77.

A. Northcutt Ely, counselor at law, 1209 Tower Building, Washington, D. C.

B. Six Agency Committee and Colorado River Board of California, 315 South Broadway, Los Angeles, Calif.; Colorado River Board is an agency of the State of California created by act of the legislature charged with the duty of protecting interests of California in waters of the Colorado River; Six-Agency Committee is composed of representatives of public agencies of California having Colorado River water and power rights.

C. (1) Indefinite.

C. (2) Conferences and reports to clients on legislation affecting California's rights in the Colorado River, and other matters, including Senate Joint Resolution 4 and House Joint Resolution 3, and counterparts (Colorado River litigation resolutions); S. 75 and H. R. 934 and H. R. 935 (central Arizona project); H. R. 7351 (Reclamation Project Act amendments); Public Law No. 759 (General Appropriations Act, 1951); Public Law No. 750 (protective levee system, Colorado River); Public Law No. 734 (social-security amendments); Public Law No. 786 (American-Mexican Treaty Act of 1950); S. 3376 (interstate water and power project policy); and S. 3657 (reorganization of the Interior Department).

D. (5) $4,000; (6) $11.46; (7) $4,011.46; (8) $22,080.92; (9) $26,092.38; (13) yes; (14) $1,000, Colorado River Board of California, 315 South Broadway, Los Angeles, Calif.; $3,011.46, Six Agency Committee, 315 South Broadway, Los Angeles, Calif.; of this amount $11.46 represents reimbursement of out-of-pocket expenses; $4,011.46, total.

E. (4) $1.05; (6) $9.62; (8) 79 cents; (9) $11.46; (10) $707.24; (11) $718.70; (15) $11.46.

A. Northcutt Ely, counselor at law, 1209 Tower Building, Washington, D. C.

B. Water Project Authority of the State of California, Sacramento, Calif.; authority is the official agency of the State of California representing the State of California in the Central Valley project.

C. (1) Indefinite.

C. (2) Conferences and reports to client on legislation affecting the Central Valley project and legislation of interest to it, including H. R. 5264, H. R. 6919, H. R. 8303, H. R. 8885, and H. R. 9632 (Kings River Basin development); H. R. 7915 (Kings River water rights); H. R. 7351 (amendments to Reclamation Project Act); Public Law No. 759 (General Appropriations Act, 1951); Public Law No. 839 (Sacramento Valley irrigation canals); Senate Joint Resolution 4 and House Joint Resolution 3 and counterparts (Colorado River litigation resolutions); S. 75 and H. R. 934 and 935 (central Arizona project); Public Law No. 734 (Social Security Act amendments); S. 3038 (United States Government land records); H. R. 7935 and 7979 (authorize development of Feather River Basin); H. R. 8031 (additional power-generating facilities, Central Valley project); Public Law No. 757 multipurpose tunnel, Laguna Mountains).

D. (5) $1,500; (7) $1,500; (8) $3,071.19; (9) $4,571.19; (13) yes.

E. (10) $71.19; (11) $71.19; (15) $71.19.

A. Northcutt Ely, counselor at law, 1209 Tower Building, Washington, D. C.

B. Water Resources Board of the State of California, Sacramento, Calif.; official agency of the State of California.

C. (1) Indefinite.

C. (2) Public Law No. 757 (multipurpose tunnel, Laguna Mountains); Public Law No. 759 (General Appropriations Act, 1951).

D. No receipts; services as special counsel are loaned by the Water Project Authority of the State of California, which pays a fee of $500 per month; see registration under that employment.

A. Emergency Committee of Small and Medium Size Magazine Publishers, 400 Madison Avenue, New York, N. Y.

B. Same as (A) above.

C. (1) Legislature interests to continue during tenure of Eighty-first Congress.

C. (2) Interested in postal rate legislation, particularly H. R. 2945 and S. 1103.

C. (3) Caused no publication to publish any data in connection with legislative interests.

D. (9) $6,902.50; (13) yes; (14) $1,000, Weekly Publications, Inc., 152 West Forty-second Street, New York, N. Y.

E. (2) $1,686.29; (7) $100; (9) $1,786.29; (10) $4,788.14; (11) $6,574.53.

A. Engel, Leon J., chairman, Jewelry Industry Tax Committee, 20 Hopkins Place, Baltimore, Md.; wholesale jewelry.

C. (1) Indefinite.

C. (2) Excise taxes.

E. (11) $148.

A. Robert Engler.

B. Farmers Educational & Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office); 300 Independence Avenue SE., Washington, D. C.

C. I am employed exclusively by the employer listed above and about 80 percent of my time is spent influencing legislation on matters of interest to the National Farmers Union; the specific activities in which I have engaged are set forth in the report covering this quarter filed by the National Farmers Union.

D. My only receipts consist of my salary which is $5,000 per annum.

E. All expenses incurred by me are paid by the National Farmers Union and the specific items appear in the report submitted by the National Farmers Union covering this quarter.

A. The Equitable Life Assurance Society of the United States, 393 Seventh Avenue, New York, N. Y.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the Equitable Life Assurance Society of the United States.

D. (13) No.

E. (11) $827.33; the Equitable Life Assurance Society of the United States does not believe it is subject to the provisions of the Federal Regulation of Lobbying Act. It retains the law firm of Milbank, Tweed, Hope, and Hadley of 15 Broad Street, New York, N. Y., to represent it generally in legal matters; these legal matters involve a wide variety of services by a number of partners and employees of such firm; an incidental and minor part of the professional services rendered by such firm involves the consideration of proposed legislation relating to Federal taxes by Weston Vernon, Jr., of that firm; Mr. Vernon has filed a registration statement on Form B with the Clerk of the House and Secretary of the Senate, wherein he states that he does not believe he is subject to the provisions of the Federal Regulation of Lobbying Act and that any Federal tax legislative work performed by him for the Equitable Life Assurance Society comprises only an incidental and minor part of his duties; the Eqiutable Life Assurance Society has been advised, and the undersigned believes, that none of the activities of Mr. Vernon are subject to the provisions of the Federal Regulation of Lobbying Act; if any of his activities are subject to the provisions of said act, however, the Equitable Life Assurance Society has been informed that the records of Milbank, Tweed, Hope, and Hadley show that no portion of the fees paid or to be paid to Milbank, Tweed, Hope, and Hadley might be attributed to said activities during the third quarter of 1950, and there were no disbursements pertaining to any such activities.

A. Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C.; study of problems confronting users of ethyl alcohol in nonbeverage products.

C. (1) Indefinite.

C. (2) Bills affecting use of alcohol in nonbeverage products; nothing specific.

D. (9) $4,981.25.

E. (2) $2,500; (7) $868.69; (9) $3,368.69; (10) $958.55; (11) $4,327.24; (16) $2,500, Robert A. Grant, South Bend, Ind., legal retainer; $868.69, A. K. Barta, Washington, D. C., reimbursement of travel expenses.

A. Walter M. Evans, attorney at law, 512 Travelers Building, Richmond, Va.

B. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.; a nonprofit association interested in tax equality, tax reduction, and governmental economy.

C. (1) No termination date set.

C. (2) All legislation affecting tax equality, tax reduction and governmental economy.

D. (5) $600; (6) $450; (7) $1,050; (8) $1,050; (9) $2,100; (13) no.

E. (4) $48.05; (5) $450; (6) $85.51; (7) $206.35; (8) $316.83; (9) $1,105.74; (10) $780.73; (11) $1,886.47; (15) $1,105.74.

A. Excise Tax Committee of the Office Equipment Manufacturers Institute (OEMI) 1903, N Street NW., Washington, D. C. The Office Equipment Manufacturers Institute is a nonprofit trade association devoted to the general industrial problems and interests of the office equipment manufacturers industry. See supplemental statement filed with report for first quarter, 1950.

C. (1) No legislative activity during third quarter.

C. (2) As reported in all prior reports heretofore filed with the Clerk of the House of Representatives and the Secretary of the Senate, the sole legislative interest of the registrant to date has involved the repeal or reduction of the Federal excise tax on business and store machines as presently imposed by section 3406 (a) (6) of the Internal Revenue Code. A reduction of this tax was approved by the House of Representatives when it passed H. R. 8920. Such excise-tax reductions, however, were subsequently stricken by the Senate Finance Committee for the following reasons (S. Rept. 2375, 81st Cong., 2d sess.): "Military action in Korea, coupled with substantial increases in defense and related expenditures, has made it necessary to convert the excise-tax-reduction bill passed by the House in June of this year into a bill to raise revenues." The fact of this final action was anticipated by the registrant prior to the close of the preceding quarter. Further legislative activity in connection with said proposed excise tax relief was therefore made unnecesary. During the quarter herein reported the registrant engaged in no legislative activity and collected no funds nor expended any moneys in pursuance of any Federal legislation.

D. (8) $4,242.53; (9) $4,242.53; (13) yes; (14) $4,242.53, Office Equipment Manufacturers Institute, 1903 N Street NW., Washington, D. C.

E. (10) $4,242,53; (11) $4,242.53.

A. Mrs. Kathleen Fahy, 132 Third Street SE., Washington, D. C.

B. American Parents Committee, 132 Third Street SE., Washington, D. C.

C. (1) Indefinitely.

C. (2) National school health services bill (H. R. 3942), public school construction bill (H. R. 5718), national child research bills (S. 904, H. R. 4465), Federal aid to education, local public health units (H. R. 5865), social security revisions (H. R. 6000), physically handicapped children's education bills (S. 3102, H. R. 7396), school-lunch appropriation, Children's Bureau appropriation, Reorganization Plan No. 27.

C. (3) Washington Report on Legislation Affecting Children: 500 copies mimeographed monthly by Parents' Institute, Inc., Bergenfield, N. J.

D. (5) $1,626.36; (6) $349.96; (7) $1,976.32; (8) $1,634.12; (9) $3,610.44.

E. (5) $160.21; (7) $69.97; (8) $119.78; (9) $349.96; (10) $230.24; (11) $580.20.

A. Herman Fakler, National Press Building, Washington, D. C.; vice president, Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill.; the national trade association of the wheat-flour milling industry of the United States.

C. (1) Indefinitely, but I engage in legislative activities only intermittently as legislation of direct interest to this industry is proposed, and only as an activity incidental to my employment as an officer of the Millers' National Federation.

C. (2) Legislation dealing with wheat and wheat flour. During the quarter for which this report is made my interest was limited to: (a) the Production Control Act, (b) H. R. 9176 and S. 3936; (c) the proposed Contract Renegotiation Act, (b) H. R. 9246; (a) codification of food and drug law, (b) H. R. 9158.

C. (3) (a) One article in regular association bulletin reporting on status of H. R. 9246; (b) approximately 500 copies; (c) August 17, 1950; (d) printed by Millers' National Federation, Chicago, Ill.

D. (5) $275; (7) $275; (8) $110; (9) $385.

E. (6) $82.94; (7) $4.90; (8) $1.20; (9) $89.04; (10) $25.11; (11) $114.15; (15) $89.04.

A. Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office); 300 Independence Avenue SE., Washington, D. C. (legislative office).

C. (1) The legislative interests are intended to be permanent.

C. (2) The general legislative interests of this organization are all matters affecting the interests of farmers or matters which from time to time may be regarded by the board of directors as affecting the program of the National Farmers Union—as set forth in the program adopted by the convention of the National Farmers Union. Among the bills in which the National Farmers Union was interested for the quarter represented in this report were ti elands oil, transfer of Army engineers to Interior Department, basing point, price support, Communist control, point 4, Farm Bureau-Extension separation, Missouri Valley Authority, taxation of cooperatives, increase aid to UN agencies, Brannan plan, mobilization, small business, FAO, surplus disposal, merger bill, rural roads, social security, Spanish loan, farm labor, and health.

D. (1) $49,957; (1a) $5,336.86; (2a) $767.98, use of name fees; (4) $5,235.38; (6) $3,293.55; (6a) $642.26, subscriptions and miscellaneous; (7) $65,233.03; (8) $264,443.44; (9) $329,676.47; (13) no.

E. See attached sheets.[2]

A. Charles J. Farrington, Defense Building, 1026 Seventeenth Street NW., Washington, D. C.; assistant to the president, NADA.

C. (1) Indefinitely.

C. (2) All Small Business Committee legislation; tax revision; funds for public roads; highway safety legislation.

D. (5) $6,249.99; (7) $6,249.99; (8) $5,208.33; (9) $11,458.32.

E. (7) $1,083.13; (10) $565.51; (11) $1,648.64.

A. Donald D. Farshing, Management Planning of Washington, Inc., 1025 Connecticut Avenue NW., Washington, D. C.

B. Management Planning of Washington, Inc., 1025 Connecticut Avenue NW., Washington, D. C.; management consultants.

C. (1) Indefinitely.

C. (2) No specific legislation.

D. (5) $1,300; (7) $1,300; (13) no.

E. (7) $164.25; (9) $164.25; (15) $164.25.

A. Andrew Paul Federline, 1833 Jefferson Place NW., Washington, D. C.; Washington counsel (attorney).

B. Bureau of Salesmen's National Associations, Bona Allen Building, Atlanta, Ga.; the bureau is maintained by three national salesmen's associations per my previous report.

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[2] Not printed. Filed in the Clerk's office.

C. (1) Indefinite, as matters of interest to my client may occur, since my status is that of Washington counsel for this group.

C. (2) Repeal of the tax on transportation; and inclusion of "outside salesmen" as "employees" under the social-security system; any new tax legislation aimed at repealing the transportation tax; and H. R. 6000 on social-security amendments, and similar bills.

C. (3) Have not issued or caused to be issued any publication. Our activity has been referred to in newspapers; in NAWCAS News (published monthly by the National Association of Women's and Children's Apparel Salesmen, Bona Allen Building, Atlanta, Ga.); and possibly in other publications, of which I have no record. (NOTE.—My retainer of $200 per month for serving as Washington counsel covers legislative as well as other work I do in Washington for this group. Any expenses reimbursed are nominal. Am entitled to additional fees for extraordinarily heavy assignments.)

D. (5) $600.

E. (2) $513.36; (5) $86.64.

A. Randolph Feltus, 128 East Fifty-sixth Street, New York, N. Y.; public relations counsel. (Final report.)

B. Alaska Statehood Committee, Juneau, Alaska.

C. (1) Terminated July 25, 1950.

C. (2) Support of Alaska statehood bill.

D. (5) $8,000.

E. (6) $50; (7) $450.

A. John A. Ferguson, Independent Natural Gas Association of America, 918 Sixteenth Street NW., Washington, D. C.; executive director.

B. Independent Natural Gas Association of America, 918 Sixteenth Street NW., Washington, D. C.

C. (1) The association is a nonprofit corporation organized and existing for the purpose to promote and advance the welfare, progress, and development of natural gas, and therefore one of its major duties is to keep its membership informed regarding all matters of interest to the natural gas industry.

C. (2) No legislation pending during this quarter.

C. (3) The association publishes each week a bulletin which is distributed to its members and which contains factual information of current interest obtained from all departments of the Federal Government and courts. This bulletin is not issued or caused to be issued in connection with the influencing of legislation.

D. (5) $3,125; (7) $3,125; (8) $6,250; (9) $9,375.

E. (10) $786.43; (11) $786.43.

A. Russel Fifer, 110 North Franklin Street, Chicago, Ill.; executive secretary for national trade association.

B. American Butter Institute, 110 North Franklin Street, Chicago, Ill.; national trade association for the butter manufacturing industry.

C. (1) Continuous observation of general farm legislation affecting the butter and dairy industry.

C. (2) H. R. 6000, wage-hour law and all appropriation bills.

D. Salary only; on file with Secretary of Senate and Clerk of House.

E. (7) $64.75; (9) $63.75; (10) $464.36; (11) $528.11; (15) all.

A. H. L. Filer,[4] 54 Meadow Street, New Haven, Conn.; general solicitor, the New York, New Haven & Hartford Railroad Co.

B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.; steam railroad transportation.

C. (1) Indefinite.

C. (2) All legislation which might affect the New Haven Railroad and its subsidiaries (the Connecticut Co., New England Transportation Co.).

D. (5) $5,300; (7) $5,300; (8) $5,300; (9) $10,600; (13) no.

E. (10) $170.65; (11) $170.65.

A. H. L. Filer, 54 Meadow Street, New Haven, Conn.; general solicitor, the New York, New Haven & Hartford Railroad Co.

B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.; steam railroad transportation.

C. (1) Indefinite.

C. (2) All legislation which might affect the New Haven Railroad and its subsidiaries (the Connecticut Co., New England Transportation Co.).

D. (5) $5,300; (7) $5,300; (8) $10,600; (9) $15,900; (13) no.

E. (7) $175.85; (9) $175.85; (10) $170.65; (11) $346.50; (15) $175.65.

A. Maurice W. Fillius, 703 National Press Building, Washington, D. C.; lawyer.

B. National Association of Alcoholic Beverage Importers, Inc.

C. (1) Indefinitely.

C. (2) Legislation affecting the alcoholic beverage importing industry; customs simplification bill, H. R. 8304.

A. James Finucane, 1013 Eighteenth Street NW., Washington, D. C.; representative.

B. National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C.; a nonprofit, educational organization, incorporated in District of Columbia.

C. (1) Legislative interests expected to continue indefinitely.

C. (2) (a) Bills affecting world peace; (b) such as the ECA bill, military assistance program, the convention to ratify the genocide convention, the DP bill, military training and service legislation, legislation affecting war crimes procedures, proposals leading to the drafting of peace treaties, point 4 bills, Senator Tydings' disarmament resolution (S. Res. 236), Representative Walter's resolution to help the expellees (H. Con. Res. 188), postage subsidies for relief packages, manpower registration legislation; (c) amending the Trading With the Enemy Act, to give the effect of a peace treaty with Germany and with Japan; bills for educational exchange.

D. (5) $1,000; (7) $1,000; (8) $2,000; (9) $3,000; (13) No.

E. (7) $89.61; (9) $89.61; (10) $303.73; (11) $393.34; (15) $393.34.

A. First Kentucky Co., Fifth and Court Place, Louisville, Ky.; investing in securities.

C. (1) Indefinite.

C. (2) The right to continue in business in its present relationship to the First National Bank of Louisville and the Kentucky Trust Co. (a) Bank Holding Company Act of 1950; (b) S. 2318 and S. 3547.

D. (13) No.

E. (10) $91.17; (11) $91.17.

A. Lewis H. Fisher, 1416 F Street NW., Washington, D. C.; attorney at law, serving under a monthly retainer as vice president and general counsel of the National Association of Retired Civil Employees, including incidental service as legislative agent. Formerly Chief, Retirement Division, Civil Service Commission.

B. National Association of Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C. As set forth in the certificate of incorporation, the objects and purposes of this organization are as follows: (1) To sponsor and support legislation, rules, and regulations beneficial to annuitants of the civilian public life; (2) to oppose legislation, rules, and regulations inimical to the interests of annuitants and potential annuitants; (3) to promote the general welfare of annuitants and potential annuitants of the civilian public service; (4) to serve and advise retired officers and employees with respect to their rights under civil retirement law; (5) to cooperate with other organizations and associations in furtherance of the general objectives of this corporation; (6) to carry on the affairs of this corporation in any State, Territory, or possession of the United States, including establishment of homes for retired civilian employees; (7) to authorize chapters or branches of the corporation in any State, Territory, or possession of the United States.

C. (1) Legislative interests will continue indefinitely.

C. (2) All bills and laws affecting the retirement interests and welfare of actual and potential annuitants. Some pending bills are H. R. 5032 and H. R. 5096, S. 2640 and S. 801; several bills exempting annuities from taxation (income). Legislation enacted: Public Law 426, Eightieth Congress; Public Law 601, Eighty-first Congress.

C. (3) The National Association of Retired Civil Employees publishes the Annuitant, a quarterly, January, April, July, and October of each year. The association publishes News Letter during months when the Annuitant is not issued. The printer is Trade Unionist. Quarterly Annuitant and News Letter are mailed to members and/or sent to chapters in the United States of America, Canal Zone, and Philippine Islands.

D. (5) $185; (7) $185; (8) $340; (9) $525; (13) no. Employer receives dues of $1.50 a year from each member for membership dues, including subscription to Annuitant. No contributions as such received. Amount ($185) is estimated percentage allocated to lobbying services of total quarterly payment of $675 for fees and services, January–June, 1950; $750 quarterly payment, July–September, 1950.

A. Bernard M. Fitzgerald, Washington Loan & Trust Building, 900 F Street NW., Washington, D. C.; attorney at law.

B. National Association of Electric Companies, Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; trade association. Employer: Brown, Lund & Fitzgerald, 900 F Street NW., Washington, D. C.; attorneys at law.

C. (1) Indefinitely. Only a portion of the activities of this registrant might properly be considered within the purview of the Lobbying Act.

C. (2) Any legislation that might affect the members of the NAEC: H. R. 7786 (1951 appropriations bill), H. R. 6472 (rivers and harbors bill), Internal Revenue Code (53 Stat. 1), TVA Act (40 Stat. 58), Federal Power Act (40 Stat. 803), REA Act of 1936 (49 Stat. 1363), Reclamation Acts (25 Stat. thru 45 Stat.), Flood Control Act of 1944 (50 Stat. 887), Administrative Procedure Act (60 Stat. 237).

D. (5) $1,350; (7) $1,350; (8) $2,750; (9) $4,100; (13) no.

A. Stephen E. Fitzgerald, doing business as the Stephen Fitzgerald Co., 502 Park Avenue, New York, N. Y.; and Raymond C. Baker and Jay Richter, as employees.

B. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C.

C. (1) We are retained by the NAEC on a continuing basis.

C. (2) Our function is a general one; the assignment is to assist the NAEC in articulating and expressing its point of view with respect to general legislative questions which affect the interests of the public and of electric light and power companies. We are a public relations firm and do not engage in "lobbying" in any ordinary sense of that term.

C. (3) We do not issue publications. From time to time we may issue press releases which are matters of public record; earlier this year we helped prepare a series of letters to newspaper editors and others explaining highlights of the electric-power situation; from time to time we assist NAEC officials in arranging meetings with press representa-

[4] Filed for second quarter, 1950.

tives, magazine editors, etc. Our most recent activity in this field has been arranging several round-table discussions with editors of farm magazines.

D. (5) $12,500; (6) $2,001.07; (7) $14,501; (8) $33,789.16; (9) $48,290.23.

E. (4) $898; (6) $254.03; (7) $1,169.79; (8) $578.27; (9) $2,011.07.

A. F. Stuart Fitzpatrick, manager, construction and civic development department, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

C. (1) Continue indefinitely. Particularly interested in legislation in the general field of public works, city planning, urban redevelopment, and housing.

C. (2) S. 3746, Secondary Mortgage Credit Act (Maybank), to authorize the creation of private mortgage corporations and to modify the Government's secondary mortgage market for FHA-insured and VA-guaranteed residential mortgages; H. R. 9176 (Public Law 774, 81st Cong., ch. 932, 2d sess.), Defense Production Act of 1950.

D. (5) $3,875; (7) $3,875; (8) $7,750; (9) $11,625.

E. (7) $15.50; (9) $15.50; (10) $55; (11) $70.50; (15) $15.50.

A. Roger W. Fleming, American Farm Bureau Federation, 261 Constitution Avenue NW., Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (1) Indefinite.

C. (2) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Appropriations for the fiscal year 1951; section 22 of the Agricultural Adjustment Act; cotton, wheat, peanut, and rice quotas and allotments; wheat marketing certificate program; commercial corn-producing areas; marketing quotas for cigar-wrapper tobacco; potato-marketing quotas; foreign economic assistance; point 4 program; foreign economic commission; educational exchange; trade policy with Communist countries; customs regulations; agricultural credit; Brucellosis; Government reorganization; rural roads; taxation; social security; postal rates; farm labor; rural housing; farm program; marketing facilities for perishables; production and subsistence loans; Farm Bureau-Extension Service relationships; Cooperative Forest Management Act; antitrust; Defense Production Act of 1950; International Trade Organization; antimerger (corporations); Assistant Secretaries for Agriculture.

C. (3) See report filed for American Farm Bureau Federation for additional information.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) no.

E. (7) $2,139.65; (9) $2,139.65; (10) $2,706.07; (11) $4,845.72; (15) $2,139.65.

A. Florida Inland Navigation District, Citizens Bank Building, Bunnell, Fla.

C. (1) For an indefinite term.

C. (2) Generally interested in all legislation relating to river and harbor works, flood control, and other water use and conservation. Specifically interested in H. R. 7786, general appropriations bill, 1951.

E. (2) $1,350; (8) $96.85; (9) $1,446.85; (10) $2,874.03; (11) $4,320.88.

A. Mrs. J. A. Ford, 305 Pennsylvania Avenue SE., Washington, D. C.

B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio.

C. (1) Not known.

C. (2) H. R. 2135, H. R. 2136, to provide every adult citizen in the United States with equal basic Federal insurance, permitting retirement with benefit at age 60, and also covering total disability from whatever cause, for certain citizens under 60; to give protection to widows with children; to provide an ever-expanding and distribution for goods and services through the payment and distribution of such benefits in ratio to the Nation's steadily increasing ability to produce, with the cost of such benefits to be carried by every citizen in proportion to the income privileges he enjoys.

C. (3) Townsend National Weekly, 6875 Broadway, Cleveland, Ohio.

D. (5) $80; (7) approximately $30 per week while away from home; (13) no.

E. (7) Approximately $30 per week while away from own home; (15) all.

A. John B. Ford, 1809 G Street NW., Washington, D. C.; trade association.

B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.

C. (1) Perpetual.

C. (2) Legislation affecting shipping, including H. R. 8964, require armed services to use commercial shipping; H. R. 7786, general appropriation bill, subsidy provisions; H. R. 6061, S. 2484, war-risk insurance; S. 4058, H. R. 8677, Panama Canal tolls; S. 4167, H. R. 9681, waiver of navigation and vessel inspection laws; H. R. 5346, S. 2786, long-range bill, amend Merchant Marine Act, 1936.

D. (5) $1,500; (6) $13.30; (7) $1,513.30; (8) $614.75; (9) $2,128.05; (13) yes; (14) $300, March 31, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.; $314.75, June 30, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.; $1,513.30, September 30, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.; $2,128.05, total.

E. (7) $13.30; (9) $13.30; (10) $14.75; (11) $28.05; (15) $1,513.30.

A. Forest Farmers Association Cooperative, box 692, Valdosta, Ga.; association of timberland owners to promote and protect private forestry interests.

C. (1) Indefinitely as there is legislation introduced on forestry matters.

C. (2) H. R. 6000, Social Security Act amendments of 1949; H. R. 7155 and S. 3399, Cooperative Forest Management Act; H. R. 7786, general appropriations (United States Department of Agriculture forestry items).

C. (3) No specific publications; occasional news releases and articles in association's monthly magazine, the Forest Farmer.

D. (5) $156.27; (7) $156.27; (8) $473.93; (9) $630.20; (13) no.

E. (10) $1,722.94; (11) $1,722.94.

A. J. Carter Fort, 929 Transportation Building, Washington, D. C., vice president and general counsel, Association of American Railroads.

B. Association of American Railroads, Transportation Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Generally, to support all legislation which the railroad members of the Association of American Railroads believe to be in their interest and in the interest of a sound national transportation policy, and to oppose all legislation which they believe to be contrary to such interest. In addition to the support of and opposition to particular measures, the legislative activities during the quarter included the study and analysis of measures which were neither supported nor opposed, in an effort to determine their possible effect on transportation. Registrant maintained a continuing interest during the third quarter of 1950 in the bills listed and referred to in C (2) to his reports for the first and second quarters of 1950. Additional measures which were supported, in whole or in part, during the third quarter of 1950, or which it was contemplated would or might be supported if occasion arose, included H. R. 2945, postal rate increases, and H. R. 7547, Interstate Commerce Act, part II, amendment with respect to motor carriers excepted from certain provisions. Additional measures which were opposed, in whole or in part, during the third quarter of 1950, or which it was contemplated would or might be opposed if occasion arose, included H. R. 378 and S. 238, operating rules bills. Among the bills which were studied but as to which no position of support or opposition was taken were H. R. 7941, highway aid bill; H. R. 9176, stabilization legislation; and H. R. 9503 and S. 4067, Government rate bills. See also answer to question C (2) in report of Association of American Railroads for third quarter, 1950.

C. (3) See answer to C (3) in report of Association of American Railroads for third quarter, 1950.

D. (5) $3,549.90.

E. (7) $62.40; (9) $62.40; (10) $281.35; (11) $343.75; (15) $62.40 (included in item D (5) above).

A. Charles E. Foster, 1701 Eighteenth Street NW., Washington, D. C.; assistant national legislative director, Disabled American Veterans.

B. Disabled American Veterans, National Headquarters, 1423 East McMillan Street, Cincinnati, Ohio; congressionally chartered veteran organization.

C. (1) The national legislative division of the DAV is a permanent division. This division performs only a minor part of DAV activities. The major part is our national claims service.

C. (2) The DAV is interested in all legislation affecting war veterans, their dependents, and survivors of deceased veterans. The largest number of bills in which we are interested are referred to Senate Finance Committee; Senate Labor and Public Welfare; House Veterans' Affairs Committee; the two committees on Post Office and Civil Service; and the two Armed Services Committees.

C. (3) Articles pertaining to pending legislation in which the DAV is interested are published in our own newspaper: The DAV Semimonthly. This newspaper is published semimonthly at our national headquarters, Cincinnati, Ohio, and is mailed to every DAV member. The membership varies and as of June 30, 1950, was 156,783. Legislative articles are carried as news items for DAV members.

E. (2) $1,314 (after taxes); (7) $470.01; (8) $60; (9) $1,844.01; (10) $3,298.65; (11) $5,142.66.

A. Dr. John H. Frederick, Transportation Association of America, Ring Building, Washington, D. C.

B. Transportation Association of America, 130 North Wells Street, Chicago, Ill. (See report of TAA.)

C. (1) Legislative interests are to be continued permanently.

C. (2) I am interested in all legislation having anything to do with transportation including pending bills before the House and Senate.

C. (3) See report of the TAA.

D. (5) $1,550; (6) $760.84; (7) $2,310.84.

E. (7) $760.84.

A. Fred J. Fredrickson, Hotel Lafayette, Washington, D. C.; Washington representative Greater North Dakota Association, Fargo, N. Dak., and North Dakota State Water Conservation Commission, Bismarck, N. Dak.

B. Employed by North Dakota Resources Board, Fargo, N. Dak., as the Washington representative of Greater North Dakota Association, Fargo, N. Dak., and also employed by North Dakota State Water Conservation Commission, Bismarck, N. Dak., as its Washington representative.

C. (1) Indefinite.

C. (2) Person filing is interested in legislation affecting the development and utilization of the land, water, and other natural resources of North Dakota, including authorizations and appropriations therefor. H. R. 7452, H. R. 7786, and other bills pertaining to his work.

D. (5) $1,650; (6) $948.67; (7) $2,598.67; (8) $6,459.76; (9) $9,058.43; (13) no.

E. (5) $34.85; (6) $132.60; (7) $781.22; (9) $948.67; (10) $3,159.76; (11) $4,108.43.

A. Freidin & Littauer, 598 Madison Avenue, New York, N. Y.; attorneys.

B. American Federation of Musicians of the United States and Canada, 570 Lexington Avenue, New York, N. Y.; labor union.

C. (1) Registrant rendered professional services for the American Federation of Musicians of the United States and Canada. Registrant does not believe it is subject to the provisions of the Federal Regulation of Lobbying Act. As a result of the passage of H. R. 6000, the legislative interests have terminated with the current quarter, so that reports will no longer be filed.

C. (2) Registrant was interested in so much of section 104 (a) of H. R. 6000, as passed by the House of Representatives, as would have amended section 210 (k) (2) of title II of the Social Security Act.

C. (3) Registrant has not filed or caused to be filed any printed matter. However, typewritten memoranda have been submitted to Members of Congress and their staff.

D. (5) $250; (7) $250; (8) $250; (9) $500; (13) yes.

E. (6) $6.60; (7) $82.79; (9) $89.39; (10) $49.13; (11) $138.52; (15) $89.39.

A. Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C.; educational-legislative work in Washington and among members of the Society of Friends (a religious body) throughout the country.

C. (1) An indefinite time; the organization was established on a permanent basis.

C. (2) Working for legislation including the admission of displaced persons, relief of Arab refugees, programs of relief and recovery (ECA, point 4), disposal of agricultural surpluses, Federal aid to education, extension of civil rights (FEPC, anti-poll tax, antilynching), and more support of the United Nations and its specialized agencies. Opposition to conscription, the militarization of America, and the shipment of arms abroad.

C. (3) (a) The Washington Letter, a four- or eight-page publication issued approximately once a month; (b) an average of 12,000 each issue; (c) July 31, August 4, August 29; (d) Drake Press.

D. (2) $5,563.84; (4) $151.82; (7) $5,715.66; (8) $26,999.70; (9) $32,715.36; (13) yes; (14) $2,500, Mrs. Lenora G. Marshall, 30 West Fifty-fourth Street, New York, N. Y.; $2,000, Mrs. S. Emlen Stokes, 129 Chester Avenue, Moorestown, N. J.; $3,000, Yarnall-Waring Co., 102 East Mermaid Lane, Philadelphia, Pa.; $500, Indiana Yearly Meeting of Friends (5 years), 12 North Tenth Street, Richmond, Ind.; $768.85, North Carolina Yearly Meeting of Friends (5 years), 12½ West Third Street, Winston-Salem, N. C.; $1,000, R. L. Warren, post office box 134, Whittier, Calif.

E. (2) $5,412.78; (4) $1,637.82; (5) $1,431.89; (6) $331.67; (7) $842.49; (9) $9,656.65; (10) $21,184.21; (11) $30,840.86.

A. George M. Fuller, 1319 Eighteenth Street NW., Washington, D. C.; lumber manufacturing trade association.

B. National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) No particular bills, but any legislation inimical to the interests of the lumber industry, American industry and free enterprise.

D. (5) $3,450; (7) $3,450; (8) $6,900; (9) $9,350; (13) no.

E. (7) $1,152.59; (9) $1,152.59; (10) $1,474.81; (11) $2,627.40.

A. Wallace H. Fulton, 1625 K Street NW., Washington, D. C.; executive director, National Association of Securities Dealers, Inc.

B. National Association of Securities Dealers, Inc.; a registered national securities association pursuant to section 15A of the Securities Exchange Act of 1934, as amended.

C. (1) Legislative interest will continue so long as S. 2408, known as the Frear bill, remains before the Congress.

C. (2) (a) The Frear bill; (b) S. 2408; (c) a proposed amendment to various sections of the Securities Exchange Act of 1934.

C. (3) The National Association of Securities Dealers, Inc. periodically (two to three times a year) publishes a house organ of interest to members of the association which goes to all the approximately 2,798 members, as of September 1, 1950, their branch offices and some officers, partners, and employees. The last such issue was published in March 1950 and 6,000 copies were printed. The Frear bill was commented upon and the statement of the association's representatives before the Senate subcommittee on Banking and Currency was included. The name of the printer is Byron S. Adams, 512 Eleventh Street NW., Washington, D. C.

D. (5) $625; (7) $625.

A. Fyffe & Clarke, 120 South La Salle Street, Chicago, Ill.; attorneys.

B. Illinois Manufacturers' Association, 120 South La Salle Street, Chicago, Ill.

C. (1) Indefinitely.

C. (2) All legislation affecting the manufacturing industry.

D. It is estimated that less than $500 net of annual retainer is apportionable to Federal lobby work for Illinois Manufacturers' Association.

A. Charles E. Gage, 927 Fifteenth Street NW., Washington, D. C.; agricultural consultant.

B. The American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y. Affiant receives an annual salary from the American Tobacco Co. in the amount of $10,000 per annum as agricultural consultant. He will receive no compensation in addition to his regular salary for any activities with respect to legislation covered by the act which he may perform, and any such activities would be only occasional and incidental to his regular duties with no portion of his salary allocated thereto.

C. (1) See B.

C. (2) Any legislation affecting a company engaged in the manufacture and sale of tobacco products.

D. (13) No.

A. Amos H. Gall, 419 Washington Building, Washington, D. C.; trade-association executive.

B. American Coal Sales Association, 419 Washington Building, Washington, D. C.; trade association.

D. (13) No.

A. M. J. Galvin, 207 Union Depot Building, St. Paul, Minn.; attorney for Minnesota railroads as shown on registration.

B. All of the undersigned's clients as listed on his registration have paid the expenses reported herein and the undersigned's salary on the ratio of the mileage which they have within the State of Minnesota. Amount paid is the same as that shown expended.

C. (1) Expect to be interested.

C. (2) Interested in all matters affecting railroads. No titles now familiar with except those affecting H. R. 7789, S. 3295, union-shop bill.

D. (5) $400; (7) $400; (8) $800; (9) $1,200; (13) no.

E. (7) $1,483.73; (9) $1,483.73; (10) $316.73; (11) $1,800.46.

A. Earl H. Gammons, 801 Warner Building, Washington, D. C.; vice president and director of the Washington office of Columbia Broadcasting System, Inc.

B. Columbia Broadcasting System, Inc., 485 Madison Avenue, New York, N. Y.; radio and television broadcasting and the operation of a network service.

C. (1) Refer to letter filed with registration and registration form B currently on file.

C. (2) Legislation applicable to or affecting the radio and/or television industry, including S. 1973, H. R. 7310, H. R. 6949.

D. (13) No.

E. (7) $93.20; (9) $93.20; (10) $212.50; (11) $305.70; (15) $93.20.

A. Gardner, Morrison & Rogers, 1126 Woodward Building, Washington, D. C.; attorneys at law.

B. The Lehigh Valley Railroad Co., 143 Liberty Street, New York, N. Y.; agency of Canadian Car & Foundry Co. Ltd., 30 Broad Street, New York, N. Y.; and other holders of awards of Mixed Claims Commission, United States and Germany, World War I.

C. (1) Indefinite.

C. (2) Legislation relating to World War I awards of the Mixed Claims Commission, United States and Germany, such as H. R. 6074, Eighty-first Congress.

C. (3) Memorandum in support of H. R. 6074, Eighty-first Congress, dated March 1, 1950; have had 100 copies printed by Charles B. Young, printer, New York.

D. (13) No.

E. (8) $3; (9) $3; (10) $256.91; (11) $259.91; (15) $3.

A. Gardner, Morrison & Rogers, suite 1126, Woodward Building, Washington, D. C.; attorneys at law.

B. Oceanic Stemship Co., 215 Market Street, San Francisco, Calif.; engaged in steamship transportation.

C. (1) Indefinite.

C. (2) Appropriation in payment of balance of compensation due for requisition and use of vessels owned by Oceanic Steamship Co. during World War II; matter considered by Senate Appropriations Committee. Since preliminary report, interested in and favored bills introduced in House, H. R. 9529 and H. R. 9626, and in Senate, H. R. 9626, to amend Merchant Marine Act of 1933; also H. R. 8470, to amend Merchant Marine Act of 1933.

E. (6) $10.13; (7) $55; (8) $6; (9) $71.13; (11) $71.13; (15) $71.13.

A. Marion R. Garstang, 1731 I Street NW., Washington, D. C.; counsel for National Milk Producers Federation.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

C. (3) News for Dairy Coops, 700, weekly, federation; Legislative Letter, 1,200, irregular, federation.

D. (5) $1,999.98; (6) $24.50; (7) $2,024.48; (8) $4,057.36; (9) $6,081.84; (13) salary only.

E. (7) $9.90; (8) $14.60; (9) $24.50; (10) $57.40; (11) $81.90; (15) all.

A. Francis J. Garvey, 222 East Superior Street, Chicago, Ill.

B. American Dental Association, 222 East Superior Street, Chicago, Ill.

C. (1) Employed on a 3-year contract from December 1, 1948.

C. (2) Explanation and analysis of Federal bills, rendering of advice concerning their relationship to ADA policy; preparation of testimony for witnesses before congressional committees; contacts with individual Members of Congress re legislation; administrative duties in connection with Council on Legislation; speaking engagements explaining legislative interests of the American Dental Association to various dental groups. See attachment for bills of general interest.

C. (3) Preparation of articles dealing with legislative projects for the Journal of the American Dental Association.

D. (5) $3,179.11; (7) $3,179.11; (8) $2,622.50; (9) $5,801.61; (13) no.

E. (6) $67.52; (7) $621.03; (8) $240.56; (9) $929.11; (10) 372.50; (11) $1,301.61.

A. Gas Appliance Manufacturers Association, Inc., 60 East Forty-second Street, New York, N. Y.; trade association.

B. None.

C. (1) Indefinitely.

C. (2) Repeal or modification of the manufacturers' excise tax imposed by I. R. C. 3406 on gas-fired appliances and accessories.

C. (3) None other than bulletins prepared and distributed to members of this association in the regular course of its functions.

D. (1) $1,634.59; (7) $1,634.59; (8) $5,144.55; (9) $6,779.14; (13) yes; see attached lists of membership dues.[2]

E. (1) $1,572.81; (2) $2.14; (4) $56.04; (5) $1.60; (6) $2; (9) $1,634.59; (10) $5,144.55; (11) $6,779.14.

A. J. M. George, 165 Center Street, Winona, Minn.; H. K. Brehmer and C. S. McMahon, constituting the partnership of George, Brehmer & McMahon, attorneys.

B. The Inter-State Manufacturers Association, 163-165 Center Street, Winona, Minn.; a trade association composed of nine members, carrying on general activities for its members.

C. (1) Until legislation referred to in column (2) hereof is disposed of.

C. (2) H. R. 2945, S. 1103; H. R. 6000.

D. (5) $1,500 per quarter is the retainer paid by the afore-mentioned association to this firm for general legal services; this retainer is paid regardless of whether or not any services are rendered by us with respect to Federal legislation; (7) $1,500; (8) $3,000; (9) $4,500; (13) no.

A. J. M. George, 165 Center Street, Winona, Minn.; H. K. Brehmer and C. S. McMahon, constituting the partnership of George, Brehmer & McMahon, attorneys.

B. National Association of Direct Selling Companies, 163-165 Center Street, Winona, Minn.; a general trade association functioning for the direct selling of distribution.

C. (1) Until legislation referred to in column (2) hereof is disposed of.

C. (2) H. R. 2945, S. 1103, H. R. 6000.

D. (5) $3,000 per quarter is the retainer paid by the aforementioned association to this firm for general legal services; this retainer is paid regardless of whether or not any services are rendered by us with respect to Federal legislation; (7) $3,000; (8) $6,000; (9) $9,000; (13) no.

A. Leo E. George,[4] 711 Fourteenth Street NW., Washington, D. C.; president, National Federation of Post Office Clerks.

B. National Federation of Post Office Clerks, 711 Fourteenth Street NW., Washington, D. C.; a trade union.

C. (1) Indefinite.

C. (2) All legislation pertaining to the postal service or the welfare of postal and Federal employees.

C. (3) The Union Postal Clerk; (a) monthly journal; (b) April, 101,000; May, 102,700; June, 104,100; (c) first of each month; (d) Ransdell, Inc.

D. (5) $2,499.99; (7) $2,499.99; (9) $4,999.98.

E. (7) $25.19; (10) $434.40; (11) $459.59; (15) $25.19.

A. Leo E. George, 711 Fourteenth Street NW., Washington, D. C.; president, National Federation of Post Office Clerks.

B. National Federation of Post Office Clerks, 711 Fourteenth Street NW., Washington, D. C.; a trade union.

C. (1) Indefinite.

C. (2) All legislation pertaining to the postal service or the welfare of postal and Federal employees.

C. (3) The Union Postal Clerk; (a) monthly journal; (8) July, 104,100; August, 104,100; September, 103,300; (c) first of each month; (d) Ransdell, Inc.

D. (5) $2,499.99; (7) $2,499.99; (8) $4,999.98; (9) $7,499.97; (13) no.

E. (7) $85.32; (9) $85.32; (10) $459.59; (11) $544.91; (15) $85.32.

A. General Electric Co., 570 Lexington Avenue, New York, N. Y.; manufacturer of electrical and other products.

C. (1) The General Electric Co. believes that the expenditure reported herein is not, under the Federal Regulation of Lobbying Act, required to be reported by the company. It is advised, however, that there is some doubt as to the exact application of the act and, therefore, pending a clarification of the act, files the following as a matter of information. Failure to file the same prior to April 10, 1950, was purely unintentional and inadvertent.

E. (3) $1,250; (9) $1,250; (11) $1,250.

A. Harry J. Gerrity, Suite 1001, Hill Building, Washington, D. C.; lawyer.

B. Oregon-Washington Bridge Co., 301 Security Building, Olympia, Wash.; operation of a toll bridge.

C. (1) Duration of Eighty-first Congress.

C. (2) Endeavoring to obtain passage of legislation for benefit of client. S. 786 and H. R. 4280. To authorize improvement of navigation facilities on the Columbia River and completion of alterations to the Hood River Bridge, made necessary by Bonneville Dam, and for other purposes.

A. John S. Gibson,[4] Suite 10-12-14, Sibbett Building, Douglas, Ga.; attorney at law.

B. St. Marys Kraft Corp., St. Marys, Ga.

C. (1) At least through the remainder of the calendar year 1950.

C. (2) An authorization and appropriation for certain dredging in North River, Ga., and St. Marys River, Ga. and Fla., which was given No. 827 by the Board of Engineers for Rivers and Harbors, War Department, Washington, D. C.

D. (5) $750; (7) $750; (8) $750; (9) $1,500; (13) no.

E. (7) $153.17; (9) $153.17; (10) $146.91; (11) $300.08; (15) $153.17.

A. John S. Gibson, suite 10-12-14, Sibbett Building, Douglas, Ga.; attorney at law.

B. St. Marys Kraft Corp., St. Marys, Ga.

C. (1) At least through the remainder of the calendar year 1950.

C. (2) An authorization and appropriation for certain dredging in North River, Ga., and St. Marys River, Ga. and Fla., which was given No. 827 by the Board of Engineers for Rivers and Harbors, War Department, Washington, D. C.

D. (5) $750; (6) $140.02; (7) $890.02; (8) $1,500; (9) $2,390.02; (13) no.

E. (7) $140.02; (9) $140.02; (10) $300.08; (11) $440.10; (15) $140.02.

A. Ernest Giddings, assistant director, legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

B. Legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Bills pending before the Eighty-first Congress relating to public education. Primary interest in S. 246, H. R. 5939, H. R. 7160, H. R. 1551.

D. (5) $471; (7) $471; (8) $2,276.88; (9) $2,747.88.

E. (7) $8.70; (9) $8.70; (10) $307.39; (11) $316.09.

A. C. C. Gilbert,[4] secretary, Southern States Industrial Council, Stahlman Building, Nashville, Tenn.

B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.

C. (1) Indefinite.

C. (2) Support of legislation favorable to free-enterprise system and opposition to legislation unfavorable to that system.

D. (5) $1,725; (7) $1,725.

A. C. C. Gilbert, secretary, Southern States Industrial Council, Stahlman Building, Nashville, Tenn.

B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.

C. (1) Indefinite.

C. (2) Support of legislation favorable to free-enterprise system and opposition to legislation unfavorable to that system.

D. (5) $1,725; (7) $1,725; (13) no.

A. William Glazier, 930 F Street NW., Washington, D. C.; trade-union representative.

B. International Longshoremen's Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.; trade union. National Union of Marine Cooks and Stewards, 86 Commercial Street, San Francisco, Calif.; trade union.

C. (1) Legislative interests continue while Congress is in session.

C. (2) General interest in legislation affecting trade unions and their members and the maritime industry. Specifically H. R. 4703, H. R. 9490, and S. 595 on internal security; H. R. 8964 on private shipping; S. 3823 on foreign ship sales; contempt citations by un-American Acivities Committee of ILWU members in Hawaii; revocation of bail for Harry Bridges.

C. (3) This office prepares a 1-page semimonthly report on legislative developments which is mimeographed and mailed out by the national offices of both unions in San Francisco to their respective locals. A run of about 250 copies of each report is made on the average. In this quarter, due to a prolonged absence from Washington, only two such reports were issued—July 10 and August 27, 1950.

D. (5) $411.68; (6) $600; (7) $1,011.68; (8) $2,023.36; (9) $3,035.04; (13) yes; (14) $1,350, International Longshoremen's and Warehousemen's Union, 150 Golden Gate Avenue, San Francisco, Calif.; $450, National Union of Marine Cooks and Stewards, 86 Commercial Street, San Francisco, Calif.; $1,800, total.

E. (2) $322.33; (4) $32.40; (5) $111.13; (6) $109.45; (8) $23.08; (9) $598.39; (10) $140.61; (11) $1,739.

A. Livingston Goddard, secretary-treasurer, Federation for Railway Progress, 4500 Chrysler Building, New York, N. Y.

B. Federation for Railway Progress, 4500 Chrysler Building, New York, N. Y.; a nonprofit, unincorporated association to further the national railroad transportation policy as set forth in the Interstate Commerce Act; also publisher of a monthly magazine called Railway Progress.

A. Marvin L. Goldberger, National Legislative Director of AMVETS, 724 Ninth Street NW, Washington, D. C.

B. AMVETS (American Veterans of World War II), 724 Ninth Street NW., Washington, D. C.; World War II veterans' organization chartered by Congress.

C. (1) Indefinitely, pending existence of corporate organization.

C. (2) All congressional legislation relative to purposes of organization enumerated in congressional charter.

C. (3) Letter of June 28, 1950, to all Senators on H. R. 87; monthly legislative report in National AMVET newspaper; miscellaneous letters.

D. (5) $1,249.95; (7) $1,249.95; (8) $774.05; (9) $2,024; (13) no.

A. Don B. Goodloe, post-office box 2025, Washington, D. C.

C. (2) During the second quarter, the registrant has supported S. 2028, S. 2930, and S. 3180, all for the welfare of teachers.

[2] Not printed. Filed in the Clerk's office.

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

C. (3) In doing so, the registrant has published letters in the daily newspapers of Washington, D. C.

D. (6) $25; (7) $25; (8) $30; (9) $55; (13) no.

E. (4) $15; (6) $10; (7) $25; (9) $50; (10) $55; (11) $105.

A. Leo Goodman,[4] 1129 Vermont Avenue NW., Washington, D. C.; trade-union representative.

B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.; trade union.

C. (1) Indefinite.

C. (2) Rent control, housing, and community development.

C. (3) CIO News, weekly, approximately 250,000; Mercury Press.

D. (5) $1,500; (6) $764.26.

A. Leo Goodman, 1129 Vermont Avenue NW., Washington, D. C.; trade union representative.

B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.; trade-union.

C. (1) Indefinite.

C. (2) Rent control, housing, and community development.

C. (3) CIO News, weekly, approximately 250,000; Mercury Press.

D. (5) $1,500; (6) $604.95.

A. Elmer J. Gorn, care of Raytheon Manufacturing Co., Waltham, Mass.; patent attorney.

B. Raytheon Manufacturing Co., Waltham, Mass., manufacturer of electronic equipment.

C. (1) Legislative interests have terminated with the current quarter.

C. (2) Previous interest in Blair bill, H. R. 577, but now none.

D. (13) No.

A. Bert C. Goss, 610 Shoreham Building, Washington, D. C.; public relations counsel.

B. Hill & Knowlton, Inc., public relations counsel to the Aircraft Industries Association, a national trade association for the aircraft manufacturing industry.

C. (1) Indefinite.

C. (2) Am generally interested in legislation affecting aviation, the steel industry, dairying, and other industries which may be clients of Hill & Knowlton. During the past quarter I have been particularly interested in S. 3504, a bill to promote the development of improved transport aircraft by providing for the operation, testing, and modification thereof.

C. (3) During the past quarter I supervised the issuance of press releases and other publications dealing with aviation problems and the general subject of air power, but none of these applied specifically to any particular bill now pending before the Congress, except for a press release dealing with the bill S. 3504.

D. (5) During the past quarter I estimate that less than 10 percent of my time was spent in compiling reports on legislative developments for distribution to the members of the Aircraft Industries Association. Therefore, less than 10 percent of the salary paid by the Aircraft Industries Association to Hill & Knowlton, Inc., for my services for this period of time (or approximately $325) is being reported.

E. (7) Less than $100, of which $10 or more was never paid to anyone.

A. Albert S. Goss, 744 Jackson Place NW., Washington, D. C., executive.

B. The National Grange, 744 Jackson Place NW., Washington, D. C.; farm fraternity.

C. (1) and (2) I am not employed to support or oppose any specific legislation. As Master of the National Grange, however, it is my duty to support or oppose legislation in conformity with the policies of the National Grange.

[4] Filed for second quarter, 1950.

C. (3) As editor-in-chief of the National Grange Monthly writes editorials for that publication.

D. (5) $1,875; (7) $1,875; (8) $3,750; (9) $5,625. The salary received for the quarter is my total compensation for all my services as Master of the National Grange of which legislative activities form only a part. I paid out none of it.

A. Lawrence L. Gourley, 902 Shoreham Building, Washington, D. C.

B. Retainer, American Osteopathic Association, 212 East Ohio Street, Chicago, Ill.

C. (1) Indefinitely.

C. (2) Bills affecting the public health, e. g., Emergency Professional Health Training Act, H. R. 9508; physicaly handicapped services, S. 4051; doctor draft, S. 4029, H. R. 9554.

D. (5) $512.50; (7) $512.50; (8) $675; (9) $1,187.50.

A. Government Employes' Council, American Federation of Labor, 900 F Street NW., Washington, D. C.; a council of labor unions.

C. (1) Legislative interest will continue indefinitely.

C. (2) All legislation that affects Government employees is of interest to this council.

C. (3) Weekly news letter prepared and duplicated in office; mailing list approximately 250 to member unions.

D. (1) $4,500.83; (6) $100; (7) $4,600.83; (9) $4,600.83; (13) no.

E. (2) $3,027.93; (4) $300; (5) $700; (6) $1,310.31; (7) $206.93; (9) $5,536.17.

A. Grand Lodge of the Brotherhood of Locomotive Firemen and Enginemen, 318–418 Keith Building, Cleveland, Ohio; unincorporated labor and fraternal organization.

C. (1) Indefinite.

C. (2) To promote general interests of locomotive firemen and enginemen.

D. (13) No.

E. (2) $3,816.55; (4) $46.8.; (5) $395.48; (6) $95.15; (7) $1,160.90; (8) $23.70; (9) $5,538.65; (10) $14,370.05; (11) $19,908.70.

A. Robert A. Grant, 624 Associates Building, South Bend, Ind.; attorney.

B. The Ethanol Committee, 810 Eighteenth Street NW., Washington, D. C.; an industry committee represented by various members of the pharmaceutical industry.

C. (1) Through the Eighty-first Congress.

C. (2) Bills seeking relief from the taxes presently applied to the nonbeverage use of alcohol (medicinal and proprietary preparations) including H. R. 3978, H. R. 6477, and H. R. 8920.

D. (5) $2,500; (7) $2,500.

E. (6) $20.20; (7) $342.11; (9) $362.31; (10) $579.36; (11) $941.67.

A. Cassius B. Gravitt, Jr., assistant legislative representative, National League of District Postmasters, 1110 F Street NW., Washington, D. C.; service organization for postmasters.

B. National League of District Postmasters, 1110 F Street NW., Washington, D. C., service organization for postmasters.

C. (1) Permanently.

C. (2) Any legislation which affects postmasters.

C. (3) (a) The Postmasters' Advocate, monthly magazine; (b) 20,000 and up; (c) 15th of month; (d) Fleet-McGinley, Inc., Baltimore, Md.

D. (5) $1,250; (7) $1,250; (8) $833.33; (9) $2,083.33.

E. (2) $1,250; (9) $1,250; (10) $833.33; (11) $2,083.33.

A. David D. Gray, executive assistant, Humble Oil & Refining Co., Houston, Tex.; executive assistant.

B. Humble Oil & Refining Co., post office box 2180, Houston, Tex.

C. (1) Until adjournment of Eighty-first Congress.

C. (2) I do not believe my work falls within the scope of activity covered by the Lobbying Act. I registered as a precaution against possible unintentional violation. My part-time duties are to observe and report progress of all pending legislation affecting business in general, which includes practically every important measure before Congress.

D. (5) $1,500 (that portion of my salary that might be attributed to legislative activity); (7) $1,500; (8) $3,000; (9) $4,500; (13) no.

E. (7) $2,905.35; (9) $2,905.35; (10) $5,281.83; (11) $8,187.18; (15) $2,905.35.

A. Great Lakes-St. Lawrence Association, N. R. Danielian, executive vice president, Mayflower Office Building, Washington, D. C.; trade association.

C. (1) Unknown.

C. (2) St. Lawrence legislation.

D. (1) $350; (6) $9,249.75; (7) $19,599.75; (8) $24,788.83; (9) $44,388.58; (13) yes; (14) $3,500, Hanna Coal & Ore Co., Cleveland, Ohio; $2,157.50, Youngstown Sheet & Tube Co., Youngstown, Ohio; $1,726, Wheeling Steel Corp., Wheeling, W. Va.; $4,315, National Steel Corp., Pittsburgh, Pa.; $5,393.75, Republic Steel Corp., Cleveland, Ohio; $2,157.50, Armco Steel Corp., Middletown, Ohio.

E. (1) $381.57; (2) $6,228.04; (4) $301.40; (5) $1,243.13; (6) $263.90; (7) $1,271.05; (8) $1,051.02; (9) $10,740.31; (10) $19,720.81; (11) $30,461.12.

A. Ernest W. Greene, vice president, Hawaiian Sugar Planters' Association, 731 Continental Building, Washington, D. C.; agricultural association.

B. Hawaiian Sugar Planters' Association, post office box 2450, Honolulu, T. H.

C. (1) I am not employed to support or oppose any legislation.

A. Weston B. Grimes, 436 Bowen Building, Washington, D. C.; lawyer.

B. Cargill, Inc., 200 Grain Exchange, Minneapolis, Minn.; grain, feed, seeds, etc.

C. (1) Indefinitely.

C. (2) Agriculture and the processing and transportation of the products thereof. Title 7, USCA, etc., Public Law 439 (Agriculture Act of 1949), Public Law 774 (Defense Production Act of 1950), Public Law 734 (Social Security Amendments of 1949), Public Law 579 (increase borrowing power of CCC), Public Law 471 (cotton- and peanut-acreage allotments), H. R. 8920 (reduction of excise taxes), H. R. 8304 (Customs Simplification Act), Senate Resolution 50 (air lines, investigation).

D. (5) $6,400.09; (6) $2,734.96; (7) $19,135.05; (8) $17,918.04; (9) $37,053.09.

E. (7) $5; (9) $5; (10) $4; (11) $9.

A. P. Irving Grinberg, executive vice chairman, Jewelers Vigilance Committee, 17 West Forty-fifth Street, New York, N. Y.

B. Jewelers Vigilance Committee; trade association.

C. (1) As long as efforts are necessary in connection with taxes affecting jewelry.

C. (2) Nothing specific at the moment.

C. (3) Issue no publications.

D. (5) $5,250.

E. (7) $222; (15) $222.

A. Duncan G. Groner, director of congressional relations, Federation for Railway Progress, Railway Progress Building, Washington, D. C.

B. Federation for Railway Progress, Railway Progress Building, Washington, D. C.; a nonprofit, unincorporated association to further the national railroad transportation policy as set forth in the Interstate Commerce Act. Also, publisher of a monthly magazine called Railway Progress.

C. (1) Indefinitely.

C. (2) Transportation legislation: H. R. 378, railroad communications systems; H. R. 8920, repeal of excise taxes; S. 3295, H. R. 7789, re union shops and union check-offs in railway labor contracts; H. R. 329, H. R. 429, H. R. 4978, S. 211, re inland waterways; S. 3463, Donnell bill to outlaw strikes and lockouts; S. 4067, bill to preclude Government seeking reparations on rates negotiated un-

der section 22 of Interstate Commerce Act; H. R. 9480, bill to provide adequate reserve supply of railroad freight cars; H. R. 9184, S. 2437, bill to separate subsidies from air-mail pay.

D. (5) $200; (7) $200; (8) $400; (9) $600.

A. Violet M. Gunther (formerly registered as Violet Megrath), 1740 K Street NW., Washington, D. C.; legislative director.

B. Americans for Democratic Action, 1740 K Street NW., Washington, D. C.; political organization, general public interest group.

C. (1) Indefinitely.

C. (2) All bills covered by convention-adopted program of organization.

C. (3) Periodic legislative newsletter to chapters. Column is monthly organizational paper, ADA World, published by Mercury Press. Newsletter to 185 chapters, paper to 24,000 members.

D. (5) $1,455.50; (7) $1,455.50; (8) $3,097.70; (9) $4,553.20.

E. (7) $155.50; (9) $155.50; (10) $497.70; (11) $653.20.

A. John J. Gunther, 1740 K Street NW., Washington, D. C.; legislative representative.

B. Americans for Democratic Action, 1740 K Street NW., Washington, D. C.; political organization, general public interest group.

C. (1) Indefinitely.

C. (2) All bills covered by convention-adopted program of organization.

D. (5) $1,283.62; (7) $1,283.62; (8) $2,633.99; (9) $3,917.61.

E (7) $178.62; (9) $178.62; (10) $448.99; (11) $627.61.

A. David J. Guy, manager of natural resources department, Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Senate Joint Resolution 195, interim development and operation of the submerged lands of the Continental Shelf; S. 3707, to establish the New England-New York Survey Commission.

D. (5) $2,950; (7) $2,950; (8) $5,900; (9) $8,850; (13) no.

E. (7) $12.40; (9) $12.40; (10) $27.40; (11) $39.80.

A. Donald C. Haas, Apartment Operators Association of Seattle, 1159 Olympic National Building, Seattle, Wash.; president of above organization and apartment building owner.

C. (1) Legislative interests are now terminated, no longer expect to receive reports.

C. (2) 1950 extension of Rent Control Act.

C. (3) I (a) Compilation of letters from mayors of decontrolled cities of Oregon, Washington, Idaho and Montana; (b) 750; (c) May 1950; (d) assembled and partially printed by Donald C. and Virginia S. Haas, balance printed by Stant Lithographic and National Association of Real Estate Boards both of Washington, D. C.; II (a) Black record of housing expediters survey of decontrolled city where rents rose 61.3 percent; (b) 750; (c) May 1950; (d) assembled and partially printed by Donald C. and Virginia S. Haas; balance printed Stant Lithographic Service of Washington, D. C.

D. (3) $250; (6) $2,306.36; (7) $2,556.36; (9) $2,556.36; (13) no; (14) $2,306.36, voluntary contributions of interested apartment owners paid through Apartment Operators Association of Seattle, April 10 to June 10, 1950.

E. (4) $507.38; (6) $87.66; (7) $1,663.32; (8) $48; (9) $2,306.36; (11) $2,306.36.

A. Frank E. Haas, business address 204 South Canal Street, Chicago, Ill.; special representative, the Association of Western Railways.

B. The Association of Western Railways, 474 Union Station Building, being an association of railroads (see report filed by that organization).

C. (1) This registrant is interested in any and all Federal legislative proposals which may or do affect western railroads. Activity in connection with such matters is by no means his principal purpose and he only occasionally engages in such activity. However, he desires to be in a position to do so and will file reports and otherwise comply with the law in such event. His potential interest in such matters is continuing.

C. (2) During the third quarter of 1950 this registrant was specifically interested in S. 4067 and H. R. 9503.

D. (5) $412; (6) $313.30; (7) $725.30; (9) $725.30; (13) no.

E. (7) $313.30; (9) $313.30; (11) $313.30; (15) $313.30.

A. Hoyt S. Haddock,[4] 132 Third Street SE., Washington, D. C.; legislative representative.

B. CIO Maritime Committee, 132 Third Street SE., Washington, D. C.; legislative office for the maritime unions.

C. (1) Indefinitely.

C. (2) Support legislation in interest of seamen; oppose legislation destrimental to them.

D. (5) $1,560; (7) $1,560; (9) $1,560.

E. (6) $46.20; (7) $1,158.79; (9) $1,204.99.

A. Hoyt S. Haddock, 132 Third Street SE., Washington, D. C.; legislative representative.

B. CIO Maritime Committee, 132 Third Street SE., Washington, D. C.; legislative office for maritime unions.

C. (1) Indefinitely.

C. (2) Support legislation in interest of seamen; oppose legislation detrimental to them.

C. (3) None.

D. (5) $1,560; (7) $1,560; (8) $3,120; (9) $4,680.

E. (6) $49.22; (7) $431.89; (9) $481.11; (10) $2,405.77; (11) $2,886.88.

A. Harlan V. Hadley, 830 Transportation Building, Washington, D. C.; secretary, taxation committee, Automobile Manufacturers Association.

B. Taxation committee, Automobile Manufacturers Association, New Center Building, Detroit, Mich.

C. (1) Respondent assumes he will be interested in tax legislation until Federal excise taxes on automotive products are repealed.

C. (2) Respondent is interested in current and prospective legislation affecting Federal excise taxation legislation on automotive products, including H. R. 8920, H. R. 3488, H. R. 4489 and such other bills as may be or may have been introduced which would reduce or repeal some or all of the automotive excises.

C. (3) Respondent during quarter under review issued and caused to be issued no publications.

D. (5) $625; (7) $625; (8) $625; (9) $1,250; (13) no.

E. (5) $124.74; (6) $70.92; (7) $58.95; (9) $254.61; (10) $1,068.59; (11) $1,323.20; (15) $254.61.

A. Samuel P. Haines, 4407 Sixteeth Street NW., Washington, D. C.; special representative before the Congress.

B. Twenty Percent Cabaret Tax Committee, 171 West Randolph Street, Chicago, Ill.; committee of hotel owners and operators to present excise tax facts to Congress to bring about reduction or repeal of 20-percent cabaret tax.

C. (1) Employed for necessary time required to bring about reduction or repeal of 20 percent cabaret tax.

C. (2) Interested in all bills that are germane to excise tax field and will assist in bringing about a reduction or repeal of 20 percent cabaret tax.

C. (3) (a) Printed copies of testimony presented before Senate Finance Committee; (b) 50 copies; (c) July 8, 1950; (d) AAA Letter Service, Washington, D. C.

[4] Filed for second quarter, 1950.

D. (8) $5,550; (9) $5,550.

E. (2) $480; (4) $34.44; (6) $9.78; (7) $125.62; (8) $15.18; (9) $665.02; (10) $3,319.93; (11) $3,984.95; (12) $3,700; (15) $665.02.

A. William C. Hale, assistant comptroller, Tennessee Eastman Corp., Kingsport, Tenn.

B. Tennessee Eastman Corp., Kingsport, Tenn.; manufacturing.

C. (1) Revisions in the Tariff Act; Drawback Regulation, H. R. 4612.

D. (13) No.

A. Hugh F. Hall, American Farm Bureau Federation, 261 Constitution Avenue NW., Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (1) Indefinite.

C. (2) In accordance with the annual meeting, resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Appropriations for the fiscal year 1951; section 22 of the Agricultural Adjustment Act; cotton, wheat, peanut, and rice quotas and allotments; wheat marketing certificate program; commercial corn-producing areas; marketing quotas for cigar wrapper tobacco; potato marketing quotas; foreign economic assistance; point 4 program; Foreign Economic Commission; educational exchange; trade policy with Communist countries; customs regulations; agricultural credit; brucellosis; Government reorganization; rural roads; taxation; social security; postal rates; farm labor; rural housing; farm program; marketing facilities for perishables; production and subsistence loans; Farm Bureau extension service relationships; Cooperative Forest Management Act; antitrust; Defense Production Act of 1950; International Trade Organization; antimerger (corporations); Assistant Secretaries for Agriculture.

C. (3) See report filed for American Farm Bureau Federation for this information.

D. (5) $1,750; (7) $1,750; (8) $3,500.04; (9) $5,250.04; (13) no.

E. (7) $262.99; (9) $262.99; (10) $349.80; (11) $612.79; (15) $262.99.

A. Radford Hall, 515 Cooper Building, Denver, Colo.; assistant executive secretary.

B. American National Live Stock Association, 515 Cooper Building, Denver, Colo.

D. (5) $1,500; (7) $1,500; (8) $3,450; (9) $4,950.

E. (10) $405.99; (11) $405.99.

A. E. C. Hallbeck, 711 Fourteenth Street NW., Washington, D. C.; legislative representative.

B. National Federation of Post Office Clerks, 711 Fourteenth Street NW., Washington, D. C.; trade-union.

C. (1) Indefinitely.

C. (2) All legislation pertaining to the postal service and the welfare of postal and Federal employees.

C. (3) Federation News Service Bulletin: (a) weekly news bulletin; (b) 11,600; (c) July 7, 14, 21, 28; August 4, 17; September 2; (d) Ransdell, Inc.

D. (5) $1,999.98; (7) $1,999.98; (8) $4,333.37; (9) $6,333.35; (13) no.

E. (7) $1,279.95; (9) $1,279.95; (10) $3,261.33; (11) $4,541.28; (15) $1,279.95.

A. James B. Hallett, 11 West Forty-second Street, New York, N. Y.; the National Association of Life Underwriters; general counsel.

B. The National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.; trade association.

C. (1) Legislative interests will continue indefinitely.

C. (2) General legislative interests pertain to social security legislation; revision of the Internal Revenue Code and/or regulations which affect policyholders of members of employer association, H. R. 6000, H. R. 8920.

C. (3) (a) Life Association News; (b) 55,000; (c) monthly; (d) Hamilton Printing Co., Albany, N. Y.

D. (5) $109.60; (7) $109.60; (8) $630.20; (9) $739.80; (13) no.

E. (7) $62.99; (9) $62.99; (10) $417.21; (11) $480.20; (15) $62.99.

A. Lloyd C. Halvorson, 744 Jackson Place NW., Washington, D. C.

B. The National Grange, 744 Jackson Place NW., Washington, D. C.

C. (1) My legislative work will vary according to how it is assigned to me by Dr. J. T. Sanders of the National Grange.

C. (2) My legislative work, if any, will be in farm legislation, health, social security, and possibly housing, and taxation.

C. (3) I have not had any statement published relating to legislative work in the past quarter.

D. (5) $1,500.

E. (7) $7.20; (9) $7.20; (11) $7.20; (15) $7.20.

A. Harry G. Hamlet, 1616 I Street NW., Washington, D. C.; president.

B. Retired Officers Association, Inc., 1616 I Street NW., Washington, D. C. Preamble: To inculcate and stimulate love of our country and the flag; and to defend the honor, integrity, and supremacy of our National Government and the Constitution of the United States; to foster fraternal relations between all branches of the various services from which our members are drawn; to aid the retired personnel of the various services from which our members are drawn in every proper and legitimate manner; and to present their rights and interests when service matters are under consideration, we unite to form the Retired Officers Association.

C. (1) Indeterminate.

C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors, of whatever nature, dealing with personnel matters, pay and retirement benefits, and pensions, studying and analyzing bills, preparing statements for presentation to the cognizant committees, and drafting amendments where indicated, appearing before committees of Congress, principally the Committees on Armed Services, the Committee on Veterans' Affairs, and the committees dealing with various privileges, opportunities, and obligations of the personnel involved.

C. (3) The Retired Officers Association Bulletin. (a) An informational bulletin covering all of the activities of the association; (b) 20,000 per issue; (c) 15th of March, June, September, and December; (d) Graphic Arts Press, Inc.

D. (5) $750; (7) $750; (8) $1,500; (9) $2,250; (13) no.

A. Joseph J. Hammer, 26 Broadway, New York, N. Y.

B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.; production, manufacturing, distribution, and marketing of petroleum products.

C. (1) Indeterminate.

C. (2) Same as set forth in detail in previous reports.

D. (5) $1,125 (this represents one quarter of so much of registrant's annual remuneration as is attributable to the performance of duties which are subject to the Lobbying Act); (6) $537.07 (reimbursement for traveling expenses); (7) $1,662.07; (8) $1,362.61; (9) $3,024.68; (13) no.

E. (6) $6.03; (7) $531.04; (9) $537.07; (10) $237.61; (11) $774.68; (15) $537.07.

A. Murray Hanson, 1625 K Street NW., Washington, D. C.; general counsel, Investment Bankers Association of America.

B. Investment Bankers Association of America, 1625 K Street NW., Washington, D. C.; 33 South Clark Street, Chicago, Ill.

C. (1) Indefinitely.

C. (2) Legislation affecting the securities business; tax legislation generally.

C. (3) IBA Washington Bulletin which is sent to members and their branch offices; (b) 2,168, first issue; (c) September 5, 1950; (d) Huff Duplicating Co., Inc.

D. (5) $600; (7) $600; (8) $1,200; (9) $1,800.

E. (2) $80; (4) $223; (5) $142.82; (6) $108.77; (7) $80.55; (9) $635.14; (10) $1,470.90; (11) $2,106.04; (15) $635.14.

A. Ralph W. Hardy, 1771 N Street NW., Washington, D. C.; director, Government relations department (liaison with foreign governments, international organizations, and committees relating to broadcasting, including international allocation of frequencies and flow of information; and with branches and departments of local, State, and Federal Government; and activity in areas of standards and education).

B. National Association of Broadcasters, 1771 N Street NW., Washington, D. C.; a national trade association.

C. (1) General statement: Registrant is interested in any legislation, local, State, Federal, or international, which affects the broadcasting industry. As outlined above under A, registrant will continue to have a legislative interest as long as he occupies his present position with his employer.

C. (2) As stated above, registrant has general interest in radio legislation, and particular interest during the past quarter in: McFarland bill (S. 1973) and H. R. 4241; Sadowski bill (H. R. 6949); Sheppard bill (H. R. 7310); bill exempting sound recordings from import duty (Public Law No. 766); Joint House and Senate recording facilities (H. J. Res. 332); and bill including provision to tax television receivers (H. R. 8920) Public Law 814.

C. (3) S. 1973, H. R. 4241. During the third quarter registrant was active, in conjunction with general counsel's office, in enlisting aid of broadcasters in getting bills (particularly H. R. 4241) out of committee and into conference.

A. L. James Harmanson, Jr., 744 Jackson Place NW., Washington, D. C.; administrative counsel, National Council of Farmer Cooperatives.

B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.; a trade organization for farmer cooperatives marketing farm products and/or purchasing farm supplies.

C. (1) Indefinitely.

C. (2) General legislative interests: Legislation in field of transportation and pertaining to legal and tax matters of interest to farmer cooperatives. Specific legislative interests: S. 2113 and H. R. 5967, freight forwarder bills. H. R. 8920, Revenue Act of 1950; H. R. 5064, to tax cooperatives and other exempt corporations; H. R. 7547, to amend section 203 (b) (6) of part II of Interstate Commerce Act; tax revision legislation, 1950; H. R. 7637, regulation of sizes and weights of motor vehicles in interstate or foreign commerce.

C. (3) Contribute from time to time to news reports and other material sometimes of legislative significance, to the Washington Situation, the weekly newsletter of the National Council of Farmer Cooperatives. This weekly newsletter is mimeographed in the council office and as an approximate distribution of 1,000 copies to national council members and others on the mailing list.

D. (5) $2,025; (7) $2,025; (8) $4,050; (9) $6,075.

E. (7) $48.82; (9) $48.82; (10) $156.44; (11) $208.26; (15) $48.82.

A. Harnischfeger Corp., Milwaukee, Wis., heavy equipment and prefabricated houses manufacturer.

C. (1) Indefinite.

C. (2) General interest in all housing legislation. Specific interest in S. 2246, H. R. 7402, S. 3181, H. R. 7846, Public Law 498, and Reorganization Plan No. 23.

D. (5) $1,310.31; (7) $1,310.31; (8) $1,216.41; (9) $2,526.72; (13) no.

E. (2) $1,050; (8) $260.31; (9) $1,310.31; (10) $1,216.41; (11) $2,526.72.

A. Merwin K. Hart, president, National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.

B. National Economic Council, Inc., 7501 Empire State Building, New York, N. Y.; educational organization, not for profit.

C. (1) My legislative interests will continue in the future as they have in the past, unless I get fired.

C. (2) My general legislative interests are in favoring any legislation that tends to support private enterprise and maintain American independence, and opposing all measures that work contrariwise. The measures with which I have been concerned in the past quarter are the ITO agreement; the Defense Production Act of 1950 (Senate 3936 and House 9176); the proposed loan to Spain; the citing for contempt of Joseph P. Kamp by the House; and the Genocide Convention.

C. (3) (a) Economic Council Letters Nos. 244 "Watch Out for Your Liberty"; 246 "Communist Persecutions Continue"; 247 "Reject That Genocide Convention"; (b) letter No. 244, 12,244; letter 246, 12,000; letter 247, 12,000; (c) letter 244, August 1, 1950; letter 246, September 1, 1950; letter 247, September 15, 1950; (d) Brooklyn Eagle Press.

D. (5) $316.58; (7) $316.58; (8) $1,998.19; (9) $2,314.19; (13) no.

E. (7) $254.28; (8) $158.83; (9) $413.11; (10) $125.29; (11) $539; (13) $200; (14) $200; (15) $413.11.

A. Stephen H. Hart, 350 Equitable Building, Denver, Colo.; lawyer.

B. National Live Stock Tax Committee, 515 Cooper Building, Denver, Colo.; committee representing livestock associations listed on attached letterhead.[2]

C. (1) Employment indefinite.

C. (2) Interested in general livestock tax matters including specifically proposed amendments to the Internal Revenue Code concerning capital gains on sale of breeding livestock, and deduction of soil conservation, brush, control, and other ranching expenditures. Bills H. R. 8920, H. R. 7470, H. R. 3087. H. R. 1713, H. R. 1399.

C. (3) Article in the Montana Stockgrower, Nebraska Cattleman, Aberdeen-Angus' Journal, Wyoming Wool Grower, Kansas Stockman, South Dakota Stockgrower; Arizona Cattlelog, Shorthorn World, Cattle Producer, Western Livestock Journal, National Wool Grower, New Mexico Stockman, the Cattleman, Idaho Woolgrowers, American Hereford Journal, concerning H. R. 8920.

D. (5) During the quarter, the National Livestock Tax Committee paid to me a per diem of $50 per office work and $100 per diem out of town for actual time spent in study, advice, conferences, and correspondence concerning general livestock tax questions, including the analysis of the present provisions of the Internal Revenue Code and current rulings and decisions concerning Federal taxation of livestock operators. Such activities also included work in connection with the position of the National Livestock Tax Committee toward amendments to the Internal Revenue Code concerning capital gains on sale of breeding livestock and the deduction of ranching expenditures. It is impossible to determine what part of my services related to this legislative problem, but it is my opinion that little, if any, of my activities during the preceding quarter could be interpreted as lobbying. During the quarter a total for legal services of $1,105 was paid to me for all my activities and services. I was also reimbursed for out-of-pocket expenses for telephone, telegraph, mimeo-

[2] Not printed. Filed in the Clerk's office.

graphing, travel, food, and lodging in the amount of $159.05.

A. Dow W. Harter, 412–14 Washington Building, Washington, D. C.; attorney at law.

B. The B. F. Goodrich Co., Akron, Ohio; rubber manufacturer.

C. (1) It is impossible to state how long legislative interests are to continue. My interest and that of the B. F. Goodrich Co. doubtless will not be terminated with the current quarter.

C. (2) I am interested on behalf of my client, the B. F. Goodrich Co., in legislation relating to the maintenance of facilities for the production of an ample supply of man-made domestic rubber in the United States for commercial and national defense purposes. I am also interested in behalf of my client in the repeal or reduction of present excise taxes on tires and tubes, and in certain other changes in our tax structure, and, generally, in other legislative proposals relating to tire manufacturers which may come before Congress from time to time.

D. (5) $1,875; (6) $335.50; (7) $2,210.50; (8) $4,254.75; (9) $6,465.25; (13) no. Impossible to separate fee received into legal services and those connected with legislative interests.

A. Douglas L. Hatch, 1424 K Street NW., Washington, D. C.; attorney at law.

B. James Stewart & Co., Inc.; general contractors.

C. (1) Indefinitely.

C. (2) H. R. 6095.

A. Paul M. Hawkins, 1405 K Street NW., Washington, D. C.

B. American Hotel Association, 221 West Fifty-seventh Street, New York, N. Y.

C. (1) Indefinitely.

C. (2) Any and all bills and statutes of interest to the hotel industry.

D. (5) $2,050; (7) $2,050; (8) $4,100; (9) $6,150.

E. (7) $268.40; (9) $268.40; (10) $531.67; (11) $800.07; (15) $268.40.

A. Kit H. Haynes, 744 Jackson Place NW., Washington, D. C.; director of information services, National Council of Farmer Cooperatives.

B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.; a trade organization for farmer cooperative marketing farm products and/or purchasing farm supplies.

C. (1) Indefinitely.

C. (2) General agricultural and farmer cooperative legislation. Less than 5 percent of my time is devoted to legislative activities.

C. (3) Assist in preparation of the Washington Situation; (a) a weekly newsletter of the National Council of Farmer Cooperatives, sent to council affiliates, news services, radio networks and stations, and miscellaneous persons who have requested to be placed on the mailing list; (b) approximately 1,000 copies; (c) every Friday; (d) mimeographed in council office. News Behind the Washington Situation, (a) an analytical news release dealing with some event or development of too great significance to be included in regular newsletter. It is distributed with the regular newsletter at irregular intervals; (b) approximately 1,000; (c) September 15, 1950; (d) mimeographed in council office. Also prepare farm news releases and special reports at irregular intervals for distribution to national council affiliates, news services, radio stations and networks. Contribute monthly article to symposium conducted by the National County Agent and Vo-Ag Teacher on a current question of national interest to farmers. This contribution is made at the request of the publisher, and all major farm organizations have been invited to participate in the symposium. The National County Agent and Vo-Ag Teacher is published monthly at Philadelphia, Pa., by Ware Bros. Co., 317 North Broad Street, Philadelphia, Pa.

D. (5) $1,875; (7) $1,875; (8) $3,750; (9) $5,625.

E. (7) $51.12; (9) $51.12; (10) $73.64; (11) $124.76; (15) $51.12.

A. Joseph H. Hays, business address 204 South Canal Street, Chicago, Ill. He is a lawyer and is counsel for the Association of Western Railways. For a more detailed statement of the nature of his business, see the report filed for the first quarter of 1950, together with documents therein referred to.

B. The Association of Western Railways, 474 Union Station Building, being an association of railroads (see report filed by that organization).

C. (1) This registrant is interested in any and all Federal legislative proposals which may or do affect western railroads. Activity in connection with such matters is by no means his principal purpose and he only occasionally engages in such activity. However, he desires to be in a position to do so and will file reports and otherwise comply with the law in such event. His potential interest in such matters is continuing.

C. (2) During the third quarter of 1950 there were no Federal legislative matters in connection with which this registrant engaged in any activity.

D. (13) No.

A. John C. Hazen, National Retail Dry Goods Association, Suite 808 Kass Building, 711 Fourteenth Street NW., Washington, D. C.

B. National Retail Dry Goods Association, 100 West Thirty-first Street, New York, N. Y.; trade association.

C. (1) Indeterminately.

C. (2) H. R. 2945, postal bill; H. R. 810, LIFO; H. R. 6000, social security; H. R. 8920, Revenue Act of 1950.

C. (3) Article for NRDGA's stores magazine; issued in our New York office.

D. (5) $7,500; (13) no.

E. (6) $16.92; (8) $4.40; (9) $21.32; (10) $53.89; (11) $75.21; (15) $21.32.

A. Felix Herbert, general counsel for Associated Factory Mutuals, 602 Turks Head Building, Providence, R. I.

B. Associated Factory Mutual Fire Insurance Cos., Turks Head Building, Providence, R. I.

C. (1) Indefinitely.

C. (2) Amendment to Internal Revenue Code, section 207.

A. K. W. Heberton, room 101, 1405 G Street NW., Washington, D. C.; communications.

B. Western Union Telegraph Co., 60 Hudson Street, New York, N. Y.; communications.

C. (1) My interest in legislation affecting the telegraph company will continue during tenure of my position as assistant vice president in Washington.

C. (2) General legislative interests cover any legislative proposals affecting the interests of the telegraph company.

D. (13) no.

E. (7) $106.15; (9) $106.15; (10) $375.95; (11) $482.10; (15) $106.15.

A. George J. Hecht, 52 Vanderbilt Avenue, New York, N. Y.; 132 Third Street SE., Washington, D. C.; publishing.

B. American Parents' Committee, 132 Third Street SE., Washington, D. C. (without salary).

C. (1) Indefinitely.

C. (2) National school health services bill, H. R. 3942; public school construction bill, H. R. 5718; national child research bill, S. 904, H. R. 4465; Federal aid for education; local public health units, H. R. 5865; social security revisions, H. R. 6000; physically handicapped children's education bill, S. 3102, H. R. 7396; school lunch appropriation; Children's Bureau appropriation.

C. (3) Washington Report on Legislation Affecting Children, 500 mimeographed monthly; by Parents' Institute, Inc., Bergenfield, N. J.

D. (8) $48.70; (9) $48.70.

E. (10) $48.70; (11) $48.70.

A. Leo J. Heer, 720 Dupont Circle Building, Washington, D. C.

B. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

C. (1) Sporadic.

C. (2) Defense Production Act of 1950.

C. (3) (a) National Furniture Review (comes within exemption of statute); Association bulletins; (b) Approximately 6,000; (c) legislative matters given sporadic mention; (d) mimeographed on premises.

D. (5) $250; (7) $250; (8) $500; (9) $750; (13) no.

A. Robert B. Heiney, assistant to secretary, National Canners Association, 1133 Twentieth Street NW., Washington, D. C.

B. National Canners Association, 1133 Twentieth Street NW., Washington, D. C.; the association is the national trade association of the food-canning industry and engages in scientific research, statistical, home economics and claims work and carries on other typical trade association activity.

C. (1) Indefinite.

C. (2) H. R. 562 (food and drug exports); H. R. 9158 (food and drug codification); H. R. 9176 (National Defense Act); and generally all measures directly affecting the food canning industry.

D. (5) $1,937.49; (13) no.

E. (7) $74.40; (15) $74.40.

A. Joseph D. Henderson, 431 Balter Building, New Orleans, La., national managing director of a business service organization.

B. American Association of Small Business, 431 Balter Building, New Orleans, La.; business service organization.

C. (1) Indefinitely.

C. (2) To state specific legislation would be impossible. I am to support legislation for the best interests of the people, particularly that beneficial to small business, and to oppose legislation harmful to the people, particularly that which is detrimental to small business.

C. (3) Official monthly publication of the American Association of Small Business, the Small Business Review; a weekly column entitled "Minding Your Own Business," which is sent to about 150 weekly newspapers. News releases of routine nature are also distributed from time to time.

D. (5) $3,000; (7) $3,000; (9) $3,000.

A. Robert E. Hensel, 25 Broadway, New York, N. Y.; employee of law firm and engaged in general practice of tax law.

B. Chadbourne, Parke, Whiteside, Wolff & Brophy (formerly Chadbourne, Wallace, Parke & Whiteside), 25 Broadway, New York, N. Y.; engaged in the general practice of law and general counsel of the American Tobacco Co., 111 Fifth Avenue, New York, N. Y.

C. (1) Legislative interests are expected to continue until tax legislation is passed extending the 85-percent dividends received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

C. (2) See (1) above. The proposed legislation was contained in section 120 H. R. 6712 which was passed by the House of Representatives, second session, Eightieth Congress.

D. (5) Affiant, as employee of Chadbourne, Parke, Whiteside, Wolff & Brophy (formerly Chadbourne, Wallace, Parke & Whiteside), general counsel of the American Tobacco Co., is paid a regular monthly salary for services rendered to the law firm, which services include such services as may be required from time to time on behalf of the interests of the American Tobacco Co. in connection with the proposed legislative interests described in paragraph (C) of this report.

E. (6) $22.56; (7) $23.19; (9) $45.75; (10) $12.88; (11) $58.63; (15) $45.75.

A. Maurice G. Herndon, Washington representative.

B. National Association of Insurance Agents, 80 Maiden Lane, New York, N. Y.; 1002 Washington Loan & Trust Building, Washington, D. C.; voluntary unincorporated membership association comprised of 27,000 local agencies who are members thereof of affiliated State associations.

C. (1) Indefinitely.

C. (2) Any legislation which affects either directly or indirectly the interests of local agents. (a) Social security, H. R. 6000 (only interested in definition of employee); (b) omnibus appropriation bill, H. R. 7786; (c) war-damage insurance, S. 4115, S. 4100, H. R. 9682, H. R. 9340, H. R. 9130, H. R. 9312.

C. (3) From time to time articles on legislative matters and position of National Association of Insurance Agents in regard thereto appear in its own publication, the American Agency Bulletin. (a) Publication is devoted to the interest of local property agents; (b) approximately 27,923; (c) approximately first day of month; (d) Mail & Express Printing Co., Inc., 160 Varick Street, New York, N. Y.

D. (6) $118.32; (7) $118.32; (8) $371.92; (9) 490.24; (13) no.

E. (7) $188.32; (9) $118.32; (10) $371.92; (11) $490.24.

A. Ewart A. Hester, law offices of Clinton M. Hester, 432 Shoreham Building, Washington, D. C.; please see supplemental statement filed by me with preliminary report, April 25, 1950.

B. Law offices of Clinton M. Hester, 432 Shoreham Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Any proposed legislation affecting the brewing industry, such as H. R. 6111, a bill to amend the Federal Alcohol Administration Act; H. R. 2428, a bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes; S. 1847, a bill to prohibit the transportation in interstate commerce of advertisements of alcoholic beverages, and for other purposes; any proposed legislation affecting the wool industry.

D. (5) $2,500; (7) $2,500; (8) $5,000; (9) $7,500; (13) no.

A. Robert C. Hibben, 1105 Barr Building, Washington, D. C. (form C, filed in Clerk's office).

B. International Association of Ice Cream Manufacturers.

A. M. F. Hicklin, secretary, Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.

B. Iowa Railway Committee, 507 Bankers Trust Building, Des Moines, Iowa.

C. (1) The Iowa Railway Committee is a voluntary organization composed of the State attorneys for Iowa of all class I railroads operating within Iowa. All expenses of the committee and expenditures made by the committee, including salary of the secretary of the committee, M. F. Hicklin, are paid over to the committee by the railroads represented on the committee; the amount paid by the several railroads being determined upon a prorated basis according to the taxable valuation and gross revenue in Iowa. The represented railroads are as follows: Chicago, Rock Island & Pacific; Chicago, Great Western; Chicago, North Western; Chicago, Milwaukee, St. Paul & Pacific; Chicago, Burlington & Quincy; Illinois Central; Great Northern; Atchison, Topeka & Santa Fe; Davenport, Rock Island & North Western; Wabash; Union Pacific; Minneapolis & St. Louis; Chicago, St. Paul, Minneapolis & Omaha. None of the above made a contribution of $500 in any one quarter for the purpose of influencing the passage or defeat of Federal legislation. The committee is organized for the purpose of handling matters of common interest to all of the railroads within the State of Iowa. The secretary of the committee is employed full time and is paid on an annual basis. Occasionally, the secretary engages in activities directed toward the passage or defeat of Federal legislation, and such activity is only incidental and occasional. No additional compensation is paid to the secretary over and above his annual salary for activities relating to Federal legislation. His actual expenses incurred in connection with his duties including actual expenses incurred in connection with activities relating to Federal legislation are paid by the committee. No railroad represented on the committee has either directly or indirectly contributed any money to the committee which is earmarked to be used for the accomplishment of the purposes defined by the Lobbying Act. No specific amount of time is devoted to activities connected with Federal legislation. The secretary receives an annual salary of $8,700 which, on a basis of 310 working days, amounts to $28 per day. Therefore, in computing any salary received by the secretary, the actual time spent in Washington, D. C., and traveling to and from, will be computed at the figure of $28 per day.

C. (2) The committee is not interested in any specific act of the Congress but is interested generally in the acts of Congress which pertain to legislation affecting the railroad industry as a whole and the acts affecting the railroad industry in particular.

C. (3) No publications in connection with Federal legislation are issued or published by this committee or any of its employees.

E. (2) $168; (7) $230.76; (9) $398.76; (10) $912.23; (11) $1,310.99.

A. Mary Higgins, secretary-treasurer, Philippine-American Committee, 1025 Connecticut Avenue, Washington, D. C.

B. Philippine-American Committee, 1025 Connecticut Avenue, Washington, D. C.

C. (1) For this session of Congress.

C. (2) A bill to amend further the Philippine Rehabilitation Act of April 1, 1946, as amended; (a) H. R. 7600, introduced in the House of Representatives, March 7, 1950, by Congressman MILLER of California; (b) S. 3220, introduced in the Senate on March 8, 1950, by Senator KEFAUVER, of Tennessee.

D. (8) $47,050; (9) $47,050; (13) none since last report. No contributions since filing last report, which was for second quarter 1950.

E. (2) $1,080.28; (5) $463.34; (6) $49.56; (7) $1,081.17; (9) $2,674.35; (10) $45,539.08; (11) $48,213.43; (15) $2,674.35.

A. Herbert R. Hill, trustee, the National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y. The officers, trustees, and committee chairmen of this association serve without compensation.

C. (1) Legislative interests have terminated due to retirement from board of trustees.

C. (2) Amendments to the Social Security Act, H. R. 6000.

C. (3) (a) Life Association News; (b) 55,000; (c) monthly; (d) Hamilton Printing Co., Albany, N. Y.

D. (13) No.

E. (6) $58.67; (7) $161.57; (9) $220.24; (10) $360.81; (11) $581.05; (15) $220.24.

A. Harry B. Hilts, Empire State Petroleum Association, Inc.—Atlantic Coast Oil Conference, Inc., 122 East Forty-second Street, New York, N. Y.

B. Empire State Petroleum Association, Inc., 122 East Forty-second Street, New York City; trade association of petroleum jobbers and distributors in New York State. Atlantic Coast Oil Conference, Inc., 122 East Forty-second Street, New York City; trade association with membership of independent marketers and local associations along the eastern seaboard.

C. (1) Indeterminate, depending on character of legislation pending before Congress.

C. (2) All matters pertaining to the petroleum industry.

C. (3) ESPA, monthly magazine published by the Empire State Petroleum Association, Inc.; Atlantic Coast Weekly Letter and Empire Weekly Letter, weekly news letters to members of both organizations.

E. (7) $306.94; (9) $306.94; (11) $306.94.

A. Justin Hinders, 1737 K Street NW., Washington, D. C.; public relations, National Association of Real Estate Boards, trade association.

B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.; trade association.

C. (1) Indefinite.

C. (2) Any legislation affecting the real-estate industry.

C. (3) Attached is a list of news releases[1] issued during the quarter which bear on legislative subjects. Complete information as to the extent to which these were published or the dates of publication is not available. Mailing list for these news releases is attached.[1] Mimeographing was done in our Washington office.

D. (5) $1,180.03; (7) $1,180.03; (8) $2,373.11; (9) $3,553.14; (13) no. Fifty percent of time for which salary is included is devoted to legislative activities.

E. (7) $17.03; (8) $13; (9) $30.03; (10) $73.11; (11) $103.14; (15) $30.03.

A. Ray C. Hinman, 26 Broadway, New York, N. Y.

B. Socony-Vacuum Oil Co., Inc., 26 Broadway, New York, N. Y.; production, manufacturing, distribution, and marketing of petroleum products.

C. (1) Indeterminate.

C. (2) Same as set forth in detail in first quarterly filing for 1950.

D. (5) $1,250 (this represents one-quarter of so much of registrant's annual remuneration as is attributable to the performance of duties which are subject to the Lobbying Act); (6) $239.42 (reimbursement for traveling expenses); (7) $1,489.42; (8) $3,400.73; (9) $4,890.15; (13) no.

E. (6) $5.94; (7) $233.48; (9) $239.42; (10) $900.73; (11) $1,140.15; (15) $239.42.

A. L. S. Hitchner, Barr Building, 910 Seventeenth Street NW., Washington, D. C.; business is to further interests of firms producing agricultural chemicals for pest control.

B. National Agricultural Chemicals Association, 910 Seventeenth Street NW., Barr Building, Washington, D. C.

C. (1) I have an interest in the current investigation on the use of chemicals on foods being conducted by the select committee under chairman JAMES DELANEY, Democrat, New York, as authorized by the passage of H. R. 323, Sabath resolution.

E. (2) $50; (6) $10; (8) $30.50; (9) $90.50; (11) $90.50.

A. John L. Hoen, 1741 De Sales Street NW., Washington, D. C.

B. American-Hawaiian Steamship Co., 90 Broad Street, New York, N. Y.; Eastern Steamship Lines, Inc., 40 Central Street, Boston, Mass.

C. (1) Indefinitely.

C. (2) All legislative matters pertaining to the American merchant marine. This statement shows my total compensation from the above-named employers. Only an undeterminable portion of my time is devoted to legislative matters.

D. (5) $3,750; (7) $3,750; (8) $7,166.67; (9) $10,916.67.

E. (6) $102.33; (7) $225; (8) $448.58; (9) $775.91; (10) $815.74; (11) $1,591.65.

[1] Not printed. Filed in the Clerk's office.

A. Frank N. Hoffmann, 718 Jackson Place NW., Washington, D. C.; legislative representative, United Steelworkers of America.

B. United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa.; labor organization affiliated with the Congress of Industrial Organizations.

C. (1) Indefinitely.

C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity and general welfare. Oppose all legislation detrimental to these objectives.

C. (3) I have not individually issued or caused to be issued, any publication as above described. Any such publications issued by the CIO are listed in the CIO report.

D. (5) $1,999.98; (6) $2,350; (7) $4,349.98; (3) $9,459.16; (9) $13,809.14.

E. (7) $2,350; (9) $2,350; (10) $5,459.20; (11) $7,809.20; (15) $2,350.

A. Robert L. Hogg,[4] executive vice president and general counsel, American Life Convention, 230 North Michigan Avenue, Chicago, Ill.; see exhibit 1, attached to first quarter, 1950 report.

B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.; see exhibit 1, attached to first quarter, 1950, report.

C. (1) Indefinitely.

C. (2) All prospective legislation which will or may affect the life insurance industry.

C. (4) I am a regularly employed member of a staff, operating on a yearly salary basis. My regular salary is $25,000 per year. However, since only a portion of my regular duties involve Federal legislative matters, the amount reported herein will be allocated in accordance with the time which I devote to such matters. The only expenses which I anticipate are those connected with travel, i. e., transportation, hotel, meals, etc.

D. (5) $3,125; (7) $3,125; (8) $3,125; (9) $6,350.

E. (7) $476.23; (9) $476.23; (10) $1,210.48; (11) $1,686.71; (15) $476.23.

A. Robert L. Hogg, executive vice president and general counsel, American Life Convention, 230 North Michigan Avenue, Chicago, Ill.; see exhibit 1, attached to first quarter, 1950, report.

B. American Life Convention, 230 North Michigan Avenue, Chicago, Ill.; see exhibit 1, attached to first quarter, 1950, report.

C. (1) Indefinitely.

C. (2) All prospective legislation which will or may affect the life insurance industry.

C. (4) I am a regularly employed member of a staff, operating on a yearly salary basis. My regular salary is $25,000 per year. However, since only a portion of my regular duties involve Federal legislative matters, the amount reported herein will be allocated in accordance with the time which I devote to such matters. The only expenses which I anticipate are those connected with travel, i. e., transportation, hotel, meals, etc.

D. (5) $2,083.33; (7) $2,083.33; (8) $6,250; (9) $8,333.33.

E. (7) $320.10; (9) $320.10; (10) $1,686.71; (11) $2,006.81; (15) $320.10.

A. R. F. Hollister, 802 Failing Building, Portland, Oreg.

B. Independent Bankers Association, Twelfth Federal Reserve District, 802 Failing Building, Portland, Oreg.

C. (1) Legislative interests to continue for an undetermined time.

C. (2) Enactment of Federal bank holding company legislation.

D. (5) $1,800; (7) $1,800; (9) $1,800; (13) no.

A. Charles W. Holman, 1731 I Street NW., Washington, D. C.; secretary for the National Milk Producers Federation.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

C. (1) Indefinitely.

[4] Filed for second quarter, 1950.

C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

C. (3) (a) News for Dairy Coops; (b) 700; (c) weekly; (d) federation; (a) Legislative Letter; (b) 1,200; (c) irregular; (d) federation.

D. (5) $4,125; (6) $2,091.30; (7) $6,216.30; (8) $9,757.35; (9) $15,973.65; (13) salary only.

E. (6) $31.35; (7) $2,003.90; (8) $56.05; (9) $2,091.30; (10) $1,507.35; (11) $3,598.65; (15) all.

A. J. M. Hood, president, the American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.

B. The American Short Line Railroad Association, 2000 Massachusetts Avenue NW., Washington, D. C.

C. (1) Continuous.

C. (2) See complete legislative program printed at pages 80 through 83 of agenda attached to employer's return.

C. (3) None, except as detailed in employer's return.

D. (5) $250; (6) $99.03; (7) $349.03; (8) $747.98; (9) $1,097.01; (13) no.

E. (7) $99.03; (9) $99.03; (10) $247.98; (11) $347.01; (15) $347.01.

A. Jesse V. Horton, post office box 2013, mezzanine floor, Continental Hotel, Washington, D. C.; legislative representative.

B. National Association of Postal Supervisors, post office box 2013, Washington, D. C.

C. (1) Permanently.

C. (2) All legislation affecting supervisors in the postal field service, and the postal service.

(C) (3) Our monthly magazine, the Postal Supervisor, issued on the 1st of each month, 17,540 copies, printed by Ransdell, Inc., Washington, D. C. Semimonthly news letters to membership, about 8,100 copies each issue, mimeographed by Bates Duplicating Co., Washington, D. C.

D. (5) $1,875; (7) $1,875; (8) $3,750; (9) $5,625; (13) no.

E. (7) $419.75; (9) $419.75; (10) $849.50; (11) $1,269.25; (15) $419.75.

A. Robert B. House, Jr., 1625 K Street NW., Washington, D. C.; attorney and counselor.

B. Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; acting in the interest of New Process Co. (merchandisers by mail), Warren, Pa.

C. (1) Unknown, but probably until end of Eighty-first Congress.

C. (2) Postal rate legislation; H. R. 2945, to readjust postal rates; S. 1103; to readjust postal rates.

D. (5) No specific compensation for these services. Covered by general contract of employment as associate counsel with Cummings, Stanley, Truitt & Cross. Compensation under said contract will not be increased or affected by these services or this registration; (13) no.

A. S. H. Howard, 1514 Walters Avenue, Millvale, Pittsburgh, Pa.; grand lodge representative of labor organization.

B. Brotherhood of Railroad Signalmen of America, 503 Wellington Avenue, Chicago, Ill.

C. (1) Indefinitely.

C. (2) H. R. 378 and S. 238, to amend section 25 of the Interstate Commerce Act; H. R. 7789 and S. 3295, to amend the Railway Labor Act; and all legislation directly and indirectly affecting the interests of labor, generally, and employees of carriers under the Railway Labor Act in particular.

D. (5) $100; (6) $65; (7) $165; (8) $330; (9) $495.

A. Harold K. Howe, 2480 Sixteenth Street NW., Washington, D. C.; manager, Washington office, American Institute of Laundering.

B. American Institute of Laundering, Joliet, Ill.; national trade association for power laundry industry.

C. (1) Indefinitely.

C. (2) I am interested in legislation affecting the laundry industry and the members thereof. My primary function as to legislation is to report status, prospects, etc., to my employer above. See also letter attached to registration Form B, which is made part hereof.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) no.

E. (7) $411.28; (9) $411.28; (10) $921.45; (11) $1,332.73; (15) $411.28.

A. Robert E. Howe, Jr., 1435 K Street NW., Washington, D. C.; legislative representative.

B. United Mine Workers of America, 900 Fifteenth Street NW., Washington, D. C.; labor organization.

C. (1) Indefinitely.

C. (2) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members; H. R. 3023, H. R. 7599, H. R. 3342, H. R. 7996, H. R. 7748, H. R. 7749, H. R. 2893, H. R. 3095, H. R. 7786, H. R. 6000, S. 1031, S. 3178, S. 2311, S. 3236, S. 1066.

D. (5) $3,052; (7) $3,052; (8) $6,086; (9) $9,133; (13) no.

A. John L. Howland, care of Rathbone, Perry, Kelley & Drye, 70 Broadway, New York, N. Y.; attorney.

B. Gisela Kuenzel, 1831 de la Vina Street, Santa Barbara, Calif.; no business.

C. (1) Legislative interests have terminated with enactment of S. 1292 to amend the Trading With the Enemy Act.

C. (2) S. 1292. (See C (1) above.)

D. (13) No.

E. (5) $1.68; (6) $31.37; (7) $78.70; (9) $111.75; (10) $200.69; (11) $312.44; (12) $594.49; (15) $111.75.

A. R. H. Hubbell, Jr., 210 West Washington Square, Philadelphia, Pa.; vice president of Attapulgus Clay Co.

B. Attapulgus Clay Co., 210 West Washington Square, Philadelphia, Pa.; producers and marketers of absorbents (fullers earth).

C. (1) Registrant's legislative interest subject to the Lobbying Act terminated during third quarter, and this will constitute a final report.

C. (2) Proposed amendments to Internal Revenue Code (sec. 114 (b) (4)) to include fuller's earth in those minerals entitled to percentage depletion, and possibly the amendment of H. R. 7622 so as to include fuller's earth therein.

D. (8) $50; (9) $50; (13) no.

E. (10) $50; (11) $50.

A. C. A. Hummel,[4] chairman, Wisconsin Railroad Association, 122 West Washington Avenue, Madison, Wis.; voluntary association tion (unincorporated) of Wisconsin railroads.

B. Wisconsin Railroad Association, 122 West Washington Avenue, Madison, Wis.

C. (1) Indefinitely.

C. (2) All legislation affecting railroads and transportation generally; in particular: (a) Senate Resolution 253; (b) H. R. 7789, S. 3295, compulsory union shop; (c) S. 3463, to amend Railway Labor Act (arbitration).

D. (5) $203; (7) $203; (8) $145; (9) $348; (13) no.

E. (7) $157.55; (9) $157.55; (10) $91; (11) $248.55; (15) $157.55.

A. C. A. Hummel, chairman, Wisconsin Railroad Association, 122 West Washington Avenue, Madison, Wis.; voluntary associa-(unincorporated) of Wisconsin railroads.

B. Wisconsin Railroad Association, 122 West Washington Avenue, Madison, Wis.

C. (1) Indefinitely.

C. (2) All legislation affecting railroads and transportation generally; in particular: H. R. 7789, S. 3295, compulsory union shop.

D. (5) $646; (7) $646; (8) $348; (9) $994; (13) no.

[4] Filed for second quarter, 1950.

E. (6) $18.38; (7) $511.50; (9) $529.88; (10) $248.55; (11) $778.43; (15) $529.88.

A. Carroll B. Huntress, 17 Battery Place, New York, N. Y.; vice president, Republic Coal & Coke Co.

B. National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation with reference to the St. Lawrence waterway and power project.

C. (3) General publicity issued by the conference.

D. Carroll B. Huntress, vice president, Republic Coal & Coke Co., 17 Battery Place, New York, N. Y., acting as chairman for the National St. Lawrence Project Conference, without compensation and for reimbursement of expenses.

E. (6) $21.44; (7) $622; (9) $643.44; (10) $1,956.63; (11) $2,600.07; (15) all.

A. George Hurley, 105 Grosvenor Building, Providence, R. I.

B. National Association of Mutual Savings Banks, 60 East Forty-second Street, New York, N. Y.; trade association.

C. (1) 1950.

C. (2) For an indeterminate time in connection with tax-revision program which was pending before the House Ways and Means Committee in May 1950.

E. (10) $218.06; (11) $218.06; (15) $218.06.

A. Henry A. Huschke, 1415 Elliot Place NW., Washington, D. C.; managing director, Agricultural Limestone Institute.

B. Agricultural Limestone Institute, 1415 Eliot Place NW., Washington, D. C.; the Agriculture Limestone Institute is a trade association engaged in the various activities designed to promote the welfare of the agricultural limestone industry.

C. (1) Indefinitely.

C. (2) S. 2635.

D. (5) $200; (7) $200; (8) $600; (9) $800; (13) no.

A. William C. Hushing, 901 Massachusetts Avenue NW., Washington, D. C.; chairman, national legislative committee, A. F. of L.

B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.; federation of trades and labor unions.

C. (1) Indefinitely.

C. (2) Legislation affecting the interests of working people.

D. (5) $3,102 and actual expenses.

E. (8) $252.

A. Edgar S. Idol,[4] 1424 Sixteenth Street NW., Washington, D. C.; general counsel.

B. American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C.; national trade association of the trucking industry.

C. See report of American Trucking Associations, Inc.

D. (5) $3,788; (7) $3,788; (9) $3,788.

E. (7) $38; (9) $38; (11) $38.

A. Edgar S. Idol, 1424 Sixteenth Street NW., Washington, D. C.; general counsel.

B. American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C.; national trade association of the trucking industry.

C. See report of American Trucking Associations, Inc.

D. (5) $3,910.65; (7) $3,910.65; (9) $3,910.65.

E. (7) $160.65; (9) $160.65; (11) $160.65.

A. Illinois Associated Businessmen, Inc., room 1025, 231 South La Salle Street, Chicago, Ill.; association of businessmen formed to promote and protect the interests of business and to develop a long-term program for the protection of interests of business.

C. (1) Indefinitely.

C. (2) The association's general legislative interests relate to labor legislation, Government regulation of business, and taxation. Association is specifically interested in H. R. 3905, H. R. 7343, H. R. 5064, and H. R. 8920.

C. (3) (a) National Associated Businessmen's Bulletin; (b) 600; (c) July 15, 1950; (d) received from National Associated Businessmen, Inc.

C. (3) (a) National Associated Businessmen's Bulletin; (b) 600; (c) August 25, 1950; (d) received from National Associated Businessmen, Inc.

D. (1) $1,235; (7) $1,235; (8) $210; (9) $1,445; (13) no.

E. (2) $15.25; (6) $7.40; (7) $63.40; (9) $86.05; (10) $54.70; (11) $140.75.

A. Independent Bankers Association, Twelfth Federal Reserve District, 802 Failing Building, Portland, Oreg.

C. (1) Legislative interests to continue for an undetermined time.

C. (2) Enactment of Federal bank-holding-company legislation.

D. (1) $60; (2) $500; (7) $560; (8) $22,739.35; (9) $23,299.35; (13) yes; (14) $500, Puget Sound National Bank, Tacoma, Wash.

E. (1) $900; (2) $4,800; (4) $2,269.58; (5) $77.51; (6) $1,860.67; (7) $2,330.04; (8) $1,510.96; (9) $13,748.88; (10) $11,183.88; (11) $24,932.76.

A. Independent Bankers Association, Sauk Centre, Minn.; a seminational bankers' association, interested primarily in the preservation of independent banking.

B. We do not believe that any of our activities during this quarter would constitute lobbying.

C. (1) Legislative interest to continue indefinitely. No activities this quarter.

C. (2) Interested in all legislation favorable or detrimental to independent banking.

C. (3) We haven't a publication; we circulate mimeographed letters from time to time to members of the banking fraternity.

D. (1) $3,540; (7) $3,540; (8) $29,357.60; (9) $32,897.60.

E. (9) $7,248.78.

A. Independent Natural Gas Association of America, 918 Sixteenth Street NW., Washington, D. C.

B. The Independent Natural Gas Association of America is a nonprofit corporation organized and existing for the purposes to promote and advance the welfare progress, and development of the natural-gas industry in the United States. The membership of the association is composed of natural-gas producers, pipeline companies, distributing companies, and royalty owners.

C. (1) The association is a perpetual corporation for the purposes as outlined in B above. One of the duties of this organization is to keep its membership informed regarding legislation which affects any or all phases of the natural-gas industry.

C. (2) No legislation pending during this quarter.

C. (3) The association publishes each week a bulletin which is distributed to its members and which contains factual information of current interest obtained from all departments of the Federal Government and courts. This bulletin is not issued or caused to be issued in connection with the influencing of legislation.

D. (1) $27,912.50; (7) $27,912.50; (8) $44,740.21; (9) $72,652.71; (13) yes; (14) this tabulation shows the yearly annual dues paid this association to make up its budget for all purposes. Listed by name are all members of the association whose annual dues for the year 1950 amounted to $500 or more and which have been paid in the third quarter of 1950. The total amount is set forth, and no allocation is made for the purpose of this report, because no part of these dues is specifically paid directly or indirectly to influence legislation: $500, Montana-Dakota Utilities, 831 Second Avenue South, Minneapolis, Minn.; $7,000, Lone Star Gas Co., 301 South Harwood Street, Dallas, Tex.; $7,000, Southern Natural Gas Co., Watts Building, Birmingham, Ala.; $5,000, Michigan-Wisconsin Pipe Line Co., 500 Griswold Street, Detroit, Mich.; $6,415, Phillips Petroleum Co., Bartlesville, Okla.; $25,915, total.

E. (2) $5,186; (5) $129; (9) $5,315; (10) $12,787.99; (11) $18,102.99.

A. Indiana Tax Equality Committee, Inc., Board of Trade Building, Indianapolis, Ind.; promotion of tax equality.

C. (1) Until tax equality issue is resolved.

C. (2) Bills affecting equality of taxation; example, the Mason bill, H. R. 5064.

D. (1) $180; (7) $180; (8) $2,272.50; (9) $2,452.50; (13) no.

E. (3) $510; (4) $74.10; (7) $41.78; (9) $625.88; (10) $1,630.54; (11) $2,256.42.

A. Indians of California, Inc., 1076 University Avenue, Berkeley, Calif., local address, 2838 Twenty-eighth Street NW., Washington, D. C.; the purpose of the organization is to secure remedial legislation from State and Federal Governments and to assist in litigation for the benefit of the Indians of California.

B. Indians of California.

C. (1) Legislative interests to continue over a period of years.

C. (2) H. R. 6464, H. R. 8340, H. R. 9272, and other congressional bills affecting Indians of California.

D. (6) $936.63.

E. (9) $837.71.

A. William Ingles, 1624 I Street NW., Washington, D. C.; labor-relations counsel and legislative representative.

B. Self-employed.

C. (1) Indefinite.

C. (2) Legislation affecting industry: (b) S. 110, S. 249, S. 546, S. 706, S. 1031, S. 1318, S. 1728, S. 2819, S. 1439, S. 1992, S. 1868, H. R. 4453, H. R. 6681, H. R. 5591, H. R. 6718, H. R. 1380, H. R. 1584, H. R. 3853, H. R. 1247, H. R. 4997, H. R. 4326, H. R. 2213, H. R. 3651; H. R. 6000, H. R. 3023, H. R. 6666, H. R. 6628, H. R. 1852, H. R. 21, H. R. 61.

D. (5) $6,570; (7) $6,570; (8) $14,537; (9) $21,107; (13) yes; (14) $2,700, Allis-Chalmers Manufacturing Co., Milwaukee, Wis.; $1,000, Acme Steel Co., Chicago, Ill.; $500, Ahlberg Bearing Co., Chicago, Ill.; $2,200, American Hotel Association, New York, N. Y.; $950, Armstrong-Blum Manufacturing Co., Chicago, Ill.; $2,700, J. I. Case Co., Racine, Wis.; $2,700, The Falk Corp., Milwaukee, Wis.; $500, Kensington Steel Co., Chicago, Ill.; $600, Clayton Mark & Co., Evanston, Ill.; $500, United Specialties Co., Chicago, Ill.; $14,350, total.

E. (2) $750; (5) $468.03; (6) $131.32; (7) $755.56; (8) $360; (9) $2,464,91; (10) $4,610.65; (11) $7,075.56.

A. International Brotherhood of Boilermakers, Iron Ship Builders and Helpers of America, New Brotherhood Building, Kansas City, Kans., a labor organization.

C. (1) Indefinitely.

C. (2) H. R. 6000, amendments to the Social Security Act; S. 3295 and H. R. 7789, amendments to the Railway Labor Act; S. 2786, amendments to the Merchant Marine Act and other maritime legislation affecting shipbuilding and ship repair, and appropriations therefor; all other legislation affecting labor generally.

D. All funds received by this organization are regular monthly dues paid by its members, a part of which goes into general funds from which all operating expenses are paid. It may be deemed that $2,977.76 is that part of the dues assigned for legislative purposes for the second quarter of 1950.

E. (2) $1,675; (4) $7.65; (5) $252.56; (6) $91.05; (7) $951.50; (9) $2,977.76; (10) $1,427.97; (11) $4,405.73.

A. International Chiropractors Association, 838 Brady Street, Davenport, Iowa;

[4] Filed for second quarter, 1950.

association of doctors of chiropractic, comprising 48 States, Provinces of Canada, etc.

C. (1) Indefinitely.

C. (2) (a) Legislation affecting the chiropractic profession and those it serves: National health plan, Federal aid to medical education, chiropractic care for veterans, school health bill, etc.; (b) S. 3501, S. 1679, S. 2025 S. 1453, S. 1411, H. R. 1512, H. R. 4312, etc.

D. (2) $8,993; (7) $8,993; (8) $748; (9) $9,741.

E. (2) $1,200; (4) $1,469.43; (5) $472.53; (6) $238.67; (7) $2,737.29; (9) $6,117.92; (10) $2,255.71; (11) $8,373.63.

A. Inter-State Manufacturers Association, 163-165 Center Street, Winona, Minn.; a trade association composed of nine members, carrying on general activities for its members.

C. (1) Until legislation referred to in item (2) hereof is disposed of.

C. (2) H. R. 2945, S. 1103, H. R. 6000.

D. (1) $2,871.18; (7) $2,871.18; (8) $5,614.64; (9) $8,485.82; (13) no.

E. (10) $479.45; (11) $479.45.

A. Iowa Associated Business, Inc.,[3] 463 Westwood Drive, Ames, Iowa; an Iowa retail trade association representing various types of retailing and not any one or two particular lines. General program of procedure includes watching best interests of these independent merchants along avenues of mutual concern.

C. (1) Until objectives are reached.

C. (2) The Mason bill, H. R. 5064; amendment proposed by Senator Williams to H. R. 3905; compromise by Davis of Tennessee, H. R. 7343.

C. (3) No publication.

D. (2) $7,385.35; (3) $65; (7) $7,450.35; (9) $7,450.35; (12) $678.84; (13) yes; (14) $1,500, Iowa Independent Oil Jobbers' Association, Inc., 316 Liberty Building, Des Moines, Iowa.

E. (1) $571.20; (2) $53.46; (4) $1,714.69; (5) $12.76; (6) $51.47; (7) $173.16; (8) $1,324.25; (9) $3,900.99; (11) $3,900.99.

A. Iowa Associated Businessmen, Inc.,[4] 463 Westwood Drive, Ames, Iowa; an Iowa retail trade association representing various types of retailing and not any one or two particular lines. General program of procedure includes watching best interests of these independent merchants along avenues of mutual concern.

C. (1) Until objectives are reached.

C. (2) The Mason bill, H. R. 5064; amendment proposed by Senator Williams to H. R. 3905; compromise by Davis of Tennessee, H. R. 7343; H. R. 8920, tax or revenue bill.

C. (3) No publication.

D. (2) $4,202.50; (3) $43; (7) $4,245.50; (8) $7,450.35; (9) $11,695.85; (13) yes; (14) $1,500, Iowa Independent Oil Jobbers' Association, Inc., 316 Liberty Building, Des Moines, Iowa.

E. (2) $1,118.96; (4) $48.53; (5) $20.07; (6) $46.42; (7) $68.31; (8) $3,241.62; (9) $4,543.91; (10) $3,900.99; (11) $8,444.90.

A. Boyd J. Jackson, Klamath Agency, Oreg.

B. Klamath Tribe of Indians of Oregon.

C. (1) Indefinitely.

C. (2) I am interested in legislation affecting the status of Indian tribes, especially the Klamath Tribe of Oregon. I am instructed to oppose enactment of S. 186, S. 188, S. 764, S. 765, S. 766, H. R. 1537, and H. R. 2724.

(NOTE.—No additional legislative activities are contemplated unless registrant is elected to represent the Klamath Tribe during subsequent Congresses. In that event registrant will file a new registration.)

D. Received $10 per day for services and $6 per day per diem during the period registrant was engaged in business of the Klamath Tribe in Washington, D. C.

E. Travel expenses of registrant were paid from tribal funds on Government travel requests. Food, lodging, telephone, and telegraph were paid from salary and per diem amounts reported under D.

A. Japanese American Citizens League Anti-Discrimination Committee, Inc.,[5] 406 Beacon Building, Salt Lake City, Utah; promoting welfare of persons of Japanese ancestry in the United States.

C. (1) January 1, 1951.

C. (2) To promote the welfare of persons of Japanese ancestry in the United States (legislation is a part of this activity). (a) To provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence, to make immigration quotas available to Asian and Pacific peoples, and for other purposes; other legislation affecting persons of Japanese ancestry; (b) House Joint Resolution 238, House Joint Resolution 199.

D. (2) $2,997.10; (7) $2,997.10; (8) $20,525; (9) $23,522.10; (13) yes; (14) $1,000, Twin Cities JACL, care of Tak Tsuchiya, 3633 Quebec Avenue, St. Louis Park, Minn.

E. (1) $89.05; (2) $250; (4) $104.92; (5) $298.53; (6) $214.97; (7) $66; (9) $1,023.47; (10) $2,626.06 (11) $3,649.53.

A. Edward Jerome, Empire State Building, New York, N. Y.; lawyer.

B. National Economic Council, Inc., Empire State Building, New York, N. Y.

C. (1) Terminated.

C. (2) July 27, 1950, appearance before a Senate subcommittee on production control bill.

C. (3) Literature put out by National Economic Council.

D. (7) $900; (8) $1,350; (9) $2,250.

E. (7) $36.78.

A. William T. Jobe,[4] 1706 L Street NW., Washington, D. C.; trade association.

B. National Association of Ice Industries, 1706 L Street NW., Washington, D. C.

C. (1) No particular time.

C. (2) General interest in matters affecting the ice industry.

C. (3) No publication. Occasional correspondence with association members.

Employed on a full-time annual basis as general counsel for the National Association of Ice Industries. Paid annually as previous reports indicate. I have received my regular monthly salary for the past calendar quarter of 1950. Pursuant to the requirements of Public Law 601, I have expended no money.

A. William T. Jobe, 1706 L Street NW., Washington, D. C.; trade association.

B. National Association of Ice Industries, 1706 L Street NW., Washington, D. C.

C. (1) No particular time.

C. (2) General interest in matters affecting ice industry.

C. (3) No publication. Occasional correspondence with association members.

Employed on full-time annual basis as general counsel for the National Association of Ice Industries. Paid annually as previous reports indicate. I have received my regular monthly salary for the past calendar quarter of 1950. Pursuant to the requirements of Public Law 601, I have expended no money.

A. Elmer Johnson, 1246 Twentieth Street NW., Washington, D. C.; president, National Association of Retired Civil Employees.

B. National Association of Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Legislation affecting retired civil employees. During this quarter H. R. 5032, H. R. 5096, S. 2640, Public Law 601, and various bills to provide for exemption of annuities from taxation.

C. (3) (a) The Annuitant, a publication issued quarterly (January, April, July, October), furnishing information on legislation and various other matters of interest to the membership of the National Association of Retired Civil Employees; also a brief news letter sent monthly, with the exception of January, April, July, and October, to the 39 or more chapters of the national association; (b) 65,000; (c) July 1950; (d) Trades Unionist.

D. (5) $225 (estimated percentage of salary ($250 per month through June 30; $300 per month since July 1) actually received in connection with lobbying activities); (7) $225; (8) $375; (9) $600.

E. (7) $115.25; (9) $115.25; (10) $273.70; (11) $388.95; (15) $340.25.

A. Gilbert R. Johnson, 1208 Terminal Tower, Cleveland, Ohio; attorney at law. As legal counsel for Lake Carriers' Association, I render service with respect to many matters. Among other things, I review and analyze numerous bills pending in the Congress and give attention to legislation relating to Great Lakes shipping. I do not consider that I am engaged for the purpose of attempting to influence legislation and this report is made without prejudice to that position.

B. Client in whose interest I am registered is Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio, which is a voluntary association of owners and operators of vessels engaged in transportation of commodities between ports on the Great Lakes.

C. (1) As legal counsel for Lake Carriers' Association I am elected for term of 1 year, usually commencing about April 1.

C. (2) During this quarter I have given attention to legislation relating to Great Lakes shipping. I am unable to enumerate the bills and other legislative matters considered by me in connection with my work as legal counsel for Lake Carriers' Association.

C. (3) During this quarter about the first day of each month I prepared for Lake Carriers' Association and its members a memorandum written digest of some of the bills and legislative matters which were reviewed by me during the preceding month and which, in my judgment, would be of interest to the association and its members. All matters so reviewed were within the purview of my professional work for the association referred to in item A above.

D. (5) $2,772; (7) $2,772; (9) $2,772; (13) no.

A. J. P. Johnson, vice president and general manager, Terminal Refrigerating and Warehousing Corp., Washington, D. C.

B. National Association of Refrigerated Warehouses.

C. (1) Indefinitely.

C. (2) Brannan plan; Marketing Facilities Improvment Act, H. R. 9141; Customs Simplification Act, H R. 8304; Social Security, H. R. 6000; regulatory power commodity exchanges, S. 1751.

D. (13) No.

A. Vernon A. Johnson, Lockheed Aircraft Corp., 1000 Vermont Avenue NW., Washington, D. C., public-relations representative.

B. Lockheed Aircraft Corp., Burbank, Calif.; aircraft manufacturer.

C. (1) Indefinite period.

C. (2) All legislation affecting aviation.

D. (5) $3,250; (6) $5C3.45; (7) $3,753.45; (8) $6,850.16; (9) $10,603.61.

E. (7) $503.45; (9) $503.45; (10) $850.16; (11) $1,353.61; (15) $503.45.

A. W. D. Johnson, vice president and national legislative representative, Order of Railway Conductors, 10 Independence Avenue, Washington, D. C.

B. Order of Railway Conductors, ORC Building, Cedar Rapids, Iowa.

[3] Filed for second quarter, 1950.
[4] Filed for first quarter, 1950.
[5] Filed with the Clerk only.

C. (1) Indefinite.

C. (2) H. R. 378 and S. 238, to amend section 25 of the Interstate Commerce Act; H. R. 7789 and S. 3295, to amend the Railway Labor Act; and all legislation directly and indirectly affecting the interests of labor, generally, and employees of carriers under the Railway Labor Act, in particular.

D. (5) $8,500 (annual salary); (13) no.

A. Walter R. Johnson, 917 District National Building, 1406 G Street NW., Washington, D. C.

B. National Association of Attorneys General, 917 District National Building, 1406 G Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) (a) To confirm and establish title in the States to lands beneath navigable waters within State boundaries; (b) S. 1545, H. R. 8137, and similar bills.

D. (5) $4,500; (6) $1,006.25; (7) $5,506.25; (8) $16,218.14; (9) $21,724.39.

E. (7) $850; (8) $156.25; (9) $1,006.25; (10) $2,718.14; (11) $3,724.39; (15) $1,006.25.

A. Willard Johnson, 56 Brook Manor, Pleasantville, N. Y.; general secretary, United States Committee for a United Nations Genocide Convention.

C. (1) Legislative interest will continue until Senate ratification of Genocide Convention.

C. (3) No publication prepared since last report.

D. (2) $100; (7) $100; (8) $692; (9) $792; (13) no.

E. (10) $1,392.70; (11) $1,392.70.

A. Johns-Manville Corp., 22 East Fortieth Street, New York, N. Y.; construction materials.

C. (1) During present session of Congress.

C. (2) Tax legislation; labor legislation; amendments to the Clayton Act; merchant-marine bill; price basing-point bill.

E. (2) $833.33; (3) $958; (9) $1,791.33; (10) $3,582.66; (11) $5,373.99.

A. Bascom F. Jones,[4] 930 Broadway, Nashville, Tenn.; executive secretary, Tennessee Railroad Association.

B. Class I railroads operating in Tennessee.

C. (1) (2) Tennessee Railroad Association is an informal organization of representatives of class I railroads operating in Tennesses; such representatives meeting in conference from time to time for discussion of common interests. The undersigned is a full-time employee of Tennessee railroads, under the general direction and guidance of their representatives constituting the Tennessee Railroad Association. The promotion of public understanding and appreciation of railroad service and problems constitutes the primary interest and basis of the employment of the undersigned. Since the railroads are a regulated industry, legislative bills affecting the industry are introduced and considered in practically every session of the Federal Congress. The undersigned has no general responsibility with respect to such legislation, but is concerned only with items of legislation called to his attention by railroad representatives and with respect to which he is requested to supply information to Members of the Congress by letter or personal interview. The undersigned was in Washington, D. C., on May 1 and 2, 1950, for the purpose of talking with Tennessee legislative representatives concerning the merits of the so-called operating rules bill, H. R. 378.

C. (3) The undersigned issues or causes to be issued no publication with respect to legislative interests.

D. Affiant is paid a salary of $8,500 per year by the railroads members of Tennessee Railroad Association, described in section C of the attached report, each member railroad contributing to said salary in proportion to its Tennessee mileage. He expended the sum of $89.65 as expenses of travel, food, lodging, and entertainment on the trip from Nashville, Tenn., to Washington, D. C., referred to in section C of the attached report, for which expenses he was reimbursed by Tennessee Railroad Association.

A. Bascom F. Jones, 930 Broadway, Nashville, Tenn.; executive secretary, Tennessee Railroad Association.

B. Class I railroads operating in Tennessee.

C. (1) (2) Tennessee Railroad Association is an informal organization of representatives of class I railroads operating in Tennessee; such representatives meeting in conference from time to time for discussion of common interests. The undersigned is a full-time employee of Tennessee railroads, under the general direction and guidance of their representatives constituting the Tennessee Railroad Association. The promotion of public understanding and appreciation of railroad service and problems constitutes the primary interest and basis of the employment of the undersigned. Since the railroads are a regulated industry, legislative bills affecting the industry are introduced and considered in practically every session of the Federal Congress. The undersigned has no general responsibility with respect to such legislation, but is concerned only with items of legislation called to his attention by railroad representatives and with respect to which he is requested to supply information to Members of the Congress by letter or personal interview. The undersigned was in Washington, D. C., on 17 days during the third quarter of 1950, for the purpose of talking with Tennessee legislative representatives concerning the merits of H. R. 3295.

C. (3) The undersigned issues or causes to be issued no publication with respect to legislative interests.

D. Affiant is paid a salary of $8,500 per year by the railroads members of Tennessee Railroad Association, described in section C of the attached report, each member railroad contributing to said salary in proportion to its Tennessee mileage. He expended the sum of $427.85 in expenses of travel, food, lodging, and entertainment on the trips from Nashville, Tenn., to Washington, D. C., referred to in section C of the attached report, for which expenses he was reimbursed by Tennessee Railroad Association.

A. Jones, Day, Cockley & Reavis, a partnership engaged in the general practice of law, with offices at 1759 Union Commerce Building, Cleveland, Ohio, and 1135 Tower Building, Washington, D. C.

B. The N. A. Hanna Co., Leader Building, Cleveland, Ohio.

C. (1) During pendency of legislation described in (2), unless otherwise instructed by client.

C. (2) Senate Joint Resolution 99 and House Joint Resolution 271, to authorize the St. Lawrence seaway and power project.

E. (6) $54.76; (7) $122.60; (9) $177.45; (10) $3,338.42; (11) $3,515.87; (15) $177.45.

A. J. M. Jones, 414 Pacific National Life Building, Salt Lake City, Utah; executive secretary, National Wool Growers Association, service organization.

B. National Wool Growers Association, 414 Pacific National Life Building, Salt Lake City, Utah; service organization.

C. (1) Continuous and indefinite.

C. (2) Working on H. R. 8920, tax bill; S. 1192, Basque aliens; and other legislation generally affecting the sheep and wool industry.

C. (3) Washington activities are sometimes reported in the National Wool Grower, official monthly publication (magazine) of the National Wool Growers Association.

E. (2) $2,100; (7) $929.05; (9) $3,029.05; (10) $6,155.18; (11) $9,184.23; (15) $9,184.23.

A. L. Dan Jones, 1110 Ring Building, Washington, D. C.; attorney, Independent Petroleum Association of America.

B. Independent Petroleum Association of America, 1110 Ring Building, Washington, D. C.; trade association.

C. (1) Legislative interests are continuing. I am not employed to support or oppose any specific legislation. My duties include that of maintaining surveillance of legislation that might affect the petroleum industry and taking such action with respect to such legislation as directed by the association. My normal duties include periodic reporting to members of the association on pending legislation.

D. As previously reported.

E. (8) $17; (15) $17.

A. Rowland Jones, Jr., 1627 K Street NW., Washington, D. C.; president, American Retail Federation.

B. American Retail Federation, 1627 K Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Registrant is generally interested in all legislation and legislative proposals affecting the retail industry, including the industry's relations with the Federal Government, with its suppliers, with its employees and with its customers. Specifically at this time: taxation—general revisions, excise-tax relief—no specific bills; Hoover Commission recommendations — general principles; postal rates—H. R. 2945, S. 1103, postal rate increases; social security—social-security amendments (H. R. 6000), health insurance (S. 5, S. 1679), temporary disability insurance (H. R. 2893), unemployment compensation (H. R. 8059); labor—Fair Labor Standards Act (29 U. S. C. 201-219), National Labor Relations Act (49 Stat. 449), Fair Employment Practices Act bills (S. 1728, H. R. 4453); trade practices, consumer protection, labeling—cotton labeling bill (S. 124), fiber labeling bill (S. 273), fur labeling bill (H. R. 5187), flammable fabrics bill (S. 403), Wool Labeling Act (15 U. S. C. 68 et seq.); economic controls—Defense Production Act of 1950 (H. R. 9176, Public Law 774).

D. (5) $1,000; (7) $1,000; (8) $2,000; (9) $3,000; (13) yes; salary from employer.

E. (7) $154.90; (9) $154.90; (10) $587.35; (11) $742.25; (15) $154.90.

A. John E. Kane, 1625 K Street NW., Washington, D. C.

B. American Petroleum Institute, petroleum industry trade association, 50 West Fiftieth Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Legislation affecting the petroleum industry and its customers. Federal automotive excise taxes; percentage depletion allowance; Natural Gas Act amendment.

D. (5) $1,950; (7) $1,950; (8) $3,300; (9) $5,250.

E. (7) $257.70; (9) $257.70; (10) $922.56; (11) $1,180.26; (15) $257.70.

A. John E. Kane, 1625 K Street NW., Washington, D. C.

B. District of Columbia Petroleum Industries Committee, trade association for petroleum industry of District of Columbia, 1625 K Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Legislation affecting sale and distribution of petroleum products in the District of Columbia.

D. (5) $300; (7) $300; (9) $900.

E. (7) $169.37; (8) $77.70; (9) $247.07; (10) $278.91; (11) $525.98; (15) $247.07.

A. Thomas J. Keefe, 1319 F Street NW., Washington, D. C.; form C, filed in Clerk's office.

B. American Road Builders' Association.

A. Francis V. Keesling, Jr.

B. City and county of San Francisco, the City Hall, San Francisco, Calif.

[4] Filed for second quarter, 1950.

C. (1) Legislation of interest to the city and county of San Francisco, including civil functions appropriation, social security, payment in lieu taxes, airports, maritime, national defense appropriations, civilian defense, housing and slum clearance.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000.

E. (5) $725; (6) $59.54; (8) $45; (9) $829.54; (10) $4,418.86; (11) $5,248.40.

A. Moss H. Kendrix, legislative assistant, legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

B. Legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Bills pending before the Eighty-first Congress relating to public education; primary interest in S. 246, H. R. 5939, H. R. 7160, H. R. 1551.

D. (5) $122.08; (7) $122.08; (8) $1,200; (9) $1,322.08.

E. (7) $9.73; (9) $9.73; (10) $316.99; (11) $326.72.

A. Harold L. Kennedy, 203 Commonwealth Building, Washington, D. C.; attorney.

B. The Ohio Oil Co., Findlay, Ohio; engaged in the production, transportation, refining, and marketing of petroleum and petroleum products.

C. (1) Legislative interests will continue indefinitely.

C. (2) Generally interested in all legislative matters that would affect the oil and gas industry. Specifically interested in (a) amendments to Natural Gas Act of 1938 (H. R. 1758, H. R. 5306, S. 1498, S. 2746, etc.); (b) "tidelands" legislation (H. R. 8137 and S. J. Res. 195); (c) any tax bill that would affect the oil and gas industry; (d) social security legislation (H. R. 6000); (e) anti-trust legislation, i. e., bills seeking to amend Sherman Act, Clayton Act, Robinson-Patman Act (H. R. 2734, H. R. 8763, and S. 1910); (f) so-called basing-point bill, S. 1008; (g) et cetera.

D. (5) $500; (7) $500; (8) $1,000; (9) $1,500; (13) no.

E. (2) $123.75; (5) $67.50; (6) $50; (7) $40; (8) $25; (9) $306.25; (10) $513.50; (11) $819.75; (15) all.

A. James A. Kennedy, 67 Broad Street, New York, N. Y., vice president and general attorney of American Cable & Radio Corp., and subsidiaries; my principal functions are as an attorney.

B. American Cable & Radio Corp., 67 Broad Street, New York, N. Y., and subsidiaries, All American Cables and Radio, Inc., the Commercial Cable Co., and Mackay Radio & Telegraph Co.; these said subsidiaries are engaged in the international telegraph communications business.

C. (1) Legislative interest is not now current due to the studies being made by the President's Communication Policy Board as mentioned in (2) herein; it is presumed that interest will resume in several months.

C. (2) I am interested in legislation which would permit the merger of international telegraph companies; no legislation is now pending although a subcommittee of the Committee on Interstate and Foreign Commerce of the Senate has an investigation on the subject under way; also, the President has appointed a Communication Policy Board to study and recommend on the same subject.

D. (13) No; I have been for several years vice president and general attorney of American Cable & Radio Corp., and its subsidiaries, the Commercial Cable Co., All America Cables and Radio, Inc., and Mackay Radio and Telegraph Co., all engaged in the international telegraph business. In said capacity, a part of my regular duties has always been to appear in hearings, conferences and other meetings before Government departments and agencies in Washington. Some time ago my company directed me, purely as an incidental part of my duties, to speak with Members of Congress and other Government agencies in favor of legislation which would permit the merger of telegraph companies engaged in international business. My salary for the past several years has been $22,500 per annum, which is payment for all of my services and no part of which is for the purpose of influencing legislation. In addition to my salary, my railroad fare, hotel, and incidental expenses incurred in trips to and from New York, my headquarters, and Washington are paid by my employer, no part of which, however, is expended for the purpose of influencing legislation. Likewise, occasionally I have Government officials for luncheon or dinner and call them over the telephone. I would say that all of these total incidental expenses do not run over $100 per month. This statement is intended to supply the information requested in D (5), D (7), D (8), D (9), and E (6), E (7), E (9), E (11), and E (15). The Lobbying Act would appear inapplicable in my case; however, I have made no objection to filing under the same and if this description is not sufficient, I will be glad to furnish any further information desired.

A. Kennedy, Miles D., care of the American Legion (a chartered organization of war veterans), 734 Fifteenth Street NW., Washington, D. C.

B. The American Legion. 700 North Pennsylvania Street. Indianapolis, Ind.

C. (1) on a yearly basis.

C. (2) A statement is set forth showing the general legislative interests of the American Legion and the work performed in connection therewith:

"The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, rehabilitation, hospitalization, reeducation, and housing; all matters affecting the general welfare of our country with regard to national defense. Americanism, included in which is opposition to all subversive activities, with particular attention to our immigration and naturalization laws. Child welfare, not only for children of veterans but for all children; aid and assistance to veterans in agriculture development; matters dealing with our foreign policy and foreign relations; the development of sound civil aviation programs and policies, and the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services, and all other matters included in the mandates and programs of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee, which are the ruling and policy-making bodies of the American Legion." (a) Due to the nature and extent of the work involved, it is impossible to specify the titles of statutes and bills; (b) the House and Senate numbers of bills; or (c) the citations of statutes.

C. (3) The legislative commission of the American Legion prepares an article on legislation pending before Congress, which is inserted in the American Legion magazine once a month. The American Legion magazine is distributed to all members of the American Legion. The only publication issued by the American Legion legislative commission is the legislative bulletin, which is issued once a week while Congress is in session. (a) The American Legion magazine is a magazine of interest to veterans, and as above stated, is sent to all members who have paid dues and is part of the consideration for payment of dues. The legislative bulletin is issued to subscribers and also to certain officers of the American Legion who receive same without paying any consideration therefor. Paid subscribers are charged $3 per congressional session. (b) During the past year slightly in excess of 3,000,000 copies of the American Legion magazine were published, and at the present time approximately 4,000 copies of the legislative bulletin are issued. (c) The American Legion magazine is issued the early part of each month. The legislavite bulletin is issued on Tuesday of each week while Congress is in session. (d) The American Legion magazine is printed by C. T. Dearing Printing Co. and the legislative bulletin is printed by the Law Reporter Printing Co.

D. (5) $3,180.22; (7) $3,180.22; (8) $6,343.46; (9) $9,523.68.

E. (7) $180.22; (9) $180.22; (10) $343.46; (11) $523.68; (15) $180.22.

A. Ketchum, MacLeod & Grove, Inc., 411 Seventh Avenue, Pittsburgh, Pa.; national advertising.

B. Main & Co., First National Bank Building, Pittsburgh, Pa.; certified public accountants.

C. (1) Indefinitely.

C. (2) The incentive income tax plan, a program of income-tax revision prepared by Frank Wilbur Main and other partners in Main & Co., certified public accountants, with headquarters office in Pittsburgh.

C. (3) News releases sent to the Pittsburgh Press, Pittsburgh Post Gazette, Pittsburgh Sun-Telegraph, Wall Street Journal, New York Times, Associated Press, United Press, International News Service, and general distribution to Washington news and radio correspondents.

D. (5) $780.20; (7) $780.20; (9) $780.20.

E. (1) $309; (4) $450; (5) $21.20; (9) $780.20; (11) $780.20; (16) $450, May 12, 1950, Herbick & Held Printing Co., 1117 Wolfendale Street, Pittsburgh, Pa.

A. Omar B. Ketchum, legislative director, Veterans of Foreign Wars of the United States, Wire Building, 1000 Vermont Avenue NW., Washington, D. C.

B. Veterans of Foreign Wars of the United States.

C. (1) Legislative interests to continue indefinitely because of yearly program.

C. (2) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation, and housing; welfare of servicemen of the armed forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the National Encampment and the National Council of Administration.

C. (3) VFW Foreign Service, monthly magazine, 1,250,000 circulation. VFW Legislative Newsletter, monthly, 1,000 circulation.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) No.

E. (7) $91.50; (9) $91.50; (10) $188; (11) $279.50; (15) $91.50.

A. Joseph T. King, 302 Ring Building, Washington, D. C.; legislative counsel for National Retail Lumber Dealers Association.

B. National Retail Lumber Dealers Association, 302 Ring Building, Washington, D. C.; trade association.

C. (1) Terminates October 1, 1950.

C. (2) General and legislative interest directly or indirectly affecting the retail building supply dealers, such as Fair Labor Standards Act (52 Stat. 1069); housing legislation (Public Law 479, 73d Cong., and Public Law 171, 81st Cong.); Reorganization Act of 1949 (Public Law 109, 81st Cong.); amendments to Federal Trade Commission Act (S. 1008); rent control (H. R. 8276); amendments to

antitrust laws (S. 2912); amendments to Social Security Act (H. R. 6000); amendments to tax laws (H. R. 8920); small-business legislation (S. 3625 and H. R. 8565); Defense Production Act of 1950.

C. (3) National Affairs Bulletins, 1,060 in quantity, July 6, July 10, August 12, August 17, 1950; National Affairs Reports, 1,060 in quantity, August 7, September 5, 1950; printing done in office of National Retail Lumber Dealers Association.

D. (5) $3,500; (6) $410.45; (7) $3,910.45; (8) $5,006.50; (9) $8,916.95.

E. (7) $410.45; (9) $410.45; (10) $806.50; (11) $1,216.95; (15) $410.45.

A. Karl V. King, attorney at law, 409 Boston Building, Salt Lake City, Utah; mailing address in Washington, post office box 75, Benjamin Franklin Station, Washington, D. C.; sponsoring private bills in behalf of sheep industry and Basque sheepherders.

B. Members of Eastern Nevada Wool Growers Association, members of Southern Idaho Wool Growers Association, members of Oregon Wool Growers Association, members of Washington Wool Growers Association, members of California Wool Growers Association, members of Rocky Mountain and Plains Wool Growers Association.

C. (1) Legislative interests to continue until legislation is enacted.

C. (2) Senate bills 1165 and 1192.

D. (5) $567.50; (7) $567.50; (8) $576.28; (9) $1,143.78; (13) no.

E. (2) $2,469; (5) $192.93; (6) $1,031.01; (7) $2,686.22; (8) $1,781.25; (9) $8,160.41; (10) $9,021.99; (11) $17,182.40; (15) none.

A. Williford I. King, room 300, 205 East Forty-second Street, New York, N. Y.

B. Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y.; educating public on and securing acceptance of sound economic principles.

C. (1) Indefinitely.

C. (2) Favor all constitutional legislation according with sound economic principles.

C. (3) I write a column published by some newspapers. This is also distributed as Paul Revere letters; I write occasional magazine articles, letters to editor, etc.

A. Clifton Kirkpatrick, 162 Madison Avenue, Memphis, Tenn., director of field service.

B. National Cotton Council of America, post office box 18, Memphis, Tenn., nonprofit welfare organization to promote the consumption of American-grown cotton, cottonseed, and products thereof.

C. (1) Indefinitely.

C. (2) Any legislation affecting the raw-cotton industry.

D. (5) $304.76; (7) $304.76; (8) $276.47; (9) $581.23.

E. (7) $49.76; (9) $49.76; (10) $21.47; (11) $71.23; (15) $49.76.

A. C. W. Kitchen and Alan T. Rains, executive vice president and secretary, respectively, United Fresh Fruit and Vegetable Association, 2017 S Street NW., Washington, D. C.; trade association.

B. United Fresh Fruit and Vegetable Association, 2017 S Street NW., Washington, D. C.

C. (1) Continuing.

C. (2) Interested in any legislation affecting marketing and distribution of fresh fruits and vegetables, directly or indirectly.

C. (3) Brief comments in weekly bulletin sent to about 2,000 members, (Plymouth) press releases in trade papers (Packer and Produce News).

E. (11) $210.34.

A. W. H. Kittrell, 303 Empire Bank Building, Dallas, Tex.; public relations.

B. Melben Oil Co., Benedum-Trees Building, Pittsburgh, Pa.

C. (1) Indefinite.

C. (2) Legislation affecting oil industry, especially tidelands.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) no.

E. (6) $257.94; (7) $2,898.50; (9) $3,156.44; (10) $4,407; (11) $7,563.44.

Robert F. Kleppinger, 1720 M Street NW., Washington, D. C.; lawyer.

B. Jewelers Vigilance Committee, Inc., 17 West Forty-fifth Street, New York, N. Y.; to protect the interests of jewelry industry, particularly retail distributors; to maintain fair competition within the industry; to maintain trade standards; to assist in prosecution of violators of marking and advertising laws; and to assist the Government in protection against smuggling.

C. (1) To August 1, 1950 (legislative interests have terminated with this current quarter).

C. (2) Repeal of excise taxes (H. R. 8920) Eighty-first Congress.

D. (5) $250; (7) $250; (8) $1,500; (9) $1,750; (13) no.

E. (10) $3.62; (11) $3.62.

A. Allan B. Kline, president and chief executive, American Farm Bureau Federation, Chicago, Ill. (221 North La Salle Street), Washington, D. C. (261 Constitution Avenue NW.).

B. American Farm Bureau Federation.

C. (1) The legislative interests of the employer are on matters affecting agriculture. No legislative contact service was performed for any person other than the American Farm Bureau Federation. Allan B. Kline has been president of the organization since December 15, 1947, and it is anticipated he will continue in that capacity at least during his present elected term which will run until December of 1951.

C. (2) The legislative interests of the President of the American Farm Bureau Federation cover only the legislative matters in which American Farm Bureau Federation is interested, primarily matters affecting directly American agriculture.

C. (3) Allan B. Kline gets out no publication of any kind. The only publications that are used are the publications of the employer, the American Farm Bureau Federation, namely, the Nation's Agriculture, a monthly house organ, and the newsweekly published weekly.

C. (4) The only compensation received by Allan B. Kline from his employer is his annual salary, paid in semimonthly installments. The only expenses incurred are the nominal expenses of travel and sustenance while traveling. The only expenses incurred by Allan B. Kline are expenses of travel and sustenance connected with his duties as president of the American Farm Bureau Federation. There are no expenditures made by Allan B. Kline that are made for the purpose for himself or for his organization, the American Farm Bureau Federation, that are used in any way to affect Federal legislation as defined within the provisions of the Federal Lobbying Act.

D. (5) $15,000; (7) $3,750; (8) $7,500; (9) $11,250; (13) no.

A. Robert E. Kline, Jr.,[4] Washington counsel (attorney at law), Kirlin, Campbell, Hickox & Keating, 322 Munsey Building, Washington, D. C.

B. Lykes Bros. Steamship Co., American President Lines, Ltd., Grace Lines, Inc., Keystone Shipping Co., Mississippi Shipping Co., Inc., Paco, Inc., Moore-McCormack Lines, Inc., United Mail Steamship Co.

C. (1) Indefinite.

C. (2) Advocating legislation before both Houses of Congress; appearing before congressional committees, and communicating information relative to legislation designed to clarify meaning of section 9 of the Merchant Ship Sales Act, 1946; (a) bill to amend section 9 of the Merchant Ship Sales Act, 1946; (b) H. R. 3419.

C. (4) Compensation to be paid upon completion of work; none received so far; amount of compensation undetermined, depending on extent of services rendered; expenses also undetermined, but will be insignificant.

D. (13) No.

E. (6) $11.75; (7) $12.07; (8) $5; (9) $28.82; (10) $48.05; (11) $76.87.

A. Robert E. Kline, Jr., Washington counsel (attorney at law), Kirlin, Campbell, Hickox & Keating, 322 Munsey Building, Washington, D. C.

B. Lykes Bros. Steamship Co., American President Lines, Ltd.; Grace Lines, Inc.; Keystone Shipping Co.; Mississippi Shipping Co., Inc.; Paco, Inc.; Moore-McCormack Lines, Inc.; United Mail Steamship Co.

C. (1) Completed; bill pocket vetoed by President.

C. (2) Advocating legislation before both Houses of Congress; appearing before congressional committees, and communicating information relative to legislation designed to clarify meaning of section 9 of the Merchant Ship Sales Act, 1946.

C. (4) Amount of compensation still to be determined.

D. (13) No.

E. (6) $7.50; (7) $10; (8) $8.20; (9) $25.70; (10) $73.87; (11) $104.57; (16) $10, Metropolitan Club, Washington, D. C.

A. Robert E. Kline, Jr.,[4] Washington counsel (attorney at law), Kirlin, Campbell, Hickox & Keating, 322 Munsey Building, Washington, D. C.

B. Palmer-Bee Co., Detroit, Mich.

C. (1) Indefinite.

C. (2) Appearing before congressional committees relative to private bills for relief of Palmer-Bee Co. to reimburse company for loss of $725,285.80 in manufacture of radar equipment for Navy; (a) bill for relief of Palmer-Bee Co.; (b) H. R. 7947, S. 3337.

D. (8) $7,500; (9) $7,500; (13) yes; (14) $7,500, Palmer-Bee Co., Detroit, Mich.

E. (6) $20.13; (7) $14; (8) $10.80; (9) $44.93; (10) $3.38; (11) $48.31; (16) $20.13, Chesapeake & Potomac Telephone Co., Washington, D. C.; $14, Metropolitan Club, Washington, D. C.

A. Robert E. Kline, Jr., Washington counsel (attorney at law), Kirlin, Campbell, Hickox & Keating, 322 Munsey Building, Washington, D. C.

B. Palmer-Bee Co., Detroit, Mich.

C. (1) Indefinite.

C. (2) Appearing before congressional committees relative to private bills for relief of Palmer-Bee Co. to reimburse company for loss of $725,285.80 in manufacture of radar equipment for Navy; (a) bill for relief of Palmer-Bee Co.; (b) H. R. 7947, S. 3337.

D. (9) $7,500; (13) yes; (14) $7,500, Palmer-Bee Co., Detroit, Mich.

E. (6) $8.69; (8) $4.20; (9) $12.80; (10) $48.31; (11) $61.11.

A. Burt L. Knowles, Munsey Building, Washington, D. C.; employee of trade association.

B. The Associated General Contractors of America, Inc., Munsey Building, Washington, D. C.; trade association.

C. Employed by the Associated General Contractors of America, Inc., in a general capacity, including assignment to follow and report on legislative developments of interest to association members. Registrant is a full-time employee of the association and has been for the past several years. Matters of Federal legislation are not the principal purpose of registrant's employment, and he is not paid any stated or determinable amount in connection therewith; see also registration report filed by the Associated General Contractors of America, Inc.

A. Robert M. Koch, 1424 K Street NW., Washington, D. C.; trade association executive.

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

B. National Agricultural Limestone Association, 1424 K Street NW., Washington, D. C., trade association.

C. (1) Indefinitely.

C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

C. (3) The only publications utilized are letters to members which are issued as the occasion arises.

E. (7) $25.40; (9) $25.40; (10) $75.70; (11) $101.10; (15) $25.40.

A. Alfred U. Krebs, counsel, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.

B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C. (trade association).

C. (1) Indefinitely.

C. (2) H. R. 9322, aids to navigation on private structures; H. R. 8813, use of petroleum as fuel on vessels; H. R. 4297, Accident Prevention Act of 1949.

D. (5) $500; (7) $500; (8) $1,000; (9) $1,500; (13) Yes (employer).

A. Oscar R. Kreutz, executive manager, 907 Ring Building, Eighteenth and M Streets NW., Washington, D. C.

B. National Savings and Loan League, 907 Ring Building, Eighteenth and M Streets NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing; oppose legislation inimical to interests of savings and loan industry; H. R. 6743, savings and loan bill; S. 2822, FDIC.

C. (3) National letters, approximately 1,200 on each of the following dates: July 14, 18, 20, 28, 1950; August 22, 1950; September 1, 5, 11, 15, 22, 1950; printed and distributed by Batt, Bates & Co., Washington, D. C.

D. (5) $2,500; (7) $2,500; (8) $4,500; (9) $7,000; (13) No.

E. (11) $115.87.

A. A. H. Krueger, 847 National Press Building, Washington, D. C.; employee of a trade association (final report).

B. Millers' National Federation (a trade association incorporated under laws of Illinois), 309 West Jackson Boulevard, Chicago, Ill.

C. I was not specifically employed to support or oppose any legislation. In connection with services performed for my employer, most of which are not related to activities described in section 307, title 3, I kept my employer informed of legislation, if any, that may have affected the wheat flour milling industry; proposed legislation generally observed during past quarter related to H. R. 9176; H. R. 8920; H. R. 9246, and House Resolution 323; I did not issue any publications nor take any action for or against the above proposals.

D. (5) $107.50; (7) $107.50; (8) $242.50; (9) $350.

E. (11) $2.10.

A. Herman C. Kruse,[4] 245 Market Street, San Francisco, Calif., employee.

B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif., public utility.

C. (1) Indefinitely.

C. (2) Legislation affecting water and power projects, flood control and reclamation; (a) omnibus appropriation bill; (b) H. R. 7786, bill to authorize the Secretary of the Interior to undertake the North Fork Kings River development, California, as an integral part of the Central Valley project, and for other purposes; (c) H. R. 5264.

D. (5) $3,000; (8) $3,000; (9) $6,000; (13) No.

E. (7) $2,512.74; (8) $185.10; (9) $2,697.84; (10) $2,289.47; (11) $4,987.31; (15) $2,697.84.

A. Herman C. Kruse, 245 Market Street, San Francisco, Calif.; employee.

[4] Filed for second quarter, 1950.

B. Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.; public utility.

C. (1) Indefinitely.

C. (2) Legislation affecting water and power projects, flood control and reclamation; (a) omnibus appropriation bill; (b) H. R. 7786; (c) bill to authorize the Secretary of the Interior to undertake the North Fork Kings River development, California, as an integral part of the Central Valley project, and for other purposes; (d) H. R. 5264.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) No.

E. (7) $1,131.16; (8) $89.65; (9) $1,220.81; (10) $4,987.31; (11) $6,208.12; (15) $1,220.81.

A. Lake Carriers' Association,[5] Cleveland, Ohio.

This letter is being transmitted to you in lieu of statement entitled "Report Pursuant to Federal Regulation of Lobbying Act" for the reason that the formal statement is not suited to this association's comments concerning its expenditures. This letter constitutes the report made by Lake Carriers' Association for the period July 1–September 30, 1950. This association has numerous activities which are carried on in behalf of its member companies, all of whom operate ships on the Great Lakes. Its expenses are defrayed from general assessments made against the companies included in its membership. There is no allocation in an assessment for the expense of any particular activity. As one of its activities, the association reviews legislation pertaining to the Great Lakes maritime industry. In this connection bills are analyzed, reports are made to companies. On occasion, appearances are made on behalf of the association before, and statements and briefs are filed with, legislative committees, and communications are addressed to Members of Congress. In preparing this report, the association has endeavored, without prejudice to its position, stated below, that it is not subject to the regulatory provisions of the Lobbying Act (Public Law 601, 79th Cong.) to allocate fairly the expenses which it incurred in connection with such legislative activity. On the basis of this allocation, the proportionate share of assessments made against any one member company for the expenses involved in such legislative activity did not amount to as much as $500 for the period covered by this report. Further, on the basis of the foregoing allocation, the association's expenses incident to the reviewing of legislation for the period were as as follows: Expense classification and total quarterly expense attributable to legislation—salaries and retainer of persons registered under Lobbying Act, $610; salaries of others participating in preparation of legislative material, $303.70; incidentals, postage, telephone, mimeographing, printing, rent office supplies, stationery, $52.80; total $966.50. These expenditures were paid, as salaries to officers and employees, as retainer to counsel for the association, and for proportion of general office expense. The association is advised and accordingly asserts that, within the meaning of the regulatory provisions of the Lobbying Act, the association (1) does not solicit or receive contributions to any organization or fund for the purpose of aiding in the passage or defeat of any legislation by the Congress or influencing directly or indirectly the passage or defeat of any legislation by the Congress; or (2) receive contributions or expend any money for any such purpose; or (3) either directly or indirectly in any manner whatsoever solicit, collect or receive money or anything of value to be used principally to aid in the accomplishment of any such purpose; or (4) engage in any activity which brings the association within the regulatory provisions of the Lobbying Act. This report is made without prejudice to such position.

[5] Filed with the Clerk only.

A. Fritz G. Lanham, Woodley Park Towers, 2737 Devonshire Place NW., Washington, D. C.; serve in an advisory capacity.

B. American Fair Trade Council, Inc., 11 East Forty-fourth Street, New York, N. Y.; a nonprofit organization principally educational with reference to advantages of fair trade laws to producers, dealers, and consumers; I serve in an advisory capacity and keep organization advised concerning legislative proposals and governmental programs.

C. (1) No stated termination date of service.

C. (2) Advise organization of proposals affecting fair trade.

C. (3) Have neither issued nor caused to be issued any publication.

D. (5) $1,000; (7) $1,000; (8) $2,000; (9) $3,000.

A. Fritz G. Lanham, Woodley Park Towers, 2737 Devonshire Place NW., Washington, D. C.; serve in an advisory capacity.

B. National Patent Council, Inc., 1434 West Eleventh Avenue, Gary, Ind.; a nonprofit organization principally educational with reference to the importance of our patent system; I serve in an advisory capacity and keep organization advised concerning legislative proposals and governmental programs.

C. (1) No stated termination date of service.

C. (2) Advise organization of proposals affecting patent system.

C. (3) Have neither issued nor caused to be issued any publication.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500.

A. Fritz G. Lanham, Woodley Park Towers, 2737 Devonshire Place NW., Washington, D. C. I serve in an advisory capacity and keep State Tax Association, Houston, Tex., advised concerning matters of tax legislation as stated below.

B. State Tax Association, Houston, Tex. To bring about constructive cooperation between community property and common law States for the development of a plan of tax equalization which will afford an equitable basis for income, estate, and gift taxation in the Federal tax structure; to support complete retroactive repeal of the 1942 estate and gift tax amendments as they apply to community-property States in an unfair discriminatory, inequitable manner; to support the elimination of Federal estate taxes and restore estate taxation to the several States; have supported and will continue to support the American Bar Association's recommendation for tax equalization.

C. (1) Date of termination of service indefinite.

C. (2) Keep organization advised concerning all tax proposals in keeping with objectives above recited.

C. (3) Have neither issued nor caused to be issued any publication.

D. (5) $2,500; (9) $2,500.

A. Fritz G. Lanham, Woodley Park Towers, 2737 Devonshire Place NW., Washington, D. C.; serve in an advisory capacity.

B. Trinity Improvement Association, Inc., 1308 Commercial Standard Building, Fort Worth, Tex.; a nonprofit organization principally educational with reference to Trinity River watershed; I keep organization advised concerning legislative proposals and governmental programs.

C. (1) No stated termination date of service.

C. (2) Advise organization of matters affecting Trinity River watershed.

C. (3) Have neither issued nor caused to be issued any publication.

D. (5) $900; (7) $900; (8) $1,650; (9) $2,550.

A. La Roe, Brown & Winn, a partnership engaged in the general practice of law, consisting of the following partners: Wilbur La Roe, Jr., Frederick E. Brown, Arthur L.

Winn, Jr., and Samuel H. Moerman, with offices in the Continental Building, Washington, D. C.

B. Eastern Meat Packers Association, Statler Hotel, New York, N. Y. This is an incorporated association of independent meat packers.

C. (1) Indefinite.

C. (2) Defense Production Act of 1950; Department of Agriculture Appropriation Act, S. 2408, H. R. 7789, S. 3055, H. R. 573, H. R. 9252, H. R. 9093, H. R. 6000, S. 2713.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) No.

E. (5) $2,237.35; (7) $45.70; (9) $2,283.05; (10) $4,882.19; (11) $7,165.24; (15) $45.70.

A. La Roe, Brown & Winn, a partnership engaged in the general practice of law, consisting of the following partners: Wilbur La Roe, Jr., Frederick E. Brown, Arthur L. Winn, Jr., and Samuel H. Moerman, with offices in the Continental Building, Washington, D. C.

B. The National Independent Meat Packers Association, 740 Eleventh Street NW., Washington, D. C.; this is an incorporated association of independent meat packers.

C. (1) Indefinite.

C. (2) Defense Production Act of 1950, Department of Agriculture Appropriation Act S. 2408, H. R. 7789, S. 3055, H. 573, H. R. 9252, H. R. 9093, H. R. 6000, S. 2713.

D. (5) $4,500; (7) $4,500; (8) $9,000; (9) $13,500; (13) No.

E. (5) $2,237.35; (6) $19.04; (7) $156.60; (9) $2,412.99; (10) $4,873.50; (11) $7,286.49; (15) $552.97.

A. Lathrom & Jenkins,[4] 541 Washington Building, Washington, D. C.; a partnership consisting of Donald N. Lathrom and Ray L. Jenkins, partners, and John L. Schroeder, associate, engaged in the general practice of law.

B. Government of Venezuela, 2445 Massachusetts Avenue NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Interested in oil imports problem and its effect on the ability of Venezuela purchasing American exports: H. R. 5724, 6251, 6360, 6469, 7748, 6773, 7996, S. 2667, 3334, 3236.

D. (6) $1,529.58; (7) $1,529.58; (9) $1,529.58; (13) No.

E. (6) $90.03; (7) $1,439.55; (9) $1,529.58.

A. Lathrom & Jenkins, 541 Washington Building, Washington, D. C.; a partnership consisting of Donald M. Lathrom and Ray L. Jenkins, partners, and John L. Schroeder, associate, engaged in the general practice of law.

B. Government of Venezuela, 2445 Massachusetts Avenue NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Interested in oil imports problem and its effect on the ability of Venezuela purchasing American exports: H. R. 5724, 6251, 6360, 6469, 7748, 6773, 7996, S. 2667, 3334, 3236.

D. (6) $149.88; (7) $1,529.58; (9) $1,679.46.

E. (7) $149.88; (10) $1,529.58; (11) $1,679.46.

A. William V. Lavelle, 718 Jackson Place NW., Washington, D. C.; assistant legislative director of the Congress of Industrial Organizations.

B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C. (a federation of labor organizations), and United Steelworkers of America, 1500 Commonwealth Building, Pittsburgh, Pa. (an affiliated union of the CIO).

C. (1) Indefinitely.

C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare; oppose legislation detrimental to these objectives.

C. (3) We have not individually issued or caused to be issued any publication as above described; any such publications issued by the CIO are listed on its report.

D. (5) $1,750; (6) $1,682; (7) $3,432; (8) $6,884.09; (9) $10,316.09.

E. (7) $1,682; (9) $1,682; (10) $3,384.09; (11) $5,066.09; (15) $1,682.

A. John V. Lawrence, American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C.

B. American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C.

C. (1) See report of American Trucking Associations, Inc.

D. (5) $5,750; (7) $5,750; (8) $11,250; (9) $17,000.

E. (7) $7.71; (9) $7.71; (10) $24.25; (11) $31.96.

A. Joseph S. Lawrence, M. D., 1523 L Street NW., Washington, D. C.; administrative (Washington office).

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.; scientific medicine.

C. (1) Indefinite.

C. (2) All bills relating to health and practice medicine.

C. (3) (a) Informational bulletin (multilith); (b) 5,500 copies; (c) irregular intervals; (d) Washington office, AMA.

D. (5) $3,938.62; (7) $3,938.62; (8) $9,455.81; (9) $13,394.43; (13) no.

E. (7) $152.17; (8) $36.45; (9) $188.62; (10) $1,955.81; (11) $2,144.43; (15) $188.62.

A. A. Alvis Layne, Jr., attorney at law, Posner, Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.

B. Associated Third Class Mail Users, Inc., 1002 Ring Building, Washington, D. C.

C. (1) Legislative interest to continue to October 19, 1931.

C. (2) H. R. 2945 and S. 1103.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000.

E. (6) $11.76; (7) $88.37; (8) $1.92; (9) $102.05; (10) $160.86; (11) $262.91; (15) all.

A. Clarence F. Lea, director of governmental relations, Transportation Association of America, Ring Building, Washington, D. C.

B. Transportation Association of America, 130 North Wells Street, Chicago, Ill.

C. (1) Legislative interests are to be continued permanently.

C. (2) I am interested in all legislation having anything to do with transportation including pending bills before the House and Senate.

C. (3) See report of TAA.

D. (5) $1,500; (6) $87.17; (7) $1,587.17; (8) $3,387.89; (9) $4,975.06.

E. (7) $87.17; (9) $87.17; (10) $382.89 (11) $475.06.

A. League for Columbia Valley Administration, 3015 Sixty-third Avenue SW., Seattle, Wash.; Joseph S. Miller, executive secretary, a nonprofit organization created to support proposed legislation for a Columbia Valley Administration.

B. No specific employer; league is governed by officers and executive board (chiefly members of Northwest farm and labor groups) and its work financed by contributions from interested organizations and private citizens.

C. (1) Presumably league will exist until passage of CVA legislation.

C. (2) League for Columbia Valley Administration favors passage of S. 1645 and H. R. 4286 and H. R. 4287.

C. (3) $10,000 copies of 16-page pamphlet prepared by league for CVA and published in April by the Grange Cooperative Printing Association, 3104 Western Avenue, Seattle, Wash.

D. (1) $856; (4) $222.50; (7) $1,078.50; (8) $883.75; (9) $1,962.25; (13) no.

E. (2) $724.30; (5) $14; (6) $10.75; (7) $91.90; (8) $132.18; (9) $9753.13; (10) $876.12; (11) $1,849.25.

A. League of Women Voters of the United States, 1026 Seventeenth Street NW., Washington, D. C.; nature of business: to promote political responsibility through informed and active participation of citizens in Government.

C. (1) Indefinitely.

C. (2) See program attached.

C. (3) Publications: Program Organization in LWV, published 13,000 4-page leaflet, August 1950; Craftsman Press. Trends in Government, biweekly newsletter about developments in Government, 11,700 copies, August 3, 1950, 12,000, August 17, 1950; 11,800 August 31, 1950; 12,500 September 14, 1950; 11,950 September 28, 1950; Judd and Detweiler. Action, every member magazine, 102,000, September 1950. Judd & Detweiler.

D. (1) $195.71; (2) $4; (4) $94.61; (7) $294.32; (8) $2,745.60; (9) $3,039.92.

E. (4) $345.99; (6) $8.11; (9) $354.10; (10) $1,928.23; (11) $2,282.33.

A. Ivan Lebedeff,[4] National Economic Council, 1250 Wilshire Boulevard, Los Angeles, Calif.; home office, 350 Fifth Avenue, New York, N. Y.; educational and research.

B. National Economic Council, 350 Fifth Avenue, New York, N. Y.; educational organization on economic subjects.

C. (1) No lobbying done during second quarter.

A. Ivan Lebedeff, National Economic Council, 1250 Wilshire Boulevard, Los Angeles, Calif.; home office, 350 Fifth Avenue, New York, N. Y.; educational and research.

B. National Economic Council, Inc., 350 Fifth Avenue, New York, N. Y.

A. Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.; public relations.

B. United States Cuban Sugar Council, 30 Pine Street, New York, N. Y., a group of companies owning or operating sugar properties in Cuba, stockholders of which are predominantly United States citizens, formed to assure a continuing supply of sugar for the American consumer at a reasonable price by maintaining an adequate flow of Cuban sugar into the United States market, and to demonstrate the value of a close relationship between the United States and Cuba in promoting trade between the two countries.

C. (1) Indefinitely.

C. (2) General; legislation affecting the importation by the United States of sugar produced in Cuba; Sugar Act of 1948, Trade Agreements Act, tariff acts, House Joint Resolution 426 to amend the Sugar Act of 1948.

C. (3) News article dealing with increased sale to the United States of sugar produced in Cuba; approximately 50 copies; July 20, 1950; mimeographed by Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.; special New England edition of the bulletin of the United States Cubar Sugar Council; 35,000 copies; July 1950; J. C. Dillon Co., Inc., 227 East Forty-fifth Street, New York, N. Y.; news article based on council's special New England edition of the bulletin; 644 copies; July 25, 1950; multilithed by Select Multigraphing Service, 76 Ninth Avenue, New York, N. Y.; news articles based on remarks by Dr. Luis Machado, Ambassador from Cuba to the United States at luncheon in his honor tendered by United States Cuban Sugar Council; approximately 50 copies; August 11, 1950; mimeographed by Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.; news article by David M. Keiser, chairman, United States Cuban Sugar Council, for Cuba Sugar Yearbook, 1950 edition; one copy for publication—information copies to council members; August 21, 1950; typed by Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.; bulletin of United States Cuban Sugar Council for August 1950; 45,000 copies; August 1950; J. C. Dillon Co., Inc., 227 East Forty-fifth Street, New York, N. Y.; news article based on council's August bulletin; 1,313 copies; September 1, 1950; multilithed

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

by Select Multigraphing Service, 76 Ninth Avenue, New York, N. Y.; letter to Export Trade and Shipper magazine dealing with relative advantages to the United States of Cuban and Puerto Rican sugar; one copy for publication—information copies to council members; September 14, 1950; typed by Ivy Lee and T. J. Ross, 405 Lexington Avenue, New York, N. Y.

D. (5) $5,749.98; (6) $2,591.80; (7) $8,341.78; (8) $14,365.31; (9) $22,707.09; (13) yes; (14) $3,750, United States Cuban Sugar Council, 30 Pine Street, New York, N. Y., fee for 3 months at the rate of $15,000 per year (item 5); $1,999.98, United States Cuban Sugar Council, 30 Pine Street, New York, N. Y., salary of council secretary for 3 months of July, August, and September 1950 (item 5); $2,591.80, United States Cuban Sugar Council, 30 Pine Street, New York, N. Y., for out-of-pocket expenses incurred in July, August, and September 1950 (item 6); $8,341.78, total.

E. (4) $1,909.71; (6) $25.40; (8) $656.69; (9) $2,591.80; (10) $2,865.35; (11) $5,457.15.

A. James R. Lee, 731 National Press Building, Washington, D. C.; public relations.

B. Gas Appliance Manufacturers Association, Inc., 60 East Forty-second Street, New York, N. Y.; trade association.

C. (1) Interest to continue indefinitely.

C. (2) Concerned with any legislation affecting members of the Gas Appliance Manufacturers Association.

C. (3) None, other than office prepared bulletins of information on progress of legislation dealing with excise taxes.

D. (5) $1,212.81; (7) $1,212.81; (8) $3,291.27.

E. (2) $105; (5) $125; (6) $47.74; (7) $120.50; (8) $56.40; (9) $454.64; (10) $1,042.26; (15) $454.64.

A. Legislative Department of Communist Party, United States of America, 35 East Twelfth Street, New York City; political organization.

C. (1) Expects to be continuous.

C. (2) Generally concerned with all legislation.

D. (6) $350; (9) $350; (13) no.

E. (5) $10; (9) $10; (11) $10.

A. Legislative-Federal Relations Division of the National Education Association of the United States (R. B. Marston, director), 1201 Sixteenth Street NW., Washington, D. C.

C. (1) Indefinite. May be materially affected by the enactment of legislation relating to public education.

C. (2) Bills pending before the Eighty-first Congress relating to public education. Primary interest in S. 246, H. R. 5939, H. R. 7160, H. R. 1551.

C. (3) Legislative News, information, approximately 14,700 copies each issue; September 28 NEA News, reprint, 5,000; Who Will Teach Them? 40,000 copies, information about public education; printing maps for bulletin entitled "The Facts About Federal Aid for Schools," information about public education.

D. (6) $6,976.40; (7) $6,976.40; (8) $37,432.03; (9) $44,408.43.

E. (2) $3,042.44; (4) $2,908.25; (5) $266.33; (6) $328.90; (7) $430.48; (9) $6,976.40; (10) $37,432.03; (11) $44,408.43.

A. Joseph F. Leopold,[4] 936 National City Building, Dallas, Tex.; speaker before trade and civic organizations on tax equality.

B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.; business league organized to promote the interests for the particular business groups that are placed at a competitive disadvantage because of tax disparities.

C. (1) Indeterminate.

C. (2) Legislation relating to corporate income taxation. Specifically interested in H. R. 5064 and the income-tax legislation now being considered by Congress.

D. (5) $1,500; (7) $1,500; (8) $1,500; (9) $3,000; (13) no.

E. (7) $362.33; (8) $127.78; (9) $490.11; (10) $531.76; (11) $1,021.87; (15) $490.11.

A. Joseph F. Leopold, 936 National City Building, Dallas, Tex.; speaker before trade and civic organizations on tax equality.

B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.; business league organized to promote the interests for the particular business groups that are placed at a competitive disadvantage because of tax disparities.

C. (1) Indeterminate.

C. (2) Legislation relating to corporate income taxation. Specifically interested in prospective excess profits taxes and the general revenue bill to be considered by Congress next year.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) no.

E. (7) $190.75; (8) $143.22; (9) $332.97; (10) $1,021.87; (11) $1,354.84; (15) $332.97.

A. George B. Lester, Oliver & Donally, 110 East Forty-second Street, New York, N. Y.; partner in law firm of Oliver & Donally.

B. Legal services rendered to National Association of Mutual Savings Banks, 60 East Forty-second Street, New York, N. Y.; none of the work done for this organization in the quarter for which this report is made was for any of the purposes mentioned in the Lobbying Act.

C. (1) Legislative interests terminated September 30, 1950. No further reports will be filed.

C. (2) The general legislative interests in the past have consisted of legislation which the mutual savings banks had a legitimate interest in supporting or opposing. Affiant had no specific legislative interests during the period for which this report was made.

D. (8) $187.50; (9) $187.50; (13) no.

E. (10) $162.70; (11) $162.70.

A. Byran P. Leverich, 10 South Main Street, Salt Lake City, Utah; attorney, Union Pacific Railroad Co.

B. Union Pacific Railroad Co., 10 South Main Street, Salt Lake City, Utah.

C. (1) December 31, 1950.

C. (2) Railroad legislation; union shop bill; H. R. 7789 and S. 3295.

D. (5) $363.05; (7) $363.05; (9) $363.05; (13) no.

E. (7) $363.05; (9) $363.05; (11) $363.05; (15) $363.05.

A. George J. Lewis, Union Station Building, Lexington, Ky.; attorney.

B. Kentucky Railroad Association, Union Station Building, Lexington, Ky.; for fuller details see form B filed by me on June 3, 1947.

C. (1) Indefinite.

C. (2) Legislation affecting the railroad industry.

D. (5) Compensation increased, effective October 1, 1949, from $2,000 to $5,000 per annum; however, only a small portion of time is devoted to national legislation; (13) no.

E. (6) $225; (7) $350; (9) $575; (10) $600; (11) $1,175.

A. John R. Lewis,[4] 1108 Sixteenth Street NW., Washington, D. C.; information service.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.; petroleum business.

C. (1) My interest is solely in seeking information regarding all matters pertaining to the oil industry and reporting to my employer. NOTE.—The undersigned has neither received nor expended any money during the calendar quarter January 1, 1950 through March 31, 1950, for purposes defined in section 307 (a) (b) of Public Law 610. My activities have consisted wholly of the maintenance of an information service for my company.

A. John R. Lewis, 1108 Sixteenth Street NW., Washington, D. C.; information service.

B. Standard Oil Co. (Indiana), 910 South Michigan Avenue, Chicago, Ill.; petroleum business.

C. (1) My interest is solely in seeking information regarding all matters pertaining to the oil industry and reporting to my employer. NOTE.—The undersigned has neither received nor expended any money during the calendar quarter July 1, 1950 through September 30, 1950, for purposes defined in section 307 (a) (b) of Public Law 610. My activities have consisted wholly of the maintenance of an information service for my company.

A. Frederick J. Libby, executive secretary, National Council for Prevention of War, 1013 Eighteenth Street, NW., Washington, D. C.

B. National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C.; nonprofit, educational peace organization.

C. (1) Indefinitely.

C. (2) Bills affecting world peace, such as the ECA bills, the convention to ratify the genocide convention, the DP bill, military training and service legislation, legislation affecting war crimes procedures, proposals leading to the drafting of peace treaties. Point 4 bills, Senator TYDINGS' disarmament resolution (S. Res. 236); Representative WALTERS' resolution to help the expellees (S. Con. Res. 188) postage subsidies for relief packages, manpower registration legislation; amending the Trading with the Enemy Act, to give the effect of a peace treaty with Germany and Japan. Bills for educational exchange; military aid bill.

D. (5) $1,334.58; (7) $1,334.58; (8) $3,571.97; (9) $4,906.55; (13) no.

E. (7) $134.58; (9) $134.58; (10) $583.39; (11) $717.96.

A. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.; trade association. (On July 1, 1950, the Life Insurance Association of America opened a Washington office, located at 1000 Vermont Avenue NW.).

C. (1) Continuous.

C. (2) Legislation which might affect the welfare of policyholders and annuitants, e. g., H. R. 9176, H. R. 6000 and S. 2408.

D. (14) $12,789.63, Aetna Life Insurance Co., Hartford, Conn.; $503.04, American United Life Insurance Co., Indianapolis, Ind.; $166.05, Atlas Life Insurance Co., Tulsa, Okla.; $239.91, The Baltimore Life Insurance Co., Baltimore, Md.; $34.25, The Bankers Health and Life Insurance Co., Macon, Ga.; $3,104.46, Bankers Life Co., Des Moines, Iowa; $461.31, Bankers Life Insurance Co. of Nebraska, Lincoln, Nebr.; $643.28, Berkshire Life Insurance Co., Pittsfield, Mass.; $217.84, Boston Mutual Life Insurance Co.; Boston, Mass.; $1,221.67, Business Men's Assurance Co. of America, Kansas City, Mo.; $1,431.16, California-Western States Life Insurance Co., Sacramento, Calif.; $170.06, The Capital Life Insurance Co., Denver, Colo.; $287.48, Carolina Life Insurance Co., Columbia H, S. C.; $569.09, Central Life Assurance Society, Des Moines, Iowa; $245.23, Central Life Insurance Co. of Illinois, Chicago, Ill.; $313.46, The Colonial Life Insurance Co. of America, East Orange, N. J.; $547.71, The Columbian National Life Insurance Co., Boston, Mass.; $549.26, Commonwealth Life Insurance Co., Louisville, Ky.; $6,253.96, Connecticut General Life Insurance Co., Hartford, Conn.; $4,631.66, The Connecticut Mutual Life Insurance Co., Hartford, Conn.; $368.56, Continental American Life Insurance Co., Wilmington, Del.; $56.91, Empire State Mutual Life Insurance Co., Jamestown, N. Y.; $29,780.77, The Equitable Life Assurance Society, New York, N. Y.; $545.29, Equitable Life

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

Insurance Co., Washington, D. C.; $2,224.16, Equitable Life Insurance Co. of Iowa, Des Moines, Iowa; $283.01, Federal Life Insurance Co., Chicago, Ill; $1,290.49, The Fidelity Mutual Life Insurance Co., Philadelphia, Pa.; $54.10. Guaranty Income Life Insurance Co., Baton Rouge, La.; $1,690.43, The Guardian Life Insurance Co. of America, New York, N. Y.; $42.61, Home Friendly Insurance Co. of Maryland, Baltimore, Md.; $1,398.73, Home Life Insurance Co., New York, N. Y.; $196.07, Illinois Bankers Life Assurance Co., Monmouth, Ill.; $1,991.21, Jefferson Standard Life Insurance Co., Greensboro, N. C.; $17,657.10, John Hancock Mutual Life Insurance Co., Boston, Mass.; $62.27, Kentucky Central Life & Accident Insurance Co., Anchorage, Ky.; $614.12, Liberty National Life Insurance Co., Birmingham, Ala.; $423.90, Life Insurance Co. of Georgia, Atlanta, Ga.; $1,768.90, Life Insurance Co. of Virginia, Richmond, Va.; $3,955.16, The Lincoln National Life Insurance Co., Fort Wayne, Ind.; $610.58, The Manhattan Life Insurance Co., New York, N. Y.; $7,552.65, Massachusetts Mutual Life Insurance Co., Springfield, Mass.; $51,095.15, Metropolitan Life Insurance Co., New York, N. Y.; $1,155.73, The Minnesota Mutual Life Insurance Co., St. Paul, Minn.; $7,004.53, The Mutual Benefit Life Insurance Co., Newark, N. J.; $8,618.92, The Mutual Life Insurance Co. of New York, New York, N. Y.; $720.36, Mutual Trust Life Insurance Co., Chicago, Ill.; $1,937.83, The National Life and Accident Insurance Co., Nashville, Tenn.; $2,437.43, National Life Insurance Co., Montpelier, Vt.; $6,664.31, New England Mutual Life Insurance Co., Boston, Mass.; $23,336.85, New York Life Insurance Co., New York, N. Y.; $214.25, North American Life and Casualty Co., Minneapolis, Minn.; $352.86, North American Reassurance Co., New York, N. Y.; $1,319.47, Northwestern National Life Insurance Co., Minneapolis, Minn.; $178.23, Occidental Life Insurance Co., Raleigh, N. C.; $3,959.78, Occidental Life Insurance Co. of California, Los Angeles, Calif.; $882.48, The Ohio National Life Insurance Co., Cincinnati, Ohio; $377.39, The Ohio State Life Insurance Co., Columbus, Ohio; $2,160.66, Pacific Mutual Life Insurance Co., Los Angeles, Calif.; $511.09, The Paul Revere Life Insurance Co., Worcester, Mass.; $5,985.81, The Penn Mutual Life Insurance Co., Philadelphia, Pa.; $3,042.29, Phoenix Mutual Life Insurance Co., Hartford, Conn.; $0, Protective Life Insurance Co., Birmingham, Ala.; $1,818.55, Provident Life and Accident Insurance Co., Chattanooga, Tenn.; $2,748.47, Provident Mutual Life Insurance Co., Philadelphia, Pa.; $43,958.43, The Prudential Insurance Co. of America, Newark, N. J.; $13.35, Puritan Life Insurance Co., Providence, R. I.; $1,836.53, Reliance Life Insurance Co. of Pittsburgh, Pittsburgh, Pa.; $380.59, Republic National Life Insurance Co., Dallas, Tex.; $88.93, Scranton Life Insurance Co., Scranton, Pa.; $592.30, Security Mutual Life Insurance Co., Binghamton, N. Y.; $46.02, Service Life Insurance Co., Omaha, Nebr.; $209.42, Shenandoah Life Insurance Co., Inc., Roanoke, Va.; $2,372.50, State Mutual Life Assurance Co., Worcester, Mass.; $268.48, Sun Life Insurance Co. of America, Baltimore, Md.; $12,750.33, The Travelers Insurance Co., Hartford, Conn.; $2,936.59, The Union Central Life Insurance Co., Cincinnati, Ohio; $392.09, Union Labor Life Insurance Co., New York, N. Y.; $93.17, Union Life Insurance Co., Little Rock, Ark.; $604.98, Union Mutual Life Insurance Co., Portland, Maine; $627.26, The United States Life Insurance Co., New York, N. Y.; $304.82, The Volunteer State Life Insurance Co., Chattanooga, Tenn.; $0, Western Life Insurance Co., Helena, Mont.; $2,128.26, The Western and Southern Life Insurance Co., Cincinnati, Ohio; $466.43, The Canada Life Assurance Co., Toronto, Ontario, Canada; $140.11, Confederation Life Association, Toronto, Ontario, Canada; $999.24, The Great-West Life Assurance Co., Winnipeg, Manitoba, Canada; $35.51, The Imperial Life Assurance Co. of Canada, Toronto, Ontario, Canada; $0, The London Life Insurance Co., London, Ontario, Canada; $738.81, The Manufacturers Life Insurance Co., Toronto, Ontario, Canada; $0, The Mutual Life Assurance Co. of Canada, Waterloo, Ontario, Canada; $2,921.16, Sun Life Assurance Co. of Canada, Montreal, Quebec, Canada; $308,395.28, total. Annual dues of $200 are included in the above. Of the total receipts of $308,395.28 shown above, $5,509.03 or 1.8 percent was used for lobbying activities.

E. (2) $2,786.62; (5) $2,487.91; (6) $114.35; (7) $120.15; (9) $5,509.03; (10) $8,266.39; (11) $13,775.42.

A. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.; a nonprofit, nonstock membership association of life insurance policyholders.

C. (1) Indefinite.

C. (2) General education concerning the effect of inflation on the purchasing power of life insurance as it relates to Federal policies or measures which are deemed to be inflationary in character. (a) Omnibus appropriations bill; national health plan; Brannan farm plan.

C. (3) (a) Sample attached hereto; [1] (b) 20,000; (c) July 1, 1950–September 30, 1950; (d) Process Printing Co., New York, N. Y.

D. (2) $18; (7) $18; (8) $22,752.30; (9) $22,770.30; (13) yes; (14) $1,000, Lammot du Pont, Du Pont Building, Wilmington, Del.; Daggett Chocolate Co., 400 Main Street, Cambridge, Mass.; $1,663 total.

E. (2) $703.91; (4) $29.72; (5) $542.26; (6) $14.71; (7) $790.91; (8) $216.94; (9) $2,298.45; (10) $18,628.41; (11) $20,926.86.

A. L. Blaine Liljenquist, 1415 K Street NW., Washington, D. C.; Washington representative in charge of Government relations.

B. Mr. E. F. Forbes, president and general manager, Western States Meat Packers Association, Inc., 604 Mission Street, San Francisco, Calif.

C. (1) The association's legislative interests are expected to continue indefinitely.

C. (2) Registrant is interested in legislation which affects the meat-packing industry. During the third quarter 1950 registrant supported an amendment to the appropriation bill, H. R. 7786, providing Federal inspection at the Seattle Union Stockyards; supported an amendment regarding offshore purchases of meat by the Army quartermaster for the feeding of United States troops overseas; and worked for the appropriation of sufficient funds to maintain adequate meat inspection in federally inspected plants. Registrant also supported H. R. 8677, to reduce the Panama Canal tolls on commercial shipping.

D. (5) $2,187.48; (6) $574.29; (7) $2,761.77; (8) $7,041.38; (9) $9,803.15; (13) no.

E. (2) $46.63; (6) $11.88; (7) $36.75; (9) $95.24; (10) $215.66; (11) $310.90; (15) $95.24.

A. John W. Lindsey, counsel, National Association of Securities Dealers, Inc., 1625 K Street NW., Washington, D. C.

B. National Association of Securities Dealers, Inc., a registered national securities association pursuant to section 15A of the Securities Exchange Act of 1934, as amended.

C. (1) Legislative interest will continue so long as S. 2408, known as the Frear bill, remains before the Congress.

C. (2) (a) The Frear bill, (b) S. 2408, (c) a proposed amendment to various sections of the Securities Exchange Act of 1934.

C. (3) The National Association of Securities Dealers, Inc., periodically (two to three times a year) publishes a house organ of interest to members of the association which goes to all the approximately 2,798 members, as of September 1, 1950, the branch offices, and some officers, partners, and employees. The last such issue was published in March 1950, and 6,000 copies were printed. The Frear bill was commented upon, and the statement of the association's representatives before the Senate Subcommittee on Banking and Currency was included. The name of the printer is Byron S. Adams, 512 Eleventh Street NW., Washington, D. C.

D. (1) See letter of January 18, 1950, addressed to the Secretary of the Senate and the Clerk of the House of Representatives signed by Wallace H. Fulton in connection with the registration of Messrs. Wallace H. Fulton and John W. Lindsey; (5) $375; (7) $375.

A. Robert G. Litschert, 1200 Eighteenth Street NW., Washington, D. C.; registrant is an employee of the National Association of Electric Companies, a trade association whose members are 102 operating electric companies.

B. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. The National Association of Electric Companies is a trade association whose members are 102 operating electric companies. The preamble of its articles of association describe the functions to be engaged in by the association as follows: "In order to further the interests of the electric utility companies that are members of this association and their investors, employees, and customers; to maintain the integrity and credit of the industry; to present to the public the essential facts about the industry to the end that there may be a better understanding between the utility companies and the public and a better appreciation of utility progress, achievement, and problems; to coordinate regional activities among member companies; to furnish member companies information, reports, and statements concerning various phases of electric utility operations and developments; to further cooperation with all agencies and organizations interested in the supply and purchase of electric light and power; to furnish such agencies and organizations with information, reports, and statements concerning member companies and the electric utility industry; to present the facts to the public concerning the public benefits resulting from the operation of electric utility companies by businessmen under governmental regulations and, generally, to engage in those practices recognized as being legal and proper to furnish said ends, certain electric utility companies do hereby establish a national association which shall be adequately qualified and empowered to act in every lawful way when concert of policy and action would be helpful." Thus the association functions for the following principal purposes: (1) To keep member companies informed of Washington developments affecting them as operating businesses, including information and analyses of governmental hearings, orders, and regulations, both legislative and administrative. (2) To keep the public, including employees, consumers, and investors, informed concerning the accomplishments of the industry, its achievements in serving the public, and the plans of this industry for the future. (3) To furnish, and aid in furnishing, technical information to the instruments of government and to provide a readily available contact between government and the industry. (4) To provide the members of the association with a medium through which they can exchange ideas on problems of mutual concern and interest in order to better serve the public. (5) To act for the member companies in matters of common and national concern.

C. (1) Of indefinite duration.

C. (2) Registrant is an employee of the National Association of Electric Companies. One of the purposes of this association as

[1] Not printed. Filed in the Clerk's office.

set forth in previous registrations and reports filed pursuant to title 3 of the Legislative Reorganization Act of 1946 is to provide its members with a medium through which they can develop and exchange ideas and take appropriate action on problems of mutual concern and interest, including matters involving legislation. The association, therefore, is generally interested in all developments in and of Federal legislation that might affect its members as going electric utilities, including, but not limited to the following bills and statutes and amendments thereto: H. R. 7786, a bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes; Internal Revenue Code (53 Stat. 1); TVA Act (48 Stat. 58); Federal Power Act (49 Stat. 803); Rural Electrification Act of 1936 (49 Stat. 1363); reclamation acts (25 Stat. through 45 Stat.); Flood Control Act, 1944 (58 Stat. 887); for specific details concerning the policy position of the National Association of Electric Companies, see the document entitled "Water Resources, Electric Power, and National Policy," prepared in response to an invitation of the Chairman of the President's Commisison on Water Resources Policy, dated March 2, 1950, for a complete statement of the association's position on policy questions. Copies of this statement have heretofore been filed with the Secretary of the Senate and the Clerk of the House of Representatives.

D. (5) $2,500; (7) $2,500; (8) $5,000; (9) $7,500; (13) no; (14) Mr. Robert G. Litschert, an employee of the National Association of Electric Companies, is filing this form for the information of the Congress of the United States under title 3 of the Legislative Reorganization Act of 1946 but questions whether and to what extent that act applies to him. This form has been prepared without the benefit of official interpretations of that statute. The amount stated in item (D) of the form is the total salary registrant receives as an employee of the association in the performance of all his duties as they arise in carrying out the purposes and activities of the association.

E. (6) $12.55; (7) $331.07; (8) $132.95; (9) $476.57; (10) $1,707.64; (11) $2,184.21; (15) $476.57.

A. Norman M. Littell, 1422 F Street NW., Washington, D. C.; attorney at law.

B. The Navajo Tribe of Indians, residing in Arizona, Utah, New Mexico, and Colorado; address of the superintendent, Window Rock, Ariz.

C. (1) Legislative interests and all legislation pertaining to the Navajos will continue through life of contract as tribal attorney. However, since the passage of the Navajo rehabilitation bill (S. 2734), no further interest is anticipated in this Congress.

C. (2) The recent legislation of interest was S. 2734, a bill for the rehabilitation of the Navajo and Hopi tribes of Indians, and the Department of the Interior appropriations bill.

D. (9) $1,875; (13) no.

E. (10) $597.90; (11) $1,252.01; (12) $1,875.

A. Norman M. Littell, 1422 F Street NW., Washington, D. C.; attorney at law.

B. Seventeen bands of Mission Indians of southern California; address, care of Adam Castillo, president, Mission Indian Federation, San Jacinto, Calif.—under contract No. I-1-IND-42161, approved by the Commissioner of Indians Affairs on February 18, 1949.

C. (1) Legislative interests and all legislation pertaining to the Mission Indians will continue through life of contract as attorney for the various bands.

C. (2) The recent legislation of interest was H. R. 7473 (introduced by Congressman McKinnon) and S. 3197 (introduced by Senator Downey), both to extend the personal rights and duties of the Indians of California; and also the Department of the Interior appropriations bill making appropriations for fiscal year ending June 30, 1951, H. R. 7786.

D. (13) No.

E. (10) $725.52; (11) $725.52; (12) $725.52 ($6,250 as fees under contract, total $6,975.52).

A. Walter J. Little, 510 West Sixth Street, Los Angeles, Calif.; attorney at law.

B. Southern Pacific Co., Northwestern Pacific Railroad Co., 65 Market Street, San Francisco, Calif.; Atchison Topeka & Santa Fe Railway., 121 East Sixth Street, Los Angeles, Calif.; the Western Pacific Railroad Co., 526 Mission Street, San Francisco, Calif.; Union Pacific Railroad Co., 422 West Sixth Street, Los Angeles, Calif.

C. (1) Indefinitely.

C. (2) All legislation affecting the railroads; (a) union shop bills; (c) H. R. 7789, S. 3295.

D. (5) $3,733.33; (7) $3,733.33; (8) $2,666.70; (9) $6,400.03; (13) no.

E. (6) $51.59; (7) $1,649.56; (8) $125.25; (9) $1,826.40; (10) $1,413.08; (11) $3,244.48; (15) $1,826.40.

A. John M. Littlepage, 832 Continental Building, Fifteenth and K Streets NW., Washington, D. C.; attorney at law.

B. American Tobacco Co., Inc., 111 Fifth Avenue, New York, N. Y.; manufacture and sale of tobacco products.

C. (1) Registrant is a partner in the law firm of Littlepage & Littlepage which has been receiving for a number of years an annual retainer from the American Tobacco Co. in the amount of $18,000 per annum for a variety of professional services rendered. Neither the registrant nor his law firm will receive compensation in addition to the annual retainer for any activities with respect to legislation covered by the act. Any activities which may be performed will be occasional and incidental, and will comprise only a small part of registrant's duties. No amount of the retainer is allocated to any such activities. The firm of Littlepage & Littlepage will be reimbursed by the American Tobacco Co. for any actual out-of-pocket expenses incurred by any member or associate of the firm for the usual actual disbursements customary in legal work.

C. (2) Any legislation affecting a company engaged in the manufacture and sale of tobacco products, and specifically H. R. 2016.

C. (3) None.

D. (13) No.

A. Gordon C. Locke, 643 Munsey Building, Washington, D. C.; attorney at law, executive secretary and associate counsel for Committee for Pipe Line Companies.

B. Committee for Pipe Line Companies, box 1349, Tulsa, Okla.; unincorporated organization whose function is to act for petroleum pipeline companies that are subject to the act to regulate interstate commerce in regard to matters in which cooperative action is desirable.

C. (1) Indefinite.

C. (2) My general legislative interests are those of the Committee for Pipe Line Companies, which is opposed to proposed legislation as any inimical to the petroleum pipeline industry. Especially the Committee for Pipe Line Companies and myself are opposed to S. 571, a bill to prohibit interstate common-carrier pipelines from transporting commodities in which such carriers have any interest. No action, in the nature of public hearings or otherwise, has been taken in connection with S. 571, consequently I have taken no action in connection with S. 571 or other legislation, which would be covered by the provisions of the Lobbying Act during the period covered by this report.

C. (3) No publications have been issued.

D. (5) I am executive secretary and associate counsel for the Committee for Pipe Line Companies, which was organized to represent and act for interstate petroleum pipeline companies, most of which are subject to the Interstate Commerce Act, and to the jurisdiction of the Interstate Commerce Commission. The form, to which this is attached, states that the committee is opposed to enactment of S. 571, but that no action has been taken by the committee or myself during the period covered by this report in connection with that bill; therefore no service has been rendered by me which falls within the terms of the Lobbying Act, although I have kept the committee informed from time to time of the status of S. 571. The amount of my time devoted to that purpose has been so negligible that I feel justified in reporting that none of my salary, which totaled $3,750 for all my services during the period involved, should be attributed to services covered by the Lobbying Act. (7) $3,750; (8) $3,750; (9) $7,500; (13) see report of Committee for Pipe Line Companies.

A. F. S. Lodge, the National Fertilizer Association, 616 Continental Building, Washington, D. C.; assistant to the president.

B. The National Fertilizer Association, 616 Continental Building, Washington, D. C.

C. (1) Legislative interests are very minor and are only incidental to principal activities. No term has been fixed for continuance of legislative interests; presumably such interests will continue if and as occasion may arise.

C. (2) Any legislation that might affect the manufacture or distribution of fertilizer or the general agricultural economy, including such bills in the Eighty-first Congress as H. R. 2756, to implement the established national policy of promoting maximum employment, production, and purchasing power, and for other purposes; H. R. 855, to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes; and H. R. 3045, to regulate the registration, manufacture, labeling, and inspection of fertilizer and fertilizer materials shipped in interstate commerce, and for other purposes.

D. (5) $25 (of salary received by me during the quarter, $25 may be allocable to legislative interests); (7) $25; (13) no.

A. Lord, Day & Lord, attorneys, 25 Broadway, New York, N. Y.; 1216 Tower Building, Washington, D. C.

B. Agency of Canadian Car & Foundry Co., Ltd., 30 Broadway, New York, N. Y.

C. (1) Indefinite.

C. (2) Legislation having relation to World War I claims.

A. Walter E. Lorence, 3937 Livingston Street NW., Washington, D. C.; private legal-engineering consulting practice.

B. Bradford District Flood Control Authority, Bradford, Pa.; Big Sandy Valley Association, Pikeville, Ky.; Weirton Steel Corp., Weirton, W. Va.

C. (1) Depends upon requests for services. No services performed during first quarter, 1950. Only incidental services performed during second quarter, 1950.

C. (2) Legislative with respect to the development of our natural resources including H. R. 5472, Eighty-first Congress, second session.

D. (5) $600; (7) $600; (9) $600; (13) no.

E. (5) $124.31; (6) $23.67; (8) $37.20; (9) $185.18; (11) $185.18.

A. Rufus M. Lovelady, box 173, Balboa Heights, C. Z.; legislative representative.

B. American Federation of Government Employees, 900 F Street NW., Washington, D. C., a Federal employee labor union; Lodge No. 14, AFGE, box 1703, Balboa, C. Z., a constituent lodge of this federation.

C. (1) My legislative interests will terminate as of December 31, 1950.

C. (2) Of general interest are such matters as retirement, leave, compensation, income tax, and any other legislation affecting Federal employees, particularly those on the Panama Canal Zone.

C. (3) Wrote statement opposing removal of income-tax exemption allowed under section 251 (a) of Internal Revenue Code to employees in possessions; (b) 25 copies made; (c) issued July 13, 1950; and (d) mimeographed by the American Federation of Government Employees.

D. (5) $1,120; (7) $1,120; (8) $3,759.90; (9) $4,879.90; (13) no.

E. (4) $5; (5) $15; (6) $49.92; (7) $225; (8) $330; (9) $624.92; (10) $2,162.78; (11) $2,787.70; (15) $624.92.

A. James C. Lucas, 1627 K Street NW., Washington, D. C.; retail trade association.

B. American Retail Federation, 1627 K Street NW., Washington, D. C.; retail trade association.

C. (1) Indefinitely.

C. (2) Registrant is generally interested in all legislation and legislative proposals affecting the retail industry, including the industry's relations with the Federal Government, with its suppliers, with its employees, and with its customers. Specifically at this time: Taxation—general revisions; excise-tax relief—no specific bills; Hoover Commission recommendations—general principles; postal rates—H. R. 2945, S. 1103, postal rate increases; social security—social-security amendments (H. R. 6000), health insurance (S. 5, S. 1679), temporary disability insurance (H. R. 2893), unemployment compensation (H. R. 8059); labor—Fair Labor Standards Act (29 U. S. C. 201–219), National Labor Relations Act (49 Stat. 449), Fair Employment Practices Act bills (S. 1728, H. R. 4453); trade practices, consumer protection, labeling—cotton labeling bill (S. 124), fiber labeling bill (S. 273), fur labeling bill (H. R. 5187), flammable fabrics bill (S. 403), Wool Labeling Act (15 U. S. C., 68 et seq.); economic controls—Defense Production Act of 1950 (H. R. 9176, Private Law 774).

D. (5) $500; (7) $500; (8) $1,000; (9) $1,500; (13) yes; salary from employer.

E. (7) $7.30; (9) $7.30; (10) $36.85; (11) $44.15; (15) $7.30.

A. Mrs. Frances B. Lucas, 1776 D Street NW., Washington, D. C.; executive secretary.

B. National defense committee, National Society Daughters of the American Revolution, 1776 D Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) In general, all legislation concerning defense and freedom; all bills concerning world government, such as S. 56, S. 57, and S. 66; and all bills relating to socialized medicine.

C. (3) Registrant writes articles dealing with legislation and other subjects for two monthly publications of the Daughters of the American Revolution. Such publications are: (a) Press Digest, a four-page leaflet published by Owen G. Dunn, New Bern, N. C. (8,600 copies published); and (b) Daughters of the American Revolution magazine published by Judd & Detweiler, Inc., Florida Avenue and Eckington Place NE., Washington, D. C. (15,000 copies published).

The filing of this report and of subsequent reports is not to be construed as an admission that the registrant is subject to the provisions of the Federal Regulation of Lobbying Act or that she has received or expended funds for the purpose of influencing Federal legislation.

D. (5) $100; (7) $100; (9) $100; (13) no.

E. (8) $1.80; (9) $1.80; (11) $1.80 (15) $1.80.

A. Dr. Carl E. Lunn, volunteer State manager.

B. Townsend National Insurance Plan, Inc., 6875 Broadway, Cleveland, Ohio.

C. (1) Until Townsend plan, "pay as you go," is enacted.

C. (2) Townsend plan, H. R. 2135.

D. (7) $120.17; (8) $385.21; (9) $455.38.

A. A. L. Lynn, vice president, Island Creek Coal Co., Pond Creek Pocahontas Co., Huntington, W. Va.

C. (1) Of a continuing nature.

C. (2) I am not employed to support or oppose specific legislation. I am interested generally in all legislation affecting the coal industry, such as taxes, transportation, Government controls, Government expenditures, etc.

D. (5) $4,990; (7) $4,990; (8) $9,980; (9) $14,970; (13) no. For all services rendered the companies listed below I received the following salaries during the last calendar quarter: Island Creek Coal Co., $3,750; Pond Creek Ponchontas Co., $1,240. Although the above salaries are not paid for the purpose of influencing legislation, they are reported in full for the reason that I am unable to determine what part, if any, of my services comes within the scope of Public Law 601, Seventy-ninth Congress.

E. (7) $69; (9) $69; (10) $220; (11) $289; (15) all.

A. John C. Lynn, American Farm Bureau Federation, 261 Constitution Avenue NW., Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (1) Indefinite.

C. (2) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Appropriations for the fiscal year 1951; section 22 of the Agricultural Adjustment Act; cotton, wheat, peanut, and rice quotas and allotments; wheat marketing certificate program; commercial corn-producing areas; marketing quotas for cigar wrapper tobacco; potato marketing quotas; foreign economic assistance; point 4 program; Foreign Economic Commission; educational exchange; trade policy with Communist countries; customs regulations; agricultural credit; Brucellosis; Government reorganization; rural roads; taxation; social security; postal rates; farm labor; rural housing; farm program; marketing facilities for perishables; production and subsistence loans; Farm Bureau-Extension Service relationships; Cooperative Forest Management Act; antitrust; Defense Production Act of 1950; International Trade Organization; antimerger (corporations); Assistant Secretaries for Agriculture.

C. (3) See report filed for American Farm Bureau Federation for this information.

D. (5) $2,250; (7) $2,250; (8) $4,500; (9) $6,750; (13) no.

E. (7) $328.10; (9) $328.10; (10) $1,311.09; (11) $1,639.19; (15) $328.10.

A. A. E. Lyon, 10 Independence Avenue SW., Washington, D. C.; executive secretary, Railway Labor Executives' Association.

B. Employer listed above.

C. (1) Indefinitely. Legislative activities are a minor part of my work and they are estimated to comprise not more than 20 percent of the total.

C. (2) S. 3295 and H. R. 7789, to amend Railway Labor Act; H. R. 378 and S. 328, to amend section 25 of Interstate Commerce Act; generally interested in all legislation affecting labor, especially railroad labor.

D. (5) $600; (6) $113.05; (7) $713.05.

A. Jonas A. McBride, vice president, national legislative representative, 10 Independence Avenue, Washington, D. C.; representative of railroad labor organization.

B. Brotherhood of Locomotive Firemen and Enginemen, 318 Keith Building, Cleveland, Ohio; railroad labor organization.

C. (1) Indefinite.

C. (2) S. 3463, the Donnell bill to amend the Railway Labor Act (we are opposed); we are also opposed to S. 3295 and H. R. 7789, identical bills to amend the Railway Labor Act as amended. We are interested in all legislation which would affect the interests of the Brotherhood of Locomotive Firemen and Enginemen.

D. (5) $2,499.99; (6) $1,055.90; (7) $3,555.89; (8) $7,432.67; (9) $10,988.56; (13) no.

A. John A. McCart, room 716, AFGE, 900 F Street NW., Washington, D. C.; legislative representative.

B. American Federation of Government Employees, room 716, 900 F Street NW., Washington, D. C.; A. F. of L. Government employee union.

C. (1) Permanently.

C. (2) All bills of interest to Federal Government employees and District of Columbia government employees.

D. (5) $1,246.83; (7) $1,246.83; (9) $3,631.23.

E. (7) $17.80; (9) $17.80; (11) $65.40; (15) $17.80.

A. Frank J. McCarthy, 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C.; the Pennsylvania Railroad Co.

B. The Pennsylvania Railroad Co., 1740 Broad Street Station Building, Philadelphia, Pa.

C. (1) Indefinitely.

C. (2) Any legislation affecting the interest of the Pennsylvania Railroad Co., including: Senate Resolution 50, transportation investigation; S. 238, H. R. 378, H. R. 530, railroad communications and operating rules; S. 211, H. R. 4978, Federal Barge Lines; S. 2113, H. R. 5967, freight forwarders; H. R. 7789, S. 3295, Railway Labor Act; Senate Joint Resolution 99, St. Lawrence seaway; S. 1596, H. R. 4271, mail pay bill.

D. (5) $1,600.

E. (5) $121.50; (8) $330; (15) all.

A. James L. McCaskill, associate secretary, department of higher education and coordinator, National Conference for Mobilization of Education.

B. National Education Association, 1201 Sixteenth Street NW., Washington, D. C.

Purpose: The purpose of the National Conference for Mobilization of Education shall be to further the cooperative efforts of voluntary educational organizations in the mobilization of the Nation. Specific aims of the conference shall include (1) to conduct meetings for cooperative planning related to education and national security; (2) to maintain clearinghouse of information on those aspects of mobilization affecting education; (3) to make it possible to bring to a focal point the various educational problems that arise in the field related to national security so that they may receive proper consideration in national policy formation; (4) to serve as a cooperative channel of communication between organized education in the United States and the Federal Government on mobilization matters of concern to those engaged in education.

C. (1) Both organizations are interested in national legislation directly related to education at all levels, elementary, secondary, and higher.

C. (2) Identical with item 1; specifically, the organizations are interested in legislation which will broaden educational opportunity; for example, S. 246 (81st Cong.), Public Law 475 (81st Cong.), and comparable legislation.

C. (3) Activities related to legislative interest including collection of information with regard to status of legislation and dissemination of information to member organizations; copies of most recent issue of publication attached.

E. The legislative services are incidental services, and expenditures in this particular area cannot be broken down into the categories listed in section E, page 2, of the report; the quarterly salary of the individual making this report is $1,820; less than $300 could be chargeable to legislative activity, and incidental expenditures (cab fares) would not exceed $30.

A. Bryson deHaas McCloskey, Baltimore Life Building, Baltimore, Md.; P. O. Box 1057, Washington, D. C.

C. (1) Legislative interests are planned to continue until purposes accomplished.

C. (2) To inspire legislation (a) requiring all philanthropic and nonprofit organizations to make yearly detailed public reports of all funds they receive and expend; (b) instigating an investigation of the methods employed by big business and their paid agents to prevent the manufacture of a low-priced auto for the people and, with impending war, for the military; (c) instigating an investigation of philanthropies as big business-controlled monopolies; (d) instigating investigation of the United States Post Office Inspection Department as an agent of big business and its paid agents; (e) instigating investigation to determine Federal Government employees who are serving as paid agents of big business and/or the Republican Party, to the detriment of the Democratic Party, elected by the will of the people; (f) instigating investigations and actions to protect small business and small-business men.

C. (3) (a) Tabloid newspaper, Publix Patriot; (b) 5,000 copies; (c) June 1949; (d) Washington Printers; a copy of the first issue is on file attached to previous lobby reports.

A. Warren C. McClure, southwestern representative, Mississippi Valley Association, Box 207, Camden, Ark.

B. Mississippi Valley Association, 511 Locust Street, St. Louis, Mo.; Mid-Continent Association of Industrial, Commercial, and Agricultural Interests.

C. (1) Legislation relating to soil conservation and flood control.

D. (5) $900.

A. Angus McDonald.

B. Farmers Educational & Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office); 300 Independence Avenue SE., Washington, D. C. (legislative office).

C. (1) I am employed exclusively by the employer listed above, and about 80 percent of my time is spent influencing legislation on matters of interest to the National Farmers Union; the specific activities in which I have engaged are set forth in the report covering this quarter filed by the National Farmers Union.

D. My only receipts consist of my salary, which is $6,000 per annum.

E. All expenses incurred by me are paid by the National Farmers Union and the specific items appear in the report submitted by the National Farmers Union covering this quarter.

A. E. L. McDonald, State organizer, 524 Governor Building, Portland, Oreg.

B. The Townsend Plan for National Insurance, 6875 Broadway, Cleveland, Ohio.

C. House bill 2135, Senate bill 2181.

D. (5) $1,311.95; (7) $1,311.95; (8) $1,349.38; (9) $2,661.33; (13) no.

E. (2) $1,311.95; (9) $1,311.95; (10) $1,349.38; (11) $2,661.33.

A. Rev. A. J. McFarland, field secretary, 126 North Eighth Street, Sterling, Kans.; the Christian Amendment Movement, 914 Clay Street, Topeka, Kans.

B. Christian Amendment Movement, 914 Clay Street, Topeka, Kans.

C. (1) Legislative interests will probably continue for several years, but at present the Christian amendment bill is House Joint Resolution 181, in this Eighty-first Congress. The Christian Patriot is the periodical of the movement. It is published in Topeka, Kans. I am not editor.

D. (5) $750; (6) $350; (7) $1,100.

E. (7) $350; (9) $350.

A. Richard McGough, 515 Hoge Building, Seattle, Wash.

B. Employers as listed in original registration. (Northern Pacific Ry. Co. et al.)

C. (1) Employment indefinite (see statement in original registration).

C. (2) Legislation affecting transcontinental railroads operating in State of Washington. S. 3295 and H. R. 7789 (union shop bills).

C. (3) None.

D. (5) $709.29; (6) $714.89; (7) $1,424.18; (8) $601.85; (9) $2,026.03.

E. (7) $714.89; (9) $714.89; (10) $318.52; (11) $1,033.41.

A. Thomas Edward McGrath, 4012 Fourteenth Street NW., Washington, D. C.; Federal lobbying in the interests of the taxpayers of the United States of America, including the Nation's welfare.

D. (5) $160; (7) $180; (8) $360; (9) $540; (13) no.

E. (9) $180; (10) $360; (11) $540; (15) $180.

A. M. C. McKercher, 3860 Lindell Boulevard, St. Louis, Mo.; employee of a labor organization

B. The Order of Railroad Telegraphers, O. R. T. Building, St. Louis, Mo.; a labor organization.

C. (1) Indefinitely.

C. (2) Legislation affecting the welfare of railroad employees.

D. (5) $1,230; (7) $1,230; (8) $1,230; (9) $2,460; (13) no.

A. Royce B. McKinley, 604 Hibbs Building, 725 Fifteenth Street NW., Washington, D. C.; counsel.

B. National Grain Trade Council, 604 Hibbs Building, 725 Fifteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Legislation pertaining to agriculture generally, with especial reference to legislation specifically or indirectly affecting the grain trade. (a) Revenue Act of 1950; Defense Production Act of 1950; (b) H. R. 8920, H. R. 9176, S. 3936.

D. (5) $1,350; (7) $1,350; (8) $2,550; (9) $3,900.

E. (8) $27.60; (9) $27.60; (10) $22; (11) $49.60.

A. Gordon D. McKinney, actuary, the National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.

B. The National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.; trade association.

C. (1) Legislative interests will continue indefinitely.

C. (2) National service life insurance; H. R. 9437, H. R. 9440.

C. (3) (a) Life Association News; (b) 55,000; (c) monthly; (d) Hamilton Printing Co., Albany, N. Y.

D. (5) $164.40; (7) $164.40; (8) $602.80; (9) $767.20; (13) no.

E. (7) $67.23; (9) $67.23; (10) $415.45; (11) $482.68; (15) $67.23.

A. Robert E. McLaughlin, DeSales Building, Washington, D. C.; attorney at law.

B. National Association of United States Storekeeper-Gaugers.

C. (1) Indefinitely.

C. (2) Legislation affecting Federal Government employees in general and storekeeper-gaugers of the Alcohol Tax Unit in particular. Only appearance this year on H. R. 3702.

D. (5) $350; (7) $350; (8) $700; (9) $1,050.

E. (10) $6; (11) $6.

A. W. H. McMains, 1135 National Press Building, Washington, D. C.; trade association representative.

B. Distilled Spirits Institute, 1135 National Press Building, Washington, D. C.; a trade association.

C. (1) Indefinitely.

C. (2) Any legislation affecting the domestic distilling industry; specifically during the third quarter of 1950, S. 1847, a bill to prohibit transportation in interstate commerce advertisements of alcohol beverages.

D. (5) Only a very minor portion of my time is devoted to activities covered under Public Law 601, Seventy-ninth Congress. No expenses have been authorized or incurred for the purposes listed under the act.

A. Geneva F. McQuatters, 1917 I Street NW., Washington, D. C.; woman's organization.

B. The National Federation of Business and Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y.

C. (1) Indefinite.

C. (2) The general legislative interests of the National Federation of Business and Professional Women's Clubs, Inc., are those which affect favorably or adversely the interests of women in business and the professions. (a) The following bills were supported or opposed in the Eighty-first Congress. Supported: Women's Bureau appropriation, the equal-rights amendment (S. J. Res. 25 and H. J. Res. 68); equal pay for equal work (S. 706 and H. R. 1584); Federal aid to education (S. 246); amendment to Displaced Persons Act (H. R. 4567); International Trade Organization (H. J. Res. 236); ECA; genocide convention; Social Security Act (H. R. 6000); raise the rank of heads of women's services (H. R. 7152). Opposed: Women's status bill (S. 1430 and H. R. 2396); bill to prohibit both spouses from Government employment (H. R. 6871); Government health insurance (S. 1679 and S. 1970).

C. (3) (a) The Independent Woman is a monthly magazine, the subscription price of which is included in the national dues. It goes to each member of the organization and usually contains backgrounnd information on legislative items as one of its many articles; (b) quantity, 125,000; (c) monthly; (d) Fleet-McGinley, Baltimore.

D. (5) $833.38; (7) $833.36; (8) $833.32; (9) $1,666.68.

E. (5) $239.56; (6) $71.82; (8) $56.90; (9) $368.28; (10) $354.13; (11) $722.41.

A. James E. Mack, manager, Washington office, National Confectioners' Association, 1028 Connecticut Avenue NW., Washington, D. C.; trade association.

B. National Confectioners' Association, 1 North La Salle Street, Chicago, Ill.; trade association.

C. (1) The National Confectioners' Association had no legislative interest during the quarter ending September 30, 1950. No money was received and none was expended by the registrant in connection with legislation during this period.

A. Lachlan Macleay, president, Mississippi Valley Association, 511 Locust Street, St. Louis, Mo.

B. Mississippi Valley Association, 511 Locust Street, St. Louis, Mo.; midcontinent association of industrial commercial and agricultural interests.

C. (1) Not over 10 percent of time devoted to matters relating to river and harbor maintenance and improvement; the American merchant marine; soil conservation; flood control; regulation of domestic transportation.

D. (5) $4,500.

E. (7) $709.67.

A. W. Bruce Macnamee, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.

B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) H. R. 8964, require armed services to use commercial shipping; H. R. 7786, general appropriation bill—subsidy provisions; H. R. 6061, S. 2484, war-risk insurance; H. R. 9490, S. 4037, Internal Security Act of 1950; H. R. 5346, S. 2786, long-range bill, amend Merchant Marine Act, 1936.

D. (5) $1,050; (6) $65.67; (7) $1,115.67; (8) $2,269.20; (9) $3,384.87; (13) yes.

E. (7) $65.67; (9) $65.67; (10) $169.20; (11) $234.87; (15) $1,115.67.

A. James B. Madaris, general chairman, 220 South Alfred Street, Alexandria, Va.; representative, Brotherhood Railway Carmen of America.

B. Brotherhood Railway Carmen of America, 4929 Main Street, Kansas City, Mo.; labor organization.

C. (2) Bills H. R. 7789, S. 3295, to amend Railway Labor Act; purpose, union shop.

E. (2) $316.82; (7) $164; (9) $980.92.

A. Mrs. Margie Sornson Malmberg, Hotel Congressional, Washington, D. C.

B. American Library Association, 50 East Huron Street, Chicago, Ill.

C. (1) Interested throughout session.

C. (2) H. R. 874, Library demonstration bill (defeated); identical bills, H. R. 1411 and 6059; S. 130 is identical to H. R. 874; interested in H. R. 6000 as it affects librarians; postal bills, H. R. 2945 and S. 1103, as it affects librarians.

C. (3) ALA Washington Newsletter, two issues of 500 copies, mimeographed.

C. (4) Twenty-five letters to Federal Relations Committee.

E. (2) $1,350; (4) $71.47; (7) $625.06; (8) $5.21; (9) $2,051.68.

A. Carter Manasco, 3611 Greenway Place, Alexandria, Va.; public relations and legislative representative.

B. National Business Publications, Inc., 1001 Fifteenth Street NW., Washington, D. C.; trade association for controlled business publications.

C. (1) Interest to continue indefinitely.

C. (2) All legislation affecting controlled business publications.

D. (5) $2,400; (7) $2,400; (8) $4,800; (9) $7,200.

E. (6) $14.45; (7) $183.02; (9) $197.47; (10) $175.80; (11) $373.27.

A. Carter Manasco, 3611 Greenway Place, Alexandria, Va.; public relations and legislative representative.

B. National Coal Association, Southern Building, Washington, D. C.; trade association for bituminous coal industry.

C. (1) Interest to continue indefinitely.

C. (2) All legislation affecting the bituminous coal industry.

D. (5) $2,600; (7) $2,600; (8) $5,200; (9) $7,800.

E. (6) $14.45; (7) $183.02; (9) $197.47; (10) $175.80; (11) $373.27.

A. Olya Margolin (Mrs.), 1637 Massachusetts Avenue NW., Washington, D. C.; women's civic organization.

B. National Council of Jewish Women, 1819 Broadway, New York City.

C. (1) Not employed for any particular period.

C. (2) Not employed specifically to support or oppose any legislation, but for the purpose of securing information to be transmitted to headquarters for the preparation of educational and other material.

D. (5) $1,305; (7) $1,305; (9) $1,305.

E. (8) $37; (9) $37; (10) $143.27; (11) $180.27; (15) $37.

A. James Mark, Jr., 1435 K Street NW., Washington, D. C.; legislative representative.

B. United Mine Workers of America, 900 Fifteenth Street NW., Washington, D. C.; labor organization.

C. (1) Indefinitely.

C. (2) Any and all legislation construed to be directly or indirectly beneficial or detrimental to the United Mine Workers of America and its members, H. R. 3023, H. R. 7599, H. R. 3342, H. R. 7996, H. R. 7748, H R. 7749, H. R. 2893, H. R. 3095, H. R. 7786, H. R. 6000, S. 1631, S. 3178, S. 2311, S. 3236, S. 1066.

D. (5) $3,052; (7) $3,052; (8) $3,086; (9) $9,138; (13) no.

A. Baird H. Markham, 50 West Fiftieth Street, New York, N. Y.; executive of national trade association.

B. American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y.; national trade association.

C. (1) Indefinitely.

C. (2) Legislation affecting the petroleum industry.

D. (2) $219.61; (5) $125; (7) $344.61; (8) $6,333.09; (9) $6,677.70.

E. (6) $37.78; (7) $150.28; (8) $31.55; (9) $219.61; (10) $1,499.76; (11) $1,719.37; (15) $344.61.

A. Raymond E. Marks, 43 Sierra Street, Reno, Nev.; secretary-manager, Nevada Railroad Association.

B. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.

C. (1) Continuing.

C. (2) All Senate and House bills and resolutions affecting the interests of Nevada railroads; (a) signal inspection bill; railroad union shop bill; and any other bills affecting Nevada railroads; (b) H. R. 378, S. 238, H. R. 7789, and any other bills affecting Nevada railroads.

D. (5) $893.31; (6) $917.32; (7) $1,810.63; (8) $710.13; (9) $2,520.76; (13) yes; (14) $840.26, Southern Pacific Co.; $840.25, Union Pacific Railroad Co.; $840.25, Western Pacific Railroad Co.

E. (2) $893.31; (6) $39.64; (7) $877.68; (9) $1,810.63; (10) $710.13; (11) $2,520.76; (15) $1,810.63.

A. Donald J. Marran, 25 Broadway, New York, N. Y.; employee of law firm and engaged in general practice of tax law.

B. Chadbourne, Parke, Whiteside, Wolff & Brophy, 25 Broadway, New York, N. Y.; engaged in the general practice of law and general counsel of the American Tobacco Co., 111 Fifth Avenue, New York, N. Y.

C. (1) Legislative interests are expected to continue until tax legislation is passed extending the 85 percent dividends received credit to dividends received from resident foreign corporations to the extent that such resident foreign corporations derive income from United States sources.

C. (2) See (1) above; the proposed legislation was contained in section 120 of H. R. 6712 which was passed by the House of Representatives, second session, Eightieth Congress.

E. (11) $38.50; (15) $38.50.

A. Donald J. Marran, 25 Broadway, New York, N. Y.; employee of law firm and engaged in general practice of tax law.

B. Chadbourne, Parke, Whiteside, Wolff & Brophy, 25 Broadway, New York, N. Y.; engaged in the general practice of law and receive an annual retainer from Chile Exploration Co. for professional services.

C. (1) Legislative interests are expected to continue until tax legislation is passed amending section 116 (a) and section 1621 of the Internal Revenue Code, pertaining to United States citizens earning income from sources outside the United States and withholding required on such income.

C. (2) See (1) above.

A. Winston W. Marsh, 1302 Eighteenth Street NW., Washington, D. C.; general manager of trade association.

B. The National Association of Independent Tire Dealers, Inc., 1302 Eighteenth Street NW., Washington, D. C.; trade association of independent tire dealers.

C. (1) Such legislative interests as I have are expected to continue indefinitely.

C. (2) I have a general legislative interest in statutes or bills which affect the interests of the independent tire dealers. At present I am interested, on behalf of the association, in the smaller defense plants bill (S. 3978 and H. R. 9243) and the antimerger bill (H. R. 2734).

C. (3) The association of which I am general manager neither issues nor causes to be issued any publication solely in connection with legislative interests. The association does publish a weekly printed Dealer News, averaging about eight small-size pages per issue as a part of its regular membership service. The Dealer News discusses subjects of all kinds of interest to members, and in that connection occasionally mentions a statute or bill of Congress of particular concern to independent tire dealers and also in even fewer instances may suggest that members take a position on the matter with their legislative representatives; while it is the association which issues the Dealer News, I as general manager have partial responsibility for its publication, and in some instances write or edit the articles appearing therein; approximately 1,700 copies of each issue of the Dealer News are printed each week by McArdle Printing Co., 2201 M Street NW., Washington, D. C.

D. (5) $6; (7) $6; (8) $135.20; (9) $141.20; (13) no. Explanation of item 5 of paragraph D: As general manager of the National Association of Independent Tire Dealers, Inc., I receive a salary of $10,000 per year, paid in semimonthly installments of $416.67, together with actual expenses incurred in the performance of my duties; I have all the duties customarily assigned to a general manager of a trade association, and I have not been employed especially to perform any duties in connection with legislative interests, nor are any such duties specified as a part of my regular functions. Consequently, any such activities are extremely minor and only incidental to my other functions; during the third quarter of 1950 I spent only about 1 hour in connection with legislative interests, no matter how broadly that term may be construed; that time was spent attending a conference of managers of small business associations to discuss means of supporting passage of the antimerger bill (H. R. 2734); I have therefore listed a proportionate part of my salary, amounting to $6, under item 5 of paragraph D.

E. (11) $10.20.

A. R. B. Marston, director, legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

B. Legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Bills pending before the Eighty-first Congress relating to public education; primary interest in S. 246, H. R. 5939, H. R. 7160, H. R. 1551.

C. (3) As head of the legislative-Federal relations division, I approve issuance of published materials for the third calendar quarter as noted under C (3) in the report of the legislative-Federal relations division of the National Education Association of the United States, filed September 30, 1950.

D. (5) $1,369.51; (7) $1,369.51; (8) $3,345.63; (9) $4,715.14.

E. (7) $18.50; (9) $18.50; (10) $394.66; (11) $413.16.

A. Guy Martin and Robert A. Saltzstein, attorneys at law, 1015 Ring Building, Washington, D. C.

B. Emergency Committee of Small- and Medium-Size Magazine Publishers, 400 Madison Avenue, New York, N. Y.

C. (1) Duration of Eighty-first Congress.

C. (2) Interested in postal-rate legislation, particularly H. R. 2945 and S. 1103.

(3) Client circulated letters to list of magazine publishers (see emergency committee report); no other publications.

D. (5) $2,000; (7) $2,000; (8) $3,000; (9) $5,000.

E. (5) $26; (6) $117.69; (7) $95.61; (9) $239.30; (10) $880.93; (11) $1,120.23; (15) $239.30.

A. Robert F. Martin, executive secretary, Vitrified China Association, Inc., 312 Shoreham Building, Washington, D. C.

B. Vitrified China Association, Inc. (trade association), 312 Shoreham Building, Washington, D. C.

C. Same as reported first quarter 1950.

A. Mrs. Etsu M. Masaoka, 300 Fifth Street NE., Washington, D. C.; nature of business: promoting welfare of persons of Japanese ancestry in the United States (legislation is a part of this activity).

B. Japanese American Citizens League Anti-Discrimination Committee, 406 Beason Building, Salt Lake City, Utah.

C. (1) This is determined at national convention held biennially; next convention is to be held in Chicago, September 28 to October 2, 1950.

C. (2) To promote the welfare of persons of Japanese ancestry in the United States (legislation is a part of this activity) (a) to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permament residence; to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; to make immigration quotas available to Asian and Pacific peoples, and for other purposes; other legislation affecting persons of Japanese ancestry; (b) House Joint Resolution 238, H. R. 199.

D. (5) $250; (9) $250.

E. The information requested in section E will be sent in by our national headquarters, 406 Beason Building, Salt Lake City, Utah.

A. Mike M. Masaoka, 300 Fifth Street NE., Washington, D. C.; nature of business, promoting welfare of persons of Japanese ancestry in the United States (legislation is a part of this activity).

B. Japanese American Citizens League Anti-Discrimination Committee, 406 Beason Building, Salt Lake City, Utah.

C. (1) This is determined at national convention held biennially; next convention is to be held in Chicago September 28 to October 2, 1950.

C. (2) To promote the welfare of persons of Japanese ancestry in the United States (legislation is a part of this activity); (a) to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence; to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence, to make immigration quotes available to Asian and Pacific peoples, and for other purposes; other legislation affecting persons of Japanese ancestry; (b) House Joint Resolution 238, H. R. 199.

A. Will Maslow, 1834 Broadway, general counsel, American Jewish Congress.

B. American Jewish Congress, Inc., 1834 Broadway, New York, N. Y.; religious, charitable, educational corporation.

C. (1) Indefinite.

C. (2) To oppose anti-Semitism and racism in all its forms and to defend civil liberties incident thereto; no specific activities for this quarter, except H. R. 9490.

D. (5) $112.50; (7) $112.50; (8) $225; (9) $337.50.

E. (11) $30.

A. Walter J. Mason, 901 Massachusetts Avenue NW., Washington, D. C.; member, national legislative committee, A. F. of L.

B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.; federation of trade and labor unions.

C. (1) Indefinitely.

C. (2) Legislation affecting the interests of working people.

D. (5) $2,578 and actual expenses.

E. The only expenditures I have are actual expenses for taxis, phones (when away from office) and minor miscellaneous expenses; they all average about $20 per week; for the third quarter of 1950, these expenses were $148.

A. P. H. Mathews, assistant to vice president, Association of American Railroads, Transportation Building, Washington, D. C.

B. Association of American Railroads, Transportation Building, Washington, D. C.

C. (1) Legislative interest is continuous.

C. (2) Generally to support all legislation which the railroads believe to be in their interest and in the interest of a sound national transportation policy and to oppose all legislation which they believe to be contrary to such interest; bills opposed: H. R. 7789, S. 3295, amendment to Railway Labor Act; H. R. 378, S. 238, operating rules bill; H. R. 8847, S. 3109, to aid shipping on the Great Lakes; H. R. 8320, H. R. 9141, terminal facilities for marketing produce; H. R. 8920, certain amendments to Revenue Act of 1950; H. R. 4978, S. 211, to increase capitalization of Federal Barge Lines; S. 1596, railway mail pay; H. R. 9526, supplemental appropriation bill—one section pertaining to payment for transportation of mail. In support of: S. 3463, amendment to Railway Labor Act; H. R. 2945, postal rate increases; H. R. 8677, reorganization of Panama Canal Corporation; H. R. 8920, certain amendments to Revenue Act of 1950. Of interest: H. R. 9176, Defense Production Act.

C. (3) See report of Association of American Railroads.

D. (5) $4,934.14; (7) $4,934.14; (8) $8,519.96; (9) $13,454.10.

E. (7) $934.15; (9) $934.15; (10) $519.98; (11) $1,454.13; (15) $934.15; included in section D, item 5, above.

A. Mrs. Edson R. Mattice, 132 Third Street SE., Washington, D. C. (home, 311 North Oxford, Arlington, Va.).

B. American Parents Committee, 132 Third Street SE, Washington, D. C.

C. (1) Indefinitely.

C. (2) National school health services bill, H. R. 3942; public school construction bill, H. R. 5718; national child research bill S. 904, H. R. 4465; Federal aid for education; local public health units, H. R. 5865; social-security revisions, H. R. 6000; physically handicapped children's education bill, S. 3102, H. R. 7396; school-lunch appropriation; Children's Bureau's appropriation; Reorganization Plan No. 27.

C. (3) Washington Report on Legislation Affecting Children, 500 mimeographed monthly by Parents' Institute, Inc., Bergenfield, N. J.

D. (5) $154.44; (9) $154.44.

A. Cyrus Maxwell, M. D., 1523 L Street NW., Washington, D. C.; administrative (Washington office).

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.; scientific medicine.

C. (1) Indefinite.

C. (2) All bills relating to health and practice of medicine.

C. (3) (a) Informational bulletin (multilith); (b) 5,500 copies; (c) Irregular intervals; (d) Washington office, AMA.

D. (5) $2,545.64; (7) $2,545.64; (8) $3,130.22; (9) $5,675.86; (13) no.

E. (8) $45.65; (9) $45.65; (10) $53.30; (11) $98.95; (15) $45.65.

A. Elmer E. Meadley.

B. Marion County Residential Builders, Inc., 905 Inland Building, Indianapolis, Ind.; trade association.

C. (1) Indefinitely.

C. (2) Interested in any legislation affecting the construction of housing.

D. (13) No.

A. E. A. Meeks, national representative, National League of District Postmasters, 1110 F Street NW., Washington, D. C.; service organization for postmasters.

B. National League of District Postmasters, 1110 F Street NW., Washington, D. C.; service organization for postmasters.

C. (1) Permanently.

C. (2) Any legislation which affects postmasters.

C. (3) The Postmasters' Advocate monthly magazine; (b) 20,000 and up; (c) 15th of month; (d) Fleet-McGinley, Inc., Baltimore, Md.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500.

E. (2) $1,500; (9) $1,500; (10) $3,000; (11) $4,500.

A. Lucien H. Mercier, 402 Metropolitan Bank Building, Washington, D. C.; lawyer.

B. Am not being compensated by anyone in connection with my endeavors, as heretofore reported; I am general counsel in the United States for Benguet Consolidated Mining Co., Balatoc Mining Co., and Heald Lumber Co., all Philippine companies; and my regular monthly compensation would be paid to me whether or not I interest myself in the pending legislation; I am also chairman of the executive committee of the Philippine American Committee, 1025 Connecticut Avenue NW., Washington, D. C., which committee will file a quarterly report through its secretary.

C. (1) Until end of present session.

C. (2) Am interested in the passage by Congress of legislation to amend further the Philippine Rehabilitation Act of April 30, 1946, as amended; the bills now pending, which are identical, are S. 3220 and H. R. 7600.

C. (3) I have not issued or caused to be issued any publications pertaining to this legislation.

D. (13) No. N. B.: The above questions will be answered by the Philippine American Committee; I have assisted in procuring contributions to the committee, but I am not personally to be the recipient of any part thereof excepting for expenses shown below.

E. (6) $229.30; (9) $229.30; (10) $367.49; (11) $596.79.

A. M. C. Merrill, part-time service as executive officer of the Organization of Professional Employees of the United States Department of Agriculture, 6701 Second Street NW., Washington, D. C.

B. One employer only, namely, the Organization of Professional Employees of the United States Department of Agriculture, post office box 381, Washington, D. C., which as an organization has as of this same date filed full information as to the nature of its business and its activities during this same quarter.

C. (1) The aforesaid M. C. Merrill was to be employed only during the months of July, August, and September, 1950, as executive officer of the Organization of Professional Employees of the United States Department of Agriculture, and such action as he may take after September 30, 1950, on behalf of said organization will be purely as an individual member thereof and not as a paid officer or employee; in view of this fact, this present report is the final one to be submitted by said M. C. Merrill and none other will be received by your office.

C. (2) As stated in section B above, affiant has no legislative interests and engages in no legislative activities except in his part-time capacity as executive officer of the Organization of Professional Employees of the United States Department of Agriculture—the legislative interests, publications, expenditures, etc., of said organization during the current quarter being fully set forth in report of even date as filed by said organization.

D. (5) $50; (9) $50; (13) no.

A. James Messer, Jr., 404 Midyette-Moor Building, Tallahassee, Fla.; attorney at law;

also counsel and executive secretary, Florida Railroad Association.

B. Florida Railroad Association, 404 Midyette-Moor Building, Tallahassee, Fla., an association composed of Atlantic Coast Line Railroad Co., Seaboard Air Line Railroad Co., Louisville & Nashville Railroad Co., Southern Railway System, and Florida East Coast Railway Co.

C. (1) Indefinite; my legislative work before the Congress is only intermittent and infrequent.

C. (2) Proposed legislation of interest to members of Florida Railroad Association set forth above under B. (a) At present time I am interested in H. R. 378, known as communications bill, and union shop and check-off bills, known as H. R. 7789 and S. 3295.

D. (1) $2,512.50; (7) $2,512.50; (8) $5,025; (9) $7,537.50; (13) yes; (14) $3,204.18, Atlantic Coast Line Railroad Co., Wilmington, N. C.; $2,667.51, Seaboard Air Line Railroad Co., Norfolk, Va.; $981.39, Florida East Coast Railway Co., St. Augustine, Fla.; $6,853.08, total.

E. (6) $20.12; (7) $111.67; (9) $131.79; (10) $159.38; (11) $291.17; (15) $291.17.

A. Ross A. Messer, legislative representative, National Association of Post Office Maintenance Employees, P. O. Box 1611, Washington, D. C. (room 512, Victor Building, 724 Ninth Street NW., Washington, D. C.).

B. National Association of Post Office Maintenance Employees, post-office box 1611, Washington, D. C. (room 512 Victor Building, 724 Ninth Street NW., Washington, D. C.); represents maintenance employees of the Post Office Department before Congress and the Post Office Department.

C. (1) My present term of office expires on August 25, 1950 (elected for a 2-year period).

C. (2) All beneficial legislation affecting postal employees in general and post office custodial employees in particular, and retirement or other legislation beneficial to all Government employees.

C. (3) (a) The Post Office Maintenance News, a booklet of 8, 12, or 16 pages, issued monthly, carrying write-ups on legislation and other items of interest to the membership, as well as write-ups from our locals throughout the country; (b) 9,000 per month; (c) 5th to 10th of each month; (d) the Progressive Printing Co., H Street NE., Washington, D. C.; this office also mails out approximately 4,000 special news bulletins, 1 page, legal size, mimeographed in this office each month while Congress is in session to keep the membership informed as to legislative activities or other matters of interest to the membership.

D. (5) $500; (7) $500; (8) $500; (9) $1,000; (13) no.

E. (2) $284.15; (4) $199.55; (5) $924.35; (6) $256.17; (7) $76.35; (8) $60.14; (9) $1,900.71; (10) $1,730.88; (11) $3,631.59; (14) $1,900.71; (15) $1,900.71.

A. Jean R. Meyer, an employee of Posner, Berge, Fox & Arent, 1002 Ring Building, Washington, D. C.; the firm of Posner, Berge, Fox & Arent is retained by Associated Third Class Mail Users, 1002 Ring Building, Washington, D. C.

B. See A above.

C. (1) Legislative interests are to continue to October 19, 1951.

C. (2) H. R. 2945 and Senate bill 1103.

D. The registrant is an employee of Posner, Berge, Fox & Arent and is paid a salary as such employee; the duties of the registrant as such employee are to represent clients of the firm in connection with a number of matters, including litigation and other representation; no segregation of the salary paid to the registrant is made by Posner, Berge, Fox & Arent on account of any work done for the Associated Third Class Mail Users, Inc.

E. Any information called for by section E, items 1 through 11, or loans, items 12–14, or item 15, are paid direct by the employer of registrant, Posner, Berge, Fox & Arent, a law firm, which is in turn reimbursed by the Associated Third Class Mail Users; these will be reflected in the report of Mr. Wendell Berge, a member of the firm of Posner, Berge, Fox & Arent.

A. Michigan Associated Businessmen, Inc., 1516 Olds Tower Building, Lansing, Mich.

C. (1) Indefinite; until objective hereinafter set forth is accomplished.

C. (2) Legislation designed to have all business corporations taxed in the same manner and on the same basis, such as the Mason bill, H. R. 5064.

D. (2) $25; (7) $25; (8) $2,335; (9) $2,363; (13) no.

E. (2) $201.13; (4) ($9.99; (5) $7.54; (6) $17.94; (7) $108.30; (9) $344.90; (10) $1,928.83; (11) $2,273.73.

A. P. Harvey Middleton, 38 South Dearborn Street, Chicago, Ill., president of Railway Business Association, a national organization of manufacturers and other concerns engaged in furnishing the railways with material, equipment, and supplies.

B. No money was received or expended by me for legislative activities in the quarter ended September 30, 1950.

A. Mr. Clarence R. Miles, 1615 H Street NW., Washington, D. C.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Listed are bills in which the chamber has legislative interests: H. R. 8920, proposed Revenue Act of 1950; S. 706, equal pay for equal work for women; H. R. 6000, social security; S. 2311, protect United States against subversive activities; H. R. 8923, post office (Federal personnel); H. R. 7824, efficiency ratings (Federal personnel); S. 3830, hiring (Federal personnel); Senate Joint Resolution 195, interim development and operation of the submerged lands of the Continental Shelf; H. R. 7941, Federal Highway Act of 1950; H. R. 4997, create in the Labor Department a Bureau of Accident Prevention; S. 4062, universal military training.

D. (5) $1,218.25; (7) $1,218.25; (8) $2,436.50; (9) $3,654.75.

E. (6) $69.33; (7) $24.70; (9) $94.03; (10) $647.88; (11) $741.91.

A. Harold M. Miles, 65 Market Street, San Francisco, Calif.; special representative, Southern Pacific Co.

B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.

C. (1) Continuing.

C. (2) (a) Railroad union shop bill; (b) H. 7789.

C. (3) See attached list.[2]

D. (5) $108.30; (7) $108.30; (8) $281.58; (9) $389.88; (13) no.

A. Milk Industry Foundation, 1001 Fifteenth Street NW., Washington, D. C.; trade association of milk dealers.

C. (1) Such legislative interests as the foundation has are expected to continue indefinitely.

C. (2) The foundation has a general legislative interest in statutes or bills which affect the interest of milk dealers. It has no specific legislative interest at present.

C. (3) The foundation issues no publications solely in connection with "legislative interests"; it issues a biweekly mimeographed news letter averaging, about four to five pages per issue as a part of its regular membership service; the newsletter discusses subjects of all kinds of interest to members, and on extremely rare occasions mentions an act or bill of Congress of particular concern to milk dealers with the suggestion that members take a position on the matter with their legislative representatives; approximately 1,500 copies of each issue are mimeographed by J. A. Want Organization, Inc., 122 Fifth Avenue, New York City.

[2] Not printed. Filed in the Clerk's office.

D. (1) $1,641.58; (7) $1,641.58; (8) $3,029.15; (9) 4,670.73; (13) no.

E. (3) $1,500; (9) $1,641.58; (10) $3,029.15; (11) $4,670.73.

A. Charles C. Miller, public-relations director, the Rubber Manufacturers Association, Inc., suite 210, Marsh Building, 1832 M Street NW., Washington, D. C.

B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.

C. (1) Legislative interests stated in second quarterly report terminated with quarter ended June 30, 1950.

D. (8) $3,745.20; (9) $3,745.20.

E. (10) $3,745.20; (11) $3,745.20.

A. Dale Miller, room 372, Mayflower Hotel, Washington, D. C.; Washington representative of B.

B. Dallas Chamber of Commerce, Dallas, Tex. The Dallas Chamber of Commerce maintains a Washington representative to assist its members in their business relations with manifold Federal agencies, to report on economic and political trends, and to promote the growth of Dallas and Texas through personal and industrial contacts, legislative interests are minor and incidental.

C. (1) At will of employer.

C. (2) General legislation affecting Dallas and Texas, such as appropriations and revenue bills.

C. (3) Monthly article in Dallas Magazine, regular publication of Dallas Chamber of Commerce. Receipts and expenditures listed herewith include all salary and business expenses, only a small portion of which would come within the purview of the act.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) by employer only.

E. (2) $62.50; (5) $4.47; (6) $20.80; (7) $596.88; (8) $65.35; (9) $750; (10) $1,500; (11) $2,250; (15) $750.

A. Dale Miller, room 372, Mayflower Hotel, Washington, D. C.; public relations.

B. William J. Goodwin, Roslyn, N. Y.

C. (1) No definite term of employment.

C. (2) Affiant represents employer on departmental matters only, and has no legislative interests of any kind.

D. (8) $500; (9) $500; (13) by employer only.

A. Dale Miller, room 372, Mayflower Hotel, Washington, D. C.; executive vice president of B.

B. Intracoastal Canal Association of Louisiana and Texas, Second National Bank Building, Houston, Tex. The Intracoastal Canal Asscciation is a nonprofit, nonpolitical association of public-spirited citizens of Louisiana and Texas who for 45 years have fostered the development of the Gulf Coast through water transportation.

C. (1) At will of employer.

C. (2) River and harbor authorizations and appropriations, such as H. R. 7786 and H. R. 5472.

C. (3) Speech on water transportation, 150 copies mimographed on September 13 by Ex-SPEED-ite Co. Receipts and expenditures listed herewith include all salary and business expenses, only a small portion of which would come within the purview of the act.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) by employer only.

E. (2) $81.30; (4) $7.97; (5) $14.91; (6) $49.04; (7) $790.60; (8) $19.20; (9) $963.02; (10) $468.76; (11) $1,431.78; (15) $963.02.

A. Dale Miller, room 372, Mayflower Hotel, Washington, D. C.; public relations.

B. Texas Gulf Sulphur Co., Newgulf, Tex. and New York, N. Y.

C. (1) At will of employer.

C. (2) Tax legislation. Receipts and expenditures listed herewith include all salary and business expenses, only a small portion of which would come within the purview of the act.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) by employer only.

E. (2) $50; (5) $779.58; (6) $67.68; (7) $253.66; (8) $8; (9) $1,158.87; (10) $2,012.46; (11) 3,171.33; (15) $1,158.87.

A. Millers' National Federation, 309 West Jackson Boulevard, Chicago, Ill.; the national trade association of the wheat-flour milling industry of the United States.

C. (1) See individual reports of Herman Fakler and A. H. Krueger, both of Millers' National Federation's Washington office located at National Press Building, Washington, D. C.

D. (2) $382.50; (6) $82.94; (7) $4.90; (8) $1.20; (9) $471.54; (10) $379.71; (11) $851.25.

A. Minnesota Associated Businessmen,[4] 520 Endicott Building, St. Paul, Minn.; dissemination of information on matters of current interest to businessmen.

C. (1) Legislative interests will continue indefinitely.

C. (2) Federal and State income taxation and governmental expenditures.

D. (1) $812; (7) $812; (8) $2,761.50; (9) $3,573.50.

E. (1) $173.55; (3) $1,394.28; (4) $367.07; (5) $176.87; (8) $25; (9) $2,136.77; (10) $3,152.50; (11) $5,289.37.

A. Minnesota Associated Businessmen, 520 Endicott Building, St. Paul, Minn.; dissemination of information on matters of current interest to businessmen.

C. (1) Legislative interests will continue indefinitely.

C. (2) Federal and State income taxation and governmental expenditures.

D. (1) $865; (7) $865; (8) $3,573.50; (9) $4,438.50; (13) no.

E. (1) $34.55; (3) $412.18; (4) $405.40; (5) $242.20; (9) $1,094.33; (10) $5,289.37; (11) $6,383.70.

A. Mississippi Associated Businessmen, Inc. 301-303 Millsaps Building, post-office box 1329, Jackson, Miss.; association represents the interests of its members to ascertain pending legislation affecting them to obtain beneficial legislation.

C. (1) Until objectives are reached.

C. (2) Legislation relating to Government economy, Government regulation of business, labor, and taxation such as Mason bill, H. R. 5064, amendment to Senator Williams H. R. 3905, Congressman Davis' H. R. 7343.

C. (3) No publications published. Distributed the following: 750 Washington Reports (a bulletin from National Associated Businessmen, Inc., relating Washington affairs) (these publications received as gifts); 10,000 mimeographed form letters and printed copy of Mississippi House Resolution No. 56, which provided for appointment of recess committee of the Mississippi Legislature to make a study of all laws of this State providing for exemptions from taxation of all forms and to report its finding and recommendations to the legislature at its next regular session.

D. (1) $995; (3) $5; (7) $1,000; (8) $4,305; (9) $5,305; (13) no.

E. (2) $369.36; (4) $265.46; (5) $128.53; (6) $73.82; (7) $376.25; (8) $19.18; (9) $1,232.60; (10) $2,019.53; (11) $3,252.13.

A. Missouri-Kansas Businessmen's Association, Inc.,[4] 1210 Waltower Building, Kansas City, Mo.; a league or association of businessmen residing in western Missouri and eastern Kansas who are interested in the future of private, independent business.

C. (1) Period of activity of the association is indefinite. Association will continue its interests until present adverse condiitons relating to independent business are improved.

C. (2) Association is interested in legislation relating to taxation of independent business, labor legislation, and encroachment of government into private industry. (a) Association at present interested in H. R. 3905, H. R. 7343, and H. R. 5064.

C. (3) Bulletin urging equitable tax law (500), mailed May 8, 1950, mimeographed in our office. Bulletin quoting wire from Chairman Doughton and urging equitable tax law (500), mailed May 23, 1950, mimeographed in our office.

D. (2) $195; (7) $195; (8) $481.36; (9) $676.36; (13) no.

E. (4) $181.15; (6) $22.90; (9) $204.05; (10) $1,670.50; (11) $1,874.55.

A. Missouri-Kansas Businessmen's Association, Inc., 1210 Waltower Building, Kansas City, Mo.; a league or association of businessmen residing in western Missouri and eastern Kansas who are interested in the future of private, independent business.

C. (1) Period of activity of the association is indefinite. Association will continue its interests until present adverse conditions relating to independent business are improved.

C. (2) Association is interested in legislation relating to taxation of independent business, labor legislation, and encroachment of government into private industry. (a) Association at present interested in H. R. 3905, H. R. 7343, and H. R. 5064.

C. (3) Bulletin advising status of tax legislation and urging equitable tax law (100), mailed July 6, 1950, mimeographed in our office; bulletin urging equal tax law for all forms of business (250), mailed July 29, 1950, mimeographed in our office; bulletin to directors and officers advising status of Federal tax legislation (25), mailed September 8, 1950; letter advising status of tax legislation and urging contribution of members (750), mailed September 20, 1950, mimeographed in our office.

D. (2) $489; (7) $489; (8) $676.36; (9) $1,165.36; (13) no.

E. (4) $30.06; (5) $4.90; (6) $37.75; (7) $90.98; (8) 28 cents; (9) $163.97; (10) $1,874.55; (11) $2,038.52.

A. Missouri Valley Chapter Association of Refrigerated Warehouses, 508 Security Building, St. Louis, Mo., Albert F. Versen, reporting as secretary; voluntary nonprofit association.

C. (1) Don't know. Depends upon type of legislation.

D. (8) $38.13; (9) $38.13.

E. (10) $38.13; (11) $38.13.

A. Justus R. Moll, 1029 Vermont Avenue NW., Washington, D. C.; lawyer and labor relations consultant.

B. My principal duties for the employer are without legislative interest. O. David Zimring, lawyer, 1029 Vermont Avenue NW., Washington, D. C., is my employer and will pay me my regular salary during such legislative work. Amalgamated Association of Street, Electric Railway and Motor Coach Employes of America, A. F. of L., 1214 Griswold Street, Detroit, Mich., is the secondary employer and will pay my employer, O. David Zimring.

C. (1) Legislative interests will not continue. This is final report.

C. (2) General legislative interests of labor organizations, their members and families, and especially the interests of Mr. Zimring and the above-named association. At the time of my primary registration and during June 1950, the primary legislative interest was in H. R. 6000, Senate Report 1669, and proposed amendments thereto.

C. (3) The association publishes the Union Leader, a weekly journal for its members in the Chicago, Ill. area; it also publishes the Motorman, Conductor, and Motor Coach Operator, a monthly journal for its members in the United States and Canada. These publications are not primarily concerned with legislative interests but have contained in the past and will publish in the future news stories, reports, and recommendations involving pending or suggested bills, resolutions, and constitutional amendment proposals.

C. (4) I am employed on an annual salary by O. David Zimring and I handle labor relations consultations, organizational duties, economic statistics, the presentation and preparation of labor arbitrations, and other matters such as presentations before the Interstate Commerce Commission, etc. My legislative work is incidental to my regular employment and there will be no additional compensation therefor.

D. (5) There were no receipts made or will be made in connection with legislative interests. The association receives per capita dues and initiation fees for use in maintaining and operating its activities as a labor union, but there have been no additional receipts, contributions, or loans made or will be made in connection with legislative interests; (13) no.

E. (2) My salary was the normal salary which would have been paid to me if no legislative work had been performed. None additional was paid for legislative work.

A. F. E. Mollin, 515 Cooper Building, Denver, Colo.; executive secretary.

B. American National Live Stock Association, 515 Cooper Building, Denver, Colo.

C. (1) Capital gains provisions (amendment to sec. 117j) of Internal Revenue Code; Defense Production Act of 1950; Federal beef grading; freight rates; buy American appropriation.

D. (5) $3,000; (7) $3,000; (8) $7,000; (9) $10,000.

E. (6) $16.19; (7) $53.53; (8) $376.86; (9) $446.58; (10) $1,137.07; (11) $1,583.65; (15) $446.58.

A. Donald E. Montgomery,[4] 1129 Vermont Avenue NW., Washington, D. C.

B. International Union, United Automobile, Aircraft, Agricultural Implement Workers of America (UAW-CIO), 411 West Milwaukee Avenue, Detroit, Mich.

A. Donald E. Montgomery, 1129 Vermont Avenue NW., Washington, D. C.

B. International Union, United Automobile, Aircraft, Agricultural Implement Workers of America (UAW-CIO), 411 West Milwaukee Avenue, Detroit, Mich.

A. William W. Mooney, room 406, Bernice Building, Tacoma, Wash.; field representative for the Townsend Plan, Inc., in the States of Washington and Idaho.

B. The Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio; promoting the Townsend plan in the United States Congress.

C. (1) Depends on action in Congress.

C. (2) Townsend Plan bills; in House, H. R. 2135 and H. R. 2136, and in Senate, S. 2187.

C. (3) Send items and notices to the Townsend National Weekly, George B. Fritz, editor, for Dr. Francis E. Townsend; printed at 6875 Broadway, Cleveland, Ohio.

D. (5) $1,383.67; (7) $1,383.67; (8) $2,340.17; (9) $3,723.84; (13) no.

E. (3) $30; (7) $396.81; (9) $426.81; (10) $653.25; (11) $1,080.06.

A. Morgan & Calhoun, 412 Washington Building, Washington, D. C.; attorneys at law.

B. Arnold Haskell, Los Angeles, Calif; M. H. Sherman Co., Los Angeles, Calif.

C. (1) Terminated. No payments during quarter just ended. Final payment will be reported in fourth quarter report.

C. (2) H. R. 8920.

D. (13) No.

A. Morgan & Calhoun, 412 Washington Building, Washington, D. C.; attorneys at law.

B. National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.

C. (1) Terminated. No payment during quarter just ended. Final payment will be reported on fourth quarter report.

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

C. (2) H. R. 8920.
D. (13) No.
A. Gerald D. Morgan and Leonard J. Calhoun, constituting the firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C.; attorneys at law.
B. Aluminum Research Institute, 20 North Wacker Drive, Chicago, Ill.
C. (1) Terminated. Final payment will be reported in fourth-quarter report. No payments during quarter just ended.
C. (2) H. R. 5327, to extend to June 30, 1950, the suspension of duties and import taxes on metal scrap.
D. (13) no.
E. (6) $6.19; (9) $6.19; (10) $18.26; (11) $24.45; (12) $24.45 (15) $6.19.
A. Gerald D. Morgan and Leonard J. Calhoun, constituting the firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C.; attorneys at law.
B. Avon Products, Inc., 30 Rockefeller Plaza, New York, N. Y.; Beauty Counselors, Inc., 17108 Mack Avenue, Grosse Pointe, Mich.; Better Brushes, Inc., Palmer, Mass.; Stanley Home Products, Inc., Westfield, Mass.; C. H. Stuart & Co., Inc., Newark, N. Y.
C. (1) Terminated. Final payments will be reported in report for the fourth quarter.
C. (2) Legislation providing for extending social-security coverage to all persons gainfully employed, and in connection therewith to advocate and support coverage of the self-employed persons who market a company's products as self-employed persons. H. R. 6000, Social Security Act amendments of 1949.
D. (5) $2,200 ($600 received from Beauty Counselors, Inc., and $400 each from other four companies); (7) $2,200; (8) $6,000; (9) $8,200; (13) no.
A. Gerald D. Morgan and Leonard J. Calhoun, constituting the firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C.; attorneys at law.
B. National Tax Equality Association, 231 South La Salle Street, Chicago, Ill.
C. (1) Indefinite. Will continue through 1950.
C. (2) Firm retained as Washington counsel for all legal matters affecting NTEA, including legal aspects of various legislative proposals relating to taxation of cooperatives and other corporations enjoying tax exemptions or special privileges.
D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500; (13) no.
A. Gerald D. Morgan and Leonard J. Calhoun, constituting the firm of Morgan & Calhoun, 412 Washington Building, Washington, D. C.
B. The Toilet Goods Association, Inc., 9 Rockefeller Plaza, New York, N. Y.
C. (1) Terminated. No payments in quarter just ended, and no further payments expected.
C. (2) Legislation providing for relief from the existing 20-percent tax on toilet preparations.
D. (8) $1,425; (9) $1,425; (13) no.
E. (10) $11.45; (11) $11.45.
A. Gerald D. Morgan and Leonard J. Calhoun, 412 Washington Building, Washington, D. C.; a law partnership.
B. Western Oil and Gas Association, California Manufacturers Association, Merchants and Manufacturers Association of Los Angeles.
C. (1) Terminated.
C. (2) Social Security Act Amendments of 1949; H. R. 6000.
D. (5) $5,500; (7) $5,500; (8) $2,500; (9) $8,000; (13) no.
A. George W. Morgan, 90 Broad Street, New York, N. Y.; lawyer and executive.
B. Association of American Ship Owners, 90 Broad Street, New York, N. Y.
C. (1) The duration of registrant's employment is indefinite.
C. (2) The registrant is employed as president of the above-named employer and is not employed to support or oppose any specific legislation. During the period for which this report is filed the registrant did, however, support, advocate, or oppose H. R. 483, H. R. 6061, H. R. 6719, and H. R. 9266.
C. (3) Copies of the only issues of any publication in which the registrant caused any article or editorial to be published during the quarter for which this report is filed is annexed hereto and made a part hereof.[1]
D. (5) During the quarter for which this report is made the registrant received and is to receive only his salary and expenses. The portion of registrant's salary that may have been applicable to activities in furtherance of any object necessitating registration under Public Law 601 is estimated to be less than $1,250. The portion of the registrant's expenses that may have been applicable to activities in furtherance of any such object is estimated to be less than $60.
E. (8) During the quarter for which this report is made the registrant has paid only an amount estimated to be less than $60.
A. Fred W. Morrell, 711 Fourteenth Street NW., Washington, D. C.; Washington representative, American Paper and Pulp Association.
B. American Paper and Pulp Association, 122 East Forty-second Street, New York, N. Y.; unincorporated nonprofit trade association.
C. (1) Legislative interests will continue during employment.
C. (2) Legislative interests are legislation affecting the paper and pulp industry in any of its properties, operations, or practices.
D. (5) $225; (6) $125; (7) $350; (9) $350; (13) no.
E. (6) $50; (7) $75; (9) $125; (11) $125; (15) $125.
A. The Morris Plan Corp. of America., 103 Park Avenue, New York, N. Y.; bank holding company.
C. (1) Until final determination of S. 2318 and H. R. 5744 of the Eighty-first Congress or similar legislation.
C. (2) (a) Bank holding company bill; (b) S. 2318 and H. R. 5744.
C. (3) None in second quarter of 1950.
D. (13) No.
E. (10) $11,684.06; (11) $11,684.06.
A. Giles Morrow, executive secretary and general counsel, Freight Forwarders Institute, 1220 Dupont Circle Building, Washington, D. C.
B. Freight Forwarders Institute; transportation trade association.
C. (1) Indefinitely.
C. (2) S. 2113 and H. R. 5967, freight forwarder bills. Any other legislation affecting part IV of the Interstate Commerce Act.
D. (5) $3,750; (6) $175; (7) $3,925.50; (8) $7,530.18; (9) $11,455.68.
E. (5) $26.71 and $881.49; (6) $9.64; (7) $8.78; (9) $926.62; (10) $102.48; (11) $1,029.10; (15) $926.62.
A. Harold G. Mosier, Shoreham Hotel, Washington, D. C.; Washington, D. C., representative of employer.
B. The Glenn L. Martin Co., Baltimore, Md.; aircraft manufacturing.
C. (1) Indefinitely.
C. (2) Legislation in the aircraft field with specific reference to the following as current examples: S. 65, S. 223, S. 426, S. 527, S. 1528, S. 1944, S. 2301, S. 243[illegible], S. 2862, Senate Resolution 50, H. R. 73, H. R. 448, H. R. 1437, H. R. 4446, H. R. 6827, H. R. 7724, H. R. 7786, H. R. 7797, House Resolution 331.
D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) yes, employer; salary.
E. (6) $109.75; (7) $490.26; (8) $30.42; (9) $630.43; (10) $2,318.16; (11) $2,948.59; (15) $630.43.

[1] Not printed. Filed in the Clerk's office.

A. William J. Mougey, 200 Hill Building, Washington, D. C.; manager, Washington office, General Motors Corp.
B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.; manufacturer of automotive and other products.
C. (1) See registration statement.
C. (2) See quarterly report sworn to January 10, 1950.
A. Howard E. Munro, room 607, A. F. of L. Building, 901 Massachusetts Avenue, Washington, D. C.; legislative representative.
B. The Canal Zone Central Labor Union and the Metal Trades Council, post office box 471, Balboa Heights, C. Z.
C. (1) February to December 1950, inclusive.
C. (2) Appropriation bills, H. R. 7786 and H. R. 8567; amend Classification Act of 1949, H. R. 7888 and S. 3413; alien retirement, H. R. 4121, H. R. 8114, and S. 3453; prevent military personnel from replacing civilian workers, H. R. 7127 and others; provide for uniforms for employees of the United States Government, H. R. 7305 and others; severance pay, H. R. 7328 and others; reduce excise taxes and for other purposes, H. R. 8920; extend internal revenue laws to territories, H. R. 900, H. R. 7690, and others; provide for the maintenance and operation of the Panama Canal, H. R. 8677 and H. R. 3649, all bills pertaining to annual leave for Federal employees; all other bills pertaining to the Canal Zone working conditions.
D. (5) $1,560.78; (7) $1,560.78; (8) $3,865.44; (9) $5,426.22; (13) yes.
E. (2) $1,006.60; (4) $40.09; (5) $49.77; (6) $60.47; (7) $567.64; (8) $2.68; (9) $1,727.25; (10) $3,698.97; (11) $5,426.22; (15) $1,727.25.
A. Walter J. Munro, 130 Third Street SE., Washington, D. C.; railroad labor union.
B. Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C.; railroad labor union.
D. No money received or expended in connection with legislation.
A. D. P. Murphy, 1408 Enquirer Building, 617 Vine Street, Cincinnati, Ohio; labor representative.
B. International Brotherhood of Firemen and Oilers, Room 1510, 330 South Wells Street, Chicago, Ill.; labor organization.
C. (1) Indefinite.
C. (2) H. R. 7789, to amend the Railway Labor Act; S. 3295, amend Railway Labor Act; S. 3463, amend Railway Labor Act; generally interested in all legislation affecting labor, especially railroad labor.
E. (2) $381; (7) $240; (9) $621.
A. Dr. Emmett J. Murphy, 5737 Thirteenth Street NW., Washington, D. C.; Washington representative of National Chiropractic Insurance Co., Inc., Webster City, Iowa.
B. National Chiropractic Insurance Co., Webster City, Iowa; insures chiropractors against malpractice suits; activities also benefit the National Chiropractic Association, Inc., but no salary or other compensation is paid by that organization for such activities.
C. (1) Permanent.
C. (2) Insurance coverage of employer is restricted to chiropractors. Legislative interest of employer is to promote the welfare of its policyholders and prevent discrimination against the chiropractic profession. House Joint Resolution 422, H. R. 1512, S. 2025.
D. (5) $300; (7) $300; (8) $600; (9) $900.
E. (8) $300; (9) $300; (10) $600; (11) $900; (15) $300.
A. Ray Murphy, general counsel, Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.
C. (1) Indefinite.
C. (2) Legislation affecting casualty and surety companies. No specific legislative interests during the third quarter of the year.

C. (3) Registrant has issued no publications in connection with legislative interests.

D. (5) $75; (7) $75; (8) $150; (9) $225; (13) no.

A. National Agricultural Limestone Association, Inc.,[5] 1424 K Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

C. (3) The only publications utilized are letters to members which are issued as the occasion arises.

D. (1) $1,932.88; (7) $1,932.88; (9) $1,932.88.

E. (2) $1,500; (4) $70.28; (5) $322.60; (7) $40; (9) $1,932.88.

A. National Agricultural Limestone Association, Inc.,[4] 1424 K Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

C. (3) The only publications utilized are letters to members which are issued as the occasion arises.

D (1) $1,947.65; (7) $1,947.65; (8) $1,932.88; (9) $3,880.53.

E. (2) $1,500; (4) $71.04; (5) $340.91; (7) $3..70; (9) $1,947.65; (10) $1,932.88; (11) $3,880.53.

A. National Agricultural Limestone Association, Inc., 1424 K Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) All legislation which directly or indirectly affects the interests of agricultural limestone producers.

C. (3) The only publications utilized are leggers to members which are issued as the occasion arises.

D. (1) $1,955.15; (7) $1,955.15; (8) $3,880.53; (9) $5,835.68.

E. (2) $1,550; (4) $77.75; (5) $290.40; (7) $37; (9) $1,955.15; (10) $3,880.53; (11) $5,835.68.

A. National Associated Businessmen, Inc., 1025 Vermont Avenue NW., Washington, D. C.; chiefly engaged in the dissemination of economic and political information which member groups translate into action at grass roots, when and if they desire.

C. (1) Indeterminate.

C. (2) NAB is generally interested in laws affecting businessmen particularly with relation to taxation, labor, government regulation of business, social security, and tax privileged corporations in business. Specifically: Excess profits tax bill that is about to be written; renegotiations tax bill that is about to be written; war tax bill of 1951.

C. (3) (a) Washington Report (published by National Associated Businessmen); (b) 30,000 each issue; (c) February 1 and March 1 and April 1 through August 1950.

D. (6) $5,367.49; (7) $5,367.49; (8) $25,071.07; (9) $30,438.56; (12) $2,254.93; (13) yes; (14) North Dakota Tax Equality Committee, Inc., 11½ Broadway, Fargo, N. Dak.; Pennsylvania Associated Businessmen, Inc., 112 Market Street, Harrisburg, Pa.; Nebraska Tax Equality Committee, Inc., 714 Stuart Building, Lincoln, Nebr.; Wisconsin Associated Businessmen, Inc., 231 W. Wisconsin Avenue, Milwaukee, Wis.; New York Associated Businessmen, Inc., Sherburne, N. Y.; Minnesota Associated Businessmen, Inc., 520 Endicott Building, St. Paul, Minn.; Colorado Associated Businessmen, Inc., Symes Building, Denver, Colo.; Illinois Associated Businessmen, Inc., room 1025, 231 S. La Salle Street, Chicago, Ill.; Maryland Associated Businessmen, Inc., 1508 Fidelity Building, Baltimore, Md.; Oklahoma Associated Businessmen, Inc., 135 Northwest Second Street, Oklahoma City 2, Okla.; Virginia Associated Businessmen, Inc.; Travelers Building, Richmond, Va.; Michigan Associated Businessmen, Inc., 1516 Olds Tower Building, Lansing, Mich.; Associated Businessmen of Eastern Missouri, Inc., Paul Brown Building, St. Louis, Mo.; Iowa Associated Businessmen, Inc., post office box 542, Ames, Iowa; Indiana Tax Equality Committee, Inc., 310 Board of Trade Building, Indianapolis, Ind.; Ohio Associated Businessmen, Inc., 198 South High Street, Columbus, Ohio; New Jersey Associated Businessmen, Inc., 112 Bowers Street, Jersey City, N. J.; Missouri-Kansas Businessmens Association, 1210 Waltower Building, Kansas City, Mo.; Tax Equality Committee of Kentucky, Columbia Building, 401 West Main Street, Louisville, Ky.; total, $29,601.82.

E. (2) $3,405.77; (4) $157; (5) $1,509.72; (6) $441.29; (7) $317.29; (8) $3,038.02; (9) $8,832.37; (10) $9,772.52; (11) $28,604.89.

A. National Association of Attorneys General, 1406 G Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) (a) To confirm and establish title in the States to lands beneath navigable waters within State boundaries; (b) H. R. 180, H. R. 8137, S. 1545, and similar bills.

D. (2) $13,000; (7) $13,000; (8) $25,000; (9) $38,000; (13) yes; (14) $4,000, State of Texas, Austin, Tex.; $6,000, State of California, Los Angeles, Calif.; $3,000, State of Louisiana, Baton Rouge, La.; $13,000, total.

E. (2) $5,150.55; (4) $63.02; (5) $513.31; (6) $404.76; (7) $1,330.39; (8) $859.25; (9) $8,321.28; (10) $20,951.22; (11) $29,272.50.

A. National Association of Consumers, 265 Henry Street, New York, N. Y.; the National Association of Consumers is a nonpartisan, nonprofit organization devoted to the advancement and protection of the economic welfare of Americans as consumers.

C. (1) Legislative interests are part of our program for consumers.

C. (2) Principle of rent control; Kerr natural-gas bill, H. R. 1758; Reorganization Plan No. 27; appropriation for point 4 program.

C. (3) Bulletin issued to members and subscribers (3,000 copies), published each month except during summer (two published during last quarter). Includes both educational and social action material. Published by Wilgian Press. News letters are sent out at irregular intervals to 50 chapters and subscription groups. Mimeographed.

D. (1) $77; (2) $35; (7) $112; (8) $1,811.69; (9) $1,923.69; (13) yes; (14) $1,000, Consumers Union, 17 Union Square, New York City.

E. (4) $427.84; (8) $77.48; (9) $505.32; (10) $531.12; (11) $1,036.44; (12) $300; (14) $100. Approximately one-third of stated amounts is used for social action.

A. National Association of Direct Selling Companies, 163–165 Center Street, Winona, Minn.; we are a general trade association functioning for the direct selling of distribution.

C. (1) Until legislation referred to in column 2 hereof is disposed of.

C. (2) H. R. 2945, S. 1103, H. R. 6000.

C. (3) We issued no publication, as such; we sent our members one bulletin.

D. (1) $11,512.50; (7) $11,512.50; (8) $21,337.50; (9) $32,850; (13) no. The amount of dues which we have shown in item (1) represents the total receipts from dues received from our members during this quarter. All such dues are used principally for other purposes than influencing legislation. No contributions are received or allocated for such purposes.

E. (4) $10.32; (5) $1.10; (6) $24.75; (7) $25.23; (8) $2.11; (9) $63.51; (10) $1,463.88; (11) $1,527.39. This association has two stenographers, each receiving a monthly salary of $150. A fair allocation of reportable time spent by both is included in the various specific expense items. The law firm of George, Brehmer & McMahon, 165 Center Street, Winona, Minn., is paid an annual retainer of $12,000. This retainer is paid to them regardless of whether or not this firm does anything in respect to Federal legislation. On the average throughout the year a very small part of their time is given to reportable matters.

A. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. The filing of this report is not to be taken as an admission that the Federal Regulation of Lobbying Act is applicable. The National Association of Electric Companies is a trade association whose members are 102 operating electric companies. The preamble of its articles of association describe the functions to be engaged in by the association as follows: "In order to further the interests of the electric utility companies that are members of this association and their investors, employees, and customers; to maintain the integrity and credit of the industry; to present to the public the essential facts about the industry to the end that there may be a better understanding between the utility companies and the public and a better appreciation of utility progress, achievements, and problems; to coordinate regional activities among member companies; to furnish member companies information, reports, and statements concerning various phases of electric utility operations and developments; to further cooperation with all agencies and organizations interested in the supply and purchase of electric light and power; to furnish such agencies and organizations with information, reports, and statements concerning member companies and the electric utility industry; to present the facts to the public concerning the public benefits resulting from the operation of electric utility companies by businessmen under governmental regulations and, generally, to engage in those practices recognized as being legal and proper to further said ends, certain electric utility companies do hereby establish a national association which shall be adequately qualified and empowered to act in every lawful way when concert of policy and action would be helpful." Thus the association functions for the following principal purposes: (1) To keep member companies informed of Washington developments affecting them as operating businesses, including information and analyses of governmental hearings, orders, and regulations, both legislative and administrative; (2) to keep the public, including employees, consumers, and investors, informed concerning the accomplishments of the industry, its achievements in serving the public, and the plans of this industry for the future; (3) to furnish—and aid in furnishing—technical information to the instruments of government and to provide a readily available contact between Government and the industry; (4) to provide the members of the association with a medium through which they can exchange ideas on problems of mutual concern and interest in order to better serve the public; (5) to act for the member companies in matters of common and national concern.

C. (1) The life of the association is of indefinite duration.

C. (2) One of the purposes of the National Association of Electric Companies as set forth in previous registrations and reports filed pursuant to title 3 of the Legislative Reorganization Act of 1946 is to provide its members with a medium through which they can develop and exchange ideas and take appropriate action on problems of mutual concern and interest, including matters involving legislation. The association, therefore, is generally interested in all developments in and of Federal legislation that might affect its members as going electric utilities, including, but not limited to, the following bills and statutes and amendments thereto: H. R. 7786, a bill making appropriations for the support of the Government for the fiscal

[4] Filed for second quarter, 1950.
[5] Filed for first quarter, 1950.

year ending June 30, 1951, and for other purposes; Internal Revenue Code (53 Stat. 1); TVA Act (48 Stat. 58); Federal Power Act (49 Stat. 803); Rural Electrification Act of 1936 (49 Stat. 1363); Reclamation Acts (25 Stat. through 45 Stat.); Flood Control Act, 1944 (58 Stat. 887). For specific details concerning the policy position of the National Association of Electric Companies, see the document entitled "Water Resources, Electric Power and National Policy," prepared in response to an invitation of the Chairman of the President's Commission on Water Resources Policy dated March 2, 1950, for a complete statement of the association's position on policy questions. Copies of this statement have heretofore been filed with the Secretary of the Senate and the Clerk of the House of Representatives.

D. (1) $1,721.29; (6) $12,701.29; (7) $14,422.58; (8) $385,163.57; (9) $399,586.15; (13) yes; (14) the amounts stated in sections D and E of the form are all our receipts from January 1, 1950, to the end of the quarter and all our expenditures for the quarter and are for all the purposes and activities of the association. The expenditures would be considerably less if it were practical to make an allocation or division of time and general expenditures, as between legislative matters (whether or not within the purview of the act) and many other activities of the association.

The following schedule lists the members of the National Association of Electric Companies who have to September 30, 1950, paid dues for the calendar year 1950. Dues paid cover all the purposes and activities of the association. It is further to be noted that article 9 of the articles of association expressly provides that "the association is not the agent of any member unless specifically authorized on a specific matter": $6,409.30, Alabama Power Co., Alabama Power Co. Building, Birmingham, Ala.; $465.22, Arizona Edison Co., Inc., P. O. Box 2669, Phoenix, Ariz.; $647.16, Arkansas-Missouri Power Co., Blytheville, Ark.; $8,186.66, Arkansas Power & Light Co., Little Rock, Ark.; $1,642.96, Birmingham Electric Co., 2100 First Avenue, Birmingham, Ala.; $526.30, California-Pacific Utilities Co., 405 Montgomery Street, San Francisco, Calif.; $4,584.10, Carolina Power & Light Co., 336 Fayetteville Street, Raleigh, N. C.; $1,262.38, Central Arizona Light & Power Co., Phoenix, Ariz.; $1,927, Central Hudson Gas & Electric Corp., Poughkeepsie, N. Y.; $1,853.64, Central Illinois Light Co., 316 South Jefferson Avenue, Peoria, Ill.; $4,195.02, Central Illinois Public Service Co., Illinois Building, Springfield, Ill.; $386.02, Central Ohio Light & Power Co., 120 North Main Street, Findlay, Ohio; $3,040, Central Power & Light Co., 120 North Chaparral Street, Corpus Christi, Tex.; $2,034.44, Central Vermont Public Service Corp., Rutland, Vt.; $8,038.08, Cleveland Electric Illuminating Co., 75 Public Square, Cleveland, Ohio; $4,070.42, Columbus & Southern Ohio Electric Co., 215 North Front Street, Columbus, Ohio; $4,582.84, Connecticut Light & Power Co., 36 Pearl Street, Hartford, Conn.; $1,710.40, Connecticut Power Co., 266 Pearl Street, Hartford, Conn.; $12,303.20, Consumers Power Co., Jackson, Mich.; $3,794.10, Dayton Power & Light Co., 25 North Main Street, Dayton, Ohio; $1,519.98, Delaware Power & Light Co., 600 Market Street, Wilmington, Del.; $15,000, Detroit Edison Co., 2000 Second Avenue, Detroit, Mich.; $8,085.70, Duquesne Light Co., 435 Sixth Avenue, Pittsburgh, Pa.; $701.54, Eastern Shore Public Service Co. of Maryland, 114 North Division Street, Salisbury, Md.; $164.56, Eastern Shore Public Service Co. of Virginia, 114 North Division Street, Salisbury, Md.; $985.28, El Paso Electric Co., 213-215 North Stanton Street, El Paso, Tex.; $1,297.75, Empire District Electric Co., 602 Joplin Street, Joplin, Mo.; $5,953.54, Florida Power & Light Co., Ingraham Building, Miami, Fla.; $8,110.04, Georgia Power Co., Electric Building, Atlanta, Ga.; $939.56, Gulf Power Co., Pensacola, Fla.; $3,815.90, Gulf States Utilities Co., Beaumont, Tex.; $1,835.68, Hartford Electric Light Co., 266 Pearl St., Hartford, Conn.; $2,114.30, Idaho Power Co., Boise, Idaho; $3,198.98, Indianapolis Power & Light Co., Indianapolis 6, Ind.; $2,568.96, Iowa Power & Light Co., Des Moines, Iowa; $2,008.82, Kansas Gas & Electric Co., Wichita, Kans.; $2,878.14, Kansas Power & Light Co., 808 Kansas Avenue, Topeka, Kans.; $3,300, Kentucky Utilities Co., Inc., 159 West Main Street, Lexington, Ky.; $2,513.64, Louisiana Power & Light Co., 142 Delaronde Street, New Orleans, La.; $850.72, Lynn Gas & Electric Co., 90 Exchange Street, Lynn, Mass.; $244.66, Marietta Electric Co., Watson Building, Fairmont, W. Va.; $218.20, Menominee & Marinette Light & Traction Co., 1029 North Marshall Street, Milwaukee, Wis.; $3,057.24, Metropolitan Edison Co., 412 Washington Street, Reading, Pa.; $1,315.68, Minnesota Power & Light Co., 30 West Superior Street, Duluth, Minn.; $1,489.26, Mississippi Power Co., Gulfport, Miss.; $2,350.78, Mississippi Power & Light Co., Lampton Building, Jackson, Miss.; $225.24, Missouri Gas & Electric Service Co., 1108 Main Street, Lexington, Mo.; $1,159.70, Missouri Power & Light Co., 106 West High Street, Jefferson City, Mo.; $784.46, Missouri Public Service Corporation, Hout Building, Warrensburg, Mo.; $3,082.60, Monongahela Power Co., Watson Building, Fairmont, W. Va.; $2,244.92, Montana Power Co., 40 East Broadway, Butte, Mont.; $10.98, Monterey Utilities Corp., Fairmont, W. Va.; $2,000, Mountain States Power Co., 236 Lyon Street, Albany, Oreg.; $1,485.86, New Jersey Power & Light Co., 9 West Blackwell St., Dover, N. J.; $3,205.06, New Orleans Public Service, Inc., New Orleans, La.; $462.90, Northern Arizona Light & Power Co., Prescott, Ariz.; $3,710.74, Northern Indiana Public Service Co., 5265 Hohman Street, Hammond, Ind.; $690.30, Northern Pennsylvania Power Co., Towanda, Pa.; $399.86, Northern Virginia Power Co., Hagerstown, Md.; $8,153.24, Ohio Edison Co., 47 North Main Street, Akron, Ohio; $262, Old Dominion Power Co., 159 West Main Street, Lexington, Ky.; $15,000, Pacific Gas & Electric Co., 245 Market Street, San Francisco, Calif.; $2,750.42, Pacific Power & Light Co., Public Service Building, Portland, Oreg.; $6,028.36, Pennsylvania Electric Co., 222 Levergood Street, Johnstown, Pa.; $1,404.28, Pennsylvania Power Co., 19 East Washington Street, New Castle, Pa.; $9,929.12, Pennsylvania Power & Light Co., Ninth and Hamilton Streets, Allentown, Pa.; $15,000, Philadelphia Electric Co., 1000 Chestnut Street, Philadelphia, Pa.; $4,399.40, Portland General Electric Co., Electric Building, Portland, Oreg.; $1,251.80, Potomac Edison Co., Hagerstown, Md.; $5,324.38, Potomac Electric Power Co., 929 E Street NW., Washington, D. C.; $535.20, Potomac Light & Power Co., Hagerstown, Md.; $3,749.66, Public Service Co. of Colorado, Denver, Colo.; $5,680, Public Service Co. of Indiana, Inc., 110 North Illinois Street, Indianapolis, Ind.; $2,402.36, Public Service Co. of New Hampshire, Manchester, N. H.; $3,625.42, Public Service Co. of Oklahoma, 600 South Main Street, Tulsa, Okla.; $15,000, Public Service Electric & Gas Co., 80 Park Place, Newark, N. J.; $4,920.30, Puget Sound Power & Light Co., 860 Stuart Building, Seattle, Wash.; $3,255, Rochester Gas & Electric Corp., 89 East Avenue, Rochester, N. Y.; $819.44, Rockland Light & Power Co., 10 North Broadway, Nyack, N. Y.; $3,338.28, San Diego Gas & Electric Co., post office box 1831, San Diego, Calif.; $898.86, Savannah Electric & Power Co., 27 West Bay Street, Savannah, Ga.; $1,270.32, South Carolina Power Co., post office box 952, Charleston, S. C.; $257.40, South Penn Power Co., Hagerstown, Md.; $15,000; Southern California Edison Co., Ltd., Edison Building, Los Angeles, Calif.; $1,224.84, Southern Indiana Gas & Electric Co., 20 Northwest Fourth Street, Evansville, Ind.; $2,776.06, Southwestern Gas & Electric Co., 428 Travis Street, Shreveport, La.; $708.41, Southwestern Public Service Co., 418 Polk Street, Amarillo, Tex.; $3,400.16, Texas Electric Service Co., Electric Building, Fort Worth, Tex.; $890.68, Tide Water Power Co., 126 Princess Street, Wilmington, N. C.; $9,331.58, Union Electric Co. of Missouri, 315 North Twelfth Boulevard, St. Louis, Mo.; $3,022.72, Utah Power & Light Co., Kearns Building, Salt Lake City, Utah; $9,800.82, Virginia Electric & Power Co., Richmond, Va.; $2,278.44, Washington Water Power Co., 825 Trent Avenue, Spokane, Wash.; $47, West Maryland Power Co., Watson Building, Fairmont, W. Va.; $5,994.16, West Penn Power Co., 14 Wood Street, Pittsburgh, Pa.; $1,718.94, West Texas Utilities Co., Third and Cypress Streets, Abilene, Tex.; $887, Western Light & Telephone Co., Inc., Huron Building, Kansas City, Kans.; $2,482.66, Western Massachusetts Electric Co., 45 Federal Street, Greenfield, Mass.; $6,493.14, Wisconsin Electric Power Co., Public Service Building, Milwaukee, Wis.; $1,949.34, Wisconsin Gas & Electric Co., Public Service Building, Milwaukee, Wis.; $1,167.68, Wisconsin Michigan Power Co., Public Service Building, Milwaukee, Wis.; $3,443, Wisconsin Power & Light Co., 122 West Washington Avenue, Madison, Wis.; $2,797.26, Wisconsin Public Service Corp., 1029 North Marshall Street, Milwaukee, Wis.; $358,359.90, total. Other receipts (period from January 1, 1950, to September 30, 1950): $3,726.31, National City Bank of New York, interest on amount held in escrow; $37,499.94, withdrawals from salary contract escrow account created in August 1945; $41,226.25, total other receipts.

A. National Association of Home Builders of the United States, 1028 Connecticut Avenue NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) The National Association of Home Builders is a trade association conducting typical trade-association activities, only a small part of which could in any sense be regarded as involving legislative interests. The employees of the association whose principal duties might be regarded as involving legislative interests have registered and regularly report under the Regulation of Lobbying Act. In view of widespread confusion as to appropriate interpretation of the act and our inability to determine the exact meaning and intent of the statute as it applies to trade associations, this report is made under protest. Subject thereto, the association has a general legislative interest in all legislation affecting the home-building industry which, during the quarter covered by this report, included Public Law 774, Defense Production Act of 1950; S. 3746, H. R. 8924, a bill to authorize the creation of private mortgage corporations and to modify the Government's secondary market for FHA-insured and VA-guaranteed residential mortgages; S. 4145, a bill to assist the national defense by authorizing the provision of housing at reactivated military installations, and for other purposes.

C. (3) Although not published in connection with legislative interests, the association publishes a weekly news letter called the Washington Letter and a monthly magazine the Correlator, each of which contains material of interest to the membership, including, as occasion requires, information on legislative matters. During the quarter nine issues of the Washington Letter were published, on the following dates; July 6, 19, and 26; August 4, 14, 23, and 31; September 12 and 22. Approximately 22,000 copies of each issue were printed by Packwood Printing Co., Washington, D. C. With respect to the Correlator, approximately 22,000 copies were run in July, August, and September, by the Darby Printing Co., Washing-

ton, D. C. News releases are from time to time sent to the Associated Press, INS, UP, and other national newspaper wire services by the association for publication in subscribed papers and magazines, some of which releases may contain material which might be considered as affecting legislation directly or indirectly. The association has no means of ascertaining a complete list of the publications utilizing such releases. In the course of the operations of the association numerous inquiries are received from representatives of various newspapers, magazines, and other publications for information and material to be used in the preparation of articles concerning housing and, in some cases, pending legislation. We do not understand that the furnishing of such information or material constitutes causing such article to be published within the meaning of the act. Therefore, and because of the physical impossibility of keeping an accurate account of such situations, no detailed report thereof is made. (NOTE.—All of the above information is contained in the reports of Frank W. Cortright, executive vice president, and John M. Dickerman, legislative director, employees of the association.)

D. (1) $3,414.72; (4) $1,833.64; (6) $10,897.03; (7) $16,145.39; (8) $23,922.25; (9) $40,067.64. Total receipts of the association for the quarter, as set forth on the books of the association, were $115,324.19. Sources thereof were: (a) Membership dues; (b) subscription to the Correlator, monthly magazine of the association; (c) sales of space in Builders Buying Guide (advertising section of the Correlator); (d) surplus from 1950 convention and exposition; and (e) various nominal amounts from such miscellaneous activities as sales of Land Planning Book, NAHB Design Service, etc. The stated total constitutes the general funds of the association. Not included are (a) income from the home builders' education fund, no part of which is to be used in connection with legislative interests, and (b) gross receipts in connection with the annual convention and exposition operation of the association, which operation is run separate and apart from the association. The total receipts reported under D (9) from which expenditures are made, or will be made in connection with legislative interests represents the same proportion of receipts of the general fund as the item of estimated expenses made in connection with legislative interests (item E (9)) bears to total general expenses of the association. Item 13: No part of the funds of the association used in connection with legislative interests are derived from contributions of $500 or more. While some contributions from members of the association may have been in the amount of $500 or more, they are not listed in this report since no part of that fund is to be used in connection with legislative interests.

E. (1) $3,384.99; (2) $6,384.84; (4) $4,314.20; (5) $405.24; (6) $359.03; (7) $904.40; (8) $116.78; (9) $15,869.48; (10) $31,057.65; (11) $46,927.13.

A. National Association of Independent Tire Dealers, Inc., 1302 Eighteenth Street NW., Washington, D. C.; trade association of independent tire dealers.

C. (1) Such legislative interests as the association has are expected to continue indefinitely.

C. (2) The association has a general legislative interest in statutes or bills which affect the interests of independent tire dealers. At present it is interested in the smaller defense plants bill (S. 3978 and H. R. 9243) and the antimerger bill (H. R. 2734).

C. (3) The association neither issues nor causes to be issued any publication solely in connection with legislative interests. It publishes a weekly printed Dealer News averaging about eight small-size pages per issue as a part of its regular membership service. The Dealer News discusses subjects of all kinds of interest to members, and in that connection occasionally mentions a statute or bill of Congress of particular concern to independent tire dealers and in even fewer instances suggests that members take a position on the matter with their legislative representatives. Approximately 1,700 copies of each issue of the Dealer News are printed each week by McArdle Printing Co., 2201 M Street NW., Washington, D. C.

D. (1) $60.15; (7) $60.15; (8) $568.44; (9) $628.59; (13) no.

E. (2) $6; (4) $54.15; (9) $60.15; (10) $568.44; (11) $628.59.

A. National Association of Insurance Agents, 80 Maiden Lane, New York, N. Y.; a voluntary unincorporated membership association comprised of some 27,000 local insurance agencies who are members thereof through affiliated State associations. (See explanatory letter attached hereto and made a part hereof.) [1]

B. See exhibit A,[1] attached hereto and made a part hereof.

C. (1) Indefinitely.

C. (2) Any legislation which affects, directly or indirectly, local property insurance agents: S. 4177 and all other social-security legislation; surety bonding (H. R. 7913), S. 1692, H. R. 2943, etc); Commodity Credit Corporation (S. 2826); Holland-Pepper bill (S. 2973); lobbying (H. Con. Res. 62); War Damage Corporation (S. 4115, S. 4100, H. R. 9682, H. R. 9340, H. R. 9130, H. R. 9312).

C. (3) From time to time articles on legislative matters and position of National Association of Insurance Agents in regard thereto appear in its own publication, the American Agency Bulletin.

D. (1) $2,576.25 (5 percent of $51,525); (7) $2,576.25; (8) $5,152.50; (9) $7,728.75; (13) yes; (14) $2,235.75, Alabama Association of Insurance Agents, 2026 First Avenue North, Birmingham, Ala.; $1,810.50, Arkansas Association of Insurance Agents, 240 Hall Building, Little Rock, Ark.; $11,668.50, California Association of Insurance Agents, 1404 Franklin Street, Oakland, Calif.; $3,654.75, Connecticut Association of Insurance Agents, 99 Pratt Street, Hartford, Conn.; $3,004.50, Florida Association of Insurance Agents, Lykes Building, 203 Franklin Street, Tampa, Fla.; $2,523.75, Georgia Association of Insurance Agents, 314 Trust Company of Georgia Building, Atlanta, Ga.; $5,877, Illinois Association of Insurance Agents, 2132 Insurance Exchange, Chicago, Ill.; $5,835, Indiana Association of Insurance Agents, 501 Chamber of Commerce Building, Indianapolis, Ind.; $3,226.50, Iowa Association of Insurance Agents, 650 Insurance Exchange Building, Des Moines, Iowa; $2,437.50, Kansas Association of Insurance Agents, Capitol Federal Building, Topeka, Kans.; $3,190.50, Kentucky Association of Insurance Agents, 469 Starks Building, Louisville, Ky.; $2,340.75, Louisiana Association of Insurance Agents, Louisiana National Bank Building, Baton Rouge, La.; $5,580, Massachusetts Association of Insurance Agents, 79 Milk Street, Boston, Mass.; $5,715.75, Michigan Association of Insurance Agents, 516 Tussing Building, Lansing, Mich.; $3,843.75, Minnesota Association of Insurance Agents, 550 Builders Exchange, Minneapolis, Minn.; $4,563; Missouri Association of Insurance Agents, 112 North Fourth Street, St. Louis, Mo.; $1,846.50, Nebraska Association of Insurance Agents, 854 Stuart Building, Lincoln, Neb.; $5,796.75, New Jersey Association of Insurance Agents, 24 Commerce Street, Newark, N. J.; $11,302.50, New York State Association of Insurance Agents, 1025 Marine Trust Building, Buffalo, N. Y.; $3,242.25, North Carolina Association of Insurance Agents, P. O. Box 1630, Raleigh, N. C.; $9,167.25, Ohio Association of Insurance Agents, 8 East Long Street, Columbus, Ohio; $3,436.50, Oklahoma Association of Insurance Agents, 305 City National Building, Oklahoma City, Okla.; $2,166, Oregon Association of Insurance Agents, 713 Board of Trade Building, Portland, Oreg.; $10,728.75, Pennsylvania Association of Insurance Agents, 212 North Third Street, Harrisburg, Pa.; $1,536, South Carolina Association of Insurance Agents, 1010 Palmetto Building, Columbia, S. C.; $2,744.25, Tennessee Association of Insurance Agents, 720 Nashville Trust Building, Nashville, Tenn.; $8,506.50, Texas Association of Insurance Agents, Century Building, Fort Worth, Tex.; $2,852.25, Virginia Association of Insurance Agents, 507 Atlantic Life Building, Richmond, Va.; $2,756.25, Washington Association of Insurance Agents, 668 Dexter Horton Building, Seattle, Wash.; $3,942, Wisconsin Association of Insurance Agents, 207 East Michigan Street, Milwaukee, Wis.; $127,531.25, total.

E. (2) $3,014.96; (5) $391.50; (6) $301.10; (7) $118.32; (8) $23.04; (9) $3,848.92; (10) $8,238.40; (11) $12,087.32.

A. National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.; trade association.

C. (1) Legislative interests will continue indefinitely.

C. (2) General legislative interests of the National Association of Life Underwriters pertain to social-security legislation, revision of the Internal Revenue Code and/or regulations which affect policyholders of members of this association, national service life insurance; (a) H. R. 6000, H. R. 8920, H. R. 9437, H. R. 9440.

C. (3) (a) Life Association News; (b) 55,000; (c) monthly; (d) Hamilton Printing Co., Albany, N. Y.

D. (1) $948.74; (7) $948.74; (8) $5,915.69; (9) $6,864.43; (13) no.

E. (2) $274; (6) $298; (7) $361.74; (8) $15; (9) $948.74; (10) $5,915.69; (11) $6,864.43.

A. National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.; this is a nonprofit research and educational organization to develop, coordinate, and supply the public with accurate information about margarine.

C. (1) Only when legislation concerning margarine is pending.

C. (2) During period January-March concerned with H. R. 2023 (Public Law 459, 81st Cong., 2d sess., approved March 16, 1950). Also interested in H. R. 330 and H. R. 4358, which contain proposed amendments to the Navy Ration Statute (34 U. S. C. 902a). Generally interested in any margarine legislation.

C. (3) Not applicable.

D. (8) $16,296.41; (9) $16,296.41.

E. (10) $16,296.41; (11) $16,296.41.

A. National Association of Mutual Savings Banks, 60 East Forty-second Street, New York, N. Y.; trade association of mutual savings banks. The National Association of Mutual Savings Banks is a trade organization for the mutual savings banks. The association is supported by the payment of regular dues by the member banks on a schedule basis to carry on all the activities of the association. This statement is filed by the association although it is believed that the law does no require the filing of such a statement, inasmuch as the legislative activities of the association comprise only a small part of its general activities and are not the principal purpose of the association. The association's functions are, among other things, to encourage thrift, to bring about better lending practices on the part of the institutions, to examine and to assist in the rehabilitation of corporations in which the member banks have a substantial financial interest, to encourage generally sound banking practices through committees of the association, to disseminate information helpful to the operation of the savings banks generally, and to participate

[1] Not printed. Filed in the Clerk's office.

in a proper way before committees of Congress on legislation in which the mutual savings banks have a legitimate interest. In order, however, that there may be no question about the propriety of failing to file these financial statements, the executive committee of the association has instructed that they be filed. The total dues collected during the period for which this report is made amount to $2,612.50, of which amount $550 was the total amount of dues of $500 or more paid by the members of the association. There is attached a list of banks which have paid dues of $500 or more, and the amount so paid.

C. (1) Legislative interests will continue indefinitely.

C. (2) The general legislative interests consist of any legislation which the mutual savings banks have a legitimate interest in supporting or opposing. Specific legislative interests in period July 1 to September 30, 1950, have been Revenue Act of 1950 (H. R. 8920); FDIC Act (S. 2822); Defense Production Act of 1950 (S. 3936); conversion bill (H. R. 5806).

D. (1) $2,612.50; (7) $2,612.50; (8) $9,885.96; (9) $12,498.46. There follows a list of the member banks which have paid in the period July 1 to September 30, 1950, dues in the amount of $500 or more; $550, Bridgeport Peoples' Savings Bank, Bridgeport, Conn.

E. (2) $3,150; (4) $95.13; (5) $26.55; (6) $360.26; (7) $1,004.27; (9) $4,636.31; (10) $6,485.16; (11) $11,121.47. General counsel is to be paid an annual compensation of $36,000 a year for the calendar year 1950. This covers all legal services rendered to the association. General counsel's office assumes its own office overhead. There are three members of the general counsel's office who regularly do legal work for the association. There is one other who performs infrequently some legal work of the association but not connected with legislative activities. An estimate has been made by the general counsel's office of the proportion of their time allocable to purposes designated in subparagraphs (a) and (b) of section 307 of the act. It is their judgment that approximately 10–15 percent of their legal work has to do with such legislative activities and consequently, to be conservative, they have advised the national association that $5,400, or 15 percent of their total compensation, should be allocated for that purpose for the year 1950 in this return which includes their office overhead attributable to the work. For the preceding calendar quarter there should be included one-fourth of the annual compensation, or $1,350. In addition, $1,800 was paid for professional services to J. Milton Cooper.

A. National Association of Postal Supervisors, post office box 2013, Washington, D. C.

C. (1) Permanently.

C. (2) All legislation affecting supervisors in the postal field service and the postal service.

C. (3) Our monthly magazine, the Postal Supervisor, issued on the first of each month, 17,540 copies, printed by Ransdell, Inc., Washington, D. C. Semimonthly news letters to membership, about 8,100 copies each issue, mimeographed by Bates Duplicating Co., Washington, D. C.

D. (1) $5,625; (7) $5,625; (8) $11,250; (9) $16,875; (13) no.

E. (2) $1,875; (4) $2,210; (5) $225; (6) $30; (7) $419.75; (9) $4,759.75; (10) $9,467.50; (11) $14,227.25.

A. National Association of Post Office Maintenance Employees, post office box 1611, Washington, D. C.; room 512–513 Victor Building, 724 Ninth Street NW., Washington, D. C.

B. Represents maintenance employees of the Post Office Department before Congress and the Post Office Department.

C. (1) Indefinitely.

C. (2) Beneficial legislation affecting postal employees in general and post office custodial employees in particular.

C. (3) (a) The Post Office Maintenance News, a booklet of 8, 12, 16 pages issued monthly; write-ups on legislation and other issues of interest to membership, as well as write-ups from our locals throughout the country; (b) 9,000 per month; (c) from the 5th to the 10th of each month; (d) the Progressive Printing Co., H Street NE., Washington, D. C. This office also mails out approximately 4,000 special news bulletins, one-page legal size, mimeographed in this office, each month while Congress is in session to keep our members informed as to legislation activities or other matters of interest to the membership.

D. (1) $11,319.07; (6) $15; (7) $11,343.07; (8) $13,413.46; (9) $24,756.55; (13) no.

E. (2) $884.15; (4) $199.55; (5) $924.35; (6) $256.17; (7) $902.62; (8) $60.14; (9) $3,226.98; (10) $1,985.88; (11) $5,212.86; (15) $3,226.98.

A. National Association of Private Schools, 1010 Vermont Avenue NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Veterans' education and training program outlined in Servicemen's Readjustment Act of 1944, as amended. (a) S. 2596, enacted into Public Law 610, July 13, 1950; (b) possible amendments to above.

D. (1) $6,331; (7) $6,331; (8) $6,820; (9) $13,151; (13) no.

E. (1) $295; (2) $4,184.92; (4) $213.33; (5) $564.12; (6) $351.91; (7) $760.17; (9) $6,369.45; (10) $6,713.27; (11) $13,082.72.

A. National Association of Real Estate Boards, its public relations department and its realtors Washington committee, 22 West Monroe Street, Chicago, Ill., and 1737 K Street NW., Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Any legislation affecting the real-estate industry.

C. (3) Attached is a list of news releases [1] issued during the third quarter which bear on legislative subjects. Complete information as to the extent to which these were published or the dates of publication is not available. Mailing list for these news releases is attached.[1] Mimeographing was done in our Washington office.

D. (1) $7,735.38; (2) $9,695.72; (4) $0.75; (7) $17,431.85; (8) $93,707.60; (9) $111,139.45; (13) yes; (14) $500, Des Moines Real Estate Board, 511 Fifth Avenue, Des Moines, Iowa; $1,380, Boston Real Estate Board, 7 Water Street, Boston, Mass.; $620, Grand Rapids Real Estate Board, 227 Ottawa Avenue NW., Grand Rapids, Mich.; $1,000, Cleveland Real Estate Board, 108 The Arcade, Cleveland, Ohio; $510, Washington Real Estate Board, 1417 K Street NW., Washington, D. C.; $500, Deleware County Real Estate Board, 214 East Sixty-ninth Street, Upper Darby, Pa.; $600, Buffalo Real Estate Board, 1106 Morgan Building, Buffalo, N. Y.; $1,130, Dallas Real Estate Board, 1101 Commerce Street, Dallas, Tex.; $1,000, St. Louis Real Estate Board, 100 Missouri Insurance Building, St. Louis, Mo.; $650, Columbus Real Estate Board, 42 East Gay Street, Columbus, Ohio; $2,230, Real Estate Board of New York, 12 East Forty-first Street, New York, N. Y.; $905, Real Estate Board of Baltimore, Md., 7 Saint Paul Street; $1,000, Denver Board of Realtors, 710 Seventeenth Street, Denver, Colo.; $569, Sacramento Real Estate Board, 809 Jay Street, Sacramento, Calif.; $970, Philadelphia Real Estate Board, southeast corner Thirteenth and Locust Streets, Philadelphia, Pa.; $530, Tulsa Real Estate Board, 1325 Hunt Building, Tulsa, Okla.; $500, Real Estate Board of Rochester, 25 Exchange Street, Rochester, N. Y.; $687.50, Indianapolis Real Estate Board, 704 Inland Building, Indianapolis, Ind.; $500, Omaha Real Estate Board, 734 Keeline Building, Omaha, Nebr.; $865, Pittsburgh Real Estate Board, William Penn Hotel, Pittsburgh, Pa.; $867.50, Louisville Real Estate Board, 610 West Jefferson, Louisville, Ky.; $500, Dayton Real Estate Board, Suite 300, Biltmore Hotel, Dayton, Ohio; $500, Richmond Real Estate Board Exchange, 722 West Main Street, Richmond, Va.; $1,250, Detroit Real Estate Board, 1980 Penobscot Building, Detroit, Mich.; $500, Wichita Real Estate Board, 201 Bitting Building, Wichita, Kans.; $551, San Francisco Real Estate Board, 105 Montgomery Street, San Francisco, Calif.; $1,353.75, Cincinnati Real Estate Board, 612 Mercantile Library Building, Cincinati, Ohio; $690, Camden County Real Estate Board, 706 Federal Street, Camden, N. J.; $570, Oakland Real Estate Board, 1528 Webster Street, Oakland, Calif.; $500, Oklahoma City Real Estate Board, 507 Perrine Building, Oklahoma City, Okla.; $23,928.75, total.

E. (1) $380.24; (2) $17,673.88; (4) $2,267.35; (5) $3,686.11; (6) $9,984.82; (7) $3,889.41; (8) $85.22; (9) $37,967.03; (10) $62,144.88; (11) $100,111.91.

A. National Association of Refrigerated Warehouses, 608 Tower Building, Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Brannan plan; Marketing Facilities Improvement Act (H. R. 9141); Customs Simplification Act (H. R. 8304); social security (H. R. 6000); regulatory power over commodity exchanges (S. 1751).

C. (3) (a) One page mimeographed bulletin; (b) 500 each; (c) August 29, 1950; (d) National Association of Refrigerated Warehouses.

D. (13) No.

E. (4) $15; (9) $15; (10) $19; (11) $34.

A. National Association of Retail Druggists, 205 West Wacker Drive, Chicago, Ill.; George H. Frates, 1163 National Press Building, Washington, D. C.; Washington representative.

B. NARD.

C. (1) Indefinitely.

C. (2) To oppose legislation detrimental to independent retail druggists and to further legislation favorable to the profession; H. R. 8904, to amend the Federal Food, Drug, and Cosmetic Act; H. R. 2734, antimerger bill.

C. (3) NARD Journal, a magazine issued twice a month (first and third Mondays) to our members; about 34,000.

D. (5) $2,800; (7) $2,800; (8) $2,800; (9) $5,600.

E. (2) $514; (5) $452; (6) $115; (9) $1,081; (10) $1,315; (11) $2,396; (15) $3,881.

A. National Association of Retired Civil Employees, 1246 Twentieth Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Legislation affecting retired civil employees. During this quarter H. R. 5032, H. R. 5096, S. 2640, Public Law 601, and various bills to provide for exemption of annuities from taxation.

C. (3) (a) The Annuitant, a publication issued quarterly (January, April, July, October), furnishing information on legislation and various other matters of interest to the membership of the National Association of Retired Civil Employees; also a brief news letter sent monthly, with the exception of January, April, July, and October, to the 39 or more chapters of the National Association; (b) 65,000; (c) July 1950; (d) Trades Unionist.

D. (1) $527.75 (estimated percentage of dues and assessments applicable to lobbying activities); (7) $527.75; (8) $988.70; (9) $1,516.45.

E. (2) $412.50; (7) $115.25; (9) $527.75; (10) $988.70; (11) $1,516.45. NOTE.—The association receives nominal dues from its members, most of which is spent in the in-

[1] Not printed. Filed in the Clerk's office.

terest of retired Federal employees, such as the adjustment of retirement claims, changes of address, publication of the Annuitant, improvement of retirement regulations and procedures, and incidentally sponsoring of legislation which benefits retired Federal employees.

A. National Coal Association, 802 Southern Building, Washington, D. C.; trade association.

C. (1) Indefinite.

C. (2) All measures affecting bituminous coal industry.

C. (3) (a) Pamphlet entitled "The Folly of Foreign Fuel Oil"; (b) 75,000 distributed; (c) July 1950; (d) Moore & Moore, 514 Tenth Street NW., Washington, D. C.

C. (3) (a) Pamphlet entitled "What They Say About the Mounting Flood of Foreign Oil Now Pouring Into the United States"; (b) 10,000 distributed; (c) July 1950; (d) Byron S. Adams, 413 Eleventh Street NW., Washington, D. C.

D. All funds received are paid into the general fund of the organization and are derived from the voluntary contributions of its constituent members on the basis of a fixed formula related to coal production. No attempt has been made herein to set forth the names and addresses of the individual contributing members inasmuch as none of the funds received during the period from July 1 through September 30, 1950, have been earmarked either by the contributor or the association for any of the purposes designated in subparagraph (a) or (b) of section 307, title III, Legislative Reorganization Act of 1946. Total receipts of the National Coal Association for the period from July 1, 1950 through September 30, 1950, derived from the sources indicated in the paragraph above, $418,976.51.

E. The figures set forth herein represent an estimated proportion of the expenditures of the association which, in the opinion of the management, may be regarded as related to legislative activity, covering expenditures made during the period from July 1, through September 30, 1950.

Activity	Related percent	Proportionate expenditure
General and administrative	13.03	$5,555.01
Market promotion (includes $338.77 paid to George A. Lamb and $313.81 paid to W. F. Schulten, both of Pittsburgh, Pa., for reimbursement of expenses)	81.07	11,968.05
Coal heating service	None	None
Bureau of coal economics	None	None
Public relations	4.71	8,614.92
Mining engineering education	None	None
Mine safety department	None	None
Legislative:		
Paid to L. H. Parker, 608 Colorado Bldg., Washington, D. C.	100.00	4,000.00
Paid to Carter Manasco, 3611 Greenway Pl., Alexandria, Va.	100.00	2,400.00
Miscellaneous telephone, telegraph, travel, etc.	100.00	390.67
Engineering department	None	None
Traffic department	None	None
Law department:		
Paid to Cooper & Griffin, Washington Bldg., Washington, D. C.	100.00	3,000.00
General	15.00	1,275.06
Total sum of expenditures for period from July 1, 1950, through Sept. 30, 1950		37,203.71

The above figure, $37,203.71, representing the estimated proportion of the expenditures of the association which may be regarded as related to legislative activity, is 8.9 percent of the total receipts of the association for the quarter.

A. National Committee To Defeat the Mundt Bill, 902 Twentieth Street NW., Washintgon, D. C.; a temporary legislative committee to defeat the Mundt bill in any form.

C. (1) Legislative interest continues while Mundt bill or any similar bill is before Congress or a congressional committee.

C. (2) General legislative interest of committee is in defeat of bills aimed at proscribing or limiting the constitutional liberties of the American people, specifically the Subversives Activities Control Act, S. 2311; H. R. 7595; H. R. 9490; S. 4037; S. 4061; S. 4130.

C. (3) The committee issues legislative bulletins on the status of the bills as occasion demands, in quantity of about 1,300. It has published a 16-page analysis of the Mundt-Ferguson-Nixon bills in pamphlet form, called Hey Brother, There's a Law Against You, in quantity of 50,000, printed by Kaufman Press, Inc., March 1950. In addition, the committee distributes printed matter on the bills issued by others.

D. (2) $2,842.22; (6) $167; (7) $3,009.22; (8) $7,013.57; (9) $10,022.79; (13) yes; (14) $500, Mrs. Luke I. Wilson, 8080 Rockville Pike, Bethesda, Md.; $900, New York Committee To Defeat the Mundt Bill, 11 West Forty-second Street, New York, N. Y.

E. (2) $900; (4) $944.84; (5) $351.83; (6) $282.62; (7) $525; (8) $97.60; (9) $3,101.89; (10) $7,024.64; (11) $10,126.53.

A. National Committee for Repeal of Wartime Excise Taxes, 60 East Forty-second Street, New York, N. Y.; a national committee of business executives organized for the purpose of seeking the repeal of the wartime excise taxes (except those on alcohol, tobacco, and gasoline).

C. (1) Indefinitely.

C. (2) Repeal of the excise taxes (other than those on alcohol, tobacco, and gasoline) enacted or increased in 1941, 1942, and 1943.

C. (3) (a) Booklet discussing the "how" and "when" of wartime excise tax repeal; pamphlet entitled "Excise Taxes Should Be Repealed" prepared for United States Senate Committee on Finance; (b) 2,995 copies, 800 copies; (c) January 12, 1950, July 5, 1950; (d) Dependable Printing Co., Inc.; Byron S. Adams. Washington Post and Times-Herald of January 30, 1950; Daily News and Evening Star of January 31, 1950.

D. (1) $11,000; (7) $11,000; (8) $57,750; (9) $68,750; (13) yes; (14) $2,500, Coro, Inc., 47 West Thirty-fourth Street, New York, N. Y.; $2,500, the Hotstream Heater Co., 2363 East Sixty-ninth Street, Cleveland, Ohio; $2,500, the J. L. Hudson Co., Detroit, Mich.; $2,500, the Lambert Co., 930 Newark Avenue, Jersey City, N. J.; $2,500, the League of New York Theaters, Inc., 234 West Forty-fourth Street, New York, N. Y.; $2,500, Office Equipment Manufacturers Institute, 1903 N Street NW., Washington, D. C.; $2,500, Robertshaw-Fulton Controls Co., 110 East Otterman Street, Greensburg, Pa.; $2,500, Scruggs, Vandervoort-Barney, Inc., 931 Olive Street, St. Louis, Mo.; $2,250, General Electric Co., 570 Lexington Avenue, New York, N. Y.; $2,250, Radio Corporation of America, 30 Rockefeller Plaza, New York, N. Y.; $1,250, Affiliated Gas Equipment, Inc., 17877 St. Clair Avenue, Cleveland, Ohio; $1,250, Air Transport Association of America, 1107 Sixteenth Street, Washington, D. C.; $1,250, Allied Stores Corp., 1440 Broadway, New York, N. Y.; $1,250, American Airlines, Inc., 100 East Forty-second Street, New York, N. Y.; $1,250, Baker and Co., Inc., 113 Astor Street, Newark, N. J.; $1,250, Bulova Watach Co., 630 Fifth Avenue, New York, N. Y.; $1,250, Capital Airlines, Inc., National Airport, Washington, D. C.; $1,250, the Dayton Rubber Co., 27 William Street, New York, N. Y.; $1,250, Decca Records, Inc., 50 West Fifty-seventh Street, New York, N. Y.; $1,250, Delta Airlines, Atlanta Municipal Airport, Atlanta, Ga.; $1,250, Edison Bros. Stores, Inc., 315 Washington Avenue, St. Louis, Mo.; $1,250, Elgin National Watch Co., Elgin, Ill.; $1,250, Federated Department Stores, Inc., Federated Building, Cincinnati, Ohio; $1,250, the Greyhound Corp., 2600 Board of Trade Building, Chicago, Ill.; $1,250, A. Hollander & Son, Inc., 143 East Kinney Street, Newark, N. J.; $1,250, Luggage & Leather Goods Mfrs. Assn. of America, 220 Fifth Avenue, New York, N. Y.; $1,250, the May Department Stores Co., Seventh and Olive Streets, St. Louis, Mo.; $1,250, Nash-Kelvinator Corp., 14250 Plymouth Road, Detroit, Mich.; $1,250, National Fur Tax Committee (Julius Green Fur Co.), 330 Seventh Avenue, New York, N. Y.; $1,250, National Piano Mfrs. Assn. of America (Jesse French & Sons), Elkhart, Ind.; $1,250, New York State Safe Deposit Assn., 25 Broad Street, New York, N. Y.; $1,250, North American Fur Auctions Assn., Inc., 132 West Thirty-first Street, New York, N. Y.; $1,250, Parker House-G. J. Sherrard Co., Parker House Hotel, Boston, Mass.; $1,250, the Philco Corp., Philadelphia, Pa.; $1,250, the Pullman Co., 222 West North Bank Drive, Chicago, Ill.; $1,250, Servel, Inc., 119 N. Morton Avenue, Evansville, Ind.; $1,250, Stix-Baer & Fuller Co., Sixth and Washington Avenue, St. Louis, Mo.; $1,250, Swank, Inc., Attleboro, Mass.; $1,250, Transcontinental & Western Air, Inc., 630 Fifth Avenue, New York, N. Y.; $1,250, United Air Lines, Inc., 5959 S. Cicero Avenue, Chicago, Ill.; $1,250, United Paramount Theatres, Inc., 1501 Broadway, New York, N. Y.; $1,250, United States Independent Telephone Assn., 411-17 Munsey Building, Washington, D. C.; $1,000, Speidel Corp., 70 Ship Street, Providence, R. I.; $500, Admiral Corp., 3800 Courtland Street, Chicago, Ill.; $500, Bristol-Myers Co., 630 Fifth Avenue, New York, N. Y.; $500, Columbia Records, Inc., 1473 Barnum Avenue, Bridgeport, Conn.; $500, the W. A. Green Co., Dallas, Tex.; $500, Hotels Statler Co., Inc., Thirty-third and Seventh Avenue, New York, N. Y.; $500, the Mennen Co., 2 Broad Street, Bloomfield, N. J.; $68,500 total.

E (2) $16,843.65; (4) $7,634.92; (5) $216.28; (6) $469.45; (7) $1,941.90; (8) $215.60; (9) $27,321.80; (10) $62,266.73; (11) $89,588.53.

A. National Committee for Strengthening Congress, 1135 Tower Building, Washington, D. C.; as indicated by title of committee.

C. (1) Legislative interests will continue indefinitely.

C. (2) Legislative interests include any and all legislation dealing with the organization of Congress.

D. (13) No.

E. (10) $120.69; (11) $120.69.

A. National Congress of Parents and Teachers, 600 South Michigan Avenue, Chicago, Ill.; the organization is a nonprofit corporation under the laws of the District of Columbia.

C. (1) The legislative interests of the organization will continue indefinitely.

C. (2) The general legislative interests of the national congress are concerned with measures which affect the welfare of children and youth in fields of education; social and economic well-being; child labor and environmental situations; Federal research agencies in education, health, juvenile protection, and homemaking; world understanding and peace among nations. The national congress may support or oppose specific statutes and bills which relate to the area of its general legislative interests.

C. (3) The legislative interests of the national congress are reported upon from time to time in National Parent-Teacher, the official magazine of the National Congress of Parents and Teachers.

D. The National Congress of Parents and Teachers does not receive any contributions for the purposes designated in subparagraphs (a) or (b) of section 307 of the Federal Regulation of Lobbying Act. Its expenses in connection with its limited legislative activities are paid out of general corporate funds. Such general corporate funds are derived principally from membership fees and

from so-called founder's day gifts. During the second quarter of 1950, that is to say, from April 1 to June 30, 1950, the receipts of the national congress were as follows: Membership fees, $49,565.55; life membership fees, $1,150; founder's day gifts, $38,259.01; total, $88,974.56. As will appear below, the national congress expended out of its total receipts the sum of $250 for legislative activities.

E. The legislative activities of the National Congress of Parents and Teachers are carried on through the chairman of the standing committee on legislation and the chairman of the Washington committee on legislation. Ethel G. Brown, of 1134 North Orange Drive, Los Angeles, Calif., is the chairman of the standing committee on legislation; Mrs. Edna Callaghan, of 2032 Belmont Road NW., Washington, D. C., is the chairman of the Washington committee on legislation. During the period from January 1 to March 31, 1950, the total expenditures of the national congress in connection with legislative interests was $250. This sum was paid to the chairman of the standing committee on legislation to defray her out-of-pocket expenses and the out-of-pocket expenses of the chairman of the Washington committee on legislation. As will appear from the separate report filed by the chairman of the standing committee on legislation, some part of the $250 so received by her was disbursed to the chairman of the Washington committee on legislation to defray the latter's out-of-pocket expenses in connection with the legislative activities of the national congress.

A. National Cotton Compress and Cotton Warehouse Association, 586 Shrine Building, Memphis, Tenn.; 1037 Woodward Building, Washington, D. C. (see note A [2]).

C. (1) Indefinite.

C. (2) Any matters affecting the cotton compress and cotton warehouse industry.

C. (3) None, other than mimeographed news letters and bulletins to membership.

D. (1) $348.79; (7) $348.79; (8) $1,159.47; (9) $1,508.56; (13) no.

E. (2) $229.37; (4) $85.27; (6) $34.15; (9) $348.79; (10) $1,159.77; (11) $1,508.56.

A. National Cotton Council of America, post office box 18, Memphis, Tenn.; nonprofit welfare organization to promote the consumption of American grown cotton, cottonseed, and products thereof. The National Cotton Council of America is an organization representing the combined raw cotton industry of the United States, including in its membership cotton producers, ginners, warehousemen, merchants, cotton spinning mills, cottonseed growers, and consumers of raw cotton fiber (other than spinners). Each of these segments of the industry maintains its own organizations or trade associations for the handling of matters in which they have a specific interest. The sole objective of the National Cotton Council is to increase the consumption of cotton, cottonseed, and the products thereof. The National Cotton Council seeks to obtain its objective through programs to increase efficiency in all phases of cotton production, marketing, and processing, through sales promotion; through economic and scientific research; through market analysis; through stimulation of exports, both of raw cotton and processed products; and through legislative activity only when the legislation involved affects the consumption of cotton and its products. Funds for the National Cotton Council are derived through voluntary contributions from the six segments of the industry named in the first paragraphs, above. In the case of each of these six interests, individuals who comprise that interest contribute according to an agreed-upon assessment on each bale of cotton or ton of cottonseed that they produce, handle, or process. All contributions are made to the general fund of the organization and no funds received are earmarked for legislative purposes. Rates of assessment for various segments of the industry are as follows: Producer-ginner, 10 cents per bale (the ginner acts as a collection agency remitting collections to the council. The ginner agrees to pay when the producer is delinquent. This is, however, voluntary); warehousemen, ½-cent per bale; merchants 2 cents per bale on merchandise basis—½-cent per bale on percentage basis; cottonseed crushers, 5 cents per ton on seed crushed; cotton spinning mills, 5 cents per bale; consumer of raw cotton fiber (other than spinners), 5 cents per bale. It will be observed that, since the council does not receive any contributions as such, for legislative purposes, and only makes small expenditures out of its general funds for these purposes, the only way in which the council can report contributions under section 305 of the act is to consider, as contributions to it for legislative purposes, a sum equal to its expenditures for such purposes. The National Cotton Council of America receives no contributions which are earmarked for legislative purposes, and the relatively small expenditures which it makes for such activities is made from its general funds. Its activities in connection with legislative matters are of an incidental nature only and are subordinate to its main purposes. Its expenditures for legislative purposes are chiefly indirect expenditures although, in a few instances, small direct expenses are incurred in this connection. The council maintains its head office in Memphis, Tenn., and it maintains another office in Washington, D. C. The Washington office performs many functions for the council, and only a minor part of the activities of both offices is concerned with legislative matters. Moreover, the Memphis office of the council performs many services for the Washington office, such as mimeographing, stamping, mailing, etc. Therefore, in reporting expenditures for legislative purposes, it is necessary to allocate a proportionate share of total expenditures of the council to legislative expenditures. The expenditures listed on the form include the estimated portion of salary paid to each officer and agent of the council which is chargeable to legislative activities. A number of officers and agents of the council, among their numerous other duties, performs what broadly may be termed legislative activities on behalf of the council. The sum paid to such officer or employee includes a salary for his total activities, plus reimbursable expenditures. Since such officers and employees normally do many things for the council besides incidental work in connection with legislative activities, it is usually necessary to allocate that portion of their salaries and expenses chargeable to legislative activities and that has also been done in computing the following list. The expenditures listed on the form also contain all other direct expenditures of the council for legislative purposes, and likewise represent a proportion of all other expenditures of the council, which in the opinion of the management, reflect its participation in legislative activities during the period covered by this report.

C. (1) Indefinitely.

C. (2) Any legislation affecting the raw cotton industry.

D. (1) $7,885.13; (7) $7,885.13; (8) $9,448.81; (9) $17,333.94; (13) no.

E. (2) $4,637.80; (4) $392.10; (5) $727.70; (6) $542.34; (7) $1,585.19; (9) $7,885.13; (10) $9,448.81; (11) $17,333.94.

A. National Council Against Conscription, 1013 Eighteenth Street NW., Washington, D. C.; the council is a nonprofit organization which exists chiefly for the research, publication and distribution of literature in the field of militarism, universal disarmament, and peacetime conscription. Its only legislative interest is opposition to peacetime conscription.

C. (1) While peacetime conscription legislation is pending.

C. (2) Its only legislative interest is opposition to peacetime conscription. This legislative activity consumes less than one-fifth of the time and money of the organization.

C. (3) Conscription News, a 4-page news letter published twice a month and sent to about 2,500 persons, printed by Drake Press, 916 New York Avenue NW., Washington, D. C.; Baruch versus Vishinsky, 8 pages, 10,200 printed, Sowers Printing Co., Lebanon, Pa.; Total Disarmament or Total War, 8 pages, 100,000 printed, Fellowship Publications, 21 Audubon Avenue, New York City.

D. (2) $42.20; (4) $1,524.30; (7) $2,366.50; (8) $7,796.04; (9) $10,162.54; (13) no.

E. (2) $100.25; (4) $2,895.14; (5) $110.40; (6) $9.82; (8) $6.76; (9) $3,122.37; (10) $11,869.35; (11) $14,991.72.

A. National Council on Business Mail, Inc., 105 West Monroe Street, Chicago, Ill.; a nonprofit organization devoted to dispensing information about the postal service to its membership.

C. (1) Indefinite.

C. (2) Interested in any legislation affecting the postal service and postal rates, H. R. 2945.

C. (3) (a) circular letter; (b) 5,000; (c) July 24, 1950; (d) Gregg-Moore Co., 180 North Wacker, Chicago, Ill.

D. (1) $2,676.76; (7) $2,676.76; (8) $6,918.55; (9) $9,595.31; (item 9 represents 40.25 percent of total receipts for period January 1, 1950, to September 30, 1950); (13) yes; (14) $1,120, Aldens, Inc., 511 South Paulina Street, Chicago, Ill.; $600, Walter Field Co., 600 West Fulton, Chicago, Ill.; $7,000, Sears, Roebuck & Co., 925 South Homan, Chicago, Ill.; $2,000, Spiegels, Inc., 1061 West Thirty-fifth Street, Chicago, Ill.; $700, R. R. Donnelley & Sons Co., 350 East Cermak, Chicago, Ill.; $550, R. L. Polk & Co., 431 Howard Street, Chicago, Ill.; $550, W. Atlee Burpee Co., Hunting Park at Eighteenth Street, Philadelphia, Pa.; $12,520 total.

E. (1) $2,499.99; (4) $48.43; (6) $6.03; (7) $81.90; (8) $40.41; (9) $2,676.76; (10) $6,918.55; (11) $9,595.31.

A. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.; a trade organization for farmer cooperatives marketing farm products and/or purchasing farm supplies.

C. For information under items (1), (2), and (3) for reports filed by members of staff, John H. Davis, John J. Riggle, L. James Harmanson, Jr., Kit H. Haynes, and George S. Peer.

D. (1) $26,791.25; (4) $275.97; (7) $27,067.22; (8) $54,716.55; (9) $81,783.77; (14) $731.25, Apple Growers Association, Hood River, Oreg.; $506.25, Calavo Growers of California, Los Angeles, Calif.; $675, California Almond Growers Exchange, Sacramento, Calif.; $656.25, Mississippi Federated Cooperatives (AAL), Jackson, Miss.; $675, Merrimack Farmers Exchange, Concord, N. H.; $618.75, Lehigh Valley Cooperative Farmers, Allentown, Pa.; $631.25, Norbest Turkey Growers Association, Salt Lake City, Utah; $618.75, Pacific Cooperative Poultry Producers, Portland, Oreg.; $562.50, San Joaquin Valley Poultry Producers Association, Fresno, Calif.; $562.50, San Diego Cooperative Poultry Association, San Diego, Calif.; $562.50, Texsun Citrus Exchange, Weslaco, Tex.; $562.50, Yakima County Horticultural Union, Yakima, Wash.; $731.25, Tri-Valley Packing Association, San Francisco, Calif.; $502.50, Minnesota Farm Bureau Service Co., St. Paul, Minn.; $506.25, Wine Growers Guild, Lodi, Calif.; $9,102.50 total.

E. (2) $13,788.31; (4) $1,822.67; (5) $3,985.68; (6) $1,261.43; (7) $2,764.64; (8) $2,-

[2] Not printed. Filed in the Clerk's office.

631.18; (9) $26,303.91; (10) $49,121.58; (11) $75,425.49.

A. National Council, Junior Order United American Mechanics, North Broad Street, Philadelphia, Pa.; a secret, patriotic fraternal organization.

C. (1) Indefinitely.

C. (2) Periodic legislation for protection of American citizens; restriction of immigration; support American free school system; suppression and control of communism; S. 2311, Communists; S. 2605, cancer; S. 3455, immigration; H. R. 9736, pooling unused immigration quotas; H. R. 9741, naturalization of parents of veterans; H. R. 9753, Communists.

C. (3) Junior American, official organ of corporation; furnished 70,000; printed by Kable Bros. Mount Morris, Ill.

E. (3) $327.04; (9) $327.04; (10) $701.81; (11) $1,028.85.

A. National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C.; peace organization.

C. (1) Indefinitely.

C. (2) Bills affecting world peace, such as the ECA bill, the convention to ratify the genocide convention, the DP bill, military training and service legislation, legislation affecting war crimes procedures, proposals leading to the drafting of peace treaties, point 4 bills, Senator TYDINGS' disarmament resolution (S. Res. 236); Representative WALTER's resolution to help the expellees (H. Con. Res. 188); postage subsidies for relief packages, manpower registration legislation; amending the Trading With the Enemy Act, to give the effect of a peace treaty with Germany and Japan. Bills for educational exchange; military aid bill.

C. (3) Peace action; (a) four-page printed bulletin; (b) 10,000; (c) monthly, about middle of month; (d) National Publishing Co.

D. (1) $240.32, $4,057, $2,949.85, Peace Action subscriptions; (4) $138.54; (5) $16; (7) $7,401.71; (8) $21,105.26; (9) $28,506.97; (13) no.

E. (2) $5,415.03; (4) $338.98; (5) $1,307.76; (6) $139.46; (7) $265.79; (8) $1,139.19; (9) $8,606.21; (10) $22,432.94; (11) $31,039.15.

A. National Economic Council, Inc., Empire State Building, New York, N. Y.; educational organization, not for profit.

C. (1) Our legislative interests will continue in the future as they have in the past.

C. (2) Our general legislative interests are in favoring any legislation that tends to support private enterprise and maintain American independence, and opposing all measures that work contrariwise. The measures with which I have been concerned in the past quarter are the ITO Agreement, the Defense Production Act of 1950 (S. 3936 and H. R. 9176); the proposed loan to Spain; the genocide convention.

C. (3) Council Letter No. 244, Watch Out for Your Liberty, 12,000, reprint, 5,500, August 1, 1950, Brooklyn Eagle Press; Council Letter No. 246, Communist Persecutions Continue, 12,000, September 1, 1950, Brooklyn Eagle Press; Council Letter No. 247, Reject That Genocide Convention, 12,000, September 15, 1950, Brooklyn Eagle Press.

D. (1) $3,122.21; (2) $15,723.51; (4) $11,611.91; (7) $30,457.63; (8) $40,939.35; (9) $71,396.98; (10) $5,500; (11) $500; (13) yes; (14) E. G. Bailey, 85 Liberty Street, New York, N. Y.; Mrs. J. J. Dall, 39 Fifth Avenue, New York; C. M. Funk, 114 Fifth Avenue, New York, N. Y.; Gulf Oil Corp., Gulf Building, Pittsburgh, Pa.; W. H. Regnery, Joanna-Western Mills Co., Twenty-second and Jefferson Streets, Chicago, Ill.; Sayles Finishing Plants, Inc., Saylesville, R. I.; Sayles Biltmore Bleacheries, Inc., Saylesville, R. I.; Robert E. Wood, 925 South Homan Avenue, Chicago, Ill.; Lammot du Pont, du Pont Building, Wilmington, Del.; in addition thereto the council received $5,000 (from V. S. Makaroff, 480 Lexington Avenue and Prince Serge Belosselsky, 79 East Seventy-ninth Street, New York City) for a newspaper advertisement which has been expended for this purpose. It is to be refunded only from receipts in response to such advertisement if and when received.

E. (1) $1,800; (2) $4,577.42; (4) $1,837.78; (5) $371.45; (6) $145.08; (7) $36.78; (8) $306.91; (9) $7,075.42; (10) $20,388.47; (11) $27,463.89.

A. National Education Campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill.

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill; medical association.

C. (1) Indefinite.

C. (2) Any legislation for compulsory health insurance—S. 1679, S. 1456, S. 1581, S. 1970, H. R. 345, H. R. 4312.

C. (3) 3,500, Free Americans Receive an Exciting Invitation From the Doctors; 15,135, It's Your Crusade, Too; 70,000, Your Cooperation Can Help; 6,000, The Boys in Room 1106; 2,594,800, Medical Progress Versus Political Medicine. Quantities hereinabove stated represent the total quantity of each publication issued during this quarter whether by the National Education Campaign, American Medical Association, Clem Whitaker, or Leone Baxter Whitaker.

D. (6) $622,406.05; (7) $622,406.05; (8) $192,141.33; (9) $814,547.38; (13) yes; (14) $622,406.05, American Medical Association, 535 North Dearborn, Chicago, Ill.

E. (1) $508,268.78; (4) $114,137.27 (9) $622,406.05; (10) $192,141.33; (11) $814,547.38; (15) $622,406.05.

A. National Electrical Manufacturers Association, 155 East Forty-fourth Street, New York, N. Y.; trade association.

C. (1) Indefinite.

C. (2) Legislation to remove excise taxes on electric refrigerators, electric ranges, electric water heaters, domestic electric appliances, commercial electric cooking equipment, and legislation with respect to amendment of the Labor-Management Relations Act.

D. (8) $2,500; (9) $2,500; (13) no.

E. (2) $17.92; (5) $3.19; (7) $15.35; (9) $6.46; (10) $1,494.01; (11) $1,530.47.

A. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.; trade association.

B. Members are American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y., trade association; Pacific American Steamship Association, 16 California Street, San Francisco, Calif., trade association; Shipowners' Association of Pacific Coast, 16 California Street, San Francisco, Calif., trade association.

C. (1) Perpetual.

C. (2) Legislation affecting shipping, including H. R. 8964, require armed services to use commercial shipping; S. 3823, amend section 9 of Ship Sales Act of 1916, relating to transfer of vessels to foreign registry; H. R. 7786, general appropriation bill, subsidy provisions; H. R. 6061, S. 2484, war-risk insurance; S. 4058, H. R. 8677, Panama Canal tolls; H. R. 6719, tramp shipping; S. 4037, H. R. 9490, Internal Security Act of 1950; H. R. 9681, S. 4167, waiver of navigation and vessel inspection laws; H. R. 5346, S. 2786, long-range bill, amend Merchant Marine Act, 1936; H. R. 9322, aid to navigation on private structures; H. R. 8813, petroleum on vessels; H. R. 4997, Accident Prevention Act of 1949.

C. (3) Has sent out press releases from time to time; supplied data for publication in press generally.

D. (13) Yes. Membership contributions for 1950 have been received during the quarter from the American Merchant Marine Institute, Inc., 11 Broadway, New York, N. Y. Contributions which have been received are for all federation purposes; they are contributions to general federation surplus and no portion thereof is earmarked or otherwise segregated for lobbying purposes. Lobbying expenses are paid from these funds. The amount of such funds allocable to lobbying for the third quarter is the amount shown as expenditures for the quarter.

E. (2) $7,550; (4) $44.15; (5) $2,000; (6) $249.70; (7) $308.48; (9) $10,152.33; (10) $37,572.61; (11) $47,724.94; (13) $3,000; (14) $3,000.

A. The National Federation of Business and Professional Women's Clubs, Inc., 1819 Broadway, New York, N. Y.

C. (2) The general legislative interests of the National Federation of Business and Professional Women's Clubs, Inc., are those which affect favorably or adversely the interests of women in business and the professions. (a) The following bills were supported or opposed in the Eighty-first Congress: Supported: Women's Bureau Appropriation, the equal-rights amendment (S. J. Res. 25 and H. J. Res. 68); equal pay for equal work (S. 706 and H. R. 1584); Federal aid to education (S. 246); amendment to Displaced Persons Act (H. R. 4567); International Trade Organization (H. J. Res. 236); ECA; Genocide Convention; Social Security Act (H. R. 6000); raise the rank of heads of women's services (H. R. 7152). Opposed: Women's status bill (S. 1430 and H. R. 2396); bill to prohibit both spouses from Government employment (H. R. 6871); Government health insurance (S. 1679 and S. 1970).

C. (3) (a) The Independent Woman is a monthly magazine, the subscription price of which is included in the national dues. It goes to each member of the organization and usually contains background information on legislative items as one of its many articles; (b) quantity, 125,000; (c) monthly; (d) Fleet-McGinley, Baltimore.

D. (1) $7,274.40; (7) $7,274.40; (8) $24,395.20; (9) $31,669.60; (13) no.

E. (2) $833.36; (5) $239.56; (6) $71.82; (8) $56.90; (9) $1,201.64; (10) $1,658.85; (11) $2,860.49.

A. National Federation of Independent Business, Inc., 714 Bond Building, Washington, D. C., organization of small and independent businesses and professional people.

C. (1) Indefinitely.

C. (2) Antitrust law enforcements; all laws affecting small and independent businesses.

C. (3) (a) The Mandate, official publication of the N. F. I. B.; (b) 136,000; (c) Regularly, determined by current legislation affecting small business; (d) San Mateo Times, San Mateo, Calif.

D. (7) $14,165.31; (8) $10,497.53; (9) $24,662.84.

E. (9) $14,165.31; (10) $10,497.53; (11) $24,662.84.

A. National Federation of Post Office Clerks, 711 Fourteenth Street NW., Washington, D. C.; a trade union.

C. (1) Indefinte.

C. (2) All matters pertaining to the postal service or the welfare of postal or Federal employees.

C. (3) The Union Postal Clerk: (a) monthly journal; (b) July, 104,100, August, 104,100, September, 103,300; (c) first of each month; (d) Ransdell, Inc., Federation News Service Bulletin: (a) weekly news bulletin; (b) 11,600; (c) June 2, 9, 16, 23, 30; July 7, 14, 21, 28; (d) Ransdell, Inc.

D. (1) $111,174.84; (2) $103.60; (7) $111,278.44; (8) $264,711.75; (9) $375,990.19; (10) $17,500; (12) $7,500; (13) yes; (14) $1,211.40, local No. 303, Birmingham, Ala.; $530.55, local No. 715, Mobile, Ala.; $528.20, local No. 323, Montgomery, Ala.; $1,001, local No. 93, Phoenix, Ariz.; $678.60, local No. 189, Little Rock, Ark.; $636.50, local No. 47, Berkeley, Calif.; $1,023, local No. 543, Long Beach, Calif.; $9,356.25, local No. 64, Los Angeles, Calif.; $2,223, local No. 78, Oakland, Calif.; $901.80, local No.

731, Pasadena, Calif.; $1,251, local No. 66, Sacramento, Calif.; $1,337.40, local No. 197, San Diego, Calif.; $5,609.75, local No. 2, San Francisco, Calif.; $2,963.90, local No. 229, Denver, Colo.; $506.25, local No. 549, Bridgeport, Conn.; $1,579.50, local No. 147, Hartford, Conn.; $1,084, local No. 237, New Haven, Conn.; $612.90, local No. 152, Wilmington, Del.; $3,444.50, local No. 140; Washington, D. C.; $1,012.30, local No. 148, Washington, D. C.; $798.75, local No. 138, Jacksonville, Fla.; $1,596.15, local No. 172, Miami, Fla.; $762.30, local No. 259, Tampa, Fla.; $1,944, local No. 32, Atlanta, Ga.; $1,059.75, local No. 162, Honolulu, Hawaii; $18,900, local No. 1, Chicago, Ill.; $502.30, local No. 854, Peoria, Ill.; $578.46, local No. 79, Rockford, Ill.; $637.80, local No. 239, Springfield, Ill.; $556.20, local No. 347, Evansville, Ind.; $576.45, local No. 286, Fort Wayne, Ind.; $3,166.65, local No. 130, Indianapolis, Ind.; $1,246.50, local No. 44, Des Moines, Iowa; $561.60, local No. 270, Topeka, Kans.; $551.25, local No. 735, Wichita, Kans.; $1,514.70, local No. 4, Louisville, Ky.; $1,666.20, local No. 83, New Orleans, La.; $922.05, local No. 418, Shreveport, La.; $589.20, local No. 458, Portland, Maine; $2,691.90, local No. 181, Baltimore, Md.; $7,657.55, local No. 100, Boston, Mass.; $1,062, local No. 497, Springfield, Mass.; $6,147.20, local No. 295, Detroit, Mich.; $545.40, local No. 271, Flint, Mich.; $655.20, local No. 281, Grand Rapids, Mich.; $585, local No. 300, Lansing, Mich.; $4,650.30, local No. 125, Minneapolis, Minn.; $2,182.60, local No. 65, St. Paul, Minn.; $4,667.45, local No. 67, Kansas City, Mo.; $5,179.30, local No. 8, St. Louis, Mo.; $1,746, local No. 11, Omaha, Nebr.; $755.20, local No. 483, Jersey City, N. J.; $2,880, local No. 190, Newark, N. J.; $607.50, local No. 1020, Trenton, N. J.; $864, local No. 390, Albany, N. Y.; $7,598.25, local No. 251, Brooklyn, N. Y.; $2,041.20, local No. 374, Buffalo, N. Y.; $1,080, local No. 1022, Jamaica, N. Y.; $31,573.80, local No. 10, New York, N. Y.; $1,757.25, local No. 215, Rochester, N. Y.; $1,390.50, local No. 257, Syracuse, N. Y.; $737.10, local No. 375, Charlotte, N. C.; $525.60, local No. 711, Greensboro, N. C.; $982.80, local 120, Akron, Ohio; $3,127.60, local No. 164, Cincinnati, Ohio; $4,825.35, local No. 72, Cleveland, Ohio; $1,415.85, local No. 232, Columbus, Ohio; $1,398.25, local $252, Dayton, Ohio; $981, local No. 170, Toledo, Ohio; $573, local No. 443, Youngstown, Ohio; $737.10, local No. 86, Oklahoma City, Okla.; $673.65, local No. 1348, Tulsa, Okla.; $2,644.20, local No. 128; Portland Oreg.; $8,502.30, local No. 89, Philadelphia, Pa.; $2,297.25, local No. 81, Pittsburgh, Pa.; $540, local No. 101, Scranton, Pa.; $1,404, local No. 387, Providence, R. I.; $503.20, local No. 807, Columbia, S. C.; $509.85, local No. 263, Knoxville, Tenn.; $751.95, local No. 96, Memphis, Tenn.; $1,283.05, local No. 5, Nashville, Tenn.; $1,684.80, local No. 732, Dallas, Tex.; $760.50, local No. 98, Fort Worth, Tex.; $1,741.50, local No. 185, Houston, Tex.; $1,108.80, local No. 195, San Antonio, Tex.; $1,134.65, local No. 6, Salt Lake City, Utah; $780.30, local No. 262, Norfolk, Va.; $978.50, local No. 199, Richmond, Va.; $1,893.60, local No. 28, Seattle, Wash.; $836.10, local No. 338, Spokane, Wash.; $758.70, local No. 298, Tacoma, Wash.; $585.45, local No. 241, Madison, Wis.; $4,390.20, local No. 3, Milwaukee, Wis.; $215,005.91 total.

E. (2) $5,484.75; (4) $11,722.61; (5) $380; (6) $3,027.54; (7) $2,601.44; (8) $741.81; (9) $23,958.15; (10) $80,688.06; (11) $104,646.21.

A. National Federation of Post Office Motor Vehicle Employees, 112 C Street NW., Washington, D. C.; this is an employee association.

C. (1) Indefinitely.

C. (2) All legislation of interest to Post Office Motor Vehicle Employees.

C. (3) (a) Rotor; (b) 4,800; (c) 15th each month; (d) Rzoncki's Printery.

D. $1,467.60; (7) $1,467.60; (8) $2,673.66; (9) $4,141.26; (13) no.

E. (2) $300; (4) $712.40; (5) $45; (6) $221.42; (7) $174.65; (8) $275; (9) $1,728.47; (10) $2,369.65; (11) $4,098.12.

A. National Federation of Private School Associations, 2601 Sixteenth Street NW., Washington, D. C.; this is a federation of private school associations.

C. (1) Indefinitely.

C. (2) All legislative proposals that affect private (non-tax supported) schools.

D. (1) $4,310; (2) $455; (4) $694.30; (6) $283.30; (7) $5,742.60; (8) $6,766; (9) $12,508.60; (13) yes; (14) $1,350, Pennsylvania Association of Private Schools Association, Philadelphia, Pa.

E. (2) $11,314.61; (4) $831.62; (5) $255; (6) $293.50; (7) $745.48; (8) $231.87; (9) $13,672.08; (10) $18,136.22; (11) $31,808.30.

A. National Grain Trade Council, 604 Hibbs Building, Washington, D. C.; trade association.

C. (1) It is uncertain how long this organization will retain any legislative interests. This organization is interested in legislation affecting agriculture in general, and the grain trade in particular.

C. (2) During the period covered by this report this organization has been interested in pending legislation to amend the basic tax law and with reference to the Defense Production Act of 1950. Specifically these bills are numbered: H. R. 8920, H. R. 9176, and S. 3936.

C. (3) The only publication this organization has issued or caused to be issued in connection with its legislative interests, were statements filed with or presented to the Senate and House Committee on Banking and Currency and Members of the House and Senate, all with reference to the Defense Production Act.

D. (1) $9,950. This is the total income of the organization during the quarter. It is all derived from dues and assessments that are paid and received to defray the general expenses of the organization. No dues and assessments are paid or received with the understanding that any part of them will be used to enable the council to engage in activities covered by and requiring reports under the Federal Regulation of Lobbying Act. Any council activities that might be regarded as falling within the provisions of this act are incidental to other activities and are not of a substantial nature.

E. (9) $17,598.04. Included in this figure are salaries and actual expenditures of the two employees of this organization who are registered pursuant to the provisions of the Federal Regulation Lobbying Act; who each quarter file statements pursuant to that act, but whose salaries cannot be divided or allocated to cover legislative activity. Included also in the expenditures is an item of $102.77 (excluding Federal communications tax) for telegrams or messenger service performed by the Western Union Telegraph Co. during the period covered by this report. These expenditures were incurred with reference to the bills, H. R. 9176 and S. 3936, the Defense Production Act of 1950.

A. National Housing Conference, Inc.,[4] 1025 Vermont Avenue NW., Washington, D. C.; a nonprofit, educational organization to promote slum clearance, public low-rent housing, and urban redevelopment.

C. (1) At the present time there is no legislation before the Congress in which the National Housing Conference is interested. There are, however, referenda being conducted in cities throughout the country to abolish slum clearance and public housing programs on the local level. The conference has submitted factual information concerning the relationship between the national housing program and the community. At the present time a membership news letter is published weekly and we have also issued a pamphlet entitled "The Truth About Public Housing." Copies of this material are attached.

D. (1) $14,042; (4) $33.74; (5) $75; (6) $1,684; (7) $15,834.74; (8) $17,612.99; (9) $33,447.73; (13) yes; (14) $2,500, New York Foundation, 61 Broadway, New York City; $2,000, Fred L. Lavanburg Foundation, 132 Baruch Place, New York City; $1,000, Lucius Littauer Foundation, 235 Fourth Avenue, New York City; $5,500 total.

E. (1) $16.80; (2) $7,593.98; (4) $1,475.93; (5) $1,712.17; (6) $642.95; (7) $1,010.45; (8) $3,661.75; (9) $16,097.23; (10) $14,078.88; (11) $30,176.11.

A. National Housing Conference, Inc., 1025 Vermont Avenue NW., Washington, D. C.; a nonprofit, educational organization to promote slum clearance, public low-rent housing, and urban redevelopment.

C. (1) At the present time there is no legislation before the Congress in which the National Housing Conference is interested. There are, however, referenda being conducted in cities throughout the country to abolish slum clearance and public-housing programs on the local level. The conference has submitted factual information concerning the relationship between the national housing program and the community. At the present time a membership newsletter is published weekly and we have also issued a pamphlet entitled "Winning the Fight." Copies of this material are attached. Copy of our pamphlet, The Truth About Public Housing, has already been furnished the committee.

D. (1) $10,527.85; (3) $872.69; (5) $64.26; (6) $11,464.80; (7) $31,574.11; (8) $43,038.91; (13) yes; (14) $500, American Federation of Labor, Washington, D. C.; $500, Building and Construction Trades Department, A. F. of L., Washington, D. C.

E. (1) $16.80; (2) $5,994.92; (3) $10; (4) $2,018.31; (5) $2,014.55; (6) $526.89; (7) $1,060.22; (8) $2,014.50; (9) $13,656.19; (10) $30,177.61; (11) $13,832.30.

A. National Livestock Tax Committee, 515 Cooper Building, Denver, Colo.

D. (8) $430; (9) $430.

E. During the quarter, the National Livestock Tax Committee paid to Stephen H. Hart, tax counsel, a per diem of $50 for office work and $100 per diem out-of-town for actual time spent in study, advice, conferences, and correspondence concerning general livestock tax questions including the analysis of the present provisions of the Internal Revenue Code and current rulings and decisions concerning Federal taxation of livestock operators. Such activities also included work in connection with the position of the National Livestock Tax Committee toward amendments to the Internal Revenue Code concerning capital gains on sale of breeding livestock and the deduction of ranching expenditures. It is impossible to determine what part of his services related to this legislative problem. During the quarter a total of $1,105 for legal services was paid to him for all his activities and services. He was also reimbursed $159.05 for out-of-pocket expenses. Total for quarter, $1,264.05. During the two previous quarters, $4,412.30 ($3,285 for legal services and $1,127.30 for expenses) was expended, so that the totals paid to Stephen H. Hart from January 1 through the quarter ending September 30, are: Legal services, $4,390; expenses, $1,286.35; $5,676.35. In addition, the National Livestock Tax Committee paid to J. M. Jones, executive secretary of the National Wool Growers Association, Salt Lake City, Utah, $304.92, part of his expenses on a trip to Washington during the quarter ending September 30, 1950. Total for quarter, $1,568.97; previous two quarters, $4,412.30; grand total, $5,981.27.

A. National Lumber Manufacturers Association, 1319 Eighteenth Street NW., Washington, D. C.; trade association.

[4] Filed for second quarter 1950.

C. (1) Continuing.

C. (2) All legislation affecting the interests of the lumber manufacturing industry.

C. (3) (a) National Lumber News, a house organ; (b) 4,500 copies; (c) approximately monthly; (d) Darby Printing Co., Washington, D. C.

D. (1) $32,277.80; (7) $32,277.80; (8) $48,315.15; (9) $80,592.95; (13) yes; (14) Appalachian Hardware Manufacturers, Inc., 414 Walnut Street, Cincinnati, Ohio; Hardwood Dimension Manufacturers Association, Heyburn Building, Louisville, Ky.; Hardwood Plywood Institute, 616 South Michigan Boulevard, Chicago, Ill.; Mahogany Association, Inc., 75 East Wacker Drive, Chicago, Ill.; Maple Flooring Manufacturers Association, 35 East Wacker Drive, Chicago, Ill.; National Hardwood Lumber Association, 59 East Van Buren Street, Chicago, Ill.; National Oak Flooring Manufacturers Association, 814 Sterick Building, Memphis, Tenn.; National Lumber Exporters Association, Sterick Building, Memphis, Tenn.; Northeastern Lumber Manufacturers Association, 271 Madison Avenue, New York, N. Y.; North Hemlock and Hardware Manufacturers Association, Oshkosh, Wis.; Northern Pine Manufacturers Association, 4329 Oakland Avenue, Minneapolis, Minn.; Southern Cypress Manufacturers Association, 507 Barnett National Bank Building, Jacksonville, Fla.; Southern Hardwood Producers, Inc., 805 Sterick Building, Memphis, Tenn.; Southern Pine Association, 520 Canal Building, New Orleans, La.; The Veneer Association, 616 South Michigan Avenue, Chicago, Ill.; West Coast Lumbermen's Association, 1410 Southwest Morrison Street, Portland, Oreg.; Western Pine Association, Yeon Building, Portland, Oreg.

E. (2) $3,003.07; (4) $1,449.73; (5) $314.69; (6) $750.91; (7) $3,709.63; (8) $1,131.78; (9) $15,359.81; (10) $23,854.75; (11) $39,214.56.

A. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.; national farm orgahization.

C. (1) Indefinitely.

C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

C. (3) News for Dairy Co-op, 700, weekly, federation; legislative letter, 1,200, irregular, federation; miscellaneous, irregular pamphlets or circulars.

D. (1) $38,979.56; (2) $575; (3) $7,666.17; (4) $2.20; (7) $47,222.93; (8) $128,359.52; (9) $175,582.45; (13) yes.

E. (1) $5,222.34; (2) $23,722.36; (5) $2,323.73; (6) $1,157.45; (7) $4,737.56; (8) $4,484.87; (9) $41,648.31; (10) $108,408.25; (11) $150,056.56.

A. National Paint, Varnish, and Lacquer Association, Inc., 1500 Rhode Island Avenue NW., Washington, D. C.; trade association for the paint, varnish, and lacquer industry.

C. (1) Indefinitely.

C. (2) We are interested in legislation that more or less specifically affects our industry. During the calendar quarter just ended we took no action whatever to which the provisions of the Federal Regulation of Lobbying Act apply.

C. (3). We have issued no publication for the purpose of influencing the passage or defeat of any legislation proposed in either House of Congress.

D. (13) No.

E. (10) $3.71; (11) $3.71.

A. National Postal Committee for Books, room 305, 62 West Forty-seventh Street, New York, N. Y.; the business of the committee is to oppose unfair increases in postal rates and discrimination in postal rates. (See original registration for statement of membership of committee.)

C. (1) Legislative interests will continue so long as postal rate bills are pending before Congress or so long as unfair or discriminatory postal rates are in effect.

C. (2) The general legislative interest of the committee is bills to readjust postal rates. The specific legislative interest is a bill to readjust postal rates, H. R. 2945 and S. 1103.

C. (3) The committee caused an article to be published in the July 8, 1950, issue of Publishers' Weekly; circulation is approximately 15,300; Periodical Press, Philadelphia, Pa.

D. (2) $1,500; (7) $1,500; (8) $21,081.05; (9) $22,581.05; (13) yes; (14) $1,000, American Booksellers Association, Inc., 31 Madison Avenue, New York, N. Y.; $1,000, Harper & Bros., 49 East Thirty-third Street, New York, N. Y.; $2,000 total. The amounts for other contributors, which were reported in the quarterly report for the second quarter, remain unchanged.

E. (4) $39.90; (7) $193.29; (8) $2.84; (9) $236.03; (10) $78.77; (11) $314.80.

A. National Rehabilitation Association, E. B. Whitten, executive director, 1025 Vermont Avenue NW., Washington, D. C.: nonprofit association dedicated to welfare of handicapped persons.

C. (1) Interests in legislation are continuous.

C. (2) Promoting H. R. 5577 (S. 2273), National Services for the Handicapped Act. (Opposing certain provisions of H. R. 3095 (S. 1066) and H. R. 7801.

C. (3) Journal of Rehabilitation; 6 times per year; circulation 15,000; a professional journal. News letter, 6 times a year; circulation 12,000; informational service.

D. (1) $2,687.70; (7) $2,687.70; (8) $945.60; (9) $3,633.30; (13) no.

E. (2) $363.20; (4) $350; (5) $125; (6) $20; (7) $604.72; (8) $1,462.92; (9) $2,013; (10) $3,475.92.

A. National Renderers Association, 1424 K Street NW., Washington, D. C.; an unincorporated, nonprofit organization of approximately 275 domestic producers of inedible animal fat.

C. (1) Probably as long as the organization remains in existence.

C. (2) Any legislation which would specifically have an effect upon the production, consumption, import, export, or taxation of any animal or vegetable fat or oil as well as all legislation generally affecting business, particularly small business.

C. (3) In behalf of the association, there is issued from its Washington office periodical informational bulletins to the approximately 275 members covering among other things, the fields mentioned in item (2) above. All work done in connection with such releases is carried on at the offices of the association.

D. (1) $2,000; (7) $2,000; (8) $17,500; (9) $19,500; (13) yes; (14) $1,500, July 7, Middle Atlantic Renderers Association, Philadelphia, Pa., balance due on 1949–50 regular dues; $500, July 18, Southeastern Regional Renderers Association, West Point, Miss., balance due on 1949–50 regular dues; $2,000 total received during third quarter of 1950, of contributions of $500 or more.

E. (2) $542.60; (4) $73.03; (5) $107.91; (6) $96.07; (7) $302; (8) $21.88; (9) $1,143.49; (10) $2,168.83; (11) $3,312.32.

A. National Retail Dry Goods Association, 100 West Thirty-first Street, New York, N .Y.; business trade association for department and specialty stores.

C. (1) As of the end of the third quarter of the year 1950 the association is interested in those legislative matters indicated in item 2 below.

C. (2) Revenue Act of 1950; postal bill H. R. 2945; the President's Reorganization Plans of 1950; fur labeling, H. R. 5187; Securities Exchange Act, S. 2408; unemployment insurance H. R. 8059; and S. 3274; Fair Labor Standards Act of 1938, as amended; excess profits tax, H. R. 3627; LIFO, H. R. 810; Social Security Act of 1950; Defense Production Act of 1950.

C. (3) N. R. D. G. A. special bulletin—Periodic report to the trade on new developments of interest to department and specialty stores: Issue No. 510, July 14, 1950; issue No. 511, August 4, 1950; issue No. 512, August 10, 1950; issue No. 513, August 18, 1950, issue No. 514, September 6, 1950, issue No. 516, September 22, 1950; 6,700 copies of each issue printed, published, and distributed by N. R. D. G. A.

D. (8) $19,250; (9) $19,250; (13) no.

E. (2) $2,096.15; (4) $2,169.74; (5) $479.11; (6) $16.93; (8) $12; (9) $4,773.92; (10) $7,697.67; (11) $12,471.59.

A. National Retail Furniture Association, 666 Lake Shore Drive, Chicago, Ill.

C. (1) Sporadic.

C. (2) Defense Production Act of 1950.

C. (3) (a) Association bulletins; (b) Approximately 6,000; (c) Legislative matters given sporadic mention (d) mimeographed on premises. National Furniture Review (comes within exemption of statute.)

E. (2) $250; (4) $400; (5) $100; (6) $100; (9) $850; (10) $1,700; (11) $2,550.

A. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.; an organization to promote the sound and orderly development of our water and land resources.

C. (1) Indefinitely.

C. (2) All matters pertaining to river and harbor development, flood control, navigation, irrigation and reclamation, soil and water conservation, and related subjects. (See index to the CONGRESSIONAL RECORD for information called for by (a), (b), and (c)).

D. (1) $1,590; (6) $9; (7) $1,599; (8) $16,498; (9) $18,097; (13) yes; (14) $500, Department of Public Works, State of Louisiana, Baton Rouge, La.

E. (2) $1,711.32; (5) $420.46; (6) $43.59; (7) $636.19; (8) $1,108.79; (9) $3,920.35; (10) $12,345.99; (11) $16,266.34.

A. National Rural Electric Cooperative Association, 1303 New Hampshire Avenue NW., Washington, D. C., trade association.

C. (1) Legislative interests are to continue indefinitely.

C. (2) Legislation which will further the country's rural electrification program, resulting from the REA Act, as amended, including REA administrative and loan funds for rural electrification and for rural telephones; funds for the construction of multipurpose dams; funds for transmission and related facilities to deliver Federal hydropower to rural electric load centers; proposed legislation providing for surveys and development of water resources.

C. (3) (a) Rural Electrification Magazine, monthly trade publication of the rural electric systems of the United States; (b) 14,000; (c) Approximately the first of each month; (d) Fleet-McGinley, Baltimore, Md.

D. (1) $10,485.85; (7) $10,485.85; (8) $18,559; (9) $29,044.85; (13) yes; (14) $522.50, Peoples Electric Cooperative, Ada, Okla.; $570, Brunswick Electric Membership Cooperative, Shalotte, N. C.; $896.50; East Central Electric Association, Braham, Minn.; $1,668, Duck River Electric Membership Corp.; $521, Caddo Electric Cooperative, Binger, Okla.; $584, Southwestern Electric Cooperative, 115 South Second Street, Greenville, Ill.; $661.50, Guadalupe Valley Electric Cooperative, Post Office Box 118, Gonzales, Tex.; $645, Mountain Electric Cooperative, Mountain City, Tenn.; $528.50, Southern Nebraska Rural Public Power District, Grand Island, Nebr.; $649, Maquoketa Valley Rural Electric Cooperative, Anamosa, Iowa; $649.90, The Walton Electric Membership Corp., Monroe, Ga.; $573.50, Coahoma Electric Power Association, 317 Delta Avenue, Clarksdale, Miss.; $579.20, Southwest Mississippi Electric Power Lorman, Miss.; $763.80, Twin County Electric Power, Hollandale, Miss.; $528.20, Southwest Electric Cooperative, Bolivar, Mo.; $566.30,

Crow Wing Electric Cooperative, 823 Maple Street, Brainerd, Minn.; $1,499.40, The Middle Tennessee Electric Membership Corp., Murfreesboro, Tenn.; $551, O. & A. Electric Cooperative, Newaygo, Mich.; $510.50; Guernsey-Muskingum Electric Cooperative, New Concord, Ohio; $578.20, Clay County Electric Cooperative Corp., Corning, Ark.; $1,273.90, Blue Ridge Electric Membership Corp., North Mulberry, Lenior, N. C.; $737.70, Deep East Texas Electric Cooperative, San Augustine, Tex.; $558.60, Corn Belt Electric Cooperative, 315 East Front Street, Bloomington, Ill.; $553.30, Henderson-Union Rural Electric Cooperative, 215 North Elm Street, Henderson, Ky.; $573.90, Pee Dee Electric Membership Cooperative Corp., 46 South Rutherford Street, Wadesboro, N. C.; $17,744 total.

E. (1) $628.19; (2) $3,291.36; (5) $1,308.24; (6) $3,407.31; (7) $1,374.75; (8) $476; (9) $10,485.85; (10) $18,559; (11) $29,044.85.

A. National St. Lawrence Project Conference, 843 Transportation Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation with reference to the St. Lawrence waterway and power project.

C. (3) General publicity.

D. (6) $13,880.37; (7) $13,880.37; (8) $18,600; (9) $32,480.37; (13) yes; (14) $22,817.87, Association of American Railroads, Washington, D. C.; $5,000, National Coal Association, Washington, D. C.; $1,345, members of Foreign Commerce Club of New York, 39 Broadway, New York; $1,000, Anthracite Institute, Wilkes-Barre, Pa.; $780, Maritime Association, Port of New York, 80 Broad Street, New York; $30,942.87 total.

E. (1) $25; (2) $12,071.12; (4) $692.58; (5) $209.57; (6) $228.58; (7) $747.27; (8) $113.36; (9) $14,087.48; (10) $16,886.14; (11) $30,973.62.

A. National Savings and Loan League, 907 Ring Building, Eighteenth and M Streets NW., Washington, D. C.

B. Member Associations of the League.

C. (1) Indefinitely.

C. (2) Support of bills to improve facilities of savings and loan associations for encouragement of thrift and home financing; oppose legislation inimicable to interests of savings and loan industry; H. R. 6743, savings and loan bill; S. 2822, FDIC.

C. (3) National letters, approximately 1,200 on each of the following dates: July 14, 18, 20, 28, 1950; August 22, 1950; September 1, 5, 11, 15, 22, 1950; printed and distributed by Batt, Bates & Co., Washington, D. C.

D. (1) $3,467.54; (7) $3,467.54; (8) $124,792.86; (9) $128,260.40; (13) yes; (14) The following are member associations whose dues are $500 or more during the year of 1950; the annual dues of each member savings and loan association are 1/200 of 1 percent of assets, as required under article XIX of the National League's constitution: First Federal Savings and Loan Association, Phoenix, Ariz., $711.19; First Federal Savings and Loan Association, Altadena, Calif., $1,027.24; Glendale Federal Savings and Loan Association, Glendale, Calif., $1,359.68; Hollywood Savings and Loan Association, Hollywood, Calif., $530.44; Peoples Federal Savings and Loan Association, Inglewood, Calif., $575.32; Long Beach Federal Savings and Loan Association, Long Beach, Calif., $1,501.55; Home Building and Loan Association, Los Angeles, Calif., $967.22; Los Angeles Federal Savings and Loan Association, Los Angeles, Calif., $1,102.27; Metropolitan Federal Savings and Loan Association, Los Angeles, Calif., $641.23; Standard Federal Savings and Loan Association, Los Angeles, Calif., $924.44; First Federal Savings and Loan Association, Pasadena, Calif., $619.80; Pasadena Building and Loan Association, Pasadena, Calif., $809.53; San Diego Federal Savings and Loan Association, San Diego, Calif., $867.29; Danielson Federal Savings and Loan Association, Danielson, Conn., $620.82; Hartford Federal Savings and Loan Association, Hartford, Conn., $553.33; First Federal Savings and Loan Association, Washington, D. C., $1,405.71; First Federal Savings and Loan Association, Miami, Fla., $2,200.10; Miami Beach Federal Savings and Loan Association, Miami Beach, Fla., $1,303; First Federal Savings and Loan Association of St. Petersburg, St. Petersburg, Fla., $1,168.60; Hawthorne Club Savings and Loan Association, Cicero, Ill., $562.31; Oak Park Federal Savings and Loan Association, Oak Park, Ill., $668.89; Security Federal Savings and Loan Association, Springfield, Ill., $529.08; Bell Savings and Loan Association, Chicago, Ill., $3,023.04; Chicago Federal Savings and Loan Association, Chicago, Ill., $859.62; Fairfield Savings and Loan Association, Chicago, Ill., $535.05; Home Federal Savings and Loan Association, Chicago, Ill., $1,538.39; Lawn Savings and Loan Association, Chicago, Ill., $834.76; St. Paul Federal Savings and Loan Association, Chicago, Ill., $773.14; Kentucky Enterprise Federal Savings and Loan Association, Newport, Ky., $550.11; Union Savings and Loan Association, New Orleans, La., $628.45; First Federal Savings and Loan Association, Shreveport, La., $563.06; Loyola Federal Savings and Loan Association , Baltimore, Md., $1,158.81; Boston Federal Savings and Loan Association, Boston, Mass., $1,007.52; Home Owners Federal Savings and Loan Association, Boston, Mass., $957.91; Brookline Federal Savings and Loan Association, Brookline, Mass., $766.63; Natick Federal Savings and Loan Association, Natick, Mass., $726.02; Waltham Federal Savings and Loan Association, Waltham, Mass., $844.99; Worcester Federal Savings and Loan Association, Worcester, Mass., $2,309.29; Ann Arbor Federal Savings and Loan Association, Ann Arbor, Mich., $688.92; First Federal Savings and Loan Association, Detroit, Mich., $2,464.93; First Federal Savings and Loan Association, Jackson, Miss., $685.02; Farm, Home Savings and Loan Association, Nevada, Mo., $2,712.94; Manchester Federal Savings and Loan Association, Manchester, N. H., $909.98; First Savings and Loan Association, Fair Lawn, N. J., $809.98; Suffolk County Federal Savings and Loan Association, Babylon, N. Y., $1,092.96; Home Federal Savings and Loan Association, Brooklyn, N. Y., $1,035.80; South Brooklyn Savings and Loan Association, Brooklyn, N. Y., $711; Ninth Federal Savings and Loan Association, New York, N. Y., $2,253.21; Franklin Society for Home Building and Savings, New York, N. Y., $1,898.04; South Side Federal Savings and Loan Association, Cleveland, Ohio, $639.51; Women's Federal Savings and Loan Association, Cleveland, Ohio, $781.99; First Federal Savings and Loan Association, Columbus, Ohio, $677.10; Citizens Federal Savings and Loan Association, Dayton, Ohio, $797.86; Local Federal Savings and Loan Association, Oklahoma City, Okla., $1,229.24; First Federal Savings and Loan Association, Upper Darby, Pa., $853.15; Home Building and Loan Association, Philadelphia, Pa., $662.63; James W. Baird Building Association, Philadelphia, Pa., $580.84; Dallas Federal Savings and Loan Association, Dallas, Tex., $1,004.81; Metropolitan Building and Loan Association, Dallas, Tex., $637.73; First Federal Savings and Loan Association, Spokane, Wash., $662.70; total, $61,508.58.

E. (2) $2,500; (4) $944.90; (9) $3,444.90; (10) $6,178.69; (11) $9,623.59.

A. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.; information service for small-business men.

C. (1) Continued indefinitely.

C. (3) Monthly bulletin to membership.

D. (1) $38,840.25; (2) $40; (4) $183.64; (6) $1,407.08; (7) $40,470.97; (8) $82,267.20; (9) $122,738.17; (13) no.

E. (1) $763.20; (2) $17,325.67; (4) $5,464.11; (5) $9,646.50; (6) $644.35; (7) $1,889.58; (8) $33,400.48; (9) $69,133.89; (10) $119,498.17; (11) $188,632.06; (13) $27.67; (14) $27.67.

A. National Society of Professional Engineers, 1121 Fifteenth Street NW., Washington, D. C.; a national professional association representing the various interests of professional engineers.

C. (1) Indefinitely.

C. (2) All legislation affecting the welfare of professional engineers, current interests covering the following: Taft-Hartley Act, Fair Labor Standards Act, Earned Income Tax Adjustment Act of 1949 (H. R. 3224); amendments to Walsh-Healey and Davis-Bacon Acts (H. R. 7425, H. R. 7426, S. 3119, S. 3120); transfer of civil functions of Corps of Engineers and creation of Board of Engineering Analysis (H. R. 6920 and related bills); Small Business Act of 1950 (title V only); selective service law; National Science Foundation.

C. (3) Legislative Bulletin, containing reports on status of legislation of interest to professional engineers; (b) approximately 5,000 per month; (c) approximately 15th day of each month; (d) Colortone Press, Washington, D. C. American Engineer, official publication of the society; (b) approximately 25,500 per month; (c) last week of each month; (d) Fleet-McGinley Printing Co., Baltimore, Md.

D. (1) $17,834.41; (7) $17,834.41; (8) $119,347.22; (9) $137,181.63; (13) no.

E. (2) $812.49; (4) $554.64; (9) $1,367.13; (10) $4,047.81; (11) $5,414.94.

A. National Tax Equality Association, Inc., 231 South LaSalle Street, Chicago, Ill. Nature of business: That of a business league organized to promote the interests of the particular business groups that are placed at a competitive disadvantage because of tax disparities.

C. (1) Until such time as all commercial corporations pay corporate income taxes in the same manner and on the same basis.

C. (2) General legislative interests relative to corporate income-tax legislation. Specific legislative interest is H. R. 5064, prospective excise-profits tax legislation, and the general revenue bill to be considered by the Congress next year.

C. (3) (a) Reprint of article on taxes published in April 1950 issue of Reader's Digest; (b) 20,000; (c) August 1950; (a) reprint of article entitled "Uncle Sam's Untapped Millions" published in February 1950 issue of the American magazine; (b) 20,000; (c) July 1950; (a) 20-page booklet about the Federal income taxes escaped by mutual fire and casualty insurance companies; (b) 20,000; (c) July 1950; (a) two-page bulletin on hearings before the Ways and Means Committee on taxing commercial income of tax-exempt corporations; (b) 35,000; (c) July 1950; (a) one-page policy statement of the National Tax Equality Association; (b) 35,000; (c) July 1950; (a) reprint of an editorial entitled "John Q. Doe's 'Nonprofit' Competitor" published August 7, 1950, in the Roanoke Times; (b) 50,000; (c) August 1950; (a) two-page bulletin on the tax-exempt competitors of banks such as savings and loan associations, mutual-savings banks, cooperative banks, etc.; (b) 35,000; (c) July 1950; (a) one-page advertisement pointing out that wartime excise taxes will not be reduced unless Congress first finds replacement revenue; (b) 10,000; (c) August 1950; (a) two-page bulletin on the tax-exempt competitors of finance companies such as production credit associations, credit unions, etc.; (b) 50,000; (c) August 1950; (a) reprint of front-page article from the Enid, (Okla.) Daily Eagle of August 2, 1950, about how one cooperative corporation voluntarily relinquished part of its special tax privileges in order to pay $1,000,000 of corporate profits to the Government to help support

the war effort; (b) 35,000; (c) August 1950; (a) reprint of editorial published in September 22, 1950, issue of Chicago Journal of Commerce on Senator George's promise that cooperative corporations would be taxed in 1951; (b) 50,000; (c) September 1950; (a) 16-page booklet regarding testimony presented to the Senate Finance Committee on July 12–13, 1950; (b) 15,000; (c) September 1950; (a) four-page bulletin on call by Senator George for taxation of cooperatives and mutuals in next tax bill; (b) 50,000; (c) September 1950; (a) 11-page booklet summarizing what has been done in the present situation in the fight for tax justice; (b) 35,000; (c) September 1950; (d) imprints were made with association's own equipment.

D. (1) $40,985.79; (7) $40,985.79; (8) $49,274.47; (9) $90,260.26; (13) yes; (14) contributions are made to support the educational, research, publicity, and other activities of the National Tax Equality Association; the funds received are not earmarked to be expended solely for the purpose of attempting to influence legislation; the percentage of the general fund which is used for purposes that might fall within the scope of the Federal Regulation of Lobbying Act during the third quarter of 1950 has been found to be 22.7 percent. The contributions are, therefore, reported on that basis. Name and address of contributor: Mr. F. Peavey Heffelfinger, F. H. Peavey & Co., 312 Chamber of Commerce, Minneapolis, Minn.; Mr. H. G. Dickey, president, Van Dusen Harrington Co., 713 Chamber of Commerce, Minneapolis, Minn.; Mr. Frank A. Theis, president, Simonds-Shields-Theis Grain Co., 100 Board of Trade Building, Kansas City, Mo.; Mr. Walter C. Beckjord, president, Cincinnati Gas & Electric Co., Fourth and Main Streets, Cincinnati, Ohio; Mr. H. E. Conner, vice president and treasurer, Peden Iron & Steel Co., Houston, Tex.; Mr. C. P. Thompson, treasurer, R. Wallace & Sons Manufacturing Co., Wallingford, Conn.; Mr. S. A. Moncrief, Moncrief-Lenoir Manufacturing Co., Houston, Tex.; Mr. W. F. Stephenson, vice president, Stratton-Warren Hardware Co., Inc., Memphis, Tenn.; Mr. C. A. Burkhardt, secretary-treasurer, The Denver Clearing House Association, Denver, Colo.; Mr. J. C. Folliard, secretary, Sloss & Brittain, 100 Porter Avenue, San Francisco, Calif.; Mr. Davis Weir, president, State Loan and Finance Corp., 402 Ring Building, 1200 Eighteenth Street NW., Washington, D. C.; Mr. McGregor Smith, president and general manager, Florida Power & Light Co., post-office box 3100, Miami, Fla.; Mr. F. K. Kullman, vice president, Bowman Dairy Co., 140 W. Ontario Street, Chicago, Ill.; Mr. A. W. Peake, president, Standard Oil Co., 910 S. Michigan Avenue, Chicago, Ill.; Mr. R. A. Gallagher, president, Public Service Co. of Indiana, Inc., 110 N. Illinois Street, Indianapolis, Ind.; Mr. Charles R. Bottorff, Belknap Hardware & Manufacturing Co., 112 East Main Street, Louisville, Ky.; Mr. G. L. Andrus, comptroller, New Orleans Public Service, Inc., 317 Baronne Street, post-office box 340, New Orleans, La.; Mr. C. R. Landrigan, comptroller, the Detroit Edison Co., 2000 Second Avenue, Detroit, Mich.; Mr. W. L. Taylor, president, Wilcox Lumber Co., lock drawer 651, Detroit Lakes, Minn.; Mr. John H. Moore, president, Marshall-Wells Co., Duluth, Minn.; Rocky Mountain Grain & Commission Co., 1205–1211 Board of Trade Building, Kansas City, Mo.; Mr. Paul R. Trigg, president, Montana Flour Mills Co., box 631, Great Falls, Mont.; Mr. Paul R. Trigg, president, Montana Elevator Co., Great Falls Co., Great Falls, Mont.; Mr. J. Gordon Roberts, vice president and general manager, Roberts Dairy Co., 2501 Cuming Street, Omaha, Nebr.; Mr. Henry J. Allison, president, Allison-Erwin Co., 209 East Fifth Street, Charlotte, N. C.; Mr. L. D. Nuchols, president, American Hardware & Equipment Co., Charlotte, N. C.; Mr. H. D. Cram, president, The W. Bingham Co., box 6026, Cleveland, Ohio; Mr. J. B. Poston, president, Columbus & Southern Ohio Electric Co., 215 N. Front Street, Columbus, Ohio; Mr. R. C. Dickerson, secretary, American Cotton Shippers Association, 801 Cotton Exchange Building, Memphis, Tenn.; Mr. Edmund Orgill, president, Orgill Bros. & Co., 10 West Calhoun Avenue, Memphis, Tenn.; Mr. Ray Grisham, Western Cottonoil Co., box 521, Abilene, Tex.; Mr. Jack P. Burrus, Tex-O'Kan Flour Mills Co., post-office box 448, Dallas, Tex.; Mr. L. Zork, Zork Hardware Co., El Paso, Tex.; Mr. J. E. Thomas, president, Texas Electric Service Co., post-office box 970, Forth Worth, Tex.; Mr. Hines H. Baker, president, Humble Oil & Refining Co., Humble Building, Houston, Tex.; Mr. J. A. Hale, vice president, Utah Power & Light Co., Salt Lake City, Utah; Mr. P. W. Anderson, president, Farwell, Ozmun, Kirk & Co., Kellogg Boulevard and Mackson Street, St. Paul, Minn.; Mr. Wakefield Baker, president, Baker & Hamilton, 700–768 Seventh Street, San Francisco, Calif.; Mr. Harold Schafer, president, Gold Seal Co., Bismarck, N. Dak.; the total sum of the contributions made to the National Tax Equality Association by persons contributing $500 or more during the third quarter of 1950 is $34,450.

E. (1) $6,841.73; (2) $10,401.29; (4) $6,891.06; (5) $2,438.74; (6) $1,829.40; (7) $4,527.72; (9) $32,929.94; (10) $54,937.13; (11) $87,867.07.

A. National Tax Relief Coalition, box 401, Greensboro, N. C.; general tax relief.

B. L. S. Franklin, director and employee.

C. (1) As long as taxes and spending are excessive.

C. (2) We favor tax limitation in peacetimes.

D. (2) $265; (7) $265; (8) $2,360; (9) $2,625; (13) no.

E. (2) $375; (9) $375; (10) $2,365; (11) $2,740; (12) $115; (15) $375.

A. National Woman's Christian Temperance Union, 1830 Chicago Avenue, Evanston, Ill.; religious, educational, social welfare.

D. (2) $1,035.88; (7) $1,035.88; (8) $6,579.30; (9) $7,615.18.

E. (2) $765; (5) $274.62; (6) $49.78; (7) $97.75; (8) 77 cents; (9) $1,187.92; (10) $3,598.99; (11) $4,786.91.

A. National Wool Growers Association, service organization, 414 Pacific National Life Building, Salt Lake City, Utah.

C. (1) Continuous and indefinite.

C. (2) Working on H. R. 8920, tax bill; S. 1192, Basque aliens and other legislation generally affecting the sheep and wool industry.

C. (3) Washington activities are sometimes reported in the National Wool Grower, official monthly publication of the organization.

D. (1) $13,879.98; (2) $600; (7) $14,479.98; (8) $13,497.55; (9) $27,977.53; (14) $1,618, Idaho Wool Growers Association, Box 2398, Boise, Idaho; $6,568, Montana Wool Growers Association, 515 Powers Block Building, Helena, Mont.; $1,229.50, Oregon Wool Growers Association, Box 256, Pendleton, Oreg.; $2,698, Colorado Wool Growers Association, 4665 Lafayette, Denver, Colo.; $1,564, Nevada Wool Growers Association, Box 1429, Reno, Nev.; $202.48, small individual subscriptions; $500, Redd Ranches, LaSal, Utah; $100, Smith Ranches, Salt Lake City, Utah; $14,479.98, total.

E. (2) $2,100; (7) $2,521.57; (9) $4,621.57; (10) $8,325.32; (11) $12,946.89; (15) $12,946.89.

A. Carlton L. Nau, 1757 K Street, N.W., Washington, D. C.; general manager of the American Public Power Association, a service organization composed of publicly owned electric systems.

B. American Public Power Association, 1757 K Street NW., Washington, D. C.

C. (1) Legislative interests are only incidental to main function as manager of management service organization; They will continue indefinitely.

C. (2) Restrictive language in the 1950 appropriation bill for Rural Electrification Administration; Interior Department appropriation bill, H. R. 7786.

C. (3) None.

D. (5) $2,208.33; (7) $2,208.33; (8) $4,250; (9) $6,458.33.

E. (2) $110; (6) $25; (7) $3; (9) $138; (10) $1,192; (11) $1,330; (15) All.

A. William S. Neal, 918 Sixteenth Street, Washington, D. C.

B. National Association of Manufacturers, 918 Sixteenth Street, Washington, D. C.

D. Money received and expended by me during the period amounted to $4,083.26, of which $3,750 is salary and $333.26 expenses; expense money paid to railroads, hotels, taxicab drivers and similar miscellaneous firms and persons, such as telephone company, for ordinary expenses, for the purpose of attending meetings, luncheons, payment for requirements of transportation. I am a regular contributor to the NAM News; I support the program of the NAM; maintaining freedom of enterprise, abolition of unnecessary controls, revision of taxes, economy in government, for foreign aid under ECA, for maintenance of patent system, for decrease of Federal subsidies, for revision of securities and exchange laws.

A. Nebraska Tax Equality Committee, Inc., 714 Stuart Building, Lincoln, Nebr.

C. (1) Interests are to continue until the passage of tax equality legislation.

(2) Legislative interests: All legislation designed to bring about equality of taxation between private business and cooperatives; Mason bill H. R. 5064.

D. (9) $1,030.

E. (4) $51.23; (6) $20.32; (8) $5.10; (9) $76.65; (10) $1,351.23; (11) $1,427.88.

A. Samuel E. Neel, 1001 Fifteenth Street NW., Washington, D. C.; attorney at law.

B. Mortgage Bankers Association of America, 111 West Washington Street, Chicago, Ill.; trade association.

C. (1) Indefinite.

C. (2) Any legislation affecting the mortgage banking industry, particularly S. 2246, H. R. 7402, S. 3746.

C. (3) The only publications which have been issued are those regular publications of the Mortgage Bankers Association of America which have incidentally discussed legislation along with other subjects; these publications are Washington Newsletter, Letter to Members, and the Mortgage Banker; they appear irregularly during each month.

D. (5) $3,124.98; (6) $1,407.95; (7) $4,532.93; (8) $9,402.84; (9) $13,935.77.

E. (5) $825.98; (6) $456.97; (7) 125; (9) $1,407.95; (10) $3,465.38; (11) $4,873.34; (15) $1,407.95.

A. G. W. Nelson.

B. Brotherhood of Railroad Trainmen, 130 Third Street SE., Washington, D. C.; railroad union.

C. (2) Contacting members of Congress in opposition to legislation unfavorable to labor and in support of legislation friendly to labor.

A. Herbert U. Nelson, 22 West Monroe Street, Chicago, Ill.; 1737 K Street NW., Washington, D. C.; executive, trade association.

B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.; 1737 K Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation affecting the real-estate industry.

C. (3) Attached is a list of news releases[2] issued during the quarter which bear on

[2] Not printed. Filed in the Clerk's office.

legislative subjects; complete information as to the extent to which these were published or the dates of publication is not available; mailing list for these news releases is attached;[3] mimeographing was done in our Washington office.

D. (5) $2,940.29; (7) $2,940.29; (8) $5,456.18; (9) $8,396.47; (13) no.

E. (6) $30.36; (7) $1,659.93; (9) $1,690.29; (10) $4,206.18; (11) $5,896.47; (15) $1,690.29.

A. Nevada Railroad Association, 43 Sierra Street, Reno, Nev.

B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.; railroad; Union Pacific Railroad Co., 422 West Sixth Street, Los Angeles, Calif; railroad; the Western Pacific Railroad Co., 526 Mission Street, San Francisco, Calif.; railroad.

C. (1) Continuing.

C. (2) All Senate and House bills and resolutions affecting the interests of Nevada rdilroads; (a) signal inspection bill; railroad union shop bill; any other bills affecting Nevada railroads; (b) H. R. 378, S. 238, H. R. 7789, and any other bills affecting Nevada railroads.

D. (1) $1,810.63; (7) $1,810.63; (8) $710.13; (9) $2,520.76; (13) yes; (14) $840.26, Southern Pacific Co.; $840.25, Union Pacific Railroad Co.; $840.25, Western Pacific Railroad Co.

E. (2) $893.31; (6) $39.64; (7) $877.68; (9) $1,810.63; (10) $710.13; (11) $2,520.76; (15) $1,810.63.

A. Blake T. Newton, Jr., 725 Thirteenth Street NW., Washington, D. C.; attorney, the Chesapeake & Potomac Telephone Cos.

B. American Telephone & Telegraph Co., 195 Broadway, New York, N. Y.

C. (1) Legislative interests terminated with current quarter. Registrant's employment terminated as of end of current quarter.

C. (2) Any matters affecting Bell Telephone Cos.

D. (5) $3,125; (6) $266.62; (7) $3,391.62; (8) $54.10; (9) $3,445.72; (13) no.

E. (7) $266.62; (9) $266.62; (10) $54.10; (11) $320.72.

A. New York Committee To Defeat the Mundt Bill,[4] Room 822, 11 West Forty-second Street, New York, N. Y.; a temporary coordinating committee dealing with specific legislative issues.

C. (1) Until the termination of the recent legislative session.

C. (2) General legislative interest is to oppose the Mundt-Ferguson bill, S. 2311, and Nixon bill, H. R. 7595, or any similar bill because committee believes bill is unconstitutional and destructive of civil rights.

C. (3) The following publications have been issued or been caused to be issued: News Bulletin Nos. 1, 2, 3, 4, dated respectively April 7, May 1, May 22, June 5, 1950, in respective quantities, as follows: 250, 300, 400, 400 copies; these publications were mimeographed by the New York Committee To Defeat the Mundt Bill; leaflet, May 4, 1950, 25,000 copies (printed by Prompt Press, 113 Fourth Avenue, New York City); remarks of Senator Langer on Mundt bill, April 1950 (printed by the United States Government Printing Office, 300 copies, not printed at Government expense); Hey Brother There's a Law Against You, 10,000 copies (printed by the National Committee To Defeat the Mundt Bill, 902 Twentieth Street NW., Washington, D. C.); "Civil Rights and Liberties," a radio address by Algernon D. Black, April 13, 1950, 100 copies mimeographed by the New York Committee To Defeat Mundt Bill; "Quotes," April 11, 1950, 500 mimeographed copies (New York Committee To Defeat Mundt Bill; Speaker's Outline, April 20, 1950, 200 copies, mimeographed by New York Committee To Defeat Mundt Bill; Mundt-Ferguson bill, S. 2311, May 20, 1950, 300 copies mimeographed by New York Committee To Defeat Mundt Bill; post cards to President Truman, May 4, 1950, 5,000 cards (printed by Prompt Press).

D. (2) $2,818.48; (4) $421.61; (7) $3,240.09; (9) $3,240.09; (10) $120; (13) no.

E. (1) $525.23; (2) $900.69; (3) $750; (4) $317.45; (5) $570.43; (6) $211.38; (8) $28.60; (9) $3,303.78; (11) $3,303.78.

A. New York Committee To Defeat Mundt Bill, room 822, 11 West Forty-second Street, New York City, and suite B, 23 West Twenty-sixth Street, New York City; a temporary committee dealing with specific legislative issues.

C. (1) Until termination of present session of Congress.

C. (2) General legislative interest is to oppose passage of Mundt-Nixon-Ferguson bill and successor bill—McCarran (S. 4037).

C. (3) Following publications have been issued or caused to be issued: News Bulletin, July 16, 200 copies; July 28, 200 copies; August 1, 200 copies; August 10, 200 copies; August 22, 200 copies; August 23, 100 copies; September 2, 100 copies; September 6, 100 copies; September 13, 150 copies; mimeographed by New York committee.

D. (2) $1,180; (4) $5; (7) $1,185; (8) $3,240.09; (9) $4,425.09; (13) no.

E. (1) $36; (3) $137; (4) $134.39; (5) $130.28; (6) $183.93; (7) $50; (8) $582.83; (9) $1,254.43; (10) $3,303.78; (11) $4,558.21.

A. New York Stock Exchange, 11 Wall Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

D. (13) No.

E. (11) $1,134.97.

A. Russ Nixon, 1000 Eleventh Street NW., Washington, D. C., labor organization.

B. United Electrical, Radio & Machine Workers of America, 11 East Fifty-first Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare; oppose legislation detrimental to these objectives; H. R. 9490, S. 2311.

D. (5) $1,000; (7) $1,000; (8) $2,100; (9) $3,100; (13) No.

E. (7) $150; (9) $150; (10) $300; (11) $450; (15) $150.

A. William R. Noble, attorney, 1028 Barr Building, Washington, D. C.

B. Counsel for National Retail Farm Equipment Association, 207 Hotel DeSoto Building, St. Louis, Mo.; and National Retail Hardware Association, 333 North Pennsylvania Street, Indianapolis, Ind., both of above are nonprofit trade associations.

C. (1) Legislative interests to continue indefinitely.

C. (2) Keeping associations informed as to pending legislation and interpretations of legislation; actively interested in Defense Production Act of 1950, Public Law 774, Eighty-first Congress.

C. (3) Regular column published under my name in two trade magazines published monthly: Farm Equipment Retailing, with circulation of 20,000, published by Farm Equipment Retailing Inc., 1014 Locust Street, St. Louis, Mo., and Hardware Retailer with circulation of 25,000, published by National Retail Hardware Association, 333 North Pennsylvania Street, Indianapolis, Ind.

D. (5) $3,375; (7) $3,375; (8) $3,375; (9) $6,750; (13) No.

E. (7) $248; (9) $248; (10) $207.60; (11) $455.60; (15) $248.

A. Dr. J. S. Noffsinger, director, National Federation of Private School Associations, 2601 Sixteenth Street NW., Washington, D. C.

B. National Federation of Private School Associations, 2601 Sixteenth Street NW., Washington, D. C.; this is a federation of private school associations.

C. (1) Indefinitely.

C. (2) All legislative proposals that affect private (nontax supported schools).

D. (5) $1,033.34; (7) $1,033.34; (8) $2,500; (9) $3,533.34; (13) No.

E. (15) All.

A. Christian P. Norgord,[4] Washington representative of American Humane Association, 1617 Rhode Island Avenue, N. W., Washington, D. C., general business and legislative representative.

B. Robert F. Sellar, president, American Humane Association, Albany, N. Y., head of a Federation of Societies and Individuals for the Prevention of Cruelty, Especially to Children and Animals.

C. (1) Indefinite.

C. (2) To promote the enactment of legislation coming within the field of work and conforming to the standards of the association and its federated societies; to discourage legislation in that field below such standards; (b) S. 1821 and H. R. 4737, protecting animals in traffic from inhumane treatment; H. R. 4668, forbidding interstate shipment of bull-fighting bulls; H. R. 2945, postal rate increases; S. 1703, taking dogs from District pound for experimental purpose; S. 2734, rehabilitation of Navajo and Hopi Indians; H. R. 5629, protection of the bald eagle in Alaska; S. 2415, provision for handling disasters; S. 238 and H. R. 378, requiring railroads to provide certain provisions for the safety of passengers and employees; S. 3012, getting adequate educational service for physically handicapped children; establish wildlife management for Florida Keys; H. R. 7524, social-security amendment; Public Law 818, protecting wild animals and birds imported into the United States; H. R. 331, Alaska statehood bill.

D. (5) $360; (6) $106.90; (7) $466.90; (8) $476.83; (9) $943.73; (13) No.

E. (5) $106.90; (9) $142.67; (10) $65.88; (11) $208.55; (15) $466.90.

A. Christian P. Norgord, 1617 Rhode Island Avenue NW., Washington, D. C.

B. American Humane Association; (same as above).

C. During the past quarter of this year I have done no lobby work nor received any pay for same.

A. O. L. Norman, 1200 Eighteenth Street NW., Washington, D. C. Nature of business: Registrant is assistant to the president of the National Association of Electric Companies, a trade association whose members are 102 operating electric companies.

B. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. Nature of business: The National Association of Electric Companies is a trade association whose members are 102 operating electric companies. The preamble of its articles of association describe the functions to be engaged in by the association as follows: "In order to further the interests of the electric utility companies that are members of this association and their investors, employees, and customers; to maintain the integrity and credit of the industry; to present to the public the essential facts about the industry to the end that there may be a better understanding between the utility companies and the public and a better appreciation of utility progress, achievements, and problems; to coordinate regional activities among member companies; to furnish member companies information, reports, and statements concerning various phases of electric utility operations and developments; to further cooperation with all agencies and organizations interested in the supply and purchase of electric light and power; to fur-

[3] Not printed. Filed in the Clerk's office.

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

nish such agencies and organizations with information, reports, and statements concerning member companies and the electric utility industry; to present the facts to the public concerning the public benefits resulting from the operation of electric utility companies by businessmen under governmental regulations and, generally, to engage in those practices recognized as being legal and proper to further said ends, certain electric utility companies do hereby establish a national association which shall be adequately qualified and empowered to act in every lawful way when concert of policy and action would be helpful." Thus the association functions for the following principal purposes: 1. To keep member companies informed of Washington developments affecting them as operating businesses, including information and analyses of governmental hearings, orders, and regulations, both legislative and administrative. 2. To keep the public, including employees, consumers, and investors, informed concerning the accomplishments of the industry, its achievements in serving the public, and the plans of this industry for the future. 3. To furnish—and aid in furnishing—technical information to the instruments of government and to provide a readily available contact between government and the industry. 4. To provide the members of the association with a medium through which they can exchange ideas on problems of mutual concern and interest in order to better serve the public. 5. To act for the member companies in matters of common and national concern.

C. (1) Of indefinite duration.

C. (2) Registrant is assistant to the president of the National Association of Electric Companies. One of the purposes of this association as set forth in previous registrations and reports filed pursuant to title 3 of the Legislative Reorganization Act of 1946 is to provide its members with a medium through which they can develop and exchange ideas and take appropriate action on problems of mutual concern and interest, including matters involving legislation. The association, therefore, is generally interested in all developments in and of Federal legislation that might affect its members as going electric utilities, including, but not limited to the following bills and statutes and amendments thereto: H. R. 7786, a bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes; Internal Revenue Code (53 Stat. 1); TVA Act (48 Stat. 58); Federal Power Act (49 Stat. 803); Rural Electrification Act of 1936 (49 Stat. 1363); Reclamation Acts (25 Stat. through 45 Stat.); Flood Control Act, 1944 (58 Stat. 887). For specific details concerning the policy position of the National Association of Electric Companies, see the document entitled, "Water Resources, Electric Power and National Policy," prepared in response to an invitation of the Chairman of the President's Commission on Water Resources Policy dated March 2, 1950, for a complete statement of the association's position on policy questions. Copies of this statement have heretofore been filed with the Secretary of the Senate and the Clerk of the House of Representatives.

D. (5) $3,750; (7) $3,750; (8) $2,500; (9) $6,250; (13) no.

E. (6) $1.25; (7) $124.65; (8) $602.52; (9) $728.42; (10) $862.77; (11) $1,591.29; (15) $728.42.

A. Harry E. Northam, 360 North Michigan Avenue, Chicago, Ill., executive secretary, who works on a salary basis ($15,000) with reimbursement of traveling and subsistence basis. No allowance is made to him for lobbying expenses or the entertainment of anyone.

B. The registrant is employed as an executive secretary by the Association of American Physicians and Surgeons, Inc., 360 North Michigan Avenue, Chicago, Ill., which is an organization formed for the mutual assistance of physicians and surgeons in the United States on a dues-paying membership basis, somewhat similar to that of the American Bar Association, and other similar organizations.

C. (1) The Association of American Physicians and Surgeons, Inc., is interested in all matters concerning the practice of medicine and surgery for the self-improvement and protection of its dues-paying members. The members being active practitioners do not have the time to look after these matters personally. The work of the association is educational in character and it issues a monthly newsletter to all members. It becomes necessary at times that committees and Members of the Congress receive educational material concerning pending legislation affecting the practice of medicine and surgery. This registrant, being the executive secretary of the association, is sometimes required to communicate with committees of the Congress and with Members of the Congress, on behalf of the association, concerning matters which affect members of the association. Not more than 10 percent of the time and energy of the registrant is devoted to such educational work with the committees of the Congress. The association does not concern itself with any proposed legislation except that affecting physicians and surgeons in the practice of their profession and registrant's activities are limited to making known to committees and Members of the Congress the interests of the member physicians and surgeons. The monthly news letter is a four-page printed communication issued by the association itself and in large part composed by the registrant along with the other duties of his position.

A. North Dakota Resources Board, 311 North Broadway, Fargo, N. Dak.; promoting the development of the State's resources.

B. Above-named organization is the employer.

C. (1) Indefinite.

C. (2) Promoting development of the State's natural resources, particularly irrigation and reclamation, flood control, water conservation, lignite development and utilization, new industries.

D. (6) $2,250; (7) $2,250; (8) $5,300; (9) $7,330; (13) yes; $1,900, Greater North Dakota Association, 311 North Broadway, Fargo, N. Dak., for period of July 1 through September 30, 1950; Greater North Dakota Association is a State-wide, nonprofit, nonpolitical, voluntary membership organization, formed for the purpose of promoting the development of the State's natural resources; $350, city of Grand Forks, N. Dak.; $2,250, total contributions for the period.

E. (2) $1,050; (6) $177.24, social security tax, bank charges, etc.; (8) $948.67; (9) $2,175.91; (10) $5,259.76; (11) $7,435.67.

A. Northern Hemlock and Hardwood Manufacturers Association, Washington Building, Oshkosh, Wis.; an association of firms in the timber industries.

C. (1) Probably continuous.

C. (2) Legislation affecting the timber industries of Wisconsin and Michigan, H. R. 7789, relating to labor relations in railroad equipment; letters to several Members of Congress and to the association membership discussing the wage-hour law and the Walsh-Healey Act and current difficulties in figuring Government business and overtime under the conflicting provisions of the two enactments.

D. (9) $500; (13) no.

E. (4) $11.50; (9) $11.50; (10) $184; (11) $195.50.

A. Walter Nortmar., attorney, 122 West Washington Avenue, Madison, Wis.

B. Wisconsin Railroad Association, 122 West Washington Avenue, Madison, Wis.

C. (1) Indefinitely.

C. (2) All matters affecting the interest of railroads; in particular, H. R. 7789, S. 3295; compulsory union shop.

D. (5) $80; (7) $80; (8) $100; (9) $180; (13) no.

E. (7) $87.50; (9) $87.50; (10) $85; (11) $172.50; (15) $87.50.

A. Alfred E. Notarianni, attorney at law, 1625 K Street NW., Washington, D. C.; final report, employment terminated August 1, 1950.

B. Employed by Cummings, Stanley, Truitt & Cross, 1625 K Street NW., Washington, D. C.; acting in the interest of Grace Line, United States Line, Farrell Line, American Export Line, and Lykes Bros. Steamship Line, all of New York, and American President Line of San Francisco, shipping companies.

C. (1) Legislative interests terminated as of August 1, 1950.

C. (2) Shipping legislation, Merchant Marine Act, 1936, as amended; H. R. 5346, S. 2786, H. R. 6719, H. R. 3337, H. R. 3930, H. R. 4190, H. R. 3291, H. R. 3419, H. R. 6061, H. R. 4450, H. R. 3122, H. R. 4847, S. 402, Senate Resolution 50, H. R. 1251.

A. John O'Brien, 1 Wall Street, New York, N. Y.; lawyer.

B. Riegel Textile Corp., 342 Madison Avenue, New York, N. Y.; manufacturer.

C. (1) Eighty-first Congress.

C. (2) H. R. 1054, a bill for the relief of Riegel Textile Corp.

E. (6) $14.92; (7) $112.93; (9) $127.85; (10) $35.18; (11) $163.03; (15) $127.85.

A. Edward H. O'Connor, 176 West Adams Street, Chicago, Ill.; managing director.

B. Insurance Economics Society of America, 176 West Adams Street, Chicago, Ill; research and educational institution, studying all forms of social insurance.

C. (1) Will terminate with the adjournment of the Eighty-first Congress.

C. (2) S. 5 and H. R. 345, health insurance; S. 1106, medical aid; S. 1456, health insurance; S. 1581, health program; S. 1679, National Health Insurance Act; S. 1970, National Health Act; S. 2940, National Health Act; H. R. 782, Federal Security Agency; H. R. 783, health insurance; H. R. 6000, old age and survivors insurance; Reorganization Plan No. 27.

C. (3) (a) Bulletin to members; (b) 175 copies; (c) 2 issues; (d) mimeographed in office. (a) Our monthly publication; (b) 20,000 copies; (c) monthly; (d) Robert Straub & Co.

D. (1) $5,412.50; (4) $304; (7) $5,716.50; (8) $30,613.10; (9) $36,329.60.

E. (11) $121.53.

A. Eugene O'Dunne, Jr., Southern Building, Washington, D. C.; attorney at law.

B. National Association of Wool Manufacturers, 386 Fourth Avenue, New York, N. Y.; trade association.

C. (1) Throughout the year 1950 and thereafter for indefinite period.

C. (2) S. 1965, Foreign Trade Authority, for setting import fees; H. R. 5089 and H. R. 5091, stream pollution bills, accelerated amortization for Federal income tax purposes; Defense Production Act of 1950, amendment concerning maximum average price program; amendment to appropriate legislation postponing temporarily negotiations under section 350 of the Tariff Act of 1930, as amended.

C. (3) Article on foreign trade, National Wool Grower magazine, May 1950 issue.

D. (5) $2,500; (7) $2,500; (8) $2,500; (9) $5,000.

E. (6) $24.56; (7) $10.11; (8) $4.20; (9) $38.87; (10) $40.44; (11) $79.31; (15) $38.87.

A. Donald C. O'Hara, attorney, 958 Munsey Building, Washington, D. C.

B. Fayette B. Dow, attorney, 958 Munsey Building, Washington, D. C.; work done in interest of American Petroleum Institute, 50 West Fiftieth Street, New York City.

C. (1) Legislative interests will continue as long as Congress is considering revisions in excise taxes.

C. (2) Legislative interest related to excise tax on lubricating oils only. I appeared as a witness before the House Ways and Means Committee on Friday, February 16, 1950.

A. Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio. (See p. 3, report for first quarter of 1950, for list of member roads.) An association giving service to Ohio steam railroads on matters in which all member roads have a common interest.

C. (1) Indefinite.

C. (2) Legislation affecting railroad interests: (a) Operating rules bill, H. R. 378; basing-point bill, S. 1008; union shop bills, S. 3295; and H. R. 7789; (b) H. R. 378, S. 1008, and S. 3295, H. R. 7789.

D. (13) Yes; (14) $6,658, the Baltimore & Ohio Railroad Co., Baltimore, Md.; $1,661, the Chesapeake & Ohio Railway Co., Richmond, Va.; $3,042, Cleveland, Cincinnati, Chicago & St. Louis Railway, 466 Lexington Avenue, New York, N. Y.; $1,130, Detroit, Toledo & Ironton Railroad Co., Dearborn, Mich.; $1,709, Erie Railroad Co., Midland Building, Cleveland, Ohio; $3,945, New York Central Railroad Co., 466 Lexington Avenue, New York, N. Y.; $3,486, the New York, Chicago, and St. Louis Railroad Co., Terminal Tower, Cleveland, Ohio; $971, Norfolk & Western Railway Co., Roanoke, Va.; $6,646, the Pennsylvania Railroad Co., Philadelphia, Pa.; $608, Wabash Railroad Co., St. Louis, Mo. None of the member roads makes direct contributions to the Ohio Railroad Association for the purposes outlined in the Federal Regulation of Lobbying Act (Public Law 601, 79th Cong.) but do pay the expenses of the association on a pro rata basis, including the expenditures set forth in this form in the sum of $543.40.

E. (7) $192.62; (9) $192.62; (10) $350.78; (11) $543.40.

A. Eli L. Oliver, 1029 Vermont Avenue NW., Washington, D. C.; economist and labor relations consultant.

B. My principal duties for the employer are without legislative interest. O. David Zimring, lawyer, 1029 Vermont Avenue NW., Washington, D. C., is my employer and will pay me my regular salary during such legislative work. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, A. F. of L., 1214 Griswold Street, Detroit, Mich., is the secondary employer and will pay my employer, O. David Zimring.

C. (1) Legislative interests will not continue. This is final report.

C. (2) General legislative interests of labor organizations, their members and families, and especially the interests of Mr. Zimring and the above-named association. At the time of my primary registration and during June 1950 the primary legislative interest was in H. R. 6000, Senate Report 1669, and proposed amendments thereto.

C. (3) The association publishes the Union Leader, a weekly journal for its members in the Chicago, Ill., area; it also publishes the Motorman, Conductor and Motor Coach Operator, a monthly journal for its members in the United States and Canada. These publications are not primarily concerned with legislative interests but have contained in the past and will publish in the future news stories, reports and recommendations involving pending or suggested bills, resolutions and constitutional amendment proposals.

C. (4) I am employed on an annual salary by O. David Zimring and I handle labor relations consultations, organizational duties, economic statistics, the presentations before the Interstate Commerce Commission, etc. My legislative work is incidental to my regular employment and there will be no additional compensation therefor.

D. (13) No.

E. (2) My salary was the normal salary which would have been paid to me if no legislative work had been performed. None additional was paid for legislative work.

A. Fred N. Oliver, Oliver & Donnally, 110 West Forty-second Street, New York, N. Y., and Continental Building, Washington, D. C.; partner in the law firm of Oliver & Donnally.

B. Legal services rendered to National Association of Mutual Savings Banks, 60 East Forty-second Street, New York, N. Y., and Railroad Security Owners Association, Inc., 110 East Forty-second Street, New York, N. Y. Approximately 15 percent of legal work done on behalf of National Association of Mutual Savings Banks was for purposes mentioned in Lobbying Act. No work for any purposes mentioned in Lobbying Act was done on behalf of Railroad Security Owners Association, Inc., during last quarter.

C. (1) Legislative interests will continue indefinitely.

C. (2) The general legislative interests consist of any legislation in which the mutual savings banks or security owners have a legitimate interest in supporting or opposing. Specific legislative interests in period July 1 to September 30, 1950, have been Revenue Act of 1950 (H. R. 8920); FDIC Act (S. 2822); Defense Production Act of 1950 (S. 3936).

D. (5) $262.50; (7) $262.50; (8) $525; (9) $787.50.

E. (6) $481.95; (7) $56.64; (9) $538.59; (10) $628.43; (11) $1,167.02.

A. Clarence H. Olson, care of the American Legion (a chartered organization of war veterans), 734 Fifteenth Street NW., Washington, D. C.

B. The American Legion, 700 North Pennsylvania Street, Indianapolis, Ind.

C. (1) On a yearly basis (employment started April 1, 1950).

C. (2) Below is set forth a statement showing the general legislative interests of the American Legion and the work performed in connection therewith: The American Legion and all veterans of World War I and World War II and their dependents on all matters affecting their care, rehabilitation, hospitalization, reeducation, and housing; all matters affecting the general welfare of our country with regard to national defense. Americanism, included in which is opposition to all subversive activities, with particular attention to our immigration and naturalization laws. Child welfare not only for children of veterans but for all children; aid and assistance to veterans in agriculture development; matters dealing with our foreign policy and foreign relations; the development of sound civil aviation programs and policies, and the development of sound and progressive programs for the employment and reemployment of veterans in civilian pursuits and in civil service; legislation which would eliminate all improper discriminations and be of benefit to the men and women who are still in our armed services, and all other matters included in the mandates and programs of the American Legion as adopted and approved by the national convention of the American Legion and/or by its national executive committee, which are the ruling and policy-making bodies of the American Legion. (a) Due to the nature and extent of the work involved, it is impossible to specify the titles of statutes and bills, (2) the House and Senate numbers of bills, or (c) the citations of statutes.

C. (3) The legislative commission of the American Legion prepares an article on legislation pending before Congress, which is inserted in the American Legion magazine once a month. The American Legion magazine is distributed to all members of the American Legion. The only publication issued by the American Legion legislative commission is the Legislative Bulletin, which is issued once a week while Congress is in session. (a) The American Legion magazine is a magazine of interest to veterans, and as above stated, is sent to all members who have paid dues and is part of the consideration for payment of dues. The Legislative Bulletin is issued to subscribers and also to certain officers of the American Legion who receive same without paying any consideration therefor. Paid subscribers are charged $3 per congressional session. (b) During the past year slightly in excess of 3,000,000 copies of the American Legion magazine were published, and at the present time approximately 4,000 copies of the Legislative Bulletin are issued. (c) The American Legion magazine is issued the early part of each month. The Legislative Bulletin is issued on Tuesday of each week while Congress is in session. (d) The American Legion magazine is printed by C. T. Dearing Printing Co. and the Legislative Bulletin is printed by the Law Reporter Printing Co.

D. (5) $1,761.82; (7) $1,761.82; (8) $1,757.22; (9) $3,519.04.

E. (11) $11.80; (9) $11.80; (11) $11.80; (15) $11.80.

A. Gerda T. O'Malley, 205 West Wacker Drive, Chicago, Ill.

B. Communications Workers of America, CIO, division 14 (Illinois).

C. (1) Terminated as of July 1, 1950.

C. (2) Labor legislation of interest to telephone workers.

A. John E. O'Neill, 604 Washington Building, Washington D. C.; attorney at law; general counsel of the Small Brewers Association.

B. Small Brewers Association, 188 West Randolph Street, Chicago, Ill.; a trade association.

C. (1) I have not engaged in any lobbying activities whatsoever during the quarter ended September 30, 1950. However, I desire my registration as a lobbyist to remain on file in case my lobbying activities should be renewed.

A. Order of Railway Conductors of America, ORC Building, Cedar Rapids, Iowa; international railway labor organization.

C. (4) Salary, W. D. Johnson, vice president and national legislative representative, third quarter 1950, $2,125.

E. (2) $2,125; (5) $869.70; (6) $63.51; (9) $3,058.21; (10) $6,124.64; (11) $9,182.85.

A. Order of Railway Conductors of America, ORC Building, Cedar Rapids, Iowa; international railway labor organization.

C. (4) Salary, C. W. Vance, legislative representative, third quarter 1950, $196.

E. (2) $196; (6) $13.75; (7) $133.42; (9) $343.17; (10) $2,236.67; (11) $2,579.84.

A. Organization of Professional Employees of the United States Department of Agriculture, post office box 381, Washington, D. C.; an association of Federal employees engaged in professional activities, the purpose of said association being to promote the professional interests of its members, the professional standards of Federal service, and the quality of professional service to the public.

C. (1) So long as Congress considers and enacts legislation affecting the classified employees of the Federal Government, the legislative interests of this organization will continue.

C. (2) The general legislative interests of the organization are in large part but not exclusively exemplified by the bills which in the Digest of Public General Bills issued by the Library of Congress are indexed under the captions "Public officers and employees," "Retirement," and "Income-tax exemption." The bill on retirement receiving our attention has been S. 1275, to amend the Civil Service Retirement Act of May 29, 1930, as amended. The amendment concerning annual and sick leave offered by Senators Douglas, Kem, and Williams to the appropriation bill, H. R. 7786, and the rider on leave earned during 1950 attached to that bill were given

special consideration. The bill on performance ratings, H. R. 7824, received only casual attention by this organization this quarter.

C. (3) OPEDA Newsletter; (a) A printed three-fold four-page quarterly publication; (b) 9,000 copies; (c) September 1950; (d) the Trades Unionist.

D. (1) $7.63; (7) $7.63; (8) $644.66; (9) $652.29; (13) no.

E. (2) $53; (4) $36.29; (6) $1.23; (9) $90.52; (10) $701.19; (11) $791.71.

A. Thomas Owens, 718 Jackson Place NW., Washington, D. C.; legislative representative, United Rubber, Cork, Linoleum, Plastic Workers of America.

B. United Rubber, Cork, Linoleum, Plastic Workers of America, High at Mill Street, Akron, Ohio.

C. (1) Indefinitely.

C. (2) Support all legislation favorable to the national peace, security, democracy, prosperity, and general welfare. Oppose all legislation detrimental to these objectives.

C. (3) I have not individually issued or caused to be issued, any publication as above described. Any such publications issued by the United Rubber Workers are listed in the United Rubber Workers Report.

D. (5) $1,105; (6) $687.50; (7) $1,792.52; (8) $2,622.70; (9) $4,415.22.

E. (7) $687.52; (9) $687.52; (10) $682.70; (11) $1,370.22; (15) $687.52.

A. Mrs. Theodor Oxholm,[4] 654 Madison Avenue, New York, N. Y.; chairman of the board of directors, Spokesmen for Children, Inc.; better laws for maternal and child health and welfare.

B. Volunteer worker for Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y.; better laws for maternal and child health and welfare.

D. (5) $61.13; (7) $61.13; (8) $85.34; (9) $146.47.

E. (7) $61.13; (9) $61.13; (10) $85.34; (11) $146.47; (15) $61.13.

A. Mrs. Theodor Oxholm, 654 Madison Avenue, New York, N. Y.; chairman of the board of directors, Spokesmen for Children, Inc.; better laws for maternal and child health and welfare.

B. Volunteer worker for Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y.; better laws for maternal and child health and welfare.

D. (8) $146.47; (9) $146.47; (13) no.

E. (10) $146.47; (11) $146.47.

A. Getty Page, executive secretary, Vermont State Medical Society, 128 Merchants Row, Rutland, Vt.

B. Vermont State Medical Society, 128 Merchants Row, Rutland, Vt.

C. (1) Legislative interests are to continue indefinitely.

C. (2) General legislative interests: Pertaining to health. Specific legislative interests: S. 1679, S. 1456, S. 1970, H. R. 6000, S. 1581, S. 1453, S. 1411, S. 2940, and Reorganization Plan No. 27.

C. (3) Publication: This office sends out a mimeographed news letter early each month to its 410 members. Occasionally information with legislative interest is included. A separate single sheet letter was sent to the membership regarding Reorganization Plan No. 27.

D. (8) $315; (9) $315; (13) no.

E. (2) $142; (4) $5.75; (6) $1.38; (8) $0.12; (9) $149.25; (10) $142; (11) $291.25.

A. James Donald Parel, 261 Constitution Avenue NW., American Farm Bureau Federation, Washington, D. C.

B. American Farm Bureau Federation, 221 North La Salle Street, Chicago, Ill.

C. (1) Indefinite.

C. (2) In accordance with the annual meeting resolutions adopted by the American Farm Bureau Federation, proposed legislation on the following matters has been supported or opposed: Appropriations for the fiscal year 1951; section 22 of the Agricultural Adjustment Act; cotton, wheat, peanut, and rice quotas and allotments; wheat marketing certificate program; commercial corn-producing areas; marketing quotas for cigar wrapper tobacco; potato marketing quotas; foreign economic assistance; point 4 program; foreign economic commission; educational exchange; trade policy with Communist countries; customs regulations; agricultural credit; brucellosis; Government reorganization; rural roads; taxation; social security; postal rates; farm labor; rural housing; farm program; marketing facilities for perishables; production and subsistence loans; Farm Bureau-extension service relationships; Cooperative Forest Management Act; antitrust; Defense Production Act of 1950; International Trade Organization; antimerger (corporations); Assistant Secretaries for Agriculture.

C. (3) See report filed for American Farm Bureau Federation for this information.

D. (5) $2,125; (7) $2,125; (8) $4,250.04; (9) $6,375.04; (13) no.

E. (7) $63.72; (9) $63.72; (10) $112.95; (11) $176.67; (15) $63.72.

A. Lovell H. Parker, 614 Colorado Building, Washington, D. C.; tax consultant.

B. Self-employed. Retained as a consultant by National Coal Association, Washington, D. C., on tax matters.

C. (1) Indefinite.

C. (2) Tax legislation affecting the bituminous coal industry.

D. (5) $5,000; (7) $5,000; (9) $5,000; $5,000 received from National Coal Association, Washington, D. C. (in part for services in connection with legislative interests.

NOTE.—Registrant receives a regular retainer of $500 per month, no part of which is allocated to compensation for legislative activities.

A. George F. Parrish,[4] executive secretary, West Virginia Railroad Association, 706 Security Building, Charleston, W. Va.

B. West Virginia Railroad Association, 706 Security Building, Charleston, W. Va.; to protect the interests of the West Virginia carriers.

C. (1) Indefinitely.

C. (2) April 17–20, 1950, to advocate the curtailment of the importation of foreign oil; April 30–May 4, 1950, in opposition to the union-shop bill; to advocate the repeal of the transportation excise tax; to restrict the importation of foreign oil; and to oppose the Reorganization Plan No. 7; May 17–20, 1950, to oppose Reorganization Plan No. 7, to restrict the importation of foreign oil, oppose union-shop bill; May 22–25, 1950, appeared before Neely committee on importation of foreign oil; June 1–3, 1950, appeared before subcommittee of Committee on Education and Labor (House) on importation of foreign oil.

D. (5) $900 per month; (7) $2,700; (8) $2,700; (9) $5,400; (13) no.

E. (7) $324.01; (9) $324.01; (10) $40; (11) $364.01; (15) $324.01.

A. George F. Parrish, executive secretary, West Virginia Railroad Association, 706 Security Building, Charleston, W. Va.

B. West Virginia Railroad Association, 706 Security Building, Charleston, W. Va.; to protect and promote the interests of the West Virginia carriers.

C. (1) Indefinitely.

C. (2) August 8–11, 1950, in opposition to the union-shop bill; September 11–16, 1950, in opposition to the union-shop bill.

D. (5) $900 per month; (7) $2,700; (8) $5,400; (9) $8,100; (13) no.

E. (7) $191.44; (9) $191.44; (10) $564.01; (11) $755.45; (15) $191.44.

A. Patterson, Belknap & Webb, 1 Wall Street, New York, N. Y.; attorneys.

B. The American Jewish Committee, 386 Fourth Avenue, New York, N. Y.

C. (1) Indefinite period; such period may last until the necessary amendment to the Trading With the Enemy Act is passed. (See paragraph 2 below.)

C. (2) As counsel for the American Jewish Committee for the purpose of obtaining an amendment to the Trading With the Enemy Act, whereby alien property in this country formerly owned by persons under persecution by an enemy government in cases where the owner is dead and left no heirs may be turned over to organizations for the relief of survivors (S. 603 in the House of Representatives, and H. R. 2780 and H. R. 1849).

E. (6) $95.79; (7) $173.02; (9) $268.81; (10) $260.61; (11) $529.42; (15) $268.81.

A. James G. Patton.

B. Farmers educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office), 300 Independence Avenue SE., Washington, D. C. (legislative secretary).

C. (1) I am employed exclusively by the employer listed above and about 30 percent of my time is spent influencing legislation on matters of interest to the National Farmers Union. The specific activities in which I have engaged are set forth in the report covering this quarter filed by the National Farmers Union.

D. My only receipts consist of my salary, which is $7,800 per annum.

E. All expenses incurred by me are paid by the National Farmers Union and the specific items appear in the report submitted by the National Farmers Union covering this quarter.

A. Randolph Paul (a partner in the law firm of Paul, Weiss, Rifkind, Wharton & Garrison), 1614 I Street NW., Washington, D. C.

B. Gillette Safety Razor Co., Boston, Mass.

C. (1) Indeterminate.

C. (2) An amendment to eliminate section 131 (b) (2) of the Internal Revenue Code.

C. (3) None relating to the subject below.

E. (10) $7.56; (11) $7.56.

A. Edmund W. Pavenstedt, care of White & Case, 14 Wall Street, New York, N. Y.; lawyer.

B. International Minerals & Chemical Corp., 20 North Wacker Drive, Chicago, Ill.; mining and manufacturing of fertilizers.

C. (1) During the present session of Congress.

C. (2) To support H. R. 8998, a bill to amend section 34 of Trading With the Enemy Act to protect interests of domestic corporations owning stock in enemy corporations assets of which have been seized by the Alien Property Custodian.

D. (13) No.

E. (7) $195.97; (9) $195.97; (10) $378.83; (11) $574.80; (15) $195.97.

A. Albert A. Payne, 1737 K Street NW., Washington, D. C.; legislative representative of the National Association of Real Estate Boards.

B. Realtors' Washington Committee of the National Association of Real Estate Boards.

C. (1) Indefinitely.

C. (2) Any legislation affecting the real-estate industry.

D. (5) $1,939.15; (7) $1,939.15; (8) $3,988.09; (9) $5,927.24; (13) no.

E. (6) $2; (7) $61.35; (8) $0.80; (9) $64.15; (10) $238.09; (11) $302.24; (15) $64.15.

A. George S. Peer, 744 Jackson Place NW., Washington, D. C.; director of farm supply services, National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C.

B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington,

[4] Filed for second quarter, 1950.

[4] Filed for second quarter, 1950.

D. C.; a trade organization for farmer cooperatives marketing farm products and/or purchasing farm supplies.

C. (1) Indefinitely.

D. (5) $1,375; (7) $1,375; (8) $2,750; (9) $4.125.

E. (7) $163.06; (9) $163.06; (10) $105.79; (11) $268.85; (15) $63.06.

A. People's Lobby, Inc., 810 F Street NW., Washington, D. C.; working for or against legislation, and with departments, but principal activities are educational.

C. (1) Legislative and educational activities are merged and my services will continue indefinitely.

C. (2) The general legislative interests of People's Lobby, Inc., are taxing ability to pay, public ownership or control of natural resources, natural monopolies, and basic industries. An over-all Government plan and international cooperation and control.

C. (3) I sent letters to Congress on pending bills, giving surplus farm products to consumers here and abroad, etc., and testified on the tax revision bill before the Senate Finance Committee.

D. (6) $1,105.79; (7) $1,105.79; (8) $3,949.65; (9) $5,055.44; (13) no.

E. (2) $461.61; (4) $479.66; (5) $274.84; (6) $33.36; (8) $8.70; (9) $1,258.17; (10) $4,061.34; (11) $5,319.51; (15) People's Lobby, Inc., pays all expenditures.

A. William J. Petersen.[4]

B. Wisconsin State Chamber of Commerce, 119 Monona Avenue, Madison, Wis.

C. (1) Indefinitely.

C. (2) I follow all legislation affecting business and industry along with my other work as general manager of the chamber. During the quarter covered by this report, was interested in the following: H. R. 87, postal employees; H. R. 6000, old-age and survivors insurance; H. R. 7786, General Appropriation Act, 1951; H. R. 7941, highway appropriations: H. R. 8920, Revenue Act of 1950.

D. (5) $2,750; (7) $2,750; (8) $2,750; (9) $5,500; (13) no.

A. William J. Petersen.

B. Wisconsin State Chamber of Commerce, 119 Monona Avenue, Madison, Wis.

C. (1) Indefinitely.

C. (2) I follow all legislation affecting business and industry along with my other work as general manager of the chamber. During the quarter covered by this report, was interested in the following: H. R. 6000, old-age and survivors insurance; H. R. 7786, General Appropriation Act, 1951; H. R. 7941, highway appropriations; H. R. 8920, Revenue Act of 1950.

D. (5) $2,750; (7) $2,750; (8) $5,500; (9) $8,250; (13) no.

A. Don Petty, 1771 N Street NW., Washington, D. C.; attorney.

B. National Association of Broadcasters, 1771 N Street NW., Washington, D. C.; registrant's client, a national trade association.

C. (1) Registrant is interested in any legislation—local, State, Federal, or international—which affects the broadcasting industry. Registrant will have a legislative interest as long as he represents this client.

C. (2) As stated immediately above, registrant is interested in any legislation affecting his client, and during the last quarter particularly in H. R. 8920 (excise tax on television receivers); S. 1973 (McFarland bill) and H. R. 4241; Sadowski bill (H. R. 6949); H. R. 7310 (Sheppard bill); and H. R. 8726 (exempting from duty sound recordings for news broadcasts) (Public Law 773).

C. (3) (a) S. 1973 and H. R. 4241; 25 letters to association's board of directors; August 11, 1950. (b) H. R. 8920; 36 wires to television stations, August 23, 1950; letter to Senate Finance Committee, August 4, 1950.

D and E. Registrant is of the opinion that the Federal Regulation of Lobbying Act of 1946 is not applicable to him. Any activities from time to time of registrant relating to the passage or defeat of any legislation by the Congress of the United States are incidental to his activities as attorney for the association. However, he registers under the act in order that he may carry on his duties as attorney without question being raised by any person as to the propriety of his performing any act respecting Federal legislation, incidental to his other activities though it may be. The registrant does not directly or indirectly solicit, collect, or receive any money or other thing of value to aid, nor is the principal purpose of registrant to aid, in the accomplishment of the passage or defeat of any legislation by the Congress of the United States, or to influence, directly or indirectly, the passage or defeat of any such legislation. In view of the foregoing explanation, it is impossible to answer D and E. During the past quarter registrant has received the sum of $3,750 as a retainer fee from said association and the sum of $62.16 for business expenses in connection with his numerous activities in all fields of law relating to this particular client, the National Association of Broadcasters. The approximate cost of activities under C (3) (a) was $3; under C (3) (b), $134.

A. Albert T. Pierson,[4] 54 Meadow Street, New Haven, Conn.; special representative, the New York, New Haven & Hartford Railroad Co.

B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.; steam railroad transportation.

C. (1) Indefinite.

C. (2) All legislation which might affect the New Haven Railroad.

D. (5) $1,815; (7) $1,815; (8) $1,815; (9) $3,630; (13) no.

E. (10) $91.65; (11) $91.65.

A. Albert T. Pierson, 54 Meadow Street, New Haven, Conn.; special representative, the New York, New Haven & Hartford Railroad Co.

B. The New York, New Haven & Hartford Railroad Co., 54 Meadow Street, New Haven, Conn.; steam railroad transportation.

C. (1) Indefinite.

C. (2) All legislation which might affect the New Haven Railroad.

D. (5) $1,815; (7) $1,815; (8) $3,630; (9) $5,445; (13) no.

E. (6) $2.50; (7) $93.75; (9) $96.25; (10) $91.65; (11) $187.90; (15) $96.25.

A. Albert Pike, Jr., 488 Madison Avenue, New York, N. Y.; actuary, Life Insurance Association of America.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.; trade association.

C. (1) Continuous.

C. (2) Legislation which might affect the welfare of policyholders and annuitants, e. g., H. R. 6000.

D. (5) $45; (7) $45; (8) $429.54; (9) $474.54. Monthly salary allocated on basis of time spent on lobbying activities. Paid by Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.

E. (10) $224.99; (11) $224.99.

A. Mrs. Harriet F. Pilpel, 285 Madison Avenue, New York, N. Y.; attorney at law.

B. Committee Against Discrimination on Small Catalog Postage Rates, care of Harriet F. Pilpel, 285 Madison Avenue, New York, N. Y.

C. (1) For the duration of this session of Congress.

C. (2) S. 1103, H. R. 2945.

D. (13) No.

E. (6) $1.70.

A. Harriet F. Pilpel, 285 Madison Avenue, New York, N. Y.; attorney at law.

B. Walter Field Co., 600–614 Fulton Street, Chicago, Ill.

C. (1) For the duration of this session of Congress.

C. (2) S. 1103, H. R. 2945.

D. (5) $2,368.60; (7) $2,368.60; (8) $4,868.60; (9) $4,868.60; (13) no.

E. (6) $19.89; (7) $11.50, less $9.09 pullman return; (9) $22.30; (11) $22.30; (15) $22.30.

A. Walter C. Ploeser, 8008 Forsyth Boulevard, Clayton, St. Louis, Mo.; civic interest in the building of the flood-control levee from St. Charles, Mo., to Portage Des Sioux, Mo.

C. (1) Until successful accomplishment.

C. (2) Adequate appropriation for the building of the agricultural flood-control levee as approved by the Corps of Engineers, between city of St. Charles and Portage Des Sioux, Mo., per omnibus appropriations bill, H. R. 7786.

A. Pope Ballard & Loos, 707 Munsey Building, Washington, D. C.

B. California Fruit Growers Exchange and California Walnut Growers Association, both of Los Angeles, Calif.; Northwest Nut Growers of Dundee, Oreg., and California Almond Growers Exchange, Sacramento, Calif.; agricultural cooperative marketing organizations.

C. (1) Indefinite.

C. (2) Agriculture and farmer cooperative matters; internal revenue bill, H. R. 8920; agricultural marketing agreements, S. 1464; import quotas, S. 3088, H. R. 6567, H. R. 7576; agricultural appropriations; tariff legislation (ITO Charter, etc.).

D. (5) $2,625; (6) $325.70; (7) $2,950.70; (8) $1,777.85; (9) $4,728.55.

E. (4) $59.46; (6) $114.72; (7) $11; (9) $185.18; (10) $328.60; (11) $513.78.

A. Frank M. Porter, 50 West Fiftieth Street, New York, N. Y.; president, national trade organization.

B. American Petroleum Institute, 50 West Fiftieth Street, New York, N. Y.; national trade organization.

C. The following statement included in the preliminary report of the registrant, filed on May 16, 1950, is made a part hereof: "The registrant is president of the American Petroleum Institute (the institute), a national trade association of the petroleum industry. He was elected on April 3, 1950, and assumed office on May 1, 1950. The registrant has been advised by counsel and believes that he is not subject to the provisions of the Federal Regulation of the Lobbying Act (the act), and that he is not required to register or file any reports under the act. He files this registration because the Department of Justice has expressed the view that his predecessor was subject to the act and he anticipates that his duties will be similar to those of his predecessor. By filing this registration, however, the registrant does not admit that he is subject to the provisions of the act or that he is required to register. The registrant has not engaged himself for pay for the purpose of attempting to influence the passage or defeat of any legislation by the Congress of the United States. He is elected to serve until the next annual meeting of the institute and receive an annual salary to perform all of the duties of his office as chief executive and administrative officer of the institute. To the extent that he may deal with Federal legislative matters, he will do so only as an incident to the performance of his over-all responsibilities as directing head of the institute. Since the registrant's salary is received to perform all the duties of his office, it is his view that he is not paid any sum for the purpose of attempting to influence Federal legislation. His annual salary is $60,000, payable semimonthly. Since there is no way he can determine in advance the proportion of his business time, if any, which he may devote to Federal legislation, it is not possible at this time for him to apportion such salary upon the basis of time so expended. Based upon the experience of his predecessor, how-

[4] Filed for second quarter 1950.

[4] Filed for second quarter, 1950.

ever, the registrant anticipates that only a very small portion of his time will be spent on Federal legislative matters. For the purposes of filing subsequent periodic reports, the registrant intends to apportion a part of his annual salary to Federal legislative purposes on the basis of his best estimate of the proportion of time actually spent by him during the period on matters relating to Federal legislation. The making of any such apportionment in subsequent reports is not to be construed as an admission that the registrant is employed for the purpose of influencing Federal legislation. No fixed sum is allowed the registrant by the institute for expenses incurred in the performance of his duties. His actual expenses relating to Federal legislation, if any, will be set forth in subsequent periodic reports. The expenses for which the registrant expects to be reimbursed in the event he incurs any such expenses are of character similar to those customarily incurred by the managing head of an organization in the discharge of his official duties. In general, such expenses would cover travel, sustenance, and communication. To the extent that the registrant does concern himself with legislative matters in the future, his interest will be in legislation affecting the petroleum industry and he may become interested in such legislation at any time during his tenure of office. The specific matters with which he may become concerned cannot be predicted now but may include the specific matters set forth in the report of the institute under the act for the first quarter of 1950." For the period July 1 to and including September 30, 1950, the end of the quarter covered by this report, the registrant did not engage in any activity relating to the influencing of Federal legislation and did not expend any money for such purpose. Accordingly, the registrant does not apportion any part of his annual salary to Federal legislative purposes for this quarter. In answer to items D and E, therefore, he states that he did not have any receipts in connection with Federal legislative interests and did not make any expenditures in connection with such interests.

A. Stanley I. Posner, 1367 Connecticut Avenue NW., Washington, D. C.

B. National Federation of Private School Associations, 2601 Sixteenth Street NW., Washington, D. C.

C. (1) All activities terminated with passage of Public Law 610.

A. Postwar World Council, 112 East Nineteenth Street, New York, N. Y.; educational.

C. (1) Indefinite.

C. (2) Legislation toward universal and enforceable disarmament.

D. (2) $500; (7) $500; (8) $1,200; (9) $1,700; (13) yes.

E. (2) $1,200; (6) $10.25; (7) $53.70; (9) $1,263.95; (10) $1,810.98; (11) $3,074.93.

A. Kenneth L. Pray, 1026 Seventeenth Street NW., Washington, D. C.; Washington representative.

B. Schenley Distillers, Inc., and affiliated companies.

C. (1) (2) My services insofar as legislative matters are concerned consist primarily of factually reporting the status and content of proposals affecting Schenley Distillers, Inc., and affiliated companies. Although I register, I am not employed as a lobbyist for or against any specific legislation. How long this status will continue I do not know.

A. William H. Press, 204 Evening Star Building, Washington, D. C.; executive secretary, Washington Board of Trade.

B. Washington Board of Trade, 204 Evening Star Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Legislation affecting the District of Columbia of interest to the Washington Board of Trade.

D. (5) $3,000; (6) $155.84; (7) $3,155.84; (8) $6,769.27; (9) $9,925.11; (13) no. Not more than 20 percent of my time is devoted to legislative work, though my full salary has been reported here.

A. Allen I. Pretzman, 50 West Broad Street, Columbus, Ohio; attorney and secretary of Scioto-Sandusky Conservancy District; attorney at law.

B. Scioto-Sandusky Conservancy District, 553 East Town Street, Columbus, Ohio; political subdivision of the State of Ohio, organized under Ohio law to develop flood control and water-conservation projects.

C. (1) Impossible to determine.

D. (5) $400; (7) $400; (8) $600; (9) $1,000; (13) no.

E. (6) $6.78; (7) $274.43; (9) $281.21; (10) $313.13; (11) $594.34; (15) entire.

A. Harry E. Proctor, 1110 Continental Building, Washington, D. C.; attorney-at-law.

B. The registrant is a member of the law firm of Oliver & Donnally, 1110 Continental Building, Washington, D. C. Oliver & Donnally is general counsel for the National Association of Mutual Savings Banks, 60 East Forty-second Street, New York City, and represents and advises that association in all legal matters including Federal legislation.

C. (1) Indefinitely.

C. (2) The registrant was interested on behalf of the National Association of Mutual Savings Banks in bills relating to taxation, banking, credit control, and deposit insurance as follows: H. R. 9820, Revenue Act of 1950; S. 2822, Federal Deposit Insurance Corporation Act; S. 3936 and H. R. 9176, Defense Production Act of 1950; H. R. 5806, to amend Home Owners' Loan Act of 1933 to permit conversion of Federal savings and loan associations to mutual savings banks.

D. (5) $2,250; (7) $2,250; (8) $4,500; (9) $6,750; (13) no. The above sum of $2,250 represents my entire income from Oliver & Donnally for this quarter for all legal work which includes, as an indivisible part, work with regard to Federal legislation.

E. (7) $30.91; (9) $30.91; (10) $278.60; (11) $309.51; (15) $30.91.

A. Producers' Council, Inc., 815 Fifteenth Street NW., Washington, D. C.; statement of the nature of the work of the organization is contained in the answer to C below.

C. The Producers' Council, Inc., is an organization established in 1928. The declaration of the charter of incorporation as to the purposes of the organization is set forth in the attached statement. No income is received and no expenditures are made by the Producers' Council, Inc., in connection with legislative activities, however, in view of the uncertain interpretation of certain provisions of the Regulation of Lobbying Act of 1946 concerning what constitutes "principal purpose," and the phrase "to influence directly or indirectly the passage or defeat of any legislation, etc.," we are filing this form giving a full disclosure of the information as required under the act.

A. The Proprietary Association, 810 Eighteenth Street NW., Washington, D. C.; a trade organization.

C. (1) Indefinite.

C. (2) Measures affecting the proprietary medicines industry. Nothing specific.

C. (3) Mimeographed news bulletins are issued weekly to member companies.

D. (7) $27,378.55; (8) $111,861.31; (9) $139,239.86.

E. (4) $720; (8) $125; (9) $845; (10) $1,533.89; (11) $2,378.89.

A. The Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J.

C. (1) Pending final action.

C. (2) General interest in all legislation affecting the business of the company.

D. (13) No.

E. (2) $4,000; (6) $21.44; (7) $499.70; (9) $4,521.14; (10) $7,321.23; (11) $11,842.37.

A. Edmund R. Purves, executive director, American Institute of Architects, 1741 New York Avenue NW., Washington, D. C.

B. American Institute of Architects, 1741 New York Avenue NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Legislation in relation to the architectural profession; H. R. 4848, to reorganize the National Capital Park and Planning Commission; S. 3120 (and companion bill H. R. 7426) relating to rate of wages for laborers and mechanics employed by contractors and subcontractors on public buildings, to extend coverage to architects, technical engineers, draftsmen, and technicians; and the proposal for dispersal of Federal office buildings.

E. (2) $3,750; (4) $40; (9) $3,790; (10) $7,581; (11) $11,371.55. Only a small fraction of my time as executive director of the American Institute of Architects is devoted to legislative interests. The sum stated is my total salary as executive director for the quarterly period.

A. C. J. Putt, 920 Jackson Street, Topeka, Kans.; solicitor for Kansas, the Atchison, Topeka & Santa Fe Railway Co.

B. The Atchison, Topeka & Sante Fe Railway Co., 920 Jackson Street, Topeka, Kans.

C. (1) Continuing. Legislative activity is only occasional and incidental when called upon by employer.

C. (2) General legislative interest in matters affecting railroads.

E. (7) $206.38; (9) $206.38; (10) $295.51; (11) $501.89; (15) $206.38.

A. Ward L. Quaal, Suite 532, Shoreham Building, Washington, D. C.; director of Clear Channel Broadcasting Service (CCBS).

B. Clear Channel Broadcasting Service (CCBS), Suite 532, Shoreham Building, Washington, D. C.; an informal organization of 15 licensees of class I–A standard broadcast stations.

C. (1) As long as S. 491 and H. R. 4004, or similar bills, are pending before the Congress.

C. (2) CCBS opposes any proposed legislation (such as S. 491 and H. R. 4004) calling for the duplication of class I–A (clear channel frequencies or the limitation of the power of class I–A standard broadcast stations.

D. (5) $3,750; (7) $3,750; (8) $6,948.34; (9) $10,698.34; (13) no.

E. (3) $18.67; (4) $34.66; (5) $11.54; (7) $552.71; (8) $10.70; (9) $628.28; (10) $1,656.57; (11) $2,284.85; (15) $628.28. Although only a portion of his activities came within the purview of the Lobbying Act, affiant reports herein all receipts received by him and all expenditures made by him for which he was reimbursed or will be reimbursed by CCBS in connection with his employment as CCBS director. Affiant has no other employment.

A. Frank Quigley, 195 Broadway, New York, N. Y.; 725 Thirteenth Street NW., Washington, D. C.; attorney, American Telephone & Telegraph Co.

B. American Telephone and Telegraph Co., 195 Broadway, New York, N. Y.

C. (1) Indeterminate.

C. (2) Any matters affecting Bell Telephone Companies. Affiant is on leave of absence due to illness. Compensation continued for present during disability.

D. (5) $7,500; (7) $7,500; (8) $15,635; (9) $23,135; (13) no.

E. (10) $635; (11) $635.

A. William A. Quinlan, 1317 F Street NW., Washington, D. C.; general practice of law.

B. On the bases previously stated in my registration, I am employed by the following: Associated Retail Bakers of America, 735 West Sheridan Road, Chicago, Ill.; United States Wholesale Grocers Association, Inc., Continental Building, Washington, D. C.; National Candy Wholesalers Association, Inc., 1424 K Street NW., Washington, D. C.;

National Council of Private Motor Truck Owners, Inc., Kass Building, Washington, D. C.; Ward Baking Co., 475 Fifth Avenue, New York, N. Y.; Taylor Food Co., post office box 2508, Raleigh, N. C.

C. (1) Indefinitely.

C. (2) Defense Production Act of 1950 (H. R. 9176 and S. 3936); S. 3937, S. 3939, H. R. 9177, H. R. 9178, and H. R 8763 (all of which relate to selective service extension, extending enlistments or raising manpower ceilings in Armed Forces); H. R. 6826 (triple damages to Government for antitrust violations involving Government purchases); S. 1728, Fair Employment Practices Act; H. R. 6000, social security amendments of 1949; H. R. 8920, the Revenue Act of 1950; House Resolution 323 (creating Delaney committee); H. R. 9313 (disposal of surplus commodities); Small Business Act of 1950 (S. 3386 and H. R. 8566), also S. 3625, S. 2943, S. 2947, S. 2975, S. 2912; the national health insurance bill (S. 1679); S. 2190, S. 2432, and S. 2450; H. R. 6826, H. R. 5690, H. R. 5064; House Resolutions 522, 545, 516; Senate Resolution 253; S. 3339; Clayton Act; Federal Trade Commission Act.

C. (3) ARBA Washington Bulletin, August 3, 1950; ARBA Washington Bulletin, August 10, 1950; ARBA Washington Bulletin, August 18, 1950; ARBA Washington Bulletin, August 23, 1950; USWGA Official Dispatch, August 18, 1950; NCWA War Emergency Bulletin, August 15, 1950; ARF Letter to Members, August 4, 1950; ARF Letter to Conference Committee on H. R. 9176, August 23, 1950; ARF Letter to Conference Committee on H. R. 9176, August 24, 1950; circular letter on Defense Production Act of 1950, approximately 100, July 26, 1950, mimeographed; memorandum on proposed amendments to S. 3936, August 8, 1950, mimeographed; circular letter and memorandum on Defense Production Act of 1950, approximately 100, August 11, 1950, mimeographed; circular letter on Defense Production Act of 1950, approximately 100, August 18, 1950, mimeographed.

D. (6) $10.92; (7) $10.92; (8) $10,000; (9) $10,010.92 (includes only receipts particularly or principally for purpose of influencing legislation; (13) Yes; (14) $5,000, Continental Baking Co., 630 Fifth Avenue, New York, N. Y.; $5,000, Purity Bakeries Corp., 919 North Michigan Avenue, Chicago, Ill.

E. (4) $3.61; (5) $24.56; (6) $26.89; (7) $26.91; (8) $1; (9) $82.97; (10) $16.41; (11) $99.38; (15) $29.60.

A. Radio-Television Manufacturers Association, 1317 F Street NW., Washington, D. C.; trade association of radio-electronic industry.

C. (1) In opposition to Treasury Department recommendation for an excise tax of 10 percent on television.

D. (8) $20,000; (9) $20,000; (13) no.

E. (2) $3,000; (6) $4.13; (7) $667.16; (8) $6.67; (9) $3,677.96 (10) $13,797.97; (11) $17,475.93.

A. Radner, Zito & Donoghue, 529 Tower Building, Washington, D. C.; attorneys.

B. Pacific Far East Line, Inc., 141 Battery Street, San Francisco, Calif.; steamship owner and operator.

C. (1) Final report. Legislative activities now terminated.

C. (2) Following up on ship sales and charter extension legislation, appropriations bill.

D. (5) The legislative work covered by our registration statement on behalf of Pacific Far East Line, Inc., is included with other special services performed for that company during the year 1950, all of which is covered by an over-all stipulated compensation in the amount of $6,000. It is impossible to make a segregation among the various items of work covered. The legislative work is a minor portion of the total. This compensation is in addition to the regular annual retainer which we receive from the company, which retainer does not cover any part of the special services above referred to. It should be noted that the attached report is a final one.

A. Leon Raesly, 1218 Shoreham Building, Washington, D. C.; public relations counsel.

B. Leon Raesly Organization, Inc., 1218 Shoreham Building, Washington, D. C.; public relations and advertising.

C. (1) Depends entirely upon the whim of Congress.

C. (2) S. 2068 and S. 2069.

D. (13) No.

A. Railroad Employees' National Pension Association, Inc., 110 South Dearborn Street, room 1323, Chicago, Ill.; legislative.

C. (1) Continuance of legislative activities is contingent upon the decision of delegates attending each succeeding convention.

C. (2) Liberalizing of the Railroad Retirement Act analogous to the benefits provided in H. R. 4590.

C. (3) (a) Pamphlets; (b) 5,000; (c) May 16, 1950; (d) Quincy Press.

D. (1) $284.10; (7) $284.10; (8) $423.63; (9) $707.73; (13) no.

E. (4) $256; (9) $256; (10) $356.50; (11) $602.50.

A. Railroad Pension Conference, post-office box 798, New Haven, Conn.; enactment of 30-year half-pay railroad-retirement legislation.

C. (1) Length of legislative campaign unknown.

C. (2) For enactment of 30-year, half-pay railroad retirement legislation, based on the 5 years of highest earnings, maximum annuity $150 per month.

C. (3) 2,000 post cards addressed to Members of Congress mimeographed by the conference.

D. (1) $87.50; (4) $4.50; (7) $91.50; (8) $7,252.95; (9) $7,344.45.

E. (4) $73.68; (5) $60.62; (6) $24.18; (8) $12.24; (9) $170.72; (10) $6,997.20; (11) $7,167.92.

A. Railroad Security Owners Association, Inc., 110 East Forty-second Street, New York, N. Y.; an association of railroad security owners (see appendix I[2]).

C. (1) Legislative interests will continue indefinitely.

C. (2) The general legislative interests consist of any legislation which the members of the association have a legitimate interest in supporting or opposing. There have been no specific legislative interests in the period July 1 to September 30, 1950.

D. (8) $2,870.03; (9) $2,870.03.

A. Railway Business Association, 38 South Dearborn Street, Chicago, Ill.; a national organization of manufacturers and other concerns engaged in furnishing the railways with material, equipment, and supplies.

C. (1) No legislative activities dealt with by the Railway Business Association for the quarter ending September 30, 1950.

A. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.; unincorporated railway labor association.

C. (1) Indefinitely.

C. (2) S. 3295 and H. R. 7789, to amend Railway Labor Act; S. 328 and H. R. 378, to amend Section 25 of Interstate Commerce Act; generally interested in all legislation affecting labor, especially railroad labor.

D. (1) $2,468.04.

E. (8) $2,468.04.

A. DeWitt C. Ramsey, 610 Shoreham Building, Washington, D. C.; president of a national trade association.

B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.; national trade association of the aircraft manufacturing industry.

C. (1) June 30, 1952.

C. (2) Generally any legislation which will affect the welfare of the aircraft industry.

C. (3) None. Only legislative activity during the period was my appearance, in response to invitation, before the Senate and House Committees on Interstate and Foreign Commerce in regard to S. 3504 (enacted into Public Law 867) and its companion bill, H. R. 8536.

A. Donald J. Ramsey, Silver Users Association, 1612 I Street NW., Washington, D. C.; legislative counsel and treasurer of Silver Users Association.

B. Silver Users Association, 1612 I Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Legislation involving silver; S. 2829, to repeal certain legislation relating to the purchase of silver and for other purposes; H. R. 6724, to repeal certain legislation relating to the purchase of silver, and for other purposes.

D. (5) $3,499.98; (7) $3,499.98; (8) $6,999.98; (9) $10,499.94; (13) no.

E. (7) $664.72; (9) $664.72; (10) $2,473.67; (11) $3,133.39; (15) $507.52.

A. Robert Ramspeck, executive vice president, Air Transport Association, 1107 Sixteenth Street NW., Washington, D. C.; trade association for the commercial airlines.

B. Air Transport Association of America, 1107 Sixteenth Street NW., Washington, D. C.; trade association for the commercial airlines.

C. (1) Legislative interests are continuous.

C. (2) General legislative interests for the proper advancement of the airline industry in the public interest: H. R. 42, H. R. 103, H. R. 141, H. R. 161, H. R. 306, H. R. 347, H. R. 421, H. R. 448, H. R. 804, H. R. 1008, H. R. 1327, H. R. 1540, H. R. 1838, H. R. 1843, H. R. 1895, H. R. 2032, H. R. 2165, H. R. 2299, H. R. 2407, H. R. 2908, H. R. 2910, H. R. 2911, H. R. 2912, H. R. 2945, H. R. 3488, H. R. 3550, H. R. 3714, H. R. 4082, H. R. 4199, H. R. 4290, H. R. 4321, H. R. 4550, H. R. 4786, H. R. 4801, H. R. 5064, H. R. 5468, H. R. 5561, H. R. 5919, H. R. 6103, H. R. 6352, H. R. 6538, H. R. 6558, H. R. 6605, H. R. 6775, H. R. 7126, H. R. 7190, H. R. 7191, H. R. 7429, H. R. 7430, H. R. 7767, H. R. 7789, H. R. 8126, H. R. 8304, H. R. 8413, H. R. 8572, H. R. 8950, H. R. 9305, H. R. 9564, H. R. 9744, House Joint Resolution 331, House Joint Resolution 406, House Joint Resolution 470, House Resolution 46, House Resolution 281, S. 1, S. 4, S. 8, S. 10, S. 12, S. 237, S. 249, S. 181, S. 401, S. 402, S. 417, S. 418, S. 420, S. 421, S. 423, S. 424, S. 427, S. 429, S. 430, S. 431, S. 432, S. 433, S. 442, S. 444, S. 445, S. 448, S. 450, S. 451, S. 453, S. 455, S. 456, S. 636, S. 643, S. 789, S. 822, S. 953, S. 954, S. 1009, S. 1029, S. 1077, S. 1095, S. 1103, S. 1281, S. 1431, S. 1603, S. 1768, S. 1832, S. 1836, S. 1888, S. 1908, S. 1946, S. 1980, S. 2056, S. 2059, S. 2212, S. 2301, S. 2330, S. 2435, S. 2437, S. 2438, S. 2498, S. 2627, S. 2759, S. 2875, S. 2984, S. 3069, S. 3147, S. 3295, S. 3377, S. 3455, S. 3463, S. 3504, S. 3806, S. 4169, Senate Joint Resolution 27, Senate Joint Resolution 92, Senate Resolution 34, Senate Resolution 50, Senate Resolution 267.

D. (5) $5,750; (7) $5,750; (8) $11,500; (9) $17,250.

E. (7) $22.75; (9) $22.75; (10) $18.15; (11) $40.90; (15) $22.75.

A. Raytheon Manufacturing Co., Foundry Avenue, Waltham, Mass.; manufacturer of electronic equipment.

C. (1) Legislative interests terminated in current quarter and registration is hereby withdrawn.

C. (2) (a) An act to correct possible inequity in the case of a certain application for letters patent of William R. Blair; (b) H. R. 577.

D. (13) No.

E. (2) $50; (9) $50; (10) $267.96; (11) $317.96.

A. Jacob Reck, 1346 F Street NW., Washington, D. C., counsel and executive vice pres-

[2] Not printed. Filed in the Clerk's office.

ident, National Beauty and Barber Manufacturers' Association, 1346 F Street NW., Washington, D. C.

B. National Beauty and Barber Manufacturers' Association, 1346 F Street NW., Washington, D. C., pays registrant annual retainer of $7,200 for services as counsel. Beauty and Barber All-Industry Legislative Council, 1346 F Street NW., Washington, D. C., an informal group consisting of representatives of associations representing beauty and barber shop owners, supply dealers, and manufacturers (no compensation).

C. (1) Repeal of tax on cosmetics used in beauty and barber shops (H. R. 8920).

C. (2) Defense Production Act, title IV, H. R. 9176.

C. (3) Legislative bulletins describing congressional action of tax revision bill, particularly provisions repealing tax on cosmetics used in beauty and barber shops, mimeographed in registrant's office, July 5, 1950; September 27, 1950; and September 30, 1950.

D. (5) Received only monthly payments on retainer fee referred to in paragraph B, and expenses listed in paragraph E. Legislative interests represent small portion of registrant's duties as counsel.

E. (4) $16.50; (6) $8.50; (8) $24; (9) $49; (10) $61.50; (11) $110.50; (15) $49.

A. Stanley Rector, 506 Hotel Washington, Washington, D. C.

B. Unemployment Benefit Advisors, Inc., 506 Hotel Washington, Washington, D. C.; consultants in social security.

C. (1) Indefinitely.

C. (2) The organization is interested in the over-all field of social security, that is, new legislation affecting titles 1, 2, w, 8, 9, 12, and 13 of the Social Security Act, as amended; also chapters 1 and 9 of the Internal Revenue Code. Specific legislation before Congress this quarter has been H. R. 6000 and H. R. 8059.

C. (3) We had no publications as such issued during the present quarter. We do prepare a mimeographed release entitled "The Advisor," issued at irregular intervals, which advises the recipient of legislation introduced and analyzes the effects of the proposed legislation. It also gives statistical, educational, and informational data relating to the operation of the State and Federal programs in the field of social security. This release is sent to approximately 2,500 people including not only the organizations that have retained our service, but educational institutions and persons interested in the social-security program. The releases are prepared by Bates Duplicating Co. and such releases were issued on the following dates: April 4, April 7, May 3, May 12, May 26, June 13, June 14, June 21, and June 30.

D. (5) $4,999.98. Out-of-pocket expenses for travel, etc., paid by employer, Unemployment Benefit Advisors, Inc., and listed on their report.

A. Otie W. Reed, 1731 I Street NW., Washington, D. C.; economist for National Milk Producers Federation.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

C. (3) News for Dairy Co-ops; 700; weekly; Federation.

D. (5) $1,999.98; (6) $1,006.20; (7) $3,006.18; (8) $4,867.90; (9) $7,874.08; (13) salary only.

E. (7) $965; (8) $41.20; (9) $1,006.20; (10) $867.94; (11) $1,874.14; (15) all.

A. Albert L. Reeves, Jr., 1625 K Street NW., Washington, D. C.

B. Wilcox Electric Co., Inc., Fourteenth and Chestnut Streets, Kansas City, Mo.; manufacturers of radio communications equipment.

C. (1) Unknown, but probably until end of current session of Congress.

C. (2) H. R. 5564, a bill for the relief of Wilcox Electric Co., Inc.

A. Gerard D. Reilly, Tower Building, Washington, D. C. I am registered as a representative of General Electric Co., 570 Lexington Avenue, New York, N. Y., pursuant to the Federal Regulation of Lobbying Act. As I did not engage in any legislative activity in their behalf during the past quarter (July 1 to September 30, 1950), I consequently assume it is unnecessary to file a quarterly report.

B. General Electric Co., 570 Lexington Avenue, New York, N. Y.

A. Gerald D. Reilly, Reilly, Rhetts & Ruckelshaus, 1401 K Street NW., Washington, D. C.; member of firm engaged in general practice of law.

B. General Motors Corp., 3044 West Grand Boulevard, Detroit, Mich.

C. (1) Until expiration of Eighty-first Congress.

C. (2) Certain amendments to H. R. 9176 and S. 3936.

D. (5) $6,000; (7) $6,000; (8) $10,000; (9) $16,000; (13) no.

E. (6) $2.62; (9) $2.62; (10) $25.85; (11) $28.47; (12) $2,000.

A. Gerard D. Reilly, Tower Building, Fourteenth and K Streets NW., Washington, D. C. I am registered as a representative of Foremanship Foundation, 512–520 Harries Building, Dayton 2, Ohio, pursuant to the Federal Regulation of Lobbying Act. As I did not engage in any legislative activity in their behalf during the past quarter (July 1 to September 30, 1950), I consequently assume it is unnecessary to file a quarterly report.

B. Foremanship Foundation, 512–520 Harries Building, Dayton, Ohio.

A. Gerard D. Reilly, Tower Building, Washington, D. C. I am registered as a representative of Pond Creek Pocahontas Co., Huntington, W. Va., pursuant to the Federal Regulation of Lobbying Act. As I did not engage in any legislative activity in their behalf during the past quarter (July 1 to September 30, 1950), I consequently assume it is unnecessary to file a quarterly report.

B. Pond Creek Pocahontas Co., Huntington, W. Va.

A. Gerard D. Reilly, Tower Building, Washington, D. C. I am registered as a representative of Union Employers Section, Printing Industry of America, Inc., 719 Fifteenth Street NW., Washington, D. C., pursuant to the Federal Regulation of Lobbying Act. As I did not engage in any legislative activity in their behalf during the past quarter (July 1 to September 30, 1950), I consequently assume it is unnecessary to file a quarterly report.

B. Union Employers Section, Printing Industry of America, Inc., 719 Fifteenth Street NW., Washington, D. C.

A. J. P. Reinhold, assistant to president, Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.

B. Atchison, Topeka & Santa Fe Railway Co., 80 East Jackson Boulevard, Chicago, Ill.; common carrier by railroad of passengers and property.

C. (1) Indefinitely.

C. (2) Legislation affecting the interest of the Atchison, Topeka & Santa Fe Railway; basing point bill, S. 1008; parcel post switching service bill, S. 1596; railroad safety bill, H. R. 378 and S. 238; inland waterways bill, H. R. 4978 and S. 211; parcel post rates bill, H. R. 2945 and S. 1103; St. Lawrence waterway bill, Senate Joint Resolution 99, etc.; Railway Labor Act amendment, H. R. 7798 and S. 3295; various amendments to Railroad Retirement Act; general tax legislation, including corporation and transportation taxes.

D. (5) $4,499.99; (7) $4,499.99; (8) $7,666.66; (9) $12,166.65; (13) no.

E. (6) $70.02; (7) $94.34; (9) $164.36; (10) $403.35; (11) $567.71; (15) $164.36.

A. Reserve Officers Association of the United States,[4] 2517 Connecticut Avenue NW., Washington, D. C.; an association of reserve officers of all services to support a military policy for the United States that will provide adequate national security and to assist in development and execution thereof.

C. (1) Indefinitely.

C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security.

C. (3) (a) The Reserve Officer, the official magazine of the association, and the ROA Washington News Letter contain articles and comments on legislation, although not published primarily for that purpose; (b) Approximately 75,000 copies of the Reserve Officer and 2,000 copies of the ROA Washington News Letter; (c) the Reserve Officer is published monthly and the News Letter bimonthly; (d) the Reserve Officer, Benson Printing Co., Nashville, Tenn.; ROA Washington News Letter, Plymouth Printing and Duplicating Co., Washington, D. C.

D. This association is supported by payment of dues from its members, no particular part of which is contributed or allocated to be expended in connection with legislative interests. There have been no expenditures directly connected with our legislative interests other than $1,650 salary paid to Harold C. Theus, major, USAFR, whose duties are not exclusively legislative. Our books are available for inspection, and we will be happy to furnish any other information if and when requested.

A. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.; an association of Reserve officers of all services to support a military policy for the United States that will provide adequate national security and to assist in development and execution thereof.

C. (1) Indefinitely.

C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security.

C. (3) (a) The Reserve Officer, the official magazine of the association, and the ROA Washington News Letter contain articles and comments on legislation, although not published primarily for that purpose; (b) Approximately 75,000 copies of the Reserve Officer and 2,000 copies of the ROA Washington News Letter; (c) the Reserve Officer is published monthly and the News Letter bimonthly; (d) The Reserve Officer, Benson Printing Co., Nashville, Tenn. ROA Washington News Letter, Plymouth Printing and Duplicating Co., Washington, D. C.

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A. Retirement Federation of Civil Service Employees of the United States Government, 900 F Street NW., room 314, Washington, D. C.; Federal civilian employees organization.

C. (1) Legislative interests are expected to continue indefinitely.

C. (2) General legislative interests are: Retention and improvement of the Civil Service Retirement and United States Employees Compensation Acts.

[4] Filed for second quarter, 1950.

Short titles and numbers of bills of specific interest include: S. 2715 and H. R. 6293, to amend the Civil Service Retirement Act of May 29, 1930, as amended: S. 2716 and H. R. 5985, to provide for retirement of certain Government employees in cases of reductions in force; S. 2717 and H. R. 6295, to provide for the continuance of family benefits to civil service employees separated after 5 years' service; S. 2718 and H. R. 5640, to provide for the continuance of family benefits to Civil Service Employees separated after 20 years' service; S. 2719 and H. R. 998 to provide reduced annuities at age 55 after 5 years of civilian service for persons involuntarily separated from the Federal service not by removal for cause; H. R. 4501, to amend the Civil Service Retirement Act of May 29, 1930, as amended, to provide annuities for those civilian employees engaged in hazardous occupations in any branch of the Federal service, and for other purposes; S. 3564, to extend the benefits of section 1 (c) of the Civil Service Retirement Act of May 29, 1930, as amended, to employees who are involuntarily separated after having rendered 20 years of service.

C. (3) No publication in connection with legislative interests has been issued within the past year and none is expected to be issued in the near future.

D. (1) $6,445.16; (2) $50; (4) $23.70; (6) $1.50; (7) $6,520.36; (8) $16,631.55; (9) $23,151.91; (13) yes; (14) $1,750, local No. 1. E. L. Aalbue, treasurer, New York, N. Y.; $2,220, local No. 2, J. L. Bowman, treasurer, Washington, D. C.; $2,886.52, local No. 3, M. Denmark, treasurer, Portsmouth, Va.; $1,263.15, local No. 4, S. S. Sheller, treasurer, Philadelphia, Pa.; $1,121.96, local No. 5, F. Lydston, treasurer, Portsmouth, N. H.; $1,500, local No. 6, E. J. Finn, treasurer, Boston, Mass.; $1,500, local No. 7, J. D. Van Zant, treasurer, Vallejo, Calif., $2,179.80; Local No. 8, H. W. Stiehlan, treasurer, Bremerton, Wash.; $1,068.20, local No. 14, M. T. Anderson, treasurer, Pearl Harbor, T. H.; $2,589.65, local No. 16, J. A. Connors, treasurer, Norfolk, Va.; $2,020.20, local No. 20, H. J. Thomas, treasurer, Alameda, Calif.; $1,700, local No. 31, W. E. Lonnecker, treasurer, Oakland, Calif.; $21,799.48 total. The contributions listed above represent annual dues at 35 cents per member collected and forwarded by the various locals of this organization. The individual listed is merely acting as a forwarding agent. It is estimated that approximately 20 percent of the amounts reported are used for the purpose of attempting to influence legislation.

E. (2) $2,826.22; (4) $385.80; (5) $390; (6) $33.78; (7) $165.65; (8) $1,499.04; (9) $5,300.49; (10) $10,937.58; (11) $16,238.07.

A. Revere Copper & Brass, Inc., 230 Park Avenue, New York, N. Y.; fabricator of copper.

C. (1) Only while Congress has under consideration legislation affecting the continued suspension of the import tax on copper.

C. (2) H. R. 5327, a bill to suspend the import tax on scrap and for other purposes; and H. R. 7151, a bill to continue the suspension of the import tax on copper.

D. (13) No.

E. (2) $3,000; (8) $9,155.15; (9) $12,155.15; (10) $21,000; (11) $33,155.15.

A. Hubert M. Rhodes, 3308 Fourteenth Street NW., Washington, D. C.; registrant is a regular employee of the Credit Union National Association, Inc., and receives no additional compensation for service on legislative work.

B. Credit Union National Association, Inc., 1617 Sherman Avenue, Madison, Wis.; a nonprofit association of credit unions.

C. (1) Indefinitely.

C. (2) Legislation affecting credit unions.

D. (5) $342.50; (7) $342.50; (8) $668.32; (9) $1,010.82.

E. (7) $8.40; (8) 50 cents; (9) $8.90; (10) $21.10; (11) $30; (15) $8.90.

A. Siert F. Riepma, assistant to the president, National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.

B. National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.

C. (1) Indefinite, depending upon assignments by employer.

C. (2) During period January-March, concerned with H. R. 2023 (Public Law 459, 81st Cong., 2d sess., approved March 16, 1950). Also interested in H. R. 330 and H. R. 4358, which contain proposed amendments to the Navy ration statute (34 U. S. C. 902a). Generally interested in any margarine legislation.

D. (8) $204.01; (9) $204.01. A salary is received by me for the performance of all of my duties as assistant to the president of the National Association of Margarine Manufacturers, which duties include the performance of numerous activities in addition to such activities as I perform in connection with the legislative matters in which the association is interested. Therefore, since I receive no salary, as such, for engaging, at times, in legislative matters on behalf of the association, the only way in which I can show the amount received by me for such legislative services is to report that portion of my total salary which may be attributable to such legislative activities. Accordingly, that method has been followed in reporting the amount received for salary, per diem, etc., on item 5 of section D of the form.

E. (10) $4; (11) $4.

A. Scott G. Rigby, 1010 Vermont Avenue NW., Washington, D. C.; executive manager, Associated Third Class Mail Users.

B. Associated Third Class Mail Users, 1010 Vermont Avenue NW., Washington; the purpose of the association is to foster more efficient use of third-class mail by those enterprises employing the use of it.

C. (1) Indefinite.

C. (2) All legislation relating to postal laws and regulations.

C. (3) At appropriate times bulletins are issued to members of the association, reporting on status of the afore-mentioned legislation.

D. (5) $1,705.45; (7) $1,705.45; (8) $1,711.59; (9) $3,417.04.

E. (7) $205.45; (9) $205.45; (10) $211.59; (11) $417.04; (15) $205.45.

A. John J. Riggle, 744 Jackson Place NW., Washington, D. C., assistant secretary, National Council of Farmer Cooperatives; trade organization.

B. National Council of Farmer Cooperatives, 744 Jackson Place NW., Washington, D. C., a trade organization for farmer cooperatives marketing farm products and/or purchasing farm supplies.

C. (1) Indefinitely.

C. (2) H. R. 6000, social-security amendments of 1949; H. R. 9176, Defense Production Act of 1950; House Joint Resolution 334, increase United States contributions to FAO, ILO, and other agencies.

C. (3) Foreign Trade Memo: (a) Brief items on international trade in American agricultural commodities as affected by credit, intergovernmental activities, and United States policies; (b) 175 copies to directors and direct members; (c) about once a month irregularly; (d) mimeographed in office; Management Personnel Relations: (a) Activities of the Federal Government in the field of fair labor standards, social security, labor relations, manpower, and employment; (b) 175 copies to directors and direct members; (c) irregularly, by monthly intervals; (d) mimeographed in office.

D. (5) $2,250; (7) $2,250; (8) $4,500; (9) $6,750.

A. George D. Riley, 901 Massachusetts Avenue NW., Washington, D. C.; member, national legislative committee, A. F. of L.

B. American Federation of Labor, 901 Massachusetts Avenue NW., Washington, D. C.; federation of trades and labor unions.

C. (1) Indefinitely.

C. (2) Legislation affecting the interests of working people.

D. (5) $2,531.69.

E. The only expenditures I have are actual expenses for taxis, phones (when away from office), and minor miscellaneous expenses. They all average about $20 per week; for the third quarter of 1950 these expenses were $281.69.

A. E. W. Rising, 1215 Sixteenth Street NW., Washington, D. C.; to assist in purposes of National Water Conservation Conference, as stated in section 2 of constitution, page 15, Summary of Proceedings; see previous report.

B. National Water Conservation Conference (no salary; reimbursement for expenses only through office of secretary, 347 Broad Street Station Building, Philadelphia, Pa.).

C. (1) Indefinite.

C. (2) All legislation relative to development, utilization, and conservation of natural resources, including bills to authorize projects, appropriations for construction of projects, and for control of natural resources, particularly as indicated in copies of resolutions adopted at our Chicago conference September 1949.

C. (3) No publications for general distribution during third quarter of year 1950. Have issued four newsletters to mailing list of about 200 members, giving general and miscellaneous information.

E. (2) $522.96; (4) $20.53; (5) $102.30; (6) $24.50; (9) $670.29.

A. E. W. Rising, 1215 Sixteenth Street NW., Washington, D. C.; public relations in connection with land and water resources.

B. Snake River Water Development Committee, 206 American National Bank Building, Idaho Falls, Idaho; coordinating agency of water users and commercial interests on Snake River.

C. (1) Indefinite.

C. (2) H. R. 5506 and S. 2195 to authorize the Palisades Dam and Reservoir project, Idaho (now Public Law 864, 81st Cong.).

E. (2) $275; (5) $35; (7) $106; (9) $416; (15) $416.

A. E. W. Rising, 1215 Sixteenth Street NW., Washington, D. C.; information service for members of the Western Beet Growers Association.

B. Western Beet Growers Association, Great Falls, Mont.

C. (1) Indefinite.

C. (2) All legislation in connection with domestic sugar industry, particularly that which affects the growers of sugar beets, bills replacing or amending Sugar Act of 1948, no legislation has been introduced in Eighty-first Congress.

C. (3) No publications; have issued two newsletters to about 400 members during third quarter of 1950.

E. (1) $155; (2) $29.59; (4) $51.12; (5) $54.78; (7) $183.18; (9) $473.67.

A. L. E. Roark, executive vice president, National Foundry Association, 53 West Jackson Boulevard, Chicago, Ill.; a voluntary unincorporated association of foundry operators.

B. National Foundry Association.

C. (1) Indefinitely.

C. (2) Labor legislation, tax legislation, and legislation affecting the foundry industry.

D. (13) No.

E. (2) $250; (7) $80.50; (9) $330.50; (10) $342.55; (11) $673.05; (15) all.

A. George Mackay Robb, Protestant clergyman, pastor of the Reformed Presbyterian

Church, Syracuse, N. Y., located at 2517 South Salina Street, Syracuse, N. Y.

B. Reformed Presbyterian Church of North America, with denominational headquarters at 209 Ninth Street, Pittsburgh, Pa.

C. (1) We are working for a proper Divine acknowledgment in the Constitution of the United States, which at present makes no mention of any power higher than "We, the people"; we do not know how long it will take.

C. (2) Our bill before Congress is House Joint Resolution 181.

D. (10) $10.97; (12) $0.17.

E. (8) $0.17; (9) $0.17; (10) $1.27; (11) $1.44; (15) $0.17.

A. Paul H. Robbins, 1121 Fifteenth Street NW., Washington, D. C.; executive director, National Society of Professional Engineers.

B. National Society of Professional Engineers, 1121 Fifteenth Street NW., Washington, D. C.; a national professional association representing the various interests of professional engineers.

C. (1) Indefinitely.

C. (2) All legislation affecting the welfare of professional engineers, current interests covering the following: Taft-Hartley Act, Fair Labor Standards Act, Earned Income Tax Adjustment Act of 1949 (H. R. 3224); amendments to Walsh-Healey and Davis-Bacon Acts (H. R. 7425, H. R. 7426, S. 3119, S. 3120); transfer of Civil Functions of Corps of Engineers and creation of Board of Engineering Analysis (H. R. 6920 and related bills); Small Business Act of 1950 (title V only); selective-service law; National Science Foundation.

C. (3) Legislative Bulletin, containing reports on status of legislation of interest to professional engineers; (b) approximately 5,000 per month; (c) approximately 15th day of each month; (d) Colortone Press, Washington, D. C.; American Engineer, official publication of the society; (b) approximately 25,500 per month; (c) last week of each month; (d) Fleet-McGinley Printing Co., Baltimore, Md.

D. (5) $500; (7) $500; (8) $1,000; (9) $1,500; (13) no.

A. Dr. Frederick E. Robin, education director, Committee for the Nation's Health, Inc., 1416 F Street NW., Washington, D. C. Nature of business: Chief salaried officer of the Committee for the Nation's Health, Inc.

B. Committee for the Nation's Health, Inc., 1416 F Street NW., Washington, D. C. This committee was incorporated in 1946 as a nonprofit organization. Nature of business: To promote through education and legislative activities passage of national health insurance—basic feature of the President's national health plan. The committee opposes: Socialized medicine, restrictive laws preventing consumers, farmers, workers, and others from organizing health insurance plans.

C. (1) Legislative interests will continue until the passage of national health insurance as stated in attachment A.

C. (2) Legislative interests: President Truman's national health plan embodied in S. 1679, H. R. 4312-4313, national health insurance and the Public Health Act; separate bills incorporating the first six titles of S. 1679; also in opposing various substitute bills such as the Taft bill, S. 1581; the Hill bill, S. 1456; the Flanders-Herter bill, S. 1970.

C. (a) August through September, national health insurance handbook; (b) 7,250; (a) CNH Memo; (b) 3,000; the following was mimeographed in the offices of the CNH: July 11, Doctors in Politics, 500; July 12, NHI as a Practicing Physician Sees It, 2,000; July 17, NHI Handbook Bulletin, 3,500; July 25, Lobbying Against Human Needs, $4,500; August 21, the Medical Lobby's Real Motto, 200; August 28, What Is a Blue Shield Plan?, 200; August 28, Report on AMA Advertising Campaign, 600; August 30, Doctors Write Chain Letters for Taft, 500; September 30, memo to labor editors, 1,000.

D. (5) $2,436.98; (7) $2,436.98; (8) $3,995.72; (9) $6,432.70; (13) no.

E. (7) $62; (9) $62; (10) $176.84; (11) $238.84.

A. Robert Emmet Rodes, import-export, 2 Route de Bouskoura, Casablanca, Morocco.

C. (1) Present session of Congress; until ECA authorization and appropriations bills are passed.

C. (2) (a) Amendments to H. R. 7797 (aid to Europe); (b) Senate 7797.

D. (2) $2,600; (7) $2,600; (8) $1,450; (9) $4,050; (13) yes; (14) $1,050, American Trade Association of Morocco, 2 Route de Bouskoura, Casablanca, Morocco.

E. (4) $118.02; (6) $27.93; (7) $1,370.56; (8) $891.50; (9) $2,408.01; (10) $1,533.09; (11) $3,941.10.

A. Roland H. Rowe, 400 Continental Building, Washington, D. C.; trade association official.

B. United States Wholesale Grocers' Association, Inc., 400 Continental Building, Washington, D. C.; national trade association of wholesale grocers.

C. (1) Indefinitely.

C. (2) Legislation affecting the interests of wholesale grocers; (a) basing-point type legislation but no new bill yet, new produce terminals, FEPC legislation, antitrust enforcement (no bill introduced), small business war plants, tax legislation, defense production, prevention of monopolistic mergers; (b) S. 1008 type legislation, H. R. 9141, H. R. 4453, H. R. 9243, H. R. 8920, H. R. 3042, H. R. 2734.

C. (3) United States Wholesale Grocers' Association's Washington news letters dated, respectively, July 6, 1950, July 18, 1950, August 17, 1950, August 24, 1950, August 31, 1950 (970 copies each); all printed in duplicating room of employer.

D. No money was received or expended by the undersigned for the purpose of influencing Federal legislation except $24 (8 hours estimated, at $3 per hour) as part of annual salary of $5,780 received by the undersigned as vice president and secretary of the United States Wholesale Grocers' Association, Inc., allocable to the following: Preparation of news letters, telegrams to members, letters to Senators and Congressmen, and of presentation for appearance before congressional committee and to conferences with Senators, trade association executives and others on pending legislation; $1.85 for local taxicabs.

A. George B. Roscoe, 610 Ring Building, Washington, D. C.; national trade association.

B. National Electrical Contractors Association, Inc., 610 Ring Building, Washington, D. C.; national trade association.

C. (1) Indefinite.

C. (2) Nothing specific.

A. Forrest Rozzell, field secretary, Arkansas Education Association, 506 Union Life Building, Little Rock, Ark.

C. (1) Indefinite.

C. (2) Bills pending before the Eighty-first Congress relating to public education; primary interest in S. 246, H. R. 5939, H. R. 7160.

E. (7) $156.50; (9) $156.50; (10) $1,842.51; (11) $1,999.01.

A. John Forney Rudy, director of public relations, National Federation of American Shipping, 1809 G Street NW., Washington, D. C.; public relations work for federation of steamship trade association.

B. National Federation of American Shipping, 1809 G Street NW., Washington, D. C.; federation of American steamship trade associations.

C. (1) Legislative interests expected to continue indefinitely.

C. (2) General legislative interests are concerned with the declaration of policy as expressed by the Congress of the United States in the 1936 Merchant Marine Act; specific legislative interests apply to legislation that supports or contravenes this declaration.

D. (5) $450; (7) $450; (8) $900; (9) $1,350.

E. (7) $181.90; (9) $181.90; (10) 438.78; (11) $620.68.

A. Gordon W. Rule, attorney at law, Union Trust Building, Washington, D. C.

B. Gillette Safety Razor Co., client, Boston, Mass.

C. (1) Legislative interest will continue until the Internal Revenue Code is amended as to the foreign tax credit.

C. (2) Section 131, IRC.

D. (5) $320; (7) $320; (8) $465; (9) 785; (13) no.

E. (6) $1.95; (8) $5.10; (9) $7.05; (10) $8.50; (11) $15.55; (15) $7.05.

A. Gordon W. Rule, attorney at law, Union Trust Building, Washington, D. C.

B. Cathryn A. Giesener, client, San Francisco, Calif.

C. (1) Legislative interest terminated when S. 469, for the relief of Cathryn A. Giesener, became Public Law 477.

D. (5) $5,678; (9) $5,678; (13) no.

E. (8) $23.65; (9) $23.65; (10) $7.80; (11) $31.45; (15) $23.65.

A. Edward A. Rumely, Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y.; educational.

B. Committee for Constitutional Government, Inc., 205 East Forty-second Street, New York, N. Y.; educational, nonprofit, nonpartisan.

C. (1) See committee report; as executive secretary of the Committee for Constitutional Government, Inc., my sole function is to carry out the policies and programs laid down by its trustees, in accordance with the committee's objectives and powers as set forth in its certificate of incorporation. These duties include the initiation of mailings to supporters and citizens, the distribution of press releases, etc., upholding the principles of private enterprise and constitutional government, in accordance with the committee's basic program.

A. Charles J. Rush, 312 Wire Building, Washington, D. C.; executive secretary of trade association.

B. Washington Real Estate Board, Inc., 312 Wire Building, Washington, D. C.; trade association.

C. (1) While Congress is in session and measures affecting local real estate are being considered.

C. (2) All local measures affecting the District of Columbia are of interest.

D. (13) No.

A. Albert R. Russell, 162 Madison Avenue, Memphis, Tenn.; assistant to executive vice president.

B. National Cotton Council of America, post-office box 18, Memphis, Tenn.; nonprofit welfare organization to promote the consumption of American grown cotton, cottonseed, and products thereof.

C. (1) Indefinitely.

C. (2) Any legislation affecting the raw-cotton industry.

D. (5) $900.97; (7) $900.97; (8) $2,737.19; (9) $3,638.16.

E. (7) $207.22; (9) $207.22; (10) $655.94; (11) $863.16; (15) $207.22.

A. Francis M. Russell, 724 Fourteenth Street NW., Washington, D. C.; vice president in charge of Washington office of National Broadcasting Co., Inc.

B. National Broadcasting Co., Inc., 724 Fourteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) As a part of registrant's duties as vice president in charge of Washington office of National Broadcasting Co., Inc., including supervision of the company's network activities in Washington, registrant may engage in activities relating to legislation affecting radio communication or manufacturing companies; registrant is principally interested in S. 1973 (McFarland), bill to amend

the administrative and procedural provisions of the Communications Act; H. R. 7310 (Sheppard), bill to require the licensing of radio networks; H. R. 6949 (Sadowski), bill to provide for a Radio Frequency Control Board, additional sanctions for FCC, and relating to libel and slander in political broadcasts. Proposed excise tax on television receivers.

D. (13) No.

E. (6) $30; (7) $72.95; (9) $102.95; (10) $956; (11) $1,058.95; (15) $102.95.

A. Horace Russell, 7 South Dearborn Street, Chicago, Ill.; lawyer.

B. United States Savings and Loan League, 221 North LaSalle Street, Chicago, Ill.; trade association.

C. (1) Indefinitely.

C. (2) Legislation directly or indirectly affecting the savings and loan business.

D. (5) $2,750; (7) $2,750; (8) $5,500; (9) $8,250.

E. (7) $135.30; (9) $135.30; (10) $492.95; (11) $628.25.

A. M. O. Ryan, 1405 K Street NW., Washington, D. C.

B. American Hotel Association, 221 West Fifty-seventh Street, New York, N. Y.

C. (1) Indefinitely.

C. (2) Any and all bills and statutes of interest to the hotel industry.

D. (5) $8,550.02; (7) $8,550.02; (8) $7,099.02; (9) $15,649.94; (13) no.

E. (7) $340.06; (9) $340.06; (10) $1,000.40; (11) $1,340.46; (15) $340.06.

A. Sterling St. John, Jr., 1317 F Street NW., Washington, D. C.; consultant and representative on port and foreign-trade zone matters; also chairman, special committee on foreign-trade zones of the American Association of Port Authorities.

C. (1) Indefinitely.

C. (2) Act of June 18, 1934 (48 Stat. 996, 1001), as amended by Public Law 566, Eighty-first Congress, to provide for the establishment, operation, and maintenance of foreign-trade zones in ports of entry of the United States, to expedite and encourage foreign commerce, and for other purposes.

C. (3) Reprint of descriptive articles on individual foreign-trade zones appearing in the March 1950 issue of commercial America; 5,000 reprints for distribution at First United States International Trade Fair in Chicago; reprinted July 1950 by Wilbur & Hastings, New York City.

D. (1) $1,000; (7) $1,000; (8) $250; (9) $1,250; (13) no.

E. (4) $581.20; (7) $97; (9) $678.20; (11) $678.20.

A. Albert F. Versen, reporting as secretary of the St. Louis Local Meat Packers Association, 508 Security Building, St. Louis, Mo.

C. (1) Don't know; depends upon type of legislation.

C. (2) (a) Petition for help to avert shutdown of plants, account of coal strike; (b) expenses of dinner at Statler Hotel to which a number of congressional representatives were invited as a gesture of good will; no business matters were discussed.

D. (1) $531.15; (9) $531.15.

E. (1) $282.69; (2) $10; (5) $10; (6) $23.13; (7) $205.34; (9) $531.15; (11) $531.15.

A. Benjamin F. Saltzstein, fourteenth floor, Empire Building, Milwaukee, Wis., attorney for Hedwig Lydia Reidner.

C. (1) September 29, 1950.

C. (2) S. 1292.

C. (4) Compensation to be legal fees to be determined.

D. (13) No.

E. (6) $25.13; (7) $51.30; (9) $76.43; (11) $76.43; (15) $76.43.

A. Robert A. Saltzstein, 1015 Ring Building, Washington, D. C.; attorney at law.

B. Benjamin F. Saltzstein, fourteenth floor, Empire Building, Milwaukee, Wis.; attorney for Hedwig Lydia Reidner.

C. (1) September 29, 1950.

C. (2) S. 1292.

C. (4) Compensation to be legal fees to be determined.

D. (13) No.

E. (6) $25.13; (7) $51.30; (9) $76.43; (11) $76.43; (15) $76.43.

A. J. T. Sanders, 744 Jackson Place NW., Washington, D. C.

B. The National Grange, 744 Jackson Place NW., Washington, D. C.; farm fraternity.

C. (1) My legislative interest in connection with the National Grange is a continued interest.

C. (2) I am employed to support any legislation on which the National Grange has expressed a policy statement; my legislative interests have been as follows: July 12, 1950, before President's Commission on Migratory Labor, on migratory labor problems; July 11, 1950, filed with Senate Finance Committee for hearings on general revenue bills; August 18, 1950, before Senate Committee on Interior and Insular Affairs on encouragement of continued development of oil and gas resources of the off-shore submerged lands of the United States.

C. (3) Mimeographed statements are usually written for each of the appearances mentioned in item (2) above. These are mimeographed in the Grange headquarters; total printed 250 to 300 each.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500.

E. (6) $1.80; (7) $41.89; (9) $43.69; (10) $60.01; (11) $103.70; (15) $43.69.

A. Charles E. Sands, 4211 Second Street NW., Washington, D. C.; legislative agent, part time for employer listed below.

B. Hotel and Restaurant Employees and Bartenders International Union, A. F. of L., 525 Walnut Street, Cincinnati, Ohio.

C. (1) Indefinitely.

C. (2) Labor and social.

D. (5) $1,800; (7) $1,800; (8) $3,600; (9) $4,400; (13) no.

E. (6) $10; (10) $78; (11) $88.

A. L. R. Sanford, president, Shipbuilders Council of America, 21 West Street, New York, N. Y.

B. Shipbuilders Council of America, 21 West Street, New York, N. Y.; a nonincorporated trade association.

C. (1) See report filed in first instance.

E. (7) $35.10; (9) $35.10; (10) $290; (11) $325.10; (15) $35.10.

A. Stuart T. Saunders, 801 North Jefferson Street, Roanoke, Va.; assistant general counsel.

B. Norfolk & Western Railway Co., 801 North Jefferson Street, Roanoke, Va.

C. (1) Can't say with certainty.

C. (2) H. R. 6251, H. R. 6773, H. R. 7789, S. 274, Eighty-first Congress; also proposed canalization of Big Sandy River and its tributaries in States of Kentucky and West Virginia.

D. (6) $5; (7) $5; (8) $191.40; (9) $196.40; (13) no. (NOTE.—As assistant general counsel I am paid a salary by the Norfolk & Western Railway Co. to do legal work; I do not and will not receive any extra compensation for doing legislative work.)

E. (6) $5; (9) $5; (10) $191.40; (11) $196.40; (15) $5.

A. Russell Saville, national secretary and legislative representative, 15 E Street NW., Washington, D. C.

B. American Pension Committee, Inc., and California Institute of Social Welfare, 15 E Street NW., Washington, D. C.

C. (1) Indefinite to be determined by employers.

C. (2) All legislation dealing with social security and old age pensions generally, and H. R. 2620 particularly.

C. (3) Comet, American pension report; Weekly, approximately 1,000 copies.

D. (5) $975; (7) $975; (8) $975; (9) $1,950; (13) no.

A. W. E. Sawyer, Jr., 210 West Washington Square, Philadelphia, Pa., treasurer of Attapulgus Clay Co.

B. Attapulgus Clay Co., 210 West Washington Square, Philadelphia, Pa.; producers and marketers of absorbents (fuller's earth).

C. (1) Registrant's legislative interest subject to the Lobbying Act terminated during third quarter, and this will constitute a final report.

C. (2) Proposed amendments to Internal Revenue Code (sec. 114 (b) (4)) to include fuller's earth in those minerals entitled to percentage depletion, and possibly the amendment of H. R. 7622 so as to include fuller's earth therein; during third quarter no time was assignable for this function. Hence, no salary is indicated.

D. (9) $242.16; (13) no.

E. (11) $242.16.

A. Frances Sayler, 1000 Eleventh Street NW., Washington, D. C., labor organization.

B. United Electrical, Radio and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y.

C. (1) Legislative activities discontinued, July 31, 1950.

D. (5) $318; (7) $318; (8) $2,163; (9) $2,418; (13) no.

E. (7) $20; (9) $20; (10) $260; (11) $280; (15) $20.

A. S. D. Schell, vice president, National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C.

B. National Federation of American Shipping, Inc., 1809 G Street NW., Washington, D. C., trade association representing American flag steamship companies engaged in domestic and foreign trades.

C. (1) Indifinitely.

C. (2) Interested in all legislation and hearings of interest to the United States merchant marine, or any which may be prejudicial to the best interests of the Government and our maritime activities in commerce, trade, and national defense.

D. (5) $300; (7) $300; (8) $600; (9) $900; (13) no.

E. (7) $1.50; (9) $1.50; (10) $47.55; (11) $49.05; (15) $1.50.

A. Paul W. Schoen, executive secretary, Forest Farmers Association Cooperative, post-office box 692, Valdosta, Ga.; executive secretary for association of timberland owners.

B. Forest Farmers Association Cooperative, post-office box 692, Valdosta, Ga.; association of timberland owners to promote and protect private forestry interests.

C. (1) Indefinitely as there is legislation introduced on forestry matters.

C. (2) H. R. 6000, Social Security Act amendments of 1949; H. R. 7155 and S. 3399, Cooperative Forest Management Act; H. R. 7786, general appropriations (U. S. D. A. forestry items).

C. (3) No specific publications; occasional news releases and articles in association's monthly magazine, the Forest Farmer.

E. (11) $1,541.38.

A. Schoene, Freehill, Kramer & Davis,[4] a law partnership composed of Lester P. Schoene, Joseph H. Freehill, Milton Kramer, and John F. Davis, 1625 K Street NW., Washington, D. C. (now Schoene & Kramer).

B. Charles T. Rouds, 598 Ridgeland Terrace, Englewood, N. J.; regional director, National Labor Relations Board, Region 2.

C. (1) Legislative interest terminated on June 30, 1950, for the reason that the member of the firm handling this matter severed connection with the firm and left private practice.

C. (2) To assist in preparation of a private bill (H. R. 8670, 81st Cong., 2d sess.) and memoranda and statements pertaining thereto.

A. Schoene, Freehill, Kramer & Davis,[4] a law partnership composed of Lester P.

[4] Filed for second quarter, 1950.

Schoene, Joseph H. Freehill, Milton Kramer, and John F. Davis.

B. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.; an unincorporated railway labor association.

C. (1) Indefinite.

C. (2) Railroad retirement and unemployment insurance matters; no matters handled during this quarter.

C. (3) All written materials are delivered to the client and dissemination is entirely in the client's control.

D. (13) No.

A. Schoene and Kramer (formerly Schoene, Freehill, Kramer & Davis), a law partnership composed of Lester P. Schoene and Milton Kramer.

B. Railway Labor Executives' Association, 10 Independence Avenue SW., Washington, D. C.; an unincorporated railway labor association.

C. (1) Indefinite.

C. (2) Railroad retirement and unemployment insurance matters. No matters handled during this quarter.

C. (3) All written materials are delivered to the client and dissemination is entirely in the client's control.

D. (13) No.

A. E. L. Schoenhals, attorney at law, 915 Kearns Building, Salt Lake City, Utah.

B. Tax Equality League of Utah, 915 Kearns Building, Salt Lake City, Utah.

C. (1) Spring of 1950.

C. (2) Repeal of Internal Revenue Code 101 (12), Mason bill in House, Williams amendment in Senate.

E. (5) $300.

A. Walter F. Schulten, assistant to first vice president, Pittsburgh Consolidation Coal Co., Koppers Building, Pittsburgh, Pa.

B. Pittsburgh Consolidation Coal Co., Koppers Building, Pittsburgh, Pa.

C. (1) Indefinite.

C. (2) Legislative proposals affecting the production and marketing of bituminous coal.

C. (4) (a and b) No compensation to be received for legislative activities as such; (c) indefinite; (d) normal business expenses.

D. (6) $339.84; (7) $339.84; (8) $1,702.46; (9) $2,042.30; (13) yes; (14) $2,042.30, National Coal Association, Southern Building, Washington, D. C.

E. (6) $45.25; (7) $294.59; (9) $339.84; (10) $1,702.46; (11) $2,042.30; (15) $339.84.

A. Jack Garrett Scott, 839 Seventeenth Street NW., Washington, D. C.; attorney at law.

B. I represent the National Association of Motor Bus Operators as its general counsel.

C. (1) Legislative interests are to continue indefinitely.

(2) General legislative interests are in the field of transportation and of other measures which may affect the interests of intercity motor bus operators such, for example, as (a) automotive excise taxes and those on transportation of persons; (b) Senate Resolution 50, providing for investigation of transportation; H. R. 4453, to establish a Fair Employment Practice Commission; H. R. 7398, concerning Federal aid for highways; H. R. 7637, to provide for Federal jurisdiction over barriers to interstate commerce.

D. No.

A. John W. Scott, attorney, 1025 Vermont Avenue NW., Washington, D. C.

B. Harvey B. Jacobson, patent attorney, Clarence A. O'Brien and Harvey B. Jacobson, 1406 G Street NW., Washington, D. C.

C. (1) During January of this year I received from Clarence A. O'Brien and Harvey B. Jacobson, 1406 G Street NW., Washington, D. C., the sum of $3,600 to cover retainer fee during 1950 for legal services in connection with administrative rules and regulations of the Patent Office and legislative matters before Congress which may affect the right of practitioners before the Patent Office to use advertising in the solicitation of patent or trade-mark business.

C. (2) Pending legislative matters include: (1) H. R. 4446, H. R. 8201, and substantially similar measures pending in the Senate; and (2) proposed bill for general revision and codification of patent laws issued by Subcommittee No. 4 of the House Committee on the Judiciary, having jurisdiction over patent matters (H. R. 9133).

A. Mildred Scott, 1370 National Press Building, Washington, D. C., secretary-treasurer, American Federation of the Physically Handicapped, an organization composed primarily of handicapped citizens, concerned with development of ameliorative national and local programs of benefit to physically handicapped people.

B. American Federation of the Physically Handicapped; address and purpose listed under A.

C. (1) Continuous.

C. (2) S. 1066 (as amended) and H. R. 9173, to establish a Federal Commission (Agency) on Services for the Physically Handicapped; S. 458 and H. R. 3937, survey (census) of handicapped; Senate Concurrent Resolution 37 and House Concurrent Resolution 143, to repeal ICC rule prohibiting amputees from driving trucks or busses in interstate commerce (our bills on National Cerebral Palsy Act and National Epilepsy Act were included in an omnibus bill which passed both House and Senate); S. 2761 and H. R. 5234, National Leprosy Act; the foregoing are all our own bills; we have given publicity to them by bulletins, correspondence, etc., as that part of the work of this federation on national level.

C. (3) Bulletins are issued from time to time by the American Federation of the Physically Handicapped, containing status of pending legislation. No specific date set for publication; quantity printed varies; Valor is the official organ of the federation.

A. Vernon Scott and Loring A. Schuler, constituting the partnership of Vernon Scott and Loring Schuler, 231 South La Salle Street, Chicago, Ill.; organization and industry counselors.

B. Firm retained by National Associated Businessmen, Inc., whose address is 1025 Vermont Avenue NW., Washington, D. C. Nature of business: A coordinating organization of various State associations interested in legislation relating to taxation, Government regulation of business, and similar matters that directly affect business organizations.

C. (1) Indefinite.

C. (2) Specifically interested in the proposed tax on excess profits and the tax legislation proposed for 1951.

D. (9) $5,000.

E. (7) $47.95; (9) $47.95; (10) $64.10; (11) $112.05.

A. William C. Scott, (report as attorney for American Nurses' Association), 49 Wall Street, New York, N. Y.; attorney and counselor at law.

B. American Nurses' Association, 1790 Broadway, New York, N. Y.; the association is the professional organization of graduate registered professional nurses in the United States, Territories, and possessions.

C. (1) Legislative interests will continue so long as legislation relating to nurses, nursing, or health is pending or needed (i. e., indefinitely).

C. (2) The general legislative interest of the American Nurses' Association is in legislation relating to nurses, nursing or health. The specific legislative interests of the American Nurses' Association include: H. R. 6000 (a bill to extend and improve the Federal old-age and survivors insurance system, etc.); S. 1453 (an act to amend the Public Health Service Act and the Vocational Education Act of 1946 etc.); H. R. 9435 (a bill to provide for the training of nurses for the Armed Forces, etc.); and S. 249 (the National Labor Relations Act of 1949). Also, H. R. 9398 (a bill to authorize the appointment of men as nurses in the Armed Forces).

C. (3) The American Journal of Nursing is the official publication of the American Nurses' Association. It is published monthly. Its circulation is approximately 108,000 copies. It is printed by Cuneo Eastern Press, Philadelphia, Pa. (formerly by Kable Printing Co., Mount Morris, Ill.).

D. (6) $4,272.74; (7) $4,272.74; (8) $7,027.66; (9) $11,300.40; (13) yes; (14) $11,300.40, received from "employer" by firm of Satterlee, Warfield & Stephens, of which I am a member for services (including disbursements) by firm as counsel in all capacities.

A. William C. Scott (report as attorney for National Postal Committee for Books), 49 Wall Street, New York, N. Y.; attorney and counselor at law.

B. National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y.; the business of the committee is to oppose unfair increases in postal rates and discrimination in postal rates.

C. (1) Legislative interests will continue so long as postal-rate bills are pending before Congress or so long as unfair or discriminatory postal rates are in effect.

C. (2) The general legislative interest of the committee is in bills to readjust postal rates. The specific legislative interest is a bill to readjust postal rates, H. R. 2945 and S. 1103.

D. (13) No.

E. (10) $174.84; (11) $174.84.

A. W. J. Sears, vice president, Rubber Manufacturers Association, Inc., Marsh Building, 1832 M Street NW., Washington, D. C.

B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.

C. Legislative interests stated in second quarterly report terminated with quarter ended June 30, 1950.

D. (8) $2,121.23; (9) $2,121.23; (13) no.

E. (10) $821.51; (11) $821.51; (15) all.

A. Nathaniel H. Seefurth, chairman, committee on Federal law and legislation, the National Association of Life Underwriters, 11 West Forty-second Street, New York, N. Y.

B. None. The officers, trustees, and committee chairman of this association serve without compensation.

C. (1) Legislative interests will continue indefinitely.

C. (2) Amendments to the Internal Revenue Code, H. R. 8920.

C. (3) (a) Life Association News; (b) 55,000; (c) monthly; (d) Hamilton Printing Co., Albany, N. Y.

D. (13) No.

E. (7) $114.20; (9) $114.20; (10) $244; (11) $358.20; (15) $114.20.

A. John A. Selby,[4] 730 Fifteenth Street NW., Washington, D. C.; member of law firm of Baker, Selby & Ravenel.

B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N. Y.

C. Baker, Selby & Ravenel, the law firm of which I am a partner, is employed by the Cigar Manufacturers Association of America, Inc., on an annual basis. The services that we perform are general and they include representation of the association before such Government agencies as the Departments of State, Agriculture, and Labor, the Bureau of Internal Revenue and the Federal Trade Commission, etc. We inform the association of pending legislation affecting the industry and occasionally arrange for the presentation of the association's problems and views before committees and Members of Congress. Such matters more recently have

[4] Filed for second quarter, 1950.

included bills seeking a reduction of the excise tax on cigars. The only publication of material in which we participate to any extent is in connection with the filing of statements and briefs with committees of Congress. We receive for such services an annual retainer of $5,000, payable quarterly. No portion of any payment received from the association has been or can be readily allocated to such services as we have rendered on matters relating to legislation in which the association is interested. There have been no disbursements by me or other members of the law firm of which I am a member of moneys received under our contract of services with the Cigar Manufacturers Association of America, Inc.

A. John A. Selby, 730 Fifteenth Street NW., Washington, D. C.; member of law firm of Baker, Selby & Ravenel.

B. Cigar Manufacturers Association of America, Inc., 350 Fifth Avenue, New York, N. Y.

C. See schedule attached to report for July 1950.

A. A. Manning Shaw, Washington Loan & Trust Building, Washington, D. C.; business consultant.

B. Brown, Lund & Fitzgerald, Washington Loan & Trust Building, Washington, D. C.; National Association of Electric Companies, Ring Building, 1200 Eighteenth Street, NW., Washington, D. C.; trade association.

C. (1) Indefinitely. Only a portion of the activities of this registrant might properly be considered within the purview of the Lobbying Act.

C. (2) Any legislation that might affect the members of the NAEC: H. R. 7786 (1951 appropriations bill), H. R. 5472 (rivers and harbors bill), Internal Revenue Code (53 Stat. 1), TVA Act (48 Stat. 58), Federal Power Act (40 Stat. 803), REEA Act of 1936 (49 Stat. 1363), reclamation acts (24 Stat. through 45 Stat.), Flood Control Act of 1944 (58 Stat. 887), Administrative Procedure Act (50 Stat. 237).

D. (5) $3,774.99; (7) $3,774.99; (8) $7,499.98; (9) $11,274.97; (13) no.

E. See report of employer, Brown, Lund & Fitzgerald.

A. Mark R. Shaw, 114 Trenton Street, Melrose, Mass.; New England secretary, National Council for Prevention of War.

B. National Council for Prevention of War, 1013 Eighteenth Street NW., Washington, D. C.

C. (1) Legislative interests continue indefinitely, as long as I serve with the NCPW.

C. (2) Opposition to UMT, peacetime selective service, military aid program; favor economic aid to Europe and Asia; favor cooperation with United Nations in economic and social welfare; favor constructive program under point 4; other measures related to peace and war.

C. (3) Mimeograph bulletins of NCPW.

E. (7) $41.70; (9) $41.70; (10) $198.17; (11) $239.87; (15) $41.70.

A. Bruce E. Shepherd, manager, Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.; trade association.

C. (1) Continuous.

C. (2) Legislation which might affect the welfare of policyholders and annuitants.

D. (5) $87.50 (monthly salary allocated on basis of time spent on lobbying activities; paid by Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.); (7) $87.50; (9) $87.50.

E. (10) $6.60; (11) $6.60.

A. George P. Sheridan, 911½ Pacific Avenue, Tacoma, Wash.; director legislative affairs.

B. International Chiropractors Association, 838 Brady Street, Davenport, Iowa; association of doctors of chiropractic, comprising 48 States, Provinces of Canada, etc.

C. (1) Indefinitely.

C. (2) (a) Legislation affecting the chiropractic profession and those it serves. National health plan, Federal aid to medical education, chiropractic care for veterans, school health bill, etc.; (b) S. 3501, S. 1679, S. 2025, S. 1453, H. R. 1512, H. R. 4312, etc.

D. (5) $1,200; (6) $2,737.29; (7) $3,937.29; (8) $1,200; (9) $5,137.29.

E. (6) $67.31; (7) $1,251.09; (9) $1,318.40; (10) $665; (11) $1,983.40; (15) $1,318.40.

A. Robert H. Shields, 1001 Tower Building, Washington, D. C.; president and general counsel, United States Beet Sugar Association.

B. United States Beet Sugar Association, 1001 Tower Building, Washington, D. C.; beet-sugar trade association.

C. (1) Indefinite.

C. (2) Interested in any legislation affecting sugar, particularly the Sugar Act of 1948 and related legislation.

D. See statement with respect to salary and expenses contained in registration papers filed February 7, 1947.

A. Earl C. Shively, 16 East Broad Street, Columbus, Ohio; giving service to Ohio steam railroads on matters in which all roads have a common interest.

B. The Ohio Railroad Association, 16 East Broad Street, Columbus, Ohio; an association giving service to Ohio steam railroads on matters in which all member roads have a common interest.

C. (1) Indefinite.

C. (2) Legislation affecting railroad interests: (a) Operating rules bill (H. R. 378); basing point bill (S. 1008), union shop bills (S. 3295 and H. R. 7789); (b) H. R. 378, S. 1008, and S. 3295, H. R. 7789.

D. (5) $192.62; (7) $192.62; (8) $350.78; (9) $543.40; (13) no.

E. (7) $192.62; (9) $192.62; (10) $350.78; (11) $543.40; (15) $192.62.

A. Silver Users Association, 1612 I Street NW., Washington, D. C.; the nature of the business is to acquire, study, and disseminate all available information about the history of silver, and on the basis of such information take action to the end that silver shall become recognized as a commodity freed from governmental measures.

C. (1) Indefinite.

C. (2) Legislation involving silver. S. 2829, to repeal certain legislation relating to the purchase of silver, and for other purposes; H. R. 6724, to repeal certain legislation relating to the purchase of silver, and for other purposes.

D. (1) $2,075; (7) $2,075; (8) $30,625; (9) $32,700; (13) yes; (14) $1,075, Tiffany & Co., 820 Highland Avenue, Newark, N. J.; $1,000, New England Manufacturing Jewelers & Silversmiths Association, Sheraton-Biltmore Hotel, Providence, R. I.; $2,075, total.

E. (2) $4,967.48; (5) $1,264.91; (6) $450.39; (7) $507.52; (8) $163.08; (9) $7,353.38; (10) $15,438.76 (11) $22,792.14.

A. William Simon, room 3500, 1 North La Salle Street, Chicago, Ill.

B. Council for Clarification of Pricing Practices, room 3500, 1 North La Salle Street, Chicago, Ill.

C. (1) Had terminated in prior quarter. No legislative interest in current quarter. This is final report.

C. (2) Previously interested in S. 1008.

C. (3) None (except that registrant wrote a book entitled "Geographic Pricing Practices," date of publication September 29, 1950, published by Callaghan & Co., Chicago).

D. (5) $10,500; (7) $10,500; (9) $10,500. Also received $4,437.07 in reimbursement for expenditures made prior to this quarter and previously reported.

E. Registrant made no expenditures for legislative purposes in this quarter.

A. Six Agency Committee,[1] 315 South Broadway, Los Angeles, Calif.; a committee composed of representatives of public agencies of the State of California having water and power rights in the Colorado River.

C. (1) Indefinite.

C. (2) Legislation affecting California's rights in the Colorado River and legislation relating to reclamation and water resources policies, including Senate Joint Resolution 4, House Joint Resolution 3, and counterparts (Colorado River litigation resolutions); S. 75 and H. R. 934 and H. R. 935 (Central Arizona project); H. R. 1770 and H. R. 7351 (Reclamation Project Act amendments); H. R. 7786 (consolidated general appropriation bill); and H. R. 5472 (rivers and harbors and flood-control authorizations); S. 1140, H. R. 8414, and counterparts (flood protective levee system along lower Colorado River); S. 3376 (interstate water and power project policy); H. R. 7220, Public Law 451 reclamation project rehabilitation), and S. 3657 (reorganization of the Interior Department).

D. (1) $200; (7) $200; (8) $19,700; (9) $19,900; (13) no.

E. (2) $3,000; (8) $11.46; (9) $3,011.46; (10) $19,080.92; (11) $22,092.38.

A. Stephen Slipher, room 911, 711 Fourteenth Street NW., Washington, D. C.; assistant vice president.

B. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.; Nation-wide trade association with membership of 3,700 savings and loan associations and cooperative banks.

C. (1) Continuous.

C. (2) Interested in legislation affecting savings and loan associations, housing, home financing, thrift, and financial institutions. During the present quarter registrant has been interested in S. 2822, a bill to amend the Federal Deposit Insurance Act; S. 2006, a bill to amend the Home Owners Loan Act of 1933 with respect to savings and loan associations; H. R. 9176, the Defense Production Act of 1950; S. 2774, a bill to amend section 2113 of title 18 of the United States Code in order to include certain savings and loan associations within its provisions; S. 4172, a bill to amend section 402 (a) of the National Housing Act to change the name of the Federal Savings and Loan Insurance Corporation; H. R. 9249, a bill to amend section 402 (a) of the National Housing Act to change the name of the Federal Savings and Loan Insurance Corporation.

C. (3) (a) Assisted in preparation of confidential bulletin M No. 225; (b) 5,500 published; (c) July 10, 1950; (d) Millar Publishing Co.; (a) assisted in preparation of confidential bulletin M No. 226; (b) 5,500 published; (c) August 9, 1950; (d) Millar Publishing Co.; (a) assisted in preparation of confidential bulletin M No. 227; (b) 5,500 published; (c) September 7, 1950; (d) Millar Publishing Co.; (a) assisted in preparation of Flash News Notes; (b) 4,000 published; (c) July 18, 1950; (d) Franks Duplicating Service; (a) assisted in preparation of Flash News Notes; (b) 4,000 published; (c) August 2, 1950; (d) Franks Duplicating Service; (a) assisted in preparation of Flash News Notes; (b) 4,000 published; (c) September 22, 1950; (d) Franks Duplicating Service.

D. (5) $800; (7) $800; (8) $1,600; (9) $2,400. (It is estimated that 40 percent of total salary of $2,000 is for legislative work.)

E. (7) $30.32; (9) $30.32; (10) $77.29; (11) $107.61; (15) $30.32.

A. Elizabeth A. Smith, 1730 Chicago Avenue, Evanston, Ill.; national corresponding secretary, national WCTU.

B. National Woman's Christian Temperance Union, 1730 Chicago Avenue, Evanston, Ill.; national voluntary woman's organization interested in problem of alcohol and nar-

[1] Filed with the Clerk only.

cotics, problems of women and children, alcohol education, visual education, good citizenship and legislation; international relations.

C. (1) Current quarter and 1 year from November 1, 1950.

C. (2) S. 1847, H. R. 2428, to prohibit transportation in interstate commerce of advertisements of alcoholic beverages; S. 2861, H. R. 6826, to extend the Selective Service Act of 1948 for 3 years; S. 1029, S. 3620, H. R. 2100, H. R. 1371, H. R. 1372, H. R. 1732, to reduce excise taxes, including repeal or reduction of cabaret tax; H. R. 3114, H. R. 886, to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States; House Joint Resolution 151, to prohibit the manufacture, sale, transportation, or possession of beverages containing more than one-half of 1 percent of alcohol by volume; H. R. 2945, to readjust postal rates; to ratify convention on human rights, to ratify convention on genocide.

D. (2) $1,035.88; (5) $97.75 (this figure is part of the $1,035.88. Or, rather, the $1,035.88 was received by the national treasurer during this quarter. I received $97.75); (7) $1,133.63; (8) $6,579.30 (this figure is misleading, since the same situation has applied in every other quarterly report); (9) $7,712.93; (13) no.

E. (2) $765; (5) $290.82; (6) $52.75; (7) $97.75; (9) $1,206.32; (10) $3,598.99; (11) $4,805.31; (15) $1,206.32.

A. Allen L. Smith, post-office box 1526, Baton Rouge, La.; public relations.

B. Louisiana Tax Equality Association, Inc., post-office box 1526, Baton Rouge, La.

C. (1) No termination date set.

C. (2) Interested in all legislation with reference to tax legislation and that affecting business in particular; (a) the Mason bill, H. R. 5064.

D. (8) $6.50; (9) $6.50; (13) no.

E. (6) $5.95; (7) $141.50; (9) $147.45; (10) $123.29; (11) $270.74; (15) $147.45.

A. Anthony W. Smith, 718 Jackson Place NW., Washington, D. C.; attorney.

B. Congress of Industrial Organizations, 718 Jackson Place NW., Washington, D. C.; labor organization.

C. (1) Indefinite continuation.

C. (2) General: Forestry, regional development, resource conservation. Specific: Alaska statehood.

C. (3) None individually. Publications issued by CIO are listed in CIO report.

D. (5) $35; (7) $35; (9) $35.

A. Donald W. Smith (report as attorney for American Nurses' Association), 49 Wall Street, New York, N. Y.; attorney and counselor-at-law.

B. American Nurses' Association, 1790 Broadway, New York, N. Y.; the association is the professional organization of graduate, registered professional nurses in the United States, Territories, and possessions.

C. (1) Legislative interests will continue so long as legislation relating to nurses, nursing, or health is pending or needed (i. e., indefinitely).

C. (2) The general legislative interest of the American Nurses' Association is in legislation relating to nurses, nursing, or health. The specific legislative interests of the American Nurses' Association include: H. R. 6000 (a bill to extend and improve the Federal old-age and survivors' insurance system, etc.); S. 1453 (an act to amend the Public Health Service Act and the Vocational Education Act of 1946, etc.); H. R. 9435 (a bill to provide for the training of nurses for the Armed Forces, etc.); and S. 249 (the National Labor Relations Act of 1949). Also, H. R. 9398 (a bill to authorize the appointment of men as nurses in the Armed Forces).

C. (3) The American Journal of Nursing is the official publication of the American Nurses' Association. It is published monthly. Its circulation is approximately 108,000 copies. It is printed by Cuneo Eastern Press, Philadelphia, Pa. (formerly by Kable Printing Co., Mount Morris, Ill.).

D. Receipts of Satterlee, Warfield & Stephens, with which firm I am associated, are reported in the report of Mr. William C. Scott.

E. (10) $52.17; (11) $52.17.

A. Dudley Smith, 732 Shoreham Building, Washington, D. C.

B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.

C. (1) Am employed on annual basis.

C. (2) Not specifically interested in any pending legislation. In general, am interested in legislation pertaining to Puerto Rico or to sugar.

D. (5) $3,750; (7) $3,750; (8) $7,500; (9) $11,250; (13) yes; $11,250, Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.

A. Harold O. Smith, Jr., 400 Continental Building, 1511 K Street NW., Washington, D. C.; executive vice president, trade association.

C. (1) I do not believe that my activities are such as to require registration. I am filing this as a matter of record only. During the past quarter I did not have occasion to engage in any activities which I believe could be construed as lobbying. Serving full time as executive vice president of the United States Wholesale Grocers' Association, my activities are those of a trade association executive and any contacts with Members of Congress are purely incidental to my many other activities in connection with trade-association work.

C. (3) In our association's bulletins and weekly news letters to members, we occasionally report on any legislation in general affecting the interests of wholesale grocers.

A. Howard J. Smith, 515 Goodrich Building, Phoenix, Ariz.; executive secretary.

B. Central Arizona Project Association, 515 Goodrich Building, Phoenix, Ariz.

C. (1) Legislative interest will continue to end of Eighty-first Congress and possibly for an indefinite period thereafter.

C. (2) S. 75, Bridge Canyon Act, and H. R. 934 and H. R. 935, Bridge Canyon Act (known more frequently as Central Arizona project bill).

C. (3) The Case for Water in Central Arizona; Work for Water; California's Stake in Arizona's Share of Colorado River; What the Central Arizona Project Means to You; Truth; Settling up Time.

D. (2) $16,936.25; (6) $357.63; (7) $17,293.88; (8) $51,871.63; (9) $69,165.51; (13) yes; (14) $3,400, July 1, Roosevelt Water Conservation District, Higley, Ariz.; $12,000, July 1, Salt River Valley Water Users Association, 146 West Van Buren Street, Phoenix, Ariz.; $500, August 1, Farmers Cotton Gins, post-office box 1095, Casa Grande, Ariz.; $15,900, total.

E. (2) $7,854.78; (3) $400; (4) $78.88; (5) $558.98; (6) $506.71; (7) $1,786.29; (8) $127.88; (9) $11,313.52; (10) $48,263.94; (11) $59,577.46; (15) all.

A. Lloyd W. Smith, 425 Shoreham Building, Washington, D. C.; special representative, Chicago, Burlington & Quincy Railroad Co.

B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill.; common carrier by railroad of passengers and property.

C. (1) Indefinitely.

C. (2) Any legislation affecting directly or indirectly the Chicago, Burlington & Quincy Railroad Co., including the following bills being considered this session: Railroad communications and operating rules bills, S. 238, H. R. 378; Federal Barge Line bills, S. 211, H. R. 4978; Railway Labor Act bills, S. 3295, H. R. 7789; mail pay bills, S. 1596, H. R. 4271; transportation investigation, Senate Resolution 50.

D. (5) $1,785; (7) $1,785; (8) $3,570; (9) $5,355; (13) no.

E. (8) $412.60.

A. P. L. Smith, 1200 Eighteenth Street NW., Washington, D. C.; registrant is the president of the National Association of Electric Companies, a trade organization whose members are 102 operating companies. P. L. Smith, president of the National Association of Electric Companies, is filing this form for the information of the Congress of the United States under title 3 of the Legislative Reorganization Act of 1946 but questions whether and to what extent that act applies to him. This form has been prepared without the benefit of official interpretations of that statute. The amount stated in item (D) of the form is the total salary registrant receives as president of the association in the performance of all his duties as they arise in carrying out the purposes and activities of the association.

B. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. The National Association of Electric Companies is a trade association whose members are 102 operating electric companies. The preamble of its articles of association describe the functions to be engaged in by the association as follows: "In order to further the interests of the electric utility companies that are members of this association and their investors, employees, and customers; to maintain the integrity and credit of the industry; to present to the public the essential facts about the industry to the end that there may be a better understanding between the utility companies and the public and a better appreciation of utility progress, achievements, and problems; to coordinate regional activities among member companies; to furnish member companies information, reports, and statements concerning various phases of electric utility operations and developments; to further cooperation with all agencies and organizations interested in the supply and purchase of electric light and power; to furnish such agencies and organizations with information, reports, and statements concerning member companies and the electric utility industry; to present the facts to the public concerning the public benefits resulting from the operation of electric utility companies by businessmen under governmental regulations and, generally, to engage in those practices recognized as being legal and proper to further said ends, certain electric utility companies do hereby establish a national association which shall be adequately qualified and empowered to act in every lawful way when concert of policy and action would be helpful." Thus the association functions for the following principal purposes: (1) To keep member companies informed of Washington developments affecting them as operating businesses, including information and analyses of governmental hearings, orders, and regulations, both legislative and administrative; (2) to keep the public, including employees, consumers, and investors, informed concerning the accomplishments of the industry, its achievements in serving the public, and the plans of this industry for the future; (3) to furnish, and aid in furnishing, technical information to the instruments of government and to provide a readily available contact between government and the industry; (4) to provide the members of the association with a medium through which they can exchange ideas on problems of mutual concern and interest in order to better serve the public; (5) to act for the member companies in matters of common and national concern.

C. (1) Of indefinite duration.

C. (2) Registrant is president of the National Association of Electric Companies.

One of the purposes of this association as set forth in previous registrations and reports filed pursuant to title 3 of the Legislative Reorganization Act of 1946 is to provide its members with a medium through which they can develop and exchange ideas and take appropriate action on problems of mutual concern and interest, including matters involving legislation. The association, therefore, is generally interested in all developments in and of Federal legislation that might affect its members as going electric utilities, including, but not limited to the following bills and statutes and amendments thereto: H. R. 7786, a bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes; Internal Revenue Code (53 Stat. 1); TVA Act (48 Stat. 58); Federal Power Act (49 Stat. 803); Rural Electrification Act of 1936 (49 Stat. 1363); reclamation acts (25 Stat. through 45 Stat.); Flood Control Act of 1944 (58 Stat. 887). For specific details concerning the policy position of the National Association of Electric Companies, see the document entitled "Water Resources, Electric Power, and National Policy," prepared in response to an invitation of the Chairman of the President's Commission on Water Resources Policy, dated March 2, 1950, for a complete statement of the association's position on policy questions. Copies of this statement have heretofore been filed with the Secretary of the Senate and the Clerk of the House of Representatives.

D. (5) $16,250.01; (7) $16,250.01; (8) $32,500.02; (9) $48,750.03; (13) no.

E. (6) $4.50; (7) $487.52; (8) $90.10; (9) $582.12; (10) $1,739.88; (11) $2,322; (15) $582.12.

A. Ray E. Smith, 1021 Hume Mansur Building, Indianapolis, Ind.

B. Indiana State Medical Association, 1021 Hume Mansur Building, Indianapolis, Ind.; State headquarters of the Indiana State Medical Association; advancement of the science and practice of medicine in the State of Indiana.

C. (1) Indefinitely.

C. (2) All bills pending before Congress which would create national health insurance.

D. (2) $75; (7) $75; (8) $124.44; (9) $199.44; (13) no.

E. (1) $2,841.03; (2) $2,015.50; (4) $226.60; (5) $19.56; (6) $25.82; (7) $437; (8) $657.52; (9) $6,223.03.

A. Robert E. Smith, 116 Nassau Street, New York, N. Y.; chairman, Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y.

B. Life Insurance Policyholders Protective Association, 116 Nassau Street, New York, N. Y., a nonprofit, nonstock membership association of life-insurance policyholders.

C. (1) Indefinite.

C. (2) General education concerning the effect of inflation on the purchasing power of life insurance as it relates to Federal policies or measures which are deemed to be inflationary in character. (a) Omnibus appropriations bill; national health plan; Brannan farm plan.

C. (3) (a) Sample attached hereto;[2] (b) 22,000; (c) July 1–September 30, 1950; Process Printing Co., New York, N. Y.

D. (5) $500; (7) $500; (8) $3,584.53; (9) $4,084.53; (13) yes.

E. (7) $657.05; (9) $657.05; (10) $518; (11) $1,175.05; (12) $265.47; (15) $657.05.

A. Russell Smith.

B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office), 300 Independence Avenue SE., Washington, D. C. (legislative office).

C. I am employed exclusively by the employer listed above and about 80 percent of my time is spent influencing legislation on matters of interest to the National Farmers Union. The specific activities in which I have engaged are set forth in the report covering this quarter filed by the National Farmers Union.

D. My only receipts consist of my salary, which is $10,500 per annum.

E. All expenses incurred by me are paid by the National Farmers Union and the specific items appear in the report submitted by the National Farmers Union covering this quarter.

A. Sylvester C. Smith, Jr., Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J.; general counsel.

B. Prudential Insurance Co. of America, 763 Broad Street, Newark, N. J.; life insurance, annuities, group health and accident insurance.

C. (1) During my official connection as general counsel of the company.

C. (2) General interest in all legislation affecting the business of the company.

C. (3) No publication issued.

D. (13) No.

A. Calvin K. Snyder, secretary, Realtors' Washington Committee, 1737 K Street NW., Washington, D. C.; National Association of Real Estate Boards.

B. Realtors' Washingtoff Committee of the National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation affecting the real-estate industry.

D. (5) $6,020.33; (7) $6,020.33; (8) $8,431.56; (9) $14,451.89.

E. (6) $34.91; (7) $792.92; (8) $67.50; (9) $895.33; (10) $2,431.56; (11) $3,326.89; (15) $895.33.

A. J. D. Snyder, room 1040, La Salle Hotel, Chicago, Ill.

B. Illinois Legislative Committee, room 1040, La Salle Hotel, Chicago, Ill.; examination of all bills before legislature pertaining to railroad legislation.

C. (1) Indefinitely.

C. (2) Legislation affecting railroads.

E. (2) $800; (6) $27.72; (7) $407.96; (8) $63.03; (9) $1,298.71; (10) $357.67; (11) $1,656.38; (15) all.

A. Southern Pine Industry Committee,[4] Herbert C. Berckes, secretary, 520 National Bank of Commerce Building, New Orleans, La.

C. (1) Legislative activity will continue as long as our industry considers participation by this industry-wide organization necessary in the interest of the industry, the South, and the national economy. Future reports will therefore be furnished in accordance with provisions of the law.

C. (2) FLSA, wage-hour law, Walsh-Healey Act; S. 1820 (Anderson bill) and all forestry legislation; Society Security Act; Defense Production Act; labor legislation.

C. (3) (a) United States Government Requirements in Lumber Purchasing, taken from Specifications of United States Corp of Engineers; (b) 3,000; (d) E. S. Upton Printing Co., New Orleans, La.

D. (2) $26,246.90; (4) $99.20; (7) $26,346.10; (8) $25,927.26; (9) $52,273.36; (13) yes; (14) $640.63; Crossett Lumber Co., Crossett, Ark.; $1,230.91, Dierks Lumber & Coal Co., Kansas City, Mo.; $615.56, Edens-Birch Lumber Co., Corrigan, Tex.; $1,123.23, Frost Lumber Industries, Inc., Shreveport, La.; $743.35, Kirby Lumber Corp., Houston, Tex.; $4, 353.68, total.

E. (2) $2,962.91; (4) $1,713.28; (5) $4,671.12; (6) $516.95; (7) $1,427.38; (8) $6,638.69; (9) $17,930.33; (10) $17,750.03; (11) $35,680.36.

A. Southern States Industrial Council,[4] Stahlman Building, Nashville, Tenn.

C. (1) Indefinite.

C. (2) Support of legislation favorable to free-enterprise system and opposition to legislation unfavorable to that system.

C. (3) Southern States Industrial Council News Bulletin published semimonthly.

D. (2) $19,654.86; (7) $19,654.86; (8) $34,517.19; (9) $54,172.05; (13) no.

E. (1) $100.66; (2) $11,880.51; (4) $3,142.47; (5) $327.39; (6) $596.78; (7) $1,928.15; (8) $1,174.13; (9) $19,150.09; (10) $36,085.54; (11) $55,235.63.

A. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.

C. (1) Indefinite.

C. (2) Support of legislation favorable to free enterprise system and opposition to legislation unfavorable to that system.

C. (3) Southern States Industrial Council News Bulletin, published semimonthly.

D. (2) $14,597.68; (7) $14,597.68; (8) $54,172.05; (9) $68,769.73; (13) no.

E. (2) $14,162.21; (4) $995.64; (5) $82.23; (6) $250.80; (7) $659.05; (8) $303.44; (9) $16,453.37; (10) 55,235.63; (11) $71,689.

A. Spence, Hotchkiss, Parker & Duryee, 40 Wall Street, New York, N. Y.

B. Aircraft Industries Association of America, Inc., 610 Shoreham Building, Washington, D. C.

C. (1) Indefinite.

C. (2) Legislation to establish a national air policy.

D. (13) No.

A. Spencer & Louisell, 2000 Massachusetts Avenue NW., Washington, D. C.; a law firm.

B. Peter Kristian Kristensen, 1025 Newport Avenue, Detroit, Mich. This firm was employed as counsel for Peter Kristian Kristensen in litigation in the United States District Court for the District of Columbia and in the Court of Appeals for the District of Columbia Circuit. Mr. Kristensen's case was decided by the said Court of Appeals December 19, 1949. This case is now before the United States Supreme Court. From time to time this firm has received from Mr. Kristensen legal fees and reimbursements for expenses incurred in such litigation and has paid various court costs and printing charges in connection with such litigation. These receipts and disbursements have nothing to do with the Lobbying Act. This firm is also employed by Mr. Kristensen to support H. R. 3410, Eighty-first Congress, first session, a bill for the relief of Peter Kristian Kristensen. No expenses have been incurred in connection with such bill and no legal fee has been received in connection therewith.

C. (1) Do not know.

C. (2) H. R. 3410, Eighty-first Congress, first session, a bill for the relief of Peter Kristian Kristensen. This firm is his counsel in litigation.

D. (13) No.

A. Lyndon Spencer, 905 Rockefeller Building, Cleveland, Ohio. This report is made by me in my capacity as executive vice president of Lake Carriers' Association. My duties are general and varied, and I do not consider that I am engaged for the purpose of attempting to influence legislation. This report is made without prejudice to that position.

B. Lake Carriers' Association, 905 Rockefeller Building, Cleveland, Ohio, which is a voluntary association of owners and operators of vessels engaged in transportation of commodities between ports on the Great Lakes.

C. (1) As executive vice president of Lake Carriers' Association, I am elected for a term of 1 year, usually commencing about April 1.

D. (13) No.

A. Jerome F. Spingarn, 132 Third Street SE., Washington, D. C.; advocacy of measures to strengthen and support the UN.

B. Foreign Affairs Research Council, United World Federalists, Inc., 7 East Twelfth Street, New York, N. Y.; to strengthen United

[2] Not printed. Filed in the Clerk's office.

[4] Filed for second quarter, 1950.

Nations with powers limited but adequate to assure peace.

C. (1) Legislative interests will continue indefinitely.

C. (2) The general legislative interests covered by this submission are measures relating to United States participation in the United Nations; specifically House Concurrent Resolution 64, Senate Concurrent Resolution 56, H. R. 7797, and House Joint Resolution 334.

C. (3) The undersigned has contributed to or prepared material for circular letters and a house organ, but these publications were issued by the national office and will be dealt with in the organizational submission.

D. (5) $2,125; (7) $2,125; (8) $2,436.91; (9) $4,561.91.

A. Spokesmen for Children, Inc.,[4] 654 Madison Avenue, New York, N. Y.; better laws for maternal and child health and welfare.

C. (1) Indefinitely.

C. (2) Legislation affecting maternal and child health and welfare. In the second session of the Eighty-first Congress we are supporting (a) National Child Research Act, S. 904, H. R. 4465; (b) Local Public Health Units Act of 1949, S. 522, H. R. 5865; (c) Emergency Professional Health Training Act of 1949, S. 1453, H. R. 5940; (d) maternal and child health and welfare and services to crippled children's appropriations in H. R. 6000, as amended.

C. (3) Fact sheets giving data on the above-mentioned bills to supplement data sent out earlier in spring on same. Sent in April and May. Mail & Express Printing Co., Inc., 160 Varick Street, New York, N. Y.

D. (2) $36; (7) $36; (8) $237; (9) $273; (13) no.

E. (2) $409.90; (4) $859.30; (5) $194.17; (6) $10; (7) $61.13; (9) $1,534.50; (10) $1,699.92; (11) $3,234.42.

A. Spokesmen for Children, Inc., 654 Madison Avenue, New York, N. Y.; better laws for maternal and child health and welfare.

C. (1) Indefinitely.

C. (2) Legislation affecting maternal and child health and welfare. In the second session of Eighty-first Congress we are supporting (a) National Child Research Act, S. 904, H. R. 4465; (b) Local Public Health Units Act of 1949, S. 522, H. R. 5865; (c) Emergency Professional Health Training Act of 1949, S. 1453, H. R. 5940; (d) maternal and child health and welfare and services to crippled children's provisions in H. R. 6000, as amended.

C. (3) Fact sheets giving data on the above-mentioned bills to supplement data sent out earlier in spring on same. Sent in June. Mail & Express Printing Co., Inc., 160 Varick Street, New York, N. Y.

D. (2) $25; (7) $25; (8) $273; (9) $298; (13) no.

E. (2) $44.10; (9) $44.10; (10) $3,234.42; (11) $3,278.52.

A. Thomas G. Stack, 1104 West One Hundred and Fourth Place, Chicago, Ill.

B. National Railroad Pension Forum, Inc., 1104 West One Hundred and Fourth Place, Chicago, Ill.

C. (1) Indefinite.

C. (2) H. R. 4282, H. R. 7063, H. R. 6667, S. 3134, and S. 1379; also interested in all pending bills to increase benefits under the Railroad Retirement Act to railroad employees.

E. (1) $239; (2) $1,200; (4) $1,459; (6) $38; (7) $599.68; (9) $3,535.68; (10) $11,545.30; (11) $15,081.06.

A. Howard M. Starling,[4] Association of Casualty and Surety Companies, 837 Washington Building, Washington, D. C.

B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Legislation affecting casualty and surety companies. Specific legislative interests: H. R. 6000, amending the Social Security Act and S. 2408 amending the Securities Exchange Act of 1934, numerous House and Senate bills dealing with the subject of bonding of Federal employees.

C. (3) Registrant has issued no publications in connection with legislative interests.

E. (7) $38.70; (15) $38.70.

A. Howard M. Starling, Association of Casualty and Surety Companies, 837 Washington Building, Washington, D. C.

B. Association of Casualty and Surety Companies, 60 John Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Legislation affecting casualty and surety companies. Specific legislative interests: H. R. 6000, amending the Social Security Act, and S. 2408, amending the Securities Exchange Act of 1934, numerous House and Senate bills dealing with the subject of bonding of Federal employees.

C. (3) Registrant has issued no publications in connection with legislative interests.

D. (5) $150; (7) $150; (8) $300; (9) $450; (13) no.

E. (7) $16.40; (9) $16.40; (10) $63.20; (11) $79.60; (15) $16.40.

A. State Tax Association, post-office box 2559, Houston, Tex.

C. (1) The general purpose of the State Tax Association is to bring about constructive cooperation between community-property and common-law States for the development of a plan of tax equalization which will afford an equitable basis for income, estate, and gift taxation in the Federal tax structure. To support complete retroactive repeal of the 1942 estate and gift tax amendments as they apply to the community-property States in an equitable manner. To support the complete elimination of Federal estate taxes and restore estate taxation to the several States. We have supported and will continue to support the American Bar Association's recommendation for tax equalization.

C. (2) No specific legislation at this time is supported or opposed, other than the general purpose to retain unimpaired the tax equalization principles of the 1948 Revenue Act and wherever possible to accomplish complete tax equality between community-property and common-law States.

D. (8) $8,222; (9) $8,222; (13) No.

E. (2) $3,383.12; (7) $25.99; (8) $525.22; (9) $4,193.09; (10) $19,308.26; (11) $23,501.35.

A. Raymond E. Steele,[6] general counsel, National Fisheries Institute, Inc., 724 Ninth Street, NW., Washington, D. C.

B. National Fisheries Institute, Inc., 724 Ninth Street NW., Washington, D. C.

C. (1) The legislative interests are continuing since this is a trade association interested in the welfare of the fisheries of the Nation.

C. (2) Nothing during this quarter.

C. (3) This office each week sends out a news letter of an informative nature which is for membership consumption. It does not print and send out special or periodical publications.

D. (13) No.

A. Raymond E. Steele,[4] general counsel, National Fisheries Institute, Inc., 724 Ninth Street NW., Washington, D. C.

B. National Fisheries Institute, Inc., 724 Ninth Street NW., Washington, D. C.; trade association. This statement is submitted as a matter of information to the Congress, although it is believed that registrant does not come within the purview of the act, nor are any contributions or loans of any kind paid for the purpose of influencing legislation in Congress.

C. (1) Legislative interests are continuing.

C. (2) The institute, like any trade association, only fosters or supports such legislation that it deems is necessary to the welfare of the domestic commercial fisheries. It was not organized primarily for the purpose of lobbying and hence does not oppose any particular class of legislation.

C. (3) Publishes a weekly trade letter for members which is sent to over 600 members, copies of which are also sent to Members of Congress and the numerous representatives in the executive branch of the Federal Government who are interested in commercial fisheries matters. It is printed by the Plymouth Printing Co.

D. (13) No.

E. (2) $1,040; (4) $57; (7) 80 cents; (9) $1,097.80; (11) $1,097.80; (15) $1,097.80.

A. Otts. D. Steinback, room 301, Independence Avenue SW., Washington, D. C.; legislative representative of organization listed.

B. Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, 1015 Vine Street, Cincinnati, Ohio; a railway labor organization.

C. (1) Legislative interests will continue indefinitely.

C. (2) S. 3295 and H. R. 7789. These are bills in which we are interested, but their listing should not be construed as confining our activities merely to them as this brotherhood is interested in all legislation affecting labor, especially railroad labor.

D. (5) $624.

A. Charles I. Stengle, 900 F Street NW., Washington, D. C.; legislative representative, AFGE.

B. American Federation of Government Employees, room 716, 900 F Street NW., Washington, D. C; AFL Government employees union.

C. (1) Permanently.

C. (2) All bills of interest to Federal Government employees and District of Columbia government employees.

D. (5) $1,384.56; (7) $1,384.56; (9) $4,384.44.

E. (7) $37.20; (9) $37.20; (11) $11; (15) $37.20.

A. H. D. Stevenson, acting for the National Association of Stevedores, 140 Cedar Street, New York, N. Y.; a trade association the object of which is to specifically further the stevedoring interests in the United States.

C. (1) Indefinite.

C. (2) Public Law 177 and other bills of interest to the stevedoring industry.

D. (1) $1,100; (7) $1,100; (8) $40,600; (9) $41,700; (13) yes.

E. (10) $56,694.54; (11) $56,694.54.

A. Mrs. Alexander Stewart (Annalee).

B. Women's Committee To Oppose Conscription, 2006 Walnut Street, Philadelphia, Pa.

C. (1) No report third quarter.

A. Mrs. Alexander Stewart (Annalee), 1734 F Street NW., Washington, D. C.

B. Women's International League for Peace and Freedom, 1734 F Street NW., Washington, D. C.; international organization of women working for world peace.

C. (2) See attached priorities program for 1950.[2]

C. (3) (a) Four Lights, monthly, 4-page publication, contains some legislative information; Washington Newsletter (several pages mimeographed about monthly), containing analysis of bills and suggests whom to write. (b) Four Lights 4,500; Washington Newsletter 700. (c) Four Lights monthly; Newsletter about monthly. (d) Strassheim Printing House, 307 North Fifteenth Street, Philadelphia, Pa.

D. (1) $296.42; (2) $6,145.78; (4) $491.88; (7) $6,934.08; (8) $8,174.87; (9) $15,108.95; (13) yes; (14) $500, Mrs. Edward C. Wilson,

[4] Filed for second quarter, 1950.

[6] Filed for first quarter, 1950.

[2] Not printed. Filed in the Clerk's office.

Minneapolis, Minn.; $510, Miss Margaret Campbell, Sewickley, Pa.

E. (2) $6,798; (4) $884.99; (5) $2,106.53; (6) $254.56; (7) $531.62; (9) $10,575.70; (10) $10,275.87; (11) $20,851.57.

A. Charles T. Stewart, director of public relations, National Association of Real Estate Boards, 1737 K Street NW., Washington, D. C.

B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.; trade association.

C. (1) Indefinite.

C. (2) Any legislation affecting the real-estate industry.

C. (3) Attached is a list of news releases[2] issued during the quarter which bear on legislative subjects. Complete information as to the extent to which these were published or the dates of publication is not available. Mailing list for these news releases is attached.[2] Mimeographing was done in our Washington office.

D. (5) $3,298.43; (7) $3,298.43; (8) $7,063.45; (9) $10,361.58; (13) no. Fifty percent of time for which salary is included is devoted to legislative activities.

E. (7) $286.43; (8) $12; (9) $298.43; (10) $1,083.45; (11) 1,361.88.

A. Erskine Stewart, National Retail Dry Goods Association, suite 808, Kass Building, 711 Fourteenth Street NW., Washington, D. C.; trade association.

B. National Retail Dry Goods Association, 100 West Thirty-first Street, New York, N. Y.; trade association.

C. (1) Unknown.

C. (2) H. R. 810, LIFO.

D. (5) $221.15; (7) $221.15; (13) no.

E. (6) $3.35; (7) $4.25; (9) $7.60; (11) $7.60; (15) $7.60.

A. William E. Stockhausen (report as attorney for National Postal Committee for Books), 49 Wall Street, New York, N. Y.; attorney and counselor at law.

B. National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. The business of the committee is to oppose unfair increases in postal rates and discrimination in postal rates.

C. (1) Legislative interests will continue so long as postal-rate bills are pending before Congress or so long as unfair or discriminatory postal rates are in effect.

C. (2) The general legislative interest of the committee is in bills to readjust postal rates. The specific legislative interest is a bill to readjust postal rates, H. R. 2945 and S. 1103.

D. (13) No.

E. (6) $3.75; (7) $60.33; (9) $64.08; (10) $358.93; (11) $418.01; (15) $64.08.

A. Edwin L. Stoll, 1737 K Street NW., Washington, D. C.; assistant director of public relations, National Association of Real Estate Boards; trade association.

B. National Association of Real Estate Boards, 22 West Monroe Street, Chicago, Ill.; trade association.

C. (1) Indefinite.

C. (2) Any legislation affecting the real-estate industry.

C. (3) Attached is a list of news releases[2] issued during the quarter which bear on legislative subjects. Complete information as to the extent to which these were published or the dates of publication is not available. Mailing list for these news releases is attached.[2] Mimeographing was done in our Washington office.

D. (5) $2,048.50; (7) $2,048.50; (8) $4,210.64; (9) $6,259.14; (13) no. Fifty percent of time for which salary is included is devoted to legislative activities.

E. (7) $2; (8) $21.50; (9) $23.50; (10) $160.64; (11) $184.14; (15) $23.50.

A. Benton J. Strong.

B. Farmers Educational and Cooperative Union of America (National Farmers Union), 1555 Sherman Street, Denver, Colo. (home office), 300 Independence Avenue SE., Washington, D. C. (legislative office).

C. (1) I am employed exclusively by the employer listed above and about 50 percent of my time is spent influencing legislation on matters of interest to the National Farmers Union. The specific activities in which I have engaged are set forth in the report covering this quarter filed by the National Farmers Union.

D. My only receipts consist of my salary, which is $7,500 per annum.

E. All expenses incurred by me are paid by the National Farmers Union and the specific items appear in the report submitted by the National Farmers Union covering this quarter.

A. Sterling F. Stoudenmire, Jr., 1740 G Street NW., Washington, D. C.; attorney for Waterman Steamship Corp.

B. Waterman Steamship Corp., 61 St. Joseph Street, Mobile, Ala.; steamship operators.

C. (1) I am engaged permanently by Waterman Steamship Corp. and subsidiaries as attorney in its legal division. Such employment requires only a portion of my time in legislative activities.

C. (2) Any legislation affecting the American merchant marine and transportation generally. Specifically: Merchant Marine Act of 1936, as amended, S. 2786, H. R. 3419, Civil Aeronautics Act, appropriations bills, Army civil functions, and any other legislative matters affecting the American merchant marine and/or amendments to Ship Sales Act of 1946, as amended.

D. (5) $1,000; (7) $1,000; (8) $2,000; (9) $3,000; (13) no. See (5). Registrant believes this amount fairly represents the amount of his salary received during this quarter which may be allocable to legislative activities.

E. (7) $42.92; (9) $42.92; (10) $142.69; (11) $185.71; (15) $42.92.

A. Paul A. Strachan, 1370 National Press Building, Washington, D. C., president, American Federation of the Physically Handicapped, an organization composed primarily of handicapped citizens, concerned with development of ameliorative national and local program of benefit to physically handicapped people.

B. American Federation of the Physically Handicapped.

C. (1) Continuous.

C. (2) S. 1066 (as amended) and H. R. 9173, to establish a Federal Commission (Agency) on Services for the Physically Handicapped; S. 458 and H. R. 3937 Survey (Census) of Handicapped; Senate Concurrent Resolution 37 and House Concurrent Resolution 143, to repeal ICC rule, prohibiting amputees from driving trucks or busses in Interstate Commerce; (our bills on National Cerebral Palsy Act, and National Epilepsy Act, were included in omnibus bill which passed both House and Senate); S. 2761 and H. R. 5234, National Leprosy Act; the foregoing are our own bills. We have given publicity to them by bulletins, correspondence, etc., as that part of the work of this Federation on national level.

C. (3) Bulletins are issued from time to time, by the American Federation of the Physically Handicapped, containing status of pending legislation. No specific date set for these. National Publishing Company and Washington Planograph Co. print bulletins. Our official organ is "Valor."

D. (7) $600; (8) $1,200; (9) $1,200; (13) no.

E. (7) $135; (9) $135; (10) $491.33; (11) $626.33; (15) $135.

A. O. R. Strackbein, executive secretary, America's Wage Earners' Protective Conference, 424 Bowen Building, Washington, D. C.; lobbying.

B. America's Wage Earners' Protective Conference, 424 Bowen Building, Washington, D. C.; to gather, compile, and disseminate data relating to imports and international trade; to promote legislation that will enhance and protect employment in domestic industry by preventing unfair wage competition from abroad, and to oppose legislation that will have the opposite effect.

C. (1) Indefinitely.

C. (2) Tariff; ITO Charter; S. 2601, Northwest Atlantic Fisheries; H. R. 9134, a bill to amend title 46, United States Code, section 251 (fishing boats); House Concurrent Resolution 225.

D. (1) $4,140; (2) $26.53; (7) $4,166.53; (8) $8,190; (9) $12,356.53; (13) yes; (14) $600, Glass Bottle Blowers' Association, 12 South Twelfth Street, Philadelphia, Pa; $600, National Brotherhood of Operative Potters, box 752, East Liverpool, Ohio; $600, American Flint Glass Workers' Union, 200 Rainie Building, Toledo, Ohio; total, $1,800; $2,100, seven organizations paying $100 each per month (such organizations listed in second quarterly report, which see); $240, one organization paying $60 per month (May, June, July, and August remittals; this organization listed in second quarterly report, which see); $4,140, total income from dues paying members, third quarter, 1950; $26.53, Telephone Company deposit plus tax refunded; $4,166.53, total as shown item 7, under "D. Receipts" of report.

E. (2) $3,923.66; (4) $3; (5) $135; (6) $61.24; (7) $398.08; (8) $7.66; (9) $4,528.64; (10) $8,688.33; (11) $13,216.97; (15) $4,528.64.

A. O. R. Strachbein, 424 Bowen Building, 815 Fifteenth Street NW., Washington, D. C.

B. The International Allied Printing Trades Association, box 728, Indianapolis, Ind.; principally control distribution and use of union label.

C. (1) Indefinitely.

C. (2) Matters affecting the interest of the employees in the printing trades.

D. (1) $150; (6) $125.43; (7) $275.43; (8) $300; (9) $575.43; (13) no.

E. (7) $125.43; (9) $125.43; (11) $125.43; (15) $125.43.

A. O. R. Strackbein, chairman, National Labor-Management Council on Foregn Trade Policy, 424 Bowen Building, Washington, D. C.

B. The National Labor-Management Council, 424 Bowen Building, Washington, D. C.; to promote security of employment and high levels of production by preventing the undermining of domestic labor standards and the breaking of prevailing price levels by imports which are offered at unfair prices as judged by our standards.

C. (1) Indefinitely.

C. (2) Bills relating to the tariff and foreign trade; charter of the International Trade Organization; import programs.

C. (3) Another Look at the Tariff; 100; end of September; photo offset.

D. (1) $1,500; (7) $1,500; (8) $15,650; (9) $17,150; (13) yes; (14) $500, Scientific Apparatus Makers' Association, 20 North Wacker Drive, Chicago, Ill.; $500, $125 each from four fisheries associations; $500 the Wall Paper Institute, 400 Madison Avenue, New York, N. Y.; $1,500 total.

E. (1) $948.65; (2) $1,791.69; (4) $116.56; (5) $406.50; (6) $57.51; (7) $149.59; (8) $100.17; (9) $3,570.67; (10) $5,763.89; (11) $9,334.56; (15) $3,570.67.

A. Arthur D. Strong, 1034 Midland Bank Building, Minneapolis, Minn.

B. Upper Mississippi Waterway Association, 1034 Midland Bank Building, Minneapolis, Minn.; association is chartered for the advancement of the commercial, agricultural, mercantile, and manufacturing interests of the Upper Mississippi Valley through the development of an all-water transportation route via the Mississippi River to domestic and foreign markets.

[2] Not printed. Filed in the Clerk's office.

C. (1) Indefinitely.

C. (2) All legislation relating to the improvement and development of navigable waterways in the Upper Mississippi River, together with legislation relating to flood control, conservation, pollution, recreation, fish and wildlife, including all legislation that has to do with the development of water resources of the upper Mississippi River and its tributaries as this legislation relates to all types of public benefits. The Upper Mississippi Waterway Association employs me to oppose legislation detrimental to the above.

E. (2) $825; (7) $745.24; (9) $1,570.24; (15) $1,570.24.

A. Arthur Sturgis, Jr., 1627 K Street NW., Washington, D. C.

B. American Retail Federation, 1627 K Street NW., Washington, D. C.; trade association.

C. (1 Indefinitely.

C. (2) Registrant is generally interested in all legislation and legislative proposals affecting the retail industry, including the industry's relations with the Federal Government, with its suppliers, with its employees, and with its customers. Specifically at this time: Taxation (general revisions, excise tax relief), no specific bills; Hoover Commission recommendations (general principles); postal rates (H. R. 2945, S. 1103, postal rate increases); social security (social security amendments, H. R. 6000; health insurance, S. 5, S. 1679; temporary disability insurance, H. R. 2893; unemployment compensation, H. R. 8059); labor (Fair Labor Standards Act (29 U. S. C. 201–219); National Labor Relations Act (49 Stat. 449); Fair Employment Practice Act bills (S. 1728, H. R. 4453); trade practices, consumer protection, labeling (cotton labeling bill, S. 124; fiber labeling bill, S. 273; fur labeling bill, H. R. 5187; flammable fabrics bill, S. 403; Wool Labeling Act (15 U. S. C. 68 et seq.)); economic controls (Defense Production Act of 1950; H. R. 9176, Public Law 774).

D. (5) $500; (7) $500; (8) $1,000; (9) $1,500; (13) yes.

E. (7) $24.75; (9) $24.75; (10) $32.84; (11) $57.59; (15) $24.75.

A. J. E. Sturrock, 207 West Fifteenth Street, Austin, Tex.; secretary-treasurer and general manager, Texas Water Conservation Association.

B. Texas Water Conservation Association, 207 West Fifteenth Street, Austin, Tex.; a nonprofit corporation incorporated under laws of Texas and organized for the purpose of promoting the sound and orderly development of the land and water resources of Texas. Association supported by membership dues and contribution.

C. (1) Indefinitely.

C. (2) Interested in all legislation concerning the development, conservation, protection, and utilization of Texas' land and water resources through existing State and Federal Agencies. Opposed to all legislation creating Federal Valley Authorities and all legislation seeking to superimpose Federal Control over State Control in the distribution of the State's water resources. Interested in H. R. 894, creating Federal valley authorities; H. R. 2733, Canadian River reclamation project, Texas; H. R. 7351, amending Reclamation Project Act of 1939; H. R. 7786, general appropriation bill, 1951.

C. (3) (a) Texas Water Conservation Association Bulletin, issued about every 6 weeks and consisting of 10 to 14 pages; (b) publish approximately 1,800 copies; (c) publish bulletin about every 6 weeks; (d) mimeographed in office of association.

D. (5) $100; (7) $100; (8) $300; (9) $400; (13) no.

E. (6) $4.48; (7) $580.19; (8) $179.90; (9) $764.57; (10) $1,133.07; (11) $1,897.64; (15) $764.57.

A. Sullivan, Bernard & Shea,[4] 804 Ring Building, Washington, D. C.; a law partnership of which the partners are John L. Sullivan, Lawrence J. Bernard, and John E. Shea.

B. All American Airways, Inc., Washington National Airport, Washington, D. C.; Braniff Airways, Inc., Love Field, Dallas, Tex.; Capital Airlines, Inc., Washington National Airport, Washington, D. C.; Chicago & Southern Airlines, Inc., Municipal Airport, Memphis, Tenn.; Colonial Airlines, Inc., 230 Park Avenue, New York, N. Y.; Delta Air Lines, Inc., Municipal Airport, Atlanta, Ga.; Mid-Continent Airlines, Inc., 102 East Ninth Street, Kansas City, Mo.; Northeast Airlines, Inc., Logan International Airport, 239 Prescott Street, East Boston, Mass.; Northwest Airlines, Inc., 1885 University Avenue, St. Paul, Minn.; Piedmont Aviation, Inc., Smith Reynolds Airport, Winston-Salem, N. C.; Pioneer Air Lines, Inc., Love Field, Dallas, Tex.; Southern Airways, Inc., Municipal Airport, Birmingham, Ala.

C. (1) Indefinite.

C. (2) H. R. 2908, H. R. 9305, H. R. 9184, House Joint Resolution 331, S. 1077, S. 2437, Senate Joint Resolution 92. All of these bills relate to the separation of payments made by the Government to air carriers for the carriage of mail from payments made to such carriers for the other purposes specified in section 406 (b) of the Civil Aeronautics Act. The carriers which we represent have employed us to represent their interests in connection with separate legislation generally and to exercise our best efforts to insure that any such legislation enacted is equitable and capable of practical and efficient administration.

C. (3) (a) Mimeographed copy of Statement of John L. Sullivan before the House Committee on Interstate and Foreign Commerce; (b) 100; (c) May 24, 1950; (d) United Reporting Services. (a) Mimeographed copy of interim report of Chairman of Senate Committee on Interstate and Foreign Commerce to Senate Appropriations Committee; (b) 200; (c) June 2, 1950; (d) United Reporting Services.

D. (5) $15,284.52; (7) $15,284.52; (13) yes; (14) $1,967.03, Braniff Airways, Inc., Love Field, Dallas, Tex.; $3,480.15, Capital Airlines, Inc., Washington National Airport, Washington, D. C.; $1,059.20, Chicago and Southern Airlines, Inc., Municipal Airport, Memphis, Tenn.; $2,042.70, Delta Air Lines, Inc., Municipal Airport, Atlanta, Ga.; $907.86, Mid-Continent Airlines, Inc., 102 East Ninth Street, Kansas City, Mo.; $529.59, Northeast Airlines, Inc., Logan International Airport, 239 Prescott Street, East Boston, Mass.; $4,441.44, Northwest Airlines, Inc., 1885 University Avenue, St. Paul, Minn.; $14,427.97, total.

E. (4) $163.20; (6) $89.53; (7) $1.80; (9) $254.53; (11) $254.53; (15) $254.53.

A. Sullivan, Bernard & Shea, 804 Ring Building, Washington, D. C.; a law partnership of which the partners are John L. Sullivan, Lawrence J. Bernard, and John E. Shea.

B. All American Airways, Inc., Washington National Airport, Washington, D. C.; Braniff Airways, Inc., Love Field, Dallas, Tex.; Capital Airlines, Inc., Washington National Airport, Washington, D. C.; Chicago & Southern Airlines, Inc., Municipal Airport, Memphis, Tenn.; Colonial Airlines, Inc., 230 Park Avenue, New York, N. Y.; Delta Air Lines, Inc., Municipal Airport, Atlanta, Ga.; Mid-Continent Airlines, Inc., 102 East Ninth Street, Kansas City, Mo.; Northeast Airlines, Inc., Logan International Airport, 239 Prescott Street, East Boston, Mass.; Northwest Airlines, Inc., 1885 University Avenue, St. Paul, Minn.; Piedmont Aviation, Inc., Smith Reynolds Airport, Winston-Salem, N. C.; Pioneer Air Lines, Inc., Love Field, Dallas, Tex.; Southern Airways, Inc., Municipal Airport, Birmingham, Ala.

[4] Filed for second quarter, 1950.

C. (1) Indefinite.

C. (2) H. R. 2908, H. R. 9305, H. R. 9164, House Joint Resolution 331, S. 1077, S. 2437, Senate Joint Resolution 92. All of these bills relate to the separation of payments made by the Government to air carriers for the carriage of mail from payments made to such carriers for the other purposes specified in section 406 (b) of the Civil Aeronautics Act. The carriers which we represent have employed us to represent their interests in connection with separation legislation generally and to exercise our best efforts to insure that any such legislation enacted is equitable and capable of practical and efficient administration.

D. (5) $13,625.87; (7) $13,625.87; (8) $23,965.32; (9) $37,591.19; (13) yes; (14) $1,935.69, Braniff Airways, Inc., Love Field, Dallas, Tex.; $3,424.69, Capital Airlines, Inc., Washington National Airport, Washington, D. C.; $1,042.29, Chicago & Southern Airlines, Inc., Municipal Airport, Memphis, Tenn.; $2,010.14, Delta Air Lines, Inc., Municipal Airport, Atlanta, Ga.; $893.40, Mid-Continent Airlines, Inc., 102 East Ninth Street, Kansas City, Mo.; $521.14, Northeast Airlines, Inc., Logan International Airport, 239 Prescott Street, East Boston, Mass.; $2,929.02, Northwest Airlines, Inc., 1885 University Avenue, St. Paul, Minn.; $12,756.37 total.

E. (6) $25.76; (9) $25.76; (10) $291.44; (11) $317.20.

A. Sullivan, Bernard & Shea,[4] 804 Ring Building, Washington, D. C.; lawyers.

B. Beneficial Management Corp., 15 Washington Street, Newark, N. J.; loan and finance business.

C. (1) Indefinite, until enactment of H. R. 6073 or end of Eighty-first Congress.

C. (2) H. R. 6073, to amend section 501 (b) (6) of the Internal Revenue Code.

D. (13) No.

A. Sullivan, Bernard & Shea, 804 Ring Building, Washington, D. C.; lawyers.

B. Beneficial Management Corp., 15 Washington Street, Newark, N. J.; loan and finance business.

C. (1) Legislative interest terminated upon enactment of H. R. 6073 on August 9, 1950.

C. (2) H. R. 6073, to amend section 501 (b) (6) of the Internal Revenue Code.

D. (5) $12,500; (7) $12,500; (9) $12,500; (13) yes.

E. (6) $7.80; (9) $7.80; (11) $7.80.

A. Sullivan, Bernard & Shea,[4] 804 Ring Building, Washington, D. C., a law partnership of which the partners are John L. Sullivan, Lawrence J. Bernard, and John E. Shea.

B. Thomas D. Griffin, 105 West Madison Street, Chicago, Ill.; vice president of local loan company. Mr. Griffin is chairman of an informal group of licensed personal finance companies affected by section 501 (b) (6) of the Internal Revenue Code.

C. (1) Indefinite until enactment or rejection by Congress of legislation mentioned in 2 below.

C. (2) Enactment of H. R. 6073 or similar legislation broadening the exception from personal holding company taxes applicable to personal finance companies.

D. (13) No.

E. (6) $55.25; (9) $55.25; (11) $55.25; (15) $55.25.

A. Sullivan, Bernard & Shea, 804 Ring Building, Washington, D. C.; a law partnership of which the partners are John L. Sullivan, Lawrence J. Bernard, and John E. Shea.

B. Thomas D. Griffin, 105 West Madison Street, Chicago, Ill.; vice president of local loan company. Mr. Griffin is chairman of

[4] Filed for second quarter, 1950.

an informal group of licensed personal finance companies affected by section 501 (b) (6) of the Internal Revenue Code.

C. (1) Legislative interest terminated upon enactment of H. R. 6073 on August 9, 1950.

C. (2) Enactment of H. R. 6073 or similar legislation broadening the exception from personal holding company taxes applicable to personal finance companies.

D. (13) No.

E. (6) $56.69; (9) $56.69; (11) $56.69; (15) $56.69.

A. Sullivan, Bernard & Shea,[1] 804 Ring Building, Washington, D. C.; lawyers.

B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.

C. (1) Indefinite.

C. (2) Proposed Revenue Act of 1950 amendments to section 117 of the Internal Revenue Code relating to gains and losses on the sale, exchange, or abandonment of property used in the trade or business.

C. (4) Reasonable fee to be determined upon termination of employment for this purpose. Nominal expenses for telephone and telegraph.

D. (13) No.

A. Sullivan, Bernard & Shea, 804 Ring Building, Washington, D. C., lawyers.

B. Southern Pacific Co., 65 Market Street, San Francisco, Calif.

C. (1) Terminated.

C. (2) Amendments to section 117 (j) and (l) of the Internal Revenue Code relating to gains and losses on the sale, exchange, or abandonment of property used in the trade or business, in the Revenue Act of 1950.

D. (13) No.

E. (6) $84.45; (9) $84.45; (11) $84.45; (15) $84.45.

A. Francis M. Sullivan, national legislative director, Disabled American Veterans, 1701 Eighteenth Street NW., Washington, D. C.

B. Disabled American Veterans, national headquarters, 1423 East McMillan Street, Cincinnati, Ohio; congressionally chartered vetern organization.

C. (1) The National Legislative Division of the DAV is a permanent division. This division performs only a minor part of DAV activities. The major part is our National Claims Service.

C. (2) The DAV is interested in all legislation affecting war veterans, their dependents, and survivors of deceased veterans. The largest number of bills in which we are interested are referred to: Senate Finance Committee; Senate Labor and Public Welfare; House Veterans' Affairs Committee; the two Committees on Post Office and Civil Service; and the two Armed Services Committees.

C. (3) Articles pertaining to pending legislation in which the DAV is interested are published in our own newspaper, the DAV Semi-Monthly. This newspaper is published semi-monthly at our national headquarters, Cincinnati, Ohio, and is mailed to every DAV member. The membership varies and as of June 30, 1950, was 156,783. Legislative articles are carried as news items for DAV members.

E. (2) $1,878.60; (9) $1,878.60; (10) $4,663.25; (11) $6,541.85.

A. Francis M. Sullivan; suite 505, 1025 Connecticut Avenue, Washington, D. C.; attorney at law.

B. National Association of Storekeeper-Gaugers, care of secretary-treasurer, 4543 North Hicks Street, Philadelphia, Pa.; an association of Federal employees.

C. (1) Indefinite.

C. (2) All legislation which might affect Federal classified employees. That, in particular, which affects the positions of Storekeeper-Gaugers.

D. (5) $150; (7) $150; (8) $450; (9) $600.

A. A. D. Sutherland, 104 South Main Street, Fond du Lac, Wis.

[1] Filed for second quarter, 1950.

B. Bankers Farm Mortgage, Fond du Lac, Wis.; in behalf of former bondholders of the Bankers Joint Stock Land Bank of Milwaukee, Wis., and F. A. Carlton, 135 South La Salle Street, Chicago, Ill.

C. (1) Until legislative relief is obtained as the Bankers Farm Mortgage Co. by contract agreed to secure.

C. (2) S. 2166.

A. John P. Sutherland, assistant legislative representative, Veterans of Foreign Wars of the United States, Wire Building, 1000 Vermont Avenue NW., Washington, D. C.

B. Veterans of Foreign Wars of the United States.

C. (1) Legislative interests to continue indefinitely, because of yearly program.

C. (2) Legislation affecting all veterans and their dependents in relation to employment, hospitalization, rehabilitation, pensions, disability compensation and housing; welfare of servicemen of the Armed Forces and their dependents; matters relating to the national security, immigration and naturalization, the combating of subversive activities; and the furtherance of a sound foreign policy; other matters included in the resolutions adopted by the National Encampment and the National Council of Administration.

C. (3) VFW Foreign Service, monthly magazine, 1,250,000 circulation; VFW Legislative Newsletter, monthly, 1,000 circulation.

D. (5) $1,125; (7) $1,125; (8) $2,250; (9) $3,375; (13) no.

E. (7) $43.05; (9) $43.05; (10) $6.92; (11) $49.97; (15) $43.05.

A. Sutherland, Tuttle & Brennan, 1012 Ring Building, Washington, D. C.; attorneys at law.

B. Joseph H. Young, law student, 8 Gildersleeve Wood, Charlottesville, Va.

C. (1) Until the passage of private claims bill H. R. 6164.

C. (2) H. R. 6164.

A. Paul Taber, 744 Jackson Place NW., Washington, D. C.; executive.

B. The National Grange, 744 Jackson Place NW., Washington, D. C.; farm fraternity.

C. (1) Approximately 1 year.

C. (2) Providing information to organization's membership on legislation in the field of agriculture, and to assist legislative counsel as needed.

C. (3) Mimeographed news release, mimeographed weekly newsletter sent only to Grange leaders and stories in the National Grange Monthly published monthly (about 160,000 copies) by Phelps Publishing Co., Springfield, Mass.

D. (5) $1,625; (7) $1,625; (8) $270.83; (9) $1,897.83.

E. (6) $1.10; (7) $13.15; (9) $14.25; (10) $4.20; (11) $18.45.

A. James A. Tawney, 504 Hibbs Building, Washington, D. C.; lawyer and counsel, Grain and Feed Dealers National Association.

B. Grain and Feed Dealers National Association, 100 Merchants Exchange Building, St. Louis, Mo.

C. (1) See previous report.

C. (2) See previous report.

C. (3) See previous report.

D. I have no receipts, other than reimbursements for nominal out-of-pocket expenditures, from which expenditures are or will be made in connection with so-called legislative interests. My salary as counsel for the Grain and Feed Dealers National Association covers many duties not related to legislation. For the third quarter of 1950 I received in salary the gross sum of $1,350 and was reimbursed for expenses in the amount of $19 none of which was related to lobbying. My entire salary is used for my own personal needs. I have solicited no funds, made no loans, or had any other financial or property transactions even remotely connected with any legislative activity. As part of my duties I made inquiries, during the third quarter, concerning the status of legislation, legislative programs of congressional committees, and on one occasion transmitted the views of the Grain and Feed Dealers National Association on a particular provision of the defense production bill to the chairmen, respectively, of the Banking and Currency Committees of the House and Senate, and to certain members of the House and Senate.

A. Tax Equality Association of Montana, McKay Building, 107 East Main, Missoula, Mont.; a voluntary association of small-business men whose donations to its funds are used to educate the public to the necessity for revising income-tax laws to eliminate tax exemption of competitive business.

C. (1) Until the corporate income-tax statutes are revised to close the loopholes to tax avoidance by cooperatives, and business activities of charitable and religious and educational institutions and others.

C. (2) Repeal of the exemption contained in sections 101 (12) and (13) of the Internal Revenue Code and all bills so to do which apply to the conduct of business competition with goods and services produced for a livelihood by the citizenry.

C. (3) No publications initiated. Literature obtained from others, reprints, etc., distributable with news letters and comments thereon.

D. (2) $1,070; (7) $1,070; (8) $3,819; (9) $4,889; (13) no.

E. (1) $1,553.62; (2) $212; (5) $79.32; (6) $7.99; (7) $56; (8) $63; (9) $1,971.93; (10) $2,123.16; (11) $4,095.09.

A. Tax Equality Committee of Kentucky, 211 Columbia Building, Louisville, Ky.; association business.

C. (1) Activity will continue until Congress provides for tax equality.

C. (2) Revision section 101, IRC.

D. (1) $2,132.50; (7) $2,132.50; (8) $3,410.50; (9) $5,543; (13) no.

E. (2) $521.25; (3) $1,308; (4) $52.46; (5) $513.44; (6) $7.62; (7) $118.42; (8) $7.84; (9) $2,529.03; (10) $2,546.66; (11) $5,075.69.

A. Tax Equality League of Utah, 915 Kearns Building, Salt Lake City, Utah.

C. (1) Looks like spring of 1951.

C. (2) Repeal of Internal Revenue Code 101 (12), Mason bill in House, Williams amendment in Senate.

C. (3) A series of ads have been run in the following papers: Heber City Wave, February 20, February 27, March 6, March 13; Duchesne Record, February 27, March 6; Kaysville Reflex, February 27, March 6, March 13; Richfield Reaper, February 27, March 6, March 13, March 27; Roosevelt Standard, February 27, March 6, March 13; Springville Herald, February 20, February 27, March 6, March 13, March 20, March 27; Vernal Express, February 27, March 6, March 13, March 20, March 27.

D. (6) $977; (9) $977; (13) no.

E. (1) $50; (5) $300; (8) $502; (9) $852.

A. Edward D. Taylor, administrative vice president, Office Equipment Manufacturers Institute, and administrative member excise tax committee of OEMI, 1903 N Street NW, Washington, D. C.

B. Office Equipment Manufacturers Institute (OEMI), 1903 N Street NW, Washington, D. C.; a nonprofit trade association devoted to the general industrial problems and interests of the office equipment manufacturers industry. More specifically, with respect to the legislative activities reported herein, the registrant submits this report in his capacity as administrative member of the excise tax committee of the OEMI.

C. (1) As reported in all prior reports heretofore filed with the Clerk of the House of Representatives and the Secretary of the Senate, the sole legislative interest of the registrant to date has involved the repeal or reduction of the Federal excise tax on business and store machines as presently imposed by section 3406 (a) (6) of the Internal Reve-

nue Code. A reduction of this tax was approved by the House of Representatives when it passed H. R. 8920. Such excise tax reductions, however, were subsequently stricken by the Senate Finance Committee for the following reasons (S. Rept. 2375, 81st Cong., 2d sess.): "Military action in Korea coupled with substantial increases in defense and related expenditures has made it necessary to convert the excise tax reduction bill passed by the House in June of this year into a bill to raise revenues." The fact of this final action was anticipated by the registrant prior to the close of the preceding quarter. Further legislative activity in connection with said proposed excise tax relief was therefore made unnecessary. During the quarter herein reported the registrant engaged in no legislative activity and collected no funds nor expended any moneys in pursuance of any Federal legislation.

D. (9) $1,383.15; (13) No.

E. (11) $182.15.

A. Hugh W. Taylor, 1507 M Street NW., Washington, D. C.; executive secretary of employer listed below.

B. Burley and Dark Leaf Tobacco Export Association, Inc., 620 South Broadway, Lexington, Ky.

C. (1) During my period of employment which is on an annual basis.

C. (2) Economic Cooperation Act of 1948, as amended, H. R. 7797, S. 3304; borrowing power of the Commodity Credit Corporation, H. R. 6567; graduated tax on cigarettes, H. R. 2016.

C. (3) Brief, Senate Finance Committee, hearings on H. R. 2016.

D. (5) $2,500.59; (7) $2,500.59; (8) $5,001.18; (9) $7,501.77; (13) no.

E. (7) $229.37; (8) $47.27; (9) $276.64; (10) $731.47; (11) $1,008.11.

A. Margaret K. Taylor, 1731 I Street NW., Washington, D. C.; educational director of National Milk Producers Federation.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

C. (3) The names of any papers, periodicals, magazines, or other publications in which the person filing has caused to be published any articles or editorials; News for Dairy Co-ops; 700 weekly, federation; legislative letter; 1,200; irregular; federation.

D. (5) $1,999.98; (6) $895.51; (7) $2,895.49; (8) *$5,312.78; (9) $2,208.27; (13) no.

E. (6) $8.84; (7) $855.42; (8) $31.25; (9) $895.51; (10) $1,312.82; (11) $2,208.33; (15) all.

A. Russell J. Taylor, United Shoe Workers of America, CIO, 917 Fifteenth Street NW., Washington, D. C.

B. United Shoe Workers of America, CIO (labor organization), 917 Fifteenth Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) All labor legislation in favor of all bills for the betterment of working conditions and opposed to all that are not in favor of the general welfare of the workers.

D. (5) $1,040; (6) $442; (7) $1,482.

E. (7) $442.

A. Tyre Taylor, 1112 Dupont Circle Building, Washington, D. C.; lawyer.

B. Southern States Industrial Council, Stahlman Building, Nashville, Tenn.

C. (1) Unknown.

C. (2) The general legislative program of the council, with particular emphasis on legislation favorable to the maintenance of a free enterprise system.

D. (5) $3,737.55; (7) $3,737.55; (8) $6,756.32; (9) $10,493.87; (13) no.

*Revised.

E. (2) $1,581.27; (5) $404.33; (6) $120.29; (7) $77.10; (9) $2,182.99; (10) $4,259.22; (11) $6,442.21; (15) $1,581.27.

A. Donald Teel, secretary-treasurer, Michigan Associated Businessmen, Inc., 1516 Olds Tower Building, Lansing, Mich.

B. Michigan Associated Businessmen, Inc., 1516 Olds Tower Building, Lansing, Mich.

C. (1) Indefinite. Until objective hereinafter set forth is accomplished.

C. (2) Legislation designed to have all business corporations taxed in the same manner and on the same basis, such as the Mason bill (H. R. 5064).

D. (6) $344.90; (7) $344.90; (8) $1,995.56; (9) $2,339.46; (13) yes.

E. (2) $201.13; (4) $9.99; (5) $7.54; (6) $17.94; (7) $108.30; (9) $344.90; (10) $749.56; (11) $1,094.46; (15) $344.90.

A. Marjorie L. Temple, legislative program associate, American Association of University Women, 1634 I Street NW., Washington, D. C.

B. American Association of University Women, an educational, nonprofit organization promoting higher education for women, 1634 I Street NW., Washington, D. C.

C. (1) Legislative interests are continuing and are within framework of a program voted by membership at a biennial convention.

C. (2) Federal aid to education, S. 246, (except section 6), H. R. 7160, ECA and point 4 program, S. 3304, and H. R. 7797 Reorganization Plan No. 27, as regards the office of education only; equal-rights amendment, Senate Joint Resolution 25, as amended; strengthening the United Nations, Senate Concurrent Resolution 72; school construction and teachers' pay.

C. (3) Mimeographed materials on status of current legislation being supported by the association, sent to State legislative program chairmen.

E. (4) $96.49; (9) $96.49; (10) $209.76; (11) $306.25.

A. John U. Terrell, Hotel Congressional, Washington, D. C.; public relations.

B. Colorado River Association, 306 West Third Street, Los Angeles, Calif.; public relations.

C. (1) Unknown.

C. (2) S. 75 and H. R. 934.

C. (3) See report of Colorado River Association.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) no.

E. See report of Colorado River Association.

A. Texas Water Conservation Association, 207 West Fifteenth, Austin, Tex.; a nonprofit corporation incorporated under laws of Texas and organized for purpose of promoting the sound and orderly development of the land and water resources of Texas; association supported by membership dues and contributions.

C. (1) Indefinitely.

C. (2) Interested in all legislation concerning the development, conservation, protection and utilization of Texas' land and water resources through existing State and Federal Agencies; opposed to all legislation creating Federal Valley Authorities and all legislation seeking to superimpose Federal Control over State control in the distribution of the State's water resources; interested in H. R. 894—creating Federal Valley Authorities; H. R. 2733, Canadian River reclamation project, Texas; H. R. 7351, amending Reclamation Project Act of 1939; H. R. 7786, general appropriation bill, 1951.

C. (3) (a) Texas Water Conservation Association Bulletin; issued about every 6 weeks and consisting of 10 to 14 pages; (b) publish approximately 1,800 copies; (c) publish bulletin about every 6 weeks; (d) mimeographed in office of association.

D. (1) $10,050; (7) $10,050; (8) $3,325; (9) $13,375; (13) yes; (14) $750, Lower Colorado River Authority, Austin, Tex.; $500, Brazos River conservation and reclamation district, Mineral Wells, Tex.; $600, the Dow Chemical Co., Freeport, Tex.; $600, Texas Power & Light Co., Dallas, Tex.; $2,450, total.

E. (1) $450; (2) $3,562.21; (4) $513.90; (5) $389.72; (6) $228.52; (7) $587.13; (8) $877.80; (9) $6,609.28; (10) $9,217.32; (11) $15,826.60.

A. Harold C. Theus,[4] 2517 Connecticut Avenue NW., Washington, D. C.; legislative counsel and director of Air Force affairs for the Reserve Officers Association of the United States.

B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.; a national association of Reserve officers of the Army, Navy, Air Force, Coast Guard, and Marines, the object of which is to support a military policy for the United States that will provide adequate national security and to assist in the development and execution thereof.

C. (1) Indefinitely.

C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security.

C. (3) (a) The Reserve Officer, the official magazine of the association, and the ROA Washington news letter contain articles and comments on legislation, although not published primarily for that purpose; (b) Approximately 75,000 copies of the Reserve Officer and 2,000 copies of the ROA Washington news letter; (c) the Reserve Officer is published monthly and the news letter bimonthly; (d) The Reserve Officer, Benson Printing Co., Nashville, Tenn.; ROA Washington news letter, Plymouth Printing & Duplicating Co., Washington, D. C.

D. (13) No.

A. Harold C. Theus, 2517 Connecticut Avenue NW, Washington, D. C.; legislative counsel and director of Air Force affairs for the Reserve Officers Association of the United States.

B. Reserve Officers Association of the United States, 2517 Connecticut Avenue NW., Washington, D. C.; a national association of Reserve officers of the Army, Navy, Air Force, Coast Guard, and Marines, the object of which is to support a military policy for the United States that will provide adequate National Security and to promote the development and execution thereof.

C. (1) Indefinitely.

C. (2) Legislation for development of a military policy for the United States which will guarantee adequate national security.

C. (3) (a) The Reserve Officer, the official magazine of the association, and the ROA Washington news letter contain articles and comments on legislation, although not published primarily for that purpose; (b) approximately 75,000 copies of the Reserve Officer and 2,000 copies of the ROA Washington news letter; (c) the Reserve Officer is published monthly and the news letter bimonthly; (d) ROA Washington news letter, Plymouth Printing & Duplicating Co., Washington, D. C.

D. (13) No.

A. Chester C. Thompson, 1319 F Street NW., Washington, D. C.; trade association executive.

B. The American Waterways Operators, Inc. 1,319 F Street NW., Washington, D. C.; a trade association of the barge and towing vessel industry of the United States.

C. (1) An indefinite period.

C. (2) All matters affecting Barge and Towing Vessel Industry and Water Transportation: Senate Resolution 50, S. 2786, H. R. 5346, Senate Joint Resolution 99, H. R. 6773, H. R. 6251, S. 2912, H. R. 6905, H. R. 6907, H. R. 328, H. R. 429, H. R. 4978, S. 211, H. R. 7248, S. 1008, S. 3161, H. R. 4450, H. R. 7710, H. R. 7786,

[4] Filed for second quarter, 1950.

H. R. 5472, S. 2196, H. R. 7807, Senate Resolution 263, Senate Resolution 265, Senate Joint Resolution 271, H. R. 8497, S. 3579, House Joint Resolution 423, H. R. 8565, H. R. 8566, S. 3657, S. 1008, H. R. 8624, H. R. 8813, H. R. 8920, House Resolution 647, H. R. 9176, S. 3936, H. R. 9246, H. R. 9281, S. 3915, S. 3978, H. R. 9322, S. 3980, H. R. 6000, H. R. 9321, S. 4021, S. 2434, H. R 6061, S. 4067, H. R. 9503, H. R. 9681.

C. (3) 1,000 copies statement to Senate Subcommittee on Surface Transportation, July 20, 1950; Hill Printing Co.

D. (5) $5,000; (7) $5,000; (8) $10,000; (9) $15,000; (13) no.

E. (7) $91.75; (9) $91.75; (10) $114.75; (11) $206.50; (15) $91.75.

A. Donald J. Thompson, director, Washington office, National Small Business Men's Association, 925 Fifteenth Street NW., Washington, D. C.

B. National Small Business Men's Association, 2834 Central Street, Evanston, Ill.

C. (1) Indefinitely.

C. (2) All legislation pertaining to small business, either directly or indirectly.

C. (3) (a) Pulling Together, monthly bulletin of National Small Business Men's Association; (b) approximately 40,000 copies; (c) monthly.

D. (5) $1,875; (7) $1,875; (8) $2,179.71; (9) $4,054.71; (13) no.

E. (7) $388.94; (9) $388.94; (10) $253.14; (11) $642.08; (15) $388.94.

A. Eugene M. Thoré,* Life Insurance Association of America, 1100 Vermont Avenue, Washington, D. C.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.; trade association.

C. (1) Continuous.

C. (2) Legislation which might affect the welfare of policyholders and annuitants, e. g., H. R. 6000, House Joint Resolution 371, S. 2408.

D. (5) $1,342.22; (7) $1,342.22; (8) $587.02; (9) $1,929.24; (13) no.

E. (6) $20.62; (7) $365.42; (9) $386.04; (10) $317.82; (11) $703.86; (15) $386.04.

A. Eugene M. Thoré, general counsel, Life Insurance Association of America, 1000 Vermont Avenue NW., Washington, D. C.

B. Life Insurance Association of America, 488 Madison Avenue, New York, N. Y.; trade association.

C. (1) Continuous.

C. (2) Legislation which might affect the welfare of policyholders and annuitants, e. g., H. R. 6000, S. 2408, and H. R. 9176.

D. (5) $1,461.25; (7) $1,461.25; (8) $1,922.24; (9) $3,390.49.

E. (6) $36.16; (7) $113.93; (8) $1,637.33; (9) $1,787.42; (10) $703.86; (11) $2,491.28; (15) $1,787.42.

A. Earl W. Tinker, 122 East Forty-second Street, New York, N. Y.; executive secretary of American Paper and Pulp Association.

B. American Paper and Pulp Association, 122 East Forty-second Street, New York, N. Y.; unincorporated nonprofit trade association.

C. (1) Legislative interests will continue during employment.

C. (2) Interested in all legislation affecting the properties, operations, or practices of pulp and paper industry in United States.

D. (5) $50; (7) $50; (9) $50; (13) no.

A. William H. Tinney, 211 Southern Building, Fifteenth and H Streets NW., Washington, D. C.; the Pennsylvania Railroad Co.

B. The Pennsylvania Railroad Co., 1740 Broad Street Station Building, Philadelphia, Pa.

C. (1) Indefinitely.

C. (2) Any legislation affecting the interest of the Pennsylvania Railroad Co., including: Senate Resolution 50, transportation investigation; S. 238, H. R. 378, H. R. 530, railroad communications and operating rules; S. 211, H. R. 4978, Federal barge lines; S. 2113, H. R. 5967, freight forwarders; H. R. 7789, S. 3295, Railway Labor Act; Senate Joint Resolution 99, St. Lawrence seaway; S. 1596, H. R. 4271, mail-pay bill.

D. (5) Salary: $558.31 per month, which is paid for all the services rendered to the Pennsylvania Railroad Co., only a part of which have to do with legislation.

E. (8) $127 was expended by me as expense money, during the second quarter of 1950, for taxicabs, meals, automobile expenses, and incidentals; in addition to this amount, I also received $387 for expenses incurred in connection with other duties performed for the Pennsylvania Railroad Co., which have no relation to the purposes covered by this act; (15) amounts stated in answer to No. (8) above have been reimbursed by the employer.

A. Mary Titus, legislative assistant for local education associations, legislative Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

B. Legislative-Federal relations division of the National Education Association of the United States, 1201 Sixteenth Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Bills pending before Eighty-first Congress relating to public education; primary interest in S. 246, H. R. 5939, H. R. 7160, H. R. 1551.

D. (5) $137.50; (7) $137.50; (8) $529.17; (9) $666.67.

A. Fred A. Tobin, 438 Bowen Building, 821 Fifteenth Street NW., Washington, D. C.; attorney and legislative representative for the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers Union of America.

C. (1) As occasion requires.

C. (2) I am an attorney representing the International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers Union and its affiliated locals before the Interstate Commerce Commission and the National Labor Relations Board. Am the liaison representative between various Government agencies and international union and the affiliated locals; the above includes general services of a nonlegislative nature pertaining to business and operation of International Brotherhood of Teamsters and its affiliated locals; also for part-time services in connection with legislation, both Federal and State, for the International Brotherhood of Teamsters and its affiliated locals.

D. (5) $3,750; (7) $3,750; (8) $7,500; (9) $11,250; (13) yes; (14) $3,750 each quarter, International Brotherhood of Teamsters, Chauffeurs, Warehousemen, and Helpers of America, 222 East Michigan Street, Indianapolis, Ind.

A. H. Willis Tobler, legislative representative for National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

B. National Milk Producers Federation, 1731 I Street NW., Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation that may affect milk producers or the cooperatives through which they act together to process and market their milk.

C. (3) News for Dairy Co-ops., 700; weekly; federation; legislative letter, 1,200, irregular; federation.

D. (5) $1,924.98; (6) $39.80; (7) $1,964.78; (8) $4,071.47; (9) $6,036.25; (13) no.

E. (7) $2.50; (8) $37.30; (9) $39.80; (10) $221.51; (11) $261.31; (15) All.

A. John H. Todd, 1037 Woodward Building, Washington, D. C.

B. National Cotton Compress and Cotton Warehouse Association, 586 Shrine Building, Memphis, Tenn.

C. (1) Indefinite.

C. (2) No specific legislation; any matters affecting the cotton compress and warehouse industry.

D. (5) $187.50; (6) $66.18; (7) $253.68; (8) $873.02; (9) $1,125.70; (13) no.

E. (5) $0.63; (6) $19.21; (7) $1.97; (9) $21.81; (10) $61.83; (11) $83.64; (15) $21.81.

A. John H. Todd, 1832 M Street NW., Washington, D. C.; attorney at law.

B. National Cotton Council of America, P. O. Box 18, Memphis, Tenn.; nonprofit welfare organization to promote the consumption of American-grown cotton, cottonseed, and products thereof.

C. (1) Indefinitely.

C. (2) Any legislatin affecting the raw cotton industry.

D. (5) $1,292.58; (7) $1,292.58; (8) $1,611.72; (9) $2,904.30.

E. (7) $42.58; (9) $42.58; (10) $28.39; (11) $70.97; (15) $42.58.

A. Neil Tolman, 1025 Connecticut Avenue NW., Washington, D. C.; attorney at law.

B. Phillips Chemical Co., Bartlesville, Okla.; Phillips Petroleum Co., Bartlesville, Okla.; chemicals and oil.

C. (1) Eighty-first Congress; no legislative activities during this quarter.

C. (2) Legislation affecting the fertilizer, chemical, synthetic rubber, petroleum and related industries; no legislative activities during this quarter.

A. Wallace Townsend, 306 Commercial National Bank Building, Little Rock, Ark.; lawyer.

B. Southwestern Gas & Electric Co., Shreveport, La.

C. I have not engaged in any activities relative to pending legislation during this quarter.

D. (5) $500; (6) $25.59; (7) $525.59; (8) $1,393.59; (9) $1,819.18; (13) no.

E. (7) $25.59; (9) $25.59; (10) $111.65; (11) $137.24; (15) $25.59.

A. Transportation Association of America, 130 North Wells Street, Chicago, Ill. This association is a public interest organization, in fact as well as in name. It files with you a quarterly report showing every detail of all of its expenditures. It also files with you special reports of Donald D. Conn, executive vice president; Clarence F. Lea, director of governmental relations; and Dr. John H. Frederick, consultant in the Washington, D. C., office. It is a policy of the association's board of directors to treat all elected representatives in the Senate and the House and all officers of our Government as part of the public interest. Therefore, we comply with the lobbying act, not because we have admitted in any sense that we are lobbying under the intent and meaning of that act, but rather that we are glad to have our Government in possession of all the facts relative to our operations.

C. (1) This association deals with the economics, public relations, and legislation of over-all transportation in the public interest; it provides consultant services at Washington, D. C., to assist Members of Congress and governmental departments; it is concerned with any type of legislation which bears upon the future of competitive private ownership of any form of transportation and related subjects; its interests in such legislation is of a permanent character, but the association does not represent the particular or special interests of any segment of its membership nor does it speak for any segment.

C. (3) Enclosed are copies of all publications issued by this association during the past 3 months; in each subsequent quarterly report, we will send you copies of every published document showing quantity ordered, name of printer, etc.

D. The following statement includes all receipts and all expenses for the period July 1, 1950, through September 30, 1950, of which less than $6,500 has been expended by the association at the Nation's Capital for the

*Filed for second quarter 1950.

operation of the Washington information office: $31,898.69, amounts under $500 in the aggregate; $66,100, amounts over $500 in this quarter; $97,998.69, total of all receipts for this quarter; $218,160.43, received during previous quarters; $316,159.12, total receipts from January 1, 1950, through September 30, 1950; (13) yes; (14) $810, Acme Steel Co., 2840 Archer Avenue, Chicago, Ill.; $500, Aetna Life Insurance Co., 151 Farmington Avenue, Hartford, Conn.; $500, Allis-Chalmers Manufacturing Co., 1126 South Seventieth Street, Milwaukee, Wis.; $750, American Brake Shoe Co., 230 Park Avenue, New York, N. Y.; $1,000, American Can Co., 230 Park Avenue, New York, N. Y.; $1,500, American Locomotive Co., 30 Church Street, New York, N. Y.; $1,500, American Locomotive Co., 30 Church Street, New York, N. Y.; $1,140, American Steel Foundries, 410 North Michigan Avenue, Chicago, Ill.; $500, Armco Steel Corp., 703 Curtis Street, Middletown, Ohio; $650, Associated Transport, Inc., 1775 Broadway, New York, N. Y.; $5,000, Association of American Railroads, Transportation Building, Washington, D. C.; $2,000; A., T. & S. F. Railway Co., 80 East Jackson Boulevard, Chicago, Ill.; $500, A., T. & S. F. Railway Co., 80 East Jackson Boulevard, Chicago, Ill.; $500, A., T. & S. F. Railway Co., 80 East Jackson Boulevard, Chicago, Ill.; $500; A., T. & S. F. Railway Co., 80 East Jackson Boulevard, Chicago, Ill.; $900, Baldwin Locomotive Co., Faschall Post Office, Philadelphia, Pa.; $600, F. Ballentine & Sons, 57 Freeman Street, Newark, N. J.; $1,000, B. & O. R. R. Co., Baltimore, Md.; $2,000, B. & O. R. R. Co., Baltimore, Md.; $1,000, Bank of America, 300 Montgomery Street, San Francisco, Calif.; $650, Bessemer & Lake Erie R. R. Co., P. O. Box 536, Pittsburgh, Pa.; $500, Bird & Son., Inc., East Walpole, Mass.; $735, Blau-Knox Co., 2028 Farmers Bank Building, Pittsburgh, Pa.; $500, Borg Warner Corp., 310 South Michigan Avenue, Chicago, Ill.; $2,000, Boston & Maine R. R., Boston, Mass.; $800, Boston & Maine R. R., Boston, Mass.; $900, Brown Co., Berlin, N. H.; $100, Brown Co., Berlin, N. H.; $1,000, The Budd Co., 2450 Hunting Park Avenue, Philadelphia, Pa.; $1,200, J. I. Case Co., Racine, Wis.; $500, Chemical Bank & Trust Co., 165 Broadway, New York, N. Y.; $2,000, C. & O. Railway Co., 1300 Terminal Tower, Cleveland, Ohio; $2,000, C. & O. Railway Co., 1300 Terminal Tower, Cleveland, Ohio; $2,000, C. & N. W. Railway Co., 400 West Madison Street, Chicago, Ill.; $2,000, C. & N. W. Railway Co., 400 West Madison Street, Chicago, Ill.; $650, C. G. W. Railway Co., 309 West Jackson Boulevard, Chicago, Ill.; $1,500, C., R. I. & P. Railway Co., La Salle Street Station, Chicago, Ill.; $1,000, C., R. I. & P. Railway Co., La Salle Street Station, Chicago, Ill.; $2,000, Cities Service Co., 60 Wall Street, New York, N. Y.; $2,000, Cities Service Co., 60 Wall Street, New York, N. Y.; $1,290, Combustion Engineering-Superheater, Inc., 200 Madison Avenue, New York, N. Y.; $1,000, Commercial Credit Co., First National Bank Building, Baltimore, Md.; $1,500, Continental Illinois National Bank & Trust Co., 231 South La Salle Street, Chicago, Ill.; $500, Corning Glass Works, Walnut Street, Corning N. Y.; $1,000, D. & H. R. R. Co., 230 Park Avenue, New York, N. Y.; $1,000, D., L. & W. R. R. Co., 140 Cedar Street, New York, N. Y.; $1,100, D., L. & W. R. R. Co., 140 Cedar Street, New York, N. Y.; $500, D. & R. G. W. R. R. Co., Denver, Colo.; $500, D., M. & I. R. Railway Co, Wolvin Building, Duluth, Minn.; $600, D., M. & I. R. Railway Co., Wolvin Building, Duluth, Minn.; $2,000, E. I. duPont de Nemours & Co., 1007 Market Street, Wilmington, Del.; $1,000, Eastern Gas & Fuel Associates, 250 Stuart Street, Boston, Mass.; $650, E., J & E. Railway Co., 208 South La Salle Street, Chicago, Ill.; $650, E., J. & E. Railway Co., 208 South La Salle Street, Chicago, Ill.; $1,230, Endicott Johnson Corp., Endicott, N. Y.; $2,000, Erie R. R. Co., Midland Building, Cleveland, Ohio.; $2,000, Erie R. R. Co., Midland Building, Cleveland, Ohio; $1,000, Erie R. R. Co., Midland Building, Cleveland, Ohio; $2,000, Esso Standard Oil Co., 15 West Fifty-first Street, New York, N. Y. $1,000, First National Bank, 67 Milk Street, Boston, Mass.; $1,500, First National Bank, 38 South Dearborn Street, Chicago, Ill.; $1,000, First National Bank, 2 Wall Street, New York, N. Y.; $810, First National Stores, Inc., 5 Middlesex Avenue, Somerville, Mass.; $1,000, Ford Motor Co., 3000 Schaefer Road, Dearborn, Mich.; $1,000, General Electric Co., 1 River Road, Schenectady, N. Y.; $1,800, General Mills, Inc.; 400 Second Avenue, Minneapolis, Minn.; $650, Great Lakes Pipe Line Co., post-office drawer 2239, Kansas City, Mo.; $1,500, Great Northern Railway Co., 1036 Great Northern Building, St. Paul, Minn.; $1,500, Great Northern Railway Co., 1036 Great Northern Building, St. Paul, Minn.; $1,000, Guaranty Trust Co., 140 Broadway, N. Y.; $500, G., M. & O. Railroad Co., 104 St. Francis Street, Mobile Ala.; $500, G., M. & O. Railroad Co., 104 St. Francis Street, Mobile, Ala.; $1,170, Hershey Chocolate Co., Hershey, Pa.; $1,000, Home Insurance Co., 59 Maiden Lane, New York, N. Y.; $100, Honolulu Oil Corp., 215 Market Street, San Francisco, Calif.; $1,500, I. C. Railroad Co., 135 West Eleventh Place, Chicago, Ill.; $1,000, I. C. Railroad Co., 135 West Eleventh Place, Chicago, Ill.; $500, Industrial Rayon Corp., 660 Union Commerce Building, Cleveland, Ohio; $2,000, Inland Steel Co., 38 South Dearborn Street, Chicago, Ill.; $1,000, Insurance Company of North America, 1600 Arch Street, Philadelphia, Pa.; $1,000, I. B. M. Corp., 590 Madison Avenue, New York, N. Y.; $2,000, International Harvester Co., 180 North Michigan Avenue, Chicago, Ill.; $2,000, International Harvester Co., 180 North Michigan Avenue, Chicago, Ill.; $500, International Minerals & Chemical Corp., 20 North Wacker Drive, Chicago, Ill.; $1,250, Jersey Central Lines, Jersey City Terminal, Jersey City, N. J.; $2,000, Johns-Manville, Corp., 22 East Fortieth Street, New York, N. Y.; $1,000, Jones & Laughlin Steel Corp., Third Avenue and Ross Street, Pittsburgh, Pa.; $500, Kimberly-Clark Corp., 128 North Commercial Street, Neenah, Wis.; $1,000, Koppers Company, Inc., Koppers Building, Pittsburgh, Pa.; $500, S. S. Kresge Co., 2727 Second Avenue, Detroit, Mich.; $1,000, Lehigh Valley Railroad Co., 143 Liberty Street, New York, N. Y.; $2,000, L. & N. Railway Co., Louisville, Ky.; $2,000, Magnolia Petroleum Co., post-office box 900, Dallas, Tex.; $400, Maine Central Railroad Co., Portland, Maine; $400, Maine Central Railroad Co., Portland, Maine; $1,200, Mellon National Bank & Trust Co., 514 Smithfield Street, Pittsburgh, Pa.; $2,000, Metropolitan Life Insurance Co., 1 Madison Avenue, New York, N. Y.; $400, Minneapolis & St. Louis Railway Co., Minneapolis, Minn.; $400, Minneapolis & St. Louis Railway Co., Minneapolis, Minn.; $500, Minneapolis Clearing House Association, care of N. W. National Bank Building, Minneapolis, Minn.; $500, M., K. & T. Railroad Co., St. Louis, Mo.; $2,000, National Biscuit Co., 449 West Fourteenth Street, New York, N. Y.; $1,000, National Carloading Corp., 19 Rector Street, New York, N. Y.; $500, National Dairy Products Corp., 230 Park Avenue, New York, N. Y.; $500, New England Life Insurance Co., 501 Boylston Street, Boston, Mass.; $800, New Orleans Public Service Co., 317 Baronne Street, New Orleans, La.; $1,000, New York Central Railroad Co., 230 Park Avenue, New York, N. Y.; $2,000, New York Central Railroad Co., 230 Park Avenue, New York, N. Y.; $2,000; New York Central & St. Louis Railroad Co., Cleveland, Ohio; $1,000, New York Central & St. Louis Railroad Co., Cleveland, Ohio; $1,000, New York Central & St. Louis Railroad Co., Cleveland, Ohio; $2,000, New York, New Haven & Hartford Railroad Co., South Station, Boston, Mass.; $1,000, New York, New Haven & Hartford Railroad Co., South Station, Boston, Mass.; $1,000, Norfolk & Western Railway Co., Roanoke, Va.; $1,500, Northern Pacific Railway Co., Fifth and Jackson Streets, St. Paul, Minn.; $1,500, Northern Pacific Railway Co., Fifth and Jackson Streets, St. Paul, Minn.; $2,000, Ohio Oil Co., 539 South Main Street, Findlay, Ohio; $500, Oxweld Railroad Service Co., 230 North Michigan Avenue, Chicago, Ill.; $700 Pacific Fruit Express Co., 165 Broadway, New York, N. Y.; $1,500, Penn Mutual Life Insurance Co., Independence Square, Philadelphia, Pa.; $2,000, Pennsylvania Railroad Co., 1617 Pennsylvania Boulevard, Philadelphia, Pa.; $1,000, Pennsylvania Railroad Co., 1617 Pennsylvania Boulevard, Philadelphia, Pa.; $2,000, Pennsylvania, Railroad Co., 1617 Pennsylvania Boulevard, Philadelphia, Pa.; $500, Philadelphia Savings Fund Society, 1212 Market Street, Philadelphia, Pa.; $2,000, Phillips Petroleum Co., Bartlesville, Okla.; $400, Pittsburgh Consolidation Coal Co., Koppers Building, Pittsburgh, Pa.; $400, Pittsburgh Consolidation Coal Co., Koppers Building, Pittsburgh, Pa.; $2,000, Pittsburgh Plate Glass Co., Grant Building, Pittsburgh, Pa.; $2,000, Pittsburgh Plate Glass Co., Grant Building, Pittsburgh, Pa.; $750, Provident Mutual Life Insurance Co., 4601 Market Street, Philadelphia, Pa.; $2,000, Prudential Insurance Co., Newark, N. J.; $2,000, Pullman Co., 222 West North Bank Drive, Chicago, Ill.; $2,000, Pullman Co., 222 West North Bank Drive, Chicago, Ill.; $2,000, Pure Oil Co., 35 East Wacker Drive, Chicago, Ill.; $1,000, Reading Co., Reading Terminal, Reading, Pa.; $1,000, Reading Co., Reading Terminal, Reading, Pa.; $2,000, Republic Steel Corp., Republic Building, Cleveland, Ohio; $2,000, Republic Steel Corp., Republic Building, Cleveland, Ohio; $100, Rollins, Burdick, Hunter & Co., 231 South La Salle Street, Chicago, Ill.; $400, Rollins, Burdick, Hunter Co., 231 South La Salle Street, Chicago, Ill.; $2,000, St. Louis San Francisco Railway Co., 906 Olive Street, St. Louis, Mo.; $2,000, St. Louis San Francisco Railway Co., 906 Olive Street, St. Louis, Mo.; $1,250, St. Louis Southwestern Railway Co., 612 Cotton Belt Building, St. Louis, Mo.; $650, Seaboard Air Line Railroad Co., Norfolk, Va.; $2,000, Service Pipe Line Co., Service Pipe Line Building, Tulsa, Okla.; $650, Service Pipe Line Co., Service Pipe Line Building, Tulsa, Okla.; $650, Shell Pipe Line Corp., Shell Building, Houston, Tex.; $2,000, Socony Vacuum Oil Co., 26 Broadway, New York, N. Y.; $2,000, Socony Vacuum Oil Co., 26 Broadway, New York, N. Y.;$2,000, Southern Railway Co., Washington, D. C.; $2,000, Southern Railway Co., Washington, D. C.; $2,000, Standard Oil Company of California, Standard Oil Building, San Francisco, Calif.; $2,000, Standard Oil Company of Indiana, 910 South Michigan Avenue, Chicago, Ill.; $2,000, Standard Oil Company of New Jersey, 30 Rockefeller Plaza, New York, N. Y.; $500, Standard Railway Equipment Manufacturing Co., 310 South Michigan Avenue, Chicago, Ill.; $500, Standard Railway Equipment Manufacturing Co., 310 South Michigan Avenue, Chicago, Ill.; $500, Terminal Railroad Association, Union Station, St. Louis, Mo.; $600, Texas & Pacific Railway Co., Dallas, Tex.; $2,000, Texas Co., 135 East Forty-second Street, New York, N. Y.; $2,000, Texas Co., 135 East Forty-second Street, New York, N. Y.; $500, Texas Gulf Sulphur Co., 75 East Forty-fifth Street, New York, N. Y.; $1,000, Travelers Insurance Co., Hartford, Conn.; $2,000, Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.; $2,000, Union Pacific Railroad Co., 1416 Dodge Street, Omaha, Nebr.; $1,200, Union Tank Car Co., 228 North La Salle Street, Chicago, Ill.; $2,000, United Air Lines, Inc., 5959 South Cicero Avenue, Chicago, Ill.; $1,000, United Air Lines, Inc., 5959 South Cicero Avenue, Chicago, Ill.; $1,000, United Shoe Machinery Co., 140 Federal Street, Boston, Mass.; $8,000, United States Steel Corp., 436 Seventh Avenue, Pittsburgh, Pa.; $2,000, Universal Carloading and Distributing Co., 345 Hudson Street, New York, N. Y.; $1,000, Universal Carloading and Distributing Co., 345 Hudson

Street, New York, N. Y.; $600, Utah Oil Refining Co., Box 898, Salt Lake City, Utah; $1,000, Wabash Railway Co., Railway Exchange Building, St. Louis, Mo.; $1,000, Wabash Railway Co., Railway Exchange Building, St. Louis, Mo.; $500, West Virginia Pulp & Paper Co., 230 Park Avenue, New York, N. Y.; $500, Westinghouse Air Brake Co., Wilmerding, Pa.; $1,000, Westinghouse Electric Corp., 306 Fourth Avenue, Pittsburgh, Pa.; $800, Western Maryland Railway Co., Standard Oil Building, Baltimore, Md.; $1,000, Western Pacific Railway Co., San Francisco, Calif.; $1,000, Western Pacific Railway Co., San Francisco, Calif.; $1,000, Wheeling Steel Corp., Wheeling, W. Va.; $1,000, F. W. Woolworth Co., Woolworth Building, New York, N. Y.; $2,000, New York Central Railroad Co., 230 Park Avenue, New York, N. Y.; $226,535, total.

E. $96,483.51, total of all expenditures for this quarter; $200,511.67, expended during previous quarters; $296,995.18, total expenditures from January 1 though September 30, 1950.

A. Paul T. Truitt, president and treasurer, National Association of Margarine Manufacturers, 1023 Munsey Building, Washington, D. C.

B. National Association of Margarine Manufacturers, 1028 Munsey Building, Washington, D. C.

C. (1) Indefinite, depending upon assignments by employer.

C. (2) During period January to March, concerned with H. R. 2023 (Public Law 459, 81st Cong., 2d sess., approved March 16, 1950); also interested in H. R. 330 and H. R. 4358, which contain proposed amendments to the Navy ration statute (34 U. S. C. 902a); generally interested in any margarine legislation.

D. (9) $2,293.06.

E. (11) $43.06.

A. Harold J. Turner,[1] Henry Building, Portland, Oreg.; railroad employee.

B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., Union Pacific Railroad Co., Henry Building, Portland, Oreg.

C. (1) Legislative interests will continue indefinitely.

C. (2) All bills which directly affect railroads of Oregon.

Statement A: On my original registration (Form B) dated December 12, 1946, I endorsed the following, which is still correct: "The registrant, who has been an officer or employee of Spokane, Portland & Seattle Railway Co. continuously since 1913, works under the general direction of a committee of officers of the three railroads named in (1) above on matters of common interest to such railroads. Some of his time is devoted, when occasion arises, to Federal legislation; but such work is intermittent, with no definite determinable period of duration, and on the whole consumes less than 10 percent of his time. He is paid an annual salary for all work performed for said railroads, but no breakdown has been or can be made whereby any particular portion thereof could be allocated to work involving Federal legislation. Likewise no such breakdown of his expenses has been or could be made."

Statement B: The following are the items of expense allocable to Federal legislation, as closely as I can compute them, during the second quarter of 1950: Long distance telephone tolls, $22.

A. Harold J. Turner, Henry Building, Portland, Oreg.; railroad employee.

B. Spokane, Portland & Seattle Railway Co., Southern Pacific Co., Union Pacific Railroad Co., Henry Building, Portland, Oreg.

C. (1) Legislative interests will continue indefinitely.

C. (2) All bills which directly affect railroads of Oregon.

[1] Filed for second quarter, 1950.

D. Statement A: On my original registration (form B) dated December 12, 1946, I endorsed the following, which is still correct: "The registrant, who has been an officer or employee of Spokane, Portland & Seattle Railway Co. continuously since 1913, works under the general direction of a committee of officers of the three railroads named in (1) above on matters of common interest to such railroads. Some of his time is devoted, when occasion arises, to Federal legislation; but such work is intermittent, with no definite determinable period of duration, and on the whole consumes less than 10 percent of his time. He is paid a annual salary for all work performed for said railroads, but no breakdown has been or can be made whereby any particular portion thereof could be allocated to work involving Federal legislation. Likewise, no such breakdown of his expenses has been or could be made."

Statement B: The following are the items of expense allocable to Federal legislation, as closely as I can compute them, during the third quarter of 1950: Meals, $83.70; living accommodations, $50.90; Pullman fares, $142.15; taxi fares, $33.20; telegraph and long-distance tolls, $70.65; miscellaneous, $36.22.

A. Philip C. Turner, Equitable Building, 10 North Calvert Street, Baltimore, Md.

B. Food Producers Council, Inc., 10 North Calvert Street, Equitable Building, Baltimore, Md.; Vegetable Growers Association of America, Columbus, Ohio.

C. (1) Indefinite.

C. (2) Labor legislation and all agricultural legislation.

C. (3) Mimeographed material at intervals to mailing list of 750 people on labor and agricultural legislation as it affects the farmers in the Northeastern States.

D. (1) $185; (2) $682; (3) $433.50, less 50 percent nonlegislative; (5) $250; (7) $683.50; (8) $2,993.75; (9) $3,677.25; (13) yes; (14) $1,000, Dairymen's Cooperative Sales Association, W. W. Bullard, president, Century Building, Pittsburgh, Pa.

E. (2) $1,425; (5) $279.75; (6) $68.04; (7) $59.49; (8) $1,832.28; (9) $916.14; (10) $1,770.68; (11) $2,686.82; (15) $908.84.

A. Twenty Percent Cabaret Tax Committee, 171 West Randolph Street, Chicago, Ill.

C. (2) Reduction or repeal of 20 percent cabaret tax.

D. (6) $2,350; (7) $2,350; (8) $6,000; (9) $8,350; (13) yes; (14) $1,000, Hilton Hotels, Chicago, Ill.; $1,000, Hotels Statler Co., New York, N. Y.; $250, the Roosevelt Hotel, New York, N. Y.; $100, Waldorf Astoria Hotel, New York, N. Y.; $2,350, total.

E. (6) $329.22; (9) $329.22; (10) $5,905.99; (11) $6,235.2[illegible].

A. Unemployment Benefit Advisors, Inc., 506 Hotel Washington, Washington, D. C.

C. (1) Indefinitely.

C. (2) The organization is interested in the over-all field of social security, that is, new legislation affecting titles 1, 2, and 8, 9, 12, and 13 of the Social Security Act, as amended; also chapters 1 and 9 of the Internal Revenue Code. Specific legislation before Congress this quarter has been H. R. 6000 and H. R. 8059.

C. (3) We had not publications as such issued during the present quarter. We do prepare a mimeographed release entitled "The Advisor" issued at irregular intervals which advises the recipient of legislation introduced and analyzes the effects of the proposed legislation. It also gives statistical, educational and informational data relating to the operation of the State and Federal programs in the field of social security. This release is sent to approximately 2,500 people including not only the organizations that have retained our service, but educational institutions and persons interested in the Social Security program. The releases are prepared by Bates Duplicating Co. and such releases were issued on the following dates: April 4, 7; May 3, 12, 26; June 13, 14, 21, and 30.

D. (5) $30,002.43; (8) $24,012.50; (9) $54,014.93; (13) yes; (14) $600, Cudahy Bros. Co., Cudahy, Wis.; $1,000, Texas Co., 135 East Forty-second, New York, N. Y.; $1,500, Ford Motor Co., Dearborn, Mich.; $1,000, Armco Steel Corp., Middletown, Ohio; $500, Budd Co., Philadelphia, Pa.; $500, M. A. Hanna Co., 1300 Leader Building, Cleveland, Ohio; $500, Motor Wheel Corp., Lansing, Mich.; $500 Bendix Aviation Corp., Fisher Building, Detroit, Mich.; $500, Goodyear Tire & Rubber Co., Akron, Ohio; $500, W. T. Grant Co., 1441 Broadway, New York, N. Y.; $500, Michigan Consolidated Gas Co., Detroit, Mich.; $1,500, Standard Oil Co. of New Jersey, 30 Rockefeller Plaza, New York, N. Y.; $750, Marathon Corp., Rothschild, Wis.; $500, Upjohn Co., Kalamazoo, Mich.; $500 Nash-Kelvinator Corp., Detroit, Mich.; $500, Diamond Match Co., 122 East Forty-second Street, New York, N. Y.; $1,000, J. I. Case Co., Racine, Wis.; $1,000, Federated Department Stores, Inc., Federated Building, 707 Race Street, Cincinnati, Ohio; $500, Gillette Safety Razor Co., Boston, Mass.; $750 Kimberly-Clark Corp., Neenah, Wis.; $1,000, Kearney and Trecker Corp., 6784 West National Avenue, Milwaukee, Wis.; $1,000, Socony Vacuum Oil Co., 26 Broadway, New York, N. Y.; $16,600, total.

E. (2) $11,037.48; (4) $1,734.53; (5) $3,266.82; (6) $360.97; (7) $2,463.94; (8) $510.99; (9) $19,374.73; (10) $17,476.78; (11) $36,851.51.

A. United States Cane Sugar Refiners Association, 115 Pearl Street, New York, N. Y., and 408 American Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Any legislation that refers to sugar generally and the refining of raw cane sugar specifically.

C. (3) No publications issued or caused to be issued.

C. (4) This office spends very little time on legislation and lobbying. The Sugar Act comes up before Congress once every 5 years, and during the past year or so, there has been very little legislation that this organization has been interested in. At the present time there is no legislation before Congress that has the attention or interest of this organization. We keep up to date a technical library on sugar, and this office is mainly a reporting office for the benefit of our members.

D. (1) $48,000 received from the members for the year 1950; (9) $48,000 for 1950.

E. This association was not interested in any legislation during this quarter and spent no money on any legislative interests.

A. United States Cuban Sugar Council, 30 Pine Street, New York, N. Y.; disseminating information about the Cuban sugar industry.

C. (1) Indefinitely.

C. (2) Sugar Act of 1948, Public Law 388, an act to regulate commerce among the several States, with Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; and for other purposes; Trade Agreements Act of 1949, H. R. 40 (81st Cong.), a bill to make permanent the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes; Trade Agreement Extension Act, Public Law 307, a bill to extend the authority of the President under section 350 of the Tariff Act of 1930, as amended, and for other purposes; House Joint Resolution 426, joint resolution to amend the Sugar Act of 1948 to increase the sugar quota for Puerto Rico from 910,000 short tons, raw value, to 1,150,000 short tons, raw value. General legislative interests are all statutes and bills affecting the importa-

tion by the United States of sugar from Cuba, and the tariff rates on such sugar, and those statutes and bills affecting trade between the United States and Cuba, particularly trade in sugar.

C. (3) (a) News release by the chairman of the council, David M. Keiser, dealing with United States sugar supplies; (b) 125; (c) July 20, 1950; (d) mimeographed at offices of Ivy Lee and T. J. Ross.

C. (3) (a) Council's news Bulletin, volume 5, special New England edition; (b) 35,000; (c) July 1950; (d) J. C. Dillon Co., 227 East Forty-fifth Street, New York, N. Y.

C. (3) (a) News release, based on Bulletin, volume 5, special New England; (b) 700; (c) July 25, 1950; (d) mimeographed at offices of Ivy Lee and T. J. Ross.

C. (3) (a) News release concerning luncheon for Ambassador Machado; (b) 15; (c) August 11, 1950; (d) mimeographed at offices of Ivy Lee and T. J. Ross.

C. (3) (a) Council's news Bulletin, volume 5, No. 3; (b) 45,000; (c) August 1950; (d) J. C. Dillon Co.

C. (3) (a) News release, based on Bulletin, volume 5, No. 3; (b) 1,300; (c) September 1, 1950; (d) mimeographed at offices of Ivy Lee and T. J. Ross.

D. (1) $18,952.85; (7) $18,952.85; (8) $51,936.85; (9) $70,889.70; (13) yes; (14) $1,567.56, Caribbean Sugar Co., 40 Water Street, Boston, Mass.; $1,031.86, Central Hormiguero Sugar Co., Hormiguaro, Cuba; $2,921.33, Central Violeta Sugar Co., 120 Wall Street, New York, N. Y.; $16,972.30, Cuban Atlantic Sugar Co., Wilmington, Del.; $2,308.45, Guantanamo Sugar Co., 120 Wall Street, New York, N. Y.; $3,852.14, Manati Sugar Co., 106 Wall Street, New York, N. Y.; $5,728.42, Punta Alegre Sugar Corp., 120 Wall Street, New York, N. Y.; $1,219.83, Tanamo Sugar Co., Edificio, "La Metropolitana," Habana, Cuba; $6,804.04, the American Sugar Refining Co., 120 Wall Street, New York, N. Y.; $9,396.24, the Cuban-American Sugar Co., 120 Wall Street, New York, N. Y.; $4,569.78, the Francisco Sugar Co., 106 Wall Street, New York, N. Y.; $1,869.90, Tuinucu Sugar Co., 106 Wall Street, New York, N. Y.; $5,525.76, United Fruit Co., 1 Federal Street, Boston, Mass.; $7,122.09, Vertianteo-Camaguey Sugar Co., Edificio "La Metropolitana," Habana, Cuba; $70,889.70, total.

E. (1) $7,157.99; (4) $871.34; (9) $8,029.33; (10) $16,764.35; (11) $24,793.68.

A. United States Savings and Loan League, 221 North La Salle Street, Chicago, Ill.; trade association.

C. (1) Continuous.

C. (2) Support all legislation favorable to thrift and home ownership and particularly helpful to savings and loan associations and cooperative banks in carrying out their thrift and home-financing objectives and oppose legislation detrimental to home ownership and these institutions. S. 2006, to amend the Home Owners Loan Act of 1933 with respect to Federal savings and loan associations; S. 2987, to amend the Federal Home Loan Bank Act, as amended, and title IV of the National Housing Act; S. 2408, to amend the Securities Exchange Act of 1934, as amended; S. 2822, to amend the Federal Deposit Insurance Act (U. S. C., title 12, sec. 264); H. R. 8920, Revenue Act of 1950; Senate Resolution 299, Reorganization Plan No. 22; S. 2774, to extend FBI protection to all insured savings and loan associations; H.R.9176, Defense Production Act of 1950; H. R. 3990, to amend the Federal Credit Union Act; S. 1175, to amend the Home Owners Loan Act of 1933 with respect to mutual savings bank; S. 4172, to amend section 402 (a) of the National Housing Act to change the name of the Federal Savings and Loan Insurance Corporation; H. R. 9249, to amend section 402 (a) of the National Housing Act to change the name of the Federal Savings and Loan Insurance Corporation. United States Savings and Loan League is advised by counsel, and believes, that it is not subject to the Federal Regulation of Lobbying Act for the reason that its principal purpose is not to influence legislation and it does not raise money principally to influence legislation. However, it has discovered that the Attorney General of the United States has taken the position that it is subject to the act. It has never at any time had any reason not to comply with the act if it is subject to it, and it has never at any time had any facts which it desired to conceal if it is required by law to report the same. Therefore, in view of the foregoing, and without admitting that it is subject to the act, this report is filed.

C. (3) (a) Confidential Bulletin M-225; (b) 6,600; (c) July 10; (d) Millar Publishing Co., 538 South Wells Street, Chicago, Ill.

C. (3) (a) Confidential Bulletin M-226; (b) 6,600; (c) August 9; (d) Millar Publishing Co., 538 South Wells Street, Chicago, Ill.

C. (3) (a) Confidential Bulletin M-227; (b) 6,600; (c) September 7; (d) Millar Publishing Co., 538 South Wells Street, Chicago, Ill.

D. No dues or other receipts are for this specific purpose. All expenditures in connection with legislative interests are made from general funds. Members' dues covering the calendar year 1950 collected during the first three quarters of this year amounted to $546,270.37.

E. (2) $4,225.99; (4) $2,800.79; (5) $702.75; (7) $593.98; (8) $988; (9) $9,311.51; (10) $24,989.50; (11) $34,301.01.

A. United World Federalists, Inc., 7 East Twelfth Street, New York, N. Y.; to strengthen United Nations with powers limited but adequate to insure peace.

C. (1) As long as this organization continues its program of interest in legislative measures as specified in (2) below.

C. (2) The general legislative interests of this organization are measures relating to strengthening of the United Nations and United States participating in the United Nations; specifically House Concurrent Resolution 64, Senate Concurrent Resolution 56, and H. R. 7797.

C. (3) World Government News is a publication published independently by World Government News, Inc. Copies of this publication are sent to members of this organization since a portion of the membership's dues is allocated to a subscription to such publication as is designated by the organization. World Government News is a monthly publication, approximately 35,000 copies of which are sent to members of this organization. (Refer to copies already on file.) Political action letter is a mimeographed bulletin sent to branches and chapters of this organization. It is issued irregularly, but averages about one edition per month throughout the year. It is produced at the New York office of this organization in quantity of 1,000 per edition. (Refer to copies already on file.) In addition a mimeographed bulletin called Branch and Chapter Letter is produced in the same manner as the political action letter for branches and chapters, this organization, issued about once per month in the same quantity as the above. (Refer to copies on file.) Various pamphlets and reprints are produced for resale to branches and chapters. (Refer to copies already on file.)

D. (1) $10,541.90; (2) $28,702.19; (4) $6,506.19; (7) $45,750.28; (8) $178,890.23; (9) $224,640.51; (10) $13,000; (13) yes; (14) $500. Mrs. J. Donald Duncan, 4 Sutton Place, New York, N. Y.; $500, Mrs. J. Borden Harriman, 3130 P Street NW., Washington, D. C.; $500, Edith K. Gaylord, 1312 North Frances Street, Oklahoma City, Okla.; $2,500, Mrs. Ruby Boyer Miller, 481 Kercheval Avenue, Grosse Pointe, Mich.; $1,000, Mrs. Charles B. G. Murphy, 158 East Sixty-third Street, New York, N. Y.; $500, Charles Pratt, Pratt Institute, Brooklyn, N. Y.; $1,000 (June), Mr. and Mrs. C. M. Stanley, Hershey Building, Muscatine, Iowa; $700, Julius Stulman, 173 West Street, Brooklyn, N. Y.; $7,200 total.

E. (1) $1,227.88; (2) $32,290.93; (4) $5,906.57; (5) $4,449.83; (6) $2,183.24; (7) $6,956.77; (8) $2,063.23; (9) $55,078.45; (10) $191,473.47; (11) $246,551.92.

A. Bernard E. Urheim, American Retail Coal Association, 858 First National Bank Building, Chicago, Ill.

B. American Retail Coal Association, 858 First National Bank Building, Chicago, Ill.

C. (1) All legislative activities falling within the scope of the Lobbying Act were terminated in the quarter ending March 31, 1950.

A. C. W. Vance, Room 312, Labor Building, 10 Independence Avenue SW., Washington, D. C.

B. Order of Railway Conductors of America, Cedar Rapids, Iowa; railroad brotherhood (labor union).

C. (1) Indefinitely.

C. (2) S. 3295 and H. R. 7789, to amend Railway Labor Act; S. 328 and H. R. 378, to amend section 25 of Interstate Commerce Act; generally interested in all legislation affecting labor, especially railroad labor.

D. (5) $196; (6) $133.42; (7) $329.42; (8) $2,202.67; (9) $2,532.09.

E. (6) $5.30; (7) $128.12; (9) $133.42; (10) $1,000.84; (11) $1,134.26.

A. Vegetable Growers Association of America, Inc., horticulture department, Ohio State University, Columbus, Ohio; to promote and encourage the interests of vegetable growing by collecting and disseminating information; to hold meetings and exhibitions; to encourage the consumption of vegetables.

C. (1) For the life of the organization.

C. (2) We are interested in interstate commerce, tariffs, social legislation, taxation, marketing, etc. We supported H. R. 8320 (the Cooley bill).

C. (3) No publication.

D. (1) $3,530.49; (7) $3,530.49; (8) $6,609.79; (13) no.

E. (2) $125; (5) $75; (6) $25; (7) $25; (9) $250; (10) $250; (11) $500.

A. Weston Vernon, Jr., 15 Broad Street, New York, N. Y.; partner, law firm of Milbank, Tweed, Hope & Hadley.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the Chase National Bank of the City of New York.

D. (13) No.

A. Weston Vernon, Jr., 15 Broad Street, New York, N. Y.; partner, law firm of Milbank, Tweed, Hope & Hadley.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the Equitable Life Assurance Society of the United States.

D. (13) No.

A. Weston Vernon, Jr., 15 Broad Street, New York, N. Y.; partner, law firm of Milbank, Tweed, Hope & Hadley.

C. (1) Indefinite.

C. (2) Proposed Federal tax legislation affecting the interests of the New York Stock Exchange and its members.

D. (13) No.

A. Albert F. Versen, reporting as secretary of the Missouri Valley Chapter Association of Refrigerated Warehouses, 508 Security Building, St. Louis, Mo.

B. Missouri Valley Chapter Association of Refrigerated Warehouses, 508 Security Building, St. Louis, Mo.; voluntary nonprofit association.

C. (1) Only as shown in report of the Missouri Valley Chapter Association of Refrigerated Warehouses.

C. (2) Only as shown in report of the Missouri Valley Chapter Association of Refrigerated Warehouses.

D. Only as shown in report of the Missouri Valley Chapter Association of Refrigerated Warehouses.

E. Only as shown in report of the Missouri Valley Chapter Association of Refrigerated Warehouses.

A. Albert F. Versen, reporting as secretary of the St. Louis Local Meat Packers Association, 508 Security Building, St. Louis, Mo.

B. St. Louis Local Meat Packers Association, 508 Security Building, St. Louis, Mo.; voluntary nonprofit association.

C. (1) Only as shown in report of the St. Louis Local Meat Packers Association.

C. (2) Only as shown in report of the St. Louis Local Meat Packers Association.

D. Only as shown in report of the St. Louis Local Meat Packers Association.

E. Only as shown in report of the St. Louis Local Meat Packers Association.

A. A. L. Viles, president, the Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.

B. The Rubber Manufacturers Association, Inc., 444 Madison Avenue, New York, N. Y.

C. (1) No time devoted to legislative work.

A. Virginia Associated Businessmen, 512 Travelers Building, Richmond, Va.; a nonprofit association interested in tax equality, tax reduction, and governmental economy.

C. (1) No termination date. C. (2) All legislation affecting tax equality, tax reduction, and governmental economy.

D. (2) $735; (3) $50; (7) $785; (8) $4,627.50; (9) $5,412.50; (13) no.

E. (2) $14.50; (4) $86.72; (5) $450; (6) $320.97; (7) $360.70; (8) $373.90; (9) $1,402.79; (10) $1,846.56; (11) $3,249.65.

A. Vitrified China Association, Inc., 312 Shoreham Building, Washington, D. C.; trade association.

C. (1) Same as reported first quarter, 1950.

A. The Vulcan Detinning Co., Sewaren, N. J.; detinning and tin smelting.

C. (1) For an indefinite term.

C. (2) Potentially interested in general in all legislation affecting tin, tin smelting, detinning, steel scrap, and related subjects. Specific legislative interests include House Joint Resolution 324, to encourage exploration of tin ore resources of the United States, etc.; H. R. 3524, to strengthen national security by providing for domestic tin smelting industry; also companion bill, S. 1342; H. R. 8569 and S. 3666, companion bills, to extend for 5 years the authority for the Texas City tin smelter operation.

E. (2) $1,000; (6) $64.76; (9) $1,064.76; (10) $2,134.38; (11) $3,199.14.

A. Theodore Waller, United World Federalist, Inc., 132 Third Street SW., Washington, D. C.; advocacy of measures to strengthen the United Nations.

B. United World Federalists, Inc., 7 East Twelfth Street, New York, N. Y.

C. (1) The undersigned's legislative responsibilities terminated April 10, 1950.

C. (2) The general legislative interests covered by this submission are measures relating to United States participation in the United Nations; specifically House Concurrent Resolution 64, Senate Concurrent Resolution 56, and H. R. 7797.

C. (3) The undersigned has contributed to or prepared material for political action letters and a house organ known as UWF insert, World Government News, but these publications were issued by the national office and will be dealt with in the organizational submission.

D. (6) $1,966.91; (7) $1,966.91; (8) $3,768.38; (9) $5,735.29.

E. (7) $184.87; (8) $225.11; (9) $409.98; (10) $2,168.11; (11) $2,578.09; (15) $409.98.

A. J. H. Walter, 260 South Broad Street, Philadelphia, Pa.; attorney.

B. Attapulgus Clay Co., 210 West Washington Square, Philadelphia, Pa.; clay products. The Atlantic Refining Co., 260 South Broad Street Philadelphia, Pa.; petroleum products.

C. (1) Registrant's legislative interest subject to the Lobbying Act terminated during the third quarter and this will constitute a final report.

C. (2) Proposed amendments to Internal Revenue Code (sec. 114 (b) (4)) to include fuller's earth in those minerals entitled to percentage depletion, and possibly the amendment of H. R. 7622 so as to include fuller's earth therein.

C. (4) Registrant is paid an annual salary as a member of the legal staff of the Atlantic Refining Co. and spent, during the second quarter, an estimated 1-day office work and 1 day in Washington in connection with the legislative interests listed in this report. Item D-8, therefore, reports the receipt of registrant's annual salary being allocated to those days on the basis of a 5-day workweek. Registrant expended no sums in connection with the legislative interests mentioned in this report inasmuch as the only expenditures, which were for rail fare, cab fare, meals and tips, were paid directly by W. E. Sawyer, Jr., secretary-treasurer of Attapulgus Clay Co., as shown by report to be filed for that company.

D. (8) $92.30; (9) $92.30; (13) no.

A. Paul W. Walter, general counsel, National Association of Private Schools, 1010 Vermont Avenue NW., Washington, D. C.

B. National Association of Private Schools, 1010 Vermont Avenue NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Veterans education and training program outlined in Serviceman's Readjustment Act of 1944, as amended; (b) S. 2596.

D. (5) $1,800; (7) $1,800. Professional fees paid by National Association of Private Schools.

A. Stephen M. Walter, 1200 Eighteenth Street NW., Washington, D. C.; registrant is an employee of the National Association of Electric Companies, a trade association whose members are 102 operating electric companies. Mr. Stephen M. Walter, an employee of the National Association of Electric Companies, is filing this form for the information of the Congress of the United States under title 3 of the Legislative Reorganization Act of 1946 but questions whether and to what extent that act applies to him. This form has been prepared without the benefit of official interpretations of that statute.

B. National Association of Electric Companies, 1200 Eighteenth Street NW., Washington, D. C. The National Association of Electric Companies is a trade association whose members are 102 operating electric companies. The preamble of its articles of association describe the functions to be engaged in by the association as follows: "In order to further the interests of the electric utility companies that are members of this association and their investors, employees, and customers; to maintain the integrity and credit of the industry; to present to the public the essential facts about the industry to the end that there may be a better understanding between the utility companies and the public and a better appreciation of utility progress, achievements and problems; to coordinate regional activities among member companies; to furnish member companies information, reports, and statements concerning various phases of electric utility operations and developments; to further cooperation with all agencies and organizations interested in the supply and purchase of electric light and power; to furnish such agencies and organizations with information, reports, and statements concerning member companies and the electric utility industry; to present the facts to the public concerning the public benefits resulting from the operation of electric utility companies by businessmen under governmental regulations and, generally, to engage in those practices recognized as being legal and proper to further said ends, certain electric utility companies do hereby establish a national association which shall be adequately qualified and empowered to act in every lawful way when concert of policy and action would be helpful." Thus the association functions for the following principal purposes: (1) To keep member companies informed of Washington developments affecting them as operating businesses, including information, and analyses of governmental hearings, orders, and regulations, both legislative and administrative; (2) to keep the public, including employees, consumers, and investors, informed concerning the accomplishments of the industry, its achievements in serving the public, and the plans of this industry for the future; (3) to furnish, and aid in furnishing, technical information to the instruments of government and to provide a readily available contact between government and the industry; (4) to provide the members of the association with a medium through which they can exchange ideas on problems of mutual concern and interest in order to better serve the public; (5) to act for the member companies in matters of common and national concern.

C. (1) Of indefinite duration.

C. (2) Registrant is employed by the National Association of Electric Companies. One of the purposes of this association as set forth in previous registrations and reports filed pursuant to title 3 of the Legislative Reorganization Act of 1946 is to provide its members with a medium through which they can develop and exchange ideas and take appropriate action on problems of mutual concern and interest, including matters involving legislation. The association, therefore, is generally interested in all developments in and of Federal legislation that might affect its members as going electric utilities, including, but not limited, to the following bills and statutes and amendments thereto: H. R. 7786, a bill making appropriations for the support of the Government for the fiscal year ending June 30, 1951, and for other purposes; Internal Revenue Code (53 Stat. 1); TVA Act (48 Stat. 58); Federal Power Act (49 Stat. 803); Rural Electrification Act of 1936 (49 Stat. 1363); reclamation acts (25 Stat. through 45 Stat); Flood Control Act, 1944 (58 Stat. 887). For specific details concerning the policy position of the National Association of Electric Companies, see the document entitled "Water Resources, Electric Power, and National Policy," prepared in response to an invitation of the Chairman of the President's Commission on Water Resources Policy, dated March 2, 1950, for a complete statement of the association's position on policy questions. Copies of this statement have heretofore been filed with the Secretary of the Senate and the Clerk of the House of Representatives.

D. (5) $6,625.02; (7) $6,625.02; (8) $3,250.04; (9) $19,875.06; (13) no.

E. (6) $40.75; (7) $347.71; (8) $210.45; (9) $598.91; (10) $1,398.22; (11) $1,997.13; (15) $598.91.

A. Thomas G. Walters, operations director, Government Employes' Council, A. F. of L., 900 F Street NW., Washington, D. C.; labor union.

B. Government Employes' Council, American Federation of Labor, 900 F Street NW., Washington, D. C.; labor union.

C. (1) Legislative interests will continue indefinitely.

C. (2) Duties are to represent the member unions and the Government Employes' Council on matters affecting them before the Congress.

C. (3) Publish each Thursday a weekly news letter; circulation approximately 250 to officers and members of the 24 national and international unions that make up the Government Employes' Council. This letter is prepared and duplicated in my office.

D. (5) $2,335.91; (7) $2,335.91; (9) $2,335.91.

A. Ethelbert Warfield (report as attorney for National Postal Committee for Books), 49 Wall Street, New York, N. Y.; attorney and counselor at law.

B. National Postal Committee for Books, 62 West Forty-seventh Street, New York, N. Y. The business of the committee is to oppose unfair increases in postal rates and discrimination in postal rates.

C. (1) Legislative interests will continue so long as postal rate bills are pending before Congress, or so long as unfair or discriminatory postal rates are in effect.

C. (2) The general legislative interest of the committee is in bills to readjust postal rates. The specific legislative interest is "A Bill to Readjust Postal Rates," H. R. 2945 and S. 1103.

D. (13) no.

E. (4) $79.88; (6) $36.22; (7) $62.05; (9) $178.15; (10) $291.88; (11) $470.03; (15) $178.15.

A. Ethelbert Warfield (report as attorney for Tin Processing Corp.), 49 Wall Street, New York, N. Y., attorney and counsellor at law.

B. Tin Processing Corp., Texas City, Tex. The corporation operates the Government-owned tin smelter at Texas City, Tex.

C. (1) Legislative interest will continue so long as legislation for the permanent operation of the Government-owned tin smelter at Texas City, Tex., is pending.

C. (2) The general legislative interests are bills relating to tin smelting in the United States. The specific legislative interests are "A bill to extend for 5 years the authority to provide for the maintenance of a domestic tin smelting industry," S. 3666 and bills relating to the same or similar subjects, such as H. R. 8569, H. R. 8570, H. R. 3524, S. 1342, and House Joint Resolution 324; also Defense Production Act of 1950 (S. 3936).

D. (6) $6,405.13; (7) $6,405.13; (8) $3,005.59; (9) $9,410.72; (13) yes; (14) $9,410.72, received from employer by firm of Satterlee, Warfield & Stephens, of which I am a member, for disbursements as counsel in various capacities (not confined to legislative activities), and for services in said capacities.

E. (6) $98.03; (7) $115.86; (9) $213.89; (10) $461.98; (11) $675.87; (15) $213.89.

A. Milo J. Warner, 1631 Nicholas Building, Toledo, Ohio; lawyer.

B. The Prudential Insurance Co. of America, Newark, N. J.

C. (1) Indefinitely according to desire of employer.

C. (2) Attention to legislation which may affect the interests of the mutual policyholders of Prudential Insurance Co. of America, included in such legislation being H. R. 4394 (D. C. group life provisions), certain aspects of H. R. 6000 (social security bill), House Joint Resolution 371 (taxation life insurance companies) and certain phases of housing legislation.

C. (3) No publications. Attention to personal correspondence, memoranda, and opinions. (Compensation paid quarterly for services as rendered in previous quarter.)

D. (5) $4,000; (7) $4,000; (8) $6,250; (9) $10,250.

E. (6) $21.44; (7) $499.70; (9) $521.14; (10) $1,071.23; (11) $1,592.37. Expenditures are billed employer each quarter. Accordingly expenditures third quarter, 1950, will appear on report filed before December 10, 1950. Items (1) to (5) and (8) are absorbed in services, as registrant maintains own law office. Items (12) to (14) are not applicable.

A. Washington Board of Trade, 204 Evening Star Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) Legislation affecting the District of Columbia.

D. (13) No. The Washington Board of Trade does not receive any contributions for the purposes designated in subparagraph A or B of section 307 of Public Law 601, Seventy-ninth Congress. Moneys received by it consist of membership dues of $15 each from its membership of about 8,000. Other funds received by it are wholly unrelated to legislation and consist of payments for advertising in its newspaper, Washington Board of Trade News, and moneys received from dinners and other social activities from which the expenses of the same are paid; also there are special funds for promotion of tourist and convention business for Washington and other special subjects which are so earmarked that none of them can be expended for legislative activities. It is estimated that of the general funds of the Board of Trade from which the salaries of its executive secretary and other employees are paid who devote a minor part of their time to the purposes designated in subparagraph A or B of section 307, will amount to not more than $5,000.

A. Washington Committee of the Association of Sugar Producers of Puerto Rico; a committee composed of six individuals, all of whom are executives or representatives of companies producing sugar in Puerto Rico.

B. Association of Sugar Producers of Puerto Rico, San Juan, P. R. (Washington office address, 732 Shoreham Building, Washington, D. C.); a trade association composed of companies producing sugar in Puerto Rico.

C. (1) This committee has been in existence for some 15 years and presumably will continue to work indefinitely.

C. (2) In general, the committee is interested in any legislation concerning sugar. During the third quarter of this year the committee concerned itself with no specific legislation.

C. (3) No publications concerned with legislative interests were issued during the third quarter of this year.

D. (1) $10,000; (7) $10,000; (8) $30,000; (9) $40,000; (13) yes. The Washington Committee received a total of $40,000 from the Association of Sugar Producers of Puerto Rico from January 1 through September 30, 1950, none of which was used in connection with legislative interests. It is anticipated that the committee will receive a total of $65,000 from the association for the year 1950 as a whole.

A. Washington Real Estate Board, Inc., 312 Wire Building, 1000 Vermont Avenue, Washington, D. C.; trade association.

C. (1) As long as Congress is in session and measures affecting local real estate are being considered.

C. (2) All local measures affecting the District of Columbia are of interest.

D. (13) No.

E. (11) $500.

A. J. R. Watson, room 1, I. C. R. R. passenger station, Jackson, Miss.; attorney-secretary, Mississippi Railroad Association.

B. Mississippi Railroad Association, room 1, I. C. R. R. passenger station, Jackson, Miss.; petaining to any matters of interest to or affecting railroads in Mississippi.

C. (1) Federal legislative interests are indefinite and incidental.

C. (2) Legislation affecting railroads; railroad communications bill, H. R. No. 378, and union shop bills H. R. 7789 and S. 3295; there is no separation of salary as between principal employment and possible incidental concern with matters of Federal legislation; registrant is of the opinion that his activities for the period covered by this report do not fall within the scope of the Lobbying Act; he is employed on an annual basis, primarily for services not related to Federal legislation; matters of Federal legislation are other and different from and only incidental to principal employment and purpose.

D. (13) No.

E. (7) $1,290.08; (9) $1,290.08; (10) $218; (11) $1,508.08; (15) $1,290.08.

A. Bruce Waybur, 1000 Eleventh Street NW., Washington, D. C.; labor organization.

B. United Electrical, Radio and Machine Workers of America, 11 East Fifty-first Street, New York, N. Y.

C. (1) Indefinite.

C. (2) Support all legislation favorable to national peace, security, democracy, prosperity, and the general welfare; oppose legislation detrimental to these objectives; H. R. 9490, S. 2311.

D. (5) $1,053; (7) $1,053; (8) $2,363; (9) $3,416; (13) no.

E. (7) $130; (9) $130; (10) $130; (11) $260; (15) $130.

A. Newton Patrick Weathersby, room 303, Machinists Building, Washington, D. C.; assistant legislative representative, district No. 44, International Association of Machinists.

B. District No. 44, International Association of Machinists.

C. (1) Until my present term of office expires, December 31, 1951.

C. (2) Lobbying, i. e., supporting or opposing as the case may be, legislation affecting working conditions of Government employees and incidentally organized labor in general; not more than 5 percent of my time is spent on direct legislative work. For instance, during the last quarter, my full time was used in directly dealing with the executive departments on labor relations and all other general conditions for the benefit and welfare of Government employees.

D. (5) $1,499.94; (7) $1,499.94; (8) $1,499.94; (9) $2,999.88; (13) no.

A. William H. Webb, 1720 M Street NW., Washington, D. C.; executive vice president and attorney at law.

B. National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C., an organization to promote the sound and orderly development of our water and land resources.

C. (1) Indefinitely.

C. (2) All matters pertaining to river and harbor development, flood control, navigation, irrigation, reclamation, soil and water conservation, and related subjects (see index to the CONGRESSIONAL RECORD for information called for by (a), (b), and (c)).

D. (5) $1,458.40; (6) $440.02; (7) $1,898.42; (8) $3,871.90; (9) $5,769.92; (13) yes; (14) $5,769.92, National Rivers and Harbors Congress, 1720 M Street NW., Washington, D. C.

E. (3) $2; (5) $40.03; (6) $8.50; (7) $223.92; (8) $119.75; (9) $394.20; (10) $1,129.53; (11) $1,523.73; (12) $10; (15) $394.20.

A. J. W. Weingarten, 1004 Farnam Street, Omaha, Nebr.; attorney employed full time as district attorney for Chicago, Burlington & Quincy Railroad Co.

B. Chicago, Burlington & Quincy Railroad Co., 547 West Jackson Boulevard, Chicago, Ill., (common carrier by railroad of passengers and property).

C. (1) Indefinitely.

C. (2) Any legislation or regulation affecting the railroad business.

C. (4) My annual salary is $12,800, paid twice monthly, for services as district attorney charged with the responsibility of handling the legal business of the company in the States of Nebraska, Kansas, and South Dakota and as an incident of my employment as district attorney I aid in presenting the company's position with respect to legislation in the Congress of the United States and I am paid for traveling expenses as they are incurred.

D. (13) No.

A. Wayne Weishaar, 1025 Connecticut Avenue NW., Washington, D. C.

B. Aeronautical Training Society, 1025 Connecticut Avenue NW., Washington, D. C.

C. (1) Registrant is generally interested in any legislation affecting aviation training or contract overhaul of aircraft which may arise at any time in future.

C. (2) Specifically registrant is interested in the following bills related to GI education benefits as applied to aviation training. Supporting S. 2596 and opposing in part H. R. 7422, S. 3095, and H. R. 7380. Registrant has also been interested in bills dealing with Reserve Officers Training Corps, bills which might apply to colleges, universities, and established aviation schools. Supporting S. 3846 and H. R. 9019.

C. (3) No publications of general circulation have been affected outside of those going to 26 members of Aeronautical Training Society and their business associates; however, a one-page digest of S. 3846 and H. R. 9019 consisting of 500 copies was duplicated in our own office and was included in mailing of personal letters addressed to presidents of colleges reporting on progress of ROTC bills.

D. (5) $3,000; (7) $3,000; (8) $6,000; (9) $9,000; (13) no.

E. (2) $2; (4) $193.31; (5) $33.40; (6) $299.89; (7) $35.50; (9) $564.10; (10) $16.66; (11) $580.76; (15) $564.10.

A. Walter S. Weismann, Jr., American Airlines, Inc., 918 Sixteenth Street NW., Washington, D. C.; air transportation.

B. American Airlines, Inc., 918 Sixteenth Street NW., Washington, D. C.; air transportation.

C. (1) Indefinitely.

C. (2) Legislation affecting air transportation.

D. (5) $2,400; (7) $2,400; (8) $4,500; (9) $6,900; (13) no.

E. (6) $3; (7) $113; (9) $116; (10) $623.17; (11) $739.17; (15) $116.

A. Bernard Weitzer, Jewish War Veterans of the United States of America, 3147 Sixteenth Street NW., Washington, D. C.

B. Jewish War Veterans of the United States of America, 50 West Seventy-seventh Street, New York, N. Y.; veterans' organization.

C. (1) Indefinite but probably permanently.

C. (2) Support such legislation as will carry out the purpose of the Jewish War Veterans of the United States of America as expressed in the preamble to its constitution which follows, and to oppose legislation which would tend to frustrate the purpose therein expressed: "To maintain true allegiance to the United States of America, to foster and perpetuate true Americanism, to combat whatever tends to impair the efficiency and permanency of our free institutions, to uphold the fair name of the Jews and fight his battles wherever unjustly assailed, to encourage the doctrine of universal liberty, equal rights, and full justice to all men, to combat the powers of bigotry and darkness wherever originating and whatever their target; to preserve the spirit of comradeship by mutual helpfulness to comrades and their families; to cooperate with and support existing educational institutions and establish educational institutions and foster the education of ex-service men and our members in the ideals and principles of Americanism; to install love of country and flag and to promote sound minds and bodies in our members and our youth; to preserve the memories and records of patriotic service performed by the men of our faith; to honor their memory, and shield from neglect the graves of our heroic dead."

C. (3) I do not issue or cause to be issued any publication. I write a monthly report called the "LegisLetter," which appears in the Jewish Veteran, the monthly publication of the Jewish War Veterans of the United States of America. I also may write letters from time to time when the spirit moves me, to the editor of one or more Washington newspapers or the New York papers.

D. (5) $1,875; (7) $1,875; (8) $5,625; (9) $7,500.

E. (5) $15.47; (6) $7.70; (7) $123.38; (9) $146.38; (10) $515.64; (11) $662.02; (15) $146.38.

A. Don Welch, post office box 231, Madill, Okla.; attorney.

B. The seven railroads named in my original declaration.

C. (1) Intermittent and casual only. See original declaration for further explanation.

C. (2) The interests of the railroad industry generally. Particularly H. R. 7789, H. R. 9141, H. R. 378, H. R. 8920, and S. 3295.

D. (5) $2,333.20; (6) $2,241.06; (7) $4,574.26; (8) $3,167.03; (9) $7,741.29.

E. (6) $49.85; (7) $2,191.21; (9) $2,241.06; (10) $1,533.79; (11) $3,774.85; (15) All.

A. Edward M. Welliver, American Trucking Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C.

B. American Truck Associations, Inc., 1424 Sixteenth Street NW., Washington, D. C.

C. See report of American Trucking Associations, Inc.

D. (5) $1,350 (66 percent of time ($891 of salary), devoted to legislation, as reported by American Trucking Associations, Inc.); (7) $1,350.

E. (7) $90; (15) $90.

A. Western Cotton Growers Association of California, 210 Brower Building, Bakersfield, Calif.; to work for the betterment of conditions for the cotton growers of California.

B. Western Cotton Growers Association of California, 210 Brower Building, Bakersfield, Calif.; to work for the betterment of conditions for the cotton growers of California.

C. (1) Indefinitely.

C. (2) Cotton acreage allotments, H. R. 9109.

C. (3) (a) Report to cotton growers of California; (b) 10,000; (c) November 30, 1949; (d) Scott Agency, Fresno, Calif.

D. and E. Following my letter to you of January 9, 1950, at which time we ran out of forms for reporting lobbying activities and due to the fact that these forms were received late, I have neglected to file reports for the first two quarters of 1950 until now. Our total collections to date from members for 1950 has been $5,388.93. No contributions of $500 or more have been received. Our expenditures in Washington for Mr. A. L. Fourchy, as the direct representative of the Western Cotton Growers Association to appear before the House Agricultural Committee, during the first two quarters ending June 30, 1950, were: Western Air Lines, $324.19; Mayflower Hotel, $28.91; wires, meals, telephone, taxi fares, etc., $90; total, $443.10.

A. Burton K. Wheeler, 704 Southern Building, Washington, D. C., attorney.

B. Jacob Neubauer, Billings, Mont.; farmer.

C. (1) No further activity contemplated.

C. (2) To support the enactment of appropriate legislation to assist Mr. Neubauer, residing in Montana, in the immigration of relatives from Germany.

D. (13) No.

E. (8) $1.30; (9) $1.30; (10) $2.70; (11) $4; (15) $1.30.

A. Edward K. Wheeler, 704 Southern Building, Washington, D. C., attorney.

B. Commercial Pacific Cable Co., 67 Broad-Street, New York, N. Y.

C. (1) and (2). The Commercial Pacific Cable Co., of New York, N. Y., has retained Edward K. Wheeler, for a remuneration of $750 per month, to act as special Washington representative and to assist the company in the collection of war-damage claims. The nature of the employment necessarily involves conferences with the Navy Department, the State Department, and other agencies and incidental thereto, support of the enactment of appropriate legislation which may be of assistance to the company.

D. (5) $2,250; (7) $2,250; (8) $3,750; (9) $6,000; (13) yes.

E. (6) $1.10; (8) $7.45; (9) $8.55; (10) $9.20; (11) $16.75; (15) $8.55.

A. Edward K. Wheeler, Wheeler & Wheeler, 704 Southern Building, Washington, D. C.; attorney.

B. Shore Line Oil Co., Las Vegas, Nev.; Craw Co., Las Vegas, Nev.

C. (1) Indefinite.

C. (2) The firm of Wheeler & Wheeler represents the above-named companies on measures pertaining to the so-called tidelands oil question. We may confer with Members of Congress or testify at hearings, etc., on any proposed legislation which affects the rights of the companies represented.

C. (4) No compensation is contemplated at this time other than that received and reported in lobbying reports previously filed. The firm will be reimbursed for any out-of-pocket expenses, such as telephone, taxi fares, etc.

E. (4) $24.13; (8) $7.53; (9) $31.66; (11) $31.66; (15) $31.66.

A. George Y. Wheeler II, 724 Fourteenth Street NW., Washington, D. C.

B. National Broadcasting Co., Inc., 724 Fourteenth Street NW., Washington, D. C.; and affiliated companies.

C. (1) Indefinite.

C. (2) As part of registrant's duties as assistant vice president of National Broadcasting Co., Inc., Washington office, registrant may engage in activities relating to legislation affecting National Broadcasting Co., Inc., and/or its affiliated companies.

D. (13) No.

E. (7) $86.46; (9) $86.46; (11) $86.46; (15) $86.46.

A. Clem Whitaker, 1 North La Salle Street, Chicago, Ill.; national education campaign.

B. National Education Campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill.; national education campaign.

C. (1) Indefinite.

C. (2) Any legislation for compulsory health insurance, S. 1679, S. 1456, S. 1581, S. 1970, H. R. 345, H. R. 4312.

C. (3) 3,500, Free Americans Receive an Exciting Invitation From the Doctors; 15,135, It's Your Crusade, Too; 70,000, Your Cooperation Can Help; 6,000, The Boys in Room 1106; 2,594,800, Medical Progress versus Political Medicine. Quantities hereinabove stated represent the total quantity of each publication issued during this quarter whether by the National Education Campaign—American Medical Association, Clem Whitaker, or Leone Baxter Whitaker.

D. (4) $5,448.45; (6) $789.05; (7) $6,237.50; (8) $12,500; (9) $18,737.50; (13) yes; (14) $6,237.50, National Education Campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill.

E. (2) $321.87; (7) $452.47; (8) $14.71; (9) $789.05; (10) $4,200.46; (11) $4,989.51; (15) $789.05.

A. Leone Baxter Whitaker, 1 North La Salle Street, Chicago, Ill.; national education campaign.

B. National Education Campaign, American Medical Association, 1 North La Salle Street, Chicago, Ill.; national education campaign.

C. (1) Indefinite.

C. (2) Any legislation for compulsory health insurance, S. 1679, S. 1456, S. 1581, S. 1970, H. R. 345, H. R. 4312.

C. (3) 3,500, Free Americans Receive an Exciting Invitation From the Doctors; 15,135, It's Your Crusade, Too; 70,000, Your Cooperation Can Help; 6,000, The Boys in Room 1106; 2,594,800, Medical Progress versus Political Medicine. Quantities hereinabove stated represent the total quantity of each publication issued during this quarter whether by the National Education Campaign—American Medical Association, Clem Whitaker, or Leone Baxter Whitaker.

D. (5) $5,448.45; (6) $789.05; (7) $6,237.50; (8) $12,500; (9) $18,737.50; (13) yes; (14) $6,237.50, National Education Campaign,

American Medical Association, 1 North La Salle Street, Chicago, Ill.

E. (2) $321.87; (7) $452.47; (8) $14.71; (9) $789.05; (10) $4,200.46; (11) $4,989.51; (15) $789.05.

A. Richard P. White,[9] 636 Southern Building, Washington, D. C.; trade association secretary.

B. American Association of Nurserymen, Inc., 636 Southern Building, Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Any legislation affecting nursery industry directly such as postal legislation, H. R. 2945; social security, H. R. 6000; wage-hour.

D. (5) $2,874.96; (6) $345.77; (7) $3,220.73.

E. (7) $7.23; (9) $7.23.

A. Richard P. White,[9] 636 Southern Building, Washington, D. C.; trade association secretary.

B. American Association of Nurserymen, Inc., 636 Southern Building, Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Any legislation affecting the nursery industry directly.

D. (5) $2,874.96; (6) $158.07; (7) $3,033.03; (8) $3,220.73; (9) $6,253.76.

E. (7) $4.39; (9) $4.39; (10) $7.23; (11) $11.62.

A. Richard P. White, 636 Southern Building, Washington, D. C.; trade association secretary.

B. American Association of Nurserymen, Inc., 636 Southern Building, Washington, D. C.; trade association.

C. (1) Indefinitely.

C. (2) Any legislation affecting the nursery industry directly.

D. (5) $2,874.96; (6) $169.80; (7) $3,044.76; (8) $6,253.76; (9) $9,298.52.

E. (7) $2.95; (9) $2.95; (10) $11.62; (11) $14.57.

A. Albert V. Whitehall, 1756 K Street NW., Washington, D. C.; director, Washington Service Bureau.

B. American Hospital Association, 18 East Division Street, Chicago, Ill.; an association whose membership includes most of the hospitals of the Nation and the Blue Cross plans.

C. Identical with information reported by the American Hospital Association for this same quarter.

D. (5) $1,437.51; (7) $1,437.51; (8) $2,781.26; (9) $4,219.07; (13) no.

E. (7) $80.49; (9) $80.49; (10) $912.31; (11) $992.80.

A. H. Leigh Whitelaw, secretary, National Committee for Repeal of Wartime Excise Taxes, 60 East Forty-second Street, New York, N. Y.

B. National Committee for Repeal of Wartime Excise Taxes, 60 East Forty-second Street, New York, N. Y., a national committee of business executives organized for the purpose of seeking the repeal of the wartime excise taxes (except those on alcohol, tobacco, and gasoline).

C. (1) Indefinitely.

C. (2) Repeal of the excise taxes (other than those on alcohol, tobacco, and gasoline) enacted or increased in 1941, 1942, and 1943.

C. (3) Booklet discussing the "how" and "when" of wartime excise tax repeal; pamphlet entitled "Excise Taxes Should Be Repealed"; prepared for United States Senate Committee on Finance; 2,995 copies; 800 copies; January 12, 1950; July 5, 1950; Dependable Printing Co., Inc.; Byron S. Adams; Washington Post and Times-Herald of January 30, 1950; Daily News and Evening Star of January 31, 1950.

D. (6) $59.90; (7) $59.90; (8) $1,828.88; (9) $1,888.78.

E. (7) $59.90; (9) $59.90; (10) $62.22; (11) $122.12; (15) $59.90.

A. Douglas Whitlock, partner in the law firm, Sanders, Gravelle, Whitlock & Howrey, 1032 Shoreham Building, Washington, D. C.

B. Building Products Institute, 1032 Shoreham Building, Washington, D. C.

C. (1) Indefinitely.

C. (2) All legislation which may affect the producers of building materials.

D. (13) No.

E. (8) $4.10; (9) $5.43; (10) $9.53.

A. Louis E. Whyte, news director, Independent Natural Gas Association of America, 918 Sixteenth Street NW., Washington, D. C.

B. Independent Natural Gas Association of America, 918 Sixteenth Street NW., Washington, D. C.

C. (1) The association is a nonprofit corporation organized and existing for the purpose to promote and advance the welfare, progress and development of natural gas, and therefore one of its major duties is to keep its membership informed regarding all matters of interest to the natural gas industry.

C. (2) No legislation pending during this quarter.

C. (3) The association publishes each week a bulletin which is distributed to its members and which contains factual information of current interest obtained from all departments of the Federal Government and courts; this bulletin is not issued or caused to be issued in connection with the influencing of legislation.

D. (5) $811; (7) $811; (8) $1,622; (9) $2,433.

A. Elizabeth Wickenden, 522 Transportation Building, Washington, D. C., professional public welfare association.

B. American Public Welfare Association, 1313 East Sixtieth Street, Chicago, Ill., professional public welfare association.

C. (1) Indefinitely.

C. (2) H. R. 6000, H. R. 7786.

C. (3) Letter to members, issued monthly.

E. (2) $796.14.

A. Claude C. Wild, Jr., attorney, 605 Commonwealth Building, Washington, D. C. Although the undersigned analyzes and reports to officers of the Mid-Continent Oil and Gas Association and furnishes them with information relating to pending legislation affecting the oil and gas industry, the undersigned's principal purpose is not the passage or defeat of any legislation by the Congress or to influence directly or indirectly the passage or defeat of any legislation by the Congress. It is impossible to allocate the exact portion of my fee which is for services in connection with legislative interests; therefore my total fee, any part of which may be attributable to such legislative matters, is shown. I have incurred no expenses in connection with the passage or defeat of legislation or the influencing of the passage or defeat of legislation by the Congress.

B. Mid-Continent Oil and Gas Association, 308 Tulsa Building, Tulsa, Okla.

C. (1) Indefinitely.

C. (2) I am generally interested in all legislation directly or indirectly affecting the oil and gas industry.

D. (5) $1,800; (7) $1,800; (8) $3,600; (9) $5,400; (13) no.

A. Ernest L. Wilkinson, Francis M. Goodwin, and Glen A. Wilkinson, practicing law under the name of Ernest L. Wilkinson, 744 Jackson Place NW., Washington, D. C.

B. The following information is submitted in response to the quarterly report required under the Federal Regulation of Lobbying Act:

B. Ernest L. Wilkinson is retained as attorney for the following clients, on whose behalf it is sometimes necessary to engage in legislative work: Klamath Tribe of Indians, Klamath Agency, Oregon; Menominee Tribe of Indians, Keshena, Wis.; Ute Tribes of Indians, Fort Duchesne, Utah, and Ignacio, Colo.; Indians of California, care Clyde F. Thompson, post office box 901, Redding, Calif.] Radio Service Corp. of Utah, 10 South Main Street, Salt Lake City, Utah.

C. Klamath Indians:

(1) Indefinitely.

(2) Since the Klamath Indians are subject to jurisdiction of Congress and the Department of the Interior, they are interested in legislation which may affect their status. At the present time they are opposed to enactment of S. 186, S. 188, S. 3965, S. 3966, S. 3967, H. R. 1537, and H. R. 2724. The Klamath Tribe favors enactment of H. R. 5098.

Menominee Indians:

(1) Indefinitely.

(2) Since the Menominee Indians are subject to jurisdiction of Congress and the Department of the Interior, they are interested in legislation which may affect their status. At the present time the Menominee Tribe favors enactment of S. 691, S. 1207, H. R. 1921, and H. R. 1926. The Menominee Tribe is opposed to enactment of S. 186 and H. R. 2724.

Ute Indians:

(1) Legislative interests will continue until cases against the United States now pending in the Court of Claims and before the Indian Claims Commission have been decided.

(2) The Ute Tribes were interested in enactment of the item contained in the supplemental appropriation bill for payment of judgments awarded by the Court of Claims.

California Indians:

(1) Indefinitely.

(2) Since the California Indians are subject to jurisdiction of Congress and the Department of Interior, they are interested in legislation which may affect them. No legislative activities on behalf of the California Indians have been carried on during the third quarter.

Radio Service Corp. of Utah:

(1) Legislative interests of the Radio Service Corp. of Utah probably will cease with the adjournment of the present session of Congress.

(2) Radio Service Corp. of Utah is opposed to enactment of S. 491 and H. R. 4004.

D. (5) All receipts are for legal services and reimbursement of usual and necessary expenses. The following fees were received during the past quarter: Klamath Indians: $1,750, a small portion of which is allocable to legislative activities. Menominee Indians: $997.50, a small portion of which is allocable to legislative activities. Ute Indians: None. California Indians: None. Radio Service Corp. of Utah: No fees received for services in connection with legislative activities.

E. (5) to (8) inclusive. The following expenditures (exclusive of office overhead, the figures for which are not available and would be allocable as well to many clients not requiring legislative services) were made for legislative activities: Klamath Indians: Taxi fares, $1.60; notary fees, 50 cents; total, $2.10. Menominee Indians: No expenditures for legislative activities. Ute Indians: Taxi fares, approximately $5. California Indians: No expenditures for legislative activities. Radio Service Corp. of Utah: No expenditures for legislative activities.

A. Franz O. Willenbucher, 1616 I Street NW., Washington, D. C.; executive vice president and legal counsel.

B. Retired Officers Association, Inc., 1616 I Street NW., Washington, D. C.. Nature of business: Preamble: to inculcate and stimulate love of our country and the flag; and to defend the honor, integrity, and supremacy of our National Government and the Constitution of the United States; to foster

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[9] Amended form filed for second quarter, 1950.

[10] Amended form filed for first quarter, 1950.

fraternal relations between all branches of the various services from which our members are drawn; to aid the retired personnel of the various services from which our members are drawn in every proper and legitimate manner; and to present their rights and interests when service matters are under consideration, we unite to form the Retired Officers Association.

C. (1) Indeterminate.

C. (2) Any and all legislation pertinent to the rights, benefits, privileges, and obligations of retired officers, male and female, Regular and Reserve, and their dependents and survivors, of whatever nature, dealing with personnel matters, pay and retirement benefits and pensions studying and analyzing bills, preparing statements for presentation to the cognizant committee, and drafting amendments where indicated, appearing before committees of Congress, principally the Committee on Armed Services, the Committees on Veterans' Affairs, and the committees dealing with various privileges, opportunities, and obligations of the personnel involved.

C. (3) The Retired Officers Association Bulletin; (a) informational bulletin covering all of the activities of the association; (b) 20,000 per issue; (c) 15th of March, June, September, and December; (d) Graphic Arts Press, Inc.

D. (5) $1,650; (7) $1,650; (8) $3,300; (9) $4,950; (13) no.

A. Martin B. Williams, executive director and treasurer, Life Insurers Conference, 618 Mutual Building, Richmond, Va.

B. Life Insurers Conference, 618 Mutual Building, Richmond, Va.; a voluntary, nonprofit association of 83 life insurance and combination insurance companies, all of which are domiciled in the United States.

C. (1) The period for which legislative interests are to continue is indeterminate.

C. (2) Any legislative matter bearing on the life and combination insurance business and the interests of policyholders; during the past quarter affiant's legislative interests have been related particularly to H. R. 6000 and income tax as it applies to life insurance companies.

D. (5) $145.83; (7) $145.83; (8) $283.33; (9) $429.16; (13) no.

E. (11) $73.50.

A. Williams, Myers & Quiggle, 817 Munsey Building, Washington, D. C.; law partnership.

B. Estate of Eleanor E. Rice, 405 Land Title Building, Philadelphia, Pa.

C. (1) As long as employer's claim for refund of estate tax is pending.

C. (2) Our interest (both general and specific) is amendment of section 811 of the Internal Revenue Code to substantially the effect proposed in the American Bar Association's 1945 recommendations with respect to reverters.

A. C. J. S. Williamson, 421 Shoreham Building, Washington, D. C.; manager, Washington Bureau, California State Chamber of Commerce.

B. California State Chamber of Commerce, 350 Bush Street, San Francisco, Calif.

C. (1) Indefinitely.

C. (2) My duties are to keep my head office advised regarding general major legislation and specific bills or regulations of interest to California economy; I keep in close touch with the members of the California delegation, but do not lobby or attempt to influence legislation.

D. (4) $2,450.

E. (2) $2,000; (7) $450.

A. Carl H. Willingham, attorney, Washington Loan and Trust Building, Washington, D. C.; 4 Park Avenue, New York, N. Y.

B. Oneida, Ltd., Oneida, N. Y.; National Association of Chain Drug Stores, 4 Park Avenue, New York, N. Y.

C. (1) Indefinite period.

C. (2) Tax legislation, wage-price controls, health insurance.

C. (3) Five mimeographed bulletins to 93 companies.

D. (5) $5,250; (7) $5,250; (8) $9,000; (9) $14,250.

E. (4) $100; (5) $56; (7) $250; (9) $406.

A. James L. Wilmeth, 3027 North Broad Street, Philadelphia, Pa.; secretary National Council Junior Order United American Mechanics, a secret, patriotic fraternal organization.

C. (1) Indefinitely.

C. (2) Patriotic legislation restricting immigration, suppressing communism; S. 2311, Communists; S. 2605, cancer; S. 3455, immigration; H. R. 9736, pooling unused immigration quotas; H. R. 9741, naturalization, parents of veterans; H. R. 9758, Communists.

C. (3) Our official organ, the Junior American, furnished 70,000; printed by Kable Bros. Co., Mt. Morris, Ill.

D. (6) $77.05; (7) $77.05; (8) $211.83; (9) $288.88.

E. (8) $77.05; (9) $77.05; (10) $211.83; (11) $288.88.

A. E. Raymond Wilson, 1000 Eleventh Street NW., Washington, D. C., educational-legislative work in Washington and among members of the Society of Friends (a religious body) throughout the country.

B. Friends Committee on National Legislation, 1000 Eleventh Street NW., Washington, D. C. (nature of business same as listed above).

C. (1) An indefinite time—the organization was established on a permanent basis.

C. (2) Working for legislation including the admission of displaced persons, relief of Arab refugees, programs of relief and recovery (ECA, point 4), disposal of agricultural surpluses, Federal aid to education, extension of civil rights (FEPC, antipoll tax, antilynching), and more support of the United Nations and its specialized agencies. Opposition to conscription, the militarization of America, and the shipment of arms abroad.

(3) (a) The Washington Letter, a four- or eight-page publication issued approximately once a month; (b) an average of 12,000 each issue; (c) July 31, August 4, August 29; (d) Drake Press.

D. (5) $1,625; (7) $1,625; (8) $3,250; (9) $4,875; (13) no.

E. (6) $24.99; (7) $376.03; (9) $401.02; (10) $733.83; (11) $1,134.85; (15) $401.02.

A. Everett B. Wilson, Jr., 728 Shoreham Building, Washington, D. C.

B. Association of Sugar Producers of Puerto Rico, 732 Shoreham Building, Washington, D. C.

C. (1) Am employed on annual basis.

C. (2) Not specifically interested in any pending legislation. In general, am interested in legislation pertaining to Puerto Rico or to sugar.

D. (5) $2,250; (7) $2,250; (8) $4,500; (9) $6,750; (13) yes. The following sum is the total amount received for all services: Nothing was spent in connection with legislative interests: $6,750, Association of Sugar Producers of Puerto Rico, January 1 through September 30, 1950, 732 Shoreham Building, Washington, D. C.

A. Frank E. Wilson, M. D., 1523 L Street NW., Washington, D. C.; administrative (Washington office).

B. American Medical Association, 535 North Dearborn Street, Chicago, Ill.; scientific medicine.

C. (1) Indefinite.

C. (2) All bills relating to health and practice medicine.

C. (3) (a) Informational bulletin (multilith); (b) 5,500 copies; (c) irregular intervals; (d) Washington office, A. M. A.

D. (5) $3,451.67; (7) $3,451.67; (8) $7,182.96; (9) $10,634.63; (13) no.

E. (7) $101.53; (8) $100.15; (9) $201.68; (10) $682.98; (11) $884.66; (15) $201.68.

A. Robert J. Wilson, 2003 I Street NW., Washington, D. C.

B. Washington Restaurant Association, 2003 I Street NW., Washington, D. C.; National Restaurant Association, 8 South Michigan Avenue, Chicago, Ill.

A. Everett T. Winter, vice president, Mississippi Valley Association, 719 Omaha National Bank Building, Omaha, Nebr.

B. Mississippi Valley Association, 511 Locust Street, St. Louis, Mo.; midcontinent association of industrial, commercial, and agricultural interests.

C. (1) Legislation relating to river and harbor maintenance and improvement; the American merchant marine; soil conservation; flood control; regulation of domestic transportation.

D. (5) $2,500.

A. Wisconsin Associated Businessmen, Inc.,[4] 231 West Wisconsin Avenue, Milwaukee, Wis.

C. (1) Indefinite.

C. (2) Any legislation affecting business.

D. (1) $300; (6) $290; (7) $590; (8) $2,242.50; (9) $2,832.50; (13) no.

E. (2) $75; (3) $812.50; (4) $12.39; (8) $39.35; (9) $939.24; (10) $678.87; (11) $1,618.11.

A. Wisconsin Associated Businessmen, Inc., 231 West Wisconsin Avenue, Milwaukee, Wis.

C. (1) Indefinite.

C. (2) Any legislation affecting business.

D. (1) $430; (8) $2,495; (9) $2,925; (13) no.

E. (2) $75; (3) $298.84; (4) $40.94; (8) $50.45; (9) $465.23; (10) $754.98; (11) $1,220.21.

A. Wisconsin Railroad Association,[4] 122 West Washington Avenue, Madison, Wis.; unincorporated association of Wisconsin railroads (original filing April 8, 1948).

C. (1) Indefinitely.

C. (2) All legislation affecting railroads and transportation generally; in particular: Senate Resolution 253; H. R. 7789; S. 3295, compulsory union shop; S. 3463, to amend Railway Labor Act (arbitration).

D. (1) $360.55; (7) $360.55; (8) $428.58; (9) $789.13; (13) no.

E. (2) $203; (7) $157.55; (9) $360.55; (10) $428.58; (11) $789.13.

A. Wisconsin Railroad Association, 122 West Washington Avenue, Madison, Wis.; unincorporated voluntary association of Wisconsin railroads. Original filing April 8, 1948.

C. (1) Indefinitely.

C. (2) All legislation affecting railroads and transportation generally; in particular: H. R. 7789, S. 3295, compulsory union shop.

C. (3) None.

D. (1) $1,343.38; (7) $1,343.38; (8) $789.13; (9) $2,132.51; (13) yes; (14) $651.70, Chicago & North Western Ry. System, Chicago, Ill.; $533.55, Chicago, Milwaukee, St. Paul & Pacific R. R. Co., Chicago, Ill.; $1,185.25, total.

E. (2) $726; (6) $18.38; (7) $599; (9) $1,343.38; (10) $789.13; (11) $2,132.51; (16) $1,175.88, August 21 to August 31 and September 11 to September 24, C. A. Hummel, 122 West Washington Avenue, Madison, Wis., salary and expenses; $167.50, August 8 to August 11, Walter Nortman, 122 West Washington Avenue, Madison, Wis., salary and expenses; $1,343.38, total.

A. F. B. Wise, 1424 K Street NW., Washington, D. C.; secretary-treasurer and Washington office manager of an unincorporated, nonprofit organization of domestic producers of inedible animal fats having national headquarters at the same address.

B. National Renderers Association, headquarters, 1424 K Street NW., Washington,

[4] Filed for second quarter, 1950.

D. C.; an unincorporated, nonprofit organization of domestic producers, of inedible animal fats.

C. (1) Probably as long as this individual remains in this capacity with the indicated employer.

C. (2) Any legislation which would specifically have an effect upon the production, consumption, import, export, or taxation of any animal or vegetable fat or oil as well as all general legislation affecting business—particularly small business.

C. (3) As secretary-treasurer and manager of the Washington national headquarters office of the National Renderers Association, part of the duties of the affiant consist in preparing and supervising the issue of periodical informational bulletins to approximately 275 members of the association. Such releases frequently contain reports on the status of legislation in the fields specified in C (2). In addition, the affiant, by virtue of being the chief corresponding officer of the group, occasionally is required to convey, to various congressional sources, the views of the National Renderers Association with respect to the type of legislation described in C (2). However, it is estimated that not more than 20 percent of the time and duties of this affiant are concerned with such procedure or have any relation whatsoever to congressional legislation.

C. (4) The affiant receives a fixed, monthly salary for his services as secretary-treasurer and Washington headquarters office manager of the association. In addition, the affiant receives monthly reimbursement for any cash advance made in connection with association activities, such as postage for the informational bulletins sent out from Washington, local taxi fares in connection with matters pertaining to the association, limited entertainment expenses, etc., and reimbursement for out-of-town travel when on association business. As set forth in (3) above, it is estimated that not more than 20 percent of the sums so received by the affiant could be shown to have any relation whatsoever to legislative matters. The nature and approximate amount of such expenditures is expected to continue along the same lines as long as the affiant continues to be employed in this particular capacity or until such time as the objectives of the employer are altered or there is a redefining of the duties of this particular job. For expenditure amounts involved, see the registration statement of the National Renderers Association.

A. George W. Woodson, 426 North Washington Avenue, Lansing, Mich.; Townsend representative in Michigan.

B. Townsend Plan, Inc., 6875 Broadway, Cleveland, Ohio; promotion of a national insurance plan.

C. (1) As long as need be to get bill through Congress.

C. (2) H. R. 2135.

D. (5) $1,552.62; (7) $1,552.62; (8) $3,150.06; (9) $4,672.68.

E. (5) $114.60; (6) $58.92; (7) $30.25; (9) $203.77; (10) $1,326.12; (11) $1,529.89.

A. Walter F. Woodul, Chronicle Building, Houston, Tex.; attorney at law.

B. Angelina & Neches River Railroad Co., Keltys Tex.; Burlington-Rock Island Railroad Co., Houston, Tex.; The Chicago, Rock Island & Pacific Railway Co., Fort Worth, Tex.; Ft. Worth & Denver City Railway Co., Fort Worth, Tex.; Gulf, Colorado & Santa Fe Railway Co., Galveston, Tex.; The Kansas City Southern Railway Co., Kansas City, Mo.; Louisiana & Arkansas Railway Co., Kansas City, Mo.; International-Great Northern Railroad, Houston, Tex.; Missouri-Kansas-Texas of Texas, Dallas, Tex.; New Orleans, Texas & Mexico Railway Co., Houston, Tex.; Panhandle & Santa Fe Railway Co., Amarillo, Tex.; Paris and Mount Pleasant Railroad Co., Paris, Tex.; Quanah, Acme & Pacific Railway Co., Quanah, Tex.; St. Louis, San Francisco & Texas Railway Co., Fort Worth, Tex.; St. Louis, Southwestern Railway Co. of Texas, St. Louis, Mo.; Southern Pacific Co., San Francisco, Calif.; Texas & New Orleans Railroad Co., Houston, Tex.; Texas South-Eastern Railroad Co., Diboll, Tex.; The Texas & Pacific Railway Co., Dallas, Tex.; The Texas Mexican Railway Co., Laredo, Tex.; The Union Terminal Co., Dallas, Tex.; Wichita Falls & Southern Railroad Co., Wichita Falls, Tex.; The Wichita Valley Railway Co., Fort Worth, Tex.

C. (1) Through year 1950.

C. (2) Generally, legislation affecting Texas railroads. Specifically: St. Lawrence seaway, Senate Resolution 99, House Joint Resolution 61; rivers, harbors, and flood control, H. R. 5472; appropriations, H. R. 7786; transportation investigation, Senate Resolution 50; operating rules bill, H. R. 378 and S. 238; ICC jurisdiction over motor carriers, H. R. 5237, railway-mail bill, S. 1596; postal-rate increases, H. R. 2945; union shop, H. R. 7789 and S. 3295; Kilday motor carrier bill, H. R. 7786; separation of air-mail subsidies, H. R. 2908; Inland Waterways Corporation, H. R. 4978 and S. 211; Panama Canal tolls investigation, House Resolution 44; excise-tax cut before Ways and Means Committee; venue bill, H. R. 7550; basing point, S. 1008.

D. (5) $4,487.91; (7) $4,487.91; (8) $9,469.99; (9) $13,957.90; (13) yes; (14) I have no contributions as such; I am paid a salary of $1,000 a month, plus out-of-pocket expenses, by the 23 Texas railroads named below. The payments shown below cover salary and expenses incurred for months of December 1949, and January, February, March, April, May, June, July, and August 1950, the payments recited being the proportionate share of each for the nine months, less deductions by each covering railroad retirement of Walter F. Woodul, Angelina & Neches River Railroad Co., Keltys, Tex., $29; Burlington-Rock Island Railroad Co., Houston, Tex., $132.64; Chicago, Rock Island & Pacific Railroad Co., Fort Worth, Tex., $541.86; Fort Worth & Denver City Railway Co., Fort Worth, Tex., $844.74; Gulf, Colorado & Santa Fe Railway Co., Galveston, Tex., $1,768.84; Kansas City Southern Railway Co., Kansas City, Mo., $85.87; Louisiana & Arkansas Railway Co., Kansas City, Mo., $176.79; Missouri-Kansas-Texas Railroad Co. of Texas, Dallas, Tex., $1,168.12; International-Great Northern Railroad Co., Houston, Tex., $887.36; New Orleans, Texas & Mexico Railway Co., Houston, Tex., $1,207.90; Panhandle & Sante Fe Railway Co., Amarillo, Tex., $1,579.16; Paris & Mount Pleasant Railroad Co., Paris, Tex., $44.96; Quanah, Acme & Pacific Railway Co., Quanah, Tex., $104.24; St. Louis, San Francisco and Texas Railway Co., Fort Worth, Tex., $137.49; St. Louis, Southwestern Railway Co. of Texas, St. Louis, Mo., $528.63; Southern Pacific Co., San Francisco, Calif., $21; Texas & New Orleans Railroad Co., Houston, Tex., $3,141.21; Texas South-Eastern Railroad Co., Diboll, Tex., $18.96; Texas & Pacific Railway Co., Dallas, Tex., $1,033.47; Texas Mexican Railway Co., Laredo, Tex., $140.29; Union Terminal Co., Dallas, Tex., $15.28; Wichita Falls & Southern Railroad Co., Wichita Falls, Tex., $147.54; Wichita Valley Railway Co., Fort Worth, Tex., $202.55; total, $13,957.90.

E. (6) $116.69; (7) $865.29; (8) $95.06; (9) $1,077.04; (10) $4,277.82; (11) $5,354.86; (15) $1,077.04.

A. Albert Young Woodward,[4] 811 West Seventh Street, Los Angeles, Calif.; regular employee, Signal Oil & Gas Co., currently acting as Washington representative.

B. Signal Oil & Gas Co., 811 West Seventh Street, Los Angeles, Calif., oil production.

C. (1) Indefinitely.

C. (2) In addition to general activities unrelated to legislation, observes, analyzes, and reports on the several items of legislation introduced in Congress affecting oil and gas operations. Specifically interested at present in war powers legislation and proposed legislation affecting disposal of submerged lands.

D. (13) No.

E. (6) $58.51; (7) $673.05; (8) $49.95; (9) $781.51; (10) $895.53; (11) $1,677.04; (15) all.

A. Albert Young Woodward, 811 West Seventh Street, Los Angeles, Calif.; regular employee Signal Oil and Gas Co., currently acting as Washington representative.

B. Signal Oil & Gas Co., 811 West Seventh Street, Los Angeles, Calif.; oil production.

C. (1) Indefinitely.

C. (2) In addition to general activities unrelated to legislation, observes, analyzes, and reports on the several items of legislation introduced in Congress affecting oil and gas operations. Specifically interested at present in war power legislation and proposed legislation affecting disposal of submerged lands.

D. (13) No.

E. (6) $120.29; (7) $1,228.13; (8) $78.68; (9) $1,427.10; (10) $1,677.04; (11) $3,104.14; (15) all.

A. Guy H. Woodward, 605 Commonwealth Building, Washington, D. C., and 302 Public Service Building, Tulsa, Okla.; attorney at law.

B. Mid-Continent Oil and Gas Association (see statement attached to reports for first and second quarters).

C. (1) Indefinitely.

C. (2) All matters affecting the oil and gas industry such as Tidelands, (H. R. 5173), Revenue Revision of 1950 (H. R. 8920), Natural Gas (H. R. 1758), Pricing Practices (S. 1008), Oil Policy bill (H. R. 6047), and other bills directly or indirectly affecting oil and gas industry. (See statement attached to reports for first and second quarters).

D. (5) $6,250; (7) $6,250; (8) $12,500; (9) $18,750; (13) no.

E. (5) $214.91; (6) $786.61; (8) $239.32; (9) $1,240.84; (10) $1,939.20; (11) $3,180.04; (15) $1,240.84.

A. Edward W. Wooton, 900 National Press Building, Washington, D. C.; manager, Washington office, Wine Institute.

B. Wine Institute, 717 Market Street, San Francisco, Calif.; the trade association for the California wine and brandy industry.

C. (1) Indefinitely.

C. (2) General: Legislation affecting California wine and brandy industry. Specific: (1) H. R. 6320, to clarify and extend the authority of the Commissioner of Internal Revenue with respect to unavoidable losses of wine; (2) H. R. 8037, to amend section 2801 (c) (1) of the Internal Revenue Code; (3) H. R. 8527, to amend section 2883 (b) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress; (4) H. R. 9582, to facilitate wine production, to modify present requirements with respect thereto, and for other purposes.

A. Frank W. Wozencraft, 605 Southern Building, Washington, D. C.; attorney.

B. Independent Bankers Association of the Twelfth Federal Reserve District, 802 Failing Building, Portland, Oreg.

C. (2) Bank holding company legislation; S. 2318, H. R. 5744.

D. (5) $2,000; (7) $2,000; (8) $6,000; (9) $8,000; (13) no.

E. (6) $206.27; (7) $500; (9) $706.27; (10) $1,773.32; (11) $2,479.59; (12) $62.28; (14) $643.99; (15) $706.27.

A. Wyatt, Grafton & Grafton, Marion E. Taylor Building, Louisville, Ky.; practice of law.

B. First Kentucky Co., Fifth and Court Place, Louisville, Ky.; investing in securities.

C. (1) Indefinite.

C. (2) To preserve the right of the First Kentucky Company to continue in business

[4] Filed for second quarter, 1950.

in its present relationship to the First National Bank of Louisville and the Kentucky Trust Company. (a) "Bank Holding Company Act of 1950"; (b) S. 2318 and S. 3547.

D. (13) No.

E. (6) $4.72; (9) $4.72; (10) $208.14; (11) $212.86; (15) $4.72.

A. Joseph M. Wyatt, 501 Keyser Building, Baltimore, Md.; attorney at law.

B. District Cab Co., Inc.; Washington Bell Cab Co., Inc.; Washington Cab Association, Inc.; Premier Cab Association; Eagle Cab Co., Inc.; G. & M Motors, Inc.; (Century) Columbia Cab Co., Inc.; Yellow Cab Co. of Washington, D. C., Inc.; Skyview Cab Co., Inc., and Diamond Cab Co.

C. (1) December 31, 1950.

C. (2) House bill 4281; Senate bill 1909.

C. (3) See report filed July 10, 1950.

D. (13) No.

E. (7) $64.60; (9) $64.60; (10) $158.25; (11) $222.85.

A. Robert H. Wyatt, executive secretary, Indiana State Teachers Association, 203 Hotel Lincoln, Indianapolis, Ind.

B. Indiana State Teachers Association (an organization affiliated with, but not a part of, the National Education Association of the United States), 203 Hotel Lincoln, Indianapolis, Ind.

C. (1) Indefinite.

C. (2) Bills pending before the Eighty-first Congress relating to public education. Primary interest in S. 246, H. R. 5939, H. R. 7160.

E. (10) $791.14; (11) $791.14.

A. Wilson W. Wyatt, Wyatt, Grafton & Grafton, Marion E. Taylor Building, Louisville, Ky.; legal services.

B. National Committee for Repeal of Wartime Excise Taxes, 60 East Forty-second Street, New York, N. Y.; a national committee of business executives organized for the purpose of seeking the repeal of the wartime excises (except those on alcohol, tobacco, and gasoline).

C. (1) Indefinitely.

C. (2) Repeal of the excise taxes (other than those on alcohol, tobacco, and gasoline) enacted or increased in 1941, 1942, and 1943; (a) Revenue Act of 1950; (b) H. R. 8920.

C. (3) In addition to those heretofore reported: (a) Pamphlet entitled "Excise Taxes Should Be Repealed," prepared for the United States Senate Committee on Finance; (b) 800 copies; (c) July 5, 1950; (d) Byron S. Adams.

D. (5) $7,500; (6) $1,597.70; (7) $9,097.77; (8) $22,254.84; (9) $31,352.61; (13) no.

E. (4) $77.05; (6) $263.55; (7) $746.84; (9) $1,087.44; (10) $2,211.19; (11) $3,298.63; (15) $1,087.44.

A. Donald A. Young, 1615 H Street NW., Washington, D. C.

B. Chamber of Commerce of the United States, 1615 H Street NW., Washington, D. C.

C. (1) Indefinite.

C. (2) Listed below are bills in which the chamber has legislative interests: H. R. 8920, proposed Revenue Act of 1950; S. 705, equal pay for equal work for women; H. R. 6000, Social Security; S. 2311, protect United States against subversive activities; H. R. 8923, Post Office (Federal personnel); H. R. 7824, efficiency ratings (Federal personnel); H. R. 7941, Federal Highway Act of 1950; S. 3830, hiring (Federal personnel); Senate Joint Resolution 195, interim development and operation of the submerged lands of the Continental Shelf; H. R. 4997, create in the Labor Department a Bureau of Accident Prevention; S. 4062, universal military training.

D. (5) $1,500; (7) $1,500; (8) $3,000; (9) $4,500.

E. (6) $2.13; (7) $10.24; (8) $12.37; (9) $71.39; (10) $83.76.

A. Robert R. Young, chairman, Federation for Railway Progress, 4500 Chrysler Building, New York, N. Y.

B. Federation for Railway Progress, 4500 Chrysler Building, New York, N. Y.; a nonprofit, unincorporated association to further the national railroad transportation policy as set forth in the Interstate Commerce Act; also, publisher of a monthly magazine called Railway Progress.

A. Young Women's Christian Association of the United States of America, national board, 600 Lexington Avenue, New York, N. Y.

C. (1) Indefinitely; work on current specific pieces of legislation continues throughout the triennium between national conventions.

C. (2) (a) amendment to the Displaced Persons Act; amendment to the Fair Labor Standards Act; grants-in-aid for local public health departments; civil-rights bills; Federal aid to education; ratification of the Genocide Convention of the United Nations; opposition to equal-rights amendment; point 4; (b) H. R. 4567; H. R. 5856; H. R. 5865; H. R. 4453; H. R. 4643; no actual bill on ratification of the convention regarding genocide; equal-rights bill; S. 2917.

C. (3) One publication has been issued entitled "Taking a Hand in International Relations" in 1950; it did not deal with legislation; public affairs pamphlets (printed) are issued four times a year; they are not issued to promote specific pieces of legislation but are designed primarily as citizenship education; occasional news letters are issued; these are mimeographed and at times give information on specific bills; they, too, are intended primarily for citizenship education.

C. (4) (a) Compensation is by the month; (b) rate is approximately $160 a month for the person registering and a secretary; (c) legislative work is only a minor part of the work of the public affairs secretary; (d) expenses amount to approximately $120 a month for stenographic help, travel, mimeographing, stationery, postage, telephone, telegraph.

A. Zimmerman & Norman,[4] 1709 Harris Trust Building, 111 West Monroe Street, Chicago, Ill.; lawyers.

C. (1) Uncertain; dormant during second quarter of 1950. This report filed to maintain registration.

A. Zimmerman & Norman, 1709 Harris Trust Building, 111 West Monroe Street, Chicago, Ill.; lawyers.

C. (1) Uncertain; dormant during third quarter of 1950; this report filed to maintain registration.

A. O. David Zimring, an individual, lawyer, 1029 Vermont Avenue NW., Washington, D. C. (also has business address at 11 South La Salle Street, Chicago, Ill.).

B. Amalgamated Association of Street, Electric Railway and Motor Coach Employees of America, A. F. of L., 1214 Griswold Street, Detroit, Mich.; an unincorported labor organization headed by A. L. Spradling, its international president, 1214 Griswold Street, Detroit, Mich.

C. (1) Legislative interests will not continue, but this is not a final report, inasmuch as my receipts from the employer will not reach me until the fourth quarter 1950, or later; my bills are rendered against the employer semiannually.

C. (2) The primary legislative interest was in the social-security amendments, H. R. 6000, as found in Senate Report No. 1669, Calendar No. 1680; these amendments have been adopted and have been approved by the President of the United States, Public Law 734.

C. (3) The association (employer) publishes The Union Leader, a weekly journal, for its members in the Chicago area; also the Motorman, Conductor, and Motor Coach Operator, a monthly journal, for its members in the United States and Canada; these publications are not primarily concerned with legislative interests, but have contained in the past and will publish in the future news stories, reports, and recommendations involving pending or suggested legislation.

C. (4) This is not a preliminary report, nor a final report; the final report will be filed after the employer has paid for the legislative services of myself and the members of my staff.

D. There were no receipts during second or third quarters in connection with legislative interests; I expect to receive same during the fourth quarter; my bills against the employer are rendered semiannually.

E. (2) $3,800; (4) $51.60; (6) $257.53; (9) $4,109.19; (11) $4,109.19; (15) $4,109.19.

[4] Filed for second quarter 1950.

SENATE

TUESDAY, NOVEMBER 28, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, who dost overarch our transiency with Thine everlastingness and dost undergird our weakness with Thy strength; in a shaken world, amid the tensions of these terrific days, we seek in Thy presence a saving experience of inner quiet and certainty. As we come, sobered by great issues and faced by great decisions, we have the awful consciousness that we are being died for in a bitter, frozen, alien land.

Give us that penitence for our own sins, our own betrayals of our threatened freedom, that shall enable us to put on the whole armor of God as we fight against the rulers of the darkness of this world, against spiritual wickedness in high places. In this anxious day may we find the calming assurance that—

"Conquer, we must, for our cause it is just,
While this is our motto, in God is our trust."

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, November 27, 1950, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, communicated to the Senate the intelligence of the death of Hon. HERBERT A. MEYER, late a Representative from the State of Kansas, and transmitted the resolutions of the House thereon.

LEAVES OF ABSENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. PEPPER was excused from attendance on the sessions of the Senate for an indefinite period.

On request of Mr. LUCAS, and by unanimous consent, Mr. MCCARRAN was excused from attendance on the sessions of the Senate for the remainder of the week.

On request of Mr. LUCAS, and by unanimous consent, Mr. NEELY was excused

from attendance on the session of the Senate today.

On his own request, and by unanimous consent, Mr. HICKENLOOPER was excused from attendance on the sessions of the Senate tomorrow and the remainder of this week.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	George	Magnuson
Anderson	Gillette	Martin
Benton	Green	Maybank
Brewster	Gurney	Millikin
Bricker	Hayden	Myers
Bridges	Hendrickson	O'Conor
Butler	Hickenlooper	O'Mahoney
Byrd	Hill	Robertson
Cain	Hoey	Russell
Capehart	Holland	Saltonstall
Chapman	Hunt	Schoeppel
Clements	Ives	Smith, Maine
Connally	Johnson, Colo.	Smith, N. J.
Cordon	Johnson, Tex.	Smith, N. C.
Darby	Johnston, S. C.	Stennis
Donnell	Kerr	Taft
Douglas	Kilgore	Taylor
Downey	Langer	Thomas, Okla.
Dworshak	Leahy	Thomas, Utah
Eastland	Lehman	Thye
Ecton	Lucas	Tobey
Ellender	McCarthy	Watkins
Ferguson	McClellan	Wherry
Flanders	McFarland	Wiley
Frear	McKellar	Williams
Fulbright	McMahon	Young

Mr. MYERS. I announce that the Senator from New Mexico [Mr. CHAVEZ] is absent on official business as chairman of the Committee on Public Works.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

The Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. MCCARRAN], the Senator from West Virginia [Mr. NEELY], and the Senator from Florida [Mr. PEPPER] are absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business, as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from California [Mr. KNOWLAND], the Senator from Oregon [Mr. MORSE], the Senator from South Dakota [Mr. MUNDT], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Missouri [Mr. KEM] and the Senator from Nevada [Mr. MALONE] are absent on official business of the Committee on Public Works.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

ADMINISTRATIVE EXPENSE AUTHORIZATION OF COMMODITY CREDIT CORPORATION

A letter from the Director of the Executive Office of the President, Bureau of the Budget, Washington, D. C., reporting, pursuant to law, on the administrative expense authorization of the Commodity Credit Corporation, for the fiscal year 1951 (with an accompanying paper); to the Committee on Appropriations.

LAW ENACTED BY LEGISLATIVE ASSEMBLY OF VIRGIN ISLANDS

A letter from the Secretary of the Interior, transmitting, pursuant to law, a copy of a law enacted by the Legislative Assembly of the Virgin Islands (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AUDIT REPORT ON GORGAS MEMORIAL INSTITUTE OF TROPICAL AND PREVENTIVE MEDICINE, INC.

A letter from the Acting Comptroller General, transmitting, pursuant to law, an audit report on the Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., for the year ended June 30, 1950 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution of the House of Delegates of the State of Maryland; to the Committee on Banking and Currency:

"House Resolution 5

"Resolution informing the Congress of the United States that the people and government of the State of Maryland are ready and willing to pledge their full support to any legislation that the Congress may enact for the mobilization of the manpower, agriculture, industries, and finances of the Congress to meet any and all aggression against the freedom and liberties of any country

"Whereas the invasion of South Korea by Communist North Korea has informed the people throughout the world that unless such aggression is repelled, it will only be a question of time until aggression will appear in other parts of the world; and

"Whereas such continued aggression will result in another disastrous world war in which the liberties and freedom of all peoples will not only be endangered but may be absolutely destroyed; and

"Whereas it is of the highest importance that the American people devote all of their energies and efforts toward the complete mobilization of the industries, agriculture, and finances as well as of the manpower of the country, if the Congress so enact, in order to be prepared to resist and overcome all aggression: Now, therefore, be it

"Resolved by the House of Delegates of Maryland, That the Congress of the United States be informed that the people and government of the State of Maryland hereby pledge their full and complete support for any legislation which the Congress may enact for the complete mobilization of the manpower, industries and finances of the country in order to protect and defend the freedom and liberties of all people by resisting aggression wherever and whenever it may occur; and be it further

"Resolved, That the secretary of state of Maryland be and she is hereby requested to send under the great seal of the State of Maryland copies of this resolution to the President of the United States, the President of the United States Senate, the Speaker of the House of Representatives of the United States Congress, the Secretary of State, the Secretary of Defense, and to each Representative of the State in the Congress of the United States from the State of Maryland."

A joint resolution of the Legislature of the State of California; to the Committee on Agriculture and Forestry:

"Senate Joint Resolution 4

"Joint resolution relative to memorializing Congress and the Department of Agriculture to have research and investigation on beet leafhoppers in California undertaken by the United States Bureau of Entomology and Plant Quarantine

"Whereas the United States Bureau of Entomology and Plant Quarantine, from 1927 to 1943, conducted research and investigational work on the life history, migrations, habits, and destructive proclivities of the beet leafhopper, a pest of important susceptible crops grown in California through transmission thereto of curly top disease virus; and

"Whereas the finding from such activities proved helpful to other official agencies and to private groups in their efforts to develop control procedures against said beet leafhoppers; and

"Whereas there have been recurrences of crop damage from said virus-caused malady in recent years, thereby making it increasingly important that additional data be supplied to supplement that heretofore developed as an aid to the beet leafhopper suppression program by official State and county agricultural agencies: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Congress of the United States and the Secretary of Agriculture be respectfully memorialized to again have research and investigations on beet leafhoppers in California undertaken by the United States Bureau of Entomology and Plant Quarantine either as a special project or as a part of similar work now being carried on in other Western States to which the California project was transferred in 1943; and be it further

"Resolved, That the secretary of the Senate is directed to transmit a copy of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to each Senator and Representative from California in the Congress of the United States, to the Secretary of Agriculture, to the head of the United States Agricultural Research Administration, and to the Chief of the United States Bureau of Entomology and Plant Quarantine."

A joint resolution of the Legislature of the State of California; to the Committee on Armed Services:

"Senate Joint Resolution 1

"Joint resolution relative to the United States Marines

"Whereas the United States Marine Corps was originally organized on November 10, 1775, when the Second Continental Congress of the United States authorized two battalions of marines for the new Navy; and

"Whereas since the first historic landing of the Marines on the Bahamas during the Revolutionary War the Marine Corps has devoted 175 years of faithful and courageous service to the defense of the United States; and

"Whereas during World War I the United States Marine Corps valiantly distinguished itself serving with the Army during the battles of Belleau Wood, Aisne-Marne, St. Mihiel, Blanc Mont, and Meuse-Argonne; and

"Whereas this generation should never forget the role of the United States Marines in World War II, nor could it forget the United States Marines' part in the courageous defenses of Wake Island, Midway, and Corregidor, nor the heroism of the United States Marines in the battles of Guadalcanal, Bougainville, Tarawa, Saipan, Guam, Tinian, Iwo Jima, and Okinawa, to name but a few; and

"Whereas the United States Marines throughout their history have shown excellent coordination in using their tremendous striking power for the maximum effects, and have shown excellent cooperation with the Army and Navy forces in keeping wars on foreign shores and away from our homeland; and

"Whereas the United States Marines at present are again demonstrating to the world their bravery and power in their attacks on Inchon and Seoul in South Korea; and

"Whereas the multitude of American boys and young men, among them many thousands of Californians, who have volunteered and are serving, and who are now volunteering for service with the United States Marines are to be highly commended on joining the Marines, our first line of defense, and the outfit first to face the enemy: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California hereby highly and heartily commends the United States Marines for their courage, bravery, coordination, cooperation with other branches of the Armed Forces, and, in short, the fulfillment of their motto 'semper fidelis'; and be it further

"Resolved, That the secretary of the Senate is hereby requested to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Banking and Currency:

"Assembly Joint Resolution 1

"Joint resolution relating to memorializing the President and Congress of the United States in respect to residential construction

"Whereas there is still a shortage of homes for veterans within this country; and

"Whereas this shortage is particularly noticeable in California because of the large veteran population in the State; and

"Whereas the Congress has recently indicated as a part of the Defense Production Act of 1950 that veterans credit preferences, provided by the Servicemen's Readjustment Act and the laws creating a 100-percent Government secondary market for loans made under it, should and must be preserved: Now, therefore, be it

"Resolved by the Assembly and Senate of the State of California, (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to channel the majority of residential construction into the home loan program of the Servicemen's Readjustment Act of 1944, as amended, by a zealous regard for the preferences accorded veterans by this act and the Defense Production Act of 1950; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Foreign Relations:

"Senate Joint Resolution 5

"Joint resolution relative to requesting the United States State Department to make available to the California Senate investigating committee on education certain information relating to Californians traveling to and from the Union of Soviet Socialist Republics

"Whereas there are two major powers in the world today, the United States and the Union of Soviet Socialist Republics; and

"Whereas the Soviet Government is currently engaged in world-wide conspiracy to incite civil war in the free nations and has a powerful secret conspiracy organized and active in this country which presents a clear and present danger to our national safety; and

"Whereas the Soviet conspiracy communications operate by means of couriers between this country and Moscow; and

"Whereas the senate investigating committee on education in pursuing its inquiry into Communist propaganda has requested information from the United States State Department about the names of Californians obtaining passports to travel to and from the Soviet; and

"Whereas it is evident that contacts between the Communist organization in California and the Soviet Government are being maintained by couriers who travel on passports; and

"Whereas it would be very helpful to the senate interim committee on education to identify these important agents of the Soviet engaged in conspiracy to overthrow our Govment, both State and National: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California hereby urgently requests the Representatives in Congress from the State of California to do everything in their power to make available to the senate interim committee on education the information requested about Californians traveling to and from the Soviet; and be it further

"Resolved, That the secretary of the senate is hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Interior and Insular Affairs:

"Assembly Joint Resolution 4

"Joint resolution relating to memorializing the President and the Congress of the United States in respect to the welfare and recreational needs of servicemen training in California

"Whereas there will soon be training in California the largest peacetime Armed Force in history; and

"Whereas many of the bases at which training is taking place are located near smaller communities; and

"Whereas the State of California and these communities desire to provide welfare and recreational services within their means; and

"Whereas the means of many of these local communities are limited to the extent that it is beyond their capacity to provide adequate welfare and recreational services to both the civilian population and the Armed Forces; and

"Whereas adequate welfare and recreational facilities of such communities are vital to the morale of the Armed Forces: Now, therefore, be it

"Resolved by the Assembly and the Senate of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to recognize the need of adequate recreational facilities and programs in these communities by appropriating Federal grants-in-aid for apportionment by the State to communities adjacent to military bases to meet these needs; and be it further

"Resolved, That the chief clerk of the assembly be hereby directed to transmit copies of this resolution to the President of the United States, to the President of the Senate, and the Speaker of the House of Representatives, to the National Security Resources Board, the President's Committee on Religion and Welfare of the Armed Forces, and to each Senator and Representative from California in the Congress of the United States."

A joint resolution of the Legislature of the State of California; to the Committee on Labor and Public Welfare:

"Senate Joint Resolution 3

"Joint resolution relative to the priority of schools under Federal allocation program affecting construction

"Whereas the population of California has increased 52 percent during the 10-year period from 1940 to 1950; and

"Whereas there are nearly as many children of preschool age now in California as there are children in the first nine grades; and

"Whereas public-school enrollment in California will increase 1,000,000 during the next 10 years according to conservative estimates; and

"Whereas California urgently needs additional classrooms and must replace additional rooms in buildings now inadequate; and

"Whereas the people of California have heavily bonded themselves to meet the most emergent needs of their children, and now find that there is a danger material allocations may interfere with this urgent program of school construction: Now, therefore, be it

"Resolved by the Senate and Assembly of the State of California (jointly), That the Legislature of the State of California respectfully memorializes the President and the Congress of the United States to consider in any allocations program affecting construction that schools have an importance second only to defense needs, and that our educational program must be carried on for the sake of this freedom and way of life we cherish and defend; and be it further

"Resolved, That the secretary of the senate be hereby directed to transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, and to each Senator and Representative from California in the Congress of the United States."

A resolution of the Senate of the State of California; to the Committee on the Judiciary:

"Senate Resolution 13

"Resolution relative to commending the Federal Bureau of Investigation

"Whereas thoughtful Americans are convinced that the present time is one fraught with great national peril and a time in which American institutions and American freedom are in jeopardy; and

"Whereas more alarming than the enmity of people of foreign lands who have been victimized by vicious propaganda is the disloyalty of people within our own ranks who have succumbed to the same propaganda, and the unbridled activity of enemy agents in our midst; and

"Whereas it is a matter of great comfort and assurance to the American people to know that various organizations charged with the investigation of un-American activities, in particular the Federal Bureau of

Investigation, have kept close watch upon the activities of subversive groups and individuals and are rendering the American people a service of inestimable value in defending us from the vicious activities of the traitor and the spy: Now, therefore, be it

"*Resolved by the Senate of the State of California*, That we commend the Federal Bureau of Investigation and its Director, J. Edgar Hoover, for the excellent work that has been accomplished and for the diligence, courage, and foresight which have been demonstrated; and be it further

"*Resolved*, That the secretary be and he is hereby directed to forward a copy of this resolution to the Federal Bureau of Investigation, the President of the United States, the President of the United States Senate, and the Speaker of the House of Representatives."

A concurrent resolution of the Legislature of the Territory of Hawaii; to the Committee on Interior and Insular Affairs:

"Senate Concurrent Resolution 9

"Concurrent resolution requesting the Congress of the United States of America to pass legislation to extend the Federal reclamation program to cover the Territory of Hawaii and its reclamation and irrigation needs

"Whereas there exists a very definite need in the Territory of Hawaii for more local production of our own foodstuffs in order to achieve a greater degree of self-sufficiency; and

"Whereas the Territory's lack of mineral or other extractive natural resources, and the physical limitations of its industrially productive capacity make adjustments to economic change more difficult than in other communities of more diversified economic activity; and

"Whereas Hawaii's terrain, climate, resources, and population are best suited to agricultural activities and a definite need exists for more diversified truck farmers in order to supply the basic needs of the Territory which must now be imported almost wholly from the mainland; and

"Whereas there is also great need for a stabilized agricultural industry which can capitalize on our year-round good climate and which is not dependent on a national or world market; and

"Whereas sizable areas of territorial land exist which are either idle or low-usage tracts due to the lack of water and which could be used with adequate irrigation to assimilate a good portion of the present unemployed, providing them with a gainful occupation and developing a strong basic industry of truck farming to help stabilize the over-all economy of Hawaii; and

"Whereas on virtually every island goodly quantities of water run into the ocean unused which might be diverted through irrigation projects to the areas needing only the water to convert the land into top-producing farmlands; and

"Whereas the establishing of such irrigation projects and the building of a substantial truck-farming industry in Hawaii would not only protect the islands against serious food and stock feed shortages due to interruption of shipping facilities through either wars, strikes, or other emergencies, but also make possible a produce export business to certain parts of the mainland United States during the winter months, as well as opening the possibility of developing some small hydroelectric power projects; and

"Whereas this program is a long-range answer to the need for the relocation and reestablishment of people on the land who left it during the recent war and in so doing also answers a long-standing need for home and land ownership for more people in Hawaii; and

"Whereas Congress has authorized the Federal Reclamation Bureau to make surveys of reclamation needs and potentials in various sections of the United States; and

"Whereas it has been pointed out to certain members of this legislature who conferred with the Department of Interior authorities and Congressmen during the Senate statehood hearing in May of this year that Hawaii could feasibly be included in the Federal reclamation program contingent only upon approval of such inclusion through the legislative process; and

"Whereas there exists among many Member of Congress and in the Interior Department an expressed and recorded sympathy for such projects: Now, therefore, be it

"*Resolved by the senate of the twenty-fifth legislature (the house of representatives concurring)*, That the Congress of the United States of America be and is hereby respectfully requested to introduce legislation and favorably consider at their earliest convenience such legislation which will extend to the Territory of Hawaii the benefits and privileges of the Federal reclamation program which has been implemented to develop the previously arid and nonproductive areas of the western United States into higly useable and productive lands today; and be it further

"*Resolved*, That certified copies of this concurrent resolution be transmitted to the President of the United States, the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, the Delegate to Congress from the Territory of Hawaii, and the Secretary of the Interior."

A concurrent resolution of the Legislature of the Territory of Hawaii; ordered to lie on the table:

"Senate Concurrent Resolution 6

"Concurrent resolution requesting the Congress of the United States to grant statehood to Hawaii

"Whereas the people of the Territory of Hawaii did establish a constitutional convention for the drafting of a constitution for the proposed State of Hawaii; and

"Whereas the Twenty-fifth Legislature of the Territory of Hawaii has been and is now convened in special session to provide for the submission to the people of the Territory of Hawaii the proposed constitution drafted in the aforesaid convention; and

"Whereas the Legislature of the Territory of Hawaii has, in said special session, approved the constitution in its entirety as it was drafted by the constitutional convention and has now enacted the necessary legislation to permit the people of Hawaii to express, at the general election to be held on November 7, 1950, their ratification or rejection of this constitution; and

"Whereas it is clearly indicated that the people of the Territory of Hawaii will overwhelmingly endorse and approve the adoption of the constitution drafted and submitted to them, and thereby establish beyond any reasonable or possible doubt the profound desire of the people of the Territory to be granted statehood; and

"Whereas the Congress of the United States has repeatedly considered the question of granting statehood to the Territory of Hawaii, and the Eighty-first Congress of the United States now has before it the question of Hawaiian statehood; and

"Whereas Hawaii has abundantly demonstrated its capacity and complete qualifications for admission to the sisterhood of sovereign States that comprise the great United States: Now, therefore, be it

"*Resolved by the Senate of the Twenty-fifth Legislature of the Territory of Hawaii, in special session assembled (the House of Representatives concurring)*, That the Congress of the United States be and it is hereby requested to grant statehood to the Territory of Hawaii, by passage of H. R. 49 now pending before the Congress of the United States with such amendments thereto as may be appropriate for the immediate admission of Hawaii as a State; and be it further

"*Resolved*, That duly certified copies of this concurrent resolution be forwarded to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the Congress of the United States, to the Secretary of the Interior, and to the Delegate to the Congress from Hawaii."

A resolution of the Legislative Assembly of the Virgin Islands; to the Committee on Finance:

"Resolution of the Fifteenth Legislative Assembly of the Virgin Islands of the United States, first session 1950, expressing the gratitude and appreciation of the people of the Virgin Islands to the President and Congress of the United States for the inclusion of said islands in the social-security program embodied in public law 734, Eighty-first Congress

"Whereas for years the Virgin Islands of the United States have been consistently left out of the benefits and of the social legislation adopted by the Congress of the United States and made applicable to the States of the Union and the Territories and island possessions of the United States; and

"Whereas the Virgin Islands, due to this consistent omission and the scarcity of natural resources, have been in great need of a social security program far beyond the ability of its constituent municipalities to afford; and

"Whereas during the last few years, title V of the Federal Social Security Act adopted by the Congress of the United States on August 14, 1935, including maternal and child health service, crippled children services, and child welfare services, was made applicable to the Virgin Islands, but was clearly inadequate to meet the wide-spread need for social-security benefits existing in the islands; and

"Whereas when Public Law 734, Eighty-first Congress, was before the Congress for hearings, a subcommittee of the Ways and Means Committee of the United States House of Representatives, under the capable chairmanship of Representative SYDNEY CAMP, visited the Virgin Islands, held hearings, and made a report in which the committee highly recommended the application of the expanded social-security program embodied in Public Law 734, Eighty-first Congress to the Virgin Islands; and

"Whereas in conformity with this recommendation the Congress of the United States adopted Public Law 734, Eighty-first Congress including the Virgin Islands of the United States as one of the areas to benefit from the following titles thereof:

"Title I. Old-age assistance;

"Title II. Old-age and survivors insurance;

"Title IV. Aid to dependent children;

"Title X. Aid to the blind; and

"Title XIV. Aid to the permanently and totally disabled; and

"Whereas the people of the Virgin Islands are deeply grateful and appreciative to the President and Congress of the United States for having included them in the much needed social-security program embraced in this act and desire, through their duly elected representatives in the legislative assembly, to so express themselves to the Federal Government: Now, therefore, be it

"*Resolved, and it is hereby resolved by the legislative assembly in session assembled*, That the people of the Virgin Islands, through the Legislative Assembly of the Virgin Islands, hereby express to the President and Congress of the United States their heartfelt gratitude and appreciation for including the Virgin Islands in the aforementioned titles of Public Law 734, Eighty-first Congress; and be it further

"*Resolved, and it is hereby further resolved*, That this resolution be engrossed and

forwarded to the President of the United States and the Senate and House of Representatives of the United States; and that copies thereof be transmitted to the Secretary of the Interior and the Governor of the Virgin Islands."

Two resolutions of the Legislative Assembly of the Virgin Islands; to the Committee on Interior and Insular Affairs:

"Resolution of the Fifteenth Legislative Assembly of the Virgin Islands of the United States, first session, 1950, petitioning the Eighty-first Congress of the United States to amend the Organic Act of the Virgin Islands to provide for a Resident Commissioner from the Virgin Islands

"Whereas on April 1, 1949, the Committee on Public Lands, to whom was referred the bill (H. R. 2988) to provide for a Resident Commissioner from the Virgin Islands, recommended that the bill be favorably acted upon; and

"Whereas although the Congress of the United States recognizes the justice and value of affording representation to its Territories and possessions through locally elected delegates, it has failed to extend this privilege to the Virgin Islands; and

"Whereas the Congress of the United States is aware that the people of the Virgin Islands are literate and politically alert to assume a greater degree of self-government; and

"Whereas the people of the Virgin Islands have repeatedly petitioned the Congress of the United States to permit them to be represented in Congress: Now, therefore, be it

"Resolved, and it is hereby resolved by the legislative assembly in session assembled, That the Congress of the United States be and it is hereby petitioned, in consideration of the foregoing, to amend the Organic Act of the Virgin Islands to provide for a Resident Commissioner from the Virgin Islands; and be it further

"Resolved, and it is hereby further resolved, That this resolution be forwarded to the Congress of the United States and that copies thereof be submitted to the Secretary of the Interior, the Director of the Division of Territories and Island Possessions, and the Governor of the Virgin Islands, and that same be widely publicized."

"Resolution of the Fifteenth Legislative Assembly of the Virgin Islands of the United States, first session 1950, petitioning the Eighty-first Congress of the United States to authorize payment into the treasury of the Virgin Islands of all taxes collected under the internal revenue laws of the United States on articles produced in the Virgin Islands and transported to the United States of America

"Whereas all liquors and articles produced in the Virgin Islands and transported to the United States are subject to the Federal internal revenue tax provided in the United States Code; and

"Whereas while the island of Puerto Rico and other Territories of the United States are authorized to receive the taxes collected in the United States on articles produced in those islands, the Virgin Islands, which are in dire need, do not enjoy this privilege; and

"Whereas if the taxes collected in the United States on articles produced in the Virgin Islands were returned it would greatly strengthen the economic structure of the islands and would make them less dependent on deficit appropriations or other aid from the United States; and

"Whereas the Virgin Islands are in a financial plight, and if we are properly to continue to maintain our public services, departments, and democratic institutions, this situation must be rectified immediately: Now, therefore, be it

"Resolved and it is hereby resolved, by the Legislative Assembly of the Virgin Islands in session assembled, That the Congress of the United States be and is hereby petitioned to enact legislation to authorize payment into the treasury of the Virgin Islands of all taxes collected on liquors and articles produced in the Virgin Islands and transported to the United States; and be it further

"Resolved and it is hereby further resolved, That copies of this resolution be forwarded to the President of the United States, President of the Senate, Speaker of the House of Representatives, majority leaders of the Senate and House, chairman of the Senate Interior and Insular Affairs Committee, chairman of the House Public Lands Committee, chairman of the Appropriations Committee, chairman of the House Ways and Means Committee, the Department of the Interior, the Director of the Division of Territories and island possessions, the Governor of the Virgin Islands, chairman of the Democratic National Committee, chairman of the Republican National Committee, and the chairman of the Insular Democratic Committee of the Virgin Islands."

A resolution adopted by the students and faculty of the summer session of Garrett Biblical Institute of Evanston, Ill., relating to the furnishing of surplus wheat to the people of India; to the Committee on Agriculture and Forestry.

A letter in the nature of a petition from the West Sangamon Woman's Missionary Union, Sangamon County, Ill., signed by Ruth Douglas, president, and Mrs. Calista E. Anthony, secretary, relating to the furnishing of 10,000,000 bushels of wheat to the people of India; to the Committee on Agriculture and Forestry.

A letter in the nature of a petition from the Woman's Society of Christian Service of the Methodist Church of Loami, Ill., signed by Mrs. Fred Brown, president, and Mrs. R. N. McClaim, secretary, relating to the release of 10,000,000 bushels of wheat to the people of India; to the Committee on Agriculture and Forestry.

A letter in the nature of a petition from the Baptist Women's Society, New Berlin, Ill., signed by Mrs. Elmer Carriger, secretary, relating to the immediate release of surplus wheat to the people of India; to the Committee on Agriculture and Forestry.

A resolution adopted by Local No. 9, Industrial Union of Marine and Shipbuilding Workers of America, at San Pedro, Calif., favoring the enactment of legislation to provide adequate appropriations for the repair and construction of ships as requested by the Maritime Administration; to the Committee on Appropriations.

Resolutions adopted by the AMVETS Auxiliary National Convention, the Fifty-second National Encampment of the United Spanish War Veterans, at Atlantic City, N. J., and the Thirty-first Annual Convention of the Thirty-second Division Veteran Association, at Madison, Wis., favoring the enactment of legislation providing universal military training; to the Committee on Armed Services.

A resolution adopted by the Florida Chiropractors' Association, Inc., West Palm Beach, Fla., relating to the inclusion of modern chiropractic professional care for members of the Armed Forces; to the Committee on Armed Services.

A telegram in the nature of a memorial, signed by Carroll Knight Lavere, of Lancaster, Ohio, remonstrating against the continuation of the drafting of boys into the armed services; to the Committee on Armed Services.

Resolutions adopted by the American Veterinary Medical Association at Miami Beach, Fla., relating to bonus pay for officers volunteering for active duty with the Veterinary Corps and granting commissions as first lieutenants for those so volunteering; to the Committee on Armed Services.

The petition of G. G. Knoek, of Hartford, Conn., praying for the establishment of a price freeze as of September 1, 1950; to the Committee on Banking and Currency.

A resolution adopted by the National Association of Insurance Brokers, Inc., at New York, N. Y., favoring the reestablishment of the War Damage Corporation; to the Committee on Banking and Currency.

A letter in the nature of a petition from the Economists' National Committee on Monetary Policy, of New York, N. Y., signed by Walter E. Spahr, relating to the purchasing power of the dollar (with an accompanying paper); to the Committee on Banking and Currency.

A telegram in the nature of a petition from the Eastern Massachusetts Chrysler Retailers, Boston, Mass., signed by Nat Prescott, secretary, praying for the immediate rescinding of the automobile credit restrictions of regulation W; to the Committee on Banking and Currency.

A resolution adopted by the city government of Chelsea, Mass., relating to price control; to the Committee on Banking and Currency.

The petition of Lydia Sheppard, of Los Angeles, Calif., praying for the enactment of legislation providing continuation of rent control; to the Committee on Banking and Currency.

A resolution adopted by the District of Columbia Federation of Civic Associations, Inc., Washington, D. C., relating to Representative PLUMLEY'S statement concerning colored residents of the District of Columbia and home rule for the District; to the Committee on the District of Columbia.

A resolution adopted by the American Institute of Accountants, at Boston, Mass., favoring the enactment of legislation to give effect to the remaining recommendations of the Hoover Commission; to the Committee on Expenditures in the Executive Departments.

A resolution adopted by the National Egg Products Association, Chicago, Ill., favoring an embargo on dried eggs and other products from Communist China; to the Committee on Finance.

Petitions of J. L. Axtell, of Hobart, Okla., relating to the claim of Toney L. Axtell against the United States (with accompanying papers); to the Committee on Finance.

A resolution adopted by the Women's American ORT, of New York, N. Y., expressing its support of the United Nations; to the Committee on Foreign Relations.

A resolution of the Women's American ORT, of New York, N. Y., expressing its support of the point-4 program; to the Committee on Foreign Relations.

A resolution adopted by the Women's American ORT, of New York, N. Y., favoring the adoption of the Genocide Convention; to the Committee on Foreign Relations.

A resolution adopted by the Women's ORT, of New York, N. Y., expressing its support of the world movement to solve the Jewish problem; to the Committee on Foreign Relations.

Resolutions adopted by the St. Louis annual conference of the Methodist Church, Charleston, Mo., the western North Carolina annual conference of the Methodist Church, Asheville, and the North Carolina conference of the Methodist Church, Kinston, both in the State of North Carolina, protesting against the appointment of an ambassador to the Vatican; to the Committee on Foreign Relations.

Resolutions adopted by the sixty-ninth convention of the American Federation of Labor, at Houston, Tex., relating to communism, etc.; to the Committee on Foreign Relations.

The petition of Mrs. Edith Martinson, of La Crosse, Wis., relating to the use by Com-

munist China of American-made arms; to the Committee on Foreign Relations.

Resolutions adopted by the Bergen County, N. J., Woman's Republican Club, relating to communism among State Department employees, etc.; to the Committee on Foreign Relations.

The petition of J. W. Wilson, of Topeka, Kans., relating to a combination of religion and the forces of the United Nations to fight communism throughout the world; to the Committee on Foreign Relations.

A resolution adopted by the Fifty-second National Encampment of the United Spanish War Veterans, at Atlantic City, N. J., protesting against the establishment of a world government; to the Committee on Foreign Relations.

The memorial of Mrs. Louis Youngquist and sundry other members of the Woman's Society of Christian Service of the Beulah Church, Kensington, Kans., remonstrating against the appointment of an ambassador to the Vatican; to the Committee on Foreign Relations.

A resolution adopted by the executive board of the Society of Engineers of Puerto Rico, relating to the attack on President Truman; to the Committee on Interior and Insular Affairs.

A resolution adopted by Local 18, Industrial Union of Marine and Shipbuilding Workers of America, CIO, Mobile, Ala., relating to a subsidy program for the American merchant marine; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the National Fraternal Congress of America, at New York City, N. Y., relating to communism; to the Committee on the Judiciary.

A resolution adopted by the International Union of United Brewery, Flour, Cereal, and Soft Drink and Distillery Workers of America, at Boston, Mass., favoring the enactment of legislation to outlaw the Communist Party; to the Committee on the Judiciary.

Petitions of George E. Miller, of Brooklyn, N. Y., relating to his claim against the director of the administrative office of United States courts and United States district judge for the eastern district of New York; to the Committee on the Judiciary.

The petition of Mrs. Oda B. Thompson, of Collingdale, Pa., relating to her claim for certain inventions; to the Committee on the Judiciary.

The petition of Hubert Keibler and sundry other citizens of Stockton, Calif., praying for the enactment of legislation to amend the Trading With the Enemy Act so as to return properties held by the Alien Property Custodian; to the Committee on the Judiciary.

A telegram in the nature of a petition from the Italian-American Labor Council, of New York, N. Y., signed by Luigi Antonini, president, and Howard M. Lisani, secretary, relating to the immigration laws and the admission of certain aliens into the United States; to the Committee on the Judiciary.

A resolution adopted by the Women's American ORT, New York, N. Y., expressing their confidence in the Government and pledging its loyal cooperation; to the Committee on the Judiciary.

A resolution adopted by the Women's ORT, of New York, N. Y., relating to human rights; to the Committee on the Judiciary.

The memorial of Anna Beesom Purdy, of Purdy Station, N. Y., remonstrating against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

Resolutions adopted by the Crawford County branch of AAUW, Robinson, Ill.; the St. Louis (Mo.) Society of X-Ray Technicians; the Danville (Pa.) Memorial Woman's Club; the Fifty-second National Encampment of United Spanish War Veterans; and the Twenty-ninth Division Association, Inc., Washington, D. C., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Pennsylvania State Society, Daughters of the American Revolution, at Reading, Pa., protesting against the enactment of legislation providing Federal social and economic planning; to the Committee on Labor and Public Welfare.

A resolution adopted by the Muhlenberg County Industrial Foundation, at Greenville, Ky., relating to the modernization of navigation (with accompanying papers); to the Committee on Public Works.

A resolution adopted by the American Fisheries Society, of Madison, Wis., commending the Congress for the enactment of the Dingell-Johnson bill to provide Federal aid to State fisheries; ordered to lie on the table.

A resolution adopted by the Vicksburg (Miss.) Lions Club, favoring the enactment of legislation providing for the admission of Hawaii and Alaska into the Union; ordered to lie on the table.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAIN:

S. 4198. A bill for the relief of Edwin and Bradford Ripley; and

S. 4199. A bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claims for just compensation of the Oregon-Washington Bridge Co., its successors in interest or assigns; to the Committee on the Judiciary.

By Mr. HOLLAND:

S. 4200. A bill for the relief of Ivan Norman Genit; to the Committee on the Judiciary.

By Mr. LANGER:

S. 4201. A bill for the relief of Elfriede Erhardt Otto; to the Committee on the Judiciary.

EMMA W. WILSON

Mr. BUTLER submitted the following resolution (S. Res. 363), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Emma W. Wilson, sister of Evelynn Walker, late an employee of the Senate, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

PRINTING OF REPORT OF PREPAREDNESS SUBCOMMITTEE OF ARMED SERVICES COMMITTEE ON SURPLUS PROPERTY AND RUBBER (S. DOC. NO. 240)

Mr. JOHNSON of Texas. Mr. President, last week the Preparedness Subcommittee of the Armed Services Committee, acting under the authority of Senate Resolution 93, released its second report on surplus property and rubber. While improvements have been made in these programs, they are still not operating to the satisfaction of the members of the subcommittee and further surveillance will continue. The first report of the subcommittee was printed as Senate Document No. 230, and I now ask unanimous consent to have the second report printed as a Senate document.

The VICE PRESIDENT. Is there objection to the request of the Senator from Texas? The Chair hears none, and it is so ordered.

ADDRESS BY SENATOR LODGE IN REPLY TO MR. ANDREI VISHINSKY, SOVIET DELEGATE

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an address delivered by Senator LODGE in reply to the Soviet delegate, Mr. Andrei Vishinsky, during the session of the Political and Security Committee of the United Nations General Assembly, at Lake Success, N. Y., which appears in the Appendix.]

STATEMENT OF SENATOR LODGE BEFORE THE UNITED NATIONS COMMITTEE ON COMPLAINT OF INDIA REGARDING DISCRIMINATION AGAINST INDIANS BY SOUTH AFRICA

[Mr. SALTONSTALL asked and obtained to have printed in the RECORD a statement by Senator LODGE, United States delegate to the General Assembly of the United Nations, before Committee I, on the complaint of India on discrimination against Indians by South Africa, which appears in the Appendix.]

REEXAMINATION OF FOREIGN POLICY—INTERVIEW WITH SENATOR FERGUSON BY BERT ANDREWS

[Mr. FERGUSON asked and obtained leave to have printed in the RECORD the text of a radio interview, broadcast nationally last week, between himself and Bert Andrews, chief of the Washington bureau of the New York Herald Tribune, on the subject What Is Meant by a Reexamination of Foreign Policy? which appears in the Appendix.]

ADDRESS BY NATIONAL COMMANDER OF AMERICAN LEGION BEFORE INDIANAPOLIS CHAMBER OF COMMERCE

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD the text of an address delivered by Erle Cocke, Jr., national commander of the American Legion, at the annual Indianapolis Chamber of Commerce appreciation luncheon, on November 13, 1950, which appears in the Appendix.]

FIFTH ANNUAL MEETING OF INTERNATIONAL MONETARY FUND AND INTERNATIONAL BANK—REPORT TO SENATE BANKING AND CURRENCY COMMITTEE

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD a report to members of the Senate Banking and Currency Committee on the fifth annual meeting of the International Monetary Fund and the International Bank, which appears in the Appendix.]

NEW MEXICO'S REPORT TO THE PRESIDENT'S WATER RESOURCES POLICY COMMISSION

[Mr. ANDERSON asked and obtained leave to have printed in the RECORD a statement made by Mr. Robert McKinney, chairman of the New Mexico Economic Development Commission and the New Mexico Water Resources Development Board, in presenting New Mexico's report to the President's Water Resources Policy Commission, which appears in the Appendix.]

NATIONAL EDUCATIONAL PROGRAM ON BEHALF OF THE CONGRESS OF THE UNITED STATES

[Mr. WILEY asked and obtained leave to have printed in the RECORD certain material relative to a national educational program on behalf of the Congress of the United States and the work of its Members, which appears in the Appendix.]

REEXAMINING MR. ACHESON—ARTICLE BY WILLIAM HENRY CHAMBERLIN

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an article entitled "Reexamining Mr. Acheson," written by

William Henry Chamberlin, and published in the Wall Street Journal of November 27, 1950, which appears in the Appendix.]

INCIDENT IN GEN. GEORGE C. MARSHALL'S FOOTBALL CAREER

Mr. ROBERTSON. Mr. President, pleasant memories often lighten heavy loads.

I wish to read a brief item from the Rockbridge County News of 50 years ago concerning the college days of a man now carrying a heavy load. The Rockbridge County News is published in my home town of Lexington, and is one of our best edited weekly newspapers. In its column entitled "Out of the Past," is this comment on a football game between VMI and Washington and Lee University:

For the second time this season the Cadets and Students met Saturday on the gridiron. The final score was 41 to 0 in favor of the Cadets. George Marshall's run of 50 yards for a touchdown for the Cadets was the feature of the game.

Mr. President, if we reach the goal of peace George Marshall may have to make another 50-yard run. I am glad that he is carrying the ball for our team.

THE ST. LAWRENCE SEAWAY

Mr. WILEY. Mr. President, there has been called to my attention today a very fine speech by the Honorable Lionel Chevrier, Minister of Transport of Canada. The subject of his speech was the Nation's business. The speech was delivered over the CBC network.

Mr. Chevrier's speech relates to the need for construction of the St. Lawrence waterway. I wish to read two paragraphs from his speech. He says, among other things:

The newly discovered iron ore fields of northern Quebec and Labrador can be most speedily exploited only when the St. Lawrence seaway is completed. For years the backbone of the steel industry in the United States has been high-grade iron ores of the Mesabi Range to the south of Lake Superior. The high-grade ores from these fields are being rapidly depleted and that factor accounts for the interest in the fields of Quebec and Labrador, where upward of 400,000,000 tons of high-grade ores have been amply proven.

In conclusion, Mr. Chevrier says:

But let there be no mistake about it. This is a power and navigation scheme, not a power scheme alone as some interests would seem to indicate. If it is impossible to obtain the joint development referred to in the 1941 agreement, then consideration must be given—as indeed it already has—to an all-Canadian route.

Mr. President, today the news from Korea is probably the most critical we have heard since the end of the last war. Joe Stalin's hand is now exposed. Undoubtedly he has given the order which has brought 200,000 Chinese into the conflict, and other troops are moving up. What the next move will be, we do not know.

However, any of us who have eyes to see with and ears to hear with know that all channels—railroads, highways, air lanes, waterways—must be opened up to meet the situation. Whether it be the challenges of peace or the challenges of war. I trust that after the first of the year a bill relating to the St. Lawrence waterway will be introduced, and that at long last we can have it receive the favorable consideration of the Senate.

I ask unanimous consent that the entire speech be printed in the RECORD following my remarks.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

Tonight I would like to speak to you on a subject which in recent months has again come to the fore and which should be of interest to all Canadians—the Great Lakes-St. Lawrence seaway.

The deepening of the St. Lawrence waterway is by no means a new question. It is one that has been agitating public opinion for at least a century. During the last half-century it has been the subject of negotiations between Canada and the United States. These negotiations culminated in the signing of an agreement between the two countries in 1941.

The project must be envisaged from two angles—that of power and that of navigation.

WHAT IS THE GREAT LAKES-ST. LAWRENCE SEAWAY?

It is a 2,000-mile channel, 27 feet in depth, joining the Atlantic Ocean to the heart of the North American Continent. Its proponents seek the deepening of the present channel in order to allow ocean freighters to carry their cargoes through the St. Lawrence River up to the Great Lakes and conversely to permit our large Great Lakes freighters to reach Montreal. Coupled with this is the development on a joint basis of 2,200,000 horsepower in the international section of the St. Lawrence River with the power equally divided between the two countries.

WHAT DOES THE GREAT LAKES-ST. LAWRENCE SEAWAY CONSIST OF?

It consists of five steps which are its chief assets and its chief liabilities, assets because of its potential power development; liabilities because these steps must be leveled out if the seaway is to be opened to deep-water navigation.

The five steps consists of—

1. St. Mary's Falls lying between Lake Superior and Lake Huron, where there is a drop of 21 feet.

2. The St. Clair-Detroit passage joining Lake Huron and Lake Erie, where there is a drop of 8 feet.

3. Niagara Falls, which separates Lake Erie from Lake Ontario and which has a drop of 326 feet.

4. The International Rapids section and the Lachine section, where power development is to take place, a distance of 183 miles and where the drop is 226 feet.

5. Montreal to the sea, the portion which lies wholly in Canadian territory and in which there is a drop of 20 feet.

These five steps will, it is estimated, develop approximately 9,000,000 horsepower divided as follows—

	Horsepower
At Niagara	3,600,000
In the International Rapids section	2,200,000
In the Beauharnois or Soulanges section	2,000,000
In the Lachine section	1,200,000

All of this power is Canadian with the exception of 1,800,000 horsepower at Niagara and the American share of 1,100,000 horsepower in the International Rapids section.

IS THERE A SHORTAGE OF POWER IN THIS COUNTRY?

As a result of the rapid postwar expansion of industry in Canada, together with a constantly rising consumption of domestic power, the province of Ontario has been, for the past few years, subjected to an acute shortage of power to meet demands. This is further accentuated by the present increasing activity in defense production. The International Rapids section with its 2,000,000 horsepower potential—one-half of which belongs to Canada—constitutes the remaining large block of undeveloped hydro power available to Ontario in the southern portion of the Province.

Insofar as the Province of Quebec is concerned, with the increased output at Beauharnois to be available in the near future, the power situation in the large industrial area adjacent to Montreal will be satisfactory for but a few years. The only other sources of undeveloped power remaining in that district will be Carillon and the Lachine Rapids, the latter forming part of a new Lachine Canal envisaged in the development of this Great Lakes-St. Lawrence seaway.

WHY IS THE UNITED STATES SO ANXIOUS TO DEVELOP THIS POWER?

There is a much more critical shortage of hydroelectric power in New England and in northern New York State than there is in Canada. A very high proportion of the electric power produced in these areas is steam generated and costs considerably more per horsepower than electricity produced by hydro. The provision of an additional 1,000,000 horsepower in the International Rapids section will be absorbed as quickly as it can be produced, thus replacing the more costly steam-generated electric power.

WHY IS THE PROJECT NECESSARY FROM A NAVAGATIONAL STANDPOINT?

Controlling depths of the seaway at present are 22 feet from Lake Superior to Prescott, 14 feet from Prescott to Montreal, and 35 feet from Montreal to the sea. It is therefore clear that the seaway has been completed except for that portion which lies between Montreal and Kingston, including the International Rapids section. This is the bottleneck which must be removed to allow deep-sea vessels to ply between the ocean and the Great Lakes.

The newly discovered iron-ore fields of northern Quebec and Labrador can be most speedily exploited only when the St. Lawrence seaway is completed. For years the backbone of the steel industry in the United States has been high-grade iron ores of the Mesabi Range to the south of Lake Superior. The high-grade ores from these fields are being rapidly depleted and that factor accounts for the interest in the fields of Quebec and Labrador, where upward of 400,000,000 tons of high-grade ores have been amply proven.

WHAT IS THE COST OF THE GREAT LAKES-ST. LAWRENCE SEAWAY PROJECT?

The latest estimate places the total cost, including the full development of power, at $806,000,000, of which $336,000,000 is Canada's share and $470,000,000 is the United States share. Of this amount Canada has already spent $132,000,000 for the construction of the Welland Ship Canal, leaving a balance of $204,000,000 still to be expended.

The United States has already implemented one of the provisions of the 1941 agreement by the completion in 1943, at a cost of $15,000,000, of a new lock at Sault Ste. Marie. This new facility was built to conform to waterway standards, and the United States has also invested $17,000,000 in dredging the St. Clair channels to a depth of 25 feet for downbound traffic and 20 feet for upbound traffic.

A considerable sum of money has been invested by Canada in the present system of canals and in the lower St. Lawrence. Over and above the $132,000,000 already spent by Canada for the construction of the Welland ship canal, mention should be made of the expenditure of $50,000,000 on the present canals of only 14 feet in depth, such as Lachine, Soulanges, and Cornwall. These

are the present navigation facilities which constitute the bottleneck and would be replaced by new canals providing for 27-foot navigation.

East of Montreal, for a distance of about 180 miles, the St. Lawrence River has been deepened to 35 feet, at a cost of nearly $100,000,000. The interest of Canada in the St. Lawrence seaway is, therefore, not a new venture, since nearly $300,000,000 has already been spent.

These sums of money were invested in the waterway in order to facilitate the movement of Canada's wheat crop by water from the head of the Lakes to the sea, a distance of 2,000 miles. Thus, Canada's wheat was able to reach the European market and there compete favorably with the wheat of other countries. Again these sums were spent to prevent our wheat crop from being exported to European countries via a water route provided by the United States through the Erie Canal and the Hudson River to New York City. The completion of the Great Lakes-St. Lawrence seaway to a full depth of 27 feet would guarantee forever an all-water route for our Canadian wheat and other products at a substantially reduced transportation cost through the elimination of transshipment at such points as Prescott, Port Colborne, and Port McNicoll.

WHAT INTERESTS OPPOSE THE GREAT LAKES-ST. LAWRENCE SEAWAY AND WHY?

Powerful interests in the United States oppose the project. First, there is a group of fitters and owners of ships of less than 12-foot draft who see in the development of the St. Lawrence a danger to the New York State barge canal now competing with the present all-water route from the head of the Lakes to Montreal. Then there are the American railways running between the Great Lakes and the Port of New York and competing against the New York State canal route for the transportation of merchandise to such an extent that their rates, at certain times of the year, are reduced by half. A third group operate a fleet of barges in competition with the American railways and consider that the development of the St. Lawrence would go a long way toward putting them out of business even though they are generously subsidized by the American Government.

These and other interests represent various enterprises engaged in competition against each other but in full agreement in standing together to oppose the St. Lawrence waterway project.

COULD CANADA PROCEED INDEPENDENTLY OF THE UNITED STATES IN THE COMPLETION OF THE GREAT LAKES-ST. LAWRENCE SEAWAY?

Failing ratification by the United States Congress of the 1941 agreement in either its present or in a mutually agreed modified form, it would then be possible for the International Joint Commission to consider an application of New York State and the Province of Ontario for permission to develop power alone on a joint basis in the International Rapids Section. Such an application has already been made to the Governments of the two countries but has not yet been referred to the International Joint Commission. Other than the 1941 agreement between Canada and the United States, there is no obstacle to prevent Canada from undertaking the construction of works necessary for 27-foot navigation between Montreal and Kingston wholly on the Canadian side of the boundary.

Here, then, is the position. Canada has entered into an agreement with the United States for the joint development of power and navigation on the St. Lawrence. Canada believes that this agreement, with certain modifications if need be, is the best for all parties concerned. It was arrived at after years of careful study by competent engineers, both American and Canadian. We in Canada hope that this agreement will be implemented.

But let there be no mistake about it. This is a power and navigation scheme, not a power scheme alone as some interests would seem to indicate. If it is impossible to obtain the joint development referred to in the 1941 agreement, then consideration must be given—as indeed it already has—to an all Canadian route.

SENATOR FROM IDAHO

Mr. O'MAHONEY obtained the floor.

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. Does the Senator from Wyoming yield to the Senator from Nebraska?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I ask the Senator to yield for a matter of personal privilege, that is, for the administration of the oath of office to Hon. HENRY C. DWORSHAK as a Senator from the State of Idaho. I have a telegram in my hand from the Governor of the State of Idaho certifying to his election. The telegram reads as follows:

BOISE, IDAHO, *November 27, 1950.*

Hon. LESLIE L. BIFFLE,
Secretary, United States Senate:

Idaho official canvass complete show HENRY C. DWORSHAK elected to United States Senate for unexpired term ending January 2, 1955. Certificate in mail.

C. A. ROBINS,
Governor, State of Idaho.

While the official document has not yet been received, yet the Senate gave unanimous consent yesterday to the swearing in of Senator-elect SMITH of North Carolina under the same conditions and, if there is no objection, I should like very much to have the Senator from Idaho sworn in.

The VICE PRESIDENT. Does the Senator from Wyoming yield for that purpose?

Mr. O'MAHONEY. I yield.

The VICE PRESIDENT. If the Senator-elect will come forward, the Chair will administer the oath of office to him.

Mr. DWORSHAK, escorted by Mr. WHERRY, advanced to the desk, and the oath prescribed by law was administered to him by the Vice President.

STATEHOOD FOR ALASKA

The VICE PRESIDENT. The question before the Senate is on the motion of the Senator from Illinois [Mr. LUCAS] to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. O'MAHONEY. Mr. President, ordinarily when the majority leader makes a motion to take up a bill the motion is agreed to by unanimous consent. I make the parliamentary inquiry as to whether or not the motion has been presented that the Senate proceed to consider the Alaska statehood bill.

The VICE PRESIDENT. The motion is now before the Senate. Unanimous consent was not asked. The Senator from Illinois moved that the Senate proceed to consider the bill, and that motion is before the Senate.

Mr. O'MAHONEY. I do not desire to take up the time of the Senate unnecessarily with a discussion of the motion. Perhaps the motion of the Senator to take up the bill will be agreed to if it is submitted.

The VICE PRESIDENT. The motion is debatable, as the Senator knows. If there is no desire to debate the motion, the question is on agreeing to the motion. As many as are in favor of the motion——

Mr. RUSSELL and Mr. BUTLER addressed the Chair.

The VICE PRESIDENT. Does either of the Senators who have addressed the Chair desire to debate the motion itself?

Mr. WHERRY. The motion to take up the bill?

The VICE PRESIDENT. Yes.

Mr. WHERRY. If the motion were agreed to the bill would automatically displace the railroad bill, would it not?

The VICE PRESIDENT. If the motion were agreed to, it would displace that bill.

Mr. WHERRY. The question now is whether Senators desire to debate the motion, or whether they desire to vote on the motion and then debate the merits of the bill, is it not?

The VICE PRESIDENT. The question is on the motion to consider the bill. If any Senator wishes to discuss the motion, the Chair will recognize him. If not, the Chair will put the motion.

Mr. O'MAHONEY. Mr. President——

The VICE PRESIDENT. The Senator from Wyoming had the floor on the motion.

Mr. O'MAHONEY. Mr. President, I did not intend to relinquish the floor. I submitted the few remarks I did make in an effort to determine whether or not there was to be any resistance to the motion. It is quite apparent that there is to be such opposition. Therefore, Mr. President, I desire to say one or two brief words on the merits of statehood before the motion itself is debated.

The VICE PRESIDENT. The Chair will ask all Senators and others to maintain order. As is well known, the acoustics of this room are not good, and the slightest conversation can be heard everywhere, and is frequently exaggerated, depending on the position of the speaker. The Chair desires to maintain order, and the Chair is sure Senators do also. Frequently Senators and others in the Chamber indulge in conversation not knowing that it can be heard in the remotest corners. So the Chair asks the cooperation of Senators and others in the Senate in the preservation of good order.

Mr. WHERRY. Mr. President, will the Senator from Wyoming yield for a question?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I should like to ask the distinguished senior Senator from Wyoming whether it is his intention, after he makes the observations he said he would present to the Members of the Senate, to ask for a vote on the motion to take up the bill, or to ask unanimous consent that the Senate proceed to consider the bill, or is it the intention of the Senator now not to do that, but to proceed to debate the motion to take up the bill?

Mr. O'MAHONEY. It is my purpose to state very briefly some of the reasons why I believe the statehood bills should be taken up and should be passed by the Senate. That will not take very long. When I have done that, I shall take my

seat, and then we shall have a demonstration as to whether or not the motion to consider the bill is going to be debated.

Mr. WHERRY. I thank the Senator.

Mr. O'MAHONEY. The situation which confronts the Senate is very simple. We know that from a parliamentary point of view the motion to take up a bill is debatable. We know that opponents of a particular bill on many occasions in the past have taken advantage of this rule to prevent consideration. I have felt that possibly that might not be the case with respect to the statehood bills, for I believe there are very pressing conditions in the world today which ought to convince Senators without exception, that this is a time for action, and not a time for talk.

Mr. President, I am in a very serious mood this morning, because I am convinced that the whole American theory of government is now hanging in the balance. The world is confronted with an ideological conflict between totalitarianism on the one hand and self determination upon the other, and no amount of talk can obscure that fact. The news which came to us yesterday and which comes to us today from Korea and the appearance in the United Nations Assembly of a delegation of Red Chinese—I say "Red" Chinese, not only because their hands are dripping with the blood of American citizens, but because they are the spokesmen of the Kremlin—to accuse the United States of imperialistic colonial designs upon the peoples and the territory of the Orient. This news, I say, emphasizes as no words of mine or of any other person could emphasize, the enormity of the peril in which free institutions today find themselves.

Alaska was purchased by the Government of the United States from the Government of Russia about 83 years ago. The Secretary of State who negotiated the treaty for the transfer foresaw in part the developments of which we are now the witnesses. In urging the ratification of the treaty upon the President of the United States and upon the United States Senate, Secretary Seward used these words:

> The Pacific Ocean, its shores, its islands and vast regions beyond, will become the chief theater of events in the world's great hereafter.

There in a dozen words, an American public official more than 80 years ago described the future as we are now experiencing it.

STATEHOOD THE ANSWER TO SOVIET PROPAGANDA

I want to say to the Members of the Senate that in my opinion the case for statehood for Alaska and Hawaii can be very simply and directly put forth. In the first place it is a complete answer to Soviet propaganda. The Pacific is now, as Secretary Seward foresaw, the center of world conflict. The issue is whether the people of that area and the people of all the world are to enjoy self-government or to be condemned to live under totalitarian dictatorship. By what the Congress and the United States do now with respect to statehood for these two Territories we shall be judged by the peoples of the Orient. If we grant statehood to these two Territories, it will be a demonstration of our sincerity in the protestations which we have been making to the world of our devotion to the ideals of self-determination and of liberty.

If we deny statehood to these two Territories, the oriental mind will be convinced that the Kremlin is correct in accusing us of imperialistic colonial designs upon the peoples of Asia.

Immediate passage of these bills will be the most effective answer we can give, short of force, to the false propaganda of the masters of the Kremlin now being uttered by the tongues of the Chinese Red puppets of Moscow before the Assembly of the United Nations.

ALASKA AND HAWAII HAVE EARNED STATEHOOD

Second, Alaska and Hawaii have earned statehood. Alaska became a Territory of the United States 83 years ago, 17 years less than a century, and its people under the Territorial form of government have had a popularly elected Territorial legislature since 1912.

Hawaii, by her own voluntary act, chose to surrender her status as an independent republic and to join her fortunes with the United States 52 years ago. The Republic of Hawaii and the Government of the United States of America, by a formal treaty made in Washington on June 16, 1897, and thereafter ratified by both Governments, agreed that Hawaii—and I am quoting from the treaty—"should be incorporated into the United States as an integral part thereof."

Since that date Hawaii has amply demonstrated its political maturity and, like Alaska, has served its apprenticeship in self-government under a Territorial legislature.

Alaska is rich in undeveloped resources. Its minerals, its forests, its sea products, and its great reserve of untapped raw materials, afford an unparalleled opportunity for the development of a prosperous new State.

The economic record of Alaska is clear. Untapped resources beyond imagination are waiting to be developed by freemen who govern themselves as a State of the American Union.

In 1912 the Congress passed the Organic Act of Alaska. By this law and by the treaty of purchase itself, Alaska was incorporated into the United States. Its right to eventual statehood was clear from that act of incorporation. The same is true with respect to Hawaii. The hope of eventual statehood has been held out for almost 50 years to the people of both these Territories. And now at the climax of this international conflict of ideologies between totalitarian dictatorship on the one hand and self-determination upon the other, we are asked, or we are going to be asked, not to grant statehood to either of these Territories.

ARE WE TO HAVE ARGUMENTS OF EVASION?

Arguments will be advanced here the nature of which has already been clearly indicated. It will be said that we should not set aside the bill to modify the Railway Labor Act, reported from the Committee on Labor and Welfare, although it is clear that the bill, recommended by a House committee, has never received a rule from the Rules Committee of the House, and that in this brief session of Congress the Rules Committee, which declined before adjournment to grant a rule, will not grant a rule, will not grant one now.

Obviously, in those circumstances any attempt upon the part of the Senate to take up time by debating that bill, which cannot be passed, would be only a diversionary attempt to defeat by indirect action what could not be defeated by direct action, because the votes are here in the Senate of the United States, without regard to party, to pass the statehood bills.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. I think the RECORD also should show that in connection with the so-called railway bill there is an amendment pending, offered by the Senator from Indiana [Mr. JENNER], which would attach the FEPC bill to the railway bill.

Mr. O'MAHONEY. I am glad the Senator from Illinois called my attention to that. In other words, opposition to the Railway Labor Act amendments is very vigorous, very insistent. The bill failed of passage before Congress adjourned in September only because of this deep-seated opposition.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. The fact that an amendment in the nature of an FEPC bill is offered, does not change the situation, because, of course, that amendment is subject to a motion to lay on the table, and we could dispose of it without debate. So I do not think the suggestion by the majority leader that in some way that amendment is going to prolong the debate on the railroad labor bill is a correct implication.

Mr. O'MAHONEY. My point is, I may say, and I am sure this was the point of the Senator from Illinois, that the fact that that amendment was offered is of itself a pretty clear demonstration of the fact that there is vigorous and deep-seated opposition to that measure. But regardless of that fact, I call the attention of the Senate to the failure of the Rules Committee of the House to grant a rule.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. The Senator from Ohio would indicate, from the statement he made, that all that is necessary to do is to move to lay on the table the FEPC bill, when offered as an amendment; apparently he thinks that the votes are available to lay it on the table. It is questionable whether that is the case. Certainly until those who are vitally interested in FEPC knew that the votes to lay that measure on the table were available, a filibuster would start. The Senator must know that to be so.

Mr. O'MAHONEY. Mr. President, the point is that any debate upon the railway labor bill is debate upon a measure which cannot pass, and therefore can be primarily designed only to divert attention from the statehood bills and to prevent them from coming to a vote.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes.

Mr. TAFT. I wish to suggest to the Senator that I do not think that is true at all. The railway labor bill was brought up by the railway labor people. In the form in which it was presented, I objected to it. When they were willing to amend it so as to insert in the Railway Mediation Act exactly the amendments with reference to the closed-shop and the check-off which are now in the Taft-Hartley law, I agreed to go along with it, and so I feel obligated to go along with it. I do not think it involves as much controversy as the Alaska statehood bill, so far as that is concerned.

Once a measure is presented by the majority leadership and is taken up by the Senate, certainly it is an unusual maneuver to set it aside.

I see no reason why the debate on the railway labor bill should be any longer than the debate on the Alaska statehood bill. I cannot agree with the Senator that there is any undying opposition to the railway labor bill. Certainly it is one on which those who have most greatly differed have compromised their differences. I think it would take a rather short time to pass the bill.

Suggestion is made that an FEPC amendment would be offered to the bill. Of course, an FEPC amendment could be offered to the Alaska statehood bill tomorrow. That does not seem to me to have any bearing on the question of whether we should set aside a bill which is now the unfinished business of the Senate, and on which I think there is substantial agreement among those who are most interested in the subject, and then, instead, have the Senate take up the Alaska statehood bill.

Permit me to say that, if, following the Senate's action on the railway labor bill, the Alaska statehood bill should come up, I would have no objection.

Mr. O'MAHONEY. When the Senator from Utah [Mr. THOMAS] discussed the matter on the floor of the Senate yesterday, he indicated that he was agreeing that the bill should be temporarily laid aside.

Mr. HILL. Mr. President, will the Senator yield at this point?

Mr. O'MAHONEY. I yield.

Mr. HILL. As the Senator knows, the motion which is made under such circumstances is that the Senate proceed to the consideration of another bill, not that the Senate move to lay aside temporarily the bill which then is the unfinished business. When a motion to proceed to the consideration of another bill is agreed to the bill previously before the Senate goes back to the calendar. Of course, by unanimous consent the Senate can also lay aside a bill and proceed to take up another bill.

Mr. O'MAHONEY. That is correct.

I was about to say that, so far as I am concerned, if it should appear that the railway labor bill can be passed without debate, and that it will not be used as an instrument of delay and of defeat of the statehood bills, I would have no objection to requesting unanimous consent to have the motion temporarily laid aside, so that that might be determined.

What I am emphasizing now, Mr. President, is one simple statement, namely, that the Senate will presently have to decide, either openly or indirectly, whether it is going to meet the question of statehood by a direct vote or whether Members of the Senate desire to exercise their right—which is their right under the rule—to defeat statehood by irrelevant talk about other measures.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. LUCAS. I do not think we should quibble about the actual facts which are involved in these two bills. Every Member of the Senate knows that the House of Representatives committee is not going to grant a rule in connection with the railway-labor bill. That was tried before the adjournment was taken in September, but it was found impossible to obtain such a rule.

The railway-labor bill is not going to pass at this session, so there is no use to use the railway-labor bill now as a medium in an effort to defeat or prevent action upon the statehood bills.

The truth of the matter is that the statehood bills for both Alaska and Hawaii have passed the House of Representatives by large votes, so far as the majority is concerned. As between the railway-labor bill and the bills for statehood for Alaska and Hawaii, the only bills which have a chance of being enacted at this session are the latter, not the former. If the Senate desires to do so, certainly we have an opportunity to pass the Hawaii and the Alaska statehood bills; but we do not have an opportunity to pass the railway-labor bill, as I understand the situation existing at the present time in the House of Representatives. So there is no use quibbling about the railway-labor bill.

Mr. O'MAHONEY. I think the Senator is quite correct.

Mr. President, I am merely trying to make it clear that if those who wish to discuss the railway-labor bill in good faith desire to get action, and if there is a real opportunity to get action upon that measure, I would be the last person to say that it should be set aside.

Mr. HILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. If the Senator from Alabama will pardon me, I prefer not to yield, because I do not wish the RECORD to be burdened by irrelevant discussion; and I do not wish, by participating in irrelevant discussion, to contribute to an indirect attack upon the statehood bills.

So I wish to complete this statement, which I carefully prepared, in order that it should be brief, before I engage in any further discussion in regard to the railway-labor bill.

Mr. HILL. Mr. President, if the Senator will yield for just a moment, let me say that I had charge of the Railway Labor Act amendments when they were previously before the Senate.

Mr. O'MAHONEY. Yes.

Mr. HILL. I was then acting for the distinguished chairman of the committee, the Senator from Utah [Mr. THOMAS], who at that time could not be in the Senate.

If the Senator will examine the RECORD, I think he will find that the statehood bills did not come before the House of Representatives by means of any special rule coming out of the Rules Committee. To the contrary, they came before the House of Representatives under the new general rule, which the Senator will recall the House adopted at the beginning of the present Congress. Therefore, it might well be that even if the House Rules Committee would not grant a rule so that the Railway Labor Act amendments could come before the House, they could come before the House of Representatives anyway, exactly in the way that the statehood bills came before the House of Representatives.

Mr. O'MAHONEY. Exactly so; that might well be.

Mr. HILL. In further reference to the House of Representatives, I wish to say that with the agreement on the part of the Senate Committee on Labor and Public Welfare on the amendments to which the distinguished Senator from Ohio [Mr. TAFT] has adverted, there was unanimous agreement on the part of the committee in support of this bill. No member of the committee either on the Republican side or on the Democratic side, was opposed to the bill. All of us were in support of the bill.

So far as concerns consideration of the bill at the present session, before the adjournment was taken, as Senators will recall, we had a very brief time available for that purpose. The Senator from Ohio, acting for the Senator from Utah, had an opportunity to make an explanation of the bill; but that was all that was done. There was no opportunity for any other Senator to discuss the bill. Therefore the bill has not really been considered.

Mr. O'MAHONEY. I am sure the Senator from Alabama will not take it amiss if I ask him to permit me to proceed with my discussion.

Mr. HILL. I yield to the Senator from Wyoming. [Laughter.]

The VICE PRESIDENT. The Senator from Wyoming has the floor.

Mr. TAFT. Mr. President, will the Senator from Wyoming permit me to make a very brief statement in regard to my objections?

Mr. O'MAHONEY. Certainly.

Mr. TAFT. I merely wish to explain that when I vote against the Senator's motion, I do so because I feel personally obligated to vote in that way, in view of the promises I have made to do all I can to have the Senate proceed with consideration of the railway labor bill. It is not a matter of personal opposition; but after I have agreed to that course, I cannot vote to set the bill aside.

Mr. O'MAHONEY. I thank the Senator for his statement.

BASIC REASONS FOR ACTION

Mr. President, I was endeavoring to point out briefly the basic reasons why I believe the Senate should act, and should act now, to consider and pass the statehood bills.

I have pointed out that in Alaska there are vast untapped economic resources.

Hawaii has already reached an economic status quite as stable as that of any other State in the Federal Union, and more prosperous than that of many existing States.

BOTH POLITICAL PARTIES ARE PLEDGED TO STATEHOOD

Since early in the present century Democratic and Republican national conventions alike have been holding out the hope of statehood to the people of Hawaii. First, it was couched in general language promising the fullest measure of self-government, or the fullest measure of home rule. I have chosen those two phrases; one comes from a Democratic Party platform, and one comes from a Republican Party platform.

The Democratic platform in 1940 pledged "a larger measure of self-government leading to statehood" for Alaska and Hawaii.

In 1948 the Democratic platform declared that "We urge immediate statehood for Hawaii and Alaska," and in the Republican platform that "We favor eventual statehood for Hawaii."

Now the House of Representatives has passed both statehood bills by substantial margins. It would be a cruel disappointment to the people of both Territories if the Senate should now withhold the grant of statehood, particularly in the light of world conditions.

Alaska is separated from Siberia by only 58 miles across the Bering Straits.

Hawaii is in the center of the Pacific Ocean. Populated by Polynesian, Asiatic, European, and American people who have learned to live together under the American system, loyal and devoted supporters of the principle of self-determination.

If the Senate passes these bills, no iron curtain can bar from any people on the globe the knowledge of our action. If by any possibility we should be blind enough to turn our backs upon the American principle of popular sovereignty and fail to pass these bills, Russian propaganda will not be necessary to disseminate throughout the world the knowledge of our failure.

Mr. President, in the light of what is now going on upon the stage of the world, it is impossible for me to understand why the Senate of the United States, directly, or by indirection, should prevent a favorable vote upon both of these statehood bills. By favorable action in the Senate we are sending a message to all the peoples of the world. We are giving them by our action direct and unanswerable testimony as to what we believe about the principle of self-determination.

Failure to grant statehood will weaken our efforts through the United Nations to bring an era of peace to the world. Are we blind to the fact that we are now wavering upon the brink of a third world war? There are those who urge that the only answer to our great dilemma—a political dilemma and an economic dilemma—is to move immediately into atomic warfare, and upon the other hand there are great statesmen, followers of the Christian principle, who are endeavoring by negotiation to prevent the terrible slaughter of a third world war.

THE GRAVITY OF OUR DILEMMA

Can anybody deceive himself as to the situation we face? A third world war would destroy the very foundations of civilization. But, more than that, it would destroy the sacred principle upon which the American Government was founded—that people can and should govern themselves.

A dictatorship seeks to impose its will upon the whole world and upon all the peoples of the world. That dictatorship seeks to convince the masses of mankind that democracy is outmoded and should be forgotten, that it has run its day, that the system of private property is a failure, that we must have government to direct us by arbitrary decrees as to what we must do. Yet, though confronted by this great issue, knowing that it was necessary for us in the defense of our Nation and of our principles to expend huge sums for defense, we have hesitated to make the appropriations, we have held back, we have fooled ourselves into thinking that somehow or other this cup may be taken away from our lips and that we shall not have to drink the bitter dregs of a controlled economy and of totalitarian government if we drift into another world war.

Can we deceive ourselves into failing to realize that if we go into a third world war every step of the individual and every act would have to come under the regulation of the Government? It is because we do realize it that, over and over again, we have tried to cut down appropriations and avoid the huge expenditures that world conflict, nay, even preparation for such a conflict, entails. I remember the debate upon this floor a year ago when the appropriation bill came from the Appropriations Committee to provide for the Air Force. The issue was, should we have a 58-group Air Force or a 48-group Air Force. We fooled ourselves into believing that we could get along with a 48-group Air Force, though we knew at that moment that Russia was straining every totalitarian power to build an air force superior to ours. We were hoping that the choice would somehow be taken out of our hands, and so the Senate said, "No, we will appropriate only for a 48-group Air Force." The House of Representatives declined to agree. The bill was passed with funds for a 58-group Air Force. But, so strong was the desire not to engage in deficit spending even for defense, that, though the money was appropriated, it was not expended, and we did not get the 58-group Air Force. We now know we were wrong. We are now ready to appropriate larger sums.

Last August, we did not hesitate to appropriate $17,000,000,000 for national defense. A supplemental appropriation bill will be presented to this brief session of Congress, and it will be passed.

FORCE OR REASON

There are two ways and only two by which to settle this dilemma, and let no one be deceived about it. One way is by force. Another way is by reason. If we follow the line of force, disaster will come upon the face of the earth. The ideals of popular sovereignty will have to be forgotten, and all the fine words and phrases we have been using about our belief in self-determination will be so much trash for the wastepaper basket. Against that we have the opportunity, painful though it may be, annoying thought it may be, wearying though it may be, of appealing to the innate sense of justice of the human mind.

I have confidence in people, whether they are trained and educated or whether they have never had a day's education. The innate motives of the human heart are decent, they are free, they do not tolerate dictatorship, they want freedom for everyone. But now, by what we do here, we shall go far to decide whether we shall follow the path of reason instead of the path of force, whether we shall follow the path of self-determination and democracy instead of the path of totalitarian rule. Let no one for one single moment deceive himself into believing that the world will not know and be deeply disappointed if we deny statehood to the people of these two Territories, who have so richly earned it.

Mr. President, there are many things I could say about the merits of this bill. I am not talking about the merits now. I hope to have an opportunity to do that later. I am talking now about the desirability of having the Senate take up these bills, one after the other, and thereby make our concept of free government clear to all the world, particularly to those representatives of the United Nations into whose ears Jacob Malik and the Red Chinese puppets are at this moment pouring streams of vilification, abuse, and falsehood against America and American principles. They say we are Fascist imperialists. They say we want to suppress people, that we do not want to give them the right of self-government. They say we want to make money out of Alaska, that we want to make profit out of Hawaii by exploiting the people of Hawaii and the people of Alaska. They say that all our talk about freedom and self-government is just so much delusion, so much propaganda to deceive the peoples of the world.

We have it in our power here today to tell all of these people, wherever they reside—in Asia, in Europe, in Africa, and in the islands of the Pacific—that America does believe in freedom for the individual and in the right and ability of people wherever they are to govern themselves.

Mr. President, if we are to debate the subject upon the issues I shall take the floor again. However, I hope that we may now reach the decision that the bills should be taken up.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes.

Mr. SALTONSTALL. From the Senator's last statement I assume that if the Alaska statehood bill is taken up on its merits the Senator will go into some detail on the question of taxation, the question of Alaska being separated from the United States by approximately 570 miles, and similar questions?

Mr. O'MAHONEY. We shall endeavor to answer all reasonable questions.

Mr. BUTLER obtained the floor.

The VICE PRESIDENT. The Senator from Nebraska.

Mr. SALTONSTALL. Mr. President, will the Senator yield so that I may suggest the absence of a quorum?

Mr. BUTLER. I am glad to yield for that purpose.

Mr. SALTONSTALL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	George	Magnuson
Anderson	Gillette	Martin
Benton	Green	Maybank
Brewster	Gurney	Millikin
Bricker	Hayden	Myers
Bridges	Hendrickson	O'Conor
Butler	Hickenlooper	O'Mahoney
Byrd	Hill	Robertson
Cain	Hoey	Russell
Capehart	Holland	Saltonstall
Chapman	Hunt	Schoeppel
Clements	Ives	Smith, Maine
Connally	Johnson, Colo.	Smith, N. C.
Cordon	Johnson, Tex.	Smith, N. J.
Darby	Johnston, S. C.	Stennis
Donnell	Kerr	Taft
Douglas	Kilgore	Taylor
Downey	Langer	Thomas, Okla.
Dworshak	Leahy	Thomas, Utah
Eastland	Lehman	Thye
Ecton	Lucas	Tobey
Ellender	McCarthy	Watkins
Ferguson	McClellan	Wherry
Flanders	McFarland	Wiley
Frear	McKellar	Williams
Fulbright	McMahon	Young

The PRESIDING OFFICER (Mr. HOEY in the chair). A quorum is present.

Mr. BUTLER. Mr. President, I was personally very much interested in the statement made by the distinguished chairman of the Commitee on Interior and Insular Affairs [Mr. O'MAHONEY] in support of the motion that was made by the majority leader yesterday. At the conclusion of his statement I said to the distinguished Senator from Wyoming that if the vote is to be had ultimately on the basis of oratorical flights he perhaps will win. I also said to him that if the vote is to be based on facts and logic I believe the motion will fail.

Mr. President, I am sorry that the distinguished majority leader of the Senate [Mr. LUCAS] has seen fit to move to displace the unfinished business and to take up the Alaska statehood bill (H. R. 331) at this time. I sincerely hope the Senate will not act favorably on this motion.

The bill we now have under consideration, S. 3295, is a highly important measure to many people. It certainly deserves more consideration than it has had to date. Whatever its merits, it is entitled to full and fair discussion.

If this motion should carry, it would simply mean that S. 3295 has been shelved for the duration of this Congress. We all know that the Alaska statehood measure if it is made the pending business, will require considerable discussion.

There will also be an appropriation bill and perhaps a tax bill and other measures related to the international crisis in which we find ourselves. In other words, if this motion is adopted it definitely means placing S. 3295 on the shelf for the remainder of this Congress.

When the regular session was adjourned a few months ago, S. 3295 was made the unfinished business deliberately so that action could be taken on it immediately upon our return here this week. There was very little discussion on it before we adjourned. There was not sufficient time. I believe it was generally understood that action could be taken on it promptly, and for that reason it was placed first on the list. We do not have too much time during this short session of Congress. There is a real danger that we will not be able to take action on very many measures.

If the Alaska bill is brought up now, I am very much afraid that it will tie up the legislative program of the Senate so thoroughly that nothing at all can be accomplished at this session. If we could take up some measure on which there is less controversy and less probability of extended debate, we might at least have something to show for our efforts for the short session.

Mr. President, I simply cannot understand the urgency of taking up this question of Alaska statehood at this particular time. The Territory of Alaska has always received fair and equitable treatment from the National Congress and from Federal Territorial officials under its present form of government. At least any problems it has had in its relations with the Federal Government cannot be fairly laid to its territorial status. They are not problems which will be cured by passage of this bill. There is no pressing emergency that requires the immediate grant of statehood to the Territory. There is not the slightest need for haste on this matter.

Mr. President, I was somewhat impressed by the sentimental appeal made by the distinguished Senator from Wyoming for immediate action on these two statehood bills because of the international situation. I am not in agreement with the Senator in the views which he expressed during the course of his speech, that it is necessary that the United States Government take action on the proposed legislation now on the basis that we may lose friends if we do not take such action. I believe most of us have visited Hawaii and Alaska. We know that those Territories are inhabited by fine people. I doubt if there is a single person in either Territory who would be guilty of making the statement that he would want to do anything drastic if the statehood bills are not passed now because of the international situation. In other words, I do not think the people of the two Territories measure their patriotism by any such standard as that.

The people who live in those Territories are a brave people. The inhabitants of Hawaii have made a remarkable record, one that cannot be equaled in arms by the forces of any State in the Union. I am perfectly sure they are willing to bide their time so that all the complex situations existing there at this time can be taken into consideration by Senators when they vote on a bill that is impossible to repeal should it be passed.

A decision by the Congress to grant statehood to any Territory is in some respects a unique type of legislation. It is a decision that is irrevocable. It cannot be reversed. Once statehood has been granted, it cannot be taken away. In that respect it is different from almost any other type of legislation with which we have to deal.

If we pass a tax law and it turns out to be a bad law, we can always repeal it and undo the damage. If we make a mistake in any of our measures regulating industry or labor or agriculture, those mistakes can be corrected as soon as they are discovered. With rare exceptions, we can repeal any law we pass if we find subsequently that it is not working out as we had intended.

That is not the case with a grant of statehood to a Territory. The grant of statehood is a grant of sovereignty. Once sovereignty has been granted, it can never be withdrawn.

What is the reason for this undue haste in bringing up the Alaska statehood question at this particular time? I do not profess to know all the reasons, but perhaps I can suggest one. Perhaps there is a desire to bring into the Senate two more so-called liberal votes to offset the losses that have been suffered by this administration as a result of the recent elections. Perhaps there is some idea of overturning the decision of the electorate insofar as possible by mobilizing two more votes for the administration on critical issues.

If that is the plan, I believe it is an unworthy one. The Eighty-first Congress is heading into its last month of existence. It has its duties to perform, but those duties are mainly of an emergency nature. This is a "lame duck" Congress, and it does not really represent the most recent expression of the popular will. It has no real right to make decisions which will be binding on our Nation forever. Statehood legislation is one subject on which we in this short session have no moral right to pass.

I do not believe the people will particularly appreciate it if this "lame duck" session tries to slip in two more left-wing Senators to overcome the losses sustained by the administration on November 7. If the elections prove anything, they prove that the people have had enough of left-wing policies, excessive spending, and financial mismanagement. One of the soundest judgments on the elections I have seen was made by a distinguished Democrat, chairman of the Democratic Party for many years, Mr. James A. Farley. I have here an article by David Lawrence, which appeared in the New York Herald Tribune on November 22, 1950, from which I shall now read. The article is entitled "Farley's View of Election—Blow to Unsound Liberalism." It reads as follows:

WASHINGTON, November 21.—Probably the sagest of the political observers of our times is James A. Farley, who, after twice piloting a Presidential nominee to success at the polls, nevertheless parted from that same individual on a matter of principle—opposing a break in the third-term tradition.

What Mr. Farley says now in analyzing the recent election is particularly significant and revealing. For it is the opinion of a man who, more than any other outside of public

office, knows what the Democratic Party really means to its followers and what it can mean in pursuing a course that might be termed sound instead of unsound liberalism.

The man who not only served in the late President Roosevelt's Cabinet as Postmaster General but who led the Democratic National Committee is certainly entitled to speak about the Democratic Party as an institution.

OPPOSES A LABOR PARTY

"First," says Mr. Farley concerning the last election, "it showed in Ohio and in several other places that neither the Republican nor the Democratic Parties, nor the workingman himself, nor the voters generally, want an independent labor party. I have many times made myself clear on this subject.

"Since labor unions became an effective force in our economy it has been suggested by some that labor might conceivably form a political party of its own, with the avowed objective of presenting its aims through the medium of a platform sponsored by an independent labor party.

"I want to say that I am definitely opposed to such an idea because I am a firm believer in the two-party system.

"The great danger since the two big labor federations have set up their own political organizations is that in many districts and in some States these organizations might well supplant one or both of the regular parties. The result of this would be the elimination of policies by one issue and by one group in the community. That is quite contrary to the whole theory of government in this Republic under a two-party system. The fear of that in Ohio I know in this year's election drove many Democrats to vote for TAFT. And it is also clear that thousands of union members refused to be told how to vote by the political arms of the unions and voted for TAFT in protest."

CITES EXPERIENCE IN NEW YORK

This is a frank exposition by one who knows the trends in party fortunes and the changing attitudes of voters. Mr. Farley, however, not only refers to what happened in Ohio but in his latest speech—made in the deep south at Tampa, Fla.—he calls attention to the way the American Labor Party, which he says "came to be heavily influenced by Communists," ran a ticket in New York State that was thoroughly buried by the regular party vote. He adds that he is "happy to note that the outlook is very dark for third or fourth parties in this country."

The former chief of the Democratic National Committee condemns also "the Brannan plan, socialized medicine, and other unsubstantial experiments," and calls on the President to summon the leaders of the South to solve civil-rights problems "on a regional and State basis."

"To pass a law," he remarks with reference to this issue that has roused the South, "especially a Federal law, is never the best way to correct an injustice."

What Mr. Farley says to his fellow Democrats and to the Nation will be discussed widely. For it is the beginning of a very important dissent against new dealism and fair dealism which has been smoldering for some time but which is now coming to the surface as the independent Democrats, forced to choose between radicalism under the Democratic banner or anti-radicalism in the opposite party, are voting in favor of Republican candidates. Thus they do not hesitate to leave their party for the time being—at least until the Democratic Party can get back on the track again.

Mr. President, I have inserted that quotation from Mr. Farley because I think it indicates a danger which we face at this time in passing too quickly on any proposed legislation, especially measures which have the great importance of the statehood bills.

I have nothing but the kindest feelings toward the people of the two Territories. I have visited them; I know many of them personally. However, they are not their own bosses. The situation in regard to those Territories is considerably like the situation we find in some of the States in the Union, where the labor group—and it is the most radical labor group—controls the elections. If statehood were granted, the very moment that they wanted to do so, the labor group could send to the Senate two of the most radical type of labor leaders.

Mr. President, it is customary for the proponents of Alaska statehood to attempt to place the discussion on a basis of whether we should grant to a group of deserving people the rights to which they are morally entitled. That was the general line of argument of the President in his letter urging that we take up this proposed legislation. This type of argument is intended to make it appear that those of us opposing statehood are unjustly depriving worthy fellow citizens of full equality and are trying to hold them down in some manner.

Mr. President, it happens that I am well acquainted and on very friendly terms with a great many of the leading residents of Alaska. In my experience the people of Alaska, generally speaking, are fine people, true pioneers in the American tradition, responsible, industrious, and intelligent, engaged in carrying the American flag to a distant outpost against great obstacles. I want to do anything I can to help those people build up the Territory and develop its possibilities. If statehood would help them do that, I might be for statehood. Statehood will not help them; it will hurt them, in my opinion. That is the principal reason I am opposed to statehood for Alaska at this time.

Many Members of the Senate, I am afraid, may approach this question with somewhat of a false picture of the actual conditions that we confront in dealing with Alaska. All of us, I know, thinking back on the history of our own State, are inclined to sympathize with the aspirations of any group of pioneers who have had the courage to go into the wilderness and to try to create a civilization there. In most of our States, a wilderness was turned into a settled society by the unremitting efforts of just such a group of pioneers as we now find in Alaska. For that reason, perhaps many Members of the Senate may feel that statehood is a natural, inevitable climax of political development for any Territory once a start at settlement has been made.

Unfortunately, conditions in Alaska are radically different from those which existed in any of our States at the time statehood was granted. We are not justified in taking the history of settlement of the States within our continental borders as an example of what will happen in Alaska if statehood should be granted.

In all the present States, settlement proceeded rapidly up to the limits of cultivation as the frontier moved westward. Once a start had been made by a few pioneers, others came along rapidly to take up farms or to develop the mineral and other resources. Statehood was usually granted to each territory soon after the first settlements were made, but statehood was never to any real degree the cause of the development of those States. The economic development proceeded without regard to the grant of statehood. It was based on the westward movement of additional homesteaders, the development of transportation, and the like.

In Alaska the situation is totally different. Alaska is not in any real sense a new territory. We have been familiar with its possibilities—such as they are—for a long, long time. It was settled by white men—the Russians—before Nebraska, for example, was settled by the homesteaders coming from the East.

Americans thoroughly explored its potentialities as long ago as the turn of the century, during the days of the gold rush. A wave of prospectors journeyed there at that time to settle the river valleys and develop the mineral resources much in the same manner as other waves of prospectors settled portions of our Western States.

Gold was discovered in California shortly before 1850, and that discovery started a wave of migration which increased the population of California to almost 1,500,000 people by 1900, 50 years later. When gold was discovered in Alaska, however, it did not create a corresponding wave of migration to the Territory. Those who found gold simply took it out and went home. There were no others to take their place. Fifty years after the discovery of gold in Alaska there are, not 1,500,000 people, as in the case of California, but somewhere around 100,000. Nearly half of them are in Alaska only because Federal jobs have taken them there.

What are the actual conditions that we find in Alaska? If Alaska should be admitted as a State, it would have two principal distinctions; it would be by far the largest in area of the States, and it would have the smallest population. It would have one other distinction also—it would be by far the poorest of the States.

To us who live in fully settled areas, it is difficult to picture the tremendous obstacles which arise simply because of the extreme sparseness of population. In almost all of the continental United States, one farm adjoins the next for mile after mile in all directions, while cities and towns are strung out a few miles apart along first-class highways, so that a traveler may go for hour after hour without ever getting very far from homes, farms, towns, and all the facilities of civilization. In Alaska the situation is exactly the opposite. It is possible for the traveler to go hour after hour without ever seeing another human being. The cities and towns are hundreds of miles apart. The largest centers of population have only a few thousand people. Anchorage, the largest city, has about 15,000. Most of the others have 5,000 or less. Each town is almost completely cut off from its neigh-

bor. In many cases, the only available means of transportation are by water or by air.

The mere task of maintaining elementary transportation facilities—roads—has been too much for the residents of Alaska. Such roads as there are in Alaska have been built for the most part by the Federal Government. The Federal Government has constructed several fine highways, simply because the resources of the Territory itself have never been sufficient to support the construction of anything like an adequate system of roads.

Of all the vast land area of Alaska—365,000,000 acres—only three-tenths of 1 percent has been brought into private ownership and use during all the years since Russian explorers first discovered the Territory. Title to all the rest of the Territory is vested in the United States Government. In fact, only about 2,000,000 acres—considerably less than 1 percent—have even been surveyed.

That is the present condition of this vast Territory, upon which it is now proposed to thrust the financial burden of statehood. Already it is said that the tax burden on Alaskans is the heaviest to be found anywhere under the American flag. Statehood would approximately double that tax load.

Mr. President, before we hasten to thrust statehood upon the helpless Alaskans, whether they want it or not, let us stop and ask ourselves, Just what can Alaska gain from statehood? Since statehood will mean a change in the form of government, what kind of government will Alaska receive if statehood is granted?

During recent years the government of the Territory has been controlled almost completely by a group of political opportunists, apparently interested primarily in their own aggrandizement, headed by Gov. Ernest Gruening. Governor Gruening is, of course, immune from expressions of popular approval or disapproval by the people of Alaska, since he holds his position, apparently for life, by appointment from Washington. Through his appointive position, through his control of appointments and of the spending of Territorial tax moneys, and through his supposed influence with the powers that be in Washington, the Governor has been able completely to dominate the political life of the Territory and to control almost absolutely the Democratic Party's policies there and also the program of the Territorial legislature.

It is fair, I believe, to hold Governor Gruening and his coterie responsible for any neglects, any errors, any cases of malfeasance in office which have occurred during the past few years while they have been in full control. Certainly they have been perfectly willing to take full credit for any of the supposedly progressive advances which have been made during that period.

What kind of government have they given the Territory of Alaska during that period? As many Members of the Senate are aware, appropriations by the last—Gruening-controlled—legislature far exceeded tax revenues. As a result of this display of irresponsibility, it was not possible for the regular expenses and debts of the Territory to be paid out of Territorial revenue. That situation gave the Governor all the excuse he needed to concentrate all control over the Territory's finances in his own hands and those of his friends on the Territorial board of administration. All appropriations were frozen, and the funds appropriated by the legislature are released at the discretion or the whim of the Governor and his associates.

For example, funds for Territorial welfare programs, particularly child-welfare programs, have been frozen, and the beneficiaries have been told that they must do without the assistance they need, since the Territory cannot honor its obligations. On the other hand, funds were found with which to carry on the work of the Alaska Statehood Commission.

Funds are not available for essential Territorial functions, unless they have vote appeal, but money can be found for politically expedient programs, particularly immediately before elections. A recent example of that type of maneuvering is discussed in an editorial entitled "Public Money for Political Gain," published in the Fairbanks Daily News-Miner for October 6, 1950. Because that editorial explains the whole process so clearly, I shall now read it:

PUBLIC MONEY FOR POLITICAL GAIN

The university's board of regents revealed yesterday that it had received a wire from Gov. Ernest H. Gruening reporting the unfreezing of $561,329.40 of university funds by the Juneau Board of Administration. The newly released funds constitute the remainder of the $900,000 university appropriation originally frozen by the administration in June 1949.

Andrew Nerland, president of the board of regents, expressed deep gratification on receipt of this good bit of news.

"It means," Nerland said, "that we can now start planning modern permanent buildings that will place the University of Alaska on a par in plant facilities with schools in the United States."

While the financial picture is not quite as rosy as might appear from Governor Gruening's wire, the university's utilities program and the construction of its school of mines during 1951, nonetheless, appears assured. Actually, the sum of $561,329.40 has not been unfrozen in its entirety. Its unfreezing has merely been promised, as a closer analysis of the Juneau Administration Board's release shows.

In fact, the board of administration released only $90,000 for immediate use. The release of the remaining $651,000 is not to begin before May of 1951, in monthly payments of $100,000.

Governor Gruening's wire—apart from the good news it contains that $90,000 has been made available to the university and that a further $561,000 is promised beginning next May—offers an interesting sidelight. It affords convincing proof of the dizzying height to which Democratic processes have spiraled in Alaska under the Governor, coming as it does just 5 days before the elections.

Admirers of the Governor might want to believe that this unfreezing of funds just before elections is a pure coincidence, and is not delicately timed to influence those elections.

But it would take a stanch faith in coincidence to maintain such a view in the light of today's news—carried elsewhere in these columns—that the Juneau Board of Administration has likewise released $50,000 for use by the Territorial veterans' board. The released funds are to be used to pay out bonuses to veterans and for veterans' loans. Again the timing is remarkable—unfreezing of the funds is effected a few days before the elections.

The release of the veterans' funds, as well as those intended for the university, is laudable and to be welcomed. But the apparent political motivation that has led to the unfreezing of these funds at this particular time—6 days before the election—is less laudable. The suspicion is not unreasonable that these funds could have been released earlier, but were held back until election time for political purposes. Certainly both the university and the veterans could have made good use of these funds before now. The board of administration's explanation that the sudden release, at this time, is due to "financial improvement" does not hold water. The board fails to explain what financial improvement has taken place shortly before the elections that would suddenly allow it to unfreeze funds that previously could not be released.

The board of administration, if anything, cannot be accused of inconsistency. It has released university and veterans funds 6 days before the coming elections. Six days before this year's primaries—on April 19—it had likewise unfrozen $100,000 under a technicality of the law which was previously overlooked. This technicality, so the board of administration let it be known then, was in fine print and had therefore gone unnoticed. The fine print, remarkably, had suddenly become readable to the board as the primaries approached.

It now remains for Alaskan voters to discern the fine print in the contract they signed with Governor Gruening's administration when they voted it into power. If they look closely, they will find that the fine print is not to their advantage. It promises only one sure thing—the whimsical use of territorial and Federal funds to further the power of the Gruening administration, without regard to the welfare of either the individual voter or of the Territory as a whole. It bespeaks only the continuing encroachment on the peoples' rights, so that they may better serve the Governor and his henchmen.

Mr. President, I have read in some detail from the editorial with the idea of giving Members of the Senate a picture of the situation and conditions as they exist in the Territory of Alaska at this time. Members of the Senate may be interested in knowing the results of the election, particularly after the unfreezing of the funds I have referred to before the primary and before the election. Of the 16 Members of the Senate who were elected 8 are Republicans and 8 are Democrats. In the House the election gave the Democrats a majority of three Members. Since the election I have been advised by a prominent citizen of Alaska that the Governor has found it expedient to offer an attractive position to one of the Republican Members of the Senate, in order to enable the Governor, under territorial law, to fill the vacancy thus created by appointing one of his friends. The facts which I have recited give another illustration of the subterfuge and trickery which are not uncommon in the handling of governmental affairs in Alaska.

Mr. President, I have discussed the financial irresponsibility of the Gruening administration in Alaska, which has led to the appropriating of funds which

were not in the territorial treasury, and the consequent freezing of all appropriations by the board of administration. Let me mention now how this system of handling funds permitted the Democratic territorial treasurer, Oscar G. Olsen, to embezzle territorial funds over a period of several years.

On August 22, 1950, I inserted in the CONGRESSIONAL RECORD, at pages 13012 to 13014, an address by Territorial Senator John Butrovich, chairman of the Finance Committee of the Territorial Senate, detailing the difficulties he had in securing an audit of the territorial funds handled by the treasurer for the period 1944 through 1948.

In his statement Mr. Butrovich points out that audits of territorial funds in the custody of the treasury were held regularly every 2 years from about 1916 up until 1944. Each biennium, year in and year out, whether the administration and legislature were Democratic or Republican, an audit was held as a matter of course, so as to make sure that the tax money of Alaska residents was secure against theft.

For the biennium of 1945–46, however, no audit was held. I quote briefly from the remarks of Senator Butrovich:

> We get down to the legislative session of 1947, at which time there was plenty said about an audit. Ten days after the session, we did not receive an audit. We were told that there were no funds for an audit, although the business of the Territory had increased a hundredfold. There was still no money for an audit. At that session the legislature appropriated $20,000 for an audit, and we left Juneau feeling that when we came back in 1949 most certainly an audit would be available. The members of the senate—

I am skipping the nonessential parts—

> were very much interested in this audit. After we convened it was just a matter of days until we were discussing the audit on the floor of the senate and we were informed that we had no audit because the funds, $20,000, had been frozen by the board of administration.

Mr. Butrovich then recounts how he took the matter up with the Governor and others a number of times, and finally he and the chairman of the ways and means committee of the Territorial house, more or less on their own authority, called in a well-known auditing firm and persuaded the Governor to allow the audit to be made. That audit covered the embezzlement which sent the Territorial treasurer to jail and uncovered over 20 other irregularities in the handling of Territorial finances. The money, the embezzlement of which could be directly traced to the treasurer, was made good by the bonding company. However, there is still some $27,000 in liquor tax stamps lost or unaccounted for, which has not been made good by the bonding company. Those liquor-tax stamps have not yet been found, according to my most recent information, nor has any explanation for their disappearance been made.

The entire episode illustrates the type of government which the people of Alaska have received from the Gruening administration during recent years. During the period when there were insufficient funds on hand for an audit the Territory found $28,000 to carry on the work of the Territorial development board. The Territorial board of administration saved a few dollars by withholding funds for the audit, but opened the door to loss of far greater sums through embezzlement, mishandling of government funds, and other types of loss.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. BUTLER. I am glad to yield to the Senator from Mississippi.

Mr. STENNIS. Would the Senator prefer to conclude his remarks before yielding?

Mr. BUTLER. I am glad to yield to the Senator from Mississippi.

Mr. STENNIS. I should like to ask the distinguished Senator from Nebraska whether he has in his possession figures with reference to the current finances of the administration of the Territorial government in Alaska. Is the Senator in a position to furnish the Senate such figures at this time, or would he prefer to do so at a later time?

Mr. BUTLER. I have not gone into too much detail on the subject in my present brief remarks.

Mr. STENNIS. Mr. President, I commend the able Senator from Nebraska for his very fine, enlightening, and able presentation of the facts on the subject, and I well understand that the press of other matters has prevented the Senator from becoming thoroughly familiar with all details.

Mr. BUTLER. If the pending motion is carried I shall make another statement on the subject, at which time I shall debate at some length a great many illustration which are far worse than the ones to which I have referred today.

Mr. STENNIS. Mr. President, I am indeed very glad to hear the Senator make the statement. What little contact I have had with the Senator has convinced me that he knows the subject and has a great many details in mind which he will call to the attention of the Senate. I should like to get the figures with reference to the administration of the Territorial government.

Mr. BUTLER. I believe I can obtain the figures for the Senator.

Mr. President, as another example of the sort of government which the people of Alaska have been receiving from their Governor and his friends, let me refer briefly to the so-called Palmer land deal.

On August 16, 1950, I addressed the Senate on the complicated maneuvers undertaken by certain members of the Gruening administration in Alaska, in an effort to secure Federal aid for purchase of land for an airport at Palmer, Alaska, under terms of the Federal Airport Aid Act. My remarks appear in the CONGRESSIONAL RECORD beginning on page 12591.

In that address I charged that a wholly inflated value had been placed on the land to be used for this airport, the purpose of inflating the value being to extract from the Civil Aeronautics Administration the sum of $37,500 to which the Territory was not lawfully entitled. I showed that the entire deal had been engineered by a Stanley McCutcheon, a member of the Governor's clique, who not only arranged the sale but persuaded the sellers to connive with him in setting the false valuation, and also personally prepared the voucher and drew the payment for the land, as a part of the elaborate arrangement. This payment was not devoted to Mr. McCutcheon's personal ends, being paid to the seller, and subsequently returned to the Territorial treasury. However, Mr. McCutcheon also arranged to have himself appointed as attorney for the Territorial aeronautical agency, which made the purchase, and drew a fee of $5,628 from the agency for his services. I might add that Mr. McCutcheon was a member of the legislature which created this agency and voted its funds, is a stockholder of the bank which has financed the construction of a hotel which will be a chief beneficiary of the construction of the airport, and is also president of the Alaska Airlines, which naturally has a pecuniary interest in the airport development. Mr. McCutcheon has so many different financial interests in this one transaction that it is difficult to list them all.

At the time I addressed the Senate about the Palmer land deal I introduced Senate Resolution 331, authorizing the Senate Committee on Expenditures in the Executive Departments to undertake an investigation of the entire transaction, with a particular view to determining whether any Federal laws had been violated. In line with the thought of that Senate resolution investigators for that committee have visited Alaska and, I understand, collected considerable evidence bearing on the matter. I have discussed the investigation with the committee staff members. As I understand, the preliminary investigation has not yet been completed, but may be shortly. I am not at liberty to reveal, of course, any of the facts that have been developed, but I believe I am breaking no confidences by saying that the results of that investigation may startle the Senate.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BUTLER. I am glad to yield to the Senator.

Mr. McCLELLAN. From the investigation which the able Senator has made with reference to this particular transaction, is he convinced that the present government of Alaska under Governor Gruening is bound to have had knowledge of the circumstances surrounding the transaction?

Mr. BUTLER. I think that in the statement I made, to which I have already referred, the fact was brought out that following my exposé he still insisted that he was in effect the father of the idea, and was very strong for it.

Mr. McCLELLAN. I recall the case, and recall the Senator's remarks on the floor of the Senate. I believe I discussed it briefly with him at the time he offered his resolution, which came to the Committee on Expenditures in the Executive Departments, and as chairman of that committee I immediately referred the Senator's resolution to the Subcommittee on Investigations, under the chairmanship of the able senior Senator from North Carolina [Mr. HOEY]. A tentative investigation did proceed immediately. Of course, I have been away from

the Senate during the recess period, and have not made a personal check with reference to how far the tentative investigation has progressed, but I am sure that in the course of this debate we can ascertain how far it has progressed. I am hoping that the able Senator from North Carolina, who is chairman of the subcommittee, will be able, after conferring with the staff members, at least to give us some further information with reference to this scheme, as I interpret it, that was planned to defraud the Government of the United States.

If this transaction was developed and attempted in the manner related by the able Senator from Nebraska, as tentative information supplied to the committee indicates, then I desire to ascertain, if we can, if the present government of Alaska, under Governor Gruening, was cognizant of this action, and condoned it or participated in it. If that is the fact, before we bestow sovereignty on such a government as that, we should stop, look, and listen, and be certain before we proceed into such a danger zone.

Mr. BUTLER. I am very pleased to have the statement of the chairman of the committee which has my resolution in hand. I think I can assure him that the investigation by his committee's staff members will reveal that the Governor, and his associates, also a part of the government clique in the Territory, were fully cognizant of the whole detail, that they fathered it and put it through. It is my opinion that if such facts are reported to the Senate by the chairman of the committee, the President should call for the resignation of a man he appointed who is guilty of such an act, and then appoint someone, preferably a distinguished and capable resident of the Territory, to become the Governor appointee of the Territory.

Mr. McCLELLAN. Mr. President, will the Senator yield further?

Mr. BUTLER. I yield.

Mr. McCLELLAN. In view of this development, which has not yet been fully explored, but which can be explored to the extent of determining the actual facts and their implications, would it not be the better part of wisdom on the part of the Senate to defer any action upon the pending bill until full disclosure of this transaction could be made, and the facts could be made known not only to the Senate, but to the people of the United States, with respect to the character of government on which we are now asked to bestow sovereignty?

Mr. BUTLER. I fully covered this matter in my remarks in the former session, and my purpose in going into it again is that the Senate might be freshened on the matter. I think it should be the opinion of all the Members of the Senate that such an important investigation should be made, so that every Member of this body could have the benefit of the disclosures before he was called upon to pass on this question by vote.

I am informed that the final results of that check may be available within a comparatively few days. In the meanwhile, it seems to me it would be foolish for the Senate to proceed with consideration of the Alaska statehood matter, until we at least have the results of this investigation before us. I believe it may well give us a clear insight into the methods of those who desire to convert their Territory into a State, so that they may have even broader powers over its destinies than they now have.

To reassure the Senate, I should mention that the $37,500 of Federal money, which this group of promoters was after, has not yet been paid over by the Civil Aeronautics Administration. I have hopes that that money will be saved for the Federal Treasury.

Mr. President, to give the Senate some further indication of the methods of the Gruening administration in handling the affairs of the people of Alaska, I invite the attention of the Senate to statements made by me on August 23, 1950, in the CONGRESSIONAL RECORD, on pages 13186 to 13188, entitled "Use of the Alaska Native Service for Political Purposes," and on August 25, 1950, on pages 13408 and 13409, entitled "Use of Public Money To Influence the Outcome of Elections."

In both of those statements, Mr. President, I clearly demonstrated that the Gruening administration in Alaska has not hesitated to use ruthlessly all the weapons at its command for the purpose of controlling the voters of Alaska and perpetuating its own power there.

In the first statement to which I have referred, I showed that the Alaska Native Service, a Federal Agency, is being boldly used for the purpose of mobilizing the native vote in Alaska in behalf of supporters of the Gruening administration. I inserted in the RECORD actual letters, including one by Governor Gruening himself, discussing all the political angles.

In the statement of August 25, I inserted a letter written by Mr. George Sundborg, Consultant to the Alaska Development Board, an agency of the Territory supported by Territorial funds. That letter represented the most open and blatant attempt to use public moneys to influence votes that I have ever seen—at least, written down on paper and signed. Mr. Sundborg made it very clear in the letter that the city of Nome, Alaska, could expect no help from the Alaska Development Board, because legislators in the territorial legislature had voted against or opposed the Board and its appropriations.

It is by such high-handed tactics as these that the present clique in Alaska endeavors to keep itself in power. This same group now desires statehood in order further to strengthen its hold on the government of Alaska.

Whether such tactics are successful is another question. The election recently held in Alaska gives some indication that the people there cannot be controlled so easily. Of the Territorial senate seats to be filled, six were won by Republicans, only two by Democrats. However, there were six holdover Democrats and only two holdover Republicans, with the result that as I stated a while ago, the Territorial senate is still evenly balanced, 8 to 8.

Mr. LANGER. Mr. President——

The PRESIDING OFFICER (Mr. HOLLAND in the chair). Does the Senator from Nebraska yield to the Senator from North Dakota?

Mr. BUTLER. I yield.

Mr. LANGER. It is my understanding that before Mr. Gruening became Governor, at some of the elections voting booths had never been provided for the natives in the country areas, but that he insisted, when he became Governor, that the natives be allowed to vote, that voting booths were set up, and that for the first time the Eskimos and other natives really took part in the elections. Has the distinguished Senator made any investigation into that matter?

Mr. BUTLER. I cannot answer the Senator's question explicitly. I am sure that the Governor himself has done everything he should do as Governor to see that the people have proper voting facilities. I am sure of that. Whether they did have them before or not I do not know.

Mr. LANGER. I thank the Senator.

Mr. BUTLER. In the races for the Territorial house, the Democrats gained 15 seats, the Republicans 9. Although the Democrats retained control, their margin is sharply reduced from what it was in the last legislature, when they held a majority of 19 to 5. The Democrats now have three majority in the house and five in the senate. Even more significant, however, was the wholesale defeat of leading Gruening supporters. That election gave a strong indication that the people of Alaska have had enough of the type of government they have been living under for the past few years.

The senior Senator from Massachusetts [Mr. SALTONSTALL] calls my attention to the fact that the membership in the senate is a tie, eight Democrats and eight Republicans. In the house I believe there is a majority of three Democrats.

The feeling that the people of Alaska have "had enough" of the type of government under which they have been living for the past few years is not confined to Republicans alone. Leading Democrats share it. Their reaction is typified by a statement made shortly after the election by Howard Lyng, Territorial senator and Democratic national committeeman. His remarks are contained in a news clipping which I have taken from the Ketchikan Daily News of October 16, 1950, which I shall read.

I remind Senators that the election in Alaska occurs on October 10, about a month before the elections in the continental area. The article reads:

DEMOCRATS REPUDIATE GRUENING—LYNG SAYS GRUENING POLITICS RESPONSIBLE FOR GAINS OF THE GOP

JUNEAU.—Interpreting the results of the Territorial elections held on Tuesday, October 10, as "a registered protest of a majority of Alaska's voters against the manner in which the head of the present administration, federally appointed Governor Gruening, has been conducting the affairs of the Territory in recent years," Howard Lyng, Territorial senator, and Democratic national Committeeman, in a signed statement yesterday, bitterly denounced Gruening's interference in Alaskan politics.

ANALYZES ELECTION

Lyng made the statement to Elmer Friend, editor of the Juneau Empire, after receiving the latest tabulation on election returns before boarding a plane for Seattle on a business trip. The statement reads as follows:

"I do not regard the Republican gains in the general election as a defeat for the Democratic Party—it is rather a protest of the majority of Alaska's voters against the manner in which the head of the present administration, federally appointed Governor Gruening, has been conducting the affairs of the Territory in recent years."

DEMOS LOSE

"Democrats, Republicans, and independent voters all participated in the vigorous Territory-wide rebuke. In this election Democrats, holding six of eight holdover senate seats from the 1948 general election, secured but two out of eight senate seats in the general election this year, six going to the Republicans.

"In the house, with 24 seats filled every 2 years, Republicans captured 10 and the Democrats 14. This is a loss of 5 from the 19 seats held by the Democrats in the 1949 session."

"PROTEST VOTE"

"The result of this election, in my opinion, is a mandate from the voters to restore the two-party system and once and for all rid ourselves of pro-Gruening, anti-Gruening basis on which our elections of recent years have been conducted."

DENOUNCES GRUENING

"The Democratic Party in Alaska, for which I am the major spokesman, sincerely hopes in elections 2 years hence it will be able to properly conduct its own affairs without any outside interference or attempted domination on the part of any federally appointed officials."

GRUENING SUPPORTERS ARE DEFEATED

The signed statement made by Lyng as official spokesman for the Democratic Party gives confirmation to the recurrent rumors that the party was withdrawing from Gruening control and the large majority piled up by Democrat James Nolan, running for the senate in the first division against Gruening opposition, emphasized the fact that voters would no longer follow Gruening dictates.

This was further emphasized by the defeat of Victor Rivers, chairman of the Democratic Territorial committee, and M. Lousac, finance chairman for the Democratic Party, both of whom ran for senate seats in the third division. In the fourth division Democratic national committeewoman, Essie Dale, who was seeking a house seat, was soundly defeated. These candidates were all known as strong Gruening supporters and their defeats at the hands of the voters was interpreted as a protest against the Governor.

Mr. President, I mentioned previously the strenuous efforts of the Gruening administration in Alaska to control the native vote, as a means of perpetuating its own power. I pointed to the matter in which public funds, and in fact Federal funds, have been used for this purpose.

A preliminary check of the voting returns in the Alaska election indicates strongly to me that this effort to control the votes of the natives may have been successful. First returns from the Alaska elections indicated that the Territorial house would be split evenly, 12 Democrats and 12 Republicans. All the Alaska newspapers I have seen, representing various shades of opinion, were inclined to concede, on the basis of these early returns, that the Republicans had pulled up to a position of full equality with the Democrats in the house.

That was on the basis of the early returns, which expressed the views of the city residents, and those of the more populated areas. The natives generally live far from civilization or communications, and the returns from their precincts were slow in coming in. As those returns came in, one after another of the apparent Republican winners was defeated by overwhelmingly Democratic slant of these late precincts. It was apparent that the native vote in some areas was cast almost 100 percent for the Gruening candidates. Finally, three of the apparent Republican victors were defeated and replaced by three Democrats in the races for the house.

One of my correspondents has expressed it in these words in a letter written about 2 weeks after the election:

The only thing that saved Gruening from a smashing defeat on all sides was the native vote, unsupervised and unobserved. The administration delivers the vote from those precincits exactly the same as the crooked vote is delivered from the machine precincts in the big metropolitan areas. After watching this thing at close range through two elections up here, I'm convinced that the only way decency and honesty will be brought back to Territorial affairs is through smashing the administration's control of the native vote. And I think the only way that can be done is through Congress.

Later on he says:

On the face of the returns, just plain lopsided totals in favor of the administration's hand-picked candidates, you know it is wrong.

Mr. President, those sponsoring this legislation have attempted to give the impression that Alaska is a rapidly growing developing area where new people, new blood, and presumably additional investment, are causing an increase in wealth and population by leaps and bounds. I believe that picture is totally deceptive and misleading. What are the facts?

For a number of decades, the two great industries of the Territory on which the livelihood of most of the people depends have been mining and fisheries. These two industries have provided the overwhelming majority of the wealth produced, the tax revenues, and the shipments out of the Territory.

The gold-mining industry in Alaska has almost totally collapsed. Production of gold during the last 8 years has declined almost 75 percent.

The salmon fisheries are no longer growing but declining. Production of canned salmon during the 5-year period 1945–49, fell to the lowest levels of any 5-year period since 1910–14. And the production of canned salmon fell still further during 1950.

What other industries are there? Farming in Alaska does not amount to much. There are only a few hundred farms, and much of the food for Alaska must be brought in from the United States. Many of us in the past have been optimistic about the development of timber and pulp resources. You may recall, Mr. President, that a few years ago I was very active in securing legislation so that the timber of the Tongass National Forest might be leased for private exploitation. That legislation was passed and negotiations have been carried on for several years designed to induce private investment in the manufacture of pulp, but to date, construction has not yet begun on a single pulp mill. The tourist industry brings in a few hundred tourists each year. That is all.

What are the people of Alaska to live on if statehood is granted? What industries are to carry the sudden sharp increase in the tax load? Existing industries are already being taxed out of existence. They are carrying all of the burden that they can. Some of them are moving out; new venture capital is not moving in.

One part of the rosy picture about Alaska's prospects under statehood is true—only one. The population has increased, but the increase is not due to development of additional resources or to the production of new wealth. It is due solely to the increase in Federal spending and Federal jobs in the Territory. The gigantic expenditures of the Federal Government particularly for new defense installations, are solely responsible for the increased population. These expenditures must come to a halt some day. When they do, there is a danger that the population of Alaska will slump back to its prewar figure. It is not possible to build a stable prosperity on the basis of temporary Government expenditures. Permanent wealth-producing industries are the only sound basis for Alaska's development, but during the past decade, these industries have declined instead of growing. They could not begin to support the people of Alaska if the military spending should come to an end.

In order to give a notion of the tremendous scope of our construction program in Alaska, I shall read a short news article, entitled "Heavy Dollars for Alaskan Defenses," which I clipped from the Washington Daily News for November 6, 1950:

HEAVY DOLLARS FOR ALASKAN DEFENSES

(By James Helbert)

Alaskan military posts got preferred treatment today in new military construction projects.

This was revealed by the Army engineers in a list of 210 projects to cost $209,000,000. Almost two-thirds of that amount will be spent in Alaska. These are the first projects of this sort for this fiscal year and more are to come.

Choice of Alaska for most of the spending was considered significant in military circles here.

Since the start of the cold war, military experts have pounded on the theme that in case this country is attacked, the aggressors would first hit Alaska.

WEAK SPOT

Our defenses there have been called so weak that "a well-organized Boy Scout troop could capture Alaska."

Today's building plans, however, show that the Army and Air Force will expand facilities considerably in the Far North and that many permanent installations will be strengthened.

For instance, Elesen Air Force Base in Alaska is to get $2,800,000 for petroleum stor-

age, $1,250,000 for repair shops, $300,000 for an ordnance shop, and $350,000 for an ammunition storage project.

In the works for Ladd Air Force are a $1,275,000 maintenance shop, $520,000 artillery shop, and $300,000 warehouse.

Plans for Fort Richardson show $12,000,000 for a heat and power plant, $5,000,000 for utilities, $2,600,000 for indoor training facilities, a $2,500,000 water supply project, and $1,500,000 for oil.

RADAR SET?

Also listed is a $7,000,000 communication system at Kenai, Alaska. That may be a radar air raid warning system.

Much criticism has been made of the lack of living quarters at Alaskan posts. But the Engineer Corps plans include many additional housing units and other facilities to make life more bearable in the subzero North.

Projects at Elesen include $3,500,000 family quarters, $2,931,000 barracks, and an $800,000 gymnasium.

Fort Richardson will get $4,000,000 for family quarters, $2,000,000 for a laundry and cleaning plant, a $300,000 service club, and $700,000 for theaters.

Planned for Ladd Field are barracks costing $5,000,000, $1,600,000 family quarters, and a $135,000 PX.

Mr. President, I have directed, in what I think is a practical way, the attention of the Senate to some of the facts. I have not tried to appeal to anyone's emotions. I do not intend to do so. But I will say that I know too well the people of Hawaii and Alaska to think that they are on the bargain counter trying to force statehood recognition at this time because of the international situation. They are brave people. They will give proof of their loyalty just as the people of any continental State will give proof of their loyalty, should that be required.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. BUTLER. I yield.

Mr. McCLELLAN. I wish to commend the able Senator from Nebraska for his sound and logical presentation of this issue. I think we should undertake to decide it on the basis of the facts, not on the basis of any emotional considerations.

The Senator barely touched upon something which I think is a very important factor in connection with arriving at the correct decision, namely, that by means of this measure, if it is enacted, we would bestow State sovereignty upon Alaska. With that bestowal of course would go certain privileges and rights which she could enjoy as a State, but which she does not now enjoy. I should like to ask whether Alaska is capable of assuming those obligations.

Mr. BUTLER. In the course of my remarks, I made several statements to the effect that it would be a physical impossibility for the Territory of Alaska, if it became a State, to assume or to meet the financial responsibilities of statehood, which would be approximately double what they are to Alaska as a Territory.

Mr. McCLELLAN. I was interested in several other statements made by the Senator.

I understood him to say that at a time approximately 50 years ago—in 1900, I believe he said—the population of Alaska was approximately one and one-half million.

Mr. BUTLER. No; that was the population of California 50 years following the discovery of gold. Fifty years following the time when gold was discovered in California, the population of California had increased to one and one-half million, whereas following the discovery of gold in Alaska the population of Alaska increased very little. That was the reference I made.

Mr. McCLELLAN. Does the Senator have in mind the increase in the population of Alaska during the past 50 years?

Mr. BUTLER. I do not have that figure in mind. I am sure it is included in some of the statements I have previously inserted in the CONGRESSIONAL RECORD.

Today the population of Alaska is approximately 100,000, as I have said in the course of my remarks today. Opinion varies a little as to whether one-third or one-half of those 100,000 are Federal employees or those dependent upon Federal jobs. I think the correct figure is fully one-half.

Mr. McCLELLAN. I have not fully checked the figures, but I was surprised when I thought I understood the Senator to say that Alaska has a population of one and one-half million. I thought that was not the correct figure.

If Alaska is not able to assume the financial obligations of statehood, but if statehood is granted to Alaska, will not that necessarily result in increasing the financial obligations of the United States, in order to support Alaska?

Mr. BUTLER. That certainly will be the case.

Mr. McCLELLAN. In this time of world crisis, when we are required to make extraordinary and unusual expenditures, and are compelled to raise the taxes of the American people to the highest level ever known in the history of our Nation, and when even with all these efforts we probably shall have to continue with heavy deficit spending, and in view of the uncertainties which confront us as to the obligations we may yet have to incur, is it not definitely unwise now for us to undertake to take into the Union, as a sovereign State, a Territory which is not yet sufficiently developed economically to be able to bear her part of the burden or at least meet the normal obligations which statehood would impose?

Mr. BUTLER. I may say to the Senator that I am quite positive conditions in our country are such that it is going to be absolutely necessary to avoid the expenditure of every dollar and, indeed, every cent that it is not really necessary for us to spend, in order that we shall be able to meet our international obligations. Therefore, all domestic expenditures undoubtedly will have to be, or at least should be, cut to the bone.

Mr. McCLELLAN. I believe I understood the able Senator to say, in the course of his remarks, that only three-tenths of 1 percent of the area of Alaska has, up to the present time, been surveyed.

Mr. BUTLER. No; three-tenths of 1 percent of the area of Alaska is private property, privately owned.

Mr. McCLELLAN. What percentage of the area of Alaska did the Senator say is still unsurveyed?

Mr. BUTLER. The part which is surveyed is approximately 2,000,000 acres, which is seven-tenths of 1 percent of the 365,000,000 acres.

Mr. McCLELLAN. I see that I got the figures reversed. I understand now that the Senator has said that seven-tenths of 1 percent of the area of Alaska has been surveyed; is that correct?

Mr. BUTLER. Yes.

Mr. McCLELLAN. And only three-tenths of 1 percent of the area of Alaska is privately owned; is that true?

Mr. BUTLER. That is correct.

Mr. McCLELLAN. Yet this measure would make that vast unexplored area a State of the Union, with the full benefits and privileges of statehood, and at a time when it has not been sufficiently developed to be capable of self-support and to be self-sustaining.

Mr. BUTLER. That is true.

Mr. President, in closing, I should like to say that my opinion of the people of Alaska and of the people of Hawaii is that they would not be materially better off, so far as physical existence is concerned, if statehood were granted to them. I know they would like to vote for President and would like to send a Representative and two Senators to the United States Congress. That would be fine; and the time may come—I hope it will—when that arrangement can be made.

However, it would be dangerous to consider making it under present conditions, because of the influence of Harry Bridges in the Hawaiian Islands; and he now has his men working in all of the fishery towns of Alaska, trying to put under his thumb every union in Alaska that in any way is connected with fishing or with shipping. Already he is having some difficulty, which is greatly to the credit of the people of Alaska, because he has not been too successful in his enterprise.

Mr. President, at this point I ask unanimous consent to have printed in the RECORD, as a part of my remarks, an editorial entitled, "Alaska at Mercy of Absentee Unions." The editorial was published in the Ketchikan Daily News, and was reprinted from the Alaska Sportsman.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ALASKA AT MERCY OF ABSENTEE UNIONS

It seems strange in a free country that the economic fate of a huge Territory such as Alaska could be in the grip of two absentee Communist-dominated organizations which are able to dictate to Alaskans and defy the United States Government.

Both of these organizations are monopolies in the truest sense of the word—monopolies protected as such by the laws of the country and headed by dictators, one of whom has been convicted of perjury by a jury in a United States court. Both of the organizations have been expelled from the CIO, after 8-month-long investigations, as unworthy of being associated with other labor unions because they are Communist-controlled.

So strong are they—the International Longshoremen's and Warehousemen's Union and the Marine Cooks and Stewards—that Alaska's Delegate to Congress and its Governor, as well as other governmental officials who are quick to condemn business organizations, dare not speak out against the high-handed action of these two unions.

The longshore union has tied up shipping to Alaska many times for weeks and months at a time. The marine cooks and stewards in October defied the Government to enforce its loyalty-screening program, refused to abide by its provisions, and caused a suspension of American passenger service to Alaska. The longshoremen sided with them.

The 3-month-long strike of the ILWU in 1948 caused the death of two American steamship lines serving Alaska, leaving the Alaska Steamship Co. alone in the field, maritime troubles in past years having also caused the discontinuance of all other intercoastal passenger service on the Pacific coast. With the suspension of the Alaska Steamship Co.'s passenger transportation, the last of this kind of service ceased. This also reduced freight service, because passenger vessels also carried some freight.

There can be no reasonable explanation of the action of the marine cooks and stewards other than the obvious one that their Communist-inspired leaders have no interest in the speedy building of the military defenses of Alaska or in the successful pursuit of the war against the Communists in Korea. The screening program was put into effect to prevent the sabotage of these two objectives.

When United States Congressman HUGH B. MITCHELL, of the Committee on Education and Labor, called a hearing in Seattle to investigate the refusal of the marine cooks and stewards to be screened, the union declined to attend. At the hearing were Gov. Ernest Gruening, of Alaska; Mayor William Devin, of Seattle; and representatives of the Alaska Steamship Co., the United States Coast Guard, and the merchant marine. The marine cooks and stewards, in effect, thumbed their noses at them.

A tie-up of shipping would not be so serious anywhere in the States as it is to Alaska. Alaskans must depend on steamer service for the bulk of their goods, and when shipping is tied up it commences to strangle the economic life of the Territory. Costs go up because expensive alternate means of transportation, such as airplanes and the Alaska Highway, must be used. Construction is delayed and business cannot be carried on in a normal way.

The sad part of the whole mess is that most of the members of the two unions are loyal Americans. But they are also loyal—too loyal—to their aggressive leaders. They are loyal to their leaders because these leaders tell them that the employers are their enemies and that big business is to blame for all the workers' troubles. For proof of this a person has only to read their union papers.

Unions are necessary and can do a great deal to benefit their members, but when they act as these two unions have acted they give a black eye or worse to all union men and lay the free United States of America wide open to disaster for lack of a dependable merchant marine.

Mr. BUTLER. Mr. President, again I should like to say that there is no similar area in the world which has made the progress which Hawaii has made during the 50 years she has been a part of the United States. No other similar area in the world has achieved progress which is comparable with the progress of Hawaii.

However, as regards the granting of statehood to Hawaii, I believe it is perfectly reasonable for us to bide our time. We are not doing any permanent injustice to those good people if we postpone action on such an important matter, action which will be irrevocable when we take it. Let us take that step at a time when our minds are not cluttered up with all the international mess we have at the present time.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. BUTLER. I yield.

Mr. SALTONSTALL. I did not hear all the Senator's remarks, but at one point he spoke of the improvements we are making in our military establishments in Alaska.

Mr. BUTLER. Yes.

Mr. SALTONSTALL. Is it not true that in the next Congress very substantial demands will be made for increased expenditures of a capital character for military security purposes in Alaska, expenditures running up into several hundred million dollars?

Mr. BUTLER. I am not a member of the Armed Services Committee or of the Appropriations Committee, but I am sure the Senator from Massachusetts is correct in the statement that a tremendous sum will be requested. Undoubtedly that will happen.

Mr. SALTONSTALL. So even if the status of Alaska is changed, the main purport of our effort in Alaska in the next year or two, as the Senator has so well pointed out, must be for security purposes. Is that correct?

Mr. BUTLER. That is correct—for the best interests of the people of Alaska and the people of Hawaii, as well as of ourselves.

Mr. SALTONSTALL. I am trying to confine my remarks to Alaska.

The Senator from Nebraska has mentioned the tax question. He has said that the expenses would double if Alaska became a State. Is it not true that the present system of taxation in Alaska is balancing the Territorial budget? Does the Senator from Nebraska know that to be true?

Mr. BUTLER. No.

Mr. SALTONSTALL. By the answer "No," does the Senator mean that the present system of taxation is not balancing the Territorial budget?

Mr. BUTLER. The budget has not been balanced. They have appropriated large sums of money which they did not have. They enacted a number of tax laws, thinking they were going to raise a good part of the money which they were appropriating. I think that, without exception, those laws have been declared unconstitutional by their local court.

Mr. SALTONSTALL. Of the various municipalities in Alaska, such as Ketchikan, Nome, Anchorage, Fairbanks, and others, how many are self-supporting, if the Senator knows?

Mr. BUTLER. I am very confident that Nome, Fairbanks, Anchorage, Juneau, Ketchikan, and perhaps several other cities and towns are self-supporting in respect to municipal expenditures.

Mr. SALTONSTALL. But they are unable, are they not, to contribute, as we do, by way of real-estate taxes to be used in defraying the expenses of management of the Territory?

Mr. BUTLER. Their expenditures are modest as compared to those of communities in the continental United States.

Mr. SALTONSTALL. The Senator also mentioned the votes cast in Alaska in the election of members of the senate and house of the Territorial legislature, and so forth. Does the Senator know what proportion of the citizens who are entitled to vote, actually register and vote?

Mr. BUTLER. I may say to the Senator that that is one point I wanted to develop today, but on which I was unable to obtain from Alaska confirmation of the information I have at hand. I expect to have confirmation within a few days, and I shall then place the information in the RECORD. I also want to know how many votes were cast in the most recent election on the question of statehood for Alaska, which I understand was about 2 or 3 years ago. They were not voting on a particular bill such as we now have under consideration in the Senate, proposing statehood, but merely upon the question, "Do you favor or are you opposed to statehood?" Approximately 16,000 votes were cast, 9,000 for statehood, 7,000 against.

Mr. SALTONSTALL. It will be very interesting to me, if the Senator is able to supply those figures, because of my recent visit to Alaska.

Mr. BUTLER. My present information indicates that if the vote were taken today, it would be more nearly even than it was 3 years ago.

Mr. SALTONSTALL. I did not have that in mind so much as to try to bring out, or to request the Senator to bring out the number of people who were actually interested enough to take part in current elections, which I think would be important in determining the interest of the people, as to whether they would take part in their State government.

Mr. BUTLER. I thank the Senator for his questions.

Mr. McCLELLAN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Brewster	Green	Russell
Butler	Hendrickson	Saltonstall
Connally	Hill	Schoeppel
Cordon	Holland	Smith, N. C.
Darby	McClellan	Smith, N. J.
Donnell	McKellar	Stennis
Dworshak	Martin	Thye
Ecton	Maybank	Wherry
Ferguson	Myers	Williams
Flanders	O'Mahoney	

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. AIKEN, Mr. ANDERSON, Mr. KERR, Mr. KILGORE, Mr. LUCAS, Mr. MILLIKIN, Mr. ROBERTSON, Mrs. SMITH of Maine, and Mr. YOUNG answered to their names when called.

The PRESIDING OFFICER. A quorum is not present.

Mr. LUCAS. Mr. President, I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. CAPEHART, Mr. TOBEY, Mr. HUNT, Mr. GURNEY, Mr. CAIN, Mr. LANGER, Mr. HAYDEN, Mr. HICKENLOOPER, Mr. MAGNUSON, Mr. BENTON, Mr. WATKINS, Mr. LEHMAN, Mr. GILLETTE, Mr. FULBRIGHT, Mr. BRICKER, Mr. ELLENDER, Mr. MCMAHON, Mr. WILEY, Mr. TAFT, Mr. O'CONOR, Mr. JOHNSON of Colorado, Mr. HOEY, Mr. TAYLOR, Mr. MCFARLAND, Mr. IVES, Mr. DOWNEY, Mr. EASTLAND, Mr. BRIDGES, Mr. JOHNSON of Texas, Mr. BYRD, Mr. CLEMENTS, Mr. JOHNSTON of South Carolina, Mr. FREAR, Mr. MCCARTHY, Mr. THOMAS of Utah, Mr. LEAHY, Mr. CHAPMAN, Mr. THOMAS of Oklahoma, Mr. GEORGE, and Mr. DOUGLAS entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

Mr. STENNIS. Mr. President, I desire to express my own appreciation and what I also feel is the appreciation of the membership of the Senate for the very fine factual and logical presentation of the subject of statehood for Alaska made by the senior Senator from Nebraska [Mr. BUTLER].

Mr. President, I feel that this is a subject about which the hard facts have not come to the personal knowledge and attention of the membership of the Senate. In my judgment, when the facts are fully brought before the Senate and when the membership has had time to analyze the situation, there will be no doubt about the outcome of the vote on this bill on the merits.

For illustration, we have the shocking fact—and it is a shocking fact—that of all the great area of Alaska, which is as large as the combined areas of Texas, California, and Montana, our three largest States, and embraces more than 500,000 square miles, the Government owns 99.7 percent. In other words, in the 83 years Alaska has been under the control of the Federal Government, only three-tenths of 1 percent of all that vast area has found its way into private hands. As I say, that is a shocking fact when it is connected with the proposal that that area shall have two Members in the United States Senate. The figures as to the area are taken from what I call the Butler report, the report of the committee. I am sure the figures are accurate. Three-tenths of 1 percent of those 500,000 square miles is equivalent to only 1,500 square miles of that vast domain, and that is all of that which is owned privately, either by corporations or by individuals. That is just about the size of one good county in Minnesota or of two counties in Mississippi. Yet it is proposed that those 1,500 square miles in Alaska shall be represented by two Members of this great body.

There is some difference of opinion in regard to the population of Alaska; the figures vary. My best information is that the present population of Alaska is approximately 120,000, and that approximately 12,000 Federal employees are included in that group. When the members of their families are included the 12,000 Federal employees account for approximately 25,000 or 30,000 persons. Furthermore, approximately 30,000 of the population are natives—Indians or Eskimos.

However, the shocking fact is that this small area which is privately owned is actually seriously proposed to be given two seats on the floor of the Senate of the United States.

Mr. President, a few minutes ago I read the newspaper headlines, which state that Red Chinese troops are pouring through the United Nations' line in Korea. Other headlines state that five divisions of our own forces are about to be surrounded. I also read in the press about the great need for further tax bills to be passed by the Congress, and I read about the distressing situation, as alleged, in regard to rent control in some of our great cities. I think about a host of other things, such as the great, far-reaching foreign policies, which a great many persons believe certainly are unsettled and need the attention of the Congress; and I think about what is on the minds of the 150,000,000 people throughout our own great land. Let us consider what our own people are thinking about, before we consider what the people of Asia are thinking about. I know what the people of Mississippi are thinking about, because I have been among them recently. They are thinking about this war and what it is going to mean to their boys to have to fight in it; and that is what I am thinking about.

With all those problems and disturbing conditions confronting us, and coming down upon us and upon all our people like heavy clouds, instead of being here manfully trying to wrestle with those problems, we are taking up our time trying to pass a statehood bill for Alaska.

Mr. President, I did not ask for the quorum call, but I am going to ask for order, if I may do so.

The PRESIDING OFFICER. The Senate will be in order.

Mr. STENNIS. As I have said, we are surrounded by most serious conditions, including war conditions, and we are at war; and we are confronted by urgent, demanding domestic problems, including far-reaching problems of fiscal affairs and taxation. Those are the problems with which we are supposed to be concerning ourselves as we return here.

However, instead of that, there is actually put on top of the priority list a proposal for statehood for two Territories, and we are told that the most important idea is that these statehood bills must be passed regardless. I hold in my hand a quotation from a message to Congress by the President of the United States. I do not refer to him in personal criticism at all; but in his own words he says that these Territories "are also the proving grounds of our domestic institutions in the Pacific area, with tremendous psychological influence on the hearts and minds of the people of Asia and the Pacific islands."

Mr. President, I am here to say that what we need to be wrestling with are things that are on the hearts and minds of the people of the United States of America, the things they are concerned about and the problems they are facing with reference to our foreign policy and with reference to the war and the progress of the war.

I am not saying this in criticism of General MacArthur; but merely to show the seriousness of the situation and how much in the dark he is. I point out that only last Friday he was talking about having the boys return home by Christmas, but last night he had to say that he must have further instructions, that a new situation has arisen, and that the war has taken a new and a very difficult turn.

Those things emphasize to my mind and, I think, to the mind of the American people, that what we who are here ought to be doing is wrestling with some kind of attempted solutions of our own problems.

I think it is the farthest reach of someone's imagination to say to us that the admission of Alaska as a State of the Union has a bearing on our military progress, or our military problems, or how we are going to solve them. That is merely a figment of someone's imagination.

Alaska is now a Territory, and the American flag flies over it today, and we have control of it. Can anyone bring forward a real, tangible reason, with facts to support it, as to how it would better our position to have Alaska become a State? I am speaking of the situation from a military standpoint. Can anyone suggest some tangible, real reason? I see the Senator from Georgia on his feet. If he has something in mind in connection with the question I have just asked, I shall be glad to let him present it now.

Mr. RUSSELL. Mr. President, I did not desire to present a reason, because I am in accord with the argument the distinguished Senator from Mississippi is making.

However, I should like to ask the Senator if this is not the very worst time we could undertake to transfer the powers of the government from a national sovereignty to a new, untried State government. Some persons say that Alaska is a vital outpost of the United States. It is now under the control of the United States as a Territory, and the Federal Government has the powers there. At this very moment, when we are told that we are in danger of attack in Alaska, it is proposed to strip the Federal Government of its powers there, to uproot all the established institutions of government in the Territory of Alaska, and to establish a new, untried State government, which could not function efficiently at the very outset; that would be beyond the realm of human possibilities.

If there ever has been a time when, from the military standpoint, we should not transfer the powers of the government in Alaska, it is in this hour of great danger to our Nation and its people.

Mr. STENNIS. Mr. President, I appreciate very much the very fine contribution the Senator from Georgia has made.

I am not an expert on this subject; but for months I have looked for real, tangible reasons why the granting of statehood to Alaska would strengthen our defenses there or why it would strengthen us in war. After getting the facts about

the area and the people of Alaska, instead of finding anything in favor of statehood for Alaska, I think the Senator from Georgia is eminently correct when he says that the granting of statehood to Alaska at this time would weaken our chances of preparing for an effective defense to meet, not an imaginary condition, but conditions which now actually confront us and which we see reflected in the headlines of the newspapers which are displayed on the tables in the passageway in the rear of the rostrum in this Chamber.

The point is well made that to transfer the governmental powers in Alaska now and to set up a new regime and a new form of government there would bring up new problems, whose answers we could not anticipate, and neither could the people of Alaska.

We are told that strength in Alaska is a vital consideration. Mr. President, if we wish to develop strength there, we had better keep our control there just as we have it now. Certainly we should do so during this military emergency.

Except for the general statement by the President of the United States, made to the Congress yesterday, that the granting of statehood to Alaska would greatly increase our military powers, and a general statement made by ex-Secretary of Defense Johnson, when he appeared before the committee, I have not found any military officer or any military person who has made a statement in favor of this proposal.

On the other hand, the views of the Senator from Nebraska [Mr. BUTLER], as he has presented them to us, reflect a statement made to the committee, at its hearings, by Rear Adm. Ralph Wood, retired. That statement appears on pages 369, 370, and 371 of the committee hearings. I quote a portion of it:

> It has been stated that statehood for Alaska is now going to bolster somehow the national defense.
>
> In my opinion, it makes no difference whether Alaska is a state or a territory, as far as national defense is concerned.

That is a general statement which was made several months ago. But under the immediate conditions and urgencies of the present occasion, I submit to the Senate that passage of this bill would merely complicate our problem of national defense in Korea.

An argument was made in the Senate this morning by my very esteemed friend from Wyoming [Mr. O'MAHONEY], whom I appreciate greatly for his very fine ability and his splendid presentation of any subject to which he addresses himself. But he actually argued that we are going to be judged now by the people of the Orient upon the basis of the way we vote on these bills. He was referring to the bills providing statehood for Alaska and for Hawaii. He further said that we must prove to the people of the world that we are not aggressors, that we are not imperialists. Does anyone seriously think that even if we were to pass these bills, Russia or her propagandists would change their tune? If it were in order, I should like to ask for a show of hands in answer to that question, but it is not in order. In my opinion, however, no one thinks they are going to change their tune, regardless of what we do regarding these bills.

Anyone, either an Asiatic or anyone else, who is looking for facts, should be asked, "What about our attitude toward the Philippines?" We recently granted them full and complete independence. Anyone who is looking for facts to offset imperialist charges can find an abundance of facts. There is not a scintilla of evidence in the history we have ever written to support any contention that we have shown a spirit of territorial aggression. The actual fact is, with reference to Cuba, Puerto Rico, Hawaii, Alaska, the Philippines, Guam, or any other area we have ever touched, that there is not a scintilla of proof of imperialism or of any kind of design except that of helping them. So the suggestion that in order to avoid the withering fire of the Russian propagandists or the condemnation of someone in the Orient we must vote for these two statehood bills simply does not hold water. It does not have the substance of logic behind it, as I view it.

Mr. President, I am not a member of the committee which reported the statehood bills. I do not have the advantage of having attended the hearings, and I do not have the advantage of having visited Alaska. I cannot give the Senate the benefit of anything which could have been gained by me through those processes. I have thought about this matter strictly from the standpoint of constitutional government. I have been selfish about it. I have been thinking about what it means to us and what it means to our people. We shall think about Hawaii, Alaska, and other areas in due time. But I think those matters are incidental. The main thing is, what, in view of present dangers, is best and what is soundest for the United States and for the people of the Nation?

In the beginning, I desire to point out that the historical precedents with reference to admitting Territories into the Union are long since out of date, because we are facing new conditions, new times, and a new era. We are facing a new monumental fact, namely, that we are the one Nation left in the world which has the money, the manpower, and the resources really to cope and deal with any world-wide aggressor, be it Russia or any other country. I think the big thing is to keep ourselves strong at home. I do not believe we can strengthen the American Union by bringing into it additional States. I do not believe it can be done in that way. Perhaps at some future time that might be possible, but I am convinced in my own mind that the main thing for us to do is to keep as strong as we can, and we weaken ourselves as States within the United States by admitting outside areas into the Union.

For the first time, the Senate of the United States is face to face with the proposition of taking action on the question of admitting as a State within the United States an area which is geographically unconnected with the mainland. No other United States Senate has ever had to face that problem. Many Territories have been taken in as States. California was admitted while certain intervening areas were still constituted as Territories. But this is the first time the Senate of the United States has ever stood face to face with the proposition of admitting as States of the Union areas which are unconnected with the present States. That is a far-reaching question, a most searching one. We are now considering that question in connection with Alaska. I shall not argue the Hawaiian question at this time, except incidentally. But while we are considering Alaska, we had just as well consider Hawaii, Puerto Rico, the Virgin Islands, and all the other areas which can at some later time—and soon—knock at the door, with the same logic, with almost the same facts, and with almost the same arguments. We had just as well consider now what we are going to do about those situations, because we are blazing a new trail.

I think, Mr. President, that the most significant fact connected with this whole question that any Territory which may be granted statehood will have two votes on the floor of the Senate, the only remaining major deliberative body in the world. The reasoning will come back to that hard fact every time. In my opinion that is one reason why some of those who are interested as proponents of the statehood bills are now pressing for their passage. That is the big prize. It is not so much a matter of local government. We know that even now the Territories can have all the local government they want, under the control of the Congress. It is not so much a matter of being able to vote for the President of the United States. That is a valuable privilege, it is true, but that is not the controlling consideration. The big factor in this whole question is the desire to fill four seats on the floor of the United States Senate. I do not blame those who want to do that. I think that statehood within the American Union represents the pinnacle of perfection in the political realm, not only for the present time, but for all times. I commend the people within the Territories for aspiring to it. But let us not fool ourselves; the big prize is membership on the floor of the Senate of the United States. As I have said, the Senate is the last major legislative body left in the world that has the privilege of debate and unlimited discussion. That is the prize that is sought and that is what we are about to surrender.

In our minds, there is no distinction among States. The question as to how many Senators a State should have was decided by the Constitutional Convention, and of course we have adhered to that law. But it has not been decided as to what particular areas shall be admitted as States. It is beside the question to say that that matter has been decided by the Constitutional Convention. The question is, what areas shall come in as States? That is the decision we must make. When once admitted, the Constitution automatically determines the number of Senators a new State shall have, of course. But the question still for us to decide is: Will the Union be strengthened by adding any new areas to it as States within the United States?

I respectfully submit we would not only fail to strengthen ourselves, but would weaken ourselves by such a course. It would dilute the voting strength of every State now represented in the Senate, and of every Senator. I think it would have a detrimental effect on our consideration of world affairs, as I think they are going to develop. I believe it would seriously affect the soundness of our great Union. I would look with disfavor upon the admission as States of any areas, especially in the Pacific or in the Orient, whose independence might be threatened. There are many fine people in the Territories, but we see the trend today. Who is going to stop the trend? Can we alone stop it? We are not receiving any too much help toward that end today; and we have got to stop it in Europe, if we can. We are getting on dangerous ground when we reach far into the Orient to take in areas as States within the United States.

I have collected here a few figures which may throw some light on the problem. We hear about the glowing vote this proposal received in the House of Representatives. I am sure the President is misinformed as to that. In his statement of yesterday he said that the people of Alaska voted for statehood 3 to 1. The President is misinformed on that. The vote, as the Senator from Nebraska [Mr. BUTLER] gave it, in round numbers, was 9,000 to 6,000—about 9,300 for, and about 6,400 against, as I remember the figures. Anyway, it was roughly 3 to 2.

The vote in the House of Representatives, which is a fairly recent one, on this very bill was 186 in favor of its passage, 146 opposed, with 100 not voting. So, after all, although much is said about the overwhelming vote, the vote wound up in the House of Representatives with a minority of the total membership voting in favor of passage of the bill. There were 186 affirmative votes, 146 negative votes, and 100 Members did not vote. Therefore, on a percentage basis, I should not call that a strong vote in favor of the bill. I have no explanation of why 6,400 persons in Alaska voted against statehood. I do not know enough about the picture in Alaska to be able to say. Certainly such a vote does not reflect unanimity. As the Senator from Nebraska [Mr. BUTLER] has said, a vote taken today in Alaska would be approximately evenly divided. It is speculative, of course, but the actual figures show a ratio of 3 to 2.

Mr. President, I should like to go back to the question of land. Only 1,500 square miles in the whole Territory of Alaska are privately owned. The argument is made that vast areas of the land would be developed if the Territory were given the status of a State within the United States. I have never understood why such a thing would happen, and I do not know why the argument is made. However, assuming for the sake of argument that there would be a trend in that direction, we find that 20,000,000 of the best acres of forest land are excepted from the operation of the bill. The Government would continue to own that forest land. I do not object to that. I think it is a very good idea for the Government to continue to own that land. We are not faced with a scarcity of land or timber. I like the idea of the Government's keeping some of the timber reserves. We have some timber reserves in Mississippi, which the Government bought during the depression. I know that the National Forest Service is doing wonderful work, not only in the growing of timber, but in the example it is setting through its operations. Mr. President, I am not complaining about land being withheld. However, the land so withheld would not be subject to so-called great development which has been referred to. The Government would also withhold 50,000,000 acres of land for gas and oil development. I understand such land to be the best and most valuable in the Territory. In other words, the best land would be withheld by the United States and would not be subject to prospective development. I am not complaining about the fact that the land would be retained by the Government. I merely state the fact that it would be withheld from prospective development.

Mention has been made of the population of Alaska. Mr. President, only the gold rush and the Government's programs have caused the population of Alaska to increase. As a result of the gold rush the population did creep up somewhat. In 1890 the population was 30,000. In 1900 it was 60,000. The increase is reflected by the gold rush, which took place in the interim. Actually the population declined between 1900 and 1930, a period of 30 years. The only growth in population has been due to the gold rush and the Government's programs. Generally speaking, the policy of the people who have gone to Alaska has been to get all they could and then get out.

Such a situation is not due to lack of law or the fact that the people in Alaska cannot vote for the President of the United States. Neither is it due to the fact that the flag of the United States is not now flying over the country, for it is flying there. It is due to the extreme climate and the hazardous living conditions. Congress cannot change the climate. At least not yet. The basic factors which have been holding back the development of Alaska are ones which we cannot change. Perhaps some development of the area would be encouraged by the granting of statehood. However, it is my belief that the Government would finance most of the encouragement. I base my belief on past and prospective programs of the Government. I believe that we would be called on to finance more and more projects for the development of Alaska. It would be difficult not to yield to the arguments of the Senators from Alaska in their strong pleas in behalf of Alaska. I believe we would be faced with such a trend.

I have before me some figures on that subject. In the fiscal year just ended we spent in Alaska $71,000,000. I cannot vouch for the absolute accuracy of the figure, but I believe it is substantially correct. In the fiscal year 1951 we shall spend approximately $112,000,000. These figures do not include the great sums of money which are being spent for military purposes. The figures do not include any prospective programs of development which we would be called upon to finance if Alaska were to become a State. As of December 31, 1948, the Government had 11,536 employees in Alaska. I cannot vouch for the accuracy of that figure, but I think it is accurate. I believe the number of Government employees has increased since then. 1948 was the last year for which I was able to obtain figures.

Income from gold mining in Alaska was $28,000,000 in 1941. By 1949 it had dropped to $8,000,000. I cite these figures to show that gold mining is a rapidly declining industry. The industry has been practically exhausted. So far as aiding a new government to be created to furnish a livelihood to Alaskans to develop new areas, and to bring in new citizens, gold mining is a declining industry. According to gross income figures the industry is running on flat tires.

I cannot shed very much light on the subject, but I understand that, because of high transportation costs and increased cost of labor, the timber and pulp industry is on the decline. I am sorry I do not have figures to back up my statement. At least my statement will raise a challenge on the floor of the Senate. If contrary facts exist I should like to have them brought forth.

A great many statements have been made with reference to the enormous resources available in Alaska. However, when one gets down to analyze the facts with reference to such general statements he is unable to find any facts which shed any definite light on the subject. I am sure some resources do exist. I will not say they do not exist. However, from the standpoint of dollar value it is not such an impressive story after all. When we try to measure such claims in terms of tons or dollars, they are not quite so impressive.

I invite the attention of the Senate to another significant fact with reference to this great area. It is as large in area as California, Texas, and Montana combined. Do Senators know how many farms are located in Alaska? Do Senators know how many people make their living by digging it out of the ground, so to speak? The entire area supports only about 600 farms. There are more farms in the smallest county in Missouri, Arkansas, or Mississippi. With only 600 farms in the entire area, how agriculturally minded would the Senators from Alaska be when they tried to grapple with the many vexing and serious agricultural problems which have to be decided on the floor of the Senate?

My question raises another one. We are proposing to bring to the Senate two new Members from Alaska. They would be Members of the Senate. As such they would be vested with full power to vote. Would that power be limited to their own affairs? No; they would pass on the affairs of every Senator. Would they pass merely on international matters? No; they would pass on domestic matters as well. Let us consider the innumerable domestic matters which affect the people of Michigan, Arkansas, and every other State of the Union which the Senate passes on in the course of one session. We pass on price control. We pass

on farm legislation. We pass on taxation. The Federal Government has its hand in almost everything. If Alaska and Hawaii were admitted into the Union we would bring in four new Members who would vote and pass on the domestic affairs of the people of Michigan, for example. I am sure such new Members would be men or women of integrity. However, with all candor and with all deference to their integrity, how can they know anything about the domestic affairs of the people of Michigan?

I go back to my original point. We are making new decisions. We are blazing new trails. Shall we go out to a far-off territory and bring in two new representatives who would have the power to vote on the floor of the Senate with reference to the regulation of our domestic affairs? That is the question. Fifty years ago there was not much regulation of domestic affairs. We have a different picture today. It is another very strong reason why we should not resort to an expediency of some kind to bring in two new States.

It is not a question of the virtue of the people, or their veracity, or anything of that kind. It is a question of our own domestic affairs, as well as our foreign affairs. We will be far stronger and far safer if we struggle along and endure some of the hardships we will have to encounter in foreign and domestic affairs, rather than turn the responsibility over in part to someone else. I think today we should be grappling with the foreign and domestic problems which are on our doorstep now, not problems that will be there next year, but are there now, emergency matters, which we are supposed to be considering. Instead of that we have launched into this wild goose chase about taking in other areas as members of the Union. Why is it? It is stated that it is to save face. Listen to this: We are doing this to save face with the orientals, or to try to stop the propaganda guns of the Russians. That is the main reason that is urged here today.

Mr. President, I am deadly serious about the matter of the military development and how granting statehood would help us in our military defenses, how it would strengthen us in our problems regarding defense. Perhaps Army officers may not be free to speak on that subject, I do not know, but I have not been able to find any logical explanation of how our defenses would be strengthened by having Alaska or Hawaii a State, rather than a Territory. I simply cannot find a reason. I hope that someone who is a proponent of the pending measure will cover that point before the debate is closed, and let us see what can be brought up that has any real substance in it with reference to the military phase.

I understand that as of last April the cost of the Territorial government in Alaska was approximately $9,000,000 a year, and that in money they were taking in in the neighborhood of $8,500,000. That leaves their budget out of balance approximately $500,000. I do not believe a Member of Congress could criticize them too much because the budget was out of balance, when our national budget is as much out of balance as is theirs. Even before the Korean War the National Treasury was running a deficit. Incidentally, I saw stated somewhere a few days ago that leaving out military expenditures, the budget might wind up balanced. I do not criticize the people of Alaska because their expenditures are running a little ahead of their receipts, but I point out that there will be added burdens to the State which will cost around $10,189,268, which will almost double their budget, and that money will have to be raised from local taxation. It will have to be raised from people living in this 1,500 square miles of territory.

Mr. McCLELLAN. Mr. President——

The PRESIDING OFFICER (Mr. CHAPMAN in the chair). Does the Senator from Mississippi yield to the Senator from Arkansas?

Mr. STENNIS. I yield.

Mr. McCLELLAN. Along the line of the able Senator's discussion on this point, it occurs to me, with reference to the domestic problems to which the Senator has referred, that the State of Alaska, if statehood is bestowed, would not be able, with the revenues it is able to raise as indicated by the figures cited by the able Senator from Mississippi, to accept its responsibility and obligations as a State, that it could not produce the revenues necessary to operate the State government and at the same time participate in such Federal-aid programs as we have, such as Federal aid for highways, Federal aid for hospitals, and Federal aid for various other services which are provided. Therefore, when statehood is once bestowed upon a Territory that is incapable of accepting the responsibilities of statehood, she will be here pleading with the Federal Government to take over the responsibilities until she can develop sufficiently economically to be able to meet the responsibilities.

Mr. STENNIS. Mr. President, I had only a very small part of my remarks written out, and the Senator took them away from me. What he has referred to is the very point I have written out to develop. I appreciate very much the Senator's contribution.

I shall read the details of the costs now being paid by the Federal Government, which, as I understand from information I was able to get, would be transferred to the local government. It is approximately a little more than double the Territory's local budget.

The Governor's office there is operating on $94,140. Of course, that would be transferred.

The secretary's office is operating on $13,000.

Legislative expense, $48,000.

Care of insane, $463,541.

Road maintenance, $2,600,000.

Fish and wildlife service, $2,670,587.

Highway matching for Federal aid, an item the Senator mentioned, $3,300,000.

State courts—a figure which is purely estimated—$1,000,000. Someone said that might be a little high, but it is put in at a round figure of $1,000,000.

The total is $10,189,268, or approximately a figure in that neighborhood, an expense which will necessarily be imposed on the local State government if the pending bill becomes law, and, as the Senator so well pointed out, matters of Federal aid to highways and other Federal-aid programs, which the local government is not now contributing to, will be added.

It was said by someone to whom I talked that it seemed that the people of Alaska did not understand the significance of the programs for which they would have to put up money out of their own pockets to match on a 50–50 basis the funds being spent on them.

The matter of roads is a big item. There is talk about the development of resources and the development of areas which are going to come under the statehood government. The tremendous cost is going to be in highways, because transportation is the great problem in Alaska. In an area which is as large as Texas, California, and Montana combined, travel is more of a problem than it is in Kentucky.

Mr. President, if I may, I shall proceed with reference to further figures about the local government, and also Federal taxation in Alaska, as I have been able to get them. I have figures as to collections by the Federal Government for the fiscal year 1949. The total amount collected was $18,266,202. Of that sum $15,680,143 was derived from income and profits taxes; $827,666 from employment taxes; and $1,718,392 was classed as "Miscellaneous." As I have said, that made a total of $18,266,202, as against an expenditure by the Federal Government, the figures of which I have here, of $71,000,000 for the fiscal year 1950, and an estimated $112,000,000 for the fiscal year 1951.

I continue my discussion with reference to the collection of Federal taxes in the Territory of Alaska. With reference to the area figures, which have already been given of the Territory involved, if I figure the population correctly, there is one person for each 10 square miles of territory. Think of it, Senators—one person for each 10 square miles of territory.

For the fiscal year 1951 an estimated $112,000,000 will be spent in Alaska, whereas their own local taxation for the operation of their Territorial government is approximately $8,500,000. That shows the acuteness of their situation even under their present form of government. While so much is being paid altogether by the Federal Government, the Governor of the Territory of Alaska in his message to the extraordinary session of the Territorial legislature on January 11, 1949, makes this statement, which I think sheds a good deal of light on the subject:

> I am informed by the Treasurer of Alaska that the cash balance in the general fund on December 31 was $6,289.40. On that same date the Auditor of Alaska was holding back in his office, for lack of funds, some 700 claims against the Territory totaling $758,209.59, the general fund deficit exceeding three-quarters of a million dollars.
>
> The accounts which the Territory is unable to pay because of lack of revenues cover a wide range of personal services and governmental activities. There are unpaid bills for clothing and shoes for dependent children, for food for welfare cases, for school and office supplies, and for school transpor-

tation. The claims include those of hospitals and funeral parlors and truly cover the whole field of Territorial responsibility from the cradle to the grave.

I think I should point out that the Governor is here making a plea for increase in taxes. He is pointing out in very vivid language in his message the extraordinary needs of the Territorial government. I cite his statements to show the Senate that even during the now comparative easy going time in Alaska, under Terrtorial government, as compared to statehood government, Alaska is in such dire distress as the Governor pictures in his message.

In his last sentence the Governor says there are three-quarters of a million dollars of unpaid claims.

Mr. McCLELLAN. Will the Senator state when the speech was made?

Mr. STENNIS. The speech was made by the Governor on January 11, 1949. The figures are not right up to the minute, but the statement by the Governor shows what the conditions were a reasonably short time ago. I repeat the last sentence by the Governor.

The claims—

That is, claims which could not be paid now—

include those of hospitals and funeral parlors and truly cover the whole field of territorial responsibility from the cradle to the grave. Total school refunds owed to incorporated cities and independent school districts approach half a million dollars. The university has been kept open because of voluntary loans, repayment of which is a pending obligation.

The largest of their educational institutions, the university, has been kept open by means of voluntary loans. I presume the loans are made by private individuals to finance the operation of the university, and that repayment of the loans is a pending obligation. I am not saying it is still pending, but was pending at the date the message was delivered.

Amounts owed hospitals, private individuals, and sanatoria for tuberculosis care exceed $33,000. Most of this is owed to institutions in Alaska—the Seward tuberculosis sanatorium alone is owed $10,440, which the Territory is unable to pay.

I cite that as illustration of the dire distress in which the Territorial government found itself during the relatively prosperous time of 1948, the message having been delivered on January 11, 1949.

Mr. President, I wish to say a few words with reference to the people who live in the Territory of Alaska. I give the best information available to the junior Senator from Mississippi. The figures show Alaska to be the most sparsely inhabited Territory or possession within the orbit of the United States dependencies. The latest population figures show there are presently approximately 126,000 people in the Territory. That includes Indians, Aleuts, and everyone else. Of these about 90,000 are white and the remainder are nonwhite. I find in a statement I have here the population figure given as twenty-two one-hundredths person per square mile. Awhile ago I stated that I understood the population to be 1 person for each 10 square miles of area. However, it is a matter of calculation.

The experiences of the past show that Alaska has not had an encouraging and a steady increase in population. As a matter of fact, there has actually been a loss in population from 1900 to 1930. That is a significant fact. Since the end of the gold rush there has been a loss in population in Alaska, from 1900 to 1930.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. McCLELLAN. What has been the increase in population since 1930—that is, during the past 20 years?

Mr. STENNIS. My best recollection is that since the so-called Government rush started, which may be said to be in 1930, when the population was somewhere between 60,000 and 70,000, it has now increased to 126,000.

Mr. McCLELLAN. That is due primarily to the Government's activities in developing military fortifications in Alaska, is it not?

Mr. STENNIS. I think the Senator is entirely correct because there have been very extensive military preparations.

Mr. McCLELLAN. In other words, it is due to the Federal Government's expenditures in the Territory and not to the resource development by the people who live there?

Mr. STENNIS. The Senator is entirely correct. There seems to have been no real tendency to explore there and no tendency to develop. There does not seem to have been what we used to call the old pioneer movement. There simply has been no trend in that direction. That is due primarily to something over which Congress has no control—that is the climate. In the wintertime the temperature in great areas is as low as 65° below zero, whereas in the summer in the same areas there are abnormally high temperatures for a short time, which result in very serious insect infestation.

The big point to have in mind, which was referred to by the Senator from Arkansas, is that during this constructive period—this development period—from 1900 to 1930, there was a loss of population in Alaska. The Federal program, however, and particularly as it has been accentuated by the military program in the past few years, has kept up the population. Of course, we will continue a military program there as of necessity. I do not want anything I say to be considered as detracting from the idea that it is important to continue the military program there. I believe Alaska will be stronger from a military standpoint if she continues to be under Territorial government than she will if she should be under State government.

Mr. President, I have awaited for the proponents of Alaska statehood to give reasons why Alaska would be militarily stronger if she were a State. Finally I heard some Senator say the local constabulary or the local sheriffs would take action to deal with espionage in case of war. Such a statement falls of its own weight, as I see it. Such a contribution would be infinitesimal. Alaska is a vast country of 500,000 square miles, very sparsely settled. I believe the problem involved, from a military standpoint to be a Federal problem. I believe that if Alaska were granted statehood it would result in weakening her military position rather than strengthening it.

Since the last war began of course, there has been a considerable influx of people into the Territory. These have been largely governmental employees. After investigation, the statement is made that as of December 1948 there were 11,536 Federal employees in Alaska. My information is that there are more than that number now. Moreover, there are many others employed by private companies working on Government contracts in the Territory. In addition to the 11,500, there are many others working in Alaska on Government contracts, working for private companies, but the companies have Government contracts. Certainly this is not a very substantial type of population on which to build a State government. It is migratory at the best. These people are very fine people, but they follow the contractors around and wherever the contractors go they also go.

Mr. President, what will happen if and when the civilian employees of the Government are evacuated from Alaska?

There is a discouraging picture on the industrial side for Alaska, too, if the past few years are any criteria.

Going more into detail now than I did a while ago, Mr. President, let me point out that the gold-mining products of Alaska have decreased from $28,000,000 in 1941 to $8,000,000 in 1949. That is an alarming fact and a surprising fact, to my mind. I had not realized that there had been such a tremendous and rapid decrease.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. STENNIS. I am glad to yield to the Senator from Arkansas.

Mr. McCLELLAN. Has the Senator found any record of any increase in industrial activity in that area during the past few years, other than that which could be attributed to Federal Government spending?

Mr. STENNIS. No, not that I could find. I am sure there have been some minor developments, but so far as I could determine there has been nothing substantial of a private nature. All the substantial development could be attributed, either directly or indirectly, to Federal Government activity.

The fishing industry there has had similar misfortunes, although not to quite so marked a degree.

I emphasize again that there are only 600 farms in all that vast area.

The high transportation and labor costs have almost halted the development of the timber and pulpwood resources.

Of course, Mr. President, there is a tremendous amount of pulpwood in Alaska, and at one time the timber resources of Alaska were considered to be of great value. I am sure that much of it still has great value. However, I understand that the timber resources have turned out to be not of the rather high value that they were once believed to be.

Similarly, the pulpwood industry of Alaska has declined. As I understand, the transportation costs and labor costs in that area are extremely high.

Of course, the pulpwood resources of the United States are being consumed very rapidly; but I do not believe anyone has much to look forward to, insofar as the pulpwood industry in Alaska is concerned.

As a matter of fact, the largest and most important industry in Alaska is the Federal Government activity. Such activity is hardly a proper commercial basis for the establishment of a sound and self-sustaining State.

It has been argued here by some that because in 1912, Congress created the Territory of Alaska and extended to it all the rights and privileges provided by the Constitution in the case of a Territory, we now owe Alaska the duty of admitting it to the Union as a State. However, Mr. President, no such duty is prescribed in the organic act.

It is very interesting to trace the history of the organic act in respect to the establishment of Alaska as a Territory. I have heard the statement made many times that there was a promise to give statehood to the Territory of Alaska. If such a promise was made, of course it should be considered. However, I do not see how there could be such a promise which would be binding. Of course we have to be governed by the facts in the case.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. McCLELLAN. To whom could the promise have been given? There was no government in Alaska to whom it could have been given.

Mr. STENNIS. That is a very pertinent point. I had not thought of it.

However it disturbs one's thinking to consider that perhaps some moral obligation is involved. I wish to discuss that point for a moment.

In that connection, the only fact brought out by the proponents of this proposed legislation is that in the year 1867, as I recall, Secretary Seward said to a crowd of people in Alaska that they could look forward to the day when Alaska would be a State of the Union. That was a very fine idea, and we wish the people of Alaska to continue to look forward to that day. However, so far as the making of a promise is concerned, there was no one who could make such a promise and, as the Senator from Arkansas has just brought out, there was no one to whom such a promise could be made.

On the basis of all the study I have made of this matter, I say there is not the slightest evidence of any moral obligation whatsoever on the part of the Federal Government to any people, living or dead, in Alaska to provide Alaska with statehood. I do not believe anyone can claim that people who went to Alaska relied upon anything of that kind.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. STENNIS. Of course I am glad to yield.

Mr. McCLELLAN. Assuming that there is a moral obligation, certainly the moral obligation does not attach until Alaska is developed sufficiently economically so that it can expect to meet the responsibilities of statehood. Does not the Senator agree?

Mr. STENNIS. That is absolutely correct. Assuming that there was a moral obligation, it could come into being only when it was clearly established—and I emphasize the word "clearly"—that Alaska had reached such a point in its development that it could establish and maintain a government which would have sufficient stability and sufficient soundness and power and strength, the stability and soundness and power and strength which necessarily go with union with the United States of America. However, that issue is not in the picture at all; it is not involved.

As I said a moment ago, I have studied the history of Alaska; and the only thing I have found which could be used at all as the basis of any moral obligation or promise is more or less of an oratorical statement made by Secretary Seward to some people in Alaska many, many years ago.

I regret that I do not have the actual dates before me at the moment, but it is true that Alaska has not remained a Territory as long as four of the present States remained Territories, prior to their admission to the Union as States. I have forgotten now just what four States they were. However, that fact certainly demonstrates that in the present situation there is no discrimination against Alaska.

Mr. President, I hold in my hand a statement which I think is quite pertinent to this discussion. Mr. Hanson W. Baldwin, writing in the New York Times of April 23, 1950, had this to say, based upon his ideas and beliefs:

> As a source of wartime raw materials, Alaska in its present state of development is hardly worth defending.

Those are Mr. Baldwin's words, not mine. We notice that he prefaces that statement with the phrase "as a source of wartime raw materials."

Then he said:

> It produces a fair amount of gold, some copper, and enough coal for its own needs. Otherwise its mineral resources are largely either unexplored or inaccessible.

Mr. President, that is a significant statement. I do not know whether Mr. Baldwin knows what he is talking about, but I present his statement here and shall let the proponents of this proposed legislation attack the statement if they wish to do so. I think Mr. Baldwin knows enough about the facts to warrant the giving of weight to his ideas and statements.

He further said:

> On the whole, Alaska is deficient in all industry, and could not lend any significant support to a war effort.

That is a striking statement. It leads us to believe that, as in the case of all other matters pertaining to war, all contributions to a war effort on the part of the United States must come from the continental area of the United States of America.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. STENNIS. I yield.

Mr. McCLELLAN. If the statement the Senator has just read is correct, Alaska would be a liability, not an asset, to the United States in time of war or war crisis. Is that true?

Mr. STENNIS. That is true.

I continue to quote from the statement by Mr. Baldwin:

> It is a land of great distances, of sparse populations, of towering peaks, of barren tundras, of untrodden wildernesses, and of relentless winters.

Mr. President, let me point out another striking fact about Alaska, from a geographical standpoint. I have said that 99.7 percent of Alaska is owned by the Federal Government, and only three-tenths of 1 percent of Alaska is in private hands. However, as I understand, only seven-tenths of 1 percent of Alaska has ever been surveyed. In other words, for the most part Alaska is an uncharted wilderness, for only seven-tenths of 1 percent of Alaska has ever been surveyed. That is an astounding fact, when considered in connection with the request of Alaska for admission to the Union as one of the States of the Union.

Mr. President, the peak of political prestige and power and influence in the world today is considered to be membership in the United States of America as a State. The Roman Empire never saw the day when it equaled in real glory my conception of a state which is in the United States of America. However, only seven-tenths of 1 percent of the vast area of Alaska has ever even been surveyed.

Mr. Baldwin also said that:

> Wintertime temperatures range down to 65 degrees below. Brief exposure can mean death.

Mr. President, there is a region which has not been developed. Its lack of development is not due to the lack of a flag flying over it or a lack of protection by the Federal Government. No charge is made that the Federal Government has ever failed to protect Alaska. The lack of development of Alaska does not arise because of any lack of law or order, but the explanation is to be found in that short sentence which I have read from the article by Mr. Baldwin, namely:

> Brief exposure can mean death.

Mr. President, some Members of the Senate who sit on the Appropriations Committee have heard in detail the testimony which I had the privilege of hearing briefly one afternoon, with reference to such tremendous drops in temperature and the prolonged cold and the inaccessibility of those vast areas. That testimony came from friendly witnesses, not critical ones. When we put all that testimony together and consider it in connection with the statistics, it is very, very clear why Alaska has not been developed.

> In summer, when temperatures go as high as 90 above, life is plagued by clouds of dust, botflies, and mosquitoes.

I did not know that. I quote further from Mr. Baldwin:

Facilities of all kinds are scarce, and such facilities as exist are often primitive. Conveniences which are normal in the States are luxuries in Alaska, and costly. Housing is extremely scarce, and even in the larger towns many people live in hotels.

I can understand that, too, because I heard testimony before this Appropriations Subcommittee which contained references to little houses, ordinary little homes, which would cost about $4,000 or $5,000 perhaps in Arkansas or in the State of Washington, which, according to the testimony, would cost $40,000 in Alaska. One in Alaska cost $51,000. It merely shows the enormous cost of building something which is proof against the weather.

Quoting further:

Transportation and communication problems add immeasurably to the difficulties of Alaskan defense.

Someone may answer that by saying, "Well, they say they are going to fly. They are going to develop that great area up there. They are not going to have to build any roads. They are not going to have the ordinary transportation problems. Everyone is going to fly."

We know the old grass-roots population that it takes to sustain a State government, to have counties, to carry on the functions of school districts, local hospitals, and all that goes to make up local government and to carry on State government. Those functions are not going to be conducted from airplanes. They are going to have to get their feet on the ground. And that is one thing which impresses me about this situation. The people up there do not have their feet on the ground. It is a matter of hit and miss, touch and go, come in and get out quickly. It is a proposition of making some money quickly, if they can, and of getting out. I say that with all deference. Quoting further:

Much of the Territory is virtually impassable, even in the summer, and if a man leaves the road he gets mired down in thawed top-soil.

That is in the summertime. Continuing:

In Alaska, the price of everything is high. The country's remoteness, its inadequate transportation, and its lack of local industry are largely responsible.

Its lack of local industry. Mr. President, what local industry could there be in Alaska? We have in Mississippi a program that is called balancing agriculture with industry. It is an excellent program. We are trying to balance agriculture, which we have all the time, with more industry. We are making headway with it. But we have already seen that Alaska, in all these 83 years, has developed but 600 farms. It has, we might say, no agriculture. This gentleman says that they are not going to have local industries. Here is his statement:

The country's remoteness, its inadequate transportation, and its lack of local industry are largely responsible.

That is, for the high prices. If industries have not developed there in the 83 years, it goes back to the same reasoning: It is because of something we cannot control. Quoting further:

But part of the high costs are entirely artificial. As in the gold-rush days, many people have gone to Alaska "to get it and get."

In other words, that has been the story thus far. How would statehood substantially or materially change that situation?

Here is a matter that I meant to mention in the beginning, and I think it is one of the most important considerations with reference to the entire bill. That is, that if we pass this bill, admitting this Territory to statehood, if it should prove to be an error, who could correct it? The act would be final; it would be binding. We would be entering into a contractual relationship which would be irrevocable. It would be far-reaching. There could be no turning back. There could be no correction of the error, and the doors would be wide open to send their representatives to the Senate. Mr. President, let us not fool ourselves. If we pass this bill, the momentum will have been developed for passage of the Hawaiian bill. I understand the momentum is greater with respect to this bill than it is for the Hawaiian bill. We had just as well face it now. The able chairman of this committee has just sharpened his weapon. The Alaskan bill is but a warm-up.

Are we going to admit Alaska, and are we going to admit Hawaii? And then, are we going to admit the Virgin Islands? Are we going to admit Puerto Rico? Are we going to admit Guam? Okinawa? Someone will say, "Why, that is ridiculous. That is too remote." Mr. President, a few years ago, people laughed at the idea of a bill to make Hawaii or Alaska a State within the United States. We had just as well face the issues now. The question is not whether we are going to admit Alaska as a State. The immediate question is, Are we going to admit Alaska and Hawaii as States, and then, if we do, what is the reasoning whereby we can chop the process off and stop as to the others?

I go back largely to the opening part of my thought, namely, that this is a most far-reaching project. I started to say it is most vexing. It is not vexing to me, because it has given me a greater appreciation of what statehood means—of what it means to be a State within the United States. It is the most far-reaching question which is before the Eighty-first Congress, and if it goes over to the Eighty-second Congress, it will become the most far-reaching question then. I verily believe that if we admit these Territories as States, then, long after the problems that vex us now have been solved, the problems which we shall create by admitting these Territories into the Union will vex us, and—I hate to say this, but I believe—it will be undermining some of the very soundest structures, the most fundamental structures of our form of government.

If I may, I should like to read a few words from an editorial entitled "A Daring Experiment." The editorial appeared in an issue of the Christian Science Monitor of recent date, and was written by Mr. Richard L. Strout. It bears a Washington date line and reads:

Almost casually people accept the probable statehood of Alaska, Hawaii, and maybe Puerto Rico.

Mr. President, I had the experience lately of receiving a great many letters from Mississippi in favor of statehood for Alaska and Hawaii, and I received communications from civic clubs in my State favoring statehood for both. Finally, one day, I took time enough to write to 12 of these people whom I personally knew. I wrote them something about the facts. I gave them something of an outline of what I have said here. Of the 12, 11 responded. As I remember, nine responded directly that they had changed their minds; two of them said, "It looks different from what I thought, and so far as I am concerned, just go on and do what you want to." The twelfth man did not answer. This fall, I took occasion to explain this matter briefly in several places. The people were amazed when they found the physical facts with reference to Alaska and that in that great area only a small portion of it was privately owned, and very little of it even charted or surveyed. They were amazed. I have not since received a single resolution nor one letter further in favor of the proposal. I do not believe there is any doubt as to what the verdict of the American people would be, once the facts were made known to them.

I raise this question: It is said here that statehood for Alaska and Hawaii is in the party platforms. It is, just as it was in the resolutions adopted by civic clubs. Mr. President, how many members of those clubs do you suppose ever heard the subject debated? How many participated in the discussions when those party platforms were being written? How many delegates had the matter explained to them and were told what it would mean to bring these Territories into the Union? Was it ever explained on the floor of the Democratic Convention, or of the Republican Convention? Was it ever discussed in the State conventions when they met throughout the 48 States? Were the facts brought out here? I am not criticizing anyone. We know how those things are done and how the resolutions and platforms are written. A great campaign was under way, and I think it has been conducted on a rather high plane. That campaign has been going on throughout the United States, through the civic clubs, particularly with reference to statehood for Hawaii. So far as I know, wrongful tactics have not been resorted to, or anything of that kind. The Hawaiians cherish the idea of becoming citizens of the Union through admission of Hawaii as a State. I commend them for it. But there has been a very smooth campaign going on, and I have not yet heard of a civic club that adopted resolutions that had both sides of this question explained to them. I believe the campaign has proceeded throughout the Nation, but the matter has not been explained to the people.

I quote further. Mr. Stout says:

Almost casually people accept the probable statehood of Alaska, Hawaii, and maybe Puerto Rico. The lame-duck Senate may ratify the statehood decision already passed by the House. This decision extends statehood to noncontiguous parts of the world and makes them an integral part of the domestic American Government.

In other words, we are making a great political choice; we are not following the British example of commonwealth status for overseas dominions but the French example which ties overseas areas directly into the home legislature.

Does anyone believe that France has been strengthened by such procedure? Something has happened to France.

Even France, however, recognizes the difficulties of such integration and gives Algiers, Martinique, Gaudaloupe and the like special status.

Mr. President, we would not give these areas special status. We would bring them into the bosom of the Union. We would make them part of the flesh, blood, and bone of the Union. According to the opening statement of the chairman, the proponents of the legislation stand on the same ground with reference to Alaska and Hawaii. One action in granting statehood to Alaska and Hawaii would be final, lasting, binding, in perpetuity. There could be no reconsideration, no alteration, no taking back later.

I continue to quote from the article:

The United States proposes no such special status. Alaska, Hawaii, possibly Puerto Rico and any other territories added to the American spheres in the centuries ahead will be made integral parts of the American domestic government, as much as New York or Texas.

Mr. President, reference to Texas brings up some very favorable memories, and leads me to make a suggestion. If we wish to take in some more States, or if we must have some new States, let us get them from Texas. That is a good place to go for new States. Texas has sufficient territory. Texas has enough people. Texas has the law to cover such a situation. We could do it under its own law. Texas reserved the right to create new States. However, it is a serious matter to go out beyond the area of the United States to bring in new States.

I continue to quote:

The prospective development is one of the most daring experiments in government ever attempted.

Mr. President, I believe that to be true. It is one of the most daring experiments in government ever attempted. We have our problems, but we are getting along fairly well. I do not believe we can strengthen ourselves by going out to the middle of the Pacific Ocean and taking Hawaii in as a State. I believe such a step would weaken us. At least it could be an opening wedge in that direction. Men may disagree on the question before us, but I am appealing to the logic of the Senate. I believe such a step would be a weakening process. I continue to read from the article:

Most of the problem revolves around the fact that every State, no matter what population, gets two Senate seats—

The writer of the article was very much impressed by that fact—

and that the United States Senate, as a body, exercises extraordinary constitutional powers hardly to be matched by any other upper legislature in the world.

I strike out the word "hardly." It exercises extraordinary constitutional powers not matched by any other upper legislature in the world.

Mr. President, we have been growing in strength while other countries unfortunately have been losing strength. I do not believe we can strengthen ourselves under these conditions by taking in people. I say it with all deference to the people involved. To do so would be for us to go down, not up. I believe we would greatly weaken ourselves and expose our flank by taking new territory into our very soul, so to speak, and making it part of our flesh, blood, and bone.

I quote further:

In brief, the Senate can veto the will of the representative lower House which is picked on a basis of population.

Mr. President, the Senate has the power. It can veto the will of the other House, where membership is based on population. We have the absolute authority to do so. We represent States. The new Senators would have the veto power. They would have the veto power on our domestic affairs. It is a serious matter in these modern times. The Senate of the United States not only controls foreign affairs, but it exercises control also over domestic affairs. We would give the veto power to the four Senators from these new States, and on many questions they would hold the balance of power.

I continue to quote from the article:

It is widely agreed that it is unfair to keep Alaska and Hawaii in a subordinate status any longer.

I agree with that statement, Mr. President. I think Alaska should have the responsibility of choosing its own governor. I believe we should give such power to the people of Alaska We should see what they would do with it. We should see how they would exercise the power. Reference was made to the manner in which the appointed Governor is managing things in Alaska. I am not passing on that question. I believe the people of Alaska should have the responsibility of choosing their own Governor. It would be a reasonable step to take in their progressive approach to what I think the ultimate achievement would be. To admit Alaska into the Union would be to jump the area from a Territorial status to the highest state of political perfection. We would be doing it at a time when things do not look too well in that Territory. The Governor of Alaska is appointed by the Federal Government. Let the people of Alaska elect their own Governor. Let them have the responsibility of choosing their chief executive officer. Let us see how they would develop along that line.

I quote further:

The time has come to make one of the great decisions in America's expansion. Shall it be done by direct integration or by some alternative dominion status?

Theoretically the Senate is an equal and coordinate body with the House. Actually because of its exclusive treaty-ratifying power, smaller membership, greater skill and maneuverability, and power of individual Senators to filibuster, the Senate is the more powerful body.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). Does the Senator yield for a question?

Mr. STENNIS. I am glad to yield to the Senator.

Mr. O'MAHONEY. Will the Senator read the sentence again? I could not quite understand one word he read. It began with the letter "t."

Mr. STENNIS. I shall read the entire sentence. I appreciate the Senator's giving such close attention. I wish we would give as much attention to the other points involved. The sentence reads:

Theoretically the Senate is an equal and coordinate body with the House. Actually because of its exclusive treaty-ratifying power, smaller membership, greater skill and maneuverability, and power of individual Senators to filibuster——

Mr. O'MAHONEY. That was the word I did not get.

Mr. STENNIS. To continue—

The Senate is the more powerful body.

Mr. O'MAHONEY. I thank the Senator.

Mr. STENNIS. I appreciate the Senator's make a point of such a little word. I assure the Senator it has no application whatsoever to the present debate. I am discussing the merits of the proposed legislation, and I am sure the Senator does not wish it to be passed on until we have had full debate. However, I appreciate his humor. I read further:

Alaska has a population of about 100,000—

It has been shown to be more than that—

Hawaii, 425,000; Puerto Rico, over 2,000,000. The Constitution permits one-third of the Senate, plus one, to defeat a treaty. Suppose the two Senators from Alaska opposed a treaty. Their votes would cancel out four affirmative votes. In an extreme case the Senators representing 100,000 people would cancel out the will of Senators from New York and Pennsylvania with 25,000,000 people.

Those are facts which could develop. However, my main point is that we would take two Territories into the Union as States and give their representatives power to vote and pass on domestic and foreign affairs of our country, to which they are not attached geographically, to which they are not attached in background, and to which in many ways they are not attached in culture, ideals, and ideas. Many people in these areas cannot possibly have any conception of constitutional government, of the common law of England, or the very bedrock of our constitutional government. I do not object to the people as individuals. I am thinking of the far-reaching consequences if we were to admit these areas as States.

Mr. President, I have before me the report filed on the proposed legislation by the Committee on Interior and Insular Affairs, together with the minority views of the Senator from Nebraska [Mr. BUTLER]. I invite the attention of Senators to the favorable report and to the minority views. I do not know to what extent the subject has been studied by Members of the Senate. If I had the time—and I see I do not have the time—I could dwell on a number of points which are made with singular clarity. However, I shall not take the time now to do so. I believe I have fairly well covered the main point I had in mind. I respectfully submit that the subject challenges our very best thought, and I believe that every Member of the Senate should give the subject his most serious consideration. I am certain every Member of the Senate will do so.

The action proposed, if taken, would be far-reaching, it would be final, and it would be binding. These bills have already been passed by the House, and once they pass this body—but I do not believe they will—we will have a binding and final and irrevocable contract with the people of the two Territories, and they will become a part of the Union.

I submit the question deserves the most careful consideration of every Member of this body, and with great deference to every member of the committee, I believe it is such a far-reaching matter that we cannot simply say, "Well, I will just go along with whatever the majority of the committee did. They looked into it." I say with all deference to their judgment, and with high regard for their integrity, that this is a matter to which every Member of the Senate, the 96 Members, should give most careful and complete consideration. To open this door would affect the vitals and fundamentals of our Government.

Mr. O'MAHONEY. Mr. President, will the Senator from Mississippi yield?

Mr. STENNIS. I am glad to yield.

Mr. O'MAHONEY. I have been checking over the records in the Senate Manual and I find with great interest that the State of Mississippi was represented in the Senate of the United States from the Twenty-fourth to the Twenty-ninth Congress, from the 4th of March 1835 to the 3d of March 1847, by the Honorable Robert J. Walker. It appears from the studies of our committee that on July 2, 1868, Mr. Walker—who thereafter, by the way, became a Governor of Kansas, a former Senator from the State of Mississippi later becoming Governor of Kansas—wrote a letter to the then Secretary of State, William H. Seward, and he, in turn, transmitted it by letter to the President of the United States, President Johnson. I thought the Senator from Mississippi, who has made such a persuasive and pleasing argument, as he always does, might be interested in having me read into the RECORD at this point what his predecessor of 100 years and more ago had to say.

First comes the letter of the Secretary of State to the President:

The PRESIDENT.

MY DEAR SIR: I herewith give you a letter of Robert J. Walker, and I concur in his suggestion that you personally appeal to Mr. Boyer and to Mr. Ker and other members of their political party.

Very faithfully yours,

WILLIAM H. SEWARD.

The enclosure explains his reference to Mr. Boyer and Mr. Ker. The enclosure was the letter from the former Senator from Mississippi and read:

JULY 2, 1868.

Hon. WILLIAM H. SEWARD.

DEAR SIR: I have done all I can here for Alaska. Now I go to New York. The Tribune will come out for Alaska, I think, and I wish the democracy to put it on their banner. This would rally the Democratic members and alarm the Rads—

I do not know what he meant by "rads." I am sure he did not mean "reds." He probably meant the radicals. The letter continues:

Now, excuse me for saying that in a matter so vital, of such transcendant importance to the country, should not you and the President exert yourselves with every democratic Member by fair argument to support the appropriation—

The issue under discussion at that time in the House of Representatives was the appropriation of $7,200,000, urged by President Johnson and Secretary of State Seward, to buy the Territory of Alaska, and I have previously read the arguments which I have heard here today against the admission of Alaska and against the admission of California, about a barren waste, and people who were unable to take advantage of resources, and the great mistake it would be to pay any attention to the proposal. The question at the time of this letter was the question of the appropriation. The letter proceeds:

Boyer had spoken against, and, it is said, Kerr, of Indiana, will. Immortal as will be the vetoes of the President, sublime as has been his conduct during the impeachment, yet the great act of his administration will be the acquisition of Alaska. The theater of our greatest triumphs is to be the Pacific, where we will soon have no formidable European rival. The consequences are ultimately the political and commercial control of the world.

Yours truly,

R. J. WALKER.

I am sure those who read the able speech of the Senator from Mississippi know that at least he has one predecessor who saw great virtue in Alaska, in its resources, and in the potentialities of that Territory.

Mr. STENNIS. Mr. President, I appreciate the contribution to the debate that very fine letter makes, and I think it is timely to bring it in at the conclusion of my remarks. I know the reputation of the late Senator Walker was very high. He was one of the great representatives of our State, but I would not think that the fact that a hundred years ago he was in favor of Alaska being bought from Russia would in any way fortify the argument for making it a State within the United States, when unfortunately its record of development has been so slow and so poor as is shown by a study of the facts.

Mr. O'MAHONEY. I wonder if I could address a question to the Senator before he yields the floor.

Mr. STENNIS. Certainly.

Mr. O'MAHONEY. I observe that there are two Senators on the Republican side of the Chamber and three Senators on the Democratic side, in addition to the Senator from Mississippi, and the distinguished new Senator from North Carolina [Mr. SMITH] who is presiding, so perhaps the Senator from Mississippi will not be able to answer my question. The full day has been given over to discusions which, I acknowledge quite frankly, have been on the merits of the issue. The speech of the Senator from Nebraska [Mr. BUTLER] and the speech of the Senator from Mississippi [Mr. STENNIS] have both been upon the issue of statehood, and they have both been completely relevant. But the question before the Senate is the motion of the majority leader to consider the Alaska statehood bill. Can the Senator from Mississippi give me any intimation at all as to what the disposition of Senators who share his views may be with respect to permitting the motion to be adopted and the bill to come before the Senate tomorrow?

Mr. STENNIS. Of course, the Senator from Mississippi cannot speak for any other Senator, but he will make the observation that as the facts with reference to Alaska come out and become better known, the opposition to the bill is growing by leaps and bounds. I think there will be further discussion.

Mr. O'MAHONEY. The facts can be brought out under the discussion of the bill as well as on the motion to consider the bill, so my question was, Does the Senator find it in his heart to give me any information at all as to what the program will be tomorrow?

Mr. STENNIS. I really have no particular light on the subject. I have given the Senator the benefit of part of my views. That is all I can say.

Mr. O'MAHONEY. I thought I would give the Senator from Mississippi an opportunity to answer the question.

THE NEW WAR IN KOREA

Mr. CAIN. Mr. President, in addressing the present occupant of the chair [Mr. SMITH of North Carolina], I should like to add my word of welcome and congratulations to those of other Members of the Senate who spoke when the Senator from North Carolina was sworn in.

Mr. President, to my mind, the business which has been pending before the Senate all day has been exceedingly important, but by contrast with another question it is, I think, at least for the time being, almost meaningless. The Senator from Washington refers to the question of Korea and wishes for a very few minutes to stick to that question and indicate, as best he can, how he feels about it.

Mr. President, earlier in the day the United Press carried the following dispatch from Tokyo:

TOKYO, November 28.—Gen. Douglas MacArthur accused Communist China today of hurling more than 200,000 troops against the collapsing allied line in Korea in "an entirely new war."

He said China's full-scale intervention posed issues beyond his authority and asked the United Nations what they wanted to do about it.

In a special communiqué, he said Red China had shattered his "high hopes" of an early end of the Korean war that would get American troops "home by Christmas."

Informed quarters interpreted General MacArthur's communiqué as a plea to the UN to give him the right to strike back across the Manchurian border at Communist China.

General MacArthur said China already had sent into Korea a "major segment" of its continental armed forces with the obvious intention of reinforcing them from the 400,000 to 500,000 reserves beyond allied reach in Manchuria. His estimate of more than 200,000 Chinese in North Korea was nearly 3½ times greater than that given at the start of his ill-fated allied northwest offensive 3 days ago. Then allied intelligence estimated that there were 60,000 Chinese and 40,000 North Koreans massed before the allied line. The 200,000 Chinese outnumbered allied troops on the sagging northwest front by 2 to 1.

The meaning of these words is clear to my mind and, I believe, to the minds of many other worried Americans, and citizens of other friendly countries as well.

The only possible action in the present crisis, as I see it, Mr. President, is equally clear: Gen. Douglas MacArthur ought immediately to be given the right to strike wherever military necessity dictates, behind the Yalu River, or anywhere else.

I hope I am wrong, but without this power it seems obvious to me that our American and allied armies in Korea are lost, and our men will be sacrificed.

It has been said, Mr. President, that war is the extension of foreign policy blunders. Certainly I believe this to be true, in part, but there is no point in arguing about the past. We are now at that war stage. We are at war in every sense of that word, all the euphonious language of the diplomats to the contrary notwithstanding. We Americans, we in the Senate, ought to meet the situation accordingly.

War is a serious business. It cannot be won in the steam-heated chambers of a building in New York, however hard the men in that vacuum work.

The war picture in Korea today bears a dramatic and sad resemblance to the situation only a few weeks ago, when our troops reached the thirty-eighth parallel, after the brilliant victories engineered by General MacArthur and his splendid troops, representing America and certain other nations as well. Then, Mr. President, our troops were forced to halt for 14 days, while the diplomats, doing their best—but their best was not good enough—decided what the general ought to do next. The net result of that indecision was time for the North Koreans to regroup, to rearm, and to reestablish their supply lines. The victory won south of the thirty-eighth parallel had to be won all over again. Just let the average American read the casualty lists from week to week and he will know precisely what I mean. The war once won had to be won again. The war around and beyond the thirty-eighth parallel was won the hard way, and it was won largely with American brains and American blood.

The situation today is almost identical, as I understand it. We must win the hard way a war which seemingly was won not many days ago.

Ever since the beginning of the Korean conflict the Chinese Communist Government has been massing its armed forces just across the Yalu River. There are today, I am told, at least 42 divisions, comprising some half a million men. Such an army needs a vast stream of supplies. It cannot operate without food, without clothes, without arms and ammunition.

There are some of us in this body, Mr. President, who have seen all we want to see, if we had our choice, of war, and we know the vital importance and the vastness of the supply line required by any army to wage a successful war. Without that supply line any army will disintegrate. Did we not learn that in World War II? The German armies began their decisive retreats, which meant that we were going to win the war in 1945, only after American air power had destroyed the effectiveness of the German supply line. That is likewise, I think, the answer to the great dilemma that faces America today. We learned the same lesson in Korea. The initial Red Communist attack was finally driven back, as most of us recall, because we Americans, together with the limited forces of a few allies, achieved superior fire power, superior equipment, superior supply power, and superior air cover.

The Chinese Communists appear to be anything but stupid for they have learned that supply lesson well, too. Their present offensive is well planned, well executed, and well backed. If it is not all of these things, I cannot account for the distance the Chinese have advanced today against our American Ground Forces.

Our American troops, together with those of our allies, are outnumbered 2 to 1, we are told this afternoon. They can as easily be outnumbered 5 or 10 to 1 tomorrow.

The only answer, Mr. President, we can give the men whose lives are being sacrificed is: "Go ahead and protect yourselves by fighting back with all your strength and with every weapon which America and the United Nations can make available to you."

I think our troops ought to have immediate authority to strike at the supply lines, at the heart, at the marshaling areas, of the enemy. Until that is done—and I hope again my guess is completely wrong—we can only expect an accumulation in Korea of one disaster after another disaster.

Is it reasonable, Mr. President, to expect our troops to go into battle against overwhelming odds, overwhelming manpower—and no American I have ever heard of has claimed that we have manpower superiority to the enemy we are fighting—while our forces are denied the right to strike back at the very brutal and a most uncompromising enemy?

Are we going to allow our men to be sent into battle with their hands tied behind their backs by diplomatic debates and red tape, to be shot down by Communist Chinese armies?

Mr. President, I think the responsibility is partly ours in the Senate of the United States. The Senate of the United States is charged by the Constitution with a joint responsibility for the conduct of foreign affairs. We, in this body, owe it to the people of this Nation to assure their security, if we can, and to protect them, if we can, from war. We owe an even greater debt to the men who have already left their blood on this foreign battlefield, and to the men we have asked to die—and they are doing that gallantly and well.

We ought to accept the responsibility which the founding fathers placed upon the Senate of the United States. From my point of view, the Senate ought to demand with all its authority and all its power and all its prestige that our troops be given the order to strike at the enemy wherever he is gathering his strength. If I had my way, the Senate of the United States would demand today that General MacArthur be given, through the United Nations, full authority to cross the Yalu River, or to take any steps which he, as the man in whose hands we have placed the lives of tens of thousands of Americans, finds necessary to victory and to the protection of the men and women under his command.

Mr. President, I believe that such an order ought to go out today. The difference is simply that between the casualty list as it stands now—which horrifies, and properly so, millions of American mothers and fathers, and Americans generally—and the casualty list as it will stand tomorrow if this order is not promptly issued.

We cannot, sir, in good conscience go about our normal business, which we have been doing in the Senate all day, in the comfort of our Nation—a comfort which the sacrifices of our troops abroad make possible—unless we see to it that the bonds are severed from the hands of those who fight your battles and mine across the sea.

Mr. President, the junior Senator from Washington is but one of 96 Members of this body. He assumes the sole responsibility for the recommendation of the statement which he has just offered. He has spoken simply to offer one man's opinion on the greatest question before the world today. He thinks the Senate should be talking and thinking about the situation in Korea, and thinking and talking about nothing else. That is not to say that he is criticizing, or denying the right of any other Member of this body to speak on any other subject, and particularly on the business which is now before the Senate. If this were our one and only consideration, we might be of some real assistance to those of our kind who are in such grave peril on foreign soil.

Let us not forget that the so-called free nations of the world are not yet half so determined to protect freemen and to preserve free institutions as the apostles of aggression, of tyranny and oppression, are determined to drive freedom from the face of the earth.

When the Senator from Washington returned from an extended tour of western Europe in early September, he very humbly offered several recommendations to the Senate of the United States. The first one was the most im-

portant. It is very brief, and I hope the indulgence of my colleagues will permit me to read it:

Win the war in Korea in the quickest possible time and with as much help as can be offered on the ground, in the air, and on the water by every free nation in the United Nations. Every nation has something to offer. The greatest victory that can come out of the war in Korea is for all of the world to know that the United Nations, working together, put out the fire of aggression. Until the United Nations are flying every member nation's flag in Korea, everything else must be secondary, and most other things are meaningless.

Mr. President, 3 months have gone by since September, and the war in Korea goes steadily on, growing always in danger and intensity because of two reasons: Because the enemy is now being permitted to stockpile his supplies at will, and because too few of our United Nations allies are committed in Korea to fight for freedom and self-preservation.

Like every other Senator, I have recently been in my own State and across the country. During that time I have asked many a person many a question, trying to find out what they were thinking about and what their wishes for the future were. Among other questions, I have invariably posed this one:

Who is fighting in Korea?

Their guesses went from "Every member nation of the United Nations" to "Nobody but the United States of America."

One of those estimates is too high, and the other is too low. I want the RECORD as of this 28th day of November to tell us exactly where we stand. I am assuming that these facts, which came today from the Senate Armed Services Committee, of which committee I am a member, are correct. I offer them, not out of prejudice to any nations which are not fighting on our side in the war in Korea, but out of a hope that it will help to tell more Americans just who is fighting, from which knowledge perhaps a better way can be found to get more people to work with the United States of America.

The Americans have committed in Korea, as far as Army Ground Forces are concerned, the First Cavalry, the Second, Third, Seventh, Twenty-fourth, and Twenty-fifth Infantry Divisions; together with the First Marine Division.

The Australians have contributed—and it is undoubtedly doing a first-class job—one fighter squadron.

The British have so far committed, as I understand the figures, one brigade group and one commando unit. The brigade group probably consists of from one and one-half to two regiments.

The Filipinos have committed one battalion.

Thailand—or Siam—has committed one battalion, and the remainder of a regimental combat team is presently en route.

Turkey has presently committed one regimental combat team.

Canada has contributed a squadron of transport planes, and one infantry battalion is en route. We hope it gets there soon. The Canadians are fine fighters, and the United Nations in Korea can use all the fine fighters they can get.

The Union of South Africa has contributed one fighter squadron, which is en route.

The Republic of Korea has committed, as of now, the Third, Fourth, Sixth Seventh, and Eighth Divisions, along with the Capital Division.

Mr. President, it is not for me to judge this afternoon where the rest of the United Nations are; but I cannot forget that back in the latter part of June the United Nations adopted a resolution saying, "One for all, and all for one, now let us together drive this aggressor out of Korea."

The figures I have just offered are given to the Senate on the 28th day of November. They speak clearly for themselves: For reasons not known to me, a majority of the member nations of the United Nations have not yet thought this contest to preserve freedom on the face of the earth is so demanding as to require much of what they have.

Mr. President, if any Member of this great body has a better answer than the one the Senator from Washington has just offered—namely, to give General MacArthur, the commanding general for the United Nations' troops in Korea, the right to strike at the supply lines of the enemy—I wish that gentleman would rise and would state the better answer.

The Senator from Washington would like to hear a better answer, and he would like to be in full support of whatever it turns out to be.

But if the best answer we have is to authorize General MacArthur to bomb and destroy the enemy's supply lines and depots, let us, the Senate of the United States, within the confines of our clear responsibility which flows from the United States Constitution, exercise every ounce of our influence in the direction of the United Nations, meeting in solemn conclave in New York, to see to it that Gen. Douglas MacArthur and his men of every free nation, fighting with him, are promptly given the tools to work with, are promptly given a chance to live, a chance which, if they do not have the power to strike at the enemy's power to strike at them, they will not have much longer

As matters stand this afternoon, Mr. President, we Americans and our friends, too limited in number, are not prepared, nor can we ever possibly prepare ourselves, to win the war in Korea, because wars are won by establishing supply lines to troops in the field; and thus far our enemy has had nothing to worry about.

The United Nations has in fact—and I hope they change that decision—guaranteed this enemy of ours every protection for his build-up and for his supply lines. To continue this decision will permit the enemy to wage war without interference for a long time to come.

Mr. President, one of two things must inevitably happen very shortly: The enemy's supply lines must be destroyed, consumed, and done away with; or the United States of America, together with those allies fighting with her, must—not will or shall, but must—inevitably be humiliated, be hurt deep down inside, and be badly defeated on the field of battle.

Mr. President and gentlemen, why talk of anything else until we know whether we as a nation are to live or die in Korea?

Mr. O'MAHONEY. Mr. President, I cannot permit the remarks of the Senator from Washington to go without an additional statement upon my part. Earlier today, in opening the debate on the statehood bills, I referred to the fact that a delegation of Red Chinese diplomats is now before the Assembly of the United Nations. I spoke of them as Reds, not only because they represent the Red Chinese Government, but also because their hands are dripping with the red blood of soldiers of the United Nations, of whom Americans are the preponderant number.

I recognize fully the tremendous responsibilities which are assumed by any person who urges now the resort to force against Red China. We have been exerting every possible effort and every restraint to make an appeal to reason and understanding through the United Nations.

What the Senator from Washington has said about the conditions in Korea has been, as I see it, correct. Members of the United Nations have not been fully committed to the enterprise upon which we have engaged in Korea to stop unprovoked aggression and to carry out the objectives of the United Nations, an organization which was set up by a solemn international conference in which were represented, not the Red Chinese who now are attacking our men, but their Red masters in the Kremlin. These Chinese are the puppets; they are not the masters. They are offering the bodies of Chinese soldiers, while the masters in the Kremlin are conserving their own great numerical military superiority of manpower.

It seems to me to be perfectly clear that the United States cannot safely involve itself in a war with China, because we cannot throw our manpower into a conflict while Russia pretends to withhold its hand. China is not the author of the Red Chinese invasion of Korea. China is merely the agent. Soviet Russia is the author of this attack.

The spokesman for the masters in the Kremlin are now in the United Nations, Jacob Malik sitting upon the Security Council, and Vishinsky in the Assembly. For my part, though as I say I realize that this is a matter of great responsibility—for my part, I feel that the Congress of the United States and the Executive must be prepared now in defense of American citizens and American soldiers to issue an ultimatum to the Red authors of this military aggression. For my part, I would not listen to another word—not a word from Malik or Vishinsky, or from the Chinese puppets—until they have agreed to stop the Chinese attack upon United Nations forces in Korea. Failure to serve such an ultimatum now, it seems to me, would condemn us in the court of mankind of complete lack of courage. It would be a pusillanimous thing, it seems to me, to continue conversations with the diplomatic representatives of the totalitarian aggressors while they are shooting down our men. Nothing can be done in the Senate tonight, as the Senator from Washington has said, and it should not be done. But,

for my part, I cannot let this day go by without making the observations which I have now made. I am satisfied, let me say, from inquiries that I have made, that our military officials are and have been giving consideration to this matter, but there must not be delay.

We must speak. We are the last defenders of freedom with the power to act. We have the weapon. It is the atomic bomb. We have it. We have tried to maintain the secret of the bomb. We have not been particularly successful, because the spies have been at work seeking the information and getting it. We have tried the remedies of the courts. We have arrested and convicted spies. We have arrested and we have tried the Communist leaders in the United States. We have moved through all the patterns of legal action established by free nations, but while we have been doing that in the regular order of democratic procedure the dictators of the Kremlin have been preparing and mounting this attack. It could be carried out only by the active support and participation of Red Russia.

For us to sit longer in diplomatic conversations with Red Russia it seems to me is to sacrifice our own self-respect. The United Nations cannot be a success without us. If Russia and the Red puppets from China are permitted to waste weary days in diplomatic debate before the Assembly or the Security Council of the United Nations while the military preparations of Russia proceed, then the time will not be too far distant when we will not even have the superiority of the bomb.

We cannot permit ourselves to be drawn into a series of big and little wars with the satellites and puppets of the Soviets while the latter, like spiders in a web, sit in the center watching us exhaust our substance around the perimeter while they build up the military power with which they plan to take over the world in one all-inclusive totalitarian dictatorship.

Mr. President, I think the statement of the Senator from Washington was quite proper. I think it was important that it should be made. I think the Senator from Washington recognizes, as I recognize, that the Executive is charged with a deep responsibility here, even as we are, and that it is a matter of the greatest importance to every one of us that every precaution be taken, because the decision that may be made may be the decision to bring upon the world a third world war. And no man on the floor of the Senate, in the House of Representatives, or anywhere else in our Government or among our people has the vision to predict what the result of such a war may be. Nevertheless, I think the issue is clear now. Russia is without good will. It aims at world conquest. We have the choice between freedom and the expansion of totalitarian slavery throughout the world. For one, I am glad that the Senator from Washington has opened this discussion in this public forum.

Mr. CAIN. Mr. President, I should like to be permitted only to say that to my mind—and certainly, speaking for myself, with no pride of authorship at all, as the subject is entirely too serious for that—both the statements, offered in all humility and seriousness, and in hope, too, by the Senator from Wyoming and by the Senator from Washington, are deserving of some consideration and thought by others among our colleagues, by some of those in the executive branch, and by a good many other Americans. If they give rise to questions leading to action that will commit us—if that is the right word—with the help of our allies, many of whom are not yet on board, to win what has been started, what we have begun this afternoon will have been worth while. I have appreciated listening to the remarks of the Senator from Wyoming.

DEATH OF REPRESENTATIVE HERBERT A. MEYER, OF KANSAS

The PRESIDING OFFICER laid before the Senate the following resolution (H. Res. 868) coming over from the House of Representatives:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
November 27, 1950.

Resolved, That the House has heard with profound sorrow of the death of Hon. HERBERT A. MEYER, a Representative from the State of Kansas.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. SCHOEPPEL. Mr. President, I am profoundly moved by the statements that were made by the distinguished Senator from Washington and the distinguished Senator from Wyoming in the discussion just preceding the important matter which the Chair has laid before the Senate of the United States. It should impress upon all of us the grave responsibility which we have to cooperate, to consider, and to do something about the very serious situation in which, according to press reports, we find ourselves tonight.

Mr. President, I am reminded by the resolution which is now before the Senate that on October 2, 1950, the late HERBERT A. MEYER, Representative from the Third Congressional District of my State, passed away. He served with great distinction and determination and courage in the House of Representatives in the Capital City of the Nation. He enjoyed the respect and confidence of the people of his district and of his State. We regret his untimely passing, and, out of respect for him as a fine, outstanding public character, and as a man, I offer for immediate consideration the resolution which I now send to the desk and ask to have read.

The PRESIDING OFFICER. The resolution will be read.

The legislative clerk read the resolution (S. Res. 364), as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. HERBERT A. MEYER, late a Representative from the State of Kansas.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The PRESIDING OFFICER. The question is on agreeing to the resolution submitted by the Senator from Kansas.

The resolution was unanimously agreed to.

RECESS

Mr. SCHOEPPEL. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate do now take a recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 58 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, November 29, 1950, at 12 o'clock meridian.

SENATE

WEDNESDAY, NOVEMBER 29, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, in this troubled time when all mankind stands in the valley of decision, we turn to Thee with hearts that are heavy with anxiety and with grief for the fallen, with minds that are clouded with perplexity and doubt, with spirits that are dismayed by the world's catastrophe. From the tumult of an unhappy world, where desolate lie many cities and multitudes weep in darkness with no consolation, we turn for a hallowed moment to this wayside shrine of Thy grace. Be to us, we pray Thee, not just the God of the altar of prayer but also the companioning presence of our daily lives, facing with us what we face, going with us where we go, sustaining, guiding, correcting, empowering, until our brief day's work is done and sunset comes to find us undishonored, undefeated, and unashamed. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, November 28, 1950, was dispensed with.

SENATOR FROM KANSAS

Mr. WHERRY. Mr. President, Hon. FRANK CARLSON, Senator-elect from the State of Kansas to fill an unexpired term, is present in the Senate Chamber, and I wonder if it would be agreeable to have him take the oath of office at this time.

Mr. LUCAS. Mr. President, it will be very agreeable to me to see my old friend, the former Governor of Kansas, now a private citizen, sworn in as a Senator of the United States.

Mr. SCHOEPPEL. Mr. President, I have the honor to send to the desk the certificate of election of Hon. FRANK CARLSON to be a Senator from the State of Kansas.

The VICE PRESIDENT. The certificate will be read.

The legislative clerk read as follows:

STATE OF KANSAS,
EXECUTIVE DEPARTMENT.

CERTIFICATE OF ELECTION

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, FRANK CARLSON was duly

chosen by the qualified electors of the State of Kansas a Senator from said State to represent said State in the Senate of the United States for the unexpired term of 6 years, ending on the 3d day of January 1951.

Witness: His Excellency, our Gov. FRANK CARLSON, and our seal hereto affixed at Topeka, Kans., this 27th day of November 1950.

FRANK CARLSON,
Governor.

[SEAL] LARRY RYAN,
Secretary of State.

The VICE PRESIDENT. The certificate will be filed for the Secretary. If the Senator-elect will come forward, the oath of office will be administered to him.

Mr. CARLSON, escorted by Mr. SCHOEPPEL and Mr. DARBY, advanced to the desk, and the oath prescribed by law was administered to him by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Green	Millikin
Anderson	Gurney	Morse
Benton	Hayden	Murray
Brewster	Hendrickson	Myers
Bricker	Hill	Neely
Bridges	Hoey	O'Conor
Butler	Holland	O'Mahoney
Byrd	Hunt	Robertson
Cain	Ives	Russell
Capehart	Johnson, Colo.	Saltonstall
Carlson	Johnson, Tex.	Schoeppel
Chapman	Johnston, S. C.	Smith, Maine
Chavez	Kem	Smith, N. C.
Clements	Kerr	Smith, N. J.
Connally	Kilgore	Stennis
Cordon	Langer	Taft
Donnell	Leahy	Taylor
Douglas	Lehman	Thomas, Okla.
Dworshak	Lucas	Thomas, Utah
Eastland	McCarthy	Thye
Ecton	McClellan	Tobey
Ellender	McFarland	Tydings
Ferguson	McKellar	Watkins
Flanders	McMahon	Wherry
Frear	Magnuson	Wiley
Fulbright	Malone	Williams
George	Martin	Young
Gillette	Maybank	

Mr. MYERS. I announce that the Senator from California [Mr. DOWNEY] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER] is absent on official business.

The Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Florida [Mr. PEPPER] are absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from South Dakota [Mr. MUNDT], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The VICE PRESIDENT. A quorum is present.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. BYRD, and by unanimous consent, the Committee on Armed Services was authorized to meet this afternoon during the session of the Senate.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries.

COMMITTEE TO ATTEND MEETING OF COMMONWEALTH PARLIAMENTARY ASSOCIATION

The VICE PRESIDENT. The Chair desires to announce the appointment of the members of the committee provided for in Senate Resolution 360, adopted on Monday, as delegates from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia. The Chair appoints the Senator from Rhode Island [Mr. GREEN] chairman, and the Senator from Mississippi [Mr. STENNIS], the Senator from Wisconsin [Mr. WILEY], and the Senator from Michigan [Mr. FERGUSON] as the members of the committee.

TRANSACTION OF ROUTINE BUSINESS

The VICE PRESIDENT. The Chair would suggest that, if there is no objection, Members desiring to introduce bills and joint resolutions, present petitions and memorials, and other routine matters for the RECORD be permitted to do so at this time. That will result in a saving of time. Is there objection? The Chair hears none, and it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

POLICING OF BUILDINGS AND GROUNDS OF SMITHSONIAN INSTITUTION

A letter from the Secretary of the Smithsonian Institution, Washington, D. C., transmitting a draft of proposed legislation relating to the policing of the buildings and grounds of the Smithsonian Institution and its constituent bureaus (with an accompanying paper); to the Committee on Rules and Administration.

AUDIT REPORT ON EXPORT-IMPORT BANK OF WASHINGTON

A letter from the Comptroller General of the United States, transmitting, pursuant to law, an audit report on the Export-Import Bank of Washington for the fiscal year ended June 30, 1950 (with an accompanying report); to the Committee on Expenditures in the Executive Departments.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

H. R. 2093. A bill authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Riedel; without amendment (Rept. No. 2582);

H. R. 6242. A bill to prevent the entry of certain giant snails into the United States; without amendment (Rept. No. 2583); and

S. Res. 361. Resolution extending the authority for an investigation with respect to the production of agricultural crops; with an amendment (Rept. No. 2584); and, under the rule, referred to the Committee on Rules and Administration.

BILLS AND JOINT RESOLUTIONS INTRODUCED

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McKELLAR:

S. 4202. A bill to authorize the construction, operation, and maintenance of the Lower Cumberland Dam and Reservoir on the Cumberland River in Kentucky and Tennessee, for navigation, flood control, hydroelectric power, and other purposes; and

S. 4203. A bill to authorize the construction, operation, and maintenance of facilities for generating hydroelectric power at the Cheatham Dam on the Cumberland River in Kentucky; to the Committee on Public Works.

By Mr. NEELY:

S. 4204. A bill for the relief of Raymond D. Beckner; to the Committee on the Judiciary.

(Mr. SCHOEPPEL introduced Senate bill 4205, to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans., which was referred to the Committee on the Judiciary, and appears under a separate heading.)

By Mr. WILEY:

S. 4206. A bill for the relief of Crazio Balasso; to the Committee on the Judiciary.

By Mr. HAYDEN:

S. 4207. A bill for the relief of Helen Dick; to the Committee on the Judiciary.

By Mr. RUSSELL:

S. 4208. A bill to authorize the Secretary of the Army to transfer to the Secretary of the Interior certain lands on which the Seattle Fish and Wildlife Service Laboratory is located; to the Committee on Interstate and Foreign Commerce.

S. 4209. A bill for the relief of Capt. Marciano O. Garces; to the Committee on the Judiciary.

By Mr. IVES:

S. 4210. A bill for the relief of Elizabeth Jean Clarke; to the Committee on the Judiciary.

(Mr. MAYBANK introduced Senate Joint Resolution 207, to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, which was referred to the Committee on Banking and Currency, and appears under a separate heading.)

By Mr. BRICKER:

S. J. Res. 208. Joint resolution to direct the Federal Communications Commission to make a study of the problem of allocating television frequencies for use by educational institutions for the purpose of nonprofit educational programing; to the Committee on Interstate and Foreign Commerce.

BOARD OF COUNTY COMMISSIONERS, SEDGWICK COUNTY, KANS.

Mr. SCHOEPPEL. Mr. President, I introduce for appropriate reference a bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans., and I ask unanimous consent that an explanatory statement of the bill, prepared by me, be printed in the RECORD.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the statement presented by the Senator from Kansas will be printed in the RECORD. The Chair hears no objection.

The bill (S. 4205) to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans., introduced by Mr. SCHOEPPEL, was read twice by its title, and referred to the Committee on the Judiciary.

The statement presented by Mr. SCHOEPPEL is as follows:

STATEMENT BY SENATOR SCHOEPPEL

I have today introduced a bill to enable Sedgwick County, Kans., to sue the United States in the Court of Claims for delinquent taxes assessed against the Boeing airplane manufacturing plant now owned by the United States.

This bill is identical with H. R. 7854 passed by the Eighty-first Congress, second session, except for modifications made to conform to the views expressed by the President in his Memorandum of Disapproval dated September 28, 1950.

The President expressed no disapproval of the main features of the bill permitting Sedgwick County, Kans., to secure a judicial determination in the Court of Claims as to whether the tax assessed against the property involved was lawful, but withheld his approval to the bill because it also permitted the recovery of "penalties, interest, and charges in connection with the taxes levied."

This bill contains no provision for the recovery of penalties, interest, or charges in connection with said taxes, but on the contrary specifically provides "that nothing herein shall be construed as authorizing suit or judgment for interest, penalties, or charges on or in connection with said taxes."

I sincerely hope that this bill will be found to be free from any feature or provision of a controversial or objectionable nature and that it will be approved and passed at the present session in order that the local taxing authorities may have their day in court as to the validity of the taxes involved with the least possible delay.

EXTENSION OF RENT CONTROL

Mr. MAYBANK. Mr. President, I send to the desk a joint resolution which provides for extension of the present rent-control law for 2 months. Representative SPENCE has introduced a joint resolution in the House which provides for extension of the law for 3 months. My purpose in introducing the resolution today is so that the Committee on Banking and Currency, which will meet today at 2:30 to consider rent control, will have something tangible before it. I ask that the joint resolution be received and appropriately referred.

The VICE PRESIDENT. The joint resolution will be received and referred to the Committee on Banking and Currency.

The joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, introduced by Mr. MAYBANK, was read twice by its title, and referred to the Committee on Banking and Currency.

INVESTIGATION OF EXPORT POLICIES AND CONTROL REGULATIONS

Mr. O'CONOR. Mr. President, on behalf of the Senator from Washington [Mr. MAGNUSON] and myself, I submit for appropriate reference a resolution to authorize an investigation of the administration and enforcement by Government agencies of the export policies and control regulations of the United States, and I ask unanimous consent that a statement prepared by me explaining the resolution may be printed in the RECORD.

The VICE PRESIDENT. The resolution will be received and appropriately referred, and, without objection, the statement presented by the Senator from Maryland will be printed in the RECORD. The Chair hears no objection.

The resolution (S. Res. 365) submitted by Mr. O'CONOR (for himself and Mr. MAGNUSON) was referred to the Committee on Interstate and Foreign Commerce, as follows:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full, complete, and continuing study and investigation of the administration, execution, and enforcement by Government departments and agencies of the export policies and control regulations of the United States.

Such a study and investigation shall include, but shall not be limited to, a continuing surveillance of the effectiveness of measures and efforts instituted by Government agencies to prevent the shipment or transshipment of exported materials to countries unfriendly to the United States or lack of such measures or efforts. The committee is also directed to ascertain to what extent, if any, American carriers have been and are utilized in such transportation.

SEC. 2. The committee shall report its findings, together with its recommendations for such legislation as it may deem advisable, to the Senate at the earliest practicable date.

SEC. 3. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eighty-first and Eighty-second Congresses, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed $, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

The statement presented by Mr. O'CONOR is as follows:

STATEMENT BY SENATOR O'CONOR

I am submitting for the consideration of the Senate a resolution which would authorize a broad-gaged investigation and review into not only our trade practices, but trade policies concerning Communist-dominated areas of the world.

It is urged that our country should cease absolutely to ship any strategic products or permit transshipment of such products from occupied areas to Communist China and that we should strive to have other nations allied with us throughout the world take appropriate measures to prevent transshipments and leakages of supplies which would be of great assistance to our now openly declared enemies in Korea and North China, as well as to other unfriendly nations.

A preliminary investigation has been conducted by a subcommittee in the matter of shipments of strategic war materials to Communist China and to other Communist countries. An intensive study of the matter since the Congress recessed has developed a number of startling, and I might say, shocking, facts concerning the amount of such critical products which were permitted to go to the Chinese Reds, now fighting our troops so bitterly in Korea. A vastly greater number of leads which it has been impossible to follow, however, due to lack of time and the restricted staff at our disposal, clearly demonstrates the need of a further and much broader inquiry into the whole matter of shipments to enemy countries.

The inquiry as it has developed to date might be said to fall into three patterns. Firstly, there was the matter of shipments directly from this country to North China, sometimes by way of occupied Japan. Secondly, when it seemed that such shipments could well be controlled, the committee found that products from Japan and some of our allies in Europe were getting through to the Chinese Communists in large numbers by means of transshipments, at the port of New York mainly. And finally, huge shipments have been made and are still being made from our ports to Communist China of materials which have not hitherto been officially classed as strategic but which we have reason to believe can be put to military or war industrial uses.

Just a few figures might well indicate the extent of these various shipments. The subcommittee found that shipments to Red China have gone forward in substantial quantities from both the Atlantic and Pacific coasts of our country since the Communist forces took over control of the country in September 1949, and even after the Communist-inspired attack on Korea last June 25. Selected at random from among many shipments following the establishment of the Chinese Red regime, was that of nearly 15,000,000 gallons of petroleum products, from the United States or shipped by American oil companies and affiliates from the Middle East. Approximately 5,000,000 gallons of gasoline were included. According to the oil companies, a voluntary agreement at the time of the Korean crisis has stopped further shipments of such products by them. However, early this year and continuing up even until August, oil purchased in the United States to the extent of 734,000 gallons was transported first to Japan and later reshipped to China. From the west coast more than 10,000 tons of steel products consisting of steel plates and other items militarily useful have been shipped to Communist China since the outbreak of the Korean War Petroleum products have gone forward likewise from the west coast ports and tons of rubber scrap, tires and tubes, for all of which the Communist forces can find use.

One of the most startling disclosures of all was the fact that some 4,500,000 pounds of pure copper, produced in Japan, was delivered to Communist China by the devious expedient of shipping it to the United States and then immediately trans-shipping to Communist China. It has been clearly shown that all of these copper shipments left Japan under bills of lading which certified that the copper was destined for New York City. In the case of most of the shipments new post-dated bills of lading were reissued in New York, indicating that the copper was to be transshipped to North China. The shippers undoubtedly were fully informed that no

licenses could be secured in Japan to ship this copper directly. Thus, it was quite apparent that there have been violations or at least open evasions of the Japanese export-control laws. For this reason, the entire matter is being referred to SCAP for possible action on the part of the Japanese authorities.

On these two phases of the problem we have made, I feel sure, very distinct progress toward correction and prevention of further shipments. It has been possible to prevent shipment of much of the oil from Japan and from this country destined for North China and also to stop shipment of a number of steel items.

Another vastly more dangerous procedure for getting these critical products to Communist countries developed, relating to transshipments of strategic goods of foreign origin through United States ports. The hearings in the subcommittee revealed that an American company has been purchasing in Britain, France, and Belgium, highly strategic silicon steel sheets and importing this material into the port of New York. It has been ascertained that these strategic materials are then being trans-shipped to North China, although, under present export regulations of this country, it is not possible to ship such steel sheets directly from the United States to Communist China or other Soviet-dominated countries.

I am sure that many of the Members of this distinguished body will be surprised to learn how lenient a view has been taken by the responsible Federal agencies with regard to permitting these materials to get into Communist hands, possibly to be used to spread death and destruction among our own and United Nations forces in Korea.

The grave crisis confronting our troops today did not originate as of yesterday. Rather it is the culmination of a long series of aggressive activities conceived by Communists, pushed forward by Communists, and made possible by Communist-supplied implements of warfare. I say this because the elements are of one vicious stock, whether they are Korean, Chinese, or Russian Communists.

What is happening today could have been expected from a dyed-in-the-wool enemy of liberty and freedom, of democratic institutions, and of decency and ordered government.

It is to be regretted that our officials did not act more decisively and more successfully to prevent strategic supplies from reaching these enemies. The least we can do is to take every precaution to avoid further mistakes. My resolution is introduced to accomplish this purpose.

Communist China's open defiance of the United Nations yesterday makes it absolutely urgent that we discontinue all shipments of supplies of any character from this country which could in any way contribute to military or behind-the-line uses.

The statement by Chinese Envoy Wu before the Security Council that Communist aggression in Korea will never cease until United Nations forces have been driven from the peninsula is nothing short of an open declaration of war on the United States.

To continue allowing her to receive any products which would help to sustain her national economy is unthinkable in a crisis wherein United States forces face one of the gravest threats in all our history.

The further the subcommittee goes into the investigation, the more clear it becomes that for every ton of copper, steel, oil, chemicals, scrap rubber, medicines, or the like that we uncover and prevent from being shipped to China there are countless other tons still finding their way to North China ports.

To continue sacrificing the flower of our Army, Air Force, Navy, and Marines against the endless hordes available to Communist China and its Russian sponsor, while at the same time we or our supposed allies furnish them the very products which help to make it possible for them to continue their aggression, is contrary to all American interests.

CAMPAIGN ADDRESS BY SENATOR KERR

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD a campaign address delivered over the radio by Senator KERR on October 25, 1950, which appears in the Appendix.]

NEED FOR AN EMANCIPATION PROCLAMATION FOR THE RUSSIAN PEOPLE—ARTICLE BY WILLIAM I. NICHOLS

[Mrs. SMITH of Maine asked and obtained leave to have printed in the RECORD an article entitled "Needed Now: An Emancipation Proclamation for the Russian People," written by William I. Nichols and published in This Week magazine for October 1, 1950, which appears in the Appendix.]

CHINESE REDS ENJOYING UNITED STATES LUXURIES WHILE OUR SOLDIERS ARE DYING IN KOREA—ARTICLE BY CONSTANTINE BROWN

[Mr. ECTON asked and obtained leave to have printed in the RECORD an article entitled "Chinese Reds Enjoying United States Luxuries While Our Soldiers Are Dying in Korea," written by Constantine Brown and published in the Washington Star of November 28, 1950, which appears in the Appendix.]

WISCONSIN EDITORIAL COMMENT ON NOVEMBER ELECTION

[Mr. WILEY asked and obtained leave to have printed in the RECORD several editorials from Wisconsin newspapers commenting on the outcome of the November election, which appear in the Appendix.]

STATEHOOD FOR ALASKA

The VICE PRESIDENT. The question before the Senate is the motion of the Senator from Illinois [Mr. LUCAS] to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. McCLELLAN obtained the floor.

Mr. BUTLER. Mr. President, will the Senator from Arkansas yield to me so I may make a short statement in connection with the subject under consideration?

Mr. McCLELLAN. I am glad to do so if I do not lose the floor thereby. Mr. President, I ask unanimous consent that I may yield to the Senator from Nebraska without losing the floor.

The VICE PRESIDENT. Without objection, the Senator from Arkansas may yield to the Senator from Nebraska without losing the floor.

Mr. BUTLER. Mr. President, since making my statement yesterday, I have received a number of telegrams which I think should be incorporated in the RECORD because they bear directly on the subject which is before the Senate.

Before presenting them I should like to say that on checking over the CONGRESSIONAL RECORD for Monday, I was amazed to discover that the President in his letter to the Vice President regarding the statehood bills made the statement that "the people of Alaska have voted almost 3 to 1 in favor of statehood."

Mr. President, the fact is that the people of Alaska have never done any such thing. Several years ago they voted in favor of the general principle of statehood but by a very narrow margin—58 percent of the total vote of only 16,400. That is less than 3 to 2, not 3 to 1.

Furthermore, this vote was taken only on the principle of statehood, not on whether statehood should be granted immediately and not on this particular bill that is before the Congress. I strongly feel that if a referendum could be held in Alaska on this particular bill now, it might well be defeated. I have been told as much by several distinguished Alaska residents.

Mr. President, I now ask unanimous consent to insert in the RECORD at this point several telegrams I have received from Alaskans protesting against Senate approval of the bill. One telegram is from Emery F. Tobin, editor, the Alaskan Sportsman. Another comes from a prominent editor of the daily newspaper published in Ketchikan, Alaska. Another comes from a prominent citizen of Juneau, Mr. Shattuck. Another comes from Albert White, attorney at law of Juneau. Another comes from Marcus F. Jensen, member of the house of representatives of the nineteenth session, Alaska Territorial Legislature.

There being no objection, the telegrams were ordered to be printed in the RECORD, as follows:

KETCHIKAN, ALASKA, *November 29, 1950.*
Senator HUGH BUTLER,
Senate Office Building:

When referendum held on question "Are you in favor of statehood for Alaska?" 58 percent of 16,400 cast affirmative ballot since most Alaskans in favor eventual statehood but this does not mean they are in favor of statehood now. Would be great mistake Alaska take on responsibilities statehood huge land area small population without any year around industries and supported principally by money coming to Alaska through huge Federal military appropriations. Cost of living here greater than nearly any other place in world as recognized by Federal Government which pays all its employees in Alaska 25 percent cost of living allowance. Statehood now would increase cost of living, bankrupt Territory, drive out most of population.

EMERY F. TOBIN,
Editor, the Alaska Sportsman.

KETCHIKAN, ALASKA, *November 28, 1950.*
Senator HUGH BUTLER,
United States Senate:

Alaska voters at a general election for territorial offices in October repudiated Gruening-sponsored candidates in all four divisions thereby proving by their ballots they were tired of the political domination exercised by our appointed Governor. The Senate may have justifiable reason for refusing to pass an inadequate statehood bill which, even as amended, offers very little, but we feel the people of the Territory should have the right to elect their own leader if the economy of Alaska is to develop to the point where statehood is feasible. The election of our Governor would be a logical and progressive step for statehood.

SID D. CHARLES.

JUNEAU, ALASKA, *November 29, 1950.*
Hon. HUGH BUTLER,
United States Senate,
Washington, D. C.:

As Juneau businessman and former territorial legislator with 43-year residence in Alaska would like to express my belief that statehood not only cannot be of assistance to country's military defense for reasons

already expressed by military experts, but also it almost certain have opposite effect because of its impact on Territorial economy which at present not only unhealthy but actually declining with single exception of centers enjoying military expenditures. Despite assertions that Territory is fiscally healthy and paying its bills the unpublicized fact remains that several millions appropriated by last legislature remain frozen because of inadequate revenues.

CURTIS G. SHATTUCK.

JUNEAU, ALASKA, *November 28, 1950.*
Senator HUGH BUTLER,
United States Senate,
Washington, D. C.:

I voted for Alaska statehood bill submitted Alaska voters many years ago condition of this Territory. This time will not support statehood, Army and Navy better position to take care of defenses than any confusion that would exist upon passage this bill. Have just completed 5,000-mile trip over Territory. Am convinced if the referendum for statehood was resubmitted to Alaska people it would not pass. Half Territory voted against it as to districts and why is a referendum vote taken years ago accepted now as a fact in a changing world. I have lived here 40 years and have never seen Alaska in such a economic deplorable condition. No seasonal work, no new ventures in years, no factories. Nothing to keep people employed or steady employment. Gold mines shut down Juneau. Had 900 men working in a gold mine, it's now shut down and 900 working for the Government. I appeal to you to give us a chance to vote again on this measure.

ALBERT WHITE,
Attorney at Law.

DOUGLAS, ALASKA, *November 28, 1950.*
Hon. HUGH BUTLER,
United States Senator from Nebraska,
Washington, D. C.:

I oppose statehood at this time for these reasons: first, because of additional cost. Maintenance of roads alone would cost an additional four million annually; secondly, statehood will not help Alaska defense as the military program is already in effect; third, the trial vote for State was not a true indication of the peoples' wish as the majority was not versed on the facts; fourth, the administrative actions of our Governor and some of his followers advocating statehood have been such that I believe a State under the influence would be to the detriment of the people I refer you to the activities of the Territorial Banking Board, also the history of the Palmer Airport.

MARCUS F. JENSEN,
Member, House of Representatives, Nineteenth Session, Alaska Territorial Legislature.

Mr. MAGNUSON. Mr. President, will the Senator from Arkansas yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Washington?

Mr. McCLELLAN. I yield.

Mr. MAGNUSON. Several Senators have asked what the situation might be here for the next hour or hour and a half. I wish to inquire of the Senator from Arkansas if he can give us some estimate of how long he is going to speak.

Mr. McCLELLAN. I feel confident I will occupy that much time.

Mr. MAGNUSON. I thank the Senator.

Mr. McCLELLAN. Mr. President and my colleagues, it is not with any particular pleasure whatsoever that I take the floor at this time to discuss the pending motion. I regret the necessity for doing so, because there are many other matters of vital importance that should now be engaging the profound interest and attention of the Members of this body. There are a number of domestic problems which are of greater importance and which should take priority over the bill which the pending motion seeks to make the unfinished business.

Yes, Mr. President, I think there are many measures pending in the Congress which are of much more importance and which are of more immediate concern for the welfare of our Republic and the people of the Nation than is the bill to admit another State to the Union. Far more urgency in the interest of our Nation attends some of those measures than attends the action we may take, either adversely or favorably, on the pending motion.

Mr. President, the paramount issue and concern is how best to serve our national defense in this critical period. That is or should be the all-consuming question at this hour in the history of our Nation. It is not whether some Territory should now be annexed as a State, but how can we defend America? What are we going to do in the present international crisis? Whether we like to talk about it or not, and whether or not we dare to be realistic about it, Mr. President, our Nation is in war. No one would dare refer to the Korean conflict again as a mere police action. That technical term may be applied to the situation in areas that are threatened in other parts of the world, but most recent developments and the news that is coming over the wires while I am speaking now clearly refute that the action which is taking place in Korea is a mere police action.

Whether it is the preliminary to a third world war, I do not have the answer. So far as I can ascertain, Mr. President, no one in this Government, no one in a high, responsible position of authority in this Government, has been able thus far to declare definitely what this situation is and whether it means that a third world war has begun. We have been doing a great deal of wishful thinking about it. We have tried to brush off facts and realities by wishful thinking, hoping and trying to have faith that something can be worked out, that a solution can be found, and that another world catastrophe can and will be averted. But, Mr. President, I said recently in addresses down-State that it would take a twentieth-century Solomon to interpret correctly and analyze world conditions today and make predictions with reference to the future. I also said in speeches that I recently made in my State that there are no twentieth-century Solomons in the Government in Washington. Day by day, events reveal and confirm the soundness and accuracy of that statement.

Mr. President, what I am saying is not critical of the President of the United States, of any member of his Cabinet, of our military authorities, or of anyone else in a position of responsibility. What I am simply pointing out is that the gravity of the situation is such and the perplexities of it are such that all of us are confused; we cannot see far enough ahead to be able to make plans based upon known facts and reasonable anticipations of what the future may bring.

I am convinced that the present situation is indicative of another all-out war. There is more in the record of past events and of developments up to the present time to indicate that the forces of evil and of aggression and of conquest are bent upon a war of destruction on the forces of freedom and the peoples who love liberty. I say there is more in present revelations to indicate that than there is to suggest that we may safely rely upon any expectation that we are going to find an immediate solution to the war we now are fighting.

Mr. President, I make those statements because I know the high hopes we entertained as a Nation and as a people when the United Nations was created in 1945. We believed then that the peoples of the world were war-weary and tired, that they definitely wanted to find a way to a lasting peace, a peace that would endure, a peace that would give large measure of assurances, at least, if not absolute assurance, that all nations could live in peace and security, without fear of war and danger of being attacked, without any apprehensions that there were forces plotting their destruction and conquest.

I still believe that the peoples of the earth—all peoples, generally speaking—entertain those hopes and desire permanent peace. However, and unfortunately, Mr. President, the rulers of some of those peoples, who are now in position and power—which position and power was obtained by force and which is retained by force, and not by the free will and consent of those peoples—have seized upon the chaotic condition of the world as the opportune time to force their philosophy and ideology upon other people and to resort to every device dishonorable in character to overpower the will of the peoples of other nations and by the pressure of coercion, intimidation, and threats to bring other governments under their ruthless domination and control. Mr. President, Russia has made considerable progress along that line. She has gone beyond mere intimidation of weaker nations. She has compelled them to submit to her dictation and domination with reference to the character of government they shall have and in compelling their rulers to be obedient to her will. She has gone beyond that, Mr. President. For the past 5 years she has studiedly and systematically pursued a course of antagonism, of harassment, and of repeated insults to all the civilized nations of the world, including our own, and has persisted in a cold war that has kept up a disturbance of such magnitude that even the United Nations has been unable to cope with it. Instead of relenting in those policies they are today being intensified, while the war continues and rages with increasing fury and mounting casualties. If we are not going to be realistic, if we are not going to face facts, if we are not going to be cognizant of that which is so apparent that the

blind may see, we shall surely stumble on down the road of wishful thinking, with false hopes that everything will finally work out all right.

I want to be guarded in my remarks, but I may say that I fully believe that what is happening in Korea was inspired by communistic Russia. I think the directing power back of the tragic and unnecessary war which is now in progress lies in the seat of the Russian Government, a government which is a member of the United Nations, a government which gave its pledge which we hoped at the time was given in good faith, as evidenced by that government subscribing to and becoming a member of the United Nations—that she genuinely wanted peace and wanted peaceful solution of the problems which faced the postwar period. But an analysis of the conduct of that government since the United Nations was created compels the conclusion which I think is irrefutable, that that government has not wanted peace. Instead, it has done everything in its power, even to the extent of using some 46 times to date the veto power which it possesses as a member of the United Nations, in order to obstruct any progress toward peace. Its conduct in the United Nations simply has been a continuous effort to sabotage the noble purpose, program, and efforts of that body to bring tranquillity and order out of the chaos, distress, and suffering which followed in the wake of World War II.

That is not the only concrete evidence we have of what that country has in mind. We were acting in good faith, as usual, after the United Nations was created. We brought our boys home. We practically demobilized our forces in the various countries in which we had fought. We left behind only a token police force for occupation purposes, until order could be restored and peace treaties written and agreed to. We were acting in good faith. Not only did we demobilize our foreign forces, not only did we strip ourselves of our potential and actual war power on the battlefields of World War II, but, after we brought our troops home, we again virtually disarmed, as we did after World War I, as further evidence of our good faith and of our high purpose and intent to support the United Nations and, through that tribunal and through those channels, by peaceful negotiation and by all other peaceful means, to bring about a solution of postwar problems and controversies and to achieve the peace which has always been our hope and the aspirations of our people.

But, Mr. President, Russia has not pursued such policies. Instead, not only has she blocked every sincere effort of the United Nations, to whose Charter and purposes she had subscribed, by using the veto power in an effort to sabotage that institution and render it impotent with respect to critical and vital problems which need solution for the sake of humanity and for the peace of the world, but instead of disarming and cooperation with the United Nations and showing her good faith, she has, since the United Nations was created, feverishly and continuously prepared for war. Today she is far better prepared for war, both on offense and on defense, than she was on VJ-day.

Mr. President, what does that mean? What is its significance? Is she preparing for a war of defense? No one could argue that she is. Who is about to attack her? None of her neighbors on either continent is sufficiently prepared even to constitute a minor threat to her security and sovereignty. There must be, then, some other reason for preparing. I know of no nation that might want to attack her. I know of none that threatens. I know of none that has indicated that there was ever any contemplation of raising an issue with her which could possibly lead to war even in the distant future.

Then why this preparation? The answer is that she is preparing for aggression; it is preparation for conquest. It is not preparation for defense, but for the purpose of enabling her, by resort to force, to carry out her designs, first, upon the weaker nations, as she has been doing ever since the end of World War II, and in the hope of building such strength, such might, and military power that, secondly, whenever the propitious time comes, she can achieve her ambition of world conquest.

Mr. President, I have referred to this subject as a preface to my remarks today simply to emphasize what I consider the unjustifiable and unreasonable course we are attempting to pursue in the Senate in this critical period. The bill which it is proposed to bring before us could not possibly, if enacted into law, contribute anything in strength or effort to our immediate national defense. It may be argued, and it is argued, that ultimately such action would contribute to the national defense. But the point I make is that rather than spend time today on a highly controversial measure which, if enacted into law, could not contribute to the solution of the vital problems of the hour, the Congress should be considering the strengthening of our national defense. If no bill pertaining to national defense is ready for immediate consideration on this floor, our committees should conduct hearings and consider legislation to strengthen our defenses in order to deal with the crisis which now confronts us.

Mr. President, it is necessary that we pass additional appropriations. The Appropriations Committee could well devote time to the careful consideration of recommendations which will be submitted to us, because in time of war, or preparation for war, there is great waste of economic resources, as well as finances. With a national debt which is approaching and will soon reach the three hundred billion mark it behooves Congress as never before to scrutinize every request for expenditure of public funds and to bestir itself to a degree as never before to eliminate all unnecessary expenditures. Congress should concentrate on expenditures for the things which should have priority and which are indispensable to meet the present crisis. Our committees could well spend the time in determining what kind of new tax bill Congress should enact.

Taxes must go higher. In the present distressing situation I think every intelligent American will agree that taxes must be increased to a point somewhere below the border line where if they were increased any more they would bring about diminishing returns, where if they were increased any more they would destroy private initiative and destroy the incentive of the individual and of business to produce. Those are the problems—and they are not easy ones—that Congress should be trying to solve. I do not mean to say that we should pass such legislation during this brief session of Congress between now and the time that the new Congress convenes in January. However, a great deal of progress could be made in holding hearings and in developing information which properly should be developed before final decisions are made.

I should like to refer to a bill which I have in mind. I had hoped that hearings could be held on the measure during this short session. However, if our time is to be consumed on more or less extraneous issues which are highly controversial, and we are not to be given the opportunity to concentrate on problems which should have priority, it will be difficult to conduct committee hearings and lay the groundwork required to enable us to legislate intelligently on such problems. The bill to which I refer is S. 2898, to amend the Legislative Reorganization Act of 1946 to provide for more effective evaluation of the fiscal requirements of the executive agencies of the Government of the United States. I introduced the bill in January 1950. I do not intend to discuss the bill. I wish merely to make reference to it as one measure which should be considered by Congress. Perhaps it is not the perfect answer to the problem involved, but it is one measure which Congress might profitably be considering at this time.

The bill proposes to set up a joint budget committee of the House and Senate to help process the budget, which at the present time is primarily the function and responsibility of the executive branch of the Government. Having served for 2 years as a member of the Committee on Appropriations, I can appreciate the difficulties the committee faces in trying to report appropriations for various departments and agencies. As a rule, the committee has before it for consideration only the statements, requests, and evidence of the department which is interested in obtaining and spending the appropriation. The committee hears only the persons who are at the head of those departments. They come to us and say it takes a certain amount of money to run their agency and enable it to do its work. However intelligent and capable members of the Committee on Appropriations may be, because of other duties and responsibilities as Senators they do not have either the time or the facilities at their command to investigate requests and to sift out and eliminate many unnecessary items. Instead, every year we go along and accept the ex parte evidence of the agencies concerned. We accept the evidence of the persons who are asking for the money. We do so without making

any check whatever into the agency or into the function of it to determine whether the funds requested are needed, or whether the system under which they are operating could be revised so as to enable them to operate more economically.

Mr. President, such things are vital in this crisis. In times of high prosperity, in times when the Government is able to operate on a balanced budget, and in times when no extraordinary demands are made on our country we may coast along with a reasonable measure of safety. However, in times of crisis, particularly if it comes to the worst—and we had better think in terms of the worst—we should wisely legislate with respect to our national resources and fiscal policies. We had better legislate in anticipation of the worst for the present if we are to be prepared and to have the maximum strength to meet the challenge head-on if and when it comes. Legislation of this character is more important at this hour than a bill to admit a Territory as a State, particularly when the issue is highly controversial. I daresay no Member of the Senate can develop a factual case to show that the Territory, if admitted as a State, would be self-sustaining from a financial standpoint.

I expect to speak on Senate bill 2898 in a day or two and shall endeavor to point the way we should approach the problem. If such a committee were created, it would be staffed, as the Committee on Appropriations is staffed, probably with the same number of Senators, or perhaps with a larger number, if necessary. Through such a committee we would be able to check requests submitted to the Bureau of the Budget and by it to the Congress. Today we are unable to do so. We must take the word of the representatives of the agency or department. When they come to us with a budget recommendation, it is usually sufficient to get an appropriation. We make little or no investigation into the facts. The bill to which I refer would create a committee which would make such a check. The bill would require the heads of the various agencies, as they submitted their budget requests to the Bureau of the Budget, to submit copies of the requests to the proposed joint budget committee. Such procedure would make it possible for the committee and the staff of the committee to study the budget as it was being developed and processed. In that way, when the budget was presented and various agencies made their requests of the Committee on Appropriations, we would have some means of knowing whether the funds requested were actually needed. As it is today, to a large extent, we appropriate blindly.

Mr. President, I wish now to address myself to the pending motion. There are many measures we could discuss, but I have simply attempted to point out in what I have said that with the conditions of the world today and the confusion which is confounded in Washington at this hour we should be trying to solve problems of national defense instead of consuming the time of the Senate and of the Congress with measures which are controversial and which, if enacted, would contribute nothing in the distressing emergency with which we are now confronted.

Mr. President, I wish to say at the outset that I am not unalterably opposed to statehood for Alaska. Frankly, I shall look forward to the time when Alaska may qualify for statehood. I think she has potentialities, and I think it is highly probable that in the course of time—and I should like to see the time hastened—Alaska may become sufficiently developed, sufficiently populated, considering the area it occupies, strong enough financially, with such developed physical resources, that she could support statehood adequately, and thus become the forty-ninth State of the Union.

As I see the situation, Alaska has not yet matured sufficiently to accept the responsibilities which statehood would impose. As I see the situation, it is very much like placing a 10-ton load on a 1-ton-horsepower motor. I do not believe Alaska can pull the load. I do not believe she has the adequate strength, or has developed resources from which she could collect taxes out of the income of her people adequately to support a State government.

I do not believe that statehood is a right of any Territory. Statehood is a privilege, which under our Constitution, is bestowed. Statehood is something Congress would be asked to bestow, and I believe that before any Territory is admitted into the Union as a State, it should have earned its admission.

There are some factors which should go into the determination of whether Alaska has earned this right, and the principal factor I shall discuss, the principal reason I assign for the position I take in opposition to the bill, and also to its consideration at this time, is the fact that Alaska has not yet developed her natural resources to such a point that she can accept the responsibilities of statehood. The income of her people as yet is not sufficient to support the costs of State government.

Therefore, Mr. President, until there has been such further development of Alaska, such further growth, that she can be self-sustaining, I do not believe statehood should be granted.

I have not made as thorough a study of this subject as I should like to make, but I desire to place in the RECORD the basic facts with reference to Alaska. So far as I know, this statement of the facts is substantially accurate. The information as to most of them comes from the Library of Congress. As I develop the facts for the RECORD, I shall make some comments upon them, and point out wherein I think there is yet lacking in Alaska the development and the progress which is essential to warrant the Federal Government in bestowing statehood upon that Territory.

The Territory of Alaska was created by act of Congress of August 24, 1912. The government established under that act consists of a two-house legislature. The representatives in that body are elected for a term of 2 years and the senators are elected for a term of 4 years. The legislature meets biennially in odd-numbered years, and for a period not to exceed 60 days, to legislate on Territorial matters, to adopt the Territorial budget, and to pass on the governor's appointments.

Mr. President, it is argued that the people of Alaska should be granted freedom, that they should be admitted into the Union. It is stated that they are being deprived of a right. The Federal Government, however, is not ruling over them in the sense that that word is ordinarily used. We have granted to them the right to select their representative, to make their own laws, so long as they are not inconsistent with the Federal laws and with the Federal Constitution. Even if they were admitted to statehood they would have to conform to the basic law of the land in their self-government.

Mr. LANGER. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. ANDERSON in the chair). Does the Senator from Arkansas yield to the Senator from North Dakota?

Mr. McCLELLAN. I yield.

Mr. LANGER. It is true, is it not, that they do not have the right to elect their own governor at the present time?

Mr. McCLELLAN. They do not have the right at the present time to elect their own governor. So far as I know, that is the only distinction.

Mr. LANGER. Is it not true that time after time during the years in which the United States has had control of Alaska as a Territory, men have been appointed to be governors who were not even citizens of the Territory?

Mr. McCLELLAN. The Senator is no doubt better informed about that than I am. I may say, however, that I think that is something which could be corrected. But when we are asked to admit Alaska to statehood we can point out a number of things. I might cite an instance which I think may be developed before the debate is concluded. If Alaska had a State government I think the Senator from North Dakota himself would agree that the present government is greatly deficient.

I am pointing out that the people of Alaska are not being deprived of all rights of free peoples in any sense. At the same time we must remember also that, while it is true that the United States appoints a man to be governor of Alaska, we also have the responsibility of protecting Alaska.

Mr. President, at the beginning of my remarks I said that the time may come when Alaska can be admitted as a State, when she shall have developed sufficiently so she can accept the responsibilities of statehood, and not come into the Union as a dependent but as a contributor to the strength of our Nation.

The Governor and the Secretary of Alaska are appointed for 4-year terms by the President of the United States, subject to confirmation by the United States Senate. The executive power is vested in the governor, and he may veto bills presented for his signature within 3 days after they are passed. The legislature may override the veto by a two-thirds vote of each House. That shows that the Territorial government is not only patterned after the system of our

Federal Government but the system of government of many States of the Union. That is something which is very commendable, Mr. President. It shows that in that regard the people of Alaska are on the right track, that they are making the right approach, that they are gaining experience in how to carry on and to operate a government, in how to become self-confident and self-reliant and competent. Mr. President, the progress which has been made thus far is indeed commendable.

Within the framework of the Territorial government are departments of health, education, welfare, agriculture, labor, taxation, aviation development, communications, highways, and highway patrols. All those things are indications of the progress the people of Alaska are making in self-government. The people are to be commended for this progress. It is a good sign, it is a good omen that they are on their way to greater strength and to ability and capacity for statehood.

Other offices such as those of attorney general, treasurer, and auditor are also represented. Territorial functions are maintained by the Territory itself which currently expends approximately $9,200,000 annually and collects yearly revenue of $10,000,000 from taxes on incomes, property, liquor, motor fuel, and business enterprises.

Mr. President, I have not, of course, checked the figures and information disclosed to the Senate by the able Senator from Nebraska [Mr. BUTLER] yesterday when he pointed out that Alaska today is in rather serious financial difficulties, that appropriations are frozen because there is no money to meet them. I do not know when that situation developed, but if the people of Alaska cannot support the Territorial government—and the cost of State government would probably be more than double the cost of the territorial government—it should be a warning to us to proceed with caution with respect to the proposal to admit Alaska to statehood, until we can explore into these things and determine if she does have the financial capacity and the developed resource capacity that would enable her to sustain a State government.

The Federal Government pays the salaries of the Presidentially appointed officials and of the legislature of the Territory. We are paying that. If Alaska were to become a State, that would be additional cost to the people of Alaska.

If Alaska were to be admitted as a State and thus could participate in many of the aid programs such as now exist, under which the State and the Federal Government provide aid, she would have to find a source of substantially additional income in order to exercise her right as a State in acquiring her share of Federal money. I think it is perfectly obvious from the facts and figures which have already been submitted for the RECORD, that as a Territory Alaska is receiving far greater benefits now from the Federal Government than she would receive if she were admitted to statehood and if she came under the same terms and had to qualify for such aid as do other States of the Union.

The Division of Territories and Insular Possessions of the United States Department of the Interior has jurisdiction over most of the Federal enterprises of Alaska. These include the Alaska Railroad, the Alaska Rural Rehabilitation Corporation, and the Alaska Road Commission.

Mr. President, it has also been pointed out by the able senior Senator from Nebraska, particularly in his minority views on the bill, and also on the floor of the Senate yesterday, that possibly what we should do first to help Alaska is to remove many restrictive controls we are exercising over her resources at the present time.

If we want to help Alaska, the mere granting to her of statehood may not be at all the proper way to proceed. We should look into those things that it is at least charged have restricted her growth, and which hamper her development as a Territory because of their effect on the development of the natural resources she possesses.

Mr. President, I do not have any prejudice against admitting Alaska as a State. I do not want anything I may say to be interpreted on that basis at all. But I do say that if and when she is sufficiently developed so she can take her place as a State, can support herself and sustain herself in that capacity and accept her responsibility to the Nation, and her corresponding responsibility to the States of the Nation, then my voice shall not be raised against her admission.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I am glad to yield.

Mr. STENNIS. The Senator understands, of course, that the people of Alaska do not have the privilege of electing their Governor.

Mr. McCLELLAN. They do not have that privilege.

Mr. STENNIS. The Governor is appointed. Does not the Senator believe it would be a forward step if the people of Alaska were permitted to exercise the right of electing their executive?

Mr. McCLELLAN. I will say to the able Senator from Mississippi that before he came on the floor the distinguished senior Senator from North Dakota [Mr. LANGER] raised the question respecting the people of Alaska not having the right to elect their Governor. I would not want to make an irrevocable decision on that subject at this moment without further study of it. However, it seems to me that that question is certain worthy of our consideration, and as a prerequisite to the granting of statehood possibly we should give the people of Alaska that further responsibility and opportunity. Thus, they could experience such responsibility, before being admitted as a State, rather than throwing that burden or that responsibility upon them all at once.

The point I am making is simply that from a financial standpoint, from the standpoint of development of resources, from the standpoint of the potential power to obtain revenues sufficient to support a State government, Alaska, as I see it, simply has not yet developed to that extent. I do not believe it would be a great favor to the people of the Territory to admit Alaska to statehood before it has reached such maturity of development and experience as to be competent to make the progress which we would naturally expect her to make under statehood.

Mr. STENNIS. Mr. President, will the Senator yield for a further question?

The PRESIDING OFFICER (Mr. ANDERSON in the chair). Does the Senator from Arkansas yield to the Senator from Mississippi?

Mr. McCLELLAN. I am glad to yield.

Mr. STENNIS. As the Senator knows, the junior Senator from Mississippi is not a member of the committee which considered this bill, nor is the Senator from Arkansas, of course. However, does the Senator from Arkansas have information about the operation of county government in Alaska? In Alaska, is the county unit system very well developed? Does the Senator know about that?

Mr. McCLELLAN. I do not have full information about that, but I have reason to doubt that there has been such development. I have reasons for making that statement, but I shall not take time to discuss them now because I think possibly one phase of that subject will be discussed by another Senator who is better prepared than am I to discuss that particular subject.

The point is that, as I recall, approximately 28 Territories have been admitted into the Union as States since the founding of our Republic; but in that process we have proceeded with caution. We have not simply said, "You ought to be a State," and then granted statehood or imposed statehood upon them. To the contrary, we have given them an opportunity to progress, to develop, to gain experience.

Of course, Alaska has made some progress; and at the beginning of my remarks I said that I wish to see Alaska continue to progress and develop and to acquire sufficient strength to warrant our admitting Alaska into the Union as a State and to enable Alaska to move forward as a State of the Union, not only for her own benefit, but so that she can actually make a contribution to the strength of the Nation when she is so admitted.

The movement for Alaskan statehood dates from 1915. In that year there was introduced in the Alaska Legislature a bill requesting statehood. In the following year the Alaska Delegate to Congress, Judge James Wickersham, presented the first proposal in Congress to permit the Territory to become a State. Considerable interest was aroused at that time by that movement, but no action was taken.

Then, apparently, there was no further insistence upon it until about 1931. At each succeeding Congress after that, statehood measures were introduced by former Delegate Dimond, of Alaska, and by the present Delegate, Hon. EDWARD L. BARTLETT.

It appears that little serious consideration had been given to any of those proposals until after the close of World War

II. At that time the movement for statehood for Alaska was greatly intensified because of the economic and population growth which had taken place in Alaska during the war. At this point, Mr. President, let me make a further comment in regard to the growth in population which occurred during the war. If growth in population is the only criterion for statehood, then there are many islands which had a tremendous growth in population during the war because our forces occupied them.

To what has the growth of Alaska been due? It has not been due to the development of her natural resources or to a development which is a continuing process of productiveness; but it has been simply a growth arising out of the Treasury of the United States of America. That is all it has been and that is all it is. There is no indication that there has been any great development of her natural resources which could provide and continue as a source of revenue, a continuing source of State income or Territorial income. The source of Alaska's growth is entirely attributable to the expenditure of Federal moneys in the Territory for national defense purposes. Of course there can be a boom in any town if the Federal Government is engaging there in such activities or operations; but when an Army camp in such a town is closed down, and if that town does not have sufficient industry or farming activity or mining activity or some other type of activity to support it, the previous growth in population and growth in income evaporate, and the town is back to where it was before that growth occurred.

That is exactly what would happen to Alaska today, apparently, judging from facts which already have been disclosed in the course of this discussion. If Federal expenditures in Alaska were cut off, the Territory would revert to its former state, and would not advance.

I assume that the present prospects, at least, are that the Federal expenditures may continue, and they may even be accelerated and increased. However, those expenditures alone do not justify granting statehood to Alaska. The growth of the economy of the Territory itself and within itself should be the determining factor, not how much money the Federal Government may be spending there temporarily or even indefinitely.

As I said a moment ago, in 1931 the movement for statehood was intensified because of this growth.

The first reactions were those of resistance, as in 1931. Obviously the movement was then resisted. I do not think a vote was had on any of those measures.

In 1944 one of the greatest self-styled liberals in this country—a man who is proud of that title, I think, and boasts of the fact that he is a great liberal—submitted a report on this question. In 1944 Secretary of the Interior Harold Ickes submitted to the House Committee on Territories a report stating that "for several reasons I believe that statehood would not be appropriate at this time."

Mr. President, I agree with that statement. The statement was made by Mr. Ickes 6 years ago, but I do not know of anything which has substantially changed the situation since then.

Mr. Ickes' reason for making that statement was primarily that the Alaska statehood bill then pending in Congress, H. R. 3768, would grant Alaska all public property and all vacant and unappropriated lands. Secretary Ickes felt that exploitation would be the result of such a move, and that "the most inevitable result would be the failure to enact a long-range program to conserve the natural wealth of the Territory."

As a result of that criticism the bills subsequently introduced have provided for a smaller grant of land to the new State.

Mr. President, there is some line of equity with respect to what should be granted to a new State and what should be retained by the Federal Government. Whether that has been thought out in connection with this particular bill I am not prepared to say, inasmuch as I am not a member of the committee and I was not privileged to attend the hearings. However, there is great dissatisfaction on the part of certain groups of persons in Alaska with respect to certain provisions of the bill. As I recall, the section complained about is either section 5 or section 5 (a). Protests are being received about it. Mr. President, if the bill should become law in its present form, it would not meet with favor among large segments of the Alaskan people, particularly the Alaskan Indians.

The Alaskan Territorial Legislature, meeting in 1945, authorized a referendum on the question of statehood. The vote on that issue occurred at the general election on October 8, 1946, with 9,630 voting in favor of statehood and 6,822 voting against it. The most populous divisions were strongly in favor of the proposal. The two northern divisions, however, reported slight majorities against statehood.

Mr. President, I do not know what the situation in that respect is at the present time; I do not know how the people of Alaska would vote on that issue today. Yesterday I heard the able, distinguished Senator from Nebraska [Mr. BUTLER] say that, according to information which he had, if the vote were taken today, the people of Alaska would be about equally divided on that issue.

Be that as it may, Mr. President, it is perfectly obvious that there was not a strong, overwhelming sentiment in Alaska in 1946 in favor of statehood. I do not know just how elections are held in Alaska, but I know that politics are somewhat the same wherever free elections are held. I can well appreciate that Federal employees in Alaska and others who are interested made every effort to secure a tremendous vote in favor of the proposal. I do not say that the fact that 6,822 voted against it is a necessary indication that they should not have it; but I merely point out that certainly the sentiment was not overwhelming for statehood.

So, Mr. President, why the hurry? Let us allow events to take their course. Let us allow the situation to develop further. Let us make no mistake. We are not merely enacting a law when we pass this bill. We are going far beyond that. We are making an irrevocable committal. We cannot change it. An ordinary law which we enact today regulating some matter in this country may be repealed tomorrow or at the next session of the Congress, if we find that we have made a mistake; but there is no repeal, no recourse, if we admit a Territory to statehood in the Union when that Territory is not financially able and when its resources are not sufficiently developed to make it self-sustaining and to give it the capacity to function as a State. So, Mr. President, there is no big hurry for this action.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. WATKINS. I invite the attention of the Senator from Arkansas to the fact that this morning I received a letter from a representative of practically all the Indian tribes in Alaska. The gentleman stated that at a meeting held very recently by the Indians they decided unanimously against statehood, whereas some time before that they had voted almost unanimously in favor of it.

Mr. McCLELLAN. They had voted for it. I appreciate the Senator's contribution. As I recall the occasion, they voted unanimously against statehood immediately following a 2- or 3-hour speech by Governor Gruening in which he tried to persuade them to vote for it.

Mr. WATKINS. I note that the Senator has had the same instances called to his attention that had come to my attention. I wondered whether the Senator had heard of them.

Mr. McCLELLAN. I had heard of the report. I cannot vouch for it, but I assume that the information is correct. But it merely emphasizes the point which I am trying to make. Why, in a world crisis such as exists at this moment, do we have brought before us such legislation as this, when we should be working, if not in open session, at least in committees, on appropriations and other subjects of legislation which might in some way contribute to solving the distressing problems which are involved in the present world crisis? This proposal will not solve anything. We can make a mistake by acting hastily. We can make a mistake by imposing the burdens and obligations of statehood on a Territory and on a people who have not yet developed the strength necessary to carry those burdens.

The first hearings on the question of statehood for Alaska were held by the House Committee on Public Lands during the Eightieth Congress. The hearings were held in April 1947, only 3 years ago. It was as late as 3 years ago before any public hearings were ever held upon this question. There is no demand and no necessity for hasty action on our part to create another State in the Union without proper consideration of the subject. We ought to proceed judiciously. We ought to be convinced. Sometimes it is necessary for us to vote on bills when we may entertain some doubt about

them—bills of importance—bills which are necessary to meet the exigencies of a given situation. Under such circumstances perhaps we may not have time to investigate thoroughly or to inform ourselves fully and adequately in order that we may come to the right decision. But we can do that with respect to this measure, and it will be much better for the people of Alaska and for our Nation if we act judiciously and prudently and come to a correct decision before admitting the Territory to statehood.

At the conclusion of the hearings in 1947 it was decided to conduct hearings in Alaska. Hearings were held in Alaska during the months of August and September, 1947, at Anchorage, Seward, Fairbanks, Nome, Kodiak, Cordova, Juneau, Point Barrow, Ketchikan, Petersburg, and Wrangell. In spite of these extensive hearings, no further action was taken, and the proposal died in the Eightieth Congress.

I do not know, but I assume that if those hearings had justified immediate action, if they had revealed beyond peradventure of doubt that Alaska had developed to the point where she had the capacity to assume the responsibilities of statehood, the Congress certainly would have undertaken to process the legislation to enactment.

On the convening of the Eighty-first Congress, Delegate BARTLETT introduced House bill 331. That bill is now the subject of a motion to make it the unfinished business of the Senate. The bill was reported to the House of Representatives following brief hearings held on March 4 and 8, 1949—only 2 days of hearings. The bill was debated in the House of Representatives on March 3, 1950, and was passed by a vote of 186 to 146. So the sentiment in the House of Representatives is not overwhelming in favor of the bill. I believe that more than a hundred Representatives did not vote on that day. In other words, the bill did not receive a majority vote of the membership of the House. For all practical purposes, the legal effect is the same as if it had. It did receive a majority of those present and voting, a quorum being present.

In the Senate the bill was referred to the Committee on Interior and Insular Affairs, which held public hearings during April 1950, and which then met in executive session for more than 2 weeks for the purpose of ironing out differences in the light of facts adduced at the hearings. The question has not been an election issue, since both major political parties incorporated the proposal into their campaign platforms. I have sometimes heard the argument made on the floor of the Senate that a platform provision is binding upon members of a political party. I find nothing in the Constitution of the United States which says that. I find nothing in the laws of the land which says it.

Mr. ANDERSON. Mr. President, will the Senator yield at that point?

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Arkansas yield to the Senator from New Mexico for a question?

Mr. McCLELLAN. I am glad to yield.

Mr. ANDERSON. Would the Senator find anything in the conscience of a man who participated in the convention which adopted such a platform provision that would bind him?

Mr. McCLELLAN. I do not believe so. I appreciate the Senator's contribution. I was about to speak of that point next.

Mr. ANDERSON. Does the Senator mean that a man who had been in a convention which declared for statehood for Alaska and Hawaii, and who had voted for the platform pledge, would not be bound in any way to live up to it?

Mr. McCLELLAN. The man who voted for it would. The man who did not vote for it would not.

Mr. ANDERSON. Then, if the Senator were present in the convention and did not vote against that part of the platform, he would be bound by it, would he not?

Mr. McCLELLAN. He would have no opportunity to vote against that part of the platform separately, as the able Senator knows.

Mr. ANDERSON. But if he voted for it, then it would be the conviction of the Senator from Arkansas that he would be obligated to carry out his solemn pledge, would it not?

Mr. McCLELLAN. If he voted for the provision, yes. But I have had no opportunity to vote for or against the provision itself. As the able Senator knows, not only with respect to political platforms, but in connection with legislation, it is necessary to take the good with the bad, to weigh one factor against another. One supports the platform as a whole, although he may violently disagree with certain of its provisions. I will say to the able Senator that I disagreed with the platform of my party in other respects.

Mr. ANDERSON. But was there not a separate vote on each of the other questions?

Mr. McCLELLAN. That may be true, but that vote does not bind me. I do not know whether or not the Senator surrenders his convictions when he goes to a convention. I do not. I say that for the RECORD. I will say it elsewhere. I think every informed citizen of the State which I represent knows that I do not surrender my convictions merely because some party machinery may happen to cause certain things to be written into a platform. I hope the day will never come when the United States Senate and the House of Representatives are composed of men who will surrender their convictions merely for the sake of party politics.

The tradition of self-government and self-determination has played an important part in the development of the United States. As I have said, I am glad to see that we have granted to Alaska the right to have a Territorial government. As has been suggested on the floor of the Senate, the question of granting to the Territory of Alaska the right to elect its own Governor from among its citizens, is worthy of our consideration. I should not want to make an irrevocable committal on the question until I have had an opportunity to further study it, but it might be well to grant even such further right to the people of Alaska, in order to give them the opportunity to gain greater political wisdom and strength in the administration of democracy in their Territory. As they showed growth, development, and capacity so to govern themselves, it would strongly recommend them for statehood. Such consideration should be considered with other considerations which cannot be cast aside, such as financial capacity to support a State government.

Article IV, section 3, of the Constitution provides:

> New States may be admitted by the Congress into this Union.

Mr. President, the Constitution says "may be admitted." No obligation exists to take in as a State any Territory which we may acquire. No binding obligation exists. There may exist what could be referred to as a moral obligation to do so if and when a Territory so developed and progressed that it could accept the responsibility of statehood and could make a contribution toward strengthening the Union. Under the constitutional provision to which I have referred Congress has admitted into the Union 35 States since our Government was established. Of the 35 States, 23 were admitted from a Territorial status. Alaska and Hawaii are the only remaining incorporated Territories which have not been admitted to statehood.

Mr. President, I shall not attempt to discuss Hawaii today. I am not sufficiently prepared to discuss the question of statehood for Hawaii. It is not the immediate issue, although it is a part of the program of proposed admission of both Territories into the Union. However, it is not the issue before the Senate today.

Proponents of statehood for Alaska argue that Alaska bears the same relationship to the United States as previous Territories bore, and that further delay would mean a denial of her rights.

If we go to the record I think we can find instances of a number of States which were Territories for a longer period of time than Alaska has been a Territory.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. ANDERSON. Would the Senator name one such Territory.

Mr. McCLELLAN. I shall try to do so for the RECORD before I conclude my remarks. I think I can do so. If I am mistaken I am glad to be corrected, but that is my impression at the moment.

Although the organic acts of Alaska and Hawaii do not refer to statehood explicitly, advocates point out that they

extend the Constitution to those Territories, thereby establishing potential eligibility for statehood. They do have potential eligibility for statehood, and it is such potential which I trust will be achieved before they are admitted. Until they have reached such potential eligibility, statehood should be denied to them. I do not believe statehood should be granted to any Territory until it has become sufficiently inhabited, until its resources have been sufficiently explored, until it has sufficiently established commerce, industry, and agricultural pursuits, and unitl its productive capacity will permit sufficient taxation to support a State government. Until it has achieved such potential—and I assert Alaska has such potentiality—it is not eligible for statehood.

Opponents of the proposal take the position that the claim of Alaska to statehood is not a constitutional right. That is the position I take. The Constitution says "may." The Constitution does not guarantee statehood. The Constitution leaves the decision to the discretion of Congress, as the legislative body of our Government. Congress is empowered to pass on the question. It is empowered to grant admission. It is within the discretion of Congress to refuse statehood under any conditions that it may determine justify such refusal.

However, Mr. President, I do not subscribe to the view, if anyone entertains the view, that, irrespective of reaching eligible potentiality no Territory should be admitted. As I have tried to express, I feel that if and when Alaska has so developed that it can assume the responsibilities and obligations of statehood, her claim for admission into the Union should merit consideration. During debate on the floor of the House of Representatives on March 3 of this year Representative COOLEY, of North Carolina, stated:

> It is easy to see if this is done—

He refers to taking the position that all Territories should ultimately be admitted into the Union as States—

> that by the same persuasive arguments we may next month or next year be called upon to grant statehood to Puerto Rico and even perhaps to the Virgin Islands, or we might be asked to grant statehood to the islands of Guam and Okinawa. * * * We are playing with the very destiny of our Nation and with the future of this great Union.

Mr. President, I do not think that admitting Alaska to the Union would place any binding obligation upon us to admit Hawaii, Puerto Rico, or any Territory into the Union. I do not think such obligation would be created at all. However, if we admitted Alaska into the Union, it would encourage and invite other Territories to make similar claims and insist that they should be accorded, as they would say, the same treatment and consideration which were accorded Alaska. Of course such claims would not be so strong, and certainly they would not have the persuasion with me, as does the request to grant statehood to Alaska. However, it would be said, "Well, you did this for Alaska. We want to be treated the same way. We want the same privilege accorded to us."

No clear specifications exist to determine when and if a Territory is ready for admission as a State. Therefore, Mr. President, when these bills come up, the fact that we have admitted 28 Territories into the Union should not be the decisive factor. No definite criterion exists. We must consider each Territory on its own merits. We must weigh its qualifications and determine its capacity to be self-sustaining. We should consider whether a Territory, if admitted as a State, would become a further liability upon the Federal Government, or whether it could contribute to the strength of the Republic, not only economically, but politically and militarily. Certainly I cannot see that any great strength could be contributed militarily by admitting Alaska into the Union. The fact is that we have the responsibility of defending Alaska, and we are going to defend her.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I am glad to yield.

Mr. STENNIS. No doubt the Senator has seen many statements to the effect that admitting Alaska as a State would strengthen our military defenses, or strengthen our Nation militarily. Has the Senator ever heard any military officer, although I will not ask the Senator to name him, or any man he considered having knowledge of military science and skill, point out definitely that it would help us in strengthening our defenses to allow Alaska to be a State as contrasted to a Territory?

Mr. McCLELLAN. I have not heard any such statement. There may be a general statement in the RECORD to that effect, which I think has been referred to during the debate, but there was also the statement from another able naval authority who disagreed, and said it should not be done.

Mr. STENNIS. I am afraid the Senator misunderstood me. I stated that many statements have been made in argumentative form to the effect that admitting Alaska would aid us militarily, but has any military man, or anyone in the Senator's acquaintance in a position to know, ever pointed out how it would strengthen us?

Mr. McCLELLAN. Of course, I can answer that question in the negative. I have not been so advised by any competent military authority, or any one who has talked to me about it. I may say to the able Senator from Mississippi that my viewpoint is that if Alaska were capable of bearing the responsibilities of statehood, if Alaska had the economic strength to be self-supporting and self-sustaining, she probably could make some contribution toward our national defense. But certainly she would not make such contribution if she were an economic liability to the United States, so far as sustaining her State government was concerned. Until she can be self-sustaining and provide a reasonably strong State government, I do not see how she can make any contribution whatsoever to our national defense.

Mr. STENNIS. Does not the Senator think that in view of the facts established with reference to her economic condition, and her inability to sustain herself as a State economically, she would tend to be a liability as a State, as contrasted to a territory, militarily speaking, under present conditions?

Mr. McCLELLAN. In answer to the inquiry, let me make a comparison by considering the Federal-aid highway program, merely as an illustration. I am sure other illustrations could be made, but let us take the Federal-aid highway program. In order for Alaska to participate in that program, she would have to match Federal funds, just as other States do. We could not very well grant her special favors as a State, but as a territory we do grant her special favors. The Federal Government is paying for all the construction, or substantially all, so far as I know all the construction, of the highways, and no matching requirements are imposed, while she is a Territory. If she became a State, it would be in poor grace, I think, under some circumstances, for her to come to Congress and continually ask that she be excused from matching and that she continue to be treated as a Territory, as we are treating her now by making appropriations for her specifically for internal improvements, and not requiring her to match, as a State would.

Mr. STENNIS. I thank the Senator.

Mr. McCLELLAN. I feel that we are acting too hastily, and going a bit to the extreme, if we undertake to admit Alaska now.

While there are no clear specifications, there are certain general requirements which have been accepted historically with reference to the prerequisites to the admission of a territory as a State. They include, first, the desire to become a State, as expressed by a majority of the electorate. It might be said that requirement has been met, since the people did have a vote in 1946. The most populous areas voted for it, whereas the others opposed it; but it was not an imposing majority which favored statehood, certainly not an overwhelming majority.

The next requirement is that there be sufficient population and resources to bear the costs of statehood. If the population of Alaska were condensed into an area comparable to that of the average State in this Union, and if all the developments of Alaska were condensed into an area comparable to the area of the average State of the Union, then there might be some justification for admission, she might at least approach a meeting of the accepted historical requirement.

As I recall, the population of Alaska today is only 1 person to 10 square miles. I believe I am correct about that, that it is 1 settler to 10 square miles. I can appreciate that a large part of the area of Alaska is not well suited for habitation and for settlement, but still it is

an area which is going to be within the State, and certain reservations are made with reference to the Federal Government which will be State responsibility, and State obligation will attach.

(At this point Mr. McCLELLAN yielded to Mr. BYRD who reported a nomination, on which debate ensued, which appears at the conclusion of Mr. McCLELLAN's address.)

Mr. McCLELLAN. Mr. President, the third general qualification to be considered in admitting a State is simply that the people are sympathetic with the American ideals of democracy and a republican form of government. I do not believe anyone would raise a question in that regard about the people of Alaska. I certainly would not. I have no reason to suspect that the Alaskan people are not in sympathy in every respect with our ideals and our system of government. I merely go back to the second condition, namely, that there must be sufficient population and resources to bear the costs of statehood.

I could discuss some other aspects of this subject, but in view of other business which Senators desire to transact, I am going to conclude in a few moments.

I should like to point out, in connection with the question of population, or lack of adequate population in relation to the area that would be incorporated as a new State into the Union, that the area is, I believe, 2.7 times the size of the State of Texas, the largest State in the Union, a State which, when it came into the Union, reserved the right, as I recall, to divide itself into five States if it ever desired to do so.

Mr. President, if Alaska is to be admitted as a State, I have some idea that it might be well to explore the question of admitting only a portion of it as a State, the portion which can be developed and defended and protected, whereas certain areas of it possibly should always remain what they in all probability always will be, timber reserves or great forest or mining potentialities.

In that connection, Mr. President, it may be pointed out as we speak of Alaska's sources of revenue and her productive capacity that about 2,000,000 acres of her land are believed to be suitable for cultivation or might be developed agriculturally. But, as of the present, there has been no marked progress in agricultural pursuits in Alaska. There are only 600 farms in the whole area, and that includes fur farms, whatever they may be. I presume that is where wild animals are raised for their skins. Only 12,000 acres out of the total of 2,000,000 acres that may be suitable for agricultural purposes are now improved.

Mr. President, agriculture may never be a main resource of Alaska. I am not prepared to say whether those 2,000,000 acres, if developed, would add great income from natural sources to the people and to the Territory or to Alaska as a State. But these figures clearly indicate the lack of development in that particular field at least. Much greater development is necessary to sustain it as a State.

The same is true, Mr. President, with respect to all other industries. From figures which have already been cited for the record, I do not believe it can be successfully maintained that such industries as Alaska has, the fishing industry, the mining industry, and the timber industry, have made sufficient progress as of yet or are making progress that is indicative of the fact that she is approaching that developed state in which she would be self-sustaining and could bring about productive capacity in all these fields which would yield sufficient revenues to support a State.

Mr. President, I shall not dwell longer upon the subject. I trust we shall not act hastily. Simply because some political platform has endorsed statehood for Alaska or some other Territory I do not believe we in the Congress who have the responsibility to act, should blindly, hastily, and without judicious consideration, enact a law granting statehood, a law which will make an irrevocable committal which we cannot revise, reform, repudiate, or repeal, if we find we have made a mistake. This matter can wait, Mr. President.

How many thousand American boys are dying in Korea this day I do not know. I do not have the casualty list. It may be only hundreds, but it may be thousands. We have a war on our hands. As I said in the beginning of my remarks, the Congress should be engaging itself at this hour and during this adjourned session, during the remainder of the Eighty-first Congress, in enacting legislation, if we have legislation ready for consideration on the floor of the Senate and on the floor of the House of Representatives, which will make a contribution toward a solution of our war problems, or legislation that will make contribution toward a solution of our fiscal problems, which are difficult in these critical times when we are having to take our Government further and further into debt, when we are having to raise taxes higher and higher, when inflation is a direct threat to the Nation at this hour. There are many problems which ought to be solved. We should no longer waste our time on a measure which can wait 1 year, 2 years, or 5 years. By waiting, no serious harm will be done, even if we take favorable action on the bill then.

Mr. President, the motion should be withdrawn and the Senate should be permitted to proceed with more important matters.

During the delivery of Mr. McCLELLAN's address,

NOMINATION OF ROBERT A. LOVETT TO BE DEPUTY SECRETARY OF DEFENSE

Mr. BYRD. Mr. President, will the Senator from Arkansas yield?

Mr. McCLELLAN. I am glad to yield.

Mr. BYRD. I am directed by the Committee on Armed Services to report favorably the nomination of Robert A. Lovett, of New York, to be Deputy Secretary of Defense, and to ask for its immediate consideration, or, if it cannot be considered now, to ask that it lie on the table until there is a quorum call. It is important that the nomination be confirmed by the Senate today. It was unanimously recommended by the Armed Services Committee.

The PRESIDING OFFICER. The Chair would suggest to the Senator that this is action for the Senate to take in executive session.

Mr. BYRD. I understand that. I make the request as in executive session.

The PRESIDING OFFICER. Without objection, the report will be received now and held for action when the Senate goes into executive session. If the Senator desires to ask unanimous consent to proceed now, he may do so. That, of course, would necessarily raise the question as to the absence of a quorum, the Chair supposes.

Mr. BYRD. Mr. President, because of the importance of the nomination of Mr. Lovett being confirmed today, and there being no opposition to his appointment, the nomination being unanimously approved by the committee, I ask unanimous consent that the Senate, as in executive session, confirm the appointment of Mr. Lovett to be Deputy Secretary of Defense.

Mr. RUSSELL. Mr. President, I admire Mr. Lovett a great deal, and, in my opinion, he is going to be a great addition to the administration in Washington in these trying hours; but we have a rule about granting unanimous consents in the absence of a quorum call, which is rather important. There might be another occasion when I would not feel the same way about a nomination presented. Because of this general rule, I am sure the Senator from Virginia would not object to having a quorum call.

Mr. BYRD. I do not desire to interrupt the Senator from Arkansas.

Mr. McCLELLAN. If there is to be a quorum call, if the Senator will wait 5 or 10 minutes, I shall conclude.

Mr. BYRD. Very well.

(Mr. McCLELLAN resumed and concluded his speech, which appears in the appropriate place in the RECORD.)

Mr. SCHOEPPEL. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	McClellan
Anderson	Fulbright	McFarland
Benton	George	McKellar
Brewster	Gillette	McMahon
Bricker	Green	Magnuson
Bridges	Gurney	Malone
Butler	Hayden	Martin
Byrd	Hendrickson	Maybank
Cain	Hill	Millikin
Capehart	Hoey	Morse
Carlson	Holland	Murray
Chapman	Hunt	Myers
Chavez	Ives	Neely
Clements	Johnson, Colo.	O'Conor
Connally	Johnson, Tex.	O'Mahoney
Cordon	Johnston, S. C.	Robertson
Donnell	Kem	Russell
Douglas	Kerr	Saltonstall
Dworshak	Kilgore	Schoeppel
Eastland	Langer	Smith, Maine
Ecton	Leahy	Smith, N. C.
Ellender	Lehman	Smith, N. J.
Ferguson	Lucas	Stennis
Flanders	McCarthy	Taft

Taylor	Tobey	Wiley
Thomas, Okla.	Tydings	Williams
Thomas, Utah	Watkins	Young
Thye	Wherry	

The PRESIDING OFFICER. A quorum is present.

Mr. BYRD. Mr. President, as in executive session, in view of the critical military situation, I ask unanimous consent that the rule requiring nominations to lie over 1 day be suspended, and that the nomination of Robert A. Lovett, of New York to be Deputy Secretary of Defense, which has been reported unanimously by the Committee on Armed Services, be considered immediately.

The PRESIDING OFFICER. The Senator from Virginia asks unanimous consent that the rule be suspended and that the nomination of Robert A. Lovett, of New York, to be Deputy Secretary of Defense, be immediately considered. Is there objection to the request of the Senator from Virginia?

Mr. WHERRY. Mr. President, reserving the right to object, I understand that the request for immediate consideration of the nomination requires that the rule be suspended. May I ask the distinguished Senator from Virginia if the report is the unanimous report of the committee.

Mr. BYRD. It is the unanimous report of the committee.

Mr. WHERRY. May I ask whether there was full attendance at the hearir g?

Mr. BYRD. I believe the Senator from Oregon [Mr. MORSE] was not present, nor were the Senator from California [Mr. KNOWLAND], and the Senator from Tennessee [Mr. KEFAUVER]. The suggestion to take up Mr. Lovett's nomination in committee came from the Senator from Massachusetts [Mr. SALTONSTALL], and the motion to consider the nomination was made by the Senator from Kentucky [Mr. CHAPMAN].

Mr. WHERRY. I do not object to the immediate consideration of the nomination. Although the rules of the Senate require that the nomination lie over 1 day, I believe the present emergency warrants immediate consideration of the nomination. In view of the fact that the nomination is unanimously reported by the committee and no objection was made to it, I do not object.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from Virginia that, as in executive session, the Senate consider the nomination of Robert A. Lovett, of New York, to be Deputy Secretary of Defense?

There being no objection, the Senate proceeded to consider the nomination.

Mr. SMITH of New Jersey. Mr. President, I rise to express my deep gratification at the nomination of Mr. Lovett to be Deputy Secretary of Defense. I have known Mr. Lovett since he has been in public life. I regretted very much when he felt he had to return to business. Now that he is returning to the service of the Government in the very important office of Deputy Secretary of Defense, I wish to express my hearty approval of Mr. Lovett's nomination. We could not have a stronger or abler man in the position.

Mr. FULBRIGHT. Mr. President, I should like to associate myself with the remarks made by the Senator from New Jersey. I knew Mr. Lovett quite well while he was in the Department of State, and I have the very highest regard for him. As it is customary for Senators to express themselves when they disapprove a nomination, I should like to express my wholehearted approval of the appointment of Mr. Lovett.

The PRESIDING OFFICER. The Senator from Virginia has moved that the nomination be confirmed. The question is, Will the Senate advise and consent to the nomination of Robert A. Lovett to be Deputy Secretary of Defense? [Putting the question.] The nomination is confirmed, and, without objection, the President will be notified.

AID TO YUGOSLAVIA—MESSAGE FROM THE PRESIDENT

The PRESIDING OFFICER (Mr. HILL in the chair) laid before the Senate a message from the President of the United States, which was read and referred to the Committee on Foreign Relations, as follows:

To the Congress of the United States:

I recommend that the Congress enact legislation authorizing further United States assistance to meet the emergency created by the food shortage in Yugoslavia.

More than 2 years ago the Government of Yugoslavia broke its association with the Soviet Union and its satellites. This rift resulted primarily from the refusal of the Yugoslavs to agree to the dictation of the Kremlin in the affairs of Yugoslavia. The Yugoslavs are determined to maintain their independence of the Kremlin. They are maintaining the largest fighting force in Europe, outside of the Soviet Union.

The breach between Yugoslavia and the Kremlin and its satellites has steadily widened. The Kremlin is determined to wipe out this one successful example of a former satellite which has freed itself from Soviet control. Directly and through its satellites, the Kremlin is trying to destroy Yugoslav independence. Yugoslavia is being subjected to an economic blockade, to propaganda, subversion, military pressure, and harassing border raids.

Since the break between the Kremlin and Yugoslavia, it has been the policy of this Government to assist Yugoslavia to maintain its independence. The continued independence of Yugoslavia is of great importance to the security of the United States and its partners in the North Atlantic Treaty organization, and to all nations associated with them in their common defense against the threat of Soviet aggression.

This past summer Yugoslavia suffered perhaps the worst drought in its history. There were severe crop failures, and the lack of feed and fodder led to the extensive slaughtering of livestock. As a result, Yugoslavia is threatened with famine this winter. This would provide fertile ground for the subversive activities of the Kremlin and would seriously undermine the capacity of the Yugoslav people to resist Soviet aggression.

On October 20, 1950, the Yugoslav Government formally requested United States assistance in averting the worst effects of the disastrous crop failure. This request came only after the Yugoslav Government had exhausted all means of meeting the situation by its own efforts.

Immediate action was necessary to meet the situation. Shipments had to be arranged at the earliest possible date. Otherwise, it would have been impossible to get food to the more remote areas of Yugoslavia before they were isolated by the heavy winter snows.

Accordingly, this Government has taken action to begin shipments under existing authority and with funds already available. The Economic Cooperation Administration has made arrangements for the shipment of flour from Italy and Germany directly to Yugoslavia. At the same time, with the concurrence of the North Atlantic Treaty countries, Mutual Defense Assistance funds are being made available for procurement of food supplies equivalent to the immediate needs of the Yugoslav armed forces. In addition, the Export-Import Bank is permitting a portion of a previously negotiated Yugoslav loan to be used for the purchase and transport of foodstuffs, partly from American surplus stocks. Under present plans, the cost of this interim aid already underway will amount to about thirty million dollars. This is sufficient only to meet a portion of the total need.

Now that the Congress has reconvened, I believe it appropriate to request a special authorization to meet the balance of the essential food needs of the Yugoslav people until the next harvest. Action should be taken promptly. Shipments of the remaining supplies needed must be started before the end of December, if the bulk of the food is to be available for distribution in the critical winter period. The additional aid needed is estimated at $38,000,000. This amount, plus the amount provided under existing authority, will only be sufficient to bring the Yugoslav diet up to a bare subsistence level.

We have received satisfactory assurances from the Yugoslav Government, first, that all assistance furnished by the United States will be given full and continuous publicity through the press and radio in Yugoslavia; second, that the aid will be distributed equitably and fairly among the Yugoslav people; and third, that this distribution will be under the observation of persons designated by the United States. It is my earnest hope that the Congress will, at this session, provide the $38,000,000 necessary for shipments of food to Yugoslavia. In this way we can help preserve the independence of a nation which is defying the savage threats of the Soviet imperialists, and keeping Soviet power out of one of Europe's most strategic areas. This is clearly in our national interest.

HARRY S. TRUMAN.

THE WHITE HOUSE, *November 29, 1950.*

ORDER FOR RECESS

Mr. ANDERSON obtained the floor.

Mr. WHERRY. Mr. President, I should like to present an unusual request as a matter of personal privilege. I do not know how long the Senator from New Mexico contemplates speaking, but I ask that after he has concluded the Senate take a recess until tomorrow at noon.

My reason for the request is that Republican Senators are to attend two functions to honor Republicans elected to the Senate, one at an early hour this evening, at 5 o'clock, and a number of Senators would like to be able to get away so as to keep the engagement if they can, and then attend a dinner tonight. I cannot see why there should be any objection, and if there is no objection, I ask that when the work of the Senate is concluded, which I trust will be as expeditiously as possible, a recess be taken until noon tomorrow.

Mr. HOLLAND. Mr. President, I have no objection whatever to the granting of the request made by the distinguished Senator from Nebraska. I do have an insertion for the RECORD, and will take probably 4 or 5 minutes discussing it, in addition to the time of the actual introduction of the material.

Mr. WHERRY. I will amend the unanimous-consent request so as to include what the Senator from Florida has in mind.

The PRESIDING OFFICER. Is the Senator from Nebraska giving notice of an intention to make such a request, or is he making it?

Mr. WHERRY. I am making it.

The PRESIDING OFFICER. The Senator from Nebraska asks unanimous consent that at the conclusion of the address of the Senator from New Mexico, who has now taken the floor——

Mr. WHERRY. And insertions in the RECORD.

The PRESIDING OFFICER. And after routine insertions in the RECORD have been disposed of, that the Senate may then recess until noon tomorrow.

Mr. ANDERSON. Mr. President, let me call attention to the fact that the Senator from Florida is not proposing to make a routine insertion in the RECORD. He desires to read something for the body of the RECORD, and to take 4 or 5 minutes on it.

Mr. WHERRY. I so amend the request.

The PRESIDING OFFICER. Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. WHERRY. I thank the present occupant of the chair for putting the request, and also thank the Members of the Senate for their consideration.

STATEHOOD FOR ALASKA

The Senate resumed the consideration of the motion of Mr. LUCAS to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. ANDERSON. Mr. President, I can assure Members of the Senate that they will have no difficulty in meeting the engagements they now have, because I do not intend to take very much time. But it was my privilege to serve as the presiding officer while the Senate Committee on Interior and Insular Affairs considered statehood for Alaska, and because of my interest in the hearing I desire to speak this afternoon very briefly, and discuss why I believe the motion to take up this question at this time should prevail.

At the very outset, Mr. President, I desire to incorporate in my remarks an editorial which appeared in the Washington News of November 28. Any number of newspaper editorials, fine editorials in all sorts of newspapers from all over this land, could be introduced at this time, but I desire to offer this one because it is reasonably short, and because it expresses one point which I think is of great importance, namely, that since the outbreak of the Korean War, the position of Alaska and Hawaii on the Pacific frontier has made them more important than ever to the security of the whole Nation.

Says this editorial:

They—

Referring to Alaska and Hawaii—

They are military outposts vital to the defense of the United States.

It is because of that fact that I desire to speak of them here this afternoon.

Mr. President, I ask unanimous consent that at this point in my remarks the editorial to which I have referred, entitled "Vote Statehood Now," be incorporated in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

VOTE STATEHOOD NOW

The long-deferred statehood bills for Alaska and Hawaii are coming before the Senate as the first order of business in the postelection session of Congress.

It is urgently important that the Senate pass them.

These bills are three-fourths of the way along to enactment. The House passed them by large majorities last March, and the Senate Insular Affairs Committee has approved them. A poll last summer showed a majority of the Senate's Members in favor of both measures. Their prospects are good—if a filibuster can be staved off.

No party issue is involved, since both major platforms promise statehood for the two Territories. The only dangerous opposition is sectional—some southern Democrats fear the Senators from the two new States would provide more votes for civil-rights measures which the southerners oppose.

All the arguments for and against these bills repeatedly have been heard in Congress. On their merits alone there is no need for further long debate.

The people of Alaska and Hawaii are American citizens. They are eager and able to assume the rights and responsibilities of self-government. It is an American tradition to grant statehood to Territories whose populations desire it and who have proved themselves worthy and capable of managing their own affairs.

Alaska and Hawaii need statehood so their people can supervise and have a more direct hand in the development of their own rich resources. As Territories they have had a limited voice in national affairs, and often an inadequate one in convincing Washington of their basic needs.

Since the outbreak of the Korean War, their position on the Pacific frontier has made them more important than ever to the whole Nation's security.

They are military outposts vital to the defense of the United States. As full-fledged States they would be better able to back up our armed forces already stationed in their areas.

Denial of statehood to Alaska and Hawaii, both long under the American flag but each including in its population sizable groups descended from Asiatics, would lend weight to Communist propaganda that we seek to reestablish colonialism in Asia; that we want to keep such people under subjection.

With Red China's delegates in this country to observe and to use the United Nations as a sounding board for such propaganda, now is an opportune and impressive time to show the people of Asia that America really believes in democracy and self-government for those under its flag.

The case for admitting Alaska and Hawaii to full partnership in the Union is overwhelmingly strong. The Senate should demand the right to vote on these bills and to make them law.

Mr. ANDERSON. Mr. President, a great many questions arise which quite obviously reveal the fact that it is contended that we should consider these bills but not dispose of them on the basis of their present position on the calendar. For example, the question arose a few minutes ago as to whether or not many Territories had not remained Territories longer than Alaska before coming into the Union as States. In order that we may set the matter at rest, I desire to introduce into the RECORD at this point a study made by the Legislative Reference Service showing the facts as to the admission of States into the Union, with particular reference to the first legislation introduced in the Congress for that purpose.

Mr. President, this table shows that my home State of New Mexico was the longest achieving statehood, the time elapsing being 49 years after the organic act was passed setting up Territorial government.

Next comes Alaska, which has been an incorporated Territory some 38 years. But Alaska became a possession of the United States in 1867, upon its annexation. A regularly organized government was established, by the act of 1884. The statute certainly could be said to be the first organic act. The term "Territory" was used steadily in referring to it. The courts of the country have recognized that the act of 1884 made it a Territory, and while the act using the term "Territory," with a capital "T," actually incorporating Alaska as a Territory, was not passed until 38 years ago, it is true that it has been a Territory longer than any other Territory.

If I may do so at this time, Mr. President, I ask permission to insert in the RECORD a table showing the various terms of years the Territories waited for statehood, showing 49 years in the case of New Mexico. In the case of Alaska, the time interval has been 38 years. That was why earlier this afternoon I rose to inquire of the Senator from Arkansas if he could list the many States which had waited longer than Alaska to become States of the Union.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New Mexico?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Data relative to the admission of States to the Union with particular reference to the first legislation introduced in Congress for that purpose [1]

State [2]	Organic act [3]	First bill [4]	Enabling act [5]	Time lapse, bill and enabling act
				Years
New Mexico	Sept. 9, 1850	Feb. 18, 1861	June 20, 1910	49
Utah	do	do	July 16, 1894	33
Arizona	Feb. 24, 1863	Jan. 30, 1882	June 20, 1910	28
Montana	May 26, 1864	Feb. 25, 1868	Feb. 22, 1889	21
Oklahoma	May 2, 1890	Jan. 25, 1892	June 16, 1906	14
Colorado	Feb. 28, 1861	Dec. 22, 1862	Mar. 3, 1875	12
North Dakota	Mar. 2, 1861	Oct. 29, 1877	Feb. 22, 1889	11
South Dakota	do	do	do	11
Washington	Mar. 2, 1853	Dec. 10, 1877	do	11
Idaho	Mar. 3, 1863	Jan. 30, 1882	July 3, 1890	8
Florida	Mar. 30, 1822	May 11, 1838	Mar. 3, 1845	7
Mississippi	Apr. 7, 1798	Feb. 4, 1811	Mar. 1, 1817	6
Oregon	Aug. 14, 1848	Apr. 18, 1854	Feb. 14, 1859	5
Kansas	May 30, 1854	Mar. 17, 1856	Jan. 29, 1861	5
Nebraska	do	Feb. 18, 1860	Apr. 14, 1864	4
Wyoming	July 25, 1868	Feb. 27, 1888	July 10, 1890	2
Michigan	Jan. 11, 1805	May 12, 1834	June 15, 1836	2
Missouri	June 4, 1812	Apr. 3, 1818	Mar. 6, 1820	2
Nevada	Mar. 2, 1861	Dec. 22, 1862	Mar. 21, 1864	1
Louisiana	Mar. 26, 1804	Apr. 9, 1810	Feb. 20, 1811	1
Iowa	June 12, 1838	Apr. 2, 1844	Mar. 3, 1845	(6)
Wisconsin	Apr. 20, 1836	Jan. 13, 1846	Aug. 6, 1846	(6)
Indiana	May 7, 1800	Jan. 5, 1816	Apr. 19, 1816	(6)
Illinois	Feb. 3, 1809	Jan. 23, 1818	Apr. 18, 1818	(6)
Arkansas	Mar. 2, 1819	Mar. 22, 1836	June 15, 1836	(6)
Alabama	Mar. 3, 1817	Dec. 18, 1818	Mar. 2, 1819	(6)
Minnesota	Mar. 3, 1849	Dec. 24, 1856	Feb. 26, 1857	(6)
Ohio	July 13, 1787	Apr. 2, 1802	Apr. 30, 1802	(6)
Tennessee	May 26, 1790	May 18, 1796	June 1, 1796	(6)

[1] 29 States are listed above. The original 13 States have, of course, been omitted. Vermont, Kentucky, Maine, and West Virginia were formed from already existing States. California and Texas were acquired from foreign governments and did not pass through the Territorial stage.

[2] States are listed under the names by which they are now known rather than by the name of the Territory from which they were formed.

[3] World Almanac, 1947, p. 137.

[4] This column indicates the earliest date at which a reference was found to a specific bill, under consideration by at least 1 of the 2 Houses of Congress, which provided for admission of a Territory as a new State. Resolutions and petitions addressed to the Congress by Territorial governments or residents have been excluded. Source of data: Annals of Congress, 1789–1824; Register of Debates in Congress, 1824–37; Congressional Globe, 1833–73; CONGRESSIONAL RECORD, 1873–1912. Since the early indexes were incomplete, it is possible that bills were introduced, but since they were not debated, did not appear in the index.

[5] Where there is more than 1 enabling act, the date of the earliest is given. Marjorie D. Pruitt, Legislative Reference Service typescript, Enabling Acts, June 18, 1943.

[6] Less than 1 year.

Mr. ANDERSON. Mr. President, the question arises, Why do we tie up the Congress at this time for a discussion of Alaska? Those who are advocates of statehood for Alaska and Hawaii—and I am one of them—do not desire to take up the time of Congress. We would be ready to vote this afternoon, or tomorrow afternoon, or the next afternoon, without discussion of the bills.

Some idea of the confusion which exists may be gained from what happened a while ago, when one of my colleagues rose and asked if there were strong and well-developed county governments in Alaska. I listened carefully to the answer dealing with that subject.

The truth is that there are no county governments in Alaska, and the hope is that there will be none, because the people of Alaska believe that the county government has become in some degree an unnecessary step in the process of handling affairs in our States. All over this land there are places where we have considered city and county governments consolidated. The old county government worked very well a hundred years ago. Now there are many places in the United States where a county government is a liability, and people so regard it, and the people of this country, because they are progressive and forward-looking, have felt that they would like to see if it is not possible to continue State governments without any intervening county governments, but going directly to the cities and municipalities.

I was very greatly interested in the speech made by the distinguished Senator from Nebraska [Mr. BUTLER] on the pending question. I shall comment on his speech, and I desire to say, as many in the Senate know, that it has been my great profit and privilege to be a personal friend of the senior Senator from Nebraska for more than half my adult life. I admire him, and I admire the very forthright way in which he spoke yesterday upon this matter. But I must comment on some of the things he said.

He spoke of the population of Alaska, and, quoting him, he said it was "somewhere around 100,000. Nearly half are in Alaska only because Federal jobs have taken them there." The preliminary census figures have been available for some time, and the Senator might have used them. The total for Alaska is indicated at 126,661—subject to some modification. The rate of increase since the last census is approximately 74 percent—the greatest increase in any jurisdiction in the Nation. Of course, the great defense program and supporting governmental activities are accountable for a substantial part of the increase, but they are not solely responsible. However, the latest report of the Civil Service Commission indicates that there were 12,064 Government employees in Alaska as of December 1949. If each employee accounts for three persons in the population—which is doubtful, in view of the type of employment involved, shortages of housing, and the resultant tendency to employ both husband and wife where possible—then Government employment does not account for a quarter of the population.

The recent census figures indicate a general population growth in communities with little or no Government employment. Seward, with an increase of approximately 100 percent, enjoyed a rate of growth second only to Anchorage, and has practically no direct Government employment, although it is affected by the increased tonnage of freight induced directly and indirectly by Government construction programs along the Alaska Railroad. In southeastern Alaska, Ketchikan enjoyed a very substantial growth of 10.8, while Juneau, the capital and center of government, had a very slight increase of 1.6 percent. These figures include such diverse types of employment as the personnel of the Government-owned Alaska Railroad, who are directly supported by operating revenues and by the local economy.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield to the Senator from Colorado.

Mr. MILLIKIN. I did not get the figure as to the Government employees. Did the Senator say what the number was?

Mr. ANDERSON. The statement was made that half the population was due to Government employment. I am not able to say what the figure is, except to point out that the population was 126,000, and the Government workers numbered 12,064. So it is about one-tenth. Counting three to the family, it would be about 30 percent.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. BREWSTER. The Senator takes into account in his figures, does he not, what might be called the collateral population? I do not mean the families; I mean the ones who are there working on Government jobs, who are not Government employees. By that I mean contract workers and workers of that type.

Mr. ANDERSON. That includes the wage workers engaged in construction by the Alaska Road Commission and civilian maintenance employees in the military installations, yes, because the workers there are Government employees.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. ANDERSON. I yield.

Mr. STENNIS. Can the Senator make an estimate of how many individuals are working for private contractors, who are engaged on Government contracts? Can the Senator shed any light on that point?

Mr. ANDERSON. No, Mr. President, I cannot.

Again, the Senator from Nebraska was somewhat critical of conditions in Alaska, and he read some editorials which were from somewhat partisan, antiadministration newspapers in

Alaska. I quote this citation that he gave with reference to the Governor of Alaska. He said:

> Governor Gruening is, of course, immune from expressions of popular approval or disapproval by the people of Alaska, since he holds his position, apparently for life, by appointment from Washington.

Mr. President, we all recall that in the spring of 1949 extensive hearings were held by the Senate Committee on Interior and Insular Affairs to determine the record, the abilities, and the character of Gov. Ernest Gruening, who had served two terms as Governor of Alaska and had on both previous occasions been confirmed unanimously by the Senate of the United States. He had been twice appointed by President Roosevelt, and was reappointed in 1948 by President Truman. That reappointment was made during the Eightieth Congress, and, for reasons best known to the senior Senator from Nebraska, Governor Gruening's nomination was not acted upon during that session.

In the Eighty-first Congress, however, Governor Gruening's name was brought forward and his nomination was considered, and hearings were held. At those hearings a great variety of witnesses appeared. One individual, who had some connection certainly with political life in Alaska, brought several witnesses here, and they were given all the time they needed. What was the result? A unanimous vote in favor of confirmation of Governor Gruening by the Committee on Interior and Insular Affairs consisting of seven Democrats and six Republicans. Not one dissenting vote was recorded and the confirmation by the entire Senate which followed was likewise unanimous. Governor Gruening at that time had served for two full terms of 4 years with the additional year brought about by the failure of the Senate Committee on Interior and Insular Affairs in the Eightieth Congress to act on his nomination. He had therefore served 9 years. He has been a vigorous governor. Sometimes, perhaps, he acts in such a fashion as to arouse opposition; but there was no evidence whatever produced at the extended hearings which in the slightest degree reflected on Governor Gruening's integrity, ability, devotion, or in any way impugned the conduct of his office.

If we were to make any criticism at all against statehood for Alaska, it seems to me it should be based on the claim that the legislature is controlled by Governor Gruening. Personally I do not think it is. I think the people of Alaska elect their own legislatures freely and without pressure. The fact is that the Governor of Alaska has far less power than the governor of any State, and indeed far less than the Governor of the sister Territory of Hawaii.

The Organic Act of Hawaii permits the Governor to appoint the heads of his various administrative bureaus. The Governor of Hawaii appoints the attorney general, the superintendent of public works, the commissioner of public lands, the treasurer, the auditor, the director of the department of labor, and so on. That is not true in Alaska. In Alaska practically all the important officials are elected. Alaskans elect their own attorney general, their treasurer, their auditor, their highway engineer, their commissioner of labor; none of these is dependent on the Governor. In fact, the Governor has little or no patronage and little or no power.

The senior Senator from Nebraska stated in his speech that the expenditures of the Gruening-controlled legislature far exceeded tax revenues. Of course, the fact is that a comprehensive tax system, which was long overdue, was enacted by a freely elected legislature in 1949. However, this much-needed tax reform was beset by injunctions and court action brought by the absentee interests which are now fighting statehood and which had resisted the payment of taxes for years. It is in large part due to Governor Gruening's leadership that this situation has now been altered. The treasury of Alaska, I think, is in sound condition.

The senior Senator from Nebraska quoted an editorial from a partisan newspaper alleging that the board of administration unfroze funds amounting to some $561,000 in order to permit the construction program of the University of Alaska to proceed. The editorial in question charged that these funds were released for political purposes. I do not think anything could be farther from the truth. In the first place, the board of administration is composed of six officials, of whom the Governor is only one. Four of them, the territorial treasurer, the territorial auditor, the territorial highway engineer, and the attorney general, are elected officials, wholly independent of the Governor, owing their office wholly to the people of Alaska. The fifth official, the commissioner of education, is likewise independent of the Governor. His appointment is by a board of five, appointed for 6-year terms and confirmed by the legislature. To allege, as the senior Senator from Nebraska does, that when the board of administration acts it is the Governor acting, is wholly unrelated to the facts. Governor Gruening has just one vote out of six.

What actually happened in this case is that the board of regents of the University of Alaska called a meeting earlier this fall to discuss the university's program for the coming year, and telegraphed the board of administration, asking for the release of $500,000 of funds so that contracts could be entered into for construction during the coming building season beginning next spring. The board of administration met, and by unanimous vote acceded to this request. Nothing could be more wrong than any allegation that there is anything but a free, thoroughly democratic form of government functioning in Alaska.

One of the main contentions the senior Senator from Nebraska uses in justification of his opposition to the granting of statehood is one which relates to the political situation in Alaska. He asserts that—

> The situation in regard to Alaska and Hawaii is considerably like the situation we find in some of the States of the Union, where the labor group—and it is the most radical labor group—controls the elections. If statehood were granted, the very moment that they wanted to do so, the labor group could send to the Senate two of the most radical type of labor leaders.

However, I am afraid that the Senator's eloquence is not justified, for subsequently in summarizing the results of the present elections in Alaska the Senator from Nebraska later in his speech says:

> The elections recently held in Alaska gives some indication that the people there cannot be controlled so easily. Of the Territorial senate seats to be filled, six were won by Republicans, only two by Democrats. However, there were six hold-over Democrats and only two hold-over Republicans, with the result that, as I stated a while ago, the Territorial senate is still evenly balanced, 8 to 8.

And later he remarks:

> Even more significant, however, was the wholesale defeat of leading Gruening supporters.

Now I read that statement in connection with his previous statement that—

> If statehood were granted, the very moment that they wanted to do so, the labor group would send to the Senate two of the most radical type of labor leaders.

I do not think we need to fear that if granted statehood Alaskans will react politically too differently from the way in which residents of other States of the Nation react. Certainly the political trends in Alaska over the years parallel those of the Nation as a whole, and the recent elections merely reemphasize this fact. In 1946 the Congress was Republican as was the territorial legislature in Alaska; in 1948 the shift went in the other direction and the Democrats regained control. In the elections for Alaskan Legislature this year, as in the National Congress, there was shown a shift which again foreshadowed national patterns as the elections were held a month prior to those in the States.

Some concern has been expressed by those who claim an apparent inability on the part of Alaska to maintain itself as a State. I would be worried, too, if I had not heard the testimony. I suggest that those who make such claim read the hearings, in which they will find that persons from Alaska who knew their own budget well, presented it time after time and justified their belief that Alaska could function properly as a State.

I now desire to turn to the comments made by my very distinguished friend, the junior Senator from Mississippi [Mr. STENNIS], and I call the Senate's attention to the figures which he used relating to the area. He said:

> Yet it is proposed that those 1,500 square miles in Alaska should be represented by two Members of this great body.

When did the idea start that States should be represented on the basis of acreage? Think of poor little Rhode Island and what would happen to her if representation in this body were based on acreage. I do not believe such a contention can be valid.

Much has been said about the military importance of Alaska. I refer particularly to the statement made in the Senate by the Senator from Mississippi, during his splendid address. It was a good address. I hope my distinguished friend

will take my assurance, as I gave a similar assurance in the case of the distinguished senior Senator from Nebraska, that what I say is not in any way unkindly said. I realize that the statement of the Senator from Mississippi is based upon such information as he had. Having sat through the hearings, I have different and sometimes conflicting information. The Senator from Mississippi said:

> Except for the general statement by the President of the United States, made to the Congress yesterday, that the granting of statehood to Alaska would greatly increase our military powers, and a general statement made by ex-Secretary of Defense Johnson, when he appeared before the committee, I have not found any military officer or any military person who has made a statement in favor of this proposal.

He then proceeds to quote an obscure rear admiral who was brought in to testify at the hearings. I do not say that the persons I have in mind are military persons, but I give the Senator the name of Gen. Dwight Eisenhower, who in a recent speech made in Denver again referred to the military importance of Alaska. I give the Senator from Mississippi the name of Gen. Douglas MacArthur, who is busy with military matters, who has had the military importance of Alaska on his mind, as it has been on mine. I give him the name of General MacArthur as a thoroughly qualified expert. I give the Senator the name of William Donovan, who has investigated the situation. I give him the name of Gen. Hap Arnold, deceased, who had a good deal to say about Alaska. I give him the name of Robert Patterson, former Secretary of War. I hope the Senate weighs those names against the representatives of absentee owners of industry in Alaska.

Mr. STENNIS. Mr. President, will the Senator yield for a short question?

Mr. ANDERSON. Yes.

Mr. STENNIS. Does the Senator have at hand what was said by those whose names he has just given? Of course, I know their names carry weight. I should like to know what they said, if the Senator has it available.

Mr. ANDERSON. I do not have it immediately available, but I can submit it subsequently. I am not prepared now to present the statements of those individuals.

There are a great many things in the speech of the Senator from Mississippi which I am sure were said with good grace. Here is a statement from the Senator's speech:

> For the first time, the Senate of the United States is face to face with the proposition of taking action on the question of admitting as a State within the United States an area which is geographically unconnected with the mainland.

Mr. President, I am not sure what the geography of Alaska is, but my impression was that Alaska was connected with the mainland. I do not believe that condition has changed a bit since we had our hearings. I think the Senator from Mississippi has been misinformed as to the geographical connection of Alaska with the mainland.

Mr. STENNIS. Mr. President, will the Senator yield for a question at this point?

The PRESIDING OFFICER (Mr. LEHMAN in the chair). Does the Senator from New Mexico yield to the Senator from Mississippi?

Mr. ANDERSON. I yield.

Mr. STENNIS. Does the Senator mean to argue that Alaska is connected with the mainland of the United States of America and that the 500 or 600 miles intervening between the United States and Alaska now constitute a part of Alaska?

Mr. ANDERSON. No; but I think the Senator well understands that the mainland is always recognized as being part of the continent. It is true that the territorial limits of Alaska do not touch the boundaries of the United States. No doubt that is what the Senator meant. Of course, Hawaii is in a different situation in that respect.

Mr. STENNIS. Mr. President, will the Senator yield for a further question?

Mr. ANDERSON. Yes; I yield.

Mr. STENNIS. Other than for a play on words, there is no misunderstanding of the meaning of the Senator. He means contiguous territory, does he not?

Mr. ANDERSON. Yes; and of course there is always the question of the importance of taking in contiguous territory.

Further on in his speech, the Senator from Mississippi referred again to a statement of the Senator from Nebraska when he said that if a vote were to be taken today in Alaska on the question of statehood, it would be approximately evenly divided.

Mr. President, I wish to say that is a matter of opinion; but certainly all the contacts I had with people from Alaska did not persuade me of that.

I desire to refer briefly to the question of the great area of Alaska. There is particular reference to the fact that 20,000,000 of the best acres of forest land are exempted from the operations of the bill. I do not know that they are exempted. They are retained as Government forests, exactly as Government forests have been retained in Montana, California, Washington, Oregon, Arizona, Colorado, and New Mexico. I do not believe there was any argument against the admission of those States into the Union on the ground that forests had been retained by the Federal Government.

I now refer to a statement in the speech of the Senator from Mississippi as it appears on page 15933 of the CONGRESSIONAL RECORD for yesterday, November 28. At that point in his speech he said:

> The Government would also withhold 50,000,000 acres of land for gas and oil development. I understand such land to be the best and most valuable in the Territory.

Mr. President, I simply wish to suggest to the distinguished Senator from Mississippi that most of that oil land is in a naval oil reserve which stretches around the Arctic Circle. A great deal of it is covered with ice and snow. Most of it is absolutely unusable for any purpose, and it would not be regarded by me as the best and most valuable land in the Territory. It is useful chiefly for the production of oil.

I recognize that the statement to which the Senator refers comes directly from minority views filed on the bill by the distinguished senior Senator from Nebraska [Mr. BUTLER]. I think perhaps the difficulty is that the Senator from Nebraska was referring to the forest lands in the Tongass National Forest, not to the 50,000,000 acres of land which would be retained for oil development. We have tried very hard to make sure that there can be development. So I call attention again to this statement as it appears in the speech of the Senator from Mississippi:

> Mr. President, I am not complaining about land being withheld. However, the land so withheld would not be subject to the so-called great development which has been referred to.

I cannot agree with that statement because the land which would be withheld, so far as the forest land is concerned, chiefly is in the Tongass National Forest and some other national forests, and, as many persons know, every effort has been made recently to develop pulpwood in that area. I think the thing which will contribute most to that development would be the granting of statehood to Alaska, and that the thing which would prevent its development would be the failure of Congress at this session to take proper action in respect to granting statehood to Alaska.

Mr. President, let me refer to subsequent statements which appear in the speech made to the Senate yesterday by the Senator from Mississippi. I am trying to refer to as little of the speech as I can, in order to avoid burdening the RECORD. In the Senator's speech reference was made to the decline in the population of Alaska from 1900 to 1930; the Senator said there was a period of 30 years when that decline occurred.

Of course, Mr. President, there was a population decline during that period. In my opinion, it was due to the fact that Alaska was a Territory and had not achieved statehood. If it had achieved statehood, I think there might have been a great growth of population during that period.

A little later in his speech the Senator from Mississippi pointed out that—

> Such a situation is not due to lack of law or the fact that the people in Alaska cannot vote for the President of the United States; neither is it due to the fact that the flag of the United States is not now flying over the country, for it is flying there. It is due to the extreme climate and the hazardous living conditions.

Mr. President, I am not sure that statement is correct, because there are great areas in Alaska where the climate is very similar to that of the North Central States and the Great Plains States. In a report on the Matanuska Valley I saw a statement that its climate is very similar to that of Illinois. My impression is that a great deal of the area could be developed and should be developed. I am interested in trying to say that one reason why I believe that the motion to bring this bill before the Senate should be agreed to is that, if the bill is brought

before the Senate, we can then develop the facts with respect to Alaska and the facts with respect to Hawaii; and if we develop the facts, I believe that both these Territories will, as they should, become States. I think it would be wrong for us not to agree to the pending motion and not to bring these bills to the floor of the Senate, because, in my opinion, the very fact of bringing them to the floor would result in a development of the facts which have related to these areas for a long, long time.

It is true that the colonization of the Matanuska Valley has proceeded more slowly than many persons would have desired. Yet I have talked to many farmers who have been very happy with their situation in that valley. We have authorized the Matanuska project, which is in the process of development; and when it is developed it will make possible the electrification of that area and also will provide some surplus water for the valley. When that project is completed it will greatly change conditions there.

Let me refer to another portion of the speech made yesterday by the Senator from Mississippi. I hope I shall not do any violence thereby. Of course, I myself object to having other persons quote isolated sentences out of the context of a speech I have made. If the Senator from Mississippi feels that way about the references I am making to his speech, he has my apology in advance, for I do not mean to proceed in that way.

During his speech the Senator from Mississippi said that he had reason to believe that "gold mining is a rapidly declining industry."

Yes, Mr. President; that is true both in Alaska and in many of the States of the Union. Is there any reason to believe that gold mining would flourish in Alaska when it is declining in California and in Nevada? Is it likely that the very thing which around the world has brought about a decrease in the price of gold has had a different effect in Alaska? After all, Alaska is very much a part of this continent.

Then we find this statement in the speech made yesterday by the Senator from Mississippi:

> I understand that, because of high transportation costs and increased cost of labor, the timber and pulp industry is on the decline.

Mr. President, there never has been a pulp industry in Alaska. Therefore how it could decline I do not know.

However, I may say there is reason to believe that, by conferring statehood upon Alaska a great pulpwood industry will be developed in the Tongass National Forest, and that industry will be of tremendous benefit to the newspaper industry in the United States, which today is not so happy as we would like it to be.

We have passed bills relating to the Tongass National Forest. It is true that actions have been pending to determine who owns the Tongass National Forest and what the Indians will do with their revenues. However, I believe a possibility exists for the development there of one of the finest pulpwood industries anywhere in the world.

Mr. STENNIS. Mr. President, will the Senator yield at this point for a brief question?

Mr. ANDERSON. Yes, I yield.

Mr. STENNIS. Will the Senator explain why it is necessary for statehood legislation to be enacted in order to permit Alaska to obtain the benefit of this pulpwood industry? I really do not understand that point.

Mr. ANDERSON. I do not know, except to say that many Territories which subsequently became States of the United States were held back and retarded for years and years and years, when they were Territories; but with the granting of statehood, suddenly there came a great expansion. I am one of those who look at example after example and believe that what happened in Nebraska, in New Mexico, in Oregon, and in Washington, is likely to happen in Alaska. I believe that when Alaska becomes a State and has two Senators on this floor, fighting for Alaska steadily, and when Hawaii becomes a State and has two Senators on the floor of the Senate, representing it constantly, that will make a great deal of difference for those two areas.

If I had the printed hearings before me, I could give examples bearing on that point. However, let me say that when we had the hearings, it was pointed out that a certain defense project was undertaken in Alaska, and that the proper officials of that Territory came to Washington and pleaded with the military authorities to handle that project in a certain way. They made that plea based upon their long familiarity with the climate of Alaska and with various other conditions there. However, they were not able to prevail. They had not a single vote anywhere in the Government; they had only the right to be heard on the floor of the House of Representatives. They had no chance whatever to cast a vote, and they did not seem to have proper influence in the right spots. But, Mr. President, if statehood were conferred, the two full-fledged Members of the United States Senate and at least one and perhaps two Members of the House who would come from Hawaii, and the two Senators and one Representative who would come from Alaska, would have an opportunity to go to the National Defense Department and thus probably prevent a project being handled in an unwise manner.

I wanted to tie in what I had said before with the statement of the Senator from Mississippi, that—

> I do not believe anyone has much to look forward to insofar as the pulpwood industry in Alaska is concerned.

Let me say that, as Secretary of Agriculture, I dealt with people in the United States who not only wanted then, but who want now, to develop the pulpwood industry in Alaska. They are ready to spend millions of dollars of private enterprise venture capital in the development of the pulpwood industry there, and yet that great resource is locked up tight and cannot be freed. Those who have flown over the forests of this country—and it has been my privilege to fly over a great many of them on inspection tours, including nearly all of them in the western section of the United States, in part at least—recognize that when timber becomes ripe it no longer grows; it begins to decay. There are many examples of that in this particular area in Alaska, where development is long overdue. The country needs this resource now, and needs it badly. I say that we ought to have it developed at the earliest possible date.

Mr. President, with one final statement, I shall conclude. Says the Senator from Mississippi:

> The immediate question is, Are we going to admit Alaska and Hawaii as States; and then, if we do, what is the reasoning whereby we can chop the process off and stop as to the others?

In other words, he fears that Puerto Rico, Guam, and a great many other areas may want to come into the Union at once as States because of the precedent of Alaska. It seems to me the Senator overlooks the fact that there is a difference in that the other areas lack incorporation as Territories. The first step has not been taken. They are not incorporated as Territories. Only Alaska and Hawaii remain in that category. Therefore, I see no great danger that anything which is adverse to the interests of this country can result from the passage of these bills.

But, more important, I see every reason in the world to agree to the pending motion and consider both the Alaska and the Hawaii statehood bills. We are trying to say to the world that we believe in the democratic process, that we believe in giving the people of Alaska and of Hawaii a chance to present their case on this floor, as they have done it successfully in the House of Representatives. We believe they should have an opportunity to vote, and yet we cannot agree to a motion to consider the bills and thereby have a vote on the question whether Alaska and Hawaii should come into the Union. Mr. President, how, then, can we consistently tell the people in other parts of the world, particularly in those places where we now are having trouble, that we believe fully in the whole democratic process, if we will not allow the advocates of statehood for Hawaii and Alaska to obtain a vote upon this floor?

I hope that we may quickly agree to the motion. I hope that we may then have a thorough discussion. If there are points in the bill which still should be improved, those of us who worked on it long and earnestly would welcome constructive suggestions for its improvement; but in the meantime I believe we owe it to ourselves to vote on the motion, either to vote it up or down, and to determine whether we shall or shall not consider the statehood bills.

I hope that our decision will be that to proceed to vote on the bill granting statehood to Alaska, and then, having passed that bill, proceed to vote on statehood for Hawaii, and add two new stars to our flag. But regardless of the final outcome, I think that in this hour, when

democracy surely is on trial, we owe it to ourselves to see that the motion to consider this bill comes immediately before the Senate and is agreed to.

THE STATE OF THE UNION—RESULTS OF THE RECENT ELECTION—ADDRESS BY HON. JAMES A. FARLEY AT THIRTY-FOURTH ANNUAL MEETING OF THE FLORIDA STATE CHAMBER OF COMMERCE

Mr. HOLLAND. Mr. President, I rise to make brief remarks concerning another subject, but before addressing myself to it, I may say that I fully approve of the position taken by the distinguished Senator from New Mexico relative to the motion to bring up the Alaska statehood bill, and I should like to associate myself with him in his remarks on that subject.

Mr. President, on Tuesday, November 21, at the annual banquet of the Florida State Chamber of Commerce, at Tampa, we were distinctly honored to have present as our honor guest on that occasion and as our principal speaker a truly great American from the State of New York, the Honorable James A. Farley.

So pithy was his speech and so full of common-sense remarks with reference to the state of our Nation and the problems with which our Nation is confronted both on the domestic front and in foreign fields that I wish at this time, by unanimous consent, to incorporate as a part of my remarks the full address as made to us by that distinguished American on that occasion.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

Once more we have held an election in wartime. To do that is an achievement in any country at any time. Even in England, which is well based on principles of freedom, they avoid elections in times of crisis. But here in America we have never failed in our democratic process. We debated the issues, foreign and domestic, we freely criticized our Government and we turned out in some States in numbers never before experienced in a mid-term election.

As long as that can happen our free institutions are safe.

Somehow I feel, as a Democrat, that the results generally, while they indicated a Republican trend, were good for the Democratic Party. Hhat party still holds the presidency and it still holds both Houses of Congress. There are some Democrats who were disappointed. And there were some who were never real Democrats who were deeply disappointed. But out of the lessons of this election we can draw some wisdom that may make for a better and more unified Democratic Party and a better two-party system for the Nation as a whole. I shall mention a few of these lessons.

First, it showed in Ohio and in several other places that neither the Republican nor the Democratic Parties, nor the working man himself, nor the voters generally want an independent labor party. I have many times made myself clear on this subject.

Since labor unions became an effective force in our economy it has been suggested by some that labor might conceivably form a political party of its own, with the avowed objective of presenting its aims through the medium of a platform sponsored by an independent labor party.

I want to say at the very outset that I am definitely opposed to such an idea because I am a firm believer in the two-party system.

Labor has sufficient leeway, within the scope of this system, to protect and further its interests. There would always be the temptation to hew too closely to the labor line. A political party loses its effectiveness when it lacks a universal viewpoint. Whether it be the Democratic Party or the Republican Party, the interests of all the people must be considered in framing a philosophy or platform when an appeal is made to the voters.

Let there be no misunderstanding of my attitude toward labor. I believe that in the rapid and evolutionary changes in our country labor has borne its share of the burden and has demonstrated its usefulness in our economic life.

The great danger since the two big labor federations have set up their own political organizations is that in many districts and in some States these organizations might well supplant one or both of the regular parties. The result of this would be the elimination of policies by one issue and by one group in the community. That is quite contrary to the whole theory of government in this Republic under the two-party system. The fear of that in Ohio, I know in this year's election drove many Democrats to vote for TAFT. And it is also clear that thousands of union members refused to be told how to vote by the political arms of the unions and voted for TAFT in protest.

The principle upon which this Nation rests is that individuals vote as individuals, not as members of blocs. They vote their convictions through the party of their choice. And that party represents all interests, business, agriculture, labor, and capital.

The election in New York also proved that the voters do not prefer to support third splinter parties. We have had two of that type in the Empire State, the American Labor Party and the Liberal Party.

The American Labor Party came to be heavily influenced by Communists. It ran a ticket this year which was thoroughly buried by the regular party vote. Congressman MARCANTONIO, the leader of the party, was trounced by a candidate approved by both of the major parties. I hope that is the last we shall hear of MARCANTONIO, his Communist supporters, and his splinter nuisance party.

The Liberal Party in New York represented a somewhat less radical point of view than MARCANTONIO. This year the Democratic Party, I think most unwisely, permitted the Liberals to move in. They even submitted to dictation in choosing candidates by the Liberal Party. In the final show-down the alliance was very unhappy. The Liberal vote fell below its previous record. I hope that the leaders of the Liberal Party, many of whom are fine, sincere people, will see the folly of splitting the electorate into many rather than two parties. France and other countries have suffered the tortures of too many parties for many years.

And so I am happy to note that the outlook is very dark for third or fourth parties in this country.

As we turn from parties to issues there is another real lesson in this election. Confronted as we are with a great peril in our foreign relations, with immense deficits and heavy taxation the voters have made it clear that they want the Government to go slow with further experiments in domestic affairs for at least the duration. The Brannan plan, socialized medicine, and other unsubstantial experiments won no honors in this election. We want to be a humane, progressive Nation, but we cannot be bighearted with money we have not got.

The Brannan plan in fact never had the support of the two big farm organizations. They quite properly regarded it as a two-pronged threat to the farmer and to the taxpayer. On the one hand it provided for a drastic regimentation of the producers of nonperishable crops like cotton, corn, and wheat. The southern cotton producers learned during the past year what crop restrictions meant. They want no more of that. On the other hand the Brannan plan provided for selling perishable crops for less than cost with the taxpayer making up the difference. This was a subsidy for producers and for consumers alike. And I believe sincerely that the American people do not want to become permanently subsidized citizens. Part of the people cannot long live off of another part of the people in any free country.

I believe, however, that the Government can do a great deal for agriculture without taking away anyone's liberty. The best way to help the farmer is to help him find the way to the market at less cost and with more efficiency. Government aid in marketing, in lowering the cost of transportation, and in finding new uses for farm products, is the way to prosperity with freedom.

A vast outlet for surplus farm products can and will be found in industrial uses, particularly in the production of commercial alcohol.

In this election and in the primaries in the South that preceded showed further that this country has no desire to follow Socialist Britain in adopting socialized medicine. Certainly that was decided in the primary here in Florida.

This country has led the world in the advancement of medical science, in public health, and in cooperative medical practice. For that American doctors deserve great credit. There are no more devoted, hard-working, and public-spirited citizens in this Nation than the members of the medical profession. Instead of an attempt to make them subject to a Federal bureaucracy and to surrender their freedom to the Government we should encourage them to cooperate in new endeavors to work out themselves means of serving more people with less cost. That is the American way. It is our way.

And while I am speaking of cooperative ways of solving problems without the use of the heavy hand of law I want to add something about civil rights. When we review the history of past years we see clearly that most of the problems raised by the so-called civil rights program are gradually and peacefully being solved right here in the South. The gates of economic opportunity for all races are opening wider and wider, the right to vote is spreading to all and disorders that once resulted in lynchings have been brought under control by the States and communities. To threaten the South with drastic Federal legislation is the last way to approach these problems. And we are a long way now from that last way.

The President might well in the interest of national as well as party unity summon the leaders of the South to solve these problems on a regional and a State basis. To pass a law, especially a Federal law, is never the best way to correct an injustice. Free men in whose hearts there lives a sense of justice and common sense can generally be trusted to do what is right. I say to those anxious people who are too ready to lift the threat of authority to leave recovery to the spirit of liberty.

Now that the election is over let us all lay aside personal and party selfishness and get on with our task. For no greater task ever faced us before. The Soviet Government seeking to bleed us white while awaiting the time to strike turned loose a 5 percent war in June. Then before we had completed that one the Soviet turned loose a 10 percent war with the Chinese Communists. Presumably we are going to get our aggression in installments.

But even this war is loading an immense burden on our economy. We don't know all the figures yet because that news will come on the installment plan. But we must be prepared for something like forty to fifty-five billion dollars during the next 12 months in demands for war and preparation for war.

This demand coupled with the needs for the civil establishment comes on top of an already heavy burden of national debt. And it comes at a moment when nobody knows what the dollar will be worth in the inevitable inflation that threatens us. The problem of raising this money while we at the same time do what we can to check world inflation is much more serious than it was in the late world war. If we are to solve it we must induce the people to lend more and more to Government. For the more the public lends the less there will be to spend and hence less bidding up of prices. It would no doubt be inadvisable as well as unfair to compel workers to buy bonds through what is called compulsory savings. But every effort should be made by cooperative methods to assure such savings perhaps by payroll deductions agreed upon by both workers and employers. Systematic and general savings can accomplish the task and I feel confident that all Americans will respond to a sound and intelligent appeal.

Meanwhile it becomes more and more evident that the Marshall plan will in some form be under consideration for continuation beyond 1952. This with the burden of arming Europe is a very serious prospect. To do so we shall have to cut our expenditures for nonmilitary purposes to the very bone. And since we must forego some of the things that we want we can expect our friends in Europe to do likewise. The nations of Europe must meet every dollar with a real will to help themselves. The building of an army to protect western Europe is a tremendous task. It cannot be done by remote control. It cannot be done by dollars alone. For a well-equipped soldier with no will to fight is not only a liability, he is a threat.

I was very happy a few days ago to read of the action taken by the United Nations organization making possible the resumption of diplomatic relations with Spain which, in my judgment, was too long delayed. I was also pleased to note that action is being taken by the Export Bank in connection with the loan approved by Congress before it recessed. This was all pleasing to me personally because I have been advocating such a course for over 2 years.

I sincerely hope and trust that aid will soon be given for worth-while projects for the rehabilitation of Spain's mining, industry, transportation, and agriculture.

May I also express the hope that President Truman will not too long delay in the appointment of an Ambassador to Spain, which step has already been taken by several European countries.

In my opinion, Spain can be depended upon at all times to fight Communist inroads in Europe and every effort should be made to see to it that she becomes a partner in the Atlantic Pact and of all the organizations in which we are working for the defense of not only western Europe but civilization itself.

There is no doubt in my mind that this course is anticipated by the Spanish people generally, and I am of the opinion that the vast majority of the American people are in the same frame of mind.

I cannot believe that if we approach the task before us with courage and intelligent planning we can fail to meet any emergency. And if we are ready the emergency may not come. For the Soviet expects to win this war without fighting. It expects that our economy will crack and crumble under the strain

If by repressing inflation, by raising production, by maintaining high employment we can show the Communists that ours is the greatest economic system ever known, they may, and I believe, will not precipitate a war. Our safety is in that hope.

Mr. HOLLAND. Mr. President, I hope that every Senator upon both sides of the aisle will take the time to read in full the speech of Mr. Farley. I think it is so wise and so full of sound, level-headed Americanism as to commend itself to the good judgment of all Americans, whether they be Republicans or Democrats, and regardless of what may be their background.

Mr. President, I shall not attempt to discuss in great detail the remarks made by Mr. Farley, because I much prefer to have his speech stand for itself. I shall not attempt to paint the lily, as would be the case if I attempted to expand at length upon his remarks. But I do think that for the RECORD it might be well to quote some of his succinct remarks which, stated together, give, as I believe, an epitome of the address by Mr. Farley. The first that I quote is this:

Out of the lessons of this election we can draw some wisdom that may make for a better and more unified Democratic Party and a better two-party system for the Nation as a whole.

If there is an expert in matters political in the Nation who would be justified in drawing lessons from the recent election, I think all Americans would agree that expert is Mr. Farley.

My second quotation:

First, it showed in Ohio and in several other places that neither the Republican nor the Democratic Parties, nor the workingman himself, nor the voters generally want an independent labor party.

Third, I quote.

The election in New York also proved that the voters do not prefer to support third splinter parties.

Again quoting on the same point:

I am happy to note that the outlook is very dark for third or fourth parties in this country.

The next point:

Confronted as we are with a great peril in our foreign relations, with immense deficits and heavy taxation, the voters have made it clear that they want government to go slow with further experiments in domestic affairs for at least the duration. The Brannan plan, socialized medicine, and other unsubstantial experiments won no honors in this election.

The next quotation:

I believe sincerely that the American people do not want to become permanently subsidized citizens. Part of the people cannot long live off of another part of the people in any free country.

Another:

This election * * * showed further that this country has no desire to follow Socialist Britain in adopting socialized medicine.

The next point, which I shall mention in more detail in a moment, had to do with the so-called civil rights program, to which I shall return. His conclusion in the discussion of the domestic aspects of this election, and the conclusions which he drew therefrom, are in these words:

Now that the election is over let us all lay aside personal and party selfishness and get on with our task. For no greater task ever faced us before.

From that point he proceeded to discuss with equal terseness and with a splendid grasp the international situation which confronts our Nation throughout the earth. I return, however, Mr. President, to quote at length, without added comment of my own, the text of Mr. Farley's address, or that portion thereof which dealt with the so-called civil-rights question, because it seemed to me to be so fully in accord with the soundly patriotic point of view and with the common sense aspects of the problem, at least as I view it. I quote from Mr. Farley:

And while I am speaking of cooperative ways of solving problems without the use of the heavy hand of law I want to add something about civil rights. When we review the history of past years we see clearly that most of the problems raised by the so-called civil-rights program are gradually and peacefully being solved right here in the South. The gates of economic opportunity for all races are opening wider and wider, the right to vote is spreading to all and disorders that once resulted in lynchings have been brought under control by the States and communities. To threaten the South with drastic Federal legislation is the last way to approach these problems. And we are a long way now from that last way.

The President might well in the interest of national as well as party unity summon the leaders of the South to solve these problems on a regional and a State basis. To pass a law, especially a Federal law, is never the best way to correct an injustice. Freemen in whose hearts there lives a sense of justice and common sense can generally be trusted to do what is right. I say to those anxious people who are too ready to lift the threat of authority to leave recovery to the spirit of liberty.

I close the quotation from Mr. Farley for which every true southerner will be deeply grateful.

Mr. President, without commenting upon Mr. Farley's masterly statement on that great group of problems which is generally referred to as the so-called civil-rights program, I express only—and modestly—the fervent hope that the President may give serious consideration to the suggestions made by this distinguished American, this distinguished son of the great State of New York who, looking from a point of vantage some distance removed from the South, has yet found it in his heart and conscience, at this time of great crisis in our Nation and in the world, to utter these simple and sensible words of advice and counsel. I think he gives good counsel, and I hope his counsel may be followed, not only to the advantage of the political party of which I happen to be a life long member, but also to the great advantage of our Nation as a whole and the strengthening of the cause of unity in our Nation at a time when, above all times in our Nation's history, national unity is a complete necessity.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. LEHMAN in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

MR. O'MAHONEY. Mr. President, I move that, in accordance with the order previously entered, the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 1 minute p. m.) the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Thursday, November 30, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate November 29 (legislative day of November 27), 1950:

UNITED STATES DISTRICT JUDGES

William F. Riley, of Iowa, to be United States district judge for the southern district of Iowa, vice Hon. Charles A. Dewey, retired.

Alfred E. Modarelli, of New Jersey, to be a United States district judge for the district of New Jersey to fill a new position.

UNITED STATES MARSHAL

Leonard R. Carpenter, of Nevada, to be United States marshal for the district of Nevada, vice Edward M. Ranson, resigned.

IN THE NAVY

The following-named officers of the Navy and Naval Reserve on active duty, for temporary appointment to the grade of captain, subject to qualification therefor as provided by law:

For temporary appointment in the Navy:

Ernest P. Abrahamson
Frank C. Acker
Allen B. Adams, Jr.
Charles W. Aldrich
Robbins W. Allen
John D. Andrew
Richard S. Andrews
Richard N. Antrim
Stephen M. Archer
Edwin C. Asman
Barry K. Atkins
Burl L. Bailey
George W. Bailey
Harold E. Baker
Jack I. Bandy
Raymond H. Bass
Frederick J. Becton
Robert O. Beer
Louis J. Bellis
Edward B. Billingsley
Joseph D. Black
Richard H. Blair
Norman E. Blaisdell
Howard E. Born
Thomas K. Bowers
Donald C. Brown
Sheldon W. Brown
William W. Brown
Frank H. Brumby, Jr.
Frederick J. Brush
Lot is A. Bryan
William I. Bull
Edward S. Burns
Paul J. Burr
John W. Byng
Herbert J. Campbell
Daniel L. Carroll, Jr.
Hiram Cassedy
Thomas E. Chambers
William C. Chambliss
Irwin Chase, Jr.
John L. Chittenden
James M. Clement
Burdette E. Close
Walter D. Coleman
James D. Collett
James I. Cone
Lawrence B. Cook
Robert E. Coombs, Jr.
Robert W. Cooper
Alfred L. Cope
Thomas H. Copeman
Warren G. Corliss
William R. Cox
Alexander B. Coxe, Jr.
James G. Craig, Jr.
Richard S. Craighill
Arthur A. Cumberledge
Roland H. Dale
James H. Davis
George DeMetropolis
James C. Dempsey
Mark E. Dennett
Aquilla G. Dibrell, Jr.
William J. Dimitrijevic
Anthony H. Dropp
William A. Dunn
Earl R. Eastwold
Ernest B. Ellsworth, Jr.
Paul E. Emrick
Robert L. Evans
Robert S. Fahle
John S. Fahy
Elwin L. Farrington
Emerson E. Fawkes
Benjamin P. Field, Jr.
Earl P. Finney, Jr.
William W. Fitts
Thomas M. Fleck
James A. Flenniken
Francis D. Foley
Francis J. Foley
Joel C. Ford, Jr.
Edward L. Foster
Dale R. Frakes
William R. Franklin
Charles L. Frazer
Bernard W. Freund
Robert B. Fulton II
Clarence L. Gaasterland
Wilmer E. Gallaher
John W. Gannon
Josef M. Gardiner
Malcolm E. Garrison
Scott K. Gibson
Frank F. Gill
Thomas E. Gillespie
Ralph G. Gillette
Charles C. Gold
Arthur A. Goodhue
Daniel C. Goodman
Frank G. Gould
James D. Grant
Richard O. Greene
Richard V. Gregory
John M. Grider
Paul H. Grouleff
William H. Groverman, Jr.
Henry H. Hale
Madison Hall, Jr.
Mann Hamm
Douglas T. Hammond
Brooks J. Harral
Paul H. Harrington
Morgan H. Harris
Richard D. Harwood
Carson Hawkins
Andrew J. Hill
Thomas W. Hogan
Arnold H. Holtz
Thomas W. Hopkins
Charles M. Howe III
Frederic N. Howe
William C. Hughes, Jr.
Harry Hull
Earl T. Hydeman
Clifton Iverson
Joseph A. Jaap
George S. James, Jr.
Marvin J. Jensen
Garry W. Jewett, Jr.
William H. Johnsen
Clifford A. Johnson
Harlan T. Johnson
Ralph C. Johnson
Alvin A. Jones
Robert E. C. Jones
Robert F. Jones
William C. Jonson, Jr.
Herbert L. Jukes
Karl E. Jung
Albert D. Kaplan
George W. Kehl
William D. Kelly
William E. Kenna
Charles M. Keyes
David F. Kinert
Robert D. King
Leon S. Kintberger
Louis J. Kirn
Halford A. Knoertzer
Edmond G. Konrad
Joseph H. Kuhl
John D. Lamade
Richard H. Lambert
Charles B. Lanman
Jacob A. Lark
John R. Leeds
Robert C. Leonard
Kenneth P. Letts
Joseph W. Leverton, Jr.
John S. Lewis
John M. Lietwiler
Rex B. Little
Ernest W. Longton
Thomas P. Lowndes
Carlton C. Lucas
George R. Luker
John P. Lunger
Hylan B. Lyon
Charles M. Lyons, Jr.
Albert S. Major, Jr.
Richard S. Mandelkorn
Marshall T. Martin
Forsyth Massey
Alfred R. Matter
Robert J. C. Maulsby
Vincent J. Meola
Justin A. Miller
William R. Miller
Gilbert H. Mitchell
Samuel P. Moncure
Harry G. Moore
John R. Moore
Robert B. Moore
John H. Morse, Jr.
Carleton E. Mott
Malcolm T. Munger
John Munholland
Henry G. Munson
Charlton L. Murphy, Jr.
Charles W. Musgrave
Lloyd M. Mustin
Jacob C. Myers
Lloyd H. McAlpine
John S. McCain, Jr.
Bruce McCandless
John J. McCormick
Samuel A. McCornock
Reginald R. McCracken
Victor B. McCrea
Edwin A. McDonald
Joseph A. McGoldrick
DeWitt C. McIver, Jr.
William V. McKaig
Nicholas J. Nicholas
Terrell A. Nisewaner
Rathel L. Nolan, Jr.
William C. Norvell
Francis E. Nuessle
Michael B. O'Connor
Michael G. O'Connor
Charles J. Odendhal, Jr.
Edward J. O'Neill
William Outerson
Allan A. Ovrom
Hinton A. Owens
Alden C. Packard
Charles J. Palmer
John C. Parham, Jr.
Alton E. Parker
Frank M. Parker
Lloyd W. Parrish
William K. Parsons
Thomas B. Payne
William B. Perkins
Francis M. Peters, Jr.
Richard W. Peterson
Paul W. Pfingstag
Everett L. Phares
Thomas C. Phifer
Charles E. Phillips
Ray M. Pitts
George E. Porter, Jr.
Walter E. Premo, Jr.
George W. Pressey
Glennon G. Price
Howard R. Prince
Frank R. Putnam
Philip D. Quirk
John W. Ramey
George L. Raring
William H. Raymond
Harry L. Reiter, Jr.
George F. Rice
William L. Richards
Alvin F. Richardson
John P. Roach
George N. Robillard
David L. Roscoe, Jr.
Jack Roudebush
Edward A. Ruckner
Fred L. Ruhlman
Norman J. Sampson
Robert R. Sampson
Otto A. Scherini
William P. Schroeder
Floyd B. Schultz
David D. Scott
Harry W. Seely
John D. Shea
George C. Shepherd, Jr.
Ward T. Shields
Allen M. Shinn
Wallace C. Short, Jr.
William B. Short, Jr.
Clayton R. Simmers
Robert T. Simpson
Alvin W. Slayden
Selden C. Small
Clare B. Smiley
Andrew J. Smith
Charles H. Smith
Daniel F. Smith, Jr.
James T. Smith
Levering Smith
Lawrence W. Smythe
Ernest M. Snowden
Harry Sosnoski
Jerry C. South
John G. Spangler
Frederic S. Steinke
Roland E. Stieler
Howard F. Stoner
Charles T. Straub
Daniel A. Stuart
William A. Stuart
Charles M. Sugarman
Joseph B. Swain
William L. Tagg
Ennis W. Taylor
James A. Thomas
William A. Thorn
Donald W. Todd
Joseph C. Toth
Harry E. Townsend
Magruder H. Tuttle
Gordon W. Underwood
Harmon T. Utter
John R. Van Evera
Salem A. Van Every, Jr.
James B. Vredenburgh
Thomas W. Wagner
Robert P. Walker
Kinloch C. Walpole
Alfred G. Ward
Thomas G. Warfield
Odale D. Waters, Jr.
Robert H. Weeks
James B. Weiler
Albert A. Wellings
Charles L. Werts
Wallace H. Weston
Theodore H. White
William J. Widhelm
Henry R. Wier
Ralph A. Wilhelm
Prentis K. Will
Henry Williams, Jr.
Jack B. Williams
Paul D. Williams
Richard C. Williams, Jr.
Francis T. Williamson
Lindsey Williamson
Marcus W. Williamson
Albert H. Wilson, Jr.
George R. Wilson
Ralph M. Wilson
Ronald L. Wilson
Peyton L. Wirtz
Frederick Wolsieffer
Lester O. Wood
Ronald J. Woodaman
William P. Woods
Joseph C. Wylie, Jr.
Evan W. Yancey
Andrew L. Young, Jr.
Robert C. Young
Raymond J. Zanzot
William T. Zink, Jr.

For temporary appointment in the Naval Reserve:

Clarence D. Finn
Martin E. Carlson
Gordon R. Keating
Robert E. W. Harrison
Bonney M. Powell
Walter T. Hart, Jr.

The following-named officers of the Navy and Naval Reserve on active duty, for temporary appointment to the grade of commander, subject to qualification therefor as provided by law:

For temporary appointment in the Navy:

Hartsel D. Allen
Robert H. Alexander
Samuel H. Alexander
Roger H. Allen
Herbert H. Anderson
Addison S. Archie, Jr.
David M. Armstrong
Radford K. Arner
James W. Austin, Jr.
Walter C. Avery
John M. Arbuckle
Henry L. Anderton, Jr.
William S. Antle, Jr.
Wilmon H. Ayer
Burton H. Andrews
Daniel S. Appleton
Russell G. Albright
Charles C. Ainsworth
Myron Alpert
Roy G. Anderson
Arnold E. Allemand, Jr.
Frank W. Ackermann
John H. Boyum
Malcolm J. Bradbury
Fred Y. Boyer
Victor A. Blandin
William W. Braley
John P. Barron
Wilbur G. Barton
Louis R. Burnett
Marion F. Barfield
Charles L. Burbage
Earle Bennett
Charles A. Blocher, Jr.
Ralph K. Brandt
LaVell M. Bigelow
Richard Bacharach
John L. Bishop
Lynn F. Barry
Roland G. Bienvenu
Louis E. Burke, Jr.
Charles L. Best, Jr.
Robert G. Bill
John C. Bangert, Jr.
Sylvan R. Bland
Norman K. Brady
William J. Bowers
George L. Block
John C. Borden
James W. Botten
Harold W. Biesemeier
Richard E. Brown
Heber J. Badger
August A. Barthes
Paul F. Borden
Marvin E. Barnett
Anthony C. Benjes, Jr.

Ira K. Blough, Jr.
William R. Boehm
Robert M. Brown
Michael J. Burns, Jr.
William D. Baker
William E. Benbow
Thomas G. Burley, Jr.
Benjamin C. Byrnside, Jr.
Noel A. Burkey, Jr.
Julian T. Burke, Jr.
George E. Brandt, Jr.
Roman L. Brooks
Paul H. Backus
Paul J. Brownlow
Ben W. Blee
Dudley S. Billett, Jr.
Albert J. Beede
Randall T. Boyd, Jr.
David L. Byrd
Paul S. Bazier, Jr.
Max P. Bailey, Jr.
Robert R. Boettcher
Arthur H. Berndtson
George G. Ball
Horace E. Bent
Edward R. Blair, Jr.
Donald E. Bruce
John R. Beardall, Jr.
Paul J. Bruneau
Robert A. Bogardus
Pride C. Brown, Jr.
William W. Bush, Jr.
Donald W. Bowman
Robert L. Baughan
John H. Bowell
Jerry M. Barlow
Leonard F. Bassett
Charles J. Beers
George C. Ball, Jr.
Allen A. Bergner
Clifford W. Bundy
Bud K. Beaver
Thomas C. Buell
John E. Bennett
William C. Bryan
James H. Batcheller, Jr.
Malcolm D. Balbirnie
Shelton R. Beacham
Charles L. Bardwell
Nelson C. Bliven
Robert C. Corlett
Cecil Clark
Douglas F. Chamberlin
DeWitt D. Chapman, Jr.
Donald E. Carr, Jr.
Charles S. Coombs
Robert E. Clements
Pierre N. Charbonnet, Jr.
James C. Cochran
Lawrence B. Caine, Jr.
William H. Chester
Geoffrey E. Carlisle
James B. Cannon
Enser W. Cole, Jr.
Henry J. Conger
Robert R. Crutchfield
Christian H. Cochran
Clem B. Connally
John M. Caster
Malcolm W. Cagle
Douglas A. Clark
John H. Caldwell
Quentin C. Crommelin
Robert J. Celuska
Harry A. Clark
William A. Clark
Elbert V. Cain, Jr.
Conrad H. Carlson
Allen P. Cooke, Jr.
John D. Chase
Donald D. Chapman
Mat M. Cain, Jr.
Asa A. Clark III
Arlie G. Capps
Damon W. Cooper
John A. Camera
Charles H. Champion
Harold W. Calhoun
Francesco Costagliola
Richard L. Cochrane
Russell S. Crenshaw, Jr.
Royal C. Carrington
William H. Christensen
George C. Cook
Ralph B. Carlson
William L. Conley
Eugene N. Curtis
William J. Caspari
Alexander H. Clark, Jr.
James A. Cooper
James S. Cooper
Francis P. Cuccias
William M. Carpenter
Lionel A. Collins, Jr.
Ralph S. Chandler
Charles H. Carr
Robert B. Clark
Albert H. Clancy, Jr.
James J. Coyle
Norbert A. Commons
Oscar F. Dreyer
Elbert F. Durfee, Jr.
Forrest M. Divine
John M. Duke, Jr.
Maynard H. Dixon
Douglas C. Davis
James H. Davies
James Dyer
John T. Davies
Frank L. DeLorenzo
Robert S. Dail
Mitchell K. Disney
William S. Daubin
Joseph Demetree
Albert L. Dodson
Calvin T. Durgin, Jr.
Robert L. Dahlof
Clarence R. Deller, Jr.
John B. Davenport
Ralph P. Desmond, Jr.
Victor Delano
William J. Denholm
Stiles M. Decker, Jr.
John C. Doherty
Ernest W. Dobie, Jr.
Donald W. DeFay
Ira Dye
Irving J. Davenport
James H. Downs
Lukas V. Dachs
Joseph F. Dorrington
Orval C. Dickes
Thurlow G. Doyle
James P. Drake
Julius P. Damrow
John P. Davis
Henry D. Davison
Oliver S. Dwire
James G. Egan
Joseph A. Eddins
Henry J. Ereckson, Jr.
Henry M. Easterling
Horace H. Epes, Jr.
Douglas K. English
Blaine E. Eader
Elbert H. English, Jr.
Arthur J. Ela
Felix L. Englander
Frank G. Edwards
Arthur G. Esch
Daniel B. Elmore
August W. Elliott, Jr.
Philip F. Eckert
James E. Elkins, Jr.
Aubrey D. Engle
Myron T. Ebright
Stanley E. Ellison
George E. Everly
John P. Edwards
Alfred C. Edwards
Lyttleton B. Ensey
Clarence L. Foushee
Archie R. Fields
Otis C. Ferrell, Jr.
Daniel Flynn
Richard B. Franklin
Robert J. Fleming
Levern E. Forkner
Francis L. Forshee
Charles L. Fears
David R. Fitzgerald
Robert E. Farkas
Edward R. Fickenscher, Jr.
Edwin D. Ferretti
William E. Fly
Walter J. Frazier
Benjamin T. Frana
Richard E. Foster
John C. Feick, Jr.
Samuel A. Forter
Edward J. Fruechtl
Gale S. Felton
Ovid C. Foote, Jr.
David G. Fleming
Harry F. Fischer, Jr.
David R. Flynn
Willis H. Fisher
Neil H. Fisher
John F. Felter
Charles D. Fonvielle, Jr.
Robert C. Fletcher
John W. Freeborn
Norbert Frankenberger
Paul J. George
Elphege A. M. Gendreau, Jr.
Garth D. Gilmore
Fred J. Gorczyk
Alexander S. Goodfellow, Jr.
Donald L. Garver
Paul N. Gray
George L. Gullette
James W. Grant
Calvert B. Gill
Dick H. Guinn
Robert W. Gabel
Oscar E. Gray, Jr.
Jack L. Grayson
Ned Garrett
Mark M. Gantar
Frank Grime, Jr.
Harold L. Graham, Jr.
Pleas E. Greenlee, Jr.
Harold T. Goranson
Grover G. Gilmore
Frank J. Graziano
John T. Garrow
Thomas C. Gurley
George A. Gowen
Russell W. Gash
Julius E. Gibbs
Frank M. Graham
Charles W. Gunnels, Jr.
John E. Greenbacker
Walter D. Gaddis
Joseph Garrett
Philip T. Glennon
Everett M. Glenn
Louis P. Gray III
Floyd J. Greene
William H. Game
Ralph A. Groom
Ralph I. Gerber
Leon Grabowsky
John P. Gibbons
Alton L. Gardner
Michael J. Hanley, Jr.
Jack A. Holmes
Frank M. Hertel
Hugh A. Hanna
John W. Henry
Harold Hutchinson
John P. Howatt
Guy E. Hearn, Jr.
William D. Harrington
Enders P. Huey
Fred C. Herriman
Edward F. Hayes
Vincent P. Healey
James M. Werth
William A. Hudspeth
William J. Henning
Herbert R. Hein, Jr.
Jacob V. Heimark
Edward V. P. Horne
John S. Hill
Eugene A. Hemley
Theodore Hechler, Jr.
James W. Hardy
Richard G. Hill
Lucian J. Hunt, Jr.
Jack J. Hinman III
Harry E. Holt
William H. House
John D. Howell
Heinrich Heine, Jr.
James L. Henderson
Harold O. Hilmar
Robert E. Huddleston
William F. Heyer
Harvey N. Hop
Edward M. Higgins
Edgar P. Hazleton, Jr.
Chester G. Hall, Jr.
George M. Hagerman
Joseph A. Houston
Nelson E. Harris
Houlder Hudgins
Samuel E. Hazelett
James C. Houghton
Thomas V. Hennessey
Clarence M. Hart
Raymond M. Harris
Herbert B. Hosmer, Jr.
Thomas W. Heath
Howard H. Hickman, Jr.
Robert W. Hayler, Jr.
Clarence C. Hawk
Cary H. Hall
Raymon A. Hundevadt
James G. Hedrick
Frank J. Hill
Raymond E. Hill
George M. Hawes
Robert Hailey
William J. Hughes, Jr.
William M. Hodges
Edward C. Hines, Jr.
Robert E. Harris
Robert M. Hill
John I. Hardy
William W. Hargrave
Joseph E. Hokr
Charles K. Holzer
George A. Hayes
Harvey W. Hall, Jr.
George W. Harbrecht
William E. Henry
Edward Heck, Jr.
Van Dyke Johnson
William W. Jones
Barton F. Jones
Benjamin P. Jacobs
Norman D. Johnson
David H. Jackson
Edward F. Jacobs
Joseph M. Jones
Royal K. Joslin
William E. Judge
Stuart C. Jones
Robert E. Jeffery
James P. Jamison
Edmond M. Jacoby
John C. James
Jack L. Kenner
Leslie E. King
Richard L. Karl
George H. Kronmiller
Joseph J. Keim
Saul Kats
David L. G. King
Donald R. Knapp
William J. Keating
Herman H. Kiare, Jr.
Irving A. Kittel
Robert L. Kalen
Ambrose J. Kinion, Jr.
Francis V. Kenney
Lyle H. Keator
Raymond J. Koshlick
Norman E. Knapp
Phillip T. Krell
Donald M. Kable
George P. Kurtz
Archie P. Kelley
Eugene W. Krebsbach
Robert K. Kaufman
Robert A. Kincaid
John E. Kirk
Claude L. Kishler
Sheldon H. Kinney
Gale E. Krouse
Eugene T. Kirk
Ira M. King
George W. Kittredge
Donald C. Kirk
Leon C. Klingaman
Warren C. Kiracofe
James P. Lynch
Robert P. Luker, Jr.
Eugene D. Lamiman
Lewis E. Larson, Jr.
William E. Lamb
Percy A. Lilly, Jr.
Frederick G. Lewis
Charles W. Lynn, Jr.
Frederick W. Luebke
John E. Lacouture
Norman I. Lee, Jr.
Jack A. La Spada
Harold G. Leahy
George J. Leger
Carl E. Lundin, Jr.
John P. Litsey
Miles A. Libbey
Earl A. Luehman
William F. Laffey
Ashley J. Little
Richard W. Long
Scott Lothrop
Jay V. Lancaster
Claude O. Lowe
Edward A. Lane, Jr.
Lawrence S. Lockett
Nathan R. Lincoln, Jr.
James C. Longino, Jr.
Richard B. Laning
Joseph Lynn
Lester B. Libbey, Jr.
William E. Lemos
Robert E. Lee, Jr.
Delwin A. Liane
Bruce K. Lloyd, Jr.
Murl A. Larkin
Francis X. Markey
Howard N. Moore
Arthur L. Maltby, Jr.
Francis R. Molitor
Frederick H. Michaelis
Thomas S. Medford
Frederick W. Maxwell, Jr.
Paul D. Mitchell
Collis O. Marshall
Mark V. Montgomery, Jr.
John A. Montgomery, Jr.
Oscar D. MacMillan
William W. Meadors
Richards T. Miller
William G. Matton, Jr.
Russell F. Moon
John G. Messer
Harold A. Moody, Jr.
Victor A. Moitoret
Raymond E. Moore
John C. Micheel
William J. Maddocks
Milton J. Morgan
Edward G. Miller
Robert N. Miller
Guy A. Mason
Winfield G. Maurer
John A. Mullen
Ashton C. Miller, Jr.
George S. Morrison
John M. Miller
Howard H. Montgomery, Jr.
William R. Meyer
Niel A. MacKinnon
John W. M. Montgomery
Edward Muhlenfeld
Victor S. Mauldin
Lyman C. Millard, Jr.
Stephen H. MacGregor, Jr.
Phillip A. Murray
Vincent U. Muirhead
Martin J. Mulderrig, Jr.
Roderick O. Middleton
William H. Mack
Dante R. Marzetta
Raymond A. Mazalewski
Raymond L. Milner
Robert H. Mathew, Jr.
Tom B. Martin, Jr.
Odin H. MacPhee
Lawrence J. Mack
James F. Merritt, Jr.
William B. Morton
Richard A. Markham
Robert D. Macklin
Guiseppi Macri
Elwood C. Mildahn
Robert F. Milota
Edwin S. Memel
David A. Marks
Richard C. Mueller
John B. Mutty
Walter P. Murphy, Jr.
James C. McCoy
John J. McMullen
Thomas E. McCormick, Jr.
Donald E. McCoy
William R. McKinney
Terry T. McGillicuddy
James F. McRoberts
Robert W. McIntosh
Joseph B. McDevitt
Richard H. McElligott
Arthur G. McIntyre
Farrell B. McFarland
Fred P. McDaniel
Earl W. McLaughlin
William R. McClintick
William I. McGowan
William M. Nicholson
George H. Nolte
John B. Nelson
John R. Newland
Charles E. Nelson
Archibald T. Nicholson, Jr.
Marshall W. Nicholson
Richard M. Niles
Sherman Naymark
Gordon K. Nicodemus
Thunnison H.T. Norris
Edmond J. Newbould
John W. Newsom
Richard J. Nesbitt
Kenneth S. Nelms
Albert W. Newhall, Jr.
Mohl C. Norton, Jr.
Robert M. Nelson
Roy A. Norelius
Donald K. Olson
Rue O'Neill, Jr.
James A. Oliver, Jr.
William D. Owen, Jr.
Lynn S. Orser
Thomas B. Owen
Robert O'Toole, Jr.
Hugh D. O'Neill
Manley C. Osborne
Welby N. Pugin, Jr.
Denny P. Phillips
John W. Pickens
Burton L. Parke
Joseph S. Phillips
Paul M. Paul
Howard A. Patrick
Franklin F. Penney
Elwin A. Parker
Arnold G. Plemons
Grant A. Palmer, Jr.
Ramon M. Perez
Harry M. Pugh
Thomas C. Provost III

Robert H. Pauli	John Sweeny
William L. Pack	Charles W. Smith, Jr.
Mortimer J. Prince	Lowell C. Savage
Forrest A. Pease	John W. Sullivan
Norman L. Paxton	Henry B. Somerville
Thomas R. Perry, Jr.	James E. Shew
James F. Phelan	Stoughton Sterling, Jr.
William F. Payson	
Norman E. Petersen	John F. Schrefer
Gaylord S. Parrett	Herschel V. Sellers, Jr.
Frank H. Price, Jr.	Wilson J. Sweeney
Richard W. Parker	Henry E. Surface
John E. Plummer	John A. Skinner
Elbert W. Pate	Julian I. Schocken
Robert J. Perkinson	Bruce T. Simonds
John W. Palm	Joseph C. Spitler
Ernest R. Peterson	Sidney A. Sherwin, Jr.
David P. Polatty, Jr.	David M. Sharer, Jr.
George R. Palus	Ribert W. Savage
LeRoy R. Powell	John T. Straker
Clarence O. Payne	James C. Smith, Jr.
Irvin G. Peters	Harvey B. Seim
Donald F. Quigley	Robert C. Starkey
Robert D. Quinn	Arthur J. Schultz, Jr.
Donald A. Reader	Ross B. Spencer
William D. Roseborough, Jr.	Carl A. Sander, Jr.
	William A. Shryock
William E. Rouse	Hugh B. Sanders, Jr.
Robert B. Rueger	Harry M. Simpson
William T. Roddy	Hoke M. Sisk
William B. Rodman, 4th	Bradford G. Swonetz
	Frank M. Sanger, Jr.
Max V. Ricketts	Charles W. Smalzel
George F. Roe, Jr.	George S. H. Sharratt, Jr.
James W. Reed	
John W. Roberts	Richard G. Sly
William C. Rivers	Charles N. Shane
Leonard J. Reintjes	William W. South
Thomas B. Root	Thomas P. Smith, Jr.
Robert H. Rathbun	Howard A. I. Sugg
Benjamin F. Rowe	Vining A. Sherman
Raymond A. Robinson	Charles W. Styer, Jr.
David B. Rodman	Kenneth G. Simmons
Charles W. Rush, Jr.	Richard W. Shafer
Rex E. Rader	Roy C. Smallwood, Jr.
John F. Refo	Charles A. Skinner
Edward A. Rodgers	Richard G. Shutt
Joseph H. Rayburn	Harvey J. Smith, Jr.
Frederick J. Ruder	Roger F. Smith
Eli B. Rogers	John E. Tuttle
Frank T. Ratchford	Vernon E. Teig
Andrew H. Reid	Edward A. Taber, Jr.
Lyle B. Ramsey	William G. Thatcher
Frank J. Reiser, Jr.	Stephen R. Towne
Gerald M. Reeves	William W. Trice
Albert A. Richards	William H. Thornton, Jr.
Edward G. Rifenburgh	
John H. Rockwell, Jr.	Edwin A. Tucker
Joseph E. Reedy	Donald C. Tabb
John M. Reade	Herman J. Trum 3d
Everett E. Roberts, Jr	Forrest A. Todd
Wesley H. Ruth	William Tessin
James V. Rowney	Thomas H. Taylor
William H. Rowen	Ray C. Tylutki
David M. Rubel	Russell F. Trudeau
Alan Ray	Robert L. Tully
Jack S. Ross	William P. Tyler
Carl C. Schmuck, Jr.	Robert E. Tugend
Edward C. Svendsen	John B. Thro
James W. Steidley	Charles P. Trumbull
Ralph C. Smith, Jr.	Leopold R. Tilburne
Pemberton Southard	James R. Thomson
Stanley R. Stanul	Kenneth M. Tebo
Kenneth Steen	Joseph K. Taussig, Jr.
Frederick W. Snyder	Wallace A. Utley
Julius F. Steuckert	Frank G. Vessell
Raymond J. Schneider	Powell P. Vail, Jr.
Richard J. Selman	August V. V. Vorndam
Stewart W. Swacker	Arthur E. Vickery
Burns W. Spore	Demetrius J. Vellis
Roy G. Shults	Henry L. Vaughan
Eugene Sobczyk	Hugh B. Vickery
Marion K. Smith	Harvey O. Vogel
Howard L. Smolin	Markeson Varland
Robert M. Strieter	William C. Vickery, Jr.
Tony F. Schneider	Sam O. Violett
Louie W. Strum, Jr.	Eugene P. Wilkinson
Edward C. Sledge	Jesse D. Worley
Weldo W. Simons	Horace R. White
Milton J. Silverman	Frederick C. Wiseman
Charles G. Strum	Thomas R. Weschler
Harry C. White	John M. Watson
William E. Wiesert	Max E. E. Woyke
Curtis C. Worley	George O. Wood
George R. Wells	Charles S. Walline
John W. Williams	Ralph L. Werner
Hubert P. Wirth	Wayne W. Watkins
Samuel C. Walls	Frederick C. Wyse, Jr.
Malcolm E. Wolfe	Stanley E. Wagenhals
John P. Wier, Jr.	Joseph A. Wallace III
Robert W. Windsor, Jr.	William A. Walker III
	John A. Whitacre
Roger A. Wolf	Raymond V. Welch
Emmett W. Wood	Maurice F. Weisner
Herbert E. Weyrauch	Robert P. Williams
Richard M. Wright	Ralph V. Wilhelm
John E. Whyte	William C. Walsh, Jr.
William E. Westhoff	Alonzo H. Wellman, Jr.
Herbert C. Weart	
James T. Warns	Robert A. Weatherup
Harry W. Wood	Frank Welch, Jr.
Donald G. White	Ward W. Witter
Melvin H. Warner	Joseph C. Wheeler, Jr.
Thomas B. Wolfe	Tom H. Wells
Everleigh D. Willems	Justin W. West
Warren Weeks	Lloyd V. Young
Hugh Wood, Jr.	Milton A. Zimmerman
Clarence C. Wright	
Malcolm W. Whitaker, Jr.	Joseph C. Zirkle, Jr.
	Chester V. Zalewski
Leigh C. Winters	Joseph F. Zawacki, Jr.
William H. Withrow	Clarence J. Zurcher
Robert H. White	

For temporary appointment in the Naval Reserve:

Elliott H. Glunt	John D. Rooney
Merle MacBain	Tad Stanwick
Lyle C. Read	

CONFIRMATION

Executive nomination confirmed by the Senate November 29 (legislative day of November 27), 1950:

DEPARTMENT OF DEFENSE

Robert A. Lovett, of New York, to be Deputy Secretary of Defense.

SENATE

THURSDAY, NOVEMBER 30, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, turning aside for this hallowed moment from the violence and turbulence of these embittered days, we would hush the words of the wise and the prattle of the foolish. Let not the state of the world, plunged now into such tragedy and confusion, dim our faith in the ultimate decencies.

May the costly testings of these days be to us but as the refiner's fire, consuming the dross, bringing out the pure gold of our democracy. Teach us Thy lessons, show us Thy way, convict us of our follies, sober us by Thy chastisements, and make us the instruments of a durable peace, just to all nations and hopeful for all men. In this hour of crisis and tension, we lift our living Nation a single sword to Thee. Amen.

THE JOURNAL

On request of Mr. O'MAHONEY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, November 29, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVES OF ABSENCE

Mr. LUCAS. I ask unanimous consent that the Senator from Rhode Island [Mr. GREEN] and the Senator from Michigan [Mr. FERGUSON] be excused from attending the sessions of the Senate, beginning tomorrow, for an indefinite period, inasmuch as these Senators have been appointed by the Vice President to attend the Commonwealth Parliamentary Association meeting in Australia, as delegates from the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LUCAS. I hope both Senators will arrive safely in Australia, after passing through those troubled waters.

Mr. TAFT. And we also hope that they will return safely.

Mr. LUCAS. Yes; we also hope that they will return safely.

CREDENTIALS

Mr. RUSSELL. Mr. President, I send to the desk for filing the credentials of my distinguished colleague the senior Senator from Georgia [Mr. GEORGE].

The PRESIDENT pro tempore. The credentials will be read.

The credentials were read, as follows:

STATE OF GEORGIA,
EXECUTIVE DEPARTMENT,
Atlanta.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, WALTER F. GEORGE was duly chosen by the qualified electors of the State of Georgia a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency our Governor Herman E. Talmadge, and our seal hereto affixed at Atlanta, this 24th day of November, in the year of our Lord 1950.

HERMAN E. TALMADGE,
Governor.

By the Governor:
[SEAL] BEN W. FORTSON,
Secretary of State.

The PRESIDENT pro tempore. The credentials will be placed on file.

Mr. O'MAHONEY. Mr. President, I think we are all delighted to have presented the certificate of reelection of our distinguished and beloved colleague. May I ask the Senator from Georgia if it is intended now to ask for additional proceedings with respect to it?

Mr. RUSSELL. No additional proceedings can be had until January 3 next, because of the fact that the new term of the senior Senator from Georgia will not begin until the new Congress convenes.

Mr. O'MAHONEY. I had forgotten for the moment that we were not in the new session of Congress.

The PRESIDENT pro tempore. The Chair is in receipt of certificates from the Governors of Idaho and North Carolina certifying the election of new

Senators from those States. They are WILLIS SMITH, Senator from North Carolina, and HENRY C. DWORSHAK, Senator from Idaho. The Senators have already taken the oath of office.

The credentials were read and ordered to be placed on file, as follows:

STATE OF NORTH CAROLINA,
EXECUTIVE OFFICES,
City of Raleigh.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950 WILLIS SMITH was duly chosen by the qualified electors of the State of North Carolina a Senator from said State to represent said State in the Senate of the United States for the unexpired term of 6 years, ending January 2, 1955.

Witness: His Excellency our Governor W. Kerr Scott, and our seal hereto affixed at Raleigh, this 28th day of November, in the year of our Lord 1950.

W. KERR SCOTT,
Governor of North Carolina.

By the Governor:
[SEAL] THAD EURE,
Secretary of State.

STATE OF IDAHO,
DEPARTMENT OF STATE.

CERTIFICATE

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950 HENRY C. DWORSHAK was duly chosen by the qualified electors of the State of Idaho a Senator from said State to represent said State in the Senate of the United States for the unexpired term of 6 years, ending on the 2d day of January 1955.

Witness: His Excellency our Governor C. A. Robins, and our seal hereto affixed at Boise, this 27th day of November in the year of our Lord 1950.

C. A. ROBINS,
Governor.
[SEAL] J. D. CY PRICE,
Secretary of State.

Mr. FLANDERS. Mr. President, I send to the desk the credentials indicating the election of Hon. GEORGE D. AIKEN to the Senate in the 1950 election.

The PRESIDENT pro tempore. The credentials will be received, read, and placed on file.

The credentials were read and ordered to be placed on file, as follows:

STATE OF VERMONT,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1950, GEORGE D. AIKEN was duly chosen by the qualified electors of the State of Vermont a Senator from said State to represent said State in the Senate of the United States for a term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, Harold J. Arthur, and our seal hereto affixed at Montpelier, this 21st day of November, in the year of our Lord 1950.

HAROLD J. ARTHUR,
Governor.

By the Governor:
[SEAL] HOWARD F. ARMSTRONG,
Secretary of State.

NOMINATIONS OF ANNA M. ROSENBERG AND JOHN D. SMALL

Mr. O'MAHONEY. If there are no additional routine matters to be taken up, I shall suggest the absence of a quorum.

Mr. BYRD. Mr. President, will the Senator withhold the suggestion of the absence of a quorum?

Mr. O'MAHONEY. I withhold it.

Mr. BYRD. As in executive session, from the Committee on Armed Services, I ask unanimous consent to report favorably the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense, the position to which she was appointed during the last recess of the Senate; also the nomination of John D. Small, to be chairman of the Munitions Board, a position to which he was appointed during the last recess of the Senate. Action on these nominations was unanimous by the Committee on Armed Services. I ask that the nominations be placed on the calendar.

The PRESIDENT pro tempore. Without objection, the nominations will be received and placed on the Executive Calendar.

INVESTIGATION OF INTERNAL SECURITY OF THE UNITED STATES

Mr. O'MAHONEY. I suggest the absence of a quorum.

Mr. EASTLAND. Mr. President, will the Senator withhold the suggestion of the absence of a quorum?

Mr. O'MAHONEY. I withhold it.

Mr. EASTLAND. Mr. President, on behalf of the Senator from Nevada [Mr. MCCARRAN], the Senator from Maryland [Mr. O'CONOR], the Senator from Wisconsin [Mr. WILEY], the Senator from Michigan [Mr. FERGUSON], the Senator from Indiana [Mr. JENNER], and the senior Senator from North Dakota [Mr. LANGER], I ask unanimous consent to submit for appropriate reference a resolution.

The PRESIDENT pro tempore. Without objection, the resolution will be received and appropriately referred.

The resolution (S. Res. 366) was received and referred to the Committee on the Judiciary, as follows:

Whereas the Congress from time to time has enacted laws designed to protect the internal security of the United States from acts of espionage and sabotage and from infiltration by persons who seek to overthrow the Government of the United States by force and violence; and

Whereas those who seek to evade such laws or to violate them with impunity constantly seek to devise and do devise clever and evasive means and tactics for such purposes; and

Whereas agents and dupes of the world Communist conspiracy have been and are engaged in activities (including the origination and dissemination of propaganda) designed and intended to bring such protective laws into disrepute or disfavor and to hamper or prevent effective administration and enforcement thereof; and

Whereas it is vital to the internal security of the United States that the Congress maintain a continuous surveillance over the problems presented by such activity and threatened activity and over the administration and enforcement of such laws: Now, therefore, be it

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof, is authorized and directed to make a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950; (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage and the protection of the internal security of the United States; and (3) the extent, nature, and effects of subversive activities in the United States, its Territories and possessions, including but not limited to espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organization controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence.

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to hold such hearings, to require by subpenas or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and, within the amount appropriated therefor, to make such expenditures as it deems advisable. The cost of stenographic services to report hearings of the committee or subcommittee shall not be in excess of 25 cents per hundred words. Subpenas shall be issued by the chairman of the committee or the subcommittee, and may be served by any person designated by such chairman.

A majority of the members of the committee, or duly authorized subcommittee thereof, shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the committee, or by such subcommittee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. The committee, or duly authorized subcommittee, shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, and is authorized to utilize the services, information, facilities, and personnel of the various departments and agencies of the Government to the extent that such services, information, facilities, and personnel, in the opinion of the heads of such departments and agencies, can be furnished without undue interference with the performance of the work and duties of such departments and agencies.

SEC. 4. The expenses of the committee, which shall not exceed $100,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

SEC. 5. The committee shall from time to time report to the Senate the results of its study and investigation, together with such recommendations as it may deem advisable respecting necessary legislation. All authority conferred by this resolution shall terminate on March 1, 1952.

Mr. EASTLAND. Mr. President, I ask unanimous consent that I may be permitted to make a brief statement in conjunction with the resolution I have just submitted.

Mr. WHERRY. Mr. President, is there any objection to having a quorum call so that all Senators may hear what the Senator from Mississippi has to say?

Mr. EASTLAND. No; I have no objection to a quorum call.

Mr. WHERRY. Mr. President, I should like to have a quorum call.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Of course, when a request for a quorum call is made all business must be laid aside for that purpose.

Mr. MAYBANK. Mr. President, will the Senator from Nebraska withhold

his suggestion of the absence of a quorum?

Mr. WHERRY. I feel that if business is to be transacted we should first have a quorum call. However, if the Senator insists that I withhold my request I shall be glad to do so.

Mr. MAYBANK. No; I withdraw my request of the Senator.

Mr. O'MAHONEY. Mr. President, I had suggested the absence of a quorum, but later withheld it because I understood some Senators wished to present routine matters. It is a different matter if speeches are to be made. We have unfinished business before the Senate, and I do not wish to have the unfinished business interrupted by speeches or discussion of irrelevant matters which have nothing to do with the business before the Senate. It seems to me that if we yield to one Senator we shall have to yield to other Senators as well. Therefore, I ask the Senator from Mississippi how long he expects to speak on the resolution.

Mr. EASTLAND. I desire to make a statement on the resolution which I have offered. The statement I desire to make covers a page and three-quarters. I also wish to read into the RECORD a statement on behalf of the Senator from Nevada [Mr. MCCARRAN] which is approximately one page long. I should judge my reading of the statements would take approximately 2 minutes.

Mr. FERGUSON. Mr. President, I should like to make a statement of approximately 3 minutes on the same resolution.

Mr. O'MAHONEY. Are there any other similar requests?

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Mr. President, I am trying to find out what the situation is, if the Senator from Nebraska will bear with me for a moment. Are there any other Senators who desire to defer the calling of a quorum in order to insert routine matters into the RECORD? I may say to the Senator from Nebraska that if it will take only 3 or 4 minutes to present the statements I would have no objection to withholding my suggestion of the absence of a quorum.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WHERRY. I did not object because of the nature of the material to be discussed. However, I believe such statements should be heard by all Members of the Senate, and therefore I requested that a quorum call be had. It is immaterial to me whether we proceed without a quorum call. If the Senator from Mississippi wishes to make his statement without first having a quorum call, it is agreeable to me. I felt it would put all Senators on notice if we first had a quorum call. Furthermore, I think it is a good procedure to follow. However, I am perfectly willing to withhold my suggestion of the absence of a quorum.

Mr. EASTLAND. Mr. President, the Senator from Nebraska can make his request. It is utterly immaterial to me.

Mr. O'MAHONEY. Mr. President, I yield to the Senator from Mississippi so that he may proceed with his statement.

Mr. EASTLAND. Mr. President, the resolution which I have just sent to the desk was prepared after consultation with the chairman of the Committee on the Judiciary and other members of the committee whose names appear as sponsors. We have joined in sponsoring this resolution because we feel that the Committee on the Judiciary, which has handled much of the legislation of the Senate dealing with the problems of communism, owes a duty to the Senate and to the people which cannot be fully discharged unless the committee conducts a continuous study and investigation of the operation of our laws relating to espionage, sabotage, and the protection of the internal security of the United States, and the ever-recurring problems of the Communist menace in the United States.

Under the Legislative Reorganization Act of 1946, each committee of the Congress is empowered to make investigations into any matter within its jurisdiction, and accordingly the Committee on the Judiciary is already vested with power, within the confines of its jurisdiction, to make certain investigations relating to our internal security. The purpose of the resolution is therefore to implement the power of the committee under the Legislative Reorganization Act and to provide funds with which to equip the committee in the discharge of its duty.

As one who has served on the subcommittees of the Committee on the Judiciary which have been working on legislation dealing with espionage, sabotage, and Communist infiltration, I am convinced that we are confronted by a task which must be the subject of continuous effort. If, Mr. President, it is sound for the Congress to set up watchdog committees to maintain a surveillance over the operation of our programs of expenditures at home and abroad, it is equally sound to equip the Committee on the Judiciary to maintain a watchful eye over our program to protect the internal security of this country.

Now, Mr. President, I desire to read a statement on the resolution prepared by the senior Senator from Nevada [Mr. MCCARRAN], who is absent from the city of Washington at this time. This is his statement:

> Over the course of many years there have been accumulated by various committees of the Congress substantial quantities of information respecting the scope and nature of the Communist fifth column in the United States, and the Congress has, from time to time, enacted laws which were designed to meet this threat.
>
> The purpose of the Senate resolution is not to again marshal the factual material which has already been assembled and which demonstrates conclusively the deadly menace of the Communist fifth column, nor is it the purpose of the resolution to vindicate the judgment of the Congress in enacting the laws which it has enacted to cope with the many facets of the problem.
>
> One of the elementary truths respecting communism in the United States is that it is a dynamic movement which, with devilish cunning, constantly seeks new avenues of expression and escape from detection. One might wish that it were possible for the Congress of the United States to build a legislative Maginot line to protect us from Communist activity, but experience teaches us that we must be constantly alert to the new tactics which are being devised to evade our best legislative efforts. It is for this reason principally that the instant resolution has been presented to the Senate, so that the Congress and the people may constantly be informed of our progress in this fight.

Mr. FERGUSON. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Michigan?

Mr. O'MAHONEY. I yield.

Mr. FERGUSON. Mr. President, speaking as one of the cosponsors of the resolution now being presented, I wish to make a few remarks.

The PRESIDENT pro tempore. Does the Senator from Wyoming yield for that purpose?

Mr. O'MAHONEY. I yield to the Senator from Michigan.

Mr. FERGUSON. Mr. President, just at this hour of terrible crisis, when the military might of communism has been thrown at the military forces of the United States and the free world, there is being published in American newspapers documentary evidence of the Communist conspiracy for espionage and sabotage.

The combination of those circumstances underlines the imperative need for the resolution which has been submitted by the Senator from Mississippi [Mr. EASTLAND] for himself and other Senators, including myself.

Short of invasion, this Nation has only one way of combating communism and its tactics internally. That is, moral force, backed by law. We have enacted a law, the Internal Security Act of 1950, carefully designed to protect the Nation against the Communist conspiracy. It is the proper and indispensable function of Congress at this moment to see that that act is vigorously and fairly enforced. It is, moreover, the proper and indispensable function of Congress at this moment to determine what further measures may be necessary to protect the Nation's securities and liberties against the ravages of the Communist conspiracy.

Both functions come within the province of the Senate Judiciary Committtee. To serve those ends a thorough and continuing investigation of the Communist conspiracy, and the effectiveness of our efforts to combat it, is necessary. That is the purpose of this resolution. Need for its immediate adoption is clear and compelling.

This Nation and the free world are suffering at this moment from indecision in our external relations with communism. At this same moment we cannot sit idly by and permit indecision here at home to engulf us.

Mr. President, I hope immediate action will be taken on the resolution, and that it will be favorable.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the thirty-sixth annual conference of the International City Managers' Association, at Houston, Tex., relating to the establishment of a complete Federal civil defense program; to the Committee on Armed Services.

A resolution adopted by the Council of Men's Work, Church of the Brethren, Middle District of Iowa, Minburn, Iowa, favoring the establishment of peace through the United Nations rather than by force; to the Committee on Foreign Relations.

A resolution adopted by the Michigan Milk Producers' Association, of Detroit, Mich., protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A resolution adopted by the Propeller Club of the United States, Port of San Juan, Puerto Rico, relating to the recent attempted assassination of the President; ordered to lie on the table.

INCREASE OF APPROPRIATIONS FOR NATIONAL DEFENSE—RESOLUTION OF AMERICAN INSTITUTE OF ACCOUNTANTS

Mr. BYRD. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the American Institute of Accountants, at its annual meeting on October 3, 1950, at Boston, Mass., relating to an increase of appropriations for national defense purposes.

There being no objection, the resolution was referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed in the RECORD, as follows:

Whereas the necessity for increased expenditures by the Federal Government for purposes of national defense makes even more desirable than formerly the greatest possible economy in administration of all departments of the Federal Government; and

Whereas only a part of the recommendations of the bipartisan Hoover Commission directed to the elimination of overlapping, duplications, and waste in the operations of the Federal Government have been adopted by the Congress: Therefore be it

Resolved, That the American Institute of Accountants at its annual meeting at Boston, Mass., October 3, 1950, urges the Congress to enact legislation at the earliest possible time to give effect to the remaining recommendations of the Hoover Commission which have not yet become effective.

RESOLUTIONS OF WISCONSIN COUNCIL OF AGRICULTURE COOPERATIVE

Mr. WILEY. Mr. President, I have in my hand a series of resolutions forwarded to me by Peter E. May, assistant executive secretary of the Wisconsin Council of Agriculture Cooperative.

This distinguished organization is headquartered in 814 Tenney Building, Madison, Wis.

Several of the resolutions adopted at the twenty-second annual farmers' get-together conference of the Wisconsin council at the Hotel Loraine in Madison on October 25 relate to State dairy problems, but I have assembled those resolutions affecting the Congress and national topics. I should like to invite the attention of my colleagues to this series of stimulating resolutions, and so I ask unanimous consent that the resolutions be appropriately referred and printed in the RECORD at this point.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTIONS OF WISCONSIN COUNCIL OF AGRICULTURE COOPERATIVE, 814 TENNEY BUILDING, MADISON 3, WIS., ADOPTED AT THE TWENTY-SECOND ANNUAL FARMERS' GET-TOGETHER CONFERENCE HELD AT THE HOTEL LORAINE, MADISON, OCTOBER 25, 1950

RESOLUTION 1. THE THREAT OF AGGRESSION

Our country faces a grave emergency, caused by aggressive forces which threaten to overthrow all self-governing free peoples. The Wisconsin Council of Agriculture Cooperative commends our Government in its efforts to unite with other nations to restore peace in the world. The council pledges its support of the rearmament program to the end that we in this country may continue to enjoy those freedoms for which the founding fathers fought and perpetuated in the Constitution of these United States: freedom to participate in government through our elected representatives; freedom of open assembly and discussion; freedom to worship according to one's own conscience; and freedom of opportunity to develop our lives and work after our own pattern. These we cherish. For these agriculture is willing to make sacrifices.

RESOLUTION 2. INFLATION

Wars and defense preparations are inflationary forces. They create demands for goods and services at a rate faster than it is possible to produce goods and services for meeting these demands. As prices go up the dollar buys less and less. It now takes $1 to purchase the same amount of goods and services that could be bought for 60 cents in 1939.

The Wisconsin Council of Agriculture Cooperative, urgently recommends that steps be taken to the end that government spending not connected with the defense program, and civilian spending be curtailed to the extent necessary in order that the demand for goods and services be kept within the limits of the country's ability to supply those goods and services.

The council further recommends that the defense program be financed in the largest feasible measure on a pay-as-we-go basis.

RESOLUTION 4. SELECTIVE SERVICE

We recognize the necessity for all groups in America contributing their fair share of the manpower needed for national defense in this emergency. For this reason agriculture is not asking for preferential treatment.

We urge that the policies of the various county selective service boards be interpreted and applied more uniformly. We ask that full consideration be given to each individual case based on the history of farm experience and any critical family situation that may be involved.

We recommend that consideration be given to the application of less rigid physical requirements as may still be consistent with public manpower utilization for military requirements.

RESOLUTION 9. REA

The rural-electrification program sponsored by the Federal Government through the Rural Electrification Administration has achieved notable success in speedily bringing to American farms the benefits of electric service. When REA was established in 1935, only 1 out of 10 United States farms had central station electric service; as of June 30, 1950, 86.3 percent of America's farms were electrified.

We commend the Rural Electrification Administration on this achievement. We support the continued effort of the REA to expand its services to rural areas.

RESOLUTION 11. LABOR

There are many common needs, interests, and problems existing between farmers and laborers.

To appreciate the singular relationship between farmers and labor, it must be borne in mind that in their business structure farmers are the owners of capital. Farmers are the employers of labor and are the consumers of goods and services produced at the hands of labor. Labor people are likewise important consumers of agricultural products.

We believe that conferences between labor representatives and the Wisconsin Council of Agriculture Cooperative are desirable and will result in better understanding of the problems that are common to labor and farmer cooperatives.

We heartily endorse and will help to foster conferences between agriculture and organized labor.

We believe that each economic group can and should promote the welfare of its own people. We agree that labor has a right to organize in promoting the welfare of workers.

By the same reasoning we believe that agricultural welfare can best be served by organizations and cooperative associations owned and controlled by farmers.

We believe the past and continuing efforts of organized labor to organize farmers have not been in the best interests of agriculture, and we will oppose the efforts of any nonfarmer group to organize farmers.

RESOLUTION 12. AMERICAN DAIRY ASSOCIATION

We recognize the American Dairy Association as being an efficient means for the advertising, promotion, and sale of dairy products and that it has done very effective work, heretofore.

We of the council support the program now being planned by the directors of the Wisconsin and National American Dairy Associations.

RESOLUTION 15. BUTTER TO ARMED FORCES

It is our understanding that the Armed Forces of United States are being supplied with considerable amounts of butter substitutes and that the Commodity Credit Corporation has millions of pounds of surplus butter on hand. We, therefore, recommend that our Armed Forces be supplied with butter until such time as Government holdings of surplus butter are depleted.

RESOLUTION 16. CORPORATION FARMING

In recent years more vegetable processors have increased the size of their own farming operations. The council of agriculture believes—

(1) That this action reduces the farmer's bargaining power in obtaining fair prices and terms of sale for the vegetables he grows.

(2) A disproportionately larger share of the tax burden is assumed by the farmers in such communities.

(3) The fertility of the soil is exploited at a more rapid rate.

(4) Large numbers of out-of-State labor are brought into such communities, which creates uneasy social problems.

(5) The best long-time interests of agriculture can be served by family-type farming.

The council of agriculture, therefore, feels that this trend of corporation farming by canners is neither in the long-term interests of the public nor of agriculture.

RESOLUTION 18. MILK AND FOOD PRODUCTS AS A PUBLIC UTILITY

We are unalterably opposed to any movement on the part of any municipality or any other governmental agency to take over fluid-milk processing and distribution or any other phase of the food industry. We will oppose any action that may be taken before the legislature to legalize any such municipal authority as being detrimental to the interests of agricultural producers and consumers.

RESOLUTION 19. COOPERATIVE INCOME TAX

The income-tax laws and regulations covering cooperatives are not a handicap to other types of business organizations nor have they caused any serious loss of revenue to the Government.

The council of agriculture, therefore, requests our Congressmen and Senators to oppose any changes in the law governing income taxes on cooperatives.

RESOLUTION 21. LIVESTOCK DISEASE CONTROL

Wisconsin dairy and livestock farmers are dependent on sales of dairy and livestock and their products. Livestock diseases cause tremendous losses to farmers and to consumers.

We believe that the administration of livestock sanitation and disease control can be most effectively done through present administrative channels, and we commend the Department of Agriculture in its recent efforts to improve and expand the administrative program of this division.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GEORGE (by request):

S. 4211. A bill to amend certain provisions of the National Service Life Insurance Act of 1940, as amended; to the Committee on Finance.

S. 4212. A bill to authorize and direct the Court of Claims to render judgment upon the merits of the claim of John J. Harte Co.; to the Committee on the Judiciary.

By Mr. CHAVEZ:

S. 4213. A bill making an appropriation for emergency repairs to the Canadian River siphon, Vermejo reclamation project, New Mexico; to the Committee on Appropriations.

By Mr. JOHNSTON of South Carolina (for himself, Mr. LANGER, Mr. ECTON, Mr. LEAHY, and Mr. NEELY):

S. 4214. A bill to amend the act of July 6, 1945, as amended, so as to reduce the number of grades for the various positions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. NEELY:

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended; to the Committee on the District of Columbia.

ADDRESS BY SENATOR MAYBANK BEFORE NATIONAL ASSOCIATION OF REAL ESTATE BOARDS

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an address delivered by him on November 14, 1950, before the Forty-third Annual Convention of the National Association of Real Estate Boards, at Miami Beach, Fla., which appears in the Appendix.]

THE STRENGTH OF UNITY—EDITORIAL FROM THE BOSTON HERALD

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD, an editorial entitled "Close Ranks," published in the Boston Herald of November 17, 1950, which appears in the Appendix.]

THE SITUATION CONFRONTING US IN ASIA—ARTICLE FROM PATHFINDER MAGAZINE

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "No World War in Asia," published in Pathfinder magazine for November 29, 1950, which appears in the Appendix.]

TRAGEDY IN THE FAR EAST—ARTICLE BY WALTER WINCHELL

[Mr. THYE asked and obtained leave to have printed in the RECORD an article entitled "Tragedy in the Far East," written by Walter Winchell and published in the Washington Post of November 30, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

CALL OF THE ROLL

Mr. O'MAHONEY. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Millikin
Anderson	Hayden	Morse
Brewster	Hendrickson	Murray
Bricker	Hill	Myers
Bridges	Hoey	Neely
Butler	Holland	O'Conor
Byrd	Hunt	O'Mahoney
Cain	Ives	Russell
Capehart	Johnson, Tex.	Saltonstall
Carlson	Johnston, S. C.	Schoeppel
Chavez	Kem	Smith, Maine
Clements	Kerr	Smith, N. J.
Connally	Kilgore	Smith, N. C.
Cordon	Langer	Stennis
Donnell	Leahy	Taft
Dworshak	Lehman	Taylor
Eastland	Lucas	Thomas, Okla.
Ecton	McCarthy	Thomas, Utah
Ellender	McClellan	Thye
Ferguson	McFarland	Tobey
Flanders	McKellar	Tydings
Frear	McMahon	Watkins
Fulbright	Magnuson	Wherry
George	Malone	Wiley
Gillette	Martin	Williams
Green	Maybank	Young

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Illinois [Mr. DOUGLAS] and the Senator from Virginia [Mr. ROBERTSON] are absent on public business.

The Senator from California [Mr. DOWNEY] is necessarily absent.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Colorado [Mr. JOHNSON], and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

The Senator from Louisiana [Mr. LONG], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Florida [Mr. PEPPER] are absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from South Dakota [Mr. MUNDT], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The PRESIDENT pro tempore. A quorum is present.

STATEHOOD FOR ALASKA

The Senate resumed the consideration of the motion of Mr. LUCAS to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. O'MAHONEY. Mr. President, I desire to take the floor for a few moments in the endeavor to discover whether or not it is going to be possible to reach a unanimous-consent agreement to vote upon the motion of the majority leader to consider the Alaska statehood bill. Before propounding any unanimous-consent request, however, I desire to make a few observations about the condition in which we find ourselves.

There have been numerous reports and rumors that if the Alaska statehood bill should be made the unfinished business a full scale filibuster would be undertaken against it. As I said the other day when I opened the discussion on the subject, it is wholly within the authority, the power and the right of any Senator to take full advantage of the rule of unlimited debate in the Senate of the United States. It occurs to me, however, that in this crucial period of world history, when the present session, which opened on the 27th of November, must of necessity adjourn before the Eighty-second Congress takes over, we should clearly understand what we are doing.

Dispatches from Paris tell us that the whole French Cabinet resigned because Members of the French Chamber of Deputies were taking full exercise of their parliamentary rights; this at a period when the whole cause of human freedom and parliamentary institutions hangs in the balance.

Mr. President, it has been suggested that the two Territories should not be admitted to the Union. Arguments against their admission to the Union have been advanced by some Senators on and off the floor who are regarded as defenders of States' rights. I desire to point out that opposition to statehood is not support of States' rights.

Opposition to statehood for Alaska and Hawaii is really a declaration that the power of the Federal Government shall continue to be exercised over these Territories and over the people who live in them.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. RUSSELL. I am one of those who object to transferring the sovereignty of Hawaii and Alaska from the Federal Government to new and untried State governments at this time, and I regard that position as being utterly consistent.

Mr. O'MAHONEY. If the Senator will permit me to interrupt him, I will say that there is no question before the Senate of transferring the power at this time. The bills in question, if they ever come before the Senate are authorizations to the people of the respective Territories to draft constitutions and to submit them to Congress. The Congress of the United States at some future time will have to pass upon the admission. So it is not a question now of transfer of authority at this moment or this year or possibly next year to a new State or States.

Mr. RUSSELL. Mr. President, will the Senator again yield?

Mr. O'MAHONEY. I yield.

Mr. RUSSELL. The distinguished Senator from Wyoming is either very skillfully splitting hairs or he is much more optimistic than I am as to the trend of world events. I hope and pray that within the next 10 or 12 months the skies will lighten and that the clouds will pass. But unless I very seriously misjudge the situation, we are in for a period of crisis for many years to come, I repeat, there is absolutely nothing that is inconsistent or contradictory in defending the rights of the States and in opposing the making of new States, which will fix an obligation on the Federal Government to defend their rights in case of any great emergency. Should these Territories be admitted into the United States, either today or next year, I would feel bound to fight for their rights as vigorously as I would defend the rights of Georgia or Wyoming, and I do not think I care to be placed in that position when we do not know but that a terrific blow will be leveled at one of those outposts either tomorrow or 6 months from tomorrow.

I have also been interested to note that many of those who heretofore have had no interest in States' rights, are now vigorously supporting Alaska on the theory that some rights of States are involved. Rights of individual citizens of the United States are involved; but in those Territories no States' rights are involved until the Congress wishes to assume the responsibility of creating States out of them and then defending them in their rights.

Mr. President, this comment is not personally directed to the Senator from Wyoming; but, to my mind, some of those who most vigorously espouse the cause of statehood, hope that statehood will be achieved for those Territories in order to get more votes in the Congress in order to be able to take away the few rights which now remain to the sovereign States.

Mr. O'MAHONEY. Mr. President, of course I understand the position the Senator from Georgia has taken. He made his expression, however, before I had completed my statement.

I say that failure to extend statehood to these Territories will inevitably result in the continued exercise of the power of the Federal Government over them, their resources, and their people. Because of the critical international situation in which we find ourselves, it will be necessary for the central government to exercise more power; and, in time, it may become very difficult indeed to loosen the hand of the Federal Government upon the resources and the Territory, particularly those of the Alaska area.

However, Mr. President, my point is merely to lay the preliminary basis of this discussion as to whether we are going to have a vote. I say that it seems to me a little strange and almost terrifying that in this hour of national danger we should be insisting upon full, parliamentary, technical rights. The time has come, it seems to me, when all the people of the United States, and particularly all of us who bear any of the responsibilities of government, must recognize the fact that free government is in danger throughout the world.

We cannot continue "legislation as usual." If it becomes necessary—and it is necessary—for us to appropriate large sums of money for national defense; if we are going to take further steps, as there is no doubt that we shall, to defend the soldiers of America who by our authority are carrying the Stars and Stripes in Korea; if we are going to defend those whom we have asked to defend us, we are going to make appropriations without limit. When we make those appropriations without limit, either we shall have a tremendous expansion of the deficit or we shall raise additional taxes.

We know that even now debate is going on as to whether we should pass a timid tax bill to protect special interests or whether we should pass a tax bill which will raise the revenue required to be raised in order that we may do the things we must do. Every Member of Congress who knows about the economic situation must realize that if we make the huge appropriations by which we are going to divert our industrial might to the production of the instruments of war, controls will be necessary.

We know that we cannot permit the cost of living to continue to rise. We know that we cannot permit rent costs to rise. We are talking about an extension of rent control for 2 or 3 months. Mr. President, if we really mean business in defense of the men we have sent to Korea, we cannot be timid about the things which must be done. If we are going to spend these days in a fruitless debate designed to prevent an overwhelming majority of the Senate from voting upon this issue, then it seems to me the country ought to know it.

There are some of us who believe that the passage of these two measures is essential as an element of national defense. I was not engaging in oratory or in any appeal to the emotions when I said to the Senate the other day that the Territory of Alaska is separated from Soviet Siberia by only 58 miles across the Bering Straits. I was not engaging in an emotional appeal or a forensic flight when I said that Hawaii, in the center of the Pacific, is the focus upon which the oriental eye is now centered, and that the word will go out all through the Pacific area if the Congress of the United States, by the vote of the Senate, by the delays of the Senate, should say "No, you people in Hawaii may not come into the Union of States."

Mr. President, Hawaii and Alaska are incorporated Territories of the United States. Every lawyer in this body knows that an incorporated Territory is a Territory to which the Constitution of the United States has been extended in such a way that it can not secede from the Federal Union, nor can the Congress of the United States cut it loose, within the law. Territories are different from the mandated islands of the Pacific. They are different from other areas which have temporarily come within our control because the peoples there do not have an economic basis for freedom. These are incorporated Territories of the United States, and in the interest of national defense it seems to me to be clear that they should be admitted into the Union.

However, that is neither here nor there; that is only my opinion. I may be wrong.

One thing I am sure of is that we should have a vote upon the merits, and that we should not undertake now to prolong the discussion by debate upon irrelevant matters, when so many pressing things confront us to be done.

This morning the President of the United States at a press conference, so I am informed, declared that the Executive is now giving consideration to the use of the A-bomb upon the Red puppets of Soviet Russia. I am very glad that statement has been made; I expected such a statement to come from the President. I have no doubt that the President of the United States, who himself served in the Armed Forces during World War I, and General Marshall, the Secretary of Defense, who served in the armed services during World War I and who directed World War II from the exalted position which he held in our military forces, will exercise every military power of the United States to defend the American soldiers we sent into Korea. They are entitled to have that defense, but they are also entitled to know that their Congress in Washington is not wasting time in dilatory discussion over matters which so large a number of the Members of the Congress believe to be vital to the national defense.

Mr. President, I have spoken vigorously because I feel deeply, because I feel keenly. I want to see the democratic process continue here in the Capital of the United States and throughout the world. But we are in grave danger of losing the democratic progress. So, Mr. President, let us determine whether there is any possibility of reaching a unanimous-consent agreement to vote upon the motion of the majority leader to consider the Alaska bill. I therefore ask unanimous consent that all debate upon the motion to consider the Alaska statehood bill shall cease at 4 o'clock on Friday afternoon, and that the Senate shall then proceed immediately to a vote upon the motion.

The PRESIDENT pro tempore. Under the rule, it may be that a quorum is required in this connection.

Mr. LUCAS. Mr. President, I may suggest that we had a quorum call but a short time ago.

Mr. WHERRY. Mr. President, am I not correct in believing that the rule does not require a quorum call under the circumstances?

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that under the circumstances a quorum call is not required. Is there objection to the request of the Senator from Wyoming?

Mr. EASTLAND. I object.

Mr. RUSSELL. Mr. President, reserving the right to object—and I shall not object if the Senator will make the request for Monday—a large number of Senators are absent from the city over the week end, and others plan to be out of the city on Monday. I do, however, wish to make a brief comment on the Senator's very impassioned and eloquent statement. The Senator spoke with more vigor and fervor than usual, and he is always a very vigorous and persuasive speaker. I merely desire to observe that there are some of us who are as firmly convinced that the ends of national defense would be served not by admitting these Territories to statehood at this time, as the Senator from Wyoming is convinced that their admission would defeat Russia's propaganda and perhaps save the country in the event of war.

Mr. O'MAHONEY. May we not decide that upon the merits, instead of upon a preliminary motion?

Mr. RUSSELL. I have stated that I do not intend to object, if the Senator will make the request for Monday. I think it is a very reasonable request.

Mr. O'MAHONEY. I should be very much disposed to agree with the Senator and make the request for Monday.

Mr. RUSSELL. Mr. President, it is a fact, in my opinion, that today this country is in graver danger than it ever was during World War II. During World War II it was found necessary to place great areas in Hawaii under military law. Had Hawaii been a State of the Union at that time, that, in my opinion, could not have been done. It was thought necessary to do it during World War II, and it was done. If we are in the grave danger, which I apprehend confronts this Nation, the hand of the Federal Government in defending its most vital outposts should not be tied in this period by admitting the two Territories to statehood and starting them off with new governments and with such rights as remain to the States. Such action, in my opinion, would be calculated to destroy the rights of all the States, because of the steps which it would be necessary to take in the States of Hawaii and Alaska, if they were admitted, for the reason that it would be impossible to apply a rule in Alaska, if it were a State or in Hawaii, if it were a State, that would not apply to the State of Pennsylvania or the State of Illinois, which are already in the Union.

Mr. President, I wish again to observe that I am not impressed by any argument, however eloquent, no matter how vigorously delivered, that is predicated upon the idea that we in the Senate should vote to combat Russian propaganda. The Senate would be chasing will-o'-the-wisps everywhere if it undertook to pass bills in order to nail lies. If we ever combat Russian propaganda, it is going to be because we put the simple truth against the great lie and hope and pray that an all-wise Providence will see that the truth prevails. For my part, I shall never cast a vote here, nor desist from speaking on this floor, with any idea that I am going to be able to defeat Russian propaganda.

The Senator from Wyoming eloquently explains the distinction between the Territories of Alaska and Hawaii, and Guam. Who is going to explain it to those behind the iron curtain, when Russia transfers its propaganda from Hawaii and Alaska to Guam, Samoa, Puerto Rico, or the Virgin Islands? We shall have no one there with the legal ability which the Senator from Wyoming displays, to show them that there is any difference or any distinction. All that would happen would be that the Russian propagandists would strike out "Hawaii" and "Alaska" from their transparent lies about our imperialistic designs and our colonial concept, and insert the word "Samoa," or the word "Guam," or the words "Puerto Rico," and carry on the propaganda. Would it then behoove the Senate immediately to say we were going to grant statehood to Guam and to the Virgin Islands and to Puerto Rico, merely in order to answer the Russian propaganda?

In their propaganda the Russians have attacked the founding fathers who wrote the Constitution of the United States. There have been those who thought it was a great document. I believe it was Gladstone who said it was the most wonderful work ever struck off at a given time by the brain and purpose of man. The Russians say that it was written by the malefactors of great wealth in the Colonies, in order to keep all of the people in bondage. Are we going to follow the concept that, because of Russian propaganda, we must take certain action? If so we will eventually get around to repealing the Constitution of the United States.

So I desire to serve notice on the Senate that, while I shall not object to voting on the motion to consider this bill, if the Senator from Wyoming makes the request on Monday, I shall not omit any word that I intended to say upon the merits of the bill. I hope that no other Senator will be intimidated by what I regard as being a ridiculous idea, that the action of the Senate is going to result in the calling off of Russian propaganda. It cannot be done in that way. When people have no conception of the truth, and when they think a lie is preferable to the truth, Senators would then make of themselves a group of fools to endeavor to combat that kind of propaganda by passing bills. We would never catch up with the lie. We would be chasing shadows, and the will-o'-the wisp would be a thing of substance compared to the action of the Senate.

Mr. O'MAHONEY. Mr. President——

Mr. RUSSELL. Mr. President, I merely rose—the Senator will excuse me for digressing—to say that I shall not be deterred one iota from addressing myself to the merits of the bill by the distinguished Senator's remarks, persuasive as they were, and I trust that no other Senator will restrain himself from expressing his opinion on this vital question.

This is not a claim bill to pay some unfortunate citizen who was run over by an Army truck. It is an important matter, and even if it is in the political platform of every town and parish, the United States should look carefully at any motion to bring new and additional States into the great sisterhood of States with the dignity the States used to enjoy, and which I hope can be in some small measure restored when we have saner days in this Nation.

Mr. O'MAHONEY. Mr. President, I am very grateful that the Senator from Georgia has indicated that he will not object if I modify the request by substituting Monday for Friday. I intend to do that, but, first, let me say the Senator misunderstand me completely if he gained the idea that I ever said or thought that the passage of these bills would stop Russian propaganda. Of course, it will not. I said, and I repeat, that, in my opinion, the passage of these bills will be the answer to Russian propaganda in the minds of people who are ready to accept the American protestations of our support of self-determination. So, Mr. President, I now submit the modified request for unanimous consent to vote on the motion not later than 3 o'clock on Monday afternoon.

The PRESIDENT pro tempore. Is there objection?

Mr. EASTLAND. I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. O'MAHONEY. I shall be very happy to yield.

Mr. AIKEN. I wonder whether the Senator from Wyoming can give me an explanation of a matter which has bothered me somewhat during the last few days. The Senator may know that I was one of the original sponsors of the Alaska statehood bill. It was understood that the native population of Alaska was very much in favor of statehood. Yesterday and today, however, I have

received communications from certain persons claiming to represent the Indians, or at least the interests of the Indians, in which they state that the bill, since its introduction, has been amended in such a way as to deprive the Indians of certain rights, or of rights to a certain degree, which they now hold.

Mr. O'MAHONEY. I may say without further ado that those reports are without a shred of basis and that the rights of the natives are preserved. The amendment to which the Senator refers is the amendment adopted unanimously, as I recall, by the committee, which merely provides that the Federal Government, by Executive order, shall not, during the pendency of the statehood question in Alaska and the drawing of the constitution, create new reservations by Executive order. That is very different from the story which has come to the Senator. That amendment preserves the rights of the Indians, and it gives to the people of Alaska the opportunity to show that they believe in native rights. I may say to the Senator that the record before the committee clearly demonstrates that in Alaska the natives have been received without any discrimination upon the basis of race, creed, or color.

Mr. AIKEN. However, the communications which I have received state quite clearly that the Indian population, or the native population, has reversed its position in regard to the bill.

Mr. O'MAHONEY. That is erroneous, and, at the proper time, I shall be very glad to prove that to be the case. However, I desire to say to the Senator that, objection having been made to my request for unanimous consent that we should fix a time certain for a vote upon the preliminary motion to consider the bill, I, for my part, do not propose to participate in any dilatory speeches; so I am about to surrender the floor.

Mr. AIKEN. Mr. President, if the Senator yields to me long enough to complete my statement, I should like to say that if, as the Senator says, the native population of Alaska has not reversed its position, and if the bill as written is satisfactory to me, I still wish to have it understood, as a member of the Committee on Labor and Public Welfare, that I feel obliged to carry out the virtual promise which the committee has made to make the railway labor bill the first business of this session. I also wish to make it clear that in so voting I do so without prejudice to the Alaska statehood bill, which I shall still support if I find the native people of Alaska have not reversed their position.

Mr. O'MAHONEY. I thank the Senator for his statement. With respect to the railway labor bill, I had intended to vote for it when it was before the Senate in August. I would still vote for it. When we opened the session on Monday I stated on the floor of the Senate that if the railway labor bill were not to be used merely as a device for preventing a vote on the Alaska statehood bill I would have no objection to its being considered. If it were to be taken up for the purpose of having a vote on it I would have no objection. Indeed, Mr. President, I am ready now to submit another unanimous-consent request.

Mr. WHERRY. Mr. President, is the Senator making another unanimous-consent request, or is he submitting an amendment to the unanimous-consent request previously submitted by him?

Mr. O'MAHONEY. I intended to make another unanimous-consent request. However, if the Senator wishes to apply the rule with respect to a quorum call, which I believe would be the correct procedure, I shall not make another request. I shall simply say what I had in mind. Perhaps a better time will be presented within which to make such a request. If unanimous consent were requested that at a time certain before the end of this week we should vote on the railway labor bill, which is now on the calendar, I would not object to such a unanimous-consent agreement. However, I wish to make it clear, definite, and certain that I have not expressed myself in opposition to the railway labor bill. The bill was put aside because on the day on which Congress reconvened the Senator in charge of the bill was detained, and the chairman of the Committee on Labor and Public Welfare said he would be willing to have the bill laid aside in view of the urgency of the statehood bill.

Furthermore, it was clear when the Senate adjourned last September a motion to recommit the railway labor bill was about to be made, and probably would have carried. It is also clear that a rule has never been granted on the bill by the House Committee on Rules. Therefore it seems to me to be obvious that it would be futile to take it up with any hope of enacting it into law. However, I shall not object to the bill. On the other hand, the statehood bills have been passed by the House. If the Senate should pass them they would be sent to the White House. They will be killed if we continue to debate the motion to take up the first of the bills, or continue to discuss irrelevant matters.

Mr. AIKEN. Mr. President, I should like to join the Senator from Wyoming in expressing the hope that an early vote may be had on both bills.

Mr. O'MAHONEY. I suggest that the Senator from Vermont consult the leadership on his side and other members of the minority. I shall do the same on this side of the aisle. Then we can see whether or not we can agree on a unanimous-consent request. If it is at all possible to do so, I shall be glad to join the Senator.

Mr. AIKEN. If I may be permitted to complete my statement, I wish to say that I am also fully cognizant of the fact that if certain Members of the Senate do not desire to vote on the statehood bill before the 1st of January, they have previously demonstrated their ample ability to postpone a vote. I should not want to let the Alaska statehood bill stand in the way of securing a vote on the railway labor bill.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. There is no unanimous-consent request now before the Senate, is there?

The PRESIDENT pro tempore. There is not.

Mr. WHERRY. The question is on the motion made by the majority leader to consider the Alaska statehood bill.

The PRESIDENT pro tempore. That is correct.

Mr. LUCAS. Vote.

COMMUNIST PROPAGANDA

Mr. WILEY. Mr. President, I shall not detain the Senate for more than 15 minutes. In view of the fact that every Senator and nearly everyone else is concerned with the world situation I have caused to be prepared some very brief remarks which I should like to present to the Senate this afternoon. My remarks relate to the very important subject of how we should meet the impact of Russian propaganda or the Russian offensive.

Mr. President, for years everyone has been accepting as a fact that the Kremlin is seeking to take over the world. Today we are faced with the most significant challenge—and this is common language on the streets by everyone, both high and low—since the shooting stopped after the Second World War. The real question is: What are we doing about it? Or, to put it in another way: Where do we go from here?

With the advent of the twentieth century a new type of warfare emerged. The new type of warfare is organized psychological warfare, designed to capture the minds of men. Germany used it. Russia is now using it very effectively.

In the Reader's Digest of November there appeared an article by C. W. Boldyreff. To me it presented very challenging reading. It called to mind that 2 years before, when I was privileged to represent this body at a conference in Bermuda similar to the one which will be held shortly in Australia—and I happened to be the chairman of the delegation—we discussed the subject of how best to meet the Russian offensive. We discussed such practical things as penetration. We must remember that during the American Revolution and the War of 1812 the British at times used Indians against us very effectively. Mr. President, I should like to know what our leaders, military and executive, are doing in connection with meeting offensively the challenge which is causing the world to be in its present very serious condition.

There still seems to be a vague and confusing outlook as to what we are going to do about it. Our boys in Korea know what they have to do about it. Are we supporting them as much as we should? Let us look at the map; or, as one famous American has said, let us look at the record.

Since World War II, Russia has been rapidly expanding. One freedom-loving country after another has gone from freedom into slavery. Sometimes it has occurred through the blandishments and promises of cooperation of the Soviet Russian Government, sometimes by internal penetration, and sometimes by

developing the determined might of dissident elements. But in each instance, whether it be Poland, Czechoslovakia, or China, the net result has always been slavery. The question still remains: What are we going to do about it?

The Russian Government has adopted a concrete, realistic plan of penetrating all freedom-loving countries for the purpose of demoralizing them, mentally and spiritually from within, and resorting to force when necessary. For a long time the people of this country could not bring themselves to believe that their supposed ally in World War II was actually intending to bring about their destruction. But this picture is, I hope, rapidly changing.

Certainly with the Chinese troops pouring into Korea by the hundred thousand the very conscience of America is now alerted to the fact that the Kremlin has given the green light and that the Chinese are pouring into Korea on the orders of the Kremlin.

Professor Boldyreff, in his thought-provoking article, points out that by using a psychological offensive in the form of propaganda against the Russian Government, as distinguished from the Russian people, that it is possible to persuade the freedom-loving elements behind the iron curtain to strike a blow for freedom. I ask Senators to read that article in the November Reader's Digest.

Recently an attorney in Los Angeles, Ben S. Beery by name, has published a program for psychological offensive against the Soviet Government. He has had some experience in the propaganda field. He is familiar with the techniques used to destroy or undermine the confidence the enslaved people may yet have in their government. His plan is of such a comprehensive nature that I feel that the Members of the Senate of the United States and the American people should have the benefit of his program. It is worthy of going into the RECORD, and I ask that it be inserted at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit A.)

Mr. WILEY. Mr. President, in the first place, it must be realized that we are actually in a war. We may call it a cold war, a warm war, or a hot war, but we are, nevertheless, in an actual war, fighting for our freedom. Mr. Beery has conducted serious research in the theory of warfare and eminent military authority for his premise that war consists of two things—physical force and the spirit with which to wield it.

Assuming that we are in an actual undeclared war, it is necessary that we make an attack upon the spirit of our enemy, the Soviet Russian Government, as well as being prepared with the weapons and implements of physical war.

According to Hanson W. Baldwin, Napoleon said:

> There are only two powers in the world—the sword and the spirit. In the long run, the sword is always defeated by the spirit.

Therefore, let us build up our spiritual armament to take an offensive against the Soviet Russian Government. It so happens that behind the iron curtain there are people who love freedom. It has been stated that of the 200,000,000 Russians, at least 190,000,000 of them are subject to the impact we could make, if we know how to make it.

The statement has been made that there is scarcely a family in Russia of which at least one member has not been liquidated or put into a concentration camp. Let us stop a moment and ask ourselves what kind of soil that creates if we have the yeast, the ferment, to plant. Think of it, there is not a family of which some member has not either been liquidated or put into a concentration camp.

There are people in Russia who want to have a representative government, who want to enhance the dignity of man rather than enslave them. I presume that in Russia they are called dissident elements. These elements must be appealed to, they must be organized, they must be prepared to hamper, obstruct, and eventually assist the free people behind the iron curtain to obtain their liberty. Our spiritual warfare must not be defensive. It must be offensive in substance.

Any nation that becomes defensive-minded has thereby established the prelude to disaster, and its ultimate decay. History reveals that no nation that has been on the defensive only has ever survived against the attack of an armed enemy. We must abandon forever the defensive attitude that has been adopted by some people in our Government, and become offensive-minded.

As a first step, we should establish a real vital propaganda agency that will carry truth to the people held in bondage by the Soviet Russian Government. We must carry the yeast or ferment to the 190,000,000 and arouse them, so that the people held in bondage by the Soviet government will feel that they want bondage no more.

I am not unmindful of the fact that there has been a purported crusade of truth. But it is not strong enough, and it does not go far enough to meet the serious need with which we are faced. It fairly well limits itself to giving truthful statements about the United States. According to eminent authorities, however, the people of Russia are not interested in how many automobiles we own. They are simply interested in what they can get by way of freedom and a better way of life if they have a representative government. Hence, rather than telling those people how good our conditions are in this country, we must try to drive a psychological wedge between the Russian Government and the Russian people.

This can be done in manifold ways. There are many who claim that our propaganda cannot reach the Russian people, and they look to the obstacles preventing our reaching the Russian people rather than looking to the ultimate goal.

When Hannibal wanted to cross the Alps and invade Rome, he was told by the faint-hearted that he could not cross the Alps that there was no way across the Alps, and he replied: "I will either find a way or make one."

As to these faint-hearted people who feel that we cannot get our propaganda to the Russian people, we can properly say, in the words of Hannibal: "We will either find a way or make one."

We can, if we have the will and the ingenuity, get this propaganda to the Russian people.

I was very much interested in an article I read in the newspaper a week ago Sunday, I believe it was, prepared by the Senator from South Dakota [Mr. MUNDT], in which he spoke about the significance of building, at a rather small expense, television sets, which would penetrate the border states of Russia, which would set forth factually, by pictures, the things which are necessary to create the ferment in the soil about which I have been speaking.

Propaganda, however, is not enough. In addition to getting our story to the Russian people, we must also penetrate the iron curtain. It was once stated by a man of great courage that the things which man creates, man can destroy. The evil Russian Government has created the man-made iron curtain, and the inflexible determination of those desiring freedom can penetrate it. We well remember that the French felt that their Maginot line was an impenetrable defense, but nevertheless the hordes of Hitler found a way around it and overran it and the French people.

We can find a way around or through the iron curtain, and by the voice of truth dispel the fear and terror which now enshrouds the people in bondage.

Having decided with fixed determination to penetrate the iron curtain, we should immediately start—and this is important—to organize the underground movements and the unhappy elements behind it. There are many skilled underground operators in the satellite countries, and there are likewise many of them in some parts of Russia, such as the Ukraine.

That is what Russia has been doing, that is what she is doing in Korea today, that is what she is doing in the United States through her agents. I was one of those who joined in the resolution which was submitted today by the Senator from Mississippi [Mr. EASTLAND], which indicates that we here want to take the offensive, and that we should put a little iron in our system, so as to be able to meet the offensive of the Russians on our own soil with an offensive which will put them out of this country.

These people should be organized, they should be trained, equipped, so that they cannot only spread propaganda, but create further confusion and disruption within the Communist orbit. We cannot be so heartless as to simply feed these people to the Russian secret police. We must train them and equip them to protect themselves.

What are we doing in China today? We know that through the centuries there have been overlords in that country. I understand that there is considerable confusion in China today. Are we giving them a problem such as the one they are giving us? We have to fight

with 1950 weapons. We cannot use mid-Victorian technique in the atomic age.

But having trained those people, and having equipped them to protect themselves, and having given them the psychological tools, they with the aid of our outside propaganda, can possibly end this unhappy era, in which the world is divided into two camps, one consisting of those of us who love freedom and the dignity of mankind; the second, those who abhor freedom and want slavery.

The details of the Program for Psychological Offensive Against the Soviet Government, prepared by Ben S. Beery, an attorney of 912 Rowan Building, 458 South Spring Street, Los Angeles 13, Calif., are too comprehensive for me to give them at this time. Furthermore, they should be studied by every Senator. So I have asked that his plan be printed at the conclusion of my remarks.

Mr. President, we can spend our time between now and Christmas debating what in my opinion are secondary measures. I feel that the real problem before America today is that of putting our house in order economically. I believe we have to recognize that with the additional demand from the President for a billion dollars, with the increased costs of preparedness, and with the demand to put into operation some law which will give us more military effectiveness, our duty is to seek to put our house in order so that no matter what may impact us, we will be able to absorb the impact.

Putting it concretely I think we should consider now, first, the most effective way of raising sufficient funds so that we will not further deplete the value of our dollar. Second, we should consider immediately the question of what should be done in relation to stabilizing prices and wages. Third, we should consider the matter of checking costs, in other words, the checking of procurement costs in the military. We spent $50,000,000,000 for defense purposes, and yet when the Korean situation came upon us we were practically defenseless. I trust that when we spend the next $50,000,000,000 we will receive dollar value for every dollar spent. But temptations are great, and it is our job as legislators, not to consider minor details and secondary matters when primary matters should have our attention.

Mr. President, on Tuesday last when the President of the Senate informed me that he had appointed me as one member of the committee to go to Australia to attend the meeting of the Commonwealth Parliamentary Association, I considered the matter, and I may say that I had a great desire to go, because, as I have previously stated, I was one of the Members of the Senate who represented the Senate and the Government at a meeting held in Bermuda 2 years ago when the representatives of the British Commonwealth of Nations gathered there. But when the news broke from Korea I felt the situation was so critical in a world sense that, in view of those circumstances, I could not go to Australia. I so informed the Vice President at that time. As a consequence I am not going on that trip. I feel that my place is here, that my job is here.

We do not know even from hour to hour, what the future may bring. Mr. President, I feel it is important that the Senate remain in session now to handle questions, small or large, that will come before us, and which must be solved. I wanted to make my position a matter of record, to indicate why, after the news broke in Korea, I made up my mind not to go to Australia.

EXHIBIT A

OUTLINE—PROGRAM FOR PSYCHOLOGICAL OFFENSIVE AGAINST THE SOVIET GOVERNMENT

I

Definition of propaganda: Propaganda, for the purpose of this proposed agency, may be defined as the truthful teaching that:

(A) Man has an inalienable right to all liberty that does not infringe upon another's right.

(B) A government obtains its just powers through the consent of the governed.

(C) Any state that does not recognize the truth or I (A) and I (B) is of necessity opposed to all freedom loving peoples, and, if it seeks world conquest, it must be destroyed.

(D) The Soviet Russian Government and the governments of its satellites are embraced within the terms of I (C) and must be destroyed.

II

The objectives of propaganda are:

(A) To win converts among the people enslaved by the Russian Government to a belief in freedom, in a representative form of government, and in what is commonly called our way of life.

(B) To destroy the Russian Government and the governments of its satellites and replace them with governments that will truly represent the people governed, that will believe in freedom, and that will be freely chosen by the people to be governed.

III

The subjects of propaganda: The foregoing objectives set forth in II can be accomplished through propaganda which will:

(A) Undermine the confidence of the people in the Communist governments. To do this the propaganda should—

1. Expand and enlarge all differences and cleavages between the totalitarian governments and the people under their control.

2. Assist in the organization and development of underground movements in Russia and her satellite states.

3. Give instructions to these underground movements.

4. Give instructions (undoubtedly in code) to espionage agents operating behind the iron curtain.

5. Teach the enslaved people that their governments are corrupt and do so by telling them the absolute truth.

6. Compare the life of the people under the totalitarian regime with that existing in the freedom loving countries. This teaching should embrace the following fields: Economic, political, religious, educational, miscellaneous.

7. Show that the totalitarian governments plan world conquest.

8. Instill defeatism in the minds of those under the Soviet regime and show them that the ultimate result to them of the plan for world conquest will be disaster.

9. Alter the psychology of the enslaved people so that they will hate their own governments and crave freedom.

(B) Build hope for the future in the people now dominated by the Russian Government in the event they overthrow their masters. In order to do that the propaganda should—

1. Teach the enslaved people the meaning of:

(a) Freedom of speech.

(b) Freedom of the press.

(c) Freedom of religion.

(d) Freedom from unreasonable search and seizure.

(e) Fair and just judicial proceedings.

(f) How reforms can be obtained without revolution or violence.

(g) The theory of free government and how it operates.

2. Amplify what their life could be like under a free government. As a complement to this, fear should be created in their minds as to what will happen if they fail to overthrow their present government.

IV

Philosophy governing our propaganda.

(A) It must consist of absolute truth.

(B) It must always constitute an attack on the totalitarian governments. If an answer to false propaganda is required, it should be coupled with an attack on the Communist regime and should never be defensive. All propaganda should always be offensive.

V

Means to be used:

(A) Radio.

(B) Literature.

(C) Photographs.

(D) Special items.

(E) Public relations to inform American people of what is being done by the agency.

VI

Integration with other agencies and with departments:

In order to be successful, the propaganda agency must be integrated with other agencies and departments of our Government so that it can assist in carrying out and making effective their policies. As the basis for this integration proper liaison should be established with:

(A) Department of Defense.

(B) Department of State, and possibly Foreign Offices of other freedom-loving nations.

(C) Department of Justice, particularly the Federal Bureau of Investigation, for security reasons.

VII

Organization:

This agency should be a separate agency not under the control of the Department of State, Department of Defense, or Department of Justice, but should cooperate with them. If possible, it should be arranged so that the actual propaganda could be disseminated under the name of the United Nations, and if this is done, there should be cooperation with similar agencies in the other freedom-loving countries.

The internal organization should consist of at least the following personnel and divisions:

(A) Head of agency.

(B) First assistant manager, who would be the assistant to the head of the agency.

(C) Second assistant manager, who would be an administrative assistant to handle the office organization, personnel, budget, and finances, etc.

(D) An executive committee consisting of the following:

1. Manager.
2. First assistant manager.
3. Second assistant manager.
4. Representative of the Department of Justice.
5. Representative of the Departmnt of Defense.
6. Representative of the State Department.
7. Head of analytical division of agency.
8. Head of radio division of agency.

9. Head of literature and photographs division of agency.

10. Head of special events division of agency.

11. Head of public relations division of agency.

12. Head of methods of dissemination division of agency.

The executive committee should have the right to determine policies and operations to be undertaken within the scope of the work to be done by the agency.

(E) An advisory committee to advise the executive committee in regard to problems referred to it by the executive committee and in regard to other activities which it believes should be undertaken or considered. In this connection it is felt that the advisory committee should consist of representative citizens, particularly in legal, educational, religious, and scientific fields, who would receive no compensation but whose expenses would be paid.

(F) Divisions of agency.

1. Analytical.
2. Radio.
3. Literature and photography.
4. Special events.
5. Security.
6. Underground activities.
7. Military activities.
8. Research.
9. Budget and finance.
10. Personnel.
11. Public relations.
12. Methods of dissemination.

SUPPLEMENT

I. DEFINITION OF PROPAGANDA

The word "propaganda" at the present time has a rather odious connotation. This was not always the case, as originally it meant the teaching of religious doctrines to missionaries to enable them to convert pagans.

In 1623 Pope Urban VIII established a college in Italy for the teaching and training of missionaries and called it the College of Propaganda. The word was not popularly used from that time until World War I, when it was used to define statements intended to cause the Allies to hate all things German. In view of some of the exaggerations and distortions used during World War I, the word began to mean that which was distorted, and ultimately came to mean falsehood.

It is important that the word propaganda should mean the teaching of truth, and the whole program that is outlined is predicated upon the use of the absolute truth to cause the peoples now enslaved to abhor their slavery and to earnestly desire freedom. Hitler predicated his propaganda upon what he called "great lies"; we should found ours upon truth. It is realized that adherence to the truth may reduce, for a short period, some of the spectacular results that can temporarily be gained by falsehoods, but over a long time truth will be more effective.

To accomplish the desired result, people under Soviet domination must understand what liberty means and also appreciate the workings and operation of a free government. They can be shown that the Russian Government is their enemy as well as ours and that it must be destroyed.

II. OBJECTIVES

The objectives of propaganda, as set forth in the outline, namely, first to win converts to the cause of freedom, and secondly, to destroy the enemies of freedom, is similar to the fundamental foundation upon which Hitler based his propaganda organization. His definition of the objectives of propaganda was that the first task of propaganda was to win converts to the party, and the second task of propaganda was to destroy the existing order and replace it with the Nazi regime. The differences between Hitler's propaganda organization and the one proposed are in their purposes and methods. Hitler's purpose was to destroy freedom, and ours is to preserve and expand it; his method was the great lie; ours is the truth.

III. SUBJECTS OF PROPAGANDA

A–1. Cleavages: All propaganda at first finds its most fertile soil among those persons who are dissatisfied with existing conditions. Study should continuously be made of all fields of activity behind the iron curtain to discover important sources of disagreement and hatred, and these should be continually exploited in an effort to intensify ill will of the people toward the Russian or its puppet governments.

Care must be taken to be sure that—

(a) The matter of discord is of sufficient importance to permit its exploitation to effect a sizable segment of the people.

(b) The facts concerning the disagreement will permit propaganda supporting our objectives.

(c) This particular effort may develop a new source of cleavage.

A–2, 3, and 4, Underground movements: The organization and development of underground movements and instructions to them are matters which should be undertaken only in cooperation with the Department of State and the Department of Defense. The greatest secrecy must prevail in this work, and in this field propaganda should be used only in furtherance of plans jointly approved by those departments and this agency. In considering these plans, only the representative of the Department of State, the representative of the Department of Defense, the head of the division of this agency on underground activities (Outline, VII, F–6), the head of the division of this agency on military activities (Outline, VII, F–7), and the head of the agency, or in his absence his first assistant, should be permitted to participate.

A–5. Corruption of Communist governments: Demonstration that the Communist governments are corrupt could be accomplished by telling facts. Statements made by Russian officials and by her controlled press could be compared with eyewitness reports and possibly by United Nations reports. This propaganda can be very dramatic and should always begin and end with the definite charge that the Russian Government and those of its satellites are trying to deceive the people (see supp. III, A–7, infra).

A–6. Life in Russia compared with life in free countries: The comparison between life under Communist governments with that in the free countries can be very effective. For instance, tell the number of hours a Russian laborer has to toil to get a pair of shoes and then compare it with the hours that an American works to get the same thing. Also, one could well compare the homes and comforts of workmen in this country with those in Russia. The program should begin and end with the suggestion that the enslaved people could have as good a life as free people if only they would overthrow their masters.

Similar work could be carried on in regard to the political, religious, educational, and other fields.

A–7. Russia's plan of world conquest: To show that Russia intends world conquest, statements of Lenin, Stalin, and others could be used and compared with Russia's present claims that it stands for peace. Also, the people could be told how Russia failed to consent to free inspection of uranium production and refinement when we consented to the control of the use of the atom bomb. This is a fertile field that can be constantly exploited.

A–8. Defeatism: When a people cease to believe in the righteousness of their cause, defeatism inevitably follows. The constant reiteration of the propaganda heretofore mentioned will develop defeatism. It can be expanded by calling attention to the disaster that came to the German people when their bid for world conquest failed.

A–9. Change psychology of enslaved people: The alteration of the psychology of the people of Russia, and its satellite states, so that they would hate their own governments and crave freedom, will be the end product of all of the foregoing propaganda. This change in psychology can be accelerated by special forms of propaganda, created and changed from time to time and to suit the particular condition. This subparagraph is included in the outline to permit their development and use as the occasion arises.

B–1 and B–2. Hope for those held in bondage: Paragraphs A–1 to A–9 cover what might well be called destructive propaganda, as they are directed to the destruction of the Russian Government. These paragraphs, B–1 and B–2, may well be designated constructive propaganda. The borderline between the two types is somewhat hazy in certain instances.

For example, the educational matter, mentioned in A–6 can be used to undermine the Russian Government and at the same time to train the people to carry on a free government once it becomes established. Other examples could be given to show the borderline types, but little confusion will arise. B–1 and B–2 are constructive and primarily educational. The constructive and the destructive types should be interspersed with each other to accomplish the greatest effectiveness.

IV. PHILOSOPHY GOVERNING OUR PROPAGANDA

A. Truth must be the watchword of our propaganda, and any deviation from truth by any employee of the agency should be cause for immediate dismissal.

B. Our propaganda must always constitute an offensive operation; it must always attack, forever attack, attack here, attack there, but in every case—attack.

This is not similar to the problem facing the military commander. He must gage his effort with his supplies and his men. In the propaganda field, the facilities are always open to one so that he can attack. The fact that we have confined ourselves to the realm of truth does not limit us, as the enemy, Russia, is evil and she becomes no better because we have agreed to tell the truth about her. She is still wicked. The only limiting aspect of our propaganda is our ingenuity and our will.

For years, we have undergone attacks by Russia and now the initiative must pass to us, if we are to succeed.

It has been claimed that this will cause Russia to start world war III. Though there is a risk that this may happen, it is doubtful. In the first place, Russia has nothing but contempt for words, and in the second place, Russia will start a war only when she is ready and feels that she cannot gain her ends by other means.

If this program is instituted, the Soviet Government probably will pay little attention to it at first. Later, as the effect of our propaganda begins to be felt, she may well be so busy at home that she will be unable to do much about it. Her favorable opportunity for world conquest could be lost, because while she is being weakened by the propaganda, we will be getting stronger.

It should be borne in mind that this program does not replace military preparedness; neither does it in any way modify military strategy or tactics. It simply weakens one's enemy, in this case Russia, psychologically; it destroys her will to conquer, and makes her more easily subject to military attack. Hitler is reported to have said that he would never start a war without the moral certainty that the enemy would collapse from within at the first stroke of the military attack from without. He nearly won, and possibly could have succeeded, if he had remembered his own statement, and carried on what he called the psychological disinte-

tion of his enemies, so that they would have been ripe for destruction by the military attack.

V. MEANS TO BE USED

The means to be used by the agency requires little amplification, except that it probably should be noted that this plan makes use of the underground organizations now in existence in Russia and her satellites, and also those to be developed, for the purpose of distribution of literature and photographs.

Special items, D, include limited operations to disseminate propaganda in special ways and for unusual and specific results. It would also include the distribution of special forms of propaganda.

For instance, an F for Freedom program could be initiated along lines similar to the V for Victory plan used so successfully during World War II by the underground movements against the Nazis.

Imitation currency containing written propaganda could be scattered by agents in foreign cities. This is very effective for two reasons. First, everyone instinctively stops to pick up money. Second, as it is a crime behind the iron curtain to have foreign propaganda in one's possession, the person picking up this fictitious money will immediately drop it when he reads it, for fear of being caught with it in his possession, and the fake money is again available for some other person to pick up and repeat the process.

VI. INTEGRATION WITH OTHER AGENCIES AND WITH DEPARTMENTS

The proposed agency should be integrated with the Department of State, the Department of Defense, and with the Department of Justice. As to the first two, integration is necessary so that the propaganda agency can assist the Department of State and the Department of Defense, in carrying out their own policies and activities, with such propaganda as is needed. As to the Department of Justice, integration is essential for security reasons. Each employee should be constantly investigated for discretion and for loyalty, as any leak of information from this agency could be serious.

VII. ORGANIZATION

A. Divisions of agency: The functions of the divisions of the proposed agency probably should be explained in some detail as the mere name is not always descriptive of the work which this division would do.

A-1. Analytical: The purpose of this division is to analyze all broadcasts first, for their effectiveness, and second, for the size and type of listening audience that they develop. The activity of this division will involve cooperation with the Department of Defense, Department of Justice, and the State Department, to obtain their assistance in the determination of the size and type of the audiences and the effectiveness of the programs so the conclusions will be more accurate.

A-2. Radio division: This division will handle not only the technical side of radio broadcast, but will study the particular forms of broadcast which have the greatest appeal. In connection with this study, it will of course have to cooperate with the analytical division and it should study in great detail the format of statements and broadcasts made by the Russian and satellite governments to their own people.

Ridicule is an effective weapon, but what constitutes humor and ridicule in one country may be utterly ineffective in another. A study of the humor and forms of ridicule behind the iron curtain should be made and the form of humor and ridicule used in any broadcast by the agency should be patterned on the forms that are effectively used by the Russian and satellite governments. Obviously, the Russian and satellite governments know what form is effective for their particular broadcasts. Many of them are filled with vituperation and name calling. This must be effective or the Russian-controlled press and radios would not use it. A complete study of these forms must be made and all broadcasts must be keyed to the particular form which is found to be effective in the country to whom the program is directed. The same thing should apply to all dramatic presentations. These too, must coincide with the psychology of the people who will receive them.

The radio division would likewise be called upon to cooperate with representatives of the State Department, Department of Defense, and Department of Justice for the transmittal of instructions and information to underground movements and agents behind the iron curtain. There undoubtedly should be created a subdivision of the radio division which would operate in the greatest secrecy in connection with the transmission of messages to the underground movements and to agents abroad.

A-3. Literature and photography: This field has been fairly well explored by the Information Service now being operated as a part of the State Department. If the Information Service should be dissolved and its activities transferred to the new proposed agency, good assistance could be obtained from the experience of the Information Service.

There are two schools of thought as to whether the Information Service should be dissolved. One group believes that it should be dissolved because they do not believe that straight information about the United States has proven too effective. The other school believes that the Information Service should be continued and that the proposed propaganda agency should operate as a propaganda organization always attacking the Russian Government, leaving the field of information about the United States to the Information Service. There is merit in both views but it is felt that that portion of the Information Service that broadcasts the Voice of America should probably be transferred to the new propaganda agency where it could participate in broadcasting not only the propaganda programs but also information programs. In this way there would be planned diversity between the two types of programs and one would supplement the other.

It is thought that the name of the Voice of America should be changed to The Voice of the United Nations if the United Nations' approval can be obtained. This would insure cooperation from the broadcasting agencies of other members of the United Nations.

A-4. Special events: This division would handle special and novel types of propaganda and would cooperate with the other divisions, particularly the radio and methods of dissemination divisions, to make it most effective. This division, for instance, could handle the F for Freedom program, the imitation currency program, and other like items.

A-5. Security: This division would have supervision of personnel for security reasons and would of necessity work in close cooperation with the Department of Justice and Department of Defense. The personnel of this entire agency should be classified in such a manner that any employee can be discharged without a disclosure of the reasons therefor.

The matters handled by the propaganda agency would be of such a vital character that it should not be called upon to have to prove disloyalty upon the part of any employee before discharge, and discharge should not be regarded as necessarily being made on that ground.

A-6. Underground activities: This division would handle all instructions and other information to be conveyed to the underground movements. It would of necessity operate in the greatest of secrecy. It possibly should check all programs distributed to see that they coincide with policies for conveying information to the underground movements. It would operate also in cooperation with the Department of Defense and the Department of Justice, and possibly also with the Department of State.

A-7. Military activities: This division is similar to A-6, except that it would be primarily interested in the transmittal of instructions to agents. It also would work in cooperation with the Department of Defense and Department of Justice. It might be deemed wise to combine A-6 and A-7 into one division. It will be noted that the executive committee contains no representative of either A-6 or A-7. It is felt that the omission of these divisions from the executive committee would increase secrecy.

A-8. Research: This division would, as its name implies, be engaged in research and would cooperate particularly with the radio division (A-2), literature and photography division (A-3), and special events division (A-4). There also would be some coordination between this division and the analytical division (A-1), although the analytical division is primarily engaged in determining the effectiveness of the programs issued and the audiences created rather than obtaining information for the preparation of propaganda.

A-9. Budget and Finance: This division would be charged with the duty of handling all financial matters and making adequate recommendations to the executive committee. It would of necessity make the accounting system coordinate with that used in regular Government accounting. It would be responsible for the preparation and submission to the executive committee of a budget for its consideration and would be charged with general office administration.

A-10. Personnel: This division would handle the same work that is ordinarily handled by a personnel office. It would have charge of the screening and hiring of employees. Before employees were hired, it would work in conjunction with the Department of Justice to determine whether or not such an employee would be a good security risk. It would keep all personnel records and would also, upon instructions of the manager or his second assistant, discharge employees.

A-11. Public relations: The American people are entitled to know within the limits of military and internal security, what this agency is doing, what it is trying to accomplish, and how it operates. This division would be charged with informing the public in this country with such information as was not secret under internal or military security, and for this purpose would cooperate with the press, and possibly arrange for a speaker's bureau which could provide a limited number of speakers throughout the country. It also should handle all complaints or criticisms of the agency, affecting its public support or its operations.

A-12. Methods of dissemination: The task of this division would be to develop new and novel methods for the dissemination of propaganda behind the iron curtain. There are, of course, two established methods—radio, and the use of underground movements and foreign agents. Other methods must be devised, developed, and made effective, and they can be if the vision and will to do so are present. The employees of this division will have to be men and women of great vision and some imagination. This division will directly cooperate with the research division, radio division, literature and photography division, and above all, the special events division. It would likewise perform such special tasks as might be assigned to it within its field by the manager of the agency.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. CAIN was excused from attendance on the session of the Senate for the remainder of today.

PETITIONS IN BEHALF OF RAILWAY LABOR BILL

Mr. SALTONSTALL. Mr. President, I hold in my hand 76 petitions with a total of over 2,000 signatures sent to me by my constituents in Massachusetts. The petitions state:

> We now understand this measure, S. 3295, is pending business before the Senate when Congress reconvenes on November 27 and should receive immediate consideration. Since time is therefore of the essence, we are taking this means of petition to remind you that we shall sincerely appreciate your voting favorably on this bill and giving it any other support you may be able to in order to secure its early enactment at this session of Congress.

Mr. President, I shall vote against the motion to displace the present unfinished business of the Senate, S. 3295, a bill to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions. I shall vote against the motion, not for the purpose of delaying the taking up of the bill which would give statehood to Alaska but because I believe the Senate should keep the commitment it made last September. If S. 3295 is taken up and disposed of, I then shall expect to vote to take up the bill for statehood for Alaska, if the majority party gives it the order of preference at any time.

When the Senate adjourned on September 23 last, S. 3295 was made the unfinished business. As I understood at that time, this was done so that we might proceed in orderly fashion as soon as we reconvened. Relying on the fact that the Senate in good faith had made S. 3295 the unfinished business and that there would be an opportunity to discuss it on its merits, many citizens of Massachusetts have written and petitioned me in the hope that this faith would be kept. I have told them that I am in favor of the general principles of this bill.

Mr. President, I believe the Senate should stick to the schedule which it set up for itself last September 19. While, of course, I would vote to displace S. 3295 if any measure were brought before us directly dealing with our national security in these very critical times, I cannot see that statehood for Alaska is of such immediate necessity that we should displace the present unfinished business. For the reasons I have given, I shall vote against the pending motion, which would displace the railway labor bill.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I yield.

Mr. O'MAHONEY. May I ask the Senator whether in his judgment there is any prospect for an early vote upon the bill which is the unfinished business, the amendments to the Railway Labor Act?

Mr. SALTONSTALL. I hope there is. I will say very sincerely to the Senator I understand there are two or three pending amendments which concern directly the language contained in the bill, which amendments are not greatly disputed. I may be wrong in that, but that is my understanding. There are some dilatory motions of which I do not approve and which I would vote to lay on the table.

Mr. O'MAHONEY. I wonder whether the Senator from Massachusetts has had the same information which I have had, namely, that debate upon the bill, the amendments to the Railway Labor Act, would be used solely for the purpose of delaying action upon the statehood bill?

Mr. SALTONSTALL. I can truthfully tell the Senator that I have not had that information, either as gossip, underground, or in any other way.

Mr. O'MAHONEY. I will say to the Senator it came to me directly from a member of the body who is himself an opponent of the statehood bill. It was for the reason I want to make it perfectly clear that the supporters of statehood do not want to delay action upon these bills, and feel that the Railway Labor bill is being used solely for the purpose of preventing action upon the statehood bills, that I have asked the Senate to vote on the motion to take up the Alaska statehood bill. So far as I am concerned—if I may say an additional word?

Mr. SALTONSTALL. Certainly.

Mr. O'MAHONEY. If the Alaska statehood bill is taken up I should be the first to have it laid aside temporarily for the purpose of disposing of the other bill if there is any opportunity of disposing of it—which I may say I gravely doubt.

Mr. SALTONSTALL. I will say to the Senator from Wyoming that several people at home spoke to me when I was there, expressing their desire that the bill dealing with the amendments to the Railway Labor Act be considered. I have in my hand numerous petitions making the same request. It is difficult for people at home who do not know the procedure in the Senate to understand why one bill is displaced when they understood it was going to be considered. I committed myself, I hope honorably, to take up that bill and to vote on its general principles, and I want to carry out my commitment.

Mr. O'MAHONEY. I am sure that the Senator always acts honorably and desires to carry out his commitments, but the people back home who have communicated with him are probably not aware that the Railway Labor Act amendments bill has been buried in the Rules Committee of the House of Representatives, which has refused to grant it a rule. They are probably not aware of the fact that the opposition to that bill was so great—in part coming even from railway labor—that before the Senate adjourned in September it was clear that a motion to recommit was about to be made, and probably would carry. So those who desire in good faith to advance the report of the Senate Committee on Labor and Public Welfare I think would do well to cooperate in the effort to secure a unanimous-consent agreement to vote upon this matter—a request which I shall be very happy to make, but which I am sure, when it is presented, will demonstrate that the request for action on the Railway Labor bill is merely a design to prevent action upon the statehood bills.

Mr. SALTONSTALL. In reply to the Senator, all I can say is that I have not received that information, and I do want to fulfill my commitments.

Mr. EASTLAND. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from Massachusetts yield to the Senator from Mississippi?

Mr. SALTONSTALL. I yield.

Mr. EASTLAND. Why is not the railway labor bill under debate at this time?

Mr. SALTONSTALL. The Senator was not present on the first day of the session. First, there was the unanimous-consent request made—and the Senator from Wyoming will correct me if I am wrong—to consider the bill providing statehood for Alaska, ahead of the railway labor bill. Unanimous consent was objected to. Then the motion we are now discussing was made by the majority leader.

Mr. EASTLAND. Is it not a fact that the proponents of statehood for Alaska are delaying consideration of the railway labor bill?

Mr. SALTONSTALL. I most respectfully say that I would not want to become involved in a dispute as to questions of procedure between two Democratic colleagues, for both of whom I have the greatest respect.

Mr. EASTLAND. But why is not the railway labor bill under debate at this time?

Mr. SALTONSTALL. I believe the Senator from Wyoming attempted to answer the question now asked by the Senator from Mississippi on that subject, and my oratorical ability is not equal to his.

Mr. BYRD. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Murray
Butler	Hayden	Neely
Byrd	Hoey	O'Mahoney
Cain	Hunt	Saltonstall
Carlson	Ives	Schoeppel
Cordon	Kem	Stennis
Donnell	Kerr	Taft
Ellender	Kilgore	Thomas, Utah
Ferguson	McClellan	Thye
Flanders	McFarland	Wherry
Frear	McKellar	Wiley
George	McMahon	Williams
Gillette	Martin	Young

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators; and Mr. BRICKER, Mr. HILL, Mr. JOHNSTON of South Carolina, Mr. LANGER, Mr. MAYBANK, Mr. MILLIKIN, Mrs. SMITH of Maine, and Mr. TAYLOR answered to their names when called.

The PRESIDING OFFICER. A quorum is not present.

Mr. HUNT. Mr. President, I move that the Sergeant at Arms be directed

to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay, Mr. CONNALLY and Mr. JOHNSON of Texas entered the Chamber and answered to their names.

After a further delay, Mr. ANDERSON, Mr. BRIDGES, Mr. CAPEHART, Mr. CHAVEZ, Mr. CLEMENTS, Mr. DWORSHAK, Mr. EASTLAND, Mr. ECTON, Mr. FULBRIGHT, Mr. GREEN, Mr. HENDRICKSON, Mr. HOLLAND, Mr. LEAHY, Mr. LEHMAN, Mr. LUCAS, Mr. MAGNUSON, Mr. MALONE, Mr. MCCARTHY, Mr. MORSE, Mr. MYERS, Mr O'CONOR, Mr. RUSSELL, Mr. SMITH of New Jersey, Mr. SMITH of North Carolina, Mr THOMAS of Oklahoma, Mr. TOBEY, Mr. TYDINGS, and Mr. WATKINS entered the Chamber and answered to their names.

The PRESIDING OFFICER. A quorum is present.

STATEHOOD FOR ALASKA

The Senate resumed the consideration of the motion of the Senator from Illinois [Mr. LUCAS] to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. HOEY. Mr. President, I do not rise to make a dilatory speech. I wish to voice my opposition to the motion which is now pending to consider the Alaska statehood bill. I also wish to voice my opposition to the passage of the bill. It is very difficult to understand why at this time in the world's critical situation it should be deemed of importance to bring forward a bill to grant statehood to Alaska, to be followed by a bill to grant statehood to Hawaii. Certainly there is nothing at all to indicate that such measures are so pressing or vital that they should be taken up at this time at the expense of the consideration of urgent and important matters which now confront Congress, the people of the United States, and the world.

I do not subscribe to the theory that it is necessary or essential to pass a statehood bill for Alaska or for Hawaii in order to satisfy the propaganda machines of the Soviet Union. It has been suggested that to grant statehood to Alaska and Hawaii would be a good answer to the charges which are made against America, of aggression, imperialism, or any other purposes America may have in mind with reference to its dealing with other nations of the world. If the long standing and consistent history of America through all the intervening years in her dealings with other nations has not demonstrated and established the fact that she has no imperial designs whatever, certainly we cannot do so by passing a bill granting statehood to Alaska or Hawaii.

We have demonstrated throughout our past history in dealing with other peoples of the world, especially with those who came under our directorate, that we had no purpose except to serve the territories or islands of the sea which came into our possession as the result of war. For example, we have granted independence to the Philippine Islands. We have granted independence to Cuba. We have not sought to keep in subjection any people of the world. Therefore, there is no basis for any charge that America does not intend to deal generously with any of its possessions.

Personally I would be entirely willing to grant independence to Hawaii. I have no desire to keep the islands of Hawaii permanently as a part of the United States. I am not in favor of taking any islands of the sea or other territory not contiguous to the mainland of the United States and making them a permanent part of the United States. I believe we should limit the privilege of statehood to Territories which are contiguous and adjacent to the mainland of the United States. If there is any reason for going out to the islands of the seas and taking them in as States, there will be no place to stop. If the Hawaiian Islands are granted statehood, the argument will be made that Puerto Rico also should receive similar treatment. There would then be no reason for denying such a claim. I believe we should adhere to our original concept in dealing with the islands of the sea that come into our possession, with the idea of benefiting them and putting them on a firm foundation. We have always done more for all the islands of the sea which have come into our possession than has been done by them for the United States.

Another point I wish to make is that when we have so many vital matters pending in Congress and before the country we should seek to get unity in the United States. I believe unity to be the supreme need in our Nation today. We should not take up the time with discussion of controversial measures which do not vitally affect the United States. Why should we spend our time in such discussion? We should discuss matters which are of vital concern and which affect the unity of the Nation, and not spend our time in discussing controversial measures on which there is wide difference of opinion.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HOEY. I am glad to yield to the Senator from Mississippi.

Mr. STENNIS. One of the proponents of the bill stated that the admission of Alaska and Hawaii as States would give us a bulwark and spearhead against subversive activities. I wonder whether the Senator would state if it is his opinion that granting statehood would give us such a bulwark and spearhead against subversive activities. Does not the Senator think it shows the extremes to which proponents of the measure are resorting when they make such arguments?

Mr. HOEY. Undoubtedly so. I regard that as no more than an oratorical flourish. There is no basis or justification for such an assertion, and there is no proof that granting statehood to Alaska would furnish any spearhead or bulwark against subversive activities of attacks against the United States. We have already done all that can be done to build Alaska and Hawaii as strong as we can make them. Granting statehood to them would make no contribution to that end.

Mr. President, it is rather interesting to note who it is that advocates statehood for Alaska. It is a well-oiled propaganda machine. In Alaska itself there is a wide difference of opinion on the subject. The last time an election was held in Alaska, some 2 or 3 years ago, approximately 16,000 votes were cast, 9,000 were cast in favor, and a little less than 7,000 were cast against. I understand that since that election there is even a greater division in Alaska.

This morning I heard the Senator from Vermont [Mr. AIKEN] raise the point whether or not the Indians in Alaska were not now in opposition to statehood. I have information on very reliable authority that last Friday in Craig, Alaska, a convention was held by the Brotherhood of Natives, which represents the Indian population of Alaska, which numbers one-fourth of the population of the Territory. Governor Gruening went to the meeting to make a speech, because he knew that the Indians were rising up against statehood for Alaska. He made the speech with the idea of having the convention adopt a resolution in favor of statehood for Alaska. He spoke for a long time. When the resolution was offered not a single delegate to the convention voted in favor of it. On the other hand, they adopted a resolution against it, and adopted it because of a certain provision in the bill. A great many of the Indians had voted for statehood when the question was before them originally, 2 or 3 years ago, but this bill contains a provision I should like to read. I do not know how much it would affect them, I am not passing upon that, but I know that they think it would deprive them of their ancestral heritage, and therefore they are opposed to the bill. This is the provision in the bill to which they object. It is section 5, subsection (1):

> (1) Pending action by the people of Alaska and the Congress as provided in this act, no reservations for use and occupancy of the natives of Alaska shall be designated in the Territory by authority of any law of the United States, and no act of Congress applicable to Indians not now applying to the Territory of Alaska shall be made applicable to the Territory except by specific authorization of the Congress.

They feel that this would deprive them of the right to reserve for their own use any part of the lands they inherited from their aboriginal ancestors. I do not know whether it would have that effect or not, but they at least think so. As a result, this Native Brotherhood Assembly, representing practically all the Indians of Alaska, voted unanimously for a resolution not to agree to the bill, and they refused only last Friday to vote for a resolution recommending statehood.

Mr. President, I mention that to show that in Alaska, when the vote was taken 2½ years ago on the proposition of whether or not they would like to have statehood, and there was no such provision in the bill, the division was almost even, or about 3 to 2. The Indians having given their verdict against it, in all probability if an election were held now the proposal would not receive a majority of the votes cast in Alaska.

We hear reference made to this bill having passed the House by an overwhelming majority. That is not a fact. A majority of the House has not voted on the bill; but a majority of those voting on the occasion when the bill was passed did support it. There are 435 Members of the House. One hundred and eighty-six voted for the bill, one hundred and forty-six voted against it. More than a hundred did not vote at all, as they were absent. Therefore, in attempting to ascertain who is for the bill and who is against it, certainly it must be admitted that there is not a preponderance of opinion in favor of it among the people of Alaska or the people of the United States.

Another matter which I think is worthy of consideration is that when we are asked to make Alaska a State, we are asked to take into the Union a Territory larger than any State in the Union and with a smaller population. The total population of Alaska is between 110,000 and 120,000. But they are not all permanent residents. Included in that number are about 12,000 Government employees in Alaska, in many agencies, some of whom have their families with them, so that they form 26,000 or 30,000 of the population.

Furthermore, there is an Indian population which numbers about 30,000, or more, and of course that includes Indians and the Eskimos. It should be borne in mind also that a great deal of public work has gone on in Alaska not connected with Government employees, but projects maintained by the United States Government, on which a large number of people are employed, and a number of those have been counted in the census as temporary residents of Alaska.

Therefore, when we analyze the situation, we find that the population of Alaska amounts to no more than the population of an average county in the United States, and yet we are asked to vote on the preposterous proposition of granting to Alaska statehood, and giving her two United States Senators to represent about what is an average county in a State in the United States. It seems to me that is going far afield in the matter of determining the right of a particular element of our people to have statehood.

It has been said there has been great development in Alaska, and that Alaska has enormous resources. Alaska does have great resources. It did have a great deal of gold. In the year 1941 there was mined in Alaska $28,000,000 in gold. Yet in 1949 there was mined only $8,000,000 of gold. So that gold production has dropped from $28,000,000, in 1941, to $8,000,000 in 1949. Taking all of Alaska combined, with its vast area of 365,000,000 acres of land, we find that only three-tenths of 1 percent of the land is in private ownership. Of this vast area of 365,000,000 acres only a small number of acres are owned by private individuals. Ninety-nine and seven-tenths percent of the total acreage of Alaska is owned by the United States.

There is talk about Alaska being a rich country, and there is much land there. Yet, in the whole domain of Alaska there are only about 600 farms. That is not any more than we find in an average county in the United States. In my State of North Carolina, or in the State of Missouri, or in the State of Pennsylvania, there are about as many farms in a single county.

When we come to think about the Territory of Alaska, and the wealth of Alaska, and the resources of Alaska, we find that they have not been developed because people do not want to stay there in the extremes of climate which are found there. California has developed marvelously because of its climate and its resources. Alaska has not been developed, not because it has been a Territory, but because of the extremes of climate, and the fact that there is no appeal to people to go there and remain permanently. Most of those who have gone to Alaska have gone for the purpose of exploration and development, and to get what they can, and when they accomplish their purpose they return to the United States. The same process has continued through the years, and will continue.

Merely granting statehood will develop the resources of the country; the granting of statehood will not make the land inviting, and those who do not like the climate or other conditions which exist there will not remain. Therefore it is far afield to say that all Alaska needs is merely to be granted statehood, and that she will proceed with her development.

Mr. McKELLAR. Mr. President, will the Senator from North Carolina yield?

Mr. HOEY. I yield.

Mr. McKELLAR. I wish to make another suggestion to the Senator from North Carolina. As he knows, I have served a great many years on the Committee on Appropriations, and so far as I can recall we have never turned down a request looking to the aid and betterment and upbuilding of the Territory of Alaska. The present occupant of the chair [Mr. McCLELLAN] will join me in that statement, I know, because he is a member of the committee. So far as I can recall, I do not remember any bill of any kind intended to help the great Territory of Alaska being turned down. I know the Senate has been unusually considerate of the Territory of Alaska, and has helped it along in every way.

Looking at the matter solely from the standpoint of the Territory of Alaska, the land and the people, I doubt if there would be as good a government there, if statehood were granted, as now exists, because our whole country seems to feel that we should look after the people there and help them, and we do that.

I desired to call that to the attention of the Senator in connection with what he has just been telling the Senate. He is correct in what he says, there is no doubt, and I am sure no one in Alaska would complain that their government is a poor government because their needs have not been taken care of.

When we come to a State, we find conditions very different. In one sense, as conditions now exist, the people of Alaska are the wards of the United States Government. If Alaska took on statehood, I doubt very much whether that situation would continue. So, looking at the matter from the standpoint of the people who reside in Alaska—and there are not many of them—it would not be as well for them to have statehood as to continue under the present condition.

Mr. HOEY. I thank the Senator from Tennessee, who is the very able chairman of the Committee on Appropriations. What he says is absolutely accurate.

In that connection I desire to call attention to the fact that last year the budget contained $71,000,000 for Alaska. There is talk about Alaska paying taxes and not having representation, and it is said, "Here is taxation without representation." The total amount of taxes paid by Alaska to the United States last year was a little more than $18,000,000. Yet we paid back to them $71,000,000. So our administration over them is a very benevolent sort of administration. We certainly are not taking advantage of Alaska, and she is not suffering because she does not have Senators here or Representatives in the House of Representatives.

Of course, Alaska has a Territorial Delegate in the House, and he is very able and alert, and very attentive to his duties in looking after the interests of Alaska. But aside from that, as the distinguished Senator from Tennessee has said, since Alaska is a Territory, the obligation is felt by the Senate and the whole Congress to see to it that Alaska has every consideration for her development and for all the projects which are needed.

Presently the taxes in Alaska are higher than in any State of the Union. The taxes under their own government budget are about $8,000,000. The United States pays the expenses of the Territorial government, and for other purposes it pays more than $70,000,000.

Mr. STENNIS. Mr. President, will the Senator yield for a question on that point?

Mr. HOEY. I yield to the Senator from Mississippi.

Mr. STENNIS. Did I correctly understand the Senator to say that the taxes imposed in Alaska now, for purely local Territorial purposes, are higher than any tax we have in any State in the Union? If that be true, it is a fact which is new to me.

Mr. HOEY. That is my information about the matter. I have not verified it fully, but the source of my information, I think, is reliable.

Mr. STENNIS. Does not the Senator understand from the figures he has, and which he has given to us, that this tax burden would be tremendously increased if statehood were granted?

Mr. HOEY. It would be more than doubled.

Mr. STENNIS. If they cannot carry such a burden, where will the money come from? Will it come from any other source than the Federal Treasury?

Mr. HOEY. Not at all. Presently their own budget is about $8,000,000, and the United States makes contribution to the Territorial government and the agencies which the State would have to provide for, if Alaska were made a State, amounting to more than $10,000,000. That is the situation which now confronts the

people of Alaska. When we consider these figures we can better understand the problem, and realize that the people of Alaska would not be benefited by the granting of statehood.

In line with what the distinguished Senator from Tennessee [Mr. McKELLAR], chairman of the Committee on Appropriations, has said, the budget for Alaska for the fiscal year 1951 amounts to about $112,000,000. We are going forward and making provision for additional development of roads, and for other projects in Alaska. Alaska is receiving preferential treatment already, instead of being denied any of its rights or any of the opportunities for development.

A few moments ago I mentioned the payment of taxes by the people of Alaska to the Federal Government and the contention that they do not have adequate representation here. I do not think I need to emphasize that any more than to say that that condition applies always to any Territory. Alaska has the representation in the form of a Delegate in Congress, who is reenforced by a sense of justice on the part of the Members of both Houses of Congress, who will see to it that the interests of the Territory are adequately provided for, and that the Territory is not discriminated against.

Mr. President, I was thinking about the conditions which exist in Alaska, and about the Territorial government. Some time ago the distinguished senior Senator from Nebraska [Mr. BUTLER] submitted a resolution providing for an investigation of a condition which existed in Alaska, with reference to the Territorial government and certain interests in Alaska undertaking to put over a deal or the United States with respect to the Palmer Airport. The resolution was referred to the Committee on Expenditures in the Executive Departments of the Government, and was considered by the subcommittee of which I am chairman. In view of the information furnished by the Senator from Nebraska, we felt some further investigation should be made.

Following that I sent to Alaska a representative of our staff, an attorney, and an investigator. They went into the matter rather fully. Of course, the investigation was simply a preliminary one. Their investigation disclosed, however, the methods adopted by some of those who are now proceeding to try to bring about statehood for Alaska, in their efforts to obtain money from the Federal Government.

As Senators know, Congress has passed the National Airport Act, under which the Government gives aid and assistance to the States in the building of airports. Under that policy the Government pays 25 percent of the cost of the acquisition of sites for airports, and then sometimes as much as 75 percent of the cost of the construction. The Palmer Airport Association filed an application with the CAA in connection with the Palmer Airport. The matter was under negotiation. They later, however, conceived the idea of obtaining enough money from the Federal Government both to pay for the site and for the building of the airport. In order to do that they cooked up this sort of a scheme: They entered into negotiations with those who had the title to the airport with the idea that those who had the title should deed it to the Territorial government of Alaska at a stipulated sum of $150,000. It was agreed at the same time that after that deed had been made and the payment had been given, those to whom the money was paid would refund $145,000 of it, leaving the site to cost only $5,000. That was done.

Mr. President, I hold in my hand a photostatic copy of the original transfer which was made. I also hold in my hand the original check which was given for the $145,000 refund to the Territorial government, after the association had made the purchase, solely for the purpose of filing that with the United States and undertaking to secure a large appropriation.

For instance, under date of April 11, 1950, the Palmer Airport Association, of Palmer, Alaska, transferred 127.94 acres of land to the Territory of Alaska for $150,000. As I say, I hold in my hand a photostatic copy of the transfer of the title.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. STENNIS. How much of that figure was the Federal Government to pay?

Mr. HOEY. What they were doing was this: They were going to file an application to receive pay from the Federal Government, and in doing so they would set forth how much the site would cost, and then the Federal Government was supposed to pay 25 percent for the acquisition of the site. That was done under the general law which covers such procedure in relation to the building of airports through the country. The amount represented was $150,000. That was done on April 11, 1950. On April 17, 1950, the Palmer Airport Association executed this check which I hold in my hand—it is the original check—for $145,000, and returned it to the Territorial government, showing that they were only receiving $5,000 for the site.

In line therewith they amended their application for assistance from the United States, on the basis of which they would be entitled to receive $37,500 in connection with the site. In addition to that they were going to receive three-fourths of the cost of construction. So they filed a new application. When they filed the latter application, they asked for a total of $293,500, or $163,500 more than they had asked for in the January 9 application.

Before that time they had made a smaller request. The admitted purpose was to have the Government pay both for the site and all the cost of the airport base.

This, of course, is a private concern. It is not a Government concern. But it was dealing with a matter which concerned the Territory of Alaska. Territorial officials were joined in the matter. The active members of the organization helped to put through the proposition which would have defrauded the Federal Government by which they would have obtained money on the basis of a site which was costing much less than had been indicated. They had spent considerable money on the airport, some $58,000, but even when they had the United States engineers appraise the airport their total appraisal of everything connected therewith amounted to only $131,000. They had gotten some friendly appraisers to make appraisals. One appraisal was $150,000. Another appraisal was $175,000. That is the basis on which they filed the application, and changed the amount to $193,500.

Mr. STENNIS. Mr. President, will the Senator yield for a question?

Mr. HOEY. I yield to the Senator from Mississippi.

Mr. STENNIS. What was the date of the transaction?

Mr. HOEY. April 7, 1950, was when they obtained title, and they issued the refunding check on April 17, 1950.

Mr. STENNIS. Would the Senator mind pointing out what it was that brought the matter to light, and what stopped the transaction? What caused those concerned to recede from their position?

Mr. HOEY. I imagine the investigation did. I do not necessarily mean the investigation made by my subcommittee, but the Senator from Nebraska [Mr. BUTLER] made a speech, in which he called attention to the matter and gave information about it. The matter was discussed on the floor. When the resolution was referred to our committee I asked that the matter be held up until we could make an investigation. The investigation has not been completed, but it has gone far enough to show the facts I have set forth.

Mr. STENNIS. As I understand the Senator, he, as chairman of the subcommittee, had to request the Department of the Interior to hold up the matter.

Mr. HOEY. Yes. We notified the Department of the investigation and asked that nothing further be done until the matter had been looked into.

In order that there may be in the RECORD a statement as to the orderly process of the proceeding, I ask unanimous consent to have inserted in the RECORD at this point a short summary made by a member of the investigating committee. The statement shows what processes were adopted and what method was followed in connection with undertaking to put over this matter.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Alaskan officials of Division of Aeronautics planned to collect, retroactively, funds from the CAA in order to reimburse itself for moneys spent on the Palmer Airport prior to the passage of the required enabling act, which act became effective on June 1, 1949. Territory of Alaska had spent approximately $50,000 prior to June 1949. Territory not legally entitled to any Federal matching funds until after grant agreement negotiated. On November 23, 1949, George Schwamm, Director of Division of Aeronautics, and Stanley McCutcheon, attorney (also member of Territorial legislature), submitted request for Federal aid of $94,750 against total estimated cost of completing Palmer Airport of $130,000. Project application submitted on January 9, 1950, upon receipt of advice that Palmer Airport included in CAA allotment, and estimated Federal share of costs

reflected as $94,750, same as in previous requests for aid. Federal aid authorization of this amount rejected by Alaskan officials under date March 15, 1950, one month after CAA authorized grant agreement. New project application submitted March 15, 1950, wherein estimated Federal share is $145,125, while sponsors' share would be $148,375. Total estimated cost was shown as $293,500, or $163,500 more than January 1950 application. Increase due to alleged error in that Territory did not own land at Palmer Airport until April 11, 1950, when check issued to Palmer Airport Association for $150,000. Palmer Airport Association returned $145,000 to Territory. Territory to grant association the right to reacquire the airport and donate it to the town site of Palmer when and if Palmer became incorporated. Land actually cost Palmer Airport Association approximately $10,000, but no deed or written agreement executed by original owners to anyone until April 1950 and thereafter. Deed prepared not legally proper nor ever recorded. Three friendly appraisals submitted report to Schwamm, valuing property from $155,000 to $171,000. Corps of Engineers appraisal of identical acreage is $27,626. Balance of funds to credit of Division of Aeronautics at time, $150,000; check issued was only $147,569.14. McCutcheon confessed he did not know what statements appeared in project applications submitted to CAA in January 1950 and in March 1950, notwithstanding fact he certified to legal accuracy of statements made. Stated he may have certified that he was giving the Territory back to the Russians. McCutcheon caused Palmer Airport Association officials to place a value of $150,000 on the airport land in order that Territory could receive 25 percent thereof credit in matching funds, $37,500. Roland Snodgrass, secretary of Palmer Airport Association, admitted "selling" three friendly appraisers on idea that land was worth at least $150,000. Governor of Alaska in touch with Chris Lample, of CAA, in effort to get Federal aid for funds spend by Territory prior to passage of enabling act. Lample hand carried both project applications at Washington, D. C., in order to expedite and answer any questions which might be raised by Washington CAA officials. Local officials not as yet contacted. Schwamm admitted Territory did not intend to pay out any of its funds in completing Palmer Airport to No. 3 status. Advised no appropriation covered by Commissioners for expenditure of funds on Palmer Airport in 1950. Nevertheless, prior to investigation by this subcommittee, Schwamm advertised and entered into contract with low bidder to complete airport at cost of $121,277.70, and, in view of contract, Territory obliged to spend funds to meet payment, notwithstanding fact that no appropriation made therefor. Schwamm has attempted to collect 75 percent of construction cost expended in 1950, but payment of Federal funds held up pending completion of instant investigation. Also noted that William Lavery, member of Aeronautical Commission, was told by Schwamm that Frank Barr appointed in his place for "expired" term. This action taken before end of term and without obtaining his resignation.

Mr. HOEY. Mr. President, I brought that to the attention of the Senate because I feel that the matter is sufficiently vital to justify us in giving it sincere consideration. I believe there should be still further investigation before we pass upon the matter.

Mr. McCLELLAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from North Carolina yield to the Senator from Arkansas?

Mr. HOEY. I yield.

Mr. McCLELLAN. May I inquire of the Senator from North Carolina if the men representing the Alaskan Territorial government who participated in this transaction did not include the Speaker of the Territorial house of representatives?

Mr. HOEY. That is correct.

Mr. McCLELLAN. Is it not correct that the Territory of Alaska in the 1949 act established a commission to deal with aviation and communications? I believe it was called the Alaskan Aeronautics and Communication Commission. Is it not correct that that commission was established by an act of the Territorial legislature in 1949?

Mr. HOEY. That is true, as shown by the investigation made by our representatives.

Mr. McCLELLAN. Then was not the speaker of the Territorial house made chairman of that commission, a man by the name of Stanley McCutcheon, I believe?

Mr. HOEY. The record will show that.

Mr. McCLELLAN. Was it not the duty of McCutcheon, in the position he occupied, to certify as to the total ownership of the land which was involved in the applications for Federal aid for the airport construction and also for the acquisition of the land?

Mr. HOEY. That is correct.

Mr. McCLELLAN. As I understand, two applications were made. In the first application they certified that they owned this land and that it was of a certain value—as I remember, approximately $30,000. When that application was approved by the Civil Aeronautics Administration in Washington, and when the application was returned, is it not true that the same commission in Alaska, representing the Territorial government of Alaska, rejected the approval, and then submitted the second application, in which the same man, a member of the Alaskan commission, Stanley McCutcheon, in the second certification certified that they did not own any of the land, and therefore made application for $150,000?

Mr. HOEY. That is correct, and that is set forth in the memorandum which I had inserted in the RECORD a few moments ago.

Mr. McCLELLAN. Then it appears, does it not, from the investigation made thus far—and I understand that these facts are substantially undenied by the principal parties involved, whom representatives of the staff of the Senator's committee have questioned in person about these matters—that it was a scheme to actually misrepresent the facts and to defraud the Federal Government of sufficient funds not only to pay the Federal Government's part of construction but also of sufficient funds to pay the Territorial government's part of both the acquisition and the construction costs?

Mr. HOEY. Yes.

Mr. McCLELLAN. The Territorial officials of Alaska who have that authority actually participated in the scheme, which was discovered, and which the able Senator has called to the attention of the proper authorities; and action by the Senator and his committee has prevented the money from being paid and has prevented the fraud from actually being consummated.

Mr. HOEY. I thank the Senator from Arkansas.

Mr. BUTLER. Mr. President, will the Senator yield for a question?

Mr. HOEY. I am very glad to yield.

Mr. BUTLER. I am sorry I was not present to hear all the Senator reported; but if I correctly understand what he has stated, it is that a complete and detailed investigation of this transaction will be made and a report submitted to the Senate as soon as possible.

Mr. HOEY. That is correct.

Mr. BUTLER. Did the Senator from North Carolina indicate when that will be available?

Mr. HOEY. As I indicated before the Senator entered the Chamber, one of the assistant chief counsel for the committee and one of the investigators went to Alaska and obtained this preliminary report, and submitted it. The report gives the information which I have given. Practically all of it is uncontradicted; practically all of it is shown from the record.

In order to make a further investigation, it will be necessary to examine witnesses. Our committee expects to go forward with the investigation of the matter and to procure the full information.

However, the facts I have mentioned are those which are shown on the records and the papers and by the admissions made by those who were contacted by the staff representatives in Alaska.

Mr. BUTLER. I may say, Mr. President, that this matter was called to my attention during the committee hearings on the statehood bill. I think the members of the committee, on both sides, regardless of party affiliation, are entirely fair. I wish to say, for the Committee on Interior and Insular Affairs, that I have been on that committee for a number of years, and I have never seen any matter handled by it on a partisan basis.

At the time when I made that disclosure, it was suggested that the matter was entitled to be investigated, and, therefore, I submitted the resolution which was the basis of the investigation which the Senator from North Carolina has been conducting.

If the information which was brought to me, and which I reported, was correct, it is a very important matter to be explored thoroughly and to be reported to the Senate before we take action on the Alaska statehood bill, because the people involved are, as a group, those who are managing practically all the public affairs and questions in the Territory of Alaska.

Mr. HOEY. Mr. President, I wish to say to the Senator from Nebraska that the first information I had about any of

this matter was when his resolution was submitted and was referred to our committee.

Of course, the Senator from Nebraska very kindly furnished the information he had. Based upon that information, the committee was of the opinion that the matter should be investigated; and therefore we proceeded immediately.

Mr. BUTLER. Is it not the plan of the chairman of the subcommittee to subpena witnesses?

Mr. HOEY. Yes. We expect to examine the witnesses later. This preliminary investigation was completed about a week ago. We expect to examine witnesses and to go into the facts fully. However, we felt that since the statehood matter was now under discussion, the Senate should have the benefit of this preliminary investigation which shows matters which are not disputed and which are sustained by the record.

Mr. ANDERSON. Mr. President, will the Senator from North Carolina yield at this point?

Mr. HOEY. Yes; I am glad to yield.

Mr. ANDERSON. At what time did the investigation begin?

Mr. HOEY. The investigation in Alaska began about 2 or 3 weeks ago.

Mr. ANDERSON. When was the resolution submitted?

Mr. HOEY. I should say that the representatives of the committee went to Alaska about a week or so after the recess was taken. As soon as the resolution was submitted and was referred to our committee, we began here on the investigation. We looked into the matter somewhat. Then, after doing that, we decided that we should send the representatives to Alaska. That was done.

Mr. ANDERSON. Did the committee call in any persons from the Senate Committee on Interior and Insular Affairs who might previously have made an investigation of this matter?

Mr. HOEY. They did not.

Mr. ANDERSON. Did the committee call in the Governor of Alaska?

Mr. HOEY. The staff members visited Alaska and called everyone there who might have information about this matter. However, we decided that, in addition, we wished to summon witnesses for a full hearing and to give full attention to all aspects of the matter, and to have the hearing as soon as possible.

Mr. ANDERSON. Would the Senator's attitude be any different if he could have before him uncontradictable evidence that $150,000 had been spent on the airport?

Mr. HOEY. I do not think that is the matter in controversy.

Mr. ANDERSON. I think it is very definitely the matter in controversy. Statement is made, with reference to the airport, that there is no question about what took place.

It is like a person who engages a good lawyer to help prepare his income-tax returns, so as to be able to obtain the maximum benefit. In the case of this particular airport, the question is not whether $150,000 had been expended, but the question is whether $150,000 had been expended by the private individuals who owned the land.

The work of clearing the airport had been completed. There had been a terrific expenditure of money on the smaller airport. When the larger airport was required, it would obviously have been unfair to pay the private owners of the land for work done by the Territory of Alaska, work subscribed to by private individuals in Alaska. All those factors went into the matter.

One hundred and fifty thousand dollars had been spent. If it had not been spent, I think that would be an interesting fact for the committee to develop.

However, so far as I can find out, the Senator's committee has made no effort to ascertain whether $150,000 was spent, but only has tried to determine whether the holdings of the private owners of the land were worth $150,000. It is admitted that they were not.

The only way the people of Alaska could be taken into consideration was by means of proceeding in the way these people did.

I do not think the Government was defrauded of a single dime. I think the matter was handled in the way that has been followed over and over again in this country in cases in which precisely the same recognition has been given—although not in exactly the same fashion—to expenditures already made by private individuals.

That is why I am hopeful that the Senator from North Carolina will join us in trying to get this bill to the floor of the Senate, so that we may expose and explore these various matters and may get reasonable explanations for them, instead of refusing to permit the bill to come before the Senate and have them discussed before the final passage of the bill.

I am quite sure that my distinguished friend, the Senator from North Carolina, whose reputation for fairness is so strong that I need not comment on it, will eventually find that the facts are as I have outlined them, namely, that the expenditure was made, that there was no question as to the total investment of funds, but that the private owners of the land, who are private citizens of Alaska, should not have profited out of the enterprise, through the money they had turned into the development of a smaller airport, which now is to be developed into a larger airport.

Mr. HOEY. I say to the Senator from New Mexico that of course our committee had no previous notions or opinions regarding this matter. We were called upon to make the investigation, and we began it. I sent the staff to Alaska to get all of the facts in this connection. I directed them to obtain the information as fully as possible.

When they returned, they made this preliminary report, and said they thought it would be necessary to summon certain officials in order to get a full statement of the facts.

Mr. ANDERSON. They are here now. Would it be objectionable to summon Governor Gruening, who today is in Washington?

Mr. HOEY. I do not know whether we could hold a committee meeting today, but I should be glad to take up the matter at any time and to have all the facts developed.

However, I do not think this matter should be rushed. I think the persons in Alaska who have any connection with the transaction should have full opportunity to present the full facts, and I think all the facts should be laid before the Senate. I cannot understand why there is such a hurry to get this matter handled or why it should be pressed until we can investigate it.

After all, when we pass a statehood bill, that is the end of the matter. This is not a question which I think should be gone into hurriedly or ill-advisedly or without giving it full consideration. I should want full opportunity given to explain all aspects of it.

However, when the Alaskan Territorial government pays $150,000 to the Palmer Airport, with the agreement and understanding that they are going to refund $145,000 back to them, I do not understand how such a transaction could be considered as being open and above board.

Mr. ANDERSON. This subject was before the Committee on Interior and Insular Affairs in June, when the committee reported the bill. It had been my request, and that of other members of the committee, that this question be fully investigated. Somehow or other, it has not been investigated.

Mr. HOEY. The first time it came to us, we acted on it. It came when the resolution was submitted in the Senate and was referred to our committee. The full committee, through its chairman, referred it to a subcommittee, and it was taken up. I knew nothing about it in advance. I had not heard of any investigation. I did not know that the matter had been brought up before the Committee on Interior and Insular Affairs. Our investigation was merely to undertake to ascertain the facts.

Mr. McCLELLAN. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Arkansas?

Mr. HOEY. I am glad to yield.

Mr. McCLELLAN. I should like to inquire whether the Committee on Interior and Insular Affairs has made an investigation of the subject. If a thorough investigation were made by that committee, the facts might be disclosed, and it might not be necessary to conduct a further investigation. If such an investigation has already been made by another committee, I am not aware of it. Has the Senator from North Carolina information that another committee, having original jurisdiction over the Territory, has made such an investigation?

Mr. HOEY. We had no information that any investigation of that type had been made, and the only reason we made it was that the resolution was referred to us, as the distinguished Senator from Arkansas knows.

Mr. McCLELLAN. The resolution was referred.

Mr. HOEY. We had no desire to interfere in any way, but, when the resolution was referred to the full committee, and later to our subcommittee, we proceeded to consider the subject. Had I known that an investigation had already been made, I certainly should have inquired about it in order to see whether it was really necessary for us to go forward.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. ANDERSON. I desire to make sure that the RECORD shows that I do not question in any way the manner in which the distinguished Senator from North Carolina has handled the investigation, or the speed with which he has handled it. I only say that the subject came before the Committee on Interior and Insular Affairs in June, and I should like to have seen it investigated immediately. I think it should have been investigated, either by that committee or by the Senator's committee.

Mr. HOEY. I will say to the Senator from New Mexico that if there are any additional facts, I should be very glad to have them. I should be very glad to incorporate such material or the results of any other investigation which might add to our knowledge of the facts.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. McCLELLAN. Before the Senator concludes, I should like to subscribe to the statements made by the able and distinguished Senator from Tennessee [Mr. McKELLAR], who is chairman of the Appropriations Committee, and to state that during the 2 years in which I have had the privilege of serving on the Appropriations Committee, I know that we have undertaken to deal generously with Alaska in all of its problems with reference to public improvements and other matters which are now the responsibility of the Federal Government, and which will become the responsibility of the State government if and when Alaska is admitted to statehood. I know that the Appropriations Committee and its able chairman have been most sympathetic toward her every request. Each request has received appropriate consideration; and, as I recall, in practically every instance Alaska's requests for funds have been granted.

Mr. HOEY. I thank the distinguished Senator from Arkansas.

Mr. President, I had about concluded all I wished to say. As I said in the beginning, I am not making a dilatory speech. I am not trying to delay consideration of the bill. However, I do not believe that this motion ought to be agreed to. I do not believe that statehood should be granted to Alaska. When we undertake the task of admitting another Territory to statehood, it becomes an important matter. When a Territory is ready for statehood, and when its admission would be of benefit to the people of the Territory and to the United States as a whole, I do not believe it should be denied admission. I do not believe that the granting of statehood to Alaska would confer any benefits upon the Territory of Alaska. I am quite sure that it would not confer any benefits upon the United States. Under such conditions, I think the Senate could very much better occupy itself in the consideration of matters of present vital concern and importance, than in debating this question, which could very well be debated next year, or the year after, or 5 years from now, without any detriment to the public good.

Mr. STENNIS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Gurney	Millikin
Anderson	Hayden	Morse
Brewster	Hendrickson	Murray
Bricker	Hill	Myers
Bridges	Hoey	Neely
Butler	Holland	O'Conor
Byrd	Hunt	O'Mahoney
Cain	Ives	Russell
Capehart	Johnson, Tex.	Saltonstall
Carlson	Johnston, S. C.	Schoeppel
Chavez	Kem	Smith, Maine
Clements	Kerr	Smith, N. J.
Connally	Kilgore	Smith, N. C.
Cordon	Langer	Stennis
Donnell	Leahy	Taft
Dworshak	Lehman	Taylor
Eastland	Lucas	Thomas, Okla.
Ecton	McCarthy	Thomas, Utah
Ellender	McClellan	Thye
Ferguson	McFarland	Tobey
Flanders	McKellar	Tydings
Frear	McMahon	Watkins
Fulbright	Magnuson	Wherry
George	Malone	Wiley
Gillette	Martin	Williams
Green	Maybank	Young

The PRESIDING OFFICER (Mr. HOLLAND in the chair). A quorum is present.

THE KOREAN SITUATION

Mr. CAPEHART. Mr. President, I hold in my hand a cartoon published in today's issue of the Washington Evening Star. The cartoon shows an elephant and a donkey, both pretty much scarred up, after what seems to be intended to represent a fight. In the background is shown a radio set. From the radio set are issuing the words "United States faces gravest danger. Chinese Reds drive UN forces back in fierce attacks." Then both the elephant and the donkey look up and say, "Hey, there's a war on."

I presume the inference intended to be drawn from the cartoon—and I am not finding fault with it—is that the Republicans and the Democrats in Congress are fighting while there is a war going on, and that they are unaware of that fact.

Then I find a subheading in the same issue: "Nation in peril, action needed, Secretary says"—meaning Secretary Acheson.

Then I find down below that the Secretary is quoted as saying, "Must be ready for worst." Below that the following:

"No one can guarantee that war will not come," Mr. Acheson said. "The present crisis is extremely serious"—

And so forth.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. CAPEHART. I am very happy to yield.

Mr. BRICKER. I should like the Senator to advise whether or not the radio depicted is a Capehart machine?

Mr. CAPEHART. Now if I may continue——

Mr. BRICKER. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Indiana yield further?

Mr. CAPEHART. I yield.

Mr. BRICKER. The purpose of the question was to find out whether or not the reception was good.

Mr. CAPEHART. I shall not answer the able Senator from Ohio, because, frankly, I am in no frame of mind——

Mr. CHAVEZ. Mr. President——

Mr. CAPEHART. To make answer to such a remark as that; and I shall not yield to the Senator from New Mexico at the moment either.

Mr. CHAVEZ. I thank the Senator for his kindness and patience.

Mr. CAPEHART. Yes; I shall be very happy to yield. Go ahead.

Mr. CHAVEZ. Would not the answer be dependent upon who is listening to the machine?

Mr. CAPEHART. Mr. President, I rose to talk about this cartoon, not to criticize the newspaper. In the cartoon we find the words, "Hey! There's a war on!" I should like to ask a question. What war? The President of the United States has described the Korean incident as a police action. The Secretary of State in a speech last night said, "No one can guarantee that war will not come." What does the President of the United States call what is going on in Korea? And what does the Secretary of State mean when he says, "No one can guarantee that war will not come." Well, is war here?

My next question is this: What do the President of the United States and the Secretary of State want the Congress to do? What bill is there before the Congress that they would like to have passed immediately in respect to what the President of the United States calls a police action? The Secretary of State evidently ignores the fact that there is a war because he says, "No one can guarantee that war will not come."

To me the situation is serious. I am certain it is serious to every other Senator. I know it is serious to the 200,000 American boys who are in Korea.

I shall not take the time to read much more matter appearing on the front page of the newspaper, which describes in great detail how a division of our marines has been caught in Korea.

But what does the President of the United States want the Congress to do? What does the President of the United States want the American people to do tonight? The President of the United States is the only person in the United States who has access to all the facts. I do not have access to them. No other Senator has access to the facts. The Senate as a whole does not have access to the facts. Only the President of the United States is in possession of all the facts. Why does not the President of

the United States give the facts to the American people? Why does not the Secretary of State give the facts to the American people? Why does not the President of the United States tell Congress what he wants Congress to do, or what he thinks Congress should do in order to help in this situation, because he and he only has the facts?

Why is it necessary to publish a cartoon such as I am looking at here, which leaves the impression—it must leave the impression, and I presume the intention was to leave the impression—that the Republicans and the Democrats in the Congress were fighting while a war was going on? That is not going to build up morale in the United States; and I do not think it is going to build up morale in the United States for the President of the United States and the Secretary of State to deny the fact that there is a war.

I do not believe anyone can successfully contradict what I am going to say. I know that many Senators might well rise and say that the senior Senator from Indiana did not vote for all foreign-aid measures, and they would be correct. But I do not think anyone can successfully contradict what I am going to say, and that is that the Congress of the United States has given the President and the Secretary of State, if not everything, then practically everything they have asked for in respect to foreign affairs, and have given them everything they have asked for in respect to the present Korean situation. What more do they want? What do they want the Congress to do? What do they want the people to do? Why does the Secretary of State say, "No one can guarantee that war will not come"? Why does he make that statement when we are at war today? Why does he make the statement, which was listened to last night by I do not know how many million people, that war may come?

If the situation is serious, and it is serious—it is always serious when a nation is at war, if we are at war, and we are at war—why does not the President of the United States consult with the Congress of the United States? If I remember correctly—and I do—the President of the United States did not ask for a declaration of war when he moved into Korea, or when the United Nations moved in, if Senators care to put it in that way. The President of the United States did not ask Congress for a declaration of war the other day when the Chinese Communists moved in.

He has not come before a joint session of the United States Congress and reported to the Congress and to the people, and said, "Here are the facts. Here is the situation. Here is what I think we ought to do."

Senators will remember that in the late days of the Congress, before we adjourned in September, the Congress passed what was known as the 1950 Defense Production Act, and that act—and I believe I know what I am talking about, because I am a member of the committee which held hearings in connection with it—gives the President of the United States the right to control, 100 percent, the domestic economy of the Nation. It gives him the right to control prices and wages, and to ration. It gives him the right to return to wartime controls. Yet he has only put into effect a very small portion of the powers conferred on him by that act. He is controlling credits on durable goods. He is controlling credits on housing. He has reduced the use of aluminum for civilian goods about 35 percent, and maybe a few other insignificant provisions of the act have been put into effect.

I am asking these questions as a Member of the United States Senate. With 200,000 American boys fighting in Korea, I am asking the questions.

I do not like to have the people of my State say, "What are you doing?" I am receiving, as I know other Senators are receiving, literally dozens and dozens of telegrams and letters. I have received many of them today after Mr. Acheson's speech of last night. Then I pick up this newspaper and I see the cartoon on its front page.

I rise to ask the President: "What do you want Congress to do? What do you want the people to do? Are we at war or are we not at war? What can we do as a Congress that we have not already done?" The people, if I judge their temper correctly from my mail and the telegrams I am receiving, are becoming a little bit dissatisfied in respect to the Congress. They wonder why Congress is not doing something.

What can we do? What should we do? How can we do anything without having the facts? The President and the President only has the facts. I know I would be willing and I know every other Senator would be equally willing and anxious as I am, to sit here day in and night out to do whatever is necessary to win the Korean War. We cannot do it until the leadership of our Nation tells us what should be done. We can appropriate more money; we can raise taxes. However, appropriating more money at this time possibly will not help the boys in Korea. We have already appropriated billions upon billions of dollars.

So, Mr. President, I close by asking the President of the United States to tell the American people the facts, based upon the information he has, inasmuch as he is the only person in the United States who has access to all the facts. Let the President tell the Congress what laws he thinks the Congress should pass, and let the President tell the American people what he thinks they should do.

I think the time has arrived when that should be done. I am hopeful that the President will do so, because I do not think we are helping the world situation or that we are helping ourselves when the Congress is put in such a light as it is as a result of the cartoon to which I have referred, which is absolutely unfair, unwarranted, and unjustified, because I am certain that the Congress will do whatever is necessary to be done in time of war.

Mr. President, I do not know how other Members of the Senate feel about the matter; but so far as I am concerned, it is war, and it has been war for many, many months. Why our leadership and the President and the Secretary of State do not recognize it as war, but continue to try to fool the American people into believing that it is a police action, I cannot understand. I repeat that the Secretary of State himself, when speaking to the American people, said:

> No one can guarantee that war will not come.

Now war is here. It is not coming; it is here now.

I repeat that I cannot understand why the President and the Secretary of State do not so inform the American people, and why they do not come before the Congress and tell the Congress what they think should be done; because they, and they alone, have the facts.

STATEHOOD FOR ALASKA

The Senate resumed the consideration of the motion of Mr. LUCAS to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. LEHMAN obtained the floor.

Mr. ANDERSON. Mr. President, will the Senator yield to me?

Mr. LEHMAN. Gladly.

Mr. ANDERSON. Mr. President, yesterday some questions arose as to certain statements. I now ask unanimous consent that I may read briefly from those statements and may supplement them by having certain matters printed in the RECORD at the conclusion of the remarks of the Senator from New York, if that is permissible.

The PRESIDING OFFICER. Does the Senator request that he be recognized for that purpose at the conclusion of the remarks of the Senator from New York?

Mr. ANDERSON. I should be happy to do so either now or at the conclusion of the remarks of the Senator from New York.

The PRESIDING OFFICER. Does the Senator wish to make the statement now?

Mr. ANDERSON. Yes.

The PRESIDING OFFICER. Does the Senator from New York yield for that purpose, with the understanding that the remarks of the Senator from New Mexico will follow those of the Senator from New York?

Mr. LEHMAN. Yes; provided I do not thereby lose my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

(The further remarks by Mr. ANDERSON appear in the RECORD at the conclusion of Mr. LEHMAN's speech.)

Mr. LEHMAN. Mr. President, the real issue here in connection with the Alaska statehood bill is whether Alaska is prepared for statehood and whether granting statehood to that Territory would be in the best interests of the United States. As a member of the Interior and Insular Affairs Committee, I was in almost constant attendance at the hearings in April of this year when the issues were thoroughly explored. Before the hearings, I felt that Alaska

should become a State; at their conclusion I was convinced of it. The granting of statehood would be in harmony with tradition. Every argument which has been raised on this floor and elsewhere against Alaska statehood is, on analysis, discovered to be merely a restatement of the same arguments made against admission of the western territories. The analogy between them and the arguments against the admission of Alaska in almost every instance is strikingly similar.

I am one of the representatives of the State which, in point of population, is the largest in the Union, and my State pays into the Federal Treasury more tax revenue than any other State does. It is my firm belief that the people of the State of New York do not object to the fact that the approximately 130,000 citizens of Alaska will have with statehood, the same representation in the Senate as do the almost 15,000,000 people of New York State. I make that statement with deep conviction, because during recent months in my home State, while I was a candidate for reelection, I publicly declared time after time my endorsement of Alaska statehood; and I found general acceptance there of the proposition that this Nation would be aided by adding this Territory to the Union of States. Long ago, our forefathers made the decision that representation in the United States Senate should be on the basis of political areas, not population; and who is there to say that this system of government, giving as it does proportional representation in the House of Representatives, has not worked well for the people, has not caused this Nation to flourish and to grow and to become the leading country of the world?

In the Union of the Thirteen Original States, there was wide disparity as between the populations of the several States. For example, Virginia had over 500,000 people, while Delaware had only 37,000. Indeed, at that time Virginia had more than double the population of my own State of New York; and later, when Indiana was admitted in 1816, Virginia and Pennsylvania and New York each had over a million persons within their borders, while Indiana had less than 25,000. When Illinois became a State 2 years after Indiana, it had only about 50,000 people. In those days, too, and later, arguments were made—but they never prevailed—that it was wrong to give a handful of people the same voting strength in the Senate as was enjoyed by the more populous States. Who could say now, and who would say, that it was a mistake to admit Indiana and Illinois?

It is contended that there is nothing in statehood itself to bring about progress. The only answer is that progress has always come when statehood was granted. Perhaps this is due partly—and it might be even principally—to the fact that the people of a State are released from long-distance government and are given greater latitude and greater opportunity to shape their own destiny.

For the sake of the RECORD, let me list here the populations of some of the States at the time of their admission, other than Indiana and Illinois, and the populations at the same time of Virginia, Pennsylvania, and New York:

State	Date	Population	Virginia	Pennsylvania	New York
Vermont	1791	85,425	747,610	434,373	340,120
Kentucky	1792	73,677	747,610	434,373	340,120
Tennessee	1796	69,000	880,200	602,365	589,051
Ohio	1802	42,366	880,200	602,365	589,051
Louisiana	1812	76,556	974,600	810,091	959,049
Mississippi	1817	75,448	1,065,366	1,049,458	1,372,812
Missouri	1821	66,586	1,065,366	1,049,458	1,372,812
Arkansas	1836	52,240	1,230,797	1,724,033	2,428,921
Florida	1845	72,000	[1] 1,239,797 [2] 1,421,661	[1] 1,724,033 [2] 2,311,786	[1] 2,428,921 [2] 3,097,394
California	1850	92,597	1,427,661	2,311,786	3,097,394
Oregon	1859	52,465	1,596,318	2,906,215	3,880,735
Nevada	1864	42,491	1,596,318	2,906,215	3,880,735
Idaho	1890	82,385	1,655,980	5,258,113	6,003,174
Wyoming	1890	60,700	1,655,980	5,258,113	6,003,174

[1] 1840.
[2] 1850.

I wish to draw particular attention to the States which were admitted within my lifetime. Idaho, in 1890, had a population of 82,385. At the same time, Virginia had a population of 1,655,000, while Pennsylvania had a population of 5,258,000, and New York, a population of more than 6,000,000. Wyoming, admitted in the same year, had a population of only 60,700, while Virginia had 1,655,000, Pennsylvania 5,258,000, and New York, more than 6,000,000. So it is clear that Wyoming had less than 1 percent of the population of the State of New York, yet it was willingly admitted into the Union of States, and certainly has proved to be a great asset to the United States.

In his remarks on Tuesday, the distinguished junior Senator from Mississippi [Mr. STENNIS] expressed concern over the fact that such a small amount of land in Alaska has moved into private ownership. It is correct to say that that fact is not unknown to Alaskans who advocate statehood, and they have urged that statehood would play a measurable part in correcting the situation. The junior Senator from Mississippi stated that the two Senators from Alaska would represent only 1,500 square miles of land or "just about the size of one good county in Minnesota or two counties of Mississippi." I hope I may be permitted to point out to my friend from Mississippi that he is badly in error. Senators from a State of the United States represent, not the land which is privately owned alone, but all the land within the borders of the State. If the rule is that private land and private land only is entitled to have a voice in the United States Senate, then I suggest that some changes should be made in many other States of the Union. I do not know how much State-owned land there is in Arizona, for instance, but the records show that the Federal Government has title to 73 percent of the land there. In the great State of California, 45 percent of the land is federally owned. In Colorado the percentage is 38; in Idaho, 65; in Nevada, 85; and in Utah, 73. So we should not for a moment accept the proposition that only in Alaska has the United States Government title to a substantial part of all the land.

Even more importantly it should be said, and emphatically, that not only would Senators from Alaska represent the total area within the borders of the State, but the very bill upon which I hope the Senate will act makes provision for conveying to the State 22,000,000 acres of land. That would not only enable the State to accelerate the process of increasing private ownership of land but would allow the State government to retain for the benefit of its people land which should remain in public ownership. We should note well, too, that the decision as to which part, if any, of this State-owned land shall remain in public ownership will be made by the people of the State themselves and not by distant government.

If we were to accept, even improperly, the suggestion that Senators have a right only to represent that portion of their States which is under control of the State itself or is privately owned, let us make inquiry as to what the Alaska situation would be. I am informed that conveying 22,000,000 acres of land to the State of Alaska would give the people of Alaska a land area greater than is contained in each of the following States: Connecticut, Delaware, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, Rhode Island, Vermont, West Virginia, and South Carolina. So the contention that Alaska Senators would represent only the equivalent of a couple of counties in Mississippi or one county in Minnesota falls precipitately of its own weight.

This is not the first time, as has been said, that the United States Senate has faced the proposition of admitting a Territory unconnected with the present States. In a day when transportation was far, far slower than it now is, there was a gap of 210 miles between Tennessee, the nearest State, and Louisiana when the latter was admitted. And California was 470 miles away from Texas, the nearest State, when California entered the Union.

The President of the United States has declared that the passage of this bill is highly important for our national defense and also for the sake of our Nation's prestige abroad. The Department of State has declared in formal testimony before our committee that the grant of statehood to Alaska and Hawaii would be most meaningful and significant for the support of our world policy.

I am not a military expert and do not pretend to speak as one. Certainly, however, we must give full faith and credit

to the recommendations of the President of the United States and of his military advisers who are and must remain responsible for the defense of this country and of its interests in these perilous times. We must give full faith and credit to the advocacy of statehood by the Secretaries of the Army, Navy, and Air Force. Among the supporters of Alaskan statehood, in addition, are General MacArthur, General Eisenhower, and Admiral Nimitz. Certainly these men understand the advantages of statehood for the national defense.

These military men understand, as we all do, that the inclusion of these Territories in the Union as States must inevitably result in greater attention being given in the Congress to the defense needs of these areas and, what is equally important, to the fuller participation of these areas, their population, and their resources in all the defense undertakings of the Nation.

Alaska's contribution to the national defense consists not only of the air bases and other military establishments located there, but also in the cooperation and participation of the inhabitants of Alaska in national defense undertakings—not only in the defense of the area of Alaska, but of the entire Nation. A uranium mine developed in Alaska or a lead or zinc or other mineral deposit developed there can be a vital contribution to the national defense. Statehood will stimulate such developments.

I need not labor the point about how important the admission of these two Territories as States is for the sake of our prestige in the world and our foreign policy. The Far East especially is vitally interested in what we do with Alaska and Hawaii. The grant of full statehood to these two areas with their melting pot complexions, in the case of Hawaii, and with the large proportion of Indians and Eskimos in the population of Alaska—will help convince the peoples of the Far East that Americanism is a way of life, a way of freedom whose aim is equality of citizenship status for all. Statehood for Alaska and Hawaii will help convince the peoples of Asia that racialism is not a part of our democratic philosophy.

I need not emphasize how vital this is for the sake of victory and for the sake of unity among freedom-loving peoples.

I hope that the pending motion is approved and that the Senate will agree without further delay to take up these vital measures.

During the delivery of Mr. LEHMAN'S speech,

Mr. ANDERSON. Mr. President, at this point let me say that some question was raised as to when Alaska became a Territory. As early as 1896, the Supreme Court of the United States held, in effect, that Alaska was a Territory, in the case of *The Steamer Coquitlam* v. *United States* (163 U. S. 346). I now ask unanimous consent that a citation from that case be printed at this point in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

As early as 1896, the Supreme Court of the United States held, in effect, that Alaska was a Territory. In the case of *The Steamer Coquitlam* v. *U. S.* (163 U. S. 346 (1896)), the Court stated:

"Alaska is one of the Territories of the United States. It was designated in that order (referring to the order of this court assigning the ninth circuit) as has always been so regarded. And the Court established by the act of 1884 is the last resort within the limits of that Territory. It is, therefore, in every substantial sense the Supreme Court of that Territory."

Mr. ANDERSON. Mr. President, Alaska was a Territory from the time of annexation in 1867. That question was decided squarely in 1905. I ask unanimous consent that a citation relating to that matter be printed at this point in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

That Alaska was a Territory from the time of annexation in 1867 was decided squarely in 1905 when, in handing down the Court's opinion in *Rasmussin* v. *United States* (197 U. S. 516), Chief Justice White stated:

"Indeed both before and since the decision in Downes against Bidwell the status of Alaska as an incorporated Territory was and has been recognized by the action and decision of this Court. * * * It follows then from the text of the treaty by which Alaska was acquired, from the action of Congress thereunder and the reiterated decisions of this Court, that the proposition that Alaska is not incorporated into and a part of the United States is devoid of merit, and therefore the doctrine settled as to unincorporated Territory is inapposite."

Mr. ANDERSON. In that connection, Mr. President, there is a concurring opinion by Mr. Justice Harlan. I ask unanimous consent to have an excerpt from it printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

The result is summed up in the concurring opinion of Mr. Justice Harlan who said:

"Immediately upon the ratification in 1867 of the treaty by which Alaska was acquired from Russia that Territory, as I think came under the complete, sovereign jurisdiction and authority of the United States, and, without any formal action on the part of Congress in recognition or enforcement of the treaty, and whether Congress wished such a result or not, the inhabitants of that Territory became at once entitled to the benefit of all the guarantees found in the Constitution of the United States for the protection of life, liberty, and property."

Mr. ANDERSON. Mr. President, the decision cited article III of the Treaty of Cession. I ask consent to have that Article printed at this point in the RECORD.

There being no objection, the Article was ordered to be printed in the RECORD, as follows:

The decision cited article III of the Treaty of Cession which reads: "The inhabitants of the ceded territory, according to their choice, reserving their natural allegiance, may return to Russia within 3 years, but if they should prefer to remain in the ceded territory, they, with the exception of uncivilized native tribes, shall be admitted to the enjoyment of all the rights, advantages and immunities of citizens of the United States, and shall be maintained and protected in the free enjoyment of their liberty, property and religion. The uncivilized tribes will be subject to such laws and regulations as the United States, may from time to time, adopt in regard to aboriginal tribes of that country."

Mr. ANDERSON. Mr. President, I hold in my hand a list of laws subsequent to the Treaty of Cession and prior to the organic act by which Alaska was considered de facto a Territory. There are some six of those laws. I ask unanimous consent to have a citation of them printed at this point in the RECORD.

There being no objection, the citation was ordered to be printed in the RECORD, as follows:

The laws subsequent to the Treaty of Cession and prior to the organic act by which Alaska was considered de facto a Territory are:

Act of July 20, 1868, concerning internal revenue taxation;

Act of July 27, 1868, extending the laws of the United States relating to customs, commerce and navigation and establishing a collection district;

Revised Statutes of 1873–74, sections 1954–1976 carrying forward these previous provisions;

Act of May 17, 1884, constituting Alaska a civil and judicial district and establishing a civil government, providing for a governor and other offices and for a district court and making general laws of Oregon applicable to the Territory;

Act of March 3, 1889, establishing a criminal code and code of criminal procedure; and

Act of June 6, 1900, making further provisions for civil government, including a code of civil procedure.

It was not until 7 years after the Supreme Court decision in 1905 in the *Rasmussen* v. *United States* that Congress enacted the so-called organic act for Alaska, August 24, 1912.

Mr. ANDERSON. Mr. President, a question was asked as to what military leaders have advocated statehood for Alaska. First let me say that Louis Johnson submitted a letter on that subject to the Senate Committee on Interior and Insular Affairs on April 18, 1950. As then Secretary of Defense he urged the admission of Alaska into the Union. I ask unanimous consent that his letter, together with subsequent letters written by him and by the Acting Secretary of State, be printed at this point in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

THE SECRETARY OF DEFENSE,
Washington, April 18, 1950.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs, United States Senate.

MY DEAR SENATOR O'MAHONEY: This letter is further in response to your communication of March 30, 1950, in which you make reference to two bills, H. R. 331 and H. R. 49, which, if enacted, would admit the Territories of Alaska and Hawaii, respectively, into the Federal Union as States. Because I understand that your committee intends on April 24 to commence hearings on H. R. 331, which concerns Alaska, and to hold hearings beginning May 1 on H. R. 49, the Hawaiian proposal, I address this letter to you for the purpose of expressing the concurrence of the Department of Defense in both proposals.

As you know, the administration has repeatedly expressed itself as favoring Hawaiian and Alaskan statehood and both proposals have again and again been introduced by the President. On January 4, in his state of the Union message, President Truman

urged that the Congress during 1950 grant statehood to Alaska and Hawaii. The enactment of H. R. 49 and H. R. 331 would, I believe, effectively accomplish this objective.

You asked in your letter of March 30 as to whether from the point of view of national defense, it would be advantageous to extend statehood to Alaska and Hawaii, and you inquired specifically as to whether statehood would give greater strength to our military position in those areas than does the present territorial type of local government. It is obvious that the more stable a local government can be, the more successful would be the control and defense of the area in case of sudden attack. There can be no question but that in the event of an attack any State would be immensely aided in the initial stages of the emergency by the effective use of the State and local instrumentalities of law and order. By the same token it would seem to me that, as persons in a position to assist the Federal garrisons which might exist in Hawaii or Alaska, the locally elected governors, sheriffs, and the locally selected constabulary and civil-defense units all would be of tremendous value in cases of sudden peril. Therefore, my answer to your question is that statehood for Alaska and Hawaii would undoubtedly give a considerable added measure of strength to the overall defense of both areas in event of emergency.

I am not attempting in this letter to endorse the specific language of either of the bills under consideration, but I do wish strongly to support the principle of granting immediate statehood to both the Territories of Alaska and Hawaii as in the best interest of the United States and of all of its peoples both here and in the Territories.

With kindest personal regards, I am,

Sincerely yours,

LOUIS JOHNSON.

THE SECRETARY OF DEFENSE,
Washington, September 15, 1950.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs,
United States Senate.

MY DEAR MR. CHAIRMAN: I have just received your letter of September 13 asking me if I would like to express any views with respect to statehood for Alaska and Hawaii in addition to the views which I expressed in my letter of April 18 to you.

I have nothing to add to the views I have previously expressed on this subject, other than to say that recent events in the Pacific seem to me to give added point and emphasis to the statements contained in my letter of April 18.

With warm personal regards, I am,

Sincerely yours,

LOUIS JOHNSON.

DEPARTMENT OF STATE,
Washington, September 19, 1950.

Hon. JOSEPH C. O'MAHONEY,
Chairman, Committee on Interior and Insular Affairs, United States Senate.

MY DEAR SENATOR O'MAHONEY: This is in reply to your letter of September 12, 1950, regarding the Department of State's views on bills for admission of Hawaii and Alaska into the Union, and inquiring whether recent events in Korea have in any way caused the Department's views to be changed.

The views of the Department as set forth in the letter of April 20, 1950, have not been modified by the development of the Korean conflict. Indeed, the Department believes that the Korean situation has increased the urgency for favorable action on these bills and has rendered more compelling the reasons set forth in my letter of April 20, 1950.

Sincerely yours,

JACK K. MCFALL,
Assistant Secretary
(For the Secretary of State).

Mr. ANDERSON. So far as other representatives of the Armed Forces are concerned, let me list only a few. For instance, Gen. H. H. Arnold, now deceased, was a member of the National Committee for Alaska Statehood. Of statehood he said:

Upon Alaska our future may well rest. What, then, would be better; what would insure a greater provision for our future than to recognize that most important area and make it a State, equal to our other 48 States?

Gen. William Donovan, wartime commander of the OSS, is still another high military figure who favors immediate Alaska statehood. He is a member of the National Committee for Alaska Statehood.

When Gov. Ernest Gruening, of Alaska, was in Tokyo in November 1949 he talked with General MacArthur about Alaska statehood. General MacArthur told Governor Gruening he would be glad to serve as a member of the National Committee for Alaska Statehood. So General MacArthur became a member of that committee.

Admiral Chester W. Nimitz' adherence to Alaska statehood is revealed by the fact that he is a member of the national committee to advance the cause of statehood. Admiral Nimitz signified by letter his belief that Alaska should be a State, and at that time he accepted membership on the national committee.

Rear Adm. Richard E. Byrd is not only a member of the National Committee for Alaska Statehood but has lent active and continuing support to the cause of statehood for Alaska.

Finally, Mr. President, Gen. Dwight D. Eisenhower, when speaking in Denver on September 16 last, urged that Congress enact the Alaska statehood bill without delay. I ask unanimous consent that an excerpt from his remarks on that occasion, as they appeared in the Denver Post of September 17, 1950, be printed at this point in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

ALASKA, HAWAII STATEHOOD SEEN AS SIGN TO WORLD

Quick admission of Alaska and Hawaii to statehood will show the world that "America practices what it preaches," Gen. Dwight D. Eisenhower said Saturday in a brief talk to 1,500 Denverites gathered at the freedom bell.

The famed war and peacetime leader declared admission of the two Territories is "in conformity with the American way of life," granting them self-government and equal voice in national affairs.

PRACTICAL SYMBOL

Alaskan and Hawaiian statehood will serve to the people of the world as a "practical symbol that America practices what it preaches," Eisenhower said. He said he hopes Congress would soon pass admission legislation now before it.

Mr. ANDERSON. Finally, Mr. President, I hold in my hand a statement by Robert P. Patterson, former Secretary of War, strongly supporting statehood for Alaska. This statement was addressed by him to the Senate Committee on Interior and Insular Affairs. I conclude by asking unanimous consent that the statement be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT OF ROBERT P. PATTERSON, ATTORNEY AT LAW AND FORMER SECRETARY OF WAR, NEW YORK CITY, SATURDAY, APRIL 29, 1950, BEFORE THE COMMITTEE ON INTERIOR AND INSULAR AFFAIRS ON ALASKA STATEHOOD

I strongly support passage of the Alaska statehood bill.

When Secretary Seward in 1867 negotiated the treaty for purchase of Alaska Territory for the sum of $7,200,000, the cynical spoke of Alaska as "Seward's ice box" and condemned the transaction as a flagrant waste of public funds. Time has proved that Seward's treaty was one of the wisest steps in statesmanship ever taken by our Government. Time has also made it clear that the final step in recognition of Alaska—statehood like that of the 48 States—should be taken promptly.

When an American citizen moves to Alaska from New York, Illinois, Texas, or Oregon, he is nonetheless an American citizen, living on soil that has been American for 83 years. Why should he lose the right to participate in the Nation's affairs?

I support statehood for Alaska on many grounds. In simple justice to the 100,000 Americans who live there, Alaska should be the forty-ninth State. Some may say that 100,000 are not so many people; but half of our present States did not have 100,000 inhabitants at the time of their attainment of the status of a State.

I also believe that statehood will be to the advantage of the entire Nation— politically, socially, economically. There can be no question that the resources in Alaska, rich but now largely latent, will be developed more rapidly when Alaska is recognized as a State, a full-fledged partner with the other States.

I will not take the time of the committee with detailed discussion of these matters, but will confine what I have to say to the advantages the United States will derive in national defense by recognition of the claims of Alaska for statehood.

I am thinking back to those anxious days in 1942, 8 years ago, when the Japanese threat to Alaska was one of our gravest concerns. We had lost command of the Pacific for the time being. Our route to Alaska by sea—and we then had no other access—was uncertain. The Japanese had seized Attu and Kiska in the Aleutians, and no one knew what they would try next.

In the War Department we were well aware of how weak our defenses were. We did our best to expand the chain of airfields that ran from Minnesota up to Fairbanks. We started the Alcan Highway, locating it where we did as a support for those airfields. We undertook the Canol project for a supply of oil to be delivered from northwest Canada to Alaska, expensive, it is true, and severely criticized at the time, but thoroughly sound as a war measure.

It was brought home to me at that time that our chief difficulty in defending Alaska was the problem of supplying military forces there. It would do no good to place troops there if they could not be maintained, kept equipped, and moved from place to place. A solution to the supply problem in Alaska was the key to success in defense of the United States against attack from the northwest.

Alaska was not lacking or deficient in most of the raw materials needed for supply of military forces. It had timber, minerals, petroleum. What was lacking, what was deficient, was the population to develop the available resources. The Territory was so thinly peopled that the resources in the soil could not be converted into useful products save on the most meager basis.

Five years later, in 1947, the War Department made an intensive study of Alaska de-

fense under "cold war" conditions. There was general agreement that the defense of Alaska was vital to the defense of the United States and that the defense of Alaska should be geared to air operations. There was also general agreement that nothing would strengthen our defenses in Alaska as much as an increase in population, to the end that the basic resources of the area might be utilized for supply of the defending forces.

What was true in 1942 and in 1947 is true in 1950. The prime need in national defense, so far as Alaska is concerned, is a growing population. In Soviet Russia a need like that would be met by establishment of slave-labor camps, as has been done across the Bering Straits in Siberia. That will never be our way. But in the interest of our national security we should neglect no measure that will persuade enterprising citizens in suitable numbers to settle in Alaska and take their part in development of industry, agriculture, transportation, and other facilities there. The granting of statehood to Alaska, I am certain, will stimulate the growth of population, will promote the utilization of resources, and will strengthen the national defense.

On these grounds, as well as on those outlined earlier in this statement, I advocate passage of the Alaska statehood bill.

Mr. ANDERSON. I thank the Senator from New York very much for granting me this courtesy.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois [Mr. LUCAS] to proceed to consideration of the Alaska statehood bill.

Mr. STENNIS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hayden	McKellar
Byrd	Hendrickson	McMahon
Capehart	Holland	Magnuson
Carlson	Johnson, Tex.	Maybank
Cordon	Johnston, S. C.	O'Mahoney
Donnell	Kerr	Russell
Dworshak	Kilgore	Smith, N. C.
Ecton	Lehman	Stennis
Ferguson	Lucas	Taft
Frear	McClellan	Wherry
George	McFarland	Wiley

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The Chief Clerk called the names of the absent Senators, and Mr. FLANDERS, Mr. MURRAY, Mr. NEELY, Mr. SMITH of New Jersey, and Mr. YOUNG answered to their names when called.

The PRESIDING OFFICER. A quorum is not present.

Mr. LUCAS. Mr. President, I move that the Sergeant at Arms be instructed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will execute the order of the Senate.

After a little delay Mr. MCCARTHY, Mr. WATKINS, Mr. BREWSTER, Mr. SCHOEPPEL, Mr. ANDERSON, Mr. GURNEY, Mr. BUTLER, Mr. IVES, Mr. BRICKER, Mr. BRIDGES, Mr. CAIN, Mr. CHAVEZ, Mr. CLEMENTS, Mr. CONNALLY, Mr. EASTLAND, Mr. ELLENDER, Mr. FULBRIGHT, Mr. GILLETTE, Mr. GREEN, Mr. HILL, Mr. HOEY, Mr. HUNT, Mr. KEM, Mr. LANGER, Mr. LEAHY, Mr. MALONE, Mr. MARTIN, Mr. MILLIKIN, Mr. MORSE, Mr. MYERS, Mr. O'CONOR, Mr. SALTONSTALL, Mrs. SMITH of Maine, Mr. TAYLOR, Mr. THOMAS of Oklahoma, Mr. THOMAS of Utah, Mr. THYE, Mr. TOBEY, Mr. TYDINGS, and Mr. WILLIAMS entered the Chamber and answered to their names.

ORDER OF BUSINESS—PROPOSED UNANIMOUS-CONSENT AGREEMENT

Mr. LUCAS. Mr. President, I am about to propound to the Senate a request for a unanimous-consent agreement. Before doing so, I should like to take a moment or two to discuss the pending question, namely, the motion that the Senate proceed to the consideration of the bill granting statehood to Alaska.

I merely refer to the letter which was addressed to the Vice President of the United States on November 27 by the President of the United States. Everyone is familiar with that message, which is to be found on page 15772 of the CONGRESSIONAL RECORD. Without reading the entire message again, I merely refer to the last paragraph, reading as follows:

> For these reasons, I urge that the Senate give the highest priority to the statehood measures before it and complete legislative action on them before the present Congress adjourns.

For that reason, Mr. President, on November 27, shortly after the Senate convened, the majority leader moved the immediate consideration of the Alaska statehood bill.

In view of the days of debate which have continued since that time, it is quite apparent that there will not be a vote on the statehood bills. In other words, it is impossible to obtain a unanimous-consent agreement on the part of the Senate even for the Senate to vote on the motion to consider the bill providing for statehood for Alaska.

There cannot be any question in my mind but that the statehood bill is far more important than the railway labor bill which the Senate had under consideration when Congress adjourned in September. However, some Members of the Senate believe they are obligated to do all they can to have the Senate go through with the railway labor bill, in view of the fact that they made certain promises to leaders of various labor organizations who are interested in that measure. Before the adjournment was taken in September, those Senators promised certain labor leaders that they would do all they could to have the Senate proceed with the consideration of the railway labor bill upon the return of the Senate in November.

However, in view of the very earnest message from the President of the United States and in view of the fact that he asked that the statehood bills be considered on the highest priority list, when the session resumed I immediately moved, on Monday last, that the Senate proceed to the consideration of the Alaska statehood bill.

Mr. President, after making those brief remarks, I now desire to propound a unanimous-consent request dealing directly with the railway labor bill. I now ask unanimous consent that on the calendar day of December 4, 1950, at the hour of 4 o'clock p. m., the Senate proceed to vote, without further debate, upon any amendment or motion which may be pending or which may be made to Senate bill 3295, a bill to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes under certain conditions, and upon the final passage of said bill; provided, that commencing at the hour of 2 o'clock, on December 4, the time between 2 o'clock and 4 o'clock shall be divided equally between the Senator from Utah [Mr. THOMAS] and the Senator from Ohio [Mr. TAFT]; provided further, that no amendment not germane to the subject matter of said bill shall be considered or received; and provided further, that after said hour of 4 o'clock, on December 4, debate upon any amendment or motion shall be limited to 5 minutes on the part of the author thereof and 5 minutes by the chairman of said committee.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Reserving the right to object—although I do not intend to object—let me say that I conferred with the majority leader, and I stated that the hour of 4 o'clock would be acceptable, so far as I knew, to Senators on this side of the aisle. Since that time I have conferred with a Senator who is absent at the moment, but who is interested in offering an amendment. That Member cannot return until Monday. I wonder whether there would be any objection if the distinguished majority leader would modify the proposed agreement so as to provide for the vote to be taken at 5 o'clock, and then let the time between 2 and 5 o'clock be equally divided. That would give that Senator ample time to present his amendment.

Mr. LUCAS. I shall be glad to comply with that request, and I modify the unanimous-consent request accordingly. The result will be to divide the time between the Senator from Utah and the Senator from Ohio.

Mr. WHERRY. Let me ask the Senator to wait a moment, please; I believe we are developing a little difficulty in regard to the proposal, and I should like the Senator to wait long enough to permit me to make a further observation.

Mr. LUCAS. I shall wait until the Senator from Nebraska concludes his conference with the Senator from Pennsylvania.

Mr. WHERRY. I thank the Senator.

Mr. LUCAS. I am in a very accommodating mood.

Mr. WHERRY. It seems that other Members of the Senate are very much interested in having the vote taken at an earlier hour. Therefore, if it is agreeable to all other Members of the Senate, suppose we let the proposal remain for the vote to be taken at 4 o'clock.

Mr. LUCAS. Then, Mr. President, I return to my original proposal.

Mr. HILL. Mr. President, reserving the right to object, let me say that the Senator from Illinois knows that I am very anxious to have action taken on the railway labor bill, and I am very anxious to see the Senate pass the bill.

Mr. LUCAS. I had the Senator from Alabama in mind when I propounded the request.

Mr. HILL. The agreement would end debate on all amendments, and it makes provision as to amendments which are germane.

There is an amendment which I understand is to be offered by the Senator from Indiana [Mr. JENNER]. I have not had an opportunity to consider that amendment, but certainly there has been no ruling on its germaneness. I am sure the Senator would not want to get himself into a position where that amendment would be in order, with no debate to be had upon it.

Mr. WHERRY. Mr. President——

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. WHERRY. Does the Senator from Alabama refer to an amendment which has not yet been offered to the bill? Has not the Jenner amendment already been offered? If it has not been offered, then let us recall that in the unanimous-consent proposal the distinguished majority leader has provided that unless an amendment is germane, it shall not be offered or received. Is not that so?

Mr. LUCAS. I think the proposed agreement covers that, as follows:

Provided further, That no amendment not germane to the subject matter of said bill shall be considered or received.

Mr. HILL. Mr. President, as the Senator from Nebraska knows, the Jenner amendment is what has commonly been referred to as the FEPC amendment. Anxious as we are to obtain action on this bill, yet I do not think we can rest until we know that that amendment is not germane to this bill.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. The proposed agreement provides that the Senate vote on the bill and on all amendments thereto. I am trying to protect the rights of the Senator from Indiana [Mr. JENNER], who is the Senator about whom I spoke, relative to offering the amendment. I am perfectly willing to have the agreement provide that the vote be taken at 4 o'clock. I am not sure that the Senator from Indiana can even return here by that time, but I should like to protect his rights.

I am glad the Senator from Alabama raised the question he did raise, because I certainly feel that the Senator from Indiana should have a right to offer the amendment. If it is not acceptable, it can be voted down.

Mr. LUCAS. Mr. President, I wish to assure the Senator from Alabama and all other Senators who are interested in the amendment of the Senator from Indiana that, regardless of whether it is or is not germane—and personally I do not believe it is germane; I do not believe it has any business being attached to this bill—if the amendment is offered and if it is considered, upon the making of a motion to table the amendment, I shall vote to table the amendment. I do not know whether that assurance is sufficient satisfaction to the Senator from Alabama.

Mr. HILL. Mr. President, reserving the right to object, let me say that I am glad to hear the distinguished majority leader say that about the amendment. However, it is now nearly 5 o'clock. I wonder whether the Senator will withhold his request until the Senate convenes tomorrow at 12 o'clock, so that we may have a better opportunity to consider the amendment and to see what may be its effect, and particularly to determine whether the amendment might be germane or might be nongermane.

Mr. MAYBANK and Mr. WHERRY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield; and if so, to whom?

Mr. LUCAS. I yield first to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, the Banking and Currency Committee has worked hard and long. We have the rent control bill ready, and we have asked the Printing Office to have copies of the testimony available to the Senate on Monday. I think it very unwise to bring up a very controversial issue pertaining to civil rights in connection with a railroad bill.

I am in agreement with the request of the Senator from Alabama that unanimous consent be granted to vote on the railway labor bill on Monday.

I should like to propose to the Senator from Illinois, if he will permit me to do so, that the Senate take up the rent control bill on Monday. I shall object to consideration of the railway labor bill until I distinctly understand that the Senator from Indiana [Mr. JENNER] will withdraw his amendment relating to FEPC. Therefore, Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. WHERRY. Mr. President, will the Senator from Illinois yield before he takes his seat?

Mr. LUCAS. I yield to the Senator from Nebraska.

Mr. MAYBANK. Mr. President, I am going to object to any unanimous-consent agreement in regard to a vote on anything having to do with FEPC. For years I have fought in the Senate for constitutional government. I know that the railway workers of the United States, with whom I am in sympathy, would never want me to agree, in connection with a unanimous-consent proposal, to have the Senate vote for something of that sort.

I realize that the distinguished majority leader will vote against it, but I do not know how other Senators will vote. Therefore, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I should like to address a parliamentary inquiry to the occupant of the chair.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Do the provisions of the unanimous-consent agreement which has been propounded by the distinguished majority leader bar consideration of an amendment which has been discussed here, and which involves FEPC? Would that amendment be germane or would it not be germane, if it were offered, under the provisions of the unanimous-consent agreement proposed by the majority leader?

The PRESIDING OFFICER. The present occupant of the chair will say to the distinguished minority leader that it is not in order to request a ruling from the Chair upon a parliamentary situation which has not developed. The Chair could not make such a ruling until the amendment was offered.

Mr. WHERRY. Mr. President, I want the RECORD to show, then, that the minority leader is not objecting in any way to the unanimous-consent request. In fact, I am in favor of it, except that, on amendments, I want an understanding that any Senator who feels he has a right to offer an amendment shall be permitted to do so before the hour of 4 o'clock, or at any time after 4 o'clock, under the 5-minute rule.

Mr. MAYBANK. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Illinois yield to the Senator from South Carolina?

Mr. LUCAS. I yield.

Mr. MAYBANK. Mr. President, I shall be willing to withdraw my objection, if the Senate will unanimously agree at this time not to accept any amendment to the railroad bill having to do with FEPC. I ask unanimous consent for such an agreement, because I do not know who will occupy the chair when the question arises. As the Presiding Officer says, it is impossible to rule on a parliamentary question until it is developed. Only then can the occupant of the chair rule upon it. But if the Senate will give unanimous consent at this time not to accept any amendment relative to FEPC, I shall be willing to withdraw my objection.

Mr. THOMAS of Utah, Mr. HOLLAND, Mr. HILL, and Mr. KERR addressed the Chair.

The PRESIDING OFFICER. Just a moment. The Chair understands that the Senator from South Carolina has made a unanimous-consent request that no FEPC amendment which may be offered will be regarded as germane.

Mr. MAYBANK. The Presiding Officer is correct.

The PRESIDING OFFICER. Is there objection?

Mr. MORSE. Mr. President, reserving the right to object, in view of the fact that this particular amendment has been submitted by a Republican colleague of mine who is not present, and who, I think, should have a right to be heard on whether he thinks it is in fact germane, I think it most unfair to proceed this afternoon to rule out his amendment by a unanimous-consent agreement, and I therefore object.

The PRESIDING OFFICER. Objection is heard.

Mr. THOMAS of Utah and Mr. WHERRY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield; and, if so, to whom?

Mr. LUCAS. I yield to the Senator from Utah.

Mr. THOMAS of Utah. Mr. President, I merely wish to say that the FEPC bill is one which was reported by the Committee on Labor and Public Welfare. The bill which is the subject of the unanimous-consent request also came from that committee. As chairman of the committee and as one of the sponsors of the FEPC bill, I should like to say that I shall vote against an FEPC amendment, if offered as an amendment to this bill, and I think every other member of my committee will also vote against the amendment if offered to the bill. I hope the unanimous-consent request will be granted, and that we may proceed with the bill. If we do that, I am sure we can control the votes in such a way that such an amendment, if offered, will not be agreed to. If the request is granted, we shall have a vote on the bill. I do not know what further assurance can be given than that.

Mr. CHAVEZ and Mr. MAYBANK addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield, and, if so, to whom?

Mr. LUCAS. I yield first to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I merely want to say that no one has a higher regard and esteem for the distinguished Senator from Utah than myself, but I do not know who is going to be here when the amendment is to be brought up, and I do not know who is going to occupy the chair at that time. I intend to object to a vote on any measure which has anything to do with FEPC or which has anything to do with unconstitutional and un-American government.

Mr. CHAVEZ and Mr. WHERRY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Illinois yield; and if so, to whom?

Mr. LUCAS. I yield first to the Senator from New Mexico.

Mr. CHAVEZ. I think we should clear the atmosphere as between the statement made by the Senator from Utah and what my good friend from South Carolina has in mind. I feel, as does the Senator from Utah, that I must object to any FEPC amendment being attached to this particular bill, but I was merely wondering, if my friend from Utah will give me his attention for a moment, whether the Senator from Utah objects to the amendment of the Senator from Indiana applying to the pending measure only, and not to any other bill.

Mr. THOMAS of Utah. Since the question has been asked, it seems to me that the FEPC amendment is not germane to the bill, and that is the way I would consider it if I were confronted with defending the bill on the floor.

Mr. CHAVEZ. The point I wish to make clear is that according to my understanding the Senator would object to an FEPC amendment, whether it applied to a general bill or whether it applied to the pending measure only.

Mr. THOMAS of Utah. I should object under either of those circumstances.

Mr. CHAVEZ. I also would object.

Mr. MORSE. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. MORSE. I wish to say I agree with the Senator from Utah [Mr. THOMAS] that this particular amendment is not germane to the railroad bill, but, as individual Senators, it is not our prerogative to rule on that question. There should be an official ruling in regard to it. In my view it is a mistake to offer such an amendment to this bill. However, a colleague in this body has a right to offer such an amendment and to have an official ruling on it. It has been offered, and I think it would be a great mistake for us to follow the policy, by unanimous consent, of ruling out, in effect, a colleague's amendment. If he in good conscience and good faith believes that it is germane and wants to offer it as a part of this bill, I think he should have an opportunity to offer it, and we should then have an official ruling, which will at least have value as a precedent in the future. That is the only reason for my raising the objection to the unanimous-consent request offered by the the Senator from South Carolina [Mr. MAYBANK]. I merely think we must protect each other in matters of procedure in the Senate. I should feel very much better about it if we could at least delay this matter until our minority leader can get in touch with the Senator from Indiana and find out his wishes in regard to it. We may be able to get assurance from the Senator from Indiana that he does not intend to press his amendment; but he has offered it, it is on the table, and therefore I am not in favor of taking away, by unanimous consent, in his absence, what I think is a very important procedural right of his.

Mr. LUCAS. Mr. President, I have been around here quite a while, and I have observed that the Senator from Nebraska is usually pretty alert about these things. He was not on his feet objecting a moment ago to the request made by the Senator from South Carolina, and I assumed that he probably had had a conversation with the Senator from Indiana. Perhaps he can clarify the situation.

Mr. WHERRY. I have had a conversation with the Senator's office. The only reason I was not on my feet more quickly was that the Senator from Oregon got the floor ahead of me, and objected to the request. What I should like to have done is, I think, impossible. I requested an interpretation as to the germaneness of this proposal. I can understand that that question cannot now be determined. If the question were raised, it would finally have to be settled by the Senate, anyway. So, in keeping with the remarks of the Senator from Oregon, I think all that is left for us now to do is to protect the rights of the Senator from Indiana. I regret very much that there is no way for us to arrive at a decision, unless Senators want to consider the Jenner amendment as having been already submitted, and to have it considered as one of the amendments offered before 4 o'clock. I do not think there is anything else that can be done.

Mr. LUCAS. Mr. President, we have been here now practically all week, and we have had nothing before us but civil rights. We have had the civil-rights issue injected into the discussions of the statehood bills for Hawaii and Alaska.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LUCAS. No; I do not yield, if the Senator please. I have yielded to Senators for about an hour, and I should like to say but one word. We now have the civil-rights question raised in connection with the railroad bill. I am fearful of taking up the rent-control bill, lest someone will seek to attach to it the FEPC bill, the poll-tax bill, or some other bill; in which case we shall again have the civil-rights question before us.

Mr. President, in all seriousness, it seems to me the time is coming when practically every bill that comes along, to which someone is objecting, will be made the occasion of some Senator seeking to attach the FEPC or the poll tax or some other bill involving the civil-rights issue. I should not like to see that happen. I probably shall not see it myself, because I shall soon be out of this Chamber. However, it seems to me that that is exactly what we are coming to. In other words, when we are trying to get a vote, for instance, upon statehood for Alaska, we are confronted with a filibuster, because it involves the question of civil rights. In the case of the railroad bill, we have the same situation. An effort is made to attach an FEPC amendment to it, a filibuster results, and we cannot reach a vote on that bill. I do not know where this kind of procedure is going to lead, but it seems to me to present a question of some seriousness so far as attempting to expedite the business of the Senate of the United States is concerned. I merely make that observation in passing. The Senator from Ohio had a conference when he returned to Washington, at which he said that about all we were going to do, he thought, was to meet and adjourn; and I am not so sure, as a result of this situation, but that he may be right.

Now we return to the railway labor bill. We have tried to get a unanimous-consent agreement. I do not think we can get one so long as an effort is made to attach an FEPC amendment to the bill until those who are vitally interested in civil rights legislation—and I believe they are rightly so interested—can find out whether they can defeat the motion. Until such time we shall be unable to get a vote on the bill. Under those circumstances, we could sit for a month without getting a vote on the bill. We could not get a vote until Senators who are interested in civil rights legislation know where they stand. That is the situation, Mr. President.

The Senator from Indiana offers an FEPC bill as an amendment to the railway labor bill. I do not know whether such an amendment would be germane. Perhaps it is. I do not know. It would concern labor, of course, but I do not know whether it would be considered germane. I do not believe it is proper

to offer such a bill as an amendment to the Railway Labor Act, and I would vote against it, even though I have fought for FEPC legislation.

Mr. President, I should like to get along with the business of the Senate. I should like to have something accomplished during this short session. The Senator from South Carolina has a rent control bill to present. I hope we can pass such a bill on Monday. We cannot debate it before Monday. Probably we shall be able to take it up on Monday, instead of taking up the railway bill. I hope no Senator will try to defeat it by seeking to attach an FEPC amendment to it, although I am not certain that that will not be done before we get through with the rent control bill.

Mr. WHERRY. Mr. President, what is the pending question before the Senate?

The PRESIDING OFFICER. The pending question is the motion of the Senator from Illinois [Mr. LUCAS] to proceed to a consideration of the Alaska statehood bill.

Mr. LUCAS. Mr. President, I should like to have the RECORD show that objection was made to the original unanimous-consent request which I made.

The PRESIDING OFFICER. The Chair announced that objection was heard.

Mr. LUCAS. That was my recollection. The Senator from Wyoming [Mr. O'MAHONEY] said he was not certain that the Chair had made such announcement.

Mr. WHERRY. Mr. President, I did not hear the last statement of the Senator from Illinois.

Mr. LUCAS. I want the RECORD to show that objection was made to my original request.

The PRESIDING OFFICER. The Chair will state that he announced that objection was heard. Thereafter another unanimous-consent request was made, to which objection also was heard.

Mr. LUCAS. That is the way I understood the situation, but the Senator from Wyoming was not certain that the Chair had made the announcement.

Mr. HOLLAND. Mr. President, a moment ago the distinguished majority leader made reference to the fact that the civil-rights question had come up twice already during this special session. He recited two occasions on which that question had apparently intervened. Of course, the Senator knows that not only the Senator from Florida but other Senators who attach considerable importance to defeating certain portions of the so-called civil-rights program do not take the position that such program is involved in the question of Alaska statehood. At this time the Senator from Florida wishes to invite the attention of the Senator from Illinois to the fact that not only on the two occasions to which he has referred has the civil-rights question come up in debate during this special session, but there was a third occasion also on which it came into the discussion on the floor of the Senate, which perhaps the Senator from Illinois has failed to note.

The third occasion was my incorporation in the RECORD yesterday afternoon of the distinguished speech of the Honorable James A. Farley, which he delivered a few days ago at Tampa before the Florida State Chamber of Commerce, in which he found occasion to clearly state that in his judgment the civil-rights question was being rapidly solved in a peaceful and understanding way in the South. He said:

> To threaten the South with drastic Federal legislation is the last way to approach these problems. And we are a long way now from that last way.

I continue to quote from Mr. Farley's speech, which I had hoped the Senator from Illinois would have noted yesterday and might even have discussed with the President of the United States:

> The President might well in the interest of national as well as party unity summon the leaders of the South to solve these problems on a regional and a State basis. To pass a law, especially a Federal law, is never the best way to correct an injustice. Free men in whose hearts there lives a sense of justice and common sense can generally be trusted to do what is right.

I had strongly hoped that the Senator from Illinois had noted this third discussion of the important civil rights question. If he has not so noted it, I hope he will read the remarkable analytical and very wise address of that distinguished American, James A. Farley, on the occassion just mentioned, as incorporated in yesterday's CONGRESSIONAL RECORD.

Mr. LUCAS. The Senator from Florida has given me some advice as to what I should do. I suggest that he and Mr. Farley go to the President of the United States and present that thought to the President.

Mr. HOLLAND. I thank the Senator from Illinois for his suggestion, but I understood that he had frequent conferences with the President of the United States on the matter of the legislative program, and I had hoped that he would discuss this subject with the President.

EXTENSION OF RENT CONTROL—REPORT OF COMMITTEE ON BANKING AND CURRENCY (REPT. NO. 2585)

Mr. MAYBANK. Mr. President, I have before me a prepared address on the rent control resolution. It would take me 2 hours to deliver it. It contains a review of some speeches I delivered previously on the same subject. I shall not deliver it this evening. The address has been given to the press because I understood the subject was to be brought up today. Of course, if we are to stay in session, I shall be glad to stay as long as it is necessary. I shall be glad to stay until 11 o'clock, if necessary. However, the address, which I have already given to the press, will not be made until tomorrow. I ask unanimous consent to report an original resolution, Senate Joint Resolution 207, which was approved by the committee by a vote of 10 to 2. It would continue rent control under State direction and municipal control during January and February 1951. Thus the new Congress would be afforded an opportunity to write a proper defense rent control law. I submit a report on the joint resolution.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina?

There being no objection, the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, was placed on the calendar.

SENATOR FROM FLORIDA

Mr. HOLLAND. Mr. President, at this time I desire to file with the Senate a certificate signed by the Honorable R. A. Gray, secretary of state of Florida, certifying that the Honorable GEORGE A. SMATHERS was elected United States Senator at the general election held in Florida on the 7th day of November 1950, for the 6-year term beginning next January 3.

The PRESIDING OFFICER. The credentials will be received, read, and placed on file.

The credentials were read and ordered to be placed on file, as follows:

STATE OF FLORIDA,
OFFICE OF SECRETARY OF STATE.

I, R. A. Gray, secretary of state of the State of Florida, do hereby certify that GEORGE A. SMATHERS at the general election held on the 7th day of November A. D. 1950 was elected United States Senator, having received the highest number of votes for said office at said election.

The whole number of votes cast for said office at said election was 313,215, of which GEORGE A. SMATHERS received 238,987 votes, John P. Booth received 74,228 votes, as shown by the election returns on file in this office.

Given under my hand and the great seal of the State of Florida at Tallahassee, the capital, this the 21st day of November A. D. 1950.

[SEAL] R. A. GRAY,
Secretary of State.

STATEHOOD FOR HAWAII

Mr. O'MAHONEY. Mr. President, I desire to read into the RECORD the following radiogram which was received today by JOSEPH R. FARRINGTON, Delegate to Congress from Hawaii:

> Wednesday's casualty list reports four more Hawaii soldiers killed in Korea, five wounded, one of these for second time, and five missing. Brings total to 77 killed, 284 wounded, 82 missing, 2 prisoners of war.

This brings the total casualties from Hawaii to 445. At this rate, of approximately 1 per 1,000 population, the casualties for the United States as a whole would be 150,000.

Mr. President, I also desire to insert in the RECORD at this point a cablegram which I received this afternoon from the senior Senator from Florida [Mr. PEPPER], from Honolulu.

There being no objection, the radiogram was ordered to be printed in the RECORD, as follows:

HONOLULU, *November 29, 1950.*

Senator JOSEPH C. O'MAHONEY,
Senate Office Building,
Washington, D. C.:

Wish to advise you of following statement concerning admission of Hawaii and authorize you to use statement in any way which will be helpful and also to pair me in every way possible in aid of your efforts to gain admission for Hawaii and Alaska. Return not later than Monday.

Statement follows:

"The new Korean crisis makes statehood for Hawaii and Alaska important now as never before, in the interest of a strong American defense. In this crucial moment all lesser things must be forgotten and the immeasurable capacity of these two great and proven patriotic American communities must be made a part of the central core of our great Nation. Only as States can we really develop these two areas to the point where they will be the strongest possible bulwarks of our Nation. We must show the other peoples of the world that we make character, not color the criterion of quality in America. Hawaii's people have shown magnificent loyalty to the United States. I have seen in the hospitals of Japan and Korea many an Hawaiian soldier who bared himself to the enemy and has been wounded in defense of our cause."

CLAUDE PEPPER.

STATEHOOD FOR ALASKA

The Senate resumed the consideration of the motion of Mr. LUCAS to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. O'MAHONEY. I desire to read into the RECORD for the information of the Members of the Senate a portion of the caption of the bill (S. 2036), to provide for the admission of Alaska into the Union. It is the companion bill on Alaska statehood, which was introduced in the Senate. It was introduced on June 10 (legislative day, June 2), 1949, by the Senator from Tennessee [Mr. KEFAUVER], for himself, and on behalf of the Senator from New Mexico [Mr. CHAVEZ], the Senator from Illinois [Mr. DOUGLAS], the Senator from California [Mr. DOWNEY], the Senator from Iowa [Mr. GILLETTE], the Senator from North Carolina, Mr. Graham, the Senator from Wyoming [Mr. HUNT], the Senator from Washington [Mr. MAGNUSON], the Senator from Montana [Mr. MURRAY], the Senator from West Virginia [Mr. NEELY], the Senator from Florida [Mr. PEPPER], the Senator from Alabama [Mr. SPARKMAN], the Senator from Utah [Mr. THOMAS], the Senator from Vermont [Mr. AIKEN], the former Senator from Connecticut, Mr. Baldwin, the Senator from Indiana [Mr. CAPEHART], the Senator from North Dakota [Mr. LANGER], the Senator from Oregon [Mr. MORSE], the Senator from Maine [Mrs. SMITH], and the Senator from New Hampshire [Mr. TOBEY].

ORDER OF BUSINESS

Mr. FERGUSON obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WHERRY. I ask the distinguished acting majority leader, what are the plans for the proceedings after the Senator from Michigan has completed his remarks?

Mr. O'MAHONEY. The RECORD has been made perfectly clear today by the objections which were made to various unanimous-consent agreements that there is nothing to be gained by a prolonged session, and when the Senator from Michigan has completed his remarks it will be my purpose, if I am here, to ask that the Senate recess until tomorrow at 12 o'clock.

Mr. WHERRY. Will it be tomorrow, or Monday?

Mr. O'MAHONEY. It will be tomorrow.

THE FEDERAL BUREAU OF INVESTIGATION—BOOK BY MAX LOWENTHAL

Mr. FERGUSON. Mr. President, reserving the right to return at a later date to a more extended treatment of the subject, I should like to make a brief statement about a book released to the public on November 20. The book is entitled "The Federal Bureau of Investigation"; the author is a lawyer and former Government employee named Max Lowenthal; the publishers are the William Sloane Associates, Inc., of New York City. I need not further identify the book, the author, or the publishers. Every Member of Congress was presented with a copy by the publishers.

Mr. President, this book is evil, and it is symtomatic of an internal threat to our security. Never in our history has the United States been in a more critical position than it is today. The Communist menace threatens the entire world, and we are even now fighting for our lives in Asia. We cannot tell the day or moment when this fight for life may come even nearer. This menace operates not only abroad; it operates here at home also.

Mr. President, in the last extremity, when no man can hope to defend himself alone, the community closes ranks to preserve itself. Most of the time we take our Nation and society for granted, but every man knows in his heart that at the last we have to join together to save our lives. This has been so with all nations from the beginning of time, and that is why the greatest of all crimes is treason. The man who betrays his country to the enemy, betrays his neighbors, and his neighbors know it.

Mr. President, our position in the world is peculiar. The dynamic of our economy is supplied by private enterprise. Our Government is a representative republic, based upon a written Constitution. In that Constitution is a Bill of Rights, which contains the sacred promises of trial by jury, of protection of free speech and press and of religious establishments, the right of petition, and so on. The fathers who wrote this Constitution were not so simple-minded as not to know that the responsibility of maintaining these rights rested upon the citizens and their Government. It is the fact that intermittently through all our history these rights have had to be struggled and fought for; it has often required strenuous effort to maintain them. Yet, despite grievous lapses, we have managed by and large to keep the rights intact, and have had the envy of mankind .

Thirty-three years ago a band of extremely able and ruthless conspirators seized control of Russia, then in the throes of collapse, and set up the Soviet Union. From that hour Moscow became the capital of a world-wide conspiracy having, as its aim, the conquest of the world and the establishment of communism throughout the globe.

We all know that communism itself is imperialism, that it is going to establish itself in all parts of the world by force unless it is prevented by force from doing so. That applies to other countries, as well as to the United States.

In the prosecution of this conspiracy the Communists speedily discovered that the rights of freedom of speech and press, so long fought for in the west, could be utilized in pushing Communist designs. Thus, by degrees, every country discovered within its borders a conspiratorial group, looking to Moscow for direction, and obediently following the dictates of this foreign power.

On many occasions Communists use as a shield the Constitution of the United States, and I for one believe they have a right to do that under our law, but they also owe obedience to the law.

How to handle this problem presented difficulties which no government had ever faced before. The Congress was slow to grapple with the problem because of the dread in every man's heart that inadvertently some portion of the Bill of Rights would be jeopardized.

But all this while it was clear enough to everybody that whatever Congress might do in the way of legislation, the Communists must be watched and information of their activities gathered.

Last Friday we read in the press that the Communists said they must have mass action, that they could no longer abide by boards set up by Government, by Congress, or by the courts. That was said in connection with the 1950 security law. The task of watching the Communists developed, under the statutes, upon the Federal Bureau of Investigation, with the chief responsibility resting upon its director. Since 1924 the director has been Mr. J. Edgar Hoover, who was appointed to the place by Attorney General Stone, later Chief Justice of the United States. Mr. Stone, when he made the appointment, was disturbed about expenses of the Bureau during the so-called Palmer raids in 1919 and 1920. He wanted the Bureau of Investigation overhauled, its method of personnel selection made more careful and severe, its morale heightened. Mr. Hoover was given the job of doing this, and has held the position ever since. He has done this while simultaneously carrying out the duties imposed upon him by the statutes.

In line of duty the FBI, among other things, has been watching the Communists for years. Of course, we all know that the FBI has no power to act upon the information which it gathers. It can only act upon the express orders of the Attorney General and the Department of Justice.

I have stated upon the floor of the Senate previously that in 22 cases the FBI was prevented from acting except upon the express orders of the Department of Justice, that is, a Cabinet officer of the President of the United States.

That Mr. Hoover is conscious of the peculiar responsibility resting upon him we know; he has discussed it in public many times. I recall his statement at the annual meeting of the International Association of Chiefs of Police in 1945. He then said:

I have said before, and I say again, that there is no place in our American way of life for a national police. Our first line of

defense in peace or war is the local police agency. It is on the scene and can strike at lawlessness at its source.

Now comes Mr. Lowenthal with his book about the FBI. It is manifestly the product of long and ingenious labor, with hundreds of citations and pieces of quoted matter, carefully and deceptively fitted together to form a tremendous indictment of the FBI. So lengthy, indeed, is the book and so elaborate its design that I shall not attempt at this point to analyze it. It would require a floor address of several hours and an equally lengthy list of citations. For the moment I wish only to point out the burden of the Lowenthal argument. By implication Mr. Lowenthal seeks to do two things:

First. To make Mr. Hoover responsible for the excesses of the Bureau before Mr. Hoover became the Director.

Second. To persuade people that the FBI is potentially a tyrannical secret police which would wreck our civil liberties and subject our citizens to the ruthless practices of the police state.

One of the best descriptions of the Lowenthal book I have seen is found in a review published in the Washington Post for November 26, 1950. The review is by Father Edwin Walsh of Georgetown University, a student of communism for 30 years. Says Father Walsh:

> What the author has produced is a lawyer's indictment of the FBI in the style and mood of a prosecuting attorney * * * he selects his material with an eye to getting a conviction.

But the book is even more than that. It is the work of an obviously practiced slicker. Never does Mr. Lowenthal make a categorical statement which would leave his defenses open; he spreads his poison by implication and indirection. For a man who represents himself to be so concerned about the state of our civil liberties, who has such a passionate yearning for the FBI to be honest and above board, it is remarkable that he is willing to sign his name to an indictment so devious.

If what Mr. Lowenthal implies were true, the author would not be at large this moment. The FBI would hold him incommunicado in some secret place of incarceration. Mr. Lowenthal's publishers would be in a prison camp, and the G-men would right now be installed in Sloane Associates offices in New York, browbeating stenographers and applying thumbscrews to the editorial employees. None of these things are true. The book is on sale openly everywhere, the publishers are getting their money and, presumably, are paying Mr. Lowenthal his royalties.

What is true, however, is that Mr. Lowenthal has committed a devilish piece of sabotage, sabotage of the mind. While assailing the idea of thought control he is perverting thought itself. The book is not honest, it is not above board, but it is persuasive. The pseudo-liberal who has access to print and radio may very well be taken in by the book and help to spread the poison.

Since he retired twenty-odd years ago a comparatively wealthy man Mr. Lowenthal has had plenty of time to devote to extracurricular activity such as his constant and ever-increasing tirades against the FBI. In the early 1940's he circulated a 75-page memorandum around the National Press Club urging writers to go after the FBI. Portions of this memorandum were used verbatim in the editorial columns of the New Masses, Daily Worker, the New Republic and other publications. In 1941 he wrote another memorandum entitled "Is the Department of Justice Sufficiently Competent in National Defense?" in which he attacked the Hobbs bill legalizing wiretapping. The same year he produced another paper called "Shall America Have a Permanent Large Scale Political Spy System?" In this piece he attacked Mr. Hoover as a man attempting to undermine civil liberties through association with the military, and as the one person directly responsible for the Palmer Red raids in 1919 and 1920.

This book is advertised as an objective study. But that is something of the background of bias against which this book was written.

Mr. President, if we had had no experience with Communist infiltration, if we did not know from the Wadleigh confessions, the Marzani and the Coplon convictions, from the Hiss case, and numerous others how far the Communist infiltration of Government had gone, if we did not have the documentary evidence of subversion and sabotage now being printed in the daily press we might be less suspicious of this book.

But we do know about this infiltration. Our eyes are opened to the desperate character of the situation in which we find ourselves. We know of the clear and present danger in which we are.

One of the most successful tactics of the Communist technique has been to destroy character and to undermine institutions. And this book is designed to do both—to destroy the character of a fine administrator, Mr. Hoover, and the character of a well organized and just institution, guarding the freedom and liberties of our people, the FBI.

Two months ago, after labor covering a period of 5 years, Congress passed the McCarran Act. The first part of that act was originally known as the Mundt-Ferguson bill. When it was first presented to the House it was the Mundt-Nixon bill. It had been altered in the Senate, and therefore the change of names applying to it.

The purpose of the act is to give Government the means and the power to grapple more effectively with the Communist threat. Under this act the responsibilities of the FBI are greatly increased. Mr. Hoover's tasks are now more onerous than ever. Almost at the moment when these tasks are given him, the Lowenthal book appears. At bottom the book is evil, a monstrous libel, designed to blast the reputation of the man upon whom Congress has just laid new burdens. In all conscience, Congress cannot allow this libel to pass unchallenged. So long as our people remain free and our institutions remain strong books like this will be known for what they are and properly discounted by the American people.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. FERGUSON. I yield.

Mr. SALTONSTALL. The Senator from Michigan and I are members of the subcommittee of the Committee on Appropriations which deals with FBI appropriations. We have sat together on that subcommittee for several years. We have noticed how carefully the subcommittee and the full committee go into the requests for expenditures by the FBI. In the opinion of the Senator from Michigan would it not be impossible for the FBI to become a secret police, to become a Gestapo, while Members of Congress were on the job at all?

Mr. FERGUSON. I agree heartily with that suggestion. I think the Senator from Massachusetts will agree with the Senator from Michigan that on many occasions the Director of the FBI, Mr. Hoover, has said to the committee that the purpose of the FBI was not to ferret out matters that had no connection with Federal law; that the Bureau was a gatherer of facts and information so that proper prosecution could be had, but only in connection with matters involving Federal statutes.

Mr. SALTONSTALL. Is it not also true that the Members of Congress who have to be elected, would be the first recipients of any complaints by constituents if they felt that such a thing as a Gestapo were impending?

Mr. FERGUSON. Yes; I agree. Not only the members of the Appropriations Committee, but every Member of Congress would be here and would be able to act, and it would be impossible for the FBI to function as a Gestapo, because the FBI, in its functioning, depends upon the appropriations made by Congress. The appropriations must be made every year.

Mr. SALTONSTALL. It is equally true, is it not, that Mr. Hoover, when he presents his case, presents it in such a factual way that he has gained perhaps greater respect than any of the department heads who come before the Congress asking for appropriations?

Mr. FERGUSON. I would say so; and I would say further that in practically every case his explanations have been such as to cause the committee, and later the Congress, to be willing to approve the appropriations he has requested.

Mr. SALTONSTALL. As a final question; does not the Senator agree that, inasmuch as the burden is upon Congress, to appropriate the money, it is impossible for what Mr. Lowenthal suggests to become a reality?

Mr. FERGUSON. I believe so. I have no fear, because I believe that Congress, being in control of the purse strings, will be able to cope with any situation. The matters which seem to have been used in this book to cause this insidious thinking about the FBI, an organization which is now so vital to our great country, have not been called to the attention of the Congress.

RECESS

Mr. LUCAS. I move the Senate now stand in recess until 12 o'clock tomorrow.

The motion was agreed to; and (at 5 o'clock and 36 minutes p. m.) the Senate took a recess until tomorrow, Friday, December 1, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, November 30 (legislative day of November 27), 1950:

IN THE ARMY

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), Public Law 625, Eightieth Congress, and Public Law 36, Eightieth Congress, as amended by Public Law 514, Eighty-first Congress, subject to physical qualification:

To be majors

Benjamin H. Inloes, Jr., MC.
Theodore Stalk, MC, O396971.
Francis D. Threadgill, MC, O347063.
Frederick W. Timmerman, MC, O389130.

To be captains

Helen M. Abramoska, ANC, N729069.
Gladys H. Anderson, ANC, N736844.
Helen M. Arduser, WMSC, M2241.
Thomas H. Baker, MC, O435252.
Robert J. Barnett, MC, O470774.
Ruth Barrett, ANC, N735407.
Marion L. Benninger, ANC, N724429.
Alice E. Berry, ANC, N779198.
Elizabeth L. Breitung, ANC, N730573.
Helen A. Chavez, ANC, N780378.
Alice B. Clark, ANC, N724394.
Edmund J. Colton, MC, O1756425.
Margaret J. Conley, ANC, N742444.
Mary V. Cotterell, ANC, N761148.
Helen D. Dalton, ANC, N720480.
Florence M. DeWitt, ANC, N723321.
Luella E. Diekroeger, ANC, N775773.
Catherine M. Dolembo, ANC, N772069.
Anne Duga, ANC, N771044.
Carl A. Fischer, MC, O1705658.
Lucile C. Fisher, ANC, N796870.
Elizabeth L. Flavelle, ANC, N723895.
Josephine A. G. Fries, ANC, N743209.
Alice E. Garanflo, ANC, N702177.
Eleanor M. Garen, ANC, N728026.
Delzena E. Garrard, ANC, N734304.
Ramona A. Gilligan, ANC, N720026.
Dorothy Goldsmith, ANC, N730912.
Edna Hargrove, ANC, N726195.
Juanita E. Haydel, ANC, N726478.
Erdeal Haywood, ANC, N726753.
Hazel V. Honeycutt, ANC, N764468.
Florynce M. Houle, ANC, N752407.
Lucy E. Jacobson, ANC, N732018.
Edna L. Johnson, ANC, N734595.
Evonne L. Kelly, ANC, N788933.
Harriet J. King, ANC, N735498.
Dean C. Klevan, DC, O402500.
Mary H. Kuhn, ANC, N776514.
Theresa S. LaPlante, ANC, N720860.
Georgia E. Lesley, ANC, N734017.
Carolyn A. Leyko, ANC, N724001.
William F. MacDonald, MC, O1705562.
Mary E. Madget, WMSC, M883.
Bernadette M. J. Malette, ANC, N796515.
Marian M Matheson, ANC, N744355.
G. Elizabeth Melton, ANC, N727147.
Verine J. Montgomery, ANC, AN730371.
Mary Morehead, ANC, N763611.
Laura M. Mosley, ANC, N726995.
D. Marguerite Olson, ANC, N730224.
Eva K. Ordway, ANC, N722026.
Lucyle M. Pace, ANC, N724971.
Margaret E. Peters, ANC, N741285.
Eunice M. Phelps, ANC, N773748.
Maeceille B. Pless, ANC, N727803.
Lessie M. Reed, ANC, N763053.
Samuel Rodriguez, MC, O1746406.
Rosa M. Russo, ANC, N767050.
Julianna Sabat, ANC, N722046.
Cecilia M. Sar, ANC, N759417.
Estelle M. Skadorva, ANC, N723503.
Connie Snape, ANC, N728802.
Hazel I. Snowden, ANC, N742369.
John J. Stifter III, DC.
Eleanor M. Stevenson, ANC, AN741887.
Ralph Suriano, DC, O1755561.
Eleanor J. Swan, ANC, N775343.
Alice C. Taylor, ANC, N755729.
Dorothy A. Tessen, ANC, N773009.
Nora M. Tobin, ANC, N743703.
Lena A. Toole, ANC, N727094.
Mildred L. Trimmer, ANC, N755155.
Mildred S. Turner, ANC, N734429.
Reba B. Weir, ANC, N724324.
Maude D. Williams, ANC, N702535.
Rosalie T. Wozny, ANC, N793420.

To be first lieutenants

Alva H. Bandy, JAGC, O982307.
Helen R. Barefoot, WMSC, R2504.
Joe D. Bell, DC, O432175.
Mary K. Berteling, WMSC, J100060.
Germain P. Boyle, JAGC, O976810.
William A. Bridenstine, VC, O516333.
Mary L. Carroll, ANC, N797481.
Warren C. Casey, JAGC, O986775.
Mark T. Cenac, MC, O975575.
Harold Collings, Jr., MC, O975347.
Lois C. Eidson, ANC, N764963.
Henry A. Fisher, Jr., JAGC, O932298.
John R. Gibson, MC, O976281.
Charles C. Grimm, JAGC, O955764.
Armin E. Gutstein, MC, O976510.
Alvera E. Hamlyn, WMSC, M2613.
Dan Hightower, VC, O938702.
Dovie R. House, ANC, N765435.
Jane M. Irving, ANC, N790806.
Emma C. Itgen, ANC, N761588.
William M. Keeling, MC, O976512.
Joseph B. Kelly, JAGC, O549850.
John C. Kinney, JAGC, O1533604.
Milton B. Learner, JAGC, O2017082.
Bessie M. Leeton, ANC, N764786.
John F. Ljunggren, MC, O980932.
Clifford B. Lull, Jr., MC, O979009.
Albert C. Malone, Jr., JAGC, O981847.
Carl R. Nolte, Jr., JAGC, O987318.
Gabriel Nossov, VC, O959090.
Emma E. Ozuna, ANC, N779437.
Thomas E. Perry, DC, O415465.
Anne R. Piergallini, ANC, N754966.
Gennady E. Platoff, MC, O976508.
Virginia M. Porch, ANC, N797047.
Mary R. Preston, WMSC, R2240.
Franklin C. Reyner, MC, O975796.
George E. Ritter, VC, O1747153.
William R. Schillhammer, Jr., MC, O961042.
Grace L. Sears, ANC, N764581.
Richard W. Snyder, JAGC, O981981.
Willard F. Spiller, Jr., DC, O724838.
Anastasia P. Urbaniak, ANC, N797048.
Colin O. Villines, JAGC, O424583.
Melburn N. Washburn, JAGC, O955279.
Jean A. Wolf, JAGC, O391174.
Elizabeth V. Woodham, WMSC, R2197.
Jeraldine York, ANC, N764235.

To be second lieutenants

Miriam R. Burke, WAC, L1010176.
Dorothy C. Carson, WAC, L1010178.
Ellen deBeruff, WAC, L1010181.
Martha C. Eliker, WAC, L1010015.
Jean M. Fuller, WAC, L1010020.
Patricia A. Keegan, ANC, N804043.
Barbara E. Knudten, WAC, L1010195.
Alice W. Leete, WAC, L1010031.
Howard C. Leifheit, MSC, O533279.
Catherine L. Levangie, ANC, N804051.
Marshall A. Mason, Jr., MSC, O1330451.
Felice R. Morin, ANC, N792695.
Mabelle A. Northey, ANC, N804248.
Sally A. O'Mallan, ANC, N804233.
Albert L. Paul, MSC, O865727.
Joan H. Perry, WMSC, M2860.
Vivian L. Piller, ANC, N792568.
Janet M. Rasmussen, WAC, L604665.
Virginia H. Wandelt, WAC, L202840.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Dale V. Alkire, O1340971.
Robert Arter, O2202879.
Joe Baker, Jr., O547013.
John R. Baker, O2205452.
John W. Baker, O1342034.
Orville S. Beard, O987385.
Henry C. Becker, Jr., O963215.
Alexander H. Bernhard, O1184454.
William L. Black, O1535728.
Bill R. Blalock, O1296161.
Charles M. Bolen, Jr., O547990.
Sam F. Bornhauser, O1169031.
Haynes Brinkley, Jr., O2205495.
James J. Brockmyer, O553487.
Gerald C. Burch, O1115201.
Lex J. Byers, O1339044.
Mark C. Carrigan, O446341.
Robert M. Carroll, O1020000.
Robert P. Carter, O1598331.
William V. Casey, O2208733.
John B. Cave, O2205454.
Herbert J. Childress, Jr., O1040195.
Hal S. Christensen, O1646365.
Niels G. Christensen, AO713315.
John W. Collins, O959308.
Robert S. Collins, Jr., O948589.
Donald R. Condrill, O1050220.
Archie E. Conn, Jr., O1047076.
Joseph E. Corr, Jr., O1688510.
Cecil M. Curles, O1306817.
Roland E. Curtis, O2211114.
Donald H. Dahlene.
David N. Dalton, O539850.
Glenn A. Davis, O425626.
Oren E. DeHaven, O1686660.
Richard A. deRusha, O1559442.
Bernard J. Dolan, Jr., O1108622.
Ralph M. Dorsey, O966597.
Harry A. Dragotta, O2036856.
Wellington J. Dunn, O414061.
James E. Echols, Jr., O1168232.
James R. Ellingsworth, O440486.
Hodges S. Escue, O2206009.
James J. Flaggert, Jr., O1340647.
John D. Florio, O1591717.
Raymond E. Forbes, O701587.
Donald D. Gabe, O522560.
Frank R. Garner III, O2209900.
William E. Garofalo, O436295.
Charles T. Garrison, O2206271.
Paul J. Gentille, O1080858.
Rudolph F. L. Giglio, O1342174.
Dale R. Godsey, O453014.
George A. Greetham, O1586138.
Bruce G. Grover, O2200199.
Alger E. Hageman, O2210806.
Roy A. Hagen, O1333206.
Charles A. Hagman, Jr., O426844.
Wayne E. Hanselman, O1169554.
James C. Harper, O1598583.
Carroll D. Harrod, O1178179.
John N. Hassell, O945749.
Donald J. Hassin, O1318894.
Donald J. Hennes, O1646245.
James M. Henry, Jr., O967671.
Lee S. Henry, Jr., O2020148.
Lawson R. Hillman, O889096.
Forest E. Hoff, O1693120.
Albert R. Hoffman, O1105519.
Alfred Holston, O485957.
Lawrence B. Hooper, O2205292.
Edward A. Horrigan, Jr., O2200824.
John W. Houtz, O1107491.
John J. Huetter, O1100602.
David H. Hunter, O1341428.
Stanley J. Hussey, O934774.
Donald E. Hutcherson, Jr., O2210744.
Joseph D. Hynes, O1327010.
William W. James, O1312845.
Norman G. Johnson, O2201116.
Raymond E. Johnson, O398053.
Walter F. Johnston, O1289739.
Jesse L. Jordan, Jr., O462909.
William P. Junk, Jr., O1032807.
Robert S. Kellar, O552925.

Eugene Kelley, Jr., O2020735.
Patrick J. Kenny, AO2075222.
John C. Kirsch.
Kenneth M. Kone, O1330193.
Louis W. Kranyak, O1166530.
Alfred M. Kubota, O967367.
Robert O. Lambert, O404221.
Wilson A. Landry, Jr., O1775977.
Maurice C. Lane, O2204768.
Jack B. Lang, O1686675.
Harold H. Lee, O1341017.
William B. Liles, Jr., O2204366.
James R. Lukens, O877432.
Robert F. Lynd, O2202384.
Filmore W. McAbee, O1294507.
Glen R. McAfee, O1176425.
Kernon M. McConkey, O955220.
James R. McCoy, O2021074.
Jack E. McDonald, O2208772.
John J. McDowell, O2203455.
Edgar McGowan, O1062824.
Samuel H. McKenty, Jr., O1177080.
Eric L. McLendon, O1333243.
Robert M. Madvig, AO1649863.
Harold M. Maness, O533070.
Martin A. Markley, O2208293.
David S. Marshall, O410178.
James W. Martin, O949911.
Norman L. Martin, O1308528.
William J. Martin, O2203077.
Louis G. Mathern, Jr., O1685574.
Allen J. Mauderly, O1291494.
Eugene L. Melchior, O978618.
Walter P. Meyer, O1340202.
Daniel S. Miler, O2205461.
Richard C. Millard, O1331414.
Paul H. Miller, O450679.
Russell J. Miller, O964821.
Richard F. Mitchell, O1287927.
Robert E. Monroe, O2203153.
Walter H. Moon, O967958.
Albert E. Moore, O1186047.
Euless B. Moore, Jr., O1319635.
Gene D. Moore, O1633419.
Howard M. Moore, O1182428.
Harry W. Morse, O388352.
Johnson C. Moss, Jr., O2203154.
Mario V. Motola, O1298575.
Orbra G. Mullins, O1324565.
David B. Mylchreest, O955193.
Joseph W. Negard, O1185554.
Franklyn S. Nelson, O2210968.
Robert E. Nelson, Jr., O2204743.
Wilbert J. Newsome, O959726.
William F. Nickel, O1301524.
William E. Noble, O1288284.
Charles G. Noice, Jr., O456175.
Tillman C. Oliver, O514081.
Harold H. Olsen, Jr., O1639471.
John P. O'Slaughnessy, Jr., O2018742.
Joseph F. Paradis, O1060581.
Robert E. Parke, O1177928.
Emory C. Parrish, O2204558.
Richard R. Peabody, O948900.
William R. Phillips, O1550022.
Stephen Popadich, O983493.
Hobert H. Porter, O1644674.
James V. Preuit, O1186247.
John G. Ransier, O1550895.
John W. Rasmussen.
Chester E. Raun, O968584.
George Regas, O2204853.
Robert B. Respess, O958160.
Clifford C. Reynolds, Jr., O1320965.
Malcolm K. Rhine, O513981.
Walter T. Ride, Jr., O1044934.
David L. Rooks, O1290663.
Warren W. Rossman, O1648993.
James I. Scott, O1186222.
Harry A. Seese, O1688427.
Donald W. Seibert, O1012391.
Lewis S. Selby, O1166600.
Robert W. Shidler, O460396.
Thomas A. Shuman, O967975.
William L. Simmons, Jr., O988787.
James F. Smith, Jr., O970827.
Vance O. Smith, O1577864.
James E. Stacy, O454491.
Posie L. Starkey, Jr., O2202200.
Comfort K. Starr, O1293847.
Warren B. Steele, O2200501.
William B. Steele, O2205257.
Chester R. Stelman, O1314343.
William Stendeback, Jr., O1112461.
Richard N. Stoddard, O954883.
Tunstall L. Strawhand III, O2202419.
Stanley P. Swartz, O437971.
William E. Taylor, O1646651.
James L. Teese, O2202309.
William S. Thoma, O460172.
Charles M. Thomas, O1559519.
William F. Thompson, O2207485.
Frederick M. Townroe, O961059.
William H. Tucker, Jr., O1186089.
Fernand R. Van Laethem, O1685609.
Euell M. Vinson, O1293497.
John R. Voseipka, O407951.
Fred M. Walker, Jr., O466420.
Herbert H. Walta, O1951613.
William W. Wanamaker, Jr., O1185323.
William P. Ward, O2205447.
Wilburn C. Weaver, O1633627.
Charles R. Westcott, O2203000.
Nevin C. White, O450128.
Frank E. Wilkins, O549488.
LeRoy L. Willard, O1342224.
Curtis T. Wilson, O2204985.
William S. Wolf.
Walter G. Wolfe, O964184.
John F. Wood, Jr., O2032267.
William W. Woodside, O2033017.
Gustave M. Wueste, O2206465.
Theodore Wyckoff, O445615.

The following-named distinguished military students for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Paul O. Boghossian, Jr., O2200704.
Eugene G. Lawley, Jr., O2206984.
Sam E. McGregor, O972223.
Malcolm J. Ruhl.
James W. Shields, O2201272.
Joseph W. Vann, O2202197.

(NOTE.—These persons were given recess appointment on October 3, 1950, October 20, 1950, and October 27, 1950.)

The following-named persons for appointment in the Regular Army of the United States in the grades and corps specified, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), title II of the act of August 5, 1947 (Public Law 365, 80th Cong.), and Public Law 36, Eightieth Congress, as amended by Public Law 514, Eighty-first Congress, subject to physical qualifications:

To be majors

Robert F. Bell, MC, O369158.
Carl G. Giesecke, MC, O290626.

To be captains

William J. Amaral, DC, O1705584.
Dagny V. J. Anderson, ANC, N730524.
Elsie Anderson, ANC, N728212.
Frances M. Avery, ANC, N765080.
Gertrude L. Beardsley, ANC, N728189.
Geneva N. Bowen, ANC, N741874.
Loraine J. Braasch, ANC, N724397.
Agnes A. Brigham, WMSC, M2482.
Catherine E. Brogan, ANC, N730344.
Areline F. Burkhead, ANC, N783253.
Monnie C. Butler, ANC, N765755.
Rose H. Cindric, ANC, N723742.
Ella M. Clark, ANC, N760202.
Joy B. Crain, ANC, N737926.
Isabelle R. Curran, ANC, AN744135.
Lucile M. Dale, WMSC, R526.
Miriam A. Delp, ANC, N724132.
Anna K. Dennis, ANC, N773017.
Dorothy M. Fehr, ANC, N755808.
Jeanne M. Gaillard, ANC, N737285.
M. Argenta Geist, ANC, N725472.
Anastasia E. Gianarakos, ANC, N751756.
Marie A. Gill, ANC, N743295.
Thelma B. Goodman, ANC, N734361.
Lillian M. Goodwin, ANC, N720198.
Willie M. Grissom, ANC, N726515.
Mary T. Groh, ANC, N760645.
Ethel I. Hagler, ANC, N727998.
Virginia P. Hayenga, ANC, N730130.
Mary L. Hines, ANC, N763452.
Margaret A. Hollinger, ANC, N784475.
Emma F. Houston, ANC, N734673.
Eva D. Houston, ANC, N763524.
Mary F. Hyman, ANC, N729912.
Pearl E. Jamison, ANC, N771428.
Doris F. Jensen, ANC, N743540.
Isabel M. Kent, ANC, N742479.
Margaret A. Kraemer, ANC, N772801.
Jean M. Lang, ANC, N721159.
Thelma L. Lang, ANC, N768580.
Elva J. Lawton, ANC, N759285.
Evelyn E. Leen, ANC, N732934.
Jean M. Linke, ANC, N728073.
Stella Lipowski, ANC, N787240.
Johnnie E. Long, ANC, N797489.
Edythe M. Lund, ANC, N722517.
Dorothy McBride, ANC, N727466.
Leonard Maldonado, MC, O1718391.
Mary A. Marsic, ANC, N725479.
Edith F. Matthias, ANC, N778595.
Hazel M. Maxwell, ANC, N772304.
Leona L. Montgomery, ANC, N794557.
Jean Moore, ANC, N735191.
Mary L. Moultrie, ANC, N732266.
Mabel L. Mullins, ANC, N728082.
Ellen F. Murray, ANC, N736697.
Ruby J. Norwood, ANC, N702784.
Edna K. Park, ANC, N725121.
Mildred C. Pearse, ANC, N736588.
Marguerite L. Peters, ANC, N751327.
Mildred D. Pflaeging, ANC, N733840.
Ardes Porter, WMSC, M2110.
Helen E. Pugsley, ANC, N743658.
Ruth M. Retzer, ANC, N786123.
George A. Reynolds, MC, O473827.
Mary E. Ross, ANC, N725187.
Dante Salera, DC, O367311.
Elizabeth F. Sedor, ANC, N724635.
Loretta W. Sippy, ANC, N789953.
Helen K. Smull, ANC, N762183.
Lila D. Soto, ANC, N737199.
Winnie Steadman, ANC, N763380.
Blanche M. Stewart, ANC, N727301.
Tyyne N. Tamminen, ANC, N722222.
Margaret M. Thayer, ANC, N796380.
Beatrice E. Tracey, ANC, N744529.
Doris R. Troy, ANC, N726806.
Maria E. Watkins, ANC, N725272.
Lloyd E. Williams, DC, O1765021.

To be first lieutenants

Kevin G. Barry, MC, O975701.
Edith E. Beardsley, ANC, N768103.
Raymond J. Congour, DC.
Robert M. Coyne, DC, O2095518.
Agnes I. Fay, ANC, N752701.
Mary A. Folwell, ANC, N762203.
Margaret E. Graham, ANC, N765197.
Floran E. Herring, JAGC, O960601.
Billy C. Hopkins, DC, O945945.
Lelia J. Jones, ANC, N769437.
Mildred O. McFarland, ANC, N779805.
George V. W. Pope, Jr., JAGC, O566445.
Harry Quint, Jr., DC, O768221.
Bertha V. Rathine, ANC, N762916.
Wayne G. Roberts, JAGC, O988323.
Robert W. Sherwood, MC, O977068.
John W. Snodgrass, Jr., DC, O965491.
A. Muriel Stark, ANC, N774454.
Sidney J. Walker, JAGC, O867298.
Herluf Wanggaard, DC, O392255.

To be second lieutenants

Phyllis J. Genter, ANC, N792651.
Anne C. Jablunovsky, ANC, N804398.
Josephine J. Jankowski, ANC, N792881.
Patricia M. Schneider, ANC, N792681.

The following-named persons for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to physical qualification:

Francis G. Boehm, O2202723.
Marion R. Carrigan, Jr., O2205431.
Eugene H. Cathrall, O972643.
George V. Chandler, O2204795.

Earl R. Fore, O2206956.
David C. Gregory, O2207406.
John R. Kenyon, O2200494.
Philip H. Mecom, Jr., O2206632.
John D. Nix III, O2206834.
John C. Ogilvie, O823447.
Joseph D. Spinelli, O460585.
Ray V. Spivey, O2020688.
Francis G. Thomas, Jr., O2203124.

The following-named distinguished military student for appointment in the Regular Army of the United States in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as a distinguished military graduate, and subject to physical qualification:

Raymond D. Henley, O978755.

HOUSE OF REPRESENTATIVES

THURSDAY, NOVEMBER 30, 1950

The House met at 12 o'clock noon.

Dr. Bob Jones, Jr., president of the Bob Jones University, Greenville, S. C., offered the following prayer:

God of nations and of men, in this hour of crisis we intercede for our country and for these men who shape her laws. Make our leaders strong of stature to wear worthily the mantle of their responsibilities. Give them that zeal without which work is but drudgery and that capacity for work without which zeal is but hysteria.

May they have eyes that see truth, hearts that love truth, lips that speak truth, and courage to contend for truth, remembering that He who declared that truth shall make men free, said of Himself, "I am the truth."

All our wisdom is foolishness to Thee; all human strength, weakness before Thee. Grant this Congress, therefore, divine wisdom from above and make these United States a nation "Strong in the Lord and the power of His might."

To this end, forgive America her pride, her backslidings, her sins. Lay upon our people a burden of repentance and heart-searching. Pour out upon the length and breadth of our needy land showers of spiritual revival and may those showers fall even upon the hearts assembled here. We pray through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Monday, November 27, 1950, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had adopted the following resolution (S. Res. 364):

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. HERBERT A. MEYER, late a Representative from the State of Kansas.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased Representative the Senate do now take a recess until 12 o'clock noon tomorrow.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 51–8.

RESIGNATION OF MEMBER

The SPEAKER laid before the House the following resignation, which was read by the Clerk:

NOVEMBER 28, 1950.

The Honorable SAM RAYBURN,
Speaker of the House of Representatives,
The Capitol, Washington, D. C.

DEAR MR. SPEAKER: I have this day transmitted to the Governor of California my resignation as a Representative in the Congress of the United States from the Twelfth District of California, effective midnight November 30, 1950.

Respectfully yours,

RICHARD NIXON.

NOTIFICATION OF ELECTION OF MR. WOODROW W. JONES AS A REPRESENTATIVE IN CONGRESS

The SPEAKER laid before the House the following communication, which was read by the Clerk:

NOVEMBER 29, 1950.

The Honorable the SPEAKER,
House of Representatives.

SIR: A certificate of election in due form of law, showing the election of the Honorable WOODROW W. JONES as a Representative to the Eighty-first Congress from the Eleventh Congressional District of North Carolina, to fill the vacancy caused by the death of the Honorable Alfred L. Bulwinkle, is on file in this office.

Very truly yours,

RALPH R. ROBERTS,
Clerk of the House of Representatives.

SWEARING IN OF MEMBER

Mr. WOODROW W. JONES appeared at the bar of the House and took the oath of office.

AID TO YUGOSLAVIA—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 723)

The SPEAKER laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs and ordered to be printed:

To the Congress of the United States:

I recommend that the Congress enact legislation authorizing further United States assistance to meet the emergency created by the food shortage in Yugoslavia.

More than 2 years ago the Government of Yugoslavia broke its association with the Soviet Union and its satellites. This rift resulted primarily from the refusal of the Yugoslavs to agree to the dictation of the Kremlin in the affairs of Yugoslavia. The Yugoslavs are determined to maintain their independence of the Kremlin. They are maintaining the largest fighting force in Europe, outside of the Soviet Union.

The breach between Yugoslavia and the Kremlin and its satellites has steadily widened. The Kremlin is determined to wipe out this one successful example of a former satellite which has freed itself from Soviet control. Directly and through its satellites, the Kremlin is trying to destroy Yugoslav independence. Yugoslavia is being subjected to an economic blockade, to propaganda, subversion, military pressure, and harassing border raids.

Since the break between the Kremlin and Yugoslavia, it has been the policy of this Government to assist Yugoslavia to maintain its independence. The continued independence of Yugoslavia is of great importance to the security of the United States and its partners in the North Atlantic Treaty Organization, and to all nations associated with them in their common defense against the threat of Soviet aggression.

This past summer Yugoslavia suffered perhaps the worst drought in its history. There were severe crop failures, and the lack of feed and fodder led to the extensive slaughtering of livestock. As a result, Yugoslavia is threatened with famine this winter. This would provide fertile ground for the subversive activities of the Kremlin and would seriously undermine the capacity of the Yugoslav people to resist Soviet aggression.

On October 20, 1950, the Yugoslav Government formally requested United States assistance in averting the worst effects of the disastrous crop failure. This request came only after the Yugoslav Government had exhausted all means of meeting the situation by its own efforts.

Immediate action was necessary to meet the situation. Shipments had to be arranged at the earliest possible date. Otherwise, it would have been impossible to get food to the more remote areas of Yugoslavia before they were isolated by the heavy winter snows.

Accordingly, this Government has taken action to begin shipments under existing authority and with funds already available. The Economic Cooperation Administration has made arrangements for the shipment of flour from Italy and Germany directly to Yugoslavia. At the same time, with the concurrence of the North Atlantic Treaty countries, mutual defense assistance funds are being made available for procurement of food supplies equivalent to the immediate needs of the Yugoslav armed forces. In addition, the Export-Import Bank is permitting a portion of a previously negotiated Yugoslav loan to be used for the purchase and transport of foodstuffs, partly from American surplus stocks. Under present plans, the cost of this interim aid already under way will amount to about $30,000,000. This is sufficient only to meet a portion of the total need.

Now that the Congress has reconvened, I believe it appropriate to request a special authorization to meet the balance of the essential food needs of the Yugoslav people until the next harvest. Action should be taken promptly. Shipments

of the remaining supplies needed must be started before the end of December, if the bulk of the food is to be available for distribution in the critical winter period. The additional aid needed is estimated at $38,000,000. This amount, plus the amount provided under existing authority, will only be sufficient to bring the Yugoslav diet up to a bare subsistence level.

We have received satisfactory assurances from the Yugoslav Government, first, that all assistance furnished by the United States will be given full and continuous publicity through the press and radio in Yugoslavia; second, that the aid will be distributed equitably and fairly among the Yugoslav people; and third, that this distribution will be under the observation of persons designated by the United States.

It is my earnest hope that the Congress will, at this session, provide the $38,000,000 necessary for shipments of food to Yugoslavia. In this way we can help preserve the independence of a nation which is defying the savage threats of the Soviet imperialists, and keeping Soviet power out of one of Europe's most strategic areas. This is clearly in our national interest.

HARRY S. TRUMAN.

THE WHITE HOUSE, *November 29, 1950.*

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to proceed for 1 minute in order to inquire of the majority leader as to the program for next week.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. McCORMACK. Mr. Speaker, on Monday there will be a call of bills on the Consent Calendar. There will be no call of bills on the Private Calendar on Tuesday.

On Monday, H. R. 9184, the air-mail subsidy-separation bill, will come up for consideration.

There is no other program for the remainder of the week except, of course, if a tax bill is reported or any other legislation relating to the Yugoslav recommendation made by the President or rent control, those bills will be brought up as soon as possible. I understand that we are going to adjourn over until tomorrow in order that the tax bill might be introduced by the chairman of the Committee on Ways and Means. However, there will be no business tomorrow. We are simply going over in order that the bill might be introduced to expedite action by the Committee on Ways and Means.

Mr. HALLECK. Can the gentleman give us any further suggestion or idea as to the probability of having either the tax bill or possibly an extension of rent control for action next week?

Mr. McCORMACK. Can the chairman of the Committee on Ways and Means tell us? Might I say to my friend from North Carolina that the distinguished gentleman from Indiana has made inquiry as to the probability of the tax bill coming up next week. Seeing you on the floor, I thought that you could give the best information to the gentleman from Indiana and to the Members of the House.

Mr. DOUGHTON. We expect to make arrangements to introduce the bill as soon as possible.

Mr. McCORMACK. Has the gentleman then any idea when the bill might be reported out?

Mr. DOUGHTON. As early as we can get permission from the Committee on Ways and Means. At the earliest date possible.

Mr. McCORMACK. In other words, the gentleman expects that the tax bill will be brought up in the House next week?

Mr. DOUGHTON. We expect to.

Mr. McCORMACK. I think that gives the information.

Mr. HALLECK. I thank the gentleman.

EXCESS-PROFITS TAX

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight Saturday to file the report of the committee on a bill to provide revenue by imposing a corporate excess-profits tax, and for other purposes, and that the same permission be granted with respect to any supplemental or minority views.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

THE LATE EDWIN M. SCHAEFER

Mr. PRICE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, it is with great sadness that I announce to my colleagues in the House the death on last November 8 of the Honorable Edwin M. Schaefer, a former Member of the House, having served five terms from March 4, 1933, to January 3, 1943.

Ed Schaefer was not only a predecessor of mine from the old Twenty-second Illinois District, embracing Bond, Madison, Monroe, St. Clair, and Washington Counties, but I had the honor and privilege of serving as his secretary during the entire period of his service in Congress.

During the last 8 years of his 10 years in this body, Ed Schaefer served on the Military Affairs Committee. I know the contribution he made to his country in 1939 and 1940, in the days when it was not easy to secure enactment of defense legislation.

I recall most of all how, against doctor's orders, he left his sick bed in Belleville to return to Washington to help in the passage of the extension of the Selective Service Act. We remember how on August 12, 1941, that important legislation—with Pearl Harbor only 4 months away—passed this House by the mere margin of 1 vote, 203 to 202.

During his congressional career, Ed Schaefer was particularly interested in strengthening our national defense. It was his major interest as a Member of Congress. In those critical days in 1939 and 1940, before most Americans were awake to the danger that faced the Nation, he spent long hours and worked late into the night on vital defense legislation. He rendered a very patriotic service during that period of crisis.

Ed Schaefer served the people of his district, his State, and the Nation honestly and faithfully during his 10 years in Congress. No man was ever more sincere in his work. When he left official life on January 3, 1943, upon voluntary retirement because of failing health there was not a blemish upon his record of public service, beginning with his first public office as chief deputy recorder of deeds of St. Clair County in 1928, then county treasurer in 1930, and finally his long congressional service starting in 1933.

His efforts rehabilitated Scott Field, now Scott Air Force Base, saved it for the Belleville area in 1934, when consideration was being given to closing it, by having it designated by the then Secretary of War, George H. Dern, as a permanent installation. He was untiring in his efforts to make his district the center of air activity of the Military Establishment.

He was born May 14, 1887, at Belleville, in St. Clair County, where his family has resided for more than 100 years. He attended public schools of Belleville, graduated from Western Military Academy at Alton, attended University of Illinois for 2 years, and was graduated from Washington University, St. Louis, Mo., with the degree of chemical engineer.

As superintendent of plants for Morris & Co., 1918–28, he won the confidence of all his employees, particularly World War I veterans to whom he gave preference in employment as they returned to civilian life after the war.

I never knew a man who loved his home more than Ed Schaefer, nor a man who was blessed with a finer family. He is survived by his wife, Lorene Kohl Schaefer; two sons, Edwin M., Jr., and Martin W. Schaefer; three sisters and one brother.

He was a most gracious man in his attitude toward others. He was a very dutiful man. There was never a finer man than Edwin M. Schaefer. He was a great American.

COMMON ACTION AGAINST AGGRESSION

Mr. HELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include a resolution.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HELLER. Mr. Speaker, the threat to the general peace of the world and, indeed, to the very continuation of civilized life, which is posed by the war in Korea and now the participation in that war of forces of Communist China with the obvious backing of the Soviet Union, and the committing of various acts of aggression, make it essential that the United Nations without delay take steps to provide for the speedy mobilization and the unification of all of the military resources of its membership.

In view of the very pressing danger of our being involved in such a conflict at any moment, I am this day introducing a concurrent resolution to memorialize and request the United Nations to immediately mobilize, equip, and train the potential armed strength of its members and to equalize among these members the burden of providing for world security.

I think that a uniform selective military service plan for all members of the United Nations is in order, that the contribution of each nation be publicized, and that the determination of the United Nations to take such common action against aggression be advertised by every means.

Mr. Speaker, if we wish to be free we must accept the painful truth.

The concurrent resolution reads as follows:

Whereas the prospect, embodying the hopes of many nations, that peace and security in the world would be accomplished by the crushing of nazism and fascism in the course of World War II has been placed in great jeopardy by the aggressive action of North Koreans, instigated, aided, and abetted by other peoples of like disposition; and

Whereas the massed armed forces now maintained in eastern and southern Asia, in the Balkan Peninsula, and in Eastern Germany, together with the public assertions and avowed doctrines of representatives of totalitarian nations can only be regarded as an intent to rely on force as an instrument of national policy; and

Whereas the United Nations has been established as a means of maintaining international tranquillity and security by taking collective measures for the prevention and removal of threats to the peace and for the suppression of acts of aggression and to bring about, in conformity with the principles of justice and international law, the settlement of situations likely to lead to breaches of the peace: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That the Assembly of the United Nations be memorialized and requested to take such steps or to enact such measures as will result in uniform selective military service regulations on a proportional population basis by those of its members pledged to preserve their lands and their liberties to the end that armed aggression can be inhibited and security preserved throughout the world by common collective action; and be it further

Resolved, That the contribution of each nation to the cause of freedom be publicized and that the determination of the United Nations to take common action against aggression in any quarter be made known and advertised by every means in order that it may be understood throughout the world that willful breaches of the peace will be opposed by the united action of free peoples and by overwhelming force.

THE LATE HONORABLE LOUIS LUDLOW

The SPEAKER. The Chair recognizes the gentleman from Indiana [Mr. JACOBS].

Mr. JACOBS. Mr. Speaker, it is with a very heavy heart that I rise to inform the House that Louis Ludlow, who represented the Indianapolis district in this body for 20 years, passed away at George Washington Hospital in the city of Washington on Tuesday afternoon, November 28, 1950.

Preceding his congressional service, Mr. Ludlow was a member of the Press Gallery of Congress for 28 years. He was a former president of the National Press Club. In Congress, he served his district, his State, and his country with honor and distinction. Of him it could truthfully be said that if every person to whom he has done a kindness were to place a flower on his grave, his body would rest beneath a wilderness of red roses, his favorite flower.

He devoted his entire life to working for others. On the wall of his office hung the motto by which he lived: "Do all the good you can, in all the ways you can, to all the people you can, just as long as you can, and you will have always around you the arms that never fail."

He served without reference to race, rank, or creed. He never spared himself and as a consequence his health failed and he was obliged to endure a long, cruel illness.

He did not seek reelection to office, although it was conceded that he could have represented our district as long as he desired. I had the honor to succeed him. Wherever I went people told me of his kindnesses and good deeds. There is not a block in Indianapolis where he has not stretched a helping hand in time of need. And they all revere and love him. Every resident of our district, old or young, rich or poor, in high place or low, called him friend. A sweeter spirit never lived.

I feel a deep personal grief in his loss and extend my sincere condolence to his bereaved family.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield to the chairman of the Committee on Appropriations.

Mr. CANNON. Mr. Speaker, flags are hanging at half-mast in Indiana today—a tribute to one of her noblest sons. And although he is no longer officially a member of this body, he was still one of us, and our hearts go out to those who mourn for him.

Louis Ludlow loved the House and the House loved him. The greater part of his life was spent here in the Capitol. For two decades—a fifth of a century—he was a Member of the House, establishing the unique record of the longest continuous service in that capacity in Indiana history. He also held another record, to which he often referred, as the only man to move from a seat in the press gallery to a seat in the House. As an author, as a newspaperman and as a legislator, he was a national institution.

It was my privilege to know him intimately throughout his congressional career. He and I occupied offices just across the corridor from each other and I had the opportunity to consult him frequently. He was a man of rare tact and judgment and possessed an uncanny ability to judge and chart the growth and trend of public sentiment.

No doubt his talent in that respect was due to the fact that he kept close to the people. Although he was seldom out of Washington, he kept in constant touch with the people of his district through correspondence and while he had an especially efficient office staff, his own busy typewriter ran ceaselessly day and night. Many times when I left the office late at night I have stopped by for a brief good night word with him.

Second only to his devotion to his friends and his constituency was his indefatigable industry. He not only carried on a mountainous correspondence but he was exemplary in the discharge of his committee duties. He was always the first man at the table and regardless of how prosaic and irksome the character of the hearings, he remained until the last witness had been heard and dismissed. As I sat with him in the committee and the House I was often reminded of that ancient proverb from the wisdom of Solomon:

Seest thou a man diligent in his business? he shall stand before kings.

That was literally true in the life of Louis Ludlow.

While he was one of the most matter-of-fact men in the world, his books frequently reveal a rare sense of humor. If any here by chance have not had the pleasure of reading his Senator Solomon Spiffidink they have an enjoyable experience ahead of them. Incidentally, the most experienced politician cannot fail to find in that delightful book many allusions that will add to his knowledge of practical political strategy.

Louis Ludlow was a devoted husband and father. His wife, Mrs. Katherine Huber Ludlow, was a newspaper woman on the staff of the same newspaper at the time of their marriage, and was a help and inspiration through life. He was a man of deep religious conviction and an active member and a trustee of his church at the time of his death. As his pastor said of him this morning, he was a Christian gentleman, always a Christian and always a gentleman.

Quoting from his home paper received in Washington this morning:

As a man, Louis Ludlow lived by his beliefs, beliefs grounded in the Holy Bible and fashioned after the Gospel of Jesus. Perhaps some verses from the twenty-second chapter of the Book of Matthew, which he loved to quote, describe the life and the character of Louis Ludlow better than any other words could convey:

"Master, which is the great commandment in the law?

"Jesus said unto him, Thou shalt love the Lord thy God with all thy heart, and with all thy soul, and with all thy mind.

"This is the first and great commandment.

"And the second is like unto it, Thou shalt love thy neighbor as thyself."

He was a noted author, a great journalist, a distinguished statesman, and a true humanitarian. His lifetime philosophy is best expressed by the lines from Sam Walter Foss read at the services this morning:

Let me live in a house by the side of the road,
Where the race of men go by.
The men who are good and the men who are bad,
As good and as bad as I.
I would not sit in the scorner's seat,
Or hurl the cynic's ban,
Let me live in a house by the side of the road,
And be a friend to man.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Indiana.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks, and I also ask unanimous consent that all Members who wish to

extend their remarks on the passing of our former colleague, Louis Ludlow, be permitted to do so at this point.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. MADDEN. Mr. Speaker, Members of Congress who had the good fortune to know and serve in this body with Louis Ludlow were greatly grieved to learn of his passing on.

Louie Ludlow was a native Hoosier who spent his adult life in the newspaper work and public service. He served in Congress from the Seventy-first until he retired at the end of the Eightieth Congress.

Previous to his service in Congress he was actively engaged in the newspaper field and enjoyed the honor of being the first newspaper man to be elevated to the Congress from the Press Gallery of the House of Representatives. Louie Ludlow was a reporter for the Indianapolis Sentinel way back in 1896, and reported political highlights from the celebrated presidential campaign of William McKinley and William Jennings Bryan of that year. In 1901 he came to Washington as a representative for various Indiana newspapers and remained as a newspaper correspondent in Washington until the time he was elected to Congress.

He was the author of a number of books and was highly accomplished in the art of writing, both as a newspaper correspondent and author. From a list of his more celebrated books, we have From Cornfield to Press Gallery, In the Heart of Hoosierland, Senator Solomon Spiffledink, America Go Bust, Hell or Heaven, and other lesser literary works.

He was also honored by Butler University, located in his home district, by having conferred upon him the degree of doctor of laws.

Louis Ludlow was a thinker, a writer, an author, a logician, and a statesman. He was well informed on all subjects, especially those pertaining to his Government, and could discourse intelligently and entertainingly on any question of domestic policy or international concern. Throughout his whole career he was a real crusader for cases which he espoused. He was sincere and honest and a true friend to thousands who were fortunate enough to enjoy his acquaintance. He was courageous and had great ability to analyze legislative problems. He had served on many important committees, but his principal assignment was on the House Appropriations Committee, where he made a major contribution as chairman of the Treasury and Post Office Subcommittee.

On important issues he never sought the popular side nor chose the easy way. He was guided by a high sense of duty and valiantly fought toward the goal which he set for himself without regard to consequences involving his political fortunes or his future successes. He measured up to all the standards by which men determine greatness, and he loyally gave his service not only to his friends and his party, but, through his patriotic devotion to the welfare of his country, he won the high esteem and affection of all who were privileged to enter the charmed circle of his intimate friends.

Occasionally we hear people speak of others as not having an enemy in the world. That statement can truly be said of Louis Ludlow. His nature and personality were such that he never intentionally offended anybody. If he could not speak well of his fellowman, he remained silent. This human quality more than anything else solidified many friendships which remained binding throughout his lifetime.

His life was well lived and a model for good character. His congressional district, the State of Indiana, and the Nation have greatly benefited by his public service.

I wish to extend to his good wife, children, and relatives my sincere sympathy on the passing of a beloved husband, father, and great American.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield.

Mr. HALLECK. Mr. Speaker and colleagues, we Hoosiers are proud of our State. We are proud of our State for many reasons—many good reasons. One of those reasons is that we have had in our great State men and women of exceptional ability and talents. Indiana people have been known for their prominent positions among people of letters and people who are active in public life. Louie Ludlow, as we affectionately knew him, was one of those Hoosiers who has contributed so much to the prestige and position which Indianans hold. A man of humble beginnings, he made his mark in the field of letters as an author and as a newspaperman of exceptional ability. Then he became a Member of the Congress of the United States. To those of you who knew him and served with him it is not at all necessary for me to say that he made his mark here as a Member of this great body.

Those things may well be said in memory of Louie Ludlow. But at his funeral service today, which I attended, I heard his pastor say a thing which I believe to be the finest tribute that can be paid to any man. What he said in effect was that while we speak of Louie Ludlow's great capacity in letters and in newspaper work and in public life, we also knew him as a fine Christian gentleman, a Christian not by profession alone, but it was evidenced by everything that he ever said or did in his whole life.

Possibly his family, who mourn his passing with all the rest of us, and his host of friends, may be comforted in the sure knowledge that Louie Ludlow has so lived as to leave great imprint of friendship, helpfulness, integrity, loyalty, and honesty, and all those other fine attributes which make a man's life worthwhile. Because he lived that sort of a life, because he was that sort of a man, certainly all of us, while we shall mourn his passing, can take great comfort in the fact that he lived and walked among us.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield.

Mr. JENKINS. Mr. Speaker, I want to join with others who have spoken about the character and accomplishments of my dear friend, Louis Ludlow. When I first came to Congress nearly 26 years ago I had been reading the Ludlow articles about Washington in the Columbus Dispatch, which is one of the leading papers in Ohio. I was glad to become personally acquainted with him.

While the Members from Indiana have said nice things about him, I feel that I am speaking for thousands of Ohioans who remember him and the interesting and informative articles that he wrote to the Ohio papers for so long. Many Ohioans will join me in saying that he was not only a great Hoosier, but he was also a great Ohioan.

I had the pleasure of reading some of the books that he wrote, but somehow I feel that the finest thing that he ever wrote was his speech introducing Lindbergh when he appeared in Washington following his memorable flight across the ocean. That speech is truly a literary classic.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. JACOBS. I yield.

Mr. McCORMACK. Mr. Speaker, the passing of Louis Ludlow is a matter of deep regret to all who knew him. I agree with my distinguished friend from Indiana [Mr. HALLECK], that he was a true Christian gentleman, not only in word but in action. He was a man of deep faith, of sincere convictions, of strong loyalties. He made his contributions in various ways during his journey through life, and has left his imprint upon the pages of our history. As a legislator he was serious, devoted to his work, and served his people in a loyal way that gained their confidence in him for a long period of time. During the years he and I served together a close friendship developed between us. In his death I have sustained a personal loss. To Mrs. Ludlow and the other members of her family I join with the Indiana delegation and my colleagues in extending to them our profound sympathy.

Mr. TABER. Mr. Speaker, I was very sorry to hear of the death of Louis Ludlow.

He was first elected to Congress in 1928. He soon came on the Appropriations Committee. It was my privilege to serve upon the same subcommittees with Louis for at least 15 years.

He was one of the hardest workers I have ever known. He was an exceedingly fair-minded man and had a keen sense of his responsibility to the people of the United States and a genuine desire to prevent the waste of the people's money. Many times he went beyond the bounds of a partisan approach and evinced a real interest in the responsibilities which we in the Congress owe and should owe to the people who send us here. And most of all, he was one of those who far more than most had a broad sense of his responsibility to the people of the United States generally.

There are too few in Congress who are prepared to take that attitude.

One of the most outstanding characteristics of Louis Ludlow was that he met that responsibility seriously.

He was one of the kindliest men I have ever known. He hated to offend anyone but did not fail to realize the responsibilities that he was facing and to do what he could to meet those problems face to face.

I believe I probably spent more hours in the committee room with him than he spent with any other Member of the House. I always admired and trusted him.

He was devoted to his wife and family and they have stood by him through the long illness from which he suffered.

I take this opportunity of extending to them my sincerest and deepest sympathy and to be thankful that I have been privileged to work with such a fine citizen.

THE LATE HONORABLE LE ROY T. MARSHALL

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, it is with keen regret that I have requested this time to announce the death of a former Member of the House, Hon. Le Roy T. Marshall, of Xenia, Ohio, who in the Seventy-third and Seventy-fourth Congresses represented the Seventh Congressional District of Ohio, which I now have the honor to serve.

Mr. Marshall died on Wednesday of last week at the age of 67, after a rather long illness. Born on an Ohio farm, he worked his way through college; was for a time a school teacher; later was elected as clerk of court of his home county, and while clerk studied law. He became a political leader and chairman of the Greene County Republican Committee. He was elected to the State senate, where he served with distinction for two terms, from 1928 until 1932. In 1933 Mr. Marshall became a Member of the House of Representatives, where he served as a member of the Committee on Agriculture, the Committee on Education, and the Committee on Mines and Mining with great distinction, honor, and credit to himself and to the Seventh District of Ohio.

Le Roy T. Marshall was not only an outstanding lawyer and able legislator, but also was a leader of men. He was a gentleman of splendid character and reputation. I do not believe Roy Marshall ever did a little or mean thing. The world is better for his having lived. We will miss him. Our sympathy goes out to his family in their hour of bereavement.

In the passing of L. T. Marshall, Ohio and America have lost a great citizen.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. JENKINS. I appreciate what the gentleman has said about Roy Marshall. Roy Marshall was a very keen-minded man; he had a fine grasp of public questions, and when he was in Congress he made a mark for himself as a man of distinction and ability. I am proud to stand here and say that for Roy Marshall.

EGGS AND COMMUNIST CHINA

Mr. STEFAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. STEFAN. Mr. Speaker, the serious turn of events in Korea in which we find ourselves in an undeclared war with the Chinese Communists should spotlight and force action on the dubious trade policies that the administration and our so-called friends and allies have been following. Many Members of the Congress have called attention to the trade with the Communist countries, including the Chinese Reds, and have requested action to no avail. The truth is that the Communist countries declared economic warfare on the United States nearly 2 years ago, and in recent months have been stepping up their activities.

One direct result of the Red economic warfare was revealed about 10 days ago when the Secretary of Agriculture announced the biggest short-changing trick of all time—the end of price supports on eggs after the end of the year. This directly affected every farm family in the United States. The reason given was his inability to dispose of the dried egg stocks that he had accumulated in previous price-support operations. Over $100,000,000 has been invested in these stocks, and they will be practically a total loss. What the Secretary of Agriculture does not explain is why he has been unable to move these stocks. A dried-egg industry was created during the last war to supply the needs of the British. Egg production likewise was encouraged. It was continued for the same reason after the war. When the funds from the British loan ran low, there was no longer any interest in dried eggs at any price. This was the beginning of our huge stocks of dried eggs.

I am informed that the British have during the past 2 years made heavy purchases of dried and frozen eggs in China. During the past year the imports of dried eggs from Communist China to the United States have steadily increased each month, and in the month of September broke all previous records. I am also informed that if imports of dried eggs from Red China and shell eggs from Canada had been stopped, plus the British taking their needs from the United States at less than 20 cents on the dollar, which we offered, there would be no burdensome stocks, and no need to discontinue the price-support program.

The administration, however, prefers to deal with a Government that we do not recognize—the same Chinese Reds whose troops are fighting our boys in Korea. These dollar-earning imports are in effect financing the purchases of cotton and other war potentials to be used against our troops. The British likewise are contributing to the Communist war effort. In the present undeclared war with Communist China, is not it about time to stop this trading with the enemy, and apply economic sanctions?

THE LATE HONORABLE WILLIAM MILLER, OF CONNECTICUT

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. PATTERSON. Mr. Speaker, it is my solemn and saddening duty today to report to the House the death of a former Member, Bill Miller.

Bill Miller was known to a great many Members of this august body. Although he had many handicaps through life which he received in the service of his country, Bill Miller served his district, the First District of Connecticut, very ably.

During World War I Bill Miller enlisted and served 2 years in France. During that service he was commissioned as a second lieutenant in the United States Air Corps, and in the waning hours of that horrible conflict he crashed in his fighter plane and lost both legs. Despite that loss Bill went on to great accomplishments in his home State, Connecticut. He served as a departmental commander of the American Legion and as a national committeeman of the American Legion. He was elected to the Congress three consecutive times. During his service here he always had the interests of the veterans at heart.

To Mrs. Miller, another great soldier, I offer my most solemn, sincere, and deep sympathies and condolences.

Mr. JOHNSON. Mr. Speaker, will the gentleman yield.

Mr. PATTERSON. I yield.

Mr. JOHNSON. Mr. Speaker, I want to say a word about Bill Miller. He was killed on an airfield during the First World War, known as Issoudun. Many of the old World War I fliers will know what I mean. It was my privilege to be there with him as a fellow officer, and I flew from that same field for over 3 months before leaving for the front. All of us were very lucky to get back without injury. As I think about those days I feel we were all fortunate not to lose our legs, like Bill Miller did, to say nothing of our lives.

I found that in his work here in Congress he was a conscientious diligent worker and I admired him tremendously. With all his affliction he worked very hard, and his conduct was statesmanlike and in accordance with the best traditions of the House of Representatives.

I extend my deepest sympathy to his family.

Mr. LODGE. Mr. Speaker, will the gentleman yield?

Mr. PATTERSON. I yield.

Mr. LODGE. Mr. Speaker, I join with my colleagues in this body in mourning the loss of Bill Miller. I think that Bill Miller truly exemplified those immortal words of Shakespeare:

> His life was gentle; the elements so mixed in him that nature might stand up and say to all the world: "This was a man."

I served with Bill in the Eightieth Congress. Bill was the dean of our delegation; he was a legislator of great ability and foresight; he was a man of perfect courage. Never once did any of us see him give in to his physical affliction. He was cheerful; he was friendly; he was a good friend. I am sure that all of us who served with him can well remember the times when he would come up to this microphone in his wheel chair and he would make a speech which was always thoughtful and provocative and which made a real contribution to our deliberations.

Mr. Speaker, Bill Miller was a man of intelligence; he was a conscientious public servant; he was a patriotic and devoted American. I extend my deepest sympathy to his wife and to his relatives. I mourn the loss of a warm personal friend.

Peace, peace! he is not dead, he doth not sleep—
He hath awakened from the dream of life—
'Tis we, who lost in stormy visions, keep
With phantoms an unprofitable strife,
And in mad trance, strike with our spirit's knife
Invulnerable nothings—we decay
Like corpses in a charnel; fear and grief
Convulse us and consume us day by day,
And cold hopes swarm like worms within our living clay.
He hath outsoared the shadow of our night;
Envy and calumny and hate and pain,
And that unrest which men miscall delight,
Can touch him not and torture not again;
From the contagion of the world's slow stain
He is secure.

Mr. PATTERSON. Mr. Speaker, I yield to the gentleman from Connecticut [Mr. RIBICOFF].

Mr. RIBICOFF. Mr. Speaker, I, too, want to pay tribute to my distinguished predecessor in this House, the late Hon. William J. Miller, of Wethersfield, Conn. Mr. Miller served with outstanding distinction in the Seventy-sixth, Seventy-eighth, and Eightieth Congresses from the First District of Connecticut.

During his three terms in Congress, Mr. Miller had the respect and affection of the entire membership of this great body on both sides of the aisle. He was most zealous in his work in committee, on the floor, and in behalf of the constituents of his district.

Although he lost both legs as a result of a World War I airplane accident, Mr. Miller had a successful career in politics, insurance, and veterans' affairs. He, as much as any other man, inspired those others physically disabled by his rise to a place of national prominence. He was characterized by a Washington newspaperman as a man of "almost boundless energy, complete with an ability to grasp the precise fundamentals of a situation and the sometimes stubborn independence of his own political leaders has high-lighted his service as a first-term House Member."

Mr. Miller was born in North Andover, Mass., on March 12, 1899, the son of James B. and Katherine S. Miller. He attended public school there and in Lawrence, Mass. In September 1917, at the age of 18, he enlisted in the aviation section, Signal Corps, United States Army. Three months later he was in France and while there had the accident that eventually led to the loss of both legs.

Bill Miller, whose cheerfulness in spite of his handicap won for him the nickname of "Smiling Bill," was a great and outstanding American. Congressman Miller, before coming to Congress, was active in the business and civic life of Connecticut. In 1936 he was elected commander of the Department of Connecticut of the American Legion. During his term of office, the American Legion reached a record State membership.

It should fill all of us with a deep sense of humility to realize that a man who was forced to spend the greater portion of his active life in a wheelchair could accomplish the many things he did.

Bill Miller's untimely death at the age of 51 was a great shock to me. One of the most pleasant experiences of my life was my campaign against him in 1948. It was a very clean contest; both of us respected one another, devoting the entire campaign to the great issues confronting our Nation, and at no time indulging in personalities. He was a fine gentleman, and we became friends during and after the campaign.

There is much in Bill Miller's career that we all could follow in serving our Nation. He had an independent spirit and mind. When he thought his party's leadership was wrong, he voted as his conscience dictated. On veterans' affairs he was a recognized authority. He was independent, kind, and thoughtful, and always respected another's point of view. Hartford County, the State of Connecticut, and the United States of America have suffered a great loss in his death.

I extend my deepest sympathies to his widow and other members of his family.

Under unanimous consent to revise and extend my remarks, I include as part of these remarks two editorials, one from the Hartford Courant of November 23, 1950, and one from the Hartford Times of November 24, 1950:

[From the Hartford (Conn.) Courant of November 23, 1950]

WILLIAM J. MILLER

Former Congressman William J. Miller attained a remarkable degree of success despite a physical handicap that would have discouraged a less courageous man. Six times he sought election to Congress. Three times he won, three times he tasted defeat. But he was never embittered by the adverse turning of the wheel of political fate.

Bill Miller wore nobody's collar when he was in Congress. When he thought his party's leadership was wrong, he voted as his conscience dictated. On veterans' affairs he was a recognized authority. On more than one occasion he commanded bipartisan support, and at least once he was accorded a standing ovation by the whole House. Such recognition of his mastery of the subject of legislation for veterans was fully deserved.

Not only in Congress, but in the business of the American Legion fearlessness characterized Bill Miller. He stood against payment of the adjusted compensation certificates when it was unpopular to take that stand. He insisted on the maximum of reasonable care for disabled veterans, especially those in hospitals. He did not hesitate to tell the able-bodied veterans to stand on their own feet, not to lean on the Government or their wartime service. This took the kind of courage of which Bill Miller had plenty.

If Bill Miller could be firm, he also had a big heart and a winning personality. He could state his views without offense. And he was not bitter toward those who disagreed with him. In his six campaigns, win or lose, the returns showed no loss of popularity for his forthright statements. He always did a bit better than most others on the Republican ticket. He was a good citizen, a conscientious legislator, and a loyal friend.

[From the Hartford (Conn.) Times of November 24, 1950]

WILLIAM J. MILLER

In looking back on the career of William J. Miller, it is hard to believe that a man forced to spend most of his active life in a wheel chair could accomplish the things he did. He was only 18 when he enlisted in the aviation section, Signal Corps, of the United States Army in World War I, became a sergeant, and then a military aviator with the commission of second lieutenant. A month after the armistice, he was taking advanced instruction at a flying field in France. His plane crashed, crippling him and resulting 5 years later in the loss of both legs. Since then Bill Miller had been wheeled about, always genial, smiling, friendly, and making friends wherever he went. He was able to build up an insurance business, actively engage in American Legion affairs, and finally get the Republican nomination for Congress, and in a series of victories and defeats in biennial contests with Herman P. Kopplemann, Democrat, served three terms.

As a Congressman, Mr. Miller served his district well. He was reasonably independent, took his duties seriously, and, despite his handicap, maintained a good attendance record in the House. His familiar figure sitting with bent head in his wheel chair, has passed from the scene. The cheerful, half-salute with which he greeted them will be long remembered by his host of friends throughout this district. His death at 51 was untimely. He met it with the same fortitude that enabled him to live an active and useful life in spite of a tremendous handicap.

(Mr. RIBICOFF asked and was given permission to revise and extend his remarks and include two editorials, one from the Hartford Courant and another from the Hartford Times.)

Mrs. WOODHOUSE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from Connecticut?

There was no objection.

Mrs. WOODHOUSE. Mr. Speaker, in the untimely death of former Congressman Wiliam J. Miller, Connecticut has lost a public-spirited citizen and a devoted public servant. In spite of his tragic accident and the resulting heavy physical handicap under which he labored, he always faced life with courage and determination. His logical mind cut through the symptoms and to the heart of the problems which his State and Nation faced during the troubled years of his service in Congress. While holding steadfast to the principles of his party, his was never the blind partisan approach. Always he weighed the issues in the broad light of the needs of the time and the thinking of the people of

his district. His were social-minded decisions based on well-considered facts.

Mr. Miller was a friend to anyone with a problem. In turn, he had hosts of friends in Hartford County and throughout the State who will miss him but will always remember him as a symbol of courage, of human kindness, and of human understanding.

Connecticut will long remember William J. Miller as one who served his State well.

Our deepest sympathy goes to Mrs. Miller, who through all the years has been the devoted helpmate and companion of her husband in all his undertakings.

Mr. PATTERSON. Mr. Speaker, I yield to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, it was a great shock to me to learn of the passing of Bill Miller. I recall the first time I met him, back in World War I days, when he was fighting pain in a hospital bed. You could not help but marvel at and admire his courage, his determination to get well and, despite the loss of his legs, succeed in his personal and his political ambitions.

Bill Miller was an indefatigable worker. He never admitted defeat in anything he did; he kept on fighting hard, sometimes against unsurmountable odds. This fine mental and moral courage carried him to success in his business career and won for him three terms in this House.

Naturally, his interest in veterans' affairs was great. Seriously disabled himself, he had a personal deep understanding of the problems, especially rehabilitation problems, our wounded veterans had to face when they were discharged from the hospitals. He gave much of his time to this work, and we of the Committee on Veterans' Affairs soon learned to respect and value his testimony and suggestions when he appeared before our committee.

He was an outspoken, honest man. He never cast a political vote during his entire service in Congress. He did what he thought was right. Brave as a soldier, comscientious and fine as a Representative in the House of Representatives, Bill Miller's loss will be felt all through the years to come.

His widow was always extremely helpful to him in his work. She gave unselfishly of her life to help her husband in all of his endeavors. To her goes the deep sympathy and condolences of those who knew of her devotion to her husband in his private and public life.

The National Tribune of today's date carried a short item concerning his passing, and I give it herewith for the information it contains:

Former Representative William J. Miller, of Connecticut, who traveled the road to success without legs, died November 22 at his Wethersfield, Conn., home after a long illness. He was 51.

A World War I flier, Miller broke his back and lost both his legs in an airplane crash in France. For 4 years thereafter he lived in a cast.

Besides running for Congress five times and winning three times, Miller established a successful insurance business in his home town, served as department commander of the American Legion. He directed Legion relief work during the 1936 flood and was a member of its National Rehabilitation Commission at one time.

Born in North Andover, Mass., Miller attended public schools there and in Lawrence, Mass. He enlisted as a private in the aviation section of the Army Signal Corps and served 17 months in France, where he was commissioned as a second lieutenant.

GENERAL LEAVE TO EXTEND REMARKS

Mr. PATTERSON. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks on the passing of the late William Miller at this point.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

FARM MACHINERY AND NATIONAL SECURITY

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, it has long been recognized that our national well-being is dependent upon efficient and abundant production of food and fiber. Although I represent the largest textile district in the world, I am fully conscious of the importance of agriculture, especially at this time of crisis. I now invite your attention to the acute situation confronting those who till the soil and thus provide the essential food and fiber, not only for civilian needs but of imperative necessity in our program of national defense. During World War II, total agricultural production increased about one-third. This permitted the shipment of large supplies of food, feed, and fiber products to our allies and to other countries in need. Of more significance for the future, perhaps, is the fact that it permitted increased domestic consumption of farm products in this country.

Twice in the course of the past 30 years, American agriculture has been called upon to enlarge its production to fill demands created by war, and, in each case, our farmers have responded by expanding their output of food and fiber to meet the increased demands.

Today, fortunately, due to more scientific farming and mechanization, fewer people are required to produce an adequate supply of agricultural commodities for domestic and foreign consumption than a century ago. It has been estimated that 72 percent of the working force in the United States in 1820 was engaged in agricultural work, and only about 28 percent pursued nonagricultural livelihoods. As time passed the agricultural force represented a smaller and smaller proportion of the total labor force. By 1940, this percentage had dropped to 18. It is likely that even a smaller percentage is now engaged in agriculture. This increased output per person on our farms is encouraging, particularly at this time when so many of our people are needed in industry to supply the Nation with defense materials and goods for domestic consumption and at a time when so many of our young people are needed in the Armed Forces. However, in view of the fact that the farm-labor force is constantly decreasing in numbers and the source of animal power available for use on farms is shrinking, we must substitute more and more mechanical power for manpower in order to be assured of larger output from our farms and to release farm boys and men to help build up the Armed Forces and essential industries. We cannot afford to dissipate our farm plant; we must keep it in the best possible operating condition.

Recent surveys indicate that purchases of farm machinery for the first half of 1950 were lower than for the same period during 1948 and 1949. Reduced farm incomes during the first half of 1950, along with relatively high machinery prices, were no doubt leading factors contributing to the lower purchases. Since last July, however, the demand for farm machinery has increased partly because of expected higher prices of farm products, larger farm incomes, and perhaps some forward buying. Current production of machinery has not kept pace with the increased demand because of material shortages and labor difficulties. It is estimated that even with increased production since July, the total output of machinery in 1950 may be somewhat below the high production of 1948 and 1949.

The demand for farm machinery is expected to continue at a high level because of prospectively higher farm incomes. Prices of machinery are also expected to be higher because of higher material and labor costs. Output may be restricted, particularly toward the end of the year, because of shortages of materials resulting from the rearmament program. During 1951, shortages of some of the newer machines might be experienced unless manufacturers are assured of an adequate supply of steel and associated materials.

Peacetime prosperity and war activity always stimulate the demand for steel and related products. Steel producers have responded to this demand by increasing their production. But here the question arises as to how much of this steel should be used for the manufacture of military equipment and other industrial machinery. It has been called to my attention that the "maximum production of farm machinery does not take more than 2 percent of this country's annual output of iron and steel, and that many times 2 percent are consumed in the manufacture of less basic items." In view of this fact and the importance of building up an adequate supply of modern power machinery on our farms, it appears reasonable that if it is necessary to establish priorities on the use of steel, the priority for farm machinery should be second only to priorities established for military equipment.

Another matter worthy of consideration is that the use of a high percentage of farm machinery is to a very great extent seasonal. Manufacturers plan their production accordingly. Because of the

seasonal need for machinery, just a few weeks delay in supplying farmers with many types of machines has the same effect as a year's delay. It should be clear, therefore, that it is not enough to avoid a reduction in the quantity of steel available for the manufacture of farm machinery, but we must also provide these manufacturers with an adequate supply of materials at the proper time so that the seasonal demand for machinery can be met.

Ever since the adoption of power-driven machinery in this country, the number of tractors on farms has steadily increased, but estimates indicate that the present number of tractors on our farms is far from the ultimate tractor population. This is true also for some other major farm machines. It will, no doubt, require several years with a relatively high farm income and adequate supplies of farm machinery to build up the mechanization of our farms to a level consistent with the task ahead of the American farmers, particularly in view of the constantly shrinking farm labor supply.

Statistics compiled by a farm machinery manufacturer indicate that roughly 1 ton of iron and steel is required for each tractor and approximately another ton for the average number of farm implements associated with each tractor. In this connection, it was also pointed out that the unavailability of less than 50 tons of one type of steel and less than 10 tons of another type of steel would prevent the manufacture of about 1,000 tractors. A similar situation exists with respect to the manufacture of other farm implements.

Since farm machinery is vital in an over-all program of building up our national strength, it behooves us to make available to machinery manufacturers the necessary materials to assure adequate supplies of modern farm machinery. In the event that priorities and allocations of materials are necessary to accomplish this, these allocations should be made early in the development of our defense program.

THE LATE EDWIN M. SCHAEFER

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that my colleague, the gentleman from Illinois [Mr. O'BRIEN] may be permitted to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

Mr. O'BRIEN of Illinois. Mr. Speaker, the death of my former colleague in Congress, Edwin M. Schaefer, brings to my mind an even deeper appreciation of his good qualities for which we all respected and admired in him while he was a Member of Congress from Illinois.

He was a rare type of a Representative, one who appreciated the plight of his fellow man and tried in his own way to lighten the burden of the oppressed. He was strong in his convictions but quick to appreciate the opinions of those who might differ with him.

During the trying period of World War II none was more concerned with the duties destiny had thrust upon him than he, and it is saddening to realize that the time granted him for relaxation after laying aside his congressional duties has been all too short.

Those who had the good fortune to serve with him in the House of Representatives have seen the passing of a man who was held in high regard and great respect and the State of Illinois has lost a son who brought her only distinction by his legislative activities.

PERMISSION TO ADDRESS THE HOUSE

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an article appearing in the Great Falls Tribune.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

[Mr. MANSFIELD addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. DAVIS of Georgia asked and was given permission to address the House today for 20 minutes, following any special orders heretofore entered.

TOTAL MOBILIZATION

Mr. HARRISON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was no objection.

Mr. HARRISON. Mr. Speaker, here in the Capital of the Nation we regard proudly as the greatest in the world, we stand as if hypnotized by the swelling tide of fear and indecision.

Our people must be told that we are in our greatest crisis; that our hope for survival as a free nation is immediate total mobilization—a marshaling of all the productive resources and manpower which form our chief strength.

Although General Bradley has said we have nothing to offer the foe but the atomic bomb, our assembly lines continue to spew forth the bright baubles of peacetime.

Hesitantly, a pitiful patchwork of controls is being fashioned. In this Congress, at this session, we should have the courage to gear every citizen and every machine to the dreadful demands of the struggle for national self-preservation.

DEAN ACHESON

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, out at my hotel there lives one of the most interesting characters I ever knew. He is an ex-United States Senator and a great scholar. Last evening, after Secretary Acheson had made his address over the radio, a group of people gathered in the lobby of the hotel and were discussing Dean Acheson, when someone spoke up and said: "His is a case for the vigilantes. He ought to be hanged."

"Oh, no, do not hang him," said this scholar and seer, who, continuing, said: "I recall that in 1914, when Villa captured General Carranza, who, as you recall, wore a great beard, friends of the old general, who feared for his life, influenced a number of Senators, of whom I was one, to send a telegram to Villa not to hang General Carranza, to which we received the classic reply: 'Hang General Carranza? Why, no! I am not going to hang him. I am going to shave the old rascal and show the world what a fraud he is.'"

GOVERNOR WARREN FABULOUS VOTE GETTER

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include a short editorial from the Oakland Tribune.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON. Mr. Speaker, the vote in the recent election for Governor in California was one of the most astounding in the history of elections.

Governor Warren demonstrated that he is a fabulous vote getter. The record is that he beat his opponent by over 1,250,000. It is particularly eloquent in view of the fact that Governor Warren had already served the State of California for two terms, a total of 8 years of service. With all the controversies and misunderstandings that can be engendered in the course of eight hectic years in a State like California, it seems incredible that the Governor, running for a third term, could make such a remarkable run. California is a complicated State, and during those two terms gained over 4,000,000 in population. On his record primarily, and partly on his personality, Mr. Warren endeared himself so strongly to the people of California that he was able to win this election by such an astounding vote. The secret of his success, in my humble opinion, is due to the fact that he does not play petty politics, either party politics or any other kind of politics.

He grapples with the problems submitted to him and tries to find the right answer. He makes appointments on the basis of merit. He works harmoniously with the civil-service group, which accounts in large part for the excellent administration of the office of Governor and all its branches during his incumbency. He has a minimum of differences with the legislature, and has the knack that every great executive must have of getting along with people and of picking out excellent associates to help him handle the big job. He is truly a governor serving all the people.

I enclose a résumé of the election as set forth in the Oakland Tribune under the date of November 19, 1950. It should be of interest to every Member of the House, as all of us must submit ourselves to an election every 2 years.

ROOSEVELT TROUNCED

The day after the general election you knew that Governor Warren had swept every one of California's 68 counties and trounced James Roosevelt by well over 1,000,-

000 votes. But since then the paper-and-pencil boys have come up with some sidelight figures you may find interesting. Delving back into the record we find that no other candidate in the history of California was beaten as badly as Roosevelt and that the majority against him was greater than that against any other major party candidate for Governor in any State in the Nation on November 7. Despite the fact that 58.39 percent of the voters in California are registered as Democrats, Roosevelt polled only about 35.29 percent of the total vote. Putting it another way, Roosevelt's vote amounted to only 42.61 percent of his party's registration, while the vote for Governor Warren ran to better than 123.03 percent of his party's registration. In piling up a greater majority than given any other Governor in the election, Governor Warren also amassed a greater majority than given to any candidate for United States Senate in the Nation. And that leads to the observation that Governor Warren won Los Angeles County alone by a greater majority than Senator ROBERT A. TAFT gathered in the entire State of Ohio. You may have seen the story in the news columns, but the Knave mentions it again because backers of Senator TAFT seem to have been giving out with the idea that their man was the only Republican able to carry industrial centers. We respectfully call to their attention the heavy industrial areas in Los Angeles, San Pedro, San Diego, San Francisco, Contra Costa, and Alameda Counties. And we might add, again, that each of those areas has a preponderance of Democratic registration. Senator TAFT waged a vigorous campaign, but the Knave is joined by other observers who believe some of his supporters slipped their trolley when they attempted to imply that his victory surpassed that of Governor Warren.

PERMISSION TO ADDRESS THE HOUSE

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. JAVITS addressed the House. His remarks appear in the Appendix.]

THE TAX SITUATION

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent that the gentleman from New York [Mr. REED] may extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I know that the housewives of this country will be delighted to go through the technical process of collecting taxes for the United States Government under social security. To the end that they may understand what their duties will be after January 1, 1951, I am inserting in the RECORD an article which appeared in the Wall Street Journal of November 30, 1950:

UNITED STATES TO DROP DUTIES OF A TAX COLLECTOR ON HARRIED HOUSEWIFE—SOCIAL SECURITY LEVY MUST BE HELD FROM DOMESTIC WORKERS' PAY NEXT YEAR

WASHINGTON.—Got a maid, laundress, cook, valet, or chauffeur?

Do you hire a baby sitter when you take your wife out to dinner or to the movie 2 nights a week?

Do you hire a housekeeper, nursemaid, furnace man, handy man, footman, or practical nurse?

If your answer to any of these questions is "yes," you're about to become a part-time bureaucrat.

Beginning January 1, you'll join the army of Uncle Sam's tax collectors. Your job will be bookkeeper and tax collector, as well as taxpayer. It's all because of the new social-security law which entitles 1,000,000 household workers to pensions when they reach 65.

To help housewives and their husbands understand the new law, the Federal Security Agency and the Bureau of Internal Revenue have just published a new pamphlet entitled: "The New Social Security Law May Concern You."

These workers don't have to work full time for you to be concerned. They only have to meet the "24–50" test. That is, you're liable for social-security taxes if the household-employee works for you as much as 24 days during any calendar quarter and you pay her as much as $50 in cash wages. A day is 30 minutes or 10 hours, under the new law.

Internal Revenue Commissioner George J. Schoeneman and Arthur Altmeyer, Federal Security Administrator, bringing along a staff of experts, called a full-dress press conference yesterday to announce details of the scheme they've worked out for administering the new feature of the social-security law.

They thought their plan "the simplest that has ever been worked out in any country in the world." But newsmen raised some questions Mr. Schoeneman and Mr. Altmeyer didn't like to talk about.

Under prodding questions, the officials admitted that the housewife or her husband, depending on which is the employer—is subject to a fine of up to $10,000 or 5 years' imprisonment, or both, for failing to pay the new social-security levy.

Such severe penalties are reserved, the officials emphasized, for people who "wilfully and criminally" violate the law. Lesser violators will be subject to easier penalties, 6 percent interest on back taxes, for example.

But to be sure you dodge the jail term or heavy fine, you're supposed to deduct 1½ percent from your domestic worker's cash wages, beginning January 1. You must chip in another 1½ percent yourself. If you feel generous enough to pay the full 3-percent tax yourself, Mr. Schoeneman won't object.

At the end of each 3-month period, you're supposed to send the tax, along with a report of wages paid, to the collector of internal revenue.

To get a copy of the new booklet, ask at your local post office, or write to the Commissioner of Internal Revenue at Washington.

DR. JOSEPH W. WEINBERG AND STEVE NELSON

Mr. VELDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VELDE. Mr. Speaker, almost a year and a half ago the Un-American Activities Committee unanimously recommended to the Attorney General the prosecution for perjury of one Dr. Joseph W. Weinberg, also known as Scientist X. The committee, in making its recommendation, furnished the Attorney General with reliable witnesses who could prove that Weinberg testified falsely when he appeared before the committee on two occasions. The committee claims that he perjured himself when he denied association with Steve Nelson in Oakland, Calif., and when he denied attending Communist Party and Communist front-group meetings with other atomic bomb scientists in 1943, 1944, and 1945. The latest information given the committee is that Dr. Weinberg is still teaching nuclear physics to young men and women at the University of Minnesota. Now the burning question in our minds is: "Why has not this case been brought before a grand jury by the Attorney General?"

Steve Nelson, known Communist organizer and Soviet espionage agent, was also cited for contempt of Congress by an overwhelming vote of 372 to 1. Although several others cited for contempt at the same time have been indicted for this crime, Steve Nelson's name does not appear on the list. We are again forced to ask: "Why has the Attorney General failed to bring grand jury action against Steve Nelson?"

In both these cases there appears to be overwhelming congressional opinion that there is a probability of establishing guilt beyond all reasonable doubt. I cannot possibly give all the evidence against these two men in the minute I now have, and therefore have asked for time following regular legislative business of the House on Monday next to give in detail the accumulation of evidence against Steve Nelson and Dr. Joseph W. Weinberg.

Is the Department of Justice or the Attorney General still following the "red herring" policy as espoused by President Truman for so long? Surely Members of Congress will take notice of these two glaring cases and give help in persuading the Attorney General that some action is necessary, and that immediately.

EXTENSION OF REMARKS

Mr. PRICE asked and was given permission to extend his remarks in two instances.

Mr. HELLER asked and was given permission to extend his remarks in five instances and include extraneous matter.

Mr. HARRISON asked and was given permission to extend his remarks and include extraneous matter.

Mr. MULTER (at the request of Mr. BIEMILLER) was given permission to extend his remarks in two instances and include extraneous matter.

Mr. BIEMILLER asked and was given permission to extend his remarks in five instances and include extraneous matter.

Mr. RIVERS and Mr. BOYKIN asked and were given permission to extend their remarks.

Mr. BRYSON asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. THOMPSON asked and was given permission to extend his remarks and include a newspaper editorial.

Mr. CHESNEY asked and was given permission to extend his remarks and include an article from the Washington Post.

Mr. SHEPPARD asked and was given permission to extend his remarks in two instances; to include in one compliments to Colton Union High School and in the other an article relating to Captain Cal-y-Mayor.

Mr. ASPINALL asked and was given permission to extend his remarks and include extraneous matter.

Mr. SMITH of Virginia asked and was given permission to extend his remarks in two instances and include speeches by General Marshall.

Mr. ENGLE of California asked and was given permission to extend his remarks.

Mr. BYRNE of New York asked and was given permission to extend his remarks and include a resolution.

Mr. LARCADE (at the request of Mr. WILLIS) was given permission to extend his remarks in three instances.

Mr. EVINS (at the request of Mr. FRAZIER) was given permission to extend his remarks.

Mr. KEOGH (at the request of Mr. GOSSETT) was given permission to extend his remarks and include a speech.

Mr. TEAGUE (at the request of Mr. GOSSETT) was given permission to extend his remarks and include extraneous matter.

Mr. WILLIAMS asked and was given permission to extend his remarks and include an editorial.

Mr. CANNON asked and was given permission to extend his remarks and include an address by Hon. A. O. Stanley, Chairman of the United States Section of the International Joint Commission.

Mr. GRAHAM asked and was given permission to extend his remarks.

Mr. CRAWFORD asked and was given permission to extend his remarks in two instances and include in one an editorial.

Mr. FARRINGTON asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. JENSEN asked and was given permission to extend his remarks in two instances, and in one include an address delivered by Hon Herbert Hoover before the convention of the United States Junior Chamber of Commerce.

Mr. WOODRUFF (at the request of Mr. BLACKNEY) was given permission to extend his remarks and include an article from the Detroit Free Press.

Mr. DONDERO asked and was given permission to extend his remarks and include an article.

Mr. KEATING asked and was given permission to extend his remarks.

Mr. LEFEVRE asked and was given permission to extend his remarks and include an editorial.

Mr. POULSON asked and was given permission to extend his remarks in four instances and include therein some editorials.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks.

Mr. MORTON asked and was given permission to extend his remarks and include an editorial from the Louisville Courier-Journal.

Mr. MICHENER asked and was given permission to extend his remarks and include a resolution.

Mr. McCORMACK asked and was given permission to extend his remarks.

Mr. MARTIN of Iowa asked and was given permission to extend his remarks and include an article from the United States Naval Institute proceedings.

The SPEAKER. Under previous order of the House, the Resident Commissioner of Puerto Rico, Mr. FERNÓS-ISERN, is recognized for 10 minutes.

ORGANIZATION OF GOVERNMENT OF PUERTO RICO

Mr. FERNÓS-ISERN. Mr. Speaker, on June 28 of this year, the House passed a bill to provide for the organization of a constitutional government by the people of Puerto Rico. It became a law on July 3, 1950. In accordance with its terms, and at a referendum to be held on June 4, 1951, the people of Puerto Rico will vote to accept or reject the law. It depends on the will of the people of Puerto Rico whether the law is to become effective. The law maintains the present economic, fiscal, and trade relations between Puerto Rico and the United States. It also maintains the present representation of Puerto Rico in the Congress, while recognizing the right of the citizens of Puerto Rico to organize their own government, as the people of any State of the Union would, in accordance with a State constitution of their own adoption.

Thus is being evolved a new type of Federal relationship between the United States and communities of United States citizens, organized in offshore areas. We, the people of Puerto Rico, offered this political formula to the Congress. The Congress accepted it at our request, and we are grateful. We are grateful, also, to President Truman, who signed the bill that it might become law. This law will not bring us into the Union as a State, but, under it, we shall continue to be a part of the greater United States of which all communities of United States citizens are a part.

I feel I should make a progress report to Congress at this time.

Under a law of the Legislature of Puerto Rico, there took place in Puerto Rico on November 4 and 5 of this year, a registration of new voters for the benefit of all those who have become of age since the last elections in 1948. These voters, together with those previously registered, will be called to the referendum on June 4, 1951, to vote for the acceptance or rejection of the law as passed by Congress.

We believe in democracy in Puerto Rico. We believe in freedom. We believe in the principles symbolized by our United States citizenship. Where close to 540,000 voters took a part in the elections of 1948, we have added, through the recent registrations, about 158,000 names to our list of eligible voters. This with a population of about 2,200,000.

This heavy registration has been a magnificent demonstration of the devotion of the people of Puerto Rico to the democratic process of government. It is so, not only because of the large registration recorded, but because this registration took place only 72 hours after the arrest of a self-styled leader of a frustrated so-called revolt which had taken place in the island of Puerto Rico.

On Monday, October 28, the police force of five towns and cities of Puerto Rico were fired upon by a handful of terrorists at each place. Simultaneously, the Governor's residence was attacked. A few other sporadic attacks were made at other places. In all, seven policemen and a national guardsman were killed. Sixteen terrorists were also killed. There were a few other casualties.

There was no need to declare martial law. The perpetrators of those assaults have been arrested. They will be brought to trial. They will be punished in accordance with law.

The people of Puerto Rico will not be misled by anyone posing as a self-appointed master of the people; a curious sort of professional nationalist who insists upon graduating from the nineteenth century college of liberation by force when we belong to the twentieth century class of liberation by law. It reminds me of Huckleberry Finn trying to free his friend, Jim, through a tunnel he would dig, while the door was unlocked all the while.

The people of Puerto Rico will continue to develop their lives normally, under the law, in a setting of peace and order. They will continue to run their government democratically. They deplore and pity the dementia of the obsessed, but, for themselves, they will maintain stability and sanity.

Much more than the deplorable happenings in Puerto Rico, the people of Puerto Rico were dismayed by the aberration of the two persons who tried the insensate attack on the Blair House. They were dismayed because the terrorists, although long-time residents of the mainland, were born in Puerto Rico. Because one of them has said that their deed was intended to bring freedom to Puerto Rico.

Mr. Speaker, we are living in an age where words seem to be going wild—or men are going wild in the use of words. In their disarranged minds, in order to bring about freedom, the head of this great Nation, the champion of freedom in the world, would be sacrificed. In order to bring about freedom to 2,000,000 people, their membership in the freest political system of the world would be brought to an end. In order to bring freedom to a democratic people, their democratic process of government would be interrupted; they would be deprived of the expression of their will through the ballot. They would be subjected to a fanatical dictatorship.

I am a physician. Perhaps I might find in the intricacies of psychiatry an explanation for this type of behavior and for the reasoning or lack of reasoning behind it. But outside of that, I can say this: Thank God this type of behavior and reasoning is not typical of the people of Puerto Rico.

Puerto Rico has a long history. But there are no pages in it except for love of peace, freedom, democracy, and order. There are no pages in it for terrorism. There are no pages in it for organized crime.

Puerto Rico will proceed full speed ahead in the organization of its own constitutional government, as a free state in federation with the United States. Puerto Rico will continue proudly to support our Federal democratic institutions, at home and abroad.

Right now, in Korea, the Sixty-fifth Infantry Regiment, made up completely

of Puerto Ricans, is fighting gallantly for democracy in that corner of the world. And down in that other corner of the world, in Puerto Rico, their parents and relatives and friends are proud that our good, kind "jíbaros" may thus demonstrate their love for democracy, their patriotism as United States citizens, and their spirit of sacrifice.

It is not only in the realm of politics or in the realm of armed struggle that we show devotion to our way of life.

We should continue our operation "boot-strap"; we shall continue our endeavors to extricate ourselves from our present economic difficulties. In this, I know I shall continue to have the generous support of the Congress as always in the past; as a counterpart to Puerto Rico's operation boot-strap we shall continue here, and for Puerto Rico, our operation "boost."

With our faith in God, in the warmth of comradeship which our common citizenship gives us all, Mr. Speaker, the people of Puerto Rico will continue ahead, undaunted, confident of their future and of the future of this great Union whose existence is so essential to, and is the symbol of, the freedom of mankind in the world of today.

Puerto Rico knows that only within a truly democratic structure can it continue as the free commonwealth which it will become shortly after June 4, when the people of Puerto Rico will vote, overwhelmingly, to organize a constitutional government and become fully self-governing as provided by the law that Congress recently passed. Thus we shall be free citizens, in a free country, within the broad, great free country of our United States citizenship.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from South Carolina [Mr. RIVERS] is recognized for 30 minutes.

Mr. RIVERS. Mr. Speaker, I ask unanimous consent that this address may appear in the Appendix of the RECORD.

The SPEAKER. Without objection, it is so ordered.

[Mr. RIVERS addressed the House. His remarks appear in the Appendix.]

The SPEAKER. Under previous order of the House, the gentleman from Georgia [Mr. DAVIS] is recognized for 10 minutes.

(Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks and include a resolution adopted by the American Legion Post of East Point, Ga.)

SEGREGATION IN SCHOOLS

Mr. DAVIS of Georgia. Mr. Speaker, I regret that, at this time of national peril, when all segments and groups in this country should center their attention and efforts upon the major task which confronts us, certain pseudo-liberals and would-be progressives choose this as a time to continue to peddle their propaganda and create discord through efforts to promote their insidious, radical, left-wing philosophies.

I was surprised to read a newspaper article yesterday which stated that the president of the University of Virginia, speaking to the Conference of Southern Governors in Charleston, S. C., recommended that Southern States discard and abandon the policy to which they have always adhered, and upon which our entire educational system has been built. He urged that Southern States execute an about-face and admit Negroes to white graduate schools and professional schools.

The University of Virginia president, according to this newspaper story, urged his radical plan as one part of a broad program looking toward solution of what he referred to as a grave racial problem.

Another part of his broad program, as reported in the article, was a plan for more race mixing, namely, to place control of the entire educational program in mixed school boards of whites and blacks.

He affects great concern that there exists strong Negro sentiment for complete abolition of segregation in education, and advocates opening graduate and professional schools to Negroes because of "present-day conditions and trends," citing decisions of the Supreme Court regarding segregation.

Although it may be a new discovery to him, these are not the first days when radical agitators, both white and Negro, have undertaken to force the abolition of segregation upon the people of this country.

During reconstruction days the same kind of radical agitators who are agitating the subject now tried desperately to force the Southern States to accept these same policies they are now trying to promote.

In that day and time they were aided and abetted by a hostile Federal Government which, even at bayonet point, tried to force our defeated and helpless section to accept the same radical doctrine present-day agitators are promoting.

Today, as then, they are aided and abetted again by the Federal Government, this time not through soldiers armed with bayonets, but through Executive orders, and through judicial legislation handed down by a left-wing Supreme Court, two of whose members journeyed to New York City and testified as to the good character of the Communist spy, Alger Hiss, when he was on trial for his crimes.

It is true various orders have been issued from our executive department attacking segregation, and various judicial opinions have been rendered by the left-wing Supreme Court, in which they usurped legislative functions, also attacking segregation.

However, these activities do not lend any desirability to these radical doctrines, nor do they make them acceptable, nor do they make them constitutional.

The sensible, worth-while people of reconstruction times refused to knuckle under and accept the plans of the radicals. The sensible, worth-while people of this day will likewise defeat these radical proposals.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Mississippi.

Mr. RANKIN. This program of trying to destroy segregation in the Southern States is simply one of the plans of the Communist Party. It is being pushed by the Communists, their stooges, and fellow travelers. They are doing the Negroes of the South more harm than anything else that has taken place since the days of reconstruction; they are causing more of them to have to hunt homes. The decent, law-abiding, hard-working Negroes do not want segregation abolished. These Communist agitators, whether they are on the Supreme Court of the United States or on the White House staff, are doing the Negroes, as well as the white people of the South, far more harm than anybody else ever has done since the darkest days of reconstruction.

Mr. DAVIS of Georgia. I thank the gentleman for his observation.

This is a movement which must be met head-on, and defeated in the open. It cannot be handled by appeasement, or by efforts to placate the radicals.

The university president, by implication at least, offers his plan as an appeasement to the Negroes and to the Supreme Court, to placate them, so that those forces would not attempt to compel us to open the white public schools to Negroes. He implies that he opposes mixed public schools, although he advocates mixed public school boards.

He should know, if he does not know, that these Negro agitators, the radicals, pinks, and Communists, who are seeking to destroy all segregation, and to bring about race mixing, will not be appeased or placated by any such proposal as he makes. He is simply making himself a willing tool in their hands. He is lending his influence to their entire program, not only for destroying segregation in graduate and professional schools, but for destroying it in public or grade schools, in churches, hotels, restaurants, and theaters. He is striking a blow in favor of FEPC legislation, and in the final analysis, in favor of a mongrel America.

The University of Virginia recently in a suit involving admission of a Negro, practically let the suit go by default, and virtually consented that judgment be taken in the lower court requiring that the Negro be admitted. No vigorous defense was offered, and the case was not even appealed. It was a surrender, as the speech at Charleston was another surrender.

The present-day conditions and trends to which the doctor refers, do not require or justify such surrender as he has already made, and which he now recommends to other Southern States, after the fashion of the squirrel in Aesop's fable, who lost his tail in a trap and called a meeting of all the other squirrels to urge a new style and adoption of a rule requiring all squirrels' tails to be cut off.

Squirrels in the fable ran that faker out of the woods and kept their tails.

The Governors and universities of our Southern States likewise are not going to be taken in by such proposals as those made in the Charleston speech.

Mr. RIVERS. Mr. Speaker, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from South Carolina.

Mr. RIVERS. The gentleman recalls that when Colgate Darden was Governor of Virginia I do not believe he made one statement in which he advocated what he did in my home town of Charleston. If my memory serves me correctly, he was as quiet as a sphinx on this subject when he was in position to do something about it. Now that he has received a doctorate he assumes to himself the capacity of telling us how to run our business. If he is up on his own business as he thinks he is on mine, he ought to be pretty well informed.

Mr. DAVIS of Georgia. I thank the gentleman for his observation.

It is regrettable that in some quarters the belief is prevalent that the only way a southerner can be progressive and practice liberalism is to sell his people and his section down the river by endorsing and advocating left-wing, radical, crackpot, antisouthern doctrines.

It is not liberalism to abandon common sense, nor is it progressive to tear down institutions and customs which throughout all the ages and generations past have proved their worth and value.

These radical proposals offer nothing in return for that which they would destroy except the wholly unsubstantiated, unverified, weak assertion that progress lies in that direction.

That road does not lead to progress. It is a will-o'-the-wisp, actually leading to destruction of our strength, and would constitute a surrender to the radical pattern of communistic regimentation.

The public generally are waking up to the emptiness of those doctrines.

The public generally are getting tired of half-baked doctrines proposed by pseudo liberals.

The bar and the public know that the Supreme Court has been usurping legislative functions in the efforts of its left-wing members to promote radicalism, and if that practice is not stopped, a great deal of attention is going to be given to methods of restricting the Supreme Court to its own proper functions.

We have all seen in recent years the step-by-step procedure, through which many educational institutions have been brought into disrepute through the action of crackpots and pseudo liberals who have infiltrated into faculties and governing bodies of these educational institutions.

It is refreshing that some of them have seen the error of their ways, and are cleansing their faculties and governing bodies of these radical professors and officials.

In refreshing contrast to the above-mentioned speech at Charleston, the American Legion, Post No. 51, at East Point, Ga., on October 9 adopted a resolution regarding certain suits pending in Federal courts seeking to force white schools to admit Negroes as pupils.

This resolution illustrates the attitude of the rank and file American people regarding these radical proposals. I insert this resolution herewith as a part of my remarks:

First. On September 19, 1950, there was filed in the District Court of the United States for the Northern District of Georgia a suit against the superintendent of the Atlanta city schools and the members of the Atlanta Board of Education, which suit prayed that the United States courts require that the authorities in charge of the public schools of Atlanta admit negro children to white schools.

Second. This suit had been previously encouraged and invited by the decisions of the Supreme Court of the United States rendered on June 5, 1950, in cases involving the University of Texas Law School and the University of Oklahoma. In the Oklahoma and Texas cases the Supreme Court of the United States laid down a doctrine under which, if followed, the races must be educated together in the public schools beginning with the first grade. The suit to destroy the Atlanta public school system is a natural result of the decisions respecting Texas and Oklahoma.

Third. The suit to open Atlanta white schools to colored children is one case in a pattern of similar cases now pending in the Federal courts against the white people of America. A similar suit is now pending in Clarendon County, S. C.; four suits of this nature are now pending in North Carolina, one affecting the University of North Carolina and three affecting the public schools. In Louisiana four suits of this nature have been filed. Recently Negroes have been ordered admitted to the University of Delaware, the University of Virginia Law School, the University of Missouri, and the University of Arkansas, and it is stated that Negroes are soon to be admitted to the University of Tennessee.

Fourth. This onrushing destruction of white schools is being brought about by cheap-John Federal politicians such as President Truman and the present personnel of the Federal Supreme Court in connivance with the National Association for the Advancement of Colored People. The plan is a political one designed to capture and solidify the Negro bloc vote both in the North and South. Its result will be the destruction, not only of the separation of the races, but of both the white and colored races themselves, and the consequent mongrelizing of this country.

Fifth. This plan and scheme is communism. It is a part of the Communist Party platform and the Communist Party line which has been taken up by the politicians above referred to.

Sixth. The members of this post fought on foreign battlefields to preserve the American way of life. We fought to preserve this Nation, this State, this community, and our own families and firesides. We stand appalled at the awful realization that those things for which we fought and for which many of our comrades died are today in dreadful peril from those who are in charge of the Federal Government: Now, therefore, be it

Resolved by East Point Post. No. 51, Department of Georgia, American Legion, as follows:

1. The filing of the suits to open Atlanta white schools to Negroes is unreservedly condemned.

2. The filing of similar suits throughout the country is unreservedly condemned.

3. The action of the Supreme Court of the United States above referred to in encouraging and inviting the filing of such suits and the destruction of white schools is unreservedly condemned.

4. We condemn President Truman for his alliance with the National Association for the Advancement of Colored People looking toward the destruction of separate schools for white and colored.

5. We commend Gov. Herman E. Talmadge for the pledge which he has made the people that the separation of the races will be preserved in the schools of Georgia during his administration as Governor.

6. We commend Congressman JAMES C. DAVIS for his courageous speech in the Congress of the United States on the 21st of September 1950, in which he undertook to arouse the people to the danger which confront us and said:

"The time has come again when action must be taken—when the people of our section must say to all usurpers of power, whether it be the Supreme Court, whether it be the President, or whoever it may be: 'Thus far you may come, but no farther.'"

7. In our opinion, the destruction of separate public schools for the races in the South would be a calamity from which there could be no recovery. The destruction of our civilization would ensue. Another civilization would arise, the pattern of which is set before us in Cuba, Puerto Rico, and the islands of the Caribbean Sea.

8. In our opinion, it is the duty of all true men to resist the mingling of the races in the public schools and to oppose the same by all lawful means. The members of this post unanimously pledge themselves thereto, and call upon their fellow citizens to join them.

9. It is directed that a copy of this resolution be furnished the East Point Suburban Reporter, the Atlanta Journal and Atlanta Constitution, and the Georgia Legionnaire, and be spread upon the minutes of this post.

Unanimously adopted by East Point Post, No. 51, Department of Georgia, American Legion, on this ninth day of October 1950, at regular meeting of this date.

JAMES H. PORTER,
Commander.
E. M. LOYLESS,
Adjutant.

Mr. Speaker, I dislike at this particular time to make a speech of a controversial nature, or to deal with a subject which has any tendency to stir up or to promote strife.

I would not deal with this subject at all at this time, except for the fact that the president of the University of Virginia saw fit to recommend to the governors of the Southern States, which includes my own, a course of conduct which directly contravenes our customs, practices, and policies. We have pending in the State of Georgia now suits involving these particular questions. If this proposal coming from the source in question is permitted to go unnoticed, such action might be taken as indifference or as acquiescence. There is no indifference to this subject in my State, and there will be no acquiescence in such a proposal.

ADJOURNMENT

Mr. COX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 40 minutes p. m.) the House adjourned until tomorrow, Friday, December 1, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1751. A letter from the Deputy Attorney General, transmitting a draft of a proposed bill entitled "A bill to provide the privilege of becoming a naturalized citizen of the United States to all immigrants having a legal right to permanent residence"; to the Committee on the Judiciary.

1752. A letter from the Secretary, Smithsonian Institution, transmitting a draft of a proposed bill entitled "A bill relating to the policing of the buildings and grounds of the Smithsonian Institution and its con-

stituent bureaus"; to the Committee on House Administration.

1753. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1951 in the amount of $80,525,000, together with certain proposed provisions and increases in limitations pertaining to existing appropriations (H. Doc. No. 724); to the Committee on Appropriations and ordered to be printed.

1754. A letter from the Comptroller General of the United States, transmitting a report on the audit of Export-Import Bank of Washington for the fiscal year ended June 30, 1950 (H. Doc. No. 725); to the Committee on Expenditures in the Executive Departments and ordered to be printed.

1755. A letter from the Director, Bureau of the Budget, transmitting a letter regarding reapportionment of the administrative expense authorization of the Commodity Credit Corporation for the fiscal year 1951, pursuant to paragraph 2 of subsection (e) of section 3679 of the Revised Statutes, as amended; to the Committee on Appropriations.

1756. A letter from the Acting Attorney General, transmitting a letter relative to the case of Pierre Maurice Piron, file No. A-6386229 CR 26395, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1757. A letter from the Secretary of the Interior, transmitting a copy of legislation passed by the Legislative Assembly of the Virgin Islands, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Public Lands.

1758. A letter from the director, the American Legion, transmitting the financial statement of the American Legion up to and including October 31, 1950, pursuant to Public Law No. 47, Sixty-sixth Congress; to the Committee on Veterans' Affairs.

1759. A letter from the Archivist of the United States, transmitting a report of lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GOSSETT: Committee on the Judiciary. H. R. 9780. A bill providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence; without amendment (Rept. No. 3140). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. AUCHINCLOSS:

H. R. 9793. A bill relating to amounts made available for grants for hospital construction for the fiscal year ending June 30, 1951, and for other purposes; to the Committee on Appropriations.

By Mr. CAMP:

H. R. 9794. A bill to amend section 22 (d) (6) of the Internal Revenue Code (involuntary liquidation and replacement of inventory); to the Committee on Ways and Means.

By Mr. CANNON:

H. R. 9795. A bill relating to the policing of the buildings and grounds of the Smithsonian Institution and its constituent bureaus; to the Committee on House Administration.

By Mr. CELLER:

H. R. 9796. A bill to prohibit arming aircraft against friendly powers, delivering aircraft to a belligerent nation, and for the forfeiture of such aircraft, and for other purposes; to the Committee on the Judiciary.

By Mr. DAGUE:

H. R. 9797. A bill to provide that no person serving on active duty in the Armed Forces shall be denied national service life insurance on account of the condition of his health; to the Committee on Veterans' Affairs.

By Mr. DURHAM:

H. R. 9798. A bill to authorize a Federal civil-defense program, and for other purposes; to the Committee on Armed Services.

By Mr. FORD:

H. R. 9799. A bill to amend the Bankruptcy Act to provide that receivers and trustees in proceedings under chapter XI shall receive compensation on the same basis as those in proceedings under chapter X; to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 9800. A bill to amend the act of July 6, 1945, as amended, so as to reduce the number of grades for the various positions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. JAVITS:

H. R. 9801. A bill to amend the Internal Revenue Code with respect to the tax imposed on transportation of persons; to the Committee on Ways and Means.

By Mr. McKINNON:

H. R. 9802. A bill to grant succession to the War Damage Corporation; to the Committee on Banking and Currency.

By Mr. MILES:

H. R. 9803. A bill making an appropriation for emergency repairs to the Canadian River siphon, Vermejo reclamation project, New Mexico; to the Committee on Appropriations.

By Mr. MILLER of California:

H. R. 9804. A bill to amend the act of July 6, 1945, as amended, so as to reduce the number of grades for the various positions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MULTER:

H. R. 9805. A bill to reactivate the War Damage Corporation; to the Committee on Banking and Currency.

By Mr. PETERSON:

H. R. 9806. A bill to declare title to the Chicale Day School site to be vested in the United States in trust for the pueblo of Isleta; to the Committee on Public Lands.

By Mr. RANKIN (by request):

H. R. 9807. A bill to provide automatic indemnification in case of death of members of the Armed Forces of the United States, and protection against loss of insurability for such members; to the Committee on Veterans' Affairs.

By Mr. REES:

H. R. 9808. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans.; to the Committee on the Judiciary.

By Mr. RHODES:

H. R. 9809. A bill to amend the act of July 6, 1945, as amended, so as to reduce the number of grades for the various positions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 9810. A bill to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. WALTER:

H. R. 9811. A bill to amend chapter 19, title 5, of the United States Code, entitled "Administrative Procedure Act," so as to prohibit the employment by any person of any member, official, attorney, or employee of a Government agency except under certain conditions; to the Committee on the Judiciary.

H. R. 9812. A bill to amend the Nationality Act of 1940, as amended; to the Committee on the Judiciary.

By Mr. WICKERSHAM:

H. R. 9813. A bill to increase the special pay of enlisted persons of the uniformed services for sea and foreign duty, and for other purposes; to the Committee on Armed Services.

By Mr. BOGGS of Louisiana:

H. J. Res. 548. Joint resolution providing for recognition and endorsement of the International Trade Fair and Inter-American Cultural and Trade Center in New Orleans, La.; to the Committee on Foreign Affairs.

By Mr. SIMPSON of Illinois:

H. Con. Res. 290. Concurrent resolution expressing the sense of the Congress that the United States should emphasize to the nations and peoples of the world that the United States is not an aggressor nation; to the Committee on Foreign Affairs.

By Mrs. ROGERS of Massachusetts:

H. Res. 870. Resolution requesting the Secretary of the Army and the Chairman of the Interstate Commerce Commission to furnish to the House full and complete information with respect to two recent railroad accidents involving troop trains; to the Committee on Armed Services.

By Mr. DOUGHTON:

H. Res. 871. Resolution amending rule XI (1) (s) of the rules of the House of Representatives (relating to the Committee on Ways and Means); to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mrs. BOLTON of Ohio:

H. R. 9814. A bill for the relief of Mrs. Gizella Kezdy-Reich; to the Committee on the Judiciary.

By Mr. CHELF:

H. R. 9815. A bill for the relief of Gweneth Roberts; to the Committee on the Judiciary.

By Mr. DOLLIVER:

H. R. 9816. A bill for the relief of Mrs. Elizabeth Poeschel; to the Committee on the Judiciary.

By Mr. FEIGHAN:

H. R. 9817. A bill for the relief of Elias Niedzwetzki; to the Committee on the Judiciary.

By Mr. GAMBLE:

H. R. 9818. A bill for the relief of Mario DiFilippo; to the Committee on the Judiciary.

By Mr. KING:

H. R. 9819. A bill for the relief of Jerry Wang Van Meter; to the Committee on the Judiciary.

By Mr. NIXON:

H. R. 9820. A bill for the relief of Arthur Koestler; to the Committee on the Judiciary.

H. R. 9821. A bill for the relief of Miss Henrietta C. Hartmeyer; to the Committee on the Judiciary.

By Mr. POULSON:

H. R. 9822. A bill for the relief of Erich Von Stroheim; to the Committee on the Judiciary.

By Mrs. ST. GEORGE:

H. R. 9823. A bill for the relief of Alfred Herbert Vondran, midshipman, United States Navy; to the Committee on Armed Services.

By Mr. HARDIE SCOTT:

H. R. 9824. A bill for the relief of Aikaterini Skoufalos; to the Committee on the Judiciary.

By Mr. STIGLER:

H. R. 9825. A bill for the relief of Mrs. Kaiko (Kay) Fair and her minor children; to the Committee on the Judiciary.

By Mr. WALTER:

H. R. 9826. A bill for the relief of Gunter Arno Theleman; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2396. By Mr. RICH: Petition of citizens of Clinton County, Pa., urging that there be written into any bills drafting our youth for war or military training provision that no alcoholic beverages may be served or sold in camps or within radius of 10 miles; to the Committee on Armed Services.

2397. By Mr. TAYLOR: Petition of the Parent-Teacher Association of Hoosick Falls, N. Y., that Anna Mary Robertson Moses be named and appointed as grandmother of the year for the whole United States; to the Committee on the Judiciary.

2398. By the SPEAKER: Petition of George E. Miller, New York, N. Y., relative to a petition in the matter of judicial proceedings against Henry P. Chandler, as Director of the Administrative Office of the United States Courts, and Mortimer W. Byers, as United States district judge for the eastern district of New York; to the Committee on the Judiciary.

2399. Also, petition of V. D. Heyde, Delmenhorst, Germany, relative to abominable housing conditions existing in Delmenhorst; to the Committee on Foreign Affairs.

2400. Also, petition of Frank Santiago Brito, Rio Piedras, P. R., relative to the attacks made on President Harry Truman and Gov. Luis Muñoz-Marín, of Puerto Rico, and family; to the Committee on Public Lands.

2401. Also, petition of Francis Jean Reuter, Silver Spring, Md., relative to a redress of grievances pertaining to compensations, payments for damages, and other earned moneys; to the Committee on the Judiciary.

SENATE

FRIDAY, DECEMBER 1, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

At this altar of prayer which our fathers builded, we would be still and know that Thou art God. Forgive us that we talk so much and are silent so seldom; that we are in such constant motion and are so rarely still; that we depend so implicitly on the effectiveness of our own schemes and organization and so little on the power of Thy spirit.

Bewildered by the world's confusion and by the angry emotions of the time, we are tempted to lose certitude and stability and self-control. We would be true servants of Thy will in this troubled time. Teach us this and every day so to wait upon Thee that we may renew our strength, mount up with wings as eagles, run and not be weary, walk and not faint. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. TAYLOR, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, November 30, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

RESIGNATION OF SENATOR DOWNEY

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Chair lays before the Senate a copy of the letter of resignation of the senior Senator from California [Mr. DOWNEY], which will be read.

The legislative clerk read as follows:

UNITED STATES SENATE,
COMMITTEE ON INTERIOR AND INSULAR AFFAIRS,
November 25, 1950.

Hon. EARL WARREN,
Governor of California,
Sacramento, Calif.

MY DEAR GOVERNOR: In conformity with the recent statement I made to you, I hereby tender my resignation as United States Senator from the State of California, effective midnight, November 30, 1950.

Sincerely,

SHERIDAN DOWNEY.

The PRESIDING OFFICER. The letter of resignation will lie on the table.

CALL OF THE ROLL

Mr. TAYLOR. I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hill	Millikin
Benton	Hoey	Morse
Brewster	Holland	Murray
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Johnson, Tex.	O'Mahoney
Cain	Johnston, S. C.	Russell
Capehart	Kefauver	Saltonstall
Carlson	Kem	Schoeppel
Chavez	Kerr	Smith, Maine
Clements	Kilgore	Smith, N. J.
Connally	Langer	Smith, N. C.
Cordon	Leahy	Stennis
Donnell	Lehman	Taylor
Dworshak	Long	Thomas, Okla.
Eastland	Lucas	Thomas, Utah
Ecton	McCarthy	Thye
Ellender	McClellan	Tobey
Flanders	McFarland	Tydings
Fulbright	McKellar	Watkins
George	McMahon	Wherry
Gillette	Magnuson	Wiley
Gurney	Malone	Young
Hayden	Martin	

Mr. LUCAS. I announce that the Senator from Kentucky [Mr. CHAPMAN] and the Senator from Colorado [Mr. JOHNSON] are absent on official business.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Delaware [Mr. FREAR], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Virginia [Mr. ROBERTSON] are absent on public business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Nevada [Mr. MCCARRAN] and the Senator from Florida [Mr. PEPPER] are absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from Iowa [Mr. HICKENLOOPER], the Senator from California [Mr. KNOWLAND], the Senator from South Dakota [Mr. MUNDT], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The junior Senator from Ohio [Mr. BRICKER], the senior Senator from Ohio [Mr. TAFT], and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The PRESIDING OFFICER. A quorum is present.

CREDENTIALS

The PRESIDING OFFICER laid before the Senate the credentials of LISTER HILL, duly chosen by the qualified electors of the State of Alabama, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that, on the 7th day of November 1950, LISTER HILL was duly chosen by the qualified electors of the State of Alabama a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, James E. Folsom, and our seal hereto affixed at the capitol, in the city of Montgomery, this November 20, A. D. 1950.

JAMES E. FOLSOM,
Governor.

By the Governor:
[SEAL]

SIBYL POOL,
Secretary of State.

Mr. SCHOEPPEL presented the credentials of FRANK CARLSON, duly chosen by the qualified electors of the State of Kansas, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF KANSAS,
EXECUTIVE DEPARTMENT.

CERTIFICATE OF ELECTION

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950 FRANK CARLSON was duly chosen by the qualified electors of the State of Kansas a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency our Governor, FRANK CARLSON, and our seal hereto affixed at Topeka, Kans., this 27th day of November A. D. 1950.

FRANK CARLSON,
Governor.

By the Governor:
[SEAL]

LARRY RYAN,
Secretary of State.

SENATOR FROM CONNECTICUT

Mr. McMAHON. Mr. President, I present a certificate, in proper form, certifying to the election of my colleague the junior Senator from Connecticut [Mr. BENTON].

The PRESIDING OFFICER. The credentials will be read and placed on file.

The credentials were read and placed on file, as follows:

STATE OF CONNECTICUT,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, WILLIAM BENTON was duly chosen by the qualified electors of the State of Connecticut a Senator from said State to represent said State in the Senate of the United States for the unexpired term of 6 years, ending January 2, 1953.

Witness: His Excellency our Governor, Chester Bowles, and our seal hereto affixed at Hartford, this 29th day of November A. D. 1950.

CHESTER BOWLES,
Governor.

[SEAL] WINIFRED MCDONALD,
Secretary.

ADMINISTRATION OF OATH

The PRESIDING OFFICER. If the Senator-elect from Connecticut will come to the desk, the Chair will administer the oath of office to him.

Mr. BENTON, escorted by Mr. MCMAHON, advanced to the desk, and the oath prescribed by law was administered to him by the Presiding Officer.

CREDENTIALS

Mr. BENTON presented the credentials of BRIEN MCMAHON, duly chosen by the qualified electors of the State of Connecticut, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF CONNECTICUT,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, BRIEN MCMAHON was duly chosen by the qualified electors of the State of Connecticut a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency our Governor, Chester Bowles, and our seal hereto affixed at Hartford, this 29th day of November A. D. 1950.

CHESTER BOWLES,
Governor.

[SEAL] WINIFRED MCDONALD,
Secretary.

Mr. KERR presented the credentials of MIKE MONRONEY, duly chosen by the qualified electors of the State of Oklahoma a Senator from that State for the term beginning January 3, 1951, which were read and ordered to be placed on file, as follows:

STATE OF OKLAHOMA,
OFFICE OF THE GOVERNOR,
Oklahoma City, November 20, 1950.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, MIKE MONRONEY was duly chosen by the qualified electors of the State of Oklahoma a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

In witness whereof, I have hereunto set my hand and seal at Oklahoma City, Okla., this 20th day of November A. D. 1950.

ROY J. TURNER.

By the Governor of the State of Oklahoma,

[SEAL] WILBURN CARTWRIGHT,
Secretary of State.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. FLANDERS, because of official business, was excused from attendance on the session of the Senate on Monday next.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDING OFFICER:

A resolution adopted by the board of directors of the Eastern Dark Fired Tobacco Growers' Association, at Springfield, Tenn., relating to the internal affairs of that association; to the Committee on Agriculture and Forestry.

A telegram in the nature of a petition from L. E. Barstow, of San Rafael, Calif., praying for the immediate removal of procommunists in the State Department; to the Committee on Foreign Relations.

A resolution adopted by the Thirteenth Annual Convention of the Institute of Engineers of Puerto Rico, condemning the recent attempted assassination of President Truman; ordered to lie on the table.

NORTH AMERICAN REGIONAL BROADCASTING AGREEMENT — RESOLUTION OF NATIONAL GRANGE, MINNEAPOLIS, MINN.

Mr. IVES. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a very important resolution adopted by unanimous vote of the National Grange at Minneapolis, Minn., November 17, 1950. This resolution concerns the North American Regional Broadcasting Agreement and the National Grange opposition to it.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

Whereas the United States Department of State signed on November 15, 1950, a North American radio treaty which permits Cuba the shared use of six specific United States clear channels and actually permits that nation to use all 24 United States clear channels, subject to only theoretical protection for our stations; and

Whereas the treaty permits, also, the shared use of clear channels in Jamaica and the Dominician Republic; and

Whereas nearby nations have received through a previous treaty and an interim agreement their fair share and in some cases, more than their fair share, of radio channels; and

Whereas the use of United States clear channels by foreign nations will cause interference to reception in rural areas in this country and also preclude at least on a number of clear channels the only means of improving rural radio coverage, namely through use of adequate power on clear-channel stations; and

Whereas these 24 clear channels have been the only medium through which most farm families have been afforded dependable night-time radio service in areas remote from cities; and

Whereas city listeners in the United States have more than an adequate amount of radio broadcast coverage; and

Whereas the National Grange has gone on record many times in the past in favor of clear channels and sufficient power on them to better serve rural and small-town listeners: Therefore be it

Resolved, That the National Grange in annual session in Minneapolis, Minn., vigorously protests this treaty signed by the United States Department of State as a gross injustice to the rural families of the United States and instructs the Washington office to oppose its ratification by the United States Senate.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JOHNSTON of South Carolina (for himself, Mr. LANGER, Mr. ECTON, Mr. LEAHY, and Mr. NEELY):

S. 4215. A bill to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. MURRAY:

S. 4216. A bill for the relief of Fares Nujra Saliba; to the Committee on the Judiciary.

(Mr. MCMAHON introduced Senate bill 4217, to authorize a Federal civil-defense program and for other purposes, which was ordered to lie on the table, and appears under a separate heading.)

By Mr. ANDERSON:

S. 4218. A bill relating to the policing of the buildings and grounds of the Smithsonian Institution and its constituent bureaus; to the Committee on Rules and Administration.

(Mr. KEFAUVER (for himself and Mr. CAIN) introduced Senate bill 4219, to authorize a Federal civil defense program and for other purposes, which was ordered to lie on the table, and appears under a separate heading.)

By Mr. MAGNUSON:

S. J. Res. 210. Joint resolution providing that a copy of the document entitled "Survival Under Atomic Attack" shall be furnished to every home in the United States; to the Committee on Rules and Administration.

CIVIL DEFENSE PROGRAM

Mr. McMAHON. Mr. President, I introduce at this time a bill for the creation of a Civil Defense Authority, and ask that it lie on the table for the present.

The bill (S. 4217) to authorize a Federal civil defense program and for other purposes, introduced by Mr. MCMAHON, was read twice by its title, and ordered to lie on the table.

Mr. KEFAUVER subsequently said: Mr. President, on behalf of the Senator from Washington [Mr. CAIN] and myself, I introduce a bill to provide a Federal civil defense program, and for other purposes.

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). The bill seems to be identical, in purpose, with the bill which was introduced previously by the Senator from Connecticut [Mr. MCMAHON], which was ordered to lie on the table. The same course will be followed with respect to this bill.

The bill (S. 4219) to authorize a Federal civil defense program, and for other purposes, introduced by Mr. KEFAUVER (for himself and Mr. CAIN), was read twice by its title, and ordered to lie on the table.

EXTENSION OF AUTHORITY FOR INVESTIGATION OF FIELD OF LABOR-MANAGEMENT RELATIONS

Mr. MURRAY submitted the following resolution (S. Res. 367), which was referred to the Committee on Labor and Public Welfare:

Resolved, That the authority of the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, under Senate Resolution 140, Eighty-first Congress, agreed to August 15, 1949 (providing for a study and investigation of the entire field of labor-management relations), is hereby continued through January 31, 1951.

THE SIGNIFICANCE OF KOREA—ADDRESS BY SENATOR SMITH OF NEW JERSEY

[Mr. SMITH of New Jersey asked and obtained leave to have printed in the RECORD an address entitled "The Significance of Korea," delivered by him at Calvary Episcopal Church, New York City, on October 15, 1950, which appears in the Appendix.]

ADDRESS BY ATTORNEY GENERAL OF THE UNITED STATES AT MIDCENTURY HOMECOMING CONVOCATION OF WESTERN MARYLAND COLLEGE

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an address delivered by Hon. J. Howard McGrath, Attorney General of the United States, at the Midcentury Homecoming Convocation of Western Maryland College, at Westminster, Md., on November 18, 1950, which appears in the Appendix.]

IMPORTANCE OF PROPAGANDA—ARTICLE BY FREDERICK C. McKEE

[Mr. NEELY asked and obtained leave to have printed in the RECORD an article entitled, "Importance of Propaganda," written by Frederick C. McKee, chairman of the Committee on National Affairs, and published in the Washington Post of November 19, 1950, which appears in the Appendix.]

UNIVERSAL MILITARY TRAINING—LETTER FROM VETERANS OF FOREIGN WARS OF PENNSYLVANIA

[Mr. MARTIN asked and obtained leave to have printed in the RECORD a letter dated November 28, 1950, addressed to him, by Louis George Feldmann, department commander of the Veterans of Foreign Wars of Pennsylvania, on the subject of universal military training, which appears in the Appendix.]

FEDERAL JUDGE J. WATIES WARING—EDITORIAL FROM CHESTER (S. C.) REPORTER

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD an editorial entitled "Judge Waring," published in the Chester (S. C.) Reporter, which appears in the Appendix.]

THE THREATENED DESTRUCTION OF WESTERN CIVILIZATION — ARTICLE FROM THE NEW YORK TIMES

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "Greatest Peril for United States," written by Hanson W. Baldwin, and published in the New York Times of December 1, 1950, which appears in the Appendix.]

SHIPMENTS TO COMMUNIST CHINA—EDITORIAL FROM NEW YORK TIMES

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an editorial entitled "Shipments to Red China," published in the New York Times of November 27, 1950, which appears in the Appendix.]

MESSAGE FROM METHODIST COMMISSION ON WORLD PEACE

[Mr. WILEY asked and obtained leave to have printed in the RECORD a message to Methodists in all lands, adopted by the Commission on World Peace of the Methodist Church, in annual session at Chicago, Ill., on November 16–17, 1950, which appears in the Appendix.]

AMERICAN POLICY IN KOREA—ARTICLE FROM CHRISTIAN SCIENCE MONITOR

[Mr. KERR asked and obtained leave to have printed in the RECORD an article entitled "Wisdom Can Win," written by Erwin D. Canham, and published in the Christian Science Monitor of November 29, 1950, which appears in the Appendix.]

THE CRISIS IN KOREA—EDITORIAL FROM WASHINGTON EVENING STAR

[Mr. BYRD asked and obtained leave to have printed in the RECORD an editorial entitled "A Matter of Life and Death," published in the Washington Evening Star of December 1, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. NEELY, from the Committee on the District of Columbia:

Andrew J. Howard, Jr., of the District of Columbia, to be associate justice of the municipal court for the District of Columbia; and

John A. Remon, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1955.

OUR FOREIGN PROBLEMS AND THEIR DANGERS—EDITORIAL FROM WASHINGTON EVENING STAR

Mr. SALTONSTALL. Mr. President, the American people want to know the truth concerning our foreign problems and their dangers. They are capable of facing those dangers when they understand them. I ask unanimous consent to have printed in the body of the RECORD an editorial entitled "Tell Us the Truth," published in the Evening Star of November 30, 1950. The editorial comments on the radio address of Secretary of State Acheson on November 28. In my opinion, it expresses the very deep feelings of many citizens not only in Massachusetts, but all over the country at the present time. I base this statement on the number of telegrams and the amount of correspondence I have received. I hope that responsible administration officials will give us the facts as accurately and unreservedly as they can from time to time. In this way the support of the American people in a dangerous and difficult situation can be assured. I regret that the statements of our top officials have not done so sufficiently fully up to the present time.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

TELL US THE TRUTH

Secretary Acheson did not say the things that needed to be said in his talk to the people last night.

It was a good speech. In a less desperate period it would have been an admirable speech. The Secretary of State was spreading upon the record once again a statement of what it is that we are trying to do in this gravely menaced world. He was refuting once more the false accusation that our aim is not peace, but conquest. He was trying to appeal to the Chinese people over the heads of their savage, lying leaders. He was trying to stiffen the backbone of our wavering allies. And he was trying to impress our own people with an understanding of the gravity of the hour and the urgency of the need for united, courageous action.

Mr. Acheson faced up to the fact that the Chinese Communists and their Soviet collaborators have shown their willingness to accept the risk of war, and he said this makes it increasingly urgent for all American citizens to face squarely the danger that confronts us, and to give vigorous and united support to the measures we must take to meet this danger.

Well and good. But just what is the official estimate of the danger that confronts us? Does Mr. Acheson really cling to any lingering hope that we can engage in fruitful just negotiations with a Chinese government whose representatives, appearing before the United Nations, have shown themselves to be wholly devoid of any sense of truth or integrity? There is no foundation to support the slightest faith in the usefulness of negotiations with these people.

If Mr. Acheson no longer has faith in the tactic of negotiation with the Chinese or the Russians, and it is difficult to believe that he could have, what is the nature of the measures which he says must be taken and which he calls upon the people to support?

To state this matter briefly, Mr. Acheson, the President, or some appropriate official, should tell the American people the truth. The people have a right to know whether, in the best judgment of their Government, the prospect now is for war, not peace. Mr. Acheson did not declare himself on this point last night. Until someone takes his courage in hand and spreads the truth, or our best official estimate of the truth, upon the record, there is little point in calling upon the people to face up to a danger that has not been clearly defined, or in expecting them to support measures which, so far as they have been stated, are utterly inadequate if war is being forced upon us.

MR. TRUMAN'S HELPERS—EDITORIAL FROM THE WASHINGTON STAR

Mr. CHAVEZ. Mr. President, I ask unanimous consent to have placed in the body of the RECORD an editorial entitled "Mr. Truman's Helpers," which appears in today's Washington Star. It ends with the following language:

The fate of the civilized world may well hang on the soundness of the decisions which Harry Truman will have to make, and, in the last analysis, he will have to make them alone, in consultation with his God and his heart and his conscience. He will have the sympathy and support of all thinking people, but there will be none to envy him.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

MR. TRUMAN'S HELPERS

There are those who think that the President should pay more attention to advice

from the Senate in a time of great national crisis like the present. So, for whatever they may be worth, the Star has culled from the news columns the following offerings of senatorial opinion:

Senator CONNALLY, who is too old a hand to venture out on limbs that may be sawed off, thinks that the Security Council should be called upon to take appropriate action to bring about a quick showdown in Korea. Senator O'MAHONEY would serve the Russians with an ultimatum to get the Chinese troops out of Korea.

Senators BREWSTER and BRIDGES believe that General MacArthur should be given full authority to use the atom bomb if he thinks it is necessary. Senator CAIN says the Senate should demand that General MacArthur be given authority to send troops (he didn't say what troops) and planes across the Manchurian border. Senator FERGUSON urges that the United Nations give General MacArthur authority to wage all-out war, and Senator SMITH believes Chiang Kai-shek's troops should be thrown into the fight.

The chances are that the President will not find these suggestions very helpful. It might be simpler for him, though the result would be somewhat chaotic, if he could adopt all of them and then wash his hands of the whole business. But, as President, he cannot escape responsibility for the consequences of his judgments. The fate of the civilized world may well hang on the soundness of the decisions which Harry Truman will have to make, and, in the last analysis, he will have to make them alone, in consultation with his God and his heart and his conscience. He will have the sympathy and support of all thinking people, but there will be none to envy him.

SHIPS SOLD BY THE MARITIME COMMISSION TO THE CHINESE NATIONAL GOVERNMENT

Mr. FLANDERS obtained the floor.

Mr. BREWSTER. Mr. President, will the Senator yield to me?

Mr. FLANDERS. I yield to the Senator from Maine with the understanding, by mutual agreement, that he shall not read more than the statement he now holds in his hand.

Mr. BREWSTER. The very careful Senator from Vermont failed to limit me as to what I should say but limited me as to what I should read. However, I shall not take advantage of that technicality.

Mr. President, I read an item which deals with the question of the transfer of American matériel to the Chinese National Government, and in line therewith I wish to commend the extraordinary work of the Senator from Maryland [Mr. O'CONOR] in connection with his investigation. I read as follows:

The Maritime Commission sold to the Chinese Nationalist Government 33 ships, 11 of which were operated by the China Union Line, the remaining 22 by the China Merchant Steam Navigation Co. Of these 33 ships, 3 were Victories, 9 Liberties, and the rest N-3's of 2,760 dead-weight tons each.

The crew of one Chinese ship turned Communist while it was in Singapore with a cargo of salt for SCAP. That ship still remains in that port. The crew of six other ships, consisting of one Liberty and five N-3's, defected in Hong Kong January 16, 1950. Nine months later, September 16, 1950, the six ships in Hong Kong sailed for Canton, where they are now actually in the hands of the Chinese Communist government.

In this 9-month period the American State Department conducted active and aggressive negotiations with the British authorities in Singapore, Hong Kong, and London to obtain control of these ships to protect the Maritime Administration's mortgages. The British, from Foreign Minister Bevin down, refused to recognize American representations and the Maritime Administration was denied the use of British Admiralty and other courts to test their claims because the British maintained that its recognition of Communist China gave to them sovereign immunity. Bevin refused to use their Order in Council, which is the highest decree that can be issued in Britain and which was used in the case of Chennault's airplanes to impound these ships for the United States Government. Mr. Rankin—

That is Mr. Karl Rankin, a diplomatic official of long service—

who is now our chief Foreign Service officer in Formosa, was consul general in Hong Kong during these negotiations and when these ships sailed for Canton, he cabled the State Department that this had come about with the—

I quote what purports to be the exact language of Mr. Rankin's report—

"tacit connivance of the British."

Three of the six ships which sailed from Hong Kong were bought from the Maritime Administration by the Export-Import Bank, which had advanced the money to Nationalist China and who now holds the mortgages. The Government departments involved in these negotiations are State, Army, the Export-Import Bank, and the Maritime Administration.

I hope the resolution offered by the Senator from Maryland [Mr. O'CONOR] providing for a more thorough going investigation of transfers of vital and critical material to the Chinese Communists may be speedily considered and adopted.

Mr. O'CONOR. Mr. President, will the Senator from Vermont yield to me so I may respond to the statement just made by the Senator from Maine? It will not be a lengthy statement. It will be but one sentence or two.

Mr. FLANDERS. Mr. President, I ask unanimous consent that I may yield without losing the floor thereby.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

Mr. O'CONOR. I wish to say that the points made by the Senator from Maine are indeed well taken. I agree entirely with what he has stated with regard to the facts and his statement presents a very unfortunate situation, to say the least.

It probably would be unwise to go into any further detail at this minute, other than to state that this matter has been receiving the attention of the subcommittee previously appointed. As a matter of fact, an executive hearing has been held in regard to the matter, and I can give assurance to the Senator from Maine, who is so interested in this question, and to other Senators, that it will continue to receive the careful and serious attention it deserves.

THE PRESIDENT'S STATEMENT RESPECTING USE OF THE ATOMIC BOMB

Mr. FLANDERS. Mr. President, there was in the minds of all of us, I am sure, a sudden and serious surprise when it was reported yesterday morning that the President was considering the use of the atomic bomb in the Chinese situation. Most fortunately more complete reports and later explanations took the edge off what had seemed to be a sudden and serious decision.

The importance of decision to use the atomic bomb was recognized by all Senators and Representatives interviewed. The opinions ranged all the way from dropping one now on the Kremlin to reserving its use for only very desperate situations. My own position was correctly reported in the news in the statement that "I would favor using it against the Chinese invaders only if the United Nations Assembly should order and approve of it." I want to amplify this point of view in a very few words. I will, however, say that I would not now use the word "order," but would leave in the word "approve."

The decision as to using the bomb is by law in the hands of the President. We must clear in our own minds that his decision will not be made solely by virtue of his office as Commander in Chief of our military forces but by virtue of his office as the President of this great Nation, and keeping in view all of its responsibilities and relations with the rest of the world. The decision as to whether to use the bomb is more than a military question and must not be decided on purely military grounds. The question of "whether" is in the hands of the President as a civil authority. Only the questions of "when" and "how" are military questions, if the "whether" has been decided affirmatively.

The importance of moral and political considerations is emphasized by the consternation in Europe over the first incorrect report of the news. The teeming cities of western Europe are interested parties in the determination, for they lie within easy range of the entrenched citadel of aggression in Moscow. It is this consideration which leads to urging that this be made a matter of United Nations policy rather than taking the full responsibility ourselves.

We have, indeed, to decide as to whether this conflict in Korea is in reality a United Nations undertaking or is so in form only. If the latter is the case, then we must be prepared to run the world alone on our own resources, on our own responsibilities, with our own treasure, and with the unsupported lives of our own young men. If, however, this is really a United Nations undertaking, most certainly so serious a decision as to the use of the bomb must have United Nations support. Fortunately, action on a question of this sort cannot be vetoed by Russia and its satellites if the Assembly has given consideration and made a recommendation.

This reference to and abiding by United Nations decision is, it would seem to me, a matter of proper foresight. We have hindsight as well to support making the United Nations authority real and effective.

Proposals were made for a neutral zone on the boundary between North Korea and Manchuria. Purely military consideration cast that proposal aside and our forces reached the Yalu River. If the news reports are to be believed, both England and France strongly favored withholding military action well short of the boundary river. We could

have done so in selected defensible positions and at the same time left less excuse even than now exists for the attack from Manchuria. We would have been better off militarily and politically as well. United Nations consultation would have saved us much.

The moral, to my mind, is that there is a large area in which military tactics and strategy must be subordinated to wise statesmanship, if such can be found within our own State Department or within the combined wisdom of the United Nations.

Mr. BREWSTER. Mr. President, I am reminded of the ancient adage that "a philosopher is one who can endure with equanimity the ills of others." From the safe security of the Vermont hills, I fear that the Senator from Vermont does not sufficiently appreciate the position of the 100,000 American boys now in the hills of North Korea, who are there certainly through no fault or responsibiilty of their own, and who are now faced with a Chinese horde pouring over them, and apparently are denied the use of the one weapon which might possibly be of some avail in saving the lives of thousands of those boys between now and Christmas, if authority were given to the military commander on the spot to exercise his own sound military judgment.

As the Senator from Vermont knows, the Senator from Maine suggested some time ago that in his judgment the President should exercise his authority, for undoubtedly the matter is within his discretion, to permit General MacArthur, who is in command of what are curiously termed the United Nations forces, although, outside of our South Korean allies, approximately 99 44/100 percent of them are American forces, to use the atom bomb if in his military judgment at any time it should be deemed expedient to do so.

It occurs to the Senator from Maine that it is possible that General MacArthur, who is on the spot, with the great responsibility he carries, is in a better position to determine the military problems involved.

As to the diplomatic problems involved, it is difficult to be patient with the continuing discussions at Lake Success and the United Nations, with the very men who are now responsible for the Chinese hordes pouring over the line from the safe sanctuary of Manchuria while Communists carry on a filibuster in the United Nations, with American boys dying while they talk.

The overwhelming response of the people of this country, judging from the telegrams and letters that are pouring into Washington, particularly those coming from the mothers of the boys who are now involved, and I refer particularly to the messages which are coming over my desk and over the desks of other Senators, are sufficient indication that the people of this country are becoming exceedingly impatient with these dilatory tactics while our boys are being sacrificed and crucified. It seems to me that the United Nations, in justice to its own existence and also in justice to the very great concern for the continued successful functioning of the United Nations which the Senator from Maine shares with the Senator from Vermont, and has done so for the past 30 years, since the time when, as a young man, fresh from the First World War, I organized in Maine the League to Enforce Peace, hoping and looking fondly forward to the day when an association of the nations might carry out these responsibilities. However, what do we see now? We see the solemn farce and travesty occurring in the United Nations. Even the New York Herald Tribune and the New York Times, which are not susceptible of charges of being isolationist or reexaminist, have recently pronounced in their editorials that the salvation not only of our own boys but of all our trained military personnel that is involved in the situation in North Korea today, requires a prompt end of the dilatory tactics of the diplomats in the United Nations or requires the United States to consider its responsibility to our own sons. After all, Mr. President, the British boys are not dying in any numbers; the French are not; all the others concerned are not; it is the American boys who are dying.

Meanwhile the only groups who have shown a readiness to cooperate—the Chinese Nationalists—we must not consider the use of. Why not permit the Chinese Nationalists, the Japanese, the Spanish, or the Germans to help us if they wish.

What is this strange mesmerism which has descended on the people of the world, this mesmerism created by a miasma of misrepresentation and deceit?

Why this distrust of Americans in positions of military authority—a fear by other Americans to entrust them with the welfare of American boys and the use of every weapon which may help the situation? I prefer to entrust their care in the hands and in the judgment of General MacArthur. Meanwhile not only the present force, but the nucleus of any future force which we may hope to create may be wiped out unless the Chinese attacks are brought to an early halt.

Meanwhile Chinese Communists with their hands red with the blood of our American boys, continue to be received with flowers in New York and hold up the proceedings at the United Nations while their stooges murder American boys. Bear in mind there is no declaration of war and none of the rights of war apply; yet we treat them more gently and more considerately than we did the Japanese civilians at Hiroshima and Nagasaki.

How long does it seem possible that this situation can continue, while we here in the safe security of Washington or the nations of Europe deliberate as to whether or not it may be morally wise?

Our boys who lie under white crosses in Korea are not particularly concerned with the high moral consideration that agitate those who protect their murderers.

This situation is almost reminiscent of the debates which went on when gunpowder was discovered, the debates occurring in the days of chivalry as to whether it was wise and proper protocol to use a gun.

Mr. President, the atom bomb has been given to America by a divine providence and that ended the Second World War. As the Senator from Vermont knows, Dr. Karl Compton, whose opinion I am sure he will respect, formerly president of the Massachusetts Institute of Technology, and one of the great scientists of this country, has indicated grave doubts as to whether Russia now has the atom bomb. However, we must believe that the Russians have it—for the purpose of creating fear—fear of the Chinese, fear of the Russians, fear of the atom bomb, fear of everything. The one thing they seem to be generating in this country is that Americans in this day and generation must be afraid. I think General MacArthur has spoken a profound and pertinent truth when he said that the only thing the Orient recognizes is firmness and consistency. That is the only thing they respect, rather than the pusillanimous words we heard from our Secretary of State the other evening, words that aroused the entire country with apprehension and concern not only because of the literary essay on the six points we might adopt but also because of the weakness in delivery which caused consternation in the hearts of millions of Americans, as our mail abundantly reveals.

This is why I hope the Senator from Vermont may give further consideration to this matter, and not be willing to tie the hands of America, or of our President, or paralyze America in this period of crisis. I understood the President in his statement yesterday to say that since the responsibility for using the atom bomb had been entrusted by the Congress to his care, he—and by implication no one else—would exercise that responsibility. How can the President abdicate the responsibility that is so obviously his?

If the day has arrived when American boys must die while the United Nations debate as to whether we should use the atom bomb, I think it is a sorry day in American history; and I think the United Nations may be pronouncing their own doom if this travesty continues very much longer to prevail.

Mr. FLANDERS. Mr. President, I join the Senator from Maine in his feeling of distress over the plight in which the men we have in Korea find themselves; but I am also concerned about the next 100,000, and the next 100,000, and the next 100,000, and the next 100,000, and the next 100,000, and the next 100,000, and the next 100,000. I am concerned about them. I suggest to the Senator from Maine that he look a little further ahead than merely to the initial advantage possibly to be gained by the dropping of the atomic bomb on one very small section of the teeming millions of China.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. BREWSTER. Would the Senator from Vermont have more confidence in the judgment of General MacArthur on that score than in that of those who are much farther removed from the scene of conflict? That has been my only suggestion.

Mr. FLANDERS. Yes; that was the suggestion. It was my point of view that there should go along with that the question as to the ultimate results, aside from immediate military results which

General MacArthur is well qualified to decide. However, the question is one of much greater range and greater importance than immediate military results.

EXTENSION OF RENT CONTROL

Mr. MAYBANK. Mr. President, I have just had the pleasure and privilege of conferring with the majority leader. I understand that if the situation works out according to the satisfaction of the majority and the minority, on Monday we shall vote on the rent-control joint resolution; in fact, I have been advised to that effect.

Of course, Mr. President, we are somewhat disturbed about the situation in connection with the rent-control joint resolution, because I was advised by the clerk of the committee and by others that the Printing Office would not have the printed hearings ready until Monday. It is true that at the hearings we heard only Government witnesses, but the hearings covered quite some time.

Of course, a great deal of restricted information was placed in the record; and later much of that information had to be deleted by the Air Force, the Navy, and the Army. That restricted information showed in detail the growth of the various military installations in the United States during the first quarter of this fiscal year, as I recall. If that restricted information were printed it might be of some benefit to the enemy. Of course, the members of the committee immediately agreed to have such testimony deleted from the printed hearings, and all of it was deleted. That resulted in delay in the printing of the hearings. Therefore, the printed hearings will not be available here until Monday.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield.

Mr. O'MAHONEY. Was there any division in the committee with respect to the joint resolution?

Mr. MAYBANK. The vote was 10 for, 2 against, with 1 member voting present.

Mr. O'MAHONEY. Does the Senator anticipate that there will be long debate about the extension for 2 months?

Mr. MAYBANK. I cannot speak for other Senators, but I will say to my good friend the Senator from Wyoming that I anticipate there will be some debate, for the reason that when the last rent-control resolution was adopted it was distinctly understood that it would be the last extension. At that time we passed a joint resolution extending rent control for 6 months, and gave the local municipalities the right to continue it for 6 months more. I have before me figures as to what happened, though I do not intend to read them. About 800 municipalities voted to extend Federal rent control through June 30, 1951, while about 1,700 with populations of 1,000 or more, including some near the majority leader's city of Chicago, did not vote. Cincinnati did not vote, nor did Kansas City, Mo.

Mr. O'MAHONEY. Is it not apparent to all concerned that conditions have been completely revolutionized from what they were when the Rent Control Act was last extended?

Mr. MAYBANK. I will say to my good friend from Wyoming that there is no Member of the Senate to whom that is not apparent; but there are some 1,700 communities to whom it is not apparent, as evidenced by the fact that they have done nothing about it, which to me is certainly a clear indication.

Mr. O'MAHONEY. Is it the opinion of the Senator that the joint resolution should pass?

Mr. MAYBANK. I shall of course support it, as I supported and voted for it in committee. At the time of the last extension of Federal rent-control I stated on the floor that it would be the last. As the Senator from Wyoming recalls, there was in existence at that time practically no other control bill. Since that time, and in September of this year, we passed a control bill giving the President broad power over wages, prices, and materials, and other powers of stabilization.

Mr. O'MAHONEY. What I am trying to determine by these questions, of course, is whether there is any likelihood that there will be protracted debate upon the rent-control joint resolution. It seems to me that it should pass almost without discussion.

Mr. MAYBANK. Of course, I am hopeful that the Senator is correct in his opinion, because I am in charge of the joint resolution, thanks to the majority party and the kindnesses which have been shown me by that party.

Mr. O'MAHONEY. What majority party?

Mr. MAYBANK. The Democratic Party. What party would the Senator imagine? [Laughter].

Mr. O'MAHONEY. I am not altogether certain, from what has been transpiring upon the floor of the Senate.

Mr. MAYBANK. I do not know about that. The Democratic Party is the States' rights party of America. We are for States' rights, not Territorial rights.

Mr. O'MAHONEY. That, of course, is one reason why I am advocating the statehood bill now being debated.

Mr. MAYBANK. I trust the Senator from Wyoming will go along with us on certain of our States' rights measures. I say that facetiously.

Mr. O'MAHONEY. Let me ask another question. Am I correct in understanding that the Senator is not going to bring up the joint resolution until Monday?

Mr. MAYBANK. I do not intend to ask that it be considered before Monday. I conferred this morning with the majority leader. He thought we might take it up Monday, depending upon our progress on other matters. He gave me no assurance. I can only say to the Senator that the hearings will not be available in printed form until Monday, by reason of a delay in getting the hearings printed because of the elimination from the hearings of certain restricted information.

Mr. O'MAHONEY. Does the Senator from South Carolina have any idea that we can clear the way for a consideration of the rent-control resolution by voting today to take up the statehood bill? If we should take up the statehood bill, I, of course, would be the first to ask that it be temporarily laid aside in order to pass the rent-control measure.

Mr. MAYBANK. I could not answer that question. As the Senator knows, there was objection yesterday to considering the railroad labor bill, because of the likelihood that an FEPC amendment would be offered to it. There was also objection to voting Monday on the motion to take up the Alaska statehood bill.

All I have with me now is the report of the Committee on Banking and Currency, approved by a vote of 10 to 2, reporting a joint resolution which would extend rent control for 2 months. The subject may be studied further, in view of the tragedies which, as the Senator has said, have befallen the American people since the passage of the last rent-control bill. I refer particularly to the tragedies which have befallen our soldiers, sailors, and marines in Korea.

Mr. O'MAHONEY. Let me say to the Senator that we ought to pass the joint resolution without delay. We ought to pass appropriation bills without delay. We ought to pass without delay every single bill which Senators may present with respect to national defense. That includes statehood bills, which, in my judgment, are at this time fundamental to the national defense.

Mr. MAYBANK. I want to say that not once have I voted against a national defense measure.

Mr. O'MAHONEY. I realize that.

Mr. MAYBANK. The Senator from Wyoming has joined with me, as has the Senator from Nebraska, on legislation regarding stockpiling, atomic energy, and everything else connected with national defense. So long as I remain in the Senate I shall vote for everything that may be in the interest of the national defense.

Mr. O'MAHONEY. I know the Senator will.

Mr. MAYBANK. But I disagree with the Senator about the relationship of the Alaska statehood bill to national defense. I do not go along with him on that.

Mr. O'MAHONEY. I shall demonstrate the relationship.

Mr. MAYBANK. There is a difference of opinion between us on that one matter, but on all other matters we join hands.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LUCAS. With respect to the rent-control measure, so far as the majority is concerned, particularly Senators who are vitally interested in it, we are ready to consider it at any time. I think we might take it up and pass it this afternoon.

Mr. MAYBANK. I will say to the Senator from Illinois that the only difficulty is that the hearings have not yet been printed. So far as I know, it would be rather unprecedented if the Senate felt that we should take up the bill without the report and the hearings.

Mr. LUCAS. I agree with the Senator from Wyoming. I do not think there is going to be very much trouble on the question of a 60-day extension.

Mr. MAYBANK. I hope there will not be.

Mr. LUCAS. I regret that it is not 90 days. I cannot anticipate what the new Congress will do, but I feel sure that next year we shall have not only rent control but a number of other controls.

Mr. MAYBANK. I thoroughly agree with the distinguished Senator from Illinois. If the House passes a 90-day extension and we pass a 60-day extension, the difference can be adjusted in conference and probably a satisfactory agreement can be reached. In the meantime, we are going to have additional controls. The reason I suggested taking up the rent-control joint resolution on Monday was that some of the testimony shows the need for the controls. I may say to the majority leader that the Banking and Currency Committee plans to meet on Monday at 10:30 in an open hearing, of which notice has been given, to hear the testimony of Mr. Alan Valentine, the Economic Stabilization Administrator. We are planning to devote all of Monday to that testimony. He will be the principal witness. On Tuesday we are going to meet with Michael DiSalle, who has been nominated to be Director of Price Stabilization. He is the mayor of Toledo. This indicates that we have not been deliberately trying to limit the time needed for proper consideration of the matter. But it is not for me, as one of 96 Senators, to rise and say that there will be no debate on the question. We have had excellent cooperation, I may say, from both Democrats and Republicans.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LUCAS. I sincerely hope that the report will be ready by Monday, in order that we may be able to take up the joint resolution at that time.

Mr. MAYBANK. Mr. President, I thank my good friend from Illinois. What I am about to do is to read the report now, so that it will be in the RECORD where Senators may read it on Saturday. If there are any delays in the printing of the report by Monday, Senators will at least have today's RECORD and will be able to read the report. I intend to read it now.

Mr. LUCAS. I appreciate that very much. Certainly we ought to be able to pass the rent control resolution on Monday without any delay.

Mr. MAYBANK. I hope we shall.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield.

Mr. SALTONSTALL. I merely wish to ask the majority leader whether I am correct in understanding that on Monday he will move to make the rent control resolution the order of business?

Mr. LUCAS. The Senator is correct.

Mr. SALTONSTALL. At 12 o'clock?

Mr. LUCAS. The Senator is correct.

Mr. SALTONSTALL. I thank the Senator.

Mr. MAYBANK. Mr. President, I shall read the report so that it may be printed in the RECORD and so that Senators may have an opportunity to study it over the week end. On Monday Senators will not be able to say, "We just arrived today, and the report has come in only today; we have not had an opportunity to study it." I am not accusing any Senator of having shown that disposition heretofore, but I shall read the report to prevent that situation from arising.

Mr. LUCAS. The Senator can put it in the RECORD by unanimous consent. I am sure that no Senator will object.

Mr. MAYBANK. No; I prefer to read it.

Mr. McMAHON. Mr. President, will the Senator yield for a statement?

Mr. MAYBANK. I will yield for a brief statement, provided I do not thereby lose my right to the floor.

The PRESIDING OFFICER. Without objection, the Senator from South Carolina may yield to the Senator from Connecticut without prejudicing his right to the floor.

Mr. SALTONSTALL. Mr. President, may I ask the majority leader another question that I have been requested to ask?

Mr. MAYBANK. I ask unanimous consent that I may yield to the Senator from Massachusetts for that purpose, without losing the floor.

The PRESIDING OFFICER. Without objection, the Senator from South Carolina yields to the Senator from Massachusetts.

Mr. SALTONSTALL. Is it the intention of the majority leader to take up any other bills of any kind this afternoon? I refer to bills that may be on the calendar. If so, what bills?

Mr. LUCAS. No; I do not believe it would be advisable to take up any other bills. There are two or three bills which are not considered important by the administration, but which are considered important by certain Senators. I am sure we can pass those without much trouble. I do not have the numbers of those bills, but I will insert them in the RECORD before I leave today, in order that Senators may know what they may anticipate following disposition of the rent-control bill. It must be apparent to all that as the result of the maneuvering of our friends who are opposed to that measure, we are not going to get a vote upon the Alaska statehood bill. Consequently, it seems to me that it would be rather futile and useless to go along listening to speeches when we may be able to transact some other business with respect to certain bills now on the calendar. Of course, the moment any measures in connection with the Korean situation, in which the White House and the administration are vitally concerned, come from the White House or from the committees, we shall immediately take them up. That includes appropriations, aid to Yugoslavia, aid to Korea, and taxes.

Mr. SALTONSTALL. It is the Senator's intention to place in the RECORD this afternoon the numbers of the bills he will ask to have considered next week, and can we be sure that he will not ask that they be called up this afternoon?

Mr. LUCAS. The Senator can be assured of that.

Mr. SALTONSTALL. I thank the Senator from Illinois.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. O'MAHONEY. I merely wish to say to the Senator from Illinois and to other Senators that I have not sacrificed the hope that there may yet be unanimous consent to vote upon the motion of the majority leader to make the statehood bill the unfinished business of the Senate. It will be my purpose, therefore, later in the day, after negotiations which are now in progress have developed a little further, to make another request for unanimous consent to vote before the middle of next week on the motion which is now pending. I am not disposed to give way upon the importance of the statehood bills. I wished to advise the Senator from Illinois and other Senators that negotiations are in progress.

Mr. SALTONSTALL. Mr. President, will the Senator from South Carolina yield?

Mr. MAYBANK. I am glad to yield to the Senator from Massachusetts.

Mr. LUCAS. Mr. President, first, if I may be permitted to interrupt, I should like to concur in what the Senator from Wyoming has stated with respect to the importance of the Alaska statehood bill. The Senator from Illinois is a realist. He can see clouds on the horizon. I do not propose in this short session to continue to debate the Alaska statehood bill when other measures of importance require consideration. Of course, I should like to have my good friends from the South agree on a date on which we could vote on the motion to consider the Alaska statehood bill, as well as on a date on which we could vote on the merits of the bill. Until that can be done, I do not believe it would be the better part of wisdom to debate endlessly the Alaska statehood bill when other measures of importance await consideration. I do not believe the Senate desires to follow such a course. I hope the Senator from Wyoming will be persuasive enough to convince the Senator from Mississippi [Mr. EASTLAND] in that respect, although the Senator from Mississippi has made very vociferous objection. I hope he will repent and give the Senator from Wyoming and other Senators interested in the statehood bill an opportunity to proceed with the statehood bill. However, he looks as determined today as he did yesterday when he made his objection. I believe he looks even more determined today. I hope I am wrong in my analysis of the Senator's appearance today, but I do not think I am wrong in that respect.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. McMAHON. Mr. President, will the Senator yield? The Senator from South Carolina yielded to me about 10 minutes ago. I should like to make a short statement.

The PRESIDING OFFICER. Does the Senator from South Carolina yield; if so, to whom?

Mr. MAYBANK. I shall be glad to yield to any Senator whom the Chair recognizes provided I do not lose the floor. I do not wish to stand on my feet during this colloquy, and I shall like

to give Senators an opportunity to make short statements. Therefore, I shall be very glad to yield to any Senator whom the Chair recognizes, provided I do not lose the floor by so yielding.

The PRESIDING OFFICER. Is there objection to the request of the Senator from South Carolina that he may yield to Senators without his losing the floor? The Chair hears none, and it is so ordered.

The Senator from Connecticut.

Mr. EASTLAND. Mr. President, will the Senator from Connecticut yield for a moment so that I may make a statement in reply to the question addressed to me by the Senator from Illinois?

Mr. McMAHON. Mr. President, I hope the Senator from Mississippi will not think I am unreasonable, but I cannot yield any further. I asked the Senator from South Carolina to yield to me to make a short statement. I have been waiting 10 minutes to make it. I have an engagement which I must keep. My statement will take only a minute.

The PRESIDING OFFICER. The Senator from Connecticut.

POSSESSION OF THE ATOM BOMB BY THE SOVIET UNION

Mr. McMAHON. Mr. President, I should like to say that twice within the past few days the senior Senator from Maine [Mr. BREWSTER] has quoted Prof. Karl Compton's belief that the Soviet Union does not possess the atomic bomb. Similar beliefs have been expressed by other people during the past year. They would like to believe what Dr. Compton believes. I agree it is a very comforting thought. However, I think it should be stated for the RECORD that the evidence available to the Joint Committee on Atomic Energy, which evidence has been available to the committee for the past year, since September 23, indicates that the Soviets did explode an atomic weapon and that they are today in the business of manufacturing. I think that fact should be stated for the RECORD. I do not believe it is either wise or judicious for the Senator from Maine to send forth such information, when all the evidence in the hands of the Joint Committee on Atomic Energy indicates directly to the contrary. I thank the Senator from South Carolina.

STATEHOOD FOR ALASKA

Mr. SALTONSTALL. Mr. President, will the Senator from South Carolina yield for one more question on procedure?

Mr. MAYBANK. I am glad to yield.

Mr. SALTONSTALL. It may be unnecessary to ask the question. However, the minority would appreciate the assurance that if the Senator from Wyoming [Mr. O'MAHONEY] asks for a unanimous-consent agreement on the motion to consider the Alaska statehood bill, even though it is not necessary to have a quorum call, he will nevertheless ask for a quorum call before he makes his request for unanimous consent.

Mr. O'MAHONEY. I shall be happy to do so if I am not barred. I therefore ask for preliminary unanimous consent that whenever it may be possible to offer such a request for unanimous consent to vote at a time certain upon the motion of the majority leader to consider the statehood bill a quorum call may be had without respect to whether any business has been transacted since the previous quorum call.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Wyoming?

Mr. RUSSELL. I shall not object, but if I understand the rules of the Senate, before a unanimous-consent request can be submitted to the Senate, a quorum call must be had.

Mr. SALTONSTALL. I did not so understand the rule on a motion to consider a bill.

The PRESIDING OFFICER. The Chair understands that unless some business has been transacted, a quorum call is not mandatory. Is there objection to the unanimous-consent request of the Senator from Wyoming? The Chair hears none, and it is so ordered.

Mr. SALTONSTALL. I thank the Senator from South Carolina.

The PRESIDING OFFICER. Does the Senator from South Carolina yield; if so, to whom?

Mr. MAYBANK. I yield to the Senator from Mississippi.

Mr. EASTLAND. Mr. President, I believe we have before us a measure on which debate has been inadequate. I shall object, therefore, when a unanimous-consent request is made.

Mr. O'MAHONEY. The Senator from Wyoming asks the Senator from Mississippi if he does not think adequate debate could be obtained on the floor of the Senate after the motion to consider the bill had been agreed to?

Mr. EASTLAND. Mr. President, if I thought so, I would not object. I do not think we have had adequate debate. I shall certainly make objection to any such unanimous-consent request.

Mr. O'MAHONEY. The Senator from Mississippi is now notifying the Senate and all concerned that both upon the motion to consider and upon the merits of the bill the Senator will object to any unanimous-consent request.

Mr. EASTLAND. The Senator from Mississippi is not notifying anyone on anything. He is simply replying to the question addressed to him by the distinguished senior Senator from Illinois.

STATEHOOD FOR ALASKA AND HAWAII

Mr. O'MAHONEY. Mr. President, I desire to read into the RECORD at this point a telegram from the National Headquarters of the Marine Corps League, which I received, as chairman of the Committee on Interior and Insular Affairs. It is dated November 28, and reads:

BATON ROUGE, LA., *November 28, 1950*

Senator JOSEPH C. O'MAHONEY,
The United States Senate,
Washington, D. C.:

"Whereas the Marine Corps has, since the founding of the Republic, been in the vanguard of the Nation's struggle for the defense and extension of the principles of democracy; and

"Whereas the world today is in a critical struggle in the continuing conflict between freedom and tyranny and the United States as the leader of the forces of freedom has an obligation to set the most effective example of popular self-government to the peoples of the world; and

"Whereas the extension of the frontiers of our democracy can be most strikingly extended by the immediate admission of the Territories of Alaska and Hawaii into the Union of States; and

"Whereas the Senate of the United States now has before it for consideration bills for the admission of Alaska and Hawaii which have been enacted by the House of Representatives and which have received the overwhelming endorsement of the appropriate committee of the Senate; and

"Whereas the peoples of these Territories have voted for statehood and the opinion of the peoples of these Territories have voted for statehood and the opinion of the people of the Nation is preponderantly in favor of immediate admission of Alaska and Hawaii: and

"Whereas it has been demonstrated and proved that these Territories have met and surpassed all constitutional and reasonable qualifications for admission; and

"Whereas these Territories have long been valued possessions of these United States, and the people thereof in times of both peace and war have demonstrated their loyalty, their spirit of self-sacrifice, their trustworthiness, and their abilities to be good citizens; and

"Whereas the Territories of Alaska and Hawaii are important outposts in the preservation of world peace and in the defense of the shores of the continental limits of these United States, and their admittance to statehood will strengthen the position of these Territories in the defense of our shores and in the maintenance of world peace: Be it therefore

"*Resolved*, That the national legislative officer recommend to the Congress of the United States to enact laws to the effect that the Territories of Alaska and Hawaii be granted statehood."

Resolution adopted at Marine Corps League National Convention in Washington, D. C., September 6, 1950.

NATIONAL HEADQUARTERS, MARINE CORPS LEAGUE, OLD STATE CAPITOL, BATON ROUGE, LA.
By BETTY F. CONEY.

I thank the Senator from South Carolina.

EXTENSION OF RENT CONTROL

Mr. MAYBANK. Mr. President, as I was about to say a while ago, when, of course, I yielded to first one Senator and then another who had important observations to make, I did not have the opportunity fully to explain that the rent-control joint resolution is to me rather embarrassing, because last year when we brought the rent-control resolution before the Senate I stated that that would be the last one. I said that, Mr. President, and it is in the RECORD, in connection with the measure then passed in which certain powers of extension were provided, advantage of which was taken by some communities and not by others.

The reason why I have changed my position is that a dreadful war has come upon our people since that statement of mine, and in the meantime the President has appointed officials to take charge of types of control other than rent control. It is my judgment that we are going to be in a more and more controlled economy as time goes on. So I had to alter my position, because of the misfortunes of our soldiers, our sailors, and our marines, and because of the tragedy

of the Korean situation which arose last summer.

Mr. President, I again desire to say that while I was embarrassed, my country and its people always come first. It was for that reason that I introduced the joint resolution calling for a 60-day extension, so that the New Congress could look over the situation and write whatever law Congress deemed to be necessary to cover Federal control of rents after the first of March.

The impact of the war economy, and of the orders to be issued by those in charge, as appears in the testimony, for instance, of Chairman Symington, will not be reached, probably, until April of next year. As we continue approaching that time, with the inflationary trend, with the scarcity of some goods, and like conditions, it is going to be essential to place controls on strategic materials, and if necessary to enact stronger laws against hoarding and profiteering.

Mr. President, I understand that the President of the United States today asked the Committee on Appropriations, for an additional $16,800,000,000, plus over a billion dollars for atomic energy development, making about $18,000,000,000 the President has asked for since he called for the deficiency appropriations last September and October.

Mr. President, I am now going to take the liberty of reading the report of the committee on Senate Joint Resolution 207:

The Committee on Banking and Currency, to which was referred the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, having considered the same, report favorably thereon without amendment and recommend that the joint resolution do pass.

Mr. President, the vote was 10 for the 60-day extension, 2 opposed, and 1 member voted "present."

The report continues:

On June 23, 1950, the President approved Public Law 574, the Housing and Rent Act of 1950. In general this was a decontrol act looking toward the complete lifting of Federal rent controls by December 31, 1950. * * *

At that time, in June, that was what I hoped would be done, and that is why I said I did not expect another rent-control-extension measure. I think every Senator knows, yes, every American knows, that since June 23, 1950, there have been many changes in the economy of this country, as well as tragic changes involving war.

The report continues:

In general this was a decontrol act looking toward the complete lifting of Federal rent controls by December 31, 1950, except in those areas where affirmative action should be taken by local governing bodies to extend such controls through June 30, 1951. Two days later—

Just think of it, just 2 days later—

on June 25, 1950, North Korean aggression against the Republic of Korea commenced with a southward crossing of the thirty-eighth parallel.

We passed the bill which became Public Law 574, it went to conference, the President signed it on June 23, 1950, and on June 25 the North Koreans advanced. That is another reason why I wish to make the RECORD perfectly clear as to why I introduced the measure for a 60-day extension. It is because we are living in a different world in December 1950 from that which existed in May and June 1950 when we looked forward to a peacetime economy and passed Public Law 574 in order to encourage those interested in building to erect more houses.

I continue reading from the report:

Subsequent events have led to a drastic change in conditions which existed at the time the Housing and Rent Act of 1950 was framed and adopted. The Nation entered upon a program to bolster the national security, the full impact of which on the economy will probably not be felt until next spring.

Mr. President, I use the term "next spring," because those who are supposed to be familiar with conditions and know the plans of the Government realize that the impact has not affected our people as yet. It has affected them somewhat, but not to the extent it will affect them by spring of next year, through defense preparations and controls other than rent controls.

The report continues:

The shifting about of people in defense work and in the Armed Forces may be expected to increase as the preparedness program is stepped up. Coupled with a decrease in the recently high rate of construction of civilian housing, this situation has caused and will increasingly cause an inadequacy in the supply of housing to meet the demand in certain areas.

Your committee is of the opinion that there is not sufficient time in the remaining few weeks before the convening of the Eighty-second Congress to hold public hearings and discuss adequately the need for framing rent-control legislation properly designed to meet the new conditions growing out of the Korean developments.

I agree with what the majority leader said, that probably we will pass another rent-control bill next year. What sort of bill we will have to pass I do not know. What sort of bill the Senate and the House will determine upon I do not know. That is not up to me. But, as I see the situation, with the curtailment of the building of houses, with more strategic materials being controlled, a bill will have to be passed, not to control or decontrol rents in places like Miami Beach, Tucson, Ariz., or other places if they are used only as pleasure resorts, but in places to which people are being shifted due to the defense program. The Army says they will reach a peak of 2,700,000 troops, and the families of those troops must be housed properly.

The report continues:

That is a problem which will undoubtedly demand the early attention of the Eighty-second Congress. After reviewing the facts presented to it by Chairman W. Stuart Symington, of the National Security Resources Board; Assistant Secretary of the Air Force Eugene Zuckert, testifying on behalf of the Secretary of Defense; and Housing Expediter Tighe E. Woods, your committee was reluctant to let Federal rent controls lapse completely on December 31, 1950, except in those areas where local action is taken to continue controls through June 30, 1951. Several communities have expressed the idea that the rent-control problems confronting the country are national in scope and require Federal action, not merely a patchwork quilt of controls determined by the local action of Government bodies. Those who would be immediately affected by the increased rents—the military and the defense workers—would in most cases have no voice on the local governing body, and thus, naturally, look to the Federal Government to maintain reasonable rentals.

I again call attention to the fact that I believe it to be the duty of the Federal Government, when we shift them, to give some protection to the military and to defense workers, although I do not believe it is the duty of the Federal Government to control rents alone. Many things will have to be controlled. The Government will have to prevent hoarding, and while we are in process of doing all that, the extension of the rent-control legislation is the better part of wisdom.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield to the Senator from Washington.

Mr. CAIN. I have curiosity about one very serious matter which I think the Senator from South Carolina can satisfy. As a result of the passage of the act to which the Senator has just referred, the State of New York got out from under Federal rent controls—passed, approved, and put into effect the operation of its own State system of controls. I only know from what little I have read on that question that New York State is pretty well in agreement that they would ever so much rather, if rent controls be required, have the rents controlled and operated and supervised under State authority than Federal authority.

Mr. MAYBANK. I believe that is the way the matter should be handled; but the other States have not done it. I take my hat off to New York for doing it, as well as to Pittsburgh, Philadelphia, and the other cities, such as Chicago, where those favoring such action at least went to the city councils and stood up and voted and were counted.

Mr. CAIN. I ask the question because I was inclined to infer from what the Senator from South Carolina has recently said that in the next session of the Congress it is likely that a Federal rent-control law will be passed which will bring New York State within the jurisdiction of that act, and if there is any such likelihood, I think now is the time to suggest to New York State that what they have but so recently done and agreed upon is likely to be undone in the very near future.

Mr. MAYBANK. Mr. President, of course I would not be one to make any suggestion to New York State. I do not want someone from New York to suggest anything for South Carolina. I can say to the Senator from Washington that the matter has been under study by Governor Dewey, and distinguished representatives from New York, including the senior Senator from New York [Mr. IVES], who has been associated with Governor Dewey, and is a most competent and able member of the Committee on Banking and Currency. He should be able to explain the matter to our committee, and I certainly rely upon his judgment.

Mr. CAIN. The general subject of rent controls is a difficult one.

Mr. MAYBANK. It is very difficult, and I do not know what the Congress is going to do. The Senator does not know what is going to happen. Let us hope and pray with all our hearts that the Russian and the Chinese situations will become better. But if they become worse, I do not know what kind of a law we will have. I think we will need some law which will affect the soldiers and sailors and marines and the defense workers who will be shifted from one community to another. Perhaps 7,000,000 persons are going to be moved.

Mr. CAIN. All I know is that our country, to which we are all deeply devoted, is in quite a sad dilemma. Therefore, if it be true, and the hearings held by the Senator's committee should so determine, that New York State has effectively and fairly and adequately administered rent controls within the jurisdiction of that State, I should like to think that the committee would encourage other States to do likewise in order that Uncle Sam would be as little burdened as possible.

Mr. MAYBANK. I may say to the Senator from Washington that if it were found that the situation with respect to the State of New York was satisfactory, and that the law was functioning well, I would be the first person to join in asking other States to do the same thing, if at the same time in some way exemptions could be granted, such as the exemptions with respect to New York and Chicago in the case of hotels. The Senator remembers those exemptions.

Mr. CAIN. Yes, indeed I do.

Mr. MAYBANK. I would be in favor of such a program, if it could be worked out. I would not be in favor of the Federal Government taking over any controls except in the interest of national defense.

Mr. CAIN. Even in the interest or name of the national defense, we ought to believe that every municipality and every State should first do all it could, before requiring any assistance either in the field or controlling rents or any other enterprise and, before seeking relief or assistance or leadership from the Federal Government.

Mr. MAYBANK. I am in thorough accord with the Senator that States ought to do what they can to help meet problems such as this.

Mr. CAIN. I know the Senator is, and I know he will not take exception to my raising one or two questions.

Mr. MAYBANK. No. The New York law has apparently been working satisfactorily. When the committee holds hearings on the proposed new law I shall rely on the senior Senator from New York [Mr. IVES], as well as on the Senator from Washington, who was formerly a member of the committee. If a satisfactory agreement can be reached to exempt New York City and other cities and still accomplish the purposes of the legislation, I shall be glad to vote for it. As the Senator from Washington knows, in 1949, when we exempted even the largest cities, Chicago and New York, with respect to hotels for transients, I voted for that exemption.

Mr. CAIN. Yes. I think it is a fair thing to say to the Senator from South Carolina, particularly in his capacity as chairman of the Committee on Banking and Currency, that the junior Senator from Washington expects to oppose the joint resolution to extend the present law for a period of 60 days, and I shall oppose it for more than one reason. But one reason why I shall oppose it, which is not to say that I shall endeavor unduly to take the time of the Senate, is that in my view, if there be a Federal rent-control law in the future coming out of the war situation and full mobilization, it will obviously bear no similarity to the prevailing law.

Mr. MAYBANK. In my opinion the Senator is correct.

Mr. CAIN. It would then seem to me to be the wise thing to do to let the law of the land take its own course. The prevailing rent law is to expire on the 31st day of December 1950. The new Congress can then begin all over again to deal with the subject.

We are going to need a new piece of machinery. Certainly, in my judgment, we will require a new set of managers. It is to some extent, indeed, largely for that reason, that I should think the present law ought to expire, in order that we may completely clear the decks and give to the new Congress a complete freedom of action.

Mr. MAYBANK. Mr. President, I am not going to argue that point. Considerable argument could take place on both sides of the question. I will say, however, that shortly after the Korean incident began last summer, and when the Defense Production Act was under consideration, there was considerable agitation, and some requests made, for the inclusion in it of rent control. I said at that time that we then had in effect the present rent-control law, and that I did not think a new provision with respect to rent control belonged in the Defense Production Act. I do not know whether that question was voted on in committee. It was discussed, however, at quite some length, and I opposed the proposal to include rent control in the Defense Production Act.

Mr. CAIN. I wanted to tell the Senator from South Carolina where the Senator from Washington stands, and to be so bold as to suggest one or two items I wanted to draw to the Senator's attention.

Mr. MAYBANK. I appreciate the boldness of the Senator from Washington. While we do not always agree, I have only the highest regard and respect for the Senator from Washington.

Mr. CAIN. I appreciate the Senator's comment.

Mr. MAYBANK. I continue to read from the report of the committee:

> Your committee received testimony from the Housing Expediter that as of November 27, 1950, there were 1,703 incorporated places with a 1950 population of 1,000 or more which had not taken affirmative action to continue rent controls beyond the end of this year. Yet, in many of the same areas it has been and will continue to be necessary to house many more people due to an increase in defense production or activation of military establishments after December 31, 1950. However, plans for future actions such as these which cause an impact on local rental situations may well be presently unknown to the local governing bodies in those areas, possibly for security reasons.

Mr. CAIN. Mr. President, will the Senator permit me to ask another question?

Mr. MAYBANK. Yes. I am pleased to yield.

Mr. CAIN. I listened to the Senator's reading of the last sentence, from which I understood that more than 1,000 communities have not by affirmative action said they wanted the Federal rent-control law continued from December 31 of this year to June 30 of next year.

Mr. MAYBANK. Positive action has not been taken in 1,703 communities having a population of 1,000 and over.

Mr. CAIN. I understand. The committee report says that in some of these communities there will be an added population as the result of incoming war workers.

Mr. MAYBANK. Yes. Mr. Zuckert made a statement respecting that situation which he asked be eliminated from the RECORD for security reasons. But I mention one instance which has appeared in the newspapers. It deals with Camp Leonard Wood in Missouri. A great number of persons were moved there. They have asked for the reimposition of rent control there.

Mr. CAIN. We start out with over a thousand communities. By way of argument I will certainly assume that if our war situation becomes more complex and complicated, some among those communities will substantially increase in population.

Mr. MAYBANK. I have seen figures on that point, and I will say the Senator is correct.

Mr. CAIN. But is not the reverse also true, that among those thousand-odd communities there will be of necessity a good many communities whose population will decrease?

Mr. MAYBANK. That is true. In such cases the city councils could vote to remove rent control. I agree with the Senator's statement that in many places the population will increase, and in others will decrease.

Mr. CAIN. I am talking about a possible new law, and my hope is that the committee itself would take every conceivable step to see that controls were not imposed upon American communities where there was no need for such controls, and where it was a proven, established fact, that population had decreased.

Mr. MAYBANK. I will say I am always prayerful that the present situation will change. But if it does not, I will say to the Senator from Washington that we will hold extensive hearings, and give both proponents and opponents of the proposed new rent measure an opportunity to be heard. The Senator remembers that last year I worked on the problem day and night, and the Senator from Washington joined in that work.

Mr. CAIN. The Senator from Washington had a very happy time in doing so.

Mr. MAYBANK. The Senator was a member of the comimttee last year when we rewrote the bill many times.

Mr. CAIN. And as a member of the Senator's committee I was partly critical of what was then the present rent law of the land, because it unnecessarily continued to impose controls on American cities when those wartime controls had long since outlived their usefulness.

Mr. MAYBANK. The Senator is correct; and I voted in favor of permitting communities who wished to do so to get out from under the law.

Mr. CAIN. That, I think, was one of the fairest and most reasonable and most intelligent steps that was ever taken with reference to this subject.

Mr. MAYBANK. Of course, the city councils of cities in the State of Washington, in the State of Utah, in the State of California, in the State of South Carolina, and in all other States, know more about their own problems than do persons who are in Washington.

Mr. CAIN. The Senator from South Carolina and I are in complete agreement on that point. One thing I have never been able to understand is how it could possibly be construed that the Federal Government in Washington, D. C., could be more highly competent or qualified to determine the need, or lack of need, for rent controls, as, for example, in Seattle, in the State of Washington, than are those responsible for the management of that city or its city council. Whatever happens, I hope we may give every ounce of jurisdiction and responsibility possible to the local city councils and to the State establishments.

Mr. MAYBANK. The mayors of the cities of a State and the Governor of the State should know more about conditions in that State than Members of the United States Senate. That is the way I look at it.

Mr. CAIN. As one who shares a background comparable to that of the Senator from South Carolina, I have felt, and often said to many of those who used to be my colleagues and continue to be my friends, that "the bulk of the responsibility for a continuing Federal rent-control law lies upon your heads because of your unwillingness in many instances to acknowledge and to wish to take over your responsibility for running the affairs of your community." I can only wish that all the mayors of today share that view, as apparently some do not.

Mr. MAYBANK. I am sorry some of them do not. But many of them are going to be present here on Monday and Tuesday. I know the former mayor of Seattle is going to be here.

I read further from the report of the committee:

> Without a clear knowledge of these conditions, it is difficult for local governing bodies to act wisely in the national interest. National problems require national action. Indeed the Housing Expediter testified that surveys revealed many employers are already experiencing difficulty in recruiting and retaining immigrant workers due to the inability of new workers to find housing. He further stated that already in military areas, commanding officers are expressing serious concern over the difficulties experienced by military personnel under their command in obtaining suitable housing.
>
> Today about 7,500,000 rental-housing units remain under Federal rent controls; 3,430,000 of these will stay under Federal rent controls through June 30, 1951, by virtue of the action of local governing bodies to date. This leaves about 4,000,000 units from which Federal rent controls will be removed on December 31, 1950, in the absence of affirmative action by the governing body of the local government having jurisdiction in the area where the units are located. It is primarily these approximately 4,000,000 units which will be affected by this joint resolution. The fact that these governing bodies have not seen fit to remove the units from Federal rent controls indicates either a tight situation in the rental market in those areas, or at best a condition where housing supply was just beginning to meet demand in the absence of the new national emergency caused by the Korean developments.

Mr. CAIN. Mr. President, will the Senator permit me to interrupt him at this point?

The PRESIDING OFFICER (Mr. MCCLELLAN in the chair). Does the Senator from South Carolina yield to the Senator from Washington?

Mr. MAYBANK. I yield.

Mr. CAIN. With reference to the last sentence the Senator from South Carolina has just read, I should like to say that I do not hold it to be entirely valid, for the reason that during the last 2 months I have had an opportunity to discuss the rent-control situation with the mayors and councilmen of a number of American cities. I have often said to them, "Why have you not taken positive, affirmative action to remove your city from Federal rent-control jurisdiction?"

In many instances they have replied, "Why should we? The question is controversial; it is difficult. Why should we not rely on the law of the land which tells us that in several short months' time we will automatically be removed from rent control?" They have said, "Why should we look for a fight which can be easily"—or expediently or conveniently, if you will—"avoided by letting the law take its own course, when the law reads that on December 31 there are to be no more controls, unless they are retained by affirmative action of the local community."

Mr. MAYBANK. Mr. President, I appreciate what the Senator has said, and I think some of the communities have dodged the issue.

Yet we are told that, because of war conditions, it will be February before adequate findings can be made regarding new rent-control legislation. Meanwhile, something must be done to provide for the families of sailors and soldiers who are being sent overseas, some of them never to return.

Mr. President, a moment ago I referred to the approximately 4,000,000 units which will be affected by this joint resolution. The report continues:

> If those units were now thrown into an uncontrolled market, in view of the growing impact of the national preparedness program, excessive increases in rent would be entirely likely. Such increases followed by increased wages to enable payment of the rents would increase the cost of defense preparations and cause inflationary pressures on the national economy. As the President said in his November 27, 1950, letter to the chairman of your committee in suggesting an extension of the automatic decontrol date beyond December 31, 1950: "Unless this extension is made, many communities may be decontrolled by the operation of the present law before they, or the Congress, have been able to examine the problems confronting them, and with results that may be damaging to the national defense."

Mr. President, I ask unanimous consent that the entire letter the President wrote to me as chairman of the committee be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE WHITE HOUSE,
Washington, November 27, 1950.

DEAR MR. CHAIRMAN: As you know, the Housing and Rent Act of 1950 will eliminate rent control in all incorporated cities, towns, and villages after December 31, 1950, unless they have taken affirmative action by that date to continue such control. I strongly recommend that the Congress extend that date to March 31, 1951. Such an extension would not interfere with the authority local communities now have to decontrol rents when in their judgment it seems proper.

The present rent control law was enacted before the outbreak of hostilities in Korea. It was passed to provide for the orderly transition to a free rental market in a peacetime economy. There has been a marked change in the situation since the law was passed. The outbreak of aggression during recent months has compelled us to move rapidly to increase our military strength. We are expanding our Army, Navy, and Air Force. We are stepping up our production of defense items and increasing our industrial capacity. To carry out this program successfully and to safeguard our economy, it will be necessary to keep rents in vital defense areas from rising to unreasonable levels.

Therefore, we must consider anew the whole problem of rent control in relation to the pressures now being created by the defense program. We must look into the situation around reactivated military camps and installations so that servicemen and their families can be given necessary protection against rent gouging. We must prevent high rents from interfering with the recruiting of defense workers and their movement to defense jobs. We must consider the relation of rent control to the price and wage aspects of our stabilization program.

I realize that there is insufficient time for the Congress to make a full investigation of these problems and consider a new rent control law during the present session. Moreover, during the next few months it should be possible to form a more accurate judgment concerning the effects of our expanded defense program on rents and housing needs. The extension of the automatic decontrol date to March 31, 1951, will permit the Eighty-second Congress to give full consideration to the effects of our defense program and make whatever changes in the law may be necessary. Unless this extension is made, many communities may be decontrolled by the operation of the present law before they, or the Congress, have been able to examine the problems confronting them, and with results that may be damaging to the national defense.

I will appreciate it if you will take this matter up with your committee with a view to obtaining favorable action upon such an extension.

Very sincerely yours,

HARRY S. TRUMAN.

Hon. BURNET R. MAYBANK,
Chairman, Committee on Banking and Currency, United States Senate, Washington, D. C.

Mr. MAYBANK. Mr. President, the report continues:

This joint resolution would extend this automatic decontrol date through February 1951, from December 31, 1950. This action would not result in an across-the-board freeze of rents at the December 31, 1950, level, for the rental adjustment provisions of the Housing and Rent Act of 1947, as amended would remain fully operative. The Housing Expediter testified that these adjustments had been substantial in number. In the first 4 months of the current fiscal year, July through October, rent increases were authorized for 418,133 rental units. This almost doubled the number for the previous 4 months, when increases were authorized for 239,236 units.

Nor would extension of the automatic decontrol date remove the authority of incorporated cities, towns, or villages or unincorporated areas of counties to remove their areas from Federal rent controls by action of their local governing bodies up to and including February 28, 1951.

Mr. President, I wish to make that point very plain, because unfortunately some Senators who have asked me about this measure have naturally not quite understood what was recommended by the committee, because they are not on the committee and we did not hold open hearings.

Our recommendation is merely to extend the present law for 60 days, so that the new Congress can make a study of the situation after the impact of war has come upon us. If the law is extended by means of this joint resolution, any town in Arkansas, Maine, California, or elsewhere in the United States which wishes to take local action to be relieved of rent control may do so; the local option will still remain. I wish to assure all Senators, particularly those who believe in States' rights, of that point.

Nor would such an extension of the automatic decontrol date authorize the Housing Expediter to bring under Federal rent control any area already or hereafter removed from the scope of Federal rent control by action of its governing body or by the legislature of the State in which it is located. Nor would such an extension empower the Housing Expediter to invoke Federal rent controls over housing accommodations whose maximum rents have been or are hereafter removed as the result of approval by the Emergency Court of Appeals of a recommendation of a local advisory board or as the result of approval by that court of a decision by the Housing Expediter to decontrol such rents.

In brief, the joint resolution is in effect merely a stop-gap measure pending the convening of the Eighty-second Congress in January. It is the present intention of your committee in the early days of that Congress to review the entire problem of Federal rent control in relation to the other measures for stabilization of the national economy, such as price and wage controls.

Under the Housing and Rent Act of 1950, all Federal rent controls would expire on December 31, 1950, except under two conditions. They would end on June 30, 1951, in any incorporated city, town, or village which (while under Federal rent controls and before December 31, 1950) declares by resolution of its governing body adopted for that purpose, or by popular referendum, in accordance with local law, that a shortage of rental housing exists requiring the continuance of rent control in that city, town, or village. Federal rent controls would likewise end on June 30, 1951, in any unincorporated locality in a defense-rental area in which one or more incorporated cities, towns, or villages constituting the major portion of that defense-rental area have made an appropriate declaration of the need for the continuance of rent control in the respective city, town, or village. For the reasons set forth herein, your committee recommends the prompt enactment of this joint resolution in order to extend from December 31, 1950, to February 28, 1951, the date for automatic decontrol of controlled housing accommodations in those communities which under existing law take no affirmative action to preserve Federal rent controls through June 30, 1951.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the joint resolution, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets):

Public Law 574, Eighty-first Congress, section 4

Section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended to read as follows:

"(f) (1) The provisions of this title, except section 204 (a), shall cease to be in effect at the close of [December 31, 1950] February 28, 1951, except that they shall cease to be in effect at the close of June 30, 1951.

"(A) in any incorporated city, town, or village which, at a time when maximum rents under this title are in effect therein, and prior to [December 31, 1950] February 28, 1951, declares (by resolution of its governing body adopted for that purpose, or by popular referendum, in accordance with local law) that a shortage of rental housing accommodations exists which requires the continuance of rent control in such city, town, or village; and

"(B) in any unincorporated locality in a defense-rental area in which one or more incorporated cities, towns, or villages constituting the major portion of the defense-rental area have made the declaration specified in subparagraph (A) at a time when maximum rents under this title were in effect in such unincorporated locality."

I desire to thank the Chair and the other Senators for their indulgence. I merely wanted to have this report read so that it might appear in today's RECORD. We expect to have the completed hearings, of course, on Monday.

Mr. President, I have nothing further to say at this time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hendrickson	Maybank
Anderson	Hill	Millikin
Benton	Hoey	Morse
Brewster	Holland	Murray
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Johnson, Tex.	O'Mahoney
Cain	Johnston, S. C.	Russell
Capehart	Kefauver	Saltonstall
Carlson	Kem	Schoeppel
Chaves	Kerr	Smith, Maine
Clements	Kilgore	Smith, N. J.
Connally	Langer	Smith, N. C.
Cordon	Leahy	Stennis
Donnell	Lehman	Taylor
Dworshak	Long	Thomas, Okla.
Eastland	Lucas	Thomas, Utah
Ecton	McCarthy	Thye
Ellender	McClellan	Tobey
Flanders	McFarland	Tydings
Fulbright	McKellar	Watkins
George	McMahon	Wherry
Gillette	Magnuson	Wiley
Gurney	Malone	Young
Hayden	Martin	

LEGISLATIVE PROGRAM

The PRESIDING OFFICER. A quorum is present. The question is on agreeing to the motion of the Senator from Illinois [Mr. LUCAS] to proceed to the consideration of H. R. 331, to provide for the admission of Alaska into the Union.

Mr. LUCAS. Mr. President, I am ready for a vote; but, as a matter of precaution, and more or less as a matter of notice to the Members of the Senate, I wish to place in the RECORD a list of bills which we might be able to take up at almost any time in the event the Senate finds time in the short session, or in the event we should run out of something to consider before the important measures involving the war effort come before us.

The first is Calendar No. 2540, H. R. 483, to extend the time limit within which certain suits in admiralty may be brought against the United States.

Calendar No. 2578, H. R. 9313, to amend the Agricultural Act of 1949.

Mr. AIKEN. Is that the Carolina-Virginia peanut bill?

Mr. LUCAS. No. H. R. 9313 deals with the disposal of surplus food commodities.

The next is Calendar No. 2265, H. R. 5967, to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

Calendar No. 1777, H. R. 2734, to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopoly, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

Calendar No. 1811, H. R. 2365, for the relief of the city of Chester, Ill.

Mr. President, those are the five measures which I am now calling to the attention of the Senate. At any time when there is a lull, after a quorum call, I may ask the Senate to consider these measures.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. AIKEN. The Senator mentioned bills of major importance which may be brought up. Can he identify them?

Mr. LUCAS. I refer to the appropriation bill which will come before the Senate dealing with national defense and the war effort, the appropriation bill dealing with furnishing of food to Yugoslavia, and the one dealing with food for Korea. I also refer to the tax bill. There may be other measures of importance which will have to be brought up in the next few weeks.

I do not desire to overlook the fact that the bill to amend the Railway Labor Act, S. 3295, which the Senate considered for a while, and which was the unfinished business when the Senate reconvened, also may be taken up at any time.

MARCUS WHITMAN

Mr. CAIN. Mr. President, the junior Senator from Washington wishes to speak for a brief period about the character, capacity, and characteristics of a great American who made his contribution to progress in history more than a century ago. It would be good to have

what in him was his strength, courage, and vision with us today in America, when we are so in need of guidance, inspiration, and perseverance.

Mr. President, Wednesday of this week, November 29, 1950, was a day of considerable importance in the State of Washington. November 29 was designated by Gov. Arthur B. Langlie as Marcus Whitman Day, and the occasion was properly and thoughtfully observed and recognized in each of Washington State's 39 counties.

It was on Tuesday of this week that I had been invited by telegram from some of those in authority within Washington State to address myself to the subject of Marcus Whitman. In response, I said that the situation then on the floor of the Senate did not permit discussion of any subject other than the pending business. They hoped I would be able to speak about Marcus Whitman at an early date, and it is my intention to do that now. I wish to tell a simple and magnificent story about a simple and magnificent American. I believe that Senators will agree that the precious time involved is well spent.

Because they lived and died more than a century ago it is reasonable to assume that some among us in the Senate and many living Americans have never previously heard of Marcus and Narcissa Whitman. In an address delivered in Spokane in June of this year, Dr. Chester C. Maxey, president of Whitman College, mentioned the Whitmans in the following beautiful and commemorative fashion:

> There has been no other couple like the Whitmans in American history—no wooing more strange, no wedding more extraordinary, no marriage more proof against stress and storm, no union of purpose and effort more perfect, no failure more pathetic, no ending more terrible, and no immortality more sublime than theirs. Forces they did not control or understand brought their lives together in a noble enterprise that failed; forces they did not control or understand brought their lives to a dire and agonizing close. Yet so greatly did they live, so magnificently did they labor and serve, that forces they set in motion will forever enrich the civilization they helped to plant on the western slopes of the Continental Divide.

Mr. President, the 1949 session of the Washington State Legislature by almost unanimous votes in both the Senate and House passed a bill designating Dr. Marcus Whitman as the first official representative of the State in Statuary Hall, Washington, D. C.

By act of Congress, distinguished American citizens illustrious for their historic renown or distinguished civic or military service are eligible to be so commemorated.

In authorizing the placing of the statue of Marcus Whitman in Statuary Hall, the legislature recognized the "historic renown" that has come to be associated with the story of Marcus Whitman in the more than 100 years since the tragic Whitman massacre at Waiilatpu, "the place of rye grass."

The legislation carried no appropriation, but provided for the appointment of a commission to select a sculptor, approve a statue and design and raise the necessary funds, $30,000. Parenthetically, there are no pictures of Dr. Whitman.

Gov. Arthur B. Langlie named a 12-person commission and this group, after considering proposals from 10 different sculptors, selected the statue design offered by Dr. Avard Fairbanks, dean of the College of Fine Arts, University of Utah.

People familiar with The Whitman Story have widely endorsed Dr. Fairbanks' interpretation of the man who did so much to assure the growth and development of the Pacific Northwest as a vital part of the United States.

The service to God, country, and his fellow men which marked the active career of Dr. Marcus Whitman is symbolized in this statue by Dr. Fairbanks. In his right hand, Dr. Whitman carries the Bible, which was his inspiration. In his left are plans and the saddlebags he used as "a doctor on horseback." Behind him is a representation of the rye grass from which the Indian name "Waiilatpu," the mission site, was secured.

OF HISTORIC RENOWN

In the dramatic history of the colonization and development of the Pacific Northwest, few individuals have a record of achievement as extensive or as significant as that of Dr. Marcus Whitman.

In achieving a record that made him "illustrious for (his) historic renown," Dr. Whitman's urge to action and adventure resulted in a dynamic career in the period from 1834 to 1847 that makes The Story of Marcus Whitman a colorful and dramatic chapter in western history. It is the story of—

An active and ambitious man who was the first graduate doctor of a medical school to practice west of the Rocky Mountains.

A strong and stalwart man who with Mrs. Whitman established the first American home on the Pacific coast. They were the parents of the first American white girl born west of the Rocky Mountains.

A determined and adventurous man who made one of the great rides of American history when he went 4,000 miles in the middle of winter from Waiilatpu to Washington, D. C., and Boston to plead for his mission and to tell the story of the greatness and potentialities of the Oregon Territory.

A versatile and aggressive man who brought the first wagon over the Rocky Mountains and who, in 1843, provided the leadership and guidance for the first great wagon train to come to the Oregon Territory.

A fearless and compassionate man who was massacred by an Indian's tomahawk while he was giving medical aid to those whom he came to befriend.

A dogmatic and religious man who stubbornly tried but failed in his objective of being a missionary to the Indians and to bring them to a realization of the white man's God.

Marcus Whitman was no ordinary man, but he was, instead, a man of personality and varied human characteristics. While he failed as a missionary to the Indians, he succeeded in so many other of his efforts as physician, agriculturist, explorer, and patriot that he shares fully with other illustrious citizens of the Nation the respect and admiration of those who appreciate outstanding service to God and country.

"The Story of Marcus Whitman" is indeed the story of a distinguished and important American.

THE IMPORTANT YEARS

Marcus Whitman was born in Rushville, N. Y., September 4, 1802, the son of Zeza and Alice Whitman. His father was a shoemaker and tanner and died when Marcus was 7.

After his father's death, he lived with an uncle and grandfather, both of whom were pious men and gave him constant religious care and instruction. When he was 17, he was greatly influenced by an evangelistic minister during a revival meeting and subsequently became an active church worker.

That religious activity continued during his practice of medicine, and in 1834, prompted by a desire to get into missionary work, he made application to the American Board of Commissioners for Foreign Missions for duty.

The great interest of the day was in providing Christian teachers for the Indians west of the Rocky Mountains. This interest had been stimulated by an account of a visit to St. Louis of a delegation of Flathead and Nez Perce Indians seeking information about the white man's religion.

The experiences of the succeeding 25 years, including his learning to become a doctor because training to be a minister took too long and was too expensive, provided him with knowledge and qualifications for the important part that he was to play in western history.

Some of this history, Mr. President, is certain to be of more than casual or passing interest to the Senator from Montana [Mr. ECTON], who sits in the Chamber, because he, like the Senator from Washington, comes from that great area known as the western country.

In the career "to the West" that followed Dr. Whitman's decision to put his abilities to the service of Christ, episodes in 5 years were particularly outstanding and historically significant.

1835: An exploratory trip to the Northwest with the Reverend Samuel Parker to determine if missionary work was feasible among the Indians west of the Rocky Mountains. Whitman went as far west as Wyoming and then reported to the Board that a mission among the Indians of the upper Columbia River Valley was practicable.

1836: The journey to the Oregon Territory with his bride, Narcissa Prentiss, to establish the mission at Waiilatpu and to locate the first American home on the Pacific coast. There, on March 14, 1837, they became the parents of the first white girl, Alice Clarissa, born west of the Rocky Mountains.

1842–43: The ride east to save the mission and to plead the importance of the Oregon Territory. The return west to aid in bringing the first great wagon train to the rich territory and to start a new era in Oregon.

We can well afford to stop and talk about what Marcus Whitman was able to

do, because he meant and was determined to do it. Think of conditions in 1842–43 in the United States of America. There were then no bicycles. There was no air traffic. There were no jet planes. There were no automobiles. A man, Marcus Whitman, 3,500 miles from this Nation's Capital, was confronted with a problem which might result in eliminating the fine work he was attempting to do in his mission, and he wanted to talk to Members of the Congress and perhaps the President about it. So Marcus Whitman set out on foot and by horseback to go 3,500 miles to save his work from ruin, and then returned 3,500 miles to put that work back together again. It is good to have an opportunity, as a citizen of the Northwest country, to speak about Marcus Whitman.

The massacre by non-Christian Cayuse Indians on November 29, 1847, ended the lives of the Whitmans and destroyed the mission which they had built and to which they had given their lives, as so many Americans of this day are going to give their lives to make certain that our Nation is not destroyed. We shall be the more successful to the degree that we have the characteristics of Marcus Whitman and his kind within us, deep down inside.

THE GOOD DOCTOR

Marcus Whitman, "the Good Doctor," is the fourth physician and surgeon to be honored with a statue in the Nation's Hall of Fame.

Kentucky recognized Dr. Ephraim McDowell—1771–1830—who performed the first ovariotomy in 1809.

Florida presented a statue of Dr. John Gorrie—1803–55—the inventor of the ice machine and mechanical refrigerator, which, at that time, he thought would only be used for fever patients.

Georgia erected a statue to Dr. Crawford W. Long—1815–78—the discoverer of ether anesthesia in 1842.

Dr. Olaf Larsell, for many years a student of Pacific Northwestern medicine, paid this tribute to Dr. Whitman:

"We behold the first American, trained as a physician, to practice his profession in the great Northwest. We see a man, respected by all, who served his fellow men, an honor to the healing art.

"In the best traditions of the country practitioner he faced danger, hardship, storm, and flood to carry healing to his patients. He made no effort to save or spare himself but gave without stint or that which he had, professional and material. From the time he first set foot in old Oregon, he was recognized as, and has been called to the present, 'the Good Doctor.'"

That title of the Good Doctor first came to Marcus Whitman in what was perhaps one of the most widely observed operations in the history of American and possibly world medicine. It occurred August 13, 1835, when Dr. Whitman removed from the back of that famous mountaineer, Jim Bridger, a 3-inch iron arrow point which had become embedded below one scapula 3 years previously in a fight with some Blackfoot Indians.

The Bridger operation was performed at the crossing of the Green River in southwest Wyoming, without help of anesthetic, and in the presence of about 2,000 Indians and 200 white trappers.

Whitman studied medicine first in Rushville, N. Y., where, as was the custom of the times, he "rode out" with an experienced doctor, observing and studying for 2 years under his supervision. In 1825 he entered Fairfield Medical School, receiving a diploma on May 9, 1826, "with the privilege of practicing physic and surgery" in New York.

Calls in his country practice in upper New York State were all made on horseback, and he carried his home-made medicines and surgical instruments in two saddlebags. His 8 years of training and practice, including another 16 weeks' course at Fairfield, made him much better qualified than the average doctor of his day.

HOMEWARD BOUND

When Marcus and Narcissa Whitman stood on the crest of the Blue Mountains, August 29, 1836, and viewed before them the wonderful valley of the Columbia River, history was made.

For the first time, the eyes of an American white woman looked upon the valley. They had started the long trek westward from Rushville, N. Y., on March 3, following the wedding of Marcus Whitman and Narcissa Prentiss in the small Presbyterian church at Angelica, N. Y., February 18.

Missionary zeal had been the basis of their betrothal and the wedding. While originally friends, they had been brought together in the common desire of missionary work by the Reverend Samuel Parker when he was going through western New York holding meetings to raise funds for the support of missions among the Indians. Marcus Whitman heard him first and besought his aid in getting an appointment, while a few days later he was heard by Narcissa Prentiss, then a 26-year-old school teacher.

The American board wanted single men or married couples, and would not accept single women. The Reverend Mr. Parker saw an opportunity, and suggested marriage to Dr. Whitman, who had told him that he might take a wife if he got an appointment to a mission. When the appointment came, in January 1835, he went to Narcissa, proposed marriage, and was accepted. She then applied to the board, and was also accepted.

When Dr. Whitman returned from his exploratory trip with Rev. Mr. Parker, who continued to the West, he went about plans for the trip to establish the missions. The Reverend and Mrs. Henry Spalding and William Gray, a layman, agreed to accompany them.

On July 4, they reached the south pass of the Rocky Mountains and crossed the Continental Divide. Their wagon, converted into a two-wheeled cart, they managed to take as far as Fort Boise, then called Snake Fort, the first wheeled vehicle to go that far west. Just out of the fort, the party separated briefly, the Whitmans going on ahead.

On September 1, they reached Fort Walla Walla, on the Columbia; and on September 12, they were guests of Dr. John McLoughlin, the Hudson's Bay Co.'s factor, at Fort Vancouver, making the trip by water. On December 10, they were in their own home, a lean-to shack at Waiilatpu, the first American white home in the Northwest.

It was here that Alice Clarissa was born March 14, her mother's twenty-ninth birthday. On June 23, 1839, the child was drowned while playing by the Walla Walla River. By then Waiilatpu had become "the cradle of the Pacific Northwest history."

THE MISSIONARY

Marcus Whitman is the seventh nationally known individual who achieved fame at least in part through religious activities, to be designated for commemoration through the placing of a statue in Statuary Hall.

California designated churchmen for both choices. One was Junipero Serra, 1713–84, missionary of the Franciscan Order, who founded nine missions. The other was Thomas Starr King, 1824–64, like Whitman, born in New York. An ordained minister, he is credited with being "the man whose matchless oratory saved California to the Union."

Pennsylvania chose J. P. G. Muhlenberg, 1746–1807. He was a distinguished minister of the gospel, a colonel in the Revolutionary War, and a member of the House of Representatives in the First, Third, and Sixth Congresses.

Rhode Island selected Roger Williams, 1609–83, an early Puritan pioneer minister of the gospel in the Colonies and among the Indians. He was famed for his zeal and ability, especially in the cause of liberty.

Utah, for its first choice, recently placed a statute of Brigham Young, in commemoration of his leading the great Mormon migration to Utah and the establishment of Salt Lake City.

Wisconsin recognized James Marquette, 1637–75, a French Jesuit priest. He was a missionary among the wild tribes of Indians of the northern country, a discoverer and explorer.

Had it not been for the fact that becoming a minister required a long and expensive period of training, Marcus Whitman would have made religion his complete career, and his story would have been much different.

Like Reverend Spalding, who came west with him in 1836, and like others who followed to work in other missions of the Northwest, Marcus Whitman's main objective was to bring religion to the Indians, and whatever other abilities he had, he felt were just to aid him in that direction.

At Waiilatpu, August 18, 1838, Whitman and Spalding led the organization of the first Protestant Church west of the Rocky Mountains. It was Presbyterian, governed on the congregational plan.

This was immediately followed by the arrival of a party of missionaries that included Mr. and Mrs. William H. Gray, Mr. and Mrs. Cushing Eells, Mr. and Mrs. Elkanah Walker, Mr. and Mrs. A. B. Smith, and Cornelius Rogers.

The missionaries were people of intense convictions and strong wills. Though in hopes for their work they were as one, they soon clashed over the conduct of the missionary work. Critical letters went back to the American board; and before word could be sent that the differences had been smoothed out, a

message came with a large emigrant party in 1842, ordering the closure of Waiilaptu and Lapwai, recalling Spalding, and locating the other missionaries at Tshimakain.

Reluctantly, the others agreed to a proposal by Whitman that he go east to the board to plead their case; and on October 3, 1842, he was on his way.

THE OREGON COUNTRY

Marcus Whitman, the shoemaker's son, lived in a period of American history when the still young Nation was already in the throes of an expansion that its vigorous and adventurous people required.

Accompanying that desire for increasing the physical limits of the expanding country was an almost universal and emotional reaction by the people to a deep sense of religion. Both of these characteristics took Whitman into his place in western life, without his knowing or understanding what the over-all factors were.

He moved west into a land that was virtually unknown, but in which there was a great and growing interest, and a strong degree of conflict. This was especially true of the Oregon country.

Until the treaty of 1846 finally resolved the differences of the nations that claimed the vast Oregon region and extended the boundary of the United States along the forty-ninth parallel to the Pacific Ocean, that region lying west of the Rocky Mountains and between Mexican California and Russian Alaska was in a sense no man's land.

In the succession of events leading up to that treaty, the direction and stimulus provided by Dr. Whitman and his efforts toward greater colonization and development were especially significant. English papers of the times were saying: "However the political question between England and America as to the owners of Oregon may be decided, Oregon will never be colonized overland from the Eastern States."

A treaty of joint occupancy in 1818 left the Oregon country open to nationals of the United States and Great Britain alike. In 1819, Spain gave up her claims to the region north of 42°; and by the treaties of St. Petersburg in 1824 and 1825, Russia relinquished her claims south of 54° and 40'.

American claims to the Oregon country were based upon the discovery of the Columbia River by Robert Gray—1792; the exploration of Lewis and Clark—1803–1806; establishment of fur-trading posts by Astor's Pacific Fur Co.—1811; and the relinquishment of Spanish rights to the coast north of 42 degrees by the Adams-Onis Treaty for the purchase of Florida—1819.

Control of Oregon then rested generally in the hands of the powerful British Hudson Bay Co. American traders, adventurers, and explorers, however, had developed considerable interest in the region on the part of the United States.

It was into such an era of challenging competition and action and adventure that Marcus Whitman moved with his idea that "My plans require time and distance."

WAGONS WEST

Travel under adverse circumstances that would halt a man of lesser courage was commonplace to Marcus Whitman, both in his days as a country doctor in New York, and his first years at Waiilatpu. It was well for him and for the future of the Oregon Territory that he was so capable and courageous.

The ride east on behalf of the work of the missions was taken in company with A. L. Lovejoy, a New England lawyer and recent immigrant. They left Waiilatpu on October 2, 1842, with Washington, D. C., and Boston as their objectives, undaunted by the fact that much of the trip would be made in the most severe part of the winter.

It proved to be one of the most difficult rides in American history. Unfriendly Indian tribes made it necessary to avoid South Pass and to detour southward. Near what is now Gunnison, Colo., they nearly lost their lives fording the Colorado River.

In the mountainous country near Taos their food gave out. After eating their pack mules and finally, their dogs, they were near starvation. Rescued by a party of hunters, they continued on, Dr. Whitman going ahead to Boston after short visits in Washington, D. C., with Government officials, and in New York with Horace Greeley, whom he impressed with the great potentialities of the Oregon country.

Returning West, he joined some 1,000 immigrants who assembled near Independence, Mo., to take part in what was then the largest group to attempt the trip across the Nation to Oregon. They were dubious about taking wagons all the way to the Columbia, but Whitman assured them it could be done and May 22 the trek began.

At Fort Hall, near the present Pocatello, Idaho, Hudson's Bay Co. officials advised them to leave the wagons and go by horseback, but again Whitman's advice and encouragement prevailed. He became their guide and with the knowledge gained from his own travels and what he knew had been done with wagons that had reached the Columbia in 1840, he headed the party west.

Dr. Whitman guided the wagon train from Fort Hall to the Grande Ronde River, just east of Waiilatpu, leaving in response to a message that the Spaldings were desperately ill with scarlet fever.

The significance of the 1843 immigration and the people, livestock, and equipment that came with it, was great for with it a new era dawned in Oregon. It set the precedent for the subsequent history of the Oregon Trail and made the Northwest and its resources more secure for the United States of America.

THE MASSACRE

The success which Marcus Whitman achieved as the first great farmer of the Northwest, and as the effective operator of a service center for emigrants moving into the Oregon Territory, contributed to a substantial degree to the tragic end of his mission.

He had erred at the outset in deciding to settle among the Cayuse tribe, against the advice of the more friendly Nez Perce. He had his plans and reasons, however, and it seemed to him that Waiilatpu was a logical place for the headquarters of a chain of missions.

Whitman excelled in development of the resources of the soil. So much so, in fact, that as the settlers came into the Territory they found such an evidence of abundance that word went back East that here indeed was the land of opportunity.

With the way opened to wagon traffic through the 1843 immigration in which Dr. Whitman was a key figure, homeseekers literally poured into the country. After 1844 most sought a shorter route to the south and Waiilatpu lost some of its activity.

The lessening activity was not enough to allay the reviving fears of the Indians, who had become less and less peaceful after 1840.

A severe winter in 1846–47 resulted in the loss of many Indians' horses, rousing their discontent. The 1847 immigration brought with it a particularly virulent form of measles and dysentery which hit Indians and whites alike. Dr. Whitman did his best to minister to the sick, but the Indians could not understand why he cured so many of the whites while his Indian patients usually died. Their habit of taking hot steam baths and then of jumping into the cold river probably killed many who might have survived otherwise.

Treacherous statements by half-breed Joe Lewis that Dr. Whitman, the successful farmer, was poisoning the Indians in order that he might have their lands increased their suspicions. They had debated killing him in 1844 after Elijah, the son of the Walla Walla chief, Peupeumoxmox, had been murdered by a white man.

The Indian tribal custom called for someone of equal rank among a murderer's people to be marked for death. In the 1847 treachery, however, it was the Indian belief that a "tewat" or medicine man had to be killed to cure a person poisoned by a "tewat."

About 2 o'clock the afternoon of November 29, 1847, Dr. Whitman was called to the door by an Indian request for medicine. He was struck from behind by a tomahawk and the attack against the virtually helpless whites was on. Before the assault ended, 13 had been killed, Mrs. Whitman being the only woman victim.

With the massacre, Waiilatpu became a memorial to its martyred missionaries, and has properly remained so to this day.

Mr. President, if the junior Senator from Washington understands in part the future which lies before all of us, it will be very largely filled and our time occupied, both within the Senate and in the case of all citizens throughout the land, by nothing less than a great deal of blood, a great deal of sweat, and a flood of human tears. I think that is mostly what we shall be able to look forward to for a long time to come.

As I have been privileged this afternoon to recite a few of what I consider to be the facts surrounding the life of Marcus Whitman in our great Northwest, I have derived a sense of satisfaction and encouragement from a man who in the past helped build America.

He dealt, as we of this generation must, with blood and sweat and tears. The results of the suffering of Marcus Whitman and his death gave to America a great and promising new frontier across the Nation. I join with many others in feeling that out of the blood, sweat, and tears of this generation we perhaps shall be able to provide for succeeding generations in the distant future a civilization at peace, a civilization that will be worth living in. I am not prepared to say when the State of Washington will officially send the statue of Marcus Whitman to the Capitol, to take its glorious place in Statuary Hall, but for the benefit of those among my constituents who are keenly interested in the matter, I should like to tell them in whose company Marcus Whitman will stand. As of the last reading, 74 statues have been contributed by 40 American States to Statuary Hall, which is but a few feet from where we sit and from where I speak this afternoon. Of those, 70 represent two statues received from each of 35 States. Four States, Minnesota, Arizona, South Dakota, and Louisiana, have contributed but one statue each. The nine States not thus far represented are Colorado, Montana, Nevada, New Mexico, North Dakota, Oregon, Washington, Wyoming, and Utah.

Mr. President, whenever I have an opportunity, I go to Statuary Hall to look at those men from out of the past and from States other than the State of Washington, to understand, if I can, what nature of men it was who built the great opportunity which was given to us by those who went before. How happy I shall be to know that Marcus Whitman, from my own State of Washington, will shortly join other pioneers and builders of days gone by. I desire to read these names as rapidly but as thoughtfully as I can, in bringing to a close this record and this brief treatment of the fullness of a man's life:

ALPHABETICAL LIST OF THE 74 STATUES CONTRIBUTED BY STATES

Samuel Adams, Massachusetts.
William Allen, Ohio.
Ethan Allen, Vermont.
Stephen F. Austin, Texas.
Charles Brantley Aycock, North Carolina.
Gen. William Henry H. Beadle, South Dakota.
Thomas H. Benton, Missouri.
William Jennings Bryan, Nebraska.
Francis P. Blair, Missouri.
William E. Borah, Idaho.
John C. Calhoun, South Carolina.
Charles Carroll, Maryland.
Lewis Cass, Michigan.
Zachariah Chandler, Kentucky.
Henry Clay, Kentucky.
John M. Clayton, Delaware.
James P. Clarke, Arkansas.
George Clinton, New York.
Jacob Collamer, Vermont.
J. L. M. Curry, Alabama.
Jefferson Davis, Mississippi.
Robert Fulton, Pennsylvania.
James A. Garfield, Ohio.
James Z. George, Mississippi.
George W. Glick, Kansas.
John Gorrie, Florida.
Nathanael Greene, Rhode Island.
John Campbell Greenway, Arizona.
Hannibal Hamlin, Maine.
Wade Hampton, South Carolina.
John Hanson, Maryland.
James Harland, Iowa.
Samuel Houston, Texas.
John J. Ingalls, Kansas.
Andrew Jackson, Tennessee.
Philip Kearney, New Jersey.
John E. Kenna, West Virginia.
Thomas Starr King, California.
William King, Maine.
S. J. Kirkwood, Iowa.
Robert M. La Follette, Wisconsin.
Robert E. Lee, Virginia.
Robert R. Livingston, New York.
Dr. Crawford W. Long, Georgia.
Huey P. Long, Louisiana.
James Marquette, Wisconsin.
Ephraim McDowell, Kentucky.
J. Sterling Morton, Nebraska.
Oliver P. Morton, Indiana.
J. P. G. Muhlenberg, Pennsylvania.
Francis H. Pierpont, West Virginia.
Henry M. Rice, Minnesota.
Caesar Rodney, Delaware.
Will Rogers, Oklahoma.
Uriah M. Rose, Arkansas.
Sequoyah, Oklahoma.
Junipero Serra, California.
John Sevier, Tennessee.
Roger Sherman, Connecticut.
James Shields, Illinois.
George L. Shoup, Idaho.
E. Kirby Smith, Florida.
John Stark, New Hampshire.
Alexander H. Stephens, Georgia.
Richard Stockton, New Jersey.
Jonathan Trumbull, Connecticut.
Zebulon B. Vance, North Carolina.
Gen. Lew Wallace, Indiana.
George Washington, Virginia.
Daniel Webster, New Hampshire.
Gen. Joe Wheeler, Alabama.
Frances E. Willard, Illinois.
Roger Williams, Rhode Island.
John Winthrop, Massachusetts.

Mr. President, because Dr. Marcus Whitman, of Walla Walla, and of the State of Washington has earned the right to stand in the company of such great names as I have mentioned, I am completely satisfied that all of them will move over and bid him welcome when in due time his statue comes across the Nation.

ADDITIONAL APPROPRIATIONS FOR DEPARTMENT OF DEFENSE — MESSAGE FROM THE PRESIDENT (H. DOC. NO. 726)

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States, which was read, and referred to the Committee on Appropriations.

(For President's message, see today's proceedings of the House of Representatives on pp. 16040–16041.)

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Miller, one of his secretaries.

THE FEDERAL BUREAU OF INVESTIGATION—BOOK BY MAX LOWENTHAL

A PATTERN OF DESTRUCTION OF RESPONSIBLE GOVERNMENT

Mr. MALONE. Mr. President, I wish to refer briefly to a book entitled "The Federal Bureau of Investigation," written by Max Lowenthal.

DELIBERATE INTENT

At this time I do not propose to go into the contents of the book or the activities of its author, except to say that the book is obviously written by a man whose deliberate intent is to cause trouble between the President of the United States and Mr. J. Edgar Hoover, the Director of the Federal Bureau of Investigation.

BOOK A REHASH

Most of the book is a rehash of some of Mr. Lowenthal's own work when he was employed by the Norris committee some years ago. The committee's report was favorable to the FBI. Although I shall not go into all the evidence, some parts of it are now being used on the other side, as condemning the FBI.

LONG-RANGE PATTERN

If this attack was an isolated instance it could be excused as an irresponsible flight of fancy by a comparative nonentity—but it follows too closely the pattern of destruction of responsible Government to be ignored.

DESTROY COMMUNIST RECORDS

The distinguished senior Senator from Iowa [Mr. HICKENLOOPER] ably informed us on this subject last Monday. The House Un-American Activities Committee has suggested the author's motive in writing the book. As a matter of fact, all one need do is to read the book to learn that the author would like to destroy the FBI and its records of Communists, fellow travelers, and deluded dupes.

I have learned that Members of both Houses of Congress, Federal judges, educators, and newspapermen received copies of the volume. The method of distribution and the extent of distribution suggests that it was a propaganda book.

PROPAGANDA BOOK

The fact that the author has a motive does not account for the fact that the book was published and placed on desks of persons who could be expected to mold some opinion or pass some judgment on the FBI and its activities. Ordinarily, books are published as a commercial venture—in anticipation of profit. Sometimes books are published at a loss in order that profit might come other ways, or that an objective, usually sinister, may be achieved.

When a book priced at $4.50 is given away in wholesale quantity, we can assume that the motive of publication is not entirely one of profit. This suspicion may grow when it can be recalled that the same publisher last year released such a book as The Sure Thing, by Merle Miller, a vicious attack on the loyalty program as it affects State Department employees.

The publisher, by the way, is William Sloane and Associates, Inc., of New York City. The book was accompanied by a letter signed by Mr. Norman Hood, vice president, which said:

This unbiased and profoundly conservative approach will, I think, lead you to some startling conclusions.

STARTLING CONCLUSIONS—RECORD OF UNDERSTATEMENT

I must say that I did come to a startling conclusion, namely, that the author views the work of the FBI as impartially and unbiased as that great fountain of lies, slander, and abuse, the Moscow press and radio. Mr. Lowenthal is as objective against the FBI as is the Communist Party in America. His is one of a series

of attacks on the FBI that have sprouted mysteriously since the conviction of Communist leaders and Red spies, and the exposures of red-handed dabblers in treason and their apprentices, the fellow dabblers.

Mr. President, there has been called to my attention a number of facts about the publishers and the executive editor for the publishers at the time the book was accepted for publication. The facts which have come to my attention are sufficient to cause me to believe that the publishers are very definitely on the side of Communist sympathizers. At this time I am not going into these details.

I merely want to say a word in defense of the FBI. It seems strange that this great organization should need any defense.

FBI THE LAST STAND BETWEEN THE ADMINISTRATION AND SUBVERSIVE GROUPS

The FBI is the last stand between the administration and utter surrender to subversive elements. During months of exposure of the connection between certain Goverment officials and those who would bring destruction on this country, it has been a source of satisfaction to many of us to know that we have the FBI, an organization entirely above suspicion of any kind. It is only natural that the subversives who have been investigated by the FBI and their defenders would like to destroy FBI records for personal reasons. The FBI has been one organization in our Government which these traitors have not been able to touch.

LOWENTHAL'S REWARD FOR THE BOOK

Mr. President, I ask unanimous consent to insert at this point in the RECORD a copy of a purported telegram to Robert Murphy, United States political adviser for Germany, from Secretary of State Acheson.

The PRESIDENT pro tempore. Without objection, it is so ordered.

War Department advises that Max Lowenthal leaving soon for Berlin to assume position legal division, OMGUS, as adviser on problems of restitution, sequestration, and disposition of Jewish heirless property fund. I have had close associations with Lowenthal for many years and am confident that he has the high competence, standing, and experience in public affairs necessary to aid materially in solution of these problems. He has discussed his assignment and related questions fully with Hildring and other interested officials of the Department, and we are anxious to make certain that he will have every assistance and cooperation Department can afford him in connection with his work. Hildring and I shall personally appreciate any help that you can give him in Germany.

ACHESON, *Acting.*

Mr. MALONE. Apparently the reward for the unwarranted attack upon the most reputable departments of the Government is to be ample.

THE STRANGE CASE OF MICHAEL LEE, PET OF THE PATTERN

In regard to the administration's typical attitude toward these pink followers I refer to the case of one Michael Lee, who was exposed by the junior Senator from Nevada as a dangerous security risk in a key Government position—a part of the long-range pattern. While I was on a recent inspection tour with other members of the Public Works Committee the Secretary of Commerce took a rather peculiar action in this case. The loyalty board of his Department had found Mr. Lee guilty as charged and requested his expulsion. The Secretary of Commerce reversed this finding, technically clearing Mr. Lee, and then discharged him as a poor security risk.

PRESS RELEASE PROVED FALSE

Mr. President, it will be remembered that at the time this matter was brought up on the Senate floor, it was assigned to the Committee on Interstate and Foreign Commerce, and a subcommittee of that committee investigated the case. In the testimony it was brought out that at the time the junior Senator from Nevada made the first statement on the floor, the release cleared Mr. Lee, stating that all the charges were old charges, that they had been investigated, and that he was cleared. As a matter of fact, the junior Senator from Nevada had information at that time that he had not been cleared.

The statement released to the press by a Department of Commerce official was proved false—but the official was still there.

SECRETARY OF COMMERCE DISCHARGED LEE AND REMINGTON

Mr. President, when this matter came before the committee the testimony was given by the junior Senator from Nevada, and then certain other witnesses were heard.

Without going into detail, I may say that Mr. Sawyer stopped the examination abruptly by discharging Mr. Lee, and also Mr. Remington, whose record was very closely allied with Mr. Lee.

Mr. Remington was under indictment in New York very soon thereafter.

LEE NEVER CLEARED BY LOYALTY BOARD

Testimony was brought out to the effect that Mr. Lee had never been cleared by his own loyalty board, that they had not found enough against him to convict him of actual disloyalty, but had found enough against him to recommend that he was a dangerous security risk.

SAWYER'S ACTION INEXCUSABLE

The action subsequently taken by Mr. Sawyer, after the loyalty board of the Department of Commerce had actually found him guilty, was unexplainable and inexcusable. I do not know what was in the mind of the Secretary of Commerce, but I am inclined to believe that his action permits Mr. Lee to get another Federal job, in another department, and I am inclined to believe that it was done for the particular purpose of allowing Mr. Lee to show up on another payroll in another department, as has been done so many times in the past 15 years. It is almost impossible, out of a million and a half people, to keep track of all of them. In any case, the action was inexcusable on Mr. Sawyer's part, as well as deliberate.

SUCH ACTION TOO PREVALENT

This sort of thing has been done entirely too much. Subversives and sympathizers have gone off one payroll, disappeared briefly, and then reappeared on another Government payroll, often in a more important position. I understand that some of the homosexuals who were exposed in the State Department, simply moved to another department.

MR. LEE AND THE DEFENSE OF CHINA

It will be recalled that the National Government of China blamed Mr. Lee more than any other Government official for delays in vital shipments of ethane gasoline and other war supplies to war-swept China until too late for the National Government to use them effectively against the Reds.

I recall, and testimony will be found to the effect, that General MacArthur determined that gasoline was such a necessity that he took a large supply of the barrels of gasoline from his meager supply and shipped them to China, in lieu of what they were supposed to get from the Department of Commerce, as authorized by the Congress and approved by the President, but the shipment of which was delayed inexcusably by the Department of Commerce, with Mr. Lee at the head of the Far Eastern Division.

INFORMATION OF INTEREST TO RED CHINA

There was nothing in writing by Mr. Lee, but the written replies to his evident telephone requests showed that he asked about the storage capacity in China, where it was located, the number of troops in training, where they were located, the number of planes they had, commercial planes and passenger planes, information of no interest to Mr. Lee or the Government or the department he represented, but it was of great interest to the Soviets, the "agrarian reformers," which Mr. Marshall had discovered in 1946. It was information that could be of importance only to an opposing army. So this man was "cleared" in order that he could get another job with another department.

CONGRESSMAN JUDD REPEATEDLY URGED INVESTIGATION

Representative WALTER JUDD, of Minnesota, according to a press dispatch, repeatedly urged the Department of Commerce to investigate Lee, and charged unconscionable delay in aiding China. Mr. JUDD alleged that although the China-aid bill was passed by Congress April 31, 1947, it took until July to get the paper work set up. When the British needed help after Dunkerque, President Roosevelt had ships loaded and moving in only 8 days. No real material reached China until December 8, months after Congress authorized the aid. Mr. JUDD called it suspicious and unjustifiable to have a foreigner of Russian lineage and pro-Russian leanings, heading exports to help that strategic area.

A CHINESE-BORN RUSSIAN

The man we refer to as Michael Lee is Ephraim Zinovi Liberman, of Russian parents, born in Harbin, China, and in three attempts was denied American citizenship because he was not attached to the principles of the Constitution of the United States. On the fourth try, after changing his name to Michael Lee, he made it—that was in 1941—and almost immediately we find him as head of the Far Eastern Division of the Office of International Trade in our own Department of Commerce.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MALONE. I am happy to yield to the Senator from North Dakota.

Mr. LANGER. I did not quite understand the Senator's statement. Did the person in question change his name four times, and after the fourth change, he was admitted?

Mr. MALONE. He changed his name only once, but he made three applications for citizenship and was turned down because he was not attached to the principles of the Constitution. On the fourth trial, after he had married an American girl, he made it.

Mr. LANGER. He changed his name?

Mr. MALONE. Yes.

Mr. LANGER. From what to what?

Mr. MALONE. From Ephraim Zinovi Liberman to Michael Lee.

Mr. LANGER. I thank the Senator.

Mr. MALONE. I am giving the Senate this background to show the incongruity of the action in high places apparently designed to make it possible for a man of this character and background to get back on the Federal payroll in another department after he was found disloyal and a dangerous security risk by the Department's own loyalty board.

We need more Government offices like the FBI.

A TYPICAL CASE—A PATTERN

Mr. President, the investigation into this case was typical. I had made a direct charge and suggested calling for the FBI records. That is all a matter of testimony.

The request was made by the chairman of the committee.

FBI RECORDS NOT AVAILABLE

But, Mr. President, the FBI records were not available. The President of the United States said they were not available to the Congress of the United States. Therefore the discharge in this case was surprising even to some of us. Mr. Sawyer became a little nervous and fired both men, in order to stop the investigation. But it is more surprising that he should clear the man after his own Department board had later convicted him and then fire him as a "security risk."

THE RESOLUTION FOR INVESTIGATION

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr STENNIS. The Senator from Mississippi was not in the Chamber when the Senator from Nevada began speaking. Will the Senator give us again the date of the investigation, and what committee the Senator was speaking of?

Mr. MALONE. I do not recall the date of the investigation.

Mr. STENNIS. Can the Senator give it approximately?

Mr. MALONE. I do not recall the date when the junior Senator from Nevada made the first charge on the Senate floor, but the resolution providing for the investigation, Senate Resolution 230, was submitted during the second session of the Eighty-first Congress. The resolution provides:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, in pursuance of section 136 of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong.), is authorized and directed to make a full and complete study and investigation of the operation and administration of the Bureau of Foreign and Domestic Commerce for the purpose of ascertaining whether or not that Bureau is being operated in accordance with the law, the public interest, and the intent of the Congress.

Such study and investigation shall include, but shall not be limited to, an examination into the qualifications, honesty, competency, efficiency, and loyalty of people employed by the Department of Commerce, and particularly the qualifications, honesty, competency, efficiency, and loyalty of Michael J. Lee, formerly known as Ephraim Zinovi Liberman, Chief of the Far Eastern Division of the Office of International Trade in the Department of Commerce.

SEC. 2. The committee shall report its findings, together with its recommendations for such legislation as it may deem advisable, to the Senate at the earliest practicable date.

SEC. 3. For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized, during the sessions, recesses, and adjourned periods of the Eighty-first Congress, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

THE INVESTIGATING SUBCOMMITTEE

I will say to the Senator from Mississippi that on March 28, 30, and April 4, 1950, a subcommittee, headed by the junior Senator from Wyoming [Mr. HUNT], including as its members the Senator from Maryland [Mr. O'CONOR], the Senator from Washington [Mr. MAGNUSON], the Senator from Indiana [Mr. CAPEHART], and the Senator from Ohio [Mr. BRICKER], conducted the investigation. It held three hearings. During the third hearing, or very soon thereafter, Mr. Sawyer took the action, as already outlined, apparently obtaining an agreement to stop the hearings, because nothing else was done in that connection. Then the action described earlier took place.

PRESENT STATUS OF MR. LEE

Mr. STENNIS. At that point the junior Senator from Mississippi came into the Chamber. What was the subsequent action? Does the Senator say he is still employed?

Mr. MALONE. No. The subsequent action was the immediate discharge of Mr. Liberman—Mr. Lee now—and of Mr. Remington, who was associated in a general way with all these activities. But Mr. Remington submitted to the discharge, and Mr. Lee did not.

Then hearings were held before the Department of Commerce. I am not entirely familiar with the hearings that were held, but the Loyalty Board of the Department of Commerce subsequently found him guilty. The Senator understands that each department has its own loyalty board. After the loyalty board of that Department found him guilty and subsequent to the time Mr. Sawyer discharged him, Mr. Sawyer then cleared him of disloyalty so that now he is available for appointment in any another department of Government—in the Department of Commerce, so far as that is concerned.

Mr. STENNIS. But he is not now employed by the Department of Commerce.

LONG UNDER INVESTIGATION BUT NEVER SEPARATED

Mr. MALONE. No. He is separated from the Department for the first time. I will say further to the distinguished Senator from Mississippi that all during this time, after his employment by the Department of Commerce, he had been under investigation. Apparently, however, he had never even been temporarily separated from the powerful position he had as head of the Far Eastern Division.

Mr. STENNIS. Mr. President, I wish to ask the Senator a question for information. After an individual has been found guilty by the loyalty board of a department, can the head of the department then exonerate him and make him eligible for further appointment merely by a statement issued by the head of the department?

Mr. MALONE. I have not read the official statement, but the press carried it. It said, however, that the Secretary had completely cleared him, so he could now be rehired in the Department of Commerce, as I understand it, or in any other department of the Government. The dispatch said he was cleared of all disloyalty. It further said he had been discharged by the Secretary himself, after his own department loyalty board had found Lee guilty.

Mr. STENNIS. Mr. President, will the Senator yield for another question?

Mr. MALONE. I am happy to yield.

Mr. STENNIS. As I understand, there was a finding of guilty by the loyalty board, but still he is eligible for employment now in the Department of Commerce or in any other department.

Mr. MALONE. I am given to understand that is a fact. I understand there is nothing against his record whatever so far as the Secretary is concerned. The Secretary cleared him simply by making an arbitrary statement.

Mr. STENNIS. Mr. President, will the Senator yield further?

Mr. MALONE. I yield.

Mr. STENNIS. I was not here when the measure relating to loyalty boards was passed. I understand each department has a separate board?

EACH DEPARTMENT DOES OWN INVESTIGATING

Mr. MALONE. Yes. The junior Senator from Nevada had never gone into that subject until he made his statement on the Senate floor. Then it became necessary for me to do so. I found that each department of government, the Department of Commerce, the Department of State, and so forth, has its own loyalty board and does its own investigating when any subject for investigation comes up, or when any accusation is made against a member of the department, just as a family would conduct its own investigation if an accusation of

wrongdoing were made against a member of the family.

If the matter is pressed beyond the loyalty board of the Department, another board, the President's Loyalty Board, appointed by him and responsible only to him—not at all to the Congress of the United States—can consider the case further—conduct a further investigation or reverse the finding of the Department board. That Board can clear an accused person or find him guilty. However, it seems that Board never has held anyone to be really guilty. It operates in a peculiar fashion. It seems to operate to clear an individual rather than hearing evidence.

Mr. STENNIS. I thank the Senator. I am impressed with the case he is presenting.

Mr. MALONE. I will say further to the distinguished Senator from Mississippi that the junior Senator from Nevada introduced a bill immediately thereafter which provided for setting up a loyalty board by Congress, members thereof to be appointed by the President and approved by the Senate, so that the Congress would have some responsibility in the matter. A board set up by law could not simply clear an individual arbitrarily regardless of the evidence. It would be responsible to this body. The bill, however, is held in committee.

Mr. President, I had not intended to go so far into Mr. Liberman's case because it is closed now. At least, he is discharged and, so far as we know, has not yet been rehired in another department.

Mr. President, I wish to speak on another matter now.

The PRESIDENT pro tempore. The Senator from Nevada may proceed.

GEN. DOUGLAS MAC ARTHUR

Mr. MALONE. The subject to which I am about to refer represents another attack on the remaining sound personnel in the administration. It is typically illustrated in the attack on Gen. Douglas MacArthur. There is no question in the mind of the junior Senator from Nevada that General MacArthur was slated for discharge very soon after election.

ATTACK ON MAC ARTHUR NOT POPULAR

But as things have turned out it seems that MacArthur is still very popular with the American people, and that it would not meet with popular approval if the President or Mr. Acheson, Secretary of State, were to attack MacArthur. So it seems that the attack now rather is coming from Europe, particularly from England.

AN INDIRECT ATTACK

The attack seems to be an indirect attack. No doubt there is a long-distance telephone connecting Washington with the nations now under the Marshall plan.

A CONTINUATION OF THE PATTERN

Mr. President, I hold in my hand a dispatch which shows that the attack is the same kind of attack as that which is being made on the FBI, although neither of the attacks is being made directly, because both MacArthur and Mr. Hoover of the FBI are much too popular for that.

PUBLIC RESPECT MR. HOOVER AND GENERAL MAC ARTHUR

Both Mr. Hoover, the head of the FBI, and General MacArthur are persons whom the American people respect and like very much, because they have a great deal of courage, which they demonstrate every day in their respective fields.

Both General MacArthur and Mr. Hoover have demonstrated again and again that they will do very well indeed if they are allowed to fight, or, in the case of Mr. Hoover, if he is allowed to make the investigations which he thinks should be made.

This dispatch is dated at Paris, November 25, a little after the election. The dispatch appeared in the international edition of the New York Times for Sunday, November 26. The headline reads as follows: "Europe is dubious on United States aim in Korea. Nations burdened by defense cost wonder if MacArthur is now going too far."

Just how they are burdened by defense costs, when we are putting up so much money for their defense and for the Marshall plan, is not clear. Nevertheless, these nations may be afraid that they might have to put up some money, and that if this situation continues it might be necessary for them to use some of their own military forces, if we continue to use our men abroad, in Korea, as bait, as has been mentioned several times.

The article reads as follows:

The second Korean crisis provoked by the Chinese intervention has coincided with new pressure on Indochina and second thoughts on Western rearmament in a way that doubly emphasizes the notable differences of view between Washington and the European capitals.

The United States decision in June to resist the Korean invasion came as an almost joyful surprise to most Europeans. To them it meant that the United States would act to resist aggression anywhere, a point on which there had been doubts.

Within the last couple of days—

This dispatch is dated November 25, but it was published in the New York Times on November 26—

as Gen. Douglas MacArthur's forces have pushed toward the Yalu River, there have been dismay and fear lest the United States should act too much and go too far in the policy so heartily applauded in June.

The advance toward the Yalu River was first described here as an independent action by General MacArthur but is now interpreted as a United States diplomatic move. Neither construction of it pleases the French or British who doubted that it was the best means of getting a peaceful deal with Peiping.

The French would like to throw Indochina into the already large collection of Far Eastern problems under international discussion, thus escaping from the doctrine pronounced by Dean Acheson, United States Secretary of State, last May that the defense of Indochina was primarily the responsibility of the French and native states.

Of course, Mr. President, I was in Saigon, and elsewhere in Indochina, about the time, or a little after, we had chosen as our man the French representative in that area, to uphold his hand in the ruling of Indochina and putting down all insurrections. The Communists had a man there, too. The folks who live there did not have anyone. We are not taking their part, either; we are supporting colonialism by the empire-minded nations in that area, to keep the people of that area under the yoke of France, just as in Singapore the British are doing the same thing. In other words, we are backing colonialism in the Far East, just as we are backing colonialism in Africa.

I have described before the visit I made on that occasion, so I shall not go into detail now about it. It was made at the time when the armies were facing each other in Indochina. No one then seemed to be for the Indonesians. Some persons were for the Dutch; but the Indonesians have worked that out now.

Everywhere we go we seem to be ready to aid someone who wishes to put a yoke on the native people. The evidence indicated to me that all those native people hate our guts right down to the ground, because we are backing those who are keeping the yoke on them.

I continue to read the dispatch:

There would be no violent objection here if Formosa were sacrificed to a modus vivendi with Peiping that would end the pressure on Indochina.

In other words, there would be no objection in Europe if we sacrificed Formosa and withdrew from it.

I read further from the dispatch:

The French concern to liquidate or reduce the burden of the Indochinese war has been intensified by its growing financial cost at a time when the financing of France's share in European rearmament has become a major problem for the Government, even though the United States is helping.

Mr. President, I should say, "Even though the United States is giving them much more money than anything in Indochina is costing them." We are financing that deal.

I read further from the dispatch:

Premier Rene Plevin's newspaper has sought to reassure the public by explaining that taxes next year will rise by only about 9 percent and that this rise will eat up only 2 percent of an increasing national income. But these statistics do not prevent the new budget from being a first-class headache for the Plevin Cabinet as it faces a Parliament whose normal aversion to taxation is redoubled by the approach of a national election.

The financial burden of the present defense program for Frenchmen would be perhaps twice what it is were it not for United States aid in the form of both credits and finished material. About 20 percent of the defense expenditure written into the budget this week will be supplied by the United States. Probably 50 percent or more of the total outlay on French armament in the coming year will be furnished by the United States, counting war material as well as dollar credits.

Moreover, about one-third of the industrial investment proposed under the Monnet plan for 1951 will come from the counterpart fund created by the Marshall plan.

Mr. President, the Monnet plan, I have described at various times. I had a 3-hour conference with Mr. Monnet in France in 1947. At that time he outlined all these nice projects they were going to build in France with our money.

At the end of his talk, I inquired as to who would own the projects when they were finished. I was told that France, of course, would own them, or that the French Government would own them. I asked, "Is any method of amortization or for making interest payments being provided?" However, it seemed that there was no thought of such a thing.

So I told Mr. Monnet that such a procedure was just a little strange to me. I said that I had been connected with most of the large projects in the western part of the United States, such as Boulder Dam and Hoover Dam, and that before most of them were begun and before the beginning of their construction was permitted, we required that definite arrangements be made for the amortization of their cost and for the payment of the interest.

However, under the Monnet plan, the French Government will own all the projects we are building there. In short, we are putting the French Government in that business. It seems a little unusual, but it seems to be accepted now that that is the thing to do. That is the great Monnet plan.

I read further from the dispatch:

There are therefore no important French voices urging emancipation from United States aid, as there apparently are in Britain, where some members of the Labor Party seem to believe that Washington pushes Britain into more rearmament than she can afford.

Of course, Mr. President, we may push them into more rearmament than we can afford, if this keeps up.

I read further from the dispatch:

Yet the difference between the Washington approach and the French approach was illustrated by Foreign Minister Robert Schuman's speech in Strasbourg yesterday when he defended the French plan for a European army as an effort to carry a political objective into the military sphere.

In other words, Mr. President, we are the push behind the western European defenses, and no European nation seems to be very much interested.

I read further from the dispatch:

The German approach appears similar in the sense that the western Germans want to barter their military contribution to acquire greater sovereignty.

Consequently there is lacking in Europe both the sense of urgency and the singleness of purpose that distinguished the United States efforts to build up western defenses. Here rearmament has many aspects that are sometimes overlooked or underestimated in Washington.

For example, behind the prospective visit to Washington of a delegation of the European Marshall plan council early in December—

I may say that as a part of this foreign influence we now hear about the proposed visit of Attlee, who will arrive in just a little while. Apparently they are not able to make exactly clear what they want over long distance; even though they have been running our foreign policy for a long time, it is going to be necessary for them to come over here now to explain it in more detail, in order to continue the direction we are going.

Is the desire of Europeans to be assured that if they economize on vital raw materials, the result will not be merely that the excess thus saved will go into United States stockpiles at rising prices. This is an aspect of rearmament that worries Europeans as they face new payments deficits, but that has hardly yet been discussed by higher officials.

Economic Cooperation Administration officials were delighted when the European Payments Union managed to deal with the Western German payments deficit, even though the Washington officials had refused a request for additional aid. They believed this was a good example of the Europeans facing their problems without United States help.

But the goal of European financial independence has receded into a perhaps distant future as a result of the new defense programs. Marshall plan aid may be ended in 1952, as originally provided, but other United States aid, for both normal and defense production, will replace it.

Mr. President, that would be the Gray plan, the great plan that picks up with millions of dollars after the Marshall plan ends, and invests in everything in sight, and looks around for more things in which to invest. The Gray plan attempts to show us that the United States must continue to divide its wealth voluntarily, until the Torquay conference can level the tariffs and import fees and divide our markets with the other nations of the world. That is a great plan.

Consequently the delicate diplomacy between the giver of aid and the recipients—

It is a very delicate thing. It is a very delicate situation—

between the giver of aid and the recipients which has characterized the Marshall plan, with the United States insisting upon collective achievements that Europeans often were reluctant to undertake, may now be extended into the future and into the economic and military fields.

EUROPE'S ATTACK ON MAC ARTHUR

That is a very interesting thing. But the most interesting thing of all, Mr. President, is that the attack upon MacArthur is now coming from Europe, namely, from England, from France, and from other nations. As the junior Senator from Nevada sees it, the general is simply too popular a man for anyone in this administration to attack.

HANDICAPPING GENERAL MAC ARTHUR

I do not know how the United Nations thinks a man fights a war, or fights any fight. When he reached the thirty-eighth parallel they put their arms around him and held his arms down to his body for 10 days while the enemy recruited and dug in and got more munitions with which to fight him and to kill a few more American boys over there. We are now up against Manchuria. No one seems to know how far we are going. But we stop him from attacking behind the lines, where the munitions and troops are mobilized, and make him wait until they "hit the line," just as in a football game. "Don't start until the whistle blows."

Mr. President, if we do not look out, one of these days ways will be found to defeat even General MacArthur. No one can win a fight under such conditions.

Mr. President, coming back to the attack on Mr. Hoover, Mr. Max Lowenthal's book is a roundabout attack through an already discredited official or exofficial, or a man who had worked for one of the committees.

SOKOLSKY'S OUTLINE OF LOWENTHAL

I have before me a very interesting article written by George Sokolsky, a man whom I greatly admire for his forthrightness of manner. The article appeared in the November 30 issue of the Washington Times-Herald. That was yesterday. In this article Mr. Sokolsky says:

Most of my colleagues have written about Max Lowenthal's book on J. Edgar Hoover and the FBI. Apparently they have read the book, but I must plead that I had other business on hand.

Anybody can be negative about such a job as J. Edgar Hoover does. Did Hoover catch the fellows who stole the ballot boxes in the Kansas City, Mo., election? No. He did not.

Was Harry Truman in Kansas City when the safe containing the ballot boxes was blown up? Yes, he was there. So.

That kind of argument can lead to nothing. A police department is to be judged by its general record, by the honesty and efficiency of its employees, and by its own adherence to the law.

The most provable criticism of the FBI is that while it collected evidence to convict spies, traitors, Communists and their fellow travelers, its accomplishments in this field have, on the whole, been unsatisfactory because on orders from the State Department and the Department of Justice, spies were not to be arrested.

In the evidence of Larry Kerley before the McCarran committee, the evidence shows that the FBI had Arthur Alexandrovich Adams, one of the worst spies Soviet Russia ever sent to this country, but the State Department safeguarded him from arrest.

Mr. President, those are strong words, and this man wrote them down. He is not immune.

Continuing:

In 1917, Lowenthal went on a secret foreign mission. This is what he says on the subject [in appearance before the House Committee on Un-American Activities—Editor]:

"It was a confidential mission that I don't care to go into. It was only for a short time, and I never discuss that kind of Government work with anybody."

You would imagine that in 1917 this secret mission was so terrific that it could only have been to Lenin or Trotzky or somebody like that, although I was in Petrograd in those days and do not recall Lowenthal, whose mission must have been too important even for history.

Max Lowenthal has held innumerable jobs with various branches of the Government from 1912 almost up to date. Some of them were of this character, to use his own words:

"In 1942 or 1943 there was some kind of problem, it is not quite clear in my mind; there was a war commission, I don't remember its name; it was headed by Mr. McNutt."

He is quoting from Mr. Lowenthal.

Mr. WHEELER—

That is Mr. Burt Wheeler, one of the keenest Senators who ever served on this floor, according to my book.

Mr. WHEELER. Paul McNutt?

This was from the cross examination. I continue:

Mr. WHEELER. Paul McNutt?

Mr. LOWENTHAL. Yes, Paul McNutt. I was sworn to assist them for a very temporary period on something or other, trying to straighten out some difficulties among some men who were not part of the Government.

He is still quoting from Mr. Lowenthal.

Mr. Chairman, I wouldn't remember these things too definitely, and anything any records would show that would correct me. I would accept those corrections.

Toward the end of 1943 or early 1944 I left that work. During all that period and since that period I have been consulted informally by various people in the Government, but so far as I can recollect at this moment, I don't think ever in any official capacity. There might be some, and I would be very glad to have those noted for the record.

Mr. President, I am quoting from an article written on the basis of a record, and reference is made to the man who wrote a book on the FBI. I continue:

It is a little difficult to believe that Mr. Lowenthal cannot remember what he did for Paul McNutt. It was not so long ago nor could it have been very important. Mr. Lowenthal's lapse of memory at this point is, to say the least, fascinating.

Mr. Lowenthal was asked who had recommended him for employment by the War Department. This is his reply:

"I couldn't say for certain. I was asked by a group of organizations whether I would permit my name to be submitted for recommendation by General Clay, and I agreed."

What are those organizations? He must know, but he does not say. No names of organizations. No names of individuals. It all hangs in the vacuum of secrecy and mystery.

At this point, Mr. President, let me say that I have the highest regard for Paul McNutt. I do not remember about this testimony, but it is mentioned here merely to show the type of this man and his memory. He had memory enough to write a 450-page book, but he did not have memory enough to know what important missions he was sent on by the War Department. I read further:

What are those organizations? He must know, but he does not say. No names of organizations. No names of individuals. It all hangs in the vacuum of secrecy and mystery.

Some of the pages of this hearing would interest a psychologist, who might write a doctor of philosophy thesis about them. Here is a man who started his career as secretary to Judge William Mack, a jurist of distinction who would not take on a dope.

I continue reading from the article by Mr. Sokolsky:

He goes through years of Government service and is associated with Senator Burton K. Wheeler on the Interstate Commerce Committee of the Senate.

Wheeler is an extraordinarily shrewd man. He would not hire a forgetful Jane. Yet, time after time, Mr. Lowenthal cannot remember dates, names, facts which no ordinary man could forget.

It is difficult to help wondering how a man, who forgets so much so easily, could remember so much about the FBI.

ATTACKS NOT ISOLATED

Mr. President, this attack on Government is not confined to isolated instances. If it were, it would be excusable. But here are two men. The first is Mr. J. Edgar Hoover, of the FBI. The second is General MacArthur, who, the American people are convinced, is one of the greatest generals that the United States has ever produced. These two men are made the subject of isolated attacks. The attacks all tie in together in a deliberate pattern.

DESTROYING THE ECONOMIC SYSTEM OF THE UNITED STATES

Mr. President, we have debated this issue a good many times on the floor of the Senate. Since 1934 the administration has deliberately entered into a line of action calculated to destroy the economic system of the United States, through deficit financing and the free trade program to divide the American markets with the nations of the world, removing all semblance of a floor under wages and investments. From the end of World War II we started giving away the strategic areas of the earth, needed to defend the United States of America. What happened at Yalta—Manchuria, Korea, Berlin? At Yalta we gave away Manchuria over the almost dead body of Chiang Kai-shek, without his knowledge, and then forced him to take it. We divided Korea into North Korea and South Korea, which undoubtedly hastened the advent of the present conflict. We gave way in Berlin, without retaining any means of ingress or egress. This made necessary heroic efforts to maintain a coal lift, which involved an expense of several hundred dollars a ton to haul coal into Berlin. There was nothing on the railroads, nothing on the highways, and nothing on the river except a few sentries who said, "You cannot pass."

REQUIRES A GREAT NATION TO TAKE THIS BEATING

Mr. President, it would take a great nation to stand up very much longer under an attack of this kind. It seems to me that it is time to stop such dangerous practices or at least expose them for what they are, namely, attacks on the great men who are still carrying their weight in the United States Army and in the greatest investigative body in the world.

ATTACKS DELIBERATE AND CALCULATED

In conclusion, let me tie these things together. They are not isolated things and cases. They come from separate sources. The attacks are deliberate and calculated.

The attack on General MacArthur comes from Europe, from the countries which are enjoying our bounty. They are on our payroll, just as are the FBI and the Secretary of State. The attacks on one of the greatest generals in the world are still being made. We hold him at the 38th parallel. We handicap him. We hold him on the Manchurian border and do not let him attack. We let the Reds murder our American boys.

STATEHOOD FOR ALASKA

The Senate resumed the consideration of the motion of Mr. LUCAS to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

Mr. CORDON. Mr. President, I rise to discuss the pending question. I desire the RECORD to clearly show my position with respect to the pending motion to consider the Alaska statehood bill. Of course we all recognize that the fate of the motion will carry with it the fate of the Hawaiian statehood bill. Frankly, I fully realize that so far as the event is concerned, I am unduly taking the time of the Senate. I realize that so far as the pending motion is concerned, all it now needs is its obsequies. The end was a foregone conclusion when the motion was made. It has been perfectly clear for months that no vote would be had by the Eighty-first Congress on the merits of either of the statehood bills.

Before I discuss the bills and the present parliamentary situation, I wish to digress for a moment to express my own deep appreciation to the present occupant of the Chair [Mr. O'MAHONEY] for the yeoman service he has rendered as chairman of the Committee on Interior and Insular Affairs in holding hearings on both bills, in reaching a conclusion by the committee on both bills, in reporting both bills to the Senate, and in endeavoring to get the Senate to give consideration to them. Being a member of the committee, I know the difficulties with which he as chairman was faced. Being a Member of the Senate, I know the difficulties with which he and I and all of us who believe that a measure of this kind is entitled to be heard on its merit have been faced since the bills were reported.

As I stand on my feet this afternoon, I am under no illusion as to what the end will be—the end has been.

However, Mr. President, other days will come. Somewhere, somehow, sometime the hopes and aspirations of the United States citizens who reside in the present Territory of Alaska, and the hopes, aspirations, and dreams of the citizens of the United States who reside in the Territory of Hawaii, must have recognition before this body.

Mr. President, the people of the United States have spoken on the question. Time after time the people of America have spoken in polls throughout the United States. The press of America has spoken. It is overwhelmingly in favor of the statehood measures. I realize that polls do not enjoy the same measure of sanctity they had before the Presidential elections of 1948. However, they are not wholly discredited.

I think at this time it would be well to invite the attention of the Senate to the result of such a poll which was taken by Dr. Gallup during the current year. It was taken after the 25th day of June, the date of the invasion of Korea. Thereafter, in the latter part of July, the result of the Gallup poll on statehood appeared in the papers of the country. The result was very carefully presented by Dr. Gallup. It was more than a showing of the result of the most recent poll. A comparative showing was made also.

Mr. President, I ask that a copy of the Gallup poll as it appeared in the Honolulu Star-Bulletin on July 29, 1950, be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the poll was ordered to be printed in the RECORD, as follows:

GALLUP POLL ON STATEHOOD—TIDE OF PUBLIC SENTIMENT RUNS HIGH AS RESULT OF WAR IN KOREA

(By George Gallup, director of the American Institute of Public Opinion)

One aftermath of the Korean War has been a sharp increase in public sentiment in favor of admitting Hawaii and Alaska into the Union as the forty-ninth and fiftieth States.

Shortly after President Truman announced the decision to defend Korea, the American Institute of Public Opinion put its Nation-wide corps of interviewers to work.

They sampled a carefully constructed cross section of the voting population in all areas of the continental United States on the question of statehood for the Hawaiian and Alaskan Territories—both strategic areas in any Pacific war.

It found a vote of 7 to 1 in favor of Hawaiian statehood, highest favorable sentiment in 9 years, and 10 to 1 in favor of Alaskan statehood.

Here is the trend of the vote on Hawaiian statehood:

"Would you favor or oppose having Hawaii admitted as a State in the Union?"

	Yes	No	No opinion
	Percent	*Percent*	*Percent*
1941	48	23	29
1946	60	19	21
1949	58	12	30
February 1950	64	16	20
Today	76	10	14

The vote on Alaskan statehood follows:

"Would you favor or oppose having Alaska admitted as a State in the Union?"

	Yes	No	No opinion
	Percent	*Percent*	*Percent*
1949	68	7	25
Today	81	8	11

STIRS RENEWED INTEREST

The Korean crisis, with the possibility that it may lead to war between the United States and Russia, stirred renewed interest in Congress in admitting Hawaii and Alaska into the Union. Both places were important military bases in the last war.

Hawaii itself has just drawn up a constitution looking toward statehood.

Admission of Hawaii would climax a long fight conducted in Washington on behalf of statehood by JOSEPH R. FARRINGTON, Delegate to Congress from Hawaii.

Senator JOSEPH O'MAHONEY, of Wyoming, has served as spearhead in the Senate for pro-statehood forces.

NO PARTISAN DIFFERENCES

As in previous surveys, today's study finds little difference of opinion by political parties on the statehood issue. Democratic and Republican voters join hands in voting for admission.

Here is the vote by party affiliation on the question of Hawaiian statehood:

	Yes	No	No opinion
	Percent	*Percent*	*Percent*
Democrats	77	9	14
Republicans	76	12	12
Independents	72	14	14

Mr. CORDON. I invite attention only to some extracts from the poll. Dr. Gallup says that when this poll was taken, after the crossing of the thirty-eighth parallel by the Korean Communists, the vote was 7 to 1 in favor of Hawaiian statehood, the highest favorable sentiment in 9 years, and 10 to 1 in favor of Alaskan statehood.

That was the result of a careful poll of public opinion taken by one of the outstanding men in his field. It was taken after the beginning of the Korean aggression. Dr. Gallup says:

Here is the trend of the vote on Hawaiian statehood.

The question:

Would you favor or oppose having Hawaii admitted as a State in the Union?

In 1941, 48 percent voted yes; 23 percent voted no; 29 percent had no opinion.

In 1946, 60 percent voted yes; 19 percent voted no; 21 percent had no opinion.

In 1949, 58 percent voted yes; 12 percent voted no; 30 percent had no opinion.

In February of this year, 64 percent voted yes; 16 percent voted no; 20 percent had no opinion.

Today—this was after the Korean aggression had taken place—76 percent of those polled voted yes; 10 percent voted no; 14 percent had no opinion.

That was the result at the poll on Hawaiian statehood.

As to Alaskan statehood, the subject now under consideration—or at least it is pending at the moment and not yet buried—the question asked in the Gallup poll was: Would you favor or oppose having Alaska admitted as a State in the Union?

In 1949, 68 percent voted yes; 7 percent voted no; 25 percent had not made up their minds.

Today, after the beginning of the Korean aggression, 81 percent voted yes; 8 percent voted no; 11 percent had no opinion.

Mr. President, the results of the polls represent the thinking of the people of the United States. We who are honored with the confidence of these people, and who are sent here to represent them on the floor of the Senate, should give some thought to such an overwhelming expression of opinion on the part of the people we represent.

Mr. President, I have listened to the debates on the floor of the Senate. Those that I could not remain on the floor to hear I have read with care. I have particularly paid attention to the debate against the motion now pending. I desire to consider somewhat the contents of the statements made, the major aspects of them, so far as the points of opposition are concerned. But before I do that I should like to suggest my position on the statehood bill, I am discussing its merits. The debate has not been on a parliamentary motion to take up a bill. The debate has reflected the views of those who spoke as to whether they were for or against statehood for Alaska, so we might as well forget the fiction and go to the facts.

My position with reference to statehood for Alaska and statehood for Hawaii can be summed up thus: If taxation without representation was tyranny in 1776, it is tyranny today. If the right of people to govern themselves, to participate in their government, was so dear to those giants of old who gathered and promulgated and signed the Declaration of Independence, that they were willing to pledge their lives, their fortunes, and their sacred honor, in support of that proposition, it is just as dear today.

Mr. President, what we are considering is not a minor political question. We are dealing with people. We are dealing with our own citizens. The white people of Alaska were made citizens by the treaty of annexation. The same is true of the population of Hawaii. The Territorial status of each guarantees to every individual in either Territory whose citizenship has been created under either of the organic acts or the treaties of annexation every constitutional right and immunity that is given to any citizen of the United States anywhere. They have every constitutional guaranty that I have or that the Presiding Officer has. They have every right I have or that he has except the right which brought our forebearers into meeting when they promulgated the Declaration of Independence. They do not have the right to sit in the high councils of their government and have their representative there speak and work for them and for the Nation.

Mr. President, to me it is inconceivable that there could be any question in the mind of anyone as to the right of every American citizen to enjoy the full privileges of citizenship if in the area where he resides there are no more obstacles than are found in either of these two Territories. I can conceive of circumstances where citizenship might not, because of very real conditions, ripen into full-fledged voting and representation rights. I can understand that. But there is nothing here of that character.

The right of people to govern themselves and choose their representatives and have their voices heard through those representatives is the highest privilege and right that can come to them; and in this instance we are dealing with people, not with geographical areas; we are dealing with American citizens.

Mr. President, I wish that we could have had this bill before the Senate with some fair chance to go into it fully, to explore it to the utmost. I should like to take the time to traverse the statements made in the debate paragraph by paragraph and point by point, and indicate wherein it would seem to me that the speakers have not given the time which they should have given to the seriousness of this problem.

I have no criticism of any of my colleagues who take a view opposite to mine. I have been wrong many times. I think I am right now. But I do not criticize any for holding opposite views. I feel that there is a duty which devolves upon every Member of the Senate, however, to do whatever is humanly possible to help all who may be interested to gain a full understanding of the problems which confront us. I should like to see that done.

I shall not now take the time to do it, Mr. President, because I know it would be time wasted. I know that matters of desperate necessity will be before the Senate very shortly. I know that however much we may believe in the rights of our fellow citizens to 100-percent participation in our Government, nevertheless we would have to join others in setting aside consideration of the statehood bill in order to consider other

measures of tremendous importance made necessary from the world situation.

Mr. President, I also know that this is a rump session of the Senate. I know that there are Members of this body who feel just as deeply in opposition to these bills as I could feel in favor of them, or as even the citizens of Alaska and Hawaii feel. I know that those who have that deep opposition will—and they have frankly so stated—take advantage of every parliamentary situation in their favor to delay action or to defeat the motion.

Again, I do not criticize. I regret today more than ever since I have been in the Senate that we have not been able to do more to require that action be taken in this body when matters are presented to it of the gravity of the subject now under consideration. I am for the first time deeply doubtful as to whether we can go forward in an orderly fashion in the United States Senate with unlimited debate.

Mr. President, I have had great sympathy for my colleagues from the southern States. I know something of their problems. I was born in a southern State, of a southern mother. Frankly, I feel that my friends in the South have perhaps, as we say in the West, been too close to the trees for a long time fully to be able to evaluate the forest. I think perhaps prejudice has obscured their vision at times. I think perhaps their own people have gone further than they fully realize they have in a matter which very deeply concerns them. I can go a long way in support of deep-seated and honest convictions of my colleagues where the matters directly at hand are only concerned. But that is not the case here. Here we seek only to grant all the rights of citizenship to residents in two geographical areas which heretofore the Government of the United States has incorporated into this Union. We seek here only to carry out the basic tenets of the Government of the United States.

Indirectly, of course, that would mean two Senators from Alaska added to the United States Senate, and two Senators from Hawaii added to the United States Senate. But, Mr. President, there is none so wise as to be able at this time to know what views those new Members of this body would entertain on the so-called civil-rights question or any other question, nor how long they would entertain the views which they brought with them, nor what views their successors would have in the years to come. We do know that those Members of this body would be the choice of American citizens who would have the right to make the choice, and with respect to whom, Mr. President, in my view, we do not have the right to deny the right to make the choice.

Mr. President, as to the objections which have been made on the floor as to noncontiguity, it is a fact that Alaska and Hawaii are not contiguous Territories. If a Senator, after sound consideration, reaches the view that that is an insurmountable obstacle to statehood of the Territories, he has that right. But, at best, the arguments as to sparseness of population, lack of political maturity, lack, as of the minute, of adequate financial resources for a new State, are weak. None of them, save that of noncontiguity, can apply to Hawaii. Hawaii is self-sufficient economically. Hawaii has had a long history of self-government patterned after the State governments of these United States. Alaska has a similar history, though it is not so long as that of Hawaii.

More reason could be advanced, let me in all frankness say, for opposition on the ground of lack of economic sufficiency in Alaska, than can be advanced with respect to Hawaii. But, Mr. President, as was said in the opening statement on this matter by the Senator from Wyoming [Mr. O'MAHONEY] who now presides over the Senate, Alaska is a treasure house of unknown potentialities, but, as now cataloged, her potentialities are adequate to guarantee all the assets needed for complete self-government. Those assets are not all immediately available and producing, but let me say that until statehood comes to Alaska, and its people have the right of citizens to set up and operate their own government and have their voices heard in the two Houses of Congress—until that takes place this vast storehouse will never be opened, and I think no one knows that better than the members of the Committee on Interior and Insular Affairs.

Give to Alaska statehood, and Alaska will take care of the rest. I say that, Mr. President, as one who alone voted in the committee against a favorable report on the Alaska statehood bill. I believed then, as I believe now, that the provisions made in the bill are not adequate for complete self-sufficiency financially for a new State of Alaska. But I know that the potentialities are there, and I know that Congress, after a resurvey, can take care of that particular question. I also know that it never can take care of it until statehood comes to Alaska. That has been the history of our country.

Let us remember that this country today is operating under a completely different philosophy with reference to federally owned natural resources than existed when the other States came into the Union. When the State of Wyoming came into the Union, and before that, when the State of Oregon came into the Union, and before that, when the State of California came into the Union, and before that, when the State of Minnesota and the other States came into the Union—in those days every acre of the public domain was deemed to be held in trust by the Federal Covernment to be transmitted to the settlers in the new areas, and it was all open to them. It is no longer open. A new philosophy of ownership and management in the Federal Government has come about, and it has resulted in management by remote control and government by remote control, and it cannot help but result in that.

In that statement there is nothing critical of the departments who are doing the work connected with the Territories. I have criticized them when I thought they were wrong. I shall do so again when I think they are wrong. But there is inherent in the concept of management on the basis of ownership the necessity of absentee landlordism when the seat of the Government is in Washington, D. C., and the lands are 1,000 2,000, 3,000, 5,000 miles away. That is bound to result, and so long as it does result we will not have the kind of development that came to Wyoming, the kind of development that came to Oregon, the kind of development that came to California, the kind of development that came to all the other States. There must be created in Alaska the local government which can require, by virtue of its very necessities, the changing of the basic laws with reference to its assets and that, Mr. President, will be nothing new. That has happened time and time again in the history of the United States.

In my own State of Oregon we had special Federal laws to aid the settlers who came West into that unpeopled Territory. We had a special donation law by which a man and his wife might acquire 640 acres in the form of a donation from the Federal Government, 320 acres to each, and they might take it anywhere within the boundaries of the Territory without respect to legal subdivisions. That was a donation act passed especially for the people in the Oregon Territory. There was one for Arkansas, as I recall, the Swamp Land Act, a special concession to that area because of the peculiar conditions which existed in that area, where every acre of swampland became the property of the State, to enable the State to reclaim it and prepare it for the State's citizens and settlers. That was a special act to take care of a specific condition in order to encourage the development of that area. That Swamp Land Act was expended by successive acts time after time, and today embraces the State of Oregon, among others, and, I believe, the State of Wyoming.

Mr. President, that is nothing in the way of an obstacle to statehood for Alaska. Those matters can be handled certainly by Congress when it has behind it the experience of all the years which have gone by and which have witnessed the development of 2,000,000,000 acres of land within continental United States. All the people of Alaska need is an opportunity to prove that they can take care of themselves on a State basis. Let them have their State. Let them send their Representatives to the Senate and to the House of Representatives. Let us have before us the practical necessities of those people, and out of that vast treasure house we can meet those necessities in a practical manner after we can identify what is most needed.

Opposition has been heard here, Mr. President, because several thousand people are employed there, it is said, by the Federal Government. My answer is, "So what?"

In the first place, they are not employed by the Federal Government; they are employed by contractors who have contracts with the Federal Government. However, Mr. President, if we are to say that receiving Federal assistance is a bar to the exercise of all the rights and privileges of citizenship, what shall we say with respect to farm-support prices?

What shall we say with respect to national highways? What shall we say with respect to soil-conservation payments, and so forth—aids rendered by the Federal Government to the people all over these United States? Has that so corrupted them that they are not now entitled or able to discharge the duties of citizenship? The argument, Mr. President, falls of its own weight. It needs no answer.

Sparseness of population is advanced as an argument against statehood for Alaska. Mr. President, when the State of Oregon came into the Union, it had but 52,000 people, not 112,000, as is now the case in Alaska. The opponents of statehood for Alaska speak of the vast areas of Alaska that are unpeopled. Mr. President, I can take you down highways in my own State of Oregon and let you drive 115 miles without seeing a house, much less a service station, and I suspect that the same thing can be done in Wyoming and elsewhere on the Great Plateau. Certainly that argument has no validity.

Mr. President, there are arguments against the granting of statehood to Alaska, but they are not found in that sort of reasoning. I know they cannot be met in action on this floor at this time.

I could have hoped that after the Committee on Interior and Insular Affairs had rendered its report last June, we might have had a full and fair chance on the floor of the United States Senate to get these bills before the Senate and to determine whether majority rule should prevail. It would have been a trial by ordeal; that I recognize.

But, Mr. President, we are going to have to face that issue; and the sooner we do so the better for the United States. We have had other trials by ordeal. We are going to have to face it. Had the statehood measures been brought up—and, Mr. President, I feel that the majority party has to carry the load for that failure; I think those bills could have been brought up at the last session, with adequate time to determine, by trial by ordeal, if necessary, whether we can legislate on the basis of majority rule—the situation now would be different. However, we did not have that chance.

I feel very frankly that the making of the motion at this rump session represented little more than a gesture. I know that the President of the United States time after time has requested the Congress to act on this matter. I know that both parties, when asking for the people's votes, have pledged their support for statehood, and I know that the Democratic Party pledged its support for immediate statehood. Both parties have failed, Mr. President. Let us face it frankly.

There will be deep and bitter disappointment in the northland and in the islands of Hawaii. I can only say to those people, "Do not despair. Bring your cause again to the Congress, to both Houses of the Congress." I think I can say, "The committees of both Houses will help you get your bills again on the calendar."

Let us start a new session with new hope, and let us never cease trying. There must be a day when the representatives of the people of this country will respond to the will of those whom they represent; and, Mr. President, on that day we will find two more stars in the flag of this Union.

Mr. THYE. Mr. President, I rise for the purpose of asking the very able senior Senator from Oregon [Mr. CORDON] if I may be associated with him in his excellent plea and his presentation of the compelling reasons why this measure should be given the right of legislative consideration, and also his reasoning as to why this measure and the one granting statehood to Hawaii should be enacted at this time. His presentation constitutes one of the most intelligent reasonings I have heard in the Senate Chamber why this measure constitutes sound proposed legislation and why we should act upon it now.

I wish to say, further, that the argument regarding the distance of Hawaii from the mainland of the United States and the distance of Alaska from the main body of the United States is not such that we should take it into consideration. The attempt in the course of the arguments to raise a fear that the distance is too great for adequate and proper protection, so far as the United States is concerned, in the case of these particular Territories is not sound. Time has changed the mode of transportation; and today it is not so hazardous or so time consuming to travel from the United States mainland to Hawaii as it was when our forefathers traveled from this Capital City to the then distant land of Oregon or even to the then distant land of Minnesota.

So, Mr. President, I say this is the time when the Congress should enact the proposed legislation which is before us, and should provide statehood not only for Alaska but also for Hawaii.

Again I wish to state to the very able senior Senator from Oregon that his reasoning in support of statehood for both of these Territories is most sound, and I ask that I may associate myself with him in his plea for statehood for them.

Mr. MORSE. Mr. President, I wish to take a very few minutes to associate myself with the exceedingly able argument which my senior colleague has made in support of statehood for Alaska and for Hawaii.

I have been a very long time coming to a final decision on this issue. During the last year I have read and studied extensively on this subject. It was not until shortly before the end of the recent session of Congress that I made my first public statement of position on this issue, when I announced that I had concluded that, on the facts and on the merits, statehood should be granted to both Hawaii and Alaska.

From October 15 to October 20, I traveled throughout Alaska with a subcommittee of the Armed Services Committee of the Senate, headed by the distinguished Senator from Wyoming [Mr. HUNT]. The other member of the subcommittee was the distinguished senior Senator from Massachusetts [Mr. SALTONSTALL]. We covered the following major points in Alaska, which I mention now because I wish to use the observations I made during that inspection trip as a basis for certain conclusions which I wish to draw in support of statehood for Alaska: We arrived in Alaska, at Anchorage; we traveled from Anchorage to Nome; from Nome to Fairbanks, and on to Eilson Field, to Whittier, to Seward, to Juneau, to Annette, to Ketchikan, and back to the States.

At all those points we conducted a series of public hearings, Mr. President, on the basic question of Alaskan defenses; but in the course of that investigation in Alaska we had ample opportunity to study the Alaskan statehood problem and to weigh the points of view which were presented to us by the people in that Territory.

I wish to make very clear, Mr. President, that we did not conduct any hearings on the question of Alaska statehood. Such observations respecting statehood for Alaska as any member of that subcommittee made, he made on his personal and independent behalf.

This afternoon I propose to speak only for the junior Senator from Oregon, as a member of that subcommittee. I wish to say that the greatest human drama I have ever observed, I observed in Nome, Alaska, when on October 18, I believe it was, we conducted a public hearing in the courthouse, where we listened to witnesses testify in behalf of some 150 fellow American citizens, residents of the Seward Peninsula. We observed them exercise one of the greatest of all the freedoms incident to being an American, namely, the freedom to petition their Government for the redress of what they consider to be a wrong.

In testimony ably prepared, they presented to our committee the evidence on which they based their petition for more adequate defense, not for themselves alone, not for Nome alone, but for the entire Seward Peninsula. Two of those witnesses will always remain very vivid in my memory, Mr. President; one of them, a Mr. A. Polet, who has spent 51 years in Nome. He has raised his family there, presently lives with his grandchildren in Nome. He has been a past president of various civic clubs and is presently secretary of the Nome Chamber of Commerce. Mr. Polet is one of the leading merchants of the Seward Peninsula, beloved by all the residents of that area, including the native Eskimos. The other witness I wish to especially mention is a Mr. Jones, who has been in Nome for 53 years, and who for many years was a member of the Senate of the Territory of Alaska. These witnesses presented to us, as our committee report I am sure will eventually show, convincing evidence that the resources of the Seward Peninsula are of such vital importance to the security of America that they must never be allowed to fall into the hands of Soviet Russia. As we sat in the courthouse listening to the testimony presented in the course of the hearing, we were less than 10 minutes by jet plane from one of the greatest concentrations of air power ever assembled by any nation—the air power of Soviet Russia assembled on Siberian soil. I repeat that this powerful concentration of Russian air

might is a little less than 10 minutes by jet plane from Nome, Alaska. Of course, we were a shorter time than that from Big Diomede, which is well known to be one of the great military installations of Soviet Russia. Figuratively, it is just a stone's throw from Nome. It is also well known, Mr. President, if one is in Alaska—and the Delegate from Alaska in the House of Representatives is in the Senate Chamber at this moment, who could verify what I say—that our planes do not get near Big Diomede, although it is such a short distance from American shores. They do not approach Big Diomede because of the military installations of Russia on Big Diomede.

As we looked out of the window of that courthouse onto Marks Field, which was one of the great air bases of America during World War II, what did we see? We saw a field which to all intents and purposes has been dismantled—stark, ghostly evidence of one of the great mistakes of America since World War II, as far as its demobilization and disarmament program is concerned. I would point out this afternoon that for a long time following the close of World War II we were actually engaging, senselessly in my opinion, in a disarmament program in America as well as a demobilization program. Marks Field stands as a stark reality of that fact.

These witnesses, Mr. President, testified for defense of the Seward Peninsula, not for themselves alone, as I say, not for Nome alone, but for the Seward Peninsula, because the resources of the Seward Peninsula are vital to the security of every American living in continental United States. And so, as my able colleague has pointed out in his excellent speech here today, we are dealing with a Territory which is a rich storehouse of natural resources vital to our security. As he further pointed out, the people who live in the Territory where these resources are located most certainly are entitled to adequate defense, and they are entitled to a voice in American governmental policies, backed up by voting representation.

In fact, for a long time one of the cardinal principles that we have enunciated in our relations with foreign peoples has been the principle of supporting self-determination. But I want to say we are guilty of not giving to our fellow Americans the right to exercise self-determination in Alaska, because that right cannot be exercised unless the right of self-government goes along with it. Therefore, the first major point I wish to make in support of my conclusion that Alaska—and it is equally applicable to Hawaii—should be given statehood, is that I believe that from the standpoint of living up to the principle of self-determination American citizens living in Alaska are entitled to self-government.

Mr. President, I would point out that we have tried to make clear throughout our history that we do not look with favor upon a policy of colonialism, because a policy of colonialism inevitably, as history shows, is inclined to lead to taking advantage of the subjects of the colony. It is inclined to lead to a pattern of exploitation of people who are not given a voting voice in self-government.

One cannot travel through Alaska, one cannot talk to the many people with whom we talked in our recent trip through Alaska without recognizing that Alaska suffers from the great evil of absenteee ownership. Absentee ownership and the evils that inevitably go along with it can thrive best when self-government is denied. Self-government is necessary to check the evils of absentee ownership; and if self-government, which would go along with statehood existed in Alaska, I think there would be discovered within a very few years thereafter a great improvement in Alaska in connection with some of the problems which have been mentioned in this debate by the opponents of statehood. This is generally recognized throughout Alaska, as one talks to the people: they feel that much of their opposition is coming from great financial powers outside Alaska, with tremendous investments within Alaska, who are conducting a program of absentee ownership. I think that is also true to a lesser degree in regard to some of the problems of Hawaii.

The next point that I want to emphasize in this argument for statehood for Alaska and for Hawaii is that I believe we have an opportunity here again to demonstrate to the world that we do not believe in perpetuating a policy of colonialism upon any people when they reach the point in their territorial development where it is safe and proper to relieve them of that colonial policy. I say, Mr. President, that both Hawaii and Alaska have reached that point, and we are called upon, it seems to me, before the bar of public opinion of the world, to practice this great profession of ours that we will not keep a people under colonial control beyond the time that we can be of the greatest assistance to them throughout a colonial policy. We have always proclaimed to the world that we will give the people of an American colony or territory complete self-government as soon as they have reached that territorial development which makes perfectly clear that they are ready to govern themselves. I submit, as my able colleague has so well pointed out this afternoon, that the people of Alaska and of Hawaii have reached that point of territorial development, and that for us longer to keep them under territorial control will, in the eyes of millions of people in the world, make us guilty of perpetuating a policy of colonialism upon a people who are ready to be freed of colonialism.

Thus, I wish to stress that statehood for Alaska and for Hawaii would have tremendous value to the United States in international recognition of our good faith of living up to the principle of self-determination, as well as in demonstrating in practice as in professing that we do not believe in denying self-government to people who are ready for it.

As my colleague has pointed out, I know the argument is made that there is a sparse population in Alaska. Irrespective of which population figure is selected, whether it is the lower figure which I have heard mentioned in this debate, of 112,000, or the figure of 132,000, which I heard throughout Alaska as I talked to the people on my recent trip there, I believe either figure compares well with the total population in some of our present States at the time they were admitted into the Union, including, for example, my own State. It is an adequate population. As my senior colleague mentioned, to point out that there is a concentration of population in only a few areas of Alaska as ground for denying statehood at this time is a very specious and fallacious argument. I say that because I believe if Alaska were granted statehood and given the right to free herself from some of the evils of absentee ownership, with the resulting improvements which would flow from the granting of statehood, such as more adequate transportation and highway system, the population of Alaska would increase rather rapidly. Such has been our experience in connection with other sparsely populated areas which in time past have been granted statehood.

Mr. President, the next argument I wish to make in support of statehood for Alaska and Hawaii is the sound argument of fairness to our fellow citizens.

I believe ordinary fairness and ordinary decent dealing with fellow Americans call for the granting of statehood to Alaska and Hawaii at this time. I do not think it is fair and square to deny to fellow American citizens the right of self-government when they can make as strong a case for self-government as the people of Alaska and Hawaii have made.

I do not care to dwell this afternoon on what motives may be present in the Senate for the parliamentary barricade which has been thrown up in order to prevent a vote upon the two statehood bills in this short session of Congress. I regret what I believe to be those motives. I am a realist, and I have been a realist all along on the whole question of unlimited debate in the Senate. I am realistic enough to know that uncontrolled, unlimited debate in the Senate is the barrier which will prevent a vote on the pending question in this short session of Congress. However, I am hoping that the sense of fair play, which characterizes the inner man of every one of my colleagues in the Senate who is using a parliamentary barricade to prevent a vote on the pending question in this short session of Congress will cause everyone of them to agree that we should come to a vote on it in the next session of Congress which will start in January, after full and fair debate on the merits of the issue. If the experience we are having on this question in the short session of Congress will serve to speed up the opportunity in the next session of Congress to thrash out the question I think some good purpose will be served by the debate in which we are presently engaged.

I am still of the opinion that in view of the complex problems which face our Government in the present era we cannot continue to maintain the present protections which surround our policy of unlimited debate in the Senate. I believe the problems which confront us will be too critical and time too im-

portant to permit of absolute unlimited debate.

As was pointed out on the floor of the Senate yesterday afternoon, when we sought to get some action on the railway labor bill, the situation has come to the point where it is difficult to imagine any issue, certainly in the field of social and economic legislation, which could come before the Senate to which a Senator could not attach an amendment that would be offensive to a Senator who does not share the point of view of the junior Senator from Oregon on the subject of civil rights, for example.

I believe that sooner or later—and I believe it will be sooner than most people realize—we shall have to frankly face the question of cloture, and shall have to reexamine it, as I believe we should reexamine all policies of our Government, as they relate to both domestic and foreign issues, to the end of trying to settle the issues upon the facts as we find them to be.

I believe the debate on Alaskan and Hawaiian statehood will make clear to the American people, as it has been made clear heretofore, that the rules of the Senate with regard to cloture will have to be modified in the next session of Congress, so that a strong majority view in the Senate can prevail on any issue. Of course, I am still of the opinion that the type of cloture rule similar to the majority-vote rule which I have fought for ever since I have been a Member of the Senate is the soundest of the solutions which have been suggested. Certainly some solution sounder than the present rule will have to be adopted if we are to avoid, as I think we must avoid, the type of parliamentary barrier which prevents what I am satisfied is a strong majority in the Senate from taking action on the merits of an issue such as the one presently before the Senate.

Mr. President, I am satisfied that if we could get a vote on the merits of the question of statehood for Alaska and Hawaii, statehood would be granted to both Territories, so far as Senate approval was concerned, at least, by a substantial majority of this body.

I believe we weaken democracy, injure self-government, and create a great deal of confusion in the minds of the American people by preventing majority rule from prevailing in the Senate by the adoption of parliamentary tactics which deny a vote on the merits of a question.

Mr. President, I close by saying that, in my opinion, the over-all and controlling reason for statehood for Alaska and Hawaii is that I believe granting statehood is vital to the security and defense of my country. I speak now in my individual capacity as a member of the subcommittee of the Committee on Armed Services which investigated and inspected the defenses of Alaska. It is my personal conclusion that the defenses would never have reached the weakened condition into which they were permitted to get following World War II if the Territory of Alaska had had voting representation in the House of Representatives and in the Senate. I am convinced that if the people of Alaska had been given the precious freedom of self-government which we in the States enjoy, their elected representatives would have brought to the two Houses of Congress the evidence and arguments which would have prevented Congress from figuratively sticking its head in the sand while the great defenses of Alaska were permitted to become so weakened following World War II that up to a few months ago some of them could be described as having been dismantled.

Mr. President, I wish to say that, in my opinion, the security and the welfare of 160,000,000 American citizens have been jeopardized by the weakening of the defenses of Alaska. What has happened in Alaska during the last year has been nothing short of miraculous, when at long last we became aware of the weakened condition of the defenses and again moved in with a program of strengthening the defenses of Alaska.

I am not privileged, and it would not be proper for me, to discuss on the floor of the Senate this afternoon the information which our subcommittee of the Armed Services Committee gathered in regard not only to the present status of Alaskan defenses, but as to what has been done in Alaska during the last 10- or 11-month period in strengthening those defenses. I do want to say to the American people here this afternoon that I think each one of them should offer up a prayer to Almighty God for the heroic service that is being rendered in Alaska right now, this hour, by thousands of members of our armed services, under living and service conditions which not a single Member of this body would be proud of if he had a chance to observe those conditions.

We are greatly indebted to those men in the armed services in Alaska who stand ready at a moment's notice to make the great sacrifice which will be theirs the moment the Russian air force moves off of Siberia toward the United States. In the same spirit we should offer up a fervent prayer tonight to Almighty God for the great service and heroic sacrifices which thousands upon thousands of American boys are making this very hour in Korea, sacrifices which in my opinion needed not to be as great as they are if we, the people of the United States, had, since World War II followed a realistic course in regard to America's defenses, and if we had done the things in the Congress of the United States necessary to get this country of ours so strong that Stalin would always have understood that he had everything to lose and nothing to gain from conducting the type of aggressive foreign policy which has characterized him since the end of World War II. Likewise the officials in the executive branch of the Government have failed to adopt a realistic program with respect to the defense needs of America.

Oh, how shortsighted we have been. It was known—no Member of Congress can deny the fact, no Member of the administration can deny the fact—that as we proceeded with a program of demobilization and disarmament, as we economized at the expense of the adequate defense of America, Russia was devoting her major economy and effort to the building up of her armed forces.

Now at long last we come to face the stark, cold reality that if the all-out war should come as soon as tomorrow, our sacrifices would be tremendous, and far in excess of what they needed to be had we not followed what I consider was a shortsighted policy of inadequate defense since the close of World War II.

Mr. President, I speak not from hindsight, because as a member of the Armed Services Committee, along with my colleagues on that committee, I assert that committee has been strong for more adequate defense throughout the whole period of demobilization and disarmament. As a member of that committee, I say that we as a Congress must proceed now to do everything that must be done in order to strengthen the defenses of this country. In my opinion, we must proceed with an all-out, full-scale military and economiic mobilization program, and we must stop the ghastly mistakes of vacillation and delay in facing the realities of the present situation.

We in the Congress have something to answer for, in my opinion, in regard to this crisis. I think we wasted precious time last July, August, and September in respect to a great many of the defense matters, because I think it was as clear then as it it is now that the crisis was an exceedingly serious one. We must find out now whether or not Russia intends war or peace.

Mr. President, our leaders must stop keeping some kind of a hood tied over their eyes through which they see very dimly the realities of the world picture. As a matter of fact we are at war now, and have been for months, because Russia's policies for months in the field of international relations toward the United States have not been the policies of a friendly nation. She has followed, I think quite openly, a course of action which can receive no other adequate description than as a course of action of carrying on a form of armed conflict against us by backing up various satellite countries which have carried on direct action against us. Russia herself has been guilty not only of supplying them with the materials, with the finances, and the military advice, and sometimes leadership, for their course of armed action, but also in the United Nations, both in the Security Council and in the General Assembly, she has followed a course of action which has made very clear time and time again that she has not been a friendly nation toward us, but one really acting in a hostile manner. The ugly fact is that Russia has been carrying on a type of war against us for many months.

Mr. President, that has been my position in this matter for months and months, and as a member of the Armed Services Committee I have never failed to give support to programs which sought to strengthen the security of our country.

In pleading this afternoon for Alaskan and Hawaiian statehood I wish to say that in my judgment statehood for those Territories will strengthen America's defenses. They will strengthen America's defenses in a variety of ways. They will strengthen America's defenses insofar as

morale in those two Territories is concerned. They will strengthen the defenses in that the strength that will flow from statehood will result in some very valuable cooperative action on the part of those two Territories in the whole matter of civilian defense, as well as military defense itself.

Mr. President, I think they will strengthen the security of America because their recognition as States will again demonstrate to the world that we intend to put into practice the principles of the United Nations Charter, which we solemnly adopted in this body by ratification in 1945.

So, Mr. President, I look upon the bills for statehood for Alaska and Hawaii as great symbols of the intention of the Congress of the United States to meet, without any reservations whatsoever, what I consider to be our solemn obligation in this hour of crisis to do everything that is necessary to help strengthen the security of all the people of the United States.

For these main reasons I am pleased to place myself on public record here this afternoon in support of statehood for Alaska and Hawaii, and as pleading for an early vote on the merits of the issue.

Mr. ECTON. Mr. President, I realize it is impossible for me to add anything to the forceful and impressive arguments which have already been made in behalf of statehood for Alaska. I believe that about everything that has been said in the arguments advanced against the admission of Alaska was said against the admission of Montana into the Union. Montana was admitted to the Union on November 8, 1889. I know that many people at that time thought that about all Montana had was a great many Indians and snow-covered mountains. We did have many Indians and we did have snow covered mountains. But we had a few people who had migrated into that Territory, who had built their homes there, were rearing families, and intended to proceed to develop the country for their children and children's children.

Three years ago I was one of several members of the Committee on Interior and Insular Affairs who visited Alaska. I then discovered that Alaska had snow-covered mountains and also had many Indians, and Eskimos as well. We do not happen to have Eskimos in Montana. We found likewise a people in Alaska who had migrated there, people with courage, with ambition, with vision, who were building homes, and rearing families, and who intended to stay in Alaska if possible.

We found that many people from my own State had gone to Alaska. I suppose life in Montana had become too easy for them, so they wanted to go to Alaska to satisfy the old pioneering spirit. They were doing good work there. But back in their minds they hoped for the time when eventually Alaska would become a State. That has been in the minds of the people there for years and years and years. I was surprised to meet as many persons as I did who thought it was essential that Alaska be admitted to the Union, with all the rights of statehood.

Mr. President, I talked to a great many GI's who had been in Alaska during World War II, and who had returned there, bringing their brides with them, and were attempting to make a home there and provide for themselves a livelihood. Many of them told me, however, "We do not expect to stay here all our lives." I asked, "Why?" They said, "This is a Territory. We simply do not like to raise our children to maturity in a Territory. It is all right for them to stay here for a while, but after a bit they will want to go to school, and we will have to make arrangements to go back to the States. Now, if you Members of Congress would give us statehood we think we would be willing to stay here and make it our home for the future. We can develop this country just as those in the West have developed their States, which at the time of statehood were sparsely settled." A great many of them felt that it would mean much to them and to their children if they could say they were citizens of the State of Alaska rather than of the Territory of Alaska. That made a deep impression upon us.

Mr. President, I met in Alaska the finest kind of people I have met anywhere in the world. They are friendly, they are generous, they are hard-working, and they are most forward-looking.

I do not believe we need to worry about whether the resources of Alaska are sufficient to support statehood. In my opinion, Alaska has practically everything that any other State of the Union has except agriculture, and Alaska is developing agriculturally. Under modern methods of using various kinds of soils under differing climatic conditions, I believe eventually Alaska will have a pretty good agriculture, and will develop agriculturally as well as in other ways.

I believe Alaska has more resources than most of the other States of the Union have at the present time. The Senator from Oregon mentioned the natural resources of Alaska. Natural resources abound in Alaska. Nearly every kind of mineral that can be imagined is hidden away in the mountains and the hills and the valleys of Alaska.

Mr. President, I am happy that years ago someone had the foresight to secure Alaska as a Territory for the United States. In the face of the world situation as it is, and knowing of all the strategic materials we need to protect ourselves in this modern age, I am glad that we have the Territory of Alaska under our control.

In view of the fact that the people of that Territory have been promised statehood for so many years, and have been on trial for so many years, since at least a majority of them have worked earnestly and continuously for advancement to statehood, and in view of the fact that the Alaska statehood bill has already been passed by the House twice, that we have for 2 years held long and tedious public hearings on the subject, and that the Senate committee has seen fit to advance it to the floor of the Senate, I had hoped that we could have the bill brought before the Senate, at least so a vote could be had on it, in order to let the people of Alaska see the real picture.

Mr. President, when I was in Alaska 3 years ago I told the people there that I honestly thought statehood legislation could be put through the Congress of the United States. They wanted to know why. I said, "Because in my opinion you occupy the most strategic place on the face of the globe. From a military standpoint all eyes are going to be turned on Alaska in the next few years. I think we are going to recognize your strategic position and realize that we can do a better job if Alaska is a State of the Union, rather than merely a Territory."

Mr. President, I merely wish to say this evening that I honestly believe that Alaska is the key to the proper defense of the North American continent, that it is the key spot on the map where will be determined in the future whether we shall have world peace or not.

Mr. President, now all our eyes are turned on Korea. That is all very well. Korea, however, is not the key to Asia. Korea is not the key to the peace of the world. I say in all sincerity and honesty that I believe Alaska, our own Territory, which belongs to the United States, is the key. I agree with the Senator from Oregon that we had better be spending our time and our money in making plans for any eventuality, because in my opinion Alaska is the pinnacle of the world.

Senators may say, as I have heard it said here, "Well, what if it is? We will defend Alaska." Of course, we are going to defend Alaska whether it is a Territory or a State. It belongs to us. The people of Alaska are a part of us, even though they live in a Territory, and even though they cannot vote for national officers, and even though they do not have representation in Congress, except through one delegate, whom they elect, but who has no vote in Congress.

It is no secret that Russia is putting forth propaganda that the United States bought Alaska years ago too cheaply, and that rightfully and justly Alaska should belong to Russia. Mr. President, the good people of Alaska hear those stories and are worried by them. Inasmuch as Alaska now is merely a Territory, some of her people wonder whether perhaps if the going became tough, the United States would move out and would let them go, rather than put up a fierce battle and possibly involve the entire world.

Mr. President, I say to you that we need to do everything we possibly can to build up the morale of the good citizens who live in Alaska. We should make them understand that they are full-fledged American citizens, with all the rights, privileges, and protections of American citizens, and that they are supported by the determination of a great Government to see that they are protected. That will help their morale; it will give them additional courage; and they, in turn, will give greater morale to the thousands of our citizens who, as

members of the Armed Forces, have to be stationed in Alaska.

Mr. President, the towns in Alaska and the homes in Alaska remind me a great deal of towns and cities and homes in my own State of Montana. Naturally, the houses in Alaska have to be built well in order to withstand the cold, but they look very much like houses in any other modern city or town. Alaska in the total respect is not the wilderness it is sometimes portrayed to be.

Alaska possesses some of the most beautiful scenery in the world. If we admit Alaska to the Union as a full-fledged State I think that eventually there will be a paved highway between this country, across Canada, to Alaska; and every summer many of our citizens will wish to travel there, instead of going to Europe, South America, or some other foreign land. I do not see how anyone could find in Switzerland or in any other foreign country any sights more beautiful than those which can be found in Alaska.

Mr. President, a large delegation of Alaskans came to Washington and appeared before the Committee on Interior and Insular Affairs, and we went into every detail in regard to what will be involved if Alaska is granted statehood. I know that there are arguments in opposition; but the splendid group of people who came here last winter and who were honest and sincere had given the problem much serious consideration. They are united in believing that Alaska, if admitted to the Union as a State, will be able to finance herself and will be able to overcome all obstacles. They recognize that there are certain obstacles to be overcome if Alaska is granted statehood; but they wish to try, they wish to go forward, they wish to accept the challenge and the responsibility. They are certain they can manage it. I believe they can; and I believe they will if they are granted the opportunity to do so.

Mr. President, I am sorry that certain aspects of the matter have developed in the course of the argument and the effort to bring this bill before the Senate for consideration. In that connection I am not blaming anyone. I know how certain Senators feel about the balance of power and other questions. However, I do not think we need worry about that; I think all those matters can be taken care of. I believe that any Senators or Members of the House of Representatives who might be elected from Alaska and sent to the United States Congress would be fair and open-minded, and would not take undue advantage of anyone. I am not fearful of that situation. Knowing the people of Alaska as I believe I do, I have confidence that they would elect as representatives of the State of Alaska Senators and Representatives who would be fair, open-minded, and sound on all questions of national interest.

Therefore, Mr. President, I wish the RECORD to show that I have not changed my mind since I was in Alaska 3 years ago, when I promised those good people that I would support their statehood bill; and I am supporting it now.

RECESS TO MONDAY

Mr. O'MAHONEY. Mr. President, I am about to move a recess, but before doing so, I desire to express my appreciation of the notable contributions which have been made this afternoon to the arguments in support of the statehood bills by the senior Senator from Oregon [Mr. CORDON]; his colleague, the junior Senator from Oregon [Mr. MORSE]; the senior Senator from Minnesota [Mr. THYE]; and the junior Senator from Montana [Mr. ECTON], who has just taken his seat.

The senior Senator from Oregon spoke knowingly and feelingly of taxation without representation as it applies to the people of these Territories. There has just come to my knowledge an incident which shows that it is far more than taxation without representation; it is military service, it is conscription, without representation.

Early this week there appeared at the office of the Committee on Interior and Insular Affairs a delegation of 28 citizens of Hawaii, who came to the continental United States and to the Capitol of the Nation in the fond hope that before this session had adjourned, they would be able to witness the passage by the Senate of the bill extending statehood to the Territory of Hawaii. Among that group was a native Hawaiian, Col. Peter Pakele, who served as a second lieutenant in World War I; who was lieutenant colonel of the Hawaii National Guard at the outbreak of World War II; who became Provost Marshal of Hawaii on December 7, 1941, the day of the attack on Pearl Harbor; and who thereafter became commanding officer of the Hawaiian Home Guard. Colonel Pakele is leaving Washington tomorrow, to go to Santa Clara University, in California, to see his son, also a native Hawaiian, before the latter is inducted under the draft law of the United States to serve in the Army of the United States, possibly on the Korean peninsula. The father, who has served his country, and the son, who is about to serve his country also in the military service, stand in grave danger of not receiving news from Washington that statehood will be extended to the Territory in which they live, but of learning that they will continue to have no voice in the action of Congress in levying taxes upon their incomes and upon their property and in levying the draft upon their sons.

Mr. President, I now move that the Senate stand in recess until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 45 minutes p. m.) the Senate took a recess until Monday, December 4, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 1 (legislative day of November 27), 1950:

DIRECTOR OF PRICE STABILIZATION

Michael V. Di Salle, of Ohio, to be Director of Price Stabilization.

ASSISTANT ATTORNEY GENERAL

Holmes Baldridge, of Oklahoma, to be an Assistant Attorney General to fill an existing vacancy.

IN THE NAVY

Vice Adm. Edwin D. Foster, Supply Corps, United States Navy, when retired, to be placed on the retired list with the rank of vice admiral.

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 1, 1950

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. COOPER.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

DECEMBER 1, 1950.

I hereby designate Hon. JERE COOPER to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Most merciful and gracious God, who hast been our strength in ages past and art our only hope for years to come, we are again lifting our hearts in unison beseeching Thee for wisdom and guidance as we face difficult tasks and responsibilities in this needy and war-torn world.

We pray that Thou wilt bless all councils and assemblies and conferences which are seeking to promote the spirit of amity and concord among the nations of the earth. May the deliberations and decisions of the leaders and representatives of our own beloved country help to establish a commonwealth of freemen, strong and great in the fear of God, loving righteousness and walking in the ways of peace.

Inspire rulers and people everywhere with a longing to solve the problems of human relationship upon the high level of a hallowed respect for the sanctity of human rights and liberties and a Christ-like reverence for the worth and dignity of the soul of man created in Thine own image and destined for immortal life.

To Thy name we ascribe all the praise. Amen.

The Journal of the proceedings of yesterday was read and approved.

INFLATION

Mr. BOYKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. GOSSETT. Mr. Speaker, the greatest enemy of this country, the greatest threat to our security and survival, is not communism; it is inflation. Increased wages and increased prices continue to follow each other in a vicious circle, and the American dollar continues to shrink. If our economy collapses under this assault, as it may well do, then we become an easy prey to barbarism, and our children will become slaves

of Communist tyranny. We talk of the terror of the atom bomb; a greater danger is that we will be atomized by inflation. The impelling question we must now answer is: Shall we permit the life savings of our people to be burned up in the raging fires of uncontrolled inflation?

Today's press carries the story that our gigantic steel industry is granting a substantial wage increase to its employees. No effort is being made to stop other big industries from doing the same thing. Each group in this country wants the other group to hold the line while they get an unfair cut from our inflated economic melon.

The administration has the power to hold the wage-price line. If the administration will not act now, this Congress, before adjourning, should enact mandatory legislation against further wage and price increases. Surely we are not so lacking in courage or intelligence as to permit this gruesome game of self-destruction to go on unimpeded.

STALIN'S REPRESENTATIVE: MAX LOWENTHAL

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. DONDERO. Mr. Speaker, back on September 1, I made a speech on the floor exposing the many Communist connections of one Max Lowenthal. Since then Lowenthal's smear book on the Federal Bureau of Investigation has been published and there has been much discussion of the book on the floor of this House.

I now wish to bring to the attention of the Members the fact that Lowenthal's book has finally received the acclaim it richly deserves. Yesterday's issue of the Daily Worker, the official organ of the Communist Party in this country, made the following statement:

> The Gestapo-like menace of the FBI to the democratic freedom of all Americans has been too well documented in the current book on the FBI by Max Lowenthal.

That comment makes clear, if there had ever been any doubt, that Lowenthal's book is serving the cause of Moscow. Stalin must be well pleased with Lowenthal.

ARMING OUR ENEMIES TO BE PAID FOR WITH THE BLOOD OF OUR BOYS

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, I wonder if this administration is incapable of learning from experience. It would seem so to those of us who protested against the arming of Japan with our scrap iron, copper, tin, oil, airplane engines, ships, and tanks. There could have been no war in the Pacific had it not been for the arming of the enemy. Those of our boys who are now dead would probably be living normal, happy lives had the United States not armed Japan. Now the ghastly tragedy is being repeated in Korea. Russia is being armed from our own arsenals. Our boys are paying a ghastly price for the irresponsibility of the Truman administration, the same as our boys did when we armed Japan. Not alone this, but our allies are arming our enemies. It is hopeless for a minority to get results by protesting, but the awakening conscience of the American people will have to take a stand on this issue, otherwise this administration will continue to arm our enemies and thus contribute to the destruction of our fine young men.

Under leave to extend, I am inserting an article published in the Reader's Digest of November 1950, entitled "When Are We Going To Stop Helping Russia Arm?"

WHEN ARE WE GOING TO STOP HELPING RUSSIA ARM?—TOO MUCH STRATEGIC MATERIAL IS GOING LEGALLY FROM WESTERN EUROPE AND ILLEGALLY FROM THE UNITED STATES

(By O. K. Armstrong and Frederic Sondern, Jr.)

During 1950 the merchants and industries of Western Europe will have contributed, legally, almost a billion dollars' worth of machinery and materials to the war potential of the Soviet Union and its satellites. Factories in the United Kingdom, France, Belgium, Switzerland, and even Western Germany—many of which have been rebuilt or retooled with the help of ECA dollars—continue to provide ball bearings, lathes, drill presses, special steels, with which the plants of Magnitogorsk and Kuibyshev turn out guns, tanks, and warplanes.

To this flood of material going to Russia legally there will have been added much more which is smuggled across borders. Some of it comes from the United States.

When it became apparent 3 years ago that the Soviet leaders would not cooperate to establish world peace, Congress remembered the lessons we learned from our shipments of scrap iron to Japan and our foolhardy trade with Nazi Germany before Pearl Harbor. It took steps to prevent a repetition of such mistakes.

Shipment of all arms and ammunition aboard was prohibited except under specific license by the State Department Exports of potential war materials, which were named, would require licenses from the Department of Commerce. Abroad, the Economic Cooperation Administration was ordered to stop delivery of Marshall plan goods to any country which was reshipping them to Communist territory. The use of ECA machinery and materials to produce goods for export to the east was also prohibited. In a long series of negotiations, the State Department tried to get the Western European governments to agree to place an embargo similar to the American one on shipments to Communist areas.

The promises from the European capitals receiving ECA aid were many; but they have not been well kept. Almost all the Western European nations maintain trade agreements with Russia and its satellite states. They have been accustomed to trading with these countries for many years, and the imports they receive from the east are important to them. Also, their definitions of potential war materials have differed from ours. Hence, this year Britain alone will have dispatched to Russia and Eastern Europe some $120,000,000 worth of goods, much of which Washington considers of high strategic value. Sweden, the Netherlands, France, Italy, Belgium, and Switzerland follow close behind.

This open trade is officially sanctioned by treaties and duly reported to the United States. The Russians have another, clandestine, source of supply. To circumvent American export and ECA transshipment controls, Soviet agents use bribery and even murder.

On the morning of October 31, 1948, the body of Irving Ross, an official of our ECA headquarters in Austria, was found in a field on the outskirts of Vienna. He had been brutally murdered, his head smashed to a pulp. Nearby lay the freshly bloodied and shattered butt plates of a Russian machine pistol.

On the previous evening, as the United States provost marshal's investigation finally revealed, Ross was driving home an acquaintance who lived in the Russian sector of the city when a jeep suddenly forced him to the curb. Four men piled out, wrenched open the doors, and crowded into the car. "That way, very fast," barked one of them, pointing with his pistol. As Ross, with a gun muzzle at his neck, sped down the Triesterstrasse his companion was hurled from the car. Our provost, blocked at every turn by suddenly blind and deaf Soviet policemen, could get no further with finding the killers. But Washington well knew the cause of the murder.

Ross had been investigating the activities of certain Western European firms who were shipping goods exported to them under the Marshall plan to destinations behind the iron curtain. He was a legitimate diplomatic representative and no cloak-and-dagger spy, but he had stumbled on an important section of the Russian network of buyers who operate in Europe to funnel strategically valuable materials into Russian industry. He was getting to know, by patient research, the names, methods and organization of the key men in Vienna—Russia's most important commercial contact point with the west. The Soviet's Vienna bureau in charge of these matters evidently decided that such knowledge if transmitted to Washington might prove embarrassing. Russian agents play rough with people—diplomats or not—who get too close to their vital secrets.

The west-east smuggling operation is probably the biggest in the history of this ancient business. The United States High Commission in Germany estimates that more than $200,000,000 worth of highly critical products have found their way illegally into Communist territory every year for the past 4 years, from Western Germany alone. The hopelessly understaffed Western German customs and frontier guard, which can barely manage to inspect one out of every 50 freight cars and every tenth truck crossing into Eastern Germany, is no match for the well-organized, Soviet-financed gangs which run this lucrative and fantastic business.

One such gang, stopped by the German police recently after many months of careful detective work, is a good example of the racketeering organizations at work all over Europe. This particular combine, with headquarters in Frankfurt, branch offices in Vienna and Milan, and correspondents in Bern, Paris, Stockholm, London, and New York, was headed by four men: a German, a Hungarian, an Englishman, and a Swede. Even the German police, accustomed to large-scale skulduggery, were startled by the magnitude of their transactions; single shipments were worth a million dollars and more. The German leader of the ring got his orders directly from a Russian control point in Berlin.

If tires that Moscow wanted, for example, could be bought in Western Germany, they would be purchased there for delivery to the ring's warehouse near the border. There they would be packed into cases labeled "scrap rubber" and sent by rail into the Soviet zone, where a Russian representative would readdress them to their final destination in the U. S. S. R. If the tires were not

obtainable in Germany, one of the partners would make the necessary arrangements in Switzerland, France, England, or even the United States to ship the goods to Germany.

Smaller and more critical materials, such as ball bearings or precision measuring instruments, were packed into trucks manned by heavily armed guards with whom the frontier guards rarely chose to tangle. One night, however, a German customs man who wanted to do his duty and became inquisitive over some cases labeled "preserves" was shot, and the police decided to do something about his murder. The chief muscle men of the gang were captured, and they told the story of the operation. The four head men, however, are still at large.

"And that's the way it is," one ECA man told me, "up and down the border. You can't rightly call it smuggling, it's so easy. The stuff we're trying to keep from Russia is just pouring across those frontiers every day."

In every major industrial city of Western Europe buyers subsidized by Soviet funds—often firms of the highest international reputation—serve the needs of Moscow's planners and their assistants in the satellite countries. Their profits are big. While the inefficiency of Russian industry has been greatly exaggerated, the relatively small number of engineers and expert mechanics in the U. S. S. R. cannot yet turn out certain machinery and metals in sufficient quantity to satisfy the enormous demands of Russian factories. Moscow is willing to pay far above the world price for these essentials—either in cash or kind. The Western European countries need Russian and Eastern European timber, fats, wheat, manganese. So they keep their export controls lax, often wink when they are violated.

Not long ago the Department of Commerce received an application from a well-known firm of American exporters to permit the shipment of three Worthington pavers to Switzerland. These are immense machines, costing about $40,000, which pave a road or an airstrip with incredible speed. Because of their high military value, they are on the list of items which must be licensed for shipment anywhere and may not be consigned behind the iron curtain under any circumstances. But the Swiss importer convinced the United States firm that he was sincere in his promise that the pavers would remain in that country, our State Department was satisfied that all was in order, and Commerce granted the license. A few weeks later, however, the Commerce Department's enforcement branch—the understaffed and overworked agents of the Office of Industry and Commerce—received a tip from a European informant. Washington then alerted one of our attachés in Vienna, who hurried to the Austrian-German border at Salzburg. And sure enough, there were the three Worthington pavers, on freight cars en route from Switzerland to Budapest and the East. The Swiss Government explained that the pavers had never actually entered Switzerland, but went to the free port of Basel, and were transshipped to the East. The pavers will now be sold to an Italian firm with the approval of the American military government in Austria.

Last May a shipment of 144 barrels of molybdenum—a substance used to harden steel for jet engines, among other modern military devices—was duly licensed by the Commerce Department and left New York for Liverpool, consigned to a reputable British merchant. Again the C-men received a tip: The metal was to be transferred at Liverpool to the Russian freighter *Beloostrov*. Commerce cabled the American Embassy in London to prevent any transshipment, but the Embassy hesitated to precipitate an incident and the molybdenum was soon aboard the *Beloostrov* and on its way across the North Sea.

While neither of the American export firms involved in these cases knew where its shipment was ultimately going, the OIC's special agents keep catching exporters who do know. Some 80 concerns have been punished in the last 2 years for misrepresenting the final destination of strategic materials prohibited to the Communist areas. Not long ago Allied-Universal, a New York import-export firm, applied for a permit to ship 200,000 pounds of silicon-steel sheets to a company in the Netherlands for the manufacture of electric motors to be used in war-damaged factories of that country. The C-men, in a routine check-up, discovered not only that Allied-Universal's declaration was false but that the Dutch consignee had told the exporter that he intended to transship the steel directly to Hungary. Allied-Universal had replied that it didn't care where the steel went as long as it was paid for. This shipment was caught just in time; the steel stayed in the United States, and Allied-Universal was put out of business for 6 months by a United States Commissioner who suspended its export-license privileges.

In recent months the Commerce Department has finally begun to treat these offenders with some severity. A dozen exporters have been sent to jail for terms ranging from 3 months to 10 years, and almost 50 more criminal cases are pending. The Department is also putting more punch into its suspensions. The Edwards International Corp. of New York, which tried to export 3,000 truck tires to Rumania via Italy, was banned from European trade for 2 years. Another New York merchant dispatched to the U. S. S. R., through an agent in Switzerland, 20 tons of a chemical essential in the hardening of rubber. He was suspended from all trade abroad that requires licensing for the duration of our controls.

But the Office of Industry and Commerce has little more than a dozen enforcement officers to ride herd over the enormous volume of our export business. With at least a thousand important shipments of licensed goods a month from the Port of New York alone, they can given attention to only the most suspicious transactions. With devotion, often brilliant police work, and a round-the-clock schedule of work, this handful of men has prevented $150,000,000 worth of strategic materials from reaching the U. S. S. R. in the last 2 years. They themselves assume that they must have missed shipments totaling a good deal more.

Abroad, the position of the ECA men charged with preventing the U. S. S. R. from taking advantage of the Marshall plan is even more difficult. They have no trained investigators at all. While the ECA is supposed, under our law, to penalize a government which tolerates trade in strategic materials with the U. S. S. R., it refuses to use any kind of big stick for fear of arousing resentment which the Russians might turn to political advantage. Many European businessmen accordingly have been quick to take advantage of that fact.

"I recently looked at a French plant, rebuilt with ECA funds," one ECA official with long experience in Europe told me. "They were making lathes for Poland. And they were perfectly frank about it. Lathes are not strategic machines according to French rules, they pointed out, and the product was not actually going to Russia. In their opinion, that made everything all right." The ECA man had submitted his report. "But the factory is still making lathes for Poland," he continued bitterly, "and if lathes aren't strategic machines and Poland isn't behind the Iron Curtain, I don't know what is."

Mounting criticism of the Government's policies in regard to western Europe's trade with the Communist countries has provoked the suggestion in Congress that ECA aid be withdrawn from any country trading with Russia in any material on our contraband list. That proposal was voted down at the last session after President Truman, the ECA and the State and Commerce Departments all objected that such radical action would do us irreparable harm in Europe.

The State Department claims that negotiations with the governments participating in ECA are bringing about an amicable arrangement with regard to shipments to the U. S. S. R. But Commerce Department figures on west-east trade indicate no change. It would seem that the new Congress and the public should have a careful look at the extent of our military aid to Russia.

COMMUNICATION FROM MR. K. C. WU

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, the Governor of Formosa is a man by the name of K. C. Wu, who spent several years of his early life in Iowa as a student at Grinnell College. Formosa, as we all know, is the seat of the Nationalist Government. Governor Wu, with the background of an Iowa education and several years spent in the environment of Iowa, of course, could have no part of communism in his make-up. He is a very sound statesman. I have a recent letter from him, in which he describes his efforts to establish representative government and government by elected public officers in the Taiwan Province of China. We are very anxious to aid the forces against communism in the Orient at this time. I feel certain that the Members of the House and particularly the members of the Foreign Relations Committee will be interested in this letter from Governor Wu, an alumnus of Grinnell College, the class of 1923, and whom I know personally, and I therefore ask unanimous consent that his letter may be inserted at this point in the RECORD.

I am having the daily CONGRESSIONAL RECORD sent to Governor Wu so that he may be acquainted with developments in Congress.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

(The letter is as follows:)

TAIWAN PROVINCIAL GOVERNMENT,
Taipeh, Taiwan, China, November 23, 1950.

Mr. KARL M. LECOMPTE,
House of Representatives,
Washington, D. C., U. S. A.

DEAR MR. LECOMPTE: Your letter dated November 3 has been duly received. I am very grateful to you for your assistance in making arrangements to have the CONGRESSIONAL RECORD mailed to me regularly.

I must also thank you for your kind expression of good will. There is no denying the fact that we have been confronted with many difficulties in these crucial times. During the past year we have been doing our best to overcome these difficulties, and I am sure you will be glad to know that our efforts have met with considerable success. As a result of the measures we have taken, including the appointment of more Taiwanese leaders to serve in the Government, curbing of inflation, control of commodity prices, increase of agricultural and industrial production, improvement of the tax system, issuance of

liberty bonds, reduction of land rentals, and enforcement of labor insurance, we have achieved political, economic, and social stability. The achievement of stability has enabled us to maintain peace and order throughout the island and increase Taiwan's security against Communist invasion. The people are contented and the morale of the armed forces is very high.

You may also be interested to know that we have already made a good start in inaugurating the popular election of officials of the local governments. During the last few months elections of district magistrates and members of municipal councils have been successfully held in various parts of Taiwan. The elections were free in every sense of the word. There was not the slightest interference from the governmental authorities, and great enthusiasm was displayed by both the candidates and the voters. We are highly gratified with the success thus far attained, which undoubtedly augurs well for the future of popular government in China.

Another thing I should like to tell you is that we are placing great stress on rule of law. The Government has directed that the liberties of the individual must be respected, and all persons tried in military courts will soon be permitted to have legal counsel. For many decades China's judicial system, in both theory and practice, has largely been dominated by the concepts of continental law, but now we have begun to adopt and emphasize the principles of Anglo-Saxon law, which holds that a man must be considered innocent until he is proved guilty.

Before closing I must add that in the achievement of stability on Taiwan we have been greatly benefited by American assistance, ECA aid has been particularly useful in the solution of our economic problems. There can be no doubt that with the American people's generous support, both moral and material, we shall not fail to tide over the present crisis and contribute our share to the democratic nations' joint efforts for checking Communist expansion.

Thanking you again for your letter and your sympathy, I remain,

Yours sincerely,

K. C. WU.

REPORT FROM THE RULES COMMITTEE

Mr. COX. Mr. Speaker, I ask unanimous consent that the Rules Committee may have until midnight tonight to file a report on an application for a rule on the tax bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

REPORTS FROM THE LOBBYING INVESTIGATION COMMITTEE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that I may proceed for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, prior to election the Buchanan committee on lobbying put out propaganda complaining about Republicans who were sending out material under frank, which of course was frankable, but which was critical of the New Deal and the Communists.

The press has carried the statement that a member of that committee, the gentleman from California [Mr. DOYLE], franked out four issues of a pamphlet containing labor propaganda against Republicans. I wonder if the gentleman from California [Mr. DOYLE], who is on the floor, or the committee will give us a report on that matter. While they are doing that, will they look up and see if the gentleman from Pennsylvania [Mr. GREEN] did not frank out some other Democratic propaganda. I am not critical of either of these gentlemen nor of what they did or did not do—my purpose is to have the whole story of record, for the Buchanan committee created and circulated the impression that members were doing something illegal or improper when they were not. Another purpose is to show how easy it is for material to be franked out through mistake. I am sure the gentleman from California [Mr. DOYLE] can and will satisfactorily explain the situation.

The SPEAKER. The time of the gentleman from Michigan has expired.

REPORTS FROM LOBBY INVESTIGATING COMMITTEE

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, in view of the remarks of the gentleman from Michigan [Mr. HOFFMAN], I think I should answer right now; so as to stop a lot of false reports that were started by Fulton Lewis and by a certain newspaper reporter in Washington. Here is the fact which I ascertained, and today or tomorrow I shall be privileged to file, I think upon request, a statement by my executive secretary who had charge of such matters.

What happened, I am told by my executive secretary over her own signature—and I do not have that statement with me this morning because I did not realize the gentleman from Michigan was going to bring it up—but what happened, she reports to me, was that we had a policy in my office prior to the time I went back to California of mailing an A. F. of L. pamphlet of which we received a hundred copies for several weeks, but not under frank; but paying postage on them instead. When my executive secretary and No. 2 secretary and I all went back to California at recess before election date, we left in the office a junior secretary. We had asked that the A. F. of L. weekly, and all newspapers and such mail, 100 copies of which came to us a week, be transferred to my Long Beach office so that they could be used out there. A letter came from my junior secretary, addressed to the Long Beach office, asking what should be done with this accumulation of 3 or 4 weeks' issues of the A. F. of L. pamphlet which we did not know were being sent to the Washington office during the recent recess. I did not know of the inquiry coming.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. DOYLE. I yield.

Mr. HOFFMAN of Michigan. That is a perfectly satisfactory explanation. I just wanted to clear the record of any doubt. That could happen to any of us or all of us. The charges made by the Buchanan committee against members are as easily and as satisfactorily explainable.

Mr. DOYLE. Let me continue for 1 minute more, with unanimous consent. We ascertained that this was the fact: My executive secretary, Miss Smith, answered to my junior secretary to mail those out. There was plenty of postage on hand in the Washington office. The junior secretary here at Washington mailed this A. F. of L. weekly to only 85 people, but she did mail the accumulation of 3 or 4 weeks. In other words, three or four hundred copies went to 85 people. Immediately upon its being discovered what had happened in the Long Beach office, I ordered that the postage be paid on those 85 mailings. It was immediately paid. There was no general mailing; it was one mailing to 85 people only, and certainly it was not done with my knowledge, my approval, or my consent. Neither I nor my executive secretary were in Washington.

Because these mailing details did not generally come to my attention, I asked my executive secretary to give me a signed statement as soon as she learned what the fact was. Following is a true and correct copy of an original statement by her under date of November 14, 1950:

LONG BEACH, CALIF., *November 14, 1950.*

As executive secretary for Congressman CLYDE DOYLE throughout the Eighty-first Congress, and on account of the criticism which has been directed toward him regarding the use of the frank, I am making the following statement:

I left Washington for California on Thursday, August 31, 1950. At that time the League Reporter was being mailed to approximately 85 people, postage prepaid and not under the frank. This number was not increased and neither was this policy changed. I did not know that any of them were being mailed under the frank after I left. This detail was never brought to the Congressman's attention. No matches were mailed.

When the Congressman was informed that the frank had been used to these 83 people on this one mailing, he immediately instructed me to remit the postage, which I have done.

RENE SEBRING SMITH,
Executive Secretary to Clyde Doyle, Member of Congress, Eighteenth Congressional District of California.

USE THE ATOM BOMB

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, ever since the atom bomb was first conceived, Americans have debated when and where and under what circumstances it should be used against the enemy.

Personally, I have always had a horror of this deadly weapon. I have maintained it should never be used against civilians and noncombatants. It should not be resorted to except under the most trying conditions, which might mean the

end of our very national existence unless we brought the atom bomb into play.

Probably there has never been such a wide divergence of views upon how effective the atom bomb really is. Those who delivered Japan the atomic blow which compelled her leaders to capitulate, claim that no power on earth can withstand this dread missile.

On the other hand, Jimmy Doolittle held there was not much more puissance in a standard-size atom bomb than in one giant blockbuster or in a ton of TNT.

Be that as it may, the atom bomb is still largely a secret weapon, the mere mention of which is capable of creating fear. Since it has never been brought out except on two or three momentous occasions, it is only natural we should decide to use it with the extremest regard.

But the news from Korea is black for 100,000 American boys there, struggling in deathly combat with hordes of savage fighters, and outnumbered 3 to 1 by the Chinese Communists.

If using the atom bomb means saving these young Americans in Korea, then I am all for using as many atom bombs as we need and just as soon as we can. Let us destroy the forces of evil which are slaughtering patriotic Americans and defend our soldiers with everything at our command.

I do not know of any greater exigency than when Uncle Sam's armies are threatened with annihilation. That is what will happen unless we go to their rescue. I say use the atom bomb in their defense.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include excerpts from the appendix of the report of the Dies Committee on Un-American Activities.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, I would like to inquire of the majority leader if there has been any change in the program for next week?

Mr. McCORMACK. I am glad the gentleman from Indiana asked that question. There will be a change. The gentleman from North Carolina [Mr. DOUGHTON], chairman of the Ways and Means Committee, has introduced the tax bill that will be considered. The Ways and Means Committee has scheduled a meeting for 2 o'clock. If that committee reports a bill, the Committee on Rules will meet at 3 o'clock for the purpose of reporting a rule. If a rule is reported out, midnight tonight having been obtained for the purpose of filing that rule, by the gentleman from Georgia [Mr. COX], in view of the importance of such legislation I would feel constrained to program it for Monday.

The other bill programed for consideration on Monday is on the program and will be taken up. Of course, every one, I am sure, appreciates the fact that legislation of more far reaching importance should be given preference when available for the consideration of the House. So in answer to the gentleman's inquiry, if the Ways and Means Committee reports out a bill and the Rules Committee reports a rule, which I reasonably expect, then the tax bill will be considered on Monday.

Mr. HALLECK. One further question that possibly the majority leader might answer for the benefit of the membership. He will recall that he and I discussed the matter of a roll call on Monday and had agreed there would be no roll call on Monday. That is, if we had a roll call we would endeavor to put it over until Tuesday. I take it, of course, that the time of voting on the tax bill, if it is taken up on Monday, will be dependent on the length of general debate granted under the rule. The majority leader will agree with me that in all probability the debate will be such that the vote will not come on Monday?

Mr. McCORMACK. I am glad the gentleman from Indiana asked that question, because we did have an understanding with reference to the bill programed for Monday. The same understanding will apply in relation to the tax bill. If debate is finished on Monday, and if there is a roll call on passage, and it is reasonable to assume there will be, so far as I am concerned we will postpone that roll call until Tuesday. I am sure the other Members of the House will not interfere with the carrying out of that understanding.

Mr. HALLECK. I may suggest one other thing. From my experience I am quite sure that general debate will run beyond Monday anyway.

Mr. McCORMACK. That it is reasonable to assume, but in the event general debate is terminated and there is a roll call on final passage of the bill, the understanding of the leadership on both sides is that the roll call will take place on Tuesday.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Assuming, and this is only an assumption, an improbable one, that some maverick makes a point of no quorum, will we adjourn forthwith? Will a motion to adjourn come up right away?

Mr. McCORMACK. A quorum call is not a roll call. There is a clear line of demarcation between a roll call and a quorum call.

Mr. HOFFMAN of Michigan. I know there is.

Mr. McCORMACK. I know the gentleman does, and I have a lot of appreciation for the humor of my friend.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from Mississippi.

Mr. RANKIN. If there is a point of order made on the vote, then that will go over?

Mr. McCORMACK. Where there is a main question involved, and on final vote, if there is not a quorum, the gentleman is correct.

Mr. BONNER. Mr. Speaker, will the gentleman yield?

Mr. HALLECK. I yield to the gentleman from North Carolina.

Mr. BONNER. I would like to ask the gentleman from Massachusetts a question. Since he has agreed that the tax bill will be taken up on Monday, if debate is finished and there is a roll call, the roll call will go over until Tuesday. May I ask, if the tax bill is taken up on Tuesday, then will the roll call go over until Wednesday?

Mr. McCORMACK. Oh, no. I mean if the debate is not closed on Monday, and there is a continuation of debate on the tax bill on Tuesday, of course we will go ahead to final completion. This applies only to Monday.

Mr. BONNER. Does the gentleman intend to finish the tax bill on Tuesday?

Mr. McCORMACK. Well, I do not know what the length of time of debate will be. The understanding is that if the tax bill is concluded on Monday, that any roll call will go over until Tuesday. If debate is not concluded on Monday, then it will be continued on Tuesday, and we will go right ahead and conclude it.

Mr. BONNER. If you took the bill up on Tuesday, would you have the vote notwithstanding time for debate?

Mr. McCORMACK. If the bill cannot come up on Monday for any reason and it does come up on Tuesday, I would feel constrained to go ahead with the bill and conclude it without putting it over to another day for the roll call.

The SPEAKER. The time of the gentleman from Indiana has expired.

EXTENSION OF REMARKS

Mr. GRAHAM asked and was given permission to extend his remarks.

Mr. McGREGOR asked and was given permission to extend his remarks and include an editorial appearing in the Mansfield News-Journal.

Mr. BOYKIN (at the request of Mr. RIVERS) was given permission to extend his remarks and include therewith an article on the distinguished new commander of the American Legion from Georgia, Hon. Erle Cocke, Jr.

Mr. BIEMILLER asked and was given permission to extend his remarks in three instances and include some excerpts.

Mr. WELCH asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. WAGNER asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. JACOBS asked and was given permission to extend his remarks in the RECORD and include an article and an editorial from the New York Post.

Mr. MANSFIELD asked and was given permission to extend his remarks and include a letter and a memorandum.

Mr. MARTIN of Iowa. Mr. Speaker, on yesterday I received permission to extend my remarks in the RECORD and include an article. I have a report from the printer today stating that the article covers four and one-quarter pages and will cost $348.50. I ask unanimous consent that my remarks may be extended in the Appendix of the RECORD to include this material, notwithstanding the additional cost.

The SPEAKER. Notwithstanding, and without objection, it is so ordered.

There was no objection.

RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it be in order for the Chair to declare a recess at any time today subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The SPEAKER. The Chair declares the House in recess at this time subject to the call of the Chair.

Accordingly (at 12 o'clock and 27 minutes p. m.) the House stood in recess, subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 1 o'clock and 15 minutes p. m.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries.

SUPPLEMENTAL DEFENSE AND OTHER APPROPRIATIONS—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 726)

The SPEAKER laid before the House the following message from the President of the United States, which was read, and together with the accompanying papers referred to the Committee on Appropriations and ordered to be printed:

To the Congress of the United States:

I am today transmitting to the Congress a request for additional funds to strengthen our defenses. The gravity of the world situation requires that these funds be made available with the utmost speed.

I am recommending additional appropriations for the Department of Defense for the fiscal year 1951 in the amount of 16.8 billion dollars. These funds are needed to support our part in the United Nations military action in Korea, and to increase the size and readiness of our Armed Forces should action become necessary in other parts of the world.

Together with the funds appropriated in the General Appropriation Act for fiscal year 1951, and those appropriated in the Supplemental Appropriation Act for fiscal 1951, this will make a total of 41.8 billion dollars for the United States military forces for the current fiscal year.

I am also recommending a supplemental appropriation for the Atomic Energy Commission in the amount of $1,050,000,000. These funds will enable the Commission to enlarge its production capacity substantially. The new facilities will provide larger capacity for the production of fissionable materials, and for the fabrication of such materials into atomic weapons. The fissionable materials thus produced can be utilized either in weapons or as fuels for power-producing atomic reactors. The program for building these additional facilities has been developed after thorough study over the last few months.

The further expansion of our military forces and of our atomic energy enterprise are directed toward strengthening the defenses of the United States and of the entire free world. This expansion is a matter of great urgency, which can be understood and evaluated only against the background of present critical world conditions.

United States troops are now fighting as part of the United Nations command in Korea. They are fighting for freedom and against tyranny—for law and order and against brutal aggression. The attack of the North Korean Communists on their peaceful fellow-countrymen in June was in defiance of the United Nations and was an attack upon the security of peacful nations everywhere. Their action, if unchecked, would have blasted all hope of a just and lasting peace—for if open aggression had been unopposed in Korea, it would have been an invitation to aggression elsewhere.

In that crisis, the United Nations acted, and the United States strongly supported that action—for the people of this country knew that our own freedom was as much at stake as the freedom of the Korean people. We knew that the issue was nothing less than the survival of freedom everywhere. If freemen did not stand together against aggression, there could be no hope for peace. This was essentially a moral decision. We did not hesitate, even though we knew we would have to operate at the end of lengthy supply lines, and would initially be faced with overwhelming odds.

There were serious reverses at first, but the courage and skill of our men, and those of other free nations, working together under brilliant leadership, drove the aggressors back.

It soon became evident that North Koreans alone could not have prepared the kind of well-organized, well-armed attack which was launched against the Republic of Korea. As Ambassador Austin proved in the Security Council of the United Nations, the aggressors were armed with Soviet Russian weapons. From the early days of the attack, it became clear that the North Korean forces were being supplemented and armed from across the frontier. Men and equipment were coming out of those dark places which lie behind the iron curtain.

As the United Nations forces continued to defeat the aggressors and continued to advance in their mission of liberation, Chinese Communist participation in the aggression became more blatant. General MacArthur, as commander of the United Nations forces, reported to the United Nations Security Council on November 5 the proof of this participation.

Despite this outside Communist aid, United Nations troops were well on the way to success in their mission of restoring peace and independence in Korea when the Chinese Communists a few days ago sent their troops into action on a large scale on the side of the aggressor.

The present aggression is thus revealed as a long-calculated move to defy the United Nations and to destroy the Republic of Korea which was giving a demonstration to the peoples of Asia of the advantages of life in an independent, national, non-Communist state.

The present attack on the United Nations forces by the Chinese Communists is a new act of aggression—equally as naked, deliberate, and unprovoked as the earlier aggression of the North Korean Communists. Cutting through the fog of Communist propaganda, this fact stands unmistakably clear: The Chinese Communists, without a shadow of justification, crossed the border of a neighboring country and attacked United Nations troops who were on a mission to restore peace under the direction of the organization representing mankind's best hope for freedom and justice.

The Chinese Communists have acted presumably with full knowledge of the dreadful consequences their action may bring on them. The Chinese people have been engaged in fighting within their own country for years, and in the process their lands and factories have been laid waste, and their young men killed. Nothing but further misery can come to the Chinese people from the reckless course of aggression into which they have been led by the Communists.

The United Nations resolutions, the statements of responsible officials in every free country, the actions of the United Nations command in Korea, all have proved beyond any possible misunderstanding that the United Nations action in Korea presented no threat to legitimate Chinese interests. The United States especially has a long history of friendship for the Chinese people and support for Chinese independence. There is no conceivable justification for the attack of the Chinese Communists upon the United Nations forces.

The only explanation is that these Chinese have been misled or forced into their reckless attack—an act which can only bring tragedy to themselves—to further the imperialist designs of the Soviet Union.

Nevertheless, the Chinese Communists have acted, and they must bear the responsibility for those acts. They have attacked a United Nations force composed of men from Australia, Canada, France, Korea, the Netherlands, New Zealand, the Philippines, South Africa, Thailand, Turkey, the United Kingdom, and the United States. The United Nations force they have attacked includes also Indian and Swedish hospital units. It is a force now being supplemented by troops from Belgium, Colombia, Greece, and Luxemburg. Fifty-three members of the United Nations are supporting this common effort to stop aggression. The Chinese Communists struck at all of these countries when they started to make war against the United Nations.

The United Nations troops are defending themselves vigorously, and will do so with increasing effectiveness as their forces regroup. At Lake Success the United Nations is now considering how best to halt this new aggression and bring to an end the fighting in Korea.

Meanwhile, two facts are clear.

First, the moral issue now is the same as it was in June. The aggression of the Chinese Communists is a direct assault upon the United Nations and upon the principles of international law and order which are its foundation. By their action the Chinese Communist leaders have proved themselves lawbreakers in the community of nations. If there is to be any hope for world peace the nations which truly want peace must stand together in opposing this new aggression, just as they did in opposing the original attack from North Korea.

Second, this aggression casts a more ominous shadow over the prospects for world peace. We see no issue between the Chinese Communists and the free nations, or between the Soviet Union and the free nations, which could not be honorably solved by peaceful means. We continue to stand ready in good faith to seek solutions in that way. But the Chinese Communist leaders, who are known to be in close relations with the Kremlin, have not hesitated to make a large-scale assault upon United Nations troops. The leaders of Communist imperialism could not help but know that this action involved grave risk of world war. Their present aggressive actions seem utterly inconsistent with any peaceful intention.

In the face of this situation, the United States and the other free nations have no choice but to increase their military strength very rapidly. As free men, dedicated to the peaceful advancement of human well-being, we have not made this choice gladly. But we have made it firmly and definitely, and we will not falter or turn back.

Prior to this new act of aggression by the Chinese Communists, a supplemental estimate of appropriations for our Armed Forces was being prepared. This supplemental estimate, which I am transmitting to the Congress today, provides for large additional appropriations for the current fiscal year.

When the Communists of North Korea brutally assaulted the Republic of Korea last June, the strength of our armed forces stood at approximately 1,500,000 men and women; today, 5 months later, the manpower strength of our Armed Forces has been increased by more than 50 percent, to more than 2,250,000 men and women; and our goal, until this most recent act of aggression, has been a strength of 2,800,000 by the end of the current fiscal year. Now we face the necessity of having to raise our sights, both in terms of manpower and in terms of production.

This prospect makes it essential that the funds I am now requesting be made available speedily in order to build up our military strength as rapidly as possible. About $9,000,000,000 of these new funds will be used for major military procurement, and to expand facilities for military production.

The appropriation request I am transmitting today is not a war budget. That would obviously require far more money.

However, the immediate appropriation of these funds will permit us to make the fastest possible progress in increasing our strength. This action will permit us to go ahead at once to step up rapidly the size of the Armed Forces and the rate of military training. It will permit us to go ahead at once to increase rapidly the rate of production of planes, tanks and other military equipment. At the same time, we can be going ahead with plans for such further expansion as may be necessary, and any additional funds required for that purpose can be requested when and as such plans are worked out.

These measures will put us in a position to move speedily into an increased state of mobilization if the situation grows worse. If the situation improves, we can level off the size of forces and the rate of production of military goods as may be appropriate. In any case, we must be prepared to endure a long period of tension.

I wish to emphasize again, as I have before, that the situation we are in requires from every one of us the utmost devotion and willingness to do his part. In this critical time, the national interest is paramount, and all partisan or selfish considerations must be subordinated.

The United States is today strong and free. Whatever may come, I know the people of this country will do everything in their power to increase that strength and protect our precious freedom.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 1, 1950.*

ADJOURNMENT OVER

Mr. MANSFIELD. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

EXTENSION OF REMARKS

Mr. PATTERSON (at the request of Mr. MILLER of Nebraska) was given permission to extend his remarks.

Mr. SMITH of Ohio (at the request of Mr. CLEVENGER) was given permission to extend his remarks.

ADJOURNMENT

Mr. MANSFIELD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 1 o'clock and 27 minutes p. m.) the House, under its previous order, adjourned until Monday, December 4, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

1760. Under clause 2 of rule XXIV, a communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1951 in the amount of $17,978,247,000 for the Atomic Energy Commission, Tennessee Valley Authority, and Department of Defense, together with certain proposed provisions and increases in limitations pertaining to existing appropriations (H. Doc. No. 727), was taken from the Speaker's table, referred to the Committee on Appropriations, and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COLMER: Committee on Rules. House Resolution 872. Resolution for consideration of H. R. 9827, a bill to provide revenue by imposing a corporate excess-profits tax, and for other purposes; without amendment (Rept. No. 3141). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 9827. A bill to provide revenue by imposing a corporate excess-profits tax, and for other purposes; without amendment (Rept. No. 3142). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOUGHTON:

H. R. 9827. A bill to provide revenue by imposing a corporate excess-profits tax, and for other purposes; to the Committee on Ways and Means.

By Mr. CELLER:

H. R. 9828. A bill to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Labor; to the Committee on the Judiciary.

By Mr. HAGEN:

H. R. 9829. A bill to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KLEIN:

H. R. 9830. A bill to amend and extend the provisions of the District of Columbia Emergency Rent Act; to the Committee on the District of Columbia.

By Mr. MILLER of California:

H. R. 9831. A bill to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. POAGE:

H. R. 9832. A bill to remove marketing penalties on certain long-staple cotton; to the Committee on Agriculture.

By Mr. RAMSAY:

H. R. 9833. A bill to increase the rates of compensation of officers and employees of the Federal Government, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. VINSON:

H. R. 9834. A bill to authorize the construction of a 60,000-ton aircraft carrier; to the Committee on Armed Services.

H. R. 9835. A bill to authorize the acceptance of conditional gifts to further the defense effort; to the Committee on Armed Services.

By Mr. MITCHELL:

H. J. Res. 549. Joint resolution providing that a copy of the document entitled "Survival Under Atomic Attack" shall be furnished to every home in the United States; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLLING:

H. R. 9836. A bill to provide for the admission of Dr. Karl Schaefer to United States citizenship; to the Committee on the Judiciary.

By Mr. JACOBS:

H. R. 9837. A bill to provide for the extension of design patent No. 133,870, issued September 22, 1942, to Mrs. Beulah Hill relating to a Bootlette; to the Committee on the Judiciary.

H. R. 9838. A bill for the relief of Irene T. Mitchell; to the Committee on the Judiciary.

By Mr. PATTERSON:

H. R. 9839. A bill for the relief of Julio Henrique Da Silva; to the Committee on the Judiciary.

SENATE

MONDAY, DECEMBER 4, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, by whom the meek are guided in judgment and light riseth up in darkness for the godly, grant us in all doubts and uncertainties the grace to ask what Thou wouldst have us to do, that the spirit of wisdom may save us from all false choices and that in Thy light we may see light and in Thy straight path may not stumble.

Bowing in this storied Chamber we are conscious that we are heirs of great traditions. We are conscious, too, of a listening world, hoping in its agony that the horror of global war may be averted. In this mad and sad day filled with the angry accents of hate, we humbly bow at the beginning of this fateful week with the deathless assurance that can turn even seeming tragedy to triumph: "The eternal God is our refuge and underneath are the everlasting arms." We ask it in the name of the Prince of Peace. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, December 1, 1950, was dispensed with.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. TOBEY was excused from attendance on the sessions of the Senate until Thursday on official business of the Committee on Small Business.

On request of Mr. WHERRY, and by unanimous consent, Mr. CARLSON was excused from attendance on the sessions of the Senate Wednesday and Thursday to attend the annual meeting of the Council of State Governments, of which he is the chairman.

On request of Mr. LUCAS, and by unanimous consent, Mr. MCCARRAN was excused from attendance on the sessions of the Senate for an indefinite period.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LUCAS, and by unanimous consent, the Committee on Foreign Relations was authorized to meet during the session of the Senate today.

SENATOR FROM CALIFORNIA

Mr. KNOWLAND. Mr. President, I send to the desk a telegram from the Governor of California, the Honorable Earl Warren, and I ask that it be read.

The VICE PRESIDENT. The telegram will be read.

The legislative clerk read as follows:

SACRAMENTO, CALIF., *December 3, 1950.*

SECRETARY OF THE UNITED STATES SENATE,
Capitol Building, Washington, D. C.:

This is to advise you that on December 1, 1950, I appointed RICHARD M. NIXON United States Senator to fill the unexpired term of United States Senator Sheridan Downey in the Eighty-first Congress. On that same date, I mailed Senator NIXON'S commission to him at Washington, D. C.

EARL WARREN,
Governor.

Mr. KNOWLAND. Mr. President, the Senator-elect is present in the Chamber, and I ask unanimous consent that he be permitted to take the oath of office.

The VICE PRESIDENT. Is there objection to the request of the Senator from California? The Chair hears none. If the Senator-elect will come forward, the Chair will administer the oath of office to him.

Mr. NIXON, escorted by Mr. KNOWLAND, advanced to the desk, and the oath prescribed by law was administered to him by the Vice President.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hoey	Mundt
Anderson	Holland	Neely
Bricker	Hunt	Nixon
Butler	Ives	O'Conor
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Carlson	Kem	Saltonstall
Chapman	Kerr	Schoeppel
Chavez	Kilgore	Smith, Maine
Clements	Knowland	Smith, N. C.
Connally	Langer	Smith, N. J.
Cordon	Leahy	Stennis
Donnell	Lehman	Taft
Dworshak	Long	Taylor
Eastland	Lucas	Thomas, Okla.
Ecton	McCarthy	Thomas, Utah
Frear	McClellan	Thye
Fulbright	McFarland	Tydings
George	McKellar	Watkins
Gillette	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Maybank	Young
Hickenlooper	Millikin	
Hill	Morse	

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Colorado [Mr. JOHNSON] are absent on official business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The Senator from Illinois [Mr. DOUGLAS], the Senator from Montana [Mr. MURRAY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on public business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from Maine [Mr. BREWSTER] is necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Pennsylvania [Mr. MARTIN] are absent by leave of the Senate on official business.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate on official business of the Committee on Small Business.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

RENEWAL OF PROGRAM OF VOCATIONAL REHABILITATION FOR DISABLED VETERANS (H. DOC. NO. 728)

The VICE PRESIDENT. The Chair has a communication from the President of the United States, which is really meant for the Senate. The clerk will read the communication.

The Chief Clerk read the communication, as follows:

THE WHITE HOUSE,
Washington, December 4, 1950.

Hon. ALBEN W. BARKLEY,
Vice President of the United States,
Washington, D. C.

DEAR MR. VICE PRESIDENT: I wish to recommend action in the present session to renew the program of vocational rehabilitation for disabled veterans, which was in effect during and after World War II. Since the Armed Forces are

now beginning to discharge men disabled in the current hostilities, renewal of these benefits has become a matter of urgency, warranting action before the present Congress adjourns.

During the last war, as at the present time, the first men to be released by the Armed Forces were those who had been wounded or otherwise disabled and were no longer able to serve on active duty. These men were—and are—entitled under permanent law to full medical treatment and to monthly compensation varying with the degree of disability. In addition, disabled veterans of World War II were given help by the Government in gaining the qualifications needed for civilian employment. In some cases, this meant completion of professional training interrupted by the war. In other cases, old skills had to be brushed up, or new skills acquired.

This program was authorized by Public Law 16 of the Seventy-eighth Congress. Under this law, every disabled veteran who needed vocational rehabilitation in overcoming the handicap of his disability, was enabled to undertake any type of education or training for which he had aptitude and interest. The colleges and universities and the trade and vocational schools all cooperated in the program, and many special courses were established. Arrangements were also made in many cases for training on the farm and on the job.

While the disabled veterans were in training, their tuition was paid by the Government, and the Government financed their subsistence and school supplies.

In this way, thousands of disabled veterans were reequipped for jobs in civil life. In a great many cases, these men were able fully to overcome the loss of earning power which had resulted from their disability. In all, more than 550,000 disabled veterans have participated in the rehabilitation program authorized by Public Law 16.

However, the benefits of Public Law 16 are not available to men who began their military service after July 25, 1947. This means that most of the men disabled during the current campaign in Korea will not receive the kind of rehabilitation benefits which were extended to the disabled veterans of the last war unless new legislation is enacted. I hope that such legislation will receive favorable action by the Congress before the close of this session.

Disabled veterans will need rehabilitation assistance first of all. Later they may also need other kinds of help in readjusting to civilian status. The next Congress will have an opportunity to give full consideration to their longer range needs and to those of the able-bodied men, now in service, who will eventually be returned to civil life. In planning to meet these needs it will, of course, be essential to relate any new benefits to the readjustment problems which will actually face our future veterans. It will be necessary to review with care the experience gained in the veterans' readjustment programs after World War II. This will take time.

Meanwhile, however, there is no reason for delay in meeting the immediate needs of the disabled servicemen who are now being released by the Armed Forces.

Very sincerely yours,

HARRY S. TRUMAN.

The VICE PRESIDENT. The communication will be referred to the Committee on Labor and Public Welfare.

FEDERAL CIVIL-DEFENSE PROGRAM—REFERENCE OF BILLS

The VICE PRESIDENT. The Chair has at the desk, for reference, two bills which were introduced last week, Senate bill 4217, introduced by the Senator from Connecticut [Mr. MCMAHON], and Senate bill 4219, introduced by the Senator from Tennessee [Mr. KEFAUVER], to authorize a Federal civil-defense program. In view of the importance of this proposed legislation, the Chair does not feel justified in holding up the reference of the bills any longer.

The Chair has investigated the rule governing the jurisdiction of the Committee on Armed Services and jurisdiction of the Joint Committee on Atomic Energy, in view of the suggestion that the bills be referred to the Joint Committee on Atomic Energy. The Reorganization Act undertook to delineate the jurisdiction of committees more in detail and more definitely than had ever been done before.

The present occupant of the Chair has tried to preserve the integrity of the committees as outlined in the rule. The act creating the Joint Committee on Atomic Energy provides that it shall have jurisdiction to investigate activities of the Atomic Energy Commission and to investigate the development, use, and control of atomic energy. Obviously that means the development, use, and control of atomic energy in this country—our own atomic energy. It could not be held to include the investigation of the development, use, and control of atomic energy in other countries, so far as proposed legislation before the Senate is concerned, although no doubt the joint committee would have jurisdiction to look into the development everywhere.

The rule providing for the jurisdiction of the Armed Services Committee provides that, among other things, it shall have jurisdiction over defense matters generally in the United States. Atomic energy and the use of the atomic bomb constitute only one phase of attacks which might be made upon the United States. The bill itself provides other methods by which an attack might take place; namely, sabotage, artillery bombardments, any form of attack which might endanger the safety of this country. That goes far beyond the jurisdiction of the Joint Committee on Atomic Energy.

For that reason the Chair feels compelled to refer both these bills to the Committee on Armed Services.

In view of the importance of the matter, the Chair hopes that very prompt consideration will be given to the proposed legislation.

The bills were taken from the table and referred to the Committee on Armed Services, as follows:

S. 4217. A bill to authorize a Federal civil-defense program, and for other purposes; and

S. 4219. A bill to authorize a Federal civil-defense program, and for other purposes.

Mr. MCMAHON obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield for an inquiry?

Mr. MCMAHON. I yield.

Mr. WHERRY. Is the distinguished Vice President now speaking of Senate bill 4217?

The VICE PRESIDENT. Yes; both Senate bill 4217 and Senate bill 4219.

Mr. WHERRY. I thank the Chair very much.

Mr. MCMAHON. Mr. President, I agree with the distinguished occupant of the Chair as to the importance of this proposed legislation and as to the necessity to have the Senate, through its authorized committees, begin consideration of it. Perhaps it would not be amiss if I were to take a moment to describe the activities of the joint committee in this field.

When it became apparent, a year ago last September, that the Soviets had exploded an atomic bomb, the implications of that were not lost upon those of us who were most intimately concerned with the subject. As chairman of the joint committee, and after consultation with the other members of the committee, I determined upon a series of hearings on the subject of civilian defense. Those hearings were commenced last winter. We held 10 or 12 sessions, and compiled what I think is a very valuable record, which was of considerable assistance to those in the executive branch who had the responsibility of going forward with the program. I believe the work which was done then has borne good fruit.

Until a few minutes ago, I did not know of the intention of the Vice President to refer the bills to the Armed Services Committee. Before that, I had scheduled, as one of the series of hearings which were being held, a meeting this afternoon with Mr. Symington and his advisers. We shall go forward with that meeting, and, of course, I extend an invitation to the members of the Armed Services Committee to come to that meeting and to participate in it.

When the Reorganization Act was written, I do not suppose it was contemplated that we would face a situation such as the one we face today. I should like to point out that the armed services, which are within the jurisdiction of the Armed Services Committee, have specifically said on a number of occasions that the responsibility for civilian defense does not rest in the Pentagon. I believe very firmly that it is highly necessary that our civilian defenses remain in the hands of civilians.

Despite all that, Mr. President, because of the seriousness of this situation it is not my personal judgment that over a point of jurisdiction of committees there should be delay in connection with the consideration of this matter. I have been talking with one of the members of a subcommittee of the Armed Services Committee which has been appointed to consider this matter, namely, the Senator from Tennessee [Mr. KEFAUVER], to see whether we could work out a situation which would comport with the best

interests of our security, because that is all I am interested in at this time. I shall continue those conferences in conjunction with the other members of the joint committee, particularly those who also are members of the Armed Services Committee, to see whether we can sensibly work out this matter. There is a big job to be done. It must be attacked with speed and with wisdom.

Again I say I shall see what I can do about working it out, without in any way surrendering sensible claims to a sensible participation in the matter.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred, as indicated:

LAW ENACTED BY CONGRESS OF GUAM

A letter from the Secretary of the Interior, transmitting, pursuant to law, a copy of a law enacted by the Tenth Congress of Guam (with an accompanying paper); to the Committee on Interior and Insular Affairs.

LAW ENACTED BY LEGISLATIVE ASSEMBLY OF VIRGIN ISLANDS

A letter from the Secretary of the Interior, transmitting, pursuant to law, a copy of a law enacted by the Fifteenth Legislative Assembly of the Virgin Islands, first session 1950 (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT OF MIGRATORY BIRD CONSERVATION COMMISSION

A letter from the Secretary of the Interior, as Chairman of the Migratory Bird Conservation Commission, transmitting, pursuant to law, a report of the Commission for the fiscal year ended June 30, 1950 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A petition of Mary N. Powers and sundry citizens of Chicago, Ill., praying for the use of the A-bomb in Russia; to the Committee on Armed Services.

A letter in the nature of a petition from the Liberal Party of New York State, New York, N. Y., signed by Marx Lewis, chairman, national legislative committee, and Ben Davidson, executive director, praying for the speedy enactment of legislation providing excess-profits taxes, etc.; to the Committee on Finance.

A resolution adopted by the City Council of the City of Minneapolis, Minn., relating to a tax on excess profits of regulated public utilities; to the Committee on Finance.

A paper in the nature of a petition from Manila Post, No. 464, Department of California, the American Legion, relating to the benefits bestowed upon Filipino veterans; to the Committee on Labor and Public Welfare.

A resolution adopted by the one hundred and forty-third convention of the New York City Federation of Women's Clubs, New York, N. Y., favoring the enactment of legislation granting statehood to Hawaii and Alaska; ordered to lie on the table.

A telegram in the nature of a petition from the Bar Association of Hawaii, signed by C. Nils Tavares, president, Honolulu, T. H., praying for the enactment of legislation granting statehood to Hawaii and Alaska; ordered to lie on the table.

RESOLUTIONS OF WISCONSIN ORGANIZATIONS ENDORSING FEDERAL ECONOMY

Mr. WILEY. Mr. President, like other Members of the Senate, I have recently received many expressions from the people of my State urging an all-out effort for Federal economy. The people of the "grass roots" recognize that with America heavily involved in the Korean conflict we must indeed economize on the home front in all nonessential spending.

As an indication of that opinion among our people, I present for appropriate reference, and ask unanimous consent that there be printed in the RECORD, at this point, the text of two resolutions which I have received this very morning; one of them is from Eli Gebhard, secretary of the Slinger, Wis., Advancement Association. The other is from Miss Julia Ramsay, secretary of the Homestead Grange, No. 684, Peshtigo, Wis.

I congratulate these two fine organizations on their sound thinking.

There being no objection, the resolutions were referred to the Committee on Expenditures in the Executive Department, and ordered to be printed in the RECORD, as follows:

SLINGER ADVANCEMENT ASSOCIATION,
Slinger, Wis., November 28, 1950.

United States Senator ALEXANDER WILEY,
Chippewa Falls, Wis.

DEAR SENATOR WILEY: The Slinger Advancement Association earnestly hopes that you will support all nonmilitary appropriation cuts made by the United States Budget Bureau. While some of the announced cuts may seem large, we know that they are based on intimate knowledge and study, by the Budget Bureau of the program and activities of each department.

We know that from your past record you have always favored economy in Federal spending, without impairing national defense, and we wish to offer our moral support to you in this cause.

Very truly yours,

ELI GEBHARD,
Secretary.

PESHTIGO, WIS., *November 28, 1950.*

Senator ALEXANDER WILEY,
Washington, D. C.

DEAR SENATOR WILEY: At the last regular meeting of Homestead Grange, No. 684, the following resolution was adopted by them:

Realizing that the Federal Government must have increased revenue with which to pay the cost of the defense program and that Congress is at present confronted with the problem of devising means of raising this revenue, Homestead Grange, No. 684, is asking Congress to use every effort to reduce nondefense spending before new taxes are added.

It further urges that the Federal payroll be reduced as a means of reducing Government expense.

We solicit your cooperation in the above resolution.

Fraternally and sincerely,

JULIA RAMSAY,
Secretary, Homestead Grange, No. 684.

LET US REMEMBER WHO THE CULPRIT IS—EDITORIAL FROM THE DES MOINES REGISTER

[Mr. GILLETTE asked and obtained leave to have printed in the RECORD an editorial entitled "Let Us Remember Who the Culprit Is," published in the Des Moines Register of Thursday, November 30, 1950, which appears in the Appendix.]

NATIONAL SCIENCE FOUNDATION BOARD

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a list of the Presidential appointees to the National Science Foundation Board and a résumé of their biographies, which appear in the Appendix.]

INTERNATIONAL LAW AND FISHERIES—ARTICLE BY EDWARD W. ALLEN

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an article entitled "International Law and Fisheries," written by Mr. Edward W. Allen, which appears in the Appendix.]

NATIONAL EDUCATION PROGRAM FOR STUDY OF CONGRESS—CORRESFONDENCE WITH YOUR CONGRESS MAGAZINE

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD correspondence with Hal J. Miller, editor of Your Congress magazine, relative to a national education program for a study of Congress, which appears in the Appendix.]

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

As in executive session,

The following favorable report of a nomination was submitted:

By Mr. MAYBANK, from the Committee on Banking and Currency:

Alan Valentine, of New York, to be Economic Stabilization Administrator.

EXTENSION OF RENT CONTROL

Mr. LUCAS. Mr. President, when the Senate convened 1 week ago today, we had before us Calendar No. 2263, the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carrier's employees for certain purposes and under certain conditions. On that day the Senator from Illinois entered a motion to proceed to the consideration of Calendar Order No. 1932, the bill (H. R. 331) to provide for the admission of Alaska into the Union. The motion to take up House bill 331 was debated all week long.

There is now before the Senate an important measure, known as Calendar Order 2587, the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended. I now ask unanimous consent that the bill (H. R. 331) to provide for the admission of Alaska into the Union be laid aside temporarily, and that the Senate proceed to the consideration of the joint resolution (S. J. Res. 207).

The VICE PRESIDENT. The bill (H. R. 331) is the subject of a motion to proceed to its consideration, which motion is pending. The bill is not yet before the Senate. Does the Senator from Illinois ask that the motion be laid aside temporarily?

Mr. LUCAS. I ask unanimous consent that my motion to proceed to the con-

sideration of the bill (H. R. 331) be laid aside temporarily, and that the Senate proceed to the consideration of the joint resolution (S. J. Res. 207).

The VICE PRESIDENT. Is there objection?

Mr. STENNIS. I object. I am opposed to passage of the Alaska statehood bill, but I am not opposed to bringing up for consideration the joint resolution to extend rent control, or anything of the kind. The Senator from Illinois has another remedy, if he desires to have the joint resolution considered. I object.

The VICE PRESIDENT. The Senator from Mississippi objects.

Mr. LUCAS. Mr. President, in view of the objection by the Senator from Mississippi, which I regret exceedingly, I now withdraw the motion I made a week ago today to proceed to the consideration of the bill (H. R. 331) to provide for the admission of Alaska into the Union.

The VICE PRESIDENT. The Senator from Illinois withdraws the motion.

Mr. LUCAS. I now ask unanimous consent that, without prejudicing the rights of the unfinished business, namely, the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carrier's employees for certain purposes and under certain conditions, the Senate proceed to the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. WHERRY. Mr. President, reserving the right to object—and I shall not object—I should like to have cleared up the mechanics of this procedure, so that all Senators may understand it. If I understand the majority leader correctly, he is now asking unanimous consent that the unfinished business, which is a bill to amend the Railway Labor Act, be laid aside temporarily. Is that correct?

Mr. LUCAS. I am asking unanimous consent that the bill to amend the Railway Labor Act be laid aside temporarily, and that the Senate proceed to the consideration of the joint resolution (S. J. Res. 207).

The VICE PRESIDENT. Is there objection?

Mr. LANGER. I object.

The VICE PRESIDENT. The Senator from North Dakota objects.

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. WHERRY. The question I desire to ask the distinguished Vice President is this: Now that a motion has been agreed to to proceed to the consideration of the rent-control legislation, the joint resolution (S. J. Res. 207) is now the unfinished business of the Senate, and the bill to amend the Railway Labor Act is returned to the calendar. Is that correct?

The VICE PRESIDENT. The rent-control measure displaces the Railway Labor Act, which is returned to the calendar.

THE WORLD CRISIS

Mr. CHAVEZ. Mr. President, a few moments ago the Senate heard read a message from the President of the United States having to do with a recommendation of legislation to provide for the rehabilitation of disabled American veterans. In my opinion it was a very laudable message. There is no question in my mind that disabled American veterans should be rehabilitated if at all possible, and I am for the proposition to rehabilitate them. But, more serious than that, is the question, What is the country going to do, and what is the Congress of the United States going to do about having many thousands of other American veterans in the future who may need rehabilitation? Is it at all possible to prevent such conditions coming about that they will have to be rehabilitated?

Irrespective of feelings of persons whether in Government or otherwise, it is absolutely necessary that the American people and our Government get realistic about the world situation as it is today. Intentions can be of the best. Public and military officials can act in the best of faith, but we do know that the situation in Korea is grave and serious. The casualties among the American troops and a few of our friends of the United Nations are high and still mounting. All the average American citizen needs to do is to open any newspaper, whether it be a country weekly published in one of the rural districts of the Nation, or a daily newspaper published in a great metropolis, to see how the casualties are mounting. The situation is so grave that officials of the existing Governments of England and France are here for consultation.

I took an oath of office when I was sworn in as United States Senator. I have tried in conscience to carry out that oath of office. I have never been more sincere in anything that I have said than in what I am going to tell the Members of the Senate now.

This country, the executive department, the House of Representatives and the Senate of the United States, must once and forever tell the world that we will not recognize Communist China. Let us tell the world now—and the world might as well understand it—that, irrespective of the outcome in Korea, even if Korea turns out to be another Dunkerque, we must let the world know that we will be back there and anywhere else in the world if necessary to protect the ideals for which free people stand.

Soviet Russia is trying to exploit what she feels to be our weakness in manpower. She feels that because China has hordes of manpower and because other areas in different parts of the world have hordes of manpower, she can overwhelm us by the use of that manpower. Russia forgets, and is badly mistaken, because the manpower of the United States includes all of the free thinking people of the world, and that includes millions in China.

Russia, through deceit and by false promises and hopes, is seeking to set the free-thinking people of the world against each other. She started with Korea and now has China involved—Communist China. A Communist is a Communist no matter where he is or what he is. He is a Communist whether he is a Russian, a Chinese, an American, or a Frenchman. He is still a Communist. The Communists believe in dictatorship and dictatorial power and not in the basic freedoms of the people. They are opposed to the principles of freedom and democracy, which are represented by our country and which have resulted in the greatest industrial productivity and highest living standards that have ever existed in the world.

To students of history it is well known that those nations which have permitted basic freedoms have enjoyed the highest standards of living. Those basic freedoms are those of religion, of speech, and of action, so long as the action of a citizen does not interfere with the freedom of his neighbor. That has been known for thousands of years by the peoples of the world. We in this country know what it means. We fought the mother country. We fought ourselves, and we fought in two world wars to establish those freedoms. Now it looks as though we shall have to have another war to maintain it. Freedom has been bought by the blood of the sons of many nations in many areas of the world. Even the Redeemer had to die in order to redeem the world. People throughout the world have paid with blood, suffering death, and deprivation, but those freedoms were worth the price.

I am confident that the world would like to share with us these ideals of freedom. They would like to share with us these ideals and to enjoy freedom of religion, of speech, and of movement. They would like to worship God according to their conscience, they would like to express opinions freely, and they would like to move about as they please so long as they do not interfere with the rights of others.

Mr. President, what has been the result of the efforts of the United Nations up to now? We have had the moral support of the non-Communist world. We have had the political support of the majority of the United Nations. However, in the showdown, when facing stern realities, and when the shooting war started in Korea, the great majority of the dying, the wounded, and those who suffered were Americans. The ones who will be subject to the legislation recommended by the President of the United States are American boys. Therefore, in my opinion, the hour calls for action, not appeasement. The United Nations may not be prepared to

join us in an effective way to fight against communism for those freedoms in order to save civilization. Members of the Senate, that is exactly what it means. The hour has arrived to take some action in order to save civilization.

Consequently, in my opinion we must go to the people of other freedom-loving nations—through their governments, but we must go to them—and raise a world army to fight for their and our freedoms. This is not an idle dream. It is not impracticable. We must raise a world army of at least 20,000,000. We must raise an army of men who believe as we do and who are ready to make all sacrifices necessary. Such an army can be recruited, trained, and equipped, as we have raised, trained, and equipped our own troops, if only we are practical enough and use a little American common sense.

Why do I say that? Even when hostilities broke out in Korea our consulates all over the world were swamped by citizens and subjects of nations who wanted to enlist in the fight against communism along with American boys. They did not have an opportunity to do so. They wanted to fight, but international politics, maneuvering for political position, maneuvering for a little commercial advantage, made it necessary that those who would fight and die and suffer along with American boys be denied that privilege. It can be done if we approach the problem with a little American common sense. It can be done if we face the stern realities with a little American common sense. This is war. If any Senator does not believe it, I ask that he pick up a country weekly paper from his State. I get the papers from my State. No one can tell a mother in Los Chavez, N. Mex., where I was born, that her son Garcia, who was killed in Korea, was not fighting in a war. This is no time for appeasement. Our strength lies in our productivity, in our ideals, and in our concept of what we stand for. It means everything that makes it possible for us to stand here today and express an opinion. Let us put our strength to work.

I propose that this Nation, through proper authorities, enlist the manpower of the free-thinking world by a new method of approach and, instead of spending billions and billons of dollars through ECA or the Marshall plan, that we recruit millions of men throughout the world, train them and pay them as we do our American soldiers, and we may rest assured that they will fight for the same ideals American boys are now dying for.

Oh, yes, the United Nations may pass resolutions stating they are for us, but they still do not send any troops, except for a few British, Turks, and Filipinos. Aside from those troops, what have we? They pass resolutions calling on Arabia and Israel to stop shooting. What we want to do is to stop the Communists from shooting. That is our first duty, as I see it. The approach, in my opinion, should be that, instead of spending billions and billions through ECA and the Marshall plan, we recruit these millions of men throughout the world, as I have said.

History teaches us, even at the moment, that foreign recruits are fighting for other nations where war is going on. France has them. England has them in outposts. So why cannot we have freedom-loving people helping us and helping themselves. Russia has them in Communist China. Why cannot we do something that makes sense?

We have tried to get the United Nations to support us with military manpower without success. What I propose is simply to recruit a foreign legion, which we would train, equip, and maintain, and to make this force available along with our own troops to fight for freedom.

What the President of the United States and the Secretary of State should fully apprise the world of is that we will not recognize communistic China or communistic Korea, and that we do not intend to let communistic Russia bluff us in any way, shape, or form. Furthermore, that it is our purpose to go to the free-thinking people of the world to recruit the military manpower necessary to stop the communistic world. Those two points should be emphasized to the representatives of weakening members of the United Nations.

I do not say this in any criticism of the Secretary of State, and this is not a question of personalities; but situations come and go. The flag means more to me, the Constitution means more to me, the Declaration of Independence means more to me, and the American system means more to me, than any personality, including the Senator from New Mexico. Law must prevail. The country must go on. If it is necessary that a particular person suffer, Mr. President, what has that to do compared with the saving of America?

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CHAVEZ. I yield.

COLLUSION TO LOSE CHINA

Mr. MALONE. I should like to ask the distinguished senior Senator from New Mexico if the evidence at this time pointing toward our intent in losing Asia is not cumulative. It began, of course, when the British deliberately recognized Communist China without consulting our people, and was followed by the statement of the Secretary of State that we would not use the veto to prevent such recognition after his return from the conference in Europe last summer.

Now we have the continued encouragement of our Secretary of State, working with England and other European nations to secure recognition of Communist China.

Is not the evidence cumulative that what we intend to do is to round up the votes for the speedy recognition of Communist China by the United Nations, the United States voting against it but not using the veto, and then abandoning Formosa to its fate, and flooding the country with propaganda to the effect that we may as well recognize Communist China, after the United Nations has recognized it? Have we not been taking one step at a time for the past 18 months toward the recognition of Communist China?

Mr. CHAVEZ. I desire to answer the Senator from Nevada in good faith. I do not want to become involved in an argument, or to indulge in personalities.

I do not know whether anything that happened 6 months ago, a year ago, or 2 years ago, or the other day, proves anything whatsoever. All I do know, and all I am trying to impress upon the Senate, is that some action should be taken. I do not know what the Secretary of State had in mind 6 months ago. I shall take it for granted, until I know differently, that he was acting in good faith. But the point is not whether he was right or wrong. The point I am trying to make is that action should be taken now. We are not fighting a war we were fighting 6 months ago. We are fighting a war on the 4th of December 1950 and that is the one I should like to meet. We must be prepared also for what may come in the future.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. CHAVEZ. I yield.

Mr. MALONE. I congratulate the distinguished Senator from New Mexico upon his statement—and fully agree with him—that we should make our position clear. As a matter of fact, the junior Senator from Nevada has been saying for 4 years that we must determine which areas in the world are important to our ultimate safety, and make known that we will defend those areas, and not recognize Communist China or Communist anything.

But the distinguished Senator from New Mexico will remember that the Secretary of State said last July that we would not use the veto to prevent admission of Red China to the United Nations.

Mr. CHAVEZ. Suppose he did. That does not prove that he was acting in bad faith, so far as I am concerned, because, the Lord knows, we want peace. The people of the United States do not want to fight. The people of the United States do not want to have their boys slaughtered in Korea or elsewhere. The people of the United States are willing to do almost anything in order to prevent war. But we have now reached the point where we are fighting, and our boys are being killed. We should do something about it, to try to save as many as we possibly can.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. CHAVEZ. I yield.

Mr. MALONE. Let me say again that I fully agree with the distinguished Senator from New Mexico. We must make our position clear—let it be known what we mean to do and why we are doing it.

Mr. CHAVEZ. I do not want to do it piecemeal.

Mr. MALONE. We cannot hold General MacArthur on any line, as we did on the thirty-eighth parallel for 10 days while the Communists regrouped their forces, and then hold him on the boundary of Manchuria and prevent him from attacking their bases, and win a war.

Mr. CHAVEZ. I wish my good friend from Nevada would strictly understand me. So far as I am concerned, MacArthur is incidental. Acheson is incidental. The military are incidental. I

respect them all; but America does mean something to me.

Mr. MALONE. I should like to say further to my distinguished colleague that I fully agree that we must establish a foreign policy—understood by foreign nations and our own people alike and get ready to defend it.

Mr. CHAVEZ. I do not want any politics involved in this discussion.

Mr. MALONE. I understand. I fully agree with the distinguished Senator from New Mexico. However, it seems to me that it is plain to be seen that Atlee's visit means that there will be a proposal placed before us to stop that war by recognizing Communist China and pulling out of Formosa. I believe that such a proposal will be made very soon—and I believe it will result in one more step toward Communist domination of the world.

Mr. CHAVEZ. I am suggesting that we do not stand for that.

Mr. EASTLAND. Mr. President——

The PRESIDING OFFICER (Mr. GILLETTE in the chair). Does the Senator from New Mexico yield to the Senator from Mississippi?

Mr. CHAVEZ. I yield.

Mr. EASTLAND. Does the Senator think we should clamp a blockade on the China coast and seal her ports?

Mr. CHAVEZ. I think we should go to the extent of everything necessary to stop communistic China and communistic Russia. Does that answer the Senator's question? As to the method of doing that, the Senator might suggest one way, I might suggest another. I am thinking only of what may be necessary.

Mr. EASTLAND. Is the Senator in favor of cooperating with Chiang Kai-shek, and sending his forces back to the mainland?

Mr. CHAVEZ. I am in favor of cooperating with millions of Chinese; yes. We can use Chiang Kai-shek. The Senator from Mississippi is not going to place me on the spot in that respect.

Mr. EASTLAND. I am not trying to place the Senator on the spot.

Mr. CHAVEZ. I have as much respect for Chiang Kai-shek as I have for the Communists. I know that there are millions of Chinese who do not feel as does Chiang Kai-shek who have always been our friends. Why not try to do something with them?

Mr. EASTLAND. Does not the Senator think we should arm the anti-Communists in China?

Mr. CHAVEZ. That is exactly what I am suggesting, and in the not far distant future, within the next few days, I am going to indicate how they could be armed, not for fighting for the philosophy of Chiang Kai-shek, or the philosophy of Communist China, but in order to carry out our ideals and concepts of a free people.

Mr. President, what I am saying is not said with the idea of criticism of the motives of the Secretary of State, his sincerity of purpose, or his integrity. I may be mistaken, but I think that his trouble is that he is trying to make up his mind from the thinking of the central part of the North Atlantic States, and it does not involve the thinking of Bolivar or Clinton Corners, N. Y., Eaton, Ky., or Sullivan Hollow, Miss., or Los Chavez, in New Mexico, or Fort Scott, Nebr. I do not think he knows the pulse of the American people as it exists where the heart of America is, Jefferson City, Mo., or Lamont, or anywhere else. If he would get the concept of what is going on at Metropolis, Ill., or Ventura, Calif., or Golden, Colo., he would find that the American people now, irrespective of how much they desire and pray for peace, do not want appeasement of communistic China, no matter who recommends it.

It is my purpose to tell the Senate in the near future what the Senator from Mississippi has suggested, as to how we can get the millions of Chinese who are willing to be our friends to fight, not only against communistic China, which is the main purpose at the moment, but to fight against anything that fails to uphold the freedom we talk about and brag about and try to secure.

I thank the Senate.

NECESSITY FOR COMBATING AGGRESSIVE COMMUNISM IN ASIA

Mr. KNOWLAND. Mr. President, this is no mere "police action" going on in Korea. American fighting men have never been called upon to face more difficult terrain and weather conditions or to confront a more fanatical foe than those against whom our forces are now engaged.

All of Asia hangs in the balance. If the manpower and the natural resources of Asia fall into the orbit of international communism there will exist the greatest aggregation of power the world has ever known. With its Asiatic flank fully protected, the Soviet Union will be able to concentrate its strong far eastern armed forces with those it now has in eastern Europe and greatly offset any new planned build-up in armed forces of the Western World. Therein rests the fallacy of those who would abandon Asia and concentrate on Europe alone.

Nine years ago this week we were caught with our defenses down at Pearl Harbor. A heavy blow which precipitated us into World War II came out of the Pacific, and the invasion by an Asiatic foe of some of the Alaskan Aleutian Islands took place soon after. This was done by a nation of 80,000,000 people. A billion and a half is the population of Asia, a large part of which today is either still outside the iron curtain or not yet fully digested.

The week beginning today may determine which way the free people of Asia turn. There are millions of Asiatics who want to be free and who are willing to fight to help preserve a free world of free men. They need and they want some leadership.

Today I speak on my responsibility as a Senator of the United States. I speak as a Republican who followed the leadership of the Senator from Michigan [Mr. VANDENBERG] in trying to develop an American foreign policy that would have some continuity regardless of which one of our great political parties was in control of the executive branch of the Government. My record is to be found in the proceedings of the Seventy-ninth Congress, subsequent to my coming to the Senate on August 14, 1945, the Eightieth, and Eighty-first. I have supported the United Nations legislation, the ECA, the North Atlantic Pact, the arms-implementation legislation, and the Greek-Turkish aid program.

However, I have believed that aggressive communism was global in character and that it did not make sense to close the door in Europe if the door in Asia was to be left wide open. It was at this point that I have differed with the policies of this administration.

The Congress has a constitutional obligation which must not be abdicated. It will not serve the best interests of the security of our Nation or of the free world for the Congress to allow itself to become a rubber stamp for this or any future administration.

We have a right and an obligation to ask some questions and to get some frank answers now from our own executive branch and from those who are now here to advise with and try to influence our executive in the formulation of policy or the change in policy.

We boldly, with great risk, broke the Berlin blockade by air and permitted the two and one-quarter million free people of Berlin to survive when to have taken counsel of despair would have placed them all under the totalitarian rule of the Soviet Union.

We boldly, with great risk, supported the Government of 7,500,000 people of Greece in order to prevent the Greek Communists from taking over that area and those people.

But are we now to take the position that human freedom is less worth supporting in Asia than it is in Europe? Our action to date in Korea clearly says no to any such doctrine. Yet to follow the advice of some of the "concentrate on Europe" clique that is what the end result would be. If the free people of China on Formosa are sacrificed where do you draw the line? Cannot the same argument apply to Korea? To Japan? To the Philippines? To Indonesia? To Indochina? To Burma? To Siam? To Pakistan? And to India? Where do you draw the line? If we now serve notice on our friends and potential enemies that we dare not protect our far eastern door because we have to concentrate on Europe why should not militant communism take that as a green light to complete the conquest of this vast area in the shortest possible time so that when his stockpile of atomic weapons is larger in 1952 or 1953 he will have already gained control of the vast population and strategic reserves of Asia? Certainly no prudent subject of the British crown would expect to arouse the moral indignation of the world against aggression in Hong Kong, Singapore or the Malay States if all the noncolonial Asiatic nations had been thrown to the wolves of communism in this now far eastern Munich which is in the making.

The United Nations might have been and still might be something that free men in Asia, Europe and here might tie to in this desperate hour of world's history.

But this week it is not alone Communist China and the Soviet Union which are on trial at the bar of world

public opinion, but the United Nations itself is on trial.

On the 26th of June of this year and the days immediately following free men everywhere were electrified that at last there was a system of collective security that could function to resist aggression. Fifty-three of the then 59 members of the United Nations—all but the Soviet Union and its satellites—recognized the movements of North Korean Communists across the thirty-eighth parallel as aggression.

Now we come to the week of December 4, less than 6 months later, with members vacillating and palavering over whether or not the movement of over 400,000,000 Chinese Communists across the international frontier of the Yalu River is aggression and whether it should be treated as such.

Are we to have one rule and set of penalties for small nation aggressors and none at all for the large? Are we to continue our moral and material support to an organization which kow-tows to the doctrine that might makes right?

Or is the new United Nations doctrine to be not one of international law and order which both the weak and the strong must respect or face the collective opposition of all the law-abiding nations of the world, but rather a loose system where each individual member will determine whether the killing of his neighbor and the raping of his neighbor's wife was or was not of quite sufficient importance to warrant the effort to round up the outlaw? Do our European friends think that there is any real security for them in such a system? Any such precedent established in Asia will rise to plague the European community.

Is the spirit of Munich once again filling the chancelries of Europe? Is it now approved doctrine that small nations can be sacrificed to expediency or does this doctrine apply only to the Asiatic area? If so, is it the color of a man's skin or his geographic location that determines his right to live in a free world of free men?

Colonialism in Asia is dead though there are some walking Zombies who do not yet understand that basic fact. Nor will kow-towing to or appeasing communism prolong their manifestations of life beyond the time it serves the purposes of Mao Tse-tung to permit such goings-on to continue.

The people of Asia are determined that they shall develop their own national aspirations. The Achilles heel of international communism, I believe, is that no Communist state tied to international communism can be free or independent. We have not yet done the job needed to be done to make that clear to the people both outside and inside the iron curtain.

But while they struggle for freedom and with the complexities of new constitutional governments we must be ready both to extend supervised military and economic aid and have an understanding of their problems and their errors. We must not forget that we have had the benefit of the experience of 174 years of self-government since we broke our own colonial ties and we have had a longer heritage going back to Magna Carta. Many of these new Asiatic republics are having to learn the hard way that freedom is not something that once gained can be taken for granted.

The free people of the Far East are realistic. They know, even if India and its leader Nehru do not, that militant communism cannot be stopped with passive resistance. The non-Communist people of Japan, the Republic of Korea, the Republic of China, or the Republic of the Philippines are not willing to risk their lives and their nations' freedom on the type of leadership India is presently offering. They know that India has not offered a single soldier, sailor, or airman to help stop aggression in Korea. They know that India has either abstained or voted with the Soviet Union many more times than she has voted with the free world. They are not favorably impressed with that record. Yet, there are still those in Washington who would have us tie our far eastern policy to the tail of India's kite.

The leadership cannot come from Great Britain because she is compromised by both her colonial policy in Asia, past and present, as well as by her recognition of the Chinese Communist regime.

Leadership could be furnished by the United States which, despite Soviet and Communist propaganda, still has a great reservoir of good will throughout the Far East.

In China the open-door policy of John Hay and our diplomatic support of a free China; our education of Chinese students with the Boxer indemnity funds; the work of our missionaries and educators, are too well known to be destroyed overnight by either Soviet or Chinese efforts. However, give the Communists 10 or 15 years to spread the same lies that Malik and his associates have spread at the United Nations and that reservoir of good will will be almost drained dry.

In Japan the success of the occupation under General MacArthur and the economic, political, and spiritual developments which have taken place has built such good will that despite the fact that that nation has been largely stripped of its occupation forces there has not been a single case of sabotage or obstruction, but to the contrary, the fullest cooperation.

Citizens of the Philippines, both members of the Government and of the opposition parties, know that the United States carried out its promises of freedom. They know that nowhere in the history of Russia under either the Tsars or the Commissars has there been anything comparable to this. To the contrary, Soviet imperialism has absorbed the independent nations of Lithuania, Latvia, and Estonia, and by unilateral action has taken a large piece of Poland, and is fastening an iron grip upon Mongolia and Manchuria. In addition Red China, like the satellites of eastern Europe, is closely tied by doctrine and by treaty to the Kremlin.

However, these free and noncommunist people will find it difficult to cooperate with us toward maintaining a free world of free men if they do not know what our policy in the Far East is to be.

A vast majority of them are convinced, I believe, that the road to appeasement is not the road to peace and that appeasement, as at Munich, is but surrender on the installment plan.

Is there Chinese Communist aggression in Korea today? Does a single Senator in this Chamber doubt it? Does a single delegate from the noncommunist world to the United Nations doubt it. I think not.

Is aggression any less dangerous to peace because it has been committed by a larger power? Of course not. Is aggression only down to a line fixed by the unilateral action of the aggressor something which entitles him to a pardon? On this basis wherein does any security exist for Berlin or for the border states of Iran or Turkey? What is the test of aggression to be? If the aggressor succeeds, is he to be considered a hero entitled to membership in the lodge, but if he fails, only then is he to be an outcast among the law-abiding nations?

I hope Prime Minister Attlee and Premier Pleven, with whom he has been in consultation prior to his trip here, will frankly answer all these questions that have been raised today. I hope President Truman will also.

If the free world will not stand up and be counted in this clear-cut case of aggression by the Chinese forces, not only against Korea but against the United Nations forces carrying out the mandate of the Security Council in Korea, then how can we in the Congress or the people of America whom we represent have any assurance that they will stand up any better when the chips are down elsewhere?

Is the moral or legal obligation under the United Nations Charter to resist aggression any stronger or any weaker than the same obligations under the North Atlantic Pact formulated within the general framework of the United Nations?

The Congress and the Nation are entitled to know these answers now before we act upon legislation pending before the Congress this year and next.

Have we put too much faith in an organization which by compromising with principle will destroy its great strength—its moral leadership—while its members have weakened its potential military strength by bickering as to whether or not Western Germany, Spain, and Japan should be invited to join or be allowed to join the collective security system against aggression?

Are we justified in casting our lot with the bold new free world where there were to be no more secret deals at Yalta and no more appeasements at the expense of small nations, as at Munich, or must we consider the ideals of the Atlantic Charter and the United Nations Charter mere words to cover up the same sordid power diplomacy which, for a price, will betray human freedom once again?

We are entitled to answers to these questions now. Almost 40,000 American casualties alone demand a clear-cut answer from both the Prime Minister and the President.

America has been faced with dark days before. We hoped to meet any future ones with stanch allies in the common

cause of freedom, not just regional freedom, Mr. Prime Minister. But if we have to meet them alone, perhaps it is better to find it out now.

It was not always that America met her dark days by the wringing of her hands, but by the ringing of the tocsin of freedom.

When we are asked what our foreign policy is, let us answer, "Our policy is freedom. What advances it, we support; what undermines it, we reject."

This will save us from future Yalta and Munich agreements. If others want to clasp the hand of the murderer and welcome him into their home, we do not have to stultify ourselves to that extent. Or are we now so weak that even that choice is no longer ours to make? I believe not. Some only look at our liabilities. Let us look at our assets:

First. If firmness is shown by the United Nations and by the law-abiding members of that organization, there is still time to rally the force of world public opinion in support of collective action against aggression.

Second. While the hour is very late, there is still time to enlist the support of millions of Asiatics in support of the free world. This will require:

(a) An early Japanese peace treaty, with Japan having means, under proper supervision, of participating in the collective security system against aggression. Otherwise the 80,000,000 people of Japan will be unarmed sitting ducks for Communist aggression from across the sea of Japan. The industrial potential of Japan would greatly strengthen the war-making potential of international communism and its bases in Siberia and Manchuria.

(b) Immediate economic aid and supplies of military equipment should be given to the Republic of China now on Formosa. It is vital that these 10,000,000 people and this non-Communist army, navy, and air force, with a combined strength of over 600,000, be maintained on the side of the free world. This is a larger military force than all the other non-Communist nations of Asia have put together, including what the British have in Malaya, Hong Kong, and Korea; what the French have in Indochina and Korea; and what the United States has in Korea. To permit this non-Communist stronghold to go down the drain would be the height of folly, not only because of these forces themselves, but because as long as a free China lives on Formosa, there is hope in the hearts of the non-Communist Chinese in China. By giving aid to the Republic of China, they will be able to stimulate their non-Communist guerrilla forces of over 1,000,000 men now operating behind the iron curtain. With this activity stepped up and with raids by the Chinese Nationalist forces on the coast of China, the Chinese Communists will have to begin withdrawing their forces from Manchuria and Korea, instead of concentrating them there for the destruction of the United Nations forces.

(c) Give the Chinese Communists 48 hours to stop their aggression in Korea and to get back across the Yalu River. If not, every member of the United Nations should pledge to withdraw its recognition which may have already been given to that regime. This will weaken the prestige of Mao Tse-tung at home and will make that government illegal in the eyes of the people. The recognition by India, Britain, and certain other countries early this year gave "face" to the Communists that they otherwise would not have had. They have certainly, by this act of wanton aggression against the United Nations forces, lost any claim they had to support from law-abiding nations.

It seems to me that if India is not willing to furnish troops and moral support to the United Nations action for collective security, at least she should stop giving moral support to the Communist Chinese aggressors.

(d) Furthermore, the hands of our combat commanders in Korea should be untied. Forces are now pouring down across the Yalu River and are being resupplied from well stocked depots, arsenals, gasoline supply dumps, and troop concentration points. They are coming over a network of railroads and roads in Manchuria. Strategic necessity requires that the aggressor be hit, and hit hard, in his lair. The lives of thousands of the United Nations troops and the existence of our entire force are jeopardized by present limitations in being.

I wish to digress for a moment at this point. It was only a few weeks ago that I was in Korea, where I visited our forces that were fighting. I talked with some of the combat troops who had been sent to the Yalu River area, to interdict the bridges, so that supplies could not come down. They had been given express instructions that they must not go north of the river, so their job had to be done on the south side of the Yalu. I talked to some of the men who had had many casualties in their crews. They could see the antiaircraft guns firing on them from the north side of the Yalu River. Yet the limitations imposed upon them prevented their "taking out" that antiaircraft fire. I talked with men who said they could see fighter planes rise from the airfields north of the Yalu River and attack, and inflict casualties, including deaths, among the members of the crew. Yet they could not permit our planes to pursue those fighter planes back to their lair.

When our own fighter planes would rise to give protection to our B–29's, the Communist planes would fly across the Yalu River, where the United Nations has erected an "off limits" sign, and where our planes are not permitted to pursue. I think it is rather tough to ask men to fight and perhaps to die under those conditions, when they are trying to carry out the mission which has been assigned to them, and yet when they know that day by day there are concentrations of tanks and vehicles carrying gasoline and ammunition which are being supplied to the Communist troops south of the Yalu River, who have one principal objective, namely, to destroy every United Nations' and allied soldier who has been fighting to establish a system of collective security in Korea. It is rather tough for men to fight and die under those circumstances.

Third. Make it clear that we are going to operate according to our strategic interests and not in conformity with those which the Communists might desire. We should not repeat, of course, the mistakes made by France and Germany in their land invasions into the vast areas of Russia by any thought of having the American or United Nations Army go into the vastness of China. To the contrary, we should operate from strength, not from weakness. Our strength is air and naval power. We should place, in conjunction with the Navy of the Republic of China, an immediate naval blockade against the entire China coast, and should not permit the entry or exit of a vessel of any nationality. This will dry up a large part of the trade in gasoline and strategic materials which has been openly going on for over 6 months when the "neutralization" of Formosa prevented the continuation of a fairly effective blockade by the Navy of the Republic of China.

I wish to pause here for a moment to pay my compliments and respects to the Senator from Maryland [Mr. O'CONOR] for the job which he and his committee have been trying to do. I wish to say that I was deeply shocked by what I found in Hong Kong about the amount of trade in gasoline and other strategic materials which has been going on from that British Crown colony to the Chinese Communists, and undoubtedly those materials are being used against us today in North Korea. I wish to say that we ourselves are not entirely free from the criticism which can justly be leveled in that connection, because supplies which have been carried from the United States and in American bottoms have found their way in helping the war machine of the Chinese Communists. I think it is a sad situation when it is recalled that Members of the Congress of the United States, not last month or 2 months ago or 6 months ago but a year or 2 years or more than 2 years ago, urged that some effort be made to stop that flow of illegal material. Some of us remember that in 1939, 1940, and early 1941 there was going from Pacific coast ports scrap iron and oil which were to be used against our historic friends in China by the then Japanese war lords, and some of that same material was used against us on the morning of December 7 at Pearl Harbor. Some of us on the floor of the Senate have tried to point out time and time again that it was the duty of the Government of the United States long ago to take an active part in stopping that trade. Yet I just took from the ticker, in the room adjoining the Senate Chamber, this interesting dispatch:

EXPORT CONTROLS

WASHINGTON.—Tight new controls were applied—

Parenthetically, when were they applied, Mr. President? They were applied—

today on shipments through United States ports to Russia and her satellite countries and to China, Hong Kong, and Macao.

A Government order Saturday—

In other words, the past Saturday—

to clamp down on all American goods destined for Red China, Hong Kong, and Macao became effective last midnight (e. s. t.).

Secretary Sawyer said the same controls will apply to foreign shipments of strategic

commodities passing through American ports en route to this far eastern area, the Soviet Union, and its satellites.

Mr. President, it seems to me that is just a little late, because when I was in Korea, several weeks ago, the army of the United Nations and the Army of the United States had clearly identified organized Chinese divisions which had been there since October, opposing the the forces of the United Nations. It seems to me that it is just a little late for our great Government to be so tied up in red tape or inefficiency, or both, that it cannot properly meet this issue, when Americans are dying in a foreign field without a declaration of war. At least we had an obligation to do our utmost to prevent the shipment of a single gallon of gasoline, a single bit of steel or of other strategic material, a single lathe, or any kind of equipment which would build up the power of the Soviet Union or any of its satellites. It seems to me a little late for the embargo to be placed today.

Mr. President, if I speak feelingly, it is only because I have seen men from California and men from almost every other State of the Union fighting in Korea under what I believe to be the most difficult situation which any Americans have been called upon to face, not excepting either World War I or World War II. Our men are at least entitled to the fullest support of every Member of the legislative branch of the Government of the United States and of every person holding any position of responsibility in the executive branch of the Government of the United States, and there should not be a single person, regardless of this capacity, who does not strain himself to the utmost to give them the backing they require and to prevent the backing being given to the men who are shooting them down today, many of them in cold blood. With air power we should strike at the war plants that are supplying the Communist aggressor. For this job we should immediately take more of our naval vessels and more of our bombers out of mothballs.

Fourth. Let us recognize that our most priceless commodity is time. Stop dilly-dallying on mobilization of our manpower and industrial capacity. Let our North Atlantic Allies know that it is long past time for them to be bickering over the rearming of Western Germany and the bringing of Spain and Japan into the collective defense system. Let us make it clear that now is the time for every supporter of freedom to stand up and be counted. If our structure is infested with Munich appeasement termites, let us find it out now.

Fifth. The United States should maintain its lead in atomic development. The weapon should not be used except as a last resort to protect the free world against enslavement. It should only be used then on targets of real opportunity. It is my belief that the military targets north of the Yalu River, from which the aggressor is resupplying himself, can be better handled by other weapons of a more conventional type. But the President of the United States should make it clear to Mr. Attlee that we have no intention of giving him or anyone else a veto over the use of the atomic weapon. We are not going to be destroyed as a Nation, or permit a free world of free men to be destroyed, while someone else is passing judgment on whether or not aggression is really aggression.

Sixth. After 4 months of Soviet lies and obstructions in the United Nations let us be realists and understand that Soviet talk of peace is but a mask for aggression. No nation could tolerate, in positions of authority within its gates in time of war, those who gave aid and comfort to the enemy. Nor can the United Nations survive with obstructionists, traitors, and saboteurs occupying positions of responsibility while United Nations forces are doing battle against an aggressor. The Soviet Union on its record of supplying equipment and moral support to the North Korean and Chinese Communist aggressors should be forthwith expelled from the United Nations.

The timid will say these are strong moves and the Nation will risk war by carrying them out. My answer to that is that time is not necessarily on our side. We have a better chance to gain a decent world in which international law and order will prevail, and where the small nation is not at the mercy of a large aggressor nation if the free world stands firm now.

But a far eastern Munich now will destroy the faith of millions of freemen all around the periphery of the Soviet Union. Each one, with considerable justification will think, if Korea or the Republic of China on Formosa is sacrificed now, how can we know that Japan, the Philippines, Siam, Pakistan, Iran, Turkey, Greece, Germany, Denmark, or Norway will not be a future victim of a middle eastern or European Munich?

If the free world kowtows to aggression in Asia now all of Asia will be lost and the lesson will be learned with bitterness by freemen everywhere that international communism stands firmly with its friends, while the western world runs out on theirs. Do you think you will build strength and loyalty on the part of any man regardless of his geographic location or the color of his skin? The answer is "No."

Does any man really think that after the Soviet Union has had a year or two or three to build up its stockpile of atomic weapons and to digest into its system the manpower and resources of Asia, that you will be better able as freemen to resist another fait accompli aggression better than you are the clear-cut one in Korea today? I think not.

This is a fateful hour in the history of our Nation and of the entire free world. Cringe before Communist aggression today and countless men who are now free may be bending their backs in the slave-labor camps of Siberia a year or two from now. Stand up to Communist aggression today, and millions who are now enslaved in Poland, the Soviet Union, Czechoslovakia, Bulgaria, Rumania, Hungary, Latvia, Lithuania, Estonia, and China will gain new hope that they, too, may some day be free from the most godless tyranny man has ever known. We should now repudiate the Yalta agreement and reendorse the Atlantic Charter.

If we as Americans show the same courage and common sense that motivated the men who sat at Philadelphia and gave us the Declaration of Independence and later the Constitution of the United States there is no domestic problem we cannot solve and there is no foreign foe we need ever fear.

Mr. President, I should like to ask to have printed in the body of the RECORD at the conclusion of my remarks an editorial which appeared in the San Francisco (Calif.) Peoples World, which is a Communist mouthpiece, in which is suggested this appeasement program which is the general policy of the Soviet Union and its satellites.

The PRESIDING OFFICER (Mr. PEPPER in the chair). Without objection, it is so ordered.

(See exhibit 1.)

Mr. KNOWLAND. Mr. President, I also ask that there be printed in the body of the RECORD a pamphlet which was distributed in Butte, Mont., by the Communist Party of Montana on December 1, the night that I spoke on far eastern policy in that city.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. KNOWLAND. Mr. President, I also ask that two articles, of tremendous significance as I believe, be added to the RECORD at this point. The first is an article entitled "Is Siberia Russia's Secret Base for World Conquest?" written by Richard Wilson, and published in the current issue of Look magazine, under date of December 5, 1950.

The next is an article entitled "We Can Be Guerrillas Too," written by Stewart Alsop and Col. Samuel B. Griffith, United States Marine Corps, published in the December 2, 1950, issue of the Saturday Evening Post. I ask that the two articles be printed in the body of the RECORD following my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 3 and 4.)

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. KNOWLAND. I am glad to yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I desire in the first place to commend the Senator from California for his splendid presentation of this issue. I merely want to reaffirm, if I understood him correctly, the statement that in his judgment any appeasement or backing away from the issue today and the recognition by the UN or otherwise of Communist China would mean the loss of the Far East so far as the western powers are concerned. The Far East would be threatened with being completely turned over to the control of the Soviet Union.

Mr. KNOWLAND. I may say to the Senator from New Jersey that I very deeply feel that any far eastern Munich now would cost us the entire Far East, involving more than a billion and a half people; and now, with the Chinese Communist movement into Tibet, I do not think that the time which India has left to her is very long.

Mr. SMITH of New Jersey. I thank the Senator.

Mr. O'CONOR. Mr. President, will the Senator yield for an insertion?

Mr. KNOWLAND. I am glad to yield for that purpose.

Mr. O'CONOR. It is a somewhat more than an insertion, but in view of the statement made by the distinguished senior Senator from California I think it might be of interest to the Senate to have read into the RECORD the contents of a telegram which has reached the junior Senator from Maryland since the convening of the Senate today. It is sent by the crew members of the *Flying Clipper*, a ship carrying the American flag, from Hong Kong. The text of the telegram is as follows:

HERBERT R. O'CONOR,
Senate.

Sail for Communist China December 5—

That is tomorrow; the telegram is dated today—

carrying steel tin-plate pipes. Please take action if possible.

Mr. President, I should like to ask unanimous consent to insert in the RECORD from today's Washington News an article appearing under the headline of a news item, which headline reads as follows:

United States ship will take steel plates to Mao.

Mr. President, I also ask unanimous consent to insert in the RECORD a statement relative to the imposition of export controls, which I have prepared.

Mr. KNOWLAND. Mr. President, I wonder whether the Senator would mind asking that the material he desires to insert be printed in the RECORD immediately following the insertions I have made, since it relates to the general subject to the Far East.

Mr. O'CONOR. I should like to make that request.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. KNOWLAND. Due to the fact that there is a difference in the international date line, I am afraid that ship is sailing today.

Mr. O'CONOR. We had noted that fact, and are making representations to the proper officials in connection with it.

EXHIBIT 1

[From the San Francisco Peoples World of November 15, 1950]

TO HALT A DISASTER

The peace of the world may well depend on what the American people can do to check the plans of Gen. Douglas MacArthur and the "big brass" in Washington to continue the Korean War and extend it into Manchuria.

After an interview with MacArthur, Senator WILLIAM KNOWLAND, Republican, California, urged that United States planes bomb Manchuria. There is little doubt on the basis of inspired stories and statements from Tokyo that MacArthur advocates such a course.

And if this happens, it will mean war against the 450,000,000 people of China, against the 200,000,000 people of the Soviet Union allied with China, against the peace-loving peoples of all Europe and all Asia.

This is a policy which can only mean disaster for the American people. To prevent this disaster a national conference last week end in New York urged an alternative policy.

A drive for an immediate "cease fire" in Korea to stop spread of the war.

A national campaign for recognition of China and its admission to UN.

A variety of expressions of friendship to China on the occasion of the arrival here of the Chinese delegation which will discuss the Formosa question at the United Nations.

These are objectives which will command the support of millions of Americans of all political affiliations.

They will give an effective focus to the confused and inarticulate peace sentiments of the people which were expressed in distorted fashion in last Tuesday's election.

Moreover, a real campaign behind these aims will make it possible to arrest the mad adventure which began with United States intervention in Korea and may end by spreading the flames of war to all Asia and the entire world.

We urge that progressive, labor, and Negro groups on the west coast give the most urgent and serious support to this campaign for peace rather than war with China.

EXHIBIT 2

Senator WILLIAM F. KNOWLAND, Republican, of California, publisher of the Oakland Tribune, will speak in Butte Friday evening on the war situation in the Far East.

According to the Montana Standard, he comes to Butte "directly from the theater of war from conferences with Gen. Douglas MacArthur and discussions with other high military, political, and economic figures all across the Pacific board. He has had opportunity to gather facts at first hand throughout the perimeter of the Korean conflict."

Together with the majority of the American people who are anxious to avoid a third world war, we Communists hope the Senator will raise his voice in behalf of peace.

We hope the Senator will answer these questions in his Butte speech Friday:

First question: "Senator, is it not possible to arrive at a negotiated peace in Korea on the basis of the withdrawal of all foreign troops, leaving it to the Korean people themselves to work out their own destiny? After what has happened thus far in Korea, it is obvious that a continuation of the war threatens world peace very seriously. Let's end it before the whole world becomes a battleground."

Second question: "What is wrong with trying to work out over the council tables the peaceful coexistence of the two systems, capitalism and communism? War has not proved capable of destroying communism in any case, since the first war was followed by the Russian Revolution and the Second World War by the Chinese, Polish, Czech, and other Communist victories. What about peaceful competition between the two systems?"

Third question: "Wasn't it to be expected that the Chinese People's Republic would react vigorously to the war approaching its borders? Our reaction to a similar situation in, for example, lower California moving toward San Diego. The Montana Standard of November 30 quotes disagreement with our military policies in Korea on the part of leading French and British officials. After all, we are not on good terms with China, since we have opposed their having a seat in the United Nations and protect Chiang Kai-shek on Formosa."

Fourth question: "Can you guarantee from your discussions on the scene that there is no danger that our authorities will extend the war to new areas or resort to atomic or bacteriological weapons? The bombing of the Chinese mainland might very well begin a world-wide conflict."

Senator, you have it in your power to raise your voice for immediate steps to end the war in the Far East.

Senator, the people of America and the world want peace.

Issued by Communist Party of Montana, post-office box 77, Butte.

EXHIBIT 3

[From Look magazine for December 5, 1950]

IS SIBERIA RUSSIA'S SECRET BASE FOR WORLD CONQUEST?

(By Richard Wilson)

Deep behind the iron curtain, in the little-known reaches of Siberia, the Soviet Union today is building a vast military-industrial empire.

It's a new center of power that poses a threat to Alaska, Japan, and perhaps all of Asia.

These facts emerged recently when Look commissioned a University of California research assistant to complete and bring up to date a detailed study of Siberian military and economic strength.

The research assistant, Steven P. Nagel, is no novice at sifting information. He took part in the interrogation of 25,000 German prisoners in World War II and was wounded three times in field intelligence operations. His study of Siberia covered a 2-year period of research in Russian publications and published British, American, and French intelligence, and included assistance from United States officials who themselves were studying the new Soviet Empire. Here are Nagel's principal findings:

SIBERIAN ARMIES NUMBER 750,000 TROOPS

At least 750,000 troops—the cream of the Red Army—are training in Siberia and waiting for whatever mission may be assigned them by the Politburo.

The Siberian troops make up a minimum of 44 front-line divisions—many of them air-borne or armored.

They are reinforced by a powerful air force and navy. The air force, it's estimated, numbers 4,500 planes. The navy is believed to include 100 submarines.

INDUSTRIAL REVOLUTION TRANSFORMS WILDERNESS

Meanwhile, an industrial revolution is changing the face of the Siberian wilderness. New factories have been built. Whole industries have been transferred from Russia proper.

In an area where less than 5,000,000 people lived in 1926, the population today easily exceeds 10,000,000 and may reach 15,000,000.

Other sources indicate that the new Siberian empire may be even more powerful than Nagel's findings suggest. In any event, it's clear that Moscow is creating a self-contained military-economic unit in eastern Siberia—one, and perhaps the most important, of six separate areas of the Soviet Union that are being organized to stand on their own in war or peace.

"The Russians," a State Department official told me, "have built something big and dangerous in Siberia."

A great network of military bases and industrial centers covers eastern Siberia.

Nagel's research, summarized in the map, shows how the new empire has grown:

The region includes several armies, scores of airfields and at least 12 naval bases.

General headquarters for the Siberian armies, which together form Russia's Sixth Army Group, is at Chita, near Lake Baikal, at lower left of map. From there, military bases fan out through the highly industrialized area opposite Japan to remote bases in the north barely 100 miles from Alaska.

BIG ARMY GUARDS INDUSTRIES

The Siberian First Army, with headquarters at Komsomolsk, guards the industrial center of eastern Siberia, which extends from the Sea of Japan to Skovorodino. This army is estimated to number 300,000 men, or 19 divisions, including five airborne and five armored.

Second Army headquarters is at Vladivostok. Six divisions are located in this area, for Vladivostok is not only Russia's most important naval base; it is also a jumping-off place for any Soviet drive south.

Dairen is the site of Third Army headquarters. About 290 air miles from Seoul, prewar capital of Korea, Dairen came into Soviet hands by agreements at Yalta. No information is available on the strength of the Third Army.

In the far north lies one of the strangest and certainly one of the most audacious of the world's military installations. This is the Siberian Fourth Army, based at Anadyr, not far from Bering Strait, which separates Siberia from Alaska.

It's believed this army is composed of five divisions, of which three are airborne. Though based in the desolate wastes just below the Arctic Circle, its troops are maintained and supplied regularly.

Additional divisions comprising a fifth army are also known to be based in Siberia.

Along with these armies, there is a mighty array of air power. A chain of airfields extends through the eastern area to accommodate the 4,500 planes that make up the Siberian Air Force. Some 30 fields, originally built to fight the Japanese, are reported in the Vladivostok area alone.

SIBERIAN NAVY HAS SNORKELS

Russian sea power in the Far East is a significant factor, too. Of the 100 Soviet submarines believed to be in Pacific waters, most were designed for coastal operations. But also included are some of the Russian Navy's high speed, snorkel type of submarines developed by German engineers. In addition, the cruisers *Kalinin* and *Kaganovich* are often observed at Vladivostok.

Reflecting the industrial development of Siberia are cities like Komsomolsk. One of the new, important cities of Siberia, it had a population in 1940 of 70,000. Today, its population is reported to be 250,000. The city now boasts steel mills, an airplane-engine plant, a locomotive works, repair shops and automotive and generator works.

Magadan is another mushrooming city. A small fishing village in 1940, it has grown into a city of 100,000 today—a prison city with 80 percent of its population Soviet citizens exiled for minor infractions. It's believed to be an important administrative center for nearby gold mines.

Khabarovsk, too, has grown rapidly and is now an important oil-refining center. Some experts think its population is greater than Vladivostok's 600,000. It is also the site of an airframe manufacturing plant. There is a second one at Irkutsk.

In the area of Chita are mines and smelters for coal, iron, manganese, lead, zinc, and molybdenum. Properly developed, such resources could lead to the rise of a "Ruhr" in Siberia.

PURPOSE OF THE MILITARY-INDUSTRIAL CONCENTRATION IN SIBERIA HAS UNITED STATES PLANNERS GUESSING BUT ON GUARD

The Soviet concentration of power in Siberia poses the keenest problem for the United States. Why is the concentration there?

There are several possible reasons, all of which may apply:

It could be a move in preparation for an attack on Alaska.

It could be a build-up for an ultimate invasion of Japan.

Or it could be a naked show of strength as notice to all Asia that it is under the control of the Kremlin.

Military circles fully recognize the threat of an attack on Alaska. The military command in Alaska is faced daily with the problem of what to do if Russia's Siberian arsenal erupts into a North American invasion. Anchorage, Alaska, is an armed camp, with antiaircraft batteries manned 24 hours a day and jet-fighter squadrons constantly on the alert. Even foxholes have been dug.

ALASKA FORCES ARE OUTNUMBERED

But more than alertness may be needed.

Even if the five Soviet divisions on the other side of Bering Strait are far below strength, which is entirely probable, our own forces are greatly outnumbered. It is doubtful if we have the strength of a single division in all Alaska.

That does not mean that Anchorage is beset by anxiety. Brig. Gen. Elmer Rogers, chief of staff to the Alaskan commander, Lt. Gen. William E. Kepner, recently told a reporter:

"Well, I'm sitting on the powder keg, if there is one, and I am not alarmed. I'm not saying that we have an impregnable fortress here. But I do feel that reasonable defense forces have been allocated and are on the scene."

Military planners in Alaska count on Russia's obviously great difficulties in supplying an attack. They also feel more comfortable than the situation might appear to warrant because the heart of Alaska, where the main airfields are, is 600 miles from the Russian bases. Thus, while the possibility is conceded that a Russian attack might be able to envelop Nome, taking all Alaska is quite another thing.

AN ALASKAN PEARL HARBOR?

Still, the Siberian situation arouses concern, Gov. Ernest Gruening, of Alaska, forecasts the possibility of another Pearl Harbor there. And I have talked to Russians here who insist that a powerful thrust against the United States will originate in the not-too-distant future from Siberia.

One such warning comes from Lt. Piotr Pirogov, of the Red air force, who escaped from the Soviet Union last year via Austria.

"I have served in Siberia," Pirogov says. "I know how the Soviet air force is indoctrinated. Every Soviet officer believes that the only way into the United States is through Alaska.

"These officers have been taught that Alaska is Russia earth; that Catherine the Great was cheated out of it by avaricious Americans; that its gold, minerals, and other resources have been shamefully exploited by American capitalists; that Alaska must be reclaimed for the Soviet Union. Every Soviet officer is expected to know this."

Pirogov says his air-force colleagues when he was in Siberia were told they were there because Alaska must be attacked. They felt this was confirmed by joint maneuvers they engaged in with Russian Navy and ground forces. All the topographical details of Alaska were taught them, together with detailed plans for bombing Alaska.

However, another theory on the reasons for the build-up in Siberia—that it's aimed at Japan—must also be considered. According to an opinion commanding respect in Washington, the Russians were disappointed with the concessions they got at Yalta, which gave them approximately what they had before the Russo-Japanese War.

The Russians hoped, it's reasoned, that Japan itself would fall under Soviet influence. Instead, they have watched it grow stronger and stronger under American control. They fear it will be set loose before long, to develop again as the leading industrial-military nation of the Far East. Because of this fear, the Russians may have concluded that Japan will have to be smashed before it grows too powerful.

That line of reasoning makes much sense at high levels in Washington. The fact that it may be less disquieting to us than the Alaskan invasion theory does not necessarily detract from its logic.

What about the third possibility—that the new Siberian empire is a show of strength to make all Asia bow to Russia? There is no way of evaluating this possibility fully. It's pertinent to recall, however, that Moscow has made conquests in eastern Europe by the mere threat of force.

But whatever the reasons for the Soviet concentration of power in Siberia, there's no hiding the main facts of the tremendous military and economic program being developed there.

REDS RATE SIBERIAN ARMIES HIGH

The findings of Nagel's study, outlined on the preceding pages, make a startling picture.

Most impressive of Nagel's facts is the Soviet military establishment of 44 front-line divisions on what Moscow calls its far-eastern front.

It's evident that the Kremlin attaches great importance to the "front." In 1948, a prominent World War II military leader, Marshal Gregory K. Zhukov, was in command of the Siberian armies. More recently, another Soviet hero, Marshal R. Y. Malinovsky, has been the top military officer.

"SIBERIAN ARMIES BEST IN U. S. S. R."

Lieutenant Pirogov, the escaped Russian flier, stresses the toughness of the Red troops in Siberia. "It is an accepted fact," he says, "that the Siberian armies are the best in the Soviet Union. When Moscow was being attacked, Stalin told us: 'Hold on, hold on, the Siberian armies are coming.' And they did." The result was a decisive defeat for the Nazi armies.

The industrial base on which this military establishment rests, as disclosed by Nagel's research, is hardly less impressive. So far, it probably has not been developed sufficiently to supply the military establishment completely. But the fact that it exists at all is a miracle. Thirty years ago, eastern Siberia was largely a wilderness inhabited by primitive Siberian tribes.

Today, the area is estimated to account for 17 percent of Russia's steel production, 27 percent of its coal, and 5 percent of its oil. This output is small compared with that of the United States, of course, but it is there on the spot. It does not have to be transported thousands of miles by land or sea. The same is true of Russian munitions production in Siberia, of which there is thought to be a significant amount.

Ironically, the Soviet Union owes some of its strength in Siberia to the United States. In the days when we were urging Stalin to get into war against Japan, we sent to Siberia lend-lease supplies totaling some 800,000 tons of military and industrial material. As events developed, the supplies were not needed for the defeat of Japan. And instead of helping us, they have become part of the Soviet reservoir of power now lined up against us.

One of the puzzles of Soviet industry in Siberia is a continuing effort to produce more and more gold. Some 25 mines are in operation at Magadan and in the area south of Yakutsk and north of Chita. Gold production there equals almost half the world's production in 1940. It makes Russia a close competitor of the United States as the world's leading hoarder of gold.

The most frequently suggested reason for the Soviet gold hoard is that Russia will some day try to wreck the economies of the world by wholesale dumping of the metal on the world market. But for every expert who thinks this is the reason there is another who does not. The Kremlin is playing this one close to the chest.

EMPIRE FACES OBSTACLES

A number of obstacles prevent the maximum development of the Siberian empire. The climate, of course, is the most important. Transportation is another, though in military matters the Red Army usually manages to move somehow in areas where movement is regarded as impossible by westerners. Two rail lines run east and west, and if they were cut, large-scale military and industrial

movements would be seriously interfered with.

The lack of electrical power, plus the difficulties of transmitting over long distances, is a definitely limiting factor too. But there is plenty of coal, and the Soviets may some day be able to expand their power resources substantially. Estimated coal reserves are 460,000,000,000 tons, one of the largest in the world, and of a quality similar to coal mined at Cardiff, Wales.

A most serious limiting factor is the supply of food. Five percent of Russia's population is in eastern Siberia, but the area produces only 1 percent of Russia's food.

The development of the area, nevertheless, has been extraordinary, as disclosed by Nagel's study.

And Nagel's findings are conservatively based on what he can prove. It's possible that the military and economic development of Siberia considerably exceeds even his basic figures.

EXILES SWELL POPULATION

Pirogov thinks—though he can't prove it—that there is a population of eighteen or twenty millions in eastern Siberia, as compared with Nagel's figure of at least 10,500,000.

Of the total Nagel says 700,000 are in forced-labor camps; 1,000,000 are exiles from the Baltic region and 600,000 are Japanese prisoners from the Kwantung Army. Pirogov puts the number at forced labor higher and thinks there are even more exiles.

According to his estimates, the number of forced laborers runs into the millions, maybe 8 or 12. "Nobody hunts wild animals in Siberia any more," he comments, "only people who escape from the labor camps."

Besides exiles from the Baltic region, Pirogov says there are also millions moved in a body from other areas.

"In the years 1941 to 1943," he claims, "industrial plants were moved from the west into the Siberian area, together with workers and their entire families.

"This was followed in 1944 with the forced exile of two groups, one from South Russia and the other from the Crimea. In each group, we were told, there were 1,000,000 people.

"From 1945 to 1947, 25 percent of the population of western Ukraine was transferred to the Siberian area."

SIBERIA A MUST FOR RED AIR FORCE

What about the build-up of military forces in Siberia? "In 1947 and 1948," Pirogov reports, "there was a reshuffling of Soviet Air Force personnel. Every air-force officer was required to spend 2 years in one of three places: Chukotski (the area in the far north facing Bering Strait); Kamchatka (the peninsula thrusting out from Siberia) or Sakhalin (the island whose southern half was given to Russia at Yalta)."

As to the number of troops in Siberia, Pirogov thinks there are even more than the 750,000 estimated by Nagel. He figures at least 1,000,000 are now stationed there.

Regardless of the exact statistics, however, it's plain that the Soviet empire in Siberia introduces a critical new element in the cauldron of world affairs today.

And the day may soon come when it will emerge as the dominant power in the Far East.

EXHIBIT 4

[From the Saturday Evening Post of December 2, 1950]

WE CAN BE GUERRILLAS, TOO

(By Stewart Alsop and Col. Samuel B. Griffith, USMC)

On October 1 this year, by all the traditional rules of warfare, the war in Korea was finished. The North Korean Army was destroyed as an organized fighting force. But on that day, the No. 2 man in Communist China, Premier Chou En-lai, served notice that the war in Korea was not finished. Chou En-lai's warning was double-barreled. On the one hand, he warned that China would not stand idly by while China's Communist allies were defeated, a threat he has since made good.

But this was not the Chinese premier's only threat. "Tactics of a prolonged war of resistance," he also said, "will undoubtedly give the Korean people * * * final victory." What Chou En-lai was talking about, of course, was guerrilla war, supported by the Chinese, and directed against the American and Allied forces, all over liberated Korea.

It remains to be seen whether this threat will also be made good—the Korean people have already experienced at first hand the doubtful delights of Communist rule, and they are hardly likely to wish to repeat the experience. Yet Chou En-lai's second threat must be taken as seriously as his first. For it is time we recognized that the traditional rules of warfare no longer hold good.

It is time, indeed, that we learned about guerrilla fighting. We must learn how to support, fight with, and even create friendly guerrilla movements. What is more difficult, we must learn how to deal effectively with enemy guerrilla movements. If we do not, it is entirely possible that we shall lose the struggle which has been joined in this nightmare twilight between war and peace. And it is just as possible that we shall lose a war, if real war comes.

For it can be shown that guerrilla fighting can have a very great, and sometimes an absolutely decisive, influence on the outcome of modern war. It can further be shown that, since the last war ostensibly ended, guerrilla warfare has deeply influenced the course of events, gravely to our disadvantage. Finally, it can be shown that the men in the Kremlin confidently rely on Communist guerrilla warfare to overbalance the industrial and atomic superiority of the West, whether in time of war or in time of so-called peace.

These are some of the reasons why we must learn about guerrilla warfare. There was a time when Americans were the greatest of all guerrilla fighters. The minutemen of the Revolution were essentially guerrillas. In Francis Marion, the Swamp Fox, who made life miserable for Lord Cornwallis, we produced one of history's most brilliant guerrilla leaders. In John S. Mosby, who, with a few hundred men behind the Union lines, tied down many thousands of Grant's best troops, we produced another.

But that was long ago. Now the experience of living Americans in guerrilla warfare is almost wholly limited to the vague memories of the American soldiers who fought in Europe—memories of unkempt, excitable Europeans, armed to the teeth and incomprehensibly oratorical, sometimes useful, but more often seemingly in the way.

Gen. Dwight D. Eisenhower himself is the authority for the statement that these excitable Europeans were worth 15 divisions to the Allies in western Europe. In southeastern Europe, Yugoslav and Greek guerrillas tied down no less than 45 of Hitler's German and satellite divisions, although he needed only 30 divisions to take these countries in the first place. Yet this evidence of the extraordinary effectiveness of guerrilla fighting has been largely lost on our professional soldiers. In the Pentagon, as in most conventional military circles in the West, guerrilla warfare is still regarded as an interesting but essentially unimportant footnote to the ancient art of making war.

Alone among the great nations of the earth, the United States has never in living memory feared a successful enemy invasion. This is one reason why it is so hard for most Americans—professional soldiers or otherwise—to take guerrilla warfare seriously. Let us, therefore, ask you, the reader, to perform a rather grim act of imagination.

Please imagine that the United States has been invaded by the Red army—and that you live in the area occupied by Russian troops. Once this difficult feat of imagination has been performed, it should be less difficult to imagine that you want to do everything in your power to help the American forces still fighting at the front. So you join the organized resistance—you become a guerrilla. Let us follow you as you perform a guerrilla mission.

It is dusk. You are on a secondary road, not many miles from where you now live. With you are five men, armed like yourself with Tommy guns or rifles, grenades strung in their belts. The lead man moves warily, for there is always the risk of a Red Army patrol.

Ahead of you the road curves off to the left and crosses a double railway track in a deep cut. You and another man drop into a ditch, while the three others make their way cautiously to the track. Soon you hear a soft whistle. The track is clear. This does not surprise you—the Russians cannot possibly guard the hundreds of thousands of miles of track in occupied territory.

THE WAY THE RESISTANCE WORKS

You move onto the track, and the other men spread out as lookouts. It is darker now; you can only dimly make out their figures. You kneel beside the track and pack about 3 pounds of something that looks like putty on both sides of a rail, fixing it in place with ordinary black mechanic's tape. Then you wire something that looks like a child's Fourth of July toy on top of the rail. The whole job takes perhaps 3 or 4 minutes.

Two hours later, you and the other men are many miles away, sleeping peacefully in a hayloft on an isolated farm. While you are sleeping, a Red Army troop train on its way to the front roars into the cut. The front right wheel of the engine passes over the toylike object you have wired to the track. The object is a percussion cap. It is connected by an instantaneous fuse to the puttylike substance, which is plastic explosive. In the instant when the wheel passes over the percussion cap, there is a small explosion and the rail under the wheel disintegrates. The engine jumps the tracks and rolls up against the side of the cut. Cars pile up behind it in ugly, twisted wreckage.

Using a few dollars' worth of material, you have wrecked an irreplaceable train, killed or wounded many enemy soldiers, and severed an important transportation route to the front. You have done all this both more cheaply and more surely than it could have done in the conventional way—from the air. Looks easy, doesn't it?

And it is easy, remarkably easy. This imaginary exploit of yours was repeated literally hundreds of thousands of times during the last war, so that the rail systems in western Europe and in Russia became almost wholly useless to Hitler.

But it is easy only if—there are a number of if's. Ask yourself some questions and you will begin to understand the nature of modern guerrilla warfare. How could you be sure that informers would not betray you? Obviously, a good many people would know what you were doing. Equally obviously, the Russian commander would pay high for the privilege of hanging you most publicly, after appropriate tortures, in order to discourage others of like mind. Without the active sympathy of the mass of your compatriots, you would not long survive. And you need not only sympathy but support—information, food, safe shelter.

This suggests one reason why guerrilla war, the war of the ragged civilian with a rifle, has suddenly become of paramount importance in the era of the guided missile and

the atomic bomb. Modern war is intensely political. The day of the old, simple, straightforward clash between nation states seeking limited objectives is over. Modern war is fought not only between nations but within nations. This was true of Hitler's war. It will be far more true of Stalin's war, if it comes.

Guerrilla warfare, political by its very nature, part civil war, part rebellion, is the natural expression of the war within. Because of its political nature, it requires the active support of the mass of the people. Given this support, guerrilla fighting becomes a fourth dimension of warfare. It can make as decisive a contribution to victory as any of the conventional services—the Navy, the Army, the Air Force. But it must be supported by an effective organization on the other side of front lines. Ask yourself some more questions, and you will see why this is so.

How did you get the weapons to protect yourself—the rifles and grenades and Tommy guns? How did you get the tools to do your job—the percussion cap, the instantaneous fuse, the plastic explosive? How did you know that a troop train was coming over that particular track at that particular time? How did you know how to blow up the train? The technique is simple, but not every civilian knows it. Do you? Finally, how did you know that by blowing up that particular train you would really contribute to the strategic objectives of the American regular forces fighting at the front?

Three modern technical devices—the plane, the parachute, and the radio—provide the answers to all these questions. This is the second reason why guerrilla warfare has suddenly become a decisive element in modern war. For it is now possible to support guerrillas on a massive scale. The radio provides the means of communicating with the fighters behind the lines, coordinating their actions with the larger strategy of total war. The plane and the parachute provide the means of supplying them with the wherewithal to fight.

The logistical support of guerrilla warfare is a job for highly trained professionals. This is a big subject in itself, but what follows may give you some idea of the sort of thing you need. You must have codes which are simple and virtually unbreakable. You must have radios which can be easily carried, which can be hand-operated, and which can be used to transmit and receive in code at very high speeds. If the radio is on the air too long, the enemy will get a fix on the location of guerrilla headquarters, using mobile radio-direction finders, with disastrous consequences.

You must have all sorts of special devices for bringing planes in over very small dropping zones—known as Dee Zeds in the trade—at night in enemy territory. The primitive way to do this is by agreed signal lights or even brush fires lighted on a prearranged pattern, tended by guerrilla reception committees. These reception committees guide the planes into the Dee Zed, and then haul away and hide the parachuted containers of weapons and supplies. The trouble is that the enemy can set up false reception committees. This the Germans did in the last war, using them just the way a duck hunter uses his decoys. A plane with bomb bays open to parachute, slowed down to stalling speed over an area well stacked with antiaircraft guns, is a very dead duck indeed.

Toward the end of the war various gimmicks were developed to outwit the Germans—Rebecca-Eureka two-way electronic bleep devices, for example, to guide a pilot in over a Dee Zed from great distances on an agreed signal, or the S-phone, which permitted a man on the ground to talk a pilot in over the Dee Zed. For effective guerrilla support, you need this sort of thing—and much more which is still secret.

Even more, you need trained men—specially trained pilots and navigators to drop thousands of tons of weapons and supplies on pin-point targets at night behind enemy lines; radio operators able to send and receive in code at 30 words a minute under the worst possible conditions; liaison officers who speak the language, who can train guerrillas in the use of the parachuted weapons, who know your political and strategic objectives, and who can promote these objectives effectively. The task of supplying friendly guerrillas in wartime is a job for professionals.

The job on the other side of the lines—in enemy territory—is a job for professionals, too. Guerrilla fighting is highly specialized, different from any other. A regular infantry commander is no more trained to lead guerrillas than he is to lead a flight of bombers. It is the infantryman's job to take and hold ground, at whatever bloody cost. A true guerrilla never tries to hold ground. If he does, he is soon a dead guerrilla.

The French summed up guerrilla tactics in three words, drummed into the heads of recruits to the French Maquis: "Surprise, mitrailliage, évanouissement." These three words—which can be roughly translated as "surprise, shoot, scram"—give a mental picture of the classic guerrilla operation. An unsuspecting and unready enemy unit—a supply convoy, a headquarters behind the front—is suddenly and viciously attacked. Then the guerrillas run—they run like the devil. Before a counterattack can be organized, the guerrillas have vanished. What is an enemy commander to do when the men who have been massacring his forces from concealed positions, instead of presenting a bold and united front, simply disappear?

Regular army troops are not encouraged to memorize the old couplet, "He who fights and runs away will live to fight another day." Yet this precisely describes correct guerrilla tactics. Mao Tse-tung, ruler of Communist China, and, as we shall see, the greatest professional guerrilla of our generation, put it another way: "Guerrillas should be as cautious as virgins and as quick as rabbits."

This suggests a rather surprising characteristic of properly led guerrilla warfare. It is really not a very dangerous sort of fighting. After all, an infantryman who was as cautious as a virgin and as quick—to run—as a rabbit would not be much of an infantryman. The few hundred Americans who parachuted to the resistance movement in the last war, asked about their war experiences, are apt to respond with the white-knuckled, tight-lipped, glassy-eyed routine. They like to think of themselves as heroes. A few of them were. Most of them were nothing of the sort.

Over-all, they took less than 10 percent casualties. This is about the average percentage in months of guerrilla operations—less than a good infantry outfit would expect in an afternoon's rather desultory battle. Yet though guerrilla casualties are almost always low, guerrillas can inflict an enormous amount of damage. To quote Mao Tse-tung again: "Guerrillas may be compared to innumerable gnats, which, by biting a giant in front and rear, ultimately exhaust him." The giant can rarely bite the gnats back.

Because a guerrilla attack is always a surprise attack, a properly led guerrilla movement should inflict casualties of at least 10 dead enemy to 1 dead guerrilla—and in the last war, the ratio was quite often as high as 50 to 1. Moreover, killing enemy troops is only part of a guerrilla's job. More often, he is attacking objects which don't fight back—like the railway track in your imaginary exploit, or a power station, or a bridge. Or he is collecting information—a good guerrilla leader knows everything—absolutely everything—about the enemy, and this information is invaluable on both sides of the front lines.

Indeed, a resistance movement which does nothing at all but collect information about the enemy is of enormous value, if the information can be transmitted to the other side of the lines. And the radio makes this possible. But it is the plane and the parachute which have transformed the guerrilla art, adding a whole new dimension to modern war.

No one who has ever experienced what the French called a parachutage will ever forget it—the nervous waiting in the darkness; the distant drone of engines, growing nearer; the frantic blinking of the recognition signal as the uncertain outlines of the great planes become visible against the night sky; then the sharp crack of the parachutes, opening like ghostly flowers in the dimness as the heavy metal containers sway down to earth.

Among the men of the resistance, as they lugged the containers off to hiding places and opened them, there was always something of the hysterical joy of small children opening their Christmas stockings. But this was no mere childish joy. For the containers, full of weapons and supplies, provided the means of maintaining life and inflicting death. They were the lifeblood of the resistance.

As long as this lifeblood flows, a guerrilla movement can be a nightmare to an occupying power. No occupying army can afford to commit much more than one soldier to every 80 conquered civilians. Assume that the 80 hate the 1. What happens when the 80 are armed? This is a question which should send shivers up the spine of any world conqueror.

The plane, the parachute, and the radio make it possible to arm the 80. But, as we have seen, arming the 80 requires the most careful and complex organization. Belatedly and haphazardly, the United States and Great Britain did create such an organization. The British, desperate for allies in the early days, were the first to sense the possibilities. They organized a resistance service which they called the Special Operations Executive. We followed suit with the Special Operations Branch of the Office of Strategic Services. SOE and SO-OSS dropped thousands of men into the resistance movements, and tens of thousands of tons of arms and explosives. The dividends they paid were startling.

But even during the war, the essentially political nature of guerrilla warfare was overlooked. The rule was that we supported anyone willing to kill Germans. The result has been that Communist guerrillas from Indochina to Greece were armed with British and American weapons, while in western Europe the Communists have cached great stocks of our weapons against the day when the Kremlin orders direct action.

Since the war, moreover, the new idea—the idea of arming the conquered against the conquerors—has been all but forgotten. We are not prepared, either in war or in so-called peace, to exploit the rage and despair of the masses of the people within the great new Soviet empire.

Now consider the other side of the picture. Some months ago Nicolai Bulganin, former Soviet war minister and one of the most powerful members of the Politburo, boasted rather smugly that the Soivet Union now possessed "an entirely novel doctrine of warfare." This doctrine is squarely based on guerrilla fighting. And Bulganin pointed out—as quoted in F. O. Miksche's interesting book, Secret Forces—that the new doctrine could be used to gain the Kremlin's ends "without resort to regular army warfare." In fact, the "novel doctrine" has been so used all over the world since the last war—in Greece, for example, and in Burma, in Malaya, in Indochina, in the Philippines and in China itself. We have fair warning that it is is going to be used in Korea.

The history of this novel doctrine, in fact, goes right back to that curious, neurotic, mid-nineteenth-century figure, Karl Marx.

Marx first evolved the theory of guerrilla war as an instrument of revolutionary power, and christened his theory "the people's war." He noted the essential fact about guerrilla fighting—that there is no means of striking at the roots of a combination of this kind.

Nicolai Lenin elaborated the theory of the people's war in a number of studies which now form an important part of Communist holy writ. Lenin concluded: "Marxism recognizes the inevitability of new forms of struggle as social conditions change. * * * Guerrilla warfare is the inevitable form of struggle when the mass movement has reached the stage of rebellion."

The people's war theories of Marx and Lenin were thoroughly battle-tested, with striking success, in the Russian revolution and the civil war which followed. Lenin's successor did not forget the lessons which Marx and Lenin had taught. On June 22, 1941, Adolf Hitler ordered the attack on Nazi Germany's erstwhile ally, the Soviet Union. On July 3 Josef Stalin gave the following order to the Russian people:

"In areas occupied by the enemy, guerrilla units, mounted and on foot, must be formed; diversionist groups must be organized to combat enemy troops, to foment guerrilla warfare everywhere, to blow up bridges and roads, to damage telephone and telegraph lines, to set fire to forests, stores, and transports. In the occupied areas conditions must be made unbearable for the enemy and all his accomplices. They must be bombed and annihilated at every step and all their measures frustrated."

Hitler joyfully interpreted this order as a confession of Stalin's despair. It was nothing of the sort. It reflected a military and political strategy which had been carefully elaborated long before Hitler's attack.

As long ago as 1933, in a partisan directive of that year, the Kremlin ordered theoretical study of guerrilla warfare and training in the guerrilla art. By 1934 Stalin was already warning the bourgeois states against making war on the Soviet Union: "It would be a most dangerous war for the bourgeois, for the reason that it would be waged not only at the front but behind the front lines." And by 1941, when the Nazis struck, the Kremlin was ready or so the Kremlin thought.

A central staff of the partisan movement had been created, enjoying separate and equal status with the supreme command of the Red army. An elaborate chain of command was prepared on both sides of the front, through the chief of the partisan staff, General Ponomarenko, up through Secret Police Chief Lavrenti Beria to Stalin himself.

Thousands of specialists in guerrilla warfare, trained before the war, were ready. So was a complex system of communication and supply, also organized before the war.

Then Stalin and the Politburo received an unpleasant surprise. Nothing happened when Stalin gave the order above quoted. The reason nothing happened is deeply significant. German combat commanders generally followed a policy of leaving the Russian people to their own devices. Churches were reopened, the collective-farm system broken up. As a result, almost everywhere in Russia the Germans at first were greeted with bread and salt, the traditional symbols of welcome. Festivals and folk dances were arranged for the amusement of the German troops, and hundreds of thousands of young Russians volunteered to join the invading armies.

Then, as the regular armies fought their way east, the Gestapo took over, and ran the occupied territories in strict accordance with Hitler's theory that Russians were an inferior race, fit only to be slaves. Beria's secret police and Ponomarenko's partisan command were thus enabled to retrieve the situation. Agents were sent into occupied territory with orders to commit atrocities against the Germans. The Gestapo, in reprisal, burned villages, and tortured and hanged hostages. For the first time, a fierce hatred of the Germans was born, and with it a guerrilla movement supported by the people. The Germans retaliated with ever-mounting brutality * * * and more Russians joined the guerrillas.

Even so, it was not until a full year after the invasion that Stalin's careful preparations for guerrilla warfare began to bear real fruit. But by 1943 great areas of occupied Russia were under partisan control, especially in the vast stretches of central Russia, where endless marshes and forests provide ideal guerrilla cover. Ponomarenko's partisan command maintained a fleet of planes—mostly American C–47's—which not only supplied the guerrillas with weapons but even flew out crops grown under guerrilla control to feed the besieged populations of Moscow and Leningrad.

The measures taken by Stalin and Beria to insure against the partisans' turning against the Kremlin itself are also significant. Political commissars were flown in to suppress all evidence of independent political thinking among the guerrillas. The discipline was ferocious. Here are a couple of random examples—from an article in the Infantry Journal—of how the guerrillas were kept under control:

"MAY 11, 1943.—Repeated licentiousness in dealing with women has caused pregnancy in seven cases. These women are a bother. Shoot them."

"SEPTEMBER 22, 1943.—Platoon leader Lukjnov extorted brandy and caroused with his platoon. Shoot him."

Whether in spite of or because of this ruthlessness, the Russian partisan movement grew from a thorn in Hitler's side until it became a dagger in his heart. In a single night, for example, on the front of the Third Panzer Division before Moscow, Russian guerrillas completed 15,000 separate road and rail demolitions. That night's work resulted in the collapse of the whole German communications network in the Moscow area, and made possible the first great Russian break-through.

By 1943, according to evidence in the files of the defense department, Russian partisans were tying down no less than 100,000 German combat troops in German Army group center alone. And the supply problem became almost insuperable. Great stretches of road and rail had to be abandoned by the Germans. By 1944, even hundreds of miles behind the front, it was necessary to armorplate all German supply trucks.

It is no wonder that the authoritative Infantry Journal, after a careful study of Russian guerrilla warfare, concluded that the Russian partisans gave Stalin the necessary margin of victory. Herr Goebbels, Hitler's brilliant, vicious little propaganda minister, said shortly before his death that the greatest single German mistake of the war was the failure to deal adequately with the Russian guerrilla resistance. Hitler himself paid his final respects to the Russian partisans, and to the other guerrillas who had harried and badgered his Wehrmacht, when he tried to form his own guerrilla movement, the Werewolves. Because the war was already lost, the German people had no hope of victory, and the attempt failed miserably.

So much for Europe and the war. The Kremlin successfully exploited the fourth dimention of modern war, the dimension of the war behind the lines, despite the initial almost universal disloyalty of the Russian people. The Kremlin's success derived from the fact that the Soviet leaders thoroughly understood the nature of guerrilla war, and were thoroughly prepared beforehand. By contrast, we entered the war with no understanding at all of the military possibilities of guerrilla fighting or of its political meaning. We nevertheless accomplished a great deal * * * but belatedly, and almost by accident.

Now let us turn to Asia. The Japanese encountered almost as much trouble from guerrillas as Hitler did during the war. But what is really meaningful is what has happened in Asia since the war.

In 1937 Mao Tse-tung wrote a remarkable treatise on guerrilla warfare, from which we have already quoted. This treatise, the bible of the Asiatic Communists, is almost unknown in the West—only one English translation, by a coauthor of this article, Colonel Griffith, exists. Mao concluded this treatise with a warning:

"Historical experience is written in blood and iron. We must point out that the guerrilla campaigns being waged in China today are a page in history that has no precedent. Their influence will not be confined solely to China but will be world-wide."

When Mao Tse-tung wrote these words he commanded a Communist guerrilla army which the Japanese regarded as an essentially unimportant collection of tattered bandits. Mao Tse-tung now rules a nation of 460,000,000 people. And he is the chief architect of a strategy designed to repeat the Communist triumph in China all over Asia.

There is no mystery about this. Mao Tse-tung's strategy was spelled out in detail for the benefit of Communist leaders from every country in Asia at a meeting in December 1949 in Peiping. A number of Russian Communists were present. But the Chinese, rather than the Russians, dominated the conference. They laid down the strategy.

The meeting was entirely businesslike. Just as an insurance salesman rates his prospects, so all the countries of Asia were rated according to their vulnerability.

Three countries—Mongolia, China, and North Korea—were already safely in Communist hands. They were assigned the role of forming a firm base in the drive for power. Six countries were designated ripe prospects for immediate conquest—South Korea, Indochina, Siam, Malaya, Indonesia, and the Philippines, in that order. Seven countries were designated unripe at present—Iran, Pakistan, India, Australia, Ceylon, Japan, and—rather surprisingly—Burma. In these countries a preliminary softening-up process is to continue for a time.

The technique of conquest is to be patterned precisely on the technique employed by Mao Tse-tung in the capture of China. It is squarely based on guerrilla war.

Mao Tse-tung has basically revised the theory of the People's War, sired so long ago by Karl Marx. All students of guerrilla war, including at one time Mao Tse-tung himself, have believed in the past that guerrillas can never by themselves win through to final victory; they can only be a complement to regular forces fighting at the front. But Mao Tse-tung proved in China that guerrillas, given the support of a great power and given moderate techniques of communication and supply, can themselves be gradually transformed into regular forces. They can then win total victory.

This is, of course, precisely what happened in China, with the Soviet Union cast in the role of the supporting power. The Communist guerrillas in Indochina have now reached the stage of being transformed into regular forces, with China as the supporting power. According to the Communist strategy laid down in Peiping, this sequence of events is to be repeated throughout Asia, until all Asia is Communist-ruled.

The Peiping strategy is continuing on schedule. Korea is now obviously the major target. But Indochina also is in desperate danger, and 150,000 good French troops are tied down there. Some 90,000 British and

Malayan troops are dealing none too successfully with a few thousand Communist guerrillas in Malaya. Unless we very soon understand what is going on and take determined measures to deal with it, all Asia will be lost.

How do you deal with guerrillas? First, there is one way not to deal with them. This is by a campaign of retaliatory terror directed against the civilian population. Innumerable military commanders, from Nepoleon through Hitler, have tried the technique of terror. It may lead to a surface calm, a deathly stillness, for a time. But in the end it is always fatal. With mathematical certainty, the guerrillas are in the end enormously strengthened by the hatred of the survivors.

There are certain purely military techniques for dealing with guerrillas. The German generals in Russia, toward the end of the war, created special antipartisan forces, called Jagd-Kommandos. These were lightly but powerfully equipped columns, manned by elite troops, extremely mobile, with an elaborate communications network and with plenty of aircraft for transportation, observation, and support. By the time the Jagd-Kommandos came into existence, it was already too late. But the Germans were on the right track. This sort of specially trained mobile force can do much to seal off guerrillas from their bases of supply and to keep them on the run.

Yet one fact cannot be emphasized too much—there is no purely military solution whatsoever to the problem posed by modern guerrilla warfare. Military strength is an essential component. But the only final solution is a political solution.

"Guerrillas," Mao Tse-tung wrote, "are like fish, and the people are the water in which the fish swim. If the temperature of the water is right the fish will multiply and flourish."

We and our allies in Asia and Europe must control the temperature of the water in which the Communist fish are swimming. This is what we did in the two nations—Greece and Indonesia—where Communist guerrilla movements have met with total defeat. We controlled the "temperature of the water" in Greece by backing the Greek Government with military and economic aid. We controlled it in Indonesia by supporting the fight of the Indonesian leaders for independence.

This suggests the nature of an effective defense against Mao Tse-tung's strategy of conquest. Military strength is deeply important, and nowhere on earth is military strength more respected than in Asia. But we must also replace the false revolutionary appeal of communism in Asia by a revolutionary appeal of our own—for the situation almost everywhere in Asia is intrinsically revolutionary.

This cannot be done by futile mouthings about "our way of life"—they mean precisely nothing at all to Asiatics. It can be done only by offering the two things Asia wants above all—national independence and a level of life somewhat above the animal—and by being prepared to deliver on the offer.

But defense is never enough. It is not enough merely to attempt to control the "temperature of the water" in the threatened areas of the non-Communist world. We must have fish of our own, capable of swimming in Communist waters. We must support, arm, and even help to create—quite openly if need be—guerrilla movements within the vast new Soviet empire of tyranny.

It will be said that guerrillas cannot operate successfully within a ruthless totalitarian state. This is nonsense. A totalitarian state is totalitarian only because it possesses a monopoly of power—and power, in the last analysis, means guns. Put guns into the hands of the enemies of the state, and the monopoly is broken.

It will also be said that the Kremlin will go to war in response to so direct a challenge to its authority. This, too, is nonsense. No sane man doubts the identity of the power which has armed and supported the Communist guerrillas in Greece, for example, or Korea, or China itself. A boxer fighting according to the Marquis of Queensberry rules cannot long survive against a thug with a shiv. If we are to survive, we must be prepared to use the shiv.

And the opportunity is there. It is greater, perhaps, than any of us realize. Remember the bread and salt with which the Russian people at first greeted the German invaders. Remember the thousands of Russians and eastern Europeans who preferred death to repatriation to their homelands. Remember the tens of thousands who have risked death to escape since the war. The rage and despair of the people in the satellite states and in the Soviet Union itself are the ideal raw material of resistance.

Chou En-lai is himself the authority for the statement that today there are no fewer than 250,000 bandits in China—bandits is the word always used by those in authority to describe hostile guerrillas. Let us support these bandits, just as the Soviets supported Chou En-lai and Mao Tse-tung when they were bandits. Let us support other bandits, especially where there is a common frontier between Soviet empire and the west—in Eastern Germany, in Poland, in Czechoslovakia, in Bulgaria.

To do this will require an elaborate organization, staffed by professionals who thoroughly understand both the political impact of guerrilla fighting and modern techniques for supporting guerrillas. There is already the nucleus for such an organization in the Central Intelligence Agency. But it must be very greatly expanded if the opportunity to turn the two-edged sword of guerrilla warfare against the Kremlin is to be efficiently exploited.

Make no mistake about it, the men in the Kremlin are fully aware of the fact that guerrilla warfare is a two-edged sword. In 1919 anti-Bolshevik guerrilla bands were organized in the Ukraine. When he learned of this, there was something very like hysteria in the reaction of the usually icy Lenin.

"We must dread these guerrilla tendencies!" Lenin shouted at his fellow Bolsheviks. "We must dread them like fire, or they will lead to our destruction!"

Lenin's successor is quite aware of the deadly hatred for his regime which underlies the carefully organized adulation for "the great comrade Stalin." He, too, must dread "guerrilla tendencies" like fire. For they could lead to his destruction.

Mr. O'CONOR. Mr. President, the insertions to which I had reference are as follows:

UNITED STATES SHIP WILL TAKE STEEL PLATES TO MAO

HONG KONG, December 4.—The Isbrandtsen Steamship Co. of New York plans to send its ship *Flying Clipper* from Hong Kong to Communist China tomorrow, carrying a cargo of steel plate and cotton.

The line's agents, Pattison & Co., said the ship would sail as scheduled despite the fact several crew members refused to sail to the Communist port of Tsingtao.

The American consulate said the crew members visited the consulate Friday shortly after the arrival of the *Flying Clipper* to determine whether they had any grounds to leave the ship.

The consulate pointed out to them that they had signed articles for the entire trip in New York, even though they knew it would call at Tsingtao.

STATEMENT BY SENATOR O'CONOR

It is gratifying to be able to report to the Senate that, after the extensive investigation by the Senate Subcommittee on Maritime Matters, it has been announced that strict controls will hereafter be applied—effective last midnight—on all shipments destined for Communist China, Hong Kong, and Macao.

This action is in line with the requests made by us to the Office of International Trade and is in accord with the public demand which I made on the Senate floor last week at the time of introducing Senate Resolution 365 for an all-out investigation pertaining to shipments to Communist-dominated areas.

While we hail the action taken by the Commerce Department, it is to be regretted that it has been so long delayed. The Communists have been in control of China for over 14 months and the United States fighting forces have been engaged in deadly combat with the Communists in Korea since last June. It is, therefore, more than surprising that it is not until December of 1950 that these materials, which can unquestionably be put to strategic uses in the building of the industrial potential of the Communists, are now brought under controls.

An important fact to be stressed is that the mere application of control procedure does not mean that the United States is going to prohibit the transportation of possible strategic supplies to China. What we demand is that there be no licenses issued for anything which can help the military potential of our avowed enemy.

Of great importance is the announcement that the new regulations will apply to transshipments of strategic materials originating in foreign countries and passing through United States ports. Our subcommittee high-lighted this as a glaring loophole in the preexisting system which allowed sizable shipments of strategic goods to reach Communist hands.

I mention in this regard boiler tubes from Germany, silicon steel plates from several countries of western Europe, copper from Japan, and other items which we definitely have established were purchased in those countries by American companies for the express purpose of shipping to Communist consignees.

The hearings of our subcommittee brought out clearly that certain products were being permitted to go to Communist China as nonstrategic which common sense tells us are highly strategic. On this point the Commerce Department has come to agree with the subcommittee with relation, for instance, to such items as petrolatum, certain types of sheet steel, and penicillin and other medicines.

In penicillin alone it was ascertained that tons of this vital antibiotic have been flown to Communist China since the opening of hostilities in Korea. Yet the Department did not place it on the restricted list until November 16. From the huge amounts shipped, it would seem likely that Communist forces have a large enough quantity of penicillin necessary to keep their fighting forces in condition to murder our fighting men, and they got this penicillin right from our own country.

While agreeing that the action of the Department in restricting all direct shipments to Communist China is a step forward, let me emphasize that this action does not cover a very great source of help to the Communist countries with which our subcommittee has been concerning itself likewise. This is the question of strategic items which go from our allies, from foreign countries which are being furnished American financial and other assistance in great quantities and which, nevertheless, are continually dealing with and supplying our Communist

enemies with items highly necessary to the conduct of their war against United Nations forces.

This entire matter of export controls must be gone into very thoroughly. It was for this reason that I introduced last week a resolution asking for Senate authority to broaden the investigation into export regulations and policies. For weeks United States representatives in Europe have been meeting with representatives of our European allies regarding the matter of trade with Communist countries. It is an open fact, however, that despite these efforts such countries as England, Belgium, France, and others are sending to Communist Russia and her satellite countries the most highly strategic materials and products, including copper, steel, machine tools, automobiles, and other transportation equipment. Only last week Belgium effected a trade agreement to send large quantities of copper and steel products to Russia in exchange for wheat and certain Russian products.

The American people demand that our officials act in protecting United States interests and prevent continuation of the shipments of any items which our enemies need badly for their war upon us. It is high time that effective steps be taken to close the many doors through which these strategic materials have been getting to our enemies.

While it is apparent that the executive branch now has taken definite steps to tighten our controls of strategic materials to Red China and other Communist-dominated areas, it is quite apparent that these steps would not have been taken had not the Congress, through its investigation, emphasized the need for such action.

Because of the great importance of strengthening our control program at all levels at this time, I believe that both the executive and the legislative branch should continue to examine thoroughly the entire program.

ACHESON MUST GO

Mr. KEM. Mr. President, never before in the history of the Republic have our people faced such a critical period. Today our Army in North Korea is being overwhelmed. It is a time for plain speaking.

Never before has our need been greater for a Secretary of State capable of making wise, sound, consistent decisions. Have we such a Secretary of State today? The record will give the answer.

MR. ACHESON AND MR. HISS

At the outset of his diplomatic career, Mr. Acheson associated himself with a group of men who believed in what they were pleased to call the great design. This was no more nor less than the appeasement of Russia. This plan of giving Stalin everything he asked for has proved a failure—a tragic failure. Mr. Acheson has never been able to rid himself of remnants of either his early point of view or his long-time association.

In 1939, before Alger Hiss did his deeds of shame at Yalta, Dean Acheson stated, "Don't investigate Hiss, I will vouch for him completely." Mr. Acheson kept Hiss, retained him in top jobs in the State Department and finally brought about his appointment as head of the United Nations Convention in San Francisco.

Mr. Acheson sent Hiss to Yalta. There Hiss and Gromyko drafted the Yalta agreement. Arthur Bliss Lane, our American Ambassador to Poland, said of this agreement, "As I glanced over the document I could not believe my eyes. To me almost every line spoke of a surrender to Stalin."

It was Mr. Acheson who said, "I will not turn my back on Alger Hiss," after Hiss had been convicted for his activities in connection with the delivery of State Department secrets to a man named as an espionage agent.

I wonder what the American boys fighting for their lives on the icy slopes of North Korea think of this beautiful relationship. What a somber spectacle confronts us today—our soldiers fighting against overwhelming Red forces—our State Department, guided by a man, for a long time identified with a policy, the inevitable result of which was to strengthen the power of the Soviet Union.

MR. ACHESON ZIGZAGGED US INTO WAR

Under Mr. Acheson, the United States cannot be said to have a foreign policy. We have had a whole series of policies, each differing from the other, in essential particulars.

The Acheson foreign policy of December 1950 is not the Acheson policy of 1949. It is not even the Acheson policy of May 1950. Inconsistencies of action and opinion may sometimes be justified when they arise from changing circumstances. But what has been described as our foreign policy under Mr. Acheson has consisted of nothing more nor less than a series of wavering, spur-of-the-moment pronouncements, most of which were exactly what the Reds anticipated and desired. Mr. Acheson zigged, and he zagged, until he zigzagged us into war.

On February 24, 1949, Mr. Acheson said that it was the policy of the administration to wait until the dust settled in China. The administration waited. When the dust had settled, the Reds had grabbed all China except Formosa. Thereupon Acheson announced: "A new day has dawned in Asia." Then the State Department sent a secret memorandum to its representatives in the Far East saying that it would accomplish no material good to send naval units to Formosa and that the loss of the island was widely anticipated.

On January 12 of this year, Mr. Acheson warned against what he called "foolish adventures" in the Far East, such as intervention on Formosa. At that time he drew a line through Japan, Okinawa, and the Philippines and said we would defend them against attack. But he gave no such assurance as to Korea or Formosa or southern Asia.

This statement by Mr. Acheson must have been interpreted by Stalin as an invitation to attack. The Reds had a right to believe that they had a free pass into Korea.

When the Reds made their attack in Korea, the State Department hastily reversed itself. The decision to defend Korea and to send the Navy to protect Formosa represented a complete about-face—a complete repudiation of Mr. Acheson's program and policy. If Mr. Acheson had drawn the line in South Korea and warned that we would defend it—as we are defending it now—we probably would not be fighting there today.

MR. ACHESON TIED GENERAL MAC ARTHUR'S HANDS

After having blundered into war, the least Mr. Acheson could have done was to give General MacArthur and his gallant troops a free hand, as the Senator from California [Mr. KNOWLAND] said. Mr. Acheson has not done this. Instead, at his behest the hands of General MacArthur have been tied. Our fighting men have been forbidden to strike across the Korean border at the Chinese Communists. Mr. Acheson has created a vacuum—a sanctuary for Red troops—behind the Yalu River, where they are free from attack in their assembly areas in Manchuria.

In an interview last Saturday, General MacArthur described this as "an enormous handicap, without precedent in military history." Officers on General MacArthur's staff have stated flatly that it would be impossible to fight the war while the enemy had "protected bases across an inviolate frontier."

This sanctuary is not the creation of the United Nations. It is the brain child of our State Department. According to an Associated Press article in the New York Times for December 2, "highly placed administrative sources in Washington said it was the United States Government rather than the United Nations that had forbidden General MacArthur to send troops or bombers across the Korean border to smash at strategic targets in Red China."

There are, Mr. President, and always will be doubts in my mind as to the wisdom of the President's action in sending, without the authority of the Congress, American forces into Korea. But since we have resorted to the sword in Korea, we should swing it with all the force at our command. We must not force our boys to fight with one arm tied behind their backs. As the Dallas News has sagely commented: "War is no game for handicaps."

HOW LONG MUST WE WAIT?

Mr. President, how long must we wait? How long can one be as wrong as the present Secretary of State has been, and still continue in that high office, the wise conduct of which means so much for the peace of the world?

The boys who are fighting and dying in Korea—their mothers and fathers and friends, all of us—deserve a prompt and satisfactory answer. The public is demanding a decisive answer. And the only answer that will meet with public acceptance is a thorough house cleaning of the State Department, set off by the departure of Mr. Acheson.

MISSOURIANS EXPRESS THEIR VIEWS

Last Wednesday Secretary Acheson, in an effort to justify his position, took to the air to address the American people. He gave voice to a number of studied and pious platitudes, accompanied by much waving of his index finger. Following that address, the mail coming into Washington demanding the removal of Mr. Acheson was expected in official circles to drop off. So far as my office is concerned it has increase in volume and in violence. I have not received a single letter expressing approval of the Secretary's speech.

Let me read a few excerpts from some of the letters on this subject. I am confident that every Member of the Senate has received letters to the same effect. I shall, therefore, recite only a few extracts. Here is the reaction in the State of Missouri:

A telegram from Kansas City states:

It is inconceivable that our Nation is as bankrupt of leadership as has been exemplified by the address of Dean Acheson. It is time our Government is cleansed of him and his clan before it is too late.

Another telegram from the same city asks:

Why don't you get rid of Acheson and his gang before it is too late?

A Kirksville woman writes:

I listened to the speech of the Secretary of State. He didn't tell us anything we didn't already know, and I'm sick and tired of that whole mess from him down to the office cat. I know the records have been cleaned out but isn't there some way to clean out the people, too!

A woman from Kansas City says:

In the name of God do something to get Acheson and his Communist clique out of our Government.

"In the name of God do something." she says. She does not speak irreverently. This comes from the heart of a good, God-fearing woman.

From Kirksville a man and his wife write:

The past 5 years of appeasement of Russia by Acheson and his party is showing up more and more every day. And this appeasement is the cause of our American boys being killed on the far-away battlefields today.

It is time Acheson and his entire gang was kicked out. Why fight Communists thousands of miles away and protect them at home, and especially in our Government.

The American people are getting pretty tired of this kind of stuff.

A man from the President's home town of Independence writes:

Please work hard toward getting a new State Department—a strong, fighting one. Acheson should go immediately.

A Kansas City student now doing graduate work at the University of South Dakota writes me from Vermillion:

It is my opinion that Secretary of State Acheson should be removed from office immediately and all of his fellow travelers. A thorough house cleaning in the State Department should take place and no holds barred. Whether the man be Democrat or Republican, if he is an Acheson man or Communist sympathizer he should be removed.

And a housewife says simply:

Fire Acheson.

A telegram from a leading Kansas City lawyer states:

There is a growing demand for a clean-up in the State Department and for strong, forceful leadership in time of crisis.

A woman writes from Carthage:

Is there no way that this Nation can be freed from the muddling and fumbling of the Communist appeasers like Dean Acheson in our Government?

From Joplin a housewife says:

I am writing to urge you as a Member of Congress to use all your power to cause a complete and absolute change in our State Department policy and personnel.

THE PEOPLE WANT A SECRETARY OF STATE LIKE TAFT OR BYRD

From Richmond Heights comes this:

The situation in Korea demands that Congress clean out the State Department and replace Acheson with a man of the caliber of BYRD or TAFT.

There we have it. The thinking people of this country eagerly desire a Secretary of State of seasoned judgment and practical common sense like ROBERT A. TAFT or HARRY F. BYRD.

Our country is in peril. We shrink from thinking of the results of a continuation of the present trend. It is said that we are already in world war two and a half. Perhaps it is too late to avert the catastrophe of a third world war. I do not know. But I do know that as the elected, the trusted representatives of the American people, we in the Congress have a bounden duty to do everything in our power to save the world from this appalling ruin.

We must not only reexamine our foreign policy which brought us to the brink of this catastrophe, we must reconsider, replace and reconstruct it. It must be brought down to earth. Our commitments must be geared to our capacity to fulfill them. The so-called Truman doctrine must be redefined. The first step is to engage the services of a Secretary of State whose inclination and record will inspire faith in his ability to do the job as the American people want it done. Only a completely new, anti-Red State Department will be able to guide the United States through this crisis. President Truman has said that Mr. Acheson is assured "of a place of preeminence among the greatest of our Secretaries of State." If so, the American people are quite content that Mr. Acheson now retire on his laurels. This is the first and a necessary step in the rehabilitation of our foreign policy. It is time to call forward for duty the best that we have.

On February 6 last I made a public statement in which I said, "If Acheson does not resign, the President should remove him." Subsequent developments have strengthened this conviction to the point where I now feel that if Mr. Acheson does not resign, or is not removed, drastic steps to force his removal may be in order.

Unless positive steps are taken, and at once, by the administration to bring about the removal of Secretary Acheson and a thorough house cleaning in the State Department, the Congress of the United States should take whatever steps are required to bring about these results.

And so I say, Acheson must go.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. MAYBANK. Mr. President, as I understand, it was the intention of the majority leader to proceed with the rent-control joint resolution after several distinguished Senators had completed their remarks.

The PRESIDING OFFICER. The Chair advises the Senator from South Carolina that the rent-control joint resolution is the unfinished business.

Mr. MAYBANK. Mr. President, there are several committee meetings in progress. The Senator from Washington [Mr. CAIN] desired to be heard. He told me that he was to address the Municipal League today at 12 o'clock, but that he would return to the Senate Chamber by 2. I have assured my good friend the acting minority leader [Mr. SALTONSTALL], as well as the Senator from Nebraska [Mr. WHERRY], the minority leader, that the Senator from Washington would have an opportunity to be heard. Therefore I suggest the absence of a quorum, so that Senators may have an opportunity to reach the Chamber. If the Senator from Washington does not return, I shall speak briefly upon the joint resolution.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hoey	Mundt
Anderson	Holland	Neely
Bricker	Hunt	Nixon
Butler	Ives	O'Conor
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Carlson	Kem	Saltonstall
Chapman	Kerr	Schoeppel
Chavez	Kilgore	Smith, Maine
Clements	Knowland	Smith, N. C.
Connally	Langer	Smith, N. J.
Cordon	Leahy	Stennis
Donnell	Lehman	Taft
Dworshak	Long	Taylor
Eastland	Lucas	Thomas, Okla.
Ecton	McCarthy	Thomas, Utah
Frear	McClellan	Thye
Fulbright	McFarland	Tydings
George	McKellar	Watkins
Gillette	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Maybank	Young
Hickenlooper	Millikin	
Hill	Morse	

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). A quorum is present.

Mr. MAYBANK. Mr. President, the unfinished business is the joint resolution extending rent control for some 60 days, so that the new Congress may or may not write a new rent-control bill when it meets in January.

Three days ago I spoke extensively on the subject of the joint resolution. I understand that other Senators wish to speak on that question, and I wish to make a few additional remarks.

The acting minority leader suggested to me that he would like to make a speech on the subject. The Senator from Washington [Mr. CAIN], who wishes to speak on this question, has not yet returned to the Chamber. I assured him that I would do nothing in respect to having the Senate act on the measure until he had a chance to speak.

So I shall yield to the acting minority leader, the Senator from Massachusetts [Mr. SALTONSTALL], if that is agreeable.

Mr. SALTONSTALL. I thank the Senator. I have a brief speech, requiring perhaps 30 seconds, which I should like to make on this subject, either at this time or at a later time, whichever is more convenient. I shall speak either

in the time of the Senator from South Carolina or in my own time.

I have checked with the Senator from Washington [Mr. CAIN], and I understand that he will be in the Chamber in a few minutes.

Mr. MAYBANK. I did not check with the Senator from Washington, because I was sure the acting minority leader would do so. The Senator from Washington told me that he wished to make a speech which would require perhaps half an hour.

At this time I yield to the Senator from Massachusetts, if he wishes to have me do so.

Mr. SALTONSTALL. I shall be glad to have the Senator yield to me now, to permit me to make a brief statement on this question.

Mr. MAYBANK. I am happy to yield.

Mr. SALTONSTALL. Mr. President, at the election on November 7 there was the following question on the ballot in Massachusetts:

Shall a declaration be made by popular referendum, pursuant to the Housing and Rent Act of 1950, that a shortage of rental housing accommodations exists which requires the continuance of Federal rent control in this city (or town) after December 31, 1950, and until the close of June 30, 1951, in accordance with the provisions of said act?

In Massachusetts there are 39 cities and 312 towns. The question was not on the ballot in 49 towns. All the 39 cities and all but 34 of the towns which participated in the referendum voted in the affirmative. All of these 34 towns are small. Inasmuch as the registered voters in the cities number 1,616,101 persons and the registered voters in the 312 towns number 868,837, an overwhelming majority of the people of Massachusetts wish this act continued in their localities until June 30, 1951.

I shall support the joint resolution.

Mr. KEFAUVER. Mr. President——

Mr. MAYBANK. Mr. President, I did not know that the Senator from Tennessee wished to be recognized.

The Senator from Ohio [Mr. BRICKER], who is a member of the committee, asked me whether he would be able to make a brief statement at this time, without causing me to lose my right to the floor. I ask unanimous consent that, without losing my right to the floor, the Senator from Ohio may speak at this time.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Senator from Ohio is recognized.

Mr. MAYBANK. Mr. President, I understand that the Senator from Tennessee [Mr. KEFAUVER] desires to be recognized in order to submit a privileged resolution, if that is agreeable to the Senator from Ohio.

Mr. BRICKER. Certainly; I yield to the Senator from Tennessee for that purpose.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

ARREST OF WITNESSES WHOSE TESTIMONY IS REQUIRED BY SPECIAL COMMITTEE TO INVESTIGATE INTERSTATE CRIME

Mr. KEFAUVER. Mr. President, from the Special Committee To Investigate Crime in Interstate Commerce, I report a resolution and submit a report (No. 2586) thereon. I ask unanimous consent that the resolution be acted upon at this time.

Mr. MAYBANK. Mr. President, I would have to object to any unanimous-consent agreement, because I have assured the Senator from Ohio that he can speak at this time.

Mr. KEFAUVER. I do not think there is any controversy about this matter.

Mr. MAYBANK. If there is no controversy, I am willing to agree to the Senator's request.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The resolution (S. Res. 368) was read, as follows:

Whereas the Special Senate Committee To Investigate Organized Crime in Interstate Commerce has reported to the Senate that subpenas have been issued for certain persons named in the body of this resolution, and that these persons are important witnesses necessary to the investigation being conducted by that committee pursuant to Senate Resolution 202, Eighty-first Congress, second session, and that the said persons have not been located despite diligent search, and that the committee has reasonable cause to believe that the said persons will not appear in response to subpenas but will continue in hiding to avoid appearance before the committee; and

Whereas the appearance and testimony of the witnesses named in the body of this resolution is material and necessary in order that the committee may properly execute the functions assigned to it and may obtain information necessary as a basis for legislation: It is therefore

Resolved, That the President of the Senate issue his warrants commanding the Sergeant at Arms or such persons as may be deputized by him to take into custody the bodies of: Anthony "Tony" Accardo, alias Joe Batters; Patrick James Burns; Murray Llewellyn Humphreys; Rocco Fischetti, alias Ralph Fisher; Charles Fischetti, alias Charles Fisher, Dr. Charles Fisher, Charles Brown, and Ralph Fields; Joseph Sica; Martin M. Hartman; Ben Marden; John Patton; Elmer (Bones) Remmer; Morris Rosen wherever found, and to bring the said persons before the Special Senate Committee To Investigate Organized Crime in Interstate Commerce in Washington, D. C., then and there to answer such questions pertinent to the matter under inquiry as the said special committee shall propound;

That, for the purpose of executing warrants issued in accordance with this resolution, the Sergeant at Arms may, by blanket order or orders, deputize all law enforcement officers of the Federal Government; and

That the Special Senate Committee To Investigate Organized Crime in Interstate Commerce may discharge any of the persons taken into custody under authority of this resolution upon proper assurance, by recognizance or otherwise, that he will appear for interrogation when required. The committee may require such assurance as it deems necessary not to exceed $25,000 for any one witness.

For the purpose of discharging any person from custody and ordering assurances, one member of the said committee shall be a quorum.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

Mr. LUCAS. Mr. President, reserving the right to object, let me say that it seems to me that the resolution is rather important. I do not recall that such a resolution has come before the Senate since I have been a Member. I think we should have a quorum call before we act on the resolution. Therefore, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll, and Mr. AIKEN answered to his name when called.

Mr MAYBANK. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. MAYBANK. I merely wish to inquire whether, after a quorum is obtained, I shall still have the right to the floor, in view of the agreement under which I yielded?

The PRESIDING OFFICER. The request of the Senator from Tennessee is pending.

Mr. MAYBANK. Mr. President, I demand the regular order.

The PRESIDING OFFICER. The clerk will proceed with the call of the roll.

The Chief Clerk resumed and concluded the call of the roll, and the following Senators answered to their names:

Aiken	Hoey	Mundt
Anderson	Holland	Neely
Bricker	Hunt	Nixon
Butler	Ives	O'Conor
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Carlson	Kem	Saltonstall
Chapman	Kerr	Schoeppel
Chavez	Kilgore	Smith, Maine
Clements	Knowland	Smith, N. J.
Connally	Langer	Smith, N. C.
Cordon	Leahy	Stennis
Donnell	Lehman	Taft
Dworshak	Long	Taylor
Eastland	Lucas	Thomas, Okla.
Ecton	McCarthy	Thomas, Utah
Frear	McClellan	Thye
Fulbright	McFarland	Tydings
George	McKellar	Watkins
Gillette	McMahon	Wherry
Gurney	Magnuson	Wiley
Hayden	Malone	Williams
Hendrickson	Maybank	Young
Hickenlooper	Millikin	
Hill	Morse	

The PRESIDING OFFICER. A quorum is present.

Mr. LUCAS and Mr. KEFAUVER addressed the Chair.

The PRESIDING OFFICER. The Senator from Illinois.

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. LUCAS. What is the business before the Senate at this time?

The PRESIDING OFFICER. The Senator from Tennessee has requested unanimous consent for consideration of the resolution which has been read by the clerk.

Mr. LUCAS. If agreed to will that displace the rent-control measure?

The PRESIDING OFFICER. The Chair would hold that it is a privileged matter. It would not change the status with respect to the consideration of the joint resolution, Senate Joint Resolution 207.

Mr. LUCAS. I have not had occasion to examine the document which has been submitted. It seems to me to be very

far reaching and to involve serious considerations. I think it ought to lie over, or at least be referred to some committee. It ought at least to be given some consideration. I presume there is precedent for the resolution, but there is some doubt in my mind as to whether it is proper at this particular time to present it, in view of what is stated in the resolution itself.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. I may say respectfully to the Senator from Illinois that I understand from those at the desk that the resolution is without precedent. It is in different form from resolutions offered in ordinary contempt proceedings. I therefore feel that the resolution should not be laid over, but should be referred to a committee, which I assume would be the Committee on Rules and Administration. If the committee considers it a proper matter, it will report it promptly no doubt. But if it might establish a precedent, as it would, according to my understanding, then we should not proceed to establish the precedent without at least giving a committee a chance to consider it.

The PRESIDING OFFICER. A motion to refer the resolution would be in order.

Mr. LUCAS. The Senator has asked unanimous consent for the immediate consideration of the resolution. I shall object to that at this time.

The PRESIDING OFFICER. Objection is heard. A motion to refer the resolution to a committee is still in order.

Mr. KEFAUVER. I move that the Senate proceed immediately to consider the resolution, which has been reported.

Mr. LUCAS. As a substitute for that motion, I move that the resolution be referred to the Committee on the Judiciary for further consideration.

Mr. KEFAUVER. Mr. President, I make a point of order against the substitute motion.

The PRESIDING OFFICER. The Senator will state the point.

Mr. KEFAUVER. The resolution is a privileged one, reported by a select committee of the Senate in order to effectuate the work of that committee. The committee from which it is reported has jurisdiction of the resolution and has, by unanimous vote, reported the resolution to the Senate.

Mr. LUCAS. Mr. President, in reply, I submit if the Senator from Tennessee can make a motion, I have a right certainly, under the rules of the Senate to offer a substitute motion for the motion he has made.

The PRESIDING OFFICER. The motion of the Senator from Illinois takes precedence over the motion of the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

Mr. LUCAS. I desire to be heard for just a moment.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

Mr. LUCAS. I do not yield for that purpose, if I have the floor.

The PRESIDING OFFICER. The Senator from Illinois has the floor.

Mr. LUCAS. Mr. President, I read from the resolution.

Mr. KEFAUVER. Mr. President, I made a point of order. Was the point of order acted upon? If so, what was the ruling of the Chair on the point of order?

The PRESIDING OFFICER. The point of order is overruled.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

Mr. LUCAS. I yield for that purpose.

The PRESIDING OFFICER. The Senator will state the parliamentary inquiry.

Mr. SALTONSTALL. If the Senator is permitted to debate or explain his position on the motion to refer the resolution, does consideration of the motion automatically displace consideration of the rent-control joint resolution, which is now on the calendar, or is unanimous consent required for the Senator from Illinois to discuss his motion to refer the resolution?

The PRESIDING OFFICER. Only temporarily would consideration of the motion displace consideration of the rent-control bill.

Mr. LUCAS. The resolution reads:

Whereas the Special Senate Committee To Investigate Organized Crime in Interstate Commerce has reported to the Senate that subpenas have been issued for certain persons named in the body of this resolution, and that these persons are important witnesses necessary to the investigation being conducted by that committee pursuant to Senate Resolution 202, Eighty-first Congress, second session, and that the said persons have not been located despite diligent search, and that the committee has reasonable cause to believe that the said persons will not appear in response to subpenas but will continue in hiding to avoid appearance before the committee; and

Whereas the appearance and testimony of the witnesses named in the body of this resolution is material and necessary in order that the committee may properly execute the functions assigned to it and may obtain information necessary as a basis for legislation: It is therefore

Resolved, That the President of the Senate issue his warrants commanding the Sergeant at Arms or such persons as may be deputized by him to take into custody the bodies of—

Naming the persons—

wherever found, and to bring the said persons before the Special Senate Committee To Investigate Organized Crime in Interstate Commerce in Washington, D. C., then and there to answer such questions pertinent to the matter under inquiry as the said special committee shall propound—

And so forth. Mr. President, under the original power granted to it the committee was given the right to subpena witnesses whom the committee found necessary or advisable to subpena in the interest of carrying out the objectives of the resolution under which the committee was created.

The committee has been unable to find certain individuals. I do not know what power the Sergeant at Arms of the Senate has which the investigators of the committee do not have. The investigators have been diligent in their search. The committee has a good many employees available for the purpose of finding witnesses. I do not know how the Sergeant at Arms would be able to find witnesses any sooner than the committee's investigators.

I read from section 194 of the general and permanent laws relating to the Senate:

Whenever a witness summoned as mentioned in section 192 of this title fails to appear to testify or fails to produce any books, papers, records, or documents, as required, or whenever any witness so summoned refuses to anwer any question pertinent to the subject under inquiry before either House, or any joint committee established by a joint or concurrent resolution of the two Houses of Congress, or any committee or subcommittee of either House of Congress, and the fact of such failure or failures is reported to either House while Congress is in session, or when Congress is not in session, a statement of fact constituting such failure is reported to and filed with the President of the Senate or the Speaker of the House, it shall be the duty of the said President of the Senate or Speaker of the House, as the case may be, to certify, and he shall so certify, the statement of facts aforesaid under the seal of the Senate or House, as the case may be, to the appropriate United States attorney, whose duty it shall be to bring the matter before the grand jury for its action.

That is the only reference, I believe, which will be found in the rules with respect to what can be done by the President of the Senate.

Up to this time a witness has been summoned, but he has not been found. Therefore he has in fact not been summoned. Consequently, in my judgment—and this is only an off-the-cuff opinion—a very serious question exists whether or not the President of the Senate has the power to do what is requested. A further examination of the records may disclose that he may have such power, but certainly the importance of establishing a precedent of this kind in the Senate should be carefully weighed. I doubt very much—and it would be interesting to know—that all members of the committee agreed upon the resolution which is before us. I ask the Senator from Tennessee if that is so.

Mr. KEFAUVER. Yes.

Mr. LUCAS. Were all committee members agreed on it?

Mr. KEFAUVER. Yes.

Mr. LUCAS. Do the committee records show that fact?

Mr. KEFAUVER. Yes.

Mr. LUCAS. It is very interesting and I am glad to note that the committee has a record showing unanimous agreement on it. I return to the position I took a moment ago. If we are about to establish a new precedent, as has been indicated by the Senator from Massachusetts—and I have not had an opportunity to examine into that question—certainly no precedent should be established by the Senate based on snap judgment. It is a matter which should be considered by the Committee on the Judiciary. We are dealing with a special committee of the Senate, which has no power other than to recommend legislation. A resolution dealing with the arrest of persons, particularly when the Senate has not been advised of it in advance, presents a very serious proposition. No time could be lost by referring the resolution to the committee, with a view of having the committee advise the Senate within a reasonable time exactly

what the resolution means, how far it goes, and whether or not it is the proper action to take under the rules of the Senate and the laws of the country.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. Do I understand that the Senator's motion specifically is to refer the resolution to the Committee on the Judiciary? I understand him to make the motion in the alternative with reference to the Committee on Rules and Administration and the Committee on the Judiciary.

Mr. LUCAS. I think the Committee on the Judiciary is the proper committee to study the resolution, because the Committee on the Judiciary is composed of good lawyers, who are presumed to be able to examine into such a resolution and to report its opinion as to whether it would set a precedent, and whether it is correct and proper action to take. If it is a proper resolution, obviously I shall follow the opinion of the committee. At this time I do not wish to follow the opinion of the Senator from Tennessee and the committee which has reported the resolution, fresh and new as it is, and apparently without any precedent.

The PRESIDING OFFICER. Does the Senator from Tennessee wish to be heard on the motion?

Mr. KEFAUVER. Yes, I do. The distinguished majority leader is incorrect in stating that this resolution would create a precedent or that the arrest of witnesses whose testimony is wanted by the Senate is new and unprecedented. There is precedent for exactly what this resolution calls for and in at least two cases these precedents have been tested by the Supreme Court which has unequivocally held that the Senate has power to arrest witnesses whose testimony it desires in pursuit of its function and that this power includes the arrest of witnesses whose testimony is sought by committees of the Senate. I refer to *McGrain* v. *Daugherty* (273 U. S. 135). In that case a select committee of the Senate was investigating the Teapot Dome scandal and as a part of that investigation it desired the testimony of the brother of Attorney General Daugherty. A subpena was served on Daugherty to appear and testify but he ignored it. The Senate then passed a resolution reciting that Daugherty's testimony was material and necessary in order that the committee properly execute the functions imposed upon it and it then resolved that the President of the Senate pro tempore issue his warrant commanding the Sergeant at Arms or his deputy to take into custody the body of M. S. Daugherty wherever found and to bring the said M. S. Daugherty before the bar of the Senate then and there to answer such questions, and so forth. In other words the Senate resolved that the Sergeant at Arms or his deputy should arrest Daugherty and bring him before the Senate to answer questions. I might say that the resolution in the Daugherty case was used by committee counsel as a model in drafting the resolution we are now discussing. The Supreme Court unanimously held that this warrant of arrest was constitutional and otherwise lawful. Another precedent is Barry against United States ex rel. Cunningham, which is reported at Two Hundred and Seventy-ninth United States Reports, page 597. In that case Cunningham had testified before a special committee of the Senate investigative primary expenditures that he had contributed $50,000 to the primary campaign of William S. Vare, of Pennsylvania. He flatly refused, however, to tell where he had gotten the money. After the election Cunningham similarly refused to testify before the special committee. Thereafter Vare's election was contested. The special committee recommended to the Senate that Cunningham be cited for contempt, but instead the Senate resolved that a warrant should be issued commanding the Sergeant at Arms or his deputy to arrest Cunningham. The Court, in a unanimous opinion, held that the Senate had the power to issue this warrant. I will quote from this case at page 616:

> Third. The real question is not whether the Senate had power to issue the warrant of arrest, but whether it could do so under the circumstances disclosed by the record. The decision of the court of appeals is that, as a necessary prerequisite to the issue of a warrant of arrest, a subpena first should have been issued, served, and disobeyed. And undoubtedly the courts recognize this as the practice generally to be followed. But undoubtedly also, a court has power in the exercise of a sound discretion to issue a warrant of arrest without a previous subpena when there is good reason to believe that otherwise the witness will not be forthcoming.

In other words, Mr. President, these two decisions clearly hold that the Senate has the power to compel a witness to appear before it or before one of its committees and to give testimony and that it may do this by subpena or, if for some reason a subpena will prove ineffective, it may do so by the issuance of a warrant of arrest. The Senate has done it before and the Supreme Court has at least twice unequivocably upheld the action.

In that particular case the committee has carried over into the next Congress.

In that case practically the same issue was raised as is raised here, and the Court, by unanimous decision, held that the Senate did have the power to require the appearance of the witness before the committee which was conducting the investigation in that particular case, even though the committee was continuing over into another Congress.

The section which has been read by the distinguished majority leader, section 194 of the rules contained in the Reorganization Act, refers only to cases in which service has been secured. In such cases, section 194 provides that if a witness refuses to answer after he has been brought before a committee, if the Senate is in session a resolution may be presented to the Senate providing for instructions to the district attorney to prosecute him for contempt. But if the Senate is not in session, the resolution shall be presented to the Vice President, and he shall have the authority to certify the matter to the appropriate district attorney.

But that is just the point here. Service has not and cannot be effected because the witnesses are in hiding. Subpenas will not work and so we have to try something more effective.

In the present case the particular witnesses whose names have been listed are quite well known. Subpenas have been issued, and a long and diligent search has been made. Every effort has been made to serve subpenas on those witnesses. We have even gone so far as to have inquiry made among the neighbors, and in some cases of their wives, as to their whereabouts. Unquestionably they have purposely avoided—and that is the allegation in the committee's report—service of a subpena issued by a committee of the United States Senate.

Two of the witnesses were last heard of in Mexico, but they will be coming back. In this case the hope would be that the Sergeant at Arms would, in conformity with the resolution, call upon the Federal Bureau of Investigation and other Federal investigative agencies, such as the border patrol, to keep a lookout for them, and bring them before the committee to testify when they are located.

It is very difficult for the committee to do this kind of work when witnesses secrete themselves so that a subpena cannot be served upon them, even after the most diligent effort.

The work of this committee is about to come to an end. We are to make our report in the latter part of February. In order to get the necessary information and make a report to the Senate, we feel that it is highly important to have the testimony of these particular witnesses, who are key characters in some of the most important investigations which we are carrying on.

Mr. President, there are certain powers inherent in this body, and reiterated in the two cases to which I have referred. There is the general power to prevent anyone from ignoring the orders of the Senate. There is the power to compel witnesses to come before a committee to give testimony. To defer this matter and engage in extended hearings before the Judiciary Committee or some other committee, when the issue is quite clear, would give a great deal of encouragement to other persons upon whom we are trying to serve subpenas to secrete themselves and evade the service of process. It would diminish the importance of the process of the committee and suggest that all a recalcitrant witness need do is to hide from our process servers until February.

I think it is fundamental that if the Senate has the power to investigate, as undoubtedly the Senate has, it first must have the power to bring witnesses before it. It is certainly not in keeping with the dignity of the Senate to allow witnesses, by hiding and avoiding the person trying to serve the subpena to prevent carrying into effect the determination of the Senate to bring them before the Senate or a committee of the Senate for the purpose of giving testimony. If such a rule were to be enforced, it would be impossible in many instances for the Senate to make the proper kind of examination. This question has been studied very closely and thoroughly by the staff of the committee. The decisions of the

Supreme Court are cited in the report. I hope that the work of the committee will not be held up by any delay in acting upon this resolution.

Mr. LUCAS. Mr. President, I should like to make a brief reply to the argument of the Senator from Tennessee.

In the first place, it seems to me that the United States Senate should never forget that this is a special committee which was established to do certain things under the terms of a resolution which was adopted by the Senate. Whether, under the terms of the original resolution, the committee has the power to invoke this sort of procedure is a serious question in my mind. We should never grant to any special committee continuous powers to do a number of things which perhaps are not within the scope of the resolution itself. We definitely provided in that resolution that the committee itself should have the power to subpena all witnesses it believed necessary and advisable to call before the committee to carry out the purposes of Senate Resolution 202.

If the men whom the committee has employed cannot find these witnesses, I do not know who can. I understand that the committee has some of the best sleuths who have ever been employed by any committee of the Senate, and who have done nothing throughout their lives except to try to track down someone for some committee or agency of the Government, whether it was Federal, city, or county.

Mr. President, I say that we had better hestitate and pause for the moment, at least, before we transfer that power to the Sergeant at Arms and let the Sergeant at Arms, who is an important officer of the Senate, and who is needed here, start on a wild-goose chase. He would have to go before some committee of the Senate and ask for more money in order to set up another group of sleuths to find these men, some of whom are in Mexico at the present time. We had better pause and let some committee look into the situation before we take the drastic step which is requested by the Senator from Tennessee and other members of the special committee.

I am not attempting to shield anyone named in the resolution. I do not know any of the men named. I do not care anything about the so-called crooks whom the Senator is now trying to run down. But so long as I am in the Senate—and that will not be too long—I am going to try to protect the integrity of the rules of the United States Senate. I am not going to permit a special committee to get away with such a thing as is suggested here if I can possibly help it, without a standing committee passing upon the question. The United States Senate ought not to do that.

The suggested procedure may be proper. It may be the right thing to do. But at least the Judiciary Committee should have an opportunity to look into the question. There are good lawyers on that committee, whose function it is to do the very thing which I am suggesting. I believe that that committee should have the opportunity to pass upon this request.

Mr. President, it seems to me incredulous that a committee would come before the Senate and ask the Sergeant at Arms to set up another snooping committee, so to speak, and hunt for men whom they themselves cannot find. They have a sufficient number of investigators to do the job they are called upon to do. Let them come before the full committee and ask for more money. They can obtain the top men of the country if they pay them enough—and I think they are paying them plenty for the job they are doing. They can obtain more men. If those connected with the committee cannot find the witnesses who are sought, how are Joe Duke, the Sergeant at Arms of the Senate of the United States, and his assistants to find these crooks? Mr. President, I do not say that to disparage in any way my friend Joe Duke, because he comes from a section of the country where they know how to run down criminals. He has been ably taught by the "boss" of the Senate, my good friend, the Senator from Arizona [Mr. HAYDEN], who used to be a sheriff in Arizona, and who knows what it is all about. But to comply with the request would impose an additional burden upon the Sergeant at Arms of the Senate. He could not carry out the order himself, and his assistants in the Senate could not do it. He would have to employ a dozen more men to go forth and hunt these witnesses whom the subcommittee cannot find.

Mr. President, to me it is the most ridiculous thing I have heard of in a long, long time, and I hope that the Senate of the United States will at least give a proper standing committee the right to look into the matter.

Mr. KEFAUVER. Mr. President, I wish to be heard in response to the remarks made by the distinguished majority leader. I believe we of the committee feel that if we, who are charged with the responsibility of carrying on the investigation, let the principal witnesses, as these people are, defy the United States Senate, and put off the matter of getting them before the committee promptly, we are not doing our duty. The group of witnesses who have been hiding from the subpenas of the committee and whose arrest is sought are among the most powerful and dangerous racketeers in the country. Our duty, as we see it, is to present the matter to the Senate, and to urge the Senate to help us secure the witnesses so we can carry on our investigation. That is the purpose of the resolution.

I do not think the point made by the majority leader is very well taken, that the distinguished Mr. Duke, the Sergeant at Arms, and his assistants would be required to do this work themselves. The resolution asks that they be authorized to call upon all the law-enforcement agencies of the United States Government to assist them in locating and apprehending these persons who are avoiding service. I wish to read that portion of the resolution to the Senate. The resolution states that for the purpose of executing the warrant issued in accordance with the resolution the Sergeant at Arms may by blanket order or orders deputize the enforcement officers of the Federal Government to apprehend these individuals.

Of course, what would happen, Mr. President, is that the Federal Bureau of Investigation and the other law-enforcement agencies of the Federal Government would be asked to make inquiry in various parts of the country as to where these individuals are. There would be no delay in securing them and bringing them in.

Mr. President, it is not a matter of adding more sleuths. We already have an efficient staff, including highly trained investigators, but we cannot possibly duplicate the Nation-wide investigative network of the FBI, and it would be folly for the committee to try to do so.

I am sure some Senators will recognize certain of the witnesses whose names are on the list contained in the resolution. We are asking for this extraordinary procedure only after most diligent effort on the part of many, many of our people, and by United States marshals in the particular places where these men live. Anthony "Tony" Accardo, alias Joe Batters, has of course a long record as a leading racketeer and as a person in criminal activity in the Chicago area.

Murray Humphreys is well known, and we have been trying to find him for a long time. He is intimately involved in the racing wire service picture.

As to Rocco Fischetti and Charles Fischetti, their reputations are well known, and the importance of the testimony they would give is, of course, easily recognized.

Martin M. Hartman is in San Francisco. He is a stock salesman. He was selling stock in what was alleged to be a bogus copper company called the Mountain City Consolidated Copper Co. in Nevada, which involves a very important matter involving interstate crime.

John Patton comes from Chicago, and has been partner in important operations in Florida. He is also involved in a racing wire question. We have tried long to find him.

Elmer Remmer is well known in California, Morris Rosen in New York, and Joseph Sica in the State of California. The testimony of Sica is wanted, among other reasons, because it would relate in part to illicit narcotic transactions on a major scale.

Mr. President, the final argument of the distinguished majority leader was that since the investigating committee is a special or select committee the matter should be referred to some other committee before action is taken. Insofar as I have been able to find by reading the cases, whenever a select or special committee has presented a statement to the United States Senate that in order to carry out its direction and mandate from the Senate additional authority shall be given it, the Senate has very readily responded to the recommendation of the select committee.

I believe the committee which investigated the Teapot Dome matter, out of which McGrain against Daugherty arose, was a select committee. But in any event

one of the early precedents on the subject relates to John Brown's raid on Harpers Ferry.

In the Daugherty case the Supreme Court said about this incident at page 138:

In December 1859, the Senate, by resolution, appointed a committee to inquire into the facts concerning the invasion and seizure of the armory and arsenal at Harper's Ferry and to report facts and recommend legislation, the committee to have power to send for persons and papers.

That committee wanted to subpena and bring before it a witness by the name of Thaddeus Hyatt. I continue to read:

In February 1860, a resolution was adopted directing the Sergeant at Arms to take into his custody the body of Thaddeus Hyatt, and to have the same forthwith before the bar of the Senate to answer as for a contempt of its authority * * *. In upholding the existence of the power, the Senate did not divide on sectional lines, and the vote was overwhelmingly in support of the asserted power.

Mr. President, I hope the Senate will back up the work our committee has been trying to do. It will be much more difficult for us to continue if the Senate is going to refuse to grant the relief asked for by this resolution. I do not think we need to refer to a committee for hearing and debate the question of whether gangsters and racketeers can play hide and seek with process servers of a committee of the United States Senate.

Mr. MAYBANK. I wonder whether there will be any further debate on the resolution relating to the Special Committee To Investigate Crime in Interstate Commerce.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois that the resolution reported by the Senator from Tennessee be referred to the Committee on the Judiciary [putting the question].

The "ayes" have it.

Mr. KEFAUVER. Mr. President, I demand a division.

The PRESIDING OFFICER. The Chair has already made the determination.

Mr. KEFAUVER. I do not request the yeas and nays, but I ask for a standing division.

The PRESIDING OFFICER. The determination has already been made.

Mr. MAYBANK. Mr. President, a point of order: I have been here a long time waiting to have us proceed with the rent-control joint resolution, and waiting for the Senator from Ohio [Mr. BRICKER] to have an opportunity to speak on that measure. I have yielded to him.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. KEFAUVER subsequently said: Mr. President, I move for a reconsideration of the vote taken earlier in the day by which the resolution from the Special Committee To Investigate Organized Crime was referred to the Committee on the Judiciary. I wish to give notice at this time that at the conclusion of the morning hour tomorrow I shall ask for a vote on the motion to reconsider.

The PRESIDING OFFICER. The motion will be entered.

CREDENTIALS

Mr. CHAPMAN. Mr. President, I send to the desk the credentials of my colleague, the junior Senator from Kentucky [Mr. CLEMENTS], elected a United States Senator from the State of Kentucky, for the term commencing January 3, 1951.

The PRESIDING OFFICER (Mr. CLEMENTS in the chair). The credentials will be read and placed on file.

The credentials were read and placed on file, as follows:

COMMONWEALTH OF KENTUCKY,
DEPARTMENT OF STATE,
Frankfort.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950 EARLE C. CLEMENTS was duly chosen by the qualified electors of the State of Kentucky a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency our Governor, EARLE C. CLEMENTS, and our seal hereto affixed at Frankfort this 16th day of November in the year of our Lord 1950.

EARLE C. CLEMENTS,
Governor.

By the Governor:
GEORGE GLENN HATCHER,
Secretary of State.

Mr. McCARTHY. Mr. President, I send to the desk for filing the credentials of my distinguished colleague the senior Senator from Wisconsin [Mr. WILEY] for the term commencing January 3, 1951. I am extremely happy to be able to present the credentials at this time.

The PRESIDING OFFICER. The credentials will be read and placed on file.

The credentials were read and placed on file, as follows:

UNITED STATES OF AMERICA,
THE STATE OF WISCONSIN,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, ALEXANDER WILEY was duly chosen by the qualified electors of the State of Wisconsin a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, commencing on the 3d day of January 1951.

In testimony whereof I have hereunto set my hand and caused the great seal of the State of Wisconsin to be affixed. Done at the capitol in the city of Madison this 28th day of November in the year of our Lord 1950.

OSCAR RENNEBOHM,
Governor.

By the Governor:
[SEAL] FRED L. ZIMMERMAN,
Secretary of State.

Mr. DWORSHAK. Mr. President, I send to the desk the credentials of HERMAN WELKER, elected a United States Senator from the State of Idaho for the term commencing January 3, 1951.

The PRESIDING OFFICER. The credentials will be read and placed on file.

The credentials were read and placed on file, as follows:

STATE OF IDAHO,
DEPARTMENT OF STATE.

CERTIFICATE OF ELECTION

To All to Whom These Presents Shall Come, Greeting:

Whereas the State Board of Canvassers of the State of Idaho, in obedience to the provisions of section 34-1304 of the Idaho Code, has found, certified, and declared that a canvass of the abstract of votes cast at the general election held in the State of Idaho on the 7th day of November 1950 shows that HERMAN WELKER, of Payette, has received the greatest number of legal votes cast for the office of United States Senator (6-year term).

Now, therefore, I, J. D. Cy Price, Secretary of State of the State of Idaho, do hereby declare and certify that said HERMAN WELKER, of Payette, has been duly and regularly elected to the office of United States Senator (6-year term) for the term beginning January 1, 1951, and is entitled to all the rights, honors, and privileges pertaining thereto.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State. Done at Boise City, the capital of Idaho, this 27th day of November, in the year of our Lord 1950 and of the independence of the United States of America the one hundred and seventy-five.

[SEAL] J. D. CY PRICE,
Secretary of State.

COMMITTEE SERVICE

Mr. WHERRY. Mr. President, I send to the desk an order providing for the assignment to committees of the distinguished junior Senator from Kansas [Mr. CARLSON] and the distinguished junior Senator from California [Mr. NIXON], and request that it be read.

The order was read, as follows:

Ordered, That Mr. CARLSON be, and he is hereby, assigned to service on the Committee on Post Office and Civil Service.

That Mr. NIXON be, and he is hereby, assigned to service on the Committee on the District of Columbia.

Mr. WHERRY. Mr. President, these assignments are to be effective only until the 2d day of January 1951, when this Congress will expire. I ask that the order be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the order submitted by the Senator from Nebraska.

The order was agreed to.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. BRICKER. Mr. President, the measure before the Senate at this time involves an extension of the rent-control law, the termination date only being proposed to be changed from the last day of December of this year until February 28, 1951. The effect of such an extension would be to continue Federal rent control over about 1,000 or 1,200 communities, depending upon the number that decontrol between now and the end of the year, although they have not expressly, by resolution or by referendum in the local communities, asked for continuing Federal control.

As we recall, about 6 months ago it was the understanding among the Members of the Senate, on the part of both the opponents and the proponents of rent-control extension at that time, that that would be the last extension of rent control. As a result, each community

in the United States which then was under rent control was given the privilege, by way of resolution or by proper legal enactment on the part of the governing body of the local community or by referendum among the citizens of the community, of asking for a continuance of rent control, federally administered, for 6 months beyond December 31, 1950.

The pending joint resolution would not change any of the provisions of that law, except it would continue that Federal rent-control imposition for another 2 months, which would give the communities the right to ask for another 2 months of continuing Federal rent control, and we would also impose Federal rent control upon the communities which did not ask for it. In other words, during the lapse which would occur, the millions of home owners and rental property owners would not get the benefit of the market value of their property until some future date.

The basis upon which Mr. Tighe Woods and Mr. Stuart Symington have asked for such an extension is that there has been a change of conditions as a result of the Korean war episode, that a continuation of rent control is necessary in order not to cause a maladjustment, and that we should have a period of an additional 2 months in order to avoid the doing of harm and to provide an opportunity for the consideration of a new rent-control bill.

The fact is that if the law remains as it is, there will still be a period of an additional 6 months in which the Congress may write a new law and in which the communities which want to have a continuance of rent control during that period will be able to have Federal administration of local rent control. So there is not a great deal of effect upon our economy generally because of the lack of the power on the part of the local communities to ask the Federal Government to do for them that which they should do for themselves.

About the only change which has come about as a result of the Korean war episode, so far as rent control is concerned, is, possibly, a shift of population, first a shift of population to the war-production centers. When that occurs, there may be some need for further consideration of Federal rent control. That will be determined by the facts, which we do not know today, and which we cannot possibly anticipate. The second effect will be the taking of young men into camps and military establishments. Already much power has been given to the Army and to the Navy and to the Air Force to construct homes in the encampment areas. Other housing will have to be constructed, of course; and in addition to construction by the Government, there will have to be construction in those communities by private capital. It may be that when that is done, there will be need for Federal control of rents in the war-encampment areas.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. TAFT. The extension here proposed will not affect those areas, will it?

Mr. BRICKER. Not in any way, shape, or form.

Mr. TAFT. Because the committee itself has said:

> Nor would such an extension of the automatic decontrol date authorize the Housing Expediter to bring under Federal rent control any area already or hereafter removed from the scope of Federal rent control.

Mr. BRICKER. My colleague is exactly correct. That problem cannot be faced at all under this measure. It is a new problem which we can face, and should face, when we have all the facts before us and know all of them.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. MAYBANK. I heartily concur with the distinguished Senators from Ohio in saying that those problems cannot be faced now; but in the committee we voted for the 60-day extension in order that other problems developing around the camps, such as the problem in Missouri, at Camp Leonard Wood, may be handled.

Mr. BRICKER. But this measure gives no authority, I think the Senator will agree, to reimpose rent control in any community where it has ceased.

Mr. MAYBANK. That is done only by the community itself.

Mr. BRICKER. And it must be done before the end of this year.

Mr. MAYBANK. This measure would provide an extension of 2 months in which it might be done.

Mr. BRICKER. Yes; but the communities already have had 6 months in which to ask for a continuance of rent control, if they desire it continued in their areas.

Mr. MAYBANK. That is entirely correct. However, the situations which have developed in the past few months, with the concentration of troops in camps, have caused a desire for further rent control. I am sure the Senator will agree to that statement.

I was one of the Senators who said, last year, that I hoped we would never have to consider another rent-control bill. However, I must say, and I think my good friend who worked on the committee so hard with me will agree, that in a small number of instances there are demands for a continuation of rent control.

Mr. BRICKER. The testimony before the committee by Mr. Tighe Woods, who presented to the committee the only direct testimony received on this measure, was that more than 800 local communities have voted to continue rent control.

Mr. MAYBANK. That is correct. However, during the past few weeks others have taken advantage of that opportunity.

I think it is regrettable that other communities have not taken advantage of the opportunity. Nevertheless, members of the Armed Forces and considerable numbers of other persons have moved into certain areas, whereas several months ago we did not believe they would be called upon to do so.

Mr. BRICKER. But the areas into which the soldiers and other members of the Armed Forces are moving are not now generally under rent control. If they are, they can decide between now and 6 months from now whether they wish to have rent control continued for both rental property and home owners.

Mr. McCARTHY. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. McCARTHY. The Senator will recall that a number of years ago we passed a housing bill designed to make credit easily obtainable by young men desiring to acquire or build homes. The Senator will also recall that within the past 2 months the President has nullified the effect of the easy-credit bill by raising the credit terms and making it impossible for a young man either to build or to buy a home unless he has much more cash. The Senator will further recall, I am sure, as I do, that since that occurred, the number of homes which have been begun has decreased very drastically.

I am sure the Senator is aware of the fact that at the time when we were drafting that bill, called the Housing Act of 1948, we had extended conferences with the sections of labor having to do with construction—the American Federation of Labor building trades unions. The Senator will recall that at that time we had much difficulty because of the shortage of labor, and that the building trades unions went along with us 100 percent. They said, in effect, "If you will pass a law making it easy for young men to get credit, so that we can be sure that the new men we add to our unions will have work, we will go along 100 percent in increasing our apprentices."

The Senator will further recall that in the last month or two, vast numbers of men in the building trades have been forced out of work because of this arbitrary action on the part of the President.

I wonder whether the Senator will agree with me that the President has, in effect, by nullifying our Housing Act giving easy credit to those young men, on his own initiative rationed building materials to those who have money, and taken building materials away from young men with credit; and by that action he is creating a tremendous housing shortage which well may make rent controls necessary in the next 6 or 7 months.

Mr. BRICKER. Possibly that is true, if the shortage should continue. But at the present time the number of units which will be cut from the building program this year, as well as those cut from it last year, is approximately 400,000—perhaps a little more or perhaps a little less.

There has also been a softening of the credit conditions to the GI's and the veterans, and I think a greater ratio of the money that is borrowed for building purposes will go into the GI's building programs, possibly, than has heretofore gone into the veterans' building program.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. MAYBANK. I desire to accommodate some of our good friends on both sides of the aisle in connection with this

debate. Many of the Senators have a good deal of other work to attend to, so I am going to request at this time, that when the joint resolution is ready for a vote the yeas-and-nays be ordered, so that Senators on both sides of the aisle who have important business engagements may be able to keep them. I ask that the yeas and nays be ordered.

The PRESIDING OFFICER. Is the demand for the yeas-and-nays sufficiently seconded?

The yeas and nays were ordered.

Mr. MAYBANK. I thank the Senator from Ohio for yielding.

Mr. McCARTHY. Mr. President, will the Senator from Ohio yield?

Mr. BRICKER. I yield.

Mr. McCARTHY. I wonder whether the Senator will agree with me that it would be an excellent idea for his committee to conduct hearings for the purpose of ascertaining the effect the President's arbitrary order has had on the building program, and to determine the extent to which it is cutting down production, the extent to which it is making it impossible for young men to build or to buy homes, and the extent to which the President's order may make rent controls necessary for another 6 months or for another year, by reason of the decrease in the number of units being built.

Mr. BRICKER. I think the Senator's suggestion is an excellent one. Let me say to him that the housing bill of 1948, to which I referred a moment ago, was very liberal, so that last year there were built about 1,300,000 units.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. BRICKER. I yield to the Senator from Massachusetts.

Mr. SALTONSTALL. I should like to ask the Senator from Ohio or the Senator from South Carolina whether it is expected that we shall vote on this bill tonight, or whether it will in all probability go over until tomorrow.

Mr. BRICKER. I shall not take very much more time—probably not over 15 minutes.

Mr. MAYBANK. Mr. President, several Senators are scheduled to speak, two or three from the Republican side of the aisle. I understood that the distinguished senior Senator from Ohio [Mr. TAFT] and the Senator from Washington [Mr. CAIN] desired to be heard. What I proposed to do was to request unanimous consent that we vote at 3 o'clock tomorrow. With the speeches which have been indicated as yet to come, I do not think we could vote tonight. The Senator from Washington [Mr. CAIN] suggested that he would speak but about half an hour. It may require longer than that. So I propose a unanimous-consent agreement to vote at 3 o'clock tomorrow. I understand the Senator from Arkansas [Mr. McCLELLAN] wishes to speak, and also his colleague from the State of Arkansas [Mr. FULBRIGHT].

Mr. McCLELLAN. I may say to the able Senator that if I speak, it will only be for about 2 or 3 minutes.

Mr. MAYBANK. There may be other Senators who will desire to speak for 2 or 3 minutes. The Senator from Washington [Mr. CAIN] will no doubt speak for an hour. I would suggest, if agreeable, that we enter into a unanimous-consent agreement to vote at 3 o'clock tomorrow.

Mr. TAFT. Mr. President, it seems to me that would delay the matter. Why does the Senator not simply suggest an agreement that we shall not vote tonight, but that we shall proceed until we come to the end of the debate, and then vote on it tomorrow?

Mr. MAYBANK. I am unable to speak for the majority leader, of course.

Mr. TAFT. I think that would be quicker.

Mr. LUCAS. Yes, Mr. President, I think the Senator from Ohio is correct in his statement, and I should like to follow the procedure he suggests and go as far as we can tonight. In the meantime Senators will not have to worry about voting on the measure tonight.

Mr. SALTONSTALL. Then, do I correctly understand from the Senator from South Carolina that he will not press for a vote tonight, and that Senators may safely attend to other matters?

Mr. MAYBANK. That is what the majority leader has suggested, and I shall abide by it.

Mr. SALTONSTALL. I thank the Senator.

Mr. BRICKER. Mr. President, the whole problem of rental units around Army encampments and in the defense production centers is an entirely new one, separate and apart from the rent-control law, an extension of which we are now considering. It will mean a maladjustment, of course, of rental conditions in many communities, because any man who goes into a new community, whether a war-production center or a camp, will leave a vacancy in the community from which he goes; and that must be taken into consideration. The smaller communities which have not asked for Federal control no doubt have failed to ask because they did not want Federal controls continued. That question was not not very thoroughly probed. But the Expediter came before our committee to give us the figures on the number of homes which are now under rent control, and the effect that this measure would have upon the total number.

He testified that there are today 7,500,000 rental housing units remaining under Federal rent control, 3,430,000 of which will remain under rent control through June 30, 1951, by virtue of the action of local governing bodies to date. This leaves, so he said, about 4,000,000 units from which Federal rent control will be removed on December 31, 1950. Of course, he did not make an estimate as to the number of communities that might ask for a continuance in the interim period of 30 days, neither did he take into consideration nor bring to the attention of the committee the fact that 2,000,000 units in the controlled areas have been withdrawn because people would not continue them under rental conditions such as those imposed by the Expediter.

We are facing at the present time a more serious situation than we had when this law was extended the last time; and it was unjustified at that time. We are today facing a boom on top of a boom—a war boom upon a peacetime inflation—and no one knows the extent to which the war boom will go. No one knows the amount of inflation which will result from the spending of billions upon multiplied billions of dollars by the Federal Government for the war program. No one knows the effect it will have upon employment. No one knows yet the effect it will have upon the personal income of labor throughout the country and of other citizens generally. But the figures are very significant when we stop to consider the increases in living costs and in income which have already taken place in America.

An index of the cost of living of 1950, prepared by a company in St. Louis, Mo., was introduced; and I believe the figures set forth to be authentic. The base period was 1921 to 1938, which was taken as 100. Let us see what has happened in the meantime to wages. From that period to the present time, wages have increased 239 percent. Let us keep those figures in mind—239 percent. Household furnishings have gone up 181 percent. Food—and in the case of the average family the item of food cost is three times the rental cost—has gone up 172 percent. Clothing has gone up 166 percent, and rents since 1930 have gone up only 96 percent. That is about one-third of what the total increase of wages has been.

At the present time we are in a serious situation internationally. The United States is now in desperate circumstances, and we dare not destroy the very basic, sound foundation of our population and civilization. The rent-control law, for too long a period, has been placed upon the people who have tried to provide their own social security against the day of their need. Too long have they had to carry too much of the reconstruction cost in this country; and they have not had an adequate return upon the property they have held for rent. That is why more than 2,000,000 units have gone off the rental market within the past 2 years. The owners cannot pay the cost of operation of their property. They cannot pay the maintenance and upkeep from the rents they receive, based upon a 1941 rental base.

What has happened in the meantime? According to Mr. Woods, the Expediter—and he said it, as if in a spirit of generosity—he has given the property owners an over-all 15 percent increase in rents on their property—15 percent, when other costs have gone up as much as from 100 to 250 percent. The owners of property, who have saved money, who have lived, according to him, in keeping with the old ideas which have inspired us for a century and a half, have been pressed down to the earth. They cannot live upon their incomes. They have either had to sell their property, go to work again, become a burden upon their relatives, or do as many officials around Washington want them to do—become wards of the Federal Government, so they will be able to give them a subsidy of some kind of other.

There are but a few other phases of this question which I want to bring to the attention of the Senate in order to show the kind of testimony we had before our committee. I have read the reports.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. BRICKER. I yield.

Mr. CAIN. It seems to me that the distinguished Senator from Ohio is maintaining that it is high time and a proper time to get rid of an office, at the earliest possible minute, which in the course of approximately 10 years has reduced by approximately 2,000,000 units the rental accommodations in the United States. Is that a fair assumption?

Mr. BRICKER. It is a fair assumption. I shall read those figures into the RECORD presently, for the benefit of the Senate.

Mr. CAIN. I shall appreciate that.

Mr. BRICKER. Mr. Woods came before our committee. He is the Expediter. I do not hesitate to say—because I told him this in the committee—that I think the Expediter has done a poor job. I think he has done an immoral job; at times, an illegal job, so far as his administration is concerned. He is one of the poorer of the bureaucrats around Washington, in my judgment. He came before us, and this is his testimony, and it is in the report:

> In Weirton, W. Va., an official of the Weirton Steel Co. reported that the company has lost and is still losing employees due to the lack of adequate housing.

I asked him for the name of the man, and I got it. We called that man a little while ago, and he told us very definitely that the statement was made a year ago, and, yet, Mr. Woods said that this gentleman said, "They are still losing employees," as if it had been that day, or very close to the day he testified. The statement was made a year ago. At that time, according to the statement, they were losing employees at the Weirton Steel Co. plant. But I do not know what rent control had to do with it, or the problem we have at the present time, because they had rent control there at that time, and they still have it. I think it is one of the communities which have asked for its extension. Whenever an employee leaves, he causes a vacancy. Someone else must come in and take over. But this same man told us over the telephone a short time ago that relatively few complaints had come in lately. He stated that there is still a shortage of low-cost housing. We shall never get to the bottom of the housing question according to some groups of people, who want rents constantly lower and lower. Many people feel that the Federal Government ought to provide them with rental units, as well as keeping down the rentals of the units.

A moment ago the distinguished Senator from Washington [Mr. CAIN] called my attention to a fact which is very pertinent at this time, as it was pertinent 6 months ago when I pointed it out to the Senate. The fact is that the total population of the United States in 1940 was 131,669,275. In 1950 the total population is 150,697,361.

In 1940 the total number of dwellings, according to the Census Bureau, was 37,325,470. In 1950 the total number of dwellings is 46,151,107. The number of dwellings increased; so that at the present time the housing situation in America is much better, on the basis of population and number of dwelling units available, than it was in 1940.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRICKER. Yes.

Mr. TAFT. Does the Senator know how many such units are classified as rental units?

Mr. BRICKER. The total number of dwelling units under control as of March 1949, was 14,250,000. The number of units which the Office of the Housing Expediter states have been decontrolled from April 1, 1949, to November 3, 1950, is 6,439,124. From the total figure should also be subtracted an estimated 2,000,000 units which have been withdrawn from the rental market, for owner occupancy, during the period of rent control, as well as approximately 20,000 units which are estimated to have been withdrawn in the past 2 years by reason of demolition, fire, storm, and so forth.

Therefore it is estimated that the total number of units still under rent control as of November 3, 1950, is 5,831,124.

Mr. TAFT. Are the 5,831,000 units now under rent control?

Mr. BRICKER. They were still under rent control as of November 3, 1950.

Mr. TAFT. I was interested in the total number of housing units which are being rented today, controlled and not controlled.

Mr. BRICKER. I do not have the figure available. As I remember, it was approximately 18,000,000 or 19,000,000. That is only my recollection of 6 months ago.

Mr. CAIN. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. CAIN. As I recall, approximately 16,000,000 units were under rent control at the peak of control in 1946. My memory tells me that there was approximately a total of only 18,000,000 rental units available in the country.

Mr. BRICKER. That was the figure I had in mind. In other words, Mr. President, the housing condition is in better condition today than it was in 1940. The percentage of urban units in good condition or in need of only minor repairs was 81.8 percent in 1940. In 1947 it was 93.2 percent. The percentage of all ordinary dwelling units in good condition or in need of only minor repairs was 81.8 percent in 1940. In 1947 it was 90.1 percent. These figures are taken from Current Population Report—Housing, Series P–70, No. 1, as of April 1947, United States Bureau of Census, table 4, page 11. They are the latest published census data on the state of housing repair.

In the third place, the total housing supply in the United States has increased at a rate greater than the population has increased since 1940. The population increase from 1940 to 1950 was 14.4 percent. The increase in number of dwelling units was 23.6 percent. These figures also come from the Census Bureau.

The large apartment units, about which we hear so much, particularly with reference to the greed which the landlords have exhibited by imposing on people who live in apartments—and we hear much of that in Washington, New York, and Chicago, especially in New York, where they have local control—contain only slightly more than one-fifth of the rental housing available in the United States. The percentage of all rental housing in single-family houses is 47.6 percent. The percentage of all rental housing in structures which contain one, two, three, or four dwelling units is 78.6 percent. Therefore, almost one-half of the total number of rental units in the United States are single-family houses. These figures are taken from Sixteenth Census of the United States—Housing, volume II, part I, Washington, 1943, table 4A, page 11. They are the latest data available.

The Senator from Washington referred to this point a moment ago. The effect of rent control and its administration has been what it has been in every country where it has been imposed. The effect was the same as in France and in England. The effect was to decrease the number of available rental units. The total number of tenant-occupied dwelling units in the United States in 1940 was 19,659,000. The total number of tenant-occupied dwelling units in the United States as of April 1947, which are the latest census figures, is 17,669,000. Therefore, in total supply of rental housing a loss has occured of 1,990,000 units. These are the latest figures available.

The same principle is working in the United States. When the Government takes control of property of its citizens and forces them to operate it at less than its economic value, rental units are not built or many of those already constructed are not continued under rental conditions. As a result of the rent-control law we have had a decrease in the number of rental units available. At the same time the number of dwelling units in the United States has been increased far out of proportion to the increase in population. The result has been a commendable one, of course, but that was not the purpose of the law. Neither was the result due to rent control. We have the largest number of home owners we have ever had in the history of the United States. Nearly 50 percent of all dwelling units are owner occupied. Mr. President, that is a most gratifying situation, and I hope the number of home owners will increase, because it means that we shall have a stable population. Home owners do not take part in revolutions. Home owners are not Communists. Home owners are not against their Government. Home owners are not in favor of lavish and unconscionable expenditure of public funds, because their property stands out and can be taxed. There is no way they can get away from it. I am pleading for those people in America who strengthen our society, who try to provide their own social security, and who are trying to keep out of the clutches of both the

Federal and State governments, and to avoid becoming the wards of either.

This is no time to continue the rent control law. Let us face it in the next Congress as a real issue on the basis of changing conditions. Let us take care of the situation around war plants, Army camps, and such concentrated areas, but let the other problem solve itself at the local level, where it should have been taken care of at all times.

OUR BLIND FOREIGN POLICY, OUR TOTAL LACK OF PREPAREDNESS, AND THE DESPERATE FUTURE

Mr. MALONE. Mr. President, considerable surprise is being occasioned and expressed at the helplessness which is being shown by the administration in the face of disaster, and at the total absence of an effective foreign policy.

Mr. President, the only surprise that should be occasioned is that anyone should be surprised.

GENERAL MAC ARTHUR PREVENTED FROM ATTACKING VITAL BASES

We are faced with a situation in which General MacArthur is prevented from attacking the bases of operation of our enemies. Mr. Acheson and his satellites blame General MacArthur's intelligence service, totally ignoring their own pitiful intelligence effort leading to the so-called police action in Korea.

AMPLE WARNING—UN CANNOT DIRECT THE FRONT LINE

Mr. President, there was plenty of information and warning from many sources. Only the blind and stubborn could refuse to see and understand the danger.

Mr. President, our field armed services can be so handicapped that even MacArthur may lose a war. An effective war cannot be fought from the leather cushions in the New York United Nations. In that connection, Mr. President, I ask unanimous consent to insert in the RECORD at this point and as part of my remarks a compilation of excerpts of articles by Constantine Brown from December 18, 1949, to November 30, 1950.

There being no objection the compilation was ordered to be printed in the RECORD, as follows:

December 18, 1949: "The world crisis * * * is expected to enter its final phase with the coming of the new year. The Russians have nearly completed the circle which they have so skillfully been building around us since VJ-day." Confirmed June 25, 1950.

January 23, 1950: "It is believed * * * they will concentrate * * * in South Korea, Indochina, Burma and eventually the Malay Peninsula."

February 5: "The United States is in a more critical situation than ever before in its history."

February 24: "We are in a weaker position with respect to Russia today than we were with respect to Japan 9 years ago."

April 30: "Russia * * * has given indications that she is tiring of the cold war and is preparing to move into action."

May 9: "More than 2,000 Soviet officers are engaged * * * in planning coming events in Asia which is expected to become the principal theater of a shooting war this summer."

June 4: "Whatever explosion may occur in the near future will come on the Asiatic mainland."

June 6: "The start of the * * * Communist invasion * * * is set for the second half of this month." Confirmed June 25.

September 1: "The middle of September will see Russian puppet Ho Chi Minh's Communist force launch an offensive against the French troops in Indochina." Confirmed September 19.

September 11: "Chinese forces * * * on the Korean border have moved in and now are fighting under the North Korean banner."

October 4: "Chinese Communist troops are definitely capable of going into action on an hour's notice."

November 7: "Our forces in Korea are so entangled by advancing Chinese Communists that only a heavy bombardment * * * between Mukden and the Yalu River can disentangle them."

November 7: "Behind the 300,000 Chinese troops on the Yalu River and in North Korea there are at least as many more troops available for action."

November 11: "A major attack by the Chinese Communist armies in North Korea is expected in the next 10 days. * * * Last week's attack * * * is considered a reconnaissance in force." Confirmed November 28.

November 28: "General MacArthur is reported to have asked the United Nations permission to send B–29 and B–36 planes to destroy the lines of communication * * * at Mukden and Harbin."

November 30: "Use of the atomic bomb and Chinese Nationalist troops against the Chinese Communist hordes is now being discussed * * * in secret high-level discussions in the last 48 hours. * * * We must face the stark fact that we are at war with Communist China, and by extension, with the U. S. S. R."

TAXPAYERS OF AMERICA ARMED RUSSIA-CHINESE COMMUNISTS

Mr. MALONE. Mr. President, in March of 1948, in March 1949, and again in March of this year, 1950, the junior Senator from Nevada set forth, in extended debates, that the taxpayers of America were being forced to pay for arming Russia and her satellite nations for world war III, through the Marshall plan.

In 1948 several trade treaties between the proposed Marshall-plan countries and Russia and her satellites, the eastern European countries, were inserted in the RECORD. That was in March of 1948 at the inception of the Marshall plan.

In March 1949, on the occasion of its extension, a list of 88 such treaties were inserted in the RECORD. In January of this year a list of 96 such treaties, in good standing, between the Marshall-plan countries, Russia, and the satellite countris of eastern Europe were inserted in the RECORD, showing that at that time material of almost every imaginable nature was being furnished to Russia, including ball bearings, tool steel, tools, electrical equipment, and many other materials.

At that time the British, through Hong Kong, were continually furnishing to Korean and Chinese Communists materials of war.

I digress at this time to say that any material usable to prepare for war—even shirt buttons—is a war material. Such materials are needed to fight a war.

GASOLINE, RUBBER TO COMMUNISTS

These shipments continued, and are being made even at the present time. I invite attention to the fact that in July of this year 650,000 gallons of gasoline were shipped to North China by the British through Hong Kong. Nine thousand tons of rubber were shipped from Malaya, largely through Hong Kong.

RUSSIA BIDDING AGAINST THE UNITED STATES

In November 1948, the junior Senator from Nevada was in Singapore. Already at that time tin and rubber were being shipped to Russia. Russia was bidding against the United States for strategic materials. That situation has continued until the present time. That is one of the reasons for the very high prices which the United States must pay for rubber and tin.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MALONE. I yield.

Mr. WHERRY. I thank the distinguished Senator for the observations he is making. The distinguished Senator from California [Mr. KNOWLAND] made some observations with reference to exports from the satellite countries and from countries which are the recipients of ECA aid, of materials which are exported directly, and materials which are fabricated in the interchange. Such materials are now being used in Korea against our boys.

I invite the attention of the distinguished Senator from Nevada to the fact that those of us who introduced the resolution to prohibit the exportation to the recipient countries were voted down by a very narrow margin in the last session of the Congress. But it behooves the Eighty-second Congress to reexamine the record in the light of these shipments. From now on those who are the beneficiaries and recipients of the money of the taxpayers of this country should not be permitted to continue to ship such materials to the satellite countries. They are fabricated by the enemy, and are now destroying our boys.

I thank the Senator for bringing this subject to the attention of the Senate once again. I admonish the membership of the Senate that due consideration should be given to the observations of the distinguished Senator from Nevada when he talks about the shipment of scarce materials into various countries which are using them for the benefit of the satellites. The goods are falling into the hands of those who are using them against our men. The goods are not being used for the purposes for which they were originally intended.

MALONE-WHERRY-KEM AMENDMENT

Mr. MALONE. Mr. President, I join with the distinguished Senator from Nebraska in what he says. I joined in support of the amendment to the ECA Act prohibiting such shipments which was voted down. That amendment would have retarded or prevented such shipments. I join with the distinguished Senator from California [Mr. KNOWLAND] in what he said today.

AMERICAN TAXPAYERS FINANCED DESTRUCTION OF OUR FLEET

The junior Senator from Nevada has previously stated on this floor that the airplanes which destroyed our fleet at

Pearl Harbor were largely constructed from materials which were sent from this country to Japan prior to World War II, and were fueled by petroleum sent out through the Golden Gate in plain sight of everyone, with all the veterans' organizations in the country screaming to high heaven about it in 1938 and 1939. Nothing was done about it. The same thing is being done now. It seems that some time we should learn.

JULY HONG KONG SHIPMENTS TO COMMUNISTS

Mr. President, at this time I ask unanimous consent to have printed in the body of the RECORD at this point as a part of my remarks a list of Communist purchases in Hong Kong in July. The statement gives approximate figures for Communist purchases in Hong Kong during the month of July.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMMUNIST PURCHASES IN HONG KONG AND ELSEWHERE

Communist buying agents are out to grab as much gasoline as possible before the local market is completely denied them. The total amount smuggled into Communist China is about 40 to 50 tons a day. The smuggling routes are through Castle Peak and Shangshui in new territories, although some junk owners were last week fined by police magistrates for smuggling petroleum products from Hong Kong.

The Red authorities in Shumchun, across the British border, permit their purchasing agents of oil to pay Hong Hong currency for the goods, as smugglers do not accept Communist paper money known as Jen Min Piao. As a result, the search for Hong Kong bank notes by Red customs authorities at Schumchun has been less strict for the past 2 weeks.

Communist buyers are also purchasing a good quantity of rubber. From mid-July to mid-August they bought about 6,000 tons of raw rubber from Malaya largely through Hong Kong. From January to June this year, the total imports of rubber from Malaya direct to Communist China amounted to 34,662 tons. In July direct shipments to Russia were 9,000 tons.

There is no embargo on rubber from Malaya to Communist China and the U. S. S. R., but consignments of this commodity from Hong Kong are subject to license.

COMMUNIST PURCHASES IN HONG KONG IN JULY

The following chart gives the approximate figures of Communist purchases in Hong Kong during the month of July:

	Value in Hong Kong currency
Purchases shipped to North China:	
Gasoline, 254,545 gallons	387,925
Cotton, 30,934 piculs	7,697,508
Gunny bags, 240,000 units	632,500
Lubrication oil, 120 drums	456,634
Newsprint, 20,600 reams	411,500
Purchases shipped to Central China:	
Gasoline, 173,277 gallons	350,661
Cotton, 2,442 piculs	516,272
Petroleum, 50,932 gallons	78,400
Gunny bags, 73,200 units	116,600
Lubrication oil, 528 tons	102,972
Crude oil, 1,310 tons	128,034
Purchases shipped to South China:	
Gasoline, 231,954 gallons	548,033
Cotton, 2,670 piculs	712,000
Petroleum, 75,409 gallons	115,710
Gunny bags, 1,500 units	11,500
Lubrication oil, — tons	124,296
Crude oil, 329 tons	100,488
Newsprint, 450 reams	88,016

Exports from Communist China to Hong Kong, Aug. 10 to 26

Commodity	Quantity	Exported from—
Tung oil drums	7,946	Shanghai.
Tea-seed oil do	760	Canton.
Cassia units	27,524	Wuchow Canton.
Tea cases	12,224	Shanghai.
Ramie fibers do	12,224	Foochow.
Small green beans bags	13,171	Do.
Gallnuts units	22,480	Do.
Raw silk do	984	Do.
Bean cake do	22,515	Shanghai.
Soybeans do	6,339	Tientsin.
Groundnuts bags	7,576	Canton.
Rosin cases	130	Do.
Chinese medicine units	2,632	Tientsin-Shanghai-Tsingtao.
Eggs cases	625	Tientsin.
Sesame seed bags	2,380	Do.
Groundnut oil drums	482	Canton.
Bristles cases	516	Tsingtao.
Cotton cloth units	2,347	Canton.
Cotton goods do	1,137	Do.
Smoked garlic do	6,137	Shanghai.
Hide do	95	Canton.

ARMING RUSSIA FOR THIRD WORLD WAR

Mr. MALONE. Mr. President, I agree with the distinguished Senator from Nebraska [Mr. WHERRY], who has joined me several times during the past several months in debates calling the attention of the Senate and of the public to the fact that through many of the trade treaties to which reference has been made Russia, Communist China, and Korea were armed for a third world war.

The reports from North Korea indicate that today many of our boys are surrounded. Rumor has it that at least one division, or one large group of our boys is practically wiped out.

DESTROYED BY OUR OWN EQUIPMENT

They are facing today a large amount of armor, guns, trucks, and much other material financed by the taxpayers of America and shipped to Russia and the iron curtain countries through the 16 Marshall-plan countries, or shipped to Communist China and Korea by Great Britain, largely through Hong Kong.

STATE DEPARTMENT AWARE OF SHIPMENTS TO COMMUNIST AREAS

This is not the same as if we were telling the State Department and the Department of Commerce about something they did not already know. They know it. They have known it since the advent of the Marshall plan. They have ignored it.

Mr. Dulles said at a luncheon meeting with the Republicans of the Senate that there was a large segment of the State Department and its advisers which thought a dose of communism would be good for Asia. There is no secret, Mr. President, as to at least some of the personnel of that segment of the State Department. The list contains Mr. Lattimore, the Secretary of State himself, and Mr. Hiss, as long as he was allowed to remain in the State Department. The latter was convicted of perjury, not of actually being a traitor, simply because the statute of limitations had run against such a charge. That segment was led by a clique including Hiss, Lattimore, and Acheson himself.

ACHESON PROMISED ENGLAND UNITED STATES WOULD FOLLOW THEM

Mr. President, in the opinion of the junior Senator from Nevada, in September of 1949, Mr. Acheson promised to follow England in the recognition of Communist China. The junior Senator from Nevada made that statement on the floor of the Senate in September 1949. At that time England warned us, in addition to the fact that it was going to recognize Communist China, that it was going to devalue its currency. Cripps denied that seven times, but England did devalue its currency just as soon as the members returned home from a conference at Washington, which was attended by delegates from Canada as well as by the British delegates.

England did recognize Communist China. There is no question in my mind but that Acheson expected to follow the recognition of Communist China by England, with recognition by this country. But there was so much objection on the Senate floor that that part of the matter was delayed.

ACHESON'S EUROPEAN CONFERENCE

It will be remembered that Mr. Acheson went to Europe and held a conference with representatives of certain European nations; that when he came back he appeared before a joint meeting of the Senate and the House and made a speech lasting about an hour. We had heard about 40 times before everything he said in that speech, except one little line, one little statement that was buried in the 1-hour speech. What was that line? Leading up to it fast, and getting away from it fast, he stated:

The United States will not use its veto to prevent the admission of Communist China to the United Nations.

ACHESON HELPS SECURE VOTES RECOGNIZING COMMUNIST CHINA

Since that time it has also been the opinion of the junior Senator from Nevada that Acheson has worked unflaggingly with England to obtain the necessary votes for admission of Communist China to the United Nations, with this Nation voting against it.

As soon as that is done there will be propaganda going up from the State Department that we must, of course, follow this by recognition to preserve our trade in China and Asia.

ADDITIONAL WARNING OF DISASTER

Mr. President, I ask unanimous consent to have printed in the RECORD at this point, in line with the warning which has heretofore been given, an article by George Sokolsky, published in the Times-Herald of today, December 4.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THESE DAYS

(By George Sokolsky)

The wise man, when he faces a crisis in his life, steps back and asks himself, "What have I done?" He reexamines his life; he seeks out his faults; but most of all, he probes for a way to cut his losses, to reverse his processes, and to straighten himself out.

Only fools blame the environment, the times, the breaks, luck. No one gets very far in life by sulking and scheming. Only an imbecile devotes himself to covering up mistakes by new lies, until his structure collapses on his head. A lie has a curious way of fighting to the surface.

What is true of individuals is true of nations. The crisis appears. At that mo-

ment, a nation either blindly and stiffneckedly pursues the course which produced the crisis, or its best minds devote themselves to a reexamination of conduct with a view to rechanneling its attitudes.

Since 1939, it is apparent, beyond doubt, that great errors have been made by the leaders of our Nation. These errors need to be reexamined, not to blame the living or the dead, but to safeguard the future. I shall here list only a few demonstrable errors:

1. Our association with Soviet Russia in the war without prior stipulations as to peace terms. It is suggested that there was no time to work out a full peace program. That is a cover-up. There was ample time to outline the general terms of our participation.

2. The lend-lease agreements gave not ample protections to the United States. Lend-lease to a large degree won the war for Soviet Russia. We contributed $11,000,000,000 to the upbuilding of Soviet Russia's industrial and military strength. Peacetime equipment should not have been provided.

3. Tehran (November 1943) represents the abnegation of American control of American decisions in foreign affairs. At Tehran the United States gave Soviet Russia, then weak, a blank check in Europe and Asia.

4. Tehran belied the Cairo declaration made about 5 days earlier. Both the Cairo declaration and the report on the Tehran conference were issued simultaneously on December 1, 1943. But on that date, the Cairo declaration had already been nullified by Tehran. Roosevelt, Churchill and Stalin, on that date, established an historic lie. For that our blood is being shed in Korea.

5. Roosevelt should not have gone to Yalta, because he was a dying man. He lacked the physical or moral strength to meet the challenge of empire.

6. During the war years we were in association with Soviet Russia as an ally, but it was never necessary to accept Communists. It was the Charley-good-fellow attitude that made it possible for Americans and aliens who were serving as Russian agents to infiltrate our Government in high positions.

The existence of the Harold Ware cell was known to President Roosevelt in 1939. He never acted. In fact, such agencies as the FBI were forbidden to arrest known and effective Russian spies.

7. It was a grievous error to make it impossible for the atomic energy authorities to dismiss suspects without proof. A man had no rights to work there. It was a privilege, to be withdrawn at will.

Furthermore, Acheson was one of a body that agreed to write a report. He was only a writer in this respect. The report on the future of the use of atomic energy should have been a closely guarded secret, otherwise we lost bargaining power.

The so-called Acheson-Lilienthal report was issued and publicized under shameful circumstances. When Baruch assumed the job of negotiation at the United Nations, he was plagued by this report.

8. The abandonment and betrayal of Chiang Kai-shek by the State Department from 1944, when he was still fighting, to this moment, when he is still offering to fight, is one of the most grievous errors in all history.

It was designed originally by Soviet Russia and carried out by Russian agents in the State Department, among whom the most publicized is Alger Hiss. A vast and untruthful campaign to justify this treason to America was conducted by the State Department.

After Soviet Russia had won a complete victory in China, Great Britain accepted the role of appeaser which the American State Department imitated. That policy produced the Korean War.

INFORMED PUBLIC OPINION THROUGH THE NEWS

Mr. MALONE. In the article George Sokolsky enumerates the mistakes that were made by the administration over a long period of time.

Anyone familiar with Mr. Sokolsky's column over the last year and a half, as well as that written by Mr. Constantine Brown, including columns and news dispatches written by other well-known writers, know that they have for a long period of time continually warned of exactly what is happening today.

ATTLEE TO WARN PRESIDENT MUST NOT DEVIATE FROM ENGLAND'S PROGRAM

Mr. President, it is the opinion of the junior Senator from Nevada that Mr. Attlee has come here to warn the President tomorrow that he must not deviate from the policy outlined by England's Government to Acheson several months ago:

(a) We must not use the atom bomb to protect American boys from annihilation at the hands of Communist China and Russia. That if we do we will be standing alone; that England and France will not be with us. He purports to represent France also.

(b) Admission of Communist China to the United Nations to be the next order of business, with Acheson's active assistance—with enough votes to allow the United States to save face by voting against such admission, but not using the veto.

(c) Practical withdrawal of the defense of Formosa.

Then, Mr. President, following all those matters, the deal will be, of course, that world war III will be stopped conditioned upon the recognition of Communist China by the United States and upon the withdrawal of the defense forces from Formosa. That, of course, is something calculated to strike into the hearts of many of our countrymen—that we can stop this terrible war by recognizing Communist China. It is a great temptation to lay before the mothers and fathers of this country.

WORLD WAR III WILL RESUME—UNITED STATES WITHOUT FRIENDS

Mr. President, nearly any war can be stopped by surrendering. Then after 6 months, a year, or 2 years, or a reasonable time, after we have expended large amounts of money in rehabilitation of Korea and other areas, the Communists will start the fight again, and in the real world war III we will be without Nationalist China and will be standing alone, without friends.

Both England and France refuse to endanger their Far East holdings, in the Malayan States and in Indochina, by joining us in an attack upon Communist China or upon Russia, who holds Manchuria.

SHOULD USE THE VETO

Mr. President, we should use the veto to prevent the recognition of Communist China which will prove another Yalta—and a further step in world-wide Communist domination.

Regardless of past errors and ghastly mistakes we should use any means at our command to stop the wanton slaughter of American boys in North Korea.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. MAYBANK. Mr. President, there has been considerable discussion among Senators as to when the vote is expected to be had on the question of extension of rent control. I have spoken to the minority leader [Mr. WHERRY] and to the Senator from Massachusetts [Mr. SALTONSTALL]. In view of the fact that several Senators will be absent from the Senate tomorrow on important business, I wish to announce that it is my hope, and my purpose after the Senate convenes tomorrow, and a quorum call has been had, and after various preliminary matters have been disposed of, to ask unanimous consent that a vote on the joint resolution providing for extension of rent control be taken at 12 o'clock on Wednesday, or after the quorum call has been had on Wednesday, which probably will not be ended until 12:30.

The PRESIDING OFFICER. The Chair understands the Senator to be making the statement so Members of the Senate may be informed of his intention.

Mr. MAYBANK. Yes. It is my purpose to ask unanimous consent that the Senate vote on the joint resolution on Wednesday. Of course, if objection is made, a vote cannot be had on Wednesday. I repeat, that tomorrow I intend to ask that the joint resolution be voted on on Wednesday, after the convening of the Senate and, of course, after a quorum call has been made, which the rule requires.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. BRICKER. Does not the Senator believe it is possible to have a vote on the joint resolution tomorrow afternoon?

Mr. MAYBANK. No, Mr. President. I have just stated that many Senators will be absent tomorrow on official business. So it has been thought that perhaps it would be best that unanimous-consent request be made for a vote on the joint resolution on Wednesday.

Mr. BRICKER. Why does the Senator believe more Senators will be absent tomorrow than on any other day?

Mr. MAYBANK. I cannot answer the Senator's question. I have discussed the situation with the Senate minority leader [Mr. WHERRY] and the Senator from Massachusetts [Mr. SALTONSTALL], who have discussed it with the Senator from Ohio [Mr. TAFT]. They thought perhaps it would be better to vote on Wednesday.

Mr. BRICKER. Would it not be just as desirable to have the vote on Thursday? I wish to be away from the session of the Senate on Wednesday.

Mr. MAYBANK. No one is more appreciative than I am of the cooperation of the junior Senator from Ohio in the Banking and Currency Committee in connection with this subject. However, we have thought it best that a vote be had on Wednesday. If objection is

made, a vote cannot be had on that day. My purpose in making the announcement is to assure Senators who have made inquiry, that a vote would not be had tomorrow.

Mr. BRICKER. Is the Senator willing to ask that the vote be had at a fixed hour on Thursday?

Mr. MAYBANK. I have no objection to that. It is necessary however, that a quorum call be had before that is done. I do not wish to ask for a quorum call this afternoon. It was my thought that after the quorm call has been had tomorrow, and after preliminary business has been transacted, I would ask unanimous consent that a vote be had on Wesdnesday. I have made that statement to the Senators to whom I have talked about the matter.

Mr. BRICKER. If objection is made to the vote being had on Wednesday, is the Senator willing to ask that it be had on Thursday?

Mr. MAYBANK. Yes.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. WHERRY. The Senator is now saying that after the quorum call is had tomorrow he will present a unanimous-consent request that the vote be taken on Wednesday; that if objection is made, he will ask that it be had on Thursday. However, the Senator prefers that the vote be had on Wednesday.

Mr. MAYBANK. Yes. The reason for my statement is that many Senators will be absent on important engagements tomorrow. My purpose was to notify all Senators that the vote would not be had tomorrow.

Mr. WHERRY. It will be agreeable to me, Mr. President, that tomorrow, after the quorum call has been had, the Senator from South Carolina present his unanimous-consent request. His purpose in making his statement today is to assure Senators that there will be no vote on the joint resolution tomorrow.

Mr. MAYBANK. Yes. I wished to make the statement for the benefit of all Senators.

Mr. WHERRY. It is very considerate of the Senator from South Carolina to make the statement now so we may all be informed as to what is proposed to be done.

Mr. MAYBANK. Mr. President, I understood the Senator from Washington [Mr. CAIN] wished to speak. If he does not wish to speak, I shall move that the Senate take a recess until tomorrow.

Mr. CAIN. I should like first to inquire of the acting majority leader what the parliamentary situation is, and what he wishes to have done now.

Mr. MAYBANK. I appreciate the statement of my good friend the Senator from Washington. In view of the fact that the debate has been rather delayed, I would prefer to have the other Senators hear the distinguished Senator from Washington address us. I have assured him that we would not have a quorum call.

Mr. CAIN. The Senator from South Carolina is very kind. Because, to my knowledge, no other Senator desires to speak on this question at length, I would prefer to offer my comments about the pending measure tomorrow.

Mr. MAYBANK. Very well.

LACK OF INFORMATION BY MEMBERS OF CONGRESS ON THE PRESENT SITUATION

Mr. CAIN. Mr. President, will the Senator from South Carolina permit me to take several minutes to read a letter, before request is made that the Senate take a recess?

Mr. MAYBANK. Certainly.

Mr. CAIN. Mr. President, about an hour ago the junior Senator from Louisiana [Mr. LONG], a very close friend of mine, came to me and said, in substance, "Senator, what are we going to do now? You sit on the one committee in the Senate, the Armed Services Committee, that ought to have some of the answers to the pressing questions of this day. What ought we and this country do?"

I responded in the only fashion in which I could respond; I said that as of this minute I only wish that I and other members of the committee, and Members of the Senate generally, as well, might have some satisfactory and reasonable answers, but we do not. I continued to relate, in a sentence or two, that I supposed I was no different than any other Senator, these days, in that our desks are simply overflowing with mail from worried constituents throughout the country. They write to advise us to see to it promptly that the Secretary of State is fired, or that the Secretary of State ought to be maintained in his office. They write, out of the urging of their own hearts, to say that it is their view that America ought to get out of Korea; or that America, through its commander in chief in the field, ought to be given authority to use the atom bomb. They write, as they ought to write, and as we would expect them to write, on every conceivable subject. In most instances there is no clear-cut answer, so far as the Senator from Washington is concerned, that he can send to satisfy their thirst for knowledge.

I told the Senator from Louisiana that in an effort to do as best I could with the mail which presently is coming from almost everywhere I had but the other day written a letter which I have asked my staff to send to any and every American who is so thoughtful as to write to me these days. The letter should, from my point of view, constitute only an interim response. The letter indicates one or two things which the junior Senator from Washington thinks should be done; but the letter does not maintain that the author of the letter, the Senator from Washington, thinks he knows best or conclusively what ought or can or must be done.

However, in an effort perhaps to be of some very small assistance to other Members of the Senate who find themselves as pressed with correspondence on these matters as I am, I shall read the letter, which I have sent to several hundred Americans, and which I shall send to others, although I hope I can improve upon the letter from day to day. I now read the letter:

UNITED STATES SENATE,
COMMITTEE ON ARMED SERVICES,
December 1, 1950.

DEAR SIR: I was grateful for your recent communication and will answer it as best I can. Since the Communist armies began their large-scale attacks, I, and most other Senators, have received thousands of letters and telegrams from patriotic, well-intentioned citizens all over the land. The very bulk of this mail prevents me from responding to any individual's thoughts or advice in detail.

My best and considered view is that America and the free world has never been so in trouble or so squarely confronted with the possibility of major and continuing losses on the field of battle. Others will disagree, but I believe that the United States is presently fighting for military, political, and economic survival.

It is not sufficient to the needs of the hour to criticize the past. Our joint responsibility and hope is to find a solution for the tragedy of the present.

The Congress, as I believe, wants to find a way to assist the administration in the conduct of the war, which I defined as being war on the day after hostilities began in Korea last June. Thus far neither the administration nor the United Nations have sought our advice or assistance. Members of the Congress have offered their advice to the administration and to the United Nations, but little of it has been taken.

As matters stand in Korea the situation is both impossible and fantastic. Tens of thousands of Americans and South Koreans and about twenty thousand troops from 50-odd nations from among the United Nations, our allies, are committed to bloody combat in Korea while their commander in chief, General MacArthur, has been denied the authority to strike at and destroy the enemy's supply and communication lines. Such a dilemma has never confronted an army in all of history.

My view is that we must let General MacArthur use every means and every weapon against the enemy or we must endeavor to entirely remove the United Nations forces from Korea. Whether this latter and possible step could be accomplished at this late date I am not qualified to say.

Some months ago I traveled broadly in Western Europe and the Near East in an effort to determine the military capacity, intentions and preparedness of our allies in Western Europe and the Near East. With no possible pride of authorship I told the Senate and the country on my return that the free world was totally unprepared to protect itself and that our lack of strength was a continuing and clear invitation for the forces of communism to attack us, in an effort to annihilate us, all over the world. Three months have gone by since this tour was completed and the free world is less well prepared to defend itself than was the case 90 days ago.

I am satisfied that the country has no appreciation of the danger which is upon us. We continue to debate, both in and out of the United Nations, while a ruthless enemy pursues his determination to crucify the world. The administration has not shared nearly all of its knowledge of this danger with our Nation. Some of us have used what little influence we possess to lay the facts of life before the Nation and in return we are often referred to as being isolationists, reactionaries, or reexaminists. Such allegations do not bother us as individuals but make us very sad because such charges help to minimize our effectiveness.

My only present and complete preoccupation is with Korea and other areas where war may likely break out at any minute. I can only do what I think must or can be done from day to day. As a member of the Armed Services Committee I have an opportunity to remain close to the military facts in Korea and elsewhere.

The imperative thing which ought to be done at once is for the President of the United States to tell America publicly where it stands. Until this is done, no comprehensive program will be agreed to by the Congress, because the Congress won't know what to do. The Congress can't manage, direct, or win the war. The Congress is only equipped to support and carry out a design for victory and eventual peace which is laid before the Congress by the Administration. Were this not so some of us would have taken matters into our own hands months ago. The fact is that we can talk, but unfortunately we cannot act on our own initiative.

Please write to me again whenever you feel so inclined. I will tell you what I think is going on at any time.

With regards which are very sincere and full of hope, I am,

Appreciatively yours,

HARRY P. CAIN.

Mr. President, I wish that I, as a Member of this body, could have written a much better, more factual, and more hopeful letter to those constituents of mine. I shall keep on trying to secure information and to work with others, in both parties, in hopes that we can soon lay before the American people a full and complete definition of where this Nation and our allies stand and how this Nation and our allies are going to extricate ourselves from a situation which, to say the least, is extraordinarily grave tonight.

THE KOREAN CRISIS

Mr. STENNIS. Mr. President, I wish to commend the Senator from Washington for his very timely bringing of that letter to the attention of the Congress.

I had hoped that more Members of the Senate today would give us the benefit of their thinking and their views with reference to the plight with which we find ourselves faced in Asia and the personal plight that the men who in Asia are carrying the flag for us find themselves in on the battlefield.

Mr. President, I am not a member of the Committee on Armed Services, nor am I a member of the Foreign Relations Committee. I should like to express what I believe is the hope and wish of many other Members of this body who are not on either of those committees, namely, that we be given more light on the situation.

I have observed that in the past week or 10 days several members of those committees have, very properly, been brought into some very serious conferences. I hope all of them have been fully briefed regarding the situation. However, the Members of the Senate who do not serve on those committees do not have the advantage of that information, although the mail we receive from our constituents assumes that we know all the facts.

Our mail from home assumes that the Congress is setting the policies of this war, that we are determining the policies of the Nation. It is true that we are the policy-making branch of the Nation and our mail from home assumes that we are responsible, too, for policies in war. I am not seeking to dodge any of that responsibility, but I plead for further illumination as to the facts, harsh as they may be, because we are the ones to whom the people look, we are the ones whom they blame. Merely putting it on the basis where it belongs under our form of government, we are the ones who will be blamed, and I say we should therefore be fully informed and fully briefed. I think we ought to know the facts. We are told, "It would cause leaks, and everything would become known." That is one of the hazards, perhaps, of our form of government. But military authorities can withhold secret military facts, and at the same time keep us fairly well informed as to the basic conditions.

I certainly am not a military man, and I am not seeking to offer military advice; but from such light as I have before me, I think the day has long since arrived when we ought to strike communistic China with all the force and power we have; we ought to give the commander in Korea full power to strike with everything we have, in every way he can and I urge that we either strike in this manner or that we evacuate and get out of Korea.

It seems to me that it is without precedent, in all modern history, at least, to undertake a venture of this kind without the authority to go all the way; and I think we are reaping the fruits of this hybrid policy. It may be that we cannot evacuate; I do not know; but on the facts, I know we are already faced with such a situation that we shall have to strike in every way and with everything we have, even if it means war with China, or even with Russia. Our boys in Korea and Japan must be protected at once.

That is my thinking on the subject, and it is this point that I urge those who are making the decisions to consider seriously. The President of the United States, the United Nations to the contrary notwithstanding, is the Commander in Chief of our Armed Forces. I do not say that in criticism. I support the United Nations. I have been greatly encouraged by its accomplishments, but most of the men who are carrying the flag of the United Nations are from our Armed Forces, and I think the President of the United States, as Commander in Chief of our Armed Forces, is going to have to intervene there and to do it quickly. He must give the commands to strike with everything that we have, or we will merely have to say to the United Nations that we shall have to withdraw.

Mr. President, I have been concerned constantly as to why we are not using the Chinese Nationalist troops. There may have been very good reasons. I think there was sound logic back of many of the reasons which were given during the first part of this affair, for our not using those troops. The reason given was that probably their use would cause communistic China to enter the conflict. Mr. President, communistic China is now in it with all the striking power and all the fury at her command, the like of which I have never known before. I have understood that no reports more grave or serious have come to the Congress since George Washington sent his message from Valley Forge. But, whatever reasons there may have been for the failure to use the Chinese Nationalists, it seems to me those reasons have all long since gone by the board and have entirely disappeared from the picture. I think that either the Chinese Nationalists ought to be put into action, if they are willing, or we ought to be told the reason why they are not. I think it is a matter for the policy-making branch of the Government. We are entitled to know the reasons why. Upon my responsibility, and basing my conclusion on facts I have before me, I advocate the use of those troops.

I liked the expression used by the Senator from Washington that the world must know exactly where we stand, and our allies in the United Nations must know where we stand. But more than that, the American people need to know where we stand. I do not say this in any spirit of "I told you so"; not at all; but I am referring here to a short speech I made on the floor of the Senate on the 12th day of August 1950 in which I used these words:

> Mr. President, this is a dark day in America now, but not caused altogether by the unfavorable news that comes from Korea. I have a confident feeling that the trend there will be reversed. The darkness of the hour is due to the lack of a policy and the lack of a plan that extends beyond Korea. The people want light from Washington. Mr. President, I repeat, the people of the United States will not long support an undeclared war that does not have a definite direction, a clear purpose, and an ultimate goal. We are supporting such a war now but that support will not long last, nor should it last long without a policy for which definite plans can be made and carried out. Without a clearly defined cause to fight for, made unmistakably plain to all of us, this war will soon grow sour and stale.
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>
> This is no time for soft words. We must have a definite, realistic, positive policy as to this war and our future protection. We do not have it now.

Mr. President, I renew the sentiments expressed in that brief speech, made more than 3 months ago. It was not spoken as prophecy. I am not speaking in terms of "I told you so," but the people of the United States whose boys are shedding the blood and providing the flesh and the bone on the frozen battlefields of Korea are crying out for an answer, and are asking "Why, oh, why?" They are willing to sacrifice. They are willing to fight. They are willing to die, if the cause is basically American. But we must have a statement as to our policy. We must know where we are, and I think we should strike with everything we have, or else evacuate. We should bring in the Chinese Nationalists. If such a policy is not sound, then the people of the United States ought to be told it is not and why it is not. I hope

that we can and will move forward with a clearer understanding of the facts that we must face.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. MAYBANK. Mr. President, I ask unanimous consent that, following the reconvening of the Senate tomorrow and the obtaining of a quorum, and also after I shall have made a unanimous-consent request, the Senator from Washington [Mr. CAIN] be permitted to offer an amendment to the pending joint resolution and to speak thereon for 15 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MAYBANK. Mr. President, I dislike to make another unanimous-consent request, but the Senator from Mississippi [Mr. EASTLAND] has requested me to try to get unanimous consent that on tomorrow, following the remarks of the Senator from Washington [Mr. CAIN], the Senator from Mississippi be recognized for 15 minutes. I make that unanimous-consent request.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

RECESS

Mr. MAYBANK. Mr. President, I move that the Senate stand in recess until tomorrow at 12 o'clock noon.

The motion was agreed to; and (at 4 o'clock and 57 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, December 5, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 4 (legislative day of November 27), 1950:

DISPLACED PERSONS COMMISSION

John W. Gibson, of Michigan, to be a member of the Displaced Persons Commission.

COLLECTOR OF CUSTOMS

Cornelius F. Reardon, of Billings, Mont., to be collector of customs for customs collection district No. 33, with headquarters at Great Falls, Mont., in place of William H. Bartley.

UNITED STATES DISTRICT JUDGE

Edward P. Murphy, of California, to be United States district judge for the northern district of California to fill a new position.

IN THE NAVY

The following-named officers of the Navy for permanent appointment to the grade and corps indicated:

CAPTAIN, LINE

Albert O. Momm
Albert C. Burrows
Robert O. Strange
Irwin F. Beyerly
Hugh R. Nieman, Jr.
Daniel J. Wagner
Allan G. Gaden
Thurmond A. Smith
Stephen H. Ambruster
Michael F. D. Flaherty
Rollo N. Norgaard
Robert J. Archer
Idris B. Monahan
Thomas Ashcraft
John L. Collis
George E. King
Albert J. Walden
John K. McCue
Francois C. B. Jordan
Edward A. Hannegan
Leonard F. Freiburghouse
Neale R. Curtin
Edwin J. S. Young
Clarence M. Bowley
Thomas A. Donovan
David W. Todd, Jr.
Robert L. Morris
Alan B. Banister
John C. Alderman
John M. Boyd
Marcel R. Gerin
Paul R. Anderson
Philip D. Gallery
John A. Williams
William F. Raborn, Jr.
Robert T. S. Keith
Basil N. Rittenhouse, Jr.
Lex L. Black
Jack C. Renard
William L. Kabler
Phillip G. Stokes
John A. Scott
Richard E. Hawes
Edward T. Eves
William M. Searles
Evan E. Fickling
Robert C. Peden
George Fritschmann
Ross F. Mahachek
Clinton D. Case
Joe E. Wyatt
John R. Diffley
Stephen N. Tackney
Robert W. Wood
Guy W. Stringer
Abraham L. Baird
James M. Farrin, Jr.
Charles E. Trescott
George H. Wales
Herbert J. Hiemenz
Frank M. Adamson
Charles E. Weakley
Henry S. Persons, Jr.
Earl A. Junghans
Samuel C. Anderson
Gerald L. Huff
Leonard O. Fox
Frank Novak
Baron J. Mullaney
John W. Davison
John R. Moore
Thomas P. Wilson
Elliott W. Parish, Jr.
Caleb B. Laning
Paul Foley, Jr.
Joseph B. Berkley
Claude V. Ricketts
Francis R. Duborg
Richard C. Lake
Williston L. Dye
William H. McClure
George W. Ashford
Albert C. Perkins
Laurence C. Baldauf
Ralph C. Lynch, Jr.
Carl A. Peterson
Jacob W. Waterhouse
Marvin G. Kennedy
Herman L. Ray
Lamar P. Carver
Oliver G. Kirk
Roy Jackson
Guy P. Garland
Earl T. Schreiber
Roy L. Johnson
Arthur S. Hill
Edward J. O'Donnell
John F. Davidson
Warner S. Rodimon
Charles O. Triebel
Edward R. Hannon
Reynold D. Hogle
William H. Watson, Jr.
Clayton C. Marcy
Goldsborough S. Patrick
Roy S. Benson
Joseph B. Duval, Jr.
Howard C. Bernet
Lowell T. Stone
George F. Beardsley
Richard R. Ballinger
William T. Easton
Charles H. Crichton
Samuel B. Frankel
John Andrews, Jr.
James H. Mills, Jr.

CAPTAIN, MEDICAL CORPS

Otto E. Van Der Aue
Howard K. Sessions
Langdon C. Newman
Victor G. Colvin
Donald O. Wissinger
Adrian J. Delaney
Fitz-John Weddell, Jr.
Leslie D. Ekvall
Joseph L. Zundell
Giffin C. Daughtridge
Benjamin G. Feen
Harold J. Cokely
Clarence F. Morrison
Lawrence E. Bach
John H. Ward, Jr.
Ralph M. McComas
Malcolm W. Arnold
Thomas L. Willmon
James J. Sapero
Francis K. Smith
James B. Butler
Andrew Galloway
Marcy Shupp
Eugene R. Hering, Jr.
Erwin H. Osterloh
Charles D. Bell
Paul M. Hoot
Morris M. Rubin
Louis M. Harris
Charles R. Moon
Thomas W. McDaniel, Jr.
Harold E. Gillespie
Edgar Ricen
Paul Peterson
Alton R. Higgins
Luther G. Bell

CAPTAIN, SUPPLY CORPS

James S. Bierer
Allan M. Gray
Milton C. Dickinson

CAPTAIN, CHAPLAIN CORPS

Frank R. Hamilton
Paul G. Linaweaver
Roy R. Marken

CAPTAIN, DENTAL CORPS

Victor A. LeClair
George N. Crosland
Merritt J. Crawford
Adolph W. Borsum

COMMANDER, LINE

William L. Kitch
Edward M. Luby
Frank D. Whalen
Robert C. Giffen, Jr.
George R. Reinhart 3d
Herbert S. Graves
Bricker M. Ganyard
James A. Masterson
Thomas R. Ingham
Norman J. Kleiss
James A. Boyd
William J. Collun, Jr.
Raymond Berthrong
Edwin L. Pierce
Harry B. Stott
James M. Palmer
Edward S. Manown
Wendell W. Suydam
Kenneth G. Robinson
Charles H. Morrison, Jr.
Oliver W. Bagby
Guy F. Gugliotta
Albert R. Olsen
Albert F. Hollingsworth
John E. Wicks, Jr.
Randolph Klippel
Robert W. Rynd
Robert C. Millard
Charles E. Pond
Miles P. Refo 3d
Emery H. Huff
John R. Sweeney
Andrew L. Burgess
Charles O. Akers
Fred J. Schroeder
Wilmer E. Rawie
Cecil V. Johnson
Charles A. Marinke
Charles C. Hartigan, Jr.
Frank L. Bogart
John L. Haines
Oscar B. Parker
Michael T. Tyng
Andrew D. Jackson, Jr.
Homer E. Conrad
Walter H. Kreamer
Eugene T. B. Sullivan
Thomas Washington, Jr.
Gordon B. Williams
Leon W. Rogers
William S. Finn
William K. Ratliff
Rubin H. Konig
Richard S. Harlan
Thomas H. Suddath
Eli Vinock
Charles S. Moffett
Raphael Semmes, Jr.
Norman E. Fryer, Jr.
William G. Brown
Harrison H. Holton
David L. Harris
Heber Player
Richard M. Hayes
Robert E. Sinnott
David B. Cohen
Thomas M. Foster
Henry H. de Laureal
Daniel J. Harrington 3d
Ralph H. Lockwood
David H. Inbusch
Charles M. Robertson
Herbert I. Mandel
Lionel T. McQuiston
Theodore A. Grell
Alto B. Clark
John W. McManus
Lodwick H. Alford
Robert G. Bywater
Charles R. Gebhardt
Herman T. Krol
Asbury Coward
George F. Neel, Jr.
Cornelius P. Callahan, Jr.
Charles R. Calhoun
John F. Bauer
Willard de L. Michael
Francis W. Silk
Joe L. Bettinger, Jr.
Lawrence D. Earle
Robert B. Byrnes
Wilson H. Cranford
Charles S. Hart
Robert D. Cox, Jr.
Stephen S. Mann, Jr.
Timothy J. Guinan
Joseph M. McDowell
Frederic A. Bardshar
Robert L. Middleton
John B. Ferriter
William J. Schlacks, Jr.
James F. Parker
John M. Court
Robert C. Wing
Robert H. Hopkins
Raymond J. LeBer
Allen V. Green
Edwin T. Harding
Thomas R. Fonick
Robert B. Hutchins
Leonard R. Hardy
Orville E. Hardcastle
Verne A. Jennings
Griffin Chiles
Winfred C. Hilgedick
John R. Schwartz
John P. Conway
Harvey D. Kermode
James S. Brown
Henry L. Haskell
John A. Gustavsen
John A. Johansen
Charles R. Burtz
Rupert D. Phillips
Ellsworth N. Smith
William E. Wallace
William G. Holly
Robert H. Fagan
Henry L. Plage
Grant O. Hansen
Frank W. Evans, Jr.
Emerson H. Dimpfel
Frank M. Christiansen
Gerald L. Cameron
Severance W. Gavitt
Charles A. Berry
Samuel H. P. Read
Carl R. Bower
Norman G. Lancaster
Arthur M. Savage
William A. Keefe
Philip F. Lindner
Jack J. Hughes
Harold P. Lair
Walter H. Morse
John L. Rhodemyre
Leland P. Stallknecht
Lawrence W. Black
Theodore J. Abercrombie
Frank W. Lowe, Jr.
Walter J. Fitzgerald
Charles L. D. Allen
William P. Flanagan
William B. Bernard
Charles A. Stay
Philip H. Craig
Frederick T. Moore, Jr.
Edward G. Magennis
George F. O'Malley
Burton R. Manser
Anthony J. De Vico
James C. Wootton
Marion S. Alexander
Luke H. Miller
Charles H. Crabill, Jr.
Edward J. Pawka
Charles DiPirro
Howard W. Crews
Carl H. Horenburger
Jess W. Barnes
Frank E. Rogozienski
James H. McCurtain
Thomas D. Harris
Edward V. Wedell
Charles D. Mott
Harold N. Funk
William M. Romberger
Roy M. Plott
Edward J. Murphy
Harold P. Gerdon
Joseph E. Hart
Edwin L. Kiem
James D. Arbes
Ward F. Powell
Arthur J. Brassfield
Maurice A. Peters
Paul B. Ellis
Kenneth P. Hance
Jacob W. Onstott
Kenneth F. Lafferty
Charles E. Roemer
Chandler W. Swanson
William H. Davison
James C. Huddleston

Richard L. Centner
Edward W. Bishop
Robin M. Lindsey
Thomas S. White
Harwill E. Robinson
Ned L. Broyles
Alexander C. Holt, Jr.
Joseph T. Lawler
Edwin J. Kroeger
"J" Russell Verbrycke, III
Gerald V. Reynolds
William H. McRee
Otho E. McCrackin
Robert M. Allison
Alvin C. Berg
Thomas L. Conroy
Rowland F. Schlegel
Arold H. Diekhoff
Earl W. Miller
Roger J. Crowley, Jr.
Beecher Snipes
Otto F. Meyer, Jr.
Arthur F. Farwell, Jr.
Hal F. Perrenot
Jesse L. Pennell
Thomas W. Hillis
Murlin W. Alley
Strauss S. Leon
Tilden L. Brooks
William R. Harlow
James F. Rigg
Martin W. Robinson
John B. Honan
John E. Scrivner
Thomas Robinson
Clarence E. Olson
John J. Worner
George W. Smith
Robert H. Wood
Delbert M. Minner
Charles L. Lambing
Malcolm S. Ragan
Shelby O. Cole
Henry G. Cooper
Lee W. Mather
Sanford N. Kirkland
George T. Trudell
Gordon R. Egbert
Dennis M. Szabo

COMMANDER, MEDICAL CORPS

William J. Dougherty
Norman L. Yood
William H. Gulledge
Harold A. Lyons
Roger D. Sherman
William O. Umiker
Thomas E. Cone, Jr.
Louis R. Gens
John L. Tullis
Ashton Emerson
William C. Marsh
Joseph M. Jordan
Ross C. Speir, Jr.
Clinton H. Bagentose
William M. Enright
J. Allan Fields
Edward J. Jaruszewski
Thomas A. Harris
Lyle F. Herrmann
Dana D. Goldthwaite
Richard D. Nies
Robert R. Deen
Robert J. Whipple
Roger A. Standard
Mason Morris, Jr.
Henry J. Hunter
George E. Meador
Karl V. Kaess
Oscar T. McDonough, Jr.
Walter N. Hanson
John S. Thiemeyer, Jr.
Harold A. Streit
Robert B. Strother
Nelse O. Olson
Sidney L. Arje
Frederick W. Armington
Harry B. Eisberg
John L. Messersmith
Frank B. Voris
Joseph A. Forte, Jr.
Daniel H. Mathers
Joseph A. Tyburczy
George E. F. Stocker
Richard Lawrence, Jr.
Charles L. Rickerd
Edward Kulczycki
Dawson A. Mills
Paul R. Engle

COMMANDER, SUPPLY CORPS

Philip F. Ashler
Richard C. Carey
Charles F. Palmer
Franklin D. Smith
Karl A. Grahn, Jr.
Wallace L. Atkinson, Jr.
Jack J. Appleby
James J. Davis, Jr.
John B. Robertson
John R. Johnston
George T. Waite
Lincoln L. Letterman
Wallace F. Millson
Winston H. Schleef
Robert M. Whittemore
David C. Norton
Frederick A. Allis
Woodley E. Frampton
Chester W. Beaman
Carl M. Jordan
Henry O. Durham, Jr.
Edward L. Escoffier
Charles W. Peckham
Charles J. Van Donge
Raymond W. Cope
Frank G. Winiecki
Virgil R. Glocheski
William T. Greenhalgh
Louis A. Coutu
Francis M. Fahy
Pierce E. F. Quinlan, Jr.
Fred B. Stewart
John E. Madden
William E. Cryer
Andrew W. Lee
William F. Muller
Ford R. Crull
Curtis J. Lee
Douglas H. Hoard
Arthur D. McCreary
Otis W. Stafford
Edward E. Brighton
Gilbert M. Rice
Louis A. Thompson, Jr.
John W. Seager

COMMANDER, CHAPLAIN CORPS

Peter R. McPhee, Jr.
Frank F. Smart, Jr.
Ernest R. Barnes

COMMANDER, CIVIL ENGINEER CORPS

Conrad E. Grohs
James H. Etter, Jr.
Paul J. Simmons
Walter M. Enger
William C. Bowers
Jasper R. Burke

COMMANDER, DENTAL CORPS

Edmund H. Frizzell
Robert I. Phillips
Robert F. Erdman
Clarence G. Veno
Arne G. Nielsen
George J. Leclaire

Arthur D. Eastman
Wesley B. Jones
Joseph H. Scanlon
Walter J. Demer
Robert J. Condon
William H. Hartnett
Robert B. Wolcott
William D. King
John A. Hogan
Carl A. Ostrom
Samuel Sturm
John H. Atkins
Roger G. Gerry
Robert H. Loving
Sidney R. Howell
John F. Bowman
Louis S. Hansen
Harvey S. Johnson
Meredith H. Mead
Harry E. Pump
Charles M. Heck
John B. Stoll
Raymond F. Huebsch
Glen Koonce
Robert B. Lytle
Edward N. Gardner
Joseph E. Josephson
Raymond L. Cullen
Ronald W. Lange
Lorenz G. Hopfer
Lester H. Mosson
Mack L. Parker
Hugh D. Ryan
Leslie J. Luallen

COMMANDER, MEDICAL SERVICE CORPS

Trenton K. Ruebush
John H. Steeve
Andrew P. Webster

LIEUTENANT COMMANDER, LINE

Louis L. Milano
George T. Boland
Burton C. Hallett
Vincent M. Greene
Leo Meacher
Norton R. Girault
Robert P. Ochsner
William J. Kotsch
Robert B. Johnston
Raleigh E. Rhodes
Norman D. Champlin
Ralph E. Hoskins
Freal J. Gibson
Robert H. Eslinger, Jr.
Howard B. Shively
George L. Cassell
John E. Bauernschmidt
Joseph V. Meigs, Jr.
Lawrence R. Yarnell
Clyde W. Minnear
Hollis H. Hills
Vernon L. Pendergraft
John W. Ingham
Charles D. Webb
William S. Dunham
Joseph J. Gentilini
Curtis D. McGaha
Harry J. Dobbs
George M. Harlan
Nelson R. Charles
Richard C. Quinlan
Donald L. Jacka
Robert C. Wright, Jr.
Caesar Fernandez, Jr.
William R. McClendon
Elmer W. Dailey, Jr.
John C. McCollum, Jr.
William W. Lamar, Jr.
Buster E. Toon
Ivor C. Bouchard, Jr.
Micajah R. Wyatt
Stanley L. Stanczyk
Harry E. Butterfield, Jr.
Michael F. Wasco
Thomas F. Tavernetti, Jr.
Earle B. Abrams
Robert M. Barnes
John M. Wesolowski
George E. Ford
Thomas M. Campbell
Jose F. Porto
Uncas L. Fretwell
Chester E. Ruffin
James C. Sutton, Jr.
Albert C. Lubberts
James W. Shaw
Harry S. Graves
Howard S. Young, Jr.
John E. Calhoun
James H. Stephens
Daniel Arundell, Jr.
Donald F. Walton
Arne W. Havu
Perry Roberts
Victor E. Korycinski
Eugene "J" Stern, Jr.
Bernard G. Fold
Kenneth A. Sederquist
Lawrence L. Young, Jr.
Lloyd P. LaPlant
Donald F. Helm
Richard H. Bradley, Jr.
Harold G. Bradshaw
Charles H. McCrary
William R. Horton, Jr.
Gale C. Burkey
Theodore S. Thueson
Frederick E. Struthers
Walter L. Marshall
Ross D. Gierke
Robert F. Hobson
Ivan L. Trittipo
James T. Young
Ferndinand L. Brand
Clarence M. Brooks, Jr.
Robert W. Labyak
Roy A. Evans
John E. Stewart
Robert L. Hamblin
Orville W. Sanders
Lawrence D. Condon
Louis Olivari
Buryl C. Kay
James H. Moore, Jr.
Robert J. Watkins
William C. Reinhardt
Thomas L. Hine
Kenneth T. Sanders
Kyle H. Morris
Malvern H. Bell
Glenn E. Simmons
Archibald J. McEwan
Glenn E. Phillips
Frederick W. Bowen
Hugh M. Nelson
Robert O. Boe
Joseph J. Paskoski
Dwight F. Johnson
Clarence K. Miller
Ronald K. McGregor
Edward L. Graham
Berendt E. Johnson, Jr.
Gene C. Anderson
Rainold J. Franek
Edward H. Potter, Jr.
Redfield H. Mattox
Frederick C. Moyers
Joseph M. Murphy
William T. Cain
John J. Coonan
James H. Todd
Milton W. Thorpe
John L. Burge
Clifford A. McDougal
Haakon A. Bach
Ray K. Griffin
Phil L. Perabo, Jr.
Edwin M. Koos
William H. Huff
Raymond T. Jennings
Herbert M. Young
William D. Matthews
Robert J. Connolly
Herbert V. Ladley
George T. Maxwell
Hubert F. Newman
Dallas E. Runion
Jefferson H. Carroum
Richard K. Brown
Edgar T. Edmonson
Bernard E. Hackett
Robert E. Pine
Frederick C. Kidd
Benjamin D. Gaw
Walter Stephens
Jacque W. Lorch
Dean E. Kelly
George Harper, Jr.
Harry Knickelbine, Jr.
Willard D. Hoot
Joseph C. Meredith
Robert R. Kemp
John Goiembeske
Melvin E. Bustard, Jr.
William W. Boyd, Jr.
Robert E. Molloy
Gerald W. Prada
Ernest F. Lilek
Frank R. Hartin
John H. Randall
Albert W. Mott
Harold R. Megrew
Richard L. Cormier
Roy F. Gallon
Paul Haas, Jr.
Edward L. Feightner
Albert W. Hayward
Otis E. McCutcheon
Robert C. Hopping
Merle M. Hershey
Charles A. Wentz
Joseph M. Reigher
Charles N. McCauley
William H. Anderson, Jr.
Robert J. Haggerton
Edward M. Peck
Frank M. McLinn
Herman Evans, Jr.
William T. Henderson
Robert S. Hardwick
Vernon M. Wright
Herbert C. Hollandsworth
James M. Johnson
Leo B. McCuddin
Hugh M. Gray
Mark T. Essling
Fred W. Holcomb, Jr.
Roy Anderson
Edward J. Winter
James S. Brown
Thomas J. Kelly
Carl Santti
Lennie S. Hammons
Donald C. Staley
Hugh B. Burris
Edwin C. Griffin
Leon T. Raynor
Charles H. Jaep III
Marion V. Dawkins, Jr.
Guacomo A. Bostenero
Omer J. Donahoe
Robert A. Rogers III
Handford T. Cruser III
John A. Chastain
John P. Slowiak
William F. Callaway
Morton A. Prager
Andrew M. Sinclair
James B. McCormick
Richard S. Heady
John G. Armstrong
Patrick Doyle
John B. Meehan
Robert C. Hoffman
Robert N. Flath
Eugene E. Rodenburg
George Center
James F. Doherty, Jr.
Paul H. McGinnis
George H. Fuller
Kenneth D. Smith
Harry C. McClaugherty
Richard V. Donahue
Cyrus S. Lee
William T. Shelton
Henry E. Clark
Hayden A. Gregory
James S. Swope
Howard B. Eddy
James A. Brownsberger
Flatus W. Crook
Kenneth J. Mackie
Gwin L. Walker
Thomas A. Turner
Prentis R. Ray
Frank J. Shaw
"C" "L" Keedy, Jr.
Huston B. McClure
Howard M. Cortner
George F. Silvani
Thomas "J" Whitlow
Clarence F. Frossard
Hubert Morrison
James R. Wyatt
Floyd L. Harris
Robert W. Koberg
Paul H. Simdars
Louis Noss
Arthur P. Pomatti
Eugene C. Dixon
Robert M. Witmer
John Paradiso
Howard S. Bayes
Herbert W. Pickering
Caleb M. Lemaster
Charles W. Johnson
John A. Cork, Jr.
John F. Hutto
Alton P. Adams
James N. Martin
Stefan A. Nyarady
Ernest P. Mittenmaier
Ernest C. Harris, Jr.
Winfield H. Junk
Harry V. Weldon
Robert B. Toof
Robert G. Wissman
John R. Rutledge
John H. Gullett
William A. Wright
Robert C. Kuhn
Wilbur M. M. Fowden, Jr.
Donald H. Kern
Richard G. Redmond
Henry J. Marciniak
Walter C. Klein
Maurice B. Jackson
Willard H. Wiederspahn
Joseph E. Haines
Wesley E. Chessman
Myles C. King
Delo M. J. Aldridge
Raymond W. Hodell
Carl C. Heidel
Robert L. Moyer
Adolphus B. Cosby
Paul A. Tickle
Thomas P. Connell
John J. Skahill
William G. Stewart
John E. Downin
Erle H. Austin, Jr.
John L. Thom
John L. Nuttall, Jr.
James K. Wills
James G. Whiteaker
Marshall J. Gates
Lawrence M. Smith
James S. Spielman
Dalton E. Lackey
Sam H. Moore
William E. Fogarty
Donald K. Traxler
William T. Davis
Horace C. Page
Carl B. Hibben
Edward W. Donnally

Daniel W. Thornhill	Francis L. Franetovich
Cecil O. Williamson	Fred S. Card, Jr.
Fred S. Frederickson	Frank Larsen
Alex F. Hancock	Norman E. Thurmon
Paul B. Everson	James E. Shortall
Edward Flores	Harold V. Weed
William J. Hussong, Jr.	Harry G. Sharp, Jr.
Howard A. Sauer	Glenn C. Michel
Benjamin C. Cooley, Jr.	Ray A. Hilbert
	Richard F. Cyr
Neil L. Ellis, Jr.	Robert E. Warner
Eugene Pridonoff	Robert E. Cheverton
Albert G. Fenley	Marius G. Brambilla, Jr.
Earle A. Carr	
Walton L. Carlson	Robert B. Giblin
James G. Pollock	Raymond J. DeVito
John K. Holcomb	Roger W. Becker
Harry S. Holt	Paul E. McNamara
Warren E. Westrup	Henry L. Basler, Jr.
William J. Sloane	Roger A. Bisbee
John E. Barrows	Robert Kay
Jerrel D. Stephens	James O. House, Jr.
Joseph W. Ady	James R. Bremer
Denman W. Knight	Jack K. Gierisch
William R. Kreitzer	Encil E. Rains
Charles T. Idle, Jr.	Kenneth M. Russell
Richard Williams	Floyd C. Atnip
Benjamin H. Browning, Jr.	Frank V. Scott, Jr.
	Arthur R. Waggener
Frank L. Danowski	David M. Jones
Charles C. Sanders	William A. Harpster
James W. Barnitz	Floyd X Passmore
Robert H. Desbrow, Jr.	Archer W. Wilson
	James W. Durborow
Samuel L. Morton	Howard W. Mabus
Lloyd W. Bertoglio	Willard Triska
John M. Thomas	Thomas V. Cooper
Daniel J. O'Connell	Cecil E. Wilson
Arthur E. Francis	Robert E. Weaver
Clarence B. Johnson, Jr.	William J. LaPlante
	John B. Ramsey
George F. Ziegler	George L. Dunn
James R. Branscome	Arlo Ford
Milan L. Pittman, Jr.	Peter G. Trapani
James S. Stafford	Thomas F. Dixon
James L. Cox	John P. Doherty
Lloyd J. Reuter	Irvin L. McNally
Cornelius H. Talbert	Amedee J. Beaudoin
William S. Webster, Jr.	Thomas S. McCrory
	Allen W. La Marre
John M. Kistler	Thomas L. Conder, Jr.
Hubert P. Prather	Stanley Ryder
George Flanagan	Raymond J. Tennant
Seymour Dombroff	Melvin R. Downes
Judson C. Davis, Jr.	Preston Hoggard
Kay P. Rehnberg, Jr.	Remi C. O'Connor
James W. Perkins	James A. Jones
John "T" Griffith	Harold J. Baird
Arthur E. Mix	"W" "J" Redwine
Richard I. Haley	William Laliberte
George C. Pyne	Paul G. Hannon
Glenn E. Welch	Ernest W. Downey
James M. Nifong	Guy R. Strickland
Howard J. Boydstun	Sydney R. Weed
Walter Roach, Jr.	Larry D. Moore
John R. Peck	Emil Mikich
Martin G. O'Neill	Marvin D. Jones
William H. Armstrong	Joseph D. Jeffords
Michael J. Onofrio	Sterling Osmon
John E. Coste	Warren H. Burns
John E. Tefft	Roderick L. O'Flaherty
Alvin D. Leach	Elmer W. Dinger
Erwin J. Wagner	Donald N. Duncan
Grant N. Lipelt	Harold M. Forrest
Robert H. Ahlers	Leonard Pruski
Fred W. Pump, Jr.	Frederick C. Wilson, Jr.
Robert H. Epley	
Horace B. West	Kenneth D. Heisel
Arthur G. Newton	James H. Harms
John T. Hassell	Stanford E. Storey
Howard W. A. Derlin	John D. McCurdy
Robert A. Rourke	Willard F. Allbright
Frank Colenda	Cecil C. Abbott, Jr.
Joseph J. Pace	Wallace A. Fite
Robert E. Empey	Carl T. Smith
Robert F. Grant	Henry L. Delaney
Robert W. Mellish	Homer A. McCrerey
Gerald T. White	Robert N. MacGovern
Harry C. Stanley	Elton L. Sumrall
Oren R. Christian	Jones W. Purcell
Jack C. Heishman	Richard M. Moore
William O. Hudson II	John D. Hughes
Joseph W. Beadles, Jr.	Trygve A. Holl
Francis E. Malley	Harry E. Schmidt
Arthur H. Murray, Jr.	"C" "Y" Justiss
John P. Sullivan	Robert W. Jackson
Elmer L. Crance	Lawrence B. Rapp
Wendell C. Mackey	Frederick W. Smith
John Q. Edwards III	Theodore R. Gray
Olyce T. Knight	Jesse H. Radcliffe

LIEUTENANT COMMANDER, MEDICAL CORPS

Benjamin F. Gundelfinger	Boyd K. Black
	Gerald E. Wineinger
Edward D'Orazio	Chester M. Lessender
Charles K. Holloway, Jr.	Jr.
	Francis M. Morgan
John F. McCabe	David Minard
John H. Stover, Jr.	George C. Beattie
John H. Hege	

LIEUTENANT COMMANDER, SUPPLY CORPS

Robert C. Beasten	Stuart R. Allen
Norman W. Shorb	John E. Moeller
Henry T. Adams, Jr.	Bernard A. Mago
James E. Raynes	George E. Hauge
Thomas C. Farrell	Henry L. Geoghegan
Joseph E. Sanders	Kenneth H. Stimeling
John J. McCloughry, Jr.	Herbert G. Cocke
	Stephen L. Kasprzak
Robert C. Simmons, Jr.	Robert E. Whelan
	Thomas G. Lewis
Thomas E. Foster, Jr.	Arthur W. Sirginson
Paul B. Nicks	Robert C. Simmerman
Albert M. MacDonald	James E. Grey
William O. Gilbert	James E. Corcoran
Joseph Z. Powell, Jr.	Raymond G. Frey
George J. Findlay	Carl A. Prince
George C. Waters, Jr.	Daniel W. Brown
John L. Ruhl, Jr.	Melvin O. Parrish
Walter E. Scott, Jr.	Harold C. Lemon
Frank V. Gregg	Lloyd C. Marsland
Edward A. Sanford, Jr.	Frank O. Hanson
Frederick W. Weatherson	Clifford A. Hanson
	Geleter Grimsley
Gerald L. Griffin, 2d	George B. Aker
Ralph H. Jack	Dwight H. Ellis, Jr.
Augustus Lotterhos, Jr.	Ralph L. Eaton
	John G. Travis
Robert W. Murphy	Joseph H. Timmons
Robert F. Newsome, Jr.	John H. Garrett, Jr.
	Walter G. Normile
Pierre H. Guelff	Cyrus L. Brainerd
Robert H. Lindig	John W. Hoft
John W. Hull	Leo Webb
Douglas O. Williams	Ray M. Turner
Dale D. Dinsmore	Thomas L. Greenough, Jr.
George F. Halla	
Robert J. Gerhardt	John W. Wade
Jack D. Gilmore	Francesco M. Barbero
John C. Moore	Michael Hubona
Arthur B. Crooks	Olen R. Garrett
Daniel L. Martin	Donald L. Crucher
John W. Haskell	John H. Walker
Leo E. Furtwangler	Charles E. Emrick
Elwin O. Swint	Francis E. Shea
Augustus P. Hughes, Jr.	Lloyd O. Johnson
	Rufus G. Cook
William B. West	William J. Barnhill
Philip B. Holbrook	Walter Barsz
William T. Collins	Richard C. Hammond
Jack L. Wright	Samuel W. Farr
Claude I. Carroll, Jr.	John C. Kamps
Joseph C. Jones	Robert A. Hendry
John M. Lewis, Jr.	Joseph R. Shirley
John H. May, Jr.	John A. Foley
Russell K. Wood, Jr.	John W. Cooper
William B. Jones	James D. Yadon
Clyde C. Barnhard	George M. Wolfe, Jr.
William A. Rye	Earl G. Schweizer
Richard A. Lindsey	Elmer S. Landers
Robert W. Zivnuska	William R. Ormsbee
John F. Sieck	

LIEUTENANT COMMANDER, CHAPLAIN CORPS

William M. Edwards	William J. Meagher
Robert H. Vitz	Wylie R. Bryant
Thomas C. Davies	Charles C. Hartung
Paul A. Lloyd	Loren M. Lindquist
Harold A. MacNeill	

LIEUTENANT COMMANDER, CIVIL ENGINEER CORPS

James E. McPhillips	Zbyszko C. Trzyna
Harold E. Hobson	Jack P. Pollock
Woodrow M. Brown	Joseph W. Gorman
Harry P. Kwasny	William A. Miller
Eugene A. Lakos	Arthur F. Meeks
Joseph L. Mahoney	Warren F. Cline
Eugene F. Martiny	John Nuckel, Jr.
Joseph V. Jones	Paul V. Flaherty
Chester A. Lewis	John W. Aufdenspring
Harold D. Corn	

LIEUTENANT COMMANDER, DENTAL CORPS

Robert L. Joseph	George I. Gilchrest, Jr.
Robert M. Williams	Albert R. Oesterle
Robert M. Blackwood	Robert D. Phillips
Jerome C. Stoopack	Ralph H. S. Scott

LIEUTENANT COMMANDER, MEDICAL SERVICE CORPS

Paul R. Kent	Harry H. Linder
Robert L. Henry	Arvin L. Maines
Carroll M. White	George A. Barunas
Robert L. Gade	Frank J. Mitchell
George S. Stains	Samuel M. Nelson
Richard T. Holway	Samuel H. Barboo
Frederick J. Lewis, Jr.	Arthur P. Daul
Bernard F. Duwel	Chalmers L. Anderson
Clarence Shearer	James F. Buckner
John E. Kelley	Dwight L. Gadberry
William T. Sterling	George H. Parker
Conard C. Fowkes	Walter H. Wilford
Erwin W. White	Howard L. Mosley
Wayne W. Willgrube	Denny S. Miller
William W. Taylor, Jr.	Thomas L. Jackson
George A. L. Johnson	John A. Oley
Ralph L. Vasa	Roman L. Kledzik

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 4, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Eternal God, whose resources of wisdom and power are inexhaustible, grant that in these days, when truth and righteousness and justice are being violated, we may have the clear and commanding conviction that these virtues and forces can never be defeated or destroyed.

However great the temporary triumph of the enemy, however severe our sufferings and sacrifices may be, we are confident that our cause will be victorious.

We know that the struggle in which we are engaged is testing our material strength to the utmost but may we not fail to see that the more serious test is that of our morale.

Give us a calm and courageous spirit and an indomitable faith. May the least as well as the greatest, the weakest as well as the strongest, have a share in maintaining the Nation's morale and thus render valuable service to our beloved country in its time of desperate need.

We pray that Thou wilt guide with Thy Spirit the representatives of the freedom-loving nations as they take counsel together in an effort to resolve all international conflicts and reconcile all international estrangements.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Friday, December 1, 1950, was read and approved.

VOCATIONAL REHABILITATION FOR DISABLED VETERANS — COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES (H. DOC. NO. 728)

The SPEAKER laid before the House the following communication from the

President of the United States, which was read and referred to the Committee on Veterans' Affairs and ordered to be printed:

THE WHITE HOUSE,
Washington, December 4, 1950.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I wish to recommend action in the present session to renew the program of vocational rehabilitation for disabled veterans, which was in effect during and after World War II. Since the armed forces are now beginning to discharge men disabled in the current hostilities, renewal of these benefits has become a matter of urgency, warranting action before the present Congress adjourns.

During the last war, as at the present time, the first men to be released by the armed forces were those who had been wounded or otherwise disabled and were no longer able to serve on active duty. These men were, and are, entitled under permanent law to full medical treatment and to monthly compensation, varying with the degree of disability. In addition, disabled veterans of World War II were given help by the Government in gaining the qualifications needed for civilian employment. In some cases this meant completion of professional training interrupted by the war. In other cases old skills had to be brushed up or new skills acquired.

This program was authorized by Public Law 16 of the Seventy-eighth Congress. Under this law every disabled veteran who needed vocational rehabilitation in overcoming the handicap of his disability was enabled to undertake any type of education or training for which he had aptitude and interest. The colleges and universities and the trade and vocational schools all cooperated in the program, and many special courses were established. Arrangements were also made in many cases for training on the farm and on the job.

While the disabled veterans were in training their tuition was paid by the Government and the Government financed their subsistence and school supplies.

In this way thousands of disabled veterans were reequipped for jobs in civil life. In a great many cases these men were able fully to overcome the loss of earning power which had resulted from their disability. In all, more than 550,000 disabled veterans have participated in the rehabilitation program authorized by Public Law 16.

However, the benefits of Public Law 16 are not available to men who began their military service after July 25, 1947. This means that most of the men disabled during the current campaign in Korea will not receive the kind of rehabilitation benefits which were extended to the disabled veterans of the last war unless new legislation is enacted. I hope that such legislation will receive favorable action by the Congress before the close of this session.

Disabled veterans will need rehabilitation assistance first of all. Later they may also need other kinds of help in readjusting to civilian status. The next Congress will have an opportunity to give full consideration to their longer-range needs and to those of the able-bodied men, now in service, who will eventually be returned to civil life. In planning to meet these needs it will, of course, be essential to relate any new benefits to the readjustment problems which will actually face our future veterans. It will be necessary to review with care the experience gained in the veterans' readjustment programs after World War II. This will take time.

Meanwhile, however, there is no reason for delay in meeting the immediate needs of the disabled servicemen who are now being released by the Armed Forces.

Very sincerely yours,
HARRY S. TRUMAN.

SPECIAL ORDER GRANTED

Mr. LANE asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

RAIL-SAFETY LEGISLATION

Mr. PRICE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. PRICE. Mr. Speaker, how many more lives must be sacrificed; how much more blood must be shed in railroad tragedies in this Nation before public officials are awake to their responsibilities in safeguarding the lives of the employees and the passengers in our rail transportation system?

We are greatly disturbed for a few days after each major rail accident and shout for investigations in search of the cause of each tragedy. But I have waited many years for some good to come from these probes. Too many people forget too fast, and after the public indignation caused by the horror of a major wreck subsides, so, too, does the interest of public officials in taking steps to prevent repetition of rail tragedies.

Too frequently have I felt compelled to address this House in pleas for legislative action to promote increased safety on our country's railroads. It was only a few short weeks ago, following a terrible train crash in Ohio in which 33 Pennsylvania National Guard men lost their lives, that I appealed for action on rail safety legislation which I have proposed.

I could list many accidents in recent years that point to the necessity for legislation to strengthen the authority of the Interstate Commerce Commission to compel the installation of additional safety equipment on our railroads. But I feel it is hardly necessary for me to again mention the long series of fatal wrecks, especially with the Long Island wreck fresh in our minds. In it 77 lives were lost. On Monday of last week, November 27, there occurred another accident which could have been a holocaust when a troop train crashed head on into a standing freight train at Screven, Ga. Twenty-three men were injured, but, thank God, none of the 200 GI's aboard the troop train were killed.

The Long Island wreck, the Ohio tragedy, the Georgia wreck, join the long list of accidents caused by speeding trains crashing into standing trains, or slowed-down trains, accidents which could be prevented by proper safety devices.

As I have said on many occasions on this floor—such accidents are tragic lessons on the need of two-way radio communications on all our railroads.

I have introduced legislation in the Congress for the past 4 years calling for the Interstate Commerce Commission to carry on a continuous study of communications systems, including radio and radar, with the object of applying to railroad operations those found to have real worth.

If, after investigation, the ICC finds it necessary in the public interest, it should be authorized to order any carrier to install within a specific time telephone, telegraph, radio, radar, inductive, or other systems to improve safety.

A subcommittee of the House Interstate and Foreign Commerce Committee has incorporated my proposed legislation in a general rail safety measure. This Congress could devote some of the brief remaining time to enact such worthy legislation into law and in so doing perform a most worth-while service to the Nation.

I am convinced that the Long Island wreck, the Ohio tragedy, the Georgia accident, and many others, especially those in which stalled or slowed-down trains have figured would have been prevented by two-way radio communication systems.

I recognize the fact it is not possible to discount human failure as a cause of railroad accidents, but train radio and other automatic safety devices were invented to minimize such unavoidable possibilities.

Let us here in Congress fulfill our responsibility by spelling out the authority of the Interstate Commerce Commission in ordering the installation on our railroads of the most modern safety devices.

COMMUNISM

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, do not call me a "lame duck." I expect to work even harder, one way or another, to help defeat communism, the New Deal-Fair Deal—raw deal for the American people—as long as I am permitted to remain on this good earth.

Under permission to extend my remarks, on Monday the 27th, I have inserted in the Appendix of the RECORD an article on communism and the Un-American Activities Committee. My desire is not to offend anyone of this committee, for which I have a great deal of respect, but I would like to see more action by the committee in the Eighty-second Congress than there has been in the

Eighty-first Congress. And this is no red herring. Does it not seem ridiculous that we are spending billions and billions of dollars in foreign countries to rid them of communism, while we have Communists in our own country and are not doing what we should to rid ourselves of them?

Many good, sound Republicans on the Un-American Activities Committee, Representatives NIXON, CASE, MUNDT, all have left the House and gone to the Senate. We need men like them on this important committee. At the opening of the Eighty-first Congress the New Deal tried to remove from the committee one of the best members because he did not follow the dictates of the Chief Executive and the leaders of the New Deal Party.

Now I make this proposal to the Republicans, who will have a voice in some changes in the Eighty-second Congress. I suggest to JOE MARTIN, CHARLIE HALLECK, LES ARENDS, CLARENCE BROWN, and other leaders of the Republican Party in the House, that they do everything possible to help rid America of communism. To that end, if there are no Republicans who really desire membership on the Un-American Activities Committee, I respectfully suggest to Republican House leaders that they support JOHN RANKIN, of Mississippi, who did such a fine job in creating and carrying on the duties of this committee, and then let the New Deal try to remove him. To me this would be a most meritorious move on the part of the Republicans. I strongly recommend it and hope that it will be given the consideration it deserves.

SPECIAL ORDER GRANTED

Mr. VELDE asked and was granted permission to address the House for 30 minutes today, following the regular order of business and any other special orders heretofore entered.

COMMITTEE ON BANKING AND CURRENCY

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may sit during general debate during the session of the House today.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the calendar.

COMPENSATION AND LEAVE BENEFITS FOR POST OFFICE CUSTODIAL EMPLOYEES

The Clerk called the bill (H. R. 8711) relating to the compensation and leave benefits of officers and employees in the custodial service of the Post Office Department transferred to the General Services Administration under Reorganization Plan No. 18 of 1950.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING SECTION 17 OF THE CONTRACT SETTLEMENT ACT OF 1944

The Clerk called the bill (H. R. 8833) to amend section 17 of the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AMENDING THE RAILWAY LABOR ACT

The Clerk called the bill (H. R. 7789) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill may be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AID TO NEEDY AMERICAN NATIONALS

The Clerk called the bill (H. R. 8927) to authorize aid to needy American nationals in connection with their repatriation from foreign countries, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

AMENDING SECTION 9 (A) OF THE TRADING WITH THE ENEMY ACT

The Clerk called the bill (S. 1837) to amend the Trading With the Enemy Act.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AUTHORIZING THE SECRETARY OF THE NAVY TO REVIEW THE RECORDS OF COMMISSIONED NAVAL AND MARINE OFFICERS

The Clerk called the bill (S. 780) to authorize the Secretary of the Navy to review the records of commissioned naval officers who failed of advancement during the war, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HARE, Mr. WADSWORTH, Mr. BYRNES of Wisconsin, Mr. CUNNINGHAM, and Mr. FORD objected, and the bill was stricken from the calendar.

SEPARATION OF SUBSIDY FROM AIR-MAIL PAY

The Clerk called the bill (H. R. 9184) to provide for the separation of subsidy from air-mail pay, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, a rule has been granted for the consideration of this bill. I therefore ask unanimous consent that it be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

AMENDING SECTION 1205 OF TITLE XII OF THE MERCHANT MARINE ACT OF 1936, AS AMENDED

The Clerk called the bill (H. R. 9715) to amend section 1205 of title XII of the Merchant Marine Act, 1936, as amended.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

NATURALIZED CITIZENSHIP TO ALL ALIENS HAVING A LEGAL RIGHT TO PERMANENT RESIDENCE

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9789) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. CUNNINGHAM. Mr. Speaker, reserving the right to object, and I do not intend to object, will the gentleman from Pennsylvania [Mr. WALTER] kindly explain this bill?

Mr. WALTER. Mr. Speaker, the purpose of the bill is to remove racial restrictions in the naturalization of aliens who have a legal right to remain in the United States but cannot become citizens because of racial exclusion. This is the same bill that was passed by the House on two occasions, and subsequently passed over the veto of the President. The objectionable part of the bill has been removed because the restriction features that were in the bill as passed by the House have been included in the McCarran law and are now the law of the land.

Mr. CUNNINGHAM. Since this has already been passed over a Presidential veto, this bill in effect amends the present law.

Mr. WALTER. That is correct.

Mr. CUNNINGHAM. Mr. Speaker, I withdraw my reservation of objection.

Mr. RANKIN. Mr. Speaker, reserving the right to object, in my opinion this is no time to be passing legislation of this

kind; it is of more far-reaching effect than the average Member realizes.

I ask unanimous consent that the bill may be passed over without prejudice.

The SPEAKER. The pending request is that the bill be considered.

Mr. RANKIN. Mr. Speaker, I object.

EXTENSION OF REMARKS

Mr. LANE asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. ROOSEVELT (at the request of Mr. PRICE) was given permission to extend his remarks.

Mr. HAYS of Arkansas asked and was given permission to extend his remarks and to include extraneous matter.

Mr. HOLIFIELD asked and was given permission to extend his remarks in two instances, in each to include extraneous material.

Mr. MULTER asked and was given permission to extend his remarks in four instances, in each to include extraneous material.

Mr. WHITTINGTON asked and was given permission to extend his remarks and include therein an address he delivered as president at the fifteenth annual convention of the Mississippi Valley Flood Control Association at New Orleans, La., on November 30, 1950.

Mr. KARST asked and was given permission to extend his remarks and include therein an editorial from the Louisville Courier-Journal.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three instances and to include extraneous matter in each.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include a newspaper article.

Mr. RICH asked and was given permission to extend his remarks in two instances, and include editorials.

Mr. VURSELL asked and was given permission to extend his remarks.

Mr. JONAS asked and was given permission to extend his remarks and include an editorial from the Chicago Daily Tribune.

Mr. HOEVEN asked and was given permission to extend his remarks and include an editorial from the Sioux City Journal.

Mr. McDONOUGH asked and was given permission to extend his remarks in three instances.

Mr. PLUMLEY asked and was given permission to extend his remarks in two instances, in each to include extraneous matter.

Mr. KEARNEY asked and was given permission to extend his remarks and include extraneous matter.

Mr. HARVEY asked and was given permission to extend his remarks in the RECORD and include two editorials.

Mr. CRAWFORD asked and was given permission to extend his remarks in the RECORD and include two statements.

Mr. ENGLE of California asked and was given permission to extend his remarks in the RECORD and include a resolution.

Mr. CROSSER (at the request of Mr. PRIEST) was given permission to extend his remarks in the Appendix of the RECORD and include an address.

Mr. STEFAN asked and was given permission to extend his remarks and include an address.

Mr. CANNON. Mr. Speaker, in my request last week to extend my remarks the extension ran one-third of a page over the amount permitted under the rules, the estimate of the Public Printer being $191.34. I renew my request, Mr. Speaker, notwithstanding the cost.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

EXCESS-PROFITS TAX ACT OF 1950

Mr. COLMER. Mr. Speaker, I call up House Resolution 872 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for consideration of the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, and all points of order against said bill are hereby waived. That after general debate which shall be confined to the bill and continue not to exceed 2 days, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Ways and Means, the bill shall be considered as having been read for amendment. No amendment shall be in order to said bill except amendments offered by the direction of the Committee on Ways and Means, and said amendments shall be in order, any rule of the House to the contrary notwithstanding. Amendments offered by the direction of the Committee on Ways and Means may be offered to any section of the bill at the conclusion of the general debate, but said amendments shall not be subject to amendment. At the conclusion of the consideration of the bill for amendment, the committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Mississippi is recognized for 1 hour.

Mr. COLMER. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois, and pending that I yield myself 10 minutes.

The SPEAKER. The gentleman from Mississippi is recognized for 10 minutes.

Mr. COLMER. Mr. Speaker, today we begin debate under this rule on an important piece of legislation designed to raise an estimated additional $4,000,000,000 annually in taxes. The rule is a closed one like all other rules for the consideration of tax legislation. Both the Democratic and Republican members of the Ways and Means Committee who appeared before the Rules Committee on Friday agreed that this was the only type of rule that could be granted for the consideration of this bill. It provides not to exceed 2 days of general debate with only such amendment as may be offered by the committee. There is, therefore, no necessity of discussing the merits of the rule, and I take it that it will be adopted at the end of the hour provided without dissenting votes. Neither shall I debate the merits of the particular method provided in this bill for raising this additional revenue. I realize there are two schools of thought as to how this money should be raised; but not being a tax expert I must confess that I am not competent to discuss the merits of these two proposals. I do know, however, that there is an urgent necessity for raising additional revenue and at the conclusion of the debate I shall vote for the bill as amended. When we consider the fact that this Government is in the red almost $250,000,000,000 and that there is now before the Appropriations Committee a request of the President for an additional $18,000,000,000 which will no doubt be appropriated at this short session, it is unthinkable that we should not increase the revenue of the Government. Moreover, in view of the additional fact that corporate and other profits are at an all-time high, with the prospect of those profits increasing as we step up our mobilization program, sound business judgment, as well as patriotism, make it imperative that we take this step.

Mr. Speaker, as one who possesses a fair knowledge of American history and with no desire to appear dramatic, but, rather, impelled by the motive of sincerity and realism, I say to you that in my humble judgment this young Republic faces the greatest crisis in its history. The Soviet Union under the leadership of Josef Stalin and his henchmen, who control the destinies of the Russian people, have succeeded in causing the leaders of the Chinese Communist regime to wage war upon us and other members of the United Nations. They have, also, succeeded in depriving free peoples of many other war-ridden countries of their liberties by setting up puppet governments subservient only to the will of Moscow. This has all been possible by the use of propaganda for the false pagan philosophy of communism.

We and the United Nations are now faced with the problem of either moving out of Korea and thereby losing face in a section of the world where face means so much or else confronting the real danger of being forced to wage an exhaustive and doubtful war against a normally friendly people 7,000 miles from our shores. Either horn of the dilemma is most distasteful.

Today, Mr. Attlee, claiming to speak for all of Western Europe, is conferring with President Truman. It is to be assumed that the President will have the benefit of the advice and counsel of those entrusted with our policy making in the diplomatic and military fields. Press reports indicate that Mr. Attlee, like Mr. Chamberlain, who occupied a similar position in the events which led up to World War II, favors further appeasement of Stalin, even as Mr. Chamberlain attempted to appease Hitler at Munich. Of one thing we may be sure, however, and that is, regardless of our having twice come to the rescue of France and England in World War I and II and of all of the financial assistance we have furnished them in the rehabilitation of

their countries following those wars, that Mr. Attlee in Washington will be thinking and speaking of and for the Socialist Governments of England and France, and that it will, therefore, be very necessary that President Truman and his advisers take the necessary precautions to see that the interest, the security and the future of the United States be protected.

The SPEAKER. The time of the gentleman from Mississippi has expired.

Mr. COLMER. Mr. Speaker, I yield myself seven additional minutes.

Surely those who represent us here in this fateful conference will be realistic enough to diplomatically point out these things to Mr. Attlee and his advisers, and to remind them, moreover, that we are all in a common boat; that our individual interests must be subordinated to the common cause; that America is not only unwilling but unable to furnish both finances and men to defend Asia and Europe on two fronts; that if Europe wants us to remain in Korea, Europe must furnish more than a token force of manpower—on the other hand, that if England and France and the rest of Europe expect America to continue financing them, they must be prepared to largely furnish the manpower for the armies on the European front; that this is no time for bickering about arming and enlisting the assistance of Western Germany; and, finally, that if Western Europe is unwilling to take a firm stand and to fight if necessary in order to stem the further tide of Russian aggression and to make the necessary sacrifice therefor, the United States is in a better position, due to its geographical location, to play the appeasement role than either France or England. Permit me to say to my colleagues assembled here that I realize the impossibiilty of the Congress, as such, to write the program or to make the necessary decisions so gravely impending in this hour of world crisis. Under our democratic process, the conferences of diplomacy and the strategy are of necessity left with the President and his advisers in the diplomatic and military fields. That there have been mistakes made by this administration in both fields I am among the first to admit. In fact, some of you will recall that ever since my return from a study of conditions in Europe, and particularly in Russia, more than 5 years ago, I have been urging a realistic and firm policy in dealing with Russia, but no good purpose can now be served with an I-told-you-so harangue.

It is now beside the point whether the mistake was made in selecting Korea as the point at which to call Russia's hand. It is beside the point now as to whether a mistake was made in going north of the thirty-eighth parallel after driving the North Koreans out of South Korea. The fact that all of Russia's late allies in World War II have followed an erroneous policy of appeasement from Yalta until Korea is, also, a moot question.

The next few days should largely determine what our future course shall be. Once that course is decided upon as a result of these conferences, there are some things that you and I as Members of the Congress of the United States can and should do. For, regardless of the outcome of these conferences, we realize now, if we have never known before, that Russia is bent upon world revolution and world domination and that the struggle may well last for many years to come.

First. We must obliterate the aisle that serves as a line to divide the Democrats and Republicans in these two Chambers of the Congress. We must stand together as Americans with no political bickering over party lines; for, surely, if we lose this fight, there will be but one party in this country as there is in Russia and her satellites.

Second. We must see to it that there is, as nearly as is humanly possible, an equality of sacrifice on the part of our people in the long years ahead. There must be no slacking. There must be no business as usual. There must be no politics. There must be no millionaires made out of the sweat and blood of our boys. There must be no crippling strikes in our industrial production. There must be no Harry Bridgeses and John L. Lewises to sabotage the efforts of our warriors.

Third. As distasteful as controls are to a free people we must become realistic and provide for all-out controls of our economy. We should see to it that these controls are across the board, remembering our experience in the last two wars, that one segment of the economy cannot be controlled without the other. Wages, prices, and inflation must be controlled. We know that wage controls are not looked upon with favor by this administration, but I repeat that one commodity cannot be controlled and the other left untouched. If the administration does not see fit to use the machinery which the Congress has authorized for that purpose, then we can mandatorily provide for such controls.

Fourth. We can and must see that the necessary funds are forthcoming for the financing of the necessary guns, planes, bombs, and ships.

Fifth. We must see to it that all of the resources of this great country are channeled into a wartime economy in an all-out effort to make of this country a military fortress. For, surely, all of us must now realize that firmness and strength are the only language that the Kremlin understands.

Sixth. Our internal security must be further supplemented and alerted. There must be no further political affiliation in this country with the leftists, the pinkos, and the Communists.

Seventh. If your apprehensions of the situation are as grave as mine, then I am sure that you, on both sides of the aisle, will agree with me that there is no place in the program for either so-called progressive or socialistic experiments in the Nation's economy. The so-called more abundant life theory must yield to the practical realism of the dangers to survival. If anyone's standard of living, whether in this or foreign countries, is to be elevated, let it be deployed to your and my boys and the millions of other sons of America who are and will be called upon to bare their breasts to the common enemy.

Mr. Speaker, if that terrible weapon of destruction, the atomic bomb, must be dropped, let it be dropped at headquarters, at the Kremlin, and not upon the heads of the puppet satellites, who only do their master's bidding.

Finally, my colleagues of the American Congress, I still adhere to the theory that the masters of the Russian people still do not want any all-out war. They are no better prepared for such a devastating spectacle than are we. They are still about their task of bringing about chaos, confusion, infiltration, and sabotage, using the puppets of their satellite governments to affect their end—world revolution. Of course, they will fight if necessary, but not as long as they can pull strings and gain the same end through these puppet governments. I repeat what I have pointed out on this floor on several occasions heretofore that we cannot afford to permit Russia to always call the signals and permit ourselves to be spread out so thinly all over the world that we will be strong enough at no point to defend ourselves and our cause. It is to be hoped that out of these conferences a definite political as well as military policy will be agreed upon. But, again, regardless of what those decisions are, there is nothing to offer the people of the United States and free peoples everywhere but the offer made the British people in another great crisis when Winston Churchill, the greatest Britisher of them all, told his people that he had nothing to offer them but "blood and sweat and tears." Surely we in America, living under the most perfect embodiment of human government ever conceived by the minds of men, with a glorious heritage and rich patriotic ancestry, will arise to meet the occasion.

The SPEAKER. The time of the gentleman from Mississippi has again expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, the gentleman from Mississippi has explained the rule. It is a closed rule. No one but the Committee on Ways and Means can offer amendments. One motion to recommit is permitted, and it is my understanding that such a motion will be offered.

We have no objection to the rule, but the members of the Committee on Rules were considerably surprised when the members of the Committee on Ways and Means came before our committee without a printed bill; and they came in with most of us having the knowledge that they had held but 20 hours of executive hearings on this bill, which consists of 146 pages and has scores and scores of sections. Many tax experts were denied the opportunity to be heard.

There is no disposition on the part of any of us to fight the rule, but I hope the Committee on Ways and Means will in the future come in with bills that at least they themselves have read.

We all know that we face the worst crisis in our history. I think we are all agreed that something must be done to halt inflation. We all agree that something must be done to bring in additional revenue. Something must be done to take excess profits out of war.

I understand the minority is going to offer a motion to recommit which will

provide for obtaining more revenue than this bill and will give more equity to the smaller corporations, the small corporations that have been recently formed with the purpose of helping the war effort.

Like my good friend the gentleman from Mississippi [Mr. COLMER], I want to touch briefly on the crisis facing us today and which I believe, and which I am sure you believe, is probably the worst in the history of our country. Two or three hundred thousand of our boys are fighting in Korea. We are now bringing in a tax bill that will be confiscatory in its effect on the American people.

I am sure all of you will recall that when the United Nations was brought forth certain remarks were made in the other body, and I personally in the last few days have read those remarks, to the effect that in the formation of the United Nations all nations would have certain responsibilities. When anybody started an aggression we would have 50 nations under 50 flags fighting side by side on the front. Yes; we remember the gentlemen in the other body coming forth with the statements during the debate on the United Nations that we were all going to fight the aggressor with equality. One nation was not to furnish 50 men while all the other nations furnished 1 man. That is what is happening in Korea today.

So I say to you that the least this Congress of the United States can demand, when we are taxing our people to the limit of their ability to pay, or more, is that these nations for which we have done so much shall share this burden in a much higher degree than they have up to this moment.

We must not let ourselves forget that the Chinese people since times immemorial have been the best fighters in the world.

I am sure you all have read some Chinese history. History shows us that from the time of the Mongolians and from the time of Genghis Khan the Chinese have been fighters. That is why when the Red Army of Russia started to fight against the National Government they went north of the Great Wall of China and got the best troops. As you go south in China you find those people are not as good a fighter. Had the Reds in China started in southern China and let Gen. Chiang Kai-shek have the fighters north of the Great Wall they would have had more difficulty. But that was not what took place.

So I ask you now in all fairness to consider. Right now there are about two or three hundred thousand of our boys in Korea. They are going to fight against a million of the best fighters in the world, and they are the Chinese people north of the Great Wall. There is no question about that. Right now when the representatives of these other governments are coming here, like Mr. Attlee and so on, I would like to see this happen. I would like to see the United Nations and the Security Council say to Russia: "Now, we are going to give you a hearing. Many of us believe that you are the aggressor. You are a member of the United Nations and a member of the Security Council. We are going to give you an opportunity to prove to us that you are not the aggressor and that you have nothing to do with this. If you cannot convince us, then you are certainly going to be read out of the United Nations."

The very idea of Russia having that great veto power and with more power than any other nation with a preferential status in the United Nations when most of the members of the United Nations say that they are the aggressors. To think that they still have that coveted position which is denied to all other nations. So I say that within the next few days the Congress of the United States in no uncertain terms should demand that the Russian Government come here and prove that they are not the aggressor nation. If they cannot prove that I think they should be read out of the United Nations. To me it is folly to have a nation which is supposed to stop aggression actually being the instrument of aggression. So I say in conclusion I believe the American people as long as they are paying these tremendous taxes toward the United Nations should see the United Nations play a bigger part in this matter in order to eliminate the slaughter of perhaps 200,000 of our young men before the zero weather in Korea is over.

Mr. COLMER. Mr. Speaker, I yield such time as he may desire to the gentleman from Georgia [Mr. COX].

Mr. COX. Mr. Speaker, the events of the past few weeks have demonstrated one fact or truth, and that is that to permit the United Nations to formulate our foreign policy will prove our ruin. The policy of appeasement which we have been following for the past few years is responsible for the plight in which we now find ourselves. Therefore, I trust that the conferences that are to take place between the President and the representatives of the British Empire will not result in any further appeasement of Russia through sacrificing what is left of Nationalist China.

Mr. Speaker, this rule is to make in order the tax bill, and what we have said is, more or less, irrelevant to the question before us. In strengthening and supporting our armed services we must make tremendous expenditures. We have to have the money with which to pay the freight, and in view of the emergency before us I am for adopting a tax bill as quickly as possible and sending it to the Senate so that that body may work its will upon it in time to get a fair law before the present Congress dies.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 14 minutes to the gentleman from Iowa [Mr. JENSEN].

Mr. JENSEN. Mr. Speaker, here we go again. History will prove the statement I am about to make—that every time Mr. Truman and this administration get messed up, which they are most of the time, they simply ask for more money, more appropriations by the billions. We appropriate, then, of course, they say, "Now we must tax. We must tax the big fellow. We must tax the rich." The facts are that the ultimate consumer pays the whole bill in the final analysis regardless of who we try to soak. Who are we taxing if we pass this bill? We are taxing the ultimate consumer. And who are they? Well the white-collar worker and the blue denim worker plus the retired folks pay approximately 60 percent of the taxes. The farmer pays about 30 percent; and all the rest of us, including the corporations and all business and industry in America, plus folks like you and I, pay the balance of about 10 percent. Remember the ultimate consumer is the only fellow who cannot pass his tax load on to the other guy, so the ultimate consumers pay the entire tax bill in the final analysis. Oh, yes, we are going to tax the rich. England tried that. But the Socialist Party had to tell the common man in England about a year ago that there were no more rich left to tax, and so the common man, the little fellow, the laboring man, the consumers must pay the bill from now on. This party in power, the New Deal, the Fair Deal, the Socialists, or whatever you care to call them has never had a cure for anything except to spend more billions, go deeper into the red, then tax, tax. That is all they know. They have no conception of how to properly run a Republic such as ours, and the American people have finally awakened to that fact. Spend and spend; elect and elect. Well my colleagues that day is over. The day of electing spendthrifts is over. The President has asked us for $17,000,000,000 more for defense for the fiscal year 1951. I suppose we will do about as we have done before. Give it to the reckless wasters to spend, for what?

Will they spend 82 percent for housekeeping and only 18 percent for armaments, as is the case with every dollar Congress appropriated for national defense since VJ-day? That is tragic and a crime of the highest order. I pray God that those responsible will finally be brought to the bar of justice and that no more of that kind of business will be tolerated even by the spenders and wasters in power, or is that too much to expect even while our boys are dying in Korea for lack of fighting tools, and reinforcements from our friends across the seas who talk nice about us when their hands are out, but who forget when the going is tough as it is for our boys in Korea. God help them.

Mr. Speaker, the boys who survive this war will have to pay and pay and pay, for they will be consumers too. How tragic. What a disgraceful showing. One of these fine days we will tax the homes, and the farms, and the businesses away from American people just as sure as we are sitting in this House of Representatives today, because every nation in the world that traveled the full length of the spending, wasting road we have traveled at breakneck speed during 16 of the last 18 years have all come to ruin and destruction, socialism, communism, endless strife and war. After we spend ourselves into complete bankruptcy—and uncontrolled inflation, who, I ask, is going to be the great savior of this world as far as human beings are concerned? No nation can then look to us to save them as we are trying to do; no nation in the world will have anywhere to go for aid and protection or to give them bread

to save them from communism. Mr. Speaker, the thing we should do instead of passing this bill is to send this bill back to committee and then pass a bill to rescind about $4,000,000,000 of nondefense appropriations that we have already appropriated for the fiscal year 1951. We could go through the nondefense appropriations we have already made for 1951 and find at least $4,000,000,000 that could and should be eliminated under present conditions. But of course the spenders in control will not do that; they will keep on appropriating and taxing and by so doing we will ruin this great free America of ours just as sure as night follows day.

Now let us take a look at Korea. There are 60 nations who are members of the United Nations; we have a war going on in Korea under the sponsorship of the United Nations. According to the newspapers the American casualties are running 200 to 1 for all the other 59 nations combined.

Mr. Speaker, the time is here, in fact past due, when the Congress must speak up. You may say we cannot do anything about it, we have a Commander in Chief who runs the show. Well, there are a lot of things the Congress can do. If necessary, we can impeach the President of the United States. That is still our prerogative.

President Truman has told Generalissimo Chiang Kai-shek that we do not want his fighting men to help our men in Korea, because the Chinese Communists would not like it. We disarmed Japan so they cannot fight unless we help them get the tools to fight with, and we have not done that, even though Japan could raise a fighting force of over a million men quickly.

Mr. Speaker, the day has come when we have to do several things. We have got to tell the President of the United States that he will have to ask Generalissimo Chiang Kai-shek to send his troops into Korea to help us; then also help arm Japan; then we must tell the rest of our vocal friends in United Nations to either put up or shut up, to either get over there with their fighting men in numbers a great deal more than a token force or we will pull our men out of Korea. Anyone who has an ounce of common sense should know by this time that our boys are being slaughtered over there because they are up against terrific odds that they cannot match.

Yes, Mr. Speaker, I sincerely believe Congress must assert itself in no uncertain terms, and do it now, because certainly Mr. Truman, Mr. Acheson, Mr. Lattimore, and their kind have made a mess of the international problem. Oh, some may say, these are times when we should not criticize, we should unite.

The American people feel now that it is too bad we did not have more fight right here on the floor of Congress years ago.

If we had even slung a few fists here in Congress years ago, and knocked a few heads together downtown, to knock a little common sense into some heads, it is very possible that our boys would not be fighting today in Korea, losing their heads and their lives. But again we are now told we must be nice while our boys fight and die on foreign soil for the third time in 33 years. What say you America?

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. LYLE. Mr. Speaker, this rule makes in order the consideration of a tax bill—the desperate plight of Americans in Korea demands not alone its consideration, but a decision at the moment far more important.

We must speak straight to one another, for we share an unequaled responsibility. We are at war—no other word can rightfully describe the struggle of which our American troops are now engaged. We are at war with communism and its evil forces throughout the world. Tens of thousands of fine Americans have been committed to battle. They have and are fighting with a valor and gallantry unexcelled in the annals of war. At this moment our troops are in a desperate and serious military situation, and immediate action is demanded. The lives of American troops and those of our allies committed with us are precious beyond measure. At this moment let us determine that the full power, the full might, and the full strength of our great country shall be committed immediately to their aid and assistance. The luxury of half war and half peace can no longer be ours. We can ill afford at this time to re-create the past or to project our thinking into the far future. The immediate task of relieving our troops of their imminent peril is our job of the moment. We cannot sit idly by while so few make so many sacrifices. Let us from this moment forward and for so long a period as a single American life in uniform is periled by combat, dedicate ourselves and our resources to the fullest extent. Each of us, Democrat or Republican, is first an American—this is an American Congress. No one asks an American that he yield his conscience and his thought. The circumstances of today demand the fullest measure of all Americans united in a common action to back up our soldiers in Korea with every resource at our command. Let us conduct ourselves as Americans, not as partisan politicians.

The price of liberty and freedom has never been cheap. Americans have faced crisis and overwhelming odds many times and have achieved victory because we believe and stand for decent principles and precepts. We are and shall always remain stronger than any slave under any Communist dictatorship. Momentary victory may be theirs—but it will be short lived.

Mr. Speaker, I am proud that the Democratic and Republican Parties in Congress are composed of Americans. Let the world take notice here and now that we shall assume all of the responsibility consistent with victory in our present undertaking. Whatever may be the failures of our allies, the full might and forces of the United States of America is behind our boys in Korea. If they retreat, they do so with the knowledge that soon they will go forward to win, and we pray that our sacrifices here will be equal in small measure to the greatness of theirs.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield.

Mr. ALLEN of Illinois. First may I compliment the gentleman on his coolness in this crisis. Some of us speak without using their best judgment.

Let me reiterate what I said a few moments ago. Some have even gone so far as to suggest that we drop a bomb on the Kremlin, even while Russia is a brother member in the United Nations and officially committed to stop aggression just as much as is the United States or any other Nation. So I compliment the gentleman that he has not made that kind of suggestion, at a time when Russia is a member of the United Nations.

I think that within the next few days the United Nations should bring Russia before them and find out whether it is truly a member of the United Nations and intends to stop their aggression. Until this is done, I should dislike very much to see them start dropping bombs on Moscow.

Mr. COLMER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9827, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. DOUGHTON. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, the bill now before the House for consideration, H. R. 9827, is designed to raise additional revenue by imposing a corporate excess-profits tax.

It is never easy to prepare nor popular to present a bill increasing taxes or imposing new taxes. However, regardless of how difficult or unpopular it may be, it becomes the duty of the Committee on Ways and Means to prepare and present bills increasing revenue when the fiscal needs of the Government require such action.

There are two major reasons why the pending bill is now before the House.

First, revenue requirements have greatly increased since the enactment of the Revenue Act of 1950, which increased income taxes on individuals by $2,500,000,000 and on corporations by $1,500,000,000. Last week, the President requested an additional $18,000,000,000 for the military and atomic-energy programs.

The second reason is section 701 (a) of the Revenue Act of 1950, which reads as follows:

(a) The House Committee on Ways and Means and the Senate Committee on Finance are hereby directed to report to the respective Houses of Congress a bill for raising revenue by the levying, collection, and payment of

corporate excess-profits taxes with retroactive effect to October 1, or July 1, 1950, said bill to originate as required by article I, section 7, of the Constitution. Said bill shall be reported as early as practicable during the Eighty-first Congress after November 15, 1950, if the Congress is in session in 1950 after such date; and if the Congress is not in session in 1950 after November 15, 1950, said bill shall be reported during the first session of the Eighty-second Congress, and as early as practicable during said session.

The conference report on the Revenue Act of 1950, containing the provision I have just read, was adopted on September 22 by overwhelming majorities in both Houses. In the House of Representatives the vote was 328 to 7, and there was so little opposition in the other body that it was passed without a roll call.

H. R. 9827 is the response of the Committee on Ways and Means to the mandate that an excess-profits tax bill be reported as early as practicable during this Congress.

Charges have been made that this legislation is the result of political expediency. I can only speak for myself in denying such an allegation, and I should never, myself, presume to question the motives of my colleagues—especially when all members of our committee but one, and all Members of the House but seven who were recorded voted for the legislation in which the decision to enact an excess-profits tax on corporations was made.

It has also been asserted that the pending bill was hastily conceived and ill-prepared. These are the facts:

First. The amendment directing the committee to prepare an excess-profits tax was a substitute for a floor amendment in the other body to enact an excess-profits tax without committee hearings or other committee consideration. At that time, I conferred with responsible tax leaders of the other body who advised me that an excess-profits tax would have been added to the bill on the floor, but for the assurances of early separate consideration of an excess-profits tax.

Second. On September 23, the next day after the final passage of the Revenue Act of 1950 directing the committee to report out an excess-profits-tax bill, I called a meeting of the Committee on Ways and Means to work out our schedule for preparing such an excess-profits-tax bill. It was agreed at the meeting that we should have our staff begin work immediately and that the committee would return promptly after the election to begin our hearings.

Third. Immediately I directed the staff of the Joint Committee on Internal Revenue Taxation, and requested the Secretary of the Treasury to have his staff, to cooperate in a careful and thorough study of an excess-profits tax on corporations in order that we might have information available to the Committee on Ways and Means when we reassembled on November 15 to begin work on this subject. The staffs promptly began their work and conducted a series of conferences with various groups representing all segments of industry in order to obtain first-hand information on the problems involved.

Fourth. Starting November 15, a week after the election and 2 weeks before Congress reconvened, by sitting morning and afternoon and sometimes in continuous session throughout the day, hearings were scheduled and completed in approximately 1 week. Although witnesses were limited in the scope and length of their testimony, everyone who asked to appear was scheduled and members had full opportunity to cross-examine the witnesses. The testimony of the 100 witnesses who appeared and the statements filed have been bound in a volume of nearly 1,000 pages, which is available to the Members of the House.

Fifth. After the conclusion of the hearings, with but an intervening day for Thanksgiving, the committee began executive sessions on November 24, which were not concluded until last Friday afternoon with the reporting of this bill. During these sessions we have had the benefit of the invaluable assistance and experience of not only our own staff and the staff of the Treasury Department but that of the extremely able draftsmen in the Office of the House Legislative Counsel.

I believe, therefore, that our committee has complied fully with the legal mandate to report out an excess-profits-tax bill as early as practicable. As I have indicated, more than 2 months have been devoted by our staff and nearly 3 weeks have been consumed by the full committee in the study of excess-profits taxation, which is the sole subject of this measure, whereas other tax bills have dealt with several different kinds of taxation. It is now for the House to determine what action to take in dealing with this very important problem of the taxation of excess profits of corporations.

One of my good friends of the minority has been quoted in the press as saying:

> Psychologically, this tax bill is a wonderful piece of political machinery. * * * But I defy any business in the country to operate under it.

Now, I have never been considered hostile to business. In fact, upon occasions I have been criticized as being too friendly in support of legislation helpful to business. I do think it significant that there was no testimony before our committee that a single business had failed as a result of the excess-profits tax enacted in World War I or World War II.

I have always considered the interest of business and Government as mutual and reciprocal. Government relies heavily upon the profits of business for revenue. On the other hand, the life of business depends upon the protection it receives from a strong, soundly financed Government.

In preparing the pending bill the committee has drawn extensively upon previous experience under excess-profits-tax laws which were imposed during World War I and World War II. Our staff has made a thorough study of this experience, and recommended, and our committee adopted, a number of adjustments and safeguards to provide a milder and more moderate bill. Although this bill, H. R. 9827, in basic outline, follows the excess-profits-tax law in effect in World War II, since corporations would have the option of either a credit based on average earnings or invested capital, whichever results in the lower tax, specific provisions have been made for new businesses, growing corporations, regulated public utiilties, and corporations mining strategic minerals.

REVENUE EFFECT

The pending bill would at current levels of corporate profits yield about $3,000,000,000 a year and additional revenue can be expected if corporate profits continue to increase. Our committee believed that it was safer to proceed on the side of caution in avoiding too sudden an impact on corporate businesses which must provide our Armed Forces with much of the essential munitions and other equipment.

MAJOR PROVISIONS OF THE BILL

A. Rate of tax: The rate of tax would be 75 percent of adjusted excess-profits net income with an over-all rate limitation on income and excess-profits taxes of 67 percent. That is, no corporation would pay a total of more than 67 percent of its net income in Federal taxes and only a few of the most prosperous ones would pay that much. This compares with an 85½ percent excess-profits-tax rate in effect at the end of World War II, and an over-all ceiling of 72 percent.

B. Minimum credit: In lieu of the specific exemption of $10,000 provided under the World War II law, the pending bill would provide a minimum credit of $25,000. In other words, corporations with net income of less than $25,000 a year would pay no excess-profits tax.

C. Invested capital credit: Corporations which find it more favorable to use the invested capital method of computing their excess-profits-tax credit would compute their credit as follows:

On amounts paid in for stock and retained earnings up to $5,000,000, a rate of 12 percent would be allowed instead of the 8 percent during World War II. On amounts between $5,000,000 and $10,000,000, a rate of 10 percent would be allowed as compared with the World War II rate of 6 percent; and on such capital over $10,000,000, a rate of 8 percent would be provided under this bill as contrasted with a 5-percent rate under the World War II tax. In addition, the entire amount of interest paid on borrowed capital would be allowed as a deduction, and an extra allowance of one-third of the interest paid would be granted.

D. Average earnings credit: Corporations would be allowed to select three out of four best years in the 1946 to 1949 base period, and in determining their average earnings any deficit in the three best years could be raised to zero. The comparable provision in the World War II excess-profits-tax law were much less liberal.

The actual credit would be 85 percent of the earnings in the three best years of the base period, which still would exempt from excess-profits tax an average

level of corporate profits considerably greater than during World War II.

E. Additions to capital after the base period: Under the present bill, both taxpayers using the average earnings credit and taxpayers using the invested capital credit would be permitted to increase their credits for net additions to investment made after the end of the base period.

F. General relief provisions: Under the World War II law, provision was made for general relief in hardship cases, and more specific rules for accomplishing the same purpose have been written into the pending bill.

G. New corporations: An alternative average earnings credit would be available to new corporations commencing business after 1945, consisting of the industry rate of return on invested capital in the base period.

H. Small growing corporation: Small corporations with total assets of not more than $20,000,000 at the beginning of the base period and with a higher volume of business in 1948 and 1949 than in 1946 and 1947, would be permitted to use an alternative credit consisting of either 1949 earnings or the average of 1948 and 1949 earnings.

I. Effective date: Section 701 of the Revenue Act of 1950 directed the Committee on Ways and Means to make the excess profits tax bill effective either October 1, 1950, or July 1, 1950. The pending bill is drafted to apply to corporate profits earnings after June 30, 1950.

CONCLUSION

In normal times, I would not favor an excess profits tax law—but these are not normal times. This may, in fact, be the greatest emergency this Nation has ever faced. It may require the drastic revision of personal lives and Government activities. Our boys have been called to the service of our country. They must be provided with the needed munitions and equipment.

NEED FOR RIGID ECONOMY

The weight of military expenditures underscores the imperative necessity for complete elimination of nonessential Federal expenditures and for cutting to the bone even normally necessary Federal expenditures unrelated to the defense effort. Under all the circumstances, it would seem only fair and just that we should call upon the corporate businesses, though the taxation of excess profits derived from the defense program, to carry a little heavier load than those not enjoying such profits.

To those who contend that an excess-profits tax would encourage wastefulness and extravagance on the part of businessmen, I answer that I have a higher estimate of the patriotism of the corporate officials of our country. Those able to pay taxes to help provide the needed munitions and equipment—those making excess profits—should not only feel it their duty but their privilege to contribute to their Government when our national security is at stake. While there have been other occasions during my service in Congress when our liberty and freedom have been threatened, the present situation indicates that our national safety may now be in greater danger than ever before. I have every confidence that the businessmen of the country will be willing to join once again in sharing substantially heavier tax burdens to strengthen, preserve, protect, and defend our sacred and priceless heritage.

Mr. DEANE. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from North Carolina.

Mr. DEANE. I would like to take this opportunity to express my personal appreciation of the distinguished chairman of the Committee on Ways and Means, the dean of our North Carolina delegation, for the splendid statement which he has just made.

Mr. DOUGHTON. I thank my friend for his most generous words.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. DOUGHTON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. I would like to ask the distinguished chairman of the Committee on Ways and Means if it is the plan of the committee, so far as he can see at the moment, to keep this formula in operation for the next, say, 5 or 10 years, or does the committee have in mind revising it after we get a little bit further into this new over-all program?

Mr. DOUGHTON. My good friend knows that the Congress will be constantly in session as long as this Government stands, under the Constitution, and that any time a termination of this law is expedient, or a modification of the law is demanded by changing conditions, why, of course, the Congress would deal with it then. This emergency may continue many, many years. We hope it will not. But we are very much alarmed about the situation, and to provide a termination date now when we do not know anything about the probable termination of this emergency, I feel would not be the safe thing to do.

Mr. CRAWFORD. What I had in mind was this. Everyone, substantially, knows who is going to constitute the next Congress. We certainly know, if we know anything, that many additional billions of dollars of revenue will have to be raised in one way or another. I think we know, if we know anything, that this is not a short-term proposition that we are heading into now. My concern is this: Does the Committee on Ways and Means, as it is constituted, looking forward to the next 2 years, have in mind letting this remain, if it becomes law, as an approach from an excess-profits-tax standpoint, or do they have in mind, perhaps, revamping the whole revenue-gathering program sometime during the next 12 to 18 months?

Mr. DOUGHTON. There is no doubt in my mind, although I cannot speak for the committee, but that we will have to take another careful look at the entire tax structure in the next Congress. Of course, membership on the committee changes from one Congress to another, and conditions change. In dealing with our grave tax problem, which our committee must do, we shall need to know, first, the fiscal needs of the Government, as determined by the Committee on Appropriations. We have no control over them, but we do the best we can to meet the fiscal needs of our Government.

Mr. CRAWFORD. I thank the gentleman.

Mr. REED of New York. Mr. Chairman, I yield myself 35 minutes.

Mr. Chairman, on November 15 President Truman submitted to the Ways and Means Committee his recommendations for excess-profits-tax legislation. For 6 days thereafter our committee was engaged in limited public hearings on the merits of that proposal.

It became quite obvious at the outset of the hearings that the President's fiscal advisers were not in full accord with his recommendations. The Secretary of the Treasury Snyder, chief spokesman for the President, was openly accused of lukewarm support and insincerity by one of the major proponents of an excess-profits tax, namely, the CIO.

When the Republican minority on the committee sought the viewpoints of the Commissioner of Internal Revenue and of the excess-profits-tax counsel regarding the President's proposal the Democratic majority voted down the request.

Obviously, our Democratic colleagues feared that the Commissioner of Internal Revenue and also the excess-profits-tax counsel would show as little enthusiasm for the proposal as did Secretary Snyder.

When the Republicans sought to consider other methods to finance our defense efforts we were also voted down by the Democratic majority.

The position was taken erroneously by the Democratic majority that the committee had a mandate to report out only the type of excess-profits tax recommended by the administration, regardless of whatever adverse effect such a type of tax might have on the national economy and our preparedness program.

And, so, Mr. Chairman, the hearings were confined to testimony on the type of excess-profits tax recommended by the President.

With a few exceptions every witness appearing before the Ways and Means Committee during its 6-day open meetings condemned the type of excess-profits tax prepared by the administration as unsound, discriminatory, inflationary, and highly detrimental to the welfare of our Nation.

These witnesses, distinguished and successful businessmen from all parts of the United States, expressed with unanimity their willingness to pay their full share toward the additional all-out defense costs, but they desired to do so in a manner that would not jeopardize the economic structure of the country.

Chief among those favorable to the excess-profits-tax proposal of the President was the CIO.

Mr. Chairman, there is little doubt in my mind that in preparing its tax recommendations to be submitted to the Congress, President Truman ignored the advice of his own fiscal experts—including the Secretary of the Treasury and the Internal Revenue Commissioner—and instead adopted the tax program of the CIO.

I believe that the program the Ways and Means Committee had under consideration is the CIO program. This arrogant labor organization has been

propagandizing for years for a permanent excess-profits tax, despite the fact that such a tax would be highly inflationary and harmful to the Nation. The CIO bosses believe that the wastefulness and extravagance engendered by the excess-profits tax would be to their distinct selfish advantage.

The American people had valid reason to expect that after the last election the unholy alliance between the White House and the CIO would be terminated. Unfortunately their expectations have not been realized. Presumably the CIO still calls the tune and the President dances. This situation is cause for genuine alarm in these dangerous times.

Because of tremendous opposition to the President's type of tax program the Republican members of the committee sought to clarify the so-called mandate of the Congress respecting tax legislation.

It was our position that the Ways and Means Committee was not confined exclusively to drafting and reporting an unsound excess-profits-tax proposal. We believe that the congressional directive gave to the Ways and Means Committee discretion in this matter.

The Republican minority sought by a joint resolution to have the House redefine its directive. I offered a joint resolution that would have instructed the Ways and Means Committee to report out a bill raising the necessary revenue by means of a sound excess-profits tax and/or a corporation defense tax which would successfully combat inflation and safeguard our economy.

The joint resolution was ruled out of order by the Speaker. The President's proposal that our committee has had under brief consideration and which is here for House action is unsound tax legislation.

We Republicans deplore the fact that such an unsound piece of tax legislation should be presented here for action when the necessity for sound legislation to build up our defense forces in the face of ruthless Communist aggression is so essential.

We Republicans have long recognized the importance of making our Nation militarily strong. It was the Republican Eightieth Congress which proposed a 70-group air force. But as you know, Mr. Speaker, the President refused to build up such a force. We have consistently and constantly championed military preparedness. Our record in opposition to communism at home and abroad is there for all to see.

The question in this hour of peril is, Will the Democratic majority join the Republican minority in repudiating the inflationary CIO-tax program and enact instead a sound anti-inflationary tax bill that will raise the necessary revenue to support our Armed Forces?

We cannot accomplish the task that confronts the Nation by accepting the tax program recommended and sponsored by the CIO.

Mr. Chairman, this bill—H. R. 9827—it is said, meets the mandates of the Congress, expressed in section 701 of the Revenue Act of 1950. It does no such thing.

It is presumed to impose a corporate excess-profits tax. It does no such thing.

Its justification is based upon the costs of our accelerated defense program. There is not such basis.

It is alleged that it strengthens the fiscal position of the Treasury. It does no such thing.

It is claimed that it will check inflation. It will do not such thing.

It is asserted that it will aid our national-defense program. It will do no such thing.

This bill is fathered and conceived by hysteria. It is a cross between hysteria and haste. It should be named "Hypocrisy."

If it is passed by the House of Representatives, it will be passed in ignorance. Not one Member of this House of Representatives will understand its provisions. Not one of the Democratic members of the Committee on Ways and Means understands its provisions. Its policies have never been adopted by the Committee on Ways and Means. Its provisions have never been approved by the Committee on Ways and Means. It has not even been read by the Committee on Ways and Means, sitting as a committee. I doubt if it has been read in toto by any member of the Committee on Ways and Means, sitting alone. I know it is comprehended by no one. The combined brains and abilities of all the official experts put together cannot construe it, let alone justify it. It is a shameful example of the reckless regimentation of our legislative processes. It is a shuddering example of the House of Representatives of the United States of America shackled to a dictatorship. It is dictatorship delegated to experts.

This bill is the consequence of a cry of haste, haste—when there is need for care. It is a terrible illustration of how the fundamental policies of the present administration are formulated and adopted. We see now the results of international policies conceived in haste and executed in confusion. We see now the consequences of past fiscal policies adopted in ignorance and administered blindly and blunderingly. Fiscal policies should be above and beyond partisan politics.

Every policy of this administration should be reexamined. I am a reexaminist. I am also an examinist. The Republican Party is a reexaminist party. And it is an examinist party. The leaders of the Democratic Party fear, and therefore oppose, reexamination. But only a moron fails or refuses to reexamine—unless perchance we also include the headstrong boy who is too stubborn to reexamine. And now the leaders of the Democratic Party are determined to prevent examination. Why? What is it they fear? What this country needs today is a reexamination of every existing policy of the present administration and an examination of every proposed policy of the present administration: Common sense and mature consideration. Judgment applied to known facts. Careful examination and analysis. The more exacting the examination the more simple the reexamination. Sound policies—with no apologies. Policies of which we can be proud—with no apologies. Enforceable policies—with no apologies. Policies upon which our future will be fashioned—with no apologies. And I remark in passing that there are no apologies adequate for the mess we are in today. The Republican Party can repeat and repeat "We told you so." But that does not remedy the mess.

"Make haste to waste" is the program of the present Democratic Party. "Nothing succeeds like excess" seems to be the motto. A Democratic Party which has abandoned all democratic principles and processes should abandon its name or be deprived of it.

MANDATE OF THE CONGRESS

Section 701 of the Revenue Act of 1950 was adopted by the Congress after much debate. It was based upon the so-called George-Millikin substitute for the amendment proposed to the bill by Senator O'MAHONEY, which, he claimed, would impose an excess-profits tax upon corporate earnings. The O'Mahoney amendment was admittedly designed by its sponsor and advocates to limit profits, not to tax them. It was based upon the policy that its sponsors and advocates could and would determine what they thought to be reasonable profits and that they would limit profits to the amount so determined. Under no circumstances would they permit profits to increase. It was not directed toward profits on war or defense contracts. It was not designed to touch the profiteer. Growth, progress, brains, ability, increased capacity, increased volume, increased efficiency, increased sales, increased investment, increased inflation would be disregarded—perhaps I suppose because they would be prohibited.

But the O'Mahoney amendment was defeated and the so-called George-Millikin substitute was adopted by the Senate. It was adopted by the House of Representatives on September 14, 1950. With a slight change in phraseology, it was then incorporated in the Revenue Act of 1950 which became a law on September 23, 1950.

It will be noted that section 701 (b) directs the Joint Committee on Internal Revenue Taxation to make a full and complete study of the problems involved in the taxation of excess profits accruing to corporations as the result of the national-defense program in which the United States is now engaged; and to report the results of the study to the Committee on Ways and Means and the Committee on Finance. These are the profits that were to be taxed under the mandate to the Committee on Ways and Means. The Joint Committee on Internal Revenue Taxation has made no such study and has made no such report. But it is admitted by the Secretary of the Treasury, speaking for the administration, by the experts of the Treasury who have compiled copious statistics, by the staff of the joint committee, and, I am confident, even by the chairman and the Democratic members of the Committee on Ways and Means, that there are

now no "excess profits accruing to corporations as a result of the national-defense program." On the contrary, our national-defense spending during 1950 is less than our national-defense spending during 1949. We have had no facts submitted to us and we have had no estimates made with respect to excess profits accruing to corporations as a result of the national-defense program during 1951. However, it would seem from the present scheduled procurement program of the Defense Department for the calendar year 1951—which we insist be stepped up before it is too late—that there could be no excess profits accruing to corporations as a result of the national-defense program during 1951. At the present time, we Republicans do not know. The administration does not know. The Congress does not know. Is the Democratic Party afraid of the facts? Has the Democratic Party not yet formulated its apologies for the lack of a program? Is this why the Democratic members of the Committee on Ways and Means delegated to the Treasury the duty of writing this bill—an opportunity the Treasury has been seeking for many, many years.

Mr. Chairman, the Committee on Ways and Means has deliberately failed to meet the mandate of the Congress. It has deliberately disregarded the mandate of the Congress. The administration has whipped it into a frenzy and into complete submission. The Republican members of the Committee on Ways and Means do not submit so meekly. We openly challenge the chairman of the Committee on Ways and Means and each Democratic member of the committee to explain each of the basic policies incorporated in this bill and to state when that policy was adopted by the Committee on Ways and Means. We do not ask him to explain each provision of the bill; that we know he can not do. But we tell you that there is policy after policy after policy after policy incorporated in this bill and never even submitted to the committee for consideration, let alone being adopted by the committee.

If the Democratic members of the Committee on Ways and Means desire to delegate to the Treasury the power to tax, let this issue be raised squarely and openly. Let it be faced frankly. Let the voters decide. A revolution was fought over a similar issue. Our forefathers were not afraid. Let the Democratic Party hang its head in shame as it abandons the principles for which our forefathers fought. But let it confess to you and to the public that it is incompetent to exercise the greatest power ever bestowed by mankind upon its representatives—the power to tax.

I cannot believe that the House of Representatives so interpets its mandate.

COMMITTEE PROCEDURE

Mr. Chairman, I propose that the House of Representatives itself determine upon the propriety of the procedure adopted by the Democratic members of the Committee on Ways and Means. Except for the representatives of the Treasury Department, not one single witness was given a real opportunity to be heard before the committee. Witnesses experienced in the problems of taxation and experienced in the principles of Government finance appealed to be heard: "Fifteen minutes and your time is up."

Witnesses knowing the effect of increased taxation upon their affairs appealed to be heard: "Fifteen minutes and your time is up."

Witnesses who appreciated the effect of the last excess-profits tax appealed to be heard: "Fifteen minutes and your time is up."

Witnesses fearing and dreading the effect of the so-called excess-profits tax principles advocated by the Secretary of the Treasury appealed to be heard: "Fifteen minutes and your time is up."

Gentlemen of the House of Representatives, we challenge you to explain in 15 minutes any one of the 146 pages of this bill. We advise you not to accept the challenge.

We challenge you to discuss intelligently in 15 minutes the policies involved on any one of the 146 pages of this bill. We advise you not to accept the challenge.

We challenge you to interpret in 15 minutes any of the sections of the excess-profits tax in force during World War II. We advise you not to accept the challenge.

We challenge you to explain in 15 minutes the administration of any one of the sections of the excess-profits tax in force during World War II. We advise you not to accept the challenge.

We challenge you to explain in 15 minutes the administrative difficulties and problems involved in any one of the sections of the excess-profits tax in force during World War II. We advise you not to accept the challenge.

We challenge you to set forth in 15 minutes—not to discuss, but merely to set forth—the policies involved in financing the $52,000,000,000 of Government debt maturing within the next 12 months. We advise you not to accept the challenge.

We challenge you to set forth in 15 minutes—not to discuss, but merely to set forth—the problems involved in servicing the $257,000,000,000 public debt. We advise you not to accept the challenge.

We challenge you to let your imaginations wander over the problems involved in financing the national defense program upon which we are now engaged and to give us the results in 15 minutes. We advise you not to accept the challenge.

Scores of witnesses, able witnesses, experienced witnesses, witnesses with facts, witnesses with judgment, witnesses with common sense, witnesses competent to assist the Committee on Ways and Means—all were denied a reasonable opportunity to be heard. And the committee was denied the opportunity to hear them. They were limited not only in time but in subject matter.

Is this the procedure contemplated by the Congress in its mandate to the committee? Is this procedure approved by the Democratic Party? Is this the procedure we are fighting to preserve? Is this the procedure of a democracy? Let the Democratic leaders answer. The leaders of the Republican Party will tell you that this is not the procedure of a republican form of government.

Let me discuss further the procedure adopted and imposed by the Democratic members of the Committee on Ways and Means.

Following the close of the hearings, the committee went into executive sessions. For a day or two we made progress. A few problems and policies were discussed and debated. They were adopted or rejected by majority vote. They were adopted or rejected upon their merits as each individual Member of the Committee determined for himself. And then something happened.

Apparently the policies and principles so agreed upon were not to the liking of the administration. Apparently they were not to the liking of the CIO. Apparently they were not to the liking of the Democratic Party. Apparently they were not to the liking of a majority of the Democratic Members of the Committee on Ways and Means—even though the adoption of these principles and policies was possible only by the combined vote of a few of the members of the Democratic Party and the Republican members of the Committee on Ways and Means. Out came the whip. The lashes were applied. Secret sessions were held. By a vote of a majority of the Democratic members of the Committee on Ways and Means, certain of the Democratic members of the Committee on Ways and Means were deprived of the privilege of voting according to their own judgment and the dictates of their own consciences. Caucus rules were called upon. Each of the Democratic members of the Committee on Ways and Means was bound by the majority vote of his own party. He forsook his constituents. He abandoned his duties, his privileges, his responsibilities. To the extent that the policies and principles appearing in this bill were considered by the Committee on Ways and Means, they were approved and adopted by a minority of the committee. The Democratic leaders on the Committee on Ways and Means did not dare permit a majority vote.

And thus this bill was born—never seen by the Committee on Ways and Means, never read by the Committee on Ways and Means, never adopted by the Committee on Ways and Means, and its provisions unknown to the Committee on Ways and Means.

Is this the procedure contemplated by the Congress in its mandate to the committee? Is this procedure approved by the Democratic Party? Is this the procedure we are fighting to preserve? Is this the procedure of a democracy?

PROCEDURE OF THE HOUSE OF REPRESENTATIVES

This bill was introduced, it is said, on Friday of last week. Let us not deceive ourselves. The chairman of the Committee on Ways and Means threw a dummy into the hopper. But there was no bill. The staff of the joint committee and the staff of the Legislative Counsel's office, having worked feverishly and all day and all night for several weeks, worked feverishly for one more day and

night. Finally the draft prepared by them, with policies and principles dictated in large part by the staff of the Treasury, was sent to the Government Printing Office. The bill was printed and became available Saturday morning. One hundred and forty-six pages of it.

The bill was reported on Friday—unseen, unread, unknown. The Democratic leaders of the House of Representatives ask you to discuss and to debate this bill, to understand it, to adopt its policies and principles, to approve its provisions, and to pass it in 2 days.

Let us not deceive ourselves. And let us not deceive the public. If there is one man among you who has read this bill, let him stand and be counted.

I tell you frankly that I have not studied it as it should be studied. The best that I have been able to do is to attempt to consider a few of its policies and principles. Most of those I have seen for the first time. They were not presented to the Committee on Ways and Means. They were not adopted by the Committee on Ways and Means.

The majority report of the Committee on Ways and Means became available for the first time this morning. If there is a man among you who has read the report—I do not ask that he claim to understand it—let him stand and be counted. I have had no chance to study it. The most that I have been able to do is to examine portions of it. I have attempted to read its discussions with respect to a few of the more important disclosed policies and principles embodied in this bill. No one could even begin to pick up the undisclosed policies and principles embodied in this bill.

Let the Democratic members of the Committee on Ways and Means acknowledge responsibility. Let the Democratic leaders of the House of Representatives acknowledge responsibility. Let them acclaim, approve, and adopt this bill and all its policies and principles and all its provisions. Let them assume and acknowledge responsibility. But do not let them deceive you. Do not let them deceive the public. Do not deceive yourselves, and do not attempt to deceive the public. Not one of you knows or will know what he is doing.

Is this the procedure contemplated by the Congress in its mandate to the committee? Is this procedure approved by the Democratic Party? Is this the procedure we are fighting to preserve? Is this the procedure of a democracy?

INFLATION

The No. 1 enemy of the people of the United States today is inflation. The No. 1 criminal at large in the United States today is that group which has brought inflation upon us, knowingly or ignorantly, intentionally or innocently. That group consists solely of the leaders of the Democratic Party.

That group has given us a 50-cent dollar. That has robbed every citizen of the United States of one-half of his savings, one-half of his home, one-half of his insurance.

That group has doubled the cost of living in the United States. In many fields, costs have more than doubled.

That group has made it impossible for the citizens of the United States to save for the future.

That group is not yet satisfied. It does not intend to stop at a 50-cent dollar. And it dares not tell us how much further it intends to degrade and cheapen it.

The 50-cent dollar was given you by the leaders of the Democratic Party. It was given you over the opposition of the leaders of the Republican Party. The leaders of the Republican Party tell you today that regretfully and unfortunately they cannot restore the value of the dollar to you. Once degraded, it cannot be restored. The apologies of the Democratic Party will not do so. The excuses and the explanations of the Democratic Party will not do so.

But the leaders of the Democratic Party tell you that more inflation lies ahead—more destructive, more dangerous, more damaging, than the inflation of the past. The leaders of the Republican Party are crying "Wolf, wolf"—because there are wolves at your door, presently disguised, perhaps, but no less dangerous. We tell you, first, that the reckless fiscal policies of the present administration must be abandoned. We tell you, second, that the causes of inflation must be ascertained. We tell you, third, that inflation must be stopped.

Inflation is a careless, ruthless thing. It listens not to nice-sounding phrases. In the early days of its life, its breath is sweet and alluring. Yes, even intoxicating. It conceals itself from sight. It refuses to talk. It publishes no vital statistics. Its birth, its growth, its strength, are unrevealed and unreported. It hides itself in the political philosophies of the times. But its roots are entwined in fiscal policies. Its tentacles are firmly enmeshed in the present and past policies of the Democratic administration.

The leaders of the Republican Party say: "Let's try to kill this beast. If we cannot kill it, then let's stunt and stop its growth."

But the Democratic members of the Committee on Ways and Means bury their heads in the sand. They have made no effort to get the facts upon which inflation is thriving. They have made no effort to examine or to reexamine fiscal policies of the present administration—although they are charged with responsibility for them. They have made no effort to ascertain those policies; to have them stated, discussed, reviewed, and debated. They have even refused to attempt to find out what is behind the fight between their own Federal Reserve Board and their own Treasury Department.

The Republican members of the Committee on Ways and Means refuse to be blindfolded. We refuse to accept this leadership or lack of leadership. We want the facts upon which inflation is founded. We insist that inflation be stopped.

What has all this to do with the bill pending before you? Not one single witness before the Committee on Ways and Means was permitted to discuss fiscal policies and principles inherent in the defense program. Not a single witness before the Committee on Ways and Means denied that an excess-profits tax was inflationary. Every witness before your committee to the extent that he had an opportunity stated that an excess-profits tax was inflationary.

"Haste to make waste" is the program and the policy of the Democratic members of the Committee on Ways and Means.

The Republican leaders of the Committee on Ways and Means caution you: Inflation leads to a dictatorship; a dictatorship leads to communism; communism leads to aggression.

The Republican leaders of the Committee on Ways and Means caution you: Inflation is a sign of weakness; weakness is the necessary consequence of its blood-sucking and strength-sapping tactics. A national-defense program founded upon weakness should never be begun.

The leaders of the Republican Party caution you: Are you not now following the precise policies which the Communists would like to have you follow?

CONSEQUENCES OF DEMOCRATIC POLICIES

The horrible mess we are in today is pictured in part by the following factors:

Our public debt today is $257,000,000,000—and the Secretary of the Treasury acknowledges that he is concerned.

We have had 16 consecutive years of deficits since the Democratic Party came into power—except for the 2 years of surpluses—totaling more than $9,000,000,000—when the Republican Party was in control of the Eightieth Congress.

According to the Secretary of the Treasury we will have a deficit of about $2,000,000,000 this current fiscal year—and we have not begun to finance the national-defense program.

Individuals are carrying an income-tax load which is practically at the peak they were carrying during the war, and we have not begun to finance the national-defense program.

Corporations are carrying normal tax burdens never before dreamed of and we have not begun to finance the national-defense program.

Excise taxes imposed as temporary taxes are still on the books today and we have not begun to finance the national-defense program.

There is virtually no such thing today as venture capital. Most of its sources have dried up and disappeared. What capital remains does not dare venture and our officials seem to be surprised at the increase in bank credit.

The tremendous industrial expansion since World War II has been financed largely through borrowing and our officials are concerned over expanding bank credit.

Our deficits have been financed largely through commercial banks and our officials are concerned over the increase in bank credit.

We have not begun the industrial expansion necessary for the national-defense program and everyone should be concerned about how it is to be financed.

We have spent over $100,000,000,000 on our military since the end of the hostilities of World War II and we are told that the Korean conflict has exhausted all our military supplies and equipment.

We are attempting to support a large portion of the so-called non-Communist world and we cannot support ourselves.

There is a woeful lack of perspective.

PROBLEMS FOR TODAY AND TOMORROW

Let me ask the chairman of the committee on Ways and Means and the leaders of the Democratic Party of the House of Representatives and the leaders of the Democratic administration the following:

First. When does our accelerated national-defense program begin accelerating?

Second. What will be spent this fiscal year?

Third. What might be spent next fiscal year?

Fourth. What is the aggregate cost of placing our military in a position to defend the United States against aggression?

Fifth. What will it cost if we are embarked upon the policy of attempting to protect the entire world from aggression?

Sixth. How would each of these costs be financed?

Seventh. How much can be saved annually in a bona fide effort to tighten the belt on nonmilitary expenditures?

Eighth. How much must the productive capacities of industry be expanded to meet the demands of the national defense program?

Ninth. When will this expansion begin and how long will it take?

Tenth. How will the costs of this expansion be met?

These are only a few of the more important questions which the leaders of our Government should ask and answer. So far as I know, the leaders of the Democratic Party have not even asked them as yet. I doubt if they have seen the problems. I know they have not answered them.

And yet we are asked to devise and adopt a tax program to meet the increased costs of defense, to enable the Government to maintain a strong financial position and to tax the high profits resulting from the defense program. I am quoting from the statement of the Secretary of the Treasury to the Committee on Ways and Means on November 15, 1950.

THE PURPOSES OF AN EXCESS-PROFITS TAX

The Republican members of the Committee on Ways and Means accept the mandate of the Congress. The purpose of an excess-profits tax is to tax excess profits accruing to the corporations as a result of the national defense program. The Republican members of the Committee on Ways and Means accept Secretary Snyder's definition of "excess profits" as being "high profits resulting from the defense program."

THE PURPOSES OF THE PENDING BILL

The bill now pending before you has no such purposes. It is expressly designed to impose confiscatory rates upon all profits. It makes no effort to segregate normal profits from excess profits. It makes no effort to limit its confiscation to excess profits.

The Republican members of the Committee on Ways and Means—and I think that several Democratic members of the Committee on Ways and Means would join us—believe that this bill will prevent progress; discourage efficiency; prohibit necessary expansion; and adversely affect, most seriously, the national defense program. We say to the Democratic leaders that they must acknowledge the purposes of the bill and assume full responsibility for them.

THE BASE PERIOD

The bill specifies that the base period shall be 1946, 1947, 1948, and 1949.

Everyone knows that these years were in many respects unusual and eccentric. They include periods of reconversion, periods of prolonged strikes. No industry is comparable with any other industry during this period. And members of each industry felt highly fluctuating results. Some earned high profits; some medium profits; some no profits; and some had losses during one or more of these years. In fact, some had losses during every one of these 4 years. Many had declining profits throughout the 4 years. Many were embarked upon tremendous experimental programs and development programs costing huge sums of money and producing no income during these 4 years. And above all, industry was spending $100,000,000,000 in expansion with little or none of the income from the expansion realized during these 4 years.

Having specified the base period years, the bill then says the taxpayer may select three out of four of them. Of course, this rule helps, but what about corporations with declining earnings; with losses during 2 or 3 or all 4 of the years of the base period; with extraordinary research and development costs; with no income from expanded capacities?

The Republican members of the Committee on Ways and Means have been denied the time required to develop a satisfactory solution. We have had no opportunity to ascertain the facts. Analysis is necessary. Examination and reexamination are required. Policies and principles must be formulated only after a full and complete study of the problems as directed by section 701 (b) of the Revenue Act of 1950.

The House of Representatives should not be called upon to consider a makeshift program, a disguised program, a misnamed program, a misleading program.

THE 85-PERCENT RULE

Having resorted to the arbitrary base period rule just explained, then say the Democratic members of the Committee on Ways and Means: "The simplest, fairest, and most certain method of determining normal profits is to subtract 15 percent."

The Secretary of the Treasury recommended that the average be discounted 25 percent. He stated frankly that the justification for the suggested 75-percent rule was precisely the same as the justification for the 95-percent rule of World War II's excess-profits tax. But I am confident that the Democratic members of the Committee on Ways and Means know better than to place the justification for their 85-percent rule upon this ground.

The best analysis of the effect of the 85-percent rule which I have seen is an editorial in the New York Times of November 22, 1950. I set it forth in full:

LABOR AND THE EPT

It is difficult to believe that spokesmen for the A. F. of L. and the CIO can really be as naive in economic matters as their testimony before the Ways and Means Committee on the administration's proposal for a corporate excess-profits tax would seem to suggest.

It is only a few weeks ago that Congress enacted the Defense Revenue Act of 1950. That measure increased the corporation income tax to 45 percent, which compares with peak level of 40 percent reached during the Second World War. The administration is now proposing to superimpose upon this what purports to be a wartime excess-profits tax. We use the phrase "purports to be" advisedly, because a true war-profits tax stops with the laying of a heavy impost upon the temporary windfall profits deriving from war, or all-out preparation for war. The plan offered by Secretary Snyder goes far beyond this. It would assume, arbitrarily, that all profits over and above 75 percent of the 1946-49 average were war profits, or rearmament profits, and would tax such excess at the steep wartime rate of 75 percent.

Officials of the A. F. of L. and CIO told the Ways and Means Committee that they were all for such legislation. It was eminently fair, they said, and would be a great help in fighting inflation. Their only criticism of the program, in fact, was that it did not go far enough. Spokesmen for the CIO recommended that instead of 75 percent the excess profits tax rate should be 85 percent.

Well, it makes a difference, of course, whose ox is gored. But, if it is fair to treat the owners of business in this way, tax-wise, then why not the wage earner? Let us see how the principle would look in operation if it were applied to wages. The average weekly earnings of factory workers at the time of the Korean invasion was $58.85. Let us assume that, instead of freezing wages, we were to say that all excess wages resulting from the defense effort should be taxed at a special emergency rate of 75 percent. Now, let us proceed one step further, and introduce the device which makes the administration EPT something quite different from what it purports to be. Instead of applying the new tax on wage income to everything above the level of July 1, 1950, this would make it effective against all wages above 75 percent of figure. Seventy-five percent of $58.85 would be $44.13. If we thumb back through the records we shall find that the month when weekly wages last approximated this figure was August 1946. In other words, if the principle of the administration's EPT were generalized to cover all income it would mean that the wage earner, in addition to personal income taxes would have to pay the Government 75 percent of everything he earned over and above the figure reached in August 1946.

No one has seriously suggested a general excess-income tax, and there is no intention to suggest it here. In a war economy the EPT in the case of corporations is regarded as the counterpart of the wage freeze in the case of labor. Neither has any place in the defense effort until and unless the time comes for the application of full wartime controls. Yet, the very representatives of labor who would, and do, throw up their hands in horror at the suggestion of freezing wages apparently haven't the slighest compunction about urging that business be subjected, not only to a freezing of income at present levels

but to a drastic and thoroughly arbitrary roll-back to the level, roughly speaking, of 1946.

You will note that the 75 percent rule would take us back to August of 1946, as applied to the incomes of wage earners. According to the Bureau of Labor Statistics' Weekly Earning Series for Production Workers in Manufacturing Industries, the 85 percent rule adopted and advocated by the Democratic members of the Committee on Ways and Means takes up back to August of 1947.

THE PROBLEMS OF DETERMINING EXCESS PROFITS

The problems of determining, defining and segregating excess profits for corporations never have been fully explored. Perhaps some of them can be appreciated if we view them from the point of view of individuals. As applied to corporations, of course, the problems become more confusing and more complex. Therefore more difficult to discern and more impossible of solution. But let us attempt to become a little more familiar with a few of them by considering corresponding problems which would confront individuals. Let us assume two individuals—A and B—engaged in precisely the same endeavors, producing precisely the same products and competing with each other during 1952:

A was not old enough to have earnings during the base period. B had high earnings.

A was unfortunately sick during 3 years of the base period. B's health was normal and good.

A worked on an average of 6 hours a day during the base period. B worked on an average of 12 hours a day. In 1952, on the other hand, A is working 12 hours a day and B is working 6 hours.

A devotes himself during the base period primarily to experimental work. B's experimental work had been concluded.

A had little capacity to finance his enterprise during the base period. B was adequately and amply financed.

A expanded tremendously during the base period and his earnings from the expansion will be reflected for the first time in 1952. B had full capacity during the base period and has not expanded.

A could not reach the markets he wanted to reach during the base period but will finally reach them in 1952. B has a well-established distribution and sales system and will reach only the same markets in 1952.

A devotes considerable time, energy, ingenuity and money to developing a new product or a new process during the base period which will begin to produce income in 1952. B is satisfied with the product he is producing and enters no new field.

A's business is on the up-grade throughout the base period and this will continue into 1952. B's business is on the down-grade throughout the base period and this continues into 1952.

A keeps his plant and facilities "up to the minute." B is satisfied to ride along with what he has.

A acquires a new plant during the end of the base period which will begin to produce substantial income in 1952. B acquires no new assets and operates only the one he had during the base period.

A is mounting the ladder of success. B is disposing of assets and preparing to retire.

I could go on indefinitely, merely contrasting the position of two individuals in the world of business. The framers of the pending tax bill have closed their eyes to every practical situation. They have closed their eyes to actualities. Knowingly or not, they have decided that all A's profits will be considered excess profits, and that none of B's profits will be considered as excess profits.

CONSEQUENCES OF HYSTERIA

Applying the principles of the pending bill to a few available statistics reveals these consequences:

First. The aggregate annual corporate profits during the best 3 years of the 4-year period—for 1947, 1948, 1949—average thirty and seven-tenths billions.

Second. Fifteen percent of this, or four and six-tenths billions, says the bill, are to be taxed at 75 percent.

Third. Corporate profits in the calendar year 1950, according to the Secretary of the Treasury, will be about $6,000,000,000 above the 3-year average. All this $6,000,000,000, says the bill, are to be taxed at 75 percent.

Fourth. If corporate profits decline in 1951, but still do not reach the average of the base period, all the excess will be taxed at 75 percent. If they increase in 1951, all the increase will be taxed at 75 percent.

These must be the consequences of hysteria. They can be explained in no other way.

INVESTED CAPITAL

The excess-profits tax in force during World War I defined invested capital. After years and years and years, the invested capital of the corporation subject to the act was determined.

The excess-profits tax in force during World War II had an entirely different definition of excess profits. All the experience under the World War I act was abandoned. All the work under the World War I act was discarded. Millions and millions of dollars have been and are being spent by the Government and by taxpayers in making new computations of a new invested capital for the purposes of the World War II act.

As a safeguard to the inadequacies of the average earnings basis, your committee was assured that the invested capital basis would be available. No definition of invested capital, other than the one used in the World War II act, was discussed in your committee. Your committee assumed, if it were not assured, that the definition of the World War II act would be used. Simplicity demanded it. Time prevented consideration of any change.

But what do we find?

In the bill pending before you there is an entirely new concept of invested capital. The definition of the World War II act has disappeared. Sections 436 and 437 prescribe new definitions and new concepts. What they mean and what they require, I do not know. I doubt if anyone else knows.

Where this concept came from, I do not know. What its effect will be, I do not know.

Does the chairman of the Committee on Ways and Means claim that this concept was presented to the committee, was discussed by the committee, was understood by the committee, and was adopted by the committee? If so, let him tell me when. If so, let him tell me what he understands it to mean. If so, let him explain why the departure from all past experience, from all past computations, and from all computations presently in process.

Let the chairman of the committee state whether this new concept is dictated by common sense or by hysteria.

CONCLUSION

Mr. Chairman, let us prove to the public that the House of Representatives is not dominated and controlled by the CIO. Let us prove to the public that the House of Representatives is a legislative body, an independent legislative body, exercising legislative functions. Let us prove to the public that the House of Representatives expects and insists that its Committee on Ways and Means use its own judgment. Let us prove to the public that the House of Representatives expects its Committee on Ways and Means to formulate tax policies, not to delegate to the Treasury the power to tax.

Mr. Chairman, let us recommit this bill.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. RICH. You made the statement that the members of the Ways and Means Committee, before this bill was adopted, had not even read the bill.

Mr. REED of New York. That is true. I made a motion before the committee, and it was voted down 15 to 10, that the bill be read, so that we would know what was in it. The first we saw of this bill in its complete form was Monday morning. That is, I saw it Sunday morning. The other members saw it Monday morning, but I came down here Sunday morning at 8 o'clock to see the committee bill and the report.

Mr. RICH. But we got the bill this morning?

Mr. REED of New York. Exactly.

Mr. RICH. You do not mean yesterday morning—Sunday?

Mr. REED of New York. Yes; I mean yesterday morning, Sunday. I came down at 8 o'clock to get a copy of the bill and the report.

Mr. RICH. Before the bill came to the committee. It seems to me that when you read those challenges off to the Democratic Party that somebody would have got up and met the challenge. If you challenged the Republican Party, you certainly would have got somebody to respond to you.

Mr. REED of New York. I hold those Members of the House in the highest respect, of course. I have an affection for all of them on that side of the aisle. They are fine men, but they are handicapped. We are not. They are bound by party rules and caucuses, and the administration can dictate to them. They

cannot dictate successfully to the Republicans.

Mr. RICH. If the Ways and Means Committee did not report this bill, who do you think did write the bill?

Mr. REED of New York. I think that would be a subject for future investigation.

Mr. RICH. Do you think we ought to have an investigation now to find out who, where, and how they wrote this bill, so that the public in this country could understand that the taxes that are going to be imposed upon them came from some organization other than the Ways and Means Committee of Congress?

Mr. REED of New York. I do not see any prospect of an investigation while the Democratic Party is in power.

Mr. RICH. What are you going to do when the public finds out that it is going to be taxed and taxed and taxed, and nothing has been said, to my knowledge, by the administration about economy in government. Did you have any discussion like that in your Ways and Means Committee?

Mr. REED of New York. No. Economy was not discussed. You know, that is a forbidden subject.

Mr. RICH. Do they ever talk about trying to cut down expenses, instead of trying to tax the people more?

Mr. REED of New York. The Hoover Commission report was not mentioned.

Mr. RICH. We are in bad circumstances.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman from Pennsylvania [Mr. RICH] mentioned the possibility of an investigation. Possibly we can have that investigation within the next 2 years.

Mr. REED of New York. I hope so. I thank the gentleman.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from New York [Mr. LYNCH].

Mr. LYNCH. Mr. Chairman, I might say by way of preface that this tax bill has been written in exactly the same manner in which all tax bills which have come before the House since I have been a member of the committee have been written: We have sat around, we have talked, we have listened to witnesses, we have read their statements, technical staffs have worked upon it, the Treasury has given the benefit of their suggestions, the staff of the Joint Committee on Internal Revenue Taxation has been sitting in, and we have had the benefit of all that information in preparing the bill now presented to the House.

Mr. Chairman, one of the first important measures upon which I was called to vote upon my election to Congress was the Second Revenue Act of 1940, the principal purpose of which was to impose an excess-profits tax on corporations. At the time that bill was considered by the House of Representatives, the Congress had made available for national defense, appropriations and contract authorizations amounting to the then record total of $15,000,000,000. President Roosevelt recommended at that time in simple but eloquent terms the enactment of an excess-profits tax as follows:

To the Congress of the United States:

We are engaged in a great national effort to build up our national defenses to meet any and every potential attack.

We are asking even our humblest citizens to contribute their mite. It is our duty to see that the burden is equitably distributed according to ability to pay so that a few do not gain from the sacrifices of the many.

I, therefore, recommend to the Congress the enactment of a steeply graduated excess-profits tax, to be applied to all individuals and all corporate organizations without discrimination.

Mr. Chairman, I was seated on the floor of this House when this message was read, and it impressed me as it impressed my colleagues on both sides of the aisle. There was no room for debate or difference of opinion. The country faced a grave national emergency, and it was the firm conviction of the great Committee on Ways and Means, of which I subsequently was to become a member, that "the rearmanent program should furnish no opportunity for the creation of new war millionaires or the further substantial enrichment of already wealthy persons." In but a few short weeks in 1940, an excess-profits tax bill had been passed by both Houses of the Congress and was approved by the President on October 8, 1940.

I have recalled this legislative history because it has seemed strangely coincidental that my last few weeks as a Member of the House should have to be devoted toward the enactment of an excess-profits-tax bill. Now, instead of $15,000,000,000 for defense appropriations, we have already under consideration the staggering total for the military and atomic-energy programs of more than $42,000,000,000.

As President Truman wrote the distinguished chairman of the Committee on Ways and Means on November 14, 1950, in recommending an excess-profits tax to yield $4,000,000,000 at current income levels:

Although the total amount of the expenditures which will ultimately be required for military security is necessarily uncertain, it will certainly exceed the yield of existing taxes augmented by such a profits tax.

It is clear that the impact of this spending will greatly affect and change our domestic economy. Not only must we provide to the maximum extent possible for payment of the cost of rearmament from current revenues, but we must also use all possible diligence again to try to prevent "the creation of new war millionaires or the further substantial enrichment of already wealthy persons."

When this Congress is calling men to fight and die in the service of their country, any conceivable financial sacrifice pales by comparison. Nevertheless, although there is no practical alternative, as I view it, to the enactment of the excess-profits tax, upon which the Congress has already agreed in principle, it was the responsibility of the Committee on Ways and Means to take into account the previous experience with the excess-profits tax in World War II, and to insure that mobilization is not impeded through any unwise provisions of the tax laws.

H. R. 9827, the pending bill, would tap corporate profits to the extent of $3,000,000,000 at current profit levels, which are now nearly 50 percent greater than they were in the first quarter of this year. The bill follows the basic outlines of the excess-profits tax in effect during World War II, but adjustments have been made which not only greatly increase the credits available to almost all corporate businesses but which especially provide special incentive to small growing corporations and to new businesses.

TWENTY-FIVE THOUSAND DOLLARS MINIMUM CREDIT

A very important provision is the $25,000 minimum credit which insures complete exemption from the excess-profits tax for corporations earnings less than $25,000 a year.

MORE LIBERAL EARNINGS CREDIT

Since the new base period 1946–49 includes a period of high Government spending for military and foreign defense programs, and also reflects profits from the accumulated demand for civilian goods built up during World War II, it provides a generous standard beyond which it is proper to tax corporate profits at a very high rate. Moreover, corporations would be able to choose the three best years out of four, and to raise any deficit year to zero.

INVESTED CAPITAL CREDIT

The pending bill also gives corporations the option of a credit on invested capital just as during World War II but the rates of return allowed on invested capital before application of the excess-profits tax rate are increased by approximately 50 percent.

RATE OF TAX

Another interesting comparison of this bill with that in effect in World War II is that the rate of tax on excess profits would be 75 percent, whereas the rate in effect in 1942 was 85½ percent. No corporation would pay a combined normal tax, surtax, and excess-profits tax of more than 67 percent, as compared with the 72-percent over-all ceiling in effect in World War II. Many adjustments are designed to minimize the impact of the excess-profits tax on corporations with an unusual earnings experience in the base period and to take into account additions to capital both during the latter part of the base period and after the base period.

SUMMARY

All in all, I believe that H. R. 9827 is an important addition to the Federal tax structure and that its prompt enactment will manifest our determination to keep our country fiscally strong as we gird ourselves for whatever may lie ahead.

Mr. Chairman, there has been some criticism in respect to the manner in which these hearings were conducted, because no witness was permitted to have more than 15 minutes for his prepared statement. The question I would propound is this: Was it more important to give those witnesses so much time that

we would not be able to pass a tax bill during this session, or was it more important to give them less time and see that we got out a tax bill that would raise the revenues necessary to carry on this Korean conflict?

We are all of the same stripe of Americans and I know that when the time comes those who now oppose this proposition here will still vote for the bill, because they know it is the only one that can pass during this session of the Congress, and we must raise additional revenues. We have heard very consistently during the 10 or 11 years I have been here these complaints against the enactment of legislation that has to do with taxes on corporate profits. In 1941 we heard the same complaint against the price controls where profits were increasing inordinately, and again we heard the same complaint so far as the excess-profits tax of 1940 was concerned. When we endeavored to increase the corporate tax later on, we heard the same complaint. When we sought to limit the profits in war by renegotiation, we heard the same complaint. Now those same complaints are again made by business saying that they would prefer increased corporate taxes and renegotiation as against the excess-profits-tax program here.

I want to say to you Members of the Committee that in my judgment this is the best bill that we could get out under the mandate that Congress gave us, and as a result I am sure that we will here take the first step to take the profits out of war.

At this point, allow me to take this opportunity, since this may and probably will be the last time I shall take the floor to address my colleagues, to express my gratitude for the friendship and the cooperation I have enjoyed in mutual service here, and to assure you of my continued interest as you work to strengthen and preserve the precious heritage of freedom so dear to all of us.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Massachusetts.

Mr. HESELTON. I would like to ask a question about the application of H. R. 9827 on the television-manufacturing industry. The printed hearings before the committee at pages 464 and 468 contain testimony by Mr. Sprague, industry representative, to the effect that this industry had a tremendous growth between 1949 and the middle of 1950, and that the industry would be discriminated against unless special provision was made for growth in pre-Korean war 1950. How does this bill take care of situations similar to that confronting this industry?

Mr. LYNCH. I am very glad my distinguished colleague from Massachusetts has asked that question, because it is a question that has caused considerable anxiety, I might say, on the part of the committee, and we have endeavored to work out arrangements whereby the television industry will not be hurt to the extent that they anticipate.

There are four provisions in this bill which, in my opinion, will be particularly helpful to the television industry.

The first of these is the alternative growth credit. This permits corporations meeting certain conditions evidencing growth to use 1949 earnings or the average of 1948 and 1949 earnings, whichever is higher, as their excess-profits credit in lieu of the ordinary-average-earnings credit in the three best years in the period of 1946 to 1949. The value of the television sets sold in 1946 and 1947, in terms of manufacturers' sales prices, were less than 1 percent of the value of those sold in 1949 and the value of the sets sold in 1948 was only about 40 percent of the value of those sold in 1949. As a result, allowing television companies which have grown to use 1949 earnings will be of very considerable value to the television industry.

The second of these provisions, which will be helpful to the television industry, is one which permits corporations to increase their average earnings credit at a 12-percent rate of return for one-half of the new equity capital and retained earnings put into the business in 1948 and for all of such investments in 1949. A similar allowance is made for additions to borrowed capital in 1948 and 1949. An industry which has grown as much as the television industry of necessity increased its capital during 1948 and 1949. I do not believe there is any dispute as to that.

The third provision which should be useful to the television industry is one which permits the excess-profits credit to be increased by 12 percent of new equity capital and retained earnings put into a business after 1949. Allowance is also made for new borrowed capital at a rate equal to 133 percent of the interest payments on such capital. The television industry has already increased its capital in 1950 and can be expected to increase its capital still further in the future. This means that the television industry will receive larger and larger excess-profits-tax credits as these additional investments are made.

The fourth provision which may be useful to some members of the television industry is the carry forward of losses from the base period to excess-profits-tax years. For those who have had losses, such as television broadcasters, this will prevent the imposition of any excess-profits taxes until these losses have been offset.

Does that explain the situation?

Mr. HESELTON. I thank the gentleman.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. I have been chairman of the Committee on Ways and Means for more than 15 years. I have been a member of that committee for nearly 25 years. I can truthfully say, in all sincerity, that during my long service on the committee no man has served on that committee who has rendered more intelligent, more faithful, more useful, and more outstanding service than the gentleman from New York [Mr. LYNCH]. His leaving that committee, in my opinion, is a great loss not only to our committee but to the Congress and the country.

Mr. LYNCH. I thank the gentleman very much.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. LYNCH. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. I am very glad the chairman has spoken of his high regard for our good friend and colleague [Mr. LYNCH]. I am sure the chairman spoke for every member of the committee when he told the House of the high regard in which the gentleman from New York has been held by both the Republicans and the Democrats. They all have a fondness for him. They are going to miss him very, very much. He has always proved himself to be a very clear thinker. He had a grasp of the problems before him. He was always gentlemanly. I say again with all my heart, we will miss him.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the gentleman from Ohio [Mr. JENKINS].

Mr. JENKINS. Mr. Chairman, I would not let this opportunity pass to say how I feel about my distinguished colleague the gentleman from New York [Mr. LYNCH]. In my long service in the House I have, of course, met all those who have been Members in that time. Naturally, every man is a man unto himself. Some scintillate with brilliance, some with oratory, and some with logic, and so forth, and so forth. The good character of some is very pronounced and well recognized. But there is one virtue that everybody does not have, and that is what we call common courtesy.

I want to say to and about my good friend from New York that although he is able and efficient and his character is unassailable, as it were, and he has these other virtues which I like so much in public men, and especially in my good friends in Congress, my friend, WALTER LYNCH, has this virtue of common courtesy. I am sure when he leaves the House of Representatives he will take with him the affection of everyone who knows him intimately. We on the Committee on Ways and Means have had many battles, of course, as the Members have in all the other committees, but nobody anywhere that I know of will have any ill feeling toward this fine gentleman, the Member from New York State, my dear friend, Hon. WALTER LYNCH.

Mr. Chairman, it is well recognized that all tax legislation is very difficult. It is difficult for even those of us who work with it all the time. I make no claim to being a tax expert. It is mighty difficult for any member to understand these complicated set-ups and to explain them adequately. But I hope we can bring ourselves together on common ground for just a moment, if you please. Let us look back at the situation as we left the taxation matter when the Congress last adjourned. You will remember that last spring and summer we on the Committee on Ways and Means spent a

great deal of time, I believe we spent 5 months in getting ready a tax reduction bill. That was the bill that was intended to provide reduction of the excise taxes. That tax reduction bill was studied and proposed and approved by both Democrats and Republicans alike. There was not so much difference so far as I could see, so far as the desire to reduce excise taxes was concerned. There were a number of burdensome excise taxes that should have been reduced. The Ways and Means Committee reported that bill and we passed it in the House, and sent it over to the other body just at the time when the Korean trouble happened. It then developed clearly that we had to have more taxes. That was no time to reduce taxes. It developed that we had to have a regular tax bill. Instead of reducing taxes, as this House had proposed to do, the other body passed a new bill, and we in turn passed it on this side. It was the last important action of the summer session of this Congress.

Then what did we do in that new bill? We raised the taxes on corporations from, I think, 38 percent to 45 percent. We made this increased tax on corporations retroactive to July 1, 1950. We increased the income taxes of individuals retroactive to October 1, 1950, with the result that every one of you since last October has had the withholding from your salary check sharply increased.

Today we are confronted with another war situation which is difficult. Every American heart is sad because of the Korean situation. Really this is a poor time to consider this restrictive bill. We have on our hands a real war situation, a kind of panicky situation. We have gone to work and reported what we consider an excess-profits-tax bill. But that is not going to be the principal consideration which will determine the passage of this bill. The considerations now are going to be: How about Korea? How about the President's last message? How are we going to get all of these eighteen billions that the President requests? I ask you again, What are we going to do about getting all the money which the President has asked for? I am afraid that we cannot get it through taxation. If we cannot get it through taxation, then how are we going to get it? Are we going to have to sell bonds, and pledge the credit of the Government to the extreme?

My colleagues, this is a serious situation. We are here considering what we call an excess-profits-tax bill which will at best only produce about three billions. When the other body was considering the last bill that we sent to them, they put out a report in which they said this:

> Your committee deemed it unwise to delay the bill by attempting to consider other methods of raising revenue, such as excess-profits taxes, which would require several weeks of hearings and detailed study and analysis by the committee and its staff.

Last fall when the other body had plenty of time as it were to consider the thing, they said, "This is no time to consider excess-profits taxes."

My colleagues, this is not a time to consider an excess-profits-tax bill. Ask the men in the street about it, however, and the chances are that he will say, "Tax the corporations? Yes, sir—tax them and make them pay on their war-contract excess profits." I agree with his viewpoint, but let me ask, Who has been making any excess profits out of war contracts? Heretofore Congress has not passed excess-profits-tax laws except during wartimes. They have not been making any wartime excess profits yet, but maybe they will. I know there is not a Member of the Congress who would want to willfully and knowingly exculpate or relieve anybody from paying taxes on any excess profits which he has made unfairly or purely and simply by reason of his connection with the Government in having a Government contract.

What would be the best way to handle this situation? You may think it would be presumptuous on my part to try to tell you how. I can tell you my opinion. If I had the disposition of this matter in my hands, I would pass a renegotiation bill; get ready to renegotiate contracts which the Government is going to enter into now with people who are going into the business of making excess profits. Let us do that. There is a bill pending in the House that would do effectively what we are trying to do ineffectively. It would be more appropriate if we had that bill before us now, than to have this bill with reference to excess profits, when the excess profits have not yet been made. Renegotiation legislation would catch all of those that this excess-profits bill will catch and many more.

Perhaps some of you have not considered what a renegotiation law will do. A renegotiation law will require that all contracts with the Government must be made with the understanding that the Government will know all about all costs and all profits connected with the contract and that the proper amount of taxes will be collected. The Government will say that everybody who has a Government contract over a certain amount must submit his purchases to the Government. The Government must know what you do, how you spend your money, and how much you make, and at the end of that transaction the Government will take out the profits. That is the time to take out taxes for excess profits. It is not the time now. But we have got before us an excess-profits bill, and I expect the bill will be passed.

In the committee we had a great deal of trouble to make an excess-profits tax palatable, as the gentleman from New York [Mr. REED] has stated in his remarks in great detail. It is very difficult to make an excess-profits tax work. Let me prove it to you. It proves itself.

Congress has passed only two excess-profits-tax laws. One was after the First World War and the other was during the Second World War. You know, there are thousands of claims now pending against the Government, growing out of excess-profits taxes levied after the First World War. There are thousands of those claims, involving millions of dollars. There are thousands of claims following the Second World War, indicating that it is difficult to pass a bill providing for a tax on excessive profits and make it work. The lawsuits that followed those two excess-profits-tax bills have been tremendously numerous and tremendously large in volume of dollars and they prove that those two bills were not effective and did not produce as much revenue as they should have produced.

Now, this bill that we are now considering has not been seen by a large majority of the Members and has been read by only a very few. The report has not even been read. I want to give you a little illustration of how, in an effort to tax excess profits, they will tax a man who has made no excess profits. This law will be unfair and unjust in many cases. Let me give you an illustration. It is difficult to follow these illustrations, but if you will be patient I shall try to illustrate it to you.

This bill applies only to corporations and it provides that the corporations have a right to take as their base for taxation an average of their earnings in 3 of the last 5 years—1946, 1947, 1948, 1949, and 1950. They can take the average of any 3 of those 5 years for what they call their base. Suppose I run a big department store some place in some town, far away from any munitions plant or war plant. I have been running that store for years. I made a hundred thousand dollars in 1946; I made a hundred thousand in 1947, a hundred thousand in 1948, but in 1949 and 1950 I have dropped back and make only $90,000 in 1950. In 1951 I will make only $90,000. I accept my base of the average of the three highest years; that is, $100,000. Then the law says, "We will take 85 percent of that as a basis." That is $85,000. Suppose in 1950 I do not make $100,000, but I make only $90,000. In that case I have made no excess profits. And in 1951 I make only $90,000 none of which is above the average of $100,000 which is my base. Since I have made more than $85,000 in 1950 and in 1951 I must pay an excess-profits tax on the excess over the basis of $85,000 which will be $5,000, and so I have to pay excess-profits tax of 75 percent on $5,000 which will be $3,750 for each of the 2 years. I will be paying an excess-profits tax while I did not make any excess profits in those 2 years. Not only that, I did not make as much as I did before. Of course I will pay the regular tax on the $90,000, but I was not earning any excess profits and consequently I should not be made to pay an excess-profits tax.

So I say that this bill is just full of inconsistencies and irregularities that are going to make it difficult to enforce.

The gentleman from New York [Mr. REED] mentioned the fact that nobody supported the bill before the committee except labor organizations.

Only three groups of labor people came before the committee in favor of the legislation, but against the legislation there were about 200, and I say now, Mr. Chairman, without a peradventure of doubt at all that these 200 people came from all over the country representing big industry and many small industries, but all of them representing business, and everyone was against this legislation at this time; and to their credit every one of them said, "We are

willing to pay more taxes; we have got to carry the burden, and we are willing to carry the burden." But they did not want this hasty legislation.

That is the situation that confronted us then and confronts us now. There is no question but that, if this bill passes, a lot of people will be greatly disappointed and some of them will be compelled to pay taxes they ought not to pay because they do not meet the test, and many others will make profits that are not related to the war at all, yet they too will be put through this mill. No doubt the bill will pass on this side and it will pass on the other side, but I predict that just about the first thing the new Congress will be confronted with will be the necessity for this Ways and Means Committee to bring in a bill raising much of the $18,000,000,000 with which the President wants to carry on the war. How are we going to do it? We have got to be careful how we tax.

I should like to quote from the statements of many of these very capable businessmen and lawyers who appeared before our committee but time will not permit. While the statement of each of these men was different from all others, because each spoke of his own business, yet there was a sameness that ran through all of their statements.

I shall give you a part of the statement made by Mr. Clarence D. Laylin, who is a very able tax lawyer and who represents the Ohio Chamber of Commerce, which I think is the largest State chamber of commerce in the country, and he also represents the Council of State Chambers of Commerce, to which council I think most of the State chambers of commerce belong. Mr. Laylin said before the committee:

> Business is ready to bear its fair share of necessary defense costs but we are opposed to the type of taxation which has heretofore been miscalled an excess-profits tax.
>
> The country has had ample experience with a so-called excess-profits tax; and that experience teaches us that, whatever may be claimed for the tax in theory, it is both administratively and economically unsound, even as a war measure.
>
> Its supposed virtues as a revenue measure are qualified by excessive costs of assessment and compliance; it discourages incentive for prudent management; it encourages wastefulness and inefficiency in management; it is distinctly inflationary; and it penalizes the small and growing and the progressive companies as against those which are laggard or static. In peacetime such a tax is no more than a crude attempt to limit corporate profits. Under any conditions it would not contribute to the expansion of production, but on the contrary would retard the growth of our economy.
>
> The theory of an excess-profits tax is that it recaptures for the revenues some part of those profits of a corporation which exceed its normal profits. Therefore it is necessary to devise some measure, or measures, to determine, for all the various types and conditions of corporations, what may fairly be considered the normal profits of each separate company. To accomplish this, extremely complicated bases, growth formulas, and relief devices have been and will necessarily be written into each excess-profits-tax statute. The attempt has never been successful, nor is there any likelihood that it ever will be. It is not necessary to assert that all of the thousands of unsettled and litigated cases under the law in effect at the termination of World War II will ultimately be found meritorious, in order to make the point that any tax law which engenders so much controversy is not a sound measure.

With reference to the advisability of at this time enacting legislation providing for fair renegotiation of contracts, Mr. Laylin says:

> The asserted justification for drastic taxation of excess profits is that defense preparations result in abnormal corporate profits. In our opinion, there is no reason why Government contractors as such should realize abnormal profits. Efficient procurement policies of the Government agencies with reasonable forward pricing provisions in cases of nonstandard products, and efficient over-all renegotiation, with the amounts recaptured going to the Treasury, should effectively prevent direct war profiteering, and to that extent eliminate the supposed occasion for the imposition of an excess-profits tax.
>
> No doubt it is true that the inflationary effect of large defense expenditures is not confined to government contractors, but to some extent pervades the entire economy, and enhances the profits of many other kinds of business. But if that be so, why attempt the elaborate discriminations of an excess-profits tax?

With reference to retroactivity let me say this is a legislative procedure that is seldom justified and is never without objection. With reference to this part of the proposed legislation that we are now considering, Mr. Laylin says:

> In spite of the mandate of the Revenue Act of 1950 and the recommendations of the President, the State chambers respectfully but firmly oppose making any excess-profits tax or other increased tax on corporations retroactive to any part of the year 1950. Retroactive taxation at or near the end of a calendar year would be confusing and in many cases oppressive, and could be justified only, if at all, by imperative necessity. No showing of any such necessity has been made, as we see it. The formal statement of the Secretary of the Treasury certainly makes none.

One of the largest law firms in America dealing almost exclusively with tax problems is the firm of Alvord & Alvord, who have their central office in Washington but who have other offices in other parts of the world. Mr. Ellsworth C. Alvord appears frequently before the Ways and Means Committee when tax bills are being considered. He appeared before the committee at the public hearings held with reference to the legislation that we are now considering. He went into the matter exhaustively, because his firm represents many of the big taxpayers of the Nation. In a summation of the failures of excess-profits-tax legislation that has heretofore been passed by Congress he stated:

> THE TROUBLES WITH AN EXCESS-PROFITS TAX
>
> Everyone with experience knows that a so-called excess-profits tax must not be designed to produce substantial revenues, and that no excess-profits tax has yet been devised which—(1) is a reliable revenue producer; (2) can be administered; (3) applies fairly and without discrimination; (4) encourages growth, expansion, new industries, new products; (5) promotes competition and lower prices; (6) contributes to economies and encourages decreasing costs; (7) rewards ability, ambition, risk-taking, and progress; (8) gives industry the elbow room it needs; (9) creates financial independence and stimulates sound financing; (10) grants to youth the opportunity to build a business; (11) builds strength.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I yield.

Mr. CRAWFORD. I think the gentleman has made a rather fair statement. But on what grounds can we win a tax fight if we proceed on the basis of wishful thinking and do a thing which cuts down production and discourages risk capital and scares off credit? And the other destructive thing which the gentleman from Ohio knows very well this bill will do: Our people are telephoning and writing us about these matters, and we have to say to them that as individual Members of this House we are hog-tied, that the rules of this House do not permit amendments to be offered to tax bills on the floor of the House by individual Members, and that we must either vote it up or down. That is the cold-blooded procedure we are up against, and I do not like to vote for any kind of law which my experience, my conscience, and my best judgment tells me is bad.

Mr. JENKINS. I see the gentleman's point. I can only say this by way of commiseration: We might say that this bill we have before us now is a thousand percent better than when it was when first talked about.

I want to give credit to the Republicans—and I am speaking to the group right in front of me now—for the addition of a number of provisions put into this bill, although we did not get to write them in, but at our suggestion, and because of what we did, they were put into the bill—things that have made the bill a little more acceptable and a little less unjust. But there is an over-all opposition to it, and that is against trying to impose an excess-profits tax when there is no war and when they themselves have conceded that they expect to get only about $2,000,000,000 out of excess profits. The Democrats started out expecting to get between four and six billions of dollars, but it is now coming down to only about two billion.

So, as I said before, the first thing the new Congress will have to face the first of the year will be to write a big general tax bill to do the things the gentleman has in mind. Again I say that the situation has changed since the Ways and Means Committee commenced consideration of this bill. The urge for additional revenues is so great and so demanding that it will be difficult to vote against this bill even with its faults.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. JENKINS. I gladly yield to my friend from Pennsylvania.

Mr. EBERHARTER. The gentleman just made the statement that the Republicans put certain provisions in this bill. Will the gentleman tell us any one provision they put in the bill?

Mr. JENKINS. Yes; I will mention two or three. We took care of the growth provision, which encourages growing concerns; we took care of new businesses, such as television; and we took care of those companies, of all those companies, whose rates are controlled and fixed by public commissions, such

as the public utilities, telephone companies, and transportation companies engaged in interstate commerce as common carriers. I have mentioned three. I could name five or six more, but my time is up.

Mr. EBERHARTER. I remind the gentleman that the committee——

Mr. JENKINS. I did not yield for an argument; I yielded for a question, and I have answered the gentleman's question, I think.

Mr. MILLS. Mr. Chairman, I yield 15 minutes to the gentleman from Pennsylvania [Mr. EBERHARTER].

Mr. EBERHARTER. Mr. Chairman, previous speakers, particularly on the Republican side, have already admitted that the bill as reported by the Committee on Ways and Means will undoubtedly pass, and they will probably vote for it too on final passage. So we are having a lot of debate, which is good in itself, to inform the House and the country what provisions are in the bill.

Complaint has been made that the Committee on Ways and Means should have devoted more time to the consideration of the bill and also that the committee did not understand correctly the wishes of the Members of the House and the Members of the other body with respect to an excess-profits-tax bill. Mr. Chairman, I say that every Member of this House and I think everybody in the country knows that the House and the other body intended that the Committee on Ways and Means report out an excess-profits-tax bill. There never was any doubt about that in anyone's mind, in my opinion. So the committee has now performed its function: It has reported an excess-profits-tax bill.

Mr. Chairman, I would like to go into a little history. Everybody who has followed the debate in the other body knows that when an amendment was presented to the corporate tax bill passed last year which would impose an excess-profits tax, the amendment failed by only a few votes. It failed only because a substitute proposition was offered and the promise was made at that time that this Congress would enact an excess-profits-tax bill applicable to this year's profits. The same thing is true in this body. There was no doubt about that last September when this body on roll call voted overwhelmingly, almost 2 to 1, when it voted down the previous question, in itself a very unusual procedure, so that it would have an opportunity to vote on an excess-profits-tax bill. Everyone wanted to vote for an excess-profits-tax bill last September, but we were prevented from doing so simply because of a parliamentary situation.

Now we have an opportunity to correct that failure to vote last September. Personally, I think it would have been better for the country if an excess-profits-tax bill had been passed last September. In my opinion, it would have helped stem to some extent at least the inflationary spiral to which this country has been subjected.

This excess-profits matter is not anything new. Let me remind you, Mr. Chairman, that in 1916 we passed what might be termed an excess-profits bill when we put a special tax on munitions. Then in 1917 we changed that and passed a general excess-profits-tax bill. We did the same thing in World War II. In other words, we did it in World War I and we did it in World War II. Now we are in this defensive situation, and we are going to enact it again. So there is nothing precedent-shattering about this proposition at all. Of course, those who oppose an excess-profits-tax bill do not like to say that they are opposed to it. Some of them say that an excess-profits-tax bill is all right and, "I will finally vote for one, but we need more time; we want to postpone action; wait until next year, so that we can study the situation more carefully." Of course, experience has taught us, Mr. Chairman, that when you cannot defeat anything, always try to delay and always try to postpone. That is a recognized practice. You want to put off the imposition as long as you possibly can, and your best bet is to try to postpone it in the hope that something will happen and you can ease the pain on your profits in some other manner.

Mr. Chairman, it has been stated repeatedly in public print and on the floor of this House that 200 witnesses appeared, and that most of them were against this proposition.

Mr. Chairman, an actual count shows that there were only 100 witnesses who appeared before the committee, so I would like to make that correction for the purpose of seeing that the record is straight, because the statement that 200 witnesses appeared is not absolutely correct.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield for a question.

Mr. MASON. On that one point, I am authority for stating that there were 200 witnesses who appeared or filed briefs.

Mr. EBERHARTER. Well, I had members of the staff count the number of witnesses who appeared as shown by the record, and I am informed, and I place reliance upon my information, that there were only 100 witnesses who appeared before the committee.

Now, the proposition has been put forth, and perhaps it will be presented in the motion to recommit to be offered by one of the Members of the minority, that we raise all corporate taxes at this time in place of this excess-profits tax. We have to keep in mind, Mr. Chairman, that in the future we will probably have to raise corporate rates of taxation, but we do not want to do it if we can possibly get away from it at this time, because there are many businesses right now that are suffering a loss in revenue because of the defense effort. The allocation of critical materials, the shift in expenditures by the Government for war purposes causes some businesses to be compelled to lay off people, to have a loss in income, and to have a loss in profits. The proposition to raise corporate normal and surtax rates would apply to those companies the same as the war babies, and I do not think it is quite an equitable proposition to make at this time. I personally know of companies that have had to cut their output at least in half because they cannot get the materials. They happen to be engaged in a manufacturing industry that could not get any material allocated to them, so they are getting along with but half of the production, half of the income, and about half of the profits. I do not believe that we should jump onto them right now when this great reservoir of war profits is being made.

How much are we raising in taxes on these war babies? Well, the top rate now on corporations is 45 percent. In our measure we specify that no corporation will be compelled to pay more than 67 percent. Forty-five from sixty-seven leaves twenty-two percent, higher. That is the amount by which we are raising the excess-profits tax. There is a ceiling on it. So when you refer to a 75-percent rate, you give the impression that we are raising the taxes 30 percent, but we are not, because of the over-all ceiling of 67 percent. So it is not quite so painful as some people would try to make it appear.

I was somewhat surprised, and a little bit ashamed, at the testimony that some of these representatitves of industry presented to the committee. Some of them openly and brazenly admitted that business in general would spend lavishly and would squander their money, and spend too much on advertising and in other ways waste their money and run inefficient plants, so that they would not have to pay the Government so much in taxes.

That is an admission I certainly will not go along with. I do not believe American business people in general are that unpatriotic. I think the American businessman would do his best, when we are in a critical, dangerous war situation, to produce as much as he possibly could and do everything he could to keep our forces supplied with the men, materials, clothing, and munitions that are needed. So I do not go along with the proposition that an excess-profits tax creates inefficiency and waste, because there is more patriotism, I think, in the businessman of today than those witnesses indicated.

There was even a witness or two who implied, or even stated openly, that if the excess-profits-tax law were enacted they would not give their wholehearted effort to producing all they possibly could. But I think they simply cannot indict the American businessman in that respect.

A witness appeared before the committee representing the United States Chamber of Commerce. He even went so far as to intimate that in his opinion no additional taxes were needed. He said the budgetary situation is not bad. He said we could get along without putting on excess-profits taxes now, that really there are no war profits being made, and that no excess profits would be made during 1951.

Let me answer that testimony. Actual statistics show that profits of business corporations during the first quarter of 1950 were at the rate of $29,000,000,000. Profits for the second quarter of 1950 were at the rate of $37,200,000,000. In other words, in the second quarter the rate of profits was $8,000,000,000 higher. In the third quarter a very conservative estimate was that profits would be at the

rate of $42,000,000,000. So we have a rise from a rate of $29,000,000,000 of profits of corporations in the first quarter to a rate of $42,000,000,000.

How does it happen those extra profits are made? Are they not made as a result of the stepped-up spending? Are not those profits being made as a result of the war situation? We used to call it only a defense situation, but it really is a war situation right now. Certainly those profits are stepped up by reason of the war situation, so that war profits are being made.

We ought to do what we can right here and now to take some of those profits out of war and help us bear this burden, and try to keep the American dollar on a sound basis.

Of course this type of tax is popular with the people. Why should it not be? They know the profits that are being made. They see the prices going up every day and they know who are making the profits, and they know who are raising the prices. Certainly it is a proper tax. You cannot get away from that. It is a just tax and a fair tax.

During World War II we raised $16,000,000,000 through an excess-profits tax. That is a pretty nice sum. It was taken from those concerns that made these extraordinary profits.

In this bill, Mr. Chairman, there are many, many provisions which will give relief to those corporations which have perhaps had an adverse earnings-record during the time that we are using for a base period. Of course every corporation can always use the invested-capital method, or they can use the average of the best 3 out of 4 years from 1946 to 1949, which is much milder than the excess-profits-tax bill that we had during the First World War when we had a 95-percent base and a 95-percent rate. This bill only has an 85-percent base of the 3 best of the 4-year period, and only a 75-cent rate, which is cut down to an over-all limitation of 67 percent.

The committee spent a great deal of time in working out provisions to prevent hardship—to encourage new corporations and encourage small corporations and the expansion of both large and small corporations.

We are considering what I think is a very good tax bill. Secretary of the Treasury Snyder this morning testified before a committee of the other body to the effect that the budget situation looks a little worse now than it did a month or 3 weeks ago and that we will probably have more than a $2,000,000,000 deficit this year. In the light of the recent request for $18,000,000,000 more for defense, what can this little $4,600,000,000 mean when compared to the excess profits now being made of approximately $14,000,000,000 a year above the profits level of the first of this year.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. FORD. Is this bill as presently drawn going to hit a number of the larger and more profitable corporations which happen to have had very good earning records during the proposed 4-year base period? For the information of the Members I obtained some earning figures this afternoon of General Motors, Chrysler, and United States Steel. I will read the figures. This is net income before the common stock dividends. The information was obtained from Moody's on Industrials.

General Motors in 1946 made over $77,000,000; in 1947 they made over $275,000,000; 1948 they made over $427,000,000; 1949 they made over $643,000,000.

The Chrysler Corp. in 1946 made over $26,000,000; 1947, over $67,000,000; 1948, over $89,000,000; 1949, over $132,000,000.

United States Steel—which has a number of plants in the gentleman's district—in 1946 made over $88,000,000; 1947, over $127,000,000; 1948, over $129,000,000; 1949, over $165,000,000.

The question I ask is, Will this tax bill bring sizable additional revenue from corporations of that type provided that during 1951, 1952, and as long as this proposed legislation is on the statute books, they have comparable earning records?

Mr. EBERHARTER. If those corporations have comparable earning records, they will pay an excess-profits tax by reason of the fact that we are using an 85-percent base. You see we use only 85 percent of their average earnings over the 3 years which they choose for the base period. They necessarily will, by reason of that fact, pay an excess-profits tax. But, in my opinion, the great feature about this bill is that the excess profits will, to some extent, discourage them from raising their prices higher in order to make greater and greater profits. That will help hold down inflation, in my opinion.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. FORD. Will the gentleman yield further?

Mr. EBERHARTER. I yield.

Mr. FORD. Is it not true, as a matter of fact, that this tax bill will really not touch corporations of this sort, if they have a comparable earning record? In other words, the committee proposal will not bring any substantial revenue from the larger and more profitable corporations; instead, the bill puts a greater burden on smaller growth industries?

Mr. EBERHARTER. It is true that corporations that have a very good earning record over the base period of extremely high earnings on their invested capital, will not be hard hit by the exesss-profits tax. There is no question about that. But we have not been able to find any method of reaching them by an excess-profits tax without hurting other less prosperous businesses. The only way to reach them would be to raise the regular corporate rates, or to restrict their credits in some way.

Mr. CURTIS. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. CURTIS. The weakness of the pattern we have been discussing is that if one concern has a period of high profits and another concern a period of difficulty, the concern operating in a period of difficulty will pay a tremendous excess-profits tax and the other corporation will pay but very little, if they make the same amount of profit in the future.

Mr. EBERHARTER. A person can always conjure up hypothetical extreme cases, which may seldom occur in fact.

Mr. CURTIS. Just one word in that connection. It is the general rule that the more modest the profits have been in the past, the more you get taxed under this bill. If your profits have been exorbitant in the past the less you will be taxed under this bill. A great concern whose stock is watered away down can use the capital investment method and probably pay no tax.

Mr. EBERHARTER. I will say to the gentleman that, in the case of the corporation that has been making a fairly decent profit in the base period, and which has been content with that, if by reason of this war effort it suddenly jumps its profits 100 percent or 200 percent, certainly it should be willing to pay more taxes on the excess profits earned.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. EBERHARTER. I yield.

Mr. MILLS. I would like to call attention to the fact that the gentleman from Nebraska [Mr. CURTIS] has inadvertently, I think, misstated what he had in his mind, when he referred to the invested-capital method of determining the excess-profits tax. The invested-capital method proposed before the Congress today will not permit determination of an invested-capital credit on the basis of watered stock. That might have been true under the old World War II act, but we have gotten away from the historic method of determining the invested capital in this bill.

Mr. CURTIS. Will the gentleman explain that? It was not taken up in the committee.

Mr. MILLS. Yes; it was taken up in the committee, and it was explained at length. I know that anything the gentleman heard in committee he knows more about than I do.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. EBERHARTER] has again expired.

Mr. CURTIS. Mr. Chairman, I yield 20 minutes to the gentleman from Pennsylvania [Mr. SIMPSON].

Mr. SIMPSON of Pennsylvania. Mr. Chairman, the one spokesman for the tax bill now before us, other than the representatives of the labor organizations, was Secretary of the Treasury Mr. Snyder. He was the only man in all Government who came before the committee and advocated the imposition of the tax at this time. No one was here from the Bureau of Internal Revenue to tell us how they would go about collecting this money; that was left to our imagination, and it was assumed that we would work out something better than that which took place under excess-profits taxation back in World War I and World War II. On the other hand, Mr. Snyder was very, very careful to distinguish between what Members of this House asked for, an excess-profits tax and a tax on profits. Mr. Snyder talked for a long time about a tax on the profits of corporations, and denied that we should have an excess-profits tax in the

sense the Members of Congress referred to this tax in passing our resolution directing the Ways and Means Committee to submit such legislation at this current session of Congress.

Mr. Snyder, I believe, said that we should tax the profits on corporations. I will be very frank with you. What they propose does just that, it taxes normal profits first. Under this bill after you determine your normal earnings back through the years 1946–49 under a formula which is not too complicated, and after your neighborhood corporation determines that it has a normal earning record for those years of, let us say, a hundred thousand dollars, Mr. Snyder proposes to tax a part of this normal profit as excessive. Thus if the corporation earned $100,000 in 1950, or 1951, or 1952, and not a penny more than its normal earnings, nevertheless it should be taxed at an excess-profits rate of 75 percent on 25 percent of that normal earning. The committee changed that to some degree so that today after the corporation determines what its normal earnings are from 1946 to 1949, instead of having to pay a 75-percent rate on 25 percent of its earnings it will have to pay this rate on only 15 percent. The principle is all wrong, and the committee recognized it. But it did not go far enough to correct it by taxing as excessive only that in excess of normal. It is unfair to tax as excess profits that which is normal profits, the profits without which the business cannot continue to exist upon the same level it has existed in the years past. Yet, that is what we are asked to do in this bill right here. After the corporation determines what its normal earnings are through the 1946–49 period it will have to pay an excess-profits tax even though the corporation does not make one penny more than it did in that base period; that is to say, if after earning the $100,000 in the example I cited it should earn something more, it will have to pay an excess-profits tax upon what it earns in addition to the 100 percent and on 15 percent of its normal earnings.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I will yield to the gentleman from Arkansas in just a minute.

Another matter about which I think there is a misconception is this: I have heard criticism that size alone should determine the levy of the excess-profits tax; that just because a corporation is large, it should be taxed heavier, even though the earnings that the very large corporation make percentage-wise are no greater than the earnings of a small corporation. Of course, a large corporation has many more stockholders than has the small corporation; indeed, it is in our very largest corporations where the great mass of our people who own corporate stocks have their money invested: General Motors, Bell Telephone, Chrysler Motors, and dozens upon dozens of others. Keep in mind that when a corporation pays a dividend to its stockholders, if it is unjustly taxed as excess profits, the income of the corporation whether it be a small one or a large one cuts down the dividends which the small investor living in your congressional district would otherwise receive. In a time of inflation such as that in which we are living today, I think it is unjust, inequitable, and undesirable particularly in a war economy when we are calling upon our fellow citizens, large and small, to invest their capital in war-risk industries.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Arkansas.

Mr. MILLS. I have in mind asking the gentleman from Pennsylvania the question whether or not it was not a matter of opinion actually between members of the committee and of people throughout the country as to what constitutes a normal profit? If the gentleman will refer to page 5 of the committee report he will find a majority opinion expressed in the second paragraph on that page as to why these profits in the base period 1946–49 might not be considered normal profits for the purpose of this type of legislation.

Mr. SIMPSON of Pennsylvania. The committee majority was of the opinion during 1946 to 1949 there was inflation, and I use that term in the sense there was an abnormal spending of money for war purposes. We are involved in war now and I hate to admit that the money we spent in that period did provide the things to conduct a war.

I say that in reality 1946–49 was as nearly normal as we could have gotten. At all events, the public has been convinced that that period did represent a period of normalcy.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Michigan.

Mr. CRAWFORD. May I review here for a moment. If I understood the gentleman from Pennsylvania correctly he has told us that the Secretary of the Treasury took the position that the average or normal earnings for the base period, in the case of the $100,000 illustration, of the corporation should be taxed 75 percent of $25,000 of those earnings?

Mr. SIMPSON of Pennsylvania. That is correct.

Mr. CRAWFORD. And, for instance, if the corporation earned $125,000, which is $25,000 over the average or normal, $15,000 of the $100,000 should be taxed at 75 percent and $25,000 should be taxed at 75 percent?

Mr. SIMPSON of Pennsylvania. Yes. That was not the recommendation of the Secretary of the Treasury. That was the result of committee action.

Mr. CRAWFORD. Then the present bill carries the committee action?

Mr. SIMPSON of Pennsylvania. That is right.

Mr. CRAWFORD. $15,000 at 75 percent and $25,000 at 75 percent instead of the excess at 75 percent?

Mr. SIMPSON of Pennsylvania. Yes. As I see it, we are not as far wrong as the Secretary of the Treasury.

Mr. CRAWFORD. May I ask another question? I should like to have the gentleman's opinion because I think he has a good opinion. He is from a great industrial State and certainly it is production we are up against now if we are up against anything. It is more and more production and I wish it were less and less inflation. In the gentleman's opinion, what effect will the committee formula presented in this bill have on risk capital or investment capital or on the production of war goods or on all three?

Mr. SIMPSON of Pennsylvania. Well, first of all the passage of this bill is inflationary. I think by far the greatest effect of the bill will be the retarding effect it will have on any industry which chooses to expand. I consider that the so-called relief provisions in here are entirely unsatisfactory when viewed by any man with capital who seeks an investment where he has safety, and where he has the hope of a return which would justify his investment in a hazardous business. Putting it another way, a man with capital to invest, in looking over the field for investment, would place his money in an industry such as the food industry where there would be a high degree of safety, with little or no risk; where the return would be equal to, or greater than, the probable return if the money is invested in a hazardous war industry, subject as it would be to this excess-profits-tax bill. This is true for the war industry would have its normal earning period, and the rate of return allowed on capital is no more for the hazardous war industry than for the safe and nonhazardous business. The result is that the investors' money seek the safe investment; it is unlikely to take the chance of investment in the war industry where there is no prospect of greater profit.

I think that the passage of this bill will tend to restrict expansion of industries which are vital in this war economy in which we live. I think that that is the real danger in this bill. I do not care if some corporation makes a little more money than normal profits, if, by taking away that little extra bit of money we create a situation wherein that industry cannot expand, or will not expand, and our national defense fails. One result is that we do not have for our men overseas, wherever they may be, the war equipment that is so essential, and which we can only get as industry expands. Of equal importance is necessary capital for industries change over from peacetime production to the manufacture of wartime equipment. All too often we think of war production as involving the construction of a new factory, the creation of a new corporation, and all that, when, in reality, it is our presently established businesses that simply retool and shift over to a wartime economy. That takes a great amount of capital. Either they have to try to get the capital from private investors or they have to go to the Government with outstretched hands and request it. I do not want Government control in our war industries, or elsewhere. It kills production.

Mr. CRAWFORD. If they go to the Government, the Government has only one place to get it, and that is either to increase the tax load or borrow it.

Mr. SIMPSON of Pennsylvania. That is correct.

Mr. CRAWFORD. And if they borrow it, that means more inflation.

Mr. SIMPSON of Pennsylvania. That is correct.

Mr. CRAWFORD. Because certainly your situation now is such that present financing is primarily going through the bank portfolios, and if a man wants to be to the least degree sensible, he will have to admit it to himself that the majority of the new financing will go to the bank portfolios, and that that in itself is almost sheer inflation.

Mr. SIMPSON of Pennsylvania. Yes, and the passage of this bill in taxing these corporations at such an extremely high rate will remove some of the money they need for expansion, which they now have, and at the same time make it less likely that they can borrow the money to replace capital needs.

Mr. CRAWFORD. What is there in this bill, if anything, which enables the person who does have the courage to build a new plant for the production of war goods or peace goods, or whatever you want to call it—I do not make any distinction between them—with respect to amortization over a short period of time?

Mr. SIMPSON of Pennsylvania. I think we put nothing in this particular bill with reference to that. We have an existing law providing that an expanding industry may get a certificate from Government and amortize in 5 years.

Mr. CRAWFORD. But there is nothing new in this.

Mr. SIMPSON of Pennsylvania. No; nothing new in this.

Now I want to talk about our hearings for a moment, because that certainly is a significant point. We had before the committee about 100 businessmen, representing 350,000 corporations in this country. They represented associations, chambers of commerce, and other business organizations. The significant point is that of the 100 who testified there was not one who thought that the excess-profits tax along the line suggested by the Treasury was a proper thing to impose upon industry at this time. It is significant that out of that 350,000 corporations represented in those associations, only about 70,000 of them will ever be subject to the excess-profits tax. So, you have 270,000 or 280,000 corporations not subject to the excess-profits tax appearing here through their representatives asking that some other scheme be used to provide the increase in revenues which they all recognize as necessary. They are willing to assume their share of the tax, but they do not want the economy stifled by an unjust and unworkable tax. Keep it clear in your minds that every witness said that we should collect not four billion but from five to six billion dollars at this time from industry, saying that the excess-profits tax was not the right way to do it and adding that they had an alternative to offer. I regret very much that our great committee did not do our duty when we refused those gentlemen permission to present to us the alternatives which they had thought out as being a proper basis for the imposition of a tax to provide revenue today. The committee should have welcomed their suggestions, instead of limiting them to 15 minutes to point out defects in the Treasury's proposal obvious to all.

As I said earlier, the so-called relief provision of this bill designed to take care of growth companies is utterly unfair and unsatisfactory. They are impossible to operate to the satisfaction of all our people, which means to enable the growth companies to grow as they should.

Mr. Snyder appeared today before the Senate Finance Committee and talked about the bill which is before us. He agreed with it in general, in effect agreeing with a bill which was largely written down in the Treasury Department. I believe that is true because he picked out only two things which he says are undesirable features of the bill. He says:

> Although the liberalized features of the House bill generally accord with the views of the Department, the bill contains some provisions which tend to create rather than alleviate inequities.

Those two provisions to which he refers as being undesirable are the two which the majority of the House Committee on Ways and Means thought to be very important if we are to avoid inflation. One has to do with the question of utilities; your electric light, your gas, and your water services, which are charged to you under rates established by the regulatory bodies of the Federal Government or the respective States.

The members of the Committee on Ways and Means decided that where a regulatory body imposed a limit above which the utilities might not earn without a reduction in rate it would be unfair to impose an excess-profits tax unless the tax did not begin until that level had been reached. The committee so decided that the tax should not apply below earnings of 6 percent. Now, Mr. Snyder says that is all wrong, that utilities should be taxed on earnings even though less than allowed by the regulatory bodies.

The answer is that if you take any money from a regulated utility as an excess-profits tax, $100,000, let us say, and then under the regulatory bodies practice you allow that corporation to regain that $100,000, your consumers are going to pay increased rates. They will pay in higher rates not $100,000 but four times that, or $400,000. It is highly inflationary. It will increase the cost of public utilities to the consumers. The provision in the bill today should be kept there notwithstanding Mr. Snyder's recommendation.

Mr. BENTSEN. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield to the gentleman from Texas.

Mr. BENTSEN. Does the bill provide a restriction on institutional advertising? By that I mean if the Chrysler Corp., say, turns to tank production and it wants to advertise that some day it will be back manufacturing automobiles, is it restricted on such advertising?

Mr. SIMPSON of Pennsylvania. May I suggest that the gentleman refer to page 58 of the report, under section 449. I have been advised that the language in the bill is a repetition of the language contained in the World War II Act.

Mr. BENTSEN. The gentleman means there is no change in the law as it was in World War II?

Mr. SIMPSON of Pennsylvania. I have been informed that there is no change in that provision.

The great aircraft industry made no money during the years 1946 to 1949. The great electronics industry made no profit during those years in any substantial amount which would justify those earnings as a fair and equitable base upon which their future earnings might be judged. In the television industry there were losses through 1946, 1947, and 1948. There was a substantial gain in 1949, and a very heavy increase in 1950.

Considering the television industry, about which the gentleman asked a moment ago, 75 percent of the net income of the television industry in 1950 will be subjected to the excess-profits tax rate of 75 percent under this bill. The average for all industry is as follows: Thirty-eight percent of the net income of all the corporations in the country will be taxed at the 75 percent rate. Consequently, the television industry, upon which we must depend for a large part of our expansion in the electronics field under war pressure, will be taxed on three-quarters of its income, that is, 75 percent. This is unfair and prejudicial to an essential wartime industry.

The very industry which must expand and toward which we want to attract capital is being penalized under this bill because of the relief provisions not going far enough. Under previous laws we had a section which has been very greatly discredited. It was known as section 722, a section designed to provide relief to any industry which felt that it did not come within the average earning base in a fair and equitable way and to provide relief for the industry which, through some unanticipated hardship, had not been able to earn money during the base period. There is no section 722 in this bill, and these relief provisions have been designed to make section 722 unnecessary. I do not like section 722. Why, today—6 years after the excess-profits tax law has lapsed—there remain 22,000 cases of the 50,000 arising under that act, unsettled, involving $5,000,000,000. That is almost one-half of the money which was collected under the excess-profits-tax law. Yet without a workable section 722, there is no way whatever for business to turn for relief if it does not fit exactly in the strait jacket imposed in this bill.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. SIMPSON of Pennsylvania. I yield.

Mr. REED of New York. We had testimony from one prominent businessman that he had engaged the time of 40 people for one whole year just preparing the case, and even then he did not get any relief.

Mr. SIMPSON of Pennsylvania. Yes, he represented one of the larger enterprises, as the gentleman from New York states, which had 40 men engaged for a year to prepare their case. Incidentally it has not yet been settled.

Think of the thousands upon thousands of dollars involved here, and then realize how utterly impossible it is for a small-business man to do the necessary and proper work to present his case before one of these Government agencies.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. MILLS. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. COMBS].

Mr. COMBS. Mr. Chairman, I want to offer a few general observations on this bill. In the first place neither I nor, I am sure, any other member of the Committee on Ways and Means would contend that this is a perfect piece of legislation. If you or I waited until we could find the perfect tax bill to vote for, we never would vote for one because there is no such animal. This economy of ours is, we might say, woefully and frightfully constructed. No kind of law which taxes people on their income, whether as individuals or as corporations can possibly fit equitably and justly in all situations. It is beyond the ingenuity of the human mind to create such a law. We had particular difficulty in writing this bill. This bill, incidentally, was written by the Committee on Ways and Means and not by the Treasury as some opposition speakers have charged. But we did have great difficulty in writing the bill because of the limitations of time. The bill is 146 pages long. Tax legislation is exceedingly complicated and difficult to write. Yet, our committee came back here November 15 under what amounted to a mandate from the Congress itself to have the bill ready for the Congress to consider when it reconvened on the 27th of November, or as shortly thereafter as possible. In that connection I want to comment a bit on the observations made by a couple of Members who preceded me, including the distinguished ranking minority member, the gentleman from New York, for whom I have the greatest regard, criticizing the Democratic members of the Committee on Ways and Means for refusing to explore or hear testimony upon various alternative methods of taxation. I would remind the gentleman that in the first place last September the Congress enacted a tax-revision bill which increased the taxes both of corporations and of individuals. We made that bill retroactive as to corporations, to July 1, and we made it effective as to all other taxpayers as of October 1. Because the Members were not satisfied that we had not included a provision for an excess-profits tax, and in view of the world situation which was developing, we voted to come back on November 27 and in substance add to what we were then doing, an excess-profits-tax provision. We were not directed to explore other forms of taxation. Also, the gentleman knows, and every member of our committee, and I think every Member of the House knows that had we turned aside into the complicated field of general taxation to hear testimony, and to attempt to weigh it and write a tax bill of a general revision nature, the result would have been no excess-profits-tax bill at all and thus we would have lost any chance to capture a part of excess profits for the last half of 1950. In all kindness I say that there were various moves made on the other side that rather indicated that the minority wanted us to wait until next year at least; that they did not want any excess-profits-tax bill at this time. We felt on our side of the table that we had been ordered by the Congress to write such a bill for its consideration, and we rested under the responsibility of tendering such a measure to the membership. We have done our best. And you have the bill before you.

Now let us notice this matter of the criticism of the way the committee conducted hearings. My distinguished friend from Pennsylvania [Mr. SIMPSON], who has just preceded me, was critical that we could have received the testimony of 300 or 400 corporate representatives, and that we listened to only 200 or less. I think it was 8 days of hearings, the maximum time we felt we could give to the proposition of hearings, that we listened to the testimony of witnesses. A little more than 1 day of that time was taken up by the representative of the Treasury, and, with the exception of two or three witnesses who were heard briefly, 6½ or 7 days of time was given over to listening to the representatives of various corporations who were objecting to an excess-profits tax or criticizing the provisions of the proposals—a very fair hearing, I should say. We might have been able to hear the testimony of 400 or 500 representatives of corporations. Only they, incidentally, were affected by an excess-profits-tax bill. But they have their trade associations. They have their paid agents, but the people have none. Those whose sons are dying in Korea have no special representatives here. The little taxpayer who is having his taxes upped by this same Congress had no way to be here. He had only you and me here to represent him. That is all. I think we did a fair job listening to the complaints of those who object to an excess-profits tax. We have attempted to avoid inequities to which our attention was called. We have written this bill, and I think it is a very conservative bill; and I, for one, plugged for that kind of a bill. I do not mind saying so. We were confronted with the proposition of trying to frame a law that would reach only the excess profits of those who were profiting largely from the abnormal conditions, while at the same time avoiding hurting many, many businesses that are not profiting abnormally or perhaps are even making reduced profits because of the present emergency. We had in mind the little business people, thousands of whom have started their business since the end of the last war, who have borrowed capital and have been trying to expand, during these last 3 or 4 years as they established their businesses, and have made no profits at all, or only small profits, and who have heavy obligations to meet, both in interest and in principal payments. We painstakingly wrote into this law provision after provision intended, as best we could write it, to safeguard their interests.

In the first place, no corporation will be liable for the excess-profits tax unless it makes in excess of $25,000 net profit.

That is a provision that automatically gives the benefit of complete exemption from excess-profits taxation to the little corporation.

In addition to that the bill gives liberal credits on borrowed capital for all businesses.

In addition, the bill increases the percentage allowance on interest payments for corporations.

Also the bill contains alternative provisions in the case of corporations that had no earnings experience base. They may take the average income percentage over the base period of the industry as a whole and apply it to their capital investment as a base.

I do not have time to enumerate all of the many provisions the committee painstakingly worked out in the time we had and wrote into the bill in an attempt to help the little fellow, as well be fair to all corporations.

I would not impugn the motives, but I think the judgment of the Members who are criticizing this bill may be questioned. It so happens that they came forward, or the gentleman from New York did, with a proposal as an alternative to the excess-profits tax. What was it? It is a matter of record. He proposed that in lieu of this excess profits as the majority have fashioned it to capture profits from the high income fellow while relieving as much as possible the corporation of modest income, he came forth with a provision that would have upped the corporate rate to 50 percent on every corporation with a limit of 55 percent over all. This would mean that the smallest corporation, the one with the lowest earnings, whatever its earnings were, would have had one-half of those earnings taken, but the big corporation—and I know of one which earned over six hundred million after the payment of taxes—would have paid a maximum of 5 percent on its take. Those profits were made at a time of great and dire distress; they were made on products sold to people who had to buy them because for 5 years they had not been able to get them; they were able to charge what the traffic would bear and put the money in the bank.

I hold no prejudice against the big corporations; I am not saying that we should single them out; I have made no such argument in committee, in public, or anywhere else. But I am saying to you that those who have been in position because of the need of their industry or the product they sold, the scarcity of their product, and with the privilege of charging what they pleased, should not object that they shall have to dig into their profit level a long way down to help ease the burdens and help defend the Nation in which they had the privilege of private enterprise and private ownership, and within which they have been permitted to thrive and to make those great profits.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield to the gentleman from Michigan.

Mr. FORD. On the basis of a 10-percent increase in the so-called normal rates, would not a corporation like General Motors, Chrysler, or United States Steel—and I have the figures of their earnings for the last 4 years—pay more taxes than in the present excess-profits proposal that is before us?

Mr. COMBS. That could be true. I have not the time to figure it out. It would depend on several factors.

Mr. FORD. In other words, you cannot say that this bill will hurt the more profitable corporations which have established excellent earning records in the last 4 years? A flat 10-percent increase in the corporate tax rate will bring more revenue from corporations of that type.

Mr. COMBS. Let me answer the gentleman right there: If you put the corporate rate up to 50 percent, as the gentleman suggests, you would be hitting not only those very few who have built these large profits but also you would increase to 50 percent the normal tax on every corporation, whatever its earnings may have been, even though they were as low as 1 percent of its investment. It would not tax excess profits at all.

This excess-profits bill is, I hope, by no means the last word on the subject. The Congress, come next spring, is going to have to restudy the whole field of taxation. In writing this bill we have in mind that we were writing it in a way so that it would be related back and the big companies you talk about might not have been hurt at all, but we were very careful that the many thousands of businesses of moderate income be not indiscriminately hurt by a rate suddenly related back.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. COMBS. I yield.

Mr. MILLS. Is it not impossible to answer the question of the gentleman from Michigan categorically without knowing what the profits of these companies will be in 1951 or 1952 when this bill may be in effect?

Mr. COMBS. That is true.

Mr. MILLS. Certainly an excess-profits tax bill in those years might bring in a lot more money than a 10-percent increase in present tax liability.

Mr. COMBS. That is possible. That would depend on the application of 85 percent of the base that we have set up.

Mr. MILLS. It would depend on what they make in 1951 and 1952.

Mr. COMBS. Yes; and on that base. Mind you, had we not dropped that base down to 85, those same companies you speak of with their earnings over 1946, 1947, 1948, and 1949 would have been able to earn up to the present level and very largely without paying a dime of excess-profits tax.

Mr. FORD. I would like to read these figures for United States Steel for 1946 to 1949. I am convinced the gentleman will admit a flat 10-percent increase, assuming that United States Steel has the same earnings in the future, would take more of a tax bite out of those corporations than this so-called excess-profits tax proposal.

Mr. COMBS. That is possible.

Mr. FORD. You are trying to get revenue from the most profitable corporations who have made and probably will make lots of money. The 10 percent normal tax rate increase is the better way of getting at that potential Federal revenue.

Mr. COMBS. Let us drive a peg at that point. If taxation were that simple, we could have done the job in one day, sir, very easily and very simply. Let me draw a distinction between an excess-profits tax as distinguished from an across-the-board rate. I would not favor such a thing normally when the law of supply and demand controlled. It can be used properly in time of an upset economy when earnings opportunities are not the same and when supply and demand do not control prices and income. In those cases it is a type of tax you can relate to the cases of high-income producers and to that extent keep the tax lower on the fellow with lower income. Mind you, in times of stress, such as we have now, the manufacturer of luxury goods, the manufacturer of products for private consumption that use critical materials and thousands of businesses in this Nation make less money in wartime and in time of distress than in normal times. We must keep those people in mind, too, sir. If we would up the rate too much across the board, as the gentleman suggests, we would put a lot of them out of business.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MILLS. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. FORD. Will the gentleman from Texas answer this question: Does he think that the profits say of General Motors for the last 4 years have been excessive, and these are the figures before common stock dividends: 1946 $77,000,000 plus, 1947 $275,000,0000 plus, 1948 $427,000,000 plus, and 1949 $643,000,000 plus. Are those profits excessive?

Mr. COMBS. I am not going to attempt in this brief time, and with the limited knowledge I have, to determine whose profits are excessive; but I want to say that the $450,000,000 and the $643,000,000 the gentleman is talking about is not hay.

Mr. FORD. I agree with the gentleman, but assuming that that corporation does make the same kind of profit in the next taxable year, General Motors will not be taxed a great deal more by the tax law that the House may approve in the next few days.

Mr. COMBS. It would pay considerably more. In planning a tax you have to plan it with a great deal of care. You will notice that I carefully refrained from calling corporations by name. We have to plan not merely with respect to United States Steel and General Motors but with respect to thousands and thousands of corporations to whom the same yardstick would have to be applied. That is one of the difficulties in writing a tax bill. You cannot single out just a few for special treatment. Also those corporations which will have some millions left with which to operate after we are through taxing them are not going to be hurt. It looks to me like, to answer the gentleman's question in a general way, we can dip into those $400,000,000, and $600,000,000 profits of any corporation that has them for a large sum without hurting them.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I am not going to enter into a general discussion of this bill. I have a carefully prepared, carefully thought out and carefully documented statement that I propose to present, and I shall not yield for any interruptions until I am through. Then I shall be glad to enter into a free-for-all.

Mr. Chairman, we have before us for debate and action a "pig in a poke" because not one Member of this House can possibly know what is in this bill. Anyone voting for it under those circumstances must close his eyes, hold his nose, and hope for the best when he votes.

This bill will do just the opposite to what the American people expect and want it to do. They expect it to check inflation; it will cause more inflation. They expect it to skim off excess war profits; it will allow General Motors to continue to earn excessively high profits, but will take 67 percent of the profits that small struggling corporations may make if those small corporations did not make profits during the base period.

Mr. Chairman, our committee held public hearing on the subject of an excess-profits tax. Two hundred witnesses were heard or filed briefs. One hundred and ninety-seven of them were opposed to the tax. Three of the witnesses testified in favor of the tax—one representing the CIO, one representing the A. F. of L. and one representing the electrical workers union. The opponents of the tax made the following points against it:

First. It is an inflationary tax, not a deflationary one. It encourages the manufacturer to disregard costs of production and to pay more for both raw products and labor because the increased costs largely come out of Uncle Sam's cut of the profits.

Second. It discourages efficiency in production and encourages inefficiency, because 75 cents out of every dollar made above the so-called normal profit has to go to Uncle Sam.

Third. It takes away from a corporation the incentive for business expansion and stepped-up production—two very desirable things in a war economy.

Fourth. All former experience with an excess-profits tax proves that it is impossible to draft one that will treat all business enterprises fairly and equitably.

In lieu of an excess-profits tax these witnesses proposed an increase in corporate tax rates, a slight increase in individual income-tax rates, and a renegotiation law that would take away all excess profits from war contracts. Such a tax program would bring in more money to the Treasury than the proposed excess-profits tax and it would do it more easily and equitably.

Mr. Chairman, under questioning, Eric Johnston, representing the Motion Pictures Industry of America, stated:

An excess-profits tax is extremely inflationary in its effect upon our economy. * * * It will discourage, not encourage, business expansion and stepped-up production. * * * Needed revenue for the Treasury can be secured more readily and with less trouble by simply increasing corporation surtaxes.

Mr. Ellsworth C. Alvord, chairman of the committee on Federal finance, United States Chamber of Commerce, in his testimony before the Ways and Means Committee, said:

If this committee passes the proposed excess-profits tax, the results will be the exact opposite to those desired by the committee.

Under questioning Mr. Alvord admitted that his general statement when translated into specific language would read:

You want deflation; you will get inflation. You want revenue; you will get little revenue. You want business expansion and increased production; yet you remove all incentive for securing either by the passage of this bill.

Bradley Dewey, president of Dewey Chemical Co., Cambridge, Mass., summed his testimony up as follows:

One of the most encouraging phenomena of the postwar years was the number of returning young men who started a new business. Many of these have not as yet become profitable. Today they are just turning the corner. These new businesses must not be crippled by an excess-profits tax which is a tax upon healthy growth.

Renegotiation of war contracts can stop the war profiteer. Let renegotiation tax away actual excess war profits but keep our basic economy healthy so that the young men who are coming along may have the same opportunities to organize and promote new companies and new products as their predecessors. Tax the profits out of war by renegotiation.

Mr. Chairman, new enterprises usually start out with risk capital and borrowed money. New enterprises involve considerable risk and are accompanied by a high mortality rate. This makes a return higher than that allowed on invested capital a necessity in order to attract venture capital. In addition to the risk capital invested in a new business, practically every new business finds it necessary to borrow money. This debt must be paid off out of what is left of the profits after taxes have been paid. An excess-profits tax will make it very difficult, if not impossible, to pay off debt.

Inability to attract risk capital and inability to pay off debt will mean the end of new enterprise. This, in turn, means the end of employment opportunities afforded by new industry, which again in turn cuts off potential sources of tax revenue for the United States Government. In the event the present international crisis lasts for 10 years, or 20 years, as some of our people believe it will, it will mean the complete elimination of new business. This will upset the economic balance between small business and big business; it will destroy employment opportunities for perhaps an entire generation of our young people; and over a period of years it will provide less in total taxes for the Treasury. Therefore, this tax will defeat its own purpose.

Mr. Robert C. Tait, president of the Stromberg-Carlson Co., of Rochester, N. Y., gave convincing testimony to the effect that an excess-profits tax such as the tax proposed in this bill will stifle industrial growth; foster waste and inefficiency; put a premium upon overcapitalization, and a penalty upon brains, energy, and enterprise; discourage new ventures and confirm old ventures in their monopolies; feed inflation; and be discriminatory and unfair.

Mr. Tait's prediction of these dire results came directly out of his observation and experience with the excess profits tax of World War II—after which this one is patterned. Mr. Tait quoted Fred Vinson, Secretary of the Treasury in 1945, as saying:

The difficulty is that calling profits excessive does not make them excessive and calling profits normal does not make them normal.

Mr. Chairman, it would be folly for us to finance a program to build up the war strength of America by a tax that will weaken the economic and financial strength of America. And that is exactly what this tax will do. We can win the all-out wars of today only by mobilizing our full strength—military strength, economic strength, and financial strength. The advocates of this tax do not realize that after 5 or 10 years of such a tax, corporate enterprise would take on the characteristics of our bureaucratic government—little incentive for improvement, little fear of waste, and little or no pressure from competition—because profits under this bill would largely depend upon having a big tax credit to start out with, not upon a dynamic force to produce growth and efficiency. As one witness before our committee put it, "Under an excess profits tax efficiency is worth only 25 cents on the dollar, and waste costs only 25 cents on the dollar." An excess profits tax therefore becomes an invitation to extravagance and waste in corporate management, whereas what we need most today is maximum efficiency and stepped-up production.

Now, Mr. Chairman, if we are to have an excess profits tax law, with all its inequities, its injustices, and its bad effects upon the economic and financial life of the Nation—and it looks from the way this pig in a poke is being jammed through the House that we are to have such a law—then I want to call your attention to a glaring inequity presently existing under our tax laws, an inequity that will be tremendously aggravated by the passage of this excess profits tax. I refer to the tax-free status of what is known as section 101 corporations.

This bill has it in a clause that specifically exempts section 101 corporations from payment of this excess profits tax. Many of these exempt corporations are engaged in the same sorts of business as the corporations that this excess profits tax bill proposes to tax. They make profits of the same kind. If taxable corporations make excess profits, these exempt corporations will make excess profits of the same kind. They will make war profits of the same kind. There is no guesswork about this. We know that it is true because we have the precedent of what happened during World War II.

According to the official figures of the Farm Credit Administration—report 157, Statistics of Farmers' Marketing and Purchasing Cooperatives, March 1950, page 7—the business volume of cooperatives doubled between 1942 and 1945, the years of the war. Total volume, according to this official source, was $2,040,000,000 in 1942; twice that amount, or $5,645,000,000, in 1945. I have good reason to believe that actual business of the cooperatives was vastly more than these figures show, but a tremendous increase in business due to the war is fully established even by these official figures. Since volume doubled, it is fair to assume that earnings also doubled. By the method of computation and rates which were used in connection with the excess-profits take of that time, and is proposed again in the bill under discussion, the Treasury would have collected a substantial amount of money. But no tax was paid by the cooperatives. Instead, an equivalent of the money that competitors were forced to pay in taxes was plowed back into the co-ops' businesses, permitting them to expand by leaps and bounds.

In 1948–49—still by their own figures which omit so many items of operation that they represent probably only a little more than half the actual amount—the cooperatives did $9,320,000,000 of business. Allowing them a normal rate of profit and giving them the 85 percent credit which his excess-profits tax bill proposes, their excess-profits tax would amount to $63,000,000, enough to buy a goodly number of the guns and tanks and planes that our boys need in Korea.

Mr. Chairman, I can find no possible legitimate excuse for the continued exemption of the various tax-exempt organizations and corporations, whether from the proposed excess-profits tax or from the normal high tax that is imposed upon their competitors. We are entering upon a period of extraordinary expenditures for defense and perhaps for war. We are imposing taxes at wartime rates. But while we are saying to some corporations that they shall not be permitted to make a profit out of the business they do during this time of national emergency, we are saying to certain other groups—directly competitive with the first group—that they may keep the full 100 percent of their profits to do with as they please. That just is not right. It does not make sense.

In the revenue bill of 1950 we made a beginning toward closing certain loopholes through which business was being done without the payment of taxes. We told the colleges, the charities, and the foundations that they must pay the regular rate of corporate income tax on competitive commercial business. At that time we deferred consideration of the taxation of mutual-savings banks, building-and-loan associations, cooperatives, and other mutuals until the tax bill of 1951. In January I shall again introduce a bill to tax the business earnings of all tax-exempts, both as a matter

of justice to other business and as a way of adding an estimated $750,000,000 a year of new revenue to the Treasury.

Mr. Chairman, the Government is offering the full protection of its arms to all business. It does not limit its protection to regular corporations and partnerships, though it does require them to pay for what they get. As a matter of decency and patriotism, the tax-exempts should willingly come forward and pay the same taxes that other companies pay. I have heard of only one, however, that has even made such a gesture—and I am told that other cooperative officials contemptuously declare that Union Equity Grain Exchange of Oklahoma is crazy to be paying anything at all.

I hope that the Senate Finance Committee will strike out of the bill now before us under a closed rule the provision that specifically exempts section 101 corporations from the payment of this excess profits tax, and that the Senate will write into the bill a specific provision requiring all section 101 corporations to pay the same excess-profits tax as their competitors.

That, Mr. Chairman, would be only a start in the right direction. We can then finish the job by taxing all their earnings, in the regular tax bill of 1951, as promised by Senator GEORGE, chairman of the Senate Finance Committee.

Mr. COOPER. Mr. Chairman, I yield 15 minutes to the gentleman from Ohio [Mr. YOUNG].

Mr. YOUNG. Mr. Chairman, the Wall Street Journal, comparing this year's profits with last year's, reports 419 leading industrial and commercial corporations increased their earnings for the third quarter of 1950 ending last September 30 by 53 percent. Remember this is 53 percent in just 1 year. Furthermore, the National City Bank of New York, in its November bulletin, reported that war profits are not as yet a major factor.

We did not delay sending our soldiers to Korea until we had a mighty military organization with the most perfect of modern instruments of war and with every soldier carefully trained for a period of a year or longer. That was simply out of question. Well, we should not now wait to tax excessive profits from the war emergency until we have the most perfect excess-profits tax law. This Nation is at war. We should pass this excess-profits tax by December 6 so that the other body will have time to act on it by December 20. This will allow a couple of days for conference between the House and Senate to iron out differences. By working on this timetable, we shall have an excess-profits tax law ready for the President's signature before Christmas.

Earlier this year, this Congress added $3,000,000,000 in revenue per year from individual taxpayers of this country and only one billion and a half in additional revenue from corporate income taxes. Were we to fail to pass an excess-profits tax bill before the end of this year, retroactive to last July 1, we would be properly subject to criticism.

Our desire in passing the bill now being considered is to bring into better balance taxation burdens against individuals and against corporations. The facts are, we have not been calling upon the corporations of this country to contribute their fair share of the vast amounts necessary for national defense. Regardless of what any gentleman may say, this Nation is at war. Furthermore, it is not a war of our own choosing. The dictators of the Soviet Union are waging war against us by proxy. Let us try for an equality of sacrifice. We should not want to tolerate war profiteering at a time when our young men are being compelled to make the supreme sacrifice overseas. Let us try to prevent any war millionaires to emerge from this war. This particular bill may not accomplish that, but it is a step in the right direction. The increase in corporate profits this year is the largest in the history of the United States.

During the third quarter of 1950, corporate profits in this country amounted to $42,000,000,000. It is safe to assert that this year corporate profits will total $10,000,000,000 more than last year. Yet enactment of this bill into law will take only approximately $3,000,000,000 of that sum to help defend this Nation against aggression of the Soviet Union.

Our President has concluded that were we to provide for $4,000,000,000 per year additional revenue by an excess-profits tax, no hardship whatever would be imposed on corporations. I assert that this very moderate bill should be passed in the House of Representatives by an overwhelming vote. I assert that even with more drastic legislation providing for an excess-profits tax, our corporations would be able to maintain present rates of dividends to stockholders and retain record amounts of earnings for corporate reinvestment. With the enactment of this bill into law, corporations of this country will still be able to devote next year more than $20,000,000,000 to dividends to their stockholders and for reinvestment to expand their corporate businesses. This leaves to corporations an amount which equals the record of 1948 and exceeds all other years. This after payment of all taxes, including excess-profits taxes.

Many Congressmen questioned the fairness of raising the tax burden of individuals earning less than $5,000 a year by more than 20 percent. Also, of increasing taxes on small corporations and yet failing to impose an excess-profits tax against abnormal corporate profits. I feel particularly sorry for young married people already hard pressed by the high cost of living. They may properly resent an increase in their own taxes if we permit abnormal profits of corporations to go untaxed. We have worked hard to prepare this bill. It is a good bill. We shall pass it tomorrow despite opposition and attempts to kill the bill by recommitting to the Committee on Ways and Means.

Last October Congress made a commitment to pass an excess-profits tax.

Minority party leaders seek to prevent passage of a tax bill this year by a motion to recommit. Republican strength in the coming Eighty-second Congress will be greater than in the present Congress. Big business hopes to escape higher tax rates for the last half of 1950. The prize is a big one. Third-quarter 1950 profits are by far the largest in United States history.

Opponents of an excess-profits tax seek to place most of the burden of taxes, necessary for our war effort, upon individual income taxpayers. Also, they advocate enactment of a Federal sales tax on manufactured articles. This would be a tax on consumption.

The question is: Will people insist that the cost of our armament be borne on the basis of ability to pay?

Reactionary Republican leaders endorsed the proposal of the United States Chamber of Commerce as a substitute for an excess-profits tax against abnormal corporate profits. This program proposes an over-all corporate tax rate of 50 percent. This is not much higher than the present maximum rate of 45 percent. Then they propose to raise another four or five billion dollars per year by imposing additional excise, or sales taxes. These are taxes against consumers which fall most heavily upon those least able to pay.

In addition, they propose lowering the present $600 exemption. This would penalize low-income families. The facts are, the present exemption is too low and should be increased instead of lowered.

Reactionary Republican leaders—and their power will be increased in the next Congress—propose to make the little fellow pay while the big fellow who profits so heavily from our defense program will contribute less than his proper share.

Then they propose, they say, to slice $6,000,000,000 off nonmilitary expenditures. That all sounds very good. What are the plain facts?

Total nonmilitary expenditures of the Federal Government approximate $12,000,000,000 per year. The United States Chamber of Commerce proposes to whack them almost in half. In other words, to slash at things the Government has come to do for its people. Social welfare, Federal aid to education, public health, public power and reclamation projects, and to cut social security, instead of expanding and liberalizing it. President Truman terms these expenditures as investments in the future of our country, yet if all these welfare projects were stopped altogether only $4,000,000,000 per year would be saved. Then if housing were eliminated, adding another billion dollars, that would still fall short of $6,000,000,000. Our Government does a great many things big and little—for example, for aviation by providing facilities, for shipping through subsidies to maintain a merchant marine, and for public utilities and other businesses loans through various agencies, including the RFC. All these essential Government activities come within the term nonmilitary expenditures. Were these to be eliminated, we would be living in another and different America.

I hope I have made it clear I disagree with the United States Chamber of Commerce's position. I do favor imposing an excess-profits tax now against abnormal corporate profits retroactive to last July. This is really a moderate

proposal. It will not injure any corporation. The highest tax liability possible is 67 percent on total corporate earnings including corporation income, surtaxes, and excess-profits taxes. As an administration supporter who believes in defending against dictatorship aggression on a pay-as-you-go basis, I support this bill. We shall pass it. I hope that the United States Senate will pass our bill by December 20.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. YOUNG. I yield to the gentleman from Illinois.

Mr. JONAS. Does the gentleman contend that all of the evils we are going to be confronted with concerning our economic and financial difficulties can be cured by this particular bill?

Mr. YOUNG. The gentleman does not make any such claim. No, indeed, this bill is not any cure-all. The gentleman does not contend that this Nation is afflicted with evils except the terror of Communist aggression from abroad. The gentleman who is speaking, the "lame duck" Congressman from Ohio, says that in this Nation we have gone a great way and under a great leadership since that black Saturday in 1933 when Franklin D. Roosevelt first became President.

Mr. JONAS. Can the gentleman answer the question yes or no?

Mr. YOUNG. I have answered the gentleman's question. My answer is "No"; that this does not cure everything and is not a cure-all. I say that this is too modest and too moderate an excess-profits tax.

Mr. JONAS. Assuming that the gentleman takes the figure he cited, namely, $42,000,000,000 for the base in effect after this bill becomes law, how much tax would we raise under this excess-profits tax on that particular figure? How much would it amount to, approximately? Can the gentleman give us some idea?

Mr. YOUNG. I am afraid that this will yield only a little better than $3,400,000,000 per year.

Mr. JONAS. I take it that the gentleman is aware of the fact that the President is asking for about $20,000,000,000 more.

Mr. YOUNG. Yes.

Mr. JONAS. This would not be a cure-all for all the tax problems at the present time then?

Mr. YOUNG. No. I might be frank with the gentleman and state I am very sorry I cannot be back with the gentleman next year. There will be another tax bill next year. Taxes will go higher, not lower.

Mr. JONAS. I am sorry, too, that the gentleman will not be back with us. I can say that sincerely.

Mr. YOUNG. I sincerely thank the distinguished gentleman from Illinois.

Mr. COOPER. Mr. Chairman, I yield 5 minutes to the gentleman from Texas [Mr. POAGE].

Mr. POAGE. Mr. Chairman, I am sure that all of us today fear that a distinguished visitor has come to our country with an umbrella in his hand. I hope, if he has, it is merely because of the rain in Washington, and that it is not the umbrella that Mr. Chamberlain carried to Munich.

Mr. Chairman, we cannot afford appeasement. Should we allow the conference between President Truman and Prime Minister Attlee to sink to the low level of the Munich conference between the then Prime Minister Chamberlain and Adolf Hitler, we will have administered a deathblow to the United Nations. Should we agree to withdraw from Korea, we might as well withdraw from Europe because we will have issued an open invitation to the Soviet forces to advance at will wherever they will.

Mr. Chairman, peace, not simply in our time but for all time, is a jewel of great price. The price involves great sacrifice and possibly involves the acceptance of momentary losses in order to enjoy its more enduring blessings. If we are unwilling to pay the price, we should not complain at our dismal future. Let us not have international appeasement; nor can we afford to sacrifice principle on the home front merely in behalf of expediency.

The Ways and Means Committee has brought to us today a bill providing for a tax on excess profits. I do not know a Member of this House who does not want to take for the operation of the Government a large share of those profits that are secured as the result of war. I believe most people think this is a sound policy. I agree with that philosophy. But the bill before us contains a most unfortunate provision in which it seeks to do retroactively a thing that we all agree should be done but only after due notice.

I have never believed in writing contracts after they were fulfilled. The time to write a contract is before either party acts. I think that when we write a contract on behalf of the Government we should carry it out, whether or not it is advantageous to the Government. When we write public laws we write contracts with the people. Therefore, to the extent that this bill seeks to tax retroactively earnings that were not subject to taxation at the time they were earned, it seems to me we are doing a dishonest and an unfair thing. I regret that this bill should contain such a provision because, on the whole, as I have said, we must all agree as to the soundness of the philosophy of an excess-profits tax.

I know we cannot expect to get everything just as we would like it in a tax bill. I know there are differences of opinion. Since we are faced with the actualities of the rule, which requires us to take the bill all or nothing, I know nothing that we in this body can do except to take the unfortunate provisions along with the fair provisions, and hope that another body of this Congress will see to it that the unfair provisions are stricken from the bill.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. This Congress has many times in the past written tax bills retroactively. We often write a tax bill, and Congress passes it, retroactive for the entire previous year.

Mr. POAGE. I know it has, but that did not make it right. It was just as wrong in the past as it is today. The fact that somebody else has done a wrong does not entitle me to go out and do a wrong.

Mr. EBERHARTER. Practically all tax bills are retroactive.

Mr. POAGE. No; practically all tax bills are not retroactive.

Mr. EBERHARTER. If the gentleman will look over the history of the income-tax bills, he will find that they are passed retroactive to the first of the year in which they are passed.

Mr. POAGE. If the gentleman were to show me that since the beginning of this Nation we had been doing wrong he still would not convince me that I should be a party to doing a wrong in the future, when I know it is wrong and when it has been called to my attention. I call to the attention of the House this afternoon the fact that we are doing a wrong, that we are violating the sanctity of contract, that we are doing through the force of government a thing that we would not countenance on the part of individuals. We are also doing an unwise thing. In our anxiety to get the excess profits that have been made in recent months we serve notice on business that it can have no security or assurance as to the extent of its tax burdens. I fear that we are but killing the goose that lays the golden eggs. I cannot believe that it is ever profitable in public affairs, either local or international, to sell the security of the future for the profit of the moment.

Mr. EBERHARTER. Does not my good friend agree that these war profits were made commencing shortly after the Korean incident and that for the past 6 months the corporations have already made great profits?

Mr. POAGE. Yes; and last summer the gentleman from Texas who is now addressing you voted to impose an excess-profits tax on those profits at that time. Certainly I agree they should have been taxed then. I thought so then, and I think so now. But if we neglected our duty last summer we should not plead our own neglect as an excuse for an act of injustice.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. DINGELL. Mr. Chairman, the bill which the House has under consideration today, H. R. 9827, in over-all is a disappointment to me because it will not raise as much revenue as I would like to see raised. But since it is a question of getting at some excess-profits taxes or failing to get at any, I had to compromise in the committee on many of the provisions. As we all realize, additional revenue will have to be raised in the immediate future from normal and surtaxes on corporations.

The most vocal opposition to an excess-profits-tax bill in any form before our committee was voiced primarily by big corporations. The smaller businesses admitted in general that an excess-profits-tax law should be enacted, and offered many constructive suggestions as to how such a law should be drafted.

I would like to have seen at least $5,000,000,000 or more raised by this bill. It could have been done very easily, and corporations would have been able to pay this $5,000,000,000 in additional taxes and still have more left after taxes than they did last year. Corporation profits after taxes in the second quarter of 1950 were at an annual rate of $22,000,000,000. For the year 1949, corporations' profits, after taxes, were $17,000,000,000. Within the last few months, corporation profits have risen 51 percent.

We must all remember that the period since World War II has been a period of unusual business prosperity throughout the country due to built-up demands, accumulated savings during World War II, and large postwar defense expenditures. This is directly a result of World War II, and is adequate justification for not allowing 100 percent of the base-period years, 1946–49, as normal earnings. We certainly should have used 75 percent of this base period rather than the 85 percent which is contained in the bill.

This bill is much more equitable and liberal than the World War II excess-profits-tax law. Many of the complaints which were levied at the World War II law and suggestions which were made as to how the new law should be written have been taken care of in this bill.

I would like to put the House on notice now that I will not vote for a repeal of this law when conditions are again normal until wartime excise taxes have been repealed.

Mr. COOPER. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. MILLS, having assumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, had come to no resolution thereon.

EXTENSION OF REMARKS

Mr. JENSEN asked and was given permission to extend his remarks and include an editorial by Constantine Brown.

Mr. REED of New York asked and was given permission to extend his remarks in four instances, in each case to include extraneous matter.

Mr. GARMATZ (at the request of Mr. BYRNE of New York) was given permission to extend his remarks.

PRESIDENT TRUMAN SHOULD RESIGN OR BE IMPEACHED—CONGRESS SHOULD DEMAND THE SPEEDY REMOVAL OF DEAN ACHESON

Mr. McDONOUGH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. McDONOUGH. Mr. Speaker, did President Truman know he was declaring war on Communist Red China when he ordered our Armed Forces against North Korea without the consent or approval of Congress?

If President Truman did know that he was declaring war on Communist Red China when he ordered our Armed Forces into action against North Korea last June, without the consent or approval of the Congress, he should be impeached for treason because he has aided the enemy by exposing our unprepared Armed Forces to death, destruction, and possible defeat because of the overwhelming odds against them.

If he did not know that he was declaring war on Communist Red China by attacking North Korea without the consent or approval of Congress, he should in the interest of national security and the public welfare of the Nation resign from the office of President because of his ignorance of the real situation in Korea and China last June.

How much longer must the people of this Nation be the victims of his incompetence, bungling, and bad judgment? Last June he said the Korean affair was just police action. Today it is the first phase of world war III.

Last August he said the Marine Corps were merely the police force of the Navy. The Marines have borne the brunt of most of the fighting on land in Korea which has cost us 8,000 killed, 30,000 casualties. By what stretch of anybody's imagination can this be called police action?

It is apparent that the North Koreans were assured of material and effective support from Communist Red China from the beginning of the Korean affair which Truman called a mere police action.

On Saturday, December 2, Gen. Douglas MacArthur made the following statement to the Associated Press in answer to several questions:

It is quite manifest now that from the beginning the decision was taken and as a part of the onslaught of the North Korean forces in their attack on June 25 that they were assured of such practical support as they are now receiving. The early successes of the North Korean invasion into South Korea obviated the necessity at that time of the open support which is now being furnished. As soon as the tide of battle began to turn, the Chinese war machine started to be geared for the Korean battlefront. Conjectures that had the United Nations modified its mission of liberating and unifying Korea and stopped its campaign at some incidental phase the entry of the Chinese Communists into the war could have been avoided find no support in actualities. The momentous nature of the decisions and actions which have been taken clearly show them to be basic in design rather than of superficial impulse.

What is the strength of enemy forces?

The immediate Chinese forces engaged comprise approximately 500,000 men divided into two great echelons. The front echelon now engaged in attack upon our forces comprises something more than one-half of this force, with the rear echelon rapidly moving up from the Yalu River bases. In the Yalu River sector also are the remnant North Korean forces now being rebuilt and reorganized under Chinese auspices amounting to an estimated 100,000 to 150,000 men. The total strength, therefore, which our forces face amounts to about 600,000 men. Whether additional forces will be brought up cannot as yet be determined.

How does this number compare with the allied nations' ground forces in Korea?

This overwhelmingly outnumbers our forces, the exact strength of which I would not care to give.

Is the enemy well equipped?

His forces are thoroughly equipped with modern and efficient weapons. Man for man our fire power is probably slightly greater than his, but this is compensated for by his simpler and less complicated organization which puts a greater number relatively in the combat echelon. His is a modern ground force in every sense of the term and capable of comparison with that of any other nation.

To what do you attribute our recent reverses?

They are due entirely to the overwhelming strength of the enemy, who completely outnumbers us on the ground.

What do you expect to happen in Korea?

I should not care to make any speculation as to the future.

The people in all parts of the Nation are angry and aroused. They feel the need of sound judgment, realistic thinking, and effective and protective action by the President and the State Department.

This is the first time in the history of the United States that we seem to have completely lost the initiative and seem to be subject to the whim and caprice of an unfriendly foreign power—Russia.

Never before in our history have leadership and wisdom in high places been so lacking, and the Government been rendered so impotent as it is in this critical period due to the mistakes of the administraton.

The Congress should demand the speedy removal of Dean Acheson as Secretary of State. Hs consistent mistakes and errors in judgment on our foreign relations especially his demand that our Armed Forces be removed from Korea before June 25 and his unfriendly attitude to Nationalist China and his statement that Korea was not defendable and his acceptance of Owen Lattimore's advice that Korea should be dropped by the United States but not to make it look as if we pushed her, all are reasons for his immediate removal.

Acheson was never capable of being Secretary of State.

Truman should never have been elected President.

Here are quotes from letters I have received demanding the removal of Acheson and the impeachment of Truman:

Truman should be impeached immediately. Acheson dismissed at once. A complete clean-up of State Department immediately.

Please use your influence for the sake of our beloved country in demanding the immediate removal of all traitorous people in the State Department and that includes Acheson.

It is time now for your action to throw Dean Acheson and his gang out.

As your constituents we strongly request that Dean Acheson be removed from the office of Secretary of State; the State Department be thoroughly cleaned, from top to bottom.

As an American citizen, I am demanding of our legislators the immediate impeachment of Dean Acheson and Harry S. Truman. Also an immediate removal of all pro-Communists from State Department.

Urgent Acheson be removed. Korean situation critical. Appeal to you for action.

If our President does not act at once and clean out that State Department it is time our Congress took things in hand. I hope you will do all in your power to see that the Reds from Secretary of State Acheson on down are cleaned out.

We are face to face with survival or destruction as a Nation. At this crucial hour we cannot afford the incompetent administration and the bungling poor judgment of Truman and Acheson. The people are demanding their removal from office for the Nation's security.

SPECIAL ORDER GRANTED

Mr. VELDE asked and was given permission to address the House for 30 minutes tomorrow, following the legislative program and any special orders heretofore entered.

The SPEAKER pro tempore. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 15 minutes.

THE CRIMINAL PARTITION OF KOREA AND IRELAND

Mr. LANE. Mr. Speaker, as of November 30, the total of announced American casualties in the Korean war mounted to 31,028.

This is the down payment for the blunders on our side, and the aggression of the other side.

With the North Koreans running interference, Russia carried war into the southern part of that Asiatic peninsula. We moved in to check aggression. Other nations supported us freely. The world trembled on the brink of disaster.

In view of our kid-glove diplomacy and lack of military preparedness, we had to face up to the issue before we were ready.

It might have happened at some other time and some other place, but the fact is that it did come to a head in a little-known country called Korea.

And the future may blame both the United States and Russia for the hasty and arbitrary division of that country into two parts at the close of World War II, because the friction produced therefrom helped to bring on world war III. Perhaps conciliation might have had a chance if it did not have to cope with the tensions bred by partition.

With the evils which flow from partition still teaching us in blood and agony that such compromise is bound to fail, we should resolve to end the partition of Ireland which also mocks the conscience of the civilized world.

It will rankle in the hearts of all Irishmen, and it will hurt Great Britain, until the day when the six counties of Ulster are reunited with the 26 counties of Eire to form that one and indivisible Ireland that was so designed by nature.

The sturdy faith and undying independence of the Irish, supported by millions of sympathizers in other lands, will not be satisfied with anything less than complete Irish sovereignty over the whole island.

The partition of Korea, like the quartering of Berlin deep in Soviet-held territory without providing for American-British-French control of the highway leading to their zones, these were improvisations that played directly into Soviet hands. How much these mistakes have cost us and how far the cost will climb before a solution is found for these problems is now a matter of world concern.

The partition of Ireland on the other hand was calculated to deny national integrity to a country whose right to be wholly free is rooted deep in history.

The reasons by which Britain seeks to justify the separation of the six northern counties from the motherland are not worthy of serious consideration. They never have, and never will work to Britain's advantage.

At this crisis in global affairs, when the free world is threatened by the power and subversive tactics of Red Russian imperialism, the unity of the Western world is weakened by Britain's stubborn refusal to return the six stolen counties to Ireland. It is one of the many factors that the Kremlin aggravates in order to stir up disunity among the Atlantic Pact nations.

At times the British Government is keenly sensitive to the public opinion regarding her actions that exists in other countries.

Above all, she should be guided to some extent by public opinion in the United States because of the generous assistance we have given to her—in war and in peace.

I do not bring up this matter to embarrass the British. I realize that we need each other, as we need the mutual support of all free nations in the fearful test looming up before us in which our very survival may hang in the balance.

If we would have the moral strength of justice on our side, then we must correct those wrongs in our society which feed ammunition to the propaganda machine of Red Russia.

There are tens of millions of Americans, those of Irish descent as well as many, many others, who resent Britain's insistence on the division of Ireland.

Every move made by British diplomats in the present world crisis is misunderstood. The worst interpretation is put upon British motives to the disadvantage of our common cause. Remembering the sell-out at Munich, and the long oppression and denial of legitimate Irish aspirations, too many of our people are building up suspicion and dislike of the British, and the resulting bitterness blinds Americans and British to the undivided effort needed against the real enemy—imperialist Russia.

There is even a belief that Britain backed out on its promise to give genuine and not pathetically token support to the gallant effort we made for the United Nations to halt the barefaced aggression in Korea that was directed by the Kremlin.

This is unfortunate.

It could be tragic.

Disillusioned by the heavy losses the United States has suffered in Korea because it was not given the full support of its paper allies, either on the military or the diplomatic fronts, the people of the United States might decide to go in alone.

That is exactly what Russia wants.

How, how can British diplomacy continue to make the blunders that serve such narrow ends? Have they forgotten Churchill's warning of too little and too late?

If the free world loses faith in Britain's integrity, then that nation dooms itself, and our battle for survival against the Russian appetite for conquest becomes more difficult.

Ireland is a small nation, but its claim is greater than that ever presented by any mother nation for the complete restoration of the land that belongs to its people by every moral, ethnic, economic, and historical right.

Britain must begin the hard road back to win the confidence of American public opinion which she has alienated.

The sell-out of Ireland and Korea must be redeemed.

What has happened to the Irish resolution in the House Foreign Affairs Committee?

Why is it not brought out into the open so that this Congress may go on record as urging Britain to atone for the crime of Irish partition and empowering the United States Government to assist the British in bringing about complete freedom for all Ireland?

There must be a united Korea and a united Ireland, in principle and in fact; both nations to be whole and independent.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 37 minutes p. m.) the House adjourned until tomorrow, Tuesday, December 5, 1950, at 12 o'clock noon.

OATH OF OFFICE, MEMBERS AND DELEGATES

The oath of office required by the sixth article of the Constitution of the United States, and as provided by section 2 of the act of May 13, 1884 (23 Stat. 33), to be administered to Members and Delegates of the House of Representatives, the text of which is carried in section 1757 of title XIX of the Revised Statutes of the United States, and being as follows:

"I, A B, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties of the office on which I am about to enter. So help me God."

has been subscribed to in person and filed in duplicate with the Clerk of the House of Representatives by the following Members of the Eighty-first Congress, pursuant to Public Law 412 of the Eightieth Congress, entitled "An act to amend section 30 of the Revised Statutes of the United States" (U. S. C., title 2, sec. 25), approved February 18, 1948:

MYRON GEORGE, Third District, Kansas.

WOODROW W. JONES, Eleventh District, North Carolina.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1761. A communication from the President of the United States, transmitting recommendations for action in the present session to renew the program of vocational rehabilitation for disabled veterans which was in effect during and after World War II (H. Doc. No. 728); to the Committee on Veterans' Affairs and ordered to be printed.

1762. A communication from the President of the United States, transmitting a proposed supplemental appropriation to pay claims for damages, audited claims, and judgments rendered against the United States, as provided by various laws, in the amount of $5,274,033.96, together with such amounts as may be necessary to pay indefinite interest and costs and to cover increases in rates of exchange as may be necessary to pay in foreign currency (H. Doc. No. 729); to the Committee on Appropriations and ordered to be printed.

1763. A letter from the Secretary of the Interior, transmitting the report of the Migratory Bird Conservation Commission for the fiscal year ended June 30, 1950, in accordance with the provisions of section 3 of the act of Congress approved February 18, 1929 (45 Stat. 1222; U. S. C., title 16, sec. 715b); to the Committee on Agriculture.

1764. A letter from the Acting Comptroller General of the United States, transmitting a report on the audit of Gorgas Memorial Institute of Tropical and Preventive Medicine, Inc., for the fiscal year ended June 30, 1950; to the Committee on Expenditures in the Executive Departments.

1765. A letter from the Secretary of the Interior, transmitting a copy of certain legislation passed by Fifteenth Legislative Assembly of the Virgin Islands, first session, 1950, pursuant to section 16 of the Organic Act of the Virgin Islands of the United States, approved June 22, 1936; to the Committee on Public Lands.

1766. A letter from the Secretary of the Interior, transmitting a copy of a law enacted by the Tenth Guam Congress, in accordance with section 19 of Public Law No. 630, Eighty-first Congress; to the Committee on Public Lands.

1767. A letter from the Deputy Attorney General, transmitting a draft of a bill entitled "A bill to amend section 215 of title 18, United States Code, to prohibit officers or employees of the United States from accepting payments for appointment or retention of a person in office or employment under the United States"; to the Committee on the Judiciary.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. McCORMACK:

H. R. 9840. A bill to exempt furlough travel of service personnel from the tax on transportation of persons; to the Committee on Ways and Means.

By Mr. PRICE:

H. R. 9841. A bill to authorize a Federal civil defense program, and for other purposes; to the Committee on Armed Services.

By Mr. LANE:

H. R. 9842. A bill to amend Public Law No. 441, Eighty-first Congress, so as to provide for the annual proclamation of National Children's Dental Health Day; to the Committee on the Judiciary.

By Mr. HELLER:

H. Con. Res. 291. Concurrent resolution memorializing and requesting the General Assembly of the United Nations to enact a measure or measures to the end that aggression in any part of the world may effectively be resisted; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BARRETT of Pennsylvania:

H. R. 9843. A bill for the relief of Ina Adams, nee de Silva; to the Committee on the Judiciary.

By Mr. BOLTON of Maryland:

H. R. 9844. A bill for the relief of Mrs. Ermonie Locatelli; to the Committee on the Judiciary.

By Mr. BYRNE of New York:

H. R. 9845. A bill for the relief of Capt. Marciano O. Garces; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2402. By Mr. CANFIELD: Resolutions adopted by the New Jersey State Association of the Chiefs of Police at their last meeting, held November 2, 1950, that all regular members of the police departments of the State of New Jersey, now or hereafter subject to draft under selective service, be deferred; to the Committee on Armed Services.

2403. By Mr. GRAHAM: Petition of the Beaver County Council of the Veterans of Foreign Wars of Pennsylvania, urging a full-scale investigation of our whole foreign and defense program; to the Committee on Rules.

2404. By Mr. RICH: Petition of Newberry Lions Club, Williamsport, Pa., in opposition to any form of compulsory health insurance or any form of Federal bureaucratic control to the application of medical science and/or medical services to the people; to the Committee on Interstate and Foreign Commerce.

2405. Also, petition of Welcome Wagon, Newcomers' Club, Williamsport, Pa., in opposition to any form of compulsory health insurance or any form of Federal bureaucratic control to the application of medical science and/or medical services to the people; to the Committee on Interstate and Foreign Commerce.

2406. Also, petition of Montoursville Garden Club, Montoursville, Pa., in opposition to any form of compulsory health insurance or any form of Federal bureaucratic control to the application of medical science and/or medical services to the people; to the Committee on Interstate and Foreign Commerce.

SENATE

TUESDAY, DECEMBER 5, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal God, who putteth down the mighty from their seat and exalteth the humble and the meek, Thy providence has led us to the very vestibule of destiny. Upon the President of the United States and his counselors, the Vice President and Members of the Congress, the leaders of our Armed Forces, and upon all trusted with authority on whose shoulders rest the heavy burdens and responsibilities for vital decisions so largely molding the future and, for weal or woe, affecting the lives of untold millions, we implore the wisdom which is from above. As in the name of the Lord our God we set up our banners, with closed ranks we march on toward stern and bitter days with the assurance that as we fight to make men free we march with Thee. In the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Monday, December 4, 1950, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVE OF ABSENCE

On request of Mr. LUCAS, and by unanimous consent, Mr. HOLLAND was excused from attending the session of the Senate today because of official business.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LUCAS, and by unanimous consent, the Committee on Foreign Relations was authorized to meet this afternoon during the session of the Senate.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Mundt
Anderson	Hoey	Myers
Butler	Hunt	Neely
Byrd	Ives	Nixon
Cain	Johnson, Tex.	O'Conor
Capehart	Johnston, S. C.	O'Mahoney
Carlson	Kefauver	Pepper
Chapman	Kem	Robertson
Chavez	Kerr	Russell
Clements	Kilgore	Saltonstall
Connally	Knowland	Schoeppel
Cordon	Langer	Smith, Maine
Donnell	Leahy	Smith, N. J.
Douglas	Lehman	Smith, N. C.
Dworshak	Long	Stennis
Eastland	Lucas	Taft
Ecton	McCarthy	Taylor
Flanders	McClellan	Thomas, Okla.
Frear	McFarland	Thomas, Utah
Fulbright	McKellar	Thye
George	McMahon	Tydings
Gillette	Magnuson	Watkins
Gurney	Malone	Wherry
Hayden	Maybank	Wiley
Hendrickson	Millikin	Williams
Hickenlooper	Morse	Young

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Colorado [Mr. JOHNSON] are absent on official business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Florida [Mr. HOLLAND] is absent by leave of the Senate on official business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Nevada [Mr. MCCARRAN] is absent by leave of the Senate.

The Senator from Montana [Mr. MURRAY] is absent on public business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from Maine [Mr. BREWSTER] and the Senator from Ohio [Mr. BRICKER] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Pennsylvania [Mr. MARTIN] is absent by leave of the Senate on official business.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate on official business of the Committee on Small Business.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. CAIN. Mr. President, I ask unanimous consent that Senators be permitted to submit routine and noncontroversial matters for the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A telegram in the nature of a petition from Mario L. Bove, of Pittsburgh, Pa., praying for the abolition of the atomic bomb, and so forth; to the Committee on Armed Services.

A resolution adopted by the Municipal Government of Rio Piedras, P. R., condemning the recent attack on President Truman (with accompanying papers); ordered to lie on the table.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 4220. A bill for the relief of Thomas W. Wrangham; to the Committee on the Judiciary.

By Mr. KILGORE:

S. 4221. A bill for the relief of Dr. Yau Shun Leung; to the Committee on the Judiciary.

By Mrs. SMITH of Maine:

S. 4222. A bill for the relief of Helen J. Lumley; to the Committee on the Judiciary.

(Mr. CAIN introduced Senate joint resolution 211, to amend the Housing and Rent Act of 1947, as amended, with respect to resolutions of local governing bodies, which was ordered to lie on the table, and appears under a separate heading.)

INVESTIGATION OF CAUSE OF COLLISION ON LONG ISLAND RAILROAD

Mr. LANGER. Mr. President, I submit for appropriate reference a resolution providing for an investigation of the cause of the collision on the Long Island Railroad on November 22, 1950, and I ask unanimous consent that an article appearing in a recent issue of the New York World-Telegram and Sun be printed in the RECORD.

The PRESIDENT pro tempore. The resolution will be received and appropriately referred, and, without objection, the article presented by the Senator from North Dakota will be printed in the RECORD. The Chair hears no objection.

The resolution (S. Res. 369) was referred to the Committee on Interstate and Foreign Commerce, as follows:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete study and investigation for the purpose of ascertaining the cause or causes of the collision which occurred on the Long Island Railroad on November 22, 1950. The committee shall report to the Senate at the earliest practicable date the results of its investigation, together with its recommendations for such legislation as it may deem desirable.

The article presented by Mr. LANGER is as follows:

[From the New York World-Telegram and Sun]

"HUMAN FAILURE" MAIN CAUSE

These facts emerged incontrovertible today as unchecked "human failure"—the words of Governor Dewey—was established beyond peradventure of a doubt as the main cause of Wednesday's shocking accident in Richmond Hill where a Babylon-bound express sped unheeding through a warning and a stop signal and virtually gutted the rear car of a stalled Hempstead-bound local.

The same human failure was the cause of the Rockville Centre collision last February 17, which killed 32 and injured more than 100.

The same human failure was the cause of another collision in Sunnyside yards last December 22, which killed two and injured six.

And the ghost of that same human failure flashes beyond the scenes of the accidents to the equally fallible members of the Federal and State regulatory bodies on whom the public relies to make the railroads toe the mark—the Interstate Commerce Commission and the State's five-man public service commission.

ECONOMIC DEVELOPMENT OF UNDERDEVELOPED COUNTRIES: REPORT OF THE ECONOMIC AND SOCIAL COUNCIL—ADDRESS BY SENATOR SPARKMAN

[Mr. HILL asked and obtained leave to have printed in the RECORD an address by Senator SPARKMAN, United States Delegate to the General Assembly of the United Nations, in Committee No. 2, on October 19, 1950, on the Economic Development of Underdeveloped Countries: Report of the Economic and Social Council, which appears in the Appendix.]

LAND REFORM AND FARM DEVELOPMENT—ADDRESS BY SENATOR SPARKMAN

[Mr. HILL asked and obtained leave to have printed in the RECORD an address delivered by Senator SPARKMAN before Committee No. 2 of the Assembly of the United Nations, regarding United States proposals for land reform and farm development, which appears in the Appendix.]

THE KOREAN WAR—ADDRESS BY HERBERT HOOVER

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an address on the Korean war by Hon. Herbert Hoover, broadcast over the radio on October 19, 1950, which appears in the Appendix.]

SESQUICENTENNIAL OF THE ESTABLISHMENT OF THE TERRITORIAL GOVERNMENT OF INDIANA—ADDRESS BY ELMER DAVIS

[Mr. CAPEHART asked and obtained leave to have printed in the RECORD an address delivered by Elmer Davis on November 30, 1950, in the Library of Congress, on the occasion of the opening of the Library of Congress exhibition commemorating the sesquicentennial of the establishment of the Territorial government of Indiana, which appears in the Appendix.]

FEDERAL JUDGESHIPS—EDITORIAL FROM THE NEWARK (N. J.) EVENING NEWS

[Mr. HENDRICKSON asked and obtained leave to have printed in the RECORD an editorial entitled "Federal Judgeships," published in the Newark Evening News of December 4, 1950, which appears in the Appendix.]

STATEHOOD FOR ALASKA AND HAWAII—EDITORIAL FROM THE NEWARK (N. J.) EVENING NEWS

Mr. HENDRICKSON. Mr. President, in the light of the present parliamentary situation, it might be well for all of the Members of the Senate to read carefully an editorial entitled "Filibuster Against Justice," published in the Saturday, December 2, issue of the Newark Evening News.

Because it sounds an appropriate challenge and is germane to highly important calendar business, I ask unanimous consent that the editorial be incorporated in the body of the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

FILIBUSTER AGAINST JUSTICE

Statehood for Alaska and Hawaii, which the House of Representatives approved last spring, is being blocked in the Senate because of a threatened filibuster of southern Democrats. The arguments for statehood are overwhelming. Yet southern Democrats oppose it on the crass ground that four Senators might be added to present membership, who would favor antidiscrimination legislation.

The southern Democrats, as usual, are not alone. Republicans have joined them using the argument that the population of Alaska is too small to warrant sending two Senators and at least one Representative to Washington. The ranking Republican on the Senate Interior Committee, which has the statehood bill in charge, Senator BUTLER, of Nebraska, opposes statehood for Alaska on the ground that the bill is an administration attempt to bring two left-wing Democratic Senators to the Congress to offset the effects of the November 7 general election, which reduced the Democratic margin of control to two seats.

Alaska and Hawaii are defense outposts of first importance in the Pacific. To extend statehood, which means representation, to these territories is in the national interest. If the Senate Republicans tie up with southern Democrats on this issue, their criticism of administration foreign policies will to a large extent be stultified and a record written for their Presidential candidate in 1952 that will not bear examination.

NOTICE OF HEARING ON NOMINATION OF EDWARD P. MURPHY TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, December 12, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Edward P. Murphy, of California, to be United States district judge for the northern district of California to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Indiana [Mr. JENNER].

NOTICE OF HEARING ON NOMINATION OF OLIVER J. CARTER TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF CALIFORNIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, December 12, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Oliver J. Carter, of California, to be United States district judge for the northern district of California. Judge Carter is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND] and the Senator from Indiana [Mr. JENNER].

NOTICE OF HEARING ON NOMINATION OF WILLIAM M. BYRNE TO BE UNITED STATES DISTRICT JUDGE FOR THE SOUTHERN DISTRICT OF CALIFORNIA

Mr. EASTLAND. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Tuesday, December 12, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. William M. Byrne, of California, to be United States district judge for the southern district of California. Judge Byrne is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Indiana [Mr. JENNER].

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. LUCAS. Mr. President, yesterday after the Senator from Illinois left the Chamber there was colloquy between the Senator from South Carolina [Mr. MAYBANK] and other Senators with respect to a unanimous-consent agreement as to when the Senate should vote on the rent-control resolution.

Mr. MAYBANK rose.

Mr. LUCAS. I yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I ask unanimous consent that the vote on the rent-control resolution and any amendments thereto be taken at 1 o'clock on Thursday next, and that the time prior to the vote be divided between the Senator from Ohio [Mr. BRICKER] and the chairman of the committee; and, of course, that no amendments not germane shall be considered.

The PRESIDENT pro tempore. Is there objection?

Mr. KNOWLAND. Mr. President, I do not intend to object to the unanimous-consent request. However, I ask that the request be amended so that on any amendment which is presented there shall be opportunity for at least 5 minutes' debate on each side, so that we shall not be voting on amendments without knowing what is contained in them.

Mr. MAYBANK. Mr. President, I will make the hour 2 o'clock, because I know that the distinguished Senator from California [Mr. KNOWLAND] has in mind a situation which the Senator from Washington [Mr. CAIN] intends to discuss.

Mr. KNOWLAND. That still does not take care of the situation. Sufficient time is needed for debate. Six or seven amendments might be offered. I do not want the Senate to be placed in a position of voting on amendments without at least a brief explanation.

Mr. MAYBANK. I am glad to modify my unanimous-consent request accordingly.

Mr. WHERRY. Mr. President, the Senator from Nebraska would have offered the suggestion made by the Senator from California if he had been on his feet and had been recognized. That is one of the standard requirements in connection with such a unanimous-consent request. I think it is a good suggestion.

Mr. MAYBANK. Mr. President——

Mr. WHERRY. Just a moment. I question, however, if 5 minutes is sufficient time. We have had a great deal of difficulty with allowing only 5 minutes' debate. I do not know that there will be need for any time. I do not know whether any further amendments will be offered.

Mr. MAYBANK. I know of none except the so-called California amendment.

Mr. WHERRY. I wonder if the distinguished Senator will amend his request so that the time on each side will be not more than 10 minutes. Then no one can complain.

Mr. MAYBANK. Mr. President, I accept the suggestion.

Mr. WHERRY. And the hour is 2 o'clock?

Mr. MAYBANK. Two o'clock.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina as modified?

Mr. WHERRY. As I understand, the time between 12 and 2 is to be equally divided.

Mr. MAYBANK. That is correct.

Mr. WHERRY. An hour for each side.

Mr. MAYBANK. There would not be an hour for each side if there should be a quorum call. However, whatever time there is is to be equally divided, and controlled by the Senator from Ohio [Mr. BRICKER] and the chairman of the committee. I suggest the Senator from Ohio because he is a member of the Banking and Currency Committee.

Mr. WHERRY. I have no objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina? The Chair hears none, and it is so ordered.

The unanimous-consent agreement was subsequently reduced to writing, as follows:

Ordered, That on the calendar day of Thursday, December 7, 1950, at the hour of 2 o'clock p. m., the Senate proceed to vote, under the limitation of debate hereinafter provided, upon any amendment or motion (including appeals) that may be pending or that may thereafter be proposed to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, and upon the final passage of the said joint resolution: *Provided*, (1) That after said hour of 2 o'clock p. m., debate upon any amendment or motion (including appeals) and upon the joint resolution itself, shall be limited to not exceeding 20 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and the chairman of the Committee on Banking and Currency, Mr. MAYBANK; (2) that no amendment or motion that is not germane to the subject matter of the said joint resolution shall be received; and (3) that no vote on any amendment or motion (including appeals) proposed to the said joint resolution shall be had prior to the said hour of 2 o'clock on said day.

Ordered further, That on said day of Thursday, December 7, the time between 12 o'clock noon and 2 o'clock p. m., shall be equally divided between those favoring the joint resolution and those opposed thereto, and controlled, respectively, by Mr. MAYBANK and Mr. BRICKER.

ARREST OF WITNESSES WHOSE TESTIMONY IS REQUIRED BY SPECIAL COMMITTEE TO INVESTIGATE INTERSTATE CRIME

Mr. CAIN obtained the floor.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. KEFAUVER. I ask unanimous consent, without the Senator from Washington losing the floor, that the motion entered by me yesterday to reconsider the action on the vote to refer Senate Resolution No. 368 to the Committee on the Judiciary be acted upon at this time.

The PRESIDENT pro tempore. Is there objection?

Mr. LUCAS. Mr. President, I have had occasion to look into this question overnight. This is too serious a matter to act upon at this particular time. I want it distinctly understood that I am not in any way attempting to obstruct the determination of the special committee ultimately to find out just where these crooks are. I undertake to say, as a result of what I have seen from examining the resolution and examining the authorities, that what is proposed is that the Senate arrest a man without any subpena ever being served upon him. That is exactly what is attempted, and not even upon a prima facie case. On the strength of the statement that a man cannot be found, it is proposed that the Senate proceed to arrest him. That is a serious question, and reluctantly I must object to the unanimous-consent request.

The PRESIDENT pro tempore. Objection is heard.

Mr. KEFAUVER. Mr. President, I wonder if we could fix a time to act upon the motion. We have hearings scheduled, and it is necessary for us to make every effort to find these witnesses, in order to proceed with the hearings. Our hearings would be very incomplete, and our report to the Senate would be incomplete unless we had the benefit of their testimony. I am anxious to dispose of the motion one way or the other. I do not care to debate it. I think the statement in the RECORD yesterday should amply satisfy anyone as to the precedents in the matter.

Mr. LUCAS. Mr. President, at the appropriate time I shall have something to say about the precedents. I do not think there is any precedent for what is attempted on the part of the committee headed by the Senator from Tennessee. If the Senator from Tennessee desires to follow the procedure which I think is absolutely essential, proper, and safe from the standpoint of the integrity and dignity of the Senate, as well as the precedents of the Senate, and if he will allow this subject to be referred to the Committee on the Judiciary with directions to report back within, say, 3 or 4 days, I shall be willing to abide by the decision of the Judiciary Committee on this question after the committee has studied it.

I say again, as I said yesterday, that in my judgment, before we go off on a wild-goose chase of this character, without any precedent whatever heretofore in the Senate of the United States for such action as is proposed, a standing committee, the Judiciary Committee in this case, which has the power to make a determination of this kind, should be called upon to act.

I merely make that statement, Mr. President. I myself desire to consider the question further.

I repeat, that I would abide by the action of the committee, if the Senator from Tennessee is agreeable to having the resolution go to the Judiciary Committee, with directions to the Judiciary Committee to report back within a reasonable length of time what it feels should be done. It is my understanding, however, that no one outside the committee has been consulted about the matter; not even the Sergeant at Arms of the Senate knew anything about what the resolution would compel him to do. Perhaps he should not have known anything about it. Perhaps it is not within the realm of the committee to confer with anyone on the subject. But certainly I, as majority leader, did not know anything about the matter until it was brought up on the floor of the Senate. I do not know of anyone else who knew anything about this very important resolution. So I still am constrained to object.

Mr. SALTONSTALL. Mr. President, will the Senator from Tennessee or the Senator from Illinois, if he has the floor, yield for a question?

The PRESIDENT pro tempore. The Senator from Washington [Mr. CAIN] has the floor.

Mr. SALTONSTALL. Will the Senator from Washington yield so I may ask a question of the Senator from Tennessee?

Mr. CAIN. If I may do so without losing the floor, I shall be glad to yield.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. SALTONSTALL. Mr. President, I happened to be sitting temporarily in the chair of the minority leader yesterday when the Senator from Tennessee brought up the subject. Because of the character of the resolution it was particularly interesting to me. As I understand, if on the recommendation of the special committee the resolution is adopted, it will create a precedent in the Senate in that it will permit the Senate to order the Sergeant at Arms to arrest and bring before a special committee of the Senate a man who has not been found by the committee and has not been summoned. That case would be different from that of a man who had been summoned and either refused to testify or refused to come before the committee in answer to the subpena.

The request now made, as I see it, would stretch the situation very considerably. Let me give an illustration. Suppose, for instance, a subcommittee of the Senate Committee on the Judiciary had only sufficient money to employ two investigators, and they were endeavoring to bring a certain individual before the committee. As an illustration we will use my own name, because I do not want to bring in the name of anyone else. Suppose there were 10 Leverett Saltonstalls within the United States. Let us suppose the subcommittee did not have sufficient funds, or did not have time to send out men to find the Leverett Saltonstall it was desired to bring before the committee. Let us assume that a resolution of the kind in question were adopted, which would permit the Sergeant at Arms either to employ a great number of men—which he will not do—or try to obtain the help of the FBI in bringing the proper individual before the subcommittee. That would mean that possibly an innocent man, who may never have known that the Senate subcommittee wanted him, would suddenly find an FBI man in his house with a summons, who would shackle him to himself and bring him to Washington.

Mr. President, it seems to me a question of this nature should be gone into with a great deal of care. In my opinion, there is a way out of the situation if the Senator from Tennessee wants to use it. The resolution, as I see it, as it has been read to me and as I have read it casually, would permit the special committee of which the Senator from Tennessee is the chairman, to request the aid of the various departments of the Government.

If the members of the special committee feel that the FBI perhaps would not undertake to act on the order of the special committee alone, it seems to me the Senate in this case could very well adopt a Senate order requesting the FBI to assist the special committee to find the 10 persons who we are informed are not particularly desirable citizens. If the special committee wants that done, it seems to me it would be perfectly proper for the Senate to adopt such an order without further consideration by a full committee. But if the special committee contemplates having the Sergeant at Arms, through the FBI, summon before the committee citizens who may never have heard of the summons and may never have heard anything about what the special committee of the Senate is doing, then we will be taking a long step toward losing our civil rights, and away from protecting private individuals against seizure and against personal arrest.

Mr. KEFAUVER. Mr. President, will the Senator from Washington yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. CAIN. Certainly.

Mr. KEFAUVER. The observation by the distinguished Senator from Massachusetts has gone very far afield, in its application to the facts in this particular case. In the first place there are ample precedents for what is sought by the resolution. The Senate on many, many occasions, which I cited yesterday—and the Cunningham case is directly in point—has ordered that witnesses be arrested and brought before a committee of the Senate to answer questions and give testimony. So there is no question about the precedents. As a matter of fact, it must be clear that the right to bring in a witness under circumstances of this kind is inherent in a Senate committee if it is going to function in an investigatory capacity at all. Such a right has been recognized and exercised ever since the origin of the Senate of the United States.

The second point is that the Senator from Massachusetts says such action might violate the civil rights of some one. The statement is containd in the report, and the members of the special committee certify to the statement, that every human means has been employed to try to find these particular witnesses. Subpenas have been issued requiring them to come before the special committee to testify. The press and the radio have been asked to publicize their names over the Nation and to try to secure for us information as to where the individuals in question are. We have had members of their families come before the com-

mittee in order to try to obtain information from them as to the whereabouts of the witnesses. So there is no possibility whatsoever that these persons do not know that they are wanted to appear before a Senate special committee. They have not been at their usual whereabouts, their homes, their places of business. They have secreted themselves so it is impossible to reach them by the ordinary process of the service of subpenas.

If a subpena is placed in the hands of an officer, which is the way such things are usually done, and that officer is in New York, whereas the witness the subcommittee is trying to find is traveling around in California, it is impossible to send the man with the subpena to the place where the witness is who is wanted. But after every effort has been made to endeavor to find the witness, if a warrant for his arrest is issued, that warrant can be given to a class of officers, that is to all the marshals or to the Secret Service, or certain law enforcement officers of the Federal Bureau of Investigation, so they can arrest, under the order of the Senate, the person required, and hold him for the Senate committee. Such an order of arrest can be issued to a certain class of law enforcement officers, officers who are located in all parts of the United States, and in the place where the witness can be found.

Mr. President, the matter resolves itself down to this: That the individuals in question are the key witnesses in a certain part—indeed, the main part—of the inquiry particularly involving wire service around which bookmaking operations take place. If the special committee is not to have the backing of the Senate so it may use the facilities and the enforcement division of the Department of Justice to enable it to try to secure these witnesses and bring them before the special committee to testify, then the order of the Senate to the special committee to make an investigation simply cannot be carried out.

Mr. President, what is now taking place is, in my opinion, a delaying tactic. The precedents are clear, it seems to me, for anyone who will read them. If the special committee is to continue with its investigation, I think it is necessary for it to have such action as it requests taken by the Senate rather than having a long discussion before the Committee on the Judiciary, with delays, and perhaps adjournment of Congress before action is taken. In such event the hearings which have been scheduled will have to be postponed.

Mr. SALTONSTALL. Mr. President, will the Senator from Washington yield so I may ask one more question?

Mr. CAIN. I yield.

Mr. SALTONSTALL. I shall not debate with the Senator from Tennessee about the Cunningham case because I should like to look into it more carefully. But will the Senator answer my question as to why it would not be practical to follow the suggestion I made with respect to the Senate adopting a specific order with relation to this specific case, supporting the special committee's position in requesting the FBI to seek the individuals in question, which is essentially what the Senator from Tennessee is trying to have done or wants to have done through the method he has proposed? Such an order would create no precedent and would place the full Senate support behind the special committee's request that the FBI help the special committee. Why would that not be a practical way of acting?

Mr. KEFAUVER. Mr. President, I will say to the distinguished Senator that if the FBI heard that a witness was, let us say, in Philadelphia, or in some other city, on a certain day, and if the marshal in that city did not have the power to arrest the individual and hold him until we could have a subpena served on him to bring him before the special committee, if the individual would simply go to some other city, we would be able to accomplish nothing in the end. Unless the enforcement officer has the power to hold a witness for the purpose of interrogation by the special committee, we would be able to accomplish nothing. I can tell the Senate, on my own word, that every human effort has been made to serve subpenas on the particular witnesses who are wanted and to ascertain their whereabouts.

I do not think there is any possibility of anyone confusing these particular witnesses with anyone else of the same name, because they are well described and they are very well known.

Mr. LANGER. Mr. President, will the Senator yield to permit me to ask a question?

Mr. CAIN. I am pleased to yield to the Senator from North Dakota.

Mr. LANGER. I should like to know what the objection of the Senator from Tennessee is to the suggestion made by the distinguished Senator from Illinois that the resolution be referred to the Judiciary Committee, with instructions to report to the Senate by Tuesday, let us say. I should like to know what the objection of the Senator from Tennessee is to that suggestion.

Mr. KEFAUVER. I have no objection to having the Judiciary Committee consider the resolution, except that anyone who reads the opinions must realize the inherent right of the Senate. It must be very clear to all of us who read the opinions that this power is one which the Senate has, and that the Senate has used.

The objection I have is to the delay which would be caused. We have hearings scheduled in various parts of the country where these witnesses are key figures. I would hate to see the hearings delayed 2 or 3 weeks, in order for the resolution to be referred and reported in the way suggested.

Mr. LUCAS and Mr. CHAVEZ addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield; and if so, to whom?

Mr. CAIN. I am pleased to yield first to the majority leader.

Mr. LUCAS. Mr. President, following the statement made by the Senator from Tennessee, I wish to assure the Senate that this is not a delaying action. I have no more use for the crooks the Senator is trying to find than he has. He will find crooks throughout the United States; his committee will be functioning for a long time.

I noticed an article in the morning newspaper in regard to an incident which occurred in the Senator's section of the country, namely, in Mississippi, where someone held up some gamblers and took $25,000 or $50,000 away from them, and then escaped into Tennessee. It is obvious that it will be possible for this special committee to continue to function from now until virtually the end of time, because there always have been crooks, and undoubtedly there will continue to be for an indefinite time in the future.

So I am in favor of having the Senator and his special committee find out the crooks; but I am also somewhat disturbed about the method proposed to ascertain who the crooks are and where they are.

Mr. President, certainly there cannot be any harm in having a standing committee of the Senate, if you please—the Judiciary Committee has been suggested by the able Senator from North Dakota—look carefully into the precedents, to determine whether the Senate would be pursuing the proper course, under the resolution.

In the course of his remarks yesterday, the Senator from Tennessee cited the case of McGrain against Daugherty. I have had an opportunity to examine that case, overnight. In that case the witness was served with subpenas on two different occasions, but in each instance he failed to appear. The witness offered no excuse for either failure to appear. The general conduct on the part of the witness gave the Senate proper and substantial grounds to use its power of arrest to bring the witness before it.

In the case of Barry versus United States ex rel. Cunningham, which was also cited by the Senator from Tennessee, a set of facts different from those we now have before us was presented. In that case the witness had testified once before a Senate subcommittee, but had refused to answer certain inquiries bearing upon the investigation. That was in the Vare case. Again the Senate had sufficient and proper grounds to employ its power of arrest, for the witness had displayed a contemptuous attitude before a Senate subcommittee.

In other words, in both the cases cited, as I understand, the witnesses had appeared. In one case, the witness subsequently refused to answer; in the other case, the witness subsequently refused to appear before the committee. Under those circumstances, in each case the Senate ordered an arrest. I have only casually examined those two cases, Mr. President; and those are the two cases which are cited as precedents for the action now proposed.

I have consulted the Parliamentarian of the Senate, who has been our Parliamentarian for a long, long time. He advises me that there has been absolutely no precedent, so far as the Senate is concerned, for doing what is now proposed.

Under these circumstances, as the able Senator from Massachusetts has pointed out, simply because someone may be

afraid for political reasons that something is going to happen to him if he does not look after these crooks in this particular way, surely we should realize that something most important is involved, namely, the question of whether the Senate is going to set a precedent of this kind. If the Judiciary Committee, a standing committee of the Senate, reports that the step proposed is the one which should be taken, and if all the precedents are in that direction, I will stand with the Judiciary Committee in connection with this matter.

However, in fairness to the Senate, I think this question should be argued carefully and should be looked into carefully by a standing committee, such as the Judiciary Committee.

Mr. President, I would even go along with the suggestion which has been made by the able Senator from Massachusetts. All that is asked for in reality is help from the FBI. Under this resolution it will be discretionary whether these agencies cooperate. However, with the full power of the Senate of the United States back of a resolution asking the FBI to cooperate with this special committee in ascertaining where these men are, certainly that would be all that would be necessary.

When the Senator from Tennessee says that if one of these men were found, they would not have a right to subpena him, let me say that if a FBI man finds one of these men, the Senator from Tennessee need not worry; before the FBI finds the man, the committee will have plenty of time to issue a subpena for him. The FBI does not work in any other way; if they find a man, a subpena for him to appear can be issued.

However, under the procedure here proposed, it would be possible in the future to arrest many an innocent man. That is a dangerous course to pursue, Mr. President. I continue to object.

Mr. LUCAS subsequently said: Mr. President, earlier today the Senate had under discussion the motion presented by the Senator from Tennessee [Mr. KEFAUVER], and, as Senators know, it was finally agreed that the motion be referred to the Committee on the Judiciary with direction that the committee report back to the Senate by Friday of this week at 12 o'clock.

I have a short statement, prepared to be used in connection with the argument, if one was to be made today upon the floor of the Senate. I have used a portion of it, but I think that perhaps for the benefit of the Committee on the Judiciary it might be well to place the full statement in the RECORD. I ask unanimous consent that following the last remarks I made today upon the question of the reconsideration of the vote taken yesterday on the motion of the Senator from Tennessee [Mr. KEFAUVER], this short statement be placed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR LUCAS ON KEFAUVER RESOLUTION

The resolution which the Senator from Tennessee is insisting that the Senate approve—without any prior study by the Judiciary Committee—directs the Sergeant at Arms to apprehend and arrest certain persons which the Special Crime Committee itself has been unable to locate. In determining what course of action we should take, our major consideration cannot be limited to the question of whether or not the Senate has legal power to approve such a resolution. After long litigation in the courts, it might very well be determined that the Senate has such power.

Our foremost consideration must be this: does this proposed resolution raise important legal problems that deserve the thorough study of the Judiciary Committee? There is no doubt in my mind that it does. No one here would deny that it would be an extraordinary procedure for the Senate to issue warrants at random for the arrest of American citizens. In fact, such a course would very likely violate the Fourth Amendment of the Constitution which provides: "—no warrants shall issue but upon probable cause." In other words, no person can be arrested unless there are substantial grounds justifying his arrest.

Is it not probable that this resolution would raise serious questions under this amendment and also under the fifth amendment which guarantees to every person the right to due process of law? Let me make my position clear. These constitutional questions make it imperative that the Judiciary Committee study this resolution before the Senate as a whole acts upon it.

Supreme Court decisions were cited in yesterday's debate to prove that the Senate has the authority to place these witnesses under arrest. In the final analysis these cases may influence a court in upholding the power of the Senate. But the facts in each of the cases cited are sufficiently different from the case at hand that we could reasonably expect any witness arrested under the authority of this resolution to challenge its legality through a writ of habeas corpus.

In *McGrain* v. *Daugherty* (273 U. S. 135 (1926)), cited in yesterday's debate, the witness was served with subpoenas on two different occasions and failed to appear in each instance. The witness offered no excuse for either failure. The general conduct on the part of the witness gave the Senate proper and substantial grounds to use its power of arrest to bring the witness before it.

Barry v. *Cunningham* (279 U. S. 597 (1929)), another case cited in yesterday's debate, also presents a different set of facts from those we have before us here. In that case, the witness had testified before a Senate subcommittee but had refused to answer certain inquiries bearing upon that investigation. (The matter being investigated was the primary election expenditures of William S. Vare, Senator-elect from Pennsylvania.) Again the Senate had sufficient and proper grounds to employ its power of arrest. The witness had displayed a contemptuous attitude before a Senate subcommittee.

The statement in the Cunningham case to the effect that an arrest can be ordered although a subpena has not been previously served or disobeyed, must be confined in its meaning to the facts which the court had before it. In all other respects it is dicta. In that case, a subpena had at one time been served and the witness refused to give certain testimony. The court was not faced with the problem raised by this resolution which involves persons who have never at any time been brought under a committee's jurisdiction.

From these cases it could be argued that the power of the Senate to arrest a person turns upon the whole course of the person's general conduct in relation to the committee's investigation. As I pointed out earlier, our courts might very well uphold the Senate's power, but it is also true that many of these persons may seek—and possibly obtain—writs of habeas corpus. They would argue that there is no constitutional basis for a warrant of arrest, that there is no course of conduct on their part to show that they would not have willingly responded to an ordinary subpena if one had been served.

It is not at all improbable that the approval of this resolution—rather than helping the Crime Committee—would in fact hinder it by involving it in extended litigation. This is one of the problems that should be considered by the Judiciary Committee.

Another question that should be considered by this committee is this: What is to be gained by the adoption of this resolution? The special Crime Committee is requesting the Senate to arrest these witnesses because it has been unable itself to locate them in order to serve subpenas. It would not seem very likely that the sergeant-at-arms would be able to locate these witnesses to arrest them any easier than the subcommittee could locate them to serve them with subpenas.

Either course of action would have identical results. If they are served with subpenas and fail to appear, they can be apprehended and punished by a year's imprisonment under section 192 of the general and permanent laws of the United States Senate. If these witnesses would refuse to appear in response to a subpena, they would by all probabilities refuse to testify if they were arrested by the sergeant-at-arms and brought before the subcommittee.

In this case they would also be punished under section 192 by imprisonment for as long as a year.

In short, the special Crime Committee, proceeding under its own powers, without the aid of the sergeant-at-arms, may very well attain every bit as much as it would accomplish by this resolution. Finding the witness would present the same problems; the willingness of the witness to testify would be the same, and the punishment of an uncooperative witness would be the same.

To summarize: This resolution should by all means remain with the Judiciary Committee where a thorough consideration can be given to the many questions which it raises. The Judiciary Committee can take into consideration the constitutional issues involved. It can consider the effects which protracted litigation, likely to arise under this resolution, would have upon the proper operation of the Crime Committee. It can consider also whether anything is to be gained by the adoption of a course of action which by all general appearances will attain nothing more than can be attained under the existing powers of the Crime Committee.

The Judiciary Committee, in studying this resolution, can also determine whether or not its approval would impair the prestige and influence of the Crime Committee by serving as an admission that it is unable to subpena its witnesses and punish them if they fail to appear. These problems are grave enough to justify the considered action of the Judiciary Committee, and they are serious enough to dissuade the Senate from a snap judgment on a matter of great importance.

It should be remembered that the Parliamentarian who has been here many years advises there is no precedent for such a resolution. Mr. President, I want the witnesses to appear. They should do so without attempting any extraordinary procedure—but the mere fact they are presumably evading service presents a serious question whether they can be arrested by the Sergeant at Arms before any summons has been served upon them.

Mr. President, I submit again that I shall abide by the decision of the Judiciary Committee.

Mr. CHAVEZ. Mr. President, will the Senator yield to me?

Mr. CAIN. Yes; if I may do so, I shall be glad to yield to the Senator from New Mexico.

Mr. CHAVEZ. I thank the Senator from Washington.

Mr. President, I think the difficulty is that the Senate does not realize exactly what power it has. Now we are begging for mercy, so to speak, in regard to what should be done in this connection.

I agree with the Senator from Tennessee that these persons should be brought before the committee. The Senator from Tennessee speaks about enforcement agencies. After all, Mr. President, the Senate has en enforcement officer, namely, its Sergeant at Arms. So what is the trouble? Why should the FBI be authorized to arrest someone, when the Senate of the United States itself simply has to order its enforcement officer to arrest the persons referred to? I assure the Senator from Tennessee that that procedure is sufficient. If the Senator from Tennessee himself does not answer a quorum call the second time, and if a quorum is not developed, if another Senator moves that the Sergeant at Arms be instructed to bring in the Senator from Tennessee, the Senator from Tennessee will be brought in.

I think the Senate has full power; but now we are begging, for some reason or other, to have some other enforcement power applied.

What has the Senator from Tennessee asked of our enforcement officer, our Sergeant at Arms, who has been constitutionally selected?

Mr. KEFAUVER. That is what the resolution asks, namely, that the Sergeant at Arms be instructed to proceed in this way.

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Tennessee?

Mr. CAIN. Mr. President, under the circumstances I should like to have unanimous consent to continue to yield until the question now at issue has been resolved to the satisfaction of the Senators concerned.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. KEFAUVER. I may say to the distinguished Senator from New Mexico that the resolution requests that the Sergeant at Arms of the Senate be ordered to issue warrants for the arrest of these particular persons.

Mr. CHAVEZ. That is the point I am trying to make. If the Sergeant at Arms, under the authority of a motion, has the right to bring the Senator from Tennessee to the floor of the Senate, why does not the Sergeant at Arms, under a resolution adopted by the Senate, have the right to execute the order of a committee?

Mr. KEFAUVER. That is what I have been asking for. I appreciate the contribution made by the Senator from New Mexico.

Mr. CHAVEZ. I think all this procedure is foolish, and we are losing time. I believe that all that the Senator from Tennessee and his special committee or any other committee has to do is to order the Sergeant at Arms, the enforcement officer for the orders of the Senate, to bring them in.

Mr. KEFAUVER. Will the Senator agree that has to be done by means of a resolution?

Mr. CHAVEZ. I do not think so. My good friend who now is presiding over the Senate, the distinguished President pro tempore, was brought into the Chamber on one occasion, contrary to what I thought was correct; but, nevertheless, he was brought in. Does the Senator from Tennessee mean to tell me that if the President pro tempore can be brought into the Senate Chamber, the Sergeant at Arms cannot bring before the Senate a little 2-by-4 crook who has been getting away with something?

Mr. KEFAUVER. Of course, the Senator is entirely correct. That is the point I have been trying to present; but the majority leader makes objection to it.

In the Cunningham case, which has been referred to, where a witness was wanted in connection with a Pennsylvania election, the subpena on the witness had expired, and the resolution was to cite him for contempt because he had previously refused to testify. However, the Senate of its own motion disregarded the contempt charge, and ordered the issuance of a warrant to arrest him and bring him before the bar of the Senate. On a writ of habeas corpus to question the constitutionality of that procedure, the court unanimously held that, of course, the Senate has a right to issue an order to its own Sergeant at Arms to arrest anyone it wishes to question.

Mr. CHAVEZ. I do not wish to go into a nice legal question. I think the Senate can now order its Sergeant at Arms to bring these persons before the Senate.

Mr. KEFAUVER. That is exactly what we want to have done.

Mr. CHAVEZ. What has the committee done about that? Has the committee ordered the Sergeant at Arms to do so, under the authority it has to investigate?

Mr. KEFAUVER. We have filed a resolution asking that the Sergeant at Arms be ordered to bring them in.

Mr. CHAVEZ. But why is it necessary that the Senate now adopt a resolution of that sort, when constitutionally the Senate has appointed a Sergeant at Arms to carry out its orders?

Mr. KEFAUVER. Mr. President, if there is objection to bringing the matter before the entire membership of the Senate, for the purpose of receiving the necessary authority, then certainly there would be strenuous objection made if the committee itself were to request the Sergeant at Arms to proceed. We therefore thought we were doing the proper thing in bringing the issue before the Senate and asking the Senate to assist the special committee by directing the Sergeant at Arms to arrest the persons named in the resolution and to bring them before the committee.

Mr. CHAVEZ. It is my opinion, though I shall leave the matter to the decision of the Parliamentarian and others who may wish to look into the legal aspects, that if any duly authorized committee of the Senate has authority to do something, and if things which the committee orders done are not done, the committee, without a resolution, may give appropriate orders to the Sergeant at Arms. I should like to inquire whether the Senator from Tennessee has taken this matter up with the Sergeant at Arms, and whether he has said to him, "Bring those bums in"?

Mr. KEFAUVER. We have presented the matter to the Senate through a resolution.

Mr. LUCAS. Mr. President, I demand the regular order.

The PRESIDENT pro tempore. The regular order is demanded. The Senator from Washington has the floor, and he will proceed.

Mr. KEFAUVER. Mr. President, will the Senator from Washington yield for a question to be addressed by me to the majority leader?

The PRESIDENT pro tempore. Does the Senator from Washington yield for that purpose?

Mr. CAIN. I yield to the Senator from Tennessee for that purpose if I may do so without losing the floor.

The PRESIDENT pro tempore. The Senator from Washington yields to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, will the majority leader join in a request that the Committee on the Judiciary report back to the Senate on this matter by Friday? We are very anxious to have the question determined one way or the other.

Mr. LUCAS. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Illinois?

Mr. CAIN. I yield.

Mr. LUCAS. It is my understanding that the chairman of the Judiciary Committee will return to the capital tomorrow, Wednesday. I should therefore think that Friday would be satisfactory, and I would not want it made later than next Monday. Other members of the Judiciary Committee are present, and I should like to have a statement or statements from them.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. CAIN. I am glad to yield.

Mr. LUCAS. I think Friday would be agreeable. The chairman of the Judiciary Committee is not present. Does the Senator from Mississippi think that would allow sufficient time?

Mr. EASTLAND. I think Tuesday would be better.

Mr. LUCAS. Perhaps we can make it Monday.

Mr. EASTLAND. I suggest Tuesday. The committee generally meets on Monday.

Mr. KEFAUVER. The witnesses named in the resolution are needed for the hearings to be conducted next week.

Mr. LUCAS. Mr. President, when the Senator from Tennessee speaks of getting the witnesses for hearings to be conducted next week, I recall that his statement that he has used every means at his command, through the investigators on the staff of the committee, to try to find these witnesses, and that he has been unable to locate them. As I

recall, he stated yesterday that one or two of them were, I think he said, in Mexico. I do not believe the Federal Bureau of Investigation will be able to get its hands on these people immediately. Certainly the Senator from Tennessee is going to be around here a long time, and apparently, the special committee is going to be functioning a long time. I feel sure the special committee will be unable to get its work done by the FBI. The committee will be asking the Senate for additional funds, which will be granted by the Senate at appropriate times, and the committee should do the work. When the committee makes a request, along about February 1, for perhaps $300,000 or $400,000, in order to really get the job done, I am sure the request will be granted. But I am still standing by what I said.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAIN. After the majority leader has concluded his present observation, I shall be pleased to yield to the minority leader.

Mr. LUCAS. Mr. President, if satisfactory to the Senator from Mississippi, who is a member of the Judiciary Committee, as it apparently is satisfactory to other Members, who have made no objection to it, it will be perfectly satisfactory to the majority leader to have the resolution which is now before the Judiciary Committee reported back, one way or other, by Friday of this week. That would be perfectly satisfactory to me.

The PRESIDENT pro tempore. Is there objection?

Mr. WHERRY. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Nebraska object?

Mr. WHERRY. I want to say I think that would be a very happy solution of this problem. I felt we should comply with the request of the Senator from Tennessee, and that we should require the Judiciary Committee to report its finding, together with whatever recommendations it may deem proper, by Friday of this week.

Mr. KEFAUVER. Mr. President, will the majority leader, in his unanimous-consent request, ask that this be a privileged report, so that we may get final action on the floor of the Senate? I presume it is privileged, anyway.

Mr. LUCAS. That is entirely satisfactory so far as I am concerned. I shall cooperate in whatever the Judiciary Committee does in connection with the submission of its report on Friday. My only request is that the Judiciary Committee shall take a very good look at this procedure.

The PRESIDENT pro tempore. Is there objection?

Mr. CAIN. Mr. President, in partial keeping with what the minority leader has just said, the only happier suggestion I could think of at the moment would be that the Senator from Washington in due time be encouraged and permitted to proceed with his statement.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CAIN. I yield to the Senator from New Mexico.

Mr. CHAVEZ. Mr. President, I shall raise no objection to the request made by the Senator from Tennessee. The following language of the resolution submitted by the special committee appeals to me:

Resolved, That the President of the Senate issue his warrants commanding the Sergeant at Arms or such persons as may be deputized by him to take into custody the bodies of: Anthony "Tony" Accardo (alias Joe Batters), Patrick James Burns, Murray Llewellyn Humphreys, Rocco Fischetti (alias Ralph Fisher), Charles Fischetti (alias Charles Fisher, Dr. Charles Fisher, Charles Brown, and Ralph Fields), Joseph Sica, Martin M. Hartman, Ben Marden, John Patton, Elmer (Bones) Remmer, Morris Rosen, wherever found, and to bring the said persons before the Special Senate Committee To Investigate Organized Crime in Interstate Commerce in Washington, D. C., then and there to answer such questions pertinent to the matter under inquiry as to the said special committee shall propound.

I emphasize the words "wherever found." I am willing to wait until Friday, but I suggest that the sooner it is authorized, the better.

The PRESIDENT pro tempore. Is there objection?

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. KEFAUVER. Is the proviso that the report be made a privileged matter included in the unanimous-consent request?

The PRESIDENT pro tempore. The Chair will say that if the unanimous-consent request is granted, the motion to reconsider would be withdrawn.

Mr. KEFAUVER. Mr. President, I refer to the report of the Judiciary Committee. Is it to be considered a privileged matter when it is submitted on Friday?

Mr. LUCAS. Mr. President, I have no objection to that, because I think that whatever the Judiciary Committee does, one way or other, will be followed by the Senate. It will not take very long to make a determination of it. I should have no objection to including that particular suggestion in the unanimous-consent request.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state the inquiry.

Mr. WHERRY. Is it not necessary to include in the unanimous-consent request a provision which will determine what is to be done with the motion to reconsider?

Mr. KEFAUVER. Mr. President, if and when the unanimous-consent request is agreed to, I shall withdraw the motion to reconsider.

The PRESIDENT pro tempore. The motion to reconsider is withdrawn. Is there objection?

Mr. KEFAUVER. The report then, as I understand, will be considered to be privileged. Am I correct in that understanding?

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that the report would be privileged.

ORDER OF BUSINESS

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Nebraska for a question?

Mr. CAIN. I am glad to yield.

Mr. WHERRY. I should like to address my question to the distinguished majority leader. In view of the fact that we now have a unanimous-consent agreement to vote upon the rent-control measure on Thursday at 2 o'clock, it seems likely that, if the debate on the bill follows the usual course, we shall complete it sometime before 2 o'clock Thursday. The distinguished majority leader recently listed several bills which he said might be taken up in the event of a lull in the work of the Senate. I have a list of those measures. Will the distinguished majority leader say at this time that if there is a lull he expects to take up any of these measures, and whether, if he does, he will move to take them up in the order in which they appear on the list? I desire this information in order that I may advise Members on this side of the aisle and make it possible for them to be on the floor if and when any one of those measures is taken up. Does the majority leader feel that he is now ready to say which of those bills he will take up in the event of a lull in the debate on the pending measure?

Mr. LUCAS. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Illinois?

Mr. CAIN. I have formed the habit of yielding, so I see no point in not yielding to the distinguished majority leader.

Mr. WHERRY. I thank the Senator for his courtesy in having yielded to me.

Mr. LUCAS. Mr. President, we are very much interested in Calendar Order No. 2265, the bill (H. R. 5967) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers; and we are also interested in Calendar Order No. 2540, the bill (H. R. 483) to extend the time limit within which certain suits in admiralty may be brought against the United States. In fact, we are interested in all the bills contained on the list which was recently placed in the RECORD. I cannot tell exactly the order in which they will be called up, which will depend upon who is sponsoring a measure and whether he is available at the particular time when a lull occurs in the debate. But I have given notice that we shall take up all these bills, and any one of them is likely to be taken up.

Mr. WHERRY. I thank the distinguished majority leader. I think that ought to be sufficient notice to all Members that any one of those bills may be brought up at any time.

Mr. LUCAS. Furthermore, I may say there will also be quorum calls before the bills are taken up.

Mr. WHERRY. I thank the Senator from Illinois, and I also desire to thank the Senator from Washington for his courtesy in yielding so many times.

Mr. CAIN. The minority leader could not be more welcome.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. CAIN. I send to the desk an amendment to Senate Joint Resolution No. 207, and I introduce a joint resolution, and ask that they be printed and lie on the table.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment offered by Mr. CAIN to Senate Joint Resolution No. 207 was ordered to be printed and lie on the table.

The joint resolution (S. J. Res. 211) to amend the Housing and Rent Act of 1947, as amended, with respect to resolutions of local governing bodies, introduced by Mr. CAIN, was read twice by its title, and ordered to lie on the table.

Mr. CAIN. Mr. President, the amendment and the joint resolution deal with the same subject and are identical in language.

My hope is to improve the joint resolution (S. J. Res. 207). The amendment, if adopted, would make certain that a pending and great injustice will not be imposed on millions of Americans.

I shall, however, vote against the joint resolution (S. J. Res. 207) even though my amendment is adopted by the Senate. My own considered view is that no reasonable need exists to require the passage of Senate Joint Resolution 207. Federal rent controls will not expire on December 31, 1950, as some Senators seem to think. Every city in America which is now under Federal rent controls can extend those controls for the first 6 months of 1951, if that is its wish. There will be ample time and opportunity for the new Congress to consider the need of further Federal rent controls. In my opinion, the passage of Senate Joint Resolution 207 will serve no useful purpose of any kind, character, or description. It would do much more harm than good. The Senator from Washington is against Senate Joint Resolution 207 in any form.

Should my view prevail, and Senate Joint Resolution 207 be defeated, the Senate then ought to pass the joint resolution I have just introduced. I think that both the amendment and the joint resolution will be approved without a dissenting vote.

Every Senator has an interest in the amendment and in the resolution. Let me attempt to arouse the curiosity of the Senate and define its interest by reading some testimony which appears on pages 22 and 23 of the hearing on Senate Joint Resolution 207 before the Committee on Banking and Currency on November 29, 1950.

The question before the committee was the extension of rent control. The first witness who appeared was Mr. Tighe E. Woods by name, and officially the Housing Expediter. Mr. Woods said:

A recent appellate court decision has cast serious doubt upon the validity of resolutions for continued control already passed by some 800 various municipalities. In defining the term "resolution," the United States Court of Appeals for the District of Columbia, in an opinion dated November 24, 1950, involving a decontrol resolution of the city of Los Angeles, stated:

"Congress intended that the resolution described in this statute be a legislative act."

It was further stated that the resolution for decontrol "requires the exercise of legislative power by the governing body of a city."

The court made clear that a simple fact-finding or administrative resolution is not sufficient. The municipalities' actions are legislative and must be clothed with all the requirements for passage of an ordinance. In fact, the court stated that the use of the word "resolution" instead of "ordinance" in the Federal statute is of no importance. In view of the similarity of language in the "continued control" and "decontrol" sections of the act, the question arises whether the communities are not required to act by a legislative process in order to preserve rent control after December 31.

The CHAIRMAN—

The chairman of the committee is the distinguished senior Senator from South Carolina [Mr. MAYBANK]—

The CHAIRMAN. What is that again?

Mr. WOODS. This is new and very serious.

Senator CAPEHART. As a member of the committee that passed that bill, you can tell that judge he did not know what he was talking about, as far as my mind was concerned.

Mr. WOODS. My mind, too, sir.

The CHAIRMAN. That is true, because the congressional debate will clearly show that. As I remember, and it has been a long time ago, we did not go into the connotation of "ordinance" or "resolution," but we went into the question of governing bodies and what laws may govern them, because in some sections cities act by resolutions and in other places they act by ordinances, as I remember. Am I wrong?

I cannot figure that one out now.

Mr. WOODS. We cannot, either.

The CHAIRMAN. The CONGRESSIONAL RECORD might throw some light on this point.

Mr. WOODS. We have every reason to believe that the vast majority of the local governing bodies construed the act, as did this agency, to permit them to take action continuing control by simple resolution, as distinguished from legislative acts attended with the formalities of ordinances. These formalities vary from city to city, depending upon the language of the particular charter, but they generally provide for notice by publication and lapse of a prescribed period of time after notice before becoming effective to permit referendum action, and so on.

While we cannot state that the view of the Court of Appeals for the District of Columbia will be followed by other courts, still we cannot escape the fact that this decision, being the only court of appeals decision on the subject to date, raises serious question as to the validity of all resolutions, both for continued control and for decontrol.

Mr. President, all that Mr. Woods, the Housing Expediter, and the several Senators have said in that testimony, as I understand, is that if the recent circuit court of appeals decision is upheld by the Supreme Court of the United States—and my understanding is that the question is now before the Supreme Court—800 affirmative actions by resolution taken by 800 American communities to extend rent control within their several jurisdictions from December 31, 1950, until June 30, 1951, will be invalid. Mr. President, they will be null and void.

It likewise follows that if the circuit court of appeals decision is upheld by the Supreme Court the hundreds of affirmative resolutions adopted by city councils throughout the country to decontrol their communities, as was the intention of Congress and the President of the United States, through the passage of the Rent and Housing Act of 1950, will be invalid. Such resolutions will become null and void.

It is for that reason I think every Senator, every Member of the House of Representatives, and every American has a real interest in the pending amendment to Senate Joint Resolution 207.

On July 14, 1950, the city council of the city of Los Angeles published a notice advising the general public that in accordance with section 204 (j) (3) of the Housing and Rent Act of 1947 as amended, the city council would hold a public hearing on July 28, 1950, to determine whether or not there existed such a shortage in rental housing accommodations in the city of Los Angeles as to require the continuance of Federal rent control in that city. On July 28, 1950, the city council held the public hearing in accordance with the previously mentioned notice. On the same day the city council adopted a resolution in which the council stated that, as a result of the public hearing held on that day it found that there no longer exists such a shortage in rental housing accommodations as to require rent control in the city of Los Angeles. The resolution was forwarded to Tighe E. Woods, as Federal Housing Expediter, who received it on August 2, 1950.

Shortly after receiving the resolution the Housing Expediter announced he would terminate rent control. Thereupon a series of suits were instituted against the Housing Expediter to enjoin him from terminating Federal rent control in Los Angeles. The district court in Washington, D. C., the appellate court, and the Supreme Court, and the municipal court in Washington, D. C., all denied the sought-for injunction.

Thereupon the Expediter, Mr. Tighe Woods, wrote the Los Angeles city council, stating he would not honor the resolution and remove controls from Los Angeles on the ground that the required finding of fact made by the city council as to the availability of rental housing accommodations in the city could not in his opinion be reasonably said to flow from the evidence adduced at the public hearing held by the city council prior to adoption of the resolution.

Upon the Housing Expediter's announced refusal to terminate rent control in Los Angeles—in my opinion to evade the law of the land as written by Congress and signed by the President of the United States—a suit was instituted against Woods in the district court in Washington, D. C., by a Los Angeles taxpayer, seeking a mandatory injunction which would compel the Housing Expediter to terminate rent control in Los Angeles in accordance with its city council's resolution, and, parenthetically, in keeping with the law of the land. The district court granted the mandatory injunction, and an appeal was taken to the circuit court of appeals. That court reversed the judgment of the district

court and ordered the complaint dismissed on the ground that the Los Angeles city council should have made its finding of fact in the form of an ordinance rather than in the form of a resolution, holding that the language "resolution" in the Housing and Rent Act is not controlling but that the city council is exercising a legislative power which must be exercised by ordinance.

An appeal from the circuit court decision has been taken to the Supreme Court. Should the decision of the circuit court be sustained, the validity of action already taken by local governing bodies in continuing or terminating Federal rent control in an estimated 1,000 cities throughout the Nation, which have either terminated such controls or continued them until June 30, 1951, by resolution of their governing bodies adopted for that purpose pursuant to section 204 (j) (3) of the Housing and Rent Act of 1947 as amended is endangered.

We are informed that the Housing Expediter has never rejected any of the more than 1,000 resolutions received by him on the ground that they were legislative acts and should be in the form of ordinances and he did not reject the Los Angeles resolution on the ground that it was not in the form of an ordinance. That is pointed out very clearly in the hearings to which I recently made reference. He did not reject the Los Angeles resolution on the ground that it was in the form of a resolution rather than in the form of an ordinance.

Under the decision of the court of appeals the continuation or termination of Federal rent control by local governing bodies pursuant to section 204 (j) (3) of the Housing and Rent Act of 1947 as amended, is held to be an exercise of legislative power. Hence if the decision is correct it follows that the action of hundreds of local governing bodies in continuing or terminating Federal rent control by resolution is illegal and void, the result of which is to leave the status of rent control in these cities in doubt and confusion and render chaotic—I can think of no other properly descriptive term—the legal relations between hundreds of thousands of landlords and tenants in these areas. Also, the cities which have not acted in many instances do not have time to comply with the formal requirements for adoption of an ordinance but can adopt resolutions as the latter are not usually surrounded by such formal requirements.

I notice that the distinguished senior Senator from New Jersey [Mr. SMITH] has an interest in this question. I should like to ask him how many people he thinks would be involved if the present decision of the circuit court of appeals were to be upheld by the Supreme Court? Forty million people, property owners and tenants, would be left in doubt.

For these reasons the junior Senator from Washington—and I feel that we may take it for granted that such action has the approval of every other Senator—submits the amendment to Senate Joint Resolution 207 and urges its adoption. I hope it will be adopted on Thursday of this week. Without the amendment, and if the decision of the appellate court is sustained, property owners and tenants in every area of the country previously decontrolled by local governing body resolutions, as well as those communities who by appropriate resolutions have requested additional control, will find themselves in a most distressing position, which the Congress, in designing the statute, had never intended.

Mr. President, in conclusion I can say only what everyone is aware of, that as a result of considered argument and debate the Congress and the President thought it perfectly proper to provide the cities of this country with the authority, by any legal means within their power, either to decontrol themselves or to continue Federal rent controls for 6 months, beginning on the 1st day of January, 1951. It was never the intention of a single Senator, to my knowledge, to do other than provide some semblance of sovereignty, home rule, and home responsibility to the communities of America. The circuit court of appeals—and, necessarily, as a lay person I do not criticize that action—has by its decision said that the Congress had no such intention, and that the Congress only wanted to permit cities to decontrol themselves or to continue controls by means of city ordinances.

Mr. President, I hope that the question will be satisfactorily taken care of on Thursday, and that my amendment to Senate Joint Resolution 207 will be adopted.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield for a question?

Mr. CAIN. I yield.

Mr. SMITH of New Jersey. I was not quite clear as to the language of the Senator's amendment which, as I understand, is designed to clarify this confusion.

Mr. CAIN. Mr. President, I think that is an important question.

Mr. SMITH of New Jersey. I do not know whether the language is in the RECORD or not. I should like to have the answer.

Mr. CAIN. The answer is that the words of the amendment to the resolution would merely validate all the actions which have been taken by cities either to decontrol themselves or to continue controls for an additional 6 months.

Mr. SMITH of New Jersey. Irrespective of whether the action was in the form of an ordinance or resolution, or what have you?

Mr. CAIN. If the Senator will bear with me, I shall read that part of the amendment which deals with the question:

Provided further, That as used in this act the term "resolution" shall not be construed to be limited to ordinances or other legislative acts, and any resolution heretofore adopted by any local governing body is hereby declared to be effective for the purpose of this section 204 (j) (3) or section 204 (f) (1), whether or not such resolution was legislative in character; and no suit or action shall be brought under section 205 of this act, or any other provision of law, on the basis of any administrative decision or the decision of any court that the resolution described in this act must be a legislative act.

THE WAR IN KOREA

Mr. EASTLAND obtained the floor.

Mr. TAFT. Mr. President——

The PRESIDENT pro tempore. According to the agreement made by the Senate yesterday, the Chair recognizes the Senator from Mississippi. Does the Senator from Mississippi yield to the Senator from Ohio?

Mr. EASTLAND. Mr. President, I am sorry, but I must shortly leave the Chamber.

The PRESIDENT pro tempore. The Senator from Mississippi is recognized pursuant to an agreement made yesterday.

Mr. TAFT. Mr. President, I have been trying to obtain the floor since yesterday afternoon to discuss the matter before the Senate. I shall require considerable time. I do not want to interfere with the Senator from Mississippi.

Mr. EASTLAND. Mr. President, General MacArthur is one of the world's great military leaders, and in my judgment his planning, direction, and conduct of the Korean campaign has been outstanding, against odds, and against unusual conditions which have never before confronted a military commander.

The principal cause of the Korean difficulties is American inadequacies. General MacArthur has had an inadequate number of men, inadequate equipment, and inadequate supplies. There has been too little of everything to perform against every eventuality the mission which was entrusted to him. The fact that he has had too few men, too few weapons, and too little equipment to meet any eventuality, is not his fault. The blame rests upon the shoulders of other people.

Mr. President, it is heartbreaking to see this proud and glorious Nation brought to the sad fix in which we find ourselves today. The difficulties in Korea are not the fault of the American people. They are brought about by the policies of our Government. They are caused by those who preached the Lattimore line—that the Chinese Communists were not Communists but agrarian reformers; that they were not lined up with Moscow; that Chiang Kai-shek was a rascal and a knave; and that we could not afford to dirty our hands with him. This was the prevailing opinion of this Government, and I am frank to say that I think some who preached this line in the Government were Communists, and others were duped by Communists.

It is my judgment that the China policy of the State Department, which dates back several years, is responsible for our sad plight in Korea, and for America's weakened position in the Orient.

Mr. President, it is my judgment that some who preached this line and who followed this policy today occupy honored positions in this Government, and the first thing that must be done is to permit them to resign from the public service. It gains us nothing to win a war by armed might and then lose the victory on the diplomatic front.

The Prime Minister of Great Britain is in Washington upon a mission which, if his purposes are correctly described in

the press, would constitute a Munich which would dwarf into insignificance the agreement between Chamberlain and Hitler at Munich in 1938. It would check off the vast resources of Asia to communism, and would tremendously weaken the United States throughout the world. In fact, if we lose Asia with its vast manpower and resources, the foundation is laid for Communist control of the world. The truth is that if the Communists are permitted to absorb and digest Asia, their conquest of Europe will be simple. The control of Asia will place them 75 percent of the distance on the road to world control for communism. I note that the British and French desire, among other things, to take Communist China into the United Nations, and want us to sacrifice Formosa.

Mr. President, to take Communist China into the United Nations would be like placing a rattlesnake in a playpen with little children, and would raise the crime of blackmail to one of the cardinal virtues of mankind. Communist China, in conjunction with the Soviet Union, is bent upon world conquest. We must recognize this fact and act before she becomes any stronger.

The hour of decision is now upon us, and all we do is talk. We must act at once. There must be general mobilization, and the country must be placed on a war footing. In addition, we must take several definite steps, with or without the assistance of the British.

To begin with, Mr. President, we must realize that Communist China is just as wanton an aggressor as .the Soviet Union. She has attacked Tibet. She today murders American boys. She wages war in Indochina, and, in addition, she is building a tremendous army for conquest under the banner of world communism. I note in the press that she is at this time instituting universal military training.

It is the Russian program to use the Chinese millions to conquer the world. We cannot afford to permit this great Chinese army to be so used. We cannot permit the Communists to solidify and stabilize China. Instead, we must fight back. We are in reality at war with her now, and in this extreme emergency we are not doing everything we can do, should do, and must do. The cry is raised that we cannot afford to get boggged down in China and forego our commitments to humanity in Europe, but it would be tragic, Mr. President, if we let the counsel of despair or confusion force us to lose both Europe and Asia. This is the danger we confront, and the time has come for such realism as we have never shown before. If we are not to continue playing directly into the Kremlin's hands we must find a way to catch the Communists in the very traps they have laid for us.

Mr. President, we never intended to commit American troops to an endless ground warfare against the Communist hordes of the Orient. We knew that should Communist China move into Korea our whole military strategy would have to be revised. This is the chance that was taken. The Chinese Communists have moved; our whole military strategy in the Orient has to be revised, and the time to do it is now, without waiting for 62 different nations to submit 62 different interpretations of a new Munich by which to guide us. The American people must understand that with America's future hanging in the balance, with American boys pouring out their lives, with the American people financing with their earnings and savings the struggle to stop the spread of communism in Europe, the time has come for the American Government to stand on its own feet with a realization that it is our destiny with which we gamble.

Mr. President, the truth is that in spite of the staggering defeat we are now suffering in Korea the strength of the Communists' forces that are pitted against our boys has become their greatest weakness. Gen. Lin Piao, who is commanding the North Manchurian Chinese Communist Army, is the only warlord in Communist China, and has concentrated the whole strength of the Chinese Communist Army in Manchuria for this drive.

Likewise, Mr. President, the industrial backbone of the Chinese Communist military power lies in Manchuria, with the largest arsenal of the Orient located at Mukden. Here is the industrial potential, and here are the armed forces of the Chinese Communists now concentrated in Manuchuria in such a way as to provide a perfect opening for the launching of a second front on the Chinese mainland by Chiang's Nationalists troops now stationed in Formosa, supplemented by an American naval blockade of the coast of China and the American air power turned loose to destroy the transportation system of China and the industrial potential which is concentrated in Manchuria. If such a plan were undertaken now the guerrilla potential of southern China would join forces with Chiang and would march northward to balance off the Chinese Communist troops in Manchuria, thus catching them in the very trap they set for us.

Mr. President, I am solemnly convinced that such a plan constitutes the only realistic alternative either to abject surrender, complete withdrawal, or suicidal appeasement.

We must immediately clamp 'an iron blockade upon the China coast and seal her ports to all commerce with anyone. American air power must attack and destroy Chinese industrial potential and China's transportation system. In fact, she has no highways, but depends upon a thin spread of rail lines to supply her industries and feed and clothe her people. This transportation system can be destroyed by American air power from bases which we now possess. These two things, Mr. President, will do more damage than a great armed invasion of the China land mass. In addition, we must aid Chiang Kai-shek and assist him in returning to the mainland and destroying the Communists. We must aid and help the million anti-Communist guerrillas now in China and thus create havoc and confusion there.

Mr. President, I think it should be said here and now and frankly to the world that any appeasement which would take Chiang Kai-shek's army from the flank of China would be a catastrophe of incalculable proportions. Our European friends must realize that if Russia is permitted to arm China and train and equip an army of 50,000,000 men, Europe will be overrun. Our British friends must realize that American blood is being spilled, American boys are being savagely and brutally murdered, and that our country cannot let Hong Kong control our policies.

The world must realize that America in this hour is not helpless. We have the greatest fleet in the world, and the historical mission of any fleet is blockade. In this instance we have an adversary that is peculiarly vulnerable. With its teeming millions, its lack of self-sufficiency, and its lack of any place to go to attain sufficiency except from the sea, it is a peculiarly vulnerable target of blockade.

Mr. President, I cannot understand why this simple fundamental step has not already been taken. The Chinese Communist Government is at war with the United States, and I cannot understand why this simple fundamental step has not been taken. Moreover, we have millions of allies on the mainland of China, to say nothing of the highest trained army, eager and ready to go to the rescue, to rescue their homeland from a foreign enemy who has played cruelly with them and placed a foreign yoke upon them.

The policy under which our Nation can be brutally attacked by an unprincipled foe without fighting back must cease, and cease immediately.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, as follows:

Aiken	Hoey	Mundt
Anderson	Hunt	Myers
Butler	Ives	Neely
Byrd	Johnson, Tex.	Nixon
Cain	Johnston, S. C.	O'Conor
Capehart	Kefauver	O'Mahoney
Carlson	Kem	Pepper
Chapman	Kerr	Robertson
Chavez	Kilgore	Russell
Clements	Knowland	Saltonstall
Cordon	Langer	Schoeppel
Donnell	Leahy	Smith, Maine
Douglas	Lehman	Smith, N. J.
Dworshak	Long	Smith, N. C.
Eastland	Lucas	Stennis
Ecton	McCarthy	Taft
Flanders	McClellan	Taylor
Frear	McFarland	Thomas, Okla.
Fulbright	McKellar	Thomas, Utah
Gillette	McMahon	Thye
Gurney	Magnuson	Tydings
Hayden	Malone	Watkins
Hendrickson	Maybank	Wherry
Hickenlooper	Millikin	Williams
Hill	Morse	Young

Mr. WHERRY. I announce that the Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], and the Senator from Wisconsin [Mr. WILEY] are absent in attendance on the conference between President Truman and Prime Minister Attlee on board the Presidential yacht *Williamsburg*.

The PRESIDING OFFICER (Mr. LONG in the chair). A quorum is present.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. TAFT. Mr. President, I desire to speak very briefly in opposition to the proposed extension of the Rent Control Act. I think it is perfectly obvious that the pending joint resolution is no more than an attempt to nullify the action which was taken by the Congress last year. It is simply an effort to continue rent control for 2 months more, so that the next Congress may face the question again, and so that we may nullify the complete solution which we reached last year, and which I thought was, on the whole, a reasonable compromise.

In the first place, the Federal Government has no vested or constitutional power whatever to fix rents except as a part of the war power. That is the only possible justification for Federal interference in rent control. Under the Constitution of the United States it is entirely a subject for the States, a subject for the local communities. We got into it because of World War II. Under the war power we put in rent controls. Last year it was obvious that they were the very last of the war controls, and that the existence of a war 4 years before no longer justified, constitutionally or otherwise, the continuation of Federal interference in that field. The result was that we passed a law which was a fair compromise. We said, "Unless there is affirmative action by local communities to continue rent control, it will end on the 31st of December 1950." It was then provided that if the local communities asked to have rent control continued, it would remain in effect until the 1st of July, by which time Congress could again take action if it wished to do so, although it was intended that the whole program should then expire, the local communities and States having had plenty of time to continue it or to put into effect their own local controls, if they desired to continue rent control. This joint resolution is an effort to nullify that procedure.

An attempt is made to justify it on the theory that we now face another war, another emergency. Mr. President, if the Government decides that it should impose price control and wage control, then I think I should be perfectly willing to impose rent control. It seems to me it should be done without any vestige remaining over from the present control. Where control still exists it is in the case of a limited number of property owners and in the case of a limited number of homes. It is based on conditions which existed in 1941 or 1942. Prices in all other fields have responded to inflation, and have reached new levels. In this field alone control remains. Not only is it discriminatory against property owners, but it is discriminatory against a particular class of property owners, because there are only from eighteen to twenty million rental units available in the United States. As an inflation-control measure, it is today completely ineffective. As an inflation-control measure, it is shot through with exceptions. All new houses, for example, are completely exempt. All houses built in the past 5 or 6 years are therefore exempt. Many other houses have been exempted by local action. Of the total number of rental units available, 7,500,000 are under control.

All the present act provides is that if the council of a local community does not have sufficient interest to ask for a continuation of control, such control shall expire. This measure is completely repudiated. It is completely ineffective. It would simply restore a certain amount of benefits to a limited number of tenants under an act which imposed arbitrary and unjust controls and discriminated against a limited number of property owners.

If we are to go forward anew with rent control we should start from a new base. We should get rid of the old rent-control law. We should inaugurate control on a new basis. In my opinion, we ought to start on a better and more just basis than the Original Rent Control Act, which was passed during the Second World War. It seems to me obvious that if there is any justification for rent control we should let the old rent-control law expire. Then in the next session we should study the question of imposing new rent controls, or set up a new system, if war comes, or if we are going to impose price and other controls. In other words, if there is to be a general attack on the problem of inflation we ought to take the time to examine anew, and thoroughly, the whole problem of rent control, and enact a new rent-control law, just as today we are considering anew an excess-profits tax law by trying to eliminate the faults of the act which Congress passed during the Second World War.

If the present rent control law were permitted to expire, no one would suffer except a few persons in communities where sentiment is so strongly opposed to the continuation of rent control that the local authority refuses to ask the Federal Government to continue something which costs them nothing. Certainly if sentiment is so strong locally, there is no reason at all why people in the community should not have the right to determine the question for themselves.

Mr. President, this measure in no way deals with the general problem of inflation. It is not in the nature of an inflationary control measure at all from any national standpoint. Therefore it seems to me the measure should be rejected and the original operation, gradual decontrol under the old act, should remain in effect, as planned by Congress. Today conditions are no different than they were when the act was passed 6 months ago. We should let it expire. If the committee wishes to do so, it may consider what should be imposed if a new emergency should arise and if there is a national inflationary problem with which they propose to deal by methods of control.

The PRESIDING OFFICER. The joint resolution is open to amendment.

Mr. LUCAS. It is my understanding that all Members of the Senate who desired to speak on the rent-control bill have now done so. There are some other bills which I have advised the Senate would be considered. Before moving their consideration I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answer to their names:

Aiken	Hill	Mundt
Anderson	Hoey	Myers
Bricker	Hunt	Neely
Butler	Ives	Nixon
Byrd	Johnson, Tex.	O'Conor
Cain	Johnston, S. C.	O'Mahoney
Capehart	Kefauver	Pepper
Carlson	Kem	Robertson
Chapman	Kerr	Russell
Chavez	Kilgore	Saltonstall
Clements	Knowland	Schoeppel
Cordon	Langer	Smith, Maine
Donnell	Leahy	Smith, N. J.
Douglas	Lehman	Smith, N. C.
Dworshak	Long	Stennis
Eastland	Lucas	Taft
Ecton	McCarthy	Taylor
Flanders	McClellan	Thomas, Okla.
Frear	McFarland	Thomas, Utah
Fulbright	McKellar	Thye
George	McMahon	Tydings
Gillette	Magnuson	Watkins
Gurney	Malone	Wherry
Hayden	Maybank	Wiley
Hendrickson	Millikin	Williams
Hickenlooper	Morse	

The PRESIDING OFFICER. A quorum is present.

EXTENSION OF TIME LIMIT WITHIN WHICH CERTAIN SUITS IN ADMIRALTY MAY BE BROUGHT

Mr. LUCAS. Mr. President, I have advised the Senate that we would consider a number of bills if there was a lull in the proceedings. Apparently no Senators desire to debate the bill providing for extension of rent controls, with the exception of the Senator from Washington [Mr. CAIN], who a moment ago advised me that he wished to make some remarks on the bill; that he could not do so this afternoon, but could do so tomorrow.

There is on the calendar House bill 483, Calendar No. 2540, to extend the time limit within which certain suits in admiralty may be brought against the United States. That is one of the measures which I suggested on December 1 might be considered by the Senate at almost any time. I now ask unanimous consent that the unfinished business be temporarily laid aside, and that the Senate proceed to the consideration of House bill 483.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 483) to extend the time limit within which certain suits in admiralty may be brought against the United States.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, I am not going to object. Notice has been given by the majority leader several times that this bill, among others, might be brought up for consideration.

I should like to ask the Senator from New Jersey [Mr. HENDRICKSON] if House bill 483 has had his attention, and whether there is any objection to considering it at this time.

Mr. HENDRICKSON. Mr. President, I have no objection to the bill being considered at this time.

Mr. WHERRY. Mr. President, I have no objection to granting the unanimous-consent request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois [Mr. LUCAS]?

There being no objection, the Senate proceeded to consider the bill (H. R. 483) to extend the time limit within which certain suits in admiralty may be brought against the United States.

Mr. LUCAS. Mr. President, I am ready for a vote.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. WHERRY. Mr. President, may we have an explanation of the bill?

Mr. MAGNUSON. Mr. President, I may briefly explain the purposes of the bill. It simply extends for another year, on behalf of certain litigants, particularly seamen who had brought suits in admiralty courts, tort actions with respect to Government-operated vessels, and who in their tort actions had named certain ship operators as operators of the Government-operated vessels. Some of them were under charter, and because of mistaken identity, many of the suits were dismissed.

The bill merely would allow the plaintiffs an extension of time in which to refile their suits against the proper operators and the proper defendants. It does not change the existing law whatsoever. It has nothing to do with the basic, permanent statute of limitations relating to the bringing of suits in admiralty courts.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. CORDON. The extension is from what time?

Mr. MAGNUSON. From the time of the passage of the proposed legislation.

Mr. CORDON. When did the statute run as against these men?

Mr. MAGNUSON. I will say to the Senator from Oregon that, as I recall the testimony, there were various times when the statute of limitations ran against them, but in most cases it was within the past two or two and a half years. Testimony was had on this matter last fall. The bill was reported unanimously by the Committee on the Judiciary.

Mr. CORDON. Can the Senator from Washington advise the Members of the Senate as to when it was first known that there was a defect with respect to the parties defendant?

Mr. MAGNUSON. It became known when the Government brought action to dismiss the parties defendant on the ground that they were not the proper parties defendant. Some of the litigation had been pending for a considerable time, but the defect was found at the time the Government brought action to dismiss.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. WHERRY. Does the Senator from Washington know whether any amendments were offered to the bill in the committee? The bill before the Senate is reported without amendment. Some of us have an idea that an amendment was agreed to which I believe had something to do with interest.

Mr. MAGNUSON. That provision is included in the bill. That was voted into the bill.

Mr. WHERRY. That is in the bill now?

Mr. MAGNUSON. Yes.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HENDRICKSON. Does not the amendment differentiate between the type of cases brought in admiralty courts and courts generally?

Mr. MAGNUSON. No.

Mr. HENDRICKSON. The bill would allow interest from the time the suit was entered.

Mr. MAGNUSON. No. The bill provides:

Provided further, That after June 30, 1932, no interest shall be allowed on any claim prior to the time when suit on such claim is brought.

Mr. HENDRICKSON. Is brought?

Mr. MAGNUSON. Is brought. In other words, if some of the claimants wish to bring the suit now, and, let us say, it remains in court for 6 or 7 months, the court could allow the claimants interest for that time. But no retroactive interest is allowed at all under the terms of the amendment placed in the bill by the committee.

Mr. HENDRICKSON. Do I understand the bill follows the usual practice in respect to all litigation in United States courts?

Mr. MAGNUSON. Yes; and does not change the basic admiralty law.

Mr. HENDRICKSON. I thank the Senator.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill (H. R. 483) was ordered to a third reading, read the third time, and passed.

ORDER OF BUSINESS

Mr. LUCAS. There is another bill which I should like to have taken up today; it is House bill 5967, Calendar No. 2265, a bill to amend the Interstate Commerce Act, as amended. It is my understanding that the Senator from Ohio [Mr. BRICKER], who is interested in that bill, has left the city, and will not return until tomorrow. Consequently we cannot take up the bill until then.

Mr. MAGNUSON. Mr. President, will the Senator yield at this point?

Mr. LUCAS. I yield.

Mr. MAGNUSON. Because of the importance of the so-called freight forwarders bill, the time element involved, and the necessity, in view of an Interstate Commerce Commission order, of taking some action on that bill, one way or another, at this session, I wonder whether we can make the bill the order of business, with the understanding that we may begin the debate on it tomorrow, when the Senator from Ohio has returned.

Mr. LUCAS. I should like to see whether possibly we can dispose of another bill before doing that.

Mr. MAGNUSON. Very well.

Mr. LUCAS. I should like to have the Senate take up the railway labor bill as soon as possible. It has been taken up by the Senate on several occasions, but on each and every occasion some parliamentary situation has resulted in postponing the consideration of the bill.

CITY OF CHESTER, ILL.

Mr. MAGNUSON. Mr. President——

Mr. LUCAS. Mr. President, I now refer to House bill 2365, Calendar No. 1811, a bill for the relief of the city of Chester, Ill. I see that my colleague, the Senator from Missouri [Mr. DONNELL], is present. The other day I pleaded with my colleague, in view of the fact that both of us are lame ducks, at least to show a little mercy and a little tolerance about this particular bill, but he seemed as determined as ever. [Laughter.] In view of the fact that both of us are soon to go home, I thought perhaps we could go home very comfortably and happily together. However, for some cause or other, he would not yield. I am pleading with my Republican friends to go along with me on this bill. The Senator from Nebraska has been cooperating with me for years.

Mr. WHERRY. That is the truth.

Mr. LUCAS. He will not have much more time to show the deep and sincere cooperation he has exhibited so long.

Mr. President, I now ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar 1811, House bill 2365, for the relief of the city of Chester, Ill.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 2365) for the relief of the city of Chester, Ill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Illinois?

Mr. WHERRY. Mr. President, in keeping with the fine tribute the majority leader has just paid in regard to having received full cooperation, the Republican Members will not object to having the Senate consider the bill at this time, in order to show good faith, pursuant to the request of the majority leader for cooperation.

Mr. LUCAS. Mr. President, that is a marvelous spirit, and I am very grateful for it.

Mr. WHERRY. Of course, there will be argument about the bill. [Laughter.]

Mr. LUCAS. I was expecting that.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2365) for the relief of the city of Chester, Ill.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. LUCAS. Mr. President, I am ready to vote on the bill.

Mr. DONNELL. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to my friend.

Mr. DONNELL. Will the Senator be kind enough to explain the bill?

Mr. LUCAS. I thought the Senator from Missouri was going to explain it. However, I shall be very glad to give the explanation. My good friend, the late Joe Robinson, at one time told me that when I had the necessary votes, that was the time to proceed. I think I have the votes; that is why I did not desire to argue this question. However, perhaps I do not have the votes; I do not know. The Senator from Missouri is very persuasive, and he gets around a good deal. I hope he has not bothered any of my Democratic friends. [Laughter.]

Mr. President, I now read from the report of the Committee on the Judiciary on the bill:

The Committee on the Judiciary, to whom was referred the bill (H. R. 2365) for the relief of the City of Chester, Ill., having considered the same, report favorably thereon, without amendment, and recommend that the bill do pass.

The purpose of the proposed legislation is that the Army of the United States relieve the city of Chester, Ill., of all obligation to pay for the removal of the wreckage of the old bridge over the Mississippi River at Chester, Ill.

STATEMENT

On July 29, 1944, the Chester Bridge collapsed during a heavy windstorm. Emergency action was taken by the Corps of Engineers to provide safe navigation and about one-half of the wreckage was removed.

In other words, the Corps of Engineers took it upon themselves, at that particular time, after that act of God had destroyed the bridge, to remove a part of the wreckage in order to permit navigation to proceed; but the Corps of Engineers left the other part of the bridge hanging in the river, and told the city of Chester, which is a small city of about 7,000 or 8,000 persons, that it had the obligation of removing the remaining part of the bridge from the river.

The city of Chester could not remove the remainder of the bridge under any circumstances or conditions. Everyone knows that most of the small cities of 7,000 or 8,000 persons, wherever they are located, are in debt; most of them are bonded to the limit of their indebtedness under the constitution under which they were incorporated in the first instance.

It is simply impossible for the city of Chester to remove the remainder of the wreckage of the bridge. Yet this liability continues to hang over the head of that city.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield, but I hope the Senator from Oregon will not make it difficult for me.

Mr. CORDON. I shall endeavor not to do so. I merely seek information in order to be able to determine how I shall vote on this bill. I am sympathetic with its purpose. If the facts support a vote in favor of the bill, I shall be glad to cast such a vote.

However, it seems to me that two questions are to be determined. One is, What about the indebtedness of the city of Chester? Has it reached the limit of its constitutional ability, if it has one, to incur indebtedness?

The second question is, What about the ability of the city of Chester to tax?

Mr. LUCAS. The city of Chester has more than reached the limit of its constitutional ability to pay. I say to the Senator that that part of the bridge will never be removed, so far as the city of Chester is concerned, because it does not have the money with which to undertake its removal.

Mr. DONNELL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. DONNELL. The Senator from Illinois has been reading from the report of the Committee on the Judiciary. In the report I notice the following:

Inasmuch as the wreckage menaces navigation it is now being removed by the Corps of Engineers.

I understand that it has been removed. I read further from the report:

The expense of this removal was charged to the city of Chester.

Mr. LUCAS. I do not think that is the true status. However, I do not have before me my file on this bill. I thought the Senator from Missouri probably would let the bill go through without any question.

I shall ask Mr. Johnston to call my office and have the large file on the city of Chester brought to me.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CORDON. It may be helpful for us to note, on page 2 of the report, in the letter from the Secretary of the Army, the following statement:

The new bridge was opened to traffic on August 24, 1946; however, the city has pleaded inability to effect removal of the wreckage because of financial difficulties.

Mr. LUCAS. That is correct.

Mr. CORDON. I read further from the letter appearing in the report:

Inasmuch as the wreckage menaces navigation it is now being removed by the Corps of Engineers, at an estimated cost of $130,000, and the city of Chester has been advised that action to secure reimbursement will be taken when removal is accomplished and the cost determined.

That letter is dated July 8, 1949.

Mr. LUCAS. I thank the Senator from Oregon for calling my attention to that, because I know that after the storm which destroyed the bridge, the Corps of Engineers in the first instance removed the part of the debris which was in the river, doing so for navigation purposes, and for a long time left the remainder of the bridge hanging there.

After they themselves determined that the city of Chester was financially unable to do the job of removing the rest of the bridge from the river, the Corps of Engineers themselves proceeded, in the interest of navigation, to take what remained of the bridge out of the river. However, now they want to hold the city of Chester liable for that.

In the first place, Mr. President, I contend that the Army engineers, after removing a sufficient amount of the debris from the river to permit navigation on the river, should have proceeded no further. Apparently the portion of the wreckage removed for navigation purposes was sufficient to permit navigation to proceed on the river for a long, long time. The Corps of Engineers had no right then, if they felt it was the duty and obligation of the city of Chester to proceed with the remainder of the removal, to remove the debris clear to the water's edge, thus removing every bit of the debris, and then to charge the cost of that work to the city of Chester. The Corps of Engineers took upon themselves that obligation, and it seems to me they were absolutely unwarranted in doing so.

Everyone knows, certainly, that for navigation purposes it would not be necessary to remove such debris clear to the water's edge, from the center of the stream. However, in the beginning, the Corps of Engineers did remove enough of the debris to permit navigation on the part of those wishing to navigate on the river.

Now that the Senator from Oregon has raised the question, I shall read the entire letter which was written to the Honorable EMANUEL CELLER, chairman of the House Committee on the Judiciary:

Reference is made to your recent request for the views of this Department with respect to H. R. 2365, Eighty-first Congress, first session, a bill for the relief of the city of Chester, Ill. The Secretary of Defense has delegated to this Department the responsibility for expressing the views of the National Military Establishment.

On July 29, 1944, the Chester Bridge collapsed during a heavy, windstorm. Emergency action was taken by the Corps of Engineers to provide safe navigation and about one-half of the wreckage was removed at a cost of $123,998. A permit was granted on February 1, 1945, to erect false work for reconstruction of the bridge, conditioned upon removal of the remaining wreckage by the city of Chester within 18 months after the new bridge was opened to traffic. The new bridge was opened to traffic on August 24, 1946; however, the city has pleaded inability to effect removal of the wreckage because of financial difficulties. Inasmuch as the wreckage menaces navigation it is now being removed by the Corps of Engineers, at an estimated cost of $130,000, and the city of Chester has been advised that action to secure reimbursement will be taken when removal is accomplished and the cost determined.

Insofar as has been determined, there is no evidence of neglect or carelessness on the part of the bridge owner that contributed to the collapse of the bridge, and revenue figures since reopening of the bridge to traffic lend support to the plea of financial difficulties made by the city of Chester. Accordingly, this Department will offer no objection to favorable consideration of H. R. 2365.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Sincerely yours,

GORDON GRAY,
Secretary of the Army.

In other words, Mr. President, here is a report by Gordon Gray, then Secretary of the Army, which shows that there had been an investigation of the financial condition of the city of Chester. He advises the Congress of the United States that the people of Chester are in no position to pay for the removal of the re-

maining wreckage, estimated to cost $130,000, and that, consequently, there is no objection to favorable consideration of this bill.

The Bureau of the Budget advises that there is no objection to the submission of this report.

Mr. President, that seems to sum up the situation pretty well. I could go on, and I think perhaps it is just as well to say that on October 8, 1948, the Chester Bridge Commission, by its manager, M. J. Boettcher, addressed a letter to Col. R. E. Smyser, Jr., district engineer, Corps of Engineers, St. Louis, Mo., as follows:

THE CHESTER BRIDGE,
Chester, Ill., October 8, 1948.

In re removal of wreckage of old Chester Bridge from Mississippi River.

Col. R. E. SMYSER, Jr.,
District Engineer, Corps of Engineers,
St. Louis, Mo.

DEAR COLONEL SMYSER: On July 19, 1948, the city council of the city of Chester, Randolph County, Ill., passed ordinance No. 341, which authorized the mayor and the city clerk, for and on behalf of the city, to enter into a contract with the War Department, Corps of Engineers, for the removal of the wreckage of the old Chester highway bridge from the Mississippi River, with the provision for repayment to the Government on an annual basis, after operation and maintenance, accounts past due, and accrued interest, and a minimum of $10,000 per year on the principal was paid, which was subject to the approval of the Chief Engineer.

By letter under date of October 1, 1948, addressed to the Chester Bridge Commission, you advised that the Chief of Engineers had disapproved of the agreement and notified the city of Chester that failing a proper agreement and lacking such authority and funds as the Corps of Engineers had in the removal of the Peoria Bridge, your office would be compelled to refer the case to the Attorney General for necessary action.

Please be advised that the city of Chester has exhausted all avenues toward trying to finance the removal of the bridge; and, because of the prohibitions and ordinance No. 251 and subsequent ordinances, the city of Chester is legally unable to enter into any contract with the War Department, other than on the terms and conditions as were submitted and which were rejected by the Chief Engineer. Our only hope would be congressional action which would relieve us of the dilemma we are in.

Because of the above action, the City Council of the City of Chester met in special session on Thursday evening, October 7, 1948, and passed ordinance No. 345 repealing ordinance No. 341, and passed a resolution to the effect that the city of Chester is unable and cannot remove said wreckage. A certified copy of said ordinance and said resolution is herewith enclosed for your information.

We are very sorry that matters have taken the turn which they have, and we regret very much that the War Department, Corps of Engineers, feel that legal action must be taken to settle this controversy.

Assuring you of our continued cooperation along any line which may be legal and which the city council would have authority to follow, we are

Yours very truly,

CHESTER BRIDGE COMMISSION,
M. J. BOETTCHER, *Manager.*

The committee report then sets forth the ordinance which was passed by the city of Chester, and then the resolution. I do not believe it is necessary to read either one of those at this time.

Mr. President, there can be no question that the War Department and the Bureau of the Budget have recognized the plight in which the city of Chester now finds itself as the result of the storm which destroyed this bridge. In view of the fact that the Corps of Engineers of the Army has proceeded to remove what is left of the bridge which was destroyed by storm and fell into the river, there is definite evidence that the city of Chester cannot meet its obligation. So I do not believe that the Senate of the United States, considering the record which is here made, desires to keep the city of Chester in the rather difficult position, so far as the future is concerned, of having $130,000 hanging over its head.

If a suit were filed and judgment obtained—I do not know whether a judgment could be obtained or not—it would probably involve a long court procedure. I know the case would go to the Supreme Court of Illinois before the litigation was finally concluded. Someone would have to pay the bill, and, after all, after the litigation was over, there would be no way under God's shining sun by which the Government would ever be able to collect from the city of Chester, because of its financial inability to pay. At the present time there is no prospect of any unusual growth in the population of the city in the near future. I doubt whether any additional territory will be taken into the city, and the result would be that the Government would get nothing.

It seems to me that the people of that city who, during all these years, have tried to keep open the transportation facilities over the river, in order that people might come and go over that unusual and sometimes hazardous river at that point, and who found themselves, by an act of God, through no fault of their own, deprived of a bridge, should not now be subjected to an effort on the part of the United States Senate to fasten that obligation on them.

The House of Representatives apparently recognized the merit of the position taken by the people of the city of Chester. The Department of the Army has recognized it, as has also the Bureau of the Budget. I hope that the Senator from Missouri will finally agree with everyone else about this situation, and that he will let this bill pass, and enable us to proceed with other business.

Mr. DONNELL. Mr. President, has the Senator concluded?

Mr. LUCAS. I have concluded.

Mr. DONNELL. I desire to be heard only very briefly in this subject. The facts are, as I understand them, that in 1939, by Public Law No. 191 of the Seventy-sixth Congress, approved July 18, 1939, the city of Chester was authorized to construct, maintain, and operate the bridge in question across the Mississippi River. The Government of the United States, of course, was under no obligation to grant such permission, but it did. As provided in the bill, the city of Chester was authorized to fix and charge tolls for transit over the bridge, and so forth. On July 29, 1944, the Chester bridge collapsed during a heavy windstorm. Shortly after the collapse of the bridge, the United States Corps of Engineers took emergency action and removed about one-half of the wreckage, at a cost of $123,998, as is shown by the letter of Secretary of the Army Gordon Gray, dated July 8, 1949, to which the Senator from Illinois has referred.

That was the situation at the beginning of 1945. Of course, at that time, at the beginning of 1945, the city of Chester had no right to construct a new bridge without the consent of the United States of America. What happened? On February 1, 1945, a permit to erect falsework for the construction of the bridge was issued by the Government, and, as is pointed out in the report of the Committee on the Judiciary, this permit was "conditioned upon removal of the remaining wreckage by the city of Chester within 18 months after the new bridge was opened to traffic."

The particular clause to which reference is made, by which this condition was imposed, is set forth at page 3 of the report, and reads:

(K) All wreckage of the old bridge shall be removed by the permittee to permit a clear depth to minus 17 feet on the Chester gage to the satisfaction of the district engineer not later than 18 months after the bridge has been opened to traffic.

The situation then, as disclosed up to February 1, 1945, was that the permit was granted by the Government to erect this falsework for the reconstruction of the bridge, but was conditioned upon removal of the remaining wreckage by the city of Chester within 18 months after the new bridge was opened to traffic. There was no obligation on the city of Chester to accept the permission to erect the bridge. Obviously, by acceptance of the permit, it accepted it subject to the condition which was imposed in the permit which was issued; so, at the conclusion of February 1, 1945, the city of Chester had itself voluntarily accepted the obligation to remove from the river the remaining one-half, approximately, of the wreckage.

Let us not overlook the fact that the Government had already spent $123,998 in removing the wreckage of a bridge, the permit to build which had been granted to the city of Chester, and the city of Chester voluntarily, as I see it, by the acceptance of the permit of February 1, 1945, accepted is under the condition to which I have referred, namely, that the city of Chester remove the remaining wreckage within 18 months after the new bridge was opened to traffic.

On August 24, 1946, the new bridge was opened to traffic, and on July 19, 1948, the City Council of Chester, instead of disclaiming any obligation, as I understand it, passed an ordinance, No. 341, which authorized the mayor and the city clerk to enter into a contract with the War Department Corps of Engineers for the removal of the wreckage, with the provision of repayment to the Government on an annual basis, after operation and maintenance accounts, of past-due and accrued interest, and a minimum of $10,000 a year on the principal was paid.

So we find the City Council of Chester not denying any previous obligation and not denying the fact that it had accepted

a permit to build a bridge on the condition the city should remove the wreckage, but itself authorizing by ordinance No. 341 the entrance into a contract with the War Department for the removal of the wreckage. Then, for some reason which I do not know, the contract was disapproved by the Chief of Engineers. On October 7, 1948, ordinance No. 341 was repealed by ordinance No. 345.

Mr. President, so far as I observe to this point there has been no disclaimer on the part of the city of Chester of the obligation which it voluntarily undertook by the acceptance of the permit, subject to condition K, which I quoted. We find that on October 7, 1948, the date on which ordinance 341 was repealed by the city council, the city of Chester asserts the following in its resolution adopted on that date:

Resolved by the mayor and the City Council of the City of Chester, Randolph County, Ill., That the city of Chester disclaims all liability for removal of said wreckage and that further negotiations with the War Department, Corps of Engineers, relative to the removal of the wreckage of the old bridge would be futile, and that because of the financial inability of the city to pay for or assume the obligation of removing the wreckage from the river that the War Department through its Corps of Engineers be advised that the city of Chester is unable and cannot remove said wreckage.

From the report of the Committee on the Judiciary, I understand the wreckage was removed by the the Corps of Engineers and the expense of the removal was charged to the city of Chester. As I understand, at the time Mr. Gray wrote his letter of July 8, 1949, such expense was estimated to be $130,000.

Mr. President, as I see it, the matter simmers down to a situation in which the city of Chester had a bridge in 1944, which the Government had permitted it to build. Thereafter the city was confronted with a situation resulting from destruction of the bridge. The Federal Government voluntarily spent nearly $124,000 to clear away half of the debris. Thereupon the city of Chester agreed to remove the remainder of the wreckage within the period to which I have referred. Solely on the ground of financial inability, coupled with the language of the resolution which I have read, to the effect that the city of Chester disclaims all liability for removal of such wreckage, we find the city of Chester now seeking to avoid payment of approximately $130,000, which I assume was the cost of the removal of the final portion of the wreckage.

I can well appreciate the point which the Senator from Illinois makes so eloquently in support of the city of Chester. On the other hand, it would set an unfortunate precedent for the Senate to accede to the proposition that after a city has made an agreement by virtue of the acceptance of a permit, and has become subject to the conditions of that permit, the city thereafter should, because of its financial inability, be excused from the obligation to pay the sum of money it had agreed to pay.

It is suggested and stated by the Senator from Illinois that the city of Chester is without financial ability to pay the amount. As I see it, that is not the question before us. The question is whether or not an obligation exists which was voluntarily assumed by the city of Chester, and whether such obligation is to be ignored and the city released from it merely because of its present financial inability. If the State of Illinois desires to authorize the city of Chester to increase its bonded indebtedness limit, there is nothing to prevent the State of Illinois from so doing.

Therefore, Mr. President, solely on the ground that the city has accepted a permit of benefit to the city unquestionably, because I assume the previous bridge was undoubtedly of benefit to the city, the city of Chester should not now be permitted to be excused from the payment of an obligation to which it became subject by reason of the acceptance of the permit of February 1, 1945.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was read the third time.

The PRESIDENT pro tempore. The question now is, Shall the bill pass? Without objection, the bill is passed.

Mr. DONNELL. Mr. President, the Chair stated that without objection the bill was passed. Is it necessary that I renew my objection?

The PRESIDENT pro tempore. The Chair begs the Senator's pardon. The question is on the passage of the bill. [Putting the question.] The "ayes" seem to have it, the "ayes" have it, and the bill is passed.

BASIN DEVELOPMENT—COMMITTEE REPORT

Mr. CORDON. Mr. President, the National Reclamation Association at its annual convention last month in Spokane, Wash., had presented to it the report of a special committee which had been set up by President Harry E. Polk. The report contained the results of a study of the potentialities and possibilities of basin reclamation development in the Western States. After the report had been received, the National Reclamation Association adopted a resolution on the subject, which reads:

RESOLUTION 1

BASIN DEVELOPMENT COMMITTEE REPORT

Whereas during recent years a trend has developed toward the obtaining and assertion by agencies of the United States of increasing governmental power over the development of water resources and the economy of the 17 Western States, and the control and authority of the States and their agencies over their own future welfare has been correspondingly diminishing; and

Whereas still further extensions of Federal domination over the welfare and economy of the West have been proposed and advocated in connection with a movement to establish Federal valley authorities in the river basins of the Western States; and

Whereas for obvious reasons the National Reclamation Association has rejected the Federal valley authority concept as having no proper place in the American system of government; and

Whereas it is recognized by the association that the most effective and beneficial utilization of the water resources of the West can be obtained through coordinated, basin-wide planning and development; and

Whereas in order that the association should undertake its proper responsibility for leadership of public opinion, in relation to basin-wide development, the president of the association has appointed a special basin development committee and said committee has submitted to the association its report, wherein it makes affirmative proposals for solution of problems of basin development; Now, therefore, be it

Resolved by the National Reclamation Association:

1. That the association approves the broad, general objectives laid down in the report of the basin-development committee as indicated by the preamble of this resolution;

2. That the association deems it essential that the trend toward Federal domination be reversed;

3. That the basin-development committee report be transmitted to each of the 17 affected States, and interested organizations and agencies, and the interested Federal agencies, for study, review, and comment within a time fixed by the board of directors;

4. That the comments of such States, organizations, and agencies be studied and analyzed by the board of directors, and that its analysis and recommendations be submitted to the twentieth annual meeting of the National Reclamation Association; and

5. That the National Reclamation Association expresses its appreciation to Chairman Marshall Dana and his fellow committeemen for their untiring and fruitful efforts in the study and preparation of the project report.

Mr. President, the report mentioned in the resolution is one of great importance to all western reclamation States. In order that it may be available for study by all persons who are interested in it, I ask unanimous consent that the report be printed in the RECORD at this point as part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

BASIN DEVELOPMENT COMMITTEE REPORT TO NATIONAL RECLAMATION ASSOCIATION, NINETEENTH ANNUAL MEETING, SPOKANE, WASH., NOVEMBER 15, 16, 17, 1950

A PROGRAM

The Basin Development Committee was established in February 1950 by President Harry E. Polk in accordance with the constitution of the National Reclamation Association.

The assignment given to the committee was to develop a program or a plan for river basin development, in all its phases, which would be acceptable to the reclamation interests of the West. President Polk particularly asked that the recommendations of the committee be put in direct and concrete form. Membership of the committee comes from each of the major river basins of the West.

The committee has proceeded with its assignment by considering the aspects of planning, financing, construction, and operation of comprehensive multiple-purpose developments and by exhaustive study of all technique, existing and proposed for handling the complex problems relating to such development.

Techniques receiving particular study in an attempt to determine the advantages and disadvantages of each were: Present Federal agency operation supplemented by interagency committees; interstate compact; river valley authorities; the basin account; and the so-called Watkins bill.

The resulting report is therefore based upon an analysis and an understanding of the problems involved. It is believed that it will serve as the basis for a sound policy and point the way for writing a river basin development plan which will truly serve the interests of the people who are to benefit by, and who will pay for, such development.

BASIN DEVELOPMENT

This is more an appeal than a report. It is an appeal to reverse the trend that is taking control and authority from the local projects of reclamation and making the United States Government the proprietor and total authority.

We hold this trend to be dangerous to the future of reclamation and contrary to the concept of government of, for, and by the people.

We ask for a change of direction, from the grass roots up, rather than from a paternal and regimenting bureaucracy down. We ask for a home rule as the rock upon which the structure of reclamation can be erected to endure through the ages.

We propose MOL—the man on the land.

Let authority, initiative, and action rise from him rather than descend from valley authorities. These we hold to be contrary to the American way and to the spirit of democratic government. The National Reclamation Association has so declared by resolution on eight separate occasions (NRA resolutions opposing valley authorities: No. 4 adopted in 1938; No. 17, 1941; No. 15, 1943; No. 15, 1944; No. 21, 1946; No. 15, 1947; No. 13, 1948; No. 4, 1949) covering more than a decade of time.

We hold for basin development. Dams in series increase the usability of the entire river system, make more certain abundant water for all uses, provide a steadier head of power, and abate pollution.

But the program for river-basin development must not alter the priority for consumptive uses of water, must not abrogate established water rights, must not sacrifice essential local development in order to forward a grandiose scheme.

We suggest that the preferable plan is to knit into the development of an entire river basin the sum of efficient and desirable local projects. The local projects must, in turn, conduce to the widest opportunity and the greatest challenge to the individual—the man on the land.

The foundation of western agriculture was laid by pioneers who ox-teamed with families and furniture, cows and plows, seeds and little trees to the great American desert.

By individual effort they broke the sod, brought water from the branch, built homes, and produced food where for ages the sagebrush, the jackrabbit, and the coyote had flourished under the sun.

By their proof—the proof that individual families could sustain themselves by combining the water and the land for all the accomplishments of civilization—freedom itself pressed forward along the American way, and reclamation became integral in the progress and prosperity of the United States.

Since reclamation was made a national policy by adoption of the act of 1902, western reclamation has become a multi-billion-dollar enterprise. Federal and private reclamation have gone along together to create a balanced, economy of homes and farms, transportation and towns, industry and business, education and religion. The products of reclamation have become indispensable in the feeding of 150,000,000 Americans and have contributed to export trade. Reclamation is a large consumer of power, a conspicuous user of labor-saving machinery, a valued customer of the Nation's factories and mills, an important contribution to America's economic and military strength.

The desert has been made to blossom as the rose.

Water is the key. The supply of water has become the controlling factor in the further development of the American West.

The original purpose was to bring arid and semiarid land, by means of man-applied water, to a level of production at least equal to that of naturally watered land.

In early stages, small attention was given to incidental hydroelectric power, sometimes because of a fear on the part of settlers that power development might trespass upon the development of the land and reduce the available flow of water for farm and domestic uses.

In effectuation of reclamation as a national policy, the Federal Government became a benevolent banker, affording long-time loans without interest and dealing leniently as to final settlements, holding the prosperous establishment of homes and farms to be a first value.

A great body of laws accumulated, dealing with water rights and related questions. As is well recognized, these laws have been adopted in fragmentary and patchwork manner and are unfortunately open to diverse interpretation.

Likewise, it is necessary to say, a growing body of theory and political opportunism began circling around reclamation, hoping to exploit its values and opportunity in behalf of visionary schemes.

And there has been a legitimate growth of the reclamation idea, namely, that in a modern day it must be enlarged to bring about the development of rivers and river basins for all of their uses.

With the liberal appropriations by Congress of almost undreamed sums of money for water resource development has come a concentration of power in Government agencies. For money is power. Quite naturally there is a grasp for more authority on the misguided presumption that with more authority the job can be done quicker and better.

Thus has come the proposal for Federal valley authorities, not from reclamationists, not from those who know how to farm irrigated land or develop projects, but from enthusiasts and theorists in Federal bureaus and from other persons who have never known what it was to build a home and an economy in the wilderness or to generate a kilowatt of electric energy.

This valley authority proposal is to establish the Federal Government through a superimposed agency as investor, owner, and administrator of an entire river basin, sweeping away or subordinating other agencies, particularly the great Federal construction agencies, the Army engineers, and the Reclamation Bureau.

It is a movement that has its value to reclamation and its friends. It puts us on notice that fundamental plans of river-basin development must be enlarged in accord with individual rights and home rule. We must not be too set or too selfish to change. But we propose our kind of change, and that is to recapture the original plan of individual ownership, independence, and businesslike contract responsibly kept.

It has become imperative to check the paternalism which vitiates and stultifies the free American spirit by doing things for Americans instead of creating the area of opportunity in which they can do things for themselves. Such paternalism quickly takes the road to authority and dictatorship.

Here is involved a principle that is as old as the struggle for the freedom of man. It is bedded in the declaration that Government derives its just powers from the consent of the governed. It goes farther. In the precepts of democracy the government serves logically and well when it is partner to the people, when it recognizes and cherishes the rights of the individual, and when it aids in establishing those rights—the estate of free men—as banker, as partner, and as servant, but never as master, never as authority superimposed upon the people, but always as authority created by them at the ballot box.

When we examine the specific application of this principle to reclamation, it is to see that the Government's purpose from the beginning is to establish, free of bonds and bondage, the individual upon the land. It is not too great a strain of definition to include the individual man, the family, the district, the community, the State, and the river basin.

We hope now to be able to diagram how river-basin development based upon the man on the land and under the authority of the people can be brought about.

1. The intrastate district: Let district organization be retained under applicable State laws with full recognition that water rights, established in conformity with the laws of the State, are appurtenant to the land and that, upon final performance of contract obligations with the Government, title and rights to incidental power shall pass to the district.

2. The intrastate river basin: When a group of reclamation districts is developed on a river whose flow is wholly confined within the boundaries of a State, let an association of these districts be formed to operate under the laws of the State and in contractual relations with the Federal Government to the end that the entire flow shall be developed, controlled, and apportioned equitably to all land to which water rights can be extended and water supplied, in order that repayment of the loan shall be assured the Federal Government. The incidental power shall also be jointly administered under State regulation, either at the beginning or when contractual obligations with the Government have been satisfied. As in the case of the local district, the association should operate and maintain the works, either directly or through its constituent agencies, and title to the water and power works should after repayment vest in either the association or its constituents.

3. The interstate river basin: Let the States of a river basin, with the participation and advice of the delegated representatives of local districts, either directly or through associations of intrastate districts, formulate interstate compacts. Such interstate compacts must be created with the consent of the Federal Government. Not only that, the Government should be a party to the compacts. Under the compacts the waters of an interstate stream should be apportioned and further authority should be vested in an interstate organization to enter into undertakings with the Federal Government for the cooperative development of an interstate river basin. Administration of incidental power developments should be provided for in the same interstate compacts.

No such interstate compact should be submitted to the Congress of the United States for its approval until the several legislatures have ratified it. Perhaps also such compacts should provide that they shall not be effective until approval has been voted at general elections conducted in the affected areas of each of the several States.

To effectuate necessary planning and estimates, an interagency committee may well function to aid and advise the Interstate Compact Commission. The membership of the committee should be fully representative of all interests concerned, with emphasis on the local interests. This committee should assemble and analyze full information on such problems as surface and underground water supply and storage, apportionment of water, land-use planning, soil conservation costs, fish, wildlife and recreation, hydroelectric power, flood control, and abatement of pollution. It should help to bring about better public understanding and coordination of agencies and duties.

The interstate organization should make all decisions and recommendations to Congress as to what steps should be taken in development of a river basin. Subject to the will of Congress, the interstate organization should direct and initiate the steps of the development.

Wherever construction of multiple-use projects including reclamation and power are undertaken, we believe it desirable that

the great construction agencies of the Government should be retained in full vigor and effectiveness for such purposes.

Complete coordination under the leadership of the interstate organization should be the goal of the Federal Government, the Interagency Committee, the Interstate Compact Commission, the States and their people, and the reclamation associations and districts.

4. Basin account: This device should be given consideration as a working arrangement for bookkeeping, for pooling the revenues of the projects of basin development, and providing for proper subsidy to irrigation. We submit:

(a) Land reclamation may be undertaken as an essential part of a general river basin development program in which the over-all benefits obtained from power plants, flood control, and other factors are on the credit side of the ledger both as to the region and as to the Nation.

(b) Subsidy may be applied to irrigation costs in excess of what settlers can pay for construction involving projects that thereafter can pay their way through production.

(c) Subsidy should not, unless in exceptional circumstances not now visible, be applied to projects that cannot be economically operated and maintained after construction.

(d) The policy in irrigation should be as affirmative as honesty and good sense validate, since food production and the establishment of homes, farms, towns, transportation, and other aspects of a balanced economy depend upon successful agriculture.

(e) Since the basin account is a device for bookkeeping, planning, budgeting, and subsidy of irrigation, its administration should not be given any one agency (specifically, the Interior Department), nor should such agency be given exclusive authority over rates for electric power.

(f) It would appear to be better practice to allow the Federal Power Commission to retain its legally assigned rate-making authority in conference with the Interagency Committee and the Interstate Compact Commission.

(g) There should be continuous counsel with State and local authority in questions of policy, rates, terms of repayment, and general administration.

5. Interstate operation: The same interstate organization (Federal-State-local) setup to plan, finance, and develop multiple-purpose projects should be employed to administer these projects after completion and hold title to them and their benefits once debt is liquidated.

In the outline here offered it is not proposed to interfere with the Federal functions of flood control, navigation, conservation, the construction of locks and harbor facilities, and other responsibilities that traditionally fall within the scope of Federal activities.

The fact that the Federal Government advances funds for development, part or all of which is to be repaid, should not change the debtor-creditor relationship between the State or a State agency. When the debt is paid, the debtor States or districts should be free to function in conformity with the desires of the people in the States concerned.

The basin-wide multiple-purpose projects present problems of administration which call for governmental mechanisms adequate to the task involved and yet fully representative of the people concerned. These mechanisms preferably should be initiated by the people.

We make the point that the valley authorities in the form of federally chartered corporations after the TVA pattern are ill suited for the task of conserving the property rights established under State laws, such as water rights created by the appropriation of water to become appurtenant to the land. They are objectionable in their destruction of local autonomy in government. An overwhelming majority of the people in the reclamation States oppose valley authorities and should never be forced to yield to them without their voted consent.

The new form of governmental problems presented by basin-wide developments, involving irrigation, generation, and distribution of electric energy, soil conservation, flood control, navigation, preservation and development of wildlife, development and utilization of recreational facilities, and other elements, calls for an administrative unit drawn from the various levels of government, local, State, and Federal—a new type of compact. Such a governmental structure would be adequate for the task to be performed. It should be in line with recommendations for interstate organization. It would give promise of successful maintenance of property rights created and existing under State laws. It would conform to our American concept of government as being in response to the desires of the people. It would avoid a vested ownership and economic control by Federal instrumentalities over areas comprehended by America's great river basins. It would avoid centralization of power, both political and economic, in the Federal Government.

As funds are provided for reimbursement to the Federal Treasury, it would be possible to give recognition to the proprietary interest which should be permanent, not in the Federal Government, but in those who have paid the bills.

It would provide home rule.

Yet we may thus continue to benefit from the ability of the Federal Government to finance vast multiple-purpose projects which are beyond the financing abilities of private organizations, State agencies, or the States themselves. The Government in such financing and cooperation may well thereby recognize its responsibilities as steward of public lands and contributor to the social and economic establishment of key areas having special problems.

During the past 20 years, the American people through their elected representatives have chosen to increase markedly the activities in the field of natural resource development and use. Even though the defense effort may temporarily reduce the activity, the defense needs of the Nation increase the necessity for the products of such development.

The problem is one that calls for reorientation and coordination of policies, agencies, and the development program as a whole. No longer can we limit our own plan to the development of water resources for irrigation.

The actual administrative relationship of agencies must be submitted to the test of coordination and thus of the right to continue to serve. Plans must be thus tested.

The prime objective—orderly development with efficiency—must no longer be a smoke screen for the promotion of ideas which are not American but which will eventually result, if adopted, in the complete domination of the economic life of the people by representatives of the Federal Government.

We have advanced a plan which we believe will save from destruction the fundamental relationships between local, State, and national governments with emphasis upon the basic unit of government and progress—the man on the land. Local water users shall have their proper voice in the development of resources from which we live.

It will be possible, also, we believe, to preserve the necessary checks and balances of government in a free society.

The water-development program must not be used as a tool for fastening the blanket of domination by any Federal agency over the economic life of the people who are to benefit from the development.

The problems of planning, financing, constructing, and managing natural resource development programs are all more efficiently solved when the talents, the interest and support of all agencies of Government and of all units in the body politic are sought after, recognized and considered. If the natural resource development program is to succeed, then the philosophy of Federal domination must be replaced by one which will emphasize the place of the water users who should have first place in the planning and authority in the accomplishment and final ownership of the lands, the water rights and the power.

Natural resource development programs must, indeed, spring from the land and the people through their votes and their elected representatives. The voice of the agencies which are promoting their welfare and the appropriations must be replaced by the legitimate voice of the people who have to pay for the programs.

The philosophy of a top-heavy program, promoted from the top down, must be discarded. In its place must be a program linked to a philosophy which will build on the firm foundation of the land and water combined, those mutual relationships and fair play that belong to the spirit of America.

Now, in rapid review, we propose:

1. That the reclamation district shall be the basic unit in land and water development and the primary source of authority for action.

2. That under private ownership the water shall be appurtenant to the land together with incidental hydroelectric energy.

3. That the Federal Government shall withdraw as owner and administrator both of water resources and power when contractual obligations have been satisfied.

4. That associations of reclamation districts may be formed for the development of intrastate river basins including reclamation of land and the development of hydroelectric energy.

5. That such associations shall be administered under State law and regulation.

6. That interstate river-basin development shall be set up and administered through interstate compacts, including representation of all interests properly concerned, implemented by interagency committees and using for bookkeeping, planning, and other proper purposes the device of the so-called basin account.

The Committee on Basin Development can offer no conclusion more mature than the fact that reports do not of themselves solve problems, nor do resolutions alone meet a duty.

We have given such thought to the way in which the policy we have outlined and the program we have recommended may be implemented.

We therefore propose:

1. That the National Reclamation Association forthwith declare its approval of this report.

2. That it accept MOL—the Man on the Land—as the title of the movement to be undertaken.

3. That it direct the incorporation of this movement in basic national reclamation policy as such policy is represented by this association.

4. That a continuing committee be created, its duties:

(a) To effectuate action by the association in harmony with this report.

(b) To secure the necessary legal adjustments and legislation essential to such effectuation.

(c) To transmit the association's program to all reclamation districts and other groups concerned with reclamation.

5. That the continuing committee be accorded power of action under the direction of the president and the board of directors of the National Reclamation Association.

6. That the board of directors be authorized to budget and to meet the necessary expenses of the continuing committee in the performance of its assigned duties.

MOL—the Man on the Land—is offered to the National Reclamation Association as a means which will be effective in the multiple-purpose projects of river-basin development. We have presented principles which must be worked out in plan, organization, law, and procedure. But we have tried at the same time to offer a contribution to the efficiency of democratic principles.

Our success as a democracy has been due to the fact that no man, no group of men nor even a centralized government have had the final say. Eventually we have found the best course suited to the most people.

We offer MOL as a revolutionary change of direction in reclamation. We believe that the plan we submit is true to the principle of self-government and that we can govern ourselves. It embodies home rule, and we will submit to no other ruler.

Basin Development Committee, National Reclamation Association; Marshall N. Dana, Chairman, Portland, Oreg.; Henry J. Copeland, Walla Walla, Wash.; D. D. Harris, Ogden, Utah; C. Petrus Peterson, Lincoln, Nebr.; Bert Smith, San Francisco, Calif.; J. E. Sturrock, Austin, Tex.; Kenneth W. Sawyer, Secretary, Portland, Oreg.

ORDER OF BUSINESS

Mr. LUCAS. Mr. President, there is one bill on the calendar which we could make the unfinished business. The junior Senator from Nebraska [Mr. WHERRY] is trying to get in touch with the Senator from Indiana [Mr. JENNER] with reference to considering the bill at this time. If possible I should like to be able to dispose of it this afternoon. I am certain that if we could take up the amendment submitted by the Senator from Indiana, which deals with FEPC legislation, we could conclude consideration of the measure within a short time.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. MAGNUSON. Is it the understanding that if the bill is not disposed of the so-called freight-forwarding bill will be considered?

Mr. LUCAS. We shall dispose of the freight-forwarding bill sometime tomorrow. Perhaps we shall have a late session, although I do not think it will take too long. Has the Senator from Nebraska been able to get in touch with the Senator from Indiana?

Mr. WHERRY. Mr. President, I answer the distinguished majority leader by saying that no sooner had I left the Senate Chamber than the bill then pending was passed. I have been unable to reach the Senator from Indiana [Mr. JENNER]. I respectfully ask, if it be convenient, that I be permitted at least to confer with the Senator from Indiana. After the motion to take up the statehood bill was withdrawn, there was some question as to when the freight forwarders bill would be brought forward. I should like very much, if possible, to inform the Senator from Indiana, and I ask the majority leader to extend me that privilege. I will consult the Senator from Indiana as soon as possible.

Mr. LUCAS. I shall be very glad to do so.

Mr. WHERRY. In view of the program which has been outlined, and the notice given by the majority leader, I have no objection to making the freight forwarders' bill the unfinished business, with the undestanding that it be debated tomorrow when the Senator from Ohio [Mr. BRICKER] can be present. I am quite sure that the Senator from Ohio would want me to object until he can be present. I am satisfied that the Senator from Washington [Mr. MAGNUSON] understands the situation. Is there some other bill that the Senator from Illinois would like to take up?

Mr. LUCAS. Let me inquire from the Senator from Washington whether or not he can proceed with his part of the discussion of the freight forwarders' bill this afternoon, and get it into the RECORD. In that way we can make some time.

Mr. MAGNUSON. Mr. President, I will say to the Senator from Illinois that it is not my bill, although I participated in many of the hearings.

Mr. LUCAS. Whose bill is it?

Mr. MAGNUSON. It is really the bill of the distinguished chairman of the Committee on Interstate and Foreign Commerce [Mr. JOHNSON of Colorado]. I am quite familiar with its provisions, having participated in the hearings. It would be necessary for me to assemble a great deal of data tonight, even if the debate were to be postponed until tomorrow, because the question is a very technical one.

FREIGHT FORWARDERS AND MOTOR COMMON CARRIERS

Mr. LUCAS. Mr. President, I do not wish to place any burden on the Senator from Washington, so I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of Calendar No. 2265, House bill 5967, with the understanding that there will be no vote on the bill before tomorrow.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5967) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois?

Mr. WHERRY. Mr. President, I should like to make one further inquiry of the majority leader. Does his request mean that we are to begin to debate the bill this afternoon?

Mr. LUCAS. If any Senator desires to speak on the bill, he may do so.

Mr. WHERRY. I would greatly appreciate it if the discussion could be postponed until tomorrow.

Mr. MAGNUSON. Mr. President, I do not think we should proceed with the debate this afternoon.

Mr. WHERRY. I ask the distinguished majority leader to modify his request, or have an understanding to that effect.

Mr. LUCAS. We will have an understanding that it will not be debated this afternoon, because if the Senator from Washington is not ready to debate it, I do not think any other Senator is prepared to do so.

Mr. WHERRY. I thank the Senator.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois?

There being no objection, the Senate proceeded to consider the bill (H. R. 5967) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

The PRESIDENT pro tempore. At this point the chair desires to state for the RECORD that the pending business is House bill 5967, a bill to amend the Interstate Commerce Act. It is known as the freight forwarders' bill.

Mr. WHERRY. Mr. President, the unfinished business, of course, is the so-called rent-control joint resolution.

The PRESIDENT pro tempore. The Senator is correct.

Mr. WHERRY. On which a vote is to be taken at 2 o'clock on Thursday afternoon of this week.

The PRESIDENT pro tempore. The Senator is correct.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting the nomination of Lt. Col. William R. Shuler, Corps of Engineers, to serve as a member of the California Debris Commission, vice Brig. Gen. Walter D. Luplow, which was referred to the Committee on Public Works.

NOMINATION OF MICHAEL V. DI SALLE—EXECUTIVE REPORT OF A COMMITTEE

Mr. MAYBANK. Mr. President, from the Committee on Banking and Currency, I report favorably the nomination of Michael V. Di Salle, of Ohio, to be the Director of Price Stabilization. There was a meeting of the committee this morning, at which Mr. Di Salle appeared, and there was some testimony. I am authorized to say that there is no objection to the nomination, although unfortunately some of the members of the committee were out of the city, and did not take part in the hearing.

The PRESIDENT pro tempore. The nomination will be received, and placed on the Executive Calendar.

If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense.

Mr. WHERRY. Mr. President, I ask that this nomination go over temporarily.

The PRESIDENT pro tempore. Is there objection to the request of the

Senator from Nebraska? The Chair hears none, and the nomination will go over temporarily.

MUNITIONS BOARD

The Chief Clerk read the nomination of John D. Small, of New York, to be Chairman of the Munitions Board.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

The Chief Clerk read the nomination of Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the Municipal Court for the District of Columbia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

The Chief Clerk read the nomination of John A. Remon, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1955.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

ECONOMIC STABILIZATION AGENCY

The Chief Clerk read the nomination of Alan Valentine, of New York, to be Economic Stabilization Administrator.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed. That completes the Executive Calendar.

RECESS

Mr. LUCAS. I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 19 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, December 6, 1950, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate December 5 (legislative day of November 27), 1950:

CALIFORNIA DEBRIS COMMISSION

Lt. Col. William R. Shuler, Corps of Engineers, to serve as member of the California Debris Commission provided for by the act of Congress approved March 1, 1893, entitled "An act to create the California Debris Commission and regulate hydraulic mining in the State of California," vice Brig. Gen. Walter D. Luplow, to be relieved.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 5 (legislative day of November 27), 1950:

MUNITIONS BOARD

John D. Small, of New York to be Chairman of the Munitions Board.

MUNICIPAL COURT FOR THE DISTRICT OF COLUMBIA

Hon. Andrew J. Howard, Jr., of the District of Columbia, to be associate judge of the municipal court for the District of Columbia.

DISTRICT OF COLUMBIA REDEVELOPMENT LAND AGENCY

John A. Remon, of the District of Columbia, to be a member of the District of Columbia Redevelopment Land Agency for the term expiring March 3, 1955.

ECONOMIC STABILIZATION AGENCY

Alan Valentine, of New York, to be Economic Stabilization Administrator.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 5, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou, who art the Lord God omnipresent, omniscient, and omnipotent, in this moment of prayer we are beseeching Thee for a greater faith in Thy presence, wisdom, and power.

Grant that our faith in these attributes of Thy divine being may not simply be a formal creed which we affirm and profess but may it be a real personal experience.

May it be a source of peace and power enabling us to conquer all our fears and anxieties and strengthening us for every trial and tribulation.

We pray that our President, our Speaker, and all the Members of this legislative body may be richly endowed with faith. May they be blessed with a calm and confident spirit which is essential to wise judgment and decision and which will inspire them to carry on with courage and steadfast purpose.

Give us daily the firm conviction that Thou hast placed us in a moral universe and that righteousness and justice and all the spiritual values of freedom, good will, kindness, purity, love, and peace must prevail.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

PERMISSION TO ADDRESS THE HOUSE

Mr. THOMAS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

[Mr. THOMAS addressed the House. His remarks appear in the Appendix.]

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to explain a motion to recommit that will be offered to the pending tax bill, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

REPUBLICAN MOTION TO RECOMMIT TAX BILL

Mr. REED of New York. Mr. Speaker, on Monday, December 4, Secretary Snyder in his testimony before the Senate Finance Committee said:

The revenue yield of the House bill (H. R. 9827) is about $3,000,000,000 or $1,000,000,000 short of the President's recommendation, and unless the bill is modified to increase its yield it will not meet the objective set by the administration, even before the recent deterioration of the international situation.

To meet this challenge for more revenue, when the Nation is facing a possible Dunkerque in Korea, and to more effectively: First, take the profits out of war; second, raise additional revenue; and third, combat the rising cost of living, the Republican minority will move that H. R. 9827 be recommitted to the Committee on Ways and Means with instructions to report it back forthwith with two simple amendments to provide: A, that the corporate surtax be raised by five percentage points; and B, that the average earnings credit be 100 percent instead of 85 percent.

The Republican motion should be adopted for the following reasons:

First. It will raise at least $500,000,000 more revenue than H. R. 9827.

At a $40,000,000,000 level of corporate profits the Republican proposal will yield approximately $3,500,000,000—$500,000,000 more than the $3,000,000,000 estimated under H. R. 9827.

At a $48,000,000,000 corporate profits level the Republican proposal will yield approximately $6,400,000,000, or $1,800,000,000 more than the $4,600,000,000 estimated under H. R. 9827. This estimate is made by the staff of the Joint Committee on Internal Revenue Taxation.

Second. It will substantially reduce the hardships and discriminations in H. R. 9827 and at the same time will spread the increased tax loads more equitably.

Under H. R. 9827 between 70,000 and 80,000 corporations will be subjected to the special 75-percent tax which will apply to all profits greater than 85 percent of their normal profits. By permitting corporations to earn 100 percent of their normal profits before being subjected to the 75-percent levy, the number of corporations to which the special 75-percent levy applies will be reduced. H. R. 9827 consists of two pages imposing the tax and approximately 146 of exceptions, special rules, exemptions, credits, and so forth. By increasing the average earnings basis to 100 percent the need for corporations to seek relief under these 146 complicated pages will be reduced.

At the same time, however, by increasing the surtax rate by 5 percentage points not just 70,000 or 80,000 corporations but the 300,000 taxable corporations with surtax net income over $25,000 will pay some increased tax to help meet our defense program. The 100,000 corporations with taxable income of $25,000 or less will not be affected.

Third. It will limit the application of the special 75-percent rate to what can more fairly be described as war profits.

A basic fallacy and defect of H. R. 9827 is that no attempt has been made to limit the application of the special 75-percent rate to excess profits alone

but instead normal profits and excess profits have been deliberately confused.

At best it is recognized that there is no satisfactory formula to determine excess income because no statutory formula can ever be devised which fairly measures normal profits for all corporate taxpayers. H. R. 9827 uses the period 1946–49 as the basis for measuring normal profits although in this period corporations experienced severe fluctuations. Instead, however, of permitting a credit of 100 percent of the average income of the three best years in this period, H. R. 9827 reduces the credit to 85 percent. Profits over 85 percent of this period are subject to the special 75-percent rate. If the earnings of the period 1946–49 are determined to be normal, why should they be reduced? No justification has ever been made for reducing the yardstick of normal earnings by 15 percent except on the grounds that it will produce additional revenue. But if normal profits are to be taxed as proposed in this bill, then at least they should be taxed equitably between all corporations. There is no reason why the inequities of H. R. 9827 should be applied to both normal profits and excess profits.

Fourth. It will make H. R. 9827 less inflationary.

It is recognized that any tax which imposes a high marginal rate on profits greater than any fixed base is inherently inflationary. The basic reason is that this type of a tax creates two different dollars—one dollar for normal profits worth 55 cents after taxes and the other dollar worth, in the case of H. R. 9827, only 25 cents after the special 75-percent tax. In effect two different currencies are established and the yardstick by which productive enterprises make decisions is naturally influenced by which dollar is involved. What could not be afforded in the way of higher wages, increased personnel, and higher prices for materials under the 55-cent dollar becomes relatively cheap under the 25-cent dollar.

The natural result is that the inflationary factors which are now at work are given a strong boost.

By applying the special 75-percent rate to 15 percent of normal profits as well as to all excess profits the amount of cheaper corporate dollars is increased by approximately $1,200,000,000. To this large extent H. R. 9827 is unduly and unnecessarily inflationary at the very time when the cost of living has reached an all-time high.

The Republican proposal would cut down by approximately $1,200,000,000 the number of inflationary dollars.

WHAT IS THE PRESIDENT'S POLICY?

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, we are asked to support the President in this crisis. Obviously that is the duty of all Americans, but how can we support the President unless we know what the President stands for? How can we support the foreign policy of the United States unless we know what it is?

As one of the first two Members of Congress ever to fight in combat under the United Nations flag I think it is of primary importance that we support the activities of those who have done the dying for us in Korea. The State Department has consistently failed to inform any but a very few Members of Congress of what it is doing and they do not tell those Members much. We do not expect that they will tell us matters of high level military strategy or great foreign policy import of the utmost secrecy, but it is high time that the State Department and the President of the United States took the Congress of the United States and the individual Members of this Congress into their confidence.

SPECIAL ORDERS GRANTED

Mr. HALE asked and was given permission to address the House for 25 minutes tomorrow, following the legislative business of the day and special orders heretofore entered.

Mr. HUGH D. SCOTT, JR., asked and was given permission to address the House for 20 minutes tomorrow, following the legislative program of the day and special orders heretofore entered.

EDUCATION AND TRAINING FOR SERVICE-CONNECTED VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, yesterday the President sent a message to Congress requesting the Congress to act immediately on a bill providing compensation and training under Public Law 16 for the disabled veterans of world war III. He also suggested, and I heartily approve, giving GI benefits to the men coming out of the war who are not disabled. After the Korean War started I introduced bills giving these men these benefits and insurance benefits. They should have been passed then. They should be passed immediately. Certainly no group of men suffered more under extremely difficult situations than the boys who are now fighting for us in Korea. They deserve our gratitude and our help. We must not fail them.

ANSWER TO PRESIDENT TRUMAN'S MESSAGE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, on yesterday, the President submitted a message to the Congress urging the extension of Public Law 16 of the Seventy-eighth Congress, to provide education and training for service-connected veterans who are disabled as a result of their service in the Korean War.

I want to call to the attention of the House that on the first day that Congress resumed session on November 27, I introduced H. R. 9775, which will carry out the purpose enunciated in that message.

This bill would continue the program under which World War II veterans were rehabilitated and qualified for civilian employment. It was originally enacted in 1943, and in effect, is a continuation of a program started after World War I.

At an early date, I expect to have an executive session of the Committee on Veterans' Affairs to consider this measure.

LEGISLATIVE PROGRAM

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader as to the program for tomorrow? I understand there has been another change in the program and I would like to know what it is.

Mr. McCORMACK. Mr. Speaker, the Committee on Banking and Currency has reported a bill extending rent control for 3 months. The Committee on Rules will meet this afternoon. If a rule is reported out I shall program that bill for consideration. The bill in relation to the separation of airmail was assigned subject, of course, to other important legislation having prior consideration. So if a rule is reported out this afternoon the rent control bill will come up for consideration tomorrow.

Mr. MARTIN of Massachusetts. We have every reason to expect that is what will happen?

Mr. McCORMACK. I hope so.

EXTENSION OF REMARKS

Mr. O'TOOLE asked and was given permission to extend his remarks in the RECORD and include an article by Raymond Moley.

Mr. PERKINS asked and was given permission to extend his remarks in two instances, in one to include an editorial entitled "Get Out of Korea or Fight China," and in the other a letter from Hal J. Miller.

Mr. DOLLINGER asked and was given permission to extend his remarks and include a newspaper article.

Mr. LANE asked and was given permission to extend his remarks in three separate instances, and in each to include extraneous matter.

Mr. RIVERS asked and was given permission to extend his remarks and include three editorials.

Mr. BIEMILLER asked and was given permission to extend his remarks in two separate instances and in each to include extraneous matter.

Mr. ARENDS asked and was given permission to extend his remarks and include a resolution adopted by the Rotary Club, of Atlanta, Ill.

Mr. NICHOLSON asked and was given permission to extend in the Appendix of the RECORD an article entitled "Jurors Unshaken in Verdict Sacco and Vanzetti Guilty," notwithstanding that it exceeds the limit and is estimated by the Public Printer to cost $533.

Mr. AUGUST H. ANDRESEN asked and was given permission to extend his remarks and include several resolutions.

Mr. CRAWFORD asked and was given permission to extend his remarks and include an editorial.

Mr. O'SULLIVAN asked and was given permission to extend his remarks and include an article entitled "God and the Welfare State" which is estimated by the Public Printer to cost $266.50.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that Calendar Wednesday business of this week be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CALL OF THE HOUSE

Mr. DOUGHTON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count.

Mr. DOUGHTON. Mr. Speaker, I withdraw the point of no quorum.

Mr. RICH. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 289]

Bates, Ky.	Jennings	Pfeiffer,
Beall	Kearns	William L.
Buckley, Ill.	Kee	Philbin
Byrne, N. Y.	Keefe	Powell
Cannon	Kelley, Pa.	Rooney
Cavalcante	Kennedy	Roosevelt
Crosser	Kirwan	Sanborn
Davenport	LeCompte	Shelley
Davies, N. Y.	Lichtenwalter	Sheppard
Dingell	McGuire	Smathers
Eaton	McMillen, Ill.	Smith, Ohio
Gavin	Marcantonio	Van Zandt
Gillette	Miller, Calif.	Vursell
Hays, Ark.	Morrison	Whitaker
Hébert	O'Konski	White, Idaho
Herter	Patman	Whitten
Huber	Pfeifer,	
Jackson, Calif.	Joseph L.	

The SPEAKER. On this roll call, 369 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

EXCESS-PROFITS TAX ACT OF 1950

Mr. DOUGHTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 9827, with Mr. WALTER in the chair.

The Clerk read the title of the bill.

Mr. DOUGHTON. Mr. Chairman, I yield 15 minutes to the gentleman from Tennessee [Mr. COOPER].

Mr. COOPER. Mr. Chairman, the pending bill, H. R. 9827, is before the House today for consideration by a vote of 19 to 6 of the members of the Ways and Means Committee. This bill is in response to the mandate contained in section 701 of the Revenue Act of 1950.

It will be remembered that there was considerable interest manifested in an excess-profits tax during the last session of Congress and an effort was made in the other body to include an amendment providing an excess-profits tax. At that time, after considerable debate, it finally resulted in section 701 being included in the Revenue Act of 1950 which provided that the Committee on Ways and Means should report an excess-profits tax bill at this session of the Congress.

Your committee began work on November 15 and held public hearings for several days. From that time up until now it has given consideration to this subject in executive session. I believe it is fair to say that the pending bill is a better measure than I ever hoped we would be able to provide, especially with the limited time that we had to devote to this important subject.

This excess-profits tax bill is patterned very closely along the lines of the excess-profits tax law of World War II, but is much more liberal in many provisions and deals much more leniently with the taxpayer than did the Excess Profits Tax Act of World War II. This bill provides for one thing, and one thing only, and that is an excess-profits tax on corporations. No other tax provisions are included in this measure except such provisions as may be necessary to carry out the purposes of this bill.

This bill is to be effective from July 1, 1950, and is estimated to yield $3,400,000,000 of revenue for the first calendar year and $4,600,000,000 of revenue for the next calendar year. The bill includes what is known as the alternative plan to be used by corporations in arriving at their excess-profits-tax credit. It provides for the use of what is known as the average-earnings method or the invested-capital method. The base period provided is the 4 years from 1946 to 1949, inclusive. A corporation may take the 3 best out of the 4 years in arriving at this excess-profits-tax credit. If the corporation elects to use the invested-capital method it is allowed a certain return on the invested capital of its business. For the first $5,000,000 it is allowed to make 12 percent; for the next $5,000,000, 10 percent; and all above $10,000,000, 8 percent. The rate provided under this bill is 75 percent, and is applied to 85 percent of the average for the base-period years, if the average-earnings credit is elected. There is an over-all ceiling of 67 percent which applies to the corporation's income tax and excess-profits tax. In other words, not more than 67 percent of the corporation's earnings can be affected by the combined corporation taxes.

It is estimated that this bill will affect about 70,000 of the largest corporations in the country. A specific credit of $25,000 is provided, which is especially in the interest of the smaller corporations of the country and will result, in many of them, in fact, we believe most of them, not having to pay an excess-profits tax. Adequate provisions are included for new and expanding businesses, and a growth formula is provided that will take care of the normal and expected growth of corporations.

Now, with your indulgence, I would like to take a few minutes to very briefly compare some of the most important provisions in the pending bill with the excess-profits tax in effect during World War II. As I said a moment ago, the rate provided under this bill is 75 percent.

Under the World War II Excess Profits Tax Act the rate was 95 percent, and was effective at 85½ percent after the postwar refund was allowed.

The over-all rate limitation on income and excess-profits taxes under this bill is 67 percent. Under the World War II act it was 80 percent, and was 72 percent after the postwar refund.

The minimum credit or exemption under this bill is $25,000. Under the World War II Excess Profits Tax Act a $10,000 specific exemption was provided.

There is a choice of earnings credit or invested-capital credit, whichever produces the lower tax.

The base period under this bill is from 1946 through 1949. Under the World War II Excess Profits Act the base period was 1936 through 1939.

As to the earnings credit and elimination of poor years in the base period, the taxpayer may select the best three out of four base-period years under this bill. There was no such selection provided under the World War II act. Also any deficits in the 3 years chosen may be raised to zero. There was no such provision in the World War II act.

The earnings credit, adjustment in average base-period earnings, is reduced to 85 percent. Under the World War II act it was 95 percent.

Under the invested-capital credit, the rate of return on equity and retained earnings is on the first $5,000,000, 12 percent. Under the World War II act it was 8 percent. On the next $5,000,000 under this bill it is 10 percent. Under the World War II act it was 6 percent. On all over $10,000,000 under this bill the credit is 8 percent. Under the World War II act it was 5 percent.

Invested-capital credit—rate of return on borrowed capital: The interest deduction under this bill is allowed in full. Under the World War II act it was limited to one-half. The additional allowance is one-third of the interest rate with a ceiling of 3 percent and, in the case of long-term obligations, a floor of 1 percent. Under the World War II act credit was given for one-half the amount of borrowed capital.

There is a total allowance under this bill of 133 percent of interest payable, subject to the floor and the ceiling I have just mentioned.

Under the earnings credit, additions to capital are allowed during the base period. There is an upward adjustment in the earnings credit permitted for any net additions to equity capital, retained earnings, and borrowed capital in 1949 and for one-half of any such additions in 1948. No adjustments of this type were allowed under the World War II act.

There is also a rate of upward adjustment for such net additions to equity capital and retained earnings of 12 percent, and a rate of upward adjustment for such net additions to borrowed capital of one-third of the interest rate.

Under both the earnings credit and the invested-capital credit, upward adjustment is made for net addition to equity capital and retained earnings after the base period. For all taxpayers, allowance at the rate of 12 percent is provided on both equity capital and new retained earnings. Under the World War II act there were no such liberal provisions provided.

Under the earnings credit, provision is made for the downward adjustment for net reductions in equity capital and retained earnings after the base period at the rate of 12 percent. Under the World War II act that rate was 6 percent.

Under the earnings credit certain reductions in borrowed capital after the base period are taken into account. The adjustment downward is equal to one-third of the interest rate. There were no such provisions provided under the World War II act.

Another important provision relates to new corporations organized after the beginning of the base period. As an alternative to its usual credit the taxpayer may apply to its invested capital after 3 years of growth or at the end of the base period, if later, the average rate of return on invested capital for its industry in the base period.

In the case of a substantial change during the base period in a product or a service by the corporation organized before 1946, an alternative credit is provided. The taxpayer may apply industry rates of return to its invested capital and may get the benefit of that. In other words the experience of the industry as reflected upon the business of this individual corporation may be used as a credit.

For smaller corporations, organized before the beginning of the base period, and experiencing growth in the base period, an alternative credit is provided. Such a taxpayer meeting the following requirements may use 1949 earnings, or the average of 1948 and 1949 earnings as its average base-period earnings, if in the last half of the base period its payroll was 30 percent higher, or its gross receipts were 50 percent higher than in the first half of the base period, and its assets did not exceed $20,000,000 at the beginning of the base period.

Mr. Chairman, provision is made for the exclusion of nonrecurrent items of income and deductions in computing the excess-profits net income. For the excess-profits credit of public utilities a minimum of 5 percent after taxes on both equity and borrowed capital in the case of airplanes and railroads is provided, and 6 percent in the case of most other public utilities. Provision is made for the carry-back and carry-forward of net operating losses, 1-year carry-back and 5 years carry-forward. As to unused excess-profits credit the carry-back and carry-forward is provided—1 year of carry-back and 5 years of carry-forward.

Mr. Chairman, as I indicated in my opening remarks your committee has given very careful and adequate consideration to this very difficult problem and brings you this bill today feeling confident that it is worthy of your most careful consideration and support.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. FORD. I would like to have a little specific information on the difference between the $25,000 minimum credit in the pending bill and the $10,000 specific exemption that was in the law after World War II.

Mr. COOPER. Under the World War II act a corporation was allowed a specific exemption of $10,000. Under this bill the corporation is allowed a credit of not to exceed $25,000. In other words, the specific exemption of $10,000 was just given as an exemption, but under this bill the corporation is allowed a minimum credit of $25,000. In other words, if a corporation has a credit of $10,000, it may be brought up to the $25,000, and that amount of credit applied.

Mr. FORD. Why do they use different phraseology? Why could it not have been a $25,000 specific exemption? Why do you change the phraseology?

Mr. COOPER. It was thought better, and would meet the exact problem that was now apparent better than the old method.

Mr. FORD. In effect, is it a $25,000 specific exemption?

Mr. COOPER. Well, for all practical purposes it amounts to that for corporations with average earnings below $25,000.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. MILLS. Is it not true that as the committee agreed upon the $25,000 specific exemption in lieu of the $25,000 minimum credit, the revenue under the bill would have been decreased by approximately $400,000,000?

Mr. COOPER. There would have been a great effect on the revenue.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. JAVITS. Will the gentleman point in the bill specifically to what was done with respect to the objections of the radio industry and the aircraft industry, who claimed that because they had spent so much money on television and new models, respectively, the earnings in the 1946–49 period were not a fair base, compared to the fact that they were going to profit from those improvements in the following years?

Mr. MILLS. Will the gentleman yield?

Mr. COOPER. I yield.

Mr. MILLS. I would suggest to the gentleman from New York that he read the RECORD of yesterday, beginning at page 16088, the answer to that question given by his colleague.

Mr. JAVITS. That refers specifically to these two items?

Mr. MILLS. It does.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. CASE of South Dakota. Does this bill in any sense interfere with the renegotiation statute as it was reenacted by the supplemental defense appropriation bill in 1948?

Mr. COOPER. No. This bill has no relation whatever to the Renegotiation Act. I might say to the gentleman that the Committee on Ways and Means has that subject under consideration now. In fact, we have already held public hearings on renegotiation, and have reached the point that it was thought advisable for a little time to be allowed for some of the departments to reconcile some of the different views that were apparent, and for that reason we have suspended. But I feel confident that the committee will come forward with an adequate renegotiation bill to take care of the situatior during this war, as it did during the last war.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. DOUGHTON. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. CASE of South Dakota. In the supplementary appropriation bill for 1948, when we provided additional funds for the Air Force, we provided that renegotiation would be reinstituted for that money and for any money merged with it. So it is now applicable to many defense contracts at the present time.

Mr. COOPER. The gentleman is correct.

Mr. CASE of South Dakota. What the gentleman is saying is that the committee has had hearings and expects to expand the existing defense funds renegotiation statute in a comprehensive way to meet the current war situation?

Mr. COOPER. The gentleman is correct.

Mr. HOBBS. Mr. Chairman, will the gentleman yield?

Mr. COOPER. I yield.

Mr. HOBBS. I simply rise, Mr. Chairman, to thank the distinguished gentleman who has just addressed us for the very lucid explanation that he has made of the bill, and the explanations that have been made by the distinguished chairman of the Ways and Means Committee, and his associates. I want to tell the gentleman of our gratitude in the way that the committee has seen fit to bring in this piece of legislation which, as he expressed it so carefully, is more liberal and still accomplishes the purposes sought by the House.

Mr. COOPER. I thank the gentleman.

Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. DINGELL] be given permission to extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DINGELL. Mr. Chairman, the bill which the House has under consideration today, H. R. 9827, in over-all is a disappointment to me because it will not raise as much revenue as I would like to see raised. But since it is a question of getting at some excess-profits taxes or failing to get at any, I had to compromise in the committee on many of the provisions. As we all realize, additional revenue will have to be raised in the immediate future from normal and surtaxes on corporations.

The most vocal opposition to an excess-profits tax bill in any form before our committee was voiced primarily by big corporations. The smaller businesses admitted in general that an excess-profits tax law should be enacted, and offered many constructive suggestions as to how such a law should be drafted.

I would liked to have seen at least $5,000,000,000 or more raised by this bill. It could have been done very easily, and corporations would have been able to pay this $5,000,000,000 in additional taxes and still have more left after taxes than they did last year. Corporation profits after taxes in the second quarter of 1950 were at an annual rate of $22,000,000,000. For the year 1949, corporation profits, after taxes, were $17,000,000,000. Within the last few months, corporation profits have risen $51 percent.

We must all remember that the period since World War II has been a period of unusual business prosperity throughout the country due to built-up demands, accumulated savings during World War II, and large postwar defense expenditures. This is directly a result of World War II, and is adequate justification for not allowing 100 percent of the base-period years 1946–49 as normal earnings. We certainly should have used 75 percent of this base period rather than the 85 percent which is contained in the bill.

This bill is much more equitable and liberal than the World War II excess-profits tax law. Many of the complaints which were levied at the World War II law and suggestions which were made as to how the new law should be written have been taken care of in this bill.

I would like to put the House on notice now that I will not vote for a repeal of this law when conditions are again normal until wartime excise taxes have been repealed.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from Nebraska [Mr. CURTIS].

Mr. CURTIS. Mr. Chairman, Americans are quite unanimous in their feeling that individuals or business concerns should not be permitted to unjustly enrich themselves while others are making the sacrifices of war. I concur in that sentiment.

Great difficulties are encountered in writing a tax bill that will conform to this general principle. The people of the country expect the Congress to pass a bill that is sound, anti-inflationary, and one that is for the best interests of our American economy. They expect the application of an excess-profits law to be fair as between one business concern and another business concern, or many concerns. This bill is a disappointment not in regard to its objectives but in regard to the pattern it follows and the lack of thorough consideration that it received. In voting for it, I sincerely hope that the Senate Finance Committee and the Senate as a body can greatly improve the details of this measure.

While this bill will take from our American economy several billion dollars, the measure has not received the committee's study that it should have had.

Let me say that our chairman in his usual way was fair and courteous, that he granted to every member every possible consideration insofar as he could in the time allotted. I have no objection to what transpired before the bill was sent to the drafting service. I do, however, wish to say something about it from that point on.

This proposal consists of 148 pages. The committee received it one morning about 10 o'clock, and the bill was approved before 12 o'clock noon that same day. The committee did not have an opportunity to read the bill section by section and discuss its meaning or offer amendments to improve the bill. A staff member appeared with a copy of the bill. He would, for instance, advise us that page 1 did certain things, then call our attention to a few lines on page 2, and then refer us to certain lines on page 7. In this way the committee skipped through the bill. This Congress has received a mandate from no one to be anything other than thorough and careful in the writing of legislation.

A staff member who was charged with drafting duties informed the committee that the bill contained certain sections that he himself had not read, that because of the shortness of time others, including men from the Treasury Department, had drawn certain sections. They were thrown together without an opportunity for even the drafting service to read their finished product in its entirety.

It is also a fact that the committee never held a truly executive session. There were some sessions where the taxpaying public was excluded, but a large number of the Treasury staff and employees were always present.

It is regrettable that someone has not come up with a better formula to tax those profits that are excessive, unjust wartime profits. This bill may be an improvement in some regard over the law that existed during World War II. Generally speaking, however, it follows the same pattern used in World War I and II. This calls for the determination of the normal regular income of a business concern and taxing the profits over that amount at a high rate. In this bill the rate is 75 percent.

There are many weaknesses about such a formula in taxing excess profits. As a general rule, a concern with modest profits during a base period will pay a very heavy excess-profits tax, while a concern with extremely high profits in a base period will pay little or no excess-profits tax, assuming that the two concerns are of like size and make the same amount of money a year during the operation of the excess-profits tax. This basic criticism cannot be brushed aside on the theory that there will always be inequities and injustices. This is the general rule, not the exception. It was disappointing that the Treasury with its huge staff and its years of experience in administering tax laws did not come up with a better formula and did not make themselves more helpful to the committee.

It has been said that this bill carries a so-called growth formula whereby a young small company beginning to grow, as the result of good management and the soundness of their production, would not be declared to be earning wartime excess profits and their growth prevented. Such a thing is bad for our economy. It is bad for the consumer because in the last analysis the consumer pays a good share of all taxes. Whenever a very small concern succeeds in becoming a middle-sized concern, the increased competition provides a better product of lower cost to the public and keeps our economy alive and productive. This makes us strong in peace as well as in war. Whenever a middle-sized concern for meritorious reasons grows into a larger one, the public likewise benefits for the same reason. Shall we consider all normal growth as wartime excessive profits?

To deny small concerns the right to grow entrenches the large monopolistic concerns. It gives the concern that is already large a free field. It lessens their competition and the public pays.

The weakness of the growth formula attempted in this bill goes back to the weakness of attempting to reach excess profits by starting out with a base period. The company that can show a growth in the base period may get some benefits from this. The small company that has potentialities for growth but that growth is not shown in the base period will not receive much help.

In connection with growth companies, certain of them will under the right set of circumstances be permitted to take the average earnings of their particular industry as the base from which they

might figure their excess-profits tax. Certainly the concern whose earnings are less than average is not having earnings that are excessive. This principle should be applied to all the taxpayers coming under the excess-profits-tax law. It would simplify the procedure, make the administration less costly and go a long way in relieving some of the hardship cases. If our objective is to eliminate unreasonable and excessive wartime profits, our bill should be confined to that regardless of how much revenue it raises. It follows that other taxes will likewise have to be raised. The big job ahead is going to be so costly that if we maintain a pay-as-you-go system, all taxes will have to be increased.

The theory of this bill before us is that the company shall take the average of their profits of any 3 years from 1946 to 1949, inclusive, and that 85 percent of this average is their excessive profits tax credit. As it is determined what the profits of a company are, this excess-profits-tax credit is subtracted and a tax rate of 75 percent is applied to the so-called excess. Or, a concern may ascertain the amount of their invested capital and apply a percentage rate set forth in the bill to determine what their excess-profits-tax credit is in that manner. As stated previously, if the excess-profits-tax credit is high, the tax to be paid is low. This rewards the concern whose past profits have been very high. It punishes the concern which for some good reason has had abnormally low profits during the so-called base period.

For instance, if a country bank whose average profits during 3 of the 4 years of the base period is $40,000, their excess-profits-tax credit under this bill would be 85 percent of that, or $34,000. If next year they make $38,000, even though their earnings are $2,000 below normal or average, they will have $3,000 excess-profits tax to pay. It may be necessary to raise the taxes of this corporation even though their earnings are not up to average. We should not call it excess, however. It should be a simple raise in the surtax rates and apply it to all corporations alike. In order to determine the true excess-profits tax that is earned, 100 percent of the average should be taken, not 85 percent. This may not bring in quite as much revenue, but that additional revenue can be reached by an across-the-board raise of the regular corporation taxes. It is my belief that the Congress should give special attention to those very small concerns that are making a struggling start. I refer to that small corporation that is not really any larger than a small partnership or an individually owned enterprise. It may consist of a man with a good idea, integrity, a lot of ambition, and a mere handful of employees. Such a concern is entitled to more consideration than the great monopolistic concerns of our country. It is from these small beginnings that we get our industrial progress. The growth of these small concerns means more competition, better products at lower cost, as well as more jobs and more revenue for the Federal Treasury. In the World War II act, there was a $10,000 exemption over the excess-profits-tax credit before applying the tax. Such an exemption would not mean anything taxwise to the huge far-reaching corporations of the country. It would mean a great deal to the little, new concern that I just mentioned. Such an exemption should have been placed in this bill. I offered a motion in the committee for such an exemption, but I regret to report that it was voted down by a vote of 15 to 10.

The experience of an excess-profits tax in World War II was not very satisfactory. While it raised quite a little money, its application to the various businesses of the country was not uniform and was not equitable. The industry of no State in the Union received harsher treatment under the World War II excess-profits law than did the industry of my own State of Nebraska.

The World War II excess-profits tax had as its base period the average income from 1936 to 1939. That law, too, had an alternative of computing the base upon the capital investment. That approach was not practical for a great many corporations; 1936 to 1939 were drought years in Nebraska. Consequently, the average income of business concerns in that period was very low. It was abnormal, yet the law said that this is the normal period, and everything earned above that was excess profits. While my State was being penalized, high earning corporations in other sections of the country were not paying their share.

In the World War II act there was sort of a catch-all relief section. This section delegated authority for the adjustment of hardship cases. It has been referred to as section 722. It has cost the taxpayers millions and millions of dollars to administer section 722. It has cost industry millions and millions of dollars to present their cases under section 722. Countless thousands of meritorious hardship cases were denied. Thousands of cases are still pending. They are still a drain on the Federal Treasury. One witness testified that his concern in presenting their 722 case, assigned 40 men for a year to prepare the claim. Small business just cannot do that. Small business, by and large, has received no help under section 722 of the old law. Rather than to hire accountants, statisticians, and lawyers for months and years to prepare their claim, the average small concern throws up their hands and says, "What's the use?" They suffer the injustice. These section 722 cases should be cleaned up. Under that law the taxpayer was denied the right to appeal in section 722 cases to any court other than the Tax Court. Were these taxpayers to appeal a few of these cases it would clear up the situation. It would mean a quicker ending of these controversies. It would relieve needed personnel in the Treasury Department for other duties. In the committee I offered an amendment to the present bill which would have permitted an appeal in section 722 cases, as is allowed in other tax cases. Unfortunately it was voted down by a vote of 15 to 10. I feel that this Congress will not have discharged its public duty properly until steps are taken to expedite the handling of these 722 cases in a manner that is fair to the taxpayer and fair to the Federal Treasury.

Another weakness of this pattern for an excess-profits tax law is that it is inflationary. Suppose the union leaders and management are gathered around the table in a wage dispute in connection with a concern paying the excess-profits tax. If the union leaders can say to management, "Why should you resist our demand for a raise—the Federal Treasury will pay three-fourths of this entire bill anyway," the judgment and the resistance of management is bound to be influenced thereby. The result is the spiral of high prices is given a boost, the consumers pay more, and even the increased wages buy less. These influences in our economy are extremely hard on the people living on a fixed income, whether it be a small amount of savings, a fixed salary, a pension check, an old-age-assistance check, or any other individual whose income is small. Some of the people shouting the loudest for this particular type of excess-profits tax law are motivated by their own selfishness and greed and are totally disregarding the rights and the needs of the consumers of the country.

This bill has many shortcomings when it is viewed in the light of our national defense. The most eminent authority that I know of concerning the impact of this bill on our defense is the gentleman from Iowa [Mr. MARTIN], a member of our committee. I hope that due attention will be given to what he has to say in regard to this bill and that his suggestions can be followed. If we are to err, let us err on the side of the defense of America.

Mr. Chairman, I sincerely hope that before this bill becomes a law some drastic changes can be made in it.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. CURTIS. I yield.

Mr. FORD. I am still not entirely clear as to the difference between a specific exemption and a minimum credit. To simplify your explanation, assume that this bill has a $10,000 specific minimum credit similar to what existed in the World War II act. Will the gentleman state the practical effect of the language now used?

Mr. CURTIS. Under the old law, the concern determined what their base, or, as they called it, what the income-tax credit was. Then they added a $10,000 exemption before they applied the tax.

Mr. FORD. Before they applied the 85 percent?

Mr. CURTIS. Yes; the excess-profits tax. In this bill no specific exemption is given. They have a minimum excess-profits-tax credit of $25,000, which helps the corporation which makes no more than $25,000, and those only. A corporation making $15,000 can make up to $25,000 before they pay the tax. The corporation making $2,000 can make up to $25,000 before they pay this excess-profits tax. But it does nothing for the corporation that makes $26,000. It does nothing for the corporation which makes $30,000 or $40,000 or $50,000. So, with the exception of corporations that make less than $25,000, there is no exemption

in this bill from the excess-profits-tax law, and there should be.

Mr. REED of New York. Mr. Chairman, I ask unanimous consent that the gentleman from Michigan [Mr. WOODRUFF] be given permission to extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WOODRUFF. Mr. Chairman, if political panic grips the Congress, to whom shall the people turn in these grave days when the fate of the world hangs precariously in the balance? Judgment, reason, and calm must be our guiding principles.

Unfortunately, the bill before the Congress today is not the result of the calm consideration and judgment of the great and distinguished Committee on Ways and Means. It is the result of emotional hysteria. It is not a sound excess-profits-tax bill; it is an excess politics bill.

I am sure every Member of this House is united in the threefold common objective of taking the profits out of war, raising additional revenue, and stemming the rising tide of inflation. The issue before us today is not whether or not to pass legislation to achieve these objectives—the issue is rather what kind of legislation will most effectively achieve these ends. One thing, and one thing only, is certain—production and more production is the greatest weapon against inflation and is indeed the key to our survival. It would be calamitous if in a moment of hysterical panic the Congress should erect a tax barrier around the expansion of our industrial economy. We must have tanks, guns, and airplanes, and we must have them quickly. This will mean that the capacity of our defense industries must be expanded, new and growing enterprises capable of producing war matériel must be encouraged, and funds must be available for research and development.

Viewed with these objectives in mind H. R. 9827 is seriously defective. But how could it be otherwise for haste was the password, haste was the policy—haste at any price—and the net result is that the bill H. R. 9827, perhaps the most signal revenue bill ever to come before the committee, was never even read or analyzed by the committee. We are not legislating for this year or next year. We are probably legislating for many years to come.

Do you wonder, Mr. Chairman, why we Republicans have raised our voices against the perfunctory treatment given this legislation?

Do you wonder, Mr. Chairman, why we protest with all the vigor at our command against the delegation to the executive branch of the constitutional right of the Congress to write tax legislation?

In my opinion the most basic defect of H. R. 9827 is that it is dishonest. It is dishonest because it in effect taxes both normal profits and excess profits under the excess-profits machinery. This is done by arbitrarily reducing the excess-profits credit based on income from 100 to 85 percent. If we assume, as the bill does, that the earnings of the period 1946–49 are the yardstick for normal profits, then why should the credit for normal profits be reduced? The only justification is that by reducing the credit more revenue will be gained. But if normal profits are to be taxed, as is done under this bill, then why not be honest about it and spread the increased tax burden more equitably? Why should all the inequities and discriminations inherent in any type of a tax which attempts to set an arbitrary amount as normal be confined to what might more fairly be described as war profits?

Another serious defect of the bill is the inadequacy of the relief provisions, particularly for new and growing companies or for companies which have new products or services in the base period. There is absolutely no reason why the alternate method for computing average base-period income based on growth should be limited only to taxpayers which were in business during the entire base period and whose total assets as of the beginning of the base period did not exceed $20,000,000. The $20,000,000 figure was never analyzed by the committee, and it is obvious that it will work serious discriminations among many corporate taxpayers. Moreover, it is far from clear just what the total assets for this purpose consist of although it appears that they will be limited to the sum of cash and property other than cash used in the taxpayer's business.

In attempting to provide automatic formulas for each of the most important types of cases which arose under section 722 of the old law H. R. 9827 creates almost as many new problems as the problems which it attempts to solve. Not only is the restriction of the $20,000,000 total assets in the beginning of the base period inadequate for growing corporations, but the relief provided for corporations which added new products or services in the base period is inadequate. In general H. R. 9827 provides that a corporation which makes a substantial change in its business by introducing a new product or service before the end of the base period may use as an alternative credit a rate equal to the average of its industry. It is proposed that the figures used for the industry's average will be in accord with the classification used by the Treasury Department in compiling published statistics from corporation income-tax returns. These will be unsatisfactory at best and it should be pointed out that the figures are not now available and will not be finally available until sometime in 1952.

The relief intended as the substitute for section 722 (b) (4) of the World War II law is defective in several respects. In the first place the relief is available only if the following two tests are met: First, the new product or service produces more than one-third of the taxpayer's net income by the end of the third year following the year the product or service was introduced; and, second, the taxpayer's net income for any one of the first 3 years in which it meets the qualification described above is more than 25 percent greater than the taxpayer's average net income for the base period year or years preceding the year of change to the new product or service. The requirement that net income from the new product exceed one-third of total net income within 3 years after the end of the base period would virtually exclude all existing manufacturers of multiple lines of products. For example, a pharmaceutical company may regularly sell several hundred different types of drugs. It may introduce a new biotic with substantial earnings capacity but it can hardly be expected that for such a manufacturer any single new product will ever account for more than one-third of total profits. The same would be true in the case of household appliance manufacturers, chemical companies, textile manufacturers, and others.

No recognition is given in H. R. 9827 to new production facilities, changes in method of operations, or new management. The formula would be of no value whatever to manufacturers of standard parts whose business increases substantially as a result of new end products introduced by their customers.

No provision is made for a company in an industry which itself was new and in which no members had a normal rate of return. This is again particularly true, for example, of the television industry which was heavily engaged in research and development in the base period and did not begin to realize a satisfactory return until early 1950. Moreover, television manufacturing was not an industry during the base period and would undoubtedly be classified with many companies having radically different types of business and rates of return.

Inasmuch as the Democratic majority on the Committee on Ways and Means saw fit to report out H. R. 9827 with so many defects, it is now a most difficult problem to undo the damage. Certainly, however, as a bare minimum, special relief should be provided for the electronics industry, the aircraft-production industry, the precision-instruments industry, and other of our essential defense industries which suffered abnormalities in the base period and for which H. R. 9827 does not afford adequate relief. A considerable improvement can be made on H. R. 9827 by adoption of the Republican motion to recommit. The adoption of this motion will mean that the objectives of taking the profits out of war, raising additional revenue, and combating inflation will be better achieved by eliminating the 15-percent cut-back in the average earnings credit, and the application of the 75-percent special tax will be more nearly limited to direct war profits. And at the same time by increasing the surtax rate by 5 percentage points the additional revenue required to finance our accelerated defense program will be spread more equally among 300,000 corporations. The 100,000 corporations with taxable incomes of $25,000 and less will not be affected. In addition the inherently inflationary qualities of an excess-profits tax which establishes a high marginal rate will be reduced.

It is estimated that if the Republican motion to recommit is adopted, there will be an increase in revenue over H. R.

9827 by between $500,000,000 and $1,800,000,000.

Let those who are truly interested in the growth and expansion of our free competitive economy now stand up and be counted.

Let those who are truly interested in seeing that our boys in Korea get the guns, planes, and ammunition they need, stand up and be counted.

Let those who are truly interested in combating the silent thief of inflation which now stalks the country, stand up and be counted.

Mr. DOUGHTON. Mr. Chairman, I yield 30 minutes to the gentleman from Arkansas [Mr. MILLS].

Mr. MILLS. Mr. Chairman, I should like to use as the basis for my remarks the views of the minority members of the Committee on Ways and Means set forth on pages 76 to 81 of the committee report of the bill before us and the remarks made by my distinguished friend from New York [Mr. REED] on yesterday appearing in the CONGRESSIONAL RECORD at page 16082. The first thing which might strike an unbiased person reading those minority views and the speech of yesterday is that the authors clearly made little contribution to the task before the committee. These statements of views are strong evidence of their effort to prevent rather than assist in the enactment of an excess-profits tax. The minority views criticize the majority for limiting consideration to an excess-profits tax, although they joined with their majority colleagues in the House in voting an overwhelming mandate in the Revenue Act of 1950 directing their committee and our committee to do this very thing and to do it during this session of the Congress.

I will yield now to any minority member of the Committee on Ways and Means who voted for the so-called Eberharter amendment when the matter was on the floor of the House during the consideration of the revenue bill of 1950, the section now known as section 701 of the act, to explain what happened between the time he voted for that direct mandate and the consideration of the bill by our committee which justifies a complete change in attitude regarding an excess-profits tax.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. BYRNES of Wisconsin. Could the gentleman explain to me why the Secretary of the Treasury insisted that this bill should not be called an excess-profits tax bill, but should be called a defense-tax bill?

Mr. MILLS. The gentleman cannot answer my question by proposing another one. Did the gentleman himself vote for this mandate in the revenue bill of 1950?

Mr. BYRNES of Wisconsin. I voted, as did the gentleman and many other members of the committee, that the committee should study the proposition, yes; but I did not vote that we should bring back an unsound bill.

Mr. MILLS. We voted to have the committee report back to the House an excess-profits tax bill during the Eighty-first Congress, if the Congress was in session after November 15.

Mr. BYRNES of Wisconsin. Will the gentleman yield further?

Mr. MILLS. I yield.

Mr. BYRNES of Wisconsin. I just want to make this one comment that I think the gentleman is straining at the interpretation of section 701. I think that is a matter over which there can be a difference of opinion.

Mr. MILLS. Does the gentleman mean to say that this is not an excess-profits-tax bill?

Mr. BYRNES of Wisconsin. No. I did not say that. If the gentleman does not want to yield me sufficient time to answer him, I will forget it.

Mr. MILLS. I am sorry. I apologize.

The minority views criticize the majority for limiting consideration of an excess-profits tax, although they joined with their majority colleagues in the House in voting a mandate in the revenue bill of 1950, directing their committee and our committee to do this very thing and to do it at this session of the Congress. Yet, what do we find the majority saying? I will not include my friend, the gentleman from Illinois [Mr. MASON], because he did not do that. He did not vote for it, but I think the gentleman from Illinois [Mr. MASON] is the only member of the committee who did not vote for the mandate. Am I right or wrong?

Mr. MASON. I do not know about the others. All I know is about myself.

Mr. MILLS. The gentleman did not vote for the Eberharter amendment.

Now, I quote from the minority report:

> Another most serious criticism of the approach of the majority in preparing this legislation was that at no time did the committee give consideration to the enactment of a renegotiation law similar to that which recaptured $6,000,000,000 of profits arising from World War II.

Is that the type of excess-profits tax that you meant the committee to report when you voted for that mandate in September of this year? Actually, all of us know that our committee has had under consideration amendments to the Renegotiation Act. I use the word "amendments," because we have a Renegotiation Act on the statute books now, a part of the appropriation bill of 1948. Of course, the act itself needs to be amended, and all of us know that one of the first things that will be done by the Eighty-second Congress is to amend and strengthen the Renegotiation Act. However, no one can seriously maintain that a contract renegotiation statute can replace or even greatly relieve the necessity for a tax on excess profits arising out of the defense program. Total appropriations for defense purposes in this fiscal year amount to about one-sixth of the estimated gross national product, and even smaller proportions of the gross national product will actually represent production in the performance of defense contracts. Five-sixths of the national product, therefore, will escape, if you have nothing more than a renegotiation law.

I think, from this sample of their views, it should be clear that the minority did not take seriously their commitment to have the Committee on Ways and Means report an excess-profits-tax bill at this section of the Congress. But I do want to assure you that the majority did take that commitment very seriously, and we told you that when the Revenue Act of 1950 passed. I know of no more convincing evidence of this than the great effort made by our chairman to see that our side, despite the opposition, did fully and truly perform its duty.

I do not propose today to tell you that every single provision in this bill has been perfected to a point where no improvement can be made. Everyone knows we were working under great pressure. The committee staff and others, after working for months in preparation for this bill, have been almost continuously at their posts night and day in recent weeks, since October 15, in order to see that all important matters were brought before the committee and that all essential information necessary to reach a reasonable conclusion was provided.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MILLS. I yield.

Mr. REED of New York. Does the gentleman intend to refer to me further in his remarks?

Mr. MILLS. Nothing more than this. I was in hopes you would ask me, but as I read your speech this morning in the CONGRESSIONAL RECORD, I wondered whether or not you were attempting yesterday to emulate that great prophet of old, Jeremiah, when he wrote the Lamentations.

Mr. REED of New York. If the gentleman so construes it, very well, but I think those people who understand taxation know exactly what I mean.

Mr. MILLS. The gentleman has indicated that he does not understand anything about this bill. I am surprised. He has always seemed to me to be so intelligent. But the gentleman takes the Democratic members of the committee to task, he castigates us from the first line of his speech to the last line of his speech. I want to make this suggestion to the gentleman, that if he has an investigation sometime in the future to determine who wrote this bill that he enlarge the scope of the investigation to find out what happened to himself and the other members of his party on the Ways and Means Committee who changed their viewpoint completely from their vote in September to their vote when this bill was reported by the committee.

Mr. REED of New York. We never had a mandate to bring in here the type of bill that you brought in.

Mr. MILLS. The gentleman misunderstood the whole thing, then.

Mr. REED of New York. I am sure the gentleman from Arkansas has.

Mr. MILLS. We will leave that decision to the House.

Mr. REED of New York. You will have a chance to.

Mr. MILLS. I am just disagreeing with the gentleman's expressed views, not with him, because I love the gentleman greatly.

Mr. REED of New York. The gentleman will have a chance to record himself a little later in the day.

Mr. MILLS. I feel that way, I may say to the gentleman. I like to think in the light of the depressing developments of the past few days that it is fortunate for our country that the Ways and Means Committee made this effort. We know that we face real problems and that it will take heroic work by our committee to keep up with the task of providing the billions of dollars additional revenue we may need over and above what will be obtained from the interim tax legislation passed this fall, and from this pending bill.

Aside from the castigation heaped by the minority in a general way, and by the speech of the gentleman from New York on yesterday in a very personal and specific way, aside from their general and largely obstructive criticisms, the minority raise six specific questions on the bill.

1. EIGHTY-FIVE PERCENT CUT-BACK OF BASE-PERIOD EARNINGS

As to their first objection, the minority report criticizes the provision of H. R. 9827 reducing the average earnings of the three best years in 1946–49 to 85 percent in computing the excess-profits credit. They assert that this represents a basic fallacy and defect, since it fails to limit the application of the 75-percent tax rate to excess profits alone. They apply some rather harsh language to this feature of the bill and ask the question, "Why, if the earnings of 1946–49 are normal, should they be reduced?" They answer that no justification has ever been made for such a reduction except on the grounds of revenue expediency.

Now I think that it should be made clear at the outset that there is nothing new in the bill in the cut-back of base-period earnings. Such a percentage reduction was made a part of the World War II law. Under the old law 95 percent of the average earnings was taken into account, and to my knowledge there has never been serious criticism of this feature. At that time it was recognized that companies who could use the base-period-earnings method had a substantial advantage over those whose credit was computed at the statutory rate on invested capital.

If a reduction to 95 percent was reasonable under the World War II tax, then an 85 percent adjustment is fully justified under the present circumstances. Corporate profits were higher in relation to invested capital or in relation to a number of other accepted standards in the 1946–49 period than they were during the base period selected for the World War II tax.

For business as a whole, earnings in 1946–49 averaged roughly 20 percent on invested capital as against 8 percent in the period 1936–39, or two and one-half times as high as in the old base period.

As the majority report points out, the period 1946–49 was one of unusual business prosperity. To a substantial degree it was built on deferred demand, accumulated liquid savings of World War II, and continued high levels of defense expenditures. Few qualified observers would contend that this unprecedented level of profitability could be expected to continue permanently. Therefore, full allowance of the base period earnings would generally produce on overstatement of normal earnings capacity in the absence of the additional stimulation produced by Korea and the defense program.

It may be granted that any specific figure used in scaling-down the general average earnings is, to some extent, arbitrary, but I submit that in the light of the fabulous earnings enjoyed by most firms and industries which will be subject to this tax, the 15-percent cutback is a moderate adjustment. I feel confident that there are very few corporate executives who would not be delighted to settle for a long-term earnings average comparable to 85 percent of what they have made in the best three recent years.

A further consideration is that, while the cutback contained in the bill is somewhat higher than was used in World War II, the proposed definition of average base-period earnings is more liberal. The right of the taxpayer to select his three best years confers an important advantage over the World War II law, which merely permitted him to substitute 75 percent of the average of the other 3 years for his worst year. In addition, the bill allows the taxpayer to treat any deficit in the 3 years as zero. The World War II law, by contrast, held the taxpayer strictly to account for his deficits so that they were taken as negatives in computing his average earnings. It is also notable that the bill, unlike the World War II tax, adjusts the base-period earnings credit upward for new capital additions from all sources in 1948 and 1949. Such adjustment is itself not subject to the cutback. These liberalizations alone go a long way toward offsetting the effect of the larger cutback.

The 15-percent cutback brings within the scope of the higher tax rate a higher portion of profits and a somewhat greater number of taxpayers than if there were no cutback. This is a more selective and, I believe, a fairer way of levying the additional burden so that it will not apply to firms whose earnings declined very substantially. In other words, I believe it is fairer to impose a special excess-profits tax using 85 percent of the base-period earnings as a starting point than to use some other method of getting the revenue at this time which would impose burdens on corporations who are experiencing difficulties in making adjustments to the defense economy.

Mind you, that is very important. A corporation must make at least 85 percent of its average in the base period, these three best years, before it is subjected to any excess-profits tax. If it makes less than 85 percent it pays only the normal tax. If you up the normal or surtax rate on all corporations, however, as I understand the motion to recommit would do, even the corporation that suffers a decline in profits will pay more tax as a result of that action.

2. H. R. 9827 IS UNDULY INFLATIONARY

According to the minority report, the bill is unduly inflationary.

This is the common argument on which many have pinned their hopes of defeating the bill. They alleged that with the 75-percent tax rate, business will go on an orgy of spending because the deduction of the expenditures from income would throw 75 percent of the cost onto the Government and leave only 25 percent to be borne by the taxpayer.

In attempting to make this point, the minority have set up a new concept of business judgment. They say, and I quote:

> It is not a question of inefficiency or efficiency of ways or prudence but simply a matter of practical business judgment.

This statement apparently excludes efficiency and prudence as being elements in practical business judgment. I have never yet met a businessman who was willing to throw away 33 cents. Most businessmen with whom I am acquainted are very prudent when it comes to counting the dollars that will be left over to them when they have reckoned both their income and their expenses.

However, I think there is a deeper implication to this allegation of waste. Anyone who makes this claim and subscribes to it is reflecting on the integrity and patriotism of the business community. I, for one, seriously doubt whether thoughtful members of the business community desire to convey the impression that such is the spirit in which they are willing to support the efforts of our Armed Forces and the sacrifices of the mass of the people being devoted to a cause in which business has so much at stake.

In considering this argument we should not be stampeded by comparisons which look only at part of the possible effects of different methods of taxing corporate profits. Wasteful use of resources may take many different forms. At a time when all of our industrial efficiency is needed we must look at this problem in the aggregate.

I think it can be said without contradiction that excessive profit-making opportunities which would draw resources from necessary production would be the most inexcusable waste of resources, yet such a development could result from uncontrolled profits. Thus a special tax on defense profits may be expected to prevent unessential expansion in some segments of the economy which would compete with disastrous consequences for the more essential requirements of our limited resources.

The special taxation of defense profits also avoids another form of waste which heavier general increases in the corporation income tax might produce. The exemption of normal profits provided by the credit under the excess-profits tax gives assurance that corporations having difficulty making adjustments under the defense program will not be unduly burdened. If their general tax load were increased, these concerns might be forced to make uneconomic and disorderly financial adjustments before they can find their appropriate place in the new scheme of things. More economy may be obtained in the use of resources by preserving existing business talents than following the expensive route of building up new talents.

In this whole subject we should not lose sight of the forest for the trees. The inflation problem is a broad one. It must

be attacked on all possible fronts. We must expect at some stage more direct controls on inflation. Even before that time, we want voluntary restraint on the part of labor and other groups. If we are to expect other groups to accept these controls we must at the same time be able to show them in all fairness that a comparable restraint has been placed upon corporate profits.

I want to interpose just a moment. Since my friend from New York is back, I recall earlier this year, during the consideration of the revenue bill of 1950, that he and I had quite an exchange on the floor. I argued at the time that corporate management could not pass on as a cost of doing business taxes paid to the Federal Government through normal and surtax. My friend from New York took the other position when we were suggesting an increase in normal and surtax in connection with the revenue bill of 1950 and said that when we did that all in the world we were doing was adding to the cost of the goods, thereby creating more inflation in the United States.

Everybody I have talked to in business, almost without exception, takes a different view from that which I took. They say that in conditions such as exist today the tax paid the Federal Government on income can be calculated as a cost of doing business, at least in part, and under some circumstances all of it. Thus, the price of the article manufactured or sold can be increased to take care of that cost.

I leave it to the fair judgment of all members of this committee on both sides as to which could be more easily passed on, a flat increase in the normal and surtax applied to corporations or an excess-profits tax levied against anything they may make in excess of their normal and surtax credit. Is there any question about which is more inflationary? Yet, my friend from New York and those who follow him on the Committee on Ways and Means have gone into great length in their effort to make us believe that an excess-profits tax is inflationary, and they offer as a substitute the very thing which, according to their statements earlier in the year, would be much more inflationary.

I know what he means. He means that, if you propose to tax business at the rate of 75 percent on that which it may make in addition to what it has made in the base period, business will not expand, we will not get the production we need from that business segment. Here again I disagree with the thought expressed in condemnation of my business friends. Does that mean they themselves are so unpatriotic that in an hour of need and great emergency, in time of war, they would back off and withhold those resources that we need in this era of mechanization until such time as the Congress or the people of the United States may permit them to make excessive and exorbitant profits on the sale of their products? I know of no business in World War II, and I challenge any Member of this House to point out one business, that failed to continue to operate and produce because of the excess-profits tax. The chairman of the committee, the gentleman from Tennessee [Mr. COOPER], and all those majority members of our committee who have spoken have pointed out in a very able manner that the bill before the House is not nearly so rigid or severe as the excess-profits tax of World War II.

Thus, does it not follow that under a less severe or rigid bill, needed production which we must have to supply the armed services of our country in this hour of our greatest trial will be available? There is more incentive today in the bill before the House for increased production in any line than there was in the World War II Excess Profits Tax Act.

I had intended to talk about growth, and the arguments made by the minority in the committee that our bill does not properly handle growth corporations. They point out some of the weaknesses of the growth formula. Let me hurriedly cover those.

They say there is a discrimination against diversified companies in our growth formula. May I ask this question of the gentlemen from Ohio [Mr. JENKINS]: Did I understand him on yesterday to make the statement, or was I incorrect in thinking he made the statement, that the Republican minority was taking credit for this growth formula in the bill?

Mr. JENKINS. I said that we were entitled to credit for it. I said we were entitled to credit for two or three other matters, and I also said I could cite five or six more things if I had the time.

Mr. MILLS. Then it would be proper for me to assume that the growth formula is very satisfactory? I am sure the minority would not offer an amendment if it was not satisfactory.

Mr. JENKINS. I would not go so far as to say that the formula was satisfactory. I would say that we encouraged it and also encouraged that differentiation be made with reference to these new and modern businesses that have grown up in the last year or two. Generally speaking I want to take credit now since you have asked me, and I want to say broadly to the whole world, that the bill as the majority wanted it is not to be compared to the bill as it now is. In other words, the bill now is 500 percent better than it was the way you other members of the committee would have had it.

Mr. MILLS. How does the gentleman know what I would have done? If the gentleman wants to create the impression that he had anything whatsoever to do with the growth formula which is in this bill, I want to serve notice right now I did not hear him say anything about it. Perhaps some other members of the minority did, but this is one provision which I thought we were all in agreement on. As I read the minority report you point out its weaknesses. Let us see if they are weaknesses.

Mr. MASON. Mr. Chairman, will the gentleman yield before he leaves that subject?

Mr. MILLS. I yield to the gentleman, and I assure him I am not going to leave the subject.

Mr. MASON. If any Member of the House will read the hearings which were held, he will find that 90 percent of the questions bringing out the differences and the inequities which we could expect from an excess-profits tax were asked and discussed by the minority members of the Committee on Ways and Means.

Mr. MILLS. Does the gentleman want them to do that before the members of the committee read the bill? The gentleman from New York [Mr. REED] suggested that none of us had read the bill. Do you want the membership of the House to read the hearings anyway?

Mr. MASON. I am not asking anyone to read them. I am just saying that the hearings justify the statement that the minority members did have the greatest part in bringing out the inequities and also in working out some kind of solution for them.

Mr. MILLS. The gentleman means that he joined with us in doing that? Is that what the gentleman means, that he joined with the majority members in that respect?

Mr. MASON. Of course we had to join with the majority members if we wanted to get anything in the bill.

Mr. MILLS. I just want the RECORD to show that, may I say to the gentleman from Illinois [Mr. MASON], because I know he is interested in keeping the record straight.

Let us look into this question of the growth formula.

3. INADEQUATE RELIEF FOR GROWTH COMPANIES

The minority report states that the relief for growth companies is inadequate.

The growth formula in H. R. 9827 is designed to assure true growth companies that their credit will be based at least on the average income in 1948 and 1949, or on 1949 income alone, whichever is higher. This can afford a substantial advantage over other companies. In addition to this very liberal treatment, growth companies will be able to add to their credit 12 percent of any new capital added after 1949 and one-third of the interest paid on capital borrowed after 1949. These provisions, in general, will assure growth companies an adequate rate of return before the excess-profits tax is applied.

The relief for growth is not limited to the provisions above. Contrary to the impression given in the minority report, new companies in the early stage of development at the end of the base period may obtain a credit above their 1949 level of earnings. Where one-third of its profits is attributable to a new product or services introduced in the base period, a corporation may obtain an alternative credit based on the industry rate of return in the base period.

The minority report cites the following situations to support its contentions:

(a) Discrimination against diversified companies: The report cites the example of a pharmaceutical company that introduces a new biotic, which does not account for more than one-third of total profits. It is implied that such companies should be given additional relief. Actually, introduction of new biotics in the chemical industry is normal and is

already allowed for in the computation of the base-period earnings credit. In the other industries mentioned—household appliance manufacturers and textiles—actual earnings experience in the base period was high for most companies. In any event, as to such corporations, the introduction of a new product which really represents an expansion of the business is likely to be reflected in the additional credit for new capital during and subsequent to the base period.

(b) It fails to recognize factors other than new products and services: The minority report states in this connection that manufacturers of standard parts whose business increases substantially as a result of new end products introduced by their customers should also be given relief. In other words, the minority contends that excess profits earned by any company because of new products produced by others should be given relief. For example, the minority would grant additional relief to a company which manufactured more spark plugs because a new tank is designed for the defense program.

(c) Discrimination against new and growing companies: The minority report states that no provision is made for a company which itself was new and operating in a new industry with a low rate of return. They cite television as an example. The minority argument ignores the fact that the industry classifications are broad. This has the advantage that new industries are given a rate of return based not only on their own industry but also on rates in well-established businesses in the same general classification.

(d) Administrative difficulties: The minority report states that the benefit of section 443 of the bill relating to new businesses or old businesses introducing new products may not be availed of by a taxpayer when filing his return but must be claimed in a separate application for relief. However, the minority states in parentheses that the exception to this rule is provided in section 430 (d). Section 430 (d) actually permits all companies granted relief under section 443 to defer 80 percent or more of the reduction in tax claimed because of the relief granted to new companies or new products. This 80-percent deferment corresponds with a deferment of only one-third of the tax for such companies during World War II.

The minority also states in this connection that the possibility of dispute with regard to the provisions of section 443 exists for a number of technical reasons. Actually, however, the concept of what constitutes a change in product or services was developed under the prior excess-profits-tax law, and experience thereunder was generally satisfactory. Thus, there is no reason to expect that the administration of section 443 will be fraught with unusual difficulties. The section will apply automatically in most cases and will therefore eliminate a great deal of administrative work which this type of situation formerly required.

(e) Credit is in inverse proportion to rate of growth: The minority state that the faster the rate of growth the earlier in the development period will be the determination of the credit. This statement appears to be made as a criticism of the provision relating to the growth formula and the relief applicable to new companies and new products. Actually, however, where the rate of growth is fast in the early part of the development of the business and then slackens off, the credit should be determined on the basis of the early experience. Consequently the provision in the bill conforms with the objectives of the committee in such cases. Under the present situation, with war-stimulated business, allowance for growth beyond the limits set by the committee would be likely to give an additional credit merely for defense-induced profits.

4. H. R. 9827 AND THE NATIONAL DEFENSE

Aircraft industry: The minority report states that vital information promised to the committee by the Treasury Department during the public hearings in regard to the aircraft industry was never furnished to the committee. The Treasury Department provided the committee with an analysis of the data for 15 of the largest aircraft manufacturers, which constitute most of the industry. In addition, at the request of one of the signatories of the minority report, a special table was prepared summarizing the information presented at the executive session. Throughout the executive session the staff of the Treasury Department was very helpful to the committee and worked night and day to provide them with the necessary information. In view of the record, it is unfair to make this accusation.

The minority report states that no special provisions were designed to cushion the injurious effects of the excess-profits tax on the aircraft industry. This statement is also incorrect. Many of the liberalized features of the proposed tax which are described in detail in the report on the bill were designed with the aircraft industry in mind. The following is a summary of the liberalized features of the bill which will be particularly helpful to the aircraft industry.

(a) The earnings credit would be computed on the basis of the three best years of the 1946–49 period and if other deficit years remain, such years will be counted as zero in the computation of base-period earnings. This provision was intended to be of assistance to such industries as aircraft where the majority of companies had more than one deficit in the base period.

(b) For purposes of computing the invested capital credit, companies will be allowed to add back the amount of net deficits incurred in the base period. This feature would be of particular importance to the aircraft companies in view of their deficit experience since 1945.

(c) In the case of new capital, including retained earnings, a rate of return of 12 percent would be allowed in computing base-period credit or invested-capital credit. In the case of borrowed capital, adjustment for credit would be one-third of the interest paid, not to exceed 3 percent of the amount borrowed. This provision will be of special importance to growing firms in the aircraft industry.

It is well to recall in this connection that much of the increased profits resulting directly from the defense program will accrue to the benefit of the aircraft industry. Adequate provision has already been made to protect this industry. Further liberalization of the provisions of the excess-profits tax for this industry might wipe out the excess-profits tax in an area where it is probably most justified.

5. STRATEGIC AND CRITICAL MATERIALS

It is the view of the minority that H. R. 9827 does not go far enough in extending special consideration to the mining industry insofar as strategic and critical minerals are concerned. Specifically, they suggest that section 451, relating to exemption of the increased output of mines, be broadened to grant additional tax relief to mining industries.

We are all aware of the need of securing adequate supplies of basic materials to meet the emergency demands of the economy. Our tax laws must be carefully drawn so that they do not discourage the utmost production of necessary materials. It is also important that special forms of tax relief intended to foster production be carefully designed to serve their purposes without creating serious revenue losses and inequities through broad and unjustifiable exemptions. To this end H. R. 9827 contains several specific relief provisions for the mineral industries which will remove tax deterrents to production and will foster output of strategic minerals.

The complete exemption of income derived from mining specified strategic minerals has been carried over from the World War II law and to the 14 minerals formerly exempt have been added by committee amendment 10 others, including uranium, which have been suggested for inclusion by the defense production authorities. The amendment also provides that the complete exemption be extended to any other minerals which are judged by the defense authorities to deserve such treatment.

Under the bill, as during World War II, income derived from the accelerated output of minerals is wholly or partially exempt from the excess-profits tax, to the extent this production is exhausting the taxpayers' known mineral reserves. For most minerals this exemption is graduated from 20 percent upward to 100 percent, according to the rapidity with which existing reserves are being depleted. In the case of coal and iron mines, timber properties and natural-gas properties, the exemption is one-half of the income from output in excess of base-period output.

The bill also contains the World War II provision exempting income derived from Government bonuses which were paid for output in excess of specified quotas. While no bonus program is in effect at present, the exemption will be available in the event production authorities should decide that such a program is needed.

These special measures are in addition to the generally liberal provisions of the bill and the minimum credit which exempts small mining corporations. Finally we should not forget the fact that mineral producers receive preferential

treatment through allowances of percentage depletion, which serve to reduce both excess-profits-tax and income-tax liabilities.

6. REGULATED PUBLIC UTILITIES

It is charged that the alternative credit permitted public utilities, equal to a stipulated return on their capital after income tax, will work extreme hardship on many companies because the invested-capital base may be less than that employed for rate-making purposes. It is true, of course, that the adjusted basis of assets for tax purposes may differ from their valuation used by regulatory authorities. It is equally true that the taxable income of utilities differs from that determined for rate-making purposes. It is necessary to look at both the valuation of assets and the determination of income. Income for Federal tax purposes may be substantially lower than for rate-making purposes because of higher allowances for depreciation.

While the committee agreed to provide a minimum return for public utilities before they were subject to excess-profits tax, this determination of taxability could not be left to the practices of the many regulatory authorities in the country. Allowances for working capital, valuation of property, depreciation, interest charge to construction, as well as the fair rate of return itself, all vary among the States. The necessity of being guided by these varying practices called for by the minority report would be a dangerous precedent to establish for Federal tax purposes. In fact, serious doubts have been raised about injecting into the excess-profits-tax law the principle of guaranteeing any corporation a minimum tax-free return on investment before being subject to income tax.

You can readily see how tax administration would be complicated if it were necessary to use one set of determinations for income-tax purposes and another for the excess-profits tax. One of the important improvements in the committee bill is the provision for integrating the income and excess-profits taxes so that administration would be simplified.

Mr. Chairman, I trust that the membership will accept this effort on the part of the majority members of the Ways and Means Committee, and those minority members who voted for the bill when it was reported, as a genuine and sincere effort to do that thing which you told us last September to do. We came back in November, immediately following the general election, when other Members did not have to come back until November 27. We worked hard on this job. We have worked sincerely trying to make it a better bill than the one we had after World War II, one against which less justified criticism could be raised. We think we have done that. We think that what we bring you today, if you still desire an excess-profits-tax law, as you indicated in September, is worthy of your acceptance as what you told us then you wanted us to bring to you.

I trust that, if there is a motion to recommit, the motion will be defeated, and that this bill will immediately be sent on to the other body, so that immediate work may be initiated over there, and that we may have a bill before the Christmas holidays that we can send to the President.

Mr. REED of New York. Mr. Chairman, I yield 30 minutes to the gentleman from Iowa [Mr. MARTIN].

Mr. MARTIN of Iowa. Mr. Chairman, when millions of young men must interrupt their careers and risk their lives in the cause of national defense, those who stay at home should be willing to serve the cause of national defense without being allowed to enrich themselves by the abnormal wartime price structure. Furthermore, the Government needs increased revenues to prosecute the war most effectively, and it is both necessary and fair to tax increased earnings attributable to the national emergency. On the other hand, it is highly important that the tax program of the Government not kill incentive to produce the essential materials and equipment at the very time they are most needed.

The provisions in H. R. 9827 for taking 3 out of 4 years of the base period to determine the base period credit is fair enough, but the provision in this bill to tax all earnings in excess of 85 percent of the base-period credit so determined is exceedingly unfair to those industries that experienced low earnings during the base period. In effect this provision places those corportions in a strait-jacket and threatens to kill incentive for their expansion. Unfortunately for America today, many industries that are vital to our successful prosecution of the war experienced low earnings during the base period and now face being placed in this strait-jacket at the very time we need them most.

Therefore, while I favor the imposition of a tax on excess corporate profits arising from the war economy, I cannot support any part of such a tax program that may kill incentive in those industries that determine the success of or failure of our war effort. I kept that qualification uppermost in my mind throughout the hearings and the executive sessions of the Committee on Ways and Means, because I have given most of my lifetime to the study of national defense. That is why I advocated special consideration for transportation, communications, and other utilities, and special consideration for aircraft production and the production of strategic and critical materials by our domestic mining industry.

In the hope that I can be helpful in securing a better understanding of the impact of this proposed legislation on some of the vital national defense industries, and especially in the hope that my discussion may be helpful to the Senate Committee on Finance in their consideration of amendments which cannot be presented to the House of Representatives under the closed rule that governs our proceedings on this bill, I will proceed to discuss my objections to the bill in the field of national defense.

While I commend the committee on the action they have taken in this legislation with respect to certain transportation and communication industries and to utilities generally, I am alarmed over their failure in this bill to extend proper and needed consideration to the airline industry and the aircraft production industry, and to the domestic mining industry.

The committee has extended some badly needed relief to the mining industry in the form of a committee amendment that will be presented to section 448 of the bill, H. R. 9827, now under consideration, but I am seriously disappointed in the refusal of the committee to adopt a more liberal treatment of the mining industry in section 451 of the bill. That section is identical to section 735 of the World War II excess-profits-tax law, and the mining industry presented a very effective appeal for liberalizing some provisions of that section based on their experience with this law during World War II. This section should be continued, but Congress can provide greater incentive to the mining industry by eliminating all reference to "estimated recoverable units," or any reductions or exclusions based on the ratio of current output to the estimated recoverable units remaining in the property. Such reductions or limitations are directly contrary to the principle that the normal profit per unit should not be subjected to a tax on excess profits.

Let us examine the position of the administration in regard to the mining industry.

On page 81 of the hearings you will find a colloquy between Secretary of the Treasury Snyder and myself, as follows:

Mr. MARTIN. Then there is another very important question. I have not seen in your statement any reference at all regarding the exemption to strategic and critical materials, particularly minerals. Do you have any provision in mind for that?

Secretary SNYDER. That is a part of our continuing study and we will try to have something ready for you during the course of your deliberations.

Mr. MARTIN. It is your idea that we should?

Secretary SNYDER. Some consideration should be given to it.

Mr. MARTIN. That we should include that in our study?

Secretary SNYDER. You are thinking in terms of stimulating production?

Mr. MARTIN. Absolutely.

Secretary SNYDER. Yes.

Mr. MARTIN. Domestic production?

Secretary SNYDER. I understand.

Throughout the balance of the hearings and during the executive sessions and study by the Committee on Ways and Means, I waited in vain for the submission of any proposals by the Secretary to stimulate domestic mine production through extending special consideration to them in this legislation. In fact, the committee approved the amendment to section 448 of the bill in the face of vigorous opposition by Treasury staff members who sat in committee meetings throughout the executive sessions.

Just today my attention has been called to the statement of Secretary Snyder before the Senate Committee on Finance yesterday in which he made the following statement:

Another provision of the bill, section 448, would greatly enlarge the area of preferential treatment in the mining industry. I am fully aware of the importance of securing

strategic minerals. However, it will require great care to formulate legislation in the interest of defense production without granting unjustified benefits or encouraging unproductive diversion of essential resources. When this matter receives your consideration, the staff will be prepared to place the pertinent facts before you.

The inaction of the Treasury staff in bringing to the Committee on Ways and Means any suggestions for amendment or improvement of the provisions of the World War II excess-profits-tax legislation together with their vigorous opposition to the amendment approved by the committee that will be introduced as a committee amendment led me to believe that Secretary Snyder's efforts before the Senate Committee on Finance will be entirely negative in spite of the failure of the World War II excess-profits-tax legislation to stimulate and encourage production of strategic and critical materials.

The number of mines producing gold, silver, copper, lead, and zinc in this country was reduced from 11,033 in 1935 to 2,308 in 1949. I do not have at hand the number of mines producing other minerals, but I know that a great many mines of all kinds have closed during the past 15 years. Furthermore, industrial stockpiles of strategic and critical materials are today at a dangerously low level. Any industrialist in America will attest that fact, and almost every Government official who has had jurisdiction in this field will do likewise. Still further, the Government's stockpile that should have reached 80 percent of the 5-year program established by Congress in 1946 stood on June 30 of this year at 38.4 percent. But probably the most vital reason for keeping all of our domestic underground mines in operation is to retain, and, if possible, increase, the present supply of mine labor. Experience during World War II proved that the supply of this labor cannot be increased after war has commenced. In fact, the reverse was true, and, due to the loss of mine labor as the war progressed, domestic copper production dropped 44 percent from 1942 to 1946, lead production dropped 32 percent, and zinc production dropped 25 percent during the same period. From the end of World War II until March of this year, three-fourths of all the strategic and critical materials purchased for the stockpile were purchased in foreign countries. I am sorry I do not have at this time figures for the last 9 months.

The President's request of December 1 for additional appropriations for the Department of Defense will bring the total for the United States military forces for the current fiscal year to $41,800,000,000 and for the Atomic Energy Commission an additional $1,050,000,000. In a program of this magnitude, the production of needed equipment will tax our meager supplies of strategic and critical materials to the utmost. The chairman of the Munitions Board last May told 300 business leaders in Pittsburgh that the Army, Navy, and Air Force would place orders for $41,000,000,000 of war materials in the first 6 months of an emergency, but placing the orders and getting production are two vastly different things. Those orders will stay in the category of orders only, unless we have the strategic and critical materials needed for actual production.

I have here available for your inspection 30 different official regulations and orders issued during the past 8 weeks by the National Production Authority that furnish us with strong proof of the extreme scarcity of materials needed in our preparedness program.

Clearly this is no time for the tax-writing committees and for Congress inadvertently to place the mining industry in the strait-jacket of World War II excess-profits-tax legislation when the record made in World War II shows that that legislation might delay and even defeat our entire national defense effort. Do we need to wait longer for Secretary Snyder to study the impact of the World War II excess profits tax legislation on the mining industry?

The effect which the bill would have on the airline industry is, in my opinion, another serious blow to an industry extremely vital to our national defense.

We all know the splendid role which the commercial airlines played in World War II, and the dependence which the military is placing on them in the event of another conflict. Prior to World War II, plans were carefully made for the utilization of the airlines in the case of a war. Not only were these plans carried out in full, but drastic additions were made when the critical needs for transport aircraft in that war became clear. In May of 1942 the Government requisitioned 168 aircraft which the airlines had on order, and took almost half of the aircraft then in operation. Approximately half of all of the airline executives, flight crews, and mechanics also entered military service.

The last war proved the value of air transport to the military. As a result, this Government has given almost constant attention since the end of World War II to the provision of air-transport capacity for military purposes, in the event of another similar emergency. In all of the studies a large portion of the commercial airline fleet has been regarded in effect as a part of the available military transport fleet.

I am informed that these studies have revealed that, notwithstanding the use of a portion of the commercial fleet, a serious deficiency in air-transport capacity is to be expected. It has been plain to the airlines that, in order to meet this national defense problem, they are required to develop their commercial business and the size of their fleets as rapidly as possible. They have made good progress in carrying out this responsibility, the fleet having increased since the end of World War II from about 350 twin-engine airplanes to over 1,000, almost half of which are four-engine transports. The airlines now have on order 164 aircraft, costing about $136,000,000. These aircraft will be put into service in the next 2 or 3 years.

The value of the airline fleet in times of emergency was again demonstrated last summer when it became necessary to provide fast transportation across the Pacific to Korea. The military requested, and promptly received, from the airlines 43 four-engine transports, with four crews for each airplane. This constituted about 10 percent of the airlines' four-engine fleet. While this operation did not drastically affect the maintenance of successful commercial service, a more extensive future operation of the same kind certainly would.

If you have listened to the radio in the last 30 minutes, you know that you may have need for some air transport in an awful hurry.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. REED of New York. Is it not a fact that a large part of the civilian planes have already been requisitioned for this emergency in Korea?

Mr. MARTIN of Iowa. Yes.

Mr. REED of New York. Yet this bill would work an injury to this very industry that we need.

Mr. MARTIN of Iowa. It is very hard on the airline industry.

By the Civil Aeronautics Act of 1938, the Congress created the Civil Aeronautics Board and made it the Federal agency responsible to see to it that the airline industry is economically sound, and developed as required to meet the present and future needs of the commerce of this country and of our national defense. The Board was directed by that act to take those needs into account in determining the mail compensation to be paid to the airlines. In the exercise of its expert judgment the Board has consistently held that a return of 10 percent on airline investment is essential to the maintenance of a sound industry.

The measure before us provides two bases upon which the taxpayer may determine the amount of excess profits tax he will pay. However, since the airline industry, according to the Treasury Department's own figures, suffered a loss during the years 1946 through 1949 it is unable to use the so-called average earnings method for determining its tax credit. The industry is compelled, therefore, to use the so-called invested capital credit. The bill before us would permit the industry a credit amounting to 5 percent of its investment after income taxes. Thus, the industry would be permitted to earn approximately 5 percent on its investment, and the remainder would be taxed at 75 percent as excessive earnings.

I have seen nothing in the record of the hearings on this bill, nor do I have any information from any source whatsoever, that the determination by the Civil Aeronautics Board of the earnings which the airlines should be permitted, is in error. As a matter of fact, I believe that the Board's determination is correct. That being the case, it is on the face of it, unwise, and even dangerous from the viewpoint of our defense effort, to cut substantially in half the amount of earnings which the Civil Aeronautics Board has determined that the industry must have in order to maintain its proper growth. If for no other reason than the effect of this bill on the airline industry, I believe that it should be reviewed and revised by the Congress in the interest

of national defense before it is finally enacted into law.

In this hour of greatest need for aircraft production you will find very little information regarding the impact of H. R. 9827 on the aircraft production industry in the hearings or in any other document available to Congress at this time and furnished by the Treasury. The Treasury staff did provide the Committee on Ways and Means with some information regarding the 15 aircraft manufacturers but that information was picked up within 10 minutes after it was placed before the committee because the Treasury staff did not want to reveal specific data regarding individual corporations. I therefore asked the Treasury officials to prepare a general statement by groups of corporations in this field showing the excess profits tax credit in a way that will be informative to Congress and yet not reveal information regarding specific aircraft manufacturers.

Why in Heaven's name the Treasury staff did not do that originally for our information and guidance I will never know.

The rate of return on net worth after taxes for all manufacturing was 12.8 percent in 1946, 15.6 percent in 1947, 16.1 percent in 1948, 11.7 percent in 1949, and 15.6 percent in the second quarter of 1950.

From the data furnished me by the Treasury officials it appears that if the excess profits tax credit for the 15 aircraft manufacturers is computed for the entire base period according to the base-period earnings method and invested capital method and the higher of the two is used the credit in terms of percent of net worth beyond which the aircraft manufacturers must pay so-called excess profits taxes stands at 4.7 percent for the lowest 5 aircraft manufacturers, 6.8 percent for the middle 5, and 10.7 percent for the highest 5 aircraft manufacturers. The over-all average credit as percent of net worth for the entire industry stands at 6.4 percent. This compares with the average of 15.3 percent for all manufacturing as indicated above.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. HINSHAW. The gentleman has made a very cogent statement. I think the Committee on Ways and Means and the House of Representatives should realize that right now, as the gentleman has said, and in the near future, the aviation industry will be called upon to expand its production from 5 to 25 times. That is a multiplication figure and not a percentage figure. Yet they are expected to take profits based on years when they were practically out of business.

Mr. MARTIN of Iowa. I thank the gentleman very much. I know the younger Members of the Congress will be interested in knowing that the gentleman from California, Congressman HINSHAW, has given more time and more service to this field which I am now discussing than any man I have known in the Congress during my entire service here.

Mr. HINSHAW. The gentleman is very kind, but I am hoping that we can point out to the committee and to the Government that they are going to expect these people to invest money in materials and wages to an extent far, far greater than their net worth, which means that they will have to go into the banks and to the Government to borrow a very great deal of money and they will be paid for their efforts at the same rates they were being paid during the years 1946 to 1949 when they were practically out of business.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. SIMPSON of Pennsylvania. Will the gentleman tell us what the aircraft industry must do in order to receive the money to be used as capital for the necessary expansion which must be made if we are to carry out our war effort as it should be carried out? Where will the money come from?

Mr. MARTIN of Iowa. If no provision is made, and no modification is made in the terms of this legislation the aircraft-manufacturing industry is up against a stone wall. I for one do not know where they can turn for enough funds to do the job asked of them. May I ask the gentleman if he has any suggestion to make?

Mr. SIMPSON of Pennsylvania. May I suggest that a final alternative for the aircraft industry is to appeal to the Government for funds and to borrow money from the Government and avoid the use of private capital which should take the risk and is eager to take the risk if it is a reasonable business risk, with prospects of a reasonable return.

In other words, the American way of carrying on our economy will be broken down and there will be substituted for our American economy Government investment in the industry upon which our defense depends.

Mr. MARTIN of Iowa. But even though that approach is finally resorted to, have we not delayed private industry in going ahead at this time and getting our aircraft which we need so seriously and so immediately?

Mr. SIMPSON of Pennsylvania. By our own deliberate act today in adopting this bill without some special provision, we are creating a situation whereby, by our own act, we are delaying the expansion of the aircraft industry.

Mr. MARTIN of Iowa. Exactly. That is my chief criticism of the hasty, ill-considered, poorly studied approach to this particular problem in the field of national defense.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. REED of New York. Yet the other side will take the floor and chide us because we wanted to bring in a bill in the interest of national defense.

Mr. MARTIN of Iowa. Exactly.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield further?

Mr. MARTIN of Iowa. I yield.

Mr. HINSHAW. I would like to point out, and I am sure the gentleman may in the course of his remarks do so, that nearly all of these defense contracts that are issued will very shortly be subject to an act that will be passed again by this Congress, known as the Contract Renegotiation Act.

Mr. MARTIN of Iowa. Yes.

Mr. HINSHAW. The Renegotiation Act attempts to compensate the manufacturers of defense materials in a reasonable and fair way. It has generally amounted to about 2 percent compensation for doing that job for the country. That is about the compensation that was awarded to the manufacturers of aircraft and engines during the last war. The renegotiated profits are even then subject to this tax, which means it does not make any difference whether you have renegotiation or not on those companies which are required to expand their production many times over. Let us take the case of the General Motors Corp. and the General Electric Corp., who are going to be and have been engaged in the manufacture of jet engines. The commercial profits have been so high in the last few years that it does not make any difference to them if they turn over to manufacturing jet engines, but if we expect Pratt-Whitney and Wright and some of the rest of them to go into the manufacture of jet engines, they will do it at a loss. This bill favors the big corporation and is detrimental to the small corporation that is required to expand for the national defense.

Mr. MARTIN of Iowa. I thank the gentleman. That is the point I tried to bring before the Ways and Means Committee during the time we had this particular phase of the legislation under consideration in executive session. I only wish I had had the gentleman at my elbow at that moment, because I know he could have helped tremendously in avoiding this completely crippling type of legislation being brought to the Congress as it is now.

Mr. HINSHAW. I wish I could have been with the gentleman.

Mr. MARTIN of Iowa. This bill, if enacted into law in its present form, will throw a wet blanket over the aircraft-production industry that will kill incentive to produce aircraft at the very time we need them most.

I condemn H. R. 9827 most emphatically because no provision is made to exempt the aircraft-production industry from the strait-jacket imposed by this legislation on industries that experienced low income during the base period.

The crisis confronting our Nation today calls for all-out aircraft production without delay.

Just 3 years ago both the Congress and the President were so alarmed over the plight of the aircraft industry following World War II that they undertook the most exhaustive study of the industry that we have ever known. The President appointed his Air Policy Commission and the Senate and the House by joint resolution established the Congressional Aviation Policy Board. Many Members of the present Congress served on this Board.

The reports of both of these bodies warned against tampering with the financial stability of one of the most important bulwarks of our national defense—the aircraft-manufacturing industry—and yet when we need it most this bill has disregarded the findings and

the warnings of these studies of just 3 years ago, and not only has failed to protect the aircraft industry but actually has discriminated against it simply to report out a bill within the prescribed timetable.

I am sure these effects are not realized by those who approved the majority report but if this bill is not amended to redress a great wrong, then we will have failed, in the very first test of the present crisis, to build up the industry on which we have relied in the past and must rely now in the defense of the Nation.

During the years 1946 to 1949 the aircraft manufacturing industry suffered huge losses, as a result of the costs of reconversion, coupled with the industry's desperate efforts to survive through turning to commercial work when military business radically declined at the end of the war.

According to testimony before the Ways and Means Committee, one important aircraft company had a loss in a single year, before taxes, of over $25,000,000. Another company had a loss in each of the 4 years 1946 to 1949 of over $50,000,000. Fifteen leading aircraft manufacturers had an annual average loss before taxes in these 4 years of $1,200,000.

The bill before this House is based on the assumption that 1946 to 1949 was a period of unusual prosperity. But the aircraft industry during this period was suffering a serious depression.

The aircraft industry appeared before the Ways and Means Committee to explain its problems and made various proposals which would give it some relief. None of these proposals was included in the pending bill.

It is unnecessary to labor the point further that a strong aircraft industry is vital to our survival. But to be strong, that industry must have adequate profits after taxes to finance research, necessary plant improvement and development.

The aircraft industry is already faced with problems of the greatest difficulty. The advent of the jet engine with its tremendous increase in power availability has revolutionized almost overnight the construction of modern military aircraft. Present-day fighters go 700 miles per hour compared to 450 miles per hour in World War II. They operate at altitudes up to 50,000 feet instead of the former 20,000 to 25,000 feet.

These advances have confronted the industry with terrific problems in research and design. New production techniques are constantly required. To maintain leadership, however, the industry must have funds derived from profits after taxes to carry on these activities. A number of the leading companies right now have programs for essential plant improvement involving many millions of dollars, but their ability to carry out these programs is prejudiced by this bill.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Iowa. I yield.

Mr. REED of New York. I am sorry to interrupt the gentleman, for he is making a perfectly wonderful speech, but does the gentleman recall that Admiral Ramsey appeared before our committee and testified that Great Britain was far in advance of us in the development of the jet planes and speed planes?

Mr. MARTIN of Iowa. Yes.

Mr. REED of New York. That is correct, is it not?

Mr. MARTIN of Iowa. Yes; our supremacy in that field is a matter of some considerable question because of some of the policies this Government has imposed on the industry.

Mr. REED of New York. And this bill will make it still worse.

Mr. MARTIN of Iowa. Absolutely and seriously so.

The House bill gives no recognition to these facts nor to the postwar depression suffered by this industry. None of the relief requested by the aircraft industry was granted. The bill wholly ignores the aircraft industry which is so vital to our national defense.

Those who know and understand the problems involved in expanding the Air Force and Naval Aviation for war know that the controlling factor in the build-up of the Air Force and Naval Aviation is the supply of planes. Pilots could be trained, say the experts, faster than planes could be manufactured. That is why I placed so much emphasis upon the aircraft industry in my discussion with Secretary Snyder during the hearings.

Some of the vital information which was promised to the committee by the Secretary of the Treasury during the public hearings was never furnished. In the case of the aircraft production industry, for example, the colloquy between the Secretary of the Treasury and me was as follows:

Mr. MARTIN. I have a question or two here with reference to the national defense. I am particularly interested in a program that will avoid crippling essential defense industries. Do you have any suggestions for special relief in the case of the aircraft industry which suffered a loss in the period 1946–48?

Secretary SNYDER. That has been among our worst cases that we have had to consider and we think that special consideration must be given.

Mr. MARTIN. Have you any suggestions regarding that point? I have not found any in your statement.

Secretary SNYDER. We did not put that in here, because it is a matter that we will have to talk out with you as a special case.

Mr. MARTIN. It is very essential that we give that consideration, is it not?

Secretary SNYDER. There is no question about it. We are fully in accord with that.

But no special provisions designed to cushion the injurious effect of the Administration's proposals on this vital defense industry were ever proposed by the Treasury officials nor are any contained in H. R. 9827.

How long must we wait for Secretary Snyder and his staff to awaken to the possible disaster to America that lurks in the background of our exceedingly dangerous international situation that exists today?

The overzealous effort of the present national administration to apply iron-fisted and ill-fitted curbs on free enterprise regardless of the impact of those curbs on our national defense leads me to quote a paragraph from House Report 982, of the Seventy-seventh Congress, first session, submitted to Congress by a special investigating committee of he Committee on Military Affairs, July 21, 1941, as follows:

Emphasis over the past few years has been made on social reform rather than national security. As a nation we seem to have forgotten that without national security social reform might well prove meaningless.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Colorado.

Mr. CARROLL. I am very much interested in the comments of the gentleman about free enterprise and also his comment on the aircraft industry. The Senate Committee on Small War Plants Corporations points out that up to June 1945 the Federal Government spent $3,474,000,000 for facilities for the production of aircraft engines and parts. The industry itself spent in that period of time $317,000,000, or less than 10 percent of the money that the Government put in.

Under this bill if the deficits that the gentleman mentioned exist, and I am sure they do, under the deficit provision in this bill they can be considered and put in as a part of invested capital; but, as the gentleman from California expressed it a little while ago, if we increase our production from two- to five-fold——

Mr. HINSHAW. Five to twenty-five.

Mr. CARROLL. Obviously there is going to be no equity capital to give us that production and they will do as they did before: They will get the money from the Government and when they get that money, of course it will be subject to renegotiation. But under the 5-year amortization plan they will end up as they did before with the plant facilities.

It seems to me in this critical period certainly we need this industry, certainly we need their know-how, certainly we ought to do everything we can to stimulate production. However, I sincerely believe there is not anything in the provisions of this bill that would keep this great industry from producing as the gentleman from California has indicated.

Mr. MARTIN of Iowa. Unfortunately there are. I described the strait-jacket as applied to this industry and I suggest the gentleman read and study my entire statement in the RECORD tomorrow.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from California.

Mr. HINSHAW. Something like 1,575 war plants were built at Government expense during the last war. Of that number approximately 90 were sold at the end of the war. There still remain unsold and available to the Government some 1,485 such plants. Under this bill if an aircraft manufacturer is called upon to operate a Government plant, that is not his investment. That is a Government investment. He is not entitled under this bill to make earnings upon a Government investment.

Mr. CARROLL. May I suggest to the gentleman from California when he gets the loan from the Government that loan becomes a part of invested capital.

Mr. HINSHAW. Under this bill?

Mr. CARROLL. Under this bill; and moreover under the deficit provision he can include any loss as invested capital.

Mr. HINSHAW. I cannot find that in the bill. Certainly a Government-owned plant is not set up as a loan.

Mr. MARTIN of Iowa. Will the gentleman explain how much of an allowance is made because of borrowed capital?

Mr. CARROLL. Of course, we discussed that in committee and I took the same view that the gentleman from Iowa took. I felt borrowed capital should be given the same treatment as equity capital. The committee established a different formula for it. They thought that formula was more equitable. What the exact formula is, we know they pay interest plus one-third. But it certainly would redound to the benefit of the industries.

Mr. MARTIN of Iowa. I think the gentleman from California might have some observation along that line, as to whether that is an adequate margin.

Mr. HINSHAW. That is absolutely negligible and does not amount to anything.

Mr. MARTIN of Iowa. I agree with the gentleman from California.

Mr. HINSHAW. I believe that they get this money, when they borrow it from the Government for defense purposes, they get it at something like 1½ or 2 percent. In other words, you are going to permit them to earn perhaps ½ of 1 percent of that money. What they have is a great management liability. I suppose there are very few people here who actually live in districts which manufacture aircraft, but I happen to know that at the conclusion of the last war the cash remaining available to aircraft companies was only sufficient to pay wages for about 3 days, and if the contract cancellations had not been tapered off to some degree, the companies would have gone broke just trying to close down their plants. Now, that is just one of those things that has to have special treatment, as Secretary Snyder admitted in his testimony before the committee. If you do not give that industry special treatment you will not have an aircraft manufacturing industry, and an aircraft manufacturing industry is absolutely essential to the success of any war effort, because if you cannot produce planes there is no use training men to fly them. The production industry is the most critical part of air warfare.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Illinois.

Mr. MASON. The crux of the whole matter it seems to me is this: In World War II we put a strait-jacket on the aircraft industry and we, by that strait-jacket, forced them to go to the Government for 90 percent of the amount of borrowed capital that they had to have to expand. Now, do we want to repeat that performance or do we want to leave off the strait-jacket and let them do it in the American way, get adequate capital from private enterprise rather than driving them to the Government for this borrowed capital as they have done in England?

Mr. MARTIN of Iowa. That is one of the very real issues before us in this bill.

Mr. HINSHAW. I would like to point out in addition to my remarks to the gentleman from Colorado that where a Government plant is turned over to an aircraft manufacturer it does not become subject to any profit whatsoever under this bill, because he has no ownership of it, no liability for it, only a temporary use at no rent and perhaps no upkeep whatever, so that a company can earn nothing on that whatsoever, but he must supply management and he must assume all liabilities for the purchase of materials and equipment and labor to operate those plants. Now, it is unfair for him to be asked to do 25 times as much business as he normally would do and expand his force of management to that extent and leave him nothing for the many risks he takes.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Pennsylvania.

Mr. EBERHARTER. The gentleman from California and the gentleman from Iowa are especially solicitous of the airplane industry.

Mr. HINSHAW. I am from a national defense standpoint.

Mr. EBERHARTER. The aircraft industry is not the only war baby. There are perhaps five or ten thousand other items that are just as necessary to fight a war as the products of an airplane industry. They are what are commonly called war babies, and private capital is not going to invest in these war babies when they know that the minute hostilities cease there will be no war orders. There will be cancellations, and we certainly cannot legislate generally for these war babies and let the profiteers make all these tremendous profits out of war. We cannot expect private industry to build a munitions plant. We cannot expect private industry to build a gun factory or a powder factory, no more than we can expect them to build an airplane factory, because it is subject to that immediate cancellation. That is the basic reason and that is the logical reason that the Government has to put its own money into those enterprises for the purpose of making those items that are simply used for war purposes.

Mr. MARTIN of Iowa. I will answer the gentleman from Pennsylvania that I agree with him that there are many other items of national defense that are going to suffer in their production under this strait-jacket.

Time alone keeps me from expanding beyond the airlines, the aircraft industry, and the strategic and critical materials field. Time alone has caused me to limit myself to these few fields I have discussed here today. I am forced to resort to a determination of degrees of essentiality in the discussion here. I think I have made enough points in this discussion so that any Member of Congress who reads them and studies them and ponders them well will agree with me that this is no place to make the hasty approach we have made on this legislation, and that this legislation should be carefully overhauled with particular emphasis on those wartime industries that will determine whether or not we survive as a Nation.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from California.

Mr. HINSHAW. May I suggest to the gentleman from Pennsylvania that the renegotiation statutes which will be enacted can take care of any excess profits that may be left accidentally to any company engaged in the defense manufacturing business.

Mr. MARTIN of Iowa. That is my feeling in the matter. I have great reliance upon the renegotiation law, which I think Congress should enact without further delay. I had considerable experience with it during my service on the Committee on Military Affairs, and I know that that held down the flagrant cases that they would like to bring up here in a sort of hysterical appeal to grab so-called excess profits, all the while giving a sock in the solar plexis to the low-earnings industries that will be put out of existence right when we need them most.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. MARTIN of Iowa. I yield to the gentleman from Colorado.

Mr. CARROLL. With reference to the remarks of the gentleman from California on renegotiation, I understand there are clauses contained now in appropriation bills which would cover contracts with the air industry. They would not need special renegotiation legislation. But the considered opinion of those who have worked with it is that it is not sufficiently inclusive to take the profits out. On the other hand, it is true no sensible person would want to pass a law or any part of a law that would keep this industry from functioning in this time of peril. If we have gone too far with it, we will have ample opportunity in the other body to see whether or not we have gone too far.

Mr. MARTIN of Iowa. I thank the gentleman for that statement. That is exactly the premise upon which I base my entire debate. I told you at the outset I was in favor of an excess-profits tax law. I have engaged in this discussion here today primarily for the consideration of the Senate Committee on Finance. If I had no hope of their correcting and amending the bill to keep it from hampering our defense effort, I would not by any stretch of the imagination join in a movement that can and will by inadvertence put a wet blanket on these essential national defense industries.

Mr. DOUGHTON. Mr. Chairman, I yield 20 minutes to the gentleman from Georgia [Mr. CAMP].

Mr. CAMP. Mr. Chairman, I have been interested in the discussion that has just preceded. I only wish the gentleman from Iowa had raised these points in the meetings of our committee.

When we left Washington in September, we left knowing that we had the

solemn instruction of this House to return here and pass an excess-profits-tax bill.

We had the instruction, which was passed by a majority vote of this body, to do that. Therefore, my friends, I am somewhat surprised at the attack which has been made on this measure and at the name calling, when we are faced with one of the most critical situations that the Government has ever faced and when every businessman in the country knows that we are going to have to pay and pay. In the Revenue Act of 1950 which we passed in September, we raised the personal-income taxes of our people as of October 1. The corporations generally in this country expect to pay additional taxes.

It is only fair and just that taxes of corporations should be raised now. Immediately after peace was declared in 1945 as an aid to business and in order to encourage our business interests to return to civilian pursuits as rapidly as possible, the old excess-profits-tax law was repealed. As a matter of fact business expects this tax to be levied, and in the hearings just completed by our committee, which hearings began 3 weeks ago tomorrow, every phase of American business life was represented. Every company and every line of business was represented. Not one single business said that we should not raise corporate taxes. Of course, they hemmed and hawed and they said they would like to see it done this way or that way, but not a single man who was asked the question directly but answered and said, "Yes; taxes of corporations should be raised."

Let us look at the corporate-income picture for the last 5 or 6 years. I have seen a statement, a list of 50 of the largest corporations in America. This compilation shows that during the period for 1946 to 1949, as compared with the period from 1936 to 1939, profits have been more than 2½ times as much according to the money invested in the business, some making as much as 20 times as much. This is one of the most interesting compilations I have ever read on the subject of taxation. At the top of this list stands General Motors Corp. Next is United States Steel Corp. And the next is du Pont Corp. The average earnings of General Motors for the 4 years from 1946 to 1949 is 2.8 times as much proportionately as they were 4 years prior to 1940. That is nearly 3 times as much. United States Steel is 3.73 times as much, or nearly 4 times.

Du Pont's was 2.64 times as much. Jones & Laughlin Steel earned 1,702 percent, or 17 times as much over these past 4 years as it did 4 years immediately before 1940. The International Paper Co. earned 1,468 percent, nearly 15 times as much. B. F. Goodrich Co. earned 1,048 percent, over 10 times as much.

When people get up here and cry about these corporations, about this hard tax, that it should not be passed, that it should be studied more, just remember that they themselves know they should be taxed. Not a man who appeared before us said they should not.

I received one of the most surprising letters I have ever received since I have been in Congress. I represent an industrial district. My district is largely textile, and that is not a line that earns very large profits, but their profits are steady. My district is surpassed by only one or two other districts in the United States in the number of spindles in it.

I want to read from a letter I received from the president of one of the biggest mills in my district. This is a quotation from this man's letter:

> I know that you have had numerous suggestions and opinions regarding taxes, so I feel at liberty to express my views in regard to excess-profits tax on corporations. I am now, and have always been, firmly of the opinion that as soon as possible we should take the profit out of war. Unless Congress passes an excess-profits tax on corporations, many of them will profit more than they ever have in the past, and not pay their proportionate part of the war cost. Any firm or organization that opposes an excess-profits tax, in my opinion, does so wholly from a selfish standpoint. I hope that you will not let anyone persuade you differently. In my humble opinion, the excess-profits tax should allow corporations to make the average profit they made during the years 1947, 1948, 1949, or be allowed either 6 or 8 percent on their capital investment. This would take care of practically every business in this country and all of them would be on an equal basis. I am fairly familiar with tax laws, and to me the long-term capital gains of 6 months and not having an excess-profits-tax law will allow hundreds of millions of dollars to go by untaxed.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. DOUGHTON. Judging by the speech we heard yesterday, and if we place reliance on that, we would believe that nobody but the CIO was in favor of an excess-profits-tax law.

Mr. CAMP. I quite agree with the gentleman. I am glad the gentleman mentioned that.

Mr. DOUGHTON. If the CIO or any other group or any other one individual wrote this tax bill now before the House, I do not know anything about it. This is a committee bill that was written after long and careful hearings and reasonable consideration. The testimony of our experts and the staff are responsible for this bill, and they are no more under the influence of the CIO than the gentleman from Georgia or the gentleman from New York [Mr. REED].

Mr. CAMP. Mr. Chairman, I appreciate your bringing that to my attention. I was going to say something about it. I was not only surprised, but in a way I was hurt by the remarks that were made. No bill was presented to this committee. No suggestion bill was brought before us by the Treasury, by the President, or by anyone; and I feel sure that if my friend from Iowa who just spoke about the airplane industry had brought those facts to the attention of the committee we might possibly have exempted the airplane industry from the bill. This bill was written in committee.

Mr. KEAN. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. KEAN. The gentleman from Iowa brought that before the committee day after day.

Mr. CAMP. He never made any motion about the airplane industry; he made it about strategic minerals, and I voted with him every time he mentioned it. This airplane industry business is new entirely to me.

Let me tell you something: We are going to have to raise all taxes. We came back here just to deal with an excess-profits-tax bill. We should already have passed a renegotiation act. That is going to be the first thing we do when we get back here in January; and then we ought to take the whole tax structure and, Mr. Chairman, we ought to tax everything who is not being taxed. With taxes as high as they are going to be, they should fall evenly and justly on everybody, high or low, corporate or whatnot. We are going to have to do something about these so-called charitable organizations that are not paying any tax yet are running businesses; we are going to have to do something about cooperatives. We have one cooperative within less than a hundred miles of Washington which calls itself a poultry cooperative, yet it operates a 10-cent store in the Capital City. Now, you know that is not right.

I have no tears to shed for American industry because it does not want your sympathy; it is plenty able to take care of itself. God bless it. I believe in the capitalistic system. I believe in everybody being allowed to pursue any business he wishes, and I want them to make money at it. I do not believe in inordinate taxation, but, bless your souls, the corporations of America are willing to pay this tax; they are willing to do it and they know they are supposed to do it.

Mr. LANHAM. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. LANHAM. When I was home recently the local representative of one of the biggest textile mills in the South told me in effect what this constituent of yours has written you, that the excess-profits tax was the way to get this money.

Mr. CAMP. Now, understand, this is not really and truly an excess profits bill solely. I thought that it ought to be based on 100 percent of the basic year and sat there and voted day after day to try to make it that way. This is a compromise. I went along with it because it provides 85 percent of that base and also because during the past 4 years profits have been so large that we cut the base on the average corporation.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CAMP. I yield.

Mr. REED of New York. Will the gentleman vote for my motion to recommit to make the base 100 percent?

Mr. CAMP. No; I will not, because we have reached a compromise on it and I think this legislation should be passed; I think the time for dillying and dallying has gone. The idea of passing this great big armament bill on to future generations I think is folly. Every Member of Congress should seriously consider four or five things and one is cutting down civilian spending to the bone; another is making the tax rate fall on everyone equally, justly, and evenly, and then put a tax bill through that will bring in the

money to pay for it. That is the way to make America strong.

I was surprised at the charges that this was a CIO bill. I never saw any CIO representative. If the CIO had any suggestions to make they were mighty small. They never appeared before our committee except for a 15-minute speech.

There are no politics in taxing our people to pay for this war and its preparation. There should not be and there is not any politics in this measure.

The provisions of the bill have been explained by preceding speakers. It is a much fairer bill in every way than the last excess-profits-tax law was. If a company experiences any unusual hardship during the base period like a strike or a fire which destroys their plant, putting them out of business a year or two, there are two or three alternatives they may have. They can figure their tax on an industrial basis, an average of the industry all over the country, or they can go on a capital stock basis, an investment basis, taking their earnings depending on size.

If a new industry is started up and does not have an experience of 4 years, there is special treatment here for such cases.

This is a much better bill than the other one and there will be many, many less appeals to the Tax Court under the hardship provisions than there were under the other bills. This bill also contains a $25,000 minimum base. Any small corporation that earns that much or less does not have to be considered at all. This bill will apply strictly to corporate business and American business expects it. If they did not get this bill they would wink their eye and smile out of the other side of their mouth.

Mr. Chairman, this is not a perfect bill. No tax bill is perfect. But it is a good bill, it should be passed promptly. We should go home and come back prepared to pass a better, larger and finer tax program because we are going to need it.

Mr. REED of New York. Mr. Chairman, I yield such time as he may desire to the gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, we are engaged in a great war, the third world war since 1917, or three wars in 33 years. I have been telling this Congress and the people that this Korean matter would lead to a long world war and now there are few who doubt what I have been saying.

I did not vote for the United Nations; I did not vote for the Atlantic Pact because I was certain in my own mind that with any numbers of combinations, ideal on paper, when danger came, we would be alone. That has come to pass too. We have had token support from the United Nations, but when we have lost 20 men to 1 man lost by the other United Nations, we can see that we stand alone.

We left our shores in 1917 and 1918 to make the world safe for democracy, and when it was over democracy was safe nowhere on earth, except here. We fought World War No. II to bring the "four freedoms" to the people everywhere in the world—freedom from fear, freedom from want, freedom of speech, and the freedom of religion. We won the war but did we establish those freedoms everywhere? Is there no fear in the world? Is there no want in the world; Is there free speech and a free press throughout the nations of the earth? Is there the right on the part of people everywhere to worship as they choose?

We are strong at winning wars but we seem adept at losing the peace.

We are in this war to stop aggression everywhere and we counted on a band of United Nations to aid us in stopping these aggressions. Did we count correctly? How many nations of the 60 in the United Nations have come forward with their men to aid us in stopping aggression?

South Korea nestling up against Communist countries with over a billion population was ruthlessly invaded by the Communists. The United Nations very emphatically ordered resistance. We did our part to carry out the mandates of the United Nations, and went in to stop the aggression. Ideally it was the thing to do but practically it could not be done since we found ourselves fighting almost alone 7,000 miles from home up against a billion Communists. The worst spot in the world was picked to try out the theory of stopping aggression. We are now up against the hordes of China and the hordes of Russia as soon as needed.

Had we driven the North Koreans out of South Korea and stopped at the thirty-eighth parallel, we might have stopped this aggression for a time, but only for a time as Russia the master mind of communism never has had any other intention than to destroy capitalism everywhere as soon as she can get to it.

Russia has thwarted every attempt at world peace and has been able to do so by being a member of the UN.

TAXES

This direct matter before us is a tax bill. We are up against a long war regardless of how we got there. We cannot back up now. The die is cast. The people of the United States must realize that we cannot spend billions in the defense of democracy without having tax money to do it with, and I would be the last Member of this Congress to refuse to vote for a tax bill that has the possibility of raising more money. So far as I am personally concerned the Government can take the savings of my entire lifetime if it is necessary to preserve this democracy. The freedom we enjoy under our system is worth the price we shall have to pay to protect it.

While supporting this measure, without equivocation it seems to me that it is in order to point out what the final results of our efforts is likely to be and to ask a few questions that bother me, and I am sure bother the people of the United States.

First, can we alone police the world? Can we without any more help than we are now getting from the UN stop aggression in every part of the world? Since the United Nations have demonstrated that they have no power except to debate; since it can find no way to keep Russia out of the Councils, just what does this talkative United Nations expect to do? Are we to let a weak, impotent, organization like this formulate our foreign policy?

Is not the time here now when we shall have to decide for ourselves what is best for this democracy and is not the time here now when we should think of preserving our own democracy instead of racing around the world to police aggressors everywhere? If the UN showed any signs at all of defending themselves against the hordes of communism, we might fight it out until they decided to enter the conflict. But in my opinion this organization is impotent, powerless, and totally unaware of the fate that awaits them. Shall we gamble further or shall we decide to protect this democracy and save at least one Nation from the clutches of murderers, thieves, and hypocrites?

I would like to ask a few further questions: Why do we not give Japan her freedom and permit her to arm herself? Are we doing the right thing by holding Japan powerless while the hordes across the bay will crush Japan as their next move? Have we the moral right to hold a nation in bondage while her destruction is being planned in plain sight and view?

Have we the moral right to refuse the assistance of the Nationalist army of China which is more than willing to enter the contest?

Have we the moral right to not make an absolute peace with Germany and permit her to defend herself if she cares to do it?

We are in this thing and in it alone, and we should now formulate a policy of our own accord and leave the debating to the United Nations—at least go it alone until such time as these other nations come out of their trance.

I do not ask these questions to harass the administration or the President. I ask them to the end that all this tax money shall not be spent on useless enterprises and negotiations. I believe the President to be a great American and I believe he is doing all he knows how to do to protect this country, but the time has come when we cannot win this war by fighting among ourselves; the time has come when the Congress must stand up on its hind legs and advise with the President, not only on our foreign policy, but to forget that we are Republicans or Democrats, and fight ourselves out of the menace we are in, and have some control over what is to be done next. That is our duty and we should not shirk it.

Make this tax money available and insist that the questions I have asked here be answered and demonstrate to the world that when our country is in danger, that we arise as one and contribute our lives and our property to the protection of the greatest form of government on the earth.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the gentleman from New Jersey [Mr. KEAN].

Mr. KEAN. Mr. Chairman, in July 1945 when moderation of the then existing excess-profits tax was being considered, in a speech opposing the amendment, I stated on the floor of this House:

It is my firm belief that there is no justification for anyone to make excess profits

out of war, anywhere, anytime, while men are bleeding and dying on the field of battle.

I have not changed my views.

But to frame legislation which will prevent war profiteering and not at the same time add fuel to the fires of inflation, which will not put a stop to productive development of new ideas, and which will not result in extreme inequities between corporations who happen to have for many reasons a very different record of earnings in what we determine is the base period, is an almost impossible task.

I have never favored an excess-profits tax in time of peace. I do not believe that in normal times, in a free economy, there is any such thing as excess profits, for it is only in the hope of making excessive profits that men are stimulated to take the necessary risks which have in the past, and will in the future, expand our industrial machine, develop new products; and thus increase the standard of living for all the American people.

We would never have had our great automobile industry, we would never have had our great chemical industry, we would never had had the development of plastics, or television, if those who took the risks of investment in these industries which have given such fine wages to so many millions of our citizens had had their earnings limited to any such figure as proposed in the present bill.

Today we do not know what we will be faced with, either in the immediate future or over the next few years. Perhaps we will know better before this session adjourns. Will it be an all-out war, or will it be merely a long drawn-out defense program continuing over the next 10 or 15 years? Whichever it is, we know that the American taxpayer will have to produce for the Treasury more billions than ever could have been dreamed of just a short time ago.

If it is to be immediate all-out war for a limited period, any tax—no matter how inequitable—can be made to work fairly well owing to the patriotism of our people. Even the World War II excess-profits tax with all its faults was accepted without too much complaint, while the war was on, even though all will acknowledge now that it added greatly to the inflationary pressure which during the conflict was held down by price controls but burst out of bounds the moment that they were lifted.

An excess-profits tax of the type in effect during World War II, if it is to work properly, must be accompanied by price and wage controls.

If in writing this bill we are envisioning merely a long period of heavy rearmament, I believe that a 75-percent rate is too high, for it will hinder the much needed expansion and development of new discoveries so necessary not only for the expansion of our war industries but for supplying the needs of our people and giving good jobs to our ever-increasing population.

As evidence of such a result, I want to quote from Bradley Dewey, United States Rubber Director in World War II, which appears on page 610 of the hearings. Mr. Dewey said:

> There is a new opportunity on which we have been researching for 4 years. It is ready now. It will take $1,000,000 to do it. Should I do it under these conditions? Most of the profit will go into taxes. Is it fair to my stockholders to risk money in a new venture for that? I do not think so.

Now I believe that in this critical time we should have an excess-profits tax as much for psychological reasons as for any other. But unless an all-out war develops, I believe that a tax of 67 percent rather than 75 percent would in the end result in more development of needed products, would ultimately bring more revenue and would be less inflationary—for I believe that if a businessman could be assured that he could at least keep one-third of any additional profits which he would make he would take the risk of developing a new product and would not be so inclined to the waste and extravagance which is inevitable—human nature being what it is—when it is true that such a large proportion of any additional costs are paid for by Uncle Sam.

Interesting testimony which appears on page 572 of the hearings was given by Leo Cherne, of the Research Institute of America, as the result of a questionnaire which he sent to businessmen. His replies show that—

> At a 70-percent tax rate, 64 percent of businesmen say that they would be more inclined to make business expenditures for salaries, advertising, etc., on the basis of tax consequences rather than business policy. At a 60-percent tax rate only 38 percent of the replies said that tax consequences would be their prime motive.

So this would confirm my conclusion that a figure of somewhere between 60 and 70 percent would be the most equitable and productive.

Of course, the first thing that we should have done was to take excessive profits out of Government contracts having to do with war by a strict renegotiation act. I do not understand why the Democratic majority puts the cart before the horse by first bringing up this bill.

The Secretary's suggestion of taking a base of 75 percent of the 1946–49 base as a normal earning period was entirely dishonest. This would have resulted in half of the revenue from the bill coming from normal profits rather than profits stemming from the war. If the committee had passed its gag rule against any witnesses discussing anything except an excess-profits tax before the Secretary of the Treasury appeared he should have been ruled out of order for his suggestion.

It seems to me that this recommendation was arrived at after he decided at what rate the tax should be set by going lower and lower on the base until he found a percentage which would bring the revenue which they desired.

The 85-percent base in this bill is naturally a little better. But why should we tax some billions of normal earnings under guise of taxing excess profits? Why not be honest about it, and if we are going to tax normal profits raise the surtax rate? An increase in the surtax rate by 5 percent as will be proposed in the recommittal motion by a member of the minority, with an honest 100-percent base, would increase the much-needed revenue of the Treasury by $500,000,000 more than the bill before us. In fact, if the income of corporations increases from nearly $40,000,000,000, as at present, to $48,000,000,000, as is predicted by most economists, the Republican proposal would yield approximately $6,400,000,000, or $1,800,000,000, more than the revenue estimated under the present bill.

If the recommittal motion is adopted, it would not delay passage of the bill more than a few minutes, for the committee would be instructed to report the bill back with these few changes forthwith, and the committee could do this while the other Members of the House waited.

Certainly in light of the President's request for $17,000,000,000 additional appropriations we must increase the revenue; the recommittal motion, if adopted, would do so.

The present bill is retroactive to July 1. I think that there is justification for making it retroactive to October 1 for the action taken by this House in late September put all businessmen on notice that there would be an excess-profits tax and that it would be retroactive. But I do not see the justification for retroactivity back to July for decisions by businessmen made at that time were not made with any thought that we were in a period in which the excess-profits tax was applicable.

The Secretary of the Treasury in his appearance before the Senate Finance Committee on yesterday criticized the action of the House in giving special treatment to certain companies which are regulated by public bodies. There is little justification for his criticism, for if the State commission do then get property these companies cannot make excess profits.

The public utility companies are limited in the rates which they are allowed to charge to what a local commission believes is a fair rate considering the amount of risks taken by the investors and a rate which will provide the new capital necessary for expansion. In New Jersey, in general, this rate is about 5½ percent. Rate bodies are always loath to increase the charge to the consumers even when a period of inflation greatly raises the costs to the company, so that few utilities are even earning the amount allowed by the local commission.

If we had not given special consideration to these concerns, under this bill the companies would have had two options: One to go under the average earnings formula and then reduce the base by 15 percent. These companies have not profited and will not profit from the war economy, and the result would have been that they would be paying excess-profits taxes on their normal earnings even though these were much lower than what the utility commission stated was a fair return.

I have figured out what the return would be for a typical large utility company under the other alternative—the average earnings basis. Take a company which had sixty millions of equity

capital and was borrowing forty millions at 3 percent. Under the invested capital formula the allowable return to this concern, before they were subject to excess profits, would be less than 4½ percent.

Now the utility boards say that these companies are entitled to earn 5½ percent and that this is necessary in order that they should secure the new capital for expansion. If we passed a bill, as was recommended by the administration, without any special consideration for regulated industries, it would be inevitable that the rates paid by consumers would have to be sharply increased. And of their increase $3 would be going to the Government and only $1 to the company.

The end result would be that the consumers—the users of gas, electricity, and water—would be paying the excess-profits tax. I do not think it is the intent of Congress thus to soak the little fellow.

Mr. Chairman, I am going to vote for the recommittal motion with the hope that this legislation will be immediately improved and sent over to the Senate this afternoon. But all legislation is a matter of compromise, and the time is rare indeed when we find a bill here in the exact form that any of us would have written it; so if the recommittal motion fails, I will support the bill as written on final passage.

Mr. DOUGHTON. Mr. Chairman, I yield 25 minutes to the gentleman from Louisiana [Mr. BOGGS].

Mr. BOGGS of Louisiana. Mr. Chairman, I doubt if there has ever been a time in the history of our great Nation when we faced a graver crisis or a more severe challenge to our country and its institutions. All that we do here now is more important, more significant, and more vital than at any time in the past history of our great Nation. The legislation which we are considering today and which we debated on yesterday is only one prong in the weapons which we are attempting to build to resist the most serious assault upon democratic institutions in history.

I approach my part of the discussion of this bill reluctantly, because in doing so I feel that I am called upon to answer some of the allegations made on this floor yesterday by my dear friend, the minority leader of our committee, the gentleman from New York [Mr. REED]. I had hoped, and I believe that the time will come certainly before the next Congress has ceased its work, that we could face the issues confronting our Nation without partisanship. We must so face the issues if we are to survive as a nation.

The gentleman from New York [Mr. REED] on yesterday challenged the work of the 15 Democratic members of the Ways and Means Committee, and I would say, by indirection at least, the motives of the four Republican members of that committee who, on the vote to determine whether or not the bill would be reported out, joined with the 15 Democrats and voted affirmatively to report this legislation.

The minority leader of our committee, the gentleman from New York [Mr. REED], after making the statement that the fiscal policies of the Government of the United States should be approached in a nonpartisan fashion, later said, and I quote from page 16084 of the RECORD of yesterday:

> Apparently the policies and principles so agreed upon were not to the liking of the administration. Apparently they were not to the liking of the CIO. Apparently they were not to the liking of the Democratic Party. Apparently they were not to the liking of a majority of the Democratic members of the Committee on Ways and Means—even though the adoption of these principles and policies was possible only by the combined vote of a few of the members of the Democratic Party and the Republican members of the Committee on Ways and Means. Out came the whip. The lashes were applied. Secret sessions were held. By a vote of a majority of the Democratic members of the Committee on Ways and Means, certain of the Democratic members of the Committee on Ways and Means were deprived of the privilege of voting according to their own judgment and the dictates of their own consciences. Caucus rules were called upon. Each of the Democratic members of the Committee on Ways and Means was bound by the majority vote of his own party. He forsook his constituents. He abandoned his duties, his privileges, his responsibilities.

Mr. Chairman, I submit—and I am genuinely fond of my friend from New York—that the language which I have just read and much of the language contained elsewhere in the discussion by the gentleman from New York is untrue, is libelous, and is a slander upon all the members of what I consider one of the great committees of this Congress.

Let us analyze some of the allegations: No. 1, the distinguished minority leader said that we wrote this bill according to the dictates of the CIO. Let us talk about that just a moment. During the testimony the only witness who appeared for the CIO was Mr. Stanley H. Ruttenberg, director of the department of education and research of the CIO. In reply to questioning by the gentleman from New York he said:

> I daresay that the Secretary of the Treasury did not follow many of the recommendations, Mr. Congressman, we suggested—
>
> Referring to the CIO—
>
> from $6,000,000,000 to $7,000,000,000 to come from an excess-profits tax. I think the Secretary suggested only $4,000,000,000.

That is No. 1. The witness of the CIO himself and the only CIO witness before this committee disagreed in toto with the recommendations of the Secretary of the Treasury.

Did the committee agree with the recommendations of the Secretary of the Treasury? Did the committee write the bill as Mr. Snyder had suggested?

Let me say this, however, that I believe Secretary Snyder is an able man; I know that he is an honest man, and I believe that the recommendations which he made were made upon the basis of the best information he had before him and in light of what he considered were the best interests of the United States of America. But even so, our committee which stands accused in this language of being a rubber stamp and disregarding the fiscal soundness of the United States of America, and we individual Members who have been accused of abandoning our duties, forsaking our constituents and responsibilities, what did we do? We worked out a formula which was not the Treasury Department's formula. We came up with a program which was not the Treasury Department's program. It was the program largely of all of the members of the Ways and Means Committee.

Let me give you an illustration. There was debated in the committee the base period, whether or not we should have a 100-percent base before we applied any excess-profits tax. For the benefit of you who have not followed this too closely, may I say, by way of illustration, that if the base period earnings were $10,000, then there would be no excess-profits tax until the net earnings exceeded $10,000. The Treasury recommended that 25 percent of that $10,000, to take a rough figure, should be subject to a 75-percent excess-profits rate. Some members of the Ways and Means Committee agreed with that. Others wanted it to be a straight 100 percent. We debated the matter back and forth and finally the members of the committee, without a party lash, believe me, and without heat or hysteria or haste, and with the best evidence available to us from one of the finest staffs on Capitol Hill, decided upon the 85-percent base-period rate.

My distinguished friend from New York says that we violated the mandate enacted by this Congress in September of the present year. Let me read that mandate to you:

> SEC. 701. (a) The House Committee on Ways and Means and the Senate Committee on Finance are hereby directed to report to the respective Houses of Congress a bill for raising revenue by the levying, collecting, and payment of corporate excess-profits taxes with retroactive effect to October 1 or July 1, 1950, said bill to originate—

And so on and so on. Can there be any doubt about what that mandate says? Does it say to raise personal income taxes? No; it does not. Why did it not say so? Because in the bill which we had up for consideration then we had raised the personal limits. Does it say to raise the normal or surtax on corporations? It does not. Why does it not? Because in the very bill in which this provision is contained there is a provision raising those levies on corporations.

So I submit to the fair-minded Members of this body that the members of the Ways and Means Committee had no alternative except to carry out in detail and to the best of our ability the mandate given to us by this Congress.

Was it a one-sided mandate? Not by a long shot. You will remember we had a conference report and we had a motion to submit the tax bill to conference. The previous question was voted down, and the vote on it was 106 to 226. Then we voted on the motion offered by the gentleman from Pennsylvania [Mr. EBERHARTER] which was substantially this language, and it carried 331 to 2.

Later, when the conference had met and had labored and done its work and came back with the Revenue Act of 1950, this body voted, with section 701 incorporated therein, 328 to 7 for the conference report. So, I submit, my friends, that if ever a committee was bound by

a mandate, the Committee on Ways and Means was bound. The language was definite, it was specific, and allowed no alternative.

But, let us pass on for a moment and discuss some of the other allegations. The allegation, for instance, that no one was given an opportunity to be heard. Well, I will say to you Members of the House that the members of the Committee on Ways and Means returned here 2 weeks before anybody else did, and we sat here in this very room and we listened to about 100 witnesses in 7 days. If I were to inject partisanship into this discussion I might contrast that to the paucity of the hearings held on House bill 1 in the Eightieth Congress when my brethren to the left decided to greatly weaken the fiscal structure of the United States of America; 2 days of hearings, 2 days of executive sessions for that legislative monstrosity. We had seven full days of hearings. We listened to 100 witnesses representing every segment of business in America. And then what did we do in executive session?

You ask anybody on the Committee on Ways and Means. I tell you you I have a chairman that works harder than anybody in Congress. He is younger than most anybody around here. The gentleman from North Carolina [Mr. DOUGHTON] was on the job 10 hours a day in the commitee room, worked nights and early in the morning in his own office, and most of the other members of the committee were there, too. Did we have the benefit of information or were we acting under the leash?

Well, on September 23 or thereabouts after the mandate came from this body and the other body, the chairman of our committee summoned the staff of the Committee on Ways and Means and the staff of the Joint Committee on Internal Revenue and instructed those staffs that beginning on November 15 they must be fully and adequately prepared for this bill. I can show you Members of this body a stack of material that high prepared diligently, representing night after night after night of work and study and effort, and, if anything, this body owes the staff of that committee and the joint committee a rising vote of thanks and gratitude for a magnificent job. There is not a single solitary principle enunciated in this bill that was not fully and adequately explained to every member of the committee.

In conclusion let me say this: I notice, among other things in the remarks of my friend from New York on page 16085, this statement:

> There is virtually no such thing today as venture capital. Most of the sources have dried up and disappeared. What capital remains does not dare venture and our officials seem to be surprised at the increase in bank credit.

And then in another paragraph he says that profits this year, 1950, mind you, have increased by at least $6,000,000,000 over 1949. He says further, in criticizing the base period, that one of the bad things about it is that the corporations, many of them, were involved upon tremendous experimental programs and development programs costing huge sums of money and producing no income during these 4 years, and above all that the industries were spending $100,000,000,000 in expansion.

In one breath he says there is no venture capital—in the next he says that one hundred billion was spent on expansion, when we had no venture capital.

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. Is it not a fact that the best estimate we can get is that only about 70,000 of the 400,000 corporations in the country, or 17 percent, would under this bill pay any excess-profits tax at all?

Mr. BOGGS of Louisiana. That is my understanding.

Mr. DOUGHTON. Yet they say they defy any business to operate under this bill if it becomes the law. Those are the most prosperous corporations, and the average they would pay would be only $42,857. Only 17 percent of the corporations would be affected by this bill if it became law.

Mr. BOGGS of Louisiana. My distinguished chairman is eminently correct.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. BOGGS of Louisiana. I yield.

Mr. SIMPSON of Pennsylvania. I call the attention of the gentleman to the fact that the time when the $100,000,000,000 was spent by private industry on expansion, and so forth, was a time when we had no excess profits tax.

Mr. BOGGS of Louisiana. I thoroughly agree with the gentleman, but it was also a time when, by distinguished friend from New York said, we had no venture capital.

That brings me to a discussion of the so-called alternative, about which you have heard so much. What is that alternative and what would it do? What we have proposed here is a modest bill, which taxes 17 percent of the corporations, those earning excess profits, not normal profits, excess profits in war.

What do the minority propose? They say we have an alternative. What is the alternative? The alternative is to impose across the board without regard to where the profits may have come from an over-all corporate tax which, in my humble judgment, would put out of business countless thousands of the smaller corporations in America. That is the proposal. It is not a proposal of relief, it is is not a proposal to tax excess profits made possible as a result of inflated spending brought on by a national emergency, it is a proposal to establish across the board the highest corporate tax levied in history. If that be sound fiscal policy, then I say, thank God for the Democratic members of this committee.

Mr. DOUGHTON. If the gentleman will yield further, is it not a fact that under that procedure a number of corporations that are not now making a reasonable profit would be reached and have to pay an excess-profits tax?

Mr. BOGGS of Louisiana. There is no question about it. They would pay a greatly inflated corporate tax.

In conclusion, this bill is not a difficult bill. This bill does not have all of the complexities about which you have heard my friends talk, not anything of the kind. This bill is soundly worked out, it has been soundly considered. It seeks to give relief where relief is needed. It is based on the fundamental and sound principle that where the Government is spending billions of dollars to defend our people, where it is putting into the Army and the Navy and the Air Force thousands upon thousands of young men, where it is telling one segment of business that it must curtail its activities because of shortages of this or that product, where it is regimenting and controlling, and where conditions are anything but normal, then that Government should say to the people of the United States, "We will have universal sacrifice in this time of emergency."

Mr. COOPER. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. HOLIFIELD].

Mr. HOLIFIELD. Mr. Chairman, I wish to commend the members of the Ways and Means Committee for their hard work during the past few weeks and their promptness in reporting out the excess-profits-tax bill, H. R. 9827. Members of the committee have discharged well the mandate we gave them by writing into section 701 (a) of the Revenue Act of 1950 a provision that the committee should proceed to report out excess-profits-tax legislation during the present Congress.

The excess-profits-tax bill is emergency legislation. During World War II we found it necessary to enact tax legislation of this nature. Today, we are faced with another emergency, which carries with it the sinister threat of devastating war and which increases in intensity as each day goes by.

In mobilizing our strength for national defense, in preparing ourselves for this emergency, every group and every individual must be prepared to sacrifice. Every segment of the Nation must carry its share of the loan and those who can carry the most must expect to do just that.

It is a well-known fact, as the Secretary of the Treasury pointed out in his statement before the committee, that in the period of expanded business activity we now experience, gains have been most striking in corporate profits. During the 4 years that followed World War II, corporate profits rose above any previous level in history. During the years 1946-49, corporation profits averaged $29,000,000,000 before deduction of taxes. This was more than five times the 1936-39 average and it enabled corporations to pay dividends at record rates and still reinvest substantial earnings. The figures show that corporations' profits for 1950 will reach a new high of $37,000,000,000 before taxes, or $3,000,000,000 in excess of the peak year of 1948.

It is necessary to siphon off some of those heavy profits in order to help pay the cost of the defense program, to reduce inflationary pressures, and to eliminate war profiteering. A primary justification for the excess-profits tax is that no one should be allowed to profit unduly from the necessities of a Nation mobilizing for defense. I believe in profit-making, but not in profiteering. The excess-profits tax is designed to re-

capture a percentage of profits above a normal or average earning experienced over a specified period.

No tax is ideal, and all taxes impose inequities. The excess-profits tax bill which we consider today has taken account of hardship cases and special problems. In general the bill appears to be more liberal than the legislation in effect during World War II. The minimum credit allowance of $25,000 will relieve small corporations from the excess-profits tax and encourage their growth at a time when the bulk of defense contracts are being awarded to the giant industrial firms.

The committee estimates in its report that the present bill would affect about 70,000 corporations in the calendar year 1950 and perhaps 80,000 the following year. In other words, less than one-fourth of all corporations would be subject to excess-profits taxation. During the years 1940–45 the number of corporations paying excess-profits taxes was less than one-fourth of all corporation income-tax payers. But the relatively few corporations with excess profits accounted for a very large total of corporation incomes. Thus the corporations that get the most defense contracts and enjoy the greatest benefit from the defense boom are rightfully required to return a portion of their profits.

The committee estimates that the present bill will yield $3,000,000,000 from excess-profits tax on corporate profits at the level existing in the calendar year 1950 and about $4,600,000,000 with the level of corporate profits which may reasonably be expected in the calendar year 1951. In view of the record high profit rate, the heavy additional military expenditure requirements outlined by the President, the excess-profits tax bill strikes me as very moderate indeed.

In my opinion, we have been going about our task of legislating for defense too gingerly. The time has come to dispense with "business as usual." American soldiers fighting in Korea have been torn away from their normal civilian pursuits and from their homes and their families. There is no "business as usual" for the GI.

When we were debating the defense-production bill in August of this year I said to the Members that a piecemeal method of combating inflation would not suffice. What I said then is even truer today. Wholesale prices are going up; cost of living is going up; and the defense dollar buys less with each passing day. We are courting economic disaster unless we face up to the problems of inflation and institute a program of control across the board. Such a course has long been advocated by one of the wisest of our elder statesmen, Bernard Baruch. Not only is Mr. Baruch a wise statesman, but he has been one of our eminent financiers.

When the security of our Nation is threatened it is the duty of the strong to protect the weak. The strongest physically of our citizens, the young men, are called upon to risk their lives. Is it too much to insist that the financially strong among our citizens, whether it be individuals or corporations, shall risk their abnormal profits? My answer is, No. I shall vote for the taxing of excess wartime profits.

Mr. REED of New York. Mr. Chairman, I yield 20 minutes to the distinguished gentleman from Wisconsin [Mr. BYRNES].

Mr. BYRNES of Wisconsin. Mr. Chairman, we are legislating today on this tax bill in an environment that makes it extremely difficult for any of us to know exactly what should be done at this critical hour. If we knew today that tomorrow we were going to be in an all-out shooting war, this legislation would be most inadequate, and I think it would be a waste of time to consider it, because the requirements should certainly be much more drastic. If, however, the future is to be a long period of battle between the Communist economies and the economies of the free world, then another type of tax legislation, I believe, would be advisable.

At the time the Ways and Means Committee was considering this legislation I believe what it had in mind was a continuing long-run strain upon our economy and upon the need for governmental expenditures in the defense field and my remarks today are addressed to that kind of situation and the type of tax legislation I think is necessary to meet that situation.

No matter what the environment, the issue today is not whether additional revenue should be raised—certainly everybody must agree that it must be raised; nor is the issue on the amount that should be raised—I believe everybody here will agree that we must raise every possible cent we can in order to bring our revenues into balance with our expenditures. There is only one issue and all other arguments are extraneous to that one issue; that issue concerns itself with the method or the formula to be used in applying an additional tax on corporate income. That is all there is in the issue before the Congress. I do not think the honest Member of Congress would object to the taxing or even confiscating in wartime, and possibly even in peacetime, of excess profits. "Excess" is a bad word; it is like sin; we are all against it. But I think we would all want to be very certain they were excess profits that we were confiscating or taxing at a very high rate. Our principal difficulty and the difficulty that I had in trying to reach a conclusion on this legislation comes about from the impossibility of determining what is normal and what is excessive in the field of profits. I am reminded of the words of Secretary Vinson in 1945 when he said:

> The difficulty is that calling profits excessive does not make them excessive, and calling profits normal does not make them normal.

Mr. Chairman, here is the principal trouble we have had during this whole matter. We have heard speaker after speaker get up here and say that what we are doing is taxing excess profits. "We are taxing the profits out of war," they say. But again I would repeat, calling any profits, no matter what they may be, excessive cannot make them excessive or calling them normal cannot make them normal.

The proponents of this legislation say that 85 percent of the profits of businesses making profits in excess of $25,000 per year during 1946 to 1949 is normal, that 15 percent of every company's earnings in this period, however, is excessive. Let me refer to a chart presented to the committee by the Secretary of the Treasury wherein it shows the variation between industries in 1947 and the profits that they earned on net worth.

He showed at that time, for instance, that profits ranged from a 7-percent profit on the net worth of some corporations—principally communications—to a rate of return on net worth for the lumber industry of 35 percent, all of that, of course, before taxes—certainly an extreme variation. I questioned the Secretary during his appearance before the committee as to what information he had as to the variation within any one of these classifications. In other words, what was the variation by companies. He was unable to furnish the information. He said he would furnish the information but it would be quite a task and I therefore withdrew my request for the information. He did admit, however, that it varied from a minus factor, as far as an individual company is concerned in these groups, to a figure in excess of the average. Of course, there had to be some concerns making in excess of 35 percent or you would not get a 35-percent average. And the same way in communications, you must have had some making more and some making considerably less than 7 percent. In fact, we know it went from a subzero figure of return on net worth to an excess of the figure shown in the Secretary's chart.

What are we doing in this particular legislation? You are not legislating on averages. You are not saying, for instance, in the communications industry, 7 percent shall be normal or in the lumber industry that 35 percent shall be normal. What you are doing is legislating on the basis of what an individual company did in that particular period.

Now, we know that the rate of return of individual companies does not follow an exact pattern; that much depends on many factors, such as public acceptance of the product of a particular manufacturer at a particular time, the goodwill of the company as it happens to exist during this particular base period, and also population change itself exerts a very great influence; also, management factors are not fixed. By this bill you will take the profit of the individual business in a limited period of 4 years and say that 85 percent of that profit is normal and that any increase is excess profit which will carry a tax rate of 75 percent. That, to me, is one of the basic defects not only of this legislation but it is bound to be in any tax bill that taxes on the basis of a fixed history of a given concern over a limited period of time. I think the inequity that will result from such an assumption that 85 percent of the average business profits of a given taxpayer between 1946 and 1949 are normal and 15 percent are excessive is apparent on its surface.

Much has been said here that we want to tax everybody alike; that what we

want to do is to impose this tax on the basis of ability to pay. Let us see if that is really what we are doing in this legislation. Instead of being based on ability to pay, this tax will be assessed on the basis of a company's experience during 1946 to 1949. Who are the companies with favorable profits during that period? They are the established businesses, the mature businesses, businesses that have reached the maturity of their earning capacity, and so forth; they are the businesses that were able to convert readily from war production into a consumer line of production to meet the consumer demands that had been penned up during the war; they are the businesses that had the character of a monopoly so that there was not a competitive situation. Those were the people with the largest profit picture during 1946–49, and those are the companies and the corporations that will pay the least amount of taxes. Who is going to have the unfavorable profit picture during this base period and whose increased earnings are you going to tax at a rate of 75 percent? The young companies; the companies that have not had a chance to reach maturity; the growing companies; the companies who could not convert as readily from war production to a peacetime basis; yes, and those industries where there is the greatest competition. Those are the companies that are going to be at a disadvantage, and that is where you are going to place the major burden of this excess-profits tax presented to you today. I defy any Member of the majority to justify that kind of a tax on the basis of ability to pay, on the basis of fairness, and on the basis of equity. It is the weak and the young and the growing companies that are going to bear the burden and who are going to be prejudiced by this tax. Make no mistake about it.

I do not believe that that is the way this Congress wants to levy taxes. It is certainly not the way that I will legislate.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from New York.

Mr. REED of New York. We must not let this picture get out of our minds, because the other side is becoming very sensitive of any criticism of the bill or their solution of this problem. But the fact is that only three or possibly four witnesses during the hearing of 200 witnesses, including leading economists of this country, thought otherwise. Everyone else condemned this bill along the line that the gentleman now is addressing the House. It seems to me that the people who are going to produce the goods in this country for war ought to receive some consideration by any committee that wants to preserve its self-respect before the country.

Mr. BYRNES of Wisconsin. I concur in the gentleman's statement. I think it is most serious, particularly at this time, when we look forward to an American economy that must be able to provide the weapons and to produce the goods that are needed to fight this war; that will produce the things that are necessary to keep this country the strong country that it has been in the past and that we hope it will continue to be in order that we can win the battle against communism.

Mr. Chairman, in all fairness I must say this: This bill is a much better bill than the excess-profits-tax bill which was on the statute books during World War II. I think the committee has made progress in attempting to soften some of the hardships and some of the inequities. But, they cannot be removed. They can be softened but they cannot be removed from any legislation which is based upon an individual company's particular experience in a given base period, no matter how hard you try. You cannot do it in 145 pages as has been attempted here; you cannot do it in 1,000 pages.

I do, however, Mr. Chairman, want to compliment the committee on at least making some progress. However, I shall vote against the bill. I have two basic reasons for doing so.

One reason is that in my judgment it is discriminatory and unfair. It is not based on ability to pay. Those who were able to make the big earnings in 1946 to 1949 are the favored group, and those who made the small earnings in this period will now be penalized under it.

My second reason is that I think this legislation, viewed in the light of a future which is going to require the greatest producing enterprise, the greatest of research, and the greatest of development, will stifle such production and such research and development. Our urgent need is certainly for greater production, greater research, and greater development, and nothing, in my judgment, should stand in the way of accomplishing that objective. Yet I am most fearful that this legislation, by freezing an individual company to its 1946–49 average-earnings status, can have no other effect than to stifle any increase in production and discourage research and development.

Those, Mr. Chairman, are the basic reasons why I cannot support this bill.

I think the committee could very well have reported out a bill which would increase the revenue from corporations without the unfortunate consequences I fear will result from this legislation. I would, for instance, readily support a bill to produce this revenue by an increase in the normal and surtax rates on corporations.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. PHILLIPS of California. This has been discussed before, but I think repetition will not hurt it. Just on the practical basis of the amount of money which could be raised by a bill of this kind with its discriminatory features as compared with a bill laid upon the broad basis of ability to pay, is there any assurance that this bill will raise the amount of money the majority side of the committee hopes it will raise, on the basis of historical experience?

Mr. BYRNES of Wisconsin. There seems to be some difference of opinion as to what the natural result of a tax bill of this kind is upon the growth of the economy, which, of course, is the principal factor in producing revenue. In my judgment, the fact that it will stifle production and stifle expansion will definitely have a tendency in the long run to produce less revenue than a much smaller rate with a much smaller impact upon the economy would have. I think it will probably produce the revenue anticipated for the next year or two, as stated in the majority report accompanying this bill. I think it will raise the three and a half or four billion dollars that is claimed for it. However, I think the long-run effect of the legislation can very well be to produce much less revenue than we could obtain from an across-the-board type of tax.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield.

Mr. JOHNSON. In my State there was a terrific growth in the population during the years mentioned, and fabulous fortunes were made in buying and selling lands and buildings. I do not see how they can possibly ever make any more than they did during those years.

Mr. BYRNES of Wisconsin. That is correct.

Mr. JOHNSON. And that group of people will not lose one single penny by virtue of this tax bill, will they?

Mr. BYRNES of Wisconsin. The gentleman is correct. So far as those people are concerned, for the most part they have a very favorable situation because of a favorable environment from 1946 to 1949. But think of those areas from which those people came, where they had a reduction during 1946–49 as far as their population situation is concerned, and then in the meantime in 1950–51 their population increases. Any increase in income as a result of the population shift now will react to their discredit and they will be penalized as far as their tax situation is concerned by reason of the shift.

Mr. JOHNSON. May I point out also that at the same time there was a larger influx of veterans into our State than into any other State of the Union. I know of half a dozen small companies which were organized by veterans. They struggled along and made very little incomes. There is a field where the points that you have brought out are clearly evident for anyone to see. All those people who fought the war and started businesses are being punished.

Mr. BYRNES of Wisconsin. That is correct.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

Mr. JENKINS. Mr. Chairman, I ask unanimous consent that our colleague, Dr. SMITH of Ohio, may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. SMITH of Ohio. Mr. Chairman, I shall vote against the excess-profits tax, because it is a tax which destroys incentive, and when incentive is gone our productive capacity will just as surely decline. Like all progressive taxation it is wrong because the burden does not merely fall upon those who pay the bill but eventually and inevitably upon production itself.

There is now left only one kind of tax that can be levied to meet existing conditions, namely, a straight across-the-board levy upon all incomes, according to the rule of proportionality and not according to the rule of progression.

The grave crisis in which the United States is now involved is going to be brought home to every one of its citizens. There is no way for any group to evade it.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, before we came back here on November 27 there was some talk about the fact that we would do very little at this session of the Congress, and some talk about the fact that there would be no excess-profits tax legislation passed at all. I think the committee members on both sides, both Republican and Democratic, have done well to bring in an excess-profits-tax bill, and in giving the time, attention, and effort necessary to bring it out now. That is essentially the theme of my remarks today.

The American people, it has been said here many times before, and will be said here many times again, will be called on for greater sacrifices than any they have known in their entire history, either in peace or war, if this totalitarian Communist menace to all man's freedom and opportunity which we are facing today is going to be overcome. And, in my judgment, it will take not less than 10 years to do it, particularly as we are determined to do it if humanly possible without world war III.

The American people, as I have seen them in my own community, and as I think as the other Members have seen them in their communities, during the past campaign, are perfectly willing to expend the effort which this will require and to make the sacrifices which it will take. But they insist on one thing, and we are beginning here today to honor the one thing which they insist on. They insist on equality of sacrifice. Never let us forget that. If the hardships are equally shared, the American people are capable of showing the world such fortitude in the bearing of hardships as the world has never seen. That goes for bombed England in 1941 as well as it goes for any other place where men and women have endured.

I am not one of those who is in a panic about current events, or feels that we are about to descend into an abyss because of our reverses and those of the United Nations in Asia. I believe the American people have the resources and the courage and the strength which is unmatched in the world and which the world has not yet begun to see the beginning of—to meet and overcome reverses. But they do insist on equality of sacrifice, and we are beginning that today, by this excess-profits-tax bill. We are beginning today to bring about that equality of sacrifice upon which the American people insist.

As we go along with this type of tax, which is a step in the pattern of World War II, it may have to be changed. We may have to increase further corporate taxes and if that is not enough, individual and other taxes as well. But this step which we are taking today in passing the excess-profits-tax bill, bearing out as it does this demand of the people that there be equality of sacrifice will show two things.

First, it will show the people that the Congress is on the right road. Second, it will show the world that we propose to meet the issue with determination. The American people are determined to go forward and do this job of winning decisively over communism; they are determined not to give up the leadership of the free world, but, on the contrary, to reassert that leadership more strongly tomorrow than even it is being asserted today, until final victory is achieved. We are beginning here the determined action to match on the home front the heroic sacrifices of our troops in the field.

The CHAIRMAN. The time of the gentleman from New York [Mr. JAVITS] has expired.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Chairman, I remember very well that during the last war I was talking with the manager of a very large hotel in Washington, who informed me that under the tax schedules which were then in effect, his business amounted to that of being practically a tax-collecting agency, as practically all of the money that was taken in in so-called profits went back to the Government as taxes.

That reminds me of the fact that all of the so-called profits of a corporation come from the people either directly or indirectly. It comes in the form of prices of goods and services, or, if it is in connection with sales to the Government, in the form of Government checks drawn on the Public Treasury. Therefore, we can well consider that a corporation is a tax-collecting agency just as much as it is a producing agency, when the tax rates are exceedingly high.

A while ago, when the distinguished gentleman from Iowa [Mr. MARTIN] was discussing the defense aspects of this bill, and was joined by several other Members, some very good points were brought out. Since then I have been trying to figure out how we might be able to best consider those corporations that are producing things for the national defense establishment. As was well pointed out by the gentleman from Pennsylvania [Mr. SIMPSON], there are other companies than aviation manufacturing companies which are engaged exclusively, or almost exclusively, in the manufacturing of defense articles. We all remember that during World War II we had a renegotiation statute, a Contract Renegotiation Act. That Renegotiation Act definitely limited the profits that could be made by any contractor with the Federal Government. There are corporations which are not engaged exclusively in the manufacture of defense items. For example, the General Motors Corp. or the General Electric Corp. or any of those great corporations, like the du Pont Co., and so forth, who make other things than defense items. But it seems to me that under the contract-renegotiation statute, if that should be reenacted, those portions of income which arise from the national defense establishments that are subject to contract renegotiation should be considered as already having been taken care of in the way of taxes, and be subject to whatever normal tax may be in existence at that time. The rest of the business that is done by the corporation should be subject to whatever excess-profits tax the Congress thinks is desirable.

I say that because, as we very well know, the contract-renegotiation officers for the Army, the Navy, and the Air Force generally see to it that there is very little profit left out of a Government contract to be subject to taxes. I do not know whether that suggestion is valuable or not. I am no expert on taxation. We rely upon the distinguished members of this great Committee on Ways and Means, who are supposed to know as much as human beings can know about tax matters. The rest of us, of course, have our own specialties. But when you have a renegotiation statute, and that statute is properly exercised by the officers of the Government, then there is not very much left. If that part were considered separately from the other business of the corporation, it seems to me we would have gone a long way toward solving our difficulties.

I can think of corporations that are engaged in the manufacture of radar equipment, for example, and who do that work exclusively. They do not do anything else. There are companies in the aviation industry which have nothing but Government contracts; then there are other corporations engaged in work for the national defense establishment, let us say, in the aviation industry in which the aviation portion of their manufacturing is a very small proportion of their total business. We could not exempt such concerns from an excess-profits tax just because they happened to do a little aviation business.

I do not know whether these suggestions are any good or not, but I do make the suggestion that these companies that are engaged exclusively, or almost exclusively, in the manufacture of national-defense material, when, as, and if they become subject to the renegotiation statute, then a normal tax would be the proper thing.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MASON. That proposal was brought before our committee but it was voted down; it was said that we were given a mandate for excess profits and not renegotiation; that that would have to wait until the next session.

Mr. HINSHAW. If that be the case, then I think that under this bill as it stands, and if there be no intention to make changes, then you are going to find very great difficulty if it is possible at all to get these people to risk their capital, whatever they may have, and their personnel, and so forth, in the undertaking exclusively for the national defense establishment; they simply cannot do it and exist under the present bill.

I have not been able to examine the bill which will be offered as a substitute on the motion to recommit. It may be that that bill will accomplish better things, but I hope and trust that in the future when this bill is being considered for amendment by the committee that they will take into consideration these facts that have been brought out here today on both sides of the aisle. It is not possible for these companies to exist under this bill.

Let me now speak for a minute about the bill as a whole. Let us take a great corporation like General Motors, du Pont, or any of the 50 that were mentioned by the distinguished gentleman from Georgia a little bit ago. Those companies are going to get off practically scot-free of any excess-profits tax under this bill. It is the great corporations that have done so well since the war that are going to escape excess-profits taxes under this bill, because many of them, if they take up Government contracts will actually have less profits than they have shown in the 1946–49 base period, and if they drop down to 85 percent of their average profit during 1946–49, then they are not subject to any excess-profits tax at all even though those earnings during those years may be two, five, six times, or as somebody pointed out, 17 times what they were in the years 1936–39. That makes a perfectly ridiculous situation, and it is one that I do not think you can justify to yourselves or to the public. You are favoring the corporation which has been able to make very large profits in the postwar years, and you are damaging to an extent that we cannot now figure, but damaging to a very great extent, in my humble opinion, those companies which have suffered reverses since the war. I do not think that is fair. What you want to do is to have business succeed, and I hear a lot of people talk about little business around this floor. If what you want to have is little business to succeed, then this bill is the wrong bill, because this bill does not favor the growth of little business; it favors the further growth of the biggest and most successful industries in the United States; that is exactly what it does, in my humble opinion. If anybody wants to controvert that, I wish he would take the floor right now and do so. Does anybody want to controvert what I have just said? I hear no controversy; no one arises to controvert what I have said.

Mr. MILLS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. MILLS. I want the RECORD to show that all of us on this side do not agree with the gentleman's statement that it is in favor of big business; it certainly is not.

Mr. HINSHAW. I said in favor of businesses that made very high base earnings.

Mr. MILLS. During the base period?

Mr. HINSHAW. During the base period.

Mr. MILLS. Does the gentleman mean that the bill itself favors big business?

Mr. HINSHAW. Yes, to that extent.

Mr. MILLS. It does not favor big business. It was the representatives of big business who came before the committee urging that we give them 100 percent of the base period as a credit.

Mr. HINSHAW. That is not what I mean.

Mr. MILLS. We have not done that in this bill.

Mr. HINSHAW. That is not what I mean. I do not care what the rate is. I am saying that the bill itself favors those corporations that made the greatest earnings during 1946 to 1949 in relation to their capital investment.

Mr. MILLS. That is necessary if an alternative credit based upon prior average earnings is to be allowed.

Mr. HINSHAW. Then what I said is correct?

Mr. MILLS. I would not agree with the gentleman's conclusions based on that fact.

Mr. HINSHAW. I cannot see anything different from what I have said and I have heard nothing that will controvert it.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan [Mr. CRAWFORD].

Mr. CRAWFORD. Mr. Chairman, personally I deeply regret that the great people of this country have been unable to hear this debate. As unfriendly as I am to television, this is one debate I would like to have had them see on television. I mean, I would like to have had our people be able to see it and hear the debate.

Mr. Chairman, it is not when I die, but for what purpose I die that counts with me. You may ask, Just what has that to do with a tax bill? Well just this:

For the third time within 33 years we are brought face to face with the problem of financing a war to be fought, at least for the time being, to spill our blood on foreign soil, and to help finance the cost with an excess-profits tax.

Casualties in Korea are running high. We have a great deficit of men. As Russia's war by proxy, by sabotage, by subversion, by revolution spreads, we shall find our manpower deficit will increase, and too, materials will be at a premium. If we can believe the letters and messages which have been sent from the Korean front, certainly many of those lads who have paid the supreme sacrifice did so without knowing for what purpose they died.

Now Mr. Chairman, the big big problem we face is manpower and material, governments can always finance wars.

Our administrators continually tell us that unless we do this, that, and the other thing, that peoples of other lands will not do what they should. These same administrators overlook the fact our people too, are human beings. Psychological laws govern here as in other lands. Our people have likes and dislikes, they are moved by or influenced by incentives. Under our form of government, our method of financing proprietor and corporate capital structures, our method of selecting, training, and handling industrial management; all the labor relations, efficiency of operation, and ultimate production are closely linked to and influenced by tax laws—the same as other peoples are influenced by local and world-wide conditions.

If Russia can precipitate a set of conditions which will destroy or greatly damage our productive system, our financial or capital system, and our profit and loss system, she will move far toward our defeat.

Mr. Chairman, we are not now running a big cash deficit—that may come later—but we have inflation now which is devastating. This because of the excessive demand on the part of the Federal and State governments for scarce men and material which so much of could now be left unused.

This practice of Federal and State governments should be eliminated for the duration. This tax bill as here presented should not be approved. Simply because in 1917 and in World War II excess profits tax laws were approved is in itself no justification for this law. Therefore, if given an opportunity I shall vote to recommit this bill. Let me say that no member of the Ways and Means Committee before the passage of the tax bill of 1950 heard me asking for an excess-profits tax and no Member of the House heard me clamoring for such. I did advocate higher personal-income taxes and how I was criticized by my opponents for that position.

If the House approves the bill, then let it go to the other body. When it comes back I shall then take a look at what is before us in the hope we will have a bill I can personally support.

Insofar as the mandate is concerned, I do not feel that if the judgment of this body is such at the present time that we should not do a certain thing, that a mandate which might have appeared in some previous act, is binding. We are here as representatives of our people with responsibilities on our shoulders, and we are at least subject to bringing our views into agreement with the difficulties which we face at the particular moment. Who had reason to assume before we recessed, based upon the official statements which were continually being made, that we would be in the predicament which we are in today? May I ask the members of the Committee on Ways and Means, in particular those who have talked on this particular subject, Who finances the large aggregations of capital in the form of buildings and machines and machine tools? Only the rich? Oh, no. It is the little man and woman in this country who are striving to get ahead, who live simply, and exercise thrift; who save their money and invest it in these great aggregations of capital. They are the ones you crucify when you stand up here and yell, "Down with the great corporations; let us hook them all we can." Where would you be today in this contest against Russia if you did not have these great industrial plants? Where would you be if you did not have men and women who have guts enough to save the money to pay for those buildings and machinery and machine tools?

Mr. DOUGHTON. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from North Carolina.

Mr. DOUGHTON. Who testified to that?

Mr. CRAWFORD. All I ask the chairman to do is to read the debate of the last 2 days.

Mr. DOUGHTON. Not from anybody I have heard. That is the first time I have heard it mentioned.

Mr. CRAWFORD. I will be glad to point it out to the chairman.

I know what I have to do to save a dollar to invest in buildings, machinery, and machine tools so that the man who does not save may have a job with which to feed his family. We have had too much of this stuff going on over this country to the effect that the man who does save and invest should be kicked in the pants and crucified because he did such a thing. That is not fair to the American system or the American way of life. That is exactly what Russia wants us to do, destroy our productive system, destroy our financial system, destroy the capital structures of proprietors and corporations so that they cannot produce, so that a man will have to go back to the field with a hoe on his shoulder, so that we will be rid of the mechanized equipment the laboring people of this country use.

I have no patience with them. I do not owe anything to anybody, and nobody can muzzle me into accepting that kind of approach and not condemning this tax bill, because we will protect this system of ours or we will be wiped off the face of the earth. I do not propose to stand up here and be controlled by any demagoguery that has to do with the destruction of our profit system and that would prevent the accumulation of goods our people need to fight with and to use.

We claim that communism spreads across the face of the earth because the people do not have goods to consume. If we are going to claim that, if we are going to ask our people to fight that Communist philosophy, let us speak a word on behalf of the man who is willing to live simply and exercise thrift and save money and invest it so that goods can be produced and so that we can get buildings and machine tools and machinery together. Let us see that that system is protected and pass tax laws to protect our people and keep this thing tied together like a bundle of sticks so that we will have some strength. I am one of those who believes that our enemy fears our capacity to produce more than he fears our military forces. I am against any man or law which would destroy our productive system or our method of financing our capital goods.

Mr. REED of New York. Mr. Chairman, I yield 10 minutes to the distinguished gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Chairman—

The power to tax is the power to destroy,
The New Deal is on the destructive road,
begoy.

Mr. Chairman, I have voted for about 18 tax bills since I came to Congress. I voted for a majority of them because I thought they were necessary to raise funds in order to keep this country going, at a time when the administration we had in power was spending so much money that I realized we could not afford to wreck this country. I had no idea they would keep up spending and spending. However, during this last session of Congress, before the recess, I refused to vote for another tax bill until we got some economy in government, and I am not going to vote for this tax bill.

I think it is high time we as Members of Congress get a little common sense and start to economize in government rather than tax the people to the point where they are taxed to death and destroyed. I do not propose to do that. I think I am taking the wise and sensible course as a sound businessman and as a Member of Congress when I follow that procedure.

How in the world can you expect to tax and tax and tax and expect the people of this country to pay and pay and pay if you are going to ruin them? It just does not happen that way.

To be sensible, in your own home and in your own business when you find that you are spending more money than you are getting as income, what do you do?

When you start to economize in the operation of your home and in the operation of your business you do not keep on spending and spending and spending. You economize—and that is the thing that I want to drive home to the Congress today. We need economy in the operation of the Government. Nobody knows that better than the chairman of this committee. I feel sorry for him today because he is being driven by the administration which causes him to do things which he knows in his heart are wrong. He knows that this is wrong. I know it is wrong.

Consider the bill we have here today. When I listened to the statements that have been made on the floor of the House by some of the Members of Congress to the effect that this bill was written by people on the outside who sent the bill to the Committee on Ways and Means, I think that is a deplorable condition when we come up with a tax bill which we know is not the kind of tax bill which we ought to have. Why was not a stopping point or termination date put on the collection of these taxes? Why was this not limited to 1 year or 2 years or 3 years? Instead, it will go on and on. What you are going to do is to wreck this country. You are going to wreck the private enterprise system if you put this bill into effect. God save America, when you get into socialism. You are doing what Hitler did when he came into power in Germany. You started to put this country under the control of the administration in power, and you have been doing that for the last 15 years. Now you have us to the point where we will have a socialistic government or a military government. If you ever get to that point, God save America.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. RICH. I yield to the gentleman for a question.

Mr. STEFAN. Does the gentleman know how much money will be collected under this bill if it goes into effect?

Mr. RICH. No; I do not know how much money this bill will bring in, but I know that when you take practically all the money that a corporation makes, you will be putting that corporation in bankruptcy and you will be placing more corporations in bankruptcy than you are going to collect money over a period of 4 or 5 years.

Mr. STEFAN. I understand the amount to be collected as a result of this bill if it goes into effect in its present form, including all the other revenues of Government, during fiscal year 1951, will be approximately $47,000,000,000. I understand that the expenditures for the fiscal year 1951, including the hold-overs and permanent appropriations, such as the public debt, will amount to $61,307,000,000. Added to that will be the $18,000,000,000 recently requested. In other words, your expenditures will be around $80,000,000,000 and your receipts $47,000,000,000. Where are you going to get the other $33,000,000,000 deficit.

Mr. RICH. I do not know where you are going to get the money, unless you economize in Government spending. That is the point I want to emphasize here. We want a little economy in Government. We want a little sensible Government, and an administration that is going to stop this spending. Look at the Truman administration. In 4 or 5 years they have spent more than all of the other administrations up to World War II. Why, it is a crime and a shame. It is slow suicide. It is time we did something about it. God save America if you are going to put this tax bill through. You will have socialism take over where freedom and liberty reigned.

Mr. Chairman, the gentleman from Illinois [Mr. MASON] made this statement before the House yesterday:

Mr. Chairman, we have before us for debate and action a "pig in a poke" because not one Member of this House can possibly know what is in this bill. Anyone voting for it under those circumstances must close his eyes, hold his nose, and hope for the best when he votes.

Mr. Chairman, if this tax bill goes into effect with no termination date for the imposition of these taxes, it means the end of the free-enterprise system. It means socialism in America, and the destruction of our form of government. We need economy in government. Stop spending—little lending—and no giving. That should be the motto from this time forth.

Just let me give you a list of the taxes being forced upon the American people, and see if such taxes are not a destructive force oppressing our citizens and raising the high cost of living and causing us to bend our backs to support an incompetent Government. As for me I expect to vote to recommit this bill. I shall never vote for a bill of this kind, which will tax us into socialism. Just look at the taxes we are paying:

TAXES, 1950

Income taxes, estate taxes, gift taxes, corporation income tax, corporation excess-profits taxes.

Liquor taxes: Taxes on distilled spirits, domestic and imported; tax on fermented malt liquors; wine taxes; special

taxes in connection with liquor occupations; container stamp taxes.

Tobacco taxes: Tax on cigarettes; tax on tobacco, chewing and smoking; tax on cigars; tax on snuff; tax on cigarette papers and tubes.

Stamp taxes: Issues of securities, bond transfers, and deeds of conveyance; stock transfers; playing cards; silver bullion sales or transfers.

Manufacturers' excise taxes: Gasoline tax; lubricating oils tax; passenger automobiles and motorcycles tax; automobile trucks, busses, and trailers tax; parts and accessories for automobiles tax; tires and inner tubes tax; electric energy tax; electric, gas, and oil appliances tax; electric light bulbs tax; radio receiving sets, phonographs, phonograph records, and musical instruments tax; refrigerators, refrigerating apparatus, and air conditioners tax; business and store machines tax; photographic-apparatus tax; matches tax; sporting-goods tax; pistols and revolvers tax; luggage tax; jewelry and so forth tax; furs tax; toilet preparations tax; luggage, handbags, wallets, and so forth tax.

Miscellaneous excise taxes: Telephone, telegraph, radio, and cable facilities, leased wires, and so forth; local telephone service; transportation of oil by pipeline; transportation of persons; transportation of property; admissions; cabarets, roof gardens, and so forth; club dues and initiation fees; leases of safe-deposit boxes; coconut and other vegetable oils processed; oleomargarine and so forth; sugar tax; coin-operated amusement and gaming devices; bowling alleys and billiard and pool tables.

Employment taxes: Federal Insurance Contributions Act—social security; Federal Unemployment Tax Act; Railroad Retirement Tax Act; Railroad Unemployment Insurance Act.

Sales tax, death tax, gift tax, inheritance, property tax, occupation tax, bank tax, dog tax, documentary and transfer tax.

Taxes are wrecking United States economy.

Oh, save us from the destructive taxes.

Stop spending, little lending, and no giving and you will not have to tax, tax, tax.

Mr. REED of New York. Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Chairman, for some years the mining of minerals and metals in the United States has been an exceedingly risky venture at best. Such is doubly true of those daring to open new mines or expand production.

One of the principal objectives of the Defense Production Act is to encourage the exploration, development, and mining of strategic and critical minerals and metals. Government participation in the form of financial assistance to private enterprise for exploration and development work, above-market prices to marginal operations, and liberal loans are necessary to expand the production of strategic and critical minerals and metals in the United States.

The scarcity of minerals and metals from domestic mines is the most limiting factor in our economy today—just as it will be throughout and following the emergency now upon us. Drastic cutbacks in the civilian consumption of copper, zinc, and aluminum already have been made. Not only is the scarcity of minerals and metals a limiting factor in our economy, but after two years or more of an all-out war emergency, the scarcity of these materials would limit and delay the war production program, and adversely affect the defense of the United States.

On the one hand we have our Government alarmed over the scarcity of minerals and metals from domestic mines and embarking on a program, inadequate as it may be, to increase exploration, development, and mining of domestic mineral deposits, and on the other hand we have our Government proposing a method of taxation which tends to inhibit the exploration, development, and mining of minerals and metals in the United States.

Section 448 of the proposed law, entitled "Corporations engaged in mining of strategic minerals" exempts corporations engaged in the mining of 14 listed minerals and metals from the proposed tax. Such provision is fine and sensible as far as it goes.

Platinum, tin, and tantalum are among the 14 minerals and metals listed for exemption, yet there are no known deposits of these 3 metals in the United States capable of economic exploitation, and it appears extremely unlikely that any such deposits of consequence will be discovered. The domestic production of platinum is derived as a byproduct of copper-smelting operations. Vermiculite, which is listed for exemption, has not been regarded as a strategic material in recent years, if ever. It is used primarily as a building material for insulation, acoustical plasters, and lightweight concrete.

Primary consideration currently is being given under the Defense Production Act to expand the production of a number of scarce minerals and metals not listed for exemption from the tax proposed by H. R. 9827. These scarce materials include copper, zinc, cobalt, molybdenum, asbestos, corundum, talc, and sulfur.

It appears wholly illogical, inconsistent, and detrimental to the needs of the economy and defense production program of the United States to exclude copper, lead, zinc, bauxite, and all other strategic, critical, and essential minerals and metals from the exemption provided under section 448 of the proposed law. The bill should be amended to incorporate such exemptions.

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. REED of New York. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, just to clarify the situation after this very heated debate which, in some instances, has sunk to a lower level than we would like, at any rate I want to get this issue clear.

Yesterday the Secretary of the Treasury, testifying before another body, said that the proposal in the House bill fell one billion short of what the President had asked for to meet this emergency. We are meeting that challenge directly.

So I say to you that to more effectively take the profits out of war, to raise additional revenue, and to combat the rising cost of living, the Republicans will move that H. R. 9827 be recommitted to the Committee on Ways and Means, with instructions to report it back forthwith with two simple amendments, to provide—

(a) That the corporate surtax be raised by 5 percentage points; and

(b) That the average earnings credit be 100 percent instead of 85 percent.

The Republican motion should be adopted for the following reasons:

First. It will raise at least $500,000,000 more revenue than H. R. 9827.

At a $40,000,000,000 level of corporate profits, the Republican proposal will yield approximately $3,500,000,000, $500,000,000 more than the $3,000,000,000 estimated under H. R. 9827. At a $48,000,000,000 corporate profits level the Republican proposal will yield approximately $6,400,000,000—$1,800,000,000 more than the $4,600,000,000 estimated under H. R. 9827.

Second. It will substantially reduce the hardships and discriminations in H. R. 9827 and at the same time will spread the increased tax load more equitably.

I remind you when you go home tonight to listen to the radio. Go back to your people. Then your conscience will tell you whether or not in this ghastly Korean crisis you should increase this amount rather than whittle it down as you Democrats are proposing to do.

Mr. COOPER. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. SABATH].

EXCESS-PROFITS TAXATION

Mr. SABATH. Mr. Chairman, I want to congratulate the Ways and Means Committee on carrying out the mandate of this House as indicated in a record vote shortly before we took the fall recess. The bill, of course, does not go as far as I should like to have it go, but I have confidence that in the next session we are going to eliminate the loopholes and provide ways and means of taxing those who can best afford to pay additional taxes.

There was an almost universal appeal by the people of this country to reinstitute the excess-profits tax in connection with the greatly increased demands of our national defense program. Since that time our national defense has approached virtual all-out-war proportions. Our defense requirements have skyrocketed. Yes, unfortunately, the situation has become infinitely more critical in the week or 10 days since the Committee on Ways and Means commenced the preparation of the final bill now before us. Of course, the revenue to be raised by this measure will hardly touch the outlay that is necessary to meet our present crisis, and another bill greatly expanding the tax structure must be forthcoming within a matter of months or even weeks.

The usual hue and cry against excess-profits taxation is heard over and over again in the press, on the radio, before the Ways and Means Committee, and in the telegrams and letters that come from

big business to every Member of this body. These are old and worn-out cries to me. I well remember the howl big business put up in 1917, when World War I was thrust upon us, and the proposal to institute an excess-profits tax was debated in this body. The charge was made and repeated and repeated, that it would result in the total collapse of our American economic system, as reiterated by the gentleman from Pennsylvania [Mr. RICH] a few months ago, that it would destroy business—that it was confiscatory and discriminatory—that it threw the entire burden of paying for the war on one segment of our economy. The bill was passed. We collected great sums from those best able to pay. When the war was over, the tax was repealed and business went along as usual. There was not the slightest sign of any hardship generally. No one was hurt.

Again, when the Japs struck at Pearl Harbor and World War II was launched, the Congress enacted another excess-profits tax. Once more, big business put forth every ounce of its power to defeat the proposal, but it was enacted into law. Following the cessation of hostilities in 1945, business returned to its normal processes, the tax repealed through the great efforts of the gentlemen who always give ear to the $1,000,000 profiteers, and we witnessed one of the most remarkable reconversions from war to peace time operation the world has ever seen. Big business was not injured by the tax, but again tremendous sums were siphoned off from the huge war profits and converted toward the cost of the struggle we had successfully completed.

What is the situation today? For several years prior to our entrance into the defense of little Korea, the record shows profits of the large corporations greater than in all history. Here are some interesting figures on the profits of a dozen or so of the giant corporations for the years 1948 and 1949:

Profits and more profits

	1949	1948
General Motors	$502,414,000	$327,155,000
United States Steel	133,223,000	88,042,000
Chrysler	97,651,000	59,888,000
Bethlehem Steel	82,898,000	53,184,000
Du Pont	49,188,230	38,960,000
International Harvester	37,500,000	28,500,000
American Tobacco	34,009,000	29,038,000
Deere & Co	28,108,000	17,490,000
National Biscuit	23,779,000	20,799,000
General Foods	21,349,000	20,432,000
Anaconda Copper	20,828,000	13,606,000
National Dairy	16,537,000	13,325,000
Allis-Chalmers	13,494,000	9,870,000
Caterpillar Tractor	10,942,000	3,763,000

You will note that these profits were topped by General Motors' profit for 1949 of over $502,000,000, the greatest in all the history of this giant corporation. In fact, figures released by the National City Bank of New York just recently show that 1950 profits will exceed those of 1949 by over $10,000,000,000. These are not my figures; they come from the big banking interest which represents big business.

The expansion of Federal expenditures for defense as a result of the very serious international crisis confronting our Nation, makes it imperative that the tax load be properly and proportionately shared by corporations exacting these fantastic profits. With our national debt approaching $260,000,000,000, it is likewise imperative that present costs of defense be placed on a pay-as-you-go basis as fully as possible. Every segment of our economy will be required to bear its share of the burden. Individual incomes have already been required to contribute their share, effective last November 1. With profits as of July 1 having risen to the fantastic figure of $37,400,000,000—with the present total for 1950 estimated at over $42,000,000,000—it is imperative that a substantial excess-profits tax be levied effective July 1, 1950, to siphon off these huge profits which are contributing so greatly to the growing forces of inflation. Are we to squeeze out every available dollar from the pockets of the average workingman on the theory of controlling inflation and diverting dollars to the war cost, while permitting these giant corporations to wax richer by the hour and expanding the real dangers of inflation during these dark hours?

My only criticism of this bill now before us is that it does not go far enough. The bill should be amended to produce the full amount requested by President Truman weeks ago. His estimates, made weeks before the present tremendously critical situation was before us, were modest at that time. They are wholly inadequate today. There cannot be the slightest doubt that what we do here today will be but an extremely temporary and inadequate effort to cope with the grave problem now confronting us. We can ease the burden bearing down upon us by increasing the rates in this bill to at least those necessary to bring in the revenue the President asked for. There is less uncertainty today about Federal spending for defense than there was 2 or 3 months ago. The tempo of our preparations for defense are being doubled, trebled, quadrupled overnight. Taxes must inevitably follow. Let us not lag too far behind in providing the revenues necessary to meet this load. Let us not quibble over its effects on business 2, 3, 5, 10 years hence. All of these problems can and will be met, as they were after each of our two recent world cataclysms, with little or no effect upon our continued expansion and development.

This excess-profits tax, as with all taxes, is but a means of distributing the burdens, the doing without, which war and preparedness for war put on the economy. Big business has a right to express itself, to argue that the shift in the burden as proposed is confiscatory. Unfortunately, their stand has been inscribed on the record of the proceedings of Congress during two great wars, and has been found completely wanting.

Prior to World War II the charge was made that an excess-profits tax would seriously interfere with production and the expansion of production during the war period. What happened? During the war steel production expanded 10 percent, electric power more than 20 percent, and aluminum production by more than 500 percent. In considering this experience, it should be remembered that the financial strength of corporations to expand production capacity and production was far less during the war than it is now. Financial strength was low because corporations as a whole had experienced losses in the decade 1930–39. Production levels before the war were less than half those of the war period; profits after taxes during the four prewar years were no more in total than the profits after taxes of the one postwar year 1948.

Notwithstanding the excess-profits tax of the last war period, industry was able to reconvert and expand its production at the most fabulous rate in all history. Profits reached unheard-of peaks. The dire forebodings of disaster following the end of the war were dissipated in thin air. There is no sound, logical argument against an adequate excess-profits tax.

Business has come forward with a proposal to increase the corporation income tax. An increase in this tax would not divert sufficient of the productive capacity needed for the armaments program, and would encourage putting machinery, buildings, and materials into uses from which they would have to be diverted eventually, with resulting waste and loss. Smaller business which would be subjected to the increased rate would find it harder to expand out of reinvested earnings than if there were an excess-profits tax to which they were not subject. Both the desirability and possibility of expansion would be less.

An excess-profits tax curbs inflation and prevents the inequitable distribution of the burdens of armament programs. The World War II excess-profits tax brought in as much as $11,000,000,000 in 1 year; this bill is estimated to produce but $3,400,000,000. It will still leave large profits to the corporations—too large profits. Corporate profits after taxes would still be more than half again as large as during the war, and larger than in 1946.

The tax is anti-inflationary also because it reduces the incentive to raise prices to take advantage of market conditions. Cost cutting can occur. An excess-profits tax encourages greater efficiency and cost cutting. It encourages profit making by holding down costs. The carelessness that is inherent in big business in normal times, in taking the easy road of raising prices rather than by cutting costs to ensure huge profits, will disappear.

Another sound reason for a substantial excess-profits tax has been advanced by Secretary Snyder when he says:

> There is substantial variation in the increased profitability of small and large corporations. There are equally important variations among industries and among firms within identical industries. As happened during the last war, these variations will undoubtedly increase under the abnormal conditions ahead of us.

The excess-profits tax bears only on those corporations which obtain high profits out of a defense or war program. During World War II it was paid by only about one in five or six corporations having net income. One percent of all corporations paid about 69 percent of the tax. The tax is paid primarily by large corporations, by those best able to pay.

To increase the corporate income tax would only shift the burden to the average wage earner. One great industry that would be affected is the electric and gas utilities. Their profits are high, but are rather stable, being dependent upon rates controlled by State commissions, while the profits of industrial corporations are not so controlled and have shown increases as much as 53 percent in one quarter. Any increase in the corporate-tax structure in lieu of excess profits levied on public utilities and other public-service corporations, such as transportation, would immediately result in increased charges to the average home owner and workingman and his family, thus distorting the equitable distribution of the necessary tax load.

There has been an alarming tendency since World War II to depend more and more on taxes on consumers and less and less on taxes based on ability to pay. The tax increases proposed in this bill are not only not high enough but are not excessive in the light of the continued high level of corporate profits since 1945. Profits for the current year will be only slightly less than the $21,000,000,000 in profits after taxes by corporations in 1948, which was an all-time high.

Enactment of this proposed excess-profits tax now would give balance to the tax structure; it would constitute a necessary support to efforts to check inflationary tendencies; it will provide badly needed revenue; and it will constitute no excessive burden on corporate taxpayers, who at the current level of economic activity would continue to operate with very high earnings and at a high rate of return.

I sincerely trust that when the Committee on Ways and Means brings in the next tax bill, which is certain to follow this one, it will make specific provision for closing all of the loopholes that now exist in our tax structure; that it will include an adequate tax on insurance companies; that it will eliminate the depletion allowances granted to the oil and natural gas industries which are rolling in wealth now. It should provide for the proper taxation of the many family and so-called charitable trusts, as well as those educational trusts which compete with private business for profit but have successfully avoided their share of the tax burden. The millions of bondholders who have invested billions of savings in enterprise are entitled to protection against these tax-dodgers. We must safeguard the investment of these conscientious investors, most of whom are dependent upon the income from these investments for their very livelihood and well-being. No loopholes must be left open. All profit-makers must bear their share of the burdens ahead.

I am confident the membership of this House will measure up to its responsibility and enact this legislation overwhelmingly.

Mr. DOUGHTON. Mr. Chairman, I yield 10 minutes to the gentleman from Colorado [Mr. CARROLL].

Mr. CARROLL. Mr. Chairman, as we conclude the debate on this important piece of legislation it appears that seldom is the House given an opportunity to pass tax legislation—at least in recent times—except under great duress. For example, on June 28—and I mention this to you for the purpose of showing how events shape taxation legislation—on June 28 we passed a billion-dollar excise-tax-reduction bill; that was 3 days after Korea. At that time some of us had much concern as to whether we were taking the proper course, but as that bill moved over into the Senate, what happened? The other body knocked out the tax reduction that we gave, and increased the income taxes of the people. The Senate took from the little people of this Nation almost $3,000,000,000 by increasing personal income taxes. At the same time the Senate increased corporation taxes, obtaining a billion and a half dollars in revenue from that source.

Let us take a look at the economy of the Nation at that time. In this year 1950, every quarter has shown an increase in the national income; every quarter has shown great increases in corporate profits.

When the members of the Ways and Means Committee came back on November 14, the newspapers, yes, and some of the leading economists and nearly all business came before us and said: "Do not put a tax upon excess war profits." What they tried to do was to sell us the same bill of goods as the minority is now trying to insert in the motion to recommit. They said, in substance, "Increase the corporate tax rate but do not take war profits away from us."

It is these people—and I refer to the National Association of Manufacturers and other special interest groups—who call the loudest for us to fight the menace of communism; yet these same groups, when they are confronted with a situation which threatens their war profits, are reluctant to practice what they preach. They are unwilling to make a personal sacrifice. I say to you that this is a time for equality of sacrifice. This is no time for any group to shirk its fair share of the load.

Do we consult the wives, the mothers and fathers, and the sweethearts of those who are being called upon to take up arms in defense of our democracy? They have no high-priced lawyers or experts to gain exemptions or find loopholes for them. We are so concerned with protecting corporations—what protection is being given to the families of these men? Already they are being caught in an economic trap, crushed between rising prices on the one hand and higher taxes on the other. I say to you, this cannot be a one-way street; the people cannot be expected to make all the sacrifices while the big corporations reap excessive war profits.

It is significant that all the economists and others who appeared representing the special groups said to us: "We must increase the taxes of the people."

I asked some of our own experts before I took the floor today how much more personal income taxes can be raised. Well, they said we can make certain increases. We can lower the present $600 exemption to $500. We can increase their taxes 3 percent or thereabouts. We can do away with exemptions for certain groups. Then, when we get through, we will have an additional $4,000,000,000. That is all the additional taxation that the people can bear.

I notice the gentleman from New York [Mr. JAVITS] put in the RECORD yesterday figures on the increase in the cost of living. May I say to my friends on the Democratic side as I prepare to leave this body: You had better pay some attention to what is happening to the economy of this Nation. Every week and every month prices are spiraling upward, and in addition money is being taken away from the people by an increase in taxation. In this grave period, this Nation is confronted not only by the war danger from aggression of the Soviet Union and the Chinese Reds, but the equally great danger of uncontrolled inflation.

Let me make this further point, and and I think it is relatively simple. We are going to get only a comparatively small amount of revenue out of this bill. In order to get a bill before you and to meet the mandate given this committee, we had to compromise and compromise and give and give, allowing great relief provisions in this bill. This is not the best bill that could have been brought before this body. The minority did not want to strengthen the bill. They wanted to weaken it further—make no mistake about that.

I wish to mention another very important point. This legislation does have an anti-inflationary aspect. The economists who came before us said: "If you are going to stop inflation, you will have to reach into the pockets of the people and take the money away from them." But, as I have pointed out, there is a definite limit to the amount of money which can be gained in that way.

In my area, in the small towns of my State, the people are complaining about price increases. In addition, they are complaining about the increase in the withholding tax that we recently imposed upon them. The wage earner, the white-collar worker, the aged, and others on fixed incomes—these people cannot stand another dose of inflation. I think it would be a very serious mistake for any Member of the Democratic group, and, yes, those thinking Members on the Republican side, to fail to vote for this measure.

Not long ago we appropriated $17,000,000,000 for the military. We did that in a period of increasing profits; we did that in a period of an expanding national income. Today we are asked to appropriate an additional $18,000,000,000. What is going to be the effect of that expenditure? You mark what I say to you. Within 3 or 4 months' time you will not only have to act on additional taxes, you will have to impose controls to protect the fixed-income groups of this country. As the gentleman from Louisiana [Mr. BOGGS] said, we are in one of the most critical periods of American history. Yet from the testimony of the witnesses who appeared before the Ways and Means Committee one would think there was no great emergency. All of those witnesses were

arguing that you must not interfere with payrolls, you must not interfere with war profits.

Now, in substance here is what we have done by this bill. We are going to cut into some corporation profits about 15 percent—a very, very mild provision. The Treasury recommended 25 percent. In order to bring the bill in at all, we had to compromise; so we agreed upon 15 percent. Instead of getting a $4,000,000,000 bill, you have a $3,000,000,000 bill. I certainly hope that no one here will pay any attention to this motion to recommit, which is a sham and a subterfuge on the part of those who did not want an excess-profits tax in the first place. In the next 3 or 4 months you are going to have to meet far more serious problems than the bill that is before you now, and you must have the courage and the will to act in the national interest. I wish to take this opportunity to thank our chairman the gentleman from Tennessee [Mr. COOPER] and other members of the Committee on Ways and Means for their fine work on this bill. They have listened to the mandate given the Committee on Ways and Means by this body. In addition, I wish to say that had it not been for the valiant fight of the gentleman from Pennsylvania [Mr. EBERHARTER], and others who supported him, there would have been no bill to tax the excessive war profits of the calendar year 1950.

Before I close, I want to say to the other body that it can write a better bill than we have written; it can write a tougher bill than we have written; it can write a more equitable bill than we have written; it can take more of the war profits away from those who are profiting so greatly from the present emergency. Let me tell you, every day they are getting contracts ranging up to $100,000,000 or $150,000,000. Somebody has to curb these war profits, and this legislation is a step in the right direction. I sincerely hope that every Democrat will stand back of the Committee on Ways and Means and the exceptional work it has done under the circumstances. I urge that you vote down the motion to recommit and vote for the passage of this bill.

Mr. COOPER. Mr. Chairman, we have no further requests for time.

Mr. REED of New York. We have no further requests, Mr. Chairman.

The CHAIRMAN. Under the rule, the bill is considered as read. Committee amendments are in order.

Mr. COOPER. Mr. Chairman, I have a series of seven committee amendments, and I ask unanimous consent that they be considered as read and printed in the RECORD, and considered en bloc.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The committee amendments are as follows:

Committee amendment No. 1: On page 13, after line 2, insert the following:

"(M) Blocked foreign income: There shall be excluded income derived from sources within any foreign country to the extent that such income would, but for monetary, exchange, or other restrictions imposed by such foreign country, have been includible in the gross income of the taxpayer for any taxable year which preceded its first taxable year under this subchapter. The determination of the extent to which income so derived shall be considered to have been includible, but for such restrictions, in the gross income of the taxpayer for years which preceded its first taxable year under this subchapter shall be made under regulations prescribed by the Secretary. Where income derived from sources within any foreign country is includible (without regard to this sentence) in a taxable year succeeding the first taxable year under this subchapter, and but for monetary, exchange, or other restrictions imposed by such foreign country would have been includible in the gross income of the taxpayer for its first taxable year under this subchapter, such income, in case such first taxable year began before July 1, 1950, shall be considered (in the application of this subparagraph) as having been includible in gross income of a taxable year which preceded such first taxable year in an amount equal to that portion of such income as the number of days prior to July 1, 1950, in such first taxable year bears to the total number of days in such first taxable year. Deductions properly chargeable and allocable to income included under this subparagraph shall not be allowed."

Committee amendment No. 2: Page 72, line 5, strike out "average of the."

Committee amendment No. 3: Page 73, line 7, strike out "defined in section 437 (b)" and insert in lieu thereof the following: "computed under section 437 (b) without regard to the last sentence thereof."

Committee amendment No. 4: Page 73, line 17, insert after "telephone service," the following: "telegraph service."

Committee amendment No. 5: Page 73, line 20, strike out "(2)" and insert "(3)."

Page 74, after line 5, insert the following:

"(2) 6 percent in the case of a corporation engaged as a common carrier in the furnishing or sale of transportation by pipe line of oil or gas, if subject to the jurisdiction of the Interstate Commerce Commission or the Federal Power Commission."

Page 74, line 6, strike out "(2)" and insert "(3)."

Page 74, strike out lines 13 to 15, inclusive, and insert in lieu thereof the following:

"(d) For the purpose of this subchapter the term 'regulated public utility' means a corporation described in subsection (c) substantially all of whose excess profits net income for the taxable year is derived from sources described in subsection (c)."

Committee amendment No. 6: Page 75, strike out line 20 and all that follows through line 5 on page 76 and insert in lieu thereof the following:

"(a) Exemption from tax: In the case of any domestic corporation engaged in the mining of a strategic mineral or a critical mineral, the portion of the adjusted excess-profits net income attributable to such mining in the United States shall be exempt from the tax imposed by this subchapter. The tax on the remaining portion of such adjusted excess-profits net income shall be an amount which bears the same ratio to the tax computed without regard to this section as such remaining portion bears to the entire adjusted excess-profits net income.

"(b) Definitions: For the purposes of this section—

"(1) the term 'strategic mineral' means antimony, chromite, manganese, nickel, platinum (including the platinum group metals), quicksilver, sheet mica, tantalum, tin, tungsten, vanadium, fluorspar, flake graphite, vermiculite, long-fiber asbestos in the form of amosite, chrysotile or crocidolite, beryl, cobalt, columbite, corundum, diamonds, kyanite (if equivalent in grade to Indian kyanite), monazite, quartz crystals, and uranium, and any other mineral which the certifying agency has certified to the Secretary as being essential to the defense effort of the United States and as not having been normally produced in appreciable quantities within the United States.

"(2) the term 'critical mineral' means a mineral (other than a strategic mineral) (A) which the certifying agency has certified to the Secretary that additional production thereof within the United States is essential for the defense effort, and (B) which is mined from—

"(i) a mineral property which was developed and brought into production subsequent to June 25, 1950; or

"(ii) a mineral property which has been in production prior to June 25, 1950, but was not in production on such date; or

"(iii) a mineral property from which, during the period it was in production during 1946, 1947, 1948, and 1949, the aggregate gross income derived therefrom was less than the aggregate of the deductions (allowable under section 23 without regard to any net operating loss deduction) attributable to such property during such period of production.

"(3) the term 'certifying agency' means the department, official, corporation, or agency utilized or created to carry out the authority of the President under section 303 (a) of the Defense Production Act of 1950 to make provision for the encouragement of exploration, development, and mining of critical and strategic minerals and metals.

"(c) Certification during taxable year of taxpayer: In determining under subsection (a) the portion of the adjusted excess profits net income which is attributable to the mining of a mineral which is a strategic or critical mineral by reason of a certification made during the taxable year, such portion shall be an amount which bears the same ratio to the portion of the adjusted excess profits net income, determined without regard to this subsection, attributable to such mining during the entire taxable year as the number of days for which the taxpayer held the mineral property during the taxable year and after the date of the making of the certification bears to the number of days for which the taxpayer held the property during such taxable year.

"(d) Application of section to lessor: In the case of a mining property operated under a lease, income attributable to such property derived by a lessor corporation shall, for the purposes of this section, be considered to be income of a corporation engaged in mining."

Committee amendment No. 7: Page 94, strike out line 14 and all that follows down through line 2 on page 95.

Mr. COOPER. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD in brief explanation of the amendments.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Committee amendment No. 1: This amendment deals with the treatment for excess-profits-tax purposes of blocked foreign income. United States corporations engaged in foreign operations have been unable to return from many foreign countries a substantial part of the income earned in those countries because of monetary, exchange, or other restrictions imposed by the foreign countries. In many cases income so blocked is reported for tax purposes in the taxable year when the income is convertible into dollars, instead of in the taxable year in which the income was actually earned. This amendment provides that the excess-profits tax shall not apply to income which, but for monetary

restrictions imposed by a foreign country, would have been reportable for tax purposes for a period prior to the excess-profits-tax years.

Committee amendments Nos. 2 and 3: These are technical amendments to correct technical errors in the bill as reported.

Committee amendment No. 4: This amendment inserts a reference to telegraph service, to correct an inadvertent omission in the provisions of the bill dealing with regulated public utilities.

Committee amendment No. 5: This amendment inserts a reference to common carriers of oil and gas by pipe line, thereby extending to such carriers the provisions of the bill dealing with regulated public utilities.

Committee amendment No. 6: This amendment deals with the exemption from the excess-profits tax of income attributable to the mining of strategic and critical minerals. Under the World War II excess-profits-tax law, income derived from the mining of strategic minerals was exempt from the tax. The bill as reported contained the provisions of the old law. This amendment adds other minerals to the list of strategic minerals which your committee believes to be in the category of strategic minerals. The amendment extends the same treatment to minerals not specifically named in the bill upon certification by the Defense Minerals Administration as being strategic or critical minerals. In the case of critical minerals, however, the certification applies only in respect of mining from—

(i) a mineral property which was developed and brought into production subsequent to June 25, 1950; or

(ii) a mineral property which has been in production prior to June 25, 1950, but was not in production on such date; or

(iii) a mineral property from which, during the period it was in production during 1946, 1947, 1948, and 1949, the aggregate gross income derived therefrom was less than the aggregate of the deductions (allowable under section 23, without regard to any net operating loss deduction) attributable to such property during such period of production.

Committee amendment No. 7: This amendment corrects a technical mistake in drafting to conform the bill with the policy agreed upon in the committee.

Mr. REED of New York. Mr. Chairman, I rise in opposition to the amendments.

Mr. Chairman, I just want to call the attention of the House to this series of technical amendments. It just goes to show the House the lack of consideration given to this bill. The provisions in it were so inequitable, so unsound, so unjust that now we find the committee in the last minute trying to correct their failures in bringing out this bill so lacking in its essentials. If they wanted to perfect this bill at all, they would be in here not with seven amendments; they would be in here with 50 amendments or more. That is not the way to legislate. So you can see that while this may make some slight improvement, this is only just a little bit of the work which should have been done by the committee before it came into this House and asked this House to support this bill.

Mr. COOPER. Mr. Chairman, I ask for recognition.

Mr. Chairman, the fact is that each of these seven amendments were considered by the Committee on Ways and Means and adopted by the committee and turned over to the drafting service to draft the amendments. The amendments are presented here for the purpose of carrying out the action taken by the committee during the consideration of this bill.

Mr. Chairman, I ask for a vote on the amendments.

The CHAIRMAN. The question is on the amendments offered by the gentlemen from Tennessee.

The amendments were agreed to.

The CHAIRMAN. Are there further amendments?

Mr. COOPER. There are no further amendments, Mr. Chairman.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WALTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, pursuant to House Resolution 872, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. REED of New York. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. REED of New York. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. REED of New York moves to recommit the bill H. R. 9827 to the Committee on Ways and Means with instructions to report it back forthwith with the following amendments:

"(1) Strike out the figure '85%' in sections 435 (a) (I) (A) and 435 (a) (2) of H. R. 9827, and insert in lieu thereof the figure '100%.'

"(2) That the following new section be added at the end of title II of the bill:

"'SEC. 206. Increase of corporate surtax rate.

"'Section 15 (b) of the Internal Revenue Code, relating to rates of corporate surtax, is hereby amended to read as follows:

"'"(b) Imposition of tax:

"'"(1) Taxable years beginning after June 30, 1950: In the case of taxable years beginning after June 30, 1950, there shall be levied, collected, and paid for each taxable year upon the corporation surtax net income of every corporation (except a corporation subject to a tax imposed by section 231 (a), Supplement G, or Supplement Q) a surtax of 25 percent of the amount of the corporation surtax net income in excess of $25,000.

"'"(2) Calendar year 1950: In the case of a taxable year beginning on January 1, 1950, and ending on December 31, 1950, there shall be levied, collected, and paid for such taxable year upon the corporation surtax net income of every corporation (except a corporation subject to a tax imposed by section 231 (a), Supplement G, or Supplement Q) a surtax of 21¼ percent of the amount of the corporation surtax net income in excess of $25,000.

"'"(3) Other taxable years beginning before July 1, 1950: In the case of taxable years (other than the calendar year 1950, to which paragraph (2) applies) beginning before July 1, 1950, there shall be levied, collected, and paid for each taxable year upon the corporation surtax net income of every corporation (except a Western Hemisphere trade corporation as defined in section 109, and except a corporation subject to a tax imposed by section 231 (a), Supplement G, or Supplement Q) a surtax as follows:

"'"(A) Surtax net incomes not over $25,000: Upon corporation surtax net incomes not over $25,000, 6 percent of the amount thereof.

"'"(B) Surtax net incomes over $25,000 but not over $50,000: Upon corporation surtax net incomes over $25,000, but not over $50,000, $1,500 plus 22 percent of the amount of the corporation surtax net income over $25,000.

"'"(C) Surtax net incomes over $50,000: Upon corporation surtax net incomes over $50,000, 14 percent of the corporation surtax net income.

For computation of tax in case the taxable year ends after June 30, 1950, see section 108 (f).'"'"

Mr. REED of New York (interrupting the reading of the motion to recommit). Mr. Speaker, in order to save the time of the House at this late hour, may I say that I have explained to the House the purpose of this motion to recommit and I think everybody understands it. Therefore, I ask unanimous consent that the further reading of the motion to recommit be dispensed with.

Mr. EBERHARTER. Reserving the right to object, Mr. Speaker, I want to know if the motion has been technically drawn.

Mr. REED of New York. Yes, it is technically drawn, more so than your bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COOPER. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

Mr. REED of New York. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 145, nays 252, answered "present" 1, not voting 31, as follows:

[Roll No. 290]

YEAS—145

Allen, Calif.	Bennett, Mich.	Chiperfield
Allen, Ill.	Bishop	Clevenger
Anderson, Calif.	Blackney	Cole, Kans.
Andresen, August H.	Boggs, Del.	Cole, N. Y.
	Bolton, Ohio	Corbett
Angell	Bramblett	Cotton
Arends	Brehm	Coudert
Auchincloss	Brown, Ohio	Crawford
Barrett, Wyo.	Byrnes, Wis.	Cunningham
Bates, Mass.	Case, N. J.	Curtis
Beall	Case, S. Dak.	Dague

Davis, Wis.
D'Ewart
Dolliver
Dondero
Elsworth
Elston
Engel, Mich.
Fellows
Fenton
Ford
Fulton
Gamble
George
Golden
Goodwin
Graham
Guill
Gwinn
Hale
Hall,
Leonard W.
Halleck
Hand
Harden
Harvey
Heselton
Hill
Hinshaw
Hoeven
Hoffman, Ill.
Holmes
Hope
Horan
Jackson, Calif.
James
Jenison
Jenkins
Jensen
Johnson
Jonas
Judd
Kean
Keating
Kennedy
Kilburn
Kunkel
Latham
LeCompte
LeFevre
Lodge
Lovre
McConnell
McCulloch
McDonough
McGregor
Mack, Wash.
Macy
Martin, Iowa
Martin, Mass.
Mason
Merrow
Michener
Miller, Md.
Miller, Nebr.
Morton
Nelson
Nicholson
Norblad
O'Hara, Minn.
Patterson
Pfeiffer,
William L.
Phillips, Calif.
Plumley
Potter
Poulson
Reed, Ill.
Reed, N. Y.
Rees
Rich
Riehlman
Rogers, Mass.
Sadlak
St. George
Sanborn
Saylor
Scott, Hardie
Scott,
Hugh D., Jr.
Scrivner
Scudder
Shafer
Short
Simpson, Ill.
Simpson, Pa.
Smith, Kans.
Smith, Wis.
Stefan
Stockman
Taber
Talle
Taylor
Tollefson
Towe
Velde
Vorys
Vursell
Wadsworth
Weichel
Werdel
Widnall
Wigglesworth
Wilson, Ind.
Wolcott
Wolverton
Woodruff

NAYS—252

Abbitt
Abernethy
Addonizio
Albert
Allen, La.
Andersen,
H. Carl
Andrews
Aspinall
Bailey
Barden
Baring
Barrett, Pa.
Battle
Beckworth
Bennett, Fla.
Bentsen
Biemiller
Blatnik
Boggs, La.
Bolling
Bolton, Md.
Bosone
Boykin
Breen
Brooks
Brown, Ga.
Bryson
Buchanan
Buckley, Ill.
Buckley, N. Y.
Burdick
Burke
Burleson
Burnside
Burton
Byrne, N. Y.
Camp
Canfield
Cannon
Carlyle
Carnahan
Carroll
Celler
Chatham
Chelf
Chesney
Christopher
Chudoff
Clemente
Colmer
Combs
Cooley
Cooper
Crook
Davis, Ga.
Davis, Tenn.
Dawson
Deane
DeGraffenried
Delaney
Denton
Dingell
Dollinger
Donohue
Doughton
Douglas
Durham
Eberharter
Elliott
Engle, Calif.
Evins
Fallon
Feighan
Fernandez
Fisher
Flood
Fogarty
Forand
Frazier
Fugate
Furcolo
Garmatz
Gary
Gathings
Gilmer
Gordon
Gore
Gorski
Gossett
Granahan
Granger
Grant
Green
Gregory
Gross
Hagen
Hall,
Edwin Arthur
Hardy
Hare
Harris
Harrison
Hart
Havenner
Hays, Ark.
Hays, Ohio
Hébert
Hedrick
Heffernan
Heller
Herlong
Hobbs
Holifield
Howell
Huber
Hull
Irving
Jackson, Wash.
Jacobs
Javits
Jones, Ala.
Jones, Mo.
Jones,
Hamilton C.
Jones,
Woodrow W.
Judd
Karst
Karsten
Kean
Kearney
Keating
Kelly, N. Y.
Kennedy
Keogh
Kerr
Kilburn
Kilday
King
Kirwan
Klein
Kruse
Lane
Lanham
Larcade
Lind
Linehan
Lucas
Lyle
Lynch
McCarthy
McCormack
McGrath
McKinnon
McMillan, S. C.
McSweeney
Mack, Ill.
Madden
Magee
Mahon
Mansfield
Marcantonio
Marsalis
Marshall
Miles
Miller, Calif.
Mills
Mitchell
Monroney
Morgan
Morris
Moulder
Multer
Murdock
Murphy
Murray, Tenn.
Murray, Wis.
Noland
Norrell
Norton
O'Brien, Ill.
O'Brien, Mich.
O'Hara, Ill.
O'Neill
O'Sullivan
O'Toole
Pace
Passman
Patten
Perkins
Peterson
Phillips, Tenn.
Pickett
Poage
Polk
Powell
Preston
Price
Priest
Quinn
Rabaut
Rains
Ramsay
Rankin
Redden
Regan
Rhodes
Ribicoff
Richards
Rivers
Robeson
Rodino
Rogers, Fla.
Rooney
Sabath
Sadowski
Sasscer
Secrest
Shelley
Sheppard
Sikes
Sims
Smathers
Smith, Va.
Spence
Staggers
Stanley
Steed
Stigler
Sullivan
Sutton
Tackett
Taurielio
Teague
Thomas
Thompson
Thornberry
Trimble
Underwood
Vinson
Wagner
Walsh
Walter
Welch
Wheeler
White, Calif.
Whittington
Wickersham
Wier
Williams
Willis
Wilson, Okla.
Wilson, Tex.
Winstead
Withrow
Wood
Woodhouse
Yates
Young
Zablocki

ANSWERED "PRESENT"—1

Cox

NOT VOTING—31

Bates, Ky.
Bonner
Cavalcante
Crosser
Davenport
Davies, N. Y.
Eaton
Gavin
Gillette
Herter
Hoffman, Mich.
Jennings
Kearns
Kee
Keefe
Kelley, Pa.
Lichtenwalter
McGuire
McMillen, Ill.
Morrison
O'Konski
Patman
Pfeifer
Joseph L.
Philbin
Roosevelt
Smith, Ohio
Van Zandt
Whitaker
White, Idaho
Whitten

So the motion to recommit was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Herter for, with Mr. Cox against.

Mr. Kearns for, with Mr. Roosevelt against.

Mr. Hoffman of Michigan for, with Mr. Bonner against.

Mr. Smith of Ohio for, with Mr. Morrison against.

Mr. Lichtenwalter for, with Mr. Whitaker against.

Mr. Gillette for, with Mr. McGuire against.

Mr. Gavin for, with Mr. Kelly of Pennsylvania against.

Mr. Eaton for, with Mr. Crosser against.

Mr. McMillen of Illinois for, with Mr. Philbin against.

Until further notice:

Mr. Whitten with Mr. Keefe.

Mr. Bates of Kentucky with Mr. O'Konski.

Mr. Patman with Mr. Van Zandt.

Mr. Kee with Mr. Jennings.

Mr. Joseph L. Pfeifer with Mr. Kearney.

Mr. COX. Mr. Speaker, I have a live pair with the gentleman from Massachusetts, Mr. HERTER. If he were present he would have voted "yea." I voted "nay." I withdraw my vote and vote "present."

The result of the vote was announced as above recorded.

The SPEAKER. The question is on the passage of the bill.

Mr. DOUGHTON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 378, nays 20, not voting 31, as follows:

[Roll No. 291]

YEAS—378

Abbitt
Abernethy
Addonizio
Albert
Allen, Calif.
Allen, Ill.
Allen, La.
Andersen,
H. Carl
Andresen,
August H.
Andrews
Angell
Arends
Aspinall
Auchincloss
Bailey
Barden
Baring
Barrett, Pa.
Barrett, Wyo.
Bates, Mass.
Battle
Beall
Beckworth
Bennett, Fla.
Bennett, Mich.
Bentsen
Biemiller
Bishop
Blackney
Blatnik
Boggs, Del.
Boggs, La.
Bolling
Bolton, Md.
Bolton, Ohio
Bosone
Boykin
Bramblett
Breen
Brehm
Brooks
Brown, Ga.
Brown, Ohio
Bryson
Buchanan
Buckley, Ill.
Buckley, N. Y.
Burdick
Burke
Burleson
Burnside
Burton
Byrne, N. Y.
Camp
Canfield
Cannon
Carlyle
Carnahan
Carroll
Case, N. J.
Case, S. Dak.
Celler
Chatham
Chelf
Chesney
Chiperfield
Christopher
Chudoff
Clemente
Cole, Kans.
Cole, N. Y.
Colmer
Combs
Cooley
Cooper
Corbett
Cotton
Coudert
Cox
Crook
Cunningham
Curtis
Dague
Davis, Ga.
Davis, Tenn.
Davis, Wis.
Dawson
Deane
DeGraffenried
Delaney
Denton
D'Ewart
Dingell
Dollinger
Dolliver
Dondero
Donohue
Doughton
Douglas
Doyle
Durham
Eberharter
Elliott
Ellsworth
Elston
Engel, Mich.
Engle, Calif.
Evins
Fallon
Feighan
Fellows
Fenton
Fernandez
Fisher
Flood
Fogarty
Forand
Ford
Frazier
Fugate
Fulton
Furcolo
Gamble
Garmatz
Gary
Gathings
George
Gilmer
Golden
Goodwin
Gordon
Gore
Gorski
Gossett
Graham
Granahan
Granger
Grant
Green
Gregory
Gross
Guill
Gwinn
Hagen
Hale
Hall,
Edwin Arthur
Hall,
Leonard W.
Halleck
Hand
Harden
Hardy
Hare
Harris
Harrison
Hart
Harvey
Havenner
Hays, Ark.
Hays, Ohio
Hébert
Hedrick
Heffernan
Heller
Herlong
Heselton
Hill
Hinshaw
Hobbs
Hoeven
Hoffman, Ill.
Holifield
Holmes
Hope
Horan
Howell
Huber
Hull
Irving
Jackson, Calif.
Jackson, Wash.
Jacobs
James
Javits
Jenison
Jenkins
Johnson
Jonas
Jones, Ala.
Jones, Mo.
Jones,
Hamilton C.
Jones,
Woodrow W.
Judd
Karst
Karsten
Kean
Kearney
Keating
Kelly, N. Y.
Kennedy
Keogh
Kerr
Kilburn
Kilday
King
Kirwan
Klein
Kruse
Kunkel
Lane
Lanham
Larcade
Latham
LeCompte
LeFevre
Lichtenwalter
Lind
Linehan
Lodge
Lovre
Lucas
Lyle
Lynch
McCarthy
McConnell
McCormack
McCulloch
McDonough
McGrath
McGregor
McKinnon
McMillan, S. C.
McSweeney
Mack, Ill.
Mack, Wash.
Macy
Madden
Magee
Mahon
Mansfield
Marcantonio
Marsalis
Marshall
Martin, Iowa
Martin, Mass.
Merrow
Michener
Miles
Miller, Calif.
Miller, Md.
Miller, Nebr.
Mills
Mitchell
Monroney
Morgan
Morris
Morton
Moulder
Multer
Murdock
Murphy
Murray, Tenn.
Murray, Wis.
Nelson
Nicholson
Noland
Norblad
Norrell
Norton
O'Brien, Ill.
O'Brien, Mich.
O'Hara, Ill.
O'Neill
O'Sullivan
O'Toole
Pace
Passman
Patten
Patterson
Perkins
Peterson
Pfeiffer,
William L.
Phillips, Tenn.
Pickett
Poage
Polk
Potter
Poulson
Preston
Price
Priest
Quinn
Rabaut
Rains
Ramsay
Rankin
Redden
Rees
Regan
Rhodes
Ribicoff
Richards
Riehlman
Rivers
Robeson
Rodino
Rogers, Fla.
Rogers, Mass.
Rooney
Sabath
Sadlak
Sadowski
St. George
Sanborn
Sasscer
Saylor
Scott, Hardie
Scott,
Hugh D., Jr.
Scrivner
Scudder
Secrest
Shelley
Sheppard
Short
Sikes
Simpson, Ill.

Sims	Thornberry	Wickersham
Smathers	Tollefson	Widnall
Smith, Va.	Towe	Wier
Spence	Trimble	Wigglesworth
Staggers	Underwood	Williams
Stanley	Velde	Willis
Steed	Vinson	Wilson, Okla.
Stefan	Vorys	Wilson, Tex.
Stigler	Vursell	Winstead
Sullivan	Wagner	Withrow
Sutton	Walsh	Wolcott
Tackett	Walter	Wolverton
Talle	Weichel	Wood
Tauriello	Welch	Woodhouse
Taylor	Werdel	Yates
Teague	Wheeler	Young
Thomas	White, Calif.	Zablocki
Thompson	Whittington	

NAYS—20

Anderson, Calif.	Plumley	Smith, Wis.
Byrnes, Wis.	Reed, Ill.	Stockman
Clevenger	Reed, N. Y.	Taber
Crawford	Rich	Wadsworth
Jensen	Shafer	Wilson, Ind.
Mason	Simpson, Pa.	Woodruff
Phillips, Calif.	Smith, Kans.	

NOT VOTING—31

Bates, Ky.	Jennings	Pfeifer,
Bonner	Kearns	Joseph L.
Cavalcante	Kee	Philbin
Crosser	Keefe	Powell
Davenport	Kelley, Pa.	Roosevelt
Davies, N. Y.	McGuire	Smith, Ohio
Eaton	McMillen, Ill.	Van Zandt
Gavin	Morrison	Whitaker
Gillette	O'Hara, Minn.	White, Idaho
Herter	O'Konski	Whitten
Hoffman, Mich.	Patman	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Herter for, with Mr. Hoffman of Michigan against.

Mr. Kearns for, with Mr. Smith of Ohio against.

Until further notice:

Mr. Roosevelt with Mr. Eaton.
Mr. Morrison with Mr. Gavin.
Mr. Bonner with Mr. Gillette.
Mr. Whitaker with Mr. Jennings.
Mr. Whitten with Mr. Van Zandt.
Mr. McGuire with Mr. O'Konski.
Mr. Kelley of Pennsylvania with Mr. McMillen of Illinois.
Mr. Crosser with Mr. Keefe.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS ON TAX BILL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

GRANTING PRIVILEGE OF BECOMING NATURALIZED CITIZENS OF THE UNITED STATES

Mr. SABATH, from the Committee on Rules, reported the following privileged resolution (H. Res. 874, Rept. No. 3149), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9780) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

MEMBERS OF CONGRESS TO ATTEND COMMONWEALTH ASSOCIATION IN AUSTRALIA AND NEW ZEALAND

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of Senate Concurrent Resolution 105.

The Clerk read the Senate concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Vice President and the Speaker of the House of Representatives are authorized to appoint four Members of the Senate and four Members of the House of Representatives, respectively, to attend the next general meeting of the Commonwealth Parliamentary Association to be held in Australia or New Zealand and to designate the chairmen of the delegations from each of the Houses to be present at such meeting. The expenses incurred by the members of the delegations and staff appointed for the purpose of carrying out this concurrent resolution shall not exceed $10,000 for each of the delegations and shall be reimbursed to them from the contingent fund of the House of which they are Members, upon submission of vouchers approved by the chairman of the delegation of which they are members.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, and I am not going to object, I understand this resolution has already been passed by the Senate and must be passed by the House at the earliest possible moment?

Mr. RICHARDS. That is correct.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Illinois [Mr. VELDE] is recognized for 30 minutes.

INDICTMENT OF STEVE NELSON, DR. JOSEPH W. WEINBERG, ET AL.

Mr. VELDE. Mr. Speaker, last Thursday, November 30, I made the statement that I was going to ask for time this week to give in detail points concerning Steve Nelson and Dr. Joseph W. Weinberg, commonly known as Scientist X. These two men were among those cited by the House of Representatives last August 10, 1950, for refusal to answer questions by the House Un-American Activities Committee. There was an overwhelming vote at that time by the House favoring such action. Out of the 56 persons cited, 17 have now been indicted for contempt of Congress by grand juries.

Yesterday I received a piece of very gratifying news. On Monday morning Steve Nelson was indicted by a grand jury, along with four others, Irving David Fox, Giovanni Rossi Lomanitz, David Bohm, and Marcel Scherer. I want to congratulate the members of the grand jury on this action. I also want to congratulate United States Attorney Fay for his expeditious handling of these indictments. I hope and urge that Attorney Fay and his staff will be just as prompt in prosecuting these cases as he was in bringing them before the grand jury.

I rejoice more over the news concerning Steve Nelson, because to me he appears probably the most dangerous organizer the Soviet Union has ever trained and placed in this country. Steve Nelson has roamed this land, comparatively unmolested, and preached his Godless gospel to workers in all types of factories and plants, labor union groups, groups of young and impressionable students as well as teachers in schools and universities. In general he has managed to insinuate himself into almost every segment of our population's economy, as well as thought. No one man has been given more free rein in spreading the vicious propaganda designed to enslave our people by Soviet Russia. Steve Nelson has used our country in many ways, and has been protected by wealthy and influential friends, even managing to influence certain Members of Congress. There is no doubt about it, he is a master organizer and a very willing tool of Joe Stalin. I rejoice that he has finally been brought to heel, and will be happy to see the day his power is destroyed, and he will no longer be able to influence any part of our American people in their thinking. His case brings to my mind a quotation often heard:

The mills of God grind slowly, yet they grind exceeding small.

I would like to refer you to two reports published by the House Un-American Activities Committee, entitled "Hearings Regarding Steve Nelson, Including Foreword," dated June 8, 1949, and "Report on Atomic Espionage (Nelson-Weinberg-Hiskey-Adams Cases), dated September 29, 1949." A careful reading of just these two reports should convince any doubting Thomases among you that Steve Nelson and others of his ilk are no idle threat to America. For those who do not care to obtain these reports, I might refer you to the August 9 issue of the CONGRESSIONAL RECORD of this past session, where I was able to have placed a fund of information on Steve Nelson and others.

Now, taking up the case of Dr. Joseph W. Weinberg, or Scientist X. This case is one of which I have personal knowledge. I was assigned during the war years to the Berkeley, Calif., territory as an FBI agent. Dr. Weinberg was attached to the teaching staff of the University of California in Berkeley, Calif., as a research physicist, working, by the way, on part of the formula connected with the atomic bomb, and his activities drew the attention of the FBI, along with

a group of other research physicists. Scientist X was, of course, tied in with the activities of Steve Nelson, being used by him to get information for Russia concerning the work on the atomic bomb.

Mr. Speaker, at this point I ask unanimous consent to insert excerpts from a report of the Committee on Un-American Activities entitled "Report on Atomic Espionage—Nelson-Weinberg and Hiskey-Adams Cases."

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The excerpts are as follows:

REPORT ON ATOMIC ESPIONAGE

(Nelson-Weinberg and Hiskey-Adams cases)

SCIENTIST X CASE

This case deals with the activities of that branch of the Communist espionage apparatus which operated on the Pacific coast, particularly within the radiation laboratory of the University of California at Berkeley which was engaged in certain activities in connection with the development of the atomic bomb. This case, in the past, has been identified by the committee as the Scientist X case. The committee, as a result of an investigation pursued this year, has received testimony identifying the scientist involved in this case as Joseph Woodrow Weinberg.

Previous reports regarding the Scientist X case have identified Steve Mesarosh, alias Louis Evans, alias Steve Nelson, as the Communist espionage agent who was engaged in securing information regarding the development of the atomic bomb from Scientist X.

Under the guidance of Steve Nelson, infiltration of the radiation laboratory actually began in other ways. A cell was developed within the laboratory consisting of five or six young physicists. The existence of the cell has been established in sworn testimony before this committee. According to a sworn statement by a witness, Giovanni Rossi Lomanitz was the principal Communist Party organizer. The records of this committee also reflect that David Bohm, presently a professor of physics at Princeton University, was also a member of this cell. Upon two occasions both Giovanni Rossi Lomanitz and David Bohm declined to answer questions regarding their respective memberships in this cell upon the ground that to do so might tend to incriminate them.

The details of the meeting between Nelson and Scientist X are set forth as follows:

Late one night in March 1943, a scientist at the University of California, who identified himself as "Joe" went to the home of Steve Nelson, after having made arrangements earlier in the evening with Steve Nelson's wife to meet Nelson at Nelson's home. When Joe arrived at Nelson's home, Nelson was not present but arrived at about 1:30 on the morning of the following day. Upon his arrival at his home, Nelson greeted Joe and the latter told him that he had some information that he thought Nelson could use. Joe then furnished highly confidential information regarding the experiments conducted at the radiation laboratories of the University of California at Berkeley. At the time this occurred, the radiation laboratories at Berkeley were engaged in vital work in the development of the atomic bomb.

Several days after Nelson had been contacted by Joe, Nelson contacted the Soviet consulate in San Francisco and arranged to meet Peter Ivanov, the Soviet vice consul, at some place where they could not be observed. Ivanov suggested that he and Nelson meet at the "usual place."

As a result of the surveillance that was being kept on Nelson, the meeting between Nelson and Ivanov was found to take place in the middle of an open park on the St. Francis Hospital grounds in San Francisco. At this meeting, Nelson transferred an envelope or package to Ivanov. A few days after this meeting between Nelson and Ivanov, on the St. Francis Hospital grounds, the third secretary of the Russian Embassy in Washington, a man by the name of Zubilin came to the Soviet consulate in San Francisco. Shortly after his arrival, Zubilin met Nelson in Nelson's home and at this meeting paid Nelson 10 bills of unknown denominations.

When Nelson testified before the committee in September 1948, he refused to answer all pertinent questions on the ground that his answers would tend to incriminate him. During this interrogation, he was asked whether he was acquainted with Vassili Zubilin, of the Soviet Embassy, and refused to answer on the ground that to do so might incriminate him.

EXTRACTS FROM INTELLIGENCE REPORTS—SCIENTIST X CASE

During the course of the committee's investigation of the Scientist X case, certain information contained in reports made by intelligence agents was obtained by the committee. An extract from one of these reports reads as follows:

"A very reliable and highly confidential informant advised that certain instructions had been given by Steve Nelson, who was at the time a member of the national committee of the Communist Party of the United States, to the scientist identified herein as Joseph W. Weinberg, a research physicist connected with the atomic bomb at the University of California, at Berkeley, Calif. The instructions were that Weinberg should furnish Nelson with information concerning the atomic bomb project so that Nelson could, in turn, deliver it to the proper officials of the Soviet Government. Nelson advised Weinberg to furnish him any information which he might obtain from trustworthy Communists working on the atomic project; he, Nelson, being of the belief that collectively the Communist scientists working on the project could assemble all the information regarding the manufacture of the atomic bomb. Nelson told Weinberg that all Communists engaged on the atomic-bomb project should destroy their Communist Party membership books, refrain from using liquor, and use every precaution regarding their espionage activities."

At the time of this meeting, according to an extract from an intelligence report, Weinberg furnished Nelson with information regarding the experiments which had been conducted in connection with the development of the atomic bomb at the radiation laboratories of the University of California. The information furnished Nelson by Weinberg was taken down in the form of notes by Nelson.

An extract from a report filed with the committee states that Weinberg, while employed on the atomic bomb project, had as his closest associates Giovanni Rossi Lomanitz, David Joseph Bohm, Max Bernard Friedman, and Irving David Fox, all of whom have refused to answer questions propounded by the committee regarding Communist Party activities and associations on the ground of self-incrimination.

Regarding the identity of the scientist as the person who furnished information concerning the atomic bomb to Steve Nelson in March of 1943, the following is an extract from testimony given to the committee during the month of August 1949 by James Sterling Murray, presently assistant to the president of the Lindsay Light & Chemical Co., West Chicago, Ill., and formerly officer in charge of security and intelligence in the San Francisco, Calif., area for the Manhattan Engineering District, which was the division of the United States Army charged with the development and production of the atomic bomb:

"Mr. MURRAY. A highly confidential informant informed our office that an unidentified scientist at the radiation laboratories had disclosed certain secret information about the Manhattan engineering project to a member of the Communist Party in San Francisco, and this confidential informant went on to say that such information was transmitted to the Russian consulate in San Francisco and later was on its way to Washington, D. C., and later out of the country in a diplomatic pouch. This was the only allegation we had to begin with, but through information which the confidential informant was able to supply us on the background of the particular scientist, we finally narrowed it down and definitely fixed the scientist as Weinberg."

In addition to the identification mentioned above, it should be pointed out that a number of persons who were engaged in the investigation of the Scientist X case have been interrogated by the committee, and/or its staff, and the identification made by Witness Murray has been concurred in by these other persons.

On Tuesday, April 26, 1949, Steve Nelson was again a witness before the Committee on Un-American Activities. On this occasion, Joseph W. Weinberg was brought face to face with Steve Nelson, and when Steve Nelson was asked the question as to whether he was acquainted with Weinberg, he refused to answer on the ground that to answer might tend to incriminate him.

Upon two occasions, Joseph W. Weinberg, in appearances before the committee, specifically denied having furnished any information regarding the atomic bomb to Steve Nelson. This is in direct contradiction to the testimony of James Sterling Murray and other witnesses who have appeared before the committee.

The committee, during its investigation, devoted a great deal of time toward establishing the true facts regarding a meeting which was held in the home of Joseph Weinberg in Berkeley, Calif., in August 1943. According to information furnished by witnesses before the committee, this meeting was attended by Bernadette Doyle, who was secretary to Steve Nelson during the period he was the Communist Party organizer for Alameda County, Calif.; Steve Nelson; Giovanni Rossi Lomanitz; Irving David Fox; David Bohm; and Ken Max Manfred, formerly known as Max Bernard Friedman. As will be shown, Joseph Weinberg was present in his apartment in Berkeley, Calif., at the time this meeting was held. All of the persons mentioned as attendants at this meeting were employed by the Radiation Laboratory of the University of California, at Berkeley, with the exception of Bernadette Doyle and Steve Nelson. All of these persons were reported, during the course of the committee's investigation, as being members of the Communist Party.

All of the persons mentioned as having attended the meeting in the home of Joseph Weinberg in August 1943 were subpenaed as witnesses before the committee, with the exception of Bernadette Doyle. Witnesses Lomanitz, Nelson, Fox, Bohm, and Manfred declined to answer questions regarding this meeting upon the ground that to do so might tend to incriminate them. Joseph W. Weinberg was questioned regarding this meeting upon two occasions by the committee, and denied that such a meeting had ever been held in his home, and further denied that he knew or had ever been acquainted with Steve Nelson and Bernadette Doyle.

Altogether Joseph Weinberg has appeared before the committee upon three occasions, and pertinent extracts of the testimony given

by him upon these appearances before the committee are being set forth as follows:

"QUESTION. I show you a photograph of an individual and ask if you have ever seen this person.

"Mr. WEINBERG. No; I have not seen him before.

"QUESTION. Mr. Chairman, I have shown the witness a picture of an individual known as Steve Nelson.

"Have you ever known this person under any name other than Steve Nelson?

"Mr. WEINBERG. So far as I can recollect, no.

"QUESTION. Mr. Weinberg, are you certain you have never seen this individual whose picture I have shown you [showing photograph to Mr. Weinberg]?

"Mr. WEINBERG. Within reason, I am.

"QUESTION. I have shown the witness a picture and he said he is reasonably certain he has never seen Steve Nelson. I am sure the witness is aware of the penalties of perjury. I am sure his counsel has advised him of the penalties of perjury before a committee of Congress.

"You are now viewing two pictures of Steve Nelson. That is not Mr. Nelson's real name. He is known under various names, but I ask you if you have ever seen that individual, if you ever saw him in the years 1942, 1943, 1944, or 1945.

"Mr. WEINBERG. So far as I know now I have never seen him. I don't think it is necessary to call your attention to the fact that you ask me about events that happened 5 years ago and that I have a very large circle of very casual acquaintances. Within those reasonable limits I would say I have not seen him.

"QUESTION. You have never seen that individual?

"Mr. WEINBERG. So far as I am aware.

"Mr. TAVENNER. Now, I believe you met Steve Nelson in Washington on April 26, 1949. Did you meet him prior to that time or had you met him prior to that time?

"Mr. WEINBERG. No.

"Mr. TAVENNER. Now, let me ask you if on or about the 17th day of August 1943 Steve Nelson came to your home at the address which you have just given, in Berkeley, Calif.?

"Mr. WEINBERG. I remember no such occasion.

"Mr. TAVENNER. Do I understand that you merely do not recollect or that you deny that he came there to visit you and that you saw him there?

"Mr. WEINBERG. The situation was more or less this, and perhaps I should take a moment to explain. At this time I had a very wide circle of acquaintances there. There were many people who dropped into my house. There were many students who brought friends and introduced them and who promptly walked out of my life thereafter. I exempt such possibilities when I say I do not recollect the occasion. That is, I would not be prepared to state emphatically and with absolute certainty that no such person ever dropped into my house. I would certainly be prepared to state emphatically that I had nothing significant to do with him at the time.

"Mr. TAVENNER. Do you know Bernadette Doyle?

"Mr. WEINBERG. No; I do not.

"Mr. TAVENNER. Is it not a fact that on the 17th day of August 1943 Steve Nelson and Bernadette Doyle visited you at your house?

"Mr. WEINBERG. I certainly don't remember any such visit. Or at least I don't remember the occasion.

"Mr. TAVENNER. I did not get the last answer.

"Mr. WEINBERG. I have no specific memory of such a visit or that it mattered or that a person by the name of Doyle was ever introduced to me.

"Mr. NIXON. Mr. Chairman, the witness has qualified several answers of late that he does not remember a visit that 'mattered,' and I think the record should be clear that that is not responsive to the question. Whether the visit mattered or not is not the point. It is whether or not these people visited him.

"Mr. WEINBERG. Well, then, sir, to the best of my ability, I would answer the question with a qualification that I do not remember such a visit, in the interests of saying strictly what I am qualified to say.

"Mr. WALTER. In other words, the visit made no impression?

"Mr. HARRISON. Nothing happened that would have made any impression on your mind?

"Mr. WEINBERG. That's correct. That was the intent of my remark that it did not matter.

"Mr. TAVENNER. Was there another occasion in 1943 on which Bernadette Doyle met you at the front door of your house and at which time you had a short conversation with her?

"Mr. WEINBERG. I remember no such occasion.

"Mr. TAVENNER. You still state that you have never met Bernadette Doyle?

"Mr. WEINBERG. Not to my knowledge.

"Mr. TAVENNER. Do you know now where Bernadette Doyle lived?

"Mr. WEINBERG. No; I do not.

"Mr. TAVENNER. Have you ever been to her house?

"Mr. WEINBERG. No.

"Mr. TAVENNER. Did you ever attend any of the meetings of the Young Communist League?

"Mr. WEINBERG. No.

"Mr. NIXON. Would you remember if Mr. Nelson had come to your house and spent an hour or so alone with you?

"Mr. WEINBERG. I think if Nelson had come to my house and introduced himself as some sort of high-ranking Communist and spoke to me for any length of time I would remember that occasion.

"Mr. CASE. Was that where you met Steve Nelson?

"Mr. WEINBERG. I certainly don't remember meeting Steve Nelson at that meeting or any other meeting."

Upon one occasion when Joseph Weinberg appeared before the committee, he was brought face to face with Steve Nelson, and the following is an extract from the testimony relating to a confrontation between Nelson and Weinberg upon this occasion:

"Mr. RUSSELL. Mr. Nelson, will you stand, please? Mr. Weinberg, will you face Mr. Nelson, the gentleman in back of you?

"Mr. Nelson, I ask you whether you are acquainted with this individual, Mr. Joseph Weinberg?

"Mr. NELSON. I refuse to answer that question on the ground that it may tend to incriminate me.

"Mr. RUSSELL. Mr. Weinberg, I ask you whether or not you are acquainted with Mr. Nelson, the gentleman facing you?

"Mr. WEINBERG. My only recollection of Mr. Nelson is a picture I have seen in the papers.

"Mr. RUSSELL. Are you acquainted with him?

Mr. WEINBERG. I am not acquainted with him.

"Mr. RUSSELL. Have you ever met Mr. Nelson?

"Mr. WEINBERG. I do not recall ever meeting Mr. Nelson. I do not believe I have ever met him."

With reference to the associations of Joseph W. Weinberg, Steve Nelson, and Bernadette Doyle, the following extracts from testimony presented to the committee by several witnesses on this point are being set forth herein. This testimony is in direct conflict with that of Joseph W. Weinberg.

"Mr. VELDE. You are satisfied that Dr. Joseph W. Weinberg was employed by the University of California in January 1943 and that he was engaged in work on the Manhattan project at that time?

"Mr. MURRAY. Yes. We were satisfied he was actively engaged in work on the project.

* * * * * *

"Mr. MURRAY. On August 12, 1943, we were conducting physical surveillance of Joseph W. Weinberg, and at approximately 5 o'clock in the afternoon a highly confidential informant advised us that there was to be some type of a meeting at Weinberg's home that evening, at which Steve Nelson and Bernadette Doyle would be present. I immediately instituted surveillance of the entire area by the agents assigned to our office, to watch the visitors in the Weinberg home, and I myself stationed myself next door to the Weinberg home. I believe it was located on Blake Street in Berkeley, Calif.

"At approximately 9 o'clock I observed a man known to me to be Steve Nelson, and a woman known to me to be Bernadette Doyle, approach the Weinberg home and enter therein. After their entry into the Weinberg home, I, in the company of Agents Harold Zindle and George Rathman, went to the roof of the apartment house which was immediately next door to the Weinberg home, and from an observation post on the roof I was able to look into the second-story apartment of Weinberg.

"I noted Weinberg, Steve Nelson, and Bernadette Doyle, in company with at least five other members, some of whom were employed by the Radiation Laboratory, seated around a table in the dining room of the Weinberg apartment.

"At approximately 9:20 p. m. Weinberg came to the window and attempted to adjust the window, it being a very hot and sticky night. He had some difficulty in raising the window, or lowering it, or something, and Steve Nelson came over to help him, at which time I was able to get a good look and identify him.

"Mr. VELDE. Just a minute, if you please. Do you have a picture of Weinberg? I think at this point possibly you had better have him identify it.

"Mr. APPELL. We have a newspaper picture.

"Mr. RUSSELL. While Nelson and Weinberg were at the window, did you observe whether or not any conversation took place between the two individuals?

"Mr. MURRAY. I did observe some conversation, but I think it only had to do with the window adjustment at that point. I observed them sitting around the table, at which time the conversation appeared to be very serious.

"Mr. RUSSELL. Do you recall the other persons around the table in Weinberg's apartment at this meeting you are describing?

"Mr. MURRAY. I don't recall all. I know Giovanni Rossi Lomanitz, David Bohm, Irving David Fox, Max Friedman. I know Max Friedman was there, but for a very short time. He was the first one to leave.

"Mr. RUSSELL. What other agents of the Manhattan Engineering District accompanied you on the occasion of this surveillance?

"Mr. MURRAY. Special Agents Harold Zindle and George Rathman.

"Mr. RUSSELL. Will you spell Rathman, please?

"Mr. MURRAY. R-a-t-h-m-a-n.

"Mr. RUSSELL. These two agents were also assigned to the Manhattan Engineering District, were they not?

"Mr. MURRAY. Yes; they were. I was their immediate superior.

"Mr. RUSSELL. Did you maintain a surveillance of the Weinberg apartment?

"Mr. MURRAY. Yes; we did. I believe the meeting broke up at about 10:15 p. m., at which time we saw a general shaking of hands and a general showing of disposition to leave, at which time I ran down to the street floor again and observed Nelson and Doyle leaving together. They turned east on Blake Street, and I turned east on Blake Street also, and was immediately in front of them. We proceeded up the street ap-

proximately 100 feet in that fashion, at which time I thought, for the purposes of the record, that I should make some face-to-face contact with Mr. Nelson, and so I swung on my heel and started west on Blake Street, and in so doing I touched the shoulder of Nelson. We both immediately pardoned each other, and I continued west on Blake Street, and my surveillance of the entire proceeding was at an end at that point.

"Mr. APPELL. Mr. Murray, I show you a picture and ask you if you can identify the person on the left as you look at the picture as being that of Steve Nelson?

"Mr. MURRAY. Yes; that is Steve Nelson as slightly older than when I knew him.

"Mr. APPELL. And that is the individual you bumped into on Blake Street in Berkeley, Calif.?

"Mr. MURRAY. Yes.

"Mr. VELDE. Let that be marked "Murray Exhibit 1" and received in evidence.

"Mr. RUSSELL. When you bumped into him, that was after he had left the residence of Joseph Weinberg?

"Mr. MURRAY. Yes.

"Mr. APPELL. I show you a picture that appeared in the Washington Post as of September 22, 1948, and ask if that is the individual you observed in the Blake Street residence with Steve Nelson?

"Mr. MURRAY. Yes. I identify the picture as the picture of Dr. Joseph Weinberg, and as the individual who was in his own apartment sitting around the table with Mr. Nelson.

"Mr. APPELL. And the individual you saw standing at a window of the apartment together with Steve Nelson, attempting to fix the window?

"Mr. MURRAY. Yes; that is right."

This witness furnished additional information regarding the association of Steve Nelson and Joseph Weinberg which is not being set forth in this report.

The following is a signed statement obtained by committee investigators from George J. Rathman, whose name appears in the testimony of James Sterling Murray as one of the agents attached to the Manhattan Engineering District who accompanied him on the surveillance regarding the meeting held by Nelson and certain other persons in the apartment of Joseph Weinberg in Berkley, Calif.:

"I have been interviewed concerning a surveillance I conducted along with Harold Zindle and James Murray, who were attached with me to the Manhattan Engineering District as special agents, Counterintelligence Corps, in Berkeley, Calif.

"On or about August 17, 1943, at approximately 8:45 p. m., Harold Zindle, Murray, and myself arrived at an apartment house adjacent to the residence of the subject of this surveillance, Joseph W. Weinberg. During this surveillance I had occasion to observe the subject, Joseph Weinberg; a man identified to me as Steve Nelson; a woman identified to me as Bernadette Doyle; together with four or five additional persons whom I could not identify due to my point of observation, engaged in conversation. At approximately 9:45 p. m., Joseph Weinberg and the man known to me as Steve Nelson appeared at the window of the second-story apartment of Joseph Weinberg, closing the window and lowering the shade. At approximately 10 p. m. on the night of this surveillance Harold Zindle, Murray, and the undersigned left the roof of the apartment house and proceeded to the street where Murray and the undersigned saw Steve Nelson and Bernadette Doyle walking west on Blake Street from the direction of the subject's residence.

"I am certain if I could observe Steve Nelson personally today that I would be able to identify him as the person who was present in the second-story apartment of Joseph Weinberg on the night of the surveillance.

"I have read the above statement and to the best of my knowledge and belief this statement is true in every respect.

"G. J. RATHMAN."

The following is an extract from the testimony furnished the committee by William S. Wagener, who was also attached to the Manhattan Engineering District:

"Mr. WHEELER. Do you know an individual by the name of Bernadette Doyle?

"Mr. WAGENER. Yes, sir.

"Mr. WHEELER. Did she contact any scientists employed by the radiation laboratory?

"Mr. WAGENER. Joseph Weinberg.

"Mr. WHEELER. On how many occasions?

"Mr. WAGENER. Just once.

"Mr. WHEELER. Will you describe the meeting?

"Mr. WAGENER. One evening we were on physical surveillance, and we saw this woman whom we identified as Bernadette Doyle go up to the door of Joseph Weinberg and talk to him for a few minutes. She departed and got in her car. She had her car parked a block or so away. She got in her car and drove away.

"Shortly after, Weinberg and his wife came out, got in their car, and drove around very suspiciously, stopping here and there, and apparently like they were going to contact someone, but they apparently did not meet the individual, whoever it was."

The following is an extract from the testimony furnished by Col. John L. Lansdale, Jr., who was also attached to the Manhattan Engineering District during the time agents of that district were conducting an investigation of Joseph Weinberg. Other than the statement set forth herein, Colonel Lansdale was unable to provide the committee with further information because of the Executive order prohibiting him from furnishing information to a congressional committee:

"Mr. RUSSELL. Are you familiar with the name Steve Nelson?

"Colonel LANSDALE. Yes, sir.

"Mr. RUSSELL. Do you recall the names of any scientists who were contacted by Steve Nelson?

"Colonel LANSDALE. At least one; yes.

"Mr. RUSSELL. Who was that?

"Colonel LANSDALE. Joseph Weinberg."

It is to be noted that the testimony of James Sterling Murray regarding the association of Bernadette Doyle and Joseph Weinberg is corroborated by the signed statement of witness George J. Rathman and the testimony of William S. Wagener.

During the committee's examination of witnesses Mr. and Mrs. Paul Crouch, it was developed that both of these individuals had attended Communist Party meetings with Joseph Woodrow Weinberg. Mrs. Crouch recalled one particular meeting of the Young Communist League which Weinberg attended and which was held in a private home. Witness Paul Crouch, who was the predecessor of Steve Nelson as Communist Party organizer in Alameda County, Calif., identified Weinberg as a person who had attended the meeting of the Young Communist League, mentioned by his wife, and at least two or three other meetings of the Young Communist League which were held in a private home in Oakland, Calif. Neither of these witnesses, however, knew Weinberg's name. The testimony of Paul and Sylvia Crouch regarding their identification of Joseph Weinberg is being printed and made a part of this report.[1]

The committee has additional evidence regarding the meeting held in the home of Joseph W. Weinberg during the month of August 1943, but for obvious reasons all of the committee's evidence is not being incorporated in this report.

[1] See hearings regarding Communist Infiltration of Radiation Laboratory and Atomic-Bomb Project at the University of California, Berkeley, Calif., vol. II (Identification of Scientist X).

RECOMMENDATION FOR PERJURY PROSECUTION

Based upon the testimony set forth above and the testimony of other witnesses appearing before the committee, it is the committee's opinion that Joseph Weinberg made untruthful statements upon the three occasions he appeared before the committee.

Testimony before the committee and signed statements furnished to committee investigators indicate that Joseph Weinberg did not testify truthfully when he said:

1. That he did not know Steve Nelson.
2. That he did not know Bernadette Doyle.
3. That he had never attended any meeting of the Young Communist League, and that he had never been a member of the Communist Party.

It is recommended that the Attorney General convene a special grand jury in the District of Columbia for the purpose of hearing certain witnesses whose names will be furnished by this committee, and who have knowledge of the untruthful statements made by Joseph Weinberg.

WITNESSES INTERROGATED INCLUDED THOSE EMPLOYED ON ATOMIC BOMB PROJECT

The committee has interrogated the following persons who were attached to the radiation laboratory at the University of California at Berkeley and who, while employed there, were performing work on the atomic bomb:

Giovanni Rossi Lomanitz, formerly professor of physics at Fisk University, Nashville, Tenn.

David Bohm, who is presently assistant professor of physics at Princeton University, Princeton, N. J.

Ken Max Manfred, formerly known as Max Bernard Friedman, who is presently attending the University of California at Berkeley as a result of a scholarship granted him by the University of Puerto Rico amounting to $2,000 per year. Manfred is attending the University of California at Berkeley by virtue of a leave of absence granted him by the University of Puerto Rico, where he is employed as an assistant professor of physics, in order to obtain a degree of doctor of philosophy.

Irving David Fox, who is presently employed as a teaching assistant by the University of California at Berkeley.

Joseph Weinberg, who is presently employed as an assistant professor of physics at the University of Minnesota. Weinberg was born on January 19, 1917, at New York City, N. Y. He attended public schools in the Bronx, New York, and graduated from the DeWitt Clinton High School in New York City in 1932. During the years 1932 to 1936 he attended City College in New York City. In 1937 he attended the University of Michigan during the summer session, and during the academic year of 1938–39 he attended the University of Wisconsin. During the years 1939–43 he attended the University of California, from which he received a doctor of philosophy degree.

Frank Friedman Oppenheimer, whose resignation from the University of Minnesota as an assistant professor of physics was recently accepted by the university.

Robert R. Davis, who was formerly employed by the Manhattan engineering district at the University of California Radiation Laboratories.

Upon two occasions, witnesses David Bohm and Giovanni Rossi Lomanitz declined to answer questions regarding Communist Party membership and activities on the ground that to do so might tend to incriminate them. Witnesses Manfred and Fox declined to answer questions regarding Communist Party membership and associations on the occasion of their appearance before the committee on the ground that to do so might tend to incriminate them. Witness Robert R. Davis, on the occasion of his appearance before the committee, testified that he had been recruited into the Communist

Party by Giovanni Rossi Lomanitz. Frank Friedman Oppenheimer, upon the occasion of his appearance before the committee, admitted former membership in the Communist Party but declined to answer any questions pertaining to the Communist associations of other individuals.

Mr. VELDE. Mr. Speaker, the unanimous recommendation by the House Un-American Activities Committee members for the prosecution of Dr. Joseph W. Weinberg for perjury was made about 15 months ago. The Attorney General was furnished with names of witnesses who could substantiate the charge of perjury. I previously criticized the Department of Justice for failure to bring grand-jury action in this particular case. I realize full well that the Attorney General would like to win every criminal case he tries, and that in many ways is a laudable ambition. I realize further that the Department of Justice attorneys want to do all they can to preserve the rights and freedoms of individuals on trial and abhor conviction of an innocent man; however, in this particular case it seems that the desire on the part of the Attorney General's office to protect the innocent is not being furthered in good faith. There is also another class of people whose rights must be considered, they being the great majority of American citizens who are loyal to our form of government. In my opinion this class of citizens also deserve protection against those who are disloyal and those who would attempt to betray us to foreign nations. In any event, there is no reason why the evidence which has already been assembled, partly by the Attorney General's office and partly by the Un-American Activities Committee, should not be immediately presented to the grand jury. If the grand jury, in conjunction with the Attorney General's office handling the case, feels there is not sufficient evidence to warrant the indictment for perjury of Dr. Weinberg, they can always vote a no true bill but some action should be taken by the Attorney General immediately. After all, Dr. Weinberg is still teaching young men and women nuclear physics at the University of Minnesota. His innocense or guilt should be determined in accordance with the American system of jurisprudence and thus alleviate or substantiate any fear which might be in the minds of the officials of the University of Minnesota regarding the loyalty of one of its instructors.

At this point I would like to ask unanimous consent to insert exerpts from the House Un-American Activities Report entitled "Report on Atomic Espionage, Nelson-Weinberg and Hiskey-Adams Cases" in the CONGRESSIONAL RECORD. This report deals directly with the case of Dr. Joseph W. Weinberg and should afford much food for thought.

In closing I would like to say this. We are allowing our sons to fight on foreign soil to protect another country from communism. We are pouring billions into European countries to protect them from the further inroads of communism, endeavoring to stem and turn back the tide which has already threatened to engulf the whole of Europe. In the meantime, communism has been allowed to flourish freely in our own country, or at least has not been checked to any appreciable extent. The American public has shown that it is aroused over this problem, and it is time we kept faith with them. Do you think our young men are going to faithfully fight and die to rid a foreign country of communism, only to come home and then with equanimity or indifference face the ugly picture of communism in their own country? Mr. Speaker, it should make us pause and think.

EXTENSION OF REMARKS

Mr. MARTIN of Iowa asked and was given permission to extend his remarks and include an article entitled "A Tax Program To Support the Policy of Containment."

Mr. GWINN asked and was given permission to extend his remarks in two instances, and in one to include an editorial from the New York Times.

Mrs. HARDEN asked and was given permission to extend her remarks and include an editorial appearing in the November 29 edition of the Daily Clintonian, edited and published by George Carey, of Clinton, Ind.

Mr. DOYLE asked and was given permission to extend his remarks and include appropriate material.

Mr. COUDERT (at the request of Mr. BYRNES of Wisconsin) was given permission to extend his remarks and include an address.

Mr. McCORMACK asked and was given permission to extend his remarks and include an editorial.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. MARSALIS, indefinitely, on account of death in family.

To Mr. KEARNS (at the request of Mr. CORBETT), on account of death in family.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 17 minutes p. m.) the House adjourned until tomorrow, Wednesday, December 6, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1768. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1951 in the amount of $934,000 for the Alaska Communication System (H. Doc. No. 730); to the Committee on Appropriations and ordered to be printed.

1769. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1951 in the amount of $5,068,000 for the National Advisory Committee for Aeronautics (H. Doc. No. 731); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WILLIAMS: Committee on Post Office and Civil Service. Preliminary report (pt. II) pursuant to House Resolution 114, Eighty-first Congress; without amendment (Rept. No. 2457, pt. II). Referred to the Committee of the Whole House on the State of the Union.

Mr. WILLIAMS: Committee on Post Office and Civil Service. Preliminary report (pt. III) pursuant to House Resolution 114, Eighty-first Congress; without amendment (Rept. No. 2457, pt. III). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. H. R. 9763. A bill to amend the Housing and Rent Act of 1947, as amended; without amendment (Rept. No. 3143). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. S. 4102. An act relating to contracts for the transmission of mail by pneumatic tubes or other mechanical devices; without amendment (Rept. No. 3144). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. S. 3263. An act to amend Veterans' Preference Act of 1944 with respect to certain mothers of veterans; without amendment (Rept. No. 3145). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. S. 3654. An act to amend section 3 of the Postal Salary Act of July 6, 1945; without amendment (Rept. No. 3146). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. S. 3672. An act to amend section 3 (c) of the Civil Service Retirement Act so as to make the exclusion from such act of temporary employees of the Senate and House of Representatives inapplicable to such employees with one or more years of service; without amendment (Rept. No. 3147). Referred to the Committee of the Whole House on the State of the Union.

Mr. MURRAY of Tennessee: Committee on Post Office and Civil Service. S. 3910. An act relating to the assignment of surplus clerks in the postal transportation service; without amendment (Rept. No. 3148). Referred to the Committee of the Whole House on the State of the Union.

Mr. SABATH: Committee on Rules. House Resolution 874. Resolution for consideration of H. R. 9780, a bill providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence; without amendment (Rept. No. 3149). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. RAMSAY:

H. R. 9846. A bill to prohibit the importation of certain articles and products containing raw materials with respect to which priorities have been established or allocations made under the Defense Production Act of 1950; to the Committee on Banking and Currency.

By Mr. REED of New York:

H. R. 9847. A bill to amend section 22 (d) (6) of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. McCARTHY:

H. R. 9848. A bill amending the Civil Service Retirement Act of May 29, 1930, as amended; to the Committee on Post Office and Civil Service.

By Mr. BARRETT of Wyoming:

H. R. 9849. A bill granting the consent of Congress to the States of Idaho, Montana, Nevada, Oregon, Utah, Washington, and Wyoming to negotiate and enter into a compact for the disposition, allocation, diversion, and apportionment of the waters of the Columbia River and its tributaries, and for other purposes; to the Committee on Public Lands.

By Mr. BURDICK:

H. R. 9850. A bill to increase the rates of basic compensation provided for Government officers and employees by the Classification Act of 1949, as amended; to the Committee on Post Office and Civil Service.

By Mr. CLEMENTE:

H. R. 9851. A bill to amend title 28, United States Code, to require Federal grand and petit jurors to take an oath of allegiance, and for other purposes; to the Committee on the Judiciary.

By Mr. LEONARD W. HALL:

H. R. 9852. A bill to amend part I of the Interstate Commerce Act so as to exempt therefrom any railroad which operates wholly within a State if 95 percent or more of its passenger revenues are derived from intrastate transportation of passengers; to the Committee on Interstate and Foreign Commerce.

By Mr. RICHARDS:

H. R. 9853. A bill to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia; to the Committee on Foreign Affairs.

By Mr. WHITTINGTON:

H. R. 9854. A bill to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," approved June 26, 1930, as amended; to the Committee on Public Works.

By Mr. FULTON:

H. R. 9855. A bill to amend the act of July 6, 1945, as amended, so as to reduce the number of grades for the various positions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RHODES:

H. R. 9856. A bill amending section 3 of Public Law No. 134, Seventy-ninth Congress; to the Committee on Post Office and Civil Service.

By Mr. HELLER:

H. R. 9857. A bill to grant certain benefits provided for veterans of World War II to persons on active service with the Armed Forces during the military, naval, and air operations against the forces of North Korea, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BUCHANAN:

H. Con. Res. 292. Concurrent resolution authorizing the printing of additional copies of House Report No. 3137; to the Committee on House Administration.

H. Con. Res. 293. Concurrent resolution authorizing the printing of additional copies of hearings held before the Select Committee on Lobbying Activities; to the Committee on House Administration.

By Mr. LARCADE:

H. Res. 873. Resolution providing for the payment of certain additional charges for telephone and telegraph service furnished Members of the House of Representatives during the fiscal year 1950; to the Committee on House Administration.

By Mr. BUCHANAN:

H. Res. 875. Resolution authorizing the printing of additional copies of House Report No. 3138; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN of California:

H. R. 9858. A bill for the relief of Mr. and Mrs. W. A. Kettlewell; to the Committee on the Judiciary.

By Mr. ANGELL:

H. R. 9859. A bill for the relief of Chikako Shishikura Kawata; to the Committee on the Judiciary.

By Mr. BUCKLEY of Illinois:

H. R. 9860. A bill for the relief of Mrs. Ida E. Horton; to the Committee on Post Office and Civil Service.

By Mr. BUCKLEY of New York:

H. R. 9861. A bill for the relief of Ciro Panariello; to the Committee on the Judiciary.

By Mr. McCORMACK:

H. R. 9862. A bill for the relief of Joseph Saganich; to the Committee on the Judiciary.

By Mr. WALSH:

H. R. 9863. A bill for the relief of Man Foon Tow; to the Committee on the Judiciary.

SENATE

WEDNESDAY, DECEMBER 6, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, hope of the souls that seek Thee, strength of the souls that find Thee, pushed and pressed by grave questions and vexing problems we would bow, first of all, at this daily altar dedicated to the far look. Before our eyes may there tower those lofty and eternal verities that outlast the strident noises of any day.

The world about us is full of wild commotion, the clamor of the violent, the dark deeds of the ruthless and the agony of uncounted hosts of Thy children, haunted by nameless dread and ground in the dust of tyranny. We cannot adequately face such a world and make our humble contribution to the healing of its tangled, tragic state unless our faith in Thy power to make even the wrath of man praise Thee and in the ultimate victory of Thy purpose is kept untarnished.

"Lord, in this hour of tumult,
Lord, in this night of fears;
Keep open, O keep open,
Our eyes, our hearts, our ears."

We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. MAGNUSON, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, December 5, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Hawks, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 9827) to provide revenue by imposing a corporate excess profits tax, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 105) authorizing the appointment of a committee to attend the general meeting of the Commonwealth Parliamentary Association to be held in Australia or New Zealand.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the President pro tempore:

H. R. 483. An act to extend the time limit within which certain suits in admiralty may be brought against the United States; and

H. R. 2365. An act for the relief of the city of Chester, Ill.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. CAIN was excused from attendance on the sessions of the Senate from the close of business December 14 through the remainder of 1950.

MEETING OF COMMITTEE DURING SENATE SESSIONS

On request of Mr. CHAVEZ, and by unanimous consent, a subcommittee of the Committee on Labor and Public Welfare was authorized to meet during the sessions of the Senate on Thursday and Friday of the present week.

CALL OF THE ROLL

Mr. MAGNUSON. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Brewster	Holland	Myers
Bricker	Hunt	Neely
Butler	Ives	Nixon
Byrd	Johnson, Tex.	O'Conor
Cain	Johnston, S. C.	O'Mahoney
Capehart	Kefauver	Pepper
Chapman	Kem	Robertson
Chavez	Kerr	Russell
Clements	Kilgore	Saltonstall
Connally	Knowland	Schoeppel
Cordon	Langer	Smith, Maine
Donnell	Leahy	Smith, N. J.
Douglas	Lehman	Smith, N. C.
Dworshak	Long	Stennis
Eastland	Lucas	Taft
Ecton	McCarran	Taylor
Ellender	McCarthy	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
Fulbright	McFarland	Thye
George	McKellar	Tydings
Gillette	McMahon	Watkins
Gurney	Magnuson	Wherry
Hayden	Malone	Wiley
Hendrickson	Maybank	Williams
Hickenlooper	Millikin	Young

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Delaware [Mr. FREAR], and the Senator from Montana [Mr. MURRAY] are necessarily absent.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] is absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Kansas [Mr. CARLSON] and the Senator from Pennsylvania [Mr. MARTIN] are absent by leave of the Senate on official business.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from Massachusetts [Mr. LODGE] is absent by leave of the Senate as a delegate of the General Assembly of the United Nations.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate on official business of the Committee on Small Business.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The PRESIDENT pro tempore. A quorum is present.

CREDENTIALS

Mr. WATKINS presented the credentials of WALLACE F. BENNETT, duly chosen by the qualified electors of the State of Utah, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF UTAH,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, WALLACE F. BENNETT was duly chosen by the qualified electors of the State of Utah a Senator from said State to represent said State in the Senate of the United States for the term of 6 years beginning on the 3d day of January 1951.

Witness His Excellency our Governor, J. Bracken Lee, and our seal hereto affixed at Salt Lake City, this 28th day of November A. D. 1950.

J. BRACKEN LEE,
Governor.

By the Governor:
[SEAL] HEBER BENNION, Jr.,
Secretary of State.

TRANSACTION OF ROUTINE BUSINESS

Mr. MAGNUSON. Mr. President, I ask unanimous consent that Senators be permitted to submit petitions and memorials, introduce bills and joint resolutions, and present routine matters for the RECORD, without debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred, as indicated:

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Henryk Oselka from a report relating to the granting of the status of permanent residence to certain aliens, transmitted to the Senate on March 15, 1950; to the Committee on the Judiciary.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Maria Tome Da Silva Lawver from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted to the Senate on January 16, 1950; to the Committee on the Judiciary.

PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A letter in the nature of a petition from the National Association of State Aviation Officials, signed by A. B. McMullen, executive secretary, Washington, D. C., praying for the enactment of Senate bill 3175, to provide for the acquisition of land and the construction thereon of buildings and appurtenances essential for forest-fire-control operations of the Forest Service, United States Department of Agriculture at or near Missoula, Mont., and for other purposes; to the Committee on Agriculture and Forestry.

A letter in the nature of a petition from the League of Women Voters of the United States, Washington, D. C., signed by Mrs. John G. Lee, president, relating to increased tax rates and credit regulations; to the Committee on Finance.

A resolution adopted by the sixth annual conference of the Alaska Moose Association, at Palmer, Alaska, favoring the enactment of legislation to abolish fish traps in the Territory of Alaska; to the Committee on Interstate and Foreign Commerce.

A resolution adopted by the sixth annual conference of the Alaska Moose Association, at Palmer, Alaska, favoring the enactment of legislation granting statehood to Alaska; ordered to lie on the table.

The petition of Clarence P. Keating, of Seward, Alaska, praying for the enactment of legislation granting statehood to Alaska; ordered to lie on the table.

REPORT OF A COMMITTEE

Mr. NEELY, from the Committee on the District of Columbia, to which was referred the joint resolution (S. J. Res. 209) to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended, reported it with an amendment, and submitted a report (No. 2587) thereon.

REPORT OF JOINT COMMITTEE ON REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES—EXECUTIVE BRANCH PERSONNEL

Mr. BYRD. Mr. President, it has been the practice of the Joint Committee on Reduction of Nonessential Federal Expenditures of some years standing to submit monthly personnel reports as certified officially by the several executive departments and agencies of the Federal Government. The last such report submitted before the recess was for the month of July.

As chairman of the committee I submit a table consolidating the reports for August and September which were compiled during the recess, and also the regular report for the month of October, which is compiled as of today. In accordance with standing practice I request that these consolidated tables, a statement prepared by me, and the regular report be printed in the body of the RECORD.

There being no objection, the tables, statement, and report were ordered to be printed in the RECORD, as follows:

Consolidated personnel report for August and September with July comparisons

Department or agency	Civilian personnel in executive branch				Payroll (in thousands) in executive branch			
	July	August	September	Increase (+) or decrease (−)	June	July	August	Increase (+) or decrease (−)
Total	1,985,139	2,062,900	2,096,821	+111,682	$562,653	$540,227	$607,170	+$44,317
1. Agencies exclusive of National Military Establishment	1,205,739	1,203,470	1,192,826	−12,913	347,796	334,178	354,171	+6,375
2. National Military Establishment	779,400	859,430	903,995	+124,595	214,857	206,049	252,999	+38,142
Within the National Military Establishment:								
Office of the Secretary of Defense	1,759	1,783	1,821	+62	732	685	763	+31
Department of the Army	320,964	367,582	395,849	+74,885	86,760	78,067	101,897	+15,137
Department of the Air Force	156,737	168,128	173,422	+16,685	43,644	42,341	50,900	+7,256
Department of the Navy	299,940	321,937	332,903	+32,963	83,721	84,956	99,439	+15,718

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during the period July through September 1950 and comparison of July and September and pay for period June through August 1950 and comparison of June and August*

Department or agency	Pay (in thousands of dollars)					Personnel				
	June	July	August	Comparison of June and August		July	August	September	Comparison of July and September	
				Increase	Decrease				Increase	Decrease
Executive departments (except National Military Establishment):										
Agriculture	$23,261	$22,397	$24,790	$1,538		85,464	84,923	78,607		6,857
Commerce [1 2]	19,089	16,401	18,389		$700	56,169	57,447	56,330	161	
Interior	[3] 18,778	18,728	20,091	1,313		65,551	64,733	61,627		3,924
Justice	9,450	[3] 9,443	10,049	599		26,717	26,683	26,613		104
Labor	2,180	1,993	2,035		145	6,033	6,070	6,151	118	
Post Office	131,202	129,805	130,360		842	495,888	493,765	492,560		3,328
State	8,216	7,992	7,592		624	24,326	24,314	24,720	394	
Treasury	29,700	30,970	31,317	1,527		87,586	86,827	86,734		852
Executive Office of the President:										
White House Office	143	149	162	19		327	341	345	18	
Bureau of the Budget	266	247	273	7		521	518	513		8
Executive Mansion and Grounds	17	16	20	3		68	64	64		4
National Security Council [4]	9	7	11	2		17	16	16		
National Security Resources Board	177	178	222	45		369	384	431	62	
Council of Economic Advisers	20	22	23	3		35	37	36	1	
Commission on Renovation of the Executive Mansion	2	2	2			5	5	5		
Postwar agencies:										
Displaced Persons Commission	97	98	104	7		262	283	289	27	
Economic Cooperation Administration	1,688	1,580	1,641		47	4,663	4,684	4,725	62	
Motor Carrier Claims Commission	11	12	11			20	18	18		2
Office of the Housing Expediter	920	909	956	36		2,579	[3] 2,510	2,501		78
Philippine Alien Property Administration	45	8	9		36	57	55	56		1
Philippine War Damage Commission	326	178	147		179	506	483	464		42
War Claims Commission	40	[3] 32	25		15	99	[3] 92	100	1	
Independent agencies:										
American Battle Monuments Commission	57	57	60	3		497	504	555	58	
Atomic Energy Commission	1,969	1,881	2,103	134		5,052	5,052	5,035		17
Civil Aeronautics Board	265	243	290	25		620	616	593		27
Civil Service Commission	1,218	1,092	1,203		15	3,404	3,420	3,442	38	
Export-Import Bank of Washington	65	61	66	1		129	126	126		3
Federal Communications Commission	538	534	503		35	1,276	1,250	1,234		42
Federal Deposit Insurance Corporation	402	383	421	19		1,067	1,078	1,077	10	
Federal Mediation and Conciliation Service	188	178	194	6		327	326	324		3
Federal Power Commission	311	293	323	12		738	722	717		21
Federal Security Agency [5]	[3] 10,227	9,051	10,206		21	32,970	33,048	33,676	706	
Federal Trade Commission	304	280	315	11		646	632	626		20
General Accounting Office	2,869	2,585	2,800		69	7,805	7,791	7,800		5
General Services Administration	6,028	6,548	7,266	1,238		26,095	26,150	26,142	47	
Government Printing Office	2,524	2,537	2,795	271		7,115	7,116	7,115		
Housing and Home Finance Agency [6]	4,801	4,778	4,887	86		13,673	13,580	14,344	671	
Indian Claims Commission	7	7	7			10	10	10		
Interstate Commerce Commission	860	802	877	17		2,087	2,075	2,052		35
National Advisory Committee for Aeronautics	2,486	2,360	2,593	107		7,446	7,456	7,340		106
National Capital Housing Authority	87	82	89	2		316	316	318	2	
National Capital Park and Planning Commission	3	7	7	4		21	19	18		3
National Capital Sesquicentennial Commission	24	54	55	31		233	235	203		30
National Gallery of Art	87	82	89	2		331	322	302		29
National Labor Relations Board	591	504	549		42	1,362	1,356	1,395	33	
National Mediation Board	68	66	63		5	128	129	124		4
Panama Canal	3,554	3,240	3,008		546	19,823	19,977	20,377	554	
Railroad Retirement Board	705	674	725	20		2,297	2,240	2,200		97
Reconstruction Finance Corporation [6]	1,899	1,788	1,942	43		4,600	4,584	3,603		997
Securities and Exchange Commission	442	426	463	21		1,005	1,002	1,000		5
Selective Service System	512	733	1,324	812		5,037	6,166	6,524	1,487	
Smithsonian Institution	192	184	200	8		554	545	538		16
Tariff Commission	110	100	103		7	218	217	214		4
Tax Court of the United States	65	56	53		12	121	122	121		
Tennessee Valley Authority	4,229	3,942	4,542	313		14,006	14,152	14,387	381	
Veterans' Administration	54,382	51,289	55,647	1,265		187,468	186,150	185,654		1,814
Soldiers' Home		[3] 114	165	165			[3] 734	735	735	
Total, excluding National Military Establishment	347,796	334,178	354,171	9,715	3,340	1,205,739	1,203,470	1,192,826	5,566	18,479
Net change, excluding National Military Establishment				6,375					12,913	
National Military Establishment:										
Office of the Secretary of Defense [7]	732	685	763	31		1,759	1,783	1,821	62	
Department of the Army:										
Inside continental United States	75,738	[3] 68,926	91,596	15,858		281,494	[3] 326,980	354,066	72,592	
Outside continental United States	11,022	[3] 9,141	10,301		721	39,470	[3] 40,602	41,763	2,293	
Department of the Air Force:										
Inside continental United States	38,995	37,956	46,028	7,033		133,513	144,110	149,030	15,517	
Outside continental United States	4,649	4,385	4,872	223		23,224	24,018	24,392	1,168	
Department of the Navy:										
Inside continental United States	78,206	79,451	92,953	14,747		277,665	298,633	309,274	31,609	
Outside continental United States	5,515	5,505	6,486	971		22,275	23,304	23,629	1,354	
Total, National Military Establishment	214,857	206,049	252,999	38,863	721	779,400	859,430	903,995	124,595	
Net increase, National Military Establishment				38,142					124,595	
Grand total, including National Military Establishment	562,653	540,227	607,170	48,578	4,061	1,985,139	2,062,900	2,096,821	130,161	18,479
Net increase, including National Military Establishment				44,517					111,682	

[1] Includes temporary employees (enumerators, supervisors, and clerks) engaged in taking the seventeenth decennial census as follows: July, 8,403; August, 2,169; September, 1,199; a decrease of 7,204.

[2] Exclusive of seamen on the rolls of the Maritime Administration and their pay as follows: July, 630; August, 285; and September, 390.

[3] Revised on basis of later information.

[4] Exclusive of personnel and pay of the Central Intelligence Agency.

[5] Includes personnel and pay for Howard University and Columbia Institute for the Deaf.

[6] 921 employees of the Reconstruction Finance Corporation transferred Sept. 7, 1950, to the Housing and Home Finance Agency in accordance with Reorganization Plans Nos. 22 and 23.

[7] Includes 18 employees for July, 16 employees for August, and 15 employees for September assigned to the North Atlantic Treaty Organization and 179 employees for July, 178 employees for August, and 179 employees for September assigned to Munitions Board Cataloging Agency.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during the period July through September 1950*

Department or agency	July	August	September	Comparison of July and September	
				Increase	Decrease
Executive departments (except National Military Establishment):					
Agriculture	82,709	82,275	76,032		6,677
Commerce [1] [2]	52,091	53,405	52,395	304	
Interior	57,889	57,145	54,572		3,317
Justice	26,238	26,199	26,133		105
Labor	5,928	5,965	6,048	120	
Post Office	494,028	491,906	490,698		3,330
State	8,737	8,830	8,892	155	
Treasury	86,812	86,057	85,970		842
Executive Office of the President:					
White House Office	327	341	345	18	
Bureau of the Budget	521	518	513		8
Executive Mansion and Grounds	68	64	64		4
National Security Council [3]	17	16	16		1
National Security Resources Board	369	384	431	62	
Council of Economic Advisers	35	37	36	1	
Commission on Renovation of the Executive Mansion	5	5	5		
Postwar agencies:					
Displaced Persons Commission	87	93	93	6	
Economic Cooperation Administration	1,176	1,189	1,183	7	
Motor Carrier Claims Commission	20	18	18		2
Office of the Housing Expediter	2,556	[4] 2,486	2,477		79
Philippine Alien Property Administration	2	2	2		
Philippine War Damage Commission	6	6	9	3	
War Claims Commission	99	[4] 92	91		8
Independent agencies:					
American Battle Monuments Commission	17	16	15		2
Atomic Energy Commission	5,048	5,047	5,030		18
Civil Aeronautics Board	605	602	580		25
Civil Service Commission	3,400	3,416	3,438	38	
Export-Import Bank of Washington	128	125	125		3
Federal Communications Commission	1,250	1,224	1,210		40
Federal Deposit Insurance Corporation	1,067	1,078	1,077	10	
Federal Mediation and Conciliation Service	327	326	324		3
Federal Power Commission	738	722	717		21
Federal Security Agency [5]	32,690	32,765	33,391	701	
Federal Trade Commission	646	632	626		20
General Accounting Office	7,805	7,791	7,800		5
General Services Administration	26,031	26,085	26,077	46	
Government Printing Office	7,115	7,116	7,115		
Independent agencies—Continued					
Housing and Home Finance Agency	13,599	13,502	14,261	662	
Indian Claims Commission	10	10	10		
Interstate Commerce Commission	2,087	2,075	2,052		35
National Advisory Committee for Aeronautics	7,446	7,456	7,340		106
National Capital Housing Authority	316	316	318	2	
National Capital Park and Planning Commission	21	19	18		3
National Capital Sesquicentennial Commission	233	235	203		30
National Gallery of Art	331	322	302		29
National Labor Relations Board	1,348	1,341	1,380	32	
National Mediation Board	128	129	124		4
Panama Canal	627	624	623		4
Railroad Retirement Board	2,297	2,240	2,200		97
Reconstruction Finance Corporation [6]	4,587	4,572	3,593		994
Securities and Exchange Commission	1,005	1,002	1,000		5
Selective Service System	4,894	5,998	6,354	1,460	
Smithsonian Institution	548	539	532		16
Soldiers' Home		[4] 734	735	735	
Tariff Commission	218	217	214		4
Tax Court of the United States	121	122	121		
Tennessee Valley Authority	14,006	14,152	14,387	381	
Veterans' Administration	185,970	184,665	184,164		1,806
Total, excluding National Military Establishment	1,146,379	1,144,248	1,133,479	4,743	17,643
Net decrease, excluding National Military Establishment				12,900	
National Military Establishment:					
Office of the Secretary of Defense	1,757	1,781	1,818	61	
Department of the Army	281,494	[4] 326,980	354,086	72,592	
Department of the Air Force	133,513	144,110	149,030	15,517	
Department of the Navy	277,665	298,633	309,274	31,609	
Total National Military Establishment	694,429	771,504	814,208	119,779	
Net increase, National Military Establishment				119,779	
Grand total, including National Military Establishment	1,840,808	1,915,752	1,947,687	124,522	17,643
Net increase, including National Military Establishment				106,879	

[1] Includes temporary employees (enumerators, supervisors, and clerks) engaged in taking the seventeenth decennial census, as follows: July, 8,232; August, 2,117; September, 1,168; a decrease of 7,064.

[2] Exclusive of seamen on the rolls of the Maritime Administration, as follows: July, 630; August, 285; September, 390.

[3] Exclusive of personnel of Central Intelligence Agency.

[4] Revised on basis of later information.

[5] Includes personnel for Howard University and Columbia Institution for the Deaf.

[6] 921 employees of the Reconstruction Finance Corporation transferred Sept. 7, 1950, to the Housing and Home Finance Agency in accordance with Reorganization Plans Nos. 22 and 23.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during the period July through September 1950*

Department or agency	July	August	September	Comparison of July and September	
				Increase	Decrease
Executive departments (except National Military Establishment):					
Agriculture	2,755	2,648	2,575		180
Commerce [1]	4,078	4,042	3,935		143
Interior	7,662	7,588	7,055		607
Justice	479	484	480	1	
Labor	105	105	103		2
Post Office	1,860	1,859	1,862	2	
State	15,589	15,484	15,828	239	
Treasury	774	770	764		10
Postwar agencies:					
Displaced Persons Commission	175	190	196	21	
Economic Cooperation Administration	3,487	3,495	3,542	55	
Office of the Housing Expediter	23	24	24	1	
Philippine Alien Property Administration	55	53	54		1
Philippine War Damage Commission	500	477	455		45
War Claims Commission			9	9	
Independent agencies:					
American Battle Monuments Commission	480	488	540	60	
Atomic Energy Commission	4	5	5	1	
Civil Aeronautics Board	15	14	13		2
Civil Service Commission	4	4	4		
Export-Import Bank of Washington	1	1	1		
Federal Communications Commission	26	26	24		2
Federal Security Agency	280	283	285	5	
General Services Administration	64	65	65	1	
Housing and Home Finance Agency	74	78	83	9	
National Labor Relations Board	14	15	15	1	
Panama Canal	19,196	19,353	19,754	558	
Reconstruction Finance Corporation	13	12	10		3
Selective Service System	143	168	170	27	

[1] Includes temporary employees (enumerators, supervisors, and clerks) engaged in taking the seventeenth decennial census, as follows: July, 171; August, 52; September, 21.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during the period July through September 1950*—Continued

Department or agency	July	August	September	Comparison of July and September	
				Increase	Decrease
Independent agencies—Continued					
Smithsonian Institution	6	6	6		
Veterans' Administration	1,498	1,485	1,490		
Total, excluding National Military Establishment	59,360	59,222	59,347	900	1,003
Net decrease, excluding National Military Establishment				13	
National Military Establishment:					
Office of the Secretary of Defense	2	2	3	1	
Department of the Army	39,470	[1] 40,602	41,763	2,293	
Department of the Air Force	23,224	24,018	24,392	1,168	
Department of the Navy	22,275	23,304	23,629	1,354	
Total, National Military Establishment	84,971	87,926	89,787		
Net increase, National Military Establishment				4,816	
Grand total, including National Military Establishment	144,331	147,148	149,134	5,806	1,003
Net increase, including National Military Establishment				4,803	

[1] Revised on basis of later information.

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by the executive agencies during the period July through September 1950*

Department or agency	July	August	September	Comparison of July and September	
				Increase	Decrease
Executive departments (except National Military Establishment):					
Commerce	1,381	1,549	1,570	189	
Interior	7,048	6,849	6,373		675
State	527	552	556	29	
Treasury	8,170	8,133	8,147		23
Independent agencies:					
Atomic Energy Commission	142	136	113		29
General Services Administration	68	77	89	21	
Housing and Home Finance Agency	20	20	20		
Panama Canal	1,551	1,544	1,536		15
Smithsonian Institution	16	16	8		8
Tennessee Valley Authority	7,555	7,719	7,938	383	
Total, excluding National Military Establishment	26,478	26,595	26,350	622	750
Net decrease, excluding National Military Establishment				128	
National Military Establishment:					
Department of the Army:					
Inside continental United States	146,275	175,838	192,067	45,792	
Outside continental United States	22,112	22,379	22,721	609	
National Military Establishment—Continued					
Department of the Air Force:					
Inside continental United States	75,440	82,158	85,175	9,735	
Outside continental United States	17,171	17,966	18,001	830	
Department of the Navy:					
Inside continental United States	182,684	199,199	207,680	24,996	
Outside continental United States	16,390	17,286	17,475	1,085	
Total, National Military Establishment	460,072	514,826	543,119	83,047	
Net increase, National Military Establishment				83,047	
Grand total, including National Military Establishment	486,550	541,421	569,469	83,669	750
Net increase, including National Military Establishment				82,919	

TABLE V.—*Federal employees assigned to mutual defense assistance program during the period July through September 1950 with comparison of July and September 1950*

Department or agency	Civilian personnel				Payroll (in thousands)			
	July	August	September	Increase (+) or decrease (−)	June	July	August	Increase (+) or decrease (−)
Total	20,474	23,912	26,654	+6,180	$5,301	$5,589	$7,510	+$2,209
State Department	192	197	220	+28	76	110	84	+8
Economic Cooperation Administration	5	11	12	+7	2	2	5	+3
Office of the Secretary of Defense	37	38	38	+1	20	16	20	
Department of the Army	16,566	19,914	22,828	+6,262	3,033	4,457	6,243	+3,210
Department of the Air Force	908	743	886	−22	1,412	234	263	−1,149
Department of the Navy	2,766	3,009	2,670	−96	758	770	895	+137

STATEMENT BY SENATOR BYRD

Civilian employment in the executive branch of the Federal Government continued moving upward in October for the fourth consecutive month. The net increase during the month was 33,563, averaging more than 1,000 a day. The October total was 2,130,384, as compared with 2,096,821 in September.

There was an increase in the civilian employment by the National Military Establishment of 37,207. This was offset to some degree by a decrease of 3,644 in the civilian agencies.

Of the 37,207 increase in the Military Establishment, 22,364 were employed for industrial-type work, and 1,991 of these were assigned to duty stations outside continental United States. Total civilian employment for the National Military Establishment in October was 941,202 as compared with 903,995 in September.

In addition to the civilian increase in the Military Establishment, the Veterans' Administration also reported a substantial increase of 1,485.

Among the agencies reporting decreases were Agriculture with reductions totaling 3,243, Interior Department with reductions of 1,221, Post Office Department with reductions of 1,673, and the Commerce Department with reductions of 600. The reductions in Agriculture and Commerce Departments were

attributed largely to a decline in seasonal requirements, and the reductions in the Commerce Department were attributed to further separations among temporary employees for the Seventeenth Decennial Census.

Employment by the civilian agencies exclusive of the National Military Establishment in October totaled 1,189,182, as compared with 1,192,826 in September.

During September, the last month in the first quarter of fiscal year 1951, the civilian payroll was running at the rate of $7,000,000,000 a year as compared with the original estimate in January of $6,700,000,000.

These figures were developed today from official signed personnel reports submitted by the executive departments and agencies to the Joint Committee on Reduction of Nonessential Federal Expenditures for the month of October.

FEDERAL PERSONNEL IN THE EXECUTIVE BRANCH, SEPTEMBER–OCTOBER 1950, AND PAY, AUGUST–SEPTEMBER 1950

Note with reference to personal service expenditure figures: It should be noted that the latest expenditure figures for personal service shown in table I of this report are for the month of September, and that they are compared with personal service expenditure figures for the month of August, whereas the latest employment figures covered in this report are for the month of October and are compared with the month of September. This lag in personal service expenditure figures is necessary in order that actual expenditures may be reported.

(Figures in the following report are compiled from signed official personnel reports by the various agencies and departments of the Federal Government. Table I shows total personnel employed inside and outside continental United States, and pay, by agency. Table II shows personnel employed inside continental United States. Table III shows personnel employed outside continental United States. Table IV gives by agency the industrial workers employed by the Federal Government. For purposes of comparison, figures for the previous month are shown in adjoining columns.)

PERSONNEL AND PAY SUMMARY

(See table I)

According to monthly personnel reports for October 1950 submitted to the Joint Committee on Reduction of Nonessential Federal Expenditures:

Department or agency	Civilian personnel in executive branch			Payroll (in thousands) in executive branch		
	In October numbered—	In September numbered—	Increase (+) or decrease (−)	In September was—	In August was—	Increase (+) or decrease (−)
Total	2,130,384	2,096,821	+33,563	$590,714	$607,170	−$16,456
1. Agencies exclusive of National Military Establishment	1,189,182	1,192,826	−3,644	336,040	354,171	−18,131
2. National Military Establishment	941,202	903,995	+37,207	254,674	252,999	+1,675
Within the National Military Establishment:						
Office of the Secretary of Defense	1,947	1,821	+126	738	763	−25
Department of the Army	413,428	395,849	+17,579	104,753	101,897	+2,856
Department of the Air Force	179,127	173,422	+5,705	48,480	50,900	−2,420
Department of the Navy	346,700	332,903	+13,797	100,703	99,439	+1,264

MUTUAL DEFENSE ASSISTANCE PROGRAM

Table V shows personnel counted in tables I, II, III, and IV who are assigned to the mutual defense assistance program by the Commerce and State Departments, Economic Cooperation Administration, and the component units of the National Military Establishment, together with their pay.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during October 1950, and comparison with November 1950; and pay for September 1950, and comparison with August 1950*

Department or agency	Pay (in thousands of dollars)				Personnel			
	August	September	Increase	Decrease	September	October	Increase	Decrease
Executive departments (except National Military Establishment):								
Agriculture	$24,799	$22,188		$2,611	78,607	75,364		3,243
Commerce [1 2 3]	18,389	17,491		898	56,330	55,730		600
Interior	20,091	18,324		1,767	61,627	60,406		1,221
Justice	10,049	9,563		486	26,613	26,965	352	
Labor	2,035	2,063	$28		6,151	[4] 6,324	173	
Post Office	130,360	128,764		1,596	492,560	490,887		1,673
State	7,592	7,517		75	24,720	24,826	106	
Treasury	31,317	27,196		4,121	86,734	86,278		456
Executive Office of the President:								
White House Office	162	147		15	345	345		
Bureau of the Budget	273	247		26	513	502		11
Executive Mansion and Grounds	20	16		4	64	68	4	
National Security Council [5]	11	8		3	16	18	2	
National Security Resources Board	222	191		31	431	450	19	
Council of Economic Advisers	23	21		2	36	36		
Commission on Renovation of the Executive Mansion	2	2			5	5		
Postwar agencies:								
Displaced Persons Commission	104	105	1		289	290	1	
Economic Cooperation Administration	1,641	1,662	21		4,725	4,784	59	
Economic Stabilization Agency [6]						29	29	
Motor Carrier Claims Commission	11	10		1	18	16		2
Office of the Housing Expediter	956	903		53	2,501	2,514	13	
Philippine Alien Property Administration	9	9			56	58	2	
Philippine War Damage Commission	147	112		35	464	424		40
War Claims Commission	25	35	10		100	104	4	
Independent agencies:								
American Battle Monuments Commission	60	63	3		555	604	49	
Atomic Energy Commission	2,103	1,830		273	5,035	5,024		11
Civil Aeronautics Board	290	252		38	593	567		26
Civil Service Commission	1,203	1,105		98	3,442	3,588	146	
Export-Import Bank of Washington	66	61		5	126	129	3	
Federal Communications Commission	503	503			1,234	1,235	1	
Federal Deposit Insurance Corporation	421	393		28	1,077	1,084	7	
Federal Mediation and Conciliation Service	194	181		13	324	326	2	
Federal Power Commission	323	293		30	717	720	3	
Federal Security Agency [7]	10,206	9,222		984	33,676	34,325	649	
Federal Trade Commission	315	275		40	626	620		6
General Accounting Office	2,800	2,547		253	7,800	7,870	70	
General Services Administration	7,266	7,091		175	26,142	26,286	144	
Government Printing Office	2,795	2,568		227	7,115	7,147	32	
Housing and Home Finance Agency	4,887	5,049	162		14,344	14,247		97
Indian Claims Commission	7	7			10	10		
Interstate Commerce Commission	877	796		81	2,052	2,046		6

[1] Includes temporary employees (enumerators, supervisors, and clerks) engaged in taking the Seventeenth Decennial Census as follows: September, 1,199; October, 514; a decrease of 685.
[2] October figure is exclusive of 765 seamen on the rolls of the Maritime Administration and their pay.
[3] Includes 515 employees for the National Production Authority, an increase of 132 over the September total of 383.
[4] Includes 13 employees transferred to Department of Labor from the Federal Security Agency under sec. 3 of Reorganization Plan No. 19 of 1950.
[5] Exclusive of personnel and pay of the Central Intelligence Agency.
[6] New agency established under pt. 4, Executive Order No. 10,161, dated Sept. 9, 1950, activated Oct. 16, 1950.
[7] Includes personnel and pay for Howard University and Columbia Institute for the Deaf.

TABLE I.—*Consolidated table of Federal personnel inside and outside continental United States employed by the executive agencies during October 1950, and comparison with November 1950; and pay for September 1950; and comparison with August 1950*—Con.

Department or agency	Pay (in thousands of dollars)				Personnel			
	August	September	Increase	Decrease	September	October	Increase	Decrease
Independent agencies—Continued								
National Advisory Committee for Aeronautics	$2,593	$2,370		$223	7,340	7,321		19
National Capital Housing Authority	89	82		7	318	320	2	
National Capital Park and Planning Commission	7	7			18	18		
National Capital Sesquicentennial Commission	55	51		4	203	33		170
National Gallery of Art	89	80		9	302	305	3	
National Labor Relations Board	549	518		31	1,395	1,429	34	
National Mediation Board	63	76	$13		124	120		4
Panama Canal	3,008	3,894	886		20,377	20,259		118
Railroad Retirement Board	725	663		62	2,200	2,158		42
Reconstruction Finance Corporation	1,942	1,489		453	3,603	3,587		16
Securities and Exchange Commission	463	427		36	1,000	1,031	31	
Selective Service System	1,324	1,194		130	6,524	6,994	470	
Smithsonian Institution	200	178		22	538	543	5	
Soldiers' Home	165	110		55	735	735		
Tariff Commission	103	95		8	214	210		4
Tax Court of the United States	53	58	5		121	129	8	
Tennessee Valley Authority	4,542	4,174		368	14,387	14,600	213	
Veterans' Administration	55,647	51,764		3,883	185,654	187,139	1,485	
Total, excluding National Military Establishment	354,171	336,040	1,129	19,260	1,192,826	1,189,182	4,121	7,765
Net decrease, excluding National Military Establishment			18,131				3,644	
National Military Establishment:								
Office of the Secretary of Defense [1]	763	738		25	1,821	1,947	126	
Department of the Army:								
Inside continental United States	91,596	94,539	2,943		354,086	370,689	16,603	
Outside continental United States	10,301	10,214		87	41,763	42,739	976	
Department of the Air Force:								
Inside continental United States	46,028	43,726		2,302	149,030	154,207	5,177	
Outside continental United States	4,872	4,754		118	24,392	24,920	528	
Department of the Navy:								
Inside continental United States	92,953	94,533	1,580		309,274	321,566	12,292	
Outside continental United States	6,486	6,170		316	23,629	25,134	1,505	
Total, National Military Establishment	252,999	254,674	4,523	2,848	903,995	941,202	37,207	
Net increase, National Military Establishment			1,675				37,207	
Grand total, including National Military Establishment	607,170	590,714	5,652	22,108	2,096,821	2,130,384	41,328	7,765
Net change, including National Military Establishment			16,456				33,563	

[1] Includes 18 employees assigned to the North Atlantic Treaty Organization and 200 employees assigned to Munitions Board Cataloging Agency.

TABLE II.—*Federal personnel inside continental United States employed by executive agencies during October 1950 and comparison with September 1950*

Department or agency	September	October	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	76,032	72,922		3,110
Commerce [1 2 3]	52,395	51,973		422
Interior	54,572	53,604		968
Justice	26,133	26,484	351	
Labor	6,048	[4] 6,215	167	
Post Office	490,698	489,042		1,656
State	8,892	9,012	120	
Treasury	85,970	85,519		451
Executive Office of the President:				
White House Office	345	345		
Bureau of the Budget	513	502		11
Executive Mansion and Grounds	64	68	4	
National Security Council [5]	16	18	2	
National Security Resources Board	431	450	19	
Council of Economic Advisers	36	36		
Commission on Renovation of the Executive Mansion	5	5		
Postwar agencies:				
Displaced Persons Commission	93	97	4	
Economic Cooperation Administration	1,183	1,189	6	
Economic Stabilization Agency [6]		29	29	
Motor Carrier Claims Commission	18	16		2
Office of the Housing Expediter	2,477	2,489	12	
Philippine Alien Property Administration	2	2		
Philippine War Damage Commission	9	6		3
War Claims Commission	91	95	4	
Independent agencies:				
American Battle Monuments Commission	15	15		
Atomic Energy Commission	5,030	5,019		11
Civil Aeronautics Board	580	553		27
Civil Service Commission	3,438	3,584	146	
Export-Import Bank of Washington	125	128	3	
Federal Communications Commission	1,210	1,211	1	
Federal Deposit Insurance Corporation	1,077	1,084	7	
Federal Mediation and Conciliation Service	324	326	2	
Federal Power Commission	717	720	3	
Federal Security Agency [7]	33,391	34,036	645	
Federal Trade Commission	626	620		6
General Accounting Office	7,800	7,870	70	
General Services Administration	26,077	26,224	147	
Government Printing Office	7,115	7,147	32	
Housing and Home Finance Agency	14,261	14,153		108
Independent agencies—Continued				
Indian Claims Commission	10	10		
Interstate Commerce Commission	2,052	2,046		6
National Advisory Committee for Aeronautics	7,340	7,321		19
National Capital Housing Authority	318	320	2	
National Capital Park and Planning Commission	18	18		
National Capital Sesquicentennial Commission	203	33		170
National Gallery of Art	302	305	3	
National Labor Relations Board	1,380	1,415	35	
National Mediation Board	124	120		4
Panama Canal	623	625	2	
Railroad Retirement Board	2,200	2,158		42
Reconstruction Finance Corporation	3,593	3,577		16
Securities and Exchange Commission	1,000	1,031	31	
Selective Service System	6,354	6,767	413	
Smithsonian Institution	532	535	3	
Soldiers' Home	735	735		
Tariff Commission	214	210		4
Tax Court of the United States	121	129	8	
Tennessee Valley Authority	14,387	14,600	213	
Veterans' Administration	184,164	185,634	1,470	
Total, excluding National Military Establishment	1,133,479	1,130,397	3,954	7,036
Net decrease, excluding National Military Establishment			3,082	
National Military Establishment:				
Office of the Secretary of Defense	1,818	1,944	126	
Department of the Army	354,086	370,689	16,603	
Department of the Air Force	149,030	154,207	5,177	
Department of the Navy	309,274	321,566	12,292	
Total, National Military Establishment	814,208	848,406	34,198	
Net increase, National Military Establishment			34,198	
Grand total, including National Military Establishment	1,947,687	1,978,803	38,152	7,036
Net increase, including National Military Establishment			31,116	

[1] Includes temporary employees (enumerators, supervisors, and clerks) engaged in taking the Seventeenth Decennial Census as follows: September, 1,168; October, 514; decrease of 654.
[2] Exclusive of 765 seamen on the rolls of the Maritime Administration in October.
[3] Includes 515 employees for the National Production Authority, an increase of 132 over the September total of 383.
[4] Includes 13 employees transferred to Department of Labor from the Federal Security Agency under sec. 3 of Reorganization Plan No. 19 of 1950.
[5] Exclusive of personnel of Central Intelligence Agency.
[6] New agency established under pt. 4, Executive Order No. 10,161, dated Sept. 9, 1950, activated Oct. 16, 1950.
[7] Includes personnel for Howard University and Columbia Institute for the Deaf.

TABLE III.—*Federal personnel outside continental United States employed by the executive agencies during October 1950 and comparison with September 1950*

Department or agency	September	October	Increase	Decrease
Executive departments (except National Military Establishment):				
Agriculture	2,575	2,442		133
Commerce	3,935	3,757		178
Interior	7,055	6,802		253
Justice	480	481	1	
Labor	103	109	6	
Post Office	1,862	1,845		17
State	15,828	15,814		14
Treasury	764	759		5
Postwar agencies:				
Displaced Persons Commission	196	193		3
Economic Cooperation Administration	3,542	3,595	53	
Office of the Housing Expediter	24	25	1	
Philippine Alien Property Administration	54	56	2	
Philippine War Damage Commission	455	418		37
War Claims Commission	9	9		
Independent agencies:				
American Battle Monuments Commission	540	589	49	
Atomic Energy Commission	5	5		
Civil Aeronautics Board	13	14	1	
Civil Service Commission	4	4		
Export-Import Bank of Washington	1	1		
Federal Communications Commission	24	24		
Federal Security Agency	285	289	4	
General Services Administration	65	62		3
Housing and Home Finance Agency	83	94	11	
Independent agencies—Continued				
National Labor Relations Board	15	14		1
Panama Canal	19,754	19,634		120
Reconstruction Finance Corporation	10	10		
Selective Service System	170	227	57	
Smithsonian Institution	6	8	2	
Veterans' Administration	1,490	1,505	15	
Total, excluding National Military Establishment	59,347	58,785	202	764
Net decrease, excluding National Military Establishment			562	
National Military Establishment:				
Office of the Secretary of Defense	3	3		
Department of the Army	41,763	42,739	976	
Department of the Air Force	24,392	24,920	528	
Department of the Navy	23,629	25,134	1,505	
Total, National Military Establishment	89,787	92,796	3,009	
Net increase, National Military Establishment			3,009	
Grand total, including National Military Establishment	149,134	151,581	3,211	764
Net increase, including National Military Establishment			2,447	

TABLE IV.—*Industrial employees of the Federal Government inside and outside continental United States employed by executive agencies during October 1950 and comparison with September 1950*

Department or agency	September	October	Increase	Decrease
Executive departments (except National Military Establishment):				
Commerce	1,570	1,327		243
Interior	6,373	5,572		801
State	556	558	2	
Treasury	8,147	8,275	128	
Independent agencies:				
Atomic Energy Commission	113	116	3	
General Services Administration	89	97	8	
Housing and Home Finance Agency	20	20		
Panama Canal	1,536	1,514		22
Smithsonian Institution	8	8		
Tennessee Valley Authority	7,938	8,115	177	
Total, excluding National Military Establishment	26,350	25,602	318	1,066
Net decrease, excluding National Military Establishment			748	
National Military Establishment:				
Department of the Army:				
Inside continental United States	192,067	201,563	9,496	
Outside continental United States	22,721	23,065	344	
Department of the Air Force:				
Inside continental United States	85,175	87,752	2,577	
Outside continental United States	18,001	18,405	404	
Department of the Navy:				
Inside continental United States	207,680	215,980	8,300	
Outside continental United States	17,475	18,718	1,243	
Total, National Military Establishment	543,119	565,483	22,364	
Net increase, National Military Establishment			22,364	
Grand total, including National Military Establishment	569,469	591,085	22,682	1,066
Net increase, including National Military Establishment			21,616	

TABLE V.—*Federal employees assigned to mutual defense assistance program*

Department or agency	Civilian personnel			Payroll (in thousands)		
	In October numbered—	In September numbered—	Increase (+) or decrease (−)	In September was—	In August was—	Increase (+) or decrease (−)
Total	27,128	26,654	+474	$7,686	$7,510	+$176
Commerce Department	1		+1	1		+1
State Department	221	220	+1	82	84	−2
Economic Cooperation Administration	16	12	+4	9	5	+4
Office of the Secretary of Defense	39	38	+1	16	20	−4
Department of the Army	23,384	22,828	+556	6,428	6,243	+185
Department of the Air Force	910	886	+24	317	263	+54
Department of the Navy	2,557	2,670	−113	833	895	−62

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAYBANK:

S. 4223. A bill to amend the Defense Production Act of 1950; to the Committee on Banking and Currency.

By Mr. TAYLOR:

S. 4224. A bill for the relief of Jose Maria Sangroniz-Equiluz; and

S. 4225. A bill for the relief of Ignacio Aguirrechu y Zuazo; to the Committee on the Judiciary.

By Mr. KNOWLAND:

S. 4226. A bill for the relief of certain Yugoslavs; to the Committee on the Judiciary.

S. 4227. A bill to authorize payments on automobiles purchased by certain amputee veterans of the Korean operations equal to those authorized for veterans of World War II, and for other purposes; to the Committee on Labor and Public Welfare.

By Mr. TYDINGS:

S. 4228. A bill for the relief of Col. Arthur L. Shreve; to the Committee on the Judiciary.

EXTENSION OF RENT CONTROL—AMENDMENTS

Mr. FLANDERS. Mr. President, I submit amendments intended to be proposed by me to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, and I ask unanimous consent that the amendments may be printed in the RECORD and lie on the table.

There being no objection, the amendments were ordered to lie on the table and to be printed in the RECORD, as follows:

Amendments intended to be proposed by Mr. FLANDERS to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, viz: At the end of the joint resolution insert the following new section:

"SEC. 2. (a) Paragraph (1) of section 204 (b) of the Housing and Rent Act of 1947,

as amended, is amended by striking out '(paragraphs (2) and (3)' and inserting in lieu thereof 'paragraphs (2), (3), and (6).'

"(b) Section 204 (b) of such act, as amended, is further amended by adding at the end thereof the following new paragraph:

"'(6) Notwithstanding any other provision of this act, the Housing Expediter shall promptly make a general adjustment in the maximum rents for all controlled housing accommodations so as to provide for fixing such maximum rents at the rate prevailing for comparable housing accommodations not under control, and he shall from time to time make adjustments for such relevant factors as he shall determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within the defense rental area.'"

Amend the title so as to read: "Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, and to provide a more appropriate base for rental rates under such act."

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON DEFENSE PRODUCTION ACT OF 1950

Mr. MAYBANK submitted the following resolution (S. Res. 370), which was referred to the Committee on Rules and Administration:

Resolved, That there be printed 1,000 additional copies of the hearings conducted before the Senate Committee on Banking and Currency on S. 3936, Eighty-first Congress, on the Defense Production Act of 1950. Such additional copies shall be for the use of the Senate Committee on Banking and Currency.

HOUSE BILL REFERRED

The bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, was read twice by its title, and referred to the Committee on Finance.

THE FUTURE OF COFFEE IN THE AMERICAN ECONOMIC PICTURE—ADDRESS BY SENATOR ELLENDER

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address delivered by him on December 5, 1950, at Boca Raton, Fla., before the National Coffee Association, which appears in the Appendix.]

SOUND RECLAMATION DEVELOPMENT—ADDRESS BY SENATOR CORDON

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an address entitled "Sound Reclamation Development," delivered by Senator CORDON before the National Reclamation Association at Spokane, Wash., on November 17, 1950, which appears in the Appendix.]

RECLAMATION BUREAU POLICY—STATEMENT BY SENATOR BUTLER

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a statement issued by him covering Reclamation Bureau policy, which appears in the Appendix.]

A FORMULA FOR ACTION IN TODAY'S CRISIS—STATEMENT BY SENATOR MUNDT

[Mr. MUNDT asked and obtained leave to have printed in the RECORD a statement prepared by him on a formula for action in today's crisis, and a condensation of an editorial published by the Huron (S. Dak.) Daily Plainsman, which appear in the Appendix.]

WATER SUPPLY ASSURED FOR RENSSELAER COUNTY—ARTICLE BY BILL BREISKY

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an article entitled "Water Supply Assured for Rensselaer County," written by Bill Breisky, and published in the October 5, 1950, issue of the Times-Union, of Albany, N. Y., which appears in the Appendix.]

FLAG OF THE FREE—POEM BY JOHN A. HOFSTEAD

[Mr. IVES asked and obtained leave to have printed in the RECORD a poem entitled "Flag of the Free," written by John A. Hofstead, which appears in the Appendix.]

COUNSEL FOR THE MINORITY—REPORT ON THE TYDINGS INVESTIGATION BY ROBERT MORRIS

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an article entitled "Counsel for the Minority—A Report on the Tydings Investigation," written by Robert Morris, and published in the October 20, 1950, issue of the Freeman, which appears in the Appendix.]

MACARTHUR'S DISASTER

[Mr. MCMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "MacArthur's Disaster," published in the New York Herald Tribune of December 6, 1950, which appears in the Appendix.]

THE WAR IN KOREA

[Mr. MCMAHON asked and obtained leave to have printed in the RECORD an article on the war in Korea, written by Homer Bigart, and published in the New York Herald Tribune of December 6, 1950, which appears in the Appendix.]

NOTICE OF HEARING ON NOMINATION OF WILLIAM F. RILEY TO BE UNITED STATES DISTRICT JUDGE, SOUTHERN DISTRICT OF IOWA

Mr. MCCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, December 13, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of William F. Riley, of Iowa, to be United States district judge for the southern district of Iowa, vice Hon. Charles A. Dewey, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. MCCARRAN], chairman, the Senator from West Virginia [Mr. KILGORE], and the Senator from Wisconsin [Mr. WILEY].

NOTICE OF HEARING ON NOMINATION OF ALFRED E. MODARELLI TO BE A UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF NEW JERSEY

Mr. MCCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, December 13, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Alfred E. Modarelli, of New Jersey, to be a United States district judge for the district of New Jersey to fill a new position. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. MCCARRAN], chairman, the Senator from Washington [Mr. MAGNUSON], and the Senator from North Dakota [Mr. LANGER].

NOTICE OF HEARING ON NOMINATION OF HON. CHUCK MAU TO BE SECOND JUDGE, FIRST CIRCUIT, CIRCUIT COURTS, TERRITORY OF HAWAII

Mr. MCCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, December 13, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Chuck Mau, of Hawaii, to be second judge, first circuit, circuit courts, Territory of Hawaii, vice Hon. Edward A. Towse, elevated. Judge Mau is now serving in a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. MCCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Indiana [Mr. JENNER].

NOTICE OF HEARING ON NOMINATION OF HON. PAUL D. SHRIVER TO BE UNITED STATES JUDGE FOR THE DISTRICT COURT OF GUAM

Mr. MCCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, December 13, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Paul D. Shriver, of Colorado, to be United States judge for the district court of Guam. Judge Shriver is now serving under a recess appointment. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. MCCARRAN], chairman, the Senator from Mississippi [Mr. EASTLAND], and the Senator from Indiana [Mr. JENNER].

NOTICE OF HEARING ON NOMINATION OF HON. WALTER M. BASTIAN TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF COLUMBIA

Mr. MCCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Wednesday, December 13, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Walter M. Bastian, of the District of Columbia, to be United States district judge for the District of Columbia. Judge Bastian is now serving in a recess appointment. At the indicated time and

place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from West Virginia [Mr. KILGORE], and the Senator from Wisconsin [Mr. WILEY].

THE WHITE HOUSE CONFERENCE ON CHILDREN AND YOUTH

Mrs. SMITH of Maine. Mr. President, several thousand citizens are meeting this week in Washington in the Midcentury White House Conference on Children and Youth. They are people from every State in the Union, from farms, small towns, and cities. They are people of all faiths and nationalities, people representing hundreds of national civic and professional organizations. Some represent local and State White House committees and conferences which have been looking into what their communities and States are doing for children and what more needs to be done.

This is a conference of people—including young people as well as adults—who are pooling their experience, the facts they have found, their ideas and their hopes of what can be done in the years ahead to help children develop their own capacities to the utmost to handle the responsibilities and problems that are before them.

Because it is a representative group, the findings of this conference will influence in great measure, and for years to come, all manner of programs and activities that are undertaken in behalf of children.

I ask unanimous consent to include in the RECORD in connection with this statement three newspaper columns written by myself and distributed by United Feature Syndicate.

There being no objection, the columns were ordered to be printed in the RECORD, as follows:

WASHINGTON AND YOU

(By United States Senator MARGARET CHASE SMITH)

OUR CHILDREN—AMERICA'S FUTURE—I

WASHINGTON.—Beginning next Sunday, December 3, the Midcentury White House Conference on Children and Youth will be in session here. The meetings will last 5 days and while I will be in Tucson, Ariz., for a lecture engagement on Sunday I hope to attend some of the sessions later in the week.

Considered at the conference will be (1) the technical report dealing with the facts established by the sciences that contribute to our knowledge of child growth and development; (2) information about programs and practices affecting children and young people in such fields as education, health, welfare, religion, recreation, play, and leisure-time activities; and (3) reports of the problems, accomplishments, and conditions relating to our children.

This meeting will not be just a debating-society event. Definite action will come from it. Findings and recommendations will be made by more than threescore agencies of the Federal Government, several hundred national voluntary organizations serving children and young people and thousands of private citizens.

The goal of the conference is simple and clear, but yet far-reaching. The aim is to give to every child a fair chance for a healthy personality. There is nothing new in this objective, but there is in the approach toward achieving the goal.

While past efforts have been more on the individual scale in the private home and in local and State groups, the approach now will be on a coordinated, organized national basis.

The awful truth is that thousands of our children just don't get the care and affection in their homes that make for their growing into valuable adult citizens. Many more thousands are homeless. In the great majority of case histories of criminals there is always found a background of an unhappy home life. The care and affection that might have molded him into a valuable, law-abiding citizen was missing.

Vague generalities will not dominate the conference. Instead it will seek specifically at least partial answers to (1) how can children be helped to develop the mental, emotional, and spiritual qualities essential for individual happiness and responsible citizenship and (2) what physical, economic, and social conditions are necessary for this development.

The conference will be divided into five sections. Section I will deal with furthering healthy personality development in children and youth; section II with furthering healthy personality development through the family, the church, the school and other social institutions; section III with making more positive the influence of religious, social and economic forces on personality development; section IV with furthering the healthy personality development of children in special situations, such as children in families with inadequate incomes, with part-time parents, on the move, with severe physical and mental limitations, with severe emotional disorders, and who rebel; and section V with mobilizing citizens for the improvement of conditions affecting the personality development of children and youth.

I will continue this discussion tomorrow with observations as to the need for this conference and organized effort outside of the family home.

WASHINGTON AND YOU

(By United States Senator MARGARET CHASE SMITH)

OUR CHILDREN—AMERICA'S FUTURE—II

WASHINGTON.—To most of you who are fond parents whose interest in life is centered in your children and in giving them the very best that you can, the Midcentury White House Conference on Children and Youth may not seem necessary or of vital importance. Perhaps you may feel that children are a private family concern of parents and something for which the Government has no responsibility and should have no voice. Yet, it is to you conscientious parents that the conference to be held here next week should mean the most.

The fantastic discovery and development of physical sciences during the first half of the twentieth century certainly underscore the fact that in this atomic age none of us knows what the next 50 years will bring. But our children and their children and grandchildren will know.

Key to the future now is tied to the use that is made of physical energy, of atomic power and of the many other amazing discoveries of the past 50 years. What the use is will be in the hands of our children. Their decision will in turn depend upon the manner and degree to which we equip and prepare them to handle the power and the problems we will to them.

This should make it crystal clear to all of us that we must make it possible for our children to develop, to the utmost, their individual capacities for creative living. Their talents must be directed toward ways to give positive meaning and high purpose to life. Consequently, it is imperative that we carefully appraise just how much our society is doing on this score, how much it isn't doing, and how much and what it should do to secure for every child a fair chance for a healthy personality.

The rapidly growing population of our country and the many mutual interests and concern that we share have accelerated our appreciation and use of cooperative planning and action. One form of such cooperative effort is the White House Conference, which has been held every 10 years since 1900. Gratifying achievements have been realized in meeting the physical and material needs of children. But this progress has not been matched on the spiritual, mental, and emotional needs of children because the past emphasis has not been so much on this side. It will be in the future, however, in the recognition that mental juvenile health is as important as physical juvenile health.

There is a great gap between what we do and what we know. That gap has made growing up a hazardous experience for many children today. If there be any doubt of this, one need only check the court records on dependent, neglected, and delinquent children; or on the hundreds of millions of dollars spent each year on hospitals for the mentally ill, on social workers, on experts studying divorce, desertion, and crime.

Less susceptible for measurement is the human erosion that stems from neglected children who grow up to be maladjusted adults—suspicious, frightened, angry people who spend their life in misery and make life unpleasant for relatives and friends. Nor is there any accounting for the inately talented humans whose gifts are never developed because of juvenile neglect. These persons might have contributed immeasurably toward scholarship, statesmanship, creative expression, and citizenship.

How the child is molded today greatly controls the shape of the adult tomorrow. Yet in the speed of the breathtaking events of the present—at the very time when impressionable adolescence can be irreparably warped by lack of balanced perception based on maturity of experience and judgment—there is a dangerous trend to assume that children are automatically smarter today because of the radio, the television, etc., than yesterday's children. It is against this danger and for the maximum application of mature guidance, that the Midcentury White House Conference on Children and Youth is aimed.

Tomorrow I shall conclude this series by trying to point up some of the complicated aspects of this problem.

WASHINGTON AND YOU

(By United States Senator MARGARET CHASE SMITH)

OUR CHILDREN—AMERICA'S FUTURE—III

WASHINGTON.—The primary objective of the Midcentury White House Conference on Children and Youth next week is to provide every child with at least a fair chance to develop a healthy personality. "Personality" in this case doesn't mean just charm. It means the aggregate of the child now and as an adult later—what he is, has been, and aspires to be.

Heredity and environment are commonly accepted as the two determinants of what each of us is like. Each of us takes from his environment that which he needs for spiritual gratification, physical fulfillment, mental, emotional, and social realization. This is a part of the growing process—of the transition from childhood through adolescence to manhood.

And from that accumulated experience of the growing process it is inescapable that the quality of any individual personality is in direct ratio to the quality of the life experience. Therefore, if any of our children become deficient adults, it must be at-

tributable to the lack of providing conditions necessary for proper growth and realization of basic aspirations.

To blind ourselves to this and to our responsibility is to surrender to a continuing wastage of human resources. Unchecked, that can lead only to national moral, mental, and physical bankruptcy. Our greatest asset is human resources—and our greatest human resources are our children. How are they doing in our country? We must find out and we must act upon those findings.

Last year one-third of our total population was children and young people. Generally speaking, they were doing well physically and their physical health had been well cared for.

But the records of juvenile delinquency marred the mental health side of the picture. It has become increasingly clear that this is largely the result of lack of emotional security for our children.

In combating this problem in the past we have made the mistake of using hit-and-miss theories instead of a thorough analytical approach. We have tried to apply contradictory cures before diagnosing the ills, symptoms, and causes. We have put the cart before the horse.

If you need any proof that our cures are contradictory, let me list a few of broad and popular vintage. Some people say that newborn babies should be fed by the clock. Others maintain that babies should themselves set their own feeding times and let you know by crying when they are hungry. And when a baby cries, some people say let him cry it out. Others, in horror, say that the crying baby should be picked up and rocked back to sleep or contentment.

Some people say children should be mentally disciplined without the use of physical force. Others say, "Spare the rod and spoil the child." There are those who advocate that children be given freedom to use free hours as they will. Others say this only leads to children getting into trouble and that they still look to us for guidance.

There are conflicting "rule of thumb" theories on personality development. Some people express the belief that a child's personality is set by the time he is 5 or some other exact age and that it doesn't matter what is done by parents and adults after that time, while others contend that people change and grow at every age.

It's high time that we found out which theories are right and which are wrong. It's high time that we found facts instead of theorizing only on the basis of personal, unsubstantiated beliefs. If we, as adults, are not in agreement and are confused, what then is the case with the children themselves?

It is in this realization that next week's White House conference is striking out to determine the facts and find the answers as much as is humanly possible. All-inclusive, quick cures are not anticipated, because findings must come before cures. But it is this very spirit which augurs so well for the work of this group and which merits the full support of you and me.

SUGGESTIONS FOR COMBATING AND DEFEATING AGGRESSION

Mr. MAGNUSON obtained the floor.

Mr. CAIN. Mr. President, will my colleague yield?

Mr. MAGNUSON. I yield to my colleague.

Mr. CAIN. I appreciate the indulgence of my colleague the senior Senator from Washington.

Mr. President, only in order to minimize questions, I ought to say that for about a year I have been in need of surgical attention to correct a wartime ailment. In an effort to prepare myself physically for the Eighty-second Congress the necessary work will be undertaken on the date I am permitted to be absent by leave of the Senate.

Mr. President, the United Nations are busy, the President of the United States and the Prime Minister of Great Britain are busy, and most of us as Senators are busy at everybody's task of anticipating the needs and requirements of tomorrow.

Unfortunately, though the fact may be unavoidable at this time, we in the Senate of the United States and America generally, are not informed as to what the United Nations or the President of the United States and the Prime Minister of Great Britain have in mind for tomorrow. It is likely that no firm decisions have been reached. All of us hope that a course of positive and understandable action will soon be agreed upon and presented in its every last detail to the American people.

In an effort to be helpful to those in higher executive and policy-making authority who must be as troubled and anxious these days as I am, I offer my own estimate of the situation which presently perplexes mankind.

If we, the United States, are to continue to work in and with the United Nations in its and our oft-repeated determination to stop and defeat aggression wherever and whenever it breaks out, every member nation, and this means fifty-odd nations, must immediately design a balance sheet which will accurately reflect the contribution in manpower, resources, and the armed forces it can or will make to the common effort and when these contributions can be drawn against; an effective mobile and hard-striking international police force must be promptly developed as a weapon to enforce policies and decisions of the United Nations; an American supreme commander must be appointed for the Atlantic Pact countries without delay, and each member nation within that pact must determine and then state publicly the number of ground force divisions, air and naval strength it can or will contribute to the defense of the North Atlantic community; Turkey and Greece must become full and equal members of the Atlantic Pact; every possibility for having Sweden become a member of the Atlantic Pact must be explored; a military, political, and economic understanding ought promptly be worked out with Spain, and Spain ought to become a full and equal member of the Atlantic Pact; Germany must be made a free and self-governed nation and given its complete right to rearm as it thinks best; Japan must be reconstituted as a nation and given the right and opportunity to rearm.

Unless these impelling requirements, most of which have been outstanding for years, are met and satisfied soon, any global contest against the forces of aggression, which is what we appear to be headed toward, will be no contest at all, and the free world if considered as a whole, and freedom, too, will disappear from the face of the earth for decades.

If an agreement is not reached to take prompt and positive action on these requirements, the United States, in my considered opinion, can only survive as a nation by living within its own confines and by using its own resources and strength to defend itself.

There can be no middle ground in the future. The United Nations and the free world must work, fight, and contribute jointly and equitably to either war or peace, or each nation must go its own way and do what it can to save itself.

The hour for decision is tragically late. The United Nations and the North Atlantic Community had better come to grips with the requirements in question and do so right now. Whether time remains to take the imperatively required steps must remain in serious doubt until the free world has agreed upon an operational plan and until this plan becomes effective.

America does not know at this moment where it really stands, or with whom it stands or from whom it can expect anything but words. America had better find out now where America stands—if America wants to live tomorrow.

How many of these stated considerations are under pointed and pressing consideration by the President of the United States and the Prime Minister of Great Britain, and by the United Nations, I do not know. How happy I should be as an American were I soon to be advised that action was being taken on all or most of them.

It is too easy to oversimplify a complicated and delicate situation. Perhaps I am guilty of doing this. My intention, however, has been to offer one man's evaluation of the day in which we live. As a Member of the Senate, I think it is for those who are closer to the questions to prove me wrong if my assumptions are not supported by fact. I have spoken as one American who wants to be of some constructive assistance to those in higher authority. I have spoken as one American who represents the views of other Americans. As Americans we want to know what those in higher authority expect of us. Until we are told by those in higher authority what is to be demanded from America and the free world I shall offer my own view for whatever it may be worth whenever I hold this action to be proper and constructive.

SHIPMENTS OF STRATEGIC MATERIALS FROM UNITED STATES PORTS TO COMMUNIST CHINA

Mr. O'CONOR. Mr. President, will the Senator from Washington yield to me?

Mr. MAGNUSON. I yield.

Mr. O'CONOR. Mr. President, in the last few days, upon learning that shipments of strategic materials were en route from United States ports to Communist China, I felt it a duty to make demand that these cargoes be denied to the enemy now engaged in deadly combat with our troops.

Two days ago, after receiving a cablegram from members of the crew of a United States ship in Hong Kong, I called the attention of the United States Senate to the startling facts in that case. As a result the cargo was unloaded in Hong Kong and will not be delivered to the Communists, as intended.

Over the week end, having learned that another ship had cleared from New York and was bound for North China with a sizable shipment of steel sheets, a highly strategic material, I urged the Office of International Trade to take any steps necessary to prevent the shipment reaching the proposed destination. Today this cargo is being unloaded in San Francisco. Thus, in these instances, it has been possible to thwart the efforts of our Communist foes to secure this very important matériel.

However, this by no means includes all the shipments of items of possible military or industrial use which are now being transported to Communist China.

In recent weeks, eight ships carrying the United States flag have left the port of New York bound for North China or Hong Kong carrying such material. Today these ships are on the high seas and, unless preventive action is taken, the cargoes will undoubtedly be delivered into the hands of the Nation's enemies.

One ship left New York November 2 carrying 125 drums of petrolatum, 17,000 pounds of penicillin, and 7,000 pounds of strategic materials.

A second ship sailed from New York November 13 carrying 865,000 pounds of second-grade tinplate.

A third, which sailed from New York November 15 carrying 267,000 pounds of tin, over 28,000 pounds streptomycin, over 18,000 pounds sulpha drugs.

A fourth, which left New York November 16 carrying over 3,000,000 pounds second-grade tin and other tin-mill products.

A fifth, which sailed from New York November 24 carrying 549,000 pounds tinplate, and so forth.

A sixth, which sailed from New York November 24 carrying thousands of pounds of auto parts.

Another ship, which left New York November 27 carrying 650,000 pounds of second-grade tinplate and tinplate materials.

An eighth ship, which left New York November 27 carrying 26,000 pounds of second-grade tinplate.

The names and present locations of the ships are readily available to our Federal officials.

Mr. THYE. Mr. President, will the Senator yield for a question?

Mr. O'CONOR. I shall be pleased to yield when I have concluded my statement. I hope the Senator will bear with me so the continuity of the statement may be preserved.

Mr. THYE. I am glad to delay my question.

Mr. O'CONOR. I shall be happy to yield to the Senator from Minnesota when I have concluded.

On Sunday last, as was announced, all of these materials which are now en route to North China finally were placed under strict export control. In other words, none of this material could leave any American port today without proper export license, and I am sure that no such license would be granted to permit these strategic materials to get into the hands of Communist China. Note that the materials listed here are cargoes which have left only from the one port of New York. It is fair to assume that other cargoes of strategic materials from other ports are now on the high seas in other United States ships bound for Communist China.

It is indeed shocking to learn that these amounts of materials are being carried to the very people who at this moment are slaughtering American fighting men in North Korea. When we began this investigation a number of weeks ago, after the able senior Senator from Washington [Mr. MAGNUSON], really initiated the move, it was surprising to discover so many obvious loopholes in the Nation's export-control program as it affected Communist-dominated areas. Everything possible was done to cause these loopholes to be plugged. As I said before, the Office of International Trade now has taken steps to tighten these export controls; but it is impossible to understand why this action was not taken months ago.

However, nothing is now being done, nor as far as we know, is anything now being planned, to stop the strategic materials which are now afloat in American bottoms bound for Communist North China. It is for that reason that we think it a public duty to demand that prompt and effective action be taken to prevent that material from falling into Communist hands.

This information concerning the shipments now on the high seas has just come to us, and there has not been opportunity to discuss the matter with officials in the executive departments. However, it is imperative that the Executive branch take every step possible to prevent delivery of these shipments. The Department of Commerce should explore every means; and, if necessary, it is hoped the President will consider invoking his authority to deny these supplies to the enemy. If no authority can be found, then the Executive branch should ask Congress at once to give them the right to remove these cargoes. If some action is not taken, it is my firm conviction that these ships will be placing into the hands of our enemies materials which will assist them in warring against us.

Mr. President, in these efforts to prevent valuable materials from being delivered to Communist areas from United States ports—and I note again that they are being carried in ships flying the American flag—I regret to say that we have achieved results only after the matter was brought forcibly to public attention. With this in mind, I have placed the entire situation before the Senate, so that our membership and the public at large may know what is transpiring.

Arguments have been made by those who would continue to trade with North China; but with American men fighting and dying and facing annihilation at the hands of the Communist Chinese forces, it would seem to be high time to stop "business as usual." According to published statements from official sources, we have continued much of our free trade with North China because the United States obtained from that country more in the form of valuable imports than we are sending them in these strategic exports. Our investigation has convinced me that for several months past we have not been receiving much of strategic value from North China that we could not obtain in other places. Included in the imports received from North China mainly are normal civilian items, such as hog bristles, hides, feathers, textiles, tea, dried eggs, and other foodstuffs.

Based on the available facts, it would seem to be sheer stupidity to continue to allow American goods to get into North China, or to permit American ships to carry any goods into that area. I am reliably informed—and we sought the advice of some of the very highest authorities in Government departments—that we could cut off all China trade this minute without impairing our defense program in any way.

Of course, if we cut off all civilian trade, it will result in some hardships to American businessmen engaged in the China trade. But it is also clear that for every dollar we give to North China for nonessential imports, we make a dollar available to them for the purchase of war materials from other nations in the world who may still insist on doing business as usual.

I, therefore, propose that our trade with North China be stopped instantly and that a complete embargo be placed on all shipments to those ports.

Objection may be raised to a complete cessation of trade with Communist China, on the basis that our shipping and business interests will sustain losses. However, when we think of the thousands of gallant young marines fighting in their bare feet in the snow; when we realize the agonies of cold and disaster suffered by our Army forces in retreat before the overwhelming masses of their enemies; when we recall the round-the-clock dangers to which our Air Force pilots have subjected themselves in an effort to cover the hard-pressed forces, there can be no possibility of question as to the choice to be made.

Mr. President, one American life is worth more than all the hog bristles that could be imported from China. The safety of our American fighting men far outweighs any financial gains that might have to be forgone because of the imposition of a strict embargo.

Mr. MAGNUSON. Mr. President, I wish to take this opportunity to express my appreciation to the distinguished Senator from Maryland for the outstanding work he has done in connection with this matter. I had to leave the Capital for the recent campaign; and I left with the Senator from Maryland this very important inquiry, in which he has done such an able job by clearing up the matter during our absence. I wish to commend him for the work he has done. I think he has rendered a great service not only to the American people as a whole, but, in particular, to the Senate, especially in view of the condition in which we now find ourselves. At this time I wish to commend him publicly for what he has done.

Mr. O'CONOR. Mr. President, I should like to repeat what I said before, namely, that it was the Senator from Washington [Mr. MAGNUSON] who really initiated this matter and brought to the attention of the Senate the first report

of questionable shipments, without which I do not think the investigation would have begun then. So the Senator from Washington is to be thanked in the premises.

Mr. THYE. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. THYE. I should like to ask a question of the very able Senator from Maryland: Who are the exporters who hold licenses and now are shipping or exporting the strategic materials to which the Senator has referred?

Mr. O'CONOR. I shall be very glad to supply the Senator with any names or detailed information, all of which we have. I may say that in public hearings we summoned to Washington a number of exporters whose names we found on the export declarations or on the ships' manifests, and from them we gathered information as to the various circumstances under which the shipments were made.

Mr. THYE. Are many of those exporters old, reliable firms which have been recognized in the export field for years past; or are there some new firms, persons who have obtained licenses in recent months or years, who now are in that export business?

Mr. O'CONOR. Most of them are export firms which have been engaged in the business for quite an appreciable length of time. Some of them have entered this particular field in relatively recent times. In other words, apparently they were requested very urgently by persons in North China to bring about purchases. I have in mind particularly 4,500,000 pounds of pure copper which came from Japan all the way to New York, and then was transshipped around the world, back to North China. That was handled by a firm which had not theretofore been engaged in the export trade.

Mr. THYE. The Commerce Department has a committee which passes upon applications for export licenses, does it not?

Mr. O'CONOR. Yes.

Mr. THYE. That committee within the Commerce Department should in the first instance, ascertain the background of those who apply for such licenses, and why they make application for export licenses, and in that way safeguard against the making of just such shipments as the copper shipment which has been mentioned by the Senator from Maryland.

Mr. President, I wish to say that the policy of importing dried, powdered eggs into the United States, when we have huge surpluses of powdered eggs on hand, seems to be the very height of folly.

Mr. STENNIS. Mr. President, will the Senator from Washington yield, so that I may ask a question of the Senator from Maryland?

Mr. MAGNUSON. I yield.

Mr. STENNIS. I have watched with great interest the development of these facts by the Senator from Maryland, and I wish to commend him most highly. At the same time, I am amazed that we have to argue about a subject of this sort.

Let me ask the Senator from Maryland why we could not impound the cargoes which are in the ships at sea, by informing the exporters that their licenses will be revoked if they do not withhold those goods from China.

Mr. O'CONOR. Possibly the entire fault does not lie with the shippers. These cargoes undoubtedly left American ports when the particular items in question were not on the so-called positive list; that is to say, the Office of International Trade had not then banned the shipment of those goods. We think that should have been done long ago. In certain instances we asked them to place on the positive list the shipment of certain materials.

So particular shipments such as those to which I have referred might have been made legally, in the sense that those materials and supplies were not on the positive list, and therefore did not need a license to be shipped.

Mr. STENNIS. Mr. President, will the Senator from Washington yield further to me, to permit me to ask another question of the Senator from Maryland?

Mr. MAGNUSON. I yield.

Mr. O'CONOR. I am glad to reply to questions.

Mr. STENNIS. Even though the materials were entirely legally shipped, when they left the United States ports, in view of the fact that the ships fly the American flag, could not the Commerce Department order those ships stopped at any place they might wish to do so?

Mr. O'CONOR. I think the Office of International Trade in the Department of Commerce, could modify the present regulations and could prevent the delivery and discharge of those cargoes to the consignees.

Mr. STENNIS. If the Senator does not receive assurances that such action will be taken or that such results will be brought about, will not the Senator introduce in the Senate proposed legislation of an emergency nature to cover this matter?

Mr. O'CONOR. I shall be very pleased to do so. As a matter of fact, I am determined to do so if the executive branch does not act.

That is why I suggested, in the statement I have made today, that the Department of Commerce might take effective action promptly. Over the week end the Department of Commerce took action which henceforth will require the issuance of licenses for cerain shipments. I think they can take immediate action in respect to these cargoes. However, if they do not, I think other action should be taken.

Mr. STENNIS. In my opinion the Senator will certainly have the wholehearted support of the entire Congress in respect to obtaining immediate results in connection with this matter, which is entirely of an emergency nature.

Again I wish to commend the Senator for his very fine presentation.

Mr. KNOWLAND. Mr. President, will the Senator from Washington yield?

Mr. MAGNUSON. I yield.

Mr. KNOWLAND. I should like to join with the other Senators in commending the outstanding job which has been done by the junior Senator from Maryland in this regard, and I am particularly pleased to hear him recommend today that strong action be taken forthwith to embargo these shipments to Red China. I think one of the great weaknesses in the program to date is—and I wonder whether the Senator will not agree with me—that, first, there was a difference between the so-called prohibited list of the United States and that of the British Government, with respect to items which they were allowing to go to Hong Kong, for instance; and second, we must recognize the fact that in dealing with an aggressor power, as we are doing in Red China today, anything that helps their economy strengthens them in their hold upon their own population and their ability to make war against us. Therefore, this trade cannot be limited to a few selected items, but an entire embargo should be placed against them, so as to help disrupt the internal economy of Communist China, and thus in turn give aid to the non-Communist forces within China and the guerrilla movement, so that they can take effective action which will prevent or relieve the pressure against our forces now in Korea. Does the Senator not agree with that?

Mr. O'CONOR. I agree entirely with the statement made by the Senator from California, and, to give an illustration of what has happened, let me say that some time ago when we sought the action and brought to the attention of Federal officials the facts with respect to very large shipments, the quantities having aroused our suspicions, it was argued by them that the articles shipped were used for civilian purposes. We now find that much of the material has gone into the making of uniforms; and, as the Senator from California indicates, commodities which of course could be used for entirely civilian purposes, nevertheless have been employed to strengthen the industrial and the military potential of Communist China.

Mr. KNOWLAND. Mr. President, will the Senator from Washington yield further to enable me to ask a question of the Senator from Maryland?

Mr. MAGNUSON. I yield.

Mr. KNOWLAND. Does the Senator from Maryland not agree also that for some of the commodities which are sent from Communist China to this country, the Chinese Communists are permitted to get dollar exchange, which in turn they use in the markets of Hong Kong to buy more strategic materials, which we ourselves would not permit to be shipped? So, again, not only is the economy of Communist China strengthened but its warmaking potential is also strengthened, and its efforts to drive American forces out of Korea are aided.

Mr. O'CONOR. That is unquestionably the case.

Mr. MORSE and Mr. LEHMAN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield; if so, to whom?

Mr. MAGNUSON. I desire further to yield to the Senator from Maryland, if

there are further questions. Before doing so, however, I merely wanted to add in connection with the present debate on this matter that since my return, the Senator from Maryland and I have had conferences on this subject, and we expect to do everything we can within the authority of the Merchant Marine Committee to stop such shipments as have been referred to. We think a more flagrant violation exists in that many American citizens owning vessels flying the Panamanian flag and carrying American-purchased goods, are doing exactly the same thing that we are now trying to prevent in the case of vessels flying the American flag. It is even a more flagrant violation than in the latter case.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. KNOWLAND. Will the Senator from Washington not admit, however, that if we wanted to make an effective naval blockade of the China coast, we should prevent action under any flag, whether it be British, Panamanian, Chinese Communist, or any other, in the way of unloading cargos from ships there? The only way it can be done is by establishing an effective naval blockade, in retaliation for the overt aggression which has taken place in Korea.

Mr. MAGNUSON. I agree with the Senator from California. Of course, there first comes the question of an effective blockade of the China Sea. That is one thing. I know a little bit about that. There has been blockade-running and pirateering in that area for many years, perhaps for 200 or 300 years. I think we can establish such a blockade. But I believe we should take some drastic action here in regard to American citizens who, under a foreign flag, are making money by engaging in the same kind of traffic.

Mr. MORSE. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Washington yield to the Senator from Oregon?

Mr. MAGNUSON. I yield.

Mr. MORSE. With the permission of the Senator from Washington, I should like to ask the Senator from Maryland two questions, by which I intend to reinforce the comments and observations made by the Senator from California [Mr. KNOWLAND] in regard to this subject.

Mr. O'CONOR. I shall be very glad to answer.

Mr. MORSE. I have but two questions: First, is it or is it not true that the President of the United States, under the powers he has in this hour of emergency, has the authority to stop the transport of these goods, if he cares to exercise the authority?

Mr. O'CONOR. My answer to the Senator from Oregon is that, in my opinion, the President has. It was for that reason that I mentioned, in the statement I made, that it was to be hoped that the Department of Commerce would take immediate action; and, lacking that, while I did not undertake to tell the President what to do, it was hoped that he would seek the use of his emergency powers, or any other powers, he might have, to bring about the desired result. In the opinion of the Senator from Maryland, I may say to my friend the Senator from Oregon, the President does possess that authority.

Mr. MORSE. I thank the Senator from Maryland, and wish to say that I agree with his conclusion that the President of the United States, as Commander in Chief, in this hour of emergency, has that power. I desire to express not only the hope that he will exercise it but to express the thought and to make the statement on the floor of the Senate today that I think it is his clear duty to proceed to exercise that authority without further delay.

The second question I desire to ask the Senator from Maryland, which bears upon the point made by the Senator from California in respect to Hong Kong, is this: Is it not also true that in this hour of great crisis, at least for our country, so far as our boys in Korea are concerned, we have a right to call upon Great Britain to live up to her moral obligations under the United Nations, and to take the steps necessary to see to it that Hong Kong is not used as a means and a device for Communist China to carry on a more effective war against American boys in Korea?

Mr. O'CONOR. I wish to say in answer to the Senator from Oregon that I think his point is very well taken. We have already ascertained that quantities of materials much greater than have hitherto been sent to Hong Kong have gone there recently. In our efforts to ascertain their ultimate destination, we received information that unquestionably they went into Communist China hands. So I think the point made by the Senator from Oregon is undoubtedly a very good one, and I believe there is sound foundation for it.

Mr. MORSE. I may say, most respectfully, that I hope the attention of the Prime Minister of Great Britain will be called to the fact that there is a strong view in the Congress of the United States that Great Britain, through Hong Kong, is aiding and abetting the Communist Chinese in connection with the Korean War.

Mr. KNOWLAND. Mr. President, will the Senator from Washington yield so that I may address a question to the Senator from Oregon?

Mr. MAGNUSON. I yield.

Mr. KNOWLAND. And will the Senator from Oregon yield for a question?

Mr. MORSE. Certainly.

Mr. KNOWLAND. I should like in line with what the Senator has just been discussing, to inquire whether he does not agree with me that, at least with respect to some of the nations which, for some reason or other, have been unable to contribute the amount of help to meet the aggression in Korea that the Government and the people of the United States have contributed, the least they can do is to stop giving their moral and material support to Communist China? Is not that the very least they can do?

Mr. MORSE. My answer is an emphatic "Yes."

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I shall yield for one or two more questions, though we have some pending business to attend to. I yield to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I came into the Senate Chamber late during this discussion, and I did not hear all of the remarks of the able Senator from Maryland and his report upon the results of the investigation he has been conducting thus far. I should like to ask the Senator from Maryland whether, in the course of this investigation, and in his efforts to stop these shipments to China, he has had any assurance from the responsible parties, the Secretary of Commerce, the Secretary of State, or others, that the shipment of goods and materials to China is being stopped, or will be stopped?

Mr. O'CONOR. Mr. President, I may say in answer to the Senator from Arkansas that the answer we received has been in the nature of action taken by the Department of Commerce in successive steps; which action, I again say, I regret was not taken a long time ago. Unquestionably, had it been taken, sizable quantities of these supplies would not have reached their destination. But, during the past week, if I may add this further thought, in fairness to the Department of Commerce, they took action. They took action in placing a general requirement that henceforth all shipments to China must be under licenses. But that does not mean that shipments will not be made; but that those seeking to make them must obtain export licenses.

Mr. McCLELLAN. One more question. I ask the able Senator whether in his opinion there is such lack of cooperation among the executive branches of the Government that, under the conditions now existing, it is advisable for the Congress to act immediately to stop this traffic?

Mr. O'CONOR. I may say to the Senator from Arkansas that if action is not taken in this particular case—which I think is a glaring instance, at this moment, 6 months after the Communists in Korea undertook their offensive—if action is not taken in this instance, I think the Senator will see further action in this Chamber.

Mr. McCLELLAN. Mr. President, I commend the able Senator from Maryland for having brought this revelation of conditions to the attention of the American people; and I may say the American people are outraged by them, and rightfully so. There ought to be some power in the American Government which can stop this character of traffic. If it cannot be stopped by the executive branch, then the Congress should act.

Mr. KEM and Mr. LEHMAN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield; if so, to whom?

Mr. MAGNUSON. I merely want to conclude the discussion on this point by saying to the Senator from Arkansas that this matter was, of course, called to the attention of the Senate last Sep-

tember by the Senator from Maryland and myself, and at that time—let us be fair about it—conditions were much different from what they are now. To follow this up, the Senator from Maryland and I are now asking for a complete embargo, not for export licenses. I feel sure we are going to find a response to this proposal. In the meantime, certain American shippers who have not been wholly at fault have been involved in this traffic; but the real fault lies—we may as well be honest about it, and I am sure that the Senator from Maryland, in view of the very able investigation which he has conducted, will agree with me—lies with the British, who are still doing business as usual through Hong Kong. That fact was called to the attention of the Senate in August by the Senator from Maryland [Mr. O'CONOR] and myself. The Senator from California [Mr. KNOWLAND] joined us in calling the matter to the attention of the Senate. I believe it is appropriate at this time that the Senate call the subject to the attention of the very distinguished visitor from England who is in the city today.

Mr. McCLELLAN. I commend the Senator. However, I do not know what authority we have over the commerce of Great Britain. We do have authority over our own commerce, and can control it.

Mr. MAGNUSON. We do not have any control over Great Britain's commerce. Whatever can be done is being done. It is a national disgrace that ships should be in the Far East with such materials.

The Senator from Maryland has been very vigilant, and I am certain that he will be able to get some concrete results.

Mr. KEM and Mr. LEHMAN addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Washington yield; if so to whom?

Mr. MAGNUSON. I am glad to yield to the Senator from Missouri.

CONFERENCES BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE

Mr. KEM. Mr. President, on behalf of myself and other Senators I submit a resolution, which I send to the desk and ask to have read.

The PRESIDENT pro tempore. The clerk will read the resolution.

The resolution (S. Res. 371), submitted by Mr. KEM (for himself, Mr. WHERRY, Mr. KNOWLAND, Mr. BRICKER, Mr. CAIN, Mr. WILLIAMS, Mr. SCHOEPPEL, Mr. AIKEN, Mr. THYE, Mr. HENDRICKSON, Mr. MUNDT, Mr. DONNELL, Mr. BREWSTER, Mr. NIXON, Mr. BUTLER, Mr. MALONE, Mr. DWORSHAK, Mr. YOUNG, Mr. CAPEHART, Mr. WATKINS, Mr. JENNER, Mr. CORDON, Mr. McCARTHY, and Mr. ECTON), was read by the legislative clerk, as follows:

Resolved, That it is the sense of the Senate that, after the discussions now being carried on between the President and Prime Minister Attlee have been concluded, the President should forthwith make a full and complete report concerning the same to the Senate; and that the President should not enter into any understandings or agreements with the Prime Minister which might have the effect of committing the United States to any course of action, except by treaty entered into with the advice and consent of the Senate in accordance with the provisions of the Constitution.

Mr. KEM. The purpose of this resolution is to prevent a second Yalta or a second Potsdam.

During and after World War II, our leaders took a so-called calculated risk that they could do business with Stalin. They gambled—and our people lost. As a result, we find ourselves in greater danger than ever before in history. The decision as to how to meet the present crisis must be sound and realistic. We cannot afford to take more calculated risks with the security of our people.

A crucial conference is now under way between the President of the United States and the Prime Minister of Great Britain. We learn from the press that the principal items on the agenda are the rapidly deteriorating situation in Korea, and what steps are to be taken to meet the challenge of Red China and the Soviet Union.

This conference is being conducted in a supersecret atmosphere. We do not know what has been decided. We do know that the decisions made will be far-reaching in their implications. They may well mean life or death for millions of Americans.

The Congress, the elected representatives of the people, must exercise fully its constitutional duties to prevent one man, or a small group of men, from again embarking on a course of disaster.

Article II, section 2 of the Constitution provides:

> The President * * * shall have power, by and with the advice and consent of the Senate, to make treaties, provided two-thirds of the Senators present concur.

Webster's defines a treaty as "an agreement or arrangement made by negotiation or diplomacy."

If an "agreement or arrangement" results from the diplomatic negotiations now under way, it should be submitted to the Senate for ratification as required by the Constitution. That is exactly what the resolution I have introduced is designed to accomplish. Nothing more—nothing less.

I anticipate the argument may be raised that to follow such a procedure would tip our hand to the enemy. Therefore, the people must not learn of the plan agreed upon until it has already been put into effect.

Let us not delude ourselves into thinking we can be safe by sticking our heads in the sand. We spent millions of dollars in an effort to prevent Stalin from obtaining the secret of the atomic bomb. Yet one was soon exploded behind the iron curtain. It was made possible only by secrets stolen from America.

The fathers, mothers, sons, and daughters of America should know in advance what they are getting into. After all, this is our country. It is the blood of our people that will be shed. A decision reached in accordance with the principles of our Constitution should determine when and where it shall be shed.

For my part, I greatly prefer such a decision to the combined judgment of those now sitting at the conference table in the Blair House.

We have learned by experience, Mr. President, that government by guess and intuition is no substitute for government by the Constitution. During World War II, a Chief Executive of the United States entered into far-reaching agreements with representatives of powerful foreign nations, including Britain, at Tehran and Yalta. His successor entered into equally far-reaching agreements with foreign representatives, including Mr. Attlee, at Potsdam.

The calamitous Yalta deal—which sold China down the river to the Reds—was made in secret. The advice of the Senate was not obtained—and apparently not desired. And the world-shaping agreements made at Yalta, as in the case of those made at Tehran, were not ratified by the Senate, or even submitted to it. Today, nearly 6 years after the Yalta Conference, we still do not know exactly what took place.

In Potsdam, in August 1945, the present incumbent of the White House followed the example set by his predecessor. The negotiations at Potsdam, in which Mr. Attlee took part, were conducted for the most part in secret. The Senate played no part. The agreements made were not submitted to it as required by the Constitution. And again, as at Yalta, Stalin received practically everything he wanted.

Are we unwilling to learn from experience? Is it not time to put the brakes on secret huddlers? Have we not drunk the cup of unconstitutional government to the bitter dregs?

Mr. President, I have no illusions or delusions as to the superior wisdom of Members of Congress. I do have an abiding faith in our constitutional processes. When a proposed course of action is tested in the crucible of debate on the floor of the Senate or House, reports are carried throughout the Nation via newspaper, radio, and television. Editors, commentators, and columnists express their opinions. The people are able to inform themselves as to the pros and cons of the matter under discussion, and to make their decisions known, by letters, telegrams, and so forth to their Representatives in the Congress.

Only by this process can decisions be reached which represent the considered judgment of the American people.

Only by returning to tried and tested principles of government can we end the backtrack, bungle, and botch in our foreign affairs.

The Senate must reaffirm its role in the conduct of our foreign relations.

The issue is this: Are we to have a truly American foreign policy, openly arrived at within the framework of constitutional government? Or is our policy to continue to be a secret, personal substitute?

Mr. President, I ask unanimous consent that the resolution be referred to the appropriate committee. I also ask unanimous consent that the committee to which the resolution is referred be directed to report on it by Friday.

Mr. MAGNUSON. Mr. President, I shall have to object to the latter request,

because at this time I do not know to which committee the resolution will be referred.

The PRESIDENT pro tempore. The resolution will be referred to the Committee on Foreign Relations.

Mr. MAGNUSON. I shall be compelled to object until I have had an opportunity to confer with the chairman of the Committee on Foreign Relations. Of course, the Senator from Missouri can renew his request at a later time. The procedure suggested by him at this time is somewhat unusual, and I have not had an opportunity to confer with the chairman or the ranking minority member of the Committee on Foreign Relations. Until I have had such opportunity, I shall be forced to object.

Mr. WHERRY. Mr. President, will the Senator withhold his objection and yield to me?

Mr. MAGNUSON. Yes; I yield to the Senator from Nebraska.

Mr. WHERRY. I wonder if the Senator would have any objection to a request that the resolution temporarily lie on the table and that the Senator from Missouri may renew his request after the Senator from Washington has conferred with members of the Committee on Foreign Relations.

Mr. MAGNUSON. I have no objection.

Mr. KEM. That course is entirely agreeable to me.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WHERRY. It seems to me that if the subject is to be considered, regardless of its merits or demerits, the resolution should be brought before the Senate within the next few days. I commend the Senator from Missouri for asking that the resolution be referred to a standing committee, because such committee can consider the resolution and report it either favorably or unfavorably. Therefore, it is the fair way of handling such a resolution. However, in view of the subject matter involved, I should like to ask that sometime during the afternoon the acting majority leader take the opportunity to confer with members of the Committee on Foreign Relations and that the distinguished Senator from Missouri may have an opportunity to renew his request.

Mr. MAGNUSON. I think that is a fair request.

Mr. KEM. Mr. President, I have been informed that several other Senators would like to join in sponsoring the resolution. I ask unanimous consent that the names of such Senators may be added to the resolution.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(The names of the original and additional sponsors appear on the resolution as printed in the RECORD.)

Mr. SALTONSTALL subsequently said: Mr. President, the Senator from Missouri [Mr. KEM] today submitted a resolution on behalf of himself and a number of other Senators. I wish to associate myself with the first half of the resolution, because I believe that not only should we have a full and complete report concerning the conversations the President had with Prime Minister Attlee, but we should have a full report for the people of the United States on the situation up to the present time, so far as such a report can be given without endangering the security of our troops.

I believe that when the people of the country know the facts, they can be relied upon to do the right thing, to do the courageous thing, and to do absolutely all that is necessary.

I do not wish to sign the resolution, because I believe that some agreements or understandings, other than treaties, can properly be entered into without congressional approval; but I believe that whatever is agreed upon should, insofar as can be done without endangering security, be presented as quickly as possible in a full and complete report to those of us in the Senate and to the people of the country. I hope the President will do so.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. LEHMAN. Mr. President, I rise in support of Senate Joint Resolution 207, which proposes to continue the provisions of the Housing and Rent Act of 1947 until February 28, 1951. As has been stated many times, Senate Joint Resolution 207 is merely a stop-gap measure designed to put off a decision which must be taken finally, but which can best be taken at another time. At the present time the Congress is confronted with other pressing problems which will require our full time between now and the first of the year. We must be prepared to answer the international challenges hurled at us, for on our answers will hang the fate of our Nation and of the free world.

My position on rent control is known to the Senate. Earlier this year I introduced a bill which would have strengthened rent control where it was needed, and which would have permitted decontrol where controls were not needed. I felt then that the time for complete decontrol had not yet arrived. I feel even more strongly today that the time for decontrol is not here.

In order to meet the international crisis which faces us, we have enacted the Defense Production Act of 1950 which gives the President authority to allocate materials, and to establish rationing, and wage and price controls. Already the organizations to exercise these controls are being set up and we are straining every sinew to increase our production to meet the deepening world crisis. Without a doubt, we shall soon see the establishment of price controls and wage controls in one form or another. In the face of these efforts to mobilize and protect our national economic structure, how can we permit rent controls to lapse? Surely it is obvious that exorbitant rents are just as inflationary as exorbitant prices. Surely it is just as difficult for the defense worker or the soldier to pay inflated prices for shelter as it is to pay inflated prices for food and clothing.

Already a trend toward increased rents has been noted in those areas where our defense efforts have necessitated the concentration of unusual numbers of persons, either military or civilian. I have in my possession copies of numerous letters from commanders of military installations, indicating the shortage of available housing facilities and deploring increases in rents. It has been pointed out that the continued accumulation of personnel around military and defense installations must continue, and that the charging of exorbitant rents will lead to extreme difficulties in obtaining the necessary personnel to man these defense centers.

In his testimony before the Senate Committee on Banking and Currency on this bill, Mr. Stuart Symington, chairman of the National Security Resources Board, stated:

> Recent experiences already point to some of the effects. For example, the area adjacent to Fort Leonard Wood, Mo., was decontrolled by the housing expediter in September 1949. The recent expansion of military personnel at the fort from a skeleton force to over 35,000 officers and men created a serious shortage of rental housing.

Mr. Eugene M. Zuckert, Assistant Secretary of the Air Force, corroborated this statement before the Senate Banking and Currency Committee by stating:

> Furthermore, the present emergency has made it necessary for us to recruit additional civilian personnel and to utilize their services where housing is already at a premium because of various reasons. Accordingly, any rental increases in these areas would make them unattractive to potential civilian employees and would have a very adverse effect upon our efforts to retain trained civilian personnel at these locations.

Do we really need this bill? It has been suggested by one Member of this body that the present Rent Control Act be permitted to expire on December 31, 1950, in order to wipe the slate clean so that the Eighty-second Congress may reexamine the whole issue of rent control on its merits. In my opinion, such a course of action would be detrimental to our defense efforts. It could very well be highly dangerous to our whole economic structure.

Under any conditions, whether or not Senate Joint Resolution 207 is passed, the Eighty-second Congress will be called upon to examine the entire question of rent control. Senate Joint Resolution 207 merely maintains the status quo until that reexamination can take place. On the other hand, if the present act is allowed to expire, it will mean untold hardships for our defense workers and military personnel.

The defense effort will be hampered. The present organization which is administering rent control will be dispersed and an unlimited amount of time and effort will be necessary to set up new criteria for determining rent levels, especially on those units which are decontrolled by reason of the expiration of the present act.

As I said before, this bill would merely continue the status quo. In areas where there will be no concentration of defense effort, the process of decontrol may

continue exactly as it has in the past. In the controlled areas, rent increases may be granted whenever they are found to be justified. The authority of incorporated cities and towns to remove their areas from Federal controls would be unaffected.

This bill may be described as a rearguard action, a delaying action necessary to give the Eighty-second Congress time to review the whole subject of rent control. If this bill is not enacted, the Eighty-second Congress must start from scratch. If the bill is enacted, it will provide a basis from which to work. It is my earnest hope that Senate Joint Resolution 207 will be enacted into law.

THE FIGHT FOR FREEDOM IS WORLD-WIDE

Mr. SMITH of New Jersey. Mr. President, in the light of the present critical world-wide situation it seems to me appropriate to make a few observations on some of the issues which are before those who are considering where we go from here. We are aware that there are debates today in the United Nations, and there are conferences now being held, probably at this very moment, between the President of the United States and his advisers and representatives of Great Britain, and I feel called upon by a sense of urgency to express some of the convictions I have on the problems now pending.

Let me say at the beginning, Mr. President, that what is going on is a world-wide fight for freedom. I pause a moment to address a few remarks to our guests from Great Britain. As Prime Minister Attlee said a few days ago, trouble always brings us closer together. May it always be thus. We thoroughly reciprocate his sentiments.

Mr. President, we in America are fully conscious of the great sacrifices of Europe in the cause of freedom in our time. We have seen two terrible world wars, and we have seen the countries of Europe devastated. I pay tribute to the heroism that has marked the course of the people of those countries.

We have full faith that their devotion to freedom—and I emphasize the word "freedom"—is undiminished in this time of danger. For a decade we have stood solidly with Europe in the struggle for freedom, and nothing will make us abandon Europe now. But I wish to emphasize that in unity there is strength, and we must find unity in our approach to our present problems.

Unity must include unity of purpose. America takes a world view, and we invite our friends in Europe to do the same. I submit that we cannot have one policy in Europe and another policy in Asia. Some voices are being raised asking us to abandon Asia in order to strengthen Europe. As I see it, such a course would be the utmost folly. To weaken the forces of freedom anywhere is to weaken them everywhere.

A course of appeasement in Asia, a course of rewarding the aggressor or passing over the wrongs of the aggressor, would hearten and strengthen aggressors everywhere, including those in Europe. It would strike a mortal blow at the Atlantic Pact, which we are now trying to develop and strengthen.

Freedom, justice, and courage know no races and no boundaries. If we only have the courage in this crisis to stand together everywhere and to honor our principles everywhere we will find that our strength is greater than we knew, sufficiently great to hold the front for freedom throughout the world—and I emphasize again the word "freedom."

The issue that is before us today is the clear issue of naked and shameless aggression. If I read the United Nations Charter aright, those who wrote the Charter and the countries which ratified it were determined that aggression by force should be curbed and that principles should be established and means provided to prevent aggression. I wish to refer in this connection to the outstanding address delivered by the distinguished Senator from California [Mr. KNOWLAND] on Monday, and I wish to quote, if I may, two questions he asked, which I repeat and underline. The first is:

> Are we now to take the position that human freedom is less worth supporting in Asia than it is in Europe?

That is the first question. The second question is this, and it is likewise the question of the Senator from California:

> Is aggression any less dangerous to peace because it has been committed by a larger power?

We do not hesitate to move in and take action against small aggressions. We have been trying to deal with minor aggressions all over the world, but when we have the threat of a great aggression, or the actuality of a great aggression, we are prepared, apparently, to consider the possibility of backing down for the sake of expediency, in order to be safe.

Let me say a word about the first question asked by the Senator from California:

> Are we to take the position that human freedom is less worth supporting in Asia than it is in Europe?

I had the privilege in September to be a representative of the United States at the meeting of the Interparliamentary Union in Dublin, Ireland. At that meeting I heard expressions from representatives of all the nations present, which numbered 30 or 40. Particularly there were present the representatives of the far-eastern countries. I even felt that the far-eastern countries stole the show because they asserted certain principles they were seeking to attain. They tried to point out to the western powers some of the principles we should consider in the present developing world situation. There were at the meeting representatives from India, Ceylon, Burma, Thailand, Indochina, Indonesia, and other areas in the Far East and in the Middle East. They said to us, "You western powers, which lay so much stress on human freedom, should think through seriously what we in the Far East have been striving for. We have been striving to get away from superimposed controls. We have been striving to get away from the old style of imperialistic colonialism or the exploitation of weaker peoples. All we want is to be turned loose and to be enabled to find out our own destiny, to be a part of the family of nations, without superimposed controls. We do not want to be taken over."

This was said right in an open meeting, and I talked with those representatives afterward. They said in that meeting, "We do not want to be taken over by communism as China has been taken over. But we are in danger of being taken over unless this aspiration of ours in some way is realized, and unless it is possible for the people of the east to be as free as the people of the west hope to be. All we ask is not money, not alms, but a sympathetic understanding of our plight, the sending of aid wherewith we can build up our economic security, whereby we can supply our own defense."

Mr. President, I say we cannot hold that human freedom is less worth supporting in Asia than it is in Europe. In fact it is my own judgment that the supporting of human freedom in Asia today is one of the keystones on which we can hope to build our security in Europe and throughout the world. Those in Europe who are suggesting even that we should ease up and draw away from Asia in order to be stronger in Europe are in my judgment making a basic, fundamental mistake which they will live to regret.

I am making no charges and no suggestions as to those who may be giving voice to the thought that we should do such things, but I understand it is a part of the conversations which are going on. I think our close friends from Britain must realize the dangers to themselves if they once let down in their support of the aspirations for human freedom which are the background of civilization.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. CHAVEZ. Does not the Senator from New Jersey, who in my opinion is contributing a great thought to the Senate and to the American people, also feel that possibly our other ally and member of the United Nations, France, is making a mistake with regard to Indochina?

Mr. SMITH of New Jersey. If the Senator will permit me, I will come to his question in a few moments. As the next step in my remarks I was coming to the United Nations. Not merely the United States of America, but the United Nations has put its hand to the plow to put down aggression in Korea. British troops have been fighting with great valor beside our American forces. Is their sacrifice to be thrown away in appeasement of aggression or in withdrawing from what we have sought to do?

Fifty-three nations, large and small, have backed the bold United Nations stand in Korea. If these nations were right in opposing aggression when we were winning, are they wrong in opposing aggression now that we are in trouble?

In a short period of time we seem to have a complete turnover of the picture. There was an enthusiastic response to the call for resistance to aggression when the Korean trouble broke out last June. The United Nations took, as I thought, a correct stand, and moved in to stop aggression. My question is. Are they now to withdraw, because things seem to be going the wrong way?

Twice the aggressor has defied the United Nations. When the defiance came from the North Korean puppets, we of the United Nations fought them and prevailed. Now that the defiance is by Chinese Communists, motivated by Moscow, and the power is 10 times as great, are we to give up and say we were wrong?

There is a difference between being temporarily pushed back, as we were in Bataan, and trying to appease the situation and practically admit that perhaps we had made a mistake, and had better have done something else.

I say we must stand for the right, no matter how great the forces against us, and see it through. The very survival of the United Nations, and of all the United Nations stands for, depends on the courage and firmness in the right of its members at this particular moment.

It is my own judgment that the United Nations may well collapse if we yield or appease during the present aggression. The great danger is that we will retreat in panic. When I say that I do not mean that we may not have to make a military retreat and reconsolidate our forces, and that sort of thing. That can be done, and frequently is, as in the case of Bataan, when it was necessary to retreat and start from another point. We may have to retreat. But the danger is that we may retreat from the basic principles for which we stand, the principles on which the United Nations itself is founded. The big threat to us today is the danger of retreat from fundamental principles. This we must never do anywhere in the world. We know what those principles are. We see a violation of the basic principle of the whole United Nations Charter, which is to resist unjustified aggression or aggression anywhere.

Let me say in answer to the question asked by the Senator from New Mexico: Of course, the principle I am discussing applies to all the nations that are concerned with us in this great enterprise. They all have responsibilities. I understand that in the case of Indochina the French have tried to solve the problem and bring about a free and independent Indochina at the earliest date. It is a difficult problem.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. CHAVEZ. I fully agree with the Senator from New Jersey that if principles are to apply in one place, if they are worth fighting for, if they are worth the sacrifices which are being made in Korea at the moment, then they should apply everywhere in the world.

Mr. SMITH of New Jersey. The Senator is absolutely correct.

Mr. CHAVEZ. Especially after we started with such great ideals when the United Nations was organized some 5 years ago. I believe the Senator from New Jersey is on sound ground when he states that we should not now retreat from principles. We may have to make a military retreat for the moment, but that should be done only so we can come back and fight again to carry out the principles adopted by the United Nations.

Mr. SMITH of New Jersey. The Senator from New Mexico is entirely correct. He expresses the very thought I am trying to express.

The cause of freedom—and I again emphasize the word "freedom"—is world-wide and indivisible. Freedom can prevail only if the free people of the world are united and working together to oppose despotism in any form in which it may appear.

Our unity does not depend on any temporary success or expediency. It does not depend on where the battle lines are drawn. It does not depend on the military question of continuing the fight in Korea or making an honorable retreat, or moving back and consolidating our lines. The fact that we are forced to do that by the sheer force of numbers is no disgrace. That is one of the incidents of military operations. But I am arguing that there should be no retreat from principle, from what the United Nations stands for, for what we all stand for, and that is human freedom under Almighty God.

Mr. President, our unity lies only in our common moral purpose. If through appeasement we should surrender that moral purpose and the principles for which we stand and for which the United Nations stand, in order to gain a moment of respite in Korea or for any other reason, we would break the movement for unity of the free world everywhere. The fall of all Europe would follow soon after. We cannot afford to run to cover and safety when great principles are involved.

If we maintain our united moral purpose, the purpose of the United Nations, then from that purpose we can develop the proper strategy in every quarter of the globe. We will not always be winning, but in the end we will win if we are always in the right.

As we stood together in June against the shock of aggression, I plead that we stand together now, everywhere in the world. No matter how difficult the task may be, if we have the united will to do it, we will find the means; we will save the United Nations as the great hope of the world for a lasting peace.

During the delivery of the remarks of Mr. SMITH of New Jersey:

Mr. CHAVEZ. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. AIKEN in the chair). Does the Senator from New Jersey yield to the Senator from New Mexico?

Mr. SMITH of New Jersey. I yield.

Mr. CHAVEZ. I dislike very much to interrupt the Senator at this particular moment, but he has mentioned Almighty God. I wonder whether the Senator will be so kind as to permit me to read at this time, for about half a minute, a letter with reference to God and the situation in the United Nations.

Mr. SMITH of New Jersey. I shall be very glad to have the distinguished Senator do so, if he is willing to have his remarks appear in the RECORD at the conclusion of my remarks, so that the continuity of my statement will not be interfered with.

Mr. CHAVEZ. Certainly, and I thank the Senator.

Mr. SMITH of New Jersey. I am very glad to have the Senator from New Mexico read the letter.

Mr. CHAVEZ. Mr. President, this morning's Washington Post carries a letter written by a clergyman of this city to the Post. His letter is along the same lines as the remarks the distinguished Senator from New Jersey has been making. The letter reads as follows:

GOD IN THE UN

More than 5 years ago the United Nations decided that God should not be invoked at its meetings. The chief reason for the rejection of the Creator from the momentous deliberations of this organization was the fear that any mention of the Supreme Being might be offensive to our "good allies," the atheistic representatives of the Soviet Government.

Today, as we look back on the most appalling record of futility and confusion ever presented by an assembly of presumably intelligent statesmen, it should be evident that there is a connection between the exclusion of God from the UN and the colossal failures that have characterized its efforts. Isn't it possible that if the delegates, from now on, humbly call on God for light and guidance before each session, they will be more successful? In these critical days of anxiety and fear it might be well to try this plan.

Very Rev. P. J. O'CONNELL,
C. SS. R., S. T. D., Dean of Theology, Catholic University of America.
WASHINGTON.

Mr. SMITH of New Jersey. Let me say to the Senator from New Mexico, in commenting on the letter he has just read, that I have felt, as he implies, that what is going on in the world is a war between materialistic, communistic atheism, and the Western, Christian tradition in which all of us believe. I have always taken the position, being a man of faith, that it would have been a most enlightening and helpful and uplifting thing if the United Nations could have found a ground on which its meetings could have been opened by the invocation of Divine aid.

Mr. CHAVEZ. I thank the Senator.

UNITED STATES FOREIGN POLICY

Mr. McCARTHY obtained the floor.

Mr. CHAVEZ. Mr. President, will the Senator from Wisconsin yield to me, to permit me to suggest the absence of a quorum?

Mr. McCARTHY. Yes; if it is understood that by doing so I shall not lose the floor. I ask unanimous consent that I may yield for that purpose without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CHAVEZ. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hill	Morse
Anderson	Hoey	Mundt
Brewster	Holland	Myers
Bricker	Hunt	Neely
Butler	Ives	Nixon
Byrd	Johnson, Tex.	O'Conor
Cain	Johnston, S. C.	O'Mahoney
Capehart	Kefauver	Pepper
Chapman	Kem	Robertson
Chavez	Kerr	Russell
Clements	Kilgore	Saltonstall
Connally	Knowland	Schoeppel
Cordon	Langer	Smith, Maine
Donnell	Leahy	Smith, N. J.
Douglas	Lehman	Smith, N. C.
Dworshak	Long	Stennis
Eastland	Lucas	Taft
Ecton	McCarran	Taylor
Ellender	McCarthy	Thomas, Okla.
Flanders	McClellan	Thomas, Utah
Fulbright	McFarland	Thye
George	McKellar	Tydings
Gillette	McMahon	Watkins
Gurney	Magnuson	Wherry
Hayden	Malone	Wiley
Hendrickson	Maybank	Williams
Hickenlooper	Millikin	Young

The PRESIDENT pro tempore. A quorum is present.

Mr. McCARTHY. Mr. President, it is unnecessary to tell the Senate, the country, or the world that America is facing the greatest military disaster in its entire history. Day by day and hour by hour the situation grows blacker, blacker for the world, blacker for the United States, and more particularly is it painfully blacker for over 100,000 American young men in Korea.

At this very moment the mothers and wives of those young men are treading deeply into the valley of darkness and despair. It is not necessary to use high-sounding works to describe the situation to our men in Korea. Those men, their mothers, fathers, and wives, see the situation in its elemental ugliness. They are face to face with facts—facts that cannot be escaped by pious platitudes. It is high time for all, including those responsible for administration policy, to get down to rugged reality, to look at conditions as they actually are today, and not as we wish them to be.

It is not too late for a realistic examination or a reexamination, if you will, of the situation to produce some lessening of the perils of those gallant men now fighting on one of the frontiers of freedom. Upon the results of such an examination we must chart a course of effective action, and we must be prompt in doing so. Promptness, Mr. President, is no less required than realism, we are like the firemen who debate while the house burns down.

In this time of peril, it is the duty of everyone—Democrat, Dixiecrat, or Republican—to work in the national interest. We are all, first of all, Americans. But it is not in the national interest to unite in support of error, or of policies that have failed. Unity then would only compound the damage of the past. World history is littered with the corpses of nations which were united behind bad leadership following the wrong course.

Let us briefly examine the three plans which this administration has used in three of the major areas of the world in the last 5 years.

No. 1: The Forrestal plan, which Truman fortunately adopted for Greece and Turkey. As we all know, the Forrestal plan, simply stated, was to give all the necessary military aid to people who themselves were willing to fight communism—enough military aid to make them strong enough to withstand international communism. While sufficient economic aid was given to make the military aid effective and workable, the emphasis at all times under the Forrestal plan was to be on military aid. The Forrestal plan, as we know, proved very successful.

No. 2: The Acheson-Marshall plan for all of western Europe, which was directly opposite to the Forrestal plan for Greece and Turkey. It consisted of giving the maximum economic aid with no thought whatsoever of any military defense of western Europe. In fact, the over-all plan was to build up the area economically and keep it defenseless from a military standpoint.

Mr. KEM. Mr. President, will the Senator yield?

Mr. McCARTHY. I yield.

Mr. KEM. Is it not true that the Marshall plan, as originally proposed by General Marshall, included Russia among its beneficiaries?

Mr. McCARTHY. That is certainly true.

The Acheson-Marshall plan fitted perfectly with Communist Russia's desire for a power vacuum in all of western Europe. On paper, as we know, there was a material and welcome change in the Acheson-Marshall plan for western Europe over a year ago. The change is on paper. At that time, as the Senate will recall, we voted vast sums of money for the military defense of western Europe. As of today, however, western Europe is still defenseless, while our State Department holds lengthy conferences with European leaders on such questions as whether or not an additional 500 policemen can safely be allowed to Western Germany.

No. 3: The Hiss-Acheson-Jessup-Lattimore-Vincent plan to turn all of Asia over to the Communists and to then cooperate with those friendly Communists. In other words, in one area of the world the plan was to fight international communism with economic aid; in another area it was to fight international communism with military aid; and in the third area it was to turn everything over to the Communists.

I know it is unnecessary to comment upon the fact that of the three plans the only one which has been successful from the American standpoint is the Forrestal plan as applied to Greece and Turkey. The most disastrous for America and most successful from the standpoint of international communism was, of course, the Hiss-Acheson-Jessup-Lattimore-Vincent plan for Asia. As of today the failure of the Acheson-Marshall plan for western Europe has not yet been demonstrated to the American people. Suffice to say we are creating in Europe exactly what Russia desires, namely, an area which is becoming economically prosperous, but completely undefended—a power vacuum. In Stalin's wildest and most optimistic dreams of 5 years ago, he could hardly have pictured a 5-year development more favorable to international atheistic communism.

Of the three plans the Hiss-Acheson plan for Asia should be completely and unequivocably repudiated in its every vicious detail. The Forrestal plan, which worked so well in Greece and Turkey, obviously must receive wholehearted approval; and the Acheson-Marshall plan for Europe should be completely changed so as to conform to the Forrestal plan for Greece and Turkey.

Now let us look briefly at the State Department's plan for Asia insofar as it affects the life and death of this Nation and the life and death of 100,000 of our young men in Korea—the plan to turn all of Asia over to international communism, or, putting it in Lattimore's words, to "allow them to fall, but do not let it appear that we pushed them." This plan was proceeding according to schedule until Truman on June 26 ordered MacArthur to defend South Korea. This, of course, was directly contrary to Acheson's previous public statements in which he publicly assured the Chinese Communists that neither Formosa nor Korea was within our defense perimeter, thereby inviting the Communists to move into Korea and Formosa. While it appeared upon the surface on June 26 that Truman was scrapping the disastrous Hiss-Acheson-Jessup-Lattimore-Vincent plan, actually the reversal and the scrapping did not go deep. It can now be seen that the Communists sustained only a temporary, minor loss, that is, temporary and minor unless—unless at this late date we scrap the entire Acheson plan, lock, stock, and barrel, and scrap the men who were responsible for the plan.

For example, as we all recall, part of Truman's order to the Seventh Fleet was that it prevent the Republic of China from taking any military action against the Chinese Communists on the mainland. Truman's orders to the Seventh Fleet also were to break Chiang Kai-shek's blockade of the Communist mainland. This released over a quarter of a million Communist troops which were stationed upon the mainland of China opposite Formosa.

Strangely—and rather significantly—in Acheson's speech of last week he admitted that he knew that those troops started moving north to the Manchurian border after they were assured by the Acheson-inspired Truman order that they could safely leave the China coast and there would be no danger of Chiang Kai-shek moving over.

As a result of this Acheson-inspired Truman order, at this moment a quarter of a million troops which had been immobilized on the China coast by Chiang Kai-shek's forces are now surrounding and cutting to pieces American forces in North Korea. Those Chinese Communists are using equipment which would not have gotten to them had the American fleet not been ordered to break Chiang Kai-shek's blockade of the China coast. This double barrelled action to aid the Chinese Communists was not United Nations action. It was action taken by President Truman under the advice of Dean Gooderham Acheson.

At this point I should like to pay tribute to a Senator who has been doing a most important work, and who made a great speech on the floor of the Senate today. I refer to the Senator from Maryland [Mr. O'CONOR]. He is performing a valuable service in attempting to stop the flow of these goods, even at this late date.

Let us keep that part of the picture clearly in mind. While the President was ordering our young men to fight and die in the battle against Communists in Korea, Acheson was saying to his Chinese Communist friends—the "agrarian reformers": "Don't worry, the Acheson hand will again be quicker than the Truman brain. I will have him sign an order under which the Seventh Fleet will make it unnecessary for you to guard the China mainland from Chiang Kai-shek's 500,000 troops on Formosa. I will insert in that order a provision forbidding the continuance of the blockade of the China coast by Chiang Kai-shek. Then you can get the necessary war matériel and oil which Chiang has prevented reaching your armies."

But that was only one of the major services which our State Department has rendered the Chinese Communists. With half a million Chinese Communists in Korea—I believe it is now 1,000,000—killing American men, Acheson says, "Now let's be calm; let's not take hasty action; let's do nothing to alienate the friendship of the Chinese Communists who are killing our men. Let's keep them friendly."

With the rim of the world on fire, with the death toll of American men mounting by the hour, the great Red Dean asks us to be calm and patient. It is like advising a man whose home is being pillaged and burned, whose family is being killed, to be calm and not take hasty action for fear he might alienate the affection of the murderers.

Such has been the blueprint for disaster. It doesn't take a military or diplomatic expert to tell the American people that if we continue with the same plans and the same planners 100,000 men will be sacrificed on Acheson's altar of double dealing, and western civilization will have been dealt a staggering blow.

So clear is the answer to the question of what can and must be done that the question almost answers itself.

First. Instead of calmness and patience with the Chinese Communists, what is needed is speedy action of the roughest and toughest kind of which we are capable. The time for patience is past. The time for action is at hand. General Douglas MacArthur should be immediately given the authority to hit the Chinese Communists wherever, whenever, and however he thinks it necessary so long as they are killing American men. We cannot and must not wait on United Nations fiddling while our men are dying. Every minute we wait means more American dead, and new agony and tears for additional American families.

Second. Give the Chinese Republic the airplanes, tanks, guns, and ammunition which are needed to supply the million guerrillas with which they have contact on the China mainland. This will force the withdrawal of vast numbers of Communist troops from the Korean battlefields.

Third. Reverse the Truman-Acheson order to the Seventh Fleet so that Chiang may make such military movements against the China mainland as he and General MacArthur consider advisable. Practically every one of our military men—in fact, every one with whom I have discussed the question—agrees that this action will force the Chinese to withdraw additional vast numbers of troops from the Korean fight, even if Chiang never moves to the mainland. If the threat is there it will force the Chinese to withdraw additional vast numbers of troops from the Korean fight.

Fourth. Reverse the Acheson inspired Truman order to the Seventh Fleet so that Chiang Kai-shek may again blockade the Communist ports, and, of course, have our Navy take part in the blockade.

Fifth. In Japan we must have immediate peace for a free, sovereign and democratic Japan with or without Russian concurrence. In these times it is ridiculous for the United States to be in the position of defending the Japanese. Japanese rearmament must proceed at full speed, but on a basis similar to that of the North Atlantic Pact. To forestall the danger of an independent and remilitarized Japan we can establish a western Pacific pact consisting of the United States, Australia, New Zealand, the Philippines, Japan, and the Republic of China.

Sixth. In western Europe we should immediately shift from the Acheson-Marshall plan to the Forrestal type of plan, which was effective in Greece and Turkey—the plan to immediately build up the military potential in western Europe, creating an army not of American young men, but of European young men, including the tens of thousands of Germans and Spaniards who are willing to fight against Communist aggression. We should be done with the Acheson idea that only American boys can die in the fight against communism.

At home and abroad we can little afford projects of economic defense at the expense of military defense. Any policy or program that does not contribute to rapid and increased military strength on the part of the West cannot be in our best interests. This must be made quite clear to our European allies, for we cannot afford haggling in debate when the necessity of the times demands cooperation, wisdom, and quick action. In this connection it must be kept in mind that Russia wants uncontrolled inflation or economic collapse in the United States. We must deal with the inflation problem at home, and clearly recognize that one of Russia's war weapons is economic warfare, and that we may have gravely overreached ourselves in economic commitments abroad.

Seventh. Through the prestige of the United States and the appeal of the American ideal as demonstrated, we have an additional vast source of manpower which we must not fail to utilize. On the basis of, say, 5 years honorable American military service we should establish quotas similar to our prewar immigration quotas, but without the unfortunate oriental exclusion clauses for those who will serve our cause. Upon completion of this service these valuable allies should be granted full citizenship in the United States. Plans should be made not only to avail ourselves of this source of manpower now, but also if and when Russia succeeds in occupying western Europe.

Eighth. Request withdrawal of recognition of the Chinese Communist government by all those nations to whom we have been giving billions of dollars to strengthen them so as to resist communism.

I think it is extremely important that we notify those European nations that this is a two-way street. When we spend billions of dollars trying to aid them, when the chips are down we should be able to call upon them for something in return. Certainly it is not calling upon them for much to ask them to withdraw recognition of the government which is conducting undeclared war against our young men. Failure on the part of any of them to do so should be considered by us as proof positive of their bad faith and lack of sincerity, and that they have been obtaining our aid under false pretenses. Such aid should immediately cease to those nations who refuse this request.

We know that at Yalta we were betrayed. We know that since Yalta the leaders of this Government by design and ignorance have continued to betray us. The depth and foulness of that betrayal no man can as yet outline for those of us who are its victims. We also know that the same men who betrayed America are still leading America. The traitors must no longer lead the betrayed. The international criminals must no longer splatter the pages of history with American blood. We of America are infinitely stronger than those who betrayed us would have the world believe. We are tougher than they have the courage to admit. We are more free than they wish us to be, and we are ready to fight for what we know is right, but we must not fight under the leadership of perfumed, dilettante diplomats. We cannot fight successfully under the leadership of those who are either half loyal or disloyal to what we are fighting for.

Nor do I think that General Marshall should continue his heavy responsibilities at his advanced age, and particularly since he, too, has been heavily involved in the erroneous China policy. I cannot too strongly urge that General Marshall would be infinitely more valuable to the Nation as an elder statesman in Leesburg. If he were there his doctors would be more satisfied, and his talents would be available as needed, as are those of our other fine elderly statesmen.

Within the next few days I intend to discuss in some detail the insidious Communist Party line attacks by inspired and semiofficial press agents of the Government, and by certain of the dangerous party-line radio commenators and news columnists—attacks by the cabal that

hounded Forrestal to death, and did such an efficient job of destroying Chiang Kai-shek in the eyes of the American people, the same cabal that is now making an all-out effort in an attempt to destroy Gen. Douglas MacArthur because he too, even as did James Forrestal and as does Chiang Kai-shek, stands in the way of international atheistic communism.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article entitled "Untold Facts in the Forrestal Case," written by William Bradford Huie, and published in the New American Mercury.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNTOLD FACTS IN THE FORRESTAL CASE

In the 20 months since the destruction of James Vincent Forrestal, there has been a creeping realization in this country that what happened was much more than a poignant personal tragedy—that it was a historic national disaster in which a patriot with vision was allowed to be done to death by lesser men.

The disaster is made apparent by events. Louis Johnson, for whose accommodation Forrestal was destroyed, has been loaded with sins and chased into the briar patch. We have suffered 30,000 casualties in Korea who might have been spared had Forrestal's policies prevailed. Thoughtful Americans are, therefore, remembering that it was Forrestal who struggled to arm this Nation for its commitments, and there is a growing inclination to look again at his crucifiers and their cloak holders—at those whom Time magazine identified as "disgruntled politicians, Communists, Zionists, and gossip columnists," and whom the Saturday Evening Post labeled "an ill-assorted group of ideological libertarians."

Much of the truth has thus far been suppressed, but the ghost of Jim Forrestal is not going to be laid until there are reasonable answers to such questions as these:

Why was the attack on Forrestal so reckless and sadistically ravage?

Why have his papers been held secret?

Where is the report of those who investigated his death?

Why was the deposed Defense Secretary held a virtual prisoner at Bethesda Naval Hospital—a prisoner who could not be visited by his own priest?

The American people can expect some of the truth within the next few months. Unless the administration can prevent it, there will be a congressional investigation. There will be publication of such of the Forrestal papers as can be wrested from a Defense Department now headed by Gen. George C. Marshall. Meanwhile, this most recent evidence gathered by the Mercury may be helpful.

The Communists, both American and European, had good reason to hate Jim Forrestal: He hated them. He emerged from the Second War dedicated to the destruction of communism. He had opposed every concession to bring Russia into the war against Japan. He fought General Marshall's effort to force Chiang Kai-shek to coalesce with the Chinese Communists. He battled those men in the State Department who tried to give the Mediterranean to Russia. Forrestal sat up nights figuring ways to fight Communists. And he was not only willing to fight them fairly: He was willing to fight their way.

In December 1947, when France was paralyzed by a general transportation strike, Forrestal summoned his most trusted friends to Washington. He told them that necessity demanded the use of dollars in Europe for bribes. He explained that he had spent all of the Defense Department's "non-voucherable funds," as well as much of his own money, and that more was needed. His friends produced $50,000 immediately; the money was carried that night to Paris by an American intelligence officer and paid next day to a prominent Communist leader. The strike ended within 12 hours.

During the Italian elections, in the spring of 1948, Forrestal acted in the same forthright manner. We have taken much credit for our part in that first postwar victory of the west over the Reds. We prayed, we wrote letters, we sent food, we promised Trieste to the Italians—and our side won. But we might have lost had not Forrestal spent private funds on his own responsibility.

When the Italian campaign was hottest, he again summoned his friends. He warned that the election would be lost unless dollars were used to overmatch Red payments to Italian propagandists. His friends produced, in one lot, upwards of $100,000 in cash, and this was carried by a New York attorney and paid out in the most effective manner.

Before he permitted large dollar contributions to the De Gasperi campaign fund, Forrestal received a promise that never, under any circumstances, would De Gasperi allow Communists in his government. This was at a time when other agencies of our Government were still advocating a coalition with Communists in China.

When the Defense Secretary was reminded that he might suffer grave consequences if his activities were made public, he replied: "Don't worry about that. These are times that demand personal risk. I am ready to take any consequences of this action."

In addition to finance, Forrestal also employed deception. He had no authority to give American tanks to the Italians, but he was, with authority, shipping tanks to Greece. He, therefore, arranged for freighters loaded with Greece-bound tanks to "refuel" at Naples, and while the ships were "refueling," American troops in civilian clothes "broke in" the tanks by driving them down Italian streets in parades with Italian soldiers, thus giving the impression that the tanks had been delivered to Italy.

After the election a cardinal then residing in Rome declared: "The Communists blame Mr. Forrestal for this defeat. They have marked him as their No. 1 enemy. He understands them too well."

Such activities by the Defense Secretary were unknown to the American people, but they were well known to Communist agents in Washington. And these leaders hated and plotted against Forrestal because he hit them where they are weakest, in the venality of their own members. He showed them that two can play their game of justifying means with ends.

A complete report on this phase of Forrestal's tremendous activity will be instructive * * * and it will also explain some of the "sadistic savagery" of the attack on him.

While the Communists were plotting his political, if not his physical, death, Forrestal incurred the hatred of American Zionists. According to the Nation, the Zionists "deplored Forrestal's apparent willingness to place the oil of the Near East above the requirements of political justice in Palestine."

Forrestal explained his position in a letter: "If we are to safeguard western civilization in this crisis, the British and American fleets must have free access to Near Eastern oil. That is a fact, however unpleasant it may be. When there is a crisis aboard a submarine, we close bulkhead doors and drown a third of the crew in order to save the other two-thirds. I am interested in political justice in Palestine, but this interest must remain secondary to my primary interest, which is the protection of America and the west from the gravest threat we have ever faced. No minority has the right to jeopardize this Nation for its own selfish interest."

The Defense Secretary invited more leftist animosity when he opposed the Morgenthau plan for the destruction of German industry. The plan is now almost universally acknowledged to have been ridiculous.

These twin positions caused a number of writers and commentators, including Drew Pearson and Walter Winchell, to join in what the Saturday Evening Post described as reckless and sadistically savage attacks on Forrestal.

Despite the Zionist hatred of Forrestal, when the private money was being raised for the Italian and French crises, Forrestal's Jewish friends contributed eagerly and generously.

In the fall of 1948, the rest of the United States was engaged in a political campaign, but Forrestal was engaged in a campaign against the Kremlin. It was the year of the Italian elections, the French strikes, the continuing unification battle, the Berlin blockade. Forrestal, with his incredible energy, worked night and day, including Sundays. In 10 years in Washington he had 3 days vacation. He knew from intelligence reports that the Russians had ventured the Berlin blockade because the United States was in the turmoil of an election. He wanted desperately to keep the Defense Department out of the political campaign.

Forrestal was a Democrat. His father, an Irish Catholic contractor at Beacon, N. Y., had been a Cleveland man. Jim Forrestal, at Princeton, and during the years when he had made himself a millionaire in Wall Street, had remained a Democrat and a party contributor. At Roosevelt's invitation he had resigned his $180,000-a-year job in 1940 and plunged into public service with all his characteristic energy. He was admired by such diverse individuals as Harold Ickes and John D. Rockefeller, Jr.

Forrestal's relations with Truman were friendly but not warm. Forrestal was no poker player, no political opportunist, no professional Legionnaire, no practitioner of the expedient; he was busy and serious. It is possible that he, with his first-rate brain and immense, world-wide experience, was somewhat contemptuous of Truman, but he never revealed it. Instead, even when the President flatly refused to support the $17,000,000,000 budget for the services, Forrestal did not resign but remained loyal.

However, as Defense Secretary in so dangerous a period, Forrestal was convinced that he should not take an active role in trying to reelect Truman. This enraged the political gang around the White House. They reasoned in this manner: They needed money; Forrestal was the big shot in the Cabinet; he was a millionaire Wall Streeter; he had rich friends; he ought to raise money for Truman.

Thus began the slanders and libels that Forrestal was disloyal to Truman; that he had contributed nothing to the campaign; that he had made a deal with Dewey. All of these were lies. He was completely loyal. He contributed $6,000 of his own money to the campaign; he asked a number of his friends to contribute. Truman knew of his contribution; so did Louis Johnson. Two reputable Republicans can testify that he refused to discuss even the possibility of his remaining in a Dewey cabinet. But dedicated as he was to the war against communism, he did refuse to blackjack Defense Department suppliers for campaign funds.

One White House pseudo-military figure remarked: "Yeah, that rich s. o. b. has raised a million bucks to buy votes in Europe, but he's giving us chicken feed to buy votes for Truman."

It would perhaps have been better for the country if Forrestal had called in his wealthy friends and explained that he had to raise a million dollars in order to safeguard his job.

But he didn't; Louis Johnson did; so Johnson became the candidate of the Missouri gang for Defense Secretary.

The day after Truman's inauguration in 1949 the campaign to "get Forrestal" was thrown into high gear. The country has seldom seen its like. The Communists, the "ideological libertarians," the Missouri gang, and the columnists manned the mud buckets.

Forrestal was accused of having defrauded the Government in a tax case. He was, of course, a Fascist, a warmonger, a racist, a bedfellow of I. G. Farben and the German cartelists, he bathed in oil—Near Eastern variety—and he smirked over the murder of Jewish babies by Arabs. He was a renegade Catholic, and, as a climax, Pearson reported that he was a personal coward, that he had once abandoned his wife to burglars and run out of the back of the house.

At the height of the campaign a New York publicity agent was heard reassuring a client: "Don't worry; that —— —— will crack up in 30 days. He can't take what we're dis ing out to him."

Why was it necessary for them to discredit Forrestal? He had tendered the customary resignation to Truman. Why didn't Truman just accept his resignation?

There are two explanations. In the first place, Truman had frightened Johnson by vacillating. When Forrestal had visited Truman after the inauguration, expecting to be fired, Truman had surprised him by saying: "Jim, I want you to stay with me. I know what you're doing, and I want you to stay on and complete the job. You have my complete support."

Truman kept stalling Johnson during January and February, and there was one bitter night for Johnson in New York when he was convinced that Truman, like Roosevelt, had betrayed him and that he wouldn't get the job.

So, in the first place, Forrestal had to be discredited in order to safeguard the job for Johnson; and, in the second place, he had to be discredited in order to make it "politically safe" for Truman to fire him. In present-day politics you can't fire a man without first maligning him.

Under different circumstances Forrestal probably would not have been upset by vituperation. But he was now a dedicated man; he was emotionally involved in his crusade to make this country strong. He regarded Truman and Johnson as political opportunists, neither of whom would hesitate to trim sail in an adverse wind. He didn't believe that either Truman or Johnson understood the realities of the world conflict. He had dedicated himself to trying to increase this country's armed force; he had defied the pressure groups, and he felt, quite correctly, that Truman and Johnson would yield to the pressure groups and actually decrease the country's armed force.

This, of course, is exactly what Truman and Johnson did—once Forrestal was destroyed—and this is the essence of the Forrestal tragedy.

The conflict raged through January, February, and March, for by the middle of January, Forrestal's friends had begun fighting back. They spent $35,000 trying to counteract the Winchell-Pearson campaign.

Forrestal's friends also tried to divide the pressure groups. The National Association for the Advancement of Colored People had been brought in against Forrestal, with Walter White charging that the Defense Secretary had "delayed the end of segregation in the Armed Forces." To counteract this, the Urban League, another organization aiding the cause of Negroes, came vigorously to Forrestal's defense. The Urban League had assisted Forrestal in combatting communism among Negroes on our ships.

Responsible publishers tried to come to Forrestal's aid. Eugene Meyer dropped Pearson's anti-Forrestal columns from the Washington Post.

Because Forrestal had been reared in a Catholic home, then had drifted away from the church and married a divorcee, he was attacked as a "renegade Catholic." The office of Cardinal Spellman, which perhaps had not been entirely unaware of Forrestal's effective efforts in Europe, rallied to his defense. To show that the church backed Forrestal, it was first planned to award him an honorary degree at Fordham, but this couldn't be done until May, and Forrestal needed help in March. So it was hastily arranged for him to address the Friendly Sons of St. Patrick in New York on St. Patrick's Day.

At the St. Patrick's Day dinner, Cardinal Spellman, lauding Forrestal, went to the unusual extent of endorsing universal military training. If the Defense Secretary, the Cardinal said in effect, believes that this measure is necessary in this grave hour, then he has my support.

Forrestal's address was a sad affair, for after 10 weeks of such buffeting he was a fading man. Truman had demanded his resignation within 48 hours. He wanted the resignation to be as of April 1, but he wanted it in hand within 48 hours. Forrestal's first decision was to state his case in a long letter and release it to the press, and he asked his advisers in New York to prepare such a letter. Then he changed his mind and dictated his own brief resignation.

During March, Forrestal appeared dazed and depressed. His friends thought he might have been drugged. He talked sadly about how America was going the way of France; he predicted that American troops would be fighting within a year.

He showed interest when friends discussed with him the proposed purchase of the New York Sun. It was their plan to make him editor of the Sun so that he could continue his fight to arm America against the Soviet threat. When he went to Florida it was with the understanding that he would become editor of the Sun after his recuperation.

On April 1st Forrestal attended the mammoth swearing-in ceremonies of Johnson. He wept openly. The President insisted on decorating him—and Forrestal wept while the President was pinning on the medal, for he considered the gesture an insult. He walked back with Admiral Denfeld, weeping, and he told the Admiral that he was going down to Florida to play some golf.

On April 5th, there was a telephone call from Ferdinand Eberstadt in Washington to Robert A. Lovett in Hobe Sound, Fla. Mr. Eberstadt reported that Forrestal was ill.

"Is he very ill?" Mr. Lovett inquired.

"He is very, very ill," Mr. Eberstadt replied.

Four hours later, just at dusk, the big Air Force Constellation, the Dew Drop, circled and landed at a small, deserted field near Hobe Sound. Waiting was a single automobile in which were Mr. and Mrs. Lovett and Mrs. Forrestal. The door of the airplane was opened, the small ladder dropped.

"I looked up there and saw him standing in the door," Mr. Lovett recalls, "and he looked so pitiful. He was alone. And he didn't look like the man I had known at all. He looked like a little, old Irishman. He eyes were sunk, and I couldn't see his upper lip. As he came stumbling down that ladder I reached up and caught him under the arms."

After he had greeted the two women, Forrestal stood under the tail of the airplane and told Mr. Lovett that "they" had gotten him, that he was being followed, that his telephones were tapped, and he broke into tears as he said: "They're going to catch us unprepared, Bob; America is going the way of France."

During the evening he was quiet, but next day he was worse. Mr. Lovett telephoned Washington and Forrestal's personal attorney, John Cahill, of New York, arrived with Dr. William Menninger and Dr. George Raines. The illness was diagnosed as occupational fatigue, and Forrestal was returned to Bethesda Naval Hospital.

Just what happened during the 7 weeks Forrestal was at Bethesda may never be known, but here are a few of the strange, human, and tragic developments.

Forrestal, in his sixteenth-floor suite, spent most of his time entirely alone. Mrs. Forrestal sailed for Europe on April 12.

Two of the persons who visited the hospital and who were most interested in Forrestal were his older brother, Henry Forrestal, of Beacon, N. Y., and Msgr. Maurice S. Sheehy, of Catholic University, Washington. Henry Forrestal lives at the Forrestal home place and is a highly respected citizen. Father Sheehy, a Navy chaplain, was one of Jim Forrestal's closest friends.

Early in 1949, Forrestal had asked Father Sheehy, along with Henry Forrestal, to help him return to the Catholic Church. To facilitate this return, some investigation had to be made into Mrs. Forrestal's previous divorce and this investigation was conducted by Henry Forrestal.

Forrestal was admitted to the hospital by Capt. B. W. Hogan, and Captain Hogan noted that Forrestal insisted on being listed as a Catholic. His first request was to see Father Sheehy. This request was noted by Captain Hogan, but for reasons not yet explained, Captain Raines, the psychiatrist in charge, refused this request.

On April 12, Henry Forrestal visited the hospital and talked with his brother as well as with Captains Hogan and Raines.

"Jim looked much better than I expected," Henry Forrestal recalls. "His eyes seemed clear; he was sharp and incisive. He told me: 'I'll be all right. We'll pull out of this.'"

What worried Henry Forrestal was the confinement in Bethesda. He told Captains Hogan and Raines: "What my brother needs is not to be cooped up up there on the sixteenth floor. He needs to be on an estate somewhere, among friends, where he can walk around in the sun. He has been an exceedingly active man."

Mr. Forestal asked Captain Raines: "Is my brother fundamentally okay?" Captain Raines answered: "Yes."

Henry Forrestal also told the doctors that his brother wished to talk with Father Sheehy. Captain Hogan replied, according to Mr. Forrestal: "Yes; he has asked to see the father several times. And, of course, he will."

On May 10, 11, and 12, Henry Forrestal again visited the hospital. Meanwhile, Father Sheehy had visited the hospital six times, each time asking to be allowed to see Forrestal and each time being denied permission by Captain Raines.

Henry Forrestal confronted Captain Raines and requested an explanation. Captain Raines, according to Mr. Forrestal, admitted that Forrestal had asked to see the priest. But Captain Raines wanted the priest to wait.

"How long do you want to wait, Doctor?" Mr. Forrestal asked. "We have waited 5 weeks. Delays in such cases can be dangerous. Have you ever heard of a case where being visited by a clergyman has hurt a man?"

Father Sheehy, who is built along the lines of a Notre Dame fullback, is no man to be put off easily. After arguments with Captain Raines, Father Sheehy got the impression that Raines was under some sort of orders in the case, so he went to John L. Sullivan, Secretary of the Navy. Sullivan called Dr. Raines and was assured that Father Sheehy could see the patient "in time."

Henry Forrestal was also determined to obtain his brother's release from Bethesda. He felt that if he could get Forrestal out in

the sun, on some estate, and allow Father Sheehy to talk with him, that he would recover quickly.

Father Sheehy, in opposing Dr. Raines, recalled statements by Dr. Jung to the effect that "out of hundreds of patients there was not one whose problem in the last resort was not that of finding a religious outlook on life." And again, "No patient has been really healed who did not regain his religious outlook."

For Sunday, May 22, Henry Forrestal had a travel reservation to Washington. He was going to make another effort to obtain his brother's release from Bethesda.

But it was too late. At 1:45 a. m. on Sunday, May 22, Jim Forrestal escaped from his sixteenth-floor prison to his death.

When he was buried in Arlington, Truman declared: "This great American was as truly a casualty of the war as if he had died on the firing line."

Father Sheehy declares: "Had I been allowed to see my friend, Jim Forrestal, receive him back in the church, and put his mind at ease with the oldest and most reliable medicine known to mankind, he would be alive today. His blood is on the heads of those who kept me from seeing him."

Dr. Raines has nothing to say, although a formal demand has been made on the Navy by members of Congress for an explanation as to why Forrestal was denied the comfort of his friend and spiritual adviser.

Meanwhile, the people of the United States have paid in blood for the political opportunism which destroyed Forrestal. In a few years perhaps a monument may be erected to him, and a suitable inscription might be:

"Here lies a patriot who also possessed vision. In a period of crisis for his Nation, when mediocrity was enthroned in Washington, he stood forth as a first-rate mind, a dedicated spirit, an inspiring Renaissance man who understood the realities of the world in which he lived, and who, scorning opportunism, gave his energy, his mind, and his life."

WILLIAM BRADFORD HUIE.

Mr. McCARTHY. I also ask unanimous consent to have printed at this point in the RECORD in a two-page statement made by the very able junior Senator from Nebraska [Mr. WHERRY] on November 2, 1950.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The shocking attempt to assassinate the President emphasizes the seriousness of the Communist menace within the United States.

It is the bitter fruit of the years of appeasement and coddling communism in and out of the Federal Government and makes mandatory swift separation of all subversives from Government employment. The tragic event at Blair House emphasizes the urgency for rigid enforcement of the newly passed anti-Communist law and an end to efforts of those in charge of administering the law to discredit it.

The American people want the Mundt-Nixon-McCarthy antisubversive law enforced by officials who are sympathetic to its purposes.

The Blair House tragedy furnishes ample evidence that there must be action. The American people are demanding firm action to protect the country against the Communist fifth column which becomes bolder and bolder every day.

Announcement by the President in his radio address next Saturday night that he has ordered all law-enforcement agencies to enforce firmly the provisions of the Mundt-Nixon-McCarran anti-Communist law will be reassuring to the people in their thankfulness that the President's life has been saved.

FBI Director J. Edgar Hoover stated to the members of the Appropriations Committee of the Senate, of which I am a member, that the number of Communists in the United States has increased to over 50,000 in recent years and they have 500,000 fellow travelers.

The President should immediately order Attorney General McGrath to have every Communist leader arrested for failure to register, as is provided in the antisubversive law, and prosecuted for failure to register, as is provided therein.

All State Governors and municipal police officers no doubt will gladly cooperate.

If President Truman will now give the order to J. Edgar Hoover, head of the FBI, he will soon round up the dangerous Communists—he will get the job done.

The Blair House tragedy is a grim warning of what can happen in the United States. Action now will speak louder than words.

Mr. McCARTHY. Mr. President, again the junior Senator from Nebraska showed his great ability as a leader. Again he has hit the nail on the head. And now I ask President Truman:

With the Communist hordes massacring our boys in Korea and the whole world trembling on the brink of a war to extinction, have you had enough, Mr. President? Will you act before it is too late, or are your hands so firmly tied by the Red masters of your administration that you cannot do what the junior Senator from Nebraska and other patriotic Americans are demanding?

Mr. President, I also ask unanimous consent to have published in the RECORD at this point an article entitled "The Case Against Dean Acheson," written by Victor Lasky. Victor Lasky is the coauthor of the Seeds of Treason.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE CASE AGAINST DEAN ACHESON

(By Victor Lasky)

When Arthur Bliss Lane, former Ambassador to Poland, learned of Dean Acheson's appointment as Secretary of State, he blurted out, "God help the United States."

It was no secret, although Mr. Lane refused to discuss the matter with the press, that his perhaps undiplomatic outburst was occasioned by his bitter experience trying to block a $90,000,000 postwar loan to the Soviet-controlled Warsaw regime.

Appealing to the State Department to refuse the loan, Mr. Lane had pointed to the Red terror in Poland, the arrests of American citizens, and the crushing of all freedoms. He added: "With the greatest earnestness of which I am capable, I beg the Department not to approve the extension of any credits at this time."

Nevertheless, the loan was granted with the approval of Dean Acheson, then Under Secretary of State. It had been negotiated by Donald Hiss, brother of Alger and a member of Mr. Acheson's law firm.

As it turned out, Mr. Lane was right. The loan was used to strengthen Soviet control of Poland.

In approving it Mr. Acheson could at the very least be accused of bad judgment. But there have been many such cases, too many to be explained as mere coincidences. Taken together they constitute a pattern of behavior on Mr. Acheson's part which can only be described as serving the interests of the Soviet Union.

Lest this be considered too harsh a judgment, let it be recalled that recently an official White House spokesman, W. Averell Harriman, could charge Senator ROBERT A. TAFT with actions which further the design of the Kremlin.

It would be absurd to accuse Mr. Acheson of membership in the Communist Party. It is not absurd, however, to say on the basis of his 9-year record in and out of the State Department that he has been incapable of fully understanding the nature of the Communist conspiracy to conquer the world.

And it has been an open conspiracy, spelled out to the nth degree in the writings of Lenin and Stalin, in the resolutions of the Comintern, the Cominform, and various Communist Party congresses throughout the world.

Mr. Acheson seems to have awakened to a few facts of Soviet aggression and bad faith only in recent years. Yet the record was clear as far back as 1939 when Russia, in complicity with Hitler Germany, seized eastern Poland and the Baltic states. For its unprovoked aggression against Finland the expiring League of Nations expelled Russia from membership.

But even today Mr. Acheson has faith in the Soviet revolution, thinking perhaps it may get on the right track. Speaking before the United Nations Assembly, at the height of the Korean debate, Mr. Acheson said:

"This perspective takes into account the possibility that the Soviet Government may not be inherently and unalterably committed to standing in the way of peace, and that it may some day accept a live-and-let-live philosophy.

"The Soviet leaders are realists, in some respects at least. As we succeed in building the necessary economic and defensive military strength it will become clear to them that the non-Soviet world will neither collapse nor be dismembered piecemeal.

"Some modification in their aggressive policies may follow, if they then recognize that the best interests of the Soviet Union require a cooperative relationship with the outside world.

"Time may have its effect. It is but 33 years since the overthrow of the Tsarist regime in Russia. This is a short time in history. Like many other social and political movements before it, the Soviet revolution may change."

Even the Korean War, launched by a Kremlin signal, has failed to teach Mr. Acheson the facts of the Communist conspiracy. He reveals as the central point of his own ideology a studied indifference to the menace of Soviet dictatorship.

Mr. Acheson's continuing use of the unfortunate phrase, "the Soviet leaders," which presupposes they have a devoted following and are not cruel despots who rule with an iron hand—is perhaps revealing.

More revealing was his recent Freedom House speech in which he admitted that "a broad compromise" with the Soviet dictatorship was impossible—at this time. Mr. Acheson insisted that as America rearms and as American rearms Europe "negotiations become possible."

"As the strength and durability of the free nations bite into the consciousness of the Soviet leaders, some modification of their determination to achieve world domination could follow," he said.

"This would open the door on many possibilities for the peaceful adjustment of differences."

In other words, we can still do business with Stalin.

Mr. Acheson's myopia toward Stalinism has in large measure led American foreign policy to fail completely—to a point where the masters of the Kremlin now call the tune.

For the road to Korea is strewn with the wreckage of Mr. Acheson's miscalculations and blunders—the chief of which was the loss of China and its 400,000,000 people to the Soviet Union.

The incredible theory that the Chinese Reds were not real Reds but "agrarian reformers" was long the cornerstone of the Far East policy promulgated by the Acheson

clique. And, according to this group, the Chiang Kai-shek regime was riddled with such corruption it could not be saved. Mr. Acheson set up standards of purity which could not be found in the New York City police department much less in Kansas City.

Despite the fall of China and the Korean mess, Mr. Acheson is still unable to come up with an affirmative Far East policy. He clings to a bankrupt program involving the eventual recognition of Red China, the disparagement of Gen. Douglas MacArthur (his ancient enemy), the abandonment of Formosa and the sabotage of Chiang Kai-shek's valiant efforts to win back his country. As a result, outside of South Korea, we do not have one trustworthy ally in Asia.

Presumably, Mr. Acheson's Far East program is based on the gamble that China's Red leader, Mao Tse-tung, will become another Tito and a thorn in Stalin's side. For Mr. Acheson seems to have an inordinate trust in Tito's brand of communism.

Meanwhile, Mr. Acheson is fighting the loan to Spain proposed by the Senate. Though so tolerant of the Red regime in Warsaw, Mr. Acheson deplores the totalitarian nature of the Franco regime.

This peculiar standard toward totalitarians extends to Yugoslavia. Mr. Acheson is more than willing to do business with Marshal Tito. Apparently the Tito police state is more palatable to Mr. Acheson than Franco's.

At the same time Mr. Acheson has constantly come to the defense of persons accused of being Communists, dupes of Communists or out-and-out Soviet agents. This penchant of Mr. Acheson's has led to widespread criticism and fear throughout the Nation that the State Department has become the haven of a Communist gang. And Mr. Acheson has done little to dispel that ever-spreading belief.

Instead he has repeatedly scoffed at such allegations. And he has constantly ignored warnings of Red infiltration of the Department. These warnings had come regularly from the Federal Bureau of Investigation and State Department security officials. At least one security officer was chastened for being "overzealous." That official, his pension at stake, took the hint and was forced into silence.

The security situation had become so frightful by June 1947 under Mr. Acheson's administration of the Department that a Senate appropriations subcommittee addressed a then secret memorandum to Gen. George C. Marshall, then Secretary of State. General Marshall, incidentally, did nothing about the matter.

"It becomes necessary due to the gravity of the situation to call your attention to a condition that developed and still flourishes in the State Department under the administration of Dean Acheson," the memorandum stated.

"It is evident that there is a deliberate, calculated program being carried out not only to protect Communist personnel in high places but to reduce security and intelligence protection to a nullity.

"On file in the Department is a copy of a preliminary report of the FBI on Soviet espionage activities in the United States, which involves a large number of State Department employees, some in high official positions. This report has been challenged and ignored by those charged with the responsibility of administering the Department with the apparent tacit approval of Mr. Acheson.

"Should this case break before the State Department acts, it will be a national disgrace. Voluminous files are on hand in the Department proving the connection of the State Department employees and officials of this Soviet espionage ring."

Yet at the height of the furor over Senator JOSEPH MCCARTHY's charges against the State Department Mr. Acheson permitted himself a flight of moral indignation before a group of newspaper editors.

Mr. Acheson accused the Wisconsin Republican of a "mad and vicious operation" in demanding the exposure of alleged Reds in the Department. Mr. Acheson insisted that his staff consisted of honorable, loyal, and clean living American men and women—presumably not including the 91 homosexuals fired by the State Department nor the several Department employees arrested on morals charges since.

Mr. Acheson's blanket clearance of all Department employees indicates clearly he is unable—or unwilling—to believe that the Soviet Union could plant agents or sympathizers in his Department. In July 1946 he told a congressional committee that many persons cited as security risks or loyalty suspects were affiliated with progressive organizations and that he would not fire progressives.

Many of these progressive organizations have since been listed by the Attorney General as subversive and Communist.

Not even a jury verdict based on a mountain of evidence was apparently enough to convince Mr. Acheson that Alger Hiss was a proven Soviet spy. As far back as 1940 or 1941 Adolf A. Berle, Jr., an Assistant Secretary of State, then in charge of the Department's security, warned Mr. Acheson about the Hiss brothers—Alger and Donald.

Mr. Berle has since recalled that Mr. Acheson "said he had known the family of these boys from childhood and would vouch for them absolutely." The record shows that Mr. Acheson permitted Alger Hiss to rise to important policy-making posts without apparently making any effort to resolve doubts as to his loyalty. And Mr. Acheson made Donald Hiss—his protege—a member of his law firm, where he still is today.

In 1945 when the FBI arrested six persons on charges involving espionage, in what has become known as the Amerasia case, Mr. Acheson went to bat for one of the defendants, John Stewart Service. Mr. Service, a State Department career officer, has since admitted turning over secret Government documents to Philip Jaffe, a known Soviet agent.

When Senator MCCARTHY revived the Service case, Mr. Service was called home from abroad for a new investigation by a loyalty board. Even before the board looked into the matter, Mr. Acheson cleared Service. He authorized a statement calling the McCarthy charges "dead, discredited, and disproven." The statement said "the sympathy and good wishes of the entire Department go out" to Mr. Service and his family. No one was very much surprised, therefore, when the loyalty board again cleared Mr. Service.

Despite his arrest, Mr. Service has won consistent promotions in the State Department. Compare this with the treatment accorded Angus Ward, a courageous diplomat of the old school who was detained for 13 months by the Chinese Reds in Mukden. Mr. Ward, who never made any secret of his detestation of the be-nice-to-Russia crowd among his colleagues, was finally rewarded with an obscure consular post in British East Africa.

Apparently Mr. Acheson can't forget or forgive Mr. Ward for snarling up his plan of recognizing Red China last year by getting himself arrested.

Another to whose defense Mr. Acheson rushed was Lauchlin Currie, one of the late President Roosevelt's "anonymous" advisers. Mr. Currie was named as a fellow traveler by both Elizabeth Bentley and Whittaker Chambers.

Mr. Currie appeared before the House Un-American Activities Committee to deny the charges. Mr. Acheson acted as his counsel. Mr. Currie today continues to have State Department backing in his various ventures.

The Secretary also came to the aid of Harold Glasser, another accused by Miss Bentley. Mr. Glasser had been a technical adviser for Mr. Acheson at the founding meeting of the United Nations Relief and Rehabilitation Administration. Despite the charges, Mr. Acheson wrote a letter of recommendation which Mr. Glasser used to obtain an important post in a New York charities organization.

Both Hiss brothers continue to hold his friendship which, as Mr. Acheson told a Senate Committee looking into his fitness to serve as Secretary, "is not easily given and is not easily withdrawn."

But what unsettled Congress completely was Mr. Acheson's proclamation that he would not "turn his back" on Alger Hiss, even after Hiss was convicted by a jury of his peers.

Enlightened lawmakers who would concede Mr. Acheson the human privilege of standing by a friend felt he could not disassociate himself from his official position in commenting at all. Even Senator Scott Lucas, the Democratic whip, publicly repudiated the Acheson declaration. He said it wasn't doing the party much good.

Although Mr. Acheson would not "turn his back" on a convicted traitor, he seems to have turned his back on the victims of communism—the hundreds of Americans who are being held against their will behind the iron curtain.

One of them is Robert A. Vogeler, the American businessman sentenced to 15 years in Hungary in a mock trial. According to Mrs. Vogeler, who saw Mr. Acheson to protest American indifference to her husband's fate, the Secretary spoke of "patience and fortitude" and asked her to forget a plan she had for rescue and to keep mum.

"I received nothing but empty promises," she bitterly complained to newspapermen.

Mr. Acheson's role in the case of Dr. Karl von Kleczkowski is perhaps significant. Dr. von Kleczkowski and his wife had been recruited in the Balkans for United States counterespionage by Gov. George H. Earle, of Pennsylvania, when he was President Roosevelt's wartime undercover representative.

For their work Governor Earle promised them asylum in the United States. But, when they arrived here aboard a United States Army plane, they were seized and interned as enemy aliens.

Governor Earle immediately launched a campaign in their behalf, charging that Communist influences in the State Department sought their deportation. Mr. Acheson accused them of being "dangerous enemy aliens."

Their attorney, Louis Waldman, demanded a bill of particulars which Mr. Acheson never furnished. Mr. Waldman said that perhaps their anti-Red reports on the Balkan situation had led to Mr. Acheson's antagonism. Eventually, they were deported to South America.

Also arousing considerable feelings in Congress has been the activities of Mr. Acheson's law firm, Covington, Burling, Rublee & Shorb.

In January 1947, Representative PAUL W. SHAFER accused Mr. Acheson of profiting from business the firm had obtained from foreign governments. He cited the Polish loan as an example.

"Along with the other great financial wizards of the New Deal," Mr. SHAFER charged, "Mr. Acheson has learned well how to feather his own nest while serving in a public post." Mr. Acheson denied the charge.

The firm got into the news again last February when it was disclosed that Mr. Acheson's former partner, Charles A. Horsky, was circulating a petition demanding as "imperative in the public interest" a public investigation of the "lawless conduct of the FBI."

Mr. Horsky accused the FBI of illegal wire tapping, rifling private mail, destroying evidence, and counseling false and misleading sworn testimony by FBI agents.

Although the Communist Party had launched its own anti-FBI campaign, Mr. Horsky said he abhorred communism. There is nothing in the record to indicate how Mr. Acheson felt about Mr. Horsky's crusade. But soon after its disclosure it was quietly stifled.

In August 1949, Mr. Acheson scoffed at charges that the United Nations had permitted large numbers of Soviet agents to pour into the United States in the guise of UN officials. Senator PAT MCCARRAN, a Democrat, said he had the facts to back up such charges.

A half year later Senator MCCARRAN was proved right in one significant case. The FBI arrested a Russian national, Valentin Gubitchev, an employee of the United Nations, along with Judith Coplon, a Justice Department employee, on espionage charges. Both were convicted.

But Gubitchev was allowed to return to his homeland by Mr. Acheson, despite the fact Americans were being held in Red dungeons. Presumably Gubitchev's release was effected in order to obtain the release of someone like Mr. Vogeler. But if there was a quid pro quo arrangement it never came off—at least publicly.

Events have shown that Mr. Acheson's policies have at the very least been stupid. But he is still in charge of making foreign policy during the worst crisis this Nation has ever faced. And he has remained possibly because of Mr. Truman's own inability to realize that Josef Stalin—"good old Joe," he once called him—cannot be dealt with like the boys in Kansas City.

It is this soft-headed unrealistic thinking about world affairs which has led this Nation to the shadow of catastrophe.

Mr. Acheson is not a trained diplomat. He never saw foreign duty in the State Department. He entered Government service in the early thirties as an Under Secretary of the Treasury. President Roosevelt fired him after calling him a lightweight. Mr. Acheson had opposed tinkering with the dollar.

But it would be wrong to assume that Mr. Acheson was a man with set principles. For he eventually reappeared on the scene as an ardent New Dealer. In 1941, having obtained F. D. R.'s forgiveness, Mr. Acheson entered the State Department.

Before long he took over the leadership of a large intellectual fellowship in the Department which was morally certain that eternal peace lay entirely in a sympathetic understanding of Russia. Mr. Acheson and his soulmates, including Alger Hiss, saw everything that transpired in the Soviet Union as good, or, in the light of history, forgiveable.

Adolf A. Berle, who is no reactionary, has testified how this fellowship gained the ascendancy in the Department. Mr. Berle declared under oath that in the fall of 1944 "there was a difference of opinion" in the Department.

"I felt that the Russians were not going to be sympathetic and cooperative," Mr. Berle said. "Victory was then assured, but not complete, and the intelligence reports indicated a very aggressive policy, not at all in line with the kind of cooperation everyone was hoping for.

"I was pressing for a pretty clean-cut show-down when our position was strongest. The opposite group in the State Department was largely the men—Mr. Acheson's group, of course—with Mr. Hiss as a principal assistant in the matter. I got trimmed in that fight and, as a result, went to Brazil and that ended by diplomatic career."

Other experienced diplomats got "trimmed" in that fight. Most notable was Joseph C. Grew, our former Ambassador to Japan, who resigned in August 1945 as Under Secretary to be succeeded by Mr. Acheson.

The shift proved great cause for joy at Communist Party headquarters. The Daily Worker declared that Mr. Grew's resignation meant that "the forces in the State Department which were relatively anti-imperialist were strengthened." The Communist Party had already praised the new Under Secretary "as one of the most forward-looking men in the State Department." On October 7, 1945, the pro-Soviet newspaper, PM, now defunct, declared: "Now State Department policy has a better appreciation of what the Soviet Union wants."

Possibly the left-wing newspapers had recalled the role played by Mr. Acheson at the founding meeting of UNRRA in 1943. How UNRRA, its staff heavily infiltrated by Stalinists, became a tool of Soviet conquest, is a story never adequately told.

For the scandals involving the misuse of UNRRA supplies could not be properly investigated by Congress, thanks in large measure to Mr. Acheson, even though the United States footed most of the tremendous bill.

Mr. Acheson had approved a decision to permit the recipient governments to distribute supplies without proper checking as to what became of them. This was a set-up proposed by the Russians. According to the former Polish Ambassador, Jan Ciechenowski, in his book, Defeat in Victory, Mr. Acheson not only approved it but forced the British to accept.

Thus, when the American Legion protested against further UNRRA aid to Tito, after American planes were shot down over Yugoslavia, Mr. Acheson declared that the United States had no authority to withhold supplies. And never once has Mr. Acheson mentioned the proved fact that Russia had abused UNRRA aid for her own political purposes.

And only last August, Mr. Acheson, kowtowing again to Marshal Tito's police state, saw to it that no official United States representative attended the unveiling in Arlington Cemetery of a headstone for the five young American fliers shot down over Yugoslavia.

Arthur Bliss Lane, who had warned against the Polish loan, had raised the money for the headstone in private subscriptions. Columnist Ernest Lindley, who disclosed the story, concluded: "Diplomatic delicacy has its values but it should not be permitted to interfere with official homage to the dead."

Soon after succeeding Mr. Grew, Mr. Acheson seemed to go out of his way to earn the Daily Worker's accolades. He set about putting Gen. Douglas MacArthur in his place. The general, then under heavy fire from the Russians in Tokyo, had stated that Japan was docile enough to be occupied by only 200,000 troops.

This did not set too well with the Far East Section of the State Department, whose guiding spirit was Owen Lattimore, and which sought a great social and economic revolution in Japan. Their schemes would require large numbers of troops to back the "social revolution."

In a statement described by the Associated Press as "more pugnacious than diplomatic," Mr. Acheson reminded General MacArthur that the State Department, and not he, "is determining American policy toward Japan."

For this, PM said, "Hats off to Dean Acheson * * * the leader of the younger, more progressive men in the State Department * * * who won the first round in his fight for a stern, but just, Japanese peace."

Mr. Acheson has testified that one reason he rebuked General MacArthur was that he felt the need for a liberal government in Japan—a government in whose administration the Soviet Union would have a part. At the time it was Mr. Acheson's view that the participation of the Soviet regime makes a government liberal.

In the long run, General MacArthur, of course, was proved right; but this hasn't kept Mr. Acheson from continuing a bitter feud with the general to this day. That the feud is recognized by the White House is indicated by the fact that President Truman did not take Mr. Acheson with him on his recent Wake Island junket, where he met the general for the first time.

There is nothing in the record to indicate that Mr. Acheson had ever sought General MacArthur's advice, even though he probably is one of the leading American experts on Far East questions.

Yet the State Department has been responsible for a variety of peculiar orders to the general, the most curious of which was the order, still in effect, certifying the Japanese Communist Party as one of the democratic groups to receive official encouragement.

Mr. Acheson, who played a key role in the making of foreign policy in the past decade, is no expert on the inner politics of international relations. Writing in the May 1946 issue of the American Mercury, Benjamin Stolberg, an astute journalist, recognized this fact.

"And so," added Mr. Stolberg, "our Under Secretary is constantly wetting his finger to see which way the winds are blowing. Naturally, he is wetting his finger in the atmosphere in which he moves, and that atmosphere is one of confused liberalism and Soviet friendship in the romantic sense.

"The truth is that he is not an astute and fundamental observer; his brilliance is professional, reckless, and on the surface. Nor is he a strong personality; he is sensitive to the psuedo-liberal opinions of PM, the Nation, and the New Republic, of the fashionably leftish journalists, commentators, bureaucrats, professors, and movie stars. As Under Secretary of State, he has been constantly under the influence and pressure of these waves of opinion, set in motion and manipulated by an invisible force."

A classic example of how the Acheson clique operated—how a small group fostered policies contrary to American interests, but amenable to the left—can be seen in our postwar policies toward Japan.

Prior to the Japanese surrender, the Far East subcommittee of the State-War-Navy Departments' coordinating committee was charged with preparing a statement of general initial policy relating to Japan. Mr. Acheson attended the meetings. Others from State who sat in included Joseph C. Grew; his able assistant, Eugene Dooman, and Joseph Ballantine, the director of the Office of Far Eastern Affairs—all with lengthy experience in Tokyo.

These career officers felt certain that the Japanese would never surrender unless the position of the Emperor was recognized. They felt that Japan would be ungovernable if the Imperial authority was destroyed.

Although such views, at the height of a bitter war, could not be expected to have had any popular appeal, events since have demonstrated they were correct. But Mr. Acheson opposed them. And a bitter fight, the leftist side of which carried over into certain newspapers, raged in the Department—climaxed by the resignations of Messrs. Grew, Dooman, and Ballantine.

In their stead came Owen Lattimore, deputy director of the Office of War Information; John Carter Vincent, chief of the State Department's China section; and Lauchlin Currie, then with the Office of Economic Warfare.

Generally the new group advocated measures proposed in Mr. Lattimore's Solution in Asia, a copy of which was seen on Mr. Truman's desk when the President announced the Japanese surrender. Mr. Lattimore had urged the abolition of the Japanese monarchy, banishment of the Imperial family to China for life, dissolution of large Japanese enterprises and a purge of business executives.

The new leftist State Department crowd came up with a program which in effect called for the atomizing of Japanese industry into single-plant companies; taking securities from their owners for a purely nominal price; and selling them to new entrepreneurs—such as farmers' cooperatives and labor unions, many of them Communist-controlled.

But the Acheson-Lattimore-Vincent group could not sell its views on the Japanese monarchy even though, according to Drew Pearson, Mr. Acheson had arranged for Mr. Lattimore to talk to Mr. Truman on the matter. Later, Mr. Truman appointed Mr. Lattimore as a member of the Pauley reparations commission to Tokyo.

The Acheson-Lattimore-Vincent program for Japan proved unworkable and within 3 years, at the insistence of the late James V. Forrestal, it was reversed. Today the same general standards apply to Japanese business as apply to American corporations under the antitrust laws.

In November 1945, Mr. Acheson went out of his way to demonstrate his sympathetic understanding of Russia by appearing at a Madison Square Garden rally called by the National Conference of Soviet-American Friendship.

Other speakers at the rally, called to welcome the Dean of Canterbury, the Red eccentric of the Church of England, included Corliss Lamont, Paul Robeson, Albert Fitzgerald, and Joseph E. Davies.

By this time Soviet intentions in the postwar world had become unmistakable even for the most woollyheaded. But Mr. Acheson told an assembled throng of Communists and fellow travelers that "there is no specific reason to suppose" that "the vital interests of the American and Russian people" will ever clash.

"We understand," continued Mr. Acheson, "and agree with them to have friendly governments along her borders is essential, both for the security of the Soviet Union and for the peace of the world."

This could only be read to mean that the United States would oppose unfriendly—i. e., anti-Communist—governments along her borders. The record shows clearly that, except for empty protests to placate American opinion, the State Department acquiesced in the formation of Red satellites in eastern Europe. Such was Acheson policy.

The same fuzzy-minded regard for the Kremlin's susceptibilities was demonstrated by Mr. Acheson when he and David Lilienthal prepared a report on atomic energy. Dated March 28, 1946, the report looked forward to giving the atomic secret to Russia. The report declared:

"When the plan is in full operation there will no longer be secrets about atomic energy. We believe that this is the firmest basis of security; for, in the long term there can be no international control and no international cooperation which does not presuppose international community of knowledge." Fortunately, Bernard M. Baruch's commission took a more realistic view of our peace-loving Soviet allies. The Baruch plan provided for continuing inspection, free of the veto. Russia, of course, refused.

In May 1946 as Acting Secretary, Mr. Acheson announced that Soviet representatives would be permitted to witness the atomic tests at Bikini. This was an offer of cooperation the Russians did not turn down.

In September 1945, Mr. Acheson—constantly worried about the Kremlin's susceptibilities—prevented the House Un-American Activities Committee from holding public hearings in the case of Sam Carp, a brother-in-law of Soviet Foreign Minister Vyachaslev Molotov.

Mr. Carp, a Bridgeport, Conn., businessman, had been called to explain some of his business relations with the Soviet Union. Mr. Acheson, in his request to the congressional group, said such testimony might embarrass United States-Soviet relations.

It was in this period that Mr. Acheson, as Acting Secretary, broke off United States diplomatic relations with Spain. At the request of Freda Kirchwey, editor of the Nation, he received Dr. Juan Negrin, who headed the pro-Soviet wing of the Spanish Republican forces. But he refused to see cabinet members of the Spanish Government in exile who, though Socialists, were opposed to Moscow.

For some reason Mr. Acheson has an aversion toward anti-Communist Socialists. Norman Thomas has repeatedly tried to see him to give information on Socialist politics abroad—where they are of considerable importance. Yet, Mr. Acheson has been too busy to see Mr. Thomas.

On December 20, 1945, Mr. Acheson was not too busy to receive Milton Wolff, head of the Abraham Lincoln Brigade which recruited Americans to fight illegally in the Spanish Civil War. The following day the Daily Worker reported that Mr. Acheson had promised to intervene with Franco in behalf of two brigade members held in Spain.

In March 1946, Mr. Acheson snubbed Winston Churchill after the former British Prime Minister delivered his now famous Fulton, Mo., speech warning the world against the Soviet threat. Although Mr. Truman had sat on the dais when Mr. Churchill delivered his speech, Mr. Acheson's attitude was plainly shown when he refused to appear at a New York dinner welcoming Mr. Churchill. The Churchill speech had been bitterly assailed by the Communists, following Moscow's lead. It was at this time that Mr. Acheson was supposed to have discarded his pro-Soviet orientation. Why this should have been Mr. Acheson's turning point nobody knows. There is, however, the curious coincidence that the Russians were then threatening the Middle East oil fields. Mr. Acheson's law firm had long represented an important oil firm.

However, Mr. Acheson's supposed change of heart became known when he pledged American intervention in the event Iran was attacked by Russia.

However, Mr. Acheson was not too happy over the Truman doctrine which had been announced by the President in March 1947. The doctrine permitted the United States to intervene in the affairs of any nation threatened by Soviet aggression.

As the first step, Mr. Truman recommended military and economic aid to Greece and Turkey. Economic aid, under the doctrine, was to be strictly limited to the main purpose—opposing the spread of Soviet power with arms, if necessary.

On May 10, 1947, Mr. Acheson, according to the United Press, took the lead to shift the emphasis in the Truman doctrine from an ideological crusade against communism to an economic program for rebuilding western Europe and the Far East into healthy, democratic areas.

At the same time, over bitter congressional opposition, Mr. Acheson insisted that the United States deliver nearly $17,000,000 worth of postwar lend-lease supplies to Russia. Several Congressmen pointed out the inconsistency in sending such equipment while carrying out the Truman doctrine. But Mr. Acheson said the United States must abide by its contracts. Senator STYLES BRIDGES thereupon accused Mr. Acheson of talking tough out of one corner of his mouth while advocating aid to Russia out of tht other.

Mr. Acheson then made several speeches expressing the need for rebuilding the economies of western Europe. This was followed by Gen. George C. Marshall's speech at Harvard which led to the Marshall plan. Mr. Acheson has since taken credit as the brains behind the Marshall plan. And this has been constantly cited to prove how anti-Communist Mr. Acheson is.

Actually, the plan as originally worked out by Mr. Acheson contemplated enormous gifts to Russia and the east European satellites. In fact, the Red regime in Prague had originally endorsed the plan. But the Prague Communists were forced to swallow the endorsement when the Kremlin decided the Marshall plan was a Wall Street plot.

When Russia refused to play ball, the plan was proclaimed as a certain means of placing western Europe in a position to defend herself against Russia. But as it worked out, it did nothing of the sort. In effect, the plan constituted an abandonment of the Truman doctrine. The Economic Cooperation Administration sought the economic recovery of the world, but wthout military protection for nations in the Soviet line of march.

And ECA has encouraged Europeans to believe they have a right to a high standard of living without doing anything in their own behalf either to achieve it or to protect it against Moscow.

As a result, despite all the billions spent by the ECA, not a single new division of fighting men has been created in Soviet-menaced Europe to resist aggression. Yet the Marshall plan has been sold to the American people as having stopped communism.

But, as Representative WALTER JUDD has asked, "Why should we expect the Communists to keep out of western Europe when our investment of billions only makes those countries more tempting?"

The answer to Mr. JUDD's question can be found in Korea, a nation to which we provided some economic aid but no military support.

As yet, Mr. Acheson refuses to admit that the debacle in China was a major defeat for American foreign policy. Our goal was, or should have been, the promotion of a free, friendly and democratic China. Instead, we are confronted with a China, which was never less free, less friendly, and farther from democracy.

And Mr. Acheson is still continuing his suicidal feud with Chiang Kai-shek, the still-recognized head of a friendly anti-Communist foreign power. As recently as last July 30, Mr. Acheson was quoted as declaring:

"The idea is loose in our country that we are all-powerful and can dictate world affairs. That assumption leads to the belief that, whenever something goes wrong, some American official must be at fault.

"The Red capture of China was so regarded by many. Actually, China's fall was solely the fault of Chiang Kai-shek; he refused all friendly advice, lost every vestige of his popular support, and was ultimately taken to the Communist cleaners."

In one breath, Mr. Acheson states grandly that we cannot "dictate world affairs" and, in the next, he berates Chiang for refusing "all friendly advice," presumably American demands he make his peace with the Reds and clean out "corruption."

Mr. Acheson is quick to discover corruption in governments pledged to fight communism. Last January he accused the Philippine Government of misusing American funds. The speech came when Communist-led Hukapalahaps roamed the countryside spreading death and destruction.

The official Philippines' reactions were interesting. Declared President Elpidio Quirino: "I deplore the insinuation that the Philippines may be a second China."

Finance Secretary Pio Pedrosa lashed back with the accusation that any misuse of funds was the fault of Americans who participated in graft in the disposition of surplus property.

"I will not be surprised," said Mr. Pedrosa, "if, sensing that the Philippines might be lost to democracy because of fast developments in Communist Asia, the United States State Department may not be preparing to ease the United States gracefully out of the picture by issuing a white paper on the Philippines—the first inklings should be the supposed misuse of this $2,000,000,000 aid."

Mr. Acheson has played an extremely important role in the shaping of United States

policies in the Far East. In the fall of 1945 he and his Director of Far Eastern Affairs, John Carter Vincent, wrote the instructions and the President's statement which sent Gen. George C. Marshall to China on his ill-fated mission.

The first draft of the President's statement asserted that the United States would do no business with Chiang, unless he made a deal with the Communists by taking them into his government. Only when the War Department protested was the statement watered down to read that the United States would support the Nationalist Government "so long as it moves toward peace and unity."

For the War Department well knew, through its own intelligence sources, the real nature of Chinese Communists and their complete control by Moscow. But its G–2 reports were discounted by the "wiser heads" in the State Department. And not one of them appears in Mr. Acheson's white paper on China.

Presumably Mr. Acheson now knows well the fate of the coalition-with-Communists policy in Poland, Hungary, Rumania, Bulgaria, and Czechoslovakia. Yet, despite the lessons of eastern Europe, Mr. Acheson has constantly denounced Chiang for refusing to have anything to do with Soviet agents.

For that refusal the Republic of China was punished. From 1946 to 1948 the State Department clamped down on aid to the Nationalists. On March 20, 1947, Mr. Acheson, arguing against aid to China, told Congress:

"The Chinese Government is not in the position at the present time that the Greek Government is in. It is not approaching collapse. It is not threatened by defeat by the Communists. The war with the Communists is going on much as it has for the last 20 years."

Meanwhile, the Soviet Union was sending a steady stream of arms to the Chinese "agrarian reformers"—and their counterparts in North Korea. Finally, when the war-weary Chinese Government forces were cracking up under the strain of new onslaughts by the freshly armed Red troops, the United States began sending a trickle of counterbalancing supplies.

But this was not the picture painted in the white paper on China released by the State Department on August 5, 1949, with a statement that it was salient and frank.

The New York Times thought otherwise. An editorial on the white paper declared:

"It is not unfair to point out that such a summary cannot possibly be objective. The Department will not inform the President that this effort over which it has labored is inadequate or misleading. It will not take the position that the policies it has shaped have been mistaken. This inquest on China is not the work of a serene and detached coroner but of a vitally interested party in the catastrophe. Unfortunately, at this point, one of these vital interests is self-justification, which certainly is the enemy of objective analyses."

In his letter of transmittal to the President, Mr. Acheson asked the American people to accept the proposition that the terrible failure of United States policy in China was not the responsibility of United States diplomacy. The self-serving document reached the astonishing conclusion that nothing the State Department did or did not do contributed to the ominous result.

The plain truth is that the white paper is merely the wrapping for a black record of failure. It is a masterpiece of omissions, evasions, tricky half-truths, sly slants and twists to create misleading impressions and to conceal grave misjudgments. Its publication marked the lowest point ever reached by American diplomacy; the nearest thing to political bankruptcy a great power can acknowledge.

The editor, selected by Mr. Acheson, was Prof. Philip C. Jessup, whose main qualification for the job apparently was his long association with the American Institute of Pacific Relations. An expert on international law, Professor Jessup had no direct experience in the Far East.

The IPR was the chief instrument used by the Communist Party to conduct a vigorous propaganda campaign aimed at discrediting the Republic of China. For many years Dr. Jessup's close friend, Frederick Vanderbilt Field, the millionaire Communist, was the institute's executive director and financial angel. Under Dr. Jessup's direction the institute's publication published many pro-Communist articles. A. T. S. Bisson article, referring to the two Chinas, declared:

"One is now generally called Kuomintang China, the other is called Communist China. However, these are only party labels. To be more descriptive, the one might be called feudal China, the other democratic China."

Dr. Jessup, listed as a sponsor of several Communist fronts, was also a friend of Alger Hiss and, in fact, appeared as a character witness for Hiss at his perjury trial. Perhaps this stood him in good stead with Mr. Acheson, who has used the professor on many vital assignments, the most important of which was the editing of the white paper. By its publication:

1. Mr. Acheson committed an impulsive act against a fully recognized government of a great power, a fact which undoubtedly made every other government wonder if it must conform to our every recommendation on pain of being castigated in a white paper, a fact suggested by Mr. Pedrosa of the Philippines.

2. Mr. Acheson performed a post-mortem on a still-living organism. He used a history book to influence history. He accused a friendly government of every conceivable crime—dishonesty, stupidity, thievery, bad faith, corruption—while we sat with representatives of that government in the UN and counted on its votes to support us in the Far Eastern Commission.

3. Mr. Acheson, moreover, painted the Communists as men of virtue, whose only real fault is that they were working in the interests of Russia. And he completely discredited the Chinese anti-Communists, which by the white paper's own documentation, were waging a war against communism while Mr. Acheson was still entranced by Edgar Snow, Owen Lattimore and Alger Hiss.

4. And Mr. Acheson wrote off any and all elements of the Nationalist Government with whom we could have worked out some form of united action. In effect, he gave a kind of de facto recognition to the Red conquest of all China, which was not then actually a fact. This "recognition" gave enormous strength of the Communist elements in Southeast Asia, a territory which Mr. Acheson piously announced the United States would defend—by appealing to the UN.

Nowhere in the white paper is there the frank admission that the State Department had promoted the myth that the Chinese Reds were agrarian reformers. This fundamental error, and its evil consequences, are covered up. There is the pretense that the State Department knew all along how wicked, totalitarian and subservient to Moscow the Chinese Reds were; and how necessary it was, for America's vital interests, to save China from the Reds.

The white paper itself, however, smashes this pretense. Buried in the extracts are portion of memoranda of John Davies and John Stewart Service, State Department career officers who were the most bitter critics of the Chiang regime.

The time was 1943–1945 when the tide had turned against Germany and Japan. Russia was free to spread her totalitarian poison. At this crucial juncture the Davies-Service team began thumping the drum for the Chinese Reds. They reported how the Reds were wholeheartedly fighting the Japanese and promoting a wonderful, popular revolution. Short on documentation, they were long on enthusiasm. Typical quotes:

"This (Communist) revolution has been moderate and democratic. It has improved the economic condition of the peasants, * * * given them democratic self-government, * * * freed them from feudalistic bonds."

"The Chinese Communists (have) moved away from world revolution to nationalism. (They) have positive and widespread popular support, phenomenal vitality and strength. (They) are genuinely of the people."

There is no indication from the Davies-Service dispatches, which had profound influence on the making of our Far East policies, that the Chinese Reds were ruthless totalitarians, practicing terror if necessary, suppressing civil liberties, and adept at the most rigid thought control.

Messrs. Davies and Service stated frankly they wanted the United States to abandon Chiang and his legitimate government. They argued that just as Winston Churchill had publicly proclaimed support for Marshal Tito, President Roosevelt should proclaim support for Mao Tse-tung. Only this, they said, would force Chiang into a coalition with the Communists.

All this, reading like folly now, can be found in the white paper, unrebuked and seemingly unnoticed by Mr. Acheson. But the Davies-Service line was the basis for Mr. Acheson's incredibly intemperate castigation of the Nationalist Government. Among other things, Mr. Acheson stated that the Nationalists had starved their people; had made no effective effort towards a progressive government; had sunk into corruption, reaction and a scramble for place and power; had lost the confidence of the people; and had decayed to the point where their troops had lost the will to fight. The Nationalist armies, said Mr. Acheson, "did not have to be defeated; they disintegrated."

Mr. Acheson, as usual, did not document these sweeping indictments. He did not put corruption in the frame of perspective or balance it against a war-corroded economy. Certainly corruption existed in China, as it exists here. The Chinese call it squeeze and cumshaw; Americans call it 5 percenters and deep freezers. It was exposed and fought there; as it was here.

How did Mr. Acheson weigh confidence in China? Apparently not by the 33,000,000 Chinese refugees from Communist territory, who sought haven in Nationalist territory.

They couldn't all be landlords and reactionaries.

Mr. Acheson excoriated the Nationalists for not promoting constitutionalism. In 1947–48, Chiang led his people toward a democratic constitution and their first experience in popular voting—but the Secretary of State brushed off this progressive effort, that is, if he had heard of it.

The Chinese Reds had themselves provided the answer to Mr. Acheson's charge that the Nationalist armies did not fight. Their official New China News Agency estimated Communist casualties at 1,432,900 in 3 years. Of these, 622,000 were suffered from July 1, 1948 to July 1, 1949—the crucial year, according to Mr. Acheson, when the Nationalists had disintegrated.

The white paper does contain one important, less black picture of Chiang. It was drawn by China's foremost scholar, Dr. Hu Shih, one-time Ambassador to the United States. In December 1948 our Ambassador reported he had talked with Dr. Hu. He said:

"The conversation with Hu was especially saddening because he represents the finest type of patriotic idealism in his attempt to be loyal to the Chiang government. Hu's argument is that communism is so implacable and intolerant, so diabolically thorough in its indoctrination and so ruthless in enforcing its totalitarian control even in China

that Chiang Kai-shek should be supported despite his shortcomings because he alone sees this and has been uncompromising in resisting it."

Dr. Hu perceived, as Mr. Acheson still does not, that bad as the Nationalist Government might be, it cannot be as bad for China—and the world—as communism. In politics the choice is not likely to be between good and bad, but between the lesser of two evils.

But nothing in the white paper is more sickening than its misrepresentations of the amount of aid the United States sent the Nationalists. The aid supposedly sent amounted to $2,000,000,000. According to the white paper it was tossed down the rathole of Nationalist corruption. But when the listing is examined, it is clear that none of it, save for the $400,000,000 military-economic program forced on the State Department by Congress in 1948, was actually designed to combat communism.

The other items include lend-lease equipment provided the Chinese to combat the Japanese. UNRRA benefits which are listed were for postwar relief and rehabilitation, of which Red China received a share. The surplus property sales, by express order of General Marshall, did not include weapons to fight armed communism.

Underlying all the figures of aid is, of course, the basic attitude of the State Department's China experts. The white paper annexes are studded with their shrill warnings against aid lest Chiang use it to fight the Reds. In a monstrous twist of animosity these pro-Communist partisans now blame Chiang for using aid ineffectively against the Communists.

For its own purposes the white paper makes much of the steady deterioration of morale in Nationalist China. Yet, the fact is that United States diplomacy delivered blow after blow to Nationalist morale—climaxed by the white paper. For the mighty American champion of world freedom had singled out the Nationalist leaders as too contemptible for encouragement. Yet Mr. Acheson could say, with a straight face, that the State Department had "pursued vigorously the objective of assisting the Nationalist Government."

And now Mr. Acheson has decided to abandon Formosa. He had already written off the island fortress prior to the Korean War. In a secret memorandum smoked out by the United Press last January the State Department advised its attachés abroad to sell the public the idea that Formosa was of no strategic value.

Politically, geographically, and strategically, the memo said, Formosa "is in no way especially distingushied or important." This was not the State Department view on June 3, 1945. The State Department bulletin then stated that "with the exception of Singapore, no location in the Far East occupies such a controlling position" as does Formosa.

Neither is it the view of the top military strategists. Gen. Douglas MacArthur, in the Formosa statement the administration wanted to suppress, had stated that "the occupation of Formosa by Communist forces would be a direct threat to the security of the Pacific area and to the United States Forces performing their lawful and necessary functions in that area."

But Mr. Acheson doesn't think so and by his recent actions he again undermined anti-Communist hopes in China. Time-Life correspondent John Osborne, reporting last October 2 from Formosa, quoted a member of the Chinese Nationalist cabinet:

"If I could see Mr. Acheson tomorrow morning, I would ask him just two questions. Does he want us to live, or does he want us to die? Does he want us to grow strong on this island, or does he want to throw us off this island?"

Representative HUGH SCOTT, on his recent return from Korea, reported that American troops there wanted to know: "What about this guy Acheson? Is he on our side?"

They had good cause to wonder.

While American troops were fighting a bitter war in Korea Mr. Acheson's be-nice-to-Russia policies continued. Even the American Federation of Labor rebelled at Mr. Acheson's desire to continue business as usual with Russia and her satellites. Said A. F. of L. President William Green last September:

"We should stop shipping goods to Russia and other Communist countries because they will use them to prepare for war against us."

But Mr. Acheson persuaded Mr. Truman to condemn the refusal of A. F. of L. longshoremen to unload Soviet-manufactured furs and crab meat on American docks. Mr. Truman announced that he and Mr. Acheson were making foreign policy—not the longshoremen.

It was Mr. Acheson's foreign policy which led directly to Korea.

On January 12, 1950, in a speech before the National Press Club in Washington, Mr. Acheson virtually abandoned Asia to Russia.

Mr. Acheson declared that our defensive perimeter runs along the Aleutians to Japan and then goes to the Ryukyus. This policy statement immediately ruled out any defense of Korea or Formosa—both lying above that perimeter.

Mr. Acheson jeered at Senator ROBERT A. TAFT'S proposal that we send a fleet to protect Formosa against Red invasion. He said he didn't realize that the Ohio Republican was a military expert.

Prior to that Mr. Acheson had sanctioned the withdrawal of American troops from South Korea. Had our occupation of Korea continued possibly the North Korean attack would not have taken place. Had the attack taken place, however, our troops who landed there last June would have had adequate bases, supplies, and equipment at hand.

Following the American withdrawal, Mr. Acheson announced: "If South Korea were invaded, our attitude would be that South Korea would be able to resist."

Mr. Acheson, whose sole military training consisted of several months in the Navy during World War I, had never consulted with General MacArthur on Far East policies. Instead it was Owen Lattimore who was asked by the State Department for advice on what to do in the Far East.

And Mr. Lattimore, in a secret memorandum to the State Department, proposed that Korea should be allowed to fall without making it look as if the United States had pushed it. Syngman Rhee to Mr. Lattimore was just a little Chiang Kai-shek.

With this background, the masters of the Kremlin thought they would face no United States opposition in taking over Korea. But they miscalculated. For President Truman, disregarding Mr. Acheson, decided that he had been pushed around enough by the Russians.

But Mr. Acheson's appeasement policies continued. Although we pledged our naval and air power to prevent a Red invasion of Formosa, we prevented Chiang from continuing offensive operations against the Red-held mainland. And we rejected Chiang's offer of American-equipped, battle-hardened Nationalist troops for Korea.

According to Mr. Acheson, the question of Formosa's ultimate fate will be settled by the United Nations, thus paving the way for an inevitable impartial high-level junking of Chiang's right to maintain his government on Formosa.

This was recognized by General MacArthur in the statement to the Veterans of Foreign Wars Mr. Acheson sought to suppress:

"Nothing could be more fallacious than the threadbare argument of those who advocate appeasement in the Pacific that if we defend Formosa we alienate continental Asia. Those who speak thus do not understand the Orient."

Throughout the Korean episode Mr. Acheson did his utmost to appease Red China. About the only action taken toward the Peiping regime—which did as much as Russia to encourage the North Korean aggression—was to concede it was a mistake for an American plane to have strafed Red Chinese territory.

The game was to do anything to keep Red China out of the Korean war. The Chinese Red leaders, adept at the art of blackmail, demanded as their price United Nations recognition. And, according to Senator STYLES BRIDGES, Mr. Acheson agreed—playing a double game in that he assured the American people he would oppose such recognition. But everything points to the fact that Mr. Acheson has already agreed, in behind the scenes' maneuvering at Lake Success, to such an outcome—following the November elections.

While Mr. Acheson appeased, General MacArthur won the war in Korea. But it took American forces 3 months, many ignominious reverses and heavy casualties before they could take the offensive. It was a miracle that General MacArthur's small and poorly equipped forces escaped another Bataan.

This is the Acheson record. This is the record based on information already made public. What the hidden record is—what Mr. Acheson has done behind the scenes—the American people may never know.

But one thing is certain even if Mr. Acheson is eventually forced to resign by an outraged public opinion.

For any lasting reform of our foreign policy the State Department will have to be thoroughly cleansed of 9 years of Mr. Acheson's influence. For at no time in American history has the prestige of that Department sunk as low as it now sags under Dean Acheson. A drastic house cleaning is in order.

Mr. McCARTHY. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an editorial entitled "Our American Duty," published in the Milwaukee Sentinel.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

OUR AMERICAN DUTY

The blundering and disloyal foreign policies of the New Deal are taking this country into complete disaster, both military and economic.

Our sovereignty has been impaired by making us a virtual vassal of the United Nations, which disrupts our councils, and seeks to fly its mongrel flag over our public buildings.

Our wealth is dissipated to support socialism abroad and to defend alien peoples who are not willing to defend themselves.

The lives of our young men are being sacrificed in a desperate war which our purported allies are not trying to help us win on the battlefields and are conspiring to make us lose in the mazes of diplomacy and duplicity.

For our own survival it is imperative that we extricate ourselves from these destroying situations at once.

Without even inadequate support from others in the United Nations we are fighting almost alone against massed hordes on the Asian continent.

Continuing the war means only the slaughter of millions in a Quixotic American attempt to conquer a vast and distant population.

First and foremost, therefore, this country should withdraw its armed forces from the invasion areas.

We should get our troops out of Korea as quickly as possible.

We should come home to our own country, reconstruct our defenses, and give heed to our own security and welfare.

This might be a defeat for the New Deal, which is responsible for our dismal plight.

It would not be a defeat for the United States, but merely an act of self-preservation.

Secondly, we should get out of the United Nations.

That organization has not sustained us in the war that we undertook in its behalf.

Instead, it has interfered with our operations.

Furthermore, it is conniving to admit the enemy into a privileged membership where the enemy could dictate peace terms.

Accordingly, the United Nations should let Red China in—and leave the United States out.

Then let the United Nations see how it gets along.

This country has maintained the United Nations since its inception, with no return in loyalty or gratitude.

So let those who run the United Nations pay for the United Nations—and fight its wars.

Finally, we should end our unrequited efforts to support and supply an ingrate Europe.

Even England, our supposedly staunch ally, has not genuinely backed us in our solitary United Nations war, nor assisted us elsewhere.

On the contrary, Marxist England formally recognized the Chinese Communist government and collaborates with Marxist France in preventing an European rearmament.

Europe has intimated it no longer wants our martial help.

This is Europe's attitude, let Europe look out for itself, and see how Europe gets along.

Since obviously we stand alone, we should have the wisdom and the courage to act alone.

For our duty is to protect our own people and to foster our own Nation.

Mr. McCARTHY subsequently said: Mr. President, I ask unanimous consent to have printed in the RECORD in connection with the remarks I made earlier today, a letter which I wish to read. Will the Senator from Washington yield to me?

The PRESIDING OFFICER. Does the Senator from Washington yield for that purpose?

Mr. CAIN. Yes; if I am permitted to do so, I shall be glad to yield for that purpose.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCARTHY. Incidentally, Mr. President, the letter I am about to read is not apropos of what the Senator from Washington is now discussing, but it has to do with the remarks I made earlier this afternoon.

The letter comes from Pfc A. J. Mullen, who has been in Korea. I think we should keep his letter in mind as we watch the fiddling of the United Nations while it debates whether we are at war. This letter comes from a young man who knows we are at war. I read the letter:

DEAR MA AND DAD: I'm on my way home, but I'm bringing some bad news with me. I hope you don't take this so hard as some people do.

I went to Korea and got wounded in both of my legs and they had to be amputated. I don't remember exactly how it happened—I only remember the explosion and the hospital at Inchon. They are in good condition at the present and it will be no more than a month before I will see you all again.

I am on the *General G. M. Randall* at sea. I'm relieved to get away from it all, mom and dad, and there will be something to look forward to when I see you people again. The only thing that I'm worried about are you folks. I don't want you to be worrying and going around with tears in your eyes. The best years of my life are ahead of me. For your information, they amputated from my knees down.

Well that's all for now. The rest can wait. I'll be writing you more often now, and once again I beg of you to keep cool and I will see you soon. Please excuse the handwriting as I am a bit shaky at the present.

I will write again soon.

Your loving son,

BOB.

Mr. President, I do not think the letter needs any comment. I wish to commend it to the reading and consideration of those who are debating whether the Chinese are at war with us.

FREIGHT FORWARDERS AND MOTOR COMMON CARRIERS

The Senate resumed the consideration of the bill (H. R. 5967) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

Mr. MAGNUSON. Mr. President, the Senate has now before it for consideration House bill 5967, which has been passed by the House by a very substantial margin. The bill deals with a problem which has been before the Congress for many months and which has received the attention of both the House and the Senate Committees on Interstate and Foreign Commerce. The bill, which was reported by the House committee unanimously and by the Senate committee by a very substantial majority, is before the Senate at this time because in the opinion of those who favor the bill it involves a problem which must be solved. So the bill should be considered at this time and passed by the Senate.

Mr. President, House bill 5967 would solve a pressing and important transportation problem. As I said, the prompt solution of the problem is a pressing necessity at this time. The House agreed to certain amendments, which have removed all valid objections to the bill. The bill simply maintains the status quo.

Mr. President, the bill deals with a highly technical matter, which would take some time to discuss. It is a matter, however, which has received the attention of the Senate Committee on Interstate and Foreign Commerce in very lengthy hearings, during which all sides of the question were discussed. It deals with the problem of freight forwarders.

1. THE PROBLEM WHICH THE BILL SOLVES

Freight forwarders have been regulated as carriers under Federal law since 1942. Shippers throughout the Nation depend upon the coordinated service which forwarders provide in the transportation of less-than-carload-lot freight. Forwarder service is of vital importance to both the domestic economy and the defense effort of the Nation.

That service is threatened by an interpretation of the statute which regulates forwarders.

The interpretation, made by the ICC, holds that the statute does not define forwarders as common carriers, but as agencies of transportation having a similitude to public utilities. Based on that view of the status of forwarders, the interpretation further holds that an important phase of the business, whereby forwarders coordinate their services with those of motor carriers, under flexible agreements for hauling forwarder freight in truckload lots between forwarder stations, must be discontinued. This practice has existed, openly, satisfactorily, without complaint, and with great advantage to the shipping public, and, I may say, to the little shipper, for more than 30 years.

The order making this interpretation has been postponed from time to time pending enactment of corrective legislation, or similar corrective legislation such as that which is now before us, and is now scheduled to become effective May 1, 1951.

The bill cures the problem by clearly recognizing forwarders for what they are, and have always been, namely, common carriers similar to the American Express Agency.

Further, it authorizes continuance of the practices which have evolved and proved their worth over the years, and recognizes them for what they have always been—contracts.

2. PROMPT SOLUTION OF THE PROBLEM IS A PRESSING NECESSITY

The maintenance of an adequate and efficient transportation system, in all its aspects, has perhaps never been of more critical importance to the Nation. No one questions that freight forwarders fill an important place in our transportation system. Heavy use of forwarders is made by all the armed services and defense establishments, and by all the shippers of the country.

In addition to providing a coordinated and expedited transportation service which is not otherwise available, the forwarders are of tremendous importance in the conservation and efficient utilization of the existing facilities of other carriers. Rail boxcars are today in critically short supply. Statistics show that freight-forwarder cars are loaded approximately twice as heavily as cars loaded with ordinary less-than-carload-lot freight, which is what forwarder traffic consists of. Forwards also enable motor carriers to make much more efficient utilization of their equipment by eliminating dockings, loading more heavily, and eliminating unnecessary paper work, transfers, and the like.

It would be foolhardy to permit artificial and unnecessary barriers to cripple freight-forwarder service, particularly at this time.

Mr. President, in connection with the original bill, the House considered several amendments which removed some objections made by the railroads and others involved, and those amendments are now contained in the bill. It is my understanding, from reading the House hearings, the testimony of those who appeared before the committee, that the opposition to the original bill on the part of some railroads—not on the part of all—has now been removed, and they have so testified. After the amendments were placed in the bill, and after the factual data was placed in both the

House and the Senate committee reports, the House committee unanimously reported the bill, and it was passed by the House by a very substantial margin.

All the bill does, as I said, is to maintain the status quo which now exists in our transportation system. Some argument has been made to the effect that possibly we might wait a period of time in order to make a study of the whole transportation system as it involves freight forwarders and all the other methods of railroad transportation and truck transportation. I believe at this time that would be somewhat disastrous, because all the bill does is, as I said, place the matter in status quo. If we decide, after sufficient study of the transportation systems' problems, that we want to make some changes we can do so in another bill.

Mr. President, I hope the Senate will act on the bill promptly. The ICC has had the matter before it for many, many months. Lengthy hearings have been held by the Senate committee. The subject is highly technical. Most of us have come to the conclusion that the bill should be passed in order to retain the freight forwarders in the position they now are.

As I said, the amendments which were proposed were agreed to by the railroads of the country who at first were opposed to certain portions of the bill. The purpose of amendments is to keep our transportation system and important segments of that system alive.

Freight forwarders play a great part in the life of the small shipper. A freight forwarder does not operate in the main with carload lots. He picks up various lots from the outlying districts and combines them into a carload lot and ships them to another small point that could not take advantage of a terminal point.

I wish to read from the hearings before the Senate Interstate and Foreign Commerce Committee. Small business was represented in those hearings. This is what was said on behalf of small business regarding this service which we now seek to keep in status quo. I read from page 312 of the hearings:

> Small business needs forwarder service because, as even those opposing the bill admit—

Reference is made to the original bill prior to the adoption of the amendments—

> because, as even those opposing the bill admit, it is the only l. c. l. service available on small shipments which combines fast, dependable schedules at standard—not premium—rates. In other words, if your local shoe store did not have forwarder service to move its 150- or 200-pound shipments, it would have to turn to express, air, or some other high-cost means of transportation in order to get its goods shipped on time.

The hearings are replete with testimony of small business which have taken advantage of the freight-forwarder service during the 40 years it has been in existence. It is a vital part of the transportation system. I hope the Senate will promptly pass this bill. It has been the subject of much highly technical discussion for many many months. If, after further study it is desired that a change be made, such a change can be made in a new transportation bill.

Mr. President, I have used a portion of a statement dealing with the matter. I now ask that the remainder of the statement be printed in the RECORD.

There being no objection, the remainder of the statement was ordered to be printed in the RECORD, as follows:

3. HOW THE HOUSE AMENDMENTS REMOVE VALID OBJECTIONS

Based on its own comprehensive hearings, as well as the record of the Senate hearings on companion bill S. 2113, the House Committee on Interstate and Foreign Commerce undertook to remove all valid objections to the bill by making four major amendments, as follows:

1. A requirement that no contract, between any freight forwarder and any motor carrier, shall unduly prefer or prejudice any other freight forwarder. This amendment is designed primarily to protect smaller forwarders. Some fears were expressed that large forwarders would be able to make more favorable arrangements than small forwarders, and this amendment effectively allays such fears.

2. A requirement that contracts shall be consistent with the national transportation policy. Despite the fact that the national transportation policy governs each provision of the act, some persons feared that the bill might abrogate or bypass that policy, and the amendment insures against such a contingency.

3. A requirement that forwarders pay full tariff rates of the motor carriers for line-haul movements in truckload lots for distances exceeding 450 miles. Testimony shows that such arrangements now, and in the past, do not generally apply for distances exceeding 450 miles. To meet the objections of some who feared that disruptive changes in practice might be made in the future, the bill includes the distance limitation. This does not limit the use of trucks for any distance, but places a limitation on what the forwarder must pay for such service. In effect this provision merely maintains status quo.

4. A provision the effect of which is to require forwarders to recover any claims they have against the railroads on the basis of the terms of the bill of lading. This is the method declared lawful by the Supreme Court, and again this amendment is merely a status quo provision.

These amendments satisfied all members of the House committee, which unanimously reported the bill as amended. The House of Representatives then passed the bill on August 9. Thus H. R. 5967 comes before the Senate as a compromise and as a substitute for S. 2113 it should receive prompt Senate approval.

The few remaining objections are not directed specifically at the purposes of the bill, but stem from a competitive opposition to freight forwarders as such. The objectors come primarily from the ranks of long-distance truck operators who do not work with forwarders but only compete with them, and from some very large shippers who in the main conduct their own forwarding operations. Their arguments, such as that the bill is "legislative rate making," and authorizes "cut rates," are spurious and misleading, for the bill does not involve rates which the public pays but relates to joint arrangements between carriers.

4. THE HEARINGS DEVELOPED ALL FACTUAL DATA

Nine days of public hearings were held by the Senate and House committees handling the bills. Every interested person in the United States had full opportunity to present his views. The hearings have been printed and are available for all to see.

Without attempting to analyze the testimony presented at the hearings, it is sufficient to say that the freight forwarding industry is unanimously and strongly in favor of the bill; that every shipper who testified that he makes regular and substantial use of freight forwarder service supports the legislation; and that without a single exception the actual motor carrier operators who testified were enthusiastically in favor of passage of the bill.

Opposition to the bills as introduced was expressed by the national trucking organization, whose witness admitted that there was a divided opinion among the members and that those motor carriers who cooperate in the handling of forwarder traffic favor the bill. The shippers who opposed the bill were either large shippers or shippers so situated that they can and do ship their own carloads or combine with others to ship in carloads, and who do not need the services of forwarders. Three large railroads opposed the bills as introduced, but the record indicates conclusively that these railroads have no opposition to the bill as amended by the House.

The House committee report (No. 2489) states very positively that:

"Testimony was given in the hearings both for and against the bill. Most of the objections to the bill have been removed by the amendment made by the committee."

There was complete unanimity within the committee in approval of the amended bill.

5. THE BILL MERELY MAINTAINS STATUS QUO

H. R. 5967 is essentially a bill to maintain status quo. It does not change any existing practice, but presents an interpretation of present law from disrupting a service that has long proved its worth to the shippers and the Nation.

Pending studies regarding long-range governmental policy in the transportation field will not be adversely affected by passage of the bill. Since the bill does no more than maintain a service as it has been built up and operated for 35 years or more, it will serve the purposes of such studies by preventing interim changes.

The facts overwhelmingly demand prompt passage of the bill. We need and must have the best that transportation has to offer, and H. R. 5967 is a constructive proposal of the utmost urgency and timeliness.

Mr. BRICKER. Mr. President, at the last session of the Senate, when this bill was on the calendar and ready for consideration, I held up its consideration for two principal reasons: First, I am opposed to further diversion of traffic from the rails to the highways until the completion of a further extensive study, which is now under way, in regard to the cost of truck transportation on the highways, the damage to the highways, and whether the truckers are bearing their proper proportion of the cost of the original construction and the maintenance of the highways.

Of course, this bill deals with freight forwarders, which, as the Senator from Washington stated, have rendered an extremely constructive service to the shipping public during many, many years. Heretofore the freight forwarders have used the rails for their freight-forwarding business, getting the advantage of the lower rate for carload lots, as compared with the less-than-carload-lot rate which would be charged to the individual shipper were it not for the intervening freight forwarder.

I am opposed in principle, then, to further diversion until that study is completed. Such a study is now under way.

The last suggestion of the Senator from Washington was to the effect that if there is not a satisfactory solution of this problem by means of the bill now before the Senate, the bill, if passed, can be changed and amended when the general Transportation Act comes before the coming Congress for consideration. As to that suggestion, it is my hope that proper attention will be given to the matter at that time.

In the second place, this bill would end the confusion which now exists over the very nature of freight forwarders, as to whether they are common carriers or whether, because of their operations, they are in the nature of a public utility, chargeable with a public interest, and therefore subject to regulation. There is confusion at the present time, and there would be greater confusion if the order of the Interstate Commerce Commission were issued. That order has been held up for many, many months now, possibly running to a year, at the request of the committee. So the effect of the bill would be constructive.

The House adopted an amendment which would limit the distance of freight-forwarder shipments by truck to 450 miles, as I recall, so that transcontinental transportation over the highways by truck would not be available, and therefore the field of railway carriers would not be further invaded.

Not wishing to interfere with the established use of freight forwarders, and realizing that the next Congress will have this entire problem under consideration, and in view of the further fact that we should not hold up the order of the Interstate Commerce Commission, at this time I shall offer no objection to the passage of the bill, looking to the report of the Senate Committee on Interstate and Foreign Commerce which is now being prepared along with a general Transportation Act, in connection with which all the problems which are involved in this bill can be considered.

So, Mr. President, although I oppose in principle any further diversion, and although I also oppose a further invasion of this field and a legalizing of that which has been developing in it over a number of years, in spite of those objections I shall not at this time oppose the passage of this bill.

The PRESIDENT pro tempore. The bill is open to amendment. If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 5967) was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, a corresponding Senate bill, Senate bill 2113, will be indefinitely postponed.

ORDER OF BUSINESS—AMENDMENTS TO RAILWAY LABOR ACT

Mr. LUCAS. Mr. President, heretofore I have given notice that we would take up certain bills. One of them is Senate bill 3295, a bill to amend the Railway Labor Act. Before I move that the Senate consider that bill, perhaps we should have a quorum call.

Mr. WHERRY. Mr. President, let me make inquiry of the distinguished majority leader. I hate to suggest that the Senate take a recess at this time until tomorrow. I wonder whether there is any other bill the distinguished majority leader intends to bring up today. If other bills which are ready for consideration can be handled today, then, if it meets with the approval of the majority leader, perhaps he will agree to have the Senate make the bill proposing amendments to the Railway Labor Act the unfinished business. Of course, there is a unanimous-consent agreement to have the Senate vote at 2 o'clock tomorrow on the rent-control bill. Thereafter we could proceed with debate on the amendments to the Railway Labor Act.

Mr. LUCAS. Mr. President, there are two other bills in which the Senator is interested, one being House bill 9313, amending the Agricultural Act of 1949.

Mr. WHERRY. If the majority leader will yield, let me say that I think one Member on his side of the aisle is very much interested in the consideration of that bill.

I am not averse at all to having that bill considered. I think the distinguished majority leader has another bill in mind, and I am not averse to having it considered.

I shall not object further to the taking up of the bill proposing amendments to the Railway Labor Act; but if that measure is considered, I sincerely request that the majority leader end the session for today following the making of that measure the unfinished business. In other words, I suggest that we follow procedure similar to that which we followed yesterday afternoon. Such a course will provide a day in which Senators who are interested in that measure will be able to return to the Chamber. If that is done, we shall proceed with the debate on that measure, regardless of any other considerations.

Mr. LUCAS. Mr. President, ever since the beginning of this short session we have been trying to get the Railway Labor Act amendments considered by the Senate; but every time we are ready to proceed with that measure, it seems that some Senator who is interested in the bill is unavoidably absent. I assume that the Senator from Indiana [Mr. JENNER] is one of the Senators who is vitally interested in the bill. However, I have given this notice, and it seems to me we should proceed with the bill.

Mr. WHERRY. Mr. President, I do not intend to object; in fact, I have cooperated with the majority leader in attempting to have considered the bill proposing amendments to the Railway Labor Act. However, in order to be able to advise Senators who are interested in the measure, I should like to have that much time.

On the other hand, if the majority leader wishes to have the Senate proceed with that measure, I am in complete accord. I believe that those who wish to bring forward proposed legislation should be given their day in court, so to speak, and I shall not oppose further a move to consider the bill. Therefore, if the majority leader wishes to move consideration of the bill, that will be agreeable to me.

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUCAS. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. LUCAS. Mr. President, it is apparent that we cannot take up for consideration Senate bill 3295, to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deduction from the wages of carriers' employees for certain purposes and under certain conditions. I have conferred with the distinguished senior Senator from Alabama [Mr. HILL] and other members of the Committee on Labor and Public Welfare, and I am advised that there is now in process an attempt to effect a settlement, through negotiations among various members of the labor unions which are vitally interested in the bill, and it is believed that perhaps by tomorrow at this time a mutual arrangement can be effected which will be satisfactory to everyone. So I am not going to ask that the bill be considered now. It seems to me we might well take a recess.

Mr. CAIN. Mr. President——

Mr. LUCAS. I know that the Senator from Washington desires to make a speech.

Mr. WHERRY. Mr. President, will the majority leader yield for a question?

Mr. LUCAS. I yield.

Mr. WHERRY. There was considerable confusion at the time the Senator from Illinois made his statement, and I did not hear everything he said relative to the railway labor bill.

Mr. LUCAS. I said the railway labor bill would not be made the unfinished business at this time. We shall not take it up until after we have concluded consideration of the rent-control bill, which will be tomorrow. It is my understanding that prior to our taking up further the railway labor bill Senators who are interested in the measure will perhaps be able to effect a conciliation with respect to the provisions of the bill, to the end that everyone who is concerned with it will be satisfied. If such result should be achieved, we should not have much trouble passing the bill, and it may obviate consideration of the amendment offered by the Senator from Indiana [Mr. JENNER], which perhaps would take considerable time to discuss.

Mr. WHERRY. Mr. President, I very much appreciate the observation of the Senator from Illinois, because several Senators on this side of the aisle are intensely interested in having the railway labor bill come up for consideration. Perhaps a conciliation can be effected. I

thank the distinguished majority leader for his statement.

AGRICULTURAL ACT OF 1949

Mr. LUCAS. Mr. President, I should like to state also that Calendar No. 2578, the bill (H. R. 9313) to amend the Agricultural Act of 1949, dealing with the disposition of certain surplus property, will not be taken up until after next Tuesday. I am advised by the Senator from Louisiana [Mr. ELLENDER] that on Tuesday next a meeting will be held by the Committee on Agriculture and Forestry, and he believes that at that time all members will be in a position to report a bill which will be somewhat different from the present bill and satisfactory to all members of the committee. Am I correct?

Mr. ELLENDER. A few moments ago I received a letter from the distinguished Senator from Oklahoma [Mr. THOMAS], the chairman of the Committee on Agriculture and Forestry, to the effect that he had made an interim report on the present status of certain perishable agricultural commodities under the supervision, management, and control of the Commodity Credit Corporation, and that the report would be ready for presentation to the whole committee on December 12. Therefore, I believe it is advisable that further action on the bill (H. R. 9313) be postponed until after the meeting of the Committee on Agriculture and Forestry on Tuesday next.

FINNISH INDEPENDENCE DAY

Mr. WILEY. Mr. President, on December 6, 1917, the Finnish Diet and Senate drew up a declaration of independence from Russia. Dear little Finland is small in population and small in territory, but it is great in integrity and valor. It is a small nation, but it maintains principles of freedom and liberty which I wish some of the larger nations of the world might possess today.

As today, December 6, is the thirty-third anniversary of the Declaration of Independence of Finland, I would not want to let this opportunity pass without paying a brief word of tribute to the great Finnish people and to the wonderful values which they symbolize. We of Wisconsin are proud of the men, women and children of Finnish descent in our great State, and I know that is true of other States which are blessed by these splendid Americans.

Mr. President, I have prepared a statement on the occasion of the anniversary of Finland's independence, and I ask that it be printed in the RECORD at this point as a part of my remarks.

There being no objection, Mr. WILEY's statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR WILEY

FINLAND'S INDEPENDENCE

On December 6, 1917, the Finnish Diet and Senate drew up a Declaration of Independence from Russia. This followed by two months the advent of the Bolsheviks to power in Russia, after which a period of strikes and other chaotic conditions existed throughout Finland with the people desperate to realize their dream of sovereignty. The dream was realized and the Bolshevists on January 4, 1948 declared that Finnish independence conformed with their policy whereupon Sweden and other Scandinavian countries similarly acknowledged the new state.

The pages of Finnish history record thereafter the bloody travail in which the newly born state secured its sovereignty against tremendous odds at home and abroad. The birth of Finland amidst the First World War and following immediately upon the Russian revolution has symbolized the fact that this valiant people has had to fight for its very existence against a background of violence in that corner of the world and elsewhere. Yet the Finns are a people who represent the finest traditions of men working out their destiny and developing prosperity by dint of Herculean labor. The Finns to every American represent thrift, diligence, honesty, and integrity. Their practically miraculous record of payment of debts to our country is a record that is inspiring to all those of us who prize the tradition of fidelity to one's pledged word, fidelity to contracts, fidelity to one's obligations.

Although practically in the mouth of the Communist Russian bear from the very day they were born, the Finns have shown the world that a people with iron in its spine can face up to any challenge. A people which has suffered the most grievous losses on the battlefield, the most ruthless destruction of their homes, the most tremendous of financial reparations, can somehow by dint of courage and sacrifice come back.

I don't suppose in the pages of American history there are chapters of Americans being thrilled to the sagas of another country—chapters which compare with the thrills we felt in our hearts when that tiny little country with its few millions of people absolutely defied the massed hordes of Red Army troops for month after month until at last in 1940 they succumbed to the overwhelming numbers. Even though defeated, even with the cession of territory, even with the granting of special rights, even with the financial burden of reparations upon them, the Finns somehow have held fast to their democratic traditions; have controlled the few Communist traitors in their midst.

In this period when things look so gloomy from so many angles, in this period when men's hopes sink and spirits sag, let us all turn for a few moments at least to contemplation of this brave land and this brave people who have shown us conclusively the immortal heights to which free men and women can rise in selfless sacrifice to great ideals.

I salute the freedom-loving people of Finland with their great history. I salute Americans of Finnish descent who can glory in the background of their forefathers. I pray that the independence which they won and maintained in blood, sweat, and tears will ever be theirs.

God bless valiant Finland, and may she ever be an inspiration to all other countries, large and small, and may she ever show that the light of freedom will definitely not go out, no matter how strong the forces of darkness.

PROPOSED CONSIDERATION OF RAILWAY LABOR BILL—ORDER OF BUSINESS

Mr. O'MAHONEY. Mr. President, before I ask the question which I should like to ask the distinguished majority leader, I wish to comment on the reference of the Senator from Wisconsin [Mr. WILEY] to the very courageous nation of Finland. I desire the RECORD to show that there are thriving communities and cities in Finland which are north of Ketchikan and Juneau, Alaska. I desire the RECORD to show that the Territory of Alaska occupies practically the same position on the globe with respect to parallels of latitude as the entire Scandinavian peninsula. The Scandinavian peninsula supports in prosperity and freedom 13,000,000 people.

Apparently the Senate of the United States is unwilling to give consideration to the statehood bill, which would clear the way for the development under our flag of similar prosperity to that which is enjoyed by the people in Finland.

However, Mr. President, I rose to ask my friend, the majority leader, and through him the Senator from Alabama [Mr. HILL], who was on the floor at the time I rose, but who apparently now is absent, what the prospect is for an agreement on consideration of the railway labor bill. I was advised by friends of the railway labor bill that an amendment had been worked out and would be presented to the Senate this afternoon.

Mr. LUCAS. In reply to the distinguished Senator from Wyoming, I should like to say that I believe the Senator from Alabama [Mr. HILL] was eager to talk to certain Republican members of the committee, who apparently did not attend the meeting of the committee, in order to see if they would agree to the amendment.

However, Mr. President, I give notice now that in the event we pass the rent-control bill tomorrow afternoon, or as soon as we pass it, I shall ask unanimous consent to consider the railway labor bill. If unanimous consent is not granted I shall move its consideration. I should like to dispose of the measure. I should also like to be able to take up for consideration the Alaska statehood bill. I would do so in preference to taking up the railway labor bill if I thought there was the slightest chance of passing the statehood bill.

Mr. O'MAHONEY. Mr. President, let me say to my good friend, the majority leader, that when the policy committee of the majority party assembled last September before the Senate recessed we agreed upon an agenda. We agreed upon certain bills and upon the priority with which they would be taken up. The railway labor bill had priority over the statehood bills, because it was understood that there would be no objection made to the consideration of the Railway Act amendments to be proposed. That was my opinion at the time. I was one of the Senators who gave full support to the railway labor bill. However, shortly before the Senate recessed it became apparent that there would be obstacles to the passage of the bill; first, a motion to recommit the bill, and protracted discussion of the motion, and, second, an amendment offered by the Senator from Indiana [Mr. JENNER].

Mr. President, I sincerely hope that when the members of the Committee on Labor and Public Welfare and other Senators have agreed to the amendment to which the majority leader has now alluded, it will be possible to pass the bill. I shall cooperate in every way I can to have it disposed of, particularly because we gave it priority before the Senate recessed, and it was postponed because it was obvious that we would get no action on it. I have had a very definite feeling that the railway labor bill has been proposed at this session only for the purpose

of preventing action on the statehood bills. If I correctly understand the distinguished Senator from Illinois, I am glad to know that after action is taken or is not taken on the railway labor bill, we may entertain the hope that a motion will be made to return to a consideration of the Alaska statehood bill.

Mr. LUCAS. Mr. President, I entertain the hope that we may be able to return to consideration of the statehood bills provided we can get concrete and definite action on them. However, it is my impression from what I have learned from various Members of the Senate that probably after we finish consideration of the rent-control bill and perhaps the railway labor bill, the Senate will then be considering some emergency legislation dealing with the Korean situation, which I understand will be reported favorably by the Committee on Foreign Relations. Of course if such legislation comes before us, I presume we will have to give our attention to it in preference to a motion to consider the Alaska statehood bill.

I say very sincerely that I share the views of the able Senator from Wyoming [Mr. O'MAHONEY] with respect to the admission of Alaska and Hawaii into the Union as States. However, as I stated once before on the floor of the Senate, I am a realist about certain matters. Having served in the Congress for 12 years—and I know the Senator from Wyoming has served even longer than that—I think I know exactly what is going on with respect to the statehood bills. If a motion were to be made to take them up debate would begin and would continue until Christmas, in my judgment. As I said before, it is a little too late for me now to start to try to break up a filibuster. Someone else may do it if he so desires, but not the Senator from Illinois. I am sure if a filibuster started the Sergeant at Arms would have to get the Senator from Illinois out of bed. I have never believed in filibusters around the clock. I do not believe in them now. So long as the rule exists, there is no possible chance, in my judgment, of getting a vote on the Alaska statehood bill at this short session. It is apparent that certain Senators will not permit us to vote even on the motion to consider the Alaska statehood bill. Even after we took up the bill we would still have a siege.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I understand the Senator from Illinois to say that in his opinion certain Members of the Senate are so opposed even to the consideration of the statehood bills that they would talk and prevent the consideration of any other measure rather than permit them to come before the Senate.

Mr. LUCAS. The Senator correctly understands the Senator from Illinois. There can be no doubt of it. I have talked with certain Members of the Senate, and that is exactly what is going to happen. That is the reason why I have been moving along with some other bills, of a minor nature, in order to accomplish something at the short session. I do not propose to sit here all day long and listen to speeches, many of which have nothing to do with the subject matter at hand, so far as Alaska statehood is concerned.

Mr. O'MAHONEY. It becomes clear that if there is to be action on any of the other bills, it will be only because the sponsors and friends of statehood are not following the example of those who will not permit consideration of a motion to consider a bill, or allow the motion to come to a vote.

Mr. LUCAS. I concur in what the Senator has said with respect to the statehood bills. Furthermore, the Senator is absolutely correct in the statement as to what was agreed upon by the Democratic policy committee before Congress adjourned in September. The railway labor bill was the one which we agreed to consider first. However, everyone knows about the message which came on the opening day from the President of the United States, definitely requesting the Congress to give first priority to the statehood bills, over all other measures. That is why the Senator from Illinois sought consideration of one of the statehood bills on the opening day. I desired to see whether or not we could at least get an opportunity to vote on the measure at some time. However, as I have previously stated, apparently that cannot be done. I do not propose to delay action upon other measures, of either major or minor importance, which we might possibly get through, simply to kill time when we cannot accomplish anything.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CHAVEZ. I wonder if the majority leader is in a position to give us now some information with reference to what bills may be taken up.

Mr. LUCAS. As the Senator well knows, tomorrow at 2 o'clock the Senate will vote on the rent-control joint resolution. Following that we are to take up the railroad bill. That will probably require the remainder of the afternoon. Probably some measures dealing with the Korean War situation will be reported from the Committee on Foreign Relations tomorrow. If so, they can be taken up on Friday.

Mr. CHAVEZ. I wonder if the Senator can tell us when we may expect consideration of the tax bill.

Mr. LUCAS. I cannot tell the Senator that. I can only speculate, as a member of the Finance Committee, which started hearings today. Probably the hearings will last all week. We may not be able to reach the tax bill until the latter part of next week.

Mr. CHAVEZ. As I understand, it is the purpose of the majority leader that some bill, whether of great importance or not, will be taken up.

Mr. LUCAS. The tax bill?

Mr. CHAVEZ. No; not the tax bill. I refer to bills on the calendar. As I understand, the Senator proposes to take up certain bills on the calendar in order to carry on the work of the Senate.

Mr. LUCAS. The Senator is correct. There are other bills. There is one very important bill in which the Senator from Wyoming and other Senators are interested. It relates to an amendment to the Clayton Act. I have given notice that we may take up that bill if we encounter a lull in the proceedings.

Mr. WHERRY. Mr. President, will the majority leader yield for a question?

Mr. LUCAS. I yield.

Mr. WHERRY. I am very much interested in the statement made by the majority leader that possibly the tax measure will not be brought up until the latter part of next week. That will be the week of December 11.

Mr. LUCAS. Yes. I am only guessing in that connection.

Mr. WHERRY. I should like to ask for the judgment of the majority leader. Does he intend, in the event the tax bill is reported the latter part of next week, to hold sessions straight through Saturday, which is the 16th? There will be only 1 week left before Christmas.

Mr. LUCAS. I cannot answer the Senator. I do not know when the tax bill will be reported.

Mr. WHERRY. Is it possible that sessions will be held on Saturdays?

Mr. LUCAS. I may say in response to the Senator's inquiry that it is my studied judgment, after considering all the measures of an emergency nature in which the executive branch of the Government is interested, that we shall be here probably right through the Christmas holidays. We shall probably take a couple of days' holiday.

Mr. WHERRY. Is it the judgment of the Senator that the Senate will probably hold sessions on the two remaining Saturdays in order to complete its business?

Mr. LUCAS. If it is necessary I shall try to hold the Senate in session on Saturday. I know that the Senator from Nebraska will cooperate with me in that connection.

Mr. President, I yield the floor.

EXTENSION OF TIME FOR THE COMMITTEE ON THE JUDICIARY TO REPORT ON SENATE RESOLUTION 368

Mr. CAIN obtained the floor.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. McCARRAN. The matter I desire to present to the Senate entails a unanimous-consent agreement. Senate Resolution 368, submitted by the Senator from Tennessee [Mr. KEFAUVER], has been referred to the Committee on the Judiciary. The matter came to my attention for the first time this morning. I have consulted the staff of the Committee on the Judiciary. The resolution involves much more than appears on its face. The matter is an intricate one. It seems to me the Committee on the Judiciary should have a little more time to consider the questions involved, and not be compelled to report on the resolution on Friday of this week.

What is more, some of the members of the Judiciary Committee are out of

town. I have issued a call for a meeting of the committee tomorrow morning. I am very much concerned whether it will be possible to have a quorum present at that time.

I wonder whether it would be possible to have at least the majority and minority leaders present, so that I might ask unanimous consent of the Senate that the committee may have until 1 week from today to report. The matter is highly important and is of grave concern. It should receive serious study. I find it not too easy to answer the problem as one might think.

For the reason I have stated, I hope I may obtain unanimous consent that the Committee on the Judiciary may have until 1 week from today in which to make a report on Senate Resolution 368.

Mr. CAIN. Mr. President, reserving the right to object, I wonder whether the Senator will permit me to make a suggestion.

Mr. McCARRAN. Certainly.

Mr. CAIN. I came but recently from a meeting of the Subcommittee of the Armed Services Committee of which the Senator from Tennessee [Mr. KEFAUVER] is chairman. The statement which I have been making will take me 15 or 20 minutes to complete. I am perfectly willing to proceed as rapidly as possible in presenting my statement, in order that I may return to the subcommittee meeting, so that the Senator from Tennessee may come to the Senate Chamber to resolve this question, in which he has such a deep interest.

Mr. McCARRAN. I would certainly agree with that suggestion. I bring up the matter now only because of the time within which we must report. I thought it best that I bring up the matter today in some way, if possible.

Mr. CAIN. Certainly. I think the Senator from Tennesee would desire to come to the floor and to be here with the Senator from Nevada as soon as possible.

Mr. McCARRAN subsequently said: Mr. President, day before yesterday, I believe it was, there was submitted to the Committee on the Judiciary Senate Resolution 368, which, among other things, reads as follows:

Whereas the Special Senate Committee To Investigate Organized Crime in Interstate Commerce has reported to the Senate that subpenas have been issued for certain persons named in the body of this resolution, and that these persons are important witnesses necessary to the investigation being conducted by that committee pursuant to Senate Resolution 202, Eighty-first Congress, second session, and that the said persons have not been located despite diligent search, and that the committee has reasonable cause to believe that the said persons will not appear in response to subpenas but will continue in hiding to avoid appearance before the committee; and

Whereas the appearance and testimony of the witnesses named in the body of this resolution is material and necessary in order that the committee may properly execute the functions assigned to it and may obtain information necessary as a basis for legislation:

Then follows a list of names, after which appears the following language:

That, for the purpose of executing warrants issued in accordance with this resolution, the Sergeant at Arms may, by blanket order or orders, deputize all law enforcement officers of the Federal Government; and

That the Special Senate Committee To Investigate Organized Crime in Interstate Commerce may discharge any of the persons taken into custody under authority of this resolution upon proper assurance, by recognizance or otherwise, that he will appear for interrogation when required. The committee may require such assurance as it deems necessary not to exceed $25,000 for any one witness.

The order submitted to the Committee on the Judiciary was that the committee report not later than Friday of this week. In the short time I have been present in the Senate today, having returned only this morning, I have investigated the question involved and find it to be one of serious moment. It is not to be lightly dealt with. It is a question of the arrest of persons by the Senate of the United States, or by a committee thereof. I respectfully submit to this body that it should not be dealt with lightly or in a brief time.

I move that the Judiciary Committee be allowed to and including Monday, December 18, 1950, in which to report to the Senate. I am advised that this is a privileged motion, that I have a right to make it; I therefore make it as a privileged motion.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

Mr. WHERRY. Does that in any way displace the legislation that is now before the Senate?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that, inasmuch as it is a privileged motion, it does not displace the pending business. The question is on agreeing to the motion of the Senator from Nevada.

The motion was agreed to.

The PRESIDING OFFICER. The motion having been agreed to, the request of the Senator from Nevada is now in full force and effect.

Mr. McCARRAN. I thank the Chair.

Mr. LUCAS subsequently said: Mr. President, a moment ago the distinguished chairman of the Committee on the Judiciary made a motion to extend the time within which the committee may report on the resolution offered by the Senator from Tennessee [Mr. KEFAUVER]. The motion was to extend until the 18th of December the time within which to report.

Mr. McCARRAN. That is correct.

Mr. LUCAS. Mr. President, I move that the Senate reconsider the vote by which the motion was agreed to.

Mr. McCARRAN. Mr. President, I move to lay on the table the motion to reconsider.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Nevada to lay on the table the motion of the Senator from Illinois.

Mr. WHERRY. Mr. President, I voted in favor of the motion of the chairman of the Committee on the Judiciary. At the time there were only five or six Senators on the floor. I do not wish to ask for a quorum call at this late hour, but I think that in all fairness if some Senators do not agree with the action taken, because so few Members of the Senate were present, they should have an opportunity to file a motion to reconsider the vote by which the motion was agreed to. I have the highest respect for the Senator from Nevada. I voted in favor of his motion. I am not holding any brief or portfolio for the Senator from Tennessee [Mr. KEFAUVER], who offered the resolution. He is well able to defend his own position. However, in view of the small attendance, I suggest that the motion should not be made at this time without first having a quorum call. I shall not ask for a quorum call, but in view of the small attendance I believe Senators who do not agree with the action taken should have their day in court.

Mr. McCARRAN. If ample time were available, I believe the Senator from Nebraska would be justified in taking the position which he now takes. However, it is only a question of asking for more time.

Mr. WHERRY. I understand, and I voted with the Senator from Nevada. I believe the Senator who offered the resolution ought to have an opportunity to defend his cause. I am for the Senator who is making the investigation. I am not here to uphold his hand, but the Senator from Nevada knows that there are no more than seven Senators on the floor at the present time. We are confronted with a motion which will practically bar further consideration of the resolution of the Senator from Tennessee. I hope the Senator will withdraw his motion.

Mr. McCARRAN. I will withdraw my motion if the Senator from Illinois will withdraw his motion.

Mr. LUCAS. If the Senator from Nevada withdraws his motion, of course, I shall also withdraw my motion.

The PRESIDING OFFICER. Both motions are withdrawn.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. CAIN. Mr. President, the junior Senator from Washington wishes to address himself to Senate Joint Resolution 207, which will be before the Senate for action tomorrow afternoon at 2 o'clock. The Senator from Washington opposes the passage of Senate Joint Resolution 207 for the following 10 reasons:

First. Federal rent control does not expire December 31, 1950.

Second. Rent control continues in eight-hundred-odd cities within 32 States, Alaska, and Puerto Rico from December 31, 1950, to June 30, 1951.

Third. Senate Joint Resolution 207, as of this afternoon, affects only 1,600 cities with less than 4,000,000 rental units.

Fourth. Those 1,600 cities, by their actions, to date, have indicated that they do not want Federal rent control.

Fifth. Those 1,600 cities have had since June 1950 the opportunity to request an additional 6 months' extension of Federal rent control.

Sixth. Those cities still have until December 31, 1950, to request an extension.

Seventh. Those cities can regulate rents, if needed, at their local level. Examples are Columbia, S. C., and Flint, Mich.

Eighth. Rent control will not produce one single unit of housing.

Ninth. Passage of Senate Joint Resolution 207 repudiates the local-option provision given American communities since April 1949.

Tenth. No witness heard was in opposition to further extension, and no testimony was presented by opponents.

Mr. President, the junior Senator from Washington will not detain the Senate for very long, but does desire to address himself to the pending business and point out to his colleagues the complete lack of any provable necessity requiring the passage of Senate Joint Resolution 207.

As one of but many within the Congress throughout the past 4 years who has been in sturdy opposition to the Federal Government remaining in the private-property-management business long after wartime emergency controls had ceased to exist in every other segment of American enterprise, I do not on this afternoon propose to reexplore, reexamine, or rediscuss the broad field of Federal rent control—its evils, its maladministration, its constitutionality, or its artificiality. Rather, Mr. President, I propose to place before the Senate on behalf of those millions of property owners solid and, I believe, compelling reasons why the proposed legislation is not needed, cannot be justified, and is contrary to the best interests of our present huge national preparedness undertaking. I remind my colleagues that no single word was heard by the Banking and Currency Committee in opposition to this joint resolution. Those qualified to sincerely and seriously speak for American property owners were not invited to appear and testify.

Mr. President, let me now read just one short sentence from the committee report. We find this statement on page 2, the eighth line of the last paragraph:

> It is primarily these approximately 4,000,000 units which will be affected by this joint resolution.

What and where are these estimated 4,000,000 units? They are the estimated number of rental-housing units located in some 1,600 cities, towns, or villages of over a thousand population which have not yet, as of this date, requested the additional 6 months' Federal rent control permitted in the present law. Some 800 cities, with an estimated 3,500,000 rental units, have, as of this date, asked for the additional 6 months of Federal regulation.

So, Mr. President, I again quote the short sentence found in the report, for it correctly states the very heart and soul of the proposed legislation:

> It is primarily these approximately 4,000,000 units which will be affected by this joint resolution.

The present law does not expire on December 31, 1950. The present law remains operative in 32 States, Alaska, and Puerto Rico. It continues to be in effect in more than 800 American communities whose population is 23,000,000 people. It is, therefore, clear that Senate Joint Resolution 207 is not needed to extend the present law, as many Senators appear to think is necessary.

Senate Joint Resolution 207 merely would continue to impose on 1,600 American communities a Federal control which they have said they do not want, which they have indicated they do not need. Since April 1, 1949, the date of the Housing and Rent Act of 1949, Congress has given, in that act, the States, the counties, and the cities of America the right of self-determination with respect to Federal regulations. Nine States have exercised that "States' rights" provision. I think the Senate would be interested in knowing what are the nine States which have taken advantage in recent months of a Federal statute and on their own volition removed themselves from the jurisdiction of Federal rent control. Senate Joint Resolution 207, if passed, will have no force or effect on these nine American States. They are the State of New York, the most populous State in the United States, the State of Texas, not only a large State geographically but a State in which we find some of the most rapidly growing American cities, Houston and Dallas, for example, large, fast, rapidly growing communities which in recent months have gotten along, pretty well by the way, without benefit of Federal rent control administered from on high; the State of Virginia, the State of Utah, the States of Arizona, Nebraska, Alabama, and all of Mississippi except the city of Biloxi.

Mr. WILEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. O'MAHONEY in the chair). Does the Senator from Washington yield to the Senator from Wisconsin?

Mr. CAIN. I yield.

Mr. WILEY. Was I correct in understanding the distinguished Senator from Washington to say that, if the measure now under consideration should be passed, because of the language it contains, it would have no effect whatever upon the States the Senator has just named?

Mr. CAIN. The Senator from Wisconsin is quite correct.

Mr. WILEY. In other words, by reason of the fact that a State itself has taken previous action, it has excluded itself from the provisions of the measure, if it shall become law. It has removed itself from any of the effects of the joint resolution unless it is amended so as to contain provisions different from those we expect it to contain, because the measure, after all, merely provides for an extension of the present law.

Mr. CAIN. The Senator from Wisconsin remains correct. It is my understanding with reference to his sovereign State of Wisconsin that it removed itself, under the authority granted by the Federal statute, from Federal rent controls long since, and has well managed its own field of private property.

Mr. WILEY. Mr. President, will the Senator further yield?

Mr. CAIN. I yield.

Mr. WILEY. The Senator does not know how pleasant it is, after having been engaged in an election campaign, to hear a Senator on the floor say, twice in the same day, that I am correct.

Mr. CAIN. Mr. President, I am sure I shall be given many additional opportunities to make the same statement, if the Senator from Wisconsin should ask me more questions.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. SMITH of New Jersey. My State of New Jersey, as I understand, and as the Senator's list confirms, did not actually decontrol in the manner in which the Senator has spoken of other States decontrolling.

Mr. CAIN. That is true.

Mr. SMITH of New Jersey. New Jersey has passed legislation which is supposed to take effect on the expiration of the present rent-control legislation on January 1. Therefore, if the Federal law is extended the new State law will come into effect at that time. We will be subject to immediate confusion if a new Federal law on the subject is passed. The question is whether New Jersey will not be better off under the present law than it would be under a new State law, with the possibility of returning in a short time to new Federal controls.

Mr. CAIN. It seems to me the Senator is taking as an assumption that Senate Joint Resolution 207 will be approved tomorrow by the Senate and, presumably, by the House, and that it will extend the present law for 2 months. Therefore, against that assumption, the Senator's own suggestion is that in his view New Jersey would be well advised not to initiate its own rent-control law until the expiration of the additional 60-day period.

Mr. SMITH of New Jersey. Unless I am mistaken New Jersey has passed a law, which is to go into effect when the present law expires. In other words, the New Jersey law was passed to provide a stand-by. The State will put a new law into effect. But now New Jersey is puzzled. The question is whether we would not be well advised to vote for the extension of 2 months, and then study the problem for the future. I wanted the RECORD to show our peculiar local problem at the present time.

Mr. CAIN. It would be my conclusion, and the Senator from New Jersey will tell me if I am wrong, that the people of his State of New Jersey read carefully the CONGRESSIONAL RECORD which contained the debate on the subject of rent control 6 months ago. In view of the fact that the people of the State of New Jersey had been told by that RECORD and had found out by a reading of the law itself that the Federal law was going to expire on the 31st day of December 1950, unless any of the cities within New Jersey requested, through action by their city council, an extension of 6 months, the State of New Jersey preferred to say what it thought ought to be done, which was to develop and enact a rent-control law satisfactory to itself, which the State of New Jersey was prepared to initiate on the 1st day of January 1951. It would

be my view that the State of New Jersey would be well advised, sir, to take control of this private property regulatory question in its own hands, and the sooner it does so the better off the State of New Jersey will be.

Mr. SMITH of New Jersey. The State of New Jersey might be subject to an over-all Federal control law which might be passed by reason of the war emergency. That is what I am speaking of. In other words, we could go on our own. But if by reason of the war emergency the Congress were to pass an over-all Federal control law, the State of New Jersey would be placed in a peculiar position.

Mr. CAIN. Neither the Senator from New Jersey nor I can judge accurately what the next Congress will do. I would hazard a guess, however, that the Congress of the United States would probably exclude from any Federal rent-control law to be written in the next session those States, and in some instances those cities, which are prepared to prove, as I would assume that New Jersey could, that those States or those cities are as well or better qualified to regulate and manage and administer a system of rent controls within their jurisdiction than is the Federal Government. Admittedly, sir, that is an assumption of what I should like to think would come to pass, because how much happier it is for all citizens, how much more effective it is for the rights of all people if we have a system closer to the people upon whom it is to be imposed.

Mr. SMITH of New Jersey. The Senator from Washington knows that was my position taken earlier this year.

Mr. CAIN. Yes.

Mr. SMITH of New Jersey. I thought it was time to come to the local level. But we are now presented with a problem which makes the matter confusing.

Mr. CAIN. We are. It is confusing.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. McKELLAR. I am obliged to go to a committee meeting. Did the Senator include Tennessee in his list of nine States?

Mr. CAIN. The State of Tennessee, sir, is not listed among the nine States. It is my understanding that some of the cities within Tennessee have been decontrolled within recent months, and other cities have requested an extension of 6 months.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. DWORSHAK. I am sure that while discussing this subject the Senator from Washington would be interested in a telegram I received this morning from Mr. Charles R. Moore, secretary of the Property Owners' Association of Pocatello, Idaho, which reads as follows:

POCATELLO, IDAHO, *December 5, 1950.*

Senator HENRY DWORSHAK,
Washington, D. C.:

Request you vote against extension of rent controls. Record in this city which has been decontrolled for several months indicates they are not necessary. Controls have a detrimental effect on the construction of new rental units, create an artificial shortage of rentals. They also deter owners from making property improvements. Present low down payments for low-cost homes act as sufficient leverage to keep rents at proper level in this decontrolled area.

CHARLES R. MOORE,
Secretary, Property Owners Association.

Mr. CAIN. The telegram, I may say to the Senator from Idaho reminds me that the facts cannot be too often restated. America developed its first system of rent controls, as I recall, in about the year 1941, or the early part of 1942. In the years which have passed, despite a tremendous volume of private and public construction, America presently has some two-million-odd fewer units of rental housing than the Nation possessed when rent controls on the Federal level were first imposed. Whatever we do about rent controls in the future, we had better make up our minds that any law we may pass will result in providing additional rental space in which Americans can live, rather than taking away space which they had some years ago.

Scores of American cities have exercised the local-option provision which is a part of the law or have otherwise been decontrolled. I should like to mention only a few, in passing: Augusta, Ga.; Joplin, Mo.; Charlotte, N. C.; Tulsa, Okla.; Charleston, S. C.; Bellingham, Bremerton, Everett, Olympia, and Spokane, Wash.; Bloomington, Ind.; Miami, Fla.; Milwaukee, Wis.; Dallas, Tex.; Buffalo, N. Y.; Richmond, Va.; Salt Lake City, Utah; Birmingham, Ala.; and San Diego, Calif.

So far as I know, the experience of those cities under decontrol has been extraordinarily healthy and beneficial for all their residents and for the business in those communities. Again we should bear in mind that some of those cities have grown rapidly and have surrounding them all the problems which are referred to by the Office of the Housing Expediter in an attempt to frighten so many of us.

Since April 1949 an estimated 8,000,000 rental housing units have been removed from Federal control. If we pass Senate Joint Resolution 207, we veto the home-rule provisions which we fought so hard and so vigorously to make available to the very persons to whom we are inclined to say, tomorrow, "What we gave you but a few months ago we now are desirous of taking away from you."

Mr. WILEY. Mr. President, will the Senator yield?

Mr. CAIN. Certainly.

Mr. WILEY. The last statement the Senator made provokes this inquiry: Assuming the Senator to be correct about the States which have removed themselves from Federal rent control by means of taking advantage of the provisions of the general statute, what effect will there be upon those States if this joint resolution is enacted?

Mr. CAIN. The enactment of the joint resolution will have no effect on them at all. The joint resolution, if enacted, simply will say to 1,600-odd cities which presently are under Federal rent control, "You shall have taken away from you the right to determine whether you want Federal rent controls to continue in your cities from January 1, 1951, to June 30, 1951." The enactment of the joint resolution will have no force or effect or influence of any kind on any city or State which previously has been decontrolled or removed from Federal rent jurisdiction.

Mr. WILEY. If the respective States took action attempting to delegate that power to the cities within them, what effect would the enactment of this joint resolution have?

Mr. CAIN. If a State has the right to delegate some property-control authority to the cities within its confines, and if those cities have previously been decontrolled, the enactment of Senate Joint Resolution 207 would have no effect.

Mr. WILEY. I thank the Senator.

Mr. CAIN. The Senator from Wisconsin is most welcome.

Mr. President, by the action which we may take tomorrow, we would compel 1,600 cities and towns who in their local judgment—and I think the cities of the United States of America have a great deal of wisdom—have said, "We do not wish to remain under the regulatory hand of the Federal Government or under Federal Government regulation."

Mr. President, if Congress meant what it said in April, 1949, in heaven's name let us not in December 1950 go back on that promise.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. WHERRY. What was the promise just referred to by the distinguished Senator?

Mr. CAIN. The promise was that the right of self-determination concerning continuance of Federal rent control beyond December 13, 1950, should vest in the cities of America. We put every American city on due notice by saying to them, "Unless, by affirmative action, you say that you want 6 months' additional rent control on December 31, 1950, you will have been removed from Federal supervision in this field."

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. CAIN. I yield.

Mr. WHERRY. How many cities availed themselves of the privilege referred to by the Senator, of determining whether or not they desired a continuation of Federal rent control?

Mr. CAIN. The Senator from Nebraska will probably be interested in learning that there are approximately 6,600 American cities with populations of 1,000 or more, and as of this moment, 2,400 of those 6,600 cities are under Federal rent control. Of the 2,400 cities now under control, 800 or more have already taken the necessary action locally to insure that they will have rent controls in their cities for a period of 6 months following January 1, 1951.

According to the determination I can make at the moment, 1,600 cities have not as yet taken any action. The guess

of the Senator from Nebraska is as good as mine as to how many of those 1,600 cities will, by proper action of their city councils taken between now and the last day of this year, say that they want an additional 6 months of rent control.

The important thing to bear in mind is that every American knows that what I am saying at the moment is a fact, namely, that after an examination of its own local problem, if it thinks it will require an additional 6 months of Federal rent control under the prevailing Federal statute, all it has to do is to request it. In the event Senate Joint Resolution 207 shall be passed by the Senate tomorrow, we shall have taken the position that we know more about the needs of approximately 1,600 cities, located in the various sections of the country, than do those who manage and control and rule those cities. I think such a premise is necessarily untenable, for it assumes that we know more than any one Senator in this room ought to claim credit for knowing, and it again deprives the American city of the right which is too often taken from it, to stand up and determine its own requirements and to shape its own destiny. To my mind it would be a grievous thing, a sad thing, for us, under the circumstances, to tell these 1,600 cities that we of the Congress do not care a whit what the cities think they need, or what they want to do, or what the cities are convinced is the best thing to be done, but that we in the Nation's Capital are going to do their thinking for them. It would be as though we said to them, "Just make up your minds that father knows best, and that father says you are no longer to enjoy the right of thinking for yourselves."

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. CAIN. I yield.

Mr. WHERRY. To sum it up, then, as I understand the Senator's statement, more than 800 cities have already acted under the provisions of the Rent Control Act. Is that correct?

Mr. CAIN. They have acted affirmatively.

Mr. WHERRY. That is, those cities and municipalities have affirmatively determined to enforce rent controls, and therefore the pending measure would be of no particular use to them, because they have already obtained what they would be able to get under the resolution, through adopting rent controls in the local communities. Is that correct?

Mr. CAIN. The pending joint resolution has nothing whatever to do with those 800 cities.

Mr. WHERRY. It has to do only with 1,600 cities which now have the right, and which will continue to have the right until January 1, if the Rent Control Act is not extended, to adopt rent-control measures by action of the city councils, if deemed necessary.

Mr. CAIN. Those cities have had that right for the past 6 months.

Mr. WHERRY. And those cities, if they so decide, may continue to exercise that right after January 1, in the event they desire rent control, may they not?

Mr. CAIN. I should like to ask the Senator from Nebraska whether we ought not to assume that those who are charged with the responsibility of handling these matters in the 1,600 cities are quite as conscious of the problems which confront the country as are we? Is it not logical to assume that they have examined a matter such as this, which so vitally affects their property? Is it not logical for us to assume that, if they find that they need Federal rent controls, they will request a 6 months' extension? If it is logical to make those assumptions, it would seem to the Senator from Washington that it is only logical that he should oppose passage of a measure which would deprive the American city of the right to think for itself.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. CAIN. I yield.

Mr. WHERRY. I am very much interested in getting answers to these questions. Does not the Senator feel that if the joint resolution were not passed, the result would be to possibly place an additional responsibility upon the 600 cities, if they needed rent control, of taking the necessary steps locally to obtain it, prior to January 1, 1951?

Mr. CAIN. I think it likely that most of the State legislatures will be in session during the early part of the year. Answering the Senator's question, I may say that I think the States and municipalities which cease to be under Federal rent control will either determine that they do not need rent control of any character, or, if they determine that they need it, they will effect the proper organization on a State and local level.

Mr. WHERRY. I understand the situation with respect to the State legislatures. If Federal rent control terminates on December 31, then, of course the States may enact their own rent control measures.

Mr. CAIN. That is true.

Mr. WHERRY. I should like to ask, is there anything in the proposed legislation in the way of provision relating to the time element or the procedure which would prevent a city from acting between now and January 1, 1951? Is it not true that any one of those 1,600 cities, if it desired, could adopt local rent control?

Mr. CAIN. To the best of my knowledge, that is correct.

Mr. WHERRY. Is there any procedural obstacle, is there any time element which might be involved?

Mr. CAIN. As I understand, the requirement is that, prior to the close of business on December 31, an American municipality now under rent control need only request of the Office of the Housing Expediter, in Washington, D. C., by affirmative action of its city council, a 6 months' extension, and it will be automatically granted.

Mr. WHERRY. Would that be true of the 1,600 cities?

Mr. CAIN. It would.

Mr. WHERRY. That is the point I have in mind.

Mr. CAIN. It is a very important point.

Mr. WHERRY. It is the point I want to make, that they would have that right.

Mr. CAIN. Indeed, they would.

Mr. WHERRY. The Senator then thinks there is nothing in the provisions of the act, as presently interpreted, which would foreclose that right on the part of those cities, if they desired to exercise it. Is that correct?

Mr. CAIN. There is nothing that would preclude their exercise of that right, to the best of my knowledge. I may point out that the junior Senator from Washington comes from the city of Tacoma, a city having a population of approximately 140,000 people. Tacoma has not thus far, by action of its city council, requested a 6-months' extension of Federal rent control, nor has it adopted any resolution requesting decontrol. As of the time of my departure for Washington 2 weeks ago, the Tacoma city council was continuing its studies, in the light of new circumstances, to determine whether it desired to request an extension of Federal rent control. At that time, other cities had indicated conclusively that there was no need of an extension. If any changes occur in connection with the great Fort Lewis situation in the 2 weeks, it would follow that the city council of Tacoma could request a 6 months' extension. That would be within its legal right. If we pass the joint resolution tomorrow, we say to the city of Tacoma, "We care not how long you have been studying this question—we are going to make up your minds for you."

I desire to make one further observation, if the Senator will permit, without too much prejudice to the Office of the Housing Expediter. To my knowledge, there has been an effort within recent weeks to sell the subject of extending Federal rent control to cities throughout the land. Efforts are made to portray the dire consequences to cities which do not request the 6-months' extension of Federal rent control. The Office of the Housing Expediter is not quite satisfied with it. The Expediter does not think it permits his office to go far enough, and fear that the Office of the Housing Expediter may be unable to frighten some cities which, on the basis of their own study, know there is nothing about which they should be frightened. The Office of the Expediter desires the passage of the pending joint resolution, in order that it may capture in its net every one of the 1,600 cities.

We may allow the Office of the Housing Expediter to do this. It will be the business of every Senator to decide that question in voting tomorrow. But if we pass the joint resolution, it is my judgment that we shall have driven another nail into the coffin of home rule, responsibility, and sovereignty so far as the cities of America are concerned. I happen to be one Senator who is going to listen to a city council about any problem concerning which the council ought to know a great deal more than does the Senator from Washington. If the city of Tacoma wants 6 months' extension of Federal rent control, though I personally might dissent for economic reasons, as a Member of the United States Senate I say that is the business of the city of Tacoma. We gave to that city the right to make up its mind, and I, for

one, shall not vote tomorrow to take away that right.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. CAIN. I yield.

Mr. WHERRY. Possibly the Senator may have discussed this point, but what argument does the Housing Expediter make, or do those who are in favor of extending rent control make, in contravention of the position just taken by the Senator from Washington? I should like a brief observation by the Senator. I do not want to burden him, but to allow him to take as much time as he wants.

Mr. CAIN. That is a very fair question, and I should like to answer it as best I can.

Mr. WHERRY. I should like to know what the answer is.

Mr. CAIN. The proponents of the joint resolution, so far as I can understand from their arguments, say that it may be necessary to have a new, larger, and more rigorous Federal rent-control law, and therefore we should not permit the present law to expire on December 31, 1950, but should extend it for 60 days, so that the new Congress may have an opportunity to make up its mind as to what ought to be done. It is obvious that the rent-control law of the land will not expire on December 31, 1950. Now that 800 cities have requested an extension of 6 months, it is very logical to assume that other cities will have made such a request by December 31, 1950. We shall therefore continue to have a Federal rent-control law for 800 or more cities.

It would be my own judgment that if the United States faces a national emergency requiring a total mobilization of its resources and assets and manpower, it will probably be found that a Federal rent-control law will be required in the future. But I ought to make it clear that such a law must be a new piece of legislation, it must be a law in keeping with the requirements, not of 1941 or 1942, but in keeping with the requirements of 1951 and 1952. We are going to need a law—if we shall need any law—which will be completely dissimilar from the law we now have. The greatest favor I can think of granting to the new Congress, with particular reference to the Banking and Currency Committee, would be to afford it a full and free opportunity to take testimony, and to write and design a new law which would work without any further relationship or reference to the present rent-control law, which is outmoded and archaic and unfair, and which is not working, in thousands of instances, to bring simple, common justice to American citizens. I have endeavored to state the argument of the proponents, and I have stated my view of why I think it is not a valid argument.

Mr. WHERRY. I wish to thank the Senator for his brief explanation, and for having given us his observations with respect to the argument of the proponents. I should, however, like to ask one more question. What are the mechanics? Let us assume that a city wished to take advantage of the opportunity to enforce local rent control. Let us assume that they indicated such a desire. What would it be necessary for the city to do? I have read the law, but I should like to know what the city would be required to do. In other words, could a city merely indicate that it wished to take advantage of the 6 months' extension, or would the city have to provide its own rent control?

Mr. CAIN. I shall answer the question of the Senator in part at this time, and I shall answer it in full as soon as I am able to do so. Only cities which are now under control may request an extension of 6 months beyond December 31.

Mr. WHERRY. What is the situation with reference to the 1,600 cities to which reference has been made?

Mr. CAIN. The 1,600 cities are those which are presently under control but which have not yet requested an extension of 6 months.

Mr. WHERRY. What must they do if they wish to have an extension of 6 months?

Mr. CAIN. That is provided for in the law, a copy of which I am endeavoring to obtain.

Mr. WHERRY. Does the answer lie in the pending joint resolution?

Mr. CAIN. No. I shall be glad to read from the law as soon as I have it before me. I am not completely familiar with the mechanics involved, but any city may by affirmative action of its city council pass an instrument—rarely an ordinance, and in most cases a resolution—which says in effect: "We, the city council, on this date have resolved that we want to extend Federal rent control for an additional 6 months." That instrument is certified and sent to the Office of the Housing Expediter. It is stamped "Approved," and that is all there is to it.

Mr. WHERRY. That is what I wanted to know. Apparently the time element does not work against them. The procedure involved does not work against them. In other words, if the act is not extended tomorrow a city would have from now until January 1 to take such affirmative action?

Mr. CAIN. My understanding is that the Senator from Nebraska is precisely correct. However, I wish to say further that if we pass the joint resolution tomorrow, the next Congress will be confronted with the question: "What do we want to do about the law which is now on the books?" Therefore, Congress will be concerned with a law which has not worked and with the management of a law which is wholly suspect by practically every thinking person in America. It is interesting and unusual to note that the Office of the Housing Expediter is as badly thought of by the Committee for Industrial Organization as it is by the property owners of America. Everyone dislikes and has a minimum of respect for the Office of the Housing Expediter, although admittedly the reasons for such disrespect and dislike vary.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. CAIN. Certainly.

Mr. WHERRY. The Senator has stated that the proponents of the resolution which would extend rent control desire to continue the Rent Control Act for 60 days so that the next Congress will be able to provide a more rigorous and broadened Rent Control Act. If the need is acute and present next year—and it may be—would it not be as simple to submit a brand-new bill after the present act has expired in order to accomplish what the proponents of the joint resolution seek to accomplish by a continuance of the present act?

Mr. CAIN. The Senator from Nebraska and I could not possibly be more in agreement. If circumstances at the next session of Congress require a broadened and, let us say, total rent control law, it should be a new law. It should be written on the basis of the requirements and needs of that day. It should have no relationship or bear any semblance of relationship to a law which has been on the statute books for some years and which has never worked in a sound and equitable way. Although it has been fair enough to some people, it has been totally unfair to tens of thousands of other Americans. It seems to me that any law which Congress writes should provide justice to everyone.

Mr. WHERRY. I thank the Senator.

Mr. MALONE. Mr. President, will the Senator yield for a question?

Mr. CAIN. Before the Senator from Nebraska leaves the Chamber, I should like to read the following section of the present law, dealing with the steps which a city must take in order to obtain a 6 months' extension of the rent-control law:

SEC. 5. Section 204 (j) (3) of the Housing and Rent Act of 1947, as amended, is hereby amended to read as follows:

"(3) The Housing Expediter shall terminate the provisions of this title in any incorporated city, town, village, or in the unincorporated area of any county upon receipt of a resolution of its governing body adopted for that purpose in accordance with applicable local law and based upon a finding by such governing body reached as the result of a public hearing held after 10 days' notice, that there no longer exists such a shortage in rental housing accommodations as to require rent control in such city, town, village, or unincorporated area in such county——"

Mr. WHERRY. Does not that section refer to decontrol?

Mr. CAIN. Yes; I wanted to follow it immediately with the proviso with respect to the continuance of controls.

Mr. WHERRY. I believe it is on page 23.

Mr. CAIN. I have before me Public Law 574, Eighty-first Congress. The following section, when read in conjunction with the other section, provides a clear picture of the situation with respect to a city which either decontrols or continues controls:

SEC. 4. Section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended to read as follows:

"(f) (1) The provisions of this title, except section 204 (a), shall cease to be in effect at the close of December 31, 1950, ex-

cept that they shall cease to be in effect at the close of June 30, 1951—

"(A) in any incorporated city, town, or village which, at a time when maximum rents under this title are in effect therein, and prior to December 31, 1950, declares (by resolution of its governing body adopted for that purpose, or by popular referendum, in accordance with local law) that a shortage of rental housing accommodations exists which requires the continuance of rent control in such city, town, or village."

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CAIN. Yes; certainly.

Mr. WHERRY. Is it under the latter provision that the 800 cities have continued rent control?

Mr. CAIN. Any city which desires an extension of 6 months is required simply to prepare an instrument, approved by its city council. That is the end of it. Eight hundred cities have taken action under that section. Sixteen hundred cities have the right to do it between now and the last day of this year.

Mr. WHERRY. I believe paragraph 2 answers my question. It reads:

(2) Any incorporated city, town, or village which makes the declaration specified in paragraph (1) (A) of this subsection shall notify the Housing Expediter in writing of such action promptly after it has been taken.

Mr. CAIN. That is what I have previously indicated. The only action a city is required to take is to notify the Housing Expediter in writing.

Mr. WHERRY. That is the machinery by which they may retain rent control?

Mr. CAIN. That is correct.

Mr. WHERRY. No prohibition is in effect. They need not follow any particular procedure. All they need to do is have a meeting and authorize a continuance of rent control. By doing so the city comes under class A.

Mr. CAIN. There is one little provision in the law—I do not wish to call it a gimmick—which says that if a city wishes to decontrol under the local option clause of the law it must signify its intention to that effect by holding public hearings. However, if a city wishes to continue rent control all it is required to do is pass a simple resolution to that effect. Without being unduly critical, I know that, from a very serious anxiety and concern for the welfare of the American people, generally the Housing Expediter will, with considerable alacrity, help in transmitting his approval to any city which wants a continuation of Federal rent control.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CAIN. I shall be glad to yield if I am permitted to do so.

Mr. MALONE. I know that the junior Senator from Washington has made a very detailed study of this entire subject. Therefore, I should like to ask him a question.

Mr. CAIN. I am glad to yield for a question.

Mr. MALONE. Because of the lateness of the date and the convening of most State legislatures some time in January, would there be any reason, in the Senator's opinion, for extending the opportunity to either escape or continue with rent control for a period of 30 days beyond the present expiration date?

Mr. CAIN. I can only say in all seriousness that from my point of view no sound purpose would be achieved if that suggestion were adopted. To repeat, I say that for the reason that Federal rent controls are not going to expire in America on the last day of this year.

Mr. MALONE. Except in the case of cities which have not taken action.

Mr. CAIN. Yes; but let us stay with that question a moment and see if we are not in agreement.

There are 2,400 American cities now under Federal rent control. Federal rent control will expire for all of those 2,400 cities which, by the close of business on December 31 of this year, have not requested an extension of 6 months. Eight hundred of the two thousand four hundred cities have already requested such an extension. Between now, the 6th day of December, and the last day of this year, x number of additional cities will have requested such extension. For the first 6 months of next year there will be just as much Federal rent control for those cities which have requested an extension as there is today. The Congress of the United States put the cities of America on notice fully 6 months ago that they could either decontrol themselves or request an extension. I think the question which the Senator raises is not valid, because to extend the law for any period of time beyond December 31, 1950, would simply in substance be saying to all the cities, "We gave you the right to make up your minds, and now we have concluded that you do not know how to make up your minds, so we of the Congress, who know best, are going to do your thinking for you." That is the fundamental basis of my argument against extension.

Mr. MALONE. The distinguished junior Senator from Washington is fully aware of the strong position which the junior Senator from Nevada has often taken, namely that local control is far better than congressional control two or three thousand miles away, and should be protected at all times.

Mr. CAIN. I am conscious of that.

Mr. MALONE. Will the junior Senator from Washington explain why his amendment to the joint resolution, submitted on December 5, would be necessary, provided the joint resolution were to pass? In other words, is there some misunderstanding of the law with respect to resolutions of a governing body or an official body, so that it is necessary in some manner to legalize the decisions of some areas?

Mr. CAIN. I am pleased to answer that question. However, it is a very long story. I shall answer as briefly as I can.

As the result of an appeal by some interested parties in Los Angeles, Calif., taken to the circuit court of appeals, the circuit court recently ruled that in its opinion the Congress meant, when it wrote this local-option provision, that a community could either request extension or take decontrol action only through a city ordinance, and not through a resolution. Obviously, any judge has the right to make any decision he deems proper.

The dilemma which now faces us, and because of which I submitted an amendment to Senate Joint Resolution 207 yesterday, is that if the Supreme Court of the United States upholds the circuit court of appeals' decision, it means that the action taken by 800 American cities through resolutions to extend rent controls for 6 months into 1951 will be invalid, that comparable resolutions resulting in decontrol of rents in scores of American cities will likewise be invalid, and that all the parties at issue, both property owners and tenants, must have recourse to the courts of the land. The single purpose of the amendment of yesterday was to validate all of the city actions taken in the past, either for extension or decontrol.

Mr. MALONE. Regardless of whether or not it was done by city ordinance or by resolution.

Mr. CAIN. The Senator is correct.

Mr. MALONE. Mr. President, will the Senator further yield?

Mr. CAIN. I yield.

Mr. MALONE. The junior Senator from Nevada favored the first extension, containing the local option provision relating to the action of cities, counties, or other subdivisions decontrolling by resolution, but with the approval of the Governor of the State. In some of the States, including my own State of Nevada, it was found that the Governor refused to approve several of the resolutions. Therefore the next time rent control was extended the junior Senator from Nevada was heartily in favor of taking the Governor out of the play entirely and leaving it entirely to the local areas, because, as the distinguished junior Senator from Washington has so ably explained—and that is also the opinion of the junior Senator from Nevada—no one understands a local situation as well as does a city council, and the people who live in the particular city or area. Therefore it is the opinion of the junior Senator from Nevada that such a local option provision was very fair.

Mr. CAIN. Six months ago the Congress and the President agreed with the view just announced by the junior Senator from Nevada.

Mr. MALONE. That is true. As I understand, it is the opinion of the junior Senator from Washington that ample time has been given, and that there is nothing between now and January 1 to prevent any city which has not already requeste dextension, or to be relieved of all regulations, to take the proper action through resolution, which I understand the junior Senator from Washington to say he believes was the intention of Congress in the first place. In other words, it was the intention that it could be done merely by a resolution.

Mr. CAIN. I think it was the intention of the Congress, including the very distinguished chairman of the Banking and Currency Committee and other members of his committee, both Republicans and Democrats, as well as Members of the Senate generally, and

Members of the House of Representatives, that the intention of the Congress—and the President signed his name to the measure—was to permit the cities of America, by any legal means within their authority, to decontrol or to ask for an extension.

Mr. MAYBANK rose.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. CAIN. I yield.

Mr. MALONE. I should like very much to have the explanation of the chairman of the Banking and Currency Committee.

If I may add a further point, it is often almost impossible even for a city council to pass an ordinance in a short time, because there are certain technicalities which must be complied with, whereas a resolution is a different thing. I should like very much to hear the explanation of the chairman of the Banking and Currency Committee on that point.

Mr. MAYBANK. Mr. President, if the Senator from Washington will yield, I shall be glad to comment.

Mr. CAIN. I shall be grateful to the Senator from South Carolina for his comments.

Mr. MAYBANK. I am fully aware of the fact that 2 days after the President signed his name to the bill war broke out in Korea. Conditions today are entirely different from what they were last year when we passed the bill. I made the statement that I did not think the present Congress should consider a new rent-control bill, because it would not have time to write a proper bill. I believe that a rent-control bill should be written in keeping with the all-over control act, which has not been sufficiently used, to my way of thinking. Nevertheless, we have not the time in this Congress to write a new rent-control bill.

I do not believe that the present Congress should undertake, within the short time remaining in this session, to write permanent legislation, in view of the fact that the next Congress will meet in January. It was for that reason that I suggested an extension under States' rights and under city rights to continue for 2 months, which would give some cities an opportunity to continue rent control for 6 months under the present law.

The distinguished Senator from Washington has been addressing a group of mayors on the subject of the decision of the circuit court of appeals. He and I are both former mayors. For many years both of us belonged to the United States Conference of Mayors. I happened to hold a small office in that organization at one time. The executive director of the Conference of Mayors has written me as follows:

> The decision of the United States Court of Appeals for the District of Columbia Circuit on November 24 last has thrown the whole rent control situation into confusion. In spite of the patently clear provisions of the bill passed earlier this year the Court's decision in effect holds that all resolutions adopted by city councils in accordance with local law (for either decontrol or continuation up to June 30 next) are invalid. The court held only ordinances were legal.
>
> Because of the very great possibility that the United States Supreme Court cannot act on the appeal before December 31 it would seem that the only way the situation could be met would be to add a proviso to Senate Joint Resolution 207 which is now before the Senate. I would most strongly urge that the resolution be amended in line with the attached memo in order to take care of this legal situation in which the cities find themselves as a result of the court of appeals' decision.
>
> With best wishes always, I am,
>
> Yours sincerely,
>
> PAUL V. BETTERS,
> *Executive Director.*

Mr. Betters was one of those who testified, as my good friend from Washington knows. I had intended to mention this memorandum, if the Senator from Washington did not do so. As a matter of fact, I believe the Senator from Washington attended the meeting of the Conference of Mayors on the morning of the day I happened to meet with some of them in the afternoon.

I understand that the Senator from Washington is not for the joint resolution, even with the amendment. I have not studied the details of the amendment, but I am having it studied now. I intend to accept some amendment which would protect the municipalities of this country. At one time I had the honor to be a member of the Conference of Mayors.

Mr. CAIN. The intention of the amendment which I submitted yesterday to Senate Joint Resolution 207 is merely to validate all the actions in the form of resolutions taken by the cities, for or against control.

Mr. MAYBANK. I talked with the Senator before he went to speak to the mayors.

Mr. CAIN. I understand that the committee staff is not only sympathetic toward the amendment, but hopes to be able to recommend its inclusion in the joint resolution.

Mr. MAYBANK. I know that something of the sort must be included, because of the possibility of the Supreme Court not acting. I certainly intend to accept the Senator's amendment, or to work out something jointly. I would not commit myself as to the exact wording. I wanted to have that matter made perfectly clear.

I further wish to say to the Senator from Nevada [Mr. MALONE] that the joint resolution simply provides for an extension of 2 months. We have no bill dealing with the subject. However, if the war situation does not become better in another year—which we all hope and pray it will—we shall be obliged to deal with the matter. Let us deal with it then in connection with a defense bill, in connection with a bill having to do with the Military Establishment.

Mr. MALONE. Mr. President, I know that courts often consider the intent of Congress if the intent is clear. I understand from the distinguished Senator from Washington that he believes, as does the junior Senator from Nevada, that the intent of Congress was that a resolution of a city council would be sufficient.

Mr. CAIN. It would be my consideration that there would be no one in this body who would dissent from that view.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. MAYBANK. The Senator asked me the same question, and I will say that that was the view held by the committee.

Mr. CAIN. And testimony to that effect was offered in the hearing before the committee held the other day.

Mr. MAYBANK. That is correct.

Mr. CAIN. I shall proceed as rapidly as possible, sir, to answer questions as best I can, as I am always interested in the field of property management and the rights which belong to American citizens.

Now, Mr. President, let us examine the justification for Senate Joint Resolution 207, as advanced by its proponents—as found in the committee report. Bear in mind always that in our discussion of this proposed legislation we are concerning ourselves only with 1,600 cities out of a national total of 6,600 American cities whose population exceeds 1,000.

The report states "In many of these same areas"—meaning these 1,600 cities—"it has been and will continue to be necessary to house many more people due to an increase in defense production or activation of military establishments after December 31, 1950."

Mr. MAYBANK. Mr. President, will the Senator yield to me so I may make one more observation?

Mr. CAIN. I am glad to yield.

Mr. MAYBANK. I wish to say for the benefit of the Senator from Nevada that the joint resolution, if passed, would take away no rights from the communities or the cities which we have previously extended. It is our intention to leave the same provisions in it as are contained in the law, so any cities can, by their own action, decontrol.

Mr. CAIN. Mr. President, with all due deference to my colleague, I would have to take positive exception to what he has just said, for, in my opinion anyway, I hold that the passage of Senate Joint Resolution 207 takes away the most important right of all which had previously been given to the American cities, namely, the right of self-determination. The law of the land as it now stands, and as it was passed about 6 months ago, said to any American city of some 2,400 cities: "Between now and the 31st day of December 1950 you shall be given a choice to determine whether you want to request an extension of controls for 6 months, or if you do not, the law, inasmuch as it affects you, will expire on the 31st day of December 1950." The passage of the joint resolution tomorrow will say to these 1,600 cities now under control, but which have not requested another 6 months' extension, "We meant no such thing."

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CAIN. I am pleased to yield, because that is the hub around which the whole argument now revolves.

Mr. MAYBANK. The extension of 2 months merely means that cities which

had intended to take the action to decontrol would have two months more in which to do it. The Senator will agree with me on that point, will he not?

Mr. CAIN. No. I should like first to ask the Senator what he means by saying that the passage of the joint resolution would say to those American cities which have not had an opportunity to decontrol that there will be an extension of 2 months within which they can do so.

Mr. MAYBANK. They will have the opportunity then to extend control for 6 months, or decontrol, whichever they wish to do.

Mr. CAIN. The Senator will permit me to point out that it is my opinion that the cities have had 5 months to make up their minds.

Mr. MAYBANK. Yes.

Mr. CAIN. They still have the time between the 6th day of December and the 31st day of December to determine whether they want 6 months more.

Mr. MAYBANK. The Senator is correct.

Mr. CAIN. And the joint resolution, if it shall be passed tomorrow, will say to all cities, "You are not going to be given the choice of self-determination." Now that is what we really are talking about.

Mr. MAYBANK. No, because they will be given a choice of self-determination, if they do not use it for a period of two additional months. No change is made in the law. They are simply given 2 months more.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. MALONE. If the distinguished Senator from Washington would allow me, perhaps this statement might clarify the situation. In the case of cities which have taken no action to extend their controls, because they think they are out from under controls automatically on the 1st of January, the adoption of the joint resolution tomorrow would automatically make it necessary for them to take decontrol action to get out from under, or else continue with control.

Mr. CAIN. The Senator could not be more right.

Mr. MAYBANK. That is correct. That is what I said.

Mr. CAIN. That is for continuing control action, not decontrol.

Mr. MALONE. The holidays are near. That is the reason the junior Senator from Nevada asked the junior Senator from Washington whether, in his opinion, the time was adequate, and it was not necessary to extend the time. I still believe that many of the 1,600 cities that have not taken such action will think that it is best to let sleeping dogs lie, and get out from under control on January 1.

Mr. CAIN. There is now in conference the American Municipal Association. It consists of hundreds of mayors, scores of whom are now in Washington, D. C. A good many of those mayors have told me that their city councils have not yet taken action to decontrol their cities; that they do not have any intention of taking such action, nor do they have any intention of requesting an additional 6 months. The cities which those mayors represent have relied upon the law of the land, which says with reference to a particular city, "If it was your wish neither to take action to decontrol yourself nor to take action to extend controls for 6 months, you would be out from under controls on the 31st of December 1950.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. MALONE. It is possible that many of the 1,600 cities are counting automatically on being decontrolled.

Mr. CAIN. I do not know to what extent that is true, but I happen to be closely associated with a great number of these mayors, and many of them have told me that is identical with their own situation. They have relied on the law to run its own course.

Mr. MALONE. They have relied on the word of Congress that the law would expire on December 31, 1950.

Mr. CAIN. It is an important and interesting question any way one looks at it.

Mr. President, we have been fighting a war in Korea for more than 5 months. Certainly the existence of that war has been impressed on the minds of all Americans. I would take for granted that most American cities have given serious consideration to whether in their considered opinion additional Federal rent controls are required for their needs. It seems to me that we must give the benefit of the doubt to every city and assume that if it has not asked for an extension of 6 months, it knew what it was doing, and that city does not require any additional extension of control.

Mr. MALONE. Mr. President, will the Senator yield?

Mr. CAIN. I yield.

Mr. MALONE. I might call to the attention of the distinguished Senator from Washington the fact that the President has not yet said we are at war. He has said that this is a police action.

Mr. CAIN. Certainly, I would not argue at the moment with a man who must be sorely distressed by so many difficult problems as is the President today. But I would say that I and a good many other Americans understand and know what war is, and from the minute the first bullet was fired, particularly under the circumstances in which the first bullet was fired in Korea headed north, we Americans had a right to assume that it was the beginning of a larger war; but it was war with all its bloodshed and tragedy from the very minute the aggressor crossed the thirty-eighth parallel, and the determination of the United Nations was to drive the aggressor back from where he came.

Mr. MALONE. I will say to the distinguished Senator from Washington that the junior Senator from Nevada thoroughly agrees with the conclusions of the Senator from Washington.

Mr. CAIN. In my opinion it would be extremely good for the American people to understand the real situation, and I suppose they can only if they are told by the Chief Executive of the country that we are at war, and should settle down, fight it out, economically, socially, politically, and militarily, and win the war which has surrounded us on all sides and been a part of us since the 26th day of June, 1950.

Mr. MALONE. Mr. President, will the Senator yield further?

Mr. CAIN. I yield.

Mr. MALONE. I see that even the Department of Commerce realizes there is now an emergency in existence. They have at last, at this late date, ordered that shipments of steel and rubber and munitions to Communist China be stopped.

Mr. CAIN. The Senator from Washington wishes it was neither a war nor an emergency. But it is both.

To continue, Mr. President, the report further states that employers are experiencing difficulty in recruiting and retaining in-migrant workers due to the inability of the new workers to find housing, and that commanding officers are expressing concern over the inability of military personnel to obtain housing.

That language, if I understand it, states that there is presumed to be, or that there may in the future be, a shortage of shelter in some 1,600 communities. If a housing shortage can be proven in any or all of these 1,600 cities, I defy any Senator or any other thinking person to prove that we can cure the shortage and create badly needed and immediate housing production by further imposing Federal rent control on that city. If I thought Federal rent control would produce any housing, I certainly would be in favor of it. If housing is imperatively needed in any industrial area or adjacent to any military establishment, why do we not do something about it, really? We shall not be doing anything about it by the passage of Senate Joint Resolution 207. If housing is imperatively needed in an industrial area or near a military establishment, let the Executive agencies accelerate and put back into motion all of the present legislation which has as its purpose aid to housing production, both private and public. Is there anything wrong with that?

Rent controls are generally thought to be a means of getting more housing units in which persons may live. When rent control does no such thing, let us look for a piece of machinery which will accomplish the purpose which all of us have in mind. Let this or the new Congress enact the necessary legislation which will provide and assist in the immediate construction of emergency housing, whether it be of the Lanham Act type, trailers, prefabricated units, barracks type, or Quonset huts. Passage of Senate Joint Resolution 207 will not produce or create any immediately needed housing. On the contrary, a continuing imposition of Federal rent regulation will have the effect of further reducing the existing inventory of rental facilities. The junior Senator from Washington has stated many times before, and his statement has never been

challenged, that since the imposition of Federal rent control, over 2,000,000 rental units have disappeared from the rental market through sale, conversion, or voluntary withdrawal.

In further justification of Senate Joint Resolution 207, the proponents assert—and I read from the report:

If those units—

Meaning the 4,000,000 units previously referred to—

were now thrown onto an uncontrolled market, in view of the growing impact of the national preparedness program, excessive increases in rent would be entirely likely.

I vigorously dissent from that statement and all that it implies, but I shall not labor my dissent at this time.

Let me concede the statement to be correct for the purpose of this discussion of Senate Joint Resolution 207. How can we justify the imposition of a Federal law, a national law, on only 1,600 American cities who by their actions have clearly stated they do not wish the legislation? I assert that this proposed Federal law is not needed, for there are existing and time-proven constructive alternatives. New York State, with its locally designed regulation, is but one. It is locally administered, and assertions have been made by responsible citizens of that State that under no circumstances would they wish their present regulations replaced by Federal rent control.

State legislatures all over the Nation convene early in 1951. Those sovereign States should measure up to their responsibility and should take from the Federal Government this police power, for our National Government has before it in the days ahead far more important duties and obligations to its citizens.

But there are other workable alternatives to Senate Joint Resolution 207 which are operating and can be applied to regulate and control excessive rent increases. I shall give you in detail two of them.

First, I cite the example of a city immediately adjacent to a large Army post, and how the rental problems of servicemen and their families are being very satisfactorily resolved.

Mr. President, I am distressed that the senior Senator from South Carolina [Mr. MAYBANK] is not in the Senate Chamber at the moment, because this first example relates to a city which is situated in his State.

Fort Jackson is 4 miles distant from Columbia, S. C., a city with a 1950 population of 90,000. Just prior to World War II, Fort Jackson was reactivated, in 1940. There was immediately indicated a trend toward a tight rental housing market. The Columbia Chamber of Commerce set up conferences between General Peyton, the post commanding officer, his staff, and the property owners' group, out of which the following plan was evolved and put into operation.

Mr. President, I ask unanimous consent that the plan, as it was designed and worked in South Carolina, be made a part of my remarks at this point in the RECORD.

The PRESIDING OFFICER (Mr. MCMAHON in the chair). Without objection, it is so ordered.

Mr. CAIN. I thank the Chair.

The matter referred to is as follows:

1. The fort would establish a billeting office in the city, and would maintain an active list of available rentals voluntarily submitted by owners or agents.

2. A fair rents committee, composed of three (3) real estate agents and three (3) from the staff of Fort Jackson, with a representative from the chamber of commerce, was established with the following duties:

(a) Review any allegedly improper rental submitted by either landlord or tenant, or prospective landlord or tenant; after which, an analysis was made, from which a determination of fair rental was reached.

(b) If the landlord failed to acquiesce to the determination by the fair rents committee, the billeting officer was instructed to remove such property from the eligible list for occupancy by military personnel.

Only three (3) cases of any consequence arose, with solutions reached within ten (10) days. This resulted in holding the rent line on a voluntary basis and the property ownerships, generally, cooperated fully.

Fort Jackson was ordered to be deactivated about April 1949, shortly after the Military had urged upon the citizenry the importance of constructing 3,150 units for military personnel, with the implied threat that, if the citizens did not do so, the Government would. The citizens there put their shoulders to the wheel and in a remarkably short time initiated the construction of a substantial portion of the requested housing units.

When the Korean situation developed, the reactivation of Fort Jackson was ordered. Despite existing vacancies, the realtors and the chamber of commerce invited the Fort Jackson authorities to a housing conference. The result was the re-establishment of a rental committee, as above outlined, with a further guide for fair rental. This was to be a net 6 percent return to the property owner, based on current replacement costs as of the date of reviewal, less applicable depreciation. All expenses allowable under income tax law were to be taken into consideration in determining the net income. Fort Jackson now has approximately 30,000 on the Post and there has not been one single complaint for their committee to handle.

Mr. CAIN. Mr. President, I now give an example of a highly industrialized American city where, since 1942, the rental housing problem has been completely and satisfactorily handled at the local municipal level with no Federal intervention, or at Federal expense.

Flint, Mich., a city whose 1950 population is approximately 163,000, and in which area employment is at an all-time high—114,500—has never been under Federal rent control although it is situated in a defense rental area as designated under the original OPA Rent Control Act.

Mr. President, I think this story about Flint, Mich., will be of interest to many of the Members of this body. Therefore I ask unanimous consent that it be made a part of my remarks at this point in the CONGRESSIONAL RECORD.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Prior to OPA, the mayor of Flint had appointed a fair-rent committee which functioned properly and fairly, holding hearings, if requested, with both the landlord and tenant present and decisions were made. However, the committee had no power to enforce its rulings. On July 1, 1942, the OPA appointed a local rent administrator. A committee from the Genessee County Real Estate Board contacted the local civilian defense council and jointly wired a protest to Washington, based upon the OPA ruling that local conditions must warrant the appointment. OPA withdrew the appointment subject to further investigation. The fair-rent committee then proposed an ordinance covering rent control, following the Federal act except for registration and enforcement. The power of enforcement was given the municipal judges who were to be aided by the city attorney's office and free appraisals were to be made by the real-estate board. This ordinance became effective November 15, 1942. However, on November 10, OPA announced that an administrator's office would be opened in Flint on December 1, and on November 11 about 100 wires and letters were sent to Washington and Cleveland OPA offices, to their Congressmen, Senators, the Governor, and others, protesting that the situation did not warrant the appointment. Also, a four-page letter was sent to the President explaining the situation. This letter was signed by the city attorney, the taxpayers association, the Flint Council for Defense, chamber of commerce, CIO regional office, county CIO office, A. F. of L. Regional office, and the real-estate board.

OPA again withdrew the appointment and the local rent-control ordinance went into effect. While the ordinance followed the Federal policy, there were several differences. It was not necessary for landlords to register their dwellings and violations are enforced by municipal judges.

The workings of the ordinance are very simple. In the event that the landlord feels that he is entitled to an increase in rent, or a tenant feels that he is entitled to a decrease, they file a bill with the city clerk and an appraiser is sent out to investigate the property and a hearing is held before a municipal judge on the following Monday. All parties interested are allowed to voice any comments they may have and the appraiser expresses his opinion as to what the rent should have been as of March 1, 1942, the freeze date. It is then up to the municipal judge to set the rent upon what he thinks is a fair rent as of the freeze date.

There have been over 3,000 adjustments made since the ordinance went into effect.

At the time OPA decided to take Flint over in 1942, their own estimate for operation of OPA in Flint was $125,000 a year. It is easy to understand that this estimate today would be considerably higher. If the figure is right, $125,000 a year for 8 years would be $1,000,000. It appears to me that the savings of a million dollars in a city the size of Flint is commendable, for it is staggering to think of what the cost of administering rent control over the Nation has been.

Mr. CAIN. No, Mr. President, the passage of Senate Joint Resolution 207 cannot be justified by the words and predictions of the prophets of gloom and chaos who forever have insisted that rents will rise exclusively, that mass evictions will take place, and have even predicted riot and bloodshed, for none of these have happened in those cities and communities in which 8,000,000 units have been removed from Federal rent control. We have shown that if there be among these 1,600 cities a need for controls that need can be met through legislation by their parent States, their local governing bodies, or by voluntary cooperation between the parties at in-

terest. These are the proven and tested alternatives to an extension of the present law. These American communities should be permitted and encouraged to allow their citizens the rights inherent in the ownership and management of private property. If the conduct of that management needs regulation, let it be done at their local level of government. We should not compel their continuing acceptance of Federal control when by their actions they have so clearly indicated their choice, which we, the Congress, gave to them in April 1949.

Mr. President, the junior Senator from Washington has confined this statement to the need or the lack of need of Senate Joint Resolution 207. We are not this afternoon debating a Federal rent-control bill. We are not arguing the merits or demerits of Federal property management.

We are not discussing the plight of property owners or the protection that should be afforded tenants. Those discussions and that legislation may likely come before the Eighty-second Congress. If and when full all-out mobilization comes, when the many powers given the Executive under the Production Act of 1950 may become operative, then we shall design a totally new regulatory statute applicable to rental housing, a statute which will be based upon and will reflect the economic facts of life as found in the year of 1951. Let us be done now and forever with any further extension of any part of that wartime emergency OPA statute of 1942, which, despite every effort of well-intentioned, very serious, energetic, and intelligent Members of succeeding Congresses to rewrite, amend, or adjust it, remains on our statute books today a travesty on our American spirit of fair play and equal justice.

It is my considered judgment that, certainly in my 4 years in the Senate, no statute has ever been so stupidly interpreted by those in the executive branch charged with its conduct. That conduct has been shot through with prejudice, with malice, and to some extent, I think, with dishonesty. The intent and wish of the Congress have been flagrantly violated by the Administrator of the Office of the Housing Expediter and by his staff. Administrative rules and regulations have been willfully designed to thwart many provisions of the law over which the Members of Congress—both Democrats and Republicans—labored long in their effort to provide some measure of relief and justice to American citizens. No, Mr. President, let us not inflict this miserable administration of a poor public law on these 1,000 cities beyond the 31st day of December, 1950.

Those cities have had the right, and until December 31 still have the right, as I read the law, to ask for and receive continuing Federal rent control. Perhaps all of the 1,600 cities will ask, between now and the end of the year, an additional 6 months of Federal rent controls, if that be their wish. That is not likely, of course, but the law gives every one of those 1,600 cities the right to do so. We cannot justify an insistence that these American communities accept what they so clearly indicate they simply do not want. Passage of Senate Joint Resolution 207 compels that acceptance.

Mr. President, under date of December 2, 1950, I received a provocative letter from a Mr. John Cotton, who writes to me from the city of San Diego, Calif., to give his version of what happened in that large California city following decontrol. I ask unanimous consent that his letter be made a part of my remarks at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

SAN DIEGO, CALIF., *December 2, 1950.*

Hon. HARRY CAIN,
United States Senator,
Senate Office Building,
Washington, D. C.

DEAR SENATOR CAIN: Rent decontrol in San Diego has presented no serious problem in the 3 months since the Expediter complied with the city council's resolution.

During the period following the city council's action, but before decontrol was effective, the rent director charged he was receiving dozens of complaints daily of exhorbitant rent increases. These calls were, however, presumed to have been largely telephone contacts; many may have been unconfirmed; many may have been crank calls.

The fact of the matter is that there has not been a single case of rent raise here which has warranted a news story in the San Diego newspapers. The only newspaper publicity unfavorable to landlords has been in occasional letters to the editor and several of these letters appear to have been written by the same individual. All have been general, with no citation of any specific increase.

Our office manages some 700 units which were decontrolled on September 1. We served notices on that day upon 555 tenants of increases to be effective October 1. The average increase was 14 percent. In dollars, it was $5.14, raising the average monthly rent from $36.58 to $41.72.

The fact that tenants had a satisfactory alternate to paying a rent which they thought too high was clearly demonstrated in the instance of an 8-unit bungalow court property at 1525–37 Union Street—partially furnished cottages with living-bedroom combination, kitchen and bath; fairly modern; right down town.

At this property, we had planned an increase from $34.50 per month to $42.50, with no immediate expenditure for furnishings or improvements, and we notified the tenants this would be their rent.

During the 30-day notice period, six of the tenants moved. We are advised five rented other quarters and one bought a home. We then spent $50 to $100 per unit in additional furniture and rerented the vacancies for $42.50 each.

It has been our experience in reviewing our own increases and the increases of other landlords that the average raise here has been less than the 30 percent which the Housing Expediter was allowing just before our decontrol. Many have not raised their rents at all—in this office we left the rents alone on about 145 units—many owners are making substantial expenditures on their properties to improve their value.

Another unusual example of the availability of housing here was demonstrated just this week. We took over the operation of a downtown apartment and hotel property as of December 1. This building is largely tenanted by families with children at rents of $10 to $12 weekly for two- and three-room apartments. Less than a week before we were to take over, someone maliciously circulated a rumor that the new management would evict all tenants with children. When we took over yesterday, we found 6 apartments out of 22 had been vacated. It was that easy for 6 tenants with children to go out in a few days and find another place, without even bothering whether this rumor were false—as it was.

It is well known that this defense area is enjoying a steady influx of population through the stepping up of aircraft plant activity and the military. While there have been no authoritative predictions as to the rate of our population growth since the beginning of Korea, an increased housing shortage which might have been presumed to result from this influx is apparently being prevented by the high rate of residential construction. New housing is being constructed in the city of San Diego at the rate of 270 to 628 per month for the last 6 months (average 448); and in the county outside the various incorporated cities at the rate of from 234 to 426 (average 321). This does not even include the new housing in the smaller cities in the county.

In talking a few days ago with the head of the housing office of a large aircraft plant here which solicits housing for its employees, I was informed that their office had an average of nine requests for rental housing per day over a 4-day period 1 month ago, which appeared to be typical. During this same period they received an average of 27 private rental listings per day and placed an average of 5 tenants per day for sure, with a probability that more accepted housing units to which they were referred without reporting back to the housing office. The placements does not include tenants placed in Federal war housing, which would account for 3 more per day during this period. The rents requested on private listings received by the plant on the day of my interview ranged from $25 to $90 per month, with an average of $61.70 per month.

In closing may I say that the effect of the international situation on San Diego does not appear to create a situation which would require any rent control here. I believe further that the position of the aircraft plants here as to housing for their immigrant workers could be immediately improved by making two simple changes in the operation of the Lanham Act (war housing) housing projects here. First a general increase in rents to a realistic figure which would force out thousands of tenants who only stay in Federal housing because it is such a bargain; secondly, the granting of the authority with instructions to act to the PHA to evict tenants who are not in defense production, so as to provide this housing specifically for that purpose.

Trusting this may be of some interest, I am sincerely,

JOHN COTTON.

Mr. CAIN. Mr. President, I have also recently received an article entitled "Flint Meets Rent-Control Problem Without Federal Aid," by Merle Oliver. The article was published in the Detroit News for November 12, 1950. In the article Mr. Oliver concludes that Flint, Mich., has met the rent-control problem without Federal aid. I should like to draw Mr. Oliver's conclusions and the article on this subject to the attention of my colleagues; for that reason, I ask unanimous consent that the article be made a part of my remarks at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

FLINT MEETS RENT-CONTROL PROBLEM WITHOUT FEDERAL AID

(By Merle Oliver)

FLINT, MICH., November 11.—An extraordinary coalition of real estate operators,

union leaders, landlords, tenants, and city officials has put Flint in a class by itself when it comes to rent control. It has saved the Federal Government an estimated $1,000,000,000 in 8 years.

When Federal rent controls were set up in 1942, a plan was devised here to keep the bureaucrats out of Flint.

Everybody agreed that control was unavoidable but wanted it handled by hometown people. So the city set up its own rent-control ordinance and persuaded the Washington OPA people to stay away.

Rents were frozen at the March 1, 1942, level as in cities under Federal rent control. Landlords and tenants have the right to apply to municipal court for adjustments.

LANDLORDS JAILED

Hearings are held, and if the judge decides that the rent is too low or too high, he grants an increase or decrease. Members of the Genesee County real estate board serve as investigators and witnesses.

In cases of overcharge, tenants can sue and recover up to treble damages. There is also a penalty of 90 days in jail or $100 fine for flagrant cases. Municipal Judge Frank W. Cain sent two landlords to jail for shutting off a tenant's heat.

There has been one blanket increase in rents. In 1946 the city council allowed a 10-percent increase for unheated units and 15 percent for heated apartments. There has been no other application for a general increase.

The ordinance written by former City Attorney Walter C. Krapohl, covers furnished living quarters and hotels as well as unfurnished units.

HOUSES FOR RENT

"Some instances of chiseling have been uncovered," Judge Cain said. "We still hear two or three cases a week. Apparently the ordinance has been generally satisfactory."

Employment in the area is at an all-time high of 114,500. The average weekly wage here for factory workers is $79.17, compared with $74.90 in Wayne County.

Nevertheless, places for rent still are available, Judge Cain said. An average two-bedroom home rents for about $25 or $30 a month.

John W. Davis, realtor, who is chairman of the rent investigating committee of the Genesee County real estate board, said that many landlords have taken advantage of loopholes in the ordinance, "but the result usually is to even up unfairness of the law."

Real estate taxes jumped 50 percent here last year with the removal of mill-tax limitations.

OWNERS INCREASE

"All the big operators have left the real estate rental business," Davis said. "They sold out years ago. No rent units have been built. About the only landlords are owners of one or two houses who are hanging on hoping for decontrol and people who own two-unit dwellings.

"Landlords have sold at attractive prices. A house that brings $25 or $30 a month rent can be sold for $6,000, with $1,000 down and $55 a month for the next 11 years, with 6-percent interest. It would take more than twice as long to get the same amount in rent."

Occupant ownership of dwellings in Flint is above 70 percent, compared with 50 percent in 1942.

"During those 8 years, many tenants have become landlords, and these former tenants now holler the loudest that rents are too low," Davis said.

OWNER LOSES HOUSE

Raymond French, assistant city attorney, who handles rent control, said there have been numerous complaints about the ordinance, because every case has a dissatisfied loser. However, nobody has appealed a decision to circuit court, not even the landlord who lost a house to a tenant in treble damages and owed still more.

Donnel Chapman, regional director for the UAW-CIO said local rent control in general has been a good thing for the city. When the Marvel-Schebler Carburetor Co. moved to Peoria, Ill., recently, all its employees here were offered jobs at the new location with continued seniority.

"They investigated Peoria housing conditions and came back to Flint," Chapman said.

PLAN BRINGS PROFIT

Davis said that Federal rent control in Flint for the last 8 years would have cost an estimated $1,000,000. Local control brought a net profit of $100 for the period.

Whether local rent control is continued probably will depend on what happens in the rest of the country.

"People here believe that extension of Federal rent control is inevitable," Davis said. "There is no move to repeal the local ordinance, because landlords and tenants alike prefer to run our own business and keep the bureaucrats out."

Mr. CAIN. Mr. President, I yield the floor.

GOVERNMENT PURCHASES OF WOOL

Mr. WILLIAMS. Mr. President, I ask unanimous consent to have printed at this point in the RECORD an article entitled "Government To Buy 100,000,000 Pounds of Wool on Open Market." The article appears in the Wall Street Journal for Tuesday, November 29.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

GOVERNMENT TO BUY 100,000,000 POUNDS OF WOOL ON OPEN MARKET

WASHINGTON.—The Government announced it will contract in the open market for a maximum of 100,000,000 pounds of wool by next June 30 to meet emergency reserve requirements.

A five-nation conference at Melbourne, Australia, has turned down a proposal to set aside a portion of the Australian wool to meet United States emergency needs, the State Department announcement said. Such a system of preemption was turned down as impracticable, the statement said.

As a result of the Melbourne decision, the Department said that of the estimated total United States need, 30,000,000 pounds will be bought by the Commodity Credit Corporation from American merchants for processing into military clothing.

The balance will be obtained through ordinary trade channels as required by successful contractors.

Mr. WILLIAMS. Mr. President, in this article it is stated that the Government announced that to meet emergency requirements and for stockpiling purposes, it would purchase 100,000,000 pounds of wool in the open market by next June 30. On the same date, when the article was written, it is noted that fine wool, as quoted on the commodity markets, sold at $2.55 a pound, or $1.06 a pound higher than the same grade was selling for on January 1, 1950. The major portion of that increase has taken place since the outbreak of the war in Korea. For the benefit of the American taxpayers who will pay for this stockpiling program, I think it might be well to review the record of the Government's activities in wool during the past months.

First, I call particular attention to the fact that this stockpiling of strategic materials was authorized by the Congress on July 23, 1946, but it was only last week that the Government, with its inventory of wool practically zero, finally decided that wool was an essential commodity.

The Government's inventories of wool for the past 4 years have been as follows:

	Pounds
June 30, 1947	424,659,861
June 30, 1948	166,653,936
June 30, 1949	96,020,242
June 30, 1950	454,752

Notwithstanding our stockpiling program which has been in effect during the past 3½ years, we find that these once huge inventories of wool have been declared surplus and disposed of at a loss to the American taxpayers of $44,030,347.79. Eleven million two hundred fifteen thousand nine hundred forty-two dollars and forty-nine cents of this loss was sustained on the 96,000,000 pounds which were disposed of during the 12-month period immediately preceding the outbreak of war in Korea, with the final sales of this liquidation program being reported on July 1, 1950, 1 week after the war had begun.

Today, with the price of wool having skyrocketed over $1 per pound, this means that the 100,000,000 pounds which the Government has just authorized to be purchased will cost the American taxpayers over $100,000,000 more than they received for the 96,000,000 pounds which were sold during the past 12 months.

Think of it, Mr. President. Since June 30, 1949, we have sold over 96,000,000 pounds of wool which originally cost the American taxpayers $75,704,008.03, at a loss of $11,215,000, on the basis that this wool was not essential to our national defense program. Now that the market has advanced $1.06 per pound, we are proposing to buy this same wool back, in many instances from the same merchants to whom it was sold. This one transaction will represent a loss to the American taxpayers of over $110,000,000.

I can understand the Government's need of wool to meet its military requirements today. I can understand that these needs are greater today as a result of the outbreak of the war in Korea than they were anticipated to be 12 months ago.

But I do not understand, if wool is a strategic material of such importance that, in addition to buying our current requirements, it is necessary to stockpile additional inventories, why it was not so classified last year or 2 years ago when the Government had substantial inventories on hand.

This is just another example of where millions of dollars could have been saved had the bureaucrats in charge of the program exercised proper judgment. Perhaps it is this stupid policy which explains why we find our boys fighting in Korea without adequate supplies, notwithstanding the fact that over $57,000,000,000 has been spent by our Military Establishment during the past 4 years. Perhaps it accounts for an article which appeared in the same paper in a column

which was headlined: "Washington is caught off guard again; it fumbles for new plan."

CONFERENCES OF THE PRESIDENT WITH PRIME MINISTER ATTLEE

Mr. WHERRY. Mr. President, apparently the Senate is about to recess, unless the distinguished majority leader has other measures he wishes to take up. Earlier today, the Senator from Missouri [Mr. KEM], who is not presently on the floor, asked unanimous consent that a resolution offered by him be referred to the proper committee and asked unanimous consent that it be treated as a privileged matter, and be brought back for consideration by the Senate not later than Friday of this week. I wonder whether we could not have unanimous consent to that request now, in the absence of the Senator from Missouri. That would take care of the matter.

Mr. LUCAS. I do not know anything about the resolution.

The PRESIDING OFFICER. The present occupant of the chair was not here at the time, but the Chair is informed by the Parliamentarian that the resolution was ordered to lie on the table, in order that it might be considered tomorrow.

Mr. WHERRY. That is correct. I am the one who made the request. At that time, no member of the Foreign Relations Committee was present. The acting majority leader said he would like to have an hour or two in which to take it up with members of that committee, and that if the request were renewed later in the day, he might be able to give the answer. As minority leader, I asked that the resolution lie on the table temporarily, at the same time stating that this request would be made later in the day, after there had been an opportunity for consultation.

The PRESIDING OFFICER. For the information of the Chair, will the Senator from Nebraska state briefly the purport of the resolution?

Mr. WHERRY. The resolution offered by the Senator from Missouri [Mr. KEM] contained certain provisions admonishing the President that, in the event any agreements were made with a foreign power, they should be made in compliance with the constitutional processes. There would be, I think, a question of advice and consent, more than anything else. The Senator from Missouri did not request immediate consideration of the resolution. He asked that it be referred to the proper committee, which I think is the regular procedure, and which I think should be done. He then asked, however, because of its importance, that it be treated somewhat as the resolution (S. Res. 368) submitted by the Special Committee To Investigate Interstate Crime was treated here a few days ago, and that it be reported back not later than Friday, if possible, in order that it might be given consideration by the Senate.

The PRESIDING OFFICER. The Chair feels that this resolution should be referred to the Foreign Relations Committee.

Mr. WHERRY. I think that is correct.

The PRESIDING OFFICER. Is it the request of the minority leader that something in the nature of an appendix be attached to the resolution?

Mr. WHERRY. Yes—that it be reported back to the Senate for consideration not later than Friday of this week.

Mr. LUCAS. Mr. President, that presents another interesting and very serious question, it seems to me. I do not want to take on the obligations or duties of the Committee on Foreign Relations, and before a resolution of that kind is acted upon it would seem to me we ought to have a quorum call. The chairman of the Committee on Foreign Relations ought to be here to defend the position of that committee. He may agree to it, but I doubt that he will. I think it presents one of the most serious questions to come before the Senate. I am not sure that I understood the full purport of the resolution. I say candidly that I was not present when the resolution was offered.

Mr. WHERRY. Mr. President, I should like to say on behalf of the majority leader that he was not on the floor earlier in the day when this matter came up. It came up at the time the Senator from Washington [Mr. MAGNUSON] had the floor. At that time, the Senator from Missouri [Mr. KEM] offered the resolution, and I think it was his intention to request its immediate consideration. However, I felt that in all fairness to the committee, it should be referred to the committee, and then come back to the Senate for consideration. It was my view that in that manner consideration of the resolution would be expedited. So, at the conclusion of his remarks, the Senator from Missouri asked that the resolution be referred to the Committee on Foreign Relations, and that it be reported to the Senate as a privileged matter not later than Friday of this week. The acting majority leader, the Senator from Washington [Mr. MAGNUSON], then made a statement in almost the same words used by the majority leader just now, namely, that he would take the matter up with the chairman of the committee. I said that was agreeable to me. I suggested that the way to do that was to request that the resolution lie on the table temporarily, and that, at some time later in the afternoon, the Senator ask unanimous consent to have it handled in the manner I have indicated.

Mr. LUCAS. Mr. President, in view of the importance of the subject and the lateness of the hour, it seems to me the resolution could well lie over until tomorrow. In the meantime, the present occupant of the chair [Mr. MCMAHON], who is a member of the Committee on Foreign Relations, could confer with the chairman and other members of the committee, and decide what should be done about it. I shall more or less abide by the decision of the chairman of the Committee on Foreign Relations.

Mr. WHERRY. It is understood that tomorrow, after the Senate convenes, the Senator from Missouri [Mr. KEM] may again make his request. I hope by that time the members of the Committee on Foreign Relations will have been consulted with respect to the subject, and that it will be possible to handle the resolution in the manner suggested. I think it is a fair request. There is nothing contained in the resolution which requires a hearing. It is a question of judgment.

The PRESIDING OFFICER. Inasmuch as the present occupant of the chair, as a member of the Committee on Foreign Relations, will undertake the responsibility of informing the chairman of the committee of what has transpired with respect to this subject, the Chair wishes to be certain that he understands exactly what is desired by the Senator from Nebraska. Does the Senator from Nebraska desire to have the resolution referred to the Committee on Foreign Relations, and that the committee be directed to report on the resolution, favorably or unfavorably, by Friday of this week?

Mr. WHERRY. That is correct.

The PRESIDING OFFICER. That will be the Senator's motion tomorrow?

Mr. WHERRY. It will be in the form of a unanimous-consent request, because I do not wish to displace the unfinished business.

The PRESIDING OFFICER. The Chair understands the Senator's thoughts, and the Chair will communicate them to the chairman of the Committee on Foreign Relations.

EXECUTIVE SESSION

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. MCMAHON in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

The following favorable reports of nominations were submitted:

By Mr. CONNALLY, from the Committee on Foreign Relations:

Nelson A. Rockefeller, of New York, to be Chairman of the International Development Advisory Board;

William C. Foster, of New York, to be Administrator for Economic Cooperation;

Richard M. Bissell, Jr., of Massachusetts, to be Deputy Administrator for Economic Cooperation;

Henry G. Bennett, of Oklahoma, to be Technical Cooperation Administrator;

Walter S. Gifford, of New York, to be Ambassador Extraordinary and Plenipotentiary to Great Britain;

Howard H. Tewksbury, of New Hampshire, a Foreign Service officer of class 1, to be Ambassador Extraordinary and Plenipotentiary to Paraguay;

Sidney H. Browne, and sundry other officers and persons for appointment and promotion in the Diplomatic and Foreign Service.

The PRESIDING OFFICER. Reports of committees are in order. If there

be no reports of committees, the nominations on the Executive Calendar will be stated.

DIRECTOR OF PRICE STABILIZATION

The legislative clerk read the nomination of Michael V. Di Salle, of Ohio, to be Director of Price Stabilization.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

Mr. WHERRY. I should like to state that there is no objection to bringing up any other nominations on the calendar, except that before any further nominations are brought up we should have a quorum call.

The PRESIDING OFFICER. Does the Senator refer to the nomination of Michael V. Di Salle to be Director of Price Stabilization?

Mr. WHERRY. No; that nomination has been confirmed. There is no objection to bringing up any other nominations, but before doing so we should have a quorum call.

Mr. LUCAS. It is a little late to have a quorum call.

Mr. WHERRY. I merely wanted to make that statement.

RECESS

Mr. LUCAS. Mr. President, as in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 6 minutes p. m.) the Senate took a recess until tomorrow, Thursday, December 7, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 6 (legislative day of November 27), 1950:

NATIONAL MEDIATION BOARD

John Thad Scott, Jr., of Texas, to be a member of the National Mediation Board for the term expiring February 1, 1954. (Reappointment.)

UNITED STATES PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the Public Health Service:

To be sanitary engineer (equivalent to the Army rank of major), effective date of acceptance

Euald C. Warkentin

To be junior assistant pharmacists (equivalent to the Army rank of second lieutenant), effective date of acceptance

Edward J. Martin
George J. Gruber
Albert B. Ripley

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be senior scientist (equivalent to the Army rank of lieutenant colonel), effective September 29, 1950

Leslie A. Chambers

To be junior assistant pharmacist (equivalent to the Army rank of second lieutenant), effective November 24, 1950

John W. Toole

To be senior assistant sanitarians (equivalent to the Army rank of captain), effective dates indicated

Harold Wainess, November 2, 1950.
Darold W. Taylor, November 8, 1950.

To be senior assistant nurse officer (equivalent to the Army rank of captain), effective November 2, 1950

Mary G. Demiani

Surgeons to be senior surgeons (equivalent to the Army rank of lieutenant colonel), effective dates indicated

Allen B. Eschenbrenner, September 28, 1950.
William J. Brown, September 28, 1950.
Ralph W. McComas, September 29, 1950.
James A. Smith, October 2, 1950.
Frederick G. Gillick, October 13, 1950.
Louis Jacobs, November 6, 1950.
Carl L. Larson, December 26, 1950.

Senior assistant surgeon to be surgeon (equivalent to the Army rank of major), effective October 25, 1950

Arthur E. Rikli

Assistant sanitary engineer to be senior assistant sanitary engineer (equivalent to the Army rank of captain), effective October 11, 1950

Ronald G. Macomber

Junior assistant sanitary engineer to be assistant sanitary engineer (equivalent to the Army rank of first lieutenant), effective October 11, 1950

George W. Burke, Jr.

Nurse officers to be senior nurse officers (equivalent to the Army rank of lieutenant colonel), effective October 31, 1950

Lorena J. Murray	Elsie T. Berdan
Ellwynne M. Vreeland	L. Margaret McLaughlin
Zella Bryant	
Esther A. Garrison	Ruth I. Gillan

The above-named officers were appointed during the last recess of the Senate.

IN THE NAVY

The following-named officers of the Navy for permanent appointment to the grade of rear admiral:

Rear admiral, line

Wallace R. Dowd	Walter E. Moore
Hugh E. Haven	Burton B. Biggs
Calvin M. Bolster	Lyman A. Thackrey
Ralph E. McShane	Grover B. H. Hall
John P. Womble, Jr.	Lorenzo S. Sabin, Jr.
Byron H. Hanlon	Walter G. Schindler
Robert F. Hickey	George L. Russell
Ruthven E. Libby	Milton E. Miles
Thomas H. Binford	William S. Parsons

Rear admiral, Medical Corps

Bertram Groesbeck, Jr.	Carl A. Broaddus
Herbert L. Pugh	Joseph B. Logue

Rear admiral, Supply Corps

Charles L. Austin

Rear admiral, Dental Corps

Daniel W. Ryan

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general, subject to qualification therefor as provided by law:

Gerald C. Thomas	Edward A. Craig
Henry D. Linscott	Christian F. Schilt

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

James P. Riseley	William J. Scheyer
Gregon A. Williams	Albert D. Cooley
Frank H. Lamson-Scribner	Lewis B. Puller
	Robert O. Bare

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

Billye S. McElroy, Livingston, Ala., in place of L. A. McLean, deceased.

ALASKA

Norma A. Anderson, Craig, Alaska, in place of B. J. Jensen, declined.

Nancy E. Parker, Spenard, Alaska. Office established January 1, 1949.

ARKANSAS

Cecil Charles Walker, Eureka Springs, Ark., in place of H. H. Fuller, deceased.

Orval E. Faubus, Huntsville, Ark., in place of Hugh Murphy, transferred.

CALIFORNIA

Robert F. Osmann, Escondido, Calif., in place of H. E. Crenshaw, retired.

Ellis C. Allsop, Maywood, Calif., in place of G. E. Archer, resigned.

Virgil M. Ringue, South San Francisco, Calif., in place of J. P. Quinlan, retired.

DELAWARE

Francis Allyn Cooch, Jr., Newark, Del., in place of C. E. Rittenhouse, deceased.

FLORIDA

Jackson F. Ritch, DeLeon Springs, Fla., in place of T. L. Latimer, not commissioned.

Edward F. Thrasher, Seffner, Fla., in place of C. D. Wheeler, deceased.

GEORGIA

Henry Ward Beecher Collins, Collins, Ga., in place of P. E. Cody, transferred.

HAWAII

Lei Pansy Pickard, Hauula, Hawaii. Office became Presidential July 1, 1948.

IDAHO

Bennie D. Harmon, Dubois, Idaho, in place of J. W. Hays, retired.

Jimmy H. Christopherson, Hazelton, Idaho, in place of F. M. Heistand, resigned.

Archie E. McKinley, Kellogg, Idaho, in place of G. A. Needham, resigned.

Willis J. Lyman, Rexburg, Idaho, in place of G. A. Hoopes, deceased.

Leland W. Stanford, St. Anthony, Idaho, in place of W. J. Andrasen, deceased.

ILLINOIS

James H. Sneed, Creal Springs, Ill., in place of M. W. Robertson, retired.

John A. Weber, Lostant, Illinois, in place of Ambrose Harth, retired.

Roy H. Dawkins, Jr., Louisville, Ill., in place of C. E. Farrell, transferred.

Lowell L. Taylor, Metropolis, Ill., in place of I. H. Mitchell, transferred.

Frances H. Pembroke, Monticello, Ill., in place of J. F. Hartsfield, resigned.

Curtis C. Lake, Niantic, Ill., in place of E. S. Hooe, removed.

Arthur L. Koetting, Jr., Okawville, Ill., in place of F. H. Morgan, retired.

Harry C. Shaw, Palestine, Ill., in place of O. C. Seeders, retired.

Mary M. Hackett, Polo, Ill., in place of M. J. Naylon, retired.

Everett C. Leeper, Rockport, Ill., in place of H. W. Harshman, transferred.

Frederick A. Dreyer, Steeleville, Ill., in place of L. H. Tegtmeyer, retired.

Florence M. Binkley, Warrensburg, Ill., in place of F. E. Binkley, deceased.

Everett W. Patterson, Watseka, Ill., in place of J. H. Stone, resigned.

Willard W. Cain, Woodhull, Ill., in place of F. C. Shetler, retired.

Claude E. Wedel, Worden, Ill., in place of G. C. Thornton, resigned.

INDIANA

Ralph L. Combs, Cedar Lake, Ind., in place of J. C. Fleck, resigned.

Walter B. Popejoy, Delphi, Ind., in place of W. H. Ashba, deceased.

Leonard Y. Cripe, Goshen, Ind., in place of E. D. Logan, retired.

Otho F. Wilson, Paoli, Ind., in place of J. M. Trinkle, retired.

IOWA

Loyd D. Webb, Alta Vista, Iowa, in place of J. W. Weber, retired.

Gordon F. Williamson, Battle Creek, Iowa, in place of E. E. Carlson, retired.
Raymond A. Veale, Boone, Iowa, in place of J. A. Hull, retired.
Elbie R. Petro, Cedar Rapids, Iowa, in place of F. B. Baldwin, retired.
Raymond C. Formanek, Chelsea, Iowa, in place of Joseph Benesh, retired.
Gorman B. Howell, Clarinda, Iowa, in place of C. L. Herren, retired.
Earl E. Gaule, Clearfield, Iowa, in place of M. W. Palmer, deceased.
Regnald T. Naae, Graettinger, Iowa, in place of V. L. O'Connor, retired.
Paul F. Goergen, Granville, Iowa, in place of J. A. Bunkers, transferred.
William R. Wilson, Hampton, Iowa, in place of R. A. Fox, resigned.
Richard D. McCarty, Hartley, Iowa, in place of A. F. Palmquist, retired.
Walter E. Dietsch, Hills, Iowa, in place of A. L. Jenn, retired.
Edward C. Fritsche, Homestead, Iowa, in place of J. H. Eichacker, deceased.
Jerome E. Whalen, Jefferson, Iowa, in place of L. B. Gibbons, retired.
Arlie V. Otto, Johnston, Iowa, in place of A. L. Murray, resigned.
Lloyd M. Crumly, Letts, Iowa, in place of N. M. Parsons, retired.
Harlan W. Cohrs, Lewis, Iowa, in place of A. A. Smith, deceased.
Paul J. Vollmer, Manning, Iowa, in place of K. D. Eden, retired.
Henry C. Pendergraft, Mason City, Iowa, in place of A. M. Schanke, retired.
Doris B. Kimzey, Milo, Iowa, in place of Oliver Van Syoc, retired.
Mark H. Booth, Montour, Iowa, in place of D. F. Sturtz, transferred.
John L. Weno, North Liberty, Iowa, in place of L. J. Mehaffey, deceased.
Elder O. Bottolfson, Northwood, Iowa, in place of H. C. Johnson, resigned.
Mary A. Boldra, Randolph, Iowa, in place of Dale Fichter, transferred.
Harold A. Berg, Ruthven, Iowa, in place of R. A. Gleason, transferred.
Robert J. Balik, Spillville, Iowa, in place of Anton Balik, retired.
Gerald J. Svacina, Tama, Iowa, in place of John Hynek, resigned.
Berle G. Keck, Washta, Iowa, in place of J. G. Chapman, retired.
Matthew J. Blong, Waucoma, Iowa, in place of C. E. Lynch, retired.

KENTUCKY

Parker D. Moore, Bardwell, Ky., in place of B. P. Edrington, deceased.
Donald McDonald, Hardyville, Ky., in place of B. B. Davidson, resigned.

LOUISIANA

Dan W. Graves, Bogalusa, La., in place of R. E. Richardson, resigned.
Loy R. Gaar, Dodson, La., in place of T. N. Stovall, retired.
Arthur H. Prevey, Elizabeth, La., in place of S. C. Knight, resigned.
Etna C. Ducote, Hackberry, La., in place of A. M. Terral, deceased.
Thomas F. Mahaffey, Jennings, La., in place of C. C. Mahaffey, deceased.
Clifford Duplechin, Mamou, La., in place of S. E. Tate, retired.
Tilon M. O'Bier, Shongaloo, La., in place of A. C. Burns, retired.

MAINE

John A. Merriman, Sedgwick, Maine, in place of C. B. Means, deceased.

MICHIGAN

Hazel D. Harrison, Conklin, Mich., in place of Floyd Harrison, retired.
William O. Kelly, Flint, Mich., in place of D. L. Treat, retired.
Stella A. Ritchie, New Troy, Mich., in place of E. E. Ritchie, resigned.
Valentine R. Smith, Saugatuck, Mich., in place of A. G. O'Neal, retired.
Russell K. Kilpatrick, Vermontville, Mich., in place of M. A. Mahar, transferred.

MINNESOTA

John A. Rolig, Center City, Minn., in place of H. H. Gunz, transferred.
Carl F. Ardin, Cook, Minn., in place of O. J. Leding, retired.
Harland E. Stierlen, Elysian, Minn., in place of N. A. Terrell, resigned.
John O. Barklow, Kasota, Minn., in place of A. L. Davies, retired.
William C. Culhane, Marshall, Minn., in place of A. P. Rose, retired.
Joseph D. Folsom, Ogilvie, Minn., in place of F. S. Averill, retired.
Fritz R. Greenfield, Pease, Minn., in place of W. F. Groenveld, deceased.
Mary E. Lannon, Prior Lake, Minn., in place of J. M. Lannon, deceased.
Leslie J. Henderson, Roosevelt, Minn., in place of Adolph Oseid, deceased.
Mabel V. Lundholm, Round Lake, Minn., in place of V. B. Flentje, resigned.
Delbert D. Merrill, Silver Lake, Minn., in place of W. O. Merrill, retired.

MISSISSIPPI

James W. Norwood, Amory, Miss., in place of Romie Green, retired.
Alonzo A. Vance, Chunky, Miss., in place of Bessie Puckette, retired.
John M. Allred, Collins, Miss., in place of G. B. McIntosh, resigned.
Julian B. Gardner, Columbus, Miss., in place of G. Y. Banks, deceased.
Leonard C. Gibson, Jr., Crawford, Miss., in place of C. D. Bragg, transferred.
George Martel Bridges, Ethel, Miss., in place of J. H. Middlebrook, resigned.
Rufina W. Gully, Gholson, Miss., in place of M. M. Whittle, retired.
Callie R. Davis, Handsboro, Miss., in place of S. F. Myers, retired.
Ruth Seale, Lyon, Miss., in place of E. C. Stephens, retired.
Grace C. Beasley, Pelahatchee, Miss., in place of B. M. Gallaspy, deceased.
James Q. Pylant, Purvis, Miss., in place of A. M. Avery, transferred.
Robert P. Barron, Smithdale, Miss., in place of D. R. Butler, retired.
Richard D. Robbins, Summit, Miss., in place of J. A. Jones, deceased.
Zelda M. Dye, Vardaman, Miss., in place of J. E. Morgan, resigned.
Clyde T. Furr, Wesson, Miss., in place of A. E. McGee, transferred.
Ira L. Moore, West Enterprise, Miss., in place of C. L. Wright, retired.

MISSOURI

Pansy B. France, Forest City, Mo., in place of B. W. Brown, deceased.
Joseph O. Burchfield, Marshfield, Mo., in place of W. T. McMahan, retired.
Charles E. Jones, Rolla, Mo., in place of H. J. Baysinger, deceased.
Nelson Maness, Stark City, Mo., in place of J. T. Harrison, retired.
Maurice G. Lentz, Sumner, Mo., in place of M. K. Turner, resigned.

MONTANA

Francis I. Adams, Livingston, Mont., in place of E. H. O'Connor, resigned.
Ralph L. Benjamin, Shelby, Mont., in place of G. M. Cox, resigned.

NEBRASKA

Chester A. Koza, Clarkson, Nebr., in place of G. A. Koza, retired.
Burton E. McKee, Lyman, Nebr., in place of E. L. Denny, resigned.

NEW JERSEY

Frank A. Brown, Arlington, N. J., in place of E. F. Rohn, deceased.
Gladys A. Rysinski, Cliffwood Beach, N. J. Office established May 1, 1948.
Dorothy B. Jahn, Mantoloking, N. J., in place of H. W. Polhemus, retired.
Edna M. Thompson, Mickleton, N. J. Office became Presidential July 1, 1946.
Edward J. Brennan, Ocean Gate, N. J., in place of A. K. Moran, deceased.
Francis E. Davenport, Pitman, N. J., in place of E. R. Smith, deceased.
Harry F. Kolbert, Skillman, N. J., in place of M. F. Brophy, retired.
Fiore V. Romeo, Stirling, N. J., in place of Christof Lindenmayer, retired.
John F. Carroll, Teaneck, N. J., in place of J. J. Allen, removed.
Joseph S. Chamberlain, Titusville, N. J., in place of B. S. Agnew, retired.

NEW YORK

Glenn O. Robinson, Adams, N. Y., in place of J. W. Cain, retired.
Harold James Hyland, Arcade, N. Y., in place of H. J. Hyland, resigned.
James W. Maloney, Aurora, N. Y., in place of J. L. Purcell, retired.
George W. Dedrick, Bayport, N. Y., in place of J. S. Annable, retired.
John J. Bohuslaw, Bay Shore, N. Y., in place of A. J. Melton, retired.
Fletcher R. Ward, Bemus Point, N. Y., in place of Gerald Aldrich, resigned.
Aileene D. Schaad, Clarence Center, N. Y., in place of K. M. Raps, deceased.
George A. Christensen, Clymer, N. Y., in place of J. J. Reagan, retired.
Arthur L. Rennie, Cornwallville, N. Y. Office became Presidential July 1, 1947.
James W. Ansbrow, Darien Center, N. Y., in place of E. M. Ortner, retired.
Abraham Finkle, Far Rockaway, N. Y., in place of E. M. Fitter, retired.
Michael S. Valvo, Forestville, N. Y., in place of H. A. Dye, resigned.
Charles K. Myers, Frewsburg, N. Y., in place of A. W. Stitt, removed.
John D. Allardice, Hudson, N. Y., in place of A. G. Harvey, deceased.
Marjorie H. Schneider, Islip, N. Y., in place of E. S. Raynor, deceased.
Jesse J. Bridge, Madison, N. Y., in place of G. J. McGovern, retired.
John E. Conley, Marcellus, N. Y., in place of W. T. Conley, resigned.
Carmen Murano, Memphis, N. Y., in place of K. B. Kinne, deceased.
Norman S. Wilber, Mount Tremper, N. Y., in place of H. B. Ecker retired.
Helena C. Carroll, Oriskany, N. Y., in place of T. F. Carroll, retired.
James J. Sullivan, Quogue, N. Y., in place of E. H. Stevens, resigned.
Jeannette L. Moran, Rexford, N. Y., in place of A. R. Knowlton, retired.
Sim S. Garrett, Upton, N. Y. Office established August 1, 1947.
Fred S. Richardson, Westfield, N. Y., in place of L. N. Skinner, retired.
Horace C. Orton, Wingdale, N. Y., in place of J. W. Hodge, retired.
Thomas A. Brown, Wyandanch, N. Y., in place of C. J. McMahon, resigned.

NORTH CAROLINA

Willie H. Smith, Rocky Mount, N. C., in place of W. L. Joyner, resigned.
James P. McPherson, Snow Camp, N. C., in place of N. H. Clark, transferred.
Kent Haynes, State Road, N. C., in place of T. A. Gentry, retired.

NORTH DAKOTA

Mary S. Tomlinson, Benedict, N. Dak., in place of Alice Jacobson, resigned.
Edmond W. Green, Hankinson, N. Dak., in place of M. A. Wipperman, retired.
Peter N. Retterath, Lidgerwood, N. Dak., in place of A. M. Wagner, retired.
Walter Kessler, Martin, N. Dak., in place of V. C. Magnuson, resigned.
Elizabeth N. Fischer, Streeter, N. Dak., in place of Paul Kietzke, deceased.
Edward J. Sondag, Sykeston, N. Dak., in place of Lena Kremer, retired.

OHIO

Gwendolyn M. Flack, Bettsville, Ohio, in place of J. W. Turner, retired.
Jacob Benjamin Romine, Galion, Ohio, in place of W. V. Goshorn, retired.
Dennis E. Hurst, Marietta, Ohio, in place of F. J. McCauley, retired.

Fred A. Luhnow, North Madison, Ohio, in place of E. C. Brown, resigned.
Florence V. Needler, Poland, Ohio, in place of J. M. McCrone, resigned.
Verdi C. Von Thron, Port Clinton, Ohio, in place of A. W. Kalb, retired.

OKLAHOMA

Martha V. Cowan, Cache, Okla., in place of L. M. Norris, transferred.
Bob W. Johnson, Durant, Okla., in place of Ralph Ownby. Incumbent's commission expired.
Paul Hampton, Hinton, Okla., in place of E. F. Lyon, resigned.
Elsie V. Fulfs, Randlett, Okla., in place of P. R. Fulfs, deceased.

OREGON

Donald B. Estes, Coquille, Oreg., in place of M. O. Hawkins, retired.
Elva G. Varnum, Crater Lake, Oreg. Office became Presidential July 1, 1948.

PENNSYLVANIA

Warren E. Horrocks, Blooming Glen, Pa., in place of H. R. Shaddinger, retired.
Joseph K. Brown, Blue Ridge Summit, Pa., in place of M. F. Birely, retired.
Michael C. Barone, Bryn Mawr, Pa., in place of P. W. Lukens, resigned.
James H. Taylor, Sr., Canton, Pa., in place of O. S. Williams, retired.
Charles J. Zuerl, Jr., Irvine, Pa., in place of J. J. Myers, retired.
John J. Fox, Ivyland, Pa., in place of A. C. De Hart, resigned.
James A. Barkley, Latrobe, Pa., in place of J. P. Doherty, deceased.
James E. Clark, Leechburg, Pa., in place of J. A. Sproull, resigned.
Frank H. Glenn, Lemont, Pa., in place of J. C. Hillman, resigned.
Keat P. Heefner, Mercersburg, Pa., in place of H. E. Trout, retired.
John H. Reuther, Muncy, Pa., in place of L. D. Sedam, retired.
Fred E. Slick, New Florence, Pa., in place of N. J. Brendlinger, deceased.
Joseph V. McGrory, Norristown, Pa., in place of M. B. Marr, removed.
Mary R. Vincenti, Plainsville, Pa., in place of L. M. Bennett, retired.
Elizabeth M. Foreman, Pulaski, Pa., in place of V. R. Nosik, resigned.
Freda L. Riley, Salisbury, Pa., in place of D. H. Broadwater, resigned.
Robert Schneider, Scenery Hill, Pa., in place of G. C. Wonsettler, retired.
Theodora R. Renner, Secane, Pa., in place of O. M. Hardican, removed.
Sarah V. Webster, Sewickley, Pa., in place of J. D. Webster, deceased.
Robert C. Powell, Swarthmore, Pa., in place of A. P. Smalley, retired.
John C. Hess, Three Springs, Pa., in place of C. W. Hess, transferred.
Elizabeth S. Whitesell, Washington Crossing, Pa. Office became Presidential July 1, 1948.
Paul C. Klapp, Watsontown, Pa., in place of M. M. Beagle, retired.
Charles L. Johnston, Waynesboro, Pa., in place of W. A. Thompson, resigned.
Henry F. Sickler, Jr., Westtown, Pa., in place of B. S. Farrell, removed.
Samuel R. Klinger, Wiconisco, Pa., in place of C. E. Minnich, retired.
Thomas G. Wilt, Woolrich, Pa., in place of M. G. Johnston, resigned.

PUERTO RICO

Margaret R. Keith, Aguirre, P. R., in place of Jenaro Vasquez, removed.

SOUTH CAROLINA

Sam W. Lytchfield, Jr., Bonneau, S. C., in place of C. M. Mitchum, transferred.

SOUTH DAKOTA

LaVerna L. Marshall, Draper, S. Dak., in place of Emma Peterson, retired.
James W. Sweaney, Sturgis, S. Dak., in place of S. M. Blair, resigned.

TENNESSEE

Andrew J. Frazier, Bon Aqua, Tenn., in place of Katie Potts, retired.
Ted L. Rozell, Chapel Hill, Tenn., in place of Frank Rickman, retired.
Charles H. Settle, Gainesboro, Tenn., in place of J. C. Sadler, deceased.
Vesta C. Locke, Mount Juliet, Tenn., in place of R. V. Cawthon, retired.
Charles R. Byrn, Murfreesboro, Tenn., in place of W. F. Earthman, deceased.
James A. Britton, Whitesburg, Tenn., in place of S. C. Roberts, transferred.

TEXAS

Ethan L. Upshaw, Belton, Tex., in place of E. A. White, transferred.
Claude B. Lynch, Jr., Como, Tex., in place of M. L. Garvin, Jr., retired.
Joe B. Chastain, Emory, Tex., in place of F. R. Allen, retired.
Thomas J. Agnor, Marshall, Tex., in place of B. C. McElroy, retired.
Bonnie F. Goldsmith, Needville, Tex., in place of M. C. Warncke, transferred.

UTAH

Alva G. Boman, Lewiston, Utah, in place of J. M. Bernhisel, retired.
Arvin L. Bellon, Roosevelt, Utah, in place of J. A. Pack, retired.

VERMONT

Fredric L. Pierce, Barnet, Vt., in place of H. A. Somers, retired.
Frederick L. Kemp, Craftsbury, Vt., in place of R. B. Kemp, retired.
John P. Dudley, East Montpelier, Vt., in place of C. P. Dudley, retired.
Reginald F. Pelow, Lyndon, Vt., in place of M. K. Paris, retired.

VIRGINIA

Hicklen B. Quillen, Jr., Gate City, Va., in place of B. B. Cox, retired.
Charles T. Braswell, Norton, Va., in place of J. C. Litts, resigned.
Moffett E. Bibb, Jr., Weyers Cave, Va., in place of J. S. Hinegardner, retired.
Mayo H. Worrell, Zuni, Va., in place of Percy Bradshaw, retired.

WASHINGTON

John P. McMonagle, Tacoma, Wash., in place of G. P. Fishburne, retired.

WEST VIRGINIA

Charles W. Maloney, Bradshaw, W. Va., in place of William Perkins, resigned.

WISCONSIN

Richard P. Koenigs, Campbellsport, Wis., in place of W. J. Sullivan, resigned.
Richard E. Graichen, Coloma, Wis., in place of H. A. Parkin, retired.
Norman W. Helgoe, Durand, Wis., in place of A. C. Smith, removed.
Joseph L. McDonald, Endeavor, Wis., in place of J. I. Sweney, resigned.
Leora C. Zeiger, Lake Beulah, Wis., in place of L. F. Mengert, removed.
John J. Walsh, Lannon, Wis., in place of J. J. Flanagan, retired.
Robert E. Myers, North Freedom, Wis., in place of Frank Hanley, retired.
Robert C. Davenport, Okauchee, Wis., in place of M. O. Bartelme, retired.
Fred J. French, Prescott, Wis., in place of William Murray, retired.
John G. Stoffel, Richland Center, Wis., in place of J. P. Kelly, retired.
Ireen L. Kennedy, Shell Lake, Wis., in place of J. S. Kennedy, deceased.

CONFIRMATION

Executive nomination confirmed by the Senate December 6 (legislative day of November 27) 1950:

DIRECTOR OF PRICE STABILIZATION

Michael V. Di Salle, of Ohio, to be Director of Price Stabilization.

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 6, 1950

The House met at 12 o'clock noon.

Rabbi Gunther Plaut, Mount Zion Temple, St. Paul, Minn., offered the following prayer:

Our God and God of our fathers, in the midst of darkening skies and on the eve of a bitter anniversary of our people, we scan the horizon for signs of confidence. Of needs, our thoughts turn to Thee who alone canst provide us with sustenance for our hope-starved souls.

In a world which in the agony of its wounds and fears looks either to cynical nihilism or cheap panaceas, we thank Thee for men and women who can preserve their sense of history and proportion, who can still see man in the maze of mass, and will continue to champion his cause as a person of dignity and worth.

We pray in this hour for our valiant sons and daughters who bear our burden in far-away places. May our dedication match their devotion.

We pray that Thy support and insight may guide the men and women of this Congress. Give them the confidence to know that where they will lead with courage the people will follow in trust. Make them ever aware of the fact that sacrifice for freedom is not sacrifice, but service willingly offered—service for our country and service also to the divine goal of humanity, living in liberty.

Thus we ask Thy blessing upon their deliberations and their work. With freedom as their guidepost, may they, with Thee as their fortress, serve our country and thus the hopes of man. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 483. An act to extend the time limit within which certain suits in admiralty may be brought against the United States; and

H. R. 2365. An act for the relief of the city of Chester, Ill.

THE LATE CHARLES G. ROSS

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, I regret to announce the death of Charles Ross, the President's press representative, at his desk at the White House late last evening. He may be considered as one of the casualties of the war.

He was one of Missouri's most distinguished sons. He had served in every professional newspaper capacity from reporter to editor of both local and metropolitan newspapers. He received from his alma mater and from other schools the highest honorary degrees which could be conferred. As the President's liaison with the press of the Nation and the world he was worth a division in the field.

His relations with the Congress were especially cordial. And his unexpected and untimely death is not only a national disaster not easily sustained but a personal loss to every Member of the House.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. MARTIN of Massachusetts. Mr. Speaker, I join with my friend the gentleman from Missouri [Mr. CANNON] in expressing my deep sorrow at the death of Mr. Charles Ross, secretary to the President. It was my privilege to know Mr. Ross for over 25 years. He was an honorable gentleman, a man of great ability, of fine character, and the highest integrity. The country has lost a faithful public servant in the death of Mr. Ross. My deepest sympathy is extended to his widow and family in their hour of sorrow.

Mr. RAYBURN. In the passing of Charles Ross I feel a deep personal loss. We had been close friends for more than 30 years. He was able, patriotic, and a gentleman of the best type. To his wife and other loved ones I express my deepest sympathy.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD on the life and service of Mr. Charles G. Ross.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. PRIEST. Mr. Speaker, I was shocked and deeply grieved over the death of Charlie Ross.

As press secretary to President Truman, Mr. Ross has carried tremendously heavy burdens for several years. The present crisis in Korea increased the weight of the already heavy load, and he died in line of duty.

Long before he became a Presidential secretary, Charlie Ross had distinguished himself in the field of journalism and was for many years regarded in those circles as one of the Nation's great editorial writers.

In these trying hours his calm judgment will be greatly missed by the President and by the newspapermen of the Nation, who had found in him an understanding and helpful friend at all times.

I join with other Members here and with the Nation in extending deep sympathy to his family.

UNITED STATES COAST GUARD

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I called the headquarters of the United States Coast Guard this morning regarding the charges made yesterday in a report of a subcommittee of the House Committee on Post Office and Civil Service. They were serious charges and they reflected against the Coast Guard.

I was amazed to learn that the report was the product of two investigators and that no committee hearings were held in which the leadership of the Guard were questioned or permitted to make answer.

Frankly, I did not think that this body was proceeding in this way.

The public, I am sure, will be surprised to learn that the defendants here were not heard and the charges cannot be accepted as facts until the full truth is known.

Mr. Speaker, if the United States Coast Guard is going to do the job that we want them to do, and that is to guard properly the ports and harbors of the United States against sneak atomic bombs being brought here in merchant ships or other vessels, we will have to give them more officers and men. I do not like this kind of procedure and I am protesting against it here today.

DEFENSE PRODUCTION

Mr. BROOKS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

Mr. BROOKS. Mr. Speaker, the time has come to push with even more zeal our defense efforts. It is of urgent importance that the production of planes and tanks and other war equipment and material be increased, and increased at once. To accomplish this purpose, the use of priorities and allocations should be pursued to the exclusion of normal operations, if this is necessary, and certainly to the curtailment of them. It is extremely important that this production program should be given top place in our economy and without further delay.

To accomplish this result will call for inconveniences and some disruption; but the hour has come when we must increase our production of these vitally needed implements of defense. We are not making the progress which I think we must make for survival.

SPECIAL ORDER GRANTED

Mr. DAVIS of Georgia asked and was given permission to address the House today for 20 minutes, following the legislative business of the day and any other special orders heretofore entered.

PRIME MINISTER ATTLEE

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, I hold in my hand a reproduction of a photograph put out by the National Economic Council, Inc., 7501 Empire State Building, New York 1, N. Y.

I assume other Members received a like document in the morning mail. I am using it now so that those who read the RECORD may be advised of the situation. I think Mr. Attlee is a gentleman from England who is visiting the President—here on a mission to obtain money and munitions of war from us to defend his country, which the press advises us is still dealing, commercially at least, with Russia, which is insisting that the Chinese Communists be given a seat in the United Nations.

Mr. Attlee is also, we are told, telling the President where our Armed Forces are to fight.

This reproduction shows Mr. Attlee—but let the document speak for itself. I quote from the statement under the reproduction as follows:

> During the Spanish Revolution, 1936–39, Mr. Clement Attlee, Socialist, then a Member of the British Parliament, visited the British contingent of the Communist International Brigade in Spain at the invitation of the Spanish Government which at that time was under Communist control.
>
> The above reproduction, from a photograph now in our possession, shows the present British Prime Minister, Clement Attlee, joining with his comrades in giving the Communist clenched-fist salute.
>
> Its significance should be borne in mind in estimating how ready the British Socialist Labor Government will be to help America to resist Communist attacks on the American way of life, and attacks by Soviet Russia herself.
>
> This, of course, is not to say Mr. Attlee is or ever was a Communist, but it shows the bond of understanding between communism and socialism—both hostile to private enterprise, private property, and individual initiative.

Is it not time that the United States of America follow in the footsteps of every other nation which is represented in the United Nations, in the North Atlantic Pact, and, do as they do, adopt and follow a policy designed to advance the welfare of our people, protect the security of our people?

The SPEAKER. The time of the gentleman from Michigan has expired.

WHITE HOUSE CONFERENCE ON CHILDREN

Mr. DOLLIVER. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. DOLLIVER. Mr. Speaker, since 1909 every 10 years there has been a White House conference on children and youth. In 1950 it is titled "Midcentury White House Conference on Children and Youth."

Representatives of various organizations are in Washington this week from all over the United States of America. The participants in the Conference have an opportunity before them as well as a challenge to develop suggestions in which children can be given security and guidance in the last half of the twentieth century.

These national meetings have come as a result of citizen initiative. Each of these meetings has had a definite impact as to methods by which parents, private groups, and local, State, and National governmental agencies have sought to meet the pressing problems of the younger generation. The recommendations of the Conference now in session can greatly influence all our citizens.

I join other Members of Congress in applauding the efforts of the participants in this great Conference, and trust that their deliberations and resolutions will be of benefit.

MIDCENTURY WORLD OUTLOOK CONFERENCE, BOB JONES UNIVERSITY, GREENVILLE, S. C., DECEMBER 11–16, 1950

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, at no time during the dozen years of my service in this body have I observed my colleagues more serious-minded. It was our duty to pass necessary legislation for the prosecution and successful technical conclusion of World War II. Without detracting from the gravity of situations confronting our predecessors through the years, I make bold to assert that we have met responsibilities without precedent in the history of our country. In spite of all the efforts we have made to lead and share with others the well-earned blessings which have come to us from honest toil and faithful prayers, these are the gravest days of history. We not only are beset with those who would destroy us from without, but evil forces from within our borders are conspiring against us. If we would continue to live as free people, it is imperative that we put first things first. The pagan philosophy of communism is bent upon destroying Christian religion and freedom everywhere. It is now later than we think. Time is of the essence. Total mobilization is imperative. I therefore call upon you, my colleagues, to alert yourselves against the evil today.

In this connection, Mr. Speaker, I call attention to a Midcentury World Outlook Conference to be held in my home town of Greenville, S. C., at Bob Jones University, from December 11 to December 16. An extensive program has been arranged for the occasion. Many leaders of the free world will speak during the conference, representing the views of their respective countries. It is fitting that this meeting is to be held at this time and in the environment of such an institution.

Bob Jones University was founded by Dr. Bob Jones, Sr., a man now 67 years old, who began his ministry at the age of 15 and has preached face to face to more people than any other living evangelist. Dr. Jones' work has taken him to all the States and 30 foreign countries. Dr. Bob Jones, Jr., who is known as a great Shakespearean authority and who is also a great preacher, as well as a great evangelist and author, is president of the university, and his father is chairman of the board of trustees.

The university occupies what is in many respects the most attractive and modern educational plant to be found anywhere in America. The institution is located on a beautiful 150-acre tract of rolling land just at the city limits of Greenville. The campus fronts on the four-lane superhighway between Greenville and Spartanburg, which is part of United States Highway No. 29 between Washington and Atlanta. It faces the foothills of the Great Smokies and overlooks the business district of my home city. Construction of the entire university plant began in July 1946 and was completed in time for occupancy for the fall term of 1947–48. The buildings are of modern architecture, of cream-colored brick and reinforced concrete construction with trim of Bedford limestone.

In spite of its new physical plant, the university should not be thought of as a new institution but as an enlargement and expansion of Bob Jones College, which, during the 20 years of its history, became known around the world as standing firmly for certain principles. Bob Jones University stands firmly for the same principles and continues to declare them. It is nondenominational but stands without apology for the old-time religion and is uncompromisingly American in its outlook.

The purpose of Dr. Jones, Sr., in founding the institution was "to make this university a center of the highest academic standards and Christian culture to which carefully chosen young people will come from all parts of the world and receive their training and from which these trained Christian leaders will go forth to render service to our Lord in all corners of the globe."

Bob Jones University has a spirit all its own, combining an atmosphere of culture without cold formality, of youthful enthusiasm without rowdiness, and of scholarship without "mustiness." This institution is not typical of any one section of America. Its 3,000 students come from all the States and from 26 foreign countries.

In speaking of the work of the university, Dr. Jones, Jr., the president, has said:

We believe that properly trained young men and women are character-prepared for whatever emergencies they may meet in life, whether those emergencies are prosperity or adversity, peace or war. Even before the Second World War when many university and college graduates were out of work, all graduates of our institution had good positions and were leaders in their chosen fields.

While nearly 1,100 of our students are going out into the ministry, approximately 500 to mission fields, and a number into other forms of Christian work, a great many of them are planning to be lawyers, doctors, teachers, business executives, etc.

We believe that because of the intensely Christian atmosphere of our institution and because of our emphasis on individual attention to each student, we are in a better position to do work in the fields that we cover than any other institution. Any student may go for advice or assistance to any member of the faculty at any time.

The motto of Bob Jones University, as displayed on its corporate seal, is Petimus, credimus—We seek, we trust. We seek to inculcate into our students a desire for knowledge of the arts and sciences, and we seek to satisfy that desire. We trust the Bible as the inspired Word of God, the Lord Jesus Christ as the only Hope of the world, and His Gospel as the solution to the problems of our day.

Dr. Jones, Jr., is universally regarded as one of the world's foremost Shakespearean authorities and actors. His interest and participation is the moving force of the superb dramatic productions by the University Classic Players. These productions, as well as the performances by the University Opera Association, Oratorio Society, and other musical groups, are presented in the university's Rodeheaver Audtorium, one of the finest in the world. Last year, the university dedicated its $75,000 radio station, WMUU, and this year, construction of the film studios was completed and production of Christian films was begun by Unusual Films.

At present, Bob Jones University is undertaking another unusual project. From December 11 to December 16, the institution is having a Mid-Century World Outlook Conference. Among those participating in the meeting will be many outstanding international figures, including ambassadors, ministers, United Nations delegates, and others, each to speak on his own country—its present condition and future outlook, aspirations, and hopes. Dr. Daniel Poling, well known to many of you as a great conservative theologian, but who is progressive in all of his approach to modern problems, will speak on the world outlook from a religious standpoint. Our Gov. J. Strom Thurmond will bring a message of greeting and other citizens of South Carolina will be on the platform. This program promises not only to be extremely interesting but informative, and in these days of world crisis a particular benefit to all our people. I am authorized to extend to you and through you to your constituents everywhere a most hearty welcome to this most important meeting.

THE MARINES IN KOREA

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this morning an incident brought to my attention the valor our fighting men are showing amidst the agony of this horrible Korean war. It is a story of some 20,000 Marines. Amidst all the cold and horror of this war with every person in every hamlet in hostile land their enemy, they are forced to retreat but they are showing sublime courage. They are retreating, yes; but under terrible difficulties they are fighting and cutting their way through rough and mountainous country and taking their wounded with them, instead of allowing their wounded to die or be taken prisoner. If they had been willing to leave their wounded behind they would be out today, but they are marines and fiercely proud of being marines; fiercely proud of being Americans. I have never known of a finer example of courage, mental and physical courage, than those marines are showing in Korea today.

May God bless them. May we show our gratitude by defending them and by their care.

The SPEAKER. The time of the gentlewoman from Massachusetts has expired.

PERMISSION TO ADDRESS THE HOUSE

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include an article.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

[Mrs. BOLTON of Ohio addressed the House. Her remarks appear in the Appendix.]

ARMING OF GERMAN AND JAPANESE NATIONALS

Mr. POAGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. POAGE. Mr. Speaker, more than a year ago I visited Europe and was greatly impressed with the necessity of promptly providing some strong military force which could reasonably expect to stop a Russian invasion on the ground. I recognized, as I believe many people are now beginning to recognize, that we can expect little real support from the people of Western Germany, France, Belgium, or of other European countries unless we can hold out to them the prospect of actually preventing invasion. It is not enough to tell these people that we will return and liberate them after a period of Russian occupation.

I recognized then that it was impossible for the United States to provide the needed manpower without placing our own country on a 100-percent war footing and drafting men from essential industries. On the contrary, I saw literally thousands of unemployed Germans of military age, who could not hope to secure a better job than a place in the United States Army. I, therefore, suggested that we should immediately enlist in the United States Army as many as 25 divisions of German nationals for the defense of Europe, and approximately a similar number of Japanese for the defense of Asia. I suggested that these recruits should be volunteers, that they should be paid by the United States Government in their own national currency, which would be purchased from their local government, thereby creating dollar buying power just as effectively as if we had made a gift of dollars.

I pointed out that we could maintain these Germans in Europe and Japanese in Asia at a far less cost to our Government than is involved in supporting a like number of American troops in the same areas.

I have not suggested that we abandon the build-up of Armed Forces in the United States. I know this will continue to be necessary, but I do suggest that these European and Asiatic forces would be of tremendous value to us in furnishing a hard core around which to build the defenses of Western Europe and of Eastern Asia. Until such a nucleus is established, and until it is strong enough to offer a reasonable prospect of being able to stop aggression, no amount of diplomatic nicety is going to induce the people who are adjacent to the Red Army to risk their own national existence on any kind of North Atlantic, United Nations, Western European, or other joint defense force. There is no way whereby we can give other free nations the needed assurance of effective strength than to place a substantial armed force in both Europe and Asia.

Surely the terrible events of recent days should convince the most skeptical that we must use whatever resources are at hand. The manpower of Western Germany and Japan is at hand. We should use it, not only for our own defense, but for the defense of Germany and Japan themselves.

When I made this proposal more than a year ago, it met with such favorable response at the hands of the members of the Armed Services Committee that I was encouraged to hope that the committee would take positive action. I realize that matters of this kind are more effectively initiated by the committee which has jurisdiction of the subject matter. The committee, however, took no action. About 4 months ago I, therefore, introduced a bill, H. R. 9360, to authorize the President to accept enlistments of nationals of other countries into the armed services of the United States, and for other purposes.

The bill was referred by the Committee on Armed Services to the Department of Defense. I have just been furnished with a copy of the Department's comments on the bill, advising that the Department is making an over-all study of all phases of enlistment of aliens and foreign nationals. The Department states:

> In view of the circumstances set out above, it is recommended that no action be taken on H. R. 9360.

Mr. Speaker, the Department of Defense can undoubtedly write a better bill than I have written. Undoubtedly the study referred to is highly desirable, but the pressure of events is such that the Department does not have further time for deliberation. This is not a new proposal. I made it 15 months ago. It is not one on which it is necessary to make new or original research. It has been actively discussed for more than a year. If the Department or the committee desires to use another approach to the subject, that is understandable; but the Department should act and make a positive recommendation. The committee should act and pass positive legislation.

The Members of this House can "pass the buck" to the committee, and the committee can, in turn, pass it to the Department. I know that this game of "buck passing" is in keeping with time-honored military traditions, but it is not going to save the life of a single American soldier. It is not going to prevent a military debacle in Korea, and it is not going to avoid the complete breakdown of the United Nations.

Mr. Speaker, if we are to save our armies, if we are to maintain the slightest hope of world peace, if we are to keep intact any international organization, if we are to entertain the last lingering hope that western Europe may be protected, we must build up our ground forces with the utmost speed. We must use whatever resources are at hand. The manpower resources of Germany and Japan are on the ground. They are trained; they need only an opportunity to enlist and receive American equipment and organization.

OUR SECRETARY OF STATE

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, we hear from certain unenlightened individuals demands for a change in our office of Secretary of State. There are demands for resignation, ouster, impeachment, and some even would ride the Secretary out on a rail. Personally I have great faith in Secretary of State Dean Acheson. I deplore the emotional outbursts against him, especially in this hour of peril. One does not change barrels while going over Niagara. This is a time for unity, not vituperation and abuse. This is the time for harmony, not bitterness amongst us; for sanity, and not breast-thumping demagogery; for light, and not mere sound and fury.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and to include excerpts from today's newspaper.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[Mr. RANKIN addressed the House. His remarks appear in the Appendix.]

EXTENSION OF REMARKS

Mr. REDDEN asked and was given permission to extend his remarks and include a petition on the Korean situation which he received from his constituents.

Mr. PRIEST asked and was given permission to extend his remarks and include an editorial from the Washington Post.

Mr. MULTER asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. RHODES asked and was given permission to extend his remarks and include an article.

Mr. GATHINGS asked and was given permission to extend his remarks and include an editorial from the Memphis Commercial Appeal.

Mr. BENNETT of Florida asked and was given permission to extend his remarks.

Mr. ANGELL asked and was given permission to extend his remarks and include an article entitled "Our Bankrupt Policy," by F. Eugene Allen.

Mr. GOLDEN asked and was given permission to extend his remarks.

Mr. WOLVERTON asked and was given permission to extend his remarks and include an editorial.

Mr. COLE of New York asked and was given permission to extend his remarks and include an address by Ferdinand Eberstadt.

Mr. HESELTON asked and was given permission to revise and extend the remarks he will make in Committee of the Whole today and to include certain statistics.

Mr. HORAN asked and was given permission to extend his remarks and include an article from yesterday's Washington Evening Star by Dorothy Thompson.

Mrs. ST. GEORGE asked and was given permission to extend her remarks in two instances and include extraneous matter.

Mr. CELLER asked and was given permission to extend his remarks and to include extraneous matter.

SEPARATION OF SUBSIDY FROM AIR-MAIL PAY

Mr. McSWEENEY. Mr. Speaker, I call up House Resolution 854 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9184) to provide for the separation of subsidy from air-mail pay, and for other purposes. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interstate and Foreign Commerce, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. McSWEENEY. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and at this time I yield myself 10 minutes.

Mr. Speaker, this will probably be the last rule that I shall have the honor and pleasure of presenting before this House. I am deeply grateful to my distinguished chairman, Judge SABATH, for entrusting so many of the rules to me for presentation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. McSWEENEY. I yield gladly to the gentleman from Massachusetts.

Mr. McCORMACK. I might suggest to the gentleman, the last speech in the House at this session.

Mr. McSWEENEY. I appreciate the friendly interruption and encouraging suggestion of the distinguished majority leader, which I am glad to accept.

I want to say that my association with him and the members of the Rules Committee has been most inspiring and helpful and I am grateful to all its membership for their friendly attitude. I also want to express my thanks to Judge WOOD, chairman of the Un-American Activities Committee, and to those fine friends and fellow members of this committee who have also shown such a friendly and cooperative attitude toward me. Our friendly and impartial Speaker and our inspiring leader, the gentleman from Massachusetts [Mr. McCORMACK], kindly approved my having these fine committee assignments. To the friendly and helpful staff of the House of Representatives for their many courtesies I convey my heartfelt thanks.

The disappointment of being defeated for the House of Representatives is not alone the defeat itself but it is in my being deprived of the association of a fine group of patriotic men and women of this great legislative body who are struggling, each in his own light, to protect the well-being of our country.

I do not like parting speeches; I do not like farewell admonishments or suggestions, so I am, therefore, just merely in an humble way expressing the hope that a gracious God will guide the hearts and minds of our President and all others in authority, including the Members of Congress and especially my successor. I hope that you friends who have been so kind to me in my humble efforts to bring service to my great diversified district, the Sixteenth of Ohio, the best service I could render will extend that same cooperation to my successor so that he, in turn, may be aided in serving these fine people of our district. I am turning over to him all files with pending cases with the hope that there will be no interruption of the service which I tried to render. This will facilitate my successor's work; it will reduce duplication of departmental work; and, I am sure, will be beneficial to my constituents for whom our efforts were being put forth.

I received a letter from a gentlewoman in Millersburg, Ohio, Miss Aurelia Kuhn. She has been an almost lifelong friend of my wife's and mine and her letter was among the most beautiful I received from interested friends. In this letter she quotes the following:

Keep a green bough in your heart and God will send you a singing bird.

May I ask you Members of Congress, those in public life, the men in our armies, and those of us who are in civilian capacities to accept this admonishment and not only keep "a green bough in our hearts" but let us say "keep an olive branch in our hearts and God will send us probably not a singing bird but, let us hope a dove of peace."

Thank you for your patience, and now to the business of the day.

Mr. Speaker, House Resolution 854 makes in order the consideration of the bill H. R. 9184 that has for its purpose the separation of what we used to call subsidies to the airborne mail, so that we will know exactly what is being spent for this purpose.

I am not going into the bill in detail but I glean from the bill the fact that it does help the people of the country to know how much is being paid as a subsidy and how much is being allocated for the carrying of the mail alone. I believe every thoughtful American citizen merely wants to know what is happening and when he knows, I have found him, in general, to be in accord with most programs. So this bill will merely make available to the people of the whole country that knowledge. I think there have been criticisms of the Post Office Department because they do not know exactly how much is subsidy and how much is, in reality, actual cost. This bill will clarify that situation.

I reserve the remainder of my time.

Mr. ALLEN of Illinois. Mr. Speaker, I yield myself such time as I may require.

Mr. Speaker, H. R. 9184, the bill presently before us is a very controversial one. Only this morning, in order to have a better understanding, I contacted four of my colleagues. Two favored it while the other two were very much opposed to it. Like all of you, I received at least a score of telegrams from various airlines opposing it, while at the same time I received several telegrams from various organizations supporting the Hoover recommendation favoring its passage. While officially the membership of the Committee on Interstate and Foreign Commerce favorably reported it—15 to 2—it is my understanding that many who voted to report it are not in accord with many of its provisions and feel that it should be amended.

With this great difference of opinion it was only natural that the Rules Committee bring in an open rule, which we have done, in order for the opponents and proponents of this measure be given their day in court. We have all afternoon to perfect this bill, retaining the good provisions and eliminating through amendments the bad provisions.

In order to be helpful to the membership I have made a general analysis of the bill.

GENERAL EFFECT

First. Effective July 1, 1951, the Civil Aeronautics Board is directed to establish separately the amounts to be paid to air carriers as compensation for air-mail transportation and as subsidy, instead of fixing single rates based upon the combined elements of cost of service, fair return, and the amount of assistance necessary to promote air commerce in the national interest, as required by present law. The Post Office Department is relieved of the burden of making both subsidy and air-mail compensation payments.

COMPENSATORY RATES

Second. Compensatory rates are to be based upon cost of the service to the carrier under honest and efficient operation, plus a fair and reasonable return. It is newly provided that (a) temporary rates may be established by the Board without a hearing, pending determination of final rates, (b) rates shall be published, (c) the carrier shall have the burden of proof in proceedings which it institutes by petition, and (d) new rates may not be made effective from any date prior to the institution of the rate-making proceeding. The Board is

given greater discretion in fixing different rates on the basis of classification of carriers, services, routes, and so forth. Such rates are payable by the Postmaster General out of air-mail appropriations.

SUBSIDIES

Third. The general standard prescribed in present law is retained as the basis of the subsidies for essential aircraft operation, but such subsidies are to be determined by the Board, after notice and hearing, in separate proceedings instituted upon petition of carriers or on the Board's own initiative. They may be determined for individual carriers and classes of carriers, and so forth, as in the case of compensatory rates. In its petition, the carrier is required to state and support in detail the amount, if any, which its operations require under the subsidy provision. Such payments are to be made by the Board from sums appropriated therefor.

ACCOUNTING

Fourth. The Board, after notice and hearing, is directed to prescribe standards by which carriers shall, in keeping their accounts, allocate receipts and expenditures among transportation of (a) passengers and baggage, (b) freight, (c) express, and (d) mail.

STUDIES AND REPORTS

Fifth. The Board is (a) directed to include in its annual report separate analyses of mail payments and subsidy payments, (b) authorized to make studies in connection with any provision of this act, and (c) directed to report to the Congress by April 1, 1951, as to the amounts it estimates will be required for subsidy payment during each of the first five fiscal years under the separation.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Georgia.

Mr. COX. I have a communication from a man in whom I have great confidence, a former Member of this House, and while he is now associated with air-mail carriers, I am confident that that has nothing to do with influencing the opinion that he has formed. He has examined this measure and the whole question thoroughly, and in his communication he made the statement that there will be a substitute offered for the bill by the gentleman from New York [Mr. LEONARD W. HALL], which is a fair bill, and one which everybody, in his opinion, ought to be able to accept. Has the gentleman examined the substitute; and if he has, what is his opinion as to the merits of that proposal?

Mr. ALLEN of Illinois. I understand there are two substitutes, I will say to the gentleman from Georgia. As to the substitute the gentleman mentioned, I asked several Members about the merits of it and found differences of opinion in regard to it. But I will say to the gentleman from Georgia, who is also a member of the Committee on Rules, that that is one of the reasons why we made this an open rule. There are some Members here who contend that they would like to have that part go through which is in accordance with the Hoover recommendations, but there were other features that were objectionable. So that is the reason why the Committee on Rules brought in this open rule permitting substitutes or amendments in order to perfect the bill.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. ALLEN of Illinois. I yield to the gentleman from Illinois.

Mr. MASON. As I understand, each of these proposals carries out the report of the Hoover recommendations in separating subsidy from the cost of transporting the mail. The difference between the two proposals, as I get it, is that the bill before us, on which this rule is granted, changes the method of computing the cost of transporting the mail and puts it on a cost-plus basis, while the other measure leaves it as is, in that the Commission shall determine what the rate shall be. But each proposal does carry out the Hoover recommendations of separating subsidy from the cost of transportation.

Mr. ALLEN of Illinois. I thank the gentleman. However, I think about the only thing the Members of the House can do is wait and, after the substitutes are offered, decide whether or not as completed it is a good bill.

Mr. McSWEENEY. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Speaker, the difference between the administration version of this air-mail subsidy bill and the substitute version is this: The one that has been reported by the committee is the administration bill. It has been approved by the President, the Secretary of Commerce, the Postmaster General, and the Hoover Commission. The so-called substitute is a bill that has been prepared by the air-mail people who have been the beneficiaries of the current system and, to my mind, obtained unmerited compensation for the services they have rendered. That is the difference between the bills. One is in the interest of the Government and the other is in the interest of the private companies.

I, too, have received a letter in this connection from my old friend, Mr. Ramspeck, who for many years served here with distinction. However, he is now in the employ of the airline companies that are opposed to the bill. He is doing his duty as a representative of his employers and not as a representative of the people, as he did when he was a Member of the House.

I think I have made myself clear. The rule has been favorably reported. It is an open rule, because the legislative committee urged an open rule. It has nothing to hide. If I am not mistaken, nearly all the members of the Committee on Interstate and Foreign Commerce, who have heard the witnesses and have devoted a great deal of time and study to this bill, recommend passage of the bill.

Mr. Speaker, in view of the fact that the gentleman from Ohio [Mr. McSWEENEY] who, I regret, will not be with us in the next Congress, has adequately explained the proposed rule and the bill, I do not believe I should say any more. No doubt a majority of the Members realize that this bill as recommended deserves unanimous support, notwithstanding the opposition of some interests who have been thoroughly heard but did not prevail.

Mr. Speaker, not only are we losing the outstanding services of the gentleman from Ohio [Mr. McSWEENEY], who is presently and ably handling the rule, but accompanying him in departing our company are included a number of other gentlemen, some retiring voluntarily and others involuntarily; some have been promoted to responsible positions in State and National Governments. The gentleman from Ohio [Mr. McSWEENEY] has developed to be a seasoned legislator of broad and penetrating knowledge. All the time he has been on the Committee on Rules I have confidently relied upon him as a tower of strength in helping to channel proper legislation to the floor of the House. In not one instance has he failed my expectations.

In Mr. SAM HOBBS, of Alabama, we lose a great lawyer and Member of transcendent ability. While I have often disagreed with him in his views on such as labor matters, yet I would not be true to myself if I did not say he is an honorable and outstanding Member of this House.

From Florida we will miss Mr. PETERSON, who retires voluntarily after a fine record in this House as chairman of the Committee on Public Lands. The genial GEORGE SMATHERS will be missed on this side of the Capitol, and, fortunately, his elevation to the Senate will not keep him too far from us.

The California delegation will show the absence of three exceptionally fine Members, among them Mrs. HELEN GAHAGAN DOUGLAS. I have been in the House for 44 years and have served with many efficient ladies. History will record in years to come that the membership of this, the Eighty-first Congress, excelled the membership of all previous Congresses. Mrs. DOUGLAS, in my opinion, has been one of its foremost Members, industrious, courageous, unafraid, able, and efficient. I know we all will miss her charming presence and helpfulness. CECIL WHITE, from the Golden Gate State, will also create a regrettable void.

It is indeed fortunate for the country that the broad and penetrating experience of Mrs. CHASE GOING WOODHOUSE, of Connecticut, is to remain available in an executive department. I have often thought what a great loss the Government suffers when somebody comes to Congress and acquires a vast reservoir of priceless information and experience, only to have that value swept away by the misfortunes of the ballot box, and then to see some untutored stripling take the lamp or see it fall to ground in smithereens.

Prominent educator, publicist of high repute, recognized author, benevolent sociologist, experienced and successful national legislator, Mrs. WOODHOUSE might rest her reputation on her exceptional accomplishments in these fields; but her tireless concern for the welfare of America will not allow her to remain idle in these hectic days that require, and must have, the most extensive employment of talent in the solution of the

great problems of civilization and hastening the coming of a universal brotherhood.

The State of Georgia and the farmers of our Nation will lose a truly great and constructive friend in Mr. PACE. Frequently he went much farther in the interest of the farmers than I thought he ought to go; but it was his earnest objective to serve agriculture and the farmers of the country to the best of his unusual ability. This he has ably done. Unfortunately, the consumers have been obliged to pay quite a bit more for the products of the farm, but nevertheless the farmer and the Nation has benefited under the program that our departing colleague labored so hard to create and maintain.

Colorado loses two of the most useful Members of this House in JOHN MARSALIS and JOHN CARROLL. The latter has been a leading exponent of liberal legislation in the interest of the masses. Recognizing his great ability, the Democratic Party in Colorado selected him as the candidate best fitted to represent them in the Senate; but in a difficult campaign, unfortunately, he was not accorded this deserved honor. We confidently hope to see these useful legislators rejoin us reasonably soon.

From the State of Idaho we are losing a man who has been with us for many years, my very good and close friend COMPTON WHITE. It was his ambition to represent his State in the other body, but his heroic efforts failed without any discredit to himself. Irrigation, reclamation, and public lands have lost one of their most ardent and able advocates.

In my own State of Illinois, unfortunately, the people were misled, as they were in many other sections of the country, by the distortion of issues and unjust criticism. As a result we have lost such splendid Members as Mr. O'HARA, Mr. LINEHAN, Mr. BUCKLEY, and Mr. CHESNEY, men with a really sincere desire to serve the country, and who, as Members of this House, have served very meritoriously. I hope that in the near future they can resume their fine service here. Mr. O'HARA, an outstanding lawyer, has devoted his professional life to the cause of labor. He has rendered constructive service as a member of the subcommittee of the Committee on Banking and Currency, on rent control and housing legislation. Mr. LINEHAN, a gentleman of broad and successful business experience, has worked for, and voted consistently in the interest of the people of his district and the Nation. Mr. CHESNEY, a very promising young man of proved ability and high purpose, has demonstrated he possessed potential legislative ability. A close and assiduous student, had he continued as a Member he would have reached a position of high importance in this House. Mr. BUCKLEY served his country well, and his defeat was the result of his efforts to untangle the mail delivery problem.

In Indiana also we lost a few Members—Mr. CROOK, Mr. KRUSE, Mr. WALSH, Mr. NOLAND, and Mr. JACOBS. Most of these men, I feel, after the people of Indiana have given in a sober atmosphere due consideration to the useful service they have rendered to the country in a sincere devotion to democracy and the future of our Nation, will return them back here. And that applies to Illinois and other States as well.

The SPEAKER pro tempore. The time of the gentleman from Illinois [Mr. SABATH] has expired.

Mr. McSWEENEY. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. SABATH. It is a matter of real regret that we are losing our good friend, the eminent counselor at law from Towson, Md., the Honorable WILLIAM P. BOLTON. Although a novice in the political field, Mr. BOLTON learned rapidly during his too brief association with us here. He is intelligent, assiduous, dependable, and exacting when the welfare of his country and his State is involved. He is the kind of man that is destined to be successful and useful wherever he may be and in whatever attracts his talents.

In Michigan we lost by death, my dear friend and colleague, John Lesinski, who had an unusually difficult task in this House; but the people of that district have seen fit to send his son here, and I know he will follow in the footsteps of his father.

In the departure of Mr. MICHENER the House and the country lost a patriotic, transcendent legislator of large dimensions. I have during many years of close association here always found him unselfish, fair, and devoted, as he believed, to the country's weal. I do regret that he finds it desirable to voluntarily retire from useful public life.

Political fortunes of war were against our sincere and able colleague from Michigan, GEORGE J. SADOWSKI, whose record of conscientious service in the interest of the common people, and especially those of Polish descent, has not been excelled by any other Member of the House. We shall sincerely miss him, and other Members will join me in the hope that surcease from arduous legislative duties will enable him to soon regain his health and that his future will be successful in whatever activities he may undertake. His outstanding record as a progressive legislator with an eye single to the public weal is one of which he, his family and kinsmen may justifiably be very proud.

When Hon. ALBERT J. ENGEL, of Michigan, sought the office of Governor of his State rather than continue as a Member of the House, I was painfully displeased, because I felt that expenditures for the Armed Forces would not, with Mr. ENGEL's retirement from the House, receive the same meticulous scrutiny they received during the many years he rode herd over those vast expenditures, the largest for any governmental activity. All acquainted with the indomitable energy of our friend know that he largely, at his own expense, visited every United States military and naval activity in the world. Mr. ENGEL has not sought attention by table-pounding oratory, but he has attracted merited attention by his assiduous pursuit of anybody who wished to squander the public moneys. Indeed, he has served history well.

In Mississippi we have lost an outstanding Member who has done more for our rivers, harbors, and flood control than any other Member during all the years of my service in this House—Mr. WHITTINGTON. He is a man of outstanding ability and courage; and although I have not always agreed with him, I still concede that he is an able gentleman, always with a controlling desire to serve the country to the very best advantage. I was obliged to oppose his river and harbor bill because I thought it was too lopsided. Nevertheless, he is a very useful Member, whose influence and usefulness we can ill afford to lose.

No Member who closes his or her service at the conclusion of this session, now rapidly drawing to a close, will cause a more real impoverishment in the councils of leadership than the voluntary retirement of your friend and my friend, the Honorable MARY T. NORTON, of New Jersey, who closes 26 years' very active service with us, years freighted with such deepest consequences to Christian civilization. After serving an appropriate novitiate here, she was the first woman to become chairman of a congressional committee. After several years of membership on the Committee on the District of Columbia, she became that committee's chairman. Following several years in that important post she, upon the death of Mr. Connery, became chairman of the Committee on Labor, which position she filled with inordinate success, championing much of the progressive social and labor legislation of the last two decades. During the last 2 years she has served with fidelity and zeal as chairman of the Committee on Administration of the House. Her having served as chairman of three outstanding House committees will long stand as an enviable record. We grudge her not the rest we hope will be hers, but at the same time we trust she will not fail to visit us frequently. Mrs. NORTON indeed has served her country with a fidelity, ability, and selflessness of purpose that assures her perpetuity of grateful remembrance.

In New Mexico we lost Mr. MILES, who is the ex-Governor of his State and beloved Representative in Congress. Unfortunately for the House, his latest aspirations to serve the people were confined to his State government, but he suffered defeat in the November election.

In New York, unfortunately, we lost our old friend, WALTER A. LYNCH, who was a candidate for Governor, and if the people had really had the interest of that State at heart they would have elected him. Nevertheless, we shall sorely miss him here. We look with confidence and hope to his rejoining us 2 years hence. The same sentiment applies to the other defeated Members of that great State.

On the Republican side we lost Mr. WADSWORTH, a member of the Rules Committee. I say to you, though he is a Republican, he has been fair, able, unselfish and conscientious as a Member of this House. Here he has shown that same devotion to welfare of country for 18 years that he showed while a highly

respected Member of the Senate. I am sure we all wish this deserving gentleman much comfort and good fortune in retirement and long life.

In addition to the gentleman from Ohio [Mr. McSWEENEY], we have lost in that State Mr. BURKE, Mr. HUBER, and our genial colleague, Mr. YOUNG, who, unfortunately, were defeated because of the millions of dollars expended in the senatorial campaign. I deplore the fact that they must leave us.

In Oklahoma our efficient and able colleague [Mr. MONRONEY] has been, of course, elected to the Senate—a deserved promotion for one of zealotic devotion to onerous important duty. Also Mr. GILMER and Mr. WILSON, whose short service showed they possess marked industry and legislative ability.

From the stentorian voice of the State of Pennsylvania we will be deprived of hearing "Where is the money coming from?" The rich Mr. RICH will not be with us, due to second voluntary retirement. Henceforth he will be obliged to occupy his time in computing his large income derived from the profits of his successful companies under a Democratic administration. Nonetheless, I am sure that every Member of this House has ascribed and does ascribe to our good friend the highest patriotic motives in connection with that which he has said and ably done.

Among the Democrats in Pennsylvania, I regret that Mr. DAVENPORT and Mr. CAVALCANTE have politically fallen by the wayside; however, in the relatively short time they were here they exhibited genuine ability as legislators, to their credit and the credit of their districts.

We also lose our well-known Pennsylvania Republican colleagues, Mr. LICHTENWALTER and Mr. KUNKEL, very capable, amiable gentlemen.

In South Carolina we lose Mr. SIMS, a young man whom I regret to see go. He would have gone high here. Our other friend from South Carolina, Mr. HARE, was untrue to the traditions of his good name. We usually think of a hare winning a race. Our friend did not run fast enough; but we know, and he knows, that he will have another opportunity if he desires it.

In Tennessee we have two new Members, one of whom is a one-time Member of long service here.

The same in Texas. Some of you Republicans will regret that you lose a Republican in Texas. Well, Texas is doing the right thing now, and I know they will continue to do so. It very seldom goes wrong.

In Wisconsin we lose two exceptionally capable men, Mr. KEEFE, a Republican, who is leaving the House for reasons of health, and Mr. BIEMILLER, a Democrat, whose services were invaluable and will be genuinely missed. They are very earnest, extremely able, and tenacious exponents of whatever cause enlisted their interest. Mr. BIEMILLER will long be remembered as a potent advocate of labor and social legislation.

Mr. BAILEY. Mr. Speaker, will the gentleman yield?

Mr. SABATH. I yield.

Mr. BAILEY. I wish to remind the distinguished gentleman from Illinois that he could have saved himself this unpleasant task had all these States taken their cue from West Virginia and returned a solid Democratic delegation.

Mr. SABATH. I concede that the people of West Virginia have splendid judgment and showed it when they sent their entire Democratic delegation back. I hope that in the next election the people in the other States of the country will do as well as the sensible people in West Virginia have done uniformly.

In the Missouri delegation we will miss Mr. KARST and Mr. CHRISTOPHER, able and sincere Members who were really deserving of reelection.

Mr. O'SULLIVAN, of Nebraska, carved for himself an enduring record as a scholarly gentleman, legislator of preeminence, and patriot during his short service in this honorable body. We are bound to miss his kind in these Halls.

And finally, but not least, I cannot forget my good friend from the maple sugar State, Vermont, the beaming, pleasant and ever popular raconteur, Mr. PLUMLEY, who "did not choose to run for reelection" and whose personality, broad and penetrating knowledge of a great intricate world, its history and its complex affairs, scholarly attainments, and all-round geniality, will not be seen and heard here in the coming anxious days that will demand the best of mind and heart.

Mr. Speaker, it is believed that a contributing factor to the defeat of some of these outstanding Members is the fact that the people held President Truman and the Democratic Party responsible for alleged poor judgment in generalship and for the unfavorable reports published three days before the election on the loss of two combat battalions that advanced toward the Manchurian border. However, people now believe that it was due to General MacArthur's disregard of the advice and suggestions of General Bradley and President Truman to the effect that he should not approach too closely to Manchuria and thereby provoke the Chinese Communists; which some people believed might endanger the peace of the world.

I have now completed some of the pleasant and some of the unpleasant tasks. Personally, I hope that in the not remote future it will not be necessary to call attention to the Democrats we have lost. I would rather call attention—I hate to say this because I do not want to hurt some of the Republicans here—but if the situation had been reversed and we had lost a few more Republicans than we did Democrats it would have been more pleasing to me. But those are conditions that exist. The pendulum swings both ways, and in the next election I know that most of the Members will come back and that the majority in the interest of good government will not be as close as it now is in the House and the Senate.

Getting back to the matter in hand, I trust the rule will pass; and I thank the membership for bearing with me.

Mr. McSWEENEY. Mr. Speaker, I yield 1 minute to the gentleman from Massachusetts, our distinguished majority leader [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, I take this time to announce to the House the program for tomorrow, but before doing that I want to extend the strongest congratulations possible to our distinguished colleague from Illinois, the genial chairman of the Rules Committee [Mr. SABATH], for the first noncontroversial political speech I have heard him make in 22 years.

Mr. SABATH. I appreciate the gentleman's remarks.

Mr. McCORMACK. I think we all agree in everything the gentleman says; I always agree with him anyway, but I think that is one speech in which every Member will agree and on which there will be no disagreement.

Now as to the program: If the rule on rent-control extension is reported out this afternoon that bill will come up tomorrow; if not, there is a rule on H. R. 9870 providing the privilege of becoming naturalized citizens to all aliens having a legal right to permanent residence. This bill came up on the Consent Calendar last Monday. The bill was reported out by the Committee on the Judiciary and it meets the objections of the veto message of the President on a similar bill which passed earlier in the present Congress. So if a rule on the rent-control extension matter is not reported, this bill will come up for consideration. In any event, I am programing the bill as a filler-in when the opportunity presents itself.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Speaker, there is no question but what this bill is controversial. However, I want to make clear at the very outset that there is a difference of opinion within the industry itself and evidence will be presented during the course of general debate to prove that.

At this time I shall read a telegram which I received from former President Hoover, dated September 19, as follows:

NEW YORK, N. Y., *September 19, 1950.*

The Honorable JOHN W. HESELTON,
House of Representatives,
Washington, D. C.:

The people of the Nation are entitled to know how much of their money is being spent for carrying the mails and how much is for subsidies. Therefore the reorganization commission specifically recommended "that the amounts of these subsidies should be paid to the Post Office by open appropriation from tax funds and not imposed upon the Post Office or the mail users in this hidden manner." I strongly urge that this Congress enact legislation to effect this recommendation of the reorganization commission.

HERBERT HOOVER.

This morning I received another telegram which I think will interest all of the Members who want to have the facts. It is true that another bill which has been filed and is available, H. R. 9305, apparently is to be offered as a substitute for the bill reported by the committee by a vote of 15 to 2, H. R. 9184. This telegram is signed by Robert L. Johnson, national chairman, Citizens Committee

for the Hoover Report and reads as follows.

The Citizens Committee for the Hoover Report urges enactment at this session of H. R. 9184—

Which is the bill reported to the House—

to carry out the unanimous recommendation of the bipartisan Commission on Reorganization of the Executive Branch that subsidies be separated from mail compensation. Neither H. R. 9305 nor the various bills for further study would carry out the Hoover Commission's recommendation but H. R. 9184, as reported, would do so. We urge prompt passage of H. R. 9184 without weakening amendments.

Mr. Speaker, I think that we all know this is the culmination of a great deal of effort in Congress to bring about this result. It stems back to the Seventy-ninth Congress when there was a report recommending that this be done by the Board of Investigation and Research. Again in the Eightieth Congress a similar recommendation was made through a report of our Post Office and Civil Service Committee. Finally in the Eighty-first Congress there was a similar recommendation of the Senate Committee on Appropriations. Now we have this bill.

During the course of general debate I expect to refer more in detail to the Hoover Commission studies and recommendation, but at this time I call attention to recommendation No. 9 with reference to the Post Office Department:

We recommend, however, that the amount of these subsidies should be paid to the Post Office by open appropriation from tax funds and not imposed upon the Post Office or the mail users in this hidden manner.

Then may I quote from the report of the Hoover Committee on Federal Business Enterprises:

Losses and subsidies should be made clear each fiscal year and passed upon by the Congress.

This is the recommendation embodied in section 4 of H. R. 9184, calling for an annual report to the Congress on how much mail pay has been spent and how much subsidy has been awarded.

Finally the task force report on regulatory commissions had this to say:

We therefore recommend that the act (Civil Aeronautics Act of 1938) be amended so that the subsidy will be administered by the following method for the future:

1. The mail rates should no longer include any need or subsidy element but should be based on the service rendered. They should reflect a fair allocation of costs between mail, passenger, and freight services. Doubtless the allocation will start as an approximation but should lead to better techniques of cost analysis.

2. The subsidy should be separately fixed by the Board and should be appropriated to the Board for the purpose. This will mean the Congress will be fully informed as to the amount and basis for the subsidy and that the Board will be required to explain and defend its requested amounts.

The airlines may fear that this method would make the annual subsidy a political issue and jeopardize their investment. We see no reason to assume that Congress will not appropriate the sums necessary to carry out the declared policy of the act. If, in practice, greater certainty is found essential for longer periods, it will then be possible to devise safeguards such as contracts to pay minimum operating subsidies over a specified number of years.

The bill itself is flexible. It provides for an administration that everyone can understand. It takes care of the commercial transport system, of our national defense, and of a sound postal system. It is long overdue, and I trust that the House will avail itself this afternoon of its opportunity to carry out the clear recommendations of the Hoover Commission.

Mr. McSWEENEY. Mr. Speaker, I yield 5 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Speaker, I should like to add my tribute to the very appropriate statement by our colleague the gentleman from Illinois [Mr. SABATH] with reference to the fine, constructive, and able work of our good friend the gentleman from Ohio [Mr. McSWEENEY], and the other Members of the House who will not be with us in the next session. We will miss them. But, Mr. Speaker, I do not want the membership to divert its attention from the most pressing issue, in my opinion, that has been before the Congress for some time.

Mr. Speaker, in view of the fact there are only a few more days for this the Eighty-first Congress, I had hoped this bill, H. R. 9184, would not be taken up for several reasons.

Not that I am opposed to the separation of subsidy from air-mail pay, because I am committed to separation and believe with others there should be a definite practical policy toward this objective. But there are compelling reasons, together with a practical situation, with which we are faced, that this effort today, if this bill is brought up, can be only a hopeless gesture, and, in my opinion, will make it even more difficult to bring about the best and most practical legislation, separating subsidy payments from mail compensation.

When appropriation conference report was being considered a discussion on certain provisions affecting this question resulted, and I joined with others in giving assurances that a separation program would be undertaken by our committee as early as practical.

Consideration had been given to various approaches and proposals over a period of months. This is a highly technical question. Many of these issues had not been definitely determined as the best method toward the objective, but in view of what occurred the committee met and somewhat hurriedly reported this bill, H. R. 9184, on August 31, 1950.

In a few days thereafter a rule was granted. Three weeks elapsed until adjournment for the recess and the bill was not brought up for consideration in the House. Had it been, we would have been in a much better position to work out something definite, more practical, and certainly more satisfactory by considering adjustments and working out what I think to be some of the ill-advised provisions of this proposal.

Then we came back November 27, last Monday week and here at this late hour in the session with only a few days remaining, today, December 6, it is proposed we take up this bill with so many highly controversial issues having developed.

It is a practical situation that I bring to your attention and because of these situations I am firmly convinced that this problem now should be put over by this House until January and taken up immediately in the next Congress.

I say this not only because that in my opinion this matter deserves more consideration by the House but because the Senate committee has not even held hearings or considered the legislation, I am advised. Although I recognize that usually the action of the other body in consideration of legislation is not necessarily the concern of the House, but in this instance as has so well been said, it is wholly impractical and unthinkable to expect anything to be completed on this subject during these few remaining days of the session.

Furthermore, the Senate Committee on Interstate and Foreign Commerce has a study under way for which $200,000 has been made available and a report not anticipated or expected until March 1, 1951.

It is stated that our committee reported this bill by a vote of 15 to 2. That was true in August. It was a clear indication that we members of the committee are committed to a program of separation of airmail subsidy. It certainly is not manifest, however, that anything like the majority of our committee is in full accord with the provisions of this bill. In fact, Mr. Speaker, I am sure that because of the situation as of today a substantial majority of our committee would actually prefer that this go over until next year with a definite understanding and determination that this problem will be taken up by the committee as one of the very first subjects on the agenda. We feel that we can accomplish a more desirable program and have a much better opportunity of actual results.

Consequently, I am not taking the position as opposing separation, neither am I taking the position as being in direct conflict with my committee, but I do believe that it should go over and will therefore, vote against taking it up.

Mr. McSWEENEY. Mr. Speaker, I yield 4 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Speaker, I wish to thank the gentleman from Ohio [Mr. McSWEENEY] for the work he has done on this bill. I join with the other Members in regretting that he will not be with us next year.

Mr. Speaker, I do not think that there is any doubt that this rule should be adopted. I think we are all in agreement that subsidies should be separated from compensation for the carrying of air mail. The only question is, How will it be done? Will it be done by H. R. 9184, which has the support of the President and carries out the recommendations of the Hoover Commission, and was reported by the Committee on Interstate Commerce by a vote of 15 to 2, and on which a rule has been granted by the Committee on Rules, or will it be done by the bill introduced in September by

the gentleman from New York [Mr. LEONARD W. HALL], and on which no hearings were held? The only people behind that bill are the air lines.

I have great respect for the gentleman from Georgia [Mr. COX]. He said he had received a wire from a former Member of this House for whom he had great respect. However, this gentleman now is the paid lobbyist of the big air lines, who are sharing this $125,000,000 the Post Office is paying out every year to the air lines.

Our feeling is that the Post Office should not be expected to pay the subsidy to keep the air lines in operation. They should pay only compensation for carrying the air mail. The subsidies should be provided by the Congress after determining how important the air lines are to the national defense, to the commerce of the Nation, and so forth. That should not be charged to the Post Office Department. Therefore, I am in favor of the bill H. R. 9184, the Heselton bill, to separate the subsidy from the compensation. It is my opinion that that bill does that in the best manner.

I have one major operation to the bill of Mr. HALL'S, which the airlines are backing. Here is my objection, and I think it is very clear. In Mr. HALL'S bill the airlines that are carrying American mail, airlines going abroad are excluded from the bill. Listen to what the effect of this would be. Forty-seven million seven hundred thousand dollars of this subsidy and compensation which the post office pays goes to American airlines carrying the mail abroad. So that all those would be excluded from consideration under Mr. HALL'S bill. Listen to what they pay to these airlines going abroad. The per ton mile rate for international is 75 cents. The airline revenue for passengers is 75 cents. For cargo in international it is 39 cents. But for airmail they get $2.88 per ton mile for carrying the airmail. In domestic they get 60 cents per ton-mile for carrying passengers, 22 cents for carrying cargo; yet they pay $1.10 per ton mile for carrying the airmail. What a grab that is. There is no doubt about it, these airlines have been getting away with murder. In fact in 1934 when the subsidy first went into effect they said that it would last only 2 or 3 or 4 years so that the airlines could get going. But it has been going on for 12, 13, and 14 years and this $125,000,000 has been going out. Nobody knows how much of this $125,000,000 is subsidy. Mr. O'Connell, head of the CAB, said that he did not know, but that it was between 30 and 60 million dollars that these airlines are getting. The citizens do not know about it. The Hoover Committee and the President and the CAB recommended, as well as the Secretary of Commerce recommended, that this subsidy and compensation be split up. H. R. 9184 has received the endorsement of the committee. I hope it will pass and pass during this session of the Congress.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, I believe the proceedings by which this particular bill has been brought to the floor of the House, so far as my own committee is concerned, is one of the most unusual pieces of business that I have ever heard of. The committee commenced hearings on the bill known as H. R. 2908 which was introduced by the gentleman from Massachusetts [Mr. KENNEDY] and House Joint Resolution 331, introduced by the chairman of the committee [Mr. CROSSER] on the 15th day of February of this year. Hearings were held on the 15th and 24th of February, March 9 and 15, April 6, and May 24. Then on the 26th day of June the Subcommittee on Transportation which has jurisdiction over this matter reported out the second of those bills, the bill introduced by the gentleman from Ohio [Mr. CROSSER], namely, House Joint Resolution 331. That provides for a study of this subject by the CAB because we found it to be so complicated in the Subcommittee on Transportation that we felt we ought not to determine what the answer should be.

The full committee took no action on the resolution although it was reported to the full committee. It was taken up by the full committee on the 20th day of July and then held over by the full committee.

On or about the 15th day of July the gentleman now addressing you suffered an illness which caused him to be absent from the floor of the House for a matter of 6 weeks. I was unable to be present. I sent a wire to the committee about the 1st of August asking them to defer consideration of this matter until I could return.

On August 21 the committee met and on motion of the gentleman from Massachusetts [Mr. HESELTON] took up his bill, H. R. 9184. No hearings were held on that bill—none whatsoever. They went into executive session on the 22d and reported it on the 29th. It is quite true that the bill offered by the gentleman from Massachusetts [Mr. HESELTON] is very close to the bill that was presented by the gentleman from Massachusetts [Mr. KENNEDY] last year. It contains some amendments, but substantially it is the Kennedy bill.

Under these circumstances, you can see that the Transportation Subcommittee, the committee which has engaged in this sort of study for, lo, these many years, finding itself in difficulty, recommended the passage of House Joint Resolution 331. Now we find before us a wholly different bill—a bill not recommended by the subcommittee but passed by the full committee with an absence of 11 members. There were 17 of the 28 members present. I was among the 11 absent. I believe there were others, and I have their names here, but there is no need to mention them at this point. At all events, they were some of the older Members. They included Mr. Bulwinkle, who was ill, and Mr. Sadowski, who was likewise ill, and some others. Mr. Bulwinkle died. Mr. Sadowski, of course, is with us again, and we hope for a long time.

That gives you something of the situation in which our committee has found itself. There are very good reasons why this bill should not be on the floor at all at this time; and when the gentleman from Arkansas [Mr. HARRIS] said a few moments ago that a very high proportion of the committee—and among those who actually voted the bill out—would prefer that this matter be deferred until next year so that our study can go further and we may bring in a bill which will be really a satisfactory one, is quite true.

I have only been able to find about three members of our committee who want that bill on the floor right now. Of course, they include the author of the bill. That is right and proper, but the rest of us do not want it here. We want to take it back to the committee and work it over. I will tell you why. The Senate, on the 15th or 20th of September, voted $200,000 to its Committee on Interstate and Foreign Commerce to have a study made of this subject. That study is expected to be completed next March 1, at which time the Senate will consider whatever action it wants to take. If we pass this bill or anything like it in the House today, it cannot become law, because the Senate will not act on a bill like that until they finish their study. Now, that is a ridiculous situation, that we are called upon at this late date in the session to vote upon a bill which will not be enacted into law. If it were, then it would be subject to Senate amendment. I would like to see the House have the last word on this subject. We do not have in my committee the money to make that kind of a study, but the Senate does have it. Let us get the last look at the Senate proposal, instead of being foolish enough to pass a bill over to them at this time which will die before the end of this session.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. KERR. What position does the Postmaster General, the head of the Post Office Department, take with reference to this matter?

Mr. HINSHAW. The Post Office Department has thought that there should be some kind of a way of separating, and we believe it too, but we find the subject exceedingly complicated and exceedingly difficult. If you adopt this rule—and I hope you will not adopt it, because we do not want it—then we will present to you some of the further facts in connection with it and show you why this particular bill is a bad bill, and why the bill presented by Mr. HALL will at least do no harm.

Mr. COX. Mr. Speaker, will the gentlemen yield?

Mr. HINSHAW. I yield.

Mr. COX. I sense it to be the feeling of the House that we might as well go ahead and adopt the rule and then in the consideration of the bill accept the substitute offered by Mr. HALL. In my judgment, the membership will take the Hall substitute, and of course, that would end the matter. I think the gentleman is right in his statement that there is no hope of getting legislation at this time. If the Senate committee has set up plans for conducting a thorough study of the question, there is no likelihood that it would take this bill.

Mr. HINSHAW. That is very correct. I hope the House will not adopt this resolution.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Speaker, as one who is opposed to the reporting of this bill and who filed a minority report, I certainly hope that the rule making this bill in order will be defeated. This is an unusual thing for me to recommend that my colleagues take such action, but this bill is a white horse which is brought in under the theory of separation of air-mail pay and subsidy. Separation of mail pay and subsidy is a fine thing in which everybody agrees, but the white horse has some blemishes which at the moment have not been discussed.

Among those blemishes, for example, is the complete change of procedure of determining the cost. It is a very, very serious thing, Mr. Speaker, if we start legislating upon the matter of rates; it is a thing which is going to affect the entire industry, and we will be doing it without knowing exactly what we are doing in this bill.

Another blemish about which nobody has talked of yet is that it opens the door for a lot more subsidy and for compelling the CAB to recognize people who are engaged in the hauling of freight and the rendering of other types of service which are not certified as eligible to carry the mails. That is another reason the bill is here.

We are in the absolute situation, Mr. Speaker, where there is no question that the Senate is not, in this session of Congress, going to act on anything we do here today. The Senate Committee on Interstate Commerce has received an appropriation of $200,000; they are engaged in making a study of the elements involved in the matter of separation; they are not going to act upon anything we do here. We are going to look ridiculous if we pass this legislation today which that Senate study would show up as being bad legislation. For that reason let me say to my colleagues that this is one of the very few times in my 10 years' service in Congress that I find myself opposed to a rule. I think this rule should be defeated.

Seventeen members of the committee which reported this bill, I am informed, have revised their thinking to the extent that they are either opposed to the bill or that they feel absolutely that it should not be passed at this time. I believe it would be unfair for us to make a different rule relating to the carrying of mail by airplanes than we did for railroads and for steamships or other carriers.

Mr. JONAS. Mr. Speaker, will the gentleman yield for a question?

Mr. O'HARA of Minnesota. I yield.

Mr. JONAS. Is it true that this legislation has the endorsement of the Commission?

Mr. O'HARA of Minnesota. My colleague from Massachusetts referred to the Hoover Commission; I think they did endorse it, but Mr. Hoover has not endorsed this bill pending before us.

Mr. JONAS. What I had in mind was that we have had one very trying experience recently of going pell-mell into a project of curtailing mail-delivery service. Are we now going into another one headfirst without knowing what we are doing?

I agree with every argument my distinguished friend has advanced that we should not vote for the rule.

Mr. MASON. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Illinois.

Mr. MASON. The Hoover Commission definitely recommends separation of the subsidy from the cost of transportation?

Mr. O'HARA of Minnesota. That is right.

Mr. MASON. But the Hoover Commission in its reports has never endorsed this particular bill?

Mr. O'HARA of Minnesota. No.

Mr. MASON. Or any bill of this nature?

Mr. O'HARA of Minnesota. The gentleman is right.

Mr. KENNEDY. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Massachusetts.

Mr. KENNEDY. I have a wire here from James M. Landis who used to be head of the CAB. Here is what he states:

> As one who worked on the pertinent portions of the Hoover report, H. R. 9184 in my opinion effectively carries out its recommendations for separating subsidy from mail pay. Incidentally it also carries out the recommendations of President Truman in his message to the Congress.

Mr. Landis did write that section of the Hoover report because he had great experience in this field.

Mr. HINSHAW. What the gentleman from Massachusetts has said sounds right and reasonable, but Mr. Landis had to be replaced by another man in order to make the CAB work. I would not take his recommendation.

Mr. KENNEDY. I would not say that.

Mr. HINSHAW. Well I would say it.

The SPEAKER pro tempore. The time of the gentleman from Minnesota has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 2 minutes to the gentleman from Kansas [Mr. REES].

Mr. REES. Mr. Speaker, my purpose in addressing the House at this time is to call attention to the fact that there have been several so-called investigations of this subject matter. Over a period of several years the questions of separation of subsidy from air-mail pay has been under consideration in Congress. It seems to have been rather difficult to reach a place where legislation is submitted to deal with this problem. There has been a tendency to talk about hearings to be held in the future.

The following studies have been made of the separation of subsidy from air mail pay in the past 2 years:

First. An extensive study was made by the House Post Office and Civil Service Committee and a report issued based upon hearings and evidence collected by the committee—House Report No. 1958, May 13, 1948, Eightieth Congress.

Second. The Senate Appropriations Committee explored this problem and in a report on the appropriation bill for 1949—Report No. 1389, Eightieth Congress—recommended early action to the Senate on the House Post Office and Civil Service Committee's report on separation of the subsidy from air-mail pay.

Third. The Civil Aeronautics Board Chairman addressed a letter to me, August 13, 1948, in which the Chairman stated they were going to conduct a study of the separation of subsidy from air mail pay and expected to complete that study in the spring of 1949. They were going to provide me with a draft of legislation following this study which would accomplish this separation. They have not sent me this draft.

Fourth. The Hoover Commission in its report on the postal service made a similar recommendation, that is, the separation of subsidy from air-mail pay.

Fifth. The House Interstate and Foreign Commerce Committee held extensive hearings on bills relating to this subject and have recommended this legislation.

Sixth. The Senate Interstate and Foreign Commerce Committee have obtained an appropriation of $200,000 to make a study of this problem. However, I should like to point out that their study is primarily concerned with the establishment of a standard rate for carrying air mail as a means of determining the subsidy but there is no reason why there should be any delay in establishing the policy of such a separation by legislation.

If it is necessary to delay action on legislation pending the completion of the Senate study, it would seem to be only logical that the determination of the necessity for the delay should be made by the Senate when the legislation reaches the Senate.

The Post Office Department today that is showing a deficit of hundreds of millions of dollars. At least we ought to separate this matter and we have a chance to do that in this legislation now before us. It may be necessary to amend the bill, but here is the vehicle to do the job. We should not set the legislation aside. We ought to examine it carefully and debate it. We ought to take action with respect to the question on the separation of subsidy from air-mail pay.

The SPEAKER pro tempore. The time of the gentleman from Kansas has expired.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. BECKWORTH].

Mr. BECKWORTH. Mr. Speaker, there is no question but what this is controversial legislation. In my opinion it likely always will be. One of the great difficulties which has confronted the Congress in the past is that it cannot get exactly that bill which everybody wants.

Now, so far as studies are concerned, any person who will take the time to look into the situation will find that there have been many studies performed in regard to this subject matter before. Considerable stress has been given to the fact that the present Senate Interstate

and Foreign Commerce Committee is making a study with $200,000 which the Congress has made available. The same committee spent $10,000 last year, hired a firm of accountants known as Ernst and Ernst, and they studied it and came up with a report about it, still inconclusive in nature. Certainly I am one who does not contend that the two bills before us are perfect bills. I do contend, however, that one of these bills was voted out of the committee by a vote of 15 to 2, and nobody compelled anybody to vote as he voted; nobody forced anybody to do what he did.

Yes, it is recognized that the Heselton bill is not a perfect bill, the bill of which I speak. I am sure many of you, when you look at the Hall bill, will find that it is not a perfect bill, but both represent attempts and efforts by interested authorities and people to do a job of work which everybody says should be done. I dare say that you will not hear one Member get up and say he opposes separation of subsidies from air mail pay; not one. They are all for it. At the same time I would suggest that if you ask every air line president if he is for separation of subsidies, practically 90 percent would say "Yes, we are for separation of subsidies."

I repeat again, however, that the difficult job that we confront every time is getting that agreement in the form of words or a bill that is acceptable to everybody. Yes; these two bills represent attempts on the part of interested people to undertake to do this job. It can always be said that now is an inopportune time to pass a bill because of what the other body will do. That is true of bills that come here from there as well as bills that go from here to there.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from North Carolina.

Mr. KERR. Can the gentleman tell us what position the Post Office Department takes relative to these measures before us? I assume that some inquiry was made in reference to this matter of the Post Office Department. What position do they take with reference to these measures?

Mr. BECKWORTH. The Post Office Department, as has been pointed out repeatedly, have said that they are for separation of subsidies from air-mail pay. The CAB used to be not quite as positive. They now say they are for separation of the subsidies.

Mr. KERR. Did any member of the Post Office Department come before the committee and make that statement?

Mr. BECKWORTH. Yes.

Mr. KERR. That they wanted separation?

Mr. BECKWORTH. Here is an excerpt from a letter that was written to the gentleman from Ohio [Mr. CROSSER] February 13, 1950, by Mr. Donaldson. I will read just a short paragraph:

> I am of the firm belief that the subsidy paid to airlines should be removed from the fiscal picture of the Post Office Department. Accordingly I am of the opinion that legislation should be enacted immediately to accomplish this objective without further study such as contemplated by this resolution.

He said that it should be done without further study.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired. All time has expired.

Mr. McSWEENEY. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. BECKWORTH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9184) to provide for the separation of subsidy from air-mail pay, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9184, with Mr. BONNER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. BECKWORTH. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, I know the chairman of the Committee on Interstate and Foreign Commerce very much regrets that he cannot be here to evidence his interest in this legislation. I know he is interested in it because one of the last things he talked about to several of us before he went to the naval hospital was this bill.

Certainly I consider myself one who has been and is a real friend of the airlines. I feel that I have sought to help them at all times, because I believe in strong civil aviation. In a day like this, when we are deluged by so much trouble on so many sides, we cannot afford to do something that will weaken our civil aviation set-up. The airlines in the main have done a very fine job. I commend and pay tribute to them.

The passage of a bill through the Congress is quite a long and tedious task. A bill often changes from time to time. This is true of most legislation. As has been indicated, there have been several bills before us. There was a "study" resolution introduced. As I pointed out a moment ago, the Postmaster General was referring to it when he said in his letter to the gentleman from Ohio [Mr. CROSSER] in February of this year that he thought legislation should be passed separating the subsidy from air mail pay without further study. In other words, he was not for the "study" resolution that was before our committee. Our committee, I add, did not pass the "study" resolution.

It was pointed out that a number of hearings have been held. That is true.

The Civil Aeronautics Board is not in complete harmony by any means with the so-called Heselton bill. Although I have not seen any report of the CAB concerning the Hall bill, I would assume that they are not in complete harmony with the Hall bill. But they recognize there is something worth while in this undertaking and have actually stated publicly and in writing that they do favor separation of the subsidy. The same is true of the Post Office Department. An excerpt from the Hoover Commission report has been mentioned.

The gentleman from Kansas [Mr. REES], a member of the Committee on Post Office and Civil Service, spoke a moment ago and mentioned the interest of his committee in this subject. Perhaps the most interested committee in the House, other than our committee, with reference to the separation of subsidy from mail pay has been the Committee on Appropriations. Time after time reports from the Appropriations Committee in several Congresses have indicated that this great committee feels this job should be done.

I do not think either the Hall bill or the Heselton bill is a perfect bill. I want to get the best bill that we can get and as we proceed here in the consideration of this matter, I am not adverse to amendments. It was mentioned a moment ago that the Heselton bill will increase the number of airlines eligible for subsidy. That is true, and I personally do not favor that, as I understand the situation. I do not think it is necessary. But may I say that the CAB could not possibly give a subsidy to any airline which it could not, in good common sense, say is serving a defense purpose or the development of air commerce or the postal service.

In other words, no airline would per se get subsidy. The Civil Aeronautics Board, in which many of you must have confidence as it undertakes to carry out this legislation, will be the Board charged with the responsibility of determining which line gets a subsidy and which line does not get a subsidy. May I say I have little fear along that line; although a freight line would be eligible to get a subsidy if it served a defense or other appropriate purpose, I cannot foresee that the CAB would give every airline subsidy, certainly in view of the fact that there have been criticisms of that body on this point from time to time.

Therefore, I do not see that they will be handing out money to additional carriers recklessly. Just a few days ago I talked to the new chairman of the CAB, Mr. Rentzel. We have worked with him quite a bit in the Civil Aeronautics Administration; I have confidence in him. When we were talking about this question of subsidy, he said separation is going to come.

Mr. Chairman, I am not against subsidies. This bill is not designed to take away subsidies. It is designed to let the public who pays the bill know which part is subsidy and which part is air-mail pay. There is nothing unfair or dishonest about that. If you ask me if I favor the subsidy, I say yes; I am in favor of plenty of subsidies to keep our airlines strong. But I do think as we proceed to try to make our civil aviation picture and program as strong and helpful as possible, we should make every effort to put all the cards on the table. The airlines say that they do not object to that, and I do not believe that they do. Most airline managements, I feel, are honest and conscientious. I repeat again it is simply a matter of how we shall do the job. There are two bills

before us: the Hall bill, which I understand will be offered, and the Heselton bill, which was the one the committee reported out by a vote of 15 to 2.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. HARRIS. I appreciate the courtesy of the acting chairman, in the absence of the chairman of our committee, and I compliment him on the fine approach he has made to this matter. But is it not true that one among many of the highly controversial differences in the two bills that have been discussed, the one that the committee reported changes altogether the accounting, bookkeeping, and so forth, to require what is known as the cost allocation formula?

Mr. BECKWORTH. That is one of the issues that will be discussed. It is particularly controversial.

Mr. HARRIS. Does the gentleman agree with me that it is a very serious consideration that the membership should keep in mind?

Mr. BECKWORTH. I do.

They should listen, and decide for themselves and work their own wills.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BECKWORTH] has again expired.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I am not going to attempt in 5 minutes to discuss the terms of the bill. The committee report is an excellent one. A reading of it, I am sure, will convince anyone as to the value and soundness of the provisions of H. R. 9184. There is also a brief and excellent analysis of the bill itself.

I shall address myself to some of the arguments which have been used in opposition to this bill. I shall give you some of the evidence which bears out what I said when we were discussing the rule.

There is a difference of opinion among the airlines themselves. I know you received any number of telegrams from four of the big airlines. Last Friday I was in New York with my committee. The head of the fifth big airline endorsed separation of air-mail pay from subsidies. That is our largest international carrier. They are not alone in that, because the heads of all of these other lines, now fighting this bill, have gone right up to the point of saying, "We want this bill enacted."

I have here a letter from Mr. Eddie Rickenbacker to his stockholders on April 4, 1949, wherein he said:

> The foregoing tabulations (on comparative airline costs, etc.) indicate that frequently the efficient and economical carrier has not been recognized and rewarded in new route and mail-pay proceedings, and that the taxpayers have suffered the burdens of underwriting the large subsidies reflected in the above-charted rate differentials.
>
> This is indeed a gloomy and discouraging picture. But there are some hopeful signs.
>
> The President is said to be making inquiry into airline economy; the Senate Committee on Interstate and Foreign Commerce is instituting an investigation—

And we will hear much this afternoon about investigations—

> the Postmaster General has expressed his desire to see better business principles applied to the transportation of air mail; the CAB lately has instituted investigations designed to develop essential information regarding airline efficiency and economy; measures have been introduced in the Congress calling for a clearly stated separation of compensation and subsidy in respect to air transportation of mail, and providing that as between two identical points a new competitor may not receive air-mail pay at a higher rate than that received by the existing carrier.
>
> The Chairman of the CAB in an address on March 23 made this timely statement: "I believe that the advantages of separating the subsidy outweigh the disadvantages and dangers. From the standpoint of a sound air transportation system these advantages would be to hold constantly before the carriers and the Board the dollar amount of the subsidy. This would provide a considerable incentive to the carriers to put themselves in a sound economic position and it would make it far easier for the Board to determine those areas where service being performed by the carriers was uneconomic."

Then, on May 24, 1949, testifying before a similar committee in another body, Mr. Rickenbacker said this:

> I believe the President's Air Policy Committee, the Congressional Aviation Policy Board, the Hoover Commission, and more recently a majority of the members of the Civil Aeronautics Board, have recognized the desirability of having a separation of subsidy from compensation. Senator JOHNSON, in S. 1431, and Congressman KENNEDY, in H. R. 2908 (same as H. R. 9184), have introduced bills to bring about the desired objectives. I am not saying that these measures are perfect in their details, but they are steps in the right direction and they ought to be perfected and carried to enactment at the earliest possible date. (H. R. 9184 is a revised form of H. R. 2908.)

He said in the annual report for 1949, April 4, 1950:

> Some of Eastern Air Lines' competitors receive the equivalent of your company's tax payments from the Government in the form of mail subsidy. There apparently is no restriction placed on the use of this subsidy, and it enables such competitors to engage in wasteful competitive practices in an effort to divert your company's traffic.
>
> Without mail subsidy, underwritten by your company's tax payments and your personal tax payments, the competing carriers would and should be allowed to succeed or fail on their own merits or deficiencies.
>
> Your management is continuing to fight for correction of this discriminatory practice.

In the Senate airline hearings, page 1116, Rickenbacker also stated that he had urged separation in his appearance before the Finletter committee.

Further, in the annual report, he stated:

> There has been considerable discussion in recent months regarding the advisability of separating so-called subsidy and service payments for carrying air mail. Your company favors such separation, believing that subsidy payments should be plainly labeled as such.

Then the Northwest Airlines, and I know many of you have heard from them, on May 3, 1949, in a statement before the Senate Interstate and Foreign Commerce Committee, through President Hunter said:

> Senator, I certainly believe that the separation of service pay and subsidy is advisable.

Mr. Smith, president of the American Airlines, stated on May 12, 1949, in the Senate airline hearings:

> Mr. SMITH. The system of merging service mail rates with subsidy payments is confusing, discouraging, and unfair to those air carriers which seek to keep their operation on service rate basis, and free from subsidy. In addition, it is poor accounting, depriving you of accurate knowledge of how the money you provide is being spent and the purpose for which it is being expended.
>
> These defects can and should be corrected; their correction can and should be prompt.
>
> Senator BREWSTER. You would favor, then, an attempt to divide the compensatory payment from the subsidy payment?
>
> Mr. SMITH. I would be wholeheartedly in favor of that.

I assume that you also received a letter from the Aircoach Transport Association. Those gentlemen appeared before us and urged the enactment of this bill, and they have written as follows:

> AIRCOACH TRANSPORT ASSOCIATION,
> *Washington, D. C., August 19, 1950.*
>
> Subject: Impending vote on H. R. 2908.
>
> Representative JOHN W. HESELTON,
> *House Office Building,*
> *Washington, D. C.*
>
> DEAR SIR: The Aircoach Transport Association, representing over 80 percent of the nonscheduled air carriers and over 90 percent of the domestic air transportation performed by such carriers, would like to put itself emphatically on record in support of H. R. 2908, the genuine separation of subsidy bill. We urge you to vote for H. R. 2908 forthwith, rejecting substitute bills which pay only lip service to the separation reform and "further study" resolutions which are designed to delay and eventually defeat the reform.
>
> In the face of a national crisis which has revealed the country's deficit in civil air transportation for military purposes, the recommendations of our nonsubsidized civil air carriers managements that emerged from World War II airlifts might well be regarded as expert advice.
>
> We believe that H. R. 2908 makes competition for low price markets more fair for nonsubsidized air carriers and therefore opens up new fields which will expand our civil airlift for national defense.
>
> We were right in 1947–48 when we opposed the high fares of the much larger subsidized segment of the air transportation industry with high density seating, demand-type service, and lower fares. Our "aircoach" movement swept even the certificated airline industry last year and this year, resulting in an expanded civil airlift. We were right then in pointing the way toward new markets for air transportation. We were right in pioneering the air-freight field and the combination passenger-cargo field into which the subsidized lines followed us to expand their services.
>
> We know we are right now in urging you to vote for H. R. 2908 because the bill will require the cost accounting for freight, passenger, express, and mail services to be kept separately. Thus the mail subsidy cannot be hidden in a general over-all cost accounting system and be secretly devoted to subsidizing below-cost certificated scheduled aircoach and cargo operations. Thus, nonsubsidized demand-type air transportation services, which are more efficient and more economical because of higher load factors, will

attract additional risk capital for rapid expansion of aircoach and cargo operations.

For expansion of civil airlift for defense, for fair treatment for the nonsubsidized, largely veteran-owned and operated, small businesses in air transportation—we urge you to vote for H. R. 2908.

Very truly yours,

AIRCOACH TRANSPORT ASSOCIATION,
AMOS E. HEACOCK,
National Legislative Policy Director.

Let me read a later letter, dated August 28:

AIRCOACH TRANSPORT ASSOCIATION,
Washington, D. C., August 28, 1950.

Hon. JOHN W. HESELTON,
House Office Building,
Washington, D. C.

DEAR MR. HESELTON: On behalf of the Aircoach Transport Association, let me take this opportunity to express our sincere appreciation for your support and vote in favor of H. R. 9184, the separation of subsidies from air-mail pay measure.

As has been pointed out before, this bill will provide a long-needed cost allocation system to protect the Post Office Department from paying more than a compensatory mail rate. It will save the American taxpayers millions of dollars.

This bill would also greatly advance the progress of the air-transportation industry in that it would eliminate the unjust advantage certain certificated carriers have had by using subsidy pay to operate below cost in order to drive nonsubsidized carriers out of business.

Your vote, therefore, was also cast in favor of equal justice for the small businesses of the air-transportation industry and you may well be proud of your stand.

We gratefully solicit your continued support of this legislation and if there is any way we can be of service, please don't hesitate to call upon us.

Yours very truly,

AIRCOACH TRANSPORT ASSOCIATION,
AMOS E. HEACOCK, *President.*

Finally, this morning I assume many of you received a letter from the Ocean Air Tradeways, of New York, but I want to read this too because it stresses what I am trying to leave with you, that this is not opposition from the entire airline industry; it is opposition from people who speak for the principle of air-subsidy separation but oppose it as law.

OCEAN AIR TRADEWAYS,
New York, N. Y., December 5, 1950.

The Honorable JOHN W. HESELTON,
House Office Building,
Washington, D. C.

DEAR CONGRESSMAN HESELTON: This company is an independent nonsubsidized air carrier, also known by the rather uncomplimentary designation by the Civil Aeronautics Board, as a large irregular air carrier.

We are a veterans' group composed of former military aviation personnel and we started commercial flight operations in March 1946, carrying passengers between New York and Miami.

During the last 4 years we have managed to perform a public service carrying passengers and cargo, domestically and overseas, at rates considerably below the scheduled airlines, but within the financial reach of many thousands who could not otherwise afford air transportation. Our operation in the past and present has been and is in strict accordance with the CAA safety regulations.

This company has the dubious distinction of having been served with the first Federal court injunction preventing its transportation of passengers overseas between the United States and foreign countries as an independent air carrier.

American financial aid to the extent of several hundred thousand dollars, however, was recently given to a French nonscheduled airline in Paris, known as TAI. In other words, our tax money is used to harass and persecute free American enterprise through bureaucratic enforcement agencies, and at the same time subsidize, not only our equivalent nonscheduled air carriers in foreign countries, but also the large scheduled foreign air carriers which seriously compete with the American scheduled carriers, necessitating even greater subsidies to them.

History does not show that Great Britain, during the past century at the zenith of her merchant marine power, so lavishly and recklessly donated surface craft to foreigners to compete with herself as America has done in the field of air transportation.

We, of the so-called nonscheduled air industry, desire no favors, no subsidies, no kind words, or no help from the United States Government; our heritage, our Constitution, and our successful American free enterprise system entitles us to unmolested economic freedom in pursuing success in this new field which is so badly in need of unhampered pioneering development.

United States Air Force recent statistics show that 40 percent of the reserve air strength in the United States lies within the nonscheduled air carriers who are now faced with the latest CAB directive limiting their flights between two points to three trips per month. During the last 6 months the CAB has permanently put out of business, by cancellation of their operating certificates and letters of registration, dozens of our fellow carriers, some because they operated too frequently, others because they did not operate frequently enough, and still others because they did not have aircraft available since they had been forced to liquidate or lease out their planes for fear of violating the CAB restriction known as the frequency and regularity ruling.

Congress never intended the Civil Aeronautics Act of 1938 to be twisted in its application to discriminate between American citizens the way the Civil Aeronautics Board has done. Actually the act charges the Civil Aeronautics Board with the responsibility to develop American air transportation to the highest possible degree for the benefit of all American citizens, primarily stressing national defense. It would seem that the Board's intentions are just the opposite.

In spite of these many economic sanctions and road blocks hurled at the nonscheduled industry by its own Government, it was able to throw into the pool of badly needed aircraft for the Korean airlift over thirty 4-engine long-range overseas combination passenger and cargo C–54 aircraft with completely trained operating and maintenance personnel. One of Ocean Air Tradeways' aircraft, NC 68736, a C–54, flew 523 hours in one 30-day period between Japan and the United States, shattering all known records, both military and civilian.

Since our only recourse to prevent annihilation of this industry by the Government is through legislative action, it is therefore urgently requested that you support H. R. 9184, without amendment, the air-mail-subsidy-separation bill, to prevent further growth of subsidized monopoly and let the people know how much they pay for transportation of their air mail and how much they pay for subsidy, which goes to support powerful lobbies and wasteful uneconomic air operations, which serve a chosen few rather than all the voters. This bill is directly in keeping with the Hoover report recommendations for better government.

Respectfully yours,

OCEAN AIR TRADEWAYS,
RALPH COX, JR., *President.*

Let me repeat that last sentence for emphasis: "This bill is directly in keeping with the Hoover report recommendations for better government." It gives all of us our chance to take another and vitally important improvement in the Federal Government. In these days it is doubly important that we should do so.

Mr. BECKWORTH. Mr. Chairman, I yield 15 minutes to the gentleman from Arkansas [Mr. HARRIS].

Mr. HARRIS. Mr. Chairman, as I have already stated today, I frankly believe the consideration of this legislation should have gone over until next year because of the relatively few remaining days in this session and because of the impractical situation with which we are faced. I do want to say, however, that if this legislation as it is, or as it may be amended, passes and becomes law it will not be a problem for our committee and the House to consider next year. As that seems most improbable to me, I should like to say now that I do believe that there should be a separation of subsidy and air-mail pay, and I for one will be among those of our committee to undertake this problem immediately after the first of the year with a view of bringing forth some more satisfactory program of separation.

This is a highly technical subject. It is a highly controversial subject. It has been carefully considered, debated, and keenly discussed and at times contested with passion during the past year.

There are those who contend that actually there is no subsidy element in the mail rates now fixed by the Civil Aeronautics Board. In fact, our committee, over a year ago, concluded in a report that if there was subsidy, as I think it is, in the present mail compensation, it was a subsidy to the public who use air mail and not to the carriers that transport the mail.

There are others who contend that admitting there is a subsidy to air carriers involved in present rates, nothing can be accomplished by requiring the Board to undertake the arduous and expensive task of separating that element from the compensation for the transportation of mail.

Some believe that the Board should be required to separate subsidy from mail compensation in order to make public the amount of subsidy and to relieve the Post Office Department of any responsibility for administering it.

Then there are those, and this point is widely argued, who believe in reserving their decision on this issue until a thorough study by the Civil Aeronautics Board is made as to the feasibility, wisdom, and practicality of bringing about such a separation.

As I have already said, a great deal of consideration has been given to this subject during the year and our committee reported H. R. 9184 August 31.

Immediately thereafter a great deal of other questions arose. Some, in my opinion, very serious.

The President recommended separation and the Hoover Commission has recommended separation. It is contended that others have recommended separation. As our distinguished colleague on the committee, the gentleman

from Texas [Mr. BECKWORTH], who is acting chairman of this committee now, has said, most everyone seems to be committed to the principle of separation.

The Hoover Commission did not recommend this particular bill that has been reported. There has been no one, insofar as I know, that advocated as a group this particular bill over some other bill be adopted, but they do recommend the principle of separation of subsidy from air-mail pay. Remember the principle of separation, because the public is entitled to know what subsidy is being paid to the airlines.

Now, there was a situation 12 years ago when the Civil Aeronautics Act was adopted by this Congress that made it advisable to adopt this kind of an approach, but these past 12 years have brought about a different policy, as the airlines are now seemingly on their own; they have grown; they are able to get along.

The President in his message submitting the 1951 budget to Congress, recommended the separation of subsidy payments from air-mail compensation. He said:

> The recent rise in total air-mail payments—to an estimated level of about $125,000,000 in 1950—has made it increasingly important that the subsidy element be separately identified. I recommend, therefore, the immediate enactment of legislation to require the separation of subsidy payments from mail compensation. Such subsidies should be paid from funds appropriated to the Civil Aeronautics Board specifically for that purpose.

The President did not, however, recommend the approach as taken in H. R. 9184, or the imposition and complete change in policy with reference to the actual operation of air mails in this country.

Therefore, Mr. Chairman, this bill, H. R. 9184, does not carry out merely the recommendation of the President but goes much further and sets up complete new formulas and standards, which I contend would completely nullify what the President had in mind and that was an actual separation bill.

Therefore, I am presenting to this House for your consideration, this substitute. It is not necessarily my proposal. It is a bill that has been worked out over a period of time in the various considerations of this problem. It was introduced as a bill in this Congress by our colleague the gentleman from New York [Mr. LEONARD W. HALL], a member of our committee, as H. R. 9305.

This substitute does, in my opinion, come nearer providing actual and practical separation. The subsidy-separation principle is adopted, however, for immediate application to domestic carriers and without the expensive and time-consuming administrative entanglements which are found in the committee bill H. R. 9184.

In many respects, this proposal is more desirable, which I should like to submit to you for your consideration.

In the first place, there is a difference in the carriers to be subsidized. If you believe the principle of subsidy should be expanded, you should vote for the committee bill. If you do not believe in the general principle of subsidy and expanding subsidization programs, then you should vote for the substitute that I expect to offer which was introduced as H. R. 9305 August 7 this year by the gentleman from New York [Mr. LEONARD W. HALL].

Let me call to your attention some of the major differences in these two proposals:

First. Carriers to be subsidized: H. R. 9184 would expand the present law to provide that any air carrier can receive a subsidy, even though not authorized to carry mail, if the carrier holds a certificate of convenience and necessity. The substitute retains the present limitation that in order to receive a subsidy a carrier must not only be certificated but must also carry mail. Under existing law, which is preserved here, there are about 35 carriers that are eligible for subsidy. If H. R. 9184 were passed, the number of carriers eligible for subsidy would be expanded virtually without limit. At the present time the records of the Civil Aeronautics Board show that there are approximately 2,400 registered small air carriers and approximately 90 large air carriers which operate nonscheduled services. All of these operators are common carriers, and thus could apply for certificates of convenience and necessity and accompanying subsidy if this law is passed. In addition, H. R. 9184 even proposes to subsidize freight forwarders by air, a policy which has never been espoused by Congress, which was never discussed by the committee, and for which no justification appears in the record. Thus, by adopting H. R. 9184, the Federal Treasury would be opened to almost unlimited demands to be made by pressure groups on behalf of small and large nonscheduled carriers and freight forwarders.

Second. Cost standard: H. R. 9184 provides that the service rates for mail transportation shall not exceed the necessary cost of such transportation, plus a fair return. The substitute follows the analogous provision of the Railway Mail Pay Act which covers the establishment of mail rates for the railroads and does not include this rigid cost standard.

The cost-plus basis of making rates is bad because:

First. Since all of the air carrier's traffic is transported in the same vehicle, the cost of transporting mail could only be determined on the basis of an arbitrary allocation of expenses which can never be precise enough to serve as the sole standard of rate making. The Interstate Commerce Commission has never made rates on this basis.

Second. Even if costs could be determined satisfactorily, that rigid standard should never be used exclusively, because since costs change constantly, the rate would have to change constantly, and the board would be led further into the process of making rates retroactively.

Third. If costs were the sole basis, the carrier would have no incentive to increase efficiency and reduce costs, because if he reduced his costs he would lose an equal amount of revenue. For the same reason, he would have no incentive to increase commercial traffic, because to the extent that his other traffic increased, the cost of transporting mail would be reduced, and under H. R. 9184, the mail rate would have to be reduced also.

On the other hand, the substitute would permit the board to give conclusive weight to cost studies if it concluded that fair rates to the carrier and to the Post Office Department could be based on available cost data. However, it could also exercise judgment in fixing rates if it was not satisfied with the cost data available.

Now, there is another difference that I think is a very important one, as I asked my colleague, the gentleman from Texas [Mr. BECKWORTH], about a moment ago, and that is the revision of the air carrier's accounting system. We depend on our air carriers today. We depended on them in June and July in the Korean situation.

There are some factors regarding what happened since then that I think I should refrain from mentioning, but the airlines are today engaged in the activities that are going on in this world as much as any other organization of our Government. If we have them change their accounting system, as this bill reported by the committee will do, then it will take years to set up an accounting system under its requirements. It is impossible and impractical for the airlines to do that between now and the date set forth in the bill reported by the committee, because the accounting system they have now has taken several years to develop. It has taken a lot of manpower and a lot of consideration.

You can see what it would do to the entire system to require the carriers to change the method now as this bill would do under the cost allocation provision of determining how much goes to the passengers, how much to freight, how much to express, and mail. If we are going to utilize the services of the air carriers, I think it ill behooves us at this time to adopt a policy that will require the air carriers to change completely their system of bookkeeping and accounting.

Another of the important provisions is the general study. They talk to you about the general study under way and say it should not be assumed here that we should not have any more studies. The Senate Committee has $200,000 for a study that is under way now, the report to be expected, I believe, around March 1. You know what this does. It provides $300,000 for a study to be made by the Civil Aeronautics Board. This bill provides for another study to cost even more money than the study to be made by a committee in the other body, and someone a moment ago criticized the amount of money to be spent on that study.

Under this bill we set up another costly and expensive study to do what? To report to the Congress. The substitute I will offer here does not provide for that, but puts into effect the principle of separation of subsidy from mail pay. That is what you want. That is what the bill does. It does not require you to go through this onerous, troublesome, costly, and difficult method, which I do

not think the Government ought to continue to impose upon the businessmen of this country, airlines, or others, unnecessarily.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. If I understood the gentleman correctly, he said there was no group in the country that was specifically supporting this bill H. R. 9184.

Mr. HARRIS. At the time the committee reported it.

Mr. HESELTON. Yet it is true now, is it not, that the Citizens Committee, which has been developed to implement the Hoover Commission recommendations, has supported this by number and has opposed the substitute the gentleman is proposing?

Mr. HARRIS. I heard the gentleman's statement a moment ago, and I assume it is correct. I would not disagree with him at all on the statement he made, because he always tries to be fair.

But we do have from the Air Transport Association of America a wire which came to the desks of all of us which I will include in my statement, to the effect that all of the airlines, all of them, big and small, in your local communities, international and domestic, support this substitute. I might say, so far as I know, of all the problems which we have had before the committee, and which I know the Association has considered, this is the second time that all of the airlines have been unanimous.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. O'HARA of Minnesota. I believe it is also true that every certificated air carrier is opposed to the bill H. R. 9184 as it has been reported out of committee.

Mr. HARRIS. That is true.

Mr. O'HARA of Minnesota. With reference to the accounting system which has been set up by the airlines, is it not true that that has been set up under the regulations of the CAB and that it is contained in a 100-page booklet setting up this cost accounting system, which system the airlines are using, and which they have been operating under?

Mr. HARRIS. Yes. As I said a moment ago it took several years to get that system developed which they are now using.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield.

Mr. TEAGUE. As the facts have been presented to us, if there are two investigating groups and if there have been so many protests against the bill, why did the committee report out this bill, as I understand, by a vote of 15 to 2?

Mr. HARRIS. May I point out to the gentleman I explained that this morning during the discussion of the rule, and since my time is limited, I will not have the opportunity to explain it now, but will be glad to explain it to him later on.

Mr. Chairman, there are two other provisions which I wanted to mention as to the differences here which are highly important. In the so-called Hoover report they said they were in favor of separation. Most of us are. So I cannot see that there is a great deal of controversy over that. If they are in favor of it, then this bill which I propose to offer as a substitute, H. R. 9305, does exactly what they want to accomplish.

Another point is the international airline principle, which I will be glad to discuss in more detail a little later on when I offer the substitute bill. But because of the fact that the international airline must have their rates developed under the United Postal Union Rate-Making Group, then it becomes a very highly intricate problem and if we include the international carrier as this bill reported out by the committee does, we run into a most difficult question of how our airlines overseas can compete with foreign flagships. I think those are some of the greatest differences between the two proposals which will be offered to you for your consideration. I am sure the membership will use their good judgment and develop whatever proposal they think to be the best.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. BECKWORTH. Mr. Chairman, I yield to the gentleman from Maryland [Mr. SASSCER] as much time as he may require.

Mr. SASSCER. Mr. Chairman, I was shocked to read in the public press this morning that the United States Court of Appeals for New York, in reversing the conviction of Judith Coplon in the recent spy case over a technicality in connection with the arrest, stated:

> The conviction must be reversed, but we will not dismiss the indictment, for the guilt is plain.

Apparently she was proved guilty in a fair trial and convicted by a jury for spying for Russia and plotting against the United States. The case was reversed because she was arrested without a warrant.

Where there was a fair trial, a conviction, and the court that reversed the conviction commented "the guilt is plain," and the conviction of a proved spy is still set aside on the grounds of a technicality, there is an urgent and immediate need that the powers of the Federal Bureau of Investigation to arrest without warrant be broadened by law in cases involving spying, sabotage, and other crimes against the national security and defense.

When the security of America is threatened both from within and from without, and American prisoners of war are being murdered in Korea, an intolerable situation like this decision from which one recoils in indignation cannot be permitted to exist.

I am writing to the Attorney General today urging that legislation to tighten such loopholes through which courts under strained technicalities can reverse decisions in spy cases such as this be prepared immediately and forwarded to the proper committee of the House for introduction.

If this is not done, I propose to draft a bill myself and introduce it. I hope that it will be promptly prepared by the Department of Justice, as they are more familiar with the technicalities of the decision and better able to prepare the necessary legislation.

Mr. BECKWORTH. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, it has been mentioned that money is provided in this bill for a study. That is one of the real difficulties that the Civil Aeronautics Board has had in the past, so it has told the Committee on Appropriations; they say they do not have the money to conduct a study. The purpose of this $300,000 is to enable the CAB to hire more people and any special help that they must have in order to conduct the necessary study and then to send to Congress reports which it is felt the CAB should send in connection with mail pay and subsidies, reports which give estimates at least in regard to needs of the airlines in future years.

In other words, after the Johnson committee has performed its study, with $200,000, the Civil Aeronautics Board will doubtless have to have money to make additional study, because they will doubtless want to get experts to put into being the Johnson committee recommendations, should they be approved by Congress. I want to make that clear.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BECKWORTH] has expired.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. DOLLIVER].

Mr. DOLLIVER. Mr. Chairman, I think we need to get back to the fundamentals of this legislation that is being considered by the Committee today.

Let us remember, first of all, that the various airlines of this country which carry the mail must do so. That is, the law provides that there is no choice on the part of the airlines as to whether they may or may not carry the mail. If they are required to by law and by the proper administrative authority, they have no choice.

The second thing that is fundamental in this matter is that the amount of air-mail pay is fixed, not on what it costs the air carrier to carry the mail but it is fixed by a kind of arbitration or conference between the air carrier and the Civil Aeronautics Board, and that must be paid from an appropriation that is charged to the Post Office Department.

That is a kind of anachronism, it seems to me. The whole situation came about, of course, because it was the desire of the Congress and of the people to develop our air transport in this country and internationally. That purpose is served, of course, by this air-mail subsidy. But now the time has come when the American people and the Congress especially ought to be able to see how much is compensatory pay for the air-mail carriers that carry our mail, and how much is just plain subsidy. That is the purpose of this bill. That is the purpose of this legislation.

Some arguments have been brought forward here today that this is a futile gesture that we are making, because the Senate is not going to do anything about this legislation. But, Mr. Chairman, that is a very poor argument. Since

when has the House of Representatives guided its conduct by the conduct of another legislative body? Our responsibility is to meet this problem as it comes before us today in regular order. The mere fact that it is said the other body will not take up this matter and will not pass it because of certain things that exist over there should have no weight with us, so far as what we do with this legislation.

There has also been some talk that this will mean a severe blow to the airlines of this country. In fact, it has been implied that if this legislation is passed it is going to be very difficult for some of the airlines to survive, because it has been stated that the Air Transport Association is against H. R. 9184 and in favor of something else. There is not anything in this bill that will destroy subsidies. This bill does not eliminate subsidies to the air-mail carriers. It simply separates the cost of carrying the mail from that subsidy, so that the American people will know where their money is going, how much of it is compensation and how much of it is a gratuity to keep the airlines in operation.

It seems to me that the issue is clear enough that we ought to be able to pass upon it. I am not too technical about the specific provisions in this bill. I suppose it is true that every proposal that comes before us with the exception of tax proposals which come with a closed rule, every proposal is subject to close scrutiny and perhaps subject to some revision on the floor of the House. I am not going to quarrel on that account; the thing that I am speaking for today as emphatically as I know how is that the time has come in the field of the carriage of air mail to let the American people know how much is compensatory payments and how much is subsidy which is paid to the airlines for the purpose of keeping them in business.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the distinguished ranking minority member of the House Committee on Interstate and Foreign Commerce and of its Transportation Subcommittee, the gentleman from New Jersey [Mr. WOLVERTON].

Mr. WOLVERTON. Mr. Chairman, the fundamental question that presents itself in this legislation is very simple. The legislation seeks to provide a method of separating air-mail rates and subsidies. I know of no one who is opposed to the accomplishment of this objective.

Section 406 of the Civil Aeronautics Act now directs the Civil Aeronautics Board to fix rates for the transportation of mail by air, the rates so fixed being paid by the Postmaster General. In fixing such rates under the law as now in effect, however, the Board is instructed to take into consideration, among other factors, the contribution of air carriers to the maintenance and development of a sound air-transportation system. There is no requirement that the Board decide how much of a particular rate is in payment for the service of transporting mail and how much is for the effort and expense of developing the desired transportation system, and the Board has not done so, except perhaps in the few instances of carriers who have been found self-sufficient and therefore not in need of subsidy.

No other existing public-utility legislation has come to the attention of the committee which lumps a compensatory rate and subsidy in a manner similar to the way it is done in the Civil Aeronautics Act. Prior to 1936, steamship lines were subsidized through the mechanism of mail payments, but this system was replaced by the direct operating of mail payments, but this system was replaced by the direct operating and construction subsidies provided by the Merchant Marine Act of 1936. The Interstate Commerce Commission fixes only the fair compensation for the services rendered by the railroads in carrying the mail, which compensation is paid by the Post Office Department. There is no provision in the statute under which the Interstate Commerce Commission operates for compensation for the development of a sound national surface transportation system.

The unique provision in the Civil Aeronautics Act is to be found in section 406 (b). After enumerating specific factors that should be considered in determining rates for transportation of mail, subsection (b) goes on to direct the Civil Aeronautics Board to consider also "the need of each such air carrier for compensation for the transportation of mail sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient management to maintain and continue the development of air transportation to the extent and of the character and quality required for the commerce of the United States, the postal service, and the national defense."

This quoted "need" provision has meant that where a carrier has been unable, after honest, economical, and efficient management, to earn a fair return on the operations found by the Board to be required for the development of a sound air transportation system to serve national objectives, air-mail pay has been used to raise its total revenues to the point where it would have such a return.

In recommending separation of subsidy from air-mail pay, the committee did not intend to indicate that subsidy in the field of aviation was or is improper. This bill does not eliminate subsidy, but merely makes it possible to know how much subsidy there is. No one knows at present, because no serious attempt at such discovery has been made. We have continued to use the device of air-mail pay to support the development of air transportation, even though the industry has long since passed its infancy. In the 12 years since the passage of the Civil Aeronautics Act, and particularly in the 4-year period since the close of the war, the industry has experienced tremendous physical expansion. Many new routes have been certificated, many new points are being served, aircraft are larger and faster, there has been a tremendous growth in passenger and cargo traffic. We have now entered a period when it is essential to appraise carefully what has been done and what remains to be done. A determination of the amount of subsidy in the total compensation to air carriers is a prerequisite to such an appraisal.

Lastly, but nevertheless very important, is the objective of a more rational system of Government accounting. So long as subsidy is blanketed in the Post Office accounts and appropriations, neither the executive nor the legislative branch of the Federal Government is able to distinguish the amounts which are properly chargeable to the mail service as against those which are chargeable to the promotion of commerce and national defense. The Post Office Department should not be made to bear, as it does now, the cost of developing air transportation. The fact that payments by the Post Office Department to air lines has increased from $26,347,614 in the year 1939 to $124,420,223 in 1949 is sufficient to justify the giving of this matter careful consideration.

The proposal to separate the subsidy element from air-mail pay has the firm support of the executive branch, as well as the support of many private groups and persons. The great preponderance of opinion favors separation. In his 1951 budget message to the Congress—House Document No. 405—the President of the United States stated:

> At present, direct financial assistance to the airlines is provided through air-mail payments, which are set generally at levels adquate to cover deficiencies in the carriers' commercial revenues. Subsidy is thus merged with the fair compensation for carrying mail, making it difficult to evaluate the cost of this aid in relation to its benefits. The recent rise in total air-mail payments—to an estimated level of about $125,000,000 in 1950—has made it increasingly important that the subsidy element be separately identified. I recommend, therefore, the immediate enactment of legislation to authorize the separation of subsidy payments from mail compensation. Such subsidies should be paid from funds appropriated to the Civil Aeronautics Board specifically for that purpose.

The Hoover Commission's report on the Post Office Department, issued February 17, 1949, contains the following recommendation with respect to the separation of subsidy—page 17:

> We recommend, however, that the amounts of these subsidies should be paid to the Post Office by open appropriation from tax funds and not imposed upon the Post Office or the mail users in this hidden manner.
>
> By such course, the President, the Congress, and the public may know what the amounts of the subsidies are.

A report of the House Post Office and Civil Service Committee, Eightieth Congress, second session—Report No. 1958—made the following recommendation—page 4:

> It is the recommendation of the committee that the subsidy element in air-mail pay be separated. It has been suggested that this could be arrived at by accounting procedures in the Post Office Department. However, this procedure would not eliminate the basic objection which is that, under the present situation, we have an administrative board alloting public funds through which basic public policies are established

without action directly by the Congress. The better solution is to make provisions for subsidies directly to the Civil Aeronautics Board.

Government agencies, including the Department of Commerce, the Post Office Department, and the Civil Aeronautics Board have endorsed separation.

As previously stated, there is no objection so far as I can ascertain to the separation of air-mail rates and subsidies. There is some objection to certain provisions of the bill, but these, in my opinion, can be taken care of by appropriate amendments. The effect of the bill on our foreign carriers does raise serious problems that, in my opinion, justify a remedy. I am hopeful this can be done in a manner that will not destroy the basic objective of the legislation. It is basically legislation that should have the approval of the Congress.

Mr. HINSHAW. Mr. Chairman, I yield 6 minutes to the distinguished gentleman from Kansas [Mr. REES], a member of the House Committee on Post Office and Civil Service.

Mr. REES. Mr. Chairman, H. R. 9184 proposes to separate the subsidy from air-mail pay so that appropriations for those subsidies will be acted upon separately by Congress. I should like to call the attention of the Members of the House to the fact that this bill or similar legislation directed toward this policy, when finally enacted into law, will give effect to recommendations made by the Post Office and Civil Service Committee in 1948.

Pursuant to H. R. 176, Eightieth Congress, the House Post Office and Civil Service Committee, which I then had the honor to serve as chairman, conducted an extensive study of the postal service in an effort to find economies which would meet in part the mounting postal deficit. One of the subjects of this study was air-mail subsidy. This study was completed and the report filed on May 13, 1948, House Report No. 1958, entitled "Report on Air Mail Subsidy."

This report made the following recommendations:

> It is the recommendation of the committee that the subsidy element in air-mail pay be separated. It has been suggested that this could be arrived at by accounting procedures in the Post Office Department. However, this procedure would not eliminate the basic objection, which is that, under the present situation, we have an administrative board allocating public funds through which basic public policies are established without action directly by the Congress. The better solution is to make provisions for subsidies directly to the Civil Aeronautics Board.

Since legislation affecting civil aviation is under the jurisdiction of a committee other than the Post Office and Civil Service Committee, it was only within our province to recommend. This recommendation, however, was supported by both the House and Senate Appropriations Committees, and a similar recommendation was also later made by the Hoover Commission.

The Interstate and Foreign Commerce Committee has, after a careful and extensive study, recommended this bill which will separate the subsidy from air-mail pay. This measure probably requires amendment, but in view of the general agreement on the policy, I believe it is appropriate to outline the findings of the Post Office and Civil Service Committee upon which that committee based its recommendations to make this separation.

It is only fair to remind the Members of the House that the conditions upon which findings were based are related to situations existing in 1948. Some of these conditions have, of course, since been corrected. However, the cost of the subsidy then estimated at approximately $15,000,000 to $17,000,000 a year has increased until today it amounts to more than $40,000,000 annually.

The committee reported in House Report No. 1958, Eightieth Congress:

Present procedure makes available a large sum of money from air-mail pay for expensive experiments in aviation policy. Expensive operations such as feeder-line service resulted in profits remaining for the high-traffic areas while losses in the public-service areas are charged to the postal service. For example, one feeder line received in 1948, $1,893,658 for carrying 45,031 ton-miles of mail. A service-rate carrier would have transported over 4,000,000 ton-miles for this amount of money.

High salaries, stock warrants and options to officers, together with losses resulting from poor management and overexpansion are cost factors in establishing so-called need upon which mail pay is based. One carrier then undergoing a reorganization received $388,462.70 for flying 648,333 ton-miles of mail in 1946. In the first 9 months of 1947 this same carrier received $2,211,420.27 for carrying 441,232 ton-miles of mail. In other words, this carrier received over seven times as much money for carrying 200,000 less ton-miles of mail.

Two rates were paid covering air mail in some instances. As an example, on the New York-Miami run, mail is carried by two carriers. One receives 60 cents per ton-mile and the other receives 45 cents per ton-mile.

A high percentage of mail carried by feeder lines could be carried by trunk lines at a much-reduced cost.

The committee pointed out, for example, a trunk line and a feeder line serve the same area. The trunk line in 9 months of 1947 received $325,247.52 for carrying 543,978 ton-miles of mail. The feeder line received $752,153.68 for carrying 26,669 ton-miles of mail. In other words, the feeder line received more than twice as much money for carrying one-twentieth as much mail.

The practice of granting retroactive air-mail pay was a means of underwriting any losses whatever and, in effect, is a situation similar to "cost plus" contracts.

Under the present system, wherein rates paid to air lines for carrying air mail are subject to so many changes, it is virtually impossible to have any satisfactory approach to establishing air-mail rates or air parcel post rates which will provide revenues to equal the expenditures for carrying this particular class of mail. This situation is aggravated by the fact that increases in rates paid to carriers have no relationship to the service performed by the carrier for the Post Office Department.

In view of the foregoing, it is clear that there is an urgent necessity for the scrutiny of the Appropriations Committee and of Congress of the expenditure of many millions of dollars in the furtherance of our domestic and foreign airline policy.

It should be observed that this bill has the approval of a Hoover Commission report. If the Membership of this House believes, after due consideration, that the bill should be amended to make the legislation more workable and more satisfactory, then such proposed amendments ought to be considered in order.

The Congress and the country should know how much funds are expended for the carrying of air mail and how much is required to subsidize the air lines. This is fair to the people and certainly fair to the airlines. The value of civil aviation to national defense is extremely important and must be supported where required.

Mr. HINSHAW. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.].

Mr. HUGH D. SCOTT, JR. Mr. Chairman, H. R. 9184 lumps the international along with the domestic services, although the committee report accompanying the bill shows that the considerations leading the committee to recommend the bill were drawn largely from the domestic field. Actually, the problems in the two fields are quite different.

The Commerce Committee over in the other body believes that the need for subsidy to the domestic airlines arises largely from service to small communities with meager traffic. The need for subsidy in the international field arises from the low density of international operations, higher expenses for this and other reasons, the operation of routes not warranted from a commercial basis but important for considerations of national prestige, diplomacy, and defense, and, finally, from the competition of foreign-flag carriers on a much lower wage standard.

The problem of separation of subsidy from mail pay in the international field differs also in the existence of an easily available standard as to what constitutes compensatory mail pay. This standard is the rate fixed from time to time by the Universal Postal Union.

The Universal Postal Union is an organization of substantially all the governments of the world. It establishes the rates to be paid by each nation to carriers of another, whether by air or by surface, for the carriage of the first nation's mail. These rates are agreed upon every 5 years in a convention of the world's leading postal authorities—the next meeting to be held in the spring of 1952. At the Universal Postal Union convention held in 1947, rates for the carriage of first-class letter airmail were established at the rate of $2.86 per ton-mile—with a special rate of $1.43 per ton-mile for short-haul services within Europe—and for international air parcel post at 71½ cents per ton-mile.

Many countries, including France, Belgium, Switzerland, the Netherlands, Denmark, Norway, Sweden, Canada, and the Union of South Africa, use these Universal Postal Union rates as a basis for payment to their own carriers as well as to foreign carriers. Similar action is under consideration by Great Britain.

The United States might well follow this same course. Here is a measure of payment for the carriage of international air mail which all of the nations of the world, including the United States, accept as constituting fair compensation to a foreign carrier and which many of them accept as constituting fair compensation to their own carrier for the transportation of their mail. Certainly such an internationally agreed rate is as likely to be fair as the exceedingly complicated cost allocations required by H. R. 9184.

It may be argued that a cost-allocation method would result in a lower payment by the post office than the Universal Postal Union rates. This, however, would not save any money for the United States Government as a whole. Any decrease in mail payments to United States carriers by virtue of using a cost-allocation formula rather than the Universal Postal Union rates would be offset by a corresponding increase in the subsidy payments required. Actually money would be lost—for two reasons:

First. If the United States were to pay its own carriers at rates lower than the Universal Postal Union rates, foreign nations would demand that American-flag carriers carry their mails at the same rates. This would ultimately lead to a decrease in the Universal Postal Union rate structure. American-flag airlines carry much more foreign mail than foreign-flag airlines carry United States mail. Such a reduction would therefore result in a loss to the American-flag carriers of many millions of dollars annually, with a consequent increase in the subsidy required to be met by American taxpayers.

Second. If foreign-flag carriers are paid by their own countries for carriage of the mails on the basis of Universal Postal Union rates and American-flag carriers are paid by the United States on a lower basis, the subsidy of the United States carriers will appear larger because of the lower rate of mail payments. Our carriers already have higher subsidy needs than the foreign lines because of higher wage costs. Adding the unnecessary handicap of a lower rate for carrying the mail would artificially increase the apparent need of our carriers for subsidy. This would play into the hands of persons abroad and would tend to stimulate subsidy wars.

Other amendments may dispose of this problem before this particular section is reached, in which case it will not be necessary to offer suitable amendments. I hope, however, that the bill will be amended to provide for this very serious and important situation affecting American-flag lines overseas. I am anxious that the bill as finally perfected may be in line with Hoover Commission recommendations. I am equally concerned that we do not, in attempting to accomplish so worthy a purpose, actually stimulate subsidy wars and increase the subsidy cost to American taxpayers.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. HUGH D. SCOTT, JR. I yield.

Mr. HINSHAW. Did I understand the gentleman to say in his statement that he would be in favor of the substitute which the gentleman from Arkansas [Mr. HARRIS] proposes to offer?

Mr. HUGH D. SCOTT, JR. I understood that certain amendments would be offered. I would rather see an amendment or hear it read first. I was not in the Chamber during a part of the address by the gentleman from Arkansas [Mr. HARRIS].

Mr. HINSHAW. Of course the amendment to be offered will be the amendment by the gentleman from Arkansas [Mr. HARRIS] as a substitute.

Mr. HUGH D. SCOTT, JR. I believe I would rather hear that amendment and any other amendments read again as they will be, if the gentleman has no objection to that.

Mr. HINSHAW. The amendment is the bill H. R. 9305.

Mr. HUGH D. SCOTT, JR. I was not in the Chamber when the gentleman offered the amendment. I heard only a part of the gentleman's statement.

Mr. HINSHAW. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from North Dakota [Mr. BURDICK].

Mr. BURDICK. Mr. Chairman, the reason I will support this bill is that we will have a chance to find out what the subsidy amounts to. The question as to subsidies and the amount of subsidies is not properly before us in this debate. The reason I shall support this bill is that last year there was considerable commotion here about the fact that the Post Office Department was $500,000,000 in the red. One of the reasons it was in the red was that these subsidies are charged to the Post Office Department. If this will separate them and we make separate appropriations for the subsidies you will find that the Post Office is not in the red at all. If you take all these cats and dogs, which are charged up to the Post Office Department, out of the Post Office Department you will find the Department is in pretty good shape. If this bill will separate the subsidies so that we can appropriate directly for them, that should be done.

There are a great number of things this Congress can do to relieve the Post Office Department of a deficit. Is there any reason in the world why postage should be given to Congress, the State Department, the Agriculture Department, the Interior Department, the Defense Department, the Army, Navy, and all the other fighting forces, and charged to the Post Office Department?

All of these items can be appropriated in the bills pertaining to those departments and not charge everything to the Post Office Department. The result will be the same if these expenses are appropriated, in the above-mentioned bills. The result of the system we are following now is to create a great deficit in the Post Office Department, and then seek to curtail mail service and increase postage to make up a deficit that never should have been created.

This bill would stop the subsidies from being charged to the Post Office Department and it should be followed up with a change in system all down the line. We have no right to jeopardize the mail service and increase postage by making the Department appropriation for departments less and the postal deficit more. On the bill as it stands, Mr. Chairman, I am in favor of it.

The CHAIRMAN. The time of the gentleman from North Dakota has expired.

Mr. BECKWORTH. Mr. Chairman, I yield 12 minutes to the gentleman from Massachusetts [Mr. KENNEDY].

Mr. KENNEDY. Mr. Chairman, I first want to thank the gentleman from Texas [Mr. BECKWORTH] for the work that he has done on this bill. He has devoted over a year of effort to it and any results that may be obtained by this bill certainly will be due in the most part to him.

Mr. Chairman, first I want to devote myself to the remarks made by the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.] about this business of American airlines carrying mail and cargo abroad. Under the Hall bill these lines are exempted, which means that $47,000,000 or nearly half of the amount of this bill is thrown out. I have this letter from the Civil Aeronautics Board, dated August 26, 1949, to the chairman of the Committee on Interstate and Foreign Commerce relating to the bill, S. 2437, which includes the same exemption of the United States international airlines, which is included in all the bills. Here is what the Chairman of the CAB, who, by law, is the constituted authority with reference to this legislation, said:

> We do not believe that separate treatment should be given to the various parts of the air-transport system. The problem involved in separating mail pay and subsidy for international carriers do not seem to be peculiar. Once established, the principle of separation can be applied to all carriers irrespective of their geographic area of operation.

It seems to me the Hall bill, which leaves these carriers out to the amount of $47,000,000, is directly contrary to the letter from the Chairman of the CAB, who says that these should be included, and it is a definite reason why the Hall bill should not be accepted.

To omit the United States international airlines—and as I said, the foreign air transportation amounts to over $47,000,000 in the annual post office deficit—to omit the international airlines from this separation as the Hall bill advocates would mean throwing into the wastebasket one-half of this important Hoover Commission report and would also conflict with President Truman's recommendation on separation. Such an exemption would also be discriminatory. It would leave some airlines receiving only compensation while the international lines, like Pan-Am, would under the old system be receiving both the subsidy and a compensation which would be charged to the Post Office Department.

Secondly, the Hall bill would limit subsidies to air-mail carriers. The gentle-

man from Arkansas [Mr. HARRIS] has spoken on that. He said that under the bill we are advocating a lot of new planes would be given the benefits of subsidies. One of the reasons we are giving these subsidies is to prepare these airlines for national defense. So few of them are ready. If they were called on to go to Korea, many would not be equipped for the job.

One of the reasons we want to give this subsidy is to prepare these planes for national defense. We do not just want to give it only to those which are carrying air mail. We want all certified planes to be eligible so that they can use this money to prepare themselves for our defense. But in the Hall bill subsidies will be given only to those carrying air mail. All planes should be eligible for this subsidy for national defense, if the CAB sees fit.

No. 3, the Hall bill omits the cost standard for air mail. This cost standard has raised much discussion here. Let me read from a letter by Secretary Sawyer, in whose Department is the CAB:

> The problem of cost finding in the field of air transportation is no more difficult than in other fields of transportation, in which cost studies have been made for years. Elaborate cost studies have been made by the Interstate Commerce Commission in connection with both rail and motor carriers, and I suggest that the techniques developed in these studies may well serve as useful guides to the Board in connection with the study of cost of carrying air mail, air passenger traffic, air freight, and air expense.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. I yield.

Mr. O'HARA of Minnesota. The gentleman would concede, would he not, that by the terms of this bill we are setting up a completely distinct and separate quotient for air-mail pay as distinguished from mail pay by the railroads?

Mr. KENNEDY. No. What I am trying to say—and I am quoting Secretary Sawyer—is that this could be set up just as well in the airlines as in other means of transportation.

Mr. O'HARA of Minnesota. But it is completely different from what has existed before, as well as what exists on the railroads.

Mr. KENNEDY. I refuse to yield further, Mr. Chairman.

Secretary Sawyer, under whose Department the CAB is located, says that it is similar and that it can be done, and I have no doubt that it can be done. Anyone who has had the experience in business that the gentleman from Minnesota has had knows that to carry on business you must use cost allocations.

Here is the way it is done when need is the only standard: Suppose we have two airlines going to Miami. A line does not get a subsidy because they run their airline very efficiently. They try to economize in every way. Under the old method, because they had balanced their books, they did not need a subsidy, and they would not get a subsidy. Another airline—B—running to the same place, operates with very elaborate expense; has two stewardesses, uses a limited number of seats, rolls out the red carpet, does a lot of advertising, and operates at a loss; they would go to the CAB and they would be given a subsidy. They go to the same place; they render the same service; but one airline might be economical and get no subsidy and another airline might waste a lot of money and the CAB give them a subsidy.

Now, what is fair about that? There is no possible reason why that should go on. Therefore, in this bill, we are really trying to give the public decent service, trying to keep the airlines in operation, but, nevertheless, trying to end the waste in the business.

Now, I have a couple of other objections to Mr. HALL's bill. It indefinitely postpones the effective date on which this would be put into effect. It provides this:

> Immediately upon the enactment of this act the Board shall act promptly with a view to revising on July 1, 1951, or as soon as practicable thereafter.

Now, these subsidies are supposed to have ended in 1938. They are still being paid in 1950. What does that mean: "As soon as practicable thereafter"? We have no definite date on which this act should go into effect, which is another thing that I think is wrong with the Hall bill. In our bill we state a definite date. We do not say "as soon as practicable thereafter." That is another objection to the Hall bill.

Now, I state that the Hall bill is the bill that the Air Transport Association, the Big Five who have been getting a substantial subsidy which the Post Office has been paying, between $30,000,000 and $60,000,000 for the last 14 years. The Hall bill is their bill. It not only takes out the airplanes that are going abroad and cuts in half what we are trying to do, but it has all these other sections to weaken what we are trying to do. My opinion is, and I think the opinion of the committee, 15 to 2, the President, the Hoover Commission, that H. R. 9184 should go into effect.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. Before yielding, there have been statements made that even if this bill should pass the House it would not reach the Senate in time for the Senate to act on it. I received a wire this morning from Senator JOHNSON, Chairman of the Senate Committee on Interstate and Foreign Commerce. This is what he said:

> While I cannot speak for other members of my committee, I will do my utmost to get H. R. 9184 through the Senate in this session if it is enacted by the House.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman mentioned the Big Five.

Mr. KENNEDY. Yes.

Mr. HARRIS. I suppose the gentleman is talking about the four big airlines which he states are receiving between $30,000,000 and $50,000,000 in subsidy.

Mr. KENNEDY. That is right.

Mr. HARRIS. Is it not a fact that the so-called Big Four perform 80 percent of the service and receive only approximately 37 percent of the subsidy that is paid out?

Mr. KENNEDY. I may say to the gentleman from Arkansas that I do not object to subsidies; I think subsidies should go on. But I do believe they should be open; we should know how much they are.

Mr. HARRIS. The gentleman left the inference, as I understood, that the Big Five got the most of this subsidy.

Mr. KENNEDY. No, I did not leave that inference; I just say they are in favor of the Hall bill.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. I yield.

Mr. BECKWORTH. In view of what has been said about what the Senate might do will the gentleman read that wire again?

Mr. KENNEDY. Yes; I will. This is from Senator JOHNSON, a Senator from Colorado, chairman of the committee under whose jurisdiction this bill would fall. He said:

> While I cannot speak for every member of my committee, I will do my utmost to get H. R. 9184—

The bill that is before this House now—

> through the Senate in this session if enacted by the House.

Mr. HESELTON. Mr. Chairman, will the gentleman yield.

Mr. KENNEDY. I yield.

Mr. HESELTON. Should it not also be said in explanation that the proposal now before us involves four of the airlines out of the so-called Big Five. What is intended to be done under this bill will probably take care of 80 percent of the business. What is there wrong about trying to take care of the other 20 percent?

Mr. KENNEDY. Before yielding further I wish to refer to a statement by Col. Edgar S. Gorrell, president of the Air Transport Association, made before the House Committee on Merchant Marine and Fisheries in 1938. Colonel Gorell at that time said:

> I say aviation undoubtedly is not going to be a permanently subsidized industry. In stating that aviation is not going to be a permanently subsidized industry, I do not want to have the impression created that the airlines are not entitled to such subsidy as they have today. They are grateful for the subsidy they receive at the present time, but they are trying to work at the present time out of the subsidy class. The domestic airlines received last year a total so-called subsidy of only $400,000.

Now they receive between $30,000,000 and $60,000,000. Twelve years later they have not worked out of subsidy but have gone into it deeper, and deeper, and deeper; and the Post Office has to pay the subsidy, not only the compensation for carrying air mail but pay the subsidy, between $30,000,000 and $60,000,000 a year.

Mr. HINSHAW. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Chairman, I appreciate the unanimity of opinion, on which everyone agrees,

that there should be a separation of air-mail pay from the subsidy. I hope some of our friends, and the gentleman from Massachusetts who just spoke, will give a little consideration to the other subsidies paid out by the Post Office Department. For example, the Postmaster General appeared before a Senate committee and stated that, as a matter of fact, the air-mail subsidy was the smallest subsidy paid out by the Post Office Department, and I quote from page 1296 of part 3 of the hearings, this last year, at which time he stated:

> It is the least subsidy that we have in the postal service. I do not mean to imply that we are not concerned about subsidies. I mean that it has not been the thing that has distorted the financial status of the postal service as much as other subsidies. The present subsidy on second-class mail is about $207,000,000. The present subsidy on third-class mail is about $139,000,000. The present subsidy on the penny-postal card and post card is about $57,000,000. The present subsidy on fourth-class mail is about $82,000,000.

So that when we talk about the importance of separation of air-mail pay and subsidies, while it is certainly practical if it can be done, I do not know if it is going to actually mean any saving to the taxpayers of the country. I think you all agree that that is the situation. Whatever they are allowed as an air-mail payment for carrying the mail, some of these airlines are still going to have to come in and be subsidized. They cannot operate otherwise. Others may be able to sustain themselves without a subsidy.

It is a strange thing when we speak about this we do not take other things into consideration. There is, I assume, some subsidy paid the railroads for carrying the mail. There are some subsidies, I assume, paid to the merchant marine for carrying the mail. Yet no one has been concerned about them. I think the committee might have made an over-all approach to all forms of transportation and insisted upon separation of air-mail pay and subsidy in all forms of transportation. I have always taken the position, that is, what should be done so that we know what we pay out in subsidy and what we pay out for the carrying of the mail.

I was very pleased to note from the remarks of my distinguished friend from Massachusetts that there is provision in this bill also to provide for 2,300 or 2,400 other carriers, which would permit those carriers who are not certificated at this time to carry mail, and permit them under this bill to come in and apply for a subsidy. So if you pass this legislation in its present form you may be sure that you are going to have a lot of these lines that are so operating come in for a subsidy. You will have that problem before you.

I think it is a rather serious thing, and if you are going to take up that subject, you should know what you are doing. That is what is in this bill. I think one of the moving things behind it is to get these unsubsidized carriers in under the tent.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I was interested in the gentleman's reference to the railroads. Who makes the contracts with the railroads for the handling of mail?

Mr. O'HARA of Minnesota. I do not know, but I would assume that it is the Post Office Department.

Mr. BROWN of Ohio. The Post Office Department makes contracts with all carriers for the handling of mail just as this legislation proposes should be done in connection with the handling of mail by the airlines. Is there any particular reason that you know of why the air transport mail should be handled on an entirely different basis than the transportation of other mail?

Mr. O'HARA of Minnesota. No. Frankly I never would take that position. I think it should all be handled by the Post Office Department.

Mr. BROWN of Ohio. The gentleman mentioned something about a subsidy on post cards. I have not been able to follow the gentleman's logic.

Mr. O'HARA of Minnesota. Well, that is the testimony of the Postmaster General.

Mr. BROWN of Ohio. That is not the testimony. The evidence does disclose that a post card costs a little over 2 cents apiece, but there is no subsidy paid on post cards. The service rendered the public costs more than the public pays for it.

Mr. O'HARA of Minnesota. I cannot yield any more time for that kind of argument.

Mr. BROWN of Ohio. I will take time on my own. I had not expected to speak on this bill, but there has been a lot of camouflage and a lot of technical statements, and I intend to speak on it under the 5-minute rule.

Mr. O'HARA of Minnesota. I was quoting verbatim from the Postmaster General's testimony, and it is here if the gentleman wants to look at it.

Mr. BROWN of Ohio. Does the Postmaster General say that there is a subsidy paid to anyone for the transportation of post cards?

Mr. O'HARA of Minnesota. I am only quoting what he said.

Mr. BROWN of Ohio. Will the gentleman quote what he said.

Mr. O'HARA of Minnesota. I have quoted exactly what he said.

Mr. RIVERS. The gentleman means verbatim.

Mr. O'HARA of Minnesota. Verbatim. I will be happy to have the gentleman from Ohio take a look at the book, if he doubts my word.

Mr. BROWN of Ohio. I do not doubt the gentleman's word.

Mr. O'HARA of Minnesota. Now, let us get down to the fundamentals involved in this bill. We have another approach to this bill which is certainly something that should be considered, and that is the changing of the system of fixing the rate which is completely different than has been in existence. I think it is admitted that that is true. The subsection, if any of you have the bill before you, is that which is referred to as subsection 2, on page 3, which changes the present existing set-up. If it was as simple as to merely pass legislation that provided for separation of the air-mail pay from the subsidy, that could be done and should be done and, of course, as it will actually work out, will make some considerable difference. But, in this bill you are setting up something, by the provision I refer to which, if the Hall bill is not adopted, I shall move to strike out, which is the language which sets up a completely different cost system. No one in the hearings before the House committee was able to cite any precedent for this change at all; no one that I noticed in the hearings or that I heard.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Massachusetts.

Mr. HESELTON. In the hearings before the House committee, on page 10, Secretary Sawyer said this:

> The problem of cost finding in the field of air transportation is no more difficult than in other fields of transportation in which such studies have been made for years.

Mr. O'HARA of Minnesota. That does not apply to the making of rates for either the rails or the marine establishment for carrying the mail at all. It is not the same provision at all that applies to them. I do not know what will happen in the courts if this language should be questioned as to whether it is fair and reasonable, but if we are going to legislate upon it a change in the method should certainly apply to all forms of mail carriers, and not just to the air. I am sure even some of the proponents of this legislation would agree that that is true. But whether we ever get around to legislate concerning any other carrier will be another and a different problem.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield to the gentleman from Kansas.

Mr. REES. To what language does the gentleman refer with respect to their method of figuring these rates? Page 3?

Mr. O'HARA of Minnesota. Page 3, subsection 2, lines 4 to 11.

Mr. HINSHAW. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, as you can readily see, this is a most complicated matter, one on which even the members of our own committee disagree most heartily. We have had great difficulty in resolving just what ought to be done.

I think the first thing we here ought to do is keep in our minds the fact that the air-transportation system of the United States is, in actuality, an auxiliary of the national defense. It was so designed. In World War II one-half of all the aircraft that were operated by the airlines were turned over to the armed services. An additional 168 aircraft that were on order in the factories were upon their completion likewise turned over to the Armed Forces.

Some of you may remember that I had the honor of being the vice chairman of the congressional Aviation Policy Board in the Eightieth Congress. That Board made a very comprehensive study and learned that the armed services needed

as auxiliary aircraft some 750 four-engine airplanes of the general type that are in service in commercial operation for future use. It is anticipated that in case the United States gets into an all-out war at least one-half of the commercial aircraft will again be taken by the armed services. Even then there is a lag of some three or four hundred airplanes which we do not now have.

The Civil Aeronautics Act was designed to further aviation. It was designed to create a system of air commerce as an auxiliary to the national defense in time of need. I might mention to you that some 77 aircraft were requisitioned from air carriers for the Tokyo airlift, along with four crews per aircraft and a sufficient number of mechanics. That was a marvelous undertaking. Some of those airplanes have not been returned. It is my understanding that in perhaps the very near future we may be called upon to send perhaps the entire four-engined fleet over there if we have to have a Dunkirk in Korea. Some of them may not be equipped for overseas flying.

But it is better to have them overseas without the equipment so that they may be able to get our men out of Korea than not to have them.

That is what it is all about. This situation simply means that we have to have as many aircraft in air commerce as we can, as an auxiliary to the national defense. How to pay them for their operations? We have hoped right along that passenger and freight and other cargo would pay for most of the cost of transportation by air and that mail would pay only a compensatory rate, a rate adequate for the service performed. The Civil Aeronautics Board came before us and testified that approximately 60 cents per ton-mile is now a compensatory rate. That rate, or very close to it, is paid to the four major airlines. The four major airlines are not being subsidized. I can name them to you. They are Eastern Air Lines, American Airlines, United Air Lines, and TWA. They are not receiving a subsidy today. They transport 30 percent of the mail. The balance, or 20 percent of the mail, is carried by all the other airlines.

The question of what is compensatory to an airline operating in the great Southwest, or the great Northeast, or any other part of the country with short hauls and stops, as many of them have, is a very difficult thing to determine. If you want them to perform the service for your town, wherever you may live, and if it is a town of adequate size and a center where much mail and some passengers can be collected, then you are going to have to pay them for that service, just as you have to pay the star-route man in accordance with the difficulty of his star route, its length, and weight of mail to be carried and so on.

That does not mean that you can take 60 cents per ton-mile and use that as a compensatory rate on what is referred to in the aviation business as the "milk run" service. It might be 80 cents or a dollar per ton-mile to carry the mail on a compensatory basis by such a carrier. That is where you run into complications. There is no complication with respect to the four major airlines which handle 80 percent of the mail. The complication comes in with the other 33 or approximately 33 which handle 20 percent of the mail to the rural areas, the farming sections of the great Southwest and Middle West, and the mountain States, both east and west. They are the ones receiving the subsidy. We want them to be in service. We realize that in order to have them serve our country both handling the mail and to be available in time of need we are going to have to subsidize them; but where you cut the line and say for this airline so much is subsidy and so much is not subsidy—that is the most difficult question that these people have to answer. It is easy to say any figure. Why, it would be easy to just set up a figure and say this is a compensatory rate, and this is subsidy. But you cannot do that. That is why these studies are going on.

I was surprised to hear the distinguished gentleman from Massachusetts read a telegram from the distinguished chairman of the committee of the other body saying that he would be glad to get the bill through in this session of the Congress. That committee is spending $200,000 making its study, and I know personally that that study is not completed. It would seem to me quite silly for that committee of the other body to take any action on the bill passed by this body when their own study has not been completed. I say that with all due respect to the great gentleman who is chairman of that committee, but his telegram does not sound reasonable to me. It does not make sense under the circumstances.

Now let us go into the international carriage of mail, and let me discuss that briefly for you, and the question of separation of subsidies.

As has been said, the Universal Postal Union has established a rate of $2.86 per ton-mile for the carriage of mail in the international service, with the exception of a small area in Europe where the rate is half of that amount. Our own carriers would be very glad to receive $2.86 per ton-mile in the international service. They do not get that much. They get approximately 50 cents per ton-mile less than that. Their average of all services is at the rate of $2.35 per ton-mile, 51 cents less than the International Postal Union.

It was pointed out by the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.] if we start now to try to figure what is compensation and what is subsidy, and set up a figure which actually is subsidy, then we start on a subsidy war with the European and other countries that operate these airlines, a rate war.

Let us realize one thing. All of the international carriers in the world, except those carriers which carry the United States flag, are Government owned or nearly so. They are not privately operated carriers. So our privately operated carriers therefore are in competition throughout the world with Government-owned carriers, who can hide any subsidy that they give to their carriers, through any kind of bookkeeping that they may want to set up.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. HINSHAW. Mr. Chairman, I yield myself 10 additional minutes.

We cannot hide it. We would be making a serious international mistake if we were to require a separation of actual compensation for carrying the mail, and any subsidy which might be being paid.

Now, the rate which I mentioned, $2.35, may sound high to you, but it must be remembered that in the international service, the air-mail carriers carry the load. They carry the load of a great many expenses that our domestic carriers do not have to pay. For example, it costs $150 just to land an airplane at the airport in Paris. Our carriers pay that sum of $150 just to land their planes. The French carrier also pays $150 to land an airplane, but in the case of Air France it goes out of one government pocket into the other, and it does not make a bit of difference. So that the French Government, if it chooses to do so, can raise the rate to $500 per landing, and it means nothing to them except the profit that they might get from foreign airlines. However, of course they would have to look out for any reprisals on the part of other governments.

In my humble judgment, after 12 years of studying this problem, I say it would be a great mistake for us to direct the separation of compensation from subsidy in the international carriage of mail.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. HARRIS. Will the gentleman advise the committee of his attitude on the proposed substitute which I will offer, known as the Leonard Hall bill.

Mr. HINSHAW. Yes. I will be happy to do so, because that substitute does not require the immediate separation of compensation from possible subsidy in the international carriage of mail, and therefore, to that extent, it is a far better bill than the one that is before the commitee, H. R. 9184. If I must have a bill—and I think there should be no bill, as I said before—but if we have to have a bill, I prefer H. R. 9305, because that is something which will not so tangle up the situation that we will never get it unraveled.

Now I want to speak about one more thing in this H. R. 9184. That bill is so drawn that it would require the CAB to order the payment of subsidy to any certificated carrier in the United States. There are many certificated carriers. There are 2,400 nonscheduled certificated carriers of small size and about 60 more of a fairly decent size.

This bill will open up a Pandora's box for the payment of subsidies to all those carriers which are not now being subsidized. If you want to do that, then just vote for this bill, H. R. 9184; but we in the committee do not think it should be done; I certainly do not, and I believe a majority of the committee goes along with that viewpoint.

Mr. FERNANDEZ. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. FERNANDEZ. I do not understand that the bill would require these subsidies to be paid, but that it permits their payment.

Mr. HINSHAW. Permits. Yes; permits. The gentleman certainly knows what that means. Any little outfit would make application, put up some ground for a particular amount. The Board could not say that it was illegal for them to pay out this money, so the company would bring pressure on Members of Congress to go down to the Board and see to it that the company got the subsidy. If that is what you want, then let us have it.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. HARRIS. Is it not a fact that under the provisions of the bill now before the committee the Board is permitted to pay a subsidy to any carrier certificated, without a hearing if they so desire?

Mr. HINSHAW. Yes; they may.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield, but please make the question brief.

Mr. JAVITS. Would the gentleman comment on the defense aspect of air transportation? Will the gentleman tell us whether or not he feels that the air transport industry would be better qualified for real effective defense work if it were treated solely on the basis of H. R. 9184 in the consideration of subsidies instead of being all mixed up in air-mail pay in this indirect way?

Mr. HINSHAW. No; I do not think so. We have certain carriers that are certificated to carry mail. There are 37 carriers domestically and quite a few more in Alaska. The total runs to about 60 that are certificated to carry the mail. The reason they are certificated to carry mail is because they operate on schedule and under particular rules. The Post Office Department, above all things, must have a schedule on which to operate, and these are scheduled carriers. All other carriers are nonscheduled carriers; they carry no mail. As far as national defense is concerned, we might subsidize the building of aircraft or purchase and lease them for a cheap price if you want to do that, but that has not come before the Congress as yet; it has not even come before our committee. There are a number of different methods to increase the number of aircraft in commercial service.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield.

Mr. KEATING. I appreciate the fact that the gentleman is against any of these bills.

Mr. HINSHAW. Right at the moment.

Mr. KEATING. At the moment. This may be an oversimplification, but is it a reasonably correct statement that the principal difference between this bill and its substitute is that the substitute leaves the method of computing the subsidy as it is now, whereas his bill sets up a new standard?

Mr. HINSHAW. Yes; that is largely true.

Mr. KEATING. And the gentleman feels that the old method is a preferable method to the one set up in this bill.

Mr. HINSHAW. I feel this, that it took 3 years to draw up the form for making out accounting reports on carriers in the first place. Now you propose to change that completely in a few months. You cannot possibly do it without utter and absolute confusion. It is going to take considerable study by the Civil Aeronautics Board—it may not run 3 years, but it might run a year—in order to figure out a cost accounting system which would apply to any subdivision of compensation and subsidy.

Mr. KEATING. Had they not been studying this problem for some time?

Mr. HINSHAW. No; as a matter of fact, the Appropriations Committee of the House has constantly cut the budget of the CAB until they are now about 2 years behind in merely handling the cases that are before them.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Texas.

Mr. LUCAS. I would like the gentleman's opinion as to the effect of each of these bills. Which bill will save the taxpayers of the United States the most money?

Mr. HINSHAW. I think H. R. 9305 will save the taxpayers the most money because there is no additional subsidy authorized in that bill, whereas Pandora's box is open in H. R. 9184. H. R. 9305 stops right where we are and merely says: Divide it between subsidy on the one hand and compensation on the other. It does not say that you will add a dime. There is no gain, no loss, except in the time consumed in trying to figure it out.

Mr. REES. Mr. Chairman, will the gentleman yield?

Mr. HINSHAW. I yield to the gentleman from Kansas.

Mr. REES. Does the gentleman realize the passage of this legislation will provide for every one of these airlines to carry the mail?

Mr. HINSHAW. H. R. 9184 provides that any airline can be subsidized.

Mr. REES. Provides.

Mr. HINSHAW. And be paid by the Post Office Department.

Mr. REES. If it is necessary for national defense. Is that not the fact?

Mr. HINSHAW. What has that got to do with separation of subsidies? That is new legislation in H. R. 9184. That is offering an entirely new subject which has not been considered by our committee.

I think it would be a mistake and a very grave mistake—I say that with every bit of sincerity I possess—if we should pass the bill H. R. 9184. It would be an error of the first magnitude. The other bill, H. R. 9305, which will be presented by the gentleman from Arkansas [Mr. HARRIS] is not an error. It is a little previous, as far as I am concerned, but it is not an error, and I hope that is what will be adopted.

Mr. BECKWORTH. Mr. Chairman, I yield myself the balance of the time on this side.

Mr. Chairman, a great deal has been said about the number of additional carriers that might be brought in under the terms of this legislation. That has been emphasized over and over again. There are some Members who doubtless have confidence in the Civil Aeronautics Board; there are others who do not have so much confidence in the Civil Aeronautics Board perchance. I know that there is a new chairman of that Board down there at this time. He tells me he wants to do a constructive job. I believe this is true of the Board.

It should be borne in mind by the members of the committee that mere possession of a certificate would not entitle a single carrier to any subsidy. As a matter of fact, there is a prohibition against it. On page 5 of the bill we have this language:

> The fact that an air carrier has been granted a certificate of public convenience and necessity authorizing it to offer certain services shall not be deemed conclusive of the issue as to whether such services are sufficiently required in the interest of the national defense, the commerce of the United States, or the postal service, to justify the amount of subsidy that would be required to keep such services in operation.

In other words, a carrier might be in existence today and if the CAB did not feel or did not come to the conclusion, after studying the facts, that in the interest of national defense, in the interest of commerce, that particular carrier should be kept in existence, the Board would not have to keep that carrier in existence by paying subsidies. That sort of language might eliminate some people who today have certificates and prevent them from being eligible for any kind of a subsidy.

Let me refer to one other thing. It has been emphasized over and over that a study has not been made of the kind of subsidies other carriers receive, such as the merchant marine and so forth. Secretary Sawyer made a statement before the committee on that point on February 15. This is what he said:

> At the present time the air carriers are the only form of transportation which receives substantial subsidies through the mechanism of mail pay. Mail payments to surface carriers and to steamship lines are not generally regarded as containing any large element of subsidy.
>
> Prior to 1936 the steamship lines were subsidized through the mechanism of mail payments, but this system as replaced by the direct operating and construction subsidies provided for by the Merchant Marine Act of 1936.

In other words, he points out that in this particular instance, since these carriers are the ones that receive what he describes "as substantial subsidies through the mechanism of mail pay." It is necessary to identify those subsidies, more so than it is with reference to the other carriers which he mentioned in this very paragraph.

Mr. Chairman, I now yield 5 minutes to my colleague, the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Chairman, I want to make it clear initially that I have no objection whatever to the payment of subsidies. It is not an innovation under

our system to pay subsidies to new forms of transportation. It was done for the railroads in the form of grants of public land. As has just been mentioned by the acting chairman of the committee, it is done for marine carriers and, of course, it is done for airlines. I am particularly willing to pay a subsidy to the airlines because of their value to national defense. The gentleman from California [Mr. HINSHAW] referred to the fact that the airlines are of great value to national defense. He mentioned the fact that he served as vice chairman of the Congressional Aviation Policy Board. I had the privilege of serving on that Board as a minority member, it having existed during the Eightieth Congress. When a time of emergency arises such as we faced on the 25th of June with the aggression against South Korea, you cannot overestimate the value of the civil air transportation system of the United States to our military forces. Of course, subsidy has been paid; it has been authorized for the purpose of promoting national defense, as one of its purposes, in addition to building a new transportation system. On the other hand, I cannot see how the passage of this bill as reported by the committee can in any wise affect national defense. The gentleman from California did not say that it would, but he mentioned the value of air transportation, civil air transportation, in the event of a war emergency, and that might leave a reasonable inference that this bill might in some wise affect that.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from California.

Mr. HINSHAW. The reason I said this bill would be bad for national defense is because right in the midst of an emergency it requires a complete change in the accounting system, which goes into great detail, of all the airlines, just at a time when all of their personnel are very badly needed in the interest of national defense.

Mr. KILDAY. I thank the gentleman. There is nothing wrong in the payment of a subsidy to this new form of transportation in order to establish and build up the new transportation system and have it available for national defense in the event of a limited emergency, such as the Korean situation, or an all-out war. Therefore I have been amazed to find that those who have heretofore received the subsidy and those who now receive the subsidy object to it being placed squarely before the public that they are receiving the subsidy. There is nothing to be ashamed of in receiving that subsidy.

When we were in session in the Congressional Aviation Policy Board this matter came up and the Board made a very unusual recommendation, and I believe that it is in accordance with what the gentleman from California stated his position to be, that he does not want anything, but if you are going to have any bill, let us have the substitute. Those who have heretofore consistently opposed the separation of subsidy from air-mail payments have opposed any bill, but at the last minute, when we are about to pass the committee bill, then we get letters from practically every recipient of the subsidy that they endorse the substitute and not the committee bill.

Frankly, I am a little bit afraid of the bill advocated by those who have consistently and invariably opposed the separation of subsidy, but when they find an effective bill coming before the House they advocate unanimously the passage of the substitute bill. It is a flanking attack when they cannot win a direct attack upon the bill.

These recipients of the subsidy, as I say, have consistently opposed the separation. Let us see what the Congressional Aviation Policy Board recommended. It carries out the thought of the gentleman from California as expressed on the floor:

> Until the air transport system reaches more nearly self-supporting operations, no action should be taken to separate the subsidy payment from the mail-service payment.

I opposed that in the Aviation Policy Board. The gentleman from California advocated it. What does it say in plain English? It says that until such time as we quit paying the subsidy let us not separate it. In other words, so long as we pay a subsidy for air-mail transportation, let us not separate it. That has been the consistent position of those who oppose the committee bill and those who so recently have endorsed the substitute. It has been constantly a question of delay. So long as we can continue to study, continue to learn, it is perfectly all right with those who receive this subsidy.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from California.

Mr. HINSHAW. I have stated that I favor the separation, and that I will support the bill H. R. 9305, but I think this is not the time to do it.

Mr. KILDAY. There has never been a proper time. A list was called of all those who endorse the principle of the separation of subsidy. But they say this is not the time. You are not going to find a time that will be suitable to those drawing the subsidy. It is a perfectly legal, moral, proper thing to do, to pay them a subsidy. It is in the very best interests of the United States, the development of its transportation, and the promotion of its national defense. There is no reason why the people of the United States should not know how much is going for the purpose of promoting our transportation system and promoting our national defense. We should take away the subterfuge of paying it as mail rates and creating an additional deficit in the Post Office Department.

Mr. BECKWORTH. Mr. Chairman, may I call the attention of the Committee to the fact that on page 18 of the report which accompanies this bill there is a very clear letter written to the gentleman from Minnesota [Mr. O'HARA] on August 31 which points out the objections the CAB has to the so-called Heselton bill. Any member of the committee sincerely eager to bring about what might be termed sound corrections, particularly if the Heselton bill stays before the House, will know in rather fine detail what in the opinion of the best experts we have, the officials of the CAB, would cause the Heselton bill to be acceptable. Insofar as that letter is concerned as applied to the Heselton bill, we would not be in the dark so far as knowing what those who have studied the situation most, the CAB, feel in regard to it.

Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, I agree with all that has been said here on the floor this afternoon about the necessity of these subsidies in the interest of national defense. I agree also with the very fine statement made by the gentleman from Kansas [Mr. REES], who formerly headed the House Committee on the Post Office and Civil Service.

You will recall he told of repeated investigations made by the committee which developed discrepancies in these airmail payments—discrepancies which were hard to explain, and discrepancies which the committee could not understand. I speak as a member of the House Subcommittee on Appropriations handling Post Office and Treasury funds. This problem concerns our committee, too, but do you know we are not permitted to go behind these payments in any way? We are not permitted to question their fairness, or the justice or the equities thereof. They are presented to us by the Post Office Department as certified bills by the CAB—must bills—and we can give them no consideration other than to put them in the appropriation bill.

I believe the Hoover Commission knew what it was doing when it recommended this separation. The Hoover Commission was primarily interested in good government at a lesser cost. I believe this separation through this bill will promote better government at lesser cost, and a new and honest system of bookkeeping, which will show among other things that some of the carriers are being overpaid and some of the carriers are being underpaid. Are we not here this afternoon doing a little shadowboxing on this very important issue?

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. BECKWORTH. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc.—

SECTION 1. This act may be cited as the "Air Mail Subsidy Separation Act of 1950."

Mr. HARRIS. Mr. Chairman, I offer an amendment in the nature of a substitute.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Strike out all after the enacting clause of H. R. 9184 and insert the following: "That subsection (b) of section 406 of the Civil Aeronautics Act of 1938, as amended, is amended by striking out all after 'pursuant to law;' and inserting in lieu thereof the following: 'and

the need of each such air carrier for compensation for the transportation of mail in foreign air transportation sufficient to insure the performance of such service, and, together with all other revenue of the air carrier, to enable such air carrier under honest, economical, and efficient management to maintain and continue the development of foreign air transportation to the extent and of the character and quality required for the commerce of the United States, the Postal Service, and the national defense.'

"SEC. 2. Subsection (e) of section 406 of the Civil Aeronautics Act of 1938, as amended, is amended to read as follows:

"'SUBSIDY FOR ESSENTIAL INTERSTATE AND OVERSEAS AIR TRANSPORTATION

"'(e) The Board is empowered and directed, upon its own initiative, or upon petition of any air carrier holding a certificate authorizing the carriage of mail in interstate or overseas air transportation, to authorize, after notice and hearing (in the same proceeding in which a rate is to be fixed under subsection (a) of this section for such carrier or in a separate proceeding, as the Board may deem appropriate), subsidy payments to such carrier in amounts determined by the Board to be necessary, when taken together with all the other revenues of the air carrier, to enable such air carrier under honest, economical, and efficient management to maintain and continue the development of interstate and overseas air transportation to the extent and of the character and quality required for the national defense and the commerce of the United States. Any such subsidy payment shall be made by the Board from funds appropriated to it.'

"SEC. 3. This act shall be effective July 1, 1951. Immediately upon the enactment of this act the Board shall act promptly with a view to revising, on July 1, 1951, or as soon as practicable thereafter, all mail rate orders which provide rates of mail compensation in interstate or overseas air transportation other than on a fair and reasonable basis. Compensation for the transportation of mail for periods before July 1, 1951, shall be fixed and determined pursuant to law in effect before such date. In the absence of a temporary or final order made under section 406 (a) and (b), as amended herein, the Postmaster General shall continue to make payments in accordance with the provisions of existing mail rate orders issued pursuant to the law in effect before July 1, 1951. Upon the issuance of a temporary or final order fixing compensation for periods on and after July 1, 1951, all necessary adjustments (including transfers of funds appropriated to the Post Office Department for the transportation of mail by aircraft) shall be made between the Board, the Postmaster General, and the air carrier, so that the provisions of this act are fully carried out, both as to the compensation due the carrier for the period on and after July 1, 1951, and the source of payment.

"(b) As an aid to the proceedings referred to in this section, the Board, immediately upon the enactment of this act, shall institute an investigation to ascertain the means and methods to be employed in administering the new method of compensation prescribed by section 406 of the Civil Aeronautics Act of 1938 as amended by this act. All air carriers authorized to carry mail in interstate or overseas air transportation under the Civil Aeronautics Act of 1938, as amended, shall be parties to such investigation.

"SEC. 4. As soon as practicable after the enactment of this act, the Board shall institute an investigation as to the feasibility and wisdom of providing for separate determination, appropriation, and payment of the amounts paid to air carriers as compensation for services rendered in transporting the mail in foreign air transportation and the amounts paid to them as subsidy for such transportation. All air carriers authorized to carry mail in foreign air transportation under the Civil Aeronautics Act of 1938, as amended, shall be parties to such investigation. The Board shall report to Congress on or before July 1, 1951, the results of such investigation.

"SEC. 5. For the purpose of carrying out its duties under this act, the Board is authorized (1) without regard to the civil-service laws or the Classification Act of 1923, as amended, to appoint and fix the compensation of such experts and consultants, and such clerical and stenographic personnel, as it deems necessary, and (2) without regard to section 3709 of the Revised Statutes, to enter into such contracts and arrangements with organizations of experts and consultants as it deems necessary. There are hereby authorized to be appropriated to the Civil Aeronautics Board such sums, not in excess of $150,000, as may be necessary to carry out the provisions of this act."

Mr. HARRIS (interrupting the reading of the amendment). Mr. Chairman, in view of the fact that the substitute bill has been discussed, I ask unanimous consent that the further reading of it be dispensed with and that it be printed at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Chairman, I agree with the statement of those who have said the discussion of this matter on the floor this afternoon has obviously been wholesome and very helpful indeed. I think the major points of difference have been fairly well discussed. Recognizing, of course, that there is a degree of technicality in connection with this problem and realizing how difficult it is to understand all the potential differences which might result in connection with these two proposals, I desire to point out briefly just what the main differences are which I believe would justify the committee in adopting the substitute. In the first place there has been much said about the application to international carriers. It has been said, and it is true that H. R. 9184 provides for subsidy separation for international transportation of air mail, exactly the same way that it covers domestic transportation of mail. The substitute, however, excludes from the subsidy separation compensation for transportation of mail internationally and provides for a study of that phase of the general problem and a report and some action by the first of July 1951.

The reason for that is that the bill H. R. 9184 will result in a subsidy war between governments which, in my opinion, will cost the United States millions of dollars.

Let me explain. The rates are set by the Universal Postal Union in convention. Our country is a party to that convention. Those rates are presently set at $2.86 per ton-mile. This has been established for a number of years. How does it apply? For instance, the Post Office Department pays that rate to Air France, for example, for carrying our mail to France. France pays TWA that same rate for carrying the mail from France to this country. Most of the foreign governments pay the same rate to their own carriers for carrying their own mail. It is considered to be a fair rate to be paid internationally and to their own carriers. But we do not pay our carriers the same rate, as the gentleman from California [Mr. HINSHAW] mentioned a moment ago. But if this bill, as reported by the committee, were to be adopted, it would be establishing the so-called fair cost and rigid standard method, where, obviously, as someone has said, the rates could very well be low to our own carriers, while at the same time we were paying the flag carriers a rate of $2.86 per ton-mile.

Now, what would be the result of that situation? It would mean that further subsidies would have to be paid. It would be likely that, in order to compete with the situation, foreign rates would be dropped and reduced, and further subsidies paid by foreign governments to their own carriers. Consequently, you get into a revolving subsidy war between governments, and it makes a very bad situation to have that.

In the first place, if a rate of $1.80 per ton-mile were fixed by the CAB under this bill, the Universal Postal Union would be sure to insist that the Universal Postal Union rate be reduced to something in the neighborhood of this figure. If this were done, it would cost the United States millions of dollars, because our carriers earn about $10,000 for the transportation of mail of other governments. Our Government pays about $2,000,000. Thus, if the Universal Postal Union rates were reduced, we would lose $2,000,000, to be offset by a gain of $700,000. The substitute provides that the CAB will make a study of this problem as it applies to the international groups, and come up with something definite in accordance with a policy that will meet the international situation that our international carriers must necessarily deal with. That is only right and fair.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. The other major difference is, someone has already said the committee bill would extend subsidy payments to all classes of air carriers. Not only to just a few but to hundreds and hundreds of them. I am glad that our acting chairman referred to the letter sent up under date of August 3, 1950, from CAB. CAB says in its very first objection that the committee bill should not have that provision in it. The substitute bill does not have it.

Another one, and a major one, is relative to the cost allocation provision and the new method of accounting. I would say to the gentleman from Texas [Mr. KILDAY], all of the airlines do come in and say they are for the substitute. The fact that this has come to a head has brought them together, but they do not want the committee bill, because it will

say, "You have got to apply a rigid cost standard in separating the categories of service." Consequently, the board itself says, in its objection No. 3, that it would be an impossible task, and should not be imposed upon them; that they cannot do it. The substitute does not disturb that situation but leaves it just like it is. In other words, the seven objections of the Civil Aeronautics Board as you will find in this letter are met with this substitute bill I have offered. I believe it will come nearer to meeting the situation and bring to us the principle that this Congress obviously wants, a separation of subsidy and mail pay, and I trust the substitute will be adopted.

Mr. HESELTON. Mr. Chairman, I rise in opposition to the substitute.

First, because some of you may not have been here earlier when I first read this telegram I want to read it to you again.

The substitute is H. R. 9305. It was introduced by my colleague and the gentleman from New York [Mr. LEONARD W. HALL] on August 2. There were no hearings on this bill. It may be said later that there were no hearings on H. R. 9184. But there were hearings on the original bill which was introduced by the gentleman from Massachusetts [Mr. KENNEDY]. That is the basic legislation upon which H. R. 9184 came before the committee; so there were extensive hearings on H. R. 9184, none on the substitute.

The telegram reads as follows:

> The Citizens Committee for the Hoover Report urges enactment at this session of H. R. 9184 to carry out the unanimous recommendation of the bipartisan Commission on Reorganization of the executive branch that subsidies be separated from mail compensation. Neither H. R. 9305 nor the various bills for further study would carry out the Hoover Commission's recommendation, but H. R. 9184, as reported, would do so. We urge prompt passage of H. R. 9184 without weakening amendments.
>
> ROBERT L. JOHNSON,
> *National Chairman, Citizens Committee for the Hoover Report.*

I should like to deal briefly with some phases of H. R. 9184 which have been referred to by my colleague the gentleman from Massachusetts [Mr. KENNEDY] in part, but certain points I think should be emphasized.

What does it do? In the first place, it omits the United States International Airlines on pages 1 and 2, lines 1 through 4, restores the word "need" as the test for making payment to airlines engaged in "foreign air transportation," a phrase defined by the Civil Aeronautics Act as meaning United States carriers operating between the United States and foreign countries. "Foreign air transportation" accounts for over $47,000,000 in the annual Post Office deficit.

Omitting our international airlines from the separation reform would mean throwing into the wastebasket one-half of this important Hoover Commission reform. It would also conflict with all recommendations on separation, which cover all carriers of air mail.

Such an exemption would also be discriminatory, in that it would leave some airlines receiving only compensatory mail pay without subsidy; whereas other airlines would be receiving mail pay under the old "need" system, which would include subsidy. By contrast, H. R. 2908 and H. R. 9184 separate the subsidies for all airlines carrying the mail.

Second. It limits subsidies to mail carriers, excluding from eligibility even to apply for subsidy 17 certificated airlines. It would mean that subsidies would still be associated with mail carriage. By contrast H. R. 9184 accomplishes a complete separation of subsidies from mail pay and makes all "certificated air carriers" eligible to apply.

The committee in its report has this to say:

> The Committee feels that with the complete separation of subsidy from air-mail pay made by the bill there is no logical basis for limiting the classes of air carriers eligible for subsidy to those holding mail certificates, particularly in view of the fact that subsidy determinations are to be made with respect to furthering not one national objective but three, that is, national defense, the commerce of the United States, as well as the postal service.

Third, the substitute omits the cost standard for post-office mail payments under which the Post Office Department shall not be required to pay the airlines more than the cost of service plus a fair return. This standard was strongly recommended by Secretary of Commerce Sawyer.

Fourth, the substitute omits cost allocation. Cost allocation is necessary to protect the Post Office, and it is the only way in which compensatory mail costs can be dependably separated from other costs. The cost-allocation system was outlined in the Hoover Commission task force report on regulatory commissions, and was specifically endorsed as being practicable by Secretary of Commerce Sawyer.

As has been pointed out, this substitute definitely postpones the effective date of separation by using the words "July 1, 1951, or as soon as practicable thereafter."

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Chairman, furthermore, the provisions relating to the transfer of funds permit the CAB to live off the Post Office budget indefinitely, without ever having to justify a separate appropriation for each subsidy, which the gentleman from New Jersey [Mr. CANFIELD] so eloquently described to you as being absolutely necessary, if we are going to have a sound system of government.

Lastly, it provides for an indiscriminate use of funds by the use of the words "this Act" on page 5, line 15, in contrast with the term "this section" used in H. R. 9184. Any funds authorized by the House Interstate Committee for appropriation could be used not only for implementing studies but also for regular administrative expenses in connection with any of the mail-pay cases. The Appropriations Committee could feel properly that this is an attempt to bypass the regular CAB budget.

Mr. Chairman, I urge that the substitute be voted down so that we may return to consideration of the original bill which does have the support, as has been indicated, of everyone except a few airlines. This is an airline substitute.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield to the gentleman from New York.

Mr. JAVITS. The report, I see, says that this standard of cost has not been applied by the Government in recompensing the various services, including mail. What does the gentleman say about that? They say that is new.

Mr. HESELTON. It is new but I think it is necessary.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Arkansas [Mr. HARRIS] which is in effect the bill introduced by the gentleman from New York [Mr. LEONARD W. HALL] on August 2 last. That bill will comply with the Hoover report just as effectively and far better, in my humble opinion, than will the bill of the committee.

Much has been made of the statement just read by the gentleman from Massachusetts [Mr. HESELTON] concerning the citizens' committee endorsing the bill, H. R. 9184. I do not think the citizens' committee is any more perfect than any other similar group. I would like to ask the Members of the House of Representatives whether they go along with all the recommendations of the Hoover Commission report? For example, does the House go along with the idea of consolidating all of the medical services into one great medical body—Army, Navy, Air Force, Public Health Service, and so on? No. I do not believe the House will go for that, and yet that is contained in the Hoover report. Not everything that they have reported seems to me to be right, although I go along with a very large and high proportion of it. The Citizens' Committee, as I believe it was explained by the gentleman from Massachusetts [Mr. KENNEDY] is headed by the former chairman of the CAB, Mr. Landis. Is that correct, may I ask the gentleman?

Mr. KENNEDY. I said he had worked on some of these sections in the report.

Mr. HINSHAW. Yes; that is what I thought. Mr. Landis is a very estimable gentleman and not all of us have agreed with him in the past. He found himself in a position where it was necessary to resign his position as Chairman of the CAB, and another was appointed in his place.

I reiterate to you that this bill offered by the gentleman from Arkansas [Mr. HARRIS], satisfies in a far better way the Hoover Commission report than does the committee bill. I tried to explain a moment ago why it was necessary to eliminate the foreign carriage of mail from the separation of subsidy without further study. The gentleman from Arkansas explained very well indeed why we should not order an immediate separation of subsidy, if there is any, in the

international carriage of mail. It is likely to cost an awful lot more money if we do that than it does at the present time. We carry most of the mail. Now let me tell you what happens to the money. The UPU rate for the international carriage of mail is $2.86 per ton-mile. When our carriers carry that mail out of France or England or some place else to the United States our Government is paid $2.86 per ton-mile by the foreign government. That amount of money paid to our Government is credited against the accounts of the airlines that carry the mail. At the same time we pay to our own carriers $2.35. Therefore there is a profit of 50 cents a ton-mile in that deal as it stands at present. But, if we go into this separation business and a rate war, then it is going to cost us some real money, and do not let anybody be fooled by that, because an international rate war on the carriage of mail can only hurt the United States, because we carry about 80 percent of the international mail. We are the ones that are going to get hurt. Let us not be fooled.

The gentleman from Arkansas is 100 percent correct in what he says. I realize that a lot of other people have studied this question and I do not presume that our committee knows all about it, but we ought to know more, and particularly some of us who have been engaged in that study for a long, long time. Therefore I suggest to you that this substitute offered by the gentleman from Arkansas is the proper bill at this time and I recommend it to you as a substitute for H. R. 9184.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. REES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I know the members of this committee are anxious to pass the best bill they can. I believe we are all in favor of legislation to separate subsidies. I have failed to find anything in this bill or in the hearings that would inspire a rate war that has been mentioned. If I thought the passage of this legislation would inspire an international rate war, of course I would not support it.

I want to go along with the distinguished gentleman from Texas, who called attention to the need for supporting civil aviation, especially in times like these. I know this House is anxious to do that very thing, but let us not do it through the Post Office Department.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the distinguished gentleman from Texas.

Mr. BECKWORTH. I think it is very fair to assume that if one of the international carriers today is getting, we will say, $25,000,000 a year, of course that comes from the Federal Treasury, as we all know, in the way of a subsidy or compensatory pay but if it is decided that that same carrier should have $5,000,000 worth of air-mail pay, then what would occur, as I understand it, would be that the Government would give a subsidy, and you would call it a subsidy, of the other $20,000,000. So it all comes from the same source.

Mr. REES. I wholeheartedly endorse the splendid and effective statement made by the gentleman from Texas [Mr. KILDAY]. We want to support civil aviation where needed in the war effort. If subsidies are required to do so then they should be paid.

The next point is this: There has been a great deal of discussion here to the effect that the method by which these rates are figured is extremely complicated. No one thus far, although maybe you will do it later on, has told us wherein the thing is complicated. If you look at subsection 2 on page 3, all it states is this:

> The rates determined and fixed under paragraph (1) of this subsection shall not exceed the necessary cost to the air carrier, under honest, economical, and efficient management, of the mail transportation services actually rendered or such services to be rendered (computed in accordance with the standards prescribed by the Civil Aeronautics Board pursuant to section 407 (d) (2)), plus a fair and reasonable return.

All I am asking is that if there is something complicated in that, something difficult to work out, I wish some Member familiar with this legislation who supports that view would tell us wherein it is complicated. I think a statement like this should be explained.

Mr. MASON. Mr. Chairman, will the gentleman yield?

Mr. REES. I yield to the gentleman from Illinois, who has given this matter a great deal of study.

Mr. MASON. The explanation is that they would have to put in a cost-ascertainment program such as the Post Office has now, by which the income and the cost of carrying passengers, of carrying mail, of carrying freight, and of doing these other things would have to be kept separate. That would involve considerable change in their bookkeeping.

Mr. REES. It would make some change in the bookkeeping, but there certainly is nothing wrong with that proposal. Why should we not do that which the gentleman suggested, instead of just throwing the money in there in one lump sum? That is the question I am raising. I think the gentleman is right, we would have to do that sort of thing, but what is wrong with it, if there is anything wrong with it?

Mr. MASON. The thing in my mind that is wrong with it is that after it is done they must be allowed a cost-plus on top of that. That is right in the paragraph the gentleman was reading.

Mr. REES. I regret that I do not read the term "cost-plus" in this paragraph. I do not find it here. I think the gentleman has that in mind, but he does not find it in that paragraph (2).

Mr. MASON. It states, "plus a fair and reasonable return."

Mr. REES. That is right, but I do not see anything complicated about that.

Mr. MASON. The complication would be, What is a fair and reasonable return?

Mr. REES. Of course, that is a problem that has to be worked out now by the CAA. It seems to me that the paragraph I have quoted does set some general standards that should be taken into consideration in arriving at the amount that should be paid the airlines for their services. If additional payments or subsidies are required, they ought to be separated so that the Congress will have a chance to look at them. That is what I have in mind.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike out the last word, and ask unanimous consent that I may proceed for five additional minutes, and to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Chairman, I have asked for this time rather reluctantly, because I regret very much there has been any controversy over this rather important measure, or, rather, measures, because we now have a substitute bill before us which would provide for the separation of the cost of furnishing mail transportation service by airlines, both foreign and domestic, and the subsidies which have been paid to these domestic and foreign airlines primarily for the purpose of providing an air-transport system for use in time of war. There seems to be no division of opinion in the House itself as to the wisdom and necessity of dividing the funds paid for air-mail transportation between the actual cost of transportation, or a fair remuneration for the service of transportation, which is being rendered by the airlines, and the subsidies paid for other reasons.

Certainly every subsidy should stand on its own feet. The Hoover Commission in making a study of this particular problem, and the task force of the Commission in making a study and report thereon, expressed no objection to the payment of subsidies for military purposes. The only thing the Hoover Commission has recommended is that we divide, if you please, these airline payments so that the Congress and the American public may know that which is actually paid for the transportation of mail by air and that which is paid to subsidize the transport system for use in time of war or other national emergency.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. BECKWORTH. Do you recommend as to the time when this should be done, to say put it off and off and off?

Mr. BROWN of Ohio. Certainly you should correct a bad situation as quickly as possible. Certainly there is no reason why this action should not be taken.

I want plainly to be very clear because I do not have the time available to discuss this matter in detail. But a vote for this substitute bill now before us will be a vote against about 50 percent or one-half of the Hoover Commission recommendation. It will mean that only 50 percent of the savings recommended by the Hoover Commission

can be made. It will exempt entirely the foreign airlines. There is no reason in the world I know of why foreign air transportation should be exempted and domestic air transportation not exempted.

I know there has been discussion on the floor of the House as to the International Postal Convention agreements, and all of that. But I do feel the situation can be met within the framework of the recommendations of the Hoover Commission and within the framework of the so-called Heselton bill. It seems to me the logical way to proceed here is to take this original bill, and if there is any question as to whether it will work unfairly as far as the International Postal Convention regulations or agreements are concerned, to adopt any perfecting amendment which the Committee on Interstate and Foreign Commerce may feel is necessary, but which will still carry out and put into effect the recommendations of the Hoover Commission.

I want to be very frank with my colleagues. I am not at all sure that this legislation before us can or will be passed upon by the Senate in this session of the Congress. Certainly I am hopeful that my colleagues here will not go on record as opposing at least half of the recommendations of the Hoover Commission in this instance, and destroy this particular attempt to clarify these laws and to bring about a better understanding, both in the Congress and throughout the Nation as to the cost of our Post Office Department, only to have no action taken on the bill at all, with the result that the Members of the House who vote for the substitute will be on record as opposing the Hoover Commission recommendations, and the reform which has been not only recommended to the Congress and the country by the Hoover Commission, but by the Secretary of Commerce, by the CAB, as I understand, by the Postmaster General, by the President, and almost everyone else in authority, and also by the Committee on Interstate and Foreign Commerce: I understand, by a vote of 17 to 2 in committee. I hope that in this great hysteria that has been sweeping us in the last week, that we will not lose our perspective and our balance entirely. I am suggesting to you that we vote down this particular substitute bill and take the time, if there is any need for amendment to the Heselton bill, as brought out by the Committee on Interstate and Foreign Commerce, to protect American rights under the international postal agreement to insert in the bill any amendments which will be in keeping with the recommendations of the Hoover Commission. I think it can be done. I think there is capacity within the great Committee on Interstate and Foreign Commerce, of which I had the pleasure and the honor of being a member for a great many years, to bring in the necessary amendments. I understand that this whole question of the international postal agreements and the effect of this bill might have on the overseas air industry of this country came up after the committee had held its hearings. If that is so, then it is only proper and right that the committee have an opportunity, in conference or in any other way it chooses, to work out any needed amendments. I think it can be done, and I think it should be done. Certainly, we do not want to oppose the Hoover Commission recommendations as such. We do want to have a complete and full picture as to what is being paid for the transportation of mail by air, and what is subsidy. Certainly we are entitled to know that. I think the Congress wants to do it just that way.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. BECKWORTH. The gentleman has made a fine contribution to the discussion, particularly the statement that some 50 percent of the recommendations of the Hoover Commission would be lost if the so-called substitute is agreed to.

I want to point out again also that we have a very analytical letter in regard to the so-called Heselton bill, pointing out some of the defects. I told the gentleman from Massachusetts [Mr. HESELTON] at the time we passed his bill that I would favor some amendments, one of which would be to restrict it to the carriers that already have mail contracts. We would be hopelessly in the dark considering a bill on which no hearings had been held, with a letter here pointing out the defects inherent in the bill.

Mr. BROWN of Ohio. I thank the gentleman. I am hoping that we will vote down this substitute, and that time will be granted to reexamine the bill and to be certain that we not only put into effect the purpose and intent of the Hoover Commission recommendations, but that we do protect the proper interests of American air lines in connection with our international agreements.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. BROWN] has expired.

Mr. BECKWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as I said a moment ago, the statement that has been made by the gentleman from Ohio [Mr. BROWN] who did much work as a member of the Hoover Commission, which took a great interest in this subject from the beginning, is a fine contribution to the debate. The big question that the House confronts right here is: Do we really mean to do the job or do we mean to call for additional delay?

In my opinion, the language in the bill is not so rigid as to prevent the Civil Aeronautics Board from having enough latitude in most respects to exercise its best judgment. I do not think that there is a doubt about that. The Civil Aeronautics Board, of course, objects to part of it. They pointed out very clearly—it is before you right now in the form of a letter which the gentleman from Minnesota [Mr. O'HARA] received, and I certainly do think that letter is a fine contribution to this over-all problem. However, the fact that the letter mentions some seven objections does not mean that the objections are of the type which cannot be overcome. For example, it has been emphasized over and over that the question of the foreign airline being in this bill is one of the most significant and that it probably should not be in the bill. However, on October 24, 1950, the Civil Aeronautics Board prepared a report and submitted that report to the House Interstate and Foreign Commerce Committee. Here is what was said:

> We believe that the separation of subsidy payment from air-mail pay should also extend to foreign transportation.

This is the CAB talking.

> While it is realized that some additional problems will be encountered with respect to foreign transportation, the difficult thing, and to both domestic and foreign transportation is the allocation of joint costs to the several services that the carriers render. If it is felt that the accomplishment of the separation in the domestic field should come without further delay, it is difficult to see why the same reasons should not substantially hold for the foreign field.

In other words, they make their position clear on that.

A lot has been said about the question of the cost standard. I do not know when it became such a bad thing either in Government or in business to make the greatest effort possible to arrive at cost. In the case of the Mississippi River Fuel Corp. against Federal Power Commission, the court dwelt on that very same problem which faces such agencies as the Federal Power Commission. Here is what the court said:

> The regulated sales in this case, being the sales to utility companies for resale, are easily identified. The problem is to ascertain the costs incurred prerequisite to such sales, and so to be borne by those customers. This is a question of fact. Expenses (using that term in its broad sense to include not only operating expenses but depreciation and taxes) are facts.

I think that is quite a reasonable statement. Expenses are facts; they are not to be manufactured; they are facts, and that is exactly what the Civil Aeronautics Board in its undertaking to arrive at what the cost with reference to carrying the mail would be is attempting to find out. The Board will want to make the greatest effort possible to establish costs. I feel very sure this is true.

I want to say again that the committee has spent a good many hours on this. This is a question that has been before us in a number of ways for a long time. The Appropriations Committee has evidenced probably more interest in this problem than any other committee in or out of Congress. This committee has indicated it wishes to do something about this. Why? Because they do not want to be paying out money that is not easily identified.

Several members of the Appropriations Committee have talked to me about this problem. Some more than once. I know many of you have seen editorial after editorial about this matter. I feel we, the Members of this body, should make the best effort possible to bring out in the very clearest manner possible how this Federal money is being expended, in my opinion. To do less than this will be falling short of doing well a most important job.

The CHAIRMAN. The question is on the substitute offered by the gentleman from Arkansas [Mr. HARRIS].

The question was taken; and on a division (demanded by Messrs. HARRIS and HINSHAW) there were—ayes 38, noes 87.

So the substitute was rejected.

The Clerk read as follows:

RATES FOR TRANSPORTATION OF MAIL AND SUBSIDY FOR ESSENTIAL AIRCRAFT OPERATION

SEC. 2. (a) Subsections (a), (b), and (c) of section 406 of the Civil Aeronautics Act of 1938, as amended, are hereby amended to read as follows:

"RATES FOR TRANSPORTATION OF MAIL AND SUBSIDY FOR ESSENTIAL AIRCRAFT OPERATION

"Authority to fix compensatory rates

"SEC. 406. (a) (1) The Civil Aeronautics Board is empowered and directed, upon its own initiative or upon petition of the Postmaster General or an air carrier, to determine and fix from time to time, after notice and hearing, fair and reasonable rates of compensation for the transportation of mail by aircraft, the facilities used and useful therefor, and the services connected therewith (including the transportation of mail by an air carrier by other means than aircraft whenever such transportation is incidental to the transportation of mail by aircraft or is made necessary by conditions of emergency arising from aircraft operation), by each holder of a certificate authorizing the transportation of mail by aircraft, and to make such rates effective from such date, after the institution of the proceeding under this subsection, as it shall determine to be proper; to prescribe the method or methods, by aircraft-mile, pound-mile, weight, space, or any combination thereof, or otherwise, for ascertaining such rates of compensation; and to fix different rates for different air carriers or classes of air carriers, or different classes of service, or on the basis of any other reasonable classification of carriers, services, routes and route segments, or any combination thereof. The rates so determined and fixed shall be published by the Board and shall be paid by the Postmaster General from appropriations for the transportation of mail by aircraft.

"(2) The rates determined and fixed under paragraph (1) of this subsection shall not exceed the necessary cost to the air carrier, under honest, economical, and efficient management, of the mail-transportation services actually rendered, or such services to be rendered (computed in accordance with the standards prescribed by the Civil Aeronautics Board pursuant to section 407 (d) (2)), plus a fair and reasonable return.

"(3) The Board is authorized to issue orders, with or without hearing, prescribing temporary rates for the transportation of mail pending determination of final rates. Such temporary rates shall not be considered final for any period and shall be superseded by the final rates fixed for the periods during which the temporary rates were in effect.

"Recommendations as to rates

"(b) (1) Any petition by an air carrier for the fixing of rates under subsection (a) of this section shall include a statement of the rates recommended by the petition as being fair and reasonable.

"(2) The Postmaster General shall introduce as a part of the record in all proceedings under subsection (a) of this section (A) a statement of the rates recommended by him as being fair and reasonable, and (B) a comprehensive statement of all service to be required of the air carrier and such other information in his possession as he deems, or as may be deemed by the Board, to be material to the inquiry.

"(3) The burden of proof in any proceeding under subsection (a) of this section which is initiated by petition shall be with the petitioner.

"SUBSIDY FOR ESSENTIAL AIRCRAFT OPERATION

"(c) (1) The Board is empowered upon its own initiative, or upon the petition of a certificated air carrier, to make, after notice and hearing, subsidy payments to such air carrier in amounts determined by the Board to be essential (when taken together with all the other actual and potential revenues of the air carrier) to enable the air carrier under honest, economical, and efficient management to maintain and continue the development of air commerce to the extent and of the character and quality required for the national defense, the commerce of the United States, or the postal service. The Board is empowered to make subsidy payments for individual air carriers or classes of air carriers, or on the basis of any other reasonable classification of carriers, services, routes and route segments, or any combination thereof, and to prescribe the method or methods of such payments and duration of period for which applicable. The Board may make such subsidy payments effective from such date, after the institution of the proceeding under this subsection, as it shall determine to be proper. Payments under this subsection shall be made by the Board out of sums appropriated to the Board for such purpose.

"(2) Every petition for the fixing of a subsidy shall state and support in detail the amount the petitioner believes that he is entitled to under the subsidy provisions of this section and the carrier shall have the burden of establishing the amount of subsidy payment, if any, which is required for its operations under the standard established by this act. The fact that an air carrier has been granted a certificate of public convenience and necessity authorizing it to offer certain services shall not be deemed conclusive of the issue as to whether such services are sufficiently required in the interest of the national defense, the commerce of the United States, or the postal service, to justify the amount of subsidy that would be required to keep such services in operation."

(b) The amendment made by subsection (a) of this section shall apply only with respect to (1) the transportation of mail, or (2) operations in air commerce, occurring on or after July 1, 1951.

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Page 3, line 8, strike out "rendered", and insert "rendered."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 4, line 9, strike out "Subsidy for essential aircraft operation" and insert "Subsidy for essential aircraft operation."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 5, line 20, insert:

"(3) The Board is authorized, with or without hearing but upon a showing by the air carrier or carriers concerned of essentiality and urgency, to make, with respect to the period beginning July 1, 1951, and ending March 31, 1952, or with respect to any part thereof, temporary subsidy payments pending the determination of final subsidy payments. Temporary subsidy payments so made shall not be considered final, and when final subsidy payments are determined, they shall cover any period with respect to which a temporary subsidy payment was made and shall supersede such temporary payment for such period."

The committee amendment was agreed to.

Mr. O'HARA of Minnesota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Minnesota: Page 3, strike out subparagraph (2), lines 4 to 11, inclusive.

Mr. O'HARA of Minnesota. Mr. Chairman, if some of you are interested in the views and criticisms of this bill which have been made by the CAB, you will find them in the minority report on this bill.

The provision proposed to be stricken would require the Board to fix mail compensation rates which would not in any case exceed the necessary cost of the service plus a fair and reasonable return. No one in the hearings before the House committee was able to cite any precedent for this rigid provision. It does not apply to the making of rates for the transportation of mail by rail or by steamship. The difficulty with imposing such a rigid standard results from the fact that 80 percent of air transport costs are joint costs which must be allocated on the basis of arbitrary formulas among the four classes of traffic. In addition, the transportation of mail carries with it extraordinary burdens upon the carrier which cannot be reflected in the carrier's cost-accounting system, as would be required by this provision. While it was asserted before the committee that the Interstate Commerce Commission bases railway mail compensation upon cost, it is clear that the Commission does not, but uses the various cost studies presented before it as guides. In the 1919 decision and in the 1928 decision, the Commission did not even make a finding as to the cost to the rail carriers of transporting the mail.

This provision is an unfair burden to impose upon carriers, because it limits them to compensation for only those costs which they can prove. In view of the high percentage of joint costs and the extreme difficulty, recognized by everyone, of allocating such costs satisfactorily, it is entirely likely that carriers would not be compensated for their full costs, nor would they be appropriately compensated for the special burdens imposed upon them for the transportation of mail. Room must be left for administrative judgment as indicated by the ICC in the 1928 decision, as follows, and I quote from this decision because I think this language will give you some indication of the amount of burden imposed in such cases:

In connection with the cost studies under any of the plans for dividing the train space, it should be borne in mind that in computations of this character, where the direct allocations are relatively small and the great bulk of expenses and investment are necessarily divided, subdivided, apportioned, and reapportioned, upon various theories and assumptions, the results cannot be accepted as an accurate ascertainment of the costs of service. At best, they are approximations, to be given such weight as seems proper in view of all the circumstances under which they have been obtained, and the theories

underlying the assumptions and the various steps in the computations (Railway Mail Pay, 144 ICC 675, 691 (1928)).

I do hope sincerely the membership will support this amendment to strike this provision from the bill, because it is one of the things which affects an industry. All they want is the same fair treatment and the same consideration which our other carriers of mail receive and not a different and distinct one which nobody knows the meaning of except that it is extremely rigid and extremely harmful. After all, these air lines are entitled only to what is a fair rate both for carrying passengers and carrying mail or for performing any other services for the public or for the Government. But they certainly should not be hamstrung by a distinctly different rule than is applied to other carriers of mail.

Mr. HESELTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, in my judgment this amendment would defeat the purpose of your committee and would leave us exactly where we are, or possibly even in a worse condition. Secretary Sawyer testified before the committee. I want to read three paragraphs from his testimony:

The general thinking in the Department of Commerce on the question of separating subsidies from payments for transporting air mail was set forth in my letter of August 9 to the chairman of your committee and was reiterated in the transportation report which I subsequently prepared for the President. In substance this position, which has met the general approval of the administration, is that a separation of subsidy payments to air carriers and payments for carrying air mail should be made at the earliest possible moment. I think that the carriers should receive a fair compensation for carrying the mail. This means a rate sufficient to cover the actual cost of carrying the mail plus a fair return on that part of the investment devoted to mail service. Any Government payments to the carriers in excess of this amount should be labeled for what they are—subsidies.

If the present system of payments, which includes large elements of subsidy, is to be revised, it is clear that a new standard must be developed for the air-mail payments which are to be made exclusive of the separate subsidy payments. I am inclined to think that the fully distributed cost standard represents the most satisfactory one.

Then again he says:

The problem of cost finding in the field of air transportation is no more difficult than in other fields of transportation in which cost studies have been made for years. Elaborate cost studies have been made by the Interstate Commerce Commission in connection with both rail and motor carriers; and I suggest that the techniques developed in these studies may well serve as useful guides to the Board in connection with a study of the cost of carrying air mail, air passenger traffic, air freight, and air express.

Then, Mr. Chairman, I turn to a quotation from the Hoover Commission report, and the Task Force on Regulatory Commissions. That was in February of 1949. It is as follows:

We therefore recommend that the act (Civil Aeronautics Act of 1938) be amended so that the subsidy will be administered by the following method for the future:

1. The mail rates should no longer include any need or subsidy element but should be based on the service rendered. They should reflect a fair allocation of costs between mail, passenger, and freight services. Doubtless the allocation will start as an approximation but should lead to better techniques of cost analysis.

Then on April 24, 1950, the CAB itself sent to the chairman of the committee a memorandum, and the following is a quotation from it:

The Board is anxious to see wholly adequate allocation of costs among the classes of traffic put into effect as soon as possible.

The bill H. R. 9184 by this section, section 2, defines compensatory mail rates as necessary cost plus a fair and reasonable return. The subsidy is everything over and above that. Anyone who can justify—I am talking about the airlines themselves—before our Appropriations Committee, additional payments, call them subsidies, grants-in-aid, or any other word, in terms of an adequate system of commerce, in terms of proper carriage of the mail, and perhaps, most important, in terms of national defense, will be given to them. But if we take this section out, we might just as well rise and throw the bill in the ash can.

The CHAIRMAN. The time of the gentleman from Massachusetts [Mr. HESELTON] has expired.

Mr. BECKWORTH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is a very important part of the bill. It is the part that relates very much to the question of the cost standard in arriving at what the mail rate should be. The CAB, rather emphatically, through some of its representatives, told us that unless that kind of standard is used is will be quite difficult to achieve a clear-cut separation between compensatory air-mail pay and subsidy. Certainly this is my understanding.

I repeat, Secretary Sawyer said earlier that a cost standard should be used. I read from his statement. It is the cost standard that a number of the officials of the CAB have indicated is very necessary if real separation is to be achieved.

I sincerely believe it would be a mistake to delete this from the bill. It is possible—and, as a matter of fact, I have an amendment that I have considered offering—it is possible that we may change it in such way that the provision as it appears in the bill would be less objectionable, if it is so desired, but I hope the committee will not delete this important provision from the bill.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. HALLECK. Is it the gentleman's intention to move that the Committee rise before this amendment is voted upon?

Mr. BECKWORTH. I meant to have the amendment voted on first.

Mr. HALLECK. I want to be heard, then, if that is the situation.

Mr. BECKWORTH. Mr. Chairman, it is my understanding the majority leader and the minority leader wish that the Committee do now rise.

I move, Mr. Chairman, that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and Mr. COOPER having assumed the chair as Speaker pro tempore, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9184) to provide for the separation of subsidy from air-mail pay, and for other purposes, had come to no resolution thereon.

EXTENSION OF RENT CONTROL

Mr. LYLE, from the Committee on Rules, reported the following resolution (H. Res. 876, Rept. No. 3150), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9763) to amend the Housing and Rent Act of 1947, as amended. That after general debate which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. McDONOUGH asked and was given permission to extend his remarks.

Mr. ROGERS of Florida asked and was given permission to extend his remarks and include an article written by Mr. John S. Knight, editor and publisher of the Miami Herald, entitled "An Appraisal of Our Position Today."

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in four separate instances.

Mr. KEATING asked and was given permission to extend his remarks and include extraneous matter.

Mr. McSWEENEY asked and was given permission to extend his own remarks.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two separate instances and in each to include extraneous matter.

Mr. HARRIS asked and was given permission to revise and extend the remarks he made in the Committee of the Whole today and to include a telegram.

Mr. BOYKIN asked and was given permission to extend his remarks and include two editorials.

Mr. DONOHUE asked and was given permission to extend his remarks and include therein an article.

SPECIAL ORDER

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to transfer the special order I have for today over until tomorrow after disposition of matters on the Speaker's desk and at the conclusion of any special orders heretofore entered.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

SPECIAL ORDER

The SPEAKER pro tempore. Under the previous order of the House, the gentleman from Maine [Mr. HALE] is recognized for 25 minutes.

A REPORT ON SPAIN

Mr. HALE. Mr. Speaker, this autumn I spent in Spain the period from October 26 to November 14. While there I had an opportunity to talk to a good many people from General Franco's Foreign Minister, Señor Atajo, and our own able Chargé d'Affaires, Mr. Paul Culbertson, down to various people who might reasonably be denominated common men. I should like to record some of my impressions of this visit while they are still fresh.

On Friday, October 27, I had my interview with the Foreign Minister, which was at his request. What was principally on the Minister's mind seemed to be not so much whether Spain was going to get any money under the ECA program, as whether the Special Committee of the UN at Lake Success would report in favor of the rescission of the resolutions of 1946 under which member nations were to recall their Ambassadors and Ministers Plenipotentiary from Madrid and the Franco government was debarred from membership in ambassadorial agencies established by the UN. I was in Spain throughout the period of the discussions in the special committee at Lake Success and I found the keenest interest manifested among Spaniards everywhere about the outcome of this debate. When the final outcome both in the special committee and in the Assembly of the UN proved favorable to Spain it was evident that there was widespread satisfaction throughout the country.

Whatever the defects of the present Spanish Government, and I should certainly not wish to minimize them, in my opinion nothing can possibly be gained by humiliating the Spanish people or by subjecting either them or their Government to moral isolation. The Spanish people have many noble qualities. Their history abundantly shows that they have been capable of extraordinary achievements. In the fifteenth century they reconquered their own country from the Moors and drove the Moors back into Africa. This in itself was one of the most remarkable achievements in history. Christopher Columbus may not have been born a Spaniard but his voyages were Spanish enterprises. In the sixteenth century Spain with only a comparative handful of men conquered a good part of the Western Hemisphere. In some parts of the American Continent their conquests were from American aborigines, who had achieved a high degree of civilization. Witness the Aztecs, the Mayas, and the Incas. Spain retained all her American conquests for about three centuries. Spaniards can still, in my opinion, render a significant contribution to European civilization, particularly in connection with the struggle against international communism about which most people in Spain feel very deeply.

I am not at all unmindful of all that has been said and of all that can still be said against General Franco and against his regime. The Government of Spain is a dictatorial government with many of the faults of a dictatorial government. However, in an international competition for the most brutal dictatorship, General Franco would not, in my opinion, get better than tenth place.

There is no such repression and cruelty in Spain as are found in Russia and all the satellite countries. While the Spanish press is rigorously controlled and its references to Franco are mawkishly laudatory, the people of Spain talk freely in private. The Spaniard is very friendly with Americans and discusses Spanish affairs without apprehension. This is in great contrast to the Russian, who dares not even to be seen talking to a foreigner. Many people with whom I talked in Spain voiced their aversion to the Franco regime. In fact outside government circles I encountered no one who seemed deeply enamoured personally of El Caudillo, or the leader, to use the common Spanish term for Franco.

Nor did I encounter anyone in Spain who expressed the opinion that on an election by secret ballot with full adult suffrage, Franco or his party would be returned to power. Presumably General Franco does not think this himself or else for the sake of a clear popular mandate he would probably take the political risks involved. However, I encountered no trained or careful student of the Spanish scene who would undertake to say that the overthrow of the Franco government whether by violence, by death, or otherwise, would result in better government for Spain or greater happiness for the Spanish people. If the Franco government were to fall, there seem to be three things that might happen. The army might seize power and a new man on horseback might succeed Franco. Or else the Communist might be agile enough to seize the government even though they constitute an insignificant minority of the Spanish population. The third possibility, and by no means a remote one, is a new outbreak of civil war. Nearly everyone in Spain is afraid of this.

The recent civil war is credited with causing the death of around a million Spaniards, or about 4 percent of the total population. This would be equivalent to the death of 6,000,000 Americans. I believe I am correct in saying that no nation in either of the two world wars sustained comparable losses. In addition to the loss of life, such a civil war leaves, of course, a legacy of bitterness that it will take generations to down. We in this country have some idea of the consequences of fratricidal war.

While the Spanish republican movement enlisted in its ranks intellectuals and true liberals like Ortega and Ayala, it was early exploited by the Communists who very skillfully camouflaged themselves as democrats. Many people believe indeed that the Spanish revolutionary movement was exclusively a Moscow product. I am in no position to say precisely what the ultimate truth may be on the point. I think it is a fact, however, that the success of the Nationalists and Franco's elevation to power prevented a Communist government and regime in Spain. But for Franco's victory Spain would today in all likelihood be in the ranks of the Soviet satellite powers. The Spanish people would certainly be worse off than they are now and the country would be completely impermeable to American friendship instead of being, as at present, very well disposed to the United States. In fact, Franco and Chiang Kai-shek were probably the first two leaders in the world to grasp the significance of international communism. For being in this respect clear-headed they received the universal obloquy of fuzzy-minded people everywhere.

While I am undertaking no defense of the Franco administration, it seems fair to point out that many faults charged to Franco long antedate his regime. If his regime were to come to an end, these conditions would probably not be corrected. Take, for example, the question of religious toleration. Spokesman of the Franco regime claim for it the virtue of religious toleration. How just their claim is I do not know. I confess that as a Protestant I should not like to have to live and worship in Spain. But bear in mind that for 7 centuries the Mohammedan Moors were living in Spain, and for 7 centuries Moor and Christian were struggling for the mastery of the peninsula. After the expulsion of the Moors there was the cruel Spanish Inquisition which was not suppressed until 1812. In the thirties of the last century, an English consul at Málaga made something of a name for himself by building a cemetery in which Protestants could be buried. Prior to that time their bodies were tossed on the beaches to be eaten by birds or washed out to sea. So, religious intolerance, if it does exist, in Spain is nothing new.

If Spain has no long tradition of religious tolerance, neither has it much tradition of democratic institutions. The Spanish kings had things pretty much their own way. Some of them were more humane than others, and some like Philip II were notably religious men. But Peter the Cruel rivaled Ivan the Terrible. After the end of the Spanish monarchy there came Primo de Rivera who was a dictator in his day. While in the later years of the monarchy there was an elected Cortes or Parliament, the Spaniards never showed much talent for democracy. Indeed Latin countries generally lean toward dictatorships. If France has learned the lesson of civil rights and political freedom, it still has a hard time to achieve political restraint as known in this country. The wine of political freedom is still pretty heady north of the Pyrenees.

As it happens I carried in Spain a 1901 edition of Baedeker's Guide to Spain

and Portugal which contains a warning to foreigners:

The stranger—

Baedeker says—

should avoid turning the conversation on serious matters and should above all refrain from expressing an opinion on religious or political questions.

I have since learned that this sentence appeared in the edition for 1889. This shows clearly that Spain's political and religious infirmities are not the product of the Franco regime. They are not even of recent origin.

Probably no man ever understood Spain or the Spanish mind better than the great Spanish artist Francisco Goya—1746–1828. In the Prado Gallery in Madrid there hangs a canvas of his entitled "The Panic or the Giant" in which frightened and struggling pygmies of men are shown beneath the dark and gigantic figure of a man in the background. I can only guess what was in Goya's mind when he filled this canvas but he seems to have been showing very graphically the difficulties of the Spaniard even in that epoch with popular government.

Notwithstanding what may be considered defects in the Spanish heritage, I believe it to be a fact that Spain hates communism more than most European countries. The Communists in the recent civil war committed nameless atrocities. And the Spaniard knows that if the Russians occupied Spain there would be looting and assassination without stint or limit. I feel positive that the Spaniards would resist Russian invasion. Whether they would go beyond the Pyrenees to fight Russia may be another question, but if the democracies could hold even Spain and Portugal in a general European debacle it would mean a good deal.

Franco is often blamed for making unsavory friends in the Spanish Civil War, but then we did not hesitate to ally ourselves with the Kremlin in order to defeat Hitler. In fact we went a long way out of our way to court Soviet friendship. The rule in cases of this kind was laid down by Winston Churchill when he said, "If Hitler invaded Hell, I would make at least a favorable reference to the Devil in the House of Commons."

Spain like Yugoslavia had a severe drought this summer. From this the country suffers acutely. Most of the Spanish electric generating facilities are hydro-electric. The consequence is that the country is severely short of electric power at the present time. Cities and towns are without power in the daylight hours and one must often read by candlelight in the evenings. I really do not understand how Spain manages its food refrigeration problem, because it has no natural ice industry. Of course rural electrification under these circumstances is out of the question.

Without professing to be an agricultural expert I will venture to say that Spain badly needs a great deal of work in soil conservation, reforestation, and irrigation. The educational standards of the country are far from satisfactory. There is still a great deal of illiteracy. It is to the credit of the Franco government that they have proceeded with the really magnificent construction project of Madrid University, largely destroyed in the civil war. This evidences a concern for public education, but I dare say that the greatest educational need of Spain is on the level of the little red school house, not of the university.

All these Spanish problems are, needless to say, the responsibility of the Spanish Government, whether it happens to be the Franco administration or some other administration. The United States cannot solve them and of course should not be expected to solve them. On the other hand if we do extend credits to Spain under the ECA, the credits could certainly be put to constructive use in what might well be self-liquidating projects. In my interview with the Foreign Minister I was careful to tell him that in my opinion the Truman Administration would not carry out the mandate of the Congress with respect to the credit. I am very pleased indeed that events have shown that in this opinion I was entirely mistaken.

What urgently needs to be done at the present time, however, is not to loan money to Spain but to do our utmost to repair the feeble and foolish gesture of the United Nations by ending the diplomatic blockade instituted against Spain in 1946, originally at the behest of the Soviet Union. The Soviet Union has been the principal enemy of Spain and the prime instigator of the policy of isolating it. Trotsky, the protagonist of world revolution, boasted 25 years ago that Spain would be the first western European nation to go Communist and France the next. The Soviet Union has always abetted bitter warfare against the Catholic Church, the destruction of churches and the execution of priests. In this country we have unwittingly swallowed a great deal of Soviet propaganda against Spain. Fortunately the United Nations has now reversed itself and there is no further obstacle to full diplomatic relations with Spain.

When I was in Spain I learned of President Truman's statement at a press conference that he had not given consideration to the question of an Ambassador to Spain and that he was going to take a good long time to think about it. This attitude on the part of the President is most unfortunate and has created a most regrettable impression in Spain. At the earliest possible moment we should send to Spain an Ambassador of the highest qualifications and not a "lame duck" or a Democratic politician in need of a job. The President could certainly do far worse than to promote to Ambassadorial rank our present able Chargé d'Affairs in Madrid who knows Spain thoroughly and is capable of treating it both sympathetically and critically. However, I am not trying to sponsor any particular appointment but simply emphasizing the great importance of full and immediate resumption of diplomatic relations. Spain should be brought back where she belongs into the orbit of western European culture. Twenty-eight million Spaniards should be made to feel that they have their share in the life of Western Europe and the future of Western Europe.

Just now much is being said and written about the importance of Spain as a possible ally in our struggle against communism. It is perfectly true that Spain's geographical position is most significant and Spanish ports and airports would be invaluable in event of a Russian invasion of Europe. From what little I saw of Europe in the few weeks that I was there I cannot say that the prospects of a united front against Russia seemed to me any too good. So if we wish to take a cold and calculating attitude about Spain we shall certainly find every cause for friendship with the country. From the standpoint of our own self-interest nothing can be stupider than our treatment of Spain. It is a part of the awful perversity which seems always to prompt us to caress our enemies and repel our friends. But quite apart from considerations of self-interest and mutual defense in the struggle against communism, Spain has a spiritual and cultural potentiality of which we cannot afford to lose sight. Evidence of friendship for the Spanish people would not in my opinion aggravate the defects of the Franco regime. On the contrary, it might tend to make Franco less defiant of American public opinion and even possibly more liberal in his administration of the Spanish Government. I do not like to be cynical, but I gravely fear that friendly Spain will continue to receive our rebuffs while we seek to placate Red China.

Mr. Speaker, in a recent edition of the New York Times there appeared a letter to the editor by Philip Marshall Brown, entitled "Restoring Spain's Status." It is an excellent letter. I ask unanimous consent to include it with my remarks.

The SPEAKER pro tempore (Mr. COOPER). Is there objection to the request of the gentleman from Maine?

There was no objection.

(The letter is as follows:)

RESTORING SPAIN'S STATUS—EXCLUSION FROM AID AND FROM UN SAID TO SERVE SOVIET DESIGNS

To the EDITOR OF THE NEW YORK TIMES:

The feeble gesture of the United Nations in ending its futile diplomatic blockade of Spain, made originally at the behest of the Soviet Union, is a belated acknowledgment of an unjust affront to the dignity of a great people. They are entitled, however, to a more ample and honorable reparation. Never has any nation been subjected to such misrepresentation and abuse.

Now that prejudices and passions are abating somewhat in the face of the Communist menace it is becoming possible to evaluate this deplorable situation more clearly. I firmly believe that a dispassionate survey will clearly establish the basic facts.

The principal enemy of Spain and the prime instigator of the policy of isolating the people of Spain has been the Soviet Union. As Trotsky, the protagonist of world revolution, boasted 25 years ago, the Soviet Union confidently expected that Spain would be the first Western European nation to go Communist, and that France would be next. To accomplish its purpose it employed in Spain

for the first time the thinly disguised subterfuge of the popular front, which eventually resulted in the control of the republican government by the Communists.

It organized the camouflaged Abraham Lincoln Brigade, having its headquarters in Washington in order to lure many American liberals to sacrifice their lives in the Spanish Civil War.

It abetted the bitter warfare against the Catholic church, resulting in the destruction of many churches and the execution of many priests. Because of the intervention of Hitler and Mussolini to thwart Communist designs in Spain the Soviet Union raised, and continues to raise, the false issue of fascism as the greatest enemy of democracy, though willing to enter an alliance with Hitler to fight England and France.

By skillful propaganda the Soviet Union was able to wreak its wrathful vengeance on Spain for the fiasco of its intervention on using the United Nations to punish the entire Spanish Nation. The exclusion of the people of Spain from participation in the Marshall plan and from aiding in the reconstruction and defense of Western Europe could only serve the sinister designs of the Soviet Union.

The United Nations was led to adopt the unjust principle of intervention in the internal politics of independent nations. It became a forum for fomenting discord rather than for mutual understanding and respect.

The mad attempt to dictate to the Spanish people the kind of government they should have could result only in what is termed in their language "contraproducente"—that is, it would constrain these proud, self-respecting people, irrespective of their private convictions, to rally to the support of the Franco dictatorship. They can hardly be expected to consider the action of the United Nations in lifting its diplomatic blockade as much more than a clumsy apology.

In the light of the strangely ignored facts of this situation the United Nations, now that it is resisting the designs of the Soviet Union, would seem called on to make complete amends to the people of Spain and recognize their rightful place in the great family of independent nations.

PHILIP MARSHALL BROWN.

WILLIAMSTOWN, MASS.,
November 6, 1950.

SPECIAL ORDER

The SPEAKER pro tempore. Under previous order of the House the gentleman from Georgia [Mr. DAVIS] is recognized for 20 minutes.

(Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks and include certain newspaper articles.)

Mr. DAVIS of Georgia. Mr. Speaker, outstanding among the men who are in positions of leadership in America today is Erle Cocke, Jr., newly elected national commander of the American Legion.

He was a gallant soldier in World War II.

He had the unusual experience of being lined up for execution and shot down by a Nazi firing squad and being left for dead.

His last act before the Germans riddled him with lead was to knock down one of his executioners.

He spent 14 months in 27 different hospitals, undergoing 17 operations. He lost 90 pounds as a prisoner of war.

He has exhibited intense love of country in many ways. In 1945, while he was still hospitalized, he went on the road in a stretcher conducting a war-bond drive. This drive was so successful and so many bonds were sold through his efforts that the Treasury Department awarded him a Distinguished Service Certificate.

He had already been awarded the Silver Star, the Purple Heart with three clusters, Bronze Star with clusters, and French Croix de Guerre. Major General McAuliffe recommended the Distinguished Service Cross for him on the field of battle.

In recognition of his distinguished service to the country in war and in peace, he was elected this year, by unanimous ballot, to the highest position which the veterans of our country can bestow upon a buddy, national commander of the American Legion.

This is a position which also calls for bravery, courage, determination, tenacity, and good judgment. It is not a position to be filled by a namby-pamby or a politician, but is a position which calls for courageous leadership. Erle Cocke possesses all these necessary qualifications. He is demonstrating now, as he has demonstrated in the past, that he does possess them.

On yesterday, December 5, 1950, he spoke at a luncheon to the Public Relations Society of America, in New York City.

It is a timely speech.

It presents stark truth without embellishment.

It is a speech which the President, the Congress, and the people will do well to heed.

He is correct when he says that we need a reconstituted Department of State. It is an impossibility to whitewash our Department of State with its fumbling and bungling. I have urged since last January that the Secretary of State be replaced. We need desperately in that position at this tragic moment a leader behind whom all the American people, civilian and military, can wholeheartedly and enthusiastically rally.

Commander Cocke is correct when he urges the adoption of universal military training.

He knows that he probably is alive today only because of the basic military training which he received before going into combat on the battlefield, and that this training probably spelled the difference between life and death in his case.

He is correct in urging that we immediately go on a full war mobilization basis, that we use the A-bomb only for primary targets, that we speed up with urgent haste our civil defense, and that we brand Soviet Russia as world aggressor No. 1.

I have urged the adoption of universal military training for many years, even back in the days when its advocates were smeared with such terms as "warmonger," "un-Christian," and similar smear terms. The American Legion as a body has for years urged the adoption of universal military training legislation.

The American Legion at its convention in Los Angeles urged a reorganization of the State Department.

What calamity must befall us before this needed action will be taken?

As a part of my remarks I insert herewith Commander Cocke's speech delivered yesterday in New York City:

PUBLIC RELATIONS FOR FREEDOM

My fellow Americans, my purpose in accepting your most gracious invitation to speak at your luncheon here today is twofold and urgent. I am going to use your pulpit here as a sounding board to speak for America. For that reason, because time has assumed a dreadful preciousness for all good Americans, I am skipping the customary amenities and build-ups to speak straight from the shoulder.

First I want to shock you because you have creative minds, for the biggest job you have ever tackled, public relations for freedom.

I want to do both of these things for America, the land we all love.

As a combat veteran who has shed his own blood for this Nation I am going to speak frankly with brutal realism and use GI language. I know what it means to be captured by the enemy, to be shot, and to fight for my life. The plight of our fighting men in Korea is never out of my mind.

I say to you with all the emphasis at my command that our country is in a hell of a mess today.

We have reached today a complete bankruptcy of American statesmanship and American leadership.

Even as I am speaking to you now, there are unfolding two of the starkest, darkest, and most tragic dramas in all American history. We have not lost the cold war with communism. We are losing the shooting war.

In Korea we are facing a Dunkerque.

In Washington another Munich is in the making.

In the name of our gallant war dead in Korea, in the name of my own buddies who fell in World War II, and in the name of the thousands who gave their lives in World War I, I ask you: "How come we are in such a mess? Why is this possible?"

Defeat and appeasement are pushing us toward a national catastrophe.

Many of our people all over this Nation are asking urgently what they can do to arrest this headlong rush to disaster. They are trying hard to come up with constructive suggestions which range from immediate use of the A-bomb in Korea to putting ex-Japanese soldiers into the battle.

My fellow Americans, I say to you that the time for constructive suggestions has passed. We are too deeply enmeshed. If we are to save America today, we must start with an uproar of condemnation.

We need surgery at once before we can start any cure.

Our first job—our immediate job—is to destroy the type of fallacious thinking that has permeated our Government at the policy-making level in our foreign affairs and which has led us into our present perilous predicament.

To spell it out, we need a reconstituted Department of State. We must have a new Department of State from which has been amputated the appalling ineptness to cope with the world Communist menace. Whether that ineptness springs from failure to understand the real nature of communism or from actual sympathy with Kremlin-inspired economic and political doctrines make absolutely no difference. Both are equally dangerous to our survival as a free nation.

The monumental stupidity—to put it as kindly as I can—of our State Department is solely responsible for the appalling success of expanding world communism under Soviet Russia's direction. We cannot lead from strength as long as our foreign relations are in hands that are weak and in which we have lost all confidence. We are up against the starkest realists in the world

in Joe Stalin and his Politburo gang. We can only fight them with equally practical realism and not with our heads in the clouds of impractical idealism.

Let us draw a realistic picture of our military and diplomatic situation today.

Our troops in Korea are being overrun. They are fighting in below-zero weather against Chinese Communists in an undeclared war. Our casualties will shock our people. The whole Korean front has fallen apart. Our Army is in retreat and where that retreat will stop no one at present can say. We might as well condition ourselves to eventual evacuation from Korea—if we can and if we have anything left to evacuate.

In this fateful moment of American history we turn in vain to our chief allies, Britain and France. They do not offer any troops to stay the Red tide. They do not even offer the stout words of brave men and nations. Their Prime Ministers rush into a huddle to work out a deal with Red China that will cost them nothing and might for a little longer extend their respective leases on Hong Kong and on Indochina. It involves American agreement to abandon both Korea and Formosa and to admit the celestial Communists to the United Nations and to a seat on the Security Council. In return we would get Soviet Russia's promise of peace, good only until the Kremlin decides on the next move of aggression. While all this British-French conniving is going on, their press ferociously attacks our General MacArthur.

British Prime Minister Clement Attlee flies to Washington. He rides Neville Chamberlain's old umbrella. At this very moment he is opening conversation in our Capital City to persuade the United States into a disastrous appeasement.

Attlee and Prime Minister Rene Pleven of France appear to have forgotten the humiliating lesson of the Munich appeasement. In that infamous deal, England and France sold millions of Czechoslovakians into Nazi slavery for what Chamberlain proudly proclaimed as "Peace in our time." It turned out to be an uneasy peace that didn't last even until the year ran out.

America, too, has had a bitter experience with appeasement. From Yalta until June 25, 1950, it has been just one humiliation after another for this country as our State Department feverishly worked at appeasing Soviet Russia at every turn.

The chief spokesman for our State Department on November 29 waved the appeasement wand again when he emphasized that America was always ready to negotiate. This brought Attlee aflying.

Since VJ-day Soviet Russia has piled up an infamous record of breaking 69 solemn treaties and pacts. She has cast 43 vetoes in the United Nations Councils. Her record of perfidy is 100 percent in keeping with the Communist axiom first laid down by Lenin that any means justifies the end of promoting communism. By her basic philosophy, her public pronouncements, and her shameful record, Soviet Russia has removed all basis of honor, integrity, and trust on which men of good will could find any area of understanding and agreement with her in which any confidence could be placed. Only stupid fools would accept Russian promises and pledges. They are absolutely worthless.

The American people will not stand for any further appeasement.

The proposal to abandon Korea and Formosa and to admit Red China into the United Nations is monstrous. The price of any questionable peace so obtained would be slavery for new millions now and the tearing down of bastions of freedom which can help to shield America itself from future onslaught. Appeasement means surrender. Surrender only leads to further surrender. Every surrender means the further weakening of the shrinking forces of freedom and the further strengthening of warlike communism.

The conference which Mr. Attlee is opening in Washington today with our top State Department officials can turn out to be the worst kind of diplomatic trap for our people to confirm the present Communist aggression and pave the way for more.

Once we abandon Korea and Formosa we are making sure that all of Asia will be lost to communism. This will complete the first stage of the timetable for world conquest as first laid down by Lenin himself. In 1923 Lenin laid down the basis for Soviet Russia's domination of the whole world. He said:

"In the last analysis, the outcome of the struggle (between capitalism and socialism) will be determined by the fact that Russia, China, and India constitute the overwhelming majority of the population of the globe. And it is precisely this majority of the population that during the past few years has been drawn into the struggle for its emancipation with extraordinary rapidity, so that in this respect there cannot be the slightest shadow of doubt what the final outcome of the world struggle will be. In this sense the final victory of socialism is fully and absolutely assured."

That fellow Lenin was quite a hand at peering into the future. Thus far he is doing better than Hitler did in his Mein Kampf.

Several years later Lenin made another prophecy, and we had better take it seriously. You can find it on page 172 of volume 10 of the Selected Works of Lenin.

"First we will take eastern Europe, the masses of Asia. Then we will encircle the United States, which will be the last bastion of capitalism. We will not have to attack it. It will fall like an overripe fruit into our hands. Let us prove to the bourgeoisie there is not, nor can there be, a sphere or field of work that cannot be won by the Communists."

Those are the words of Lenin. They are the handwriting on the wall that anybody but our State Department can read.

"First we will take eastern Europe." This is an accomplished fact.

Then the masses of Asia. China has become Red China. Now Korea is falling. Tibet is being invaded. Indochina is under attack. Burma is in deadly danger. India already is sympathetic to the Reds. Formosa is a marked island. Communist infiltration is spreading through the Philippines so badly that only a couple of weeks ago the national executive committee of the American Legion, after hearing a report from a key Legionnaire who flew from Manila to Indianapolis to make it, called on the United States Government to rush economic and military aid to the Filipinos immediately.

How did the Communists achieve the conquest of China?

That is the foul story of the failure of our State Department. It is an eloquent if tragic demonstration of its ineptness in even understanding the true nature of expanding world communism and the scope of the Red objectives.

The trouble with our recent China policy has been that it was not made by statesmen but by biased underlings who have a flair for the ideologies of impractical idealists who, in turn, are strongly influenced by the propagandists of the Kremlin. Five of these so-called young career diplomats were in China during 1944 and 1945 and virtually molded United States policy. Our problem at that time was to keep China in the war against Japan for the Pacific conflict was not yet over. China under Generalissimo Chiang Kai-shek had already rendered us invaluable services by its resistance to the Japanese invaders. Chiang Kai-shek and his Nationalist armies had thereby effectively tied up more than 1,000,000 Japs in China.

The principal functions of our State Department officers in China were to maintain good relations with the Chinese and keep our Government informed of the situation there. From the Ambassador down to the lowest field officer, these representatives of ours were expected to work together as one team. This, however, was not the case. The five State Department representatives pursued a policy strictly of their own making.

They saw in the Chinese Communist rebellion a new force of democratic nationalism which had as its principal aim agrarian reform. They therefore insisted in their reports that the Chinese Communists were not real Communists but only agrarian reformers. They could not see that the Chinese Communists were in any way connected with or working under the direction of Russian communism, nor could they see why representatives of the Chinese Communist Party should be excluded from participation in the Chinese Nationalist Government on equal terms although the Communists insisted on their right to maintain an independent army of their own. They sent dispatches to our State Department praising the Communists and criticizing the Nationalists. These dispatches were permitted to flow into the State Department without passing through the hands of the ambassador. Therein lay the strength of the strongly biased young men who sought to influence our country's policy against our wartime ally, Nationalist China.

These tactics caused the resignation of Gen. Patrick J. Hurley as our Ambassador to China. His protests were ignored. The campaign to discredit the National Chinese Government continued. The State Department field officers found it easy to get abundant ammunition in a country that had been disorganized by 8 years of war. They made the utmost of their opportunity. They deliberately misrepresented the situation in China in such a way as to influence American policy to abandon the National Chinese Government and cut off all aid and funds to Chiang Kai-shek.

While we were cutting off all assistance to the Nationalists, Soviet Russia gave all-out aid to the Chinese Communists. The result was that all of China today is communistic. Lenin's 1923 prediction has become true. Grim and tragic developments in Korea demonstrate how completely wrong, biased and stupid the State Department's special field representatives in China were. Yet these men who have caused such tremendous harm to American security interests and to the world-wide cause of freedom are still powerful in the policy-making councils of our State Department. They are a menace to the safety of our Nation. That is why our first job must be to revamp our State Department.

Let us have no further illusions about this clash between democracy and communism. It is a collision between the United States of America and Soviet Russia. We are standing practically alone. The United Nations thus far is only a legalistic unit. It will fold up completely unless America marshalls her strength so she can be strong enough to stand up to the big word bully, Soviet Russia, and say "lay off," and be able to mean what it says.

American "Operation Survival" calls for quick, urgent action:

1. Shake up and revamp our State Department.

2. Go immediately on a full war mobilization basis.

3. Adopt universal military training for our youth to start building soundly for future defense needs so we can have adequate protection at a cost we can afford.

4. Use the A-bomb only for primary targets. There are no primary targets in China or Korea.

5. Speed up with urgent haste our civil defense.

6. Brand Soviet Russia as the world aggressor No. 1 and start proceedings for expelling her and her satellites from the United Nations.

These are "musts" if we are to stop the sickening slide into national disaster.

Instead of criticizing Gen. Douglas MacArthur, we should all get on our knees and thank God that we have a MacArthur. He has been the main bulwark against rampaging communism in the Far East. It is our patriotic duty to back up and support MacArthur loyally and vociferously. The time has come when we must quit appeasing and stop being apologetic for America. We need aggressive Americans. With God on our side, right will triumph over might. We have a righteous cause. It is freedom's cause. Our job is to know the end, to find the way and to encompass the strain and resist any temptation to slacken the pull and to make the individual and collective sacrifices that will give us the final victory. In these goals lies the end of bewilderment and of anxious waiting. I give you these as the public relations program for freedom. You men and women of this society have the creative minds and the vision. Take inspiration from our battered but unbowed troops in Korea to have the courage to do what is right, for in this trinity of American virtues lies our only salvation.

For this we fight—for God and country.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. JONES of Missouri, for an indefinite period, on account of illness.

To Mr. MILLER of Maryland (at the request of Mr. BEALL), until December 21, on account of official business.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 483. An act to extend the time limit within which certain suits in admiralty may be brought against the United States; and

H. R. 2365. An act for the relief of the city of Chester, Ill.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 7 minutes p. m.), the House adjourned until tomorrow, Thursday, December 7, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1770. A letter from the Secretary of Defense, transmitting the fifth semiannual report to the Congress listing the contracts negotiated by the Department of the Army, the Department of the Navy, and the Department of the Air Force, in accordance with the provisions of the Armed Services Procurement Act of 1947, covering the 6-month period from January 1 through June 30, 1950; to the Committee on Armed Services.

1771. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1951 in the amount of $337,500 for the District of Columbia (H. Doc. No. 732); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. LYLE: Committee on Rules. House Resolution 876. Resolution for consideration of H. R. 9763, a bill to amend the Housing and Rent Act of 1947, as amended; without amendment (Rept. No. 3150). Referred to the House Calendar.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WHITTINGTON:

H. R. 9864. A bill to authorize a program to provide for the construction of Federal buildings outside of but in the vicinity of and accessible to the District of Columbia, and for other purposes; to the Committee on Public Works.

By Mr. HUBER:

H. R. 9865. A bill to prevent newspapers from controlling radio and television stations; to the Committee on Interstate and Foreign Commerce.

By Mr. PRIEST:

H. R. 9866. A bill to authorize the construction, operation, and maintenance of the lower Cumberland Dam and Reservoir on the Cumberland River in Kentucky and Tennessee for navigation, flood control, hydroelectric power, and other purposes; to the Committee on Public Works.

H. R. 9867. A bill to authorize the construction, operation, and maintenance of facilities for generating hydroelectric power at the Cheatham Dam on the Cumberland River in Tennessee; to the Committee on Public Works.

By Mr. RANKIN (by request):

H. R. 9868. A bill to include personnel of the Armed Forces on active military, naval, or air service on or after June 25, 1950, in the term "veteran of any war"; to the Committee on Veterans' Affairs.

By Mr. DELANEY:

H. R. 9869. A bill to amend the Civil Aeronautics Act of June 23, 1938, by providing for compensation for death by wrongful act in air commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. DOUGHTON:

H. R. 9870. A bill to amend the Internal Revenue Code in order to allow extensions of time for the filing of returns and the payment of income taxes by certain persons serving in zones of combat between January 1, 1951, and March 15, 1951, and for other purposes; to the Committee on Ways and Means.

By Mr. HAGEN:

H. R. 9871. A bill to promote the rehabilitation of the band of Chippewa Indians in the State of Minnesota located on the Red Lake Indian Reservation, and for other purposes; to the Committee on Public Lands.

By Mr. LANE:

H. R. 9872. A bill relating to the compensation of certain laundry employees at United States naval hospitals; to the Committee on Post Office and Civil Service.

By Mr. EDWIN ARTHUR HALL:

H. R. 9873. A bill to provide free postage for members of the Armed Forces of the United States; to the Committee on Post Office and Civil Service.

By Mr. WERDEL:

H. J. Res. 550. Joint resolution to create a joint congressional committee to study and investigate cloud nucleation; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOLTON of Maryland:

H. R. 9874. A bill for the relief of Mary Doyen; to the Committee on the Judiciary.

By Mr. BYRNE of New York:

H. R. 9875. A bill for the relief of Samuel David Fried; to the Committee on the Judiciary.

By Mr. DENTON:

H. R. 9876. A bill for the relief of Food Service of Evansville, Inc.; to the Committee on the Judiciary.

By Mr. FERNÓS-ISERN:

H. R. 9877. A bill for the relief of Jorge Carrera Giral; to the Committee on the Judiciary.

By Mr. FORD:

H. R. 9878. A bill authorizing the naturalization of Jesus Juan Llanderal; to the Committee on the Judiciary.

By Mr. KING:

H. R. 9879. A bill for the relief of Wladimir Peter Lewicki, Mrs. Heedwige Lewicki, and George Wladimir Lewicki; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2407. By Mr. LARCADE: Petition of members of Woman's Christian Temperance Union of Eunice, La., asking that any legislation pertaining to further drafting of men for service in the American Armed Forces provide that no alcoholic beverages can be sold or served in camps where these men are trained or any nearer than 10 miles from such camps; to the Committee on Armed Services.

2408. By Mrs. NORTON: Petition of the Forty-sixth Annual Convention of the New Jersey State Building and Construction Trades Council, October 2 and 3, 1950, Atlantic City, N. J., urging rigid control on prices of food, related food commodities, related necessities of life, and rentals; to the Committee on Banking and Currency.

2409. Also, petition of the Forty-sixth Annual Convention of the New Jersey State Building and Construction Trades Council, October 2 and 3, 1950, Atlantic City, N. J., requesting the initiation of legislation forthwith at the next session of Congress to abolish the Labor Management Act of 1947; to the Committee on Education and Labor.

SENATE

THURSDAY, DECEMBER 7, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. Howard Bryant, of Birmingham, Ala., Southern Baptist missionary to Chile, Antofagasta, Chile, South America, offered the following prayer:

Almighty God, our Heavenly Father, we bow before Thee today recognizing that Thou art the Supreme Ruler of the Universe, the giver of all good things of life, even life itself. Thou hast been so mindful of us all the days of our lives; so often we have failed to own Thee as the author of all that is fine and beautiful in this world; for which we humbly ask forgiveness.

In these days of so much confusion and chaos, when our finite minds do not know which way to turn, we come to Thee and ask that Thou wilt bring quiet and peace to our souls and minds, that Thou wilt help us this day to walk according to Thy divine will.

Bless this, our Nation, O God, as it assumes the place of leadership Thou hast entrusted to it among the nations of this world to bring permanent peace.

Unite our hearts and strengthen our spirits for the tasks of this day, forgive us our every transgression and lead us in the path of righteousness. We ask all this reverently in the name of Jesus Christ our Lord. Amen.

THE JOURNAL

On request of Mr. MAYBANK, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, December 6, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

The VICE PRESIDENT. Under the unanimous-consent agreement entered into, the time between now and 2 o'clock will be divided equally between the proponents and opponents of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, to be controlled by the Senator from South Carolina [Mr. MAYBANK] and the Senator from Ohio [Mr. BRICKER]. It is understood that no vote is to be taken before 2 o'clock.

CALL OF THE ROLL

Mr. MAYBANK. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll. The time consumed in the calling of the roll will be divided equally between the proponents and the opponents of the joint resolution (S. J. Res. 207).

The roll was called, and the following Senators answered to their names:

Aiken	Gurney	McClellan
Anderson	Hayden	McFarland
Brewster	Hendrickson	McKellar
Bricker	Hickenlooper	McMahon
Bridges	Hill	Magnuson
Butler	Hoey	Malone
Byrd	Holland	Martin
Cain	Hunt	Maybank
Capehart	Ives	Millikin
Chapman	Johnson, Tex.	Morse
Chavez	Johnston, S. C.	Mundt
Clements	Kefauver	Murray
Connally	Kem	Myers
Cordon	Kerr	Neely
Donnell	Kilgore	Nixon
Douglas	Knowland	O'Conor
Dworshak	Langer	O'Mahoney
Ecton	Leahy	Pepper
Ellender	Lehman	Robertson
Flanders	Lodge	Russell
Frear	Long	Saltonstall
Fulbright	Lucas	Schoeppel
George	McCarran	Smith, Maine
Gillette	McCarthy	Smith, N. J.
Smith, N. C.	Thomas, Utah	Wiley
Stennis	Thye	Williams
Taft	Tydings	Young
Taylor	Watkins	
Thomas, Okla.	Wherry	

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] is absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Kansas [Mr. CARLSON] is absent by leave of the Senate on official business.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from New Hampshire [Mr. TOBEY] is absent by leave of the Senate on official business of the Committee on Small Business.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

Mr. McCLELLAN. Mr. President——

The VICE PRESIDENT. The time is divided from now until 2 o'clock, to be controlled by the Senator from South Carolina [Mr. MAYBANK] and the Senator from Ohio [Mr. BRICKER].

Mr. WHERRY. Mr. President——

The VICE PRESIDENT. The Chair will not be able to recognize any Senator during that time unless he is yielded to by one or the other of the two Senators named.

TRANSACTION OF ROUTINE BUSINESS

Mr. WHERRY. Mr. President, will the Senator from Ohio yield to me for just a moment?

Mr. BRICKER. I yield to the Senator from Nebraska.

Mr. WHERRY. I wonder if the managers of the time might agree to permit insertions of routine matters in the RECORD. It would take only a few minutes, and the time can be charged to both sides.

Mr. BRICKER. I agree to that suggestion.

The VICE PRESIDENT. Is there objection to a sort of informal morning hour, the time to be charged equally to both sides? The Chair hears none, and it is so ordered.

Mr. KNOWLAND. Mr. President——

Mr. BRICKER. I yield to the Senator from California.

The VICE PRESIDENT. During this so-called morning hour it is not necessary to yield because the time consumed will be charged equally to both sides.

CREDENTIALS

Mr. McCLELLAN presented the credentials of J. W. FULBRIGHT, duly chosen by the qualified electors of the State of Arkansas, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF ARKANSAS,
DEPARTMENT OF STATE,
Little Rock.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, J. W. FULBRIGHT was duly chosen by the qualified electors of the State of Arkansas a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, Sid McMath, and our seal hereto affixed at Little Rock, this 1st day of December, in the year of our Lord 1950.

SID MCMATH,
Governor.

By the Governor:
[SEAL]
C. G. HALL,
Secretary of State.

MEETING OF COMMITTEE DURING SENATE SESSION

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the subcommittee of the Armed Services Committee of the Senate considering civil defense may sit this afternoon and tomorrow afternoon, even though the Senate may be in session.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

Mr. KEFAUVER. Mr. President, in that connection I wish to say that we expect to conclude our hearings some time next week. I know that several Members of the Senate wish to submit views to our subcommittee or to testify. We will welcome their appearance at any time it is convenient to them.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. THOMAS of Utah (for himself, Mr. MURRAY, Mr. PEPPER, Mr. HILL, Mr. NEELY, Mr. DOUGLAS, Mr. HUMPHREY, Mr. LEHMAN, Mr. TAFT, Mr. AIKEN, Mr. SMITH of New Jersey, Mr. MORSE, Mr. DONNELL, and Mr. IVES), introduced Senate bill 4229, to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended, which was referred to the Committee on Labor and Public Welfare, and appears under a separate heading.)

By Mr. BREWSTER:

S. 4230. A bill authorizing the President of the United States of America to proclaim the first Monday in February of each year as National Children's Dental Health Day; to the Committee on the Judiciary.

By Mr. LODGE:

S. 4231. A bill for the relief of Mary Apostolou and her minor son, Paul Apostolou; to the Committee on the Judiciary.

By Mr. CHAVEZ (by request):

S. 4232. A bill to authorize a program to provide for the construction of Federal buildings outside of but in the vicinity of and accessible to the District of Columbia, and for other purposes; to the Committee on Public Works.

By Mr. WHERRY:

S. 4233. A bill for the relief of Col. Harry F. Cunningham; to the Committee on the Judiciary.

(Mr. CONNALLY, from the Committee on Foreign Relations, reported an original bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, which was ordered to be placed on the calendar, and appears under a separate heading.)

By Mr. AIKEN (for himself and Mr. FLANDERS):

S. 4235. A bill to authorize the transfer to the Vermont Agricultural College of certain lands in Addison County, Vt., for agricultural purposes; to the Committee on Agriculture and Forestry.

RENEWAL OF PROGRAM OF VOCATIONAL REHABILITATION FOR DISABLED VETERANS

Mr. THOMAS of Utah. Mr. President on Monday of this week, the President of the United States sent a communication to Congress requesting the early enactment of legislation extending the program of vocational rehabilitation for disabled veterans to the disabled veterans of the present Korean campaign.

This program of vocational rehabilitation, originally authorized by Public Law 16 of the Seventy-eighth Congress, has proved to be a program of utmost benefit to the disabled veterans of World War II, and the President is on sound ground in recommending its extension to those veterans who have become disabled while serving their country in the current campaign.

A number of my colleagues on both sides of the aisle have joined me in sponsoring a bill to carry out the objectives set forth in the President's communication. Therefore, on behalf of myself, the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from Alabama [Mr. HILL], the Senator from West Virginia [Mr. NEELY], the Senator from Illinois [Mr. DOUGLAS], the Senator from Minnesota [Mr. HUMPHREY], the junior Senator from New York [Mr. LEHMAN], the Senator from Ohio [Mr. TAFT], the Senator from Vermont [Mr. AIKEN], the Senator from New Jersey [Mr. SMITH], the Senator from Oregon [Mr. MORSE], the Senator from Missouri [Mr. DONNELL], and the senior Senator from New York [Mr. IVES], I introduce for appropriate reference a bill, and hope it will be speedily approved during this session of Congress.

I ask unanimous consent that the bill, together with the President's communication be printed at this point in the RECORD as a part of my remarks.

The VICE PRESIDENT. The bill will be received and appropriately referred, and, without objection, the communication from the President and the bill will be printed in the RECORD. The Chair hears no objection.

The communication from the President is as follows:

THE WHITE HOUSE,
Washington, December 4, 1950.

Hon. ALBEN W. BARKLEY,
Vice President of the United States,
Washington, D. C.

DEAR MR. VICE PRESIDENT: I wish to recommend action in the present session to renew the program of vocational rehabilitation for disabled veterans, which was in effect during and after World War II. Since the Armed Forces are now beginning to discharge men disabled in the current hostilities, renewal of these benefits has become a matter of urgency, warranting action before the present Congress adjourns.

During the last war, as at the present time, the first men to be released by the Armed Forces were those who had been wounded or otherwise disabled and were no longer able to serve on active duty. These men were—and are—entitled under permanent law to full medical treatment and to monthly compensation varying with the degree of disability. In addition, disabled veterans of World War II were given help by the Government in gaining the qualifications needed for civilian employment. In some cases, this meant completion of professional training interrupted by the war. In other cases, old skills had to be brushed up, or new skills acquired.

This program was authorized by Public Law 16 of the Seventy-eighth Congress. Under this law, every disabled veteran who needed vocational rehabilitation in overcoming the handicap of his disability, was enabled to undertake any type of education or training for which he had aptitude and interest. The colleges and universities and the trade and vocational schools all cooperated in the program, and many special courses were established. Arrangements were also made in many cases for training on the farm and on the job.

While the disabled veterans were in training, their tuition was paid by the Government, and the Government financed their subsistence and school supplies.

In this way, thousands of disabled veterans were reequipped for jobs in civil life. In a great many cases, these men were able fully to overcome the loss of earning power which had resulted from their disability. In all, more than 550,000 disabled veterans have participated in the rehabilitation program authorized by Public Law 16.

However, the benefits of Public Law 16 are not available to men who began their military service after July 25, 1947. This means that most of the men disabled during the current campaign in Korea will not receive the kind of rehabilitation benefits which were extended to the disabled veterans of the last war unless new legislation is enacted. I hope that such legislation will receive favorable action by the Congress before the close of this session.

Disabled veterans will need rehabilitation assistance first of all. Later they may also need other kinds of help in readjusting to civilian status. The next Congress will have an opportunity to give full consideration to their longer-range needs and to those of the able-bodied men, now in service, who will eventually be returned to civil life. In planning to meet these needs it will, of course, be essential to relate any new benefits to the readjustment problems which will actually face our future veterans. It will be necessary to review with care the experience gained in the veterans' readjustment programs after World War II. This will take time.

Meanwhile, however, there is no reason for delay in meeting the immediate needs of the disabled servicemen who are now being released by the Armed Forces.

Very sincerely yours,

HARRY S. TRUMAN.

The bill (S. 4229) to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended, introduced by Mr. THOMAS of Utah (for himself and other Senators), was read twice by its title, referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That service in the active military, naval, or air service of the United States on or after June 25, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, shall afford basic entitlement to vocational rehabilitation under Public Law No. 16, Seventy-eighth Congress, as amended, needed to overcome the handicap of a disability incurred in or aggravated by such service for which compensation is payable under the provisions of subparagraph I (c), part II, Veterans Regulation No. 1 (a), as amended (or would be but for receipt of retirement pay), subject to the applicable provisions, conditions, and limitations of Public Law No. 16, Seventy-eighth Congress, as amended, except as follows:

(1) Vocational rehabilitation based on service as prescribed in this act may be afforded within 9 years after the aforesaid termination of the period beginning June 25, 1950.

(2) Notwithstanding the fact that vocational rehabilitation may have been previously afforded under Public Law No. 16, as amended, or that education or training may have been afforded under title II of the Servicemen's Readjustment Act of 1944, as amended, additional vocational rehabilitation may be provided hereunder to the extent necessary by reason of a handicap due to disability incurred in or aggravated by service, as provided herein.

(3) Any person eligible for vocational rehabilitation under this act who, at the time of such service, was not a citizen of the United States, shall be afforded such benefit only while a resident of the United States.

DAISY ADENA SMITH AND HOMER S. SMITH

Mr. CONNALLY submitted the following resolution (S. Res. 372), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Daisy Adena Smith and Homer S. Smith, parents of Isabel M. Smith, late an employee of the Senate, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

TRENDS IN GOVERNMENT—ADDRESS BY SENATOR McCLELLAN

[Mr. McCLELLAN asked and obtained leave to have printed in the RECORD a letter from Judge Thomas F. Butt, of Fayetteville, Ark., and an address by himself before the Bar Association of Arkansas, which appear in the Appendix.]

THE KOREAN CATASTROPHE AND THE WAY AHEAD—ADDRESS BY SENATOR DOUGLAS

[Mr. STENNIS asked and obtained leave to have printed in the RECORD an address delivered by Senator DOUGLAS at the annual dinner of the American Municipal Congress in Washington, D. C., on December 5, 1950, which appears in the Appendix.]

UNITED STATES FOREIGN POLICY—RADIO INTERVIEW WITH SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a radio interview with him by Leif Eid, broadcast on December 1, 1950, which appears in the Appendix.]

THE LAWYER IN UNIFORM—ADDRESS BY REAR ADM. G. L. RUSSELL

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a portion of an address on the subject The Lawyer in Uniform, delivered by Rear Adm. G. L. Russell, at the Vanderbilt Law School, Nashville, Tenn., November 16, 1950, which appears in the Appendix.]

SONG FOR AL JOLSON

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a eulogy of Al Jolson by Walter Winchell, published in the Washington Post on October 25, 1950, which appears in the Appendix.]

BRITAIN BECOMES A CREDITOR POWER—ARTICLE BY RICHARD DENMAN

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Britain Becomes a Creditor Power," written by Richard Denman, and published in the Paris edition of the London Daily Mail of November 23, 1950, which appears in the Appendix.]

THE NEED FOR DECISION IN THE WAR IN KOREA—ARTICLE FROM THE WASHINGTON EVENING STAR

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article setting forth the necessity for a decision in the war in Korea, published in the Washington Evening Star of November 29, 1950, which appears in the Appendix.]

THE FOLLY OF OUR BIPARTISAN FOREIGN POLICY—PAPER BY CHARLES J. FARRINGTON, JR.

[Mr. WATKINS asked and obtained leave to have printed in the RECORD a paper entitled "The Folly of Our Bipartisan Foreign Policy," written by Charles J. Farrington, Jr., of Tucson, Ariz., which appears in the Appendix.]

TOUGH TURKEY—MIDDLE-EAST WATCH DOG—EDITORIAL FROM THE WASHINGTON EVENING STAR

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD an article entitled "Tough Turkey—Middle-East Watch Dog," written by L. Edgar Prina, and published in the Washington Evening Star of December 7, 1950, which appears in the Appendix.]

SEEDBEDS OF SOCIALISM: NO. 3—ARTICLE BY JUNIUS B. WOOD

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an article entitled "Seedbeds of Socialism: No. 3," by Junius B. Wood, published in Nation's Business for December 1950, which appears in the Appendix.]

CHRISTIAN PATRIOTISM—SERMON BY CHAPLAIN LUTHER D. MILLER, MAJOR GENERAL, UNITED STATES ARMY, RETIRED

[Mr. KEM asked and obtained leave to have printed in the RECORD a sermon on Christian Patriotism, delivered at Bethlehem Chapel, Washington Cathedral, November 12, by Luther D. Miller, chaplain (major general, U. S. Army, retired), canon of Washington Cathedral, which appears in the Appendix.]

THE WORLD'S LAST HOPE AND LAST CHANCE—EDITORIAL BY E. J. MELTON

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled "The World's Last Hope and Last Chance," published in the Cooper County Record, of Boonville, Mo., November 30, 1950, which appears in the Appendix.]

USE OF ADDITIONAL SOUTH KOREANS TO RESIST AGGRESSION IN KOREA

Mr. KNOWLAND. Mr. President, I have before me two brief communications. I think the Senate should have the information contained therein.

The first is addressed to me:

NEW YORK CITY, *December 6, 1950.*

Senator WILLIAM KNOWLAND,
United States Senate,
Washington, D. C.

DEAR SENATOR KNOWLAND: I have the honor to enclose herewith a cablegram I have received today from the president of the Republic of Korea. It is self-explanatory.

The urgent problem in Korea today is how to meet the challenge posed by the great manpower which the Chinese Communists have put on the battlefield. With all the superiority of the United Nations fire power, an increase in manpower of the Allied forces will definitely turn the tide now for victory. This, however, to be effective, must be actuated immediately.

Among the 20,000,000 people living in South Korea, there are several million people that could be had between the ages of 17 and 45. Of these, over 2,000,000 young people had military training in their schools and colleges during the last 2 years. Undoubtedly many of these are already in the armed forces in Korea, but many others are not yet in arms. These, together with the others in the age bracket of 17 and 45, will constitute a formidable number of soldiers to stand against the invader. This definitely can be done. When promptly armed, these people will be able to save all of us from the present difficulties.

The fighting qualities and abilities of the Korean people have been already well proved on the battlefield. They have deep faith and trust in the integrity and will of the United Nations in this crisis. They hate communism. They are determined to defend their soil to the last. There cannot be any better material with which to turn the present crisis into a firm victory.

I shall be glad to hear from you at your earliest convenience, and personally discuss this matter with you.

With highest esteem.

Yours sincerely,

B. C. LIMB,
Minister of Foreign Affairs,
Republic of Korea.

Attached to that letter was a cable from President Syngman Rhee to Mr. Limb, in which he said:

B. C. LIMB,
Minister of Foreign Affairs,
Republic of Korea,
New York City:

Your suggestion equip, arm million Koreans is earnest desire of our people. They want to fight Chinese hordes invading our land. Arms and ammunition needed. Can be ready in short time. Manpower without weapons is helpless. Immediate supply adequate weapons alone will safeguard peninsula. Let American Government know arming Koreans will save many American lives.

President SYNGMAN RHEE.

The VICE PRESIDENT. Are there any further routine matters to be presented in connection with the transaction of routine business? Apparently there are none.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. MAYBANK. Mr. President, I yield 5 minutes of the time under my control to the Senator from New Jersey [Mr. SMITH].

The VICE PRESIDENT. There are 92 minutes left. That time is equally divided between the proponents and opponents of the measure. The Senator from New Jersey is recognized for 5 minutes.

Mr. SMITH of New Jersey. Mr. President, on the pending legislation, the Senate joint resolution to extend the rent control law, I wish to say that I am one of those who have had a great deal of difficulty in arriving at a conclusion, but having arrived at the conclusion to support the rent control extension measure, I wish for the RECORD and for the benefit of my colleagues to present a statement which I have prepared.

Mr. President, on June 12 of this year, just 13 days before the invasion of South Korea, I voted against S. 3181, providing for a 6 months' extension of Federal rent controls to December 31, 1950. I said at that time that "in my judgment, the scope of the rent-control problem has now been clearly reduced to the point where it can and should be handled exclusively by the States and local communities." I still feel that the position I took at that time was a sound one, although the majority of the Senators voting did not agree with me, and S. 3181 was passed by this body.

I do not think I need to dwell on the fact that conditions have radically changed since June 12, 1950. Certainly we are facing one of the gravest crises in our history and it is clear that we must mobilize our production and our Armed Forces with the greatest possible speed. We do not yet know the full extent of the controls over our economy that will be necessary to do the job that needs to be done. But we do know that a substantial proportion of our productive strength will have to be diverted to the mobilization program, and that stringent measures will have to be taken to prevent ruinous inflation.

I believe, Mr. President, that we should have an entirely new approach to the rent-control problem designed specifically to meet the present emergency. There has obviously been insufficient time fully to consider such an approach in the past few weeks, and we cannot realistically expect a practical solution to meet this problem until early next year.

Meanwhile there is at least a strong possibility that there will be a considerable shifting of war workers and Armed Forces personnel during the next few months, with inevitable concentrations in areas where rental housing will be insufficient to meet the expanded demand. This applies particularly to my own State of New Jersey.

We have a number of camps where Armed Forces will be congregating, and we have production areas, too, where the same thing will happen.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield.

Mr. BRICKER. I should like to ask the Senator if any of those communities at the present time are under rent control.

Mr. SMITH of New Jersey. I cannot answer the question because they are in different parts of the State, and it has not yet been anticipated what load will be put on them. That is what is troubling me in connection with this problem.

Mr. BRICKER. Does the Senator know whether any of those communities that might presently be under rent control have refused or have failed to ask for the six months' extension provided under the present law?

Mr. SMITH of New Jersey. I do not know; and I do not know how the issue will be faced in view of the influx of people into the areas. That is what is troubling me.

Mr. BRICKER. The Senator does not know just what effect the two months' extension will have upon the local communities in his State?

Mr. SMITH of New Jersey. The statement I am now in course of making indicates my feeling upon that point; because recent State legislation is involved in the problem, and I am now going to discuss that briefly.

Mr. BRICKER. I thank the Senator.

Mr. SMITH of New Jersey. Mr. President, in cases where the local areas have not passed resolutions requesting continued control—perhaps because they could not foresee the influx of new residents subsequent to December 31—the upward pressure on rents would be strong and might well impede the war production and mobilization program.

At this point, Mr. President, I should like to correct a statement I made during the debate on this question yesterday. At that time I stated to the junior Senator from Washington [Mr. CAIN] that it was my understanding that the standby rent-control law in New Jersey would become operative on January 1, 1951, if the Federal rent-control law expired on December 31 of this year. Upon further investigation I find that this standby law in New Jersey will not become operative until July 1, 1951, regardless of the results of the pending measure, since this law provides that State controls shall take effect only upon the complete expiration of all Federal controls and since a number of communities in the State have passed resolutions requesting continued Federal controls until June 30, 1951.

The VICE PRESIDENT. The time of the Senator from New Jersey has expired.

Mr. MAYBANK. Mr. President, I am glad to yield further time to the Senator from New Jersey.

At this time I should like to make a statement, and ask that it be made in my own time.

The VICE PRESIDENT. Does the Senator from New Jersey yield to the Senator from South Carolina for that purpose?

Mr. SMITH of New Jersey. I am glad to yield to the Senator from South Carolina.

Mr. MAYBANK. The Senator from New Jersey asked me this morning what would be done about the so-called Cain amendment. I told the Senator that the United States Conference of Mayors has taken up that matter with me. I told the Senator further that unless it was necessary to make some changes in the amendment, I, as chairman of the Committee on Banking and Currency and on behalf of the proponents of the legislation, would accept the amendment. I wish to tell the Senator that the committee staff have studied the amendment, and state that it is in keeping with the letter received from the conference of mayors. Therefore, so far as I am concerned, as chairman of the committee, it is my intention to accept the Cain amendment.

Mr. SMITH of New Jersey. I am glad to have that statement from the Senator from South Carolina. I had understood that the amendment proposed by the Senator from Washington was going to be accepted. I think it is a most important clarifying amendment.

Mr. MAYBANK. I wish the Senator to know my position at this time.

Mr. SMITH of New Jersey. I thank the Senator from South Carolina.

Let me emphasize, Mr. President, that I am impressed with many of the arguments of my colleagues who are opposing the extension of Federal controls. I believe they have correctly pointed out serious inequities in our present rent-control program. I agree with them that we must have a completely redesigned approach to fit the emergency conditions that are facing us and to coordinate rent controls with whatever controls may be found to be necessary over wages and prices.

Until such a new approach can be developed, however, I do not think we can afford to take the risk of leaving rents uncontrolled in many areas—and that is the case in my State—where a sudden influx of war workers or Armed Forces personnel may cause rents to rise sharply. For this reason I believe it is in the public interest to extend Federal rent controls for 2 months as provided for in Senate Joint Resolution 207, and I shall support this measure.

I have just been advised—and this may be helpful to the Senator from Ohio [Mr. BRICKER], who asked me a question a moment ago—that the situation in New Jersey is as follows: 113 municipalities have voted to extend Federal control; 366 municipalities have taken no action, and therefore would be without controls if the Federal law expires; 164 of these have populations of 1,000 or more; 88 municipalities have definitely been decontrolled; 567 is the total number of municipalities in New Jersey. We may note, therefore, that 65 percent of the New Jersey municipalities have thus far taken no action; and if they take no action by December 31, they will be without rent controls after that date. Many of those municipalities have no way of knowing when the emergency may hit them.

The VICE PRESIDENT. The time of the Senator from New Jersey has expired.

Mr. MAYBANK. Mr. President, I yield 2 minutes to the distinguished Senator from Minnesota [Mr. THYE].

The VICE PRESIDENT. The Senator from Minnesota is recognized for 2 minutes.

Mr. THYE. Mr. President, before the present critical international situation developed, with the probable need of emergency economic controls, my conviction was that the Federal decontrol of rents as provided in the existing law adequately met the situation, especially since it permits local governments to act for continuation of Federal rent control, in areas where needed, for 6 months of next year.

The national situation has changed to such an extent, however, that I believe it would be wiser at this time to continue the present Federal rent-control provisions for 60 days, to allow for a further survey of the problem.

Mr. MAYBANK. Mr. President, will the Senator yield to me, in my time?

Mr. THYE. I am glad to yield.

Mr. MAYBANK. I wish to commend the Senator's advocacy of a further study. The reason why the 60-day extension proposal is before us is that I do not believe that at this short session of Congress we could write a new rent-control bill. I agree with Senators on both sides that there should be a new rent-control bill, based on the defense situation and the needs of war workers. However, I do not think that at this short session we have time to write such a bill.

Mr. THYE. Mr. President, may I say to the able chairman of the committee that is the one reason why I recognize the need for the enactment of this measure, namely, to permit us to hold on to what we have, and during that time to take another look at the question.

We must consider the effect of the diversion into defense needs of materials which would otherwise go for home building, and the relationship of rent control to other legislation intended to curb inflation and provide for the economic strengthening of the country in the present crisis. Leaving the rent-control law unchanged until we have given these matters further consideration would also be reassuring to the young family men called back into the service and to the fighting men at the front who would worry about the status of their families living in rented quarters.

If Congress decides that further rent-control legislation is necessary beyond the 60-day extension period, Congress must then fairly recognize the increased cost of maintenance of property and other problems of those owning rental property, and provide deserved adjustments to which property owners are entitled.

Mr. BRICKER. Mr. President, I yield 10 minutes to my colleague, the senior Senator from Ohio [Mr. TAFT].

Mr. TAFT. Mr. President, what puzzles me is the calm assumption that we have any right to regulate rents. Rents are the affair of the local communities and the States. There is no authority on the part of the Federal

Government to regulate rents simply because we think someone is overcharging someone else in a community. That situation does not give the Federal Government the right to fix the rents in that community.

There is only one justification for Federal control of rents, and that is war. It is only under the war power of the Constitution that the Federal Government has any right whatever to regulate rents.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from South Carolina.

Mr. MAYBANK. However, let me say that I believe that we are at war; I believe we are in war today. That is why I voted to report the joint resolution from the committee.

I may be mistaken, but I thoroughly agree with the Senator from Ohio that the control of rents is a local matter. The extension here proposed would simply let it remain for an additional 2 months as a local matter.

I think what the Senator said the other day about writing a new bill is eminently correct. But I do not think we have time to do so at this short session.

Mr. TAFT. Mr. President, upon what war is this rent-control measure based? It is based on the last war, which began 9 years ago, not on this war.

Last year the Congress decided that war was over and that therefore the rent-control law should expire. However, now it is proposed that we say, "No; we must continue this law in various communities, even though the governing authorities in those communities have decided that they do not want to continue this particular rent control."

In other words, Mr. President, we are not only assuming Federal jurisdiction, but we are saying that we do not care what the local communities want. We are saying that, regardless of what they want, we are going to impose rent controls on communities whose governing authorities have shown clearly that they do not want rent controls.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MAYBANK. I should like to call the attention of the distinguished Senator to the fact that, under this measure, any community which wishes to decontrol during the 2 months' period can do so. This is a municipal-control measure. We accept the amendment submitted by the Senator from Washington [Mr. CAIN]. I am hopeful that communities into which families do not move because of the present war situation or emergency situation will decontrol.

The Senator from Ohio says this measure is a Second World War measure. I admit that, and I admit that we should write a new law, because in the next few months the shifting of families and populations because of the present war will be far greater than that which occurred in the United States during the last war. We should write a new law.

Mr. TAFT. Mr. President, not only is this measure a Second World War measure but it is shot through with exceptions.

The main purpose of the former law was to control inflation; but this measure is no longer an anti-inflation measure. More than half the dwelling units in the United States are decontrolled today. This measure is shot through with exceptions of so many different kinds that it has become purely a discriminatory measure against a limited number of property owners who are still having to base their rents primarily on conditions which existed 8, 9, or 10 years ago.

As a measure of the last war, the joint resolution should be entirely out. As a measure of the new war the joint resolution does not even purport to be such a thing. It does not provide for a continuation of any general controls. It simply provides for continuing a few of the controls of the last war in the case of a limited number of dwellings as a means of holding on to the power to control rents. Mr. Woods and his administration have not wanted to give up that power at any time. Last year they fought against discontinuing it.

After thorough consideration, we in the Senate decided that the Second World War rent controls should come to an end. The condition existing at the time when we made that decision exists just as surely today, and the decision we reached at that time is just as sound today as it was when we passed the bill only a few months ago under the able leadership of the Senator from South Carolina.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MAYBANK. I appreciate what the Senator from Ohio has said about me, and I wish to say that I really intended and hoped the last bill would be the end of rent control. However, 2 days after the President signed that bill, what was called the police action in Korea began. I never have called it a police action; I have called it a war, and today we are in a war.

Mr. TAFT. Mr. President, the fact is that we have passed a bill authorizing the President to say that the new war has reached a point where inflation is a danger and that controls should be imposed. However, the President has not seen fit to do so; in his opinion, we have not reached the point where price controls and wage controls are necessary. If they are not necessary, then rent controls are not necessary, because they are a part of the entire control picture.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. MAYBANK. I thoroughly agree with the distinguished Senator from Ohio that in this country we have reached the point where a national emergency should be declared and where something more than rent control should be provided. Inasmuch as the Senate has confirmed the nomination of the Price Administrator, as it did last night, and has confirmed the nomination of Mr. Valentine, the Economic Stabilizer, as it did the day before, I am hopeful that something will be done.

Mr. TAFT. Mr. President, the way to approach rent control at this time is to wipe out what we have done, wipe out the inequities that have developed for years in this entire picture, until it has become simply a case of discrimination; and then let us begin from the beginning.

After all, we are writing an excess-profits-tax bill now, and that is just as complicated as any rent-control measure could be.

If Senators wish to have a second rent-control bill drawn up, there are many changes which should be made, in my opinion.

I see no advantage whatever in continuing on the last war basis, for 2 months more, and against the wishes of local communities, rent controls on a limited number of dwellings, about one-fifth of the total number of dwellings in the United States.

If we write a new rent-control bill, we should write a bill which will be as equitable and as much in accord with the situation as is possible. That is what we should do if we are going to have rent controls.

Mr. President, I yield the floor.

Mr. MAYBANK. Mr. President, I thoroughly agree with the Senator from Ohio that the time is growing near when a new rent-control bill, based on the defense situation in this country, should be drawn up. However, I do not think we can do that now, in the limited number of days available to us during this short session, because such a bill would have to be passed by both Houses of Congress, and then go to conference.

All during the last war I served on the Banking and Currency Committee with the distinguished Senator from Ohio. I honestly believe that, as a stop-gap measure, what we should do is to pass the pending measure providing for a 60-day extension.

The Senator says we are going to force cities to continue rent control. Mr. President, any city can decontrol itself if it wishes to do so. I am going to accept the amendment of the Senator from Washington [Mr. CAIN], and I am hopeful that the cities that are not involved in the war effort and do not need rent control will decontrol themselves. No one wants controls where they are unnecessary. But thousands and thousands of people who are engaged in war work and thousands and thousands of families, in my judgment, are going to move before we can pass a new rent-control measure. I want the record to show this, because I thoroughly agreed with the thoughts expressed by the Senator from Ohio some months ago. But let us remember that our reason for not including rent control in the over-all control bill of 1950 was that we had a rent-control law on the statute books, and we did not want to clutter up the production-control bill with other legislation.

Mr. BRICKER. Mr. President, if no other Senator desires me to yield for a speech on the pending measure, I yield 3

minutes to the Senator from Missouri [Mr. KEM].

The VICE PRESIDENT. The Senator from Missouri is recognized for 3 minutes.

CONFERENCES BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE

Mr. KEM Mr. President, I ask unanimous consent that the resolution (S. Res. 371) requesting the President to make a full report to the Senate of his discussions with the Prime Minister of Great Britain be referred to the Senate Committee on Foreign Relations, and that the committee be requested to report the resolution back not later than next Tuesday.

The VICE PRESIDENT. Is there objection?

Mr. CONNALLY. Mr. President, reserving the right to object, I have no objection to a reference of the resolution to the Committee on Foreign Relations. But I shall object, if there is coupled with the request the idea that the Senate is directing the committee to report at some particular time. I think it is a reflection upon the committee. It is a denial of proper consideration. It is a proposal to refer something to the committee, and then to take action on it before the committee has ever considered it. Therefore, if the request is conditioned upon its being reported back on next Tuesday, I shall object, and I do object.

Mr. KEM. Mr. President, will the Senator from Texas withhold his objection for a moment?

The VICE PRESIDENT. Does the Senator from Texas withhold his objection temporarily?

Mr. CONNALLY. I withhold it temporarily.

Mr. KEM. I should like to say it seems to me, in view of the time element involved in the resolution, that the resolution should be reported promptly to the Senate. I anticipate that no hearings will be necessary. It involves merely a question of judgment as to whether the President should be requested to make the report, and whether he should make any agreements with a foreign nation except in the form of a treaty which will be subject to confirmation by the Senate. I refer to important agreements affecting the course of action of the Nation.

It seems to me it is incumbent upon the Senate Committee on Foreign Relations to report the resolution promptly, either favorably or unfavorably. There is, I take it, nothing unusual in that request or direction, if you please. I recall that a few days ago the Special Senate Committee To Investigate Organized Crime in Interstate Commerce offered a resolution, which was referred to the Judiciary Committee with a request that it be reported within a certain time. The same question, the same element of time which was involved there is involved here, and I hope the Senator from Texas will not insist upon the objection.

Mr. CONNALLY. Mr. President, I assume that the Senate Committee on Foreign Relations knows what it ought to do as well as does the Senator from Missouri. The Senator from Missouri says he feels that the committee ought to do so and so. I submit that is a matter for the decision of the committee. The Senator will have recourse to whatever action he may wish to take, in any event, at any time.

The Senator from Missouri is a lawyer, and a distinguished one. He knows that Mr. Attlee and the President can make no agreements which are binding upon this country unless they are ratified in the form of a treaty. I may say further that already, through the press and otherwise, every detail of the conference between the President and the Prime Minister has been given to the public. A great many Senators on the other side of the aisle have been present at some of the conferences. I shall have to object to the request.

The VICE PRESIDENT. Objection is heard.

Mr. KEM. Mr. President, in reply to the distinguished Senator from Texas, may I say that the purpose of the resolution is to prevent another Yalta or Potsdam agreement.

Mr. CONNALLY. Mr. President, I object. I call for the regular order. If we are going to have a Yalta speech or a Potsdam speech and a Missouri speech, I object.

The VICE PRESIDENT. Objection is heard to the request; and, inasmuch as the request is in the form of a single request, the objection presumably lies to the entire request, which included a request that the resolution be referred to the Committee on Foreign Relations; where it would appropriately go.

Mr. KEM. Mr. President, I see nothing to be gained whatever by referring the resolution to the Senate Foreign Relations Committee, if there is not some understanding as to what is going to be done with it when it gets to the committee. I think the attitude of the chairman of the committee on the matter is apparent, and I do not care about making the request. Under the circumstances, I ask that the resolution lie on the table.

Mr. CONNALLY. Mr. President, the resolution is before the Senate; some disposition must be made of it, and I desire to make a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state the inquiry.

Mr. CONNALLY. Will the resolution not go automatically to the Foreign Relations Committee?

The VICE PRESIDENT. Not so long as it lies on the table. It would be in order to move, at an appropriate time, that it be referred to the committee. It does not require unanimous consent to send a resolution or a bill to a committee. The Chair can refer a resolution or a bill to an appropriate committee, but in this case the resolution was offered and was ordered to lie on the table, where it will lie until taken from the table. In the absence of a unanimous-consent agreement, that would have to be done by motion.

Mr. CONNALLY. Mr. President, the action and attitude of the Senator from Missouri are most unusual and disturbing to me. The Senator says it would be of no use to send the resolution to the Foreign Relations Committee, unless he has assurance as to what the Foreign Relations Committee will do with it. If such a rule were in effect, there would be no use in having committees and no use in having committees consider measures.

Mr. KEM. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

The VICE PRESIDENT. The Chair would advise Senators that this is all out of order. The Senator from Missouri was yielded 3 minutes, which time has expired.

Mr. CONNALLY. What is the situation now?

The VICE PRESIDENT. The resolution is on the table.

EXTENSION OF RENT CONTROL

The Senate resumed the consideration of the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

Mr. BRICKER. Mr. President, I yield 10 minutes to the Senator from Vermont.

The VICE PRESIDENT. The Senator from Vermont is recognized for 3 minutes.

Mr. BRICKER. Mr. President, I yielded 10 minutes to the Senator from Vermont.

The VICE PRESIDENT. The Senator from Vermont is recognized for 10 minutes.

Mr. FLANDERS. I shall compromise, Mr. President, and make it 7½ minutes. I wish to register my objections to the extension of rent control. In the first place, the Congress, last June, intended that rent control should end at the time specified, namely, December 31, 1950, unless and except as it might be continued in response to the desires of States, municipalities, or other local government units. Nothing has happened since that time, in my judgment, which warrants a further extension. The conditions which we face or may face are new, and it is extremely important that they be studied as new conditions, to the end that really new legislation may be drafted to meet the new conditions.

Every Senator receives, or should receive the publication, The Economic Indicators, a copy of which I hold in my hand, which is prepared for the Joint Committee on the Economic Report by the Council of Economic Advisers. It is sent to each one of us. On page 3 of this report, of which I have in my hand the November issue, that being the latest issue, there appears the regular graph of consumer prices, issued by the Bureau of Labor Statistics of the Department of Labor. The graph indicates an astonishing situation. It shows what has happened to one of the prime elements in the cost of living, an element which the Government has maintained and extended and accentuated and inflated. I refer to the item of food. Another element in the cost of living, namely, rent, the Government has restrained, has sat upon, has stepped upon, and has controlled adversely. One cannot but wonder as to the grounds upon which this is done. Can it be that the landlords, large and small—and by

far the most of them are small—are unpatriotic, rapacious, avaricious, and present every undesirable aspect which a human being can show? It would seem to me as though it is possibly only on that basis to have held down for so long and so severely this one element in the cost of living, while the Government at the same time has deliberately and successfully increased the cost of living in respect to the element of food.

There seems to me to be no justice in the situation, and, if the injustice which I feel exists is to be extended into a period when rent control may again become necessary, to an extent which does not seem now to be indicated, it will then be almost impossible to relegislate in respect to the subject in a way which will not continue the old injustices.

I have prepared an amendment, lettered A, dated December 6, 1950, which I shall present after 2 o'clock, and on which I shall at that time speak briefly. The amendment proposes that if the joint resolution is to be passed, and if rent control is to be continued for a temporary period, a new basis must be set up, recognizing comparable housing accommodations not presently under control in the areas for which the control of rents is continued. Only by starting out again can we establish any justice, equity, or proper relation of this cost to the other costs which make up the cost of living.

As I say, Mr. President, at the proper time, after 2 o'clock, I shall present the amendment and speak in favor of it. I hope it may be accepted. If it is not accepted, I shall vote against the joint resolution as a deliberate extension of Government-generated injustices which are completely inexcusable.

Mr. MAYBANK. Mr. President, I do not know of any Senator on our side who wishes to speak at this time.

Mr. BRICKER. Mr. President, there will be another speaker in a little while. In the meantime I yield myself 5 minutes.

The VICE PRESIDENT. The Senator from Ohio is recognized for 5 minutes.

Mr. BRICKER. Mr. President, so that the record may be complete and the facts brought to the attention of the Senate, I wish to refer to a few pertinent matters. The Senator from Vermont [Mr. FLANDERS] has very clearly demonstrated that the pending measure would perpetuate very patent inequities upon a large segment of American communities which do not desire a continuance of Federal rent control.

Let me say first of all that the pending measure would extend only for 2 months the present termination date of the law which was enacted some 6 months ago. During the past 6 months local communities have had an opportunity to survey the situation, to anticipate their needs, and to express their desires.

The distinguished Senator from New Jersey [Mr. SMITH] stated a moment ago that many communities in his State could not know what the situation would be in 6 months. That is possibly true, but it is their responsibility to determine such facts. I believe in local self-government. I believe in cities doing those things which they can do better than States can do them. I believe in States doing those things which they can do better than the Federal Government can do them. Rent control is one field in which local governing bodies know more about local conditions than can be known by the Federal Government in Washington.

Mr. President, I have tried to understand the actuating force and the reason for the proposed extension of rent control, because an extension of rent control would amount to an imposition of Federal power on local communities. It would amount to Congress saying to such communities which have not expressed a desire to continue rent control, "You are going to continue it anyway, regardless of whether your city council wants to continue it, and we will impose it on you."

I hold in my hand a copy of Capital Comment, dated December 2, 1950. It is circulated by Mr. William M. Boyle, Jr., the chairman of the Democratic National Committee. With some of the statements contained in this document I thoroughly agree. With other statements I do not agree, because there are many misstatements of fact contained in the document. I assume the document was sent to members of the majority party because it is addressed, "Dear Fellow Democrat."

In this issue of Capital Comment, Mr. Boyle quotes President Truman as saying:

> We must look into the situation around reactivated military camps and installations so that servicemen and their families can be given necessary protection against rent gouging.

Mr. President, I agree thoroughly with that statement. However, the proposed measure would not do anything of the kind. It would perpetuate Federal power over local problems without relation to military camps or war industries.

He quotes further:

> We must consider the relation of rent control to the price and wage aspects of our stabilization program.

With that statement I agree. The distinguished Senator from Vermont [Mr. FLANDERS] has clearly shown that at the present time no consideration is being given to that relationship. Instead we have a distortion of the relationship, and it would be complicated, accentuated, and made more desperate by the continuance of the present rent-control law for another 2 months.

Taking 100 as a base, in the period from 1921 to 1938 wages have gone up 239.6 percent; household furnishings, 181.4 percent; food, 172.5 percent; clothing, 166.5 percent; rents, including the period before Federal control, went up 96.9 percent.

Therefore, rent control has held down a segment of our society which is composed of people who own property. It is composed of people who have tried to take care of their old age, and who have tried to provide their own social security. They do not desire to become wards of their Government. They want to take care of themselves. As a result, we have seen a loss of 2,000,000 rental units during the life of the rent-control law.

I wish to emphasize also that the rent-control law does not bear too heavily or adversely upon the owners of large apartment houses. The large owner has accountants and lawyers, and he has contacts and ways and means by which he can get his rents increased. A great proportion of the increases have been granted to such commercial rental units. The fact is that the percentage of rental housing in our country in single-family houses is 47.6 percent.

The PRESIDENT pro tempore. The time of the Senator from Ohio has expired.

Mr. BRICKER. I yield myself an additional 5 minutes.

The PRESIDENT pro tempore. The Senator from Ohio is recognized for an additional 5 minutes.

Mr. McCARRAN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Ohio yield to the Senator from Nevada?

Mr. BRICKER. I am glad to yield to the Senator from Nevada.

Mr. McCARRAN. Mr. President, I should like to insert in the RECORD, as particularly apropos of the subject being discussed by the very able Senator from Ohio [Mr. BRICKER], an article entitled "Federal Bureau Overrides City Council," written by Morris D. Ervin, and published in a recent issue of the Los Angeles Times-Star.

The article begins with:

> What happens to local self-government when it finds itself in the toils of a Federal bureau in Washington is well illustrated by Los Angeles' months-old efforts to free itself of federally imposed rent controls. To date it has got exactly nowhere.

The article is exceedingly illuminating and interesting, and I ask unanimous consent that it be inserted in the RECORD at this point as part of my remarks.

There being no objection, the article war ordered to be printed in the RECORD, as follows:

FEDERAL BUREAU OVERRIDES CITY COUNCIL—FOR 4 MONTHS IT HAS REFUSED TO DO JUSTICE TO LOS ANGELES

(By Morris D. Ervin)

WASHINGTON, November 30.—What happens to local self-government when it finds itself in the toils of a Federal bureau in Washington is well illustrated by Los Angeles' months-old efforts to free itself of federally imposed rent controls. To date it has got exactly nowhere.

The Los Angeles story starts on July 28 of this year.

Prior to that, in June, when Congress extended the wartime rent-control law, it amended it to read as follows:

"The Housing Expediter shall terminate the provisions of this title in an incorporated city, town, village, or in the unincorporated area of any county upon receipt of a resolution of its governing body, adopted for that purpose in accordance with applicable local law and based upon a finding by such governing body reached as a result of a public hearing held after 10 days' notice, that there no longer exists such a shortage of rental housing accommodations as to require rent control."

SHALL TERMINATE

Note that this law says that the Housing Expediter, that is Tighe E. Woods, shall terminate rent control under the conditions specified.

On July 28 the Los Angeles City Council, after having given the specified 10 days' notice, held a public hearing. After the hearing, the council, by a vote of 10 to 4, passed a resolution in accordance with the law and sent it to Mr. Woods. The latter did nothing immediately, but on August 14 he appeared, uninvited, before the Los Angeles council and argued with the council that it should rescind its former action. This the council refused to do, after listening to Mr. Woods, and by a vote of 10 to 5 reaffirmed its previous stand.

Following this Woods said he would sign the decontrol order immediately upon his return to Washington. But on the same day local lawyers in Los Angeles, retained by the CIO, appeared after court hours in the chambers of Federal District Judge James Kirkland and obtained a temporary stay, ordering Woods not to sign the decontrol order. At the same time a temporary injunction was requested.

On August 28 Federal Judge Burnita Matthews denied the temporary injunction and dismissed the stay order. This was appealed several times, but on September 29 a three-judge panel affirmed Judge Matthew's decision and the stay order was terminated.

On October 6 Chief Justice Vinson of the United States Supreme Court was asked to issue a stay order, but on the following day he denied the request.

THREE THOUSAND MILES AWAY

Then an organization calling itself the Tenants Council and representing the A. F. of L. went into the Municipal Court of the District of Columbia, 3,000 miles away from Los Angeles, and persuaded Chief Judge George Barse to issue a temporary order preventing decontrol. But, after arguments, Judge Barse on October 23 denied a temporary injunction and dissolved the stay order.

On October 24, the following day, Mr. Woods made public a letter to the president of the city council informing him that he would not sign a decontrol order. His explanation was that, in his opinion, the council had not held a fair hearing.

In the meantime an effort had been made by the Los Angeles small property owners' organization to obtain in California, first in the county superior court and then in the Federal district court, a mandamus directing Woods to sign. But these were denied, because the courts said they had no jurisdiction over Woods, though the district court had not previously hesitated to issue an order directing Woods not to sign.

Then, on November 2, at a White House press conference, President Truman was asked, in view of the explicit terms of the law, if he would direct Mr. Woods to comply with the law and sign the decontrol order. The President answered testily that he knew all about the Los Angeles situation and Mr. Woods was refusing to sign the order upon his, the President's, personal orders. In other words, "Papa knows best."

THE SITUATION

From the point of view of what a Federal bureau can do to a local government, the interesting thing is that the courts, even the municipal courts in the city of Washington, 3,000 miles away from Los Angeles, have been used to continue rent control in the west coast city for more than 3 months after the appropriate local governing body, elected by the people of Los Angeles, complied in every respect with the law and voted to decontrol.

The bureaucratic attitude of Washington toward local self-government is well exemplified by an excerpt from Expediter Woods' letter to the Los Angeles council in which he informed that body that, regardless of the law, he would not sign a decontrol order.

"I felt it my duty," said Mr. Woods, "as a public officer to take whatever steps my best judgment dictated to guard against decontrol which might result from hasty and uninformed action. I need not dwell on the antagonistic attitude evidenced at that time to my appearance and the unwillingness of the council to meet with me in a spirit of cooperativeness."

In other words, so far as local governments in the United States are concerned it's a case of cooperate with the bureaus in Washington—or else.

Mr. BRICKER. Mr. President, I thank the Senator from Nevada. The article illustrates another instance in which the Expediter, so-called, has completely violated the regulations imposed upon him by Congress. It represents an arrogant display of bureaucratic control, for which he should be removed from office.

Mr. President, almost half of the housing units in America are owned by people who have single-family dwellings for rent; 78.6 percent of the rental units in our country are owned by people who own four-family dwellings or less.

Therefore, by continuing rent control, we would not be imposing on the big landlords the power of the Federal Government to hold down their incomes. We would be imposing the power on the good middle-class American people who have bought their property with money which they had saved against their day of need, and have invested it in property for that purpose. I continue to read from Capital Comment:

The Democratic Party is a party that serves all of the people and it is the duty of Democrats in areas where rent controls are not needed to give full support to continuing the Federal law to protect tenants in areas where they do need protection.

Mr. President, to continue rent control would not be taking care of all the people, in my judgment, because we would have a large segment of good American people who would not be taken care of. Their income has been held down to the point where they will have to dispose of their property or take it off the rental market. The rent control law has resulted in 2,000,000 units being taken off the rental market. In this situation we are not at all facing the problem which is confronting our people. Wages have gone up. We are in a spiral of wage increases. Prices are going up at an ever-accelerating rate. Increases in prices affect also the people who own rental property. Nevertheless, no consideration is given to owners of such property, and no attempt has been made to bring them up to a proper relationship with other factors in the present period of inflation, or to take into consideration the adulterated dollar which we are using in trade at the present time.

Citation is given in the article to the percentage of increase which has been given by the Expediter. The percentage increase of each adjustment averaged 17.8 percent. That is a very small pittance, when compared with an increase of 239.6 percent in wages, or when compared with the increase in the price of food and clothing. Rent is only a minor cost of the total living cost, amounting to only one-third of the cost of food.

Mr. Boyle cites what happened when rent control was taken off. He states that in Knoxville, Tenn., the average increase in rents was 26.8 percent over rents paid during the period of rent control. In Jacksonville, Fla., the increase amounted to 26.2 percent. In Salt Lake City the increase was 16.2 percent. In Topeka, Kans., the average increase was 30.3 percent. In Houston, Tex., the increase was 41.3 percent. In the hearings of the committee those figures were completely refuted by competent testimony. But take it for granted that they are true. They represent only about from one-third to one-sixth of the increase in wages and the increase in prices generally across the board.

It is further stated that there are 40,000,000 people living in 2,000 communities where the question of keeping or dropping rent control must be decided in a few weeks. That is a positive misstatement of fact. There are not forty million. There are nearer twenty-five million; and there are not 2,000 communities, but only about 1,200 communities. Those are the facts given by Mr. Tighe Woods. I want to show the Senate how much reliance can be placed upon Mr. Tighe Woods' testimony before the committee.

The PRESIDENT pro tempore. The time of the Senator has expired.

Mr. BRICKER. I yield myself 2 minutes more.

The testimony of Mr. Tighe Woods has been taken as the basis for this article. It was the only testimony presented, aside from that of a representative of the Air Force, and I believe a representative of the Navy. The opposition was not given an opportunity to testify in hearings on the proposed extension. Mr. Tighe Woods made this statement:

In Weirton, W. Va., an official of the Weirton Steel Co. reported that the company has lost and is still losing employees due to the lack of adequate housing.

Of course, the statement does not make sense on its face. A shortage of housing would not drive the people already there out of their houses. We got from Mr. Woods the name of this man and called him from our office and asked him what the situation was, and what he said to Mr. Woods. He said, "It was a year ago when I talked to Mr. Woods." Yet, Mr. Woods would lead our committee to believe that the situation continues at the present time. This man said definitely that there was not much loss at the present time. The statement is not true today, although there is not adequate low-cost rental housing. There is not adequate low-cost food. There is not adequate low-cost clothing. There is not adequate low-cost wages. So we must consider the situation as a whole.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. FLANDERS. I should like to inquire of the distinguished Senator from Ohio what the relationship is between the inadequate number of low-rent housing units and the extension of rent control. Does the extension of rent control tend to increase the building of new low-rent housing?

Mr. BRICKER. On the other hand, it tends to curb the building of low-rent housing. The proof of that comes in the fact that during rent control there was a loss of 2,000,000 housing units.

Mr. FLANDERS. Then what was Mr. Tighe Woods trying to prove? Why did he bring before the committee as much testimony of this sort as he did in support of the extension of rent control?

Mr. BRICKER. I have no more idea than the man in the moon. I could not ascertain from him what he was talking about, or where he was going; and I do not believe he knew. He was directed to come here and present the case to the committee, and he based it entirely upon the Korean War. It has no relation to the Korean War or the present military situation. In fact, it does not affect that situation one way or the other.

I yield 10 minutes to the Senator from Washington [Mr. CAIN] if he is prepared to proceed at this time.

Mr. CAIN. Mr. President, I should like to ask the Senator from Ohio a question.

Mr. BRICKER. I yield for a question.

Mr. CAIN. No action has yet been taken upon, and no comments have been addressed to, the validating amendment which the Senator from Washington submitted.

Mr. BRICKER. No; there has been no action, except that the Senator from South Carolina [Mr. MAYBANK] stated that he approved the amendment which has been submitted by the Senator from Washington.

Mr. CAIN. It is my intention, when that amendment is brought up, to speak very briefly to it, in order to advise all Senators of the nature of the joint resolution. As of the present time, the Senator from Washington is of the opinion that he can make no further contribution to the debate. It seems to me that Senators are fully aware of how they are going to vote on this question.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). The time of the Senator from Ohio has expired.

Mr. BRICKER. Mr. President, I yield myself enough time to answer the question of the Senator from Washington.

The PRESIDING OFFICER. The Senator may proceed.

Mr. BRICKER. Is it the desire of the Senator from Washington to reserve his time until after 2 o'clock, when the voting begins and he offers his amendment?

Mr. CAIN. Yes, Mr. President.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BRICKER. I yield.

Mr. MAYBANK. The Senator from Washington was not present earlier in the day when I spoke about his amendment.

Mr. BRICKER. I have just told the Senator from Washington that the Senator from South Carolina had agreed to accept the amendment.

Mr. MAYBANK. I think it is only fair in the interest of States' rights and municipal rights.

Mr. CAIN. Mr. President, I had suggested to the Senator from Ohio that when the amendment is called up after 2 o'clock the Senator from Washington would speak only briefly on the amendment, for the purpose of advising Senators as to the substance of the amendment. The Senator from Washington is most grateful for the attitude taken by the chairman of the Banking and Currency Committee.

Mr. MAYBANK. As the Senator knows, I was a member of the Municipal League for years, as he was, and I think the Senator is entirely right.

Mr. CAIN. Recently I have been in the company of a great many mayors who are attending the convention of the American Municipal Association. I believe that the Senator from South Carolina has also been in touch with the mayors. Every single mayor in the United States, regardless of the size of the city he represents, and regardless of whether or not his city is now or has been under Federal rent controls, will be extremely grateful for the adoption of the amendment which has been accepted by the chairman of the Banking and Currency Committee.

Mr. MAYBANK. I assure the Senator that I am as much for the amendment as he is, as I previously stated.

Mr. CAIN. I thank the Senator.

Mr. BRICKER. Mr. President, I yield myself two more minutes, to bring to the attention of the Senate two more pertinent facts.

The first is to the effect that in 1940 there were 28 dwelling units per 100 of population. In 1950 there are 31, so there is less reason today by far for imposing the Federal will upon local communities than there was at that time. The great increase in dwelling units has not been in rental units. It has been in home ownership and occupancy.

The population increase from 1940 to 1950 has been 14.4 percent. Dwelling units in the United States increased 23.6 percent, while rental units were going down as a result of the imposition of rent control.

Those are the pertinent facts which I wish to bring to the attention of the Senate in its consideration of this extension resolution. There are no further speakers on our side at this time, and I yield the floor to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I appreciate the remarks of my good friend and colleague on the committee. I should like to inquire how much time we have left on this side, and how much time is left on the other side.

The PRESIDING OFFICER. The Senator from South Carolina has 32 minutes remaining.

Mr. MAYBANK. How about the Senator from Ohio?

The PRESIDING OFFICER. The Senator from Ohio has 10 minutes remaining.

Mr. MAYBANK. For the record I desire to read a brief statement. I may say that I have no more speakers on this side. So if it is agreeable, after I have concluded this statement, we might take a recess until 2 o'clock. I ask unanimous consent that at the conclusion of my remarks the Senate stand in recess until 2 o'clock.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

Mr. MAYBANK. Mr. President, during the debate on the rent control extension bill last June I stated that extension would be the last rent-control bill which I would seek to have enacted. Since that time—2 days after the President signed that rent bill, in fact, things began to change, and within the last 2 weeks they have changed momentously.

It is my judgment and I believe that of the nine other Senators who voted to report the joint resolution favorably that in the present state of world conditions it would be risking entirely too much to remove on December 31, in effect, rent controls on an estimated 3,750,000 rental units in 1,700 incorporated places with a population of 27,839,000.

In view of the present uncertainty it seemed most sensible that the status quo on rent control be maintained for 60 days. This would give the cities that had not taken any action a chance to consider what action they should take in view of the new world situation. It would also give the new Congress a chance to review and consider the whole question of rent control in relation to the problem of price, wages, credit, and production controls. It would prevent for the time being, at least, a large number of rent increases and at the very time when it is most important that we not rock the economic boat.

I hope some advantage will be taken of the defense-production bill which we took so long to pass last September. The hearings lasted more than a month. The bill was in the House for a long time, and in the Senate for a long time. Then there were long conferences, extending far into the night.

The resolution, Mr. President, simply extends from December 31 to February 28 the time within which any incorporated city, town, or village can take action to extend rent control until June 30, 1951, without being decontrolled, in meantime, if they fail to take affirmative action. The local governing boards under the act would still have the right to decontrol themselves.

I wish to make that perfectly clear. If there is any community which does not like the 2-month extension, it has the same right it had to call a city council meeting or to pass a resolution to decontrol itself.

As I stated to the Senator from Washington, it will be my purpose as chairman of the committee, knowing how the committee feels, to accept the amendment of the Senator from Washington [Mr. CAIN] relating to the validity of

resolutions passed by local governing bodies.

Senate Joint Resolution 207 does not, as the distinguished and very earnest junior Senator from Washington [Mr. CAIN] maintained yesterday, deprive the local governments of any powers they now have with respect to rent control. I wish to emphasize that. They can decontrol themselves any time they want, regardless of this resolution on which we shall vote today. It does not, as he suggested, deprive them of any powers they now possess.

It does not deprive the city of Seattle or the city of Los Angeles of any rights which they now have, when the Senator's amendment is accepted, which I trust it will be.

Mr. CAIN. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield.

Mr. CAIN. Is it not a fact that, if Senate Joint Resolution 207 were passed this afternoon, the city of Seattle, for example, could not anticipate, as it had been given the right to do by the present legislation, the expiration of Federal rent controls on December 31, 1950?

Mr. MAYBANK. Yes. But it could decontrol by that date by having a city council meeting in Seattle and decontrolling itself.

Mr. CAIN. But the resolution would take from that city its right to anticipate that, even if the city took no action—which it was told it need not do—rent controls would not expire on the last day of this year.

Mr. MAYBANK. If we base the statement on anticipation, the Senator is correct; but the city could decontrol.

Mr. CAIN. The Senator from South Carolina and I are in complete agreement that between now and the last day of this year the city, by resolution, may take action to decontrol.

Mr. MAYBANK. The Senator is correct.

Mr. CAIN. Or to continue controls for a period of 6 months.

Mr. MAYBANK. The Senator is correct.

Mr. CAIN. But we must all be certain, as the Senator from South Carolina has just pointed out, that if the joint resolution——

Mr. MAYBANK. As amended by the amendment of the Senator from Washington.

Mr. CAIN. If the joint resolution as amended prevails this afternoon, Federal rent control does not automatically expire in those American cities which have not either taken action to decontrol or to continue controls.

Mr. MAYBANK. The Senator from Washington is absolutely correct. I am sure he will agree with me that the city of Seattle or the city of Charleston, S. C., or any other city, can take action on its own part.

Mr. CAIN. I do agree with the Senator's comment on that point.

Mr. MAYBANK. As the Senator knows, I have always been for States' rights and municipal rights. I believe thoroughly in what the junior Senator from Ohio said, that the local people know more about the local situation than do officials in Washington.

Mr. CAIN. Will the Senator yield for one other question?

Mr. MAYBANK. I yield.

Mr. CAIN. Is there any reason why the Congress of the United States cannot write a new Federal rent-control law, if that is its wish, during the next session of the Congress, if Senate Joint Resolution 207 is not passed this afternoon?

Mr. MAYBANK. Of course not. No Congress can bind another Congress. If the new Congress wants to change laws which have previously been passed, they can, under the Constitution, do so.

Mr. CAIN. Regardless of what happens to Senate Joint Resolution 207 this afternoon, there will be at least 800 cities under Federal rent control from January 1, 1951, to June 30, 1951. Is that not so?

Mr. MAYBANK. I shall accept the Senator's figures. He has studied the matter and has the figures clearly in mind. He is familiar with the figures given out by the Association of Mayors, and if he says the number of cities is 800, I shall accept that figure.

Mr. CAIN. The figure is approximately 800. The point is that there is to be Federal rent control for a large number of American cities during the first 6 months of next year regardless of what happens to Senate Joint Resolution 207 this afternoon.

Mr. MAYBANK. That is correct.

Mr. BRICKER. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. BRICKER. A moment ago unanimous consent was obtained for a recess to be taken until 2 o'clock, after the Senator from South Carolina had concluded his address. I wonder if it would not be better to modify that agreement so that the recess will be taken until 5 minutes of 2, in order that a quorum call be had beginning at 5 minutes of 2?

Mr. President, I ask unanimous consent that when the Senator from South Carolina has finished his statement the Senate take a recess until 5 minutes of 2.

Mr. MAYBANK. Mr. President, I am glad to have the previous unanimous-consent agreement modified to that extent.

The PRESIDING OFFICER. Will the Senator restate his request?

Mr. BRICKER. Mr. President, I ask unanimous consent that when the Senator from South Carolina has finished his statement the Senate take a recess until 5 minutes of 2, at which time we will have a quorum call.

Mr. MAYBANK. I heartily agree with that request.

Mr. LANGER. Mr. President, reserving the right to object, I wish to ask if the proposal is that the Senate proceed to vote at 5 minutes of 2?

Mr. BRICKER. No, Mr. President, I have asked unanimous consent that when the Senator from South Carolina has concluded his statement, a recess be taken until 5 minutes of 2.

Mr. MAYBANK. And that a quorum call be had at that time.

Mr. CAIN. Mr. President, reserving the right to object, I wish to make an inquiry of the Senator from South Carolina. Is he anxious for the Senate to take a recess at the conclusion of his statement, or would he be willing that further contributions be made in respect to the general subject of rent control between now and 2 o'clock?

Mr. MAYBANK. Mr. President, it is our desire to have orderly procedure in connection with the matter under discussion. As I remember, I previously asked how much time I had remaining, and how much time the junior Senator from Ohio had remaining.

The PRESIDING OFFICER. Orderly procedure would permit any Senator who wishes to discuss the subject matter under discussion to do so.

Mr. MAYBANK. Yes; that is true, Mr. President. How much time have I left and how much time has the junior Senator from Ohio left?

The PRESIDING OFFICER. The Senator from South Carolina has 25 minutes left.

Mr. MAYBANK. I have 25 minutes left.

Mr. CAIN. And my understanding was that the Senator from Ohio had 10 minutes left. The Senator from Washington has a letter which concerns itself with the general question of rent control, which he would be pleased to have made a part of the RECORD were that to suit the convenience of the Senator from South Carolina, between now and 2 o'clock.

Mr. MAYBANK. I have only a few more remarks to make. I was one of those who hoped we would not need to have extension of rent control. I hoped that peace might prevail, although I did not believe we would have peace.

Mr. President, if I am not interrupted, I can conclude my remarks in 5 minutes. At the conclusion of my remarks I shall be glad to yield whatever time the Senator from Washington wishes to have.

Mr. CAIN. I will appreciate that very much.

Mr. MAYBANK. Mr. President, it is true that the pending joint resolution will continue rent control in the areas that have not removed or do not remove themselves from rent control for another 60 days. I shall not argue with the junior Senator from Washington that some of these places did not take advantage of the decontrol provisions of the act because by taking no action by December 31, they would have removed themselves automatically from under control, and without the controversy and objections they would otherwise have had to face. But I am confident that many of these same local communities throughout the country would prefer not to be required to take any action one way or the other until they can have a chance to judge during the next 2 months just what the situation actually is. In fact, I know this to be the case from many conversations I have had this week with a number of mayors attending in this city the meeting of the United Conference of Mayors. It is also true that no decontrol action was taken in many of these cities be-

cause the rental market has been relatively tight in many of these areas, or at best because the supply-demand situation was just approaching a more normal condition.

Imagine what would happen to rents in such areas if large defense plants and military installations began to open up and expand. Most communities throughout the Nation do not and cannot be expected to know how a war emergency would affect them. They have no idea of what defense plants or military installations will be located or expanded in their areas. It is our responsibility to facilitate defense production and ease the burden on our military personnel, and we would be doing just the opposite if by our failure to act we risked, or more likely allowed, inflationary rent increase in some 1,700 localities throughout the Nation.

Mr. President, I wish to make a comment respecting my own State. In addition to representing my own State I realize that, as a United States Senator, I must have in mind the welfare of the country as a whole, first, last, and always. An atomic energy plant is to be built in my State which will employ some 30,000 persons. Two months ago no one knew that such a plant was to be built. Many other defense installations and military installations are going to be built in various sections of the country, as I can understand from the appropriations which are requested for such purposes. Request is expected to be made for $50,000,000,000 for next year. Military installations will be built in various parts of the country, and communities do not know where they will be built.

The very able senior Senator from Ohio [Mr. TAFT] stated, and properly so, that national rent control could only be justified by a war emergency. I told the Senator earlier in the day that I think this is a war emergency and I have always thought so, and that I think the President should declare a state of national emergency exists. We have for a long time been in and only recently have we begun to get out of the war emergency, and now it looks like we may be going into another one. We are already in one, Mr. President. Certainly the situation we are in justifies a 60 days' extension for the cities under rent control who have not as yet acted either to extend or decontrol themselves. War and its impact are national in origin and in their consequences, and so are their economic effects. Local governments cannot be expected to bear the full burden of responsibility. We must share it, whether we like to or not, if we are to do the job properly. The economic problem ahead is tough enough; do not make it tougher by allowing a very important item in the little fellow's budget to get out of hand in 1,700 communities throughout our Nation. At least we should give ourselves and the local governments 60 days more to watch, think, and act.

In the meantime we are not foreclosing any rent increases. Over 400,000 were given in the last 4 months. Mr. President, I wish to repeat that figure. Over 400,000 were given in the last 4 months.

The Housing Expediter described to the committee what is known as the Chicago plan which allows a landlord by filling in four blanks on a very simple form to get practically automatically a 15 to 25 percent increase in rents. As Senators remember from our discussion of the bill in 1949 a rent increase of 15 or 25 percent means an increase in net income much, much greater than the 15 or 25 percent. It may mean an increase of up to 100 or 200 percent in the net revenue. I mention this not by way of argument for rent control, but to indicate that in extending rent control for 60 days we are not freezing current rents nor are we continuing gross inequities.

Mr. President, it was impossible to work expeditiously with the forms which were used 2 or 3 years ago. The Congress of the United States appropriated money for the purpose of employing persons in various sections of the United States to help tenants and small landlords because as stated by the junior Senator from Ohio, the advantages accrued to the large property owners. I agree with the Senator's statement in that respect. Certainly I wish to help someone who has used his money to buy a piece of property from which he expects to obtain a small income on which to live in his old age, rather than to become, as has been suggested, a ward of the Government.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MAYBANK. I yield.

Mr. LANGER. Does the Senator think it is fair to impose rent control on old property and not have it apply to new homes?

Mr. MAYBANK. Most of the new houses were built with Federal funds, under FHA loans. But before new homes were built under such conditions, many persons invested their money in property in the expectation that they and their dependents could receive in return funds on which to live in their old age.

Mr. LANGER. Under the present law new houses are not included?

Mr. MAYBANK. That is correct.

Mr. LANGER. Does not the Senator believe that by extending the law for 60 days the discrimination is continued for that time?

Mr. MAYBANK. I will say very frankly to my good friend from North Dakota that there are no doubt, real discriminations existing in the law. I do not know, however, how the Senate and the House could write a new law, have it passed by both Houses and acted upon in conference and finally agreed to before the new Congress convenes.

Mr. LANGER. It is simply a question of expediency then?

Mr. MAYBANK. That is all, Mr. President. But I shall join with the Senator from North Dakota if he will join with me in the new Congress to propose a rent-control law which will treat both classes of property with equity.

Mr. LANGER. Can the Senator say offhand about what proportion of the present houses or units are covered by the present law?

Mr. MAYBANK. I do not have those figures. Perhaps I can obtain them.

Mr. LANGER. The question is, What percentage of the present housing units are covered by the present law?

Mr. MAYBANK. I can only say to the Senator from North Dakota that under the present law there are rent controls on approximately 7,000,000 rental units in 2,500 incorporated places with a population of approximately 50,000,000.

Mr. LANGER. They are covered at the present time?

Mr. MAYBANK. They are under rent control now.

Mr. LANGER. The Senator means that number are covered at the present time?

Mr. MAYBANK. Yes.

It is my judgment—and I believe it is that of nine of the other Senators who voted to report favorably the pending joint resolution—that in the present state of world conditions we would be risking entirely too much to remove rent control from 27,839,000 persons. Approximately 800 communities continued by resolution rent control for another 6 months. They had a population of about 24,000,000 people. About 50 percent of those now covered would retain rent control, regardless of the action on the pending resolution.

Let me ask the Senator from Washington whether he has any additional figures because I certainly want the RECORD to show the facts. My information has been that approximately 50 percent of those now under control have voted favorably for a continuation of rent control and approximately 50 percent have not acted. That is my information.

Mr. CAIN. My best information is that of the 2,400 cities presently under Federal rent controls, approximately 800 have requested an extension for 6 months. That information is about 2 weeks old, so my assumption is that at least several score cities have been added to the 800.

Mr. MAYBANK. I thank the Senator. I did not check on the exact number of persons in whose communities rent controls have been continued, but my information was that the situation was about 50–50. If rent controls were done away with on December 31, I know there would be 27,839,000 persons who would be affected.

The cities which have taken positive action have been such ones as Chicago, Pittsburgh, Philadelphia, St. Louis, St. Paul, and others. Although there are perhaps two cities which have not acted for each city which has acted, nevertheless the populations affected either way would be approximately the same.

Mr. CAIN. It is my understanding that if prevailing conditions continue through this year and if the present law were to expire at midnight on December 31, 1950, approximately 50 percent of those now under control would continue to be under control for the next 6 months.

Mr. MAYBANK. That is the substance of my statement. I was not sure of the exact figure.

Mr. President, our country and our people are depending on us to act wisely and cautiously in this time of national crisis. Let us act cautiously by extending rent control for 60 days, so that we may act with more knowledge of the facts and with more chance for a fuller consideration of the whole program during the early days of the next Congress.

I yield the remainder of my time to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. CAIN. Mr. President, I appreciate the generosity of the senior Senator from South Carolina, the chairman of the Banking and Currency Committee.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. CAIN. Certainly.

Mr. MAYBANK. I understand that it has been agreed that there will be a quorum call at 5 minutes of 2.

Mr. CAIN. That is correct.

Mr. President, in addressing myself to the pending question on yesterday, I mentioned, in passing, that—

> It is my considered judgment that, certainly in my 4 years in the Senate, no statute—

I was obviously referring to the Federal rent-control law—

> has ever been so stupidly interpreted by those in the executive branch charged with its conduct. That conduct has been shot through with prejudice, with malice, and to some extent, I think, with dishonesty. The intent and wish of the Congress have been flagrantly violated by the Administrator of the Office of the Housing Expediter and by his staff. Administrative rules and regulations have been willfully designed to thwart many provisions of the law over which the Members of Congress—both Democrats and Republicans—labored long in their effort to provide some measure of relief and justice to American citizens.

That is the end of the quotation, which can be found on page 16201 of the CONGRESSIONAL RECORD for yesterday.

Mr. President, in support of the feeling I have just expressed, a feeling which to my knowledge is shared by other Members of the Senate, I should like to offer some brief testimony on the same subject from a particular and very large American city. I wish to read something which I have recently received over the signature of Walter C. Peterson, city clerk of the city of Los Angeles. This communication is dated October 27, 1950; it is a certificate, and reads as follows:

> I, Walter C. Peterson, city clerk of the city of Los Angeles, State of California, do hereby certify that the following motion was adopted by the Council of the city of Los Angeles at its meeting of Friday, October 27, 1950.
>
> "I move that the report of the city attorney dated October 27, 1950, as read to the Council by the clerk, be forwarded to President Harry S. Truman with the request that immediate steps be taken to rectify this flagrant violation of the rent-decontrol statute by Expediter Tighe Woods, and the further suggestion that the Expediter be instructed to sign the order of decontrol; further, that copies of the city attorney's report referred to be placed in the hands of each Member of Congress representing the Los Angeles area and the two United States Senators; also that copies be forwarded to the chairman of the Senate Banking Committee and the chairman of the House Banking Committee; further, that the City Attorney be instructed to secure the assistance of Charles S. Rhyne, of Washington, D. C., in presenting this matter and any other material relevant to the matter to the officials mentioned."
>
> WALTER C. PETERSON,
> *City Clerk, City of Los Angeles.*
> Dated this 27th day of October 1950.

I have likewise received from the same Mr. Peterson. Mr. President, another certificate dated October 27, 1950, which I wish to read:

> I, Walter C. Peterson, city clerk of the city of Los Angeles, State of California, do hereby certify that the following motion was adopted by the Council of the City of Los Angeles at its meeting of Friday, October 27, 1950.
>
> "I move that the Attorney General of the United States be requested to immediately investigate the action of Tighe Woods, Housing Expediter, in defiance of the will of Congress in respect to the Federal rent-control statute of 1950 as acted upon legally by the City Council of Los Angeles, as to possible collusion between Tighe Woods and Maxwell Miller and the so-called tenants' council."
>
> WALTER C. PETERSON,
> *City Clerk, City of Los Angeles.*
> Dated this 27th day of October 1950.

Mr. President, as a good many Members of the Senate and of the House of Representatives know, the City Council of the City of Los Angeles passed a resolution on July 28, 1950, by a vote of 10 to 4, to decontrol rents in Los Angeles. That action was predicated on the manner in which the city of Los Angeles interpreted and understood the Federal Rent and Housing Act of 1947, as amended.

Under date of October 23, 1950, Mr. Tighe Woods, Federal Housing Expediter, wrote to Mr. Harold A. Henry, president of the City Council of the City of Los Angeles, to explain to Mr. Henry and to the City Council of Los Angeles why, in the opinion of the Federal Housing Expediter, his administration should not subscribe to the law of the land and therefore should not decontrol rents in Los Angeles, as that city had thought ought to be done under the terms of its resolution as passed on July 28, 1950.

Mr. President, because a good many Members of this body and of the House of Representatives will wish to know precisely how Mr. Woods interprets a Federal statute, I ask unanimous consent that his letter of Octotber 23, 1950, to the president of the City Council of Los Angeles be made a part of my remarks, at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OCTOBER 23, 1950.

HAROLD A. HENRY,
President, City Council of the City of Los Angeles, City Hall, Los Angeles, Calif.

DEAR MR. HENRY: On August 2, 1950, I received from the City Council of the City of Los Angeles a resolution advising me that there no longer exists such a shortage in rental-housing accommodations as to require rent control in the city of Los Angeles. Adoption of this resolution by a majority of the city council was immediately preceded by a public hearing held on July 28, 1950, pursuant to the provisions of section 204 (j) (3) of the Housing and Rent Act of 1950. As you know, under these provisions of the law, I am required to terminate rent control in an incorporated city upon receipt of a resolution of its governing body adopted for that purpose in accordance with applicable local law and based upon a finding by such governing body reached as the result of a public hearing held after 10 days' notice that there no longer exists such a shortage in rental-housing accommodations as to require rent control in such city.

At about the time the resolution came to me, I also received a report from an impartial observer that several questionable incidents took place in connection with the public hearing. It was stated to me that prior to the hearing a majority of the members of the city council had made known their fixed intent to vote for decontrol without regard to the matters which might be brought to their attention at the public hearing; a statement to like effect also was circulated in the press. I was further informed that attendance at the public hearing was so regulated as to systematically exclude large numbers of tenants in favor of the admittance of landlords to insure an atmosphere hostile to the careful and studied consideration of the question before the council. It was shocking to learn that those responsible for the government of as large and great a city as Los Angeles would approach a question as far-reaching and critical as decontrol of rents except in the most objective and unbiased manner and with scrupulous regard for the interests of all of the members of the community. However, realizing that the Congress intended that the governing body of each incorporated community determine for itself whether it desired the continued protection afforded by Federal law, and in the absence of a record or transcript of the hearing, I was not disposed to reject the resolution upon the basis of these seeming irregularities alone.

On August 9, 1950, I received a petition from a group purporting to act in behalf of 300,000 tenant families in the city, requesting that I withhold action on the resolution until inquiry had been made into certain matters raised in the petition. Among these was the charge that the city council action was in complete disregard of available and known evidence of an already existing acute shortage of rental housing accommodations, which would be further aggravated by the expected influx of large numbers of aircraft workers. Along with this petition there was filed a copy of the housing survey conducted at the request of your city council by the Peacock Research Association. This impartial survey, completed in April 1950, shows a vacancy factor of 2.6 percent for all dwelling units in Los Angeles and, in units having monthly rentals up to $57.49, the vacancy factor ranges from 1.4 to 3.5 percent. These matters, bearing as they do upon the very issue before the city council, caused me very considerable concern. I felt it my duty as a public officer to take whatever steps my best judgment dictated to guard against decontrol which might result from hasty and uninformed action. Consequently, as soon as my schedule permitted, I came to Los Angeles to confer with the members of your council in the hope of presenting an informed view of the several aspects of control and decontrol in your city, and to learn at first-hand the reasons why the majority of the council felt that Los Angeles was ready for decontrol. I need not

dwell upon the antagonistic attitude evidenced at that time to my appearance and the unwillingness of the council to meet with me in a spirit of cooperativeness. Since there was no disposition to give this vital subject the consideration it deserved, I announced that the resolution would be accepted upon my return to Washington unless it were found that the council action did not satisfy the requirements of law.

I have since been made fully aware, for the first time, through a recording, of the exact events transpiring at the public hearing and the discussion of the several councilmen prior to their vote. The testimony presented at the hearing by those favoring decontrol is noteworthy for its almost complete lack of relevance to the subject of the existence or nonexistence of a housing shortage in Los Angeles. It is fully clear that not a single witness presented real facts to show that a shortage of rental housing did not exist. Moreover, the councilmen who voiced their intention to vote for decontrol likewise failed to provide a substantial basis, grounded upon fact, for their desire to eliminate Federal rent control in the area. In the light of the foregoing matters, it cannot reasonably be said that the resolution is based upon findings reached as a result of the public hearing, as required by the statute.

I believe that the Housing Expediter is charged with the responsibility of determining whether the requirements of law have been met before a decontrol resolution may be accepted. That is a serious responsibility. Having arrived at the judgment that the resolution of the City Council of Los Angeles is not based upon findings which could reasonably be reached as the result of the public hearing, I have no alternative but to reject the resolution.

I regret the need for such action, since any fair doubt in such cases has always been resolved in favor of the communities involved, as the past record of this Office clearly shows. There is no fair doubt here.

Sincerely,

TIGHE E. WOODS,
Housing Expediter.

Mr. CAIN. Mr. President, shortly after Mr. Woods' letter was received by Mr. Henry, the president of the Los Angeles City Council, it was referred to the corporation counsel of the city of Los Angeles, for his opinion and for his views. The corporation counsel examined Mr. Woods' letter carefully, and offered his findings to the City Council of Los Angeles. In order to keep the record straight and to satisfy the curiosity of a good many Americans on this most important question, I ask unanimous consent that the findings and memoranda of the corporation counsel of the city of Los Angeles be made a part of my remarks, at this point in the RECORD.

There being no objection, the findings and memoranda were ordered to be printed in the RECORD, as follows:

RE COMMUNICATION FROM TIGHE E. WOODS REJECTING COUNCIL RESOLUTION REGARDING DECONTROL OF RENTS

To the honorable the City Council of the City of Los Angeles.

GENTLEMEN: You have requested a report from this office on the communication under date of October 23, 1950, from Tighe E. Woods, Housing Expediter, addressed to Harold A. Henry, president of the City Council of the City of Los Angeles. The Housing Expediter's letter is a refusal to perform his duty, as required by law, to decontrol rental housing in Los Angeles, pursuant to the resolution adopted by your honorable body at its meeting of July 28, 1950. That resolution was adopted after a public hearing on the matter of the necessity of further need for the control of rents in the city of Los Angeles, based upon a finding that such control was no longer needed.

This action on the part of the Housing Expediter has created a serious situation affecting the interests and well-being of many property owners and residents in the city of Los Angeles. In fact, his action has a direct and detrimental impact upon the economics of this community. As a result, your honorable body, as the determining agency of the Congress of the United States in carrying out its express declaration "that it is its purpose to terminate at the earliest practicable date all Federal restrictions on rent on housing," has met an impasse created by the arbitrary and precedented action of the Housing Expediter.

The critical problem now confronting your honorable body is the accomplishment of the purposes and objects of the Congress with the minimum of delay. It is strange that the title to the office occupied by Mr. Tighe E. Woods should use the word "Expediter" while the burden of expediting decontrol now falls upon the city council.

The communication is nothing short of a futile attempt to cover the dereliction of the Housing Expediter by false accusations challenging the integrity of the council which are admittedly based solely upon extraneous and hearsay information. To do more than point out a few of the inconsistencies and "double talk" of the Housing Expediter would extend this report to undue lengths—therefore only the more glaring features of the Housing Expediter's present position will be mentioned.

The Housing Expediter states in his communication that: "Having arrived at the judgment that the resolution of the City Council of Los Angeles is not based upon findings which could reasonably be reached as the result of the public hearing, I have no alternative but to reject the resolution."

Even if it be assumed, merely for the sake of argument, that the Housing Expediter has the right to exercise any "judgment" in the matter of whether the findings in question could have been reached reasonably as the result of the public hearing held by the council, the position taken by the Housing Expediter, as disclosed for the first time by this communication, is to say the least novel and lacking in judicial or administrative precedent.

The Housing Expediter has gone beyond all accepted concepts of judcial or administrative practice and has introduced a new type of administrative procedure, namely, review by rumor.

The communication states that the Expediter "Received a report from an impartial observer that several questionable incidents took place in connection with the public hearing," and that, "it was stated to me that prior to the hearing, a majority of the members of the city council had made known their fixed intent to vote for decontrol without regard to the matters which might be brought to their attention at the public hearing," that "a statement to like effect also was circulated in the press," that he was "further informed that attendance at the public hearing was so regulated as to systematically exclude large numbers of tenants in favor of admittance of landlords to insure an atmosphere hostile to the careful and studied consideration of the question before the council," and that he has "since been made fully aware for the first time through a recording of the exact events which transpired at the public hearing and the discussion of the several councilmen, prior to their vote," and that, "the testimony presented at the hearing by those favoring decontrol is noteworthy for its almost complete lack of relevance to the subject of the existence or nonexistence of the housing shortage in Los Angeles." These and other statements of a similar nature indicate that the Housing Expediter has attempted to pass upon the validity of the proceedings authenticated either by the president of the city council, or the clerk thereof.

Whenever one officer or board reviews the actions of another officer or board where a hearing has been held in a matter, it is the uniform practice to secure a record of the proceedings duly authenticated by the officer or board conducting the hearing. If any question arises as to the correctness of such a duly authenticated record, the universal practice to refer the matter back to the hearing officer or board for correction of the record, so that it may speak the truth.

The Housing Expediter in this case has not requested an authenticated record, apparently, because his office is fully aware that such a record would disclose the falsity of the information on which he bases his communication and places reliance.

As to the Housing Expediter's statement that it was stated to him that prior to the hearing a majority of the members of the city council had made known their fixed intent to vote for decontrol, an affidavit, signed by Councilmen Davenport, Allen, Holland, Davies, Warburton, Timberlake, Henry, Austin, Cronk, and Debs, subscribed and sworn to before a notary public, on August 21, 1950, stated:

"That prior to the public hearing conducted on July 28, 1950, in the council chambers in the matter of rent decontrol, he did not determine to vote for decontrol without and prior to a public hearing on said matter, and that he was not influenced by persons, matters, or things to vote for decontrol without and prior to the holding of a public hearing on the matter."

This affidavit was filed in the case of *Maxwell Miller* v. *Tighe E. Woods*, and a copy thereof served upon the attorneys of record for Mr. Tighe Woods.

With regard to the statement of the Housing Expediter that he was further informed that attendance at the public hearing was so regulated as to systematically exclude large numbers of tenants in favor of the admittance of landlords to insure an atmosphere hostile to the careful and studied consideration of the question before the council, the affidavit of Charles L. Williams, sergeant at arms of the council, was likewise filed in the case previously mentioned, and it is averred in that affidavit:

"That at the meeting of the council, held on July 28, 1950, no person or persons was or were excluded systematically, or otherwise, from the council chambers, until such time as the council chambers were filled to capacity, whereupon no further persons were permitted inside the council chambers; that loud-speakers were in operation so that the proceedings of the council at said meeting could be heard by persons outside the council chambers; that said council chambers have a seating capacity of approximately 380 persons, and that there were present in said council chambers at the said meeting approximately 455 persons."

The Housing Expediter chooses to ignore these affidavits and rely on asserted information of a hearsay nature, the source of which he does not disclose. It is interesting to note that the language used by the Housing Expediter in making these charges is identical with the allegations found in the papers filed in the case of *Miller* v. *Woods*.

The Housing Expediter refers to, "a petition from a group purporting to act on behalf of 300,000 tenant families in the City, requesting that I withhold action on the Resolution until inquiry had been made in the certain matters raised in the petition." The Housing Expediter states that, "among

these was the charge that the city council action was in complete disregard of available and known evidence of an already existing shortage of rental housing accommodations, which would be further aggravated by the expected influx of large numbers of aircraft workers."

Reference is made to a copy of the housing survey conducted at the request of the city council by the Peacock Research Associates. The Housing Expediter further states, "this impartial survey, completed in April 1950, shows a vacancy factor of 2.6 percent for all dwelling units in Los Angeles and, in units having monthly rentals up to $57.49, the vacancy factor ranges from 1.4 to 3.5 percent." What he neglected to point out is that in the rental bracket between $57.50 and $64.99, the vacancy factor shown by the report is 5.4 percent. From the Peacock report, it can be determined that the vacancy factor, based on total rental housing accommodations, is slightly in excess of 4.5 percent. Be that as it may, the Housing Expediter states in his communication that, "I felt it my duty as a public officer to take whatever steps my best judgment dictated to guard against decontrol which might result from hasty and uninformed action." As the council well knows, the housing survey, conducted at the request of the City Council by the Peacock Research Associates, was at the sole expense of the city and was, in the language of the Housing Expediter, "an impartial survey."

By reason of the shortness of time, this office is unable to furnish the Council with specific figures relating to vacancy factors in the various communities in the county of Los Angeles, as well as the vacancy factor in the unincorporated area of the county which have been decontrolled. It is to be noted that the Housing Expediter makes no claim that the vacancy factor in those communities or in the unincorporated area of the county was greater than that shown to exist in the city of Los Angeles by the Peacock report, which was before the city council and is part of the file in this rent-decontrol matter.

An examination of the council file in the matter shows many communications upon the subject. Attention is called to a statement of Mr. G. G. Bauman, president of the Small Property Owners' League, in which he has detailed facts relating to housing conditions in the city of Los Angeles based upon the Peacock report, which conclusively refutes the statement made by the Housing Expediter that, "It is fully clear that not a single witness presented real facts to show that a shortage of rental housing did not exist."

In short, it is clear that the Housing Expediter is attempting to substitute his judgment as to what he believes should be done, for that of the city council. The Housing Expediter, in so determining, has resorted to information which does not appear to be a part of any record made before the council in this matter. This is particularly true as to his statement that, "in the light of the foregoing matters, it cannot reasonably be said that the resolution is based upon findings reached as a result of a public hearing as required by the statute."

The minutes of the council disclose, as your honorable body well remembers, that an extensive hearing was held in the matter. Each side was allotted 45 minutes to present their side of the question, and an additional 15 minutes were allotted to each side for rebuttal. As a matter of fact, the hearing extended well beyond the allotted time.

It will be recalled that no complaint was made at that time that the members of the public were not given an opportunity to be fully heard in the matter, or that any request for further time was made. That the hearing was fair and impartial is, of course, best known to the members of your honorable body.

After referring to his visit to Los Angeles and his appearance before the council, the Housing Expediter states, "I have since been made fully aware, for the first time, through a recording, of the exact events transpiring at the public hearing and the discussion of the several councilmen prior to their vote." Neither the council nor the clerk has ever authenticated the correctness of any transcription made at the hearing nor has the council or the clerk been requested to determine whether or not such transcription, if it was made, is a full and complete transcript of the hearing in question. The attention of this office has been called to the existence of a transcription apparently made for news release purposes, which is purported to contain a portion of the hearing before the council. However, the city attorney's office has been unable to secure this recording. Consequently, it is impossible to comment upon the contents thereof. Of course, it is impossible to determine from the Housing Expediter's communication what transcription he listened to. Needless to repeat, whatever the transcription the Housing Expediter listened to, its correctness was not authenticated by either the council or the city clerk.

The statements and insinuations made in the communication from the Housing Expediter are utterly without foundation. The reasons he now assigns for refusing to act in the matter appear to indicate a studied intent to avoid compliance with the law relating to the decontrol of rents, at least, as applied to the city of Los Angeles. In the brief filed by the Housing Expediter, as the appellee in the case of Maxwell Miller against Tighe E. Woods, wherein, over the signature of Ed. Dupree, general counsel; Leon J. Libeu, assistant general counsel; Nathan Sigel, and Benjamin Freidson, special litigation attorneys, Office of the Housing Expediter, it is stated that, "to the extent that appellants may be urging that in some manner not explained, the Housing Expediter must determine whether the findings fairly flow from the evidence adduced at the public hearing. The Housing Expediter is in sharp disagreement with such a view. The statute does not contemplate that a record of the proceedings be furnished, and none has been or presumably would be transmitted to him. When the resolution plainly sets forth that the required findings have been made and were reached as a result of a public hearing further inquiry is not required."

While a mandatory injunction seeking to compel the Housing Expediter to comply with the law as his counsel has heretofore represented it to be before the court might be sought, it is doubtful if any practical purpose can be served in view of the length of time that would be consumed in securing a final judgment.

There are two possible nonjudicial courses of action that may be of some practical benefit.

Possible, the action of the Housing Expediter in this matter may be the proper subject for investigation by the Attorney General of the United States as to whether there has been willful or corrupt misconduct on the part of a Federal official that impairs the administration of a Federal statute.

It might be that more effective results could be obtained if the matter were to be directly laid before the President of the United States himself. He is the chief executive and has the power of appointment and removal of the Housing Expediter. It must be remembered that Federal control of rents is part of the emergency powers conferred upon the President. These emergency powers, as originally conferred in 1942 and continued by the Housing and Rent Act of 1947, have been curtailed by the Housing and Rent Act of 1950. The latter statute specifically confers upon the local governing body of the city the power to take the very action which the council took in this matter. Clearly, this statute is being deliberately violated by the Housing Expediter.

A third possibility is a congressional investigation. This course of action would be directed more to the question of whether amendment to the existing statutes is desirable so as to prevent a further repetition of this type of incident rather than applying corrective measures under existing law.

Of course, another public hearing could be had but there is no assurance that, notwithstanding whatever evidence may be adduced, the Housing Expediter would accord a second resolution any different treatment than that given the current resolution.

Very truly yours,

RAY L. CHESEBRO,
City Attorney.
By BOURKE JONES,
Assistant City Attorney.

Mr. CAIN. Mr. President, under date of November 15, and at a time when the junior Senator from Washington was in the city of Los Angeles, and when this problem was brought to his attention, he addressed a letter to the Senator from South Carolina [Mr. MAYBANK], chairman of the Senate Banking and Currency Committee, at the Senate Office Building in Washington, D. C. The Senator from Washington thinks that his letter, together with the several communications in question exchanged between the city of Los Angeles, its city council and its corporation counsel, and the Office of the Housing Expediter, will pretty satisfactorily acquaint the Senate with most of the facts involved in the blunt refusal of the Housing Expediter to obey the law of the land, as understood by myself, and, I think, as other Senators and Members of the House of Representatives understand that law and its meaning. The letter reads as follows:

NOVEMBER 15, 1950.

Senator BURNET MAYBANK,
Chairman, Senate Banking and Currency Committee,
Senate Office Building,
Washington, D. C.

MY DEAR BURNEY: On July 28, 1950, the City Council of Los Angeles passed a resolution by a vote of 10 to 4 to decontrol rents in Los Angeles. This action was taken as authorized by the Housing and Rent Act of 1947, as amended. The applicable amendment, which I believe was offered by BILL FULBRIGHT, of Arkansas, and passed overwhelmingly by the Senate, states that "the Housing Expediter shall terminate the provisions of this title in any incorporated city upon receipt of a resolution of its governing body adopted for that purpose in accordance with applicable local law and based upon a finding by such governing body reached as a result of a public hearing held after 10 days' notice that there no longer exists such a shortage in rental housing accommodations as to require rent control in such city." The Housing Expediter acknowledged receiving this resolution on August 2, 1950.

In February of 1950 the Los Angeles City Council authorized a survey to be taken which would determine if a request would be made by the city of the Housing Expediter to decontrol rents. This survey was undertaken by a reputable firm selected by the city. The survey cost approximately $25,000, and this cost was charged against all of the taxpayers of Los Angeles. It took about 6 weeks to complete the survey. The city council then took many weeks to consider the survey, following which the city council conducted a public hearing in accordance with the Federal law, at which both those in support of and opposed to decontrolling rents in Los Angeles were fairly and thoroughly heard.

The Housing Expediter has employed every conceivable legalistic technicality and maneuver for 3½ months in an effort to maintain rent controls in Los Angeles. Los Angeles has been required to appear before five courts, from the municipal to the Supreme Court level. In each and every instance the courts have held that the Federal law empowered Los Angeles to resolve to decontrol rents within its jurisdiction. The city of Los Angeles and the Federal Government, through the Office of the Housing Expediter, have already spent thousands of dollars simply because the Housing Expediter has sought relentlessly to avoid and to violate the law of the land. The Federal law which was recommended by your committee and passed by the Senate and the House of Representatives gives no discretion to the Housing Expediter when a city has properly approved and submitted a rent-decontrol resolution. The legislative intent of the Congress was to provide American cities and towns with a maximum of home-rule authority. The Fulbright amendment was passed to permit an American city to determine its own need for rent-control restrictions. The Housing Expediter has been fully conscious of the intent of the Congress. He is guilty of placing himself above the law of the land and of offering himself as a Federal agent who knows more about the needs of an American municipality than do those who are elected by its citizens to manage the affairs of a city in their name.

I need not remind you that I recommended that the present Housing Expediter be confirmed when I was the chairman of the Housing and Rent Subcommittee of your committee in the Eightieth Congress. My recommendation was approved unanimously by your committee, because I assured each member that the Acting Housing Expediter had certified to me that he would be particularly careful to literally obey the Federal law and that he would painstakingly observe the legislative intent of the law. With reference to Los Angeles, the Housing Expediter has abused the confidence which I and the entire committee placed in him, and he is breaking provisions of the Federal law as they can publicly be read by any one.

I want to urge your committee to question and investigate the Office of the Housing Expediter as promptly as you can conveniently do it after the Congress convenes on November 27. If my judgment is right that the Housing Expediter has willfully and flagrantly broken the law and ignored the intent of the Congress, I hope that charges will be preferred against him which, if supported by an American court, will send the present Housing Expediter, and any of those who are guilty with him, to a Federal penitentiary.

If a Federal agent is permitted to dictate in opposition to the law of the land what an American community must do, then every American community will become nothing more than a pawn and vassal of a high-handed Federal Government. If the Housing Expediter can bypass the rights which belong to Los Angeles then no American municipality will have any rights at all. The issues before us goes far deeper than the question of rent controls for an American municipality. The fundamental question is whether a Federal agent can break a Federal law and in doing so take away the rights which belong to independent American citizens.

Because I have worked with and for your committee you will agree that I know as much about the legislative intent behind the Federal rent law as any Member of the Congress. Against this background I simply state as being a fact that the Housing Expediter is premeditatively attempting to avoid what he knows to be the considered wish of the Congress. Should he be permitted to ignore and repudiate his responsibilities the Congress would soon become a meaningless part of the Government and citizens would be without any right or protection whatsoever.

I feel that you will be as indignant and distressed as I am and that you will promptly call the Housing Expediter and his prime agents before your committee. A majority of all Democrats and Republicans approved the home-rule provision which Los Angeles relied upon more than 3 months ago. If Los Angeles or any other city finds it impossible to rely upon and trust the law of the land then the Congress ought to go out of business for it would have no possible justification for existence.

With sincere and most cordial regards, I am,

HARRY P. CAIN.

Mr. President, we have before us this afternoon Senate Joint Resolution 207, which, if passed, will, in the light of the circumstances which I have presented to the Senate, continue an administrative agency which, in the opinion of a number of Senators, has been maladministered, and through which common, simple justice and decency have not been extended to American citizens everywhere.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER. Does the Senator from Washington yield to the Senator from Nebraska?

Mr. CAIN. If I may yield, I do so gladly.

Mr. WHERRY. Has the Senator discussed at this time the amendment he intends to offer to Senate Joint Resolution 207?

Mr. CAIN. No; for the reason that it had been agreed previously with the Senator from South Carolina that I would merely bring up the amendment and discuss it very briefly after 2 o'clock.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. The time of the Senator from Washington has expired. All time has expired.

Mr. WHERRY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Holland	Mundt
Anderson	Hunt	Murray
Brewster	Ives	Myers
Bricker	Johnson, Tex.	Neely
Bridges	Johnston, S. C.	Nixon
Butler	Kefauver	O'Conor
Byrd	Kem	O'Mahoney
Cain	Kerr	Pepper
Capehart	Kilgore	Robertson
Chapman	Knowland	Russell
Chavez	Langer	Saltonstall
Clements	Leahy	Schoeppel
Cordon	Lehman	Smith, Maine
Donnell	Lodge	Smith, N. J.
Douglas	Long	Smith, N. C.
Dworshak	Lucas	Stennis
Ecton	McCarran	Taft
Ellender	McCarthy	Taylor
Flanders	McClellan	Thomas, Okla.
Frear	McFarland	Thomas, Utah
Fulbright	McKellar	Thye
Gillette	McMahon	Watkins
Gurney	Magnuson	Wherry
Hayden	Malone	Wiley
Hendrickson	Martin	Williams
Hickenlooper	Maybank	Young
Hill	Millikin	
Hoey	Morse	

The VICE PRESIDENT. A quorum is present. Under the unanimous-consent agreement, 20 minutes of debate is allowed on any amendment. No amendment is pending.

Mr. CAIN. Mr. President, I send to the desk an amendment and ask that it be stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The CHIEF CLERK. At the end of the joint resolution, it is proposed to insert the following new section:

SEC. 2. Section 204 (j) (3) of the Housing and Rent Act of 1947, as amended, is hereby amended by inserting, before the period at the end thereof, a colon and the following: "*Provided further*, That as used in this act the term 'resolution' shall not be construed to be limited to ordinances or other legislative acts, and any resolution heretofore adopted by any local governing body is hereby declared to be effective for the purpose of this section 204 (j) (3) or section 204 (f) (1), whether or not such resolution was legislative in character; and no suit or action shall be brought under section 205 of this act, or any other provision of law, on the basis of any administrative decision or the decision of any court that the resolution described in this act must be a legislative act."

Mr. CAIN. Mr. President, since April 1949, in approximately 1,000 cities, Federal rent control has either been terminated or continued to June 30, 1951, by findings of fact incorporated in resolutions adopted by local governing bodies. A circuit court of appeals has recently ruled that a legislative act is required for a city either to recommend an extension of 6 months of Federal rent control or to decontrol. The amendment which I have offered would do one thing, and only one thing. It would validate every action which has been taken by any city since April 1949, either to extend rent control or to decontrol. If the Supreme Court of the United States were to uphold the recent circuit court of appeals decision—I do not think that is likely, but certainly it is possible—it would throw before the courts of the land the property rights and all related questions of approximately 40,000,000 Americans. It is my understanding that the distinguished senior Senator from South Carolina [Mr. MAYBANK], the chairman of the Committee on Banking and Currency, which favorably reported Senate Joint Resolution 207, is in support of the amendment. It is my hope that every Senator, even though he may decide to vote against Senate Joint Resolution 207 in any form, will support the amendment.

Mr. MAYBANK. Mr. President, I merely wish to state that the explanation of the amendment given by the Senator from Washington [Mr. CAIN] is absolutely correct. I do not know—and he has stated that he does not know—what the Supreme Court will do. Members of the mayors' conference have discussed the subject with both of us. Both are former mayors of cities. Believing as I do in States' rights and rights of cities, I believe we should not vote against the amendment. Its adoption would leave the question where the present law leaves it, namely, on the shoulders of the local government. As chairman of the committee, I should like to state that the amendment meets with the approval of the committee.

Mr. CAIN. Mr. President, for the record I offer a resolution adopted by the National Institute of Municipal Law Officers on November 29, 1950, at the national conference in New Orleans, La., and I ask that it be printed in the RECORD at this point.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Whereas Congress has by express direction placed the responsibility for extending or decontrolling rents in local governing bodies and expressly directed that the determinations of local governing bodies be expressed by resolution adopted in accordance with local law applicable to resolutions; and

Whereas the Housing Expediter has arrogated to himself the power to review the determinations made by local governing bodies by attacking the character of the hearings held and the character of the findings made despite the fact that Congress has not vested in the Expediter any discretion whatever; and

Whereas to bolster his position the Housing Expediter has stated he had grave doubts as to whether an ordinance or resolution is required despite the fact that 1,000 cities throughout the United States have followed the mandate of Congress and have expressed their determination as to rent decontrol or rent control by resolution as specifically directed by Congress in the Housing and Rent Act; and

Whereas the action of the Housing Expediter has resulted in thwarting the will of Congress and of city councils by casting doubts as to the validity of their action despite the fact that all these 1,000 cities have followed the express direction of Congress: Now, therefore, be it

Resolved, That the National Institute of Municipal Law Officers direct the attention of the President of the United States and the Congress to the legal chaos which has resulted from an erroneous administrative interpretation of congressional language, the effect of which is to deprive cities of the power to make the determination of rent decontrol or rent continuance in the manner required by Congress; and be it further

Resolved, That the Congress of the United States be formally requested to reaffirm its requirements that city councils and not the Expediter make these rent decontrol or rent continuance determinations and that Congress reaffirm its intent that adoption of a resolution according to applicable local law is full and complete compliance with the requirements of the Housing and Rent Act of 1947, as amended, in making the requisite finding of fact as to rent decontrol and rent-control continuance, and further that Congress be urged to declare that an ordinance is not required for such action by said act.

Mr. MAYBANK. Mr. President, I wish to incorporate in the RECORD at this point the letter of Mr. Paul V. Betters, executive director of the United States Conference of Mayors, now meeting in Washington, who told me that he knew I would never go back on State or city rights on a short resolution which would be effective for only 2 months.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

The decision of the United States Court of Appeals for the District of Columbia Circuit on November 24 last has thrown the whole rent-control situation into confusion. In spite of the patently clear provisions of the bill passed earlier this year the Court's decision in effect holds that all resolutions adopted by city councils in accordance with local law (for either decontrol or continuation up to June 30 next) are invalid. The court held only ordinances were legal.

Because of the very great possibility that the United States Supreme Court cannot act on the appeal before December 31, it would seem that the only way the situation could be met would be to add a proviso to Senate Joint Resolution 207 which is now before the Senate. I would most strongly urge that the resolution be amended in line with the attached memo in order to take care of this legal situation in which the cities find themselves as a result of the court of appeals' decision.

With best wishes always, I am,

Yours sincerely,

PAUL V. BETTERS,
Executive Director.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. CAIN].

The amendment was agreed to.

Mr. FLANDERS. Mr. President, I call up my amendment 12–6–50–A, which I filed yesterday.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. At the end of the joint resolution it is proposed to insert the following new section:

SEC. 2. (a) Paragraph (1) of section 204 (b) of the Housing and Rent Act of 1947, as amended, is amended by striking out "paragraphs (2) and (3)" and inserting in lieu thereof "paragraphs (2), (3), and (6)."

(b) Section 204 (b) of such act, as amended, is further amended by adding at the end thereof the following new paragraph:

"(6) Notwithstanding any other provision of this act, the Housing Expediter shall promptly make a general adjustment in the maximum rents for all controlled housing accommodations so as to provide for fixing such maximum rents at the rate prevailing for comparable housing accommodations not under control, and he shall from time to time make adjustments for such relevant factors as he shall determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within the defense rental area."

Mr. FLANDERS. It is proposed also to amend the title so as to read: "Joint resolution to continue for a temporary period certain provisons of the Housing and Rent Act of 1947, as amended, and to provide a more appropriate base for rental rates under such act."

Mr. President, I ask unanimous consent to modify my amendment by inserting additonal language. I shall read the amendment as I propose to modify it.

The VICE PRESIDENT. The Chair would suggest to the Senator from Vermont that the title of the joint resolution cannot be changed until the joint resolution is passed. Therefore it cannot be voted upon as part of the Senator's amendment.

Mr. FLANDERS. Very well. Section 6 of my amendment now reads:

(6) Notwithstanding any other provision of this act, the Housing Expediter shall promptly make a general adjustment in the maximum rents for all controlled housing accommodations so as to provide for fixing such maximum rents at the—

At this point I propose to insert—

average of the rents prevailing during the months of April, May, and June 1950, for comparable housing accommodations not under control in the defense rental area, or in adjacent defense rental areas, or, if such comparable housing accommodations do not exist in the defense rental area, or in adjacent defense rental areas, for other comparable housing accommodations not under control—

Section 6 continues—

at the rate prevailing for comparable housing accommodations not under control, and he shall from time to time make adjustments for such relevant factors as he shall determine and deem to be of general applicability in respect of such accommodations, including increases or decreases in property taxes and other costs within the defense rental area.

Mr. President, I ask permission to make the change in my amendment.

The VICE PRESIDENT. The Senator from Vermont may modify his amendment at this time without unanimous consent.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. FLANDERS. I yield.

Mr. WHERRY. I understand the Senator has a right to modify his amendment at this time. As I understand, he is inserting the language which he read between the article "the" and the word "act" in line 1 of page 2.

Mr. FLANDERS. That is correct.

Mr. WHERRY. The rest of the language is to remain in the amendment.

Mr. FLANDERS. That is correct.

Briefly I wish to say that the purpose of my amendment is not to perpetuate the injustice of having one of the elements of the cost of living held down forcibly by the Government. As anyone can see by looking at page 3 of the current economic data sheet which was furnished to all Senators, the Government has deliberately, forcibly, and relentlessly raised another element in the cost of living, namely, that of food. The question, therefore, arises for our consideration whether the group of people in our country whose rates have been forcibly held down is composed of criminals, people who are beyond the limits of civilized society, and against whom every imaginable degree of governmental coercion is justified.

It would be a calamity, Mr. President, from the standpoint of justice, if the rent-control law which Congress intended to have end on December 31 were to perpetuate this injustice and be used as a psychological basis, if not as a legal basis, for a new rent-control law. The discrimination and injustice should be ended now, and that is the purpose of my amendment.

Mr. MAYBANK. Mr. President, I shall not argue with the Senator from Vermont about the discriminations and injustices, because the Senator is generally correct. But 2 days after the President had signed the rent-control bill which Congress passed, the Korean attack came.

The only statement I have made is that I do not believe that the Congress has time, between now and the end of the present session, to change the law. When the new Congress meets we shall get busy right away writing a new rent bill.

The amendment of the Senator from Vermont provides that from time to time adjustments shall be made for increases or decreases in property taxes, among other things. We all know about taxes. Many communities have not even set their taxes for next year. How can adjustments be made in rents within a period of 2 months in communities where the taxes are not even set?

The Senator may well be correct in his statement about discriminations and injustices, but I do not think they can be removed by legislating on the floor of the Senate within the short time remaining in this session. No one has greater admiration for my distinguished friend, who is a member of the committee, than I have. We had never seen this amendment until it was offered on the floor. The Senator has himself modified his own amendment within the past 5 minutes.

Mr. FLANDERS. I modified it yesterday afternoon in my own mind, but have had an opportunity to present the modification only in the past 5 minutes.

Mr. MAYBANK. This is the first I have heard of the proposed amendment.

My good friend knows my affection for him. I did not know that the amendment was to be offered until he read it and sent it to the desk. We cannot on the floor of the Senate at the last minute legislate on the subject in question by an amendment to an amendment.

I am hopeful that the 60-day extension will be passed, with the amendment of the Senator from Washington [Mr. CAIN], who is eminently correct in his desire to protect the cities. But if we attempt to legislate on the floor of the Senate at this time as to what rents everyone shall pay, we shall find that it cannot be done. There have been 400,000 rental increases granted in the past 3 months.

Mr. President, I have nothing further to say.

Mr. FLANDERS. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. FLANDERS. I should like to ask the Senator from South Carolina whether he does not feel that we can at least legislate not to extend an injustice.

Mr. MAYBANK. I thoroughly agree with the Senator from Vermont that we may have extended an injutsice by placing certain controls on rents, on automobiles, and on other things. I believe that we have extended an injustice by regulation W. The Senator labored long and hard in the Banking and Currency Committee last year to write a price-control bill, which we finally passed. I agree that there is an injustice, but I believe that to correct the injustice requires hearings in the new Congress.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. ROBERTSON. Is it not a fact that the only basis on which the Banking and Currency Committee agreed to prompt action on the joint resolution, without hearings, was that we did not propose to change the existing law, but merely extend it for 60 days, to give the new Congress an opportunity to deal with the question?

Mr. MAYBANK. And leave it to the municipalities.

Mr. ROBERTSON. And leave it to the municipalities.

Mr. MAYBANK. The Senator is correct.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield.

Mr. LEHMAN. I concur in what the Senator from Virginia has said. It has been my understanding that this was merely a resolution which would extend the provisions of the existing law for a period of 60 days, and that no new issue should be raised. Many of us feel that the present law, which is now being extended for 60 days, will bear improvement and amendments, but this certainly is not the time to propose or debate amendments or changes in the existing law.

Mr. MAYBANK. I may say to the distinguished Senator from New York that we should write a new law, based upon the defense requirements of the country and upon the needs of the wives and families of soldiers and sailors who are being taken. But we cannot do that here this afternoon.

Mr. WHERRY. Mr. President, how much time is left for the proponents of the amendment

The PRESIDING OFFICER. Six minutes.

Mr. WHERRY. How much time is left on the other side?

The PRESIDING OFFICER. The Senator from South Carolina has 5 minutes and the Senator from Vermont has 6 minutes.

Mr. MAYBANK. Mr. President, I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, when rent control was extended earlier this year, I was one of those who wanted to provide that we would not extend any rent controls unless the cities themselves expressly asked for such controls immediately.

However, what do we face now? We face a situation in which every family in America finds the price of food constantly rising. The price of clothing is running away; indeed, the price of almost everything is rapidly rising. During the past week the Banking and Currency Committee had before it nominees of the President to deal with price-control problems. Those nominees testified that it was almost impossible to do anything effective about runaway prices until the authorities can get the kind of help they need. It was said that tens of thousands of employees will be needed before anything can be done effectively.

Rents represent one of the major items of cost to the average family. We now have it under control. If this item gets out from under control, prices will start going up in this item also, adding another great force to the inflationary spiral.

Mr. MAYBANK. If any community in America wants to get out from under control, it can do so by resolution of the city council.

Mr. LONG. That is true at the present time, under the present law. The amendment made last year permits any city which wishes to remove rent controls to remove them. It seems to me that if we are to kill rent control, we ought to do it directly, and not by means of an amendment in the nature of a substitute which would kill it. This amendment would mean that rents on all controlled housing would be raised to the level of rents on housing which is not controlled. No one knows what it would mean to the people who are benefited by rent control at the present time. The theory of the joint resolution is that we ought to continue rent control until the new Congress has an opportunity to act. I believe that we ought to pass a measure which will do that, and not one which will kill rent control by means of subterfuge.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. MAYBANK. I yield to the Senator from Arkansas.

Mr. FULBRIGHT. I think it would be very unfair to the committee to adopt amendments of this nature because it was well understood by both parties on the committee that we were extending the law as is. No fight was made on the joint resolution and no suggestion was made in committee for any kind of an amendment. I thought it was well understood that that was the only purpose.

I have not had the opportunity to study the amendment, and in principle it may be all right. However, I must vote against it on the grounds stated. When we come to write a new law, I am sure that this amendment will receive serious consideration. But I cannot vote for it under the circumstances which exist today, in view of the way in which the joint resolution was reported from the committee.

Mr. MAYBANK. Mr. President, in closing I wish to say only that I thoroughly agree with the thoughts and ideas of the Senator from Vermont. However, the amendment was not offered in committee. What we were considering in committee was a simple extension. If we adopt this amendment, probably other amendments will be adopted. I am hopeful that in the war emergency we can pass merely a 2 months' extension, based upon the rights of the municipalities, by resolution or ordinance, to do away with rent control or to continue it, as suggested by the amendment of the Senator from Washington, which was adopted by a voice vote.

The PRESIDING OFFICER. The Senator from Vermont has 6 minutes left.

Mr. FLANDERS. I yield 4 of the 6 minutes to the senior Senator from Indiana [Mr. CAPEHART].

The PRESIDING OFFICER. The Senator from Indiana is recognized for 4 minutes.

Mr. CAPEHART. Mr. President, we ought not to extend rent control unless our Government is going to control all prices and wages, for the simple reason that it is unfair and unjust to a great percentage of our people; and secondly, because this Congress promised, when we passed the last rent-control bill and

gave the municipalities the right to extend it for 6 months, that it would die at the end of that time.

If we are to control prices and wages, and have general mobilization, we ought to have rent control. Otherwise, we ought not to have it. I shall vote for this amendment because I think it is a good amendment, in that it will permit some adjustments in rents over the next 60 days, if the joint resolution is passed. I am confident that at the end of 60 days a proposal will be made to extend rent control again, without price and wage controls. I am thoroughly convinced that if and when we do have price and wage controls, we must have rent controls. We must write a completely new rent-control law, based upon the realities of 1950 rather than the realities of 1940, because the present rent-control law, as Senators know, is based upon rentals existing back to 1940, or 10 years ago. They are unrealistic in the light of the increase in all costs, and the increase in wages during the past 10 years.

Therefore, I shall vote to permit the law to die on December 31. I shall vote for the amendment. If and when our Government invokes over-all price controls and rent controls, then I shall be the first to suggest that the Committee on Banking and Currency sit night and day and write a new rent-control bill based upon realities, and one that will be fair to the property owners of the Nation.

Mr. President, if the joint resolution is to become law and we extend the rent-control law I think the amendment should be adopted, because it will permit the Administrator of Rents to make some much-needed adjustments during the next 60 days.

Mr. FLANDERS. Mr. President, I believe I have 2 minutes remaining.

The VICE PRESIDENT. That is correct.

Mr. FLANDERS. I was somewhat disturbed, Mr. President, when the junior Senator from Arkansas [Mr. FULBRIGHT] indicated that I might be transgressing some tacit understanding. It is my recollection that I voted against the joint resolution in the committee. If I am wrong in that I should be glad to be set right. Having voted against it, my present situation is that I would vote for it if the amendment were accepted, so that the joint resolution would gain a vote thereby. I do not know whether that releases me from the tacit understanding, which was not clear in my mind, but nevertheless may have existed.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. FULBRIGHT. As I recall, the Senator from Vermont was not present when the committee voted favorably to report the joint resolution. He must have registered his vote by telephone. I do not think he was present when the joint resolution was voted upon in committee. The members present, except for one member who voted against the joint resolution, said, "Well, this is just an extension." I myself would not have voted to report the joint resolution if there were going to be changes made in the law, because I could not tell the significance of those changes. We had no hearings at which persons who were actually affected testified. We heard no one other than the Administrator.

Mr. FLANDERS. Mr. President, I agree completely with the Senator from Indiana [Mr. CAPEHART] that rent control must be a part of any general price control, and that we must address ourselves to it when that occurs. To my mind, no reason has been shown for extending this one of the price controls beyond the present date. There is every reason, from my standpoint, for not even by inference extending the injustice into the period when the new law is under consideration. I therefore ask for the yeas and nays on the amendment.

The VICE PRESIDENT. The time on the amendment has expired. The yeas and nays have been requested.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Texas [Mr. CONNALLY], the Senator from Georgia [Mr. GEORGE], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] is absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce further that if present and voting, the Senator from Connecticut [Mr. BENTON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], and the Senator from Maryland [Mr. TYDINGS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from Kansas [Mr. CARLSON] is absent by leave of the Senate on official business and is paired with the Senator from New Hampshire [Mr. TOBEY], who is absent by leave of the Senate on official business of the Committee on Small Business. If present and voting, the Senator from Kansas would vote "yea," and the Senator from New Hampshire would vote "nay."

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The result was announced—yeas 29, nays 53, as follows:

YEAS—29

Brewster	Gurney	Schoeppel
Bricker	Hendrickson	Smith, N. J.
Bridges	Hickenlooper	Taft
Butler	Kem	Thye
Cain	Knowland	Watkins
Capehart	McCarthy	Wherry
Donnell	Malone	Wiley
Dworshak	Martin	Williams
Ecton	Mundt	Young
Flanders	Nixon	

NAYS—53

Aiken	Johnson, Tex.	Millikin
Anderson	Johnston, S. C.	Morse
Byrd	Kefauver	Murray
Chapman	Kerr	Myers
Chavez	Kilgore	Neely
Clements	Langer	O'Conor
Cordon	Leahy	O'Mahoney
Douglas	Lehman	Pepper
Ellender	Lodge	Robertson
Frear	Long	Russell
Fulbright	Lucas	Saltonstall
Gillette	McCarran	Smith, Maine
Hayden	McClellan	Smith, N. C.
Hill	McFarland	Stennis
Hoey	McKellar	Taylor
Holland	McMahon	Thomas, Okla.
Hunt	Magnuson	Thomas, Utah
Ives	Maybank	

NOT VOTING—14

Benton	George	Sparkman
Carlson	Green	Tobey
Connally	Humphrey	Tydings
Eastland	Jenner	Vandenberg
Ferguson	Johnson, Colo.	

So Mr. FLANDERS' amendment, as modified, was rejected.

The VICE PRESIDENT. Are there further amendments to be offered to the joint resolution? If not, the question is on the third reading of the joint resolution.

The joint resolution (S. J. Res. 207) was ordered to a third reading, and read the third time.

Mr. WILLIAMS subsequently said: Mr. President, I ask unanimous consent to have inserted in the body of the RECORD, immediately preceding the final vote on the rent control joint resolution, a brief statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I have repeatedly taken the position that rent control at a national level in times of peace is unnecessary, and with that thought in mind one of my first acts upon being elected to the United States Senate was to introduce a bill which would confer upon the States and local communities the responsibility of enacting and administering whatever controls over rents they felt were necessary.

Supporting that position I have consistently voted against rent controls at a national level and supported that position in the existing law which did confer upon the States and local communities the responsibility to provide for whatever control they felt necessary; and in the event they did not want rent controls, to give them the authority to decontrol their areas.

I am still supporting that position of administration at a State and local level; however, we are now confronted with this position—

Several of our States' legislatures, including the legislature of my own State, not foreseeing the outbreak of another war, failed to take any action conferring upon the local governments the authority to either extend or reject rent controls.

In practically every State in the Union the State legislatures are scheduled to convene after the first of January, at which time they will have a chance to review the question of whether or not rent controls in those States are needed in the face of war conditions, and if needed, to enact the necessary legislation.

It is true that under the existing law, even without this resolution, the local communities do have the remainder of the month of December to pass resolutions extending or rejecting rent controls; however, there are situations similar to one which exists in my State in which the county and certain local governments are not incorporated and therefore do not have the necessary authority to pass such resolutions without the enactment of the enabling legislation by the State legislature, which does not meet until after January 1, 1951.

Since these State governments have not had a chance to pass upon this question since the outbreak of the Korean War, I am going to vote for the resolution which extends to February 28, 1951, the period under which these State and local governments can decide what they need.

The VICE PRESIDENT. The question is, Shall the joint resolution pass? The yeas and nays have already been ordered; therefore the Secretary will call the roll.

The legislative clerk called the roll.

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Georgia [Mr. GEORGE] and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained on official business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] is absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce further that if present and voting, the Senator from Connecticut [Mr. BENTON], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY] and the Senator from Maryland [Mr. TYDINGS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from Kansas [Mr. CARLSON] is absent by leave of the Senate on official business and is paired with the Senator from New Hampshire [Mr. TOBEY] who is absent by leave of the Senate on official business of the Committee on Small Business. If present and voting, the Senator from Kansas would vote "nay," and the Senator from New Hampshire would vote "yea."

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The result was announced—yeas 55, nays 28, as follows:

YEAS—55

Aiken	Kefauver	Neely
Anderson	Kerr	O'Conor
Chapman	Kilgore	O'Mahoney
Chavez	Langer	Pepper
Clements	Leahy	Robertson
Douglas	Lehman	Russell
Ellender	Lodge	Saltonstall
Frear	Long	Smith, Maine
Fulbright	Lucas	Smith, N. J.
Gillette	McCarran	Smith, N. C.
Hayden	McCarthy	Stennis
Hendrickson	McClellan	Taylor
Hill	McFarland	Thomas, Okla.
Hoey	McKellar	Thomas, Utah
Holland	McMahon	Thye
Hunt	Magnuson	Wiley
Ives	Maybank	Williams
Johnson, Tex.	Murray	
Johnston, S. C.	Myers	

NAYS—28

Brewster	Dworshak	Morse
Bricker	Ecton	Mundt
Bridges	Flanders	Nixon
Butler	Gurney	Schoeppel
Byrd	Hickenlooper	Taft
Cain	Kem	Watkins
Capehart	Knowland	Wherry
Connally	Malone	Young
Cordon	Martin	
Donnell	Millikin	

NOT VOTING—13

Benton	Green	Tobey
Carlson	Humphrey	Tydings
Eastland	Jenner	Vandenberg
Ferguson	Johnson, Colo.	
George	Sparkman	

So the joint resolution (S. J. Res. 207) was passed.

AMENDMENT OF RAILWAY LABOR ACT

Mr. LUCAS. Mr. President, I now move that the Senate proceed to the consideration of Calendar No. 2263, Senate bill 3295, a bill to amend the Railway Labor Act, and so forth.

The VICE PRESIDENT. The bill will be read by title.

The CHIEF CLERK. A bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Labor and Public Welfare with amendments.

Mr. LUCAS. Mr. President, this bill was considered by the Senate just prior to the adjournment in September. At that time the able Senator from Alabama [Mr. HILL] attempted to convince the Senate that the bill should pass; but, because of the lack of time and the controversial nature of the measure at that moment, it was impossible for us to finish consideration of the bill and at the same time to adjourn on the day we did.

This is an important measure. It is my understanding that now most of the difficulties which, before the adjournment, existed between the various labor organizations, have more or less been resolved. So I hope we shall be able to conclude action on the bill this afternoon. We have been a long time reaching action on it. I am very happy that the bill is now before the Senate. I may say that it will remain before the Senate until we complete action on it.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. What is the best judgment of the majority leader as to whether there will be a vote on the bill this afternoon? I ask that question for the reason that one or two Senators have called me, stating that they would like to say a word or two about the bill, but that they would prefer to do so tomorrow, rather than today. However, I am not trying to hold up consideration of the bill.

Mr. LUCAS. I hope the Senator will not do so, because he knows very well the difficulty we have had in attempting to reach a vote on the bill.

Mr. WHERRY. Yes.

Mr. LUCAS. If Senators who desire to discuss this question continue with the discussion until 5 or 6 o'clock today, then of course we shall not reach a vote on the bill until tomorrow. However, if debate lags this afternoon, we shall vote on the bill today. We do not wish to have unnecessary delay.

Mr. WHERRY. I wish to cooperate with the Senator, of course. I have done my best to accommodate all Senators. However, if debate on the bill continues until 5 or 6 o'clock this afternoon and if at that time several Senators still desire to speak on the bill, I understand that the bill may go over until tomorrow for further debate and for the vote.

Mr. CAPEHART. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Illinois yield to the Senator from Indiana?

Mr. LUCAS. I yield.

Mr. CAPEHART. Mr. President, I am speaking in behalf of my colleague [Mr. JENNER], who is absent from the Senate, and who will possibly return tomorrow. He has an amendment which he wishes to offer to the bill and which he wanted me to call to the attention of the Senate. It is an anti-discrimination amendment. He has asked that, if possible, the bill go over until such time as he can offer the amendment, either tomorrow or Monday. Because of his inability to present it himself, he has requested that I offer the amendment in his behalf.

Mr. LUCAS. I am very glad the Senator made the last statement. The Senator from Indiana well knows that the railroad bill has been before the Senate ever since Congress resumed its session on November 27, and the junior Senator from Indiana has not been present at any time. I do not believe that it is advisable to postpone the bill any longer. We have attempted to get in touch with him, as the senior Senator from Indiana well knows, and to advise him of this action. I am sure the senior Senator from Indiana will do a job on the amendment that will be equal to anything the junior Senator could do.

Mr. CAPEHART. Mr. President, if the Senator will yield, I desire it understood that I am only extending a courtesy to my colleague, who is unavoidably detained.

Mr. LUCAS. I understand that. I think the Senator will appreciate my position, also.

Mr. CAPEHART. Then, the Senator's position is that the bill cannot go over even until tomorrow, is that correct?

Mr. LUCAS. I may say that if some Senator desires to talk from now until 6 o'clock, whether on the amendment or on something else, obviously I am not going to hold the Senate here to get a vote on it.

Mr. CAPEHART. Would it be possible to get a unanimous consent to vote say Monday at a certain hour?

Mr. LUCAS. No; I do not want to enter into a unanimous-consent agreement. Let us simply let nature take its course on this bill. I think there will be plenty of debate on it.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Is the majority leader prepared at this time to give us an idea of what may be proposed for consideration following disposition of the so-called railway labor bill? I am not trying to push the Senator, but to get information for all who are interested.

Mr. LUCAS. I had thought there might be some matter reported to the Senate by the Committee on Foreign Relations, dealing with aid to Yugoslavia. May I inquire of the distinguished Senator from Texas [Mr. CONNALLY] whether the Committee on Foreign Relations has reported any measures dealing with the present world emergency which should be taken up tomorrow? I was of the impression the committee was considering aid to Yugoslavia.

Mr. CONNALLY. We have reported one bill, which is ready for action.

Mr. LUCAS. Has it been reported, so we may take it up tomorrow?

Mr. CONNALLY. It has been reported.

Mr. LUCAS. May I inquire what the bill is?

Mr. CONNALLY. It is a bill to allow an appropriation of $38,000,000 for relief to Yugoslavia, because of the extreme drought in that area.

Mr. LUCAS. Would the Senator be in a position to take that up tomorrow?

Mr. CONNALLY. Yes.

The VICE PRESIDENT. The Chair will state that the bill has not yet been reported from the committee.

Mr. LUCAS. That was my inquiry.

Mr. CONNALLY. I am informed by the clerk that the bill is here.

Mr. FULBRIGHT. The committee voted yesterday to report it.

The VICE PRESIDENT. It has not been actually reported.

Mr. LUCAS. I assume it can be reported this afternoon, undoubtedly.

Mr. CONNALLY. That is correct.

Mr. LUCAS. And if it is reported this afternoon, we shall be in position to take it up tomorrow. That is the measure we shall consider.

Mr. WHERRY. I thank the majority leader.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA—REPORT OF A COMMITTEE

Subsequently, Mr. CONNALLY said:

Mr. President, from the Committee on Foreign Relations, I report an original bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, and I submit a report (No. 2588) thereon.

The VICE PRESIDENT. The report will be received, and the bill will be placed on the Calendar.

The bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, reported by Mr. CONNALLY from the Committee on Foreign Relations, was read twice by its title, and ordered to be placed on the Calendar.

EXECUTIVE BUSINESS—CONFIRMATION OF PROMOTIONS IN THE ARMED SERVICES

Mr. MORSE. Mr. President, as in executive session, I desire to make a request for the consideration of the majority leader. I should like to make a unanimous-consent request that I be allowed, in behalf of the Armed Services Committee, to submit a unanimous report on certain nominations involving promotions in the Military Establishment. We passed upon these nominations within the committee, and we should like to have them confirmed this afternoon, in order to save the printing expense of some $250, which it would cost to have them printed in the Executive Calendar.

Mr. LUCAS. Are these routine promotions?

Mr. MORSE. They are all routine promotions, and reported by a unanimous vote of the committee.

Mr. LUCAS. I have no objection, so far as I am concerned.

Mr. WHERRY. Mr. President, reserving the right to object, as I understand the Senator is asking the request as in executive session. Is that correct?

Mr. MORSE. Mr. President, I ask as in executive session that the Senate, by unanimous consent, confirm the nominations which the Armed Services Committee reports today, in respect to promotions of officers within the Military Establishment.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Reserving the right to object, I desire to ask one or two questions. I understood the Senator from Oregon to state that the nominations were unanimously reported, and that they are all routine and all military promotions. Is that correct?

Mr. MORSE. That is correct. They are all routine and they are all military.

Mr. WHERRY. Are there any civilians in the list?

Mr. MORSE. No; they are all military.

Mr. WHERRY. And is this request made merely in an effort to save printing expense?

Mr. MORSE. That is correct.

Mr. WHERRY. I have no objection.

Mr. LANGER. Mr. President, reserving the right to object, is the report of the Committee on Armed Services made by unanimous vote of the committee?

Mr. MORSE. It was unanimous, on both sides of the committee.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

Mr. MORSE. I yield.

Mr. McCARRAN. I could not distinctly hear what the Senator said. Does the request involve the nomination of an assistant to the Secretary of Defense?

Mr. MORSE. No; it does not. It involves, I may say to the Senator from Nevada, only military promotions of officer personnel.

The VICE PRESIDENT. Is there objection to the request? The Chair hears none. Without objection, the nominations are confirmed en bloc.

AMENDMENT OF RAILWAY LABOR ACT

The Senate resumed the consideration of the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

Mr. HILL. Mr. President, the Senate will recall that on September 23, the last day of the session before the Senate adjourned until November 27, the Senator from Alabama occupied the floor of the Senate and sought to give an explanation of the pending bill and the reasons why it should be passed. I do not know that it is necessary for me to reiterate what was said on that day. Senators will recall that this is permissive legislation, which simply permits railway management and railway labor, if they see fit, to enter into collective-bargaining agreements to provide for the union shop; that is, to provide that after a person has been employed by the railway for 60 days he shall then become a member of the union, provided, as I say, that such agreement has been arrived at and agreed upon as a result of a free collective-bargaining process.

It also provides that if the agreement is entered into, there may be a check-off provided the individual employee himself gives his consent in writing for the check-off, and the employee has a right at the end of 1 year's time, or at the termination of the particular agreement, to withdraw his consent to any check-off.

Mr. McCARRAN. Mr. President, will the Senator yield for a question?

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from Nevada?

Mr. HILL. I yield.

Mr. McCARRAN. I desire to ask a question for the reason that I was instrumental in holding the bill over during the session. I did so because of the lack of accord among the respective railroad brotherhoods. I understand there is now a somewhat different situation. I also understand that there is an amend-

ment, which has been agreed upon. Am I correct about that?

Mr. HILL. I may say to the distinguished Senator from Nevada that the committee itself offered an amendment to the bill to provide that no railway employee could be required to belong to more than one union. Three or four of the railway brotherhoods were entirely satisfied with the amendment as proposed by the committee, and they did not favor passage of the bill when it was under consideration on September 23. Since that time the railway brotherhoods—at least 21 of the 22—have agreed on language which carries out the intent of the committee itself—that no railway employee should have to belong to more than one union. The amendment has been agreed upon by all the railway brotherhoods except one. That one is the Brotherhood of Locomotive Engineers, and they find themselves in the position that, because of past action of some convention, they cannot agree. However, they are not in opposition to the bill at this time, if the amendment is adopted.

I may say to the distinguished Senator that the amendment is agreed to by the railway brotherhoods, the operating unions and the nonoperating unions, and it will be offered by the distinguished Senator from Ohio and myself at the proper time. As I say, the amendment carries out what was intended by the committee in the first instance, in offering the committee amendment.

Mr. McCARRAN. As I understand, it is not a part of the bill as the Senator is now discussing it. Is that correct?

Mr. HILL. That is correct, but we are going to ask that it be incorporated into the bill. If the Senator will permit, I was about to read a letter which yesterday was addressed to the distinguished chairman of the committee, the Senator from Utah [Mr. THOMAS], by the railroad brotherhoods, who were not in favor of the bill when it was under consideration on September 23. The letter is under date of December 6, and reads as follows:

Senator ELBERT THOMAS,
Chairman, Committee on Labor and Public Welfare, Washington, D. C.

DEAR SENATOR THOMAS: Please refer to previous communications from the undersigned railway labor organizations expressing opposition to the passage of Senate 3295, the so-called railroad union shop bill. If the attached proposed amendment—

That is the amendment which the distinguished Senator from Ohio and I shall offer—

If the attached proposed amendment is incorporated in the bill, the undersigned organizations are in favor of the enactment of S. 3295 and urge its adoption.

We understand that the railway labor organizations who have been urging the adoption of this bill also support this amendment.

Mr. President, parenthetically I may state that that is correct. Some 18 organizations which were urging the passage of the bill when it was before the Senate are agreeable to the amendment, and they would favor the bill with the amendment.

Mr. McCARRAN. Mr. President, I do not wish to interrupt the Senator too much. Will he yield to me for a question?

Mr. HILL. Mr. President, I should first like to read the names which appear on the letter. They are:

Jonas A. McBride, vice president, national legislative representative, Brotherhood of Locomotive Firemen and Enginemen; W. D. Johnson, vice president, national legislative representative, Order of Railway Conductors; Harry See, national legislative representative, Brotherhood of Railroad Trainmen.

That means, Mr. President, that all the railroad organizations are now supporting and urging the passage of the bill and the amendment. The amendment carries out the intent of the committee amendment. The amendment before us simply spells out the purposes in greater detail. The only ones who are not urging the passage of the bill are the members of the Brotherhood of Locomotive Engineers. They are not opposing it. The chief of the brotherhood feels that in view of past action he is not now in a position to endorse the bill. However, he is not opposed to its passage.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. HILL. Certainly.

Mr. McCARRAN. Does the Senator know what the attitude of the railroads is with reference to the proposed legislation? Is the Senator in a position to advise me in that respect?

Mr. HILL. So far as I know, there has been no concerted opposition registered on the part of the railroads.

Mr. McCARRAN. There was such opposition previously.

Mr. HILL. The chairman of the committee is present.

Mr. THOMAS of Utah. I believe at the hearings the railway management pretty generally were not in favor of the bill. Whether they are opposing it, I do not know.

Mr. McCARRAN. They were opposing it before Congress adjourned in September.

Mr. THOMAS of Utah. I think they were.

Mr. McCARRAN. They were very ardent in their opposition.

Mr. HILL. I was not a member of the subcommittee, and I did not hear the witnesses testify; I was not present at the hearing. But I think the chairman is correct and the Senator from Nevada is correct.

(At this point Mr. HILL yielded to Mr. CAPEHART for the purpose of making an insertion in the RECORD, which was ordered to be printed at the conclusion of the speech of Mr. HILL.)

Mr. HILL. I do not wish to delay the Senate any further except to say that the bill comes to the Senate with the unanimous favorable report of the members of the Committee on Labor and Public Welfare. All members of the committee support the bill and favor the amendments. The bill would grant to employees in the railroad industry a right which parallels a right already granted to employees in other industries under the Taft-Hartley law.

Mr. HOLLAND. Mr. President, will the Senator yield for a question?

Mr. HILL. I am glad to yield to my distinguished colleague from Florida.

Mr. HOLLAND. Is it not correct to say that the Taft-Hartley law includes a provision that nothing in that law shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law, whereas such a provision is not included in the bill which is now before us?

Mr. HILL. The Senator is correct. The reason such a provision was not included in the bill is simply that it was the feeling of the committee that the railway industry falls squarely within interstate commerce. If there is one industry which falls squarely in the interstate commerce category, a field in which the Federal Government has the right and perhaps the duty to exercise jurisdiction, a right, which the States themselves have conferred on the Federal Government, it is the railway industry.

The Railway Labor Act now requires that the bargaining unit in matters affecting the relations between management and labor shall be a unit covering the entire railroad system. In other words, under the present law which we are now endeavoring to amend, it is impossible to have a bargaining unit for Florida, for example, and another bargaining unit for Georgia. It is necessary to have one bargaining unit for the whole railroad system involved in a particular question under consideration.

Mr. HOLLAND. Mr. President, will the Senator yield further?

Mr. HILL. I am glad to yield further to my friend from Florida.

Mr. HOLLAND. Is it not correct to say that the whole basis for the jurisdiction of the Taft-Hartley law and of the Wagner Act, which preceded it, is that it is predicated purely and simply upon its application to interstate commerce and that it is not applicable except to interstate commerce?

Mr. HILL. Of course it is predicated on interstate commerce. However, the Senator from Florida well recognizes the fact that the problems of some industries may fall to some extent within the jurisdiction of the Interstate Commerce Act and other problems which may not in any way involve interstate commerce. Here we have an industry which with very few exceptions operates entirely in interstate commerce. I know of no railroad or airline in my own State, for example, which does not cross State lines or does not operate in interstate commerce. In other words, the operation is all in interstate commerce. I understand that the Senator from Florida has in mind a railroad in his State which operates wholly within his State. I believe I have traveled on the railroad. However, I think he will find that to be an exception rather than the rule.

Mr. HOLLAND, Mr. DOUGLAS, and Mr. PEPPER addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Alabama yield; if so, to whom?

Mr. HOLLAND. I should like to pursue my questioning a little further, if I may.

Mr. HILL. I am glad to yield further to my good friend from Florida.

Mr. HOLLAND. Is the railroad industry any more in interstate commerce than the telephone industry, the telegraph industry, or the motortruck industry, none of which are covered by the provisions of the pending bill, and all of which are covered by the provisions of the Taft-Hartley law with respect to provisions of State laws relating to anti-closed-shop laws?

Mr. HILL. The pending bill deals with personnel. It deals with the relationship between management and labor. So far as personnel is concerned, railroads are much more engaged in interstate commerce than are telegraph or telephone companies. When we pick up the telephone in Washington to make a call to Florida it does not involve any personnel moving out of the District of Columbia and going to Florida or to any other State. It does not involve any personnel crossing State lines. However, when a railroad train moves out of Washington on the way to Florida, personnel does cross State lines.

Mr. HOLLAND. Mr. President, will the Senator yield for one more question?

Mr. HILL. I am glad to yield further to my friend from Florida. Then I shall yield to my good friend from Illinois.

Mr. HOLLAND. While the remarks of the distinguished Senator from Alabama are, of course, correct when applied to the members of the operating brotherhoods, is it not also correct to say that the urge for the passage of the bill has not come from such brotherhoods, but has come from brotherhoods which have to do with clerical duties, repair, construction, maintenance, and similar personnel, which do not actually cross State lines in the performance of their duties?

Mr. HILL. Mr. President, the Senator wants to know whether the urge for the passage of the bill does not come from the nonoperating brotherhoods, rather than from the operating brotherhoods. I have just read a letter from the representatives of the operating brotherhoods which contains this language:

> The undersigned organizations are in favor of the enactment of S. 3295 and urge its adoption.

That is the urge. It is right there. I now yield to my good friend from Illinois.

Mr. DOUGLAS. Is it not correct to say that some 40 years ago a similar question developed with respect to railroad rates? At that time there was regulation of rates by some of the States and regulation of rates by the Interstate Commerce Commission. Is it not true that in the case of the Minnesota rate cases the Supreme Court, in one of its most conservative periods, namely, around 1910, held that the regulation of railroad rates was not a matter of State concern but a matter of Federal concern, and that rulings of the Interstate Commerce Commission superseded rulings of State regulatory bodies?

Mr. HILL. My information is that the Senator from Illinois is correct in his statement. That was 40 years ago.

Mr. DOUGLAS. Mr. President, will the Senator yield further?

Mr. HILL. I am glad to yield.

Mr. DOUGLAS. It was at a time when the definition of interstate commerce was very much restricted.

Mr. HILL. The Senator is correct.

Mr. DOUGLAS. In the opinion of the United States Supreme Court Federal regulation superseded State regulation in the matter of rates. Would it not also be true that today the Supreme Court and the weight of legal opinion would hold that Federal regulation of labor relations should supersede State regulation?

Mr. HILL. The Senator is correct. The bill and the amendments come to us with the unanimous support of the Committee on Labor and Public Welfare. The provisions of the bill are merely permissive. They do not require any railroad or labor organization to sign a contract. It makes it permissive for management and labor to sit around the bargaining table and, if they can work out an agreement, it is lawful for them to enter into it. The bill now has the support of the operating Brotherhoods, as well as the support of the nonoperating Brotherhoods.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. PEPPER. Let us assume—I think it is undisputed—that in the field of interstate commerce the Congress has power to exercise preeminent authority and judgment. Then it becomes a question as to whether Congress thinks it is wise, in a matter such as this, to let the Federal authority be preeminent, and to make it clear, under the Federal authority, that this power may be exercised by management and labor. The able Senator from Alabama feels that in relation to the railroads a clear case is made out for the reason he has indicated, that Congress should exercise its authority to make Federal legislation on this subject indisputably preeminent.

Mr. HILL. Not only has the Senator from Florida stated the views of the Senator from Alabama, but I believe that the Senator from Florida, as a member of the Committee on Labor and Public Welfare, will agree that he has stated the views of the committee in this particular.

Mr. President, unless there is some further question, that is all I have to say.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WILEY. I was interested in one phase of the question. I have been in contact with a number of laboring men. I talked with many of them during my campaign. I should like to know what the Senator's statement was in relation to the check-off, and whether that is compulsory. Some laboring men who have spoken to me, men who are good union members, have stated they do not like the system very well. The Senator said something to the effect that they must indicate in writing their choice, or their willingness or desire.

Mr. HILL. Let me read the language of the committee amendment which we shall submit. It provides for check-offs for dues, initiation fees, and assessments, not including fines and penalties. In other words, if some member violates a rule and a fine is imposed, the check-off does not apply. It applies only to normal dues and assessments. Then there is the following proviso:

> *Provided*, That no such agreement shall be effective with respect to any individual employee until he shall have furnished the employer with a written assignment to the labor organization of such membership dues, initiation fees, and assessments, which shall be revocable in writing after the expiration of 1 year or upon the termination date of the applicable collective agreement, whichever occurs sooner.

In other words, before a single penny can be deducted from the salary of the individual employee for the normal dues or assessments, he must give a written assignment to the company, so that it can pay that money to the union. Then he has the right, within a year, to revoke that assignment if he does not like the way it works, or if he wants to put an end to the deduction.

Mr. WILEY. Mr. President, will the Senator further yield?

Mr. HILL. I yield.

Mr. WILEY. I should like to ask one further question, in connection with the subject of collective bargaining. My understanding of the Taft-Hartley law provision is that the local union is practically autonomous. It may, of course, receive the benefit of the strength of the international organization, but if it desires to do so it can exercise practically autonomous power.

Mr. HILL. The Railway Labor Act, which is the basic act which we are now seeking to amend, provides that the bargaining unit in all labor-management relations shall be a system-wide union. In other words, for example, on the Chicago, Milwaukee & St. Paul Railroad, the unit would have to be for the entire Milwaukee system. The law requires that today. We are not touching that provision. The law as now written provides for that.

The Senator may recall that the original act was passed by Congress in 1926. Important amendments were made in 1934. The law as it is now written, and as it has been written for a number of years, requires that the collective-bargaining unit shall be system-wide, to represent the particular craft or particular class of the entire railway system.

Mr. WILEY. Mr. President, I should like to ask one further question. I notice that the Senator said that the bill had the endorsement of the large labor organizations. I am wondering if that is indicated by the signatures of the officials, or whether there is any evidence to substantiate that fact by showing that in convention a large group of the organization indicated their desire in the matter. Too often we find that officials arrogate to themselves the right to speak when they have not consulted their members.

Mr. HILL. I appreciate the Senator's point. There are 22 of these organizations. I am not sure that I can give the Senator offhand the answer to his question. As I remember, the distinguished Senator from Missouri [Mr. DONNELL] went into that question rather fully before the committee. The following is from the statement of Mr. George M. Harrison, grand president of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees. Mr. Harrison says:

During the course of my testimony on May 1, Senator DONNELL requested that I furnish information as to what if any action was taken by the various railway labor organizations in connection with their approval of legislation to remove the prohibition against the union shop now contained in the Railway Labor Act.

Pursuant to the request of Senator DONNELL, I communicated with each of the organizations affiliated with Railway Executives' Association and submit herewith the results of that investigation.

On May 8, 1950, the Order of Railway Conductors of America, at its convention in Chicago, Ill., voted unanimously to approve action by that organization designed to remove the prohibitions against the union shop from the Railway Labor Act.

The Order of Railroad Telegraphers, at its convention held in Tampa, Fla., on June 20, 1949, unanimously approved a resolution authorizing a movement to seek the union shop in the railroad industry.

I was advised by the Switchmen's Union of North America that that organization has taken no formal action by convention on this subject.

The Railway Employees' Department, AFL, through which collective bargaining is carried on in the railroad industry by the International Association of Machinists, International Brotherhood of Boilermakers, Iron Ship Builders & Helpers of America, International Brotherhood of Blacksmiths, Drop Forgers, and Helpers, Sheet Metal Workers' International Association, International Brotherhood of Electrical Workers, Brotherhood Railway Carmen of America, and International Brotherhood of Firemen & Oilers held a meeting in Chicago, Ill., on April 3 and 4, 1950. This meeting was attended by 419 general chairmen, representing some 300,000 shop-craft employees in all of the crafts or classes represented by the organizations affiliated with the Railway Employees' Department on virtually all railroads of the United States. At this meeting the question of removing the prohibition against the union shop from the Railway Labor Act was discussed, and the assembled meeting unanimously approved the principles set forth in S. 3295.

I was advised by the Brotherhood of Locomotive Firemen & Enginemen that no formal convention action has been taken by that organization on this subject.

The American Train Dispatchers' Association unanimously adopted a resolution in its convention held in Chicago on October 16, 1944, requesting that the prohibition against the union shop be removed from the Railway Labor Act. I am advised by the president of this organization that this resolution has never been rescinded, and that the policy therein stated has continued to be the policy of that organization.

My own organization, the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, adopted a resolution advocating the union shop at its Grand Lodge Convention held in May 1935.

At a meeting of all railroad and express general chairmen held in Chicago, Ill., September 18, 1942, a unanimous request was made to obtain union-shop agreements in the railroad and express agency industries. This action was subsequently ratified by the system committees on every railroad where we hold agreements. At a meeting of all officers and the general chairmen on all railroads with whom we hold contracts, held in Dallas, Tex., on April 25, 1950, the principles of the union shop were unanimously approved.

Does the Senator wish me to read this entire document? It is rather lengthy.

Mr. WILEY. No.

Mr. HILL. Would it be satisfactory to the Senator if I placed the remainder of it in the RECORD?

Mr. WILEY. That would be perfectly satisfactory.

Mr. HILL. It goes directly to the question which the Senator from Wisconsin has raised. As I stated, the distinguished Senator from Missouri [Mr. DONNELL] raised the same question at the hearing on the bill. This is an answer to the question of the Senator from Wisconsin, as it was an answer to the question of the Senator from Missouri. If agreeable to the Senator from Wisconsin, I ask that the remainder of the statement be printed in the RECORD.

The PRESIDING OFFICER (Mr. DONNELL in the chair). Without objection, it is so ordered.

The remainder of the statement is as follows:

The Brotherhood of Maintenance of Way Employees has unanimously approved resolutions requesting its officers to seek the union shop in the railroad industry at its conventions held in September 1937, July 1940, July 1943, July 1946, and June 1949. At a meeting held in Detroit, Mich., May 2–4, 1950, all grand lodge officers, general chairmen, and other system division and federation officers representing employees on all railroads with which that organization holds agreements, unanimously approved the movement to seek the removal of the prohibition against the union shop from the Railway Labor Act.

At the regular convention of the Brotherhood of Railroad Signalmen of America, held in New York City, August 17 to 21, 1942, a resolution was unanimously adopted authorizing the president of that organization to join in the movement of other standard railway labor organizations to establish the union shop principle in the railroad industry. This movement was the so-called Nonoperating Employees' Case, of 1942, which involved a request upon management to negotiate agreements for the union shop. The detailed plan of this movement was unanimously approved at the convention held by this organization in August of 1944, and has continued to be a policy of the organization.

The National Organization Masters, Mates & Pilots of America has taken no formal action at convention on this subject, but the long-established policy of this organization, which operates outside of railroad industry, has been to insist upon the closed shop or union shop in such outside industries. It has just recently concluded union shop agreements in industries other than the railroad industry.

The National Marine Engineers' Beneficial Association has taken no formal action at convention on this subject, but its general policy has been to advocate the union shop in all of its bargaining with employers outside of the railroad industry. I am advised that many of their local unions which represent railroad employees have taken action in support of a movement to amend the Railway Labor Act so as to permit the making of union-shop agreements.

The International Longshoremen's Association also operates outside of the railroad industry, and has followed the policy of the union shop in all of its dealings with outside industry, although it has taken no specific formal action in connection with amendments to the Railway Labor Act permitting the making of union-shop agreements.

The Hotel and Restaurant Employees and Bartenders International Union unanimously adopted a resolution at its convention held in Chicago, Ill., April 25–29, 1949, which recommended the establishment of the union shop in the railroad industry.

The Railroad Yardmasters of America Executive Board has unanimously approved the union shop. This board possesses authority to take such action between conventions.

In addition to the foregoing information, I should like to call attention to the fact that in 1942, the following organizations attempted to obtain a union shop on all railroads of the United States through negotiation with the various carriers:

International Association of Machinists.

International Brotherhood of Boilermakers, Iron Ship Builders, and Helpers of America.

International Brotherhood of Blacksmiths, Drop Forgers and Helpers.

Sheet Metal Workers' International Association.

International Brotherhood of Electrical Workers.

Brotherhood Railway Carmen of America.

International Brotherhood of Firemen and Oilers.

Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees.

Brotherhood of Maintenance of Way Employees.

The Order of Railroad Telegraphers.

Brotherhood of Railroad Signalmen of America.

National Organization Masters, Mates and Pilots of America.

National Marine Engineers' Beneficial Association.

International Longshoremen's Association.

Hotel and Restaurant Employees and Bartenders International Union.

The authority to inaugurate this movement was approved by the general chairmen representing each involved craft on every railroad in the United States. These requests were denied by the carriers, with the result that the question was subsequently submitted to the so-called Sharfman Emergency Board, which denied the employees' request on the ground that "the essential elements of the union shop, as defined in the employees' request, are prohibited by section 2 of the Railway Labor Act."

Senator DONNELL also requested that I furnish the committee information as to the number of employees subject to the Railway Labor Act who are employed on Class 2 and Class 3 carriers. These carriers employ approximately 20,000 persons.

I was also requested by Senator DONNELL to furnish the committee with representative copies of agreements between the various organizations affiliated with Railway Labor Executives' Association and the railroads. I am enclosing copies of such agreements with this statement.

With the permission of the committee, I should like to take this opportunity to comment briefly on some of the testimony which has been submitted to the committee by those who oppose the enactment of this legislation.

It is obvious that much of the testimony presented by the opponents of this bill was either prepared in advance of the statement made by me regarding the purpose and intent of the bill as we understand it, or it was submitted without regard to the statements I made as to its intent and purpose.

The proposed bill contains the following proviso: "*Provided*, That no such agreement shall require such condition of employment with respect to employees to whom membership is not available upon the same terms and conditions as are generally applicable to any other member or because of membership in any other labor organization."

I advised the committee that it was the intent of the proviso, to remove from the requirements of any union-shop agreement those employees to whom membership is not available and those employees who might be expelled from the union for any reason other than the failure to pay their periodic dues, fees, and assessments. I stated this position in answer to questions asked me by members of this committee and informed you that if a union member is expelled from membership by the union for any reason other than nonpayment of his dues, fees, and assessments, he could continue working without regard to such expulsion after this bill is passed.

I also told you that if there is any ambiguity in the bill, as it is now drawn, we would be willing to have it amended to remove any doubt that nonavailability of membership in a union representing a craft or class of employees or an expulsion from membership in such union for any cause except nonpayment of dues, fees, and assessments, would not constitute a basis for the dismissal of such employee by the employer.

At this time I should like to submit for the consideration of the committee the following amendment to the bill:

Strike out the words "Because of membership in any other labor organization" appearing in lines 14 and 15 on page 2 of the bill and substitute in lieu thereof the following language: "With respect to employees to whom membership was denied or terminated for any reason other than the failure of the employee to tender the periodic dues, fees, and assessments uniformly required as a condition of acquiring or retaining membership."

This proposed amendment would make unnecessary the above clause we propose to delete inasmuch as the substitute wording includes all reasons for denial or termination of membership in a union, except the nonpayment of dues, fees, and assessments, which would, of course, include the denial or termination of membership because of membership in any other labor organization.

The proviso clause, if it is amended as I have suggested, would then read as follows: "*Provided*, That no such agreement shall require such condition of employment with respect to employees to whom membership is not available upon the same terms and conditions as are generally applicable to any other member or with respect to employees to whom membership was denied or terminated for reasons other than the failure of the employee to tender the period dues, fees, and assessments uniformly required as a condition of acquiring or retaining membership."

Mr. Loomis in his testimony suggested that as a technical matter the adoption of the bill would leave a direct conflict between the fourth and fifth paragraphs of section 2 of the present act and the provisions of the proposed paragraph "eleventh." I think an examination of the present act will disclose that such is not the case. The present law merely prohibits unilateral action by a carrier in requiring any person seeking employment to sign any contract or agreement promising to join or not to join any labor organization, and the provision with respect to the deduction of dues, fees, and assessments is one directed to unilateral action by the carrier. The bill before you modifies the present language only to the extent that the union shop and deduction of dues may be negotiated solely by agreement between the carrier and the designated collective-bargaining representative of a craft or class. The carrier would still be barred from deducting dues or entering into a union shop agreement with any individual, minority group, or union which does not hold a collective-bargaining agreement.

The amendment which I have suggested would clearly invalidate the criticism of railroad management witnesses who testified concerning the effect of union rules and regulations upon the job security or seniority of employees and the exercise of any arbitrary grounds for expulsion allegedly contained in any union constitutions.

It is thus our position that if a union refuses to accept an employee into membership or expels an employee from membership for any reason other than failure to pay or tender dues, fees and assessments due the union, his employment rights are in no way affected by a union-shop agreement which may legally be consummated between the carrier and the union. It follows, also, that if a member of the union is expelled from membership for any reason other than a failure to pay or tender his dues, fees and assessments, such an employee would continue as an employee of the employer, free of any obligation under the agreement, including the obligation to pay dues, fees, and assessments.

A substantial portion of the testimony of the witnesses opposing this bill was devoted to conjecture and speculation concerning its effect upon the railroad industry. The import of such testimony was that the impact of this legislation would be most grave and would create innumerable consequences of a most serious nature affecting not only the employees but the carrier. The fear was expressed that the union shop would discourage men from accepting employment in the railroad industry; that jurisdictional disputes would flourish; that there would be widespread loss of employment; that the promotion of employees would be made difficult; that individual freedom would be destroyed; that strikes and strike threats would be increased; that unions will exercise dictatorial and tyrannical power; and that seniority will be whimsically destroyed. In view of the fact that the union shop is permitted by law in all industries except those covered by the Railway Labor Act, I cannot believe that the arguments of the carriers have been seriously advanced. It must be obvious that the doubts and fears of the various witnesses opposing this bill are far less real than such witnesses would have you believe, and in actuality they have been tilting at windmills. I would like to examine a few of the problems which they contend will follow the creation of the right to bargain for a union shop in the railroad industry.

It was stated before this committee that it would be more difficult for carriers to obtain suitable employees if the bill should become law for the reason that prospective employees would not be interested in accepting employment if required to join a union. It is only upon the railroads and airlines that employees may not be subjected to the possibility of compulsory membership in a union. No testimony has been given that the managements of industries other than railroads and airlines have been unable to secure suitable employees to staff their plants and offices because the union shop is legally valid in those industries. This bill would place the railroads at no disadvantage compared to industry as a whole, but on the contrary would place the railroad industry upon the same footing as industry in general in competing for new workers.

Another threatened danger referred to by more than one of the carrier witnesses is the alleged possibility of an increase in jurisdictional disputes in the railroad industry. As a practical matter, however, the fact that all of the members of a craft or class may be required to join a union as a condition of employment will do much to discourage raiding by other labor organizations. The rivalry between unions will be decreased rather than increased by reason of the fact that the class or craft will be fully organized and all of its members will belong to the organization representing the members of such class or craft. At the same time the carrier witnesses were anticipating jurisdictional disputes as a result of validating the union shop they were testifying that this bill would result in labor monopolies and would freeze the present labor organizations as the bargaining representatives of the employees whom they now represent. It is strange to hear the same witnesses criticize the proposed amendment for the reason that it will encourage raiding (jurisdictional disputes) and at the same time encourage labor monopolies. It seems obvious that these two positions are completely contradictory. As a practical matter it has never been found that the union shop as it has functioned in industry in this country under the Wagner Act and the Taft-Hartley Act, has prevented the free choice of a bargaining representative by a majority of the employees represented by, or to be represented by, such bargaining agent.

It was intimated that there would be widespread loss of employment and that many employees would quit voluntarily with a resultant severe loss to the carriers. The intent of the bill as I discussed it previously and as it may be amended as I have suggested in this statement, should make it clear that it would not cause unemployment and loss of jobs. In fact, the initiative is entirely in the hands of the individual employees and it is only when he chooses not to become a member of the organization, or when having become a member fails to remain in good standing by making the financial payments required that he is subject to the loss of his job at the union's request. It is further an obvious fact that if an employee does choose to leave the railroad industry and enter another, that the provisions of the statute regulating labor-management relations in that industry will allow agreements for the establishment of a union shop, as does the proposed bill. We submit that the problem of the railroad industry in this regard is no different than that in any other industry.

It has also been prophesied that great difficulties will arise in the promotion of men who belong to a union and who are paying dues by means of a check-off. If a man is promoted to another craft, his dues would then, under the provisions of this bill, be paid to the organization representing that craft. Such a result is clearly in accord with the purposes of the bill, as I have previously outlined them, to eliminate free riders and provide that all members of the craft share the same responsibility in the cost of carrying on the processes of collective bargaining which inures to their benefit. One of the witnesses testified that most railroad officials have come up from the ranks. We doubt that the fact of union membership would prevent this democratic practice from continuing. As a matter of fact, I suspect that of all railroad officials who have come from the ranks the great majority have been, and perhaps many of them still are, members of labor unions. Apparently membership or nonmembership in a union has not in the past prevented the carriers from obtaining men of ability for official positions, nor has it prevented men holding union membership from receiving promotions. It is possible however, that the difficulty in the granting of promotions is but a disguised threat of discrimination. Testimony presented before this committee established not only that a substantial majority of employees were members of the unions, but that management did not know or concern itself whether or not an employee did or did not belong to a union. If the latter statement is true, it

certainly follows that there will be no problem in the selection of men for promotion. The further argument that the promotion of men would be handicapped by the check-off is equally lacking in validity. When an employee is promoted to an official position and out of a class or craft represented by a labor organization, the deduction of his dues under the provisions of this bill would necessarily ceases.

It has been suggested to the committee that the seniority of an employee would be jeopardized or destroyed by the establishment of a union shop. This argument is clearly a "red herring." Seniority is but one of many conditions of employment. If an employee subject to a union-shop agreement voluntarily chooses not to join a union, it is not his seniority but his very job which he gives up. The decision, however, is that of the worker and not of the union; and if he should choose to give up his job rather than join the union, it is the result of action voluntarily taken by such employee.

The witnesses for the carrier who have voiced such doubts as to the future are not unaware that the union shop is allowed by express provision of Federal law in all industry except that covered by the Railway Labor Act. There is nothing new, unusual, or revolutionary in the union shop. The National Labor Relations Act, commonly known as the Wagner Act, passed in 1935, in the proviso clause of section 8 (3), made express provision for union security. Such express provision for the union shop, with some modification, was retained in section 8 (a) (3) of the Taft-Hartley Act, passed in 1947.

It should be needless to comment that the dire prophesies and gloomy forebodings of such witnesses as have opposed this bill before this committee were not documented to the experiences of industry in general under union-shop agreements. Conditions existing in industry are a far cry from the chaotic conditions predicted for the railroad industry and the union shop has been and is an integral part of the various laws regulating industry generally.

The carrier witnesses also complain that subordinate officials should not be subject to a union-shop agreement. The argument advanced is the same as that which was presented at the time of the enactment of the Railway Labor Act and the same that has been advanced before the Interstate Commerce Commission in those cases where the Commission has exercised its statutory authority under the Railway Labor Act. The objection of these witnesses is based upon the argument that supervisory employees should be exclusively loyal to management and not subject to union agreements covering their rates of pay, rules, and working conditions. The fact remains that representation of such employees by unions is traditional in the railroad industry and nothing new is being introduced by this bill. A large number of railroad employees in so-called supervisory positions have been represented for the purposes of collective bargaining by standard railway labor organizations for many years. I think it is safe to say without fear of contradiction that the subordinate supervision on the railroads is of the highest type and probably the most efficient of any industry. Chief clerks, section foremen, conductors, train dispatchers, and all of the many other subordinate officials covered by labor agreements are for the most part conscientious men and are as diligent and attentive to their jobs and their responsibilities as any men anywhere. There is no merit in the contention that a person who is compelled to work to earn his living as a supervisor cannot be loyal to his duty of supervision and still maintain a keen interest in his own compensation and working conditions. Experience has abundantly shown that the high type of supervision in the railroad industry has been secured and developed because of the insistence of the labor organizations representing such supervisors that these men be treated fairly and equitably with respect to their wages and working conditions, with the result that they are better satisfied and more willing to properly perform their supervisory duties. Most of these subordinate officials now belong to the unions which represent their respective class or craft and the establishment of a union shop will certainly not change or affect the thinking or the responsibility of men in such positions.

The only witness for the carriers who gave what we believe to be the real reason for the railroad opposition to this bill was Mr. Neff, president of the Missouri Pacific Railroad. He testified, in substance, that he was opposed to complete unionization of the industry because management counted on using the 226,000 unorganized employees as a balance wheel in the industry between labor and management. He wants to depend on those people who help manage the railroads effectively, and if they have loyalties to unions under their bylaws to the extent that they could be expelled from the union if they met with their displeasure or there was a conflict in loyalties the railroad has nobody to fall back on in conducting its own affairs properly. What Mr. Neff told you, in effect, is that he wants 20 percent of the workers on management's side of the table. That attitude is contrary to the whole spirit and intent of the Railway Labor Act. If there is anything that will destroy labor relations in the railroad industry, it will be an attempt on the part of the carriers to keep some of the employees out of the union for the purpose of maintaining undercover opposition to the objectives of collective-bargaining representatives. Unless we can have free, wholesome, and honest collective bargaining, we cannot settle our disputes. It is this kind of attitude which will sabotage the honest and proper representataion of workers. The Railway Labor Act provides that employees shall have the right to organize and bargain through representatives chosen by a majority of the craft or class free from interference, influence, or coercion exercised by the carrier. This provision was inserted in the act in order to assure free and untrammelled collective bargaining. Mr. Neff has made it clear that he believes that unionization of the industry would prevent the exercise of presently practiced interference, influence, and coercion. I compliment him for his honest statement of his position, but I vigorously disagree with his premise.

One brief comment should be made with respect to the testimony of Mr. Ramspeck who appeared here in behalf of Air Transport Association of America. His entire statement related to the proposition that the airline industry should be taken out from under the provisions of the Railway Labor Act, and I think it is clear from his statement that he did not appear in opposition to the bill now before you. If the airlines should be removed from the coverage of the Railway Labor Act, they would come under the Taft-Hartley Act, which permits the union shop. I merely wish to say that the suggestion of Mr. Ramspeck with respect to having the airline industry removed from the provisions of the Railway Labor Act is not germane to the question now before you. If the airlines desire to be removed from the provisions of the Railway Labor Act, the proper procedure would be to have a bill introduced, and to afford the interested parties a full and fair opportunity to present their views. I believe that the airline industry would regret the step which is suggests, but I do not think that question can be resolved here.

One of the witnesses before the committee referred to the request in 1942 of the nonoperating unions that a union shop be established in the railroad industry. The witnesses quoted from the report of the so-called Sharfman Emergency Board which was issued on May 29, 1943. In order to keep the record straight and to be sure that the committee properly understands this report, we wish to point out that the report of the Board, in deciding the union-shop issue, showed "that the essential elements of the union shop as defined in the employees' request are prohibited by section 2 of the Railway Labor Act. The intent of Congress in this respect is made evident with unusual clarity." The basis of the decision of the Sharfman board, therefore, was that the request of the employees for the union shop could not be granted because of prohibitions in the law. It is these prohibitions which this bill proposes to remove.

In concluding my statement I should like to comment briefly upon the question which has been raised in this hearing with respect to the rights of members of the Negro race under this bill. While I believe that the conclusions which have been drawn by some of the witnesses are exaggerated, it appears that the bill now before you has assured all persons regardless of race, color, or creed that their job opportunities cannot be prejudiced by its enactment. No employee under this bill can have his employment rights affected in the slightest degree because of his race or color. I do not feel that this is the proper place to argue the justice or injustice of a denial of membership in a union because of race or color. I have already expressed my personal views on this subject to the committee and pointed to the fact that great progress has been made in the last few years in reducing these barriers to union membership.

My point is simply this: If the time has come when the Congress of the United States believes that compulsory fair employment practice legislation should be enacted, it should be accomplished through general legislation and in a manner which will accomplish the results sought to be obtained. I believe that since this bill completely protects the employment rights of those to whom membership in a union may be denied and since the enactment of this bill will in no way affect the existing rights of such employees, this is not the proper legislation into which a fair employment practice law should be written.

It is submitted that this bill with the amendment as suggested herein remedies the alleged abuses of compulsory union membership as claimed by the opposing witnesses, yet makes possible the elimination of the free rider and the sharing of the burden of maintenance by all of the beneficiaries of union activity. We most respectfully urge the committee to favorably report this bill with the clarifying amendments suggested herein.

Mr. HILL. Mr. President, unless there are further questions, I shall yield the floor at this time.

During the delivery of the speech of Mr. HILL,

Mr. CAPEHART. Mr. President, I ask unanimous consent to have printed in the RECORD a speech intended to be delivered by my colleague the junior Senator from Indiana [Mr. JENNER] on his proposed amendment to S. 3295. I ask the Senator from Alabama to yield for that purpose.

Mr. HILL. I am glad to yield for that purpose provided that the statement and the insertion referred to will be printed in the RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. CAPEHART. I ask unanimous consent that the speech to which I have referred be printed in the body of the RECORD at the conclusion of the speech of the very able Senator from Alabama [Mr. HILL]. I make the same request with respect to a copy of the proposed amendment.

There being no objection, the speech and the amendment were ordered to be printed in the RECORD, as follows:

SPEECH INTENDED TO BE DELIVERED BY SENATOR JENNER

Before you vote on the amendment which I have proposed to S. 3295, I want you to have a full and clear understanding of just what the aims and objectives of this amendment are. In order that you may have such an understanding it is necessary to explain as background the manner in which certain features of the present Railway Labor Act function.

Certain weaknesses and evils are present under the Railway Labor Act as it exists today, but the proposal contained in S. 3295 will accentuate these deficiencies in the act and make the evils more vicious, to the point that they should no longer be tolerated. These evils that I speak of are the result of the unregulated activities of the railroad labor organizations, and that is why I urge that these evils be corrected by the same piece of legislation that would strengthen them and give them greater power.

First, let me read the amendment which I am proposing. I want to read it, rather than paraphrase it, because very few of the words used in it are without particular significance. Each of the clauses in it is aimed at a specific evil so that if you listen carefully you will in effect get in summary form an outline of what is to follow. My amendment proposes the insertion of a new paragraph, twelfth, to read as follows:

"Twelfth. Notwithstanding any other provision of this act, or of any other statute or law of the United States, or Territory thereof, or of any State, any union, labor organization, or labor representative that segregates members into separate or auxiliary locals or excludes any member of the craft or class from membership therein on the grounds of race, creed, color, or national origin, or denies membership therein to any member of the craft or class upon terms or conditions not generally applicable to all members of the craft or class; or excludes any member of the craft or class from participation in the collective-bargaining process; or that uses its position as a collective-bargaining representative under this act to discriminate against members of the craft or class on the grounds of race, creed, color, or national origin; or that uses its position as such collective bargaining representative to bar the employment by the carrier of any person because of his race, creed, color, or national origin, shall not act as representative under this act of any craft or class, and shall not be entitled to any of the provisions of the act."

Under the Railway Labor Act as presently constituted, the majority of a craft or class has the right to determine the representation of the entire craft or class, and the railroad companies are forbidden to bargain collectively with any other organization or representative.

There is no specific provision in the act which compels the labor organization chosen by the majority as its bargaining representative to permit the minority workers to become members of such organization or otherwise to participate in the collective-bargaining process. Perhaps you might think that in democratic America it would not be necessary to have statutory compulsion in a matter of this kind. However, without any such statutory compulsion we find many of the railroad labor organizations guilty of the rankest sort of discrimination against Negro employees. In the case of certain of these organizations there are constitutional provisions which bar Negroes from membership. In the case of certain of the other railroad labor organizations Negroes have not been barred from membership altogether but have been required to become members of auxiliary locals that operate under a white local. Membership in auxiliary locals allows the Negroes only indirect, inadequate, and pro forma participation in the affairs of the union. Negroes working in the classes or crafts represented by such unions hold their jobs by sufferance rather than as a matter or right.

I protest against such a situation not because nonmembership amounts to discrimination from a social standpoint but because such discrimination amounts to the deprivation of rights which we are accustomed to think belong to all citizens of the United States. The nonmember Negro minority is given no notice or opportunity to be heard or chance to vote on propositions affecting the class or craft. Negroes have no voice in the choosing of agents of the Union who formulate the policies and carry on the collective bargaining; no means of censoring, removing, or otherwise controlling these union agents, and are thus wholly precluded from any and all participation in the collective-bargaining process.

Many years ago Americans expressed in an unmistakable way what they thought of taxation without representation. It seems to me the situation here is much worse than that. The rates of pay, the working rules, and the conditions under which these employees must work are all determined for them by an agent for whom they have no right to vote and to whom they have no right to protest.

There are a number of instances in which a labor organization acting in its capacity of bargaining agent for Negro railroad workers whom it does not admit to membership has bargained away seniority and other valuable property rights of those employees. In several instances the employees have managed, through court action, to obtain a correction of the injustices done them, but such a means of correction is uncertain, expensive, and slow.

The exclusion of Negroes from certain railroad labor organizations creates another situation which need only be explained in order to make its unconscionable nature stand out clearly. Under section 3 of the Railway Labor Act, the National Railroad Adjustment Board is set up, composed of an equal number of members selected by the carriers and by the labor unions. For example, Division No. 1 of the Adjustment Board consists of 10 members, 5 of whom are selected by the carriers and the other 5 of whom are selected one each by five railroad brotherhoods. Every one of these five brotherhoods has a Negro color bar. Suppose, for instance, that a Negro employee working in a craft or class represented by one of these five organizations felt that he had a grievance as a result of a bargain entered into by the carrier and the railroad labor organization representing his craft. In this situation the judges who would sit in judgment on his grievance would be the representatives of the very parties who were responsible for the acts out of which the grievance arose. It seems perfectly clear that an inequitable and unjust situation already exists in this respect.

The above is the situation which exists under the Railway Labor Act as presently constituted, and certainly it is bad enough, but by this proposed legislation the situation for these men would be made even worse. The union shop provides an additional weapon for the unions and will give the labor organizations additional incentive to intensify their efforts to eliminate the Negroes from certain jobs on the Nation's railroads. If you pass Senate bill 3295 without the safeguarding amendment which I have proposed, you must be willing to accept the responsibility for facilitating the elimination of Negroes from a basic industry in America.

I am more and more impressed with what a large gap there is between the political promises of the Democratic Party to wipe out discriminations against the Negroes in matters having to do with employment, and the actions of that party. Let me read to you from a statement by the head of the Democratic Party, the President of the United States. The following is from the message of the President of September 6, 1945, transmitting an outline of the plans made for the reconversion period. I quote:

"During the years of war production we made substantial progress in overcoming many of the prejudices which had resulted in discriminations against minority groups.

"Many of the injustices based upon considerations of race, religion, and color were removed. Many were prevented. Perfection was not reached, of course, but substantial progress was made.

"In the reconversion period, and thereafter, we should make every effort to continue this American ideal. It is one of the fundamentals of our political philosophy, and it should be an integral part of our economy."

The President speaks of the prevention of discriminations against minority groups and the removal of injustices based upon considerations of race, religion, and color, as an American ideal and one of the fundamentals of our political philosophy. Those are high-sounding words, but will you judge the Democratic Party by these well-turned phrases of their leader or by its actions when put to the test? It is the leaders of this same party who are opposing my amendment and who are doing their utmost to keep from eliminating a clear-cut discrimination against a minority group and to keep from removing an injustice based upon the consideration of color.

Listen again to the words of the President of the United States in his message of February 2, 1948, transmitting his recommendations for a civil-rights program:

"We in the United States believe that all men are entitled to equality of opportunity. Racial, religious, and other invidious forms of discrimination deprive the individual of an equal chance to develop and utilize his talents and to enjoy the rewards of his efforts.

"Once more I repeat my request that the Congress enact fair employment practice legislation prohibiting discrimination in employment based on race, color, religion, or national origin. The legislation should create a fair employment practice commission with authority to prevent discrimination by employers and labor unions, trade and professional associations, and Government agencies and employment bureaus."

Thus the President says that he wants to eliminate discrimination by labor unions, but when his party comes face to face with an opportunity to eliminate discrimination by labor unions in the industry in which it is most firmly entrenched, namely, the railroad industry, the leaders of that party are not willing to match words with action. I would not be surprised if an attempt were made to defeat my amendment without a record vote. In this way the individual members of that party would hope to escape censure for their indefensible action.

However, there can be no question as to where the blame will properly lie if my amendment be not adopted. My amendment offers the first opportunity for a vote on a legislative proposal to eliminate a distinct area in which discrimination is practiced strictly on the ground of color. The railroad labor unions are opposed to my amendment,

and they have urged the leaders of the Democratic Party to defeat my proposed amendment. I have long suspected two facts: (1) That the Democratic Party is not truly interested in the welfare of the Negro race; and (2) that the Democratic Party is subject to domination by labor unions. I suspect that when it comes down to a question of eliminating an instance of serious discrimination against Negroes or following the dictates of the labor union leaders, the Democratic Party will follow the latter course.

Much of what I have said goes to show why an amendment such as the one I have proposed would be entirely appropriate even if there is no union-shop bill, but if the Congress is to enact a bill such as S. 3295, it is absolutely unthinkable that they should do so without simultaneously enacting an amendment such as the one I have proposed. This bill, as you know, would authorize unions to enter into agreements with their employers requiring as a condition of continued employment that all employees shall become members of the labor organization representing their craft or class. This means in the event of such an agreement that if an employee wishes to continue in the employment of the railroad he would be compelled to join the union regardless of his desire in the matter. On the other hand, the unions would be at perfect liberty to refuse to admit to membership any employee they saw fit to exclude, regardless of the wishes and desires of that employee. It is difficult for me to understand how the Congress would even consider sacrificing the freedom of the individual to join or not to join a union and at the same time protecting the right of a union to discriminate against employees whose economic fate and livelihood are completely under its control. If a railroad labor organization is to be endowed with such standing that it can require any employee working in the class or craft represented by the labor organization to become a member of the organization in order to hold his job with the employer, certainly such labor organization should be required to admit all employees to membership without discrimination in any way, shape, or form.

Why should labor organizations be treated with such reverence? What is there that entitles them to the added strength and power which would be conferred upon them by the union shop, when they are not even willing to live up to our American ideal of fair play and nondiscriminatory treatment? Conferring upon railroad labor unions the authority which would be given by S. 3295 without imposing the requirements of my proposed amendment would be an act of subservience to the labor unions that I hope not many of the Members of this body will be guilty of.

In conclusion, I urge you to consider carefully the full import of my proposed amendment and to vote for its adoption.

No. 1. On page 3, line 8, it is proposed to insert new paragraph twelfth to read as follows:

"Twelfth. Notwithstanding any other provisions of this act, or of any other statute or law of the United States, or Territory thereof, or of any State, any union, labor organization, or labor representative that segregates members into separate or auxiliary locals or excludes any member of the craft or class from membership therein on the grounds of race, creed, color, or national origin, or denies membership therein to any member of the craft or class upon terms or conditions not generally applicable to all members of the craft or class; or excludes any member of the craft or class from participation in the collective-bargaining process; or that uses its position as a collective-bargaining representative under this act to discriminate against members of the craft or class on the grounds of race, creed, color, or national origin; or that uses its position as such collective-bargaining representative to bar the employment by the carrier of any person because of his race, creed, color, or national origin, shall not act as representative under this act of any craft or class, and shall not be entitled to any of the provisions of the act."

Mr. TAFT. Mr. President, I only wish to add my plea to that of the Senator from Alabama that the bill be passed.

In effect, the bill inserts in the railway mediation law almost the exact provisions, so far as they fit, of the Taft-Hartley law, so that the conditions regarding the union shop and the check-off are carried into the relations between railroad unions and the railroads. I believe that those provisions have worked satisfactorily under the Taft-Hartley law. I feel that they would work well in connection with the Railway Labor Act. In response to a question from the unions, I have stated to them that I thought those provisions would work well in the railroad labor law.

I objected to some of the original terms of the bill, but when the proponents agreed to accept amendments which made the provisions identical with the Taft-Hartley law, I was willing to concur in those amendments. Those amendments have been worked out. The Senator from Alabama [Mr. HILL] and myself have joined in offering the amendments. When the amendments are agreed to, I hope the bill may be passed.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. TAFT. I yield to the Senator from Florida.

Mr. HOLLAND. In speaking of the fact that the provisions of the new law, with the amendments suggested by the Senator from Ohio and his colleagues, would be identical with the provisions of the Taft-Hartley law, the Senator did not intend, I am sure, to give the impression that the law would, even with the amendments proposed here contain the provision of the Taft-Hartley law respecting and giving effect to the provisions of the State constitutions and State statutes in those States which have provided by one means or the other that employment in any industry or the continuation of employment therein shall not depend upon membership or nonmembership in a union? The Senator did not intend to give that impression, did he?

Mr. TAFT. No. I did not make the adoption of that provision of the Taft-Hartley law a provision of my agreement to the changes before us.

Mr. HILL. Mr. President, unless Senators desire to discuss the bill further, I ask that the Senate proceed to consider the committee amendments.

The PRESIDING OFFICER (Mr. DONNELL in the chair). Without objection, it is so ordered. The clerk will state the first committee amendment.

The first amendment was, on page 2, line 10, after the word "representing", to strike out "the" and insert "their."

The amendment was agreed to.

The next amendment was, in the same line, after the word "class", to strike out "of such employees."

The amendment was agreed to.

The next amendment was, in line 15, after the word "or", to strike out "because of membership in any other labor organization" and insert "with respect to employees to whom membership was denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments uniformly required as a condition of acquiring or retaining membership."

Mr. HILL. With respect to that committee amendment, I wish to offer an amendment on behalf of the Senator from Ohio [Mr. TAFT] and myself which I ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 2, line 20, after the word "assessments" and before the word "uniformly", it is proposed to insert "(not including fines and penalties)."

Mr. HILL. Mr. President, I think the amendment on the face of it is self-explanatory. It means that the words "periodic dues, initiation fees, and assessments" shall not in any way be construed to include "fines and penalties." In other words, the only basis upon which a union can deny an employee of a railroad the right to join a union is if he does not pay his dues, initiation fees, and assessments. The committee wants to make it plain that dues, initiation fees, and assessments do not include fines and penalties.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL] on behalf of himself and the Senator from Ohio [Mr. TAFT] to the committee amendment.

Mr. HOLLAND. Mr. President, I would have no objection to the adoption of that amendment except for the possible effect upon an amendment I have submitted, which is printed and has been lying on the table since September 23. I believe my amendment should properly be offered as an amendment to this particular amendment. However, I am not anxious to do so unless that is necessary in order to protect the right to have my amendment considered. In other words, I do not want to interfere with the committee amendment or the amendment offered thereto, which is being considered, provided I fully preserve my own right and the right of other Senators who are interested in my amendment, to have it considered on its own merits at a later time.

Mr. HILL. I will say to the distinguished Senator from Florida that from my examination of the Senator's amendment I certainly know of no reason why it should not be offered later. I realize, however, that it may be in the form of an amendment to the committee amendment now. But speaking for myself, it raises a question which is entirely different from the committee amendment, although that may be the place where it should be offered. Certainly I would raise no objection or make any

point if the Senator were to see fit to offer his amendment at a later time. Let it be offered then and be determined on its own merits if the Senator desires.

Mr. HOLLAND. Mr. President, in order not to interefere in the slightest with the amendment now pending, if the Senator from Alabama will yield to me for the purpose, I should like to ask the unanimous consent of the Senate that the amendment to which I have referred, which in effect protects the rights of the States which by constitutional provisions or by statutory enactments have provided that employment in any industry in their jurisdiction shall not be dependent upon membership or nonmembership in a labor organization, may be offered after the consideration of the pending amendment, without prejudice, and that it shall be regarded as being in order at that time.

Mr. HILL. Will the Senator include in his request that his amendment be considered after consideration of the committee amendments? We have other committee amendments to consider.

Mr. HOLLAND. I shall have no objection provided it may be unanimously agreed that the amendment may be in order at that time.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. WHERRY. Mr. President, I do not object to the unanimous-consent request. My feeling is that the Senator from Florida has that right anyway. Does he not?

Mr. HOLLAND. I may say to the Senator from Alabama and the distinguished minority leader, that I have just been advised by the Parliamentarian that the adoption of the amendment now being considered would probably make out of order my amendment, to which I have referred, unless the unanimous-consent request be agreed to, and that otherwise I would have to offer it as an amendment to the pending amendment, which I do not wish to do unless it becomes necessary.

The PRESIDING OFFICER. Is there objection to the unanimous request of the Senator from Florida [Mr. HOLLAND]? Hearing none, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Alabama [Mr. HILL] on behalf of himself and the Senator from Ohio [Mr. TAFT] to the committee amendment.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The remaining committee amendments will be stated.

The amendments were, on page 3, line 1, after the word "agreements", to strike out "with such carrier or carriers"; in line 2, after the word "deduction", to insert "by such carrier or carriers"; in line 4, after the word "and", to strike out "pay" and insert "payment"; in line 5, after the word "representing", to strike out "such" and insert "the"; in the same line, after the word "employees" to insert "of"; and in line 6, after the word "dues", to insert "initiation."

The amendments were agreed to.

The PRESIDING OFFICER. That completes the committee amendments.

Mr. HILL. Mr. President, on behalf of the Senator from Ohio and myself, I offer another amendment at this time.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 3, it is proposed to strike out lines 6 and 7 and insert "any periodic dues, initiation fees, and assessments (not including fines and penalties), uniformly required as a condition of acquiring or retaining membership, *Provided*, That no such agreement shall be effective with respect to any individual employee until he shall have furnished the employer with a written assignment to the labor organization of such membership dues, initiation fees, and assessments, which shall be revocable in writing after the expiration of 1 year or upon the termination date of the applicable collective agreement, whichever occurs sooner."

On page 3, after subparagraph (b) it is proposed to insert the following:

(c) The requirement of membership in a labor organization in an agreement made pursuant to subparagraph (a) shall be satisfied, as to both a present or future employee in engine, train, yard, or hostling service, that is, an employee engaged in any of the services or capacities covered in section 3, first (h) of this act defining the jurisdictional scope of the first division of the National Railroad Adjustment Board, if said employee shall hold or acquire membership in any one of the labor organizations, national in scope, organized in accordance with this act and admitting to membership employees of a craft or class in any of said services; and no agreement made pursuant to subparagraph (b) shall provide for deductions from his wages for periodic dues, initiation fees, or assessments payable to any labor organization other than that in which he holds membership: *Provided, however*, That as to an employee in any of said services on a particular carrier at the effective date of any such agreement on a carrier, who is not a member of any one of the labor organizations, national in scope, organized in accordance with this act and admitting to membership employees of a craft or class in any of said services, such employee, as a condition of continuing his employment, may be required to become a member of the organization representing the craft in which he is employed on the effective date of the first agreement applicable to him: *Provided, further*, That nothing herein or in any such agreement or agreements shall prevent an employee from changing membership from one organization to another organization admitting to membership employees of a craft or class in any of said services.

(d) Any provisions in paragraphs fourth and fifth of section 2 of this act in conflict herewith are to the extent of such conflict amended.

The PRESIDING OFFICER. Does the Senator from Alabama desire that the two amendments be considered en bloc?

Mr. HILL. Yes.

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. HILL. Mr. President, these amendments are the amendments agreed upon by the railroad brotherhoods. They are the amendments to which I alluded earlier. With their adoption, the railroad brotherhoods urge the passage of the bill.

The amendments do nothing more nor less than what the committee desires to do, and what was the intent of the committee in offering its amendment, that no employee of a railroad should be required to belong to more than one labor organization. The only difference between the committee amendment and the amendments now before the Senate, which have been agreed upon by all the railroad organizations, is that the amendments now before the Senate spell out in much more detail the purposes of the committee amendment than did the committee amendment. But the intent and the purpose of the committee amendments and the amendments now before the Senate are exactly the same.

The PRESIDING OFFICER. The question is on agreeing to the amendments, en bloc, offered by the Senator from Alabama [Mr. HILL], on behalf of himself and the Senator from Ohio [Mr. TAFT].

The amendments, en bloc, were agreed to.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. WILEY. Do I correctly understand that the amendments which have just been adopted en bloc are, in their content, substantially the same as the provision in the Taft-Hartley law?

Mr. HILL. No, I cannot say that. The amendments deal solely and entirely with railroad employees and go to the question that no man working for a railroad shall be required to belong to more than one labor organization. That is the whole intent and purpose of the amendments, and it is written out in detail, because of the fact that railroad employees are divided into operating unions and nonoperating unions. What the amendments do is simply to spell out the one proposition that no employee of a railroad shall be required to belong to more than one union. The Senator realizes that in an operating union a man may be a brakeman today and may be promoted to be a conductor tomorrow, and he may be a conductor for 30, 60, or 90 days, and then he may be dropped back to be a brakeman again. He might be a fireman today; but tomorrow he might be promoted to be an engineer. He might then serve for 90 days or 120 days as an engineer, and then he might be demoted to fireman. In the railroad industry there is a peculiar situation which perhaps does not exist in any other industry. The only purpose of the amendment is to make sure that a person employed by one of the railroads does not have to belong to more than one union.

Mr. WILEY. In other words, in substance the amendment coincides with a similar provision of the Taft-Hartley Act; is that correct?

Mr. HILL. I would say so; yes.

Mr. WILEY. Does the Senator have another amendment? I wish to make sure, because I have listened very carefully to the Senator's remarks.

Mr. HILL. No; the other amendment is the one the Senator alluded to earlier.

That is the amendment with reference to the check-off. That amendment has also been agreed to.

Mr. WILEY. That amendment contains provisions similar to the corresponding provisions of the Taft-Hartley Act; does it not?

Mr. HILL. That is correct. The amendment provides that a railroad employee cannot have a check-off of his wages without his written consent.

Mr. WILEY. I wish to have it made clear also that all the railroad unions the Senator has mentioned have considered the amendments which are similar in content to the corresponding provisions of the Taft-Hartley Act, and that they have approved them, as the Senator has indicated today.

Mr. HILL. They have approved these amendments; yes.

Mr. WHERRY. Mr. President, will the Senator yield at this point?

Mr. HILL. I yield.

Mr. WHERRY. Do all the employees in the various branches of the railroad labor organizations approve this bill as it has now been amended?

Mr. HILL. I do not believe the Senator was able to be on the floor a short time ago when I answered a somewhat similar question which was asked by the Senator from Wisconsin. I read to the Senate, in part, the testimony as to that question which Mr. Harrison had given before the subcommittee. His testimony showed that in some cases conventions had acted on this matter; in other cases, meetings called had acted on it; but in all cases some official spokesman who was speaking for them was urging the adoption of this proposed legislation, with the exception of the spokesman for one of the railroad labor organizations.

As I said earlier, there are 22 railroad labor organizations; and with one exception, namely, the Brotherhood of Locomotive Engineers, those organizations approve of this proposed legislation. The one exception, the Brotherhood of Locomotive Engineers, did not oppose the bill; but the head of that organization does not feel that he is authorized to endorse the bill.

Mr. WHERRY. The amendments which have been adopted were offered after the committee held hearings, as I understand. Were the amendments submitted in order to satisfy objections raised by any groups of railroad employees?

Mr. HILL. The truth of the matter is that the amendments were submitted not only to satisfy the objections of various branches of the railroad brotherhoods, but also because some of the committee members felt that the amendments should be adopted.

Mr. WHERRY. I wish to ascertain for the RECORD whether the adoption of these amendments makes the measure, as now amended, more acceptable to the various branches or groups of the railroad employees.

Mr. HILL. The adoption of these amendments means that 21 of the 22 railroad labor organizations not only favor the bill, but urge its passage with the amendments as adopted. The twenty-second group or organization is not in a position to act on this measure, because the head of that organization says he does not have the authority to do so. However, that organization is not opposing the bill.

Mr. WHERRY. The Senator is speaking of the railroad organizations operating under the Railway Labor Act, is he?

Mr. HILL. That is correct.

Mr. WHERRY. So only one of those organizations has not approved the bill, and that organization does not disapprove it. Is that correct?

Mr. HILL. That is correct.

Mr. WHERRY. With these amendments written into the bill, will that one railroad labor organization be more receptive to the enactment of the bill than it would have been if the amendments had not been adopted?

Mr. HILL. Yes; I can say that organization would be. I give it as my opinion, for whatever it may be worth that if the head of that organization had felt he had the authority, he would have approved the bill. He simply does not believe he has the authority to act in the premises.

Mr. WHERRY. The Senator says, as I understand, that the first amendment, which was being discussed when I entered the Chamber, provides that a member does not have to belong to more than one union. Is that correct?

Mr. HILL. That is correct.

Mr. WHERRY. That is because of the example the Senator gave, namely, that often a fireman will move up to the job of engineer, but later will return to the job of fireman. Is that correct?

Mr. HILL. That is correct.

Mr. WHERRY. Does any employee have to belong to a union?

Mr. HILL. He has to belong to a union if the collective bargaining agreement which has been worked out provides that those who work for the railroads shall within 60 days join a union.

Mr. WHERRY. That is similar to a provision of the Taft-Hartley Act.

Mr. HILL. Yes. However, there is nothing in this measure which would compel any railroad to enter into any collective-bargaining agreements. This measure simply removes a prohibition now in the law against such bargaining agreements.

Mr. WHERRY. I understand that; but I wish to find out what is mandatory about the bill. The railroad workers who come under this provision of the bill will have to belong to a union, but to only one union. Is that correct?

Mr. HILL. That is correct—to only one union.

Mr. WHERRY. Is that now required under the Railway Labor Act?

Mr. HILL. No; it is prohibited now. That is what we are getting away from by means of this bill. It is to remove that prohibition against a union shop that this bill is now before the Senate.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HOLLAND. Mr. President, at this time I offer the amendment to which I have previously referred, and I ask that the amendment be read. Following the reading of the amendment, I shall ask that the yeas and nays be ordered on the question of agreeing to the amendment.

The PRESIDING OFFICER. The amendment will be read.

The CHIEF CLERK. On page 1, in line 8, it is proposed to strike out "or Territory thereof, or of any State".

On page 2, line 21, it is proposed to strike out the comma, insert a colon in lieu thereof, and the following: *"Provided further,* That nothing in this paragraph shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law."

Mr. HOLLAND. Mr. President, I now ask that the yeas and nays be ordered on the question of agreeing to this particular amendment, when the time is reached for voting on the amendment at the conclusion of the arguments about it.

The PRESIDING OFFICER. There are two amendments. Does the Senator from Florida wish to have the yeas and nays ordered on each of them separately or on both of them jointly?

Mr. HOLLAND. I should like to have both of them voted on at one time, and to have the yeas and nays ordered on both of them, when voted on in that way, unless there is a request to have the amendments voted on separately.

The PRESIDING OFFICER. Without objection, the amendments will be voted on en bloc.

The Senator from Florida has asked that the yeas and nays be ordered on the question of agreeing to the amendments. Is there a sufficient second?

The yeas and nays were ordered.

Mr. WHERRY. Mr. President, I should like to make a request, if the Senator who has the floor will yield to me for that purpose.

Mr. HOLLAND. I yield.

Mr. WHERRY. It is now quarter to 4. I do not know how long the distinguished Senator from Florida will speak. However, inasmuch as the yeas and nays have been ordered on his amendments, and inasmuch as a quorum call will be required before the vote is taken on them—and I think that should be done, inasmuch as a number of Senators are not now in the Chamber—I appeal to the managers of the bill, if this debate lasts much longer, to let us vote on the bill at a time when it will be possible to have a rather full attendance of the membership of the Senate. After all, it is now rather late in the day to have a quorum call and to get most Members of the Senate present to vote on the bill.

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. HOLLAND. I yield.

Mr. HILL. The distinguished Senator from Illinois indicated very strongly, I think, that the debate would run along for a time, and that if it lasted until somewhat late in the afternoon, we would take a recess until tomorrow, and not vote today on the bill.

Mr. WHERRY. I appreciate that. However, in view of the fact that the yeas and nays have been ordered on the amendments of the Senator from Florida, I submit that the consideration of

having a quorum call should be given to all Senators.

Now that there is to be a yea-and-nay vote on the amendments of the Senator from Florida, I respectfully submit that, if possible, we should either remain here and vote on the bill today, or else we should order a quorum call to be had tomorrow, in order to give due regard to having as many as possible of the Members of the Senate present to record their votes.

Mr. HOLLAND. So far as I am concerned, Mr. President, I am perfectly willing to accede to whatever decision the two leaders reach on that point. I expect to speak for perhaps an hour or a little longer, but I plan to speak only once.

Mr. WHERRY. Mr. President, if the Senator from Florida will further yield——

Mr. HOLLAND. I yield.

Mr. WHERRY. I do not care how long Senators debate this measure this evening; but if they are willing to agree now as to a time when the vote shall be taken tomorrow, by unanimous consent, those of us on this side of the aisle are prepared to vote on that question.

Mr. HILL. Mr. President, the Senator from Florida has said that he expects to speak for an hour or so. In the meantime I expect the majority leader to return to the Chamber, and then he will be able to participate in the discussion regarding the matter the Senator from Nebraska has mentioned.

Mr. WHERRY. In view of the fact that the yeas and nays have been ordered, I think the vote on these two amendments should be taken tomorrow.

Mr. HOLLAND. Mr. President, and Members of the Senate, reference was made a moment ago by one of the Senators participating in the colloquy to the fact that two amendments now have been proposed by me. Although that is true as a formal matter, yet the two amendments actually comprise one amendment in their intent and meaning.

In order to call attention at this time to the text of the amendment I am offering, I ask, first, that the entire amendment be printed at this point in the RECORD as a part of my remarks.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

On page 1, line 8, strike out the following: "or Territory thereof, or of any State."

On page 2, line 21, strike out the comma, insert a colon in lieu thereof, and the following: "*Provided further*, That nothing in this paragraph shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law."

Mr. HOLLAND. Mr. President, I now call attention to the fact that the first portion of the amendment reads as follows:

On page 1, line 8, strike out the following: "or Territory thereof, or of any State."

By adverting to the printed copy of Senate bill 3295, it will be discovered that this particular amendment applies to the provision of the bill appearing in lines 6, 7, and 8, on page 1 of the printed bill, which reads as follows:

Notwithstanding any other provisions of this act, or of any other statute or law of the United States, or Territory thereof, or of any State.

The omission of the words "or Territory thereof, or of any State," as proposed in the first part of the pending amendment, would simply make the provision which I have just quoted, from S. 3295, read as follows:

Notwithstanding any other provisions of this act or of any other statute or law of the United States—

And so forth. It would thus limit this measure in its provisions which apply to other laws entirely, so that it will provide only that, notwithstanding other provisions which appear in this act, or in any other statute or law of the United States, alone, not including laws of States or Territories—excluding the mention, therefore, of other provisions of State or Territorial legislation, as was included in the measure as produced by the committee.

In other words, that part of the amendment would simply dovetail with the later portion of the amendment, which seeks by its terms to write into this measure the exact provision now appearing in the Taft-Hartley law which preserves and respects and confirms the force and effect of constitutional or statutory measures in any State or Territory under which it is provided that it may not be legally prescribed as a condition of employment or of continued employment that any worker shall have to be either a member or not a member of any labor organization.

The second portion of my amendment specifically writes into the bill, or would write into the bill if it would, the exact words out of the Taft-Hartley Act, which now provide as a part of that act and as a part of the law of the United States—and at this point I quote:

That nothing in this paragraph shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law.

Mr. President, it has been stated rather loosely upon the floor of the Senate—and I have no desire at all to impugn the motives of anyone, because I think it has been entirely clear by subsequent statements that the statements were not meant to go as far as they appeared to go in the beginning—that the pending measure, if adopted, would write into the Railway Labor Act the specific provisions of the Taft-Hartley law as it now exists, with reference to the subject of the union shop and the check-off. That, of course, is not exactly correct, unless there be added, by the adoption of the amendment now proposed, a provision in the Taft-Hartley law which preserves and confirms and retains within the jurisdiction of the several States or Territories the effect of their several constitutional and statutory requirements banning the so-called closed-shop or union-shop condition, either of them, as a condition for legal employment.

I want to make that abundantly clear before we go further—that we are not seeking to write into this law by the amendment now proposed anything unknown to the law; to the contrary, we are trying to make this law, if this amendment which I propose does become law, exactly like the Taft-Hartley law in this particular portion or in the application of the provision of this particular portion of the Taft-Hartley law and the field now covered by it.

I call attention to the fact that in all the debates connected with passage of the Taft-Hartley law and in the adoption in the Senate, though not by the Congress, of amendments of the Taft-Hartley law last year, 1949, the great majority of the Senate specifically held by its vote, not on one occasion but on several occasions, that they felt that it was sound public policy to continue in force and effect and to preserve and to confirm within the several jurisdictions that had so prescribed as a matter of sound State or Territorial policy the principle that membership or nonmembership in a union should never be prescribed as a condition of employment or of continued employment. We, a great majority of the Senate, specifically continued that provision throughout every discussion and debate and vote which we have taken in the consideration of the Taft-Hartley bill originally and in the consideration of the proposed amendments which were voted last year, 1949, in the Senate, but which never became law.

I call attention at this time to the last time that this particular provision was debated in the Senate. It will be found in the CONGRESSIONAL RECORD of June 30, 1949. The part of the debate which bears on this point appears in the RECORD of that date at pages 8694 to 8713, inclusive. It is unnecessary at this time to quote extensively from that debate, but I do want the record of this particular debate to recall the fact that that was the last time this particular item was debated. I should like at this time to ask unanimous consent to insert at this point in my remarks the list of yea-and-nay votes, found at page 8712 of the RECORD of June 30, 1949, showing the vote of 53 to 41, by which this provision was retained, respecting and confirming the State constitutional and statutory provisions on the subject of the closed shop or the union shop in the provisions of the Taft-Hartley Act. I ask at this time that the list of the yeas and nays appearing in column 3 on page 8712 of the CONGRESSIONAL RECORD of June 30, 1949, be printed at this point as a portion of my remarks.

There being no objection, the list of the yeas and nays was ordered to be printed in the RECORD, as follows:

The result was announced—yeas 41, nays 53, as follows:

Yeas—41: Aiken, Anderson, Baldwin, Douglas, Downey, Flanders, Graham, Green, Hendrickson, Hill, Humphrey, Hunt, Ives, Johnson, Colo., Johnston, S. C., Kefauver, Kerr, Kilgore, Langer, Lodge, Long, Lucas, McGrath, McMahon, Magnuson, Miller, Morse, Murray, Myers, Neely, O'Mahoney, Pepper, Saltonstall,

Smith, Maine, Sparkman, Taylor, Thomas, Okla., Thomas, Utah, Thye, Tobey, Withers.

Nays—53: Brewster, Bricker, Bridges, Butler, Byrd, Cain, Capehart, Chapman, Chavez, Connally, Cordon, Donnell, Eastland, Ecton, Ferguson, Frear, Fulbright, George, Gillette, Gurney, Hayden, Hickenlooper, Hoey, Holland, Jenner, Johnson, Tex., Kem, Knowland, McCarran, McCarthy, McClellan, McFarland, McKellar, Malone, Martin, Maybank, Millikin, Mundt, O'Conor, Reed, Robertson, Russell, Schoeppel, Smith, N. J., Stennis, Taft, Tydings, Vandenberg, Watkins, Wherry, Wiley, Williams, Young.

Not voting—1: Ellender.

Mr. HOLLAND. Mr. President, I do not intend to labor the question which is now before us, or to speak at undue length on this measure. It seems to me, though, that it is a matter of complete necessity that the Senate, in considering this question of a proposed amendment to the Railway Labor Act, consider also the positions which it has taken upon a similar act, the Taft-Hartley Act, which is predicated incidentally upon the interstate commerce clause, and which applies incidentally only to transactions and employments in interstate commerce; and to remind Members of the Senate of the action which we have heretofore taken, and which we have heretofore insisted upon in numerous debates of that particular provision, and to remind Members of the Senate that the taking of a contrary position here would simply invite attention to the fact that we discriminate between the class of workingmen, covered by the pending amendment and by the Railway Labor Act, and those other workmen also engaged in interstate commerce, who are covered by the provisions of the Taft-Hartley Act.

I may say it seems rather clear to me that if by this amendment the Senate should incorporate the requirement that anticlosed and antiunion shop declarations of State and Territorial laws shall not be observed, that the Senate and the Congress and the people, employers and workmen and the general public, may with confidence expect an insistent demand in the near future for the taking of similar action cutting out of the Taft-Hartley Act the specific requirements of that act, which would then be completely contradictory of the provisions which we would write into the Railway Labor Act if we should adopt the committee amendments, without adding thereto the amendment which I am proposing at this time.

Mr. President, to make that point doubly clear, may I recall to the public the fact that while railway employees are of course engaged in interstate labor and interstate commerce, that, as to that portion of the railway employees who have been insistently urging the passage of this bill, namely, those who work as clerks or clerical employees, and those who work as maintenance-way employees and those who work in the shops and in the various other places, other than as operating members of train crews, that their residence within States is just as fixed relatively speaking as is the residence of any other class of employees in any class of industry covered by the Taft-Hartley Act. I recall to the Senate and to the country the fact that when this measure was being debated in September of this year, the Senate at that time was served with notice by the large operating brotherhoods, by formal communications appearing over the signatures of the officials of those brotherhoods, that they wanted to indicate their opposition to enactment of this measure at that time, but that we were visited with an urgent and even an insistent request from the heads of some of the other organizations, including organizations such as the organization of clerks, the maintenance-way organizations, and the shop organizations, as a rule—we were faced with requests from them for the enactment of this particular legislation. There is no reason at all why they should be any more exempted from the declarations of the States and Territories on the subject of anti-closed-shop provisions or anti-union-shop provisions or both, than in the case of the motor-vehicle employees, many of whom are actively and actually engaged in interstate commerce, which takes them from State to State, or employees of the telephone, telegraph, or radio, who are certainly engaged in employment, the effect of which is to know no State lines and to cross those State lines on every conceivable occasion as an incident of their employment.

If exceptions be made to the rule, which I think is a sound and salutary rule, and which has been heretofore adopted and adhered to closely by a majority of the Senate by our insisting on the preservation and recognition and giving of full force and effect to constitutional and statutory declarations of the several States on this important subject, we shall find ourselves confronted with having taken completely inconsistent positions and with having invited a demand for the rescission, cancellation, and repeal of those portions of the Taft-Hartley Act which do specifically confirm and respect the provisions of State and territorial laws and constitutions on this subject.

Mr. President, insofar as the State of Florida is concerned as a Senator from Florida I deem it to be my duty to invite the attention of the Senate to the provisions of laws of our State which run counter to any proposals which are advanced on the floor of the Senate, and at least to let Senators have the information as to what are the provisions of law within the State of Florida which would be cancelled by the enactment of proposals pending in Congress.

On this particular point I read from section 12 of the State Constitution of Florida the provision which was adopted by referendum of our people. Whether or not any particular citizen or individual in the State of Florida desires it to be so or not, it is now part of our fundamental law in Florida, just as it is a part of the fundamental law or statutory law of some 20 States from the Pacific to the Atlantic. The provision of our constitution reads:

> The right of persons to work shall not be denied or abridged on account of membership or nonmembership in any labor union or labor organization, provided that this clause shall not be construed to deny or abridge the right of employees by and through a labor organization or labor union to bargain collectively with their employer.

Mr. President, it seems to me that that is a fair proposition. The people of our State thought it was fair and wrote it into our constitution in a referendum which was addressed to the sound judgment of the voters of our State.

Incidentally, Mr. President, there have been several efforts made since that time to repeal that portion of our constitution which was adopted in the general election, as I recall, of 1944. However, without variation the legislature of the State has by overwhelming majorities refused on several occasions to submit to the people any measure which would have in effect abridged, repealed, or amended this provision of our State constitution.

Mr. PEPPER. Mr. President, will my colleague yield for a question?

Mr. HOLLAND. I am happy to yield.

Mr. PEPPER. Does my colleague have in mind any case on the subject, or does he have any opinion as to whether the provision allowing collective bargaining between labor and management in Florida under that provision of the Constitution would preclude a collective bargaining agreement regarding a union shop?

Mr. HOLLAND. I believe no case on that point has been decided by either the Supreme Court of the United States or the Supreme Court of Florida.

Mr. PEPPER. I do not recall any.

Mr. HOLLAND. My recollection is that decisions have been rendered on the subject by courts of lesser importance, all of them upholding the clear wording of the constitutional provisions. I understand further that effort was made to appeal at least one of such decisions to the Supreme Court of the United States. However, as I recall, the Supreme Court declined to exercise jurisdiction on the ground that it felt the constitutional provision should first be construed by the Supreme Court of the State of Florida. That is my recollection of the history of the subject up to this time. I may say, however, that quite similar provisions have been brought before the Supreme Court of the United States in three cases which were decided last year. I shall not attempt to quote the decisions for the RECORD unless it becomes necessary to do so. The three cases affect provisions of the statute law of North Carolina and constitutional provisions in Nebraska and Arizona. In going into this subject in detail in 1949, on the occasion when we were debating it, I found that the Supreme Court had upheld by unanimous decision the validity of one of those constitutional provisions. My recollection is that it was the constitutional provision of the State of Nebraska. It is also my recollection that the Supreme Court had upheld by a similar unanimous decision the statutory provision of the State of North Carolina, and that it had upheld by an 8-to-1 decision the constitutional provision of the State of Arizona, which latter constitutional provision did not go as far as does the constitutional provision of the State of

Florida in making clear that complete and even-handed justice is done. I invite the attention of my colleague to the fact, as is well known to him, I am certain, that in the constitutional amendment adopted in the State of Florida we protected not only as against a requirement of membership in a union, but also as against a requirement of nonmembership. To quote again the provision of our constitution, it reads:

> The right of persons to work shall not be denied or abridged on account of membership or nonmembership in any labor union or labor organization, provided that this clause shall not be construed to deny or abridge the right of employees by and through a labor organization or labor union to bargain collectively with their employer.

Again going back to the Arizona case, my recollection is that the reason on which one justice of the Supreme Court—and as I recall, it was the late Mr. Justice Murphy—declined to approve the constitutional provision of the State of Arizona was, to the best of my recollection, the fact that it was not completely even-handed, in that it did not apply to conditions which were equally applicable to membership or nonmembership in union. In other words, the provision was directed only against membership in unions. The late Mr. Justice Murphy in his dissenting opinion found such a provision to be not even-handed justice. However, his opinion was only one out of nine opinions. The other eight Justices upheld even that more one-sided approach to the problem in the Constitution of the State of Arizona.

Therefore, it is amply clear that the Supreme Court of the United States has not only upheld such constitutional requirements, but has upheld them with a unanimity which is rarely found in the membership of our Supreme Court in this day.

As I recall, the decisions made it very clear that this was a matter properly addressed to the sound policies and sound judgment of the people of the respective States as to whether or not they should or should not adopt as a part of their law, whether statutory or constitutional, anticlosed shop or antiunion shop provisions.

As I recall, one or more of the decisions went out of its way to say that those who complained of such a law must remember that they have a perfect remedy. That remedy does not lie in the courts, but in the people and in addressing their petition for a change to the people of the several States or the legislatures of the several States, or both, as the case may be.

Mr. PEPPER. Mr. President, will the Senator yield at that point?

Mr. HOLLAND. I yield.

Mr. PEPPER. If the Senator cares to do so, I should like to have an expression of his opinion as to whether the right to bargain collectively would carry with it the right to bargain and enter into a contract, if agreeable to management, pursuant to that bargaining, which did provide a union-shop provision similar to that which would be permitted here.

Mr. HOLLAND. I was not a member of the legislature which debated at length the subject matter of the amendment. Nor did I participate in the rather heavy debates which took place in the State prior to the election, inasmuch as I was serving as the chief executive of the State. However, it is my clear recollection that both in the debates on the floor of the Legislature of Florida and in the debates which preceded the referendum election in which this amendment was adopted it was made very clear that the inclusion of this particular provision referred to by my colleague was for a single purpose, and that was to make it completely clear that there was no thought in the minds of those submitting the amendment to inhibit collective bargaining or to prevent collective bargaining except in that one particular which is prescribed in the earlier part of the amendment. Therefore my answer to my colleague would be that, basing my opinion upon the debates at that time, both in the legislature and before the public, it was made crystal clear that the provision would not give to collective bargainers the authority to violate or ignore the earlier provisions of the amendment. Instead, the earlier provisions of the amendment were intended to be mandatory upon our people, and the last portion of the amendment was included simply to give assurance that there was no disposition to prevent membership in a labor union or a reliance upon collective bargaining, except insofar as the earlier portion of the amendment may have provided for the governance of relations between employers and employees in the State of Florida.

Mr. PEPPER. Mr. President, if my colleague will yield further, I believe that the interpretation just given by my able colleague is the correct one. If he will yield further, I should like to ask him if any of the three cases in the United States Supreme Court to which he has referred, upholding constitutional or statutory provisions in States, involved a field in which Congress had asserted a paramount authority to regulate the subject? Did any of those cases involve the question as to whether the act of Congress was valid, or whether the State constitutional or statutory provision would take precedence?

Mr. HOLLAND. I will say to my colleague that in none of the three cases mentioned had the Congress asserted Federal jurisdiction. So far as the junior Senator from Florida is concerned, it is his belief and understanding of the law that the Federal Government—the Congress or the Federal Government acting through the Congress by the enactment of a law—has the complete right to go into a field which lies in interstate commerce, under the interstate commerce clause, and to preempt that field by the enactment of Federal legislation. That point was very fully argued during the various earlier occasions when this question was debated in the Senate. It was discussed during the debates on the Taft-Hartley Act, both in connection with the passage of the original act and in connection with proposed amendments to the act or repeal of the act. As I understand, in every case it was admitted by all lawyers participating that the Congress and the Federal Government are certainly not without authority to assert themselves in this field, and that if they so assert themselves in this field, as to all that assertion which covers interstate commerce, they are certainly on sound ground, and that their preemption of that field would be of such a nature as to exclude the operation of State law within the same field. I believe that is the point to which my colleague was addressing himself, and I believe that his understanding of that situation and mine are entirely the same.

We come back, therefore, to the question as to whether or not it is sound Federal public policy at this time to enact the proposed law without including in it the same safeguards—the same sort of preservation of State law—as we have very carefully included within the Taft-Hartley law. Even at the time of the proposed amendments to that law we insisted again upon the continued inclusion of that provision.

On the question as to what is sound policy, it is my position that there is no difference between the situation which we are discussing here, governing, as the junior Senator from Florida understands, only those who are in interstate commerce in the railroad industry and in the aviation industry and the situation with respect to persons in the quite similar industries covering the fields of radio, television, telephone, telegraph, motor transportation, and other fields of law which, without question, are in their most general application interstate commerce in its fullest sense.

In closing this part of my discussion, I merely wish to call attention—unless my colleague has further questions—to the point that it is just as proper for the Congress to make this reservation in the enactment of this law as it was to make such a reservation in the enactment of the Taft-Hartley law. In the opinion of the junior Senator from Florida it is just as necessary to do it now as then, unless we are to take the position that there is no value in a sound expression of public policy by a State or Territory in a matter of this kind, which commands such respect and which is of such dignity as to require the Federal Government, in its sound discretion, to continue in operation that expression.

I invite the attention of Senators to the fact that this does not govern simply the question of employment or nonemployment of a particular individual, or in any particular industry. It is a very grave and far-reaching expression of sound public policy, in the discretion and judgment of the people of a sovereign State, that as to people living within such State, and as to people engaged in business within such State, people who are either members of unions or who might become members of unions in that particular field, there shall be no discrimination in employment based upon the question of either membership or nonmembership in a labor organization. It is an exceedingly vital matter to every citizen whether or not he has the right to seek and to receive employment.

I believe that the type of expression of sound public policy which is contained in these amendments and in these statutes goes a great deal further than merely covering the field of organized labor. To the contrary, it runs to the question as to whether or not, in the sound judgment of the people in the State or territory which is affected, there is a sufficiently valid claim or a right on the part of every citizen to have such employment as he is equipped to do, free to him if he can gain it on his merits and his ability to discharge the duties and requirements of the employment, and free from any condition which would be harmful to him or to his chance of employment or continued employment, based upon either his membership or nonmembership in a union organization.

Eighteen or twenty States have, by most dignified declarations of their own sound public policy, indicated adherence to this principle. Such declarations have, I repeat, been recognized by the United States Supreme Court. There are three decisions which are not only far reaching but characterized by an unusual degree of unanimity.

That principle has been recognized by the Congress of the United States, both in the passage of the Taft-Hartley law and in the consideration of proposed amendments, as well as the proposed repeal of that law. Such an expression has been regarded as so sound an expression of the local electorate, the very people who are affected, the people who live within the jurisdiction which lays down that condition as one of the rules of living within that jurisdiction, that it should be respected.

We have respected it in the passage of the Taft-Hartley law, and the Supreme Court of the United States has respected it in two decisions unanimously, and in another one nearly unanimously, because of the fact that they felt that such a dignified expression of the people within a particular jurisdiction should be recognized always unless and until the Federal Government moves legally into that field, which the Congress of the United States has in this case specifically refused to do.

Mr. President, with reference to the field covered by this bill, I wish to remind the Members of the Senate—and I would appreciate it if those few Senators who are present would give attention to this particular remark—that those who are covered by the Railway Labor Act are already given unusual distinction among all the groups of people engaged in gainful employment throughout the United States, in that there have been extended to them from the very beginning, under the terms of the Railway Labor Act, certain provisions and certain conditions which have been denied to others, presumably on the ground that they are a highly responsible group of people, presumably on the ground that they are much more responsible in carrying out their obligations to the general public than in the case of some other industries, or other industries in general.

Under the provisions of the original law, enacted, as I recall, in 1926, and of the amendments to that act, it has been declared from time to time as the law of the United States that the injunctive privileges shall not be extended in this field, even when we were extending that privilege to other fields, which were in the category of vital industries, vital to all our people throughout the United States. In the enactment of the Taft-Hartley law we still excluded, by specific provision contained in that law, those who were covered by the terms of the Railway Labor Act. So that they have unusual recognition, they have unusual rights; they have unusual responsibilities.

Having read, not this year, but last year or the year before, perhaps, some of the hearings and some of the debates at the time of the enactment of the original act, and the earlier amendments to it, I may say that I was struck by the fact that it was perfectly clearly set forth in many instances that it was the leaders of railway labor themselves who were admitting their responsibility to the general public, who asked that no closed-shop or union-shop provision should be imposed in the act, who asserted over and over again that there was, in the case particularly of the operating brotherhoods, a clearly fraternal relation between the members of those organizations, and that they preferred to stand upon the ground—and I wish they were still standing on that ground—that they did not want to gain members by coercion or compulsion, but by the rendition of such service, by the adoption of such high standards of conduct and performance, that they would attract to their membership all those engaged in the operating classifications, at least, because they were offering something that was distinctly worth while.

I should like to refer to the letter that was offered today, if the Senator from Alabama will give me a copy of it. It is dated December 6, 1950, which was yesterday. I believe it is shown by a consideration of the debates and a consideration of the hearings in this field of railway labor that these great and highly beneficial brotherhoods—and they are just that—have uniformly contended that they did not want to stand upon the principle of compulsion or coercion, that instead they wanted to appeal to people who were good people, and who were engaged in their particular employment because of the high standards of their own membership, and the high standards of service to which they devoted themselves.

Mr. President, that is indeed high ground, and I am only sorry that high ground is not taken at this time. Before I close that point, let me say that I have always understood, in talking with many, many members of these organizations, that they wanted always to retain the veto right, that they wanted always to have a right not to admit to their membership—which, as I have said, was largely fraternal membership, as well as a business association of people working in the same industry—those who they thought were unworthy from a moral standpoint, or from any other standpoint. I believe indeed that under the terms of the proposed amendment they insist upon preserving—and I am glad that they do insist upon preserving—the right to admit or not to admit applicants, dependent upon whether they regard them as qualified morally, qualified from the standpoint of their services as performed, to claim membership in their organizations.

I see the Senator from Alabama on his feet, and if he has any questions to ask, I shall be glad to yield to him.

Mr. HILL. Mr. President, the Senator referred to a letter, and said perhaps that was the first time that some of these unions had expressed themselves in favor of a union shop, or the right to bargain collectively for a union shop. If the Senator will examine the hearings, he will find that on May 4 last, during the hearings, Mr. Harry See, representative of the Brotherhood of Railroad Trainmen, appeared before the committee and testified as follows:

> The Brotherhood of Railroad Trainmen is in favor of legitimatizing union shop and check-off contracts. It believes the time is long overdue for these provisions, and that the provisions of the Railway Labor Act forbidding the same should be revised.

I think, if the Senator will go through the hearings he will find that others took the same position. They did not agree as to the particulars of the bill as reported by the committee, and therefore they were not in favor of the bill as reported by the committee. But the Senator will find, I think, that most of these unions long since have been asking for the right to bargain collectively for union shop.

Mr. HOLLAND. I thank the Senator. I repeat only what I said a few minutes ago, that upon search of the record of the early hearings and the early debates, it was very clear that railway labor itself was insisting upon not being in the classification of coercing or compelling membership, but insisting on maintaining the open-shop privilege. I am sure the Senator knows enough about what has transpired throughout the years since 1926 to know that any development to the contrary has been a very late one, and that if it appeared last year in the case of the one organization which the Senator mentioned, it certainly has not appeared until recent months, or the last year or two, in general in the field of the operating brotherhoods, because from the beginning until recently they have been insistent upon the matter of maintaining the open shop. That is the understanding of the Senator from Florida.

The Senator from Florida may say that he left Washington in some perturbation at the end of the session in September. He had asked that the matter go over until the new session, and the Senate voted that that action should be taken. He went home to try to find out, by discussions with railway employees whom he should meet, many of whom were his lifelong friends, what were their feelings in this field, and he is bound to report in candor that he finds in general, at least in his own State, a line of very great differentiation between the thinking of those who are in the shop, maintenance, and clerical activities on the one hand, and those in the

operating brotherhoods. Because from talking, not with one but with several dozens of men whose friendship he estems highly and whose standing as citizens and as lifelong members of the railway operating brotherhoods he respects completely, he knows that beyond dispute the great preponderance of men in that classification whom he had the chance to see and talk to are not favoring the proposed law, but instead are insisting that they prefer to continue the principle for which they had stood through all the years of the Railway Labor Act, and that was the principle of noncompulsion and of noncoercion and of doing such a good job that the good people would want to come into their organizations. They wish to preserve for themselves the right to admit or not to admit to their brotherhoods persons in their calling, dependent upon their moral standing and upon the performance of their duties.

The Senator from Florida does not assume to indicate in the slightest that that was a unanimous feeling on the part of the operating brotherhood members whom he saw, but he does say for the record at this time that the great majority of men from the operating brotherhoods with whom he talked took that position, and that the number from among those operating brotherhoods who did want the bill to be adopted—at least those whom he saw—was very small indeed.

The exact contrary was true in the field of the unions which cover the shops and the maintenance-of-way operations, and the clerical operations of the railroad companies. It is the belief of the Senator from Florida, after having talked with several committees and with many individuals, and after having received a great many communications from members of those brotherhoods, that the great preponderance of members in those particular brotherhoods which are nonoperating, at least in the State of Florida, do favor the adoption of this legislation, though on the question of the preservation or nonpreservation of the provisions of the anti-closed-shop law of the State of Florida, many did not declare themselves one way or the other.

Mr. President, in this whole matter I want to make it clear that the Senator from Florida has endeavored in every way he knew how to find out what was the wish, not only of those who work for the railroads within his own State, but of the general public; of the employers in the railway industry, because he thinks they have a right to be heard; the legislators within his State who alone will have the right to submit a constitutional amendment which would change or vary or repeal the provisions of our present constitutional provision; and that from his own observation and from his own carefully searched-out contacts with many many individuals, both within and without the groups covered by the proposed legislation, he feels entirely sure that the great majority of the citizens of the State of Florida—at least if his sampling was anything like sound, and he believes it was—do not favor the adoption of the proposed law, or if it be adopted, feel that it should be adopted with the amendment under discussion, the amendment which preserves the protection, insofar as our people are concerned and our citizens are concerned, of the provisions of section 12 of our State constitution, which I have already read into the RECORD.

Mr. President, I will not read or attempt to read into the RECORD any of the some hundreds of letters which I have received, almost all of them coming from members of the organizations in the railroad industry who are handling clerical work or maintenance-of-way work or shop work, which favor this act. I will simply state for the RECORD that I have some hundreds of contacts indicating in the main that the great majority of those people do favor the enactment of the measure which is pending here today.

Nor will I attempt to quote into the RECORD from any of the communications which I have received, of which there have been many, from people who are in the position of being executives within the railroad industry, or the owners of stockholdings within the industry, and without exception, I think I should say, those communications, which have been many in number, have been opposed to the enactment of this measure.

Nor will I attempt to put into the RECORD the many communications which I have received from citizens who do not fall within any of the directly affected classifications, but who are simply good citizens of our State, who know about this argument, who know about the proposed amendment of the Railway Labor Act, and have attitudes upon it.

I may say I have not received a single letter from a single citizen of our State who is not in one of the directly affected classifications, which has not insisted upon the preservation and recognition of our constitutional provision. I have received many letters disapproving the enactment of the legislation in any way.

I do have, however, a considerable number of communications from men who are directly affected by the act and who are employees. Some being members of the operating brotherhoods and some being members of the nonoperating brotherhoods. I shall not read the names of any of the writers into the RECORD, because I know full well that there sometimes are persons—and I hope there are none in our State—in labor organizations who have visited retributive action upon members of their organizations who have decided not to side with the leadership. I do want to read into the RECORD at this time some 15 or more of the communications which I have received, in some cases from only one workman or employee, and in some cases from as many as seven, one of them from a great deal larger number, who do not favor this particular measure.

Mr. President, at this time I wish to read into the RECORD, because I realize that this matter is a controversial one, both in my own State and in other States, some 15 or more communications received from some very fine citizens who are among the employees who would be affected by this measure. In their communications they state their opposition to the bill.

I have already said that I have received many communications favoring the bill from persons in the clerical and maintenance-of-way and shop groups, but very few favoring this measure from members of the operating brotherhoods.

The first letter comes from Plant City, Fla. The letter is addressed to me, and is signed by seven men. I know only three of them. I know those three to be lifelong citizens of that very fine city and to be splendid Americans by every proper standard. I read their letter:

We, the undersigned members of Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees, respectfully request that you vote against and use your influence to defeat the bill now before Congress, introduced in the House of Representatives on March 21, and given the number H. R. 7789, and in the Senate on March 22, given the number S. 3295, and list some of our reasons against this bill.

In requiring that we belong to some organization, it removes our right of freedom to choose for ourselves whether we want to belong to an organiaztion or not; and should the organiaztion set up some policy to which we are absolutely opposed, we would still have to belong.

It would give the leaders too much power and authority over the organization, as it requires the carriers to pay to the organization any dues, fees, or assessments they might desire, and deduct them from the wages of the employees.

It would remove the incentive of the leaders to try to conduct the organization in such a manner that the employees would desire to belong to it.

It is contrary to the American way of life, as it takes away the privilege to "Choose ye this day whom ye will serve."

That letter is signed, as I have said, by seven very fine citizens of Plant City, who describe themselves as employees of the unions mentioned in their communication.

The next letter which I shall read comes from a lifelong friend of mine who happens to have been an employee of the Atlantic Coast Line Railroad ever since his boyhood. He is a conductor on that railroad. His letter reads as follows:

I see in the labor paper where the Senate Labor Committee approved a bill making it possible to bring a closed-shop union agreement onto the railroads. I am very much opposed to this closed shop because it will force railroad men to belong to a union, and follow the dictates of union leaders. If he loses his standing with the union, he loses his job, and his right to work for a living. It is loss of privilege and personal rights; it will put the union officials in position to have a strangle hold on the railroads of the country, just like John L. Lewis has on the coal fields. I imagine most of the miners would ditch John L. if they could, because they have to stay out on strike about a third of the time. I don't see how they make a living.

SPESSARD, you know I have worked for the Coast Line for 30 years; and sitting here tonight, I know hundreds of railroad men, but I do not know one man that does not belong to a railroad union. So why do they want to make it compulsory for a railroad man to belong to a union in order to keep his job? The union officials are out to grab power, and put the squeeze on somebody, or everybody—the workers, the stockholders, and the public

in general. I hope you will strongly oppose this measure when it is brought up for vote in the Senate. I only hope it has not already passed before my letter reaches you.

As I understand it, the bill permits open shops on the railroads, but I know if this bill becomes law the union officers will find a way to bring about a closed shop, and thereby assume dictatorial powers. At present under the open shop a man can drop his membership any time, and leave the union officials without funds; and in this way the officials do not become too unreasonable. But under a closed shop if a man drops his membership he would lose his job and right to work. It is just not fair; it is not needed, and not wanted.

That letter is signed, as I say, by a man who has been a friend of mine since boyhood. He is a long-time conductor for the Atlantic Coast Line Railroad.

The next letter which I shall read comes from Lake City, Fla., in the northern part of our State. The letter reads as follows:

For the past 10 years I have been happily employed by one of the great and finest railway systems in the country. Under the Railway Labor Act as it now stands railroad men are protected in their right to join any union for which they are eligible, or not to join if they do not choose to do so—

He underscores the words "not to join if they do not choose to do so"—

and railroad companies are forbidden to deduct union dues, fess, and assessments from an employee's wages. However, certain labor leaders now want to abandon this system of voluntary membership in unions and substitute a system of membership by compulsion. They are therefore pressing for passage of S. 3295, which would permit railroads to enter into closed-shop contracts with unions under which employees, regardless of their own wishes, would be compelled to become union members to hold their jobs.

If you have not as yet had an opportunity of studying S. 3295, I trust you will do so at the earliest convenient moment. It seems to me that the fundamental question posed by this bill is simply this:

"Shall the system of membership in railway unions as the result of democratic free and voluntary choice be continued? Or shall it be replaced by a system of coerced and controlled membership?"

In this day and time the individual is bombared continually by many domestic and foreign isms, and it is, indeed, gratifying to witness a resurgence of plain old Americanism in many parts of the country. I cannot avoid the feeling that any system under which the individual is denied his constitutional and inherent right of free choice in matters of this nature—as proposed in S. 3295—is the exact antithesis of Americanism as you and I interpret it. Also, I do not feel that you will be in sympathy with the deceitful intention of the proposed legislation, and urge you to exert your influence in every possible way toward its defeat.

That letter is signed by another sturdy and outstanding citizen of Florida, who lives in Lake City, in northern Florida.

The next letter comes from a long-time conductor whom I happened to meet as I passed through the Union Station in Jacksonville. He subsequently wrote me this letter, which I shall read in part:

DEAR SENATOR: I am the conductor who spoke to you on your way home at the Jacksonville Union Station, and have always supported you.

I am asking you to consider voting against the bill, S. 3295 or H. R. 7789, pertaining to compulsory membership in railway labor unions. I have been employed by the ACL for over 35 years; during that time I have belonged to the Brotherhood of Railway Clerks, the Brotherhood of Railway Trainmen, and the Order of Railway Conductors. I have belonged to the Order of Railway Conductors for over 30 years; but last year I withdrew from the order, and I believe my reasons are sufficient, and I believe you would have done likewise under the same circumstances.

I admire your stand on the Taft-Hartley Act. I think as you do on this bill. I have never believed that a man must belong to any union before he can work. I believe that interferes with his rights as an American citizen. I firmly believe that the railway unions should take into consideration that the public likewise should be considered. Your consideration on this bill, I assure you, will be appreciated.

That letter is signed by a conductor of the highest standing, who now is approaching his retirement.

The next letter comes from a member of the Brotherhood of Railway Clerks. He lives in Daytona Beach. He is another very fine citizen. His letter is addressed to me, and reads as follows:

I am a member of the Brotherhood of Railway Clerks, and am asking you to vote against the bill of coerced and controlled membership in the unions. This sounds too much like dictatorship, and not free Americanship.

He signs the letter with his name.

The next is from a particularly outstanding citizen, who writes as a member of one of the clerical organizations. I think I shall read the entire letter into the RECORD at this time:

DEAR SENATOR: I am going to ask or beg of you to do all in your power to defeat this amendment to the Railway Labor Act.

You probably heard Mr. George M. Harrison's, president of the Brotherhood of Railway and Steamship Clerks, Freight Handlers, Express and Station Employees Union, side of this bill, of all the free riders as he calls them, and the benefit this bill would do the employees, but members of local 2063, here in Jacksonville, do not agree with him.

I am a member of this lodge in good standing and have been for about 6 years. I was asked to join this union when I went to work for the Express Co. here in Jacksonville, I was not forced to join, I did because they were 100-percent union, they still are 100 percent except one employee, this employee has been working for the Express Co. over 25 years and was a member up till September 1, 1949, when Mr. Harrison put an assessment on the members and he did not believe it to be fair so he quit the union rather than pay that assessment.

Senator, I sure would hate to belong to a church, lodge, club, or union or any other kind of membership where you were forced to belong and could not quit if you did not believe in what they were doing to be right.

Every Christmas the Express Co. employs between 300 and 500 extra employees for the Christmas rush, now these extra employees will have to pay the entrance fee into the union plus a month's dues before they can work for the Express Co., but the union will not protect them or accept them in the union till they have been working for the company for 90 days, and these extra employees will not work any longer than 30 days at the most, there is nothing fair in that.

At the installation of officers of the lodges in Jacksonville, which were held at the Mayflower Hotel, one of Mr. Harrison's vice presidents made a speech in which he said the company was going to take out of our salaries the union dues and all the assessments and that Mr. Harrison has the power to put what assessments he saw fit upon us, that the company was going to get 5 percent for doing this, and there was nothing we could do about it but quit our jobs, then they would take it out before we were paid off anyhow. Senator, if it comes to that we sure are in foul shape, believe me.

Senator, if you will ask the people that work for the Express Co. there in Bartow or anywhere that you happen to run across any express employees, they will tell you that they are a member of the union, where Mr. Harrison gets that thousands and thousands of employees that are free riders, as he calls them, must be these extra Christmas employees.

Thanking you for your stand against this bill, I am.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair). Does the Senator from Florida yield to the Senator from Alabama?

Mr. HOLLAND. I shall yield as soon as I have completed reference to this particular letter. I have followed the suggestion of this very fine citizen, and whenever I had a chance to talk to an express employee, in the 7-week visit that I have recently made throughout my State, I did so. That is, every person that I knew to be an express employee. I could not find the first one who was not a member of the union, and I found many who agreed with the positions taken by this particular letter writer. There were in that particular group more who wanted the legislation, however, than there were opposed. I am now glad to yield to the Senator from Alabama.

Mr. HILL. I thank the Senator. I merely wish to say that the author of the letter evidently is under an erroneous impression about the bill, because the bill would not apply to those who might be temporarily employed to meet the Christmas rush. The bill expressly provides that an employee must have been employed for 60 days before any collective-bargaining agreement could in any way require him to join a union.

Mr. HOLLAND. I may say to the Senator that I understand that perfectly. But the Senator evidently did not follow the reading of the letter carefully, because the writer of the letter cited that fact as, in his opinion, the only possible source from which the statement could have been made that there were thousands of free riders. He said he did not know of a single express company employee who was not already a member of the union, and that in order to make any such statement, that there were thousands of free riders, he was very sure that they had to include those temporary employees. That was his statement, not mine. That is his feeling about the bill, not mine, as I have just read it into the RECORD.

The next comes from Milton, Fla., a way out in west Florida, from one of

the most respected citizens there. It reads:

Knowing your great interest in the general welfare of the big unorganized of our country I am writing to urge your opposition to the above listed bill, for I can only see more trouble for us if it should become a law. We, who are unorganized, have been carrying the load of the well organized too long and it is now time to stop and reverse the order if possible.

Mr. President, I think I should say in fairness, before I leave this, that this letter is out of place, because it does not appear to have been written by a member or by a present employee of the company, and therefore should not have appeared in this particular group. There is a very large group of such letters in my file, written by members of the general public, and this apparently got into the wrong classification. The next one is from a railroad employee of the city of Jacksonville, speaking, as he says, for others than himself, though he signs only his own name, and therefore I read it only as an individual expression, and I shall read that part of it which I think is pertinent:

Please vote "no" to Senate bill 3295. We members of the railway labor union have not been consulted or had a chance to vote for or against a union shop, and we don't want it. The closed or union shop is undemocratic and should not be allowed in the country. It's maybe O. K. for Russia.

Respectfully yours.

It is signed by that particular employee.

The next is from an employee of the railroads, from the city of Fort Pierce, Fla., reading as follows:

I have just finished reading excerpts from Senate bill 3295, which I understand proposes to amend the Railway Labor Act to provide for compulsory membership in a union.

At the present time I am one of the many exempted employees and would gain nothing by union membership. I believe and have always believed that the right to join or not to join a union should be vested in the individual and for this reason believe that Senate bill 3295 should be defeated.

Your cooperation in assisting in the defeat of this unnecessary piece of legislation would be appreciated.

The letter is signed by that particular employee.

The next is a letter from my own county, from the little city of Lake Wales. It is from an employee of the railroad, whom I have long known. He writes to me as follows:

I note from last week's issue of Labor paper, that the railroad union-shop bill has been passed by the Senate Labor Committee, and I would like to urge you to do everything within your power to defeat this bill when it comes to the Senate for debate.

In my opinion, as well as the opinion of many other railroad men, this bill, if made into law, will do more to restrict the rights of the workingmen than any legislation that has been enacted in many years. The old argument being used so strongly by the supporters of this bill is the free-rider side of it, but that is only to rally support from those who fail to see beyond this point. One only has to look into the all-powerful miners' union, the automobile workers' union, and the longshoremen's union, to see just what will happen in the railroad unions if this bill is passed. I would like to state that I am a member of a railroad union and have been for better than 8 years, and I believe in the principles of labor organization, but this bill carries implications that will eventually destroy all advantages of unionism, but the strangle hold will be so firm that the workingmen will be powerless.

Under the present law, a man does not have to be a member nor is he compelled to become a member in order to work, and I do not believe that he should be forced to join a union in order to work. The union officers, under the present law, must work for the best interests of the members, or if they fail to do so, the members drop out, which is really the only protest the members have against the officers, but, if this new law is enacted, they will be able to conduct the union affairs as they desire, as well as charge whatever dues they desire, and the members will be forced to pay or quit their job, which seems to me would be a very serious violation of our constitutional rights.

He concludes by saying:

Your vote and influence in defeating this bill will be greatly appreciated.

He then signs the letter.

I may say, Mr. President, that in the effort to accomplish the enactment of the amendment which I am sponsoring here, I showed that portion of these communications which had arrived prior to the date of our adjournment in September to my good friend here, the senior Senator from Alabama, and requested him to reconsider the question of including in this measure the identical provisions which were in the Taft-Hartley bill. I am sure he understands that people in the 18 States, approximately, who have provisions within their constitutions or statutory law, which have the approval of the great majority of their citizens on this vital question of not requiring either membership or nonmembership in unions as a condition of employment or of continued employment—people do not want this bill, or any bill in this field; and the bill, if enacted in the face of that opposition, is merely going to encounter continuing difficulties, whereas I think that everyone who is a true friend of the bill would want it to meet with the general approval of the public which it serves, and not be subjected to frequent and recurring attacks or efforts to amend the railway labor law. So far as I was concerned, I was in great hopes that the Senator from Alabama and his associates on the committee would agree to the drafting of this bill in the same identical words which now appear in the Taft-Hartley law, and I am still regretful that they did not agree to do so, either in September or until this date. I may say that one would think from the comments of the distinguished majority leader in the RECORD yesterday that we were going to be consulted on this matter before the matter came up, following the vote on the rent-control measure today, but I think I should say in fairness that the consultation was apparently confined entirely to a consultation with the heads of the unions which heretofore had withheld their approval of the bill. There was no consultation with anyone so far as I know on this question of preservation of the rights of the States, until I happened to go into the Senate dining room between 1:30 and 2 o'clock and found my distinguished friend from Alabama dining there, and furnished him with a copy of the amendment. I learned from him a few moments later that it had not been considered.

Mr. HILL. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from Alabama?

Mr. HOLLAND. I will yield in a moment. I want to call to the attention of my distinguished friend the fact that the proposition of denying any force whatever to the solemn declarations of the people of about 18 States—and I learn from a memorandum which has been added here that there are perhaps more in this category now than the 18 who were in it when we debated this measure a year ago—is unsound, and it invites continued strife and trouble. Incidentally, it departs from the sound fundamentals of the Senator's own position in certain other vital matters in which the Senator has stood loyally and most convincingly from time to time with his brethren who come from the southern portion of the United States, insisting upon the fact that the solemn declarations, constitutional and statutory, of those States which are affected there, and which, by the way, are fewer than the 18 in number which are affected here, should be listened to and considered and given weight by the Congress of the United States. I am extremely sorry that the Senator from Alabama is not willing to remember that that has been his position in another class of matters under the so-called civil-rights program, and I regret that he does not see fit to give such solemn expressions of at least 18 sovereign States the same kind of recognition and regard that he insists upon having given to similar declarations of the good people of the State of Alabama. Incidentally, the good citizens of the State of Florida join him in the position which he takes on the issues under the civil-rights program to which I have referred. It is my great regret that he does not apply the same reasoning to this other field which is regarded by our people as tremendously vital to our kind of government and our way of life.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HILL. I wish the RECORD to show that I regard legislation with reference to personnel in the railroad transportation industry as being in an entirely different and separate field from that of so-called civil rights to which the distinguished Senator from Florida has alluded. I believe it to be a field in which the Federal Government must exercise its jurisdiction. I do not believe it can be done by the States. I do not wish to defeat the purposes of the proposed legislation, which everyone says he favors, by giving to the State any veto power or other right which would bring about that result. I think the physical facts of the situation are such that if we give to a State such a right as the Senator from Florida seeks to give it, we would simply defeat the purposes of the

legislation. There would be no reason for taking the time of the Senate to consider legislation if we adopt the Senator's amendment, because, in my opinion, the sum and substance of his amendment is to kill the legislation.

Mr. HOLLAND. In reply to the able remarks of my distinguished friend, I would say that the addition of this amendment to the Taft-Hartley law was not regarded by anyone as having killed the salutary effects of that law. To the contrary, many salutary effects have continued to flow from that law. May I say further that I have not been under any misapprehension as to the stand taken by my distinguished friend. I believe I have recognized his position in the remarks I have made heretofore. I merely expressed my regret that he is taking the position which he takes, and my inability to understand how he is able to differentiate between the expression of the solemn declarations of the State of Florida and the State of Alabama in one field, which he believes should be recognized, and that in another field the Senator believes they should not be recognized by Congress, although they are recognized under the provisions of the Taft-Hartley Act, particularly when such recognition has not involved any emasculation of that act itself.

Now I come to the next letter. It is from a long-time friend of mine who lives in Lakeland, Fla. It reads:

I am writing to ask you to strongly oppose the railroad union-shop bill, which was O. K.'d by the Labor Committee last week. This bill will obviously give strong powers to the labor leaders or they would not be so strongly supporting it.

Mr. President, I digress from the reading of the text of the letter to remark that there is great soundness and great cogency in the reasoning which lies behind that simple terse statement of a railroadman. I continue to read from the letter:

It is designed to bring a union shop, or compulsory membership in unions, to the railroad industry.

I am a railroad trainman, and a member of Brotherhood of Railroad Trainmen, Lodge 718, at Lakeland, Fla. I am in favor of collective bargaining, but I can see grave dangers in this thing of forcing a workingman to belong to a union whether he desires to or not. I hope that you also can see the dangers involved and will oppose this measure.

It is signed by this excellent citizen of long union membership and many years of excellent standing as a citizen in the same county in which I live.

This next letter comes from a fellow citizen who lives in Bartow, Fla., which is my home town. Some of the letter is personal, and therefore I shall not read that portion, but I will place in the RECORD his declarations on this subject. He says:

I am disturbed over the fact that the Senate Labor Committee recently placed its O. K. on the railroad union-shop bill. This bill is intended to bring about a union shop in the railroad industry, and makes it compulsory for railroad men to belong to a union whether they want to or not. This would just be loss of more freedom and privileges to the workingman. The workers will have to obey the order of union bosses before they obtain or hold a job.

The union bosses see where they will achieve great power or they would not be so strongly supporting this bill.

I am employed by the A. C. L. Railroad and have been for 13 years, and I am a union member, but I want to remain in a position to tell the union bosses to go to the devil if they get unreasonable in their demands.

Almost every union member I have talked t is opposed to a closed shop, or the provision or possibility of compulsory membership. The union bosses are in favor of compulsory membership, but not the members. If this bill becomes law, the union bosses will find some way to force a closed shop off on the membership whether they want it or not.

Please vigorously oppose the bill permitting union-shop agreements on the railroad properties when it comes on the Senate floor for debate.

It is signed by this good citizen from my home town.

The next letter is a lengthy one. I shall not encumber the RECORD by reading all of it. It comes from Jacksonville, Fla. It is written by a member of the Brotherhood of Railway Clerks. He has been a member of the brotherhood for nearly 25 years. I do not know the gentleman, but his letter is of such caliber that I am sure he is a good citizen. He says:

One George M. Harrison and his bailiwick of stooges and racketeers in the upper regions of a labor union, called "the Brotherhood of Railway Clerks," have for months been propagandizing the dues-paying members of said union to urge our Congressmen and Senators to pass a bill designated as H. R. 7789 and S. 3295 for the purpose of ramming a closed shop down the throats of all workers in our particular and allied kinds of work in the railroad industry.

As a dues-paying member in the Brotherhood of Railway Clerks for nearly 25 years, I do not appreciate our union heads in their failing efforts to legislate this nefarious scheme of a closed shop.

Racketeering is becoming so strong in many unions today that they are actually becoming repulsive to members of long standing.

The only legitimate income of union heads, as such, is from the dues-paying members who labor for hard-to-get-along-with corporations, etc. As long as I work for a corporation or person who pays my salary, I want my hiring and firing to be in their hands and not in the hands of a union.

Since the present election laws in labor constitutions perpetuate the same individuals for life in the highest positions in union officialdom, I suggest that laws be passed to bring a direct vote to the members for presidents and other top officials of labor unions each 4 years and appoint a board to determine the eligibility of contestants and aspirants to union official positions. The present setup is bordering on oligarchy under the guise of democracy.

If the majority of Americans are willing to turn this country and the world over to Joe Stalin, then I see no harm in having a closed-shop union law. In fact, we then will have a lot of shops closed soon after the closed-shop law hits the American worker. Take a gander of the coal mines today. Their shop is closed; many mines are closed. John L. Lewis is never closed.

Employers have some rights along with the worker. In my 25 years of union experience, I have found the hiring and wage-paying managements to be more mature-minded than have been the union officials in the constant war between labor and management. The worker is always the goat in these things of which we are sorely tired of as workers. We can get along without George M. Harrison, the closed shop, the BRC, but we cannot do so good without our jobs. If George M. Harrison cannot merit our confidence, he is not entitled to participate in rulership of a dues-paying union membership.

The urge is imperative—by all means defeat the closed-shop legislation.

When labor unions become oppressive, demanding, and tax-minded against the worker, we want the worker's right to stop his payment of dues and tribute to tyranny protected, and his job protected from union rackets and racketeers.

May I urge you to permit this letter to be viewed by as many Congressmen and Senators as is consistently possible, and I want to assure you that not one member in our lodge No. 2063 here in Jacksonville has spoken in favor of the closed shop in my presence. All members are against the closed-shop law here.

It is signed by this long-time member of the Brotherhood of Railway Clerks.

The next comes from a representative of the employees of two short-line railroads in our State which are not now unionized, but the employees believe that this measure would tend to force their unionization. One of them is an intrastate line. The other operates only in Georgia and Florida. Incidentally, the distinguished Senator from Alabama referred to one intrastate line in our State, which is one of our longest lines, and one of our best. I refer to the Florida East Coast Railway, which runs only from the City of Jacksonville, Fla., down the east coast to the tip of the peninsula, with various spurs reaching over toward the middle portion of the peninsula—for example, to the Lake Okeechobee region and to other similar regions up the peninsula from that point. At least one of those intrastate roads has a distinctly unfavorable point of view toward the pending measure, if this telegram speaks properly for the employees of this particular line, the Live Oak, Perry and Gulf Railroad, which is an intrastate line operating wholly within the State of Florida, as does the Florida East Coast Railway. This telegram is from Perry, Fla.:

Please work for defeat of Senate bill number 3295 coming up September 12. Have discussed this bill with 75 percent of L. O. P. & G. and South Georgia Railway employees today, which are all nonunion men. We, the little man, want this bill defeated.

The telegram is signed by a man who describes himself as one of the car accountants, and as speaking for the great majority of the employees of the L. O. P. & G. Railroad and the South Georgia Railway Co.

The next comes from a citizen of Pensacola, Fla., and reads as follows:

Having served in the First World War and being in the service of a railroad since March 1911, I feel that at the present I can as a free American write you in opposition to the proposed closed-shop bill, now before the appropriate committee of Congress with the blessings of the President of the United States.

Our inheritance is of a free people and a free government first conceived by the Declaration of Independence and sustained by the Constitution of the United States. Such step as a closed shop, in my opinion, would be a further step toward Socialism,

Kremlinism, and communism, as is the case in England and Europe. Let's keep the United States of America a free country; let's keep labor, as well as every loyal citizen who believes in our inheritance of a free government and freemen, free. I believe this to be the views of the clear thinking railroad employees.

As an individual, I beg of you to think clearly and place the welfare of our form of government above selfish and political greed of the sponsors of this bill.

The next is likewise from a citizen of Pensacola. I do not happen to know him, but I read his letter into the RECORD. He describes himself as an employee of the Louisville & Nashville Railroad Co. I quote from his letter:

I understand that the railway union-shop bill (S. 3295 and H. R. 7789) has been recomended for passage into law by committees of both the House of Representatives and the Senate of the United States.

I am very much opposed to this bill because as it now reads it would so amend the Railway Labor Act as to authorize railroad companies and unions to enter into agreements which would require "as a condition of continued employment" that "all employees shall become members" of the union.

This bill would also authorize deductions for union dues, initiation fees, and assessments from the wages of employees without their individual authorization.

On that point, I feel that I should digress to say that he apparently did not know about the requirement placed in the bill, as it is now being considered, for assignment of payments out of the wages of the individuals.

I continue with the letter:

No limit on the amounts of such deductions is provided nor does the bill specify the purpose for which assessments may be made.

Of all the high-handed tyranny I ever heard of, this is it. This means that there would be removed from the Railway Labor Act its present protection of the freedom of the individual railroad employee to join or not to join a union as he pleases, and that under such an agreement as the bill would legalize, every railroad employee who is eligible for membership and who refused to join the union and remain a member thereof would have to be discharged.

As a railroad employee I solicit your earnest consideration in the interest of preserving the freedom of the individual.

That letter is signed by the citizen to whom I have referred.

The last of this particular classification is a letter from an engineer of the Southern Railway, who, incidentally, now resides in Valdosta, Ga., although he has generally been regarded as a Floridian. He sent a mimeographed letter to many persons within our State imploring that the State not stand for the enactment of this particular legislation.

This writer says:

There is, at this time, a proposed amendment to the Railway Labor Act, that would, if made into law, compel all railroads to institute a closed shop for all employees in their service. This does not represent the desires of the ranks of the employees; it is merely a scheme to place the employees absolutely at the mercy of the officials of the labor unions.

In practice it would work something like this: On a railroad where the B. of L. E. represents the men running engines, if a fireman is promoted to a job running an engine, he would be compelled to join the B. of L. E., and then, if he is cut off as an engineer on account of slack business, he would be compelled to be a member of the firemen's organization in order to be allowed to take a job as fireman.

I must say by way of digression that the man who wrote this letter did not know, any more than did any Senator until the amendment was proposed today, with the blessing of certain of the railway labor organizations, that such an amendment would be proposed, providing, in effect, that membership in one union could be continuing, and could satisfy the requirements of the law.

I continue reading the letter:

Now, this will happen to him many, many times the first 20 years or so after he is promoted.

Under the closed-shop rule, a man could not work at all if he was not a member of the union representing his craft. If, at any time, some other member took a notion to "get his job," all he would have to do would be to get some trumped-up charge against him and get him expelled from the union, and the railroad would be compelled to dismiss him from the service, and he could never get his job back unless he could get reinstated into the union, and that would be virtually impossible, as it would have to be voted on by the members, and any of them who wanted his place on the railroad could vote not to let him regain his membership, and he would be doomed.

I wish to dwell just a moment on that part of the letter, with respect to which I should be glad to hear the position taken by the sponsors of the bill. This old railroad man says that in the event of a trumped-up charged which would result in the firing of a man from a union, he would consequently lose his job, and could not get back on.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HOLLAND. Let me complete my reading of this letter. Then the Senator may in his own time reply if he wishes to do so. I shall be glad to yield for a question as soon as I finish reading the letter.

I continue reading the letter:

In the early days of railroads, the men were absolutely at the mercy of the petty officials of the road for which he worked, and they suffered plenty. In those days most officals had their favorites or pets and these got the best of everything, regardless of ability, integrity, or seniority, and it was to rid ourselves of this very condition that we organized.

Now, if we get the closed shop, we will place ourselves right back in the same fix we were before we were organized, and it will be worse because the union officials do not have any stockholders nor board of directors to answer to, and their power will be absolute.

These railroad labor organizations were formed to better the condition of the men in the railway service, and they have done a good job in the past; they united into a brotherhood of men working under the fatherhood of God and no church, no fraternal society, nor any other religious sect has ever done more to improve the material, intellectual, or spiritual condition of the men they represent, nor can they ever do more.

I now stop to comment upon this portion of the letter, because it makes it crystal clear that to the writer of this letter, an old railroad union man, his brotherhood, his lodge, represents much more than a mere labor organization. As I suggested some time ago in the course of these remarks, to him it is a fraternal society. To him it is a brotherhood of members who are interested in each other, and who have confidence in each other. He does not want to see that sort of brotherhood broken up by a situation which will invite conspiring together on the part of some to get rid of someone else who has a job which is desired by one of the conspirators.

I continue with the reading of the letter:

So I urge all the people to write your Senators to work and vote against the closed shop for railroad employees, and let us retain our liberty, and be in a position to prune out and replace any of our railway labor executives that we find are not working for our best interest.

For the good of all of the people.

Yours truly.

The letter is signed by the gentleman who signs as an engineer of the Southern Railway.

The PRESIDING OFFICER. Does the Senator now yield to the Senator from Alabama?

Mr. HOLLAND. I yield.

Mr. HILL. With reference to the statement in the gentleman's letter that some railway employees might be fired from the union on some trumped-up charge and thereby lose his employment, I should like to call the attention of the Senator to the fact that under the bill no employee could be denied employment because he was turned out of a union on a trumped-up charge or any other charge, or for any other reason whatever, except and only if the employee failed to pay his dues, initiation fees, and assessments.

Mr. HOLLAND. Mr. President, I am glad the Senator brought that out, because I think it points up not only the portion of the letter to which the Senator was referring, but another portion of the letter in which this writer—and the statement is made by writers of other letters—makes it clear that this kind of legislation makes the members subject to assessments, and different kinds of extra charges in various fields. The Senator has just stated, if I understood him, that the failure to pay an assessment was one of the grounds for which a member could be fired, and that that is recognized as part of the policy of the bill.

Mr. HILL. The language is, "Periodic dues, initiation fees, and assessments." The Senator knows that assessments are levied by the membership of the union. For any other reason than failure to pay the normal fees and assessments one might be turned out of the union, but he could not be denied his employment with the railroad.

Mr. HOLLAND. However, I may say to the Senator that the text of the letter does not say, "unless permitted by the membership, at a meeting called for the purpose, or approved by a majority of the entire membership," or anything of that kind. Not once, but in several of the letters I have just read it has been made very clear that one of the grounds for fear and opposition on the part of these fine railroad men who are opposed

to the bill has been that it deals with the subject of assessment in various fields, in various amounts, not within their control or reach. One of them, if the Senator recalls, remarked that after having been a member of one of the old and most highly respected organizations of operating brotherhoods for many years—I believe he said 20 or 25 years—he resigned only last year, rather than pay a certain assessment which was imposed. Another one, who had been a member of the clerks' organization, that organization headed, I believe, by Mr. Harrison—so he refers to him in his letter—resigned for the same reason, or wants the right to resign rather than have to pay assessments which he feels are unreasonable.

Mr. President, this whole question runs right to the very heart of this inquiry. Are we going to give to any man, and assume for the time being that most of the men who are in high position in the railway organizations are sound citizens, and we have no assurance as to how that will go in years to come—are we going to give to them the power and the right and the privilege, through assessments voted or ordered under the provisions of their charter, the charter their organizations set up, to force their members either to pay or to be expelled, and suffer the pains and penalties of expulsion under this act?

Mr. President, coming from a State which has soundly declared its public policy, its judgment, to be that it should never agree to the imposition of a condition for either original employment or continued employment based on either union membership on the one hand or failure to have union membership on the other hand, I could never view with equanimity any such position. I certainly must listen with great sympathy to the clearly expressed fears of these men, many of them fine men, known to me to be fine men, home owners, heads of families and taxpayers and citizens of our State of many years standing, as good citizens as we have, who fear this setup and who, in my humble judgment at least, have put their finger on so many objectionable features in this legislation that I do not see how any Senator, coming from a State which has declared its public policy in this matter either against the closed shop or against the union shop, or both, could possibly be deaf to such complaints and such inquiries.

I may say to the Senator from Alabama again that I hope overnight he and those who with him are sponsors of the bill may again consider this situation, because the enactment of the bill in opposition to the announced public policy of so many States is an open invitation to continued opposition and to continued efforts to amend, or to emasculate, or to destroy the legislation.

Mr. President, speaking not only as a Member of the Senate, but as a citizen, I want to see whatever legislation comes out of here to be of such respectable quality, of such general acceptance, that it will have a chance to work out and will have a chance to preserve to the railroad employees the preferred treatment which they have been given ever since 1926, and which was rerecognized at the time we enacted the Taft-Hartley Act, in that they were specifically exempted from that portion of the act which made it possible to invoke the injunction against other Nation-wide industries whose uninterrupted operation was of vital importance to the whole Nation. And if there is a Nation-wide industry which is of vital importance to the whole Nation it is the railway industry. There can be no doubt about that. Yet preferred consideration has been given to this group of men, I think largely because of their very fine quality as a group and as individuals, and they express over and over again in these letters which I have read, and I have read only a portion of the letters in my file, those difficulties as being present now in their thinking. They are good citizens. They are thinking not only about themselves. They are thinking about the general public. They are thinking about the employer. They are thinking about the principles that are involved.

I want to say to my friend the Senator from Alabama that I hope he will reexamine this matter in the light of not only effectuating speedy enactment of the bill but also of getting an acceptable bill. So far as the Senator from Florida is concerned, he is going to be completely agreeable to speedy consideration of the measure when he completes his argument, which will not be long from now. There are other Senators, however, who feel keenly the importance of this position, and whose States have spoken authoritatively for them and their representatives in this particular field, either by the enactment of constitutional measures or by the enactment or statutes which have been upheld, not merely by their own courts but by the Supreme Court of the United States, as being valid exercise of the power of the several States within their several territorial limits.

Mr. WHERRY addressed the Chair.

Mr. HOLLAND. Mr. President, I had indicated that I would yield to the Senator from Alabama.

Mr. HILL. Mr. President, I had desired the Senator to yield, but frankly he has gotten away from the question to which I wished to address myself. I wanted to ask him about fees and assessments. I think the discussion of the Senator really goes to the whole question of whether or not one honestly favors unions. There can be an honest disagreement as to whether individuals favor labor unions. The question in this instance is whether those who enjoy the fruits and the benefits of the unions should make a fair contribution to the support of the unions.

Mr. HOLLAND. Mr. President, I desire respectfully to differ from my good friend from Alabama in his recent statement, because I think it must be very clear from a reading of the letters that many of the senders are consistent union men of lifetime standing, who believe in the unions, and who believe in the good that has been done by the unions, and who want to see unions preserved, but who believe also very conscientiously that unions will be harmed rather than helped by the enactment of the proposed legislation.

I may say to the Senator, to advert to a point which I made some time ago, that if he will read the hearings upon the original passage of the Railway Labor Act, he will find that the heads of all the brotherhoods at that time—well, the Senator from Florida will not say all, but he believes there was no disagreement among them at that time—insisted upon the inclusion of the open-shop provision. The Senator from Florida has not read that record at a late enough date to be sure that all of them, but I know that a large number of them insisted upon that position, and I know that that has been consistently the position of many of them, and that many persons writing these letters still maintain what used to be the soundest kind of fundamentals in the unionism of railroad brotherhoods. I express regret that it is not still the fundamental conviction of more of the leadership amongst the brotherhoods, because I think that their decision made at the time of the enactment of the law was wise. I believe that their policy as maintained from that time until now, or at least until recent days, has been wise. I believe that those men who are standing up to assert their fear of this type of legislation and their unwillingness to see it creep into the unions, into the brotherhoods, have made such fine records that we should sympathize with them and make some efforts to preserve to them what they regard as fundamentals in railroad unionism.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WHERRY. I thank the Senator for yielding? I should like to obtain the reaction not only of the distinguished Senator from Florida, but if possible also that of the Senator from Alabama. In Nebraska, in 1947, there was passed what is known as chapter 48, section 217. Following is the title: "Labor Organizations; No Denial of Employment; Closed Shop Not Permitted."

That is in bold type in the heading of the section. This is what the section provides:

> To make operative the provisions of sections 13, 14, and 15 of article XV of the Constitution of Nebraska:
>
> No person shall be denied employment because of membership in or affiliation with, or resignation or expulsion from a labor organization or because of refusal to join or affiliate with a labor organization; nor shall any individual or corporation or association of any kind enter into any contract, written or oral, to exclude persons from employment because of membership in or nonmembership in a labor organization.

I hope the distinguished Senator from Florida heard the provisions of the Nebraska statute.

Mr. HOLLAND. I was following the reading of the statute word by word because I happen to have a copy of it.

Mr. WHERRY. I did not know that. What I want to ask the distinguished Senator from Florida is this: Does he feel that if the proposed Federal legislation now before us, as amended, were

passed, it would override the provisions of chapter 48, section 217, of our Nebraska laws at this time?

Mr. HOLLAND. It would override those provisions, beyond any shadow of a doubt, and it is so intended. The colloquies prevailing here on the floor this afternoon have made it very clear that it is recognized by the sponsors of the legislation that in the failure of a clear declaration of Federal law which is contradictory to State constitutional and statutory provisions of the type quoted by the Senator, those provisions are operative. But when such a law as the one proposed here is enacted, they become inoperative, because the Federal Government then will have preempted that field.

Let me say to the Senator that the section he has read—and I followed with interest his reading of it—is a portion of the enabling act to give force and effect to a constitutional provision which was voted by his people.

Mr. WHERRY. Certainly.

Mr. HOLLAND. That was voted by his people in accordance with the provisions of the Nebraska Constitution.

Mr. WHERRY. Yes.

Mr. HOLLAND. And the Senator from Nebraska has read a portion of the enabling act.

Mr. WHERRY. That is correct.

Mr. HOLLAND. However, the constitutional provision appears in sections 13, 14, and 15 of the Nebraska State Constitution, and the general meat of it is given in section 13 of the Nebraska State Constitution, which was adopted in 1946. With the indulgence of the Senator from Nebraska, I shall read it into the RECORD at this point.

Mr. WHERRY. I should like to have the Senator do so.

The provision there is—

To make operative the provisions of sections 13, 14, and 15 of article XV of the Constitution of Nebraska.

That was enacted into law. I know what is contained in the Nebraska State Constitution, and that statute was passed to make that portion of its operative.

Mr. HOLLAND. Exactly. On the contrary, the purpose of the measure now before us is to make that portion of the Nebraska Constitution inoperative.

Mr. WHERRY. Yes; that is the point, as I have indicated.

Mr. HOLLAND. This measure would make that portion of the Nebraska Constitution inoperative, by contradicting it. Thus, this measure would completely defeat the intention of the good people of Nebraska, as expressed twice—first in a constitutional amendment; and, second, in the enabling act the Senator has read into the RECORD.

Mr. President, I was going to read into the RECORD the provisions of section 13 of the Nebraska State Constitution, adopted in 1946. It reads as follows:

No person shall be denied employment because of membership in or affiliation with, or resignation or expulsion from a labor organization or because of refusal to join or affiliate with a labor organization; nor shall any individual or corporation or association of any kind enter into any contract, written or oral, to exclude persons from employment because of membership in or nonmembership in a labor organization.

Mr. WHERRY. I was going to read that into the RECORD, and I am glad the Senator from Florida has done so.

Mr. HOLLAND. Mr. President, I am happy to say to the distinguished Senator that his amendment is almost identical with the one adopted in our own State, and it differs from that adopted in some other States, in that it looks in both directions. It is completely fair and impartial, in that it provides that neither membership nor nonmembership may ever be imposed as a condition applicable either to employment or continued employment.

Mr. WHERRY. That is correct; it works both ways.

Mr. HOLLAND. Apparently the enabling provision was either necessary to make the constitutional provision effective, or was thought to be necessary. So it was enacted. Both those matters were before the Supreme Court of the United States in the case of Lincoln Federal Labor Union, No. 19,129, American Federation of Labor, and others against Northwestern Iron and Metal Co., and others, which was appealed from the Nebraska courts to the United States Supreme Court.

Mr. WHERRY. That is correct.

Mr. HOLLAND. Let me say that the United States Supreme Court thought such a good job had been done by the Nebraska courts and by the Nebraska Legislature and people, that by a unanimous decision—of nine to nothing—of the Justices who then were members of the United States Supreme Court, they upheld the constitutionality, from the Federal viewpoint, of both the Nebraska Constitution and the Nebraska statutory expressions.

Mr. WHERRY. That is correct.

Mr. HOLLAND. But what is now sought to be done is that, notwithstanding the fact that the people of Nebraska have spoken at least twice—through a constitutional provision and through a statutory enactment—and notwithstanding that their own courts and the Supreme Court of the United States, by unanimous decision, have upheld that action, now some well-deposed citizens who are Members of Congress wish to prevent the operation of the Nebraska Constitution and of the Nebraska enabling act, and wish to prevent their receiving any confirmation or value from the approving opinions of the Nebraska courts of last resort and of the Federal courts of last resort, by entering into this field affirmatively, through the enactment of Federal legislation, in such a way as to completely knock down the effect of the spoken will of the people of Nebraska in the field covered by the measure which now is pending here in the Senate.

Mr. HILL and Mr. WHERRY addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Florida yield; and if so, to whom?

Mr. HOLLAND. I am glad to yield to either of the Senators who now are on their feet and are addressing the Chair.

Mr. HILL. If the Senator from Florida will yield first to me, let me say that he expressed what I had in mind when he said, "In the field covered by the measure now pending." That is the field covered by the union shop. The reason I say "the union shop" is that the Senator realizes that there is a distinct difference between the union shop and the closed shop.

Mr. WHERRY. Certainly.

Mr. HILL. This bill applies only to the union shop.

Mr. WHERRY. My question was——

Mr. HILL. I understand the Senator's question. So far as the union shop is concerned, this proposed legislation, if enacted, will take priority over the enactment of a State.

The thought of the committee, in reporting the bill, was—as I said earlier, perhaps two or three times—that the labor-management relations in the railroad industry are so squarely in interstate commerce that the Federal Government is justified in asserting, and should assert, the jurisdiction which it has in this matter.

The fact is that since the employees of the railroads cross State lines—for instance in going from Nebraska to adjoining States—all the time, every day, the purpose of the bill really will be defeated if the Holland amendment is added to the bill. The Federal Government has to assert its jurisdiction in interstate matters.

Mr. HOLLAND. Mr. President, the Senator by his admission has admitted himself almost out of court, so to speak, because in the case of the Taft-Hartley Act, nothing but the union shop is involved. The closed shop is entirely banned by the affirmative provisions of the Taft-Hartley Act. The only thing that is legal in this field, as left by the Taft-Hartley Act, is the union shop; but in the field covered by the union shop and by the Taft-Hartley Act, the wisdom of the Senate, as it was expressed many times by decided majorities, has been to preserve and to respect the effect of constitutional provisions or statutory provisions, or both, such as those mentioned by the Senator from Nebraska in the case of the State of Nebraska.

So it is no answer at all to say that this provision applies only to the union shop, because we have debated all that before, in connection with the Taft-Hartley bill, now the Taft-Hartley law, which itself applies only to the union shop, because the closed shop is completely banned by other provisions of the Taft-Hartley law.

Mr. HILL. Mr. President, will the Senator yield at this point, to permit me to say a word?

Mr. HOLLAND. I should prefer to complete my statement, and then I shall be glad to yield again.

With reference to the last point made by the Senator from Alabama, I call the attention of the Senator from Nebraska to the fact that although the members of the operating brotherhoods of the railroads frequently cross State lines—they do not do so in all cases, but in many cases they do—the unions which have shown the great interest in con-

nection with this proposed legislation, and have been the only ones behind it—until today, when we had a change in front by at least some of them—have been those whose members serve in clerical positions or shop positions or maintenance-of-way positions, and are just as settled as to their locale as are the employees in any other industry which one can think of.

Secondly, if there are any industries which all the way through are engaged in interstate commerce, those industries include quite a group which are under the provisions of the Taft-Hartley Act, but not under the provisions of this one act, such as, for instance, radio industry and the employees of concerns or firms in that industry, the telegraphers, the operators of the various telephone systems in the United States, and the employees of the truck operators of the Nation—an industry which has grown to be a tremendous network of interstate traffic, as the Senator well knows.

In fact, I think—and without having any facts to support my opinion at this time, this is only an expression of my opinion—that a larger percentage of the persons actively employed in the motor-trucking industry actually cross State lines in the operation of those trucks than in the case of those who operate the railroads. Of course, only the facts themselves can prove that point; but the Senator from Florida thinks that the facts, when they are presented, will show that because the large number of the clerical employees, maintenance-of-way employees, shop men, and the like do have fixed positions, the group who come under the corresponding classifications in the motortruck industry will be found to include a much smaller number of persons, in my opinion—much smaller than the number of persons in similar classifications in the railroad industry.

Now I am glad to yield to the Senator from Alabama.

Mr. HILL. Mr. President, I think the Senator from Nebraska will agree that the field covered by the Taft-Hartley law is much more varied and, generally, much broader than the field covered by this measure. This measure is limited to railway employees. For instance, the Taft-Hartley law would cover the employees in an airplane factory. The airplanes they manufacture move in interstate commerce; but those who work in the plant and make the airplanes, do not move back and forth in interstate commerce, as do the railroad engineers, brakemen, firemen, conductors, and other persons who operate the railroads.

So the committee felt that the persons dealt with by this bill, and to which this bill is limited, are in a separate and different posture or position than that of employees in American industry generally, as covered by the Taft-Hartley law.

Mr. WHERRY. Of course, Mr. President, there is no way in the world we could actually exempt those who are engaged in working for the railroads in interstate commerce and those whose work is confined to intrastate operations; or at least it would be very difficult to establish the facts in that connection. But I certainly can see that a great number of railroad employees have permanent jobs within the State and are located just as definitely as are workers in airplane factories.

Mr. HILL. But the Senator can see there are large numbers of them moving. This question was very carefully considered by the committee, and the action taken had the unanimous support of the membership of the committee. I may say to my distinguished friend, as he, of course, well knows, being the minority leader, that the minority is well and ably represented on that committee, from the Senator from Ohio [Mr. TAFT] on down. There are many very able and distinguished men on that committee. We thrashed this whole matter out, I may say.

Mr. WHERRY. I am not questioning the ability of the members of the committee, and I deeply appreciate the answers given by the distinguished Senator from Alabama. But it looked to me as though the Senator from Florida clarified his amendment. I merely wanted to get information about the statute, because I recall the terrific debate which was held in the Nebraska State Legislature, in passing the enabling clause, to provide what the people of the State voted to place in their constitution. It behooves me as one representing that State to see to it that the will of the people is not invalidated through a Federal statute, if it encroaches upon the provisions they have placed in their constitution. I was asking for information, because the union shop is involved. I wanted to get the opinion of my good friend from Alabama and also the opinion of the Senator from Florida, both of whose answers I shall appreciate. I desire to get the different viewpoints. My question was, Does the Senator feel that the passage of this proposed piece of legislation would in any way override the provision of our State constitution and of the statute which has been enacted?

Mr. HOLLAND. Categorically answering that question, I may say the intention of this bill is to do just that, and to point up my remark, I may say that in three different ways this bill will take away something which belongs now to the good people of Nebraska, to the good people of Florida, and to the good people of some 18 or 20 States, all told, who, in their solemn judgment—and I am glad to say that there are still some questions as to which the people of the States do have a solemn judgment—they have held that they do not want this kind of bill to apply to them. I call the attention of the Senator to the fact that in three ways the State of Nebraska would have filched from it—well, I shall not use that word, because I could not use such a word when I am thinking about my friend from Alabama—but it is deprived, completely deprived, of three sound values belonging to it, and equally belonging to the good people of the State of Florida. I shall enumerate them. The first is that it deprives them of the fact that in the exercise of our own sovereign will, acting through our representative government, the legislature, and then through vote of our people in an election, and, in the case of Nebraska, through another act, still, an enabling act, a sound declaration, a dignified declaration of the judgment of the people of the Senator's State on a question of grave public policy affecting the living together of your people in harmony and with freedom of opportunity—that is lost, that expression of judgment through constitutional and Federal enactment, through all types of representative government which the people have in the State of Nebraska—while the Senator's people operate through one house, there, some of the rest of us operate through two houses; still the Senator's people in the legislature are the representatives of the folks back home in the several counties, and through them, by the vote of the people, and then again by the vote of the legislature, and the unicameral legislature carrying still further the intent of the people of Nebraska, they have claimed the right to protect themselves against a policy which is thought to be unsound in Nebraska. The people of Nebraska are deprived of that expression of their own will. Secondly, they are deprived of the fruits of their victory in the courts of their land, not only the courts of first resort and of last resort, in their own State of Nebraska, but of the court of last resort of the land, the Supreme Court of the United States of America, which has held that here is a valid exercise of the State jurisdiction, having so held by a nine to nothing decision in a matter affecting the very thing which we are talking about here, the expression by the State of Nebraska of its will in this field. The third thing which is done to deprive the people of Nebraska of a substantial value is that at least an entering wedge is offered here, a far-reaching wedge to deprive them of the value and protection flowing out of determinations made in the Congress of the United States in 1947, in 1948, and in 1949, when this specific question was debated—and debated, with the exception of the junior Senator from Florida, with ability and understanding—and when substantial majorities of the Senate, the Members of the Senate, expressed it as their will—and it is still their will, in connection with the entire field covered by the Taft-Hartley Act—that dignified expressions of the States, such as those referred to in the State of Nebraska, shall be respected, shall be confirmed, shall be enforced under Federal law. And so that third deprivation is the deprivation of the people of the Senator's State of the benefit of an act taken in part by the distinguished Senator from Nebraska. I do not recall offhand the position of the Senator, but here is the list of the yea-and-nay votes on the last issue voted upon by the Senate, which was on June 30, 1949, when certain amendments to the Taft-Hartley Act were being considered. I may say that this issue was voted upon at that time, and the Senator from Nebraska [Mr. WHERRY] and his colleague [Mr. BUTLER] both voted with the preponderant majority of the Senate, which cast 53 votes against 41 votes which were cast in favor of the other theory—the theory

which is sought to be imposed by the legislation now pending.

So that if the Senator went along on this legislation, he would in effect be undermining not only the first two values which I mentioned, but the third value, which flows from his own act, in part, as a participant in the enactment of the Taft-Hartley Act in 1947, and as a participant in the insistence of a strong majority of the Senate ever since that to keep in the Taft-Hartley Act this particular provision recognizing State laws.

I want to clarify my position by making it clear—and I am sure both Senators understand it clearly, but for the record—I am not claiming that the field of the Taft-Hartley Act is invaded by this particular matter, but I am stating that this measure operates in a field which is not to be differentiated by any kind of logic from the motor-vehicle business, which is covered by the Taft-Hartley Act, or from the telephone, telegraph, and radio businesses, which are covered by the Taft-Hartley Act, and that, in fact, the Senator standing upon a ground for differentiation, upon which, his more mature reflection as an able lawyer would make him, I think, refrain from standing because the measure of what constitutes interstate commerce is not whether one is actually crossing the State line; the question is whether he is in an industry whose products will cross the State line.

The same measure, under our Federal Constitution, applies to every industry covered by the Taft-Hartley Act, which applies to the two industries that are covered by this act. I am sure the Senator from Alabama would not want to have it even appear from the record that he was taking any different position from that. He seeks to differentiate the railway industry from certain others, because he says that more people in that industry actually cross from State to State, and my point on that is that that does not determine the question of whether it is within or outside interstate commerce. The question as to what is in interstate commerce, as the Senator well knows, is the question of whether the industry operates and exists interstate, and the man who is a clerk in the shipping offices at Jacksonville, of one of our great railroads, or who is a car knocker or boiler maker at Uceta or Tampa, far removed from the State line, or down at Miami, nearly 500 miles away from the State line, is just as fully in interstate commerce as is the man runing the train which happens to run from Jacksonville to Savannah; and that man is no more in interstate commerce than is the man who runs from Jacksonville down to Miami, because he is handling the mails that go out, he is handling the passengers who go out, he is handling the products which move out into interstate commerce. So I think that upon more mature reflection the Senator will come to the conclusion that the standard which he imposes is not a correct one, and that as a matter of fact, even if that incorrect one is imposed, there are numerous industries covered by the Taft-Hartley Act in which the actual engagement in interstate movement at all times is just as great as it is in the railroad industry covered by the Railway Labor Act.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield gladly.

Mr. HILL. As has been said, there has been special legislation in this field since 1936, when the original National Railway Act was enacted by the Congress. This bill would apply only to the management and labor employed on the railroads and on the airlines, and, although the Senator does not agree with me on it, the fact that the railway men operate trains across State lines makes a vast difference as against an industry which is located at Topeka, Kans., and which operates a factory in but one place. If an employee of such a concern crosses the State line into Nebraska, can he, as a member of a union shop in Kansas, become a member of a union shop in Nebraska? This raises the entire question.

I hope to talk a little further on the pending measure tomorrow. The Federal Government was brought into being by the States. All the power possessed by the Federal Government was delegated and given to it by the States. There were two principal reasons for that. The States felt it necessary and saw fit in their wisdom to organize the Federal Government and to delegate powers to it in order to provide for the common defense and for the regulation of interstate commerce. In this particular instance, what we would seek to do by this bill—what the committee would do—is to exercise the power delegated by the States, feeling that this is a matter which so vitally affects interstate commerce and the activities involved are so squarely in interstate commerce that the job should be done. It can only be done by the exercise of Federal law.

Mr. HOLLAND. Mr. President, I do not like to continue to talk on a subject which has been so well discussed by both Senators who have participated in the colloquy. However, the Senator from Alabama [Mr. HILL] mentioned the airlines. For the RECORD and for any comment which he may care to make on it, I feel I should say that the point I made with reference to railroads not having any preponderant part of their personnel actually crossing State lines can be made with even greater force and effect with reference to airlines. I do not know whether the Senator from Alabama has been in any of the great shops maintained by airlines. We have in the city of Miami somewhere between eight and ten thousand employees, I am told, who are mechanics, clerical employees, and similar types of employees, who work for the great airlines which have their terminals in Miami. I should think that the proportion of the employees of the airlines who actually operate the planes and therefore cross the State lines or go out of the country would be so inconsiderable a proportion of the total number of employees of the airlines as to be vastly less than in the case of railroads, and of course even more vastly less than in the case of truck lines or other activities which may occur to the Senator. Therefore, it seems to be fair to state that under this proposed legislation, if deprived of the pending amendment, thousands of employees in one spot in my State would be exempt from the application of State constitutional and State statutory law, notwithstanding the fact that they are living with many thousands of their fellow citizens who would find it extremely difficult to understand why a different rule should be imposed on them than is imposed on this favored class of employees.

Mr. President, it seems to me that no clearer illustration could be made of the mischief that lies in this type of legislation. Almost a guarantee would be given by the enactment of this legislation, that we would soon have to forget about the safeguards of State legislation which appear in the Taft-Hartley Act as to all types of industry covered by that act, because in the very nature of things these people living together by the thousands will not be satisfied with being governed by different fundamental rules in the application of law to their relations with their employers.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. WHERRY. If I understand correctly, a railroad engineer who crosses a State line would receive the benefit of the pending legislation. Likewise an employee who does not cross State lines, and who lives in a certain locality and performs work which does not require him to cross State lines, would also receive benefits, if there are any, of the pending bill, even though such an employee would not move from one State to another.

Mr. HOLLAND. The Senator is correct.

Mr. WHERRY. It seems to me that we would then have to determine in our own minds what proportion of employees cross State lines. My position in Nebraska in trying to represent the will of the people in protecting a provision of their constitution would become very greatly involved, because certainly, while it is true that trains run from Nebraska to other parts of the country, offhand I would feel that the preponderance of employees of railroads are local in character and do not cross State lines. Therefore, what the Senator is saying in effect is that the pending bill, if enacted into law, would be applied to employees of railroads who do not work in interstate commerce, and that if we start with railroads we will gradually go into other industries, and thus finally break down constitutional provisions of our States and enabling statutes.

Mr. HOLLAND. That is correct. In that connection, I wish to invite the attention of the Senator from Nebraska to the motor-trucking industry. I had the great pleasure of visiting the city of Omaha. My recollection is that there is a city in Iowa across the river from Omaha.

Mr. WHERRY. Council Bluffs, Iowa.

Mr. HOLLAND. With constant truck traffic back and forth.

Mr. WHERRY. Constant.

Mr. HOLLAND. Hundreds of trucks pass back and forth, perhaps even thousands.

Mr. WHERRY. There is no doubt about it.

Mr. HOLLAND. Under the differentiation which the Senator from Alabama is asking us to adopt it is difficult for me to understand how a railroad engineer taking the train out of Nebraska and going out through Iowa and other States and the people who get the train ready and the people who keep the books on the train should all be excluded from the protection of State law, whereas the people who are crossing by the thousands in truck traffic, not only from Omaha but from other parts of the State, should be covered by a different law. Mr. President, that does not make sense. That would not appeal to the people at large as making sense. As I see it, it is an opening wedge to the destruction of the salutary provisions of the Taft-Hartley law. I believe they are salutary because it recognizes the sovereignty of States on matters which govern the living together of their people, and the day-to-day existence of their people.

To go back to my illustration in Miami, does it make sense for the thousands of people who are employed in the aviation industry to be covered by one law, and to have the tremendous number of people in other industries covered by another law, when all the people are living together and meeting in every sort of relationship and in close daily juxtaposition? Would any satisfaction come out of such an operation? My observation and my strong feeling is that there would not. The sound thing we should do, if we are to stand by the expressions of the Senate as has been frequently made in connection with the Taft-Hartley law, would be to adopt the amendment I have proposed. If the amendment is adopted I intend to vote in favor of the legislation, because then we would place the pending bill on all fours with the Taft-Hartley Act. I would find it difficult to differentiate between my position on the Taft-Hartley Act and my position on the pending bill, if perfected by the amendment which I have offered. I will state the converse to that proposition. I would find it very difficult to vote in favor of the bill without the amendment in view of the fact that, along with a majority of my colleagues, I insisted upon having the amendment added to the Taft-Hartley law before voting in favor of it. I agree with the Senator from Nebraska when he took the position that commerce is something bigger than mere transportation of goods. It relates to people living together. There is no good reason why we should have one law operating as to one portion of our people and another completely dissimilar law operating as to another great portion.

Mr. WHERRY. Mr. President, I appreciate the observations made by both Senators. It is good to have their views.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Florida.

Mr. HOLLAND. Mr. President, I have not yielded the floor.

The PRESIDING OFFICER. The Chair wishes to apologize to the Senator from Florida.

Mr. HOLLAND. I understand how the Chair could have gotten such an impression. However, I have not had a chance to check on my notes. I did not know that the matter was coming up until shortly before we took it up this afternoon. I would very much like to not yield the floor at this time, with the understanding that I have no present intention of saying anything further in the morning, but that I shall have the right to speak if I desire to do so without again asking for recognition. I may wish to round out or complete my statement if I find that I have left out something.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. HILL. Mr. President, will the Senator yield?

Mr. HOLLAND. I take this opportunity to say that I do not intend to filibuster. I have no present intention to speak in the morning, but I want to have the assurance that if I find some deficiencies of any kind in what I have said I can supply them with a few remarks in the morning. I should like to have that privilege before another Senator is recognized.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. HILL. Mr. President, reserving the right to object, I wonder if we could reach an agreement as to when we may vote on the amendment as presented. Would it be possible to reach an agreement as to a time tomorrow when we could vote on it? I can well understand the position of the junior Senator from Florida with reference to his desire to make a few remarks tomorrow if he finds it necessary to do so. The distinguished senior Senator from Florida [Mr. PEPPER] informed me that he wishes to say something on the subject tomorrow. The Senator from Alabama would like to make a few remarks. I wonder if we could not agree on a definite time tomorrow when we could vote on the amendment offered by the Senator from Florida. It usually takes 15 or 20 minutes to attend to routine business and insertions in the RECORD and to have a quorum call. I wonder if we could not agree on a definite time to vote on the amendment. The senior Senator from Florida wishes to speak for 15 or 20 minutes. The Senator from Alabama will not need more than 10 or 15 minutes.

Would it be agreeable to the junior Senator from Florida and the distinguished minority leader if we voted on the amendment as offered at 1:30 p. m. tomorrow, with the time after the quorum call to be divided equally and controlled, respectively, by the distinguished junior Senator from Florida and the Senator from Alabama?

Mr. HOLLAND. I regret not to be able to give agreement to such a request. My reason has nothing to do with my own position. At the time the matter was debated in September, six or seven other Senators expressed the desire to be heard. They wanted to make clear their position on this bill must be consistent with the position that they had taken on the Taft-Hartley law. I do not know whether all of them are of the same feeling at the present time. I know that the senior Senator from North Carolina [Mr. HOEY] will not be present. He has informed me that he had to go home. I do not know about the others. Therefore, I would not be willing to now set an arbitrary time to vote. I hope by the time we resume in the morning I shall have had an opportunity to talk to the other Senators to find out whether they wish to be heard. If they wish to be heard, I will so state to the Senator from Alabama. The Senator from Florida hopes that he will not have to say anything further on the subject. If he does, it will not take more than a few minutes, and will be only to round out a few of the deficiencies in what he has said already.

Mr. HILL. As I understand it, the Senator is not in a position to agree to any unanimous-consent agreement at this time as to when a vote could be had?

Mr. HOLLAND. No, except that I would hope that a vote could be taken sometime tomorrow.

Mr. HILL. I am sure that the Senator heard the distinguished Senator from Illinois [Mr. LUCAS] express great hope that the Senate might consider tomorrow a bill reported from the Senate Foreign Relations Committee, authorizing a loan to Yugoslavia. I do not know how long that bill will take, but it is certainly very much to be desired that we conclude consideration of the pending bill as early tomorrow as possible, so that the other bill may be taken up.

I am sure that the distinguished Senator from Florida will agree with the Senator from Alabama that, since it is now before the Senate, we want to finish the bill, and not temporarily lay it aside and then go back over it again, at which time the Senator from Florida might feel that he had to make his speech over again, and I might feel that I had to make my speech over again. If we can conclude the consideration of this bill at an early hour tomorrow, I think we shall have better assurance that we can dispose of the bill. Unless I am mistaken, or unless something unforeseen should occur, after the amendment of the Senator from Florida is disposed of I think we should be able to move rather rapidly toward final disposition of the bill.

Mr. HOLLAND. So far as the Senator from Florida is concerned, he has no intention of speaking on the bill after the amendment is disposed of. He will vote for the bill if his amendment is adopted, and vote against it if it is not. He does not expect to make further remarks. He does not know whether any of the seven or eight other Senators who had strong feelings on this measure in September, and whose names, by the

way, appear in the debate as of that day, will wish to be heard tomorrow. But since he knows that they did have such feelings, he would not be willing to agree now to an arbitrary time for the vote. The Senator from Florida makes that statement without any expression of a desire on his part to make a second speech. He wishes to avoid the necessity of visiting such an affliction upon his friend from Alabama. He is quite willing to listen to a second speech by the Senator from Alabama, because his mellifluous tones always bring great enjoyment not only to the Senator from Florida, but I am sure to all others who are privileged to be present and hear what he has to say.

Mr. HILL. Mr. President, I return the tribute to my friend from Florida.

As I understand, if the Senator from Florida wishes to speak at all, it will be only to conclude, and finish off any rough edges which may remain.

Mr. HOLLAND. That is correct. However, the Senator from Florida does not foreclose himself as against answering anything which he feels is new which may be brought up. He has no intention whatever of making another speech, but he is not willing to tie his hands in such a way that he cannot defend himself if he should be assaulted tomorrow by the Senator from Alabama.

Mr. HILL. The Senator knows that if he concludes his speech now, under the rules of the Senate he is entitled not only to another speech on the amendment if he wishes to make another speech, but also to two speeches on the bill if he sees fit to make two speeches.

Mr. HOLLAND. The Senator from Florida has no intention of thus imposing on the Senate.

Mr. HILL. Knowing the capability and resourcefulness of my friend, I know that he could perhaps make some motion which would allow him two more speeches.

In the first place, the Senator from Alabama has no disposition to shut off his friend from Florida. In the second place, the Senator from Alabama has been in the Senate long enough to understand well the futility of any attempt to shut off any other Senator. I will say to the Senator from Florida that I do not believe in shutting off Senators. However, I believe that when we can unanimously agree to cut off debate, it is greatly to be desired.

Does the Senator wish to retain the floor tomorrow?

Mr. HOLLAND. Yes. The Senator from Florida knows perfectly well that he can speak at least three more times on this subject, but that is not his desire. His only purpose in asking that he retain the floor is that he would like his speech to be a single statement. If he finds—which he probably will—that it needs some polishing, and has manifest deficiencies, he would like to patch it up before it is assaulted by the Senator from Alabama tomorrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE—EXTENSION OF RENT CONTROL

During the delivery of Mr. HOLLAND'S speech,

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947 as amended, with an amendment; that the House insisted upon its amendment to the joint resolution, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. SPENCE, Mr. BROWN of Georgia, Mr. PATMAN, Mr. MONRONEY, Mr. WOLCOTT, Mr. GAMBLE, and Mr. KUNKEL were appointed managers on the part of the House at the conference.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (H. R. 5967) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

EXTENSION OF RENT CONTROL

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. HOLLAND. The Senator from Florida understands that the Senator from South Carolina, chairman of the Committee on Banking and Currency, desires to complete the work of the Congress upon the measure providing for extension of rent control, and if he may do so without losing his right to the floor, he will be glad to yield to the Senator from South Carolina.

Mr. MAYBANK. Mr. President, that is my request.

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair) laid before the Senate the following amendment of the House of Representatives to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, together with a message from the House insisting upon its amendment and requesting a conference with the Senate thereon:

Resolved, That the joint resolution from the Senate (S. J. Res. 207) entitled "Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended," do pass with the following amendment: Strike out all after the enacting clause and insert: "That section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended by striking out 'December 31, 1950' in each place it occurs therein and inserting in lieu thereof 'March 31, 1951'."

Mr. MAYBANK. I move that the Senate disagree to the amendment of the House, agree to the request of the House for a conference on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

Mr. President, I appreciate the fact that I have the privilege of suggesting the conferees. I would only suggest who should be appointed as conferees, because this matter was just called to my attention, and I have not had time to confer with the Presiding Officer. I would suggest that the ranking Democratic members of the committee—myself, the Senator from Idaho [Mr. TAYLOR], and the Senator from Arkansas [Mr. FULBRIGHT], and on the Republican side of the committee the Senator from New Hampshire [Mr. TOBEY] and the Senator from Indiana [Mr. CAPEHART] be considered by the Presiding Officer for appointment as the conferees.

The PRESIDING OFFICER. The first question is on agreeing to the motion of the Senator from South Carolina. Without objection, the motion is agreed to; and the Chair appoints as the conferees on the part of the Senate the Senators just named by the Senator from South Carolina, namely, the Senator from South Carolina [Mr. MAYBANK], the Senator from Idaho [Mr. TAYLOR], the Senator from Arkansas [Mr. FULBRIGHT], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Indiana [Mr. CAPEHART].

Mr. MAYBANK. Mr. President, the Senator from Vermont [Mr. AIKEN] has just called my attention to the fact that the Senator from New Hampshire [Mr. TOBEY] may not be here. Therefore, I suggest that in the absence of the Senator from New Hampshire, the Presiding Officer appoint the next ranking Republican member of the committee, if the Chair so desires.

The PRESIDING OFFICER. The Chair appoints the Senator from Vermont [Mr. FLANDERS], instead of the Senator from New Hampshire [Mr. TOBEY], as one of the conferees on the part of the Senate.

EXECUTIVE SESSION

Mr. HILL. Mr. President, I move that the Senate proceed to the consideration of executive business, for the consideration of new reports on the Executive Calendar.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. HENDRICKSON in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDING OFFICER. Reports of committees are in order. If there be no reports of committees, without objection, the clerk will proceed to state the nominations newly reported to the calendar.

Mr. WHERRY. Mr. President, I have no objection at all, except that I wish to restate what I said last night, that there is no objection on this side of the aisle to considering nominations passed over, or any nomination on the calendar.

Mr. HILL. The only nomination passed over is one now under consideration by a Senate committee, and we would not desire to have that taken up when the committee is considering it.

Mr. WHERRY. I did not know whether the Senator knew that I stated last night that there was no objection on this side of the aisle to considering any nomination on the calendar if it were seen fit to do so.

The PRESIDING OFFICER. Without objection, the clerk will proceed to state the nominations newly reported.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Walter S. Gifford, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Howard H. Tewksbury, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Sidney H. Browne, of New Jersey, to be a consul general of the United States of America.

The PRESIDING OFFICER. The Chair requests that that nomination be passed over, and, without objection, it will be passed over.

The legislative clerk read the nomination of Robert Y. Brown, of Alabama, to be a consul general of the United States of America.

Mr. HILL. Mr. President, the nominations commencing with that of Robert Y. Brown appear to be routine nominations. Therefore I ask unanimous consent that they be confirmed en bloc.

Mr. WHERRY. Mr. President, now that the Sidney H. Browne nomination has been passed over, there is no objection to considering the other routine nominations en bloc, so far as the Senator from Nebraska is concerned.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Alabama? The Chair hears none, and the routine nominations in the Diplomatic and Foreign Service are confirmed en bloc, with the exception of the one passed over.

INTERNATIONAL DEVELOPMENT BOARD

The legislative clerk read the nomination of Nelson A. Rockerfeller, of New York, to be Chairman of the International Development Advisory Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

ECONOMIC COOPERATION ADMINISTRATION

The legislative clerk read the nomination of William C. Foster, of New York, to be Administrator for Economic Cooperation.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Richard M. Bissell, Jr., of Massachusetts, to be Deputy Administrator for Economic Cooperation.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

TECHNICAL COOPERATION ADMINISTRATOR

The legislative clerk read the nomination of Henry G. Bennett, of Oklahoma, to be Technical Cooperation Administrator.

The PRESIDING OFFICER. Without objection, the nomination is confirmed. That completes the Executive Calendar.

RECESS

Mr. HILL. Mr. President, as in legislative session, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 19 minutes p. m.) the Senate took a recess until tomorrow, Friday, December 8, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 7 (legislative day of November 27), 1950:

DIPLOMATIC AND FOREIGN SERVICE

Irving Florman, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Bolivia.

INTERSTATE COMMERCE COMMISSION

The following-named persons to be Interstate Commerce Commissioners for the terms expiring December 31, 1957 (reappointments):

Hugh W. Cross, of Illinois.
John L. Rogers, of Tennessee.

IN THE ARMY

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major generals

*Maj. Gen. Albert Cowper Smith, O5265, Army of the United States (brigadier general, U. S. Army).

*Maj. Gen. William Frederic Marquat, O6533, Army of the United States (brigadier general, U. S. Army).

*Maj. Gen. George Anthony Horkan, O7201, Army of the United States (brigadier general, U. S. Army).

*Maj. Gen. Jerry Vrchlicky Matejka, O7496, Army of the United States (brigadier general, U. S. Army).

Maj. Gen. William Herschel Middleswart, O8358, Army of the United States (brigadier general, U. S. Army).

To be brigadier generals

*Brig. Gen. George Bittmann Barth, O11241, Army of the United States (colonel, U. S. Army).

*Brig. Gen. Howard Louis Peckham, O12058, Army of the United States (colonel, U. S. Army).

*Brig. Gen. Urban Niblo, O12418, Army of the United States (colonel, U. S. Army).

*Brig. Gen. Wayne Cliffton Zimmerman, O12436, Army of the United States (colonel, U. S. Army).

*Maj. Gen. Francis Henry Lanahan, O12735, Army of the United States (colonel, U. S. Army).

*Brig. Gen. Halley Grey Maddox, O12852, Army of the United States (colonel U. S. Army).

Brig. Gen. Cortlandt Van Rensselaer Schuyler, O14905, Army of the United States (colonel, U. S. Army).

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

*Brig. Gen. Ira Platt Swift, O12205, United States Army.

*Brig. Gen. Walter Joseph Muller, O12224, United States Army.

*Brig. Gen. Julian Wallace Cunningham, O4922, United States Army.

*Brig. Gen. Rex Webb Beasley, O5246, United States Army.

*Brig. Gen. John Lloyd McKee, O5613, United States Army.

*Brig. Gen. John Stewart Bragdon, O3770, United States Army.

*Brig. Gen. David Lewis Ruffner, O6997, United States Army.

*Brig. Gen. Paul Wolcott Rutledge, O7289, United States Army.

*Brig. Gen. Albert Pierson, O11838, United States Army.

*Brig. Gen. Robert Miller Montague, O12261, United States Army.

*Brig. Gen. Courtney Whitney, O398227, Army of the United States.

Maj. Gen. Kenneth David Nichols, O17498, Army of the United States (colonel, U. S. Army).

To be brigadier generals

*Col. Orlando Clarendon Mood, O14781, United States Army.

*Col. Richard Brown Thornton, O14853, United States Army.

*Col. John Francis Uncles, O14914, United States Army.

*Col. Robert Nicholas Young, O15068, United States Army.

*Col. Eugene Ware Ridings, O15230, United States Army.

*Col. Elwyn Donald Post, O15243, United States Army.

*Col. Robert Leroy Dulaney, O15351, United States Army.

*Col. Edwin Britian Howard, O15361, United States Army.

*Col. Gordon Edmund Textor, O15524, United States Army.

*Col. Armistead Davis Mead, O15767, United States Army.

*Col. Raleigh Raymond Hendrix, O15897, United States Army.

*Col. John Murphy Willems, O16176, United States Army.

*Col. Mason James Young, O3788, United States Army.

*Col. Basil Harrison Perry, O5236, United States Army.

*Col. John Tupper Cole, O5256, United States Army.

*Col. Sterling Alexander Wood, O5308, United States Army.

*Col. Clare Hibbs Armstrong, O5318, United States Army.

*Col. James Francis Brittingham, O5746, United States Army.

*Col. James Gasper Devine, O6540, United States Army.

*Col. Marcus Brenneman Bell, O6616, United States Army.

*Col. Theodore Francis Wessels, O6911, United States Army.

*Col. Walter David Luplow, O7002, United States Army.

*Col. Arthur Richard Walk, O7286, United States Army.

*Col. Guy Orth Kurtz, O7418, United States Army.

*Col. Frank Huber Partridge, O7497, United States Army.

*Col. Theodore Leslie Futch, O8572, United States Army.

*Col. Albert Carl Lieber, O8884, United States Army.

*Col. Donald Sutter McConnaughy, O9738, United States Army.

*Col. Boniface Campbell, O9783, United States Army.

*Col. Merle Halsey Davis, O9832, United States Army.

*Col. Charles Clifton Blanchard, O11200, United States Army.

*Col. Eugene Vincent Elder, O11681, United States Army.
*Col. Frank Needham Roberts, O12734, United States Army.
*Col. David James Crawford, O14916, United States Army.
*Col. Frank Sayles Bowen, Jr., O16434, United States Army.
*Col. Victor Allen Conrad, O15546, United States Army.
*Col. Ralph Irvin Glasgow, O15576, United States Army.
*Col. Richard Givens Prather, O15698, United States Army.
*Col. Rinaldo Van Brunt, O16225, United States Army.
*Col. Charles Ernest Loucks, O6949, United States Army.
*Col. John Alexander Klein, O7536, United States Army.
*Col. John Bartlett Hess, O12599, United States Army.
*Col. William Henry Maglin, O15812, United States Army.
Col. Elbert DeCoursey, O17813, Medical Corps, United States Army.

The following-named officer for appointment in the Regular Army of the United States to the grade indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be brigadier general, Medical Corps

Brig. Gen. Maxwell Gordon Keeler, O6620, Army of the United States (colonel, Medical Corps, U. S. Army).

NOTE.—Those officers whose names are preceded by the symbol (*) were appointed during the recess of the Senate.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 7 (legislative day of November 27), 1950:

DIPLOMATIC AND FOREIGN SERVICE

Walter S. Gifford, of New York, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Great Britain.

Howard H. Tewksbury, of New Hampshire, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Paraguay.

To be a consul general of the United States of America

Robert Y. Brown

To be Foreign Service officers of class 6, vice consuls of career, and secretaries in the diplomatic service of the United States of America

Charles C. Adams
John A. Baker, Jr.
Michael P. Balla
Harry G. Barnes, Jr.
Alf E. Bergesen
Lawrence H. Berlin
James R. Billman
Vincent S. R. Brandt
Samuel C. Brown
Frank N. Burnet
Pratt Byrd
Thomas A. Cassilly
Christian G. Chapman
John M. Cluff
Carleton S. Coon, Jr.
Frank J. Curtis, Jr.
Richard C. Davis
Arthur R. Day
Jonathan Dean
Dexter W. Draper, Jr.
Walter H. Drew
William L. Eagleton, Jr.
Carl J. Erickson, Jr.
Richard D. Geppert
Herbert I. Goodman
Lindsey Grant
James C. Haahr
Roland F. Haney
Gordon G. Heiner 3d.
William A. Helseth
Benjamin C. Hilliard 3d.
Max E. Hodge
Roscoe L. Hoffacker
Robert A. Hurwitch
Walter E. Jenkins, Jr.
James R. Johnston
William M. Kahmann
Lowell Bruce Laingen
Paul Baxter Lanius, Jr.
John C. Leary
Philip M. Lindsay
Leo Michael Linehan
Walter M. McClelland
Edward E. Masters
Milton W. Meyer
Kermit S. Midthun
Lawrence C. Mitchell
Benjamin R. Moser
Jacob M. Myerson
Harry I. Odell
Peter J. Peterson
H. Earle Russell, Jr.
David T. Schneider
Ernest E. Schneider
Peter A. Seip
Robert Wade Seward, Jr.
John J. Shea
John W. Simms
Herman T. Skofield
Richard E. Snyder
William F. Spengler
Robert J. Tepper
William N. Turpin
Peter C. Walker
Bradford Wells
Robert F. Weltzien
Merrill A. White
Frank S. Wile
Arthur I. Wortzel

To be consuls of the United States of America

James G. Evans
George A. Mann
Edward C. Webster, Jr.

To be a secretary in the diplomatic service of the United States of America

Willard F. Barber

INTERNATIONAL DEVELOPMENT ADVISORY BOARD

Nelson A. Rockefeller, of New York, to be Chairman of the International Development Advisory Board.

ECONOMIC COOPERATION ADMINISTRATION

William C. Foster, of New York, to be Administrator for Economic Cooperation.

Richard M. Bissell, Jr., of Massachusetts, to be Deputy Administrator for Economic Cooperation.

TECHNICAL COOPERATION ADMINISTRATOR

Henry G. Bennett, of Oklahoma, to be Technical Cooperation Administrator.

DEPARTMENT OF THE NAVY

DIRECTOR OF BUDGET AND REPORTS

Rear Adm. Edward W. Clexton, United States Navy, to be Director of Budget and Reports in the Department of the Navy, with the rank of rear admiral, for a term of 3 years.

IN THE ARMY

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The nominations of Benjamin H. Inloes, Jr., et al., and the nominations of Robert F. Bell et al., for appointment in the Regular Army, which were confirmed today, were received by the Senate on November 30, 1950, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Benjamin H. Inloes, Jr., appearing on page 15993, and ending with the name of Raymond D. Henley, which appears on page 15995.

IN THE UNITED STATES AIR FORCE

PROMOTIONS IN THE UNITED STATES AIR FORCE

The nominations of Vivian M. Gersema et al., and the nominations of Louis Charles Adams, Jr., et al., for promotion in the United States Air Force, which were confirmed today, were received by the Senate on November 27, 1950, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Vivian M. Gersema, which appears on page 15785, and ending with the name of Hugo Zimmermann, appearing on page 15789.

IN THE NAVY

Vice Adm. Jerauld Wright, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Deputy United States representative to the Standing Group of the North Atlantic Treaty Organization.

TEMPORARY APPOINTMENT TO THE GRADE OF REAR ADMIRAL

Thomas B. Williamson
Aaron P. Storrs III
Richard M. Watt, Jr.
Wilson D. Leggett, Jr.
Marion E. Murphy
Howard E. Orem
Sherman R. Clark

Vice Adm. Edwin D. Foster, Supply Corps, United States Navy, when retired to be placed on the retired list with the rank of vice admiral.

The following-named officers of the Navy and Naval Reserve on active duty for permanent appointment in the grades and corps indicated, subject to qualification therefor as provided by law:

For permanent appointment in the Navy:

Lieutenant commander, Medical Corps

William K. Hall

Lieutenant, Medical Service Corps

Sylvester H. N. Zumbrun

Lieutenant (junior grade), line

Victor D. Brockmann
Jack M. Stufflebeam

Lieutenant (junior grade), Civil Engineer Corps

William M. Johnson
Robert D. Darragh, Jr.

Lieutenant (junior grade), Nurse Corps

Floy G. Mangold
Mary V. Mele

Chief carpenter

Bruce A. O'Neal

Chief machinist

Walter W. Rickett

Chief pay clerk

Edward D. Verell

For permanent appointment in the Naval Reserve:

Lieutenant (junior grade), line

Philip Steinberg

The following-named officers of the Navy for permanent appointment to the grade of lieutenant in the corps indicated and to correct spelling of name as previously nominated and confirmed:

Line

Hubert Glenzer, Jr.
Jene L. Leslie

Medical Corps

Donald J. Nollet

Supply Corps

Carl J. Stringer, Jr.
Armand E. Wulffaert

The nominations of Ernest P. Abrahamson et al., for appointment in the Navy, which were confirmed today, were received by the Senate on November 29, 1950, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Ernest P. Abrahamson, which is shown on page 15962, and ending with the name of Tad Stanwick, which appears on page 15964.

The nominations of Albert O. Momm et al., for appointment in the Navy, which were confirmed today, were received by the Senate on December 4, 1950, and appear in full in the Senate proceedings for that date, under the caption "Nominations," beginning with the name of Albert O. Momm, which appears on page 16072, and ending with the name of Roman L. Kledzik, which is shown on page 16074.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 7, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the Supreme Ruler of the Universe and the guiding intelligence in the life of men and of nations, we pray that we may now be inspired with a reassuring sense of Thy greatness

and goodness, Thy presence and power, Thy love and care.

We humbly confess that we feel so insignificant and helpless when we think of ourselves in our relationship to the many difficult problems in this time of national and world crisis.

There seems to be so little that we can do, individually, to direct the fateful course of human events. Even the wisest know so little. The odds against our moral and spiritual idealism appear so great.

Help us daily to encourage ourselves and one another with the glad assurance that in all our desires and struggles to champion and serve the cause of freedom against tyranny, of right against wrong, of good against evil, we are not alone, for the Lord of righteousness is with us.

May this assurance be our strength and the climax of our praise and the grand crescendo in all our thoughts and feelings.

Hear us in the name of the Christ who is the captain of our salvation. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 5967. An act to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

PERMISSION TO ADDRESS THE HOUSE

Mr. JENKINS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

[Mr. JENKINS addressed the House. His remarks appear in the Appendix.]

CONGRATULATIONS, BOB DOUGHTON

Mr. COOPER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. COOPER. Mr. Speaker, the members of the Committee on Ways and Means, together with the Speaker of the House of Representatives, the minority and majority leaders, and the Parliamentarian assembled at breakfast this morning at 8:30 in the Speaker's dining room in honor of our beloved and distinguished chairman of the Committee on Ways and Means, the gentleman from North Carolina [Mr. DOUGHTON], marking his twenty-fifth anniversary as a member of the Committee on Ways and Means.

I felt sure that the Members of the House would be glad to join the members of the Committee on Ways and Means and officials of the House in paying this deserved tribute to our distinguished and beloved chairman, and to join in wishing him many happy returns.

FISCAL PHILOSOPHY IN VERSE

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, while I sat in committee this morning I was handed a little verse. I added a couple of lines to it. Now, I do not want you to think that I am a poet, but I just want to read these few lines:

We must balance our budget
And conserve our cash,
Or we will meet the same fate
As Truman's haberdash!

Now do you not think
Before it's too late,
If our country does not stop spending
It will meet the same fate?

My colleagues, look into the need
Of this European and Asiatic blending,
It's your duty to heed—
Little lending, no giving, and less spending.

DEAN ACHESON, SECRETARY OF STATE

Mr. HOLIFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HOLIFIELD. Mr. Speaker, 9 years ago today the Japanese air force struck the infamous blow against our people in Hawaii, a blow which will be characterized as an infamy as long as history is read.

Today we are faced with the possibility of an even greater danger than December 7. The United Nations is fighting for its life. Unless it lives, the peace of the world may die.

A stanch defender of that United Nations organization, and a man who has done much to promote its growth and solve its problems, is under attack here in our Nation's Capital. The man I speak of is Secretary of State Dean Acheson.

His great record in formulating and implementing the Marshall plan, the Atlantic Pact, the Western Hemisphere mutual defense agreement, and his latest attempt to correct the obstructive use of the veto by a single member of the Security Council, are now forgotten by those who seek to destroy this great public servant.

At a time when it is most urgent that the hands of our Secretary of State be upheld in international councils, at a time when the prestige of the United States depends upon the respect of other nations for our No. 1 foreign relations representative, we see the sorry spectacle of men who fail to see the significance of their actions in attempting to discredit our Secretary of State, and who fail to see that the goal of national security can only be attained through unity.

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a newspaper editorial.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, we are not in the midst of an election campaign; gentlemen, we are in the midst of a war.

Therefore, there is a complete lack of responsibility in the partisan attacks aimed at our Secretary of State, Dean Acheson, as are being presently formulated not distant from here. The Members of Congress of both Houses must soberly review and evaluate the possible consequences of such conduct. This immaturity in political thinking plays directly into the hands of Communists. Nothing would suit the enemy's purpose more than the breaking down of the people's faith in the conduct of our foreign affairs. That, together with the rift that such idle and reckless talk can cause between us and friendly nations, makes the leaders of Communist aggression wring their hands in glee.

This is a time for sobriety. I emphasize that such loose talk can do nothing but cause friendly peoples soon to lose faith in the efficacy of the United States in the role of world leadership.

Wild, unsubstantiated charges against our Secretary of State, I repeat, reassure our enemies and dismay our friends.

I repeat the first paragraph of a pertinent editorial in today's New York Herald Tribune:

REPUBLICANS AND MR. ACHESON

It would be difficult to imagine a more inopportune moment for Senator IVES to have lent the prestige and influence of his name to the list of those calling for Secretary of State Acheson's replacement. The Secretary is in the midst of negotiations of the most delicate and far-reaching kind. The country is in a crisis which demands of everyone a readiness to pull together for large ends. It was perhaps too much to ask that those who have been assailing Secretary Acheson for months as a personal devil should forbear in the hour when so much goes ill, but it would have seemed more in character for Senator IVES, whose statesmanship has been of the highest order, to choose some other timing for his intervention. His words will carry a large, and conceivably a decisive, weight in today's meeting of the Senate Republican Policy Committee, where the question of making Mr. Acheson's resignation a matter of party policy will be under discussion.

DEAN ACHESON, SECRETARY OF STATE

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, at the most critical time in our country's history, when the fate of freemen everywhere may depend on the steadiness, wisdom, and unity of the American people, we find short-sighted individuals attacking the character and integrity of our Secretary of State, Dean Acheson. The purpose of this attack is clear and clearly political. The real result may

not be understood even by the attackers themselves. But the fact is that the half-truths and untruths uttered with respect to Dean Acheson are having the effect of confusing and disuniting the American people. It is imperative today that all individuals who occupy positions of responsibility behave in a responsible manner.

Dean Acheson's record is clear. His world-wide reputation among the free peoples as an outstanding champion of freedom is enormous. He and his accomplishments will live in history long after the names of his detractors are forgotten.

Among his many great accomplishments as Secretary of State is the welding together in the Western Hemisphere of the organization of American States.

Our active cooperation with the other American Republics in the construction of dependable machinery for maintaining peace and security in the Western Hemisphere is a part of the fundamental policy of the United States to seek constantly and energetically the world-wide organization of peace in a free and stable world. The Secretary of State, Dean Acheson, personally has contributed enormously to the success of this policy in the Western Hemisphere. The Rio Pact and the Organization of American Republics represent real progress toward mutual understanding, mutual defense, and mutual assistance in this area of the world. To Mr. Acheson must be given much of the credit for this success in American foreign policy.

Mr. HUBER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. HUBER. Mr. Speaker, unlike the gentleman from Mississippi [Mr. RANKIN], I am unable to find anything amusing in the sincere statements of the gentleman from California [Mr. HOLIFIELD] and the gentleman from New York [Mr. CELLER] upholding the hand of Secretary of State Acheson during this period of emergency. I want to compliment them for their patriotism and their unwillingness to engage in demagoguery when all Americans should be united regardless of political affiliation or geographical origin. If every Member of this House had voted for as much legislation designed to stop the ungodly hordes of communism as the gentleman from California [Mr. HOLIFIELD] and the gentleman from New York [Mr. CELLER], we might not be in the critical world position in which we find ourselves today. I only hope that more Members will join unselfishly to support our President, our Cabinet officers, and all those who are trying to protect us from the grave danger that threatens our country.

ANNIVERSARY OF ATTACK ON PEARL HARBOR

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, today is the anniversary of the attack on Pearl Harbor. I well remember the day the Japanese struck. I also remember the warnings I had given to the House against arming Japan.

Japan fought and used our materials of war against the United States forces. The Congress today should insist, Mr. Speaker, that we stop arming hostile communistic nations. The war matériel that has been used against our boys in Korea and the arms and munitions the United States sent to Russia and to other Communist countries should never have been sent. I warned against that also. Korea was another Pearl Harbor. Does America never learn?

Mr. Speaker, my gratitude goes out to those men who gave their lives at Pearl Harbor and those men who are giving their lives for us in Korea. The least we can do for them is to see to it that we do not give arms and ammunition to hostile governments to use against our boys. To arm our enemies is a crime against America.

DEAN ACHESON

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, the gentleman from Missouri [Mr. BOLLING] says: "The record of the Secretary of State is clear." It is. Nine years have passed since Pearl Harbor and we have lost every diplomatic contest in our dealings with the nations of the world. It is important that we shall not lose this one, and that there shall be no surrender or appeasement to communism. The record of the Secretary of State is clear. That is why he should resign forthwith.

TURKISH SOLDIERS IN KOREA

Mr. KENNEDY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. KENNEDY. Mr. Speaker, reports from Korea have indicated the tremendous fortitude and gallantry of the Turkish troops who are fighting side by side with the other nations in Korea. Turkey occupies a most strategic place bordering on the Mediterranean, defending the Dardanelles and being situated on the border of Russia. For over 1,000 years the Turkish Army has shown its courage, and we are fortunate to have Turkish soldiers fighting side by side with us in Korea.

EXTENSION OF REMARKS

Mr. DOLLIVER asked and was given permission to extend his remarks and include a statement on conservation by Paul A. Johnson, secretary of the Iowa State Watershed Association.

Mr. PRICE asked and was given permission to extend his remarks and include an editorial.

Mr. WALSH asked and was given permission to extend his remarks and include a letter.

Mr. HARRISON asked and was given permission to extend his remarks and include an article.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two instances.

Mr. KEOGH asked and was given permission to extend his remarks and include an article.

Mr. TAURIELLO asked and was given permission to extend his remarks.

Mr. PATTEN (at the request of Mr. MCSWEENEY) was given permission to extend his remarks.

Mr. NORBLAD asked and was given permission to extend his remarks and include extraneous material.

Mr. WILLIAMS asked and was given permission to extend his remarks.

Mr. HOWELL asked and was given permission to extend his remarks and include an editorial.

Mr. LATHAM asked and was given permission to extend his remarks in two instances and include extraneous material.

AMENDING THE HOUSING AND RENT ACT OF 1947

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 876 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9763) to amend the Housing and Rent Act of 1947, as amended. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Banking and Currency, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, I yield 30 minutes to the gentleman from Illinois [Mr. ALLEN] and I now yield myself such time as I may require.

Mr. Speaker, this resolution makes in order the immediate consideration of H. R. 9763. H. R. 9763 is by no means an extension of rent control, and, in my judgment, this measure has stirred up an unnecessary amount of agitation. The last Rent Control Act provided the date of December 31, 1950, for automatic decontrol in the event various States or political subdivisions thereof did not take affirmative action to extend rent control until June 1951, the date all rent control on a Federal level was to

cease. That bill also authorized the States or political subdivisions thereof to decontrol by affirmative action. The present measure does not change the basic provisions of the bill; it simply extends the automatic decontrol date until March 1951. It cannot be rightfully said, Mr. Speaker, that we do violence to any democratic process when we require affirmative action rather than silence or no action at all. I am of the opinion after discussing this matter with many Members that they are unhappy over the circumstances which place rental property under controls and at the same time permits full freedom for unlimited profits in all other fields of economic endeavor. That is not, however, the question before us at this moment. The question of the extension of rent control will not be before this body until the next session. Each of us will have an opportunity then in the light of our own experiences and in the light of the circumstances in our own communities to determine the advisability of such legislation. I believe this resolution should be adopted.

Mr. ALLEN of Illinois. Mr. Speaker, I reserve my time.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. SPENCE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9763) to amend the Housing and Rent Act of 1947, as amended.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9763, with Mr. WHITTINGTON in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. SPENCE. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, the present bill does but one thing. It strikes out the expiration date of the present Rent Control Act, December 31, 1950, and inserts in lieu thereof March 31, 1951. It continues the existing act for 3 months, in order that the next Congress may consider the matter.

I am not an advocate of controls. I do not believe in the regimentation of free people, but the necessity for a continuation of this act is now just as great as the necessity for the original enactment of the act providing for rent control.

Our great Nation, which has been the leader of the world for 161 years, is in peril. This is a critical time. On the ice-covered, wind-swept hills of Korea our fine boys are fighting a desperate battle, a battle for the rentention of our liberties. We are fighting a great sinister force in the world. At a time like this men must give up some of their rights in order that others may be preserved. Men must forego some of their profits in order that they may retain the things that we have cherished for a century and a half.

Housing is a difficult thing to obtain. We may have a lack of food today, and tomorrow we may have plenty, but housing is something that it takes a long time to produce. By reason of the present hostilities there is bound to be a shift in the population of our people. There is bound to be great necessity for housing. There is an opportunity for some to impose on others. This act is no reflection on the good landlord. There are many good landlords, and there are some bad tenants. But it is a condition that confronts us now and one that I think we must meet.

Mr. COLMER. Mr. Chairman, will the gentleman yield?

Mr. SPENCE. I yield to the distinguished gentleman from Mississippi.

Mr. COLMER. I asked the distinguished chairman of the Banking and Currency Committee to yield to me for the purpose of making a brief statement. First, I wish to say that the gentleman from Kentucky is making a very able statement and a very true statement.

On the day before yesterday when application was made for a rule for the consideration of this bill, I was inclined to go along with it. I voted against it, not because I did not think we needed rent control. I do think we need rent control, but because I think that we need all other controls, across-the-board controls, and a general mobilization of the efforts of this country to meet the impending disaster that faces us. I hope the distinguished chairman of the committee, and the members of the committee, for whom I have a profound respect, will do everything within their power to see to it that we do have these all-out across-the-board controls, because, I repeat, again and again, that you cannot control one commodity without controling the other. The power in this bill should be continued, but we ought to, and the administrative should have it brought most forcefully to its attention that we should have these across-the-board controls.

I thank the gentleman for yielding to me.

Mr. SPENCE. The President has the power now to impose controls.

Mr. COLMER. But he does not use it.

Mr. SPENCE. It is a poor citizen in this time of peril to the country who will not willingly submit to controls that are aimed at the survival of our institutions and our economy. I expect that as time goes on and the need exists there will be general controls imposed. But housing is the thing before us now. Materials are being channeled into the war effort that are necessary for the building of houses; the control of credit has made those who were desirous of constructing homes less able to do so. The necessity for rent control is as strong now as it ever has been, but in this bill we are not foreclosing that question at all; we are not settling the question of rent control; we are merely by this act sending it to the next Congress to consider whether or not we need rent control and what character of rent control we do need.

The cities now have the power to decontrol; many of them have exercised it. But if we do not pass an act such as this, the local machinery that has regulated rents will have been dissipated and destroyed, and it will be necessary to set up new machinery; it will be necessary to consider this matter anew. The enactment of this act will leave matters in statu quo so that the next Congress can consider it carefully, will have the opportunity by reason of time and other things to go into the details of the matter and will consider it in relation to the conditions that exist at that time.

Mr. COLMER. Mr. Chairman, will the gentleman yield to me briefly?

Mr. SPENCE. I have only 10 minutes but I will yield for a brief question.

Mr. COLMER. I thank the gentleman. I agree again with what the gentleman says, and, as the gentleman will recall, I pointed that out in the Rules Committee hearing, but what I want to know now is whether the distinguished chairman of the committee can tell us if the powers that be are ready to impose these across-the-board controls that the country needs?

Mr. SPENCE. I cannot speak for the President; I do not know what his intentions are. I assume he is going to do the things that are necessary to stabilize the whole economy and to strengthen us in order that we may meet the great problems that present themselves to us, but it is inconceivable to me that a Congress would say in the light of our present conditions, in the light of the necessities that present themselves, in the light of the need for housing—for civilized man cannot live without housing—that they would not consider this bill, would vote it down, and by that means let rent control expire in many sections where it is needed and where it has not been continued by reason of the procrastination, indecision, or doubt of the local governing body.

I ask the House to vote this bill out in order that we may carefully and prudently consider what is needed in the way of rent control in the early part of the next session.

Mr. WOLCOTT. Mr. Chairman, I yield myself 13 minutes.

Mr. Chairman, on June 23, 1950, just about 6 months ago, we provided for the orderly decontrol of rents. We decided as a matter of policy at that time that the question of rent control was no longer one for the Federal Government, that it was strictly a local matter and should be treated as a local matter. We set up the machinery at that time by which municipalities could either continue control beyond December 31 or not in their discretion. We provided that any incorporated city, village, or town which desired to continue rent control beyond December 31, 1950, could do so by passing a resolution.

In light of the controversy in the Supreme Court today in the Los Angeles case, may I say that we did not provide that they should pass an ordinance. The law expressly says that they may declare their intent by resolution. Just to carry that thought a little further, and perhaps be a little ridiculous in order that we may see what the intent of Congress was at that time, we might have theoretically, and within our legislative

rights, said that a city could continue rent control beyond December 31, 1950, if the clerk of the city wrote to the chairman of the committee down here, or if any person in the United States in a civilian capacity or otherwise declared that rent control should continue in that city. We said "resolution" and we meant what we said and we did not say or mean "ordinance" when we said "resolution."

So any city that desires the continuance of rent control beyond December 31 may by resolution continue it. The only reason, Mr. Chairman, this bill is before us today is because so many of the cities and municipalities have indicated by their failure to take action to continue rent control up to the present time that in Tighe Woods' opinion rent control at the Federal level is going out the window. The only pressure for discontinuance of these controls beyond December 31 and the only justification for it is Tighe Woods.

Do we want to keep the promise which we made to the muncipalities 6 months ago that they could by certain action or failure to take action, simple as the action might be, continue rent controls in their localities or not as they saw fit?

Is there any justification for the continuance of the automatic decontrols beyond December 31? None whatsoever, excepting to keep Mr. Tighe Woods in office. There is no economic justification for this resolution. There is a political justification for it, because let me charge without fear of successful contradiction that this resolution is sponsored by those who want to continue controls for control's sake.

Let me point out that there is no economic justification for this. The Government gets out every month—and you probably get it—a document entitled "Economic Indicators." It is a splendid authenticated document. The Bureau of Labor Statistics and all the rest of them contribute to it. It is an official document, originally gotten out for the Joint Committee on the Economic Report and later, under resolution, made available to all Members of Congress. You will have in mind that last year we passed a control bill; a production-control bill, so-called. It was predicated upon the desirability of giving the President the authority to control prices and services if and when he found that prices and services had increased or threatened to increase disproportionately, and that there would be danger to our economy unless prices and the cost of services were controlled. Now there has been a great deal of discussion as to why the President has not exercised controls over food prices, over the cost of services, over the cost of heating, over the cost of all other essentials, but, at the same time, comes in here and asks for this continuance of one category of services, namely, rent.

Let us look at the Government record in this respect. On the 1940 average monthly basis the cost of all items has increased 73.6 percent. The cost of food has increased 112 percent. The cost of apparel has increased 89 percent. The cost of fuel, electricity, and refrigeration has increased 42.1 percent. House furnishings have increased 95 percent. In contrast, rent has increased only 20.2 percent. There is the official Government record. Now, I say that there is not an economic problem confronting this Congress at the present time insofar as this resolution is concerned. If there is this emergency, which my worthy and very highly esteemed colleague, the chairman of the commitee, says exists today, then there is such an economic emergency as to compel the President to use the powers which we gave him this last year to control these prices which in all instances have increased more than three times the amount which rent has increased. So there is no economic justification for this. Yes; there is a political justification for it. There is a political justification for it because the forces which dominate the policy of this Government, which are in the driver's seat, want rent control. They are not the home owners. They want to buy their goods at low prices and sell them at high prices. They are not being fair, they are not being equitable. They are not viewing this as an economic problem, or they could not stand on their own two feet. It is a political problem.

This bill is indicative of the extent to which these forces will go to show that they do dominate Government policy, and we are expected to swallow it in the name of emergency.

No opposition witnesses were allowed to appear on this bill. We had three Government witnesses before the committee. Two of the Government witnesses showed by their testimony that they knew absolutely nothing about the situation. They talked of continuing controls in Biloxi, Miss., when controls have never been taken off in Biloxi, Miss. They used Detroit, Mich., as an area that was getting short, and in which rent control should be continued. Rent controls have never been discontinued in Detroit, Mich. This shows how little these Government people knew about the situation.

No, there are a few top brass who insist upon taking their families with them into war, who want rent control continued in the areas adjacent to the installations where they are serving. The only justification for the continuance of rent control, the only justification for the denial to the localities of the right to discontinue rent control, is that these top brass want rent control continued so they can take their families with them into war.

They tell us that in the vicinity of these camps rent control is necessary because of a housing shortage. That is a question of policy which this Congress or somebody has to solve finally. It is simply this: Do we encourage the families of men who are being sent into these camps temporarily for training to take their families with them into war? It has never been done before.

The problem here in Camp Pickett, which has caused the two United States Senators from Connecticut to raise their voices in favor of increased housing facilities, lies only in the fact that the families of those men from Connecticut insist on living in the vicinity of Camp Pickett, where their men folks are training. What is going to happen when after the 90-day training period or the 120-day training period the men move on to Korea? What happens to these families? Are they going back to the areas from which they came, or are they going to insist upon their right to stay in the vicinity of these camps and multiply this problem a hundredfold, because the new families will come in with the new men and, so long as we adhere to that as a matter of policy, we are going to have housing shortages in the vicinity of these camps. That is a problem which this Congress or the top brass in our military will have to solve outside this bill.

Let me reiterate that there is no economic justification for this bill. You are not keeping faith with the localities which have crystallized these issues within their municipalities, who have made up their minds either to continue rent control beyond December 31 or to let it die.

There are 3,250,000 units in these areas which would go out of control at the discretion of the governing bodies of these municipalities on December 31, 1951. Therein lies the necessity they claim for continuing these controls because if these areas are decontrolled, Tighe Woods will lose his job. That is the only justification for continuing rent control.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may require to the gentleman from New Jersey [Mr. ADDONIZIO].

Mr. ADDONIZIO. Mr. Chairman, while the continuation of rent control is a matter of primary importance to the 660,000 renters of housing units in northeastern New Jersey, it is also a matter of primary importance to the Nation's expanding military and defense production needs.

We are faced today with a situation not contemplated when the present Rent Control Act was drafted. Since 1947, Congress has each year modified the rent-control law to bring about the earliest possible decontrol of local communities. As a matter of fact, the Congress has made it so easy, that the present rent-control law could more properly be considered a rent-decontrol law. Basically, the theory behind the present easy decontrol procedure is that we are at peace and that if some local community took premature decontrol action, it would be a calculated risk which would affect only that community.

However, since the Rent Act of 1950 was passed, the North Korean forces brutally and without provocation invaded southern Korea. With the expansion of our military plant since that date and with the contemplated increases in necessary production of war material, what had been formerly a matter of strictly local concern has become a matter of national concern. Many local communities have recognized their responsibilities to the Nation and, where a housing shortage has existed, have resolutely asked for continuation of Federal

controls. In other communities, however, you have a sorry record of local governing bodies putting local greed before the interests of national defense and going ahead to take advantage of easy decontrol procedure in the face of a mounting housing shortage in their communities and the prospects of a still tighter housing shortage in the future. In some instances the pleas and representations of the military and naval forces representatives have been brushed aside or ignored.

On November 7, after less than an hour's consideration, the city council of Pensacola, Fla., voted to end controls on December 31 despite evidence presented by the Military and Naval Establishments that the housing situation in Pensacola is critically acute.

Lt. Col. C. J. Baldrick, representing General Boatner, told the city council that more than 300 civilian and military personnel were awaiting a chance to rent homes and that many of the military personnel were forced to leave their families because of the shortage of housing in Pensacola and the high rents charged for new construction.

Lt. Comdr. George S. Robinson, representing the naval air basic training unit, revealed to the city council that a survey of 2,400 housing units revealed only 15 vacancies and that the Pensacola Housing Authority had 1,350 units with no vacancies and a waiting list of 950.

The commander further told of the Navy's investigation of 112 places listed for rent in the local newspapers. Eighty-three of the 112 places were contacted. Fifty-six were rented before his phone call had reached the landlord or rental agent. Sixteen were still available but three of these were of a flophouse variety and five were out of the city. Five of the sixteen would permit no children; five had no central heating and in others the occupants had to share a bath with other families.

In spite of this testimony the Pensacola City Council voted for decontrol December 31. The councilman who made the decontrol motion expressed the opinion that Congress had passed the city council a "hot potato" and he was in favor of tossing it back to Congress.

Under the present rent act there is no way in which the newly developed needs of vital defense areas for rent control can be met. In San Diego, which was decontrolled on September 1, the recall of Navy Reservists and expansion of fleet and shore activities is daily increasing the shortage of housing. In the Navy housing in San Diego, families needing larger quarters cannot be shifted to larger quarters because the shift itself would keep badly needed housing from being used for a precious day or two. The situation is particularly bad in San Diego for fleet-based personnel. The permanently shore-based personnel quite naturally and understandably gets first call on the available housing. At present neither the city council nor the Office of Housing Expediter can do anything to bring Federal rent control back to this area which is vital to the needs of national defense. The situation will have to be met either at this session or early in the next session of the Congress.

Many charges and complaints have been made as to the bureaucratic administration of the rent-control law, as to the arbitrary rulings of officials with no knowledge of local conditions, and so on. We are all familiar with them. However, the truth of the matter is that every effort has been made to decontrol wherever possible, and to decentralize operations so as to provide for local administration. I am personally well acquainted with the administration of this law in my State, and I have been particularly impressed with the devotion to civic duty shown by the members of the Northeast New Jersey Rent Advisory Board. Included as members of this rent advisory board are such distinguished Americans and citizens of New Jersey as Dr. Eugene E. Agger, dean of department of economics, Rutgers University; A. N. Lockwood, past president of the New Jersey Association of Real Estate Boards; and the Honorable George R. Morrision, judge of the Middlesex County District Court.

Such distinguished citizens as these have given freely of their time and intelligence to make rent control both humane and workable in the nine counties of the northeastern New Jersey area. These are independent local citizens whose recommendations are made without a tinge of obligation to the Office of the Housing Expediter except to render to the OHE the best possible advice both as regards individual cases and general administration of rent control in the area.

Here, on the local level, a tenant representative, a landlord representative, and public interest representatives work together to resolve differences in viewpoints. These men—and women—consider not only the general problems of the landlords and the tenants in their area but they handle the individual appeals parties who feel that the decision of the area rent office was not just. The landlord and tenant can be assured that their problem will receive individual attention and the benefit of a group decision of civic-minded local citizens who are in constant contact with their problems.

To an amazing extent, apparently impossibly conflicting viewpoints are reconciled and both landlord and tenants leave with the knowledge that their cases have received the maximum consideration possible.

The Office of the Housing Expediter is to be commended for its fostering and encouraging the maximum of local administration of a Federal regulation.

The Northeast New Jersey Rent Advisory Board is democracy at work. As its members quietly go about their work, they are once again proving the strength of democracy's political institutions.

Any future rent-control legislation should be designed to strengthen and extend the influence of these local groups in administering rent control on the local level.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. SABATH].

Mr. SABATH. Mr. Chairman, the gentleman from Michigan [Mr. WOLCOTT] with his great ability and ingenuity always endeavors to impress the Members with the importance of some of the so-called objections to rent control which come to his mind. In this instance, of course, ever since 1947 he has been against rent control. Only yesterday during the hearing before the Committee on Rules, I asked some of the witnesses whether they could tell me of a single income-property owner who lost his property because of rent control. The fact is that the owners of property have been the beneficiaries of this law because ever since rent control went into effect they have had their apartments and houses occupied 100 percent. The owners are not obliged to make improvements on the premises and all the landlords have made money. Certainly there were some small real-property owners who did not receive increases which they thought they were entitled to. But when they made application for hardship increases or an adjustment and showed the need for such increase, same was granted in 84 percent of the cases, so I am informed.

Let us be candid. I know and you know that most of the opposition to rent control emanates from men who acquired the big tenement and apartment buildings after the crash for 15 and 20 cents on the dollar. These men and the real-estate lobby, as we all know, spent over a million dollars in its attempt to defeat any rent-control law. They are the most avaricious crowd I have ever come across. These men, who are so anxious to do away with all rent-control legislation in this emergency, are not satisfied with 50- to 100-percent return on their investment; they want 200 to 500 percent on the properties they acquired during the depression. They are the men who, whenever they had the chance to boost the rents, have done so. What chance do the poor tenants have who find it so hard with the high cost of living to pay these increases? I tell you we will have a great deal of trouble in most of the cities of the country if this extension is not granted. It is only for 3 months.

The gentleman has also called for controls over everything. Well, I have personally urged and advocated control ever since last June 1, when the steel, lumber, and other industries started to increase their prices from 30 percent to as much as 75 percent. But the President feels that he should not recommend or issue an Executive order putting on controls until he has fully studied the facts involving the imbalance in the national economy.

He is for control of prices where it is necessary, but he does not wish to impose controls where it is not necessary. This legislation is necessary. It only extends the decontrol provisions of the present act for 3 months, in cases where the cities have been unable to get together and legislate on this important subject. In view of that fact, I hope that you gentlemen who have a heart and a conscience will support this bill and vote for it so as to make it possible for these

tenants to have a roof over their heads, at reasonable rentals.

In the city of Chicago we have extended rent control for 6 months but there are many other metropolitan areas where action has not been taken, although needed, first, because of continued pressure by the vicious and powerful real-estate lobby, and secondly, because many local governing bodies have been confronted with various legal technicalities as a result of the Federal court decision in Los Angeles.

What is the situation in Chicago today? Rental housing is virtually not available. Of the small number of dwellings actually produced for rent in the past several years, the lowest rentals were from $85 to $115 per month. However, of the 270,000 dwellings necessary at this moment to adequately house low-income families, 87,000 are needed at rentals of less than $43 per month. Another 24,000 units are needed at rentals between $43 and $49.

The present occupancy figures for Chicago are 99.2 percent. The figures for other major population areas all show vacancies of less than 2 percent, and these percentages cover all types of vacancies. With the rapid expansion of industrial activity in these large centers of population under the defense program, with the need for workers mounting and families moving into cities at a rapid pace, the situation will become infinitely more critical in the next 2 or 3 months. These workers, giving their all in the defense effort, must have the protection of rent control against the unscrupulous landlords who are ready to bleed them white, as I said before. Consequently I urge a favorable vote on this meritorious and humane bill. I am confident this bill will pass.

The CHAIRMAN. The time of the gentleman from Illinois [Mr. SABATH] has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 10 minutes to the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, this bill is born in a fog of political expediency. It was conceived during the last political campaign, when the President of the United States felt it was necessary, by some means, fair, and, I say advisedly, foul, that he might stem the tide which was about to overwhelm the Democratic Party. He announced that it might be necessary for him to call a special session of Congress, at which time we would consider extension of rent control. So since that time it has been necessary for the President of the United States to sustain his idea that we need an extension of rent control.

The newspapers have been full of the fact that this bill calls for an extension of rent control. A radio commentator the other night, if you please, said, "Here in these dire days, unity between the great parties is needed, and we should have bipartisan enactment of this bill for the extension of rent control."

I have before me the bulletin of the national committee of the Democratic Party, Capital Comment. It contains this statement made December 2, 1950:

> Federal rent controls will expire on December 31 unless Congress extends them.

This is a patent misrepresentation.

That, Mr. Chairman, seems to be the issue today as presented by the President, the Democratic Party, and by some newspapers which have misunderstood the issue, and by other people who want the issue to be misunderstood.

Mr. Chairman, we must not make a mistake. As the gentleman from Texas who proposed the resolution adopting the rule said, this bill is not to extend rent control, and it is not. What is the issue here? The only issue presented by the bill as said by every Member of this House, in the committee, and on the floor today, is the extension of the automatic decontrol provision of the present law. In other words, one method of decontrolling rentals is eliminated by this bill. It leaves two other methods of decontrolling rentals; namely, rentals may be decontrolled by affirmative action of the municipality, or they may yet be decontrolled by action of the Expediter. Rent control, then, does continue until next year, the middle of 1951, irrespective of whether or not this bill is passed. Rent control will continue in more than 800 cities and municipalities irrespective of whether this bill is passed, and rent control will continue in every other municipality now under control and which believes that it needs it. No area, no city, no municipality, no State can be decontrolled if that particular area believes that it requires rent control.

So, Mr. Chairman, in the beginning of my statement I wish definitely and positively to clarify the fact that this issue is not the extension of rent control.

The other argument made in favor of this bill is also a phony one. Witnesses appeared before our committee, and those speakers who have already appeared before the House in favor of the bill, have said that it is a war emergency proposition. They have said that the bill is a necessary part of our defense and stabilization program. I want to quote what the President has said about it. He said:

> To carry out this program successfully and to safeguard our economy it will be necessary to keep rents in the vital defense areas from raising to unreasonable heights.

All right, if the President is sincere in that statement, if rent control is needed today as a safeguard to our economy, if the Democratic Party is sincere in that statement today, then I say to the President and to the Democratic Party that the power they now have to control prices and wages should be used.

Does this bill do anything to promote defense or economic stabilization? The answer, of course, is "No." And why is that? Because there are 1,000 areas in the United States which are now decontrolled but which formerly were under control. Those localities are in former and present defense areas. Those areas which are now decontrolled are adjacent to and near Army installations. They have been decontrolled irrespective of whether or not at the present time great numbers of workers are moving into the areas. They are decontrolled irrespective of whether or not bases are being reactivated; they are decontrolled irrespective of whether or not it is causing inflationary trends in the Nation.

Mr. Chairman, the only reason we have control today is because about 1,600 areas have not taken the step to decontrol. Will they take the step to decontrol? Or will they not take the step to decontrol? If they take the step to decontrol, it will not be decided upon the need to promote our national defense or economic stability. It will be taken upon a local determination of a local need.

Thus, on examination of the operation of the present rent-control law, as amended by this present bill, we find that both controlled and decontrolled areas have attained that status irrespective of our national defense or national economic needs. This is true today, and will be true afterward if the bill is passed.

Mr. Chairman, I challenge the supporters of this bill, its proponents, to show how this legislation can promote the national defense activities or economic welfare of this Nation.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield to the gentleman from New York.

Mr. KEATING. In connection with any one of these areas which have already decontrolled, this bill would not give them authority to recontrol, would it?

Mr. COLE of Kansas. Absolutely not.

Mr. KEATING. Even if we extend this law?

Mr. COLE of Kansas. Absolutely not.

Mr. KEATING. And any one of these areas which has not yet decontrolled can act today or at any time up to December 31 to extend control or decontrol?

Mr. COLE of Kansas. That is definitely right.

Mr. Chairman, I have not attempted to argue the right or wrong of rent control. I have supported rent control in the past; I have fought rent control in the past. I have done that because I believe that in times of great emergency controls which I abhor may be necessary. But apparently our emergency is not that extreme. The President does not believe it is or we would have price and wage control. However, if the extreme emergency has arrived, if you believe that it is here, this is not the bill to carry out the program, as I have previously shown.

In the Washington Daily News of December 5 appears a very interesting picture of a charming individual by the name of Alan Valentine. Underneath the picture it is stated that he was unanimously approved by the Senate Banking and Currency Committee as head of the Economic Stabilization Administration. He said that "group prices and wages

should be stabilized with general controls when a certain economic plateau is reached."

Mr. Chairman, this apparently is the attitude of the administration in asking for this bill. First, political expediency, and, second, a desire to reach a plateau of economic inflation before controls are placed upon all commodities.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the gentleman two additional minutes.

Mr. COLE of Kansas. Mr. Chairman, but below that plateau is a group of "second-class" citizens, to borrow a word I have heard used here sometimes. Those second-class citizens are apparently the home owners and the landlords of America. Prices have risen, wages have risen, the economic structure has been boosted to an alarming height, with one exception. The one exception are those people who have the commodity, "houses," to lease to their neighbors.

Mr. Chairman, this bill does nothing to correct the economic instability in which this country finds itself, this bill does nothing to further the defense efforts of America, this bill does nothing to help those people who may be called upon to move from one community to another and enter into defense work. This bill, Mr. Chairman, does nothing but pull the President of the United States out of the political hole in which he found himself last November. If it passes, he can say, "I have accomplished something." The truth is, it accomplishes nothing. I repeat, in spite of the fact of political propaganda claims that the bill provides rent control extension, I hope I have shown to you that this is rent control detraction.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. COLE of Kansas. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Will this legislation permit the communities that have not taken action on rent control up to December 31 to consider it further after December 31?

Mr. COLE of Kansas. Yes.

Mr. AUGUST H. ANDRESEN. That is the only thing it will do?

Mr. COLE of Kansas. That is right.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. SPENCE. Mr. Chairman, I yield such time as he may desire to the gentleman from Georgia [Mr. DAVIS].

Mr. DAVIS of Georgia. Mr. Chairman, I am opposed to the passage of this bill. On June 13, 1950, we passed in this body a bill extending rent control until December 31, 1950.

That bill, as it was finally enacted into law, contains a provision that any municipality desiring to remain under rent control after December 31, 1950, may vote through its governing body to do so, and continue rent control in that municipality until June 30, 1951.

It is not necessary at all that this bill be enacted in order to let municipalities which desire to continue rent control after December 31 have the right to do so. They have that right under existing law.

All that is necessary to be done is that the governing body of the municipality vote before December 31, 1950, to continue rent control until June 30, 1951. When that vote is taken, rent control automatically continues under existing law until June 30, 1951, in that area. The machinery for enforcing rent control in such areas continues to exist. The present law contains all necessary machinery, both local and national, to continue rent control until June 30, 1951, in each and every jurisdiction which desires to continue it. There is, therefore, no basis for the argument which has been advanced that this present bill is necessary to hold together rent control enforcement machinery until such time as the Eighty-second Congress can examine the situation and determine whether or not the Korean crisis requires a further extension of rent control.

For the past 2 years I have voted against continuation of rent controls. It is utterly unfair to the citizen who owns a dwelling house and desires to entr it to say to him "you must pay increased carpenter wages, you must pay increased plumber's wages, you must pay increased cost of lumber, cement, roofing, paint and all other materials. All these you must pay for at the 1950 rate, but you can only charge rent at the 1942 rate." This is unjust. It is not democratic.

In addition to this, a great part of the rental housing in this country is not under rent control, and never has been. New construction has been erected upon which the owners are at liberty to charge whatever rate is fixed by competition. There may be dwelling houses on the same street, one of which is under rent control, and the other not under it. The problem has grown into a hodgepodge of inequities and unfair situations.

Congress made it clear when the law was extended this year that it would finally expire on December 31, 1950, except as to such cities and areas as took affirmative action to continue it for 6 months until June 30, 1951.

If the Korean war has changed the situation to such an extent that rent control again is necessary in the war effort, then let controls be placed on everything else at the same time, and do not make the owner of rental dwelling property the goat for another period while the powers that be play politics with controls on all other necessities of life and with wages.

If the war effort requires rent control, it certainly requires controls on food and the other necessities of life. Also if the war effort requires rent control again, then let an equitable bill be worked out—and there is plenty of time to work it out between now and June 30, 1951—which will place rent control on a 1950 basis and take it off the 1942 basis.

For these reasons I am opposed to any extension of this legislation at this time.

Mr. SPENCE. Mr. Chairman, I yield 5 minutes to the gentleman from Georgia [Mr. BROWN].

Mr. BROWN of Georgia. Mr. Chairman, the Members of this House know how I feel generally on any kind of controls. I am against all controls except in emergencies. We passed the defense-production control bill a few months ago. If the President undertakes to carry out the intention of Congress and wants to place controls on some commodities and wages or across the board on everything tomorrow, he can do it. But, he cannot put controls on rents. Now, the purpose of this bill is not to take away the States rights provisions incorporated in the present law. Any city, community, or State automatically gets rid of Federal rent control under present law, unless affirmative action is taken by such body prior to December 31 to continue rent control.

The gentleman from Kansas intimated that politics entered into this bill. Gentlemen, this is no time to play politics on either side. How can you say that there is any politics in this bill? It contains only 6 lines. It just extends the operation of the present law 3 months so that we can consider, when we come back here, whether or not we need rent control, if we are going to have controls on all other commodities. Now, you think about this seriously. Yes, you saw what the Committee on Rules did. You saw them change their minds upon further consideration and investigation and vote out the rule. The able Congressman from Mississippi [Mr. COLMER], a member of the Committee on Rules, previously voted against it. He said a few minutes ago on the floor he was now convinced that this bill should be passed under present circumstances and he expected to vote for it.

You know I advocated all along and introduced an amendment a year or two ago to the effect that every land owner was entitled to a reasonable profit on his investment. About 2 years ago the House adopted this amendment, but the conferees of the House and Senate changed it to the point where it was not effective and I did not support the conference committee report. I have not been pleased at all with the way the rent-control laws have been administered. I took the position then and feel the same way now that every land owner is entitled to a reasonable return on his investment. I venture to say to the gentleman from Michigan and the gentleman from Kansas that if we had tried to change the present law by this bill we would encounter difficulty. We do not know whether or not circumstances will justify us in extending rent control next year or not.

This bill does but one thing: It gives us time to consider whether or not world conditions justify rent controls of any kind. Gentlemen, do not engender politics in this. I made a fight some time ago against cross-the-board controls, because there were only 12 or 15 commodities out of line at that time. I thought

we ought to have controls on those commodities out of line at that time as well as on wages for producing those commodities, and if necessary later on controls across the board on prices and wages. Should we have controls across the board on commodities and wages we probably would be forced to have controls on rent.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. For a question.

Mr. CASE of South Dakota. If this bill is not passed, could local communities between now and the 31st of December on their own initiative extend rent control?

Mr. BROWN of Georgia. Yes; they can by affirmative action, but unless they take affirmative action, under the present law, they will be out from under control. You will have no machinery; you will have no local board or rent control office of any kind. There will be 25,000 cities and communities out from under Federal control, which affects 7,500,000 rental units. That is what you will have without affirmative action by the communities and States to continue rent control. All this bill does is to extend the present law for three more months so it can be determined whether or not another law is necessary. Under the law, you have to take affirmative action if you have controls any longer.

Mr. CASE of South Dakota. That is what I was asking. Can local communities take affirmative action between now and the 31st of December?

Mr. BROWN of Georgia. Absolutely, every local community in the land between now and December 31, or between now and March 31 under this bill, can meet and say, "We want controls." What is in this bill? How can anybody oppose a bill of this kind? If you were to try to load it down and change the policy from a States' rights policy it would be a different proposition, but we are only trying to get a little time to say whether or not we want to continue controls under present war conditions, and also in the event controls are placed on prices and wages. That is all it means.

Today it looks very much as if controls will be placed on commodities and labor soon, and if this is done, we will not have the machinery and cannot place controls of any kind on rent unless Congress passes this bill. We will have time in the next session to consider whether or not we want any type of rent control. That is all there is to it.

Wherever a State or local community has voted to do away with rent control, under the bill we are considering now it cannot be recontrolled. How can anybody oppose the bill?

The gentlemen on the other side who spoke against this bill are mighty fine and able men. They say this bill does not give you anything. It does extend the present law 90 days, and this is the reason I am going to vote for it. I am sure these gentlemen would not support a stronger rent-control bill at this time. We do not know whether or not we want further rent control next year, but if this law is not extended, we will not have any machinery to put on rent controls if controls are placed on every commodity in the United States and all of labor. Do you want to be caught in that position?

All you are doing is just saying, "Let us extend this States' rights rent-control bill for three more months so that the new Congress can determine whether or not we want any form of rent control." You cannot reinvoke rent control anywhere. You who do not have it in your States or in your communities will not be affected by this bill, but, on the other hand, you can take controls off in any community that wants to do it, or any State that wants to do so, not only from now to December 31 but, if this bill passes, for three more months.

I do not see how anybody can oppose a bill like this.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Georgia. I yield to the gentleman from New York.

Mr. KEATING. Is there not one exception to the rather sweeping statement that the gentleman made that this bill is needed to continue the machinery of Federal rent control? Is it not a fact that if this bill is not amended the machinery of Federal rent control will have to be continued anyway in order to take care of those communities which have already passed resolutions and which may hereafter pass resolutions to extend rent control?

Mr. BROWN of Georgia. Only to a limited extent.

Mr. KEATING. I thought that if they had passed that resolution, then Federal rent control was in those communities until June 30.

Mr. BROWN of Georgia. Every community in the United States that now has rent control, unless it takes affirmative action before December 31, will be out from under rent control, but that does not apply to those that do take affirmative action. Therefore, the argument of the gentleman from Kansas and the gentleman from Michigan that this proposed legislation is just to pay the expenses of Tighe Woods does not hold water, because Tighe Woods will have to be paid anyhow.

We will not know until the first of the year whether we will need rent control or not. If so, we may want a different form of rent control. It depends altogether on the critical war situation and whether or not controls are to be placed on commodities and labor. We will be in position to know early next year whether or not conditions and circumstances will justify the extension of control on rent. I do not mean to say that I will support rent control next year, but I do want time in the face of world conditions today to give it consideration since it appears now that we are going to have controls soon on everything else.

Mr. KEATING. If the gentleman will yield further, to a degree I agree with him. I would be hesitant at the moment to cut off all Federal rent control because of the possibility that we might need it later as a part of general control. But I understand there will be machinery for Federal rent control continued anyway so that we will be in a position even without this legislation to meet that problem, together with the problem of other controls early in the next session. Am I correct in that statement?

Mr. BROWN of Georgia. You will be giving the communities three more months to decide whether or not under present world conditions they want rent control. They certainly ought to have that.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. WOLCOTT. Mr. Chairman, I yield 1 minute to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I asked a question of the gentleman from Georgia, and I am not sure whether he understood me correctly because his answer did not correspond to what I thought I had read in the committee report. I would like to ask the gentleman from Michigan this question: Between now and the 31st of December can any community continue rent control by affirmative action of the governing body?

Mr. WOLCOTT. All that any municipality has to do is to pass a resolution containing the fact that it is desired that rent control continue in that municipality. Rent control then will automatically continue in that locality up to the minute of time as provided in the Federal act which is June 30. Therefore, any community that wants to continue rent control beyond December 31 merely has to pass a resolution under existing law which will automatically continue rent control beyond December 31 until June 30 of next year.

Mr. CASE of South Dakota. Then if one believes that the local community is the best judge of whether it wants rent control or not, the conclusion is that we do not need to pass this law to permit them to exercise their judgment?

Mr. WOLCOTT. The gentleman is correct. We do not need to pass this law at all.

The CHAIRMAN. The time of the gentleman from South Dakota has expired.

Mr. WOLCOTT. Mr. Chairman, I yield the balance of the time to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Chairman, I was greatly interested in the discussion in reference to whether or not the governing body of a municipality had the right to pass a resolution to decontrol rent under the present law until December 31. Apparently there is a loophole in the present law, because at least in two communities in my district which have acted to decontrol rents they found that their resolution was not all that was required. They discovered it was necessary to obtain approval or confirmation of that resolution by the Rent Administrator, Tighe Woods. At least in one instance the Administrator saw fit to place such resolution in a pigeonhole to delay it or forget it. Rent control makes its own problems. Hardly anyone is silly enough

to build anything for rent while rent control is in force.

I want to read a telegram received just a little while ago from the city attorney of Pontiac, Mich., a city of nearly 80,000 people. Here it is:

PONTIAC, MICH.,
December 7, 1950, 9:54 a. m.

Pontiac acted on rent decontrol by resolution. This action should not be invalidated by amendment. Oppose any change in rent law which would allow the term "resolution" to be construed as requiring or meaning an ordinance.

Signed, "William E. Ewart, city attorney, Pontiac, Mich."

This may not have any direct relation to the resolution before us today, but I believe it worth while to present to the House and the country a case where fear is expressed that the will of the people at the grass roots will be defeated and the action of the local governing body destroyed after they have acted upon and desire decontrol of rent.

I have consistently voted against the extension of rent control since the end of the war. I am opposed to this resolution and shall vote against it. The administration of rent control as I have observed it in my congressional district, and particularly as it applied to the small property owners, has been to force such owners to sell their property. This has added to the scarcity of units for rent. In too many cases rent control resulted in legalized robbery. The right to acquire and own property is an American right. To deprive people of that right is un-American and a direct blow to free government.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. DONDERO] has expired.

Mr. SPENCE. Mr. Chairman, I yield myself 1 minute.

If a city has decontrolled, it remains decontrolled, and the passage of this act has no effect upon it. This bill merely gives it the opportunity until March 31, next, to decontrol if it desires to do so, but every city that has decontrolled remains decontrolled.

Mr. Chairman, I yield the remainder of the time to the gentleman from New York [Mr. MULTER].

The CHAIRMAN. The gentleman from New York [Mr. MULTER] is recognized for 5 minutes.

Mr. MULTER. Mr. Chairman, I wish to try to clear up some of the confusion that has been created, not intentionally but nevertheless created, by those who are opposing the enactment of this very simple bill. It does nothing but change the date December 31, 1950, to the date March 31, 1951, in the existing law. In doing so it extends the law, it continues it as it exists today for another 90 days, without in any way affecting any locality's right to decontrol if it wants to decontrol, as set forth in the existing law. It does not and will not reimpose controls upon any area which has heretofore decontrolled. It will keep the status quo. Conditions as they exist today will be continued for another 90 days after December 31 of this year, so that when we come back in the Eighty-second Congress we can then review the entire situation and hear everybody who wants to be heard on the subject and come in here and tell you what, if anything, should be done about the continuance of rent control.

We gave the President the right to control prices and wages, and everyone I am sure knows that he is now in the process of setting up machinery to control prices and wages. I think we were told when we had the bill before us for consideration that it would take anywhere from 6 months to a year to set up the proper machinery under which the Government could properly function in controlling those items. It would be absurd, I say, to ask us to wait until the President moves to control prices and wages before we continue or extend existing rent controls.

The argument that rents have not risen as much as other commodities or as much as wages is quite beside the point if we agree that we must control inflation. It is not a question of whether one commodity rose more than another or whether rents have kept pace. If a landlord feels he is not getting sufficient rent he can get relief and the landlords have been treated very well under the existing bill. If the landlord feels that he did not get a fair deal he has the right to appeal and present his case again and get what he is entitled to. In most instances, as I say, the landlords have been treated very fairly. The important thing to bear in mind now is that the police action in Korea as it was called when we passed this law 6 months ago has now, in the language of General MacArthur, developed into a new war. We are mobilizing for war and for all-out war. Steps must be taken and will be taken to channel material and necessary items into the war effort, into the mobilization for all-out war. Housing will necessarily have to take a back seat as mortar, and stone, and steel, and other items that go into housing must be channeled into the war effort. This situation as to housing must necessarily get worse and not better, unfortunately, in the years ahead. All we are trying to do by this bill is to keep the situation exactly as it is now until we can review the entire picture next month and come back to you with a complete report and tell you exactly what must be done and how it will have to be done. This business about the top brass, or Mr. Woods' wanting this bill extended is just nonsense. Mr. Woods is going to remain in his job until June 30, 1951, even if we do not pass this bill. What will happen is that if we do not pass this bill, in some 1,700 communities where live in excess of 25,000,000 people the rent machinery will immediately disappear; there will be no means of continuing control there at all, and if we then decide we must reimpose controls after December 31, if we should let them die now, Mr. Woods will have the necessity of building another organization. All we are asking is that you preserve this as it is now.

Mr. WOLCOTT. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] One hundred and thirteen Members are present, a quorum.

The Clerk read as follows:

Be it enacted, etc., That section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended by striking out "December 31, 1950" in each place it occurs therein and inserting in lieu thereof "March 31, 1951."

Mr. POULSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from New York [Mr. MULTER] just made the statement that all this pending resolution does is change a date, and that is a correct statement. It extends the Rent Control Act for another three months, it extends for another three months the power and authority of the bureaucrats and the hold they have upon the throats of a certain segment of our population.

It also continues in power these bureaucrats with full authority. It does not give the people of the United States any more rights than they now have through their duly elected bodies. Under the existing law their city councils, or other elected organizations, can protect them so far as rent control is concerned, if they need protection, by an affirmative vote to extend this for 60 days or 6 months. If the particular bodies referred to feel that their communities do not need rent control, and they certainly know this better than anybody here in Washington, they can by lack of vote release the people from the control of these bureaucrats. So, either by affirmative action or by lack of affirmative action the duly elected representatives in each community can determine for the particular community involved whether the people shall have rent control or not.

Let us see what happens if this resolution is passed. Are the proponents of this measure anxious to give the people any additional rights? Let us refer for a moment to the city of Los Angeles. The local authorities of that city under their conception of the law voted decontrol last July. Mr. Tighe Woods refused to sign the necessary documents and used all of the tricks known to attorneys and to bureaucrats to postpone action. He was rejected in several courts and finally in a district court they ruled that the action of the Los Angeles City Council was not legal.

The provisions of the bill which we recently passed said that the people in any community could determine through their duly elected bodies whether or not they should have rent control. Mr. Woods was not going to pay any attention to that. He actually said they needed rent control.

Let us see whether these various communities need rent control or not. Look at the "for rent" ads in any Los Angeles city newspaper. There are hundreds and hundreds of places for rent. That situation also exists in all the surrounding territory.

Let me give you an example of what this rent control has done. A young man in my acounting office came back from the service and had to pay $75 a month rent in a city adjoining Los Angeles, while others who had not been in the service and were earning high wages in a factory were only paying $35 a month.

What happened when they permitted rent decontrol in that city? The veteran's rent went down to $50, and the others who had not served in the Army and who had benefited from high wages and from rent control had their rent raised to $50.

Mr. Chairman, if we need rent control within 90 days, Congress can pass such a law, but in the meantime there will have been an opportunity for rents to adjust themselves and level off so that new rent controls, if needed later, can start from the proper base. As the situation exists now some rents are unfair, some are out of line—some too high, some too low. Without this 90-day extension they can be adjusted equitably.

If we pass H. R. 9763 it means that Tighe Woods, the most power-hungry bureaucrat in Washington, will use every legal technicality to absolutely thwart the intent of the city councils. This will certainly not give the people decontrol. His actions will be the same as those in the case of the city of Los Angeles. I say defeat this resolution at this time.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. POULSON. I yield to the gentleman from Michigan.

Mr. DONDERO. Did they use the tactics on Los Angeles by telling your city commissioners they should have passed an ordinance instead of a resolution?

Mr. POULSON. Yes; they took advantage of every technicality and tried to interpret the law as they saw fit, in order to defeat the intent of the city council of Los Angeles. Tighe Woods wanted to be the one to determine whether or not Los Angeles should have rent control, rather than the residents of Los Angeles through their duly elected representatives, the Los Angeles City Council.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. JAVITS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am for this resolution and I think a majority of the Members of the House ought to be for it. I think it ought to pass, and for this reason. We are in one of the grimmest emergencies our country has ever known. We had rent control throughout the war, we had rent control subsequent to the war for 5 years up to now, and now when we are on the threshold of the greatest effort which we are asking the American people to make in respect to mobilization, for their own security, we propose to take it off.

This is not a question of what each local community does. The local communities have power to decontrol in an affirmative way under the bill as it stands and under the bill as it will be extended. The only difference is that instead of a resolution of the governing body of the local community itself duly adopted after hearing, the resolution has to be approved by the State's Governor. This bill continues the law as it stands today, so that it does not take away from the local community the power to decontrol if it wants to. A community can decontrol if it wants to, with the permission of its State government; if we did not pass this resolution it would have to act affirmatively to keep controls. I think that is the fundamental issue we have here, shall we extend this for 90 days, on the threshold of a gigantic mobilization, continuing the policy we pursued throughout the war, and during the postwar period up to now? We do not want to rock a very important boat before we actually pass into the mobilization effort.

The people of New York are now protected by an effective State rent-control law, but they nevertheless continue deeply interested in Federal rent control, for New York makes and sells in goods and services over $20,000,000,000 a year to the rest of the country; hence, inflation in the country and a breakdown in standards of living due to runaway rents have a direct and immediate effect on the people of New York.

The ranking minority member on the Committee on Banking and Currency just told us that most other things have gone up about 100 points in the index since pre-World War II, and that rents have only gone up about 20 points. Certainly, the reason for that is that rents have been controlled. The extent of the rise is no indication whether Federal rent control is fair or unfair. The question is what happened to the landlords in the country. Constant surveys have shown that they fared quite well. The answer is that the Congress has continued rent control year after year, because this thesis that the landlords were losing all kinds of money could not stand up.

What we are doing today is a very simple thing. We are trying to keep from rocking the boat—suspending rent control—which represents in the area of 25 percent and more of the normal family's outgo for the basic things of life, at a time when we expect the greatest mobilization effort that the American people have ever made, a mobilization program heroic in its proportions—at a time when the American people are facing the grimmest alternative which the American people have ever faced in peacetime.

I have been urging the President to utilize the powers given him in the Defense Production Act of 1950 to immediately impose price controls on basic cost-of-living items to halt the runaway inflation in the cost of living—a factor basic to mobilization in the present situation. I have urged also that the whole Congress demand that the President exercise this power. We must continue to make this demand, but here in rent control we can ourselves help to halt inflation in a critical and material area of the cost of living. It certainly is our clear duty to do so by passing this resolution.

I think we have to practice what we preach. If we expect the American people to do this great job of mobilization then we have to keep them covered by the protection of rent control which we have given them heretofore and which we were convinced was necessary to enable them to see that the job is done.

One other word. The question of the localities being able to vote their own control is a trying one, in the face of the present mobilization situation. The chairman of the Committee on Banking and Currency in the other body in a speech on the floor there on December 1, said there would be a shift, he estimated, of 7,000,000 people in the United States in connection with military and defense activities and in connection with other requirements of the mobilization program. Therefore we can hardly expect a town or locality to pass now before December 31, prospectively on the situation which it will face with respect to retaining rent controls a few months from now. We have to keep the Federal umbrella over the whole situation until we see where this mobilization problem is pinching housing and where it does not pinch, I think it is little enough to ask that the present law be continued for 90 days in view of the sacrifices we are asking of the American people, of American troops and their families, and the emergency which we see existing.

Gentlemen, I think it is purely a question of practicing what we preach. If we do not pass this resolution we are unlikely to be taken seriously on the whole issue of halting the runaway cost of living.

Mr. JACOBS. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, I rise in support of this bill. I wish to leave a thought with you which has not yet been expressed. I will illustrate it by a true example of a community where such conditions obtain.

I understand what the gentleman refers to when he talks about freedom. The Keystone Division from Pennsylvania, though, did not have much freedom when they were loaded on a train and taken out to Camp Atterbury, Ind. Camp Atterbury is located in a territory where there are some housing facilities under rent control and there are some housing facilities that are not under rent control. Those communities where there is not rent control are, by and large, small communities.

My colleague, Mr. NOLAND, from the Seventh Indiana District, and I inspected that territory around Camp Atterbury. I will give you two examples of what we found in a decontrolled area. A 14 x 14 sleeping room was renting for $90 per month to a soldier who was not enjoying all of the traditional freedom we talk about but who was beckoned by Uncle Sam to leave Pennsylvania and go out to Camp Atterbury and train to serve his country on the field of battle.

A cottage that might have sold for $800 or $900 during the 1930's, heated by a heating stove in the parlor, was renting for $85 per month; unfurnished.

The people that will be gouged for rents in that general community that has become heavily populated by virtue of these soldiers having their families come down to be near them—perhaps for the last time—will not be voters for the city councilmen who will either take action or, as in this case, will no doubt neglect

to take action, to continue rent control. They are there, and they are paying the rent, and they will pay any rent they possibly can in order to have their loved ones near them during this period they are being trained perhaps to be shipped overseas.

Therefore, because I know and you know, everyone of you know, that in those conditions those city councils will not act on behalf of the strangers that happen to be within their gates temporarily, this becomes a national issue, because it was not the city of Franklin or the city of Columbus, Ind., or Martinsville, Ind., that brought those soldiers from the Keystone State out there, it was the Federal Government, and it is a Federal question. This body cannot dodge its responsibility in that regard, because those city councilmen that must pass upon the resolution to extend rent control, being human, are going to think more of the fellow that lives on Main Street and votes in the next election than they are of this soldier that we saw paying $90 a month for a 14 x 14 room or $85 a month for an old cottage, unfurnished, and heated by a pot-bellied stove.

Yes, I know what you are talking about when you talk about freedom. So, for the boys who are at Camp Atterbury and in the many other camps throughout the country, let me say this; freedom is a two-way street. He who by virtue of war or national emergency is called away to camp and this applies not only to tenants, but to landlords, too, has to have a facility where he can live. The housing shortage was created because men and materials went to war in defense of landlords and tenants alike. Let me tell you that you should remember our war-displaced citizen too, because he is entitled to a little freedom. One person who is opposed to rent control wrote me and told me he was in favor of freedom. So he proposed we forbid the soldiers the right to bring their families into the area of the training camps. A heap of freedom for the soldier, would not you say?

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. McDONOUGH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am opposed to the resolution on the ground that it will only extend bureaucratic control over local government to an extent which is not necessary under the circumstances. If we pass this resolution, we are in effect saying that we have no confidence in the integrity and ability or belief in the right of the local governments to determine for themselves whether rent control should exist in their jurisdictions.

I further believe that no bureaucrat not elected by the people should be placed in a position by the Congress or the Government of having authority which exceeds the right of the elected representatives of the people and responsible to the people to act for them. I say that in reference to the distressing experience we have had in the last several months in connection with rent control in Los Angeles. The City Council of Los Angeles, made up of 15 elected officials in that city, held hearings and proceeded to consider the question of decontrol of rents. The council chamber holds about 380 people. It was filled to capacity. As a matter of fact, under affidavit the sergeant at arms of the City Council of Los Angeles said there were 450 people in the council chamber. Both sides were given a full hearing. Previous to the action which the city council took, there was a survey as to whether rent control was necessary in the city of Los Angeles. The report indicated that vacancies existed which would justify the decontrol of rents. The city council voted by a vote of 10 to 4 in favor of decontrol and submitted the resolution of their action to the Housing Expediter. While he was considering the resolution passed by the Los Angeles City Council, he became influenced by hearsay and by those who were opposed to the action taken by the Los Angeles City Council.

In the Los Angeles city attorney's review of Tighe Woods' letter to the Los Angeles City Council in which he informs them that he will not approve the resolution they passed by 11 to 4 to decontrol rents in Los Angeles, the city attorney said, and I quote:

> The Housing Expediter has gone beyond all accepted concepts of judicial or administrative practice and has introduced a new type of administrative procedure, namely, review by rumor. The Housing Expediter chooses to rely on asserted information of a hearsay nature, the source of which he does not disclose. It is interesting to note that the language used by the Housing Expediter in making these charges is identical with the allegations found in the papers filed in the case of *Miller* v. *Woods*.
>
> The Housing Expediter refers to, "a petition from a group purporting to act on behalf of 300,000 tenant families in the city, requesting that I withhold action on the resolution until inquiry had been made in the certain matters raised in the petition." The Housing Expediter states that, "among these was the charge that the city council action was in complete disregard of available and known evidence of an already existing shortage of rental housing accommodations, which would be further aggravated by the expected influx of large numbers of aircraft workers."
>
> Reference is made to a copy of the housing survey conducted at the request of the city council by the Peacock Research Associates. The Housing Expediter further states, "This impartial survey, completed in April 1950, shows a vacancy factor of 2.6 percent for all dwelling units in Los Angeles and, in units having monthly rentals up to $57.49, the vacancy factor ranges from 1.4 to 3.5 percent." What he neglected to point out is that in the rental bracket between $57.50 and $64.99, the vacancy factor shown by the report is 5.4 percent. From the Peacock report, it can be determined that the vacancy factor, based on total rental housing accommodations, is slightly in excess of 4.5 percent. Be that as it may, the Housing Expediter states in his communication that "I felt it my duty as a public officer to take whatever steps my best judgment dictated to guard against decontrol which might result from hasty and uninformed action."
>
> In short, it is clear that the Housing Expediter is attempting to substitute his judgment as to what he believes should be done, for that of the city council. The Housing Expediter, in so determining, has resorted to information which does not appear to be a part of any record made before the council in this matter.

The upshot of the whole thing is that up to now the case has gone through several courts and finally an opinion was rendered by the District Court of Appeals in the District of Columbia to the effect that a simple resolution is not the intent of the Congress and that an ordinance must be passed in order to decontrol rents. I called the Expediter's office the other day in reference to that and found that he does not agree with the District Court of Appeals that an ordinance must be passed but that he believes a simple resolution is all that is necessary. The reason he does not believe an ordinance is necessary is because a thousand cases have already been passed upon by the Housing Expediter on the basis of a simple resolution by the local government in various parts of the Nation and such a holding would nullify the action taken on those thousand cases. The question now before the Supreme Court is whether the cases already passed upon by the Housing Expediter are legal and according to the intent of the Congress. Why should not the Expediter sign the decontrol order? I am for protecting this Nation in the event of any armed conflict, and in the conflict in which we are now engaged, to the ultimate extent. And I believe that we can put our confidence in the local governments to protect our country in the event of any armed conflict. I certainly think the defiant, prejudicial, arrogant attitude of the Expediter in the case of Los Angeles is sufficient example to show that this Congress cannot afford to delegate its power to any Washington bureaucrat who will nullify its intentions and attempt to subordinate local government by the maladministration of an act of Congress.

In the city of San Diego, which is a very congested area, and where there are more people employed in the Armed Forces of the United States than in any other part of California, rents were decontrolled. I am informed they are getting along very nicely. The situation in Los Angeles has been fraught with prejudice, with feelings, with animosities, to the point where the Housing Expediter has subordinated the action of the elected legislative body, the city council, and taken instead hearsay and rumor, stood on that rather than the public record. I maintain we should not continue that authority any place in the United States. Because of the experience we have had in Los Angeles, I recommend that you vote "No" on the resolution.

The CHAIRMAN. The time of the gentleman from California [Mr. McDONOUGH] has expired.

Mr. MULTER. Mr. Chairman, I rise in opposition to the pro forma amendment.

Now, Mr. Chairman, let us stop calling names and discuss this bill on its merits. You can call Mr. Woods arrogant, and everything else you like, but

when you get down to what happened in Los Angeles you will find that the court said that Mr. Woods was right in rejecting the action of the Los Angeles City Council but that he was wrong in the reason he assigned. The court said that any locality might decontrol if it will adopt a resolution in accordance with the local applicable law. The Council of Los Angeles did not do that. It is quite right that Mr. Woods said they did not have enough evidence before them. The court said to Mr. Woods: "You have no right to review that. What the local council does on the question, regardless of evidence, is binding upon you. The only thing you can do is to look to see whether or not the local council acted in accordance with applicable law."

Now, what is the applicable law? Here it is.

Mr. McDONOUGH. Do you know the charter of the City of Los Angeles?

Mr. MULTER. Yes. As the Court of Appeals of the United States says, it is this:

> You can adopt a resolution and put it into effect immediately if it is an administrative matter, but if it is a legislative matter, if it is going to enact a law such as rent control, if it is going to repeal a law such as rent control, if it is going to deal with policy, that is, whether there will be rent control or no rent control, that is a legislative act, and then it must be passed by the city council, and before it can become effective 30 days must elapse, and during that 30 days the people of Los Angeles have a right to petition for a referendum to review what the city council has done.

That was not done in Los Angeles. The council tried to make the law effective without the right of the people to a referendum. They deprived them of the 30 days within which to act. With reference to that, the Circuit Court of Appeals has said this:

> The use of the word "resolution" instead of "ordinance" in a Federal statute is of no importance. Congress was enacting a statute applicable to scores of cities, towns, and villages, and many different procedures, restrictions, and terminologies. The Congress intended that each community should determine by its own local method an issue of importance to the community.

In effect the Circuit Court of Appeals said, "You do that in accordance with local law. Give your people in Los Angeles the right to a referendum if they want it. If they do not want it, the law becomes effective." But if they do, you must permit them to vote upon it. If they say "No rent control," there will be none; if they say "Rent control," there will be control. That is what we in this Congress said they should do. Now, I am glad to yield.

Mr. McDONOUGH. The gentleman referred to the District Court of Appeals.

Mr. MULTER. No; the United States Court of Appeals.

Mr. McDONOUGH. All right, the United States Court of Appeals, in which an ordinance with the right of referendum within a 30-day period should occur before the action was conclusive.

Mr. MULTER. Yes.

Mr. McDONOUGH. Does the gentleman know whether or not that was the reason why Tighe Woods refused to sign the resolution or to permit it to come up for action?

Mr. MULTER. Yes; I know that. Mr. Woods did not give that reason.

Mr. McDONOUGH. I have evidence to the effect that that was not the reason, and furthermore that Tighe Woods does not agree with the Court of Appeals of the District of Columbia that an ordinance is necessary in order to decontrol either in Los Angeles or in any other city.

Mr. MULTER. The gentleman and I have disagreed with courts before, but as good citizens we abide by their decisions.

Mr. McDONOUGH. But the administration does not.

Mr. MULTER. Mr. Woods is abiding by the decisions of all courts. The court said:

> Mr. Woods, do not review any of the facts, but only if the council acted legally.

Mr. Woods said that hereafter he would only look to the legality of the enactment of the resolution and not go beyond that.

Mr. McDONOUGH. If Mr. Woods had signed the resolution which was passed by the city of Los Angeles, no question would have been raised.

Mr. MULTER. Mr. Woods based his decision on the illegal action of the Los Angeles council.

Mr. McDONOUGH. But he did not in a thousand other cases.

Mr. MULTER. That is not so.

Mr. POULSON. Why, then, did he wait 3½ weeks before he acted?

Mr. MULTER. Are we not quibbling when we ask whether it was days or weeks before he acted? He was required to look into the legality of the action of the Los Angeles Council. The court has held the action illegal. Enact a proper law, give your people the right to be heard. After they vote on the question, their will will be done.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the first period.

Mr. Chairman, if the country must be afflicted with a majority on the right made up of Jeffersonian Democrats, of New Dealers, Fair Dealers, and some others, it is unfortunate, I would say, that the gentleman from Indiana [Mr. JACOBS], who has the respect of us all, is not going to be with us next session. It is my understanding that he came here as a representative of either the CIO or the A. F of L. or of both; and if I get his record right, he has served those organizations as well as others in his district faithfully and well as he has seen the issues. Just why those organizations should have deserted him at the last election I do not understand.

If I might be permitted to express a wish, it would be that the gentleman move to some district now represented by some rabid New Dealer, there be elected and come back to the House, because I am sure that his influence would be stabilizing, constructive, and helpful to the country as a whole.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. HOFFMAN of Michigan. Yes, but this is not for a speech.

Mr. JACOBS. Then the gentleman does not want to yield?

Mr. HOFFMAN of Michigan. Just for a question.

Mr. JACOBS. I should like to make the observation——

Mr. HOFFMAN of Michigan. Cannot the gentleman get his own time for that?

Mr. JACOBS. No; I have already struck out my word. Does the gentleman yield?

Mr. HOFFMAN. Certainly.

Mr. JACOBS. I just wanted to say with reference to my future that in the days of my youth my father used to tell me that in town there were two men; one of them was rich, the other was poor. He said that the poor man made a fortune tending to his own business, and the rich man lost a fortune by tending to other people's business.

Mr. HOFFMAN of Michigan. I knew that story was to be a gentle hint to me. It might comfort the gentleman to learn that by trying to attend to the business of the people of my district and expose the fallacy of the New Dealers my constituents retained me while the gentleman is out. Nevertheless, I thank him for his advice.

Now, about this rent control: In answer to the gentleman from New York [Mr. JAVITS], the fact, if it be a fact, that some in his district are profiteers and are oppressing tenants is no reason why other honest, reasonable landlords should be penalized. The gentleman from Indiana [Mr. JACOBS] cited an example where landlords were imposing upon tenants. We can cite examples on both sides.

Let me give you one illustration on the other side, not about rent control, but about the Government handling of property. In my district there is a maiden lady, Miss Hoppe, some 87 years old who supplements her income by selling Christmas gifts or cards on the street from a little wagon. She owned a piece of property that the Government wanted to use when the war came on; so she signed a lease with the Government giving it possession of that property for a nominal rent in order that it might erect one of these housing projects—just temporary shacks that were to be removed in a year or two under the terms of the lease, except that the lease carried the provision that the Administrator might in an emergency by order extend the lease. She is still being deprived of the use of that property by the order of a bureaucrat. She is forced from time to time to supplement her income in order to eat. She does not wear a great many clothes. A lady of that age does not have to dress up much and she has given up all hope, I understand, of trying to attract a husband or obtain the means of support through marriage. She is not on relief, either. She just refuses charity from either State, Nation, or friends. But the Government will not give her back that little piece of property. That is the way it treats an honest, worthy citizen.

Mr. Chairman, this legislation is the most vicious piece of legislation, the

most unfair, that so far as I know, has ever been enacted by the Congress. The farmers get a subsidy, the workers have a minimum hours-and-wage law, and the cost of those two programs is paid either by those who hire or by those who consume the farmers' products, ultimately by all of us. But what does this control law do? It puts the whole cost on the property owner. If we desire to help tenants, if that is our desire, if that be necessary, and we want to be fair and decent about the thing, why do we not have a law under which all the taxpayers contribute to the tenants' subsidy, permit the property owners to have a fair and reasonable income from their property? Just what have we got against the property owners that we want to soak them for a special benefit to their tenants? Is is because there are more tenants than there are property owners?

Mr. TACKETT. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, during peacetime I have never favored nor voted for rent control or any other controls of the normal operation of our private enterprise system.

I do realize that peacetime legislation for the operation of our democracy must be considerably distinguished from legislation for the operation of our Government during wartime. I have always advocated States' rights and administration of even Federal legislation by the local affected people at the grass-roots level. However, during wartime every one of us should contribute to the defense effort; therefore, we must have controls of wages, sales prices upon commodities, rents, et cetera, if we expect to preclude inflation, the unbalancing of our economy, and war profiteering by some while others sacrifice—even their lives.

While opposing this bill, the gentleman from Michigan [Mr. HOFFMAN], highly criticizes the argument of the gentleman from Indiana [Mr. JACOBS], upon the basis that Mr. JACOBS was unsuccessful in his reelection efforts some few days ago. I have never yet found it necessary for a Member of this House, who has recently been successful in a political election, to criticize the arguments of another Member upon the basis that his adversary to the proposal under discussion has been unsuccessful in his political efforts to return to Congress. Every single, solitary one of us is subject to removal from political life every time there is an election wherein he or she has opposition. Some of those men who take up the time of this body boasting over their reelection could fail to be so fortunate at the next election. Every once in a while people change their minds about the advocacies and activities of their respective representatives in Congress. The fellow who feels himself indispensable and with a cinch on continued political office is just in the proper frame of mind to discover that he has been existing in an atmosphere of illusion.

Oh, yes, I was one of the lucky candidates during this last election, maybe because I did not have an opponent; but I am indeed grateful that I can fully realize the possibility of a defeat every time I put my name on the ballot.

I do sincerely hope that I shall never find myself in the predicament of having so little for argument concerning any legislation under discussion as to criticize and denounce my adversary's argument solely upon the basis that he was unsuccessful in his reelection. Many smart people, considerably smarter than a lot of us, have been defeated in political elections.

The gentleman from Michigan [Mr. HOFFMAN] says that the CIO and the A. F. of L. sent the gentleman from Indiana [Mr. JACOBS] to Congress and that he has done a fair job of representing no one except the members of those organizations. If that accusation be true, it is my sincere opinion that it would not hurt anything for these labor organizations to send a lot of such people with the caliber, the honesty, the integrity, and the ability of ANDREW JACOBS to Congress. Allow me to remind the gentleman from Michigan that back during the early days of the Eighty-first Congress when we were considering the Lesinski labor bill, the Sims substitute labor bill, and the Wood labor bill that the gentleman from Indiana was as fair as could be expected of any man who ever represented any group of people during the entire deliberation of this body upon legislation affecting labor and management.

Surely you will recall that the gentleman from Indiana pointed out what he considered the good features of the Wood bill which was disliked by the labor leaders. You will further recall that he pointed out to this body what he considered the bad features of the Lesinski bill which was so highly favored by the labor leaders. Then I shall never forget his fairness in pointing out what he considered to be the good and bad provisions of the Sims substitute.

It cannot be successfully contended by the gentleman from Michigan [Mr. HOFFMAN] or any other person that the gentleman from Indiana [Mr. JACOBS] has acted in a biased and prejudiced manner on behalf of any select group. As a parochial-school man, he has been able to see and advise this Congress of the necessity for public-school assistance.

There has never been a fairer, a more honorable or conscientious gentleman in this Congress than ANDREW JACOBS, of Indiana, who was unsuccessful in his reelection efforts. His qualifications, ability, and statesmanship are undeniable; his efforts as a good American on behalf of the people of the United States are highly commendable.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. TACKETT. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Apparently the gentleman who is now speaking did not understand what I did say. I attempted to praise the gentleman from Indiana [Mr. JACOBS]. He then came back at me with a statement that a fellow got wealthy by attending to his own business. Naturally I had to answer that.

Under the permission given to revise and extend the remarks made when the gentleman from Arkansas [Mr. TACKETT] yielded to me, permit me to add that he is completely mistaken when he said that I charged as said that the gentleman from Indiana [Mr. JACOBS] when he came to Congress did not represent anyone except those people. "Those" being used for the CIO and the A. F. of L. I said and the stenographer's minutes will bear me out, that I understood that the gentleman from Indiana [Mr. JACOBS] was sent here by the CIO and the A. F. of L. but I could not honestly say, nor did I say he represented no one else. The gentleman from Indiana, while a labor attorney before coming to Congress, and many times speaking for labor, has in my opinion, fairly and honestly expressed his own views on labor legislation, in fact unless I am mistaken he has sometimes spoken and voted in opposition to expressed views of the CIO. Nor did I, as stated by the gentleman from Arkansas, criticize the argument of the gentleman from Indiana [Mr. JACOBS] "upon the ground that the gentleman from Indiana [Mr. JACOBS] was unsuccessful in his reelection efforts." My reference to Mr. JACOBS' unsuccessful effort was made only after he had by a story intimated that I might well profit by attending to my own business in my own district. My reply was, it seemed, an appropriate one to the story the gentleman told.

The gentleman admitted to me he did not hear what the gentleman from Indiana [Mr. JACOBS] had said. He might have avoided error in his statement had he known what had been said.

Mr. TACKETT. During my tenure in Congress, I have never heard the gentleman from Michigan praise anybody except himself.

Mr. JACKSON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, since I have been a Member of this body, I have consistently been an opponent of Federal rent control. I have not opposed Federal rent control because I felt that no shortage of housing existed at any time. I have not opposed Federal rent control because I did not want to see our citizens in decent housing. I have not opposed Federal rent control because I desired to abet or aid rent gougers or that small minority of any citizenry who take advantage of any situation whenever possible. I have opposed Federal rent control because I consider it and will always consider it an unreasonable and illegal restriction upon the right of American citizens as guaranteed under the Constitution of the United States to own and control real and personal property. I have felt that such methods as those pursued in rent control evade the Constitution and are not in keeping with our traditions, our institutions, and our ideals. If we are going to deprive the American citizen of his right to control and to own personal or real property, let us do it by a constitutional

amendment through the front door. Let us not do it by using a legal blackjack upon him.

So far as the Los Angeles situation is concerned, I believe that the actions of Mr. Woods were the capricious and arbitrary actions of a third-rate bureaucrat with altogether too much power. The wording of the Housing and Rent Act of 1947 was surely clear enough, and the intent of the Congress was equally unmistakable. The law was so clear that many hundreds of communities throughout this country acted in good faith through their local legislative bodies in ordering decontrol by resolution. They took the Congress at its word and decontrolled in the manner provided by law. There was no question raised at that time by Mr. Woods as to the legality of the acts of those city councils. It was only when a great metropolitan area of this country took the step that Mr. Woods took impassioned umbrage.

It was in spite of the act, in spite of the step taken by the Los Angeles City Council in good faith and predicated upon the words contained in the law. Mr. Woods refused initially to take any action at all, and then took recourse by every devious means at his disposal to evade the clear intent of the people of the city of Los Angeles as expressed through their legal legislative body.

The danger inherent in the Los Angeles rent-control fiasco is frightening. It simply means that any appointed bureaucrat sitting here in Washington, D. C., or anywhere else throughout the Nation, can deprive the citizens of this country of their lawful right to decide at least a few of the important fundamental issues at the local level. There are very few of those prerogatives left to the communities today. Their taxing powers have been almost entirely taken away from them, until we find that today 75 cents of every tax dollar is diverted into Washington. There are only a few simple privileges left to them. If the acts of a man like Tighe Woods are to be supported, if this petty dictator is to be backed in his defiance of the Congress of the United States and of the people of the United States, then we have indeed reached a sad state.

The bill under consideration states:

That section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended by striking out "December 31, 1950" in each place it occurs therein and inserting in lieu thereof "March 31, 1951."

There are hundreds of thousands of people in Los Angeles who believe the bill should read like this: "That section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended by striking out the powers of the people and of the Congress in each place it occurs therein and inserting in lieu thereof 'Mr. Tighe Woods.' "

Mr. CRAWFORD. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, during the campaign of a few weeks ago this proposition of Federal rent control was a rather hot issue in my district, especially in my home town, where Federal rent control has been removed in the last few days.

During the campaign I appeared at the office of the city council and made it very clear to my people that I would not support an extension of Federal rent control. Therefore, I am absolutely opposed to this bill. I think those who are promoting this extension are primarily seeking to make this a permanent policy of our Federal Government and to embrace rent controls permanently in the economy of the people of the United States. I have no patience or sympathy for such a proposition. I have asked for this time simply to make my position very clear to the people in my district, who are sometimes interested in what I do and what I do not do.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it may be remembered that when we had the rent control bill before us last summer an amendment was submitted by me and adopted by the House which would have fixed the date of expiration of the rent-control law as of January 31, 1951, instead of December 31, 1950. Unfortunately, that amendment was removed in the conference with the Senate; otherwise we would not have had this troublesome problem with us today. It was submitted primarily in order to allow time for the State legislatures when they meet in regular session in January to act upon the matter and thus have genuine decentralized decisions as to whether and when control is to be continued.

Inasmuch, however, as the terminal date was fixed at December 31, 1950, and the bill before us would extend it for 3 months, I am going to vote for it for the same reason I submitted that amendment when we were considering this subject before. But I have to add this further statement, that unless by the time this bill expires the President of the United States has moved to stabilize the other elements of our economy, there cannot be any justification for putting this one element, rent control, on a permanent basis, that would freeze one segment of our economy, while at the same time other elements are actually being encouraged by the administration to seek higher wages or increased profits and to use the emergency to better their standards of living.

It just is not right to freeze these people, the owners of rental housing, who have been held down the longest and tightest while encouraging other groups which have had the greatest gains to press for still further gains. The President ought to fish or cut bait. He ought to freeze the whole price, wage, and rental structure, as we tried to get the administration to do last July, right after the emergency arose in Korea, or he ought to unfreeze those people who have been held down the longest.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. JAVITS. It is a fact that this is one thing that we can do here. This is one thing that those of us can do who agree that there should be all-out controls which may point the way for the President to do it. This resolution is something that we can do, and very importantly, in that general direction.

Mr. JUDD. Yes; and I am going to vote for it, but I am serving notice now that I am not going to vote for extensions again, unless in the meantime the President of the United States moves to get real stability in our economy instead of playing politics with particular groups that have the most votes at the expense of those who do not have so many votes.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. McDONOUGH. I am interested in that statement which the gentleman just made. I think for the benefit of the Committee we ought to know what groups the President is encouraging not to apply controls to. Who are they?

Mr. JUDD. You know the groups.

Mr. McDONOUGH. Well, who are they?

Mr. JUDD. You know which groups are gaining wage and price increases, while people who own rental property, often have their life savings invested in a little fourplex or duplex, have been frozen. Most of them have not received more than a 20 or 25 percent increase over what they got in 1942 whereas wages have gone up 65 percent and 75 percent and with recent increases even more than that.

Mr. McDONOUGH. Should they not receive more at this time so that those who have been held down to a 20-percent increase since 1942 will be given a chance to come up at least to a level with those who are not now being controlled?

Mr. JUDD. Yes. If you look back on it, I think that if the House had known when it extended this act the last time that the Korean situation was going to develop, the chances are the House would have allowed the bill to expire in order to let all elements of the economy sort of reach their own level as prices and wages had done, before another freeze was put on. It is unfair that parts of the economy have been free to seek their proper level while other parts have not been able to do so. Now we are putting on a new freeze on rents, or we may be doing that, when they have been held in artificial unbalance, rather than at a period when things have reached by a process of natural adjustment a reasonable equity and balance between prices, wages, profits, and rents and all the other factors that go into the cost of living.

Mr. REGAN. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. REGAN. Would it not be fair, then, to let this present rent-control act expire on December 31 and after the first of the year the Eighty-second Congress can consider all of the various problems of control of prices and wages and rents and so forth, and place them altogether under the same umbrella if the Eighty-second Congress elects to do so?

That would give everyone a fair and even break.

Mr. JUDD. It would not quite do to remove the restrictions at this particular time when we are right on the verge of

new housing shortages which we know are going to develop in certain parts of the country as a result of the expanding defense effort. That would be taking action at the least advantageous time. What I want is to get the President to come along with suitable action on the other elements rather than let the Congress just hold the line on one segment of the economy while other parts of the economy are still turned loose.

Mr. REGAN. I think that is right.

Mr. SPENCE. Mr. Chairman, I ask unanimous consent that all debate on the bill and all amendments thereto close in 30 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. HOFFMAN of Michigan. Mr. Chairman, reserving the right to object, does not the gentleman believe that we should have enough time on this so that the other body can express their own will uninfluenced by anything that we do?

Mr. SPENCE. Mr. Chairman, we are not going into that question.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

Mr. RAINS. Mr. Chairman, I offer an amendment, which is at the Clerk's desk.

The Clerk read as follows:

Amendment offered by Mr. RAINS: After line 6, add the following new section:

"SECTION 2. Section 204 of the Housing and Rent Act of 1947, as amended, is hereby amended by adding at the end thereof the following new subsection:

"'(k) No resolution adopted before or after the date of the enactment of this subsection by any local governing body for the purpose of making the declaration specified in section 204 (f) (1) or for the purpose of terminating rent control as provided in section 204 (j) (3) shall be ineffective for such purpose solely because under applicable local law legislative action cou'd not be taken by such resolution.'"

Mr. DEANE. Mr. Chairman, I ask unanimous consent that the time allotted to me may be granted to the gentleman from Alabama.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. RAINS. Mr. Chairman, I have no intention of taking part in the argument with reference to the case pertaining to the city of Los Angeles. That is not my purpose.

First, I would like you to remember that in the Senate report which accompanied the Rent Control Act of 1949 were these words:

In other words, the action of the local governing body would be final and not subject to review, appeal, or change by any other authority.

The House report, which went with the bill we passed, the same as this one, says:

In other words, the action of the local governing body in the matter would be final and not subject to review, approval, or change by any other authority.

That was stated in our report. The adoption of this amendment which I have offered will prevent the invalidation of the actions of more than 1,000 cities which acted by resolution, in compliance with the exact congressional mandate in the Housing and Rent Act. It is those cities which acted in accordance with the mandate set out in the law with which I am concerned, and not some legal technicality involving referendum. In other words, in light of the court opinion which has been discussed, if your city decontrolled by a resolution, even though this Congress said it was an administrative act, that decontrol action may be illegal. So simply to validate the decontrol resolutions of more than a thousand cities, who acted in good faith, in compliance with the instructions and regulations set out in this bill, I ask you to adopt this amendment. I do not think this amendment affects one way or the other the case of the city of Los Angeles; I think that has to do with the referendum and not with the adoption of a resolution. We provide that the city shall follow the method prescribed by law for the particular city in adopting a resolution. If Los Angeles did not follow it, that is a matter for the courts. But in these cities which did follow it and where it turns on the use of the word "resolution" or "ordinance" they should not be penalized by that kind of decision. Simply because of those cities I ask for the approval of this amendment.

The CHAIRMAN. The gentleman from California [Mr. JOHNSON] is recognized.

Mr. JOHNSON. Mr. Chairman, I do not like rent control any more than any man in this room, but sometimes conditions dictate what your decisions in these matters shall be. I can look at this specific proposal best by looking at my own congressional district. In it are 10 Army and Navy installations; the Armed Forces of the United States are doubling their numbers in a very few months. We are not in a normal condition, and it looks as though it will be a long time before the country would be in a normal condition.

I can just see it as plain as day: In my crowded district of 665,000 people with all these military installations, that if we lift rent controls the rents will go up very rapidiy. The demand for houses is excessive there. There will not be enough places for these people to be taken care of. Every military person you add to the Armed Forces means another person added to the civil service. The law of supply and demand will be disjointed as there will be much more demand than there will be supply.

Right now a large part of the personnel at these posts live outside of the post.

Much as I hate rent control I do not think we can avoid the facts that are before us. We are in an acute emergency. Vast numbers of people will again go into California to become members of the Armed Forces and to work in the various military establishments as civilians. All of them must have a place to live and again we will be caught acutely short of houses. We may be forced into an all-out war and this will bring other workers to the vast war industries of California.

I do not want to impose a general rent-control law on the whole country, as in many places it is not needed. We have permitted the local governments to decontrol and certainly they will know how to handle the situation, if no rent control is necessary. Some have already done so, but I can see some spots that I think will need help and if I am mistaken the local community can decontrol. All I want to do is to hold the status quo until the next Congress can have time to look into the matter, in view of the fact that we are in an acute emergency, which might become more widespread. We yet cannot see what is going to happen.

If the emergency declines, which we all hope will happen, I will want to get rid of this control. Also, I wish to concur heartily in what my colleague from Minnesota [Mr. JUDD] said, namely, that the President and his departments should do something about the inflationary trends that are rampant due in part to loose fiscal policies. If controls are to come they should go across the board and effect all parts of our economic system and not alone be directed at the people who furnish housing to those who do not own a home.

If this resolution is not passed, we will lose control on December 31, 1950. Rents will spiral and if the emergency should get worse, which looks probable now, we would lose much time getting controls back, which all seem to agree will be necessary in case of a war. Then we will have higher costs all across the board and the dollar will become cheaper than it now is and persons with a fixed income such as pensioners, civil-service workers, teachers, Army and Navy personnel and so forth, will again get a financial beating. Those localities that do not wish to control will continue under control and nothing will be required to be done there in case a full-scale emergency dictates that the country must again have war controls. If things level off we can then get rid of the whole control problem before the end of this extension, which should not be more than 90 days and maybe only 60 days as the Senate agreed upon.

The CHAIRMAN. The gentleman from Illinois [Mr. O'HARA] is recognized.

Mr. O'HARA of Illinois. Mr. Chairman, like my distinguished and really beloved friend from Indiana [Mr. JACOBS], I shall not be returning to the Eighty-second Congress. I am sure that the gentleman who represents the district in Michigan where I was born and spent my childhood did not intend in his reference to the gentleman from Indiana anything except a facetious pat on the back. No one in this body has been more highly esteemed by his colleagues, and no one has combined in greater measure brilliant eloquence in debate with warm endearing charm of personality than the gentleman from Indiana. No defeat at the polls can taint the purity of such a character nor detract from the reputation he has established on a national level and in his one term in the Congress as a great and outstanding statesman. I am sure that in this appraisal of ANDY JACOBS, the gentleman from Michigan,

will concur, and that the reference to the circumstances of November 7 last was not intended to have either personal sting or partisan gloat. The district now represented by Mr. HOFFMAN and wherein I was born and grew up was represented in this body for 11 terms by the Honorable La Rue Hamilton, now buried in Niles, Mich., the city of his nativity. Although he was a Republican, and my family was devoted to the cause of democracy, and contested with him on the hustings, I think of La Rue Hamilton as a great statesman and a great American. The differences in party affiliations and in ways of thinking and of philosophies do not determine the measure we place upon the attributes of ability, the qualities of character and the sincerity of public service of our colleagues.

But because some reference has been made to the defeat of the gentleman from Indiana, and because the circumstances of November 7 last in the second congressional district of Illinois might be argued as having some bearing upon the matter of rent control now before us, I wish to assure my colleages that my support of rent control and other liberal legislation in the Eighty-first Congress was not a factor in the circumstance that, as the returns at this time and prior to further examination that may be made show, I will not be seated in January next as a Member of the Eighty-second Congress.

In the elections in Chicago there was injected a local issue that had not the slightest bearing upon the work of the Congress or the policies and achievements of the national administration. In the intensity of the feeling on this matter, strictly local, all consideration of national issues was completely erased. This was the reason—and everyone in Chicago, both Democratic and Republican, is thoroughly familiar with the fact—for the defeat of four Democratic Congressmen as well as the senior Senator from Illinois.

The fact that in the face of this tremendous and unprecented landslide built entirely upon one local matter having not the remotest connection with any national issue, I polled in the second district in excess of 35,000 more votes than the candidate who was the target of the attack, is conclusive proof, at least to my satisfaction, that my actions and my votes in the Eighty-first Congress met with the overwhelming approval of the people of the second district.

The difference of 35,000 votes had to be accounted for in split votes. That tells the story. I bring this to the attention of my colleagues in no sense of making excuse or giving explanation for a personal defeat. My sole motivation is a desire to keep the second district of Illinois in the right light. It is, and will remain, a liberal district.

The tremendous vote it cast for my reelection, giving me an overwhelming majority of the split votes, clearly and undeniably proved that the electorate of the second district of Illinois approved of my support of continuing rent control, of decent housing for all of our people and within their means, for extended social security, for a higher minimum wage, for fair labor legislation, for the crushing of the ugly head of discrimination wherever it showed itself, and for the right of the common man to enjoy his share of the sunlight in a land of plenty and of equality.

The difficulty of splitting a ticket, especially in the precincts where machines were used in voting, combined with other circumstances later to be established and upon which work is now being industriously pursued accounted for the narrow gap apparently shown in the canvass.

The men and women of my district, I have not the slightest doubt, think that it would be an inexcusable folly if at this time we did not extend rent control for a period sufficiently long to give the Eighty-second Congress ample time to reexamine the housing shortage in the light of conditions existing in the early months of 1951. I heard in this chamber just a day or two ago a Republican member and a Democratic member of the Rules Committee describe this as the darkest and most dangerous hour in American history. We are in a fight for survival. Whether world war III comes or does not come, there is ahead a long stretch of terrific expense for defense. We must pay as we go. Ahead is a long stretch of high taxes, a decade of sacrifice and sacrifice and sacrifice if we are to survive. Does anyone think that in such a time, and under such a stress, the domiciles of American families can be abandoned to the insecurity of chance and to the operation of a cruel and unrestrained law of supply and demand?

My responsibility as a Member of this body ends with the third session of the Eighty-first Congress. As a member of the Committee on Banking and Currency and on the floor of this Chamber I have actively and with complete sincerity supported the extension of rent control until such time as the easing of the housing shortage permitted a return to normal conditions. I am happy that I was privileged, as a member of the committee, the only member from the large city of Chicago, to play some part in giving protection to the tenants of Chicago until June 30 of 1951. The great Governor of Illinois, the Honorable Adlai E. Stevenson, and the great mayor of Chicago, the Honorable Martin Kennelly, with the members of the General Assembly of Illinois and the City Council of Chicago, faithfully cooperated, first, by the passage of the necessary enabling legislation in Springfield, sections 23–111 of the Cities and Villages Act, which removed any possible question of the validity of the later resolution of the City Council of Chicago; and, second, the resolution of the City Council of Chicago which, in effect, extended controls in Chicago until June 30, 1951. Thus through the teamwork of the senior and junior Senators of Illinois, the Democratic Members from Illinois in this body, the Governor of Illinois, and the mayor of Chicago, with the cooperation of the General Assembly of Illinois and the City Council of Chicago, the people of Chicago are assured the protection of rent control until June 30, 1951, come what will.

I hope that the Eighty-second Congress, in its reexamination of the problem under the conditions resulting from the international involvement, will act with the same concern for the welfare of our people as has the Eighty-first Congress.

There is one other phase I would like to touch upon, Mr. Chairman. This has to do with the hotels. When we were considering the rent-control bill of 1949 in this committee, I offered an amendment to include housing units in hotels, and the committee voted down my amendment and adopted an amendment offered by the gentleman from Alabama [Mr. RAINS] which excluded the hotels. I opposed the Rains amendment on the floor of the House and demanded the yeas and nays. The roll call, No. 31 of the first session, appears on page 2544 of the CONGRESSIONAL RECORD of March 15, 1949.

It shows the adoption of the Rains amendment by a vote of 237 to 175. I led the fight, both in committee and on the floor of the House, to include permanent residents in hotel accommodations within the definition covering housing units under rent control. But after our defeat in the House, the junior Senator from Illinois [Mr. DOUGLAS] succeeded in saving the permanent hotel residents in Chicago by working out in conference a compromise by which hotel rent control was maintained in cities of 2,500,000 population and over. This meant, of course, its restriction to Chicago and New York. Later, New York went out of Federal rent control, so that the hotel control was restricted solely to the city of Chicago.

When we were considering the rent-control bill of 1950, my colleagues will recall that, although the other body had voted to remove the hotels, and, as I have pointed out, that applied only to the hotels in Chicago, the House voted to keep the controls on, and that I supported this action in the House; and certainly no Member was any more active in advocacy, which, of course, would be natural, since the provision affected only the hotels in the city from which I came. The point now is, as I see it, that we have in the rent-control law a hotel provision that applies only to the city of Chicago. It did not originate in Illinois. It is the child of our own creation, and I must acknowledge that no one in the House has a greater share of responsibility for it than have I.

Since then we have had an election, and the plain fact is that a great majority of the hotel tenants in my district, and I am informed in similar hotel precincts in other districts in Chicago, voted for the opposition. If this were intended by them to be an index of their sentiment as tenants in hotels on a matter in which they have a personal interest, it should receive proper consideration. I am not attempting to interpret. If there is no longer a shortage of housing accommodations in the hotel field, and if, instead, there is a percentage of vacancies insuring against the possibility

of unnatural rental increases and assuring a stabilization in rents measured by normal considerations, it would be expected that the tenants would not feel that they had any personal interest in rent control being continued in the class of habitations occupied by them.

This I brought to the attention of the Honorable Tighe Woods when he appeared before our committee. Whatever my own position had been, or whatever were my own views, when the voters had spoken, I accepted their voice as that of my master; and certainly, if both the hotels and their guests had no desire for continuing rent control for permanent hotel guests, I would have no desire to force upon them the control neither wanted. Furthermore, while I have always fought and voted for rent control when I honestly believed from the facts available to me that such control was necessitated by a continuing housing shortage, I have always maintained, as have my colleagues, that, when the shortage was relieved, controls should go.

Frankly, as the only Chicago member of the committee, I do not relish the thought that any industry in Chicago should be under restrictions not placed upon a similar industry in other cities. If the contention of the hotels in Chicago is based upon the fact, and if that contention is supported by the sentiment of the hotel guests, as might constructively be presumed from the voting on November 7, I would say that a reexamination of the present situation by the Housing Expediter as it applies to permanent residents in hotel accommodations would be justified. I am not attempting to pass upon the facts. As a matter of honor, as I see it, and in compliance with the will of the people as voiced in the polling places, and with a keen sense of my responsibility as the only member of the committee from Chicago to all the people of Chicago and all the industries in that great city, I am laying before my colleagues such information as I possess. I repeat, I am attempting no interpretation and I have no personal knowledge of the facts.

Whether Chicago, which now is the only city in the country where hotel accommodations are under rent control, should remain so, or whether the controls there should be lifted to conform with the pattern in all other cities, is to be determined by the Housing Expediter on the facts as they actually exist, whether the demand for housing in that class has been reasonably met. I quote from Mr. Woods' testimony before our committee:

> Mr. WOODS. Mr. O'HARA, I can say this: That under the present act it would still be possible to decontrol the Chicago hotels as a class of accommodations, if the one standard were met, that the demand for housing in that class had been reasonably met. We have not attempted a survey. Knowing your interest in this legislation and your vital interest in Chicago, I can assure you that as fast as I can put a team in there we will start a survey to determine whether that point has been reached. If it has been been reached, the answer is obvious. We do not want to control any class where the demand is not there because, I agree with you, it would certainly lift a headache off our shoulders and especially our local office if we could get out of that class, because the present legislation has not been designed to take care of hotel problems.

It was the understanding of our committee, I believe I can state, that the Expediter would conduct this study and act immediately upon such facts as the study should develop and the equities should demand. Mr. Chairman, I am voting for the present measure, as I have supported and voted for all of the rent-control measures previously presented in the Eighty-first Congress by the great and beloved chairman of the committee, under whom I have had the honor of serving in the Eighty-first Congress, and memories of whom I shall cherish always with the warmest glow of affection.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, I want to express my regret at the reception I received from the gentleman from Arkansas [Mr. TACKETT] who sits on the majority side just a while ago. It is very, very seldom indeed that I attempt to praise any New Dealer or any Fair Dealer or even any Democrat who has not been certified here as being a Jeffersonian or Jackson Democrat, what might be termed "an old-style reactionary Democrat." On the other hand, I have never criticized any Member on either side as the gentleman would know had he paid attention to the record. So it is unfortunate, it is discouraging, at least to me it seems unfortunate and terribly discouraging to note that attitude when I try to say something in praise of the gentleman from Indiana [Mr. JACOBS], and I think I went just as far as any one Republican could. I expressed my opinion that the gentleman from Indiana [Mr. JACOBS] was a good legislator.

Then look what I get. The gentleman from Arkansas [Mr. TACKETT] comes along and makes a statement which was neither a just nor accurate interpretation of my remarks. He admitted a moment ago he had not heard what the gentleman from Indiana [Mr. JACOBS] had said to me and to which I naturally replied in kind. So, of course, the gentleman from Arkansas [Mr. TACKETT] did not know what he was talking about when he jumped on me. He did not say anything about rent control. So perhaps he had no real argument. However, he did say I was boasting about my reelection. That statement is not in accord with the fact. I am not that dumb. I may stand for reelection again. The fellow who brags about himself, at least up in my district, is just as sure of being defeated as that daylight follows darkness. Do not make any mistake about that.

If on some occasion hereafter I should inadvertently reply to a criticism from the majority side and attempt to word a phrase of praise, please be a little more charitable. Do not discourage me in that effort, because whether it is laudable or not, I know you like it.

The CHAIRMAN. The Chair recognizes the gentleman from Washington [Mr. MITCHELL].

Mr. MITCHELL. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Alabama [Mr. RAINS]. As I read his amendment it would curtail the rights of the people of the State of Washington who have the power of referendum. If the gentleman's amendment is adopted, it is my understanding that the people of Seattle would not be able to file a referendum petition in opposition to whatever action the city council might take, and, therefore, the people would be foreclosed from taking full advantage of local applicable law.

The United States Court of Appeals for the District of Columbia, in the Los Angeles rent-control case, interpreted the present act as intending "that each community should determine by its own local methods an issue of importance to the community."

In the State of Washington our local method would include a referral to the people if a sufficient number of people so petitioned.

The United States court of appeals decided, in the case mentioned, that the city council rent-control resolution was a legislative action and, therefore, could properly be referred to the people. The court said:

> But if an action is the declaration and adoption of a policy and program by which affairs of general public concern are to be controlled, the action is a legislative act.

It goes on to say that this act can be properly referred to the people. I do not believe that this body desires to change that to circumvent local law. I do not believe it seeks to say that a piece of legislation cannot be referred to the people, if referral represents full utilization of local applicable law.

Mr. Chairman, I hope the amendment will be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas [Mr. COLE].

Mr. COLE of Kansas. Mr. Chairman, I want to address myself to those Members who are disturbed about this bill by reason of the fact that we are in a critical war situation, and they desire to do everything possible to further the mobilization effort. Some of those Members on my side particularly said that they must vote for this bill because it is an extension of rent control and a part of the mobilization effort. I want to reiterate that this legislation does not extend rent control. There are now in America 1,000 cities of 1,000 population or more still under rent control. There will be cities under control after this bill has been passed upon, whether the bill is enacted or not. If the situation in your particular locality is so critical, may I say, it will still remain under rent control, if they so desire. After the next Congress is in session, and it becomes necessary for the Congress to determine whether or not we shall have rent control, it will not make the slightest whit of difference whether this bill is passed. The new Congress must determine then, at that time, what is a fair rent-control law for all cities, for all areas, for all municipalities, whether

they are now under rent control or whether they are not now under rent control. All will be reexamined, and the rights of tenants and landlords fixed. They will be fixed upon a national basis of equality, in view of the national stabilization program. They will not be fixed upon a basis of whether they are, or are not, now controlled.

Therefore, your vote today will not affect a mobilization effort today or tomorrow. I say that a vote against this measure merely is a vote against the political expediency which has brought forth this proposed legislation.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. McKINNON].

Mr. McKINNON. Mr. Chairman, I would like to call your attention to two basic facts right now. One is on this amendment that has been offered. If that amendment is adopted, what we are going to do in effect is to legislate nationally and try to tell our city councils what they can or cannot do locally in the way of their own city ordinances and city resolutions and take away, possibly, the rights of some of the people in some communities to have a referendum. I think it would be far better if we defeat the particular amendment and stay with our present bill. I think the court of appeals has clarified that somewhat.

The second part to bear in mind is that this bill is not a declaration of renewed faith in rent control but merely a continuance for a brief 90-day period to require affirmative action before decontrol can be had. Any community that wishes may secure decontrol.

In fact, the record shows that there have been 991 decontrol actions in the United States since April of 1949.

It is not difficult for a city council to decontrol if it wishes to, and if that action meets with the favorable opinion of the community affected. No community is tied down by this extension. On the other hand, we are facing a different international situation today than we faced 6 months ago. We will probably come under all-out controls in a little while. For that reason, I think it is very reasonable and very necessary for us to continue this rent-control organization in the various communities that are affected until such time as we can have a real appraisal of our national and international situation and determine whether we are going to have all-out controls or are going to have no controls. If we go into an all-out control period, then this rent control setup will save unnecessary confusion and expense and will be most helpful to our communities.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I offer a substitute for the Rains amendment.

The Clerk read as follows:

Amendment offered by Mr. MULTER as a substitute for the amendment offered by Mr. RAINS: "The word 'resolution' as used herein shall include resolution, law, or ordinance, but shall not be effective unless adopted in accordance with local applicable law."

Mr. MULTER. Mr. Chairman, unfortunately the amendment offered by the gentleman from Alabama was not considered by our committee. It came to us for the first time on the floor here. I am very much afraid that the effect of it would be to change local laws.

When we passed the law originally 6 months ago we provided that localities should decontrol either by action of their local governing body or by popular referendum. In many States, like Washington and California, the locality has the right by referendum to review and reverse, if necessary, the action of their local council. If you adopt the Rains amendment you will take away from the people in those localities the right to review the action of their local council either to have or not to have rent control, in accordance with what they want.

What I have done is offer a substitute so as to take away any possibility of anybody in the future claiming that when we used the word "resolution" we were using it in its technical sense. My substitute will provide that the word "resolution" shall mean a resolution, law, or ordinance, provided only that it is adopted in accordance with the local applicable law, so that we will not change anything insofar as each locality is concerned. They will still have the right to act in accordance with their local law, either by referendum or by the action of their governing council or by review by the people if the people desire it within the limited time. I urge that the substitute be adopted.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Colorado.

Mr. CARROLL. Let us assume that the city and county of Denver decided by resolution to abandon rent control, and that resolution was acted upon by the city council. What would be the effect of the gentleman's amendment?

Mr. MULTER. If the local law says that that is the way you adopt the law, that is the end of it, but if your local law gives the people the right to petition for a referendum to review that action of your council, they will have the right to do so under my amendment.

Mr. CARROLL. In other words, they could resort to the city charter if necessary?

Mr. MULTER. They must follow the city charter, under my amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Chairman, if I understand the substitute offered by the gentleman from New York correctly, it says that the word "resolution" will mean an ordinance. The law at the present time does not say that the resolution shall mean an ordinance. That question is now pending before the Supreme Court of the United States in the case of the city of Los Angeles and others against Tighe Woods and others. It is expected that the Supreme Court of the United States will hand down a decision in the matter next Monday. If they do not hand down the decision on Monday, they will not be able to act until January, because I understand the Court is to be in recess until January. It seems to me both amendments, the amendment offered by the gentleman from Alabama [Mr. RAINS] and the substitute amendment offered by the gentleman from New York [Mr. MULTER] should be defeated because all we can possibly do by adopting either the one or the other of them is to confuse the issue which is now pending in the Supreme Court of the United States. The issue is very clearly framed as to whether it was the intention of the Congress for the municipalities to go through the procedure which under their charter would be necessary in the enactment of an ordinance when a resolution is mentioned in the law which the Congress passed. Either one of these amendments which have been offered would merely confuse the issue, because, if we accept that interpretation, then that is the interpretation only as of today and does not mean that that interpretation should be placed on the law as our intention as of last June. If the Supreme Court holds that the action taken by the city of Los Angeles is invalid for any reason, then, immediately following that, this Congress must take cognizance of the situation and pass legislation in order to do equity to the people who will be affected in cases where they have acted in good faith in order to protect them against suits for treble damages, criminal prosecutions, and so forth. Therefore, we might have to have legislation early next week in case the Supreme Court holds the action illegal. For that reason I think we should keep the matter in status quo until the Supreme Court acts.

The CHAIRMAN. The Chair recognizes the gentleman from Kentucky [Mr. SPENCE] chairman of the committee, to conclude debate.

Mr. SPENCE. Mr. Chairman, I have just been informed that the other body has passed the rent-control extension bill by a vote of 55 to 28.

Mr. Chairman, it always gives me pleasure to agree with my good friend the gentleman from Michigan [Mr. WOLCOTT]. We do not agree very often, but I do now have the distinct pleasure of agreeing with him in what he says. I am heartily in accord with the objectives sought to be achieved by the gentleman from Alabama [Mr. RAINS]. I feel the Expediter should without hesitation act upon resolutions which are passed by municipalities in conformity with local law. His amendment provides that a resolution shall not be ineffective because it does not comply with the local law. The local law exists to protect the rights of the citizens. If the governing body does not act in conformity with local law, its action is absolutely void. A municipality speaks by its record, and its record must conform to its charter provisions. When we pass an amendment like the proposed amendment, it seems to me we are endeavoring by a Federal act to take away rights which are guaranteed to the citizens by the constitution and laws of a State.

Municipal law is the result of experience. A city's charter is created by the legislature of the State, and the provisions in that charter are made to protect the rights of the citizens. However much I think it desirable for the Expediter to act promptly on the resolution of the governing body, if that body does not act in conformity with the law, it does not express the will of the city. The only way the governing body can express the will of the city is to act in conformity with the charter. In many instances the charter gives the right of referendum and other rights which would be taken away if it is enacted otherwise.

I am opposed to both of the amendments.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the substitute amendment offered by the gentleman from New York [Mr. MULTER], for the amendment proposed by the gentleman from Alabama [Mr. RAINS].

The question was taken; and the substitute amendment was rejected.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Alabama [Mr. RAINS].

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee will rise.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. WHITTINGTON, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9763) to amend the Housing and Rent Act of 1947, as amended, pursuant to House Resolution 876, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. WOLCOTT. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WOLCOTT. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion offered by the gentleman from Michigan [Mr. WOLCOTT].

The Clerk read as follows:

Mr. WOLCOTT moves to recommit the bill H. R. 9763 to the Committee on Banking and Currency.

The question was taken; and on a division (demanded by Mr. WOLCOTT) there were—ayes 73, noes 89.

Mr. WOLCOTT. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 153, nays 223, not voting 53, as follows:

[Roll No. 292]

YEAS—153

Allen, Calif.	Gossett	Norblad
Allen, Ill.	Graham	O'Hara, Minn.
Andersen, H. Carl	Gross	Passman
Anderson, Calif.	Guill	Patterson
Andresen, August H.	Gwinn	Phillips, Calif.
Angell	Hagen	Pickett
Arends	Hale	Poage
Auchincloss	Hall, Leonard W.	Potter
Barden	Halleck	Poulson
Barrett, Wyo.	Hand	Rankin
Bates, Mass.	Harden	Reed, Ill.
Battle	Harris	Reed, N. Y.
Beall	Harvey	Rees
Bennett, Mich.	Hébert	Regan
Bishop	Hill	Rich
Blackney	Hinshaw	Richards
Bolton, Md.	Hoeven	Rivers
Bolton, Ohio	Hoffman, Ill.	Rogers, Fla.
Brambiett	Hoffman, Mich.	Sadlak
Brehm	Holmes	St. George
Brown, Ohio	Hope	Sanborn
Burdick	Horan	Scrivner
Burleson	Jackson, Calif.	Scudder
Byrnes, Wis.	James	Shafer
Carlyle	Jenison	Short
Chiperfield	Jenkins	Simpson, Ill.
Clevenger	Jensen	Simpson, Pa.
Cole, Kans.	Jones, Hamilton C.	Smathers
Cole, N. Y.	Kilburn	Smith, Kans.
Colmer	Kilday	Smith, Va.
Cox	LeCompte	Smith, Wis.
Crawford	LeFevre	Stanley
Cunningham	Lichtenwalter	Stefan
Curtis	Lovre	Stockman
Dague	Lucas	Taber
Davis, Ga.	McConnell	Talle
Davis, Wis.	McCulloch	Teague
D'Ewart	McDonough	Towe
Dolliver	McGregor	Velde
Dondero	Mack, Wash.	Vorys
Ellsworth	Mahon	Vursell
Elston	Martin, Iowa	Wadsworth
Fellows	Martin, Mass.	Weichel
Fenton	Mason	Werdel
Fisher	Merrow	Wheeler
Ford	Michener	Widnall
Gamble	Miller, Nebr.	Wigglesworth
George	Morton	Wilson, Ind.
Gilmer	Murray, Wis.	Wilson, Tex.
Golden	Nelson	Wolcott
Goodwin	Nicholson	Woodruff

NAYS—223

Abernethy	Cooper	Gregory
Addonizio	Corbett	Hall, Edwin Arthur
Albert	Cotton	Hardy
Allen, La.	Crook	Hart
Andrews	Davies, N. Y.	Havenner
Aspinall	Davis, Tenn.	Hedrick
Bailey	Dawson	Heffernan
Baring	Deane	Heller
Barrett, Pa.	DeGraffenried	Herlong
Beckworth	Delaney	Heselton
Bennett, Fla.	Denton	Holifield
Bentsen	Dollinger	Howell
Biemiller	Donohue	Huber
Blatnik	Doughton	Hull
Boggs, Del.	Douglas	Irving
Boggs, La.	Doyle	Jackson, Wash.
Bolling	Durham	Jacobs
Bonner	Eberharter	Javits
Bosone	Elliott	Johnson
Breen	Engle, Calif.	Jones, Ala.
Brooks	Evins	Jones, Woodrow W.
Brown, Ga.	Fallon	Judd
Bryson	Feighan	Karst
Buchanan	Fernandez	Karsten
Burke	Flood	Kearney
Burnside	Fogarty	Keating
Burton	Forand	Kelley, Pa.
Byrne, N. Y.	Frazier	Kelly, N. Y.
Camp	Fugate	Kennedy
Canfield	Fulton	Keogh
Cannon	Furcolo	Kerr
Carnahan	Garmatz	King
Carroll	Gary	Klein
Case, N. J.	Gathings	Kruse
Celler	Gordon	Kunkel
Chelf	Gore	Lane
Christopher	Gorski	Lanham
Chudoff	Granahan	Larcade
Clemente	Granger	Latham
Combs	Grant	Lind
Cooley	Green	Linehan
		Lodge
		Lyle
		McCarthy
		McCormack
		McGrath
		McKinnon
		McMillan, S. C.
		McSweeney
		Mack, Ill.
		Madden
		Magee
		Mansfield
		Marcantonio
		Marshall
		Miles
		Miller, Calif.
		Mills
		Mitchell
		Monroney
		Morgan
		Morris
		Moulder
		Multer
		Murdock
		Murphy
		Murray, Tenn.
		Noland
		Norrell
		Norton
		O'Brien, Ill.
		O'Brien, Mich.
		O'Hara, Ill.
		O'Neill
		O'Sullivan
		O'Toole
		Pace
		Patman
		Patten
		Perkins
		Peterson
		Philbin
		Phillips, Tenn.
		Polk
		Preston
		Price
		Priest
		Rabaut
		Rains
		Ramsay
		Rhodes
		Ribicoff
		Riehlman
		Robeson
		Rodino
		Rogers, Mass.
		Rooney
		Sabath
		Sadowski
		Sasscer
		Saylor
		Scott, Hardie
		Scott, Hugh D., Jr.
		Secrest
		Shelley
		Sikes
		Sims
		Spence
		Staggers
		Steed
		Stigler
		Sullivan
		Sutton
		Tackett
		Tauriello
		Thomas
		Thompson
		Thornberry
		Tollefson
		Trimble
		Underwood
		Vinson
		Wagner
		Walsh
		Walter
		Welch
		White, Calif.
		White, Idaho
		Whittington
		Wickersham
		Wier
		Williams
		Willis
		Wilson, Okla.
		Winstead
		Withrow
		Wolverton
		Woodhouse
		Yates
		Young
		Zablocki

NOT VOTING—53

Abbitt	Hays, Ark.	O'Konski
Bates, Ky.	Hays, Ohio	Pfeifer, Joseph L.
Boykin	Herter	Pfeiffer, William L.
Buckley, Ill.	Hobbs	Plumley
Buckley, N. Y.	Jennings	Powell
Case, S. Dak.	Jonas	Quinn
Cavalcante	Jones, Mo.	Redden
Chatham	Kean	Roosevelt
Chesney	Kearns	Sheppard
Coudert	Kee	Smith, Ohio
Crosser	Keefe	Taylor
Davenport	Kirwan	Van Zandt
Dingell	Lynch	Whitaker
Eaton	McGuire	Whitten
Engel, Mich.	McMillen, Ill.	Wood
Gavin	Macy	
Gillette	Marsalis	
Hare	Miller, Md.	
Harrison	Morrison	

So the motion was rejected.

The Clerk announced the following pairs:

On this vote:

Mr. Redden for, with Mr. McGuire against.

Mr. Wood for, with Mr. Abbitt against.

Mr. Smith of Ohio for, with Mr. Coudert against.

Mr. Miller of Maryland for, with Mr. Kean against.

Mr. Macy for, with Mr. Lynch against.

Mr. Harrison for, with Mr. Roosevelt against.

Mr. Plumley for, with Mr. Hays of Ohio against.

Mr. Eaton for, with Mr. Whitaker against.

Until further notice:

Mr. Whitten with Mr. William L. Pfeiffer.

Mr. Marsalis with Mr. Gavin.

Mr. Morrison with Mr. Case of South Dakota.

Mr. Dingell with Mr. Keefe.

Mr. Crosser with Mr. Taylor.

Mr. Boykin with Mr. Van Zandt.

Mr. Bates of Kentucky with Mr. Kearns.

Mr. Hays of Arkansas with Mr. Jonas.

Mr. Jones of Missouri with Mr. Gillette.

Mr. Powell with Mr. McMillen of Illinois.

Mr. Kirwan with Mr. Engel of Michigan.

Mr. Buckley of New York with Mr. Jennings.

Mr. BYRNE of New York changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

The doors were opened.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a joint resolution of the following title, in which the concurrence of the House is requested:

S. J. Res. 207. Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

AMENDING THE HOUSING AND RENT ACT OF 1947

The SPEAKER. The question is on the passage of the bill.

Mr. WOLCOTT. Mr. Speaker, on that I ask for the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 221, nays 152, not voting 56, as follows:

[Roll No. 293]

YEAS—221

Abernethy	Furcolo	Murdock
Addonizio	Garmatz	Murphy
Albert	Gary	Murray, Tenn.
Allen, La.	Gathings	Noland
Andersen, H. Carl	Gordon	Norrell
	Gore	Norton
Andresen, August H.	Gorski	O'Brien, Ill.
	Granahan	O'Brien, Mich.
Andrews	Granger	O'Hara, Ill.
Aspinall	Grant	O'Neill
Bailey	Green	O'Sullivan
Baring	Gregory	O'Toole
Barrett, Pa.	Hagen	Pace
Battle	Hardy	Patman
Beckworth	Hart	Patterson
Bennett, Fla.	Havenner	Perkins
Biemiller	Hedrick	Peterson
Boggs, Del.	Heffernan	Philbin
Boggs, La.	Heller	Phillips, Tenn.
Bolling	Herlong	Polk
Bonner	Heselton	Price
Bosone	Holifield	Priest
Breen	Howell	Rabaut
Brooks	Huber	Rains
Brown, Ga.	Hull	Ramsay
Bryson	Irving	Rhodes
Buchanan	Jackson, Wash.	Ribicoff
Burke	Jacobs	Richards
Burnside	Javits	Riehlman
Burton	Johnson	Robeson
Byrne, N. Y.	Jones, Ala.	Rodino
Camp	Jones, Woodrow W.	Rogers, Mass.
Canfield		Rooney
Cannon	Judd	Sabath
Carnahan	Karst	Sadowski
Carroll	Karsten	Sasscer
Case, N. J.	Kearney	Scott, Hardie
Celler	Keating	Scott, Hugh D., Jr.
Chelf	Kelley, Pa.	
Christopher	Kelly, N. Y.	Secrest
Chudoff	Kennedy	Shelley
Clemente	Keogh	Sikes
Cole, N. Y.	Kerr	Sims
Combs	Kilburn	Spence
Cooley	King	Staggers
Cooper	Klein	Steed
Corbett	Kruse	Stigler
Cotton	Kunkel	Sullivan
Crook	Lane	Sutton
Davies, N. Y.	Lanham	Tackett
Davis, Tenn.	Larcade	Tauriello
Dawson	Latham	Thomas
Deane	Lind	Thompson
DeGraffenried	Linehan	Thornberry
Delaney	Lodge	Tollefson
Denton	Lyle	Trimble
Dollinger	McCormack	Underwood
Donohue	McGrath	Vinson
Doughton	McKinnon	Wagner
Douglas	McMillan, S. C.	Walsh
Doyle	McSweeney	Walter
Durham	Mack, Ill.	Welch
Eberharter	Madden	White, Calif.
Elliott	Magee	Wickersham
Engle, Calif.	Mansfield	Wier
Evins	Marcantonio	Williams
Fallon	Miles	Willis
Feighan	Miller, Calif.	Wilson, Okla.
Fernandez	Mills	Winstead
Flood	Mitchell	Withrow
Fogarty	Monroney	Wolverton
Forand	Morgan	Woodhouse
Frazier	Morris	Yates
Fugate	Moulder	Young
Fulton	Multer	Zablocki

NAYS—152

Allen, Calif.	Guill	Patten
Allen, Ill.	Gwinn	Phillips, Calif.
Anderson, Calif.	Hale	Pickett
Angell	Hall, Leonard W.	Poage
Arends		Potter
Auchincloss	Halleck	Poulson
Barden	Hand	Preston
Barrett, Wyo.	Harden	Rankin
Bates, Mass.	Harris	Reed, Ill.
Beall	Harvey	Reed, N. Y.
Bennett, Mich.	Hébert	Rees
Bentsen	Hill	Regan
Bishop	Hinshaw	Rich
Blackney	Hoeven	Rivers
Bolton, Md.	Hoffman, Ill.	Rogers, Fla.
Bolton, Ohio	Hoffman, Mich.	Sadlak
Bramblett	Holmes	St. George
Brehm	Hope	Sanborn
Brown, Ohio	Horan	Saylor
Burdick	Jackson, Calif.	Scrivner
Burleson	James	Scudder
Byrnes, Wis.	Jenison	Shafer
Carlyle	Jenkins	Short
Case, S. Dak.	Jensen	Simpson, Ill.
Chiperfield	Jones, Hamilton C.	Simpson, Pa.
Clevenger		Smathers
Cole, Kans.	Kilday	Smith, Kans.
Colmer	LeCompte	Smith, Va.
Cox	LeFevre	Smith, Wis.
Crawford	Lichtenwalter	Stefan
Cunningham	Lovre	Stockman
Curtis	Lucas	Taber
Dague	McConnell	Talle
Davis, Ga.	McCulloch	Teague
Davis, Wis.	McDonough	Towe
D'Ewart	McGregor	Velde
Dolliver	McMillen, Ill.	Vorys
Dondero	Mack, Wash.	Vursell
Ellsworth	Mahon	Wadsworth
Elston	Martin, Iowa	Weichel
Fellows	Martin, Mass.	Werdel
Fenton	Mason	Wheeler
Fisher	Merrow	White, Idaho
Ford	Michener	Whittington
Gamble	Miller, Nebr.	Widnall
George	Morton	Wigglesworth
Gilmer	Murray, Wis.	Wilson, Ind.
Golden	Nelson	Wilson, Tex.
Goodwin	Nicholson	Wolcott
Gossett	Norblad	Woodruff
Graham	O'Hara, Minn.	
Gross	Passman	

NOT VOTING—56

Abbitt	Harrison	Morrison
Bates, Ky.	Hays, Ark.	O'Konski
Blatnik	Hays, Ohio	Pfeifer, Joseph L.
Boykin	Herter	
Buckley, Ill.	Hobbs	Pfeiffer, William L.
Buckley, N. Y.	Jennings	
Cavalcante	Jonas	Plumley
Chatham	Jones, Mo.	Powell
Cheseney	Kean	Quinn
Coudert	Kearns	Redden
Crosser	Kee	Roosevelt
Davenport	Keefe	Sheppard
Dingell	Kirwan	Smith, Ohio
Eaton	Lynch	Stanley
Engel, Mich.	McCarthy	Taylor
Gavin	McGuire	Van Zandt
Gillette	Macy	Whitaker
Hall, Edwin Arthur	Marsalis	Whitten
	Marshall	Wood
Hare	Miller, Md.	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. McGuire for, with Mr. Redden against.

Mr. Abbitt for, with Mr. Wood against.

Mr. Coudert for, with Mr. Smith of Ohio against.

Mr. Kean for, with Mr. Miller of Maryland against.

Mr. Lynch for, with Mr. Macy against.

Mr. Roosevelt for, with Mr. Harrison against.

Mr. Herter for, with Mr. Stanley against.

Mr. Hays of Ohio for, with Mr. Eaton against.

Mr. Whitaker for, with Mr. Plumley against.

Until further notice:

Mr. Crosser with Mr. Jonas.

Mr. Morrison with Mr. Van Zandt.

Mr. Powell with Mr. Taylor.

Mr. Boykin with Mr. William L. Pfeiffer.

Mr. Bates of Kentucky with Mr. Gavin.

Mr. Dingell with Mr. Kearns.

Mr. Marsalis with Mr. Keefe.

Mr. Jones of Missouri with Mr. Jennings.

Mr. Quinn with Mr. Gillette.

Mr. Hays of Arkansas with Mr. Engel of Michigan.

The result of the vote was announced as above recorded.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, and ask for its immediate consideration.

The Clerk read the title of the Senate joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended by striking out "December 31, 1950" in each place it occurs therein and inserting in lieu thereof "February 28, 1951."

SEC. 2. Section 204 (j) (3) of the Housing and Rent Act of 1947, as amended, is hereby amended by inserting before the period at the end thereof a colon and the following: "*Provided further*, That as used in this act the term 'resolution' shall not be construed to be limited to ordinances or other legislative acts, and any resolution heretofore adopted by any local governing body is hereby declared to be effective for the purpose of this section 204 (j) (3) or section 204 (f) (1), whether or not such resolution was legislative in character; and no suit or action shall be brought under section 205 of this act, or any other provision of law, on the basis of any administrative decision or the decision of any court that the resolution described in this act must be a legislative act."

Mr. SPENCE. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SPENCE: Strike out all after enacting clause of Senate Joint Resolution 207 and insert the provisions of the bill H. R. 9763 as passed.

The amendment was agreed to.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered to be read a third time and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The joint resolution was passed.

A motion to reconsider was laid on the table.

The proceedings whereby the House bill (H. R. 9763) was passed were vacated, and that bill was laid on the table.

Mr. SPENCE. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the Senate joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, with an amendment of the House thereto, insist on the amendment of the House and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ken-

tucky? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. SPENCE, BROWN of Georgia, PATMAN, MONRONEY, WOLCOTT, GAMBLE, and KUNKEL.

GENERAL LEAVE TO EXTEND

Mr. SPENCE. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

REFERENCE OF BILL TO HOUSE CALENDAR

Mr. BIEMILLER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BIEMILLER. Mr. Speaker, on the 7th of August the bill H. R. 7789, which was reported by the Committee on Interstate and Foreign Commerce, was referred to the Union Calendar. I believe that this was done in error and that the bill should have been referred to the House Calendar.

The SPEAKER. The Chair has examined the bill and finds that it is not chargeable to the Treasury. Therefore, the reference to the Union Calendar was in error and the bill is now referred to the House Calendar as of the date it was originally reported by the committee.

COMMITTEE ON FOREIGN AFFAIRS

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may have until midnight tonight to file a report on the bill H. R. 9853.

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, does that request carry with it the right of the minority to file minority views?

Mr. PRIEST. Mr. Speaker, I include that in my request, that the minority may file their views.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

NATURALIZATION OF ALIENS

Mr. LYLE. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 874 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9780) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence. That after general debate, which shall be confined to the bill and continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. LYLE. Mr. Speaker, I yield one-half the time to the gentleman from Illinois [Mr. ALLEN].

At this point I yield myself such time as I may desire.

Mr. Speaker, this resolution makes in order the immediate consideration of H. R. 9780, a bill introduced by the distinguished gentleman from Pennsylvania [Mr. WALTER]. The purpose of the bill is briefly explained in the report filed by my colleague the distinguished gentleman from Texas [Mr. GOSSETT] in this language:

The purpose of the bill is to remove the racial restrictions on the naturalization of aliens who have a legal right to permanent residence in the United States, without alteration of the excluding sections of the immigration laws or disturbance of the existing immigration quotas.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield.

Mr. SABATH. Similar laws have been passed in the last two years for other aliens.

Mr. LYLE. On three occasions, as I understand it.

Mr. SABATH. This is in line with legislation that the House has adopted heretofore for other nationals, mostly for the boys who have fought on the other side and for the parents of those who did not return from the other side?

Mr. LYLE. That is correct.

Mr. SABATH. And it is a unanimous report from the Judiciary Committee and a unanimous report from the Rules Committee?

Mr. LYLE. The gentleman is correct.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. LYLE. I yield.

Mr. COX. Does the gentleman know of any opposition on either side of the aisle to this bill?

Mr. LYLE. No. I know of none.

Mr. COX. The hearing before the Rules Committee indicated that it was a measure that the House might accept by unanimous consent. May I ask the distinguished gentleman from Illinois [Mr. ALLEN] if he knows of any opposition to the bill.

Mr. ALLEN of Illinois. I know of no opposition to the bill.

Mr. LYLE. I have no requests for time on this side, Mr. Speaker.

Mr. ALLEN of Illinois. I have no requests for time, Mr. Speaker.

Mr. LYLE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The resolution was agreed to.

Mr. WALTER. Mr. Speaker, I call up the bill (H. R. 9780) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence, and ask unanimous consent that the bill may be considered in the House as in the Committee of the Whole.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 303 of the Nationality Act of 1940, as amended (60 Stat. 416; 8 U. S. C. Supp. 703), is hereby amended to read as follows:

"SEC. 303. The right to become a naturalized citizen of the United States, subject to the provisions of this act, shall not be denied or abridged because of race: *Provided*, That no alien, who, under law existing immediately prior to the enactment of this section, as here amended, would have been ineligible to immigrate to the United States because of race shall become eligible for immigration to the United States by reason of the enactment of this section, as here amended."

Mr. WALTER. Mr. Speaker, the purpose of this bill is to remove the racial bar against the naturalization of people who are legally in the United States as permanent residents.

The bill applies principally to people born in Japan who have been lawfully admitted to the United States before the 1st of July, 1924. Many of them are parents of native-born United States citizens, who served in the Armed Forces. We are all familiar with the magnificent record of the four hundred and twenty-second combat team, composed of the sons of the people who could become American citizens under this legislation.

On three occasions the substance of this bill passed the House. The former measure, House Joint Resolution 238, was vetoed by the President in September 1950 because the section relating to security measures was incorporated in that resolution by the conference committee. Subsequently, this section, objected to by the Chief Executive, has become a part of the Internal Security Act of 1950 so it is no longer necessary, being the law of the land today.

The basic principle of this bill has been unanimously regarded as sound public policy, and the present situation in Asia makes it truly imperative to have it enacted into law.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

(Mr. McDONOUGH asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. McDONOUGH. Mr. Speaker, I am in favor of the passage of H. R. 9780 because I believe the aliens affected, many of them the parents of American-born sons who defended this country during World War II, are entitled to become naturalized citizens.

I supported this legislation when it passed the House the first time in June 1949, and I also agreed to the conference report when it passed the House on August 14 of this year.

The bill at present before the House is in better form than the original bill presented since it has been amended to conform with the provisions of the Security Act. In its present form the bill insures that any Asiatic that is granted the privilege of United States citizenship will not become affiliated with communism. If he should become affiliated with communism within 5 years after he is naturalized, he would lose his citizenship, and this provision will prevent the spread of communism and insure a better type of new citizen.

I believe H. R. 9780 should be approved as it removes discrimination against persons of certain races which heretofore has prevented such persons from becoming citizens of the United States even though they were entitled to legal permanent residence in this country.

It is my hope that the Senate will also speedily approve this bill without delay to provide right to citizenship for the aliens who will come under its provisions and clear the way for the fathers and mothers of American-born Japanese and Koreans who fought valiantly for the United States in World War II.

THE KOREAN SITUATION

Mr. WILLIAMS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS. Mr. Speaker, there is, perhaps, no more accurate barometer of public opinion than constituent mail received by Members of Congress. If the mail which I am receiving is indicative of the trends of thought among our people, they are bewildered by the tragic turn of events in Korea. They are demanding, and properly so, that our boys be reinforced and given weapons with which to repel the enemy—or evacuated before it is too late.

Occasionally a letter from a constituent is outstanding because of its forthright expression of common sense and rationalism. The following letter, received from the wife of one of our servicemen in Korea, I believe, reflects generally the thinking of our people, as well as calling to our attention the shocking state of unpreparedness prevailing when our boys were ordered into Korea:

This letter has been put off for some time because I thought—and we all were told—the Korean War was over. Since the latest turn of events, however, we see that it is far from true; and since it is, there are several questions I would like answered, please.

If our soldiers are all supplied with warm clothes, why must my husband write me to send him these articles? He is an officer, but since he is on the battlefield where he cannot get to a quartermaster store or a post exchange, why was not he issued warm clothes, too?

And today I heard that our men are expected to eventually establish a line and hold it in Korea. In almost every one of my husband's letters he mentions the old equipment. In one letter he said most of their equipment was used during the Pacific War, then saw 5 years' occupation duty—and now they are expected to win a new war with it. He is a spotter pilot with * * * division, and he said except for one or two, all their planes are old and they do not expect replacements before the first of the year. Why cannot they expect replacements or at least parts for the old ones?

Why weren't they given new equipment long before now? It seems to me they should have had it in the very beginning. Couldn't this possibly be one of the reasons why the Chinese are able to overrun our men so easily in spite of our superior Air Force? How can our men fight when they have nothing to fight with? I think it is high time the people of America—especially the ones who do have loved ones in this war—wake up to the things that are going on and to the fact that our lives are more endangered every day because our boys in Korea aren't backed enough by the people at home to finish this thing before it gets bigger. I, for one, am in favor of dropping enough atomic bombs in Russia to make the whole country radioactive—then maybe we could have peace. I am not the type who usually writes letters like this, but when there is a possibility that my small son may never see his father again just because someone doesn't want to hurt someone else's feelings, or some such rot, I think it is time for letter writing or anything else that will stir up action. What do you think?

Mr. Speaker, this letter is from a devoted wife who would probably desire to have her husband with her more than anything else in the world. Yet she does not ask to get him out of the Army to let others do his fighting for him. On the contrary, she merely adds her voice to those of others who want support for their loved ones while they fight that the folks back home may live in peace and security.

I would not deny my responsibility as a Member of Congress, nor would I attempt to transfer the blame elsewhere, for the existence of these conditions. Congress must bear its rightful share of the responsibility—limited though it is—and take such action as it has authority to take to correct these mistakes, whether they be ours or others.

The fact remains that Congress had nothing to do with sending our boys into Korea. Our military leaders had told us that Korea was outside our "perimeter of defense," and as such was indefensible from a military standpoint. It was the President—the Commander in Chief—who made the decision to send our boys to Korea, and the Congress had no patriotic alternative than to give them all the support possible within its constitutional limitations. I do not question the decision of the President to send troops into Korea, but it is now obvious that tragic mistakes in this venture have cost countless American lives that conceivably might have been saved.

Mr. Speaker, the letter which I read a moment ago points out some of these mistakes. It is too late to correct errors of the past, but we can avoid recurrences of such inexcusable shortcomings. If it is true that our soldiers are fighting with used, antiquated, and outmoded equipment in zero weather without adequate clothing, I suggest that we withdraw our troops from Korea as speedily as possible in the face of inevitable massacre by the Chinese Communists. We should use the Chinese Nationalists on the mainland to divert some of the pressure from our troops in attempting to hold the line or evacuate; blockade the Chinese mainland and use our air power to cut Communist supply lines moving to the front.

At home our only choice is full and complete mobilization, including price, wage, and allocation controls. Only through the combined efforts of our people at home, coupled with the heroic sacrifies of our fighting men, will we be able to repel the atheistic hordes who would enslave the world.

PROGRAM FOR DECEMBER 8, 1950

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute to ascertain the program for tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, it is my intention to adjourn until tomorrow.

A conference is in progress in connection with the bill which was under consideration yesterday, and my agreement with those interested in the conference was that if when the House terminated the legislative business of the day I had received no report I would announce to the House that while we would meet tomorrow there would be no business transacted, because the Members are entitled to know definitely just what the situation is. So, while the House will meet tomorrow, I am announcing now that there will be no legislative business.

On tomorrow I will announce the program as far as I can for next week.

The SPEAKER. Would not the gentleman from Massachusetts like to include in that unless some matter of emergency demanded consideration?

Mr. McCORMACK. I gladly accept the Speaker's suggestion and appreciate it.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield.

Mr. HOFFMAN of Michigan. Will the gentleman from Massachusetts tell us whether tomorrow there will be an opportunity for the Members to express their views on current events?

Mr. McCORMACK. We are meeting tomorrow.

Mr. HOFFMAN of Michigan. I am asking the question now because I wish, and I know there are others who wish likewise, to speak for 5 or 10 minutes.

Mr. McCORMACK. We are meeting tomorrow. If Members want to talk, they may.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. MARTIN of Massachusetts. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Mr. Speaker, I have asked the gentleman from Massachusetts to yield in order to inquire of the majority leader whether or not the so-called air subsidy bill, if an agreement is reached within the committee so that all parties are satisfied, will be brought up tomorrow?

Mr. McCORMACK. I want to advise the House definitely. I left it open until the end of the legislative business of the day.

Mr. BROWN of Ohio. That will not come up until Monday?

Mr. McCORMACK. I told those interested the situation and we had an understanding that they would advise me and if they did not conclude their conference then I was going to announce to the House there would be no business tomorrow. If they arrived at an agreement, that is another thing. I have made the announcement already. If

something of an emergency nature should come up that will be considered. There is no business on tomorrow. If they have arrived at an agreement then we can bring the matter up on Monday.

Mr. BROWN of Ohio. The bill will be scheduled for further consideration on Monday.

SPECIAL ORDERS GRANTED

Mr. JAVITS asked and was given permission to address the House for 15 minutes on Monday next, following the legislative program and any special orders heretofore entered.

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 10 minutes on tomorrow, following the legislative program and any special orders heretofore entered.

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.] is recognized for 20 minutes.

CONGRESS SHOULD BE ADVISED OF THE WORLD SITUATION

Mr. HUGH D. SCOTT, JR. Mr. Speaker, we are dealing with questions of life and death and in a representative democracy the people have the right to know what is going on. If they are not satisfied with the action being taken they can suggest alternatives.

If the President expects to receive public confidence he must take the people into his confidence and conduct our international affairs in the manner provided by the supreme law of the land. Up to now the activities of the Secretary of State as far as testimony is concerned have been confined to ultraprivate executive sessions before the Committee on Foreign Affairs of the House and the similar committee in the other body. Other Members of the Congress are neither invited nor permitted to ascertain what may be in the mind of the Secretary of State. The members of our great Committee on Foreign Affairs are not permitted, according to my understanding, to visit or to inspect any of the areas of combat at this time. The iron curtain of secrecy is down here just as effectively so far as actual information is concerned as if we were living in Russia.

Granted we have speculation, granted newspapers publish immediately after the Secretary of State's remarks what he is supposed to have said, our judgment must be based upon rumor and guesswork (and not always on accurate speculations) and the meanderings of columnists of various degrees of credibility.

Among those things which we have been told is the report that Messrs. Attlee and Truman have come to an agreement to leave the final decision in Korea up to General MacArthur. If General MacArthur is to have that decision the public is entitled to know whether he will proceed as a free agent, whether his authority is military and diplomatic and political or strictly military, whether his hands are to be tied by being forbidden to bomb any supply lines, concentrations of the enemy or airfields, or whether the general, as generals in wartime are ordinarily permitted to do, is to have at his command all of the implements of warfare and of defense, attack, and counterattack. General MacArthur himself has said the attempt to tie the hands of a military commander under these circumstances is without precedent in the history of warfare. If you are interested in locating where that is, see the March 29 issue of United States News. General MacArthur's hands should be untied.

Furthermore, it seems to me we have use for the Chinese Nationalists, their air force, their military, every possible service. The guerrilla forces ought also to be given the utmost careful consideration, because I am aware that at least 250,000 Chinese are available in the north, who might not be available—and perhaps there are more, who might not be available if they had to contend with increased guerrilla activity upon the mainland of China. All of us have received mail indicating that the State Department lacks the confidence of the public. I think that if your mail is like mine it is overwhelming in demand that Secretary of State Acheson should have the grace and the patriotism to resign. If our foreign policy was designed to stop Communist aggression, as some apologists of the administration would have us believe over the years, that that was to be considered our foreign policy, why did we not do it when there was warfare on the Italian border in 1945 and 1946? If we were drawing a line to contain communism, why did we not intervene in Iran in 1946, in Turkey in 1947, or in Greece, when we sent a fleet to Greece in 1948. That was our opportunity to stimulate counterrevolutionary activities in Albania and elsewhere, an opportunity which we missed. In 1949, in Berlin, when we were forced to use the air lift, the world took hope and courage optimistic from indications that we were at last to have a foreign policy involving the containment of communism. But, it was a brief hope. In 1950 the question arises as to why we picked Korea, which military authorities had at that time claimed to be indefensible without an adequate Navy to maintain our forces and contrary to all of the military and naval advice which has been taught to our Armed Forces and war colleges concerning the involvement on the mainland of Asia. Our foreign policy, however, was not to contain communism; it was, on the contrary, a policy of appeasement. Perhaps this story has been too often told to warrant continued repetition of how those things which we promised to China in 1943, in December, at Cairo, were taken away from China by the historic double-cross at Yalta, at which time Alger Hiss, I believe, was the only Russian-speaking member of our delegation; at Yalta, where China, whose paramount interests were involved, was not even represented, and how afterwards Dean Acheson took good care to say, we were told, to the Chinese Nationalist Government, the defacto and dejure government of China, that unless they accepted Communists into their government, we would withdraw military aid. As you know, that offer to accept Communists in that government was refused by Chiang Kai-shek. I can well imagine him saying "You might have subversives in your Government, but I do not want them in mine." Had he said that, I am sure many of us would not have blamed him. Again we recall that the then Secretary of State in 1948 at a press conference on the 13th of March repeated that he was—I am not referring to Mr. Acheson now, but the then Secretary of State, that he still felt that the Government of China should accept Communists within their Government. I am sure we all recall the other steps of appeasement, the promise to Korea, the unified, independent free democratic Republic of Korea at Cairo and elsewhere. I am sure we recall the addition, through the instigation of our own State Department, of the so-called liberals in the Parliament of Korea; many not liberals but Communists. I am sure they recall the betrayal of the Prime Minister on the day of the invasion of Seoul, and all the long and sorry history of appeasement. Who are these architects of appeasement? Why does the public lack confidence in the President's advisers? Because they are congenital appeasers, let us call the roll of a few of them:

The Assistant Secretary, Dean Rusk, said in my town of Philadelphia at a well-attended lodge meeting in January 1950 that the Chinese Communists were not Reds at all but were rather indigenous patriots, rather like our own loyalist American Revolutionary heroes.

Dean Rusk is a gentleman who accompanied the President to Wake Island, along with Ambassador Jessup, our former Ambassador-at-large to China.

Ambassador Jessup, who twice went to New York in two separate criminal trials of Alger Hiss to vouch personally for the loyalty of Alger Hiss.

Ambassador Muccio, who, as I recolleft, was called in a recent magazine article "Muccio the Modest." He has a great deal to be modest about, because Ambassador Muccio, if his real views were made fully known, ought to retreat into modesty, seclusion, silence, and resignation.

I had a 4-hour conference with Ambassador Muccio in Pusan, Korea, whence he had ventured after the shelling of Taegu. I was in Taegu during the second shelling, and I heard the opinion of the Embassy staff as to that departure, of which perhaps the less said the better. But later I had a chance to meet this modest gentleman, Ambassador Muccio. With me at the time was another Member of this body, the gentleman from New York [Mr. LATHAM], with whom I share what I regard as a privilege, the opportunity to be the two Members of Congress first to serve in combat under the United Nations flag. So I speak to you not as one who would confine our activities to the insular shores of America but one who favors our commitments in Europe and maintains only that in Asia we should turn the same kind of resolute face.

Let me tell you a few things Ambassador Muccio said at that time to the gentleman from New York [Mr. LATHAM]

and myself in the presence of a number of witnesses. The American Ambassador to Korea said, and I am now quoting him. "We are not fighting communism." I said to him, "What are we fighting, Mr. Ambassador?" He said, "We are fighting aggression."

I said, "Mr. Ambassador, don't you have a State Department directive saying to you that members of foreign embassy staffs are not authorized even to use in your published statements the words 'Russians,' 'Communists,' and '38th parallel?'" And the American Ambassador refused to reply.

But you have not heard by any means the worst, nor will time permit me to tell you all of that conversation. I would, however, like to say what shocked me most of all was the statement by Ambassador Muccio as follows, and I quote, "the Russians had every right to arm the North Koreans." I asked him, "Why do you say that, Mr. Ambassador?" He replied, "Because we armed Chiang Kai-shek and that bunch of crooks."

I said to him, "Mr. Ambassador, you are mistaken. We promised to arm the legitimate and lawful and existing Government of China, and we broke that promise."

I am afraid that Ambassador Muccio and I do not speak the same language. One of the comments he made to me was, "Oh, Mr. SCOTT, I am an old China hand. I wish you understood the Chinese as well as I do." I said to him, "Oh, Mr. Ambassador, I wish you understood the Americans as well as I do." So we again talked with no meeting of the minds.

Certainly that record of appeasement and the long-time record of Mr. Acheson himself would justify thorough housecleaning of the State Department and of our foreign offices wherever that sort of attitude exists. Some will say, "Why bring it up at this time?" My answer is because I want, as I think every patriotic American wants, us to proceed toward establishment of a truly national nonpartisan position in our relations with the rest of the world unimpeded by those who do not wholeheartedly agree with us that communism is a menace which must be met with and fought by all the forces and means available to us. I would suggest, if we are to find the means to avoid future recriminations and find the means to unite behind the President to achieve a national policy, we have the right to insist in return that certain things be done and that those who blundered and who bungled and who misled us and the American people be fired forthwith.

Second, that they be replaced by men of such stature and men above petty considerations, that the whole Nation will be able to have unreserved confidence and a greater magnificent pride in them.

Third, that we be told the truth. What is our policy? Where are we going? What sacrifies are necessary—because they will be made gladly if they are but made kn wn and the reasons therefor explained to the people.

Fourth, that we do without those things which have nothing to do with strengthening our national security and defense, and that such controls as are wise and workable are now very long overdue and those that are determined to be wise and workable ought to be forthwith invoked.

Fifth, that the administration practice sacrifice itself by foregoing unwise and unnecessary spending programs and by drastic economies on the domestic side of the Government administration.

I again call to the attention of the Members of this body that the President has not yet abandoned a single one of his many expensive, unreasonable, and extremely unwise suggestions, including, to name but a couple, the Brannan plan and the socialized medicine program.

I would like to express this personal view. I am no military expert, but at least the gentleman from New York [Mr. LATHAM], and I were in Korea. We were with the First Marines in the battle of Bloody Hill. We were with the First Cavalry in Taegu. We were aboard the *Valley Forge*. We saw our forces in action. We talked with some of the people. We talked to the GI's, both privates and officers alike. We know something of the sacrifices. We saw the dead and the dying. I recall the statement of a marine colonel to me along these lines. "When you go home," he said, "tell the people back there what the dead would have said."

I remember that remark of Colonel Haganauer. I think among other things the dead would have said that every honorable means open to statesmanship ought to be employed to avert the dire possibility of a world-wide conflagration. I think they would also say that a proposal simply to withdraw or to evacuate Korea is not an honorable method. I think they would want you to say that a Korean withdrawal would mean that the 40-some thousand American casualties that we have suffered there have been in vain; that our venture in Korea, already the fourth bloodiest conflict in our history, is to end not in victory but in the most abject sort of defeat.

While we are talking about casualties, let us remember the casualties both of ourselves and allies, including the British, Filipinos, Turks, and South Koreans, now are vastly in excess of 100,000. Instead of speaking of our own 40,000 casualties, let us remember the sacrifies of our allies as well. I think the dead would want us to remember, too, that a Korean withdrawal would mean the billion Asiatics, still hovering on the brink of choosing communism or democracy, will never again be able to trust the word of the United States or to believe in the United Nations.

Can we hold? I am no military authority. I do not know, but I leave these suggestions with you: A force of somewhere between 200,000 and 250,000 United Nations forces strong along a line of no more than 150 miles; given supremacy in the air, if that remains to be true; given artillery support and a large number of tanks—and I cannot for one believe that the supplies landed in our ports over there have all been expended; given the will to fight—what they need are the means to make the fight—given those things as facts or as probable facts, it seems to me the opinion of the House of Representatives might well be that the opinion of all lovers of freedom everywhere in this country might well be expressed in the hope that President Truman and Prime Minister Attlee come to an agreement as has been rumored that there will be no withdrawal from Korea unless and until, and save where forced by overwhelming military action on the part of the enemy. I do not think it follows that we need to give in to defeatism, because our best opportunity to find time in an area where admittedly we perhaps are at great disadvantage, that opportunity exists, the harder we fight the more we make a strong line of defense; but if those things are to be done and if we are to find means to protect and to support and to defend the things for which we stand, I think it high time, as I said before, that we clean our own house; that we put it in order, so that unitedly we, as Americans, can support our foreign office, our State Department, our President, who asks us to confide in him. Let him then hear the voices of the American people which are increasing in volume every day as they say, "Fire Acheson; get rid of Acheson; clean up the State Department."

Therefore, Mr. Speaker, with that thought in mind, I am introducing now a resolution which reads as follows:

Whereas the policies and programs of the present Secretary of State have been discredited and marked by a succession of diplomatic defeats, leading presently to war; and

Whereas as a result of the mistakes, appeasements, and continued disregard of the will and temper of the American people by the present Secretary of State, our national security and existence as a free Nation are seriously threatened; and

Whereas the American people have strongly indicated to their elected representatives their lack of confidence in the Secretary of State at a time when confidence in our national leadership is essential: Now, therefore, be it

Resolved, That it is the sense of the House of Representatives that the President of the United States should forthwith demand the resignation of the Secretary of State.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent that the gentleman may have five additional minutes so that I can ask him a few questions.

The SPEAKER. The time of the gentleman has not yet expired.

Mr. HUGH D. SCOTT, JR. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. I understood you to say that our casualties in Korea were now somewhere around 40,000. Do you or does anyone, so far as you know who has knowledge of the situation, have an estimate of what the casualties will be if we do not withdraw, as you suggest?

Mr. HUGH D. SCOTT, JR. I think no one can estimate what will happen in the future.

Mr. HOFFMAN of Michigan. Do you not think that before we take a firm position that our men should stay in Korea, someone who has knowledge should estimate what it is going to cost, at least in lives, if not in matériel or money?

Mr. HUGH D. SCOTT, JR. I think that such an estimate will probably have

to be made on an over-all basis of whether it is cheaper for us to surrender now and fight a more bloody conflict somewhere else, or whether by defending now that which we hold or that which we have reason to believe we can hold it will be cheaper in casualties in the long run. Someone should estimate that.

Mr. HOFFMAN of Michigan. How can anyone estimate the cost of some future war if they cannot give us any estimate as to the cost of the present war, in casualties?

Mr. HUGH D. SCOTT, JR. I think the Members would be better off and the people would feel better off if the Members of Congress were given more facts and a great deal more information than they are now given by the administration. I do not ask that we be told top-secret data either; merely that we be told at least as much as will enable us to make some sound judgments here. I think the people think that we know what is going on in the State Department, when the fact is that we do not know.

Mr. HOFFMAN of Michigan. I agree with you as to that statement, but here is another question: Do you know of anyone who has knowledge, who has any opinion as to the prospects of success if we continue in Korea and Asia, and war breaks out in Europe?

Mr. HUGH D. SCOTT, JR. I would assume that that was a matter for the Joint Chiefs of Staff, the Secretary of Defense, and, if he were competent to do it, the Secretary of State.

Mr. HOFFMAN of Michigan. Our people, at least the ones I hear from, want to know just what our objective is, what the prospect is of winning in the end, and what in lives it may cost.

Mr. HUGH D. SCOTT, JR. Was it not St. John who said: "You shall know the truth, and the truth shall make you free"? Our chances of freedom are very much better.

Mr. HOFFMAN of Michigan. That is a fine quotation from scripture, but it does not give me any information to pass on to my constituents.

Mr. HUGH D. SCOTT, JR. I am unable to get such information, and that is the whole purport of what I have been saying here.

LEAVE OF ABSENCE

Mr. HAND. Mr. Speaker, I ask unanimous consent to be absent from the legislative sessions of the House on Monday and Tuesday because of my attendance at sessions of a special committee investigating the South Amboy explosion.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

KEEPING SECRETS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, we have just listened to remarks of the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.], in which he recited a number of matters that would have been better left unsaid.

The gentleman talks about giving information to the people and taking the people into his confidence. Nobody disputes that; on the other hand, there is certain information that cannot be made available, in the national interest of our own country, at a particular time. We know that so far as Stalin is concerned he does not have to have a spy corps in the United States to get 90 percent of his information; all he has to do is to read the newspapers and follow the radio. Just go through these corridors and listen to the remarks and follow them through and go through the process of elimination, and one could get 90 percent valuable information, and most of it comes from Members of Congress. I am glad to say very few in this branch who were given the type of information that cannot be made public at a particular time have violated their promise and pledge.

I was reading only last night a letter written by John Quincy Adams to William Vans Murray in 1797, in which he said, in substance, "Democracies are like a sieve; a secret cannot be kept."

We face a world in which more than half, the greater part, is totalitarian; where only a few men determine the course and policies of those governments, the Soviet Union and its satellites. There is no such thing as public opinion over there; the people cannot express themselves and public opinion cannot be molded. Fortunately, we can do so here; but in a democracy we have a responsibility, every one of us, particularly those in legislative life, not to divulge information that is given in secret because at that particular time it cannot be made public, but which is given to us to enable an understanding of the world situation in connection with legislative action. They should realize that when they make disclosures—and some of them discolor the information that is given to them—that they are doing something which is directly contrary to the national interest of the United States.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. In just a moment.

I have an editorial in my hand taken from the Washington Post of this morning dealing with General Bradley's appearance before a committee of one of the branches of Congress. He was then misquoted. It was a violation of secrecy; not only was secrecy violated but it was discolored by saying that General Bradley had given the committee information about a Dunkerque in Korea. As a matter of fact General Bradley was compelled to issue a public denial first because it contained misinformation and a discoloration. Think of a man of his standing forced to deny it publicly. All of that affects the people of the United States, and it has international repercussions, when a man of his stature and his position in the world of today and in our country is compelled to deny that he gave certain testimony.

As the Washington Post says:

> But the breach this time was made worse by the delicate nature of the subject and its intimate relation to present security.

We all have a responsibility to this country of ours and uppermost in the minds of each and every one of us should be this responsibility. I know it is in mine. I am not saying it is not in the minds of any of the other Members, and I am not saying it is not in the mind of the gentleman from Pennsylvania, who is just as good an American as I am and I hope I am as good an American as he is.

Mr. HUGH D. SCOTT, JR. There is no question about that, in my opinion.

Mr. McCORMACK. In the national interest we have to be careful. Many things can be said at some other time that cannot be said at a particular time. With the world aflame, what we need in America are not those who will not kneel or crawl to live but who will stand to fight and die, if necessary, with clear minds and courageous hearts.

I have no doubt as to the outcome. I am an optimist, not a pessimist. I have confidence in this generation of Americans. Of course, we face a trying period. The people of America will always respond. We have these emotional utterances. We are all human, we all act emotionally at times, but that does not represent the spirit of America.

I can remember 10 years ago when there was a discussion around the table as to whether the youth of America then would respond. The statement was made that they were soft. Almost everyone said they were soft. Then Pearl Harbor came and the youth of America 9 years ago showed they were made of steel. They responded. They are now veterans of World War II. The same thing applies to America of today.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to proceed for five additional minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Pennsylvania.

Mr. HUGH D. SCOTT, JR. The gentleman may recall that on the day on which the gentleman, and he knows I have the highest regard and respect for him, announced the President's decision to enter Korea, I expressed on that day in colloquy with him the hope that because of our present state of preparedness we would not have too little, too late, and indicated my wholehearted support of any decision made by the President of the United States. Insofar as foreign affairs are concerned, if he makes another decision we will all loyally abide by it. But the gentleman argues that because information is not available in totalitarian countries such information as can be properly given ought not

to be made available to the full membership of this body.

Mr. McCORMACK. I never made any such statement as that. I said "information which shoud not be made public at that particular time in the national interests of our country" and given to Members of Congress should be kept confidential until the time arrives when it can be made public.

I would like to see every Member get the information. But the gentleman knows there are certain committees involved, I am in the position where I can go to the Foreign Affairs Committee and they are kind enough to invite me when there is an executive session. I attend whenever I can. I would like to see every Member get this information. But what is happening is that the committees, like the Armed Services, I assume, are given information. The Committee on Foreign Affairs is given information, the appropriate committees in both branches of the Congress are given information. I know of no instance on the part of Members of the House where that secrecy has ever been violated. The gentleman's speech has not violated anything. He has simply expressed his own thoughts.

Mr. HUGH D. SCOTT, JR. That is correct, and I appreciate what the gentleman has said.

Mr. McCORMACK. The gentleman has not violated any information he has received as a gentleman not to disclose it.

Mr. HUGH D. SCOTT, JR. May I say that in my statement of the conversation with the Ambassador to South Korea I specifically warned him at the time I would feel free to repeat those comments, and he said, "I suppose you will." I want the gentleman to know that that was the only instance I used where I was not quoting from a newspaper or from my own personal opinion. That was the conversation with Mr. Muccio.

Mr. McCORMACK. On the first premise of my friend, I think we all agree that all information possible that can be given not only to the Congress but the American people should be given, but I think my friend will agree that there are times when information in the national interest of our country at a particular time cannot be made public.

Mr. HUGH D. SCOTT, JR. I know exactly what the gentleman has in mind, fully, but I am expressing here a concern that the people who write us letters are not by any means aware of the fact that we are not in possession of very much information, and that there is some that we ought to be entitled to receive. I admit that there is some that cannot be told us at certain times.

Mr. McCORMACK. If the gentleman says he has not got it, I can understand it. My friend is on what committee?

Mr. HUGH D. SCOTT, JR. Interstate and Foreign Commerce.

Mr. McCORMACK. I think the members of the Committee on Armed Services are given information, and the Committee on Foreign Affairs is given information. Of course, there is even information that they cannot give at a particular time, and I would not want them to.

Mr. HUGH D. SCOTT, JR. My committee was given a good deal of misinformation.

Mr. McCORMACK. If they wanted to tell me about the atomic bomb, I would say, "I do not want to hear it." I do not want to know certain things.

Mr. HUGH D. SCOTT, JR. My committee was given a good deal of misinformation about shipments to Russia.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Of course, we all realize that there is much information that cannot be given to us and that if it was given to us we would not know any more about the real situation anyway; technical matters. But, here is the point I want to make. Should not the American people be given some idea by our experts as to the prospect of success in a worldwide war and what the cost of that might be in lives?

Mr. McCORMACK. There are many things that cannot be made public at a particular time in the national interest of our country, and the gentleman knows it, and every American knows it. The fact remains that there is more misinformation going out of Washington than otherwise, and being given by Members of Congress, particularly one branch, that is given to its Members in confidence. Their statements are directly contrary to the national interest of our country: First, in violating a confidence and in some cases in discoloring information that they have received. General Marshall on three occasions has been forced to deny certain statements that have been attributed to him. It is a disgraceful situation when that condition exists.

The SPEAKER. The time of the gentleman from Massachusetts has expired.

EXTENSION OF REMARKS

Mr. ROGERS of Florida asked and was given permission to extend his remarks and include some statements, notwithstanding the fact that it is estimated by the Public Printer to cost $205.

Mr. COLE of New York asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. COLE of New York asked and was given permission to extend his remarks in the Appendix of the RECORD and include an address by Mr. Eberstadt on the balance of power for peace, notwithstanding the fact that it exceeds the amount allowed by $266.80.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in the RECORD in two instances.

Mr. WERDEL asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. MILLER of Nebraska asked and was given permission to extend his remarks in the Appendix of the RECORD.

Mr. TOLLEFSON asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. WOLVERTON asked and was given permission to extend his remarks and include an editorial.

Mr. McCORMACK asked and was given permission to extend his remarks and include an address made by Archbishop Richard J. Cushing, of Boston, on August 3, 1950, notwithstanding the fact that portions of this address were inserted in the CONGRESSIONAL RECORD of September 8 at page A6426.

Mr. PRESTON (at the request of Mr. PRIEST) was given permission to extend his remarks and include a telegram.

ENROLLED BILL SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill of the House of the following title, which was thereupon signed by the Speaker:

H. R. 5967. An act to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 49 minutes p. m.) the House adjourned until tomorrow, Friday, December 8, 1950, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. COOLEY: Committee on Agriculture. H. R. 9832. A bill to remove marketing penalties on certain long staple cotton; without amendment (Rept. No. 3177). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 9840. A bill to exempt furlough travel of service personnel from the tax on transportation of persons, with amendment (Rept. No. 3178). Referred to the Committee of the Whole House on the State of the Union.

Mr. RICHARDS: Committee on Foreign Affairs. H. R. 9853. A bill to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia; with amendment (Rept. No. 3179). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WALTER: Committee on the Judiciary. H. R. 2466. A bill for the relief of Zygmunt Pakula (also known as Pakuta); with amendment (Rept. No. 3151). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. H. R. 6500. A bill for the relief of Mario Pucci; with amendment (Rept. No. 3152). Referred to the Committee of the Whole House.

Mr. CASE of New Jersey: Committee on the Judiciary (H. R. 9286). A bill for the relief of Maria Manfrini; without amendment (Rept. No. 3153). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. H. R. 9845. A bill for the relief of Capt. Marciano O. Garces; without amendment (Rept. No. 3154). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 297. An act for the relief of Ruggiero Di-Costanzo; without amendment (Rept. No. 3155). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 995. An act for the relief of Irene George Livanos; without amendment (Rept. No. 3156). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. S. 752. An act for the relief of the E. J. Albrecht Co.; without amendment (Rept. No. 3157). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. S. 1816. An act for the reimbursement of the S. A. Healy Co.; without amendment (Rept. No. 3158). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2179. An act for the relief of Stephen A. Patkay and his wife, Madeleine; without amendment (Rept. No. 3159). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2420. An act for the relief of Shaoul Minashi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami; without amendment (Rept. No. 3160). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. S. 2702. An act for the relief of Louis E. Gabel; without amendment (Rept. No. 3161). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2799. An act for the relief of Johan Wilhelm Adriaans; without amendment (Rept. No. 3162). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary: S. 2803. An act for the relief of Angela Maria Pisano; without amendment (Rept. No. 3163). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2961. An act for the relief of Magdalena L. Jardeleza, Jr.; without amendment (Rept. No. 3164). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2963. An act for the relief of Chen Hua Huang; without amendment (Rept. No. 3165). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3066. An act for the relief of Dionisio Aguirre Irastorza; without amendment (Rept. No. 3166). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3067. An act for the relief of Andres Aguirre Irastorza; without amendment (Rept. No. 3167). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3091. An act for the relief of Master Stanley (Zachne) Hiller; without amendment (Rept. No. 3168). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3329. An act for the relief of Kiyomi Kitamura; without amendment (Rept. No. 3169). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3406. An act for the relief of Lee Yee Yen; without amendment (Rept. No. 3170). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3430. An act for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia); without amendment (Rept. No. 3171). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3444. An act for the relief of Victor Francis Oberschall; without amendment (Rept. No. 3172). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3484. An act for the relief of Barbara Sugihara; without amendment (Rept. No. 3173). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 4072. An act for the relief of Ella Stufka and her son; without amendment (Rept. No. 3174). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 4074. An act for the relief of Pamela Bentley; without amendment (Rept. No. 3175). Referred to the Committee of the Whole House.

Mr. KEATING: Committee on the Judiciary. S. 4111. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio; without amendment (Rept. No. 3176). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. MARCANTONIO:

H. R. 9880. A bill to repeal Public Law No. 831, Eighty-first Congress; to the Committee on Un-American Activities.

By Mr. CELLER:

H. R. 9881. A bill to amend section 215 of title 18, United States Code, to prohibit officers or employees of the United States from accepting payments for appointment or retention of a person in office or employment under the United States; to the Committee on the Judiciary.

By Mr. HUGH D. SCOTT, JR.:

H. Res. 887. Resolution recommending the resignation of the Secretary of State; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BIEMILLER:

H. R. 9882. A bill for the relief of Sam Ho; to the Committee on the Judiciary.

By Mr. CASE of New Jersey:

H. R. 9883. A bill for the relief of Marie Louise Sageros; to the Committee on the Judiciary.

By Mrs. DOUGLAS:

H. R. 9884. A bill for the relief of Elena Erbez; to the Committee on the Judiciary.

H. R. 9885. A bill for the relief of Adelaida Reyes; to the Committee on the Judiciary.

By Mr. MANSFIELD:

H. R. 9886. A bill for the relief of Fares Nujra Saliba; to the Committee on the Judiciary.

By Mr. PRICE:

H. R. 9887. A bill for the relief of Mrs. Harumi China Cairns and George Thomas Cairns; to the Committee on the Judiciary.

SENATE

FRIDAY, DECEMBER 8, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

Rev. George M. Docherty, D. D., minister, New York Avenue Presbyterian Church, Washington, D. C., offered the following prayer:

Almighty and Everlasting God, who art the Lord of Hosts, and who in ancient days set up a pillar of cloud by day and a pillar of fire by night to guide Thy chosen people through famine and plague and the pestilence of war unto the land of promise; grant to our Nation in these critical days such a vision and the certitude of Thy blessings and guidance. And especially to those who sit in this Chamber. Do Thou, O Heavenly Father, enable them to hear above the thunder of the world Thy still, small voice. Give them clear insights and calm courage and in all the grave decisions they must make the knowledge that they are servants not only of the people but servants of God. To this end do we dedicate our lives today, O Lord, that this world, which in our time has by man's achievement become a neighborhood, may by the power and the presence of Thy Holy Spirit become a brotherhood of men and nations. Through Jesus Christ, the Prince of Peace. Amen.

THE JOURNAL

On request of Mr. ROBERTSON, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, December 7, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 9780) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence, in which it requested the concurrence of the Senate.

LEAVE OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. LODGE was excused from attendance on the session of the Senate today.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. ROBERTSON, and by unanimous consent, the Committee on Armed Services was authorized to meet during the session of the Senate today.

DEMAND FOR RECOGNITION OF CITIZENS OF NORTH DAKOTA IN APPOINTMENTS TO PUBLIC OFFICE

Mr. LANGER. Mr. President, last evening when the calendar was called in executive session I did not object to the confirmation of the various individuals who had been nominated to office. Time and time again on the floor of the Senate I have called the attention of the Senate and of the administration to the fact that no citizen of North Dakota has been named to head any important office. Year after year has gone by without any citizen of North Dakota being nominated to any such office. At the present time no citizen of North Dakota is serving as ambassador or consul, and you all know that there is no better group of people anywhere than North Dakota people. One New York man after another has been named, and at one time there were six members of the Cabinet who had been appointed from the State of New York, and last night we confirmed another New Yorker.

Mr. President, I am serving notice that the next time the Senate is called on to confirm anyone to head any office I propose to oppose the confirmation. I shall do all in my power to see to it that the people of North Dakota finally get the recognition to which they have been entitled ever since the State was admitted into the Union in 1889. I want the Senators to know exactly how I feel on the subject. I have taken up the matter time and time again, and if in order to get results I must cause delay and take the time of the Senate, even in these critical times, I propose to do it. North Dakota is a part of these United States, the citizens pay a large share of the taxes, and I propose to see that some citizens from there will have something to do with the real operation of this Government.

Mr. TOBEY. Mr. President, in view of what the Senator has said—and I can well understand the thoughts in his mind—I would suggest that he whisper in the ear of the President and start at the source.

ORDER OF BUSINESS

Mr. CAPEHART. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CAPEHART. What is the business before the Senate?

The PRESIDENT pro tempore. Senate bill 3295, the so-called railway-labor bill, is before the Senate, and the pending question is on the amendment offered by the Senator from Florida [Mr. HOLLAND].

Mr. CAPEHART. That estops any additional amendment being offered until the pending amendment is disposed of?

The PRESIDENT pro tempore. That is correct; unless an amendment is offered to the pending amendment.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. The bill is open to amendment, is it not?

The PRESIDENT pro tempore. It will be open to amendment after the pending amendment is disposed of.

Mr. CAPEHART. After the pending amendment is disposed of; but no amendment can be offered now unless it is an amendment to the pending amendment?

The PRESIDENT pro tempore. That is correct.

CALL OF THE ROLL

Mr. ROBERTSON. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Myers
Anderson	Hunt	Neely
Brewster	Ives	Nixon
Bricker	Johnson, Tex.	O'Conor
Bridges	Johnston, S. C.	O'Mahoney
Butler	Kefauver	Pepper
Byrd	Kem	Robertson
Cain	Kerr	Russell
Capehart	Kilgore	Saltonstall
Carlson	Knowland	Schoeppel
Chapman	Langer	Smith, Maine
Chavez	Leahy	Smith, N. J.
Clements	Lehman	Smith, N. C.
Connally	Long	Stennis
Cordon	Lucas	Taft
Donnell	McCarran	Taylor
Douglas	McCarthy	Thomas, Okla.
Dworshak	McClellan	Thomas, Utah
Ecton	McFarland	Thye
Ellender	McKellar	Tobey
Fulbright	McMahon	Tydings
George	Malone	Watkins
Gillette	Martin	Wherry
Gurney	Maybank	Wiley
Hayden	Millikin	Williams
Hendrickson	Morse	Young
Hickenlooper	Mundt	
Hill	Murray	

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Delaware [Mr. FREAR], the Senator from North Carolina [Mr. HOEY], and the Senator from Washington [Mr. MAGNUSON] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Colorado [Mr. JOHNSON] is absent on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Indiana [Mr. JENNER] is unavoidably detained.

The Senator from Vermont [Mr. FLANDERS], the Senator from Massachusetts [Mr. LODGE], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The PRESIDENT pro tempore. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

ENROLLED BILL SIGNED

The PRESIDENT pro tempore announced that on today, December 8, 1950, he signed the enrolled bill (H. R. 5967) to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers, which had previously been signed by the Speaker of the House of Representatives.

CREDENTIALS

Mr. McFARLAND presented the credentials of CARL HAYDEN, duly chosen by the qualified electors of the State of Arizona, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

EXECUTIVE OFFICE,
STATE HOUSE,
Phoenix, Ariz., December 4, 1950.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, CARL HAYDEN was duly chosen by the qualified electors of the State of Arizona a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, Dan E. Garvey, and our seal hereto affixed at Phoenix, this 4th day of December A. D. 1950.

[SEAL] DAN E. GARVEY,
Governor.

By the Governor.
Attest:

WESLEY BOLIN,
Secretary of State.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred, as indicated:

CONFIDENTIAL REPORT ON CONTRACTS NEGOTIATED BY DEPARTMENTS OF THE ARMY, NAVY, AND AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, a confidential report of contracts negotiated by the Department of the Army, the Department of the Navy, and the Department of the Air Force, for the period January 1 through June 30, 1950 (with an accompanying report); to the Committee on Armed Services.

NOBEL PEACE PRIZE

A letter from A. Schon, for the Nobel Committee of the Norwegian Parliament, Oslo, Norway, transmitting copies of a circular with regard to the award of the Nobel peace prize in 1951 (with an accompanying paper); to the Committee on Foreign Relations.

RESOLUTIONS OF MINNESOTA DIVISION, IZAAK WALTON LEAGUE OF AMERICA, INC., DULUTH, MINN.

Mr. THYE. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, resolutions adopted by the twenty-eighth annual convention of the Minnesota division, Izaak Walton League of America, Inc., at Duluth, Minn., on September 29–30, 1950, relat-

ing to the conservation of waterfowl and other wildlife.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTIONS PASSED BY THE TWENTY-EIGHTH ANNUAL CONVENTION OF THE MINNESOTA DIVISION, IZAAK WALTON LEAGUE OF AMERICA, INC., DULUTH, MINN., SEPTEMBER 29–30, 1950

RESOLUTION 5

Whereas extensive farm drainage, especially of potholes and marshes, stimulated by Federal aid furnished through the Soil Conservation Service and the Production and Marketing Administration under the Department of Agriculture, has done widespread and irreparable damage to the habitat for waterfowl and other wild life: Therefore be it

Resolved by the Minnesota Division of the Izaak Walton League in convention assembled at Duluth, Minn., this 30th day of September 1950 as follows:

1. We recognize the right of farmers to improve their land by drainage, but we remind them that wild life has great value to farmers and to the public, that the protection and development of wild life habitat benefits farms and enhances their value, and we urge them to make full allowance for this in connection with their drainage projects.

2. We believe that under present economic conditions the promotion of farm drainage by Federal aid, especially the payment of cash subsidies, is unnecessary and unsound, although we recognize that certain types of drainage are necessary for good farming and that some drainage is beneficial to wild life. We therefore urge Congress and the Secretary of Agriculture to stop the payment of cash subsidies for drainage immediately.

RESOLUTION 6

Whereas there is urgent need for better coordination and control of Federal agencies dealing with protection or development of natural resources in order to eliminate confusion and conflict among present separate agencies, prevent waste of public funds on ill-advised and ineffective projects, promote efficiency and economy in administration, and to secure adequate consideration for wildlife and other natural resources as well as other public interests; and

Whereas the reorganization of the Government agencies concerned as recommended by the Hoover Commission or its task force on natural resources would involve difficult and controversial problems which would delay action; and

Whereas a large degree of effective coordination and control over Federal projects affecting waters and other natural resources could be accomplished by creation of a Board of Review to pass on such projects, which could furnish along with existing agencies and which would not interfere with ultimate reorganization of those agencies under any plan that may be adopted: Therefore be it

Resolved, That we urge Congress to establish at once a Board of Review for all Federal projects affecting waters and other natural resources as recommended by the minority report of the Hoover Commission and the Task Force on Natural Resources.

RESOLUTION 7

Whereas the existing act under which the Corps of Army Engineers administers the upper Mississippi River and its tributaries, provides for recognition of use for navigation only; and

Whereas wildlife and recreational values have become of tremendous value and importance since the passage of this act: Be it hereby

Resolved, That the Minnesota Division of the Izaak Walton League urges that the basic and covering administration of all Federal water-control projects on the upper Mississippi River and tributaries be amended to require adequate consideration for wildlife, recreation, and other conservation uses as well as navigation, flood-control, and other public interests.

RESOLUTION 24

Whereas the recreational and wildlife values are as important as the timber values of our national forests; and

Whereas United States Forest Service management is out of balance in having all their men work on timber and none on wildlife: Be it hereby

Resolved, That the Minnesota Division, Izaak Walton League of America, request the United States Congress to appropriate funds for the United States Forest Service to employ wildlife managers on both the Chippewa and Superior National Forests, and that this request be made known to all Minnesota Congressmen.

RESOLUTIONS OF TWENTY-FIRST ANNUAL CONVENTION OF PURE MILK PRODUCTS COOPERATIVE

Mr. WILEY. Mr. President, on October 31, it was my pleasure to attend the twenty-first annual convention of the Nation's largest milk producers' cooperative—The Pure Milk Products Cooperative of Fond du Lac, Wisconsin. I joined with over 1,534 delegates, members and guests in reviewing the accomplishments of the PMPC during the last year and considering the problems faced by the great membership of this organization in the present and in the future.

So large is the annual production of the Pure Milk Products Cooperative that the members of this single cooperative produce more milk than is produced by 24 entire States of the 48 States in our Union. For the year ending August 31, 1950, PMPC members produced 1,379,000,000 pounds of milk, and production this year is expected to hit 1,500,000,000 pounds.

Because dairying is so crucial to Wisconsin's future and to the health of the entire Nation, I believe that the resolutions adopted by this great organization will be of interest to my colleagues. I ask unanimous consent therefore that there be printed in the RECORD, and appropriately referred, the text of those resolutions adopted by the convention which pertain to national affairs, and that the text be followed by an enumeration of officers and directors of the Pure Milk Products Cooperative.

There being no objection, the resolutions together with the enumeration of officers and directors, were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

GOVERNMENT AND FARM PRICES IN TIMES OF EMERGENCIES

1. The threat of war and actual war in Korea causes our Government to increase our military forces to approximate war strength. This will inevitably alter the price situation for dairy products. It will alter the habits of production for all agricultural products as well as the production habits of industry. These changes, in all probability, will call for controls. It may be necessary to adopt rationing programs. History proves that emergencies affect all prices, but not proportionately. Emergencies also affect supply and demand, but not in direct proportion with respect to all commodities.

2. In view of the facts set forth above, Pure Milk Products Cooperative wishes to bring forcefully to the attention of the Congress and administration the need for serious consideration of (1) rationing problems, (2) comparable prices for dairy products under any price control that may be necessary.

With respect to rationing, we call attention to the many unjust and unfair rationing policies that were adopted in the last war. A program of rationing on butter and other dairy products was of such force that it caused a lasting change in the eating habits of an overwhelming majority of our national population to the eternal detriment of the consumption of dairy products and especially butter. Butter was rationed while other spreads to imitate butter were given a preferential freedom position with respect to rationing. For example: Rationing coupons that could have been used for butter were of necessity used for red meats while substitutes and imitations were left free to depress the use of butter. We condemn such a policy and urge and demand that the Congress and administration give this matter serious consideration if and when a rationing program becomes necessary.

COMPARABLE PRICES

If it becomes necessary to fix prices on agricultural products and especially milk, we demand that the Congress or such other price-fixing body charged with such authority be given mandatory authorization to fix prices for dairy products on a comparable basis without respect to the application of parity formula if full parity or any other price plan should not yield a price to dairy products at least comparable to other agricultural crops or commodities during the same period chosen for basic price-fixing plants.

3. We, the delegate body of Pure Milk Products Cooperative, in annual convention this 31st day of October 1950, further resolve that it shall be the duty of the State board of directors to take such action as will be in keeping with the intent reflected herein to bring about the price and rationing relationship as may be necessary due to changed conditions that may take place in the interim of convention of the delegates of this cooperative.

FARM SURPLUSES

1. As long as there is a surplus of dairy products, we must devise ways and means of handling such surpluses. We, therefore, reaffirm last year's resolutions respecting dairy surplus.

2. In uncertain times like the present, it is impossible to formulate a permanent plan for handling agricultural surpluses. We recommend that present governmental price supports and governmental purchasing shall be maintained until such time as supply and demand are approximately balanced.

3. Both the butter and the dried-milk industry should begin at once to examine their merchandising and advertising techniques. Too great a dependence is placed by these two industries on Government-purchasing policies. We commend our universities for the part they have played in research and consumer education in a effort to further the consumption of dried-milk and butter.

4. Wisconsin milk producers' prices for milk sold for manufactured dairy products, such as evaporated milk, cheese, and butter-powder operations, have historically been higher than the national average price received by producers for like production. For several months during this year a few privately owned plant operators in Wisconsin have failed to pay Wisconsin milk producers the calculated support price provided by the Commodity Credit Corporation plus the historical differential over the national average price.

In most cases these same companies have enjoyed a market with the Commodity Credit Corporation for their finished products.

It is our view that the Government purchase program was designed to support price to dairy farmers. We believe that the program is being defeated by such practice and that flagrant abuse is being made of the program at the expense of the dairy producers.

Therefore, we respectfully request that the Commodity Credit Corporation or any other Government agency charged with the administration of the support program cease to buy dairy products from any privately owned company that fails to pay the calculated support price plus the historical differentials.

Provided, however, that producers shall report such practices to the proper authorities and, provided further, that purchase by Government will be resumed upon proof satisfactory to the Government that such buyers have and will pay producers in keeping with the intent of the Government purchase program.

TRADE BARRIERS

1. (a) During the past year, we have heard a good deal about trade barriers. Trade barriers are especially harmful to Wisconsin dairymen, due to the fact that approximately 85 percent of our milk is sold outside the boundaries of the State. We believe, however, that there is a great deal of misunderstanding on the part of Wisconsin dairymen as to what constitutes a trade barrier. Many so-called trade barriers are simply the result of the operation of natural economic laws. We must remember that production costs, freight rates, geographical position of a market, and local demand are the usual factors governing the sale of milk on any given market.

(b) Trade barriers do exist. We condemn any local health regulation, the effect of which is to impede or prevent the natural flow of milk. We condemn provisions of Federal milk marketing orders which are not based on sound economy or true costs where or when the sole purpose of such provision is to build a wall about a city market for the protection of selfish minority groups.

2. We urge our manager or president to appear before the Gillette commitees, which is investigating trade barriers, to explain in its true light Pure Milk Products Cooperative's attitude toward this important issue.

SUBSTITUTE AND SYNTHETIC FOODS

1. Great changes have taken place since the adjournment of our last annual convention in respect to oleomargarine. The first battle over colored oleo has been lost in Congress. The fight against unfair competition between dairy products and substitutes must go on.

A. Since Congress has seen fit to remove the color ban for margarine, we insist that they appropriate ample funds for the enforcement of the present law. Rigid enforcement of the law is the only protection that the dairymen, on the one hand, and the consuming public on the other, can expect against the fraud of the margarine industry. Congress certainly owes the dairymen and the public this protection.

B. We urge our sister States who still have color bans against margarine on their statute books to hold the line against all pressure to remove the same.

2. On July 21, 1950, the State board adopted a resolution relative to synthetic foods. We commend their action and adopt a like resolution at this time.

A. This Nation, from the time of its founding, has depended for its chief food supply on the natural products of agriculture, such as grain, livestock, dairy products, and poultry. Through the years there has developed an immense food-processing industry which utilizes enormous quantities of these natural agricultural, livestock, dairy, and poultry products in meeting the daily nutritional requirements of the people. An ever-increasing portion of the Nation's food supply is being industrially processed, which processing has a direct bearing on the character of the national diet and standards of public health.

Certain chemicals, inorganic compounds, and synthetic materials are being used on an ever-increasing scale in the processing and preparation of various food products. Under existing laws there is no requirement that the chemicals, compounds, inorganic materials, and synthetics must be demonstrated to be nontoxic before being introduced into the food stream of the Nation. It appears reasonably certain that many of the chemicals, compounds, and inorganic materials and synthetics are being used to reduce or replace in foods organic material of great importance to the Nation's diet. The trends represented by the use of these chemicals, compounds, inorganic materials, and synthetics present a serious problem, not only to the health and welfare of our people but also to the future stability and well-being of our entire agricultural economy. The utilization of chemicals to replace milk solids, animal and vegetable fats and oils, as well as eggs, in the processing of food threatens heavy inroads into the production of these items by the agricultural segment of our economy.

The House of Representatives has recently adopted a resolution providing for the appointment of a special investigating committee to investigate this whole problem and report the same with recommendations for legislation to the next Congress. The Speaker, pursuant to the authority of such resolutions, has appointed a special committee to make such an investigation.

1. We heartily endorse the action of the Congress in providing for the appointment of such special investigating committee and heartily endorse the objectives of said committee.

2. We demand that the pure food and drug laws be suitably amended so as to put the burden upon any individual or corporation seeking to introduce a new chemical into the food stream of the Nation to demonstrate by clinical evidence that such chemical is not injurious over a long period to the health of the people.

3. We recommend that legislation be enacted granting to the Food and Drug Administration powers of subpena to enable it to more effectively and efficiently protect the public interest and the public food supply.

4. That this convention extend to FRANK B. KEEFE, Congressman from Wisconsin, its vote of appreciation and thanks for the scholarly research and untiring effort he has extended in bringing about the appointment of the above congressional committee.

FEDERAL ORDERS

We reaffirm our belief in an order for evaporated milk. We urge the State board and manager to do everything in their power to consumate our long years of endeavor to obtain an evaporated milk order.

2. Federal fluid milk orders have been under fire the last year. We realize that Federal orders are not perfect, but we believe that Federal order, if properly devised and executed, is the best means yet invented to maintain a plentiful supply of healthful fluid milk for the consuming public on the one hand and an orderly market with fair prices to producers on the other.

3. The administration of Federal milk orders has been eminently successful. This successful administration has been due mainly to the fact that control of funds and personnel has been kept under local management. At no time has political or bureaucratic interference entered into the picture. Pure Milk Products Cooperative believes that the efficient administration of an order depends on a maximum freedom of action on the part of the Administrator and a minimum of interference on the part of the Federal Government. We are greatly opposed to and alarmed at the present tendency of the Production and Marketing Administration, whereby control over certain funds and personnel is being taken away from local authority and centralized in Washington. This movement will tend to decrease the authority of the Market Administrator, thereby decreasing administrative efficiency and increasing administrative costs.

Since Federal orders are financed by the milk markets, not by taxpayers, we suggest to the Production and Marketing Administration that their movement to centralize authority over Federal markets be discontinued.

DAIRY DIVISION

1. Your manager or president never go to Washington but what they visit the Dairy Division. Pure Milk Products Cooperative appreciates the important part the Dairy Division plays in the economy of the dairy farmer. We sincerely appreciate the fact that our relationships with the various departments of the Division have been cordial and cooperative. We take this opportunity to welcome Mr. Preston Richards as the new Chief of the Dairy Division. We pledge him our support in his efforts to promote the dairy interests of the Nation.

2. Pure Milk Products Cooperative is a commodity organization. We represent the interests of all dairymen. No single branch of the milk industry can be unduly emphasized to the detriment of other branches. Pure Milk Products Cooperative realizes that milk going into fluid channels and milk going into manufactured channels are of equal importance to the stability of the industry and that a balance of emphasis must be maintained at all times between fluid and manufactured milk.

A. We urge the Chief of the Dairy Division to bear this important fact in mind at all times. Absolute equality of emphasis should be maintained in the division between fluid and manufactured milk. Division heads working in fluid milk should have equal rank with division heads working in manufactured milk.

ST. LAWRENCE WATERWAY

1. Freight rates on dairy products are increasing each succeeding year. Wisconsin dairymen find it exceedingly difficult to sell their product competitively in the populous eastern markets, due to high transportation costs.

2. Water transportation, compared to rail transportation, is cheap. The development of the St. Lawrence waterway would reduce the freight costs to eastern markets materially. The enactment of no single measure before Congress would benefit the dairy farmer as much as the passage of the St. Lawrence waterway.

3. We, therefore, reaffirm all past resolutions relative to the St. Lawrence waterway. Once again we urge Congress to pass the proper enabling legislation and to appropriate sufficient funds for construction of the St. Lawrence waterway.

4. Gratitude is a virtue, the expression of which is too often neglected. This is especially true of farm organizations. We are prone to accept the unselfish service of our leaders and our public servants without expressing our appreciation. Pure Milk Products Cooperative believes it is proper in this convention to publicly thank Wisconsin Representatives and Senators for the unselfish fight they have waged in the United States Senate for the St. Lawrence waterway.

QUART OF MILK A DAY

Every day more and more scientific evidence is supplied to prove that milk does more for the body than any other food. Medical history records prove that the people who have achieved, those who have become large, virgorous, strong people, those people who have reduced their infant mortality, who have the best trades in the world, those who are progressive in science and in every activity of human intellect—are the people who have used abundant amounts of milk and its products. Large industries are in greater numbers each year resorting to the use of milk in their factories to improve employees' health and reduce fatigue. The results show a reduction in accidents with an improvement in safety, and increased production, and better health are reported where milk is being served between meals or added to the diet.

Therefore, we, the members of Pure Milk Products Cooperative, believe that the men and women of our Armed Forces should have an abundance of milk, the essential food beverage, to give them the strength and spirit to carry on, and we earnestly urge the Congress to provide ways and means so that our Armed Forces, wherever they may be, shall have at least a quart of milk or its equivalent each day.

DRAFT

The draft for war affects all Americans and should do so equally. Through selective service, rural America will continue its past contribution to our country's defense.

Presently, it appears that most draft boards feel that farming is not considered essential, and, in Wisconsin, no consideration is being given to our replacement of a man—and which often forces our discontinuance of dairying.

The farmer with one employee can't find a replacement as easily as the factory owner with 100 or 1,000 employees. This is particularly true in Wisconsin, where diversified and specialized farming requires special skills and where industry has already drained the countryside by higher wages.

The farmer doesn't want blanket exemption. Equal treatment under selective service with city folks requires that some consideration be given to our replacement of the drafted men. The present plan of drafting farmers (apparently there are only city draft boards) without opportunity to find a replacement works a hardship on the dairy farmer and will result in a national loss of essential foods produced.

Why the dairy farmer with one hired man can't receive the same consideration as the industrialist with 10,000 employees we can't understand.

Therefore be it resolved that the selective service, in drafting farmers, consider the need for replacement of our skills, the need for dairying and permit sufficient time to find a man. The present policy will force a sale and discontinuance of farming. It unfairly favors the city industrial and service establishments.

OFFICERS AND DIRECTORS

William F. Groves, president, fourth district, Lodi, Wis.

Henry Meier, vice president, ninth district, Merrill, Wis.

Edward R. Featherstone, secretary, second district, Walworth, Wis.

Charles J. Rode, treasurer, fifth district, Hartford, Wis.

William O. Perdue, general manager, central office, Fond du Lac, Wis.

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William H. Peters, first district, Junction City, Wis.

William Bauman, third district, Middleton, Wis.

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Charles A. Peterson, seventh district, Rosendale, Wis.

Fred B. Larsen, eighth district, Weyauwega, Wis.

Paul W. Affeldt, tenth district, Sparta, Wis.

Ronald Casey, eleventh district, New Richmond, Wis.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. ANDERSON introduced Senate bill 4236, to provide for the development and regulation of methods of weather modification and control, which was referred to the Committee on Interstate and Foreign Commerce, and appears under a separate heading.)

By Mr. MARTIN:

S. 4237. A bill for the relief of Tsung Hsien Hsu; to the Committee on the Judiciary.

By Mr. O'CONOR:

S. 4238. A bill for the relief of Hara Shpak, A. A. Shpak, and Sympcha Shpak; to the Committee on the Judiciary.

By Mr. BREWSTER:

S. 4239. A bill for the relief of Arthur Koestler; to the Committee on the Judiciary.

WEATHER CONTROL ACT OF 1951

Mr. ANDERSON. Mr. President, I introduce for appropriate reference a bill to be known as the Weather Control Act of 1951, and I ask unanimous consent that there be printed in the body of the RECORD a brief statement I have prepared, together with statements by Dr. E. J. Workman, of the New Mexico School of Mines, and Vincent J. Schaefer, of the General Electric Research Laboratory, Schenectady, N. Y., on artificial inducement of precipitation.

The PRESIDENT pro tempore. The bill will be received and appropriately referred, and, without objection, the statements presented by the Senator from New Mexico will be printed in the RECORD. The Chair hears no objection.

The bill (S. 4236) to provide for the development and regulation of methods of weather modification and control, introduced by Mr. ANDERSON, was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

The statements presented by Mr. ANDERSON are as follows:

STATEMENT BY SENATOR ANDERSON ON WEATHER CONTROL BILL

I have today introduced a bill to provide for the development and regulation of methods of weather modification and control. To some persons this may be considered somewhat presumptuous, if not sacreligious, as there are those who say that they are still willing to leave the weather to divine providence. To this I can only reply that in my judgment the sphere of divine providence is no more invaded by weather control than by the splitting of the atom. Occasional dramatic events such as the recent New York water shortage, or the dust storms of a few years ago, or hurricanes, or other great disturbances of nature serve to remind us that the weather is one of the most important factors in our everyday lives. Without sufficient rainfall our agriculture is seriously affected; problems of health and adequate water supply are drastically increased. On the other hand, periods of severe storms or excessive rainfall bring devastating floods, ruin crops, and take their toll in injury and damage to lives and property. The transportation of goods and persons, military problems of national defense, and, indeed, every activity in which we engage is affected directly or indirectly by the weather.

At this point, I suppose I should recognize that some will inquire, quite properly, as to the constitutional basis for this type of legislation. I do not propose to discuss that feature in detail. It will doubtless be adequately considered in committee. I want only to say that there is no doubt in my mind that this is a proper subject of Federal legislation. As to specific constitutional sources of power I need only refer to the commerce clause and the war power. I call to mind in connection with the commerce clause the regulation of air navigation, water navigation (flood control and improvement of navigable waters), and radio communication. These are to me convincing considerations, leaving aside the interstate movement of the clouds themselves, and are sufficient to justify Federal legislation by specific reference to the clause itself or under the necessary and proper clause. With regard to the war power the analogy to atomic energy is plain and to my mind equally as potent. It was General Kenny who said, "The nation which first learns to plot the paths of air masses accurately and learns to control the time and place of precipitation will dominate the globe."

To give an idea of developments in this field I am having my remarks accompanied by two statements prepared for this purpose by Dr. E. J. Workman, president of the New Mexico School of Mines at Socorro, N. M., who has been working in close coordination with General Electric scientists on artificial precipitation, and by Dr. Vincent J. Schaefer of the General Electric research laboratory at Schenectady. As will be observed from Dr. Workman's statement "the era of scientific weather control began some 4 years ago when Dr. Vincent J. Schaefer of General Electric Co. made his now famous announcements concerning dry ice in a refrigerated box and supercooled clouds." On November 22, 1950, I flew up to Schenectady and personally met with a group studying the problem at the General Electric laboratory—Dr. Irving Langmuir, Dr. Vincent Schaefer, Dr. Bernard Vonnegut, and, of course, Dr. Guy Suits, vice president and research director of General Electric at Schenectady. Possibly Senators may have already read various articles in Time or Pathfinder magazines about the activities of Dr. Langmuir, a Nobel prize winner. An interesting article about these scientists may also be found in the Saturday Evening Post, issue of October 25, 1947, on page 24, wherein Dr. Suits is quoted as saying that developments in modification of weather phenomena are "possibly as important in terms of benefits to mankind as atomic energy."

The bill in general follows the outline of the Atomic Energy Act of 1946, that is, it in effect places weather modification and control activities exclusively under the control of the Federal Government. I recognize that there are competent and well-meaning persons both within and without the Government who take the position that regulation in this field is premature, and that we have not yet gained the knowledge upon which to base comprehensive legislative regulation. Equally competent persons take the opposite view, and point out that while it is a field in which unknown factors are involved, the implications are so great that it is better now to seek the application of measures with proper safeguards. With this latter group I agree. I am not so sure that from a scientific standpoint it is not just as important to deal with this subject

now as it was to deal with atomic energy at the time of the enactment of the Atomic Energy Act of 1946. It is probable that economic benefits may be realized much sooner than in the case of atomic energy. I am not so sure, either, that weather modification and control is not closely related, at least from the standpoint of national security, to the utilization of atomic energy as a military weapon. In any event I am convinced that an attempt to set up intelligent regulation should be made immediately, even though it will necessarily be subject to revision from time to time as the results of weather control measures become more predictable. To my mind it is a question of intelligent regulation now or continued haphazard interference with the weather with no central authority to channel the course of these measures in the national interest.

When it is considered that the potentialities in this field go all the way from inducing, increasing, or preventing precipitation, to changing the course, or modifying the intensity, of a thunderstorm or a hurricane, the almost terrifying implications seem to me to make it obvious that the Federal Government should occupy this field now. While research and experimentation in the field of weather modification and control have attained the stage at which the application of scientific advances in this field has practical significance, the effect of the use of such measures upon the social, economic, and political structures of our country and upon national security is yet to be determined. This is a field in which uncommon factors and unsolved problems are involved. As stated in the bill which I have introduced, it is reasonable to anticipate, however, that effective modification and control of the weather will cause or produce profound changes in our present way of life and will result in far-reaching benefits to and untold developments in agriculture, industry, commerce, and the general welfare. While the ultimate extent to which measures for weather control may be utilized is still speculative, the application of such measures without proper safeguards, sufficient data, and accurate information may result in inadequate or excessive precipitation; may cause catastrophic droughts, storms, floods, and other phenomena with consequent loss of life and property, injury to navigable streams and other channels of interstate and foreign commerce, injury to water supplies for municipal, irrigation, and industrial purposes, and injury to sources of hydroelectric power. Such measures, improperly applied, may also impede the production and transportation of goods and services for domestic consumption and export, may impair or hinder the national defense, and in many other ways may adversely affect the general welfare of the people of the United States. Moreover, thorough experimentation in, and application of, such measures will of necessity affect areas extending across State and even international boundaries.

Accordingly, it seems clear that further experimentation in and application of measures for weather control are matters of national concern which cannot and should not be left to haphazard and undirected private and individual action, uncontrolled by any responsible body and without any comprehensive planning for uniform and beneficial development. Believing that the time has come for definite action to correct this situation I have introduced S. 4236, the purpose of which is to insure that maximum benefits may result from weather modification and control; to regulate and supervise all those who attempt to engage in such activity; to correlate and evaluate the information derived from such activity; and to achieve cooperation with the several States and the duly authorized officials thereof concerning such activity, all to the end of encouraging the intelligent and beneficial development of weather modification and control, preventing its harmful and indiscriminate exercise and fostering sound economic conditions in the public interest.

To achieve these purposes the bill provides for four major programs relating to weather modification or control:

1. A program of assisting and fostering private research and development to encourage maximum scientific progress.

2. A program of federally conducted research and development to assure the Government of adequate scientific and technical accomplishment.

3. A program for Government control of experiments and operations in order to advance the general welfare, assure the common defense and national security, and to promote the broadest possible exploitation of the field.

4. A program of administration which will be consistent with the foregoing policies and with international arrangements made by the United States, and which will enable the Congress to be currently informed so as to take further legislative action as may hereafter be appropriate.

These programs will be under the supervision of and administered by a Weather Control Commission, an independent agency, assisted by a General Advisory Committee, a Military Liaison Committee, and an Interdepartmental Advisory Board.

The Commission is directed to exercise its powers in such manner as to insure the continued conduct of research and development activities in specified fields of weather modification and control by private or public institutions or persons and to assist in the acquisition of an ever-expanding fund of theoretical and practical knowledge in such field. The Commission may also conduct its own research and experimentation.

I have one additional matter which I wish to discuss briefly, more to bring up the problem than to attempt an adequate solution. The bill I have introduced provides for Government assumption of the liability of its contractors growing out of performance of their contracts. I believe this method to be preferable to that of providing merely for indemnification of Government contractors. Indemnification alone will not give private contractors the protection which I believe is essential if this important work is to go forward in the most effective manner. Any indemnification provision by its very nature will always be unsatisfactory in the following respects:

1. Such a provision always subjects the contractor to the responsibilities inherent in having the initial liability.

2. Such a provision requires the contractor to assume or at least participate in the defense of any action brought against him.

3. Such a provision always subjects the contractor to the possibility of an attachment or execution against his property which even though temporary might very seriously affect his operations.

4. Such a provision does not give the contractor a complete guarantee against liability because of the limitations inherent in congressional appropriations or in Government certification.

5. Such a provision subjects the Government to liability with respect to judgments rendered by courts other than Federal courts.

I suppose it may be charged that in this provision the Government is buying a pig in a poke. It is true that in the field of weather control there is what has been described as an odd legal vacuum. But in due course the fields of alleged responsibility and ownership will be charted by the courts and at least in the initial stages the Government must assume responsibility because of the grave public interest involved. I am frank to say that at this time questions of legal liability arising out of operations in the field of weather control defy solution. Competent authorities have written learned articles seeking analogies from water law, the law of the airspace (that is, air navigation), the migration of wildlife, and the radio's ether. In my judgment one can only speculate as to who is liable for what in this field. I need only point out that the conflicting interests, for example, in inducing or preventing precipitation, may be summed up by saying that what may be a boon to the farmer or ranchman may be a washout to the operator of the baseball club or the county fair, to use only one field in which precipitation may be damaging if not disastrous; or as one writer has put it "who owns the clouds?". I invite a careful reading of the findings and declaration in section 2 of the bill which I believe will serve to emphasize the gravity of the problem.

There follows a brief section-by-section analysis of the bill:

SECTION-BY-SECTION ANALYSIS

Section 1 provides a short title, the Weather Control Act of 1951.

Section 2 embodies the declaration of policy, consisting of a statement of findings and a declaration, and a brief outline of the purpose of the act.

Section 3 provides for the organization of a Weather Control Commission to administer the act, and provides for a general civilian advisory committee, a military liaison committee, and an interdepartmental advisory board, to advise the Commission in the several phases of its operations.

Section 4 provides for assistance to private or public institutions or persons in the fields of weather modification and control, and also authorizes the Commission to engage in activities in such field.

Section 5 provides for military applications of weather modification and control and includes authority in the Commission to conduct experiments and do research and development work in this field and also authorizes the President to direct the Commission to authorize the Armed Forces to engage in activities for weather modification and control as a military operation.

Section 6 provides for the issuance of licenses to engage in activities for weather modification and control. In general no person may engage in such activities without a license issued by the Commission. In connection with the issuance of licenses the Commission may provide for the regulation of rates, fees, and charges for carrying out weather modification and control projects on a commercial basis. The Commission is also authorized to provide by regulation for exempting from the licensing requirements laboratory research and experiments and activities of an emergent character for protection against frost, ice, or fog. A typical example of the latter would be the well-known smudge pots to protect fruit trees against frost.

Section 7 recognizes the serious international implications of weather modification and control and in general provides for the subordination of domestic measures to international arrangements.

Section 8 outlines the general authority of the Commission, including the authority to establish advisory boards and the regulatory authority, and outlines the administrative powers of the Commission.

Section 9 deals with enforcement, and provides criminal penalties for violations, authorizes the use of the injunctive power, and provides machinery for requiring obedience to subpenas of the Commission.

Section 10 provides for Government assumption of liability that might otherwise be imposed on Government contractors as a result of their activities.

Section 11 requires the Commission to report to Congress twice each year, in January and July.

Section 12 contains definitions.

Section 13 authorizes appropriations to carry out the act.

Section 14 is the usual separability clause.

I have touched only briefly upon the scientific aspects of the developments in this field. To supplement my statement I ask unanimous consent to insert at the end of my remarks statements by experts on the subject, to which I have previously referred, one by E. J. Workman, of the New Mexico School of Mines, and the other by Vincent J. Schaefer, of the General Electric Research Laboratory, Schenectady, N. Y.

Notes on Artificial Inducement of Precipitation

(By Dr. E. J. Workman, New Mexico School of Mines, representing Water Resources Development Commission of the State of New Mexico, in presenting the following report to the President's Water Resources Policy Commission)

The question of water, whether it applies to atmospheric water or to ground water, is one of extreme importance. A large portion of our population has shifted to the arid States of the West. This and the increase in irrigation in all States has placed a new demand upon our water supply. Industrial processes which, as our economy develops, require more and more water, have added to the problem of supply and to the problem of pollution as well.

If we expect to maintain our present trend in standard of living and recreational facilities, additional water development must be made, and further conservation of existing water must be effected. The domestic consumption of water has increased enormously in the last two or three decades. Our demands are greater, quite independent of population increases or population shifts. Our per capita water requirements are larger—we use electric dishwashers and electric washing machines. Nearly all the domestic facilities of the home have increased the consumption of available water.

It is worth while, then, to examine today's methods of inducing artificially the precipitation of water from clouds.

One gains the impression from the public press that a very great amount of research is being done on methods of influencing rainfall by providing nuclei and ice crystals by various methods. Actually, while many people are engaged in activities dedicated to influencing precipitation, very few are engaged in basic research bearing on this important but not completely understood phenomena.

The era of scientific weather control began some four years ago when Dr. Vincent J. Schaefer of General Electric Co. made his now famous announcements concerning dry ice in a refrigerated box and supercooled clouds. The group studying the probem at General Electric is now large and the very extensive contributions of Dr. Irving Langmuir, Dr. Vincent Schaefer, Dr. Bernard Vonnegut, and others is well known. For a number of years New Mexico School of Mines has employed a group of men for research in artificial precipitation and related subjects and recently we have worked in close coordination with the General Electric scientists.

There is particularly good agreement among the scientists of the world as to the general physical processes of precipitation. While much is yet to be learned, it is agreed that the formation of ice in clouds is necessary to precipitation in temperate latitudes and no doubt is necessary also for heavy precipitation in tropical areas. In New Mexico we have studied thunderstorms and the mechanisms of thunderstorm precipitation for several years and we concur with the view that the formation of ice is essential to precipitation. We know that ice forms in clouds at a temperature somewhat colder than the freezing point and that for optimum precipitation results ice should be produced in a thunderstorm at an altitude having a temperature of −15° to −30° C—preferably on the warmer side.

The process of sublimation which produces small ice crystals in clouds has been described by Schaefer and others. It is known that foreign material must be present in the atmosphere to serve as seeds on which small ice crystals may begin to form. These microscopic airborne particles are known as sublimation nuclei. In order to produce a snowstorm 1 foot in depth over an area of perhaps 1,000 square miles, something like 10^{16} sublimation nuclei must be present. It is not known precisely how many nuclei are needed for the production of the maximum amount of rain from thunderstorm, but it is safe to say that the number is somewhere between 10,000 and 100,000 per cubic meter.

The vital problem here is: How many of such sublimation nuclei occur naturally in the air? Meteorologists, in general, seem to have the impression that the atmosphere always contains an adequate number of these nuclei. Those of us who have made daily measurements of effective natural nuclei hold a different view.

Daily counts of nuclei have been made at Mount Washington in New Hampshire by the General Electric group under the direction of Dr. Schaefer, and in Socorro, New Mexico, by the School of Mines group. These observations of available nuclei are characterized first of all by the fact that the number of nuclei found varies greatly from day to day.

One million nuclei per cubic meter may occur, I believe, as much as 8 percent of the time in the winter on Mount Washington. Ten million nuclei per cubic meter have been found at Mount Washington once or twice in more than 8,000 readings. Usually, however, the number is quite small, varying from less than 10 to around 10,000 per cubic meter at —15° C. These figures represent maximum numbers, since they were obtained in the wintertime when minute ice crystals of surface origin might be involved in the counts at the Mount Washington station.

In the Southwest, at Socorro, the nuclei counts are not so optimistic. We find very few nuclei at any time which are effective at the relatively warm temperature of −15° C. We have noted, as have General Electric investigators, that the number of effective nuclei increases greatly as the temperature decreases. Generally, but not always, an adequate number of nuclei is found at temperatures as low as −21 or −22° C. This temperature corresponds to an elevation in the atmosphere of approximately 28,000 feet. It is interesting to note that this is the temperature at which we find evidence of precipitation in summer storms in New Mexico.

Bearing in mind the fact that precipitation does not result from clouds until ice has formed, information on the relative number of clouds which attain glaciation height is of interest. Careful studies made in New Mexico during the last summer indicate that approximately 90 percent of the clouds which otherwise might develop into thunderstorms do not reach this height. Many of the lower clouds among this 9 percent could be helped in the precipitation process by the artificial addition of ice-forming nuclei. We have photographed clouds which attain heights of 35,000 feet or more before glaciation occurs. These latter are the "pumping cirrus" clouds which Langmuir has described, and they demonstrate the complete lack of effective nuclei. This interesting meteorological phenomenon results when the cloud height is so great that the temperature is below the critical temperature for ice formation; namely, about −40° C. At this temperature all cloud particles turn to ice.

What can be done to provide the additional rainfall so greatly needed in many parts of the United States? By the use of aircraft or suitable ground generators to add sublimation nuclei to the atmosphere, it is possible to increase the amount of rainfall. It is safe to say, in fact, that the application of scientific effort to this problem can enhance the rainfall by 25 to 75 percent. What should be added to the atmosphere, how much, and when, are serious and difficult questions.

Dr. Langmuir has suggested, and others among us are in agreement, that perhaps an increase in rainfall or snow precipitation in a particular locality may be significant in modifying the circulation pattern of the atmosphere. This possibility arises out of the fact that precipitation produces a heating effect in the atmosphere where it occurs. This heating, like the effects of sunshine, may introduce perturbations of sufficient magnitude to cause a great deal of what we call "weather."

These man-made changes in the climate, if demonstrated applicable to the problem, make the question of artificial precipitation one of national and possibly even international importance. This question should have vigorous application of research effort at this time.

With reference to this problem, winter snowfall presents certain favorable aspects in the western mountain areas. I believe that there is a general agreement among researchers in this field that snowfall can be modified quite easily by the addition of precipitation nuclei. From the standpoint of general safety and public interest, research in the artificial precipitation of snow may be very worth while.

In conclusion I would like to point out that the question of whether or not precipitation can be increased artificially is only one aspect of this new field of investigation.

For example, I feel almost certain that it is possible to moderate what otherwise would be a violent storm, whether the violence results from wind, excessive rainfall, hail, lightning, or combinations of these features.

I will be very happy to point out in detail how the question of artificial seeding of clouds relates to these important problems. I think it is unfortunate that so much controversy has grown up around this field of scientific investigation. Probably our greatest loss is in the fact that important subdivisions of our national Government thus far have not attached much importance to these questions.

Artificial precipitation is already very much in the public interest and I am certain that the time is near when it will be necessary to arrange control measures and provide special legislation. For this reason alone I think that the entire question should become the subject of intensive study by proper Federal agencies.

Factors Related to Experimental Meteorology

(By Vincent J. Schaefer, General Electric Research Laboratory, Schenectady, N. Y.)

Within the past 3 years, the following facts have been established by experimental operations.

1. The concentration of ice nuclei in the natural atmosphere upon which most precipitation depends has been found to vary by a factor of at least a millionfold.

2. It has been established experimentally that small amounts of silver iodide or dry ice may be used as nuclei or to generate nuclei to equal or exceed the concentration of

natural ice nuclei. In addition to this control of concentration by artificial means, the two substances mentioned are effective at temperatures considerably warmer than those produced by natural causes.

3. As the result of many hundreds of experiments with natural supercooled clouds in the free atmosphere, on mountains, and as ground fogs, it is an established fact that all such supercooled clouds may be artificially modified, the speed of modification depending on concentration of nuclei, air temperature, and the method of distribution of the seeding agent.

4. Under special conditions of supersaturation, snow areas may be produced in air which previously was free of visible clouds.

5. Solid overcasts of supercooled clouds have been (a) made more persistent by overseeding and (b) have been dissipated by the introduction of optimum concentrations of ice nuclei.

6. Intense local rainstorms have been initiated by proper seeding techniques and strong evidence obtained that the precipitation resulting was directly related to the seeding operation.

7. Widespread modification of the weather pattern over much of the United States may have resulted from a systematic silver-iodide seeding operation conducted during the past year in New Mexico.

8. Studies of many types of violent storms such as produce lightning, hail, torrential rain, high winds, and similar destructive phenomena show that practically all of them during their formative periods contain large amounts of supercooled cloud masses. There is considerable evidence that much of the storm's intensity depends on the degree of unstability which develops as supercooling and that the violence of the storm is due to the sudden development of ice crystals in the unstable cloud due to a chain reaction mechanism.

It is not uncommon, particularly in the western part of the United States, for large cumulus cloud masses to be so deficient in ice nuclei that they reach altitudes so high that ice crystals form spontaneously (Ca 34,000' M. S. L., −39° C.). When this occurs the crystals are rarely larger than the original cloud droplets and thus do not fall back into the lower portion of the cloud to cause a seeding effect. As a result large masses of condensed water are carried to such high altitude that it is unlikely to become available as precipitation. It is probable that such loss of effective precipitation can be prevented by proper seeding techniques.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA—AMENDMENT

Mr. McCARRAN submitted an amendment intended to be proposed by him to the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, which was ordered to lie on the table and to be printed.

HOUSE BILL REFERRED

The bill (H. R. 9780) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence was read twice by its title and referred to the Committee on the Judiciary.

W. STUART SYMINGTON, CHAIRMAN, NATIONAL SECURITY RESOURCES BOARD—ARTICLE FROM THE READER'S DIGEST

[Mr. McKELLAR asked and obtained leave to have printed in the RECORD, an article entitled "Symington: Boss of the Home Front," published in the Reader's Digest for December 1950, which appears in the Appendix.]

RECORD REFUTES THOSE PROFESSING FEAR OF REPUBLICAN ISOLATIONISM—EDITORIAL FROM THE PRESS-TELEGRAM, OF LONG BEACH, CALIF.

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an editorial entitled "Record Refutes Those Professing Fear of Republican Isolationism," published in the Press-Telegram, of Long Beach, Calif., of November 20, 1950, which appears in the Appendix.]

NO DEALS IN KOREA—EDITORIAL FROM PHILADELPHIA INQUIRER

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "Save Our Troops! No Deals in Korea, No Appeasement!" published in the Philadelphia Inquirer of December 6, 1950, which appears in the Appendix.]

NATIONAL MATURITY—ARTICLE FROM NEW YORK HERALD TRIBUNE

[Mr. KEM asked and obtained leave to have printed in the RECORD an article entitled "National Maturity," written by John Hanna and published in the New York Herald Tribune of November 18, 1950, which appears in the Appendix.]

WE CANNOT SUPPORT OR FIGHT THE WHOLE WORLD—EDITORIAL FROM TOPEKA STATE JOURNAL

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an editorial entitled "Let's Quit Playing Atlas," published in the Tokepa (Kans.) State Journal of December 1, 1950, which appears in the Appendix.]

THE GRAVITY OF THE KOREAN DISPUTE—EDITORIAL FROM THE SIOUX FALLS (S. DAK.) DAILY ARGUS-LEADER

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "Let's End Korean Dispute Before the Entire World Is Aflame With Terrible War," written by Fred C. Christopherson and published in the Sioux Falls (S. Dak.) Daily Argus-Leader of December 5, 1950, which appears in the Appendix.]

OUR MERCHANT MARINE FOR DEFENSE—EDITORIAL FROM THE LOS ANGELES TIMES

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an editorial entitled "Our Merchant Marine for Defense," published in the Los Angeles Times of Saturday, November 25, 1950, which appears in the Appendix.]

SHORTAGE OF DOCTORS, NURSES, AND MEDICAL TECHNICIANS—ARTICLE IN COLLIER'S

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an advertisement of an article in Collier's regarding the shortage of doctors, nurses, and medical technicians for the armed services, published in the Washington Post December 8, 1950, which appears in the Appendix.]

TRIBUTE TO WILLIAM HARVEY RIFFEY, A CONFEDERATE SOLDIER, BY SENATOR ROBERTSON

[Mr. STENNIS asked and obtained leave to have printed in the RECORD a tribute to a Confederate soldier by Senator ROBERTSON, delivered on February 15, 1941, at the funeral of William Harvey Riffey, which appears in the Appendix.]

THE RECLAMATION-PARK SERVICE SQUABBLE—ARTICLE BY G. E. UNTERMANN

[Mr. THOMAS of Utah asked and obtained leave to have printed in the RECORD an article entitled "The Reclamation-Park Service Squabble," written by G. E. Untermann, which appears in the Appendix.]

IS GOP STRENGTH SIGN OF ISOLATIONISM?—EDITORIAL FROM THE PROVO DAILY HERALD

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "Is GOP Strength Sign of Isolationism?" published in the Provo (Utah) Daily Herald, November 28, 1950, which appears in the Appendix.]

COMBATING CRIME IN 1950—ADDRESS BY HON. DELESSEPS MORRISON

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an address delivered by Hon. deLesseps Morrison, mayor of New Orleans, La., before the American Municipal Congress in Washington, D. C., December 4, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

AMENDMENT OF RAILWAY LABOR ACT

The Senate resumed the consideration of the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

The PRESIDENT pro tempore. The Senator from Florida [Mr. HOLLAND] is entitled to the floor if he desires it.

Mr. HILL. Mr. President, will the Senator yield before he begins his speech?

Mr. HOLLAND. I yield to the Senator from Alabama.

Mr. HILL. Mr. President, on page 16261 of the RECORD, at the head of the last column, my remarks read as follows:

Mr. HILL. Mr. President, I should first like to read the names which appear on the letter. They are:

"Jonas A. McBride, vice president, national legislative representative, Brotherhood of Locomotive Firemen and Enginemen; W. D. Johnson, vice president, national legislative representative, Order of Railway Conductors; Harry See, national legislative representative, Brotherhood of Railroad Trainmen."

That means, Mr. President, that all the railroad organizations are now supporting and urging the passage of the bill and the amendment. The amendment carries out the intent of the committee amendment. The amendment before us simply spells out the purposes in greater detail. The only ones who are not urging the passage of the bill are the members of the Brotherhood of Locomotive Engineers. They are not opposing it. The chief of the brotherhood feels that in view of past action he is not now in a position to endorse the bill. However, he is not opposed to its passage.

I should like to correct that statement. I have before me a letter from Mr. John

T. Corbett, assistant grand chief engineer of the Brotherhood of Locomotive Engineers, addressed to me under date of today, and reading as follows:

BROTHERHOOD OF
LOCOMOTIVE ENGINEERS,
Washington, D. C., December 8, 1950.

Hon. LISTER HILL,
United States Senate,
Washington, D. C.

DEAR SENATOR: At page 16261 of the CONGRESSIONAL RECORD of December 7, 1950, you are quoted as stating "that means, Mr. President, that all of the railroad organizations are now supporting and urging the passage of the bill and the amendments."

It appears proper to inform you that the Brotherhood of Locomotive Engineers has been and continues to be opposed to the original bills, S. 3295 and H. R. 7789, and all of the amendments which have been proposed. Under these conditions it is requested that you correct your statement of December 7, 1950.

Very truly yours,
JOHN T. CORBETT,
A. G. C. E.-N. L. R.

I am very happy to make that correction.

Mr. HOLLAND. Mr. President, and Members of the Senate, for the benefit of Senators who have just come into the Chamber, I want to say that the Senator from Alabama has just placed in the RECORD a letter which he received this morning from Mr. John T. Corbett, the assistant grand chief engineer and the national legislative representative of the Brotherhood of Locomotive Engineers, asking the Senator from Alabama to correct an impression which might have been given from something he stated yesterday that could have indicated that the Brotherhood of Locomotive Engineers was not opposing this particular legislation. To the contrary, that letter shows that the Brotherhood of Locomotive Engineers is unyieldingly opposed to this legislation. To make that point completely clear, with the consent of the Senator from Alabama I should like to read into the record at this time the copy of another letter sent to the Senator from Alabama this morning by Mr. Corbett which goes in more detail into the reasons why the Brotherhood of Locomotive Engineers feels that the passage of the pending bill would be nothing more nor less than its death knell. The letter is dated December 8, addressed to "Honorable LISTER HILL, United State Senator," is signed by Mr. John T. Corbett, who, as I just stated, is assistant grand chief engineer and national legislative representative of the Brotherhood of Locomotive Engineers, and reads as follows:

DEAR SENATOR: At page 16268 of the CONGRESSIONAL RECORD of December 7, 1950, in answer to an inquiry made by Senator WILEY, of Wisconsin, you endeavor to justify the provisions of bill S. 3295 and the amendments which had previously been accepted by explaining that the individual employee in dual service as fireman and engineer would not be required to join but one labor organization.

It appears proper to inform you that there is no similar condition in any industry affecting the employees of the industry which has ever been given consideration that presents a greater injustice to the senior group of workers than your attempts.

You must understand that what you are explaining is that the apprentice is provided a guarantee or assurance that he shall never be required to secure membership in the senior organization which his apprenticeship prompts him to endeavor to secure promotion to.

This is an injustice to the Brotherhood of Locomotive Engineers which could never be overcome.

Signed by Mr. John T. Corbett.

Mr. President and Members of the Senate, I have just come from a conference with Mr. Corbett, and if I ever met a gentleman who commands respect and who at the same time shows a completely unyielding determination on the part of the organization which he represents to adhere to a policy adopted in their conventions, and supported by their officials and their members, such a man is Mr. Corbett, who restated and adhered to that policy in the course of that conference. He explained to me that the firemen are entitled to membership in their union immediately upon their employment or shortly thereafter, but that they are not entitled to admission into the engineers' union until they acquire that higher status; that the effect of this particular provision would be to make it impossible for the engineers to have any real inducement to hold out to firemen or to gain from the firemen's membership the additions to their own membership which have come normally and in orderly fashion during the years of their respective organizations, but would, instead, mean that in advance the junior organization is notified that membership in its organization takes the place of, substitutes for, and is completely acceptable under the law in place of membership in the engineers' organization. He asked me to say to the Senate that his organization, by official national action, is unyieldingly opposed to this proposed legislation, and that they feel that it will mean that the death knell of their organization is being sounded when this particular legislation is placed in effect.

I also talked with another gentleman, whose name I am not free to give, who feels that the same situation applies with reference to the conductors, and he is completely at a loss to understand why any official of the conductors' brotherhood would have been willing to sign the letter and the statement which was placed in the RECORD yesterday afternoon. I do not make that statement as of my own knowledge, because I am not sufficiently familiar with the overlapping setup between the conductors' brotherhood and the more junior organizations from which they draw their membership. But it was the statement of this other gentleman, whom unfortunately I am not free to name, but who I think understands the situation, that the conductors would be in exactly the same difficulty as the engineers under the proposed legislation.

I call that to the attention of Senators who may be much more familiar with the situation than am I, simply as something that has come to me this morning which I feel should be passed on to the Senate, at least for investigation.

I also call the attention of the Senate at this time to the fact that after the Senate had laid aside this proposed legislation, after we had every right to believe it would not come up, after the crucial situation in our own domestic and the world affairs would appear to have guaranteed that, before controversial measures would be taken up, we would at least have the chance to pass upon some of the weighty national and international problems which confront us, this measure was called up unexpectedly. As the result of that, several Senators who, I understand, are unalterably opposed to this measure, are away, including the senior Senator from North Carolina [Mr. HOEY], whom I mentioned yesterday. I understand the same statement applies to the senior Senator from Mississippi [Mr. EASTLAND], though I have not heard directly from him on that score, and to other Senators.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HILL. I do not quite understand why the Senator should say this measure was called up unexpectedly. It was on a motion of the Senator from Florida that consideration of this measure was postponed until November 27, which was the first day of the convening of the present short session. Then this measure was made either the pending business or was temporarily set aside from time to time, until finally we took up the rent-control joint resolution, and even at that time the distinguished senior Senator from Illinois [Mr. LUCAS], the majority leader, asked consent that this bill be temporarily laid aside in order that we might proceed to consideration of the rent-control joint resolution. That would have meant, of course, that, as soon as the rent-control measure was completed, this bill would automatically come before the Senate as the unfinished business.

It happened that that request by the Senator from Illinois was objected to, and under the circumstances the Senator from Illinois felt compelled to make a motion to take up the rent-control measure, because it was a war measure. That motion, of course, prevailed. But there was never any intention or thought other than that the Senate would proceed to consider the railway labor bill just as soon as possible following the passage of the rent-control measure, on the motion of the Senator from Florida himself to make this bill the unfinished business on November 27.

Mr. HOLLAND. Mr. President, I shall not, of course, attempt to deny anything that has been said by the Senator from Alabama except to call attention to the fact that the majority leader himself several days ago spoke of the fact that a FEPC amendment had been proposed and that it had been stated such would be offered to this railway bill, and I understand it would still be offered if the Senator who favors offering it were present. He cannot be here until Monday. I heard, and I think I heard clearly, the majority leader state that it was useless to take up either the statehood bill or the Railway Labor Act, because the FEPC question had been injected as to both of them and, therefore, he was going to proceed to other measures.

I simply call the Senate's attention to the fact that that statement was undoubtedly made on the floor of the Senate, and the reason I recall it so well is because the Senator from Illinois, the majority leader, limited his statement to FEPC and its disturbing effect on those two measures, that is, the statehood measure and the Railway Labor Act.

The Senator from Florida, recalling that he had had something to say in the same field of civil-rights legislation at the time he placed in the RECORD the outstanding remarks made by Mr. James A. Farley in addressing the State Chamber of Commerce of Florida at Tampa, and recalling that those remarks included a very strong statement of the convictions of Mr. Farley that it was all wrong to bring up civil-rights legislation; that the problems were being solved peacefully and quickly in the South at present; and he even requested the President and the leadership to adopt a different policy, that is, of calling in the governors of the States which were affected to see if some State or regional plan could not be launched to hurry up the efforts for a peaceful solution which were already under way. So I brought that matter into the RECORD at that time.

I remember perfectly well, and I state it here as a matter of fact, that the majority leader did state at that time that it was perfectly apparent that the injection of the FEPC question had made it impossible to go ahead with the statehood bill and also with the amendments to the Railway Labor Act. That being the case, I think it was completely justifiable for those of us who had their doubts about this particular measure to feel that it had been laid aside for the duration of this particular short session.

However, be that as it may, the reason why I have mentioned that situation is that I wish to call attention to the fact that we have this measure dumped into our laps at a time when critical national and international questions are pending, and when some of the measures incident thereto should be ready—as I believe some of them are—for consideration by the Senate. If I understood correctly the statement made yesterday by the chairman of the Foreign Relations Committee, it was that his committee had completed action the day before on the measure authorizing aid to Yugoslavia because of the long drought there. Certainly we could be considering that measure at this time. However, on the contrary, we have been asked—unexpectedly, I repeat—to take up this measure proposing amendments to the Railway Labor Act.

Then, to make bad matters worse—and I address this statement particularly to the Senator from Alabama [Mr. HILL], and I appeal to his good, sound judgment—the Members of the Senate had no notice, until this debate started, of the fact that there was to be voted into the bill an amendment of a type which would make membership in one union among the operating brotherhoods sufficient. Incidentally, that point is the one which is behind the strong complaint coming now from the official representatives of the Brotherhood of Locomotive Engineers, to the effect that this measure, as amended yesterday—not in its original form, but as it was amended yesterday, and solely because of that amendment—would, in effect, put their organization out of existence.

Mr. President, to my mind it is all wrong to bring forward this measure at this time, and particularly with amendments which completely change its application in important fields, amendments which, as stated here over the signature of Mr. Corbett, the high official of the Brotherhood of Locomotive Engineers, who is speaking for his organization, will in effect destroy that organization.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. HILL. I wish to repeat what I said yesterday, namely, there is no difference between the intent of the amendment reported by the committee and the intent of the amendment which the distinguished senior Senator from Ohio and I offered on yesterday, and which the Senate adopted.

So far as Mr. Corbett is concerned, he appeared at the hearings and opposed the bill at that time. He did so most vigorously. Of course he was entirely within his rights in doing that; but in view of that fact, there is nothing at all surprising about the letter Mr. Corbett has just written. If the Senator from Florida will examine the hearings and the testimony of Mr. Corbett before the subcommittee, the Senator will find that Mr. Corbett opposed the bill at that time, before the amendment adopted on yesterday was ever thought of. Mr. Corbett always has been in opposition to the bill; that is all.

Mr. HOLLAND. I thank the Senator.

Mr. President, I repeat my statement that no Member of the Senate who was not familiar with the conferences which were going on and was not a part of those conferences, knew about the amendment which on yesterday was voted into the bill. Furthermore, that amendment is apparently the reason for the strong and unyielding position taken by the Brotherhood of Locomotive Engineers this morning.

Let me say to the distinguished Senator from Alabama that insofar as Members of the Senate who are not on the committee are concerned, we had no information at all distinguishing the position of the Brotherhood of Locomotive Engineers from the position of the other railroad brotherhoods until yesterday and until the putting into the RECORD of that letter, because Senators will recall that, when this matter was coming up in September, we received official communications of various types from the several brotherhoods, advising us that the brotherhoods as a group at that time were opposed to the bill in the form in which it was then drawn. Of course, as the Senator from Alabama himself said yesterday in offering the amendment, the amendment was responsible for the change in position of the operating brotherhoods the names of whose representatives were signed to the letter the Senator placed in the RECORD yesterday.

So I repeat my statement that yesterday we were confronted with an amendment which none of us had had a chance to see, an amendment of far-reaching import, an amendment which changed the situation with reference to the operating brotherhoods, so that apparently all of them but the Brotherhood of Locomotive Engineers have been willing to give their last-minute consent—whether wisely or otherwise, I do not know, and we had no possible advance notice upon that subject until the matter exploded in our faces yesterday.

Mr. President, I think it is highly unwise for the Senate to pass a far-reaching measure of this type at this time, in view of the present critical condition of the Nation, and when even now leading Members of the Senate are tied up in such important committees as the Foreign Relations Committee and the Armed Services Committee, which are in session, and the Finance Committee, which I believe to be even now in session, for it was in session just before the session of the Senate began today, and also the Judiciary Committee. This morning I tried to contact certain members of that committee, but I found that they were at the session of the committee, considering the confirmation of a nomination which has to do directly with the defense effort. So I say that under these circumstances it is impossible for us to keep informed about such an important measure as this one, highly controversial and rapidly changing in nature, which was taken up unexpectedly yesterday, at least unexpectedly as to many Senators.

I say to the Senator that the motion made in September, leading up to the discussion on November 27, in respect to this measure, was made in completely different circumstances and before the Nation was in the situation it is in now. If the Senator will examine the RECORD, he will find that I had not a word of objection at the opening of this short session to the consideration of the measure then, because the situation had not even that late become so critical as it now is.

However, I am commenting quite in the open in criticism of the leadership, and of what seems to me most unwise leadership, for bringing up this measure at this time, at a time when the Senate cannot possibly advise itself as to what is going on, and particularly when we find proposed amendments which though brought in at the last minute, would bring about a sweeping change in the nature of the measure, and that change has produced the sterling letter—the one to which I referred a moment ago—which just this morning has come from Mr. Corbett to the Senator from Alabama [Mr. HILL].

As I have said, the same point made by Mr. Corbett may apply to the railroad conductors also; and they, too, may be seriously jeopardized and perhaps wiped out by this measure, with the amendments which have been incorporated in it.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield.

Mr. McCLELLAN. In view of the matters referred to by the Senator from Florida and in view of the fact that the bill as now constituted does not recognize State constitutions or State statutes relating to the same subject, would it not be the better part of wisdom for the Senate to recommit the bill to the committee for further study at a time when the controversies and confusions as to who supports the bill and who does not support it can be looked into further, thus giving the masses of workers in those organizations some opportunity to know what effect the proposed legislation will have, before we enact it into law?

Mr. HOLLAND. I think the Senator has a good point. The conflicts of thinking arising from the amendments placed in the bill just yesterday, and communicated to the public just yesterday, bear out particularly the wisdom of the course of recommittal suggested by the distinguished Senator from Arkansas.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. HOLLAND. I yield to the Senator from Virginia.

Mr. ROBERTSON. I am not very familiar with the provisions of the pending bill, but I am under the impression that the bill, unless it is very materially amended, would put a great handicap upon any State control whatever.

Has the Senator from Florida studied that phase of the bill, and can he give us some information as to what the bill, unless it is further amended, would do to our State regulatory bodies, especially those regulating public utilities?

In Virginia we have a law to the effect that the State can prevent a strike in a utility if such a strike would result in the destruction or disruption of essential services, and then the State can temporarily take charge of the utility and can work out some plan. I do not know the effect this measure, if enacted, would have upon State control, but I have been told that the bill does not carry the provisions of the Taft-Hartley Act in that respect.

Mr. HOLLAND. Mr. President, I appreciate the question the Senator from Virginia has asked. I shall endeavor to give an answer which will be as brief as possible, although it will take a little time to answer the question.

In the first place, the Senator from Virginia is completely correct in his understanding of the fact that, notwithstanding that general statements to the contrary have been made, this bill does not include the full provision of the Taft-Hartley Act referring to the union shop. This bill leaves out, purposely, the provision of the Taft-Hartley Act which protects, preserves, and recognizes the provisions of State laws in some 18 or 20 States—some by constitutional provision, some by statutory provision, some by both—which set up a requirement that there may never be imposed within those States and within their jurisdiction a condition for employment of one of their worthy citizens based upon either membership or nonmembership in a union.

Mr. McCLELLAN. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Arkansas?

Mr. HOLLAND. If I may complete this part of my statement, I shall then be glad to yield.

The Senator from Virginia will recall that not only was that provision included by the Senate, as a result of a substantial vote in the passage of the Taft-Hartley bill, and made a condition to its passage, but that in all the debates for repeal and for amendment of the Taft-Hartley Act the same position was taken. I am able to say to the Senator authoritatively that the last time this question was debated by the Senate—this same body—last year, the Senate voted 53 to 41 to insist upon retention of that provision; 94 Members of the Senate being present, and the only other Member of the then Senate, because we had only 95 Members at the time—who was unfortunately and unavoidably absent, the Senator from Louisiana [Mr. ELLENDER] indicated his stand as being with the 53. In other words, the position of the Senate at that time was really 54 to 41 for continuance of the requirement that there must be recognition given to the State laws, whether constitutional or statutory.

Mr. ROBERTSON. Mr. President, will the Senator yield again?

Mr. HOLLAND. I yield to the Senator from Virginia.

Mr. ROBERTSON. The Senator knows that primarily in our thinking and in our hearts there is concern over the war situation. This morning, at the request of the chairman of the Armed Services Committee, I asked and obtained permission for his committee to be in session this afternoon while the Senate is in session. The President has very properly urged us to increase taxation. I made several speeches last fall saying we ought to have $10,000,000,000 of new taxation, because we were going to have to spend far in excess of that amount. We have pending a tax bill which the House said would raise $3,400,000,000, but we have not completed action on it. The Armed Services Committee is in session, and its members are not here. The Appropriations Committee is asked to report about $18,000,000,000 of new items. We have a minimum attendance on the Senate floor, and there will not be many more Senators here for the remainder of this debate.

Does the distinguished Senator from Florida, considering its importance, see some way by which we may postpone the vote upon the pending measure until the membership can become better informed upon the real issues confronting us?

Mr. HOLLAND. Mr. President, the Senator knows, of course, that any Senator may move to recommit the bill or to postpone action until a fixed date. No such motion has been made up to this time.

To complete my answer to the Senator's question, I desire to call his attention to something which was brought out clearly yesterday afternoon, time after time, namely, that the passage of this bill in its present form would be nothing but an open invitation to, and I may say almost an assurance of, the early amendment of the Taft-Hartley Act so as to exclude the present provision recognizing and protecting the States who have voted constitutionally or by statute banning the closed shop or union shop.

Mr. McCLELLAN rose.

Mr. HOLLAND. To make that point completely clear, before yielding to the Senator from Arkansas, I desire to remind Senators that while the measure which is now pending affects two branches of labor, namely, railway transportation and aviation transportation, the Taft-Hartley Act, containing requirements which recognize and respect State laws, affects other branches of transportation which are directly competitive, such as the motortruck-transportation industry, which has become one of the largest factors in interstate transportation, and such as maritime transportation. My understanding is that all the maritime organizations are under the Taft-Hartley Act. If that understanding is incorrect, it at least came from legal counsel for the Senate Committee on Labor and Public Welfare this morning in response to a direct inquiry. I observe the Senator from Utah [Mr. THOMAS] apparently confirming that statement.

Mr. THOMAS of Utah. Mr. President, I think that is correct, and, if the Senator will yield, is it not an argument for giving railway labor the same sort of law which the Taft-Hartley Act extends to the other branches of labor? It seems to me that when we analyze the labor of the entire country, and realize that competing organizations have rights to the union shop, that it is, though perhaps not wrong, at least a little bit unfair to decide that the railway labor shall not enjoy the privilege—because it is a privilege from the standpoint of organization—which nearly all other labor enjoys?

Mr. HOLLAND. I appreciate the remarks of the distinguished Senator from Utah, and I would give them much greater force if the pending measure extended to the railway workers and the aviation workers exactly the same kind of provisions as those which are contained in the Taft-Hartley Act. But the Senator well knows that the Taft-Hartley Act includes a provision which protects, respects, and preserves the rights of the States which have acted in this field, whereas the pending legislation definitely declines to do that and deliberately proposes to set up a new sort of union shop under which the State laws will not be respected.

I further call to the attention of the distinguished Senator the fact that in another very vital particular he is not proposing to put workers in the railway industry and the aviation industry on a parity with the workers in other transportation industries covered by the Taft-Hartley Act, in that, under this proposed amendment, he would still retain in the Railway Labor Act freedom from use of the injunction to protect the public in the event of threatened collapse of these two transportation systems, whereas, as to all vital national industries covered

by the Taft-Hartley Act—including, of course, the maritime industry, in which the injunction has already been used, as I recall, three times—there is provision that the injunction can be used to protect the public interest throughout the Nation.

If the Senator from Utah wishes to do what he is really suggesting by his question, then he should propose a measure which would attempt to put and which would offer to put the railway industry and aviation industry on a parity, with equal and identical treatment, with workers in other vital industries covered by the Taft-Hartley Act. But the question which the Senator from Utah has now posed is not in my judgment soundly posed, because the measure which we are now debating does not even pretend to place workers in the railroad and aviation industries upon the same basis with workers in other transportation industries which are covered by the Taft-Hartley Act.

Mr. McCLELLAN and Mr. THOMAS of Utah rose.

The PRESIDENT pro tempore. Does the Senator from Florida yield to the Senator from Arkansas?

Mr. HOLLAND. Permit me to yield again to the Senator from Utah.

Mr. THOMAS of Utah. In this little discussion I think we ought not lose sight of the fact that the pending measure is in the nature of an amendment to another very extensive law which governs and controls the railway industry of the country. I may say that while, of course, no one should ever speculate about a law or about the future decision of a court, I think the very things for which the Senator from Florida is contending are better protected by the amendment as it is now before the Senate than it would be if we were to put the provision of the Taft-Hartley law into this measure. I say that for this reason—and it is not a legal reason; it is a sentimental reason, because, I repeat, no one can predict what the courts are going to do—but the fact remains that in the history of the United States, so far as railway law is concerned and so far as railway ideas are concerned, the one thing above all others as to which there is supremacy of Federal law, as a result of the way in which the courts have acted, is the field of railway labor.

If, for example—and this is merely an example—someone opposed to this bill were also opposed to the railway law, to the Taft-Hartley law, and to the protection which the Taft-Hartley law gives to the various States in the matter of their fundamental laws in regard to labor organizations, and wanted to challenge this provision as being probably unconstitutional, because it interferes with the supremacies already recognized by hundreds and hundreds of decisions, he could readily argue that the court would likely hand down a decision favoring the contention that this provision has no place in the pending measure because it challenges the supremacy of the Federal Government in this great field.

When that was done, the next natural move by any lawyer who is thinking in terms of what is in the best interest of his clients would be to challenge the provisions of the Taft-Hartley law. At the present time those provisions are not challenged. They are not challenged for the simple reason that labor within the United States is exceedingly complex and labor laws in 18 of our States are also exceedingly complex.

Furthermore, we find that where happy industry-labor relations exist in a given State, they like the status quo as it is; but I think, speaking sentimentally, the Senator from Florida could not do a more unwise thing than to inject an invitation for a challenge to what the Congress of the United States is doing in regard to the relations between State law and Federal law. It should be realized that the National Labor Relations Act which brought about a new definition by Congress, and which brought into existence Federal activity in a field which the Federal Government had not heretofore entered, is but a little over 10 years old. There is no doubt plenty of room for further challenge. Any law in the United States which becomes worth while becomes so through practice, through becoming recognized as the customary law, under which we learn how to do things. When we upset such laws, we do violence to the understandings which our people have, which have kept us a very peaceful country compared with certain other countries of the world.

Mr. HOLLAND. I thank the distinguished Senator from Utah, for whom I have always had deep respect. Since he has directed his remarks almost entirely to his statement that railroad labor treatment should be separate and different because Federal jurisdiction over the railroads has been very generally recognized, I should like to recall to him that there are various industries, all covered by the Taft-Hartley Act, which are exclusively within Federal control. For instance, I mention the radio and television industries and the organizations of workingmen in those two great industries. They are entirely covered by the Taft-Hartley law. Control of those industries is almost completely under Federal law.

The point I am making is that in legislation affecting those industries, as well as many other industries which I could mention, the various State laws are respected. It seems to me, as it seems to many other Senators, that there is as much reason, right, and justice in the recognition of the force and effect of State laws as applicable to those engaged in the railroad industry or in the aviation industry, and dwelling within the jurisdiction of the States which have such laws, as there is in the case of the motortruck-transportation industry or the maritime-transportation industry, both of which are covered by the Taft-Hartley law. The same statement can be made as to the radio industry and to the television industry, both of which operate entirely under the Taft-Hartley law. The same can be said of the oil- and gas-pipeline industry, which operates largely under the Taft-Hartley law, or of the telephone and telegraph industries, which of course operate so largely in the field of interstate commerce. All those activities are included within the purview and scope of the Taft-Hartley Act.

The point that I started to make is, I believe, sound—and I have not heard the distinguished Senator from Utah assail it, except upon what he has frankly stated to be sentimental grounds—namely, that the railway and aviation industry covered by this law should not be under such a setup as would compel respect of State laws, whereas two directly competing industries, the maritime industry, which includes internal as well as external shipping by water, and the motortruck transportation industry are included under the Taft-Hartley law, and must respect the State laws. I have not heard either of the industries complaining about that fact or of having been adversely affected because of it.

Mr. THOMAS of Utah. Mr. President, will the Senator yield further?

Mr. HOLLAND. I have promised to yield to my friend from Arkansas.

Mr. McCLELLAN. I merely wish to say that the answer of the distinguished Senator from Florida to the able Senator from Utah further emphasizes the view which I expressed a few moments ago, namely, that no emergency exists which compels action on the pending bill at this time. Certainly there is much confusion about it. Also involved is the issue of whether or not we are to begin tearing down the Taft-Hartley law with relation to respecting State constitutions and State laws in this field, and thereby extending to this particular class of labor a privilege which is denied to other labor engaged in comparable and in some cases the same character of interstate commerce.

Mr. HOLLAND. I think the Senator's observation is completely sound and eminently correct.

Mr. President, there was another matter which came up this morning. It was brought to the attention of my office by people who are directly concerned with the question. I have addressed a question under it to the distinguished Senator from Utah [Mr. THOMAS], my distinguished senior colleague [Mr. PEPPER], and the distinguished senior Senator from Alabama [Mr. HILL]. I believe that, like myself, they are unable to give a categorical answer to the problem which I shall mention. It is a problem which is already causing concern among some railway labor people. The matter is new to me. I had no prior knowledge of it. It seems that there is a CIO union which is called, I believe, the Transport Workers Union, which covers all levels of railway transportation employees, from maintenance-of-way men up to and including the engineers and conductors, or whoever would be termed as being in the most senior groups of employment. The information coming to me is that there is a considerable number—I am sorry I cannot give the exact number—of employees of railroads who happen to be engineers, or conductors, or firemen, or others in the same fields as are covered by the operating brotherhoods, as well as in fields covered by the nonoperating brotherhoods, who hold membership in this particular CIO union. I am sorry I

cannot speak more specifically as to the number of employees involved or as to the distribution of the membership of this union. However, it is a question which came to my attention only a few minutes before debate started this afternoon. I am reporting the information to the Senate because it is worthy of very full and careful consideration.

The question is: Does the amendment adopted yesterday protect from the provisions of the pending bill members of that CIO union who are in the same classifications of employment which are covered by the operating brotherhoods, that is, engineers, conductors, firemen, trainmen, and the like? If enacted into law this bill, with the amendment, would, apparently, force such members of this CIO union into craft unions, or at least into one such union. I am certain that no one supporting the amendment had any such intention in mind.

All I can say is that, in asking the question this morning, I have not been able to receive any authoritative answer. Therefore I bring the question to the floor of the Senate for consideration. It is a fact that such a transportation union does exist, and that it is a CIO union, which covers all levels of employment among railroad employees. It is likewise a fact that most of the nonoperating unions in the railway setup are affiliated with the American Federation of Labor, and that the brotherhoods in the operating levels of employment are independent and not affiliated with either. Therefore the question is whether or not the CIO union, which is not a craft union at all, is protected, and whether or not its members in the fields covered by the operating brotherhoods are protected by the amendment which was adopted yesterday, and which, apparently, is confined in its effect to craft union membership.

I would greatly appreciate an answer to the question, and at this time I ask that the Senator from Utah [Mr. THOMAS], my distinguished senior colleague [Mr. PEPPER], and the senior Senator from Alabama [Mr. HILL], who, I believe, has stepped out of the Chamber at the moment, give specific consideration to that question in the addresses which they will make today. I am putting forth the question as one which was brought to my attention rather forcefully by some people who would be affected by the pending legislation. They have grave doubts as to whether members of this CIO union who are in the operating classifications of employment, are protected under the amendment adopted yesterday. They have the further question in their minds as to whether or not the amendment and the bill, if passed, could afford encouragement and incentive to the organization of several CIO unions in the various fields now covered by the nonoperating unions which have affiliated with the American Federation of Labor. It can be seen that we are faced by a very practical question, the answer to which someone ought to think through, but which, so far as my inquiry has gone, has not been thought through by anyone.

I put forth the question with the hope that members of the committee, who certainly are better informed than other Members of the Senate can be informed, may enlighten the Senate in the remaining hours of debate as to what the effect of the proposed law, as amended, would be upon the members of the present existing CIO union in this field, as well as what its effect would be upon inviting further organization of CIO unions in nonoperating crafts, which are now organized on a craft basis but are affiliated with the American Federation of Labor.

Mr. President, last evening I gave notice that about all I would want to do today would be to give a brief résumé of what I had said yesterday. I hoped that Senators would be present who were not here yesterday. I am gratified to see that some such Senators are present. I am pleased to know that they were able to come. I appreciate their coming and joining in the debate. I had hoped that more Senators would be able to come and join in the debate. I am sure they would be here but for the fact that critical matters of international and national importance are pending, with respect to which Senators must attend meetings of committees.

Mr. President, I think it is decidedly unwise to jump into this particular legislation without knowing what it is all about. I want to say that, in my humble judgment, there is not a Senator on the floor today who knows exactly what the proposed legislation, as now amended, means.

Mr. President, in closing I should like to give a brief résumé of my amendment. It simply provides that the same wording which is used and is now a part of the Taft-Hartley law, by which respect, confirmation, and enforcement is given to constitutional and statutory provisions of some 18 or 20 States, which States have seen fit in their sovereign judgment to impose conditions under which it can never be required of a worker within those States that he must be a member of a union or be a nonmember before he is entitled to employment, shall be incorporated into the pending measure before it is enacted into law. The reason for my amendment is not only consistency, not only because, if the State laws are entitled to respect and protection in other fields, they are in this; but particularly because the Taft-Hartley Act applies to industries which are directly competing with those which are covered by the pending bill. The bill covers railways and aviation, and only those. The Taft-Hartley law covers maritime or water transportation and motortruck transportation. There can be no successful denial of the fact that those industries are in direct competition with the railroads and with aviation. There can be no successful denial of the fact that they are crossing State lines just as often, and with just as large a proportion of their employees, as is true in the case of railroads or aviation.

I repeat what I said yesterday. I think it is true—although I have not the figures to substantiate it—that in the motortruck industry a larger percentage of the employees actually do cross State lines in the performance of their employment than is true in the case of railway employees, or in the case of aviation. Senators know of the enormous force of skilled employees required on the ground at fixed locations to keep the planes flying. Many Senators know of their own knowledge, as I know of my own knowledge, of the very much larger numbers of mechanics, clerical employees, and all sorts of settled employees located at one position in one State, which are found in the aviation industry, as compared with those of lesser number who are employed in the actual operation or servicing in the air of the planes of any particular airline. There is no question that only a small percentage of the employees of aviation are actually crossing State lines from day to day, or as a feature of their employment.

Not only are there competing industries in this field, but I call attention again to the fact that many other industries which are, in the major part of their operations and in their major aspect, interstate, are also covered by the Taft-Hartley Act, under which State laws in this field are respected. I mentioned telephones, telegraph, and others. Many others will occur to Senators. I mentioned also a group of industries which exist and function solely under Federal law, which are covered by the Taft-Hartley Act, which respects the State laws in their application to employees of this latest class of industries, such as radio, television, and interstate oil- and gas-transportation pipelines.

Mr. President, is it wise for us to pass this proposed legislation, freed from the respect given by the Taft-Hartley Act to the State laws, realizing and knowing that to do so will simply be to extend an open invitation, and almost to give assurance that we expect shortly, as quickly as the matter can be considered, to pass upon a similar proposal taking out of the Taft-Hartley Act the respect now given under that act to State law as it affects motor transportation, as it affects maritime transportation, and as it affects television, radio, oil- and gas-transportation lines, telegraph, telephone, and any number of other industries which will occur to Senators?

If Senators want to vote for this bill, that is, of course, their privilege and right. Some eminent Senators will vote for it, because there were some eminent Senators who did not want these provisions respecting the State law in the Taft-Hartley Act. But I do not believe that any Senator, regardless of his attitude on that point, can possibly vote for this measure without realizing that if it passes it almost dooms, by its passage, that part of the Taft-Hartley law respecting State laws which has been so carefully insisted upon at all stages of its enactment, and which respects State constitutions and State laws in 18 or 20 States which have seen fit in their sovereign judgment to impose State laws covering labor and employment conditions in those States and imposing as a condition that a man shall be free to work, to be employed, and continue in

employment regardless of whether he is a union member or not. If we vote for this measure, let us do it with eyes wide open, realizing that it is an indirect assault upon those provisions of the Taft-Hartley Act to which I have referred. It cannot be construed in any other way.

It is not remarkable that almost all of the Senators who are fighting so hard for this act, and particularly against the amendment which the Senator from Florida has proposed, to incorporate into the act the same words now in the Taft-Hartley Act, giving respect and recognition to State laws, are the same Senators who so strongly resisted the enactment of the Taft-Hartley law and who never favored the incorporation into the Taft-Hartley law of the provisions which respect and preserve State laws.

They are completely consistent in the reassertion of their point of view in the pending bill, but I am wondering whether it is at all consistent for the considerable majority of the Senate who have taken exactly the opposite position, and who have insisted, every time the question has been raised, upon incorporating in the Taft-Hartley law provisions with respect to sustaining State laws. Is it consistent upon the part of those of us who took such position to support this pending bill, free from the incorporation in it of the provision which I am offering, which would make this bill, in this respect, at least, exactly like the Taft-Hartley law, that is, in the respect that it would give recognition to State laws of the type to which I have just referred?

Mr. President, I am about to conclude my remarks upon this subject. I feel keenly on it, because I think there should be some uniformity in Federal legislation affecting similar fields. I believe that, above all things, the States do have some rights in this matter. They have gone to great lengths to assert those rights. They have set them up in many cases under constitutional enactments. Before those constitutional enactments could go to the people for approval they had to be approved by the legislative bodies of those States, generally by much more than a simple majority of the membership of the two Houses, or, in the case of Nebraska, of the one house of the State legislature. Then the people themselves have adopted the constitutional provisions by their votes, and in our State at least it was by a most substantial vote. In other States, where I have seen the returns, the same result was reached, expressing the verdict of the people in this important, vital matter.

Following the adoption of constitutional provisions, there have been legislative enactments in many States of enabling laws to carry out the provisions of the constitutional amendments. The junior Senator from Nebraska [Mr. WHERRY] yesterday, in his colloquy, brought out that in the State of Nebraska enabling acts had to be enacted, and they were enacted by subsequent legislatures succeeding the legislatures which submitted the amendments, and there were three amendments of that kind—amendments known as sections 13, 14, and 15 of the State Constitution of Nebraska.

I am sure that there have been experiences in other States similar to that experienced in our State. Since the enactment of these constitutional provisions, or since the enactment of the rule by statute in those States which have gone into this field by constitutional enactment, there have been repeated efforts to repeal, and those efforts at repeal have failed. In my State, at each session of the legislature since 1944, when the constitutional amendment was approved, proposed constitutional amendments to repeal that constitutional amendment have been offered and rejected.

In the States with which I am most familiar—for instance, in the State of North Carolina—I know of my own knowledge repeal measures have been offered in the legislatures, and I see my distinguished friend, the junior Senator from North Carolina [Mr. SMITH], nodding his head in affirmation of the statement. I do not know how many there have been, or in how many legislatures, but there have been measures offered to repeal the State statutes which provided that, as a condition of employment in any industry in the State, membership or nonmembership in a union might never be used to bar a citizen of the State from gainful employment. I assume that has been the situation in every State where the matter has come up. It has been a dignified question, handled in the most thoroughly democratic fashion. It is not a question for any individual to cavil about, as to whether he approves the enactment in his particular State or not. It is a question for those States where there are constitutional provisions of this kind, which has been decided by the people themselves, and has been placed into the fundamental law of the State which governs all of the citizens in those States.

As to the States where statutory enactments have taken place, almost the same dignity applies, because there have been frequent opportunities since the original enactment to change that declaration of State policy, and such opportunities have brought about battles in the races for the State legislature. Those battles have so terminated that the legislatures subsequent to the enactment of the anti-closed-shop rules and the anti-union-shop rules by statute have not repealed those enactments, but instead have refused to do so.

It comes down solely—as it was last year when we debated it—to the question of what is sound public policy in such a matter. I respectfully invite the attention of the Senate to the fact that on the same question, fully debated last year, in a vote participated in by 94 of the then 95 Members of the United States Senate, the majority was 53 to 41 for the retention in the Taft-Hartley Act of the provisions of that act which respect and recognize and confirm State laws in this field.

I say again that the only other Member of the then Senate who could not be present, the Senator from Louisiana [Mr. ELLENDER] made it very clear in the RECORD that he took his stand with the 53. So the entire membership of the Senate then was divided 54 to 41 in favor of the philosophy under which States' rights are recognized in this field. Why should they not be recognized? They should be recognized, because the State laws have to do with the modus vivendi, with the way of living, with the way of seeking and gaining and continuing to hold employment, with the way of enabling citizens in those States to support their families, to sustain themselves and attain their ambitions by hard work. The issue runs to the very essence of democratic existence and opportunity.

These dignified statements of State policy should be recognized, and have been recognized in the past, and I hope with all my heart they will be recognized by the Senate today, in approving my amendment, thus seeing to it that this measure, if it becomes law, shall carry with it that same philosophy in the fields covered by the Railway Labor Act, which exists in all other fields of employment throughout the Nation, and that the States' declarations on this subject shall be respected, confirmed, observed, and enforced.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). Does the Senator from Florida yield to the Senator from Kansas?

Mr. HOLLAND. I yield.

Mr. SCHOEPPEL. I am intensely interested in what the distinguished Senator from Florida has had to say with reference to the position of States who in their wisdom have, through their legislative assemblies, passed certain types of labor legislation. I wish to say to the distinguished Senator from Florida that the State of Kansas, at a time when the present speaker, the junior Senator from Kansas, was Governor of the State, through the wisdom of its legislature, placed upon the statute books a labor law. That law may not have been perfect, but it was tested in the courts to a degree, and the decisions following those testing processes, of course, speak for themselves.

I wish to say to the distinguished Senator from Florida and to the Members of the Senate who are now in the Senate Chamber, that the Senator from Kansas feels that if the proposed legislation were to be enacted without the safeguarding amendment which has been offered by the Senator from Florida respecting the State laws and the State responsibilities as the legislatures of the States saw them at the time they enacted the State laws, I, coming from one of the States which have passed such laws, the State of Kansas, feel that I would be rather remiss in my responsibility and duty if I were not to point out that lack to the people of my State and to the people of some of the other States who are in similar position. If I were not to point out that situation I feel I would not be fully representing the people of my State in their wishes and desires as they are now and as they were when the State laws were passed.

Mr. President, I should like to say further, that, while I am in favor of the measure generally as it is before the Senate, I am bound in due conscience and

in all respects as I see it, to support the position of the Senator from Florida respecting the laws of my State, which were placed on the statute books after most careful consideration, and especially in view of the fact that since the time of their enactment there have been in session successive legislatures which have not seen fit to override the laws in question in any material degree.

I feel I must say that the State of Kansas would, I am sure, expect me to protect its right to invoke and to maintain on the statute books the type of legislation it wanted at the time the laws were enacted, especially in view of the fact that it was not inconsistent or incompatible with the exercise of the right possessed by the various labor organizations and individuals in the protection of their privileges.

I thought the Senator from Florida should know that and I want him to know it.

Mr. HOLLAND. Mr. President, I appreciate deeply the expression of the Senator from Kansas. He is confronted with exactly the same dilemma which confronts the junior Senator from Florida, and which I am sure confronts many other Senators.

If the Senator will bear with me a moment, I desire to repeat an illustration of the situation which will result if the proposed law is enacted. In Miami, one of the finest communities in our State and in the Nation, there are very large aviation shops and offices, because Miami is one of the great aviation centers of the Nation. I have been told that there are from eight to ten thousand employees in those shops and offices. A large portion of the employees are mechanical employees in the gigantic shops which are located there. If the pending measure should be passed, those employees whose location is just as permanent and just as definite there as that of employees in the building trades and in many other branches of employment would be covered by this Railway Labor Act and would be exempted from the provisions of our State constitution. They would be living under a different law and with different rights and with different privileges in connection with the condition of their employment from thousands of employees in other substantial industries who live with them and around them, living together, as they do there, in the great city of Miami. To me that is a completely confusing and unsatisfactory situation, and I do not believe anyone who really looks at the question and weighs it would want that kind of condition to exist.

I repeat likewise, if I may, another thing which I stated yesterday to the distinguished junior Senator from Nebraska [Mr. WHERRY]. It seems to me that this is equally applicable to the two Senators from Kansas, who I am happy to see here in the Chamber. By the passage of the proposed legislation we would throw away, so far as our States are concerned, which have taken these State positions, three important vital values which now exist, and which I think they have a very great interest in continuing. What are they? The first one is the value so ably stated by the Senator from Kansas [Mr. SCHOEPPEL]. The legislature of his State has, in its wisdom, passed the law he mentioned. The law has been upheld by the State courts of Kansas. Its repeal has been refused by subsequent legislatures. It has become the settled policy and a part of the philosophy, a part of the thinking, a part of the standards of living in his great State. That value is jeopardized and will be destroyed as to many, many people living within his State by the enactment of the proposed legislation, if it be enacted.

Secondly, since the enactment of such legislation—not the particular statute in Kansas, or at least not that to my knowledge, but similar enactments—a similar statute enacted in the State of North Carolina and two similar constitutional measures enacted, one in Nebraska and one in Arizona, have come to the United States Supreme Court, have been argued at great length and fully before that Court, and that Court has in those three cases, by unusually unanimous decisions, 9 to 0 in two of the cases and 8 to 1 in the Arizona case, upheld the validity of those State measures. It has become to the good people of Kansas and to the good people of every State who have trod the same path, now a vested assurance that under Federal law, as interpreted by the highest court of the land, their State laws are valid, they are legal, they are constitutional when judged by Federal constitutional standards. And a court which is not noted for its unanimity or for its sameness of thinking, has in the North Carolina case and in the Nebraska case unanimously said, "Here was a valid enactment which the good people of North Carolina and the good people of Nebraska had the right to invoke upon themselves and the people dwelling within their limits if they choose to do so."

This second value would be destroyed and lost to many residents in each of the States who have taken action in this field, if the proposed legislation should be enacted. Many of the residents of those States would be jeopardized as to their standing in employment, because the Senator knows full well, for he is a practical man, that this is nothing but an entering wedge, it is so designed, and comes from those same sources who do not want any respect given to State law in this field, and have never wanted it given.

Thirdly, by the enactment of this bill the people of Kansas, the people of Florida, and the people of the other States mentioned will lose what they now have, or will be jeopardized in what they now have in all fields except these two—they will lose the assurance that their law will be respected, because we all know that we in the Congress have up to now recognized the validity of these State acts. The Senator from Kansas himself was one of those who so voted. The Senator from Florida was another. We recognized and charted the policy of the Congress of the United States by substantial majorities in 1947 and 1949. We thought that in this important question of public policy the States should be allowed to say for themselves what they wanted in this particular field.

Passage of the proposed legislation would in the first place jeopardize everything that has gone before, because it would carry with it the immediate assurance that we are going to have an urgent request for other amendatory and weakening legislation.

Further, as to two great classes of citizens, employees of railroads and of the aviation industry, those States will lose the assurance that they have had under Federal law that those industries would be open shop. The Federal law has gone further heretofore in this field than have many of the State provisions.

So, Mr. President, not only are we asked to bring those industries out of the open-shop classification, as guaranteed under the Railway Labor Act, both in 1926 and in its reenactment in 1934 and in its text up to this very date, but we are asked to go from the complete open-shop extreme to another extreme which ignores and violates the declaration of Federal policy which has come out of this Congress with substantial majorities in both Houses behind it—they had to be substantial enough to override a Presidential veto in 1947; and we would be rejecting and withdrawing from a position which we have frequently maintained, and which we have stated, and restated and restated again, is a sound philosophy in this particular field. There is no doubt that the sacrifice of great rights by many States and their people is involved in this measure.

If the Senate had the time to leave its consideration of the present international matters and make a detailed study of this matter, and if the Senate had a chance to realize clearly that in this case we are being asked to make an about face in this particular field and to take a completely different position from the one we have taken in respect to all other fields of employment, I do not believe the Senate would even consider doing so.

To the contrary, I believe the Senate would be even more sturdy in taking the action I advocate than the Senate was in its last action in June 1949, when the membership was divided 54 to 41, as I said a moment ago, if it could have an opportunity to realize that the three values I have just recited will be jeopardized and lost to the people of 18 or 20 sovereign States if the Congress should hurriedly, and without the adoption of the necessary protective amendments, pass this measure.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

The PRESIDING OFFICER (Mr. MCFARLAND in the chair). Does the Senator from Florida yield to the Senator from Nebraska?

Mr. HOLLAND. I yield for a question.

Mr. WHERRY. Does the distinguished Senator from Florida recall the colloquy in the Senate which occurred yesterday, relative to the question asked by myself as to whether the measure now proposed, and as amended by the

distinguished Senator from Alabama [Mr. HILL] and the distinguished Senator from Ohio [Mr. TAFT], would supersede or override the present provisions of the Nebraska State Constitution, together with the enabling act which was enacted by the Nebraska Legislature in accordance with the statutory requirements?

The distinguished Senator replied that he felt there was no doubt that this measure would override that constitutional provision.

Mr. HOLLAND. Yes; in the case of employees of the railroads and employees in the aviation industry.

Mr. WHERRY. That is correct.

I should like to ask this question of the distinguished Senator: In the amendment which was submitted yesterday by the Senator from Alabama and adopted by the Senate, largely without much explanation, I find the following in subsection (c), as I read it:

(c) The requirement of membership in a labor organization in an agreement made pursuant to subparagraph (a) shall be satisfied, as to both a present or future employee in engine, train, yard, or hostling service, that is, an employee engaged in any of the services or capacities covered in section 3, first (h) of this act—

I take it that is the Railway Labor Act under which we are operating at the present time.

Mr. HOLLAND. That is correct.

Mr. WHERRY. I read further—

defining the jurisdictional scope of the first division of the National Railroad Adjustment Board, if said employee shall hold or acquire membership in any one of the labor organizations, national in scope, organized in accordance with this act and admitting to membership employees of a craft or class in any of said services; and no agreement made pursuant to subparagraph (b) shall provide for deductions from his wages for periodic dues, initiation fees, or assessments payable to any labor organization other than that in which he holds membership: *Provided, however,* That as to an employee in any of said services on a particular carrier at the effective date of any such agreement on a carrier, who is not a member of any one of the labor organizations, national in scope, organized in accordance with this act and admitting to membership employees of a craft or class in any of said services, such employee, as a condition of continuing his employment, may be required to become a member of the organization representing the craft in which he is employed on the effective date of the first agreement applicable to him: *Provided further,* That nothing herein or in any such agreement or agreements shall prevent an employee from changing membership from one organization to another organization admitting to membership employees of a craft or class in any of said services.

I have read that amendment as a premise to my question, which is as follows: If this measure is enacted, will it give to employers and employees the right, by means of collective bargaining, to set up a union-shop agreement?

Mr. HOLLAND. Yes.

Mr. WHERRY. If that is done, will there be a mandatory provision that a person who today might not be a member of such an organization, will be forced into one union organization?

Mr. HOLLAND. All I can state is my personal understanding, which is that such a person will be forced into the organization which at that time represents that particular class or craft of employees.

However, on this point I should prefer to yield to the Senator from Alabama [Mr. HILL], to permit him to state his view of the matter. Perhaps he may have a different view. However, certainly what I have just stated is my view.

Mr. WHERRY. I am seeking light on this question, and I shall be glad to propound the question to the Senator from Alabama.

Mr. HOLLAND. Mr. President, I ask unanimous consent that, without losing my right to the floor, I may yield to my friend, the Senator from Alabama, to permit him to reply to the question asked by the Senator from Nebraska.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HILL. Mr. President, I would say that if the bargaining unit representing a particular employee arrived at an agreement with management, under which in that particular craft there was to be a union shop, the employee would be required to join the union.

Mr. PEPPER. In the first instance.

Mr. HILL. Yes; in the first instance.

Mr. WHERRY. And the agreement thus made between the employees and the employer could provide for a union shop, could it not?

Mr. HILL. There is nothing in the statute which requires any agreement whatever, unless it is voluntarily arrived at, and is of their own free will and accord. If the employer and the employees, when sitting around a conference table and engaged in the collective-bargaining process, agree to have a union shop, such an agreement could become effective. However, nothing in this measure would require a union shop at all. A union shop would be entirely permissive.

Mr. WHERRY. In other words, does the use of the word "may" in the connection mean that the union shop would not be mandatory, but would be permissive?

Mr. HILL. Yes; it would be permissive.

Mr. WHERRY. If the agreement between management and labor provided for a union shop, this measure would be a permissive statute, so far as it goes. Is that correct?

Mr. HILL. Yes.

Mr. WHERRY. However, if management and labor enter into a contract which includes a provision that there shall be a check-off system, and if the contract also provides that the employees shall follow the union requirements for membership, those provisions can be written into the final agreement, can they not?

Mr. HILL. The check-off is in a different position, in that if there is to be a checkoff, the individual employee himself must give written consent or written assignment for it.

Mr. WHERRY. That is the present situation under the Taft-Hartley law, is it not?

Mr. HILL. Yes.

Mr. WHERRY. My further question is this: Today, are members of the railroad unions required to belong to such a union?

Mr. HILL. The very purpose of this measure is to remove from existing law the prohibition against the union shop.

Mr. WHERRY. So the present Railway Labor Act does not make it permissive; is that correct?

Mr. HILL. That is correct. The purpose of this measure is to give the permission.

Mr. WHERRY. If that is the purpose, what does the Senator believe will be done? Frankly, does he believe that immediately there will be collective bargaining agreements which will require membership in such an organization?

Mr. HILL. Yes; to be perfectly frank about it, I would imagine that if this measure should be enacted into law, labor would seek to bargain with management to bring about union shop agreements. That is what I would think.

Mr. WHERRY. Let me ask this question: Suppose a man is a fireman on a railroad and is a member of the firemen's brotherhood, but temporarily is promoted to be engineer. I refer to the illustration the Senator gave last night in the course of his remarks, and to the point the Senator made in connection with membership in only one union. In view of that illustration, what is the situation under the present act?

Mr. HILL. At the present time the question of union membership does not arise, because the union shop is prohibited.

Mr. WHERRY. I should like to know what the unions do at the present time when an employee who is a fireman on one of the railroads and is a member of the Brotherhood of Firemen, temporarily is promoted to be engineer. In such a case, does that employee temporarily join the Brotherhod of Locomotive Engineers, and subsequently return to the Brotherhood of Firemen when he returns to his old job of fireman?

Mr. HILL. No, because at the present time there is no requirement at all that he join a union. So he can do whatever he wishes to do.

Mr. WHERRY. I understand that, but I am asking about one who is already a member of the firemen's union which I think is the Brotherhood of Locomotive Firemen and Enginemen, one of the Big Four brotherhoods.

Mr. HILL. That is correct.

Mr. WHERRY. Let us take the case of a man who is in good standing as a member of that organization and who is promoted to the position of engineer, does he continue in the firemen's union, or does he automatically and voluntarily go into the Brotherhood of Locomotive Engineers? And then, when he is demoted, does he go back into the firemen's organization, or does he retain membership in both organizations?

Mr. HILL. No; I would say that today it would be a matter of his own choice, as it would be if the pending measure were passed.

Mr. WHERRY. Then, I desire to ask this question: Let us take the case of a man who is a fireman after the pending measure is passed, does he join the fire-

men's organization, and does it require him to remain in that organization? Would it prevent his changing to membership in the engineers' organization?

Mr. HILL. No; not at all. He moves up to the engineers' organization.

Mr. WHERRY. What if he is demoted to fireman?

Mr. HILL. If he is demoted, he can return to the firemen's organization.

Mr. WHERRY. He would be permitted to change back and forth, would be?

Mr. HILL. That is correct. If he changes back and forth from engineman to fireman, or vice versa, he can change his affiliation.

Mr. WHERRY. Would he be free to join the firemen's organization again, if he had taken his membership from that organization?

Mr. HILL. That would be up to him, as to whether he wanted to do that.

Mr. WHERRY. I understand it is a voluntary proposition, as it is now; is that correct?

Mr. HILL. That is correct.

Mr. WHERRY. I am trying to find how it would work out in practice, and whether this measure would impose additional requirements upon him.

Mr. HILL. Under this measure, if there were a collective-bargaining agreement he would have to belong to one or the other of those two organizations.

Mr. WHERRY. If he belonged to the firemen's organization, he would not be denied the right to belong to another organization, I know.

Mr. HILL. No; of course not.

Mr. WHERRY. In other words is it not a fact that if he went into the firemen's organization, it would more or less militate against the Brotherhood of Locomotive Engineers?

Mr. HILL. No; not at all. If he became an engineer then I should say the engineers' organization would be happy and delighted to take him in as a member of their organization. The choice would be his.

Mr. HOLLAND. Mr. President, I am happy over the colloquy which has taken place, because it points up the statement made by Mr. John T. Corbett, assistant grand chief engineer and the national labor representative of the Brotherhood of Locomotive Engineers, in a very strong letter to the Senator from Alabama [Mr. HILL], which I have read into the RECORD. Mr. Corbett advises the Senator from Alabama, among other things, as follows:

> It appears proper to inform you that there is no similar condition in any industry affecting the employees of the industry which has ever been given consideration that presents a greater injustice to the senior group of workers than your attempts.
>
> You must understand that what you are explaining is that the apprentice is provided a guaranty or assurance he shall never be required to secure membership in the senior organization which his apprenticeship prompts him to endeavor to secure promotion to.

Mr. WHERRY. Mr. President, if the Senator will yield, I should like to say that I did not hear the reading of the letter. I have been occupied with certain other matters. I deeply appreciate the information, but that raises the same issue which I have raised here.

Mr. HOLLAND. Mr. Corbett ends his letter with this additional sentence, which I should like to read, if the Senator will permit:

> This is an injustice to the Brotherhood of Locomotive Engineers which could never be overcome.

I believe that is a rather categorical answer to the questions propounded.

Mr. WHERRY. Will the Senator tell me who signed that?

Mr. HOLLAND. The letter is signed by Mr. John T. Corbett, assistant grand engineer and national legislative representative of the Brotherhood of Locomotive Engineers, who is stationed permanently in Washington, representing his organization, and who speaks officially for them, and who describes himself to me—and I am sure he is completely true in what he has said—as having been for 40 years in that organization, having come from the Milwaukee Railroad, I understand. In an earlier colloquy, and, before the able Senatar from Nebraska came in, I stated that from another source the suggestion was made to me that exactly the same problem confronts the conductors organization, and that the individual propounding this question to me says he cannot understand why or how anyone assuming to speak for the conductors could possibly have signed a consent to this legislation; that he did not believe it was clearly understood.

Mr. HILL. Mr. President, will the Senator yield further to me, before he proceeds to something else?

Mr. HOLLAND. I yield.

Mr. HILL. I may say to my friend from Nebraska that the gravamen of this complaint is simply that Mr. Corbett, assistant grand chief engineer, contends that under the bill as now amended, if an employee is a member of the firemen's organization, he has a right to make his choice as to whether he will remain in that organization or whether he will move up to the engineers' organization. Mr. Corbett's complaint is that he is not forced, when he becomes an engineer, to surrender membership in the firemen's organization, and be forced by law to go into the engineers' union. That is the gravamen of this letter.

Mr. HOLLAND. Mr. President, I think the letter speaks very well for itself. The position of the Brotherhood of Locomotive Engineers is apparently unyieldingly in opposition to this measure.

Mr. WHERRY. Mr. President, will the Senator yield for one more question?

Mr. HOLLAND. I yield.

Mr. WHERRY. Is it the bill as now amended which caused this complaint to come in?

Mr. HOLLAND. It is because of the amendment which was placed in it on the motion of the Senator from Alabama and other Senators, and which the writer of the letter says would operate to destroy his union.

I stated in the earlier colloquy that no Member of the Senate, other than those who were negotiating this matter, had the slightest idea or the slightest information about the amendment which was offered yesterday and placed in the bill, and of which the representative of the Brotherhood of Locomotive Engineers complained. I further stated that it is completely impossible, in view of the time limitations imposed upon us here, to discuss the question of how widely and how seriously this bill affects either the engineers or the conductors. In further reply to the questions earlier raised——

Mr. HILL. Mr. President, will the Senator yield at that point for a moment?

Mr. HOLLAND. I yield.

Mr. HILL. I may say to the distinguished Senator from Nebraska that his committee reported a committee amendment to the effect that no employee should be required to belong to more than one union. The amendment which the Senate adopted yesterday, which had been agreed to by 21 of the 22 railway organizations, was designed to spell out in a little greater detail and to put a few more safeguards around the intent and purpose and will of the committee that no employee should be required to belong to more than one union; and of course, that is what this letter is all about.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. HILL. I yield.

Mr. WHERRY. Evidently, when the question was raised in my mind, I knew nothing about this letter, or its contents. I knew nothing of the contents of the letter until I heard it on the floor, and it seemed to me that there was some question about whether an apprentice would belong to a particular union and whether therefore a senior organization would be deprived of its membership. Yesterday on the floor I understood the distinguished Senator from Alabama to say that 21 of the 22 so-called railroad organizations were in favor of the bill as amended by the amendment proposed by the distinguished Senator from Alabama and the Senator from Ohio [Mr. TAFT]. Did they know what were the provisions of the amendment which was offered by the two distinguished Senators?

Mr. HILL. Oh, surely. The representatives of the railway organizations sat around a table together and worked out the details of the amendment, and then brought it to the Senator from Ohio and the Senator from Alabama, and we saw that the amendment was exactly similar to the committee amendment, except that it spelled out in more detail the safeguards which were deemed necessary in order to properly do the job.

Mr. WHERRY. I know that when the Senator said "we" he meant the members. I am talking about the officials. Do the officials know what the enginemen think about this proposed amendment?

Mr. HILL. Oh, certainly; they are the ones.

Mr. WHERRY. Just a moment, please. What I am trying to get into the RECORD is this: The Senator made a statement yesterday, and I take it at its face value, that 21 of the labor organizations completely approved of this legislation.

Mr. HILL. That is correct.

Mr. WHERRY. I get the idea now that the reason that the official of the Brotherhood of Locomotive Engineers is opposed to the legislation is particularly because of this new amendment, which he seems to indicate——

Mr. HILL. No.

Mr. WHERRY. Just a moment, please.

Mr. HILL. Very well.

Mr. WHERRY. Which he seems to indicate that it would force into this one organization the apprenticed employees of the railroad, so far as the firemen and engineers are concerned. What I would like to know now is, do all of these 21 organizations know of this amendment, and is the Senator from Alabama saying now, after I have raised this question, that the 21 organizations are behind this bill as now amended by the amendment presented by the Senator from Alabama and the Senator from Ohio?

Mr. HILL. The 21 organizations not only know of the amendment, but representatives of the 21 organizations sat around the table together, to assist in working out the amendment. They agreed to the amendment, and I read into the RECORD yesterday the letter which I now hold in my hand, signed by spokesmen for three of the four organizations which had previously opposed the bill because the amendment did not suit them.

Mr. WHERRY. Mr. President, will the Senator yield for one more question?

Mr. HILL. I yield.

Mr. WHERRY. Did the representative who has been mentioned sit at the table when this amendment was being considered, and did he or some other representative of the Brotherhood of Locomotive Engineers join in approving this amendment?

Mr. HILL. Let me say to the Senator that I do not know the names of the personnel who sat around the table.

Mr. WHERRY. The Senator knows the names of the organizations who were represented, does he not?

Mr. HILL. I may say that, so far as the author of the letter referred to by the Senator from Florida is concerned, Mr. John T. Corbett, he appeared before the committee at its hearings on this measure. He at that time opposed the bill, and he continues to oppose it.

Mr. WHERRY. Mr. President, I understood the Senator from Alabama to say yesterday—and I am asking the question only to clarify the subject——

Mr. HILL. Mr. Corbett is the exception I mentioned yesterday.

Mr. WHERRY. I cannot recall exactly the words which the Senator from Alabama used, but I understood him to say that the gentleman who represented the Brotherhood of Locomotive Engineers personally was in favor of the pending legislation, but had not been able to refer the subject to his organization. Consequently he could not say what the position of the organization would be. Am I correct in my understanding?

Mr. HILL. No; I have been informed to the effect that the only ones who are not urging the passage of the bill are the members of the Brotherhood of Locomotive Engineers. The are not opposing it. That is exactly what I said yesterday.

That was my understanding yesterday. I said also that the chief of the brotherhood feels that in view of past action he is not now in a position to endorse the bill. This morning Mr. Corbett, the gentleman referred to, came to see me. He informed me that that statement is not correct. He stated that he had opposed the bill before the subcommittee, and that he was still opposed to the bill. He wrote the letter to which the Senator from Florida has adverted.

Mr. WHERRY. I did not read the CONGRESSIONAL RECORD of yesterday. The Senator from Alabama will understand that I am not trying to impeach his statement.

Mr. HILL. Of course not.

Mr. WHERRY. However, I remember the Senator's statement.

Mr. HILL. I stated there was one exception.

Mr. WHERRY. Yes.

Mr. HILL. This was the exception I had in mind.

Mr. WHERRY. But the Senator from Alabama went further than that. I understood him to say that they were not opposing the proposed legislation. I am not talking about Mr. Corbett, to whom reference has been made. I believe the Senator referred to a gentleman who was personally favorable to the legislation but had not had the time to take it up with his organization.

Mr. HILL. I had been so advised yesterday. I had been advised yesterday that the head man of the organization was not opposed to the bill. This morning, Mr. Corbett, one of the assistant head men, not the grand head, came to see me, and gave me the letter which was read into the RECORD this morning. He wanted to make sure that the RECORD would be corrected so as to state the true situation. He brought another letter with this letter. I read the letter into the RECORD when the Senate convened this morning.

Mr. WHERRY. What is now the opinion of the distinguished Senator from Alabama as to whether the Brotherhood of Locomotive Engineers is opposed to the bill? Are they opposed to it as amended, or are they in favor of it?

Mr. HILL. In the absence of any other information I would say that we must accept the word of Mr. J. T. Corbett that they are opposed to the bill.

Mr. WHERRY. I have one more question to ask. Does the Senator now feel that if all the other 21 organizations were advised of all the implications of the proposed legislation—and I understand they have not been informed—that they still would be favorable to the bill as amended?

Mr. HILL. I certainly think so.

Mr. HOLLAND. Mr. President, I had two conferences this morning with Mr. Corbett, and the clear impression which I got directly from him—and I ask the attention of the Senator from Nebraska, and I hope the Senator from Alabama will follow this statement—was that his organization by convention action has been opposed to the proposed legislation and has been strongly opposed to it from its inception, but that the offering and inclusion in the bill of the amendment of yesterday makes him personally much more vigorously opposed than he was before, because he believes its enactment in its present form would be destructive of his brotherhood.

Mr. WHERRY. That is exactly the question I asked of the Senator from Alabama. I have asked him over and over again, and in three different ways, whether, if what the Senator from Florida says is true with respect to the locomotive engineers, and it could not possibly also be true with respect to the Brotherhood of Conductors, because they have the same problems with respect to apprenticeship—brakemen becoming conductors, and so forth. The answer the Senator from Alabama gave——

Mr. HILL. The best answer is to refer to the letter which I have in my hand, which was written to the distinguished Senator from Utah [Mr. THOMAS], the chairman of the committee.

Mr. WHERRY. What is the date of the letter?

Mr. HILL. December 6. It was written after the amendment was offered. They say:

> If the attached proposed amendment is incorporated in the bill, the undersigned organizations are in favor of the enactment of S. 3295 and urge its adoption.

I hold in my hand the attached amendment. It is the amendment which was offered yesterday by the senior Senator from Ohio and myself, and the Senate adopted the amendment. They state:

> If the attached proposed amendment is incorporated in the bill, the undersigned organizations are in favor of the enactment of S. 3295 and urge its adoption.

Mr. WHERRY. May I ask what the name of the organization is?

Mr. HILL. It is signed by Jonas A. McBride, vice president, national legislative representative, Brotherhood of Locomotive Firemen and Enginemen; W. D. Johnson——

Mr. WHERRY. Is that the same organization to which reference was made earlier?

Mr. HILL. No. The reason I emphasized "enginemen" was to show that it is different from "engineers."

Mr. WHERRY. I understand.

Mr. HILL. The letter is also signed by W. D. Johnson, vice president, national legislative representative, Order of Railway Conductors, and by Harry See, national legislative representative, Brotherhood of Railroad Trainmen.

Mr. HOLLAND. I think I should also say to the Senator from Nebraska that earlier in the debate, before he came on the floor of the Senate, I had stated in the RECORD that the question had been posed to me this morning that the same result which was feared by the Brotherhood of Locomotive Engineers was in the judgment of the individual posing it this morning, just as harmful and just as dangerous in its impact upon the conductors' organization as it was upon the engineers. I communicated that information to the Senate this morning.

In concluding, Mr. President, I may say that I want it to be crystal-clear in the RECORD that the questions propounded by the able Senator from Nebraska—and they were good questions—must be answered without any equivocation, without any animadversion, and without dressing the answer up in words which do not tell the plain facts. The particular question of the Senator from Nebraska to which I refer at this time was whether or not men who are not now members of the union and who are within the classes of operating employees, would, in the event of the negotiation and entering into contracts by the operating brotherhood in that particular classification of employees, be required to join the union. The answer to that question is "yes"; they would be so required.

Mr. President, the Senator from Florida understands that there would be no exception to that other than the refusal of the union to admit them, and the refusal of the union to admit them might be known in advance, but, notwithstanding that fact, every man not now a member of the union would be forced to apply for membership and subject himself to that situation, whatever it might be.

Mr. ROBERTSON. Mr. President, will the Senator yield for a question?

Mr. HOLLAND. Yes.

Mr. ROBERTSON. Mr. President, I have tried to follow the debate on the pending measure, but I am still somewhat in the dark with respect to it, particularly as to where all the railroad unions stand on the proposed legislation. I am also still somewhat in the dark as to the question of States' rights which is involved. I wish to ask the distinguished Senator from Florida if he knows of any urgent and compelling reason why we must act today. I understand that the majority leader plans to have a session tomorrow if we do not conclude with certain business of the Senate today. I should like to ask the distinguished Senator from Florida why the pending bill could not with great propriety go back to the committee, so that definite discussion could be had with respect to the stand of the unions on what they want, and also to give full opportunity to the committee to consider the amendment which the distinguished Senator from Florida has proposed, and which he feels is necessary to protect States' rights, in which many of us, of course, are vitally interested.

Mr. HOLLAND. In reply to the distinguished Senator from Virginia, I know of no compelling reason. I have already stated in debate that I thought it was unfortunate that debate on the pending measure should be scheduled at a time of international and national crisis, when most Members of the Senate, particularly the senior Members of the Senate, are tied up in meetings of committees which are working on important defense measures. I know of no compelling reason requiring our passing on the measure today. As a matter of fact, it is well known, as it has been stated in debate, that the House has not acted upon the measure. It has been furthermore stated in debate frequently that there is a question as to whether a rule can be secured in the House to bring the measure up for consideration in the House. I have no knowledge on that question.

Mr. HILL. Mr. President, since so much has been said with respect to a rule in the House, I should like to say that it would not be necessary, if the bill passes the Senate, to get a special rule in the House for its consideration there. There is a general rule in the House of Representatives which provides that if the Senate passes a bill which imposes no burden upon the Federal Treasury—in other words, does not take any money out of the Federal Treasury—it can be brought to the Speaker's desk. Thereupon the Speaker can do one of two things. He can either refer the bill to the legislative committee which has jurisdiction over the subject matter, or, in the discretion of the Speaker, if he so desires to do so, he can recognize the chairman of a particular legislative committee, whereupon the chairman of such committee can move to proceed to the consideration of the bill. If a majority of the House of Representatives sustains the motion of the chairman of such committee, the bill is before the House, and the House can proceed to pass or not pass the bill.

Mr. HOLLAND. In further reference to the question of the distinguished Senator from Virginia, I know of no reason which compels action on the bill today, or which would make such action highly advisable.

The second point which I wish to make is that the question propounded by the Senator from Nebraska, as to whether or not a nonmember of a union now working in an operating classification would be required at least to apply for membership must be answered "Yes."

It is further complicated by another question, which arose earlier in the debate today, and that is as to what is the status of a member of the only CIO union which is found in this field, which is not a class or craft union, but which covers all classes of employees in the railway industry, for example, from maintenance-of-way men up to engineers and conductors. In this connection it was stated to the Senator from Florida this morning by one of the representatives of the railroad employees whose name I am not free to state that there are numerous members of the classifications which would be affected by this bill who are members of the CIO union and not members of any brotherhood. As the Senator from Florida reads this measure, such a person, though now a member of a union which does not serve merely a class or craft, would, equally with a nonmember of any union, be required to apply for a membership in one of the craft or class unions.

The Senator from Florida is not certain that his decision in that connection is correct. He has invited the Senator from Utah [Mr. THOMAS], the Senator from Alabama [Mr. HILL], and the senior Senator from Florida [Mr. PEPPER], any or all of them, who might have sounder information on that subject, to comment upon the question which has been posed to the junior Senator from Florida, namely, as to what are the rights and what would be the requirements imposed upon a union member whose membership was not in any of the craft brotherhoods, but in the CIO union, the transport workers union, in the event of the passage of this bill, and in the event of the negotiation of a union-shop contract by a particular brotherhood with a particular railroad, governing employment on that railroad.

It would seem to the Senator from Florida, from the mere wording of the provision, that such a union member, whose membership was in the CIO transport workers' union, would be required to apply for a membership in the appropriate brotherhood.

I read the language which appears, at least to me, to so indicate, and which raised that question in the mind of the person inquiring of me. I quote from the amendment adopted yesterday. The wording is this:

> *Provided, however,* That as to an employee in any of said services on a particular carrier at the effective date of any such agreement on a carrier, who is not a member of any one of the labor organizations, national in scope, organized in accordance with this act and admitting to membership employees of a craft or class in any of said services, such employee, as a condition of continuing his employment, may be required to become a member of the organization representing the craft in which he is employed on the effective date of the first agreement applicable to him.

I do not attempt to state what that means with any finality of authority, because I was not present at the drafting. I do not know what the draftsmen meant. I am not clear even as to the interpretation of this language. I have simply conveyed to the Senate the complaint which came to me, and the question which came to me this morning as to whether that provision would require a member of the transport workers union in one of these classifications who would be affected by a union-shop agreement, notwithstanding his membership in that union, to apply for a membership in one of the brotherhoods. I do not pretend to give a final answer to that question. At least it has been seriously raised.

Mr. President, I relinquish the floor.

Mr. PEPPER obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield in order that I may propound a question to the Senator from Alabama?

Mr. PEPPER. I yield.

Mr. WHERRY. I am not sure what the procedure is going to be. In the light of the statement made by the distinguished Senator from Virginia [Mr. ROBERTSON] relative to the advisability of possibly making a motion to recommit the bill to committee, with instructions to report back on a day certain, and also because of the lengthy debate which has ensued, I am wondering if there will be an opportunity to suggest to the acting majority leader that he tell us what he has in mind relative to a vote on the so-called Holland amendment, or his reaction to the observations

made by the distinguished Senator from Virginia.

I should like to say to the distinguished Senator from Alabama that we on this side of the aisle will be very happy to cooperate in any procedure which is decided upon. If there is to be considerable debate, I feel that if we can agree upon a time when we may have a vote, such an agreement should be entered into. It would be in order. But if a motion is to be made to recommit the bill, the sooner the motion is before us the better. The majority leader has indicated that he would like to take up the bill relating to aid to Yugoslavia this afternoon.

Mr. HILL. Mr. President, I will say to my distinguished friend that the distinguished majority leader has been tied up all day in the Finance Committee, and I have not had an opportunity to confer with him today. The distinguished senior Senator from Florida is about to speak. If it is agreeable to the distinguished Senator from Nebraska, at the very first opportunity I shall confer with the majority leader.

Mr. WHERRY. I shall appreciate it very much. Senators are very much interested in knowing what the procedure is to be. I think it would be a very fortunate thing if a unanimous-consent agreement could be entered into. I believe that such a proposal would meet with the approval of all Senators.

In the meantime, if such a motion as that suggested by the Senator from Virginia is to be forthcoming, I think it would be well to get it before the Senate as soon as possible. After all, if we are to expedite the work of the Senate, we should look ahead and plan it.

Mr. HILL. I appreciate what the Senator has said.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. HILL. The Senator from Florida has the floor.

Mr. PEPPER. I yield.

Mr. ROBERTSON. I have very recently conferred with the distinguished majority leader about the bill, and he told me that he was very anxious to have action on it concluded today. There are on the floor of the Senate now 11 Senators, and that is about as many as there have been present since the first quorum call was had. How valuable the pro-and-con debate may be I don't know. I admit it has been good so far, but it does not influence those who do not hear it. For that reason, knowing that some of us are still in great doubt, I thought that if there were no particular reason why we should rush the bill through today, in these troubled times, we might recommit it. Otherwise, I would very much favor having an early vote on the merits of the bill.

Mr. HILL. I will cooperate with the Senator 100 percent to get an early vote. The distinguished senior Senator from Florida advised me a little while ago that he would not occupy a great deal of time, and when he concludes his remarks, I do not know why we should not go ahead and vote on the Holland amendment and dispose of it, and proceed with any other amendments and dispose of them, and then vote on the bill and dispose of it. I have no disposition to delay the bill. On the other hand, I have every desire to get action on it.

Mr. ROBERTSON. The majority leader asked me if there was any filibuster on the bill. I told him that, on the contrary, I was very certain Senators were anxious to dispose of the bill at as early a moment as possible, that there was no filibuster on the part of any Senator.

Mr. CAPEHART. Mr. President, if the Senator having the floor will yield, I think that in all fairness to the Senator having the bill in charge I should inform him that my colleague, the junior Senator from Indiana [Mr. JENNER], informed me about an hour ago that he would offer an amendment to the bill, the anti-segregation amendment. I thought I owed it to the Senator having the bill in charge so to inform him.

Mr. HILL. Is the distinguished junior Senator from Indiana in the city at this time?

Mr. CAPEHART. I understand he will be here.

Mr. HILL. It does not necessarily follow that if he offers the amendment there will be any lengthy debate on it, does it?

Mr. CAPEHART. I cannot answer that question. If he is not able to arrive in time, then he has asked that I offer the amendment for him, and as a courtesy to him, I shall do that. If I offer the amendment, I assure the Senator that there will be no time consumed by me in making a speech. However, if my colleague himself arrives, I cannot tell how long he will talk. He is insisting that his amendment be offered, and in courtesy to him, which I am sure the able Senator from Alabama understands, I shall offer it in his behalf if he is not here; but if I offer it, there will be no speech on my part.

Mr. ROBERTSON. Mr. President, may I ask the Senator from Indiana just one question about the amendment?

Mr. CAPEHART. Yes; but I know very little about it.

Mr. ROBERTSON. The Senator says it is an antisegreation amendment. Is it really the FEPC amendment?

Mr. CAPEHART. I cannot answer the question. The amendment has been lying on the table since the first of September. I am merely acting as my colleague's agent, at his request, showing the courtesy that any other Senator would show to a colleague.

Mr. NEELY. Mr. President, will the senior Senator from Florida yield?

Mr. PEPPER. I yield to the Senator from West Virginia.

Mr. NEELY. In view of the present situation, and the clear indication that it will be impossible to vote on the bill either today or tomorrow, I inquire of the Senator from Alabama, if he would have any objection to a unanimous-consent request that a vote be taken on the bill and all amendments thereto on next Monday, with the usual provision regarding debate on each side of not more than 10 minutes on any amendment which might be offered.

Mr. HILL. In view of the amendment which the Senator from Indiana has stated, his colleague, the junior Senator from Indiana, desires to offer to the bill, and will offer if he is present, I do not think we can agree at this time on any time for a vote, or any limitation such as that suggested by the Senator from West Virginia. I do not know what the junior Senator from Florida has in mind, but I do not know why, after the senior Senator from Florida concludes his remarks, we might not vote on the amendment of the junior Senator from Florida. Would that be agreeable to the Senator?

Mr. HOLLAND. It would not be agreeable, Mr. President, in the sense that I feel we have had a fair chance, because so many Senators have left the city before they knew the bill was coming up, who take the same position the Senator from Florida takes. But he certainly will not interpose any debate simply for the purpose of delay. He has no intention of so doing. He said that to the Senator from Alabama.

Mr. HILL. He certainly did.

Mr. HOLLAND. I have simply asserted the right to speak today in order to round out the statements I made yesterday, which I had not had time to round out then. I have consumed time today largely by reason of colloquies which ensued during my discussion yesterday, as the Senator knows.

Mr. President, we would have no objection to voting at any time when we can come to it. I would rather have the vote go over until Monday, because the Senator from North Carolina [Mr. HOEY] and the Senator from Mississippi [Mr. EASTLAND] are necessarily out of the city. They were called out before they knew the measure was to be taken up for consideration. They have very strong feelings with respect to the measure. They would want to see adopted the amendment offered by the junior Senator from Florida.

Mr. President, I do not feel good about the whole situation, and I do not feel that those who hold the same views I hold have been treated with much consideration in this matter. I see nothing we can do about it, however, other than to put on a long talkathon, which I have no intention of doing.

Mr. HILL. I thank the Senator very much.

Mr. WHERRY. Mr. President, will the senior Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. WHERRY. May I propound a question to the distinguished acting majority leader in respect to the query made by my able friend and colleague, the Senator from West Virginia [Mr. NEELY]? Now that the Senator has stated it would be impossible to secure unanimous consent to vote on the bill on Monday, because of the announcement made by the distinguished Senator from Indiana [Mr. CAPEHART], would there be any objection to entering into a unanimous-consent agreement to vote on Monday on the so-called Holland amendments? There are two of them.

Mr. HILL. The two amendments embody the same matters. I imagine it

would be agreeable to the junior Senator from Florida to vote on them en bloc.

Mr. WHERRY. I mean to vote only on the Holland amendments.

Mr. HOLLAND. It would not only be agreeable to vote on those amendments, which as I stated heretofore in the debate should be considered as one amendment—and I made that request—but I should also be glad to include in the request that we vote on a motion to table the amendment offered by the junior Senator from Indiana. I agree with the Senator from Alabama. I would not want to set an arbitrary time for a vote on that particular amendment at this time. But I would be willing to include in the unanimous-consent request a vote on a motion to table.

Mr. WHERRY. Mr. President, we are now coming to the point where we shall be able to secure a unanimous-consent agreement, if the Senator from Alabama will agree with the Senator from Florida. I should like to ask, however, that the Senator from Indiana be permitted 30 minutes to present his amendment, and at that time we will agree that a motion to table be entered, so there will be no long debate about the amendment. I think that would be fair.

Mr. HILL. If the senior Senator from Florida [Mr. PEPPER] may now be permitted to proceed, I shall confer with the majority leader, and when I have conferred with him, I shall be glad to advise with other Senators further.

Mr. HOLLAND. Mr. President, will my colleague yield to me for an observation?

Mr. PEPPER. I yield.

Mr. HOLLAND. The junior Senator from Florida has just had the privilege of a brief conversation with the junior Senator from West Virginia [Mr. NEELY]. He is thoroughly in accord with the feeling that the suggestion by the junior Senator from West Virginia is sound and workable. He will gladly accommodate himself to it. That suggestion is that we enter into a unanimous-consent agreement to vote on Monday on the amendments offered by the junior Senator from Florida, and on a motion to table the amendment to be offered by the Senator from Indiana [Mr. JENNER], with the understanding that the Senator from Florida is perfectly willing to waive any additional argument on his amendments, and to yield to the junior Senator from Indiana, or whomsoever he may designate to speak for at least half of the time allotted, prior to the vote.

Mr. WHERRY. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. WHERRY. I appreciate the suggestion made by the junior Senator from Florida. I believe the regular procedure ought to be followed. I believe the Senator from Alabama will agree with me relative to the terms of the unanimous-consent agreement. There is one thing I should like to suggest, beyond the usual terms of such an agreement. I think we can agree on an hour to vote, and on how the time shall be divided prior to the hour to vote, and that we then give a certain amount of time to any additional amendments which may be offered and which are germane. However, I wish to have included in the agreement that the Senator from Indiana [Mr. JENNER] be permitted to speak on the amendment he proposes to offer. All I ask is that before the agreement is entered into, there be included in it the provision that the Senator from Indiana may have 30 minutes in which to explain his amendment. On that basis I am satisfied we can agree upon the time when a vote may be had.

Mr. HILL. I suggest that the senior Senator from Florida [Mr. PEPPER] be allowed to proceed, and we can in the meantime endeavor to secure an agreement.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. NEELY. Does the Senator from Alamaba know of any additional speeches which are proposed to be made after the senior Senator from Florida has concluded?

Mr. HILL. I know of no other speakers who intend to address themselves to the pending amendments. The Senator from Nebraska said he wanted provision to be made for half an hour for the distinguished Senator from Indiana on his amendment.

CANCER CONTROL AND RESEARCH ACTIVITIES

Mr. SMITH of New Jersey. Mr. President, will the senior Senator from Florida yield to me for about 3 minutes, so I may make a short statement and present a matter for insertion in the RECORD, relating to cancer research?

Mr. PEPPER. I yield to the Senator from New Jersey.

Mr. SMITH of New Jersey. Mr. President, I desire to say a few words on the subject of cancer control and research activities which are no less essential and no less worthy of our support today than in more peaceful times. We are all concerned, of course, with the news from the Far East and from the fighting front where American soldiers are defending freedom with their lives. But in spite of these far-off events we still have a responsibility to consider some of those forces that are threatening the lives of so many of our people here at home. I trust that in the stress of events we will always have time to honor those who, in our own communities, are showing devotion to the relief of human suffering.

We are always fighting mortal enemies of disease that cause death, regardless of age, color, or creed. In this classification there is no more ruthless enemy than the terrible scourge of cancer. I want to pay a special tribute to the devoted volunteers throughout the country, and particularly in my own State of New Jersey, who are fighting day and night to control the upward trend of this disease which yearly claims more than 200,000 lives of our own countrymen.

Our Federal Government, through the National Cancer Institute, is aiding in this battle and contributes millions of dollars for research into the causes of the disease. This fund is increased by contributions made to the American Cancer Society by the people in every State, who in this past year alone raised nearly $14,000,000 to carry out the program of education and service, as well as research.

While scientific research is being carried on the present sufferers of the disease are not being neglected. A campaign emphasizing the necessity of periodic visits to family physicians as one of the preventatives is being carried on throughout the country. Clinics have been opened where patients have access to X-ray equipment, radium, medications and dressings, and many other services.

In my own State of New Jersey the New Jersey Division of the American Cancer Society was organized 4 years ago by Mr. George E. Stringfellow and is now under the presidency of Mr. J. Wesley Goldthorp. This division has done an outstanding piece of work and I wish to pay tribute to these two men and their associates for the able leadership which they have freely given to this cause.

One of the outstanding features of the New Jersey division's program is the annual editorial contest during national cancer-control month each April. Daily and weekly newspapers in the State contribute editorials in addition to news space during the annual fund-raising campaign. Three judges select the best of these editorials and the winners are awarded the George E. Stringfellow plaques.

The winners in 1950 were the Paterson Evening News in the daily field for an editorial written by Abe J. Greene, and the Delaware Valley News of Frenchtown in the weekly field for an editorial written by Sydney A. DeCosta.

Mr. President, I ask unanimous consent that these two winning editorials on this important subject of cancer control be inserted in the RECORD as a part of my remarks.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Paterson Evening News of May 11, 1950]

BEMOANING THE DEVASTATION OF CANCER WON'T CURE IT—IF YOU REALLY WANT TO HELP, HERE'S HOW TO DO IT

Let's pull up a chair, neighbor. Just for a friendly chat between ourselves.

Don't let's talk about world affairs. Let's leave the Iron Curtain, the Commies, China, the Big Three, Pakistan and other problems like that to our statesmen. They can take care of themselves—we hope.

Let's leave Congress, for the moment at least, to the Congressmen; State laws to our legislators.

Let's talk about something closer to home. Mrs. Jones, next door, for instance. The poor woman, they do say, is in the last stages of life. She has suffered for months, endlessly, pitifully, hopelessly. The doctors say she may pass on within a week, perhaps linger on for a month. And she with everything to live for, three darling children, a devoted husband, a nice home.

Cancer!

It's rather terrifying, isn't it, the way cancer is striking so many people we know. One out of eight, they say. Seems like more than that, from the news we get nearly every day of this friend and that one stricken.

What's to be done? Do we sit by, enjoying ourselves, life's pleasures and fruits, while all this goes on and we do nothing about it? My God, man, it may be our turn next.

What's to be done?

Listen, neighbor:

We're sitting here at peace with the world, everything rosy, nice comfortable homes, the season of the year when nature is blooming, and our spirits with it.

Suppose a man came up to us now and asked us for a dollar—just one dollar—to save his life. Would we give the dollar? Give a dollar! Why, that's preposterous. We'd give five, ten, fifty, a hundred if we knew we could save the man's life.

We would, eh?

Well, the Paterson committee sent out 35,000 letters asking for a dollar from each of the people to whom the letter was sent. One dollar.

And you think, don't you, that every one of those letters brought a quick response? Well, you're wrong. Less than one-tenth of them answered the letters, and of a goal of $30,000 for the city, only $17,250 has been raised in Paterson, and less than half of the $70,000 goal in the county. And that amount includes collections at public affairs and the more substantial contributions from people who were willing to give more than $1.

Some folks resort to the excuse: If someone would only ask me.

Neighbor, cancer doesn't ask, doesn't knock on the door. It strikes with terrible suddenness and terrifying effect.

The only chance those of us who have been spared the dreaded visitation is to bolster the doctors, the scientists, the researchers, who are working ceaselessly, courageously, self-sacrificingly, to fight the disease, find its cause and its cure.

Every dollar we give goes to the great fight. Read the statement on page 1 of tonight's News by Dr. James S. Gallo, an expert on cancer.

Read how the money is spent, how hopes will rise in the proportion that we give. And how many will die because so many of us are laggards, either refusing to give or being lazy about the giving.

And after reading Dr. Gallo's fine statement, fill out the coupon on page 69 of tonight's News send it to Chairman Jack Stern, Paterson Cancer Committee, 169 Van Houten Street, along with your dollar, 5, 10, or whatever you're able to give.

And then thank God for His benefactions which have made it possible for you to give rather than have to receive.

[From the Delaware Valley News of April 28, 1950]

NO ONE KNOWS

I remember the first time I saw her. She was a lovely dark-haired girl. Her jet-black eyes, all warm and friendly, basked in the glow of vibrant health.

Four years of war went by before I saw this girl again. She was a mother now. Two black-eyed children filled the joyful household with infant laughter. And she was only 22.

Six months later she was dead. Two women behind me in the church whispered grave accompaniment to the organ's requiem sobs—"She was so young." * * * "Yes; isn't it a pity. And those two lovely children." * * * "It was so quick." * * * "Yes; cancer, you know."

But who knew? No one knew. Not the girl herself. Not the doctors who tried to save. Not her wounded relatives and friends. No one knew. Cancer had simply claimed another victim, and no one knew.

Today men of science work endlessly to find this deadly killer's secret. But the search is hard and costly. Great quantities of time and money will be consumed before the cause and cure of cancer become known. That is why we are asked to contribute to the cancer fund.

While most of us cannot actually do cancer research, we can give money to the cause. Our contributions help rush the day when doctors may fight cancer in the open. Sometimes the secret seems maddeningly close. We owe it to ourselves and to those yet unborn to do all we can to find the cure as quickly as possible. And the best way we can help is to give money to those who are hot on the trail of this scourge.

S. A. D.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. If the Senator from Oregon will excuse me, I wish to say that I had previously agreed to yield to the junior Senator from New Jersey [Mr. HENDRICKSON].

Mr. SMITH of New Jersey. Before the Senator from Florida yields to my colleague, I wish to thank him for having yielded to me. I know he is interested in the subject of cancer research, as I am. I appreciate very much the opportunity he has just given me to present this matter.

Mr. PEPPER. And, Mr. President, I wish to say that I appreciate the contribution the Senator from New Jersey has made.

STATEHOOD FOR ALASKA AND HAWAII

Mr. HENDRICKSON. Mr. President, will the senior Senator from Florida yield to me?

Mr. PEPPER. I yield.

Mr. HENDRICKSON. Mr. President, although H. R. 331, a bill to provide for the admission of Alaska into the Union, has been returned to the calendar, I shall continue to entertain high hope that the Members of the Senate will be given a fair chance to vote their conviction on this highly important legislation before the end of the current session.

There are countless thousands of people throughout the country who feel precisely as I do in respect to the merits of this legislation and they feel very strongly, Mr. President, that the least we can do in this waning session is to treat with this issue courageously and squarely, and this can only mean one thing, namely, to give every Member of the Senate the opportunity to record his conviction on the subject of statehood, in the case of both Alaska and Hawaii.

Some of the people who are looking to us for action on these measures are great leaders in very important segments of our Nation. One of these is New Jersey's Gov. Alfred E. Driscoll. Governor Driscoll has written me on several occasions in respect to the statehood bills, but his most recent letter which reached my desk this morning sums the issue up so eloquently that it deserves the most careful consideration by every Member of the Senate on both sides of the aisle. To the end that the brief but no less impressive arguments which Governor Driscoll's letter presents may be carefully studied by all Senators who have a proper regard for party-platform commitments and openly declared obligations, I ask unanimous consent that it be incorporated in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

STATE OF NEW JERSEY,
OFFICE OF THE GOVERNOR,
Trenton, December 7, 1950.

Hon. ROBERT C. HENDRICKSON,
United States Senate,
Senate Office Building,
Washington, D. C.

DEAR BOB: I am surprised that there appears to be an unwillingness on the part of the United States Senate to approve statehood for Alaska and Hawaii. The Democrat national platform in 1948 stated: "We urge immediate statehood for Hawaii and Alaska, immediate determination by the people of Puerto Rico as to their form of government and their ultimate status with respect to the United States, and the maximum degree of local self-government for the Virgin Islands, Guam, and Samoa."

The Republican 1948 platform stated: "We favor eventual statehood for Hawaii, Alaska, and Puerto Rico." While it is true that the Republican platform used the word "eventual," it was nonetheless designed to give the impression that we favored statehood. How can we preach the theory of home rule if we are unwilling to give it to those who are asking for it?

I know that you are doing everything you can to support statehood for these two deserving Territories. I do hope that you will use your influence to prevent any tie between some Republicans and the southern Democrats. There is nothing to be gained by either side from such an unfortunate alliance.

While I do not have a personal acquaintance with Hawaii, I know Alaska and its people. Based on my personal knowledge, I am confident that both Territories, when they become States, may be counted upon to send good representatives to Congress. These Territories have served long and honorable apprenticeships. Their citizens have indicated a capacity for responsible representative government. They are now entitled to all the privileges and rights accorded to American citizens by our Constitution, including the right of voting representation in the Congress of the United States.

It seems to me to be significant that the governors of the 48 States have on numerous occasions considered this problem, and with impressive unanimity of opinion favored statehood. We are fortunately given an opportunity to support the proposal for statehood on the merits, as well as on the basis of international political expediency. To grant statehood at this time would be tangible evidence that we practice what we preach. The admission of Alaska and Hawaii to statehood would be a dramatic demonstration that our Republic has reached full maturity. It is growing in strength and authority as the chief proponent of representative government.

I would count it a personal favor if you would give me some indication of exactly how our Republicans stand on this proposal. Who is for the proposal and who is against it?

With kindest personal regards and sincere goods wishes, I am,

Your friend,

ALFRED E. DRISCOLL.

Mr. PEPPER. Mr. President, I may say that only a few days ago I had the privilege of spending 2 days in Honolulu, and to hear from our Navy personnel and other Government representatives there of the loyalty and patriotism of the Hawaiian people and their interest in the national security and strength. I heartily subscribe to the sentiments just uttered by the distinguished junior Sen-

ator from New Jersey that the Members of the Senate should be given the privilege of voting on the question of admission of Alaska and Hawaii to the Union.

Mr. HENDRICKSON. I thank the distinguished Senator from Florida for the privilege he has so kindly given me to present this matter.

LABOR-MANAGEMENT RELATIONS IN EAST COAST TANKER INDUSTRY

Mr. MORSE. Mr. President, will the Senator from Florida yield to me for a moment or two?

Mr. PEPPER. I yield.

Mr. MORSE. Mr. President, the Senate Subcommittee on Labor-Management Relations, of which I have the honor to be a member, will in the near future submit to the Senate Committee on Labor and Public Welfare a report of an investigation of labor-management relations in the east coast tanker industry. I hope that every Member of the Senate will take the time to read that report. It will summarize uncontradicted testimony showing that deplorable conditions exist in that industry, conditions which we thought had been made impossible by laws guaranteeing to workers the rights to self-organization and collective bargaining.

I shall not take the time now to describe these conditions, but I do desire to direct the attention of the Senate to an excellent article which commences on page 48 of the December issue of Fortune. The article is entitled "Cities Service's Big Mistake," and is an excellent account of the facts revealed by our investigation. It is particularly gratifying that this great journal, Fortune, which represents so ably the point of view and policies of American employers, should print this account and thus emphasize the fact that the typical American employer is opposed to the vicious antilabor practices of the few who create and tolerate bad labor relations.

Our subcommittee has been functioning for more than a year under the outstanding chairmanship of the senior Senator from Montana [Mr. MURRAY]. Under his leadership, the investigations have proceeded carefully, judiciously, and efficiently. I believe that the Senator from Montana is entitled to the congratulations of the Senate for the fair and fearless manner in which he has conducted these proceedings.

I now ask unanimous consent that the article appearing in Fortune magazine be printed in the body of the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CITIES SERVICE'S BIG MISTAKE—IT USED EVERY TRICK IN THE BOOK, BUT COULDN'T KEEP OUT THE UNION

For four hard years the Seafarers International Union (A. F. of L.) grappled with the Cities Service Oil Co. Finally, on September 22 of this year, the seamen won out: they signed a contract with Cities Service and became bargaining agent of the unlicensed men on the company's 16 east coast tankers. Three days later, on September 25, a Senate labor subcommittee began taking a look at what had been going on.

The hearings were conducted quietly, without theatrics, floodlights, or standing-room audiences, in a drab caucus room in the Senate Office Building. But what they produced was as lurid as anything since the days of the La Follette committee. They began with 5 hours of testimony by Paul Hall, the director of the SIU's Atlantic & Gulf District, stating the case for the prosecution: Hall charged that Cities Service had spent 4 years in stalling, firing prounion seamen, employing labor spies, organizing a company union, recruiting seamen in water-front saloons, and generally conducting itself according to a pattern that was elsewhere obsolescent in American labor relations. He was followed, later in the day, by the former Cities Service shipping master in New York, who told a long, complicated story involving his relations with company espionage agents, his belief that his phone was tapped by a company lawyer, and his instructions not to hire A. F. of L. seamen.

The second day's hearings completed the rout of Cities Service. Several attorneys and private detectives testified in detail to their roles in the espionage ring. A Cities Service vice president, who was one of the last to testify, made no serious effort to refute the charges; his prepared statement involved mostly a recountal of the patriotic activities of the company during World War II. All things considered, the 2 days of testimony comprised just about the worst public relations an American corporation could have.

When the SIU first went to work on Cities Service in 1946, it knew it was picking a tartar. The CIO maritime workers had won an NLRB election on Cities Service tankers back in 1938, but 9 years of intermittent negotiations had not produced a contract. On two occasions during those years, the NLRB forced Cities Service to shut down company unions. The east coast oil tankers were, in fact, almost completely closed to the A. F. of L. and CIO. Although Cities Service subsidiaries have 125 contracts with unions, the marine division has been bitterly opposed to the SIU.

The 4-year fight actually involved only 470-odd seamen. The first of the 4 years was consumed mainly in resolving an argument between the SIU and the CIO maritime workers as to which was the appropriate challenger. In October 1947 the NLRB threw out the latter, and ordered an election between the SIU and no union. At that time the SIU claimed 55 percent of the unlicensed seamen on the Cities Service fleet.

Cities Service made it plain from the beginning that it was in no hurry to get the issue settled. It asked and received a 60-day extension of the voting time; later, another 10 days was granted. After the voting had begun, the company asked for still another extension period, this time 75 days, to allow one of its ships in the Pacific to participate. Since the ship might be gone for months, the NLRB denied the request, and also denied a variety of company requests for alterations in the eligibility requirements. Finally, on Feberuary 9, 1948, the votes were counted. They showed that the SIU had won 83 percent of the ballots.

From February to May of 1948, Cities Service belabored the NLRB with protests against the balloting, all of which were overruled. On May 24, 1948, the SIU was certified as the appropriate bargaining agent for 7 ships that had been voted. There were still 9 tankers to be accounted for—the one that had been in the Pacific during the original balloting, and 8 new ships acquired just previously. The NLRB announced that on January 5, 1949, it would hold a meeting to arrange for votes on these 9 ships. Cities Service declined to participate, however, asserting that it had not been formally notified. The meeting was then postponed until February 16, at which time the company threatened not to cooperate unless the board rescinded a 10-year-old order permitting CIO oragnizers on its ships.

When the voting finally began, on February 20, several tankers refused to allow the NLRB representatives on board to conduct the election. It was then necessary, in some cases, to use launches, which could approach the tankers as they docked and advertise the time and place of the election with loudspeakers. On February 22, after 6 ships had managed to vote, Cities Service went into court and got a temporary injunction that stopped the balloting and impounded the votes already cast. Shortly afterward, however, the injunction was dismissed and the voting was resumed.

On April 15 a court appearance was made by representatives of the Citco Tanker Men's Association, which had been quickly organized a few months before and which the SIU repeatedly denounced as company-dominated. The CTMA asked for an injunction to prevent the counting of ballots; it claimed the election was unfair since it did not have a place on the ballot. The injunction was denied, the votes were counted, and the SIU was found to have won 89 percent of the votes. Cities Service immediately filed 19 objections to the conduct of the election, all of which, 4 months later, were denied by the NLRB in Washington. Not unexpectedly, the company came right back with a list of "exceptions to the objection." These were taken under consideration, then finally denied on December 2, 1949.

It was now 38 months since the union had first asked for a contract. As yet, no collective bargaining had taken place and, as it turned out, Cities Service was not quite ready to begin. On December 15, CTMA put in another appearance, demanding this time that the NLRB certify it as the representative of the seamen who had voted in the first (seven-ship) election. The board denied the request and CTMA inevitably, asked for a review of the decision. This was forthcoming on January 19, 1950, when the NLRB again ruled that the SIU was bargaining agent on the tankers. On February 8, bargaining began.

An interim contract was signed on March 10, stipulating that the company pay the SIU tanker scale on its ships. But just when it began to look as if the long, excruciating battle might be ending, the question of labor espionage came into the open.

The trouble was, the union complained at the Senate hearings, that while Cities Service was sitting down to the bargaining table with the SIU, it was firing SIU men. The union claimed that SIU men had been kept off the company's tankers, so far as was possible, ever since 1946. The SIU said that one of the chief reasons for the organization of CTMA in 1948 was to enable Cities Service to smoke out SIU men on the ships—by noting those who refused to go along with the new union. Whatever the truth about this, there was no dispute over the fact that Cities Service and the CTMA were hiring private detectives on a large scale. Caesar L. Scotti, a New York operative, told the Senate committee that he had been hired by a company attorney to get to know SIU men so that he could "finger" them when they entered the Cities Service hiring office. Two seamen, Anthony Hennessey and John Basciano, were hired to ship out on Cities Service tankers and inform on SIU activity at closer range. A licensed investigator in New York, Daniel J. Griffin, was hired to dig up what he could on the SIU leaders. The SIU complained at the hearings that several other men were more or less constantly engaged in shadowing their officials.

To round out the portrait of Cities Service labor relations during 1949 and early 1950 it might be added that these operatives were also up to their ears in shadowing one another. Scotti was instructed to keep an eye on James Hanaway, the company shipping master, whose office, in addition, was said to be wire-tapped. (The tap was denied by Cities Service.) The company's suspicion of Hanaway appears to have been justified; he admitted at the hearings that he had been paid at least $700 by the SIU and was busily working for both sides. Scotti was also shadowing Hennessey, whom the company apparently never trusted, but the suspicions proved unfounded. Hennessey, meanwhile, was shadowing a CTMA lawyer named Albert Strasburger, Strasburger was the man who had hired Griffin to get some dirt on the SIU.

On June 5 of this year the NLRB took up the unfair-labor practice cases arising from the espionage. After 3 days of hearings the company interrupted the proceedings with an announcement that it was willing to settle all the disputed points. It agreed to comply with all the NLRB demands, to rehire 151 men allegedly discharged for SIU activity, to pay $150,000 in back wages, and to bargain in good faith from that point on. The settlement stipulation, which was enforced by the second circuit court, also dissolved the CTMA.

The contract was finally signed on September 22. It was negotiated, incidentally, not by the marine-division officials of Cities Service, but by lawyers on the corporation level. Since the signing, relations have been excellent.

Mr. PEPPER. Mr. President, as a member of that committee, I wish to join in the tribute which has just been paid to the senior Senator from Montana [Mr. MURRAY] for the splended manner in which he, as chairman of the subcommittee, has conducted the investigation. He has shown fairness, objectivity and intense, keen interest in the subject; and I think he has served well the Senate and the entire country as chairman of the subcommittee in connection with the inquiry.

AMENDMENT OF RAILWAY LABOR ACT

The Senate resumed the consideration of the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

Mr. LUCAS. Mr. President, will the Senator from Florida yield to me, to permit me to propound a unanimous-consent agreement, if it is understood that by doing so the Senator will not prejudice his rights to the floor?

Mr. PEPPER. I yield.

Mr. LUCAS. Mr. President, perhaps we should have a quorum call at this time.

Mr. WHERRY. This proposal does not relate to the final vote on the bill, of course.

Mr. HILL. It does not relate to the final vote on the bill.

Mr. LUCAS. That is correct.

Mr. President, a number of Senators who are interested in Senate bill 3295, the pending measure, and also are interested in the amendment which now is being debated, known as the Holland amendment, have practically agreed upon the time for the vote, through a unanimous-consent agreement.

I am going to place the proposed unanimous-consent agreement before the Senate to see whether we can make some progress on it. I ask unanimous consent that the so-called Holland amendment to Senate bill 3295, Calendar 2263——

Mr. HILL. The amendment as presented.

Mr. LUCAS. Yes, the Holland amendment, as presented—be voted upon at the hour of 1 o'clock on Monday next; that the time on the amendment be divided equally between the opponents and the proponents, to be controlled by the Senator from Florida [Mr. HOLLAND] and the Senator from Alabama [Mr. HILL], after the quorum call is had upon the convening of the Senate on that day; following that, the amendment of the Senator from Indiana [Mr. JENNER], which is the amendment dealing with the FEPC bill, will be offered to Senate bill 3295; and on that amendment the Senator from Indiana [Mr. JENNER] shall have 15 minutes and the opponents of the amendment shall have 15 minutes.

Mr. HILL. Mr. President, let us make it clear that after the Senator from Indiana has had his opportunity to speak for 15 minutes and after the opponents have had an opportunity to speak, if they see fit to do so, or if they think they should do so, in answer to the Senator from Indiana, then a motion to lay on the table will come.

Mr. LUCAS. Yes. I have not yet reached that point of the unanimous-consent proposal.

Mr. HILL. But I wish to make it clear that the 30 minutes of debate on the amendment must not preclude further debate on the amendment in the event the motion to table fails.

Mr. LUCAS. I think that is understood, and I was going to include that in the proposed agreement.

Mr. President, my thoughts have been considerably disturbed by the interruptions on the part of the Senator from Alabama, but I shall not repeat what I have already stated in regard to the proposal.

I think I was about to say that it is proposed that the Senator from Indiana [Mr. JENNER] shall have 15 minutes on his amendment and the opponents shall have 15 minutes; following that a motion to table shall be in order; and if the motion to table fails, the so-called Jenner amendment will still be before the Senate for debate.

Mr. HILL. For debate that is correct.

Mr. WHERRY. Mr. President, reserving the right to object—and I shall not object—I should like to propound a parliamentary inquiry first: Has the so-called Jenner amendment been submitted?

Mr. LUCAS. I do not think it has. It has been lying around for several weeks, I believe.

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). The Chair is advised by the Parliamentarian that the amendment has not yet been submitted.

Mr. WHERRY. I think it should be submitted, so there will be no question as to what it is; or at least in the proposed unanimous-consent agreement the Jenner amendment should be identified. I think that should be done.

Mr. LUCAS. I have already said that it is the so-called Jenner amendment, known as the FEPC amendment.

Mr. WHERRY. I beg the Senator's pardon; that is fine. I have no objection, then.

The Senator from Indiana [Mr. CAPEHART] wished to speak at this time, I believe.

Mr. CAPEHART. No, thank you; the Senator from Nebraska has covered what I had in mind.

Mr. WHERRY. Very well.

Mr. MORSE. Mr. President, reserving the right to object—and I do not wish to have to object——

Mr. LUCAS. Please do not.

Mr. MORSE. I will object unless the unanimous-consent request is presented after a quorum call.

Mr. LUCAS. I shall suggest the absence of a quorum at this time, if the Senator from Florida will yield for that purpose.

Mr. PEPPER. Mr. President, probably there is more unanimity at the present time than there might be later on, so I shall not stand in the way of increasing the unanimity. I yield.

Mr. LUCAS. The Senator from Florida is always in favor of unanimity, and I thank him for yielding.

Mr. President, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Holland	Myers
Anderson	Hunt	Neely
Brewster	Ives	Nixon
Bricker	Johnson, Tex.	O'Conor
Bridges	Johnston, S. C.	O'Mahoney
Butler	Kefauver	Pepper
Byrd	Kem	Robertson
Cain	Kerr	Russell
Capehart	Kilgore	Saltonstall
Carlson	Knowland	Schoeppel
Chapman	Langer	Smith, Maine
Chavez	Leahy	Smith, N. J.
Clements	Lehman	Smith, N. C.
Connally	Long	Stennis
Cordon	Lucas	Taft
Donnell	McCarran	Taylor
Douglas	McCarthy	Thomas, Okla.
Dworshak	McClellan	Thomas, Utah
Ecton	McFarland	Thye
Ellender	McKellar	Tobey
Fulbright	McMahon	Tydings
George	Malone	Watkins
Gillette	Martin	Wherry
Gurney	Maybank	Wiley
Hayden	Millikin	Williams
Hendrickson	Morse	Young
Hickenlooper	Mundt	
Hill	Murray	

The PRESIDENT pro tempore. A quorum is present.

Mr. HILL. Mr. President, the senior Senator from Florida had the floor. I think he felt that a unanimous-consent agreement might be entered into, and that therefore he would not continue his speech this afternoon. The majority leader was going to propound a unanimous-consent request at this time, I understood.

Mr. WHERRY. Mr. President, the majority leader has conferred with the minority leader, and I feel that all the terms of the unanimous-consent agreement have been reduced to the point

where they meet the objections of all those who had anything to say about them.

Mr. LUCAS entered the Chamber.

Mr. HOLLAND. Mr. President, I may say for the RECORD that my colleague, who had the floor, had a long-standing engagement at the Senate Restaurant. He went to the restaurant to keep the engagement, and requested that he be notified in the event of a failure to enter into the unanimous-consent agreement. I, of course, shall protect him in that matter by holding the floor, in the event it becomes necessary to do so. But I hope, with him, that the agreement will be entered into.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request propounded by the Senator from Illinois previous to the quorum call? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as reduced to writing, is as follows:

Ordered, That on the calendar day of Monday, December 11, 1950, at the hour of 1 p. m., the Senate proceed to vote, without further debate, upon the amendment of Mr. HOLLAND, as proposed on December 7, 1950, to the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions; and that the time intervening between a quorum call, to be had upon the convening of the Senate on said day, and said hour of 1 o'clock shall be equally divided between those favoring and those opposing said amendment and controlled, respectively, by Mr. HOLLAND and Mr. HILL.

Ordered further, That following the vote on the so-called Holland amendment, the Senate immediately proceed to consider the amendment, lettered A, submitted by Mr. JENNER on September 1, 1950, which was ordered to lie on the table and to be printed; that debate thereon be limited to 30 minutes and equally divided and controlled by Mr. JENNER and Mr. HILL; that following the expiration of the time for debate it shall be in order to move to lay said amendment on the table, and if such motion to lay on the table is rejected, the further consideration of said amendment shall proceed under the rules of the Senate.

Mr. WHERRY. Mr. President, I want the RECORD to show that the interest of many Senators in seeking the unanimous-consent agreement was in order to permit the majority leader to take up the announced legislation to grant aid to Yugoslavia. I think the RECORD ought to show that the agreement has come about through cooperation on the part of Members of the Senate from both sides of the aisle.

Mr. LUCAS. I am very glad the Senator from Nebraska has made that statement. It is only 3 o'clock, and in view of the Senator's statement, it seems to me that we can probably pass this bill yet this afternoon.

Mr. WHERRY. Perhaps so.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA

Mr. LUCAS. Mr. President, I ask unanimous consent that the unfinished business, the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deduction from the wages of carriers' employees for certain purposes, and under certain conditions, be temporarily laid aside, and that the Senate proceed to the consideration of the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

The PRESIDING OFFICER. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois?

There being no objection, the Senate proceeded to consider the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

Mr. WHERRY. As I understand, the request of the majority leader was to lay aside temporarily the unfinished business?

Mr. LUCAS. The request was to lay aside temporarily the unfinished business and to proceed to the consideration of the Yugoslavia relief bill.

Mr. CONNALLY. Mr. President, the bill under consideration would authorize relief to Yugoslavia because of the terrible drought which that country has suffered during the past year. Under the emergency powers which the President possesses $31,000,000 has already been provided for that purpose. Senate bill 4234 would authorize $38,000,000 more. Those who are familiar with the facts involved are strongly in favor of the passage of the measure. I shall read a brief statement dealing with the bill, after which I shall make some additional comments.

If any Senator 2 years ago had suggested that I would today be standing on the floor of the United States Senate advocating $38,000,000 for aid to Communist Yugoslavia, I should have called him to order. Yet today I support and urge the earliest possible enactment of S. 4234 because I believe, as do other members of the Foreign Relations Committee, that the security of the United States requires this action.

Woodrow Wilson in an address to the United States Senate in 1937 said:

> I am seeking only to face realities and to face them without soft concealment.

That is what I shall try to do in telling my colleagues as briefly as possible, why we must at this moment in history, give assistance to Yugoslavia—a country whose people we admire but whose government leaves much to be desired.

We must help Yugoslavia because it is the only state that once, under the domination of the Kremlin, has successfully defied the Kremlin. Since before the war, the Soviet Union has expanded its territories by every means conceivable. The roster of once free states, now captive, is long and depressing: Latvia, Lithuania, Estonia, Rumania, Hungary, Albania, Czechoslovakia, Poland, East Germany, and now China. Not one of these states is independent. Not one official of these states would dare make a decision different than that dictated by Moscow. Not a single one of these states that is a member of the United Nations would dare vote differently from the Soviet Union.

Yugoslavia was once a member of this extinguished list of independent states. While I have never had a good thing to say for a Communist or for communism, Marshal Tito is one Communist who knows when he has had enough. He had enough from the Kremlin when he found Yugoslavia invaded from the Soviet Union by military advisers, economic experts, and political henchmen, all of them ready to act for the good of the Soviet Union no matter what the consequences to Yugoslavia. He had enough when he realized that the Soviet brand of communism was but a shield for the Machiavellian imperialism of a Politburo seeking world domination no matter what the cost.

Now that the break between Tito and Stalin has come, it is in the interests of the United States to see that Marshal Tito is able to maintain his independence. If the economic blockade that Stalin imposed upon Yugoslavia, if satellite military moves on the borders of Yugoslavia, if the drought of last summer, if any of these things should endanger Yugoslav independence from the Soviet Union, it would hurt the cause of the free world.

We should never lose sight of the fact that Yugoslavia has the largest standing army in Europe, outside the Soviet Union. More than 30 divisions stand ready to defend that country from attack. The threat to Yugoslav independence comes not from the west, but from the east. The Yugoslavs know that. That is why they must maintain a large army ever ready to defend them from the Soviet bloc. We need to maintain that strength on the side of freedom.

The Foreign Relations Committee heard witnesses who told of the severity of the drought last summer in Yugoslavia. Other nations of the west, including Great Britain, are helping Yugoslavia meet the effects of that drought. I believe we must continue the help which the President began this fall while the Congress was in recess.

I want to make it crystal clear that my support of this legislation is because it will help to preserve an independent country from Soviet imperialism. I condemn what Tito has done to religion and to human freedoms in Yugoslavia, but in times like these we cannot demand perfection as a price for our assistance.

In that connection we wish to offer an amendment. I shall read the amendment before I conclude my remarks.

The legislation before the Senate sets forth certain conditions that must be met before we will give aid under this bill. Many of these conditions have already been met. Yugoslavia has agreed to give publicity to our aid. She is already performing on that promise. She must agree to make local funds available to us for use in administering the program, and, to the extent that Yugoslavia sells the goods we supply, she must

make equivalent local currency available for such uses as we agree to, such as medical aid, relief for children, and similar projects.

Under the terms of this bill money will not be given to Yugoslavia. The dollars will be spent here in the United States for commodities most of which are surplus to our needs. Some 71 percent of the money will be used for buying commodities already in the hands of the Commodity Credit Corporation. There will be only a few items, such as seeds and rice, that will be purchased on the open market.

In conclusion, let me say that sometimes the best way to fight fire is with fire. We now have a Communist backfire burning in Yugoslavia. I want to keep that fire burning. I do not want to let it be quenched. I want Yugoslavia's insistence on independence from Moscow to stiffen the backbone of people throughout the world who see the terrible dangers of Soviet imperialism cloaked in the robes of international communism.

I hope very much that the Senate will give its overwhelming approval to this bill, and demonstrate once again our profound determination to meet the threat of communism in the world.

The amendment to which I have referred has not been acted upon by the committee, but it will be offered before the bill is voted on. It is proposed to add at the end of the bill a section which would provide:

> Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, or economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

That language has been approved by the Department of State, and I feel sure there can be no objection to it.

I very much hope that the Senate will pass the bill promptly, because it is extremely urgent that we act quickly. The President is deeply concerned, and those who are in responsible positions dealing with the subject urge its passage.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. Is it not true that should Russia decide to invade the western nations of Europe her natural, probable course would be through Yugoslavia?

Mr. CONNALLY. I cannot say that it would necessarily be the best course. It is one of the probable courses.

Mr. McKELLAR. It is one of the likely courses, at any rate?

Mr. CONNALLY. Yes; because she would supposedly have the aid of her satellites in the areas which border Yugoslavia. She already has masses of troops stationed in Hungary and in other satellite countries on the borders of Yugoslavia, as a threat against Yugoslavia to make it comply with the wishes of the Cominform.

Mr. McKELLAR. I wish to say to the Senator from Texas that, as he has announced, if anyone had told me a few months ago that I would be in favor of giving aid to Yugoslavia——

Mr. CONNALLY. Or to any Communist country.

Mr. McKELLAR. If anyone had told me that I would do it with respect to Yugoslavia or any other Communist country I am sure I would have objected very strenuously. I am utterly opposed to communism. I shall continue to oppose it. But under the conditions which now surround us, with threats of war all over the world, it seems to me that we must look to whatever other steps may be taken, and use every means to prevent the spread of war. I agree with the Senator's statement almost totally, if not quite totally.

I hope the Senate will pass this bill. So far as I am concerned, when the request comes before the Committee on Appropriations for an appropriation to carry out the purposes of the bill, I shall do everything I can to see that the appropriation is approved by that committee, and afterward by the Senate.

Mr. CONNALLY. I thank the Senator.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. STENNIS. Did the Senator say that some other fund had already been provided for this purpose?

Mr. CONNALLY. There is what is called an ad interim fund of only $31,000,000. It is explained in the report of the committee.

Mr. STENNIS. Has that all been spent?

Mr. CONNALLY. I do not know that it has all been spent, but it has been provided.

Mr. STENNIS. It is in process of being spent?

Mr. CONNALLY. Yes. It is estimated that this additional sum will be required to carry out the full program. The report of the committee gives the details as to the $31,000,000.

Mr. STENNIS. Does the Senator think that the additional sum of $38,000,000 will be sufficient to meet the present emergency?

Mr. CONNALLY. We think it will be sufficient until the next harvest. When the next harvest comes it will not be necessary to appropriate nearly so much, if anything. One of the most terrible droughts ever to visit Yugoslavia in all its history has devastated the food supplies of the country. There is great suffering in Yugoslavia even now.

Mr. STENNIS. Mr. President, will the Senator further yield?

Mr. CONNALLY. I yield.

Mr. STENNIS. What is the attitude of Tito, or what is the attitude of the people of Yugoslavia, toward this aid?

Mr. CONNALLY. They want it because they are hungry. The want it because they want to eat. Tito and his people have shown an increasing leaning toward the west. There has been an increasing expression of their interest in the west rather than in the east. But if we let some of them starve, they will fall into the lap of Russia and break away from the west.

Mr. STENNIS. Were there any expressions before the committee from the people?

Mr. CONNALLY. We had nothing direct. In the Washington Post of this morning there is something which is pretty close to the people. Reference is made to a message from one of our diplomatic attachés who has been in Belgrade. It is on the front page of the Washington Post of this morning. Let me read from the front page of the Post:

> THIRTY-TWO YUGOSLAV ARMY DIVISIONS HELD READY
>
> NEW YORK, December 7.—R. Borden Reams, counselor at the United States Embassy in Belgrade, said today that anti-Cominform Yugoslavia had 32 army divisions available for immediate service.
>
> Commenting on American aid to Marshal Tito's regime, Reams said:
>
> "There isn't a better investment for us in the world today—dollar for dollar."

That answers the Senator's question. That is the view of Mr. Reams. He has been among the people. He states that there is not a better investment for us in the world today.

Mr. STENNIS. Mr. President, will the Senator further yield?

Mr. CONNALLY. I yield.

Mr. STENNIS. I notice that it is provided in the bill that there shall be continuous publicity through the press, radio, and other available media in Yugoslavia, for the assistance given by the United States. That raises in my mind the question of just what the people there are being told now.

Mr. CONNALLY. I do not know what they are being told now, but it is being made clear to them what we are doing. I mentioned earlier in my remarks that they had already agreed to give full publicity to what we were doing. On November 10 Tito told Yugoslavia that no one would starve this winter because the United States was sending food to Yugoslavia. They have agreed to carry on a program of information to their people as to where the relief is coming from.

Mr. STENNIS. I thank the Senator. I think that is the important point in the whole program.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MURRAY. After listening to the very persuasive statement of the Senator from Texas, it seems to me that we cannot fail to vote for this measure. However, I have been reading in the press of the very serious persecution and oppression of religion in Yugoslavia. I am wondering what the future attitude of that government is likely to be in reference to the religions which were or are being persecuted.

Mr. CONNALLY. I will say to the Senator that the testimony before the committee revealed that there is a swinging around on that question. This is the amendment which we propose to add to the bill:

> Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

That is an approach to the subject.

Mr. MURRAY. I thank the Senator.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. McKELLAR. I invite the Senator's attention to the fact that in subsection (b) of section 6 it is also pro-

vided that the aid will be terminated "whenever the Congress, by concurrent resolution of both Houses, finds termination is desirable."

Mr. CONNALLY. I invite the attention of the Senator from Montana to the fact that the Senator from Tennessee has just pointed out that the aid is terminable by means of a concurrent resolution of both Houses. So if there should be any abuse by Yugoslavia in regard to religious or civil liberties, we could immediately terminate the entire program.

Mr. MURRAY. That is a very wise provision.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. ELLENDER. I notice that this appropriation is for the continuation of emergency relief assistance to Yugoslavia.

Mr. CONNALLY. The Senator is correct.

Mr. ELLENDER. Will the Senator tell us how much aid has already been given to Yugoslavia, and in what form?

Mr. CONNALLY. I cannot tell the Senator how much of it has been spent, but a certain sum was made available. The Senator can obtain the information from the report.

Mr. ELLENDER. I should like to have the information in the RECORD. If the report is not going into the RECORD, I should like to have the information stated for the RECORD.

Mr. CONNALLY. On page 6 of the report are set forth the items already made available. I ask unanimous consent to have that statement printed in the RECORD at this point as a part of my remarks.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Yugoslav emergency food program—stopgap program

Commodity	ECA (millions of dollars)	MDAP (millions of dollars)	Export-Import Bank (millions of dollars)	Total (millions of dollars)
Flour	[1] 12.2 [2] (3.3)	3.6		15.8
Corn meal		.9		.9
Corn		.9		.9
Barley		1.7		1.7
Lard		2.1	3.2	5.3
Sugar		2.4		2.4
Beans			[3] 1.1 (2.3)	1.1
Dried eggs			[3] .5 (13.0)	.5
Canned meat			.4	.4
Subtotal	12.2 (3.3)	11.6	5.2 (15.3)	[4] 29.0 (18.6)
Ocean transport		2.0	[5] .4	2.4
Total	12.2 (3.3)	13.6	5.6 (15.3)	[4] 31.4 (18.6)

[1] Includes ocean transport costs of replacement wheat to Italy and Germany. In the event that ECA is unable to supply the full 110,000 tons of flour, the deficiency will be made up by a drawing on MDA funds up to the extent of $16,000,000.
[2] Estimated subsidy under wheat agreement on wheat replacement by ECA to Italy and Germany at current prices using 80 percent extraction rate.
[3] Difference between USDA, CCC, investment cost and actual sales price at special, low, FAO price.
[4] Difference between USDA, CCC, investment or acquisition cost and charge to program.
[5] Assuming canned meat, dried eggs, some lard, and one-half of the dried beans shipped in Yugoslav vessels.

Mr. CONNALLY. Does that meet the wishes of the Senator from Louisiana?

Mr. ELLENDER. I notice that according to the table, it seems to relate to the $31,400,000 already appropriated.

Mr. FULBRIGHT. Mr. President, the $31,400,000 is being provided as stopgap aid. It is largely transferred from the Export-Import Bank loan, and from ERP. The additional $38,000,000 makes a total of $69,400,000.

Mr. ELLENDER. I notice that. Will the Senator tell us about the $31,400,000? How much of that is borrowed from the Export-Import Bank?

Mr. FULBRIGHT. I believe that $6,000,000 of a $15,000,000 credit has been transferred for this purpose.

Mr. CONNALLY. The details are set forth on page 5 of the report.

Mr. FULBRIGHT. There is a transfer from the authority under the Mutual Defense Assistance Act. Part of the money is transferred from that authority.

Mr. ELLENDER. I was not present to listen to the entire discussion by the distinguished Senator from Texas. I am wondering if there would be any objection to placing the entire report in the RECORD.

Mr. CONNALLY. None at all.

Mr. ELLENDER. I ask unanimous consent that the entire report accompanying the bill be printed in the RECORD.

Mr. CONNALLY. Does the Senator wish the entire report printed?

Mr. ELLENDER. I think it would be advisable.

Mr. CONNALLY. I have no objection.

There being no objection, the report, No. 2588, was ordered to be printed in the RECORD, as follows:

The Senate Committee on Foreign Relations, having had under consideration a proposal to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, reports S. 4234, and recommends that it do pass.

1. MAIN PURPOSE OF THE BILL

This bill authorizes the appropriation of not to exceed $38,000,000, to the President to enable the United States to provide emergency relief assistance to Yugoslavia. This assistance, most of which will be in the form of food, is being provided in order to assist the Yugoslav people to avoid economic havoc arising out of unusual drought conditions during 1950 and thereby to maintain their independence from the Soviet Union which can be expected to do its utmost to encourage the disintegration of an independent Yugoslavia.

Although this bill calls for aid to a Communist Yugoslavia which engages in many practices that the free peoples of the world do not approve, the interests of the United States, the free world, and Yugoslavia coincide at this moment in history. Those interests coincide because of a common desire to prevent aggression, to stem the tide of Soviet imperialism wherever it may occur, and in this instance, in Yugoslavia in particular.

2. COMMITTEE ACTION

On December 4, 1950, the Committee on Foreign Relations heard witnesses in support of the recommendation of the President that the Congress enact legislation authorizing further United States assistance to meet the emergency created by the food shortage in Yugoslavia. The committee heard Mr. George W. Perkins, Assistant Secretary of State; Mr. John J. Haggerty, United States agricultural attaché in Belgrade; and Mr. Stanley Andrews, Director, Office of Foreign Agricultural Relations, Department of Agriculture. These witnesses discussed drought conditions in Yugoslavia and the political implications of the proposed aid.

On December 5, the committee heard Gen. Omar N. Bradley, chairman, Joint Chiefs of Staff, testify in executive session in support of this legislation.

On December 6, 1950, the committee voted to report S. 4234 favorably to the Senate.

3. THE NEED FOR AID

The Soviet Yugoslav dispute: In order to assess the need for aid to Yugoslavia at this time and to see how giving that aid will be in the interest of the United States, one must examine the nature and extent of the break between Yugoslavia and the Soviet Union in 1948.

Prior to early 1948 the Yugoslav regime was, as one reporter wrote: "The toast of Moscow as the Soviet Union's lustiest offspring. * * *" It was the biggest and in many respects the most vocal of the Soviet satellites. Its representatives echoed the Soviet line from the Danube to the United Nations. The headquarters of the Cominform (the Communist Information Bureau consisting of the Communist's parties of various states), was in Belgrade.

Then came the break. During March, April, and May of 1948, Tito and Stalin in several exchanges of notes revealed fundamental differences between the Communist leaders of the Soviet Union and those of Yugoslavia.

In a note to Tito the Communist Party of the U. S. S. R. reminded him of Trotsky and his fate. "When he decided to declare war on the CPSU (Communist Party of the Soviet Union)," said the note, "Trotsky also started with accusations of the CPSU as degenerate, as suffering from the limitations inherent in the narrow nationalism of great powers." The note added significantly, and perhaps as a warning, "We think that the political career of Trotsky is quite instructive." It will be recalled that Trotsky was assassinated in Mexico City where he was living in enforced exile.

A Cominform communiqué of June 28, 1948, read Tito's Communist Party out of the iron curtain in these words:

"The information bureau unanimously concludes that by their antiparty and anti-Soviet views, incompatible with Marxism-Leninism, by their whole attitude and their refusal to attend the meeting of the information bureau, the leaders of the Communist Party of Yugoslavia have placed themselves in opposition to the Communist Parties affiliated to the information bureau, have taken the path of seceding from the united Socialist front against imperialism, have taken the path of betraying the cause of international solidarity of the working people, and have taken up a position of nationalism."

Permanence of split between Soviet Union and Yugoslavia.—Assistant Secretary of State George Perkins in commenting to the com-

mittee on this break between the Soviet Union and Yugoslavia said:

"I know of no convincing evidence that the split between the government of Marshal Tito and the Kremlin is not genuine and is not permanent. Both the Marshal and the Kremlin have publicly proclaimed the irrevocability of the split and certainly there is nothing in Communist doctrine nor practice that I know of which would permit the Kremlin to take Marshal Tito back into the fold on any terms short of the grave."

The voting record of the Yugoslav delegation in the United Nations indicates the seriousness of the break. Prior to 1948 Yugoslavia always voted with the Soviet Union. Since then, Yugoslavia has shown increasing independence of the Soviet Union and on many occasions has taken positions in vigorous opposition. The Soviet imperialist attack on Korea seemed to be the occasion for an unqualified and vigorous stand by Yugoslavia against Soviet imperialism.

In a statement on September 6, 1950, the Yugoslav Minister for Foreign Affairs, Mr. Kardelj, said:

"When considering the situation in Korea, the people of Yugoslavia cannot but do so in the light of the fact that for 3 years the Government of the Cominform, led by the Government of the Soviet Union, have been carrying on a violently aggressive campaign against Socialist Yugoslavia, precisely because the working people of Yugoslavia maintains its right to make its own decisions on its own soil. This aggressive policy, against which Socialist Yugoslavia has reacted very firmly, throws light on the policy pursued by its organizers in other parts of the world. It leaves no doubt that those who are still pursuing an aggressive and anti-Socialist policy toward Yugoslavia—a policy aimed at gaining supremacy for themselves—cannot be pursuing a different policy, a democratic and Socialist policy, a policy of peace and of the equality and brotherhood of all peoples, in other parts of the world. For a long time, the policy of the leaders of the Cominform has not coincided with the interests of the progress of mankind, and it is therefore harmful to all progressive and liberating movements which become its instruments.

"All their cries of loyalty to the cause of peace, and their accusations that others are aggressors will not suffice to cloak their share of responsibility for the Korean War and for the way in which they are endangering the peace of the world as a whole."

The attitude of the Yugoslav Government toward the west has changed for the better. Yugoslavia is now returning Greek children abducted during hostilities with Greece. Greece and Yugoslavia are renewing diplomatic relations. Yugoslavia is permitting people with Yugoslav nationality as well as American nationality to return to the United States if they wish. Relations between Italy and Yugoslavia have improved and Trieste is not the tinder box that it was 2 years ago. Relations between Austria and Yugoslavia have likewise been improving.

While the repressive measures of Tito toward the Yugoslav people and religious freedom find no defense in the United States, there have been indications recently that the requirements of support from the west may mean greater freedom for the people of Yugoslavia.

Economic warfare: Since 1948, the Soviet's war of nerves on Yugoslavia has been unremitting. It has been implemented by an economic boycott that has effectively interdicted trade between Yugoslavia and the iron curtain countries. In 1947, 49.1 percent of Yugoslavia's exports went to the Soviet bloc; in 1949, only 14.4 percent. The picture is much the same for imports. In 1947, 51.9 percent of Yugoslav imports came from the Soviet Union and the satellites; by 1949 imports from the Soviet states accounted for only 13.4 percent of Yugoslavia's total imports. These figures show the terrific impact of the Soviet break upon the economy of Yugoslavia. Within 2 years it was necessary for Yugoslavia to reorientate her foreign trade from the east to the west. New markets had to be found for Yugoslav products; new sources of raw materials sought and means developed to pay for them.

The economic impact on Yugoslavia of this boycott as well as military moves by her satellite neighbors, and finally the show of Communist imperialist force in far-off Korea, all combined to put the Tito regime in a most precarious position—a position where Soviet Communists by subversion, coercion, or even military force might have brought Yugoslavia back into the Soviet fold.

The drought: Then came the drought. After heavy rains in February 1950, March showed rainfall of 63 percent of a 15-year average; April 84 percent of average; May 46 percent; June 21 percent; July 55 percent; August 12 percent; and September 37 percent. By then, what crops there were, were being harvested. The American agricultural attaché, Mr. John J. Haggerty, who during the past 2 years has traveled some 25,000 miles in Yugoslavia, reported that the drought effects were devastating. Corn failed to mature; wheat harvests were off.

The percentages in 1950 of 1947–49 average of certain commodities produced in Yugoslavia are as follows:

	Percent
Corn	59
Wheat	88
Rye	83
Barley	87
Oats	79
Rice	100
Vegetables and melons	57
Potatoes	67
Edible fats	88
Sugar	108
Beans	72
Peas	57

These figures do not tell the whole story, Yugoslavia normally has food enough to export and thereby acquire foreign exchange with which to buy needed imports. One of the most telling effects of the drought was to reduce the ability of the Yugoslav people to import needed materials.

4. THE STOPGAP PROGRAM

During the summer months of 1950 it became apparent to American observers in Yugoslavia that that country was going to have great difficulty in avoiding economic collapse because of the drought. Economic collapse could only mean eventual resubjugation to Soviet imperialism. Nothing would have suited the Soviet better. Yugoslavia would then have become the first-class example of what happens to satellite states with nerve enough to break out of the Soviet orbit.

On October 20, 1950, the Yugoslav Government formally requested American assistance to meet the effects of the drought. That Government said it "has established by a careful examination of the damage incurred, that in spite of all efforts and an extreme limitation of the consumption, there still remains a loss amounting to $105,000,000 that can be covered solely by extraordinary assistance from abroad."

After a careful examination of reports on conditions in Yugoslavia supplemented by eye-witness information from our agricultural attaché in Belgrade, and confirmed by American newspapermen, businessmen, and congressional visitors, the United States Government told the Yugoslav Government that it was prepared to take immediate steps to provide emergency foodstuffs to the people of that country. Immediate action was necessary so that maximum distribution could be undertaken before winter interfered with an inadequate transportation system. Accordingly, after informing certain congressional leaders of the conditions in Yugoslavia that made it necessary in our national interest to assist Yugoslavia, the President took steps to send foodstuffs to that country under existing authority. The following table indicates the source and nature of the commodities being shipped under the stopgap program:

Yugoslav emergency food program—stopgap program

Commodity	ECA (millions of dollars)	MDAP (millions of dollars)	Export-Import Bank (millions of dollars)	Total (millions of dollars)
Flour	[1] 12.2 [2] (3.3)	3.6		15.8
Corn meal		.9		.9
Corn		.9		.9
Barley		1.7		1.7
Lard		2.1	3.2	5.3
Sugar		2.4		2.4
Beans			[3] 1.1 (2.3)	1.1
Dried eggs			[3] .5 (13.0)	.5
Canned meat			.4	.4
Subtotal	12.2 (3.3)	11.6	5.2 (15.3)	[4] 29.0 (18.6)
Ocean transport		2.0	[5] .4	2.4
Total	12.2 (3.3)	13.6	5.6 (15.3)	[4] 31.4 (18.6)

[1] Includes ocean transport costs of replacement wheat to Italy and Germany. In the event that ECA is unable to supply the full 110,000 tons of flour, the deficiency will be made up by a drawing on MDA funds up to the extent of $16 million.
[2] Estimated subsidy under wheat agreement on wheat replacement by ECA to Italy and Germany at current prices using 80% extraction rate.
[3] Difference between USDA, CCC, investment cost and actual sales price at special, low, FAO price.
[4] Difference between USDA, CCC, investment or acquisition cost and charge to program.
[5] Assuming canned meat, dried eggs, some lard, and one-half of the dried beans shipped in Yugoslav vessels.

Authority for stopgap aid: According to information presented by the Department of State:

"The measures taken under this program (the stopgap program) were of a special nature and utilized existing legislative authority on an emergency basis for purposes not specifically contemplated when the laws in question were being considered by Congress."

The Department further described the authority for the stopgap program as follows:

"(a) The Export-Import Bank had already approved a $15,000,000 credit to Yugoslavia for export development programs. It was decided, however, to divert approximately $6,000,000 of this credit in order to start food shipments immediately. In view of the fact that no appropriations for raw materials are being requested in the present program, it is considered necessary to utilize the remainder of the $15,000,000 credit for raw materials, as well as spare parts and equipment, essential for the maintenance of the Yugoslav export industries.

"(b) The Economic Cooperation Act authorizes shipments of food to the European countries. It also recognizes that permission

may be given for transfers of material purchased with ERP funds, or similar materials, from participating countries to third countries. This authority was drawn upon to have flour shipped from Germany and Italy on the understanding that it would be replaced with wheat shipped from the United States to those countries. This unusual measure, which assists in the maintenance of stability of Yugoslavia, contributes to the over-all purposes of the European recovery program and is consistent with the established policy of encouraging exports by participating countries. Its prime purpose, however, is not one of the purposes of the programs contemplated when the ERP was last before Congress, and requires the participation of third countries in a way that makes its continuation undesirable.

"(c) Section 408 (c) of the Mutual Defense Assistance Act permits the transfer of materials to European countries, other than those in the North Atlantic Treaty, under certain specified emergency conditions. These conditions were clearly present in the case of Yugoslavia, and therefore it was decided to provide foodstuffs to Yugoslavia only, however, in those quantities needed by the Yugoslav military forces.

"Yugoslavia is not a member of the Organization for European Economic Cooperation, and therefore is not eligible for direct ERP aid. Up to now Yugoslavia has not indicated a willingness to become a member of the OEEC and assume the responsibilities under which it could qualify as a participating country and it is not considered advisable at this time to attempt to persuade it to do so. Similarly, Yugoslavia is not a party to the North Atlantic Treaty, and it is not expected to become a party.

"Consequently, it is appropriate and necessary, in view of the above considerations, to furnish such assistance to Yugoslavia, as will contribute to our purposes in the maintenance of peace, by means of special legislation for that end rather than by means of further emergency use of legislative authority not specifically intended to cover the contingencies which have arisen in connection with Yugoslavia."

5. THE PROPOSED PROGRAM

On November 29, 1950, the President recommended that Congress appropriate $38,000,000 for the purchase of commodities to give Yugoslavia for emergency relief. The President's message explained that this amount would be in addition to the $31,400,000 supplied on existing authority during the stopgap program. The total expenditures for commodities which would be supplied from the United States would be $69,400,000.

The distribution of the proposed $38,000,000, as well as the stopgap program of $31,400,000, among commodities, is as follows:

Emergency aid to Yugoslavia

Commodity	Yugoslav request, market value (million dollars)	Total proposed program, estimated program expenditures (million dollars)	Stopgap program, estimated program expenditures (million dollars)	Authorization request, market value and estimated program expenditures (million dollars)
Wheat	14.1			
Wheat flour	4.5	18.7	15.8	2.9
Corn meal		.9	.9	
Corn	10.6	9.8	.9	8.9
Barley	2.7	2.7	1.7	1.0
Oats	4.8	4.8		4.8
Milo (fodder)	2.6	2.6		2.6
Vegetables:				
Rice	6.9	1.1		1.1
Dried peas		3.0		3.0
Edible fats: Lard	14.3	7.1	5.3	1.8
Sugar	4.3	2.4	2.4	
Beans (dried)	5.0	3.6	1.1	2.5

Emergency aid to Yugoslavia—Continued

Commodity	Yugoslav request, market value (million dollars)	Total proposed program, estimated program expenditures (million dollars)	Stopgap program, estimated program expenditures (million dollars)	Authorization request, market value and estimated program expenditures (million dollars)
Dried eggs	9.9	0.5	0.5	
Dried milk	1.8	1.8		1.8
Canned meat	.4	.4	.4	
Seeds	4.0	4.0		4.0
Subtotal	85.9	63.4	29.0	34.4
Ocean transportation		6.0	2.4	3.6
Total		69.4	31.4	38.0

Use of surplus supplies: Witnesses before the committeee testified that although the funds actually to be spent on this program would total $69,400,000, the market value of the foodstuffs supplied would be about $75,000,000. About 71 percent of the foodstuffs in the stopgap and the proposed program are in the stocks of the Commodity Credit Corporation. The only items that would be purchased in the open market are expected to be flour, lard, and rice and seeds.

ECONOMIC ASSISTANCE ALREADY PROVIDED TO YUGOSLAVIA BY THE UNITED STATES

The following table gives in outline form the major items of United States aid to Yugoslavia starting with wartime lend-lease and continuing up to the present:

Wartime:	
Plan A	[1] $6,500,000
Lend-lease	[2] 32,125,000
Postwar: 1945–47, UNRRA	[3] 299,081,000
Since Cominform break:	
August 1949: National Security Council decision to approve export of steel mill.	
September 1949: Export-Import Bank	20,000,000
March 1949: Export-Import Bank	20,000,000
August 1949: Export-Import Bank	15,000,000
Other United States economic assistance:	
September 1949: United States support for $3,000,000 International Monetary Fund drawing.	
October 1949: United States support for International Bank $2,700,000 loan, for timber equipment.	
October 1949: United States support for $6,000,000 IMF drawing.	
December 1949: ECA authorizes offshore purchases in Yugoslavia.	
September 1949: United States support for West German credit to Yugoslavia of $35,000,000.	

[1] United States portion of a joint United States, United Kingdom, Canadian postwar civilian relief to Yugoslavia from military suplies.

[2] All but $75,000 during war.

[3] United States share of a total amount of $430,000,000 provided by UNRRA.

6. ADMINISTRATION OF PROGRAM

Since this is an emergency-relief program that will come to an end with the crop harvest in the spring and summer of 1951, it was not deemed advisable to create a complicated administrative mechanism for operation of the program. The draft bill provides (sec. 4) that the President may transfer aid funds to any department or agency of the executive branch of the Government for expenditure under the terms of the law. It is the intention of the executive branch to continue to operate the program authorized by this legislation in much the same way as the stopgap program has been administered. That means the principal operating responsibility in the United States will be in the Department of State. The actual procurement and shipment of aid will be carried on by existing procurement agencies, principally the CCC and the Department of Agriculture.

Responsibility at the Belgrade end of the operation will be in the hands of the American Ambassador to Yugoslavia. He will have, with the assistance of a small staff recruited for this purpose, responsibility for seeing that the conditions of aid set forth in section 3 of the bill, and such other conditions as the President finds desirable and appropriate, are met by the Yugoslav Government.

Since the stopgap program has been quickly and efficiently administered by existing agencies with existing personnel, the committee saw no reason to change that setup.

7. CONDITIONS OF AID

As indicated earlier, the motivation for aid to Yugoslavia, while partly humanitarian, is dictated largely by the coincidence in the national interests of the United States and Yugoslavia in maintaining the independence of Yugoslavia. Nevertheless, the legislation sets forth certain minimum conditions which are to be satisfied before any aid authorized is made available to Yugoslavia. Those conditions are set forth in section 3 of the bill. They follow in a general way the pattern of other aid legislation passed by the Congress during recent years.

Publicity: Provision is made that "full and continuous publicity" is to be given by Yugoslavia to the aid furnished by the United States and that the Yugoslav Government must permit observers to see and report on the distribution of aid made available under the act. The arrival of the first shipment in the stopgap program received extensive press and radio coverage in Yugoslavia.

Equitable distribution: Yugoslavia is required to agree to make equitable distribution of the commodities supplied without discrimination as to race, color, or political or religious belief."

Local currency: The legislation also requires Yugoslavia to make local currency available in amounts sufficient to meet the local expenses incurred by the United States in connection with the aid furnished. At the suggestion of the committee, provision was also made that, to the extent the Government of Yugoslavia sells commodities furnished by the United States, it is to provide an equivalent amount of local currency to be available for such purposes as the United States and Yugoslavia may agree upon. Mention is made of the possibility of using such sums for relief to needy persons and children and for charitable or medical purposes.

Finally, the President is authorized to require from Yugoslavia such other undertakings as he finds desirable and appropriate as conditions of aid.

8. OTHER AID FOR YUGOSLAVIA

The Yugoslav Government has tightened its belt. It is not relying solely on what other governments can do to help it. Orders have been issued limiting domestic use of scarce foodstuffs and imported items. Severe criminal penalties are provided for persons who disobey those orders. On September 27, 1950, an order was issued with a preamble as follows:

"On account of the reduction in the yield of agricultural products, caused by drought, and in order to insure food for the population, preserve the livestock, find and successfully carry out the economic and other plans in the coming year, all competent government agencies are obligated to undertake special measures for the realization of these tasks, etc."

The Italian and German Governments assisted the stopgap program by sending food grains and sugar to Yugoslavia. The United Kingdom has offered a credit of £3,000,000 for Yugoslavia to purchase food and consumer goods. Other countries in the North Atlantic area which are vitally concerned with the continued independence of Yugoslavia are considering what steps they can take to give assistance.

9. THE POLITICAL IMPLICATIONS OF THE PROBLEM

The President in his message to Congress set forth the policy of this Government with respect to Yugoslavia in these words:

"Since the break between the Kremlin and Yugoslavia, it has been the policy of this Government to assist Yugoslavia to maintain its independence. The continued independence of Yugoslavia is of great importance to the security of the United States and its partners in the North Atlantic Organization, and to all nations associated with them in their common defense against the threat of Soviet aggression."

The United States Government is unalterably opposed to international communism wherever it exists and therefore would like to see the people of Yugoslavia free to choose their own political institutions. While it may seem then that the United States should not give assistance to the Communist Government of Yugoslavia, the fact is that help is being given Yugoslavia because Yugoslavia puts independence from Communist imperialism ahead of subservience to international communism. Tito espouses nationalist communism rather than imperialist communism, which seeks to bind all Communists to the Kremlin. Soviet imperialist communism seeks to rob all states of their independence. Titoism seeks the independence of Communist states from Soviet dictatorship.

The Yugoslav break with the Soviet bloc was a decided setback to Soviet expansionism. The western powers must exploit this break, not because they want to help communism in Yugoslavia, but because they want to encourage other Communist states to throw off the yoke of the Kremlin and to choose a free government. Yugoslavia may not be a recruit for democracy, but it is a recruit for the principle of independence.

10. THE MILITARY IMPLICATIONS OF THE PROGRAM

On November 20, 1950, a United States note to the Yugoslav Deputy Minister of Foreign Affairs set forth the agreed basis whereby certain funds from the Mutual Defense Assistance Act were to be made available as a part of the stopgap program for assistance to the military forces of Yugoslavia. That note reads in part as follows:

"Our two Governments are both desirous of fostering international peace and security within the framework of the Charter of the United Nations through measures which will further the ability of nations dedicated to the purposes and principles of the Charter to participate effectively in arrangements for individual and collective self-defense in support of those purposes and principles.

"Accordingly, I am pleased to inform you that my Government is prepared, pursuant to the provisions of Public Law 329, Eighty-first Congress, as amended, to supply assistance in aid of food requirements of the armed forces of your Government on the following mutually agreed basis that:

"(1) Your Government will use the assistance exclusively for the purpose for which it is furnished, namely, in furtherance of the purposes of the Charter of the United Nations, to prevent the weakening of the defenses of the Federal People's Republic of Yugoslavia.

"(2) That your Government agrees not to transfer to any other nation the assistance furnished pursuant to this agreement without the prior consent of this Government.

"(3) That your Government will provide the United States with reciprocal assistance by continuing to facilitate the production and transfer to the United States, in such quantities and upon such terms and conditions as may be agreed on, of raw and semiprocessed materials required by the United States as a result of deficiencies or potential deficiencies in its own resources and which may be available in Yugoslavia. Arrangements for such transfers shall give due regard to requirements for domestic use and commercial export of Yugoslavia.

"(4) That your Government is prepared to make available to the Government of the United States of America dinars for the use of the United States of America for any administrative expenditures within Yugoslavia in connection with assistance furnished by the United States of America to Yugoslavia arising out of this agreement. Our two Governments will at the appropriate time initiate discussion with a view to determining the amount of such dinars and to agree upon arrangements for the furnishing of such dinars."

Yugoslav military strength

The Yugoslav Army of more than 30 divisions at this time is the largest army in western Europe outside of the Soviet Union. Its troops established their fighting ability during the war with Germany. Their forces plus those of other independent states of southeast Europe would, if the Soviet Union should use force to wreak its will on western Europe, constitute a bastion of strength. To fail at this time to help any one of these states to retain its independence would be to overlook a source of strength for the defense of the free world which western Europe and the United States could ill afford to lose.

11. SUMMARY OF REASONS FOR AIDING YUGOSLAVIA

1. The Government of Yugoslavia has successfully broken away from the domination of the Kremlin. The rift between the Communist regimes of Moscow and Belgrade seems to be deep and unbridgeable.

2. Drought conditions in Yugoslavia during the past year in combination with economic difficulties arising from the break with the Soviet bloc, have threatened the economic collapse of Yugoslavia.

3. The economic collapse of Yugoslavia would presage overthrow of the Tito government and the enforced return of that country to the Soviet fold.

4. It is in the interests of the United States and the free nations of the world to assist any state in maintaining its independence, particularly from the domination of Moscow.

5. The strength of the Yugoslav Army is such that it might well be a crucial factor in the defense of western Europe in the event of Soviet aggression.

6. The United States has always maintained that nations should be free to determine their own form of government even though the United States may not like that form of government. Soviet imperialism has always sought to impose its form of government and its direction on independent states whenever possible. Assistance to Yugoslavia will assist her in maintaining that independence.

It is the opinion of the Committee on Foreign Relations that the United States Government should provide emergency aid to Yugoslavia to enable that country to meet food shortages arising out of the 1950 drought and thereby stave off the threat of Soviet imperialism.

The PRESIDING OFFICER. The bill is open to amendment.

Mr. BREWSTER. Mr. President, will the Senator from Texas yield for a question?

Mr. CONNALLY. I yield.

Mr. BREWSTER. There seems to be rather a strain in the authority, in taking this form of action in connection with the Export-Import Bank. Did the committee go into that question?

Mr. CONNALLY. A strain in the authority?

Mr. BREWSTER. Yes; that it was somewhat beyond the contemplated scope of the Export-Import Bank's authority. Has there been any precedent for giving aid of this character by the Export-Import Bank?

Mr. CONNALLY. It is a loan, is it not?

Mr. BREWSTER. I do not understand it is.

Mr. CONNALLY. The Export-Import Bank makes loans.

Mr. FULBRIGHT. The committee took testimony as to that. It was a transaction between the Export-Import Bank and Yugoslavia. The bank had already approved a $15,000,000 credit to Yugoslavia, and agreed that $6,000,000 could be diverted to the purchase of food rather than some kind of raw material.

Mr. BREWSTER. Is there any precedent for that precise type of loan by the Export-Import Bank?

Mr. FULBRIGHT. We had nothing to do with that. We had no testimony as to that point, to my knowledge.

Mr. BREWSTER. In cases of mutual-defense aid to other countries funds have been diverted, but it is true, is it not, that Yugoslavia is not a member of any of the groups contemplated?

Mr. FULBRIGHT. That is true. But there was a reservation in the act for a certain percentage of the aid granted to be used in emergency conditions, which was not allocated for Yugoslavia. It was my understanding that when we passed the act we certainly anticipated it could be used, for example, in Austria, which was not a party to the treaty.

Mr. BREWSTER. Has Yugoslavia undertaken any of the obligations associated with any of the countries that are parties to either the mutual-defense agreement or the North Atlantic Pact?

Mr. FULBRIGHT. No.

Mr. BREWSTER. If we are relying upon this military aid, why do we not have some kind of obligation on their part that they will come to our aid if we need aid? I think it is about time we should find whether we can secure any help from these people.

Mr. FULBRIGHT. Personally I would say it was premature to make that a matter of any public negotiation.

Mr. BREWSTER. We have with respect to all the other countries, have we not?

Mr. FULBRIGHT. There is a great difference.

Mr. BREWSTER. And even they are slow in coming to our aid when we need it now. But in this case we have not even an obligation on the part of Yugoslavia.

Mr. CONNALLY. Mr. President, I will have to reclaim the floor. We could not afford, in granting aid to feed hungry people, to provide that the price of our aid is that the recipients must fight with us. That will follow. If we were to

make such a provision we would be branded throughout the world as having bribed Yugoslavia.

Mr. BREWSTER. Is it not about time that we obtain a little something in return for our "bribes?" I think the American people are coming to wonder when some of these countries are going to begin to pay off when we need them.

Mr. CONNALLY. That is very difficult.

Mr. BREWSTER. Is it not true that the first installment of this aid of food was to go to feed the army, not the hungry people? Is that not true?

Mr. CONNALLY. The army is hungry just like everybody else.

Mr. BREWSTER. Does the Senator think the army is as hungry as the poor peasants?

Mr. CONNALLY. I have not been in Yugoslavia recently. I was there some years ago. If the Senator will read the committee report I believe he will be satisfied. And he can read the debate as it will be printed in the RECORD in the morning.

Mr. BREWSTER. I have read the report. I have not seen the printed testimony before the committee. I understand it is not available.

Mr. CONNALLY. I shall read from the report what the State Department says. The report says:

Authority for stopgap aid: According to information presented by the Department of State:

"The measures taken under this program (the stopgap program) were of a special nature and utilized existing legislative authority on an emergency basis for purposes not specifically contemplated when the laws in question were being considered by Congress."

Mr. BREWSTER. Does that mean that it was outside the contemplation of the act?

Mr. CONNALLY. Well, it was not in view. It may have been outside. I read further from the report:

The Department further described the authority for the stopgap program as follows: "(a) The Export-Import Bank had already approved"—

Now if the Senator from Maine will pay heed—

"The Export-Import Bank had already approved a $15,000,000 credit to Yugoslavia for export development programs."

That is what the Senator from Arkansas was referring to. He referred to the fact that the Export-Import Bank had already approved the credit of $15,000,000.

Mr. FULBRIGHT. Yes.

Mr. BREWSTER. For development purposes, which is the contemplation of the Export-Import Bank. What I asked was if there was any precedent for aid of this character being extended by the Export-Import Bank.

Mr. CONNALLY. There is often no precedents for anything that happens.

Mr. BREWSTER. We are establishing a precedent now for the Export-Import Bank to start a program of this character which is certainly utterly outside of anything that was contemplated.

Mr. CONNALLY. The Senator talks about precedent. Everything has got to happen once. It has got to happen once before it is a precedent.

Mr. BREWSTER. That does not prove it is good.

Mr. CONNALLY. We may be making a precedent. I do not have to have a precedent for everything I do. I should like to make some more precedents.

Mr. BREWSTER. Let us have a precedent which gets us a little help from somewhere. Would not such a precedent be a good one?

Mr. CONNALLY. Yes, of course, it would. We will get it in due time.

Mr. BREWSTER. The time is pretty late.

Mr. CONNALLY. The question is, Are they able to do it? Does the Senator want a crippled man to lift him over the fence?

Let me read further:

"It was decided, however, to divert approximately $6,000,000 of this credit in order to start food shipments immediately."

The bank has already approved a credit of $15,000,000.

Mr. BREWSTER. They are going to divert a part of it.

Mr. CONNALLY. Let me read this sentence.

"It was decided, however, to divert approximately $6,000,000 of this credit in order to start food shipments immediately."

The concern was with starvation. Food was needed. The bank saw an opportunity temporarily to divert a part of the credit which had already been approved, to be used for food to save starving people. A brief moment ago the Senator from Maine was appealing for the poor peasants who were hungry and starving, yet he does not want to give them anything except to set aside $6,000.000.

Mr. BREWSTER. If the Senator from Texas will permit me, there is nothing to indicate that anybody in Yugoslavia will do any starving in the next few months. If the Senator will read his own records and his own reports showing the production of Yugoslavia he will find that it is perfectly evident that there is no occasion whatsoever for starvation now or for the next 3 or 4 months.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SMITH of North Carolina in the chair). Does the Senator from Texas yield to the Senator from Arkansas?

Mr. CONNALLY. I yield.

Mr. FULBRIGHT. I should like to say that the last statement by the Senator from Maine is entirely without any foundation whatever. The evidence before the committee was that Yugoslavia has suffered the most serious drought in her history. We had our own agricultural attaché there, who impressed the committee as being an extremely able gentleman. Everyone had that impression. He had gone out and personally talked to the people. He happens to be one who can talk to the people. He went all over Yugoslavia. He said the present food shortage situation is the most serious they have ever faced. The Senator is entirely mistaken if he believes Yugoslavia is not faced with a serious food shortage immediately.

I should like to draw the Senator's attention to two facts. The Senator said that nothing is agreed to by the Yugoslavs. I draw his attention to page 9 of the report, at the bottom thereof. There he will find several agreements.

Mr. BREWSTER. Yes. Everything except——

Mr. LUCAS. Mr. President, may we have the regular order?

Mr. FULBRIGHT. If the Senator thinks that in all agreements of this kind every factor we expect to come about must be set down in black and white, I think he is simply unrealistic about the ways of international relations, because here is a country which is struggling for its existence, separate from Russia, and the fact that they have already made the break, that they have already broken away from Russia, that they have 30 military divisions, and that they exist separate from Russian domination, is sufficient to warrant the statement that was made here a moment ago that this would be the best investment of our money that we could make. They do not have to fight to be worth every bit of this.

General Bradley and others advised us that the mere existence of 30 divisions on the flank of Russia is worth a great deal to us, whether they ever fight anybody or not. But they are there, ready and able to fight if they are disturbed. It is not a part of this agreement that they agree to attack anybody. But what is important to us is that they be maintained in an independent posture and be able to fight. That is sufficient justification. I certainly do not think we ought to even request that they agree to attack anybody. We do not know whom we are going to attack. Nobody knows what the future will bring. But it is extremely important that they be maintained as an independent country—independent I mean of Russia.

Before I conclude, I should like to say that the authority under the Mutual Defense Assistance Act of 1949 is set forth on page 15 of the hearings. If the Senator from Maine is interested in it, he will find that there is specific authority for the use of 10 percent of the fund appropriated for aid there for just such an emergency.

Mr. CONNALLY. Mr. President, allow me in conclusion to make a statement in reply to the interrogatory of the Senator from Maine, "What are we going to get out of this? How much shall be placed on the barrel head? What are we going to get?" and so on. General Bradley was before our committee and he testified strongly in favor of the bill on the very grounds pointed out by the Senator from Arkansas. There is not involved any direct promise by Yugoslavia to fight when we fight. But the mere existence of 32 divisions, armed and equipped, in that area which would no doubt be a vulnerable area otherwise, is a great guaranty, it is a great assurance, it is a great security against invasions by Communist forces from Russia or elsewhere.

Mr. BREWSTER. Mr. President, will the Senator yield further?

Mr. CONNALLY. I yield.

Mr. BREWSTER. To what extent did the committee take evidence from General Bradley and others as to the equipment of these divisions?

Mr. CONNALLY. We had evidence on the subject, and it ought to be available to the Senator from Maine, because somebody in the committee gave out something about it, and it is published in the newspapers in extenso. General Bradley had to complain that he could not testify freely before a committee, because what he said would be placarded on the highways and byways on the following day.

Mr. BREWSTER. Is the information available to the Senate, on which this was predicated?

Mr. CONNALLY. On which what was predicated?

Mr. BREWSTER. The equipment of these divisions.

Mr. CONNALLY. Yes; we had testimony on that.

Mr. BREWSTER. Is the printed evidence available to the Senate?

Mr. FULBRIGHT. No; it was in executive session.

Mr. BREWSTER. It is not available, then.

Mr. CONNALLY. We have it in the committee. If the Senator is interested he can read it.

Mr. FULBRIGHT. It is not for publication.

Mr. CONNALLY. No; it is not for publication.

Mr. BREWSTER. Am I to understand that the committee was satisfied that these divisions were something more than skeletons?

Mr. CONNALLY. Absolutely.

Mr. BREWSTER. Something more than inadequately equipped?

Mr. CONNALLY. Absolutely they are not inadequately equipped.

The committee was satisfied and reported the bill to the Senate. It is up to the Senate to decide whether it wishes to pass the bill or to reject it. I have done all I could along these lines.

I submit that the bill is a wise and courageous measure not only for humanitarian purposes but for our own defense and security and to encourage those in that area who disagree with communism to stand up and take a position alongside the western nations who stand for liberty and freedom.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WHERRY. What is the total amount of appropriations that will be forthcoming if this measure is passed?

Mr. CONNALLY. Does the Senator mean the $31,000,000 which has already been authorized?

Mr. WHERRY. The measure now before us is an authorization, I take it, for a further sum.

Mr. CONNALLY. This measure carries an authorization of $38,000,000; in addition to $31,000,000 which has been authorized or directed or diverted from other funds. However, the authorization provided in the pending measure is $38,000,000.

Mr. WHERRY. In order that I may understand the amount of the authorization proposed, let me say that I understand that the amount which already has been spent is authorized under the 10-percent clause of the Mutual Defense Assistance Act. I refer to the provision of that act with respect to emergencies.

Mr. FULBRIGHT. No; a part of it is diverted from an Export-Import Bank loan which already has been granted. Ten percent of the amount is authorized under section 408 (c) of the Mutual Defense Assistance Act of 1949. Does the Senator wish me to read that section?

Mr. WHERRY. No; I simply wish to have the authority clearly in the minds of those of us who will have to vote on this matter, in order to justify the making of the remainder of the appropriation. I know that approximately $6,000,000 which has been used has been taken from the Export-Import Bank loan for which authority already has been provided.

A short time ago, in the course of the colloquy between the Senator from Texas and the Senator from Maine, the Senator from Texas referred to the authorization under the Mutual Defense Assistance Act. How much money was used in that connection?

Mr. FULBRIGHT. Thirteen million six hundred thousand dollars and twelve million two hundred thousand dollars under the ECA Act. Wheat is one commodity which has been provided. For example, I believe that Germany and Italy have agreed that the wheat they already have can be used for this purpose.

Mr. CONNALLY. I understand that the Administrator of ECA has authority to allocate those funds.

Mr. WHERRY. The purpose was to get food to Yugoslavia expeditiously, as I understand. Under the ECA Act, Germany and Italy were entitled to certain funds, and I understand that the necessary funds for aid to Yugoslavia have been borrowed from the funds available for Germany and Italy, and have been used for the purchase of flour which has been sent to Yugoslavia.

Mr. FULBRIGHT. That is correct.

Mr. WHERRY. Does the authority had by the ECA permit the use of that flour for shipment to Yugoslavia?

Mr. FULBRIGHT. I understand that it does.

Mr. WHERRY. In what way?

Mr. FULBRIGHT. The ECA aid was made available under sections 111 and 115 of the Foreign Assistance Act of 1948, as amended.

Mr. WHERRY. What is that provision? When we have that information, we shall have a statement of the entire authority for this matter.

Mr. CONNALLY. The Administrator of ECA has the widest authority in respect to allocations and reallocations.

Mr. WHERRY. Yes. I am simply asking about the authority to extend that aid to Yugoslavia. Is that set forth in the report?

Mr. CONNALLY. Yugoslavia is not mentioned in the ECA Act, but that act gives the Administrator wide authority.

Mr. WHERRY. I know that. However, I should like very much to have the RECORD show, if possible, upon what the ECA relied for that authority. When that authority is set forth in the RECORD, that point will be cleared up.

Mr. FULBRIGHT. I did not happen to place that section verbatim in the report, but I do happen to have before me the verbatim section of the Mutual Defense Assistance Act.

Mr. WHERRY. I hope the Senator will put in the RECORD, first, an explanation of the approximately $6,000,000 coming from the Export-Import Bank, and will explain, in that connection, that they have operated under authority to use it; second, that under the Mutual Defense Assistance Act they have had so much money, which has been authorized, and under that authorization they have extended aid.

I know that under the ECA Act there have been broad powers to make transfers. However, speaking for myself, let me say that I did not know that they could extend the aid to any country outside of the 16 countries mentioned. Perhaps that could be done; I simply do not recall it. However, if there is authority for that, I wish the Senator would point it out.

Then we come down to the authorization which it is proposed to make now. I understand that the authorization is proposed to be made in the amount of $38,000,000; and that authorization, if made by the Senate, will be placed before the Appropriations Committee as a justification for a subsequent appropriation.

Are not those the approximate mechanics of this matter?

Mr. FULBRIGHT. That is right.

Mr. McKELLAR. I hope the members of the Foreign Relations Committee will give the Appropriations Committee that information, because it will make it very much easier to get the money appropriated if those facts are before us.

Mr. WHERRY. Mr. President, will the distinguished Senator from Texas yield further? I do not wish to detain him.

Mr. CONNALLY. That is quite all right; I yield.

Mr. WHERRY. I wish to ask the Senator from Arkansas some questions. I do not wish to detain the Senator from Texas, if he wishes to be seated.

Mr. CONNALLY. I am glad to yield.

Mr. WHERRY. Among the ECA releases which come to our offices, the last one I have is under date of November 28.

Mr. McCARRAN. Mr. President, if the Senator will yield to me, let me say that I think the Senator from Nebraska asked a very pointed question, but I did not hear the answer. The question was, By what authority was the $12,000,000 transferred from ECA funds?

Mr. WHERRY. That is the point the distinguished Senator from Arkansas assured me he would cover. He said that had been authorized under the provisions of the ECA Act, and he is going to supply that authorization for the RECORD, as I understand.

Mr. McCARRAN. I have looked in vain for that authorization, and I should like to have it pointed out.

Mr. WHERRY. I understand that it will be provided for the RECORD.

I understood the Senator to say that the agreements which have been entered into have been published in the report. That may be. However, in the ECA release under date of November 28 of this year the following is stated:

> Under the agreement entered into with the Government of Yugoslavia officials of the United States Goverment and representatives of the United States press will be permitted to observe freely the receipt and the distribution of all assistance made available, with a view to noting that it is equitably distributed among the population of Yugoslavia—

And so forth. I should like to ask either the distinguished Senator from Texas or the distinguished Senator from Arkansas whether the agreements which are mentioned in the report are available to Members of the Senate.

Mr. FULBRIGHT. That particular agreement is referred to in the bill itself. What I was referring to a moment ago appears on page 9 of the report.

Mr. WHERRY. I find this statement:

> Under the agreement entered into with the Government of Yugoslavia—

Of course, that was prior to this time—

> officials of the United States—

And so forth and so on. Have agreements been entered into between our Government and the Government of Yugoslavia relative to this aid or something upon which the granting of this aid hinges?

Mr. FULBRIGHT. I believe this answers the Senator's question:

On November 20, 1950, a United States note to the Yugoslav Deputy Minister of Foreign Affairs set forth the agreed basis whereby certain funds from the Mutual Defense Assistance Act were to be made available as a part of the stopgap program of military assistance to Yugoslavia. That note is the basis of the conditions and agreements for supplying all the aid which heretofore has been given.

It is contemplated that if we pass this measure an executive agreement will be made with the Yugoslav Government incorporating the provisions of this act—in other words, providing for freedom of movement, for observation, for the use of any counterpart funds which may arise, and so forth.

Mr. WHERRY. That is my second point. I should like to see the agreement, if that is possible. I am interested only in the mechanics of this matter.

Under the agreement are counterpart funds being used?

Mr. FULBRIGHT. Let me start over again: As to the money which has been transferred from the funds available under the Mutual Defense Assistance Act, there was a note—which constitutes, I think, an executive agreement with Yugoslavia—relating to that aid.

If we pass this measure, authorizing $38,000,000 more, a new and additional executive agreement will have to be made to cover this aid.

Mr. WHERRY. I understand that. That is the basis of the question I am asking.

In the case of the agreement or the note the Senator mentioned first, is that the agreement which is mentioned in the ECA release to which I have referred?

Mr. FULBRIGHT. I do not know about the release. That is the agreement on page 9 of the report.

Mr. WHERRY. That has to do with the relief.

Mr. FULBRIGHT. I do not know what release the Senator from Nebraska has.

Mr. WHERRY. It is printed on a page carrying the letterhead of the ECA. This release was issued on November 28. It calls attention to an agreement made between the United States and Yugoslavia. I am asking whether that agreement is available and what it contains, if it is permissible for that information to be published.

Mr. FULBRIGHT. All I know is the part which appears on page 9 of the report. On page 9, toward the bottom of the page, we find these words:

> That note reads in part as follows—

And at that point there appears in the report most of the note, I assume, at least.

Mr. WHERRY. That is in the report, is it?

Mr. FULBRIGHT. Yes, on page 9.

Mr. WHERRY. That is the only agreement in this connection which the Senator from Arkansas knows anything about; is that correct?

Mr. FULBRIGHT. That is correct.

Mr. WHERRY. Very well; I thank the Senator.

Mr. LUCAS. Mr. President, will the Senator yield at this point?

Mr. CONNALLY. I yield.

Mr. LUCAS. I should like to call the attention of the Senator from Nebraska, if I may do so, to a portion of the report appearing near the bottom on page 5, where a part of the statement made by the State Department is set forth. I read from that portion of the report:

> (c) Section 408 (c) of the Mutual Defense Assistance Act permits the transfer of materials to European countries, other than those in the North Atlantic Treaty, under certain specified emergency conditions. These conditions were clearly present in the case of Yugoslavia, and therefore it was decided to provide foodstuffs to Yugoslavia only, however, in those quantities needed by the Yugoslav military forces.

Mr. WHERRY. I thank the majority leader for his statement, but that really does not answer my question. I realize now that there have been exchanges between Yugoslavia and the United States, or some intermediary, relative to the need, and our supplying the need. All I am asking is, Was there any agreement entered into between the United States and Yugoslavia, of which this might be a condition? Let us forget the aid now. If there was such an agreement, I was merely wondering whether it had been introduced in evidence, and whether it was presented to the Foreign Relations Committee.

Mr. FULBRIGHT. This part was presented.

Mr. WHERRY. That is the only part the Senator knows about, is it?

Mr. FULBRIGHT. That is correct.

Mr. WHERRY. In other words, the Senator feels that possibly that is the agreement which was just mentioned here in this discussion, does he?

Mr. FULBRIGHT. I do.

Mr. CONNALLY. Let me call attention to the fact that on page 5 of the report, in subparagraph (b), it is stated:

> The Economic Cooperation Act authorizes shipments of food to the European countries. It also recognizes that permission may be given for transfers of material purchased with ERP funds, or similar materials, from participating countries to third countries.

That is, they may be transferred to countries which are not participating at all. That is made very clear. I read further from the same paragraph:

> This authority was drawn upon to have flour shipped from Germany and Italy on the understanding that it would be replaced with wheat shipped from the United States to those countries.

In other words, we were going to allocate to those countries certain amounts of wheat, but, in consideration of their releasing the flour, it would be replaced by wheat later on. Reading further from the same paragraph:

> This unusual measure, which assists in the maintenance of stability of Yugoslavia, contributes to the over-all purposes of the European recovery program and is consistent with the established policy of encouraging exports by participating countries. Its prime purpose, however, is not one of the purposes of the programs contemplated when the ERP was last before Congress, and requires the participation of third countries in a way that makes its continuation undesirable.

Mr. WHERRY. The Administrator has that authority now, has he not?

Mr. CONNALLY. He has.

Mr. WHERRY. He could transfer funds or materials from any country that he might choose?

Mr. CONNALLY. I think so.

Mr. WHERRY. Mr. President, will the Senator yield for another question?

Mr. CONNALLY. I yield.

Mr. WHERRY. In the same release, which is available to Members of the Senate, on page 2, in next to the last paragraph, this statement is made to which I should like the Senator from Arkansas particularly to listen, as I know he has been very busy in connection with the bill. I read:

> President Truman last week—

And this was issued on November 28—

> President Truman last week announced that the United States Government, under the Mutual Defense Assistance Act, would also provide $16,000,000 worth of food to Yugoslavia for use of that country's armed forces.

Is that a part of this appropriation, or is it an additional amount that is to be granted? If so, under what authority will that be granted? It refers here to the Mutual Defense Assistance Act.

Mr. FULBRIGHT. What was the amount?

Mr. WHERRY. It says here $16,000,000. I shall be glad to hand the release to the Senator.

Mr. FULBRIGHT. I think it is the same amount.

Mr. WHERRY. Is that the one we are talking about?

Mr. FULBRIGHT. I think that is the amount.

Mr. WHERRY. We do not find in the report the same amounts that are in this release.

Mr. CONNALLY. That refers to the military, does it not?

Mr. WHERRY. Yes; that is for the Armed Forces. That would be a part of the $31,400,000, would it not?

Mr. FULBRIGHT. I think so. Let me read from page 15 of the report of the Committee on Foreign Affairs on House bill 9853, as follows:

> On November 22, 1950, the President notified the Committee on Foreign Affairs of his decision to utilize the provisions of section 408 (c) to give aid to Yugoslavia. The committee was informed that the amount to be used would not exceed $16,000,000.

I think that is the same amount.

Mr. WHERRY. I thank the Senator. Before the Senator from Texas yields the floor, I desire to say this. If there is any other agreement with Yugoslavia—and I do not limit it to an agreement to render aid—provided it is not secret, for if it is information which should not be made public I would not want it; but if it is available and can be made public, I should like to have it, because I feel that it might help establish the authority and justification for the remaining $38,000,000 when it comes before the Appropriations Committee.

Mr. CONNALLY. I may say to the Senator that I cannot give him information which would enable him to dot every "i" and cross every "t." I may say, however, that Yugoslavia was most willing to make these general agreements, and I have no doubt that she will keep them.

Mr. WHERRY. There is no question about that, and I am in no way impugning the motives of the distinguished chairman or of any other member of the Foreign Relations Committee.

Mr. CONNALLY. I understand that.

Mr. WHERRY. I am interested only in this agreement. If the agreement is merely the one mentioned by the Senator from Arkansas, which has to do with the transfer of flour, I think we have a pretty good conception of what was in the committee's mind. There was first the $6,000,000 which was granted by the Export-Import Bank. Second, there was the authority contained in the Mutual Defense Assistance Act, to the extent of 10 percent. Then, the distinguished Senator from Arkansas and the distinguished Senator from Texas have pointed out in the report that the ECA may permit the transfer of material purchased with ERP funds, or similar materials, from participating countries to third countries; and, under that program, $11,500,000,000 has been transferred; is that correct?

Mr. FULBRIGHT. Eleven million dollars.

Mr. CONNALLY. Eleven million dollars. The Senator from Nebraska said $11,000,000,000.

Mr. WHERRY. In these times, I may say to the Senator, billions of dollars do not mean much more than millions; but I shall make the RECORD correct by saying $11,000,000. I have just received these figures, but I believe I have them straight in my thinking now. The Appropriations Committee, I understand, will have before it a request for an appropriation in the amount of $38,000,000, which will complete the entire transaction, totaling about how many million dollars?

Mr. CONNALLY. Seventy million dollars.

Mr. WHERRY. Is it about $70,000,000?

Mr. FULBRIGHT. It is $69,400,000.

Mr. WHERRY. I want to thank the Senator from Arkansas for the computation.

Mr. CONNALLY. I thank the Senator. I yield the floor.

Mr. McMAHON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Connecticut?

Mr. CONNALLY. I yield.

Mr. McMAHON. I desire to obtain the floor in my own right.

Mr. CONNALLY. I am yielding to the Senator.

Mr. McMAHON. Mr. President, I certainly rise only to speak in support of the bill which is in charge of the distinguished chairman of the committee. I should like to ask the chairman whether he has formally offered the amendment which he read to the Senator from Montana.

Mr. CONNALLY. I did not formally present it, but I read it and stated that we would offer it as an amendment to appear at the end of the bill.

Mr. McMAHON. Mr. President, will the distinguished Senator from Texas permit me to be associated with him in the offering of the amendment?

Mr. CONNALLY. I am very glad to do so.

Mr. McMAHON. Then, Mr. President, on behalf of myself and the Senator from Texas [Mr. CONNALLY] I now submit the amendment.

The amendment submitted by Mr. McMAHON (for himself and Mr. CONNALLY) is as follows:

> At the proper place in the bill insert the following:
>
> "Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, or economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act."

Mr. McMAHON. Mr. President, I withheld my vote of approval in the Foreign Relations Committee when the committee voted approval on this authorization day before yesterday. I did so, not because I was opposed to the authorization, but because, before I registered my formal consent, I wanted an opportunity to review the correspondence which has passed between the State Department and our Ambassador in Yugoslavia concerning the application for aid, and also I wished to review for myself the representations which had been made by our Department of State to our Ambassador regarding the internal conditions of Yugoslavia.

I, of course, find it impossible to forget that it was Tito who shot down American flyers only a few years ago. I do not overlook the fact that he, in the Communist tradition, has persecuted religious persons, has been anti-Christ and anti-God, has suppressed freedom of speech, has suppressed freedom of assembly, and freedom of worship.

However, Mr. President, we are faced with a condition. A million people are faced with the threat of starvation. I think it is important that the people of Yugoslavia know that we are proffering aid which God in his wisdom has granted to us in abundance, and that we are granting our aid primarily because these people are in distress.

I am particularly impressed by the fact that those who drafted the proposed legislation saw fit to include in it the provision which makes it mandatory for the administrators of our aid to make the people of Yugoslavia realize the spirit in which we offer it.

I am, of course, not unconscious either, of the effect that giving this aid will have on the future security of the United States. I believe that our security would be enhanced and improved if Tito were to take to heart the provisions of this bill, particularly the provisions of the amendment which the distinguished chairman of the Committee on Foreign Relations has offered to the bill. It is my belief that Tito will secure that kind of unity in Yugoslavia which will enable him more readily to resist foreign domination and aggression, if he grants to his own people the basic freedoms and basic liberties from which must flow a greater unity within that country.

So, Mr. President, I support the authorization and I hope that the Committee on Appropriations, as soon as the bill becomes law, will follow with an appropriation, so that we may proceed to the completion of this business. Then I believe that the administrators of the program on behalf of the United States should make certain that the people of Yugoslavia are under no misapprehension as to our attitude, and that the fact that we come to the aid of people in distress is not to be taken, in the words of this amendment, as any approval of the kind of suppression, the kind of ruthlessness, and the kind of brutality which Tito has evidenced in the past.

I may say in closing that there is some indication, I am happy to see, of a great consciousness in the Yugoslavian Government's mind of the impossibility of the persecution of her own people, and a realization that such persecution is not consonant with the continuation of sovereignty and the exercise thereof in their hands. I am hopeful that the authorization which would give aid to Yugoslavia will be the prelude to a further widening and further liberalization of Yugoslavia's attitude with regard to the rights of individuals, which come not from men but come from God.

Mr. McCLELLAN. Mr. President, I had not anticipated that this bill would be called up for consideration by the Senate this afternoon. I see that the report of the committee is dated December 7. I understand that the record of the hearings held by the committee has not been printed, and therefore is not available to the Members of this body.

If for the moment we indulge in the assumption that the bill should be passed, that support of it is fully justified, and that it is the wise course for our country to pursue, it does not follow that Members of the Senate—and I speak for myself—have yet had an opportunity to become familiar with all the facts and reasons which are being advanced in support of the measure and why funds should be made available to the Government of Yugoslavia.

Mr. President, I can very well preface my remarks by adopting the sentiments expressed by the very able Senator from Texas the chairman of the Committee on Foreign Relations [Mr. CONNALLY] and by the able chairman of the Committee on Appropriations the senior Senator from Tennessee [Mr. MCKELLAR]—and I am a member of the Committee on Appropriations—that if someone had said to me some months ago that I, or any other Member of this body, would be standing on the floor of the Senate this afternoon pleading for aid and assistance to Yugoslavia, I, too, would have called him to order and repudiated any such implications.

Mr. President, the only difference between the able Senator from Texas and the distinguished Senator from Tennessee, on the one hand, and myself, on the other, is that I have not changed my mind. I am of that opinion still. I do not say that I could not be convinced of the wisdom of the suggested course. Perhaps I could be. However, until I am convinced, I shall not vote to authorize an appropriation that I am not prepared to vote for. I cannot, at this moment, according to my best judgment, agree to recommend appropriations to carry out the provisions of this act.

For that reason, Mr. President, if a vote is taken on the measure today, before there has been adequate opportunity to study the testimony which the committee heard, and to weigh all the factors involved, I shall be compelled to cast my vote against the bill.

Mr. President, I have this difficulty. It makes a tremendous humanitarian appeal when it is reported that thousands of people are facing or suffering hunger, and possibly starvation. Regardless of what part of the world such people are in, or of what nationality they may be, the generous spirit of America has prompted us in the past to come to their assistance and we have relieved the distress of humanity in almost every area of the globe during the course of the history of our Nation.

Mr. President, since the end of World War II we have undertaken to rehabilitate the war-devastated countries, and particularly the free nations and the free peoples. We have done so not only for those who were our allies during the war, but even for those who were our enemies in the conflict. To date, Mr. President, we have spent, as I recall, more than $30,000,000,000 in that great effort of human endeavor and sympathy, because we felt that we were more blessed or more fortunate than other nations, and that since we were all now striving—or we all thought that we were all striving—in this postwar era for the achievement of a lasting and durable peace, we could well afford, not only from an economic standpoint but from a standpoint of human fellowship, to make such expenditures; and to make them even at the cost of burdening our own economy, our own National Treasury, and our taxpayers, in deficit spending. We have done that in order to try to meet a condition which needed our assistance, in the hope and in the belief that those who were the recipients of our assistance would be grateful for our efforts.

Mr. President, the situation has changed. The argument that if we will give assistance to Yugoslavia we may have her help later in speculation and conjecture of the highest order.

Mr. President, a Communist is a Communist. Communist ideology is diametrically opposed to everything that America has stood for from its beginning, and it is opposed to everything that every real red-blooded American stands for today. Not one thing has happened which could possibly recommend to Congress any possible excuse for the proposed authorization other than to try to disburse relief to some people who are in distress. Why we should take this course and expect any benefit to flow to us from it can only be predicated on the hypothesis that at the moment Tito and Stalin are in a quarrel. Yes; someone suggests, "maybe." How do we know? Who can vouch for it? We are asked to guess. We are asked to tax the American people more and go further into deficit spending on the doubtful hypothesis that possibly some day we would find Tito's government and his army fighting on our side.

Mr. President, I have no confidence that that will ever happen. It is within the range of possibility, of course, that if Yugoslavia were attacked by the forces of the Kremlin, and if that attack, together with other wars which are now in progress, were to spread into a world-wide war, we might be fighting alongside Yugoslavia. But I can see no reason on earth why Stalin should provoke a war with Yugoslavia, with world conditions as they are today.

But that is not associated with the danger to us. That is a quarrel between Communists. If the war which we are now fighting, and in which our boys are dying in foreign lands, being entrapped by the Red Chinese troops at this hour, is a war inspired from Moscow, if this is the beginning of world war III, if this is the occasion when the blue chips are down again, Mr. President, the Kremlin would be more stupid than it has demonstrated at any time in the past if it were now to start a war with Tito. The natural and likely thing would be simply to bypass Tito and march on through Europe. Then what would we have? We would have Yugoslavia sitting there as a neutral. But I dare say that if the situation ever developed to the point where Tito thought the Kremlin was going to win, he would be found hastening to join the Soviet Union for the kill.

What Senator has any confidence that Tito would risk his life with us? I do not believe it. I should like to help the people over there who are in distress. But I do not want to spend one dollar of American money to aid or bolster any Communist government.

A few minutes ago I came from my office in response to the quorum call. While there I picked up a newspaper from my own State. I believe it is the second largest in circulation in Arkansas. I found therein an editorial of Tuesday, December 5. The editorial is entitled "Tell our 'Friends' To Get in There, Too." This editorial, together with many letters which I am receiving from my constituents, convinces me that the American people know we are now in the position of holding the bag. We are not being treated properly in this conflict by those whom we have so generously befriended. I invite my colleagues to listen to this editorial. It is not very long. I shall read it:

TELL OUR "FRIENDS" TO GET IN THERE, TOO

The blue chips are down. This fighting in Korea is war, not a "police action." And American boys are doing most of the fighting and dying against an overwhelming horde of Red Chinese.

How much longer is this to go on, while our "friends" in the UN talk, and talk, and talk?

Washington can talk bluntly enough to the American people. It doesn't hesitate to tell them that they must sacrifice for their freedom, must accept hardships, bitter casualty lists, any cost our Red foes may exact.

That is proper and right. But why the tenderness toward the other UN nations, who have just as much at stake as we have? It's their war as much as it is ours. Are we to help support them and fight their battles, too?

Negotiating is all well enough. No chance for a peace settlement by diplomatic means should be passed up.

But words avail nothing with Red China and Russia. They respect only the iron speech of military strength. There will be no basis for negotiation if the Communist horde decimates our little Army in Korea and drives its fragments out.

Why haven't our "friends" got something more than a few token forces in that broken, hard-pressed front? They voted in the UN to stop the aggression in Korea. They've had 5 months of precious time.

If they all, including India, had responded, the story might be very different now. The Red Chinese might not have stormed into Korea. But our "friends" talked, and talked, and still talk.

Washington should talk now, in blunt words. It should tell our allies that either they come across with fighting men or we will look to our own interests. Then if we must fight China, with Russia back of her, call on Chiang Kai-shek's half-million troops. Arm the Japanese. Hunt out Nationalist guerrillas in China and equip them to harass the Reds.

We have resources if we will use them. It is folly for us to fight Russia's stooge-millions alone, while forty-odd other nations prattle and blather on the sidelines.

The Communists will respect no peace that might be patched up if they see that the UN nations have no stomach to resist them. Now, when the blue chips are down, is the time to find out which nations will stand with us to save themselves.

Mr. President, as I stated, letters from my constituents clearly indicate their distress, their alarm, their concern, and their inability to understand why some things have occurred and why others are now happening. They do not understand why more governments of the

United Nations are not fighting in this conflict, just as America is. I cannot answer that question, Mr. President.

I have received letters from wives, and from fathers and mothers, inquiring about their husbands and sons. They ask why they must fight under such conditions, and why we are not fighting the Chinese in China, with bombs to destroy their military installations and their arms and ammunition depots. They ask why we are doing nothing but holding our boys in the mountains in freezing weather, while hordes of the Reds pile in from across the border, bringing with them the arms and equipment which they had gathered and stored across the border in preparation for this invasion.

Mr. President, I cannot answer all those questions. I do not have all the answers. However, I say that the American people want to know more than they are being told today about why conditions are as they are.

The question arises about the use of the A-bomb. I do not know if and when and where the A-bomb should be used in this conflict. I am not a military expert. There are many factors which should be considered in that connection. I do not know how many A-bombs we have. I do not know whether we are prepared to start an A-bomb war and carry it through successfully. If I thought we were, before daylight tomorrow morning I would drop an A-bomb anywhere where it would do the most devastation to the enemies of our country and those who are killing our boys, if I knew that that was the wise thing to do under present conditions. I have no hesitancy or qualms about doing whatever is necessary in this conflict and whatever becomes imperative to save our country and prevent more American boys from dying.

Mr. President, there is only $38,000,000 involved in this particular bill. I have heard it said that it is one of the best investments that we could possibly make with that amount of money.

Mr. President, that is simply a matter of opinion. Those who contend it is, may be correct. Subsequent events may prove them to be correct in their opinion. But, Mr. President, based on our past experiences, I do not see how the proposed investment is the best investment we can make at this time.

We are being asked to appropriate billions of dollars to rearm America. I do not know what one A-bomb costs, but I would rather invest some of it in one A-bomb, from the standpoint of strengthening the security of America, than to spend it to aid a Communist government, a government which subscribes to and practices a philosophy that the people who believe in freedom and religious liberty and the fundamentals of Americanism are their mortal enemy and must be destroyed. Until I have some assurance, until I can obtain some information upon which I might place some measure of reliance, I cannot, under those conditions, believe that this breach between Tito and his Communist government and the Kremlin and the Communist government of Moscow is more than a mere scratch on the surface that may quickly heal. I do not think Tito and Stalin disagree upon a single fundamental. It is only a question of leadership—their philosophies are the same.

Mr. President, I may be wrong, but I shall take the chance of refusing, until I have further information, until I know something which convinces me to the contrary, to vote to spend American dollars, money which we have got to borrow, in bolstering a Communist government anywhere in the world.

Mr. McCARRAN obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. WHERRY. I wish to ask Senators who have the bill in charge if it is the intention that the Senate vote on the bill tonight, or that it go over until Monday?

Mr. FULBRIGHT. It is our hope that the bill may be acted upon this afternoon.

Mr. WHERRY. I did not know whether it was the intention of the majority leader that the Senate vote on it tonight, or that it be carried over until Monday.

Mr. LUCAS. Mr. President, there is only one amendment to the bill, I may say, to which no one seems to object. That relates to certain religious conditions existing in Yugoslavia at the present time. After the Senator from Nevada has concluded his speech, and another Senator has spoken, we probably can have a vote on the bill. I should like to have the Senate vote on it today, so it may go to the other House as soon as possible, because the Appropriations Committee must act upon it. It is an emergency measure. I may say the Senator from Texas desires that it be passed, if possible, today.

Mr. McCARRAN. Mr. President, I offer an amendment to the bill which I ask to have stated.

The PRESIDING OFFICER (Mr. O'CONOR in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 1 from line 5, through line 8, it is proposed to strike out all of section 2, and insert in lieu thereof the following:

> The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Administration Act of 1948, as amended (Public Law 759, 81st Cong.), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this act.

Mr. McCARRAN. Mr. President, the amendment I have offered is designed primarily to conserve the appropriations this Government is called up to make in this time of emergency. It will not restrict the authority of the President to aid Yugoslavia in accordance with the terms of the bill as it is now before the Senate. It merely provides that the funds for this emergency relief shall be utilized from funds already appropriated for the Economic Cooperation Administration.

In view of our many obligations it is time we began to husband our resources before we find ourselves on the brink of ruin economically.

My subcommittee of the Senate Appropriations Committee has followed closely the funds expended by the Economic Cooperation Administration. Through October 31 the ECA procurement authorizations were running at an annual rate of approximately $1,300,000,000. To this must be added an authorization of $350,000,000 for the European payments union, making a total of approximately $1,650,000,000 out of the ECA appropriations. However, there is available for obligation approximately $2,650,000,000 during the current year. At the present rate of expenditure there is possible a carry-over by ECA of from $500,000,000 to $1,000,000,000. To authorize $50,000,000 of this sum for the purposes of providing emergency relief to Yugoslavia will not retard or interfere with the ECA program. The gold and dollar reserves of the participating countries have increased almost $2,000,000,000 since September 1949. This increase has been greatest during the past 4 months when ECA aid to these countries has been at an all-time low. In fact, the greatest improvement in the gold and dollar situation of the participating countries has occurred while ECA procurement authorizations were by far the lowest in the history of the Marshall plan. The ECA's recovery guide for October 1950 points out especially the improved position of the participating countries during the July–September quarter of this year. I quote the following from this guide:

> Economic developments affecting the participating countries of Western Europe in the summer of 1950 following the outbreak of the Korean crisis, represented a continuation and intensification of trends already apparent during the earlier months of the year. Western Europe's exports continued to increase, its balance of trade to improve, its dollar gap to narrow, and its hard currency reserves to increase. * * * (Devaluation and continued prosperity in the Western World have combined) to bring about a striking improvement in Western Europe's economic position, especially in its balance of payments position. In the year that has elapsed since September 1949, Western Europe's exports to nonparticipating countries have expanded sharply, its imports have held constant. Intra-ERP trade has shown an extraordinary expansion. Production has continued to grow at a rapid rate, thus feeding both higher exports and domestic consumption, and investment. Output in July 1950 was 13 percent above that of July 1949. The hard currency holdings (gold and dollars) of the participating countries have increased almost $2,000,000,000 since September 1949.
>
> The gold and dollar reserves of the participating countries showed a further sharp increase during the third quarter of 1950.

Let me say at this point, Mr. President, that today our dollars are being banked in England, while we are borrowing the dollars from the people of the United States. The dollars our Government is borrowing from our citizens are going into the banks in England and are being saved there.

I can assure the Senate that if my amendment is adopted, the effectiveness of the ECA will not be interfered with, and we shall be saving $38,000,000. I

realize that is not very much, as money goes these days; but it is something, and it might begin a trend in the right direction.

Mr. BREWSTER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. TAYLOR in the chair). Does the Senator from Nevada yield to the Senator from Maine?

Mr. McCARRAN. I yield.

Mr. BREWSTER. I was interrupted at the moment when the Senator was speaking; but I think he gave the figures as to the British increase in gold reserves.

Mr. McCARRAN. Yes.

Mr. BREWSTER. I understood the Senator to say that that increase approximates the amount we are giving to Britain. Did the Senator say that?

Mr. McCARRAN. Yes, that is correct.

Mr. BREWSTER. Approximately $1,000,000,000, I believe?

Mr. McCARRAN. Yes.

Mr. BREWSTER. Has the Senator's attention also been called to what I think is correct, namely, that during the quarter from July to October the reserves, in dollars, of the European countries participating in the ECA plan were accumulating at the annual rate of approximately $2,500,000,000, which is approximately the amount we are providing under ECA?

Mr. McCARRAN. I have referred to that, and I am glad to have the Senator emphasize it, because it is an important point.

Mr. BREWSTER. Yes; and it is an indication of how prudently the program is being managed, after we have borrowed the money.

Is it not also true that Britain has had a balanced budget during this period?

Mr. McCARRAN. Britain has had practically a balanced budget; yes.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. FULBRIGHT. Did I correctly understand the Senator to say that his proposal is to transfer $50,000,000 from the ECA appropriations?

Mr. McCARRAN. Yes; up to $50,000,000.

Mr. FULBRIGHT. This amendment was not presented to the committee, and I am not quite sure of its full significance. Would the amendment, if adopted, mean that in order to take advantage of these funds, Yugoslavia would have to abide by all the obligations which other ECA countries now have to assume?

Mr. McCARRAN. Not necessarily. If I had my own way, I would say they should, but not necessarily under this amendment. In other words, the amendment will provide an opportunity for the President to utilize up to $50,000,000 of the ECA funds, to be devoted to the very purpose for which this bill is before the Senate.

Mr. FULBRIGHT. Would it be fair to say that the only effect of the Senator's amendment, if adopted, will be that instead of appropriating fresh money out of the Treasury, we shall be transferring, free from any other obligation, this amount of money for the President to use?

Mr. McCARRAN. Yes; out of the ECA funds.

Mr. FULBRIGHT. Out of the ECA funds; yes.

Mr. McCARRAN. Yes.

That is why, Mr. President, I am discussing the situation, for it is my purpose to try to show the Senate that the conditions in Europe at the present time justify the conclusion, without fear of successful contradiction, that there will be anywhere from a $500,000,000 to a $1,000,000,000 ECA carry-over.

Mr. FULBRIGHT. That was the next question I wished to ask specifically.

Mr. McCARRAN. I covered that in the earlier part of my remarks.

Mr. FULBRIGHT. I assume that there is no real disagreement between the Senator from Nevada and the ECA officials themselves that there will be a very substantial surplus which ECA will not need.

Mr. McCARRAN. That is correct.

Mr. FULBRIGHT. In other words, a surplus of at least more than $50,000,000. That is all we need to be interested in, insofar as the Senator's amendment goes.

Mr. McCARRAN. In my own judgment, it will exceed $500,000,000, and will run toward $1,000,000,000.

Mr. FULBRIGHT. Of course, that leads me to observe that that indicates that the Marshall plan has at least been successful in achieving the effect we intended.

Mr. McCARRAN. I think the report coming from the ECA's Recovery Guide—from which I have read only an excerpt—shows how successful the program has been up to date. It shows the gold dollar reserves at the present time—reserves which are practically up to standard. It shows, I repeat, that today Britain is banking American dollars, whereas we are borrowing dollars from our American citizens.

I point that out simply to emphasize the fact that the step proposed to be taken under the amendment can be taken without impairing at all the efficacy of the program under the Marshall plan.

Mr. FULBRIGHT. I wish to make sure—because I have not had an opportunity to study the amendment at all—that the basic principle of the Marshall plan is not involved at all.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. AIKEN. Will the Senator explain why the amendment provides for $50,000,000, when the pending bill calls for only $38,000,000?

Mr. McCARRAN. They have already used $12,000,000.

Mr. AIKEN. Was that amount taken out of ECA funds?

Mr. McCARRAN. Yes; out of the ECA funds.

Mr. AIKEN. Is that authorized by the ECA Act?

Mr. McCARRAN. I cannot find any authorization for it, Mr. President. If I were to give the Senator from Vermont a blunt answer, I would say it is not authorized, but I would say that with reservations. I say frankly that on the basis of the language used in the ECA Act, I have been unable to justify the use of that money.

Mr. AIKEN. Then, the Senator's amendment contemplates legalizing the expenditure of $12,000,000, in addition to the authorization proposed by the pending measure; is that correct?

Mr. McCARRAN. Yes.

Mr. AIKEN. I think that answers my question.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. CORDON. I should like to know why the Senator by his amendment seeks to be more generous in the use of funds than the State Department does, although the record of the State Department, as I have observed, is one of great generosity in these matters. In short, I refer to the difference between the $38,000,000 authorization carried in the pending bill and the $50,000,000 authorization carried in the Senator's amendment.

Mr. McCARRAN. The $12,000,000 which already has been utilized will be covered into the $50,000,000 authorization, and that will leave an authorization of $38,000,000.

Mr. CORDON. Is there anything in the Senator's amendment which would require that to be done? It would appear to me that when we consider the tenuous authority, if any, that the State Department had for its expenditures in the first place, if we expect it to replace what it already has spent, but which seemingly it had no authority to spend, we had better expressly provide that that be done.

Mr. McCARRAN. I am in general agreement with the Senator from Oregon, in that I have grave doubt as to the authority under the ECA Act for the use of the $12,000,000. However, be that as it may, that money has already been used. Now they want $38,000,000 in order to be able to go on with the program for the relief of Yugoslavia.

If we adopt this amendment, thus providing that they may utilize up to $50,000,000 of ECA funds, that will cover the $12,000,000 which they may have utilized without authority, and will give them authority to utilize $38,000,000 in addition.

Mr. CORDON. Mr. President, will the Senator yield further?

Mr. McCARRAN. I yield.

Mr. CORDON. Would the Senator consider modifying his amendment so as to provide that the $12,000,000 shall be in lieu of the funds already spent?

Mr. McCARRAN. I would not object to modifying the amendment in that way.

Mr. CORDON. It seems to me that the amendment should be very specific.

Mr. McCARRAN. I would not object to modifying the amendment in that way, except for the fact that I do not like to give positive agreement to something which I do not think was done legally.

Mr. CORDON. Would the Senator consider such a modification over the week end?

Mr. McCARRAN. Yes; I certainly would.

Mr. STENNIS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. STENNIS. The Senator has stated that Great Britain has been taking the borrowed dollars which we have sent to her and has been putting them in banks in England. Will the Senator go into detail in that connection, or will he address a question to the sponsor of the bill, so that we may find what justification he has for such a procedure? After all, that point is a vital one.

Mr. McCARRAN. Today the funds we are affording Great Britain in the way of American dollars are not being utilized for the purposes contemplated by the Marshall plan. Britain does not need the money. Great Britain's economy is up to par, and Britain does not need that money. So what are the British doing with our dollars? They are putting them in the bank; that is what they are doing with them.

Mr. STENNIS. Why does the ECA Administrator continue to send those dollars, if they are not needed? Can the Senator from Nevada answer that question?

Mr. McCARRAN. I cannot answer it.

Mr. STENNIS. I thank the Senator.

Mr. AIKEN. Mr. President, will the Senator yield for another question?

Mr. McCARRAN. I yield.

Mr. AIKEN. I assume that the Senator from Nevada is familiar with the ECA's methods of doing business. If the ECA had the right to expend the $12,000,000 which has been spent for relief of Yugoslavia, and if there is sufficient ECA money on hand, as the Senator from Nevada seems to think there is, what is the reason for this bill at all—if the ECA has authority to spend the additional amount of money?

Mr. McCARRAN. This bill comes to us because Yugoslavia is not an ECA participating country, and never has been.

Mr. AIKEN. But if the ECA had authority to spend the $12,000,000, it has authority to spend $50,000,000 for the same purpose.

Mr. McCARRAN. The Senator may argue that way if he wishes to do so.

Mr. AIKEN. I do not wish to do so. I am seeking information.

Mr. McCARRAN. I should like to have information accompanied by a reasonable degree of legality.

Mr. AIKEN. But if it is reasonable for the ECA to spend $12,000,000 for this purpose, it is reasonable for them to spend $50,000,000 for the same purpose.

Mr. McCARRAN. I do not wish to do anything to impair the Marshall plan.

Mr. AIKEN. No one does.

Mr. McCARRAN. If I thought I was even on the edge of impairing the Marshall plan, I would not go forward with this amendment. However, I know it is admitted that the ECA has a carry-over. The ECA had a heavy carry-over last year, and this year the ECA will have a larger carry-over because the economies of the participating European countries have improved during that period of time.

Mr. President, in this critical period it behooves us to take every possible step to conserve our assets, inasmuch as we do not know the extent to which we may be called upon to furnish dollars in the near future. Faced, as we are, with unknown obligations, we must use our funds to achieve the greatest returns possible. It does not make sense to make or authorize new appropriations—which is what the pending bill in its present form provides—while we have already appropriated vast sums that could be used.

If more funds are needed before June 30, I am sure the Congress will be in a position to provide them.

Mr. President, I submit the amendment. I submit it without any fear that, if adopted, it will impair the Marshall plan. I submit the amendment because I think the time has come when we should look to the proper use of American dollars, and when we should stop making appropriations if there will be heavy carry-overs from appropriations already made.

Mr. BREWSTER. Mr. President, I first desire to express my regret that I was unable to be present at the committee hearings on this bill, and to become acquainted with some of the grounds upon which it is based. I also voice my regret that there is no evidence available to support the conclusions of the committee. It is not pleasant to appear here in the role of a devil's advocate, but this subject is of great importance.

Mr. CONNALLY. Mr. President, will the Senator from Maine yield?

The PRESIDING OFFICER. Does the Senator from Maine yield to the Senator from Texas?

Mr. BREWSTER. I yield.

Mr. CONNALLY. I ask unanimous consent that the Senate vote on all amendments to the pending measure on Monday at 4 o'clock.

The PRESIDING OFFICER. Is there objection?

Mr. BREWSTER That is agreeable.

Mr. WATKINS. Mr. President, reserving the right to object, I understand that excludes a vote on the bill itself. Am I correct?

Mr. CONNALLY. It does not include a vote on the bill itself. It is a proposal that the Senate vote on all amendments a 4 o'clock, and when that hour arrives and we vote on the amendments, we may then insist upon a vote on the bill; but that is not contained in the request as submitted.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, if I may make an inquiry of the distinguished chairman of the committee, the Senator from Texas [Mr. CONNALLY], Was it the intention to vote on each amendment at the hour of 4 o'clock, without any further debate?

Mr. CONNALLY. Yes.

Mr. WHERRY. And is that what was agreed to?

Mr. CONNALLY. Of course, it would be impossible to vote at 4 o'clock if there were to be any debate. The request I made was that at 4 o'clock Monday the Senate vote on all amendments.

Mr. BREWSTER. Mr. President, could there be some agreement as to a discussion, perhaps, for the 2 hours preceding 4 o'clock, so there would be opportunity for Senators to speak who might want to do so at that time?

The PRESIDING OFFICER. The Chair would point out that there is already an agreement to vote at 1 o'clock on certain amendments to the railroad labor bill.

Mr. CONNALLY. I am aware of that, but that will be out of the way by 4 o'clock.

Mr. BREWSTER. Could we have an agreement that between 2 and 4 o'clock there would be 10 minutes allocated equally to each side, on the various amendments?

Mr. CONNALLY. Tomorrow?

Mr. BREWSTER. On Monday, between 2 and 4.

Mr. CONNALLY. I do not know how the railroad bill would affect that situation.

Mr. WHERRY. We have an agreement on this bill, have we not?

Mr. CONNALLY. We have an agreement to vote at 4 o'clock on all amendments.

Mr. WHERRY. It is already agreed upon; therefore, there is nothing to be done now.

Mr. KEM. Mr. President, was there a quorum call, in accordance with the rule, before the unanimous-consent agreement was entered into?

Mr. CONNALLY. A quorum call is not required on an agreement affecting amendments.

Mr. FULBRIGHT. The agreement does not include the final passage of the bill.

Mr. KEM. Earlier in the afternoon when a similar request was made in connection with unanimous consent regarding an amendment to the railway labor bill, the Senator from Oregon [Mr. MORSE] made the point that no quorum call had been had.

Mr. LUCAS. He merely said he was going to object, unless a quorum call was ordered.

Mr. KEM. And he did object. I feel quite sure that, if the Senator from Oregon had been on the floor when this request was made, he would have objected again.

Mr. CONNALLY. But he was not on the floor.

Mr. WHERRY. Mr. President, in view of the fact that the agreement has already been entered into, I feel that, if the Senator from Texas will agree, we might vote on the first amendment. I do not care about any more debate on the first amendment. Obviously, we cannot vote on all the amendments at one time. I wonder whether it would be agreeable to have an understanding that, after the vote is taken on the first amendment, say 10 minutes on a side on each amendment be allotted until we vote on all of them. Is there any objection to that?

Mr. BREWSTER. Mr. President, I think it would be better if, between 2 and 4 o'clock, the time could be divided between the two sides for the discussion of both the amendments and, as far as I am concerned, the bill, in order that

we might be sure that both points of view on the matter may be adequately presented.

The PRESIDING OFFICER. The Chair would suggest that that, of course, would be contingent upon the ability of the Senate to finish with the railroad labor bill.

Mr. BREWSTER. Yes; that is correct.

Mr. CONNALLY. I may say there is only one amendment, aside from the one offered by the Senator from Connecticut [Mr. McMAHON], on which we are all agreed.

Mr. WHERRY. That is true, I think.

Mr. CONNALLY. There is no danger.

Mr. WHERRY. May we enter into a further unanimous-consent agreement that, after the railroad labor bill has been disposed of finally, the time between then and 4 o'clock shall be divided equally between the Senator from Texas and the Senator from Maine—if the Senator from Maine cares to assume that responsibility—or between the Senator from Texas and the Senator from Nevada [Mr. McCARRAN]. I suppose the Senator from Nevada should take it.

Mr. BREWSTER. Yes.

Mr. CONNALLY. Very well.

Mr. WHERRY. We could then vote on that amendment, and then upon all remaining amendments to the bill, and we might agree that, if any additional amendments were offered, 10 minutes to a side be allotted on each amendment, and then proceed to vote on the amendments. Is that agreeable? Of course, there should be the usual stipulation that all amendments must be germane.

Mr. CONNALLY. That is agreeable to me.

Mr. WHERRY. Very well. If that is agreeable to everyone, I ask that the unanimous consent heretofore entered into be modified accordingly.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

The entire unanimous-consent agreement as reduced to writing is as follows:

Ordered, That on the calendar day of Monday, December 11, 1950, at the hour of 4 o'clock p. m., the Senate proceed to vote, under the limitation of debate hereinafter provided, upon any amendment or motion that may be pending or that may thereafter be proposed to the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia: *Provided*, That after the said hour of 4 p. m., debate upon any amendment or motion shall be limited to not exceeding 20 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and Mr. CONNALLY; (2) that no amendment or motion that is not germane to the subject matter of the said bill shall be received; and (3) that no vote on any amendment or motion proposed to the said bill shall be had prior to said hour of 4 o'clock.

Ordered further, That the time intervening between the disposition of the so-called railway labor bill and the said hour of 4 o'clock on said day of Monday, December 11, shall be equally divided between those favoring and those opposing the passage of said bill and controlled, respectively, by Mr. CONNALLY and Mr. McCARRAN.

Mr. CONNALLY. I am sorry the Senator from Nevada is not present at the moment. While he is out of the Senate Chamber, I accept the amendment offered by him.

Mr. BREWSTER. I am sure we are profoundly grateful for that. That is a great step forward.

Mr. CONNALLY. How grateful is the Senator from Maine?

Mr. BREWSTER. I shall be very gentle in my comments.

Mr. CONNALLY. Does the Senator desire to move the adoption of the amendment? It must be passed upon.

Mr. BREWSTER. It is a little premature for that. I think we had better wait until Monday to finally pass upon this matter.

Mr. CONNALLY. I anticipated the Senator from Maine would not agree, if I were willing to accept it.

Mr. BREWSTER. I am hoping I shall persuade the Senator from Texas to agree with me in this instance if he will listen to my suggestions.

Mr. CONNALLY. I shall listen.

Mr. LUCAS. Mr. President, if the Senator from Texas is going to agree to this amendment, we can probably get this bill out of the way tonight, because there are no objections to the other amendments.

Mr. BREWSTER. I think there are other considerations besides the amendment of the Senator from Nevada. It is not the entire subject matter of this discussion.

Mr. CONNALLY. There is nothing else pending.

Mr. LUCAS. There is a bill pending.

Mr. BREWSTER. I should like to speak to that.

Mr. CONNALLY. The Senator from Maine has the floor.

Mr. BREWSTER. I am quite sure the Senator from Texas is not going to insist that the liberty of discussion be curtailed.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. In order that there may be no misunderstanding, I desire to state my understanding of the parliamentary situation relative to the pending bill giving aid to Yugoslavia. It is this: That when the so-called railway labor bill, on which we have entered into a unanimous-consent agreement, is out of the way and finished, the time between then and 4 o'clock Monday, December 11, will be divided between the proponents and opponents of the bill for Yugoslavia, and any amendments thereto; that at 4 o'clock, whatever amendments are then offered to the bill shall be voted upon; and, on any amendments which are germane, and which may be offered hereafter, debate shall be limited to 10 minutes on a side, until final passage of the bill. Is that correct?

The PRESIDING OFFICER. That is the understanding of the Chair.

Mr. WHERRY. I thank the Chair.

Mr. BREWSTER. Mr. President, I wish to address myself first to the Senator from Arkansas, who challenged some questions that I raised regarding the extent of the drought in Yugoslavia. I may say that I discussed that question rather fully with Mr. Haggerty, who is the authority the Senator cited, Mr. Haggerty having been the agricultural attaché in Yugoslavia at the time we visited there in September of this year. I think that in the very report which has been filed by the committee it is quite evident that the extent of the drought is definitely determined, so far as Mr. Haggerty was familiar with it. The State Department, when it issued the release on this matter, said there had been a total crop failure, and I took occasion to comment that that was totally in error.

In the report of the committee, it appears that the corn crop of Yugoslavia for the current year is 59 percent of normal for 1947–49; the wheat crop is 88 percent of normal. Those are the two major crops. The percentages in 1950 of 1947–49 average of other commodities produced in Yugoslavia, as listed in the committee report, are as follows:

	Percent
Rye	83
Barley	87
Oats	79
Rice	100
Vegetables and melons	57
Potatoes	67
Edible fats	88
Sugar	108
Beans	72
Peas	57

I may say that corn and wheat are the major crops, as we were told by Mr. Haggerty. I desire to call attention now to the next sentence of the committee report:

These figures do not tell the whole story. Yugoslavia normally has food enough to export and thereby acquire foreign exchange with which to buy needed imports.

Certainly people are not starving when they have the food which is in any such amounts as those indicated; certainly at least not until the last half of the year. I noticed that the Senator from Arkansas referred to this crop year. This crop year runs until the harvest of next August and September, and the point which I wish to make is that there are very considerable reserves of food in Yugoslavia at the present time, unless they are exporting it.

I visited some of the farms with Mr. Haggerty. He pointed out the conditions. I saw some corn, which was equal to the finest corn ever raised in Iowa, which was being fed to the hogs on a cooperative farm which we visited in September of this year—finer corn than I have ever seen raised in most of the States in this country. There were very considerable supplies, as is indicated by the report of the committee.

I had anticipated that this would be a subject for the early consideration of the next Congress when it convened in January, and that there would be ample time then for the Congress elected last November to consider with all reasonable diligence the questions involved. Certainly I would desire that there be no undue delay. However, I regret that there has been the precipitate action which is indicated by what the State Department and the administration have done today.

Mr. President, there are aspects of the matter which lead me to ponder the

wisdom of the course suggested. The tremendous haste to get aid to Yugoslavia, in contrast with the extreme reluctance to get Congress-directed aid to Spain has aroused in me questions as to why there should be this almost unseemly haste in the face of the very figures which the committee itself includes in its report.

Mr. FULBRIGHT. Mr. President, I did not intend to leave the impression that there was no corn and no wheat and no rye at all. However, I think 59 percent is what certainly we would call a crop failure in this country.

Mr. BREWSTER. It is a decrease of 41 percent.

Mr. FULBRIGHT. I referred to 59 percent of what their normal crop is.

Mr. BREWSTER. They do not say it is normal. They say the average of 2 or 3 years.

Mr. FULBRIGHT. I assume that would be normal. I asked Mr. Hagerty how the present drought compared with any other drought which Yugoslavia had experienced, and he said that the present drought was much the worse drought in the country's history. The last drought which was at all comparable to the present one occurred in 1927.

I agree that as of today the people in Yugoslavia are not starving, and that there are some provisions available. However, the Senator from Maine knows as well as I do how slowly Government machinery moves. After an authorization is obtained, the appropriations must be voted. After that the actual getting of the supplies into the pinelines takes additional time. If we were to pass the bill now, it is likely that it would be as late as February or March before much of this material would begin to move to Yugoslavia. That would be true certainly unless we resorted to some strenuous or rigid measures such as the transfer of wheat from Italy. Why that was done, except that there was an emergency, I do not know. I assume the picture is spotty, and that there are places where the situation is really bad today, and that there are other places where it is not so bad.

I should like to make one further comment. Reference was made to aid to Spain. In my view—and I think it is the view of the committee—the reason for passing the pending bill is not altogether humanitarian and not altogether due to our concern for people who need something to eat. There is no question that there are other considerations which are influenced by the state of the world today. The fact has already been commented upon. Certainly the fact is having an effect—and I would say a political effect—upon the attitude of the people of Yugoslavia.

Let us put ourselves in the position where 6 months from today the people of Yugoslavia can see that if they do not get aid they will be starving. Any prudent person must make some decision at to what will happen. The decision must be made whether they will get aid. If they do not know whether they will get some aid 2 or 3 months from now, during the interval I think they would have to do something about it. They would have to do one of two things. They would have to give up their independence and say to Moscow, "You have licked us. Therefore we are coming back to you on our knees. We may starve if we don't." They would have to do that or they would have to overthrow the present government.

Mr. BREWSTER. That might not be an unmitigated evil.

Mr. FULBRIGHT. I think it would be a great loss to the west if Yugoslavia, with 30 army divisions, were to beg Moscow's pardon and then become an integral part of Soviet Russia.

Mr. BREWSTER. That is not what the Senator from Maine suggests. If the Senator from Arkansas assumes that any change in government in Yugoslavia would necessarily be to the left, it must be on the basis of assumptions which are not warranted by any evidence presented thus far.

Mr. FULBRIGHT. I think the evidence is pretty clear.

Mr. BREWSTER. I should like to finish my statement, please. As a matter of fact, the government which was supplanted by Tito's government was to the right, and not to the left. The Communists are presumably a very small proportion of the population of the country. However, the Tito group is dominant and has control. I believe the Senator is familiar with the situation that in many countries Communists have taken control, although they represent only 5 or 10 percent of the population. However, it does not necessarily follow that any change in government would be to a government which looks in the direction of Moscow.

Mr. FULBRIGHT. In that part of the world it is clear to me that it would be toward Moscow. The same situation exists in Czechoslovakia. I agree that the great popular support is not for communism. However, the fact is that Yugoslavia's neighbors—Czechoslovakia, Rumania, Bulgaria, Albania, Hungary, and Poland—are under the complete domination of Moscow. It is not because the people of those countries love Moscow. It is because there is no force in those countries sufficiently strong to overthrow the Communists. The only reason that Yugoslavia can get away with its defiance of Russia and can maintain its independence is because it has an outlet to the west. It has an outlet to the sea, and consequently there is always the possibility of aid from us. Yugoslavia has an approach by sea. We can get to Yugoslavia. They can develop a relationship with the west. We cannot do anything about it so far as Bulgaria or Rumania or any of the other countries are concerned, and will not be likely to be in a position to do anything about it in the near future simply because of that reason. If we do not help the people of Yugoslavia to maintain their independence they have no place to turn.

Mr. BREWSTER. There is no suggestion by the Senator from Maine that we would wish to destroy the independence of Yugoslavia.

Mr. FULBRIGHT. I believe that is the main reason why the bill should be passed.

Mr. BREWSTER. I should like to ask the Senator from Arkansas further whether or not Mr. Haggerty stated to the committee the system under which the Yugoslav Government accumulates its food and why there is difficulty with respect to it in some sections of the country.

Mr. FULBRIGHT. He did. We went into that question to some extent. Mr. Haggerty struck me as being a well-informed man as to the effect of collectivization, and that sort of thing. Collectivization, he told us, and I agreed, has also tended to decrease the production of Yugoslavia, and so on. That is in addition to the drought. However, I do not see how we can do anything about it at the present time.

Mr. BREWSTER. That is not the point to which I was addressing myself, although it is very interesting and somewhat anachronistic that Yugoslavia, which is a disciple of communism and collectivization, should seek aid from the free-enterprise system. The point I wish to make is that the Tito regime had made an assessment of a certain percentage of the crop. Last year that did not work out. Accordingly, they made an assessment on each farmer for so much corn and wheat, which the farmer, according to his normal production, must deliver. The Government did not set up a percentage, but set up the assessment in so many bushels. When the shortage came, the corn crop being only 59 percent of normal, and wheat about 88 percent, it meant that if the peasant did not deliver the assessment he would have nothing left with which to feed his family. The result was that the peasant headed out into the woods. He was not going to see his children starve. The peasant is assessed a certain quota, and if he cannot meet it, he is put in the work gangs that we saw being marched through the streets of Belgrade under the guns of the militia.

There would be no reason for the peasants of Yugoslavia to starve if they were permitted to have the food which they themselves have raised. When the government seizes the food, either for the army or for export, and allows its peasants to starve, it is not demonstrating much concern for its citizens or for its institutions. There is no question that the peasants would be able to get along all right if they could have some food for their families. That is what they are denied under the current policies of the government. My information in that respect came from Mr. Haggerty in person in Belgrade.

Mr. FULBRIGHT. I am not disputing that aspect. Certainly the Senator from Maine cannot put me in the position of defending the domestic policies of Yugoslavia. That is not my purpose at all. The pending bill has nothing whatever to do with that situation. If we were thinking of Yugoslavia alone, with no relation to the present difficulties in which we find ourselves with regard to Russia, it would be an entirely different matter. I do not approve of those practices. I think they are wrong; they are misguided; they defeat their own purposes. I will go along with the Senator in that

respect. I do not think, however, that it has anything to do with the passage of the bill insofar as our interests at this particular time are concerned. That is all I wish to say. I completely dissociate the wisdom of their domestic policies from what is proposed to be done by the bill.

Mr. BREWSTER. To me it is unfortunate that the humanitarian and expedient are so obviously intermingled, and I believe the Senator from Arkansas will agree with me. There are approximately a billion people in the world who are in dire distess. At Dublin, in September, at the Interparliamentary Union meeting, the representatives of India, Burma, and Ceylon denounced America as imperial colonialists because we were pursuing exactly the same policies which Britain, France, and the Netherlands are pursuing. They denounced us in unmistakable terms, and not one voice was raised in our defense, except as we could raise our own feeble voice.

Mr. FULBRIGHT. All I can say to the Senator from Maine in that respect is that we are confronted with a very serious situation which involves our very survival. I am quite willing to ignore the denunciations of India, if that is the way they feel about a situation such as this. I think we in the western countries are in an extremely serious situation, and it is high time that we tried to do some very practical things with respect to the challenge of Russia, regardless of whether it pleases the idealism of India, or any other country. I am not familiar with the denunciations to which the Senator has referred, but I could be critical of India, if it becomes necessary to discuss the subject. However, I do not think it would serve any purpose to do so.

Mr. BREWSTER. What puzzles me is that the Senator should present this subject first as a humanitarian measure.

Mr. FULBRIGHT. I did not do any such thing.

Mr. BREWSTER. The Senator from Connecticut was the one who expressed that though when he said, "We are seekin to assist people in distress."

That was earlier advocated. The Senator from Arkansas is very frank in saying that this is a matter of expediency, and that we need to keep this situation under some kind of control.

Mr. FULBRIGHT. I will go further and say that that was the predominating motive for ECA, and I said so on this floor. It was not because I was interested primarily in raising the standard of living of the British or French. I can find people in my own State who need help so far as their standard of living is concerned. If the Senator wishes to call it expediency, that is all right. I think it is simply a sensible effort to preserve the integrity of western civilization.

Mr. BREWSTER. Self-interest.

Mr. FULBRIGHT. Exactly. It is an effort to survive. It was self-interest in an effort to preserve what we sometimes call western civilization. That is the principal motive for the entire program of ECA.

Mr. BREWSTER. Under ECA and under the North Atlantic Pact, in return for the assistance we have been rendering we have asked very considerable obligations. We have pledged more assistance than we have received thus far, even under the United Nations.

Under the circumstances it is to me a matter of regret that it did not seem appropriate to request some further commitments than are indicated or envisioned here. We hear about the 32 divisions of Tito, but there is no suggestion that they will ever be utilized unless his own country shall be invaded. I believe that the Senator from Arkansas or one of the other previous speakers emphasized that the Russians would undoubtedly move, if they decided to move, through Germany or Austria, or in other directions. In that event there is nothing whatever to indicate that Tito will not continue to teeter on the fence, exactly where he has been. Even since his break with Stalin, he has voted half the time with Russia in the United Nations. That is a situation which I find it very difficult to understand when he comes to us hat in hand. He assured us in Belgrade in September that he was still a practicing Communist. He made no bones about it. He did not deny it. He said, "I believe in communism." The very words which he used were:

> I look upon myself as the leader of the progressive peoples behind the iron curtain.

In other words, he was to take the place of Stalin as the leader of the Communists in the event, when, as, and if, he should liquidate Mr. Stalin, if Mr. Tito were not liquidated first. I think the American people are entitled to know something of the story of what goes on over there, and whether or not the course of action which is proposed is wise.

I have a very considerable respect for Mr. Reams, counselor of our Embassy, who in my judgment was the best informed man there. If I were to attach final weight to any opinion, it would be to his. That is what impressed me more than any other aspect of this matter. But unfortunately Mr. Reams is not going to be there. He has now left the embassy. He is here. He had been there for a long time. I have great respect for George Allen, our Ambassador, but he has only recently arrived. He is undoubtedly trying to do the best he can, but he faces an exceedingly difficult and delicate situation.

I cannot comprehend how the amendment dealing with religious, economic, and political liberty means anything at all. It simply says that we do not approve certain practices. In other connections, when we have had some other problems, our State Department has been vehement against certain countries. There was denunciation of Spain, where the abuses of religions are utterly insignificant compared with what is going on in Yugoslavia at the present time. Archbishop Stepinac and 400 priests are in jail. Three hundred and eighty have been murdered. There has been no such record of religious persecution in Spain, yet our State Department would never consider assistance to Spain because, forsooth, there had been alleged religious persecution, the circumstances of which were absolutely not supported by our investigations on the ground.

Some 10,000 Greek children were kidnapped by the Yugoslavs and their associates under Moscow domination. They have returned 50 or 60 of them. We took the matter up with Mr. Tito, and he absolutely refused to discuss it. He said, "That is a matter that we cannot go into at this time." He now talks about the 50 or 60 whom he returned.

We have heard a great deal about civil rights, and habeas corpus. It was announced a little while ago that measures were being formulated in Yugoslavia by which they proposed to lift some of the restrictions of a police state upon their people. Then it was added, "These proposals will be presented to the Yugoslav Assembly next spring when it meets." Next spring is a long way off.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. BREWSTER. I yield.

Mr. MAYBANK. I desire to bring up a privileged matter, a conference report——

Mr. BREWSTER. Just a moment. I did not yield for that purpose.

Mr. MAYBANK. It is a privileged matter.

Mr. BREWSTER. Not while I am speaking.

Mr. MAYBANK. I understood——

Mr. BREWSTER. I assumed that the Senator wanted to ask me a question. I did not assume that he was going to take me off the floor.

Mr. MAYBANK. I did not suggest such a thing.

I ask unanimous consent, if it does not require any great amount of time, to present the report——

Mr. BREWSTER. Mr. President, I should like to finish my remarks. I shall not unduly detain the Senate. I have been waiting all afternoon.

Mr. MAYBANK. I did not finish the request I was about to make.

Mr. BREWSTER. I do not propose to yield for that purpose. I am sorry, but I have been waiting all afternoon. I have some other obligations as well. I wish to dispose of this matter as quickly as I can.

Mr. President, I question seriously the effectiveness or the wisdom of this proposed grant to Yugoslavia.

What is the purpose of it? It is to bolster the authority of a Communist dictator who appears to have fallen out with Moscow and who now, because of a crop failure, finds himself in deadly peril between Stalin on the one hand and his rebellious and enslaved people on the other.

The State Department contends that the break with Moscow has magically turned the Yugoslav Government into a bulwark against Communism and that the Yugoslav Communist army is of vital importance in holding up the Russian advance.

This line of argument is difficult to accept.

The Yugoslav people already have had one bitter lesson in the operation of American policies. Their Communist dictator, Josip Broz, popularly known as Tito, got his place originally through the insistence of Stalin and an American camarilla of fellow travelers, headed by Louis Adamic, who had access to the

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White House. The United States Government, in the process of being an echo to Moscow in Tito's support, did nothing to prevent the treacherous betrayal and execution of Mihailovich, the great Yugoslav hero of the war. Mihailovich, the enemy of the Nazis, whose determined campaign held up the German advance in the Balkans many weeks, was handed over in 1946 to Tito's Communist gang and then judicially murdered.

The American people also have had a bitter illustration of Tito's character. In August 1946 a United States plane, flying its regular run from Vienna to the Udine, was beaten out of its course by a storm and passed over Yugoslav territory. Without a warning of any kind, Tito's gunners shot the plane down and the flyers were killed. Who but Dean Acheson said that this wanton attack was "an outrageous performance" and that "in practically every other part of the world the C–47 would have received help in getting its bearings. Instead it was shot down without warning." Now this same Dean Acheson wants $38,000,000 to help prevent Tito's police-ridden subjects from rising up and throwing him out. Is this what we call aiding the freedom loving west?

Why should we believe that the Yugoslav army is any protection to us against Moscow? Once the break with Moscow occurred Tito had to conduct a bloody purge of his army. Today he cannot tell who is for and who is against him. Of course, many of his officers are secretly as close to Moscow and the Cominform as they have ever been. When I was in Yugoslavia three of his leaders deserted him and went over, indicating the very difficult time he himself now has.

Do not forget that the ruling clique in Belgrade, whether they have outwardly broken with Moscow or not, are still Communists and that Tito's government is still a Communist government. During the past 5 years our Government has embarked on the strange practice of finding some Communists good Communists and others bad Communists. In China that theory does not seem to have worked out so satisfactorily. There were those who assured us that General Mao and his associates were the good kind of Tito Communists. They are now murdering American boys in the hills of North Korea. I hope we shall not find another experience of serious misjudgment in the case with which we are now concerned. It seems to me that all Communists are alike, and that all are very questionable allies.

I might say at this point that our State Department's passion for Tito and his government has had ghastly results eleswhere. After Tito's break with Moscow some of Mr. Acheson's master minds evolved the theory of Titoism. Titoism is a word used to describe a left wing government that can not get on with Moscow. The State Department loved this theory of Titoism so much that they applied it to China. They said that the Chinese Communists were just agrarian reformers, that they would not go along with Moscow at all and that the Chinese Communist regime was already showing signs of Titoism. Today, as I speak, those Chinese Communists are butchering Americans in cold blood in the snowbound passes of North Korea. If that is what Titoism means in China, why should we expect it to be something different in Yugoslavia?

I have said that Yugoslavia is a Communist country and that, despite the purge, Tito cannot tell who is for and who is against him, who are secretly for Moscow and who are not. A year ago one of the members of the central committee of the Communist Party of Yugoslavia declared that 85 percent of the Communists are against Tito and for the Cominform. How many Communists there are is quite another question.

The common soldiers of the Yugoslav Army are young peasants who have not the slightest sympathy with Tito. Why should they? They have seen with their own eyes the forcible collectivization of thousands of Yugoslav farms. I myself visited one of them. Half a million peasants have been condemned to forced labor because they did not give enough corn to the Communist government. Tito's brutal exactions upon the peasant farmers have been carried out with just as much ruthlessness as Stalin's famous and bloody liquidation of the kulaks.

What is the basis for the argument that the Yugoslav Army can offer effective resistance to the Russians? The Yugoslav Army has an air force of 800 antique planes. What good will they be?

Along the Adriatic coast they have an old-time toy navy consisting of one frigate, three destroyers, eight torpedo boats, and seven lame and halt submarines. What good will they be?

In the event of open war with Russia, the bulk of the officers will go over to Stalin, the common soldiery will melt away to their homes or attempt to get across the frontier, and the remnant, the little Tito gang, will try to find a refuge in the Bosnian Mountains. Just exactly how is all that going to help the freedom-loving nations of the west?

There is no question about the fighting qualities of the Yugoslav soldier. His valor was shown in both the World Wars. But today he has no confidence in his government and no hope for the future. To be effective, the Yugoslav Army would have to be reorganized and equipped with modern weapons and given leaders whom it could trust. Such a reform is utterly beyond the power of the Tito regime.

Tito is literally caught in the middle of a terrible squeeze. In his prison camps are perhaps 10,000 suspected sympathizers of Moscow and double that number of Yugoslav Nationalists, who, of course, are not Communists at all, but are intense patriots and bitter enemies of the regime. These 20,000 are the remnants of the native patriots who openly opposed Tito. It is estimated that since November 1, 1944, when Tito entered Belgrade, no fewer than 60,000 of these Nationalists have been liquidated. In May 1945 the British Government, still pursuing, with the United States, a policy of Moscow appeasement at any price, handed over 14,000 Slovenes to the Yugoslav Communists. All were killed out of hand. What possible reason have we to believe that there is any dependable strength in a government maintained with such blood-thirsty tyranny? Yet the administration asks that we give Tito outright $38,000,000 worth of foodstuffs.

Yugoslavia has always been a region driven by faction and the longing of native patriots for many years has been for reforms that would help in blotting out the factionalism. The policy of Tito's government has been to inflame these factions wherever possible.

One age-old source of trouble in Yugoslavia has been religious differences. Before Tito, nearly 49 percent of the Yugoslav population were members of the orthodox eastern church, nearly 35 percent were Roman Catholics, and about 11 percent were Moslems. Far from attempting to encourage toleration, the tactics of Tito with the churches has been infamous. More than 380 Roman Catholic priests are dead at the hands of Tito's men and some 400 are in prison today. The most famous of all is Archbishop Stepinac. In October 1946 he was seized and brought to trial, charged with crimes against the state. His defense was that he had raised his voice against massacres and conversions by force, arguing that such things were against canon law. No matter. He was condemned to the loss of his civil rights and sentenced to 16 years in prison.

Recently, when we were in Yugoslavia, we discussed this matter with Marshal Tito. He indicated that he was considering the matter at the time; that he had had discussions with high church dignitaries and hoped the matter would be adjusted. The principal solution was that he would permit Archbishop Stepinac to be freed from jail if he would get out of the country, which involved, by implication, either a conclusion that Archbishop Stepinac was guilty of the crime with which he had been charged or that the Government of Yugoslavia, in accordance with Communist doctrine, should arrogate to itself the right to dominate the activities of the church. If Stepinac were guilty, then by leaving the country he admitted his guilt. On the other hand, if he were not guilty he must admit that Tito was to dominate the activities of the church within that land.

It seems to me that the amendment which is proposed, by which we partially look down our noses, and says we do not approve the religious, political, and economic dictatorship of Tito, is a very poor compensation for the conditions which undoubtedly prevail, not because we are engaged in any crusade to bring freedom and liberty to any country in the world, but because we have very little reason to rely upon the operations of a dictator who conducts the affairs of his own country in so incredible a manner.

The administration maintains that the exports of Yugoslavia to the west are of a critical character, that they are absolutely essential. What exports? The exports of the country have dwindled until they are only a fraction of what they once were. This is not alone due to devastations of the war? It is also due to the crazy, wholesale effort to communize

all business and industry. I note that even the House report on this Yugoslav proposal states that the rates for plan fulfillment of the Yugoslav 5-year plan "must have been"—and I am quoting—"the results of statistical legerdemain."

Mr. President, I am convinced that the pending proposal is of very questionable expedience, if not worse, and will represent no true aid whatsoever to the enslaved Yugoslav people. Moreover, here again we have American foreign policy at work with the same mistakes which have brought us to the sorry mess we see today. We are asked by the State Department to make this grant without gaining any assurances or considerations for the interests of the United States or of the free world. We can be certain that nothing will be done by Tito to rectify the confiscation of American economic interests in Yugoslavia. Even France in her recent aid to Yugoslavia was not so foolish. She demanded adjustments on the claims of her citizens.

The whole adventure bears the same precarious and doubtful character as does so many of our so-called calculated risks which turned out to be all risks and no calculation.

Mr. President, I hope that very careful consideration may be given to the bill before we enter into the arrangement. I hope the State Department and the administration will find it expedient—since this is a measure of expediency and not humanitarianism—to secure much more definite assurances from the present government of Yugoslavia before we commit so much of the money and the resources of this Government to help a country which, in the event of any crisis that may occur, we would find of very doubtful aid.

EXTENSION OF RENT CONTROL—CHANGE OF CONFEREE—CONFERENCE REPORT

Mr. MAYBANK. Mr. President, two days ago, when conferees were appointed on the part of the Senate, the Vice President appointed the Senator from Indiana [Mr. CAPEHART] and the Senator from Vermont [Mr. FLANDERS] as Republican members. The Senator from Vermont could not be present when the matter was considered by the conferees. So there were three Democratic Senators and one Republican Senator present. It has therefore been suggested that the Senator from Ohio [Mr. BRICKER], who is the next ranking Republican on the committee, serve as conferee.

Mr. President, I ask unanimous consent that the Senator from Ohio [Mr. BRICKER] may be appointed as a member of the conference, because of the fact that the Senator from Vermont [Mr. FLANDERS] cannot serve.

The PRESIDING OFFICER. Without objection, the Senator from Vermont [Mr. FLANDERS] will be excused from further service and the Senator from Ohio [Mr. BRICKER] is appointed to serve as conferee.

Mr. MAYBANK. Mr. President, I now send to the desk a conference report, which has been unanimously approved by the conferees, and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. TAYLOR in the chair). The report will be read.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended by striking out 'December 31, 1950' in each place it occurs therein and inserting in lieu thereof 'March 31, 1951.'

"SEC. 2. Section 204 (j) (3) of the Housing and Rent Act of 1947, as amended, is hereby amended by inserting before the period at the end thereof a colon and the following: '*Provided further*, That as used in this Act the term "resolution" shall not be construed to be limited to ordinances or other legislative acts, and any resolution heretofore adopted by any local governing body is hereby declared to be effective for the purpose of this section 204 (j) (3) or section 204 (f) (1), whether or not such resolution was legislative in character; and no suit or action shall be brought under section 205 of this Act, or any other provision of law, on the basis of any administrative decision or the decision of any court that the resolution described in this Act must be a legislative act'."

And the House agree to the same.

B. R. MAYBANK,
GLEN TAYLOR,
J. WILLIAM FULBRIGHT,
HOMER E. CAPEHART,
JOHN W. BRICKER,
Managers on the Part of the Senate.

BRENT SPENCE,
PAUL BROWN,
WRIGHT W. PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered, and agreed to.

COMMUNIQUÉ REGARDING THE MEETING BETWEEN PRESIDENT TRUMAN AND PRIME MINISTER ATTLEE

Mr. McMAHON. Mr. President, I do not know whether the communiqué which was issued by the White House in regard to the meeting between President Truman and Prime Minister Attlee has been introduced into the RECORD. If it has not, I think it desirable to have it printed in the RECORD, and I now ask unanimous consent that it be printed at this point in the RECORD.

There being no objection, the communiqué was ordered to be printed in the RECORD, as follows:

DECEMBER 8, 1950.

Since Prime Minister Attlee arrived in Washington on December 4, six meetings between the President and Mr. Attlee have been held. Among those who participated as advisers to the President were the Secretary of State Dean Acheson, the Secretary of the Treasury John W. Snyder, the Secretary of Defense Gen. George C. Marshall, the Secretary of the Interior Oscar L. Chapman, the Secretary of Commerce Charles Sawyer, the Chairman of the Joint Chiefs of Staff General of the Army Omar N. Bradley, Mr. W. Averell Harriman, the Chairman of the National Security Resources Board W. Stuart Symington, and Ambassador-designate Walter S. Gifford. Mr. Attlee's advisers included the British Ambassador, Sir Oliver S. Franks, Field Marshal Sir William Slim, Chief of the Imperial General Staff, Marshal of the Royal Air Force Lord Tedder, Sir Roger Makins and Mr. R. H. Scott of the Foreign Office and Sir Edwin Plowden, Chief of the Economic Planning Staff.

At the conclusion of their conferences, the President and the Prime Minister issued the following joint statement:

We have reviewed together the outstanding problems facing our two countries in international affairs. The objectives of our two nations in foreign policy are the same: to maintain world peace and respect for the rights and interests of all peoples, to promote strength and confidence among the freedom-loving countries of the world, to eliminate the causes of fear, want and discontent, and to advance the democratic way of life.

We first reviewed the changed aspect of world affairs arising from the massive intervention of Chinese communists in Korea. We have discussed the problems of the Far East and the situation as it now presents itself in Europe. We have surveyed the economic problems and the defense programs of our respective countries, and particularly the existing and threatened shortages of raw materials. We have considered the arrangements for the defense of the Atlantic community, and our future course in the United Nations.

The unity of objectives of our two countries underlay all the discussions. There is no difference between us as to the nature of the threat which our countries face or the basic policies which must be pursued to overcome it. We recognize, that many of the problems which we have discussed can only be decided through the procedures of the United Nations or the North Atlantic Treaty Organization.

The peoples of the United States and the United Kingdom will act together with resolution and unity to meet the challenge to peace which recent weeks have made clear to all.

The situation in Korea is one of great gravity and far-reaching consequences. By the end of October, the forces of the United Nations had all but completed the mission set for them by the United Nations "to repel the armed attack and to restore international peace and security in the area." A free and unified Korea—the objective which the United Nations has long sought—was well on the way to being realized. At that point Chinese Communist forces entered Korea in large numbers, and on November 27 launched a large-scale attack on the United Nations troops. The United Nations forces have the advantage of superior air power and naval support, but on the ground they are confronted by a heavy numerical superiority.

The United Nations forces were sent into Korea on the authority and at the recommendation of the United Nations. The United Nations has not changed the mission which it has entrusted to them and the forces of our two countries will continue to discharge their responsibilities.

We are in complete agreement that there can be no thought of appeasement or of rewarding aggression, whether in the Far East or elsewhere. Lasting peace and the future of the United States as an instrument for world peace depend upon strong support for resistance against aggression.

For our part, we are ready, as we have always been, to seek an end to the hostilities by means of negotiation. The same principles of international conduct should be applied to this situation as are applied, in accordance with our obligations under the Charter of the United Nations, to any threat to world peace. Every effort must be made

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to achieve the purposes of the United Nations in Korea by peaceful means and to find a solution of the Korean problem on the basis of a free and independent Korea. We are confident that the great majority of the United Nations takes the same view. If the Chinese on their side display any evidence of a similar attitude, we are hopeful that the cause of peace can be upheld. If they do not, then it will be for the peoples of the world, acting through the United Nations, to decide how the principles of the Charter can best be maintained. For our part, we declare in advance our firm resolve to uphold them.

We considered two questions regarding China which are already before the United Nations. On the question of the Chinese seat in the United Nations, the two Governments differ. The United Kingdom has recognized the Central People's Government and considers that its representatives should occupy China's seat in the United Nations. The United States has opposed, and continues to oppose, the seating of the Chinese Communist representatives in the United Nations. We have discussed our difference of view on this point and are determined to prevent it from interfering with our united effort in support of our common objectives.

On the question of Formosa, we have noted that both Chinese claimants have insisted upon the validity of the Cairo Declaration and have expressed reluctance to have the matter considered by the United Nations. We agreed that the issues should be settled by peaceful means and in such a way as to safeguard the interests of the people of Formosa and the maintenance of peace and security in the Pacific, and that consideration of this question by the United Nations will contribute to these ends.

The free nations of Asia have given strong support to the United Nations and have worked for world peace. Communist aggression in Korea increases the danger to the security and independence of these nations. We reaffirm our intention to continue to help them.

The pressure of Communist expansion existed in Europe and elsewhere long before the aggression against Korea, and measures were taken to meet it. The need to strengthen the forces of collective security had already been recognized and action for this purpose is under way. Clearly, decisions regarding the Far East have their repercussions and effects elsewhere. In considering the necessities of the far eastern situation, we have kept in mind the urgency of building up the strength of the whole free world. We are in complete agreement on the need for immediate action by all the North Atlantic Treaty countries to intensify their efforts to build up their defenses and to strengthen the Atlantic community.

We recognize that adequate defense forces are essential if war is to be prevented.

Accordingly we have reached the following conclusions:

1. The military capabilities of the United States and the United Kingdom should be increased as rapidly as possible.

2. The two countries should expand the production of arms which can be used by the forces of all the free nations that are joined together in common defense. Together with those other nations, the United States and the United Kingdom should continue to work out mutual arrangements by which all will contribute appropriately to the common defense.

We agreed that as soon as the plan now nearing completion in the North Atlantic Treaty Organization for an effective integrated force for the defense of Europe is approved, a supreme commander should be appointed. It is our joint desire that this appointment shall be made soon.

In addition to these decisions on increasing our military strength, we have agreed that the maintenance of healthy civilian economies is of vital importance to the success of our defense efforts. We agreed that, while defense production must be given the highest practicable priority in the case of raw materials whose supply is inadequate, the essential civilian requirements of the free countries must be met so far as practicable. In order to obtain the necessary materials and to devote them as rapidly as possible to these priority purposes, we have agreed to work closely together for the purpose of increasing supplies of raw materials. We have recognized the necessity of international action to assure that basic raw materials are distributed equitably in accordance with defense and essential civilian needs. We discussed certain immediate problems of raw-materials shortages and consideration of these specific matters will continue. We are fully conscious of the increasing necessity of preventing materials and items of strategic importance from flowing into the hands of those who might use them against the free world.

In the circumstances which confront us throughout the world our nations have no other choice but to devote themselves with all vigor to the building up of our defense forces. We shall do this purely as a defensive measure. We believe that the Communist leaders of the Soviet Union and China could, if they chose, modify their conduct in such a way as to make these defense preparations unnecessary. We shall do everything that we can, through whatever channels are open to us, to impress this view upon them and to seek a peaceful solution of existing issues.

The President stated that it was his hope that world conditions would never call for the use of the atomic bomb. The President told the Prime Minister that it was also his desire to keep the Prime Minister at all times informed of developments which might bring about a change in the situation.

In this critical period, it is a source of satisfaction to us that the views of our governments on basic problems are so similar. We believe that this identity of aims will enable our governments to carry out their determination to work together to strengthen the unity which has already been achieved among the free nations and to defend those values which are of fundamental importance to the people we represent.

SUPPORT OF OUR KOREAN FORCES BY COMMANDERS OF VETERANS' ORGANIZATIONS

Mr. HICKENLOOPER. Mr. President, this morning's press carried a release and a statement issued by the national commanders of four great veterans' groups with respect to the determination of the veterans of the United States to stand by the fighting forces in Korea.

The release is very short, and I should like to read it into the RECORD, by way of calling the attention of the Senate to the release and to their position:

WASHINGTON, December 7.—President Truman was urged today by leaders of the four major veterans' organizations to authorize General McArthur to use all necessary means, including aerial strikes across the Manchurian border, to save his troops from disaster.

The plea was contained in a letter to the President signed by National Commander Erle Cocke, Jr., of the American Legion; Commander in Chief Charles C. Ralls, of the Veterans of Foreign Wars; National Commander Boniface R. Maile, of the Disabled American Veterans; and National Commander Harold Russell, of AMVETS.

The four veterans' chiefs also cabled the text of their joint declaration to General MacArthur in Tokyo. They notified MacArthur: "At your complete discretion, if you care to relay this message to the troops, we would be delighted."

Their appeal to the President follows.

This is the quoted appeal:

We, the national commanders of the four largest veterans' organizations, feel called upon to make the following declaration:

We are deeply concerned over the situation in Korea, where 150,000 American troops are fighting against overwhelming odds.

We veterans of previous wars understand the terrific odds faced by our combat troops in Korea. No one knows how many GI's have died because of imposed limitations which have prevented them from fighting on equal terms with the Communist aggressors. These Godless hordes know no laws and have no restrictions.

Every step must be taken to increase the chance of survival of our fighting men. They must be given all possible help. They must not be curbed by restrictions and delays which will lead to unnecessary casualties. They must not be abandoned to disaster. They must not be sacrificed to delusions of appeasement.

We urge the constituted authorities of the free world through the United Nations, to take these actions now. We urge them to make available every means to save our men, including an authorization to send aircraft across the Manchurian border to bomb vital military targets. We urge that the President, through the United Nations, give General MacArthur full authority to employ such means as may be necessary to save our troops from disaster.

We cannot, we must not, let these fighting men down.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. HICKENLOOPER. I yield.

Mr. BREWSTER. I wonder whether the Senator heard the United Press report from Korea this morning? The United Press conducted among the Marines fighting in Korea, a poll as to whether they would desire the use of the atomic bomb. Perhaps it is not surprising to know that they thought it would be a most excellent medium, in their judgment, and they were unanimously and enthusiastically in favor of its use to assist in saving their lives.

Mr. HICKENLOOPER. Mr. President, I did not see that report, but I would not want a lack of comment by me to make my position misunderstood. I can readily understand the desire of the fighting men in Korea, who are involved in one of the greatest catastrophes which ever has overtaken American arms at any time, to have all and any available arms and weapons brought to their aid for their support and to help extricate them from the terrible position in which they find themselves.

It happens to be my own personal view that the use of an atomic weapon is a question of very vital strategic importance and determination. Whether there is a strategic target or whether there are strategic targets in that area which would justify or warrant the use of an atomic weapon is a question to be decided by highly capable and competent military authority.

Again I say that I am utterly sympathetic with these fighting men, who want brought to their assistance every weapon which can be of substantial aid. However, I believe that the use of an

atomic weapon is a matter which must be carefully considered, must be fully advised, and must be strategically practical before it is used.

I am not saying that it should be used or that it should not be used, but I say that is a matter for local, on-the-ground evaluation as to, perhaps I might say, the decisiveness of the results of the use of that weapon. Whenever it can be materially decisive for victory, I say it should be used. If it is not a decisive weapon, then undoubtedly there are other weapons which might be used, I assume.

Mr. BREWSTER. Is the Senator from Iowa familiar with the suggestion of the Senator from Maine, first, that since the Congress has entrusted the atomic bomb to the President, he is the one who has to determine, in the first instance, whether the general who is on the ground, General MacArthur, should have authority in his discretion to use it?

I do not know whether the Senator has read the release this afternoon, but it seems to indicate very clearly that the President has reserved that right from the United Nations. I hope that is a proper construction of what he said; I think it should be the construction.

The only suggestion the Senator from Maine has ever made has been that the President might in his judgment deem it wise to give General MacArthur authority to use it—as I understand that the bombs are there—if at any time he should deem that it was helpful to the situation he faces.

Mr. HICKENLOOPER. Mr. President, Congress has charged the President with the authority to determine as to the release of atomic weapons. The President in the exercise of that authority I believe must authorize the use of atomic weapons, if and when the use of such weapons will contribute to the decisiveness of our success. According to my view, that happens to be a highly technical decision which has to be made by those who have the ability to evaluate the decisiveness of the use of the weapon. With all due respect to the President, I feel that he, in and of his own training and experience, is not sufficiently self-informed. I have no doubt that the President will receive and will accept the advice of those who are technically trained and informed in the probable decisiveness of the use of the weapon, in connection with any authorization which he may give.

I understand the position of the Senator from Maine.

I did not intend to discuss at this time, Mr. President, the use of that weapon; but I will say that the statement of these four commanders of great veterans' organizations today expresses strongly, I think, the complete opinion and the complete unity of the American people that not only must every effort be made to protect the American fighting men who today are in Korea, but every effort must be made to maintain the ideals of freedom for which they are dying and for which their comrades who do not die are fighting. I think there must be no appeasement. We have had enough of appeasement and the disasters that flow from it.

I say to you, Mr. President, that although there is indication that in the State Department of this Government appeasement is still the major effort and major policy, if appeasement continues to be the dominating policy of the State Department and of the Nation, nothing but utter catastrophe to the American system and to free men everywhere can flow in the very near future.

This is the time for principles to be announced, and for the free American people to stand vigorously and clearly in defense of the principles of freedom, if we are to have freedom for our posterity and even perhaps for the later years of our own lives.

I commend the statement by these four great commanders of their organizations, and I commend to the serious thought and consideration not only of the Senate, but of all the American people, the import of this statement and this declaration.

Mr. HICKENLOOPER subsequently said:

Mr. President, I have just been handed by a page a copy of a telegram from General MacArthur to Erle Cocke, Jr., the national commander of the American Legion. I have not previously known about the telegram, and I should like to have it go into the RECORD at the conclusion of my remarks. If I may do so at this time, I shall read the telegram, which is short:

ERLE COCKE, Jr.,
National Commander,
The American Legion,
Washington, D. C.:

Accept and convey to Commanders Ralls, C. M. A. Maille, and Russell my profound gratitude for the understanding reflected in your inspiring message of the sixth. The fighting men of this war will find much added strength in this demonstration of invincible support from the veterans of the last.

MACARTHUR,
Commander in Chief,
United Nations Command.

TOKYO.

Mr. McMAHON. Mr. President, I should like to say to the Senator from Maine, if he will give me his attention, that the United Nations have never had the right or the power to determine which of the weapons in our arsenal we should use in the defense of the security of the United States. Any commander in chief who has the right, as our President has under the law, to determine the use of this awesome weapon will, I am sure, be guided by our own military advice, and will bring to its use a prayerful consideration of military and psychological factors.

The Senator from Maine was not present recently when I made a statement in answer to a twice-affirmed conviction of his, based upon an assurance that is supposed to have been given by Dr. Karl Compton, that the Russians are not in possession of the atomic bomb. I told the Senate—and the Senator will find the statement in the RECORD—that the intelligence that was available to the Joint Committee on Atomic Energy was directly to the contrary. I wanted the Senator from Maine to know that.

I have been informed by a reporter that Dr. Compton was interviewed on Sunday, and stated—I myself have not seen his remarks as carried in the press—that, while at one time he had made such a statement, he had not done so within the past few years. I merely want to inform the Senator from Maine of that fact.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. BREWSTER. I am glad the Senator from Connecticut brought up the matter, as I was not present previously when he discussed it. I have not had an opportunity to examine the RECORD. I am familiar with the statements of the Senator from Connecticut as to his opinion, and that, I gather, of some of his associate, that the Russians possess this weapon.

Mr. McMAHON. If I may interrupt, Mr. President, since I still have the floor, I do not wish the Senator to introduce the casual note that a restricted number of persons—"some of the members of the joint committee"—entertain this belief. Let the Senator from Maine be informed that, so far as I know, it is the unanimous judgment of the 18 members of the joint committee, for which I speak, and it is the unanimous opinion of the Board of Evaluation of the Government of the United States, so far as I am advised, and I believe I am correctly advised. I merely want the Senator from Maine to entertain no doubt at all about the overwhelming weight of opinion on this subject.

Mr. BREWSTER. I was very much intrigued by the statement of Dr. Compton, of which I have a copy, and which I shall be glad to put into the RECORD, for, although he made the statement to which the Senator from Connecticut refers, namely, that he had at some time possibly expressed a doubt, he would not have said that, following the President's statement a year ago, the Russians had the atomic bomb.

Mr. McMAHON. I shall be very glad——

Mr. BREWSTER. Just a moment, please.

Mr. McMAHON. Just a moment; I have the floor. I yielded to the Senator from Maine.

Mr. BREWSTER. Mr. President, who has the floor?

The PRESIDING OFFICER. The Chair had recognized the Senator from Connecticut, but had not recognized the Senator from Maine.

Mr. McMAHON. I should like to say I was informed by a reporter that the Senator from Maine said that after a review of his records he would produce for the RECORD Dr. Compton's statement. I think this debate between the Senator from Maine and myself has little meaning at this point. I am informed, I may say to the Senator from Maine, that Dr. Compton was one of those who reviewed evidence which was available to the evaluators for our Government, and he concurred in their evaluation. I do not assert that upon my own responsibility, but that information comes from a highly creditable source.

Mr. President, I yield the floor.

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Mr. BREWSTER. Mr. President, Dr. Compton, in his statement—which, as I say, I shall be glad to put in the RECORD; I think I can quote it exactly—said that he did not recall his statement, for it was made some time ago, but that if he had made it, he did not say "years"; he said "some time ago"; and that in any event he would not have made that statement after the President's announcement, a year ago, that the Russians now had the atomic bomb.

The only curious part of that statement is that the President never made such a statement. It may be the opinion—and I am quite willing to accept the assurances of the Senator from Connecticut, which have been repeatedly advanced with an insistence which sometimes has seemed to me a little extreme, if the assurances are as great as he would indicate—that the Russians have the bomb. The President, in his famous statement of August or September 14, 1949, I believe it was, did not say that the Russians have the atom bomb. I hope the Senator from Connecticut is familiar with that point, as he will be if he will read the statement.

My attention was not called to this matter until after the repeated statements by the Senator from Connecticut. It may be that the President of the United States, the Comander in Chief, is quite persuaded to the opinion the Senator from Connecticut has repeatedly advanced. All I say is that up to today he has not made such a statement at any time. When he released his statement, it was extremely carefully drawn, I feel sure. I think the words were not chosen by inadvertence. If the Senator from Connecticut is familiar with this matter, as I believe he is—and certainly as he ought to be—he knows that the words in the President's statement were drawn very carefully so as not to say that the Russians had the atomic bomb. Is the Senator from Connecticut familiar with that?

Mr. McMAHON. Is the Senator asking me a question?

Mr. BREWSTER. Yes, I ask the Senator.

Mr. McMAHON. In answer to the Senator from Maine, I may say I am very familiar with the terminology which was used in the President's statement.

Mr. BREWSTER. Is the Senator from Maine correct?

Mr. McMAHON. I do not understand the vehemence of the Senator from Maine upon the subject. I have not at any time in the Senate quoted the President's statement in any statement I made relating to the matter, since the 23d day of September 1949.

Mr. BREWSTER. The Senator used it just now. The Senator said the Government of the United States was persuaded. That is the President.

Mr. McMAHON. I referred to the persons with whom I have had contact relative to this matter. I do not intend to debate it with the Senator from Maine, because that would take me into matters which probably would have to be discussed with the joint committee before they could be discussed more fully on the floor of the Senate.

I am fully aware that the statement of September 23, 1949, referred to the incident, to the event, as an atomic explosion. All I say to the Senator, on my own responsibility and as chairman of the joint committee, is that after listening to the information furnished by our intelligence officers, I not only say to the Senator that I am persuaded, but I say to him that I believe that it is the opinion of our coworkers, both on his side of the aisle and on this side of the aisle, that the event described in the release of September 23 was the explosion of an atomic bomb.

I see no point in further laboring the matter. If the Senator from Maine wishes to cherish the idea and delusion that that is not the fact, he is perfectly welcome to do it. In my position, I feel a responsibility to state what my belief is and what the belief of the other members of the joint committee is. That is all there is to it.

Furthermore, I wish to say that so far as Dr. Compton is concerned, I particularly said that I have not seen the release upon which the Senator from Maine relies. I merely reiterated what I had been told by a newspaperman as to what Dr. Compton had said about the assurance which he was supposed to have given in a public release, as voiced by the Senator from Maine.

Mr. President, if the Senator from Maine wants to believe what he has stated, let him believe it; I do not care. I think I have a responsibility to the Senate and to the American people to state the facts as I know them. The Senator from Maine need not become excited about it. As a matter of fact, the Senator may believe just what he wants to believe; it is all right with me.

Mr. BREWSTER. I appreciate the courtesy. I shall continue to exercise that proud privilege of every American. I am very much intrigued, indeed, to know that the Senator from Connecticut is familiar with all that has been said on this subject by these important persons. I further understand that when the President made his statement he did not even use the word "bomb," but he said they had evidence that there had been an atomic explosion in Russia. That is not the same as stating that the Russians have control of the atomic bomb, as the Senator from Connecticut knows exceedingly well.

Whether any significance was to be attached to the language which was used, I do not know. It did not attract my attention until the statement of Dr. Compton came to my attention, and it then led me to an inference that there might be some question regarding this matter. Certainly this is not any time to underestimate Russia's strength. On the other hand, it is equally desirable that the American people shall have the benefit of all the knowledge and all the views which are available. I am still somewhat puzzled as to why Dr. Compton, even in his statement, did not himself state that he was persuaded that the Russians had the atomic bomb. I do not know whether that is his opinion today. In view of the amount of information which has become available to the Russians, through the various acts of treason that have occurred, I would assume that it is very likely that the Russians might have achieved the development of the atomic bomb.

It is clear, however—and I think even the distinguished Chairman of the Atomic Energy Joint Commission agrees—that at the present time we have a considerable superiority in this weapon. At any rate, I have never seen that statement challenged.

If the Russians have control of this secret, other than having in the course of their experimentation occasioned an explosion, undoubtedly they are moving as rapidly as possible to facilitate the development and the production of these bombs; and it is very likely that whatever advantage we now enjoy is to some extent being reduced, and that the extent to which we surpass Russia today in the development of atomic power is not so great as was the case a year ago, and will be even less 2 years from now or 3 years from now.

It seems to me that it is appropriate not only for the members of the Atomic Energy Commission, but for all citizens of America whose sons may be obliged to pay the price of our difficulties, and for our European friends, as well, who shudder at the contemplation of the atomic bomb, to take into account that our ratio of leadership in this field today may be 10 to 1, but tomorrow may be 5 to 1. All of us should take that situation into account, in determining whether it is wise to postpone the evil day when the atomic war may finally come.

Certainly there is nothing in the record thus far to justify the impression that when, as, and if the Russians possess the atomic bomb in adequate supply they will not move and strike. On that score I cite the opinion of Winston Churchill, who I am certain is recognized as an authority on Russian psychology. He said:

> The only thing that holds the hands of the Russians today in Europe or elsewhere is the superiority of America in the atomic bomb, for which we are profoundly grateful to Almighty God.

Why it should be so disturbing to point out that Dr. Compton at one time expressed doubt as to whether Russia had the bomb, that President Truman in his famous statement did not say the Russians now did possess control of this awful weapon, and whether any significance should be attached to his carefully limited language, I do not know. I am simply one person who feels it is appropriate that we should consider all the facts and information which are permitted to come to the attention of the Members of the Senate, of Congress, and of the country. On the basis of such information the American people themselves must ultimately decide as to the wisdom of the moves which we may deem it best to make.

RECESS TO MONDAY

Mr. CONNALLY. I move that the Senate take a recess until 12 o'clock noon on Monday.

The motion was agreed to; and (at 6 o'clock and 3 minutes p. m.) the Senate

took a recess until Monday, December 11, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 8 (legislative day of November 27), 1950:

IN THE ARMY

Lt. Gen. Manton Sprague Eddy, O4655 (major general, U. S. Army), for appointment as commanding general, Seventh Army, with the rank of lieutenant general and as a lieutenant general in the Army of the United States, under the provisions of sections 504 and 515 of the Officer Personnel Act of 1947.

NOTE.—Above named officer was appointed during the recess of the Senate.

IN THE NAVY

The following-named midshipmen (aviation) to be ensigns in the Navy, from the 5th day of June 1951:

Joe L. Akagi	Wesley A. Johnson
Merle L. Anderson	Albert J. Kacoroski
Neil A. Armstrong	George Kinsel
Gerald R. Bell	Armand R. Langlais
Ralph S. Colby	Stephen J. Ledogar
Melvin H. Davidow	Freeman L. Lofton
Jerry F. Detwiler	Frank R. MacKinnis
John R. Eckstein	James C. Miller
David J. Ellison	Herman C. Quitmeyer
Donald R. Frazor	Fred R. Robson
Rodman W. Gaines, Jr.	Kenneth A. Schechter
Donald A. Gardner	Lester R. Smith
Herbert A. Graham, Jr.	David S. Stephenson
William E. Hastings	Thomas R. Thompson
Winston R. Hayes	Glenn W. Yearous
George B. Hogaboom	Edmund K. Zahn

The following-named (naval R. O. T. C.) to be ensigns in the Navy, from the 5th day of June 1951:

Carlos P. Baker, Jr.	William G. McCormick
Arthur F. Barns	Theodore K. McCourry
John B. Bierman	Richard O. McNerney
Robert R. Boone	Lawrence G. Mische
Loren C. Borgwardt	John H. Peterson
Donald E. Chelew	Robert L. Pfeiff
Thomas J. Dixon	Richard E. Powell
Gilbert R. Fornatora	Richard K. Pulling
Thomas C. Fuller	Tom M. Reese
Robert J. Gibbons	Roger L. Rosback
Elmer W. Gielow	James A. Rose
Charles H. Golden	William E. Ross
Lacy B. Herrmann	Paul D. Saylor, Jr.
Arthur F. Hooper	Rodney L. Stewart
Raymond D. Johnson	Mark E. Trivison
Robert C. Jung	Marvin P. Watkins
James C. Landkamer	Clarence L. Watson
Joseph C. Landwehr	Herbert H. Weidensaul
Gordon A. Launders	Harold F. Wiley
Marks A. Levy	Richard N. Willse
Wayne P. Libhart	

The following-named (naval R. O. T. C.) to be ensigns in the Supply Corps of the Navy from the 5th day of June 1951:

William C. Becker	Emerson M. Harris
John W. Carrigan	Christopher J. Kelly

The following-named (naval R. O. T. C.) to be ensigns in the Navy from the 2d day of June 1950:

Ralph R. Bittner	William D. Gosch
John L. Brooks	Price P. Harding
Richard Cowley	Robert E. Monahan, Jr.
Edouard V. Cooksey	Robert M. Powell
Briggs B. Edney, Jr.	Ned A. Rogoway
Edward P. Ellington	Stuart X. Stephenson, Jr.
Joseph G. Fitzgibbons, Jr.	Maurice H. Stoffer
Everett E. Frizzell	Robert T. Whitlock
Thomas E. Gallagher	
Norman LeR. Giorgini	

The following-named (naval R. O. T. C.) to be ensigns in the Supply Corps of the Navy from the 2d day of June 1950:

James L. Eckmann	Frank W. Keeney
Donald E. Huebner	Ross P. Williams, Jr.

The following-named (naval R. O. T. C.) to be ensigns in the Supply Corps of the Navy from the 2d day of June 1950 in lieu of ensigns in the Navy as previously nominated and confirmed:

Burton H. Jones
Sidney Y. McAden, Jr.

The following-named (naval R. O. T. C.) to be second lieutenants in the Marine Corps from the 5th day of June 1951:

James L. Black, Jr.	William A. Henshaw
Charles R. Browder	Robert C. Herklots
Robert P. Chaney	Edward K. Maxwell
Robert G. Christensen	Ronald W. Olson
Leonard W. Deden	Richard C. Stockton

The following-named (civilian college graduates) for temporary or permanent appointment to the grades and corps indicated.

The following-named for temporary appointment:

LIEUTENANT COMMANDERS, MEDICAL CORPS

Henry T. Ash
Edward A. Jones

The following-named for permanent appointment:

LIEUTENANT COMMANDERS, MEDICAL CORPS

Howard A. Baker	John R. Palmer, Jr.
Joseph J. Connor	James L. Spencer
Harry P. Mahin	John R. Wassell
Edward R. Neil	

Lieutenants, Medical Corps

Henry T. Ash	Maurice R. Schmoyer, Jr.
Edward A. Jones	
Laurence G. Roth	Robert W. Spicher

Lieutenants (junior grade), Medical Corps

William C. Adams, Jr.	John B. Hodo
Jaime N. Benavides, Jr.	Paul G. Hoveman
George A. Brennan	Arthur P. Kaupe
Gerald Brill	Martin H. Klein
Edward A. Carlin, Jr.	Mortimer B. Marcus
Ronald A. Cummings	James W. Phillips
Harold A. Davis	Theodore Safford, Jr.
John A. Glaubke	John B. Stotler
	Edwin R. Wallace III

Lieutenants (junior grade), Chaplain Corps

Edward J. Dunn	Stanley C. Limanowski
Charlie R. Harrison	Willie D. Powell
Dean A. Kaufman	

Lieutenants, Dental Corps

Will F. Graham
Donald C. Hawkins
Francis N. Johnston

Lieutenants (junior grade), Dental Corps

Alvin C. Bertucci	Oliver G. Nystul
Victor E. Bird	John F. O'Connor
Everett B. Blanton, Jr.	John J. O'Loughlin
Louis H. Cordonier	Edward E. Packard
Lucian J. Cuprak	Vincent A. Schaefer
William J. Duensing	Richard W. Short
William C. Hopkins	Carl H. Wilkens, Jr.

The following-named enlisted men of the Navy to be ensigns in the Medical Service Corps of the Navy:

Dwight J. Adams	Harry C. Gibbons, Jr.
Lucien E. Barkley	Barney O. Green
Melvin D. Bergquist, Jr.	Robert J. Hanavan
Leland M. Biggs	Dallas C. Harvey
Francis R. Bobek	William H. Jones
Clifford W. Boggs	Daniel L. Kelly
George A. Boone	James D. Kelly
Warren G. Bowe	Milton E. Koepke
Harvey F. Bryant	Ernest S. Kramer
Charles A. Carr, Jr.	Dexter J. Lacy
Ray W. Conrad	Ralph H. Laedtke
John C. Courtney	Thomas G. Leach, Jr.
Eugene H. Dempewolf	Raymond W. Lee
John S. Denningham	Vincent E. Lind
Thomas A. Devins	William A. McDonough
Richard G. DeWitt	Lowell H. McKerley
Carl F. Dinwiddie	Talmadge G. McMahon
William S. Duffey	William G. Marsh, Jr.
Laverne W. Gay	Walter C. Merrell
Jack H. Gehring	Edwin B. Miller
	William J. Morgan, Jr.
Reid F. Murray, Jr.	Thomas N. Scales, Jr.
Richard R. Newton	Albert J. Schwab
Earl M. Nicholson	Thomas R. Stiles
Raymond A. Nygren	James F. Stuart
Bernard J. Pfau	James R. Swindal
Donald L. Phelps	Stanley E. Sykes
John D. Pruitt	Robert E. Thompson
Rodney R. Rever	Albert D. Warner
Garnet G. Sandeen	Frank A. Zaller
James M. Sanders	

The following named to be ensigns in the Nurse Corps of the Navy:

Phyllis M. Anderson	Katherine J. Metz
Joan L. Barron	Lorraine M. Meyer
Geraldine L. Becraft	Joyce L. Miller
Olivia G. Boyd	Jeanne T. Moffitt
Thelma J. Brophy	Frances F. Morgan
Annie R. Bruton	Loretta T. Muhlenfeld
Migdalia Camacho	Adeline Nicora
Geraldine M. Carey	Barbara A. Noonen
Audrey M. Cassanova	Elisku E. Pavoucek
Marian B. Clark	Virginia M. Pluke
Alice P. Cline	Wilda R. Ragland
Mary L. Connolly	Margarete Riecken
Opal J. Cooper	Josie Rock
Florence V. Craig	Helen Semanisin
Catherine E. Dennis	Shirley R. Severson
Kathleen M. Dunn	Mary H. Shafer
Marie Eberhardt	Rose E. Shrout
Laura S. Elliott	Lois J. Simkins
Barbara O. Fitz	Donna J. Smith
Ellen B. Frame	Mildred I. Snyder
Luella Freeman	Elizabeth V. N. Spangler
Mary A. Gelbmann	Elizabeth F. Sprowles
Carolyn E. Green	Jacqueline L. Starry
Veronica J. Hagmann	Adelaide Stilwell
Juanita J. Hahn	Mary R. Struble
Joan Hancock	Harriet E. Sullivan
Anna M. Hanley	Lucille B. Theriot
Betty S. Hedrick	Kathleen G. Turner
Dolores A. Henkel	Clara B. Turpin
Colleen Hinckley	Wanda D. Underwood
Betty R. Krintz	Dorothy LaV. Vining
Mildred R. Levin	Harriette L. Wakeman
Helen F. McGorry	Bertha M. Walbert
Madeline M. MacDonald	Mary B. Wheeler
Rosalie S. Martin	Ellen J. Whelan
Eudora G. Mason	Alice K. Williams
Rose M. Melendez	

The following-named (civilian college graduates) to be second lieutenants in the Marine Corps:

James H. L. Chambers, Jr.
Gregory J. Cizek
Roy W. Riegle, Jr.

The following-named women (civilian college graduates) to be second lieutenants in the Marine Corps:

Virginia Caley	Patricia A. Maas
Elaine T. Carville	Mary S. Mock
Anna B. Jenkins	Natalie Noble
Barbara B. Kasdorf	Lois M. O'Connor
Joan M. D. McCormick	Joan P. O'Neil
	Margaret L. O'Neill

The following-named enlisted woman of the Marine Corps to be a second lieutenant in the Marine Corps:

Dorothy H. Dawson

The following-named officers to the grades indicated in the Medical Corps of the Navy:

LIEUTENANTS

Robert H. Brown
Charles A. Patterson

The following-named officers to the grades indicated in the Nurse Corps of the Navy:

LIEUTENANTS

Marjorie J. Donnelly	Delma U. Linville
Carrie M. Ebert	Marie A. Pongratz
Edna I. Fetterman	

LIEUTENANTS (JUNIOR GRADE)

Mary V. Finn
Ruth E. Kennedy

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HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 8, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, without whose divine guidance we cannot carry on, we pray that the life of men and nations everywhere may be touched and transformed by a greater fidelity to Thee.

We penitently confess that we so frequently forget and forsake Thee. We fail to see that our supreme loyalty is to Thee and that this is the source and basis and inspiration of all other loyalties, the fidelity of the soul to its better self and to truth, of the loyalty of patriot to country, of friend to friend, of man to man, and of nation to nation.

Help us to understand that our tragic world problem is not primarily one of human or international relationship but that it is something far more basic and fundamental. May we see that it is the problem of bringing man into an obedient relationship to Thee.

Grant that we may realize more fully that all our efforts to achieve good will and a lasting peace will be vain and futile unless humanity is brought into a glad and willing obedience to Thee and Thy divine will.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate disagrees to the amendment of the House to the joint resolution (S. J. Res. 207) entitled "Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended"; agrees to a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. MAYBANK, Mr. TAYLOR, Mr. FULBRIGHT, Mr. CAPEHART, and Mr. FLANDERS to be the conferees on the part of the Senate.

EXEMPTING FURLOUGH TRAVEL FROM TAX

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9840) to exempt furlough travel of service personnel from the tax on transportation of persons.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. REED of New York. Reserving the right to object, Mr. Speaker, I have no objection to the bill but I might offer this explanation.

This bill was introduced by the gentleman from Massachusetts [Mr. MCCORMACK]. It has been amended. The bill, as amended, would exempt personnel of the United States Army, Air Force, Navy, Marine Corps, and Coast Guard and authorized cadets and midshipmen traveling in uniform of the United States from the tax on transportation of persons when they are traveling at reduced round-trip fares at their own expense while on official leave, furlough, or pass.

The bill as introduced, however, would have permitted the same privilege for members of the United Nations representatives; the privilege is not extended to members of the United Nations as the bill is now amended.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. JENKINS. When the committee met yesterday it was indicated by the drafting force that they would have some difficulty in preparing this language. I take it, of course, now that the drafting force has agreed to everything that has been done as we agreed in committee yesterday.

Mr. DOUGHTON. Mr. Speaker, H. R. 9840, as amended, would extend to personnel of the armed services traveling on furlough in uniform the same tax exemption that was in effect during World War II in the case of round-trip fares purchased at reduced rates at their own expense.

All railroads in the United States have recently announced that they will offer military personnel a 2-cent-per-mile special rate, effective from December 15, 1950, to January 10, 1951, inclusive.

The Secretary of Defense is in favor of the bill, and early enactment is imperative if the exemption is to be available for holiday travel of service personnel.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. RANKIN. I did not understand exactly the statement of the gentleman from New York [Mr. REED] a moment ago. This does not apply to the so-called representatives of the United Nations, does it?

Mr. REED of New York. It does not, as amended.

Mr. RANKIN. I am glad to know that.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. REED of New York. I yield.

Mr. PHILLIPS of California. Does this apply only when a soldier is traveling on a reduced-rate ticket or on any ticket?

Mr. REED of New York. On any ticket when he is in uniform and traveling on furlough.

Mr. DOUGHTON. It applies when the person is on furlough and in uniform.

Mr. Speaker, I might mention that this is a unanimous report of the committee and it is recommended by the Secretary of Defense.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 12 of the act of August 8, 1947, entitled "An act to terminate certain tax provisions before the end of World War II" (61 Stat. 919) is hereby repealed.

SEC. 2. Section 3469 (f) (2) of the Internal Revenue Code is hereby reenacted, to read as follows:

"(2) Exemption of members of military and naval service: The tax imposed by this section shall not apply to the payment for transportation or facilities furnished under special tariffs providing for fares of not more than 1¼ cents per mile applicable to round trip tickets sold to personnel of the United States Army, Air Force, Navy, Marine Corps, and Coast Guard traveling in uniform of the United States, or to members of the military or naval forces of any of the other United Nations traveling in uniform of such nation, at their own expense when on official leave, furlough, or pass, including authorized cadets and midshipmen, issued on presentation of properly executed certificate."

SEC. 3. This act shall take effect from and after the date of its enactment.

With the following committee amendment:

Strike out all after the enacting clause and insert "That effective with respect to amounts paid after the date of enactment of this act—

"(a) Section 12 of the act of August 8, 1947, entitled 'An act to terminate certain tax provisions before the end of World War II' (61 Stat. 919), is hereby repealed.

"(b) Section 3469 (f) (2) of the Internal Revenue Code is hereby amended to read as follows:

"'(2) Exemption of members of military and naval service: The tax imposed by this section shall not apply to the payment for transportation or facilities furnished under special tariffs providing for fares of not more than 2 cents per mile applicable to round-trip tickets sold to personnel of the United States Army, Air Force, Navy, Marine Corps, and Coast Guard traveling in uniform of the United States at their own expense when on official leave, furlough, or pass, including authorized cadets and midshipmen, issued on presentation of properly executed certificate.'"

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I move to strike out the last word.

Mr. Speaker, I believe this is a good measure. I feel that any break this Congress can give to the men in uniform ought to be given to them. During World War II I introduced a measure to give free transportation to the men in uniform when they were on furlough. That bill gained considerable interest in the Congress. I believe it would have been passed, had we been able to get enough impetus behind it before the war ended. This particular measure, as I understand, will result in giving to young men who are on furloughs and who need transportation a reduced rate on the railroads. For that reason it seems to me it ought to be passed. It is one of the most commendable measures I have seen come before the House during the Eighty-first Congress. However, it does not go as far as I would like to have it. I would like to have a furlough pass issued to each man in service so that when he is granted a furlough he can have the opportunity, at least once a year, of using that pass on any mode of transportation he chooses so that he can get to and from his home. But half a loaf or a quarter of a loaf is better than none, and I am glad to see the members of the Ways and Means Committee and the Congress interested in the young men in service to the point where we can get a measure of this type before the House.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield.

Mr. CRAWFORD. Is the tax exempt on tickets purchased for what we might call first-class passage, riding in Pull-

mans, or does it apply only to coach tickets?

Mr. EDWIN ARTHUR HALL. I would assume it would apply to coach tickets. I am not informed as to the details of the bill.

Mr. CRAWFORD. That is the way it looks to me; and if that is true, I do not think the statement made in reply to the gentleman from California [Mr. PHILLIPS] is correct.

Mr. EDWIN ARTHUR HALL. I heard the chairman of the Ways and Means Committee give an outline of the bill, and as I understood it, it was to benefit the buck privates more than anyone else. I am glad to see the rank and file get benefits which they should have had during World War II. Not many GI's have a chance to use Pullmans anyway.

Mrs. BOLTON of Ohio. Mr. Speaker, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. Yes, I gladly yield.

Mrs. BOLTON of Ohio. You spoke of the buck privates. What about the does?

Mr. EDWIN ARTHUR HALL. I presume this bill applies to men and women alike who are in uniform. It certainly should, anyway. At any rate, I am glad to see this measure brought up, because I have some little pride as I was one of the first in pioneering this type of legislation, and I am very happy to see it brought before the House today. I hope it is passed unanimously.

During World War II, several thousand women in the triple-cities area, in Binghamton, Johnson City, and Endicott, organized groups of servicemen's wives, sisters, mothers, and sweethearts, and banded together into what they called Hall Furlough Clubs.

Their primary objectives consisted of giving militant support to my free furlough bill and also to actively aiding their soldier relatives.

While the Hall Furlough Clubs did not become national in character, they were indeed powerful in the triple cities and did a fine patriotic work in maintaining a splendid spirit on our home front.

So effective were these Hall Furlough Clubs in promoting Americanism and helping service people in general that it leads me to believe some similar group should be promoted at the present time.

Certainly the triple cities were better off for such activities, and our local young men benefited tremendously because of the marvelous spirit of these patriotic ladies.

I am giving serious thought to assisting the folks back home, if any want to join with me in such a movement, now that so many thousands of patriots are once again donning uniforms and leaving for training camps and battlefields.

Let us hope I can serve them in a somewhat similar capacity as I did in World War II.

The SPEAKER. The time of the gentleman from New York [Mr. EDWIN ARTHUR HALL] has expired.

The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

THE LATE HONORABLE EDWARD GARDNER

Mr. BREEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BREEN. Mr. Speaker, it is with deep sorrow that I rise to announce to the Members of the House of Representatives the death of Edward Gardner, a former Congressman from the Third District of the State of Ohio.

Mr. Gardner very ably and energetically represented the Third Ohio District in the Seventy-ninth Congress. Prior to his splendid record of service in this honorable body, he faithfully and diligently served the citizens of his native city of Hamilton, Ohio, as president of the city council and as a State representative, and in more recent years he served as Butler County Democratic chairman.

Mr. Gardner's fine record remains as a glowing and lasting tribute of service. His death is a loss to our district, State, and Nation, and, Mr. Speaker, I believe it fitting and proper that the House of Representatives rise for a moment of prayerful silence to pay tribute to a former colleague.

To Mr. Gardner and to his son Edward and his daughter Patricia Marie I would like to sympathetically add that we too will miss him.

The SPEAKER. The time of the gentleman from Ohio [Mr. BREEN] has expired.

Mr. PRICE. Mr. Speaker, the sad news which the gentleman from Ohio [Mr. BREEN] brings to the House saddens me greatly. The death of our former colleague and my very good friend, Edward Gardner, is a shock to me.

Ed Gardner and I entered Congress at the same time. Early in the Seventy-ninth Congress I formed a close friendship with him. I learned to know him well—to know something of his principles and to know his fine character. He was a fine man; a splendid public servant. He was sincere in everything he did; honest and conscientious.

As the gentleman from Ohio [Mr. BREEN] has stated, he served the citizens of his district well, and prior to coming to Congress he was a faithful and diligent official in his home community of Hamilton, Ohio. He had a long and honorable career in public service in Ohio.

I, too, offer my deepest sympathy to his family.

Mr. YOUNG. Mr. Speaker, Edward Gardner was an outstanding citizen of Ohio. He had represented the Third District of Ohio in the Seventy-ninth Congress.

As a Member of Congress he served his constituents and the Nation with fidelity and zeal. The public services and record of Edward Gardner have endeared him to many people in my State.

Before his service as a Member of Congress he had represented Butler County in the General Assembly of Ohio, and at one time he was President of the City Council of Hamilton, Ohio. He was a faithful public servant.

On many occasions I met him personally. He was a prominent party leader in southern Ohio. He was a man of great ability. In addition to that he was a citizen well respected by everyone and held in the highest esteem by his neighbors and friends.

His thousands of friends in Ohio were shocked over his untimely passing.

He proved his friendship to me many times during his useful life. I join with others in extending my sympathy to his wife, to his son, and to his daughter. He was not only a distinguished Member of Congress, but in addition was a good citizen, a good neighbor, a good husband and father, and a good friend.

Mr. JENKINS. Mr. Speaker, I was a Member of the Congress when Mr. Gardner was here. I knew him well and favorably. He was a man of fine parts and great ability and good character. He represented the Dayton district and he represented it with honor and dignity. I am sorry indeed to hear of his passing. I extend my most sympathetic regards to those of his family who survive him. He was one of nature's noblemen.

NO SECRET AGREEMENTS

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, we have had so much tragedy in the Far East that our hearts are torn every moment of our days and nights. To me it is very important that we stress our right as citizens of a free country to know what is said at these talks between the President of the United States and the Prime Minister of Great Britain. Despite many requests for accurate information, we have never had such a report of the conference that was held between President Truman and General MacArthur in the Pacific. If this country is to unite, if the people are to support a program of high taxes and increasingly difficult living, we must know what is being done to us, what commitments are being made that will affect the Nation, our fighting forces and the world as a whole.

"IFS" THAT WOULD PREVENT WAR

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, if every Member of the House of Representatives, every Member of the United States Senate, Cabinet officers, and President who sanctioned war in Korea, China, India,

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any place in Asia, in Europe, in Africa, had to go to the front lines to fight, would we have any war?

If all the generals, admirals, colonels, majors, and so forth, had to go to the front-line trenches in Korea or any place else in the world, would we have any war?

If you asked the mothers, fathers, sisters, aunts of the boys at the front if we should have war, if their boys had to be killed in the front-line trenches, would they vote us into war? Emphatically not.

America is doing 95 percent of the fighting, 95 percent of the paying for the war in Korea. What for? Why? Making this effort is the most senseless, foolish war in all history. Over 30,000 casualties to this time. A war of bullies, not of diplomats.

These Asiatics have been fighting each other periodically for centuries. We cannot settle their differences, nor can we, by diplomatic means only, stop them from fighting.

Why kill our boys by getting into this mess? If you win the Korean war, you will start the work of rehabilitation only to find you will have to do this job over. Let the missionaries and churches work from here on to Christianize the world.

I have condemned the State Department and Foreign Affairs Committee for their actions.

I am against arming the 14 Atlantic Pact nations. It will lead to war, not prevent it. It will lead to bankruptcy, not prevent it. It will lead to hardships, not prevent them.

Little lending, curb your spending, and no giving.

SPECIAL ORDERS GRANTED

Mr. BIEMILLER asked and was given permission to address the House for 1 hour on Tuesday, December 19, following the legislative business of the day and any special orders heretofore granted.

Mr. POTTER asked and was given permission to address the house for 30 minutes on Tuesday, December 12, after the legislative business of the day and any special orders heretofore entered.

A MISLEADING AND INEFFECTUAL GESTURE

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

Mr. BIEMILLER. Mr. Speaker, the American Medical Association, meeting in Cleveland, Ohio, this week, has just appropriated $500,000 to aid the Nation's medical schools in their present extreme financial crisis.

I want to advise the Members of this House that this $500,000 donation is a Trojan gift—serving no purpose but that of fatal indecision and inaction on our part.

The sum involved is about 1 percent of the minimum needs of America's medical schools. It is almost meaningless when you consider the sums that are necessary to keep these vital schools in operation and the still greater sums required to expand them to train doctors for our total military, civilian defense, and ordinary civilian requirements.

More than a year ago the Senate passed unanimously a bill authorizing a 5-year $250,000,000 program to meet the minimum needs of medical colleges and other schools training professional health personnel.

The AMA, however, has successfully prevented this measure from coming to a floor vote in the House. It has been the sole opponent of a measure which its own best-informed members, the deans of the medical colleges, have overwhelmingly endorsed.

The AMA has claimed time and again that the financial crisis in our medical schools could be met with private aid. Yet all efforts to obtain such aid have failed. A $500,000 contribution does not change that situation in the slightest.

I agree absolutely, however, with two of the statements made by Dr. Louis H. Bauer, chairman of the AMA's board of trustees, when he announced the appropriation of the $500,000.

He quite correctly remarked that "many medical schools, if they were assured a solvent future, would increase their enrollment now." He is also correct in noting that "the financing of medical schools is one of the most pressing problems facing the medical professions today."

A study of the needs of the medical schools of this country as prepared by a committee of deans and other experts shows that about $10,000,000 more a year is needed to meet operating deficits alone. Any expansion requires still more money—and there is no question that expansion is needed in the light of current war and civil defense requirements.

As a matter of fact, the need for the average school—again for 1 year's operational expenses alone—is $516,000, just $16,000 more than the contribution of the AMA. And that for 1 school, not the 79 we have or the many more which are needed.

We plainly need Federal aid to medical education, and to dental, public health nursing, and other professional health training schools. This $500,000 drop in the rain barrel should not obscure that basic and desperate need or the AMA's basically selfish motives.

LEAVE OF ABSENCE

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent that I may be absent all of next week because of reasons of health.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

(By unanimous consent leave of absence was granted to Mr. IRVING for all of next week.)

ACREAGE ALLOTMENTS FOR COTTON IN TEXAS

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, throughout this year a number of the Members, I know, have noticed that I put in the RECORD numerous letters from farmers and county agricultural committees. I have had these letters analyzed by the Library of Congress and I am not altogether pleased to report these facts although I feel it my duty to do so. This, of course, does not cover the entire Cotton Belt because I did not get answers from all of the counties, but it does show, in my opinion, a trend of what is happening. I do not regard the trend to which I shall refer as a healthful one.

The analysis of the letters referred to shows the number of allotments of less than 5 acres was 22,145. The number of those who will grow no cotton was 4,453, or 20 percent of the cases referred to. That means this 20 percent of the people referred to will be out of the business of growing cotton. The number who were thrown out of the business of farming, referred to in the analysis, is 4 percent.

I have just one observation to make. If you should put 20 percent of the people who are in the grocery business out of the grocery business, naturally those people who are left, as long as we have good times, will be all right. If you put 20 percent of the people who are growing a given crop out of the business of growing it, naturally those who are left will do all right so long as times are good.

Is it the proper thing to legislate people out of business? I say "no." I am for free enterprise in farming just as I am in private business.

THE LIBRARY OF CONGRESS,
Washington, D. C., October 4, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives
Washington, D. C.

DEAR MR. BECKWORTH: We have tabulated the information on the number of farmers who received cotton acreage allotments of less than 5 acres which you requested in our recent telephone conversation and your note of September 26.

A summary of this information taken from the letters published in the CONGRESSIONAL RECORD of July 26, July 31, September 22, and September 23 shows the following:

Number of allotments of less than 5 acres reported	22,145
Those who will grow no cotton:	
Number	4,453
Percent	20
Those who will quit farming:	
Number	878
Percent	4

I am returning the CONGRESSIONAL RECORDS and am enclosing the listing sheets as you may be interested in reviewing the individual items.

Sincerely yours,

WALTER W. WILCOX,
Senior Specialist, Agriculture, Legislative Reference Service.

Name of letter writer	Number of allotments less than 5 acres	Percent will grow no cotton	Number will grow no cotton	Percent will quit farming own farm	Number will quit farming own farm
F. P. Martin, CONGRESSIONAL RECORD, July 26, 1950, p. 11147	170	95	162	0	0
R. J. Arnold, ibid	76	5	4	0	0
T. Shelby Oakes, ibid., p. 11148	272	5.5	15	0	0
Buel E. Wright, ibid	266	50–60	[1] 146	20	[1] 53
Bert N. Brumfield, ib'd	154	10	15	[2]	[2]
Murphy J. Burch, ibid	444	25	111	2	9
E. E. Hoffman, ibid., pp. 11148–11149	186	25	47	10	19
Ray S. McEntire, ibid., p. 11149	60	75	45	0	0
F. W. Bolin and C. Riley Brown, ibid	191	15	28	52	100
Woodrow W. Booth, ibid	300	50	150	0	0
E. N. McCall, ibid	478	52	250	5	24
S. C. Plott, ibid., pp. 11149–11150	226	10	22	11	25
A. H. Miller, ibid., p. 11150	408	60	245	2	8
M. L. Bostick, ibid	600	8	50	0	0
Fred J. Green, ibid	43	58	25	0	0
Bernard H. Clark, ibid	12	66	8	0	0
Fred K. Roberts, ibid	540	19	100	5	25
T. W. Garriss, ibid	267	9	25	0	0
G. R. Fulbright, ibid., p. 11151	940	11	100	[4]	[4]
R. O. Fearrington, ibid	857	25	214	[4]	[4]
Mallie Stott, ibid	1,389	11	[5] 150	14	20
W. P. House, ibid	1,151	13	150	[4]	[4]
F. W. Young, ibid	258	50	129	0	0
T. G. Norris, ibid., Sept. 22, 1950, p. 15610	628	11	70	0	0
Vernon L. Whittle, ibid	345	22	75	58	200
Herman L. Hales, ibid	943	5	47	2	19
C. Howard Treece, ibid., pp. 15610–15611	204	8	16	0	0
O. W. Barnett, ibid., p. 15611	202	10	20	[4]	[4]
J. D. Stephens, ibid	288	5	15	4	12
Ray A. Waters, ibid	84	20	17	5	4
Arthur R. Johnson, ibid	367	25	92	0	0
Billy H. Reynolds, ibid	30	67	20	17	5
Lealdon Smith, ibid., pp. 15611–15612	138	0	0	0	0
Max G. Sallings, ibid., p. 15612	100	1	1	2	2
William M. Belcher, ibid	35	29	10	0	0
Carl E. Teeter (Maricopa County) also, for the State of Arizona, ibid., pp. 15612–15613 (letter to Hon. Murdock)	{55 {185	0 0	0 0	0 0	0 0
J. A. Sorenson, ibid., p. 15613	8	50	4	25	2
Robert E. Turner, ibid	282	18	50	0	0
Emory Hunt, ibid	172	35	60	6	10
Fred W. Barber, ibid., pp. 15613–15614	157	32	50	[3]	[7]
Clayton A. Burriss, ibid., p. 15614	168	26	43	12	20
Roy F. Jones, ibid	38	66	25	13	5
R. V. Richey, ibid	84	30	25	[4]	[4]
John A. King, ibid	81	75	61	0	0
Frank Wells, ibid., p. 15615	140	25	35	[4]	[4]
T. M. Minchew, ibid.,	393	25	100	0	0
W. H. Huddleston, ibid	63	32	20	16	10
Alex Long, ibid	52	15	8	5	3
Joe B. Moran, ibid	75	20	15	5	4
B. P. McWhirter, ibid	108	25	27	0	0
John L. Binendine, ibid., p. 15616	76	10	8	0	0
Ranell Lowman, ibid	51	50	20	10	5
Marion M. Shivers, ibid	132	50	66	[4]	[4]
Q. D. Wilson, ibid	473	5	25	0	0
Roy L. O'Brien, ibid	114	22	25	13	15
E. D. Dixon, ibid., p. 15617	138	5	7	[4]	[4]
John L. Hays, ibid	1	0	0	0	0
James B. Stewart, ibid	18	0	0	0	0
Bert J. Ourso, ibid	162	31	50	0	0
Hugh R. Eggerton, ibid	32	97	31	0	0
John H. George, ibid., p. 15618	306	10–15	40	[4]	[4]
Waldo P. O'Neal, ibid	56	26	25	0	0
Laura Mae Hammer, ibid	4	100	4	25	1
Alvara B. Nance, ibid., p. 15619	18	44	8	17	3
Bill E. Fisher, ibid	56	50	28	0	0
A. B. Duke, ibid	154	25–30	43	[3]	[3]
U. Ozel Cox, ibid	80	0	0	None	None
Gus Harris, ibid., p. 15620	670	7.5	50	3.7	25
Anonymous, ibid	170	23.5	40	11.7	20
De Kalb County PMA Committee, ibid	95	31.6	30	None	None
Jack Collins, ibid	116	15	17	None	None
F. K. Wright, ibid	34	21	7	None	None
Charles E. Kell, ibid	16	10	2	10	2
G. B. Fowler, ibid., p. 15621	1,146	22	250	[4]	[4]
B. T. Lake, ibid	350	5	18	5	18
F. W. Young, ibid	258	50	129	0	0
W. W. Hankins, Jr., ibid	12	0	0	0	0
Lucille A. Bass, ibid., pp. 15621–15622	15	0	0	0	0
W. P. House, ibid., p. 15622	1,151	13	150	[4]	[4]
George H. Carter, ibid., Sept. 23, 1950, p. 15762	12	0	0	0	0
Cline T. Young, ibid., p. 15763	157	30	47	10	16
P. L. Barksdale, ibid	192	8	15	0	0
Carl E. Lively, ibid	129	9	11	[4]	[4]
C. H. Teal, ibid., p. 15765	1	100	1	0	0
Alva E. Sanders, ibid	264	19	50	38	100
Demp Kearney, ibid., pp. 15765–15766	7	100	[6] 7	0	0
James M. Ratliff, ibid., p. 15766	56	35.7	20	0	0
A. J. Peters, ibid	115	75	86	5	6
Bennett P. Haman, ibid., p. 15768	33	0	0	.5	0
H. R. Hill, ibid., p. 15769	250	10	25	30–40	88
T. Shelby Oakes, ibid., July 31, 1950, pp. 11428–11429	272	6	15	0	0
Summary: Number of allotments	22,145	20	4,453	4	878

[1] Approximate.
[2] Very small percentage.
[3] Very small number.
[4] Not given.
[5] Estimated.
[6] Slight.
[7] Very few.

[4] Not given.
[5] Estimated.
[6] Small percentage.
[7] A few.

Source: Letters to Hon. Lindley Beckworth, Daily Congressional Record, July 26, 1931, Sept. 22, 23, 1950. Compiled by Warren W. Scott, Legislative Reference Service, Economics Section, Library of Congress, Oct. 3, 1950.

DEPARTMENT OF AGRICULTURE,
OFFICE OF THE SECRETARY,
Washington, November 21, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This replies to your inquiry of November 6 with reference to changing price support legislation to require a farmer to carry out conservation practices in order to be eligible for Government price support.

In the statement of April 7, 1949, on the general farm program before a joint session of the Senate and House Agricultural Committees, one of the conditions recommended on an eligibility for price support was the observance of minimum and sound soil-conservation practices. It is recognized that such a requirement would present certain administrative difficulties and additional costs of administration, but it is believed that if the requirements are flexible to permit local adaptation to meet local conditions, such a requirement would advance the overall objectives of a sound farm program.

Further consideration should be given to the provision in future agricultural legislation.

Sincerely yours,

C. J. MCCORMICK,
Under Secretary.

STATE OF SOUTH CAROLINA,
DEPARTMENT OF AGRICULTURE,
Columbia, S. C., November 20, 1950.

Hon. LINDLEY BECKWORTH,
New House Office Building,
Washington, D. C.

DEAR MR. BECKWORTH: I thank you very much for sending me copies of the CONGRESSIONAL RECORDS of September 22 and 23, 1950. You have certainly gone into the cotton allotment problem very thoroughly.

For your information I find conditions in South Carolina very much like you describe them in your State and we do hope something can be done to straighten out allotment messes when they are reimposed on the cotton farmers.

Very truly yours,

ROY JONES,
Commissioner of Agriculture.

OFFICE OF THE MAYOR,
CITY OF KILGORE, TEX.,
September 30, 1950.

Hon. LINDLEY BECKWORTH,
House Office Building,
Washington, D. C.

DEAR LINDLEY: Enclosed is a photo copy of a cotton notice to Tommie N. Nixon, who resides near Kilgore, which is self explanatory.

I think it a shame and disgrace to penalize this man—or any other person of like status—for growing three bales of cotton on a little old worn-out east Texas farm, especially in the face of such a short cotton crop throughout the Nation this year, and with a big demand for cotton. We here in Kilgore can't buy sheets for our new hospital because of shortages of sheets on the market.

I have known Tommie for 30 years or more. During all these years he has been trying to eke out a living raising whatever crops and stock he could in order to live—not make money. He lives outside the oil field and has no income from that source. As I understand it, he didn't grow any cotton for perhaps 1 or 2 years and for that reason was refused a quota for this year.

In view of the fact there is every indication now there will be no restrictions on planting cotton in 1951; the short crop this year, and, the high cost of living for these poor farmers, I see no reason why these restrictions can't be lifted now and give these people the relief so badly needed.

What can you do about it now?

Regards and best wishes.

Sincerely,

ROY H. LAIRD.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., November 15, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is in reply to your letter of October 30, 1950, with which you returned our letter to you, dated October 19, regarding overplanted cotton farms.

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The statements made by "Roy" on the bottom of our letter have been observed and it is certainly true that there is need for additional cotton production as stated in the press release issued October 3, 1950, in connection with the announcement that acreage allotments and marketing quotas would not be in effect on the 1951 crop of cotton, a copy of which is enclosed. In general, the press release explains the need for at least a 16,000,000-bale crop of cotton next year.

You will observe that in the last paragraph of our letter of October 19, 1950, the condition under which marketing quotas could be terminated under the legislation was set forth.

Sincerely yours,

C. J. McCORMICK,
Under Secretary.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., October 23, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is in reply to your letter of October 10, 1950, copies of which you addressed to Mr. Ralph S. Trigg, Administrator, and Mr. Frank K. Woolley, Deputy Administrator, Production and Marketing Administration, and with which you enclosed a letter from Mr. Roy H. Laird, Kilgore, Tex.

Cotton acreage allotments and marketing quotas for 1950 were established under the authority of the Agricultural Adjustment Act of 1938, as amended. This legislation provides that the farm marketing quota for cotton shall be the actual production of the acreage planted to cotton on the farm less the farm marketing excess. The farm marketing excess is the normal production of that acreage planted to cotton on the farm which is in excess of the farm acreage allotment. If the overplanted acreage is not adjusted to the farm acreage allotment within a reasonable period, the farm marketing excess produced on the farm will be subject to penalty at a rate equal to 50 percent of the parity price for cotton as of June 15, or 15.5 cents per pound.

The farm marketing excess will in no case be larger than the normal yield per acre times the acreage planted in excess of the allotment. If the actual yield is less than the normal yield, and the producer establishes such fact to the satisfaction of the Production and Marketing Administration county committee, the farm marketing excess will be reduced to the amount by which the total production on the farm exceeds the normal yield times the allotment. In cases such as the one referred to in Mr. Laird's letter where no allotment is established for the farm, if the producer establishes, within 30 days after harvest is completed, that the actual production on the farm is less than the normal production of the acreage planted to cotton on the farm, the producer may avoid the payment of a part of the penalty or may receive a refund of a portion of the penalty previously paid.

There is no authority in the legislation for waiving the acreage adjustment provision, except by suspension or termination of marketing quotas for the 1950 crop. The Secretary of Agriculture is authorized by the act to terminate or increase a national marketing quota when such action is found necessary to meet a national emergency or a material increase in export demand for the commodity. However, the large majority of cotton farmers who planted in excess of their farm allotments and who intended to adjust the planted acreage to their farm allotments have already made such adjustments. Others have paid a penalty on their excess acreage and have harvested or will harvest the cotton from this acreage. The termination of the national marketing quota for the 1950 crop of cotton, at this time, therefore, would add no appreciable amount of cotton to the production of 1950. Consequently, it is our opinion that cotton-marketing quotas for the 1950 crop year should not be terminated.

Sincerely yours,

K. T. HUTCHINSON,
Assistant Secretary.

UNITED STATES DEPARTMENT OF AGRICULTURE,
College Station, Tex., November 6, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: As requested in your memorandum of October 28, I am returning the copy of correspondence from the Honorable K. T. Hutchinson, Assistant Secretary of Agriculture, together with other attachments.

As outlined in my letter of October 3 and as restated in the letter of October 23 from the Assistant Secretary, it is felt that marketing quotas on the 1950 crop should not be suspended or terminated at this time. Mr. Nixen should arrange to meet with his local PMA county committee for the purpose of paying the marketing quota penalty described on Form MQ-93-Cotton.

Very truly yours,

B. F. VANCE,
Chairman, State Committee.

BIG SANDY, TEX., *November 1, 1950.*

Congressman LINDLEY BECKWORTH,
Gladewater, Tex.

DEAR LINDLEY: I am writing to explain the position I am in as a farmer. I have a farm leased in which there are 251 acres. This farm belongs to J. Press Davis. I moved on this farm in the fall of 1947. The place hadn't been farmed in several years. The following year I planted 20 acres of cotton, 10 acres of corn, and some small grain. My peanut allotment was zero. This year they allowed me 4.2 acres of cotton and no peanuts. I planted the cotton, knowing that I couldn't make much more than enough to pay my expenses and rent for the farm in which is $175. I planted 12.4 acres of peanuts. When they came to measure my crop I told them that I planted those peanuts at my own risk, but they determined to measure them anyway.

On October 23, 1950, Mr. Lewis E. Stracener, administration officer, sent a man out to see me about my peanuts. He asked me if I had tried to sell them, or if I was going to sell them. I told him I was if I could. Then I went up to talk to Mr. Stracener. He told me there would be a penalty of 5.4 cents per pound, in which would be half or more than I would get out of the peanuts.

I am a veteran of World War II. I thought freedom was what we were fighting for, but when they allowed me 4.2 acres of cotton to make a living for my wife and two children I felt that my freedom was gone.

After returning from the service I borrowed money from the FHA to buy some cattle and a tractor in which I still owe some on this debt.

The point is if I can't plant but 4.2 acres of cotton I'll just have to quit and sell my cattle and tractor to get out of debt.

I believe since you being raised in east Texas, you know what I am up against, but I feel that there is some that don't.

That is about all I have to say except I would like very much to continue farming.

Yours very truly,

HOWARD M. SMITH.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., October 30, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is in reply to your letters of October 11, 1950, asking whether the Department expects to recommend mandatory price support on the 1951 crop of sweetpotatoes.

Under the Agricultural Act of 1949 sweetpotatoes were placed in the same category as other veegtables with respect to purchase operations. Existing legislation appears adequate insofar as sweetpotatoes are concerned and unless circumstances change materially, the Department does not expect to recommend any change in legislation affecting sweetpotatoes.

Sincerely yours,

C. J. McCORMICK,
Under Secretary.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
FARMERS HOME ADMINISTRATION,
Dallas, Tex., November 3, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: I wish to keep you fully informed as to recent developments as applicable to the Farmers Home Administration program in your district. I am attaching your memoranda and letters from various individuals as you requested.

Last year, as you will recall, our agent went into various counties in that east Texas area with funds to assist farmers suffering a loss on their sweetpotato crops due to the heavy rainfall and flood conditions in 1949.

We held a meeting of all supervisory personnel in the east Texas area on October 31, about which I wrote you some few days ago. It appears that disaster conditions are prevalent in the area, especially with growers relying entirely on the one-cash-crop system of sweetpotatoes or cotton only.

In analyzing the situation and working out recommendations as an outgrowth of the Tyler meeting, I believe our agency can assist the area by developing a program under the Supplemental Appropriation Act of 1951, making funds available for adjustments to assist these farmers in developing a sounder approach to their problems, by including livestock in their farm plans and in furnishing the finances necessary for an over-all farm program.

Our desire to recommend a program of this type to our Administrator is based on the fact, as you know, that our disaster program was set up last year in the area to assist the sweetpotato growers. From financial crop reports these loans are going to be one of loss to the Government; anyway, it appears they are headed in that direction now, as the growers are not able to market their potatoes and repay their loans under the prevailing conditions.

The statistical information necessary to enable us to present a formal request for the area to be declared a disaster area is being developed by our personnel. I plan to give Mr. Lasseter a full report on the entire area as soon as this information can be compiled and passed on to the Secretary of Agriculture, requesting that the area be designated under Public Law 38 and funds made available through the Supplemental Appropriation Act of 1951.

Sincerely yours,

L. J. CAPPLEMAN,
State Director.

TYLER, TEX., *November 3, 1950.*

Mr. DENNIS M. POE,
Purchase Representative, Production and Marketing Administration, Pittsburg, Tex.

DEAR MR. POE: The harvesting of the East Texas sweet potato crop is far along and I believe that with clear weather 2 more weeks will see over 90 percent of the crop out of the ground. Some of the late plantings have been left as long as possible to increase size and weight.

Yields of No. 1 potatoes have been very disappointing. I doubt if the average would

amount to more than 50 to 60 boxes per acre. This explains why growers are not going the route of selling their crop for school-lunch purposes. The actual cost to them will run at least $75 per acre and at $1.35 per box, they could not afford to lose some $25 per acre. Most of them tell me that they had rather go ahead and gamble on a rising price in future months. The market will no doubt react and we are encouraging farm storage by everyone who has any volume of potatoes.

I was hoping that a price of at least $1.75 could be set up to assist the growers during the low-priced period which would have held the market at somewhere near that level. The small farmer with a 5- to 10-acre patch of potatoes has had to sell them at considerable loss in order to get the crop out of ground before frost. It is this type of farmer that surplus programs are designed to aid. Of course, you and I do not have any control over the setting of the price which is offered to farmers, but if it had been set at a reasonable figure we would not have had the losses to the farmers which have occurred this season.

We appreciate your fine cooperation which you and your coworkers have given and if we can help you in any way, let us know.

Yours truly,

J. F. ROSBOROUGH,
Horticultural Marketing Specialist.

Copy to Hon. LINDLEY BECKWORTH.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING ADMINISTRATION,
College Station, Tex., November 7, 1950.

Hon. LINDLEY BECKWORTH,
Member of Congress,
House of Representatives,
Gladewater, Tex.

DEAR MR. BECKWORTH: You will find enclosed copy of final report of Sweetpotato Program RMP-25a-74, which was terminated November 3. You will note that only 500 bushels of potatoes were purchased.

I am also enclosing copy of a letter to Mr. J. L. Harris, route 1, Gladewater, Tex., and one to Mr. N. E. Dudley, of Whitehouse, Smith County, Tex., giving them information we have regarding shipments of sweetpotatoes from quarantined areas.

I want you to know that I appreciated the visit with you and it is regretted that we were not able to help the farmers in your area. In summing up the potato situation up there this year and with the interest of the farmer at heart, you cannot blame the farmer for not selling his potatoes to the Government at a price we offered, as most of the farmers were only getting 25 to 40 percent U. S. No. 1 potatoes off of their land and the actual cost to them runs at least $75 per acre and the farmers felt that they had rather hold, taking a chance on a better market instead of taking a $25-per-acre loss on their potatoes.

The market is stronger and has improved some. I think the cooperative advertising has helped some. Assuring you of our cooperation, and with kindest personal regards, I am,

Yours very truly,

DENNIS M. POE,
Purchase Representative.

UNITED STATES
DEPARTMENT OF AGRICULTURE,
PRODUCTION AND MARKETING ADMINISTRATION,
Gilmer, Tex., October 16, 1950.

To: Hon. Congressman LINDLEY BECKWORTH.
From: Upshur County PMA Committee.
Subject: Provisions be changed in acreage allotment law to give veterans a better break in getting future acreage allotment for farms that have no previous acreage history.

For instance: All veterans of World Wars I and II and subsequent wars that buy or rent farms that have no cropland history in the base years from which farm allotments are computed, by making application to the County Committee shall be granted crop acreage that compares favorably with other farms in the vicinity.

Then their acreage for allotment crops shall be computed according to the acreage granted by the County Committee.

If you remember, the industrial workers were guaranteed their jobs back if and when they returned home. All kinds of promises were made the other boys but no provision was made in the law for their benefit on crop acreage allotments on farms with no crop history.

The veterans that come within this category that made application for allotments received on an average about 1.5 acres, some as low as 0.2 of an acre. This was so small that some of them would not plant.

W. B. HOLLINSHEAD,
R. L. WHIT,
E. C. PALMER,
Upshur County PMA Committee.

[From the Dallas (Tex.) Morning News of October 17, 1950]

POLITICAL CONTROL CRIPPLES COTTON

Senator TOM CONNALLY says that Secretary of Agriculture Charles F. Brannan's restriction of cotton exports favors the spinning industry to the disadvantage of the farmers. This is the truth, but not the whole truth. The whole Government program of controls also favors the foreign cotton growers and the producers of both natural and synthetic competing fabrics to the disadvantage of the cotton farmers.

Looking at the record of cotton crop control to date, we find the following results indisputable:

First, it has given the farmer a momentarily higher price but robbed him of most of the benefits of it by inflating the purchasing power of the dollar through similar moves favoring other minority groups.

Second, it has increasingly encouraged all manner of competition with cotton in such a way that more and more artificial stimulus must be injected into the cotton growing industry in order to maintain even a semblance of higher value. For example, Texas cotton normally sells on a parity with, or a little above, Mexican cotton. Since the recent order of the Department of Agriculture, Texas cotton has dropped $20 a bale and Mexican cotton has increased $40. The same boost in price of foreign cotton has been general. The American taxpayer—and the American cotton farmer—are paying through the nose to encourage foreign production of cotton.

Third, it is largely offsetting the good results being obtained in cotton growing, marketing and spinning research such as is being carried on by the Texas Cotton research committee.

The present crisis in the southern cotton industry comes from official blundering almost without parallel. And the blundering has been done primarily by people in authority who know little about the cotton industry.

It appears that the cotton industry of the South is headed for extinction, despite some sound economic and scientific achievements to preserve it, unless something is done to reverse the trend of political control.

DEPARTMENT OF AGRICULTURE,
Washington, D. C., November 14, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives.

DEAR MR. BECKWORTH: This is in reply to your letter dated October 19, 1950, copies of which were forwarded to Mr. Ralph S. Trigg, Administrator, and Mr. Frank K. Woolley, Deputy Administrator, Production and Marketing Administration, with which you enclosed a copy of a letter from the Upshur County, Texas PMA Committee. This county committee has recommended that the acreage-allotment law be amended to provide certain privileges for veterans of World Wars I and II.

The Agricultural Adjustment Act of 1938, as amended, under which the 1950 national cotton acreage allotment was apportioned to the respective States, counties and farms is specific as to the manner in which the apportionments shall be made. The act contains no provisions which would permit special consideration for veterans, as individuals, in the establishment of cotton acreage allotments.

Since marketing quotas and acreage allotments will not be in effect on the 1951 crop of cotton, veterans who are operating farms which do not have cotton acreage history for the other base period years will have an opportunity to establish cotton acreage history for 1951.

Sincerely yours,

C. J. MCCORMICK,
Under Secretary.

[From the Farmer-Stockman of November 1950]

TALKS WITH OUR READERS

(By Ferdie J. Deering, editor)

The futility of Government attempts to control crop production through acreage allotments is demonstrated again in the 1950 cotton-crop failure. So, for 1951 at least, there won't be any acreage controls on the cotton crop.

The breakdown of the allotment system might be glossed over by designating last spring's "cotton surplus" as a "national reserve" this fall. But that won't keep farmers from regarding last spring's red tape in the form of red ink this fall. What does it matter if cotton sells for 40 cents a pound if you lost your crop to bugs, bad weather, and bureaucrats?

Farmers planted only about 18,000,000 of the 21,000,000 acres allotted this year, in spite of clamor for larger allotments in some areas. Texas in 1949 grew about one-third of the Nation's cotton, so drew a big cut in acreage this year. But farmers planted 8 percent less than allotted. Oklahoma, with a small allotment, failed by about 19 percent to get it all planted.

A survey by Texas Congressman LINDLEY BECKWORTH revealed that one reason was that, all over the cotton belt, thousands of farmers received less than 5 acres cotton acreage allotment. Many of these planted no cotton.

In Oklahoma, 384 of LeFlore County's 2,097 cotton growers had less than 5 acres. In Stephens County 305 had 5 acres or less, in Atoka County 659 growers were assigned less than 5 acres. In Carter County, where Ardmore was once a major inland cotton market, 154 of the 735 old cotton growers had under 5 acres. The list could be extended in Texas, Tennessee, Arkansas, or Mississippi.

The allotments didn't cause the main reduction in cotton yields, though. Bad weather in many areas, and heavy insect damage in most sections cut yields so that farmers grew only about 10,000,000 bales of cotton, much less than our usual needs. Most of the 1948 and 1949 loan cotton has moved into trade. We need a cotton crop in 1951 to avoid a cotton shortage. Until Government can control the weather, it can't control crop production.

Commentators have a lot to say about Government losses on price-support programs. Some of it is true. Part may be easily misinterpreted.

The United States Chamber of Commerce, supported by big business, has made a study

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in which it points out that only one manufacturing company apparently has greater assets than the $3,250,000,000 held by the Commodity Credit Corp. Standard Oil of New Jersey is larger. General Motors and United States Steel are smaller. Agriculture is big, and with $100,000,000 in capital and $6,750,000,000 in borrowing power, CCC is a major factor in all aspects of our national economy.

The report also points out that not all CCC programs show losses. It cites 4 years with profits totaling $138,000,000 paid to Federal Treasury. From 1933 to 1950 the domestic cotton program shows a profit of $245,000,000 the cotton-rubber barter program carried on during the war netted $11,000,000 and the domestic tobacco program shows a profit of over $5,000,000.

On the loss side are the $416,000,000 for potatoes, $92,000,000 on wool, $82,000,000 on eggs, $67,000,000 on peanuts, and $51,000,000 on wheat.

The net loss on price-support programs since its organization in 1933 is reported to be $646,000,000, according to the United States Chamber of Commerce.

Some people want the national farm program to fail, so they make a lot about these losses. A good price-support program should just about break even, over a period of years. If it loses consistently it becomes a subsidy. Neither farmers nor taxpayers are pleased with that kind of dole system.

Some farmers have been disappointed because their hybrid corn didn't turn out the big yields they'd read about. Trouble usually is that they planted the corn on poor land, expecting miracles from the seed. But even hybrid seed has to have something to grow on if it's to make a crop. One noted corn breeder told me last summer, "You can do more to increase corn yields by building up your soil fertility than you can by switching to hybrid seed. But once you've built up your soil, then plant hybrid seed and stand back for a big harvest."

Are Federal orders regulating milk marketing in metropolitan milksheds a good thing, or not? Some producers are seriously debating their value. The trouble is, in the Oklahoma City milkshed especially, that they already have the order, and they are finding it is much easier to get under a Federal control than to get rid of it.

In the Oklahoma City area the price paid to producers under the order has been less than it was before the order. The price to consumers has been increased. The base has been broadened so that producers may market more of their milk over the flush season, and accurate weights and tests are assured.

A similar order is in effect in Tulsa. The Dallas-Forth Worth area has the matter under consideration. Houston survived a milk war without an order, and now producers there receive one of the Nation's top prices. Which is best we cannot say. We do believe that producers should look at the situation carefully before vesting marketing rights in a Federal bureau. The time to consider is before the action is applied; it isn't easy to change things afterward.

Every now and then we get a complaint from some shipper who thinks his stock has been mixed up in selling. We've never found a case where there was substantial evidence that this happened.

However, it could happen, because a lot of people never brand or mark their animals before shipping. They only know that they sent a red steer and a black cow to market. The yards receive daily scores of head that would meet that general description.

Don't spoil the hide by too large markings, but help defeat rustlers at home and avoid mistakes in shipping by using some clear marking that will identify your stock to your neighbors, the trucker, and the commission man who sells them for you.

You can have your brand registered for your exclusive use if you wish, affording greater protection against the thieves that are working our ranches these days.

ELKHART FARMERS COOPERATIVE ASSOCIATION,
Elkhart, Tex., November 20, 1950.

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR SIR: More than 70 members of the association recently voted unanimously to oppose any reduction in the peanut acreage allotment in a special meeting held in the Elkhart auditorium.

I am instructed by unanimous resolution to ask your support in the matter of using your influence to stop this reduction in acreage over 1950 allotment.

Yours very truly,
M. V. STUTEVILLE, *Secretary.*

UNITED STATES DEPARTMENT OF AGRICULTURE, PRODUCTION AND MARKETING ADMINISTRATION,
College Station, Tex., December 1, 1950.

Hon. LINDLEY BECKWORTH,
Member of Congress,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN: I have your letter of November 28, in which you quoted a letter received from Mr. M. V. Stuteville, Elkhart Farmers Cooperative Association, Elkhart, Tex.

I regret that there is nothing this organization can do about the reduction of peanut acreage allotment since the law as passed by Congress specifies the method to be used by the Department in allocating peanut acreage allotments. The reduction in Texas is very severe and is going to work an extreme hardship on many producers.

Very truly yours,
B. F. VANCE,
Chairman, State Committee.

WALLER, TEX., *December 1, 1950.*

Hon. LINDLEY BECKWORTH,
House of Representatives,
Washington, D. C.

DEAR MR. BECKWORTH: Enclosed is a letter from a broker in Canada, whom Mr. King, of the King Peanut Co., Abilene, Tex., contacted in regard to my peanuts.

From this letter you will see where our agriculture market is going.

Please return to Mr. King after you have digested the contents.

Thanking you for your efforts in my behalf,
Yours very truly,
A. WM. SCHILD.

W. H. ESCOTT CO., LTD.,
Winnipeg, Canada, November 17, 1950.

KING PEANUT CO.,
Abilene, Tex.

DEAR SIRS: We thank you for your favor of the 14th instant quoting us on Spanish peanuts. However, we are sorry that the prospects are not very favorable for business with Canada at this time due to the fact that similar commodities are obtainable from China, India, at prices anywhere from 5 to 7 cents per pound below the basis you quote. We, however, doubt whether you can meet this competition in view of your Government price guarantee. However, should circumstances enable you to give us lower prices, we would be very pleased to hear from you.

Yours very truly,
W. H. ESCOTT CO., LTD.

THE LATE HONORABLE JOHN McDUFFIE

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, on November 1, I was across the water under an assignment from the chairman of the Judiciary Committee of which I have the honor to be a member. I have only recently returned and today have just been apprised that the attention of the Members of the House has not been called to the fact that on that day a former distinguished Member of this House fell asleep, at the end of a service of 15 years as judge of the District Court of the United States for the Southern District of Alabama, who served for 20 years theretofore as an honored and beloved Member of this House, the Honorable John McDuffie of Monroeville and Mobile, Ala.

Judge McDuffie was born at River Ridge in Monroe County, Ala., on September 25, 1883, the son of John and Virginia Marion Lett McDuffie. He was educated by private tutors and in the Southern University at Greensboro, Ala., then graduated from the Alabama Polytechnic Institute at Auburn, in 1904, graduated from the University of Alabama Law School with a degree of LL. B. in 1908.

His first public service was in the legislature of Alabama where his service commended him to the electorate of Alabama, who elected him prosecuting attorney for the first judicial circuit of Alabama for two terms, and then sent him to Congress, where he was a member of the House of Representatives from the Sixty-sixth to the Seventy-fourth Congresses, representing the First Alabama District.

He resigned March 2, 1935, to become judge of the United States District Court for the Southern District of Alabama.

He was the author of much important legislation, including the McDuffie-Tydings Act, which decreed freedom for the Philippines.

He came within three votes of being elected speaker of the National House of Representatives.

He was a member of the Democratic Party, the Presbyterian Church of the United States, the Masonic, and Knights of Pythias. He was married twice, his first wife being Mrs. Cornelia H. McDuffie. Of that union there was born one child, a daughter, Cornelia, who is now Mrs. Turner. He is survived by his second wife, Mrs. Mary C. McDuffie.

He was known and beloved by many Members of this House and by everyone who ever served with him. It is not too much to say that he was as popular as any man who ever graced these Halls.

Judge McDuffie rendered a memorable service to the bench as well as to the bar, and the administration of justice, not only in Alabama but here in Washington and in many other places where he had been called by his duties.

It gives me pride to certify that this truly great man rendered his State and the Nation a service that few have equaled and none excelled.

Every heart must go out to his bereaved loved ones.

It is a sad duty to apprise the House of his passing onto the reward which he so richly earned and deserves, in the house not made with hands, eternal in the heavens.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the gentleman from Mississippi.

Mr. RANKIN. I simply wish to endorse everything the gentleman from Alabama [Mr. HOBBS] has said about our distinguished friend and former colleague, John McDuffie.

I served with him here for many years. We were intimately acquainted. In one contest we were pitted against each other. I can truthfully say that I never met a finer American, a more courteous gentleman, or a nobler character than John McDuffie.

His passing is a great loss, not only to the State of Alabama, but to the entire Nation.

Mr. HOBBS. I now yield to our distinguished Speaker, the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. John McDuffie lived a great and useful life. His was a good and great soul. He was a friend to man. He truly served his day and generation.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am delighted to yield.

Mr. McCORMACK. I think the gentleman from Alabama best expressed our late friend and colleague when he said that he was known and loved by many Members as anyone who ever served in this body. When I first came to this body in 1928, John McDuffie was one of the first Members that I met, and there developed a very close and strong friendship between us. Those of us who served with John McDuffie will always remember him not only as a legislator but as a man. He was always a gentleman; kind, considerate, and charitable. As a legislator he was outstanding. The respect and confidence that his colleagues had in him is evidenced by the fact that he was Democratic whip for several years. He was at one time a candidate for Speaker. He was defeated only in a very close vote, and as one of our colleagues sitting close by observed just a few moments ago to me and a few of us who were seated near him it was one of the hardest-fought contests for Speakership ever waged. John McDuffie rendered outstanding service to his State, and when he came to the Congress, outstanding service to his country in the legislative walk of life and, later, in the judicial branch of our Government, for many years, he rendered equally outstanding service. I am deeply grieved in the passing of John McDuffie. When his death was announced I sent a telegram to his widow conveying to her and the other loved ones left behind the deep sympathy of Mrs. McCormack and myself, which I reiterate and repeat on this occasion.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am delighted to.

Mr. WHITTINGTON. Mr. Speaker, as one who served in the House with the late Judge and Representative John McDuffie, I would like to join in paying tribute to his memory and to his services as a Member of the House and district judge of the United States Court for the District of Alabama in which Mobile is located.

Judge McDuffie served in the House of Representatives for eight terms, or 16 years, from March 4, 1919, to March 2, 1935, when he resigned to accept an appointment as United States district judge.

When I became a Member of the House on March 4, 1925, John McDuffie was among the first Members of Congress that I met. Our families lived in the same hotel for a number of years. He was a member of the Committee on Rivers and Harbors and supported the improvement of the rivers and harbors of the country. The improvement of the Mississippi River and its tributaries was vital to the people of the district I represent. We thus had many interests in common.

John McDuffie was an able and capable legislator. He was familiar with the science of government. He was a man possessed of wide information and was familiar with the problems and issues of all parts of our common country. He had his political convictions. He was not only a very capable legislator but he was a courageous statesman.

He possessed the judicial temperament. While I am more familiar with his record as a legislator than as a judge, he occasionally presided over the district Federal courts in Mississippi and he enjoyed the esteem of the members of the bar for his fairness and ability in the conduct of the court.

John McDuffie was a great patriot. He was devoted to his country. He was a kind husband and father. He had a most successful career in the House of Representatives and on the bench of the district court of the United States. Honor to his memory and peace to his ashes.

Mr. HOBBS. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I would be delighted to yield to the distinguished lady.

Mrs. ROGERS of Massachusetts. I am very much the richer for having known and having served in the Congress with my former colleague, Judge McDuffie. I can say that there were no party lines as far as he was concerned, and that he was beloved and respected by the Republicans as well as by his colleagues of his own party. Among his outstanding characteristics I remember his humor, his ability, and his courage.

With his wife and all his friends, I mourn the passing of a great man, a great judge, a great statesman, and a great patriot.

Mr. MARTIN of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I am delighted to yield to the distinguished minority leader.

Mr. MARTIN of Massachusetts. I join with the gentleman from Alabama in his splendid tribute to a man who was a brilliant and outstanding American. It was my privilege to know John McDuffie for many years when he served as a Member of the House. I was pleased to enjoy his fine southern hospitality in his home in Mobile, Ala. John McDuffie was of the scholar-in-politics type. He served for the purpose of making his country a better place in which to live. He believed the closer the Government was to the people, the better it was for all. He vigorously opposed the trend of an all-powerful bureaucracy. In his later life he was an able jurist and served with great distinction.

The world is much poorer for his passing at this time. I extend my deepest sympathy to his family in this, their hour of bereavement.

Mr. KERR. Mr. Speaker, will the gentleman yield?

Mr. HOBBS. I will be delighted to yield to the very distinguished gentleman from North Carolina.

Mr. KERR. I want to join with the gentleman and the other Members of the House in paying a last tribute to John McDuffie. I was here in Congress with him for many years. He was my friend and I was his friend. I heartily supported him for Speaker of the House. I was very sorry that he was defeated. However, he was defeated by one who was also a great man.

John McDuffie was one of the most useful Members of this House I ever served with. He loved his fellow man. He served his country with zeal and earnestness.

Along with the gentleman from Alabama and the other Members of this Congress I want to pay tribute to John McDuffie, and we are sorry he is gone. We who served with him will never forget him or the fine service he rendered this country.

Mr. HOBBS. I thank the gentleman so much.

Mr. Speaker, I ask unanimous consent that all Members may extend their remarks on the life and services of the late Honorable John McDuffie.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. MICHENER. Mr. Speaker, I did not know of the passing of our former colleague, Judge John McDuffie, until the matter was brought to the attention of the House, a few minutes ago, by the gentleman from Alabama [Mr. HOBBS]. Certainly, I want to join with the others in paying my tribute to the life and character of Judge McDuffie.

When Mr. McDuffie was in the House I knew him well. We lived at the same hotel and our families were most friendly. We all regretted when Mr. McDuffie left us. When men like John McDuffie retire from Congress there is an unexplainable void. Things just do not seem the same for a time. His friends were numbered by his acquaintances and he accomplished much in the Congress for his district, his State and his Nation. He became United States judge in Alabama and I continued as a

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member of the Committee on the Judiciary of the House of Representatives having jurisdiction over Federal courts. Because of this fact, our friendly relations and mutual interests brought us together occasionally and prompted much correspondence between us. We usually agreed on judicial matters and I always prized his information and suggestions. He had a fine legal mind, was a tireless worker and was intellectually honest. In short, he had the courage of his convictions and the court reports stand as a monument to his sound judgment and his fearlessness. My family joins me in expressing sympathy and sorrow to his bereaved family.

SUGGESTIONS: TRUCE IN KOREA; ABOLISH SECURITY COUNCIL; LET NATIONS APPLY

Mr. CASE of South Dakota. Mr. Speaker, we are all tremendously concerned with the Korean crisis and its meaning for the future of the world. This morning, as one suggestion for a course of action, I sent the following telegram to the President of the United States:

WASHINGTON, D. C., *December 8, 1950.*
President HARRY S. TRUMAN,
The White House:

Respectfully suggest following as possible basis for easing Korean crisis:

First. Mutual cease fire orders and withdrawal of United Nations and Chinese troops from North Korea.

Second. United Nations to set up interim seven man commission to supervise rehabilitation and administration of all Korea, selected from nations not represented by troops in current fighting.

Third. Elections September 1, 1951 for constituent assembly and provisional government to take office October 1, 1951 and make provisions for a permanent government for Republic of United Korea.

Fourth. United Nations to withdraw troops from South Korea and fleet from Formosa waters not later than October 15, 1951.

Fifth. United Nations interim commission to report progress periodically and to withdraw from Korea by December 31, 1951.

Sixth. Change United Nations Charter to abolish Security Council and provide that any member nation may exempt itself from application of Assembly actions involving its sovereignty by filing an exception within 30 days.

Seventh. Make question of admitting new states to United Nations General Assembly the first order of business following the organization of each annual session and provide for a standing committee to receive applications from any government and to report with recommendations at the opening of each annual session next following receipt of such application.

FRANCIS CASE,
Member of Congress.

THE EUROPEAN ASIATIC SITUATION

Mr. JUDD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. JUDD. Mr. Speaker, in all the speculation regarding what is happening in the conferences going on between Prime Minister Attlee and President Truman, it has been frequently reported or suggested that some of the European countries favor our reducing our own efforts in the Far East and our assistance to those who are resisting armed communism in Asia, there seems to be a belief that less aid to Asia will mean more aid to Europe; and that even to let Asia go will improve the prospects of saving Europe. I think our friends in Europe ought to understand that any such belief has a very dubious basis. It is more likely that less aid to Asia will mean less aid to Europe also. Why? Because the loss of Asia to Communist control, thereby freeing Russia to send into Europe all of her own forces and a few million Chinese, too, if needed, will so reduce the prospects of being able to save Europe that it is very doubtful whether the United States would be justified in continuing aid to Europe. To weaken ourselves further without saving them is of no benefit to them any more than to our own country.

I say this as one who has supported fully every program of aid to Europe, and who will continue to do so just as long as there is any reasonable possibility of success. But you have heard me express repeatedly during more than 3 years my conviction that our best chances of preventing war with Russia is to keep both Western Europe and China free and capable of resistance so that the Soviets are compelled to divide their strength and attention between two widely separated fronts. We still must find means to prevent her concentrating all of her forces against Europe or there will be no chance of its successful defense. I am convinced as much as ever that to save either Europe, or Asia, both must be kept independent of Soviet control. The loss of either will mean the loss of both. If Western Europe does not help us to the full in Asia, it is not reasonable to expect that we will consider it wise or possible to increase or even to continue our help to them in Europe. I hope that is clearly understood by all in our Government as well in the European countries.

RENT-CONTROL BILL

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the conferees on the rent-control bill may have until midnight Saturday to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

TEMPORARY EXTENSION OF HOUSING AND RENT ACT OF 1947—CONFERENCE REPORT

Mr. SPENCE. Mr. Speaker, I submit a conference report and statement on the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947.

COMMITTEE ON RULES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRIVATE CALENDAR TO BE CALLED THURSDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Thursday next it may be in order to call the bills on the Private Calendar.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, will the majority leader tell us what we may expect next week?

Mr. McCORMACK. Yes. On Monday we will continue consideration of the air-mail-separation bill.

On Tuesday the Yugoslav bill. A rule has been reported out granting 3 hours of general debate. Only general debate will be had on Tuesday, and the bill will be taken up under the 5-minute rule on Wednesday.

I am informed by the gentleman from Missouri [Mr. CANNON] that the appropriation bill will probably be ready to be taken up the latter part of next week.

There is also the civilian defense program. I am unable to give anything approaching definiteness on that, except that one member of the committee told me that it probably would not be ready at the earliest before the latter part of next week. However, the other two bills are definite. It is quite definite that the appropriation bill will be in order the latter part of next week. Conference reports may be in order any time.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts [Mr. McCORMACK]?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks and include a newspaper article.)

BENEFITS TO VETERANS

Mr. HOFFMAN of Michigan. Mr. Speaker, earlier in the day our distinguished colleague from New York [Mr. EDWIN ARTHUR HALL] who, on every pos-

sible occasion advocates consideration for our veterans, as do we all, had something to say, and I commend his remarks to your attention and hope you will read them as printed in the RECORD. He referred to a certain benefit which it is proposed be given to the veterans.

We can all go along with this program of giving every benefit possible to the veterans, but I am wondering if the veterans, their wives and relatives would not appreciate it more if, before they become veterans, we give consideration to and adopt a policy which would avoid the necessity of their becoming veterans and fighting here, there, all over the world. Would they not like it much better if they had an opportunity to stay at home, get married, raise a family, educate their children, and provide for their own old age rather than to receive any benefit which the Congress or a grateful country can extend to them later as veterans?

If my understanding of our Chaplain's prayer this morning is correct, he suggested that more important than the relationship of the nations of the world to each other was the relationship of each nation, and presumably our Nation was included, to God. I will agree with him on that, we have drifted far away from the Scriptures and from the sound principles of our forefathers. But unfortunately all nations do not seem to have, or at least they do not recognize, the same God. We have one. Other nations have others. At least I think they have—no, I will take that back. I will not say I think they have. Some folks think they have. I have an idea that perhaps we are all trying to worship the same Divine Being.

I never did fall for the doctrine that if a Chinese died he was going to hell just because he did not belong to the Lutheran Church. I have sometimes thought, in fact I have always thought, that even the Methodists, whose ministers used to preach hell fire and damnation, and to which church my mother used to send me or even go with me when as a youngster when I slipped a little and did something I should not, would get to heaven just as easily, just as quickly, as any of the rest of us. She would send me there or go with me sometimes, and I was forced to listen to that minister preach. That minister would scare the everlasting daylights out of me for a week or two, and I would be a fairly decent boy.

I do not think that all these nations are going to the bad place, even if they do not worship, by name at least, the same Divinity that we do.

Permit me to express my humble judgment—and I speak in all humility.

THE INTERNATIONALISTS' FOLLY, PLUS TRUMAN'S STUBBORNNESS, ENDANGERS THE REPUBLIC

American internationalists have refused to recognize any limitation of the kindly precept that every man is his brother's keeper. If such a policy was universally accepted and acted upon, the world's troubles might be over. But, acted upon by only a fraction of the people, such a policy is futile.

The internationalists believe, or pretend to believe, that it is the duty of the American people to aid and sustain all those whoever, wherever, they may be, who have less of anything deemed desirable.

The internationalists have not only attempted to commit us to the program of reestablishing the economic life, of rehabilitating the people, not only of the countries injured by World War II, but also of modernizing in every respect areas which were not affected by that war.

Yes, the internationalists go even further and insist that, where other people, other nations, do not ask for or do not want our aid, we should, by force of arms if need be, mold them to our way of thinking and life. Our internationalists are insisting that a world police force be used to compel acceptance of our policies.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. AUGUST H. ANDRESEN. It is stated that that will be accomplished through the point 4 program.

Mr. HOFFMAN of Michigan. But I would say to the gentleman from Minnesota that before they ever thought of point 4 they had another way of doing it.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. HOFFMAN of Michigan. I yield.

Mr. REED of New York. Quite a number of things that arise in these international affairs are rather puzzling. Secretary Acheson, I believe, served notice on the Koreans that if they did not balance their budget we could not help them any more; he also served notice on Greece that unless they balanced their budget they could not get aid from this country. What about balancing the budget of our own country instead of chiding them because they have not balanced their budget?

Another thing, the gentleman will recall that they were making plans to spend $10,000,000,000 to rehabilitate Korea when the war was over. I do not know how much more they expect it will cost for rehabilitation or how many other countries they anticipate having to take over.

Mr. HOFFMAN of Michigan. I thank the gentleman from New York.

There has never been any thought of balancing our own budget. The chaplain, I think, almost every day asks the good Lord to help us. Apparently altogether too many are relying upon the thought that the Lord is going to balance the budget, because certainly the Congress does not make any effort to do it. So I suggest that we Members not only seek the assistance of the Lord in our prayers in balancing the budget, and in saving the country from its foolishness, but after praying it might also be well to have the prayers written up and then bring them down to the House with us the next day and look at them before we vote and do a little something to help the Lord accomplish the task we have delegated to him.

Now, coming back to point 4, before they ever thought of point 4, the internationalists had the idea that if any of these nations did not want what we were attempting to give them or force on them we should just join up in a world police force and make them take it, force it on them. I do not think that can be done.

The internationalists, for the last 10 or more years, have had their way. Financially, politically, powerful and arrogant, with false charges of a lack of patriotism against all who oppose their program, they have intimidated the overwhelming number of our people and their representatives, who long have realized that it is impossible for 150,000,000 people to impose their will upon the rest of the world.

The internationalists learned little, if anything, from World War I or World War II. Stubbornly refusing to either count the cost or evaluate the prospect of success, the internationalists have involved us in world war III.

The administration and specifically Mr. Truman, through Dean Acheson, who never apparently has considered first the welfare of America, and those of his school of thought, while pretending to fight communism, have coddled, harbored, and encouraged Communists and near-Communists in strategic positions in the Federal Government.

We are in world war III. Mr. Truman and his State Department set the stage for that war.

July 19, 1950, the President sent a message to Congress, in which, among other things, he stated that, on the morning of June 25, the North Koreans invaded the Republic of Korea.

He further told Congress that—

> In response to urgent appeals from the Government of Korea, General MacArthur was immediately authorized to send supplies of ammunition to the Korean defenders. * * * The United States Seventh Fleet was ordered north from the Philippines, so that it might be available in the area in case of need.

In the afternoon, the Security Council of the United Nations met at the request of Mr. Truman, who assumed to speak for the United States. At that meeting, the Security Council passed a resolution which called for the immediate cessation of hostilities and for the withdrawal, to the thirty-eighth parallel, of the North Korean invading troops.

The President further said that—

> Throughout Monday, June 26, the invaders continued their attack with no heed to the resolution of the Security Council of the United Nations. Accordingly, in order to support the resolution, and on the unanimous advice of our civil and military authorities, I ordered United States air and sea forces to give the Korean Government troops cover and support.
>
> On Tuesday, June 27, when the United Nations Commission in Korea had reported that the northern troops had neither ceased hostilities nor withdrawn to the thirty-eighth parallel, the United Nations Security Council met again and passed a second resolution recommending that members of the United Nations furnish to the Republic of Korea such aid as might be necessary to repel the attack and to restore international peace and security in the area.

Forthwith Mr. Truman, at the request of the Security Council, without the consent of the Congress, which alone has power to declare war, put us into world war III.

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World war III, staged by Mr. Truman and his State Department, has already cost the lives of more than 10,000 American men. No one today knows even approximately the number of casualties. Their foreign policy has given us, next to Pearl Harbor, the greatest military defeat in our history.

Unless their program is repudiated, it may give us the greatest casualties sustained in all other wars in which our country has engaged. It may ultimately destroy our ability to defend ourselves.

But one thing we do know—one thing even the most ardent internationalist should know—is that England does not propose to go all out in a war against either Russia or the Chinese Communists. Did you note the statement of Prime Minister Attlee the other day? He said that the British flag would be found flying beside our flag in Korea. But he did not say that the British flag or the British troops would follow the Stars and Stripes, our Armed Forces, into Manchuria. The omission was significant.

France seems to have no will to join us in a world war. Her support, even in Western Europe, does not appear to be wholehearted.

We know, too—at least those of us who are willing to accept realities—that neither England nor France has any enthusiasm for a war in Western Europe.

Every thinking man also knows that the United States alone cannot engage in war throughout the world and win.

Those who have advocated the surrender of a portion of our sovereignty, insisted that we become a part of United Nations, a member of the North Atlantic Pact, will admit that it is Stalin's policy to induce us to dissipate our strength, our resources, by fighting a war wherever he can induce his satellites to start war. If we drop into that dead-fall, we may be bled white, our strength dissipated, the ability to defend the Republic destroyed.

The foregoing being the situation, it being evident that our so-called allies intend, at all times and in every way, to protect and advance their own national interests, whatever may be the harmful result to us, we should without delay, as quickly as can be done, get out of Korea—of Manchuria.

To withdraw from Korea may be humiliating, but never was there a war in which the victor was not at some time during the conflict forced to shorten and consolidate his battle line. Better to suffer humiliation now than to attempt to hold an untenable position at the risk of losing a war—destroying the Republic.

And unless the British and the French drastically change their policy, we should get out of Western Europe. We should get our men home and do as every other nation throughout the world is attempting to do—build up our national defense, make ourselves secure in the homeland.

An editorial, recently published by the Hearst papers, expresses to some extent the thought I have in mind and which has been repeatedly emphasized in letters from my constituents. It is as follows:

OUR AMERICAN DUTY

The blundering and disloyal foreign policies of the New Deal are taking this country into complete disaster—both military and economic.

Our sovereignty has been impaired by making us a virtual vassal of the United Nations, which disrupts our councils, and seeks to fly its mongrel flag over our public buildings.

Our wealth is dissipated to support socialism abroad and to defend alien peoples who are not willing to defend themselves.

The lives of our young men are being sacrificed in a desperate war which our purported allies are not trying to help us win on the battlefields and are conspiring to make us lose in the mazes of diplomacy—and duplicity.

For our own survival, it is imperative that we extricate ourselves from these destroying situations at once.

Without even inadequate support from others in the United Nations, we are fighting almost alone against massed hordes on the Asian continent.

Continuing the war means only the slaughter of millions in a quixote American attempt to conquer a vast and distant population.

First and foremost, therefore, this country should withdraw its armed forces from the invasion areas.

We should get our troops out of Korea as quickly as possible.

We should come home to our own country, reconstruct our defenses, and give heed to our own security and welfare.

This might be a defeat for the New Deal, which is responsible for our dismal plight.

It would not be a defeat for the United States, but merely an act of self-preservation.

Secondly, we should get out of the United Nations.

That organization has not sustained us in the war that we undertook in its behalf.

Instead, it has interfered with our operations.

Furthermore, it is conniving to admit the enemy into a privileged membership where the enemy could dictate peace terms.

Accordingly, the United Nations should let Red China in—and leave the United States out.

Then let the United Nations see how it gets along.

This country has maintained the United Nations since its inception, with no return in loyalty or gratitude.

So let those who run the United Nations pay for the United Nations—and fight its wars.

Finally, we should end our unrequited efforts to support and supply an ingrate Europe.

Even England, our supposedly stanch ally, has not genuinely backed us in our solitary United Nations war, nor assisted us elsewhere.

On the contrary, Marxist England formally recognized the Chinese Communist government, and collaborates with Marxist France in preventing an European rearmament.

Europe has intimated it no longer wants our martial help.

This is Europe's attitude. Let Europe look out for itself, and see how Europe gets along.

Since, obviously, we stand alone, we should have the wisdom and the courage to act alone.

For our duty is to protect our own people and to foster our own nation.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA

Mr. SMITH of Virginia, from the Committee on Rules, submitted the following privileged resolution (H. Res. 878, Rept. No. 3181), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9853) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

That after general debate which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

EXTENSION OF REMARKS

Mr. McDONOUGH asked and was given permission to extend his remarks in three instances.

Mr. HOBBS asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HAVENNER asked and was given permission to extend his remarks and include an editorial.

Mr. BOLLING asked and was given permission to extend his remarks.

Mr. BARTLETT asked and was given permission to extend his remarks in two instances and include an editorial and a resolution.

Mr. ANDERSON of California asked and was given permission to extend his remarks and include a speech by the president of the Standard Oil Co. of California.

Mr. CRAWFORD asked and was given permission to extend his remarks and include a statement on foreign policy.

Mr. POULSON asked and was given permission to extend his remarks and include two editorials.

Mr. PHILLIPS of California asked and was given permission to extend his remarks and include a resolution from the Grange.

Mr. HORAN asked and was given permission to extend his remarks and include an editorial.

Mr. HAND asked and was given permission to extend his remarks and include an editorial.

Mr. DOYLE asked and was given permission to extend his remarks and include appropriate material.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two instances.

Mr. REED of New York asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. BROOKS asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HARRIS asked and was given permission to extend his remarks and include therewith the full text of the announcement of the American Medical Association on the contribution it is making to the medical schools.

Mr. CANNON asked and was given permission to extend his remarks and include an editorial.

Mr. JACKSON of California asked and was given permission to extend his remarks and include an editorial.

Mr. MADDEN asked and was given permission to extend his remarks and include an editorial.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 483. An act to extend the time limit within which certain suits in admiralty may be brought against the United States; and

H. R. 2365. An act for the relief of the city of Chester, Ill.

ADJOURNMENT

Mr. O'SULLIVAN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 52 minutes p. m.), under its previous order, the House adjourned until Monday, December 11, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1772. A communication from the President of the United States, transmitting proposed supplemental appropriations for the fiscal year 1951 in the amount of $861,000 for the Treasury Department (H. Doc. No. 733); to the Committee on Appropriations and ordered to be printed.

1773. A letter from the director, the American Legion, transmitting the proceedings of the thirty-second annual national convention of the American Legion, held at Los Angeles, Calif., October 9, 10, 11, and 12, 1950, pursuant to Public Law No. 249, Seventy-seventh Congress (H. Doc. No. 734); to the Committee on Veterans' Affairs and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 3180. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 878. Resolution for consideration of H. R. 9853, a bill to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia; without amendment (Rept. No. 3181). Referred to the House Calendar.

Mr. SPENCE: Committee of conference. Senate Joint Resolution 207. Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended; without amendment (Rept. No. 3182). Ordered to be printed.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURTIS:

H. R. 9888. A bill for the relief of Col. Harry F. Cunningham; to the Committee on the Judiciary.

By Mr. PETERSON:

H. R. 9889. A bill for the relief of Ivan Norman Genit; to the Committee on the Judiciary.

SENATE

MONDAY, DECEMBER 11, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou God of our salvation, the darkness and the light are both alike to Thee: Lest we lost our footing and our way in all the terror and tragedy of these testing days, we turn from the din of earth's shouting and tumult to this noontide altar of Thy grace. Through the tangled wilderness of human relations, show us the clear path of Thy will for our troubled day. In the dense darkness, black as the pit from pole to pole, be to us as a pillar of cloud and of fire. In the confusion of tongues and councils, endue us with the wisdom to rightly discern the signs of the times. This day, keep our tongues from evil and our lips from speaking guile, so that no careless word of ours may smite or hurt the spirit of another by our side. So may we do justly, love mercy, and walk humbly with Thee, our God. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Friday, December 8, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

LEAVE OF ABSENCE

On request of Mr. HILL, and by unanimous consent, Mr. MAYBANK was excused from attendance on the sessions of the Senate today and tomorrow.

AMENDMENT OF RAILWAY LABOR ACT

The Senate resumed the consideration of the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

The VICE PRESIDENT. Under the unanimous-consent agreement, the time is equally divided after a quorum call, and the unanimous-consent agreement seems to contemplate a mandatory quorum call.

Mr. HILL. I suggest the absence of a quorum.

Mr. WHERRY. Mr. President, will the Senator withhold his suggestion of the absence of a quorum?

Mr. HILL. I withhold the suggestion.

Mr. WHERRY. Mr. President, some business has already been transacted before we have had a quorum call. I therefore ask that the time thus consumed be charged equally to both sides.

The VICE PRESIDENT. Under the unanimous-consent agreement, the time does not begin to run until after a quorum call.

Mr. WHERRY. In that case I should like to ask a question of the distinguished Senator from Alabama, the acting majority leader. What will happen in the event the motion to lay on the table the amendment offered by the Senator from Indiana [Mr. JENNER] is agreed to? Is it the intention of the Senators who are in charge of the bill to press for an immediate vote on the bill, or will the bill be open to further amendment?

Mr. HILL. Under the rules of the Senate, the bill would be open to further amendment. However, it is our intention to try to get a vote on the bill as quickly as possible.

Mr. WHERRY. I believe it would clarify the situation if immediately after the quorum call the acting majority leader would make a statement to that effect. Under the form of the two unanimous-consent agreements entered into we are faced with a rather complicated situation, because no time is stated when a final vote on the railway-labor bill is to be had. Does the Senator see what I mean?

Mr. HILL. Yes.

Mr. WHERRY. I think such a statement should be made, so that we may be able to vote immediately on the bill if the Senate desires to do so.

Mr. HILL. Yes; I will do that.

Mr. WHERRY. Very well.

Mr. HILL. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	George	Long
Anderson	Gillette	Lucas
Brewster	Gurney	McCarran
Bricker	Hayden	McCarthy
Bridges	Hendrickson	McClellan
Butler	Hickenlooper	McFarland
Byrd	Hill	McKellar
Cain	Holland	McMahon
Capehart	Hunt	Magnuson
Carlson	Ives	Malone
Chavez	Jenner	Martin
Clements	Johnson, Colo.	Millikin
Connally	Johnson, Tex.	Morse
Cordon	Johnston, S. C.	Mundt
Donnell	Kefauver	Murray
Douglas	Kem	Neely
Dworshak	Kerr	Nixon
Ecton	Kilgore	O'Conor
Ellender	Knowland	O'Mahoney
Flanders	Langer	Pepper
Frear	Leahy	Robertson
Fulbright	Lehman	Russell

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Saltonstall	Taft	Watkins
Schoeppel	Taylor	Wherry
Smith, Maine	Thomas, Okla.	Wiley
Smith, N. J.	Thomas, Utah	Williams
Smith, N. C.	Thye	Young
Stennis	Tobey	

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Kentucky [Mr. CHAPMAN] is absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from North Carolina [Mr. HOEY] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The VICE PRESIDENT. A quorum is present.

Mr. HILL. Mr. President, with reference to the inquiry of the distinguished minority leader, the Senator from Nebraska [Mr. WHERRY], I beg to say that under the unanimous-consent agreement arrived at last Friday the Senate will, at 1 o'clock p. m., proceed to vote on the so-called Holland amendment. Following the vote on the Holland amendment, the Senate will immediately proceed to consider the so-called Jenner amendment. On that amendment the junior Senator from Indiana has 15 minutes, if he desires to use that much time, and Senators who oppose the amendment have 15 minutes, if they desire to use that much time. Then a motion will be made to lay the Jenner amendment on the table.

Shortly after disposition of the Jenner amendment, we hope to take final action on the union-shop bill, a bill to amend the Railway Labor Act, which is the unfinished business, so as to leave as much time as possible between final action on that bill and 4 o'clock, when, under the unanimous-consent agreement arrived at last Friday, the Senate will proceed to vote, under the limitation of debate provided, on the bill providing aid for Yugoslavia. Of course, if we do not complete action on the union-shop bill at 4 o'clock, the Senate will return to the bill providing aid for Yugoslavia, and after action on that bill has been completed, the Senate will return to the union-shop bill.

Mr. President, how much time is left for the proponents and opponents of the union-shop bill?

The VICE PRESIDENT. Thirty-five minutes, which is equally divided between the proponents and the opponents.

Mr. HILL. Mr. President, I yield 12 minutes to the distinguished senior Senator from Florida [Mr. PEPPER].

Mr. PEPPER. Mr. President, we have heard it said that an old jurist was one time the recipient of a complaint by someone who protested about the volume of the law. This old jurist said:

> It is not the great volume of the law which raises such difficulties; it is the voluminousness of the commentaries about it.

And so with respect to the pending proposal. It is not the subject itself which is confusing, it is the irrelevancies which have been injected into it which make it appear there is some confusion about it if, indeed, there is any element of confusion existing at all.

Mr. President, as I see it, the matter before us is very simple. By the passage of a bill in 1926, and by its amendment in 1934, we have a Railway Labor Act. That act has always segregated legislation dealing with railway management-labor relationships. While air carriers and some other small sections of transportation are included within the act, it has primarily been legislation dealing with management-labor relations in the railway industry.

For reasons which the Congress at the time deemed adequate, there was denied to railway labor the privilege of having a union shop. Therefore, Mr. President, the question arises: Does the Congress desire to retain that limitation and deny to railway labor the right by collective bargaining with management to provide for the union shop? The bill which is now before the Senate would change that prohibition and permit collective-bargaining agreement between railway management and labor providing for the union shop.

Mr. President, and my colleagues, we all realize the reasons why that should be done. Congress has specifically recognized the same right in the case of labor generally. Under laws heretofore enacted the union shop has been specifically permitted in other fields of labor. That was done in 1947, and it was carried over in the enactment of Congress in 1949.

That is not the question here. But my distinguished colleague from Florida says that we should also attach a condition and limitation whereby management and labor by collective bargaining would not be allowed to enter into an agreement for the union shop in States which by their constitutions or statutes forbid the union shop. One of those States is our great State of Florida.

Mr. President, I say that merely because such a provision is in the Taft-Hartley law does not mean that we should adopt the Holland amendment and attach that condition to the bill which is now pending before the Senate, and there are several very clear reasons why the amendment should not be adopted.

In the first place the Taft-Hartley law applies to a very much larger field of management-labor relationships than is covered by the pending bill, which solely affects railway labor. As will be seen by an examination of page 3 of the Taft-Hartley law, Public Law 101, Eightieth Congress, it applies where "commerce is affected." That means all interstate transportation, not merely railway labor, but all interstate transportation. It also applies to all that vast category of industries covered by the phrase "affecting commerce." We know that that reaches down to a point where a very narrow margin divides what is intrastate and what is interstate commerce, when the broadest possible language, "affecting commerce," is used. In fact, Congress has been reluctant to use the language, "affecting commerce," which constitutes the utmost of its jurisdiction in the field of commerce among the States and with foreign countries.

So, Mr. President, the Taft-Hartley law touches almost the entire field of management-labor relations. It covers an innumerable list of industries and activities, whereas the pending bill affects only railway labor, a distinct segment of interstate commerce. That is the first distinction.

The second distinction is that in dealing with railway labor the Labor Board and the courts have held that it is necessary to bargain with all of a craft of a given character throughout a single carrier's jurisdiction. The particular Board decision to which I refer is found in the volume entitled "Determinations of Craft or Class of the National Mediation Board." This is case No. R–690, decided on May 27, 1941. I read from page 209:

> The Board does not undertake to discuss the relative advantages or disadvantages which may inhere in single or divided representation, respectively. Doubtless serious arguments may be made both for and against each method. The act leaves the Board in no doubt that Congress had in mind single representation for each craft or class on each carrier when enacting it; and that had the Congress thought of subdivisions of a craft or class or of a carrier as desirable methods of representation it would have made provision for their use.
>
> Finally, the Board concludes as a matter of law that the Railway Labor Act vests the Board with no discretion to split a single carrier or combine two or more carriers for the purpose of determining who shall be eligible to vote for a representative of a craft or class of employees under section 2, ninth, of the act, and the argument that it has such power fails to furnish any basis of law for such administrative discretion.

In the case of Switchmen's Union versus Board, that decision of the Railway Labor Board was affirmed. On page 309 of Three Hundred and Twenty-eighth United States Reports, where the decision of that case appears, we find the language of Mr. Justice Reed, who states that the Court refused to interfere with that specific finding of the Board,

namely, that in the railway industry all employees of a given railroad, for example, in a given craft must be dealt with collectively in collective-bargaining agreements.

So I say that the analogy that we should impose the limitation that the Congress cannot enact legislation contrary to that of a State—which limitation is contained in the Taft-Hartley law—is inapplicable to the pending bill, first, because in this case we are dealing only with railway labor, which is engaged in interstate commerce. The Taft-Hartley law is dealing with interstate commerce as a whole and with industries and activities and employees "affecting commerce." So the Taft-Hartley law affects interstate commerce on a vastly broader scale than does the measure now before the Senate.

Because there are many cases in which there is doubt as to whether the State or the Federal Government should have jurisdiction, it was proper for the Congress to provide that in connection with the Taft-Hartley Act the limitations of a State prohibition would apply. However, the pending measure is narrower than the Taft-Hartley law, and the analogy is not applicable.

Secondly, in connection with the pending measure, under the decisions of the Board, affirmed by the Supreme Court of the United States, the management of a given railroad—for example, the Atlantic Coast Line—has to bargain collectively with all employees of a given craft or class in every State where it operates, whereas if the Holland amendment should be adopted, in the State of Florida, for example, a railroad could not deal with all the employees in the same category, because of a prohibition on the part of the State. So that is a difference which does not prevail with respect to the Taft-Hartley law, for in that law there is no provision that management has to deal collectively with all the employees in a given craft, as the United States Supreme Court, in affirming the decision of the Board has held is required by the act of Congress known as the Railway Labor Act.

Third, reason is on the side of not making a distinction in this case, because obviously if a carrier is going to have satisfied labor, it must deal with all of them in the same class alike. It cannot deal with all alike and have one or more States left out and say to those in that State or some other given area, "We are very sorry, but here we cannot give you the same rights that the rest of your workers have, because your State law does not allow you to have those rights."

Mr. President, I am just as zealous in the desire to give full effect to the enactment of my State as is anyone else; but my State does not have the right, nor do the States of other Senators have the right, I say with all deference, to usurp a preeminent constitutional prerogative of the Congress of the United States to legislate when it chooses to do so in the field of interstate commerce. Reason is on the side of having Congress lay down legislation prescribing the rules which will apply in this matter, rules which similarly will affect all who are similarly situated. That is all this bill purports to do.

Therefore, Mr. President, surely public interest, reason, and logic are on the side of making it impossible for a single State to defeat the conferring of this salutary provision upon an entire class of workers.

Mr. President, I have received a great many letters and communications in regard to this matter. I have received 43 letters and 8 telegrams in support of the bill. I have received 16 letters and 1 telegram in opposition to the bill. It might be interesting for me to read from a letter which comes to me from Mr. R. G. Smith, of St. Augustine, Fla., and the Railway Employees' Department, who says:

> This amendment had been discussed with representatives of the carriers during meetings in Washington prior to the introduction of S. 3295. Frankly, we did not anticipate the opposition which is now developing on the question, but instead we had hoped for only token opposition—if any at all.

I call particular attention to this language:

> However, the Florida East Coast—

Meaning the Florida East Coast Railroad's management—

> passed out a pamphlet edited by the Association of American Railroads entitled "Shall Railroad Workers Be Compelled To Join Unions?" along with pay checks on June 1, 1950. Others will probably do the same.

The VICE PRESIDENT. The time of the Senator from Florida has expired.

Mr. PEPPER. Mr. President, will the Senator from Alabama yield me one additional minute?

Mr. HILL. I yield one more minute to the Senator from Florida.

The VICE PRESIDENT. The Senator from Florida is recognized for one more minute.

Mr. PEPPER. I thank the Senator very much.

So, Mr. President, judging by the letter Mr. Smith has sent to me, railroad management, which is the real opposition to this bill, has been passing out advice in connection with pay checks to railway employees; in that way railroad management has been giving to railroad employees advice as to whether workers should join unions and urging opposition to this measure. By the very language of the bill, railroad labor and management will be permitted to negotiate for a union shop. There is no compulsion in the bill for management and labor to do so. Management will be able amply to protect itself through free, voluntary bargaining on the subject.

So I do hope that the Senate will approve this bill which will enable railroad management and labor freely to bargain collectively for the union shop which is not now permitted by law and which for all practical purposes would not be effective if the Senate were not to adopt the pending bill and pass the Holland amendment.

Mr. HILL. Mr. President, I yield 2 minutes to the junior Senator from Oregon [Mr. MORSE].

The VICE PRESIDENT. The Senator from Oregon is recognized for 2 minutes.

Mr. MORSE. Mr. President, the amendment proposed by the junior Senator from Florida would deny effect to the bill now before the Senate in those States which either in their constitutions or in their statutes prohibit union-shop agreements and check-offs. This proposal runs in the face of previous Federal action in the field of legislation applying to the railroad industry. In this area the Federal Government has for a long time preempted the field. This is no accident, but stems from the close interrelation, both physical and in the nature of the functions performed, of various segments of our railroad industry. Thus, for a long time the Federal Government has had a special labor-relations act for the railroad industry; the railroad industry was excluded both from the Wagner Act and the Taft-Hartley Act.

The adoption of the amendment proposed by the junior Senator from Florida would, in large measure, either make unworkable the provisions of Senate bill 3295 or make its provisions difficult to administer. Here, too, as in the case of other legislation dealing with the railroad industry, the peculiar nature of the activity involved requires many of the employees to cross State lines in the discharge of their duties. Moreover, a dispute in one location of the railroad industry has repercussions that are unmatched in virtually any other industry in this country.

I would emphasize in closing, Mr. President, that it seems to me if we are to make the Taft-Hartley law applicable to the railway industry we should make it applicable in toto, not piecemeal. I speak briefly as a past chairman of a President's Emergency Board, the 1941 Board, which had jurisdiction of a labor dispute involving all the railroads of the country, including both the long and the short lines. On the basis of that experience it would be most unfortunate if we varied from the policy of uniformity in connection with the handling of railroad problems through Federal legislation in connection with the Railway Labor Act.

The VICE PRESIDENT. The time of the Senator from Oregon has expired.

Mr. MORSE. May I have one more minute?

Mr. HILL. I yield one more minute to the Senator from Oregon.

The VICE PRESIDENT. The Senator from Oregon is recognized for one more minute.

Mr. MORSE. We have set up in Chicago, for example, the Railway Adjustment Board, which again functions on the principle of uniform application of its policies throughout the country. I respectfully submit that if we start making an exception of the Railway Labor Act, as proposed by the amendment of my good friend the Senator from Florida [Mr. HOLLAND], we shall soon find that the Railway Labor Act will be so disrupted by great disparities in administrative policies growing out of differences in State laws that the effectiveness of the act will at an early date be greatly impaired. Therefore, I sincerely hope that,

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in the interests of keeping the railway labor problems separate and distinct from the application of the Taft-Hartley law, as has been the historic pattern, the Senator's amendment will be defeated.

Mr. HILL. Mr. President, I yield myself the remainder of the time.

The VICE PRESIDENT. The Senator is recognized for 1 minute.

Mr. HILL. Mr. President, the question has been raised as to the stand of the railway brotherhoods on this bill. I wish to call the attention of Senators to a telegram sent to each Senator, signed by 25 of the railroad and kindred organizations. The telegram, which is signed by all except one organization, that of the Brotherhood of Locomotive Engineers, reads as follows:

> We urge that you vote against the amendment offered by Senator HOLLAND for the reason that it would make the bill unworkable and create chaotic conditions in the railway industry, and that it is impractical and impossible of application and administration.

Mr. President, the Senate committee, in reporting this bill unanimously to the Senate, had in mind the paramount consideration of what was best for the public interest, what was the best step to take for the maintenance of industrial peace in the railroad industry, what was best to insure a stable and harmonious management-labor relationship in the railroad industry. Therefore, we reported the bill unanimously.

The VICE PRESIDENT. The Senator's time has expired.

Mr. HOLLAND. Mr. President and Members of the Senate——

The VICE PRESIDENT. The Senator from Florida is recognized. He has 17 minutes, if he wishes to use it.

Mr. HOLLAND. Mr. President, I desire to call the attention of Members of the Senate to the fact that, instead of this bill being, as pictured here, in conformity with what has happened heretofore under legislative policy as determined by the Congress, the bill is a substantial departure from anything which has happened heretofore in the Halls of Congress. The fact is that in 1926, when the railway labor law was enacted, the Congress insisted upon the open-shop provision. When the bill was reenacted in 1934, the Congress again insisted upon retention of the open shop. I am told by the distinguished legislative representative of the Brotherhood of Locomotive Engineers that this was not only the insistence of Congress but that it was also the unanimous position of the leaders of the operating railroad brotherhoods at that time, both in 1926 and in 1934. I asked that gentleman as to what was the fact as to when any change took place in that thinking. He said that up to the time of the death of Mr. Whitney, which occurred, I believe, something more than a year ago, no change had taken place in his thinking on the open shop. He stated that no change had taken place on this subject in the thinking of Mr. Fraser, the long-time president of the conductors, until the time of his retirement, which was but a few months ago. He stated likewise that no change had taken place up to this time in the thinking of the Brotherhood of Locomotive Engineers, their legislative representatives and officials.

So, Mr. President, what is designed by this bill is to make a sweeping change in the policy of the Nation as laid down by the acts of Congress affecting railway labor, by placing in the Railway Labor Act, if amended by the pending measure, a provision which for the first time will bring the union-shop principle into that act and into the public policy of the Nation as stated by that act.

Mr. President, it is not surprising that there are Senators who are strongly against my amendment, because they were strongly against a similar provision when it was voted into the Taft-Hartley Act. I call to the attention of the Senate and the public the fact that all three of the distinguished Senators who voiced their opposition to my amendment—and I think there should be added to them the distinguished chairman of the committee, the Senator from Utah [Mr. THOMAS], who likewise, by his brief participation in the debate, indicated his opposition—all three of those who have spoken, and the distinguished chairman, making four in all, were as diametrically opposed to the thinking of the majority of the Congress on this question when the amendment came up to the Taft-Hartley Act. When the question arose as to whether the provision should be removed from the Taft-Hartley Act, as recently as 1949, as the RECORD clearly shows—and there has been inserted into the debate on this bill the vote—all four of the Senators mentioned took exactly the same adverse position with reference to protecting the rights of the States, who had voted anti-closed-shop or anti-union-shop amendments into their constitutions or who had enacted statutes of that kind. Those four Senators took exactly that position in denying, or in seeking to deny, the protection to the States and to the State enactments, at the time of the various debates and votes on the Taft-Hartley Act. I find no fault with the distinguished Senators for continuing their point of view today. They are consistent in the continuance of their point of view, but I would remind the Senate and the country that, as recently as last year, 1949, a large majority of the Senate, not including any of the distinguished Senators who have spoken against my amendment, showed by their vote—the large majority of the Senate amounting to 54 to 41; 53 of the affirmative votes having been actually cast, the other vote having been indicated by the distinguished senior Senator from Louisiana, who could not be present—the Senate, by a vote of 54 to 41, indicated that the Senate still felt it was sound public policy that the protection of the State constitutions and State laws in this field should be preserved in the Taft-Hartley Act. They insisted that that be done. So, Mr. President, we still have the same division.

I may call to the attention of the Senate now, as clearly as I can, the fact that there is no sound reason whatever why the same rule, which is now applicable to motortruck carriers, who are as much engaged in actual interstate operation as are railroads, and which is applicable to the maritime industries of our Nation, who are engaged almost exclusively in interstate commerce and in foreign commerce—there is no more reason why the rule which is applied to them, and which is applying to them without difficulties under the Taft-Hartley Act without any complaints being made to the Congress, insofar as the junior Senator from Florida has been aware, cannot be made applicable to the railroads and to the aviation industry, which are the only two industries covered by the Railway Labor Act.

So, Mr. President, it is completely futile for anyone to claim or to assert here on the floor of the Senate that a complete denial of the collective bargaining privilege, or a frustration of that privilege, or a serious interference with that privilege, is involved in the adoption of my amendment, which is in the same words as are already included in the Taft-Hartley law. To the contrary, my amendment will merely limit the application of this completely new philosophy, this completely new thinking on the part of the Federal Government, so that the union shop would make its appearance in this field solely in those States and areas which have not proclaimed their thinking as adverse to the union-shop principle, either through their constitutions or through their statutes.

Mr. President, let me remind all Senators that collective bargaining agreements are now in force not only in the two great transportation industries which I have mentioned, namely, the maritime industry and the auto-trucking industry, but also in many other industries which are not directly transportation industries, such as the coal industry, for instance, which do not operate under local bargaining agreements but under industry-wide or regional agreements which give full respect, under the Taft-Hartley law, to the provisions of the constitutions and statutes of the States in banning the closed shop or union shop. The fact is that in the negotiation of those Nation-wide or region-wide agreements under the Taft-Hartley Act they have merely had to make a limitation in the application of the union-shop principle to those States or areas where the union-shop principle can be legally enforced.

Mr. President, no serious question has arisen under that whatsoever. Senators know that is true, so why make a mountain out of a molehill, when there is no mountain here? The real fact is that, if my amendment be agreed to, the Senate of the United States will proclaim that its thinking and philosophy in relation to transportation in the railroad field and in the aviation field are based on exactly the same considerations that apply to the maritime field or the water-transportation field under the Taft-Hartley Act, and to the auto-trucking industry under the Taft-Hartley Act.

Mr. President, we might as well face this question: Is it sound to make a wide difference between industries which are directly competitive? That is what

would be done if my amendment were defeated. We would have the railway industry and its employees, and the aviation industry and its employees, under a completely different and indeed contradictory law from that which prevails as to two other very vital and competing transportation industries, namely, the maritime industry and the auto-trucking industry, and which likewise prevails in many other industries not transportation industries, but in which the collective-bargaining agreements are on a regional or industry-wide basis instead of merely on a local basis.

So, Mr. President, it is a complete fallacy to claim seriously that a hardship would be imposed by the adoption of this amendment. On the contrary, it would require collective bargaining under the amended act to follow the same pattern which already prevails under the Taft-Hartley Act.

Let us open our eyes to the fact that if this amendment is defeated it will be an entering wedge for the defeat of that provision of the Taft-Hartley Act which has been found to be salutary and is being followed and is giving protection to the constitutional and statutory enactments of some 18 or 20 States, by which enactments the people of those States have adopted the principle, which is still regarded in those States as good, sound Americanism, that a worker has the right to work, independent of the question of whether he does or does not belong to a union.

Mr. President, that right prevails under the Taft-Hartley Act in 18 or 20 States. If the pending bill shall be enacted so as to break down the provisions of that act, break them down by applying contrary provisions to highly competitive industries competing in those States with industries already under the Taft-Hartley Act, surely it must be clear that such action would be an open invitation to break down and change entirely the policy of the country and of the Congress as applied under the Taft-Hartley Act in this field of union-shop agreements.

Mr. President, there is very little more that I wish to say, except to remind the Senate in these last minutes before we take the vote that the real fact of the matter is that not just the policy of the Senate and not just the policy of the Congress is sought to be changed, but that a very wide change in the thinking and philosophy of the leaders of the operating brotherhoods engaged in the railroad and aviation industries is sought to be applied, and that the people in those brotherhoods are by no means unanimous in their views.

Mr. President, I placed in the RECORD several days some 15 or 20 communications which I have received from a much larger number of reputable citizens in my State, who are members of these brotherhoods, and who spoke of their unyielding opposition to the pending legislation.

Senators will recall that some of those communications spoke of the unyielding opposition of the entire local organization or local membership in some of those unions. In addition to that, we know that the legislative representative of the Brotherhood of Locomotive Engineers insisted upon having placed in the RECORD a few days ago, by the distinguished Senator from Alabama, in the first instance, and later a different communication by myself, evidence showing that his particular brotherhood, which is one of the most dignified orders and one of the soundest and most reputable orders in this field, does not agree at all with the philosophy of the pending bill, and desires to have its position clearly understood as being opposed to the bill.

Mr. President, it seems to me it is lamentable in the extreme that the leadership of the Senate has seen fit, in these days when we have impending problems so tremendous in their scope that we ought to be spending all our time in attempting to get the soundest solution possible of those problems, when our men are fighting and dying in Korea, when our people continue, as indicated by the mail coming to the office of every Member of the Senate, to reflect a lack of confidence in their national leadership and national policies—it seems to me it was a highly debatable and highly questionable decision to bring legislation of the type of the pending bill to the floor of the Senate, and to consume nearly 3 days in discussing it, when there were other matters which could have been taken up, like the measure brought up last Friday under the leadership of the distinguished Senator from Texas, the Yugoslavia-aid bill, which had been ready the day before.

Is it wise to follow such a course when we have no assurance that the House will even consider this pending bill; and, certainly, let me ask, is it wise to consider it when one of the most highly reputable organizations in the whole railway field, the Brotherhood of Locomotive Engineers, indicates that it is in unyielding opposition to the proposed legislation, with the contention that without my amendment the bill will be highly destructive of the rights of the members of the brotherhood?

Others have explained that exactly the same situation exists with reference to the Order of Railroad Conductors, although we have no formal or official showing from them to that effect, but instead, they are signers, through their representative, of a letter indicating that with the Hill-Taft amendment in the bill they are willing to swallow this particular legislation.

Mr. President, in closing let me say that we are asked here to make a sweeping change in a Federal public policy which has been applicable since 1926, applied first to one great field, that of railway transportation, and later extended to the aviation industry. We are asked to make this sweeping departure at a time of great confusion and in a time of great emergency.

Mr. President, is that wise, or prudent? Is that an act of prudent leadership? It does not so appeal to me. It seems to me we are asked to make that sweeping change in national policy, we are advised that there is no serious question about it now, that we should make this sweeping change in the policy relating to the railroad brotherhoods which will be accomplished if this bill is enacted, when in 1926 such a policy was unanimously rejected, in 1934 it was unanimously rejected, and from the best information I have been able to get, namely, from the representative of the Brotherhood of Locomotive Engineers, we are told that no real sentiment for this measure was evident until a little over a year ago, and there is still great division among those who are affected.

Mr. President, the mail which I have received from important members of the brotherhoods in my own State would indicate more clearly than any words the junior Senator from Florida could speak the fact that the thinking is divided and that there are many sound, reputable members of these brotherhoods who want to cling to the policy to which they have attached themselves through all these years—to the policy which they insisted on engrafting into the Railway Labor Act, both when it was enacted in 1926 and when it was reenacted in 1934, and which was preserved there with general consent and approval up until about the time when, without unanimity or accord, this proposal for sweeping change of policy was introduced.

Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hill	Mundt
Anderson	Holland	Murray
Brewster	Hunt	Neely
Bricker	Ives	Nixon
Bridges	Jenner	O'Conor
Butler	Johnson, Colo.	O'Mahoney
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Carlson	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Clements	Kilgore	Smith, Maine
Connally	Knowland	Smith, N. J.
Cordon	Langer	Smith, N. C.
Donnell	Leahy	Stennis
Douglas	Lehman	Taft
Dworshak	Long	Taylor
Ecton	Lucas	Thomas, Okla.
Ellender	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tobey
Fulbright	McKellar	Watkins
George	McMahon	Wherry
Gillette	Magnuson	Wiley
Gurney	Malone	Williams
Hayden	Martin	Young
Hendrickson	Millikin	
Hickenlooper	Morse	

The VICE PRESIDENT. A quorum is present.

Mr. WHERRY. . Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Is it in order to ask that the clerk read the amendment which is now to be voted on? If so, I respectfully ask that the clerk read the amendment.

The VICE PRESIDENT. The clerk will read the amendment.

The LEGISLATIVE CLERK. On page 1, line 8, it is proposed to strike out the following: "or Territory thereof, or of any State."

On page 2, line 21, to strike out the comma, insert a colon in lieu thereof, and the following: *"Provided further,* That nothing in this paragraph shall be construed as authorizing the execution or application of agreements requiring

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membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law."

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Florida [Mr. HOLLAND]. The yeas and nays have heretofore been ordered. The Secretary will call the roll.

The Chief Clerk called the roll.

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Kentucky [Mr. CHAPMAN] and the Senator from Nevada [Mr. MCCARRAN] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from North Carolina [Mr. HOEY] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce further that the Senator from Mississippi [Mr. EASTLAND] is paired on this vote with the Senator from Minnesota [Mr. HUMPHREY]. If present and voting, the Senator from Mississippi would vote "yea," and the Senator from Minnesota would vote "nay."

The Senator from Kentucky [Mr. CHAPMAN] is paired on this vote with the Senator from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Kentucky would vote "yea," and the Senator from Pennsylvania would vote "nay."

The Senator from North Carolina [Mr. HOEY] is paired on this vote with the Senator from Connecticut [Mr. BENTON]. If present and voting, the Senator from North Carolina would vote "yea," and the Senator from Connecticut would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The result was announced—yeas 23, nays 59, as follows:

YEAS—23

Butler	Gillette	Russell
Byrd	Hickenlooper	Schoeppel
Carlson	Holland	Smith, N. C.
Connally	Johnson, Tex.	Stennis
Donnell	McClellan	Taft
Ellender	Malone	Wherry
Fulbright	Martin	Williams
George	Robertson	

NAYS—59

Aiken	Ives	Morse
Anderson	Jenner	Mundt
Brewster	Jonnson, Colo.	Murray
Bricker	Johnston, S. C.	Neely
Bridges	Kefauver	Nixon
Cain	Kem	O'Conor
Capehart	Kerr	O'Mahoney
Chavez	Kilgore	Pepper
Clements	Knowland	Saltonstall
Cordon	Langer	Smith, Maine
Douglas	Leahy	Smith, N. J.
Dworshak	Lehman	Taylor
Ecton	Long	Thomas, Okla.
Flanders	Lucas	Thomas, Utah
Frear	McCarthy	Thye
Gurney	McFarland	Tobey
Hayden	McKellar	Watkins
Hendrickson	McMahon	Wiley
Hill	Magnuson	Young
Hunt	Millikin	

NOT VOTING—14

Benton	Hoey	Myers
Chapman	Humphrey	Sparkman
Eastland	Lodge	Tydings
Ferguson	McCarran	Vandenberg
Green	Maybank	

So Mr. HOLLAND'S amendment was rejected.

The VICE PRESIDENT. Under the unanimous-consent agreement, the amendment offered by the Senator from Indiana [Mr. JENNER] is automatically before the Senate. Fifteen minutes' debate on each side is allowed, after which time a motion to table will be in order, if any Senator wishes to make it. The Chair recognizes the Senator from Indiana.

Mr. JENNER. Mr. President, I call up my amendment.

The VICE PRESIDENT. The amendment is automatically before the Senate.

Mr. WHERRY. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. JENNER. I yield.

The VICE PRESIDENT. The Senator from Nebraska will state the parliamentary inquiry.

Mr. WHERRY. How much time does the Senator from Indiana have?

The VICE PRESIDENT. The Senator from Indiana has 15 minutes, and the opposition has 15 minutes.

Mr. JENNER. Mr. President, through the courtesy of my colleague, and the indulgence of this body, the remarks I had intended to make on the amendment to S. 3295, which I have proposed, were printed in the RECORD of December 7. In those remarks I set forth verbatim the language of the proposed amendment, because each clause, each phrase, each word of the amendment has a specific meaning.

It is not necessary, perhaps, to read the amendment again, but I do wish to state again its main purpose. It is simply to insure, insofar as such a result can be obtained by statute, that in giving to railroad labor unions the enormous increase in power which is granted by S. 3295, we shall not at the same time deliver into their hands, bound hand and foot, without recourse or appeal, those employees of the railroads who happen to have been born Negroes, or of Filipino, Mexican, or Spanish extraction.

S. 3295 undertakes to give congressional approval to contracts between unions and railroads which will require that any man who wants to hold a job on a railroad must become and must remain a member of a union.

But many of the unions upon whom we would thus confer the power to compel railroad workers to become members will not admit Negroes, Filipinos, Mexicans, or Spaniards to membership, or will admit them only to a limited, auxiliary, secondary sort of membership, without real participation in the affairs of the union, or actual influence in the determination of its policies and practices.

In a feeble, half-hearted, wishy-washy attempt to correct such an obvious impossibility as requiring union membership as a condition of continued employment when the unions will not admit certain employees as members, the bill contains certain weasel words, as follows—and it is said that this is the provision which cures all the defects:

Provided, That no such agreement require such condition of employment with respect to employees to whom membership is not available upon the same terms and conditions as are generally applicable to any other member.

In other words, a man must be a member of the union to hold a job, unless the union says that because of his color, his race, his creed, or some other individual characteristic, he will not be accepted into membership.

But that, Mr. President, does not correct the basic injustice of a vicious situation.

It should not be overlooked that S. 3295 proposes an amendment to the Railway Labor Act.

Under that act, the majority of those employed on a railroad in a given craft or class of employment have the right to select the representatives through whom the entire class must bargain collectively with their employers.

To double-rivet this requirement, the railroad companies are forbidden to bargain collectively with any organization or representative other than the one chosen by the majority of the employees of a craft or class.

This majority organization, whatever it may be, is not compelled by the present law to admit minority employees to membership, or to participation in its counsels or the conduct of its affairs.

It follows that such minority employees—and in this connection I have in mind particularly employees of the Negro race, and so forth, who are specifically excluded from membership in many unions—are without any real and effective means of making their views known, of having their influence felt, or even having their rights respected.

Indeed, their rights can be—and their rights have been—bargained away by

representatives whom they did not choose, for or against whom they could not vote, and to whom they had no effective means of remonstrance or protest.

Oh, I know there have been instances in which these disfranchised, misrepresented minority employees have taken their grievances to the courts. But that is a long, slow, cumbersome, expensive, and ineffective method of protecting the common right to make a living. It is no substitute for the real representation which is denied these employees through the combined effects of present union constitutions and of the Railway Labor Act.

As I said, the situation which Congress now permits is bad enough, and the feeble little proviso which is in the bill, and which I quoted a moment ago, is no remedy for it.

But what is proposed in S. 3295, unless it be amended as I am now proposing, would be infinitely worse. It would remove the governing groups of those unions which now refuse real membership or representation to minorities among the employees from any compulsion ever to recognize these minority rights. It would confirm the present situation, and give it congressional blessing. It would end all possibility of railroad employees of the Negro race ever securing those equal rights of employment to which they are justly entitled.

The issue here is not one of social relations. I do not propose that railroad labor unions shall be required to admit Negroes to membership if they do not want to do so. But I do propose—and every instinct of justice endorses the proposal—that if any union wishes to enter into a contract with any railroad by which employees shall be compelled to become union members as a condition of employment, then at the same time such a union shall open its membership to all employees otherwise qualified, without discrimination on account of race, color, creed, or national origin.

There is a very practical aspect of this situation. So long as Negroes, for example, are excluded from membership, or are confined to limited or auxiliary membership in the very organizations which are supposed to represent them in the vital matter of employment, then Negroes are not in any true or proper sense of the word represented.

Negro employees of American railroads—and it should not be forgotten that American railroads are among the largest employers of Negro labor—know by bitter experience what this denial of the right of real representation means.

They have seen their rights of promotion, their opportunities to better themselves, even their basic opportunity to work for a railroad at all, bargained away by men whom they did not choose and upon whom they had no means of exerting effective influence.

If we here in Congress are now to strengthen the hands of these leaders of railroad labor, we should at the very least require them to come before us with clean hands, not hands besmirched with the continuance of unjust, unjustifiable, un-American discrimination against those railroad workers who are of the Negro race.

That is what is proposed in the amendment which I have offered.

That is why I believe that this body, in the interest of economic fair play, should adopt the amendment as offered.

On December 7 the senior Senator from Ohio [Mr. TAFT] said:

> In effect, the bill inserts in the railway mediation law almost the exact provisions, so far as they fit, of the Taft-Hartley law.

But, Mr. President, the pending bill does not require the union seeking to establish a union shop to file with the Secretary of Labor a report on certain provisions of its constitution and bylaws, and that it shall file and also furnish to all members a financial statement showing receipts, assets and liabilities, disbursements, and other pertinent information. Such a report must be brought up to date annually, so says the Taft-Hartley law, but the Senator from Ohio cannot find such a provision in the pending bill.

Mr. President, in conclusion, I wish to say that I do not know why the Congress at this juncture in history should be obliged to take time to consider such legislation as that now pending before the Senate. I believe the people of America are extremely sick and tired of politics as usual. There are more important things that should be before this body. But since the bill is here and since we are willing to take our precious treasure and blood all over the world to fight for other colored people's interests, what is wrong with giving our own colored brother in this country an even break? Both parties have played politics with the colored man; they have dangled civil rights before his eyes for many, many years. Here is a place to be fair, to be honest, and to be decent.

Mr. President, at this time I ask for the yeas and nays on the question of agreeing to my amendment.

The yeas and nays were ordered on Mr. JENNER'S amendment, which is as follows:

> On page 3, line 8, insert new paragraph twelfth to read as follows:
>
> "Twelfth. Notwithstanding any other provisions of this act, or of any other statute of law of the United States, or Territory thereof, or of any State, any union, labor organization, or labor representative that segregates members into separate or auxiliary locals or excludes any member of the craft or class from membership therein on the grounds of race, creed, color, or national origin, or denies membership therein to any member of the craft or class upon terms or conditions not generally applicable to all members of the craft or class; or excludes any member of the craft or class from participation in the collective bargaining process; or that uses its position as a collective bargaining representative under this act to discriminate against members of the craft or class on the grounds of race, creed, color, or national origin; or that uses its position as such collective bargaining representatitve to bar the employment by the carrier of any person because of his race, creed, color, or national origin, shall not act as representative under this act of any craft or class, and shall not be entitled to any of the provisions of the act."

The PRESIDING OFFICER (Mr. STENNIS in the chair). The time of the Senator from Indiana has expired.

The Senator from Alabama is recognized.

Mr. HILL. Mr. President, the other day when the question of this amendment was before the Senate, a number of Senators, representing different schools of thought in this body, voiced their opposition to the amendment, stating that it had no place on this bill.

Certainly this amendment has no place on this bill, for it is irrelevant to the bill. The purpose, the object, of this bill is to try to maintain and more nearly insure industrial peace in the great railroad industry which is so vital to the transportation and to the economic life of the Nation. The purpose of this bill is to secure, to maintain, and, insofar as possible, to insure stable, orderly, and harmonious relationships between management and labor in the railway industry. This amendment would do the very opposite; it is entirely opposed to the purpose of the bill, for the amendment would create feeling, disruption, and confusion. Not only would it impair the purpose of the bill, but it would defeat the purpose of the bill.

Mr. President, I move that the amendment be laid on the table; and I suggest the absence of a quorum.

Mr. WHERRY. Mr. President, of course the yeas and nays go with a motion to lay on the table.

The PRESIDING OFFICER. That is not necessarily so.

Mr. WHERRY. Mr. President, I ask that the yeas and nays be ordered on the question of agreeing to the motion to lay the amendment on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER. The absence of a quorum has been suggested, and the clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Brewster	Holland	Murray
Bricker	Hunt	Neely
Bridges	Ives	Nixon
Butler	Jenner	O'Conor
Byrd	Johnson, Tex.	Pepper
Cain	Johnston, S. C.	Robertson
Capehart	Kefauver	Russell
Carlson	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Clements	Kilgore	Smith, Maine
Connally	Knowland	Smith, N. J.
Cordon	Langer	Smith, N. C.
Donnell	Leahy	Stennis
Douglas	Lehman	Taft
Dworshak	Long	Taylor
Ecton	Lucas	Thomas, Okla.
Ellender	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tobey
Fulbright	McKellar	Tydings
George	McMahon	Watkins
Gillette	Magnuson	Wherry
Gurney	Malone	Wiley
Hayden	Martin	Williams
Hendrickson	Millikin	Young

The PRESIDING OFFICER. A quorum is present.

Mr. HILL. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state the inquiry.

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Mr. HILL. Am I correct in my understanding that the Senate is now about to vote on the motion to lay on the table the amendment offered by the Senator from Indiana [Mr. JENNER]?

The PRESIDING OFFICER. The Senator is correct. The Senator from Indiana offered an amendment, and the Senator from Alabama moved that the amendment be tabled. The question is on agreeing to the motion to table the amendment offered by the Senator from Indiana. The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Kentucky [Mr. CHAPMAN], the Senator from Colorado [Mr. JOHNSON], the Senator from Nevada [Mr. MCCARRAN], and the Senator from Wyoming [Mr. O'MAHONEY] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from North Carolina [Mr. HOEY] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce further that if present and voting, the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], and the Senator from South Carolina [Mr. MAYBANK] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The result was announced—yeas 64, nays 17, as follows:

YEAS—64

Aiken	Flanders	Johnson, Tex.
Anderson	Frear	Johnston, S. C.
Byrd	Fulbright	Kefauver
Chavez	George	Kerr
Clements	Gillette	Kilgore
Connally	Gurney	Knowland
Cordon	Hayden	Leahy
Douglas	Hill	Lehman
Ecton	Holland	Long
Ellender	Hunt	Lucas
McCarthy	Nixon	Taylor
McClellan	O'Conor	Thomas, Okla.
McFarland	Pepper	Thomas, Utah
McKellar	Robertson	Thye
McMahon	Russell	Tobey
Magnuson	Saltonstall	Tydings
Malone	Schoeppel	Watkins
Millikin	Smith, Maine	Wiley
Morse	Smith, N. J.	Williams
Mundt	Smith, N. C.	Young
Murray	Stennis	
Neely	Taft	

NAYS—17

Brewster	Carlson	Jenner
Bricker	Donnell	Kem
Bridges	Dworshak	Langer
Butler	Hendrickson	Martin
Cain	Hickenlooper	Wherry
Capehart	Ives	

NOT VOTING—15

Benton	Hoey	Maybank
Chapman	Humphrey	Myers
Eastland	Johnson, Colo.	O'Mahoney
Ferguson	Lodge	Sparkman
Green	McCarran	Vandenberg

So Mr. HILL's motion to lay Mr. JENNER's amendment on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LEGISLATIVE PROGRAM

Mr. LUCAS obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The Chair calls the attention of the Senate to the fact that there is another unanimous-consent agreement which the Chair understands is now in operation.

Does the Senator from Illinois yield to the Senator from Nebraska?

Mr. LUCAS. I want to make one announcement, and then I shall be happy to yield.

Mr. President, after we finish consideration of the pending measure, which is the authorization of funds to take care of Yugoslavia, the question may arise as to what the Senate will next do. On tomorrow, Mr. President, the Senator from West Virginia, who is chairman of the Committee on the District of Columbia, will present a joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Control Act, as amended. It is an emergency matter and should be taken up at the earliest possible time. That will be the first thing on the program tomorrow.

Mr. NEELY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. NEELY. Let me inform the distinguished majority leader that not more than 10 minutes should be required to pass the bill.

Mr. LUCAS. We shall at least make it the unfinished business after we dispose of the Yugoslavia bill. Possibly we can make disposition of it this afternoon.

Mr. President, I recently gave notice that the Senate would proceed to the consideration of a bill involving an amendment of the Clayton Act. That bill is Calendar No. 1737, H. R. 2734. It is my understanding that that measure will require approximately 2 days of debate. Following the disposition of the District of Columbia rent-control bill, we propose to make the bill amending the Clayton Act the unfinished business. There are four other bills which have recently been reported——

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. WHERRY. Is the majority leader referring to Calendar No. 1777, H. R. 2734, an act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopoly, and for other purposes"?

Mr. LUCAS. That is the measure which I have in mind.

Mr. WHERRY. I thank the Senator.

Mr. LUCAS. That is the bill as to which I gave notice some time ago that we would try to dispose of during this session.

I desire to say, Mr. President, that in the event any other measure dealing with the emergency situation which exists throughout the world comes before the Senate, of course, the bill amending the Clayton Act will be laid aside, and the Senate will proceed to the consideration of any other measure of emergency character which may be reported.

The Senate Foreign Relations Committee has reported four bills, namely, Calendar No. 2581, House bill 9484, an act to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights; Calendar No. 2570, House bill 5902, an act for the relief of the Pan American Union; Calendar No. 2580, House bill 8546, an act to amend the Philippine Property Act of 1946, and Calendar No. 2569, House bill 7445, an act authorizing the village of Baudette, State of Minnesota, its public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.

These bills were passed by the House during the regular session. They have been carefully examined, so I am advised by the chairman of the Committee on Foreign Relations, and they are not of a controversial nature. I assume they can be taken up when we call the calendar. But, anyway, they are important measures, which we should dispose of, if possible, before we conclude the session. They will be considered following the disposition of the bill amending the Clayton Act.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Is it the intention to call the calendar some time this session?

Mr. LUCAS. Yes; the calendar will be called once from the beginning.

Mr. WHERRY. When does the Senator contemplate calling the calendar?

Mr. LUCAS. Possibly in the latter part of this week.

Mr. WHERRY. Another question, Mr. President. It is somewhat in the nature of a parliamentary inquiry, but I am satisfied that the majority leader will an-

swer it. When the agreement was entered into, under which we are now operating, relative to the proposed Yugoslavia relief bill, the Senator from Nevada [Mr. McCARRAN] had an amendment pending when opposition to the proposed legislation developed. There are now other Senators who desire to offer amendments.

Mr. LUCAS. I read from the unanimous-consent agreement:

That the time intervening between the disposition of the so-called railway labor bill and the said hour of 4 o'clock on said day of Monday, December 11, shall be equally divided between those favoring and those opposing the passage of said bill and controlled, respectively, by Mr. CONNALLY and Mr. McCARRAN.

The Senator from Texas accepted the amendment offered by the Senator from Nevada [Mr. McCARRAN], so there should not be too much further debate upon the question.

Mr. WHERRY. Then Senators who would like to offer amendments, if they want to take the time between now and 4 o'clock, could see, I suppose, the Senator from Nevada, in order to have time assigned to them in which to discuss their amendments. Is not that correct?

Mr. LUCAS. That is the way the unanimous-consent agreement reads.

Mr. WHERRY. There was some question on the division of time. I came in late, and I merely wanted to make sure. Of course, if there is an amendment offered after 4 o'clock, there will be 10 minutes allowed on each side.

Mr. LUCAS. That is what the agreement provides.

Mr. WHERRY. Prior to that time, if a Senator wants to offer an amendment it will be necessary for him to have time allotted by the Senator from Nevada; is that correct?

Mr. LUCAS. That is correct.

Mr. WHERRY. Does the Senator want to make arrangements to take a little time now for that purpose?

Mr. LUCAS. I do not see the Senator from Texas [Mr. CONNALLY] on the floor.

Mr. WHERRY. I should like to have the majority leader make an answer to my request. I think it would be very timely to get some amendments out of the way and charge the time to both sides.

Mr. LUCAS. Mr. President, I have the floor. There is no great calamity impending.

Mr. President, in addition to the bills which I noted for the RECORD a moment ago, I also desire to include in the list Calendar No. 2583, the bill (H. R. 9524) to supplement the District of Columbia Teachers' Leave Act of 1949. I do not think very much controversy will develop with respect to that bill.

Mr. President, I now yield to the Senator from New Mexico.

Mr. ANDERSON. Mr. President, I wonder whether the distinguished majority leader has in mind calling up Calendar No. 2506, the bill (S. 3135) to amend the peanut-marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended. I ask the question because a vote on the quotas will be taken on the 14th of this month.

Mr. LUCAS. Mr. President, I will say to my able friend from New Mexico that I have not considered doing so because no Senator who is interested in the bill has talked to me about it.

Mr. ANDERSON. Mr. President, both Senators from Virginia, North Carolina, and South Carolina are interested in the bill.

Mr. ROBERTSON. The distinguished majority leader will recall that I did speak to him as soon as we returned for the present session. I told him that if other pressing matters would permit, I hoped he would give us an opportunity to vote on the peanut bill.

Mr. LUCAS. Mr. President, I apologize to the Senator from Virginia. I recall that he did speak to me about the bill. Therefore, I shall include Calendar No. 2506, the bill (S. 3135) to amend the peanut-marketing-quota provisions of the Agricultural Adjustment Act of 1938, as amended, in the list of bills which may be taken up at any time when a lull should develop in the proceedings of the Senate.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA

The Senate resumed the consideration of the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nevada [Mr. McCARRAN]. Under the unanimous-consent agreement the Senator from Nevada [Mr. McCARRAN] is entitled to the floor.

TRANSACTION OF ROUTINE BUSINESS

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCARRAN. Yes.

Mr. WHERRY. Many Senators desire to present routine matters and offer brief insertions for the RECORD. I ask unanimous consent that Senators may be permitted to do so and that the time required be charged equally to both the opponents and the proponents of the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

Mr. McCARRAN. I have no objection to such a request, provided we have sufficient time within which to discuss the pending bill.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

The message also announced that the House had passed a bill (H. R. 9840) to exempt furlough travel of service personnel from the tax on transportation of persons in which it requested the concurrence of the Senate.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred, as indicated:

REPORT OF ATTORNEY GENERAL

A letter from the Attorney General of the United States, transmitting, pursuant to law, a report relating to factors which may tend to affect adversely the competitive enterprise system during a period of defense mobilization (with an accompanying report); to the Committee on Banking and Currency.

REPORT OF NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS

A letter from the Chairman of the National Advisory Committee for Aeronautics, transmitting, pursuant to law, a report on the creation of ten professional and scientific positions in the headquarters and research stations of the Committee (with an accompanying report); to the Committee on Post Office and Civil Service.

REPORT OF COMMISSION ON LICENSURE, DISTRICT OF COLUMBIA

A letter from the President of the Board of Commissioners of the District of Columbia, transmitting, pursuant to law, a report of the Commission on Licensure, of the District of Columbia, for the fiscal year ended June 30, 1950 (with an accompanying report); to the Committee on the District of Columbia.

DISPOSITION OF EXECUTIVE PAPERS

A letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition (with accompanying papers); to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

PETITION

The VICE PRESIDENT laid before the Senate a petition of St. Elizabeth's Post, No. 716, Catholic War Veterans of America, Baltimore, Md., signed by Jane H. O'Connor, adjutant, praying for the enactment of legislation granting statehood to Hawaii and Alaska, which was ordered to lie on the table.

REPORTS OF A COMMITTEE

The following reports of a committee were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 735. A bill for the relief of Leslie A. Connell (Rept. No. 2589);

S. 2460. A bill for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker (Rept. No. 2590);

S. 3125. A bill for the relief of Dr. Lutfu Lahut Uzman (Rept. No. 2591);

S. 3259. A bill for the relief of Ethelyn Isobel Chenalloy (Rept. No. 2592);

UNIVERSITY OF MICHIGAN LIBRARIES

S. 3260. A bill for the relief of Richard H. Bush (Rept. No. 2593);

S. 3261. A bill for the relief of Willard Sidmer Ruttan (Rept. No. 2594);

S. 3378. A bill for the relief of Armando Santini (Rept. No. 2595);

S. 3554. A bill for the relief of Jose Manzano Somera (Rept. No. 2596);

S. 3897. A bill for the relief of Edwin A. Knous (Rept. No. 2619);

S. 4110. A bill for the relief of Howard Lovell (Rept. No. 2597);

S. 4133. A bill for the relief of Dr. Fernand Van Den Branden (Rept. No. 2598);

H. R. 4579. A bill to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges in Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska (Rept. No. 2599);

H. R. 6228. A bill for the relief of Dr. Chao-Jen Chen, Dr. Janet Wang Chen, and Eleanor Chen (Rept. No. 2600);

H. R. 8834. A bill for the relief of Yamaguchi Michiko (Rept. No. 2601);

H. R. 9284. A bill to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto (Rept. No. 2602); and

H. R. 9475. A bill for the relief of Mrs. Enid Louise Noble Romick, Jr. (Rept. No. 2603).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 2888. A bill for the relief of Frances Ethel Beddington (Rept. No. 2604);

S. 3044. A bill for the relief of Berniece Josephine Lazaga (Rept. No. 2605);

S. 3241. A bill for the relief of George Brander Paloheimo and Eva Leonora Paloheimo (Rept. No. 2606);

S. 3699. A bill for the relief of Linda Leo (Rept. No. 2607);

S. 3725. A bill for the relief of James McGillic and Blossom McGillic (Rept. No. 2608);

H. R. 8759. A bill for the relief of Rev. Andrew Chai Kyung Whang (Rept. No. 2609);

H. R. 8973. A bill for the relief of Archibald Walter Campbell Seymour (Rept. No. 2610);

H. R. 9145. A bill for the relief of Tomoko Yamaya (Rept. No. 2611); and

H. R. 9236. A bill for the relief of H. Halpern & Bro., Inc., of Boston, Mass. (Rept. No. 2612).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

S. 2830. A bill for the relief of E. C. Browder and Charles Kenyon (Rept. No. 2613);

S. 2921. A bill authorizing the naturalization of Stavros S. Niarchos (Rept. No. 2614); and

S. 3513. A bill for the relief of James Shellenberger, Jr. (Rept. No. 2615).

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 5487. A bill to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended; with amendments (Rept. No. 2618).

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS—REPORT OF A COMMITTEE

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report an original concurrent resolution (S. Con. Res. 108) favoring suspension of deportation of certain aliens, and I submit a report (No. 2616) thereon.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The report will be received, and the concurrent resolution will be placed on the calendar.

The concurrent resolution (S. Con. Res. 108) was placed on the calendar, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-5536319, Abraham, Veronika, or Veronica Abraham.

A-4344291, Abreu y Alvarez, Ricardo, or Richard Abreu.

A-6711109, Abstender, Liza, nee Liza Markowicz.

A-2245436, Ali, Asod, or Alli Asod Ullah or Asodeoolla Ashruffoolla.

A-5501876, Alinosi, Lottie Bernice, nee Dean.

A-3763210, Alma, Helen, nee Stedman Kinter or Alma S. Kinter or Alma Stedman Kinter.

A-4480223, Altamura, Pasquale.

A-6857826, Alter, Salomon Sloima.

A-5199171, Alvarez, Justina Martin.

A-3059986, Amat, Kasmoin, or Kasmoin Bin Amat.

A-6289628, Arce, Socorro Labrado Ylanan, or Socorro Labrado Rodrigues (maiden name), formerly Socorro Labrado Ylanan alias Mrs. Joe Manila.

A-6439301, Arcellana, Juan Aquino.

A-5395748, Arnold, Gustavus or Gus Arnold.

A-5987632, Arron, Barbara, or Sydney Barbara Arron or Barbara Lewis.

A-5158808, Ashton, Sarah Ellen, or Sarah Ellen Lewis nee Muskett.

A-3594093, Asrilant, Willy, or Wolka Asrilant or Zev Wolf.

A-5906951, Auriammo, Elsie.

A-1619827, Avvantaggio, Frank, or Frank Conti.

A-7044374, Bagues, Salvador, or Ruben Marrufo or Salvador Bagues-Villanueva.

A-5134324, Bahler, Karl F., or Karl Friedrich Bahler or Karl Bahler.

A-6030813, Basalo-Sosa, Carmen Teresa.

A-6172610, Bautista, Adalia Marquez de.

A-6702357, Benintende, Francesco, or Frank Benintende.

A-5156017, Berken, Regina Jean Matyas.

A-6719358, Bijjani, George Yousuf.

A-5324281, Birznier, Lina Margareta.

A-6975483, Blount, Richard Keith.

A-5652886, Blumberg, Barney Masel, or Boroch Blumberg.

A-4964138, Boeschling, Henry Frederick Wilhelm.

A-6427944, Bohn, Odette, nee De Rich or Rich.

A-5722987, Bonacasa, Liborio, or Benny Bonacasa or Bonacasa Liborio.

A-4068857, Bongini, Christino, or Christino Bongini.

A-5944282, Boutilier, Verner Trinimon, or Fred Gavin.

A-7049222, Bovoletis, Peter Considine.

A-5110682, Brega, Ernesto.

A-6687726, Brown, Basilette Argendeli, nee Argendeli.

A-5932145, Brown, Percy Flint.

A-6614098, Brown, Vernal Albert.

A-5648521, Bruck, Lila, or Hedwig Drdlik or Hedwig Bruck.

A-6732457, Bulleri, Dora Luigiana.

A-4490134, Burack, Sam.

A-5085609, Cardoza, Joao Ferreira, or John F. Cardoza.

A-7178248, Carlson, Berna Birgit Allrum.

A-4399018, Carroll, Louis Lawrence, or Louis Carroll.

A-5972088, Carty, Peter Silven.

A-2746974, Casais, Domingo, or Domingo Cassis y Costa.

A-6642478, Chaltas, Aristea Constantinou Katraouzou, or Aristea Constantinou Katraouzou.

A-6187140, Chan, William Hee, or Gik Hee Chan.

A-6187141, Chan, Linda Siu King, or Chum Shao King.

A-5552575, Charleson, Frank Langelier.

A-7539135, Chiang, Chien Yin, or Chien Chick Yin.

A-6798761, Yink, Chiang Chu Sheng, nee Chu Sheng Ying.

A-3291982, Chikhmatoff, Olga Chirinsky, or Olga Shirinsky Shikhmatoff nee Korff.

A-7273887, Clewis, Raimer Herman, or Raimer Herman Clewis, formerly Raimer Herman Saladin, or Rainer Herman Saladin.

A-6230243, Cohen, Albert Kibrit, or Alberto Cohen Kibrit, or Albert Cohen.

A-1455053, Constantios, Philipos Nikolas, or Philip Constantios.

A-3021828, Costa, Amedeo Giovanni, or Amedeo G. Costa.

A-5811277, Damhus, Ejnar Jensen, or Edward, or Eddy Damhus.

A-4822959, Dapas, Pietro, or Peter Dapas.

A-6690314, De Acosta, Petronila Machuca.

A-6603146, De Barrios, America Cabrera.

A-6603143, Barrios Y Cabrera, Jesus.

A-6787390, De Escobedo, Consuelo Gomez-Alonzo, or Rafaela Lopez.

A-7050144, De Ferrari, Felicina Gallo, nee Felicina Serafina Gallo.

A-6455865, De Grimwood, Laura Antonia Padilla.

A-1101037, Delikat, Lottie Margaret.

A-6323338, Dennis, Edward Victor, or Edward Victor Brown.

A-1412812, Diamantis, Stavros Spyridon.

A-5346801, Di Carlo, Calogero, or Calogero Lelio Di Carlo.

A-4418201, Doorly, Joseph, or Joseph Dorley.

A-7273891, Doring, Uwe Franz.

A-5618814, Dumkolis, Trifo Alexander, or Trifo Alexander Dumkoloff, or Trifo Alex Dumkeles.

A-6897795, Eastman, Elsa Orio, formerly Elsa Orio Garchitorena nee Elsa Erinka Oria.

A-6852384, Elefant, Clara, or Elder nee Lakatos.

A-5151368, Enomoto, Mihacri or Jack.

A-6364325, Entralgo, Luis Estella.

A-4789169, Esop, Edward.

A-6811187, Esposito, Lucian Nicolas.

A-7196657, Essoglou, Panteleimon Elie.

A-6745435, Estaque, Jeanne nee Seitelsohn.

A-6162093, Faustino, Iluminador Flores.

A-6362677, Femino, Marina Domenica Grace, formerly Hislop.

A-6420315, Fieldhouse, Roger Hyde.

A-1842349, Figueiras, Jose Gallardo, or Jose Gallardo.

A-7203232, Flanagan, Johanna Adriana.

A-4570472, Fogel, Morris, or Moische Fogel.

A-6878609, Forcke, Nadine Elwin.

A-6878610, Forcke, Eddie Wallace.

A-3079984, Fournaris, Constantinos Georgios, or Constantinos Fournaris, or Gus Founaris or Kostas Fournaris.

A-6808868, Franklin, Gudrun, or Gudrun Bruinsma.

A-5456991, Friedman, Fanny or Kalmar.

A-1875873, Fu, Huang, or Wong Fook or Wong Fook Nygoon, or Wong Fook Yuan, or Wong Chun Go.

A-7039621, Galati, Salvatore.

A-5739972, Galati, Maria Antico.

A-7198759, Gampe, Roland Pierre Lucien, or Roland P. Gampe.

A-5854618, Garden, Janet Miller, or Jean Whatling.

A-6353405, Gernaey, Marie Madeline nee Kemmer, or Marie Madeline Jablonski.

A-6872607, Godley, Percival Francis, or Francis Percival Godley.

A-6872608, Godley, Doris nee Eldred.

A-6649919, Goldstein, Rubin, or Riven Goldstein.

A-1046757, Goldstein, Sol.
A-6506566, Grille, Paul Jacques.
A-1868318, Gronek, Helena, or Helen Gronek.
A-6965863, Grun, Elza, or Elise Weisz, or Elszi or Elis or Elsa.
A-6784146, Gubel, Josef.
A-4306817, Guerrero, Bozena Tomankova, nee Bozena Tomankova.
A-6164825, Gum, Mim, or Min Gum.
A-7131216, Guthrie, James.
A-3199500, Gutierrez, Dolores, or Dolores Arroyo.
A-4146713, Gutierrez, Guadalupe, alias Guadalupe Arroyo.
A-1976967, Hagymasi, Terez, or Teres Massey.
A-1601361, Hallas, Dionisios or Georgadidgh.
A-6905340, Hand, Monique Yvonne, nee Placide.
A-1822905, Handeli, Vitali, and Victor Handeli.
A-6497132, Hardy, Cornelia Agatha.
A-6022964, Haritopoulos, Elias Theodore, alias Elias Charitopoulos, alias Louis Haritopoulos.
A-3295410, Hartmann, Barbara, nee Hess.
A-6216009, Hastings, John.
A-7115400, Hayes, James Victor.
A-5308606, Heinz, Joseph Karl.
A-6861917, Hendrickson, Agda Jakobina, formerly Ruutikainen, nee Meriruusu.
A-6567798, Holen, Jenny Klara, nee Walderhaug.
A-6243527, Hou, Ai Ying, or Mah Ah Ying, or Wang Ai Ying.
A-6853305, Howe, Maclean Kenneth Daniel, alias Hau Kam Tat or Daat.
A-6838592, Hristostomidis, Hristostomis Yani, or Chris John Chrisostomidis.
A-6245685, Hronis, Sophie.
A-7530134, Hsiang, Ping, or Ping Hsian Hsiang, or Catherine Hsiang, or Bian Hsian Hsiang, or Hsiang Bin Hsien.
A-3043752, Huffan, Edwin Eric.
A-5872012, Hum, Lee Shee, or Hum Lee Shee.
A-6505446, Huvos, Laszlo, or Leslie Huvos.
A-6590020, Iacovetta, Osvaldo, or Osvaldo Iocovetta, or Osvaldo Iacouetta.
56093/439, Ibrahim, Mehmet, or Ibrahim Mehmet, or Mehmed Abrahim.
A-6367213, Iversen, Bjorg Wennberg.
A-6455634, Jacks, Edna Eulalia, nee Barkas, or Edna E. Jacks.
A-6872541, James, Poulia, or Poulia Cotsifa, maiden name, or Poulia Kotsifa.
A-5665665, Jaresch, Emma Johanna.
A-6930157, Jarosz, Ingelise Solveig, nee Jensen.
A-2395816, Kakowoulis, Nicolis, or Nickolis Kakovoulis.
A-7115013, Kastanos, Antonios Simos.
A-3930365, Kew, Ko, or Kew Ko.
A-6369146, Khouri, Mounira, nee Mounira Abouzeid, or Mme. Vve Nagib.
A-7189565, Kiang, Stuart, or Chao-Hai Kiang.
A-1757786, Kilian, Jozef.
A-6187117, Kim, June Jha.
A-7043054, Kiu, Kong Yuet, or Cecile Kong, or Tong Yuet Kiu.
A-5398701, Kiesznicki, Wilhelm August, or Wilhelm Kleznicki, or William August Kleznicki, or William August Lkeznicki.
A-5110558, Knaus, Maximilian, or Max Knaus.
A-5299330, Knudsen, Soren Anton, or Steve Knudsen.
A-5282771, Kurth, Paul Gustav.
A-6254761, Kyriakidks, Makrina, or Makrina S. Kyriakides, or Makrina Socrates Kyriakides, nee Makrina Kouzoudjacojhlu.
A-9511403, Lai, Leung.
A-5472117, Larsen, Christian Peter, or Christian Peter Werdelbon.
A-5187667, Larsen, Dagny Kirstine Johanna Sorensen.
A-7039676, Larsen, Betty Dagny.
A-6008146, Lawver, Maria Tome Da Silva.
A-5336741, Lee, Hung Yuke.
A-1663081, Lekich, John, or John Sam Lekich.
A-6510544, Lemak, Oscar.
A-6510545, Lemak, Zoltan.
A-9749126, Leon, Francisco Ysmael Martinez, or Francisco Martinez.
A-7053056, Lewis, Rosane Maria, or Rosana Maria Mannucci, Rosanna Mannucci.
A-4280100, Lima, Jose Paiva, or Jose De Paiva Lima.
A-7141199, Lincourt, Linda Margaret, or Linda Margaret Suitter.
A-2303848, Linkous, Gladys Corless nee Corless.
A-7099284, Loeschnigg, Janet, or Misuet Loechnigg, or Misuet Loeschnigg.
A-6620856, Loginoff, Natalie N.
A-6817715, Lowe, Evelyn Joan, nee Sommerfeld or Summerfield, formerly Rutherford.
A-1394982, Luckiewicz, Joseph Kazimierz.
A-4866499, Luehmann, Alwin Albert Hermann.
A-6182809, Luis Domingo.
A-1162558, Macpherson, Donald Joseph.
A-1001691, Madore, Rose Marie, nee Cote or Rose Marie Labrie.
A-7140937, Mahlmann, Dirk Robert, or Dirk Robert Vogel or Dirk Robert Hogan.
A-5537676, Majchrzak, Mary.
A-2244345, Manalis, John Ioannis.
A-5914713, Marchetti, Pietro Guido, or Pietro Marchetti or Pete Marchetti or Francisco Genetti.
A-3325763, Mark, See Cheung.
A-4778299, Markiori, Emilio, or Emilio Marchiori or Emilio Marki.
A-7083230, Markoures, Irene Panageotou, or Irini Athanasios Panageotou.
A-7140936, Marlmann, Rainer Wolfgang, or Rainer Wolfgang Hogan.
A-4632664, Marmorstein, Alexander, or Alex M. Stone.
A-6611011, Marwick, Nancy Joy.
A-1205669, Masuko, Sadao.
A-3397407, Matchkaloff, Alexander Serge, or Alexander S. Machavariani or Alexander Sedrakovitch Machkaloff or Alexander S. Machavarian or Alexander Angelo.
A-5427886, Matthiesen, Heinrich, or Heinrich Walter Matthiesen.
A-5147605, McCombs, Gordon Leslie.
A-4374141, Mckay, Sariphas.
A-5829263, Mehr, Lena Melissa, or Lena Melissa Bates, nee Coodwin.
A-2997698, Menagatos, Soterios Demitriou, alias Sam Poulos.
A-6799595, Mendoza, Jose Leofranco Perez.
A-6953451, Metzger, Henryk.
A-6068690, Meukow, Walter Trendel, or Walter Trendel.
A-6172753, Millios, Argyro, or Argyro Millou nee Argyro Gouliou.
A-6989727, Mitchell, Irene nee Tsingheraki.
A-4774831, Mohamed, Niaz.
A-7092580, Montesantos, Eleftherios, or Terry Montesantos.
A-4441139, Moret, Giovanni Battista, or John Moret.
A-5644709, Morrall, Edgar Michael, or William Henry Thomas.
A-4314060, Moss, Joseph.
A-5868852, Moss, Sarah.
A-5412142, Mui, Kan Chi, or Lung Sheung Mui.
A-4854667, Muniz-Gardea, Sotero, or Sotero G. Muniz or Sotero Soto.
A-4854663, De Muniz, Catalina Gomez.
A-7064744, Mustapa, Margit Hildegard, or Margit Hildegard Jarvinen.
A-1514718, Nacinovich, Frank.
A-6074029, Nevarez, Herriberto, or Heriberto Nevarez Valencia.
A-6706845, Ngon, Jew Yee Sue.
A-5714884, Nicholoff, Karl Christ, or Karl Nicholoff or Kyrilios Bozanis Nicholoff.
A-2886564, Nicolas, Herman Henry or Nicholas.
A-6722391, Nicoletopoulos, Leonidas Diomidis.
A-5310261, Norby, Arnt.
A-5156554, Ohnstein, Martin, or Charles Hagendorf.
A-5295492, Olesen, Marius Imanuel.
A-1188009, Orro, Ano Rosa, or Nina R. Lopez or Maria Teresa Cartaya.
A-1119930, Orsini, Filippo.
A-5022341, Ortiz, Jose, or Joseph Ortiz or Jose Ortiz Camus.
A-6572200, Ortiz, Robert.
A-5221301, Paliaga, Peter.
A-5157878, Palmes, Stanley Gerald.
A-5212363, Paolini, Giuseppini, formerly Giuseppina Milesi nee Bargellini.
A-5081215, Papadopoulos, Yoannis, or Ioannis, Papadopoulos.
A-6947402, Paplitzky, Ingeborg Ingrid.
A-6280674, Pascual, Marta Villarin.
A-6630763, Pataki, Viola Klara nee Lanyi.
A-7203344, Paulsen, Greta Juul.
A-7117535, Paulsen, Einar Juul.
A-7110852, Penalva, Marcel Aime.
A-4897907, Perugini, Pasquale Aniello, or Pasquale Perugini.
A-5137818, Pfeiffer, Richard Ewald.
A-7178604, Pilos, Thalia Kalkandis, or Thalia Kalkandis or Thalis Stavros Pilos or Thalia Stavros Kalkandis.
A-2069819, Pina, Enrique alias Henry Pina.
A-7203340, Piscope, Domenico.
A-6849316, Pla, Yolande, or Yolande Prato.
A-6725293, Pohanck, Zoltan Imre.
A-4390552, Polzin, Rudolf.
A-3117457, Poppos, Demetrios, or Demilrios Poppos.
A-7083227, Powell, Alwyn Leslie.
A-5664259, Prol, Antonio Alvarez.
A-7072434, Proskouriakoff, Irene Daniel.
A-7049124, Purdy, Cassie May.
A-5455840, Puzzolo, Giuseppe.
A-1643444, Rabias, Constantinos Nicolaos.
A-1595278, Radulich, Blasul, or Blasul Radulic.
A-6296121, Redfern, Ruth Myrtle.
A-6296119, Redfern, Allan Henry.
A-5630645, Redwood, Margaret nee Margaret Marshall.
A-7097046, Rein, Monika.
A-3543705, Reis, Rosa Oliveira nee Rosa Candida Oliveira.
A-5911903, Rigas, Eleftherios.
A-6995278, Rim, Lilly Mary (Mrs. Herbert Rim) nee Lilly Mary Ruppert or Lilly Mary Ruppert De Rin by a former marriage Mrs. Hans Neumann.
A-7044264, Roberts, Grace Ruth Kearny.
A-5068648, Roininen, Laina Maria, or Laina Maria Roine.
A-7050590, Rosadio, Jose.
A-6018546, Rosenblum, Lajb, or Leo Rosenblum.
A-5127498, Rosenlund, Rolf.
A-1107407, Roston, Albert Joseph, or Abraham Josef Rothstein.
A-6307307, Roth, Elizabeth Evelyn Achica, or Elizabeth Evelyn Achica.
A-6569422, Rubinstein, Israel.
A-1991240, Rukojc, Jadwiga, or Jean Rukojc or Jadwiga Rukoic.
A-5080828, Sa, Manuel Afonso.
A-7013315, Sackville, Patricia Ann.
A-7013316, Sackville, Roma Collard.
A-5562524, Salczer, Herman, or Herman Salcer.
A-6985669, Sam, Choy (Chinese name), or Johnny Sam Choy (American name).
A-6268824, Sanchez, Domingo Valluluz.
A-7189991, Sarno, Mamerto Torres, or Mamerto Torres.
A-7189992, Sarno, Rosauro Torres, or Tosauro Torres.
A-7199021, Sawaya, Louis Neemer.
A-9177018, Sclavogiannis, Emmanuel.
A-7203550, Schenk, Knut.
A-5856538, Schertzer, Michael.
A-1689901, Schliemann, Wilhelm Johannes.
A-7050939, Scillama, Antonia, nee Restivo.

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A-4319937, Scocco, Giacomo.
A-5258278, Scott, Louise, nee Harris.
A-4204299, Seymour, Alex.
A-3383663, Shee, Jew, or Jew Ngui Haai.
A-2547932, Shong, Wong, or Shong Wong.
A-1413437, Sima, Albin Franz.
A-7044320, Sirigos, Antonios Nicolaos, or Antonios Sirigos or Anthony Sirigos.
A-6394192, Skorpak, William.
A-4803564, Slowes, Mendel.
A-7050623, Smith, Constance Agnes, nee Brady.
A-6047633, Smith, Vina, nee Mitchell.
A-5707986, Smoke, Josef, or Josef Smuk.
A-3445330, Soler, Maria Barber, or Mother Bienvenida De San Jose.
A-2587707, Sonck, Edouard.
A-1748368, Souze, Joao Azevedo, or John Azevedo Souza.
A-6965414, Spigno, Enrico Giuseppe.
A-5931914, Stapleton, Thomas Michael.
A-3631892, Stefanovich, Mitre, or Mitro or Stefanoff alias Jim Stevens, Mitro Stefan Nadanovic, Mitre Stefan or Stefanou, Stoyanis Egos.
A-6389053, Stein, Paul, or Pelta Sztejn.
A-6389054, Sztejn, Rywka, or Rita Stein.
A-6448763, Stern, Irving, or Isac, Isak, and Isaac Stern.
A-5368221, Stoor, John Hjalmar.
A-7140315, Stout, Catharina Maria, nee Berendsen.
A-6664171, Stow, Peggy Spencer or Peggy Spencer (maiden name).
A-7594279, Straus, Ernst Gabor.
A-6236237, Suan-Chi, Lee, or Suan Chi Lee or Stephen Charles Lee.
A-4133791, Suarez, Francisco Betanco, or Frank P. Suarez or Frank Petanco or (Petanko) or Frankly Bestanco or Manuel Martinis or Francisco Suarez Betanco or Francisco Betancor Santana Suarez.
A-1611150, Suchman, Andrew, or Arpad Suchman or Suchmann.
A-6245755, Sultanis, Aphrodite.
A-5090585, Szekely, Istvan Attila.
A-5339009, Sziber, John, or Joan.
A-7112131, Sztankay, Zoltan Ferencz.
A-7112528, Sztankay, Ada Hackl, nee Adelheid Josephine Marie Hackl.
A-4453899, Tasco, Vincenzo.
A-6446668, Teitelbaum, Hana, Mrs., or Mrs. Hana Teitelbaum, nee Halberstam.
A-6923989, Theocharis, George Emanual.
A-9023412, Thomas, Pnangiotos Sotiriou, or Pete Thomas.
A-6869332, Thorne, Julia Veronica, formerly Julia Veronica Loft nee Cohoon.
A-4982652, Thornton, Patrick, or Patrick Joseph Thornton.
A-6816830, Torres-Hernandez, Nicanor, or Nicanor Torres-Torres.
A-6475654, Trepper, Moritz, or Morris Trepper or Noishe Trepper.
A-2533644, Tselentis, Jerasimas, alias Jerry Lent.
A-4947416, Tsistinas, Andreas Christos.
A-6964992, Tzetzos, Evangelos, or Angelo Tzetzos.
A-6930397, Uscatu, Everdichia.
A-5924685, Utter, Alice Ruth nee Simmons.
A-6732030, Valensi, Cleopatra, or Cleopatra Manoussaki.
A-2594465, Van De Velde, Martha Maria, or Martha Van De Velde alias Martha Maria Van Haver.
A-5161342, Van Der Veen, Olga, or Olga Van Der Neen Wisner.
A-6854557, Van Tilburg, Cornelius Arnoldes, or John Beckos.
A-6665383, Velge, William.
A-5215026, Verticchio, Giuseppe.
A-5204879, Von Bomsdorff, Felix.
A-5507120, Vonderohe, William Lilie, or William Lillie.
A-1099779, Wadeikis, Veronica Irene.
A-4448744, Wan Fong.
A-6419308, Wang, Francis Chwen-Tao.
A-6341236, Warr, Rosa, nee Rosa or Rose Mahfooz.
A-6521597, Wassner, Danuta, or Danuta Ziff.
A-6233641, Wawrzkiewicz, Rura Serrano, nee Pura Serrano.
A-4247813, Weinberg, Morris (Moishe).
A-4166705, Weinberg, Tillie, nee Steinchneider or Taube, Toba or Tobe Weinberg.
A-7145747, Weiss, Lieselotte.
A-7053511, Wells, Adelheid Anna, or Adelheid Anna Schuecke (Schucke) nee Klinner (Kinner).
A-4448745, Wing, Fung Sik, or Fung Yee Wing.
A-4687569, Woo, Ji-Hung.
A-4687621, Woo, Yun-Chwang, or Woo Chung.
A-4687620, Woo, Eching Shen, or Mrs. Y. C. Woo.
A-6514174, Yankelewitz, Leib or Leon.
A-4532669, Yau, Au (Owyou).
A-4532661, Yeung, Fung Kim.
A-4772969, Young, Kenneth Abram.
A-4532655, Yum, Ma.
A-7582013, Yung, Yip Kung, alias Benjamin Yip.
A-5323816, Zacks, Milly, or Millie Sachs formerly Milka Zuk.
A-6882598, Santamarina y Alvarez, Fernando Garcia, or Fernando Garcia Santamarina.
A-3630195, Fry, Madeleine Thurza, nee Logan.
A-5140180, Mitani, Masatane.

INTERNAL SECURITY—REPORT OF A COMMITTEE

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report favorably, without amendment, the resolution (S. Res. 366) relating to the internal security of the United States, and I submit a report (No. 2617) thereon.

The PRESIDING OFFICER. The report will be received, and, under the rule, the resolution will be referred to the Committee on Rules and Administration.

The resolution (S. Res. 366) relating to the internal security of the United States, was referred to the Committee on Rules and Administration.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. O'CONOR:

S. 4240. A bill to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; and

S. 4241. A bill to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion"; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 4242. A bill to include personnel of the Armed Forces on active military, naval, or air service on or after June 25, 1950, in the term "veteran of any war"; to the Committee on Labor and Public Welfare.

By Mr. LANGER:

S. 4243. A bill for the relief of Mohamed Fazal; to the Committee on the Judiciary.

By Mr. BRICKER:

S. 4244. A bill to extend to nations with which the United States engages in armed conflict the provisions of the Trading With the Enemy Act; to the Committee on the Judiciary.

By Mr. McCARRAN:

S. 4245. A bill for the relief of Teresa E. Dwyer; to the Committee on the Judiciary.

HOUSE BILL REFERRED

The bill (H. R. 9840) to exempt furlough travel of service personnel from the tax on transportation of persons, was read twice by its title, and referred to the Committee on Finance.

CURRENT WORLD CRISIS—RADIO INTERVIEW WITH SENATOR SMITH OF NEW JERSEY

[Mr. SMITH of New Jersey asked and obtained leave to have printed in the RECORD the text of a radio interview between him and Mr. Don Passante over Station WNJR, Newark, N. J., Saturday, December 9, 1950, which appears in the Appendix.]

THE HISS VERDICT—STATEMENT BY SENATOR MUNDT AND EDITORIAL

[Mr. MUNDT asked and obtained leave to have printed in the RECORD a statement prepared by him and an editorial entitled "Hiss Verdict Upheld," published in the Washington Post on December 9, 1950, which appears in the Appendix.]

THE RIGHT OF CONGRESS TO DECLARE WAR

[Mr. MUNDT asked and obtained leave to have printed in the RECORD an editorial entitled "The Right of Congress To Declare War," published in the Sioux Falls (S. Dak.) Daily Argus-Leader, which appears in the Appendix.]

HEALTH SERVICES

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD an editorial entitled "Health Services," published in the Washington Post on December 11, 1950, which appears in the Appendix.]

POWER STUDY FOR NEW ENGLAND

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD an article entitled "Power Study Set for New England," published in the New York Times of December 10, 1950, which appears in the Appendix.]

OUR FOREIGN POLICY

[Mr. LANGER asked and obtained leave to have printed in the RECORD a telegram regarding American foreign policy, addressed to the President by Mr. John J. Sattler, commander, Department of North Dakota, Veterans of Foreign Wars, which appears in the Appendix.]

SHOWDOWN WITH FRIENDS

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "Showdown With Friends," published in the Oregon Daily Journal of December 4, 1950, which appears in the Appendix.]

SUBVERSIVES CONTROL ACT

[Mr. LANGER asked and obtained leave to have printed in the RECORD an editorial entitled "A Job For Congress," published in a recent issue of the Christian Science Monitor, which appears in the Appendix.]

DISPLACED PERSONS

[Mr. LANGER asked and obtained leave to have printed in the RECORD an article entitled "The Real Displaced Persons," written by Marie T. Gerhard, and published in April 1950 issue of the Magnificat, which appears in the Appendix.]

EFFECT OF TARIFF POLICIES ON THE STATE OF WISCONSIN—BRIEF OF THE WISCONSIN MANUFACTURERS' ASSOCIATION

[Mr. WILEY asked and obtained leave to have printed in the RECORD a brief entitled, "The Impact of International Trade on the State of Wisconsin," prepared by the Wiscon-

sin Manufacturers' Association, which appears in the Appendix.]

PRESIDENT TRUMAN'S POINT 4 PROGRAM—BROADCAST BY SENATOR BENTON AND BERT ANDREWS

[Mr. McMAHON asked and obtained leave to have printed in the RECORD a statement by Senator BENTON regarding a radio discussion of President Truman's point 4 program, by him and Bert Andrews on December 2, 1950, together with a copy of the broadcast, which appear in the Appendix.]

CAMPAIGN MORALS—STATEMENT BY SENATOR BENTON AND EDITORIAL FROM NEW YORK TIMES

[Mr. McMAHON asked and obtained leave to have printed in the RECORD a statement by Senator BENTON and an editorial entitled "Campaign Morals," published in the New York Times, which appear in the Appendix.]

THE PROBLEMS OF NATIONS—EDITORIAL FROM THE JUNCTION CITY (OREG.) TIMES

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial published in the Junction City Times for December 7, 1950, which appears in the Appendix.]

A BAD WEEK FOR THE BIG LIE—BROADCAST BY CHARLES M. HULTEN

[Mr. MORSE asked and obtained leave to have printed in the RECORD a broadcast delivered at Valley Forge, Pa., by Charles M. Hulten, of the State Department, which appears in the Appendix.]

IMPORTANCE OF THE UNITED NATIONS—EDITORIAL BY GEORGE V. DENNY, JR.

[Mr. MORSE asked and obtained leave to have printed in the RECORD an editorial by George V. Denny, Jr., president of Town Hall, New York, which appears in the Appendix.]

MILITARY COURTS—LETTER TO THE NEW YORK TIMES

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter by Arthur E. Farmer, addressed to the New York Times, under date of April 11, 1950, which appears in the Appendix.]

CURRENT CASE INVOLVING RAILWAY CONDUCTORS AND RAILROAD TRAINMEN—LETTER FROM L. W. HORNING TO W. P. KENNEDY

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter from Mr. L. W. Horning to Mr. W. P. Kennedy, under date of September 18, 1950, which appears in the Appendix.]

CONGRESS AND OUR MUNICIPAL GOVERNMENTS—ADDRESS BY. HON. W. COOPER GREEN

[Mr. HILL asked and obtained leave to have printed in the RECORD an address entitled "Congress and Our Municipal Governments," delivered by Hon. W. Cooper Green, mayor of Birmingham, Ala., and president of the Alabama League of Municipalities, at a dinner in Washington on December 4, 1950, given by the Alabama delegation to the American Municipal Congress in honor of Alabama's Senators and Members of the House delegation in Congress, which appears in the Appendix.]

THE WORLD CRISIS STEMS FROM MANY ERRORS—ARTICLE BY HOLMES ALEXANDER

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an article entitled "World Crisis Stems From Many Errors," written by Holmes Alexander and published in the Salt Lake Tribune of December 7, 1950, which appears in the Appendix.]

EMBARGO ON GOODS DESTINED TO RED CHINA

Mr. O'CONOR. Mr. President, it would seem most pertinent to call to the attention of the Senate an announcement by the Honorable C. D. Howe, Canadian Trade Minister, on Saturday, December 9, to the effect that he had ordered an embargo on all Canadian goods destined for Red China.

The order applied, he made clear, to Korea, Hong Kong, Manchuria, and Macao, and he emphasized that all export permits previously granted would be recalled for revalidation.

The official action of the Canadian Government in this respect points up sharply the nonaction of our own Government to protect United States interests and to safeguard our fighting men in Korea, by placing a similar complete embargo on all shipments to Communist China.

The disclosures of the subcommittee investigating this matter have shocked the people of this country with information regarding the vast amounts of strategic materials of many kinds, the shipments of which our Government has not only permitted but actually encouraged to the fullest.

I say again what I have declared before both on the Senate floor and on other occasions that a complete embargo against all shipments to China is absolutely vital to our Nation's interests at this time when every product from this country which helps either to further their aggression in Korea or to bolster their industrial or civilian economy adds to the terrific load which our fighting men are carrying at this very moment.

The executive branch of our Government will be acting in accord with the feelings of the United States Senate, I am sure, just as they will be carrying out the wishes of the great mass of our people throughout the country, if they act immediately to restrict all shipments from this country to Communist China or other Communist points.

I ask that the Associated Press dispatch regarding the Canadian embargo be printed herewith as a part of my remarks. I also ask unanimous consent that an editorial from the Washington Evening Star of December 9, 1950, entitled "Trading With the Enemy" be made a part of my remarks. Let me quote just the first sentence of this editorial:

Whatever justification there may have been in the past for maintaining trade relations with Communist China, a drastic change in policy has become necessary as a result of Chinese entry in the Korean war.

I concur wholeheartedly in that statement and offer it for the thoughtful consideration of the responsible Federal authorities in this field.

There being no objection, the article and editorial were ordered to be printed in the RECORD, as follows:

CANADA CANCELS CHINA SHIPMENTS

OTTAWA, December 9.—C. D. Howe, Trade Minister, today ordered an embargo on all Canadian goods destined for Red China.

The order applies also to Korea, Hong Kong, Manchuria, and Macao—all in or near the eastern war area.

The main point of the order is to ban all goods from shipment to the Chinese Communists. Hong Kong, a British possession, is a transshipment point for goods going to the Chinese mainland.

Howe said in a statement all export permits granted will be recalled "for revalidation."

The embargo is, in a way, a reversal of government policy. Though Canada has had restrictions on the export of strategic goods to Communist countries, previous policy was to allow normal civilian trade to function.

[From the Washington Evening Star of December 9, 1950]

TRADING WITH THE ENEMY

Whatever justification there may have been in the past for maintaining trade relations with Communist China, a drastic change in policy has become necessary as a result of Chinese entry in the Korean war. The Department of Commerce has just announced tighter export controls on shipments to Red China. That tightening was needed is evident from disclosures made by Chairman O'CONOR of a Senate Commerce Subcommittee. The inquiry has indicated that substantial quantities of steel and rubber products that possibly could be diverted to military purposes have been shipped to Communist China since the start of the Korean war.

Senator O'CONOR has charged that more than 10,000,000 pounds of scrap rubber have gone to the China mainland during the past 5 months. This rubber, in the form of old tires, is used for making shoes. And shoes have definite military value. Senator O'CONOR pointed out that shipments of scrap rubber jumped from 263,000 pounds in July to 4,400,000 pounds in September and about 3,000,000 in October. "It seems perfectly evident," the Marylander said, "that the Communists would not bring all this rubber to China, at great expense, unless they were finding good use for it."

The time has come to consider something more effective than a tightening of trade controls. Formerly it was to our advantage to exchange products with the Reds, for we were getting considerable quantities of strategic tungsten from them. But apparently the Russians have cornered the Chinese tungsten supply in recent months, for shipments of tungsten have been falling off sharply. About all we are receiving from Red China now is hog bristles, animal hair, and feathers. These are useful to us, but not indispensable.

Commerce officials say that the new controls can be drawn tighter at will—that, in fact, the machinery has been set up to enforce a complete embargo on trade with Communist China if that final step becomes advisable. They point out, however, that an American embargo would mean little to the Reds unless other western nations took similar action. Irrespective of the economic effect of a unilateral embargo, an important principle is involved—that of trading with the enemy. And surely there no longer can be any doubt left that Red China is an open enemy of this country.

THE KOREAN WAR

Mr. HICKENLOOPER. Mr. President, last Saturday the New York Journal-American and a number of other newspapers published an article written by Constantine Brown, the well-known foreign-news analyst, dealing with the Korean war. In the New York Journal-American the article is entitled: "Political and Military Summary of Korean

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War: Writer Called the Turn on Events in the Far East—Declared United States Was Informed."

Mr. President, because of the accuracy of Mr. Brown's predictions in the past, because of his ability to call the turn on future events, and because of the significance of such instances in the past when he called the trend of our foreign events and the probable happenings which would result therefrom, I ask unanimous consent that Mr. Brown's article, together with the headlines which I have read, be printed in the RECORD at this point as part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

POLITICAL AND MILITARY SUMMARY OF KOREAN WAR: WRITER CALLED THE TURN ON EVENTS IN FAR EAST—DECLARES UNITED STATES WAS INFORMED

(By Constantine Brown)

There is no question that the outbreak of hostilities in Korea on June 25 caught the administration totally unprepared for a military undertaking of the magnitude which confronts us now.

Our highest officials claim they did not have the information needed to justify military preparedness of the kind needed in a shooting war.

The following items, taken at random from a number of columns published by this reporter during the last 12 months, show, however, that the administration was fully informed about Russia's plans and intentions.

ITEMS LISTED

Newspapermen obtain their information from sources near the top Government officials some time after the latter have had the full benefit of the reports.

Following are the items:

December 18, 1949: "The world crisis * * * is expected to enter its final phase with the coming of the new year. The Russians have nearly completed the circle which they have so skillfully been building around us since VJ-day."

January 23, 1950: "It is believed they (the Russians) will concentrate * * * on South Korea, Indochina, Burma, and eventually the Malay Peninsula."

February 5: "The United States is in a more critical situation than ever before in its history." (About this time Secretary Johnson began to trim the fat of our armed services.)

February 24: "We are in a weaker position with respect to Russia today than we were with respect to Japan 9 years ago."

READY TO MOVE

April 30: "Russia * * * has given indications that she is tiring of the cold war and is preparing to move into action."

May 9: "More than 2,000 Soviet officers are engaged * * * in planning coming events in Asia, which is expected to become the principal theater of a shooting war this summer."

June 4: "Whatever explosion may occur in the near future will come on the Asiatic mainland."

June 6: "The start of the * * * Communist invasion * * * (of Korea) is set for the second half of this month." (Confirmed June 25.)

September 1: "The middle of September will see Russian puppet Ho Chi Minh's Communist force launch an offensive against the French troops in Indo-China." (Confirmed Sept. 19.)

September 11: "Chinese forces * * * on the Korean border have moved in and now are fighting under the North Korean banner."

October 4: "Chinese Communist troops are definitely capable of going into action in an hour's notice."

November 7: "Our forces in Korea are so entangled by advancing Chinese Communists that only a heavy bombardment * * * between Mukden and the Yalu River can disentangle them."

"Behind the 300,000 Chinese troops on the Yalu River and in North Korea there are at least as many more troops available for action."

November 11: "A major attack by the Chinese Communist armies in North Korea is expected in the next 10 days * * * last week's attack * * * is considered a reconnaisance in force." (Confirmed Nov. 28.)

November 28: "General MacArthur is reported to have asked the United Nations for permission to send B-29 and B-36 planes to destroy the lines of communication * * * at Mukden and Harbin."

November 30: "Use of atomic bomb and Chinese Nationalist troops against the Chinese Communist hordes is now being discussed—in secret high-level discussions in the last 48 hours.

"We must face the stark fact that we are at war with Communist China, and by extension, with the U. S. S. R."

THE PRICE OF EGGS

Mr. SALTONSTALL. Mr. President, the Boston Post in a front page story on December 9 stated, "See eggs reaching $1 a dozen."

The Wall Street Journal of last Friday carried the headline: "Wholesale egg prices reached 30-year high in Chicago yesterday. Record consumption responsible; top-quality eggs may hit $1 a dozen in New York."

The Washington Post on a front page story carried the headline: "Price of grade A large eggs near dollar a dozen" last Saturday.

I wish to bring these headlines to the attention of the Senate, because, since reading these headlines, I have checked with the Commodity Credit Corporation and I find the following situation: The estimated inventory of dried eggs as of December 4, 1950, held by the United States Government amounts to 93,605,000 pounds. I am told by the Commodity Credit Corporation that it takes approximately 3 dozen large grade 1 eggs to make 1 pound of dried eggs. This means that it has taken 280,815,000 eggs to produce the poundage of dried eggs which the United States Government now has in storage. This is the equivalent of very nearly 2 dozen eggs for every man, woman, and child in America.

I also learned and wish to bring to the attention of my colleagues that on November 22 the Secretary of Agriculture issued a release stating that there would be no price support of eggs in 1951. This was later supplemented with a statement by the Secretary that if necessary in certain areas there would be a surplus removal of certain quantities of shell eggs which would be used in school-lunch programs.

I bring these facts to the attention of the Senate, Mr. President, in the hope that in the critical days that lie ahead of us steps may be taken to try and stop such a situation in the case of any commodity. I hope that steps may be taken in the interest of the consuming public. I want to be fair to our farmers, but as I have repeated many times, all of us are consumers. Eggs are perhaps the very basic food of the majority of the citizens of our country. Rises in the prices of eggs to record heights mean more, I believe, to more people than increases in the prices of any other agricultural commodity unless it be bread and milk.

Mr. President, in these difficult times when the very survival of our country may be at stake, I hope that our whole agricultural support program can be reviewed and restudied for the best interests of everyone.

Following my remarks, Mr. President, I ask unanimous consent to have printed the articles to which I have referred.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Boston Post of December 9, 1950]

SEE EGGS REACHING $1 A DOZEN—BOSTON PRICES ON RISE STEADILY SINCE MONDAY

Egg prices in the Boston wholesale market have jumped 4 to 11 cents a dozen this week, with a corresponding increase in the prices consumers have to pay, and unless the upward trend is halted, householders may soon be paying $1 a dozen for the best eggs. The market has been moving upward since Monday. On that day large eggs were quoted at the Boston Fruit and Produce Exchange at 61 to 66 cents for large and 61 cents for mediums. Yesterday, large were 69 to 77 and mediums 65 to 70.

GIVE MANY REASONS

One stall at Faneuil Hall market Thursday had grade A jumbo size eggs at 98 cents a dozen retail and large were marked 85 cents. Some dealers predicted dollar-a-dozen eggs next week if wholesale prices go any higher. Bids on yesterday's supply to wholesalers stopped abruptly when the new high figure was reached. The would-be buyers simply would not go along as the quotations inched upward.

A variety of reasons were given for the unusual state of affairs. Usually this is the most productive season for eggs, marketmen said. Some were inclined to blame it on a greater consumer demand, due to high meat prices, others on the fact that more hens and chickens are being killed for meat, thus cutting off a big source of supply. Still others blame weather conditions, recent storms making pickups from farmers difficult. Another factor was said to be a smaller backlog of storage eggs than usual, with private holdings hereabouts being virtually cleaned out. Many hatcheries, generally closed at this season of the year, are said to be in operation, and this takes a large percentage of eggs away from the market.

Records show that not since December of 1919, just 31 years ago, have eggs been so high-priced in the month of December. At that time consumers were paying $1 and sometimes more for a dozen eggs. It looks as if history is repeating itself.

[From the Wall Street Journal of December 8, 1950]

WHOLESALE EGG PRICES REACHED 30-YEAR HIGH IN CHICAGO YESTERDAY—RECORD CONSUMPTION RESPONSIBLE; TOP QUALITY EGGS MAY HIT $1 A DOZEN IN NEW YORK

(By John A. McWethy)

CHICAGO.—Top quality eggs yesterday reached the highest wholesale price here since 1920.

They brought 72 cents a dozen. The big selling grade known in the trade as No. 2 extras climbed to 67 cents, up 3 cents from the previous day. A year ago they were 40 cents and as recently as October 10, when

the rise got under way, they were 48 cents.

In Chicago, these advances will mean you'll have to pay 85 cents a dozen for grade A eggs (No. 2 extras) in chain stores this week end, trade sources here say. The chains were charging around 80 cents for these eggs in Chicago yesterday. In New York, the same grade will move up to about 90 cents this week end and top quality eggs may sell in some New York stores for $1 a dozen.

"Terrific consumption—more than anyone dreamed there would be—is the main reason for the price rise," one egg man here said. "Four weeks ago, I don't think there was an informed observer in the country who believed egg prices would go up. Almost everyone was looking for lower prices."

PER CAPITA CONSUMPTION UP THIS YEAR

For all 1950, per capita consumption in the United States will average 384 eggs. At the moment, it's probably risen to a gluttonous 390 to 400 a year rate, egg men here estimate. In 1949, consumption averaged 379 eggs per capita and prior to the war it was 298.

Why are people suddenly eating more eggs? The economist for a large food firm here says it probably reflects the war. People are earning more money and, with the country tooling up for war, they feel safe as far ahead as they can see. The same thing happened in 1942, he said.

This buying generates higher and higher prices until suddenly the housewife wakes up out of her trance and resists. Prices could turn down fast and it could happen any day.

On the supply side of the picture, production of eggs is running at about the same level as a year ago, produce men here say. But the movement of eggs from the country to terminal markets has been slowed down by snow storms which have blocked a number of country roads. Arrivals of eggs in Chicago, for example, were only 9,312 cases yesterday compared with 12,403 cases a week ago and 12,130 a year ago.

SNOWSTORMS NOT MAJOR FACTOR

Snowstorms, however, are a secondary rather than the major reason for the rise, egg men say. Prices were moving rapidly upward before the storms began.

Cold storage stocks of eggs are the lowest in history. This, too, has accentuated the rise. On December 1, there were only 71,000 cases of eggs in cold storage, a record low for that date. A year earlier, stocks totaled 250,000 cases. Were stocks larger, they would help cushion the effect of the sudden burst of appetite for eggs the public is showing.

Still another factor may be the rise in purchasing of eggs by the Army. Trade sources here say the military services are buying about 100 cars of eggs weekly now.

[From the Wall Street Journal of December 9, 1950]

Wholesale egg prices in Chicago climbed to the highest levels in 30 years. No. 2 Extras jumped 4 cents a dozen to 70 cents. A year ago they sold for 40 cents. Heavy consumer demand has been pushing these prices up since early October when they were around 48 cents. The further rise this week has been spurred by heavy snowstorms which blocked the flow of eggs to market. In Cincinnati, Procter & Gamble Co. raised wholesale prices of shortening and soap powders by 3½ percent.

[From the Washington Post of December 9, 1950]

PRICE OF GRADE A LARGE EGGS NEAR DOLLAR A DOZEN

The retail price of grade A large eggs was expected to push the dollar mark for a dozen in the District today.

A spokesman for the Merchants and Manufacturers' Association explained that a rise to 80 cents a dozen wholesale on the New York Mercantile Exchange yesterday would bring about a retail range here from 95 to 99 cents. Some retailers, however, were reportedly holding prices below 90 cents, at least for today.

The wholesale increase—14 cents a dozen since Monday in New York—was attributed to heavy buying by the armed services, curtailed transportation due to stormy weather, and a shortage of cold-storage eggs. The District's present "deficit market," with demand outstripping supply, forces wholesalers to pay New York prices for eggs produced in Virginia, Maryland, and Pennsylvania, a spokesman said.

EXTENSION OF DISTRICT OF COLUMBIA EMERGENCY RENT CONTROL

Mr. NEELY. Mr. President, will the Senator from Nevada yield to me to make a motion, with the understanding that if it leads to debate it will be withdrawn?

Mr. McCARRAN. Before doing so, let me inquire how the time now stands.

The PRESIDING OFFICER. An hour and 50 minutes remains, divided between the Senator from Nevada and the Senator from Texas [Mr. CONNALLY].

Mr. McCARRAN. Is the Senator from West Virginia willing to agree that if consideration of his motion requires more than 5 minutes he will withdraw it?

Mr. NEELY. I gladly make that agreement with the Senator from Nevada.

The PRESIDING OFFICER. The Senator from West Virginia asks unanimous consent to make a motion out of order. Is there objection? The Chair hears none.

Mr. NEELY. Mr. President, subject to the agreement just made, I move that the Senate proceed to the consideration of Senate Joint Resolution 209, Calendar 2588, to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended. This resolution was unanimously approved by the District of Columbia Committee. Except the brief extension requested, no change whatever is proposed in the existing law.

Mr. President, I know of no opposition to the resolution.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. NEELY. I yield.

Mr. WHERRY. I should like very much to accommodate the distinguished and able Senator from West Virginia, and no doubt will do so. However, I am wondering if the Senator from West Virginia will give us a little time to check the situation. There may be some Senators who are just as enthusiastic about the joint resolution as is the Senator from West Virginia, but who may wish to say something in behalf of the measure. I should like to have the opportunity to make a check. If the Senator will renew his motion immediately after the vote is taken on the pending business, or even before, if the managers will give the Senator the time, I shall be glad to answer "Yes" or "No." At this time I should like to have the Senator withhold the motion until I can make a check.

The PRESIDING OFFICER. Does the Senator from West Virginia withhold his motion?

Mr. NEELY. Very gladly, Mr. President.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA

The Senate resumed the consideration of the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

Mr. McCARRAN. Mr. President, I should like very much, if possible, to have the Senator from Oregon [Mr. CORDON] in the Chamber. The reason is that some of my remarks are addressed to a colloquy which took place between the Senator from Oregon and myself on last Friday. If it is possible for him to be here, I should like to have him present.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. KNOWLAND. While the Senator from Oregon is being contacted, I wonder if the Senator from Nevada will yield to me to permit the clerk to read for the information of the Senate the 6-line amendment which I propose to offer. Since it has not been printed, I should like to give notice to Senators who may support or oppose the amendment, as to what it contains.

Mr. McCARRAN. I have no objection to its being read.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 7. This act shall not become effective until at least $38,000,000 of the $75,000,000 appropriated for the purpose of carrying out section 303 of the Mutual Defense Assistance Act of 1949, as amended, has been expended or obligated for expenditure for assistance to the Republic of China.

Mr. McCARRAN. Mr. President, in order that Senators who are now present, but who were not present last Friday, may know the text of my amendment, I respectfully request that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 1, line 5 through line 8, it is proposed to strike out all of section 2 and insert in lieu thereof the following:

The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Administration Act of 1948, as amended (Public Law 759, 81st Cong.), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this act.

Mr. McCARRAN. Mr. President, on Friday, when I submitted my amendment to the bill, I made reference to the economic position of the United Kingdom and its relation to Marshall-plan aid.

For the benefit of those interested, I desire to clarify my remarks so that they will not be misinterpreted. First, I want it clearly understood that I used the United Kingdom as the best example for

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the purpose of demonstrating the recovery that has been had in Europe so that the use of the amount included in my amendment out of funds heretofore appropriated for the ECA will not adversely affect that program. I bring this information to the attention of the Senate, not by way of criticism, but in order that we may all more clearly understand the implication of our action.

During the period September 1949 through September 1950 the gold and dollar assets of the United Kingdom increased by the sum of $1,331,000,000. During this same period, that is, September 1949 through September 1950, ECA has provided Marshall-plan assistance to the United Kingdom in the amount of $768,000,000. By comparing these figures, it is a matter of simple arithmetic to see that a considerable portion of the aid that was furnished during this period was not actually required to finance import transactions, but was used to replace and increase the gold and dollar reserve supply of the United Kingdom.

I do not intend to argue that it is not good, or even necessary, that the United Kingdom have a large reserve of gold and dollars, maybe larger than its present gold and dollar reserve. However, the point I wish to make is that while her trade position is such as to balance her gold and dollar expenditures, it is rather foolish for us to provide dollars, which we have to raise by burdensome taxation or through borrowing, for the purpose of building up the gold and dollar reserve of the United Kingdom, it seems to me the pledge of the United States to the United Kingdom of our willingness to provide dollars if the drain on her gold and dollar reserves should become too great would serve to provide the necessary stability for the pound and would cost the American taxpayer considerably less. Certainly under present conditions that would be the case.

I think it should be recalled that the Government of the United Kingdom and the Government of the United States have had recent conversations aimed at reexamining the aid requirements of the United Kingdom and designed primarily to arrive at an understanding whereby further aid under the Marshall plan might not be considerably reduced, if not discontinued, during the remainder of this fiscal year.

I wish to repeat, Mr. President, that the object of these remarks has not been necessarily to criticize the United Kingdom, for she has made an excellent record in recovery, but rather they are designed to clarify my position that the diversion of funds heretofore appropriated for the Marshall plan to the purposes of the present legislation will not interfere with the Marshall-plan program.

Mr. President, I desire at this point to place in the RECORD a statement of the United Kingdom gold-and-dollar position.

As of September 1949 there was $1,425,000,000, gold and dollars, in the British reserve.

As of September 1950 there was in the British reserve, gold and dollars, $2,750,000,000.

The increase during the period was $1,331,000,000.

Mr. TAFT. Will the Senator restate those figures please?

Mr. McCARRAN. Yes. Gold and dollars as of September 1949, $1,425,000,000.

Gold and dollars as of September 1950, $2,756,000,000.

Increase during that period, $1,331,000,000.

ECA procurement authorization during the same period was $768,000,000.

Trade deficit during that period was $235,000,000.

The amount of ECA funds in excess of trade requirements was $563,000,000.

Mr. President, on Friday there was a colloquy between the senior Senator from Oregon [Mr. CORDON] and myself. I regret that the Senator is not present, because I have a high regard for his ability to discuss these subjects. During that colloquy I consented to give consideration over the week end to a modification of the amendment to make specific the understanding that $12,000,000 of the $50,000,000 authorized in my amendment was for the purpose of covering commitments already entered into by the Economic Cooperation Administration.

I have given this matter considerable thought and I believe that a clarification for the record is all that is necessary in this instance.

The stopgap program inaugurated by the Government up to the present totaled $31,400,000. This sum was provided by the utilization of three different sources of funds. The Export-Import Bank loan provided $5,600,000, the military assistance program provided $13,600,000, and the ECA provided $12,200,000. It is this latter fund with which my amendment is concerned.

Mr. President, I hope those present on the Senate floor will follow me closely in this matter because it is of vital importance.

The question has arisen as to the authority to commit ECA funds for this purpose. I must admit, Mr. President, that I am not satisfied as to the authority for this commitment, however, I should like to point out that up to date this is a morale commitment more than a legal one. Although an allotment has been made of ECA funds to Germany in the sum of approximately $4,000,000, and a tentative allotment to Italy of an equivalent sum, the procurement authorizations which are in the final analysis the legal obligation of funds have not, I am informed, been issued by the ECA. These allotments are generally for information purposes and may be changed at any time prior to the issuance of a procurement authorization.

Therefore, in view of the doubt—and I entertain such doubt—as to the legal authority for such use of ECA funds, I felt that the authorization for further aid to Yugoslavia should include authorization for the use of the approximately $12,000,000 heretofore morally committed. Since the legal authority for such action is in doubt, the Congress should make clear its intent lest the executive action in this case establish an undesirable precedent for future use of ECA funds.

I make no comment with respect to the authority for the sums obligated from the military-assistance program or the Export-Import Bank loan, although as to that I have some grave doubts. I have been concerned in this matter chiefly with funds appropriated for the Marshall plan. I believe the record is clear, and that if this amendment is adopted as it is presently proposed the intent will be well established that of the total sum of $50,000,000 authorized to be used out of the ECA appropriation, $12,000,000 of such authorization is to cover the moral commitment heretofore entered into by our Government.

Mr. President, I do say to the ECA Administrator that while we feel there is a moral obligation which we will cover in this instance, we do not want it to become a precedent, and that he may turn down such a request if it should ever come up again.

Mr BREWSTER Mr President, will the Senator yield?

The PRESIDING OFFICER (Mr. NEELY in the chair). Does the Senator from Nevada yield to the Senator from Maine?

Mr. McCARRAN. I yield.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. BREWSTER. I noted what the Senator had to say about the Export-Import Bank. That action disturbed and disquieted some of us a very great deal because, so far as I was able to learn, it is a precedent in respect to that sort of thing. The Export-Import Bank was created for quite another purpose, and has always operated quite carefully to confine itself to what was certainly the spirit and intent of the law. But if we pass this over now, and it is indicated that our action is being established as a precedent, it might get us very far afield in going into various ventures of this character. Is there any way that we could effectively indicate what seems to be the position of the Senator from Nevada that this is not a precedent for a course to be followed hereafter?

Mr. McCARRAN. As regards the item that came from the Export-Import Bank, I said I had grave doubts as to its legality, because I do not think the Export-Import Bank was established with that object in view.

As to the $12,000,000 from ECA which was used in this connection, I have even more grave doubts about the legality of the right to use those funds. However, that money was used and now the executive branch is morally committed. It was done in the following manner: Germany and Italy furnished flour to Yugoslavia. Now the executive branch has committed itself to furnish grain to Germany and Italy, to take the place of that flour. So it is a moral commitment which I do not wish to do away with entirely, but I say to the Senate that it should not be established as a precedent. I say we should frown on it and should continue to frown on it. If those in the executive branch wish to do these things, they should first come to the Congress and obtain authority for them.

Mr. BREWSTER. In the case of military assistance, was there not perhaps some greater warrant within the scope of the executive authority?

Mr. McCARRAN. Yes.

Mr. BREWSTER. Is there anything in the measure now before the Senate which, at any rate, would clearly put the Congress on record as not in any way condoning this departure from what we understand to be the spirit and the letter of the law?

Mr. McCARRAN. I had hoped, and I continue to hope, that perhaps my remarks and the remarks of other Senators on this subject, expressed on the floor of the Senate, will be a signboard to those who hereafter will administer it.

Mr. BREWSTER. When the next appropriation for the ECA comes before us, will it be appropriate to consider at that time making some clear indication that further ventures of this character are not to be encouraged?

Mr. McCARRAN. I think it would be, but I do not know whether that would reach the Export-Import Bank.

Mr. BREWSTER. Of course, that is a matter of their loans. The Export-Import Bank does not come to us for appropriations, does it?

Mr. McCARRAN. That is correct; the Export-Import Bank makes loans.

Mr. President, I yield the floor.

Mr. CONNALLY. Mr. President, at the moment I do not know of any other Senator who wishes to speak.

Mr. KNOWLAND. Mr. President, I have an amendment which I have had read at the desk. I should like to call the amendment to the attention of the Senator from Texas, in the hope that he may be able to accept it. If he does accept it, I intend to support the Yugoslavia aid bill.

The amendment is very brief, comprising only six lines, which read as follows:

At the end of the bill add the following new section:

"SEC. 7. This act shall not become effective until at least $38,000,000 of the $75,000,000 appropriated for the purpose of carrying out section 303 of the Mutual Defense Assistance Act of 1949, as amended, has been expended or obligated for expenditure for assistance to the Republic of China."

Mr. President, I say to the Senator from Texas that I was in the Senate Chamber at the time when the original unanimous-consent agreement was entered into, prior to which there was a quorum call, in accordance with the general understanding. That unanimous-consent agreement dealt with the railway labor bill. When the unanimous-consent agreement was entered into, I left the Senate Chamber, because in the Armed Services Committee we had been holding hearings on the Rosenberg appointment.

Sometime later—and the proceedings appear 14 pages later in the CONGRESSIONAL RECORD, namely, on page 16351, whereas the original unanimous-consent agreement proceedings appear on page 16337—we find that the original unanimous-consent agreement was amended, without having a quorum call in advance; and as thus amended the agreement takes in an entirely different piece of proposed legislation, namely, the Yugoslavia aid bill.

I would feel that I had been foreclosed from a right in connection with the bill if the question of germaneness is raised against my amendment, because my understanding of the germaneness provision is that the purpose is primarily to prevent FEPC proposed legislation from being tacked on to a bill which has no relationship to FEPC.

This amendment is one with which I have been concerned for some time. If this amendment and the other amendments which have been proposed are adopted, I shall be perfectly willing to support the Yugoslavia aid bill, because I think it is important to break Yugoslavia away from the Soviet bloc, if that can be done.

However, I also feel that some of us who previously have supported proposed legislation to give aid to the Republic of China, and then found that only an infinitesimal amount of the funds appropriated by the Congress for that purpose had been used for that purpose, have a right to bring up that matter by way of proposed legislation of this kind.

For that reason, I should like to have a few minutes to discuss the amendment.

Mr. CONNALLY. Mr. President, I shall have to make a point of order against the amendment, on the ground that it is not germane to the original bill.

I do not object to the Senator's having time to debate the amendment, if he desires to do so; but I reserve the right to make the point of order later. I do not wish to make it now if the Senator from California wishes to debate the amendment.

Mr. KNOWLAND. Mr. President, then, at least, I should like to have some time to discuss the amendment.

If the point I have raised does not receive consideration, namely, that I was foreclosed from offering this amendment by entering into a modification of the unanimous-consent agreement—for which modification a quorum call was not had before the modification, which greatly broadens the scope of the unanimous-consent agreement relative to the railway-labor bill, by including the offering of the Yugoslavia-aid bill, was entered into—then, Mr. President, when the next piece of proposed legislation comes before the Senate, I shall be prepared to offer the amendment as a rider to be attached to that measure, and shall accompany that offer with the statement that I was foreclosed from doing so at this time.

Mr. CONNALLY. Mr. President, I cannot object now to what the Senator from California may do with respect to the next bill, but I can do so with respect to this bill. Therefore, I make the point of order that the amendment is in violation of the unanimous-consent agreement.

It seems to me that the question the Senator from California raises as to whether there was a quorum call is foreclosed by reason of the action of the Senate. Advantage would have to have been taken of that at the moment when the proposed agreement was before the Senate; some Senator would have had to suggest that a quorum was not present.

However, if a unanimous-consent agreement is obtained without having a reservation of that kind, a quorum call is foreclosed; a month later a Senator cannot object to the agreement on the ground that a quorum call was not had at that time.

Mr. KNOWLAND. Mr. President, I hope that in the future both the majority and the minority leadership will protect the Members of the Senate who are absent from the floor of the Senate in the discharge of their obligations, by seeing to it that if a unanimous-consent agreement is broadened to include another matter, a quorum call is had first.

In this case, the Senate had entered into a unanimous-consent agreement relative to the further proceedings in regard to the railway labor bill, an important piece of proposed legislation with which every American is concerned. Then we find, as appears 14 pages later in the CONGRESSIONAL RECORD—thus indicating that an appreciable amount of time must have elapsed during that period—that a modification of the unanimous-consent agreement was entered into, and as a result some of us have been foreclosed from offering an amendment of this kind, which I think is vital in the field of foreign relations.

The Senator from Texas has made his point of order, and thus has foreclosed me from offering the amendment, if that is the ruling of the Chair.

However, at least I should like to have time to speak on the amendment.

Mr. CONNALLY. I am very glad to give the Senator time.

The PRESIDING OFFICER. That is not the ruling of the Chair, because the point of order has not yet been made; and the Chair cannot rule on a point of order until it is made.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WHERRY. When the agreement was originally entered into, I was not on the floor of the Senate. When I arrived on the floor, I found that the only issue which had been resolved was that a vote would be taken at 4 o'clock today on the Yugoslavia aid bill. It was then that I suggested to the disinguished Senator from Texas and to other Senators who then were on the floor that if other amendments were to be offered, and I did that to try to modify a request which already had been entered into, additional time should be given—for instance, 20 minutes in total on each amendment, with 10 minutes for each side; and I said that the usual provisions with respect to unanimous-consent agreements should be entered into. By that I meant that in order to accommodate those on the other side of the aisle, the usual provision with respect to germaneness, which in this case has to do with civil-rights measures, and which provision is always included in such agreements, should be written into the agreement.

It was not my intention then, nor is it now, that under that understanding, which was rather a gentlemen's understanding among us, any Senator would

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be foreclosed from offering an amendment having to do with the proposed Yugoslavia aid legislation or with other measures pertaining thereto.

Because of the fact that a quorum call should have been had at that time—there is no doubt about that, because at that time we were attempting to modify a unanimous-consent agreement already entered into—I hope the distinguished Senator from Texas will permit the Senator from California to offer his amendment, and then let us have a vote on it.

I am satisfied that if the Senator from California had been on the floor of the Senate at the time when the modification of the agreement was proposed, he would have objected unless it was agreed that he could offer this amendment. Certainly, since it has nothing to do with civil rights, it has a place here for consideration. I shall deeply appreciate it if the distinguished Senator from Texas will permit the Senator from California to offer the amendment, particularly in view of what was said after the unanimous-consent request had been agreed to, in which deliberations I had no part.

Mr. CONNALLY. The Senator from Nebraska says the Senator from California was not present. That is true. But the Senator from Nebraska was present, and he should have asked the Senate to observe the requirement of a quorum call then, not now.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. WHERRY. If the distinguished Senator will recall, I was not present when the original unanimous-consent agreement was entered into.

Mr. CONNALLY. The Senator was present on the subsequent occasion.

Mr. WHERRY. Not until I rose, after the agreement had been made, to ask whether we could not have a modification of the agreement to include amendments which might be offered, instead of confining it merely to a vote on the one amendment regarding which there was a unanimous-consent agreement. I feel sure the distinguished Senator remembers that. It was late in the afternoon. I suggested that we could get a vote on additional amendments, if the usual procedure were followed of allowing 20 minutes for debate on each amendment, 10 minutes to a side. I stated it was my feeling that we ought to modify the unanimous-consent agreement which had previously been made, and the distinguished Senator from Texas, because of his thoughtfulness and interest, agreed to that. When that was done, it was my intention that any germane amendment could be offered, unless it had something to do with the civil-rights measure, and a provision as to germaneness is always included in a unanimous-consent request.

Mr. CONNALLY. However, it is necessary that we proceed according to what the record shows, not according to what may be in the mind of the Senator from Nebraska. The Senator from Nebraska is not always present. He has pointed out that he was not present on a previous occasion. If we are to go out in search of the Senator from Nebraska, to learn what is in his mind, that is one thing. If we are to proceed according to the record made in the Senate, that is another thing. I do not wish to be either hostile or contrary. I am perfectly willing that the Senator from California may have such time as he may need in order to discuss the amendment. I do not think the amendment is germane, and, that being so, it becomes my duty to oppose it. I shall therefore make the point of order.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. KNOWLAND. The Senator from California had no desire to delay action by the Senate on the Yugoslavia relief bill. I felt that an amendment of this kind was germane to the general subject matter with which we were dealing. There is a difference of opinion about that, and perhaps the precedents and the rulings will sustain the technical objection made by the Senator from Texas. However, since the unanimous-consent agreement did not provide a final hour for voting on the bill itself, but merely on the amendments, the Senator from California may find it necessary to move to recommit, with instructions to the committee to report back the amendment which I have offered. Since there is no hour set for a final vote on the bill, that amendment might be in order. I do not want to be compelled to proceed in the way I have indicated if we can get a straight vote on the amendment prior to that time, but in my opinion it is so important that, if I am foreclosed from having a vote on the amendment, I should then feel it necessary at least to exhaust whatever parliamentary rights were still left to me under the unanimous-consent agreement.

Mr. CONNALLY. Mr. President, I want to assure the Senator from California that he will have plenty of opportunity in connection with other measures to offer his amendment. The Yugoslavia relief measure relates to our foreign affairs. If the Senator from California could have heard the discussions in committee I am sure he would not have offered this amendment. It is of vital importance that the pending bill be passed, and that it be passed promptly. It affects, I think, what is usually in the mind of the Senator from California; that is, it is an anti-Communist move. The Senator's proposal, which would tie this up with the Chinese situation, would result in interminable debate not germane to the subject of aid to Yugoslavia. I must, therefore, insist on the point of order, although I shall be glad to withhold it temporarily if the Senator wants to discuss it.

Mr. KNOWLAND. Mr. President, I desire to speak on the amendment.

The PRESIDING OFFICER. How much time is yielded to the Senator from California, and by whom?

Mr. KNOWLAND. I should like to have 15 minutes, if possible.

The PRESIDING OFFICER. The time is under the control of the Senator from Nevada and the Senator from Texas. Does either Senator yield time to the Senator from California, and if so, how much?

Mr. McCARRAN. I suggest that the Senator from Texas and I each yield 7½ minutes to the Senator from California.

Mr. CONNALLY. That is agreeable.

The PRESIDING OFFICER. The Senator from California is recognized for 15 minutes.

Mr. KNOWLAND. Mr. President, I desire to discuss briefly the history of the arms implementation legislation, insofar as it provided the appropriation of $75,000,000. We were then meeting as a joint committee, composed of the Armed Services Committee and the Foreign Relations Committee. I supported the arms implementation legislation for Europe and for the other countries which were included. We had before the committee testimony relative to the Republic of China, and during those hearings Admiral Badger, who has represented the United States Government in command of the fleet in the Far East, appeared before the committee to testify.

The original amendment which I had submitted for aid to the Republic of China, had provided, according to my recollection, for $100,000,000 or $125,000,000. Suggestions had been made that it be cut to $50,000,000. When Admiral Badger was before the committee, the question was asked him, "What in your judgment is the minimum amount necessary to give some effective aid to the Republic of China?" He answered, "$75,000,000." That is the legislative background with respect to the origin of the figure of $75,000,000.

There was still quite a bit of discussion and controversy in committee, however, as to what aid, if any, should be given the Republic of China. As a result of a compromise suggested by the senior Senator from Michigan [Mr. VANDENBERG], the language was used "in the general area of China," and it was pointed out that in the event it was not feasible to give aid to the Republic of China, as such, it might be feasible to have the language so drawn that aid could be given to southeast Asia or other sections, if that were necessary. I had no objection to the compromise proposal. It made sense. No one knew, in this changing world, exactly what the conditions might be.

The fact is, however, that of the original $75,000,000 allocated to the Republic of China, and which was a clear congressional intent that it should go to the Republic of China, an infinitesimal amount was used, if any. The bill was again amended when it came up this year. In the second arms implementation bill, the $75,000,000 was again included. There was a slight change in the language, which permitted the President to expend about half of those funds without accounting for them to Congress. But again the general intent was that it should be spent on "the general area of China," and certainly many of us who supported it felt that one of the chief reasons for its being included was in order to aid the Republic of China.

Mr. President, I think I am realistic enough to recognize that there is value in breaking Yugoslavia away from the Communist satellite states, and under proper safeguards I certainly have no objection to, and would like to support, any move which would tend to break down the solid front of the Kremlin. But I should like to call attention to the fact that one of the great difficulties in the foreign policy which we have followed has been the fact that we did not recognize that communism was a global menace, that it was no less menacing in Asia than in Europe.

I have supported the arms implementation program, the North Atlantic Pact, the Greek-Turkish aid program, and ECA, because I felt that they were contributions toward closing the door to communism in Europe. Where I have differed with the administration has been in the fact that while we were closing the door in Europe, we were leaving it wide open in Asia. The fact of the matter is that on the island of Formosa today there exists a legal government of the Republic of China, a nation with which we have had friendly relations for a period of a hundred years. The Republic of China was our war-time ally in two wars. They are permanent members of the Security Council. They are charter members of the United Nations. I have visited the island of Formosa twice. They have complete religious freedom. They have a fine educational system. The American press is freely admitted. There is no censorship; there is no persecution of anyone because of his religion or color. That is the record of Nationalist China.

In addition to that, they have more than 600,000 non-Communist troops, which is a larger body of non-Communist armed forces than exist in all the rest of Asia together, including the troops of India, Pakistan, the Philippine Republic, the Indonesian Republic, the British in Malaya and Hong Kong, the French in Indo-China, the Korean army, and the United States forces in Korea.

It does not make sense, Mr. President, to begin to aid the Communist Government of Yugoslavia, albeit that government has broken from the Kremlin, when we neglect to give infinitesimal aid to the Government of the Republic of China which is non-Communist in character and which is protecting our far-eastern flank. The fact of the matter is that the Republic of China has never shot down American planes, and Yugoslavia has done so. The Republic of China has voted with the free nations in the United Nations on the question of the Korean invasion, a hundred percent of the time. If Senators will examine the record of Yugoslavia, they will find that it has supported the free nations of the world a very small fraction of the time in the matter of the Korean invasion.

There is complete religious freedom in the Republic of China on the island of Formosa. That does not exist in Yugoslavia.

As I pointed out to the chairman of the Foreign Relations Committee, I am perfectly willing, if, in the judgment of the administration, it is necessary in the interests of our national defense to give some aid to Communist Yugoslavia, in the general interest of the world-wide situation which exists, to give such aid, but I say, Mr. President, at the same time that we should no longer ignore the mandate of the Congress, both in connection with authorization legislation and appropriations, which indicated that the Congress of the United States at least thought it was equally important to give aid to the non-Communist Republic of China.

If I am foreclosed from offering this amendment, Mr. President, by a technical point of order which forecloses me from exercising in part my duties as a United States Senator, I want to serve notice now that upon the third reading of the bill I intend to move to recommit it to the Committee on Foreign Relations with instructions that in the bill which is reported thereafter there be a provision similar to that which I am offering as an amendment. If that is done, I hope the Committee on Foreign Relations will very promptly take up the bill and report it with the amendment which I have offered; and at that time I shall be prepared to support the bill for aid to Communist Yugoslavia which has broken with the Kremlin, but also for aid to Nationalist China which has never been Communist and which has consistently supported the United States and the United Nations in the matter of aggression in Korea.

Mr. McCARRAN. Mr. President, I wish to say that I join the Senator from California wholeheartedly. I stand behind what he has said and will support his motion if it comes before the Senate. I regret that a point of order should be invoked against the amendment of the Senator from California.

Mr. President, I have no confidence in the present Yugoslav Government. I have no idea that the Government of that nation is serious in its break with its political parent. I have no idea that Mr. Tito has any remorse for what he has done politically and religiously or in any other way. I regret that it may be necessary to do what we are proposing to do here by way of lending aid. But I certainly regret more that we should deny immediate aid to Nationalist China, which is now isolated, in part, on the island of Formosa. If we had given some aid—not very much, but some aid—to Nationalist China when it had a solid foothold on the continent of Asia, in my judgment, American boys would not be dying in Korea today. But we did not do that, although some of us were urging that a few officers be sent over there to guide the military maneuvers of Chiang Kai-shek and to assist the Nationalist Chinese Army in setting itself up against the hordes of communism that were being guided by the Kremlin. But that was not done. It is now water over the wheel, and there is no use in complaining about what has passed. It is the future and the present to which we must look.

In my judgment, there is much merit in the amendment to be offered by the Senator from California, and I shall support him in every way if the amendment comes to a vote on the floor of the Senate.

Mr. President, so far as I am aware, there is no other Senator who cares to be heard with reference to the amendment which I have offered, and I shall be glad to yield the floor.

Mr. CONNALLY. Mr. President, under the unanimous-consent agreement, we cannot vote on any amendments until 4 o'clock.

Mr. McCARRAN. I so understand.

Mr. CONNALLY. I say to the Senator from Nevada, who says this amendment should be voted on, that the bill itself was carefully considered by the Committee on Foreign Relations. The committee had testimony from outsiders, from the State Department, and from members of the committee, so that we understand it thoroughly. Why cannot the amendment of the Senator from California go through the same route? Let him submit it to some committee, let that committee consider it and hold hearings, and then report it. Why do we have to railroad this particular amendment of the Senator from California by recommitting the whole bill, in order that he may try to take a course which is against the standard rules of the Senate? I do not want to be in any wise lacking in consideration. I gladly yielded time to the Senator from California to make his speech. But that does not mean that I care to see the rules of the Senate violated and the unanimous-consent agreement ignored in order to railroad through some proposal which is contrary to the purpose and intent of this particular bill.

As I stated a while ago, we considered this bill thoroughly in the committee. All Senators are aware of the break between Tito and the Cominform. The testimony revealed that the Yugoslav Government and the people are gradually coming more and more around to the viewpoint of the West. The testimony further is that Yugoslavia has suffered the worst drought in the history of any living person in that country. The testimony is that most of the supplies will be from the United States.

So, Mr. President, from all the considerations, in view of the fact that the committee favorably reported the bill, I very much hope that it will be passed without any undue delay. I realize that we cannot vote until 4 o'clock, and I am not adverse to any Senator who wants to discuss the question having the time in which to do so. I shall gladly yield any such time out of my allotment as is desirable and necessary.

It is now 3 o'clock, and we cannot vote until 4 o'clock. I do not know who put that provision into the agreement. I think it is very unwise to provide that the Senate cannot vote until such and such an hour. I think it is important to vote when we conclude the discussion. I should be willing to vote on the amendment of the Senator from Nevada which the committee has indicated it is willing to accept.

Mr. McCARRAN. I am not holding up a vote until 4 o'clock. I am ready to vote now.

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Mr. CONNALLY. Under the unanimous-consent agreement we are not able to vote until 4 o'clock.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. CONNALLY. I am glad to yield.

Mr. WHERRY. I am asking the Senator from Nevada to yield some time to me.

The PRESIDING OFFICER. The Senator from Texas has the floor.

Mr. WHERRY. I understood that the Senator from Texas would surrender the floor.

Mr. CONNALLY. I think I shall. What does the Senator desire to ask me?

Mr. WHERRY. I should like to ask the Senator from Nevada [Mr. McCARRAN] to yield me 5 minutes.

Mr. McCARRAN. I am permitted to yield time now, I yield 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. WHERRY. Mr. President, I do not desire to discuss the amendment offered by the distinguished Senator from California [Mr. KNOWLAND]. Neither do I wish to discuss the merits of the so-called McCarran amendment. I wish to make some observations on unanimous-consent requests.

The distinguished Senator from Texas has stated that it is 3 o'clock, and we cannot vote now because under the unanimous-consent agreement we agreed not to vote until 4 o'clock. He said he did not know why anyone should make such an agreement. Mr. President, to begin with, I was not on the floor when the original agreement was entered into. I was here when some modifications were made. However, I should like to say to the distinguished Senator from Texas that in my opinion the only way it is possible to enter into a unanimous-consent agreement—and I think properly so—is by having a definite time stated in the agreement when a vote is to be taken. The reason for such an understanding as to time for voting is to permit Senators to plan to be in attendance at such time. If such an agreement as to time were not made some Senators would find it impossible to be present when a vote was taken.

I believe the practice we have followed in that respect is good. I believe it has met with the approval of almost all Senators. When a definite time for taking a vote is fixed in a unanimous-consent agreement, Senators can plan in advance to be present when such a vote in taken. Therefore, there can be no complaint on the part of any Senator about not being able to be present. So far as I am concerned, on the basis of the experience I have had with such agreements, I believe it is the only way in which a unanimous-consent agreement can be entered into.

Mr. President, I should like to say also that a unanimous-consent agreement expedites the work of the Senate. Very often such an agreement saves a considerable amount of time. Sometimes debate runs out before we reach the hour fixed for a vote. However, that happens very seldom. In my opinion—and Senators who are my senior will agree with me, I think—ofttimes a unanimous-consent agreement tends to terminate or limit debate to a great extent, thus enabling the Senate to do other constructive work. Therefore, I think it is a good thing to enter into a unanimous-consent agreement on which all Senators are agreed.

The third point I wish to make is that I am satisfied the Senator from California has made a perfect case relative to procedure in connection with the present unanimous-consent agreement, namely, that under the circumstances there should have been a quorum call. The Senator from Oregon [Mr. MORSE] insists on a quorum call even when a unanimous-consent agreement is proposed on an important amendment—and I think rightly so—because ofttimes a Senator is attending to important committee work and is not able to be on the floor to protest. Usually, in the judgment of the minority leader, it is good practice to have a quorum call when a unanimous-consent agreement is proposed, even on an amendment. On occasions I have taken pains to call Senators who I thought would be interested in certain amendments and have asked them whether or not it met with their approval to have a unanimous-consent agreement entered into with respect to an amendment.

I was not present the other day when the original unanimous-consent agreement was entered into. If I had been present I would have requested a quorum call, because the agreement includes a provision with respect to a vote on the final passage of the bill. I have tried to follow that procedure since I have been a Member of the Senate. I have always felt that a quorum call should precede that kind of unanimous-consent agreement. It is true that I should have been here, but I will leave it to my colleagues to decide whether or not I have not been present in the Chamber as much as any Senator can be expected to be present and at the same time carry on the other work of the Senate, as well as my duties as minority leader. As I say, I was not here when the original agreement was entered into, but the Senator who sat in my chair——

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. WHERRY. I have only 5 minutes allotted to me. However, I am glad to yield to the Senator from New Mexico if he wishes to ask me a question.

Mr. CHAVEZ. I agree with the Senator from Nebraska. At the moment members of the Committee on Appropriations are expected to attend a meeting of the committee. If we are attending such a meeting downstairs, it is impossible to agree to any unanimous-consent agreement that may be offered in our absence. There are approximately only a half-dozen Senators on the floor at the present time. I for one feel we should have a quorum call. I would like to submit an amendment to the pending measure. I believe the Senator from Texas is technically correct. However, in the future I wish such procedure as the Senator from Nebraska suggests could be followed. I know that unanimous consent was given in this instance, and the Senator from Texas is therefore correct. However, in the future under such circumstances we should have a quorum call. I should like to submit an amendment with reference to Spain, inasmuch as we are about to take care of the hungry people of Yugoslavia. There are other places in the world that should be taken care of, too.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. WHERRY. May I have additional time?

Mr. McCARRAN. I am glad to yield an additional 5 minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 5 minutes.

Mr. WHERRY. I thank the Senator from New Mexico for his observations. He has had long experience in the Senate. He knows how important it is to expedite the work of the Senate. I know that when we approach the end of a session late in the evening the tendency is not to have a quorum call. However, it is my opinion that before agreements to vote are entered we should have a quorum call on important amendments, and as well as on the passage of a bill.

I have not had lunch, and there is a hearing before the Committee on Appropriations which I should like to attend.

The other day when I came to the Chamber during the discussion of the unanimous-consent agreement I asked that the consent agreement be modified, because I thought additional amendments might be offered. My statement in that respect is found in the colloquy following the unanimous-consent request. I requested that if additional amendments were offered 20 minutes be allowed for a discussion of each amendment, with 10 minutes allotted to each side. I made such request in order to protect Senators who may wish to offer additional amendments. I thought it would protect the rights of Senators who were not present at the time the unanimous-consent agreement was entered into. I made the request in good faith.

I also requested that the question of the germaneness of an amendment be included in the modified agreement. I was merely protecting the rights of those who would have objected if such a modification had not been included. I did not think for a moment that with the insertion of a provision requiring germaneness, thus barring any amendment which dealt with civil rights any Senator would be deprived of the opportunity of offering any other amendment appropriate to the bill, in view of the fact that the hour for a vote on the bill was stated in the agreement and the time for debate was to be limited to 20 minutes on each amendment. I have the very highest regard for the distinguished Senator from Texas, and he was very cooperative in arriving at the unanimous-consent agreement, and at what I would call the amended amend-

ment to it. He agreed to it. A few moments ago he said that he had to protect the rights of Senators.

Of course, technically if a Senator wishes to raise the question of germaneness, he has the right to do so. That right exists with respect to any amendment. We could debate the issue, and we could accept, or not, the interpretation of the Presiding Officer with respect to it. However, that does not foreclose a method of procedure by which it would be possible to get a vote on the amendment offered by the Senator from California [Mr. KNOWLAND].

Personally I would deeply appreciate it, in view of the situation and the effect it would have on obtaining future unanimous-consent agreements, if the Senator from Texas [Mr. CONNALLY], in line with the observations made by the Senator from California, would permit his amendment to be considered, with the understanding that debate on it would be limited to 20 minutes, with 10 minutes allotted to each side, and that a vote on it be then taken. If the Senator from Texas would agree to such procedure, it would preserve the rights of all Senators, and I am satisfied that in the future it would not create difficulty on getting unanimous-consent agreements. Otherwise, if we are to rely on technicalities we may be forced to see to it that a quorum call is had under similar circumstances, and great care in that respect would have to be exercised. It may be that Senators who are today relying on technicalities will be the first to say, "Let us waive this right. It is not important. Let us expedite the work of the Senate."

I hope and pray that the distinguished Senator from Texas will allow this amendment to be considered under a 20-minute limitation, and permit a vote to be taken on it. If we can do so, it will help the unanimous-consent procedure, and there will not be any hesitancy about continuing to enter into unanimous-consent agreements. Otherwise, those who are responsible will be forced to see to it that the rules are strictly interpreted with reference to unanimous-consent requests.

I thank the Senator from Nevada for giving me time. I hope the distinguished Senator from Texas will agree that it is the proper procedure to expedite the work of the Senate to give us an opportunity to vote on the amendment.

Mr. CONNALLY. Mr. President, in response to the urgent language of the Senator from Nebraska, I yield such time as is necessary to the Senator from Arkansas.

Mr. FULBRIGHT. Mr. President, I should like to make one or two observations. I think the chairman is entirely correct, for this reason; we had no hearings whatever on this proposal. It was not suggested to the committee at all during the hearings. No member of the committee offered an amendment of this kind. That includes the Senator from New Jersey [Mr. SMITH], who, I am sure, is sympathetic to this idea. In fact, no amendment dealing with this subject was considered.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. Just a moment. Under the normal procedures, proposals which have not been considered in committee are not usually accepted on the floor of the Senate.

Mr. WHERRY. Mr. President, before the Senator leaves that point, will he yield for a question?

Mr. FULBRIGHT. I yield.

Mr. WHERRY. I am not sure about this, but I am asking for information. Was the amendment of the Senator from Nevada considered by the committee?

Mr. FULBRIGHT. It was not.

Mr. WHERRY. My understanding is that on Friday before the Senate took a recess the committee was perfectly willing to accept the amendment.

Mr. FULBRIGHT. The amendment of the Senator from Nevada is not a matter of substance at all. It deals only with the procedure of making the money available. It does not go to anything of substance. On the other hand, here we have an entirely new subject matter introduced, a matter which I think the Parliamentarian will have to hold is not germane. The amendment of the Senator from Nevada is in no sense comparable to the amendment of the Senator from California.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. WHERRY. I think the amendment of the Senator from Nevada is far-reaching. It is my opinion that if there were an unexpended balance the Senator's amendment would provide not only the authority, but the appropriations in the same amendment. If the McCarran amendment is adopted, if there is an unexpended balance the effect of the amendment will be not only to authorize, but to appropriate. That is pretty far-reaching. That is a pretty important amendment as a precedent for the future. I submit to the Senate that if the McCarran amendment was not presented to the committee, committee members should not complain that the amendment of the Senator from California was not submitted to the committee. Both amendments should follow the same procedure.

Mr. FULBRIGHT. Mr. President, I see no analogy and no similarity whatever between the substance of the amendment of the Senator from Nevada and the amendment of the Senator from California.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point for a question?

Mr. FULBRIGHT. I yield.

Mr. KNOWLAND. I know that the Senator wants to be fair in this situation, as he always is.

In the first place, the amendment which I have offered neither authorizes new funds nor appropriates new funds. Both legislative committees, the Committee on Armed Services and the Foreign Relations Committee, have already twice passed upon the subject, and the Committee on Appropriations has already twice passed upon the question of appropriations. So the amendment would not provide any new money. It would merely ask the executive branch to carry out the intent of Congress. So the question has had legislative consideration.

Secondly, I do not believe that even the able Senator from Arkansas would maintain that the United States Senate, consisting of 96 Members, should surrender all its legislative prerogatives into the hands of any 13-member committee. I speak as a member of the Armed Services Committee. I would not expect to foreclose amendments from the floor by Senators other than those who are members of the Armed Services Committee. That question goes to the heart of the subject of legislation.

Each of us has an obligation not only to the entire United States, but to our States. The fact of the matter is that there are vast areas in this country which are not even represented on the Foreign Relations Committee. So we must not take the position that 96 Senators are foreclosed from offering amenments to a bill, and that we must merely rubber-stamp anything which any Senate committee reports to this body. On reflection, I do not believe that the Senate can accept any such doctrine.

Mr. FULBRIGHT. Of course, the authorization of $75,000,000 was not made under existing conditions. As I recall, there was discretion for its use in the general area of China. The conditions which have arisen in the past few weeks, or the past 6 months, from one point of view have altered our relations in the Far East very substantially. I believe that a proposal of this kind should be considered very seriously.

I am slightly acquainted with some of the speeches of the Senator from California. I am not prepared to say that I agree or disagree finally with his views about what our foreign policy should be with regard to China. I think it is an extremely serious question. I would not want to do anything which might seem to commit us to a war with the existing Communist regime in China. At the moment I am inclined to think that that would be a disastrous policy. Whatever may have been done prior to the recent developments with regard to China, I think that question—to use a term to which I do not object—should be reexamined in view of recent developments. I do not believe that we ought to take precipitate action in a matter of this kind. I do not say that I would definitely oppose such action. I think that our action should be consistent with the position of the best minds we have, both military and civilian. I do not believe that the committee or the Senate, without any hearings and without having consulted our leaders in the military and civilian fields, should take such action as is proposed, which certainly could be subject to being interpreted as an overt act toward the reopening of the active intervention or active warfare between Chiang Kai-shek's forces and those of Red China. The position at the moment is an extremely delicate one. I do not wish to commit myself today. I do not believe that I know exactly what I think is the wisest thing to do; but the wrong thing to do is

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for the Senate, without ever having examined the question, and without having the benefit of any advice from our exccutive department, to take such action. That is the only point I make. The amendment is not germane to the subject matter of the measure under consideration, and I do not think it ought to be passed at this time. I see no reason why the Senator from California cannot this afternoon introduce a bill which would go to the committee, where it would be immediately subjected to study. I do not say that I would be against the proposal. I am against it being adopted in this fashion, without any hearings and without any advice.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I do not know what the Secretary of Defense, the Secretary of State, or the President would say about it as of this moment.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. KNOWLAND. Does the Senator know that 2 years ago the Senator from California submitted a resolution in which he requested that consideration be given to an examination of the entire far eastern policy? The resolution was referred to the Senator's committee, but no hearing was ever held on it. Does the Senator know that this amendment was introduced in the committee in the belief—and I believe there was fair reason for the belief—that funds in substantial part would be used for the help of the Republic of China? For 2 years, with two different amounts of $75,000,000 authorized and appropriated, an infinitestimal amount, if any, has been spent. That is the reason why the Senator from California feels that it is necessary to proceed in this way.

Mr. FULBRIGHT. As I have tried to point out, whatever may have been done 6 months, a year, or 2 years ago is not very pertinent to what we ought to do in the immediate difficulties which confront us. We did a number of things back in those days we might not want to do now. I certainly think that what has been suggested by the Senator from California is a matter we ought to examine with a view to determining just how far we desire to go.

I believe the Senator from California stated on the floor that we ought to advance and help in every way attacks by Chiang Kai-shek's forces on Red China, and so on. That may turn out to be our policy; but it is not our policy as yet. I must say that I am very fearful of becoming involved in China, whereas our real enemy is not China at all. That is the secondary enemy. The primary enemy is in Moscow, as the Senator knows, and the inspiration for all these moves in the Far East, in the Middle East, and in Europe, comes from Moscow.

Mr. President, I do not believe our objectives are different at all. We may disagree as to what is the most effective way to reach the objectives. I know the Senator from California is just as sincere and anxious to promote the safety and preserve the integrity of this country as I am, but there is always room for legitimate differences as to the best way to accomplish that objective. That is the only difference between us.

We are in a period when very difficult decisions must be made. As I have tried to say on one or two occasions, this is a time when as respects both Houses of Congress and the Executive, there is no longer room for personalities, when we must close ranks, and try to develop some kind of concrete action in the near future.

In my opinion, the worst thing that could happen would be the creation of the impression, either in the minds of our allies or in the minds of our enemies, that we were all torn up, that we did not know what we were about, that we were fighting among ourselves. I think we have got to compose our differences.

The Senator says he has sent several amendments or bills of a similar nature to the committee. I do not recall—and, of course, the Senator from California knows that I do not set the agenda of that committee—why such a bill was not considered or reported.

Mr. McMAHON. Mr. President, will the Senator yield at that point?

Mr. FULBRIGHT. I yield.

Mr. McMAHON. I should like to observe that I did not become a member of the Foreign Relations Committee until the Eighty-first Congress, and I know the Senator from Arkansas became a member of the committee during the Eighty-first Congress. I am sure the Senator will remember that during the late spring of 1949 we spent days and weeks in reviewing the situation in the Far East, listening to the testimony of military men, listening to the testimony of Navy men, and of the State Department, and in obtaining all the information we could get with relation to the far-eastern situation.

Mr. FULBRIGHT. Yes.

Mr. McMAHON. It was the full committee which heard that testimony. The testimony was not given in executive meeting, and the majority of the committee certainly did not exclude the minority. I can remember very well our distinguished colleague, the Senator from Michigan [Mr. VANDENBERG], who, unfortunately, is not with us now because of illness, being present at those meetings. I can remember the active part he took during those deliberations. It may be true, as the Senator from California said, that he did not secure a hearing on his specific proposal, but that there was not a very thoroughgoing review of the Chinese situation, and the oriental situation I think is contradicted by the record.

Mr. FULBRIGHT. I thank the Senator from Connecticut for reminding me of the hearings on the far-eastern situation. I do recall now that we went over the whole program very carefully. Particularly I recall that the Korean ECA situation was discussed and rediscussed. As a matter of fact, at that time, as the Senator will recall, I moved to cut the Korean appropriation to $50,000,000, from $150,000,000. We also discussed the area of the Chinese appropriation. I do not think it ever was specifically for the Republic of China. Discretion was left to the Executive to use the appropriation in that general area.

Mr. LUCAS. Mr. President, will the Senator from Arkansas yield to me for an observation?

Mr. FULBRIGHT. Yes.

Mr. LUCAS. I invite the Senator's attention and the Senate's attention to the report, under the caption "The main purpose of the bill":

> This assistance, most of which will be in the form of food, is being provided in order to assist the Yugoslav people to avoid economic havoc arising out of unusual drought conditions during 1950 and thereby to maintain their independence from the Soviet Union which can be expected to do its utmost to encourage the disintegration of an independent Yugoslavia.

This is emergency legislation, as I understand the report of the committee.

Mr. FULBRIGHT. That is correct.

Mr. LUCAS. So, it ought to be passed with all convenient speed. Yet when we read the amendment offered by the able Senator from California we find:

> This act shall not become effective until at least $38,000,000 of the $75,000,000 appropriated for the purpose of carrying out section 303 of the Mutual Defense Assistance Act of 1949, as amended, has been expended or obligated for expenditure for assistance to the Republic of China.

If the amendment offered by the Senator from California is adopted, then, before we can do anything for Yugoslavia, it will be necessary to carry out the conditions set forth in the amendment of the Senator from California. The Senate well knows that the State Department, which will have the power to do what the Senator from California expects to be done by his amendment, is not going to expend $38,000,000 for some time, and it is not going to obligate that sum for some time. If the State Department has to go into this phase of the program at this particular time, I undertake to say that it will be probably many, many days before the Department finally determines how it is going to obligate the $38,000,000; therefore, the result of the amendment will be to defeat the very program the Senate of the United States is seeking to put through.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point?

Mr. FULBRIGHT. I wish to make one observation before yielding. I appreciate the contribution by the majority leader. Obviously, adoption of the amendment offered by the Senator from California would cause considerable delay in putting into effect the proposed legislation which is under consideration. Even with the best of good will, the expenditure and obligation of the funds would necessarily take a substantial time. It is important that the food be made available to Yugoslavia prior to the next crop year. That is when the real crisis will come in Yugoslavia. I believe the testimony was that it would be reached along in February, March, and April. If we now get into a controversy over the matter involved in the amendment of the Senator from California, it is obvious that it will take longer than that actually to obligate this substantial amount of funds.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield for a question.

Mr. KNOWLAND. First, if the Senator from Arkansas will permit, I should like to place in the RECORD section 303 of title 3 of Public Law 329, Eighty-first Congress, and also section 8, which relates to section 303, of Public Law 621, of the Eighty-first Congress, second session, which relates to the $75,000,000 fund.

There being no objection, the sections referred to were ordered to be printed in the RECORD, as follows:

SEC. 303. In consideration of the concern of the United States in the present situation in China, there is hereby authorized to be appropriated to the President, out of any moneys in the Treasury not otherwise appropriated, the sum of $75,000,000 in addition to funds otherwise provided as an emergency fund for the President, which may be expended to accomplish in that general area the policies and purposes declared in this act. Certification by the President of the amounts expended out of funds authorized hereunder, and that it is inadvisable to specify the nature of such expenditures, shall be deemed a sufficient voucher for the amounts expended.

* * * * *

SEC. 8. Section 303 of such act is hereby amended by designating such section as subsection (a) and by adding thereto subsection (b) to read as follows:

"(b) In addition to the amounts heretofore authorized to be appropriated, there are hereby authorized to be appropriated to the President, out of any moneys in the Treasury not otherwise appropriated, the sum of $75,000,000, to be used as provided in subsection (a) of this section, of which not more than $35,000,000 may be accounted for as therein provided and any amount accounted for in such manner shall, with the exception of $7,500,000, be reported to the Committee on Foreign Relations of the Senate, the Committees on Armed Services of the Senate and of the House of Representatives, and the Committee on Foreign Affairs of the House of Representatives."

Mr. KNOWLAND. Mr. President, I ask the Senator from Arkansas first, if he does not recognize that what the amendment seeks has been authorized by Congress not only once but on two occasions, so that under the Knowland amendment all that is necessary is an administrative act by the executive branch of the Government to carry out the intent of Congress.

The second point is that the full needs of the Republic of China have been carefully surveyed by a group which was in the Republic of China, and received the figures from the Government of the Republic, that those figures have been sent on from the Far East to the Government of the United States, and have been in Washington for at least 2 months; so that, so far as surveying the needs is concerned, all the necessary information is presently available in the hands of the executive branch of the Government of the United States.

Mr. FULBRIGHT. Mr. President, I should like to ask the Senator if he interprets the language appropriating the $75,000,000 as meaning that this money must be given to or spent upon the Republic of China, that is General Chiang Kai-shek's government.

Mr. KNOWLAND. No. I will say, as I explained, I think before the Senator came into the Chamber, that the legislative history of it was that the first amendment I submitted provided the aid specifically for the Republic of China consisting of about $125,000,000. We had a considerable discussion in the combined committee. There was some objection to giving the Republic of China anything. There were some who wanted to give less, and some who wanted to give the Republic of China more. We had Admiral Badger before us. We questioned him on the needs of the Republic of China. I believe the Senator from Maryland [Mr. TYDINGS] or one of the other members of the combined committees had asked, "Cannot we agree upon $10,000,000?" That question was put to Admiral Badger. His testimony was that the minimum amount they would need in order to do any kind of a job for the Republic of China was $75,000,000. That is the legislative history of the figure $75,000,000.

The committee was still in dispute. Finally the Senator from Michigan [Mr. VANDENBERG] suggested, so that we could make a unanimous report of the combined committees, the language "in the general area of China." The argument was made—and quite properly, I think—that we could not be certain that the Republic of China would still be in existence when the funds were provided; perhaps the Republic of China would have been overwhelmed by that time.

So, in order to provide some flexibility to the administration in the use of the funds, so that they would be available perhaps in southeast Asia or elsewhere in the vicinity of China, we agreed upon that language. None of us thought China would be excluded in that situation or that the funds would be put into a deep freeze, so that they could not be used to help defend the Island of Formosa, which many of us believe is vital to the security of the entire defense perimeter in that area of the world. That is the legislative history of that matter.

Mr. FULBRIGHT. Mr. President, I think the Senator from California has accurately stated the legislative history; and from his point of view, he had that in mind. However, the fact is that we did not provide that the money would be spent by or given to the Republic of China. I happen to be one member of the Foreign Relations Committee who would not have gone along with such a bill. I objected to the China-aid bill, and I offered amendments to the Korean bill.

So it is not correct to say that the Congress has appropriated $75,000,000 for the Republic of China. That simply is not a fact. The money was appropriated to be spent in that general area.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I do not yield at the moment. The Senator from California has made his speech, and now I should like to have a little time in which to present my own thoughts. I shall yield to the Senator a little later.

Today, Indochina, in southeast Asia, is in the throes of a civil war brought on by Ho Chi-minh and his adherents against the established authorities there. I think it is very pertinent for us to consider whether the funds should be spent in Indochina; at least, that should be considered. We know that the funds of our Government are not unlimited, and that we must get a dollar's worth of value for every dollar we spend in this field.

Therefore, Mr. President, in view of the situation today, we should give very serious consideration to what we do with our money. I, for one, do not want to make a snap judgment in regard to a matter which would constitute an overt act and certainly could be considered by the rest of the world as a step by us toward entering into a war with the rest of China.

There is a point which I should like to mention in order to impress upon the Senator from California that there are Members of the Senate who have very different views from his about our ultimate over-all security.

The Senator from California—and quite properly and legitimately, from his point of view—sees our entire future and safety in Asia. I happen to disagree with him.

Mr. KNOWLAND. Oh, Mr. President——

Mr. FULBRIGHT. Mr. President, I wish to make one or two points without being interrupted.

Mr. KNOWLAND. As a matter of personal privilege, Mr. President, when my position is unintentionally misrepresented here on the floor, I should like to have an opportunity to state what my position really is.

Mr. FULBRIGHT. Very well; I yield on a question of personal privilege.

Mr. KNOWLAND. I wish to say that I have never taken the position that our whole future is wrapped up in Asia. On the contrary, I have supported the Senator from Texas [Mr. CONNALLY] and the Senator from Arkansas [Mr. FULBRIGHT] in connection with all proposed legislation calling for aid by us to Europe.

Mr. FULBRIGHT. I agree that perhaps I overstated the case. However, I believe that every time the Senator from California has made speeches here in the Senate, many of which are extremely well prepared and good, they nearly always present that point of view.

As I have said, I am not criticizing the Senator from California for that. He is acquainted with that area, and it is perfectly proper for him to present that viewpoint. However, certainly it is accurate to say that the emphasis in the Senator's viewpoint is upon the Far East, as are most of his speeches and discussions. I have read them with much interest, and I must say they are well prepared and excellent. The Senator has just been in that area of the world on a trip, and so forth; and he is well qualified to speak regarding it.

However, I must say that from my point of view our really basic relations in this world are with and toward Europe. Our basic institutions, including the legislative branch of our Government, our religious system, and most of

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the ancestry of the people of the United States, derive from Europe, not from the Far East. We have connections there that are very significant in an all-out struggle for survival. In Europe there are organized governments which have institutions similar to ours. When people really are in desperate straits I think they are inclined to cooperate.

The people of Europe understand our system of society much better than do the people of the Far East. I do not say this in criticism of anyone; it is simply a fact of life. In fact, those societies in Europe are capable of being directed either for or against us much more affirmatively in the long run, than is the Far East. The productive power in the case of steel and similar commodities, which I do not wish to review at this time, for we have discussed them many times, is much greater in Europe. Europe can be an offensive power if directed by the Russians, I think, to a much greater extent than in the case of China, especially if we get away from land warfare, where great masses of troops are a major consideration. In other words, if we get into push-button warfare or aerial warfare or other types of warfare which are largely dependent upon the developments of science, Europe will be much more important.

I happen to think that it would be much more dangerous to us if Western Europe and England were to fall under the domination of the Kremlin than if Asia were to fall under Kremlin domination. Of course, it would be better if none of them fell under the domination of the Kremlin; but if we have to make a choice in connection with that matter, as it increasingly seems likely that we may have to, I would say that our emphasis should be placed upon the society and the peoples in Western Europe; I think that should be our objective.

I recognize that there is a fundamental difference between the objective of the Senator from California and my own, and it is one which must be weighed carefully in connection with the consideration of these matters and these legislative proposals. I am not willing, and I do not think our Government is in a position, to make a snap decision in regard to a matter of this much importance, which the Senator from California is seeking to have the Senate act upon now. I think the matter should be studied and carefully considered by the Senate.

Mr. CONNALLY. Mr. President, I yield to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. FLANDERS. Mr. President, I wish to speak in behalf of the bill providing authority for the appropriation of funds for Yugoslavia. I am in favor of the passage of this bill because I conceive that it is in the minds and the purposes of all of us that the Soviet Government should not overrun and control the continent of Europe. If there is anyone who lacks interest in that objective, I can readily understand why such a person would vote against this measure authorizing an appropriation for Yugoslavia.

One has only to look at the map of the Mediterranean to realize that the country of Yugoslavia, with its two-hundred-fifty-odd miles of coast-line as the crow flies, and probably double that amount if the indentations of the coast are included, could be a serious menace if it were under the control of the Soviet Government. It represents an ideal location for nests of submarines. The only location which perhaps would be better in that respect would be Greece; but for the time being—and permanently, we hope—we have saved Greece from conquest by the Soviets. We must help Yugoslavia for the same reason—we have saved Greece—to prevent her conquest by the Soviet Union.

For Russia to have usable submarine bases on the Mediterranean would be an inconceivable situation. True, we are informed that the shorter coast line of Albania, which continues to be under Soviet control, is provided with a least one major submarine base. This is a menace. But so long as Albania is cut off from land connected with the Soviet Republic by Greece and by a hostile Yugoslavia, the usefulness to the Soviet Union of the Albanian submarine base will remain very small indeed. So it is in the support of Yugoslavia's independence from the Soviet Government that we find our tactical and strategic reason for the appropriation called for by the pending bill.

The bill is designed primarily for the relief of populations; but it will help from the military standpoint, because, unless the people of Yugoslavia or of any other European or Asiatic country are reasonably well taken care of according to their own standards, so far as food, clothing, and shelter are concerned, they are bound to fall under the influence of Soviet propaganda. So, from the military standpoint, the first thing we have to think about in connection with Yugoslavia is that her people shall not be subject to subversive influences; and the means of insuring that is to carry her people through the coming winter and into the harvest of next year, when they will again be able to feed themselves and to become prosperous as a result of their own work, done upon their own soil, under their own government.

The PRESIDING OFFICER. All the time of the Senator from Texas has expired.

Mr. McCARRAN. Mr. President, if the Senator from Vermont desires to continue, I shall be glad to yield 5 or 6 minutes.

The PRESIDING OFFICER. The Senator may proceed for 5 or 6 minutes.

Mr. FLANDERS. I thank the Senator from Nevada. I may say that I had about concluded my argument and was planning to finish in a burst of oratory. However, the interruption has interfered with the burst of oratory, and I trust that I may be pardoned if I conclude without it.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. McCARRAN. I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 5 minutes.

Mr. LUCAS. Mr. President, in my opinion the sum which we are about to authorize in behalf of Yugoslavia, dollar for dollar, as was said here recently, is about the best investment we shall have been able to make by way of loans or grants to foreign countries, perhaps, aside from aid to Turkey. In the report prepared by the Committee on Foreign Relations, we find the following statement, which I think should go into the RECORD:

> Tito espouses nationalist communism rather than imperialist communism which seeks to bind all Communists to the Kremlin. Soviet imperialist communism seeks to rob all states of their independence. Titoism seeks the independence of Communist states from Soviet dictatorship.

Mr. President, I may be wrong about that, and the committee may be in error, but I am absolutely convinced that that is true. In 1948, before Tito broke with the Kremlin, there can be no doubt that Yugoslavia under Tito's domination was at that particular time the principal satellite of the Russian Government. Yugoslavia has now definitely broken with the Kremlin according to all the information which we have in this country. To me, the best evidence of the break with the Kremlin is to be found in the very thing we are doing here. In other words, the Russian Government definitely and categorically refuses to give any economic aid, or to give any relief in the way of food, to people who, as a result of the drought in that country, are on the verge of starvation. If that is not evidence of a break between the two governments, then in my opinion there can be no evidence of such a break. To me, it is conclusive evidence that there is a break, and that it is definite and final; and I sincerely hope that it is.

It seems to me that Tito's government is the one government in central Europe at the present time which stands against Russia and her satellites in their purpose to overrun the Balkans entirely. Perhaps they can overrun them anyway, but at least the Yugoslavs at the present time have 32 divisions, fighting men, if you please, Mr. President, who, I believe, despite what others may think, will fight if and when the time comes. Certainly by giving this small amount of aid to Yugoslavia, which will reflect itself in the army and in the strengthening of Tito's government as a whole, we are doing a very helpful thing.

A moment ago the Senator from Vermont spoke of what had happened in Greece. The truth of the matter is that the guerrillas are out of Greece at the present time, in my judgment, basically because of what Tito has done. In other words, Tito has drawn off his forces around the Greek border, and that is one of the primary reasons for what we find in Greece at the present time. Had Tito continued the course he was pursuing prior to 1948, there would have been a possibility that Greece at the present time would be dominated by the Communists. It is highly important to keep that area from going Communist, because, once Yugoslavia went Communist, Greece would go Communist, and Russia would then control the Mediterranean, a thing which she has sought for a very long time.

I desire to discuss one other point briefly. I hope every Senator will read

the report which has been prepared by the Committee on Foreign Relations. It is a very important one. It is constructive and very brief, although it really tells the whole story.

I wish to speak briefly concerning the mathematics of the situation. Merely to equip a single American infantry division costs $75,000,000. It costs another $94,000,000, or approximately $5,000 per man, to maintain such a division at full strength for a year. The grand total is about $170,000,000, the cost of maintaining one American division in this country for 1 year at the present time.

The PRESIDING OFICER. The Senator's time has expired.

Mr. LUCAS. May I have 3 minutes more?

Mr. McCARRAN. I yield 3 minutes more to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois may proceed for three additional minutes.

Mr. LUCAS. Tito, as I said before, commands 32 divisions. If Tito is kept in power, these divisions, I am convinced, will fight in case the Kremlin attacks. The Congress is being asked to appropriate less than one-third of what it would cost to equip and maintain an American division for 1 year, in reality, in order to keep 32 divisions going in Yugoslavia. That is why I said a moment ago that from my own viewpoint the dollars we are spending now are the best dollars we shall have spent in a very long time in Europe, because, as I view the matter, the $39,000,000 we are appropriating is enough to keep the 32 divisions going, and yet it represents but a third of the amount required to equip and maintain one American division in the United States for a year.

Even in simple terms of dollars and cents, if any Senator is economically minded about it and desires to oppose it upon grounds of economy, it seems to me it would be rather foolish to do so, in view of the example which I have given.

Mr. President, those are the two points which I desired to make briefly with respect to the amendment offered by the Senator from California. I hope the Senate will not adopt the amendment at this particular time. It is inconsistent with section 303 of the Mutual Defense Assistance Act. The amendment provides as follows:

> This act shall not become effective until at least $38,000,000 of the $75,000,000 appropriated for the purpose of carrying out section 303 of the Mutual Defense Assistance Act of 1949, as amended, has been expended for assistance to the Republic of China.

Section 303 of the Mutual Defense Assistance Act does not, as the Senator from Arkansas said a moment ago, confine itself solely to China, but refers to funds which may be expended in that general area.

The Senator from California wants to expend $38,000,000 of the $75,000,000 for the Republic of China. Where is it to be spent? What use is to be made of it? That information would all come out in a hearing, I take it, with respect to the $38,000,000 which the Senator wants to expend or at least to obligate for the purpose of helping the Republic of China. I did not hear the Senator's speech, but I doubt if he outlined what he would do with the $38,000,000.

Mr. KNOWLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER. The time of the Senator from Illinois has expired.

Mr. McCARRAN. Mr. President, I yield a minute so that the Senator from California may make his statement.

Mr. KNOWLAND. Mr. President, I will say to the Senator from Illinois that when he was out of the room I pointed out that there have already come from the Republic of China requests which have been screened by the proper authorities, for funds in order to maintain a body of non-Communist troops on the island of Formosa, which is an even larger body of troops than is the group in Yugoslavia.

Mr. LUCAS. Very well. But I think Congress should know for what this $38,000,000 would be spent. Suppose it were to be used to help blockade China. Would the people of the country agree to that? In other words, what does the Senator mean when he says he wishes to have expended $38,000,000 for the Republic of China at this particular time in the crisis which exists in the Far East? The President now has the power to spend $75,000,000 in that area, but by the Senator's amendment we would be telling him to spend $38,000,000 for the Republic of China. If we are going to tell him that, we who are responsible for the amendment ought to indicate to him, before it is appropriated, how he is to spend it and how the Secretary of State would spend it or how the military forces would spend it.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. McCARRAN. Mr. President, the Senator from New Jersey [Mr. SMITH] intimated that he wanted some time. So far as I am concerned, he may have the remainder of my time.

Mr. SMITH of New Jersey. Mr. President, I should like to say a word in order to make it perfectly clear that, as a member of the Foreign Relations Committee, I am heartily supporting the Yugoslav bill, so-called. I also want to make it perfectly clear that the amendment of the Senator from California has my full approval. The $38,000,000 provided by the amendment comes in the category of the $75,000,000 which was appropriated for the area of China 2 years ago and continued last year, but was to be spent by the executive department in areas which needed it most.

I have been as much concerned as has been the Senator from California because practically nothing has been contributed to the Republic of China. As I understood, when the Korean crisis arose it was the policy of the Government to support the forces in Formosa against any attack which might come. In fact, we went so far as to say the Seventh Fleet was to be used to protect against an attack. I have been urging on the State Department and on the Department of Defense that such aid be given to the Nationalist forces to help them to defend themselves. I am not talking about a war by the United States in China as referred to by the Senator from Arkansas, but to the Nationalists there. I think the administration is open to criticism for not having given attention to this phase of the matter and in not using some of the appropriation in that area. But I pass that for the moment, because we shall soon be discussing it when the Senator from California makes his motion to recommit the bill.

I listened to all the testimony with respect to the bill. I had as many doubts as had any other members of the committee. Every member of the committee had doubts whether the reason for the hunger in Yugoslavia today is that the Yugoslav farmers themselves have been dragging their feet when it comes to producing because of Tito's regulations with regard to farming, and so forth. It was suggested in many quarters that it was due to their own fault and to the regulations of the government that food was short. But I was convinced that that argument had been overstated when a representative of our own Agriculture Department, Mr. John J. Haggerty, who has been in that country 2 or 3 years and has made a complete study of the whole situation, pointed out that the famine this year was unprecedented in the history of that area, and that unless aid came very quickly there would be widespread famine and distress. If that should come about, then we would be faced with the danger that if we declined to render aid, aid would come from the other side of the iron curtain, and Yugoslavia would become a satellite of Russia.

So we had all the humanitarian inducements to save people from distress, and we had all the inducements that it was necessary and desirable at this time to keep Yugoslavia on this side of the curtain and a member of the western nations who are resisting Communist domination from Moscow. Of course, we know that Yugoslavia is a Communist state, but it is no longer, in my judgment, connected with or dominated by Moscow. It is opposed to Moscow and is trying to prevent being taken over by Moscow. When we considered the eastern end of the Mediterranean in its relation to Turkey and Italy, looking at the matter from a purely military standpoint, I was convinced from the testimony of our military advisers that the thing to do was to give this aid to keep 30 divisions in Yugoslavia in line with the western group of nations if there should be any invasion of Europe.

Mr. President, I support this bill and I hope it will pass.

The PRESIDING OFFICER. The Senator from Nevada has 2 minutes remaining.

Mr. McCARRAN. Mr. President, I have no desire to take up the time of the Senate, except to make one expression, and that is that the amendment which I have offered will take nothing from the effectiveness of this bill. It will permit the utilization of not to exceed $50,000,999 from ECA funds for Yugoslav relief. Already $12,000,000 has been morally committed for the relief of Yugoslavia, and $38,000,000 more is requested by the bill. The amendment, if it is adopted, will eliminate the idea of having to make another appropriation. It will simply

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use not to exceed $38,000,000 more than has been already used from ECA funds for relief purposes in Yugoslavia.

Mr. President, I repeat what I said a little while ago, that I have no faith in Mr. Tito. I do not believe he means to be friendly to this country. I do not believe he is at heart other than the reddest of red Communists. I do not believe he has any sympathy with our form of government. But the people of Yugoslavia may be starving and may be dying, and it may be that by this shot in the dark we may be able to strengthen ourselves in central Europe.

So far as I am concerned, without any faith in Mr. Tito whatever, because I think he is a brigand and a murderer of the first order—he has murdered his way into the position which he now occupies, and he is destroying every phase of godliness that there is in his country—at the same time, if it will save American lives when the struggle comes, which I believe is coming, between this country and Russia, I am willing to go along with the bill. But I do not think we should make another appropriation and thus lay another burden on the taxpayers of America when we have more than enough money to carry out all the plans of ECA, and, at the same time, to take care of this item out of ECA funds.

The PRESIDING OFFICER. The hour of 4 o'clock having arrived, the question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. MAHON], for himself and the Senator from Texas [Mr. CONNALLY].

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

Mr. CONNALLY. Mr. President——

The PRESIDING OFFICER. The absence of a quorum has been suggested.

Mr. CONNALLY. Then I cannot proceed.

Mr. WHERRY. I shall be glad to withhold my suggestion of the absence of a quorum.

Mr. CONNALLY. Mr. President, as chairman of the Committee on Foreign Relations, I should like to state that the committee accepts the amendment offered by the Senator from Nevada [Mr. MCCARRAN].

The PRESIDING OFFICER. The Chair will state that the so-called McMahon-Connally amendment, with respect to religious persecution, is the pending amendment. The absence of a quorum has been suggested. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Fulbright	Lehman
Anderson	George	Long
Brewster	Gillette	Lucas
Bricker	Gurney	McCarran
Bridges	Hayden	McCarthy
Butler	Hendrickson	McClellan
Byrd	Hickenlooper	McFarland
Cain	Hill	McKellar
Capehart	Holland	McMahon
Carlson	Hunt	Magnuson
Chavez	Ives	Malone
Clements	Jenner	Martin
Connally	Johnson, Tex.	Millikin
Cordon	Johnston, S. C.	Morse
Donnell	Kefauver	Mundt
Douglas	Kem	Murray
Dworshak	Kerr	Neely
Ecton	Kilgore	Nixon
Ellender	Knowland	O'Conor
Flanders	Langer	Pepper
Frear	Leahy	Robertson
Russell	Taft	Watkins
Saltonstall	Taylor	Wherry
Schoeppel	Thomas, Okla.	Wiley
Smith, Maine	Thomas, Utah	Williams
Smith, N. J.	Thye	Young
Smith, N. C.	Tobey	
Stennis	Tydings	

The PRESIDING OFFICER. A quorum is present.

Under the unanimous-consent agreement, the question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. MCMAHON] for himself and on behalf of the Senator from Texas [Mr. CONNALLY]. The clerk will state the amendment.

The CHIEF CLERK. At the proper place in the bill, it is proposed to insert the following:

SEC. —. Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

The PRESIDING OFFICER. The Chair understands that all time for debate on the amendment has expired. The question is on agreeing to the amendment which the clerk has read.

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. MCCARRAN. Mr. President, I offer my amendment.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 1, line 5, through 8, it is proposed to strike out all of section 2 and insert in lieu thereof the following:

The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Administration Act of 1948, as amended (Public Law 759, 81st Cong.), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this act.

Mr. CONNALLY. Mr. President, as chairman of the Committee on Foreign Relations, I accept the amendment offered by the Senator from Nevada.

The PRESIDING OFFICER. Under the terms of the unanimous-consent agreement, debate on the amendment is limited to 20 minutes, to be equally divided and controlled, respectively, by the Senator from Nevada [Mr. MCCARRAN] and the Senator from Texas [Mr. CONNALLY].

Mr. MCCARRAN. So far as I am concerned, I have no further remarks to make.

The PRESIDING OFFICER. If no other Senator wishes to be recognized, the question is on agreeing to the amendment offered by the Senator from Nevada [Mr. MCCARRAN].

The amendment was agreed to.

Mr. MAGNUSON and Mr. MCMAHON addressed the Chair.

The PRESIDING OFFICER. The bill is open to further amendment. The Chair recognizes the Senator from Washington [Mr. MAGNUSON].

Mr. CONNALLY. Mr. President, I make a point of order against the amendment offered by the Senator from California.

Mr. KNOWLAND. Mr. President, I have not yet offered the amendment. I should like to have an opportunity to explain it. I am entitled to be recognized for 10 minutes. I thought some other amendments would be accepted by the chairman of the Committee on Foreign Relations, and we could get such amendments out of the way first.

The PRESIDING OFFICER. The Chair has recognized the Senator from Washington.

Mr. MAGNUSON. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The legislative clerk will state the amendment.

The LEGISLATIVE CLERK. On page 3, line 11, it is proposed to insert a new section, as follows:

SEC. 5. At least 50 percent of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this act and transported on ocean vessels (computed separately for dry bulk carriers, dry cargo liners and tankers) shall be transported on United States flag commercial vessels at market rates for United States flag commercial vessels, if available.

On page 3, line 17, strike out "6" and insert in lieu thereof "7."

The PRESIDING OFFICER. Under the terms of the unanimous-consent agreement entered into, 20 minutes of debate is allowed on the amendment. The time for debate is to be equally divided and controlled, respectively, by the Senator from Washington [Mr. MAGNUSON] and the Senator from Texas [Mr. CONNALLY].

Mr. MAGNUSON. Mr. President, I shall take only a few minutes. The purpose of my amendment is to again place into the economic aid acts the restriction that at least 50 percent of the goods which America sends to foreign countries shall be transported in American-flag ships if they are available. This is the only way in which we can keep our merchant marine alive. The amendment would bring the pending bill into conformity and uniformity with all other foreign-aid acts. I am sure there will be no objection to it.

Mr. MCCLELLAN. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. MCCLELLAN. Why not make it 100 percent? If we are to fly our flag over there, why not let the people over there see it as often as possible, since we are to spend our dollars over there?

Mr. MAGNUSON. I should like to make it 100 percent, but as a practical matter is it not advisable, because in many cases the availability of American-flag ships is such that they could not transport 100 percent of the goods. In this particular case there may have to be some deviation, as provided in the bill, if the ships are available. Like the Senator from Arkansas, I believe that the day is coming soon when we can ship in American-flag ships a great deal more of the goods we are providing for Europe.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Washington [Mr. MAGNUSON].

The amendment was agreed to.

Mr. McMAHON. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

Mr. McMAHON. I am informed that the chairman of the committee has agreed to take this amendment to conference.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert a new section, as follows:

SEC. —. At the termination of each 3-month period after aid has been extended under this act the Secretary of State shall make a full and detailed report to the Congress. Said 3-month reports shall not be limited to, but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this act; (2) information as to any developments in the attitude of Yugoslavia with respect to basic human rights.

Mr. CONNALLY. Mr. President, so far as the chairman of the committee is concerned, and the committee, we are willing to accept the amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. McMAHON].

The amendment was agreed to.

Mr. KNOWLAND. Mr. President, I send to the desk an amendment and ask that it be read for the information of the Senate.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to add the following new section:

SEC. 7. This act shall not become effective until at least $38,000,000 of the $75,000,000 appropriated for the purpose of carrying out section 303 of the Mutual Defense Assistance Act of 1949, as amended, has been expended or obligated for expenditure for assistance to the Republic of China.

Mr. CONNALLY. Mr. President——

Mr. KNOWLAND. Mr. President, I have not yet offered the amendment. I wish to explain it in the 10 minutes available to me.

Mr. CONNALLY. How can the Senator have it read and speak on it without offering it?

Mr. KNOWLAND. I have not yielded for the purpose of the Senator making a point of order. I shall offer the amendment, but I desire the floor so that I may explain it.

Mr. CONNALLY. The Senator will get the floor when his time comes. I insist on my right to make a point of order.

Mr. KNOWLAND. I have not yielded for that purpose.

The PRESIDING OFFICER. The Chair had recognized the Senator from California.

Mr. KNOWLAND. Mr. President——

Mr. CONNALLY. Mr. President, I make the point of order——

Mr. KNOWLAND. I have not yielded for that purpose, I respectfully say.

Mr. CONNALLY. I yielded to the Senator and let him speak for 10 or 15 minutes, but now he has not the courtesy to yield to the Senator from Texas.

Mr. KNOWLAND. No; because I do not want my amendment ruled out by the chairman before I have an opportunity to explain the background for it.

The PRESIDING OFFICER. The Senator's time is running.

Mr. KNOWLAND. Mr. President, since it is obvious that a point of order is to be made, I think the Senate should understand the background of this situation. In the CONGRESSIONAL RECORD of December 8 it will be found that there was a quorum call, as is usual when a unanimous-consent agreement is entered into, in connection with the railroad labor bill. That information is found on page 16336. Fifteen pages later in the RECORD, without a quorum call, the original unanimous-consent agreement was amended to include the bill for Yugoslavia. The agreement also contained a provision that amendments which were not germane should not be included. My general understanding of the purpose of such a provision is to prevent, for example, an FEPC amendment, or some civil-rights amendment being offered. I believe that my amendment is quite germane, although technically it may not be, under this provision.

It is therefore foreclosed, even though I was present at the time of the original unanimous-consent agreement, but then I left the Senate Chamber to participate in hearings of the Senate Armed Services Committee. I was engaged in Senate business. I had no idea that a unanimous-consent agreement was to be entered into in connection with the Yugoslavian situation. Had I been present, I would at least have insisted that I be allowed to offer this amendment. So I am foreclosed from offering the amendment if, presumably, the Chair sustains the point of order.

Mr. President, I am prepared to support some aid for Yugoslavia, even though I recognize that it has a Communist government, although it is temporarily not alined with the Kremlin. On two different occasions, in the first session of the Eighty-first Congress and again in the second session, the Congress provided $75,000,000 for the general area of China, with the clear intent that at least a substantial part should go to the Republic of China. First, there was authorization legislation, which was later confirmed by appropriation legislation. Then the money was put into a deep freeze and buried, so that little if any of the money was used. So the only point at issue is that it seems to me that, since communism is global in character, we have a right to say that our Pacific flank is no less important than our Adriatic flank.

The able Senator from Illinois [Mr. LUCAS] stated that Mr. Tito had approximately 32 divisions. If those divisions are on the Russian model of 10,000 men each, that means 320,000 men in the Communist army of Mr. Tito, who is temporarily not alined with the Kremlin. If those divisions are approximately as large as ours, consisting of 15,000 men, it means a total of 470,000 men. But I call attention to the fact that on the island of Formosa there are more than 600,000 non-Communists; and if it is important from a manpower situation to give aid to Communist Tito, it is equally important to give aid to the non-Communist Republic of China, which has been our ally in two world wars, is a permanent member of the United Nations, and is a permanent member of the Security Council.

I point out that the Republic of China has never shot down any American planes and Mr. Tito's Yugoslavia has. The Republic of China has consistently supported in the United Nations the efforts of the free world against aggression in Korea. China has voted with the free nations of the world 100 percent of the time I submit that the record of Yugoslavia is that she has very seldom voted with the free nations of the world.

I have been on the island of Formosa twice. In Formosa there is freedom of the press. There is freedom of religion for every church of every type and character. I submit that that situation does not exist in Yugoslavia.

I have no objection, in order to drive a wedge into the ranks of the satellites, to giving some aid to Yugoslavia, and will support it. But I also say that it is equally important, since communism is global in character, to take advantage of some 600,000 non-Communist troops who are subject to aggressive action by communism, across the straits between the Republic of China on Formosa, and Red China on the mainland.

That is the basic issue. This amendment does not provide a single extra dollar. The money has already been appropriated by the Congress. It does not provide a new authorization. The authorization was made in two sessions of the Eighty-first Congress, by the Congress of the United States.

When it was obviously shown that the legislative history was that the Republic of China was meant, some flexible language was inserted so that in case the Republic of China should be overwhelmed, the funds could be used in southeast Asia or elsewhere. But it was never intended, so far as the Republic of China was concerned, that the funds should be put in a deep freeze, and that the Republic of China should get very little, if anything, from the two appropriations of $75,000,000.

Mr. President, I am forced into this situation because of the background which I have pointed out. There was no quorum call prior to the unanimous consent agreement. If the point of order is made and sustained, I do not intend to appeal from the decision of the Chair, but I do intend to offer a motion to recommit, reading as follows:

I move that the bill (S. 4221) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia be recommitted to the Committee on Foreign Relations with instructions to report the bill back to the Senate forthwith, including therein all amendments agreed to by the Senate to date, together with the following amendment:

Then follows my amendment adding a new section at the end of the bill.

I am forced into this situation, because I am foreclosed from offering and securing a vote on the amendment itself. All it will do will be at least to give the Senate an opportunity to vote on the question as to whether non-Communists in the Republic of China are at

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least worthy of as much consideration as the Communists of Yugoslavia.

Mr. CONNALLY. Mr. President, am I in order to make a point of order?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Yes; the Senator is in order.

Mr. CONNALLY. I make a point of order on the amendment of the Senator from California.

The PRESIDING OFFICER. Does the Senator from California propose his motion now?

Mr. KNOWLAND. No. I move my amendment, which is now subject to a point of order.

Mr. CONNALLY. I make the point of order that the amendment of the Senator from California is not germane as an amendment to the original bill. It is set forth clearly in the unanimous consent agreement that amendments have to be germane. I make the point of order.

The PRESIDING OFFICER. Does the Senator from Texas desire to be heard on the point of order?

Mr. CONNALLY. No.

Mr. TAFT. Mr. President, it seems to me obvious that the amendment offered by the Senator from California is germane. Exactly the same question is involved in it as is involved in the bill. Many Senators may hesitate to vote for aid to a man who has killed American boys, who murdered Mikhailovich, unless the Senate is prepared to adopt, as a part of a general policy, that Nationalist China shall be treated in a similar way. Just as Yugoslavia is considered at least to be a diversionary force against Russia, so non-Communist China may be considered as a diversionary force against Communist China.

Mr. President, it seems to me the amendment is perfectly germane. It is clearly involved in the general subject of the bill. It is a part of the one general policy. I submit that the Chair should rule the amendment to be in order.

Mr. FLANDERS. Mr. President, I wish to clear my mind on one point in regard to the question of germaneness. Did I understand the Senator from California to designate in his amendment the Republic of China?

Mr. KNOWLAND. Yes.

Mr. FLANDERS. Was there a Republic of China designated in the original legislation authorization, or was it some vaguer term like "in the general vicinity"?

Mr. KNOWLAND. In the original bill, in order to obtain a compromise and receive the support of those who would vote for aid to the Republic of China as well as those who would not, the general language was adopted "in the general area of China," but it was felt, I am sure, that no one would claim on the floor that the Republic of China was not one of the nations in the general area of China.

Mr. FLANDERS. It would seem to me, Mr. President, that in coming to a determination as to whether the amendment is out of order, consideration should be given to whether it introduces a new piece of legislation in that it restricts application of the fund to the Republic of China instead of to the general area.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. LUCAS. The section which is involved, section 303 of title III of Public Law 329, Eighty-first Congress, reads as follows:

> In consideration of the concern of the United States in the present situation in China, there is hereby authorized to be appropriated to the President, out of any moneys in the Treasury not otherwise appropriated, the sum of $75,000,000 in addition to funds otherwise appropriated as an emergency fund for the President, which may be expended to accomplish in that general area the policies and purposes declared in this act.

The amendment of the Senator from California now would direct the President to spend $38,000,000 in the Republic of China, which clearly conflicts with the original language.

Mr. FLANDERS. Mr. President, I should like to say I am in sympathy with the Senator from California in feeling that there has been a complete evasion of the intent of Congress in making the $75,000,000 appropriation. I nevertheless feel strongly that anything which delays or cripples the protection of the Mediterranean Sea against a new nest of Russian submarine bases has got to be considered on its own merits. It is for that reason I hope that, so far as the substance is concerned, real justification will be found for ruling this particular amendment out of order.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FLANDERS. I yield.

Mr. KNOWLAND. Is the Senator from Vermont familiar with the fact that while there may be potential submarine bases in Yugoslavia, there are also potential submarine bases and air bases in Formosa; that it was from Formosa that the Japanese war lords attacked the Philippines, and that we have a very deep obligation to the Philippines and to Australia? So if we are going to close the door to communism in the Adriatic, we should take some realistic and practical steps to close it in the Pacific Ocean as well.

Mr. FLANDERS. I may say to the Senator from California——

The PRESIDING OFFICER. Permit the Chair to make an observation. It seems to the Chair that the point of order comes under the 20-minute rule. The unanimous-consent agreement provides that the time be divided equally between the mover of the amendment and the Senator from Texas [Mr. CONNALLY]. If there is going to be extended debate the Chair thinks the time limitation ought to be observed. Does the Senator from Texas wish the floor?

Mr. CONNALLY. Mr. President, does the unanimous-consent agreement cover debate on a point of order when the Chair is about ready to rule?

The PRESIDING OFFICER. It is discretionary with the Chair whether he wants to hear debate or not. He is glad to hear the Senator from Texas.

Mr. CONNALLY. I do not care to argue the point of order. It seems to me that under the unanimous-consent agreement it is perfectly obvious the amendment has no relation whatever to the bill, which deals exclusively with Yugoslavia. Now to endeavor to bring in Chiang Kai-shek is not germane at all. Besides, as pointed out a minute ago, the amendment does not even comprehend the original law, because instead of saying, "in the general area of China," which the authorization provided, it restricts itself to "assistance to the Republic of China." So the amendment narrows the original scope.

Mr. President, I do not care to argue the point of order. I simply think the amendment is not germane under the language of the act, and I submit the question to the Chair for decision.

Mr. PEPPER. Mr. President, will the Senator from California yield to me for a question?

Mr. KNOWLAND. I do not have the time.

Mr. PEPPER. I did not understand there was any time limitation. As I understood, the Chair said discussion could be had in the discretion and indulgence of the Chair at this time.

Mr. KNOWLAND. If I may do so, I yield.

Mr. PEPPER. I regret I did not hear all of the learned address delivered by the Senator from California. I have read the able Senator's amendment, however. I do not know how he happened to have chosen the figure $38,000,000. What I wanted to ask the Senator is, Does he know what commitments have already been made with respect to the $75,000,000 provided for in the original act, which was to be spent in the general area of China?

Mr. KNOWLAND. I will answer the Senator from Florida in this way. The $38,000,000 is to place the far eastern flanks on a parity with the situation dealt with in the particular bill before us. That is number one.

No. 2. It is within, and well within, the over-all figures of $75,000,000, which the Congress has twice approved as a matter of policy, and twice approved as a matter of appropriation.

The third point is that with the exception of a very infinitesimal amount, there has been little, if anything, given to the Republic of China out of the two $75,000,000 amounts. The last figures I saw showed that a considerable amount, in the neighborhood of from thirty to thirty-five million dollars, was left out of the last appropriation of some $75,000,000. I do not have the most up-to-date figures, but that is, I believe, substantially correct.

Mr. PEPPER. Mr. President, will the Senator yield again?

Mr. KNOWLAND. Yes.

Mr. PEPPER. The reason I make the point is that on the one question whether we would appropriate $38,000,000 or not I might feel entirely different. But if we direct that $38,000,000 be taken out of a particular appropriation we might be running the risk of taking away funds that had perhaps already been committed. For example, I remember distinct-

ly that some of that money is going to Siam, to provide for its defense, and Siam has troops fighting with us in Korea. There might be other cases in which commitments of this money have been made, and the $38,000,000 might not be available. If the Senator wants to have Congress appropriate $38,000,000 of new money, so there would not be any possibility of conflict, that would be something else. Has the Senator assurance that $38,000,000 of the particular fund he describes remains available and is not committed? That is something that should be considered.

Mr. KNOWLAND. In the first place, there have been two appropriations of $75,000,000. Certainly in both of them it was not expected by the Congress that the Republic of China would be put into a deep freeze and not obtain any substantial help out of either of those $75,000,000 appropriations.

Mr. FLANDERS. Mr. President, I raise a point of order. I judge that debate on the amendment has been concluded by reason of the time factor, and that we ought to be debating the point of order. Should not the subsequent discussion be directed strictly to the point of order?

The PRESIDING OFFICER. The question before the Senate is the point of order.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. The Chair does not mean to state, does he, that the point of order on the question of germaneness, which is being raised, is subject to the limitations of the unanimous-consent agreement?

The PRESIDING OFFICER. The Chair understands that it is discretionary as to whether debate shall be heard. The Chair has been very glad, indeed, to hear the debate, so far as it has covered the subject matter.

Unless some Senator has a point to make as to the germaneness of the amendment, the Chair is prepared to rule.

Mr. WHERRY. I thank the Chair for that observation, because it is in keeping with the decisions of the Senate.

The PRESIDING OFFICER. That is the only question in the mind of the Chair.

Unless some Senator has something to say that is particularly pertinent to the immediate question before the Chair, the Chair is prepared to rule.

By referring first to the provision contained in the unanimous-consent agreement:

> That no amendment or motion that is not germane to the subject matter of the said bill shall be received—

We find that any motion or amendment must be germane to the subject matter of the bill.

What is the subject matter of the bill? It is "to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia."

In other words, there is a very broad opening there, but a very fine bead is drawn by the word "by." The words "furnishing emergency relief assistance to Yugoslavia" seem to limit the entire scope of the bill. Strictly under those terms, the Chair thinks the point of order is well taken; and the Chair so rules.

Mr. KNOWLAND. Mr. President, I should like to observe that sometimes we move along very rapidly. I have prepared a motion to recommit, and I understand that the motion is in order following the third reading of the bill, just before the final passage of the bill. I wish to be protected in my right to offer that motion, and therefore I give notice that I intend to offer it.

The PRESIDING OFFICER. The Senator's motion will be in order at any time before the final passage of the bill.

The bill is open to further amendment.

Mr. WHERRY. Mr. President, a further parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. When the Senator from California makes his motion to recommit, he then will have 10 minutes to speak on his motion, will he not?

The PRESIDING OFFICER. That is correct.

Mr. O'MAHONEY. Mr. President, I am very happy to note that the Senate adopted the amendment offered by the Senator from Connecticut [Mr. McMAHON]. That amendment, as I understand from reading it, requires, among other things, that there shall be a periodic report upon the attitude of Yugoslavia with respect to the observance of basic human rights by the Government of Yugoslavia. It is the observation of basic human rights which lies at the very heart of the present critical dilemma with which the world is faced.

The PRESIDING OFFICER. Let the Chair observe that the Senate is operating under a special limitation of debate, with 20 minutes allowed for debate on any motion or amendment. No amendment is pending, so far as the Chair understands, and no motion is pending.

Mr. O'MAHONEY. Mr. President, I do not intend to take very much time. If necessary, I offer a technical amendment to strike out paragraph 3 (a) on page 2 of the bill, an amendment which I shall later withdraw.

The PRESIDING OFFICER. Very well; the Senator from Wyoming may debate his amendment for 10 minutes.

Mr. O'MAHONEY. Mr. President, I am about to say that I have observed that section 3 of the bill provides that:

> No assistance under authority of this act shall be made available nor shall any funds appropriated hereunder be expended until an agreement is entered into between Yugoslavia and the United States—

Containing certain undertakings.

I wish to make the record clear that, for my part, I believe that the provisions of the amendment of the Senator from Connecticut are just as binding as are the provisions of section 3 with respect to the agreement. As a member of the Appropriations Committee, I shall be free at all times to pass upon not only the agreement contained in section 3 and the reports which may be made upon the manner in which that agreement is to be carried out, but also the reports which are to be made with respect to the observance of basic human rights. I wish it to be clearly understood that I undertake no obligation, legal or moral, with respect to my judgment as a member of the Appropriations Committee to vote for or against any of the appropriations which are authorized in this measure.

I now withdraw my amendment.

The PRESIDING OFFICER. The amendment of the Senator from Wyoming is withdrawn.

The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

Mr. KNOWLAND. Mr. President, I submit the motion, which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

> I move that the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, be recommitted to the Committee on Foreign Relations, with instructions to report the said bill back to the Senate forthwith, including all amendments agreed to by the Senate to date, together with the following amendment; viz, at the end of the bill, add the following new section:
>
> "SEC. 7. This act shall not become effective until at least $38,000,000 of the $75,000,000 appropriated for the purpose of carrying out section 303 of the Mutual Defense Assistance Act of 1949, as amended, has been expended or obligated for expenditure for assistance to the Republic of China."

Mr. KNOWLAND. Mr. President, as I understand, I have 10 minutes in which to speak on the motion.

The PRESIDING OFFICER. Yes. The Senator from California is recognized for 10 minutes.

Mr. KNOWLAND. Mr. President, I wish to point out to the Members of the Senate that, had it not been for the second unanimous-consent agreement, which was made some time after the first one, and appears in the CONGRESSIONAL RECORD 15 pages after the first one, for which there was properly a quorum call, although there was not a quorum call immediately prior to the second unanimous-consent agreement, the amendment would be germane to the bill. It is foreclosed by the second unanimous-consent agreement, immediately prior to which a quorum call was not had.

I wish to point out that if the Senate, consisting of 96 Members, representing the 48 States of the Union, surrenders the power to legislate into the hands of any committee of 13 members, regardless of how distinguished its members may be, we shall have completely surrendered into the hands of the committee the legislative power of the Senate of the United States.

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If we are to discharge our responsibilities properly, I take it that we are not required to rubber-stamp the action of the Foreign Relations Committee or of the Armed Services Committee or of the Appropriations Committee; and I say that most respectfully, as a member of both the Armed Services Committee and the Appropriations Committee. Certainly I would never consider urging upon the Senate the passage of a bill, as reported by any of its committees, without the crossing of a "t" or the dotting of an "i," because the legislative power and the constitutional responsibility for foreign policy as well as for domestic policy rest in the hands of the Congress of the United States, of which the Senate is a coordinate branch.

I quite frankly admit that there is room for an honest difference of opinion as to whether we believe that in dealing with communism, an international world-wide menace, the door to Asia should be closed as tightly as the door to Europe is closed. However, I submit that is a very pertinent question in connection with the matter of foreign relations.

I speak as one who has supported the bipartisan foreign policy. However, it does not make sense for us to close the door of Europe against communism, but leave the door of Asia wide open to communism, when there are many persons who sincerely believe that if we permit the billion and one-half persons in Asia and all the vast stores of tin, rubber, petroleum, and other important products to be found in that part of the world to fall into the hands of the Soviet Union, it will be most difficult to stop aggressive communism in Europe alone. That is a basic issue which we are facing today, and I am forced to this parliamentary procedure because I was foreclosed by the unanimous-consent agreement to which I have already referred.

I now yield to the Senator from South Dakota.

Mr. MUNDT. Mr. President, in answer to the Senator from Vermont [Mr. FLANDERS], I wish to point out that this would involve no delay, because the motion to recommit provides that the Senate Committee on Foreign Relations shall report back forthwith. There cannot be a delay of more than 24 hours at most, and it would be a very wise delay, for it would enable us then to provide some aid where it would help protect the American boys who are now fighting in Korea, at the same time that we are providing aid to save the starving people of Yugoslavia.

Mr. CONNALLY. Mr. President, the motion is made to recommit the bill to the committee for the purpose of having the committee report some provision to give money to the Republic of China. We all admire the zeal with which the Senator from California rushes forth, sword in hand, whenever anyone mentions the Chinese Nationalists or Chiang Kai-shek. It is really a fine, loyal position for him to take. But, Mr. President, why should we restrict it to the Republic of China? I invite the attention of the Senator from Vermont [Mr. FLANDERS]. Why should we not give some of this money to Indochina? Why should we not bring in Burma and appropriate a large amount of money for Burma? Why not aid Pakistan? Why not aid other Asiatic countries? Why should we restrict it to the Republic of China?

The Senator says, "We have not done anything for China, and we are not doing anything for her." Did we not do something for China when she was supposed to be fighting the northern Chinese and the Communists? Did not the United States, from its coffers, hand over to Chiang Kai-shek $2,000,000,000 in supplies and ammunitions? General Barr, an American, was in the Far East as an observer. He testified before our committee that Chiang Kai-shek's troops had never lost a battle as the result of lacking arms, supplies, or materials—which we were furnishing. The only battles they lost were those in which they did not want to fight, and in which they did not fight. The situation is quite different today. Do Senators want an all-out war with Red China?

Mr. President, why should the Senate recommit this bill? It is an important measure which has been carefully considered by the Committee on Foreign Relations. The committee held hearings. Witnesses appeared before the committee. The situation is important, and the demand is insistent. Everyone knows the attitude of communism in Europe. The pending bill is a vital one, designed to put a stop to Communist pressure on Yugoslavia and other Balkan states, upon Greece, and upon the Mediterranean area generally. I trust that the Senate will not vote to recommit the bill.

Why did not the Senator from California come before the committee when the bill was pending there to propose his amendment? He did not come. He was not even present when the unanimous-consent agreement was entered into in the Senate. The Senator says, "Mr. President, we are not going to permit one committee—we are not going to permit any committee—to take over the legislative duties of the United States Senate." The statement is gratuitous. We are not proposing to take over the duties of the Senate. Merely because the Senator does not happen to be present in the Senate when a unanimous-consent agreement is made is that a denial of the power, the authority, and the sovereignty of the Senate itself? The Senate is governed by rules. If we do not follow the rules, they can be invoked through points of order followed by appropriate action. One may not remain at home, or in a committee room, and expect to run the Senate.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. LUCAS. If the Senator will permit me to make this observation in his time, I desire to say that it seems to me the important thing about the bill is that it is an emergency measure. It has been reported as such. The Committee on Foreign Relations, at the request of the President and of the Secretary of State, were diligent in bringing this measure before the Senate, in order that we might make some disposition of it before this short session closes.

Mr. President, as surely as I stand here, if this bill is recommitted, the Yugoslavs will receive no aid during this brief session of the Congress, because the committee will take time to discuss this $38,000,000 item, as to where it shall go and as to how it shall go, and as to how it shall be expended. Witnesses will have to appear. I undertake to say that we are jeopardizing our own interests through not speeding this measure on its way and appropriating the money it provides for Yugoslavia, if the drought and the resulting shortage of food are as reported to the Senate and to the people of the country.

The bill should be passed speedily in the interest of the safety and security of the country. With all due deference to my friend from California, and even though he may be justified later in seeking to have what he proposes done through a separate bill, I say it should not be tied into the pending bill, perhaps resulting in defeat of a measure which is so urgently needed at this particular time.

Mr. CONNALLY. Mr. President, I agree with the Senator from Illinois that, if this proposal came before the Senate by the introduction of a separate bill, it would be another matter. The Senator from California could have such a bill considered by the appropriate committee, and it would be given proper consideration by the Senate. I submit that to tie down the present bill with an amendment of this sort would be destructive of the purposes of the bill. Furthermore, it would not, in the long run, accomplish what the Senator from California has in mind. If it is proposed to penalize the Yugoslavs in order to make a gesture toward the Chinese Nationalists, the result would be that neither of them would be served properly.

This is a vital measure. The emergency is upon us. We ought to act upon the bill as reported, and we ought to act promptly in order to get this relief to Yugoslavia. If we hesitate, if we play tricks here in considering this matter, the effect of it will be that the Yugoslavs will lose some of their ardor. They will begin to doubt our sincerity. They will begin to doubt our anxiety to give them aid. So, Mr. President, I oppose the motion to recommit, and I urge the Senate to vote it down, so that we may proceed to a vote upon the pending bill.

Mr. KNOWLAND. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from California has 6 minutes remaining.

Mr. KNOWLAND. I shall merely take 2 minutes, after which I want to yield some time, because certain questions have been raised. I want to be stopped at the expiration of the 2 minutes.

The question is: Why did not the Senator from California offer this amendment earlier?

I shall give a very real reason: It is because I had hoped that in the communiqué which was issued by the Presi-

dent of the United States and the Prime Minister of Great Britain they would show that a firm stand would be taken in the Far East. But I did not expect the British Government to offer its hand of welcome into the United Nations to the bloody Chinese Communists who are killing United Nations forces in Korea today. I did not expect that to happen. That is why I was not before the committee earlier.

I called the attention of the Senate to the fact that from VJ-day until last year the Chinese Communists had suffered a million and a quarter casualties at the hands of the Chinese Nationalists. It is true that the Chinese Nationalist forces were being pushed back; but so are United Nations forces in Korea today.

I called attention also to the fact that in the white paper itself, in the statement by the President of the United States in January 1946, he said that of the surplus material there was none that had not been demilitarized.

Mr. President, I yield 2 minutes, first to the Senator from Maine [Mr. BREWSTER], and the remainder of my time to the Senator from Nebraska [Mr. WHERRY].

The PRESIDING OFFICER. The Senator from Maine is recognized for 2 minutes.

Mr. BREWSTER. Mr. President, I regret that this has become a matter of controversy. I think we all recognize the seriousness of the situation. I desire to make clear that it is not at all evident exactly what we are getting for the $38,000,000 or the $75,000,000 we are making available to Yugoslavia. In that connection I want to read briefly from a letter published in the New York Times of today under the heading "Appraising Tito's Army" and to have the entire letter inserted in the RECORD. I read:

In his dispatches, your Belgrade correspondent has repeatedly stated that "the Yugoslav Army is the strongest army in Europe except the Soviet Army." It seems that the same opinion has been shared by some other American observers in Europe also; so it is stated by one of them that Tito's army has "30 or 32 divisions of hard-beaten fighters."

Moreover, some official American documents recently published show that the above opinions have been accepted by the American authorities as statements of fact.

May I warn against precipitate and hasty acceptance of such opinions?

The superficiality of western and especially American opinions regarding the real strength of the Yugoslav Army in the wars sounds a warning against hasty opinions. In the years when the Nazi menace was growing on the European continent, western observers considered and publicly praised the Royal Yugoslav Army of those days as "the strongest army in Europe." Even the shrewd observer John Gunther wrote in Inside Europe in 1936 that the Royal Yugoslav Army was "probably the most formidable army in Europe."

When, however, this army was put to the test, it proved worthless and was unable to offer any serious resistance. The enormous discrepancy between the opinion of western observers and the realities was due principally to the uncritical acceptance of the information supplied by an authoritarian regime as well as to the inadequate regard for the feelings and opinion of the masses which form the vital component of a modern army but have no possibility of expressing freely their sentiments in peacetime.

* * * * *

I wonder whether they are aware that Tito's army officers, owing to their overbearing and haughty behavior and to their privileged position, are the most hated and despised group of the present ruling class of Yugoslavia.

Mr. President, I ask that the remainder of this letter be incorporated in the RECORD at this point, and I hope we shall have some assurance that some of these persons will fight with us and work with us if we go forward in this program.

There being no objection, the remainder of the letter was ordered to be printed in the RECORD, as follows:

May I quote in addition three points which call for cautiousness in conclusions:

How little western observers on the spot know of Tito's army is illustrated by the fact that they were able to get Tito's military publications only recently.

I wonder whether they are aware that Tito's army officers, owing to their overbearing and haughty behavior and to their privileged position, are the most hated and despised group of the present ruling class of Yugoslavia.

The problems arising from the formation of only one up-to-date division should indicate the value of statements regarding Tito's "30 or 32 divisions of hard-beaten fighters."

JURAJ KRNJEVIC,
Former Vice Premier of Yugoslavia, Secretary General, Croatian Peasant Party.
LONDON, *December 4, 1950.*

Mr. WHERRY. Mr. President, I am wondering if the distinguished Senator from California would consider amending his motion so that it would provide only that the bill be recommitted with instructions to report forthwith, and omit the specific portion of the amendment, for this reason, that I hope if the Senator modifies his amendment the Senate will approve it. Certainly the Senator from California has a right to his day in court, without setting out the specific amendment, but letting the committee report the bill to the Senate forthwith, at which time the Senator from California can offer any amendment he chooses to offer.

I make that plea because, when the agreement was entered into, I was not on the floor. I later suggested that there might be other Senators who desired to offer amendments, which is the general rule, so that there would be 20 minutes upon the amendment, 10 minutes on each side.

The Senator from California offered an amendment. It does not make any difference whether it was submitted to the committee or whether it was not, because he had a right to offer it, and he feels strongly about it.

Mr. President, this is a moral obligation. It is in the interest of fair play that the Senator be given an opportunity to offer his amendment on the floor of the Senate. If he should do what I have suggested, it would not mean that we would be voting on the amendment at all; we would simply be recommitting the bill so as to clarify the procedure, and the committee could report the bill. If we do not want the amendment, we can vote it down, or some other amendment can be adopted. That is the fair way to do it.

I hope every Senator will give the Senator from California a chance to have his day in court. It can be done in that way without hurting anyone's feelings.

Mr. KNOWLAND. Mr. President, I modify my motion to that extent, cutting out all the language beyond the word "forthwith."

The PRESIDING OFFICER. The Senator modifies his motion to the extent of eliminating certain language. The clerk will read the language of the motion as modified.

The CHIEF CLERK. It is proposed to modify the motion to read as follows:

I move that Senate bill 4234 to promote the foreign policy and to provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia be recommitted to the Committee on Foreign Relations with instructions to report the said bill back to the Senate forthwith.

Mr. AIKEN. Mr. President, if the bill is recommitted and then reported to the Senate, does that mean that the debate starts anew and can continue for an indefinite period?

The PRESIDING OFFICER. There will be a new day in court when it comes back.

Mr. AIKEN. And the debate can continue indefinitely?

The PRESIDING OFFICER. Yes; the Senator is correct.

The question is on agreeing to the motion of the Senator from California, as modified.

Mr. WHERRY and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Idaho [Mr. TAYLOR], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

The Senator from Kentucky [Mr. CHAPMAN] and the Senator from Tennessee [Mr. KEFAUVER] are absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from North Carolina [Mr. HOEY] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce further that if present and voting, the Senator from Connecticut

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[Mr. BENTON], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from Rhode Island [Mr. GREEN], the Senator from North Carolina [Mr. HOEY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Tennessee [Mr. KEFAUVER], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Pennsylvania [Mr. MYERS] would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parlimentary Association in Australia.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from Massachusetts [Mr. LODGE] is necessarily absent.

The result was announced—yeas 38, nays 42, as follows:

YEAS—38

Brewster	Hickenlooper	Mundt
Bricker	Ives	Nixon
Butler	Jenner	O'Conor
Cain	Kem	Saltonstall
Capehart	Knowland	Schoeppel
Carlson	Langer	Smith, N. J.
Chavez	McCarran	Taft
Cordon	McCarthy	Thye
Donnell	McClellan	Watkins
Dworshak	Malone	Wherry
Ecton	Martin	Williams
Gurney	Millikin	Young
Hendrickson	Morse	

NAYS—42

Aiken	Holland	Magnuson
Anderson	Hunt	Murray
Byrd	Johnson, Colo.	Neely
Clements	Johnson, Tex.	O'Mahoney
Connally	Johnston, S. C.	Pepper
Douglas	Kerr	Robertson
Ellender	Kilgore	Russell
Flanders	Leahy	Smith, Maine
Frear	Lehman	Smith, N. C.
Fulbright	Long	Stennis
George	Lucas	Thomas, Utah
Gillette	McFarland	Tobey
Hayden	McKellar	Tydings
Hill	McMahon	Wiley

NOT VOTING—16

Benton	Hoey	Sparkman
Bridges	Humphrey	Taylor
Chapman	Kefauver	Thomas, Okla.
Eastland	Lodge	Vandenberg
Ferguson	Maybank	
Green	Myers	

So Mr. KNOWLAND's motion to recommit was rejected.

Mr. BRIDGES. Mr. President——

The PRESIDING OFFICER. The Senator from New Hampshire is recognized.

Mr. BRIDGES. I vote "aye."

The PRESIDING OFFICER. The result has been announced. The vote of the Senator from New Hampshire cannot be cast at this time.

Mr. FLANDERS. Mr. President, I wish to say that it was with some regret that I placed myself on the side opposite to that taken by the Senator from California. I did so because of my feeling that the undertaking in Yugoslavia ought to have a free road. I also feel that the discussion and determination of our policy with reference to the Chinese Republic should likewise have a free road, and that we should have early discussion and an early decision of that question. I merely wish to place myself on record as feeling that necessity exists for arriving at such a decision, and to express the hope that we can get to a consideration of the subject in the opening days of the new Congress.

Mr. WILEY. Mr. President, I ask unanimous consent to have inserted at this point in the RECORD a statement prepared by me relating to the pending bill.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

The total proposed program of emergency relief assistance for Yugoslavia consists entirely of commodities procured or to be procured through the Department of Agriculture and shipped directly to Yugoslavia. The program totals 603,900 tons, including 464,500 tons of grains, 70,000 tons of vegetables and rice, 20,000 tons of lard, 20,000 tons of sugar, 4,500 tons of dried eggs, 6,000 tons of dried milk, 900 tons of canned meat, and 18,000 tons of seeds. The total costs of supplying these foods including transportation is $69,400,000.

Under the stopgap program already in progress, 248,900 tons of food and feed are being provided under the Economic Cooperation Administration Act, the Mutual Defense Assistance Act and under a line of credit extended to the Yugoslav Government by the Export-Import Bank. As a part of the stopgap program 140,000 tons of wheat are being shipped by the ECA from the United States to Italy and Germany, which countries are in turn supplying about 110,000 tons of milled flour to Yugoslavia. The processing of this wheat into flour has afforded the milling industries of Italy and Germany an opportunity to utilize their facilities more fully and in this way a definite contribution has been made to the economic health of these countries. The $5,600,000 in funds provided by the Export-Import Bank were used for the purchase and shipment of surplus beans, eggs, and meat from the Department of Agriculture, also for lard purchased in the open market by the Department of Agriculture for Yugoslav account.

The remaining portion of the program now before the Congress consists of 355,000 tons of food, feed, and seeds as follows: 276,000 tons of grains, 50,000 tons of vegetables and rice, 5,000 tons of lard, 6,000 tons of dried milk, and 18,000 tons of seeds. The cost of the commodities and their shipment under this part of the program is estimated at $34,400,000. All of these commodities will be procured by the Department of Agriculture with appropriated funds. No funds will be turned over to the Yugoslav Government.

Of the total program before the Congress, 71 percent will be procured from stocks of the Commodity Credit Corporation while the balance or 29 percent, chiefly flour, lard, and seeds, must be purchased in the open market.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. The question now is, Shall the bill pass?

Mr. SALTONSTALL and other Senators requested the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from Idaho [Mr. TAYLOR], and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

The Senator from Kentucky [Mr. CHAPMAN] is absent on official business.

The Senator from Mississippi [Mr. EASTLAND] is absent because of illness in his family.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from North Carolina [Mr. HOEY] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from South Carolina [Mr. MAYBANK] is absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce that the Senator from Rhode Island [Mr. GREEN] is paired on this vote with the Senator from Michigan [Mr. FERGUSON]. If present and voting, the Senator from Rhode Island would vote "yea," and the Senator from Michigan would vote "nay."

I announce further that if present and voting, the Senator from Connecticut [Mr. BENTON], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from North Carolina [Mr. HOEY], the Senator from Minnesota [Mr. HUMPHREY], the Senator from South Carolina [Mr. MAYBANK], and the Senator from Pennsylvania [Mr. MYERS] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia, and on this vote he is paired with the Senator from Rhode Island [Mr. GREEN]. If present and voting the Senator from Michigan would vote "nay," and the Senator from Rhode Island would vote "yea."

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from Maine [Mr. BREWSTER] is detained on official business and is paired with the Senator from Massachusetts [Mr. LODGE] who is necessarily absent. If present and voting the Senator from Maine would vote "nay," and the Senator from Massachusetts would vote "yea."

The result was announced—yeas 60, nays 21, as follows:

YEAS—60

Aiken	Flanders	Johnson, Colo.
Anderson	Fulbright	Johnson, Tex.
Bridges	George	Kefauver
Butler	Gillette	Kerr
Cain	Gurney	Kilgore
Carlson	Hayden	Knowland
Clements	Hendrickson	Leahy
Connally	Hill	Lehman
Donnell	Holland	Long
Douglas	Hunt	Lucas
Ellender	Ives	McCarthy

McFarland	Nixon	Smith, N. C.
McKellar	O'Mahoney	Stennis
McMahon	Pepper	Taft
Magnuson	Robertson	Thomas, Utah
Martin	Russell	Thye
Millikin	Saltonstall	Tobey
Morse	Schoeppel	Tydings
Murray	Smith, Maine	Watkins
Neely	Smith, N. J.	Wiley

NAYS—21

Bricker	Frear	McClellan
Byrd	Hickenlooper	Malone
Capehart	Jenner	Mundt
Chavez	Johnston, S. C.	O'Conor
Cordon	Kem	Wherry
Dworshak	Langer	Williams
Ecton	McCarran	Young

NOT VOTING—15

Benton	Green	Myers
Brewster	Hoey	Sparkman
Chapman	Humphrey	Taylor
Eastland	Lodge	Thomas, Okla.
Ferguson	Maybank	Vandenberg

So the bill (S. 4234) was passed.

Mr. O'CONOR subsequently said: Mr. President, I ask unanimous consent that a statement explanatory of my vote on the Yugoslav bill be printed in the RECORD immediately following the vote on its passage.

The PRESIDING OFFICER. Without objection, it is so ordered.

The statement is as follows:

STATEMENT BY SENATOR O'CONOR

In the light of established facts as to Tito's antagonism to the United States and to the democratic freedoms for which this Nation always has stood, our people have a right to ask—as they are asking—"When are we going to stop giving aid to our enemies; when are we going to cease strengthening those whose announced purpose is to destroy us?"

In my opinion a Communist is a Communist, whether he practices his nefarious creed in Russia, north China, or in Yugoslavia. Their ultimate objective is to destroy our way of life, which is the only barrier to their quest for world supremacy.

I am not unmindful of the new doctrine which the State Department is espousing at the moment, that Tito is going to help save us from Russia, if we, in turn, will keep him from being driven out of his Communist dictatorship. But, like so many of my fellow citizens, I am becoming somewhat disillusioned about the chances of winning avowed Communists to our side. The glaring evidence of Communist solidarity against western aims for peace is vividly before us in Korea. We were going to wean the Chinese Communists away from their motherland, Russia, by kindness, but, instead, the United States helped to make possible their recent conquest of the mainland and their aggression in Korea, and has paved the way to a possible show-down struggle between the east and west by supplying them with many of the vital supplies they needed to prepare them for war against us.

Are we going to make the same blunder again, by strengthening Tito just when nature and the accumulated results of his diabolic rule were threatening to bring about his downfall?

Has Tito proven his friendship for the United States? In the light of Moscow's oft-demonstrated policy of double-dealing and hypocrisy, of lying and deceit, can anyone be reasonably sure that Tito's protestation of enmity toward the Soviet is genuine, and not simply another of the devious deceptions for which Moscow is so well known?

Yugoslavia, under Tito, has violated, time and time again, every principle of justice and humanity in its dealings with minority groups within its own borders. To question any of the unjust practices of Tito's totalitarian regime has been to invite death or banishment; even to question the morality of the most vicious acts of violence against members of racial or religious groups has been an open invitation to disaster. Many of Yugoslavia's leading patriots and finest citizens have faced the firing squad, or are undergoing the living death of forced labor, because they could not approve the injustices upon which their dictator depends to rule.

Tito has vented his rancor against America on many occasions. His underlings rarely have missed an opportunity to express their scorn of all things American in their treatment of United States nationals, and in their replies to official United States protest. Their shooting down American flyers, 2 years after the war's end, in two separate attacks, killing five of our aviators, at the very time when American help was being given generously to aid Yugoslavia's hungry people, was an instance of their supreme contempt for their benefactors.

What of the vicious facts of Tito's dictatorship and of the thousands of members of Yugoslav religious groups, Orthodox, Protestant, Catholic, and Jewish, whose persecution and sufferings have shocked the world since Tito's accession to power? Civilization was aghast at the farcical trial of Archbishop Aloysius Stepinac, a patriot who had won highest military honors in the army of his native land, and whose heroic resistance first to Nazi intolerance and later to Tito's ruthlessness knew no boundaries of color, or race, or creed. But Archbishop Stepinac was only one of 1,500 Yugoslav priests who were killed, imprisoned, or exiled—only one of 400,000 members of his faith in Croatia alone who have given their lives because they would not bow to Tito's will.

That our memories may be refreshed as to the type of government and type of dictator-ruler to whom we are now being asked to supply additional aid, I will take but a moment to quote very briefly excerpts from statements and editorials, the truth of which has not been controverted by any later developments in Tito's regime.

Winston Churchill advised the British House of Commons on November 1, 1946, and I quote: "Conditions in Yugoslavia are sinister and melancholic. The whole country is being as far as possible converted into a Communist area. Communism is being taught in schools and every effort is being made to create a Soviet Socialist Republic."

The New York Times in an editorial declared in condemning the trial of Archbishop Aloysius Stepinac: "The Communist dictatorship will not tolerate among the masses any influence it cannot digest and use for its nutriment. It will acknowledge no control over men's minds other than its own."

Again the New York Times declared editorially: "The Croat prelate's trial and conviction violates Yugoslavia's pledge to the United Nations to respect human rights and fundamental freedoms for all without distinction as to race, sex, language, or religion."

In resigning as Yugoslav consul in New Orleans Basil S. Rusovitch declared: "I no longer feel that I can belong to such a mockery of government. * * * My decision was prompted by the unjust trial and execution of Gen. Drazha Mihailovitch, the killing of American pilots over Yugoslavia, and finally the infamous trial of Archbishop Stepinac, an innocent man, beloved in Yugoslavia."

The quotations could go on indefinitely, but brief as they are, they emphasize the infamous character of the man and the regime we now are asked to help keep in power.

As indicative of the outraged feelings of our countrymen with regard to the wanton killing by Yugoslav flyers of our airmen who were forced off their course by bad weather I quote from the New York Times of Tuesday, September 10, 1946, the refusal of members of the International Longshoremen's Association, A. F. of L., to continue loading relief supplies aboard a ship bound for Yugoslavia. The president of the longshoremen's association, Joseph P. Ryan, declared at that time that no members of the union would load any ships with relief supplies for Yugoslavia, "until proper action was taken against those who were responsible for shooting down our planes in Yugoslavia, which caused the death of our airmen."

It is interesting also to note the authenticated reports that UNRRA vehicles were used by Yugoslav Communist youth groups to carry out their program of intimidation against religious groups in their country.

As further evidence of the type of injustices dealt out by Tito to his own subjects I have just been advised by a well-informed citizen of Maryland, that her aged aunt and uncle in Yugoslavia have had to serve 30 days each in jail because they were unable to furnish the Yugoslav Government with their quota of grain.

They could not raise their normal amount of grain because of the drought. Tito's agents refused to accept such an explanation even at the very time that their government was appealing to Washington for increased assistance because of the very drought which had prevented these poor people from meeting their commitments to the government.

I am informed likewise that this is not the only incident of its kind—rather the practice was general of requiring the poor farmers to serve time, pay fines, or give up their cows and other stock in lieu of their alloted quota of grain.

In the face of all these facts I cannot in good conscience vote to supply money exacted from the American taxpayers to a nation which is committed to communism and therefore to the destruction of freedom and liberty throughout the world.

Mr. LANGER subsequently said: Mr. President, I ask unanimous consent that I may be permitted to insert in the body of the RECORD tomorrow an explanation of my vote against the bill providing aid for Yugoslavia.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

EXTENSION OF RENT CONTROL IN THE DISTRICT OF COLUMBIA

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of Senate Joint Resolution 209, Calendar 258, and I ask the clerk to state the joint resolution by title.

The PRESIDING OFFICER. The joint resolution will be stated by title for the information of the Senate.

The CHIEF CLERK. A joint resolution (S. J. Res. 209) to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended.

Mr. LUCAS. I may say that if there is no serious objection to the joint resolution—and I understand that there is not—we may pass it yet this evening.

Mr. WHERRY. Mr. President, will the distinguished majority leader yield?

Mr. LUCAS. I yield.

Mr. WHERRY. Earlier in the day the distinguished Senator from West Virginia [Mr. NEELY]——

The PRESIDING OFFICER. The motion has not yet been put.

Mr. WHERRY. I understand.

Mr. LUCAS. I merely moved that the Senate proceed to consider the Senate Joint Resolution 209.

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The PRESIDING OFFICER. The question is on the motion of the Senator from Illinois.

Mr. WHERRY. Mr. President, I stated earlier to the distinguished Senator from West Virginia that I should like to have him withhold the request for the consideration of the joint resolution until some Senators who were particularly interested in it could be present in the Chamber. They are now present. Therefore, so far as the minority leader is concerned, there is no objection.

Mr. LUCAS. Mr. President, I ask that my motion be put.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

The motion was agreed to; and the Senate proceeded to consider the joint resolution (S. J. Res. 209) to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended, which had been reported from the Committee on the District of Columbia with an amendment, after line 7, to strike out down to the end of the bill, as follows:

SEC. 2. (a) Subsection (3) (b) of section 2 of such act, as amended, is amended to read as follows:

"(b) Any housing accommodations the construction of which was completed after March 31, 1948;".

(b) Subsection (4) of section 2 of such act is repealed.

SEC. 3. Section 2 of such act, as amended, is amended by adding at the end thereof the following new subsections:

"(6) Notwithstanding any other provision of this act, the maximum rent chargeable for any housing accommodations which on or before June 24, 1950, were self-contained family units located in hotels (as defined by regulations issued by the Administrator) or which now are such self-contained family units located in hotels shall be (1) the rental rate prevailing for such accommodations on June 24, 1950, or (2) if not rented on June 24, 1950, the rental rate prevailing for comparable housing accommodations; subject to such adjustment as may be made pursuant to sections 3 and 4.

"(7) Any additional housing accommodations, created by conversion after March 31, 1948, and any housing accommodations created by conversion resulting in additional self-contained family units after May 1, 1949, shall continue to be housing accommodations subject to maximum rent ceilings and minimum service standards: *Provided*, That the rent first charged by contract between the landlord and tenant for additional housing accommodations created by conversion after March 31, 1948, or conversions resulting in additional self-contained family units created after May 1, 1949, shall be deemed to be the maximum rent ceiling until the Administrator shall determine an appropriate rent for the same. In making this determination the Administrator may consider costs of materials and labor used in bringing such housing accommodations into existence, and he may issue any necessary regulations and general orders to effectuate the administration of the above provisions."

SEC. 4. This act shall take effect on the first day of the first calendar month following the month in which it is enacted.

Mr. LUCAS. Mr. President, if Senators desire to discuss the District of Columbia rent control joint resolution, I have no objection to postponing its further consideration until tomorrow. I made the suggestion a moment ago that we might conclude consideration of the joint resolution tonight, in view of the fact that the Senator from West Virginia understood, after discussions with various Senators, that there was a probability that we might pass it tonight. I am not trying to hurry Senators.

Mr. WHERRY. I am quite satisfied that there are some Senators who would like to say a word briefly, and that there will be no opposition to the joint resolution.

Mr. LUCAS. I yield the floor.

Mr. NEELY. Mr. President, the sole purpose of the joint resolution is to extend the present rent-control law of the District of Columbia until the 28th day of February. It was unanimously approved by the District Committee.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. NEELY. I yield.

Mr. LANGER. Exactly what does the joint resolution do?

Mr. NEELY. It merely extends the law enacted during the last session of Congress until the 28th day of February.

Mr. LANGER. As I understand, it deals with rent control.

Mr. NEELY. For the District of Columbia only.

Mr. CAIN. Mr. President, will the Senator yield for one question?

Mr. NEELY. I yield.

Mr. CAIN. Does the joint resolution to extend until the 28th day of February Federal rent control for the District of Columbia change in any way whatever the law under which rent controls are being administered in the District today?

Mr. NEELY. Not even to the dotting of an "i" or the crossing of a "t."

Mr. CAIN. As the Senator well knows, the Senator from Washington voted against the present rent-control law for the District of Columbia.

Mr. NEELY. That is true.

Mr. CAIN. I therefore feel constrained to vote against the measure which is now the pending business. However, the Senator from Washington has no intention of arguing the question at this time, in view of what the Senator from West Virginia has just said.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. WHERRY. Mr. President, how long would rent control be extended under the joint resolution?

Mr. NEELY. Until the 28th day of February. However, there is an amendment, offered by the Senator from Wyoming [Mr. HUNT] to extend control in the District until the 31st day of March in conformity with the general law.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. NEELY. Mr. President, I move the adoption of the amendment.

The amendment was agreed to.

Mr. NEELY. There is another amendment proposed by the Senator from Wyoming [Mr. HUNT].

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 1, line 6, after the word "thereof", it is proposed to strike out "February 28," and insert in lieu thereof "March 31."

Mr. NEELY. I move the adoption of that amendment.

The amendment was agreed to.

The PRESIDING OFFICER. Are there further amendments to be offered? If not, the question is on the engrossment and third reading of the joint resolution.

The joint resolution (S. J. Res. 209) was ordered to be engrossed for a third reading, read the third time, and passed as follows:

Resolved, etc., That section 1 (b) of the District of Columbia Emergency Rent Act, as amended (D. C. Code, 1940 ed., sec. 45-1601 (b)), is hereby amended by striking out "January 31, 1951" and inserting in lieu thereof "March 31, 1951."

COMMITTEE SERVICE

Mr. LUCAS. Mr. President, the steering committee of the majority has discussed the question of the assignment of committee memberships to the Senator from Kentucky [Mr. CLEMENTS] and the Senator from North Carolina [Mr. SMITH]. We have agreed temporarily to assign both Senators to the Committee on the Judiciary and the Committee on Rules. The Senator from North Carolina [Mr. SMITH] will take the same two positions our former colleague, Senator Graham, occupied, and the Senator from Kentucky [Mr. CLEMENTS] will take the same two positions the Senator from Kentucky, Mr. Withers, our former colleague, occupied.

Mr. President, I send to the desk an order and ask that it be read.

The PRESIDING OFFICER. The order will be read.

The order was read, as follows:

Ordered, That Mr. CLEMENTS, of Kentucky, and Mr. SMITH of North Carolina be assigned to service on the Committee on the Judiciary and the Committee on Rules and Administration.

Mr. LUCAS. Mr. President, one word before the Chair puts the order before the Senate. It is definitely understood by members of the steering committee on the majority side, as well as the two Senators who are receiving these assignments, that the assignments are temporary only, and that the new steering committee which will be named in January will then reconsider the assignments, because it could be possible that older Members, who have seniority rights, may make request for these positions. I merely state that for the RECORD so that the Senators who are receiving the appointments will be under no misapprehension as to the position of the steering committee of the majority.

The PRESIDING OFFICER. Is there objection to the present consideration of the order?

The order was considered and agreed to.

PREVENTION OF CORPORATIONS FROM ACQUIRING ANOTHER CORPORATION BY MEANS OF ACQUISITION OF ITS ASSETS

Mr. AIKEN obtained the floor.

Mr. LUCAS. Mr. President, I move that the Senate proceed to the consideration of House bill 2734, Calendar No. 1777, an act to amend an act entitled

"An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

The PRESIDING OFFICER. The Chair understood that the Senator from Illinois had yielded the floor, and the Chair recognized the Senator from Vermont.

Mr. AIKEN. Mr. President, I have no objection to the bill being taken up for consideration, so long as it does not jeopardize my rights to the floor.

Mr. WHERRY. Mr. President, many Members have left the floor. The Senator from Illinois has now moved that a bill be taken up for consideration. I am in favor of the bill and I think it should be considered. I doubt if there is going to be any controversy about the bill. Why cannot it be made the unfinished business, and a vote be taken on it tomorrow when the Senate reconvenes.

Mr. LUCAS. I should like to have the bill made the unfinished business. If any Senator should object tomorrow, I shall be glad to have the vote by which it was made the unfinished business reconsidered.

Mr. WHERRY. I do not think objection will be made then, but it is too late now to obtain a quorum in an endeavor to pass the bill.

Mr. LUCAS. It is not my purpose to have the bill passed today. My purpose is merely to have the bill taken up and made the unfinished business.

Mr. WHERRY. I agree to that.

The PRESIDING OFFICER. The question is on the motion of the Senator from Illinois that the Senate proceed to the consideration of House bill 2734. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended, which had been reported from the Committee on the Judiciary with amendments.

PROPOSAL NO COMMITMENTS BE MADE WITH BRITAIN WHICH ARE NOT SUBJECT TO SENATE REVIEW IN TREATY FORM

Mr. HENDRICKSON. Mr. President, will the Senator from Vermont yield to me?

Mr. AIKEN. I yield.

Mr. HENDRICKSON. Mr. President, as a cosponsor of Senate Resolution 371 I have been very much encouraged by the wholesome acclaim which it is receiving in many quarters. It is crystal clear from the praise it is receiving, that the people of America are alert to the dangers which confront them and are prepared to demand of their Government a full and complete accounting of the Nation's needs, particularly as those needs are to be affected in the future by commitments abroad.

In the Thursday issue—December 7—of the New York World-Telegram, there appeared an editorial entitled "The People's Voice," which was both timely and ably written.

In the light of the fact that we of the Senate of the United States will shortly be given the opportunity to support Senate Resolution 371 I cannot recommend too strongly a careful reading of this editorial on the part of every single Member of this body. That it may be made immediately available for that purpose, I ask unanimous consent that it be incorporated in the body of the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

THE PEOPLE'S VOICE

A resolution introduced by 20 Republican Senators cautions President Truman to undertake no commitments with Britain which are not subject to Senate review in treaty form. This is a proper assertion of the Senate's rights to a voice in the conduct of foreign relations.

During World War II President Roosevelt drifted into the bad habit of negotiating with other governments on a personal basis in a manner certainly never contemplated by the Constitution. He not only neglected to seek the advice and consent of the Senate, but he also often bypassed his own State Department as well.

The agreements made at Cairo, Tehran, Yalta, and Potsdam included political commitments which were in no sense essential to conduct of the war and were clear evasions of the Senate's right to share the treaty-making power with the President.

This secret diplomacy has continued to operate since the war, to the practical exclusion of Congress, particularly in the Far East.

Senator CAIN, of Washington, one of the sponsors of the resolution, has asked for an immediate balance sheet showing what contributions of manpower and resources are to be made by our Allies to the common defense effort. He urges the rearming of Germany and Japan, and the inclusion of Turkey, Greece, Spain, and, if possible, Sweden, in the North Atlantic Pact.

Most of these things suggest themselves to the average citizen. We are losing a war. Strong measures must be taken to avert catastrophe.

We may be dealing with a question of life or death and in a representative democracy the people have a right to know what is going on. Then, if they are not satisfied with the measures being taken, they can suggest alternatives.

If the President expects to have public confidence, he must take the people into his confidence and conduct our international relations in the manner provided by the supreme law of the land.

THE ST. LAWRENCE SEAWAY

Mr. AIKEN. Mr. President, I wish to take a few minutes to discuss a matter which is of great importance.

The current issue of Fortune magazine contains an article entitled "Battle of the St. Lawrence" by Mr. Freeman Lincoln.

In publishing this story, Fortune has rendered a real service to the country and has shown courage and independence in the best tradition of a free press.

I commend this article to my colleagues as an excellent and accurate presentation of the case for the St. Lawrence seaway.

It points out a fact which many supporters of the St. Lawrence development have known for a long time—that the eastern railroads and utilities have been primarily responsible for the delay and the obstruction in developing this greatest all North American resources.

The source of this obstruction centers with certain financial and utility interests in a few eastern cities, principally Boston, Baltimore, and New York.

It does not suffice to point out to these interests that they would not be adversely affected by the development of the St. Lawrence Basin.

They are simply afraid of any change in the economic development of northeastern United States and Canada and their fears prompt them to resort to almost any means in their program of obstruction.

This article in Fortune magazine, which I wish that all Members of Congress would read, points out clearly the stake which the American people have in the development not only of our own resources but of Canadian resources as well.

I come from a State that is a next door neighbor to Canada.

We in Vermont have a keen appreciation of the importance of Canada to the welfare and security of the United States.

The international developments of the last few days have demonstrated clearly that when fighting is to be done and when material is needed for the defense of a free world, the North American Continent in the final analysis must supply the means.

A strong Canada is essential to the safety of our own country.

Mr. President, in the Niagara and St. Lawrence Rivers, there is today 9,000,000 horsepower of electricity going to waste. Two million of this horsepower belongs to the United States and 7,000,000 to Canada.

This 9,000,000 horsepower of electricity now going to waste is the equivalent of the human labor of 135,000,000 Chinese coolies.

If our boys are to fight in the Far East or anywhere else in the world, they are going to need those God-given horsepower behind them back home.

Canada and northeastern United States are desperately short of electrical energy needed for defense purposes.

A few days ago, limitations were put upon the use of copper because of inadequate supply.

Shortages of sulfur are beginning to appear also.

In my State of Vermont, there are enormous deposits of copper, but the production today is restricted to 8,000,000 pounds a year, and the byproducts of sulfur and iron to be found in the waste from the mine cannot be recovered at all because electrical energy is not available.

Yet, Mr. President, these great deposits of minerals so essential to the security of America are figuratively within a stone's throw of the millions of horsepower going to waste on the St. Lawrence River.

A few days ago, our Government contracted with the Aluminum Co. of America for a large amount of aluminum to be produced at the Alcoa plant at Massena, N. Y. This is the site of the contemplated Canadian-American dam on the St. Lawrence River. The power to

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produce this aluminum must be produced outside the area and transmitted several hundred miles to the aluminum plant at Massena.

In its contract with Alcoa, the Government provides that all the cost of electrical energy above 5 mills per kilowatt-hour will be added to the contract price of the aluminum. Since it requires 10 kilowatt-hours of electricity to produce a pound of aluminum, this means that the product of the Alcoa Massena plant will cost the United States not less than 5 to 6 cents a pound above the contract price because the development of the power in the St. Lawrence River has been blocked.

We have in Vermont, also, large deposits of asbestos—another strategic material—and are today supplying 8 percent of the Nation's needs. The other 92 percent is imported.

There is no question but that the development of an adequate supply of low-cost power on the St. Lawrence would add immensely to our national security through enabling us to produce greater quantities of critical materials.

No less critical than the power shortage in northeastern United States and Canada is the desperate need for the improvement of navigation on the St. Lawrence River.

The great Midwest steel industry is threatened today because of the rapid depletion of high-grade iron ore; yet the almost unlimited quantities of high-grade ore discovered in Labrador could be made available to the steel plants of Buffalo, Cleveland, Gary, Chicago, and other Great Lakes steel centers if we were able to transport this ore up the St. Lawrence River to where it is needed.

Unless a new source of iron ore is made available, the midwest industries and agriculture will have to pay much higher prices for steel in the future, while the industry itself will be driven to the sea coast, where it will be exposed to enemy action of all kinds in the event of war.

Nor can we depend on offshore sources of supply of iron ore at all in case of a war emergency.

We shall need the St. Lawrence seaway to keep our supply lines protected from enemy action.

Furthermore, Canada will be our main reliance not only for iron ore, but for titanium, uranium, nickel, and many other products needed to manufacture the implements of defense.

For 5 years since World War II, we have poured billions upon billions of dollars into Western Europe and the Far East to build power plants and navigation works on the Rhone, the Rhine, and other rivers, and to build factories and industrial plants for other countries all over the world. Some of my friends who oppose the St. Lawrence have strongly supported such expenditures.

But, in the final analysis, we will find that when sacrifices are to be made and fighting is to be done and material is to be supplied, we will have to do the job largely with Canadian help.

I call upon my colleagues in this Senate to reconsider their opposition to the development of the Great Lakes-St. Lawrence waterway; and I call upon the financial and utility interests of our eastern seaboard to brush aside the mist which has obscured their vision, to forget their self-interest, and to support the needs of their country in this crucial hour.

EXECUTIVE SESSION

Mr. JOHNSTON of South Carolina. Mr. President, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Holmes Baldridge, of Oklahoma, to be an Assistant Attorney General; and

Leonard R. Carpenter, of Nevada, to be United States marshal for the district of Nevada, vice Edward M. Ranson, resigned.

By Mr. GEORGE, from the Committee on Finance:

Albert H. Kleffman, of Hibbing, Minn., to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn., in place of Viena P. Johnson; and

H. Tucker Gratz, of Honolulu, T. H., to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, T. H.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

DEPARTMENT OF DEFENSE—NOMINATION PASSED OVER

The legislative clerk read the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense.

Mr. JOHNSTON of South Carolina. Mr. President, that nomination is to be passed over.

Mr. MORSE. Mr. President, the Armed Services Committee is holding hearings on the nomination. I ask that it be passed over.

The PRESIDING OFFICER. The nomination is passed over.

DIPLOMATIC AND FOREIGN SERVICE

The legislative clerk read the nomination of Sidney H. Browne, of New Jersey, to be a consul general of the United States of America.

The PRESIDING OFFICER. On a previous day objection was made to that nomination.

Mr. JOHNSTON of South Carolina. Mr. President, all objection to this nomination has been withdrawn, as I understand.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination?

Mr. MORSE. Mr. President, with the understanding that objection has been withdrawn——

Mr. JOHNSTON of South Carolina. That is the information I have. If it is not correct, I should not want the nomination confirmed.

Mr. MORSE. Mr. President, with the understanding that the objection is withdrawn and that the nomination will not be reported to the White House until two more executive sessions have been had, anyway, I raise no objection.

Mr. JOHNSTON of South Carolina. That is perfectly agreeable.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the calendar.

RECESS

Mr. JOHNSTON of South Carolina. As in legislative session, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 40 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, December 12, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 11 (legislative day of November 27), 1950:

DEPARTMENT OF THE NAVY

BUREAU OF SHIPS

Rear Adm. Homer N. Wallin, United States Navy, to be Chief of the Bureau of Ships in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

IN THE NAVY

The following-named (naval ROTC) to be ensigns in the Navy, from the 5th day of June 1951:

Allen E. Alman	Lawrence C. Lander III
Jack H. Anderson	Edwin A. McLean
Robert T. Billington	Bruce R. McCullough
Robert W. Blodgett	Charles D. Mendenhall
Robert L. Boonstra	Russell H. Miles, Jr.
Daniel M. Branigan	Albert C. Mitchell
Frank S. Dennis	James W. Murray
Gerald W. Fauth, Jr.	Loren A. Norden
Kenneth Fox	Maurice T. Ross
Robert N. Gray	Harry M. Sumner
Arthur S. Grenell	Russell W. VanDore, Jr.
William A. Henshaw	Leonard T. Weinstein
Albert M. Hunt	Clinton C. Williams
Donald L. Keach	

The following-named (naval R. O. T. C.) to be ensigns in the Supply Corps of the Navy, from the 5th day of June 1951:

Richard G. Gresla	Duane C. Neuchterlein
William S. Gripman	Floyd O. Stroup

The following-named women (civilian college graduates) to be ensigns in the Navy:

Nancy J. Ardiff	Lorraine Kraff
Margaret L. Bristol	Mary L. McCarty
Elizabeth E. Bryan	Fran McKee
Allyne Burns	Patricia E. J. Moore
Margaret Caldwell	Norma F. Parlin
Marian A. Campbell	Mary C. Pettit
Dorothy I. Clark	Catherine L. Rutherford
Dorothy J. Cralle	
Gladys D. Duffy	Mary F. Saunders
Marie K. Elsen	Anne P. Smith
Lauraine A. Freethy	Margaret N. Spangler
Norma J. Gray	Mary E. Sturges
Betty J. Grimes	Faith E. Walters
Dolores L. Hanan	Mary E. Wood
Betty L. Harrah	

Mary S. Read, woman (civilian college graduate) to be an ensign in the Supply Corps of the Navy.

The following-named officers of the Navy for temporary appointment to the grades and corps indicated, subject to qualification therefor as provided by law:

To the grade of captain:

MEDICAL CORPS

Armstrong, Theodore H.
Austin, Theodore R.
Bennett, Thomas W.
Blood, Russell H.
Brown, John J.
Callaway, Raymond R.
Carmody, Robert F.
Davis, George H.
Eberhart, John J.
Flannery, John L.
Hantover, Matthew J.
Hoxie, Derrick A.
Keim, Silas A.
Kirby, Dunne W.
Macklin, Martin T.
McMullin, John F.
New, William N.
Philbrook, Frank R.
Potter, Leo E.
Rickard, Harold J.
Simons, Robert B.
Swanson, Eldon C.
Wangelin, Evans H.
Winter, Sherl J.
Zikmund, Anton

SUPPLY CORPS

Boundy, Charles M.
Carlson, Arnold J.
DeWitt, John C.
Graves, Harry C.
Herlihy, Thomas C.
Keithley, Charles L.
Kinzie, Frederick A.
Kretz, Charles H., Jr.
Montgomery, Thomas J.
Moring, William E.
Risser, Francis B.
Smith, Lawrence
Tieslau, Bernhard
Witzel, Frederick D.
Wright, Walter R.

DENTAL CORPS

Bates, Ralph
Broesamle, Kenneth M.
Brown, Stanley W.
Canon, Rush L.
Crowe, Walter W.
Daniel, Lewis H.
Dempsey, James J.
Denen, Harry E.
Faubion, Bernard H.
Flaherty, John J.
Fowler, William M.
Frechette, Arthur R.
Holubek, Edward J.
Jeffreys, Frank E.
Kasper, Stephen T.
Koepke, Reimers D.
Kyes, Frank M.
Oesterling, Benjamin W.
Parke, Gerald L.
Parker, Joseph L.
Paul, John H.
Pollard, Eric G. F.
Redden, Richard F.
Sault, Jack H.
Schlack, Carl A.
Schnell, Paul A.
Shaver, Galen R.
Smith, William A.
Smylie, Lewis M.
Snyder, Robert S., Jr.
Snyder, William H.
Turner, Kenneth O.

CHAPLAIN CORPS

Bishop, Roy E.
Martin, Alvo O.

To the grade of commander:

MEDICAL CORPS

Balkus, Vincent A.
Connor, Joseph J.
Errion, Arthur R.
Florence, Quentin J.
McMahon, Francis J.
Rieder, John J.
Schiff, Maurice
Small, Milton M.
Trenton, John W.
Von Fraenkel, Philip H.
Whitehouse, Scott

SUPPLY CORPS

Aldrich, John K.
Algire, Kent D.
Ball, Stuart M.
Barnett, Austin H., Jr.
Batchelder, Joseph H.
Blackman, Harold H.
Bloxom, Elliott
Brown, Richard G.
Cain, Thomas C., Jr.
Callison, Gordon M.
Clark, Robert L., Jr.
Coleman, Fred
Cone, Daniel G.
Conner, Perry C.
Covell, Leon C., Jr.
Cross, Sydney E.
Desrosier, Arthur E.
Disher, Robert C.
Dollard, John T.
Eicher, Ronald
Ellis, William D.
Fowler, Marion V.
Fraser, Oliver W., Jr.
Freeborn, Stanley B., Jr.
Granston, Robert W.
Gregory, Robert J.
Harris, Virgil J., Jr.
Hartzell, Ivan C.
Harvey, William F., Jr.
Heffner, Grover C.
Henneberger, Josiah B.
Hetler, John C.
Hirst, John W.
Hobgood, William W.
Hobbs, Junius P.
Hoffman, Lloyd K.
Hoos, Selden S.
Hughes, James T.
Hunter, Bennett H.
Jeffery, Kenneth L., Jr.
Kettler, Jacob H.
Kingman, Edward R.
Leasure, Shelby C., Jr.
Lee, Stephen B.
LeForge, Louis W., Jr.
Leonard, William J.
Lytle, James K., Jr.
Malcolm, Everett A.
Mansell, Paul L., Jr.
Mansfield, Frederick M.
Mellon, Hugh R.
Merrill, Russell O.
Mims, William F.
McClure, Julian W.
McComish, Daniel R.
McCrone, Andrew M.
Nettles, Jack E.
Nielsen, William C.
North, William J.
O'Leary, John P.
Paist, John B., Jr.
Parker, James W.
Parker, Stanley D.
Pollich, Gardiner T.
Porter, Ross A.
Quinn, Charles M., Jr.
Rapp, William A., Jr.
Raymond, Carl A., Jr.
Rice, Earl G., Jr.
Rieseberg, Robert W.
Rieve, Roland
Rollings, Phillip A.
Ross, William H.
Rossell, William T., Jr.
Roszel, Joseph R.
Sauer, Ralph W.
Shea, John J.
Shea, Joseph M.
Shepard, Ralph L.
Smith, George C.
Snyder, Joseph C.
Snyder, Millard C.
Spore, James S.
Sullivan, John D.
Thiele, Homer C.
Thompson, Wendell C.
Vaughn, Roger C.
Wallgren, Ollo V., Jr.
Warner, John B., Jr.
Watts, Thomas C.
Wuest, Robert J.
Zimet, Stanford F.

CIVIL ENGINEER CORPS

Barnett, Thomas E.
Cocke, Thomas P.
Cooke, Frederick A. F.
Forbess, Ordis E.
Herring, Ingram L.
McLellon, Waldron M.
Merdinger, Charles J.
Neumann, Arthur C.
Norcross, William E.
Pinkerton, Richard D.
Rait, Donald M.
Raymond, John M., Jr.
Saunders, Louis N., Jr.
Seeboth, Albert J.
Smith, Irwin M.
Stamp, Thomas L.
Thomas, Robert E., Jr.
Updegrove, Jacob W.
Wooding, Robert R.
Yankey, William R.

CHAPLAIN CORPS

Buckingham, Herbert W.
Hewitt, Fenelon D., Jr.
Jones, Glyn
Reed, Aln R.
Shears, Sidney H.

DENTAL CORPS

Bernard, Damon E.
Brandon, William C., Jr.
Carney, Bruce H.
Collins, Robert S.
Combs, Oscar A.
Couvillon, Wade E., Jr.
Crolius, William E., Jr.
Dobson, David P.
Felcyn, Walter V.
Gallagher, Walter N.
Gargiulo, Edward A. H.
Graves, Raymond J.
Grysbeck, Joseph R.
Gullett, William I.
Hill, David A.
Hodge, Ferris G.
Jakubs, Stanley
Kops, Eugene J.
Lang, Paul G.
Leberman, Odin F.
Levitz, Oliver S.
Madden, Edwin J.
Miller, Charles W.
Murff, Clarence Y., Jr.
McInturff, Allen L.
Pepper, John W., Jr.
Ralston, Harold J.
Reader, James C.
Riney, Lyman H.
Rusk, William S.
Scola, Francis P.
Superko, Harold R.
Towle, Herbert J., Jr.
Weaver, Walter A.
White, Dan B.

MEDICAL SERVICE CORPS

Boles, Claude L.
Chambers, Francis W., Jr.

NURSE CORPS

Bernatitus, Ann A.
Richards, Erma A.
Smith, Kathleen F.
Terrill, Mildred

The following-named officers of the Naval Reserve for temporary appointment to the grades and corps indicated, subject to qualification therefor as provided by law:

To the grade of captain:

MEDICAL CORPS

Feldman, Samuel R.
Lentz, Edmund T.
Porterfield, Marvin H.
Thomas, Robert L.
Vieira, Edwin
Wyman, John F.

To the grade of commander:

MEDICAL CORPS

Clein, Norman W.
DeLaney, Allen Y.
Kinsey, Jack L.
Meadows, Henry H., Jr.
Miano, Benedict D. A.
Rowe, Winston J.
Smith, Herman J.

SUPPLY CORPS

Bacon, John F.
Betterton, Rexford L.
Bouque, Roy L.
Burrage, Leonard F. III
Curry, Frederick C.
Ellison, James F.
Fenske, Theodore H.
Fox, Arthur T. L.
Johnstone, Frederick E.
McLendon, John B.
Nemeth, Jack
Oliver, Robert W.
Symmes, Harrison C.

CIVIL ENGINEER CORPS

Benson, James I.
Lawlor, Jerome N.

CHAPLAIN CORPS

Ehrlacher, Gordian V.
Faye, Edwin N., Jr.
Kelly, Francis W.
Tindall, Ray C.

DENTAL CORPS

Hughes, John J. K.
Turner, William E.

MEDICAL SERVICE CORPS

Siegel, Jacob

CONFIRMATION

Executive nomination confirmed by the Senate December 11 (legislative day of November 27), 1950:

DIPLOMATIC AND FOREIGN SERVICE

Sidney H. Browne, of New Jersey, to be a consul general of the United States of America.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 11, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou great God, our Father, we have entered upon a new day challenged by tasks which are far beyond our own wisdom and strength and far larger than all party differences. Give us now a clearer vision of high and helpful things that we may do together.

We pray that Thou wilt make us more radiantly sure of Thyself and may we not lose the sense of Thy presence as we face our duties and responsibilities.

Thou knowest how frequently our minds and hearts are assailed with moods of doubt and despair, of futility and frustration. May we never accept the verdict of these low moments or take counsel with our fears.

Help us to affirm more earnestly the great divine certainties. Show us how we may have our life oriented in Thee and find the secret of peace for ourselves and the whole world.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Friday, December 8, 1950, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had

Ordered, That the Senator from Vermont [Mr. FLANDERS] be excused as conferee on the joint resolution (S. J. Res. 207) entitled "Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended"; and the Senator from Ohio [Mr. BRICKER] be appointed in his stead.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 207) entitled "Joint resolution to continue for a temporary

period certain provisions of the Housing and Rent Act of 1947, as amended."

RESIGNATION FROM AND APPOINTMENT TO COMMITTEE

The SPEAKER laid before the House the following resignation from a committee:

Hon. SAM RAYBURN,
Speaker, United States House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby respectfully tender my resignation as a member of the Post Office and Civil Service Committee of the House of Representatives, the same to become effective immediately.

With good wishes, I am,
Respectfully,

F. ERTEL CARLYLE.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

Mr. DOUGHTON. Mr. Speaker, I offer a resolution (H. Res. 879) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That F. ERTEL CARLYLE, of North Carolina, be and he is hereby elected a member of the standing Committee of the House of Representatives on Interstate and Foreign Commerce.

The resolution was agreed to.

A motion to reconsider was laid on the table.

FOOD PRICES

Mr. GROSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Speaker, yesterday's newspapers report retail food prices jumped 2 percent in the last 2 weeks of November.

These newspapers quote administration officials as saying they are powerless to do anything about rocketing retail food prices because of a provision in the Defense Production Act which says price ceilings on food must reflect parity prices to farmers.

What attempts have these Government officials made to determine whether prices paid by consumers should reflect parity prices to farmers; whether there is an unconscionable price spread between the farmer-producer and the consumer?

If, as stated, 14 major farm products still are selling below parity, then who is gouging who?

Let it be remembered that Alan Valentine, President Truman's Economic Stabilization Administrator, is also a director of the Freeport Sulphur Co. which recently boosted the price of that war essential commodity 22 percent.

It is about time Government officials quit flimflamming the public and display the courage and intelligence to deal with the facts of life or resign and get out.

DISMANTLING OF GERMAN STEEL PLANTS

Mrs. ST. GEORGE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from New York?

There was no objection.

Mrs. ST. GEORGE. Mr. Speaker, I have spoken before and I am going to continue to speak, I am afraid, on the question of the dismantling of the steel plants in Germany. I have here a report which has just been published in the New York Times, which can scarcely be accused of being in any way pro-German. They criticize very severely the dismantling of a plant at Salzgitter, where both aluminum and steel have been made for years. This plant produced over 400,000 tons of steel before the end of the war. It is now dismantled, and produces 19,000 tons. Unemployment is waxing heavier and heavier in this region. We, the American taxpayers, are having to feed these people and take care of these unemployed. They are now sending 3,000 of their children on what are known as free holidays into the Russian zone. These children are returning to their embittered parents fully indoctrinated with the Communist philosophy.

CONSTANTINO BRUMIDI

Mrs. BOLTON of Ohio. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include the remarks I made last evening at a dinner given in honor of Dr. Myrtle Cheney Murdock, wife of our distinguished colleague from Arizona [Mr. MURDOCK] whose beautiful book on Constantino Brumidi, artist of the Capitol, called the Michelangelo of the Capitol, goes into the book stores today; and I further ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Ohio?

There was no objection.

Mrs. BOLTON of Ohio. Mr. Speaker, it was my privilege last evening to attend a dinner at the National Democratic Women's Club honoring Dr. Myrtle Cheney Murdock, the talented and very charming wife of the distinguished gentleman from Arizona [Mr. MURDOCK], whose beautiful book on Constantino Brumidi goes into the book stores today.

There were present many distinguished people, including, of course, Senator and Mrs. McFarland, of Arizona; Congressman and Mrs. Patten, and Mrs. Wiley, president of the Chevy Chase Penwomen's League of which Dr. Murdock is a member. The wife of the Italian Ambassador was present in his absence in Italy and spoke delightfully. The wife of the air attaché, Signora Cigerza accompanied Signora Tarchiani.

Fourteen years of consecrated research on Mrs. Murdock's part have resulted in a most beautiful book which preserves for our generation and for generations yet unborn a record of this man who came to this country in the middle of the last century a political refugee, and of his works.

It is to Dr. Murdock that we owe the discovery of the grave of the man whose artistic genius and passionate devotion to the land of his adoption filled our Capitol Building with beauty. You will recall that we appropriated $200 to mark this grave.

Mr. Speaker, there are to be found in this volume unbelievably beautiful reproductions of examples of Brumidi's work which should make us aware that we have taken all too much for granted the beauty on these walls put there by the man who is called the Michelangelo of the Capitol.

Under unanimous consent granted me by this body, I am placing in the Appendix of the RECORD the few words I was privileged to speak last evening.

COMMUNISM IN ILLINOIS

Mr. VELDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VELDE. Mr. Speaker, apparently communism is not dead in the great State of Illinois. I hold in my hand a piece of Communist propaganda, issued by the Communist Party of Illinois, at 208 North Wells Street, Chicago, advocating to our young men in the State of Illinois, especially those in our great universities, that they refuse to be drafted and refuse to fight in the present war. This piece of literature says, among other things: "Is it not obvious that American leaders are wasting American lives to support another Chiang Kai-shek?" This literature is being circulated by the Communist Party through the Communist Party at the University of Chicago, and is going to the University of Illinois, Bradley University, Northwestern, and also the Chicago University. In 1949 when the Republicans were in control of the senate in the State of Illinois, an antisubversive committee was set up to investigate communism in the University of Chicago, and other universities and colleges within the State. This committee was headed by Senator Paul W. Broyles. The appropriation allotted to the committee was meager, and while investigators for the Broyles committee had a great deal of previous experience in investigating communism, yet the pressure by the Communist Party and its supporters in the legislature against the investigation made it impossible for this committee to effectively perform its function. On top of that, young Communists from the University of Chicago came to Springfield and picketed the committee during its attempt to ferret out instructors and students who were subversive in our State schools. These pickets were able to obtain the sympathy of a large segment of the Illinois press and radio news commentators. As a result of the tremendous opposition to the investigation, it failed to accomplish its purpose. Upon the convening of the Eighty-second Congress, I shall ask the Un-American Activities Committee to make a complete investigation of communism in the State of Illinois.

Chicago, and its largest institution of higher learning, the University of Chicago, has been a hotbed of communism for many years. It is high time that an objective study and report should be

made of communism in the State of Illinois and the extent of its influence in Illinois, as well as throughout the Nation.

HOW TO STOP HIGHER TAXES

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, and Members of Congress: A word to the wise is sufficient. If you want to stop taxing, remember "no giving, little lending, and less spending."

THE LATE HONORABLE CLIFTON ALEXANDER WOODRUM

The SPEAKER. The Chair recognizes the gentleman from Virginia [Mr. BURTON].

Mr. BURTON. Mr. Speaker, on October 6, 1950, the Honorable Clifton Alexander Woodrum departed this life, and the Commonwealth of Virginia and the Nation lost one of its most distinguished public servants. The passing of Clifton Alexander Woodrum brought deep sorrow to his many friends. His readiness at all times to listen to the problems of others and give freely of kindly advice and assistance have endeared him to a host of friends who mourn his loss.

Born in Roanoke, Va., on April 27, 1887, he was the son of Robert H. and Anna T. Woodrum. He was educated in the public schools of Roanoke, studied law at Washington and Lee University, and was licensed to practice in Roanoke on June 19, 1908. In 1917 he was elected Commonwealth's attorney for the city of Roanoke, and served in that capacity until August 1919, when he was unanimously chosen judge of the Hustings court for the city of Roanoke. He resigned from the bench on April 10, 1922, to become a candidate for Congress for the Sixth District of Virginia. He was successful in his candidacy and held his seat in this body until he resigned on September 1, 1945, to become the president of the American Plant Food Council, which position he occupied at the time of his death.

As a capable and illustrious legislator he was a vital force in shaping the trend of legislation in our country, and throughout his long term of service held high place in the respect and admiration of his colleagues. His interest and careful attention to the needs of his people have left an indelible impression on our area of Virginia such as made by few men. His sterling character and pleasing personality attracted to him a host of friends in Washington as well as throughout the State of Virginia.

I have been greatly impressed by the esteem and affection in which he is held in every hamlet of our district.

It is a great privilege and honor to have known Clifton Alexander Woodrum, and to have been one of his many friends. I feel a sincere sense of indebtedness to him for his kindness and assistance to me upon taking the seat in this body for the Sixth District of Virginia which he filled with great distinction for over 22 years.

It is with deep sorrow and a feeling of keen personal loss that I make this tribute to the memory of our distinguished friend, and offer sincere sympathy to his gracious and devoted wife, to his son, Clifton Alexander Woodrum, Jr., and to his daughter, Martha Anne Woodrum.

Mr. Speaker, on December 6, 1950, the board of directors of the American Plant Food Council, Inc., adopted the following in memoriam resolution in honor of the late Clifton A. Woodrum:

Whereas the Honorable Clifton A. Woodrum served with distinction and honor as the first president of the American Plant Food Council, Inc., until his death October 6, 1950; and

Whereas he established himself in the respect and affection of his State and Nation for his courageous and effective championship of the principles upon which our private enterprise system is founded; and

Whereas he rendered notable and effective service in creating a better understanding of the fertilizer industry, its contribution to agriculture and its relation to the national economy as a whole; and

Whereas as an acknowledged leader in Congress for 23 years he was constructive, practical, and farsighted in his approach to national affairs, always consistent with common sense in encouraging private initiative and discouraging regimentation; and

Whereas by his character and devotion to duty, his courage of conviction, his integrity of purpose and his love of mankind, he established himself in the esteem of all who knew him and was singularly effective as a spokesman for business without being unmindful of the well-being of his fellow citizens; and

Whereas his untimely death removes from government and business a leader of influence for a better, stronger Nation, a friend with practical understanding of human weaknesses and appreciation for human fortitude: Therefore be it

Resolved, That the board of directors, in session this 6th day of December 1950, unanimously record their respect, appreciation, and admiration for the late Clifton A. Woodrum, and recognize his effective leadership in the affairs of state and in the field of industry and particularly his manifold contributions in strengthening American business as the best safeguard of American democratic institutions, American initiative, and American strength; be it further

Resolved, That a copy of this resolution be sent to the family of the deceased; that a copy be incorporated in the minutes of this meeting; that a copy be incorporated in the 1951 journal of proceedings of the American Plant Food Council; and that a copy be sent to each of the fertilizer trade magazines.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the distinguished majority leader.

Mr. McCORMACK. Mr. Speaker, the mere mention of the name "Cliff Woodrum" brings to us who knew him memories of a sweet character, a noble-minded gentleman, a great legislator, and a great American.

As I am speaking now I can see him during the years we served together in the House of Representatives, in conversation with him, on the floor of the House, and particularly the able and brilliant manner in which he handled legislation entrusted to his care. I can see him during the dark days preceding World War II, fighting in committees and in the well of the House, for the passage of legislation of vital importance to the preservation of our country. I can see that gray hair of his, that fine noble countenance. It seems he is with us today.

He voluntarily retired from the National House of Representatives, and the distinguished gentleman from Virginia [Mr. BURTON], who has announced his death, succeeded him.

On one occasion I went into his district to speak for him. Mrs. McCormack and I shall never forget the hospitality we received from him and the good people of his district on that occasion.

It is difficult to express in words the thoughts that I have in relation to Cliff Woodrum. In his passing Virginia has lost one of its outstanding sons and the Nation one of its outstanding citizens. I join with my colleagues in expressing to the Virginia delegation our keen regret as well as our sympathy in the passing of our distinguished late friend and colleague, and in particular to Mrs. Woodrum and her daughter and son I extend my heartfelt sympathy.

Mr. SMITH of Virginia. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the distinguished gentleman from Virginia.

Mr. SMITH of Virginia. Mr. Speaker, we all heard with a deep sense of loss and regret of the death of our former colleague, Cliff Woodrum, of Roanoke, Va.

I had the honor to serve with Cliff Woodrum in this House for many years. Had he died 10 years ago it would have been a day of solemn mourning for this House and for the Nation. He occupied a most important position when he was a Member of the House. His record is written in numerous debates on vital matters that occurred during his time of service. For a long period he was chairman of the Independent Offices Appropriations Committee.

In any important matters which came up in the House during those years Cliff Woodrum was foremost in their consideration. He has written a fine record here in this House and in the country at large. I am sure we all feel a deep sense of loss and a deep sense of sympathy for his splendid family in the death of this man in the prime of life.

Mr. BURTON. I yield to the gentleman from Pennsylvania [Mr. RICH].

Mr. RICH. Mr. Speaker, I wish to express my sense of sympathy in the loss of one of the finest legislators with whom I have associated since I have been in Congress. Cliff Woodrum to me was the ideal Member of the House of Representatives; he was honorable, capable, and most sincere in everything that he did. Could I emulate and follow the example of but one legislator with whom I have ever served, that Member I have said many times, would be Cliff Woodrum. He was my ideal Member of Congress. I feel that we lost a great friend, and the country a great man when Cliff Woodrum was carried to the Great Beyond.

Mr. BURTON. Mr. Speaker, I yield to the gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, the gentleman from Virginia has well spoken of the great willingness of Cliff Woodrum to lend assistance and support

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to those whom he might be able to help. Of that I can bear witness out of personal experience. Back in 1935 when I first came to the House, it fell to my lot to present a matter on the floor of the House that involved tremendous personal interest to certain people in my district. At the conclusion of my remarks a gentleman whom I did not know—I had not been here long enough to know anyone—made a splendid argument in support of the position I had taken, and that position prevailed. Subsequently I learned that the gentleman who had come to my assistance—one of the newest, youngest Members of the House—was Cliff Woodrum, one of the great, outstanding Members of the House. He did not know me, but took it upon himself, out of the greatness of his heart, to help me in what for me, as a complete beginner here, was a rather trying and difficult situation. Subsequent to that time I came to know Cliff Woodrum very, very well.

I think if any one thing could be said of him and stressed more than others it was that while he was great enough and able enough to deal with the tremendous responsibilities that came to him as one of the outstanding men of responsibility in the House, he never lost the common touch; he never lost that great solicitude for the minor things with which he might be able to help. That, I say, was a great tribute.

Cliff Woodrum was one of the most able debaters to whom I have ever listened. While he was strong, with it all he was gentle. I never knew him to take an undue or an unfair advantage of anyone, either because he might have been better informed on the matter before the House or because he might have had a little greater capacity or ability in presentation. That also was a great attribute.

I could say many other things, Mr. Speaker, but I have said only these few things to add my word of sympathy to his family and to wish for them the comfort that may be theirs in the sure knowledge that those of us here who knew Cliff Woodrum join with them in their great sorrow.

Mr. BURTON. Mr. Speaker, I yield to the gentleman from Virginia [Mr. HARDY].

Mr. HARDY. Mr. Speaker, it was not my privilege to serve in the House with our distinguished former colleague, Cliff Woodrum. However, I did have the pleasure of seeing him and being associated with him occasionally during the past several years. I learned to respect him and to understand the high esteem and the admiration in which he was held by those who knew him intimately.

I join with my colleagues in mourning the passing of Cliff Woodrum and desire to express my sympathy to his family.

Mr. BURTON. Mr. Speaker, I yield to the gentleman from South Carolina [Mr. RIVERS].

Mr. RIVERS. Mr. Speaker, our late former colleague, my friend, Cliff Woodrum, has passed away, but he left to us all a record of achievement seldom equaled by men who have chosen the tedious, uncertain, and quite frequently thankless job of public service. Those who had the honor of serving with him in the world's greatest deliberative body, the United States House of Representatives, will never forget this great Virginian.

But for the accident of a name, Cliff Woodrum would have been, when he decided to retire from politics, the chairman of the powerful Committee on Appropriations; I am informed that he and the now distinguished chairman, the Honorable CLARENCE CANNON, came to Congress at the same time and that Mr. CANNON was elected chairman because his name came first on the alphabet of the members, thereby giving him the seniority by which all chairmen are chosen.

Mr. Woodrum never failed to work in the closest harmony and cooperation with his chairman. In the darkest days of World War II I can see Cliff Woodrum now carrying the banner of his committee against uncertain and frequent odds on the floor of the House. Cliff Woodrum's life was replete with acts of helping his fellows. He was always part and parcel of the struggle for his brother's cause. He never stopped long enough to reflect that the uncertain hand would some day beckon him home. He did not take time to rest from the trials of his arduous undertakings. He died with his boots on. He died in the midst of his labor to bring greater blessings to the man who tills the soil. Mr. Speaker, the workingman lost one of his greatest benefactors when Cliff Woodrum "turned again home."

Cliff Woodrum was too busy to realize that—

Such a tide as moving seems asleep,
Too full for sound and foam,
When that which came from out the boundless deep
Turns again home.

Mr. Speaker, truly Cliff Woodrum has embarked on that bourn from which no traveler returns, but his legacy to Americans yet unborn, as well as those now living, will never be tarnished by the troth or everlasting moments of time. Though he has gone down the way of permanent sleep the Nation will be a greater Nation, the world will be a greater world, because he lived and worked for his fellow man.

Mr. BURTON. Mr. Speaker, I yield to the gentleman from Michigan [Mr. DONDERO].

Mr. DONDERO. Mr. Speaker, I join with my colleagues in the House and especially the members from Virginia in expressing my feeling of personal loss upon the passing of Cliff Woodrum. When I first came to this body a number of years ago, Cliff Woodrum was one of the first men I met and learned to love and admire. Whenever he took the floor of the House, Members on both sides of the aisle listened in rapt attention to what he had to say. He was one of the most distinguished Members of this body, he was one of the most convincing debaters who ever took the floor of the House of Representatives, he was a capable legislator and a very distinguished man. He was greatly admired and respected by Members on both sides of the aisle. A few years ago I was privileged to deliver an address in his home city of Roanoke, Va. From the people who knew him best and whom he served so ably in this body, one learned the deep faith, confidence, and affection in which he was held by them. Virginia has lost one of her great sons and the Nation one of its illustrious statesmen. I join the delegation from Virginia and the Members of this House in expressing my sense of personal loss and my sympathy to his widow and to his family.

Mr. BURTON. Mr. Speaker, I yield to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Speaker, I shall always count it as one of my great privileges that, when I was assigned to the Appropriations Committee, my first subcommittee was the Committee on Independent Offices, then headed by the distinguished gentleman from Virginia, Cliff Woodrum. I sat at his feet for several years. Everyone who has ever served on that committee will agree with me, I know, when I say it was not only a privilege, it was a great training to be there.

This man was one of the great men of the country in our time. I have always thought it was one of the unfortunate quirks of history not merely that Cliff Woodrum did not have an opportunity to be chairman of the Committee on Appropriations, but also that he did not have the opportunity to become President of the United States. He had the capacity for being a great President.

A few years ago, and some time after he had left the House of Representatives, Mr. Woodrum responded to an invitation to make the annual memorial address for the Elks Lodge in Rapid City, S. Dak., in my district. Accepting that invitation—I never knew quite why—he spent 2 days with us and made a great many friends in my part of the country. They were impressed by his spirit, his personality, and his great capacity. We shall always hold him in reverence. Mr. Speaker, I was tremendously shocked by Cliff Woodrum's death. I am glad to have this opportunity to say a few words in tribute to his memory.

Mr. BURTON. I yield to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Speaker, 10 years ago, in describing Cliff Woodrum, I said he was a man that had the stature, the mentality, the personality of a great statesman, and that he was of the stature and timber that really belonged in the White House and would grace the White House. I firmly believed that at that time and I still believe it. In Cliff Woodrum's death the Nation has lost one of the greatest of the great.

Mr. BURTON. I yield to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Speaker, it was my privilege to know Cliff Woodrum during his entire public career. When he was Commonwealth's attorney in the city of Roanoke, I was counsel for the State tax commission, and as such collaborated with him in the trial of tax cases which arose in his city. When he was elevated to the bench, I tried several important cases before him. I had the pleasure of serving with him in the House and suc-

ceeded him as a member of the Appropriations Committee.

Cliff Woodrum devoted the best years of his life to the service of his State and Nation. His conspicuous ability, untiring energy, striking appearance, pleasing personality, and intense patriotism made him one of the outstanding leaders of this body. When he spoke on the floor of the House, he commanded attention and his remarks always carried conviction.

The Commonwealth of Virginia is proud of his record and mourns his untimely death. Today we join with his former colleagues in paying tribute to this truly great Virginia gentleman.

Mr. BURTON. I yield to the gentleman from Mississippi [Mr. RANKIN].

Mr. RANKIN. Mr. Speaker, I join with the distinguished gentlemen who have just spoken in everything they have said about my friend, Cliff Woodrum.

I met him the first day he came to Congress, and was intimately associated with him during all the years that he was a Member of this House. I do not hesitate to say that Virginia never sent a worthier son to the Congress of the United States than Cliff Woodrum.

We had a clash at one time on the floor of this House, the result of which has always stuck in my mind as a manifestation of that character that distinguished him as one of the outstanding Members of the Congress. In 1938 he was chairman of the Subcommittee on Appropriations. We had up one of those large spending bills. Everyone knew of my intense interest in rural electrification. I offered an amendment for the first $100,000,000 for that purpose. It rather took Mr. Woodrum by surprise, and he opposed it. We finally adopted the amendment by seven votes in the Committee of the Whole, and then adopted it on the floor of the House over his protest.

That fall, after he had gone home, traveled over his district, he came back, and in his attitude manifested that high degree of magnanimity that characterized his entire career. He came to me and said, "John, I want to apologize to you. I was wrong in opposing your rural electrification amendment. Nothing else that has ever been done has inspired so much hope and enthusiasm among the farmers of Virginia as your amendment providing those funds for rural electrification."

I bring this incident to your attention to show you the magnanimity of this magnificent servant, this great man, this great American whose passing we all mourn today.

God grant that he may greet the coming of another age of youth and usefulness in another radiant Easter beyond the gates of night.

Mr. ROGERS of Florida. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield.

Mr. ROGERS of Florida. The curtain of death has been drawn on a noble and illustrious life and the work and career of a great man ends. It was my pleasure to know Mr. Woodrum only a short while but I formed of him an opinion that placed him among the great men of this Nation.

I well remember that, when Mr. Woodrum gave notice that he was going to retire from the legislative halls, our Speaker, SAM RAYBURN, gave one of the finest tributes to Mr. Woodrum I ever heard. He placed him then along with Jefferson, Clay, Calhoun, Webster, and other illustrious statesmen.

The last time I saw Mr. Woodrum he appeared on the stage with me in my district to dedicate the Pompano Air Field. With him was his daughter, who is an aviatrix and piloted him to this airfield.

At that time he made a wonderful speech emphasizing the importance aviation played in World War II and how much more important it would be in any future conflict.

He was held in the highest esteem and admiration by his fellow citizens in Roanoke, as well as the entire State, and this high regard for him found expression in naming the airport at Roanoke after him and in his honor. This airport is now known as the Woodrum Air Field.

He was a grand and renowned American and rendered invaluable services both in private and public life.

In the nobility and immensity of his works, Cliff Woodrum lives on—and truly it can be said of him:

His life was gentle, and the elements
So mix'd in him that nature might stand up
And say to all the world, "This was a man."

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Georgia.

Mr. COX. Mr. Speaker, Cliff Woodrum was a real Virginian, and better than that could be said of no man.

Mr. HOBBS. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Alabama.

Mr. HOBBS. Mr. Speaker, I thank the gentleman from Virginia, for I feel irresistibly impelled to say that I join fervently in every tribute that has been paid to Cliff Woodrum.

The great State of Virginia has always been distinguished for the character and devotion of the men who have been sent by her to the Congress. Never has Virginia, or any other State sent as a Member of either House a more able, honorable, diligent, or effective servant than Cliff Woodrum. He not only was the Representative of his district, but also of State and Nation. We are grateful for the proud record the "Mother of Presidents" has made in the sons and daughters she has bred and shared their fruitful public services with the National Government. There never has been a man more worthy of the highest honor than our friend whom we "have loved long since and lost awhile."

Every heart who knew him is bowed in grief and sympathy with the bereaved family.

Mr. WHITTINGTON. Mr. Speaker, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Mississippi.

Mr. WHITTINGTON. The late Clifton Alexander Woodrum was elected a Member of the House of Representatives for 12 consecutive terms and served with signed ability from March 4, 1923, until his resignation on December 31, 1945, to become president of the American Plant Food Council, Inc., in which capacity he was serving at the time of his death some days ago.

Cliff Woodrum, shortly after he came to the House, became a member of the Committee on Appropriations. He was unusually well informed as to the fiscal affairs of the Government. He was painstaking and thorough in preparing and presenting appropriation bill to the House.

Cliff Woodrum had a good personality. He possessed an especially attractive voice. He was not only an able legislator but he was possessed of unusual executive ability. He presided well and most satisfactorily when called to the chair to preside in the Committee of the Whole, as was often the case. He was one of the most accmplished presiding officers within my recollection.

Cliff Woodrum was an outstanding Member of the House of Representatives. He had a most successful career. There was genuine regret in the House when he resigned. I gladly join in tribute to his services as a Member of the House of Representatives.

Mr. BURTON. Mr. Speaker, the expressions so sincerely stated this morning indicate the high esteem and affection in which our former Member, Clifton Woodrum, was held by this body. We of Virginia feel highly honored to have been represented by a man of such high character and a man of his ability.

Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point on the life and services of the late Honorable Clifton A. Woodrum.

The SPEAKER. Is there objection to the request of the gentleman from Virginia?

There was on objection.

Mr. FUGATE. Mr. Speaker, Clifton A. Woodrum was a native Virginian. He was born in Roanoke, Roanoke County. There he maintained his residence for all of the 63 years he lived. He attended the public schools of Roanoke. He received a degree from the Medical College of Virginia in pharmacy. He graduated from Washington and Lee University in law. He practiced law in Roanoke. He served as Commonwealth Attorney and judge of the Hustings court of Roanoke. He was elected to Congress in 1922. He served 11 consecutive terms, resigning in 1945 to become president of the American Plant Food Council.

While my association with Judge Woodrum was limited, I held him in high esteem. He was able, honest, and courageous. He was a man of sterling character. He possessed a magnetic personality. He had, in a marked degree, the characteristics of a great leader. While charitable with his enemies, he never compromised with wrong.

As a servant of his people and an exponent of progressive democracy, he was

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an influential Member of the Congress. He served as a member of the Appropriations Committee. Coming to Congress the same year that Chairman CLARENCE CANNON came, he was the ranking member when Mr. CANNON became chairman. His work on the committee was outstanding. His services during the war years were indispensable to the prosecution of the war.

Judge Woodrum was a fluent and convincing speaker. Because of his talents in debate, he wielded great influence. Constituents of mine still talk of great orations he delivered on many occasions in my district. They were masterpieces in rhetoric and logic.

He was a man among men, not a dreamer in the shadows. He was always out in front leading the parade for a better America. Virginia, America, and the world are richer and better for his having lived. His life was a blessing to mankind.

To his family I say, you should be happy, not at his passing, but for the rich heritage that he bequeathed. He was deeply devoted to you.

"THEY BROUGHT THEIR WOUNDED WITH THEM"

Mr. CASE of South Dakota. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. CASE of South Dakota. Mr. Speaker, Sunday morning I heard a part of one of the most thrilling newscasts I have heard in my whole life. It was the news that the marines and the Third Division rescue column had joined up and had made the 30 miles into Hungnam. The short sentences ran something like this:

> The marines came out proud. They were tired and hollow-eyed from 12 days of fighting but they brought their dead and wounded with them. They left behind no equipment that would be of benefit to the enemy. They carried with them what they would need for future fighting.

Mr. Speaker, those beleaguered men had made one of the great stands of all time. They had fought in the most severe weather ever encountered by United States troops in combat. They had been outnumbered seven to one. They were surrounded on all sides. They had to replace a bridge under fire. They had to fight their way down a winding, icy road in a narrow canyon with the enemy firing from protected heights and bunkers. They had to knock out road blocks and go through superior numbers. But they came through.

Mr. Speaker, there are many famous words in the history of American valor. I shall not attempt to recount them in this limited time. Many words, some complimentary, a few uncomplimentary, have been spoken and written about the United States Marine Corps—but while there remains such a thing as honor among men, and as long as hearts respond to the dignity of man and value the life of one human soul, let these words be remembered:

> The marines came out proud—they brought their wounded with them.

EXTENSION OF REMARKS

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks and include a personal letter from Mr. Clayton. I will say, Mr. Speaker, that Mr. Clayton has given me permission to put the letter in the RECORD for the edification of my colleagues.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. RIVERS. Mr. Speaker, I ask unanimous consent to extend my remarks and include two speeches on the occasion of the two hundredth anniversary of the Jewish Community in Charleston, S. C., and I ask, Mr. Speaker, that the one by the distinguished gentleman, Mr. Tobias, come first, and that of Admiral Lewis L. Strauss come second.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. FEIGHAN asked and was given permission to extend his remarks and include an article.

Mr. LARCADE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. NOLAND asked and was given permission to extend his remarks and include two newspaper articles.

Mr. BOLLING asked and was given permission to extend his remarks and include extraneous matter.

Mr. PERKINS asked and was given permission to extend his remarks and include an editorial from the Courier-Journal.

Mr. HINSHAW asked and was given permission to extend his remarks and include an editorial.

Mr. POULSON (at the request of Mr. GROSS) was given permission to extend his remarks and include a newspaper article.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an editorial.

Mr. CUNNINGHAM asked and was given permission to extend his remarks in two instances and include in each a letter from a constituent.

Mr. NELSON asked and was given permission to extend his remarks and include a letter from a soldier constituent.

Mr. HOPE asked and was given permission to extend his remarks and include a letter.

Mr. RICH asked and was given permission to extend his remarks in two instances and include some articles.

Mr. EBERHARTER asked and was given permission to extend his remarks and include a letter which was sent to all Members of the House regarding the so-called 21-day rule.

Mr. MULTER asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. BURNSIDE asked and was given permisison to extend his remarks.

Mr. KLEIN (at the request of Mr. MULTER) was given permission to extend his remarks and include extraneous matter.

Mr. RHODES asked and was given permission to extend his remarks and include an article.

Mr. PHILBIN asked and was given permission to extend his remarks in two instances.

Mr. CASE of South Dakota asked and was given permission to extend his remarks and include an article.

Mr. JOHNSON asked and was given permission to extend his remarks and include an editorial.

Mr. McDONOUGH asked and was given permission to extend his remarks and include an article.

Mr. FARRINGTON asked and was given permission to extend his remarks and include excerpts from editorials.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks and include a portion of a letter.

Mr. LODGE (at the request of Mr. SADLAK) was given permission to extend his remarks.

TEMPORARY EXTENSION OF HOUSING AND RENT ACT, 1947

Mr. SPENCE. Mr. Speaker, I call up the conference report on the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, and I ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 3182)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following: "That section 204 (f) of the Housing and Rent Act of 1947, as amended, is hereby amended by striking out 'December 31, 1950' in each place it occurs therein and inserting in lieu thereof 'March 31, 1951.'

"SEC. 2. Section 204 (j) (3) of the Housing and Rent Act of 1947, as amended, is hereby amended by inserting before the period at the end thereof a colon and the following: '*Provided further*, That as used in this Act the term "resolution" shall not be construed to be limited to ordinances or other legislative acts, and any resolution heretofore adopted by any local governing body is here-

by declared to be effective for the purpose of this section 204 (j) (3) or section 204 (f) (1), whether or not such resolution was legislative in character; and no suit or action shall be brought under section 205 of this Act, or any other provision of law, on the basis of any administrative decision or the decision of any court that the resolution described in this Act must be a legislative act'."

And the House agree to the same.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
Managers on the Part of the House.

B. R. MAYBANK,
GLEN TAYLOR,
J. WILLIAM FULBRIGHT,
HOMER E. CAPEHART,
JOHN W. BRICKER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate joint resolution provided for a 2 months' extension in the automatic decontrol provisions of the Housing and Rent Act of 1947. The House amendment provided for a 3 months' extension of this provision. The conference agreement adopts the provision of the House amendment on this point.

The Senate joint resolution also contained a provision clarifying the provisions of the existing law with respect to the action of local governing bodies in removing and continuing rent control. A recent decision of the United States Court of Appeals for the District of Columbia Circuit interpreted the provisions relating to decontrol by local bodies to mean that where under local law a different procedure is prescribed for legislative action by the local governing body than that prescribed for other action, a decontrol resolution must be adopted in accordance with the procedure prescribed for legislative action. The amendment is designed to make it clear that, for the purpose of removing rent controls or continuing them, resolutions heretofore or hereafter adopted which comply in all other respects with applicable local law are valid even though the procedure prescribed for legislative action was not followed. The conference agreement adopts the provision of the Senate joint resolution on this point.

BRENT SPENCE,
PAUL BROWN,
WRIGHT PATMAN,
MIKE MONRONEY,
JESSE P. WOLCOTT,
RALPH A. GAMBLE,
JOHN C. KUNKEL,
Managers on the Part of the House.

Mr. SPENCE. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, this is the conference report on the act extending rent control. It is a unanimous report of the conferees.

The amendment of the Senate provided that the act of the governing body of the municipality or local subdivision was not limited to ordinances or other legislative acts, and any resolution heretofore adopted by any local governing body is declared to be effective. This applied not only from the effective date of the act but was retroactive and makes action decontrolling the cities valid if done in conformity with the provisions of this act. The House concurred in this amendment.

The Senate bill provided that the Rent Control Act shall be effective until February 28, 1951; the House bill provided an extension of 90 days, or 3 months, to March 31 of next year. The Senate receded and concurred in the House amendment. So, under the act rent control is extended until March 31 of next year. The House conferees felt that it was essential that the act be extended for 90 days in order that it might be sufficiently considered by the House. We all know that a new Congress takes a long time to organize; there will be vacancies to be filled on the Ways and Means Committee, and, after those vacancies are filled, the Ways and Means Committee will proceed to fill vacancies on various committees. Those committees cannot function until they have been reported to the House and the action of the Ways and Means Committee has been confirmed by this body. We felt therefore that it was absolutely essential that the extension should continue for 3 months in order that proper consideration might be given to this question of the continuation of rent control.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. McCORMACK. The same thing, of course, applies to our Republican friends' action on the part of the Republican committee on committees in relation to their members.

Mr. SPENCE. The gentleman is correct.

It was absolutely essential, and we felt that we made a very good agreement in this respect. We accepted the Senate amendment. The conferees on the part of the Senate in turn accepted the House amendment. We think this is substantially the bill as passed by the House, notwithstanding the agreement to the Senate amendment.

Mr. AUGUST H. ANDRESEN. Mr. Speaker, will the gentleman yield?

Mr. SPENCE. I yield.

Mr. AUGUST H. ANDRESEN. It will also give an opportunity to about 40 legislatures in this country to consider rent-control legislation, and the States will also be given additional time, and the communities likewise, who want to comply or act under the law.

Mr. SPENCE. That is true, and the act as extended continues every right to municipalities to extend the act until June 30, 1951, if they desire to do so, or to discontinue rent control by a resolution of the governing body. Some cities have taken action that probably this might affect. The city of Los Angeles, which may be decontrolled by the passage of this amendment, can repeal the ordinances it has passed which have not yet become effective by reason of court action, and has it within its power to continue rent control in that city if it so desires. We have left it up to the cities; we have placed it back with local self-government, just where it should be.

The SPEAKER. The time of the gentleman from Kentucky has expired.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Speaker, I have no doubt that the conferees have done the best job they could and that they brought in a report which represents their best thinking on the subject. I wish, however, to direct the attention of the membership to what we do if we adopt this conference report. We override a decision of the court of appeals so that the people in the far West, particularly the people in the city of Los Angeles, will be deprived by their right to review anything that their local governing body has done or may do. In other words, as you probably know, if the local governing body of most localities throughout the West adopt a resolution of a legislative character or setting up policy, as these rent laws do, the people have a right within 30 days to demand a referendum and then determine for themselves whether that should be the law or not.

Under the provision which is written into the bill at this time you deprive those people of that right. You will now permit any local council to deprive the people in the community of the right to a referendum and to review what their city council or local governing body may do. If we agree to this conference report we are going to validate the decontrol action of the City Council of Los Angeles, and possibly of other places, contrary to the will of their people who seek to pass upon it by referendum.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from California.

Mr. McDONOUGH. Does the gentleman oppose this conference report?

Mr. MULTER. I am constrained to oppose the conference report because of that provision which was defeated on the floor of the House last week. We had this identical provision submitted to us by way of amendment last week and the House rejected it. It is now put into the bill by the conference report.

Mr. SPENCE. Mr. Speaker, will the gentleman yield?

Mr. MULTER. I yield to the gentleman from Kentucky.

Mr. SPENCE. Does the gentleman think it is desirable that we get the additional 30 days for consideration by the House?

Mr. MULTER. I am quite in agreement it is important that we have 90 days rather than 60 days.

Mr. SPENCE. Does not the gentleman think that was very important?

Mr. MULTER. I heartily agree it is of the utmost importance.

Mr. SPENCE. The only way we could get it was to do a little trading with the Senate.

Mr. MULTER. I appreciate that. I know the chairman of the Committee on

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Banking and Currency and the other conferees did the very best they could. I still feel, however, that we have a very, very bad provision in this bill. The least we should do is alert the people of those communities so that they can get busy at once and, if necessary, recall their council members or the members of their local boards or otherwise try to do their will and get the control they need. When this bill is signed by the President, those places will be decontrolled and will not again be controlled unless we change existing law next year.

Mr. McDONOUGH. The gentleman's position is he is opposed to the extension of rent control because of the particular amendment that was added by the Senate which does not provide for the 30 days for any referendum covering a city council's legislative act?

Mr. MULTER. I am in favor of extending rent control until we can bring in here a bill which will extend rent control where it is needed, if it is needed.

Mr. McDONOUGH. But the gentleman opposes this conference report?

Mr. MULTER. I am opposed to this provision.

Mr. McDONOUGH. Then the gentleman is opposing extension of rent control?

Mr. MULTER. I am not opposing extension of rent control. I am directing your attention to the fact that by this provision you are depriving your constituents of the right to a referendum on a question of the utmost importance to them.

Mr. SPENCE. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. WOLCOTT].

Mr. WOLCOTT. Mr. Speaker, it will be recalled that I was very much opposed to this bill. I may have a peculiar idea of the duties of conferees; however, I signed the conference report under the belief that I was representing the House of Representatives and was morally bound to see that the position of the House was presented to the conference and that everything was done to protect the House provisions of the bill, although I am still opposed personally to the 90-day extension. That matter has now been adjudicated so that it becomes simply a question, on the one hand, whether the automatic decontrols should be continued for 60 or 90 days after December 31, 1950. The Senate had a provision for 60 days and we had a provision for 90 days. But, on the other hand, I thought that the controlling thing which bothered us more than anything else was the provision of law which authorized a municipality to decontrol by resolution. It was very clearly the intent of the Congress when it wrote the 1950 Rent Control Act that a governing body of a municipality might decontrol or continue control by passing a simple resolution. We provided in that act that they might decontrol by passing a resolution or by a referendum. Now the governing body chose the method of decontrol. It could either pass a resolution or it could provide for a referendum as to whether there would be decontrol. In some eight-hundred-odd cases the governing body adopted a resolution which was honored by the Expediter and action was taken to decontrol those areas in which a resolution was adopted.

The matter went to the circuit court of appeals here in the District of Columbia and the circuit court of appeals picked out of clear air this issue as to whether we did not mean "ordinance" when we said "resolution." The matter had not been presented in any of the briefs submitted by either side of the controversy in the case. As I understand, the court on its own initiative framed the issue on whether we did not mean that a resolution included an ordinance. In other words, we had provided, and it was to be the intention to provide for administrative action only by the passage of a simple resolution, but the circuit court of appeals said that we intended that the resolution should be a legislative act which would have the full force and effect of an ordinance. So the Senate clarified that language by the provisions which are contained in the report.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. WOLCOTT. I yield to the gentleman from California.

Mr. McDONOUGH. In order to remove any doubts in the matter I would like to ask the gentleman this question, whether the amendment added in the Senate will validate the resolutions that have been passed by some twelve hundred cities and counties in the United States, and especially in the one passed in the city of Los Angeles, and remove the necessity of the Supreme Court acting further on the question that was presented to them on an appeal from the Circuit Court of Appeals of the District of Columbia.

Mr. WOLCOTT. I would assume that because of the action now being taken by the Congress in this respect that the matter now before the Supreme Court in the case of the City of Los Angeles against Tighe Woods, and others, has been completely settled and that there is nothing before the Supreme Court for adjudication in that case. But, notwithstanding the decision of the Supreme Court in that case, the language that we have written into the law in the so-called Cain amendment provides that the term "resolution" as used in the act shall not be construed to be limited to ordinances or other legislative acts. It means, therefore, that the resolution referred to in the act is something different than an ordinance or other legislative acts. Then the language goes on to say: "Whether or not such resolution was legislative in character" and, further, that "no suit or action shall be brought under section 205 of the act or any other provision of law on the basis of any administrative decision or the decision of any court that the resolution described in this act must be a legislative act." So, notwithstanding any decision of the Supreme Court or the circuit court of appeals, that stands.

We have provided that the term "resolution" does not mean a legislative act. In direct answer to the gentleman's question, I will say that under the terms of this amendment it is our intention to validate, and the language actually does validate, every resolution which has been passed by any governing body decontrolling or which might be passed by any Government body continuing controls, including the Los Angeles case.

Mr. McDONOUGH. Is it the gentleman's opinion that by the adoption of this conference report it is mandatory for Mr. Tighe Woods to sign the resolution adopted by the City Council of Los Angeles?

Mr. WOLCOTT. Absolutely. That was our intention to begin with. We seek to clarify his position in this matter. Hereafter, as on all of these occasions in the past, this will be considered a mandate to Mr. Woods that he must issue an order upon the passage of a resolution by the governing body of the city, notwithstanding any position which he might take to the contrary in respect to the merits or equities or facts in the case.

Mr. SPENCE. Mr. Speaker, I move the previous question.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

SEPARATION OF SUBSIDY FROM AIR-MAIL PAY

Mr. BECKWORTH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 9184) to provide for the separation of subsidy from air-mail pay, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 9184, with Mr. BONNER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on Wednesday there was pending the amendment offered by the gentleman from Minnesota [Mr. O'HARA].

Without objection, the Clerk will again report the amendment offered by the gentleman from Minnesota.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Minnesota: On page 3, strike out subparagraph (2), lines 4 to 11, inclusive.

Mr. BECKWORTH. Mr. Chairman, I offer a perfecting amendment.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH to the text sought to be stricken by the amendment offered by the gentleman from Minnesota [Mr. O'HARA]: On page 3, line 5, strike out beginning with the word "shall" down through the period in line 11 and insert in lieu thereof the following: "shall in no event exceed the reasonable and necessary cost to the air carrier, under honest, economical, and efficient management, of the mail transportation services rendered or to be rendered, including a fair return."

Mr. BECKWORTH. Mr. Chairman, when the Committee on Interstate and Foreign Commerce brought before the House last Wednesday this legislation, all of us in the beginning stated the legislation was controversial, that there was disagreement with reference to its

various provisions. We worked rather diligently, some of you are aware, Wednesday here in the Commitee, and the Committee rose late in the day. After that occurred it became the objective of those who are interested in finding a common meeting ground in regard to the provisions of this bill to hold additional meetings to see what we could work out which might be more acceptable to more of the Members who wanted to see something done. Accordingly we met from about 9:30 last Thursday morning until about 6 o'clock. Incidentally, we had with us representatives of the CAB, of the Post Office Department, and one member of the Hoover Commission when the Commission was in being, the gentleman from Ohio [Mr. BROWN].

I can sincerely say to the members of the committee here assembled that a great effort was made to narrow the area of disagreement in regard to this important piece of legislation.

We agreed on some seven amendments. The question came up as to whether or not any Member is bound by the amendments. Of course, it has always been my contention that you do not bind Members of Congress very successfully. In the main each Member is a free agent and says what he wants to say and takes the action which he desires to take at any given moment. But I can say that as of the time we left that meeting Thursday, about 6 o'clock, there was no apparent overt disagreement on the part of any person. In my opinion we came near to getting together with reference to the seven amendments which will be offered here today to the Heselton bill. This, of course, does not mean each individual fully agrees with all which was done. The amendment I have just offered, which is one of the seven amendments, retains the cost standard which several of us said the other day was important to retain. It is a good anchor. It is the beginning, you might say, of the fundamental problem of doing this job of work well. May I say that almost to a word it is the language which the Civil Aeronautics Board wanted from the beginning. Although the language is not quite so specific as was the language we originally had in the Heselton bill, it definitely is the opinion of the authorities of the CAB that it constitutes a strong retention of the cost standard, a standard which the authorities of the CAB contended from the beginning is necessary to have in the legislation if the job is to be done well and efficiently.

As I said a moment ago it is hoped by each of us, and incidentally there were several members of the transportation subcommittee who attended the meeting all day long, and several others at least, two, who are not members of the transportation subcommittee; as I say it is hoped that we can work out this bill in such a way as to get a bill this session; yes, today. It is believed that the seven amendments to which I have referred do the job best as of this time.

It is my sincere hope that the Members of the Committee will go along with us in our effort to bring about the adoption of these seven amendments, including the one I have just offered.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent that the gentleman from Texas may proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. HARRIS. Is it not a fact that the interested Members here on the floor, last Wednesday, when this matter was brought before the committee, met with the members of the Subcommittee on Interstate and Foreign Commerce for the period referred to, and resolved these differences to the point that it was believed that a bill we would pass today should be passed with these amendments adopted, agreed to, virtually, by the Members who participated in this conference, and we are bringing it to the House membership now with the explanation that this does what most of us want it to do, to bring about a compromise of the issues that were involved in the debate last week.

Mr. BECKWORTH. That is true. The bill is not exactly what each person who was there would like to see if he were writing his own bill, but it is about the best we can get in an effort to see that a bill is written, and at the same time undertake to get substantially that which each interested Member wanted.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BECKWORTH] has again expired.

Mr. O'HARA of Minnesota. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. O'HARA of Minnesota. Mr. Chairman, the gentleman from Texas [Mr. BECKWORTH] who has just spoken, has given you something of the picture of our attempt to work out the differences and difficulties which exist in this bill.

This amendment, which has been offered by the gentleman from Texas as a perfecting amendment to my amendment to strike out this language, as he has stated, and it is agreed to by those of us who sat in on the conference on these differences. While it is not completely satisfactory to me, I am supporting the amendment, and suggest that it be adopted in lieu of my amendment to strike out the language of the bill. That is in accordance with the labor and the effort put forth and the understanding had.

Permit me to say that in my minority report, which was filed in opposition to this bill, this is one of the things which caused me great concern. I am assuming that those who were in on the conference will also support the other six amendments which the gentleman has indicated would be offered.

Let me say to you frankly, I feel that the transportation of mail should be governed by the same rates and the same language, across the board, not only for air but for rail and for vessels that are carrying mail in sea commerce. My theory on that is that it is a fair principle to have the cost element the same in all of those. We are now setting up new language and a new measuring stick which will apply only to air. How it will work out and whether it will work out fairly to the taxpayers, whether it will work out fairly to the carriers, I do not know and I do not think anyone could say. However, it illustrates the difficulty of the problem that is involved in this legislation and in matters pertaining to interstate and foreign commerce in the carriage of mail, and should have future study and consideration.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. AUGUST H. ANDRESEN. The gentleman has partly answered the question I was going to ask, which was that if all of the seven amendments are adopted, then the bill would be less objectionable to him?

Mr. O'HARA of Minnesota. That is correct. It is improved some, but I wish it might be further improved.

Let me say primarily from the viewpoint of the taxpayer and the Post Office Department, the ones who pay the bill, that I think in dealing with this subject we must approach it fairly, not only to the taxpayers in what we pay out for the carrying of the mail, the payment of subsidies as well, but also that it should be fair to the various transportation systems. But I do want to repeat that the manner in which we have worked out these differences is a compromise, and I think not only shculd this amendment be adopted but that the other amendments as they are offered should be adopted and made a part of this bill.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. HALLECK. As the gentleman knows, for many years I was a member of the great Committee on Interstate and Foreign Commerce.

Mr. O'HARA of Minnesota. And a very able member.

Mr. HALLECK. It has been my observation through my years of service on that committee that it has always been the aim and purpose of the committee to bring legislation to the floor on which the committee was in substantial agreement as far as anyone could work it out, recognizing the necessities of compromise to make it fair and equitable. I want to commend the gentleman and the members on both sides of the committee who worked along in his group for the effort they have made to compromise and work out this legislation.

The bill as originally introduced provided that there should be a definite separation of subsidy from the regular mail-carrying charge. While I felt there were some serious defects in the legislation as originally reported and while I think the compromise now reached may

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not perhaps be perfect, yet I think it is a fair compromise and that it is a credit to those who worked it out.

Mr. O'HARA of Minnesota. Let me say that from the start I have completely subscribed to the theory that there should be a separation of air mail pay from subsidy. I believe that a transportation charge is one thing but that a subsidy is quite another, and that they should be separated completely.

Let me say to my colleague, also, that as he knows our committee has, in all the years I have served on it—and I am sure all the years he has served on the committee—not decided legislative matter on political issues. While there have been times when there were considerable differences in the committee, there were differences of opinion as to the merits of the legislation, never on political grounds; and that completely applies to this legislation; there has been a cross section of opinion both ways in the committee, but a cross section based on an honest difference of opinion and not on a political division in any sense of the word.

Mr. KENNEDY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the changes made in the bill over the week end number five or six.

There is one amendment made on page 3 on the important subsection dealing with cost. Language was put in that the CAB desired. I believe it is as effective as the previous language and I think it was a good compromise.

Another amendment deals with the time in which these sections shall be put into effect. It went perhaps farther than I would have wanted, but it is not unreasonable.

On page 8 there were several changes made which I do not think are basic and which we were glad to accept.

There are two sections, however, that were discussed and amended that I believe are basic to this bill. This House, however, has a great deal to do in the closing days of this session and I therefore will not fight against the amendments; perhaps they can be perfected in the Senate, or if the bill goes over until next year they can then be discussed. One is on page 6 and deals with the allocation of air-carrier receipts and expenditures. In the original language we stated that in order to determine what the cost of carrying air mail was the air carriers would have to break down their cost into four items: Transportation of passengers and their baggage, transportation of freight, transportation of express, and transportation of mail.

The point was made that there were other categories and it was suggested by the gentleman from Ohio [Mr. BROWN], who was a member of the Hoover Commission, that we should not name definite categories. It was felt further by gentlemen representing the CAB that in order to determine the cost of carrying the mail these things would have to be done and there was no necessity in writing the amount. The change went a great deal further than it should have, and I think a mistake has been made.

There was another unfortunate change made. It is basic and a correction should be made if this bill goes to the Senate. Under the bill as we originally planned it, we stated that subsidies should be available to all those planes that have a certificate of operation. During the conference it was suggested that subsidies should be given only to those planes which had a certificate to carry airmail.

Now you give subsidies for three reasons: First, to help develop the airline industry; second, to help the Nation's commerce; and third, to help the Nation's defense. If we give subsidies only to those who happen to have a certificate to carry airmail, we deny subsidies to many other lines that do not carry mail, but who are important to the national defense. For instance, the Slick Airline in Texas has a large fleet of cargo carriers. If they were made eligible for a subsidy, perhaps they could perfect those cargo carriers so that if there were a national emergency they could be used to carry military personnel or cargo.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. KENNEDY. I yield to the gentleman from California.

Mr. HINSHAW. I know the gentleman recognizes that the purpose of this bill is to separate airmail compensation from subsidies. Of course, in connection with these other carriers, while it may or may not be advisable to subsidize them, there is no question of any separation of subsidy because they receive no mail.

Mr. KENNEDY. Is it true that a subsidy is given not only for carrying mail but for national defense and to develop the commerce of the Nation? Because of national defense, should not other planes besides those that happen to have certificates to carry mail be included?

Mr. HINSHAW. That is a question which the committee has not considered as yet. This bill is for the purpose of separating compensation for carrying airmail from subsidies. Of course, that subject has not been considered by the committee and hence should not be contained in this bill.

Mr. KENNEDY. It seems to me as long as subsidies are based partly on defense, you should not give the subsidy to only those who have a mail contract.

Mr. HINSHAW. If the gentleman desires to introduce a bill which relates to the nonscheduled and nonairmail carrying carriers, of which there are something like 2,400, I am sure the committee will be interested in its consideration.

Mr. KENNEDY. The gentleman is wrong. Only 12 new airlines would be eligible.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HESELTON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, in view of the fact that I opposed the original amendment last Wednesday, I should say for the purpose of the RECORD that this new amendment, in my opinion, is far more satisfactory. It does retain in the bill the essential cost element which is basic to any satisfactory separation.

There are, as others have said, five additional amendments. It is not my purpose to discuss each of them; however, I would like to join with my colleague from Massachusetts [Mr. KENNEDY] in what he has said about the probable necessity sometime in the immediate future for considering the wisdom of including other carriers than those who are authorized by certificate to transport mail. We all know that the armed services, particularly the Air Force, is very much concerned about a sound transport system. Certainly we, by our action, do not want to take any step that will be harmful in that respect.

The sixth amendment, which strikes out all of subsection 3 on page 6, is one which I could not personally recommend. However, it is true that in existing law the CAB does have the power to make these allocations. That being true, although they have not done it, and because I have been assured that Mr. Rentzel has said that he believes in separation and is going to see that it is done, and particularly because I realize the practical situation which confronts us here this afternoon, I shall not oppose it. Even without that section this is a bill which in my opinion separates the airmail pay and does it on a cost basis. I think this is so because I cannot conceive of the carriers being able to comply with any order that the CAB issues unless they do allocate their receipts and their expenditures into at least four categories, and those are the four categories that are eliminated by this amendment which will be offered. From a practical point of view I think the suggestion made by the gentleman from Ohio [Mr. BROWN] who was a member of the Hoover Commission, was far preferable to striking this entire section, but I will prefer that he speak for himself in terms of that suggestion.

On the whole, I think everyone who has been trying to work this very difficult and technical problem out is entitled to congratulations for what they have tried to do. I know that the gentleman from New York [Mr. ROONEY] has his doubts about one section. I share those doubts. In the over-all my feeling is definitely this: We have a chance this afternoon to pass a bill which we all agree upon in principle. It will take a long step toward separation. We should have separation by March 31, 1952. Congress will be in session between now and that time. If some of the things we are doing this afternoon are mistakes, I am sure that the committee will come back here and recommend additional legislation.

Consequently, Mr. Chairman, I am not going to oppose the amendments, and I shall support the bill this afternoon.

I do want to say for the RECORD that my colleague the gentleman from Massachusetts [Mr. KENNEDY] well merits our thanks and appreciation. He introduced the first comprehensive airmail subsidy separation bill, H. R. 2908, on February 21, 1949, the day the Hoover Commission reported its post-office recommendations to Congress. He testified before our committee and has cooperated fully with us in this exceedingly difficult task of bringing to you an amendment upon which we would join in

recommending favorable action. Although it is true that neither he nor I can recommend certain of the amendments and voted against them while the effort was being made to work out the best possible compromise, it must be a source of real satisfaction to him to have so much of the vitally important points of his original suggestions now in this bill before us.

I can and do say that with this bill passed we are in an excellent position to see to it that the details are worked out and that there is no reason why we should not have the actual costs of carrying the air mail in the open by March 31, 1952. Then only those subsidies which can be justified as required for the commerce of the United States, the postal service, and the national defense bill be paid.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BROWN of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when H. R. 9184 was before the House last week and we had before us a substitute bill, I made the suggestion that the measure be sent to, or taken back by, the Committee on Interstate and Foreign Commerce for further consideration in an endeavor to work out some sort of an agreed bill that would carry out the recommendations of the Hoover Commission. That action was taken by the House, with the consent of the Members of the Committee on Interstate and Foreign Commerce in charge of the bill and the Democratic and Republican leadership of the House. Later the Committee on Interstate and Foreign Commerce was courteous enough to extend me an invitation to appear before it, and to permit me to present some suggested amendments for consideration of the committee. Those suggested amendments, I should state, had been prepared by a number of us who had been interested in the Hoover Commission's work.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from California.

Mr. HINSHAW. I would like to say on behalf of the group that met that the suggestions made by the distinguished gentleman from Ohio [Mr. BROWN] were most valuable in helping us get together.

Mr. BROWN of Ohio. I appreciate your statement very much.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Arkansas.

Mr. HARRIS. I should like to concur in the statement just made by the gentleman from California [Mr. HINSHAW]. The gentleman who is now speaking, Mr. BROWN of Ohio, was a Member of our committee for a number of years, a very active one at the time he was on the committee, and familiar with some of the problems we have. Out of that experience he has given to us very valuable information and has helped the committee get together and come together and resolve the issues as we have presented them here today. We express our appreciation to the gentleman.

Mr. BROWN of Ohio. I thank the gentleman from Arkansas. The Interstate Commerce Committee, in its wisdom, did accept some of those amendments, at least in meaning and in content, if not in exact words, and has brought before the House an amended bill which has been agreed to by all the members of that committee.

I find the bill as amended, is in line with the Hoover Commission's recommendations, and will accomplish the purpose of those recommendations.

I can find just one thing about the bill with which I might personally differ and about which the Hoover Commission, as such, might have something to say. I refer to page 6. As mentioned by the gentleman from Massachusetts [Mr. HESELTON] we had suggested a portion of section 3 be retained in the new bill, down to the word "rendered" in line 22, to have the Civil Aeronautics Board, as a matter of instruction and policy, prescribe standards for keeping airline accounts and records. However, I understand the committee has been assured by the spokesman for and members of the Civil Aeronautics Board that such statutory language is entirely unnecessary, inasmuch as the Board now has that authority under present law. In other words, that there is no need for repeating in this act the authority the Board already has under present law, and that the Civil Aeronautics Board will do exactly that which would be required if this section were incorporated in the bill now before us.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. O'HARA of Minnesota. Permit me to say that the Civil Aeronautics Act is much more broad and helpful to them than the language contained in the bill.

Mr. BROWN of Ohio. I hope that is right. I believe we discussed in your committee the fact that the bill as originally brought to the House did restrict the Board to a certain extent. The amendments I have suggested, and which were prepared by our group, would have eliminated some of those restrictions, and would have left the authority with the Board practically the same as the Board contends it now has.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BROWN of Ohio. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. I understand further that your committee does have statements from the Civil Aeronautics Board, and pledges or promises, whatever you might wish to call them, that the Board will follow faithfully the intent and purpose of the proposed amendment, and your committee therefore feels it is not necessary to write the amendment into the law. That being the case, and with that understanding, and notwithstanding the previous recommendation of those who worked on the Hoover Commission, I feel that we should accept this bill in order, as members of the committee have pointed out, that we may get action at this session of Congress. I believe the measure the committee has reported out and brought here is one all of us can accept and support, to the great benefit of all concerned, especially the taxpaying public.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. BROWN of Ohio. I yield to the gentleman from Arkansas.

Mr. HARRIS. Personally I am glad to see the gentleman express himself on these various proposals, particularly the amendment to which he is addressing himself now. I appreciate the fact that he is willing to accept the committee action and go along. I believe it would be more advantageous to have it in this form than in the language the gentleman discussed with us a few days ago.

I might say to the gentleman further, to clarify this issue in his own mind, the Big Four case, which is being considered now, is having brought into it this particular point as an issue. The counsel to the Board advised us that they are in this particular and specific case putting into effect these various categories to which the gentleman is referring at this time.

Mr. BROWN of Ohio. I thank the gentleman.

In closing, may I reiterate that I believe this bill is in such shape each and every one of us can support it without any reservations.

May I also compliment the Committee on Interstate and Foreign Commerce for having met a rather difficult problem ably and fairly, and very well. All the members of that committee are entitled to great commendation for having worked so diligently on this particular legislation, have compromised their differences and come up with what I believe is a good bill.

I hope it will receive the unanimous vote of this body.

Mr. O'HARA of Minnesota. Mr. Chairman, in view of my statement and the conference which was had, I ask unanimous consent to withdraw my amendment, and accept the substitute in lieu thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, for a number of years past, and previous to the formation of the so-called Hoover Commission, I have been very much interested in the subject of separation of air-mail pay from subsidy monies. The action of the committee today in bringing out the bill entitled "Separation of subsidy from air-mail pay" as now amended and weakened is at least a step in the right direction. I am not as hopeful as the gentleman from Ohio [Mr. BROWN], that we are going to get this legislation enacted by both bodies during the present Congress. I feel it is highly important, however, that this House should right

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now demonstrate its intention and its eagerness that the taxpayer should know exactly how much of his tax dollar is being paid the airlines for carrying his mail, and how much is in the form of outright subsidy.

In my humble estimation, as a member of the Committee on Appropriations and as chairman of the subcommittee handling funds for the Civil Aeronautics Board, the airlines have been permitted to delay this needed reform for entirely too long. But be that as it may, I am going to go along on the compromise which was arrived at by the members of this committee on Thursday last after many, many hours of discussion. There are a number of matters which have been added to and deleted from the bill by way of amendments which will now be offered here on the floor by the committee with which I could not at all agree.

Mr. HARRIS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. HARRIS. The gentleman from New York [Mr. ROONEY] has manifested great interest in this problem for some time. The gentleman from New York joined in the conferences we had on this and helped to work out these differences so that we are able to come before the Membership of the House as we are today with these different points which have been at issue resolved.

Mr. ROONEY. I thank the gentleman. Of course, my ideas did not prevail. I was outvoted on every issue except insertion of UPU, rates.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. BROWN of Ohio. I commend the gentleman from New York for the position he has taken. I believe that he has had the same fears about this measure as I have had and expressed. However, I feel rather certain if the Civil Aeronautics Board will do that which they have pledged to the committee they will do, and that is put in this accounting system, they can and will properly separate and show what is paid for mail transportation and what is paid for subsidy and thus the whole purpose of the Hoover Commission recommendation will be accomplished.

Mr. ROONEY. I agree with the distinguished gentleman from Ohio to that extent, but I go a bit further. For instance, in this bill as amended there is no provision for allocation of costs. I think that such allocation was a vital part of the need for the original bill. I felt that the original bill introduced by the distinguished gentlemen from Massachusetts [Mr. KENNEDY and Mr. HESELTON] was a good bill which did not require amendment and that to take out the allocation of costs between the four categories mentioned on page 6 of the bill, in my humble estimation is not the thing to do.

I also felt and so stated in the conference that the Postmaster General should be required to appear as a party at every hearing before the Civil Aeronautics Board and should in behalf of the public be required to submit a statement of the rates recommended by him as being fair and reasonable for delivery of the mail.

Mr. BROWN of Ohio. I understand the Postmaster has that authority.

Mr. ROONEY. The law does not now require him to do so. However, all legislation is the result of compromise, and feeling that it is best to get the House of Representatives of this closing Eighty-first Congress on record as favoring the general principle that air-mail pay and subsidy money should and must be separated, I shall go along.

Mr. BROWN of Ohio. We appreciate it very much. I also favored the four categories, originally, but the Civil Aeronautics Board pointed out to me that naming four categories would restrict, and that in making this division they might want to divide it into more than four categories.

Mr. ROONEY. When you serve for a number of years as a member of the Committee on Appropriations you do not pay too much attention to what many of these agencies tell you. They never like to assume additional responsibility but delight in the receipt of greater power.

Mr. BROWN of Ohio. I agree fully with that statement of the gentleman also, but I do not limit it to just serving on the Committee of Appropriations where you learn that. You learn it from serving on other committees as well. But I believe there is something to the argument that when you write into the law a restriction of four categories you bar other categories. You seemingly set up only four instead of possibly others.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has again expired.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. HESELTON. I agree with what the gentleman has said about eliminating the duty of the Postmaster General to recommend on all rates, but will not the gentleman agree with me that there is another factor, aside from the reasons so ably stated by him, that we have the Civil Aeronautics Board in a quasi-judicial position, you have the airlines coming in, with able counsel and able accountants, thoroughly presenting their case; but there is one great group of people who would not be represented unless the Postmaster General did present the public's case. I hope the Postmaster General will accept that responsibility if he has that power now.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has again expired.

The question is on the amendment offered by the gentleman from Texas [Mr. BECKWORTH].

The amendment was agreed to.

Mr. HINSHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW:

Page 3, line 19, strike out "by an air carrier", and on page 3, line 21, strike out "include a statement of" and insert in lieu thereof "state and support in detail."

And on page 3, line 25, and page 4, line 1, strike out "(A) a statement of the rates recommended by him as being fair and reasonable, and (B)."

Mr. HINSHAW. Mr. Chairman, this is one of the amendments which has been agreed to by the group that has been described. This amendment removes the requirement that the Postmaster General state the rates which he considers fair and reasonable in every case where a petition is filed for the fixing or changing of rates. The Post Office Department has stated that to require it to suggest a rate in all cases would be to require it to build up a staff of rate experts which would unnecessarily duplicate the staff of the Civil Aeronautics Board. When the Postmaster General is the petitioner, however, he still would be required to state and support the rates he recommends.

There is no argument against this amendment, and I ask for a vote.

Mr. WOLVERTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have asked for this time, not with any thought of opposing the amendment that has been offered by the gentleman from California [Mr. HINSHAW], but to emphasize the desire upon the part of the House Committee on Interstate and Foreign Commerce that his amendment and the others that have been adopted by the subcommittee will be adopted by the House.

In this connection I would like to further emphasize to the Members of the House that notwithstanding there has been some controversy between the members of the committee with respect to certain language in the bill, there has never been any controversy or difference of opinion between them with respect to the approval of fundamental purpose of this bill. I believe the membership of the House is interested in the fundamental purpose of the bill; namely, to separate air-mail compensation from subsidy in order that there may be a clear understanding with respect to what is paid for each.

The amendments that are offered as a result of the further study given to controversial questions have been arrived at as a result of a very sincere effort on the part of the Committee on Interstate and Foreign Commerce and those interested Members of the House who have met with it. These amendments do not in any way change the underlying purpose of the bill, which, as I have stated, is to separate air-mail pay and subsidy. The controversy, based upon differing viewpoints, has arisen entirely through an effort to adopt proper language with reference to the formula of cost. The language of the amendments which have been agreed upon, as has been said already, have not in each case met entirely the views of each individual; however, the amendments that are presented to you do represent compromise language arrived at after very

serious consideration of all the differing viewpoints that have been expressed.

The fundamental purpose has been that whatever formula was used or by whatever words it was expressed, it was intended that there should be a fair and reasonable rate allowed for carrying mail and whatever might be paid as a subsidy was to be separately considered.

Undoubtedly there will be some questions to arise in the future that may require further consideration by the committee, but at the present moment with the light the committee has and after the fullest discussion and consideration of the differing viewpoints, this bill as amended has been recommended to the House with the thought that it will maintain the basic principle and purpose of the bill. I believe that it is the basic principle of separation that the average Member of the House is interested in, and I trust the House will have confidence in the recommendations of the committee at this time, and, be assured of the intention of the committee to make certain that as experience comes to us in the future, that it will give consideration to any changes that may seem necessary to make the law just and equitable from the standpoint of the airlines and the taxpayers as well.

It is the desire of the committee that this bill be adopted at this session of the Congress. I think it will be a great achievement for this House and the Congress to adopt this legislation which comes to us as a result of the study that has been made by the Hoover Commission.

In addition to the recommendation of the Hoover Commission there have been many other studies that have been made, including studies by the Brookings Institute. All of these studies have resulted in the same conclusion, namely, that there should be a separation between air-mail compensation and subsidies. This bill will accomplish that very thing, and I am hopeful that the House will have confidence in what the committee has done in this respect and that it will give its approval to the legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California.

The amendment was agreed to.

Mr. HARRIS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: Page 4, line 12, strike out "a certificated air carrier" and insert in lieu thereof the following: "any air carrier holding a certificate authorizing the transportation of mail by aircraft."

Mr. HARRIS. Mr. Chairman, obviously the work of the members of the subcommittee, together with the able assistance of the gentleman from Massachusetts [Mr. KENNEDY] and the gentleman from New York [Mr. ROONEY] was very helpful and has brought forth some good results. I want to commend the chairman of our committee, the gentleman from Texas [Mr. BECKWORTH], and the other members of the committee for the very fine, able, and constructive manner, as well as for the conscientious and determined efforts of coming together and to work out some of these points at issue in a manner acceptable to us under the circumstances.

When I offered the substitute last week it will be recalled there were some four or five specific objections I had to the bill reported by the committee. One was that it extended subsidies to all certificated carriers. Another was the cost-standard provision contained in the bill reported by the committee. Another was the cost allocation of the various categories of service which would have brought about a complete change in bookkeeping and a complete revision in the accounting system of the air carriers and would make it difficult for the Civil Aeronautics Board to administer.

Then there was a further objection I had with reference to the international carriers and the complications that would result in connection with the proposed bill. We have tried to resolve these points of difference. We have done a fairly substantial job, in my opinion. As the gentleman from Texas [Mr. BECKWORTH] said a moment ago, none of us are 100 percent satisfied, but we do feel that in the give-and-take proposition as good a job as could be hoped for has been accomplished. Personally, I am not satisfied at all with the effects or the results, so far as the international carriers' situation is concerned. I am not satisfied altogether about what the result may be in connection with the UPU rates and their effect on our carriers and just what their situation may be competitively with other international or foreign air carriers. Nevertheless, this is a part of the work we did as we come together and bring it to you in a manner that we believe will be for the best interest.

Mr. O'HARA of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Minnesota.

Mr. O'HARA of Minnesota. May I say to the gentleman from Arkansas that I fully subscribe to what he has just said. I confess that on the subject of the international carriage of mail and UPU rates my own mind is somewhat in a state of confusion. I hear one view of some in the Post Office Department, another by the CAB, and still another by representatives of the airlines. I have not been able to satisfy myself about the situation. I do not say any of these gentlemen have misstated the facts. The trouble is, in my opinion, we have not always gotten the best information and the most thorough information that I would like to have on the subject, before we legislate on such an important matter.

Mr. HARRIS. That is the reason I said it is not altogether clear to me what the ultimate effect of this will be insofar as international carriers are concerned and the competitive position; nevertheless I do feel it is a matter that can be cleared up later and I am sure it will be.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from Massachusetts.

Mr. HESELTON. With reference to the particular amendment the gentleman has offered, over the week-end I had occasion to look over the brief of the Seaboard Airline's case pending before the Civil Aeronautics Board. The situation that bothers me is the cutting of this back to the certificated mail carriers. This particular line is the only unsubsidized freight service in the international field and they want to go forward with their work. They are carrying more freight now than any other single line, and I think it would be a great mistake for us to arbitrarily cut them out from possible consideration. I am sure the gentleman feels, knowing him and his ability and his fairness, that if situations like that develop, the gentleman would be glad to join in presenting a further solution.

Mr. HARRIS. I thank the gentleman. As has been so well said already, we did not have hearings on that particular point of issue before our committee. If it is a question that is to be taken up and considered, I will join with the other members of the committee at an appropriate and convenient time to take it up and give it most thorough consideration.

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. HARRIS. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. HARRIS. As the gentleman from California [Mr. HINSHAW] said a moment ago, this is a bill to separate subsidy from air-mail pay; that is all. It is not a bill to extend subsidy. That is the way I understand it. This amendment that I propose here limits the provisions of this bill just as it was intended, that is, to the separation of air-mail pay from subsidy payments by the Government.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. HARRIS. I yield to the gentleman from California.

Mr. HINSHAW. Is not this amendment which the gentleman is offering now identical with the amendment recommended by the gentleman from Ohio after his discussion with the members of the task force of the Hoover Commission?

Mr. HARRIS. Identical. The amendment limits the class of carriers which may apply for subsidy payments to those carriers holding mail certificates. This limitation conforms to existing law. Under the bill as reported any certificated air carrier may apply for subsidy. The class of air carriers which may apply for subsidy should not be broadened beyond present law until this question is more fully explored. This is in accordance with the agreement and understanding of all of the Members present last week when we had our sessions.

Mr. Chairman, I trust that the amendment will be adopted and the other amendments we agreed to will be adopted and that this bill as amended will pass.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arkansas [Mr. HARRIS].

The amendment was agreed to.

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Mr. HINSHAW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HINSHAW: Page 5, beginning in line 22, strike out "to make, with respect to the period beginning July 1, 1951, and ending March 31, 1952, or with respect to any part thereof," and insert in lieu thereof "to make."

Mr. HINSHAW. Mr. Chairman, this amendment removes the limitation on the period during which the Board will have power to make temporary subsidy payments. The need to make temporary subsidy payments will not be limited to the period immediately following the separation between rates and subsidy. Situations may arise at any time in the future where the difficulty of determining final subsidy payments makes it necessary to have authority to make temporary subsidy payments pending final determination as to the subsidy payments which should be made.

Mr. Chairman, this is another recommendation of the group which I mentioned a moment ago, and I urge its adoption.

The CHAIRMAN. The question is on the amendment offered by the gentleman from California [Mr. HINSHAW].

The amendment was agreed to.

Mr. BECKWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH: Page 6, line 10, strike out "on or after July 1, 1951," and insert in lieu thereof "after March 31, 1952."

Mr. BECKWORTH. Mr. Chairman, this is one of the amendments that have been referred to. It simply gives the Civil Aeronautics Board nine additional months to do this job of separating mail pay from subsidy. One of the reasons is that the bill was reported last August, and some 3 or 4 months have elapsed since that time. It is necessary that the Board have additional time within which to do this job. This amendment provides that.

Mr. HESELTON. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield to the gentleman from Massachusetts.

Mr. HESELTON. As I heard the amendment read, it was to strike out the language "on or after July 1" and substitute "after March 31." Is that what the gentleman intended to do?

Mr. BECKWORTH. That is the language of the amendment. The words that are to be placed in the bill are "after March 31, 1952."

Mr. HESELTON. The gentleman intends to eliminate "on or after July 1"?

Mr. BECKWORTH. The amendment as offered is in a form which I think is correct. As I understand it, the intent is to have the separation take effect beginning with the second calendar quarter of 1952. This amendment could have been drafted to read "on or after April 1, 1952." The same result is reached by the pending amendment, which reads "after March 31, 1952."

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The amendment was agreed to.

Mr. BECKWORTH. Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read and be open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The remainder of the bill is as follows:

ALLOCATION OF AIR CARRIER RECEIPTS AND EXPENDITURES

SEC. 3. Section 407 (d) of the Civil Aeronautics Act of 1938, as amended, is hereby amended—

(1) By inserting "(1)" after "(d)"; and

(2) By inserting at the end thereof the following new paragraph:

"(2) On or before July 1, 1951, and from time to time thereafter, the Civil Aeronautics Board shall, after notice and hearing, prescribe standards by which air carriers, in keeping their accounts, records, and memoranda, shall allocate receipts from, and expenditures for, the air transportation services rendered by them among the following four categories: Transportation of passengers and their baggage, transportation of freight, transportation of express, and transportation of mail. From and after July 1, 1951, it shall be unlawful for any air carrier, in keeping any account, record, or memorandum (other than any additional account, record, or memorandum kept pursuant to the proviso of paragraph (1) of this subsection), to allocate any receipt from, or expenditure for, any air transportation service it renders in any manner other than a manner which conforms to the standards prescribed pursuant to this paragraph."

ADDITIONAL INFORMATION IN ANNUAL REPORTS

SEC. 4. The second sentence of section 206 of the Civil Aeronautics Act of 1938, as amended, is hereby amended by inserting after "civil aeronautics" a comma and the following: "including data relative to the mail payments and subsidy payments, both in the aggregate and on an individual basis, made under this act with a separate analysis of the bases upon which each such mail payment and each such subsidy payments was provided."

STUDIES AND REPORTS

SEC. 5. (a) The Civil Aeronautics Board is authorized to make studies in connection with any of the provisions of this act. In the conduct of such studies the Board is authorized, without regard to section 3709 of the Revised Statutes to enter into contracts or other arrangements, or modifications thereof, for the carrying on of such studies by such persons or organizations as may be designated by the Chairman of the Civil Aeronautics Board and the chairmen of the Committees on Interstate and Foreign Commerce of the Senate and House of Representatives of the United States.

(b) On or before April 1, 1951, the Civil Aeronautics Board shall, on the basis of a comprehensive study, render a written report to the Congress on what aggregate sums would be required during the fiscal year ending June 30, 1952, and during each of the four succeeding fiscal years (1) to provide fair compensation for services to be rendered by air carriers in the carriage of the mails, in accordance with the provisions of section 406 (a) of the Civil Aeronautics Act of 1938, as amended by this act, and (2) to provide for payment of essential subsidy, in accordance with section 406 (c) of such act, as amended by this act. Such report shall include a study of the potential revenues from all forms of air traffic and of the potential economies which could be achieved in airline costs, as well as such other factors as may be pertinent to the development, with the least possible expenditures by the United States, of an efficient and economical air transport industry to the extent and of the character and quality required for the national defense, the commerce of the United States, and the postal service.

(c) There are hereby authorized to be appropriated to the Civil Aeronautics Board such sums, not to exceed $300,000 in the aggregate, as may be necessary to carry out the provisions of this section.

Mr. O'HARA of Minnesota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. O'HARA of Minnesota: On pages 6 and 7, strike out all of section 3, lines 11 to 25, inclusive, on page 6, and lines 1 to 7, inclusive, on page 7, and renumber the subsequent sections of the bill accordingly.

Mr. O'HARA of Minnesota. Mr. Chairman, this was one of the controversial features of the bill which was originally before us and which has been worked out by the compromise agreement.

This amendment strikes out section 3, which provided that the Civil Aeronautics Board would prescribe standards for the allocation of air-carrier receipts and expenditures for specified categories. It has been pointed out that the Civil Aeronautics Board, under existing law, has full power to prescribe these standards; and it is apparent that the Board will have to prescribe such standards in order to achieve the separation. However, in view of the difficult nature of the problem it is believed preferable to leave to the judgment of the Board the time when these accounting changes must take place.

Mr. Chairman, it happens to be a fact that under section 407 of the Civil Aeronautics law there is very comprehensive provision for the setting up of an accounting system. It took the CAB and the airlines something like 3 years to set up that system. The regulations of the Civil Aeronautics Board comprise a book of approximately 100 pages of instructions. It took thousands and I presume hundreds of thousands of dollars to set up that accounting system throughout all the airlines of the United States. It is felt that the language in the present bill would be much more restrictive than the CAB might feel in order to determine the separation of air-mail pay and subsidy.

In the minority report of this bill there is fully set out the objections of the CAB with persuasive logic, the reasons why this amendment should be adopted.

It is felt it would be far better to permit the Board to have that leeway and from such studies as they may make or their experience may show to provide for a proper system of accounting to complete the separation.

Mr. ROONEY. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. ROONEY. Do I understand the gentleman's position to be that the Civil Aeronautics Board already and upon passage of the pending bill has the power to prescribe standards by which air carriers in keeping their accounts, records, and memoranda shall allocate receipts from and expenditures for the air transportation services rendered by them, among the following four categories: Transpor-

tation of passengers and their baggage, transportation of freight, transportation of express, and transportation of mail? Does the Civil Aeronautics Board now have that authority?

Mr. O'HARA of Minnesota. They have that authority now. In addition, they have much more power because it may be, if I understand the situation, that about 80 percent of the airline business is on joint rates, and they have some tremendous difficulties.

Mr. BECKWORTH. Mr. Chairman, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield.

Mr. BECKWORTH. We specifically talked about this while we were in the series of meetings the other day. Would the gentleman give his impression as to what the CAB has indicated the CAB expects to do about this particular thing immediately?

Mr. O'HARA of Minnesota. It is my understanding they will set up such a system, and they are now in the process of working it out. The fact of the matter is that in the so-called Big Four cases the CAB has informed us that they have learned much themselves, so far as this subject is concerned, and they will undoubtedly follow up with additional regulations which will require all of the things we want to show with reference to the separation of air-mail pay from subsidies.

Mr. BECKWORTH. Is it not fair to state furthermore that the fact the language is not there is no evidence the Congress is not very anxious that they, insofar as possible, separate it into these four categories, or any other categories necessary to make this picture a clear picture? Certainly, it is my hope the four categories can be used. I would not want to limit the categories to four, however. If other categories are necessary, they, too, should be used.

Mr. O'HARA of Minnesota. Exactly.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

The question is on the amendment offered by the gentleman from Minnesota [Mr. O'HARA].

The amendment was agreed to.

Mr. BECKWORTH. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BECKWORTH:

On page 8, line 4, strike out "1951" and insert in lieu thereof "1952."

On page 8, strike out lines 7 and 8, and insert in lieu thereof the following: "it estimates will be required during the fiscal year ending June 30, 1950."

Mr. BECKWORTH. Mr. Chairman, this amendment postpones for 1 year the date by which the Civil Aeronautics Board is to report to the Congress with respect to costs to the Government of air-mail pay and subsidy. One of the purposes is to give the Board more time within which to make its study in that particular connection. When it reports, it is to report for the following fiscal year beginning July 1, 1952, and to report for 1 year only rather than for 5 years as the bill originally provided. It is felt that this is a more practical solution to the objective which the committee was seeking by the original language.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I simply want to say of course this bill is a compromise and the amendments which we have offered today are a compromise, and while perhaps none of us is satisfied, including myself, nevertheless, for the sake of getting a bill, we have gone along thus far. In no way have I personally changed the views which I expressed the other day when this bill was on the floor. I intend in the extension of my remarks to give some reasons why certain further changes should be made in this legislation before it is finally enacted into law and to that end I now ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. HINSHAW. Mr. Chairman, under authority to extend my remarks I reiterate that this bill should not be enacted into law and, in fact, no bill should be enacted until the Senate committee study of this subject has been completed and become available. However, as the House appears to be insistant upon some bill being passed now, I can say that this bill, H. R. 9184, with the amendments agreed to is in far better shape than it started out to be, and that doubtless it would have been had not an agreement on amendments been reached by our unofficial conference between differing members. The bill H. R. 9184 in its present form is not too seriously different from H. R. 9305, which we offered as a substitute except that this bill includes our air carriers in foreign commerce and certain other provisions which I shall discuss.

SEPARATION OF MAIL PAY AND SUBSIDY OF AIR CARRIERS OPERATING IN FOREIGN COMMERCE

Mr. Chairman, I believe that this is the wrong time to require separation of compensatory mail pay from subsidy to our air carriers in foreign commerce and doubt that a right time will come until foreign-flag carriers do likewise. Hidden subsidy is being furnished to all international carriers, whatever flag they carry. Our own flag international carriers are privately owned. Other flag air carriers are all government owned, and as such are not required by their governments to adhere to the same rigid accounting as are ours. That is the initial disadvantage we suffer. While those governments can see the published costs of our carriers, we cannot do the same for each of the foreign-flag carriers. Therefore, by our disclosing the amount of subsidy we pay to our airlines in foreign commerce, we lay ourselves open to a subsidy war. That alone is sufficient reason to exclude our air carriers in foreign commerce from this bill.

But for sake of argument, let us assume that the separation principle is correct. We have a number of so-called national-interest air routes. I do not think it is smart to disclose those routes and their cost in terms of subsidy support, and such would be required under this bill.

But in the general case what would be the effect? Let us take the three situations that would arise. First is the case where the compensatory rate to be established turns out to be greater than the rate now agreed in the Universal Postal Union—UPU—of 6 gold francs, or $2.86, per ton-mile in the North Atlantic. Second would be where the compensatory rate comes out equal to the UPU rate. Third is the case where the compensatory rate is less than the UPU rate.

In the first case, i. e., where the compensatory rate turns out to be greater than the UPU rate, then in that case our Post Office Department would be forced to offer our mail to foreign-flag carriers, because their rate, the UPU rate, would be cheaper. If the Post Office Department should refuse to do that, then foreign governments would have reason to claim we were discriminating against their lower-rate carriers in favor of our own higher-rate carriers. Compulsion would also come directly for budgetary reasons of the Post Office Department. At that point our carriers would lose the mail pay almost altogether and the subsidy payments would have to be increased accordingly. We would then have to pay twice—once to the foreign-flag carrier for carrying the mail and again to our own flag carriers as additional subsidy.

In the second case, that is, where the compensatory rate turns out to be equal to the UPU rate, an unlikely happenstance, our carriers would be on an equal footing with foreign-flag carriers so far as carrying the mail is concerned, but subsidy pay, if any, being disclosed unilaterally by us would open the way to charges against us on account of paying subsidy, and a subsidy rate war would ensue.

In the third case, that is, where the compensatory rate would turn out to be less than the UPU rate, then our Post Office Department, for budgetary reasons, would find it incumbent upon themselves to give all of our mail to our own carriers, instead of giving some of it to foreign-flag carriers as they do now. In that case foreign governments would doubtless retaliate by not giving any of their mail to our flag carriers as they do now, and hence our carriers as well as theirs would be flying their home-bound courses empty of mail, and that would be a loss to all concerned and require us to pay added subsidy to our flag air carriers.

Therefore, if any separation of subsidy from mail pay is to be made, it probably would be least damaging to us to establish a compensatory rate at whatever the UPU rate is at any given time, instead of going through the expensive process of trying to find a true cost. But that probably is too simple an answer to appeal to anyone.

OTHER PROVISIONS OF H. R. 9194

Mr. Chairman, there are numerous other reasons why I feel opposed to this bill at this time, but among them are the following:

First, as we are on the brink of war, this is no time to be asking either the Civil Aeronautics Board or the air carriers to divert their attention and resources to this business. At any time the National Defense Establishment may requisition a large number of planes and

crews and thus throw accounting and the rigid accounting procedures in this bill into a cocked hat.

Secondly, the bill establishes a rigid accounting of cost of service which is a part of a larger service, and no two accountants can ever agree on exactly how to separate and allocate costs on an actual-cost basis. At best, the allocations of charges must be done empirically. To write "cost," as such, into the law may require a long court procedure and final Supreme Court decision as to what cost is to mean in each case that can be brought before it.

Thirdly, while compensation for carrying the mail at determined rates becomes an obligation of the Government, that is not the case in this bill so far as subsidy payments are concerned. The bill, H. R. 8194, leaves that question up to the whim of the Congress through its appropriations for paying subsidy. If the Congress appropriates less than the Civil Aeronautics Board determines as necessary, then the CAB must reallocate the subsidy payments appropriated accordingly. This means that no airline receiving subsidy can know what subsidy it is to be paid until after the Congress has acted and the Board then has acted accordingly. It means that airlines requiring subsidy will not be able to finance their operations as no responsible banking organization or group can offer finances on such a tenuous and uncertain prospect. Hence either Government financing or outright Government ownership of subsidized airlines would eventuate necessarily.

If it is desirable to control the continued enjoyment of route certificates then this is not the way to control it. A far better way would be to empower the CAB to issue an order to an airline to appear at a hearing to show cause as to why its certificate or any route certificate should not be revoked as being no longer in the public interest and to the public convenience and necessity to continue such certificate in force. Under this bill any air carrier or any route or segment of a route can be cut off without warning merely as a result of a specific cut or even a general cut in appropriations made by the Congress. This process can eventuate into overriding even a Presidential certification order and generally bring financial chaos to the entire commercial aviation industry. The payment of subsidy to an airline should be a contractual matter and not an indirect means of canceling certificates of public convenience and necessity without notice or hearing.

Mr. Chairman, there are other objections to this bill, H. R. 8194, as amended in the House, but these or any of them that I have presented appear to me as good and sufficient reason why H. R. 9184 should not become law in these last days of the Eighty-first Congress. I hope and trust that the counterpart of our committee in the other body will agree so that we may take another look at the subject in the Eighty-second Congress.

Mr. BECKWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I want to call attention to a letter which the Post Office Department wrote to the chairman of the committee the gentleman from Ohio, Hon. ROBERT CROSSER, on December 7, 1950. The Postmaster General mentioned several provisions he would like to see in the bill. There have been no hearings on some of these; although the committee has great confidence in the Post Office Department, it would wish to have hearings on all the suggestions.

I simply want the RECORD to show that the letter was considered by the group of members when we met the other day. Since there were no hearings held on some of the recommendations contained in the letter, we felt that we could not act on them at this time, but in the future we shall be glad to consider those recommendations. Also I desire to include a letter dated December 7, 1950, which was written to the gentleman from Texas, Speaker RAYBURN, by Hon. D. W. Rentzel.

DEPARTMENT OF COMMERCE,
CIVIL AERONAUTICS BOARD,
Washington, D. C., December 7, 1950.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I believe it to be of the utmost importance that I communicate to you at this time my feelings about H. R. 9184, a bill designed to accomplish the separation of the subsidy element from mail pay, now actively being considered by the House. While the Administration and the Board are on record as favoring separation legislation and while H. R. 9184 essentially accomplishes that purpose, there are nevertheless several very serious objections to some of the provisions of this bill. I shall not burden you here with a detailed statement of the objections, for they appear in a letter from the acting chairman of the Board to Congressman JOSEPH P. O'HARA, quoted in full on pages 18–20 of the report accompanying the bill. The views expressed in that letter were substantially the same as those expressed in response to a request by Congressman BECKWORTH several weeks previous to Congressman O'HARA's inquiry. At that time we submitted in outline form a comparison between the provisions of H. R. 9184 and the suggestions of the Board for a suitable bill, submitted by its chairman on February 15, 1950, before the Transportation Subcommittee of the House Interstate and Foreign Commerce Committee. We are enclosing a copy of that submission for your convenience.

The principal objections of the Board referred to above were as follows:

1. The bill extends opportunity for subsidy to carriers not now eligible by making all certificated carriers eligible.

2. The Board is not given authority to fix temporary subsidy payments pending the fixing of permanent subsidy.

3. The bill provides that the Board shall order each carrier to allocate costs and revenues between the different services, but apparently does not afford a particular carrier the opportunity for a semijudicial hearing to determine the propriety of such an order as applied to it.

4. The provisions as to the time in which the change-over should be accomplished are not clear and will result in confusion.

The objections that the Board has hitherto expressed to H. R. 9184, which objections I understand are not opposed by the administration, are the same today as they were before. It is true that by a subsequent amendment to the bill an attempt was made to cure one of these objections by giving the Board the authority to fix temporary subsidy payments for the period July 1, 1951, to March 31, 1952. This amendment, while allowing the Board a little breathing spell in the tremendous job imposed upon it in changing over to the new scheme of determining separately service and subsidy payments, does not eliminate the essential objection. In the first place, it does not allow enough of a breathing spell. It is difficult to see how the Board will be able to fix permanent rates and subsidiies within the time contemplated by the bill. The result will be that many carriers will have to operate without substantial sums obviously due them from the Government. These carriers cannot but be seriously harmed by the delay. Quite aside from transition period problems, it is essential that the Board have a continuing authority to make temporary subsidy payments. The airline industry is still in a dynamic stage and with the nature and the risks involved in its operations, crises are to be expected more frequently than in ordinary public utilities. A good example of that was the period after the recent war. It is desirable that the flexibility with respect to temporary payments that the Board has under the present act be continued.

The Board feels that the elimination of the foregoing objections, which would make H. R. 9184 more nearly comparable to the bill suggested by the Board, would result in a bill much more administratively feasible than is H. R. 9184. We therefore urge that serious consideration be given to the Board's objections to H. R. 9184.

In closing, I should like to reiterate the Board's support of separation legislation. We are actively engaged in a proceeding to establish service rates for the largest four carriers in the industry. Our staff has put in a tremendous amount of work on the case and has now reached a point where it can make significant contributions to the very difficult problem of setting up definite standards for separation of the subsidy element. The Board continues to believe, further, that separation legislation should be passed at the earliest possible moment consistent with the drafting of a bill that will better accomplish the task. It is only on the question of the adequacy of the bill now actively under consideration that the Board has serious misgivings and believes that a more satisfactory bill can be worked out. I shall hold myself ready to supply any additional information and assistance that you may consider desirable.

Sincerely yours,

D. W. RENTZEL,
Chairman.

Mr. KENNEDY. Mr. Chairman, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. KENNEDY. I would like to extend my thanks to the gentleman from Illinois [Mr. LINEHAN] and the gentleman from New York [Mr. ROONEY] for their invaluable work last week in trying to perfect this bill.

The CHAIRMAN. The time of the gentleman from Texas [Mr. BECKWORTH] has expired.

The question is on the amendment offered by the gentleman from Texas [Mr. BECKWORTH].

The amendment was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. BONNER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 9184, pursuant to House Resolution 854, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken; and on a division (demanded by Mr. ROONEY), there were—ayes 66, noes none.

So the bill was passed.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. WOODRUFF asked and was given permission to extend his remarks and include a letter addressed to him by John C. Manning, editor of the Detroit Times, and an editorial from the Detroit Times; and further to extend his remarks and include an editorial from the Detroit Free Press.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include an article.

Mr. HESELTON asked and was given permission to revise and extend the remarks he made in Committee of the Whole and include extraneous matter and tabulations.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. BRAMBLETT for an indefinite period, on account of official business.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 20 minutes p. m.) the House adjourned until tomorrow, Tuesday, December 12, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1774. A communication from the President of the United States, transmitting a proposed supplemental appropriation for the fiscal year 1951 in the amount of $11,000,000 for the Selective Service System (H. Doc. No. 735); to the Committee on Appropriations and ordered to be printed.

1775. A letter from the Assistant Secretary of Agriculture, transmitting the report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease for the month of October 1950, pursuant tot Public Law No. 8, Eightieth Congress; to the Committee on Agriculture.

1776. A letter from the Attorney General, transmitting a report relating to factors which may tend to affect adversely our competitive enterprise system during a period of defense mobilization, pursuant to section 708 (e) of Public Law No. 774, Eighty-first Congress, approved September 8, 1950; to the Committee on Banking and Currency.

1777. A letter from the Attorney General, transmitting a letter relative to the case of Maria Tome Da Silva Lawver, file No. A-6008146 CR 25896, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1778. A letter from the Attorney General, transmitting a letter relative to the case of Henryk Oselka, file No. A-6802109 CR 26013, requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1779. A letter from the Assistant Secretary of Defense, transmitting a draft of proposed legislation to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar as follows:

Mr. HOBBS: Committee on the Judiciary. H. R. 9828. A bill to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Labor; without amendment (Rept. No. 3183). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. D'EWART:

H. R. 9890. A bill authorizing the restoration to tribal ownership of certain lands upon the Crow Indian Reservation, Mont., and for other purposes; to the Committee on Public Lands.

By Mr. MILLER of California:

H. R. 9891. A bill to eliminate the retroactive application of the income tax to employees of the United States working in the possessions or in the Canal Zone; to the Committee on Ways and Means.

By Mr. McMILLAN of South Carolina:

H. R. 9892. A bill to exempt from the District of Columbia Sales Tax Act sales of food for human consumption in hotels, restaurants, cafes, bars, and other establishments where the sales price of the food furnished an individual patron is more than $1.25; to the Committe on the District of Columbia.

By Mr. VINSON:

H. R. 9893. A bill to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

By Mr. BUCHANAN:

H. Res. 880. Resolution providing for the payment of 6 months' gratuity and $350 funeral expenses to William Earle Griffin, son of Helen M. Griffin, late an employee of the House; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BATTLE:

H. R. 9894. A bill for the relief of Thomas I. Ward; to the Committee on the Judiciary.

By Mr. D'EWART:

H. R. 9895. A bill authorizing the Secretary of the Interior to issue a patent in fee to Alice E. Williams Sisk; to the Committee on Public Lands.

By Mr. KENNEDY:

H. R. 9896. A bill for the relief of Elias Miltiades Iordanopoulos; to the Committee on the Judiciary.

By Mr. LYNCH:

H. R. 9897. A bill for the relief of the Baltimore & Ohio Railroad Co.; to the Committee on the Judiciary.

By Mr. RODINO:

H. R. 9898. A bill for the relief of Sumiko Yamamoto; to the Committee on the Judiciary.

SENATE

TUESDAY, DECEMBER 12, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, in times of stillness as we pause in the midst of rushing cares, we hear like bells at evening pealing the call of the better angels of our nature: We come seeking wide horizons around our noisy lives. Midst all the busy shuttles of legislation, as here is woven the fabric of law and order, shielding the life of our democracy and of free peoples everywhere, may we not be so enmeshed in the immediate mechanics of our solemn task as to lose sight of the total pattern shown in the mount of vision. As we have undertaken on this continent a government of, by and for the people, may we not lack the spiritual quality and a constant sense of the divine sovereignty, without which no such government can long endure.

So make us faithful ministers of this stricken generation. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. O'CONOR, and by unanimous consent, the reading of the Journal of the proceedings of Monday, December 11, 1950, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting a nomination was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed a bill (H. R. 9184) to provide for the separation of subsidy from airmail pay, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED JOINT RESOLUTION SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended, and it was signed by the Vice President.

LEAVE OF ABSENCE

On request of Mr. O'CONOR, and by unanimous consent, Mr. JOHNSTON of South Carolina was excused from attendance on the session of the Senate today.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. O'CONOR, and by unanimous consent, the Committee on Finance was authorized to sit during the sessions of the Senate during the remainder of this week for the purpose of considering the proposed excess-profits-tax legislation.

On request of Mr. LUCAS, and by unanimous consent, the Committee on Armed Services was granted permission to hold a session this afternoon.

On request of Mr. LUCAS, and by unanimous consent, the Committee on Labor and Public Welfare was granted permission to meet during the session of the Senate today.

NATIONAL HISTORICAL PUBLICATION COMMITTEE

The VICE PRESIDENT. Under section 503 of Public Law 754, Eighty-first Congress, the President of the Senate is required to appoint a Member of the Senate to the National Historical Publication Committee. In pursuance of that duty the Chair appointed the Senator from North Carolina [Mr. HOEY].

CREDENTIALS

The VICE PRESIDENT laid before the Senate the credentials of WARREN G. MAGNUSON, duly chosen by the qualified electors of the State of Washington, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF WASHINGTON,
EXECUTIVE DEPARTMENT,
Olympia.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, WARREN G. MAGNUSON was duly chosen by the qualified electors of the State of Washington a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

In witness whereof I have hereunto set my hand and caused the seal of the State of Washington to be affixed at Olympia this 7th day of December A. D. 1950.

ARTHUR B. LANGLIE,
Governor of Washington.

By the Governor:
[SEAL] EARL COE,
Secretary of State.

The VICE PRESIDENT laid before the Senate the credentials of CHARLES W. TOBEY, duly chosen by the qualified electors of the State of New Hampshire, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

THE STATE OF NEW HAMPSHIRE,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950 CHARLES W. TOBEY was duly chosen by the qualified electors of the State of New Hampshire a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, Sherman Adams, and our seal hereto affixed at Concord this 1st day of December in the year of our Lord 1950.

SHERMAN ADAMS,
Governor.

By the Governor, with advice of the council.
[SEAL] ENOCH D. FULLER,
Secretary of State.

Mr. O'CONOR presented the credentials of JOHN MARSHALL BUTLER, duly chosen by the qualified electors of the State of Maryland, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF MARYLAND,
Annapolis, Md.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, JOHN MARSHALL BUTLER was duly chosen by the qualified voters of the State of Maryland, a Senator from said State to represent said State in the Senate of the United States for a term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, William Preston Lane, Jr., and our seal hereto affixed at Annapolis, this 5th day of December, in the year of our Lord 1950.

W. PRESTON LANE, Jr.

By the Governor:
[SEAL] VIVIAN V. SIMPSON,
Secretary of State.

Mr. SMITH of North Carolina presented the credentials of CLYDE R. HOEY, duly chosen by the qualified electors of the State of North Carolina, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF NORTH CAROLINA,
CITY OF RALEIGH,
EXECUTIVE OFFICES,

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, CLYDE R. HOEY was duly chosen by the qualified electors of the State of North Carolina a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency our Governor, W. Kerr Scott, and our seal hereto affixed at Raleigh this 28th day of November, in the year of our Lord 1950.

W. KERR SCOTT,
Governor of North Carolina.

By the Governor:
[SEAL] THAD EURE,
Secretary of State.

Mr. MAYBANK presented the credentials of OLIN D. JOHNSTON, duly chosen by the qualified electors of the State of South Carolina, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF SOUTH CAROLINA,
OFFICE OF THE GOVERNOR,
Columbia, December 7, 1950.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, OLIN D. JOHNSTON was duly chosen by the qualified electors of the State of South Carolina a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, J. Strom Thurmond, and our seal hereto affixed at Columbia, S. C., this 7th day of December, in the year of our Lord 1950.

J. STROM THURMOND,
Governor.

By the Governor:
[SEAL] O. FRANK THORNTON,
Secretary of State.

Mr. LANGER presented the credentials of MILTON R. YOUNG, duly chosen by the qualified electors of the State of North Dakota, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950 MILTON R. YOUNG was duly chosen by the qualified electors of the State of North Dakota a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, Fred G. Aandahl, and our seal hereto affixed at Bismarck, N. Dak., this 28th day of November A. D. 1950.

FRED G. AANDAHL,
Governor.

By the Governor:
[SEAL] THOMAS HALL,
Secretary of State.

Mr. CORDON presented the credentials of WAYNE MORSE, duly chosen by the qualified electors of the State of Oregon, a Senator from that State for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF OREGON,
EXECUTIVE DEPARTMENT.

CERTIFICATE OF ELECTION

To All to Whom These Presents Shall Come, Greeting:

Know ye, That it appearing from the official canvass of the votes cast at the regular general election held within and for the State of Oregon, on Tuesday, the 7th day of November 1950 A. D., WAYNE MORSE, of Lane County, State of Oregon, received the highest number of votes cast for the office of United States Senator in Congress at said election;

Now, therefore, I, Douglas McKay, Governor of the State of Oregon, by virtue and in pursuance of the authority vested in me under the laws of the State of Oregon, do hereby grant this certificate of election and declare said WAYNE MORSE, of Lane County, State of Oregon, to be duly elected to the office of United States Senator in Congress for the State of Oregon, for a term of 6 years beginning on the 3d day of January 1951.

In testimony whereof, I have hereunto set my hand and caused the seal of the State of Oregon to be hereto affixed. Done at the capitol at Salem, Oreg., this 4th day of December A. D. 1950.

DOUGLAS MCKAY,
Governor.

By the Governor:
[SEAL] EARL T. NEWBRY,
Secretary of State.

Mr. JENNER presented the credentials of HOMER E. CAPEHART, duly chosen by the qualified electors of the State of Indiana, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF INDIANA, INDIANAPOLIS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, HOMER E. CAPEHART was duly

chosen by the qualified electors of the State of Indiana a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, Henry F. Schricker, and our seal hereto affixed at Indianapolis, Ind., this 22d day of November A. D. 1950.

HENRY F. SCHRICKER,
Governor.

By the Governor:
[SEAL] CHARLES F. FLEMING,
Secretary of State.

CALL OF THE ROLL

Mr. O'CONOR. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Morse
Brewster	Hoey	Mundt
Bricker	Holland	Murray
Bridges	Hunt	Neely
Butler	Ives	Nixon
Byrd	Jenner	O'Conor
Cain	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Carlson	Kefauver	Robertson
Chapman	Kem	Russell
Chavez	Kerr	Saltonstall
Clements	Kilgore	Schoeppel
Connally	Knowland	Smith, Maine
Cordon	Langer	Smith, N. J.
Donnell	Leahy	Smith, N. C.
Douglas	Lehman	Stennis
Dworshak	Long	Taft
Eastland	Lucas	Taylor
Ecton	McCarran	Thomas, Okla.
Ellender	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tobey
Fulbright	McKellar	Tydings
George	McMahon	Watkins
Gillette	Magnuson	Wherry
Gurney	Malone	Wiley
Hayden	Martin	Young
Hendrickson	Maybank	
Hickenlooper	Millikin	

Mr. LUCAS. I announce that the Senator from New Mexico [Mr. ANDERSON] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Connecticut [Mr. BENTON] is necessarily absent.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from South Carolina [Mr. JOHNSTON] is absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Massachusetts [Mr. LODGE] and the Senator from Delaware [Mr. WILLIAMS] are necessarily absent.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

TRANSACTION OF ROUTINE BUSINESS

Mr. O'CONOR. Mr. President, I ask unanimous consent that at this time Senators may introduce bills, submit resolutions, make insertions in the RECORD, and transact other routine business, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The Vice President laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

A letter from the Acting Attorney General, transmitting, pursuant to law, copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation of certain aliens, together with a complete statement of the facts and pertinent provisions of law as to each alien, and the reasons for ordering such suspension (with accompanying papers); to the Committee on the Judiciary.

GRANTING OF STATUS OF PERMANENT RESIDENCE TO CERTAIN ALIENS

A letter from the Acting Attorney General, transmitting, pursuant to law, copies of the orders of the Commissioner of the Immigration and Naturalization Service granting the application for permanent residence filed by certain aliens, together with a complete statement of the facts and pertinent provisions of law as to each applicant, and the reasons for granting the applications (with accompanying papers); to the Committee on the Judiciary.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO MARKETING QUOTA FOR PEANUTS

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Agricultural Adjustment Act of 1938, as amended (with accompanying papers); to the Committee on Agriculture and Forestry.

REPORT ON COOPERATION IN CONTROL AND ERADICATION OF FOOT-AND-MOUTH DISEASE, UNITED STATES-MEXICO

A letter from the Assistant Secretary of Agriculture, transmitting, pursuant to law, a report on cooperation of the United States with Mexico in the control and eradication of foot-and-mouth disease, for the month of October 1950 (with an accompanying report); to the Committee on Agriculture and Forestry.

REPORT ON DIVERGENCE BETWEEN PLANT AND COMPANY CONCENTRATION, 1947

A letter from the Chairman of the Federal Trade Commission, transmitting a report of the Commission entitled "The Divergence Between Plant and Company Concentration, 1947" (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate and referred as indicated.

By the VICE PRESIDENT:

A resolution adopted by the National Association of Independent Tire Dealers, at Chicago, Ill., favoring the enactment of legislation which would impose Federal income taxes on the profits of all cooperatives engaged in any business enterprise competitive to free enterprise; to the Committee on Finance.

A resolution adopted by the Maryland Action Guild, Baltimore, Md., urging the appointment of a congressional committee to investigate Communist influence in the Federal Government, etc.; to the Committee on Foreign Relations.

A resolution adopted by the Manresa Club of the Church of the Blessed Sacrament, Baltimore, Md., commending the investigation on export controls by a subcommittee of the Committee on Interstate and Foreign Commerce; to the Committee on Interstate and Foreign Commerce.

A letter in the nature of a petition from the National Council of Jewish Women, Inc., New York, N. Y., signed by Mrs. Irving M. Engel, praying for the enactment of legislation to repeal the Internal Security Act of 1950; to the Committee on the Judiciary.

The petition of Vergil D. McMillan, of Indianapolis, Ind., relating to civil rights, etc.; to the Committee on the Judiciary.

Telegrams in the nature of memorials from Leonard Simutis, secretary, Lithuanian Roman Catholic Federation, Chicago, Ill.; L. L. Bennett, master, fourth degree Knights of Columbus, of northern Michigan; Peter M. Robare, grand knight of Knights of Columbus, of northern Michigan, and Father David Speigate, managing editor of the northern Michigan edition of Your Sunday Visitor, all of Marquette, Mich., remonstrating against the enactment of legislation providing financial aid to Yugoslavia; ordered to lie on the table.

ST. LAWRENCE SEAWAY—RESOLUTION OF FARMERS UNION CENTRAL EXCHANGE, INC., ST. PAUL, MINN.

Mr. THYE. Mr. President, I have received a letter from E. A. Syftestad, general manager of the Farmers Union Central Exchange, St. Paul, Minn. In his letter to me he encloses a copy of a resolution which had been adopted by the stockholders of the Farmers Union Central Exchange, Inc. I mention this for the reason that it is the third consecutive resolution on the same question, namely, the St. Lawrence seaway, that the Farmers Union Central Exchange has adopted. In yesterday's CONGRESSIONAL RECORD I read the remarks of the very able and distinguished Senator from Vermont [Mr. AIKEN] in reference to the St. Lawrence seaway. For that reason, I think the resolution is most pertinent, and, therefore, I ask unanimous consent that Mr. Syftestad's letter and the resolution be appropriately referred and printed in the RECORD.

There being no objection, the letter and resolution were referred to the Committee on Foreign Relations and ordered to be printed in the RECORD, as follows:

FARMERS UNION CENTRAL EXCHANGE, INC.,
St. Paul, Minn., December 4, 1950.

Re Great Lakes-St. Lawrence seaway.

Hon. EDWARD THYE,
United States Senator,
Senate Office Building,
Washington, D. C.

MY DEAR SENATOR THYE: We recognize that the Congress of the United States has many matters of great importance to consider now and immediately after January 1. It is very likely, however, that the very important subject of the development of the Great Lakes-St. Lawrence seaway will again come up for consideration very soon.

Undoubtedly you are interested in any action which the stockholders of the Farmers Union Central Exchange, Inc., may have

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taken on this matter; therefore, we enclose herewith a certified copy of resolutions adopted by the stockholders at their annual meetings on March 15, 1948, March 10, 1949, and March 2, 1950.

As to identification of the Farmers Union Central Exchange, Inc., this is to inform you that the central exchange is a wholesale farm-supply cooperative with headquarters in St. Paul, Minn., and operates in the States of Minnesota, Wisconsin, North and South Dakota, and Montana, serving farmers with many of their major farm supplies through locally owned cooperative associations. There are about 500 of these associations in the respective States serving approximately 175,000 individual farm families.

Yours very truly,

FARMERS UNION CENTRAL EXCHANGE, INC.,
E. A. STYFESTAD, *General Manager.*

CERTIFICATE OF RESOLUTIONS PASSED AT ANNUAL MEETINGS OF STOCKHOLDERS OF FARMERS UNION CEITRAL EXCHANGE, INC., MARCH 15, 1948, MARCH 10, 1949, AND MARCH 2, 1950

MARCH 15, 1948, SEVENTEENTH ANNUAL MEETING OF STOCKHOLDERS, GREAT LAKES-ST. LAWRENCE SEAWAY

"Whereas the Congress of the United States has recommitted legislation to create the Great Lakes-St. Lawrence seaway; and

"Whereas this legislation is of great importance to the farmers in general and of the Northwest in particular: Therefore be it

"*Resolved*, That we urge our Representatives and Senators in Congress from these Northwest States to demand that the Congress reconsider this action and that every effort be made to speedily enact this act into law."

MARCH 10, 1949, EIGHTEENTH ANNUAL MEETING OF STOCKHOLDERS, GREAT LAKES-ST. LAWRENCE SEAWAY

"Whereas the people of this Nation are entitled to the cheapest and most economical transportation possible whether under private or public ownership or operation; and

"Whereas it is of great importance to the people in g neral and the Northwest in particular to establish the Great Lakes-St. Lawrence seaway: Therefore be it

"*Resolved*, That we ask our National Congress to enact and rapidly effectuate the completion of this very worthwhile project."

MARCH 2, 1950, NINETEENTH ANNUAL MEETING OF STOCKHOLDERS, GREAT LAKES-ST. LAWRENCE SEAWAY

"We feel that the people in the Northwest will be immensely benefited by the Great Lakes-St. Lawrence seaway and urge efforts by our President and Congress to effect its completion."

I, Ruby M. Heraty, assistant secretary of the Farmers Union Central Exchange, Inc., do hereby certify that the foregoing are true and complete copies of resolutions adopted at annual meetings of stockholders of Farmers Union Central Exchange, Inc., March 15, 1948; March 10, 1949; and March 2, 1950.

In witness whereof, I have hereunto set my hand and affixed the seal of said corporation this 16th day of November 1950.

RUBY M. HERATY,
Assistant Secretary.

RESOLUTIONS OF NEBRASKA FARM BUREAU FEDERATION

Mr. BUTLER. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, an official copy of resolutions adopted by the thirty-first annual convention of the Nebraska Farm Bureau Federation, at Lincoln, Nebr., on November 22, 1950.

I would like to point out that these resolutions, approved by the house of voting delegates of the Nebraska Farm Bureau, represents the official policy of this State federation on matters of public policy as it affects agriculture. This does not mean that all of these resolutions will coincide with resolutions of the American Farm Bureau Federation, since the resolutions adopted by the national organization represents the majority opinion of all the States affiliated. At any point where the Nebraska resolutions might be in conflict with a statement or resolution of the American Farm Bureau Federation on national policy, the American Farm Bureau resolutions take precedence over these State resolutions.

There being no objection, the resolutions were referred to the Committee on Agriculture and Forestry, and ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED AT THIRTY-FIRST ANNUAL CONVENTION, NEBRASKA FARM BUREAU FEDERATION, NOVEMBER 22, 1950

AGRICULTURE

I

We ask that more emphasis be placed on the bacteria count for grade A milk instead of barn and milk-house requirements.

II

The Nebraska Farm Bureau Federation highly resents the abuse of the franking privilege and the use of public tax moneys by any governmental department or agency and particularly the United States Department of Agriculture to promulgate and propagandize any program which has its conception entirely within its framework, but which is not law.

We feel that the primary purpose of a department of Government is to administer agricultural legislation enacted by Congress and is completely outside its jurisdiction when it seeks to influence public opinion or establish policies.

III

Recognizing the tremendous damage being done through the spread of brucellosis to the health of the citizens of Nebraska and the great economic loss to the livestock industry, we feel that an aggressive campaign should be instituted to eradicate this and other diseases from the livestock herds of the State.

We believe that the movement of diseased cattle into the State or within the State should be prohibited, except for slaughter.

We urge the members of the Farm Bureau to help in the passage of legislation to eradicate brucellosis.

IV

We favor flood control by organized drainage areas beginning with a complete soil and water conservation program carried out on the farms of the area. We feel that through this method there will be less need for large flood control structures and part of the funds originally intended for such use can be used to assist farmers in the area in carrying out soil and water conservation on their farms. We recommend that large dams when shown to be necessary be used for irrigation and generation of electric power when feasible.

Nebraska Farm Bureau is cognizant of the overlapping functions and duplication of effort within the Department of Agriculture. We pledge our efforts to secure a clear cut definition of the responsibilities of the various agencies within the Department, recognizing that such definition, under present law, can come only from the Secretary of Agriculture.

We feel that the land-grant colleges should be charged with the responsibility of research, disseminating of factual information, and the training of personnel; that the Soil Conservation Service under the general supervision and with the approval of the local and State association of soil conservation districts should be charged with the responsibility of furnishing all technical services, approval of practices for payment and rates of payment, and the checking of compliance; that the Production and Marketing Administration should be the actual paying agency under any federally subsidized soil-conservation program.

VI

We recommend that PMA make the agricultural program more uniform by using crop acres to set allotments when allotments are necessary rather than crop history of the farm, taking into consideration sound cropping and past conservation practices.

VII

We recommend that legislation be enacted enabling a tax not to exceed one-half cent a bushel on wheat and one-quarter of a cent a bushel on corn at the producers' market; the moneys raised to be used to develop new markets and uses for these commodities. We recommend that such fund be administered by a committee appointed by the governor of the State from a list furnished by the general farm organizations and the dean of the college of agriculture; a majority of whom must be producers of the commodities. We further recommend that this program be coordinated with States having similar programs.

VIII

We urge the continuation of the practice and the faithful carrying out of the plan of electing county PMA officials at caucus meetings and by secret ballot.

IX

We resolve that the State committee of PMA be elected by delegates from every county in the State. Said delegates to be elected at county caucus meeting by secret ballot. The above State committee to be elected on a staggered yearly basis for a 3-year term.

X

We request that the entire State shall be a brand area, that all branded cattle sold in the State be inspected by an authorized inspector, a record be kept of such sales and a bill of sale of each consecutive brand follow such cattle for use when resold. Each State will carry its separate identification.

XI

That Congress enact legislation to require that after 2 years' time no brand be placed on cattle except that when such brand has been registered in the name of the owner of the brand through a State agency and a permit granted by that agency for the use of that brand, no brands be duplicated within any State, that all marketing agencies be required to record the brand (or brands) of all cattle reaching the market when such brand, or brands, are not registered in the name of the seller, and that requirements be established for publishing and posting in public places of all registered brands. Each State will carry its separate brand identification.

XII

We request a more intense research made by State veterinarians in regards to the new disease referred to as virulant virus affecting swine and cattle in the past year causing intense or total loss.

XIII

We feel that full parity prices to producers for agricultural products are fair and just

both to the producer and to the consumer and we will work toward achieving the goal of receiving such prices in the free market place with a minimum of Government intervention. We further believe that support prices should be flexible to allow supply and demand to at least partially determine price.

Neither agriculture nor industry nor labor should look to the Government for guaranteed profitable incomes, a condition which would ultimately result in a deterioration of individual initiative and a lower standard of living for all.

We favor support prices on farm products on a variable scale from 75 to 90 percent of parity as being a reasonable insurance against a disastrous price decline in agriculture which would seriously affect the economy of the entire Nation.

We look upon any program which fosters the philosophy of high prices to farmers and cheap food to the consumer or one whereby agricultural producers must look to Congressional appropriations for a substantial part of his farm income as being unsound in principle and a long step down the road to socialism.

XIV

Nebraska Farm Bureau urges any improvement in the quality of dairy and poultry products marketed by the producer. We believe any cream law or regulation should be based on a premium paid for a premium product. We feel that creameries, processors, and carriers are just as responsible for poor quality cream as the producer, therefore we urge our cream stations and creameries to comply with our State cream regulations.

XV

We recommend that legislation revising the Nebraska seed law be enacted to reduce the amount of tolerance of noxious weed seeds allowed in lots of field seeds offered for sale.

SCHOOLS

XVI

We recommend an investigation into the leasing of school lands with special emphasis on the fact that school lands should not be subleased.

XVII

Realizing that the Nebraska school reorganization law (L. B. 27) has been in effect such a short time we recommend that it be given a fair trial before any major changes are made.

XVIII

We wish to commend the State Department of Education for the encouragement of teaching conservation in our schools.

XIX

We feel that normal training should be encouraged in our high schools.

XX

We feel that where the salaries of county superintendents of schools are inadequate that county boards should investigate the possibility of increasing the salary of the county superintendent of schools in order to attract better qualified personnel.

XXI

We are opposed to any additional State aid to schools except such as may be necessary to relieve the present inequalities of our present tax system.

XXII

We do not favor the principle of Federal aid to schools. We feel that schools are primarily the responsibility of local and State Governments. In the event that said legislation should be enacted, we strongly believe that such disbursements should be made on a grant-in-aid basis through State and county governments to insure a maximum of local control, also such aid should be made available only where county and State Governments are not able to provide pupils with an opportunity for education equal to that in other States.

XXIII

Nebraska Farm Bureau Federation favors legislation in favor of a uniform course of study throughout all schools in the State of Nebraska for the elementary grades one through eight.

ROADS

XXIV

Realizing that Nebraska's roads are one of her great problems, we desire an efficiency program within the highway department. This includes the questions of business management methods, a State highway commission, division of responsibilities (1. policy making, 2. administration, and 3. technical fields), separation of nonhighway activity from the department, and a more complete analysis of costs and disposition of funds. We desire a highway plan that includes State roads, city and village streets, and county roads. Such a plan is necessary before funds are made available, in order to arrive at the proper ratio of finances and development in the priorities of future expansion of Nebraska's road system.

(a) We recommend the division of the Department of Roads and Irrigation into three parts: (1) Department of Roads, (2) Department of Irrigation, (3) Safety Patrol and Motor Vehicle License.

(b) We recommend that the State highway department be reorganized on a business-like basis, preferably under a five-man commission selected by districts. The Commission should be appointed for staggered terms by the Governor, approved by and responsible to the legislature. Such commission shall employ a business manager for the administration of the policy of such commission. We further urge that the legislature or its legislative council cause a private audit to be made of the highway department by the time the business manager takes office. Such audit shall show breakdown of costs by items and purposes and a system of record keeping installed such that the breakdown of costs can be easily secured and summarized and made available periodically.

(c) We request that the Governor appoint a peoples road committee to formulate a long-time road program cognizant of the needs of both rural and urban people whose livelihood is vitally dependent on adequate roads.

Each organized farm group shall be represented on the committee with the representative picked from a list of names submitted by the organization itself. Rural people shall be represented on the committee in approximate proportion to their percentage of the total population.

With approximately 90 percent of the roads in the State classed as rural roads any program developed should give adequate attention to the problem of getting the farmer out of the mud as well as to the development of village and city streets and State highways.

We feel the committee in the study of types of roads needed and in the specifications recommended for each type, should consider the Nebraska taxpayer's ability to pay.

XXV

The resolutions committee requests that the President of the Nebraska Farm Bureau Federation and the State Farm Bureau Board call a special meeting of the voting delegates whenever advisable during the session of the legislature for the purpose of studying the progress made by the legislature in reorganizing the highway department and the road program.

XXVI

We request legislation making it necessary for the legislature to approve any money spent by the highway department for off-highway construction.

XXVII

We urge that the surfacing of mail routes provided by the mail route surfacing law be executed according to the written law.

XXVIII

We urge that a uniform detailed audit be made of all county commissioner and supervisor financial records showing costs by items and purposes. Continuation of such a procedure with required compilation, publication, and dissemination to all other counties of the information received would provide valuable information to compare costs of equipment, maintenance, and materials for county boards in bringing down costs of county government.

XXIX

We recommend that section 39-703, Revised Statutes of Nebraska be strengthened to protect our highway and roads from water being diverted into the road ditch due to leveling and terracing land in any place except the natural flow of water. Water now being diverted should be put back into the natural channel that enters the highway. Adequate penalty for failure to comply with the law should be provided.

XXX

We favor uniform per-axle truckloads over the State and Nation and that severe penalties be invoked for violations. We further urge that portable and local private scales be used for checking such loads.

XXXI

We urge the standardization of traffic regulations, traffic signals, and road markers over the United States.

XXXII

We endorse the principle of the installation of drop inlets through roads where needed as a sound method of conserving soil and water as well as effecting large savings in bridge and road construction and maintenance cost. We further urge our State and local road officials and engineers in consultation with SCS technicians to thoroughly study the terrain and determine where such drop inlets may be feasibly used and install them in the light of such determination.

XXXIII

We believe that all purchases and contracts for supplies and contractual services and all sales of such personal property which has become obsolete and unusable by county governments in amounts exceeding $500 should be subject to competitive bidding in all counties.

TAXES

XXXIV

We do not believe the practice of exempting charitable institutions from taxation on property owned and used for monetary gain is sound policy and are concerned about the effect such exemption has on local districts and competing business. We urge a serious study be given to the problem and favor the taxation of any such property used for monetary gain.

XXXV

Gasoline used for agricultural purposes is a product used in agricultural production. We do not believe in production taxation on agriculture when other industry of this State has none. Therefore we favor the continuation of the principle of the present law providing for gas tax refunds for agricultural purposes.

XXXVI

We insist there be no licensing of farm tractors.

XXXVII

We feel that Federal matching of funds is wasteful and request that the Nebraska and American Farm Bureau take action toward reducing Federal matching.

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XXXVIII

We favor the continuation of the practice of earmarking State funds for specified purposes.

XXXIX

We recommend that the Nebraska Farm Bureau Federation go on record in favor of a sales and/or income tax. This tax to be a partial replacement tax for personal property tax and real-estate tax.

MISCELLANEOUS

XL

Philosophies of communism and other isms are far closer to the American people than they sometimes realize. Those individuals that support these philosophies prey upon and infiltrate our governmental, educational, spiritual, and organizational institutions of this Nation under the guise of exercising freedom of speech and movement. Such individuals exercising these constitutional privileges ignore another constitutional provision providing for the general welfare of the country.

In view of this cunning but deliberate attempt to sell democracy and the American system short, we urge all citizens, all organizations, all institutions, and all branches of Government to appraise themselves of this condition; do all that they can to determine who these individuals are; and upon this determination, we further urge each according to his or its own ability to combat the evils of this philosophy by exposing their identity and bringing to the attention of everyone the advantages of the American way of life.

XLI

We favor retention of and extension of the principle of a free medical profession and will continue to actively oppose any move toward socialized medicine.

As a means to prevent the appearance of socialized medicine, we recommend that means be provided to educate more men and women into the medical profession. We feel this will provide more competition for practice which will have a tendency to provide more doctors for rural areas and reduce the burden of overcharging for services. We feel that this in turn will relieve the pressure for socialized medicine caused by the high cost of medical service.

XLII

We again recommend that each county select a person who is interested in legislation and send him or her to Lincoln sometime during the coming legislative session to become acquainted with legislative procedure and aid the Nebraska Farm Bureau Federation in carrying out its legislative program.

XLIII

We feel that there is a great deal to be done to improve the producer-consumer relationship. At this time the consumer is not getting a true picture of the portion of his market dollar which goes to the farmer nor the relationship between farm prices and consumer costs. We further feel that too much publicity is given to the farmer's gross income and not enough to his net income.

XLIV

We believe that the Federal Land Bank should be prohibited from selling any land which has oil or mineral rights attached thereto when acquired by said Federal Land Bank without also passing such oil or mineral rights to the purchaser.

XLV

We favor a reasonable increase of the salary of the State senators, because of increased cost of living and increased responsibilities.

XLVI

Since there is no discrimination in favor of agriculture in drafting for the armed services, we feel that agriculture, industry, and labor should all produce to the limit of their ability.

With our young farmers in the service, it will be necessary to work long hours and no possibility of special overtime compensation. We recommend that labor return to a 48-hour week during the emergency.

XLVII

We believe that steps should be taken toward balancing the budget by less duplication of governmental bureaus, less waste of material and money.

We also recommend consolidation of all agencies and departments, resulting in more efficient management.

XLVIII

The last two sessions of the legislature has suspended the school mill levy limit on personal and real property as an emergency measure. We feel that it is no longer an emergency, and we ask that the mill levy limit be restored and we face the school situation as a permanent condition. At the same time we request the excessive property tax levy be replaced by some other form of taxation.

XLIX

Under present world conditions there is an indication we may have compulsory military training. If this condition comes about, we urge that the training be coordinated with further education by being given in our colleges under supervision of the Armed Forces.

L

Dumping of rubbish, beer cans and bottles on our highways has been causing unsightly highways and a great deal of damage. We feel this cannot be controlled by law, but is rather a matter of pride and education. Consequently we recommend that the Associated Women make this highway beautification one of their 1951 projects.

LI

We do not approve of the present social security for farm laborers in its present form for the reason that it can be avoided easily and that the laborer can lose his equity so easily. We also do not favor social security for farm operators.

LII

We feel that the Postal Department should pay its own way, but we do not favor any increase in rates until the abuses of the franking privilege be rectified. If increase in rates are made, we suggest the first raise would be in third class bulk mail to decrease the mail that is not read. We oppose any decrease in the size of parcel post packages, for it would work a hardship on rural people.

LIII

We recommend a Missouri Valley Commission composed of citizens elected from the State affected by the project be set up for development including soil conservation, power, irrigation, and flood control of the Missouri Basin and watershed.

LIV

Realizing that our newspapers and radio stations give us publicity only in accordance to the interest we manifest, we request our Farm Bureau members to be alert regarding articles concerning farm problems and publicity and to write in their approval or disapproval to editors of their State and county papers and radio stations.

LV

The Nebraska Farm Bureau Federation wishes to express its appreciation to the press and radio of Nebraska for its increase in coverage of our activities; for the fine cooperation of many of the farm editors and reporters of both newspapers and radio.

LVI

We feel that bringing DP's into the United States is a worthy cause. However, we ask that there be better screening of the DP's, their employers and sponsors. We also ask that there be more and better supervision from their sponsors after they have been located in the United States, both as to position and suitability of the individual.

LVII

We the Associated Women's Committee of the Nebraska Farm Bureau wish to express our deep and sincere thanks to the following persons who so greatly contributed to the success of our convention: To Mrs. Herman Kayser for the floral arrangements; and furthermore to the Reverend McCamley for the music; and to Mrs. Gilbert Erickson, who acted as pianist. There are the wishes of the Associated Women's Committee.

LVIII

We reaffirm the policies expressed in resolutions adopted in previous annual meetings that are now in effect except insofar as they have been modified or supplemented by the resolutions adopted at this annual meeting.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. GEORGE, from the Committee on Finance:

H. R. 9840. A bill to exempt furlough travel of service personnel from the tax on transportation of persons; with an amendment (Rept. No. 2620).

By Mr. HILL, from the Committee on Labor and Public Welfare:

S. 4229. A bill to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended; with amendments (Rept. No. 2621).

By Mr. O'CONOR, from the Committee on the Judiciary:

S. 4240. A bill to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; without amendment (Rept. No. 2623); and

S. 4241. A bill to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion"; without amendment (Rept. No. 2624).

INVESTIGATION OF FIELD OF LABOR-MANAGEMENT RELATIONS—REPORT OF A COMMITTEE

Mr. MURRAY. Mr. President, from the Committee on Labor and Public Welfare, I report favorably, without amendment, the resolution (S. Res. 367) extending the authority for an investigation of the field of labor-management relations, and I submit a report (No. 2622) thereon.

The VICE PRESIDENT. The report will be received, and, under the rule, the resolution will be referred to the Committee on Rules and Administration.

The resolution (S. Res. 367) was referred to the Committee on Rules and Administration.

ENROLLED JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, December 12, 1950, he presented to the President of the United States the enrolled joint resolution (S. J. Res. 207) to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. THOMAS of Oklahoma:

S. 4246. A bill to provide for the establishment of a Universal Civilian Defense Training Corps for the purpose of training high-school students in civilian defense, and for other purposes; to the Committee on Armed Services.

S. 4247. A bill to authorize the sale of certain vessels under the jurisdiction and control of the Maritime Administration to shipowning cooperatives, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. McCARRAN:

S. 4248. A bill for the relief of Joseph Fleury Paluy;

S. 4249. A bill for the relief of Sister Carmen Teva Ramos; and

S. 4250. A bill for the relief of Klemens Kalman Schlosser; to the Committee on the Judiciary.

COMPENSATION TO CERTAIN PAGES

Mr. THOMAS of Oklahoma submitted the following resolution (S. Res. 373), which was referred to the Committee on Rules and Administration:

Resolved, That the Secretary of the Senate be, and he is hereby, authorized and directed to pay, out of the contingent fund of the Senate, to the respective pages borne on the payroll of the Senate on the 7th day of October 1950, a sum equal to the compensation they would have respectively received by law if they had been retained on such payroll from the 8th day of October 1950, to the 23d day of November 1950: *Provided*, That the above order shall apply only to those pages who were reinstated on the payroll during the month of November 1950.

HOUSE BILL REFERRED

The bill (H. R. 9184) to provide for the separation of subsidy from air-mail pay, and for other purposes, was read twice by its title, and referred to the Committee on Interstate and Foreign Commerce.

MASONIC ADDRESS BY SENATOR MAYBANK

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an address delivered by him before Landmark Lodge, No. 76, Ancient Free Masons, at the one hundredth anniversary meeting of the lodge, in Charleston, S. C., December 11, 1950, which appears in the Appendix.]

REARMAMENT AND UNITED STATES POLICY IN EUROPE—ADDRESS BY GEN. LUCIUS D. CLAY, RETIRED

[Mr. MAYBANK asked and obtained leave to have printed in the RECORD an address regarding rearmament and United States foreign policy, delivered by Gen. L. D. Clay, United States Army, retired, at the Southern Governors' Conference, Charleston, S. C., November 27, 1950, which appears in the Appendix.]

ADDRESS BY DR. RUTH M. STEESE AT DEDICATION OF SOLDIERS' MONUMENT, MIFFLINBURG, PA.

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address delivered by Dr. Ruth M. Steese, national chairman of the committee on historic shrines, of the Dames of the Loyal Legion of the United States, at the dedication of the Soldiers' Monument at Mifflinburg, Pa., on November 11, 1950, which appears in the Appendix.]

PEIPING'S EXPANSIONISM — EDITORIAL FROM THE NEW YORK TIMES

[Mr. NEELY asked and obtained leave to have printed in the RECORD an editorial entitled "Peiping's Expansionism," published in the New York Times of December 8, 1950, which appears in the Appendix.]

MUST THINK OF OURSELVES—EDITORIAL FROM THE TOPEKA DAILY CAPITAL

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an editorial entitled "Must Think of Ourselves," published in the Topeka Daily Capital for December 6, 1950, which appears in the Appendix.]

CHOOSE THE FORTRESS AMERICA—EDITORIAL FROM THE TOPEKA STATE JOURNAL

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an editorial entitled "Choose the Fortress America," published in the Topeka State Journal for December 4, 1950, which appears in the Appendix.]

THE WAR IN KOREA—LETTER FROM AN IDAHO PARENT

[Mr. DWORSHAK asked and obtained leave to have printed in the RECORD an editorial entitled "A Parent Speaks Out," published in the Idaho Daily Statesman, of Boise, Idaho, which appears in the Appendix.]

THE CHINESE PEOPLE'S GOVERNMENT—LETTER FROM CHARLES EDISON

Mr. SMITH of New Jersey. Mr. President, this morning I received a letter which I think is of considerable importance. It comes from the Honorable Charles Edison, former Governor of the State of New Jersey, and also Assistant Secretary of the Navy under President Roosevelt. In connection with my brief remarks at this point, I shall ask unanimous consent that the letter be printed in the body of the RECORD.

Mr. President, the purpose of the letter from Mr. Edison to me is simply this: He reports that he is troubled by a statement by Mr. Attlee with regard to recognition of the present Communist government of China, and he quotes Mr. Attlee's statement, as it was reported in the press. Then he gives his own comments on it. I believe that Mr. Edison's views are of great value to all of us. He has made a very careful study of this question. Therefore, I now ask unanimous consent that his letter be printed in full in the body of the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WEST ORANGE, N. J.,
December 7, 1950.

Hon. H. ALEXANDER SMITH,
Committee on Foreign Relations,
United States Senate,
Washington, D. C.

DEAR ALEX: The World-Telegram on December 6, reported Mr. Attlee as saying: "We are asking how we can recognize and have diplomatic relations with the government of China when its policies are in contradiction with the United Nations objective in Korea and when its nationals are engaged in conflict with our forces. My answer to such criticism is quite straightforward. The Chinese peoples government has control of the mainland territory, which we know as China. It commands the obedience of 400,000,000 Chinese who inhabit that territory.

"Those are facts, however unpleasant they may be. Are we to cut ourselves off from all contact with one-sixth of the inhabitants of the world—from all chances of making our views known to their rulers."

My answer to Mr. Attlee's statement is also straightforward. Those are not facts. The Chinese peoples' government is not a government existing in its own right. In spite of Mr. Attlee's doubts on the subject it is purely and simply an arm of the Russian Government. The so-called rulers of the 400,000,000 Chinese people are in fact Russian Government officials. Neither is it a fact that these foreign rulers command or get the uncontested obedience of the 400,000,000 non-Communist Chinese. Temporary dominance is not effective control. The Russians are all too well aware of their tenuous hold on parts of the territory we call China. Hence their determined insistence on further betrayal of the Chinese people by England, United States, and other UN countries. Only when this is accomplished will the Russians themselves feel secure or will they in fact be in control of the mainland territory which we know as China. So long as strong Nationalist forces exist on Formosa, so long as a million or more organized forces of resistance, Nationalist or otherwise, exist on the mainland, so long as hope lives in the hearts of the Chinese people that the free peoples of the world will not abandon them, just so long will Russia feel unsafe in the east, and fear to strike in the west. The preservation and activation of these forces, is Europe's one best hope of self-defense.

If there is need to contact one-sixth of the inhabitants of the world, this cannot be accomplished through a false-front of communism. If Mr. Attlee feels that the so-called rulers of these inhabitants must be contacted to make our views known to these rulers, then avenues exist apart from such false fronts. Let him make our views known at headquarters in Moscow. It seems incredible that, as the price of merely expressing those views, the power to sabotage the realization of our views must be strengthened by the creation, recognition, and appeasement of a fictitious Communist-front called the Chinese Peoples Government. The security of the United States must not be further eroded by agreement with any such thinking.

Sincerely yours,

CHARLES EDISON.

ONLY THE FIRST BATTLE—EDITORIAL FROM THE NEW YORK TIMES

Mr. NEELY. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a most important editorial entitled "Only the First Battle," which appeared in the New York Times of Friday, December 8.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ONLY THE FIRST BATTLE

In the confusion and dismay over the retreat in Korea one pertinent fact seems to be forgotten. The action there represents a policy of international resistance to aggression that is just beginning to take shape, and those who are ready to write off the policy at this stage would have ditched the airplane because the first models could not fly. The first organized effort to enforce peace has run into trouble, but we should be defeatist indeed if we gave up what is bound to be a long war in the first battle. The initial test has shown up the aggressors, and their fury is the best evidence that even in its weakness the United Nations frightens them. Better than some of its discouraged supporters they see in its attempt to implement the collective will a potential power that could frustrate all their plans if it were not nipped in the bud.

The retreat in Korea would be unmitigated disaster only if it meant retreat from the principle we have been trying to establish on that heroic battlefield. The free world and the United States above all has now invested blood in the United Nations; it will be spent in vain unless this first sacrifice to international patriotism impels us to strengthen the instrument forged for the purpose of stopping aggression forever.

Mao Tse-tung is said to have a 500-year plan, representing the stages and ages it will take to achieve real communism in China. By any reckoning the 5 years of the United Nations is a short time in which to realize an idea more revolutionary than communism, and so freighted with the hopes of mankind that it is certain to win in the long run if the first defeat puts us in determined mood for another round. Some delegates at Lake Success act as if Korea is the end when actually, if they are resolved to go forward, it is only the beginning.

RELIEF FOR YUGOSLAVIA—TELEGRAM FROM THE DIOCESAN COUNCIL OF CATHOLIC WOMEN OF SUPERIOR, WIS.

Mr. WILEY. Mr. President, yesterday the Senate approved, with amendments, Senate bill 4234, providing for Yugoslavia drought relief.

Before acting on the bill, the Senate adopted the McMahon-Connally amendment providing that nothing in the act should be interpreted as an endorsement of measures by the Yugoslavian Government in suppression of religious, political, or economic liberty. I am particularly delighted that this amendment was adopted because I know that my colleagues appreciate the fact that throughout this country there is a tremendous feeling of disgust at the religious suppression which has occurred in Yugoslavia. Countless clergymen have been martyred by imprisonment and execution because of the religious beliefs they so steadfastly adhered to in the face of oppression by the state. The American people have always championed the cause of religious freedom throughout the civilized world. We have always believed that there is the right of every religion to have its tenets practiced in perfect freedom by its members and by the clergymen of that faith.

It was only natural, therefore, that a wave of revulsion swept through America over the imprisonment of Archbishop Stepanic, as well as other heroes of the church. The Senate in passing the Yugoslavia bill made known quite clearly its position on this issue when we adopted the McMahon-Connally amendment.

Mr. President, as an indication of grass-roots opinion in Wisconsin, I ask unanimous consent that there be printed in the body of the RECORD at this point the text of a telegram which I received from the Diocesan Council of Catholic Women of Superior, through Mrs. Thomas Patterson, president. I also received similar telegrams from other religious organizations throughout my State.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

SUPERIOR, WIS., *December 11, 1950.*

Senator ALEXANDER WILEY,
Washington, D. C.:

This organization, appalled by indisputable facts of widespread violation of human rights and brutal persecution of religion in Yugoslavia, demands that aid be given only on basis of proven need and with insistance on reestablishment of decency and justice as sole moral justification for any present or future aid. Otherwise shall be parties to another betrayal of the real and trustworthy friends and allies we have behind iron curtain.

Mrs. THOMAS R. PATTERSON,
President, Superior Diocesan Council of Catholic Women.

The VICE PRESIDENT. Are there any further routine matters? If not, the Senate has before it the bill (H. R. 2734), on which there are a considerable number of committee amendments.

EXCESS-PROFITS TAXES—VIEWS OF BOEING AIRPLANE CO.

Mr. CAIN. Mr. President, I ask unanimous consent that I may be permitted to speak for 3 minutes or less in offering a letter for the RECORD.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Washington may proceed.

Mr. CAIN. Mr. President, the Senate Finance Committee presently has before it the excess-profits-tax question, and House bill 9827 which deals with that question.

Probably every American and certainly every Member of the Senate understands and agrees that heavier taxes must be assumed and paid by the Nation. My only concern is with the character and fairness of the tax legislation which is anticipated.

I am particularly concerned with any new taxes which are to be imposed on the Nation's aircraft industry. Any tax which prevents or does not encourage that vital industry to continue its research and to produce the finest aircraft in the greatest possible volume is a tax which will defeat its purpose and will injure the Nation's defense or war potential.

I have recently benefited from some conversations with the management of the Boeing Airplane Co., which operates in the States of Washington and Kansas. All of us know of this company's excellence and of the magnificent contributions its airplanes have made to both peace and war.

In its considered view, Boeing believes that House bill 9827 can be improved, and that by amendment it ought to recognize and reflect the special requirements of the aircraft industry.

Mr. J. O. Yeasting, vice president and controller of the Boeing Airplane Co., has committed his company's suggestions and recommendations to paper, and submitted them by letter, under date of December 11, 1950, to my colleague, the senior Senator from Kansas [Mr. SCHOEPPEL], to the junior Senator from Kansas [Mr. CARLSON], and to myself.

This letter is of unusual interest because it presents some of the extremely complex problems which confront and involve the aircraft industry, and it offers several solutions.

I have forwarded a copy of the Boeing letter to the chairman of the Senate Finance Committee [Mr. GEORGE] and to its ranking minority member [Mr. MILLIKIN]. I now ask unanimous consent that the Boeing letter, by Mr. Yeasting, be made a part of my remarks at this point, in order that its provocative comments may become available to every Senator.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

BOEING AIRPLANE CO.,
Seattle, Wash., December 11, 1950.

Hon. HARRY P. CAIN,
United States Senate.

Hon. FRANK CARLSON,
United States Senate.

Hon. WARREN G. MAGNUSON,
United States Senate.

Hon. ANDREW F. SCHOEPPEL,
United States Senate.

DEAR SENATORS: Inasmuch as all four of you have generously given your attention to the problems of Boeing, with plants in both Washington and Kansas, and the aircraft industry in general, we feel that we should endeavor to outline for you the current situation of Boeing, and of the aircraft industry, as it relates to the excess-profits-tax matter.

First of all, we recognize and understand the spirit prevailing, both in the House, as reflected by the passage of H. R. 9827, and in the Senate Finance Committee, that the question is not "Shall there be an excess-profits tax?" but, rather, "What kind of an excess-profits-tax law can be enacted with the maximum amount of fairness, equity, and justice to all concerned?"

As an aircraft manufacturer, we are qualified to deal only with the aspects of H. R. 9827 as it affects the aircraft industry. We further recognize that our consideration must be given to the effect of the law to be enacted upon the entire aircraft industry, rather than merely upon Boeing. I have personally participated in the industry conferences which led to the presentation made by Admiral D. C. Ramsey before the Senate Finance Committee on December 7, a copy of which is enclosed herewith. While there were, naturally, some differences of opinion in the industry discussions, the industry presented a united front, as indicated in the testimony of Admiral Ramsey, and the companies represented unanimously approved the suggestions made for relief.

Since the industry conferences on December 4, at which time these suggestions were approved, I have remained in Washington and have, with associates, devoted my entire attention to the problem of fair and proper relief for the aircraft industry. Before returning to Seattle I would like to review the situation for you, as I believe it now exists.

In developing the industry presentation we were faced with, first, the necessity of proving that a serious need for relief for the aircraft industry actually exists, and, second, the desirability, if not necessity, of developing a sound, fair, and equitable method of providing relief. In reviewing the testimony given by Admiral Ramsey I believe an excellent job was done of establishing the necessity for some reasonable relief if the aircraft industry is to fulfill its complete responsibility in the defense effort. The major points are briefly summarized as follows:

1. That aircraft industry net earnings, as a percentage of sales, have been far less than the average for industry generally throughout the last 8 years (aircraft 1.3 percent as compared to 5.4 percent for industry in general).

2. The base period of 1946–49 was a period of severe depression for the aircraft industry (while the same period is generally recognized as having been a prosperous one for industry in general). Instead of having a profit for the 4-year period the 15 com-

panies had an average annual loss of $1,200,000.

3. The aircraft industry is extremely complex. What was a good airplane yesterday is totally inadequate today. Speed of flight has doubled, altitude accessibility has increased tremendously, the jet engine has increased power availability and the construction of airplanes for high speeds and altitudes has created enormously difficult problems extremely expensive to solve.

4. The imperative need for research and plant improvement require adequate funds from profit. Without extensive research we cannot hope to provide the Nation with superior aviation leadership; without adequate funds for necessary plant improvement we cannot hope to produce new and needed aircraft with the kind of efficiency and at a cost fair to the Government and the taxpayers. Present-day machinery must be purchased at a cost much higher than the original cost of machinery being replaced.

We are not alone in our recognition of the need for reasonable relief for the aircraft industry. In the public hearings before the House Ways and Means Committee the Secretary of the Treasury stated as follows (p. 77 of the committee report):

"Mr. MARTIN. I have a question or two here with reference to the national defense. I am particularly interested in a program that will avoid crippling essential defense industries. Do you have any suggestions for special relief in the case of the aircraft industry, which suffered a loss in the period 1946–48?

"Secretary SNYDER. That has been among our worst cases that we have had to consider, and we think that special consideration must be given.

"Mr. MARTIN. Have you any suggestions regarding that point? I have not found any in your statement.

"Secretary SNYDER. We did not put that in there because it is a matter that we will have to talk out with you as a special case.

"Mr. MARTIN. It is very essential that we give that consideration; is it not?

"Secretary SNYDER. There is no question about it. We are fully in accord with that."

Admiral Ramsey's testimony further established the fact that aircraft-industry profits, resulting from Government business, are controlled by the Government through renegotiation, price redetermination, and the Vinson-Trammel Act. Just as utility profits are controlled, in the public interest, by State and Federal regulatory bodies, so are aircraft-industry profits controlled, also in the public interest, by the methods mentioned.

As to whether the testimony completely established the relative soundness, fairness, and equity of the suggested alternate methods for relief I am not so certain. The time limit for the presentation of the actual testimony itself, and the limited time available for preparation thereof, are undoubtedly largely responsible for this. It is our opinion, however, and I believe the industry generally agrees, that the first suggested relief provision, based on the application of a 14-year average percentage of net income to gross receipts, is more sound and equitable than the alternate suggestions.

I wish to develop this premise briefly. Perhaps the simplest way to do this is to compare the percentage of net income to gross receipts approach with the other suggested relief provisions now before the Senate Finance Committee for their consideration. Let me say, at the outset, that I favor the percentage of net income to sales approach suggested by the aircraft industry not because it benefits Boeing more as against the other companies, nor because Boeing would fail to receive some benefit, probably in line with the average of the industry, from the other relief methods. I favor this approach because, after much study, I sincerely believe it to be the most equitable throughout the industry and to be premised on by far the soundest basic principles. The other suggested relief provisions consist of three points, namely:

1. The recent loss adjustment provision in H. R. 9827.

2. The growth formula.

3. The World War II credit for the year 1945 plus 50 percent thereof.

Each of these provisions, if adopted, would do some good for some companies. None of them would give relief for all companies and of necessity all three must be incorporated or extreme injustice will be done.

The recent loss adjustment provision provides limited relief for some companies but it follows the unsound principle of placing the companies with the poorest earnings record in the 1946–49 period in a favored position. For example, assume that two companies had equal net worth at January 1, 1946. Assume the first company sustained substantial losses during 1946 and 1947 and broke even during 1948 and 1949. For comparison, assume the second company broke even in all 4 years. The first company, sustaining the heavy losses, ends up with a substantially higher excess profits tax credit than does the second company, which broke even. This assumes that the first company had substantial earnings in 1945 (all aircraft manufacturing companies did) and was, therefore, able to take advantage of the net loss carry-back privilege. We are not critical of the relief thus granted for so far as we are aware no company in the aircraft industry even with this provision will have adequate relief, but it is our belief that this is not a sound approach to the problem.

The second relief provision enumerated above provides for making the growth formula as contained in H. R. 9827 available to the aircraft industry. If this provision were included in the law Boeing would obtain some relief thereunder as we would be able to use 85 percent of our 1949 earnings as a base. Again, we are not critical of the relief so granted but we do not believe it is a truly sound and equitable approach to the excess profits tax credit to which Boeing or other companies are entitled, primarily for two reasons:

(a) Very few in the aircraft industry actually come within the concept of what we believe is intended as the basic principle of the growth formula. Historically, the aircraft industry is subject to severe peaks and valleys. At the present time the industry is coming out of a depression valley and on the upswing of the cycle.

(b) Within the industry, the cycle varies by several years as between various companies. The mere fact that this provision would only give some of the companies relief indicates that it is somewhat a happenstance if a company obtains relief therefrom.

The third relief provision enumerated above permits use of the World War II credit, plus 50 percent thereof. As with the other provisions, there are some arguments in its favor. But here it must be remembered that the World War II earnings credit was based on the years 1936–39. During the intervening years there have been inevitable changes in the industry structure. New companies have entered the picture and some of the older companies have had varying records. An arbitrary increase in the World War II credit simply perpetuates any injustices done under that law and fails to recognize changes in the interim.

All of us in the aircraft industry are convinced that some relief is vitally necessary. It is our understanding that with respect to the 15 major companies, referred to by Admiral Ramsey on page 3 of his testimony, if each company were allowed a choice between any of the three relief provisions discussed above they would obtain some benefit, from one or other. Certainly it would be better to be granted some such relief than no relief at all, even if that relief, in our opinion at least, is inadequate as we face the problems ahead of us.

We do earnestly believe, however, that the recommendations of the Aircraft Industries Association for a relief provision based on the taxpayer's percentage of average net income to gross receipts during the 14-year period 1936–49, provides a more logical and consistent approach to the problem and is fairer and more equitable throughout the entire aircraft industry.

We think it sound and consistent with the excess-profits-tax-law theory to give consideration to the taxpayers earning record. In the aircraft industry, equitable consideration requires that a relatively long period be used in establishing such a record because of the long-term contracts involved, the many years required to design and develop new models and bring them to production stage, and because of the violent fluctuations in earnings as between years. We think the 14-year period selected is fair and equitable. We do feel that perhaps it would be wise to establish minimum- and maximum-profit percentages. First, this would protect the interests of the Government from percentages considered too high, and second, it would be fairer to any companies whose past difficulties had created percentages abnormally low.

The industry recommendation further provides that the percentage profits should be applied to a volume of gross receipts not exceeding one-half of the highest annual gross receipts of the taxpayer during the 14-year period. We agree that some proper limitation on volume to which the full percentage is applied is in order. Study of this point this past week has convinced me that there is a more equitable means of establishing limits. The 50-percent limit may work undue hardship on a company that previously never had large volume but has recently or in the future does develop a new model or a product which is outstanding in performance Our tax laws should encourage, not discourage, such developments. Also, in this industry during a period of emergency every encouragement should be given to increasing volume of output. Some continuing increase in excess-profits-tax credit with increasing volume will offer such encouragement. On the other hand, we think the increase in credit should not continue in direct relation to increasing volume. The taxpayers requirement for research, for privately financed facilities, etc., will tend to increase with increasing volume but probably not in direct ratio, particularly as extremely high volumes are reached.

It is, therefore, our belief that the most equitable approach from the standpoint of the industry and from the standpoint of our national interests would be to provide for an excess-profits-tax credit based on using the taxpayer's profit ratio based on the 14-year period 1936–49 (with minimum and maximum limits) applied to the volume of business during the taxable year on a reducing basis as such volume increases.

For purposes of illustration, the foregoing is reduced to a specific proposal using percentages and figures which are considered fair and reasonable.

PROPOSED BASIS FOR COMPUTING EXCESS-PROFITS-TAX CREDIT FOR AIRCRAFT INDUSTRY

Apply to taxpayer's gross receipts during the taxable year the percentages set forth below and to the gross receipts as so adjusted apply the taxpayer's percentage of average taxable net income to gross receipts in the 14-year period 1936–49 provided that such later percentages shall not be less than 4 nor more than 7:

Gross receipts:	Percentage
First $100,000,000	100
Next $150,000,000	85
Next $250,000,000	60
Next $500,000,000	25
Over $1,000,000,000	5

The minimum and maximum credits for specific volumes of gross receipts resulting

from application of the above are set forth below:

Total gross receipts	Minimum credit	Maximum credit
$100,000,000	$4,000,000	$7,000,000
250,000,000	9,100,000	15,925,000
500,000,000	15,100,000	26,425,000
1,000,000,000	20,100,000	35,175,000
2,000,000,000	22,100,000	38,675,000

The Boeing Co. had sales of $286,000,000 in 1949 and should approximate this figure in 1950. Our average profit rate for the 14 years 1936–49 was 5.66 percent. With a sales volume of $280,000,000 our credit under the above formula would be $13,895,300 whereas under the growth formula our credit would be a little under $8,000,000. I wish to point out that we consider the larger credit not only equitable but also necessary if we are to do the job ahead of us in the best possible manner. Nonetheless, if in the judgment of those writing the tax law a credit of $8,000,000 or any other amount is all that Boeing is entitled to, we still think that it should be arrived at by a fair and logical approach through the application of a formula such as that suggested above, on a more restrictive basis.

We believe you gentlemen are entitled to know more specifically how the various proposals would affect Boeing. You are also entitled to know what we consider Boeing's minimum needs to be for the years immediately ahead. To this end we are setting forth below certain basic information and computations made therefrom.

Boeing Airplane Co. (and component corporations)—excess profits tax data

Year	Gross receipts (sales)	Taxable income	Excess profits tax credit
1936	$2,292,772	$241,091	----------
1937	5,545,439	355,199	----------
1938	2,006,345	(68,855)	----------
1939	11,846,894	(1,775,225)	----------
1940	19,390,718	(1,164,468)	$1,298,471
1941	97,210,314	20,874,994	1,506,177
1942	372,108,863	35,920,518	1,775,878
1943	493,188,161	31,921,408	2,359,798
1944	608,082,413	27,083,408	2,443,563
1945	420,979,217	22,695,796	2,787,311
1946	13,984,063	(8,610,174)	----------
1947	21,701,852	561,769	----------
1948	126,931,453	3,006,900	----------
1949	286,751,519	9,376,636	----------
Total	2,482,020,023	140,418,997	----------

Percent taxable income to gross receipts 1936–49 (percent)	5.66
Net worth Dec. 31, 1949	$46,320,898
Excess profits tax credit under H. R. 9827 (as passed by House):	
Average earnings (85 percent of 3 best years 1946–49)	$3,667,836
Invested capital method	$4,005,672
Excess profits tax credit under various relief provisions as proposed:	
World War II (1945) credit plus 50 percent thereof	$4,180,966
Growth formula (85 percent of 1949 income)	$7,970,140
Profit ratio to gross receipts as proposed in Admiral Ramsey's testimony with assumed gross receipts of $280,000,000 (85 percent of 5.66 percent of $280,000,000)	$13,470,800
Profit ratio to gross receipts as proposed herein with assumed gross receipts of $280,000,000 (5.66 percent of adjusted gross receipts of $245,500,000)	$13,895,300

It will be noted that with sales of $286,000,000 in 1949 our taxable income was only $9,376,000. This abnormally low margin was primarily due to the fact that we were still writing off losses on the Stratocruiser project ($7,850,000 in 1949). During the year 1950, based on a projection of our published earnings statement for the first 9 months, our sales volume should approximate that of 1949 whereas our taxable income should be a little more than double that of 1949. In this connection it is significant to point out that very little if any of our income in 1950 is attributable to business obtained since the start of the Korean situation. The profits on such business will not be reflected to any substantial degree until late 1951.

For purposes of further illustration we will assume then a sales volume of $280,000,000 for 1950 and income before taxes of $19,000,000. The net income after taxes under several of the excess profits tax credits mentioned above (assuming the excess profits tax was in effect for the full year at rates provided in H. R. 9827) would be as follows:

Excess profits tax credit	Taxable income	Total tax	Net income	Effective tax rate
				Percent
$4,005,672	$19,000,000	$12,730,000	$6,270,000	67.0
$7,970,140	19,000,000	11,859,000	7,141,000	62.4
$13,470,800	19,000,000	10,209,000	8,791,000	53.7
$13,895,300	19,000,000	10,081,000	8,919,000	53.1

When considering our contention that with a sales volume of $280,000,000 we need a credit of upwards of $13,000,000 we must first remember that the above figures are representative of a high level earnings period. As previously pointed out the aircraft industry is subject to violent fluctuations. Obviously we must strengthen our financial position in good periods of business so that we can withstand the shock when the period of emergency is over, drastically reduce our output, stay in business in order to be ready for the next emergency should it come, and continue the caliber of research and development that will always assure the United States of America of being the No. 1 air power in the world.

Secondly we must consider the need for protecting our equity capital. The aircraft industry cannot afford to fall too far behind industry in general in the matter of dividend payments. Boeing has just over 1,000,000 shares of stock outstanding and the dividend payments per share since the formation of the present Boeing Airplane Co. in 1934 are set forth below:

1934	----
1935	----
1936	----
1937	0.40
1938	----
1939	----
1940	----
1941	----
1942	1.00
1943	2.00
1944	2.00
1945	1.00
1946	1.00
1947	1.00
1948	1.00
1949	2.00
1950	3.00

The $3 dividend in 1950 represents approximately 6 percent on our present net worth and can certainly not be considered "lush" in light of industry payments in general and further in light of the substandard return received by our stockholders throughout the years.

Thirdly, we must consider our needs for capital equipment. As pointed out in the testimony of Admiral Ramsey, the Boeing Co. in 1950 has committed over $7,500,000 for new capital equipment. Furthermore, we have deferred the acquisition of an additional $10,000,000 of facilities urgently needed because of the drain on our working-capital position and the uncertainty as to the future. This $10,000,000 covers principally our need for a flight-test hangar, additional engineering and office area, and additional warehousing area. At the present time it further appears that within the next 2 years we will be required to expend an additional $10,000,000 to $15,000,000 for newer and heavier equipment to handle the job ahead.

This means that in a period of 2 or 3 years we should spend upward of $25,000,000 for new plant facilities. While aircraft plant improvements are subject to certification and 5-year amortization, they are likewise subject to rapid obsolescence and may be rendered useless overnight by contract terminations. You will note that Boeing's sales dropped from $421,000,000 to $14,000,000 in 1 year. Furthermore, certification does not provide the funds with which to acquire the facilities. Adequate profits will help provide the needed cash and justify the risk involved. Without adequate profits, some of the needed facilities cannot be acquired and our efficiency will suffer thereby. This will be the taxpayers' loss since our contracts are subject to price redetermination and renegotiation. The higher our efficiency, the more money the taxpayers save.

In light of the foregoing, we believe you will agree that an excess-profits-tax credit for Boeing of $4,000,000 or even $8,000,000 is not only inequitable in view of the job being done and the problems ahead of us but also would not be for the best interests of the Nation. Further, we do not believe that Boeing's position in the industry is peculiar, but is, in fact, quite typical of the industry.

Sincerely yours,

J. O. YEASTING,
Vice President-Controller.

Mr. CAIN. Mr. President, our chief hope is that any new tax legislation will stimulate production and will make greater achievements possible. I am satisfied that the Boeing point of view ought to be and will be explored and considered before any final action on tax legislation is taken.

The Boeing Airplane Co. is a great institution in its own right. Its first concern is with the Nation's need. It has tried to be helpful to all Members of the Senate. I believe that it has been constructively helpful.

ANNOUNCEMENT OF CALL OF THE CALENDAR ON FRIDAY

Mr. LUCAS. Mr. President, I desire to announce to the Senate, for the purpose of the RECORD, that on Friday of this week the calendar will be called from the beginning. This was agreed upon this morning at the Democratic conference. I thought I should make the announcement at this time.

Mr. WHERRY. Mr. President, I am wondering whether it would make a great deal of difference to the Senate and to the majority leader whether the calendar were called on Friday or on Monday. I make the inquiry for the reason that we have on this side of the aisle our so-called calendar committee, and that committee is not up with the calendar. There are certain reports they would like to study.

Mr. LUCAS. I can only say to the Senator from Nebraska that we went on record this morning in the conference, and I would have to call anotner conference in order to undo what was done this morning. It was agreed upon this morn-

ing in conference. I may say I do not think the calendar is too heavy.

Mr. WHERRY. I was about to ask in regard to that.

Mr. LUCAS. I feel sure that the two Senators on the Republican side, who are always looking after the interests of the taxpayers, will be ready by that time.

Mr. WHERRY. My reason for suggesting that it be postponed until Monday was that the two Senators in question are not ready, and one of them will be absent Friday. It would even be a little difficult for us to be ready by Monday. If, however, the majority leader insists upon a call of the calendar on Friday, we shall do the best we can to be ready. I merely made the suggestion in order to let the Senator know that if it would not cause too great inconvenience, it would be greatly appreciated on this side if the call of the calendar could be postponed until Monday.

Mr. LUCAS. I may say to the Senator that we seldom take up matters of this kind in conference, but we did so this morning, and it was unanimously agreed that we should have the call on Friday; so I presume we shall have to go through with it. Then, too, I think an appropriation bill will be before the Senate probably on Monday.

Mr. WHERRY. Very well.

PREVENTION OF CORPORATIONS FROM ACQUIRING ANOTHER CORPORATION BY MEANS OF ACQUISITION OF ITS ASSETS

The Senate resumed the consideration of the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

Mr. O'CONOR. I ask unanimous consent that Dr. John M. Blair and Mr. Lawrence Stratton, of the Federal Trade Commission, be permitted to be on the floor during the consideration of the pending bill.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. O'CONOR. Mr. President, the pending bill, H. R. 2734, is directed toward the prevention of acquisition of assets by one corporation of another corporation, where, under existing statutes, such a corporation is prohibited from acquiring the stock of another. Its purpose is to plug a loophole which has existed since 1914, when the Federal Trade Commission was given power to prevent stock acquisitions by corporations.

It is our definite belief that the passage of this bill will go far to curb further growth of monopoly. In achieving this desirable objective, the interests of small business as an important competitive factor in the American economy will be advanced.

Nature of the loophole: When the Clayton Act became law it was thought to be a very effective measure. But a loophole in this new and seemingly formidable measure was soon discovered. In place of, or in addition to, the purchase of stock, assets could be acquired; that is, physical plant, inventories, and so forth. While the law was very specific in prohibiting the purchase of stock, it said nothing about assets.

Shortly after the end of World War I corporations began to take advantage of this loophole. If they purchased assets in the first instance, dispensing entirely with the acquisition of stock, they were obviously acting with perfect legality, free from any action by the Federal Trade Commission. Many large corporations adopted the deliberate policy of purchasing assets when interstate commerce, and thus the Federal law, were involved, and of making stock acquisitions only when the transaction was confined within the borders of a single State and had no effect on interstate commerce.

In some cases, however, acquisitions of assets were not feasible, unless the stock could be purchased first; and this raised a problem. If a firm went through this double play, buying up the stock first and then using the stock to obtain the assets, was it not violating the law? The Federal Trade Commission thought so.

The law certainly did not specify that those who broke its provisions could gain immunity from its penalties by subsequently purchasing something else not mentioned in the law. Yet, in a 5-to-4 decision, with Justices Brandeis, Taft, Holmes, and Stone dissenting, the Court held, in 1926, that where a corporation had gone through this double play the Commission was powerless to take effective action. Specifically, the Court held that the Commission's only authority in a case of this kind was to order a divestiture of the stock of the acquired corporation, which, of course, had been automatically made valueless by the transfer of assets. The Court, in effect, said that the Commission was quite free to use the power which Congress had conferred upon it, so long as it confined the use of that power to ordering the divestiture of pieces of paper which happened to be worthless.

As a result of several court decisions, the Commission was completely deprived of effective power to halt acquisitions of stock when they are followed by acquisitions of assets. Today, when the Commission takes action to halt the acquisition of stock, it usually finds that before it can enter its order the acquiring company has bought up the assets, thus removing the case from the Commission's jurisdiction.

The twofold nature of the loophole, as the law stands today, may thus be summarized as follows:

First. If the acquiring company purchases assets in the first instance, dispensing entirely with the acquisition of stock, it is, and always has been completely free from the jurisdiction of the Federal Trade Commission.

Second. In those cases where acquisitions of stock precede acquisitions of assets the Commission, again, has no effective power, owing to judicial decisions. Because of this situation, the Commission has stated that whenever it "tries to prevent acquisitions which take the form of purchases of stock, it usually finds that is chasing a vanishing will-o-the-wisp."

The current merger movement: The immediate need for the passage of H. R. 2734 stems from the widespread merger activity which has been taking place since World War II. During the period 1940–47 more than 2,500 formerly independent manufacturing and mining companies disappeared as a result of mergers and acquisitions. It should be emphasized that this is a minimum estimate since it is based upon a sample drawn principally from reports of acquisitions of the larger corporations, as published in the leading financial manuals. The asset value of these 2,500 firms amounted to $5,200,000,000, or roughly 5.5 percent of the total of all manufacturing corporations in the country. Although data for the last 2 years are not available, there has been no apparent decrease in the intensity of the movement.

These mergers have had the effect of strengthening the position of big business in several ways. In the first place, several of the traditionally small-business industries have been affected. The two leading industries, in terms of number of acquisitions, have been textiles and apparel, and food and kindred products—both predominantly small-business fields. Moreover, in certain small-business industries, notably steel drums, tight cooperage, and wines, virtually all or a substantial part of the industry has been taken over by large corporations. Finally, the outstanding characteristic of the movement has been that of large corporations buying out small companies.

Thus, the preponderant number of firms have been acquired by the very largest corporations. Nearly one-third, 30 percent, of the companies merged since 1940 have been absorbed by corporations with assets exceeding $50,000,000. Another 40 percent of the total have been taken over by corporations with assets ranging from $5,000,000 to $49,000,000. Hence, more than 70 percent of the total number of firms acquired during this period have been absorbed by larger corporations with assets in excess of $5,000,000. At the other end of the scale, the distinctly small firms, those with less than $1,000,000 of assets, have made only 11 percent of the acquisitions.

The other half of this picture of large corporations taking over small firms shows that fully 93 percent of all the firms bought out since 1940 held assets of less than $5,000,000, and 71 percent had less than $1,000,000 of assets. On the other hand, only 4 percent of the total number of acquired firms had assets of more than $10,000,000.

Of the Nation's 200 largest manufacturing corporations, 123 have made corporate acquisitions since 1940, accounting, in the aggregate, for approximately 27 percent of all the firms bought up. Some 33 of the top 200 corporations have bought out an average of more than 5 companies each, and 13 have purchased more than 10 companies each.

The evidence thus points clearly to the conclusion that, insofar as its impact on concentration is concerned, the outstanding characteristic of the current merger movement has been the absorption of smaller independent enterprises by larger concerns.

EFFECTS OF MERGERS ON ECONOMIC CONCENTRATIONS

In appraising the over-all effect of mergers on economic concentration, it must be kept in mind that they tend to become cumulative over a period of time. Each year's mergers are superimposed upon an economic structure of concentration which has been built up over many years. In other words, insofar as the long-range impact on concentration is concerned, the 2,500 industrial mergers which have taken place between 1940 and 1947 are additive to the mergers which had taken place in previous years. In the preceding 20-year period, from 1919 through 1939, approximately 9,000 formerly independent manufacturing concerns had disappeared as a result of mergers and acquisitions, making a total of 11,500 disappearances between 1919 and 1947.

The long-range increase in economic concentration which has taken place in this country can be attributed in considerable part to this great number of mergers and acquisitions. The steel industry constitutes one of the few fields in which it has been possible to estimate the extent to which long-term growth of large corporations has been due to this cause. Between 1915 and 1945, approximately two-thirds of the growth of one company was due to mergers and acquisitions. The corresponding figures for other leading steel companies are as follows: One company, one-third; another company, one-sixth; another company, one-fourth; another company, one-fifth; another company, one-tenth; another company, two-fifths; and still another company was the product of the greatest merger in history, involving the consolidation at one fell swoop of more than 180 formerly independent companies.

As would be expected, the concentration level in the steel industry has steadily risen. Back in 1860 the four largest producers in the iron and steel industry owned 25 percent of the rolling mill capacity in the country. At the end of World War I, the top four steel producers held more than 55 percent of the steel capacity, and by 1945 the figure had risen to slightly more than 64 percent.

The long-term increase in concentration in the steel industry is by no means an isolated case. The economy as a whole has also shown a similar increase also due in considerable part to mergers and acquisitions. This long-term increase is revealed by several independent measures of concentration compiled by various authorities, covering the period 1909–42.

Thus, the 200 largest nonfinancial corporations increased their relative importance from ownership of one-third of the assets of all nonfinancial corporations in 1909 to 48 percent in 1929 and to 55 percent in the early thirties. The sharp upward sweep in the 20 years before the crash of 1929 is confirmed by another series showing that the percentage of the total net incomes of all nonfinancial corporations earned by the 200 largest nonfinancial corporations increased from 33 percent in 1920 to 43 percent in 1929.

Another series shows the percentage of all working capital of manufacturing corporations held by 316 large manufacturers. This provides a useful link to the other series and confirms the general upward trend in concentration. In 1926 these large manufacturing corporations held 35 percent of the total working capital. By 1938 the figure had risen to 47 percent.

Mr. President, the extent to which the American economy has become concentrated and centralized in the hands of a few giant corporations was strikingly revealed before this committee in figures presented by Dr. Wilfred I. King, professor emeritus of economics at New York University. The figures which he presented reveal an extraordinary level of concentration. Thus, his figures show that in 1946, the latest year for which such data are available, one-tenth of 1 percent of the total number of all American corporations—the giant firms with assets of $100,000,000 and over—owned 49 percent of the assets of all American corporations; 2 percent of the number of corporations owned 78 percent; 8 percent of the number owned 89 percent of the assets; and 12 percent owned 92 percent of the assets. They are, of course, the giant corporations. At the other end of the scale, thinking now, of small concerns, 45 percent of the number of corporations—the small firms with assets of $50,000 or less—owned less than 1 percent of the assets.

The figures presented by Dr. King also show that in the field of manufacturing alone, the 25 largest corporations in 1948 owned 27 percent of the total assets of all manufacturing corporations, or a little more than an average of 1 percent of the assets for each of the 25 corporations. That is, each company owned approximately 1 percent of all assets.

The enactment of the bill will limit further growth of monopoly and thereby aid in preserving small business as an important competitive factor in the American economy.

In order that a full understanding may be had of the background existing when the Congress felt compelled to enact antitrust legislation, certain facts should be recited.

Original purpose of the Clayton Act: The action by the Supreme Court in actually breaking up the Standard Oil and Tobacco Trusts in 1911 had convinced Congress that the Government was already armed under the Sherman Act with the power to break up existing monopolies. But this was not sufficient for the legislative temper of those earlier days. Congress wanted to go one step further and prevent the very creation of monopoly. Instead of waiting until a monopoly had been formed and then trying to dissolve it under the Sherman Act, Congress wanted to prevent the development of monopoly in the first place—to nip it in the bud.

Whatever the reasons for the ultimate shortcomings of these provisions of law, the intent of Congress in passing them was quite clear. It was dissatisfied with the Sherman Act and intended that these new powers should supplement that act in such a way as to enable the Government to prevent the very development and creating of monopoly. Thus, in a report dated July 2, 1914, which accompanied the Clayton Act, the Senate Judiciary Committee said:

> Broadly stated, the bill, in its treatment of unlawful restraints and monopolies, seeks to prohibit and make unlawful certain trade practices which, as a rule, singly and in themselves, are not covered by the act of July 2, 1890 [the Sherman Act] or other existing antitrust acts and thus, by making these practices illegal, to arrest the creation of trusts, conspiracies, and monopolies in their incipiency and before consummation.

This intent to stop practices which result in monopoly is also evident from the congressional debates on the bill. Thus, former Senator Walsh, of Montana, stated on the Senate floor:

> It was intended [in this bill] to reach the practices that were not the practices of things that have developed into trusts and monopolies, but were practices of trade, which if persevered in and continued and developed, would eventually result in the creation of a monopoly or trust.

In 1914 President Wilson, in speaking of the passage of the Federal Trade Commission Act and the Clayton Act, stated that their purpose was to kill monopoly in the seed.

Shortly after World War I, the Supreme Court itself gave expression to this point of view by referring to the unsatisfactory results of dissolving combinations under the Sherman Act, "so far as the purpose to maintain free competition was concerned," and in that connection said that "the Clayton Act sought to reach the agreements embraced in its sphere in their incipiency." It also said that "the Clayton Act, as its title and the history of its enactment shows, was intended to supplement the purpose and effect of other antitrust legislation, principally the Sherman Act of 1890."

Examples of the present ineffectiveness of the law: A typical instance of the futility of attempting to enforce section 7 as it now stands is the case one firm which the Federal Trade Commission in 1944 charged with violating section 7 by purchasing the stock of a competitor. During the course of hearings—which, of course, are the constitutional right of any accused firm—the attorneys announced on November 21, 1945, that their firm had just purchased the assets of the competitor and accordingly requested the Commission to dismiss the complaint. Since the Commission had no alternative but to comply, it dismissed the complaint in March 1946.

Another recent example is provided by the case of another corporation. Through a number of stock acquisitions in competing corporations it had become in 1945 the largest wholesale grocery in the country, with assets of $20,000,000 and annual sales of $100,000,000. It occupied a leading position in the wholesale grocery trade in numerous important trade areas, including Chicago, Baltimore, and Canton, Ohio. Since its acquisitions took the form of the purchase of stock, the Commission issued a complaint in 1946, charging a violation of section 7. But while the case was in the process of being tried, the corpora-

tion acquired the assets of its subsidiary concerns, which it had previously controlled only through stock ownership, and dissolved the subsidiaries. Again the Commission had no alternative but to dismiss the case, which it did in February 1947.

Reasons for original failure of Congress to include assets: The present impotence of section 7 raises the question as to why Congress, in granting the Commission power to prevent purchases of stock, did not also give it the power to move against acquisitions of assets. Inasmuch as purchases of assets are more binding and lasting, and thus more destructive to competition, the omission seems particularly paradoxical. The answer lies in the fact that at the time when Congress enacted the Clayton Act, most acquisitions took the form of stock purchases. By comparison, acquisitions of assets were almost unknown.

The economic background behind the passage of the Clayton Act in 1914 was the great merger movement which began at the very end of the nineteenth century and extended through 1907. During this period, which witnessed the birth of such huge consolidations, most mergers were effected through the purchase of stock.

Effect of the loophole on antitrust policies: The antitrust laws condemn attempts to control the market by means of mutual understanding or agreement among competitors; but if the same objective is achieved through the purchase of physical property, it is lawful in the absence of monopoly, and the antitrust agencies are powerless to act. The existence of the loophole thus places a premium upon the attainment of monopolistic ends by the completely final method of consolidation, as against the more vulnerable method of conspiracies among independent firms. In other words, the weaker, less effective, cooperative methods of eliminating competition are prohibited, but the permanent and more effective method of consolidation under a single management is permissible. Moreover, the more effective is the enforcement of the law against collusion among competitors, the greater is the incentive to achieve the same ends through purchase, consolidation, and merger.

Any antitrust policy, to be effective, must prohibit the achievement of monopolistic ends, regardless of whether they are attained by collusive agreement among independent firms or by consolidation, acquisition, and merger. To block off one of these two roads to monopoly, while leaving the other open, merely increases the traffic on the latter.

Inapplicability to companies in a failing or bankrupt condition: The argument has been made that the proposed bill, if passed, would have the effect of preventing a company which is in a failing or bankrupt condition from selling out. Of course, that would be a serious situation, and it is entitled to our consideration. In our report accompanying H. R. 2734, the committee states:

> The committee are in full accord with the proposition that any firm in such a condition should be free to dispose of its stock or assets. The committee, however, do not believe that the proposed bill will prevent sales of this type (p. 7).

We then go on to point out that decisions of the Supreme Court have made it abundantly clear that the Clayton Act does not apply in bankruptcy or receivership cases. Moreover, the Court has held, with respect to this specific section, that a company does not have to be actually in a state of bankruptcy to be exempt from its provisions; it is sufficient that it is heading in that direction with the probability that bankruptcy will ensue. On this specific point the Supreme Court, in the case of *International Shoe Co.* v. *Federal Trade Commission* (280 U. S. 281) said:

> A corporation with resources so depleted and the prospect of rehabilitation so remote that it faced the grave probability of a business failure with resulting loss to its stockholders and injury to the communities where its plants were operated, we hold that the purchase of its capital stock by a competitor (there being no other prospective purchaser), not with a purpose to lessen competition, but to facilitate the accumulated business of the purchaser and with the effect of mitigating seriously injurious consequences otherwise probably, is not in contemplation of law prejudicial to the public, and does not substantially (303) lessen competition or restrain commerce within the intent of the Clayton Act. To regard such a transaction as a violation of law, as this Court suggested in *United States* v. *U. S. Steel Corp.* (251 U. S. 417, 446–447), would "seem a distempered view of purchase and result." See also *Press Ass'n* v. *United States* (245 Fed. 91, 93–94) (Id. pp. 302–303).

Some might fear that the passage of House bill 2734 would have the effect of stopping all mergers and acquisitions. Such is not the case. House bill 2734 would not put an end to all future mergers and acquisitions. Its applicability is limited in several ways:

First. It applies only to corporations in interstate commerce.

Second. The bill applies only to acquisitions which substantially lessen competition or tend to create a monopoly. In other words their effect upon competition must be substantial. Any action by the Federal Trade Commission designed to halt mergers of an inconsequential nature would not be in accordance with the language of the bill and would not be upheld by the courts.

Third. As already mentioned, the bill would not apply to a company in a failing or bankrupt condition.

Fourth. The present language of section 7 as it relates to mergers by sale of stock is more restrictive than the language in the amended bill. Yet no case has been found where a small corporation had any difficulty or was criticized by the Federal Trade Commission for selling its business by selling its stock to another small corporation. The small corporations have not had to avoid the present language of section 7 by selling their assets in place of their stock, when they wanted to dispose of their business.

Furthermore, the Supreme Court and the Federal courts have not applied the present strict language of section 7, even in cases of stock acquisition, so as to prevent a small corporation from selling its business or of merging with another small business. The Supreme Court has only applied the present language of section 7, even in the case of stock acquisitions, to large transactions which would substantially lessen competition, or tend to create a monopoly. In the case of International Shoe Company against Federal Trade Commission, supra, decided January 26, 1930, the International Shoe Co., having a Nation-wide business, purchased the stock of a smaller shoe company also having a Nation-wide business. As to a part of the business of the two corporations, they were not in direct competition. The Federal Trade Commission sought to order a divestiture of the stock and prevent the merger. The Supreme Court held that the merger was not of sufficient size or importance, even though there was some competition between the two corporations, to substantially lessen competition or to create a monopoly. The Court has this to say:

> Mere acquisition by one corporation of the stock of a competitor even though it results in some lessening of competition, is not forbidden; the act deals only with such acquisitions as probably will result in lessening competition to a substantial degree, *Standard Fashion Co.* v. *Magrane-Houston Co.* (258 U. S. 346, 357); that is to say, to such a degree as will injuriously affect the public.

The language in the amendment, it will be noted, follows closely the purpose of the Clayton Act as defined by the Supreme Court in the International Shoe case.

Fifth. The bill modifies the present law so as to remove any possibility of an interpretation that would prohibit inconsequential acquisitions of stock or assets. Section 7, as it now stands, prohibits a corporation engaged in commerce from acquiring the stock of another corporation engaged also in commerce "where the effect of such acquisition may be to substantially lessen competition between the corporation whose stock is so acquired and the corporation making the acquisition."

Since acquisition of a controlling stock interest in a rival company necessarily eliminates effective competition between the acquiring and the acquired corporations, this language, but for limiting interpretations by the courts, might have prevented any use of stock purchases to unite small corporations engaged in the same line of business even though these corporations were so small and their other competitors so numerous that the acquisition would have made no perceptible change in the intensity of competition in any line of commerce in which such corporations were engaged. The present bill eliminates the test of the lessening of competition between the acquiring and the acquired corporations, retaining only the test of the general effect on competition.

Owing in considerable part to mergers and acquisitions, the Nation is now confronted with an extraordinary level of economic concentration. In a report on the concentration of productive facilities the Federal Trade Commission found that in 1947 the 113 largest manufacturing corporations owned 46 percent of the net capital assets of all manufacturing enterprises, both corporate and noncorporate. The three largest firms held 100 percent of the net capital assets

in the aluminum industry; 95 percent in the tin-can industry; 92 percent in linoleum; 88 percent in copper smelting and refining; 78 percent in cigarettes; 72 percent in distilled liquors; 71 percent in plumbing equipment and supplies; 70 percent in rubber tires; 68 percent in biscuits and crackers; 67 percent in agriculture machinery; 64 percent in meat products; 57 percent in glass and glassware; 56 percent in dairy products; and similar high proportions in other industries.

In concluding this brief résumé of the history of the legislation there is one particular point which I think warrants comment. Some may be concerned over its effect on small business that it might prevent two small firms from merging.

On this point I think it is worth while to bear in mind the following considerations: First, as I have already indicated, the facts reveal that the great bulk of the mergers which have taken place in recent years have consisted of the absorption of a small company by a large company; the cases of two small companies merging are few and far between.

Second, the bill is aimed at preventing only those mergers which substantially lessen competition or tend to create a monopoly. Obviously, those mergers which enable small companies to compete more effectively with giant corporations generally do not reduce competition but rather intensify it.

Third, by a specific action, Congress has made it abundantly clear that it is not the purpose of this law to prevent mergers of this type. Thus, the original wording of section 7 of the Clayton Act, which, with regard to stock, is now on the statute books, prohibits a corporation from acquiring a competitor "where the effect may be to substantially lessen competition between the corporation whose stock is acquired and the corporation making the acquisition." Had this language been rigidly interpreted, it would have had the effect of preventing any company from buying the stock of any competitor, since the acquisition by one firm of a competitor not only "substantially lessens" but completely eliminates the competition which had formerly existed between them.

In the bill before us this stringent prohibition has been completely deleted. Instead of making the test of the law the effect of an acquisition on competition between the acquired and the acquiring companies, the proposed bill substitutes the more general test of the effect on competition generally in any line of commerce in any section of the country. And to come within the prohibition of the bill the effect on that competition must be "substantial."

Lest it be thought that this bill is the result of snap judgment or hurried consideration, let me say that over a period of years attempts have been made to remedy the existing defect in the law. Most active in this endeavor have been the senior Senator from Wyoming [Mr. O'MAHONEY] and the junior Senator from Tennessee [Mr. KEFAUVER], the latter having striven for the passage of amendatory legislation while a member of the House of Representatives: Over the years the Senator from Wyoming has been most active in seeking to correct this glaring loophole in the law. Both Senators have consistently argued for such legislation in the interest of small business, and in order to thwart the growth of monopoly.

As would be expected from this lengthy legislative history, the record on this bill is voluminous, consisting of three printed volumes of hearings before subcommittees of the House Judiciary Committee in the Seventy-ninth, Eightieth, and Eighty-first Congresses; approximately 700 typewritten pages of transcript of hearings before the subcommittee of the Senate Judiciary Committee of the Eightieth Congress; a printed volume of hearings before the subcommittee of the Senate Judiciary Committee of the Eighty-first Congress; three printed reports of the House Judiciary Committee; one printed report of the Senate Judiciary Committee; and very important material printed before the Temporary National Economic Committee in the form of printed hearings and mimeographs.

Finally, Mr. President, in addition to its repeated approval by congressional committees, the bill has received widespread support from other sources. President Truman has specifically recommended its enactment. In the economic report of the President of January 8, 1947, the President, in speaking for the need in strengthening of the antitrust laws, stated that—

> Among the steps to be taken is the extension of section 7 of the Clayton Act to prohibit mergers by the acquisition of assets as well as by the acquisition of stock control.

Similarly, President Roosevelt, in a message to the Congress on April 29, 1938, recommended "more rigid scrutiny through the Federal Trade Commission of corporate mergers, consolidations, and acquisitions than that now provided by the Clayton Act."

In addition, the measure was unanimously recommended by the Temporary National Economic Committee. Finally, the Federal Trade Commission has been recommending its passage since 1927, now almost a quarter of a century ago. The most recent report of the Federal Trade Commission on this subject—The Merger Movement: A Summary Report—concludes with the following words, which should be constantly borne in mind in its consideration:

> No great stretch of the imagination is required to foresee that if nothing is done to check the growth in concentration, either the giant corporations will ultimately take over the country or the Government will be impelled to step in and impose some form of direct regulation in the public interest. In either event, collectivism will have triumphed over free enterprise and the theory of competition will have been relegated to the limbo of well-intentioned but ineffective ideals. This is a warning which the Commission has repeated time and again, and one which some of those who have the most to gain by the preservation of competition seem determined to ignore.
>
> The Commission believes that the economic forces on which it has been basing its warnings require that a definite choice be made. Either this country is going down the road to collectivism or it must stand and fight for competition as the protector of all that is embodied in free enterprise.

Mr. DONNELL. Mr. President, will the Senator yield for a few questions?

Mr. O'CONOR. I am very pleased to yield to the Senator from Missouri.

Mr. DONNELL. First, I should like to express my appreciation of the great care which has been evidenced by the distinguished Senator in the presentation of this extremely important question. As he recalls, there was a difference of opinion in the Judiciary Committee, and I had the privilege of submitting minority views, which appear alongside the report of the committee itself.

I should like to ask the Senator a few questions so as to develop his views somewhat further.

I am correct, am I not, in stating that the majority report, on page 2, states that—

> The purpose of the proposed legislation is to prevent corporations from acquiring another corporation by means of the acquisition of its assets, where under the present law it is prohibited from acquiring the stock of said corporation.

Mr. O'CONOR. The report so states.

Mr. DONNELL. That is the purpose of the bill; is it not?

Mr. O'CONOR. Yes.

Mr. DONNELL. Or, as stated elsewhere in the report, at page 3:

> The purpose * * * is to limit future increases in the level of economic concentration resulting from corporate mergers and acquisitions.

Mr. O'CONOR. The Senator has, of course, correctly read from the report. The excerpts, of course, should be read in connection with the entire report, which emphasizes the fact that the bill is aimed only at acquisitions which substantially lessen competition or tend to create a monopoly. With that qualification the Senator is entirely correct.

Mr. DONNELL. I agree with the Senator's statement.

May I ask the Senator whether or not the majority report at any point asserts, either in haec verba or in substance that acquisitions by one corporation of assets of another corporation or of other corporations have caused any great increase in the level of concentration?

Mr. O'CONOR. It does so state, I may say to the Senator from Missouri, in this way: The report shows—and charts are available which later on I might, if desired, display to the Senate—a trend upward in the number of mergers and acquisitions. Such a trend is attributable to the fact that the Clayton Act has had this loophole in it for the past 36 years.

Mr. DONNELL. Mr. President, I call the attention of the distinguished Senator to page 3 of the report. The page contains a portion entitled "The Level of Economic Concentration." I ask the Senator whether or not that is the portion of the report which discusses both the level of economic concentration and the cause, or the facts out of which such economic concentration has arisen?

Mr. O'CONOR. That is the section where the point is principally emphasized; yes.

Mr. DONNELL. Would the Senator have any objection if I asked leave at

this time for unanimous consent that the portion of the report appearing on page 3, beginning with the words, "The level of economic concentration" and ending at the conclusion of page 3, be inserted in the RECORD?

Mr. O'CONOR. I would be delighted to have the Senator do so.

Mr. DONNELL. Mr. President, I ask unanimous consent that the matter referred to may be printed in the RECORD at this point.

The PRESIDING OFFICER. Without objection, that course will be followed.

The matter referred to is as follows:

THE LEVEL OF ECONOMIC CONCENTRATION

The purpose of the proposed bill, H. R. 2734, is to limit future increases in the level of economic concentration resulting from corporate mergers and acquisitions. The bill would accomplish this purpose by enabling the Federal Trade Commission to prevent those acquisitions which substantially lessen competition or tend to create a monopoly. Since 1914 the Commission has had the power to prevent such acquisitions when they are effected through the purchase of stock. The objective of Congress in passing section 7 of the Clayton Act has been circumvented by the acquisition of assets rather than, or in addition to, the purchase of stock. The proposed bill would eliminate this practice by extending the application of the Clayton Act to acquisitions of assets.

While there exist many differences of opinion on other aspects of the monopoly problem, there is substantial agreement that the level of economic concentration is extremely high.

The extent to which the American economy has become concentrated and centralized in the hands of a few giant corporations was strikingly revealed before this Committee in figures presented by Dr. Wilfred I. King, professor emeritus of economics at New York University. The figures which he presented reveal an extraordinary level of concentration. Thus, his figures show that in 1946, the latest year for which such data are available, one-tenth of 1 percent of the total number of all American corporations—the giant firms with assets of $100,000,000 and over—owned 49 percent of the assets of all American corporations; 2 percent of the number of corporations owned 78 percent; 8 percent of the number owned 89 percent of the assets; and 12 percent owned 92 percent of the assets. At the other end of the scale, 45 percent of the number of corporations—the small firms with assets of $50,000 or less—owned less than 1 percent of the assets.

The figures presented by Dr. King also show that in the field of manufacturing alone, the 25 largest corporations in 1948 owned 27 percent of the total assets of all manufacturing corporations, or a little more than an average of 1 percent of the assets for each of the 25 corporations.

The enactment of the bill will limit further growth of monopoly and thereby aid in preserving small business as an important competitive factor in the American economy.

Mr. DONNELL. I ask the Senator from Maryland if in that portion of page 3 which is entitled "The Level of Economic Concentration," there is anywhere set forth any assertion to the effect that acquisitions by one corporation of another corporation or of other corporations have caused any great injuries in the level of economic concentration?

Mr. O'CONOR. I will say to the Senator from Missouri that mergers are one of the principal causes of the long-term upward trend in concentration which has taken place in our economy.

Mr. DONNELL. But if the Senator will permit me to inquire further, there is no express statement in the portion of the report which I have placed in the RECORD to the effect that the acquisitions by one corporation of assets of another corporation or of other corporations have caused any great injuries in the level of economic concentrations?

Mr. O'CONOR. I may qualify or make this additional observation, which is that the report is not very lengthy, that it covers only a little more than seven pages, and obviously, with the hundreds of pages of testimony that have been taken, we could not put everything in the report.

Mr. DONNELL. I now ask the Senator whether or not included in the testimony before the committee was the article by Drs. John Lintner and J. Keith Butters entitled "Effect of Mergers on Industrial Concentration, 1940–47"?

Mr. O'CONOR. There was such an article.

Mr. DONNELL. May I inquire of the Senator from Maryland whether I am correct in stating that the material in that article was originally prepared as a part of the background for a monograph which is one part of the study of Effects of Federal Taxation on Business Mergers, which has been conducted by the Harvard Graduate School of Business Administration under a grant from the Merrill Foundation for the Advancement of Financial Knowledge?

Mr. O'CONOR. The Senator is correct.

Mr. DONNELL. I call to the Senator's attention, for his convenience at this point, the first page of the minority views submitted by myself, and ask the Senator whether the authors of the article referred to, namely, Drs. Lintner and Butters, point out the general recognition of the fact that—

The high degree of industrial concentration which characterizes our economy today stems largely from the two waves of merger activity in the late nineteenth century which were typified by the formation of the Standard Oil trust in 1879 and, later, of the billion-dollar United States Steel Corp. at the turn of the century.

Does the Senator coincide with what I have therein described as the general recognition of the language set forth in the article by Drs. Lintner and Butters?

Mr. O'CONOR. I quite agree with the Senator from Missouri that that was the viewpoint expressed by the gentlemen to whom the Senator from Missouri has referred.

Mr. DONNELL. May I inquire further of the Senator whether the article by these gentlemen further points out that—

The major merger movement of the 1920's still further increased prevailing levels of concentration.

That appears in the article, does it not?

Mr. O'CONOR. Yes.

Mr. O'MAHONEY. Mr. President, may I interrupt to make an observation at this point?

Mr. DONNELL. Certainly.

Mr. O'MAHONEY. During the hearings of the Temporary National Economic Committee, as I recall, there was considerable testimony with respect to the progress of mergers. My mind carries me back to the evidence of the merger that was going on in the distillery industry. My recollection is, and it is borne out by a chart which I find in the report of the Federal Trade Commission on the merger movement, the report being dated 1948. The chart shows the acquisitions since 1933 by the Schenley Distilleries Corp. This monopoly was established almost completely by mergers of the kind which the pending bill would prohibit. I am sure there are other instances.

Of course, the history of the concentration in the steel industry, not at all confined to the earlier years, has been history of acquisition by the United States Steel Corp. when it started, and by the Republic Steel Corp. and other later corporations, of competing concerns, so that today in the steel industry there has been built up what amounts to a monopolistic situation by which the entire production and distribution of steel in the United States are directed by common consent.

Mr. O'CONOR. I may say in furtherance of the very pertinent statement by the Senator from Wyoming, that everything we heard bore out that statement; and, further, that it was not confined to any one particular industry. The example cited by the Senator deals with the distilled spirits industry. We took typical cases of companies in various other lines, such as farm implements, manufacturing, steel, and dairy products, and found that the situation in those industries was roughly similar to that described by the Senator from Wyoming.

Mr. O'MAHONEY. May I ask the Senator what has been going on in the retail-grocery business, what has been going on in the bakery industry, what has been going on in retail distribution of various kinds? Is not the record before the committee and the record before the Federal Trade Commission conclusive upon the point that mergers are still continuing? I take it that those of us who sponsor the bill—and I introduced a similar bill, in several Congresses—do not contend that mergers constitute the sole cause of concentration of economic power. They constitute only one cause, but they constitute so important a cause that the gaping hole in the Clayton Act, in my judgment, should be plugged to prevent mergers which are designed or which have a tendency to create monopoly, and which do substantially lessen competition; and it should be within the jurisdiction of the Federal Trade Commission to prohibit such mergers.

Mr. DONNELL. Mr. President, will the Senator from Maryland yield?

Mr. O'CONOR. I am very glad to yield.

Mr. DONNELL. Before posing the question, let me state that I wish it distinctly understood that in my minority views I am stating that—

It is true that (a) since 1940 there has occurred what Drs. Lintner and Butters term "the resurgence of large-scale merger activity in the United States"; (b) according to

them, in "manufacturing and mining alone the financial manuals list approximately 2,000 formerly independent companies which disappeared as a result of mergers and acquisitions by other companies in the 8-year period, 1940–47"; and (c) to quote further from the above-mentioned article: "The companies so absorbed held assets, at the date of sale or merger, estimated by the Federal Trade Commission to amount to approximately $5,000,000,000."

Before posing the question I should also like to state that, indeed, the Federal Trade Commission, in its 1948 report on the merger movement, says:

The importance of external expansion in promoting concentration has never been more clearly revealed than in the acquisition movement that is taking place at the present time—a movement which is strengthening the position of big business in several ways.

I desire to ask the Senator, if I may, whether he observed that Messrs. Lintner and Butters developed points, however, which seem to them "to essentially reverse the major conclusion on the contribution of mergers to increasing general concentration."

Mr. O'CONOR. I quite agree with the Senator's statement that that was their individual view.

Mr. DONNELL. Does the Senator agree with this statement:

The apparent contradiction between many of the findings of Messrs. Lintner and Butters and those of the Federal Trade Commission is explained, so Messrs. Lintner and Butters inform us, for the most part "by the fact that the Commission analyzed primarily data on the numbers of mergers whereas our [i. e., Messrs. Lintner and Butters'] "analysis also takes full account of the size of the merged companies."

Mr. O'CONOR. I must answer in the negative on that point. The junior Senator from Illinois has some observation to make concerning that article.

Mr. DONNELL. However, will the Senator agree that I have correctly quoted those gentlemen?

Mr. O'CONOR. Undoubtedly.

Mr. DONNELL. I also ask whether the article by those two gentlemen points out that—

For all manufacturing and mining companies during the 8-year period, 1940–47, mergers were a much less important source of growth for large companies than for smaller companies.

Mr. O'CONOR. The Senator has correctly quoted the article.

Mr. DONNELL. Does the Senator from Maryland agree with that statement of fact by those two gentlemen?

Mr. O'CONOR. No; I do not.

Mr. DONNELL. Let me ask the Senator also whether those two gentlemen, Messrs. Lintner and Butters, in their article also state:

Technical measures of concentration in the asset holdings of manufacturing and mining companies show only a slight increase in concentration as a result of merger activity during 1940–47.

Mr. O'CONOR. The article so stated.

Mr. DONNELL. Let me also ask whether the article further states as follows:

(a) The total assets acquired through merger or purchase during the 1940–47 period by all manufacturing firms with assets of over $100,000,000 at the time of acquisition amount to $780,000,000, or only 2.1 percent of the total assets of all firms with assets of over $100,000,000 at the end of 1946.

(b) The corresponding figure for all firms with assets of over $50,000,000 at the end of 1946 is 2.8 percent.

(c) The ratio generally used to measure relative concentration or inequality—when computed for the asset distribution of all companies—increased, on account of mergers, by less than 1 percent during the 1940–47 period.

(d) When computed separately for both the 500 and the 1,000 largest manufacturing companies, however, the index was actually reduced by the merger activity of these firms.

Does the Senator agree that is the statement by those gentlemen, regardless of whether he agrees with it?

Mr. O'CONOR. That is their statement. However, I may say again that a statement in rebuttal of that article will be made.

Mr. DONNELL. Does the Senator agree that these two gentlemen, Messrs. Lintner and Butters, further state in their article:

Since particular importance attaches to the distribution of assets among the largest companies we also computed the index of concentration for the 500 and the 1,000 largest manufacturing companies as of the end of 1946. In both instances relative concentration was reduced as a result of all the acquisitions of these companies over the 8-year period. The index for the 1,000 largest was reduced from 0.639 to 0.632. For the 500 largest the decrease was substantially greater, from 0.550 to 0.534, or by about 3 percent as compared to the increases of about 1 percent for all manufacturing and mining as a whole.

That appears in their article, does it not?

Mr. O'CONOR. It does.

Mr. DONNELL. Let me also ask the Senator this further question. Do not these two gentlemen say in their article:

In general, our findings indicate that, because of their large absolute size, other factors, such as retained earnings and the relative availability of outside capital, have potentially much greater effects on concentrations than mergers have had since 1940.

Mr. O'CONOR. The statement is correctly read by the Senator.

Mr. DONNELL. Is it not correct that the concluding two paragraphs of the article by Messrs. Lintner and Butters read as follows?—

In conclusion, the Federal Trade Commission correctly appraised the recent merger movement in describing its outstanding characteristic insofar as its impact on concentration is concerned as "* * * the absorption of smaller, independent enterprises by larger concerns." But it drew an erroneous inference as to the significance of this characteristic. Rather than promoting concentration, this very characteristic explains why the recent merger movement has had such slight effect on over-all levels of concentration.

The same characteristic also distinguishes the recent merger movement from its major predecessors, which were characterized by combinations in which very large corporations acquired other very large corporations. In fact, the combination of very large companies was the dominant characteristic of the great waves of mergers of from 50 to 75 years ago which gave "American industry its characteristic twentieth century concentration of control." Such combinations also played an important role in the extraordinarily active merger movement of the 1920's. In striking contrast, in the recent merger movement combinations between very large companies have been negligible in number.

I have correctly quoted, have I not, from the article by those two gentlemen?

Mr. O'CONOR. The Senator has correctly quoted it.

Mr. DONNELL. I may state that if the Official Reporter per chance should use, in making his report of this questioning, certain words which appear in the minority views, I call to the attention of the Official Reporter, most respectfully, that where certain italization appears, it is noted in the minority views that the emphasis is supplied by me.

Let me ask, finally, in regard to the article by Drs. Lintner and Butters, whether the Senator will inform us whether those two gentlemen say:

To sum up, mergers have been responsible for such a small percentage of the total growth of large firms since 1940 that their effect on over-all levels of industrial concentration has been very small. (Senate subcommittee hearings on H. R. 2734, p. 374.)

Mr. O'CONOR. That is the conclusion reached by the gentlemen in question; yes.

Mr. DONNELL. Now I should like to ask the Senator another question, Mr. President. We have, of course, the Sherman Act, which was passed in 1890. That is correct; is it not?

Mr. O'CONOR. That is correct.

Mr. DONNELL. July 2, 1890, as I note from the book, is the date of that act. It is a fact, is it not, that there has been expanding interpretation of the Sherman Act during many years of the decisions of the Supreme Court of the United States?

Mr. O'CONOR. That is true.

Mr. DONNELL. I am wondering whether the Senator would care to express an opinion as to the correctness of this brief and succinct statement by Mr. Gilbert Montague, who appeared before the committee, his testimony being reported, so far as this point is concerned, at page 198:

For many years the Supreme Court has been expanding its interpretation of the Sherman Act. Today that act empowers the Attorney General to apply to the court for an injunction ab initio, or criminal sentence, or divestiture decree in respect of any economic concentration, be it existing or incipient, whether a person, firm, or corporation, or group of them, which has power to raise prices, or to exclude competition, in any section of the country, even though it is only incipient, and never exercises such power.

This was the unanimous decision of the Supreme Court in *American Tobacco Co. v. United States* (328 U. S. 781 (1946)), which reiterated the rule that was unanimously stated in the final decision of *United States v. Aluminum Co. of America* (148 F. 2d 416 (1945)).

Does the Senator care to express himself, either as being in agreement, in whole or in part, or in disagreement with the quoted statement of Mr. Montague?

Mr. O'CONOR. I do not, of course, wish to challenge the accuracy of the statement, but I cannot agree entirely with the conclusions reached by Mr. Montague. It is true that in recent

years the Supreme Court has amplified the law; but it is also true that the Court has pointed out on a number of occasions, as the President of the United States has pointed out, and as the Senator from Wyoming and other Senators have pointed out, that it is desirable—and that is the aim of this bill—to strike at impending combinations in their incipiency, rather than to wait until a monopoly has been established and then attempt to break it up.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. O'CONOR. I am very glad to yield.

Mr. DONNELL. Does not the Senator agree with Mr. Montague that today the Sherman Act, under the existing decisions, I may say, empowers the Attorney General to apply to the Court for an injunction ab initio, in respect of any economic concentration, be it existing or incipient?

Mr. O'CONOR. The Sherman Act, as it stands today, is not an effective instrument against mergers and acquisitions, unless the merger brings into the hands of one company virtually complete control over an industry, and even there its effectiveness is doubtful.

Mr. O'MAHONEY. Mr. President, will the Senator from Maryland yield so that I may ask a question of the Senator from Missouri, who quoted from Mr. Montague?

Mr. O'CONOR. I am glad to yield for that purpose.

Mr. O'MAHONEY. Does the Senator from Missouri believe that it was the opinion of Mr. Montague that the power of the Supreme Court to issue injunctions to prevent ab initio monopolistic combinations should be used?

Mr. DONNELL. I have no means of knowing the intent or desire of Mr. Montague. All I know is what he has stated as to the effect of decisions; and I was very much struck by the clarity of thought of Mr. Montague as he gave his statement upon the stand.

Mr. O'MAHONEY. He is a very good lawyer. I have known him for many years. I have engaged in debate with him upon occasion. So, may I now, with the indulgence of the Senator from Maryland, ask the Senator whether it is his belief that the power of the Supreme Court described by Mr. Montague should be used to prevent monopolistic mergers?

Mr. DONNELL. In my judgment, it should.

Mr. O'MAHONEY. Then, if the Senator believes that monopolistic mergers should be prevented by such injunction, what objection can there be to providing the people with the additional protection contained in the pending bill?

Mr. DONNELL. Mr. President, if the Senator from Maryland will permit me, my answer to that, in part, is that the Sherman Act proceeds through the courts. Injunction is a remedy given by a court of equity. The bill at hand undertakes, however, to enlarge the powers, not of a court but of an administrative body, namely, the Federal Trade Commission. I have endeavored in my minority views to point out that where a court can effectively administer the law of the land, there is, generally speaking, no justification for so enlarging the powers of an administrative body to enable it to perform the duties of the court.

So, Mr. President, in answer to the Senator from Wyoming, I may say, first, that the powers of the law under the Sherman Act should be invoked, whenever there is either an actual or an incipient or a threatened violation of law; and, in the second place, in answer to the second question of the Senator from Wyoming, there is every reason to rely upon the courts, rather than to vest in an administrative body this vast power, which to my mind, in the cases cited, can be administered properly by the courts.

Mr. President, will the Senator from Maryland yield for a further question?

Mr. O'CONOR. I am very glad to yield.

Mr. DONNELL. I ask the Senator whether we had the privilege also of hearing from Hon. William T. Kelley, general counsel of the Federal Trade Commission, during the hearing before our committee.

Mr. O'CONOR. We did.

Mr. DONNELL. Referring to page 21 of the hearings, I ask the Senator whether Mr. Kelley said this:

> It was more than 20 years after the passage of the Sherman Act before the Supreme Court fashioned it into an effective instrument for the physical dissolution of industrial monopoly which had taken the form of consolidated corporate power.

Mr. O'CONOR. That is a correct reading of Mr. Kelley's testimony.

Mr. DONNELL. In other words, I take it the Senator would agree with me and with the statement of Mr. Montague as to the expanding interpretation of the Sherman Act which has been in progress during these years, and would agree with Mr. Kelley, whose experience has been very vast, I have no doubt, that it was more than 20 years after passage of the Sherman Act before the Supreme Court fashioned it into the effective instrument to which Mr. Kelley refers.

Mr. O'CONOR. In answer to the Senator, I may say that that is a correct statement of Mr. Kelley's experience and of his knowledge of the subject. I may add that Mr. Kelley testified very strongly in favor of this bill. He does not feel that the Sherman Act, as it stands, will halt mergers, even though they substantially lessen competition. In other words, the gentleman to whom the Senator refers is a stanch advocate of this proposed change in the law, and, as he is general counsel for the Federal Trade Commission, we think he is in excellent position to voice an opinion as to the need of improvement of the law.

Mr. DONNELL. I may say, if the Senator will permit, that I thoroughly concur in his observation as to the opportunity which Mr. Kelley has of forming an opinion; and I may say that Mr. Kelley's vast experience, of course, is very impressive. I might, if I may do so without presumption, say that I think there is a natural human tendency on the part of a person who is connected with a governmental commission to look with more favor upon an extension of the power of the commission than he might do if he were not connected with such a commission. I mean no reflection upon Mr. Kelley in so stating.

Mr. President, will the Senator from Maryland yield for a further question?

Mr. O'CONOR. I am very pleased to yield.

Mr. DONNELL. I ask the Senator whether, in the Sherman Act, there are two sections, one of which, section 1, reads in part:

> Every contract, combination in the form of trust or other, or conspiracy, or restraint of trade or commerce among the several States or with foreign nations, is declared to be illegal.

Mr. O'CONOR. That language appears in the act.

Mr. DONNELL. Does not the Senator take the view that the provision of section 1, which I have read, declaring illegal every contract, and so forth, in restraint of trade or commerce among the several States or with foreign nations, includes within its scope any tendency toward the acquisition of assets tending to substantially lessen, hinder, or prevent competition?

Mr. O'CONOR. I find it difficult to agree with the Senator. In the Sherman Act cases to which the Senator has referred an essential element of the illegal monopoly or monopolization charged in these cases is the existence of a combination or conspiracy to acquire and maintain the power to exclude competitors to a substantial extent.

For example, in the Tobacco case, the Court stated that "an indispensable ingredient of each of the offenses charged in the formation is a combination or conspiracy."

But while the offense of combination or conspiracy can, of course, be reached under the Sherman Act, that law is ineffective with respect to mergers and acquisitions. Moreover, I wish again to emphasize that the method proposed by the pending bill is preferable in that it will reach incipient combinations before they achieve the stature of a monopoly.

Mr. DONNELL. But if the Senator will yield further, he does agree, does he not, that the Sherman Act, under the construction of the Court in these various cases over the years, would enable an asset acquisition if it involved any substantial lessening or hindering or suppression of competition to be restrained by injunction or to be punished if consummated?

Mr. O'CONOR. Again I find it difficult to agree with the Senator.

Mr. DONNELL. Will the Senator state whether or not in the case of *Shotkin* v. *General Electric Company* ((171 Fed. 2d) 230 U. S.) the Circuit Court of Appeals of the Tenth Circuit, decided December 30, 1948, the defendants were charged under sections 1, 2, 3, 7, and 15 of the Sherman Antitrust Act, and the court said:

> Regardless of the intent of the parties, if the inherent tendency of the combination, agreement, or concert is to lessen, hinder, or suppress competition in interstate commerce, it comes within the sweep of the act.

Mr. O'CONOR. That is one of the cases referred to by the Senator from Missouri which was emphasized during

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the hearings on the bill, and I am confident that the exact language, which, of course, I do not have before me, is as read by the Senator from Missouri.

Mr. DONNELL. I assure the Senator that it is.

Mr. President, may I at this point have unanimous consent to insert in the RECORD certain language from the minority views which I have filed?

The PRESIDING OFFICER (Mr. NIXON in the chair). Without objection, the matter may be inserted.

Mr. DONNELL. I read from the minority views as follows:

It is our opinion that the court, in the language so quoted—

And I may interpolate that I am referring to the language quoted from the Shotkin opinion—

It is our opinion that the court, in the language so quoted, is referring not to section 2 of the Sherman Act (which is the section relative to monopolization) but to section 1, which is the section which relates to contracts, combinations, or conspiracies in restraint of trade. The reason for this opinion is that the language so quoted is the concluding part of a paragraph the earlier portion of which reads:

"In determining whether a contract, combination, or concert constitutes restraint of trade or commerce in violation of the act, the intention of the parties may or may not be material, depending on whether the necessary effect of the agreement or concert or acts done is to directly restrain such trade or to create a monopoly. A specific intent to restrain such trade or commerce or to build up a monopoly in order for an agreement or concert to come within the scope of the act is not always necessary" (*Swift & Co.* v. *United States* (196 U. S. 375, 25 S. Ct. 276, 49 L. Ed. 518); *United States* v. *Griffith* (334 U. S. 100, 68 S. Ct. 941)).

The Senator from Maryland has been very patient indeed in responding to the questions which I have propounded, and I should like to ask him a few further questions.

He has referred to the decision of the Supreme Court in the case of *International Shoe Company* v. *Federal Trade Commission* (280 U. S. 281) which holds that—

Under circumstances where a corporation with resources so depleted and the prospect of rehabilitation so remote that it faced the grave probability of a business failure with resulting loss to its stockholders and injury to the communities where its plants were operated, we hold that the purchase of its capital stock by a competitor (there being no other prospective purchaser), not with a purpose to lessen competition, but to facilitate the accumulated business of the purchaser and with the effect of mitigating seriously injurious consequences otherwise probable, is not in contemplation of law prejudicial to the public, and does not substantially (303) lessen competition or restrain commerce within the intent of the Clayton Act.

Mr. O'CONOR. I may say in answer to the Senator from Missouri that the particular reason for referring to that decision, or at least to portions of the decision which the committee's report adverts, was to emphasize the fact that the act had no applicability to companies in a failing or bankrupt condition. However, I may say that I think the examples cited by the able Senator from Missouri do not give any cause for alarm, because until and unless the sale of assets would have the effect of substantially lessening competition or tending to create a monopoly, the provisions of the proposed measure would not apply and the Federal Trade Commission would not interfere. In other words, the individual, such as has been described by the Senator from Missouri, should have no apprehension, if this bill were enacted into law.

Mr. DONNELL. I thank the Senator from Maryland. Will he yield for a further question?

Mr. O'CONOR. I yield.

Mr. DONNELL. Does not the Senator think that those who enacted the Clayton Act, in making it applicable to the acquisition of stock and not applicable to the acquisition of assets, may have been largely influenced by reason of the fact that a secret acquisition of control of a business could be effected through the purchase of the stock of such business, and it might therefore be desirable in ferreting out the existence of such secret acquisition or control of the business that an administrative body, such as the Federal Trade Commission, equipped with investigators, rather than a court, invested with power to issue an order to cease and desist, should be utilized? Does not the Senator think that that fact may have largely influenced the Congress of the United States in enacting in the Clayton Act a prohibition against the acquisition of stock and leaving out a prohibition against the acquisition of assets?

Mr. O'CONOR. That might have been one of the moving considerations, but it also should be borne in mind that the history of consolidations, mergers, and acquisitions prior to that time was one of stock, not asset purchases. At that time asset acquisitions were almost unheard of. The Congress in 1914 acted against the common or prevailing form of acquisitions, namely, the purchase of stock. But thereafter corporations found another method to accomplish the same purpose, namely, through the acquisition of assets, thus nullifying the effect of the law.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. DOUGLAS. Is it not true that after the Clayton Act prohibited the acquisition of stock, the effect of which would be substantially to lessen or restrict competition, a large company would buy the physical plant of another company, leaving to the other company merely the paper shell of the corporate structure?

Mr. O'CONOR. The Senator is undoubtedly correct. Many instances of that kind were found, and that seemed to be a growing practice as years went on. When one loophole was blocked, immediately another was found.

Mr. DOUGLAS. And this process has been carried on in the dairy business. The Borden company and other companies have used it.

Mr. O'CONOR. If it will not interfere with the questioning by the Senator from Missouri I should like to refer to the charts which I have before me.

Mr. DONNELL. If the Senator would permit me to continue for only a moment with the particular point to which I referred, I think it would be more connected in the reading of the RECORD than if it were to follow the line of information which the Senator from Maryland is about to give us.

Mr. O'CONOR. Very well.

Mr. DONNELL. The Senator will note that in the senatorial debate on the Clayton Act, as it appears in the CONGRESSIONAL RECORD, volume 51, part 14, at page 14316, former Senator Cummins is quoted as saying:

I do not believe that is the proper construction of the antitrust law; otherwise there could be no sale of business. I think there can be, but wherever the law permits the sale of the business then it ought to be open and public, and a corporation ought not to acquire control of a business simply through the purchase of the stock of a company which continues under its own name and, so far as the public knows, is independent in its management. That is what I think this section is intended in the main to prevent.

The Senator will recall that the quotation which I have read was set forth in my minority view as having been said by former Senator Cummins.

Mr. O'CONOR. I know it is set forth in the minority views, and I know it was referred to at one point during the hearings. I again refer the Senator from Missouri to the fact that in the Senate debate, as of the time the law was enacted, former Senator Walsh, of Montana, made the point:

It was intended [in this bill] to reach the practices that were not the practices of things that have developed into trusts and monopolies, but were practices of trade, which if persevered in and continued and developed, would eventually result in the creation of a monopoly or trust.

I think it is abundantly clear, therefore, that that was the intention of those who passed the law 36 years ago. I certainly do not believe that they intended to pass a law which has become a nullity.

Mr. DONNELL. Mr. President, will the Senator yield further?

Mr. O'CONOR. I am glad to yield.

Mr. DONNELL. Would the Senator permit me to ask unanimous consent that at this point a certain portion of page 18 of the committee report may be printed in the RECORD? I refer to a portion of my minority view on this proposed legislation.

Mr. O'CONOR. I am happy to have the Senator do so.

Mr. DONNELL. The portion of my minority view which I should like to have set forth at this point in the RECORD reads:

Secret stock acquisitions might readily deceive the public into believing that two corporations were competing with each other when actually one was owned by the other. Congress may, therefore, have thought at the time the Clayton Act was passed that a summary, quick type of procedure by an administrative agency, which also has the power and authority to investigate, was necessary to deal properly with such secret stock acquisitions, and that, because assets acquisitions

are generally known by the public, the courts could, under the Sherman Act, adequately deal with assets acquisitions.

In *Federal Trade Commission* v. *Western Meat Company, Thatcher Manufacturing Company* v. *Federal Trade Commission* (272 U. S. 554, 560 (1926)), the Supreme Court said (561):

"The purpose of the act (the Clayton Act) was to prevent continued holding of stock and the peculiar evils incident thereto. If purchase of property has produced an unlawful status a remedy is provided through the courts. (Sherman Act, ch. 647, 26 Stat. 209; Act To Create a Federal Trade Commission, ch. 311, sec. 11, 38 Stat. 717, 724; Clayton Act, ch. 323, secs. 4, 15, 16, 38 Stat. 730, 736, 737; *United States* v. *American Tobacco Co.* (221 U. S. 106).) The Commission is without authority under such circumstances."

Assets acquisitions were obviously not likely to be secret.

I take it that the Senator from Maryland desires to introduce something further on this subject.

Mr. O'CONOR. Yes; in view particularly of the observations made by the able Senator from Illinois [Mr. DOUGLAS].

Mr. DONNELL. I greatly appreciate the courtesy of the Senator from Maryland. After he finishes with the point he has in mind I shall have some minor questioning to pursue.

Mr. O'CONOR. I think it would be of interest at this juncture to have a quick glance at several charts which have been prepared at our request showing the general facts regarding the recent trends of mergers, illustrating the trends with specific examples.

For example, in regard to the question of the size of companies which have been doing the most acquiring, we made the assertion before that it has been the large companies which have been most active. The first chart before us shows, for example, that between the years 1940 and 1947 the greatest number of acquisitions—604 acquisitions to be exact—were made by the largest size of corporations, those with assets of $50,000,000 of over.

A slightly smaller number, or 590 acquisitions, to be specific, were made by the next largest size of corporations, those with assets of between $10,000,000 and $49,000,000. The total number of such acquiring corporations was 257.

A lesser number, or 264, to be exact, were made by the third largest size of corporations, those with assets of between $5,000,000 and $9,000,000. There were a total of 365 acquisitions by corporations in this group.

The smallest number of all was made by the smallest size of corporations, those with assets of under a million dollars.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. O'CONOR. I am happy to yield.

Mr. DOUGLAS. Yet those corporations represented the overwhelming proportion of the total number of corporations?

Mr. O'CONOR. Unquestionably so. As indicated in our previous statement, when the Senator was elsewhere—and I think repetition might not be out of order at this point—one-tenth of 1 percent of the total number of all American corporations, the giant firms with assets of $100,000,000 and over, but smallest in number, own 49 percent of the assets of all corporations.

Mr. KEM. Mr. President, will the Senator yield?

Mr. O'CONOR. I am happy to yield to the junior Senator from Missouri.

Mr. KEM. The Senator from Maryland referred to the case of the small-business man, and the anxiety of the committee to assist him in his operations. I wonder if the committee has given any consideration—and I am sure they have—to the situation of the small-business man who wants to retire. I refer to a businessman who wants to sell his business and go to California, Florida, or perhaps Maryland to spend the rest of his days.

Mr. DONNELL. Or to Missouri.

Mr. KEM. Or to Missouri. Would he not be in a rather difficult position under present tax laws, which would take such a large part of the income of a prospective purchaser, that it would be extremely difficult for a purchaser to pay for the business out of the income of the business? Is that not correct?

Mr. O'CONOR. I can appreciate the point made by the Senator from Missouri.

Mr. KEM. If the man who wants to retire is foreclosed from the possibility of selling the assets of his business to a competitor, as he can do under the present law, is he not in an almost impossible position with reference to retirement, which he has as his ambition?

Mr. O'CONOR. I may say to the Senator from Missouri that I do not think he would be foreclosed from selling his business to a competitor. I say that because, unless the proposed sale of assets of the corporation would have the effect of substantially lessening competition or tending to create a monopoly, the pending bill, if enacted into law, would not interfere with such a sale.

Mr. KEM. The Senator from Maryland would agree, would he not, that the possible market would be restricted by the enactment of this bill?

Mr. O'CONOR. No; I do not think so.

Mr. KEM. Because a small-business man can now sell to a large competitor, whereas, from what the Senator says, if the bill became law, he would be foreclosed from doing so.

Mr. O'CONOR. Not necessarily. It would all depend upon whether or not the sale would have the effect of substantially lessening competition.

Mr. DONNELL. Mr. President, will the Senator yield for a question at that point?

Mr. O'CONOR. I yield.

Mr. DONNELL. Whether the Senator agrees with the interrogation of my distinguished colleague from Missouri or not, the fact is, is it not, that a similar apprehension was forcibly expressed to our committee by Mr. James L. Donnelly, executive vice president of the Illinois Manufacturers' Association, Chicago, Ill., who testified before the subcommittee and stated, at page 295 of the hearings:

The second reason why we oppose this legislation is that the measure would injure small business. This measure represents, in substance, a renewal of the effort that has been made for years to induce Congress to so amend the antitrust laws that the opportunities of small companies to sell their businesses would, in effect, be restricted.

This measure, in effect, is based upon the premise that business development results only from the building of new plants, facilities, etc., and that such development should never follow the lawful acquisition of the assets of a competitive company.

This philosophy is particularly unfortunate in its application to thousands of smaller business firms.

Frequently a small business, on account of Government taxation policies, internal difficulties, business conditions, death, ill health, age, and many other sound considerations, is required to sell its assets, and in many cases, the only market for such sale is among competitors. This measure would, in effect, prevent the sale of said assets to a competitor.

The measure would, in effect, freeze the assets of many small-business firms and prevent their expansion or further development. The result, of course, would be directly contrary to the expressed intention of the advocates of the measure, i. e., to protect small business against larger concerns.

Mr. O'CONOR. The gentleman to whom the senior Senator from Missouri has referred did, of course, make the statement quoted. But I wish to point out that many representatives of small business, including all of the small-business organizations which have testified on the bill have given it their unqualified support.

Mr. DONNELL. If the Senator will permit me to do so, I should like to read into the RECORD at this point an excerpt from page 22 of the report of the committee, being a portion of the minority views:

Mrs. Katherine Parsons, associate director of the employers' advisory division, Pennsylvania Manufacturers' Association, when testifying before the subcommittee, stated (hearings, p. 93):

"As the venture capital of individuals becomes scarcer small- and medium-sized corporations faced with the necessity of selling found that the market for their businesses was restricted to some larger corporation, usually a competitor.

"It is an indisputable fact that this legislation will now remove this principal remaining market for small- and medium-sized businesses in the event that sale becomes necessary. The physical properties would have to be disposed of piecemeal at salvage prices. The good will and reputation that the company may have built up over the years would bring in nothing to the stockholders."

Further, on the same page:

The Commerce and Industry Association of New York, Inc., in a memorandum printed in the hearings (p. 55), stated:

"The small corporate business is usually a family enterprise, or a so-called closed corporation; in either case the stock is closely held by relatively few individuals. Personal incentive and ability are the principal ingredients for its success; and in the absence of extreme, pressing circumstances the small business is not bought or sold. The factors motivating such sales are quickly enumerated; death or illness or the retirement of a principal shareholder, bad business conditions in the face of small operating capital, personal or immediate tax problems, are the ones most frequently responsible.

"When small business runs afoul of such circumstances, the only market usually available is among competitors in the same field. This bill would forbid competitors to purchase, and a small business would find it was unable to offer itself as a going concern to the highest bidder; virtually, it would of necessity be disposed of as at a forced sale;

good will and the repute it may have earned as a going business would be lost to its stockholders."

I thank the Senator from Maryland.

Mr. O'CONOR. Mr. President, just a word with respect to the other charts, so that they may be used by Senators.

The next chart concerns size of the companies which have been acquired. It will be remembered that the other chart to which I referred dealt with the size of the acquiring or purchasing corporations. As will be seen, it was the smaller companies which, over this period of time, have been acquired in greatest number. That is to say, in the 8-year period from 1940 to 1947, small companies, as shown in the first column, represent the overwhelming number of companies which were bought up. Only a few of the very large corporations were acquired, there being only 15 such mergers in the entire 8-year period.

As illustrative of the widespread nature of the merger movement, we have examined the merger activity in a number of industries, one of which is milk and dairy products. We find, as shown on this chart, a large number of mergers by this particular company over the years from 1940 to 1948, including horizontal acquisitions, vertical acquisitions, and those in a third category, which are termed "conglomerate."

The next chart shows a number of acquisitions in the grocery and food products field, including recent acquisitions by one of the largest of the Nation's firms.

The next chart deals with packaged foods, and shows acquisitions by one of the great corporations in that field.

The next chart shows acquisitions in the field of distilled spirits by one of the large corporations in that industry. Since 1933 there have been many mergers in that field. Other distilleries have been acquired; also wineries, tight-cooperage firms, and other concerns.

The next chart, Mr. President, shows the extent to which one of the great farm-machinery corporations of the country by a continuous series of acquisitions since 1902 up to the present time has been absorbing possible competitors.

The remaining charts show the acquisitions which have been made by certain large chemical and steel companies.

I believe the charts may be of use to Senators in consideration of the pending bill.

Mr. President, I now yield the floor.

Mr. DONNELL. Mr. President, will the Senator yield for one further question?

The PRESIDING OFFICER. Does the Senator from Maryland yield to the Senator from Missouri?

Mr. O'CONOR. I am very happy to yield.

Mr. DONNELL. I ask the Senator to permit me to read at this time into the RECORD an observation made by Mrs. Katherine Parsons, associate director of the employers' advisory division, Pennsylvania Manufacturers Association, who testified before the subcommittee, as follows:

> The proponents of the bill in their anxiety to frustrate the alleged monopolistic tendencies of a few giant corporations would freeze at their present size all corporate enterprise. The bald language of the bill prevents mergers and acquisitions between small- and medium-size corporations, destroys the hope of these corporations ever to expand so as to meet the very competition of the big fellows about which the bill's supporters complain.

Mr. President, will the Senator permit me to ask him in respect to one or two other phases of the matter also?

Mr. O'CONOR. I am very happy to do so.

Mr. DONNELL. The bill in section 7 provides:

> That no corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital and no corporation subject to the jurisdiction of the Federal Trade Commission shall acquire the whole or any part of the assets of another corporation engaged also in commerce, where in any line of commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition, or to tend to create a monopoly.

I ask the Senator whether or not in any decision he knows of, the expression, "in any line of commerce in any section of the country" has been defined?

Mr. O'CONOR. I will answer by referring to the discussion of that subject contained in the committee report.

Mr. DONNELL. I ask the Senator if he will permit me at this time to read into the RECORD a portion of page 20 of the minority views?

Mr. O'CONOR. I am glad to have the Senator do so.

Mr. DONNELL. I read as follows:

> The term "any section of the country" is not defined in the bill but would have to be determined by the Federal Trade Commission or the court. A similar phrase in an amendment to S. 1008 was criticized by Congressman CELLER (who introduced H. R. 2734) in House debate as follows:
>
> "The phrase 'to restrain commerce in any section of the country' is new phraseology. I have not heard that before in any antitrust legislation or in any Federal Trade Commission legislation. It would give rise to all manner of questions, of controversies, and of disputes; there would be nothing but confusion. It would mean a field day for the lawyers. I am a lawyer and I would like to have a field day, but I do not think we should on the floor of this House, willy-nilly pass legislation without mature reflection and deliberation, that we should not accept words that would make for confusion, words which have not been passed upon by the courts." (CONGRESSIONAL RECORD, 1949, vol. 95, pt. 7, p. 9061.)

I also ask the Senator if he will permit me to read into the CONGRESSIONAL RECORD at this point another portion of the minority views?

Mr. O'CONOR. Yes; I am very glad to have the Senator do so.

Mr. DONNELL. I read as follows, Mr. President:

> A further reason why the uncertainty of the outcome of the adjudication above mentioned is especially great is that the effect of such acquisition which is determinative of the validity or invalidity of the transaction is whether or not it "may be" substantially to lessen competition, or to tend to create a monopoly.
>
> The bill does not specify, as a ground of invalidity, an actual existence of power to lessen competition or a tendency to create a monopoly, but specifies merely that there "may be" a substantial lessening of competition or a tendency to create a monopoly. The Supreme Court of the United States in the case of *Federal Trade Commission* v. *Morton Salt Co.* (334 U. S. 37, at p. 46) stated:
>
> "The statute requires no more than that the effect of the prohibited price discriminations 'may be substantially to lessen competition * * * or to injure, destroy, or prevent competition.' After a careful consideration of this provision of the Robinson-Patman Act, we have said that 'the statute does not require that the discriminations must in fact have harmed competition, but only that there is a reasonable possibility that they "may" have such an effect.'" *Corn Products Co.* v. *Federal Trade Commission* (324 U. S. 726, 742).
>
> The Court, however, in footnote 14 on page 46, stated:
>
> "This language is to be read also in the light of the following statement in the same case, discussing the meaning of section 2 (a), as contained in the Robinson-Patman Act, in relation to section 3 of the Clayton Act:
>
> "'It is to be observed that section 2 (a) does not require a finding that the discriminations in price have in fact had an adverse effect on competition. The statute is designed to reach such discriminations 'in their incipiency,' before the harm to competition is effected. It is enough that they 'may' have the prescribed effect. Cf. *Standard Fashion Co.* v. *Magrane-Houston Co.* (258 U. S. 346, 356–357). But as was held in the Standard Fashion case, supra, with respect to the like provisions of section 3 of the Clayton Act, prohibiting tying clause agreements, the effect of which 'may be to substantially lessen competition, the use of the word "may" was not to prohibit discriminations having "the mere possibility" of those consequences, but to reach those which would probably have the defined effect on competition.'" 324 U. S. at 738; see also *United States* v. *Lexington Mill Co.* (232 U. S. 399, 411).
>
> The Court, however, subsequent to said quoted footnote says, in the Morton Salt Co. case (l. c. 47):
>
> "As we have pointed out, however, the Commission is authorized by the act to bar discriminatory prices upon the 'reasonable possibility' that different prices for like goods to competing purchasers may have the defined effect on competition."
>
> In *Standard Oil Company of California et al.* v. *United States* (337 U. S. l. c. 300) the Court said:
>
> "The Standard Fashion case, the first of the five holding that the act had been violated, settled one question of interpretation of section 3. The Court said:
>
> "'Section 3 condemns sales or agreements where the effect of such sale or contract of sale "may" be to substantially lessen competition or tend to create monopoly * * *. But we do not think that the purpose in using the word "may" was to prohibit mere possibility of the consequences described. It was intended to prevent such agreements as would under the circumstances disclosed probably lessen competition, or create an actual tendency to monopoly.' (258 U. S. at 356–57." See also *Federal Trade Commission* v. *Morton Salt Co.* (334 U. S. 37, 46, n. 14).)

Then I read the next paragraph in the minority views, as follows:

> From the foregoing there will be observed the difficulty which the Supreme Court has

had in determining the meaning of the word "may." The word "may" probably does not mean the "mere possibility" but may mean either the "reasonable possibility" or, at most, the "probability" under "the circumstances disclosed."

Mr. President, I ask the Senator's pardon for reading one more portion of the minority views.

Mr. O'CONOR. I am glad to have the Senator do so.

Mr. DONNELL. What I wish to read is as follows:

Obviously it will, prior to final adjudication, be in many specific cases difficult if not impossible to be certain whether or not the effect of a specific acquisition of assets may be substantially to lessen competition or to tend to create a monopoly.

The extent by which a lessening of competition may constitute a substantial lessening thereof is also indeterminate in advance of final adjudication. The Supreme Court of the United States has held that in a case in which 6.7 percent of the total sales in a particular area are controlled by a company, such control is such that its effect "may be to substantially lessen competition or tend to create a monopoly in any line of commerce," as used in section 3 of the Clayton Act (*Standard Oil Company of California et al.* v. *United States* (337 U. S. 293 (1949))).

I thank the Senator for having permitted me to read those matters into the RECORD.

Mr. O'CONOR. The Senator is very welcome.

Mr. President, I now yield the floor, and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. O'CONOR. Mr. President, I ask unanimous consent that the order for a quorum call be rescinded and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Is there objection?

Mr. HENDRICKSON. Is this the first call?

Mr. O'CONOR. It is.

Mr. HENDRICKSON. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, I desire to make a few comments upon the bill which is now before the Senate. First, let me compliment most highly the very able Senator from Maryland [Mr. O'CONOR], who has been in charge of the measure. I think he has done a remarkable piece of work in presenting the bill, in committee and on the floor of the Senate. My attention was called to the need of such a measure during the hearings of the so-called Temporary National Economic Committee, which in 1938 undertook a searching and painstaking study of our economy and on March 31, 1941, filed its report. In that report was contained a unanimous recommendation for the enactment of a bill like this. The record which was made by the Federal Trade Commission, and by others who had studied this question when they appeared before the Temporary National Economic Committee, left no doubt of the fundamental fact that an innocent defect in the drafting of section 7 of the Clayton Act back in 1914 had resulted in creating a great opportunity for escape by flagrant violators of the law.

It is true that the Supreme Court of the United States decided in several important cases that although the Clayton Act was designed to enable the Federal Trade Commission to prevent monopolistic mergers, authority of the act was not extended to a prohibition of such a merger by acquisition of the assets of competing corporations; but I want the record clearly to show the manner in which this great door of escape was created. Some of the most distinguished Supreme Court jurists this country has ever had disagreed with the decisions of the Supreme Court in this matter. Three of our most distinguished Chief Justices took the position which the sponsors of this bill have taken namely, Chief Justice William Howard Taft, Chief Justice Charles Evans Hughes, and Chief Justice Harlan Fiske Stone. I think it is impossible to find more competent authority upon the law than those three eminent Chief Justices of the United States. In addition to them, we find dissenting from the decisions, the legalistic decisions which denatured section 7 of the Clayton Act, decisions which in effect said that violators of the clear letter of the law could get away with their loot, Justice Cardozo and Justice Brandeis. So five of the most eminent names in the history of the Supreme Court can be cited in support of the principle of this bill.

THE ESCAPE DOOR FOR MONOPOLY

One of the cases brought by the Federal Trade Commission was a famous one against Swift & Co., another was brought against Western Meat Co., and another against the Thatcher Manufacturing Co. The decisions may be found in 272 United States Reports at pages 559 to 562, and in 291 United States Reports, pages 587 to 608.

In these decisions cited in these two reports there was a clearly unlawful purchase of stock, but the defendant corporation had exercised the power it secured by the purchase of the stock to acquire actual title and possession of the assets of a competing corporation before the proceeding had been brought by the Federal Trade Commission. The Supreme Court said that the Commission had no authority to order divestiture of the assets because, in the opinion of the Court, the proceeding should have been initiated before the power to transfer the assets was exercised.

Is it any wonder that Chief Justice Taft dissented from that opinion? Is it any wonder that Justice Brandeis dissented? Justice Brandeis, in his dissent, said:

In my opinion, the purpose of section 7 of the Clayton Act was not as stated by the Court—

He was referring, of course, to the Supreme Court—

merely to prevent continued holding of the stock and the peculiar evils incident thereto.

It was also to prevent the peculiar evils resulting therefrom.

That was one case. Another case, decided in 1934, will be found in Two Hundred and Ninety-first United States Reports, pages 587 to 608. The dissenters in this case were Chief Justice Hughes, Justice Stone, who afterwards became Chief Justice, and Justices Brandeis and Cardozo. The holding was not only that the Federal Trade Commission must have issued its complaint before the illegally acquired stock had been used to make the illegal act effective by the acquisition of the assets, but it must also have gone through the whole procedure of trial and decision and must have issued its order of divestiture before the assets were transferred. In other words, in that case, with the eminent and noble Justices dissenting, the Supreme Court, in a wholly legalistic decision, held that although the stock had been illegally acquired, in plain violation of the law, and although it had been used to acquire the assets which completed the monopolistic merger, nevertheless, if the merger were completed before the decree of divestiture was issued, the people's Government had no power to act to protect the people.

Mr. President, it seems to me now, as it has seemed to me for a long time, that an injustice of this kind cries to high heaven for remedy. It is that remedy which is provided in the bill which the Judiciary Committee has reported to the Senate and which it is now asking the Senate to pass.

I can see no argument whatsoever which would justify our refusal at this time to enact this bill into law. It has been said that the concentration of economic power proceeds from other causes as well as from monopolistic mergers. Of course, that is true. It has been said that monopolistic mergers were more characteristic of a day that has gone than of the present day. That, Mr. President, it seems to me, is not in accordance with the facts.

THE MODERN RECORD OF MERGERS

In 1947 the Department of Commerce conducted a survey of mergers which had been effectuated by the acquisition of assets. Let me interrupt myself at this point to say that I take it the record is perfectly clear that what this bill purports to do is to correct an omission in the original Clayton Act. When the authors of the Clayton Act and the Congress which passed it enacted the bill into law they thought they were giving the Federal Trade Commission administrative authority to prevent monopolistic mergers, so as to save the people and the competitive system from the danger and the sad results of having to go through the long procedure of correcting the evil after it had transpired. The Department of Commerce made a study of 1,800 recorded acquisitions which took place between January 1, 1940, and December 31, 1946. This survey was limited solely to the field of manufacturing and mining. It did not cover retail or wholesale trade; it did not cover service enterprises and other areas, where chain

stores, supermarkets, and the like, have admittedly grown with startling rapidity during the past 15 years.

The record is full of monopolistic mergers of that kind. They were not dealt with in this study of the Department of Commerce. The study did not include even those mergers in manufacturing and mining which for one reason or another failed to be noticed in the press or recorded in standard investment manuals. Nevertheless, nearly two-thirds of all the mergers studied were effected by the purchase of assets. The characteristic feature of the 1,800 cases was the absorption of little firms by big firms, resulting in eliminating little business and magnifying big business.

Does any Senator need to have any argument presented to prove that this process has been going on? Year after year, and in Congress after Congress, we have appointed small-business committees. We appoint committees in our endeavor to get more business for small enterprises. During World War II the Small Business Committee, over which the distinguished Senator from Montana [Mr. MURRAY] presided with great effect, devoted the major part of its time to inducing the defense services to recognize the capacity of small business firms to do the job. I think the Senator from Montana will bear me out when I say that his records show that the accumulation of orders given by the Government to big business was so great that the big business firms could not transact the business necessary to produce the arms which the Government needed.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I do indeed.

Mr. MURRAY. I wish to thank the Senator for his complimentary remarks. What he says is absolutely true. In one instance we found a huge corporation getting contracts from Washington when it was already filled up with orders to such a degree that it would not be able to start filling the contracts for a couple of years. In the correspondence we discovered a letter which read to the effect:

> Which war do you want these for? Do you want these for this war or the next war?

That would indicate that it was deemed impossible for the corporation to fulfill the contracts. Yet there were 30 small independent corporations which were willing to take the contracts. They had the ability to fulfill them. The Senator is absolutely correct.

Mr, O'MAHONEY. My recollection of what the committee under the Senator's direction was doing is vivid. I am very glad to have the Senator confirm what I have stated, and to have him add his very interesting comment on the letter.

Mr. MURRAY. Does not the Senator from Wyoming believe that we are about 50 years late in starting the movement to prevent this kind of consolidation?

Mr. O'MAHONEY. No; I absolutely disagree with the Senator from Montana. We are not 50 years late in starting the movement. Perhaps we are 50 years late in completing it. I hope we shall not be any later than we are now.

Mr. MURRAY. I was prompted to make the remark, because when I first went to Montana, which was around the turn of the century, in the city of Butte there were 40 individual corporations, each with its own staff of engineers, lawyers, and so forth. The town was very prosperous. The merchants in the town carried the finest quality of merchandise. It had a beautiful club. However, as a result of consolidation Butte has come to the point where today there is only one single corporation operating there, and that through absentee management. It can be seen what happens to a community when consolidations are permitted to wipe out independent concerns.

DEGREE OF CONCENTRATION

Mr. O'MAHONEY. I thank the Senator. There is no doubt about the effect of such consolidations. However, I was referring to the results of the survey made by the Department of Commerce. Of the 1,800 cases it was found that in one-third of the mergers the assets of a merged company had been purchased by firms which had assets in excess of $50,000,000. Another 40 percent were purchased by firms or corporations which had assets ranging from $5,000,000 to $45,000,000. In other words, of these monopolistic mergers, 73⅓ percent were made effective by corporations with assets of $5,000,000 or more. The most significant fact was that one-third of the mergers were accomplished by giant corporations with assets of $50,000,000 or more.

In the face of the facts, it is no wonder that in the reports on the excess profits tax in World War II it was shown that concentration in the United States had proceeded to such an extent that of approximately 56,000 firms which filed excess profits tax returns in the year 1944, only 1,880 corporations with excess profits tax revenue of more than one million dollars, after all exemptions and all allowances, had more than 68 percent of the tax liability of all 56,000 corporations.

Mr. THYE. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am glad to yield.

Mr. THYE. The question which comes to my mind is simply this: Let us assume that the pending bill is enacted into law and let us assume further that a small corporation has met with financial difficulties, producing circumstances which they are unable to meet or overcome, thus practically forcing the corporation into bankruptcy, and leaving bankruptcy proceedings the only apparent course open to them. If the pending bill were enacted into law could another corporation legitimately make an offer to purchase not only the physical assets of the corporation under consideration, but the corporation's stock as well?

Mr. O'MAHONEY. Yes, indeed.

Mr. THYE. How could that be done without being in violation of the proposed act?

Mr. O'MAHONEY. In my opinion, and in the opinion of the committee which filed the report, a bankruptcy sale would not be affected at all by a sale of assets by a corporation which was in bad financial condition. The language of the bill goes only to those acquisitions which substantially lessen competition or which tend to effect a monopoly.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I am glad to yield to the Senator from Tennessee.

Mr. THYE. If I may pursue my questioning further——

Mr. KEFAUVER. What I am about to say is on the same point.

Mr. O'MAHONEY. It is in response to the Senator from Minnesota.

Mr. KEFAUVER. As the distinguished Senator from Wyoming has so clearly stated, where it is necessary for the preservation of resources or for the settlement of an estate, section 7 of the Clayton Act, as now written, if the case involved a stock transaction, would not prohibit a sale for that purpose.

If the Senator will permit me I should like to invite his attention to the case of *International Shoe Co.* v. *The Federal Trade Commission* (280 U. S. 281), particularly to the paragraph which I read:

> A corporation with resources so depleted and the prospect of rehabilitation so remote that it faced the grave probability of a business failure with resulting loss to its stockholders and injury to the communities where its plants were operated, we hold that the purchase of its capital stock by a competitor (there being no other prospective purchaser), not with a purpose to lessen competition, but to facilitate the accumulated business of the purchaser and with the effect of mitigating seriously injurious consequences otherwise probably, is not in contemplation of law prejudicial to the public, and does not substantially (303) lessen competition or restrain commerce within the intent of the Clayton Act. To regard such a transaction as a violation of law, as this court suggested in *United States* v. *U. S. Steel Corp.* (251 U. S. 417, 446–447), would "seem a distempered view of purchase and result." See also *Press Ass'n* v. *United States* (245 Fed. 91, 93–94) (Id. pp. 302–303).

Mr. O'MAHONEY. I thank the Senator from Tennessee.

Mr. THYE. Mr. President, the question still lingers in my mind. Assume that a corporation buys the physical assets of another corporation and then proceeds to attempt to acquire the stock. If it is succesful and makes the purchase, is there a possibility that at some later time someone may bring suit, charging a violation of the law? That is the question which comes to my mind.

BANKRUPTCY NOT INVOLVED

Mr. O'MAHONEY. If I correctly understand the Senator's question, I think there is not the slightest ground for fear. In the first place, the Clayton Act, as it was written, and as it now stands upon

the statute books, makes it illegal for one corporation to acquire the stock of another corporation competing with it when the result is substantially to lessen competition or to create a monopoly. But smart promoters, taking advantage of the fact that the drafters of that law directed the prohibition to the acquisition of the stock, said, "Let us not bother with the purchase of the stock. Let us create our monopoly by buying the assets." The purpose of the pending bill is not to create difficulty for small business, but to protect small business from being gobbled up by big business. I will say to the Senator that this measure is not a complete solution.

Mr. THYE. Then, as I understand, there is nothing in the bill which would prevent a corporation which might be classed as big business from going downstream and buying out a little mill which had been in operation for 50 years or more, but which was forced to discontinue operations because of changes in conditions, modern highways, and better transportation facilities. The local milling business which previously existed is absolutely destroyed, and the small miller is very desirous of selling. Would there be anything in the law which would prevent big business, if we may so classify it, from coming in and buying the small mill, paying off the stockholders and buying the physical equipment, closing down the mill, and proceeding to do the milling at the big business center?

Mr. O'MAHONEY. There would be nothing which would prevent that.

Mr. THYE. We see that change in operation throughout the land almost yearly.

Mr. O'MAHONEY. Of course we do.

Mr. THYE. I present the question to the Senator in order that there may not be destroyed the opportunity of the small business corporation to sell to a large business corporation because the large business corporation can conduct the operation more efficiently.

Mr. O'MAHONEY. I am very glad that the Senator has pointed out this example, because it lends force to the point I was about to make.

THE FINAL ACT OF A LONG DRAMA

We in this generation are seeing the final act of a long drama. I have before me on the desk the messages of Theodore Roosevelt, President of the United States at the beginning of this century, in which he foresaw some of the things that were coming. Let me read just a paragraph from Theodore Roosevelt's seventh annual message. This message was delivered to the Senate and the House on the 3d of December 1907. He was speaking about big business, national business. He said, among other things:

If an incorporation law is not deemed advisable—

President Theodore Roosevelt believed in a Federal charter law. He was one of the authorities from whom I drew the inspiration to introduce, as I have introduced over and over and over again, a Federal charter bill.

If an incorporation law is not deemed advisable, a license act for big interstate corporations might be enacted; or a combination of the two might be tried. The supervision established might be analogous to that now exercised over national banks. At least, the antitrust act should be supplemented by specific prohibitions of the methods which experience has shown have been of most service in enabling monopolistic combinations to crush out competition. The real owners of a corporation should be compelled to do business in their own name. The right to hold stock in other corporations should hereafter be denied to interstate corporations, unless on approval by the Government officials, and a prerequisite to such approval should be the listing with the Government of all owners and stockholders, both by the corporation owning such stock and by the corporation in which such stock is owned.

So he went on and on, analyzing this question, but I am laying particular emphasis on the sentence—

At least, the antitrust act should be supplemented by specific prohibitions of the methods which experience has shown have been of most service in enabling monopolistic combinations to crush out competition.

Those were the words of Theodore Roosevelt in 1907. I have other very excellent Republican authority.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield to the Senator from Maine.

Mr. BREWSTER. I assume that the Senator from Wyoming is familiar with the action taken by the administration in the last war, when, I think at the instigation of Secretary Stimson, the President requested the Attorney General to suspend prosecutions under the antitrust acts.

Mr. O'MAHONEY. Oh, yes.

Mr. BREWSTER. Does the Senator from Wyoming feel that that action was wise and warranted in connection with the war effort at that time?

Mr. O'MAHONEY. Because of the war effort I raised no voice against it. Whether it was wise I had serious doubt at the time, but who was I to protest at that moment?

Mr. BREWSTER. I shared the feeling of the Senator. I have certainly had some qualms, as one concerned about this problem from the day I first came to Washington. I have been concerned about the continued concentration of economic power which has occurred under the administration of those with whom the Senator from Wyoming is more intimately associated and sympathetic than am I.

Mr. O'MAHONEY. I know that the Senator from Maine is a Senator of wide intimacy and of great knowledge. I do not question those attributes of his, nor do I claim any superiority over him.

Mr. BREWSTER. I shared the qualms of the Senator from Wyoming. However, the Senator from Maine entertained the feeling that the President, the Secretary of War, the Secretary of the Navy, and others in the Cabinet had both a very intimate knowledge and a very great responsibility. I think we all had reason to withhold our fire.

Does it seem to the Senator from Wyoming that it would be wise, now that we are on the eve of the proclamation of a national emergency, requiring total mobilization, to place possible further impediments in the situation when, by the first of next week, the administration may suggest that we suspend the operation of many of our existing restrictions?

Mr. O'MAHONEY. I think that this bill, if enacted, would offer no impediment that would be worthy of the name to national defense production, because I can see no reason to believe that the production of the materials needed for the war would be in any degree dependent upon the acquisition by one corporation of the assets of another. I think there is no reason to believe, for example, that United States Steel should be made greater than it is, or that General Motors should be made greater than it is, or that either of these should have the power now to expand their great economic empires by the acquisition of the stock of corporations and the assets of corporations that might possibly be competing with them.

Mr. BREWSTER. How would the Senator from Wyoming distinguish the situation we face now from the situation which we faced in 1942?

Mr. O'MAHONEY. I distinguish it exactly as the Senator from Maine distinguishes it. If I understood him correctly just a moment ago, he said that he had great qualms about the validity and the desirability of suspending prosecutions under the antitrust laws. So did I. I did not think it was necessary then, and the Senator from Maine did not think it was necessary.

Mr. BREWSTER. Not quite that.

Mr. O'MAHONEY. Well, the Senator had great qualms.

Mr. BREWSTER. I said I shared the Senator's qualms, but I added that I felt, out of deference to the knowledge and responsibility of the administration at that time, who were responsible—and I think the Senator at one time was associated with me on the Truman committee when we were conducting very intensive studies——

Mr. O'MAHONEY. I was not a member of that committee, but on a few occasions I was accorded the privilege of participating with the committee in the examination of certain witnesses.

Mr. BREWSTER. That, I think, is what comes to my mind. I felt that the President, the Commander in Chief, and the Cabinet must have had very grave reasons before they took an action which was so much in conflict with the entire philosophy certainly of the administration hitherto. The records, the platforms, the whole policies of the Democratic Party were against monopoly, and yet when the President and Mr. Stimson and Mr. Knox, the latter two being distinguished Republicans, associated with the Cabinet, secured the adoption of

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that recommendation to the Attorney General, it seemed to me very strong evidence that the enforcement of the act at that time was calculated to put impediments in the way of an all-out war effort.

DEFENSE PRODUCTION NOT INVOLVED

Mr. O'MAHONEY. Surely it is obvious to the Senator from Maine that the exchange of letters between the Attorney General and the Secretary of War did not have the force and effect of law. It was merely an administrative decision that for the purposes of the war the terms of the Sherman Act and other antitrust laws would not be called into play. Now I say it is clear that a similar letter, if it were necessary, could cover the Clayton Act, as amended, just as well as it covered the Clayton Act as it then stood upon the statute books.

Mr. BREWSTER. That, of course, is true. I presume that all laws can be suspended. Whether or not this bill, if enacted, would add anything to the problems, whether it would be as easy to nullify four laws as it would be to nullify three, I do not know.

Mr. O'MAHONEY. I can only say to the Senator from Maine that in my opinion the passage of the pending bill will add nothing to the problem, but it will add a great deal to our purpose if we have the purpose of reestablishing a competitive and a really free economy in the United States when this emergency is passed.

Mr. President, I wish to read to the Senator a quotation by Henry Luce which I ran across several years ago in Fortune magazine. He was then the head, probably the principal owner, of Time, Life, and Fortune. This is what he said in that article in Fortune magazine:

> Business can now unwind at a profit, just as it wound up at a profit; and if neither business nor Government make a move in this direction, if bigness is to remain the standard concept of the economy, then the American businessman, the American politician, and, in short, all American citizens, must prepare themselves for a different order of things, in which the powers of the Government are not limited, in which the right to risk and profit is not clear, and in which the making, the selling, and even the buying of the products of the biggest show on earth are all mysteriously directed from abroad.

I can cite to the Senator quotations even from Theodore Roosevelt back as far as 1907 and 1908 when he was recommending that we should recognize the fact that modern business was becoming bigger and bigger, and that the solution was to clothe the Federal Government with greater supervisory powers, with greater powers of control. I think that is a danger to be avoided.

Mr. BREWSTER. Would the Senator from Wyoming also recognize that the same Theodore Roosevelt did distinguish between giant corporations as to good ones and bad ones?

Mr. O'MAHONEY. Certainly.

Mr. BREWSTER. Therefore mere bigness was not his standard of virtue or of vice. That, I think, was very clearly established, as I was a disciple of his, along, perhaps, with the Senator from Wyoming.

Mr. O'MAHONEY. Let me read from Theodore Roosevelt so that there may be no doubt, so that those who will compliment us by reading the RECORD of what we say will know precisely what Theodore Roosevelt said, and not what the Senator and I interpret him as having said. This is from Theodore Roosevelt's eighth annual message dated at the White House December 8, 1908:

> There should be regulation by the National Government of the great interstate corporations, including a simple method of account keeping, publicity, supervision of the issue of securities, abolition of rebates, and of special privileges. There should be short-time franchises for all corporations engaged in public business, including the corporations which get power from water rights—

And so forth. He was going a long way.

Mr. BREWSTER. He went some distance beyond that when he recommended the repeal of judicial decisions.

Mr. O'MAHONEY. Yes.

Mr. BREWSTER. I am sure the Senator recognizes that.

Mr. O'MAHONEY. The Senator is quite right.

Mr. BREWSTER. The Senator from Maine is seeking to make the point that he certainly recognizes that the administration, if we enter into an all-out effort within the next few days, which seems quite likely, could just as well suspend this law if the pending bill should become law, as others.

A COMPETITIVE ECONOMY IS OUR GOAL

Mr. O'MAHONEY. Yes, of course. I should like to see the law on the statute books so that when the present great emergency has passed we may have some hope of returning to a competitive economy instead of looking to the sort of economy that Henry Luce pointed to in the article in Fortune magazine—a collectivist economy. This is our danger, it seems to me. Collectivism is moving forward apace throughout the world, and industrial collectivism leads inevitably to political collectivism. That I would like to avoid.

Mr. BREWSTER. If there had been more vigorous enforcement of existing law, I might welcome additions. However, if there was any force to the action and the policy adopted by the administration in the last war, now, on the eve of this crisis to attempt to add further to the administrative responsibilities of dissipating any possible concentration of assets, as this measure proposes, seems to the Senator from Maine a most unhappy time to have a further mandate by the Congress in this direction, particularly in the closing hours of what must be recognized as a Congress which has had at the hands of the people a suggestion of a somewhat different responsibility and control. This post-election, "lame duck" Congress seems to me to be a most unhappy time to press for action on an issue of this character, which, as the Senator from Wyoming and other Senators well know, has been agitated here for a very long time, but has not hitherto been favorably considered by the Congress.

However, now, in the closing hours of the session, with a war crisis imminent, and with all the possibilities of mobilization, which we must consider, it seems to me not to be the part of wisdom to press for action on this issue. It has been my very earnest hope that the advocates of this measure might feel disposed to postpone the further consideration of it until somewhat more peaceful times.

Mr. O'MAHONEY. Mr. President, I am sure the Senator will not misunderstand me when I say that I regard that argument as merely a defeatist argument, without any real substance.

I will say to the Senator that every great President since the turn of the century—as a matter of fact, every President—has pointed with fear and trembling at this concentration of economic power, because they saw in it the complete elimination of the competitive economy which we have liked to believe has been the mainspring of America. I believe it has been. I have quoted President Theodore Roosevelt. I can quote President Taft. In 1910, William Howard Taft sent to the Congress of the United States a message in which he recommended a national incorporation law. He was influenced by recognition of the fact that even at that time, 40 years ago, national business was becoming so great that it was overpowering the States. State lines mean nothing now, Mr. President, to any of the giant corporations which carry on the business of the country.

Mr. KEFAUVER. Mr. President——

Mr. O'MAHONEY. I ask the Senator to permit me to finish this statement, please.

I shall read now from a message which President Taft delivered to Congress on January 7, 1910. Perhaps I shall quote somewhat at length from it:

> There has been a marked tendency in business in this country for 40 years last past toward combination of capital and plant in manufacture, sales, and transportation. The moving causes have been several. First, it has rendered possible great economy; second, by a union of former competitors it has reduced the probability of excessive competition; and, third, if the combination has been extensive enough and certain methods in the treatment of competitors and customers have been adopted, the combiners have secured a monopoly and complete control of prices for rates.

President Taft was fairly assessing the situation. His mind was not blind to monopoly.

In speaking of these combinations, he further said:

> If they attempt by use of their preponderating capital and by a sale of goods temporarily at unduly low prices to drive out of business their competitors—

Mr. President, why do you suppose the then President of the United States said that? Was it not because he knew, of his own personal experience, not only as the Chief Executive of the Nation, but as a distinguished and able judge, that monopolistic corporations had been doing precisely that?

He further said at that time:

or if they attempt, by exclusive contracts with their patrons or threats of nondealing except upon such contracts—

A system which is in use today, whereby monopolies further their aims—

or by other methods of a similar character—

So President Taft said—

to use the largeness of their resources and the extent of their output compared with the total output as a means of compelling custom and frightening off competition, then they disclose a purpose to restrain trade and to establish monopoly.

There is a devastating analysis of the evils of monopoly.

We have before us at this time a bill which proposes the simple closing of a gap through which monopoly has been escaping.

I have cited decisions which show how perfectly amazing was the illegality which was condoned by legalistic opinions of the Supreme Court. I have referred to President Theodore Roosevelt and to President William Howard Taft. The Senator from Maryland [Mr. O'CONOR] in his opening speech referred to President Woodrow Wilson. As a matter of fact, the Clayton Act was enacted during the administration of Woodrow Wilson, and it carries out precisely the recommendation contained in the message of 1907 from Theodore Roosevelt, namely, that there should be an amendment to the antitrust law which would contain that prohibition.

So there is no partisanship in connection with this matter. Great Republican leaders have condemned monopoly and have sought to create remedies to prevent it from taking control of our entire economy, and a great Democratic President asked a Democratic Congress to enact such a measure. Then, when the act was under interpretation by the Supreme Court of the United States the great Chief Justice of that Court, who once was the nominee of the Republican Party for President, the late Charles Evans Hughes, took precisely the view which I took when I introduced the companion bill to the House measure, now before us. He took precisely the view which I took when I first recommended the bill. Another great Chief Justice of the Supreme Court of the United States, Harlan Fiske Stone, who was Attorney General in the Cabinet of another Republican President, took exactly the same point of view.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILEY. I wish to preface my question by a few remarks. I think I can agree fully with the generality that power anywhere has a tendency to corrupt, whether it be in labor unions or in the field of money wealth. We have even seen it in the church, at times, as history demonstrates. We have seen it everywhere.

I was very much impressed by the interchange of questions and comments between the Senator from Wyoming and the Senator from Maine, because this very day a concrete proposition has come to me from my own State, in the case of three small manufacturing plants, because they cannot get orders from the Government in this war period; and if they are unable to obtain orders, and have to close down, the result will be to put out of employment approximately 1,500 persons. So in that case, again, we find the element of power exercising a controlling influence.

The Government is exercising this power in letting contracts. As I recall the answer given to the Senator from Minnesota, if the plants receiving contracts cannot, in the interest of national defense, obtain tools and equipment from the plants which are unable to obtain contracts, the national defense, as a result, will be prejudiced. To me, that presents a challenge to the entire country, because, if those who, as we might say, have an "in" in Washington, are to get the contracts in the event an emergency arises which necessitates our spending, as it is contemplated, $75,000,000,000, even though we may not actually go to war, it will mean that the only recourse left to the three small plants to which I have referred will be for them to go into bankruptcy; in which event, the receiver would sell the concerns for whatever he could get for them. If the plant which gets the contract needs the assets of those smaller companies to promote the general welfare, yet, if it would have a tendency toward monopoly, it would be impossible for the company holding the contract to purchase the assets of those smaller companies.

In the present state of things, such a situation requires serious consideration on the part of all. According to reports which I have heard over the radio and read in the press, we are likely to have an important declaration very soon. Again, according to the statement of Prime Minister Attlee to the President, if it is true—and I shall not repeat it, because it is of a very serious nature, though I may say it was repeated recently on the radio—we are now in the most challenging period of our national history. Therefore, in the case of plants which are capable of producing the things which are needed in this emergency, we should not place obstacles in their way when they seek government contracts for the production of things needed by the Government in order to meet the emergency. Have I made myself clear?

Mr. O'MAHONEY. Perfectly clear. But let me say to the Senator that when World War II started, the 100 largest corporations in the United States, in the first 6 months—and the Senator from Montana [Mr. MURRAY] will correct me if I am in error—received about 90 percent of all the defense contracts which were made.

Mr. WILEY. Mr. President, will the Senator yield for a question at that point?

Mr. O'MAHONEY. In a moment. But, I was going to say, through the operation of the Special Committee to Study and Survey Problems of Small Business Enterprises, of which the Senator from Montana was the head, and through the operation of the Smaller War Plants Corporation, that percentage was greatly changed. By the end of the war, the percentage of contracts held by the 100 largest firms was practically cut in two. I now yield to the Senator from Wisconsin.

Mr. WILEY. I am glad to hear the Senator's statement, but I also saw recently that the plants which had been tooled up 5 years ago were now out of date so far as meeting the need of the present weapons and other things to meet the present challenge, whatever it may amount to, and I can readily conceive that a plant which does not have the "in" will not get a contract. There may be good people who own it. If the company which receives the contract were permitted to buy the tools and other assets of the smaller companies, I believe it would be in the public interest; but here, in a time of emergency and of challenge to our very existence, they are prevented from doing so.

Mr. O'MAHONEY. Mr. President, I may say in all sincerity that I do not know what greater "in" the Wisconsin corporations referred to by the Senator could possibly have than the support of the distinguished Senator from Wisconsin, who is now interrogating me.

Mr. WILEY. Will the Senator please say that "again and again and again"? If he will, I shall appreciate it very much.

Mr. O'MAHONEY. I say it again, again, and again. I suggest to the Senator that all in the world he has to do is to take the names of those three corporations to the Secretary of Defense and to the head of procurement, and they will be recognized, or I am no prophet.

Mr. WILEY. Will the Senator yield again for a moment?

Mr. O'MAHONEY. I am glad to yield.

Mr. WILEY. The Senator just said that at the beginning of World War II, 95 percent of the contracts were centered in about 100 corporations.

Mr. O'MAHONEY. That is correct.

Mr. WILEY. I think the able Senator will find that the percentage now is about the same.

Mr. O'MAHONEY. I think not; but if so, let us overturn it. Let the Senator and I join——

Mr. WILEY. The Senator has not answered my question. I am talking about stockholders who have invested their money in certain concerns which, by reason of shortages in steel, aluminum, and other materials, are unable to obtain what they need; yet a company which gets a Government contract is able to get those necessary things. The people to whom I referred a few moments ago, who are citizens of this Republic, are going to be wiped out, if this measure is passed, for it will be found that they will be prohibited from selling their assets to the company which, under Government contract, desires to manufacture the things needed by the Government.

Mr. O'MAHONEY. No; I deny the Senator's conclusion because, if an actual emergency is declared, and I sincercly believe it ought to be declared——

Mr. WILEY. Amen.

Mr. O'MAHONEY. The priority powers contained in the Defense Production Act of 1950 can be used to give those three companies the precise priorities which they need.

Mr. WILEY. Not unless they can obtain the Government contracts.

Mr. O'MAHONEY. The allocations can be used, and if a national emergency is declared, as I think it ought to be, there will be a ceiling over wages and a ceiling over prices——

Mr. WILEY. Is the Senator in favor of that?

Mr. O'MAHONEY. As I said a moment ago, all in the world the Senator from Wisconsin has to do is to take the names of those three corporations to the Government, and they will, I am sure, receive consideration.

Mr. WILEY. The situation I have pictured is merely an illustration not only of what has been going on for weeks but of what is happening today.

Mr. O'MAHONEY. I am afraid that not enough contracts have been let; but I may say to the Senator that the Committee on Appropriations is now in session. I ought to be in the committee meeting, instead of here.

Mr. WILEY. The Senator is more illuminating here than he would be in the Appropriations Committee.

Mr. O'MAHONEY. The Senator from Wisconsin has never heard me in the Appropriations Committee.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. WILEY. Let us first get the answer.

Mr. O'MAHONEY. No; I said over and over again that in such a case as this, in my opinion this law would not be an impediment. It would not be an impediment.

Mr. WILEY. It would be a repetition of what occurred following the declaration of World War II.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. KEFAUVER. As a matter of fact, would not this bill, if enacted into law, be of assistance to small business enterprises, to keep them from being gobbled up? We all know that some of the great corporations, which are the producers of some of our basic products have a substantial monopoly over some products. Unfortunately, if those big corporations are led to think that perhaps by depriving small business of contracts and subcontractors, or by depriving them of necessary raw materials, they are going to be able to force them to sell their outfits, then the temptation would be present to do so; whereas, if the smaller firms had the protection of this bill, it seems to me the temptation would not be so great for the big corporation to bring about conditions under which the small fellow would be forced to sell out to him. That is to say, strong antitrust laws, during a time of great scarcity or allocation of materials have always been protections to small business, in my opinion.

Mr. O'MAHONEY. I quite agree with the Senator from Tennessee, who, when he was a member of the Judiciary Committee of the House, was a tower of strength in the House in support of this proposed legislation.

Mr. KEFAUVER. I thank the Senator.

Mr. O'MAHONEY. His bill, as I recall it, which he introduced in the House several years ago, had the support of a majority of the Members of the House committee. This measure has been endorsed, recommended, and approved over and over again by all who have seen the progress of concentration.

I was referring a moment ago to various Presidents who have recommended action along this line. I referred to President Theodore Roosevelt, to President William Howard Taft, and to President Woodrow Wilson. The same recommendation was made by President Franklin D. Roosevelt. It was also made by President Harry S. Truman. During the administration of President Herbert Hoover, the latter, noting this great trend toward monopoly, named a special research committee on social trends, of which he appointed Dr. Wesley C. Mitchell, as I recall, chairman. There was a chapter in its great report, written by Dr. Charles E. Merriam, of Chicago, in which there was presented a table showing a comparison of certain corporations in cities and States with respect to gross revenues and number of employees. The purpose of the table was to show how corporations were obtaining greater economic power than that of the cities and States themselves.

Mr. President, I ask unanimous consent to insert this table in the RECORD at this point in my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Comparison of certain corporations, States, and cities with respect to gross revenues and number of employees

Corporation or political unit	Gross revenues [1] [2]	Employees [3]
United States Steel Corporation	$1,201,377,367	211,055
Great Atlantic & Pacific Tea Co	1,053,692,882	40,000
General Motors Corporation	996,687,332	172,938
Pennsylvania Railroad system	616,638,650	166,607
New York City	611,571,726	87,509
Standard Oil Co. of Indiana	465,752,175	44,520
General Electric Co	396,242,631	78,380
American Telephone & Telegraph Co	292,014,871	324,343
New York State	272,940,372	28,798
Chicago	241,748,819	41,983
Detroit	154,619,790	19,436
Los Angeles	152,166,523	16,975
Philadelphia	133,522,058	21,997
California	116,919,827	17,495
New Jersey	91,068,090	8,385
Boston	79,095,089	20,606
Ohio	78,527,215	6,426
Illinois	69,901,391	13,134
North Carolina	41,401,317	6,506
Maryland	28,165,361	6,962
Maine	18,014,201	2,500

[1] Corporation gross revenues include income from all sources for the year 1930. Figures from annual reports or from Standard Corporation Records. State figures are revenue receipts for 1929 and are from U. S. Bureau of the Census, Financial Statistics of States. City figures are revenue receipts for 1928 and are from U. S. Bureau of the Census, Financial Statistics of Cities.

[2] Figures on municipal and State employees are for 1930 with the exception of the States of New York and New Jersey, which are for 1928. The figures are not necessarily comparable because some of the items include only those in the classified service; some include educational employees and others do not.

[3] These figures include a part of county receipts and receipts of special districts as allocated by the Bureau of the Census.

Comparison of certain corporations, States, and cities—gross revenues and number of employees, 1942

Rank in 1942 gross revenues	Corporation or political unit	Gross revenues	Employees	Rank in 1928–30, gross revenues
(1)	General Motors Corp	$2,250,548,859	314,144	(3)
(2)	United States Steel	1,862,951,692	335,866	(1)
(3)	American Telephone & Telegraph	1,469,263,216	327,107	(8)
(4)	Great Atlantic & Pacific Tea Co	1,378,147,240	.....	(2)
(5)	General Electric Co	913,656,277	139,939	(7)
(6)	Pennsylvania R. R. System	838,474,622	151,604	(4)
(7)	New York State	720,306,000	55,873	(9)
(8)	New York City	714,653,000	[4] 132,975	(5)
(9)	California	517,261,000	[2] 29,010	(14)
(10)	Standard Oil of Indiana	464,558,256	.....	(6)
(11)	Illinois	368,572,000	20,999	(18)
(12)	Ohio	358,380,000	[3] 20,277	(17)
(13)	New Jersey	202,685,000	13,808	(15)
(14)	North Carolina	132,662,000	14,616	(19)
(15)	Chicago	114,763,000	[4] 31,318	(10)
(16)	Detroit	104,981,000	[5] 23,758	(11)
(17)	Philadelphia	81,405,000	[6] 19,699	(13)
(18)	Boston	77,620,000	[7] 12,606	(16)
(19)	Maryland	76,887,000	[8] 9,253	(20)
(20)	Maine	40,342,000	[9] 6,196	(21)
(21)	Los Angeles	39,852,000	[10] 19,070	(12)

[1] General government, 100,626; public-service enterprises, 32,349.

[2] General government, 28,486; public-service enterprises, 524.

[3] General government, 18,928; public-service enterprises, 1,349.

[4] General government, 27,807; public-service enterprises, 3,509.

[5] General government, 16,629; public-service enterprises, 7,129.

[6] General government, 18,696; public-service enterprises, 1,003.

[7] General government, 12,075; public-service enterprises, 531.

[8] General government, 9,176; public-service enterprises, 77.

[9] General government, 5,940; public-service enterprises, 256.

[10] General government, 10,997; public-service enterprises, 8,073.

Notes on public employment: Figures exclude schools, work relief, and contract-work employment. Unless otherwise indicated, employment total relates to general government only.

Source: Standard and Poor's, corporation records; and publications of the U. S. Bureau of the Census.

Mr. MURRAY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MURRAY. Does not the Senator believe that as a result of our experience in the last war the procurement agencies of the Government will be inclined to help the small business concerns which have been referred to by the Senator from Wisconsin?

Mr. O'MAHONEY. I think that is correct.

Mr. MURRAY. We discovered, as result of the mobilization of small business in the war, that we obtained the greatest production that could have been anticipated. It was really as the result of production that we won the war, and it was accomplished by bringing in the smaller concerns to participate in the war-production program. The Smaller War Plants Corporation made a great contribution, because they could aid a dozen small corporations to join together and take a major contract, and in that way, through the huge contributions made by small concerns there was wonderful production during the war.

Mr. O'MAHONEY. I feel confident that the same result which was obtained

largely through the leadership of the Senator from Montana during World War II will now be obtained. I think the lesson of World War II has been learned. We are now considering a new appropriation bill, and I know that the members of the Appropriations Committee will make that clear to the Defense Establishment.

Mr. MURRAY. The proposed legislation which the Senator is now supporting will have nothing other than a beneficial effect on small business concerns; is not that a fact?

Mr. O'MAHONEY. That is so beyond any doubt. The point of the matter may be emphasized by the fact that in the study of the Department of Commerce to which I referred a little while ago nearly 25 percent of the 18 mergers by acquisition of assets represented what was known as conglomerate mergers; that is to say, corporations buying other corporations dealing in unrelated businesses. For example, the Universal Match Co. purchased a number of candy corporations. This widespread entry of corporations into unrelated lines of manufacture is, in part, a result of the extraordinary accumulation of liquid assets in corporate treasuries because of their operations during the war, and because we have not taken the steps necessary to prevent this constant concentration which closes the door to enterprise by the citizens of the States which are represented by every Senator upon this floor; and by voting against this bill I am confident Senators would be voting against the interests of their own constituents, to say nothing of the competitive economy in which we all really and sincerely believe.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILEY. As one of the able lawyers of this great body I should like to have the Senator's opinion on the record in relation to this matter, because the bill came from our committee, and while we can agree in large part with the philosophy expressed and with a great many of the conclusions, I should like to have his opinion on the point I am about to mention. If this amendment to the present law should be enacted, in the Senator's opinion, would the President, in case he should declare a state of emergency to exist, have the power to suspend the operation of the law as amended?

Mr. O'MAHONEY. Just as much so as President Franklin D. Roosevelt had by the exchange of letters between the Department of Justice and the War Department during World War II.

Mr. WILEY. That is not the answer I was looking for.

Mr. O'MAHONEY. Of course it is not. But the Senator, as a great lawyer—and I return his compliment—knows as well as I do that in a national emergency we do things in the national defense which are necessary to the national defense, but we do them without sacrificing our loyalty to the principle of a free economy and political freedom. Abraham Lincoln himself did such things in order to preserve the Union; and the Supreme Court, after the fact, said that some of those actions were without strict authority of law.

Mr. WILEY. The Senator has indeed created a situation here which I think calls for earnest consideration by every Senator, because he has said, in substance, that there is no authority in law for the act of the Executive, and if the plant to which I have referred does, in the public interest, something which is contrary to law and after the show is over it is likely to be called to the bar of justice, it seems to me we have created a weak situation psychologically which does not add to the security of our national defense.

Mr. O'MAHONEY. I will say to the Senator, in all sincerity, that I believe the answers which I have given to him, and the answer which was given to him by the Senator from Tennessee, were completely apt. I do not believe there is any danger such as has been described by the Senator.

The record of the courts in construing the Clayton Act as it now stands with respect to the acquisition of stock is clear that the law cannot be used to cover such a case as that which the Senator describes, and the amendment of the law by prohibiting the acquisition of assets as well as stock would not in any way increase the difficulties nor increase the concern of the corporations of which the Senator speaks.

Mr. KEFAUVER. Mr. President, before the Senator leaves the floor——

Mr. WILEY. Just a moment, please. If events should occur which we think may occur, I think the Senator's statement on the RECORD will be of considerable comfort to people who must make a decision as to whether they will do so and so. I thank the Senator for his very explicit and illuminating opinion.

Mr. O'MAHONEY. The Senator's inquiries have been most helpful.

Mr. KEFAUVER. Mr. President, before the Senator from Wyoming yields the floor, and while the Senator from Wisconsin [Mr. WILEY] is present, I should like to make the observation, and ask the Senator from Wyoming if it is not correct, that in the Defense Production Act, which Congress passed not so long ago, there is provided a detailed method for working out exceptions to all antitrust laws in the event the national defense effort makes it necessary that it be done, and would not that act apply equally to matters under the Sherman Act and the Clayton Act?

Mr. O'MAHONEY. Certainly.

Mr. KEFAUVER. So that if it becomes necessary to work out a formula in any particular case in which the application of an antitrust act, whether it be the Clayton Act or the Sherman Act, was thought to be impeding the war effort, a system has been worked out by law for suspending the operation of such acts in certain cases, and that system has been set up in the National Defense Production Act, which Congress recently passed.

Mr. O'MAHONEY. I thank the Senator for calling attention to that fact.

Mr. KEFAUVER obtained the floor.

Mr. WILEY. Mr. President, do I understand the Senator from Tennessee to say that the language of the act to which he refers is so general that it confers upon the Executive the power to suspend practically any law?

Mr. KEFAUVER. In any case in which the mobilization effort requires the suspension of the antitrust laws, there is a procedure, established by law, through which such suspension can be made. This procedure is set forth in the Defense Production Act.

Mr. WILEY. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I yield.

Mr. WILEY. I think a group of people in my State followed that procedure. They were brought to the bar of justice, and the judge, who was a former Member of the Senate, soaked them.

Mr. KEFAUVER. The act to which I referred was passed only recently, and I understand that there have been only a few cases under it.

Mr. WILEY. Perhaps we are referring to two different situations.

Mr. KEFAUVER. If the distinguished Senator from Wisconsin will examine the Defense Production Act, he will find that a mechanism is provided by law under which in certain circumstances and in the interest of the defense effort the antitrust laws can be suspended.

Mr. WILEY. I suggest that the Senator obtain the statute and put it into the RECORD at this point. I believe it would be helpful, particularly to persons who are interested at the present time and to those who may become interested in the subject at a future time, so that no one will get his fingers burned.

Mr. KEFAUVER. I shall insert in the RECORD the section of the Defense Production Act referred to.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Tennessee? The Chair hears none, and it is so ordered.

Mr. WILEY. Perhaps the Senator could read it into the RECORD.

Mr. KEFAUVER. I shall put it into the RECORD as soon as I obtain a copy of the act.

Mr. WILEY. I thought the Senator was talking about some previous legislation because I have a distinct recollection that in my State an agreement had been entered into by and with the consent of the Attorney General, but that afterward the United States district court, presided over by a former Member of this body, held that the Attorney General had no such authority. The decision went against the persons who had in good faith gone ahead in the interest of what they thought was the public welfare, and they found themselves in the doghouse so to speak.

Mr. KEFAUVER. I think that is the kind of situation to which this section of the Defense Production Act was addressed. The case to which the Senator from Wisconsin refers must have arisen before the passage of the Defense Production Act. However, I shall get the exact language and insert it in the RECORD.

Mr. WILEY. I thank the Senator.

Mr. KEFAUVER. Mr. President, while we are talking about the effect upon the war effort and how this subject fits into general defense activities, and while we are also discussing the attitude of great

statesmen of the past in connection with the matter of monopolies—statesmen of both political parties—I think I could start my short statement with no better quotation than one from the great American President, Abraham Lincoln. He said:

> I see in the near future a crisis approaching that unnerves me and causes me to tremble for the safety of my country. As a result of the war, corporations have been enthroned and an era of corruption in high places will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands and the Republic is destroyed. I feel at this moment more anxiety for the safety of my country than ever before, even in the midst of war. God grant that my suspicions may prove groundless.

Mr. President, it was the attitude of such great men as Abraham Lincoln which some 30 years after the quoted statement was made, brought about the passage of the Sherman Act and the later antitrust laws.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield to the distinguished Senator from Wisconsin.

Mr. WILEY. Is it not true that since those days, because of inheritance taxes in the States, and because of other systems of taxation which are in force today, it is very seldom that large fortunes remain intact for more than three generations?

Mr. KEFAUVER. In answer to the Senator I should like to say that of course inheritance taxes have done a great deal to divide wealth. Nevertheless, since the time Abraham Lincoln made the statement which I quoted, the control of industry of our Nation has become more and more concentrated in the hands of fewer and fewer persons and corporations. The trend has been continuous in that direction. I could cite statistics to show that in the 1920's certain basic industries were controlled by large corporations to the extent of 40 percent, later 50 percent, and later still 60 percent or more. Today, control of industries which manufacture a great many of our basic products—steel, copper, lead, and many other products upon which our very economy depends—is held by a handful of corporations. So the trend in the control of many industries has been opposite to what the distinguished Senator from Wisconsin has indicated.

Reverting back to the question of exemption from the antitrust laws during the mobilization period, I refer to Public Law 774, Eighty-first Congress, chapter 932, second session. The act came to the Senate as H. R. 9176. It was approved September 8, 1950. I refer particularly to section 708.

Section 708 (a) provides:

> The President is authorized to consult with representatives of industry, business, financing, agriculture, labor, and other interests, with a view to encouraging the making by such persons with the approval by the President of voluntary agreements and programs to further the objectives of this act.

Subsections (b) and (c) particularly bear upon this question. Perhaps I should read them:

> (b) No act or omission to act pursuant to this act which occurs while this act is in effect, if requested by the President pursuant to a voluntary agreement or program approved under subsection (a) and found by the President to be in the public interest as contributing to the national defense shall be construed to be within the prohibitions of the antitrust laws or the Federal Trade Commission Act of the United States. A copy of each such request intended to be within the coverage of this section, and any modification or withdrawal thereof, shall be furnished to the Attorney General and the Chairman of the Federal Trade Commission when made, and it shall be published in the Federal Register unless publication thereof would, in the opinion of the President, endanger the national security.
>
> (c) The authority granted in subsection (b) shall be delegated only (1) to officials who shall for the purpose of such delegation be required to be appointed by the President by and with the advice and consent of the Senate, unless otherwise required to be so appointed, and (2) upon the condition that such officials consult with the Attorney General and with the Chairman of the Federal Trade Commission not less than 10 days before making any request or finding thereunder, and (3) upon the condition that such officials obtain the approval of the Attorney General to any request thereunder before making the request. For the purpose of carrying out the objectives of title I of this act, the authority granted in subsection (b) of this section shall not be delegated except to a single official of the Government.

It seems to me that these subsections answer the question which I think the Senator from Wisconsin had in mind, namely, that when there is agreement on the question of relinquishing or relaxing the antitrust laws under certain circumstances, a procedure has been established, by law, for granting exemption.

Mr. WILEY. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. WILEY. I wish to go back to the Senator's original statement, in which he said something about the centralization of wealth. The distinguished Senator no doubt has a list of the big corporations about which he speaks as controlling a great portion of the wealth of the country. I wonder if he also has a list showing the number of stockholders in those corporations, indicating, as I have seen lately, that the so-called big corporations of the country are controlled in large part by the little fellow who owns very few shares. The stock is pretty well disseminated throughout the country. I wonder if that conclusion is correct, or if the Senator has any figures which would prove that I am right or wrong.

Mr. KEFAUVER. I do not have a list of the number of stockholders, although I believe that in some of the studies which have been made the number is available.

I think that we are approaching a point where a fundamental decision must be made in regard to this problem of economic concentration. Shall we permit the economy of the country to gravitate into the hands of a few corporations, even though they may have very widespread stockholder distribution, with central-office managers remote from the places where their products are made, and the destiny of the people determined by the decisions of persons whom they never see, or even know of? Or on the other hand are we going to preserve small business, local operations, and free enterprise?

The Senator from Wisconsin refers to the matter of wide distribution of stockholder interest. I think he would probably agree that the larger the number of stockholders and the wider the distribution of stock throughout the country, the easier it is for a few persons, the directors, or officers, with a comparatively small block of the stock, to control the operations of the corporation. In other words, while the small-stock holder may receive some revenue from the stock ownership, that does not mean that he has any voice or influence in the control of the corporation. Obviously, the little fellow with 10 shares in a 1,000,000-share corporation has little to do with its control.

Mr. President, in my opinion the bill which we are now considering is one of the most important bills which has come before Congress at this session. I think it is one of the most important bills which has been discussed in many Congresses, when we look to the real future economic welfare and political welfare of the United States. Approval of this measure is the one most effective thing Congress can do to stop the growth of monopoly which is dangerously threatening the competitive-enterprise system to which our country is devoted.

This bill is not complicated. I shall not attempt to discuss its details. It proposes simply to plug the loopholes of sections 7 and 11 of the Clayton Act. The Clayton Act was passed in 1914, on the theory that it should be the purpose of the Federal Government to prevent monopolistic mergers by making them illegal in the first instance. The purpose was to prevent monopoly rather than merely to punish it after it had taken place.

The Clayton Act was overwhelmingly approved in 1914. In discussing the reasons for the passage of the Clayton Act as a supplement to the Sherman Act, I think there can be no question that Members of the Senate and the House of Representatives at that time felt that they wanted to try to close the door before the horse got out.

For example, in the report of the Senate Committee on the Judiciary on the Clayton Act on July 22, 1914, the following statement occurs:

> Broadly speaking, the bill in its treatment of unlawful restraints and monopolies seeks to prohibit and make unlawful certain trade practices which, as a rule, singly and in and of themselves, are not covered by the act of July 2, 1890—

That was, of course, the Sherman Act—

> or other existing antitrust acts; and thus, by making these practices illegal, to arrest the creation of trusts, conspiracies, and monopo-

lies in their incipiency and before consummation.

The intent of Congress at the time the Clayton Act was passed is definite and indisputable. An examination of the reports of the House and Senate committees and of the debates fully confirms this point. The Congress which passed the Clayton Act had in mind the monopolistic mergers which were then taking place by one corporation purchasing the capital stock of another. This is prohibited in section 7. Section 11 of the same act provides that if, after a hearing, the Federal Trade Commission finds that section 7 has been violated, the Commission shall issue a cease-and-desist order and direct the divestment of the stock involved.

Within a few years after the passage of the Clayton Act corporations conceived a means of bypassing the plain intent of the act by purchasing the physical assets of their competitors rather than the capital stock. As a practical matter, these two sections became a dead letter in 1926, as a result of the Supreme Court decision in the case of *Federal Trade Commission* v. *Western Meat Company* (257 U. S., 554), in which the Court held that where a corporation had illegally acquired the stock of competing corporations and had used the control so acquired to obtain transfer to it of the assets of such corporations, the authority of the Commission was limited to a divestiture of the valueless stock of the former competing corporation.

As has been stated by the Senator from Wyoming [Mr. O'MAHONEY], this decision was by a 5-to-4 vote, with Justices Brandeis, Taft, Holmes, and Stone dissenting.

The loophole was further widened by the decision of the court in the case of *Arrow-Hart and Hegeman Electric Co.* v. *Federal Trade Commission* (291 U. S., 587). This decision was also by a 5-to-4 division of the Supreme Court.

Mr. President, during the period of almost 9 years, now, that the junior Senator from Tennessee has been concerned with this proposed legislation, various and sundry arguments have been made against its enactment.

During many years the most familiar argument we had before the committee in the House of Representatives was, "Well, what is the matter with the Federal Trade Commission? It had a 5-to-4 decision against it by the Supreme Court back in the twenties. Some of the substantial members of the Supreme Court dissented from the majority view, such Justices as Brandeis, Taft, Holmes, and Stone. Why does it not bring another case and get the matter up before the Supreme Court again, and with the different personnel of the Supreme Court, and a more libera', perhaps, interpretation of Federal laws, secure a reversal of the previous decision, and then close the loophole?"

I am certain that every Member of the Senate will agree with me, and particularly my friend, the great and distinguished lawyer from Missouri [Mr. DONNELL], that the Federal Trade Commission has done exactly what it should have done; it has brought the matter to the attention of the Congress and recommended that this loophole be plugged by legislative enactment; it has not sought to change the law by judicial interpretation. Furthermore, even if the Court had reversed itself, the problem which we are discussing today would still be before us. A reversal would have enabled the Commission to halt only those acquisitions in which stock is purchased and then used to secure the transfer of the assets. But if the Commission were so empowered the acquiring companies would simply buy up the assets in the first instance, never touching the stock. Where this takes place, and the stock is never acquired, the Commission, even under a reversal, would be powerless to halt a merger.

Mr. President, it would have been much better for the economy of the country to have repealed sections 7 and 11 of the Clayton Act rather than let this wide-open loophole to remain. Most of the large and monopolistic mergers which have become detrimental to the free-enterprise system of our Nation have occurred by way of this plain evasion of the intent of the original Clayton Act.

Here is a recent example, cited in a pamphlet entitled "Trade Practices Report," which is a private weekly reporting service published here in Washington. It is report No. 4, dated February 28, 1947.

Mr. President, I ask leave to have this short statement printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LAW LETS DOWN FTC AGAIN

Loophole in the Clayton Act which permits a corporation to acquire assets of a competing firm but not its capital stock caused the Federal Trade Commission to withdraw another proceeding this week. Order was issued dismissing the complaint (5423) charging the Consolidated Grocers Corp., Chicago, with unlawful acquisition of the capital stock of three competing corporations.

Charges originally made under section 7 of the Clayton Act said that Consolidated, as a result of the stock acquistions, became the largest wholesale grocer in the United States, with total assets of $20,000,000, annual sales of $100,000,000, and a force of 1,000 salesmen soliciting the business of 100,000 grocers, hotels, restaurants, and institutions.

The dismissal was ordered after it was shown that Consolidated, following issuance of the complaint, had surrendered to the three corporations all of the capital stock acquired from them and received in lieu thereof an unconditional conveyance and transfer of their assets. In view of this fact, FTC said, the respondent's motion to dismiss the complaint was granted on the basis of a 1934 Supreme Court decision.

"This and many similar situations have been the occasion of the Federal Trade Commission having annually recommended to Congress since 1929 the amendment of sections 7 and 11 of the Clayton Act to make unlawful the acquisition of assets of competing corporations as the present act makes unlawful the acquisition of stocks of such corporations, in order to stop the constant and increasing concentration of economic power."

Mr. KEFAUVER. Mr. President, a brief history of this proposal to amend the Clayton Act may be of benefit. The Federal Trade Commission, which is a bipartisan body, by unanimous votes has, every year since 1927, in its annual report recommended to the Congress that this loophole be plugged. On March 4, 1947, the Federal Trade Commission, pursuant to authority of section 6 of the Federal Trade Commission Act, and in 1949, and in every other year, submitted a special report to the Congress pointing out the extreme urgency of this proposed legislation.

I hope the Members of the Senate will read the very excellent report submitted by the acting chairman, Mr. Robert E. Freer, for the Commission back in 1947. Mr. Freer was a minority member, but a very great lawyer and economist, and he has always testified and fought for the passage of this bill, as have all members of the Federal Trade Commission regardless of whether they were Democrats or Republicans.

President Truman in his economic report to the Congress in 1947 and in his annual message to the Congress every year since that time has made specific recommendation for this amendment to section 7 of the Clayton Act.

The Temporary National Economic Committee, after exhaustive hearings, recommended that the loophole be plugged.

In the Seventy-ninth Congress I introduced a bill, H. R. 4810, to close the loophole. The Judiciary Committee of the House by a unanimous vote approved this measure. Extensive hearings were held on it. All industry corporations were invited to appear. No witness appeared in opposition. It should be noted, however, that the National Association of Manufacturers filed a statement in opposition. Many fruitless attempts were made to secure a rule for consideration by the House of H. R. 4810.

Subsequently I filed a somewhat different bill, H. R. 5535, which was also approved by the Judiciary Committee. Efforts were then made to secure a rule for the consideration of this measure, but again we were never successful. The present bill, H. R. 2734, is virtually identical with the latter bill.

I should also like to call the attention of the Members of the Senate to the fact that the Small Business Committee of the Senate during the time it was under the able chairmanship of the Senator from Montana [Mr. MURRAY] and also during the time when it was under the able chairmanship of the Senator from Nebraska [Mr. WHERRY] recommended that the proposed legislation be passed.

The Small Business Committee of the House several years ago, under the direction of Representative PATMAN, of Texas, made a comprehensive study of monopoly. Witnesses from all over the United States, representing business, agriculture, industry, and labor, were called to testify before a subcommittee of the Small Business Committee. It was the unanimous report of that Small Business Committee that this proposed amendment was one of the most vitally needed improvements in the antitrust laws today, and that, without it, section 7 of

the Clayton Act and section 11 were dead letters.

In the Eightieth Congress the Small Business Committee of the House of Representatives, under the chairmanship of a very able Member of the House from the State of Missouri, Representative Walter C. Ploeser, made a detailed study of the problem, and again recommended that this loophole be plugged.

I should also like to say, Mr. President, that in the House of Representatives, on three or four or five occasions in three or four Congresses, the Committee on the Judiciary of the House has reported out bills to plug this loophole, bills similar to the measure we now have under consideration. These bills were reported out on most occasions, by unanimous vote of the members of the Committee on the Judiciary. But they were always tied up in the Rules Committee of the House until, during the last Congress, the pending bill was brought up on suspension of the rules under the able leadership of the distinguished Representative from New York, the chairman of the Committee on the Judiciary of the House, Representative EMANUEL CELLER. The fact that the bill is here is quite a tribute to the work Mr. CELLER has done. It was approved by more than 70 percent of the Members—well above the two-thirds vote required under suspension of rules.

Perhaps the best report I have ever seen on the needs for this bill was made in the Eightieth Congress by Representative John Gwynne, of Iowa, in June 1947. Representative Gwynne was then a majority member of the House on the Committee on the Judiciary, and his report is a masterful analysis.

Throughout all these years, of course, the work of the distinguished Senator from Wyoming [Mr. O'MAHONEY] has been outstanding. He has introduced the bill since, I believe, 1945, and before that he recommended it in the final report of the TNEC. He has spoken and written and interpreted the meaning of the loophole in the present law. He has testified on its behalf before many, many committees.

Finally, great credit is due to the Senator from Maryland [Mr. O'CONOR] for being finally able to steer this measure to the floor.

Mr. President, there are one or two matters I think I should discuss a little further. The question is more important from the viewpoint of the general economy and the future of our Nation than many people realize. It is unfortunate that we cannot get more Members to discuss and to consider what may happen if the bill should not be passed; that is, if we do not stop the tendency toward concentration of economic power.

I think we must decide very quickly what sort of country we want to live in. This Nation was founded and built by men who believed in individualism. It has grown under a system carried on largely by individual capital. The increased concentration of economic power is dooming free enterprise. The present trend of great corporations to increase their economic power is the antithesis of meritorious competitive development. It is no accident that we now have a big Government, big labor unions, and big business. The concentration of great economic power in a few corporations necessarily leads to the formation of large Nation-wide unions. The development of the two necessarily leads to big bureaus in the Government to deal with them. Local economic independence cannot be preserved in the face of consolidations such as we have had during the past few years. The control of American business is steadily being transferred, I am sorry to have to say, from local communities to a few large cities in which central managers decide the policies and the fate of the far-flung enterprises they control. Millions of people depend helplessly on their judgment. Through monopolistic mergers the people are losing power to direct their own economic welfare. When they lose the power to direct their economic welfare they also lose the means to direct their political future.

I am not an alarmist, but the history of what has taken place in other nations where mergers and concentrations have placed economic control in the hands of a very few people is too clear to pass over easily. A point is eventually reached, and we are rapidly reaching that point in this country, where the public steps in to take over when concentration and monopoly gain too much power. The taking over by the public through its government always follows one or two methods and has one or two political results. It either results in a Fascist state or the nationalization of industries and thereafter a Socialist or Communist state. Most businessmen realize this inevitable result. Certain monopolistic interests are being very short-sighted in not appreciating the plight to which they are forcing their Government.

Mr. President, I now want to discuss certain aspects of the minority views submitted by the Senator from Missouri [Mr. DONNELL].

In that statement the Senator takes two positions that appear to be quite irreconcilable. The first is that the bill is unnecessary since the Sherman Act already makes unlawful asset acquisitions which tend to create a monopoly or which have the effect of substantially lessening competition. The second is that this bill would produce harmful effects by introducing new elements of uncertainty into the law, so that businessmen would be unable to determine in advance whether a proposed acquisition would be illegal. Certainly, if the bill does no more than confer upon the Federal Trade Commission the same jurisdiction over the subject matter which now rests with the Attorney General under the Sherman Act, no new uncertainty will be introduced into the law by the proposed legislation.

In support of the statement that the Sherman Act already makes illegal such asset acquisitions as tend to create a monopoly, the minority views quote from the decision in the case of *American Tobacco Co.* v. *United States* (328 U. S. 781). That this case does not so hold is evident from the fact that the Supreme Court limited certiorari solely to the question of whether actual exclusion of competitors is necessary to the crime of monopolization under the Sherman Act. The holding by the Court that a conspiracy to exclude competition is a violation of the act can hardly be cited as a precedent for the proposition that the act also proscribes asset acquisition, the effect of which may be substantially to lessen competition or to tend to create a monopoly, where no conspiracy exists. As a preliminary to its decision, the Court found that a combination or conspiracy to monopolize had been established. Such a conspiracy need not be found as a prerequisite to the consideration of a Clayton Act case. That this case was solely concerned with combination and conspiracy is clear from the Court's statement, at page 798 of its opinion, that—

> It is, therefore, only in conjunction with such a combination or conspiracy that these cases will constitute a precedent.

The other cases cited in the minority views for the propositions stated—*Fashion Originators' Guild* v. *Federal Trade Commission* (312 U. S. 457); *United States* v. *Socony-Vacuum Oil Co.* (310 U. S. 150); *Shotkin* v. *General Electric Co.* (171 F. 2d 236)—involved conspiracies to fix prices which are illegal per se, and the cases must therefore be disregarded as precedents for the argument that the Sherman Act already prohibits the matters forbidden by the bill.

The minority views seem to rely primarily on the case of *United States* v. *Columbia Steel Co.* (334 U. S. 495) for the argument that the Sherman Act already makes illegal asset acquisitions which have the effect of substantially lessening competition. In that Sherman Act case the Court devoted a large portion of is opinion to a discussion of the relative sizes and productive capacities of the corporations concerned in proportion to the size and productive capacity of the total market involved. However, it does not follow from the application by the Court in the Columbia Steel Co. case of the Sherman Act standard of reasonableness that the acquisition of assets would not have been considered substantial had the matter arisen under a Clayton Act strengthened as provided by this bill.

Furthermore, during the time when we were attempting to secure the passage of this bill, it was vigorously contended by opponents of the bill that the Government was going to win the Columbia Steel Co. case, and that the enactment of this proposed legislation would therefore not be necessary. However, the Government lost the Columbia Steel Co. case. The market area of the corporation whose assets were acquired covered 11 States and its actual business approximated $22,000,000 per year. The acquisition contemplated securing to United States Steel a market for 1,200,000 tons of steel per year, to the end that competitors of United States Steel would be excluded from selling steel to the acquired corporation to that extent. Furthermore, the acquiring corporation was a competitor of the corporation whose

assets were to be acquired, and to the extent of the business of the acquired corporation competition was entirely eliminated. Under the Sherman Act, the acquisition was held not to be an unreasonable restraint of trade.

Compare that case with *International Salt Co.* v. *United States* (332 U. S. 392) a case brought under section 1 of the Sherman Act and section 3 of the Clayton Act. In the International Salt case the defendant had obtained tying contracts whereby lessees of its patented machines were obligated to use only respondent's salt in those machines.

The defendant's yearly sales of salt to be used in the patented machines amounted to 119,000 tons, valued at about $500,000. In resolving the question of whether the effect of the restraint might be substantially to lessen competition or tend to create a monopoly in the sale of salt within the prescription of section 3 of the Clayton Act, the Court took no consideration of the total volume or value of salt produced by the industry. Based upon the value and volume of salt involved in defendant's own alleged illegal activities, the Court said, at page 396:

> The volume of business affected by these contracts cannot be said to be insignificant or insubstantial and the tendency of the arrangement to accomplishment of monopoly seems obvious. Under the law, agreements are forbidden which "tend to create a monopoly," and it is immaterial that the tendency is a creeping one rather than one that proceeds at full gallop; nor does the law await arrival at the goal before condemning the direction of the movement.

Rather than substantiating the minority views, the Columbia Steel Co. case is a vivid illustration of the necessity for the proposed amendment of the Clayton Act. The Sherman Act test has been a measurement of accomplished monopoly. The purpose of the Clayton Act is to reach in their incipiency certain practices which if permitted to persist might eventually ripen into violations of the Sherman Act. As the Court stated in *Standard Fashion Co.* v. *Magrane Houston Co.* (258 U. S. 346, 356):

> The Clayton Act sought to reach the agreements embraced within its sphere in their incipiency, and in the section under consideration [sec. 3] to determine their legality by specific tests of its own which declared illegal contracts of sale made upon the agreement or understanding that the purchaser shall not deal in the goods of a competitor or competitors of the seller, which may "substantially lessen competition or tend to create a monopoly."

The proposed amendment is necessary in order to give effect to the underlying intention of Congress when the Clayton Act was adopted that section 7 would serve to prevent the tendency toward monopoly which theretofore had been accomplished by mergers of competing corporations.

Let me say that if the Members of Congress at that time had thought the Sherman Act was sufficient in the beginning they never would have passed the Clayton Act. This amendment is obviously necessary in order to give effect to the intention of the Congress at that time.

As I said a moment ago, the intention then was that section 7 would serve to prevent the tendency toward monopoly which theretofore had been accomplished by mergers of competing corporations. The section as written has been wholly ineffectual in accomplishing this purpose. The hands of the Commission have been tied, as I have pointed out, by decisions of the Supreme Court holding that in order to prevent the evils resulting from such stock acquisition, the Commission can only command a divestiture of the stock, and has no power to require a divestiture of the assets which have been acquired by the use of the illegally obtained stock. *Federal Trade Commission* v. *Western Meat Co.* (272 U. S. 554). In the Thatcher Manufacturing Co. case and the Swift & Co. case, considered in the Western Meat Co. opinion, the Supreme Court held that the Commission's power to remedy the illegal acquisition of stock is limited by section 11 to the power of requiring the offender to divest itself of the stock. In those cases the illegally acquired stock had been used to acquire the assets of the competing corporations prior to the issuance of the Commission's complaint. In the later case of *Arrow-Hart & Hegeman Electric Co.* v. *Federal Trade Commission* (291 U. S. 587), the doctrine of the above case was extended. In the Arrow-Hart case, at the time the Commission's complaint was issued, a holding company had acquired the stock of two competing corporations. Before the Commission's order could be issued, the stock was employed by diverse transfers and manipulations to effect a merger of the two competing corporations. The Court in effect held that even though this merger might have been accomplished for the purpose of ousting the Commission of its jurisdiction under section 7 of the Clayton Act, the Commission was limited by section 11 to an order requiring the divestiture of the stock, which was no longer in existence, and could not require a divestiture of the assets. See also *Federal Trade Commission* v. *Eastman Kodak Co.* (274 U. S. 619), where the Commission was unsuccessful in an attempt to accomplish the same result in connection with a charge of unfair methods of competition under section 5 of the Federal Trade Commission Act.

It will be seen from the above cases that it is impossible for the Commission, no matter how expeditiously it proceeds, to issue a complaint charging the unlawful acquisition of stock and proceed to an order to cease and desist and an order of divestiture prior to the use of the illegally acquired stock by the holders thereof to effectuate an acquisition of assets.

The minority views make great point of the so-called harmful effects of the bill as creating uncertainty as to the legality of future asset acquisitions. This is true to some extent with regard to any law and has no particular application to the bill under consideration.

The use of the term "any section of the country" is not new to section 7 of the Clayton Act. The present section 7 uses the term "any section or community." It is difficult to follow an objection to a simplification and narrowing of terms by dropping the words "or community."

The objection to the phrase "may be" is likewise 36 years too late, since the words "where the effect may be to substantially lessen competition" have been employed in sections 2 and 3 of the Clayton Act since 1914 as a measure of price discrimination and other conduct which falls short of accomplished monopoly.

The minority views attempt to interject confusion by pointing out that the Court in *Federal Trade Commission* v. *Morton Salt Co.* (334 U. S. 37) used the phrase "reasonable possibility," whereas other cases have considered the word "may" in terms of a probable lessening of competition. If any confusion was created by the use of the Court of different words in discussing the term "may," the case of *Standard Oil Co.* v. *United States* (337 U. S. 293), a later case, sets all such doubt at rest because the Court at page 300 quotes as follows from *Standard Fashion Co.* v. *Magrane Houston Co.*, *supra*, and cites the Morton Salt case for the same holding:

> Section 3 condemns sales or agreements where the effect of such sale or contract of sale "may" be to substantially lessen competition or tend to create monopoly. * * * But we do not think that the purpose in using the word "may" was to prohibit the mere possibility of the consequences described. It was intended to prevent such agreements as would under the circumstances disclosed probably lessen competition, or create an actual tendency to monopoly (258 U. S. at 356–57). See also *Federal Trade Commission* v. *Morton Salt Co.* (334 U. S. 37, 46, n. 14).

If, as the minority views assume, the present section 7 of the Clayton Act had as its sole aim the abolition of the evil of secret acquisition and holding of stock of a competitor, Congress might well have merely required the public announcement of stock acquisition. There would have been no necessity for authorizing the Commission to order a divestiture of stock. The power was given in an attempt to provide an effective means of checking a practice leading to monopoly. As has been demonstrated, all attempts to carry out this purpose by the Commission have been forestalled by the strict interpretation given by the courts to sections 7 and 11 of the Clayton Act. The situation can be remedied only by enacting specific legislation with regard to the acquisition of assets.

Mr. President, the press of the Nation has had considerable to say about this proposed legislation, indicating that it approves its purpose and recommends its enactment. I have before me editorials from various newspapers in all sections of the United States; for instance, from the New Orleans Times-Picayune, the St. Petersburg (Fla.) Times, the Asheville (N. C.) Citizen, the Chicago Sun, the Nashville Tennessean, the Washington Post, and several other newspapers. I now ask unanimous consent to have some of these editorials printed at this point in the RECORD.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the New Orleans Times-Picayune of March 13, 1947]

FTC ON MONOPOLIES

In a special report the Federal Trade Commission has presented Congress with the factual basis for action in case it decides to cooperate with the Truman administration

in staying the monopolistic trend in the Nation's industry.

As evidence of the unhealthy trend, the Commission reports that about 1,800 substantial manufacturing and processing companies have been passed out through merger or purchase since 1940, and that 242 of them have fallen into the hands of 18 of the biggest national corporations. Indubitably the mergers have done injury to the system of free competitive enterprise.

The point about the mergers or purchases that seems most to concern the Commission is that they have been achieved largely through the sale of the assets of one company to a larger one—a device by which the intent of the Clayton antitrust law is nullified. The FTC is empowered to prevent mergers through capital stock acquisitions if the result would promote monopoly, but the merger of physical properties through sales of assets bypasses the law. The Commission, of course, advocates the passage of the Kefauver bill to plug the loophole.

Reenforcement of the antitrust laws probably is the first essential in any program to slow down or stop the march of a comparatively few corporations toward mastery of the Nation's industrial production facilities and resources. But it is not the only requirement. Many of the impositions of the Government, including the mass of required reports and taxes which discourage the investment of risk capital, fall harder on the small or medium-sized independent business than they do on the great corporations. The imbalance in the labor laws places the small, more competitive business in a relatively more vulnerable position than the dominant corporations which can withstand periods of idleness and can recover their market.

Unquestionably the Kefauver bill—and any legislation looking to the more vigorous prosecution of monopolies and collusive practices—will meet stiff opposition in Congress. Aside from the objections of groups that might come under scrutiny, there is a school which sees no menace in the growth of the giant corporations. For instance, the chairman of the board of Westinghouse recently argued that there are automatic limits on the size of the big-business concerns because sooner or later the expanding corporation becomes too unwieldly to cope with its competition. Contending that after a certain point the big organization begins to bog down in red tape and bureaucracy, he maintained that when a company attempts to dominate more than 40 percent of a given market it begins to lose a portion of its business to competitors.

Obviously, however, if one company can take 40 percent of the national market, that doesn't leave room for many corporations of a similar size. Domination of two or three national corporations in any field of endeavor is hardly the American idea of free competitive enterprise. But the trend is in that direction.

The Commission makes one pertinent point, frequently overlooked by those who find no menace in the concentration and size of industries: That if we have a private supergovernment of industry it will have to be regulated or controlled by a political supergovernment. Our alternative to this development is the maintenance not merely of free enterprise but of free-competitive enterprise which requires a minimum of regulation.

[From the St. Petersburg (Fla.) Times of February 24, 1947]

WHAT CONGRESS MAY DO ABOUT MONOPOLY

Congress is becoming monopoly conscious again. The problem is raised about the encroachments of big business, by big-business men complaining about unrealistic provisions of the antitrust laws, and by business in general complaining about labor unions, which are exempt from antitrust prosecution.

The issue is not anti- or pro-monopoly. As Congressional Quarterly points out, monopoly, like sin, has no avowed friends on Capitol Hill. Everybody is against it. But, like sin, it is hard to regulate. Democratic governments have been struggling with the problem ever since an English court in 1604 handed down an opinion condemning a conspiracy to monopolize London's supply of playing cards. In the United States, congressional interest dates from the 1880's, when it became apparent that the common law no longer was sufficient to cope with expanding industrial empires. Today more than 60 laws on the subject are in effect.

Now in the aftermath of war, which resulated in an increased concentration of economic power, the question of preserving free, private, competitive enterprise in a democratic society arises at almost every turn. Ramifications of the problems are almost endless so, also, are the lines of attack proposed to meet it. Every constituent of every Congressman has a stake in what Congress does about monopoly, because a monopolized industry sends ripples through the economy to touch consumers, workers, farmers, and businessmen—all of us.

A round-up by Congressional Quarterly of specific issues and proposals illustrates that impact. There is, for instance, the issue of small versus big business, of which the fight between independent and chain stores is a phase known in every community. Competition between them favors the consumer while it lasts, but some Members of Congress fear it will mean ultimately the disappearance of small business, leaving the consumer at the mercy of the winner. Representative PATMAN, of Texas, Democrat, has two proposals to curb unfair practices that make competition too one-sided.

As another example, food prices are didectly affected by the cost of keeping overworked soil productive, in the South and elsewhere. Increasing farm use of fertilizer in the face of a world-wide shortage has directed congressional attention to that industry. The question of monopoly has arisen over the operations of the Florida Hardrock Phosphate Export Association, which the Federal Trade Commission has found to control most phosphate exports through a cartel arrangement with French-African producers.

Other specific industries currently in the foreground of discussions about monopoly include railroads and air lines, oil and gas, electric power, newspapers and news services, insurance and atomic energy. While each is the subject of separate recommendations, the active antimonopolists are generally agreed upon several broad lines of attack. Foremost among these are proposals to:

1. Provide for Federal charter of corporations with strict standards of corporate conduct.

2. Prohibit corporate mergers through acquisition of assets, or require FTC approval of such mergers.

3. Revise the patent laws to prohibit attaching restrictive conditions of manufacture, sale, or price to patent licenses.

4. Make corporation officers and directors civilly liable for stiff penalties for violation of antitrust laws.

Senator O'MAHONEY, of Wyoming, Democrat, and probably the best-informed man in Congress on business practices, holds that Federal charter is the basic remedy. As he explained recently, the big, modern corporation is in a sort of no-man's land, responsible to nobody, too big to be controlled by the States, insufficiently regulated by the Federal Government. Corporations chartered by States frequently grow to a size larger than the State which chartered them. They are beyond the control even of their hundreds of thousands of widely dispersed stockholders.

But whether the current Congress enacts few or many regulatory measures, the problem of policing business and industry steadily grows bigger, even under existing laws. Much of this responsibility falls on the Antitrust Division of the Department of Justice, which has a modest $1,900,000 appropriation for the current year and is tentatively allocated $2,500,000 in the new budget. The latter figure represents only $1 out of every $15,000 which President Truman proposes to spend on the Federal Government as a whole.

The cost of enforcing antitrust regulations through this agency is peanuts in a nation which is approaching a $200,000,000,000 economy. Yet some economy-minded Members of Congress would slash this minor appropriation at the same time that it is proposed to pile more responsibility on the Antitrust Division. While many other forms of economy can be justified, it does not make sense to handcuff the cop on the corner who is faced with a bigger job of guarding the welfare of all of us—consumers, workers, farmers, and businessmen.

[From the Tampa (Fla.) Tribune of March 17, 1947]

FOR COMPETITIVE ENTERPRISE

We suspect that many Americans, with their attention riveted of late on other domestic and foreign affairs, have overlooked the important report released the other day by the Federal Trade Commission. They ought to think about it, however, for what is revealed is not comforting to the believers in competitive enterprise.

The FTC study paints a stop-and-think picture of business in showing the increasing concentration of power in the hands of a small number of giant organizations. It informed Congress that 1,800 companions have been swallowed up by purchase and merger since 1940. It reported that 18 of the country's largest corporations have bought up 242 smaller firms, or an average of 13 companies each.

This is not to say that the outlook for small business is wholly black. It is revealed that the total assets of small manufacturing firms, increased during the war by almost 150 percent, those of medium manufacturing firms by just under 100 percent, and those of large concerns by about 35 percent. Furthermore, a study made in the Department of Commerce shows that there were by the middle of 1946 more individual firms in the business population than before the war, more even than in 1929, and that of the new businesses well over 95 percent were in the bracket of those having less than 50 employees.

But the fact that small business still finds opportunities in the American economy does not argue against the steady and persistent vigilance which the Antitrust Division of the Department of Justice alone can supply.

One of the most devastating things their critics have said of the Republicans is that they are monopolists at heart, giving only lip service to the true ideal of free enterprise. The way they act on the modest budget request of the Antitrust Division and upon the Kefauver bill, which would amend the Antitrust Act to block the purchase of a company's assets if the transaction would tend to promote monopoly, will go far to prove that accusation, or to refute it.

Hearings are being held on the antitrust appropriation for 1948. President Truman has asked for $2,500,000 as against the $1,900,000 being spent this year. The 1948 figure is modest however, as is shown by the fact that the highest antitrust appropriation in history was the $2,325,000 allowed in 1942.

and the cost inflations since then make the 1948 request less in actual purchasing power than the 1942 sum. Yet, as the FTC report and other figures show, the need for antitrust enforcement and vital changes in the law is greater in 1948 than it was in 1942.

[From the Asheville (N. C.) Citizen of March 18, 1947]

MONOPOLY TREND

A high level of industrial activity and expanding capital assets during and after the war encouraged some large companies to practice a business policy of integration. One example is provided by a drug firm which acquired 38 smaller companies by outright purchase from 1940 to 1946. The purchases included manufacturers of baby foods, floor waxes, and insecticides, as well as other drug manufacturers and wholesalers. Thus, the purchasing company was able to establish effective control over manufacture, distribution, and sale of many allied products, thus integrating its operation.

Does this sort of practice constitute a dangerous tendency toward monopoly? The Federal Trade Commission, which has made a special report to Congress on business trends, warns that the "rapid growth of private supergovernment in industry must be halted" or it will result in "political supergovernment." The record of the last 6 years shows that 1,800 companies have been swallowed up by purchase and merger, 242 of them by 18 of the country's very largest corporations.

Of course, merger and separation are accepted facts of economic life. A successful concern often progresses by absorbing an unsuccessful business which may be on the brink of failure because of inefficiency. In this case the whole economy is strengthened rather than weakened. But excessive growth can be harmful. The FTC cites one instance where the giant steel corporations have bought up so many steel-drum companies that they now produce 87 percent of the country's output as against 10 percent before the war.

The remedy, if any is needed, may lie in laws to forbid purchase of a company's assets if the transaction would promote monopoly. The present antitrust regulations apparently are inadequate to prevent such transactions.

[From the Nashville Tennessean of May 19, 1947]

DISAPPEARING LITTLE BUSINESS

Those who wonder what has become of the noble wartime pledge to save little business can read the answer in what is not being done with the Kefauver-Murray bill to put a stop to the merger movement.

The Eightieth Congress not only refuses to be frightened by the alarming consolidation movement but it also refuses to do anything about it. The Kefauver-Murray bill will not be allowed to see the light of day.

Reasons to be frightened, however, are not lacking. They are clearly and simply detailed in the Federal Trade Commission letter on the Present Trend of Corporate Mergers and Acquisitions to the Senate.

According to the FTC, there have been 1,633 mergers between 1940-46, most of them since 1944. More than one-third of these have been in three industries—foods, nonelectrical machinery, and apparel. These fields are traditionally small-business fields.

Even more alarming is the fact that more than 60 percent of the mergers have been horizontal combinations; that is, absorptions of concerns in the same business. Horizontal combinations have been the most fruitless of all types of mergers. Practically none of them ever result in any gain to consumers in lower prices or better products. Such profits as they make are the result of monopoly control and scarcity high-price policies. Horizontal combinations replace owners with managers, drain profits out of localities where the business has been developed, reduce communities to a colonial status, raise prices, and in other ways victimize communities.

Most of the mergers reported on by the FTC were carried out by our 250 largest corporations, which already control approximately 70 percent of usable manufacturing facilities and employ half of the industrial labor force. Some of these corporations practically decimated certain fields of small business.

The Kefauver-Murray bill would put a stop to this process of devouring American small business and destroying the competitive capitalist system. In a few years it will be too late.

[From the Chicago Sun of May 14, 1947]

A MONOPOLY BILL BURIED

We address ourselves today to a bill which is not in the limelight, which is not about to be passed by Congress, which is not the center of lively controversy. If this seems a rather negative subject to discuss, we ask the reader to reflect that the very absence of interest in S. 104, introduced by Senator JOSEPH C. O'MAHONEY, of Wyoming, is a commentary on the spirit of the times.

JOSEPH O'MAHONEY is a veteran of the wars against monopoly. More clearly than most other men the Senator has consistently seen and warned against the dangers of the steady concentration of economic power that goes on year after year despite our national habit of paying lip service to competition and small business. Often he might as well be hollering down a rain barrel, for all the good it does. Yet what he has to say is still worth listening to.

The Nation is now in the grip of one of its periodic waves of corporate concentration. The last one was in the latter part of the twenties. Since 1940, and particularly since the middle of 1945, mergers of business firms have been proceeding at a faster and faster rate. A recent report of the Federal Trade Commission shows that in the fields of manufacturing and mining alone, five times as many mergers took place in 1946 as in 1939.

Here is monopoly taking shape before our eyes. Here is the relentless growth of big business aggregations which a few years from now Congress and consumers will be worrying about. Here is the swallowing of little firms by big firms which spells diminishing competition, growing restraints on trade, developing rigidity of the economic structure.

Why isn't something done about it? More than 30 years ago, Congress passed the Clayton Act, which was intended to prevent corporate mergers by the acquisition of stock where the effect might be to lessen competition or promote monopoly. But corporation lawyers found a way to achieve the same purpose by acquiring a firm's assets instead of the stock. The Supreme Court, during the twenties, ruled that if such a merger has been accomplished there is nothing the Federal Trade Commission can do about it except to require divestiture of the stock—which, without the assets on which it rests, is, of course, worthless. This section of the Clayton Act, then, is a dead letter.

Senator O'MAHONEY's bill, sponsored in the House by Representative ESTES KEFAUVER, of Tennessee, is a simple proposal to amend the Clayton Act so that its original purpose would be restored. He would make illegal monopolistic mergers accomplished by acquisition of assets as well as by acquisition of stock. He would give the Federal Trade Commission power to stop such mergers or to dissolve them should they be illegally made in the future.

For years the Federal Trade Commission has been pointing to this loophole in the antimonopoly laws and urging that it be stopped up. The temporary national economic committee, which made the most comprehensive congressional study of our economy system yet, recommended such an amendment. President Truman's council of economic advisers, in its 1947 report, proposed it as one means of strengthening the antitrust laws, enforcement of which it considered essential to the economic health of the Nation.

But S. 104 stays out of the limelight, is in no apparent danger of being passed, is buried in a profound congressional boredom. Monopoly, as Mr. Luce might say, marches on.

[From the Washington Post of May 1, 1947]

GROWTH OF INDUSTRIAL MONOPOLY

(By Marquis Childs)

The visitor from Mars—and if we accept the word of our more romantic scientists, he may be here any day now—is bound to find many puzzling contradictions on our troubled planet. Here in the United States, he is certain to be confused by the way in which the word monopoly is bandied back and forth.

It figures largely in the drive for restrictive labor legislation. The National Association of Manufacturers is spending a great deal of money on advertisements hitting at industry-wide bargaining. The public is being told that this is a monopoly of a little clique of labor leaders.

But, curiously enough, at the same time, we find the NAM growing red in the face with anger at anyone who dares to say that monopoly in the ownership of business is growing at a new and accelerated pace. It is only left wingers and collectivists who would dare to say such a thing.

Specifically, Earl Bunting, head of NAM, attacks a report issued by the Federal Trade Commission. Now, the Federal Trade Commission is a respectable old-line agency that existed long before the New Deal was ever heard of. Yet Bunting interprets the report as sinister evidence that the FTC has been captured by left wingers.

The NAM president has chosen an odd way to refute the FTC report on the growth of monopoly. He, or his economists for him, takes the number of corporations that have been absorbed by merger since 1940 and compares it with the total number of business firms. Thus, he reaches the conclusion that, at this rate, it would take a thousand years to monopolize American industry and therefore we are perfectly safe.

In so doing, he ignores the major conclusion of the report. That was the fact that the 1,800 companies which were merged with larger companies represented 5 percent of the total value of all manufacturing corporations. Most of those mergers took place in the last 2 or 3 years.

The total number of companies is not the important point. The important point is that 5 percent, which is not to be derided as the bogey of left wingers and collectivists. Five percent is a sizable chunk of our economy. The threat of merger and absorption is a very real one to thousands of smaller businesses throughout the country.

Name calling is so silly and futile. It is always the last resort of a man with a bad case or a bad conscience.

Senator JOSEPH C. O'MAHONEY, of Wyoming, is no left-winger. He has been fighting for the past 10 years to keep the free-enterprise system free by keeping it competitive. He has had the courage to say that the giant corporations are in reality collectivism—a kind of private socialism. And being wise in the ways of politics and human behavior, he knows that private socialism will sooner or later in a democracy become public socialism.

O'MAHONEY and Representative ESTES KEFAUVER, of Tennessee, have a bill before Congress which would stop one of the loopholes in our antitrust laws. The law, as it stands today, says that one corporation may not acquire the stock of another where that would help to create a monopoly. It says nothing about acquiring the physical assets—plants and machines—of another corporation.

Most of the mergers in recent years have been by the latter method. The O'Mahoney-Kefauver bill would close that gap.

If Congress is going to attack the labor monopoly by law, as the NAM wants, then Congress cannot very well ignore the monopoly that exists in many fields of business. There seems to me to be little point in arguing which monopoly came first. Industry-wide bargaining may have grown up because of the existence of industry-wide trade associations and industry-wide price fixing. But like the argument over which came first, the chicken or the egg, this is irrelevant.

"Now is the time," said NAM President Bunting, "to clean out the system-changers from the temple of government." As Senator O'MAHONEY sees it, the system-changers are those who would monopolize all business and thereby prepare the way for the all-dominant state.

[From the Raleigh (N. C.) News and Observer of April 19, 1947]

DESTROYING FREE ENTERPRISE

The mails are full of pamphlets from the United States Chamber of Commerce and the National Association of Manufacturers extolling the American system of free enterprise. It is the only sound system in peacetimes. But neither of those big business organizations points out or even admits the existence of the one foe that is doing more than all else to undermine or shut the door to men who would like a chance to build up a business of their own. Not all the cries of the believers in free enterprise of "open the door to free enterprise, Richard," is heard in the citadels of monoply.

The Federal Trade Commission recently issued a special report showing that, since 1940, 18,000 companies were swallowed up by big corporations through purchase and merger. One big drug concern, for example, absorbed 38 smaller companies, the companies swallowed including manufacturers of baby food, floor wax, paint, spaghetti, and insecticides. A loophole in the Clayton Antitrust Act permits such a process which Congress intended to make illegal.

The Commission's recommendation to plug this loophole has been ignored by Congress while it seeks to exempt insurance and railroads which violate the antitrust law.

The Washington correspondent of the Christian Science Monitor points out the situation as it now exists:

"There is little chance of permanently reducing the size of the Federal Government in Washington, its bureaucracy, and its police powers so long as competition is reduced and corporations get bigger and bigger. For example, if there is one big interstate grocery wholesaler instead of several local ones, the pressure for comparable Federal control is almost inevitable, and so it goes. There is danger, too, for any democracy which allows economic concentration of power to spread at the expense of small business."

[From the Christian Science Monitor of March 26, 1947]

MERGERS THROUGH A LOOPHOLE

(By Richard L. Strout)

The United States was built by men who believed in individualism and competitive enterprise. For that reason, the concentration of economic power into great corporations has always caused concern. Big business almost inevitably means big labor unions and big government. Where the competition of free enterprise does not police an economic system, it is inevitable that government should step in to preserve a democracy.

The Federal Trade Commission recently issued a special report showing that since 1940 18,000 companies were swallowed up by big corporations through purchase and merger. One big drug concern, for example, absorbed 38 smaller companies, the companies swallowed including manufacturers of baby food, floor wax, paint, spaghetti, and insecticides. A loophole in the Clayton Antitrust Act permits such a process which Congress intended to make illegal.

The Clayton Act passed in 1914. It was hailed as the doom of trusts. But trusts haven't been doomed. In fact, the process of building bigger and bigger corporations has gone on. This is because of a convenient loophole in the act. Congress believed that monopolistic corporate mergers would be accomplished by one corporation purchasing the capital stock of another. Section 7 prohibited this. But this section was bypassed, and the plain intent of Congress defeated by another corporate device: the purchase of the physical assets of competitors, rather than their capital stock.

Company B sells its plant, machines, and facilities to company A, and it then doesn't matter much whether it sells its stock certificates or not. The whole thing was legalized by a Supreme Court decision in 1926, in the Western Meat Co. case. It was a 5-to-4 decision, with Justices Brandeis, Taft, Holmes and Stone all dissenting. Later the loophole was further widened by another decision, also 5 to 4.

The bipartisan Federal Trade Commission has unanimously recommended, every year since 1927, that this loophole be plugged. Congress hasn't acted. And the process of corporate expansion by merger has gone on. On March 4, the Federal Trade Commission, in a special report, pointed out with all the urgency at its command, the tremendous growth of corporate agglutination. President Truman in his economic report to Congress made a specific recommendation for this amendment to section 7. Congress hasn't acted. The temporary National Economic Commission studied the matter carefully and made the same recommendation: Congress didn't act then either.

Now two Congressmen, Senator JOSEPH C. O'MAHONEY, Democrat, of Wyoming, and Representative ESTES KEFAUVER, Democrat, of Tennessee, have again introduced a bill to plug the loophole. Only a sense of the way the old American tradition of free competition, free enterprise, and individual initiative is being endangered will make Congress act now.

Here is how the system works. A Chicago grocery corporation has just become the largest wholesale grocer in the United States, with total assets of $20,000,000, and annual sales of $100,000,000. It did so by acquiring the assets of three competing corporations.

The Federal Trade Commission brought suit under the Clayton Act. It wanted to protect the small grocers of the Nation. But it was shown that the big corporation had surrendered to the three competing corporations all of the capital stock which it has acquired from them, and received in lieu thereof an unconditional transfer of all their assets. After that, there was nothing for the FTC to do. It was all perfectly legal. It dismissed the complaint.

There is little chance of permanently reducing the size of the Federal Government in Washington, its bureaucracy and its police powers, so long as competition is reduced and corporations get bigger and bigger. For example, if there is one big interstate grocery wholesaler instead of several local ones, the pressure for comparable Federal control is almost inevitable, and so it goes. There is danger, too, for any democracy which allows economic concentration of power to spread at the expense of small business.

Mr. KEFAUVER. Mr. President, there is one matter which I wished particularly to mention when the sponsor of the bill, the Senator from Maryland [Mr. O'CONOR], was present, namely, that I know that in some sections of the United States, particularly in some cities, two newspapers might enter into an operating arrangement whereby, in order to save the expense of operating in two separate buildings, they would have an arrangement by which one plant would print both newspapers, with each one following its own editorial policy.

In this connection I want to point out that the measure now before us is less restrictive than the law which is now on the statute books relating to stock acquisitions, owing particularly to the omission of the word in any "community," which now appears in section 7 of the Clayton Act, and also to the omission of the phrase "between such corporations, or any of them, whose stock or other capital is so acquired," which also appears in section 7 as it now stands.

In the case of an operating arrangement of that kind or even in the case of the outright acquisition of a newspaper, the merger, to be illegal, would have to affect competition in a "section of the county" not a "community," and within such a "section" it would not be illegal merely because of the elimination of the competition which had previously existed between the acquiring and acquired firms. That, is to say, within the section, the merger would have to have the effect of lessening competition generally. I doubt whether there are many mergers of this type in the newspaper industry. I should like to ask the sponsor of the bill, in order that we might have the legislative history of the matter, to express his opinion on that point.

Mr. O'CONOR. I am grateful to the Senator from Tennessee for affording an opportunity to make known our position in the matter. We agree entirely with the statement made by the able Senator from Tennessee, who has been so zealous and consistent in his advocacy of this measure, that this bill, if enacted, would not have adverse effects upon such a proposal as he describes. As the Senator has pointed out, through the change in the language of the measure, by the elimination of the words having an effect upon competition "in any community," and particularly by the elimination of the phrase "between" the acquiring and the acquired companies, we feel definitely that that danger is avoided, and that no such proposed consolidation or acquisition would be violative of the law, unless in a section of the country it would result in a substantial lessening of competition in industry generally. It may well be that by effecting a better arrangement for a more profitable undertaking, in the manner described, competition would be stimulated rather than lessened. I thank the Senator.

Mr. KEFAUVER. I thank the Senator from Maryland for his answer.

Mr. WILEY. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield.

Mr. WILEY. I listened rather attentively to the question asked by the Senator from Tennessee. If I may, I should like now to present a concrete illustration. Newspapers A and B in a given community decide that they want to consolidate. Under the present statute, the buying of stock, I take it, might be prohibited, if it would have a tendency to create a monopoly. Buying the assets would be prohibited under the amended statute. But what would be the result if the newspapers A and B decided they would put their combined assets into a new corporation C? In asking the question, I have in mind, of course, the extent to which newspapers control public opinion.

Mr. KEFAUVER. I think in that case the application of the law would be the same, with the same limitations that I have described above. It certainly would not be any more applicable in that case than if newspaper A were to purchase the stock and assets of newspaper B. By both of them going out of business and forming a new corporation, there could be no greater likelihood of violation by the two original newspapers.

Mr. WILEY. The Senator means, does he, that it is a question of geography?

Mr. KEFAUVER. It is, in my opinion, a question which comes under the words of the section as it now exists, but would probably not come under the less restrictive provisions of the measure which we are now considering.

Mr. WILEY. I thank the Senator.

Mr. KEFAUVER. I yield the floor.

Mr. DOUGLAS. Mr. President, I wondered whether the Senator would yield for a question?

Mr. KEFAUVER. I yield with pleasure to the distinguished Senator from Illinois.

Mr. DOUGLAS. Is the very able Senator from Tennessee aware of the use which has been made by opponents of this measure of an article by Drs. John Lintner and J. Keith Butters, which appeared in the Review of Economics and Statistics for February 1950?

Mr. KEFAUVER. I may say to the Senator I am not aware of it, and I shall be very much interested in it. I feel that the Senate would be very much interested if the Senator would enlighten us upon the subject.

Mr. DOUGLAS. As I understand the article, it purported to show that in the recent merger movement, small firms had profited or had gained from the mergers at a more rapid rate than had the larger firms. A table was introduced to show that companies with assets of from one to five million dollars which had acquired other companies had grown at the rate of more than 68 percent; those with assets of from five to ten million dollars had only grown at the rate of 33 percent; those with assets of from ten to fifty million dollars, at the rate of approximately 19 percent; those from fifty to one hundred million dollars, at the rate of approximately 14 percent; and those with assets of over $100,000,000 at the rate of only 2.3 percent.

Mr. KEFAUVER. I had not read the article, but I am familiar with that entirely fallacious line of argument which has been used for many, many years by certain special interests who have been opposing legislation of this kind. I hope the Senator from Illinois will give a full exposition of the utter ridiculousness of the article referred to.

Mr. DOUGLAS. Is it not true that the figures which Dr. Lintner and Dr. Butters advance, undoubtedly with the best of motives, confines this computation of percentage growth to the specific companies which acquired additional concerns, rather than the group of companies, within a class of a given size, from under $1,000,000; from $1,000,000 to $5,000,000; from $5,000,000 to $10,000,000; $10,000,000 to $50,000,000; $50,000,000 to $100,000,000; and over $100,000,000 respectively?

Mr. KEFAUVER. I believe the Senators' statement is correct.

Mr. DOUGLAS. As we have seen from evidence introduced earlier in the afternoon, there were only 156 companies with assets under a million dollars and only 246 companies with assets of from $1,000,000 to $5,000,000, which acquired any additional concerns. Among companies with assets under $1,000,000, however, there are tens of thousands over $100,000, and yet 156 and 246 are singled out. I have had some figures prepared with a brief, explanatory statement, and I wondered if the Senator from Tennessee would care to have me put them into the RECORD. I believe they will shed some light on this question.

Mr. KEFAUVER. I should be delighted if the Senator from Illinois would put the figures in the RECORD.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that I may be permitted to insert a table with a brief statement in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Relative gains resulting from mergers, 1940–47

1. AS PERCENT OF ASSETS OF ALL CORPORATIONS WITHIN A GIVEN SIZE CLASS

[Dollar figures are in millions]

Asset size class	Total number of acquisitions [1]	Average assets per acquisition [2]	Aggregate assets acquired [3]	Total assets in 1939 of all corporations in group [4]	Assets acquired as a percent of all assets in group in 1939 [5]
I	II	III	IV	V	VI
					Per cent
Under $1	119	$0.7	$83.3	$10,011.0	0.8
$1 to $5	368	1.0	368.0	10,034.3	3.7
$5 to $10	254	1.3	330.2	4,874.4	6.8
$10 to $50	584	1.8	1,051.2	12,838.3	8.2
$50 to $100	227	2.6	590.2	5,107.5	11.6
Over $100	438	1.9	832.2	21,203.9	3.9
Total	1,990	1.7	[6] 3,383.0	64,069.4	5.3

2. AS PERCENT OF ASSETS OF ACQUIRING CORPORATIONS ONLY AS USED BY LINTNER AND BUTTERS

Asset size class	Average percentage growth of acquiring corporations [7]
Ia	VIII
	Percent
$1 to $5	68.1
$5 to $10	33.4
$10 to $50	18.7
$50 to $100	13.8
Over $100	2.3

[1] Effect of Mergers on Industrial Concentration, 1940–47, by John Lintner and J. Keith Butters, Review of Economics and Statistics, February 1950, table 1, p. 38.
[2] Loc. cit., table 5, p. 42.
[3] Column II times column III.
[4] Table 6, pp. 147, 152, Statistics of Income for 1939, pt. 2, Bureau of Internal Revenue, U. S. Treasury Department.
[5] Column IV divided by column V.
[6] The sum of the column comes to 3,255.1 million dollars; the difference is due to rounding of the average assets per acquisition.
[7] Lintner and Butters, loc. cit., table 7, p. 43.

Mr. DOUGLAS. The above table demonstrates the inadequacy of the Lintner-Butters commutations in their article in the February 1950 Review of Economics and Statistics. The Lintner-Butters figures indicated that small business fared better than big business in terms of the assets of the acquiring concerns rather than in terms of the assets of all corporations within a given size class. Thus, according to Lintner and Butters, the small companies with assets of $1,000,000 to $5,000,000 appear to have increased their assets through mergers by over 68 percent; those with assets of $5,000,000 to $10,000,000 by over 33 percent; those with assets of $10,000,000 to $50,000,000 by nearly 19 percent; those with assets of $50,000,000 to $100,000,000 by nearly 14 percent; and those with assets of over $100,000,000 by only 2.3 percent. These figures are on the basis of the assets of those concerns making acquisitions only. However, in terms of all the corporations within the various size groups, the showing was quite different. Thus, the ratio of total assets acquired to total assets of all corporations within a given size class showed that corporations with assets of $1,000,000 to $5,000,000 gained only 3.7 percent because of mergers; those with assets of $5,000,000 to $10,000,000 gained 6.8 percent; $10,000,000 to $50,000,000, 8.2 percent; $50,000,000 to $100,000,000, 11.6 percent; and over $100,000,000, 3.9 percent. As a matter of fact, corporations with less than $1,000,000 in assets gained only 0.8 of 1 percent. Thus, through a subtle error, Lintner and Butters' figures indicated that small business fared better with mergers than big business, which the above table refutes and demonstrates that the opposite is true.

Mr. JOHNSON of Texas. Mr. President, will the Senator yield?

Mr. KEFAUVER. I was going to yield the floor so that the Senator from Illinois could proceed to make his statement.

Mr. JOHNSON of Texas. Mr. President, will the Senator from Illinois yield?

Mr. DOUGLAS. I yield.

NECESSITY FOR NATIONAL PREPAREDNESS

Mr. JOHNSON of Texas. Mr. President, I shall not detain the Senate long. I very much regret what I personally deem to be the necessity for speaking today.

For the past 6 months, since the outbreak of the Korean fighting on June 25, I have had an opportunity to devote considerable attention to the problems of this Nation's preparedness. During most of that period, as I have tried to make clear, it has been my personal conviction that a great many of our national preparedness policies have been inadequate. On the basis of such information as I have had, I have not believed we were doing enough soon enough.

Experienced and capable men, for whom I have only the greatest personal respect, have argued eloquently for the policy of "wait and see." For 6 months, their counsel has prevailed. I am not here to condemn that counsel as insincere or incompetent. But I am here to express my personal judgment that this counsel can be accepted no longer.

I say that the policy of "wait and see" must end, and it must end now.

For what are we waiting? What do we expect to see tomorrow that we cannot see clearly today—or could not see on June 25?

For six costly months, this Nation and the whole free world have been at war. That is an undeniable fact which fine technicalities cannot obscure. Through those six precious months, however, our Government has been planning and acting from day to day and hour to hour. Faced with the task of girding this Nation for a struggle that may outlive us all, we have committed ourselves only to a policy of not committing ourselves.

Our Government has taken elaborate precautions to avoid committing this Nation to any permanency in the mobilization policies. We in Congress have been told—and we have apparently accepted it as wise—that we must be more afraid of doing too much than of doing too little. What is the result? For the common defense, we have thrown up a chicken-wire fence, not a wall of armed might.

How long can we continue this course and still keep faith with our consciences?

How long shall we continue to dignify obvious folly?

How long shall we continue to do no more than reenact the policies of World War II to meet the emergencies of a struggle that we know bears no resemblance to that war, or to any other war mankind has ever known?

This is not World War II all over again. This is a struggle without precedent in human experience. The military concepts and the domestic policies which won World War II are not applicable to this struggle in which we are now engaged. Obviously, we need new approaches, new plans, new goals. Just as obviously, we do not now have them.

Those of us in Congress know these things. We know that we have been underwriting makeshift mobilization with only a vague hope that the real thing may come along, sooner or later.

Is there now a man among us who can look the people in the eye and conscientiously say "Your Government has done all that it should have done to make freedom safe"?

Is there a man here who can with confidence answer the questions—

Where do we go from here?

What are we waiting for?

The people of America who sent us here are patient, but they are not docile. Through the bitter experiences of two world wars they have learned well the responsibilities of world leadership. Aware as they are of the cost of discharging that leadership, the American people nonetheless realize that the cost of defaulting that leadership now would be intolerable. That is why the American people today want those questions answered—Where are we going? What are we waiting for?

The people know that this Nation can neither lead the world nor save itself until the answers to those questions are decided.

Reading their newspapers, listening to their radios, the people of America have been unable to find assurance that answers to those questions exist. That is why the magnificent national unity, determination, and confidence displayed in the first days of the Korean crisis 6 months ago is deteriorating before our eyes.

Our national spirit and unity are not expendable. The public confidence cannot be taken for granted eternally. I tell you—and I say this carefully—the clamor of public irritation and impatience cannot be brushed aside like a bothersome fly with the flip and snobbish judgment that the public is not informed.

It is my considered judgment that no problem of preparedness should be of more immediate concern to those of us who represent the people in Congress than the present state of public confidence. The American people have not lost faith in themselves or in their country or in the democratic institutions, but the American people are tired of and they are fed up with double talk in Washington.

We—all of us, in Congress, in the executive branch, in the military—have had 6 months to make sense. We have had 6 months to give the people some answers, to find out where we are going and when we are starting. But we have not done so. The people are not going to put up with this sort of conduct forever.

I think it is time we get down to business; it is time for us to demand some answers and accept no more excuses. I, for one, have more faith in the American people than to suppose that only catastrophe—only a Pearl Harbor—can unite them. They are anxious to unite. But they cannot rally around a vacuum. They cannot give their unified support to policies that do not exist.

If we are going to get down to business, if we are going to begin to make sense, I believe that we must immediately acknowledge three self-apparent facts:

First. We are at war. We are at war not merely with Communist China, but with all the military strength and both the physical and the human resources behind the iron curtain. We have been at war for 6 months. We may well be at war for 10 or 20 years more.

Second. Our primary and immediate goal in this war is survival. This is a bleak, disturbing reality. In other wars we have fought, our goal has been simply victory. Now, however, we must make our survival certain before we can hope for victory, because we cannot be confident of survival.

Third. We are not getting ready for war. We are in a war, but all our effort is seemingly directed toward staying out of the war we are in already. This is adolescent nonsense.

What do these facts mean?

They mean that we must dispense with the illusion that time is on our side, and lay aside the idle hope that actual war will be delayed if we stubbornly refuse to acknowledge that a state of war exists. Time favors those who use it. We are not now using it.

Because this is a war of survival, not merely World War II all over again, we must take carefully into account the limitations of our resources, our capacity, our endurance powers. We must plan to conserve our resources so that if this struggle shall continue for 20 years, freedom will survive.

Finally, we must immediately undertake full mobilization of our productive capacity and our military strength. This must be done without compromise, without apology. Reluctant though some may be, we must finally and permanently acknowledge that mobilization cannot proceed without disturbing business as usual.

Plainly, we have misused the past 6 months. We cannot safely anticipate that our enemies will again be so generous as to grant us another 6 months in which to discuss and debate and do little.

From the facts before us, I believe we can see the outline of what is needed now.

First, and above all else, we must evolve a long range, over-all global plan of strategy for the war to which we are now committed. We have no such definite plan now. The absence of such a plan could well be fatal.

For 6 months, it has been exceedingly difficult to secure firm and positive estimates of military needs, or the needs of domestic mobilization. The military planners tell us they are not certain what we will need because they are waiting to hear from the Joint Chiefs of Staff; the Joint Chiefs of Staff explain that their assumptions are tentative because they have not heard from the Department of State; the Department of State insists that more information is needed from the Department of Defense and other departments.

This circle of confusion must end.

It can be ended only when our planners in the military and in the agencies concerned with domestic mobilization recognize the facts of life and begin to tell Congress candidly what we actually need, rather than what they think we might accept.

To do this, we must have a complete global policy. Our military planners and our diplomatic planners must work together to formulate a national policy, a national strategy for the war in which we are presently engaged.

We, not Russia, must decide where we shall fight and where we can fight. This is essential if we are to shepherd our strength with proper prudence. It is especially essential if we are to conserve our most precious and most limited resource—manpower. How tragic, how horrible it would be for the free world of the west to squander its young manhood in futile, indecisive little wars before the real enemy is ever directly engaged. Until we have determined the basic facts of what we can do, we cannot be confident that our manpower—and the resources necessary to send that manpower into battle—is being wisely used.

It is not dishonorable, it is not cowardly to acknowledge that certain limitations of our strength do exist and that these limitations make it as imperative that we not fight in some areas as that we do fight in other areas. The fact that we are stronger than any of our allies in no way diminishes the necessity for hard-headed generalship in the present crisis. Without an overall plan, the Congress cannot legislate wisely, the military cannot plan intelligently, the diplomats cannot proceed wisely, and the American people cannot confidently lend their support to the efforts of their Government.

The second requirement—as I see it—is the immediate full mobilization of our available manpower. This is long overdue. We must accept the fact that the best of our military strength is now committed to the fighting in Korea, and that, because of the intervention of the Chinese Communists, our numerical strength is being seriously decimated.

If this situation continues, we are very likely to find ourselves virtually impotent, in terms of ground troop strength, a few months hence. Stated more bluntly, if the present policies prevail, we may find ourselves weaker by next June than we were in June 1950 when the Korean fighting began. It is intolerable to permit our strength to deteriorate unnecessarily after actual fighting has begun.

I recognize that the military explains that it takes time to make camps ready to receive men for training, but I also know that it takes much time to make those men ready for combat. The gravity of the present situation is such that we cannot wait for barracks to be steam-heated, we cannot wait for officers' clubs to be redecorated before we begin rebuilding our military strength.

If it is necessary to house the men in pup tents, we shall have to do so. The important thing is that we must get our available manpower trained and trained rapidly. What will comfort matter if, a few months hence, we find ourselves stripped of a fighting force?

I urge again now—as I urged in the Senate on July 12—that all National Guard units and all Reserves presently on drill pay status be ordered into Federal service, and that the nonpaid Reserves be placed on active duty to the limit of need. I especialy urge that the Selective Service base be broadened to make available the maximum manpower strength we can muster. Furthermore, we must plan to use women and disabled men in those jobs where their qualifications make this possible. We cannot afford the luxury of not using all who can help.

Such action, I realize, may cause momentary inconvenience to industry, to educational institutions, and above all, to the individuals concerned. But the problems arising from full manpower mobilization do not override the monumental problem we shall face if we are without an effective fighting force next spring and summer. This is simply a matter of survival. Until we have taken the action necessary to guarantee our survival, we cannot continue to indulge the luxury of yielding to each plea of civilian inconvenience.

The third requirement of the present situation is the prompt mobilization of our economy.

This can wait no longer. Our economy, functioning properly, can be our greatest asset, because this struggle is a struggle between the free economy of the west and the slave economy of the east. But when our economy fails to function properly, it turns against us and becomes our worst enemy.

There is evidence that our economy is turning against us—and at an alarming rate. On November 28, the wholesale price index reached an all-time record high—171.7. That represents an increase of 12.3 percent since April. There is every indication that the index will go higher, because the basic raw materials—the fundamental ingredients of our finished products—are rising greatly in cost.

Burlap has increased 75.6 percent since April; copper is up 32.6 percent; cotton has jumped 28.8 percent; hides have been boosted 50.8 percent. During that same period, lead has increased 61.9 percent; cotton print cloth, 60.7 percent; steel scrap, 60.4 percent; tin, 85.3 percent; wool, 67.6 percent; zinc, 62.5—and crude rubber has increased the incredible total of 209.5 percent.

These are price increases that our production system cannot be expected to absorb. Obviously, this trend is going to hit the civilian population hard; but it is hitting the American people doubly hard because the items they must buy through taxes for the military are costing more and more each week.

Let me cite a few illustrations. The tax dollars which would have bought 100 miles of field wire before Korea would buy only 85 miles in September and only 78 miles in November. The tax money that would buy 10,000 barrels of fuel oil before Korea would buy only 6,500 barrels in September and only 4,700 barrels in November. The money that would have bought 1,000 truck tires in April, before Korea, would buy only 830 in September and just 720 in November.

Here are more examples:

The money that would have bought 10,000 pairs of khaki trousers before Korea would buy only 8,500 pairs in September and only 7,600 in November. The money that would have bought 10,000 pairs of wool socks before Korea would buy only 9,000 pairs in September and only 8,500 in October.

I could recite many more such illustrations. But all of us know what is happening. We know that the failure to take definite and positive steps to mobilize our economy is doubly taxing the American public. We know that by standing aside and permitting this policy of "wait and see" to continue we are increasing the taxes as surely as if we did so by direct legislation. That is why I say that the policy of "wait and see" must end, and end now.

I know—and I believe we all know—that price and wage controls alone cannot solve the problems of our economy. We know that such controls are, essentially, expedients. They afford only short-range solutions to long-range problems. But we also know that there is no use dilly-dallying, waiting for better answers, because there is no evidence that those better answers are forthcoming from those who are doing our planning.

We are going to have to live with controls until we find the courage and the determination to remedy the basic cause of our economic ill-health. That cause is a shortage of production capacity. If we are going to preserve our economic system, if we are going to defend ourselves, we must increase our productive capacity.

We do not now have ample capacity to sustain both our domestic economy and the greatest military mobilization we have ever known. We must do both. Plant expansion is now clearly a defense necessity; just as it was in 1940, when we began a program that expanded our output by 75 percent and made possible our victory in World War II. Similarly, the 40-hour week and one shift per day must go.

There are other steps we must take to mobilize our economy.

Faced as we are with a struggle which will greatly tax and strain our fiscal well-being, we must not permit the tax money, which could go for our defense, to be depleted by unjustified demands for Government programs and Government agencies which do not contribute to our survival. I do not suggest that essential nondefense activities of the Federal Government be crippled or harassed by a meat-ax attack. I believe it especially important that we not forsake the development of our underdeveloped natural resources, because before this struggle ends we may well need to command the full economic potential of every region in our Nation. But I think that we must dispense with the idea that because one segment of the Government increases in size, all segments must increase. It is especially important that we in Congress not honor the requests for inflated appropriations which are justified by contrived arguments of emergency need.

This is an important factor in maintaining the public confidence. Until such time as the public is convinced that their additional tax dollars are to be used solely for defense necessities, essential tax programs are going to be needlessly jeopardized and resisted.

Beyond this, there is still one supremely important deficiency to be filled in our economic mobilization. That is the need for hard-driving, head-knocking, forward-moving personal leadership in high places in the Defense Establishment.

The finest mobilization laws cannot be effective if they are administered timidly, reluctantly, hesitantly. Reluctant, apologetic administration does not inspire public confidence; and it does not get the job done. A nation cannot be mobilized with charts and graphs and lectures on twilight mobilization. That is the sort of talk the people are tired of hearing.

Tell the people what should be done—and why—and they will mobilize themselves far better than memoranda and directives can do.

Over and over again, we in Congress have been hearing our mobilization experts explain that this program and that program cannot be put into effect because we are not ready for it. I say the people have been ready for 6 months for whatever program is necessary. They are only tired of having to accept no program at all.

It is time for our mobilization leaders to take off their velvet gloves and get down to work. It is time for plain talk. It is time for action; the cause of freedom cannot survive longer delay.

We must face facts clearly. We must acknowledge that we are at war and that this is a war of survival. We must admit that we are not getting ready for war—and we can no longer delay our mobilization.

We must immediately develop a plan of global strategy—decide what we can do and cannot do, and get on with the job. We must mobilize now, without further delay, the necessary manpower strength to defend this Nation, to make survival possible. And we must mobilize our economic resources—control the price spiral, expand our productive capacity, curtail nonessential Federal spending, and get some drive and punch into the leadership of our home-front effort.

We do not have the time to spend on further temporary or stopgap or preliminary legislation. We must demand the real thing—not makeshift substitutes. This war is not going to get any more real than it is now.

We have nothing more to wait for—nothing more that we need to see before getting started on the job that has been clearly before us for six lost months.

We must give the people answers to their questions—Where are we going? What are we waiting for?

At this moment, as any open eye can see, our Nation, our civilization, our world, all are being engulfed by a gathering darkness.

Is this the hour of our Nation's twilight, the last fading hour of light before an endless night shall envelop us and all the Western World?

That is a question which we still have in our power to answer. If we delay longer, we can expect nothing but darkness and defeat and desolation. If we answer the challenge with courage and confidence, and with the ability of which we are capable, we can, I am sure, triumph over our foes.

A great American patriot once fanned the fires of democracy into such a flame as to give us America. In debate, Patrick Henry cried in tones heard throughout the years, "Why stand we here idle?"

Can I say more today?

PREVENTION OF CORPORATIONS FROM ACQUIRING ANOTHER CORPORATION BY MEANS OF ACQUISITION OF ITS ASSETS

The Senate resumed the consideration of the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

Mr. O'CONOR. Mr. President, with respect to final action on the pending measure, I have consulted with our friends on the other side and they are most cooperative. There appear to be no additional speakers desirous of addressing themselves to the subject.

It has been suggested that we might enter into a unanimous-consent agreement to vote tomorrow afternoon at an hour satisfactory to all Senators. I realize that will necessitate a quorum call. Unless there is indication that any Senator wishes to speak, I now suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Millikin
Brewster	Hill	Morse
Bricker	Hoey	Mundt
Bridges	Holland	Murray
Butler	Hunt	Neely
Byrd	Ives	Nixon
Cain	Jenner	O'Conor
Capehart	Johnson, Colo.	O'Mahoney
Carlson	Johnson, Tex.	Pepper
Chapman	Kefauver	Robertson
Chavez	Kem	Russell
Clements	Kerr	Saltonstall
Connally	Kilgore	Schoeppel
Cordon	Knowland	Smith, Maine
Donnell	Langer	Smith, N. J.
Douglas	Leahy	Stennis
Dworshak	Long	Taft
Eastland	Lucas	Taylor
Ecton	McCarran	Thomas, Okla.
Ellender	McCarthy	Thomas, Utah
Flanders	McClellan	Thye
Frear	McFarland	Tobey
Fulbright	McKellar	Tydings
George	McMahon	Watkins
Gillette	Magnuson	Wherry
Gurney	Malone	Wiley
Hayden	Martin	Young
Hendrickson	Maybank	

The PRESIDING OFFICER (Mr. HOLLAND in the chair). A quorum is present.

Mr. O'CONOR. Mr. President, in order to expedite the pending business, we have conferred with Senators particularly interested in the bill, and I desire to propose for consideration by the Senate a suggested unanimous-consent agreement which would read as follows:

Ordered, That on the calendar day of Wednesday, December 13, 1950, at the hour of 2:30 p. m., the Senate proceed to vote, under the limitation of debate hereinafter provided, upon any amendment or motion (including appeals) that may be pending or that may thereafter be proposed to the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended, and upon the final passage of the said bill: *Provided*, (1) That after the said hour of 2:30 p. m., debate upon any amendment, motion, or appeal shall be limited to not exceeding 20 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and Mr. O'CONOR; (2) that no amendment or motion affecting or relating to so-called civil-rights legislation shall be received; and (3) that no vote on any amendment, motion, or appeal shall be had prior to said hour of 2:30 p. m.

Ordered further, That the time intervening between a quorum call, to be had upon the convening of the Senate on tomorrow (Wednesday, December 13, 1950) and the said hour of 2:30 p. m., shall be equally divided between those favoring and those opposing said bill and controlled, respectively, by Mr. O'CONOR and Mr. DONNELL.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, the reason for including the provision relative to not receiving a so-called civil-rights measure is that that is the only thing which may not be received as an amendment. Any other amendment may be offered, and germaneness is not required, under the unanimous-consent request. Is that correct?

Mr. O'CONOR. That is according to our understanding.

Mr. WHERRY. We shall not therefore expect to find ourselves in the situation we were in yesterday. So far as the pending measure is concerned, I think this represents the proper way in which to handle it. Of course, the proposed agreement must meet the approval of all members of the Republican minority. It is being handled in this manner because of a suggestion made by the minority leader, that we could not enter into another unanimous-consent agreement containing the usual provision as to germaneness of amendments, in view of the situation in which we found ourselves yesterday regarding an amendment offered by the Senator from California. Therefore, for this particular request, with the exception of a civil-rights amendment, the provision as to germaneness has been omitted. I believe all Senators will agree that the pending measure, which relates to antimonopoly and restraint of trade, is unaffected by the question of civil rights. Nevertheless, I do not like the provision any too well, personally. I did not know of any other way to reach the situation, however, because, if we are to be confronted with a unanimous-consent request requiring germaneness in the case of all amendments, it wil be a threat to those who might want to offer amendments at any time, up until the hour of voting. Any other amendment, of course, could be offered after 2:30 o'clock with the usual time limit of 10 minutes to a side. For these reasons I favor the unanimous-consent request which has been presented, and I hope

minority Members will not object to it, but will agree to it.

The only question about the time which is proposed is that there are many committees which will begin their hearings at 2 o'clock. I do not want to interfere with the work of the committees. I understand the Armed Services Committee is working regularly, and that the Appropriations Committee will meet at 2 o'clock. I wonder whether it is really necessary to fix the time at 2:30 o'clock. Is there any way by which the hour could be shifted from 2:30 o'clock until 2?

Mr. O'CONOR. The Senator from West Virginia suggested it be 2:30 o'clock.

Mr. KILGORE. I made that request.

Mr. WHERRY. I do not want to be arbitrary, but there are many committees working, and they convene at 2 o'clock. Is there any way we can speed this up?

Mr. KILGORE. If we were to vote at 2 o'clock, how could the committees meet at 2 o'clock?

Mr. WHERRY. I think there will be but one vote, unless amendments are offered. At least, that was the thought of the distinguished Senator from Maryland.

Mr. O'CONOR. I may say to the distinguished Senator from Nebraska it is possible there may be no record vote.

Mr. WHERRY. That is my understanding. I am not objecting, although several Members have said to me that it would delay their committee meetings. The Finance Committee is working, trying to conclude hearings on a tax bill, and 30 minutes is 30 minutes to that committee. I should appreciate it if the Senator from West Virginia would concede the matter of time, and make it 2 o'clock—not that I personally care about it at all.

Mr. KILGORE. If necessary, I will make that concession.

Mr. WHERRY. I thank the Senator.

Mr. O'CONOR. I ask that the unanimous-consent agreement be modified accordingly, and that, instead of the hour of 2:30 o'clock being designated, if agreeable to our friends, the hour of 2 o'clock be substituted.

The PRESIDING OFFICER. The proposed unanimous-consent agreement, without objection, will be amended accordingly.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. O'CONOR. I am very pleased to yield to the Senator from North Dakota.

Mr. LANGER. I shall offer no objection, but I desire to say that I want to speak in favor of the bill for about 15 minutes, if I may make that arrangement.

Mr. O'CONOR. I am delighted to assure the Senator from North Dakota that that much time, or any additional time he may ask, will be afforded him.

Mr. LANGER. I thank the Senator.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement, as modified? The Chair hears none, and it is so ordered.

The unanimous-consent agreement, as entered into, is as follows:

Ordered, That on the calendar day of Wednesday, December 13, 1950, at the hour of 2 p. m., the Senate proceed to vote, under the limitation of debate hereinafter provided, upon any amendment or motion (including appeals) that may be pending or that may thereafter be proposed to the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended, and upon the final passage of the said bill: *Provided*, (1) That after the said hour of 2 p. m., debate upon any amendment, motion, or appeal shall be limited to not exceeding 20 minutes, to be equally divided and controlled, respectively, by the mover of any such amendment or motion and Mr. O'CONOR; (2), that no amendment or motion affecting or relating to so-called civil rights legislation shall be received; and (3) that no vote on any amendment, motion, or appeal shall be had prior to said hour of 2 p. m.

Ordered further, That the time intervening between a quorum call, to be had upon the convening of the Senate on tomorrow (Wednesday, December 13, 1950) and the said hour of 2 p. m., shall be equally divided between those favoring and those opposing said bill and controlled, respectively, by Mr. O'CONOR and Mr. DONNELL.

PERSONAL STATEMENT

Mr. LANGER. Mr. President, yesterday I secured unanimous consent to explain why I voted against the bill providing aid to Yugoslavia.

The PRESIDING OFFICER. The Senator from North Dakota asks unanimous consent to make a statement explaining his vote on the bill providing aid to Yugoslavia.

Mr. LANGER. Mr. President, I received consent last night. I asked consent last night that I might later explain my reason for voting as I did, because I wanted to be sure of my facts before I made the statement. A man coming from California, who is perfectly familiar with the question, was to discuss it with me, and I wanted to be absolutely certain that what I would say would be the truth.

Mr. President, we all remember that during World War II the late President Roosevelt on one occasion paid his compliments to Joe Stalin. That was at a time when Stalin was in partnership with Hitler. This afternoon I want to say that we are all familiar with the fact, with reference to Yugoslavia, that the United States for a long time helped Mr. Mihailovich, and later, in spite of protests by the State Department, he was murdered by those persons who are now in power in Yugoslavia. That was done, I repeat, in spite of the protests of our State Department. Their own investigation shows, in my opinion, at least, that the help which has been voted should not have been given Yugoslavia.

The evidence is uncontradicted that under Tito thousands of soldiers and other persons went to the farms of what were known as the Volkesdeutsche Sudetenland farmers. For instance, a farmer had a beautiful home which had been in the possession of his family for hundreds of years. It is undisputed that these soldiers, if any resistance was offered by the head of the family, killed the head of the family, and then the family was taken out to what is called the meadow, along the road. They were given 2 hours to leave their homes. All they could take with them was what they could carry. The old people were driven along, as well as women carrying little children in their arms. They were not hauled by trucks; they were driven along.

The facts further are, Mr. President, that they were driven all the way to the German border. Their land was then confiscated and given to the Communist followers of Tito. In a great many instances, in fact, almost all the time, except when those in authority had some favorites, all the land of the farmers was confiscated, except perhaps 1, 2, or 3 acres. All over Yugoslavia the farmers protested. Those who remained, when they were told they would have to surrender their crops, refused to seed their crops.

The actual condition in Yugoslavia is not the result of drought. It has developed because Tito did what the Russians did when Russia killed more than 5,000,000 farmers a few years ago. Six hundred thousand of these people went from Yugoslavia to Austria. There were nearly 15,000,000 persons, of whom approximately 4,000,000 died. The land they had has been nationalized. The farmers who did not seed their crops were killed, or, if they were in good physical condition, were sent to Siberia, to the salt mines.

The United States Government, by the vote which was taken yesterday, is giving millions of dollars to a bloody Communist outfit which murdered hundreds of thousands of families, took hundreds of thousands of homes, and now are looking to this country for food—food which the farmers who were brave enough to fight the Communists would not raise.

So, Mr. President, I want to be on record as opposing this loan in every way, shape, form, and manner conceivable.

I might add, Mr. President, that I talked to a great many of the refugees personally, and before I made the statement upon the floor of the Senate I wanted to confer with the man whom I have mentioned, who speaks with authority. He is a man who has been over there for many months. He was over there this year, a year ago, 2 years ago, and 3 years ago, Mr. President. He has relatives there. He has held official positions. I wanted no possible mistake on my part in voting against the loan measure.

EXECUTIVE SESSION

Mr. O'CONOR. Mr. President, apparently none of my colleagues desire to speak further on the pending bill. I, therefore, move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. HOLLAND in the chair) laid before the Senate a message from the President of the United States submitting the nomination of Frank J. Parker, of New York, to be United States attorney for the eastern district of New York, vice J. Vincent Keogh, resigned, which was referred to the Committee on the Judiciary.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

Oliver J. Carter, of California, to be United States district judge for the northern district of California;

William M. Byrne, of California, to be United States district judge for the southern district of California; and

Edward P. Murphy, of California, to be United States district judge for the northern district of California.

By Mr. MURRAY, from the Committee on Labor and Public Welfare:

Robert T. Creasey, of Texas, to be Assistant Secretary of Labor, United States Department of Labor;

George J. Bott, of Maryland, to be general counsel of the National Labor Relations Board; and

John Thad Scott, Jr., of Texas, to be a member of the National Mediation Board.

By Mr. HILL, from the Committee on Labor and Public Welfare:

Euald C. Warkentin, and several other candidates for appointment in the Regular Corps of the Public Health Service; and

Leslie A. Chambers, and sundry other candidates for appointment and promotion in the Regular Corps of the Public Health Service.

The PRESIDING OFFICER. If there be no further reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

DEPARTMENT OF DEFENSE

The Chief Clerk read the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense.

Mr. O'CONOR. Mr. President, it has been requested that that nomination be passed over.

The PRESIDING OFFICER. The nomination will be passed over.

DEPARTMENT OF JUSTICE

The Chief Clerk read the nomination of Holmes Baldridge, of Oklahoma, to be an Assistant Attorney General.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

The Chief Clerk read the nomination of Leonard R. Carpenter to be United States marshal for the district of Nevada.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

The Chief Clerk read the nomination of H. Tucker Gratz, of Honolulu, T. H., to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, T. H.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Albert H. Kieffman to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

That completes the Executive Calendar.

RECESS

Mr. O'CONOR. Mr. President, as in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 52 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, December 13, 1950, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate December 12 (legislative day of November 27), 1950:

UNITED STATES ATTORNEY

Frank J. Parker, of New York, to be United States attorney for the eastern district of New York, vice J. Vincent Keogh, resigned.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 12 (legislative day of November 27), 1950:

DEPARTMENT OF JUSTICE

Holmes Baldridge, of Oklahoma, to be an Assistant Attorney General.

UNITED STATES MARSHAL

Leonard R. Carpenter to be United States marshal for the district of Nevada.

COLLECTORS OF CUSTOMS

H. Tucker Gratz to be collector of customs for customs collection district No. 32, with headquarters at Honolulu, T. H.

Albert H. Kieffman to be collector of customs for customs collection district No. 35, with headquarters at Minneapolis, Minn.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 12, 1950

The House met at 12 o'clock noon.

Father Henry Freiburg, president, Quincy College, Quincy, Ill., offered the following prayer:

O Heavenly Father, God of peace but also God of might and power and justice, hear the pleas of Thy people who cry to Thee in an hour of peril. Fill our minds with Thy knowledge, our hearts with Thy love, our wills with the determination to serve Thee alone.

Guide the minds of our leaders in government toward clear and prudent judgments in this dangerous hour. May their deliberations and decisions be made always in the spirit of the prayer—Thy will be done.

As a nation make us worthy, O God, of Thy protection and help. Fill our personal lives with a holy fear of Thy judgments, because the fear of Thee is the beginning of wisdom—Ecclesiasticus 1: 16. "And send Thy fear upon the nations that have not sought after Thee: that they may know that there is no God beside Thee"—Ecclesiasticus 36: 2.

We ask this in the name of the Father, and of the Son, and of the Holy Spirit. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House is requested:

S. 3295. An act to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions;

S. 4234. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia; and

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 51–9.

JUNIOR CHAMBER OF COMMERCE OF THE STATE OF INDIANA

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, may I commend to the consideration of the House a recommendation which has been transmitted to me by the Junior Chamber of Commerce of the State of Indiana. The recommendation contained in a telegram which reached me yesterday is as follows:

The United States is now confronted with an appallingly grave world situation in which God-fearing nations are pitted against atheistic Russia and her satellites. It seems only fitting in this time of crisis that the people of the United States call upon their greatest ally, God, for the guidance, strength, and courage necessary to achieve world-wide peace. It is therefore suggested that the President of the United States declare a Nation-wide legal holiday of 10 minutes on a normal workday for Nation-wide prayer so that all people of the United States can simultaneously humble themselves before God and pray for His aid. It is suggested that all work cease at this time and that all churches throw open their doors. Certainly if a Nation-wide holiday can be declared in celebration of our independence, 10 minutes can be spared for Nation-wide prayer that we keep it. True, various churches and other organizations are earnestly engaged in prayer for peace, but this is not enough. Everyone must be made aware of the importance of prayer at this time and it is thought that a national time of prayer might serve as an incentive for regular family prayer for peace.

We may take encouragement from this and other evidences that our people are becoming more and more conscious of the need for seeking divine help in these trying and difficult times. The recommendation of this group of our fine younger people must not be treated lightly. Their telegram tells me that the Governor of Indiana has endorsed their

proposal. I join in urging that the President take appropriate action for the calling of a Nation-wide season of prayer as suggested by them.

DORSEY J. BARTLETT

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, I know that all on the Republican side of the House, and I am sure on the Democratic side as well, rejoice in the fact that the chief of our page boys, Dorsey J. Bartlett, has been made a second lieutenant in the marines. He is a man whom we all love and admire and we appreciate his fine courteousness and high patriotism. We congratulate him on achieving his high office and wish for him the fullest measure of success.

Mr. Speaker, may I at this time inquire of the majority leader what the program will be for the balance of the week?

Mr. McCORMACK. Mr. Speaker, may I say that I join with the gentleman from Massachusetts in the appropriate remarks he has made about a member of the House organization in connection with obtaining a commission? We are all proud of him and others of our organization for the intense patriotism that they have.

LEGISLATIVE PROGRAM

Mr. Speaker, I have been informed by the chairman of the Appropriations Committee, the gentleman from Missouri [Mr. CANNON], that an appropriation bill will be reported to the House on Friday. It is hoped that the bill may be brought up and considered that afternoon. If not, I shall feel constrained to have a Saturday session in order to consider the bill.

In speaking with me yesterday, the gentleman from Missouri [Mr. CANNON], in giving me this information, said that he hoped the bill could come up on Friday and be passed on the same day. As I speak now I see no reason for a Saturday session if that is done, although I do not want to commit myself at this time. If the appropriation bill is reported on Friday and it can be considered on that day, all well and good; if not, the importance of the bill and the question of time is such I feel constrained to have the House meet on Saturday for the consideration of the bill.

Mr. MARTIN of Massachusetts. I may say, if it is agreeable to the ranking Republican member of the Appropriations Committee, the gentleman from New York [Mr. TABER], to call it up on Friday, that I personally would have no objection.

Mr. McCORMACK. The gentleman from Massachusetts and the leadership on the Republican side always cooperate on these matters, and I appreciate that very much. I am hopeful that the situation of the Committee on Appropriations will be such that if the bill is reported on Friday it may be brought up that afternoon.

DEAN ACHESON, SECRETARY OF STATE

Mr. MILLER of Nebraska. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. MILLER of Nebraska. Mr. Speaker, the majority of the Members elected to the House of Representatives, campaigned on the issue that Dean Acheson, Secretary of State and his policy makers in the State Department must be fired.

The election is over, and we cannot now take a soft and compromising view on this question.

The Secretary of State has lost the complete confidence of the American people. There can be no unity with Mr. Acheson at the helm of the State Department.

A state of emergency is about to be declared by the President. The time demands that public servants be above suspicion and have the complete confidence of the people.

I, therefore, urge that a conference of Republicans and anti-Acheson Democrats be called at once, in order that a strong stand may be taken, and a petition circulated which will call for the removal of the Secretary of State and others in policy-forming positions.

PERMISSION TO ADDRESS THE HOUSE

Mr. MACY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

[Mr. MACY addressed the House. His remarks appear in the Appendix.]

SPECIAL ORDER GRANTED

Mr. JAVITS asked and was given permission to address the House on Thursday next for 15 minutes at the conclusion of the legislative program of the day and following any special orders heretofore entered.

DORSEY J. BARTLETT

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I, too, want to congratulate Joe Bartlett on winning his commission in the Marine Corps. Joe Bartlett was granted a Reserve commission as second lieutenant on grounds of previous service as meritorious noncommissioned officer. As such rates term "mustang" which marines fondly call officers who come up from enlisted ranks. The Capitol is proud of him as he was graduated from Capitol Page School in June 1944 and immediately joined the Marine Corps and 17-year-old enlistee. He served remainder of World War II and was discharged in September of 1945. He came back to the Capitol then and was then appointed minority chief of pages by Minority Leader JOSEPH W. MARTIN, and holds that post today with distinction and ability. He lives with parents near Clarksburg, W. Va., and they must feel even more proud of him than I. We shall miss him greatly. He has always used his head. He has always been most efficient and completely courteous. He has courage. Mr. Speaker, the Marine Corps shows firm courage and superb generalship even in a temporary retreat, temporary withdrawal. Mr. Speaker, Joe Bartlett will be worthy of all the Marine Corps' traditions. I feel, as many others do, that it is very important for the Marine Corps to be represented on the Joint Chiefs of Staff just as are the Army, the Navy, and the Air Force. It is high time that was done. It would add a great deal to the strategy of the war. It is important that they be represented in peace and it is even more important in war.

WILL YOU BE MISSED?

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include an editorial.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, it is with a spirit of humbleness that I present the following article, dated December 5, 1950, and written by John Barger, editor of the Mineral Daily News-Tribune, Keyser, W. Va., and ask each of you to read it, and join with me in Christian self-reflection. The joyous season of Christmas is with us, but it is overshadowed by clouds of trouble which we must recognize and disperse with wisdom and truth. I know all of you share my prayer that our purpose in life shall be to further God's great plan of peace on earth and good will to all men; that our deeds will be gratefully remembered after we are gone; and that we will be missed, but not in vain.

WILL YOU BE MISSED?

Some of these days you who are reading this are going to die and pass on to your reward—whatever that reward may be. But will you leave a void behind? Will you be missed?

The Creator has ordained that man must carve out his own career in this world, and when he journeys to the great unknown he leaves behind him a record founded upon his own acts.

You may leave behind you a wife, or children, or other dependents. As you deal with them in life so will their grief be gaged and tempered at your death. Will they miss you?

In this town you have friends, and business associates, and perhaps many acquaintances. They know you as you are and as you have been for many years. They have judged you living, and they will judge you dead. Will they miss you?

In the banks and in the stores, and the office and out on the farms are people who have known you in the past and who know you today. As you have been, so are you known to them now. Will they miss you?

In the house of darkened windows where sweet-toned music soothes the tired brain and the minister tells of the better ways of life are many people who know you for your acts, your deeds, for that which you have performed or left undone. Will they miss you?

In our homes are many little children who know you, who have passed you on the streets, who perchance have been greeted with a friendly smile or with a frown. They will remember you. But will they miss you?

Even your faithful animals or pets know you as you are and as you have been to them. Will they miss you?

There is no place you may go, no point of the compass to which you may return, but what people know you or will know you, and by all of these you will be judged when you have passed away. As you shape your career in life, so do you write the record by which you will be known after death. Your family, your associates, your acquaintances, even your dumb brutes will remember you after you have passed on.

But will they miss you?

THE LATE HONORABLE ROBERT F. ROCKWELL

The SPEAKER. The Chair recognizes the gentleman from Colorado [Mr. ASPINALL].

Mr. ASPINALL. Mr. Speaker, it is my sorrowful duty to advise the membership of the House of the death of the Honorable Robert F. Rockwell, former Member of this body during the Seventy-seventh, Seventy-eighth, Seventy-ninth, and Eightieth Congresses. He passed away at his home in Paonia, Colo., on September 28, 1950, at the age of 64 years. Former Congressman Rockwell was born at Cortland, N. Y., on February 11, 1886, and moved to western Colorado in 1907, in which State he had been a livestock producer and rancher throughout the many years of his residence there.

Mr. Rockwell gave allegiance to the Republican Party throughout his lifetime and the people of Colorado honored him many times for his upright and conscientious services in their behalf. In 1916 he was elected as the State Representative from his home county of Delta to the State legislature which position he held for 4 years. In 1920 he was elected State Senator and served in such capacity until he was elected lieutenant governor of Colorado. After his term as lieutenant governor, he was defeated for the governorship and a few years later once again elected to the State senate, which position of public trust he was holding in 1941 when he was elected to Congress from the Fourth Congressional District of the State of Colorado for the seat made vacant in 1941 by the death of the late Honorable Edward T. Taylor, who had been a Member of this body for almost 30 years. Mr. Rockwell held his position in Congress until the first of January 1949.

During his membership in the National Congress, he was a member of the Committee on Public Lands and was serving as chairman of the Subcommittee on Reclamation and Irrigation when he retired from Congress.

In addition to these elective offices, he served for 16 years by appointment on the Colorado State board of agriculture.

Throughout all of his years of residence and office-holding in Colorado, Mr. Rockwell rendered to his community, State and Nation honest and valuable service. He was most conscientious in his political beliefs and in the discharge of the many duties he was called upon to perform. He was at all times a man of a retiring personality, quiet in demeanor and gentlemanly in his associations with his neighbors and colleagues. He was a true conservative in his political philosophy. He never took part in political chicanery and his own political welfare was of secondary importance in the handling of the affairs of the offices which he held.

During my early years of public service, I became acquainted with this honored and trusted citizen of my State and came to know him as a true and noble character. During the State legislative session of 1941, he served in the position of the minority leader of the State senate while I held the responsibility of being majority leader. It was a pleasure to work with him. His word was as good as gold. I never knew him to breach a commitment either directly or indirectly. Whenever there was to be a change in policy on the part of him and his associates, he always gave the necessary warning so that the worthwhile services of the two-party system might be prosecuted for the interests of the electorate.

It was my pleasure to not only know him as a political associate but also as a trusted friend in whom I had great confidence. With his passing, he left a record of good neighborliness in his home community, unselfish public service in his State and Nation, and a quiet, generous and understanding relationship with his fellow men seldom surpassed by individuals anywhere.

He left to mourn his passing his widow, two sons, and a limitless number of friends, to all of whom I join with my colleagues in sending our condolences and sympathies.

Mr. HILL. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield to the gentleman from Colorado.

Mr. HILL. Mr. Speaker, I wish to add a few words on the life and public service of our dear departed friend, former Congressman Robert F. Rockwell, of Paonia, Colo., who served in the Seventy-seventh, Seventy-eighth, Seventy-ninth, and Eightieth Congresses of the United States of America.

Congressman Rockwell was born in New York State—Cortland—moved to Colorado in 1907, where he engaged in stockraising, cattle, and fruit growing.

From 1916 to 1920, Mr. Rockwell served as a member of the house in the Colorado Legislature. From 1920 to 1924 and 1938 to 1941 he served in the Colorado State Senate. From 1922–1924, he was lieutenant governor of Colorado. From 1932 to 1946, he served as an appointee on the board of the Colorado A. & M. College.

In the fall of 1941, Mr. Rockwell was elected to the House of Representatives from the Fourth District of Colorado to fill a vacacy caused by the death of the Honorable Edward T. Taylor.

Congressman Rockwell, as can be realized by the number of positions in which he served the people of our State, was a great public servant, conscientious and deliberate with a mentality that could and did think through the maze of surrounding unessential details and arrive at the crux of an issue without fanfare or unnecessary publicity. All those who worked with Congressman Rockwell loved him, which in itself is a great compliment. He never attempted to punish those with whom he differed. His honesty, integrity, and great love of America and its representative form of government stamped Congressman Rockwell the truly great American he really was.

Colorado lost an outstanding public servant, his community lost a fine cooperator, and all of us who called him our friend will greatly miss him at the conference table, where his sound advice and cautious counsel was always fully appreciated. To his family we extend our most sincere sympathy.

Mr. ASPINALL. Mr. Speaker, I yield to the distinguished gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN of Massachusetts. Mr. Speaker, I join with the gentleman from Colorado and other Members from the great State in expressing my deep regret at the death of former Congressman Rockwell. Mr. Rockwell during his service here won for himself the high respect and affection of all of us. He was devoted to the public service. He served the people of his district with fidelity. He served the people with but one ambition, and that was to make his day and generation a little better for his having lived. Colorado has lost a great citizen and a fine public servant. All of us who had the privilege of knowing him have lost a devoted and a loyal friend. I extend my deepest sympathy to his wife and the members of his family at his untimely passing.

Mr. ASPINALL. Mr. Speaker, I yield to the gentleman from Montana [Mr. D'EWART].

Mr. D'EWART. Mr. Speaker, I, too, join with my friends from Colorado in mourning the loss of Bob Rockwell. I served with him on the Committee on Public Lands during the time he was in the Congress. He was chairman of the Subcommittee on Irrigation and Reclamation where he had the opportunity of performing what is probably his most outstanding service while in Congress. He knew the West and he knew its problems. He was always a friend to those who were working for the solution of those problems. He was a real statesman in that he served not only his own State, but the entire country. We on that committee mourn his loss. We miss his advice and regret his passing very much. He was a man of high ideals, good character, and great integrity. He was a fine public servant of the type we can ill afford to lose.

I join with the other Members of the House in extending to his good wife and family our sincerest sympathy in his passing.

Mr. ASPINALL. Mr. Speaker, I yield to the gentleman from California [Mr. HINSHAW].

Mr. HINSHAW. Mr. Speaker, it is with a sense of deep regret that the

Members of the House hear today of the passing of our beloved friend Bob Rockwell. He was a neighbor of mine on the fifth floor of the New House Office Building for many years and we always passed the time of day and worked together as neighbors. He was that kind of a man. He believed in the finer things of life, as the gentleman from Colorado now addressing us has said. His political future was not as important to him as doing what was right. He always did what he believed to be right. I know the California delegation joins with the Colorado delegation in deep regret and sadness in the passing of our beloved friend.

Mr. JOHNSON. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. JOHNSON. One of the first men I met when I came to Congress was Robert Rockwell, whose office was in the same corridor where I had my office.

Bob Rockwell was a gentleman in every sense of the word. He was thoughtful, kind, and generous.

He was also a man of ability. He made his mark in his own State in the legislative halls and as Lieutenant Governor of Colorado.

On the Public Lands Committee in this House he did very fine work. I came to know about it due to the fact that one time I introduced a bill concerning a project in California. Mr. Rockwell was chairman of the committee which handled the hearings. From the manner in which he conducted those hearings, it was obvious that he took a statesmanlike view of problems presented to him. He was patient and he was thorough.

It was the pleasure of my wife and myself to know Mrs. Rockwell, a charming and vivacious woman. To her we extend our deepest sympathy.

Mr. FERNANDEZ. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. FERNANDEZ. Mr. Speaker, I had the privilege of serving with Bob Rockwell on the Public Lands Committee throughout the time he was in Congress, and I served under him, as chairman of the Subcommittee on Irrigation and Reclamation. I always regarded him as one of the finest men in Congress. I am sure I was joined in this regard by all members of the Public Lands Committee, Democrats as well as Republicans. We all mourn the passing of this good man.

Mr. SANBORN. Mr. Speaker, will the gentleman yield?

Mr. ASPINALL. I yield.

Mr. SANBORN. Mr. Speaker, I wish to join with my colleagues in expressing regret at the passing of Bob Rockwell. I served with Mr. Rockwell in the Eightieth Congress on the Public Lands Committee when he was chairman of the Subcommittee on Irrigation and Reclamation. I had the good fortune to visit some of the projects of the West in company with Mr. Rockwell, and I found him both helpful and understanding in all of the developments of the West with which we came in contact. He was a good friend, a sincere statesman, and a real American.

I wish to extend my heartfelt sympathy to his family who feel most the loss and passing of Mr. Rockwell.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the life and character of the late Honorable Robert Rockwell.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

DECISION OF THE UNITED STATES SUPREME COURT WOULD PROTECT ENEMIES WITHIN OUR GATES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, in all the history of America our country has never been in such a deplorable condition as it is today.

Thomas Jefferson once said that if this Government were ever destroyed it would be destroyed by the courts.

A long step in that direction was taken by the Supreme Court of the United States on yesterday in its holding that you could not ask a witness whether or not he was a Communist.

Communism is treason. Every real Communist in America is a traitor to the United States.

Today we are threatened with the most serious condition the world has ever known.

Our boys are dying by the thousands in foreign lands, where they were sent without Congress even being consulted. We had just passed through one of the bloodiest wars in history in which our boys won the fight, but the victory was turned over to Russia, the worst enemy civilization has ever known, a result of a Communist conspiracy led by Alger Hiss and his Communist collaborators who were endeavoring in every way to undermine and destroy the Government of the United States.

For the Court to even attempt to compare this decision with the decisions of John Marshall and other great jurists of the past is an insult to their sacred memories. John Marshall would probably turn over in his grave if he even knew that his decisions and his reasonings were so distorted as to leave the impression that he would have even considered protecting these communistic traitors by judicial fiat.

If this decision is permitted to stand, and Anna Rosenberg is confirmed as Assistant Secretary of National Defense, you may expect to see these Communists packed into our Defense Department by the thousands.

It is about time the Congress woke up and assumed the prerogatives with which it is endowed by the Constitution, of governing the United States, and declaring war whenever that becomes necessary.

We cannot afford to let this so-called United Nations declare war for us and send our boys all over the world to do the fighting and dying and then protecting the enemies within our gates with decisions of this kind.

We had better follow the advice of George Washington and Thomas Jefferson whom these wild-eyed internationalists now brand as isolationsts. We had better follow their advice, bring our boys home, build up our own defenses, and strengthen our own country to where no Nation will dare attack us. Then we can lead the world by precept and example into the enjoyment of a more glorious civilization. But we cannot accomplish that end by international bribery, that is by trying to feed and clothe the rest of the world out of the pockets of the already overburdened taxpayers of America, nor can we accomplish it with the bayonet when the very nations that attempt to plunge us into war refuse to send their own men to help do the fighting, and refuse to tax their own people to help pay the cost.

I repeat that this is one of the most dangerous decisions I have ever read. Instead of following the decisions of John Marshall, it flies right in the face of them.

We cannot restore the peace of the world or insure the safety of America by having our boys shed their blood on foreign soil while the courts use their powers to protect the enemies within our gates.

The SPEAKER. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

SUPREME COURT STILL DEFENDERS OF LIBERTIES

Mr. CELLER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CELLER. Mr. Speaker, the gentleman from Mississippi [Mr. RANKIN] who just preceded me made an attack upon the Supreme Court.

The gentleman's attack on the Supreme Court might well be leveled against every judge that ever sat on the Supreme Court, including Chief Justice John Marshall. The decision for which he upbraids the Court is on all fours with the ruling made by Chief Justice John Marshall in the circuit court for Virginia district in the case of Aaron Burr. This kind of unheeding talk is enough to wake up the dead and disturb the bones of such eminent jurists as Chase, Fuller, Taft, and Stone. The legal doctrine supported by such men as Cardozo, Holmes, Roberts, and Brandeis, and now Vinson cannot be made light of.

The principle of immunity from self-incrimination goes far back into the memory of man and was an integral part of enlightened jurisprudence even years before the adoption of the Bill of Rights. It derives from the democratic struggles of the Puritans of the seventeenth century England against the attempts of the

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Crown to crush religious and political liberty.

EXTENSION OF REMARKS

Mr. ANDERSON of California asked and was given permission to extend his remarks and include an article, notwithstanding the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $191.34.

Mr. TALLE asked and was given permission to extend his remarks and include a letter addressed by him to the Honorable Warren R. Austin, United States delegate to the United Nations, and Mr. Austin's reply thereto.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include an editorial from the Record-Herald of Washington Court House, Ohio, under date of December 8, entitled "May God Grant Us Some Real Leadership."

Mr. JOHNSON asked and was given permission to extend his remarks and include an editorial.

Mr. BAILEY asked and was given permission to extend his remark and include comments on an educational project as well as correspondence having to do with the same subject.

Mr. NOLAND asked and was given permission to extend his remarks and include a newspaper article.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. MULTER. Mr. Speaker, on yesterday I was given permission to extend my remarks and include an article entitled "Shortage of Doctors." I am advised by the Public Printer that it will exceed two pages of the RECORD and is estimated to cost $246. I ask unanimous consent that it be printed, notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three instances and include extraneous matter.

YUGOSLAVIA EMERGENCY RELIEF ASSISTANCE ACT OF 1950

Mr. SMITH of Virginia. Mr. Speaker, I call up House Resolution 878 and ask for its immediate consideration.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9853) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia. That after general debate which shall be confined to the bill and continue not to exceed 3 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Foreign Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

Mr. SMITH of Virginia. Mr. Speaker, I yield 30 minutes to the gentleman from New York [Mr. WADSWORTH].

The resolution which has just been read speaks for itself. It provides for the consideration of the so-called Yugoslav relief bill, which is H. R. 9853.

I have no requests for time on this side on the rule. I wish to address the House briefly myself later during the discussion. I therefore reserve the balance of my time and yield now to the gentleman from New York.

Mr. WADSWORTH. Mr. Speaker, I yield 8 minutes to the gentleman from Illinois [Mr. ALLEN].

Mr. ALLEN of Illinois. Mr. Speaker, this bill provides that the United States taxpayers, turn over $38,000,000 to the most ruthless Communist dictator in the history of the world to spend where, how, and when he sees fit, without giving one promise to the Government of the United States.

Mr. Speaker, who is this Tito? What is his background? Since early manhood he has associated himself with whom? With people who believe in democracy? Of course not, but with the people of the Kremlin in Russia; Lenin and Stalin.

Would anyone think for a moment that he is going to be different? This ruthless dictator who did not apologize when five American flyers were shot down; this same dictator who when Cardinal Mindszenty came before him defenseless, permitted him to be tortured until he confessed. Why, is not this the same Communist dictator that has permitted every church under his jurisdiction to be torn down?

Yet here today, Mr. Speaker, we are asked to accept the bloody hands of this dictator in a spirit of friendship. Members will come before us today and say: "Why, this is a military question." I say Tito will not promise anything, he will not even permit one man to fight on the side of democracy out of his 32 divisions of men. Because he is opposed to existing democracies and will fight against its growth.

They will come in here, Mr. Speaker, with such innuendos as "Maybe they will fight." I say again there is no promise on the part of this ruthless dictator to do anything for democracy. In fact, his past record shows conclusevely that he is against everything the people of democracies stand for.

Right at this moment do you think that he is on the side of the democracies in the United Nations? This Tito government has appeared before the Security Council 54 times, and I should like to have the Members refer to the Appendix of the report on the United Nations. Out of 54 votes the representative of the Tito government has voted but one time on the side of the United States and the democracies when communism was involved. I repeat, only one time did he vote on the side of free nations.

Mr. Speaker, now they are trying to turn over $38,000,000 of the hard-earned money of the American taxpayers to this same dictator whom our American taxpayers have already turned over $377,706,000 to. Oh, I know some are going to say here today: "During the last war he fought on the side of the United States." Why, he was forced to do so, not because he liked the United States better but because he hated Hitler worse. Hitler, with his fascism, then was trying to stop communism. Hitler and Tito are of the same caliber.

Our boys are fighting in Korea. We are losing tens and tens of thousands of our boys through casualties and death. When the time comes to recognize Red China in the United Nations, and in my opinion and in the opinion of others Red China will be recognized within 2 months, do you think this ruthless dictator, Tito, will vote on the side of the United Nations? Do you think we can expect Tito to vote once even on the side of the democracies, this man who has sat at the feet of Lenin and Stalin throughout his entire life?

It is going to be mentioned here that Stalin and Tito have had a little falling out. Well, they have not gotten along too well during the last year or so. But why? They both believe in this communistic government idea, but Tito says: "We should have individual communism, puppet states. I want to run Yugoslavia, and I am for you running Russia, I am for Red China running Red China, but I want to run Yugoslavia."

He further says, "We agree on the principles of communism. Our only difference is I want you to let me be the ruthless dictator in Yugoslavia, and you can be the same in Russia."

How can we expect this Tito to furnish troops to those who are fighting for democracy, how can we expect him to furnish troops to fight down Stalin's aggression when we cannot get the United Nations, those who believe as we do, to do any fighting? We are over there now fighting for ourselves and by ourselves.

Now, I cannot prescribe to the theory that we can expect Communists to fight alongside of democracy when we cannot even get the ones who believe as we do to go over to Korea and fight and help us win this war. I am sure that many Members here recall when the United Nations started how Members of this body and the other body got up and said, "We will join the United Nations, and any time anyone starts aggression there will be 50 or 60 flags right shoulder to shoulder, 50 or 60 separate armies of these countries fighting shoulder to shoulder. Why, no one will dare make aggression. When they start there will be 50 countries united, united as one to fight down that aggressor." I ask you whether these predictions have become true.

So, I say to you Members here today that you do not have to apologize to the people of your districts one bit when you stand up here and say, "I am against giving the most ruthless Communist dictator in history, who is alined with the theory, at least, of Stalin, one dime,

and I am not just going to have you people, who have been bled white now in taking care of these countries, be taxed additional millions of dollars."

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. WADSWORTH. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, we meet here today in a time of most serious crisis to consider H. R. 9853, a bill which would make a gift of $38,000,000 to the Government of Yugoslavia, which is headed by the Communist dictator, Tito, without any strings whatsoever attached thereto with the small exception the people of Yugoslavia are presumably to be made aware of who has furnished the money.

Yesterday another body of this Congress enacted legislation on this same subject, except the bill, as it passed the other body, did provide the money to be used for this gift purpose should be taken from the ECA or Marshall-plan funds and charged against Yugoslavia's quota; and that counterpart funds should be set up by the Government of Yugoslavia, in Yugoslavian currency, to equal the amount of the gift, under the arrangement that the United States might control the disposal of these counterpart funds within Yugoslavia, for purposes that may be for the benefit of both countries.

Two arguments are made in support of the enactment of this legislation. One is that it is necessary to make this gift to Tito in order to at least immobilize, if not to obtain the active help of, some 32 divisions that he now has in his army. The other argument in its favor is that most of the gift fund will be used for the purchase of American agricultural products in storage, or owned or controlled by the Federal Government. The argument is made that Tito is friendly or will be friendly to us because he has broken, or is supposed to have broken, with Stalin and Soviet Russia.

I notice the House committee report states that the break actually took place. However, the Senate committee report simply says that it seems to have taken place, but that there is no direct evidence there has been an actual break; in other words, the Senate is not certain about it.

I am rather firmly convinced, in my own mind, that if the break has not taken place between Tito and Stalin we will be unable to purchase his friendship or the services of his 32 divisions for $38,000,000; but that if the break has taken place, and if it is an honest and real break, regardless of whether we loan Mr. Tito $38,000,000 he will not dare turn back to Russia, because it would mean the end for Tito and his group. So I think such an argument that it is necessary to furnish these funds in order to purchase either the immobilization or the use of the 32 Yugoslav divisions falls of its own weight.

Neither am I impressed greatly with the argument that we will simply be shipping Tito foodstuffs that are in surplus supply, in view of the fact that the Secretary of Agriculture has but recently called upon the farmers of America, and has called upon the great organization representing the farmers, the American Farm Bureau, now in session at Dallas, Tex., to increase the production of foodstuffs because of the coming scarcity, and the need for abundant food crops to meet the requirements of global war, should such a war come.

Let us analyze, if we may, for a moment or two just what the situation is. We have not been unkind or unfriendly to Mr. Tito in the past, I quote from the Senate report, if I may, Mr. Speaker, because I believe it deals with this subject more factually and more clearly than has the House committee report.

If I can read the Senate report correctly, we have already given something like 350 or 360 million dollars to Mr. Tito and his government. If you will refer to page 7 of the Senate report, you will find that during wartime we gave under plan A to Mr. Tito $6,500,000, and under lend-lease, which has never been repaid, $32,125,000; under UNRRA we sent into Yugoslavia $299,081,000 in food and relief; that since the break came with Russia, if it did come, we have made three loans to Tito totaling $55,000,000, one on September 19, 1949, one in March 1949, and another in August 1949; and that in addition we arranged for certain credits for Mr. Tito and his government in the amount of some $3,000,000 in September 1949, all at the expense of the American taxpayer. Again, in October there was a $2,700,000 loan, and again in October a $6,000,000 loan. Again, there were certain off-shore arrangements through ECA benefitting Yugoslavia, the amount of which I do not know. Further, in September 1949 we arranged for the transfer of some $35,000,000 in Western Germany credits to Yugoslavia, in dollars, and of course the only currency involved were American dollars. Let me conclude that segment of my argument by reiterating that we have not been unfair or unkind to Mr. Tito and his government.

Of course, as the gentleman from Illinois [Mr. ALLEN] has explained, Tito is a Communist dictator. I believe the American people are growing quite tired and very sad over our continued coddling of communism. They are beginning to feel the time has come to do that which some of us have argued for a long while should be done, to become realistic in our international dealings and to fix our foreign policies in enlightened self-interest.

May I point out this legislation as brought here contains no requirement or commitment of any kind, whatsoever, that Mr. Tito and his government will or will not do anything. Remember all of the relief in the way of surplus foods and other goods that we have shipped into Europe, have been sold by the governments which received them. Remember, if you please, that Mr. Tito will control the distribution of the food to be purchased with this gift, and it is only natural he will not give food to those who oppose him or communism. Also that the real reason why there is a shortage of food in Yugoslavia is that the peasants there are so opposed to communism and to Tito that they refuse to produce food which is needed for their country under the collectivist ideas Tito is imposing on agriculture in Yugoslavia, just as Stalin imposed them in Russia.

Of course there are all kinds of dictators, and there have been all sorts of famines. There are such dictators as Franco of Spain and there have been Spanish famines. Dictator Franco, however, is not a Communist. I hold no brief for any dictator. But Franco is opposed to communism. Franco fought communism, and he whipped the Communist forces in Spain. Yet he has never been recognized by the United States, or any of those elements here in this country now directing our foreign policy. Franco has come to this country for aid in time of Spanish famine—and certainly a Spaniard can be just as hungry and starve just as terribly as any Yugoslav. But when Franco came to the United States pleading for help to meet the famine in Spain, he did not ask for a gift. He did not even suggest a gift. He asked only for a loan. There are strategic supplies in Spain which we need just as much as there are such supplies in Yugoslavia. The Yugoslavians supplies will be one of the arguments used in favor of this bill. But we would not even consider the loan to Spain until Congress, realizing that the Iberian Peninsula was the most important and strategic spot in all Europe in case war should come with Russia, last year voted $100,000,000 to be loaned to the Spanish Government. Up to this moment not a single dollar of that amount has been sent to Spain—not a single loan has been made under the authorization of the Congress by this so-called administration which has been drafting our foreign policies. The people of America are well fed-up with those foreign policies and are complaining to us about them. I think it is time we looked at this bill very carefully—stop coddling communism—and start being realistic in the conduct of our foreign relations.

The SPEAKER pro tempore (Mr. WHITTINGTON). The time of the gentleman from Ohio has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield 5 minutes to the gentleman from Ohio [Mr. MCSWEENEY].

Mr. MCSWEENEY. Mr. Speaker, I come with disturbed thoughts this morning with regard to the pending legislation. I do not believe the House should ever be burdened with a repetition of what a Member has said before in the well of the House, but I find that a previous statement which I made with regard to the Marshall plan enters my thoughts, and I am going to ask your indulgence, to allow me to repeat it.

At the time when we were discussing the Marshall plan I spoke of a situation which existed before the war broke out between the States. At that time a man had come to the Presidency. He was terribly troubled by the situation which existed. He knew that war was imminent, and he felt if he could induce the Congress to buy the slaves, he might eliminate the chances of that war. He felt at least that he would be taking at least one of the very, very serious problems off the shoulders of the people if

he could get rid of the slavery question in that way and that they could meet the problem of the States' rights and the question of secession. This man, by the Wall Street bankers and others, was considered an illiterate, uneducated man who came out of the West, and would eventually break this Government if he carried out his program of spending so much money to pay for the individual slaves.

I, while teaching in my class in Wooster High School, 67 years after Mr. Lincoln had made this proposal, discussed this problem with my students. Our beloved Abraham Lincoln was the President to whom I refer. My class found that by multiplying the number of slaves by the purchase price Mr. Lincoln would have paid for them, and dividing it into the cost of the Civil War, considering both the North and South, but not taking into consideration any of the heartrending things that came from the war, merely the actual material expenditures, that the purchase price of the slaves was equal to 11 days of the cost of a 4-year war. In asking for an extension of the Marshall plan, I found that the cost of extending it for 15 months was equal to 21 days of the cost of the last war. Now, I find we are asked to expend an amount which, when we consider the cost of the last war, would be equal to about 10 hours of that war.

I do not know whether this money will do all the things that they speak of. I do not know whether it will save American lives, but I want to say in the presence of this august body that I am not ashamed to admit that I am floundering, trying in some humble way to find a solution for these terrible problems. Do you not feel that under the circumstances we can try this as one of the things that might lessen the opportunity of bringing on a war, or, in fact, save the lives of the men who have already been fighting for us?

I offer this humble suggestion and hope that today providential guidance will be given to us to do that which is best for the people who supply this money—our taxpayers—and for those boys who are fighting in the field, as well as for the future happiness not only of America but of the world.

The SPEAKER pro tempore. The time of the gentleman from Ohio [Mr. McSWEENEY] has expired.

Mr. WADSWORTH. Mr. Speaker, I yield myself such time as I may desire.

Mr. Speaker, it is perfectly obvious that the issue confronting us is in a sense distasteful. I share that sensation myself. It is a difficult decision for us to make. We would better be just as practical and cold as possible, despite the fact that we do not like the atmosphere in which we are proceeding.

Referring to the situation in Yugoslavia just for a moment, all of our reliable information is to the effect that the break between Tito and the Politburo in Moscow is irreparable. True, in both capitals, Belgrade and Moscow, communism is supreme—a thing we dislike intensely, but there is a sharp division on one certain fundamental issue. Tito contends that Marx did not teach that communism should be spread over the world by a single, all-powerful government. Stalin insists that that is what communism is meant to do. As has already been indicated, Tito has resisted that conception of communism, has insisted that he and his countrymen shall work out their Communist philosophy in Yugoslavia without dictation from the outside. When Communist rebels against Communist the sin is inexcusable, unforgivable. Should Tito fall, Stalin walks in. There can be no question about it at all. He would be glad to walk in with all the power which he could gather behind him. He would walk into a country which geographically occupies the most strategic position in eastern and Balkan Europe. Just take a look at the map and you can see the enormous importance of Yugoslavia in the event of world-wide trouble breaking out.

Tito cannot surrender to Stalin; if he did, his head would fall, and there is no doubt about it. He must go on in order to survive and save his government as presently constituted.

There is the fundamental issue between these two people. You and I do not like the principles professed by either of them; in fact, we detest them. But the question is: Is it wise for us to look at this thing from a practical standpoint? And having done so should we take a step which will tend most importantly to prevent the fall of the Tito Government? That government has been threatened for several months as the result of a terribly severe drought for which no political group is responsible. The Army of Yugoslavia to which reference has been made has had to be fed by special concessions already granted in order to keep it together, and the peasants of Yugoslavia are in a desperate condition in their mountain valleys. Should they break down completely, Moscow taking advantage as it always does, of suffering and distress, walks in.

As I confess to you that there is an element in this whole situation which is distasteful, let us look at the things that have happened. Some of them are significant; they are like signposts along the way, signs and signal smokes. Let us look, for example, as the troubles in northern Greece when from Yugoslavia came the guerrillas torturing the people of Greece and seeking to condemn that whole country into the arms of Stalin, guerrillas emerging largely from Yugoslavia. That occurred prior to the break between Tito and Stalin. Following the break the infiltration stopped. Of course, we contributed tremendously to the victory of the Greek Government and the defense of that country from communism, but it is to be noted that apparently Tito made up his mind that it was wise not to offend the democracies much more. We gained a little bit there.

You remember also that in 1946 and 1947, I think it was, the very very critical situation that existed at Trieste, a city garrisoned by British and American troops of about equal numbers, with the Yugoslavs in the hinterland demanding the evacuation of Trieste by the Americans and British, and even upon one occasion delivering an ultimatum to the allied government of Trieste saying in effect: "If you do not agree to the entry of our military forces at midnight tonight, we will come in nevertheless." And you will recall, I am sure, as an incident in that occasion the young American lieutenant who with not much more than a squad of infantry stood on the border as thousands of Yugoslav troops marched with every evidence of intent to go across the border. He ordered them to halt. They halted. It was a narrow squeak. That happened before the break between Tito and Stalin. No doubt Yugoslavia policy at that time was Stalin inspired. As you probably have noted, there has been no trouble in Trieste since then—none whatsoever. That is due to a change in policy on the part of Yugoslavia.

You will remember doubtless that Yugoslavia in 1946 and 1947 demanded a slice of the territory of Austria, shouting loud for it. That has been abandoned. It is agreed now by Yugoslavia that they are not entitled to that slice of Austrian territory.

Trouble arose in those days in the treatment accorded American citizens found in Yugoslavia. Following immediately after the war quite a number of American citizens of Yugoslav descent, legally American citizens, returned to their country for one reason or another, probably to see their families. For a long, long time Tito would not allow any one of those American citizens to return to the United States. He has now agreed that they may return.

Those are little signs or signal posts all along the road.

During the Greek insurrection or civil war, if you may call it such, thousands and thousands of Greek children were abducted and taken into Yugoslavia and other Communist satellite countries. Tito is now returning them.

I do not contend for one moment that these little incidents prove that Tito is abandoning communism as such; or that he is repentant as a Communist. I do bring them to your attention believing that these incidents are significant. Actually Tito knows that turning to Russia means for him total destruction and he is more than willing to lean a little bit toward the west. That is what he is doing.

Now, here we have the possibility, and it is a dread possibility, of an all-out war in Europe due to Russia's aggression. I think we can be fairly safe in our assumption that Tito would never take the initiative in that. I do not think you will find him attacking the western democracies. But should Russia do it and Tito stand neutral and say: "I am going to run my own country, you leave me alone," it would be a very grave embarrassment to Stalin and all of his military plans. I do not contend for one moment that we can count on Tito's divisions fighting on our side, but I would rejoice if, having made it possible for him to survive, we could then see those divisions standing ready in Yugoslavia and neutralizing at least an equal number of Russian troops. So in my view

this thing comes down to a very practical proposition. It may not be pleasant. It is not pleasant. Nearly everything we see in this world today is unpleasant. Some of our other problems are going to demand solutions which will not be pleasant. But I am trying to look toward the future.

I cannot escape the conclusion that by the passage of this or, even better, the Senate bill we would do something which would make our cause more secure. That is the way I sum it up. My summation may be inadequate, but I speak from my heart.

Mr. ALLEN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. I admire, like all Members, the gentleman's judgement. I am just going to ask the gentleman this question. Inasmuch as that lieutenant and that squad showed no signs of appeasement when the troops came in there and stood there ready to fight, I am wondering if the gentleman admits that that is probably the only way to handle this subject, instead of giving them everything without any strings attached.

Mr. WADSWORTH. I think that incident and the problem that now confronts us are scarcely analogous.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Has the gentleman taken into consideration, in connection with Tito's action since 1947, when I, personally saw on every other house in sections of Trieste the two pictures of Stalin and Tito painted thereon, this thought, that the whole pattern of Tito's behavior within the last 3 years may be a Moscow-inspired fraud on the free democracies of this world? Has the gentleman taken that thought into consideration?

Mr. WADSWORTH. The best information that comes to us, and I happen to be absolutely sure of this, from our Embassy in Belgrade and men who have been there a long time and are thoroughly familiar with the conduct and motives and plans of the Tito government, is to the effect that the break between those two men is incurable.

Mr. McDONOUGH. Mr. Speaker, will the gentleman yield?

Mr. WADSWORTH. I yield to the gentleman from California.

Mr. McDONOUGH. I was interested in the gentleman's opinion concerning the type of communism that he believes Tito represents and the type that Stalin represents. Does the gentleman believe that there is any degree in communism that can be recognized? For instance, in this bill, where we are aiding a country that we know is controlled by Communists, can we treat communism by degrees?

Mr. WADSWORTH. No. Communism inside Yugoslavia is exactly like communism inside Russia. The only difference between the two leaders is the fact that the leader of Yugoslavia says, "You keep out of my country while I run my own communism."

Mr. McDONOUGH. And communism in Yugoslavia and in Russia we oppose as a nation?

Mr. WADSWORTH. We do.

Mr. McDONOUGH. There is no reason, therefore, for us to support this kind of legislation, if that is the case.

Mr. WADSWORTH. Unless we are willing to let Stalin walk into Yugoslavia.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SMITH of Virginia. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, the gentleman from New York has stated this case so clearly and so frankly and so fully that there hardly remains much to be said to lay the proposition before you for what it is. It is one of those experimental gambles that we have been taking over the years with our foreign situation. It may work out as we hope it will work out. The evidence seems to be that it will work out to our advantage. I have not heard anyone on the Committee on Foreign Affairs say that this guarantees us anything. The gentleman from Ohio and the gentleman from Illinois both said that we ought to exact promises from Tito as to what he was going to do to Stalin. Well, you cannot expect Tito to spit in the lion's eye; now, that is just all there is to it. We cannot expect to ask him to do this or do that or do the other. We can only rely upon the information that we have. We have done a lot of things here; many of us have gone along on some of these proposals with grave doubts about them. And, some of them have worked well. Some of them have probably worked out better than we ever thought or know now, and it will all come out in the final outcome of this whole grave situation. Here is just a proposal to go along with this one item. Those who have the most knowledge of this subject believe it is a good gamble, nothing more or nothing less, and nobody is telling you any different.

There is a whole lot of difference between the philosophy of Tito as we understand it and the philosophy of Stalin. Stalin, as has been said, wants world domination by communism. Tito believes in home rule, that he is entitled to communism in his country and the other fellow is entitled to democracy in his country. Is not that just what we are for? Did we ever say to Stalin, "We are opposed to your having communism in Russia"? We are not trying to tell Stalin what he shall do in Russia. All we are trying to do is tell Stalin what he shall not do in this country or the rest of the world. I am just wondering how much difference there is in the whole over-all attitude on the subject of communism between Tito and our own policies in that regard.

Mr. McSWEENEY. Mr. Speaker, will the gentlemen yield?

Mr. SMITH of Virginia. I yield to the gentleman from Ohio.

Mr. McSWEENEY. Did we not have Zoar and Zion City in Illinois and Brook Farm in New York? They were themselves a kindly group of people but did they not call themselves Communists?

Mr. SMITH of Virginia. I believe they did. I am not expressing any degree of affection or tolerance for any of them, but I do say that as far as the policy of this country has always been, we have never said to Stalin, "We are not going to permit you to have the kind of government you want in your country," and we have never said that to any other country.

Look what we are doing for Great Britain. I hesitate to say this, but I believe it. Great Britain took the midway step between democracy and communism when it went to a socialistic government. We have not undertaken to tell Great Britain what she should do. We do not believe in that kind of government over there, yet we have, some of us with a great deal of reluctance, I might say, helped Great Britain under the Marshall plan to maintain itself under a socialistic form of government in which we do not believe for one minute.

Let us see about this bill. We propose to take this gamble, $38,000,000. Three-fourths of that money is to be spent in buying the surplus agricultural products we are going to try to get rid of. In dollars and cents that does not amount to a great deal. If you accept the Senate amendment, it comes out of the appropriation for the Marshall plan already made by this Congress, so that so far as the dollars and cents proposition is concerned, it is a very minor gamble when compared to some others we have made.

The gentlemen who oppose this have said there are no safeguards in this bill. There are plenty of safeguards in the bill. There are some safeguards in there that I think we would have been well advised to put in the Marshall plan and some other plans we have carried out.

Under this plan this Congress by concurrent resolution, if we think Tito is not carrying out the agreement, can stop this relief at any moment.

Under the provisions of this bill, our country is to have access to that country. Our people are to go in there. We have the right to determine that this relief is being given to all of the people without regard to race or religion, that there is a fair distribution of this food.

Under this bill, if Tito accepts this relief he is bound to give us the opportunity for publicity, to tell those people where this money is coming from, where this food is coming from, and who is coming to their rescue in the time of their great distress.

Why not do this and take the chance that we may at least gain the neutrality of Tito in any future misfortune, which neutrality would guarantee, as has been said, the neutralization of a large section of the army of the Communists of Russia.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. COLMER. With reference to the question of the cost and the gamble that we are taking I would like to call to the

attention of the distinguished gentleman the fact it is estimated this loan or gift to Yugoslavia would amount to the cost of about 5 hours of World War II. Further, we are building jet bombers at a cost estimated at a little better than $3,000,000 apiece. In other words, this would be the cost of about 12 jet bombers. Therefore, the gamble we are taking is comparatively slight.

Mr. SMITH of Virginia. Yes, the gentleman has stated the proposition very realistically. It is just a plain, common-sense proposition. Certainly I have no patience with communism and that is well-known. But I do think this is a case where we can well look at the thing from a practical standpoint and do that which appears to be the practical thing, and which may result in great good and can result in no harm to this Nation.

Mr. COX. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield.

Mr. COX. Mr. Speaker, to me, feeling as I do, this does not seem to be rational behavior, but there are so many fine people who favor the adoption of this measure, people like the distinguished gentleman from Virginia [Mr. SMITH], who is now addressing the House, and the distinguished gentleman from New York [Mr. WADSWORTH], that very frankly I am somewhat confused. But if you turn to the report of the committee you will find the committee at the outset recommends the adoption of the bill and then painstakingly sets forth not fewer than 100 reasons why it should not be passed.

The gentleman says provision is made which will give our country the right to supervise the manner in which this bounty shall be distributed or at least to go along with it and advertise that it is a gift from the United States. I am wondering just what value the opinion of an individual or group of individuals or of many individuals may be in a country which is completely dominated by communism.

There is not the slightest indication to be found in the record which would justify the hope that in the event of an all-out conflict with Russia Tito would stand neutral. Certainly there is no ground to hope he would come to our aid. My desire of course is to support the administration's foreign policy, and yet I must confess I find much in it to which I take violent exception and much in it which frightens me tremendously.

I have supported the Marshall plan, and I desire to testify that in my opinion it has to a very considerable extent paid off, but I have for a long time taken exception to the policy of appeasing Russia and everything which partakes of the complexion of communism.

In spite of the finally aroused public opinion that communism threatens to dominate the world and that our country is in danger of being encompassed by Stalin, here we kneel and beg the privilege of contributing $38,000,000 of money, wrung from the taxpayers of this country, to a unit of a group of countries that is dominated by communism. To me, it is hopeless to think that under any circumstances, in the event of a conflict between Russia and the United States, Tito would not play the role dictated by Stalin. It would be impossible for him to offer any resistance, and it being confessed that communism is communism everywhere, there can possibly be no withholding of aid on the part of Tito to his old cohort and brother in communism, Stalin.

I regret to have made these remarks. I had not the slightest idea in the world that I would open my mouth. I meant to come here and take the punishment in silence, but, Mr. Speaker, those are my sentiments, and I must be true to the dictates of my heart.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of Virginia. I yield briefly.

Mr. CANFIELD. When I was in Trieste in September of 1947, two American GI's, one from Arlington, Va., and one from East Orange, N. J., were seized by Tito's men for stepping over a poorly marked line between Yugoslavia and Trieste. Maj. Gen. Bryant E. Moore, commanding our troops, commissioned me to try to get those boys released. I talked with officers of the Yugoslav Army. These officers talked as if our boys had committed a terrible crime. They finally were released. They told me later, particularly the boy from Arlington, Va., that they were briefed on communism hour after hour and asked the disposition of American troops in the free zone of Trieste. They were given rather shabby treatment and I was at that time informed by Army Intelligence there had been more than 60 incidents of this nature, some more serious.

Mr. SMITH of Virginia. Mr. Speaker, the gentleman from Georgia [Mr. Cox] has expressed in his frank and fearless manner, of course, the fears and doubts that we have on this whole situation. As I said before the gentleman came in, it is a gamble that many of us think is worth taking. None of us holds any brief for Tito. None of us has any apologies to make about this thing. We are going about it in a cold-blooded fashion, in the hope that it would pay dividends. Many of those who know more about it than I do think that it will pay dividends. However, there is a safeguard in that bill, that whatever we send there, our own people go there and see that it is distributed to relieve the famine in that country. Our own people are permitted to give the fullest publicity, both by press and radio, to our charity to those folks over there. Any time we feel that Tito is not carrying out his part of this bargain the President can cut off this relief. If he does not do it the Congress, by concurrent resolution can do it at any time. So this is not a final proposition. We can cut it out any time we feel it is not paying the dividends we expected it to pay.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9853) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9853, with Mr. MCSWEENEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from South Carolina [Mr. RICHARDS] is recognized for one hour and a half and the gentleman from Ohio [Mr. VORYS] for one hour and a half.

The gentleman from South Carolina is recognized.

Mr. RICHARDS. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, whether or not we agree as to the wisdom of what has been done or not done in the field of foreign policy up until this time, I am sure we will all agree that the bill before us should stand or fall on its own merit, and on that basis only I hope it will be considered.

The bill proposes that we grant to Yugoslavia the sum of $38,000,000 for the relief of want and suffering brought about by a great drought and resulting shortages in food crops in that country this year. I should inform the House that, since Yugoslavia's break with the Comiform, Export-Import Bank loans by this country to Yugoslavia have amounted to $55,000,000. Of this sum there remains unused $10,400,000.

Since the great World War, the United States has been lavish in providing relief and economic recovery funds for our friends abroad, but even in this field we have got to stop, look, and listen. We are nearing the point where we must strictly conserve our national resources and drastically curtail our expenditures abroad. Those who fought beside us in the last war had just as well realize that fact.

Now comes Yugoslavia, certainly not a democracy and long-time friend, with a request for aid. The question is should we grant funds in addition to what has been provided under previous legislation.

In the face of the world crisis confronting us today, we must look to our own house and the case of Yugoslavia must be judged on its individual merit and from the standpoint of what would be best for the United States.

Tito has requested this aid. Once again, as of old, the cry comes from Macedonia: "Come over and help us." And why should we heed the call for help of a dictatorship? In considering what the answer should be, we must face the facts of life as they may affect the welfare of our country. We must consider the question in the blazing light of the unholy conspiracy of communism against freedom everywhere.

The answer may be found in careful study of the strategic position of the Yugoslavia of today in the world arena.

politically, militarily, geographically, and economically.

Politically: It is trite to say that Yugoslavia is a dictatorship and that Tito is a dictator. Everybody knows and admits that. Tito is a dictator, yes. But he is the only dictator or head of a state who, once having been bound by the chains of the Cominform, has kicked over the traces, reasserted his country's independence of the Kremlin, remained in power, and lived to tell the tale.

Since the end of the last great war, 13 countries and 600,000,000 souls have been brought into the circle of satellite nations of Russia. Of all these, only Tito has asserted his independence of Stalin and has dared to say to the master of the Kremlin that, though a Communist he is, he refuses to bow in obedience to the international super-Communist state. He has asserted the right of his country to work out its destiny free of Russia and along the lines of the historic national aspirations of the Yugoslav peoples. For this he has been condemned and ostracized from world communism. For this his country has been boycotted politically and economically. For this the armies of Russia and her satellites hover around his borders. For being so bound, he must turn his eyes to the west for help and receive it, else doubtless his government will fall. And there are none here who will doubt that, should his government fall, Stalin and the Cominform will be in the saddle there again and another satellite will have returned to the fold. What discouragement that would be to other nations which might consider throwing off the chains of despotism.

Remember, the United States Government and its people have never denied the right of the Russian people to choose their own form of government, communistic or otherwise. Our objection to Stalin and the Politburo is that they not only force communism upon the Russian people but they seek to destroy free democratic governments everywhere and bring all others under their sway. Tito, while still asserting his belief in communism, just as vigorously asserts the right of a nation to work out its own salvation without obedience to any other nation. With that tenet the American people cannot quarrel.

Militarily: The armed forces of Tito on our side, or at the least not arrayed against us, in the event of a war with Russia cannot be sneezed at. He has an army of over 30 reasonably well-equipped divisions of over 350,000 men—the largest army in Europe next to Russia's. We need him on our side. We need only remember the Yugoslavs' great fighting qualities during the last world war, when their nation's national existence was endangered, to realize their value as friends in any coming conflict. It is our interest to help keep that army well fed and well clothed with a people behind it not driven by the despair brought about by hunger.

We should remember too the lessening of the military tensions in the Mediterranean area since early 1948 when Tito asserted his independence of the Cominform. The guerrillas have been quieted on the Greek-Yugoslav border and Tito has been in a large measure responsible for this. The tension at Trieste has decreased. Italy is more secure. Albania has been cut off from her contemporary satellite states.

Geographically: Yugoslavia lies in a strategic position on the Adriatic and in the Mediterranean area. In the case of war between our country and Russia, it is an important link in a defense line reaching through Iran, Turkey, Greece to Italy and from there to the European Atlantic Pact states. Yugoslavia is the land bridge between the free world and the Commuist world in South Europe. In Stalin's hand, Yugoslavia is a threat to Greece, Turkey, and the Near East.

Economically: One of Yugoslavia's main economic assets is a plentiful supply of nonferrous metals—copper, lead, antimony, and quicksilver. All of these are vital to the United States and to its allies in western Europe. Formerly these metals went to the Soviet bloc. Now, since Tito's break with the Cominform, they are going to the West. The United States gets now 60 percent of Yugoslavia's copper export, 54 percent of its lead, 35 percent of its quicksilver, 33 percent of its antimony.

The program: The Yugoslav program is not a grant of dollars, but a grant of funds with which to purchase commodities. The market value of the Yugoslav request was $85,900,000. After careful consideration by our own governmental authorities, this request was trimmed down to a market value of $81,000,000. This represents 603,900 metric tons of foodstuffs with a market value of $81,000,000, but which in actual cost is estimated at $69,400,000. Under existing legal authority, the executive branch has already furnished 248,900 metric tons of food with a market value, including transportation costs, of $43,000,000 and an actual expenditure, including transportation, of $31,400,000. The program in this bill is for the remainder; namely, 355,000 metric tons of supplies having a market value and estimated program expenditure, including transportation, of $38,000,000. It is that part of the total program which was not provided in the so-called stop-gap program. This program calls for $34,400,000 worth of commodities and $3,600,000 worth of ocean transportation charges.

The large bulk of these commodities will be purchased from stocks held by the United States Government. Three hundred and one thousand metric tons to cost $24,600,000 are held in Government stocks. The remainder—54,000 metric tons—will be purchased in the open market at a cost of $9,300,000. All of the items in this program are food, feed, and seeds.

It should be important to the American people that 72 percent of the commodities bought under this program will come from Commodity Credit Corporation's surplus stocks and 28 percent of the program will be purchased in the open market.

Conditions of assistance: The assistance in this bill is not being handed to Tito with no conditions asked. Section 3 requires an agreement in which the Yugoslav Government undertakes to do certain things the United States considers necessary.

(a) Yugoslavia finances our operating expenses in Yugoslav currency.

(b) Yugoslavia publicizes this program to make sure that the people know where the assistance is coming from. In adition, the United States will have the opportunity and the access to Yugoslav information facilities to make sure that this fact is known to the Yugoslav people.

(c) United States will be permitted to have its own people in Yugoslavia to observe and supervise without restriction the distribution of relief commodities.

(d) Yugoslavia must make an equitable distribution not only of the commodities we make available, but similar commodities produced locally or imported from anywhere else.

Method of assistance: United States agencies will procure the commodities and ship them to Yugoslavia. Yugoslavia will distribute the commodities through regular commercial channels at reasonable prices. However, commodities will be furnished free to those who are unable to pay for them.

Distribution by the United States would require large staffs of people and a considerable administrative cost. This is not necessary. The Yugoslavs can distribute the commodities under our supervision. If they do not comply with the agreement or satisfy our requirements, we can terminate the aid at any time.

Sanctions: The bill provides ample means for us to stop the program at any time we feel it is desirable. The termination clause permits us to suspend the operation if the Yugoslavs are not complying with the agreement. If conditions change, we have the power of discontinuing the program. This means that if there is a change of regime, in spite of our assistance, we can stop immediately; if the need should be less than we now anticipate, we can stop it too. When this program no longer serves our interest, the bill directs the President to cease the assistance.

Congress has the power to direct termination whenever it considers this to be desirable. We cannot control every detail of this program; we should not. But we have an immediate control at any time. The Executive must act under certain circumstances, and Congress can act whenever it deems necessary.

It is my considered opinion and the considered opinion of the Foreign Affairs Committee of the House that whatever we may be unable to do from a financial standpoint for the rest of the world during this great crisis, we can ill afford to miss this chance to do what we can to help prevent the possible fall of the present Yugoslav Government and thereby drive a strong peg in the battle lines against international communism.

Mr. COX. Who pays for that?

Mr. RICHARDS. Our people, of course. But I do want to emphasize the fact that we are also taking into consideration the plight confronting our own farmers here in the United States today in the field of surpluses.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Georgia.

Mr. WHEELER. The gentleman mentioned the fact that international communism had spread over 13 or 14 countries.

Mr. RICHARDS. It has taken under its banner 13 countries.

Mr. WHEELER. I would like to ask the question if we have not financed the spread of that communism by giving to Russia itself approximately $11,000,000,000?

Mr. RICHARDS. In years gone by we made a lot of mistakes in regard to Russia, we made a lot of mistakes in the whole field of foreign policy, we made a lot of them on the battlefield, some of them over in Korea; but I am not discussing that question. I am talking about what is the best thing to do today. The whole question is whether or not the United States Government is going to let Tito have $38,000,000 worth of stuff, most of it farm surplus commodities.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from Georgia.

Mr. COX. The gentleman will agree that for many years we have been trying to buy security and more friends. Does he not agree that that sort of friendship lasts no longer than the money flows?

Mr. RICHARDS. We are not trying to buy a friend. I do not know whether, even if this money accomplishes what we seek, that it will buy a friend. But I do say that through this proposal we are driving a peg against communism as Stalin teaches it.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. VORYS. Mr. Chairman, I plead for bipartisan consideration of this measure in the light of our whole foreign policy. In this grim and fateful period we should have a bipartisan foreign policy. It will need to be bi-hemispheric. We cannot unite in a policy that divides the world into two hemispheres, the European and the Asiatic, and proposes that we go along together on the European side and fall apart on the Asiatic side. I live in the Middle West. We would be right in the middle if we attempted to divide the world that way. In order to be bipartisan, we must have one whole world of the free, sticking together in Asia and in Europe, or we must develop a separate Western Hemisphere policy.

This bill involves 32 divisions—maybe. Maybe there are 32 divisions in Yugoslavia. Maybe they will be on our side. This must be considered against the background of our world policy. There is grave danger that the free world is falling apart. Our forces have taken a military beating in Korea, but that has happened to us before. We had to retreat at Lexington and at Bunker Hill. The British burned the Capitol in the war of 1812. We will leave out the defeats that were involved between 1861 and 1865. The battleship *Maine* was blown up in the Spanish-American War. We went through Pearl Harbor and Bataan in World War II. Always before we have come back strong. The danger this time is that we are coming back weak, because we are taking a beating in Washington and in the United Nations; not a military beating but a diplomatic, political, moral beating, from our friends as well as our enemies.

In that situation we Americans want to stand together. We thought the free world slogan was "One for all and all for one." Instead, there is a tendency for too many nations in the free world to say, "One for all and the rest for themselves."

Facing that situation, our answer has been firmness. We have been saying we are going to demand more promises from the free and better performance of past promises. From rumors I hear that is what the President and Secretary Acheson stood for in the recent negotiations. There was to be no appeasement, no reward of aggression; on this we can stand a united country.

Then comes this proposition, a brand-new policy, a new kind of give-away we have never done before. I think this is a mistake. I urge that we consider this as my beloved colleague from South Carolina has suggested, on the basis of what is best for the United States. I do not think it is good for us to change at this time.

Let us look at this proposal. It is not famine relief. Albright, in the Washington Post, called it drought impoverishment. This is an economic aid bill, not a relief bill. Yugoslavia's ordinary diet is 2,800 calories. They are down to 2,300 based on the $31,000,000 of food they have gotten from us already. If they get what they are asking for, their diet will go up to 2,500 from now until next June.

There are hungry people in Yugoslavia. I talked to a visitor there who saw children with rickets and beri-beri this summer before the drought. That was not because Yugoslavia was not raising enough food; they were exporting food; it was because those children and their parents did not belong to the right crowd, the Communist Party. But this is not a famine relief measure, because if we did not furnish anything more the people of Yugoslavia would be better off for food than more than half the people living on this planet, and I have the figures to show it. Thirteen nations have a lower standard of diet than the Yugoslavs will have if we do not send them anything else. In 1947, when we had before us the post-UNRRA relief bill, our target for urban populations was to bring them up to 2,200 calories. The Yugoslav diet, even without more aid, is above this. So this is not a humanitarian, charity proposition.

As has been pointed out, this is not for military security. Tito has no place else to go, we are told. He will not promise anything by way of military cooperation. He will not promise to join in the common cause. Further, let us remember what Tito knows, that he is a dead goner without us. If the rumors are true about the split between Tito and Stalin, Stalin would have gobbled him up long ago but for the possible threat of what we might do.

Now abideth faith, hope, and charity—but this is not charity and it is not faith, because we have no reason to trust Tito. This is a new policy based on whispering hope. I do not think we should follow that policy now.

Remember what this is: They are all fed there until the end of January. The people in the mountains now have all the food they are going to get because they will be frozen in until March. There is enough there to take care of the army. This is an economic-aid measure, based on food from February until next June. If you are an optimist as I am, and if in this critical period you feel the free world is going to hold together in a bi-hemispheric policy, just as sure as the Lord made little green apples we will have problems of economic and military aid to Tito in the next session of the Congress in order to keep him doing his part among the forces of the free. Even if things turn out well for our side, this is just a start, not a finish, on economic aid for Yugoslavia.

After pain, anguish, and UNRRA we have developed certain postwar policies which apply to all aid that we furnish. We furnish loans and there is a promise to repay. Economic aid requires a promise of economic cooperation. Military aid requires a promise to fight in the common cause. None of those requirements are in the measure now before us. That establishes a new precedent. I am told we have been putting the heat on France to agree to the use of German forces in the fight of the free against world communism. We have been saying, "You promised to cooperate; now perform." And the French have agreed. The people of France can read the papers. Suppose they find out next week that the way to get something for nothing out of the United States is to agree to nothing, to act tough, to go Communist in a new and separate way. That is the new precedent that we are in danger of setting. I do not want to see us set that precedent.

I think we should make this a loan. There is precedent for that. That is the way we handled the dictator Franco who has some divisions which are needed over there. That is what the British have done for Yugoslav relief. They loaned, and Tito accepted, £3,000,000, or $8,400,000 for food. A loan would be my own preference. However, I would be willing to go this far—to offer Tito a loan or if he does not want that, and wants economic-aid grants, he would take it on the same terms which we have found through experience are necessary for our friends and for democratic people. That would mean that we would require counterpart funds; the deposit of the value of our relief in their currency in a special fund subject to joint control for expenditures. Counterpart was suggested first by Herbert Hoover in 1947 in the hearings on the post-UNRRA war-relief bill. It was defeated in our committee. It was written in by amendment on the floor of the House and Senator VANDENBERG sponsored it in the other body. It has been in every relief and every economic-aid bill since then. Paul Hoffman says that is a part of the structure of our aid which has been most helpful

in all the economic recovery that we have obtained.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. RICHARDS. My friend will admit, I am sure, that there is a big distinction between this type of relief bill and what is commonly called ECA or UNRRA. Those are long-range programs. Counterpart funds in themselves envision long-range programs. On this proposition we want to chop it off after the $38,000,000.

Mr. VORYS. All right, I will admit there is a big distinction in the bill before us, but it is just because I do not want to make a big distinction and create a new precedent that I say this should be tied in with some strings and promises.

Here is the reason we do not dare at this dreadful, fateful hour go off on any stopgap, piecemeal tangents any more. We have got to hold the lines, maintain some sort of teamwork, and discipline among and between the forces of the free. We cannot play favorites with the worst or we may lose the best. If Tito is sincere, if he realizes that he is perforce required to join with us in the protection of the free world, then certainly it is not asking something insulting if we treat him the way way we treat Spain and say, "We will give you a loan," or if we treat him the way we treat Marshall-plan countries and say, "If you get a grant, it will be conditioned on counterpart."

We also should require Tito to take steps to prevent the recurrence of this, so that this will not become a habit. That means he must stop collectivizing his farms. We were told that the drought impoverishment is only one of the reasons for food trouble in Yugoslavia. They have been exporting food to obtain other commodities. Mr. Haggerty, our own agricultural expert, said they have had a 10- to 15-percent reduction in agricultural production because of the apathy and discontent caused by collectivization of farms. If we furnish something, we do not want Tito to make a career of having these food emergencies that the gentleman from South Carolina [Mr. RICHARDS] will bring here annually or semiannually as short-range relief bills. We want Tito to get his economy in shape so that he can help himself and help us and help the free world.

People say, "How could Tito pay back a loan?" Yugoslavia is probably the most important producer in Europe of copper, lead, and zinc, all strategic materials. He exported $45,000,000 worth in 1948; $37,000,000 in 1949, and in the first half of this year $15,700,000. Well, those are things we need, those are things that Western Europe needs. If we are to continue, as I hope we will, in a united, integrated resistance to godless, ruthless communism emanating from Moscow, we are going to need those exports, and Tito is going to need us. We should provide merely for a loan, with repayment in these materials that we need, or we should offer a grant, providing for counterpart and these other obligations. We might offer both, and Tito could take his pick. I am no stickler for particulars. I am a stickler for the principle, that before we give our approval to any aid to Tito we put it in line with the policies that we apply to the free world.

You have heard the story of the little American lieutenant who went out on that fateful night in Trieste and faced the Yugoslav forces, and at that time Tito had the whole Russian Army behind him. As they came up through the dark toward our lines he said, "You cannot come further," and they stopped and turned back. That is what firmness accomplished.

What we need at this time and what we can unite on at this time is no appeasement, no reward for aggression, but merely firmness in the right. I hope that we can unite on both sides of the aisle in writing such policies into this bill.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. FULTON. If by this bill support is given to Tito, is this not ruling out any possibility of aid to a free Yugoslavia? If Tito should fall, there might be two eventualities, either Stalin communism will come in or the Yugoslavia people would turn to democracy. Is that not correct?

Mr. VORYS. That is true. So that if we support Tito in his government, we want to have something more than simply the propaganda that we heard while this bill was under way, propaganda from Yugoslavia which I have on my desk now, that they are turning toward a better way of life. We want assurances it is going to happen. We hope that it will be by orderly processes.

Mr. FULTON. May I ask one more question. How many church people of various denominations are at present in jail? It has been said earlier that there was a show of improvement where Tito was moving toward freedom and also sending Greek children back home. Will you tell us the number of church people imprisoned in Yugoslavia and the number of Greek children not returned?

Mr. VORYS. As far as I know—and I hope to be corrected in this if I am wrong by those who are better informed—there were about 11,000 Greek children taken to Yugoslavia; and 60 or 70 of them have been returned. I have read in the papers that there are 700 priests and 400 nuns in jail. My only information on that is what I read in the newspapers.

Mr. DONDERO. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. DONDERO. Is Yugoslavia a member of the United Nations?

Mr. VORYS. Yes.

Mr. DONDERO. Is there one Yugoslav soldier alongside our men in Korea today?

Mr. VORYS. No.

Yugoslavia is a member of the United Nations. Bebler, as you know, was chairman of the Security Council last month. In the committee report you will find the voting record of Yugoslavia and how many times she joined forces with the free in controversial matters before the fifth assembly of the United Nations. I counted and found that out of 54 controversial questions Yugoslavia had sided with us against Russia at the most 12 times. I could only find one time in the Security Council, according to the list of votes in the report, where Yugoslavia voted with us. So, while there has been a change in the attitude of Yugoslavia which I hope will continue, they have not yet furnished any 32 divisions, or one division, or one man to the embattled forces of the United Nations, mostly United States, which is fighting in Korea at the present time.

Mr. HUGH D. SCOTT, JR. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. HUGH D. SCOTT, JR. Can the gentleman tell us whether the State Department has made any effort as part of the negotiations with Yugoslavia to secure the release of the priests, the nuns, the Protestant ministers, Archbishop Stepanic, or any other religious denomination who has been jailed by Tito?

Mr. VORYS. Someone else will have to answer that question.

Mr. HUGH D. SCOTT, JR. Does not the gentleman think that if we are to spend millions of money, and I agree that we may have to spend it, that we should at least receive some evidence from Tito that the statements made in that propaganda booklet, that freedom of speech and freedom of religion are really practiced in Yugoslavia?

Mr. VORYS. Yes.

Mr. RICHARDS. Mr. Chairman, I yield 9 minutes to the gentleman from Montana [Mr. MANSFIELD].

Mr. MANSFIELD. Mr. Chairman, the Committee has before it today H. R. 9853, a bill to authorize the appropriation of $38,000,000 for relief in Yugoslavia.

I should like to make it very plain to the House that I have no sympathy for Tito personally or his Government in particular. I recognize the fact that only a very small minority in Yugoslavia are ideological adherents of Tito and that his Government is a police state, and that he is a Communist. That there has been a severe drought in Yugoslavia, there can be no question. The proposed grant is for the purpose of keeping Yugoslavia alive and, most important, to keep 32 divisions of Yugoslavian soldiers in being.

It is my understanding that just to equip a single American infantry division, the cost would be $75,000,000—the cost roughly $5,000 per man or $94,000,000 to maintain an American division at full strength for a year, or a grand total of about $170,000,000.

Tito, although a Communist, finds himself at odds with Stalin. He is not turning to us because he loves us but he is doing so because he has no other alternative. We are not considering assistance to him because we love him or the type of government he typifies but we are looking at it on the cold-blooded basis of keeping 32 antiinternational

Communist or anti-Cominform Yugoslavian divisions in being. I look upon the proposal now before us as a measure essential to the security of the United States. Tito, if he is not given this assistance, may be in danger of being overthrown. Much as I would normally welcome Tito's downfall, it would, under present conditions, give way not to something better but to something worse and that would be the direct control of the Kremlin in Yugoslavia as is the case in all other Communist states in the Soviet's sphere of influence. If that happens, the largest army in being in Europe outside of Russia's, would fall a prize to the Kremlin and Stalin's victory in Yugoslavia would dishearten many dissidents within the countries under his control.

This legislation represents a cold-blooded appraisal of the situation which confronts us. We can defeat this bill, allow the 32 divisions of Yugoslavian soldiers to deteriorate; allow famine to gradually creep in; allow chaos to develop and eventually allow Stalin to step in and take over a country which will fight but which will be in no condition to fight long. On the other hand, we can authorize this aid and keep the 32 Yugoslavian divisions in being so that if and when a show-down comes, Tito's divisions will be ready to fight any act of aggression in that area by the U. S. S. R. and/or its satellites.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I have a great respect for the gentleman's opinion and judgment. I would like to know what the gentleman thinks in reference to the basis for his approach. It is not on humanitarian grounds, it is not on principle grounds; it is solely on the strategic ground of defense of the interests of the United States?

Mr. MANSFIELD. The gentleman is correct when he says it is not on humanitarian grounds and not on principle, because, as the gentleman from Georgia has pointed out, in our report on this bill we recommend its approval, then to paraphrase his words we give 100 reasons why we should not do anything for Tito. We did that because we wanted to lay the whole picture before the House. Every Member in this chamber is going to have to stand up and be counted. You can make all the speeches you want, you can look for all the outs you want, you can say all the nice words or harsh words you desire, but when you get right down to it, as far as this bill is concerned what we are doing is a matter of strategic importance, it is tied up to the security of the United States. We are keeping 32 Yugoslavian divisions in being, 32 divisions which in case of a showdown can very likely immobilize that many divisions of the satellite states in that area, or which could or would perhaps be used against the Russians when the time comes.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from New York.

Mr. KEATING. Does there appear in the record of the hearings authentic proof that Tito has these divisions in being, ready to fight, if properly equipped?

Mr. MANSFIELD. May I say to the gentleman, who has a brilliant military background, that on the basis of testimony given by General Bradley, both in open and secret sessions, Tito does have these divisions in being.

Mrs. NORTON. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentlewoman from New Jersey.

Mrs. NORTON. I am a little confused about this bill. I understood that this money was to be used to feed the people in Yugoslavia and not to equip divisions; am I wrong about that?

Mr. MANSFIELD. No; the gentlewoman is correct, as always. The purpose is to raise the caloric content of the food of the people of Yugoslavia, with special emphasis on the divisions in being on the Yugoslavian frontiers. But, it will mean, of course, that the rest of the people of Yugoslavia will receive a slight addition to what they are getting at the present time. But, the prime purpose in my opinion and in my belief is to keep the divisions in operation.

Mrs. NORTON. Is there any way that we can be sure that this money will be used for that purpose? It seems to me that is a very grave question.

Mr. MANSFIELD. I think that the gentlewoman can be assured that the money will be used for this purpose because, in the first place, it is not going to be a matter of dollars; it is going to be a matter of food taken out of surplus stocks in this country or, at least, stocks in this country, to the extent of about 72 percent of the total and the other 28 percent will be purchased in the open market in this country. It will all go for food.

Mrs. NORTON. And who will supervise its distribution?

Mr. MANSFIELD. The American Government, under the terms of the bill before us today, is given the right to supervise the distribution of this food or, at least, to observe and supervise, because we did put in that particular word, as I recall, and all of the food will be labeled so that the people of Yugoslavia will know where it is coming from.

Mrs. NORTON. Let us hope they will.

Mr. BENNETT of Florida. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentleman from Florida.

Mr. BENNETT of Florida. I would like to ask to what extent this arrangement of having 32 divisions possible on our side, if we have a conflict, has been made definite? Is there anything that the gentleman can tell us about what sort of a firm promise or commitment has been made?

Mr. MANSFIELD. So far as I know, no firm commitment or promise has been made, but looking at the picture realistically, where does Tito have to turn? He has his divisions at the present time on the Bulgarian-Albanian-Hungarian frontiers, and he is using them to keep out, as much as he can, any attempt on the part of those countries to infiltrate by armed methods.

Mr. BENNETT of Florida. May I ask if our Government is attempting to get any firm commitment on this subject?

Mr. MANSFIELD. To the best of my knowledge, no.

Mr. BENNETT of Florida. May I ask why they are not?

The CHAIRMAN. The time of the gentleman from Montana has expired.

Mr. VORYS. Mr. Chairman, I will yield the gentleman 1 minute to answer that question.

Mr. BENNETT of Florida. I would like to ask why our Nation is not attempting to get a firm commitment at this time from Yugoslavia in return for the benefits that are forthcoming, in view of our own international situation?

Mr. MANSFIELD. For the benefit especially of the gentleman from Ohio as well as the gentleman from Florida, I do not know.

Mrs. BOSONE. Mr. Chairman, will the gentleman yield?

Mr. MANSFIELD. I yield to the gentlewoman from Utah.

Mrs. BOSONE. Then what does the gentleman from Montana think if Tito does not get the $38,000,000? What will be the situation?

Mr. MANSFIELD. I think that he will survive, and I think that he will carry out his announced policy against the Cominform and the Soviet satellite states, but I think the will to resist will be weakened, and the result may well be that the Army will lose a further degree of its efficiency, that the civilian population will lose more of the food which is now going to it; that eventually Yugoslavia might have famine and chaos and Tito will fall of his own weight, and then the only country, in my opinion, which will step in, will be the U. S. S. R., and they will take over completely and be on the Adriatic and the Mediterranean.

Mr. Chairman, I am including at this point in my remarks, the gist of two amendments which I will offer in the House tomorrow when this measure comes to a vote. I am not the author of these amendments, as they have already been introduced by my friend, Senator BRIEN MCMAHON, of Connecticut, and passed by the Senate. I think, though, that they are of paramount importance, and I shall do all in my power to see that they are included in this bill.

SEC. —. Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

SEC. —. At the termination of each 3-month period after aid has been extended under this act the Secretary of State shall make a full and detailed report to the Congress. Said 3-month reports shall not be limited to, but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this act; (2) information as to any developments in the attitude of Yugoslavia with respect to basic human rights.

Mr. Chairman, I am inserting at this point a newspaper article from the Washington Star of December 1, 1950; a resolution of the regional meeting of the Catholic Economic Association, and a telegram from my friends of the Helena, Mont., Diocesan Council of Catholic Women:

[From the Washington (D. C.) Star of December 1, 1950]

CATHOLIC VETERANS O. K. YUGOSLAV AID PLANS, BUT HIT TITO POLICIES

Support for sending food and other supplies to Yugoslavia has come from the Catholic War Veterans of America, it was disclosed here yesterday.

It is believed to be the first Catholic endorsement of the administration's plan for lending assistance to Marshal Tito as a means of combating further Soviet encroachment in Eastern Europe. It contained also a criticism of Yugoslavia's internal political practices "which violate many principles of international law and human decency."

The veterans' group claims to speak for nearly 6,000,000 American Catholic veterans of both world wars.

LETTER TO AMBASSADOR

In a letter made public yesterday, National Commander Donald J. McQuade wrote to Yugoslav Ambassador Vladimir Popovic here:

"The Catholic War Veterans hope the United States will extend this much-needed assistance to Yugoslavia. We also hope that you, in turn, will urge your Government to extend to the individual Yugoslavian the dignity that is his; that you will permit him to worship his God freely and that you will give free movement to those stalwart men of God whose only urge is to perpetuate in the hearts of all men the love of Jesus Christ."

STEPINAC CASE CITED

Mr. McQuade added: "Let us be frank. We are not unaware that the Yugoslav Government since the end of World War II has violated many principles of international law and of human decency. We have not forgotten that your forces shot down unarmed American fliers in a peaceful mission. We are aware that your Government imprisoned Archbishop Stepinac because he committed the crime of obeying the dictates of his conscience."

RESOLUTION CONCERNING AMERICAN AID TO YUGOSLAVIA ADOPTED AT THE REGIONAL MEETING OF THE CATHOLIC ECONOMIC ASSOCIATION, NOVEMBER 18, 1950, IN PITTSBURGH, PA.

Whereas the emergency help to drought-stricken Yugoslavia from the United States Government is necessary: Be it

Resolved, That all such aid be accompanied by the dissemination of information which will impress upon the people of Yugoslavia that the United States helps them because—

The United States recognizes the distress of their people;

The United States, by sharing with others not so fortunate, expresses gratitude to God for His blessings;

The United States hopes that her material aid will hasten the end of the spiritual starvation which now grips Yugoslavia and bring to her people the enjoyment of basic human rights, freedom of worship, respect for the individual, preservation of independent family farms, and freedom of opportunity to earn a livelihood.

HELENA, MONT., *December 11, 1950.*

Representative MIKE MANSFIELD,
House of Representatives,
Washington, D. C.:

The Helena Diocesan Council of Catholic Women, appalled by indisputable facts of widespread violation of human rights and brutal persecution of religion in Yugoslavia, demands that aid be given only on basis of proven need and with insistence of reestablishment of decency and justice as sole moral justification for any present or future aid, otherwise shall be parties to another betrayal of the real and trustworthy friend and allies we have behind iron curtain.

MRS. HUGH CAMPBELL,
President, Helena Diocesan Council of Catholic Women.

The CHAIRMAN. The time of the gentleman from Montana has again expired.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentlewoman from Ohio [Mrs. BOLTON].

Mrs. BOLTON of Ohio. Mr. Chairman, in the consideration of bill H. R. 9853, it seems to me we need to have great judgment and wisdom, perhaps more than most of us possess.

As has been said here by several Members, this is a moment of great danger to all the people of the world. We do not need to kid ourselves, as the boys say. This is a battle for survival whether it be diplomatic or military. We need to remember that at every moment of our considerations, not only of this bill, but of every single legislative measure that comes before this body. To me it is of great importance that we meet with complete realism the terrible problems that each new day seems but to increase; I trust it will be so to every American.

Questions have been asked here, "Has Tito sent a division to Korea?" No, he has not. "Has he done this; has he done that?" No, he has not. The implication seems to be, then, "Very well, why should he have anything from us?"

Let us for the moment assume that Canada is the Soviet Union and we are Yugoslavia. What would we feel able to do for somebody way across the world if we were just beginning to come out from under the iron curtain, and that is all Tito has yet been able to do. He has just begun the effort to learn what the responsibility of independence is. That is pretty dangerous business in these days. I rather imagine that Mr. Tito feels he is stepping on eggs lest he draw down upon himself and the country he controls the military wrath of the Kremlin.

Suppose he had sent one of his rather precious divisions to Korea. Suppose that act tipped the scales and brought the Soviet hordes down onto and across his borders. I merely suggest that as a method of thought while we are considering this bill.

Mr. Chairman, I recognize this measure as the military gamble that it is on the part of the United States. Possibly we should recognize more clearly than we do the part it would play as a move in our economic warfare.

It is my earnest hope that the food that will be sent to Yugoslavia under this act may reach those of its people who, by March and April, will be in real need of food.

Under this bill it will be the responsibility of the administration to see that the hungry be fed. Further than that, our administration is required to give a full accounting to the Congress. If the situation changes and we prove to be ill-advised, the program under the terms of the bill itself must be terminated. The program itself is small, but the objective it aims to attain is tremendous.

I believe no one in this body understands the dangers of Soviet communism better than I do. I would like, however, to emphasize the fact that the Kremlin with its undeviating goal of complete world subjugation is one thing, and a Communist country which dares to insist upon independence is quite another thing. That insistence runs counter to the basic principles of Soviet Communist world domination. The attainment of this diabolic purpose on the part of the Kremlin involves first the destruction of the whole fabric of independence, followed by enslavement. Tito's fight against this basic Soviet goal in effect is our fight as well, regardless of his internal policy. The help now being given to Yugoslavia together with the aid proposed in this bill will lay a groundwork for improvement in his internal policy. It is not Tito's internal policy that constitutes a threat to the United States. Rather is it the fanatic march of Soviet power which would destroy us. Tito is helping to halt that march. Let us do likewise.

Mr. GROSS. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON of Ohio. I yield.

Mr. GROSS. The gentlewoman from Ohio says that if it is proven we are poor poker players the program will terminate. Does not the gentlewoman think that we have long ago demonstrated by the diplomatic beating we have been taking that we are very poor poker players?

Mrs. BOLTON of Ohio. Certain people among us have been very poor poker players, that is true.

Mr. NOLAND. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON of Ohio. I yield.

Mr. NOLAND. If there is one thing which can be placed in the balance on Tito's side at this time—and we all grant there is not very much which can be placed in the balance on his side—would it not be that Tito saw fit to close the Yugoslav border into Greece and cut off the Communist rebellion which was going on there for many, many months and so far as that affected the situation where we were supporting the Greek Government and were spending millions of dollars for arms and aid to Greece that that alone could be placed in the balance and that if he sees fit to keep that border closed, then the money we might send to aid him would be well spent at this time?

Mrs. BOLTON of Ohio. The distinguished gentleman from Indiana [Mr. NOLAND] does well to bring that to mind. I would like to continue his thought, because the government in Yugoslavia—Tito—has begun to return those tragic Greek children to the Greeks. We have also been told that he has very definitely changed the whole method of procedure against religious groups in Yugoslavia. These are some of steps which have been taken already which would seem to indicate that though Tito recognizes the thinness of the shells on the eggs on

which he is treading, he is going to try to reach a new goal.

Mrs. BOSONE. Mr. Chairman, will the gentlewoman yield?

Mrs. BOLTON of Ohio. I yield.

Mrs. BOSONE. What would lead the gentlewoman to believe that his procedure would be different if we failed to give him the $38,000,000.

Mrs. BOLTON of Ohio. Personally, I would be very reluctant to take the chance. It has two sides. Perhaps it is just the little straw which would break the camel's back and destroy his control, because my sense of Yugoslavia today, all I know of it, and I was there in 1945—my sense of it is that if Tito falls, Stalin will take over, and not anyone more friendly to the United States. In addition to that, I would like to feel that, as the world comes out from under the iron curtain, we would have done those things which would give the various countries a sense of our understanding and our friendliness that in the not too distant future a new world might be born.

The CHAIRMAN. The time of the gentlewoman from Ohio [Mrs. BOLTON] has expired.

Mr. VORYS. Mr. Chairman, I yield such time as he may desire to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Chairman, the decision of extending financial assistance to Tito and his Communist government in Yugoslavia is a most difficult one. It is highly distasteful to me to give aid to a Communist government any place in the world at a time when American soldiers are being killed by Communist governments in other parts of the world. Based upon principle and consistency, this measure for aid to Yugoslavia should not be adopted. But we must, I feel, lay aside the inflexible dictates of principle and recognize world conditions as they exist, our decision should be based on only what is best for America. There are times when expediency is justified.

It is asserted that Tito has a substantial military force estimated to be 32 divisions, which might be available to our side in any European conflict with the Soviets. There are some who feel that certain conditions and promises should be exacted in return for this grant of $38,000,000. To me even though the conditions were imposed upon or promises made by Tito they would be completely ignored by him if necessary from the standpoint of his own interests. There are some who entertain serious doubts as to which side Tito may join. I do not entertain the naive expectation that this aid will cause him to entertain any feeling of undue fairness or obligation to the Western Powers. I do feel, however, that in the light of his present situation, having already incurred the displeasure of the Kremlin, and therefore unable to run the risk of Soviet domination in central Europe, his national interests require that he participate on the side of the Western Powers.

It may be as many persons reason that this assistance will only strengthen his Communist hold upon the Yugoslav people, 85 percent of whom it is reported are opposed to communism. Right at the moment our big concern is Communist Russia, and we can deal with Titoism at a later time after the major Stalinist issue is resolved.

Accordingly, I shall support this measure only upon the basis that by doing so it will aid in part to improve or maintain the physical vigor and stamina of the Yugoslavs, both military and civilian, with the confident expectation that their interests will require them to side with Western Europe in the event of open hostilities.

Mr. MANSFIELD. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. BATTLE].

Mr. BATTLE. Mr. Chairman, the question before us today, whether or not to authorize relief to Yugoslavia by giving her some of our surplus food, takes me back to one of the most important decisions I had to make as a freshman Member of the House. It was back in March 1947, during the first session of the Eightieth Congress. The international situation was tense and serious. It was so grave that it necessitated the special appearance of the President before a joint session of Congress. It was a situation which involved the fundamental interests and security of the United States. The independence and integrity of Greece and Turkey, both strategically located on the eastern Mediterranean, were being threatened. Greece was being subjected to Kremlin-inspired terrorist activities along her northern borders, while Turkey was being bombarded with a furious campaign of intimidation by the Soviet Government. To meet the peril created by those alarming conditions, the President urged that the Congress authorize a program of economic and military assistance to Greece and Turkey.

Mr. Chairman, I voted for that bill because I felt it was in the interest of the national security of the United States and of world peace for our Government to pursue a positive policy in behalf of Greek and Turkish independence. Those of us who voted for the bill recognized that, if Moscow ever succeeded in her objective of dominating Greece and Turkey, disaster would fan out all over the Middle East and Europe and eventually engulf the United States.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. BATTLE. I yield.

Mr. GROSS. Is there not a tremendous difference? There is no comparison between the two, for the reason that we have a former Communist at the head of the Yugoslav Government and you do not have a Communist at the head of the Greek Government.

Mr. BATTLE. I am not saying that the situation is the same nor comparing the countries. What I am saying is that we were facing troubled times and we came forward with a new program which succeeded to a great extent. We are facing an entirely different and more serious situation today, which calls for positive and new considerations. However, our interest—the security of the United States—is the same.

None of us could be sure then about the success of that program, just like we cannot be sure today of this proposed investment, but let us look at the results. Greece now stands proudly independent, having made considerable progress in getting her own house in order. A few weeks ago I participated in a ceremony in Athens which was a sendoff for Greek troops on the way to Korea to fight with the United Nations forces. And what about Turkey? Turkey stands so firmly independent and so strong that she has become the guardian of the Middle East. The record of Turkish troops fighting in the ranks of the United Nations in Korea has won universal admiration.

Mr. Chairman, I hold in my hand at the present time an article which is entitled "Tough Turkey, Middle East Watchdog." I ask unanimous consent to have the article inserted at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

[From the Washington (D. C.) Evening Star of December 7, 1950]

TOUGH TURKEY, MIDDLE-EAST WATCHDOG

(By L. Edgar Prina)

The heroic demonstration of fighting prowess by the 5,000-man Turkish brigade in Korea has afforded the peoples of the free world this comforting thought: There are 375,000 more like them in the army at home.

And should the Soviet Union make an aggressive move toward the Dardanelles, the Suez, or the Near East, the Turks probably could put nearly 2,000,000 trained men in uniform, thanks to universal military training.

That the tough, hard-bitten Turkish soldier is a first-class fighting man may come as a pleasant surprise to many Americans, but not so to the Turks. An official of the Turkish Embassy here, commenting on reports describing the exploits of his countrymen in Korea, said:

"Give us a piece of territory to defend, and—depend on it—we'll defend it to the end."

The hand-picked Turkish brigade in Korea is a self-supporting, reinforced unit—a sort of souped-up regimental combat team. It has its own artillery and communications. It carries a replacement pool, medical organization, postal and mess staffs.

Even men of the housekeeping units have got into the fight. The Embassy spokesman said that many of the cooks demanded to be allowed to go up front, contending they were soldiers first and cooks second. They got permission.

These fighting cooks were with other elements of the brigade cut off by the Chinese Reds last week. Low on ammunition, the Turks fixed bayonets and charged. When the action was completed 200 Reds lay dead and 200 others had been taken prisoner.

An American unit fought its way up to the Turks, providing an escape route. But the Turkish commander, Brig. Gen. Yalcki, declined to flee the "trap." "We are killing too many Chinese," he said.

The Turks finally broke out, carrying their wounded on their backs, after fighting a courageous rear-guard action to aid retreating Eighth Army troops. About 500 of them were killed.

The Turkish armed forces, which have been unified for 15 years, are commanded by Gen. Nuri Yamut. He has more power, relatively, than General Bradley, chairman of our Joint Chiefs of Staff. General Yamut has the final say. Serving under him are Gen. Kurtdjebe Noyan, army chief; Admiral

Sadik Altindjan of the navy, and Gen. Muzasser Goksenim of the air force.

Universal military training has been in effect in Turkey for many years. Men between the ages of 21 and 28 are required to serve for 18 months. Those who have had high school education or less are put in the noncommissioned ranks. College graduates are given officer training, but normally they can advance only to company grade rank.

The professional officer corps, up to the rank of general, are trained at the military college. Generals and admirals attend the staff college. Turkey keeps the officer corps large enough, even in peacetime, to meet the needs of full mobilization.

Before our Joint Military Mission for Aid to Turkey began functioning under the Truman doctrine in 1947, Turkey never had a cadre of noncommissioned officers—the backbone of our armed services. Now, however, careers have been opened up for such men in the Turkish forces.

That isn't the only way the Turks have benefited from American aid. More than $1,800,000,000 has gone to Turkey and Greece in the last 3 years in the form of Truman doctrine, ECA, and mutual-defense assistance program grants. With this money, modern equipment and training have been provided. Standardization of weapons is under way, and a network of military roads is being constructed. The 650-member military mission is training Turks to train Turks.

Acting on the recommendation of American experts, the Turks actually have cut down the size of their standing army from the 500,000-man force it maintained in 1947. Today they have a compact, hard-hitting machine of 22 to 25 divisions of about 15,000 men each.

In September the Turkish armed forces held what has been officially described as "extremely successful large-scale military maneuvers." Tanks, planes, and ships participated.

The Turks say that theirs is not purely a defensive force, and point out that they could, in the event of a Russian attack in Western Europe, smash at the Soviet flank.

Turkey has been negotiating a mutual defense pact with Greece which, when consummated, may later include Italy and Yugoslavia. Such a lineup would put a very sizable force on Russia's flank.

Turkey's chief strength lies not alone in its 2,000,000 bayonets but in the unity of its 20,500,000 citizens. Since it broke with the past in 1923, under Ataturk, it has embraced western ideals and democratic principles. Its firmness in the face of heavy Soviet pressure has earned it a high place in the ranks of the free nations.

When the American taxpayer contemplates the aid money spent since World War II, he probably will come up with the verdict of most of our military experts: Nowhere have the dollars been spent more wisely or to better advantage than in Turkey, guardian of the Middle East.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BATTLE. I yield.

Mr. FULTON. The gentleman has good powers of observation, and I believe has visited Tito in his office only a few weeks ago. Is that correct?

Mr. BATTLE. I will agree with the gentleman on both counts.

Mr. FULTON. The gentleman then could probably characterize for us from what he saw what kind of a man Tito was from close observation and recent observation, could he not?

Mr. BATTLE. I will be glad to do my best.

Mr. FULTON. Would the gentleman explain to us the picture that Tito had—I believe the gentleman has spoken of it—that hangs behind Tito's seat in his office. What is that?

Mr. BATTLE. Does the gentleman want me to tell this story by degrees or all at once?

Mr. FULTON. Also tell us the kind of statue he has up there and the picture of the world?

Mr. BATTLE. I shall be pleased to tell all that as I go along, or I will be glad to digress now.

Mr. FULTON. I would like for the gentleman to characterize it right here, if he will.

Mr. BATTLE. I can tell you about the man and the picture on the wall. Why not start with Tito's guards? They ushered us into his room, which was a very beautifully decorated room, incidentally.

Mr. FULTON. Does he not have a picture of Lenin behind him?

Mr. BATTLE. Do you want me to answer your questions or not? Tito was seated at the end of a long room. One complete wall was devoted to a picture or painting depicting a sixteenth century peasant uprising. To his left was a bust. When I asked him through an interpreter about this bust he said: "You will note that this is a bust of Lenin and not a bust of Stalin."

What else do you want to know?

Mr. FULTON. Did he not have some sort of world set up there, a globe, and then over that world was there not a plane diving down on the world? And above that was there not the hammer and sickle?

Mr. BATTLE. Yes. Now the gentleman has already told the Committee, so there is no use for me to mention it.

Mr. FULTON. Meaning that communism was to dominate the world?

Mr. BATTLE. I do not know what meaning was intended; but there was a globe in the room, and over this globe was a sickle and a hammer, and over the hammer was a silver airplane in a nose-dive. Now, it may have been an airplane of the United Nations dropping an atomic bomb; I do not know what interpretation the gentleman wants placed on it.

Mr. FULTON. I am asking the gentleman for his; that is why I wanted him to tell us about it.

Mr. BATTLE. There is no doubt in my mind that Tito is a dictator. I know what the gentleman has in mind, because this argument has gone on before. But Tito is not the aggressor; it is Stalin, and Stalin is the one we are trying to stop.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. BATTLE. I yield.

Mr. HAYS of Ohio. I wonder if the gentleman can tell us as to whether or not there has been a change of attitude. When we were over there a year ago, he told us that there was one thing he wanted made clear, and that was that they were Communists, that they were against the capitalistic system, and that they hoped to help overthrow the capitalistic system.

Is the gentleman able to state whether or not his attitude has changed on that at all?

Mr. BATTLE. It seemed to me there was a considerable change from that statement, because he indicated to us that the two nations could live side by side and that he had no idea of making aggression; in fact, he said that he would uphold his responsibility to the United Nations in stopping aggression in the future.

I would like to say that all of us, even though we are not from Missouri, would like to be shown, and we indicated this to Tito.

Mr. SUTTON. Mr. Chairman, will the gentleman yield.

Mr. BATTLE. I yield.

Mr. SUTTON. I quote from Kommunist, the organ of the central committee of the Communist Party of Yugoslavia, March-May 1950, the article, the Equality of Nations and the Struggle for Peace, by V. Popovic, page 111:

> The United States of America is in the front line of the "imperialistic" coalition. "We considered earlier, with reason, the policy of the United States of America, as the expression of the leading imperialistic power. In this way we have not mistaken. This was and remains exact."

I wonder if they have changed since March or May of this year?

Mr. BATTLE. Well, I assume they have changed. It is my understanding that there has been a radical change in the last few weeks in the voting of the Yugoslav representative in the United Nations.

Mr. SUTTON. Is that because they wanted some more money from Uncle Sap?

Mr. BATTLE. I think the $38,000,000 worth of surplus food involved would be too small in proportion to the stakes.

Mr. FULTON. On the question of whether or not the foreign policy of Yugoslavia has changed, I refer to the book sent out by the Yugoslav Ambassador in the last 10 days in which under "Foreign Policy" it is stated:

> Yugoslavia rejects the policy of dividing the world into "spheres of influence" as being harmful to the cause of peace and unjust to the smaller and less developed countries. For this reason, it will not condone aggression in any form or source, nor will it join any bloc, either in the East or the West.

Mr. BATTLE. It was my impression, and I believe it was also the impression of the gentlemen who were with me during the interview with Tito, that he wanted to be as independent as possible and that he wanted no entangling alliances with either the West or the East, which I believe is the substance of what the gentleman is saying. However, he also said that no nation could stay out of another world conflict.

The bill before us today calls for even more resoluteness and more realism. Again we are faced with a critical world situation. Only now Moscow has become more brazen, more imperialistic, more militant, and thus even more of a threat to our national security. To meet that threat will demand much strength from many sources. It will require that we increase the armed strength of the United States. It will mean further assistance to arm our friends, and it will involve the tactic of cracking the iron curtain and weaning the Soviet satellites

away from Moscow. It will require taking advantage of every single opportunity. Today, Yugoslavia offers us one such opportunity. Because of the critical food shortage in Yugoslavia, the break with Russia and certain internal policies which we cannot condone, Tito is faced with the threat of economic chaos which could drive him back to the Kremlin or cause him to be overthrown by Stalin's henchmen. In either case the only regime which has been able to break away from the Kremlin would be swallowed up by the waiting Soviet forces. Needless to say, the loss of an independent Yugoslavia, having as it does the largest standing army in Europe, would be a serious blow to the security of the North Atlantic Treaty area and of the United States. Some of our surplus food that we cannot use could make the difference. It is a chance we must take.

Mr. BURNSIDE. Mr. Chairman, will the gentleman yield?

Mr. BATTLE. I yield to the gentleman from West Virginia.

Mr. BURNSIDE. Along that same line, would it not be logical to think that Tito might disband some of those divisions and put those men back to producing food in February or March—they have an earlier season than ours—and we would then lose divisions that might be helpful?

Mr. BATTLE. I think that is a definite possibility, although my personal opinion is that his armed forces are going to come first, almost through necessity for his own protection if for nothing else.

Mr. Chairman, I do not mean to suggest that the internal conditions in Yugoslavia today are the same as the conditions which existed in Greece and Turkey back in 1947. I do wish to emphasize, however, that the interest of the United States is the same. And that is, the principle of assisting independent nations to remain independent and free from the domination threatened by Moscow. In voting for the Greek-Turkish aid program, our primary responsibility was to protect the national security of the United States. In voting for this program of relief to drought-stricken Yugoslavia, our consideration must also be that security.

Mr. Chairman, I visited Yugoslavia 6 weeks ago, together with my colleague on the Foreign Affairs Committee, the gentleman from North Carolina [Mr. CHATHAM], and the gentleman from Texas [Mr. FISHER], a member of the Armed Services Committee. The devastating effects of the drought were apparent even from the plane before we landed. As we drove over the countryside we saw rows and rows of parched fields. They offered mute testimony to the hunger which is in store for the Yugoslav people this winter unless the United States comes to their assistance quickly with some of our surplus food.

During our visit, we were given an hour and a half interview with the man who dared to defy the Kremlin by refusing to be a puppet, Marshal Tito. He is a mild-mannered man with a square-set jaw, a dictator to be sure and formerly the star pupil of Stalin. We talked very frankly with him throughout the interview, and he displayed a genuine desire to answer our questions. We quizzed Tito sharply about his break with the Kremlin, recognizing that this represents the first roll-back of the iron curtain. Could we place confidence in the reality of the rift? Could we rely on his not returning to the Soviet fold? Tito was emphatic about this. His break with Stalin was real, he assured us. We asked Tito why Russia had not taken over Yugoslavia militarily. Tito explained that there were several reasons: First, he said, Stalin miscalculated in thinking that Yugoslavia would crack up economically. Tito said that they were not going to crack up and surplus food from the United States, if granted, would be a great help in preventing such a catastrophe. Second, Tito told us, he has over 30 divisions trained for mountain fighting, the kind of fighting an invader would find a hard nut to crack. He added that Stalin knows these Yugoslav divisions can tie up and hold up at least an equal number of Russian divisions.

One of the most significant statements that Tito made was relative to his obligations to the United Nations. It was the first time that he had made such a statement. In response to my question, he declared that in the future Yugoslavia would uphold its responsibilities in the United Nations whether or not Yugoslavia was attacked first. It will be recalled that previously he had said he would fight and defend Yugoslavia against any enemy that attacked his country. But this is the first time that he made the statement that in the future he would fight under the auspices of the United Nations irrespective of which nation was attacked. We thought perhaps we were having interpretation difficulties, so we quizzed him further along this line. But there was no misundertanding. Tito stuck to his original statement. This is how he reasoned: There will be no such thing as a bilateral war. In the world of today, if two great nations get into a war, it will inevitably spread into a global conflict. Irrespective of his strong desire to remain neutral and not to have entangling alliances with foreign nations, Tito realizes that no nation would be able to stay out of such a conflict.

While in Yugoslavia we visited a collective farm, and it was interesting to talk to the men, women, and children working on this farm. Except for the Communist leaders sent out to manage the operations, it seemed to me that these farm people were no more Communists than the man in the moon. I do not believe they know anything about political philosophy including Marxism, Leninism, Stalinism, or any other kind of "ism." They impressed me as being terribly poor, hard-working people who never have had much of a chance in life. We also visited a home along the roadside and I was pleasantly surprised in each instance at the good will toward America which was manifested toward us. Many of these people hope to come to America some day, or at least to have their children come to this land of opportunity and freedom. We have a lot of good will to build on, even in this country which used to be behind the iron curtain.

Mr. Chairman, the times are so critical and the danger so imminent that we must marshal all the independent nations which are standing up to Soviet imperialism. Yugoslavia is one of those nations. The fall of an independent Yugoslavia would have grave and far-reaching consequences. Our dangerous military position would become desperate if the largest and strongest army in Europe lined up with the Soviet forces against us. We cannot expect to swap this surplus food which is an investment in our own security for world-shaking bilateral agreements; nor haggle about tying strings which have no strength. We already have more commitments in this bill than we had in the highly successful Greek-Turkish-aid program. Neither can we afford to be choosy, picking out only those countries whose philosophies coincide with ours or those who have always been our friends. Above all, we cannot afford to miss the chance to marshall these independent forces while we still have the chance—in our tremendous task of preventing world enslavement.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BATTLE. I yield to the gentleman from Pennsylvania.

Mr. FULTON. The gentleman has stated as his opinion that the drought in Yugoslavia on its economy was devastating. If you will look at page 4 of the Senate report you will find a schedule of commodities produced in Yugoslavia, taking the 1947–49 averages. You will find that the corn production averaged 59 percent and rice 100 percent and sugar 108 percent. Now, which is true, the gentleman's estimate that it was devastating or the Senate estimate that they were actually averaging about 60 to 70 percent of their total production?

Mr. BATTLE. I do not think there is any doubt that Yugoslavia is suffering from a drought and that they are in need of food.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. SMITH].

Mr. SMITH of Wisconsin. Mr. Chairman, the gentleman from Ohio has suggested that if we give aid under this legislation we ought to make it in the form of a contract, that is, a loan. There is precedent for that. Just a short time ago Mr. Tito accepted a loan from Britain to the extent of about $8,000,000. Why should we not advance $38,000,000 on the same basis?

As I listened, Mr. Chairman, to the proponents of this legislation while the rule was being discussed it seemed to be their view that this is legislation on which we must take a chance. I submit, Mr. Chairman, that we have been taking an awful lot of chances and have been brought to a terrible state of affairs. If we are going to use that as an argument in favor of this legislation we ought to review briefly just how far communism has advanced while we have been taking these chances. In 1945 communism dominated 190,000,000. In 1948 it dominated 450,000,000 people, and on

January 1, 1950, it dominated 800,000,000 people.

Mr. Chairman, the Yugoslav aid bill which we are considering is not a program that can be justified on a humanitarian basis. The public and many Members in this body have been led to believe that a serious drought this last summer is causing a great food famine. Nor can it be justified as a military-aid measure. The proponents have failed to prove their case.

This bill is a new wrinkle in give-away programs. It is the worst of its kind ever to be submitted to us. It is a gross fraud upon the American people and another sop to buy a dyed-in-the-wool Communist who sits on a shaky throne. I am opposed to it.

The old calculated-risk theory is trotted out and the bait in the trap is Tito's 30 divisions of troops. It is the same old bogus argument that was used at Tehran, Yalta, and Potsdam, always the pious hope that Stalin would be a nice boy, and it was the same with the Chinese Communists, those agrarian reformers who are murdering our boys in Korea. Again we are wishfully hoping that Communist Tito will play on our side and not with Stalin. Once again we are compromising with communism.

Those who know something about the 30 divisions of troops deny that it is the strongest army in Europe. They say such reports are propaganda. I am informed that it is one of the weakest armies in a Communist-threatened Europe. Nearly all the old commanding officers in Tito's forces are present Stalinites. The rank and file of Tito's army are intensely nationalistic; they are both anti-Tito and anti-Stalin. The only dependable force that Tito has is composed of his own personal followers and his police forces. There is serious question that Tito has anything like 30 divisions. Whatever he has is poorly equipped with weapons of Russian-German origin. It is poorly officered by men whose political dependability is open to serious doubt. To make this army effective, it would be necessary to arm it with modern American weapons and put it under the command of officers whose loyalty to democratic causes cannot be questioned. To do otherwise is to risk having American weapons turned against American boys.

I make this unequivocal statement, Mr. Chairman, that if this bill is approved that within 6 months or less the State Department will be back here with another bill asking Congress to authorize the shipment of military supplies to Yugoslavia. This would be a risky gamble. It would equip Tito's army with additional bargaining power by which the United States could be threatened with pro-Soviet action on the part of Yugoslavia. In other words should we refuse to approve a demand for military matériel, foxy Tito would say, "Well, if I don't get it from you, I'll get it from the Russians." That kind of argument has been quite effective in the past. It seems obvious to me that it will be used again as the occasion arises.

There is no showing that Tito will be on our team. Why not make that a condition of our aid? There have been no consultations between the Yugoslav military and our military leaders. That is General Bradley's testimony.

Now something has been said about the break between Tito and Stalin. I would remind you that there has never been a close relationship between the two. Tito has never been trained in the Kremlin; he was in power when Russian troops entered Belgrade in October 1944. Yugoslavia has never been a Soviet satellite as we understand that term. It was the British, aided by the United States, that backed Tito against Mikhailovich, the real Yugoslav patriot.

May I interpolate here. Do you remember when King Peter spoke to us from the Speaker's dias in the House in 1943 and he concluded his appeal to us for assistance, that it should go to support that great patriotic Mikhailovitch and we stood and cheered and those old girders in the House rang? Then, within less than a year we had sold poor old Mikhailovitch down the river and then they hung him.

Yes, Mr. Chairman, we appeased Tito and dumped Mikhailovitch, another dark chapter in our history—another calculated risk which brought disaster to Greece and instability in the Balkans. Had we continued to support Mikhailovich, the West would be in a far better strategic position to day on the Danube. One writer has said that it would have controlled the balance of power in the middle and southeastern areas of Europe. There surely would have been no German or Austrian problem as we know it today. Many European wars have been fought to secure an outlet to the Mediterranean Sea. If Tito thought it would be profitable for him or because of overwhelming pressure that Russia would bring to bear upon him, he would bow to Stalin and then we would be in the same unfortunate position—as in Korea—of giving material and economic aid to these countries only to make them luscious prizes when the Russians decide to move in.

Mr. Chairman, Tito is a Communist and he boasts of that fact. He is a ruthless dictator; he oppresses freedom and liberty, his opponents are shot or hanged and thousands of loyal people are political prisoners. He has collectivized farms and imprisoned peasants who refuse to produce farm products that he demands. This is the Tito whose guerrillas kidnapped Greek children from their homes and he still refuses to surrender them. Oh, yes, we are told he has returned a few of them. Why not all? Should we not make this a condition? Would you trust him in any kind of a deal? Communists are liars—even the American brand. To do business with Tito is to do business with the Devil. But the State Department says, notwithstanding Tito's communism and his bad record, in our desire to stop communism we will take a chance. This is unadulterated compromise. Do we favor just a little bit of communism? It's a diabolical policy and will lead to the same failure as our appeasement policy has with Stalin. It is this policy that has plunged us into the mess we are in today.

There is another phase of the question before us, Mr. Chairman, namely, the effect of our policy upon the freedom-loving people in Yugoslavia and the other iron-curtain countries. In essence, what we are actually doing is to insure Tito's regime; we make certain that his dictatorship will continue.

Leapold Kohr, professor of economics at Rutgers, in a recent article said:

> No ruler stands on shakier foundations than Marshall Tito. He is opposed by many Serbs because he is a Croat. He is opposed by the overwhelmingly Catholic Croats because he is an atheistic Communist. He is opposed by Communists because he is a Titoist. He is opposed by Democrats because he is a dictator. * * * Deprived of all means of support, Tito can now be maintained in power only through external aid furnished by the very nations he has hitherto denounced and at whom, as they prepare to help him, he now hurls the insolent warning that he does not intend to mend his ways.

Of course, he does not.

Recently, Mr. Chairman, American-Serbian organizations have been heard on this legislation. These organizations contend that Tito would have us believe that the famine was caused by drought. This is not the truth, they say. Its main cause has been Tito's oppressive measures for collectivization of farms. Peasants constitute 80 percent of Yugoslavia's population. This vast majority is being robbed of its right to own land and retain the fruits of its labor. Injustice has robbed them of the initiative to produce. While it is true there has been a considerable drought yet collectivization of the peasants' farms is the basic cause for whatever famine that exists, according to the American-Serbian groups.

Mr. Chairman, if there is danger of famine and suffering then the aid rendered under this bill should be distributed by some American organization such as the American Red Cross or the Friends Society. Further if Tito is on our side then this bill should also provide important conditions; such as a guaranty of free and unfettered elections, of full religious freedom for all faiths, of the release of Cardinal Stepinac, of the end of collectivization of farms and the promise of a settlement of the Trieste dispute. I can hear it said that this is interference with the internal affairs of another government. I ask you what kind of traders are we? Where are the modern Yankee traders? The Communists would destroy us if they could and I shall not be a party to giving aid and comfort to the man who would destroy my home. I shall oppose communism so long as my voice can be heard. I do not intend to compromise with Tito's communism.

Our boys are dying in Korea today in a war they are told is to prevent the rush of communism. The bill we are debating today will, in effect, guarantee the continuance of communism in Yugoslavia—we guarantee the rule of tyranny and despotism. What will we say to the loved ones of those who have already given their lives in Korea if we vote for this bill. Are we against communism or not? Or can we be just a little bit for it? Consistency, thou are a jewel. When the

final roll is called the record will reveal those who are for and those who are against communism.

Mr. RICHARDS. Mr. Chairman, I yield 16 minutes to the gentleman from Connecticut [Mr. RIBICOFF].

Mr. RIBICOFF. Mr. Chairman, first I want to make a few brief comments on the statement made by the gentleman from Wisconsin [Mr. SMITH], who preceded me. He talks about the roll call and states that by your vote will be indicated whether you are for or against communism. Basically, I think he overlooks the fact that not only are we against communism but we are also against Russian militarism, and there is no question in anyone's mind that the conduct of Russia during the past few years is one of naked militarism, using communism as a force. Anything that can be done to stop that militarism which threatens all mankind is definitely on the side of the United States of America.

The gentleman also mentioned the fact that Tito is weak and could fall at any time. I am willing to grant that proposition to the gentleman from Wisconsin, but is there any question in his mind that if Tito fell Stalin would take his place?

May I ask the gentleman from Wisconsin whether he would prefer Stalin in control of Yugoslavia instead of Tito? Would he prefer Stalin in control of those 32 divisions? Would he prefer Stalin in control of that strategic part of the world? Or would he rather have Tito, not an imperialist, in control?

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. KEATING. That is exactly the point that is bothering me, and my mind is often on this bill. I realize that perhaps the gentleman cannot reveal to the House everything that was said in the committee, nor can the gentleman from Wisconsin, but what is the likelihood in Yugoslavia if Tito fell? In other words, is it a fact that he is likely to be supplanted by a Moscow-controlled puppet?

Mr. RIBICOFF. The best information that we have is that a few men under Tito are very strong individuals, Titoists, anti-cominform, and would probably be able to hold the reins of Tito communism unless there were such general dissatisfaction in the whole country due to conditions such as these that there would be a general sweeping out of Titoism and a supplanting by Stalinism. I think that is a very important consideration to take into account in connection with this bill.

Mr. KEATING. The gentleman from Wisconsin referred to other elements in the country who are equally opposed to Tito as are the Stalinists. My worry and my inquiry is, Which one of those elements is going to come in? The only possible justification for this measure is that it will help to retain in power a man who is the lesser of two evils.

Mr. RIBICOFF. Replying to the gentleman, I would say, let us look at the past successes of communism and its infiltration, together with the manner in which they have taken over one nation after another through close alinement. By cohesiveness, an organized minority knows what they are going to do. Taking into account the fact, that Tito himself has suppressed all the anti-Tito elements, and I think frankly has liquidated all possible effective leadership of anti-Titoism, it seems that if Tito fell because of great dissatisfaction the only group that would be strong enough, and also the only group that could look for outside help right on its border from Russia and its satellites would be the cominform group of Stalinist Communists who would take over in that strategic area of the world. That is what all of us must realize. We must realize that the basic purpose of American foreign policy is to make sure that this Nation survives. We must always make sure that the forces which are aligned with the United States are always the superior force. The United States of America cannot be in the position of not using its power. If it has power and does not use that power it does so nevertheless in favor of the adversary forces. If the United States refuses to give this aid to Tito, what are we actually doing? We are taking our power in a negative manner and giving it to Stalin. We are saying, "We are not going to help you, Mr. Tito; we are going to let you fall, we are going to allow general dissatisfaction to exist throughout your nation." As a consequence, what does America do by not using its power? America then takes a negative view, takes its power and gives it to Stalin. That is one of the main issues here before us today.

I may say that no clearer statement was given than that of the gentleman from New York [Mr. WADSWORTH] in his analysis, which was cool, calm, reasonable, and logical. The United States must realize the position in the world of those countries on the borders of Yugoslavia. Not only have you got the satellites, you have Greece, you have Italy, you have Austria. If you get yourself in the position where Stalin comes in, he will control the Adriatic, he marches in Turkey, he marches in Greece. He is there to go into Trieste and to attack Italy and go down the Po Valley.

Those are the facts of life. The fact remains basically that the United States is not too strong today. Let us be realistic about the whole situation. The United States is in a critical situation. General Bradley confirmed the weakness of American forces in a recent speech. It is no secret. I think it can well be said that probably by the aid we may give to Yugoslavia it will be an impetus to have Stalin move against Tito. Is Tito brave or not brave in taking this aid from the United States?

Do you think that the United States would go to the aid of Tito under those circumstances? Whether we would or not I do not know, but I do not think we have the forces or the power today to actually commit our own forces in the Adriatic. Today with the world situation as it is and with our own future at stake, these are the practical considerations.

None of us likes this bill, none of us likes Tito. There is nothing in this bill or the approval of this bill which indicates anything about support for communism or support for Russia. This bill, Mr. Chairman, is basically a bill looking toward the supporting and strengthening of the United States of America. I think this House should view the bill in that light. We are getting a plus factor in the whole situation. We are checkmating at least 32 divisions. We know that for 400 years they fought the Turks. We know that they tied up many Nazi divisions during the last war. Those partisans, those Yugoslavs, stayed there and all of the evidence is that they will tie up many divisions that Russia might throw elsewhere. There is ample testimony to the effect that Yugoslavia today is a plus factor on the side of the forces of the United States. We have alliances with Western Europe. Are we going to be able to save Western Europe and the productice capacity of those people, those 270,000,000 people? But surely if we let Yugoslavia go down and let Stalin take over, by virtue of Stalin taking that nation there is no question that Germany is weakened, that Italy is weakened, that France is weakened, and that Greece is weakened, and accordingly the position of the United States in the world today will be weakened, too.

Mr. SMITH of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yeld to the gentleman from Wisconsin.

Mr. SMITH of Wisconsin. I would like to say to the gentleman that I think his statement is based on a false premise. He assumes that if the forces of Tito fall that they are going to go Russian Communist. Now, Serbians with whom I have discussed this matter say that by aiding Tito we are blighting the lamp of liberty and freedom; that if he was to fall he would fall to the West, people who believe in the principles that we do. I agree that the crux of this matter is which way it will go.

Mr. RIBICOFF. In answer to the gentleman from Wisconsin, I want to point out this. There is no question that Tito's policy has been anti all religion. I condemn this policy. What makes us think that those Serbians could do any differently than the Hungarians did, than the Rumanians did, than the Bulgarians did, that the Latvians did, that the Poles did, that the Lithuanians did and all those nations that were as strongly religious as those Serbians, but could not stand up against the powers and forces of Soviet Russia? What makes us think that in that area of the world, while that entire area is within the control and purview of Stalin except this country on the Adriatic, approximately 6,000,000 Serbs could stand up against the power of those approximately 600,000,000 people in the heartland of Europe and Asia.

Mr. SMITH of Wisconsin. Because they have already done it under Mikhailovitch.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Iowa.

Mr. GROSS. The gentleman says that the United States is weak and

quotes General Bradley as concurring in that statement. Why are we weak?

Mr. RIBICOFF. I would be willing to answer that question. I would say to a certain extent that the United States has not realized the responsibiltiy upon its own shoulders for having made the commitments that it has.

Mr. GROSS. The gentleman means the administration and not the United States, because we have appropriated all the money asked for for defense purposes, militarily speaking.

Mr. RIBICOFF. I would say, militarily speaking, that we have not appropriated enough. It has been far from enough. I think the United States does not have a force in being, and has not appropriated enough money to take care of its all-around commitments all over the world, and that is something that I have been saying in Congress and out of Congress for a year and a half, and I think that it becomes very, very important that not another day go by before there is complete mobilization, before there is price control and wage control and more taxes, because the American people have to become aware of the fact that we are woefully weak, and every tick of time is essential for the safety and security of the United States, and there is much more we must do and that the executive branch of this Government must do in order that the United States and western civilization may survive.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Ohio.

Mr. VORYS. Would the gentleman have any objection to writing into this bill provisions requiring economic policies so that Tito would not make a habit or a career of running out of funds and coming to us again?

Mr. RIBICOFF. I will say to the gentleman from Ohio that I am in complete agreement with him. I do not subscribe that all of Tito's difficulties are due to the drought. I believe that much of Tito's difficulties are due to his fast pushing of the industrialization of his nation. I think he sacrificed much of the welfare of his nation in order to become selfsufficient. I also believe that much of Tito's difficulties are due to his rapid collectivization which caused great resistance among the land-owning peasants in that area who are unwilling to grow the crops and unwilling to turn over their substances to an over-all monolithic dictatorship, which is Tito's. As the gentleman knows, I joined with the gentleman in the Committee on Foreign Affairs sponsoring an amendment which would seek to put that type of condition on our further giving of aid. I will say to the gentleman I have had an amendment drafted which I will be delighted to have him introduce instead of myself, which reads as follows:

To take all necessary action to reduce its relief needs and to lessen the danger of similar future emergencies.

If this Nation is going to give aid, and I think it is important to give aid, at least this Government can expect the discontinuation of such policies from Tito that will require him to come to this Congress and this Government again and ask for further aid, and I would be glad to join with the gentleman from Ohio in sponsoring such an amendment when the bill is read under the 5-minute rule.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Pennsylvania.

Mr. FULTON. As I have respect for the gentleman's opinion, why could not the United Nations agencies be used for this aid, if it is for a humanitarian and a relief program, for example, the Food and Agricultural Organization? There is also the International Emergency Children's Fund. The United Nations has agencies set up just for this purpose, and so up in Europe where the distances would not be great.

Mr. RIBICOFF. Frankly, the United States is giving this money for a very selfish purpose. The United States is salvaging millions of hungry Yugoslavs. We want the good will of the people who are the recipients of that aid to inure to the benefit of the United States, that is giving all this money to salvage this nation in hunger and misery. I do not think it is an unworthy purpose of the United States to make sure that we get credit for the money we spend, and to make sure that these people get the relief.

Mr. FULTON. That is putting the program on a broader basis than simply a strategic basis. You are not then simply trying to give millions of dollars in order to hold 32 divisions. From your viewpoint, you are really trying to feed the starving and hungry people as well as get a little credit for it.

Mr. RIBICOFF. That has always been a worthy purpose indulged in by the Government of the United States.

Mr. Chairman, few bills before Congress have been supported with such little enthusiasm for the direct beneficiaries. After all, Yugoslavia is a Communist state and a dictatorship. Although this Nation maintains normal diplomatic and commercial relations with Yugoslavia, this bill in no way implies approval of Tito's internal policies. Further, there is no guaranty implicit in this measure.

This bill requires a tough decision; it is an expensive one; it is not a sure thing, but because of the difficulties the burden is placed nevertheless on this Congress. That burden is a part of democracy, and an essential part. If you lived in Russia, you would not have to trouble yourself over the finely balanced processes of foreign policy. You would leave all the tough questions to your masters in the Kremlin.

This Nation must see the world situation steadily and whole, and yet not become so preoccupied with the whole picture that it loses track of the particular problems of particular situations.

And yet no foreign policy of this Nation can be justified unless it looks toward the strengthening and survival of our own Nation. We must constantly strive to insure that the nations with which we are alined always have the superior power. A nation must give heed, not only to its goals, but also to its means of achieving them. That means power, for power is a capacity to achieve intended results.

We want our Nation to play a role of power—not of power as an end in itself, but as a means to wise and just ends. Our Government must look to its military strength. It must seek the support of other nations. It must be willing to help them, as they need help, in providing the means to persevere toward our common goals. Our Government also must act prudently to preserve and develop the internal strength of the Nation. It must seek at all times to act in the areas where Americans are united as a people. It cannot afford to fragment the popular support which is the ultimate source of all national strength.

Let me tell you what I think is the most important thing for us to keep in mind about our power: There is no way we can avoid having it count. Power—as I said before—means the capacity to achieve one's intentions. A nation which has power and yet withholds it—uses its power nevertheless. It uses it on the side of adversary forces. By withholding aid to Yugoslavia, the United States would really throw its power on the side of the Kremlin, which would capitalize on the weakness of Yugoslavia. As much as we dislike Tito it is to the advantage of this Nation to have Tito in Belgrade instead of Stalin.

Today the cheapest thing we have to sacrifice is money. Our Nation's youth, our freedoms, our institutions are ever so much more precious assets.

Next to Russia, Yugoslavia has the strongest standing army in Europe. It is composed of more than 30 divisions. This aid is justified by political, military and strategic reasons, as well as humanitarian ones. Yugoslavia occupies a highly strategic position in Europe. It has common borders with Italy, Austria, Greece, Bulgaria, Rumania, Hungary and Albania. The continuation of Yugoslavia's independence certainly works definite advantages to Italy, Trieste and Austria. An independent Yugoslavia blocks Russia's domination of the Adriatic and the Mediterranean. The civil war in Greece came to a close when Tito blocked his frontiers to the Greek Communists.

You have heard and will hear more in this debate that Tito is a Communist, that his country is a police station, that he may realine with Stalin, that what we give him may he used against us, that he may be killed and the Politburo may take over anyway. But as I said earlier, we are giving this aid to Tito with our eye wide open and from a sense of realism, and not because we have any affection for him or his system of government.

Tito, however, cannot go back to the Soviet Union. All testimony is that the break between him and Stalin is definite. While it is true that any assistance that we give Yugoslavia would be beneficial to Stalin were he to take over Yugoslavia, it should be kept in mind that the same argument holds for every other nation in the world which has received

aid from this Nation. However, if Yugoslavia goes down, the positions of Greece, Italy, France, and Germany are in still greater danger, as well as the entire Middle East.

There are some things in the bill that do not please me. Although the drought accounts in the main for their food shortages, yet collectivization and too rapid industrialization are also to blame. An amendment should be introduced and supported to the end that any measures which would tend to worsen Yugoslavia's food and economic position should be prohibited, as well as one to the effect that nothing in this act implies approval of Tito's regime or the policies pursued by it.

It can easily be seen that foreign policy is a vast and delicate business. Its complexity goes beyond the limits of any one man or any group. It requires the best wisdom of all of us.

At this critical time in the history of our Nation and western civilization, I again plead for our Nation to rise above the level of party considerations. The fact is that men of good will in both parties have perceived the necessity of establishing a more stable basis for legislative consideration of foreign policy than would be possible if such issues were approached in the context of party bickering. The bipartisan foreign policy has enabled Americans to stand together in facing the world's problems. The Congress—that is, most of the Members of Congress—have sought to find the precepts of our world policy not in the narrow range of partisan striving, but in a broad framework of patriotic endeavor.

Not all of the Members of Congress have abided by that principle. Some have preferred the old habits of mutual distrust between the parties in foreign as well as domestic affairs. Their minds and hearts still operate in the framework of 30 years ago. You will remember the tragedy of that era resulting from the circumstance that men in positions of great political power in our Nation sought to raise party advantage above national welfare and international peace. The conspiracy to wreck the results of President Wilson's leadership was set in motion even before the terms of peace had been developed. Men whose skill was in excess of their principles, whose partisanship was vastly greater than their patriotism, managed to guide that conspiracy to success. The result was a chilling of men's hopes everywhere, a default of leadership on the part of this Nation through the fallow years of the 1920's. Our Nation went ahead on the assmuption that it was not involved in the deterioration of the situation elsewhere on the globe. That assumption was blasted with the coming of World War II, which was the opening phase of the bitter ordeal in which we are still involved. Yet there are some who would write off the intervening facts and return nostalgically to the isolationism of the twenties. Fortunately these are a minority.

There are others who would share in the bipartisan foreign policy when it is to their advantage but would turn their backs upon it whenever a minor tactical gain might be scored in the contention between parties. These are half in and half out of the bipartisar approach. These are wont to share the credit for all successes and to disavow any part in the disappointments. They are wont also to regard the bipartisan idea of the foreign policy as an arrangement in which the constitutionally responsible officers must give hostages to the minority. They regard any refusal to give way to minority dictation as a breach of faith. They regard the bipartisan foreign policy as a warrant to raise their voices in condemnation whenever they wish and yet to claim immunity to any rejoinder.

Yet these have not been the prevailing moods. Our Nation has presented a continuity of policy and a determination of effort which are quite in contrast to the default of responsibility that obtained after Versailles a generation ago.

This does not mean that there has not also been a short-sighted approach to bipartisanship by the executive branch of our Government. While the direction and execution of foreign policy is within the executive branch, the Congress must implement, legislate, and appropriate to make foreign policy effective. Congress has been neglected too often. Consultation and briefing after the fact, yes; but consultation before the fact, no. An effective foreign policy is too important not to take into account the views of those who have legislative power. The responsibility should be placed on congressional shoulders, too. The executive branch has given too little attention to the realities of the legislative process. This oversight should be rectified at once.

Further, each tick of time makes our job so much harder. Complete mobilization, controls, taxes, a price and wage freeze, and even roll-backs should be put into effect without a moment's delay. We are in a national emergency. Strong leadership will galvanize the entire people to action.

To avert the threatening tragedy and progressing toward the goal of a just peace based on a widening opportunity will require the best thoughts and the most earnest efforts of all men and women who can rise above party. The job is more than Democrats alone can do. It is more than Republicans alone can do. It is a job for all Americans acting together. It requires a steadiness of purpose above the vagaries of party fortunes.

That is why men of good will in both major parties must continue to place our foreign policy on a higher basis than party advantage.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Chairman, we have heard a lot today and we are hearing it, and justly, every day about the grimness of the situation in which the United States finds itself. One of the gentlemen who have discussed this pending bill said, and I think I quote him accurately, that the public opinion of the people of the United States was against appeasing communism. An effort was made here just a few minutes ago to intimate that those who are backing this bill are for the Communist idea, which is, I think, quite unfair. Those who have spoken for this bill are known as ardent opponents of communism and my own record of fighting the Communists and communism certainly needs no apology and it is clear; in fact, this bill is a strong anti-Communist measure.

The one thing that has not been said today is that this is the first time I know of and the first time I think the Congress knows of when the United States has gotten grim and has gotten realistic. This is the only opportunity which has been offered to us here to wage economic warfare behind the iron curtain. The gentlemen who argue against this bill cannot have it both ways. They cannot say they want to fight communism to the limit, that they want to fight it wherever they can find it, and at the same time oppose the only measure of effective economic warfare on communism which the Congress has had an opportunity to act on.

These Communists do not play for marbles. Tito knew he was risking his head when he came out against the Cominform. Yugoslavia, and that is the testimony before us, is running rife with Russian Communist agents seeking Tito's head and seeking to overthrow him. When we back Tito we are backing the only Communist leader who has dared to defy the Kremlin. So far as the Kremlin is concerned, that is anathema. That encourages others to question its authority. That destroys the religion which is communism. This is the first fellow who has had the nerve to do it and we are arguing about the fact that we do not want to break the only effective dagger which has been pointed at the heart of the Kremlin from behind the iron curtain and which is not costing a single American soldier. It is costing thirty-eight million in dollars.

There is one thing that the action of Communist China in Korea should prove to all of us and that is that the strength of the Soviet Union is based upon satellites. What makes the Soviet Union dangerous and imperialistic is the fact that it has grown to control 800,000,000 people. It was not nearly as dangerous and we did not regard it as nearly as great a threat when it controlled the 200,000,000 people of the Soviet Union itself. Now we consider it very dangerous and Communist China showed us why—because the Soviet can now wage aggressive imperialistic war against the world and she can fight such wars by proxy. There is not a single Russian soldier engaged in Korea. Only Chinese and Koreans. Yet, American soldiers are dying there.

Here we have a good chance to immobilize, if we do nothing else, to immobilize, even if we do it only for a time and even if we do it only through next spring, to immobilize 32 Russian divisions. And what are we paying? We are paying $38,000,000.

What do you gentlemen want for $38,000,000?—32 divisions to use as we please? My colleague, the gentleman from Montana, just told us it cost $3,000,000,000 a year to maintain them and

equip them. You cannot buy 32 divisions with $38,000,000—but you get a chance to keep them from being a threat to us.

The defection of Tito hurts the Soviet Union. It hurts it badly. Certainly that is shown by the fact that no event in recent history has so unnerved the masters of the Kremlin. No one has been the subject of more violent propaganda out of the Kremlin. They have not come out against anybody in the world, even including the United States and the people they call the imperialists as they have against Tito. He scared them to death. And what we want is to keep them scared. Is this bill not an awfully cheap price to pay?

This bill is the opening gambit in this grim game we are playing with the Soviet Union. This is nothing, pure and simple, but economic warfare, something which we learned was very effective in World War II and something which we are learning now in cutting off exports to Soviet-bloc countries. We still have not done enough in that regard.

We could still exercise more leverage on Hungary with respect to Cardinal Mindszenty and Robert Vogeler. We could still exercise pressure on every other Soviet-bloc country if we completely cut them off from the Western world with which they still must have trade relations, and with which they still do have relations.

There is one other point that is very important here. Tito has asked this aid. We are not shoving it across the counter to him and saying, "There, Mr. Tito, please take it." When he asks for aid from the United States he is making a commitment. He is compromising his position with the people of Yugoslavia themselves, because he was just one of those Communists like Stalin who had been raising hob about imperialists, of which he called us one. Now he comes to us and asks for this aid. You do not have to take my word or anybody else's word for that. The documents are in the record. There is the document of October 20, a note from the Yugoslavian Ambassador to the Secretary of State specifically requesting, at Tito's direction, aid from the United States. Now, Franco-Spain never did that, nor has anybody else in a situation such as this where we can take this effective, unbelievably effective act that we are asked to take in our life and death struggle against communism. There is one point which should be answered. It can be said that when we help Tito we are helping to maintain the status quo. There has been a lot of argument made on that score about our policy, that we almost always manage to get ourselves into a box where we maintain the status quo, whether in Nationalist China or South Korea or now in Yugoslavia. That is perhaps the most potent argument that can be made against this proposition, that by backing Tito we are maintaining the status quo. But I think that is decisively answered by the fact that if we do not back Tito at this time we lose two things: It is likely that if Tito falls he will be succeeded by a Stalinist. The country is in the complete grip of the Communist Party.

Second, and very important, if we do not help Tito now we do not get a nose under the tent even in Yugoslavia. Under this bill we are permitted to send our people in to observe the distribution of this food. Under this bill the food must be distributed and that is revolutionary in Yugoslavia—without any reference, not only to religious application but without discrimination on grounds of political opinion. One of the things which is happening in Yugoslavia today is that special bonuses to Communist commissars have already been eliminated.

Those are great gains for the Western World, in addition to those which the gentleman from New York [Mr. WADSWORTH] today mentioned, about the security of the Greek border. That alone is worth many times $38,000,000.

The quieting of the situation in Trieste; improvement of the situation in Austria; improvement for American citizens in Yugoslavia who could not formerly get out; the beginning of the return of Greek children. All those things we are beginning to get, which is definitely breaking the Communist front; and we are getting it for what? For $38,000,000, for food in a famine situation.

Let me pay my respects to that. It is nice to read figures about the fact that Yugoslavia has produced 59 percent of its corn crop. We have testimony before the committee about the situation with respect to transport in Yugoslavia. It is a fact that they could have 100 percent food supply in the west or north of Yugoslavia and still have starvation in the south of Yugoslavia. That is exactly what has occurred. This food is needed in certain areas to which food cannot be brought because of the inadequacy of transport and transport connections in that country. And food that comes from the United States will go directly to those areas where there is famine, and our own people will see that it goes there.

Yugoslavia is still holding Archbishop Stepinac in prison and hundreds of other priests and nuns, church property has been invaded and taken and generally speaking there has been much activity there which we know to be associated with Communist regimes everywhere against religion. In recent months we have seen a few chinks of light with the release of the Vicar General of the Catholic Archdiocese of Belgrade and a little better climate for people who are practicing their religion in Yugoslavia. This, however, is a very small change and there is still practically everything to be done on this score. The question we must ask ourselves is how best can we begin to get it done, by letting Stalinists take over and getting the iron curtain tightly clamped on again over Yugoslavia, too, or by getting openings through which the injustices against religion and religious institutions in Yugoslavia may begin to be removed?

Now, we have got to make up our minds about this. Do we really mean it when we say we are in a grim situation and we have to fight with all the weapons at our command, or do we not mean it? If we mean it, we have to fight with economic warfare, too. This bill is the first chance we have had. If we do not mean it, then all we are doing is using arguments about the Yugoslav situation as a technique for killing what is proposed—good, bad, or indifferent—directed against Communists and communism, which means spending money.

One of my colleagues said if we can win out in this struggle with communism only by the expenditure of money, we will be getting out of it awfully cheap. I think we would all agree on that.

Mr. SUTTON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield.

Mr. SUTTON. Does the gentleman actually think for one-half second that for $38,000,000 we will get even one man on the United Nations side?

Mr. JAVITS. I made it definitely clear that if we could get that, we could afford to spend far more than $38,000,000, but I regard this as being the opening gambit to keep a dagger pointed at the heart of the Kremlin. We will have to be following up on that in whatever way it suits us. That does not mean we will have to go along with Tito in economic aid or anything else, but at least we are keeping the situation favorable to us now.

Mr. SUTTON. We have already loaned them $31,000,000, have we not?

Mr. JAVITS. We have already advanced $32,000,000 in food, but to do the job takes over $70,000,000.

Mr. SUTTON. Is there the slightest insinuation that they will send one man to Korea?

Mr. JAVITS. But if they would send men to Korea, it would be worth far more than this. I am not claiming for this more than it is. It is a great propaganda weapon and economic welfare weapon against the Kremlin the like of which we have not had before.

The CHAIRMAN. The time of the gentleman from New York [Mr. JAVITS] has expired.

Mr. RICHARDS. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio [Mr. HAYS].

Mr. HAYS of Ohio. Mr. Chairman, I want to thank the gentleman from South Carolina [Mr. RICHARDS] for giving me this 5 minutes. I realize I cannot begin to cover the field in that time, but I have supported all the foreign commitments that have been brought before the House since I have been a Member of it—the Marshall plan and all the auxiliary features of it.

I hesitate to differ with members of the Foreign Affairs Committee on this matter. As a matter of fact, I have made 86 trips back to my district in the past 2 years to sell my people on the proposition that we cannot be isolationists, and that we have to deal with the world. But it seems to me this is a fundamental matter, that if we are going to fight communism we have got to have some proper and sound ground to stand on when we begin to fight communism by aiding communism.

I was in Yugoslavia a year ago. Tito told us, and his foreign minister and assistant foreign minister told us, that they were Communists; that they have no ideological differences with the Kremlin

except one, that is, who is going to be the boss in the Balkans.

There has been a lot made this afternoon about these 32 divisions. The military attaché in Belgrade told me a year ago that as far as he knew I was the only American who had ever seen the Yugoslav Army on maneuvers.

That happened purely through an accident, because we were not permitted to travel freely in Yugoslavia.

I want to say to you that if they have 32 divisions, they are not 32 divisions as we understand them; they are rag-tag, bob-tailed, ill-equipped, poorly clad fighting units. They may be good for guerrilla warfare, but that is about all.

Some have said Tito's alleged 32 divisions can be bought for $38,000,000. We do not have any guaranty we can buy them either with food or even if we equip them. I have seen those men. I have information, and it is first-hand, that the first thing they would do would be to murder their officers, take to the hills and fight against Tito and the Communists from without and try to set up an independent government in Yugoslavia.

They talk about different United Nations organizations. I saw his trucks that his army used. Where the olive-drab and green had faded out or worn away you could see the letters "UNRRA" showing through. That is where he got part of his military equipment. And, as to the UNICEF program, the children's aid program, we went out to a school where we saw them give this milk to the children. Before they got it they had to stand there and sing a little song. I do not understand the language and could not interpret it, but the interpreter said that the meaning of what they sang was: "Thanks to our great leader Tito for this milk we get today."

He did not give any credit to the UNICEF program, to the United Nations, or to anybody else.

The point I am trying to make is that if we follow this bill we are undertaking to fasten his brand of Communist dictatorship upon a people which has a tradition of fighting for freedom. You do not need to take my word for it. Go over to the Library of Congress and look at the history of World War I and find out who fought the Germans down in those mountains; go back and find who fought against the Turks. They will be fighting against communism now just the same as they fought against oppression in the past, because this people have a tradition of freedom and they have a tradition of loving to run their own business. Tito did not break with the Kremlin because he wanted to; he broke with them because he knew the temper of the people. He knew what would happen if he tried to subject those people to the orders and to the wishes of the Kremlin. Oh, yes; if Russia tries to invade Yugoslavia and take over if Tito fails, they might find they had more trouble on their hands than they have now with Tito.

I think we stand at a dangerous place when we give aid. They are using the drought as an appeal to support this loan. I heard what Mr. Haggerty said before the Foreign Affairs Committee. I will not attempt to give his exact figures, but he said that only a relatively small percentage of this lack of calories was caused by the drought; he said that a great deal of it was caused by Tito's collectivization.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Pennsylvania [Mr. FULTON].

Mr. FULTON. Mr. Chairman, there was one thing that America has stood for during all the years—that there is something more than bread, and arms, and bombs in the world—there is such a thing as principle. We Americans cherish this basic concept. Our Government has stood as a standard to which people could repair who wanted freedom and justice and who were oppressed. We Americans take pride in this stand. The question then is in connection with this new bill, Shall we firmly and clearly stand with principle and, if necessary, fall with principle? Or shall we embark upon opportunism and expediency to save our skins and our security? My answer is a clear "No."

I hold no higher moral conscience, I hold no higher public judgment, than anyone here. My purpose is merely to point out that possibly this Nation is reaching for the small grain of corn and overlooking the full ear. We are not so desperate as to cast off principle and reach for small things.

The people of this country down through our history have said, we would rather have freedom. This is worth sacrifice and dangers willingly encountered, and alone if necessary. It is an old saying that if Patrick Henry had said, "Give me security or give me death" we would not have had any free America. Liberty requires bold action.

Reduce this proposed course to a simple play for security, but your security will be small indeed. Most of the people of this world are not directly involved in this argument, in this great imperialistic dispute that now seems to be waging. We must convince those billions of people upon the basis of reason and fair conduct. You must appeal to them on their hearts and their consciences, and they will join you. They will know in their hearts they can trust you and propaganda will utterly fail if your words are tied to actions that are based on enduring principle.

The trouble with American foreign policy today is that we are trying to shore up old regimes, we are trying to maintain the status quo wherever it is regardless of principle. This proposed legislation even goes to the extent of trying here to shore up an inefficient and failing dictatorship, let alone an efficient one. Where must the right-thinking people of this world turn in this critical hour of revolution and misunderstanding and bloodshed? Not to opportunism, expediency, imperialism, power politics, and cloak and dagger diplomacy.

If you had two tigers out in your back yard and there was one big one that growled at you every morning, and you said, "I am going to be smart about this. I will take oatmeal out every morning and feed it to the little one. He will show the big one." So one morning you go out and you find you have two big tigers in your back yard instead of a big one and a little one. The little one will probably treat you just as much as you thought the big one might. If he is not for you and your principles, if he is not for your way of life when small, do not expect otherwise any time you go into the garden. The grown little tiger may not like either you or the big one. This bill's policy could be summed up tread softly and carry a big bowl. Teddy Roosevelt's policy was speak softly and carry a big stick.

America should stand up and still hold our banner so that the young people of the world who are looking for some place to place their confidence and their future, can see that the United States is not playing power politics, playing for 32 dictator divisions. Let the dictator have his divisions, as far as I am concerned. The man who chooses to stand with free men on his principles will be respected even by his opposition, but the man who trades his principles for a desperate expediency for his own safety and security will not be respected nor followed by the world's new generation. Let us show the way to build a better world based on principle and we need not buy friends nor enter greasy alliances. Have we forgotten that ours is the job of building a better world, with freedom from fear and want, and justice for all?

You may say, "Well, this bill is not humanitarian." Of course, it is not humanitarian because, if it were, we would already have fed millions of starving people in India as Nehru came over here and pleaded with you to do. It is not relief, because according to the Senate report most of the produce in this year of 1950 in Yugoslavia is not below 60 percent of normal. As you know, the average daily calorie supply in Yugoslavia is about 2,300, whereas shortly before it had been 2,800, really less than a 25-percent decrease in the standard of living.

What else is it? Is it a relief program? Of course it is not, because there has been worse distress in many other places, including slum areas in the United States, and again you have done nothing.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. Is this money or food going to be given to Tito to sell to the people over there, or is it going to be distributed?

Mr. FULTON. It is not being given to the people of Yugoslavia when they are able to pay for it. It is a grant to Tito's government, however, so that government will not have to repay the United States. Tito will put the supplies into his economic system and sell them as much as he can through the ration system. This is a concession to the Tito government whose finances will be greatly improved by such a gift. You would, therefore, by this bill, be assisting in keeping in power an inefficient dictatorship, by giving a grant-in-aid where Britain has just made a loan of £3,000,000 under similar circumstances.

Mr. AUGUST H. ANDRESEN. The result will be that the hungry people

who do not have the money will not get the food?

Mr. FULTON. That is about right, as there is no doubt the Army will come first.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Montana.

Mr. MANSFIELD. As I understand the question asked by the gentleman from Minnesota, and I wish the chairman of the Committee on Foreign Affairs would correct me if I am wrong, where the people cannot afford to pay, this food will be given free, is that correct?

Mr. RICHARDS. That is correct.

Mr. ALLEN of Illinois. Does the bill say that?

Mr. FULTON. The bill does not say anything about the percentage either being given free or being sold by the Tito government. That is not stated in this bill nor is it proposed to be designated in the legislation. That is Tito's decision.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. VORYS. I yield the gentleman two additional minutes.

Mr. FULTON. On the humanitarian side and humanitarian principles, let Tito tell us where the Greek children that have been kidnaped, are spending their coming Christmas. Where will the 700 imprisoned priests and church leaders spend their Christmas? Let him come up with that before we give him the money.

The next question about this program is the question of direct alliances. There is no intention by this legislation to make direct alliance with Tito. In addition to that, there is no intention that Yugoslavia will come under the Atlantic Treaty as a treaty nation, because Tito has said he would not. And the irony of it is that Yugoslavia has already been given aid under the United States mutual defense assistance program to tide over temporarily.

There is no doubt that Tito will not go into the so-called western union or union of the nations for the joint defense of Western Europe, nor will he defend them. The written statement on foreign policy circulated to Congress by the Yugoslavian Ambassador several weeks ago proves that even to this date.

In addition to that Tito will not join with the Marshall plan countries to help rebuild Europe, so that he will not accept the Marshall plan in conjunction with the other democracies.

In short what you are doing is this: The State Department and our Government have stated as basic policy that in this question and hour of crisis in Europe there can be no neutrality. We said to France, and Sweden, and others: "No neutrality." "You must stand with the West." We said the same to Italy. Then the United States Government comes along and in Yugoslavia's case we finance a new neutrality for Tito, saying, "even though you spurn Marshall aid and refuse to join with other countries to help rebuild your own and other countries of Europe, even though you will not join in the Atlantic Treaty for the defense of the Atlantic Basin, even though you will not join in a western union to defend Western Europe, and even if you will not join in the United Nations effort to protect our own soldiers in Korea, nevertheless, with no strings at all, we will throw this bread on the waters and just hope that some good comes of it."

I say to you that there are only 3 percent of the people in Yugoslavia that favor the Tito dictatorship. The rest are non-Communists. There are less people in Yugoslavia that are for Tito than are Communists in many States of this country. If you pass this bill, you are shoring up this Government and holding 97 percent of the free people of Yugoslavia down in the throes of one of the worst and most inefficient dictatorships that ever existed in Western Europe. We must meet this issue squarely—shall we of the free world waiver and, in waivering, compromise under the pressure of expediency, the principles that hold us together—and under which we move forward? My answer is a complete and direct "No."

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. RICHARDS. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, the gentleman from Pennsylvania [Mr. FULTON] made the statement that there was nothing in the record to show that any of this relief would go to people who were unable to buy it. The gentleman from Montana refuted that and I corroborated him in what he said. Here is what the Assistant Secretary of State said about it:

> Foodstuffs supplied under the aid program are to be distributed within normal channels. Food will be delivered by each republic to regular consumer outlets where it will be sold for fixed dinar prices. Persons within the rationing system will require ration cards as well as dinars; others (chiefly in rural areas) will require only dinars, and not ration cards. Needy persons lacking sufficient dinars will receive food free of charge.

That was the testimony and that was one of the requirements of this program.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. RICHARDS. Mr. Chairman, I yield 10 minutes to the gentleman from Texas [Mr. FISHER].

Mr. FISHER. Mr. Chairman, I shall vote for the pending bill, and in doing so I join with others in explaining that I hold no brief for Tito. I have heard it repeated here many times, including a statement made by the gentleman who just preceded me, that Tito has one of the worst dictatorship set-ups of any in Western Europe. That may be true according to our standards. I think I know one other that is a little worse, and I think it is over in Moscow. If we are going to decide which of the two is the worst and which one we are going to take sides with here today, count me on the side of Tito. I repeat again, I hold no brief for him, but I do know that the issue here today, if this bill is a justified one, is on the ground of preventing Russian communism moving over and occupying the vacuum created if the present regime in Yugoslavia goes down and their economic system collapses. Therefore, the issue here, as has been stated and restated a number of times, is whether or not we can here, with this assistance so desperately needed over there, move in and help those people to sustain themselves and maintain their economy through this crisis, and in that way prevent the Government that exists there now from collapsing, because in case it does collapse then I think it is generally agreed by those who are familiar with the situation over there, who have made a study of it, that it means Russian communism will move in and take over. Which do you prefer—world communism sponsored by Stalin or Yugoslav communism sponsored by Tito, which does not seek world domination?

It has been argued here that probably they do not have much drought over there, only a 59-percent shortage in the corn crop and a few other shortages, and it is not bad, after all, and that this is a phony excuse for getting money. I might point out in that connection that the Ambassador at Belgrade, Mr. George Allen, told us not long ago that he paid $2 a pound for potatoes on the open market in Belgrade. Red onions, which a year ago sold for 10 cents, are now selling for $3 a pound in Belgrade. Bread is selling for 20 cents a slice in Belgrade. A pork chop will cost you $2.80 in Belgrade, and so on and on and on. Let nobody be confused or misled by the suggestion here that there is not a real threatened famine in Yugoslavia, or certainly in some parts of it. There is no question about that condition being a real one and a serious threat to the economy of that country.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Did I correctly understand the gentleman to say that he, himself, visited Yugoslavia recently?

Mr. FISHER. With two other Members of the House, I visited Yugoslavia about 2 months ago. The country is parched. It is the worst drought they have had this century. Their crops in many areas are complete failures. Their over-all total food production this year as compared with last year is 50 percent. Those are facts.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Montana.

Mr. MANSFIELD. The gentleman visited Yugoslavia lately in company with our colleagues the gentleman from Alabama [Mr. BATTLE] and the gentleman from North Carolina [Mr. CHATHAM]. Can we assume that what the gentleman from Texas and the gentleman from Alabama [Mr. BATTLE] have said—I understand the gentleman from North Carolina [Mr. CHATHAM] is not here today because of illness—in brief comprises the feelings of your group as a result of your visit to this part of the world?

Mr. FISHER. Yes; that is true. Not only did we go there and look for ourselves, but, in company with Mr. Haggerty, who was a witness before the Committee on Foreign Affairs, we spent a day in the country visiting some of the farms and looking with our own eyes upon the conditions that exist there. Of course, we talked with our Ambassador and with all our attachés. I think we got a fairly good picture of the situation as far as the food shortage is concerned.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Ohio.

Mr. VORYS. How long did the gentleman spend in Yugoslavia?

Mr. FISHER. We were in Yugoslavia 2 or 3 days. I do not pose as an expert on Yugoslavia, but I did see a lot, and I think I know a drought when I see one.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. FISHER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. My good friend the gentleman from South Carolina [Mr. RICHARDS] and I had a misunderstanding as to my intent on the distribution of food.

Mr. FISHER. I cannot yield for that, because I have a limited amount of time. Perhaps the gentleman can get some time and answer the gentleman from South Carolina in his own time.

Mr. FULTON. Then may I ask the gentleman, when the gentleman saw Tito did Tito express any sympathy for the position of our forces in Korea or offer to help them?

Mr. FISHER. Not only when we talked with Marshal Tito but in repeated press reports out of Belgrade he condemned the invasion of South Korea. He said it was an unjustified thing. He has repeatedly made expressions along that line. I think that although we have to take a lot of what he said with a grain of salt—I understand that—I think we would do well also to indulge the hope that there may be some sympathy from him with respect to the viewpoint of the west at the present time.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield.

Mr. FISHER. I yield.

Mr. ALLEN of Illinois. Marshal Tito did not come out against the North Korean invasion until Red China got into it; is that not true?

Mr. FISHER. The gentleman is probably more of an expert on that than I am. I do know that his expressions to which I referred happened long before Red China got into it.

Mr. ALLEN of Illinois. I say that he did not express himself about the situation until Red China got into it. Before that time he did not express himself at all about it.

Mr. FISHER. Yugoslavia's condemnation of Russia's aggression—through her stooges—occurred long before Red China entered the war. The press will bear that out.

Mr. Chairman, let us examine the situation briefly. It is true, as we all know, that Tito was formerly one of the fair-haired boys of the Kremlin. It was said here that he has never been in Moscow. He spent 8 years there. He was the No. 1 fair-haired boy of the Kremlin for a long time. There is no question about that. Then the break came in 1948, on June 29, to be exact. That was after he had refused to go along with the imperialist policies of Russian communism. He insisted upon Yugoslavia having some rights of their own and being permitted to assert those rights and to have some independence in the operation of their government and economy. Up to that time the Kremlin had been very insistent upon bleeding their economies as they do every other one of their satellites with about 75 percent of many of the products and commodities produced. But Yugoslavia decided that that was not a good idea. She was suffering internally as a result and Tito suggested that that be discontinued. The result was a break which has lasted ever since. At the moment that happened and continuously until this day the Kremlin has been booming broadcast after broadcast around the clock into Yugoslavia calling upon the peasants and the people there to rise up and throw off this yoke of communism of the type sponsored by Tito. They say he is a butcher—a butcher, to use their very words. He is a man who is friendly toward the west, this warmongering, Wall Street dominated west; and every conceivable term that could be found in the dictionary, or could be devised, was used to undermine the confidence of the people in the Tito regime and thereby enable the Kremlin to retake that country which is so vital to them in a war against the west. But the vicious propaganda war and the Kremlin has only served to drive the Yugoslavs closer to Tito.

Why do they want Tito out of power? Because Tito is a thorn in the side of one man named Josef Stalin. He is the only man who has had the nerve and the temerity to rise up and throw off the Russian yoke.

Now, Mr. Chairman, I recognize that the proposed aid to Yugoslavia is a calculated risk. The money spent may be wasted. But on the other hand it may not be. It is a risk that I think is worth taking. We do know that Tito has 32 divisions in being. We know that it costs around a half billion dollars to recruit, equip, maintain, and support a division for 1 year in America Just the cost of equipping one armored division costs over $200,000,000. To recruit, support, equip, and maintain 32 divisions in the United States would cost around $16,000,000,000 each year. So, if events should take a turn that would see the Yugoslavs on our side if Russia marches, you can readily see the value in dollars and cents alone in having that army either neutral or on the side of the free people of the West.

I call attention, further, to the fact, that since the Stalin-Tito break, we are importing many scarce strategic minerals from Yugoslavia. In 1949 we purchased 66 percent of the Yugoslav copper export, 54 percent of its lead export, 35 percent of its quicksilver, and 30 percent of the antimony. But if Tito's regime goes down, who gets all that? Russia, of course. No wonder Stalin is so anxious for Tito to fall and enable him to extend his domination to the Adriatic and the Mediterranean.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentlewoman from New York [Mrs. ST. GEORGE].

Mrs. ST. GEORGE. Mr. Chairman, I have not visited Yugoslavia—not for an hour nor for 3 days—but I am interested in this legislation because it seems to me if it passes in its present form and I very much fear it will, it will be another triumph of hope over experience. I can see nothing very new in this formula. It is one which has been indulged in by our people a great many years now—10 or 12, to be exact. It is that strange theory that you can buy friends and that if somebody is not doing just what you want them to do, if you give them enough dollars, they will come down and worship you. Truly, the experience of these years proves that has not been true. Where are our friends today, I ask you. What have these billions and billions of dollars bought for us? It has been well said on the floor of this House recently that in 1945 Communist Russia only dominated about 400,000,000 people. Today she dominates 800,000,000 people and they are no friends of ours. What has happened in China, where again we have tried to appease; where we have invited the Communist Chinese to come and insult us at Lake Success, because that is all they have done.

They are living now in the Waldorf-Astoria in New York in great luxury and at our expense. When they arrived here I am told they were received with 32 boxes of flowers. Yes, we have done all that, and it is a wonder to me that during the last war we did not invite Ribbentrop and Goering over here while their people were slaughtering our men abroad. It is a strange philosophy. Why can we not have a few conditions to the giving of this $38,000,000? What is the objection? Can we not ask Marshal Tito if he will not send back those 11,000 Greek children? Something has been made about a few of them having gone back, so few that it is almost a joke and an insult.

A great deal has been said about the 32 divisions. If we need them as badly as we have been told by the experts on the floor of this House today, why not incorporate that in an amendment to this legislation, that in case Soviet Russia begins to roll, those 32 divisions will be on our side as long as we need friends, and we do need friends so badly. But no. We are not doing that in this bill. We are just going along on that same old routine of giving away something for nothing. Did you ever find that you made a great friend of someone who borrowed money from you, or, better still, to whom you gave money? I do not think so. That is equally true of the nations.

I think these same people, including Marshal Tito would respect us far more if we said, "Yes, we will give you the help you ask for, but we will give it only under certain conditions. We will give it if you will release the religious who are now in your prisons. We will give it if

you will restore religious freedom in your country. We will give it if you will allow our citizens, our newspaper men to travel freely through your country as they do in the other civilized countries of the west. Yes, we will give it if you will promise us that your armies, in time of war, will not be on the other side, against us."

Then I would be in favor of this legislation, but as it is written here today I cannot be for it.

We also seem to have developed a new and interesting theory here today. That is, that there are 2 or 3 brands of communism, and that we here in this country are going to uphold one brand against another. My friends, to paraphrase Shakespeare, I think that communism by any other name will smell as foul.

The CHAIRMAN. The time of the gentlewoman from New York [Mrs. ST. GEORGE] has expired.

Mr. RICHARDS. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. BLATNIK].

Mr. BLATNIK. Mr. Chairman, in the few minutes allowed me I cannot adequately cover more than a few of the several points I would like to discuss on the subject before us today.

I am not an expert on Yugoslavia, but I have had some personal experience over a period of several years that has given me a fair bit of information about a good part of Yugoslavia.

I was over there for the whole summer, 4 months, 28 years ago, as a child. I went back again in 1944 as a member of the American Special Military Mission in liaison with the partisan guerrillas. I spent 7½ months of that time in northern Yugoslavia behind enemy lines. I went again last year with a select committee from the Committee on Expenditures in the Executive Department. I am not going to try to repeat, summarize, or reevaluate the whole argument of the need for this relief for Yugoslavia because of the drought situation and all of the other implications in this issue. I shall merely have time to refer to three or four of the points that have been raised on the floor by the opposition and spend the few minutes I have on those.

No. 1. The argument has been raised, by the opposition, that if Tito fell there was a chance the country would fall into more democratic hands. Though this may be desirable, it is highly unlikely. Just the contrary would most likely occur and this is the consensus of opinion of many who personally know the Yugoslav situation from first-hand experience, including our own American embassy representatives in Belgrade. In fact, I feel that such a premise is based on an assumption as far removed from reality as it can possibly be.

Let us assume that in some manner or another Tito is deposed or removed as head of the present regime. What I feel is very likely to happen almost immediately is that overwhelming numbers of well trained and equipped military forces from the neighboring satellite countries of Rumania, Bulgaria, and Hungary would move quickly over the plains, good roads, and railroads in northern Yugoslavia that lead to the easily accessible capital cities of Belgrade and Zagreb and get there in a matter of hours. Backed by Russian military forces, they could announce to the world that they are there to restore order. Perhaps there would have been some disturbance, or riot, or what you will, staged in advance. But regardless of whether or not there is any disorder or not the satellite forces could move in quickly in superior numbers and Russia would be firmly entrenched in Yugoslavia before any of Yugoslavia's allies could move in to help if they were so inclined or were able to get there in time. That is what is far more probable and likely to happen—the control by Russia of one of the most, if not the most strategically, important land areas in Europe. This land has been the great natural land bridge between the Near East and the west for centuries. Hitler had to control this land bridge to make the other prong of his two-pronged drive into Africa, which, if successful, would have given him control of the Mediterranean, the Suez Canal, which could have made ultimate victory his. Today Russia must have control of that land bridge to give her access to the Mediterranean, and consequently place her in a position to dominate the Near East. So I hold that it is in the national interest and security of our own country and our way of life that this emergency relief assistance be granted by Congress.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. FULTON. Does the gentleman recall the history that in World War II when the Nazis were going into the country the Yugoslavs overthrew their government, rushed to the hills and resisted to the end? That is completely opposite to what the gentleman says would happen, especially when viewed in the light of Yugoslav history.

Mr. BLATNIK. I believe that all Yugoslavs, regardless whether they are pro-Tito or anti-Tito, whether Orthodox, Moslem, or Christian, they all will fight to the bitter end to resist aggression. I know of the courage that makes them battle with their bare hands.

Mr. FULTON. That is contrary to what the gentleman just said.

Mr. BLATNIK. What I am getting to, if the gentleman will allow me to finish, is that overwhelming numbers of well-trained, well-equipped troops from the neighboring satellite countries, most likely backed by Russian military forces could strike decisively and get entrenched deep inside Yugoslavia. Look what happened in Korea late last June. There is no question but that the Yugoslav people would fight to the bitter end, from the mountains if forced back, as they did against Hitler's invading armies; but Hitler at that time was heavily committed in Africa, in Western Europe, deep in Russia, in much of the Balkans, and although even at that he was forced for a while to have as many and perhaps more of his own troops and Axis troops in Yugoslavia than confronted the combined British Eighth and American Fifth Armies in the early days of the Italian campaign. But today, a well-calculated military drive of overwhelming numbers concentrated on one country could well be more than partially successful and give Russia a more complete control than Hitler ever had.

Mr. McDONOUGH. Mr. Chairman, will the gentlemen yield?

Mr. BLATNIK. I yield.

Mr. McDONOUGH. I just heard the gentleman say in previous statements that different Members were assuming situations; then I heard the gentleman continue in his own argument to assume a situation that might exist if Russia should invade Yugoslavia. Now, piling one assumption on top of another does not help us in arriving at the facts and a decision.

Mr. BLATNIK. I know from personal experience what the military facts are in this instance and what is probable.

Mr. MANSFIELD. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield.

Mr. MANSFIELD. I wish to emphasize for the consideration of the House the fact that when it comes to assuming, the gentleman now addressing us has a great deal more to base his assumptions on than any other Member here. If I remember correctly, the gentleman is not only of Yugoslav descent, but he also spent some months in Yugoslavia during the war as a paratrooper with the OSS; and I recall that just last year he was the chairman of a distinguished committee which visited Yugoslavia. I think he, above all others, is the most capable among our Members to assume what is happening over there and to tell us what he thinks.

Mr. BLATNIK. I thank my good friend from Montana. While I agree with the strategic importance of this emergency-relief aid, I also hope there will be a few who will share my feeling that there is a humanitarian need for helping feed the people of Yugoslavia during this critical winter. There is among those people such widespread friendliness and respect for the United States wherein live so many of their kinfolk who have given them so much help in the past and as they do so today.

The tragedy of the wholesale killing of those people during World War II is beyond human comprehension. Over 10 percent of the entire population were killed; hundreds of thousands of others wounded, maimed, tortured. If 10 percent of the population in America were killed that would be 15,000,000 people, men, women, and children. Yet, in spite of such unbelievable horror, when it meant death to give assistance to American airmen or to American military personnel operating behind enemy lines, those people gave us food, shelter, information whenever they could. Boys 10 years old were used as couriers to slip through enemy lines at night, when they knew they would be tortured and shot upon capture. The old women were the great heroes of the war. Having seen tragedy in World War I and now in World War II, many having lost their husbands in the first, and some, or most, and many cases all of their families in this war,

these women gave us and the fighting Partisans food, concealment, information about the enemy, at the risk of torture and death, or at the best being put in a concentration camp and having their homes burned.

In the little area in which we operated for almost 8 months in northern Yugoslavia these helped rescue 350 American airmen that had to bail out of bombers damaged during air raids farther north in Budapest and in Vienna. We would then evacuate these men by Allied aircraft landing on secret landing strips at night. The landing strips were merely open spaces of ground, usually a meadow or cornfield.

There were other military advantages. We learned of enemy divisions moving into Italy from the eastern front days and weeks before they showed up on the Italian battle line. I have already mentioned the large number of Nazi and Axis troops forced to fight in Yugoslavia because of the devastating guerrilla warfare carried on by the Partisans.

There are thousands upon thousands of American boys who are alive in America today, because of the fierce resistance put up by the Yugoslavs.

It was in those early critical years of World War II where such resistance was so invaluable and contributed so much to ultimate victory. Gen. George Marshall referred to those dark days of the war in his report of August of 1945, when he wrote, "There are few who realize how slim was the thread by which hung Allied survival."

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. RICHARDS. Mr. Chairman, I yield the gentleman two additional minutes and I should like to ask him a question. I agree with the gentleman from Montana that the Member now addressing the House is probably better qualified to speak on Yugoslavia than any other man here.

I want to ask the gentleman what does he think of the proposal in this bill to provide $30,000,000 for Yugoslavia relief?

Mr. BLATNIK. I firmly believe that it is unquestionably to our own national interest and our own security to secure passage of this bill providing this relief aid.

I have always supported economic aid for the needy of war-torn countries, including even the needy of countries that were our enemies in World War II. I feel that on this very eve of the Holy Season we can extend a helping hand to the needy of Yugoslavia. We can make our intentions clear and say, "Look, we do not approve of your administration or your leadership or the politics or the form of your government; but the people of Yugoslavia have our respect and admiration for what they have done during the war and for their independence and their determination to maintain their sovereignty and resist aggression to the last."

What we do give is largely surplus stocks of food we now have in abundance. The distribution of the food will be open to supervision and inspection by American representatives at all times, and at any time that the purposes of this act are not being carried out, the whole program can be stopped immediately.

However, to attach a series of conditions to the bill beyond the purposes of the act would be a serious error.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. BLATNIK. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Does the gentleman feel that conditions releasing all the people in jail, because of their religious beliefs, or sending back Greek children would degrade you.

Mr. BLATNIK. The gentleman misses my point. I yield to no one in my earnest desire to see the Greek children sent back, or to have innocent people released from the jails. But I do say, that to write those conditions in this relief-aid measure would preclude reaching those just and humanitarian and democratic objectives, rather than expedite them. Our State Department and our American Embassy officials in Belgrade have been working day and night and are now working to make that possible; some progress is being made, and hope for more progress in the future is more encouraging than ever. The committee report and hearings are complete on this and I do not have time to go into detail. The Greek children are now in the process of being returned. The State Department says that of all the countries of Eastern Europe in which there are Greek children, Yugoslavia is the only one that has done anything about returning them. A Swedish Red Cross mission is even now en route to Yugoslavia to supervise and expedite this repatriation.

Progress is being made, the State Department further informs us, in the matter of religious liberties, and I do hope this will be broadened and continued. But the political aspects of the over-all problems should continue to be in the hands of our Ambassador, and I have been very impressed by the ability and the caliber of former Ambassador Cavendish Cannon and his staff, who have done a singularly brilliant and most difficult job, and the same outstanding job is now being done under Ambassador Allen.

I do believe that approval of this aid measure is without question in our best interests, will substantially bolster opposition to aggression in a most strategic area, and will have a strong psychological impact on the peoples of eastern European countries in encouraging their will for independence and national sovereignty. Although there are many more assurances and commitments from Yugoslavia that I, too, would wish to have, as so many of you have today expressed, I do feel that with the bill we have before us, or even the Senate version, that we have very little, if anything, to lose and so much to gain in these critical days which confront us.

Mr. FULTON. Mr. Chairman, if the gentleman will yield further, the gentleman was giving the history of people being shot down in World War II and the part that Tito and the Yugoslav Government had in that. Why did he not go further and mention the five American boys, fliers, that were shot down over Yugoslavia by this very Tito government that you now say we should help?

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. RICHARDS. Mr. Chairman, I yield such time as he may desire to the gentleman from Illinois [Mr. GORDON].

Mr. GORDON. Mr. Chairman, I rise in favor of passage of H. R. 9853, the primary objective of which is to promote the foreign policy and provide for the defense—and I emphasize "defense"—and general welfare of the United States. This bill proposes that we do this by furnishing emergency relief assistance to Yugoslavia. Thus there is really only one issue involved here, and that is whether or not the bill is designed to accomplish that objective.

The foreign policy of the United States has always been directed toward the encouragement of independent nations to remain independent, regardless of their form of government. This is one of the key points of difference between us and Moscow. The foreign policy of Moscow is directed ruthlessly toward undermining independent countries and forcing them within the iron curtain. The menace of Soviet communistic imperialism is the greatest, most critical, and most imminent which our Nation and all other independent nations have ever faced. The foreign policy of the United States has been realistic in this respect and recognizes the danger. Any gamble which this country may take to reduce that danger, no matter what the degree of reduction, is worth taking, in my opinion. The bill before us today involves just such a gamble. The cost is small and the stakes are high. Those who oppose taking the gamble consider only one side of the question. They ask: "What assurances do we have if we pass this bill?" Those who favor the bill realize that it would be nice if we could have assurances. But, Mr. Chairman, if the foreign policy of the United States were made only on the basis of assurances, we would have no foreign policy at all, but only a policy of defeatism and hopelessness. So far as I am concerned, I look forward to no assurances if we pass this bill. But, what about the other side of the question? An essential step in considering the wisdom of any policy is to look at the alternatives. What are the probable consequences to the foreign policy of the United States, to the defense of the United States, and to the general welfare of the United States if we do not pass this bill? The evidence on this point seems clear to those who favor the bill and to our highest military authorities, like General Marshall and General Bradley. It seems clear to me.

Yugoslavia under Tito is the first country formerly within the satellite domain which has been able to break away from the clutches of the Kremlin. Tito stands defiantly opposed to Kremlin domination and he is determined to maintain that defiance. I venture to say that when the history of the collapse of the Soviet Union is written Tito's break with Stalin will constitute one of the major contributing factors in that

collapse—with one qualification. And that qualification is that we provide relief assistance to the hungry people of Yugoslavia and do it quickly and effectively. Unless we do this, the ability of the Yugoslavs to continue the resistance to Moscow's military and economic pressures will be seriously impaired, Tito will be overthrown, and Yugoslavia, with the largest standing army in non-Soviet Europe, will be forced to submit and fall back behind the iron curtain.

That is the most significant alternative that we face, and that must be the center point for all discussion on the wisdom of this bill. It is in our national interest and in the interest of our defense plans that this tragedy should not take place. I can only think of the millions of people in the other Soviet-dominated satellite states of Europe: Albania, Hungary, Rumania, Bulgaria, and Poland, with her rich tradition of freedom and independence. What is our answer to these people, who despise communism perhaps even more than do we, when we turn our backs on the only country which has managed to break away from Soviet slavery? What hope do we hold out to these people, when we turn our backs on the only symbol of rebellion against Moscow to which they can look?

Mr. Chairman, there are many administrative details involved in this bill. Let us not become entangled in them, but let us rather concentrate on the only issue which we as Americans must consider in these perilous days: the national interest, defense and security of the people of the United States.

Mr. VORYS. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. O'KONSKI].

Mr. O'KONSKI. Mr. Chairman, if my heart were not so heavy, I perhaps would just as soon not talk. However, for the record I think I should express my views on this pending legislation.

The reason why I say that perhaps I should not talk at all is because I have never been in Yugoslavia. I have never seen Tito. But I have never seen God, and I know there is a God. I have never seen the devil, and I have never been in hell, but I know there is a devil and I know there is a hell. We are underwriting a one-way ticket to hell when we pass this bill. Because in passing this bill we are going to take up truck with Tito, and in taking up truck with Tito we are taking up truck with the most brutal, the most daring, the most cold, and the most calculating and dictatorial murderer next to Joe Stalin himself. I am talking now about Josef Broz Tito, commonly known now under the Communist title of Tito.

This bill is based on five very false assumptions: Number one, when all the world is burning at our feet and we are paying the heavy penalty of gambling, gambling on our future, we are asked to gamble again. We gambled at Yalta, we gambled at Potsdam, we gambled in Poland, we gambled in Czechoslovakia, we gambled in Yugoslavia when we discarded Mihailovich for Dictator Tito, we gambled in Korea, and we gambled in China. And we are losing these gambles in blood of American boys. We have not played a gamble yet that we have not lost. Now along comes the leadership and they say we have to take another gamble, we have to gamble on Tito.

I say that the time has come when we should not gamble with America's future and America's security any more. I want something better than a gamble. No one in this body has yet sold me on the idea that this is anything but a calculated gamble with the cards stacked against us.

We are told we should do this because we finally realize something, we finally realize what we have come to realize very bitterly in China. You remember when Lattimore and Jessup and Service sold the American leadership the idea that the Chinese Communists were not Communists, that there were two kinds of communism, namely, Stalin's communism and Mao's communism, that they were merely North Dakota nonpartisans, that they were agrarians or land reformers, they were not real Communists. We were not going to have any trouble with the Chinese Communists we were told, because they were different from Russian Communists. I wonder if the 20,000 or 30,000 American dead in Korea feel that Mao's Chinese Communists are different from the Russian Communists.

Of course, that argument wore thin so they thought up another one even thinner than that. They say now there is a difference between Tito's communism and Stalin's communism. They interpret Leninism in a different way, we are told. Stalin interprets Leninism to mean that communism must conquer the whole world, but Tito does not believe in that. Tito believes that communism should conquer the whole world except Yugoslavia. That is the only difference between the two communisms, the only difference, we are now told—are you laughing? You should laugh on this whopper.

What Tito is saying is, "I am a Communist. I believe in Leninism but, Joe Stalin, I will do the murdering for you in Yugoslavia, I will imprison the priests for you in Yugoslavia, I will collectivize the farms for you in Yugoslavia, I will communize Yugoslavia for you, but you keep out. I will do the job in Yugoslavia for you. You take over the rest of the countries. Don't waste your time in Yugoslavia—go elsewhere. I don't need you here."

Does Tito object to what is going on in Korea today? Not at all. Does Tito object to the Communist rape of Poland, Latvia, Estonia, Lithuania, Czechoslovakia, Bulgaria, part of Austria-Hungary, and Eastern Germany? Not one iota. The only significant difference you have between Tito and Stalin today is, as someone said, they interpret Leninism in a different way. One says Leninism means that they must conquer the whole world, but here we have a great hero that we must help, we have a different kind of communism under Tito, who says, "Sure, Stalin, you can take over the whole world and communize it, but you don't have to do it in Yugoslavia because I will do it myself."

On the basis of that minute difference they say we should give Tito this aid. They say Tito has fallen out with Russia. I wonder if Tito has fallen out with Russia. Let me tell you this much. Stalin, cold, calculating killer that he is, if he thought today or felt one iota afraid that he might be betrayed by Tito or the people under him, would not wait until tomorrow to take Yugoslavia over. He would not have an enemy at his gates. But Stalin today is occupied with feeding 400,000,000 Chinese. Stalin today is occupied with feeding the people who are massacring our boys in Korea. Stalin is short of food and short of drugs, so he has to cut down on somebody. So he goes over to his best buddy of all the satellites, Tito, and he says, "I'll tell you what to do, Tito. I need the food and I need the goods for China. I need it for Korea. I need it to murder Americans. You go get yours from Uncle Sam. He is a big enough sap to fall for it."

That is exactly what we are doing. We have already given him $400,000,000 since the war ended. Now, if $400,000,000 does not secure him as our friend, are you so naive as to believe that another $37,000,000 is going to do it? It certainly is not.

Let us take a look at this man Tito. There is some divergence of opinion as to where he came from. I do know this. You have a whole slew of them in Europe. You have Georgi Dimitrov, the dictator of Bulgaria; Clement Gottwald, head of Czechoslovakia; Boleslaw Beirut, dictator of Poland; Marshal Josef Broz Tito, dictator of Yugoslavia. You have Thorez, of France; Togliatti and Luigi Longo, of Italy.

I could go on, if time permitted. Who are all these people? They are Kremlin-trained propagandists and murderers for communism throughout the world. The best scholar and the most successful of them was Josef Broz Tito, to the point that when he fought in the Spanish Civil War—and that is where he got his start in international communism—together with Togliatti and Thorez and Clement Gottwald and all these other dictators in Europe today, he did such a good job that when he went back to Moscow they changed his name from Josef Broz, and gave him a Russian name of Tito, taken from four Russian words meaning "secret international terroristic organization." Of all the satellites in Europe the only satellite dictator that Russia could get to march against the United States or any of its allies was Josef Broz Tito, who marched into Greece, but who pulled in his horns when he found out that he might get licked. He tried to march into Trieste, but thank God for an American sergeant with guts—it was not a lieutenant—it was an American sergeant, and, as I say, thank God it was, because if it had been a representative of the State Department or a general, they would have bungled the job, but it happened to be a sergeant and he told the Tito men, "If you pass this line, you are going to get it." Since that time Tito pulled in his horns.

Mr. McDONOUGH. Mr. Chairman, will the gentleman yield?

Would the gentleman give a little more explanation of the interpretation of the letters in Tito's name, T-I-T-O?

Mr. O'KONSKI. I forget what the Russian words are, but the interpretation of the Russian words is taken from the four words which in Russian mean secret international terroristic organization. He could not have a better name. Incidentally, of all the satellite dictators in Europe he is the only one who has a fancy title for the good work that he has done. A great deal has been said here about the suffering of the Yugoslav people. Yes, they have suffered. A great deal of credit has been given him more or less by inuendo. But let me tell you that Yugoslavia is a country by itself today, not under Russia's domination, not because of Tito but in spite of Tito. Do not forget that Yugoslavians were being slaughtered at a time when you had the Hitler-Stalin pact in existence. When Hitler was marching through Yugoslavia, where was Tito? Was Tito in the mountains and in the hills fighting with General Mikhailovitch and the Serbian patriots? He was not. He was in cahoots with the Hitler-Stalin pact, burning down cities and villages and murdering his own people. That is where Tito was until the war was over. That man who betrayed his own people became the leader of the Yugoslavian Government and that is where he is today. I think that with any man with a record of that type, if we underwrite this bill, we go into it in league with death and a covenant with hell.

The CHAIRMAN. The time of the gentleman from Wisconsin [Mr. O'KONSKI] has expired.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Massachusetts [Mr. HESELTON].

Mr. HESELTON. Mr. Chairman, I want to speak briefly about a certain aspect of this legislation which has troubled me for some time. I address myself to those who are for the bill and those who are against the bill.

When I first heard of the proposal, I wrote the State Department and asked them to inquire into the possibility of taking care of this situation out of the huge stocks of surplus foods that we have all over this country, which we all know about, and which is costing the taxpayers a tremendous sum of money in terms of carrying charges alone. I did not receive an immediate answer and I wrote again on November 27. On November 29, Assistant Secretary Jack K. McFall sent me a letter covering the interim and the full program. I want each letter to be available to my colleagues. They follow:

DEERFIELD, MASS., *November 18, 1950.*
Hon. DEAN ACHESON,
Secretary of State,
Washington, D. C.

DEAR MR. SECRETARY: I understand from press reports that Yugoslavia has requested approximately $105,000,000 worth of food to relieve drought conditions there. You have been quoted as saying that you would have to go to Congress for funds to carry out any such program.

May I call your attention to the fact that as of August 31 the Department of Agriculture had in storage 1,833,550,826 pounds of six kinds of edible foods—butter, cheese, dried eggs and milk, edible dried beans and peas—at a cost to the taxpayers of $403,290,956.77. The carrying charges on the storage of these food commodities had reached the staggering sum of $3,351,028.13, and is continuing at an unknown rate.

The Department of Agriculture has hoarded away millions more pounds of other food commodities which are doing no one any good, running the risk of spoilage, and costing the taxpayers totally indefensible sums of hard-earned dollars.

I urge that you order an immediate and full investigation as to how much of these surplus foods can be transferred to any program you are developing to aid Yugoslavia. I am certain that you will agree with me that the overburdened taxpayers are entitled to this much consideration in connection with any recommendation you submit to Congress when it reconvenes.

Sincerely yours,
JOHN W. HESELTON.

WASHINGTON, D. C., *November 27, 1950.*
Hon. DEAN ACHESON,
Secretary of State, State Department,
Washington, D. C.

DEAR MR. SECRETARY: On November 18 I wrote to you with reference to the request by Yugoslavia for $105,000,000 worth of food to relieve drought conditions there and urged an immediate and full investigation of the possibility of using some of the hundreds of millions of Governed-owned surplus food commodities for that purpose.

I have received no acknowledgment of or reply to that letter.

Since then the Department of Agriculture has published its reports of its holdings of food as of September 30. The facts contained in the report reemphasize the vital importance of such an investigation in fairness to the American taxpayers who are paying increased taxes and who face even larger increases of taxation.

In the six kinds of edible foods I mentioned, butter, cheese, dried eggs and milk, edible dried beans and peas, the cost to the taxpayers increased $29,233,958.94 to $432,524,915.71.

The carrying charges had jumped in one month $2,598,759.87 to $5,949,788.

The six items by no means exhaust the possibilities of wholesome foods held in storage in huge quantities at indefensible waste of the taxpayers' earnings and savings.

Let me mention a few others:

	Amount	*Lost*
Rice --pounds--	464,387,000	$2,476,278.87
Turkeys ---do--	3,905,821	1,671,213.25
Mexican canned meat, pounds	64,466,487	15,524,878.95

I cannot believe that your failure to acknowledge my letter of the 18th means that you propose to ignore this possibility or that you are indifferent to the best interests of the American people upon whom the Federal Government has placed so heavy a burden of taxation. But, in view of the current reports as to the executive department's plans and operations in this matter of furnishing food to Yugoslavia, I submit that action upon this suggestion is imperatively needed.

I enclose a copy of my letter of the 18th.

Sincerely yours,
JOHN W. HESELTON.

DEPARTMENT OF STATE,
Washington, November 29, 1950.
The Honorable JOHN W. HESELTON,
House of Representatives.

MY DEAR MR. HESELTON: Reference is made to your letters of November 18 and 27, 1950, urging investigation of the possibility of utilizing surplus-food stocks of the Department of Agriculture in the Yugoslav emergency-aid program.

For the past few weeks we have been actively engaged in formulating this program for presentation to the Congress. I am glad to inform you that the first food procurements, most of which have already left for Yugoslavia, consisted entirely of some of the foodstuffs which you mentioned in your letters. These were 44,096,409 pounds of beans, 9,951,800 pounds of dried eggs, 20,000,000 pounds of canned Mexican beef. These foodstuffs were purchased as part of the stopgap program with funds available from an Export-Import Bank loan.

The program currently before the Congress calls for additional quantities of surplus agricultural commodities—15,432,200 pounds of dried milk, 32,069,000 pounds of dried beans, and 66,138,000 pounds of dried peas. Besides this, active steps are being taken to develop a welfare-type feeding program through CARE and church organizations, which will make use of other surplus foodstuffs of the Department of Agriculture.

The basic diet of the Yugoslav people is based on bread grains and lard, so it is impractical to use the Department of Agriculture surplus foodstuffs beyond the extent already planned.

For your information, complete details of the proposed Yugoslav aid program are being supplied to the House Foreign Affairs and Appropriations Committees.

If there is any further information concerning this program which you desire, please do not hesitate to call upon us.

Sincerely yours,
JACK K. MCFALL,
Assistant Secretary
(For the Secretary of State).

Mr. Chairman, I now want to include data as to six of the food commodities which were held in storage by the Commodity Credit Corporation as of October 31, 1950, the date of the latest available report. In view of the references in the hearings of the committee report to certain seed items, I shall also include similar data as to certain seeds held in storage.

	Inventory Oct. 31, 1950	Cost	Carrying charges
	Pounds		
Butter	168,889,008	$104,253,780.07	$1,567,317.93
Cheese	109,319,543	36,819,645.70	1,150,513.34
Dried milk	383,500,481	49,409,955.86	1,836,367.63
Dried eggs	108,648,358	114,986,624.21	1,021,788.67
Dried beans	902,857,100	73,743,837.99	1,668,642.62
Dried peas	70,270,400	2,624,651.77	292,553.12
Total	1,743,484,890	381,838,495.60	7,537,153.31

	Inventory Oct. 31, 1950	Cost	Carrying charges
	Pounds		
Hay and pasture seeds	4,357,288	$629,450.49	$12,485.23
Winter corn crop seeds	7,563,812	469,860.98	21,072.09
Field seeds	268,989	62,356.19	1,392.50
Foundation seeds	3,918	272.17	0

Yesterday in the RECORD, in the debate in the other body, there is a memorandum at page 16402, spelling out more in detail what the program intends to be as far as these commodities are concerned. For my colleagues' convenience I include it here:

The total proposed program of emergency relief assistance for Yugoslavia consists entirely of commodities procured or to be procured through the Department of Agriculture and shipped directly to Yugoslavia. The program totals 603,900 tons, including 464,500 tons of grains, 70,000 tons of vegetables and rice, 20,000 tons of lard, 20,000 tons of sugar, 4,500 tons of dried eggs, 6,000 tons of dried

milk, 900 tons of canned meat, and 18,000 tons of seeds. The total costs of supplying these foods, including transportation, is $69,400,000.

Under the stopgap program already in progress, 248,900 tons of food and feed are being provided under the Economic Cooperation Administration Act, the Mutual Defense Assistance Act, and under a line of credit extended to the Yugoslav Government by the Export-Import Bank. As a part of the stopgap program 140,000 tons of wheat are being shipped by the ECA from the United States to Italy and Germany, which countries are in turn supplying about 110,000 tons of milled flour to Yugoslavia. The processing of this wheat into flour has afforded the milling industries of Italy and Germany an opportunity to utilize their facilities more fully and in this way a definite contribution has been made to the economic health of these countries. The $5,600,000 in funds provided by the Export-Import Bank were used for the purchase and shipment of surplus beans, eggs, and meat from the Department of Agriculture, also for lard purchased in the open market by the Department of Agriculture for Yugoslav account.

The remaining portion of the program now before the Congress consists of 355,000 tons of food, feed, and seeds as follows: 276,000 tons of grains, 50,000 tons of vegetables and rice, 5,000 tons of lard, 6,000 tons of dried milk, and 18,000 tons of seeds. The cost of the commodities and their shipment under this part of the program is estimated at $34,400,000. All of these commodities will be procured by the Department of Agriculture with appropriated funds. No funds will be turned over to the Yugoslav Government.

Of the total program before the Congress, 71 percent will be procured from stocks of the Commodity Credit Corporation, while the balance, or 29 percent, chiefly flour, lard, and seeds, must be purchased in the open market.

This morning, in terms of the debate in the other body yesterday and particularly in terms of the memorandum to which I have referred, I telephoned Mr. McFall and asked him if he would make a quick analysis of the memorandum in terms of his letter to me of November 29. He called back and made a report which I think will be useful to us in the consideration of this bill.

It is obvious that the food products referred to in the second paragraph of his letter to me were those actually contracted for under the so-called stopgap program. It is pointed out that they were purchased by Yugoslavia from the Commodity Credit Corporation with funds made available from the Export-Import Bank credit at the price which the Commodity Credit Corporation had established for the countries that were members of the Food and Agricultural Organization.

The differences between the amounts contained in the memorandum and paragraph three of Mr. McFall's letter to me, which covers the program contained in this bill, are as follows: The program before us calls for 7,000 metric tons of dried milk, the 15,432,200 pounds mentioned in Mr. McFall's letter to me. The memorandum refers to 6,000 tons of dried milk. The difference of 1,000 metric tons is accounted for by an adjustment of the program after Mr. McFall's letter of November 29. Dried beans and dried peas referred to in the letter as totaling 99,147,000 pounds constitute 45,000 metric tons. The memorandum refers to 50,000 tons of vegetables and rice. The 5,000 tons difference is said to constitute a different category so far as the Commodity Credit Corporation is concerned, and I was advised that while the Commodity Credit Corporation does have rice now in stock, it is not considered surplus. That is one of the major difficulties I have in terms of the facts because the Commodity Credit Corporation Report of Financial Conditions and Operations as of October 31, 1950, shows on hand then 23,184,800 pounds purchased at a cost of $1,720,269.15 with carrying charges for the four months since June 30 of $121,115.58.

With reference to the fourth paragraph:

The basic diet of the Yugoslav people is based on bread grains and lard, so it is impractical to use the Department of Agriculture surplus foodstuffs beyond the extent already planned,

I was advised that the Commodity Credit Corporation has what it considers "a normal carryover of bread grain which they have not declared surplus." In my studies of this problem of purchasing and storing surplus food commodities, I have not had the opportunity to go into the problem of the proper carryovers of grains. I think we all realize that some carryover is essential, but I also think it is important, in these days when so much of a burden is being placed upon the American people, that a careful determination of the proper carryovers should have been made long since, so that a sound and defensible program could be in operation. I have taken from the October Report of the Commodity Credit Corporation certain statistics with reference to certain grains which I shall include here solely for information purposes. I shall also list the stated losses on these items. Certainly all of this factual information points to the urgent necessity of developing the full facts in a congressional hearing, and I am glad to state that the chairman of our Committee on Agriculture has advised me that he intends to hold such a hearing.

	Inventory, October 31, 1950	Cost	Carrying charges
	Bushels		
Corn	357, 505, 925	$552, 513, 585. 82	$12, 215, 726. 96
Wheat	297, 085, 735	707, 186, 713. 72	28, 933, 466. 22
Barley	31, 398, 552	45, 747, 078. 32	414, 109. 74
Oats	12, 258, 621	11, 349, 343. 30	594, 093. 24
Rye	544, 276	757, 681. 09	208, 240. 80

	Losses
Corn	$3, 082, 940 30
Wheat	9, 275, 721. 67
Barley	635, 602. 21
Oats	59, 900. 18
Rye	71, 398. 07
Total	13, 325, 562. 43

My concern about this is that no one, as far as I know—and I have read the committee hearings and the committee report, I read the debate in the other body and have listened to the debate here—no one has indicated clearly why it is that, for instance, they are going to need lard in substantial quantities and, on the other hand, no consideration is given to the American taxpayer, who is paying the bill, who has already paid a tremendous amount for these surplus foods, so that we have on hand butter, cheese, dried eggs, dried milk, dried beans, and dried peas, in the amount of over one and three-quarters billion pounds in storage. It has already cost the American taxpayer $381,838,495.60 in initial cost. The carrying charges alone on these items since June, during a time of war, has cost the American taxpayer over seven and one-half million dollars.

To me it does not make any sense whatever, irrespective of the position we may take with reference to the merits of this legislation, for us not to measure up to our own responsibilities on this phase of the matter. It is true, it is said in the committee report, and it is true the Department has said in its letters to me that they do intend to utilize, as much as possible, these surplus foods, but I think it is our responsibility to write legislation which carries out our intention beyond any question. There should be no disagreement about that. It is our constitutional obligation to legislate and to make our intention crystal clear.

I have an amendment prepared, and I shall place it in the RECORD. I have been requested to consider whether it would be advisable to present to the House a choice of an amendment that might not be quite as far reaching, which is the present draft that I will place in the RECORD, or an amendment requiring all of these commodities, except possibly seeds, to be drawn from these huge stores of surplus foods. I shall consider that before tomorrow. Possibly someone more conversant with the problem of grains will consider that possibility.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. GROSS. Does the gentleman think we are going to deplete our surplus commodity stocks in this country by shipping them over there?

Mr. HESELTON. That is something that bothers me. You will find, if you look at the hearings, that there is a great deal of difference of opinion as to what is and what is not surplus. And we may need stocks in certain amounts of wheat, for instance, with no stocks of other commodities such as dried milk or butter. I do not know. I am saying that the Department of Agriculture has done a mighty poor piece of work in handling this surplus program, and they have already confessed it in terms of the dried-egg program; they have confessed it in terms of the potato program; and we are going to run into a considerable amount of difficulty as to the entire program, unless there is more realism and more common sense used. I am very glad to emphasize to the gentleman that the chairman of our House committee has written to me that he is going to hold a hearing on this over-all program. That cannot come too soon, as far as I am concerned.

In conclusion, I have obtained from the Department of Agriculture a table which shows the calories and the vitamins in certain of the items mentioned

for this program for Yugoslavia, as well as items contained in the stores of surplus foods of the Commodity Credit Corporation. I call particular attention to the calories and vitamins in butter, cheese, dried milk, and dried eggs in contrast to rice and lard. I do hope that someone familiar with the details will explain to us tomorrow the basic reasons for the selection of the items requested and whether or not there was any consideration given to the substitution of items from our surpluses for those which it is stated must be bought in the open market. The tabulation is as follows:

Vitamins and calories in following foods: Rice, butter, lard, Cheddar cheese, dried milk (whole and skimmed), dried whole eggs, dried beans, and dried peas

[Quantities are all 1 pound]

	Calories	Vitamin A [1]	Thiamine	Riboflavin	Niacin	Vitamin C
Rice:						
White	1,644	None	0.30	0.12	7.4	0
Brown	1,634	None	1.43	.23	21.0	0
Butter	3,251	15,000	.01	.05	.5	0
Lard	4,095	None	None	None	None	None
Cheddar cheese	1,806	6,360	.11	1.91	.1	0
Dried milk:						
Whole	2,233	6,360	1.38	6.63	3.0	29
Skimmed	1,643	190	1.60	8.88	5.2	32
Dried whole eggs	2,689	16,970	1.52	4.79	1.1	0
Dried beans	1,537	None	3.06	1.04	9.9	8
Dried peas	1,541	1,680	3.48	1.28	14.2	9

[1] International unit.

Source: Agriculture Handbook No. 8, table 2, composition of food.

The proposed amendment as I have drafted it is as follows:

Page 3, line 2, after the word "belief", insert a new section as follows:

"SEC. 4. All of the funds made available under authority of this act shall be utilized to the fullest practicable extent in the purchase of the commodities from the surplus commodities in the possession of the Commodity Credit Corporation."

And renumber the subsections of the bill accordingly.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from Maine [Mr. HALE].

Mr. HALE. Mr. Chairman, I expect to support this legislation. It is, of course, a very desperate gamble, because no one can say what Tito will do; no one certainly can commend all the things that he has done in the past. Still the amount involved here is trifling in the general scale of our defense expenditures, and there is apparently a good deal of genuine anti-Soviet sentiment in Yugoslavia on which we might legitimately capitalize. I do not know how genuine or durable is Tito's opposition to Stalin, but in the last analysis we can afford to make a small gesture to encourage his schism with the Kremlin, for which, of course, there is plenty of excellent cause.

What troubles me, however, and the reason why I have asked for this time is that we are passing this bill without being given any assurance of what our policy is going to be in Asia. Everybody recognizes that our forces may have to be withdrawn from Korea. If such a withdrawal is a military necessity, like the British withdrawal at Dunkerque, let us not deceive ourselves that it is anything but a military necessity. I, for one, am still quaking with fear that we are going to end by making a deal with the Chinese Communists. If, with or without a Dunkerque, we concede Communist China a seat in the United Nations or agree to their occupation of Korea, or, still more, of Formosa, then we shall have made a surrender of vital principles. Furthermore, we shall have entered into an appeasement that can do nothing but add to the awful insecurity of our present position. A Dunkerque if need be; a Munich never.

While a communiqué issued by the President and Mr. Attlee seems to deny any intent on our part to seat Red China in the United Nations, the fact remains that the Attlee government has recognized the Red Chinese Government, is prepared to seat them, and the pressure on the Truman administration to give ground is bound to be very great.

Over and beyond this, I am distressed, and I want to take this opportunity to say that I am very much distressed at the slow progress of this country in reaching all-out mobilization either on the military side or on the economic and industrial side. I understand that representatives of the great automobile companies are here today protesting that the 5-percent increase in automobile prices is justifiable and necessary.

If we are to pass legislation like this on the gamble of getting aid from Tito and neglect the vital and absolutely necessary things that we must do in national defense, we are certainly not putting first things first, and the importance of doing that I urge upon you as beyond every other consideration.

Mr. Chairman, I yield back the balance of my time.

Mr. VORYS. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. MCDONOUGH].

Mr. MCDONOUGH. Mr. Chairman, there have been some very serious arguments made here today against this bill and if I can add anything to the seriousness of the arguments in opposition to the bill, I am going to do so. I have never been in Yugoslavia, I am not a member of the Foreign Affairs Committee, but I have had in the last 24 hours the benefit of knowledge from a gentleman for whom I have a lot of respect, a man who has just returned from Yugoslavia. He was an OSS officer, Army Intelligence, in the Balkan States during the last war. He is an American-born Yugoslavian. He traveled through Yugoslavia by automobile to the small villages. He knows the habits and customs and talks Yugoslavian fluently. He talked to everyone he could. He went there for the purpose of looking over the country as an American, to observe what progress they were making and the general conditions.

To the arguments that have been made here today about the 32 divisions that Tito has, let me say this man tells me, and I have every reason to believe he is honest—he is a respectable businessman of southern California—that that is a myth, that if there is any armed forces in Yugoslavia which we can hope to come to our side in the event of an attack by Russia, they will disperse into the hills, they will not fight to support the Tito regime, and that those who are armed are poorly armed and not the kind of soldiers we would expect to support us in the event of an attack. He also told me that he found out Tito recently bought two American-made B–29's from England, if you please, B–29's that the United States sold to England which England in turn sold to Tito. B–29's have a 10,000-mile range, while Yugoslavia is only 900 miles long. He believed the only reason that Tito bought the B–29's was to get out of Yugoslavia as quickly as he could when the people of Yugoslavia revolt against him, because they do not like his dictator tactics, and neither do they want either Stalin's or Tito's brand of communism in their country.

He stated that insofar as the communism which Tito represents in Yugoslavia is concerned, there is no difference between that and the communism which Stalin represents, except the nationalistic feature of Tito's Communists.

Mr. Chairman, we, as a nation, are opposed to communism in any form. In reply to my question asked of the gentleman from New York [Mr. WADSWORTH] this afternoon, he admitted that we could not treat communism by degrees; that is, we cannot favor Tito's communism because we think it is not as bad as Stalin's communism, but we are. We are saying, in effect, that this gift of millions of dollars to Tito is an appeasement to the possibility of making friends for us out of a Communist dictator. Well, no Communist is trustworthy and Tito is no exception.

Mr. Chairman, I venture to say that if this bill were submitted to the people of the United States there would be a resounding "No" across the Nation, and I make that statement because I believe the November 7 elections proved that. If this bill were introduced in the Eighty-second Congress it would not pass, in my opinion. It is offered in this Congress. It is being voted upon by many who are not coming back here. And why are they not coming back? Bill Green himself told the American Federation of Labor that the men who were defeated were defeated because they placed too much emphasis on the foreign policy of the United States and too little on domestic issues.

The foreign policy we have been following has made us no friends. I have said many times that we cannot buy military allies or friends with dollars.

My friend who just returned from Yugoslavia said that if this bill passed, the food would go to build up Tito's army and that the people who need it would get little or none of it.

We have got to consider where we are going; and if we are going to represent American thought and belief in Government, we should not support this bill. It is opposed to the thought, I would say, of the majority of the people of the United States and it will not give us the relief we are hoping for, and I recommend a vote of "no" on the bill.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RICHARDS. Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That this act may be cited as the "Yugoslav Emergency Relief Assistance Act of 1950."

Mr. RICHARDS. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore (Mr. COOPER) having assumed the chair, Mr. MCSWEENEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9853) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, had come to no resolution thereon.

RIO GRANDE RECLAMATION PROJECT

Mr. REGAN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD and insert a resolution passed by the Public Lands Committee this morning.

The SPEAKER. Is there objection?

There was no objection.

Mr. REGAN. Mr. Speaker, I insert at this point in the RECORD a resolution which was adopted by the Public Lands Committee of the House this morning, and two acts relating to this procedure, concerning the expenditure of rehabilitation and betterment costs on certain reclamation projects. This resolution approves the findings of the Secretary of the Interior on this contract as outlined in his letter to both the Senate Committee on Interior and Insular Affairs and to the Public Lands Committee of the House of Representatives, dated December 8, 1950.

On October 7, 1949, the President approved an act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects, and on March 3, this year, an act was approved amending that act to a slight degree, whereby it becomes possible for the above-named committees to express their approval of the determination by the Secretary of the Interior of the terms of a contract for the repayment of rehabilitation and betterment costs on reclamation projects.

The two acts referred to and the resolution which was adopted by the Public Lands Committee of the House are as follows:

[Public Law 335, 81st Cong.]

[Ch. 650, 1st sess.]

H. R. 1694

An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects

Be it enacted, etc., That expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations, and which shall, to the fullest practicable extent, be scheduled for return with their construction charge installments or otherwise scheduled as he shall determine. No such determination of the Secretary of the Interior shall become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives. The term "rehabilitation and betterment," as used in this act, shall mean maintenance, including replacements, which cannot be financed currently, as otherwise contemplated by the Federal reclamation laws in the case of operation and maintenance costs, but shall not include construction, the costs of which are returnable, in whole or in part, through "construction charges" as that term is defined in section 2 (d) of the Reclamation Project Act of 1939 (53 Stat. 1187). Such rehabilitation and betterment work may be performed by contract, by force-account, or, notwithstanding any other law and subject only to such reasonable terms and conditions as the Secretary of the Interior shall deem appropriate for the protection of the United States, by contract entered into with the organization concerned whereby such organization shall perform such work.

SEC. 2. This act shall be deemed a supplement to the Federal reclamation laws.

Approved October 7, 1949.

[Public Law 451, 81st Cong.]

[Ch. 47, 2d sess.]

H. R. 7220

An act to expedite the rehabilitation of Federal reclamation projects in certain cases

Be it enacted, etc., That the second sentence of the act entitled "An act to provide for the return of rehabilitation and betterment costs of Federal reclamation projects," approved October 7, 1949, is amended by striking out the period at the end thereof and inserting a semicolon and the following: "except that, any such determination may become effective prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval: *Provided*, That when Congress is not in session the Secretary's determination, if accompanied by a finding by the Secretary that substantial hardship to the water users concerned or substantial further injury to the project works will result, shall become effective when the chairman and ranking minority member of each such committee shall file with the Secretary their written approval of said findings."

Approved March 3, 1950.

RESOLUTION CONCERNING THE EXPENDITURE OF REHABILITATION AND BETTERMENT FUNDS ON THE EL PASO COUNTY WATER IMPROVEMENT DISTRICT NO. 1, RIO GRANDE PROJECT, NEW MEXICO-TEXAS

Whereas the act of October 7, 1949 (Public Law 335, 81st Cong., 1st sess.), as amended by the act of March 3, 1950 (Public Law 451, 81st Cong., 2d sess.) provides that expenditure of funds specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal reclamation laws shall be made only after the organizations shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior; and

Whereas the determination of the Secretary of the Interior does not become effective until the expiration of 60 days after it has been submitted to the Committee on Interior and Insular Affairs of the Senate and the Committee on Public Lands of the House of Representatives or on a date prior to the expiration of such 60 days in any case in which each such committee approves an earlier date and notifies the Secretary, in writing, of such approval; and

Whereas in a letter dated December 8, 1950, the Secretary of the Interior submitted to the Committee on Public Lands his findings relating to the return of rehabilitation and betterment funds to be expended on the El Paso County Water Improvement District No. 1, Rio Grande project, New Mexico-Texas; and

Whereas the Committee on Public Lands has, in session with a quorum present, this day approved the findings of the Secretary of the Interior in these premises: Now, therefore, be it

Resolved, That the Committee on Public Lands give notice in writing to the Secretary of the Interior of its approval of his determination in these premises.

COMMITTEE ON PUBLIC LANDS,
J. HARDIN PETERSON,
Chairman.

Adopted this 12th day of December 1950.

UNITED STATES
DEPARTMENT OF INTERIOR,
OFFICE OF THE SECRETARY,
Washington, D. C., December 8, 1950.

Hon. J. HARDIN PETERSON,
Chairman, Committee on Public Lands,
House of Representatives,
Washington, D. C.

MY DEAR MR. PETERSON: In compliance with the requirements of the act of October 7, 1949 (Public Law 335, 81st Cong., 1st sess.), as amended by the act of March 3, 1950 (Public Law 451, 81st Cong., 2d sess.), I submit herein my determinations relating to the return of rehabilitation and betterment funds to be expended on behalf of the El Paso County Water Improvement District No. 1, Rio Grande project, New Mexico-Texas.

An urgently needed rehabilitation and betterment program in the El Paso district is proposed for initiation during fiscal year 1951. Before such work is authorized, however, compliance must be had with Public Law 335, Eighty-first Congress, first session, which reads in part as follows:

"Expenditures of funds hereafter specifically appropriated for rehabilitation and betterment of irrigation systems on projects governed by the Federal Reclamation Laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) shall be made only after the organizations concerned shall have obligated themselves for the return thereof in installments fixed in accordance with their ability to pay, as determined by the Secretary of the Interior in the light of their outstanding repayment obligations, and which shall, to the fullest practicable extent, be scheduled for return with their construction charge installments or otherwise scheduled as he shall determine."

The El Paso County Water Improvement District No. 1 contains approximately 67,000 acres of water-right land and 6,000 acres of other land which receive water when available. The district represents that portion of the Rio Grande project located in the State of Texas. It is organized under Texas law to represent the landowners in the portion of the project from the New Mexico line on the Rio Grande to a point several miles below El Paso, Tex. The project was authorized by the act of Congress of February 25, 1905, being among the first in the United States under the Federal Reclamation Act of 1902. Construction followed immediately and included the Elephant Butte Dam and Reservoir authorized for construction March 4, 1905, which serves the purpose of irrigation and facilitates the delivery of water to Mexico in compliance with the treaty dated

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May 21, 1906 with the Republic of Mexico, under which Mexico is entitled to 60,000 acre-feet of water annually. Water was first made available on the project in 1908.

Since 1930, care, operation, and maintenance have been at an enforced minimum as a result of the depression, the war, and postwar scarcities of both labor and material. Furthermore, irrigation structures installed from 1905 to 1930, which are primarily of timber construction, have deteriorated from natural causes to the extent that replacements and major repairs are now obligatory.

The rehabilitation and betterment program will require the expenditure of an estimated $4,025,000 over a period of approximately 5 years. As of June 30, 1950, the district construction obligation totaled $1,730,229.90 payable in annual installments of $98,863 with the final payment due in 1967. It is proposed that the United States enter into a repayment contract with the district providing that commencing with the second calendar year following that in which the United States shall have commenced the work program, and during each calendar year thereafter until the total sum due on account of the work program shall have been paid, the district will pay toward reimbursement of the work-program costs the sum of $168,860 less annual amounts required to be paid to the United States on project construction costs. It is estimated that the district-construction obligation will have been liquidated by 1967 which means that approximately $70,000 per year will be applied on rehabilitation costs prior to that date and the full $168,860 per annum after that time. Assuming that rehabilitation work can be started in 1951, payments will begin in 1953 and continue through 1985 for a total pay-out period of 32 years.

A repayment-capacity analysis of the El Paso County Water Improvement District No. 1 supports the proposed payment schedule as outlined above, and I have, therefore, determined that:

1. Annual installments of approximately $70,000 payable while payments are still being made by the district on its construction obligation and $168,860 thereafter on the proposed rehabilitation and betterment obligation will be in accordance with the ability of the El Paso County Water Improvement District No. 1 to pay in the light of its outstanding repayment obligations.

2. The work for which the rehabilitation and betterment funds are to be expended in the El Paso County Water Improvement District No. 1 is not construction but is maintenance, including replacements, which cannot be financed currently as otherwise contemplated by the Federal reclamation laws in the case of operation and maintenance costs.

As indicated in the above discussion some of the project works are in urgent need of rehabilitation. Funds are available to initiate the work contemplated by the proposed contract and work should be started as quickly as possible. For this reason it would be most helpful if your committee would take early action on these recommendations under the procedures prescribed by Public Law 451, Eighty-first Congress, second session.

An identical letter has been sent to the Committee on Interior and Insular Affairs of the Senate.

Sincerely yours,

MASTIN G. WHITE,
Acting Assistant Secretary of the Interior.

WILLIAM EARLE GRIFFIN

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I offer a resolution (H. Res. 880) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to William Earle Griffin, son of Helen M. Griffin, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate she was receiving at the time of her death and an additional amount not to exceed $350 toward defraying the funeral expenses of said Helen M. Griffin.

The resolution was agreed to.

A motion to reconsider was laid on the table.

LONG-STAPLE COTTON

Mr. REGAN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9832) to remove the marketing penalties on certain long-staple cotton.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, will the gentleman please explain the bill?

Mr. REGAN. Mr. Speaker, the law of 1950 would put a penalty on certain long-staple cotton if it was not ginned on roller-type gins. The early frost has cut the maturing of some of the cotton production and they will have to gin it on saw-type gins. It will take the regular price of the cotton and may be put on a short-staple base. The Committee on Agriculture has unanimously approved this bill. It involves but an estimated 6,000 bales that the country needs for defense purposes.

Mr. MARTIN of Massachusetts. I think the gentleman has made a very good case, and I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The clerk read the bill, as follows:

Be it enacted, etc., That the marketing penalty provided in section 346 of the Agricutural Adjustment Act of 1938, as amended August 29, 1949, shall not be applied to long staple cotton of the 1950 crop ginned on saw type gins where such action was necessary to conserve the cotton because of frost or weather damage.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. MANSFIELD asked and was given permission to revise and extend the remarks he made in Committee and include a newspaper article, a press release, a telegram, and two amendments which he intends to offer tomorrow.

Mr. COLMER asked and was given permission to extend his remarks and include an editorial.

Mr. KILBURN (at the request of Mr. VORYS) was given permission to extend his remarks and include extraneous material.

Mr. BOYKIN (at the request of Mr. REGAN) was given permission to extend his remarks and include extraneous matter.

Mr. RICHARDS asked and was given permission to extend his remarks and include two newspaper articles.

Mr. HESELTON asked and was given permission to revise and extend the remarks he made in Committee and include copies of correspondence, statistics, and other tabulations.

Mr. CASE of New Jersey asked and was given permission to extend his remarks and include extraneous matter.

Mr. DOYLE asked and was given permission to extend his remarks and include a statement of the aims and objectives of the American Veterans of World War II, including their revised constitution and bylaws, notwithstanding the fact that it will exceed two pages of the RECORD and is estimated by the Public Printer to cost $410.

Mr. McDONOUGH asked and was given permission to extend his remarks.

Mr. JENISON asked and was given permission to extend his remarks and include extraneous matter.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in two instances and include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. WERDEL, for an indefinite time, on account of attendance at California meetings of subcommittee of Public Lands Committee.

SENATE ENROLLED JOINT RESOLUTION SIGNED

The SPEAKER announced his signature to an enrolled joint resolution of the Senate of the following title:

S. J. Res. 207. Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

SENATE JOINT RESOLUTION REFERRED

A joint resolution of the Senate was taken from the Speaker's table and, under the rule, referred as follows:

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended; to the Committee on the District of Columbia.

BILL PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on December 8, 1950, present to the President, for his approval, a bill of the House of the following title:

H. R. 5967. An act to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 47 minutes p. m.) the House adjourned until tomorrow, Wednesday, December 13, 1950, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the clerk

for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Resolution 880. Resolution providing for the payment of 6 months' gratuity and $350 funeral expenses to William Earle Griffin, son of Helen M. Griffin, late an employee of the House; without amendment (Rept. No. 3185). Ordered to be printed.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the clerk for printing and reference to the proper calendar, as follows:

Mr. MORRIS: Committee on Public Lands. S. 3519. An act authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens; without amendment (Rept. No. 3184). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred, as follows:

By Mr. BROOKS:

H. R. 9899. A bill to authorize the issuance of a special Korean campaign medal; to the Committee on Armed Services.

By Mr. RANKIN (by request):

H. R. 9900. A bill to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended; to the Committee on Veterans' Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. FALLON:

H. R. 9901. A bill for the relief of Dr. Leonidas M. Peppas; to the Committee on the Judiciary.

By Mr. GARMATZ:

H. R. 9902. A bill to adjust the status of an alien who is in the United States and who is a quota immigrant; to the Committee on the Judiciary.

By Mr. HERTER (by request):

H. R. 9903. A bill for the relief of Bartholomew H. Donovan; to the Committee on the Judiciary.

By Mr. LODGE:

H. R. 9904. A bill for the relief of Stanislas d'Erceville; to the Committee on the Judiciary.

By Mr. PLUMLEY:

H. R. 9905. A bill to authorize the transfer to the Vermont Agricultural College of certain lands in Addison County, Vt., for agricultural purposes; to the Committee on Agriculture.

By Mrs. ROGERS of Massachusetts:

H. R. 9906. A bill for admission to the United States of Mrs. Margot Kazerski; to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2410. The SPEAKER presented a petition of Edmond C. Fletcher, Washington, D. C., relative to grievance against the Government of the United States for the impeachment of Hon. Albert V. Bryan, of Alexandria, Va., district judge of the United States for the eastern district of Virginia, which was referred to the Committee on the Judiciary.

SENATE

WEDNESDAY, DECEMBER 13, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, Thou hast made all the highways of our hearts to lead to Thy face; Thou hast so formed our being that its deepest cravings are satisfied only in Thee. Help us this noontide to lift our faces to Thy radiance, O Thou sun of our help and strength.

Not only for our separate lives do we pray, but for the common interests and great spiritual traditions that bind us all together, for our Nation and its chosen leaders, and for the whole body of our citizens in this time of testing, we crave Thy guidance. In all our decisions set our souls on high things. In this dangerous yet glorious day, when we must choose for ourselves and our civilization life or death, the blessing or the curse, grant us the grace, in scorn of consequence, to set our wills on things worth living for and, if need be, worth dying for. Amen.

THE JOURNAL

On request of Mr. O'CONOR, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, December 12, 1950, was dispensed with.

DESIGNATION OF ACTING PRESIDENT PRO TEMPORE

The legislative clerk read the following letter:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., December 13, 1950.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CARL HAYDEN, a Senator from the State of Arizona, to perform the duties of the Chair during my absence.

KENNETH MCKELLAR,
President pro tempore.

Mr. HAYDEN thereupon took the chair as Acting President pro tempore.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 9832) to remove marketing penalties on certain long-staple cotton, in which it requested the concurrence of the Senate.

LEAVES OF ABSENCE

On request of Mr. HOEY, and by unanimous consent, Mr. SMITH of North Carolina was excused from attendance on the session of the Senate today, because of public business.

On request of Mr. O'CONOR, and by unanimous consent, Mr. PEPPER was excused from attendance on the session of the Senate today.

Mr. LONG. Mr. President, tomorrow the junior Senator from Louisiana and the senior Senator from Kansas [Mr. SCHOEPPEL] will conduct subcommittee hearings for the Small Business Committee. I therefore ask unanimous consent that the senior Senator from Kansas and the junior Senator from Louisiana may be absent on official business tomorrow.

The ACTING PRESIDENT pro tempore. Without objection, permission is granted.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. O'CONOR, and by unanimous consent, the Committee on Public Works was authorized to meet during the session of the Senate today.

On request of Mr. O'CONOR, and by unanimous consent, the Committee on Armed Services was authorized to meet today during the session of the Senate.

PREVENTION OF CORPORATIONS FROM ACQUIRING ANOTHER CORPORATION BY MEANS OF ACQUISITION OF ITS ASSETS

The Senate resumed the consideration of the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

Mr. O'CONOR. I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. Under the unanimous-consent agreement a quorum call is ordered, and the clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Hickenlooper	Maybank
Anderson	Hill	Millikin
Benton	Hoey	Morse
Brewster	Holland	Mundt
Bricker	Hunt	Murray
Bridges	Ives	Neely
Butler	Jenner	Nixon
Byrd	Johnson, Colo.	O'Conor
Cain	Johnson, Tex.	O'Mahoney
Capehart	Johnston, S. C.	Robertson
Carlson	Kefauver	Russell
Chapman	Kem	Saltonstall
Chavez	Kerr	Schoeppel
Clements	Kilgore	Smith, Maine
Connally	Knowland	Smith, N. J.
Cordon	Langer	Stennis
Donnell	Leahy	Taylor
Douglas	Lehman	Thomas, Okla.
Dworshak	Long	Thomas, Utah
Eastland	Lucas	Thye
Ecton	McCarran	Tobey
Flanders	McCarthy	Tydings
Frear	McClellan	Watkins
Fulbright	McFarland	Wherry
George	McKellar	Wiley
Gillette	McMahon	Williams
Gurney	Magnuson	Young
Hayden	Malone	
Hendrickson	Martin	

Mr. LUCAS. I announce that the Senator from Louisiana [Mr. ELLENDER] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Florida [Mr. PEPPER] and the Senator from North Carolina [Mr. SMITH] are absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Massachusetts [Mr. LODGE] and the Senator from Ohio [Mr. TAFT] are necessarily absent.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The ACTING PRESIDENT pro tempore. A quorum is present.

Under the unanimous-consent agreement, the time between now and 2 o'clock is equally divided between the Senator from Maryland [Mr. O'CONOR] and the Senator from Missouri [Mr. DONNELL].

Mr. DONNELL. Mr. President, I yield 10 minutes to the Senator from Maine [Mr. BREWSTER].

EXEMPTION OF FURLOUGH TRAVEL OF SERVICE PERSONNEL FROM TRANSPORTATION TAX

Mr. GEORGE. Mr. President, will the Senator from Maine yield to me for a minute if he may do so without losing his position?

Mr. BREWSTER. Mr. President, I will do so. I do not want to yield to anyone else, but I yield to the Senator from Georgia, however.

Mr. GEORGE. Mr. President, I ask for the present consideration of House bill 9840.

The ACTING PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 9840) to exempt furlough travel of service personnel from the tax on transportation of persons.

Mr. GEORGE. Mr. President, what is proposed to be done by the bill is exactly what was done in World War II. The bill was unanimously reported from the Finance Committee.

Since it is reported with a minor amendment, it is necessary to have it go to the House. I therefore ask for the immediate consideration of the bill.

The ACTING PRESIDENT pro tempore. Is there objection to the immediate consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 9840) to exempt furlough travel of service personnel from the tax on transportation of persons, which had been reported from the Committee on Finance, with an amendment on page 2, line 4, after the word "than" to strike out "2" and insert "2.025."

The amendment was agreed to.

The amendment was ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 9840) was read the third time and passed.

PREVENTION OF CORPORATIONS FROM ACQUIRING ANOTHER CORPORATION BY MEANS OF ACQUISITION OF ITS ASSETS

The Senate resumed the consideration of the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

Mr. BREWSTER. Mr. President, I do not intend to discuss the merits of the bill now under consideration, although I think it will be recognized that it is a measure which has been pending for a long time, and that there have been serious arguments as to its wisdom in view of all its implications and ramifications. It involves questions on which the Senator from Maine has not formed a final opinion, because of the press of many other matters.

It seems to me most unfortunate that this bill is being pressed to a conclusion at the very time when the President of the United States has called the leaders of both sides to the White House to consider the declaration of a total emergency which will involve, we trust, an all-out effort and the mobilization of every possible resource of America in the face of what is certainly the most critical situation that has been faced in our lifetime, and perhaps in the lifetime of our country.

The reason why it seems a peculiarly inappropriate measure to consider is that it involves further placing of responsibilities upon the executive department to take action against possible mergers or growth toward concentration of economic power when, during the last war, as a result of our experience, with the full approval of all members of the administration, the operation of existing legislation of this character was suspended because it was the considered conclusion of all concerned, that it was calculated to hamper production which was the vital element in the winning of the war.

It seems to me, therefore, most unfortunate and most unhappy that this bill is being pressed. I continue to hope very earnestly that those responsible may recognize the wisdom of laying the measure aside. When this consideration was presented to them yesterday, the only reply which the distinguished sponsors of the bill made was that, recognizing it might be necessary to suspend the legislation, it would be just as easy to suspend it as to suspend the other existing legislation on the subject. That seems to me to be a very questionable argument in favor of acting at this time.

Aside from that, however, we are now in the closing days of the session, with a new Congress coming in on January 3, at which time, if happily the crisis in which we find ourselves should pass, there will be time to consider the proposed legislation. That, it seems to me, is the time to act rather than in the closing days of a Congress which has just been reconstituted by the action of the American people.

So on both grounds, that of the war emergency which may require once again suspending not only the existing legislation dealing with the subject but other legislation as well, and that, with but a few days remaining in this session, there are so many other matters pressing it seems to me entirely indefensible to give consideration to legislation of this character. During the closing days of the session, it seems to the Senator from Maine, the complete attention and thought of every Member of the Senate should be given to how we may cooperate with the administration and the country in trying to get the country on a war basis without a day's delay.

We expect there may be a decree of total emergency within 24 or 48 hours. So we are told. Yet, here we are debating a measure which, at the least, must be admitted as being calculated possibly to hamper rather than to give impetus to the war mobilization and effort.

Mr. President, I yield the remainder of my time.

NOMINATIONS OF MEMBERS OF THE NATIONAL SCIENCE BOARD OF THE NATIONAL SCIENCE FOUNDATION

Mr. SMITH of New Jersey. Mr. President, does the Senator from Missouri have the floor?

Mr. DONNELL. I do; yes.

Mr. SMITH of New Jersey. Will the Senator yield to me about 2 minutes in order to make a report from the Committee on Labor and Public Welfare?

Mr. DONNELL. I yield.

The ACTING PRESIDENT pro tempore. The Senator from New Jersey is recognized for 2 minutes.

Mr. SMITH of New Jersey. Mr. President, on behalf of the Committee on Labor and Public Welfare, I ask unanimous consent, as in executive session, to report favorably the nominations of 24 individuals to be members of the National Science Board of the National Science Foundation, and in connection with this report to speak briefly on behalf of the committee.

The ACTING PRESIDENT pro tempore. Without objection, the nominations will be received and placed on the Executive Calendar.

Mr. SMITH of New Jersey. Mr. President, as one of the original sponsors of the National Science Foundation legislation, together with many of my colleagues on both sides of the aisle, I express the deepest gratification that this measure has been enacted into law, and that now there have been submitted to the Senate the names of 24 eminent educators and scientists to be members of the Board of the National Science Foundation. I am sure that all my colleagues will join me in wishing success to the labors of the National Science Foundation as it begins its important deliberations. This new organization devoted to the pursuit of fundamental science, as all of us know, has an important role to play in promoting the national welfare and the security of the United States.

Mr. President, in reporting these nominations favorably, the committee expresses its view—and in that view I join—that among the 24 nominees there

are a disproportionate number of administrators, as distinguished from research scientists. The committee notes with approval the general high caliber of the individuals nominated, but expresses the hope that when the time comes to appoint successors to the present members, at the expiration of their respective terms, a greater proportion of actual research scientists will be chosen.

In brief elaboration of that point, let me say that we felt that every person who has been nominated is worthy of our support, and we would not for any reason oppose confirmation of any of the nominations. However, the committee felt that there are a disproportionate number of administrators, and relatively too few expert research scientists.

I thank the Senator for yielding time to me.

TRANSACTION OF ROUTINE BUSINESS

Mr. O'CONOR. Mr. President, I have consulted the Senator from Missouri [Mr. DONNELL], and it is agreeable to both of us that opportunity be given at this time for the transaction of routine business and insertions in the RECORD, without debate.

CREDENTIALS

Mr. KNOWLAND. Supplementary to the telegram from the Governor of California appointing my colleague the junior Senator from California [Mr. NIXON] to serve the unexpired term of Mr. Downey, which was read to the Senate on December 4, I present the official credentials of Mr. NIXON, and ask that they be read.

The credentials were read, and ordered to be placed on file, as follows:

EXECUTIVE DEPARTMENT,
STATE OF CALIFORNIA.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that pursuant to the power vested in me by the Constitution of the United States and the laws of the State of California, I, Earl Warren, the Governor of said State, do hereby appoint RICHARD NIXON a Senator from said State to represent said State in the Senate of the United States until the vacancy therein, caused by the resignation of Sheridan Downey, is filled by election, as provided by law.

Witness: His Excellency, our Governor, Earl Warren, and our seal hereto affixed at Sacramento, this 1st day of December, in the year of our Lord 1950.

EARL WARREN,
Governor.

By the Governor:
[SEAL] FRANK M. JORDAN,
Secretary of State.
By CHAS. J. HAGERTY,
Deputy Secretary of State.

Mr. MUNDT presented the credentials of FRANCIS CASE, duly chosen by the qualified electors of the State of South Dakota, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF SOUTH DAKOTA,
OFFICE OF THE GOVERNOR.

CERTIFICATE OF ELECTION

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1950, FRANCIS CASE was duly chosen by the qualified electors of the State of South Dakota a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, George T. Mickelson, and our seal hereto affixed at Pierre, this 7th day of December, in the year of our Lord 1950.

GEORGE T. MICKELSON,
Governor.

By the Governor:
Attest:
[SEAL] ANNAMAE RIIFF,
Secretary of State.

Mr. LEAHY presented the credentials of JOHN O. PASTORE, duly chosen by the qualified electors of the State of Rhode Island, a Senator from that State, for the unexpired term ending January 2, 1953, which were read and ordered to be filed, as follows:

STATE OF RHODE ISLAND
AND PROVIDENCE PLANTATIONS,
EXECUTIVE CHAMBER,
Providence.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, JOHN O. PASTORE, was duly chosen by the qualified electors of the State of Rhode Island a Senator from said State to represent said State in the Senate of the United States for the unexpired term of 6 years, ending on the 2d of January 1953.

Witness: His Excellency, our Governor, and our seal hereto affixed at Providence this 11th day of December, in the year of our Lord 1950.

JOHN O. PASTORE,
Governor.

By the Governor:
[SEAL] ARMOND H. COTE,
Secretary of State.

MEMORIALS

Memorials were laid before the Senate, and referred as indicated:

By the ACTING PRESIDENT pro tempore:

Two telegrams in the nature of memorials from the Knights of Columbus of Escanaba, Mich., signed by Alex St. Cyr, and the Fourth Degree Assembly, Knights of Columbus of Sault Ste. Marie, Mich., signed by John P. LaBianc, remonstrating against the enactment of legislation providing financial assistance to Yugoslavia; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. AIKEN, from the Committee on Agriculture and Forestry:

S. 4235. A bill to authorize the transfer to the Vermont Agricultural College of certain lands in Addison County, Vt., for agricultural purposes; without amendment (Rept. No. 2625).

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

H. R. 8349. A bill to authorize deductions from the wages of seamen for payment into employee welfare funds; with an amendment (Rept. No. 2628);

H. R. 8851. A bill to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Brown's Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Brown's Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the county of Pierce, State of Washington; without amendment (Rept. No. 2629); and

H. R. 9681. A bill to authorize the waiver of the navigation and vessel-inspection laws; without amendment (Rept. No. 2630).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. 4069. A bill for the relief of Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow; without amendment (Rept. No. 2631).

INTERIM REPORT ON CERTAIN PERISHABLE AGRICULTURAL COMMODITIES (REPT. NO. 2626)

Mr. THOMAS of Oklahoma. Mr. President, from the Committee on Agriculture and Forestry, I submit, pursuant to Senate Resolution 173, Eighty-first Congress, an interim report on the present status of certain perishable agricultural commodities under the supervision, management, and control of the Commodity Credit Corporation, and ask that the report be printed.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and printed.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. THOMAS of Oklahoma. I yield.

Mr. LUCAS. May I inquire of the Senator from Oklahoma whether or not he expects to try to bring up the bill (H. R. 9313) upon which the report is based?

Mr. THOMAS of Oklahoma. The committee held a meeting this morning, and it was practically agreed that it would not ask, as a committee, that the bill be brought up. The bill is on the calendar. However, so far as I know, no member of the committee will ask that the bill be brought up.

Mr. LUCAS. I merely wished to get that information for the RECORD.

Mr. WHERRY. Mr. President, I should like to ask the distinguished majority leader if that means that the bill will not be brought up for consideration this afternoon.

Mr. LUCAS. No; it will not be brought up for consideration this afternoon.

COMPETITIVE FREIGHT ABSORPTION—REPORT OF A COMMITTEE (REPT. NO. 2627)

Mr. JOHNSON of Colorado. Mr. President, from the Committee on Interstate and Foreign Commerce, I submit a report on the status of competitive freight absorption, and request that it be printed.

The ACTING PRESIDENT pro tempore. Without objection, the report will be received and printed, as requested by the Senator from Colorado.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. KEM:

S. 4251. A bill for the relief of Yee Kee Lam; and

S. 4252. A bill for the relief of Stela S. Ransier; to the Committee on the Judiciary.

By Mr. THOMAS of Utah:

S. 4253. A bill for the relief of Mark Yoke Loon and Mark Seep Ming; to the Committee on the Judiciary.

HOUSE BILL REFERRED

The bill (H. R. 9832) to remove marketing penalties on certain long-staple cotton was read twice by its title and referred to the Committee on Agriculture and Forestry.

UNIVERSITY OF MICHIGAN LIBRARIES

THE PHYSICALLY HANDICAPPED AND NATIONAL DEFENSE—STATEMENT BY GEN. GEORGE C. MARSHALL

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD a statement on the subject The Physically Handicapped and National Defense, by Gen. George C. Marshall, Secretary of Defense, which appears in the Appendix.]

HOLY CITY—EDITORIAL FROM THE WASHINGTON POST

[Mr. BREWSTER asked and obtained leave to have printed in the RECORD an editorial entitled "Holy City," published in the Washington Post for December 8, 1950, which appears in the Appendix.]

TIME FOR UNITY—EDITORIAL FROM THE WASHINGTON POST

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an editorial entitled "Time for Unity," published in the Washington Post of December 9, 1950, which appears in the Appendix.]

USE OF TAX MONEY—EDITORIAL FROM THE OIL CITY DERRICK

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an editorial entitled "It's Fun To Spend," published in the Oil City Derrick, of Oil City, Pa., December 9, 1950, which appears in the Appendix.]

A NOTE ON WARS—EDITORIAL BY W. L. WHITE

[Mr. SCHOEPPEL asked and obtained leave to have printed in the RECORD an editorial entitled "A Note on Wars," written by W. L. White, editor of the Emporia (Kans.) Gazette, which appears in the Appendix.]

PREVENTION OF CORPORATIONS FROM ACQUIRING ANOTHER CORPORATION BY MEANS OF ACQUISITION OF ITS ASSETS

The Senate resumed the consideration of the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

Mr. DONNELL. Mr. President, I yield 5 minutes to the Senator from Vermont [Mr. FLANDERS].

The VICE PRESIDENT. The Senator from Vermont is recognized for 5 minutes.

Mr. FLANDERS. Mr. President, I wish to speak very briefly and state the reasons why I shall oppose the pending bill.

It seems to me that a case has not been made that the increase in concentration is due to the acquisition of assets. This matter brings up a principle to which I am devoted and to which I will remain devoted until I see reasons for changing my devotion. I refer to the principle that no bills should be introduced and no laws enacted unless they are necessary. I fail to see that the necessity for this proposed law has been proved.

The other point on which I wish to speak just as briefly is the argument that the bill is in support of small business. When we consider the vast number of small businesses, amounting to a large percentage, which have to go out of business for one reason or another, there begins to appear an interest on the part of small business in the ability to sell out, instead of having to have a complete liquidation of assets under unfavorable conditions. Thus, the selling out of small interests to a larger concern—not necessarily one of the giants of industry, but perhaps a large concern for the particular area—is one of the things which should be protected from the small-business standpoint.

For these reasons, Mr. President—first, because I am opposed to the extension of laws or the multiplying of laws for the purpose of simply having more laws; and, second, for the reason that the market for small businesses should not be impaired by putting obstacles in their way, as this proposed law would seem to me to do, I oppose the passage of this bill.

Mr. DONNELL. Mr. President, let me inquire of the Senator from Maryland whether he is ready to proceed at this time.

Mr. O'CONOR. Several Senators who have expressed a desire to speak are not quite ready. If it is agreeable to the Senator from Missouri for him to proceed now, it will be appreciated if he will do so.

Mr. DONNELL. Very well.

Mr. President, let me ask how much time we have.

The VICE PRESIDENT. The Senator from Missouri has 37 minutes remaining. The rest of the time belongs to the Senator from Maryland.

Mr. DONNELL. Mr. President, I yield to myself 25 minutes.

The VICE PRESIDENT. The Senator from Missouri is recognized for 25 minutes.

Mr. DONNELL. Mr. President, the purpose of this bill, as stated in the report of the majority of the committee, is—

To prevent corporations from acquiring another corporation by means of the acquisition of its assets, where under the present law it is prohibited from acquiring the stock of said corporation.

The Senator from Vermont has referred to the question of whether adequate proof has been presented to indicate that acquisitions of assets of corporations are responsible for the increase in economic concentration. That matter was referred to yesterday in the course of the address made by the Senator from Maryland, and particularly by the citation on my part of the various views submitted by Doctors John Lintner and J. Keith Butters on the effect of mergers on industrial concentrations, which views appear in an article in the February 1950 issue of the Review of Economics and Statistics.

It is not my purpose this afternoon to go further into this question of fact, upon which complicated inquiries obviously are necessary, and upon which the charts which have been presented here by those who favor the bill indicate by their very nature something of the complexity of the questions of fact involved.

I desire to address myself primarily to the effect of the Sherman Act upon assets acquisitions. I submit most respectfully to the Senate that the Sherman Act already makes illegal such assets acquisitions as shall tend to create a monopoly in any section of the country or as shall have the effect of substantially lessening competition in any such section.

The Sherman Act contains, among its provisions, these two:

Every contract, combination in the form of trust or otherwise, or conspiracy—

I emphasize by my voice the word "or," because it obviously indicates something which may differ from the contract or combination previously mentioned.

I repeat:

Every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several States, or with foreign nations, is declared to be illegal—

Second:

Every person who shall monopolize, or attempt to monopolize, or combine or conspire with any other person or persons, to monopolize any part of the trade or commerce among the several States, or with foreign nations, shall be deemed guilty of a misdemeanor.

Mr. President, I have stated that the Sherman Act already makes illegal such assets acquisitions as shall tend to create a monopoly in any section of the country, or as shall have the effect of substantially lessening competition in any such section. I submit that the two quotations which I have made from the Sherman Act amply justify the statement which I have made.

The case of United States against Steel Co. and others, Three hundred and thirty-fourth United States Reports, page 495, is a suit brought by the United States to enjoin the United States Steel Corp. and its subsidiaries from purchasing the assets—note "the assets"—of the largest independent steel fabricator on the west coast, on the ground that such acquisition would violate sections 1 and 2 of the Sherman Act. Although the proof adduced by the Government failed in that suit to prove its contention that the acquisition of Consolidated—that is, of its assets—would unreasonably lessen competition in the respects charged, and consequently the Court held that the proposed contract was not forbidden by section 1 of the Sherman Act, it is nevertheless obvious that the Court accepted the proposition that the sale of assets, if an unreasonable lessening of competition were proved, would be illegal under section 1 of the Sherman Act. In this connection attention is called to the language of the Court at pages 507 and 508 that—

On the record before us and in agreement with the trial court we conclude that the Government has failed to prove its contention that the acquisition of Consolidated would unreasonably lessen competition in the three respects charged, and therefore the proposed contract is not forbidden by section 1 of the Sherman Act.

In said case of *United States* v. *Steel Company and others* (334 U. S., L. C. 527), the Court says, with respect to the acquisition of competitors in identical or similar lines of merchandise—the case being, as previously indicated, one in which the purchase of assets was involved—

If such acquisition results in or is aimed at unreasonable restraint, then the purchase is forbidden by the Sherman Act.

By reason of the use by the court of the term "unreasonable restraint," it is

obvious that the provision of the Sherman Act by which the court considered that said purchase would be forbidden is section 1, which declares to be illegal every contract, and so forth, "in restraint of trade."

Mr. President, in my opinion the provision of said section 1 of the Sherman Act declaring illegal every contract, and so forth, "in restraint of trade or commerce among the several States, or with foreign nations" includes, within its scope, any tendency of an assets acquisition to substantially lessen, hinder, or suppress competition.

In *Shotkin* v. *General Electric Company and others* (171 Fed. (2d) 236, U. S. C. A., 10th Cir., decided December 2, 1948) the defendants were charged under sections 1, 2, 3, 4, 7, and 15 of the Sherman Antitrust Act. The court in that case, local citation 23, said:

> But regardless of the intent of the parties, if the inherent tendency of the combination, agreement, or concert is substantially to lessen, hinder, or suppress competition in the channels of the trade or commerce, it comes within the sweep of the act. (*Fashion Originators' Guild* v. *Federal Trade Commission* (312 U. S. 457, 668 [468], 61 S. Ct. 703, 85 L. Ed. 949).)

Mr. President, the reason for my opinion that the Court in the language so quoted, is referring not to section 2 of the Sherman Act, which is the section relative to monopolization, but to section 1, the section which relates to contracts, combinations, or conspiracies in restraint of trade, was set forth yesterday in the RECORD through an insertion which I made at page 16439; and I shall not go further into that reason.

Mr. President, I have thus indicated the applicability of the Sherman Act to such assets acquisitions as shall tend to create a monopoly in any section of the country, or as shall have the effect of substantially lessening competition in any such section. I desire to call attention to the fact that the pending bill, H. R. 2734, contains language, however, which is not in the Sherman Act. It will be recalled from what I have read that the Sherman Act is positive. It declares every contract, combination in the form of trust or otherwise, or conspiracy in restraint of trade or commerce among the several States or with foreign nations, to be illegal. The bill, H. R. 2734, however, injects, as I see it, an element of uncertainty, to which I call the attention of the Senate. The bill provides that—

> No corporation engaged in commerce shall acquire, directly or indirectly, the whole or any part of the stock or other share capital and no corporation subject to the jurisdiction of the Federal Trade Commission shall acquire the whole or any part of the assets of another corporation engaged also in commerce, wherein any line of commerce in any section of the country, the effect of such acquisition—

I emphasize the next two words by my voice—

> may be substantially to lessen competition, or to tend to create a monopoly.

The Sherman Act is itself clear and definite. The bill is clouded by the uncertainty of the quoted language.

The Senator from Wyoming, who spoke yesterday on the subject of this bill, in the Eighty-first Congress, first session, made certain observations in connection with the bill, S. 1008, and those observations of his are, I think, in point in connection with the use of the words "may be" in H. R. 2734. I call attention to the fact that at page 11344 of the CONGRESSIONAL RECORD of the Eighty-first Congress, first session, we are informed, at pages 166 and following, of the hearings on H. R. 2734, that the Senator from Wyoming said this:

> Mr. President, the difference between the word "will" and the word "may" is almost as great as the distinction between the poles. Under the Kefauver amendment, this law will read, if it is enacted—and I hope it will be—that delivered prices or freight absorption independently practiced by an industrialist are not in violation of the Clayton Act unless they will have the effect of violating the antitrust laws. I prefer the word "will" to the word "may" because, if we use the word "may," no one under the sun can tell what the law means, because "may" conveys into the hands of some future Federal Trade Commission the power to hold that these two practices to be illegal, although the Federal Trade Commission now say they are not illegal. That is all in the world that this bill proposes to do. * * *
>
> What more can Senators ask? Do Senators wish to go beyond that and say, "We are not satisfied with the requirement that there will not be injury to competition. We want something more. We want the Federal Trade Commission to be able to say, 'Well, perhaps there is no present injury but perhaps there may be some injury in the future.'"

So, Mr. President, with his usual clarity and graphic power of statement, the Senator from Wyoming, in his comments on the difference between the word "will" and the words "may be," in his discussion of Senate bill 1008, comes to the conclusion that—

> If we use the words "may be," no one under the sun can tell what the law means.

Mr. President, the uncertainty of meaning in the pending bill, where it is declared to be prohibited that any corporation shall acquire these assets, when, in any line of commerce in any section of the country, "the effect of such acquisition may be to substantially lessen competition or to tend to create a monopoly," I say that the uncertainty of meaning which results from the use of the words "may be" may seriously interfere with or even destroy the market for a small business. We realize, I think as matter of senatorial notice, if "judicial notice" is not the proper expression, the difficulty of selling a business nowadays to a person who is not already engaged in the same type of business and the consequent practical necessity, in many cases, that if a particular owner of a business desires to dispose of his business he must sell it either to a corporation or other company already operating in the same line, or not sell it at all. Yet, under this bill, the purchaser of the assets finds that the purchase which he has made will be illegal and can be divested if the effect of such acquisition "may be" substantially to lessen competition or to tend to create a monopoly.

I take it to be clear that it would deter purchasers from investing their money in the purchase of assets when they are confronted with the possibility of determining, in view of this language, whether the acquisition of the assets will or will not be ultimately held to have been invalid.

So, Mr. President, from the standpoint of the proposed seller of the assets, I take it that this bill, by interposing this vagueness, this uncertainty by the use of the words "may be," is injecting something which may be of very great injury to the owner of a small business who desires to sell, but finds that the purchaser is fearful of the outcome of the purchase because of the difficulty of knowing whether the purchase will or will not be valid after it is concluded.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. DONNELL. I yield.

Mr. LONG. I was curious to know whether the words "may be" have not been at least interpreted by the courts in many cases. It was my impression that the court, in the Morton Salt Co. case, had occasion to interpret the words "may be." Therefore, are we not probably going to make it much more difficult than it already is?

Mr. DONNELL. I assure the Senator that I had, a little further on in my remarks, intended to and shall discuss the very case to which he refers, namely, the Morton Salt Co. case, and one or two other cases along that line.

I wish to say that this fear, this apprehension, this possibility of an impediment in the way of selling a business is not a mere fanciful one; at least, it is not so regarded by some of the witnesses who appeared before the Judiciary Committee of the Senate.

I referred yesterday to the testimony of Mr. James L. Donnelly, executive vice president of the Illinois Manufacturers' Association, Chicago, Ill. Mr. Donnelly testified, at page 294 of the hearings, as follows:

> The Illinois Manufacturers' Association embraces approximately 4,000 member firms. The members of the association include industries of all sizes, large, small, and middle sized, engaged in a wide variety of production.
>
> However, the great majority of the members of the IMA are small. Thirty percent employ less than 20 persons; 40 percent less than 50 persons; 60 percent less than 100 persons; and 70 percent less than 200 persons.
>
> The Illinois Manufacturers' Association, therefore, in fact speaks for the small manufacturing industries in Illinois. The manufacturers in our State, large and small, are opposed to this measure.
>
> We believe the situation in Illinois with reference to the sizes toward this legislation is typical of the situation that prevails in other industrial States.
>
> This measure, now pending consideration in the United States Senate, would amend section 7 of the Clayton Act so as to prohibit not only stock acquisitions but also the acquisition by one corporation of any part of the assets of another where "in any line of commerce in any section of the country" the effect may be substantially to lessen competition, or to tend to create a monopoly.
>
> In other words, the bill would forbid any corporation no matter how small that it is engaged in commerce, no matter in how small a degree, to acquire any assets of another corporation, no matter how small, where, in any line of commerce, no matter

how small, in any section of the country, no matter how small, the effect of such acquisition may be substantially to lessen competition, no matter in how small a degree.

The Illinois Manufacturers' Association is opposed to this measure.

Mr. President, I should like at this point in my argument to read what Mr. Donnelly said with respect to one of the reasons why his organization opposes this proposed legislation. He said, at page 295 of the hearings:

The second reason why we oppose this legislation is that the measure would injure small business. This measure represents, in substance, a renewal of the effort that has been made for years to induce Congress to so amend the antitrust laws that the opportunities of small companies to sell their businesses would, in effect, be restricted.

This measure, in effect, is based upon the premise that business development results only from the building of new plants, facilities, et cetera, and that such development should never follow the lawful acquisition of the assets of a competitive company.

This philosophy is particularly unfortunate in its application to thousands of smaller business firms.

Frequently a small business, on account of Government taxation policies, internal difficulties, business conditions, death, ill health, age, and many other sound considerations, is required to sell its assets, and in many cases, the only market for such sale is among competitors. This measure would, in effect, prevent the sale of said assets to a competitor.

The measure would, in effect, freeze the assets of many small business firms and prevent their expansion or further development. This result, of course, would be directly contrary to the expressed intention of the advocates of the measure, i. e., to protect small business against larger concerns.

Mr. President, I shall quote also from the testimony of Mrs. Katherine Parsons, Associate Director of the Employers Advisory Division, Pennsylvania Manufacturers' Association. When testifying before the subcommittee, she stated:

As the venture capital of individuals becomes scarcer, small- and medium-sized corporations faced with the necessity of selling found that the markets for their businesses were restricted to some larger corporation, usually a competitor.

It is an indisputable fact that this legislation—

She was speaking of House bill 2734—

will now remove this principal remaining market for small- and medium-size businesses in the event that sale becomes necessary. The physical properties would have to be disposed of piecemeal at salvage prices. The good will and reputation that the company may have built up over the years would bring in nothing to the stockholders.

Mr. President, the Commerce and Industry Association of New York, Inc., in a memorandum which is printed in the hearings before the subcommittee, stated:

The small corporate business is usually a family enterprise, or a so-called closed corporation; in either case the stock is closely held by relatively few individuals. Personal incentive and ability are the principal ingredients for its success; and in the absence of extreme, pressing circumstances the small business is not bought or sold. The factors motivating such sales are quickly enumerated; death or illness or the retirement of a principal shareholder, bad business conditions in the face of small operating capital, personal or immediate tax problems, are the ones most frequently responsible.

When small business runs afoul of such circumstances, the only market usually available is among competitors in the same field. This bill would forbid competitors to purchase, and a small business would find it was unable to offer itself as a going concern to the highest bidder; virtually, it would of necessity be disposed of as at a forced sale; good will and the repute it may have earned as a going business would be lost to its stockholders.

Mr. President, there was brought to my office this morning, entirely without solicitation on my part, a letter dated December 12, 1950, on the letterhead of National Milk Producers' Federation. I should like to read the letter into the RECORD. It is as follows:

NATIONAL MILK PRODUCERS FEDERATION,
Washington, D. C., December 12, 1950.

The Honorable FORREST C. DONNELL,
The Senate Office Building,
Washington, D. C.

DEAR SENATOR DONNELL: For several years the National Milk Producers Federation has been deeply concerned over various legislative proposals which would hamper or interfere with the development and expansion of business concerns, including farmers' cooperatives. At the thirty-fourth annual convention of the federation, held in Minneapolis, Minn., in November 1950, the voting delegates reiterated by resolution our position with respect to this matter. The following resolution was adopted:

"We are opposed to legislation which would prevent the normal development of any business by restricting it in the acquisition of the assets of other corporations or businesses."

In line with the above resolution, we desire to register our opposition to the bill H. R. 2734 now under consideration by the Senate. We wish to make clear that we do not sanction monopolies, and sound and effective legislation designed to prevent monopolistic control, whether by industry, labor, or agriculture, will receive our support. However, in our opinion, H. R. 2734, worthy as its objectives may be, does not, among other things, contain clear and definite provisions which will permit the normal expansion of business.

Your leadership in opposing the proposed legislation is very much appreciated by the membership of our federation.

Very truly yours,
CHARLES W. HOLMAN,
Secretary, National Milk Producers Federation.

The VICE PRESIDENT. The 25 minutes which the Senator had allotted to himself have expired.

Mr. DONNELL. I believe I have 12 minutes remaining.

The VICE PRESIDENT. That is correct.

Mr. DONNELL. I allow myself five additional minutes.

The VICE PRESIDENT. The Senator from Missouri is recognized for 5 minutes.

Mr. DONNELL. The Senator from Louisiana [Mr. LONG] inquired in regard to the construction placed upon the word "may" by the courts. That involves a very interesting situation, as is disclosed in the decisions of the Supreme Court of the United States. In my minority views I have mentioned the decisions to which the Senator from Louisiana refers.

Mr. President, the fact is that the Supreme Court of the United States in the case of *Federal Trade Commission* v. *Morton Salt Company* (334 U. S. 37, at page 46) said:

The statute requires no more than that the effect of the prohibited price discriminations "may be substantially to lessen competition. * * * or to injure, destroy, or prevent competition." After a careful consideration of this provision of the Robinson-Patman Act, we have said that "the statute does not require that the discriminations must in fact have harmed competition, but only that there is a reasonable possibility that they 'may' have such an effect."

The Supreme Court then cites *Corn Products Co.* v. *Federal Trade Commission* (324 U. S. 726, 742, and refers to note 14). In note 14 the Court states:

This language is to be read also in the light of the following statement in the same case, discussing the meaning of section 2 (a), as contained in the Robinson-Patman Act, in relation to section 3 of the Clayton Act:

"It is to be observed that section 2 (a) does not require a finding that the discriminations in price have in fact had an adverse effect on competition. The statute is designed to reach such discriminations 'in their incipiency,' before the harm to competition is effected. It is enough that they 'may' have the prescribed effect."

The Court then cites the case of *Standard Fashion Co.* v. *Magrane-Houston Co.* (258 U. S. 346, 356–357).

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. DONNELL. I am afraid I shall have to be excused from yielding at this point.

Mr. KEFAUVER. I should like to ask only one brief question if I may. If there was any confusion as a result of the Morton Salt Co. case concerning the use of the word "may," was that not entirely clarified by the Supreme Court in the case of Standard Oil Co. against the United States?

Mr. DONNELL. Mr. President, I shall answer the Senator by quoting from that case. I shall continue to quote from the Morton Salt Co. case at page 46. Note 14 continues:

"But as was held in the Standard Fashion case, supra, with respect to the like provisions of section 3 of the Clayton Act, prohibiting tying clause agreements, the effect of which 'may be to substantially lessen competition,' the use of the word 'may' was not to prohibit discriminations having 'the mere possibility' of those consequences, but to reach those which would probably have the defined effect on competition."

In the Standard Oil case, to which the Senator from Tennessee has referred, the Court says, in Three Hundred and Thirty-seventh United States Reports 293, at page 300:

The Standard Fashion case, the first of the five holding that the act had been violated, settled one question of interpretation of section 3. The Court said:

"Section 3 condemns sales or agreements where the effect of such sale or contract of sale 'may' be to substantially lessen competition or tend to create monopoly * * * But we do not think that the purpose in using the word 'may' was to prohibit the mere possibility of the consequences described. It was intended to prevent such agreements as would under the circumstances disclosed probably lessen competition or create an actual tendency to monopoly" (258 U. S. at 356–57). See also *Federal*

Trade Commission v. *Morton Salt Co.* (334 U. S. 37, 46, note 14).

The Morton Salt Co. case, as will be recalled, is the one in which the Corn Products case is cited to the effect that "the statute does not require that the discriminations must in fact have harmed competition, but only that there is a reasonable possibility that they 'may' have such an effect."

The note which I read indicates that "the use of the word 'may' was not to prohibit discriminations having 'the mere possibility' of those consequences, but to reach those which would probably have the defined effect on competition."

The PRESIDING OFFICER (Mr. MCMAHON in the chair). The additional time which the Senator has allotted to himself has expired.

Mr. DONNELL. I yield myself the remainder of my time.

The PRESIDING OFFICER. The Senator is recognized for seven additional minutes.

Mr. DONNELL. I take it that under this state of the decisions it is difficult to determine what is the meaning of the word "may" as defined by the Supreme Court. In Standard Oil Company of California against United States the Court quotes from the Standard Fashion Co. case, which is mentioned in note 14 to the Morton Salt Co. case, which Standard Fashion case used the word "probably." But the Court, in the Standard Oil case, also refers to the Morton Salt case, which is later than the Standard Fashion case, which Morton Salt case quotes the Corn Products case in the use of the term "reasonable possibility."

It may be, Mr. President, and I am inclined to think it is true, that the word "may" probably does not have the meaning of "mere possibility" but may mean either the "reasonable possibility" or, at most, the "probability" under "the circumstances disclosed." I think it is true that this is the probability as to what the word "may" means, namely, either "reasonable possibility," or at most, the "probability" under "the circumstances disclosed." However, the point I make is that obviously it will, prior to final adjudication, be in many specific cases difficult if not impossible to be certain whether or not the effect of a specific acquisition of assets may be substantially to lessen competition or to tend to create a monopoly.

This uncertainty is what, to my mind, is reasonably to be expected to cause injury to the owners of a business who may desire to dispose of such business.

The Sherman Act, to which I have referred, is not limited to the punishment of consummated violations. It will be recalled that injunctions under section 4 of the Sherman Act will lie. It will also be recalled, Mr. President, that yesterday in the course of the debate I referred to Mr. Montague, who testified before our subcommittee as to what the Sherman Act is today construed to mean. Mr. Montague was referred to by the distinguished Senator from Wyoming [Mr. O'MAHONEY] as a very good lawyer. On this point Mr. Montague testified:

> Today that act empowers the Attorney General to apply to the court for an injunction ab initio, or criminal sentence, or divestiture decree in respect of any economic concentration, be it existing or incipient, whether a person, firm, or corporation, or group of them, which has power to raise prices, or to exclude competition, in any section of the country, even though it is only incipient, and never exercises such power.

Mr. President, I had intended to quote from the American Tobacco Co. case, a good portion of which is set forth at page 14 in my minority views, but the time is too short for me to have the opportunity to do so. I may say that the quotation set forth in the report from the American Tobacco Co. case refers to section 2 of the Sherman Act. Nevertheless, to my mind, the same reasoning applies with respect to section 1. The general point is to quote from the American Tobacco Co. case, Three Hundred and Twenty-eighth United States Reports, page 781:

> A correct interpretation of the statute and of the authorities makes it the crime of monopolizing, under section 2 of the Sherman Act, for parties, as in these cases, to combine or conspire to acquire or maintain the power to exclude competitors from any part of the trade or commerce among the several States or with foreign nations, provided they also have such a power that they are able, as a group, to exclude actual or potential competition from the field, and provided that they have the intent and purpose to exercise that power. (See *United States* v. *Socony-Vacuum Oil Co.* (310 U. S. 150, 226, note 59) and authorities cited.)

At page 810 the Court states:

> Neither proof of exertion of the power to exclude nor proof of actual exclusion of existing or potential competitors is essential to sustain a charge of monopolization under the Sherman Act.

In *Fashion Originators Guild* v. *Federal Trade Commission* (312 U. S. 457) the decision is to similar effect.

Mr. President, I desire to close my remarks today by referring to the point made yesterday by the Senator from Tennessee [Mr. KEFAUVER] to the effect that I had taken two positions that appeared to be quite irreconcilable. May I inquire how much time I have remaining?

The PRESIDING OFFICER. Three minutes.

Mr. DONNELL. On page 16452 of the RECORD the Senator from Tennessee points out that one of the positions I take is that the bill is unnecessary, since the Sherman Act already makes unlawful asset acquisitions which tend to create a monopoly or have the effect of substantially lessening competition, and that the second position I have taken is that the bill would produce harmful effects by introducing new elements of uncertainty into the law, so that businessmen would be unable to determine in advance whether a proposed acquisition would be illegal.

The Senator from Tennessee concludes with this observation:

> Certainly, if the bill does no more than confer upon the Federal Trade Commission the same jurisdiction over the subject matter which now rests with the Attorney General under the Sherman Act, no new uncertainty will be introduced into the law by the proposed legislation.

There is no irreconcilability between the two positions which I take. It is true that the Sherman Act already makes unlawful asset acquisitions which tend to create a monopoly or which have the effect of substantially lessening competition. It is likewise true that the bill itself, House bill 2734, by introducing the words "may be," with the obvious uncertainty as to their meaning, does have the effect of introducing new elements of uncertainty into the law.

As the situation is today, the courts, under the Sherman Act, can in advance prevent by injunction the consummation of any transaction of the nature described which tends to create monopoly or which has the effect of substantially lessening competition. The effect of the bill is not only to introduce into the law uncertainty as to what asset acquisitions may be illegal and what may be legal; but, in addition, it gives to an administrative body, the Federal Trade Commission, the power which could be and should be exercised by a court.

So, Mr. President, I submit, in the first place, that the Sherman law at this time provides adequate remedy to cover the situation. I submit that there is strong reason in the minds of many persons who believe that the passage of this bill would be, as Mr. Donnelly, of the Illinois Manufacturers Association, and others have testified, an interference with small business in the sale of businesses.

I submit that the language of Mr. Holman, of the Milk Producers Federation, is highly persuasive and should be borne in mind by the Senate.

Mr. O'CONOR. Mr. President, I yield 15 minutes to the able junior Senator from Tennessee [Mr. KEFAUVER].

Mr. KEFAUVER. Mr. President, the concluding observation of the distinguished Senator from Missouri was to the effect that the passage of this bill was unnecessary because the Department of Justice already has the power, under the Sherman Antitrust Act, to secure an injunction in advance of a merger, in the event that it would result in monopoly.

The latest statement of the law as to what constitutes monopoly, per se, under the Sherman Act is contained in the decision of the special court which was established to hear the Aluminum Co. case, owing to the fact that several members of the Supreme Court had been officials of the Department of Justice and therefore had to disqualify themselves. In its decision, which I understand, in substance, at least, has been approved by the Supreme Court in later decisions, the Court held that if one company held 33⅓ percent control of the business in a particular line or industry, the Sherman Act would not be violated by that fact alone; that if it held 66 percent control, the Sherman Act might or might not be violated, depending upon the circumstances; and that, if it held 90 percent control, the act would definitely be violated.

I think we must all concede that somewhere before we reach the point of 90 percent control by a single company, we have a duty to perform, if we are to preserve the free enterprise system and

retain some kind of competition in our economy. We simply cannot afford to wait until one corporation has a 90-percent control, or even a 66-percent control. Yet, that is what we are required to do under the most recent announcement or finding by the Supreme Court as to what constitutes monopolization.

When the Columbia Steel case was first brought and was pending, I remember very distinctly that the distinguished lawyer to whom the Senator from Missouri referred, Mr. Gilbert Montague—who is indeed a very capable lawyer and has been most effective in contesting this bill over a period of many years—based his argument against this bill on the ground that the Department of Justice has wisely brought the Columbia Steel case, and that if the position of the Department of Justice prevailed in that case—as he was sure it would—the problem of monopolistic mergers could be adequately taken care of by the Sherman Act, thus making unnecessary the passage of this bill.

Of course, as we all know, when the Department of Justice lost the Columbia Steel case, that argument lost its force, particularly since the merger involved represented a very substantial acquisition with a substantial effect upon competition. I believe that if section 7 of the Clayton Act had been amended as the pending bill proposes, the acquisition which was made by the United States Steel Corp. in that case would not have been permitted.

The second point made by the distinguished Senator from Missouri is in connection with the use of the word "may" or "will." It is true that the Morton Salt Co. case resulted in some confusion as to just what the term "may be" meant, and that there the Supreme Court may have approached the "possibility" definition. However, any argument on that point has been very definitely settled by the later and subsequent decision of the Supreme Court in *Standard Oil Company of California* v. *United States* (337 U. S.). As has been stated by the distinguished Senator from Missouri, in that case the Supreme Court said:

> But we do not think that the purpose in using the word "may" was to prohibit the mere possibility of the consequences described. It was intended to prevent such agreements as would, under the circumstances disclosed, probably lessen competition or create an actual tendency to monopoly.

The Senator from Missouri seemed to think that by virtue of the fact that following this quotation the opinion said "See also Federal Trade Commission against Morton Salt Co.," the court referred back to the Morton Salt Co. case in such a way as to approve the language in the Morton Salt Co. case; but I believe that since the opinion does not say that the court approves the Morton Salt Co. case, and since it lays down another rule—the old rule of probability—the statement "See also Federal Trade Commission against Morton Salt Co." is included merely for the benefit of lawyers who may wish to compare the definitions by the court in those two decisions. Hence, I do not think there can be any doubt as to what the term "may be," as used in this bill, means. It has been a part of the Clayton Act, of course, since it was passed in 1914. But I think the distinguished Senator from Maryland [Mr. O'CONOR] in the majority report very wisely stated the legislative intent. Consequently, there cannot possibly be any misunderstanding as to what the words "may be" mean. That expression of the legislative intent will be found on page 6 of the report, under the heading "The scope of the words 'may be'":

> The use of these words means that the bill, if enacted, would not apply to the mere possibility but only to the reasonable probability of the prescribed effect, as determined by the Commission in accord with the Administrative Procedure Act.

This is followed by additional language to the same effect. Yesterday the distinguished Senator from Wisconsin [Mr. WILEY], and also the distinguished Senator from Maine [Mr. BREWSTER], raised a point which I think should be very definitely answered at this time. These two Senators suggested that some mergers may be desirable during the industrial mobilization period and that this bill might stand in the way. Their point is, as I understand it, that some concerns that would otherwise be squeezed out may, by merging with other firms, be in a better position to get war business and the scarce materials necessary for the war business. One of the principal reasons why this bill is needed right now rests on this very point, in my opinion. The point of the bill is to protect business concerns—and particularly the smaller firms—from the very squeeze which forces them to merge in order to get war business. Our history plainly shows that every war period this country has ever been through has resulted in a great increase in concentration of industry. One might think that the great expansions of industrial capacity which have always taken place in the periods of defense mobilization would provide the opportunity for just the reverse tendency. One might think that such rapid expansions of productive capacity would provide an opportunity for the creation of new business firms and for the growth of small business; but just the opposite has always been true.

One of the reasons why increased concentration of industry has always come about in such periods is that war, and the preparation for war, inadvertently creates shortages of many of the basic industrial materials. Most of our basic industrial materials—steel, aluminum, copper, and a host of others outside of agriculture—are controlled by highly concentrated industries. A relatively few giant corporations are able to determine which buyers shall have essential materials and how much. Consequently, these large corporations are in a strategic and, I might add, a very tempting position, to starve out buyers for the purpose of taking them over. The industrial mobilization program does not in any way reduce the necessity for this bill. On the contrary the industrial mobilization program makes the bill even more necessary than it would be if there were no industrial mobilization and no shortages of basic industrial materials.

I should like to call attention to some of our merger experiences during the World War II period. During this period the big steel companies took over virtually one entire steel fabricating industry—namely, the steel drum industry. The steel drum industry, incidentally, is one in which the steel corporations had had no interest at all prior to World War II. This is what Iron Age, the recognized voice of the steel industry had to say about the steel drum industry:

> Long, long ago, in 1939, before the words "postwar" and "planning" were wedded, the manufacture of heavy steel barrels and drums was a rather volatile business firmly in the hands of a large number of highly individualist entrepreneurs. Most of these fabricators had started on a precarious shoestring and were justifiably vocal in their pride of success in the classical Horatio Alger pluck and luck tradition.

First, I might point out that prior to around 1930 the major steel producers confined their operations to the manufacture of the basic steel shapes and forms. They had gained control of the various processes in the manufacture of steel back through iron ore and the various raw materials, but they had not moved forward to acquire their customers, the small fabricators of steel.

I should like to quote an eminent authority on corporation finance on this point. This is a quotation from Prof. E. S. Mead, who in 1930 published a book called Corporation Finance. Professor Mead stated:

> Vertical consolidation in the steel industry stopped with the raw material of other industries. The steel corporation sells its products to machine-tool builders, building erectors, automobile manufacturers, manufacturers of agricultural machinery, railroads, public utilities, and a variety of other industries which use steel as raw material of their operations. The steel corporation has not, however, gone into these industries either to own or operate. It stops short at the line of rails, sheets, plates, billets, wire, and structural shapes.

Hardly had this book been published, however, when the steel industry began to edge forward into the fabricating fields to acquire smaller independent manufacturers. For example, in 1930, the United States Steel Corp. purchased the Oil Well Supply Co., one of the largest established organizations in its field. In 1936, United States Steel bought out the Virginia Bridge Co., formerly one of its principal customers for structural steel. Bethelehem Steel also undertook to follow this trend of buying into the fabricating field around this time. In 1931, it purchased the McClintic-Marshall Corp., a firm which was fully equipped for the construction of bridges, tanks, river barges, and so forth. Republic also got into the fabricating fields by purchasing, for example, the Nile Steel Products Co., one of the Nation's largest producers of steel containers.

During World War II, and in the shortage period following, the steel producers held the power of life and death over fabricators. In this period of shortages they could determine whether

or not they would ship steel to a particular fabricator. When a steel corporation had designs on a particular fabricator, or when such fabricators happened to be in the same business as one of the steel companies' own subsidiaries, naturally he stood a poor chance of getting steel. Terrific pressures were brought upon independent fabricators, either to join up with one of the giant steel producers, or face the alternative of doing without essential materials.

The large steel producers had a double motive in exerting such pressure; they could make greater wartime profits by channeling their steel into their own fabricating subsidiaries and they could prepare themselves for a postwar market, and its high profits, by bringing pressure on the independent fabricators to become part of their organization.

This is not theory. It is actual experience. Let us not assume that the large steel companies were so busy turning out steel for the war effort that they did not step out and acquire other companies.

The PRESIDING OFFICER. The time of the Senator from Tennessee has expired.

Mr. KEFAUVER. Mr. President, will the Senator from Maryland yield me five more minutes?

Mr. O'CONOR. Mr. President, I am very happy to do so.

The PRESIDING OFFICER. The Senator from Tennessee is recognized for five more minutes.

Mr. KEFAUVER. The war emergency was no reason for them to stop expanding by the merger process. Let me cite some of the acquisitions made by United States Steel Corp. In the field of steel drums, United States Steel Corp. in 1943 bought the Petroleum Iron Works; in 1944 it bought the Bennett Manufacturing Co. As a result of these two mergers, plus an earlier merger with Boyle Manufacturing Co., Inc., in 1939, the United States Steel Corp. became the country's largest producer of steel drums. United States Steel Corp. now owns nearly 25 percent of all the steel drum fabricating capacity in the United States. It is the largest fabricator of steel drums on the Pacific coast, in the Houston region, and in the New Orleans area; and it is one of the leading producers in the Chicago and Cleveland-Pittsburgh areas.

United States Steel's war and postwar acquisitions of steel fabricators have not, of course, been confined to the steel-drum business. Here are a few examples of the previously independent steel customers who have been acquired by the steel corporations. These include two oil-well-machinery producers, the Witte Engine Works, of Kansas City, Mo., merged in 1944, and the Neilson Pump, of Long Beach, Calif., merged in 1945. United States Steel also bought out the Savannah Wire Cloth Mills in 1940, and in 1943 purchased the assets of the Morse Steel Co., of Milwaukee, Wis., immediately following the war. Finally, United States Steel bought out one of the largest steel fabricator corporations in the country. This was the famous purchase of the Consolidated Steel Corp., a merger which the Supreme Court held could not be stopped by the Sherman Act. That is the merger referred to in the case I was discussing a little while ago.

The record on this bill and the voluminous reports issued by the Federal Trade Commission cite voluminous instances where the giant steel producers have been buying up their customers under the stress of shortages in basic materials.

No one has a better knowledge of the hardships wrought upon independent fabricators during this period of steel shortages than does the Senator from Nebraska [Mr. WHERRY], who was chairman of the Senate Small Business Committee during the Eightieth Congress. The Senate Small Business Committee, under the chairmanship of the distinguished Senator from Nebraska, made a study and report on this problem. That report is entitled "Changes in the Distribution of Steel, 1940–1947." It contains the results of a survey covering the 14 largest steel companies in the country, and accounting for 85 percent of all the Nation's steel capacity. The report shows that when supplies of steel were short in 1947, the big steel corporations greatly increased the supplies of steel shipped to their own fabricating subsidiaries, and correspondingly reduced the amounts shipped to independent fabricators. I should like to quote a passage from the report submitted by the distinguished Senator from Nebraska. Referring to the increased allowances of steel made to the fabricating subsidiaries of these 14 big steel companies, the report states:

> The increase was much more pronounced in the case of those particular steel products which constitute the principal raw materials consumed by the fabricating companies that have been acquired—specifically, hot-rolled sheet, cold-rolled sheet, and hot-rolled strip * * * the proportions * * * [of their products] moving to fabricating subsidiaries roughly doubled between 1940 and 1947.

The report concluded:

> The substantial increase in the proportion of sheet steel flowing to fabricating subsidiaries does not necessarily mean that the old subsidiaries receive more than their historical quota permitted nor that the new subsidiaries obtained more than they would have secured as independent companies. But it does mean that the proportion of the Nation's output which moves within what might be called the closed circle of steel-company ownership has been significantly increased, a conclusion which is only an inevitable byproduct of the steel companies' recent acquisitions of fabricating companies.

In short, Mr. President, it is more important to stop the increase of monopolistic mergers during the mobilization period than at any other time. We must avoid the terrible hardships imposed on small, independent businesses during the recent war and postwar periods, when the giant corporations took advantage of the shortages to expand their empires. During periods of short supply the giant corporations will always favor their own fabricating subsidiaries, in preference to independent fabricators. They always keep an eye out for opportunities to buy up independent fabricators. Indeed, in the current mobilization period they are in a pivotal position to bring about more monopolistic mergers. This amendment to sections 7 and 11 of the Clayton Act will go a long way in stopping this monopolistic trend, and in making it possible for small, independent businesses to survive and prosper.

I yield back the remainder of my time, Mr. President.

Mr. O'CONOR. Mr. President, I yield to the senior Senator from Vermont [Mr. AIKEN] 5 minutes.

The PRESIDENT pro tempore. The Senator from Vermont is recognized for 5 minutes.

Mr. AIKEN. Mr. President, the bill we are now considering is one of the more important bills which we have had before us at this session of Congress.

If enacted, the bill not only will be an instrument of the Federal Trade Commission in curbing monopolies, but, more important, it will evidence an intention on the part of the Congress to prevent monopolies.

That the concentration of business in the hands of a few persons has always been regarded as an evil is indicated by the enactment of the Clayton Act in 1914 and the enactment of the Sherman Act, which was passed by the Congress long before that time.

Although the Sherman Act serves as an instrument for breaking up monopolies or trusts, it did not suffice to prevent their organization. By means of the Clayton Act, the Congress sought to remedy that over-all defect. However, the Clayton Act has been found ineffective by reason of a Supreme Court decision validating a loophole which permits a strong corporation to acquire the assets of its smaller competitors, thereby achieving a virtual monopoly.

Mr. President, why is it so important that we find a way to prevent the concentration of business into a few hands? It is important for the same reason that it is important to prevent the concentration of political power. The United States already has gone too far along both those roads.

During the hearings, it was testified by Dr. Willford I. King, an opponent of this bill, that one-tenth of 1 percent of the corporations of the United States now control 49 percent of the total assets of all corporations. The concentration of political power in Washington has brought us to a point where there is grave doubt in the minds of many persons as to whether the United States can long survive as a first-rate Nation. The concentration of power, either economic or political, in the hands of a few persons is a breeder of weakness, discontent, and, finally, revolution.

Today we are fighting for the survival of democracy. For over a century, the United States has maintained a position as the citadel of democracy, because in this country more opportunities were open to more persons than anywhere else on earth. If we are to maintain our proud record as a democratic Nation and our position as a leader among nations, we must continue to maintain political and economic opportunity for our people.

All of us know too well what has happened in countries where opportunity has been vested in the hands of a few.

The result has been that either socialization or a totalitarian form of government has taken over, the middle classes have disappeared, and there have been left only a ruling class and a great mass of underprivileged people who seek to overthrow the ruling class at the first opportunity.

Today we are fighting communism. We have dispersed all over the earth our resources and our armed strength. We ought to know, and we do know, that communism is something which cannot be defeated by force of arms. It cannot be defeated solely by propaganda, no matter how good the propaganda may be. It can be defeated only by example. We can maintain democracy in the United States only by making democracy work here.

It is not a crime to desire monopoly. That is an inherent human urge. However, the effective maintenance of a democratic government requires that collectively we devise a means of keeping that urge, whether on the part of a group or on the part of an individual, within bounds.

If we cannot do this, if we permit economic monopolies to be formed, and permit the concentration of power in the hands of a few, with a resultant economic dependency on the part of the many, we shall have failed to maintain our example of democracy before the world.

That, Mr. President, is the reason why we must make every effort to strengthen and make effective the antimonopoly laws of the Nation.

Mr. O'CONOR. Mr. President, I yield 5 minutes to the senior Senator from Connecticut [Mr. McMAHON].

APPROPRIATIONS FOR PRODUCTION OF FISSIONABLE MATERIALS AND ATOMIC WEAPONS

Mr. McMAHON. Mr. President, from the standpoint of the security of this and the other nations of the free world, an action of paramount importance is pending before this concluding session of the Eighty-first Congress. I refer to action on the supplemental appropriations estimate for $17,850,000,000, sent to Congress by the President on December 1. All of the projects for bulwarking our military strength that are to be financed by our disposition of this request are important. None is of greater importance than the one for expansion of our capacity for producing fissionable materials and fabricating atomic weapons from them, which is included as an item of $1,050,000,000 in these estimates.

Action by the House of Representatives on this measure is imminent, and within a matter of days it will come before the Senate. I cannot state too strongly my view that full and speedy provision for this program is of the utmost urgency.

The Joint Committee on Atomic Energy has examined the detail of this program with the members and staff of the Atomic Energy Commission. For reasons of protecting military information, I cannot divulge the individual items of expenditure. I can say that it is a broad program, boldly conceived and carefully worked out—a program which is vitally necessary to the common defense and security. It offers the ways and means of keeping the lead which the Atomic Energy Commission, as steward for the American people, has maintained in the development and the making of more, newer, and more effective atomic weapons.

As has been the case at every step of the way in recent years, the Atomic Energy Commission, consulting with the military authorities and with the joint committee, has kept the plans as well as the performance of our atomic-energy project out ahead of the immediately apparent position. Future needs have been foreseen and the actions to provide for them have been planned out. I am proud to state that the joint committee has played a major role in this planning.

This is the third major program to come before us within the past 14 months for enlarging the production capacity of the enterprise. These plans were not formulated overnight—they could not be—in frantic reaction to the new evidences of Soviet desires to enslave the free world, or of Russian achievement in the atomic-weapons field. These plans have been under unremitting study, and, as they ripen, are brought forward. It is coincidence, not cause and effect, that they have come forward successively almost at once (1) after we learned that the Russians had exploded an atomic bomb in September of 1949; (2) after the June 1950 aggression by Russian satellite puppets in Korea; and (3) after the recent intervention in that same tortured land by the Communist Chinese in all-out force. We are fortunate that the management of our atomic enterprise has had the energy and the capacity to keep on with development at an accelerating pace and be ready with the plans necessary to arm us atomically for coping with the perils that press so hard against our liberties and our faith.

The program the Commission has now developed will enable us to enlarge our stocks of available uranium ore. This was the first requirement and one which had to be satisfied by months of advance planning. The program in another phase will add huge new plants for using the products of the ore to make fissionable materials—materials which can go into weapon shapes or into fuels for power-producing machines. In the present state of the world, we have no choice but to process these materials into weapon shapes as fast as they can be produced. To provide for this, a third phase of the program calls for new weapons production and storage facilities.

Why must we go full tilt into this expansion of our atomic energy production plant? Because of one thing and one thing only; because of the refusal of the Communist imperialists and their dupes to live and let live in a world of scores of sovereignties and diversities and mutual tolerance; because of their now all too plain determination to impose one sovereignty, one dogma, one monstrous, faceless set of ideas upon the family life, the daily work, and the spiritual beliefs of every last individual on this planet.

This we cannot accept. To avert it, we ourselves must needs move with speed to authorize the enlargement of our atomic energy program, and we must direct the executive branch to push forward continuously with the vigor displayed by the past record of the Atomic Energy Commission.

By following this path, we seize upon the best chance of a just peace. By refusing to appease, by showing our determination to remain free, we maximize our fervent hopes that atomic weapon shapes can some day be safely beaten into the parts and components of peaceful atomic reactors.

PREVENTION OF CORPORATIONS FROM ACQUIRING ANOTHER CORPORATION BY MEANS OF ACQUISITION OF ITS ASSETS

The Senate resumed the consideration of the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended.

Mr. O'CONOR. I yield myself the remaining time.

The PRESIDENT pro tempore. The Senator from Maryland is recognized.

Mr. O'CONOR. Mr. President, I cannot conclude this discussion without paying tribute to the able senior Senator from Missouri, who, despite his opposition to the bill, has made a great contribution to the considerations involved in this debate, and, while he has in his characteristically earnest and intelligent manner interposed objections, I feel that he has assisted materially in bringing to light important facts bearing on the matter. For that reason, I think he is entitled to our appreciation.

Mr. DONNELL. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Maryland yield to the Senator from Missouri?

Mr. O'CONOR. I am very happy to yield.

Mr. DONNELL. I greatly appreciate the comments of the Senator, and thank him for them.

Mr. O'CONOR. Mr. President, it is of course unnecessary to repeat the arguments which have been advanced and which have been repeated somewhat in the addresses made since this discussion was begun yesterday, but it may be in point merely to refer to a few additional facts. I wish particularly to call attention to the anomalous situation in our antitrust laws created by this loophole.

Market controls which would violate the antitrust laws if carried out by independent companies can today be practiced safely whenever one such company acquires the physical property of another. It is true that the Sherman Act and the Federal Trade Commission Act condemn attempts to control markets through mutual understanding or agreements among competitors, but if the same objective is achieved through acquisition of assets it is lawful, in the absence of monopoly, and the antitrust agencies are powerless to act. So long as a merger is consummated through purchase of physical property, and the

resulting company achieves less than a monopoly position in its market, it is protected by the legal vacuum lying between the Sherman Act and the Clayton Act.

If a merger were carried out solely through an exchange of stock, it would, of course, be vulnerable under section 7 of the Clayton Act. This section of the law, however, applies only to acquisitions of stock as such. The Supreme Court has held that if acquisition of stock is implemented by acquisition of assets, section 7 of the Clayton Act no longer applies. Although the relevant rulings were handed down by the Court in the twenties and early thirties, the gap in the antitrust laws which they disclosed has not yet been closed. In 1926 the Supreme Court held that if acquired stock is used to effect an absorption of assets before the Federal Trade Commission can file a complaint, the Commission is powerless to order a divestiture of the assets—*F. T. C.* v. *Western Meat Co., Thatcher Mfg. Co.* v. *F. T. C., Swift & Co.* v. *F. T. C.* (272 U. S. 554 (1926)). In 1934 the Court answered the next logical question In that case the Commission filed a complaint while stock was in the hands of an acquiring holding company and before it had been used to effect a merger of the physical assets of the competing corporations in question. The assets were, however, transferred before the Commission issued its cease-and-desist order. The Supreme Court held that since the assets had been transferred before the Commission had issued its order, the transfer did not violate section 7, despite the fact that the stock acquisition which preceded it was illegal—*Arrow-Hart & Hegeman Electrical Co.* v. *F. T. C.* (211 U. S. 587, 599, 608 (1934)). This meant that whereas a substantial lessening of competition of the type prohibited by section 7 had occurred, the method by which it had been accomplished was an innocent one and, therefore, the merger could not be condemned under the Clayton Act.

Once a merger has been consummated by acquisition of assets, therefore, the only antitrust instrument now available is section 2 of the Sherman Act. This part of the antitrust laws would, however, be of use, alone, and without support of a finding of combination, only if a monopoly position approaching the 90-percent market control found in the Alcoa case were achieved through the merger—*U. S.* v. *Aluminum Co. of America et al.* (148 Fed. (2d) 416 (1945)). Thus, even if a merger controlled two-thirds of the domestic market for its product it would, in the words of the Alcoa decision, be doubtful whether it would have achieved a monopoly of the type condemned under section 2 of the Sherman Act.

Unless, therefore, a full-scale monopoly had been accomplished through merger, there would be no anti-trust method of dissolving the consolidation, even though it resulted in substantial lessening of competition or tended to create a monopoly.

The fact that acquisition of assets is not covered by the Clayton Act, on the same basis as the acquisition of stock, has been said to be a loophole in the law. This term, however, understates the magnitude of the omission. During the period from 1939 to 1944, for example, the Federal Trade Commission found that asset acquisition represented 58 percent of the total number of all industrial acquisitions—Report of the Federal Trade Commission on the Merger Movement, a summary report, 1948, page 6. The Department of Justice made a fairly close analysis of most of the mergers and acquisitions taking place in manufacturing industries during 1946–47; out of the several hundred mergers examined, it found that in less than 10 percent of the cases was it essential for the acquiring company to buy the stock as a necessary step in securing the assets.

The existing loophole, or vacuum, in the antitrust laws is a sizable one, which the pending measure seeks to close. It provides a compelling incentive to merger by companies who may wish to perpetuate otherwise irregular practices. This is so because once a merger is accomplished, activities which were formerly carried on through irregular agreement between them can be carried on by the single company through managerial decisions. Paradoxical as it may seem, the weaker, less effective cooperative methods of eliminating competition are definitely prohibited both by section 1 of the Sherman Act and by section 5 of the Federal Trade Commission Act; but the permanent and more effective method of consolidation under a single management is permissible.

The vacuum in the law, therefore, puts a premium on the achievement by the more concentrated method of consolidation of purposes which could not be legally achieved by combination among a more loosely knit group of independent firms.

Moreover, the more effective is the enforcement of the law against collusion among competitors, the greater is the incentive to achieve the same ends through purchase, consolidation, and merger. Thus, price fixing, division of markets, limitation of production, limitation of grades and types of products produced, exclusion of competitors, and other agreements prohibited when practiced by separate companies may be perpetuated as between any two companies, through merger.

This method of continuing practices prohibited by law and enjoined by the courts is almost as old as the Sherman act itself.

In 1899, for example, the Supreme Court ruled that a conspiracy among six cast-iron pipe companies to raise prices by eliminating competitive bidding was illegal—*Addyston Pipe and Steel Co.* v. *U. S.* (175 U. S. 211 (1899)). The defendants subsequently merged into what is now the largest manufacturer and distributor of cast iron pressure pipe in the United States—report of the Federal Trade Commission of the Merger Movement, page 9.

In 1944, the Commission issued a complaint against members of the white lead industry, charging price fixing. During the summer of 1946 Eagle-Picher Co. acquired assets of International Smelting & Refining Co. used in smelting and refining lead and producing white lead and white lead-in-oil at East Chicago. This acquisition increased the size of the second largest producer and eliminated the third largest, leaving two concerns accounting for between 75 and 85 percent of the production and sale of white lead and white lead-in-oil.

Again, in 1945, the Federal Trade Commission issued a cease-and-desist order against the most important manufacturers of paper in the United States. The order prohibited the companies, among whom were the Mead Corp., one of the largest firms in the industry, and the Columbian Paper Co. from collectively fixing prices. One year after the order was issued the Mead Corp. acquired the entire capital stock of the Columbian Co.—report of the Federal Trade Commission on the Merger Movement, pages 13 and 14.

The end is not in sight, so long as the Clayton Act permits merger by purchase of assets.

Less than 3 weeks ago, two large corporations, Minnesota-Mining and Manufacturing Co. and the Carborundum Co., announced their intention to accomplish a statutory merger under Delaware law—Moody's Industrials, November 29, 1950, page 1972. This announcement followed by less than a month the filing of the second of two court orders prohibiting these two manufacturers, which between them accounted for 52 percent of the sales of important industrial material, such as coated abrasives, in the United States in 1947, from engaging in practices in violation of section 1 of the Sherman Act—Behr-Manning Corp. and Armour & Co. were also defendants in the same suit, as were Durex Abrasives Corp. and the Durex Corp.—United States against Minnesota Mining and Manufacturing Co. et al.—complaint filed July 5, 1949, United States district court, district of Massachusetts; final judgment as to count 1, November 6, 1950; final decree, as to count 2, September 13, 1950; opinion, September 13, 1950, amended September 20, 1950.

This proposed merger is a dramatic example of how assets can be used to circumvent a court injunction. Once it goes through, Minnesota-Mining & Carborundum will presumably be able, as one company, to continue practices which were judged illegal when they were two companies. The salient facts can be briefly stated.

Four manufacturing companies—the Carborundum Co., Minnesota Mining & Manufacturing Co., Behr-Manning Corp., and Armour & Co.—controlled 85 percent of the sales of coated abrasives in the domestic market in 1947. Each of the four companies owned patents covering some type of coated abrasive. Each extended licenses under his patents to the others under identical terms. For example, Minnesota, which held the patents relating to waterproof-coated abrasives, entered into a series of identical patent license agreements with the other manufacturers. Under the terms of these agreements, licensor and licensee agreed to adhere to prices set out in

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schedules attached to the agreement and both parties agreed to manufacture only those waterproof-coated abrasives authorized by the majority of a standardization committee composed of representatives of the licensor and licensee.

In 1943, the four manufacturers entered into identical cross-license agreements with each other binding each manufacturer to license the others to use all methods, processes, and apparatus which were then, or might become, the subject of patents by any one of them. Under these agreements, the manufacturers bound themselves to maintain manufacturing and distribution standards and minimum prices specified by the licensor. They also agreed to make available to each other on reasonable terms all raw materials necessary for the production of coated abrasives under the licenses in question.

Over 80 percent of the coated abrasives manufactured in the United States were produced under one of the license agreements described. The patent pool covered substantially all United States patents and technical information in the field, and therefore, according to the complaint filed by the Department of Justice, eliminated competition in the development of new processes and products in the industry.

In addition to the patent pooling, cross-licensing, price-fixing, and standardization practices affecting sales of coated abrasives in the domestic market, the four manufacturers also engaged in practices affecting foreign trade.

During 1929 these companies organized Durex Abrasives—the export company—which filed with the Federal Trade Commission as a Webb Export Trade Act association. At the same time the same companies organized the Durex Corp.—Durex. The stock in this company was held by the four manufacturers and its directorate consisted of one officer or representative of each of the manufacturers. Durex acted as a holding company for foreign patents covering the manufacture of coated abrasives, and as a holding company for the stock of foreign corporations organized by Durex to manufacture such abrasives in foreign countries. Although prior to 1929 the manufacturers had competed among themselves in sales in foreign markets, after that time Durex entered into identical agreements with each of them, providing that until December 31, 1956, they would grant exclusive licenses to Durex to manufacture and sell coated abrasives in foreign countries under all foreign patents. The export company entered into a similar agreement with each of the manufacturers under which the manufacturers agreed to export coated abrasives only through the export company.

Between 1929 and 1945, Durex organized manufacturing companies in Great Britain, Canada, Germany, and Australia. After the organization of each foreign subsidiary, the export company stopped selling in the country in question and in countries whose markets had been alloted to the respective foreign subsidiaries.

Sales by the defendant manufacturers in the markets assigned to the subsidiaries were eliminated, and sales by independent American companies were discouraged.

Charges of violation of the Sherman Act were brought by the Department of Justice in the District Court of Massachusetts. In September 1950, the Court handed down an order prohibiting illegal practices affecting foreign trade. In November 1950, the Court filed an order to which the defendants consented prohibiting illegal practices affecting domestic trade.

The Court's order relating to foreign activities opens with a finding that the defendants had violated section 1 of the Sherman Act in combining with each other to organize and operate Durex and its subsidiaries. They had also violated the law through their use of patent agreements and licensing arrangements covering sales in British Empire markets, under which Durex or its subsidiaries supply coated abrasives manufactured in part or in whole in foreign countries.

Therefore, defendants were enjoined from combining to restrain trade with foreign nations and, specifically, from engaging in "any joint action by two or more American manufacturers to establish or operate factories in foreign nations to supply coated abrasives." Patent licensing agreements covering sales in various foreign areas were canceled and Durex and its subsidiaries were required to transfer all foreign patents and licenses to the original transferor or its successor and the manufacturers and Durex were required to file a plan with the Court for the dissolution of Durex and its manufacturing subsidiaries.

Under the consent order relating to domestic activities the patent license and cross-license agreements relating to coated-abrasive products were canceled and defendants were prohibited from entering into such agreements in the future. They were also prohibited from entering into agreements with any manufacturer of coated-abrasive products to fix prices, terms of sale, and so forth, or to prevent any manufacturer from selling any specific kinds, types, styles, or grades of coated-abrasive products, or from manufacturing any of such products according to any standards of specifications.

Despite these injunctions, however, once Minnesota-Mining and Carborundum merge they will as a single company be able to continue many of the practices prohibited by the Court. They will, for example, be able to determine the price at which all coated abrasives they manufacture will sell as well as the types and kinds of abrasives to be produced. They will also be able to pool their patents, and operate subsidiaries, domestic or foreign, as may appear desirable.

After merger, Minnesota-Mining and Carborundum will apparently control some 52 percent of sales of coated abrasives and will, therefore, have a dominant position in the industry. The new company will have a strong patent position and resources with which to extend its share of the market and continue practices which as separate companies its constituent companies would be prohibited from doing.

Minnesota-Mining and Carborundum will, therefore, be able to continue their mutual relations, which would otherwise have been severed by the Court's orders, on a far closer basis than ever before, since they will be able to accomplish by managerial decision activities which could previously be carried on only through illegal agreement.

Furthermore, the two largest companies in the field, the enlarged Minnesota-Mining and its codefendant, the second largest manufacturer, Behr-Manning, will control 81 percent of the domestic sales of coated abrasives. Past history does not give much basis and hope that these two dominant companies will be truly competitive or that the smaller companies in the industry can make headway against them.

While the defendant companies will, it is true, be required to extend nonexclusive licenses to any applicant, many other provisions of the Court's orders will, in effect, be nullified.

These examples—and more could be cited—underline the fundamental principle that an effective antitrust policy must prohibit the achievement of monopolistic ends, regardless of whether they are attained by collusive agreement among separate firms or by consolidations, acquisitions, and mergers. To block off one of these two roads to monopoly, merely increases traffic on the other.

There is no greater internal threat to the antitrust laws and to the maintenance of the competitive system than the vacuum which permits corporations to perpetuate by mergers and acquisitions those practices which they are specifically prohibited from carrying on as individual companies.

H. R. 2734 is designed to fill this vacuum by outlawing acquisitions of corporate assets wherever "in any line of commerce in any section of the country, the effect of such acquisition may be substantially to lessen competition or to tend to create a monopoly." Once it has become law, H. R. 2734 will operate to inhibit monopoly by accumulation and to reinforce the competitive enterprise economy to which we are committed.

Mr. President, I should like now to summarize the principal reasons for the passage of this proposed measure.

First. To restore meaning to the law of the United States. Section 7 as it now stands is a nullity. It makes a mockery of the Federal law. By proposing in essence to make the present law applicable to stock acquisitions also applicable to asset acquisitions, the bill will do only what is logical and necessary in order to make the law against monopolistic mergers meaningful and effective.

Second. To close an avenue to monopoly by which through mergers corporations can attain the same ends which are now prohibited if they are accomplished through conspiracy or collusion among independent firms. At the present time the law is an effective instrument against collusive agreements to restrain trade. But because of the loophole in section 7, the same restraints can be achieved by the simple means of one or more firms buying up a sufficient num-

ber of competitors until they control the market.

Third. To halt the continuous long-term upward trend in economic concentration. Concentration has been sharply increased in the United States principally as a result of three successive waves of merger activity—the consolidation movement of 1890–1907, the merger movement of 1923–29, and the recurrent and recent merger movement since World War II. All of the studies which have been made on the trend of concentration show a long-term upward movement which is due in large part to mergers and acquisitions.

Fourth. To protect the independence of small business. Obviously, if this upward trend in concentration continues small business will gradually be eliminated as an important factor in the economy. Such an elimination of small business would, of course, dry up the opportunities for young people and make the entire economy dependent upon the decisions of the central office managers of a few giant corporations.

Fifth. To protect and preserve the American system of free enterprise. If concentration continues to increase the Nation will surely sink into some form of collectivism—fascism, socialism, or communism. The replacement of free-enterprise economy by any of these forms of collectivism is unthinkable. Yet, unless the trend toward increasing concentration is arrested, collectivism may well be upon us.

Mr. President, in answer to inquiries by some of my colleagues on the floor of the Senate as to the organizations or persons who favor this bill, let me say that every small business organization which has appeared before or submitted statements to congressional committees on this bill has vigorously supported it. These include: National Federation of Independent Business, the American Association of Small Business, the National Association of Independent Tire Dealers, the National Association of Retail Druggists, the National Congress of Petroleum Retailers, the Smaller Business Association of New England, Inc., Retail Merchants Association of South Dakota, and the Federation of Nebraska Retailers.

Each of the above organizations made known their views on this proposed legislation to the House Judiciary Committee of the Eightieth Congress and some of them made additional statements repeating their position before the House and Senate Judiciary Committee or the House and Senate Small Business Committees of the Eighty-first Congress.

In addition the record contains statements supporting the measure by a number of individual independent small-business men including: John Howard Ford, president, Union Works, Inc., Washington, D. C.; Charles J. Beck, Beck Baking Co., Fredericksburg, Va., and R. Morschner, Morschner Dye Works, Inc., Newton Upper Falls, Mass.

Finally, the bill is supported by most of the leading labor, farm, and cooperative organizations, some of which have testified on its behalf before congressional committees. These organizations include: Congress of Industrial Organizations, American Federation of Labor, International Association of Machinists, Railroad Brotherhoods, National Grange, National Farmers Union, and Cooperative League of America.

Mr. President, I ask unanimous consent to insert at this point in my remarks a few interesting facts concerning the bill in the light of the Texas antitrust law.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

THE SECTION AND BILL IN THE LIGHT OF THE TEXAS ANTITRUST LAW

The State of Texas is well in advance of the Federal Government in preventing mergers that reduce competition.

The present Texas antitrust law dates from 1903, when the previous statutes of 1889, 1895, and 1899 were drastically revised. (Charles D. Mathews, History, Interpretation and Enforcement of Texas Antitrust Laws, in 1950 Institute on Antitrust Laws and Price Regulations, Southwestern Legal Foundation, Dallas, Tex.) An important part of the purpose of the revision was to cope with mergers. On January 16, 1903, in an outgoing message to the legislature, Governor Sayers said:

The trust, which consisted of a combination or agreement between two or more persons, firms, or corporations, by which the price of articles was fixed, or the output limited, either by direct agreement or by placing the controlling interests of the different persons, firms, and corporations under the management of one or more persons, having been declared by the courts to be illegal, the method is now adopted to form a corporation for buying the physical properties of competing plants, thus concentrating them all under one management, and in effect, making a complete consolidation. It is evident that insofar as suppressing competition may be the object, this method of combination is much more effective than any plan previously devised. Stringent legislation is, therefore, recommended prohibiting the combination or consolidation of existing corporations.

In the same year the executive message to the legislature by the incoming Governor Lanham recommended the same changes and said:

"It is confidently believed that the three measures which accompany this message, if they shall become the law, will absolutely prevent the formation of monopolies by the combination of existing competing corporations."

The bill accompanying the Governor's message was introduced on February 7, 1903, by Representative TOM CONNALLY and MacDonald Meachum, and with certain changes endorsed by these sponsors, a revised bill became law on March 31, 1903.

The bill prohibited trusts, monopolies, and conspiracies.

A "trust" was defined as a combination of two or more persons, etc., to create, or which may tend to create, certain designated restrictions; to fix, maintain, increase, or reduce prices; to prevent or lessen competition; to regulate, fix, or limit output, or to abstain from engaging or continuing in business.

A "monopoly" was defined as a combination or consolidation of two or more corporations, either by bringing them under the same management or control for the purpose of creating a trust, or where any corporation shall acquire the stock or bonds, franchises, rights, or physical properties of any other corporation for the purpose of preventing or lessening competition, or where the effect tends to affect or lessen competition.

"Conspiracy in restraint of trade" was defined as where any two or more persons, etc., engaged in business shall agree to refuse to buy from or sell to others, or shall agree to boycott or threaten to refuse to buy from or sell to others.

The statute was enforceable by civil penalties or forfeiture of corporate charter and a fine of $50 a day and by a criminal penalty of from 1 to 10 years in prison.

The substantive provisions of the 1903 law are still in effect. In 1907 the Attorney General was given sweeping authority to examine the books and records of corporations within the State and provision was made for a lien upon corporate property to secure a payment of penalties and for appointment of a receiver by the court in case of dissolution or forfeiture of charter. (The 1907 law also provided that a person who sells below cost of manufacture or production, or gives away products, or gives secret rebates for the purpose or in such a way as to drive out competition or financially injure a competitor shall be imprisoned from 1 to 10 years.) Minimum criminal penalty was increased to 2 years in prison. The criminal penalties were specifically applied to formation of a trust, becoming a party to a trust, or giving effect in Texas to a trust formed outside the State. It was also provided that no foreign corporation may be given a permit to do business in Texas unless designated officers make affidavit that the corporation has not within the 12 months next preceding been a party to any combination in restraint of trade. In 1909 the civil penalty was changed from $50 a day to not less than $50 and not more than $1,500 a day.

Mr. O'CONOR. Mr. President, for the reasons already cited by my colleagues who have spoken in favor of the bill, I urge its passage.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. O'CONOR. I yield.

Mr. BREWSTER. I have had brought to my attention the question of newspaper mergers. Has that subject been discussed in the course of the debate?

Mr. O'CONOR. It has, I may say to the Senator from Maine, extensively, both by the Senator from Wyoming [Mr. O'MAHONEY] and the Senator from Tennessee [Mr. KEFAUVER], and particular attention was given to it in the committee as well. In order to make the RECORD clear on that point, there was an exchange of views, and the opinion was to the effect that this bill creates no danger to proposed mergers of the kind described by the Senator.

Mr. BREWSTER. Even though within a given city it might be a considerable step toward either monopoly or reduction of competition?

Mr. O'CONOR. Of course, each case, as the able Senator knows, would have to be decided on its particular facts. However, we think that the merging of two newspapers, for example, each of which might be in a failing condition, would not lessen competition. It would, in effect, result in the creation of one successful newspaper, which would be a very salutary thing. For that and other reasons which were stated, we were definitely of the opinion that the bill would not have an adverse effect on the type of merger described.

Mr. BREWSTER. Is the Senator familiar with the colloquy which occurred in the House on this subject?

Mr. O'CONOR. Yes, I am familiar with it. We do not know whether the quotation was taken out of context, but we do not feel there is anything to fear in that regard.

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Mr. BREWSTER. One of the reasons mentioned was the recent merger in New York.

Mr. O'CONOR. We had the facts before us and felt that that merger was probably desirable and would not be prevented by this bill.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Holland	Maybank
Anderson	Hunt	Millikin
Benton	Ives	Morse
Bricker	Jenner	Mundt
Bridges	Johnson, Colo.	Murray
Butler	Johnson, Tex.	Neely
Cain	Johnston, S. C.	Nixon
Carlson	Kefauver	O'Conor
Connally	Kem	O'Mahoney
Cordon	Kerr	Robertson
Donnell	Kilgore	Russell
Douglas	Knowland	Saltonstall
Dworshak	Langer	Schoeppel
Eastland	Leahy	Smith, Maine
Ecton	Lehman	Smith, N. J.
Flanders	Long	Stennis
Frear	Lucas	Taylor
Fulbright	McCarran	Thomas, Okla.
George	McCarthy	Thye
Gillette	McClellan	Tobey
Gurney	McFarland	Watkins
Hayden	McKellar	Wherry
Hendrickson	McMahon	Wiley
Hickenlooper	Magnuson	Williams
Hill	Malone	Young
Hoey	Martin	

The PRESIDENT pro tempore. A quorum is present.

Mr. O'CONOR. Mr. President, I offer a group of committee amendments, minor in nature, which are principally aimed at perfecting the bill. I ask unanimous consent that they be considered en bloc.

The PRESIDENT pro tempore. The clerk will state the committee amendments.

The LEGISLATIVE CLERK. On page 4, line 7, after the word "Aeronautics", it is proposed to strike out "Authority" and insert "Board"; in line 10, after the word "Commission", to insert "in the exercise of its jurisdiction under section 10 of the Public Utility Holding Company Act of 1935, the United States Maritime Commission"; in line 14, after the word "Commission", to strike out "Authority,"; in line 22, after the word "Aeronautics", to strike out "Authority" and insert "Board"; on page 5, line 4, after the word "Commission", to strike out "Authority,"; in line 14, after the word "Commission", to strike out "Authority,"; in line 19, after the word "Commission", to strike out "Authority,"; in line 23, after the word "Commission", to strike out "Authority,"; in line 24, after the word "Commission", to strike out "Authority,"; on page 6, line 12, after the word "Commission", to strike out "Authority,"; in line 18, after the word "Commission", to strike out "Authority,"; in line 19, after the word "Commission", to strike out "Authority,"; on page 7, line 1, after the word "Commission", to strike out "Authority,"; in line 8, after the word "Commission", to strike out "Authority,"; in line 9, after the word "Commission", to strike out "Authority,"; in line 16, after the word "Commission", to strike out "Authority,"; in line 18, after the word "Commission", to strike out "Authority,"; in line 21, after the word "Commission", to strike out "Authority,"; on page 8, line 7, after the word "Commission", to strike out "Authority,"; in line 11, after the word "Commission", to strike out "Authority,"; in line —, before the word "or", to strike out "Authority," on page 9, line 4, after the word "Commission", to strike out "Authority,"; ity,"; in line 18, after the word "Commission", to strike out "Authority,"; in line 19, after the word "Commission", to strike out "Authority,"; in line 21, after the word "Commission", to strike out "Authority,"; in line 25, after the word "Commission", to strike out "Authority,"; on page 9, line 4, after the word "Commission", to strike out "Authority,"; in line 8, after the word "Commission", to strike out "Authority,", and in line 10, after the word "Commission", to strike out "Authority,".

The PRESIDENT pro tempore. Is there objection to the consideration of the amendments en bloc? The Chair hears none, and the question is on agreeing to the amendments en bloc.

The amendments were agreed to en bloc.

The PRESIDENT pro tempore. The bill is open to further amendment. If there be no further amendment, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDENT pro tempore. The question now is, Shall the bill pass?

Mr. DONNELL. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Virginia [Mr. BYRD], the Senators from Kentucky [Mr. CHAPMAN and Mr. CLEMENTS], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are unavoidably absent on official business.

The Senator from Louisiana [Mr. ELLENDER] and the Senator from Pennsylvania [Mr. MYERS] are absent on public business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Florida [Mr. PEPPER] and the Senator from North Carolina [Mr. SMITH] are absent by leave of the Senate.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

If present and voting, the Senator from Kentucky [Mr. CLEMENTS], the Senator from Rhode Island [Mr. GREEN], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Florida [Mr. PEPPER] would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Indiana [Mr. CAPEHART], the Senator from Massachusetts [Mr. LODGE], and the Senator from Ohio [Mr. TAFT] are necessarily absent. If present and voting, the Senator from Ohio would vote "yea."

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The result was announced—yeas 55, nays 22, as follows:

YEAS—55

Aiken	Johnston, S. C.	Murray
Anderson	Kefauver	Neely
Benton	Kerr	Nixon
Connally	Kilgore	O'Conor
Douglas	Langer	O'Mahoney
Eastland	Leahy	Robertson
Frear	Lehman	Russell
Fulbright	Long	Smith, Maine
George	Lucas	Stennis
Gillette	McCarran	Taylor
Hayden	McCarthy	Thomas, Okla.
Hill	McClellan	Thye
Hoey	McFarland	Tobey
Holland	McKellar	Watkins
Hunt	McMahon	Wherry
Ives	Magnuson	Wiley
Jenner	Maybank	Young
Johnson, Colo.	Morse	
Johnson, Tex.	Mundt	

NAYS—22

Bricker	Ecton	Martin
Bridges	Flanders	Millikin
Butler	Gurney	Saltonstall
Cain	Hendrickson	Schoeppel
Carlson	Hickenlooper	Smith, N. J.
Cordon	Kem	Williams
Donnell	Knowland	
Dworshak	Malone	

NOT VOTING—19

Brewster	Ferguson	Sparkman
Byrd	Green	Taft
Capehart	Humphrey	Thomas, Utah
Chapman	Lodge	Tydings
Chavez	Myers	Vandenberg
Clements	Pepper	
Ellender	Smith, N. C.	

So the bill (H. R. 2734) was passed.

AMENDMENT OF DISTRICT OF COLUMBIA TEACHERS' LEAVE ACT

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2583, House bill 9524. When the calendar was last called, the bill was objected to by a Senator on the minority side because the report had not been printed at that time. It is now printed, and I understand that there is no objection to the consideration and passage of the bill.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from South Carolina?

Mr. WHERRY. Mr. President, inasmuch as the minority side was mentioned, I am quite sure that I am correct in stating that the reason the bill was not considered prior to the adjournment in September was that there was no report accompanying the bill. It was among a group of bills which were not

accompanied by reports, and the majority leader was agreeable to postponing consideration of those bills until the reports were before us. Therefore, it was passed over. There is no objection to its immediate consideration.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 9524) to supplement the District of Columbia Teachers' Leave Act of 1949 was considered, ordered to a third reading, read the third time, and passed.

SETTLEMENT OF CLAIMS FOR LOSSES AND DAMAGES TO PORTUGUESE TERRITORY OF MACAO

Mr. LUCAS. Mr. President, just before the bill which was last considered was passed I had risen with the purpose of reserving the right to object because the bill was No. 5 on the list of bills I propose to have taken up for consideration this afternoon, and I felt that if there was going to be long discussion on it I should object to consideration of that bill until we reached it in the order in which the Democratic Policy Committee had proposed that bills be considered.

Mr. President, on December 11 the Committee on Foreign Relations reported to the Senate four measures unanimously. It is my understanding there will be little or no debate upon those measures.

I now move that the Senate proceed to consideration of House bill 9484, Calendar No. 2581, and ask that the bill be stated by title.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. H. R. 9484, a bill to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, reserving the right to object, and I shall not object, I should like to ask the distinguished majority leader if, when that bill is passed, it is his intention to continue with the bills reported from the Foreign Relations Committee?

Mr. LUCAS. That is exactly what I stated a moment ago. I said we would take up the bills which had been reported unanimously by the Committee on Foreign Relations, and I said that four such bills had been reported, which I would ask the Senate to consider.

Mr. WHERRY. May I ask the majority leader if it is then the intention to bring up Calendar No. 2569, House bill 7445, authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.?

Mr. FULBRIGHT. I will say to the Senator that is the intention; yes.

Mr. LUCAS. That is one of the four measures which have been reported by the Committee on Foreign Relations unanimously, which it is proposed may now be taken up for consideration. As I stated, the first is House bill 9484, Calendar No. 2581. After that bill is passed I shall ask for the present consideration of House bill 5902, Calendar No. 2570, for the relief of the Pan American Union, and if and when that bill is passed I propose to ask for consideration of House bill 8546, Calendar No. 2580, to amend the Philippine Property Act of 1946.

After that bill is passed, the next and last bill is the one the Senator from Nebraska made inquiry about. That will be the last bill on the list.

Mr. WHERRY. I thank the Senator.

PEANUTS

Mr. ROBERTSON. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield.

Mr. ROBERTSON. The Senator from Illinois realizes, of course, that Virginia peanut growers have to vote tomorrow on the allotment plan which is going to cut them 16½ percent. They are producing less than they did 40 years ago. There is a market for all edible peanuts that can be produced. There is not a market for all the oil type of peanuts. The Senator from Virginia would like to know if the majority leader—and I ask the question now while the distinguished junior Senator from Georgia [Mr. RUSSELL] is present—proposes to give consideration to the Hoey-Graham bill to provide a different basis of allotments?

Mr. LUCAS. I will say to the Senator from Virginia that is one of the bills on the list we propose to take up at some time before this short session is adjourned, provided we have the time to consider it. I had hoped that perhaps the Senators from Virginia, Georgia and all other States who are interested in the peanut situation might be able to agree so that we would not be compelled to debate the subject of peanuts for a couple of days.

Mr. ROBERTSON. I do not think the debate will take very long. I regret exceedingly that we have been unable to reach an agreement on a bill which the President would sign, because any agreement we reach would still leave an allotment for oil peanuts far in excess of the market.

The subsidies now being paid to those who produce that kind of peanuts is $27.50 an acre. The program this year will cost more than the $40,500,000 which it cost last year. The total program has cost more than $67,000,000. We feel that unless there be, from the standpoint of the general taxpayers, some better arrangement for this type of support, it will ultimately mean not only the wrecking of the peanut program, but will react badly on the entire farm program.

Mr. RUSSELL. Mr. President, I think the distinguished Senator from Virginia is in error in saying that there is a subsidy of $27.50 an acre, or any other sum, on oil peanuts. Such a subsidy is impossible under the law. Under the oil peanut provision they are sold by the Department of Agriculture, and if I recall the law the farmer is paid only on the basis of what the Department receives for the oil. I do not think I can be in error about that.

Mr. ROBERTSON. This is the situation. The production was underestimated by 150,000 tons. It was agreed for this year to buy all except 300 pounds out of each ton of oil peanuts, at 15 cents a pound, which is 50 percent above the market price, and that figures out a subsidy of $27.50 an acre for oil peanuts, and $23 and some cents for all the peanut growers. The Senator from New Mexico [Mr. ANDERSON], a former distinguished Secretary of Agriculture, gave me the figure of $27.50 an acre for oil peanuts.

Mr. ANDERSON. Mr. President, will the Senator yield?

Mr. LUCAS. Mr. President, I do not want to become involved in this peanut argument, because the peanut bill is not before the Senate. These arguments can be made later on when we have the peanut bill under consideration.

I regret to find my friends from the peanut-producing areas disagreeing with one another. Seldom do they fail to find a solution for any of their problems, whether they be problems relating to peanuts, tobacco, cotton, or any other product produced in the South. I never yet knew of a product in which those Senators are vitally interested on which an agreement could not be worked out. I hope the problems affecting the peanut bill can be worked out before the bill is taken up for consideration. But the senior Senator from Georgia [Mr. GEORGE] made a special request that the bill not be considered today because he is now attending an executive session of the Finance Committee on the bill relating to excess-profits taxes.

I yield now for a brief explanation to the Senator from New Mexico relating to the question of peanuts.

Mr. ANDERSON. Mr. President, in support of what the Senator from Virginia stated, I wish to say that the record will show that the 1949 crop of peanuts cost the Government of the United States $49,000,000. There were slightly more than 2,000,000 acres of peanuts. Anyone can divide the figure 2,000,000 into 49,000,000 and know that it is costing more than $20 an acre for every acre of peanuts grown. Every time a farmer planted an acre of peanuts for oil in 1949 it cost the Government of the United States $27. Farmers do not get that much out of the various crops in different parts of the country, and there are those of us who would like to see the provision of the law affecting peanuts corrected in such a manner that it will continue to operate satisfactorily.

I believe that what we need most of all is to grant additional acreage to the farmers in Virginia and North Carolina who grow the ball park kind of peanuts, the kind we are now forced to import from China and other countries. It is too bad that American farmers cannot grow more of such peanuts.

Mr. RUSSELL. Mr. President, I was very much interested in the statement made by the Senator from Virginia. In the form in which the most recent bill affecting peanuts was passed by the Senate it could not result in costing the Government of the United States $27.50 an

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acre for oil peanuts. The peanut program has cost some money but the excess oil peanuts simply cannot cause losses to the Government. I shall investigate the matter very carefully. I wish to say to the distinguished Senator from Virginia, however, that if he expects the Graham-Hoey bill to be passed in time to be beneficial with respect to the referendum to be taken tomorrow, I am very much afraid he will be disappointed.

Mr. LUCAS. I can see that the peanut controversy is going to be very interesting and exciting. I surely would like to be present when the debate takes place, and I shall be present when it does. The proposed legislation cannot, however, be passed today.

Mr. ROBERTSON. Mr. President, I wish to say a word about the urgency of the matter. In the first place, a number of very fine Virginia and North Carolina farmers are being adversely affected. In the second place, the Administrator of the program went into the peanut-producing section of Virginia and told the peanut growers, "You have some Senators who do not give two whoops in hell for the peanut growers." I have been flooded with letters dealing with the situation. I do not say to what Senators the Administrator referred. I leave it to them to draw their own inferences. Then the Administrator went on to say, "We do not think this is a good program. It ought to be changed. But Congress has to change the law. We cannot change it." That is the situation he presents to my constituents.

Mr. LUCAS. Mr. President, at one time I was interested in the flood of letters which come to Senators—but not any more.

SETTLEMENT OF CLAIMS FOR LOSSES AND DAMAGES TO PORTUGUESE TERRITORY OF MACAO

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois that the Senate proceed to the consideration of House bill 9484.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 9484) to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights.

Mr. JENNER and Mr. McMAHON addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana was on his feet first, the Chair believes; and the Senator from Indiana is recognized.

FOREIGN POLICY OF THE UNITED STATES

Mr. JENNER. Mr. President, the subject I wish to discuss this afternoon is not about me, but it is a grave subject. My subject is our country's status—where we have been, where we are now, and where we should go.

Mr. President, there is an old saying that—"Though the mills of God grind slowly, yet they grind exceeding small."

Today, American people are slowly but surely throwing off the deadly hypnosis of the past tragic 33 years, to find that what they thought was only a passing political nightmare has become a horrible reality. As they look about, they find the mills of gods slowly grinding out the truth that America has been betrayed.

That truth is this, Mr. President: No matter to what desperate lengths some may continue to go to hide it from our eyes, the fact remains that never before have a free people been so deliberately deceived, so ruthlessly exploited, or so betrayed.

As a consequence, the American people are awakening, in the dark dawn of disillusionment, to find that never before have any free people been subjected to such staggering defeats on the economic, social, political, military, and diplomatic fronts, at the hands of their own leaders.

The extent of these defeats can be measured only against the stark fact that today America is unable to keep the peace, to win a war, or even to defend her vital interests against the very force of tyranny which our present leadership has helped to turn loose around the world.

Yet, in the midst of the rising chaos, this frightful, face-saving fraud marches on.

Not one of our responsible political leaders has yet admitted his part in the tragic blunders, mistakes, and betrayals that have taken place.

Instead, even General Marshall described the cause of this predicament we are in on November 14, 1950, at Fort Benning, Ga., by saying that our national defense has always been "a succession of feasts and famines that have followed each other in demoralizing sequence."

Then, completely ignoring the basic cause of the matter, General Marshall went on to point his finger of guilt at the American people by saying:

> The basic error has always been with the American people themselves.

Mr. President, it seems that because the American people are becoming bitterly resentful, and are not sufficiently aroused to their Marshall-decreed guilt, and are even demanding the impeachment of Mr. Truman and Acheson, another crisis is being used to whip up a frenzied public hysteria and take the heat off a leadership which, no matter what it does, seemingly can do no wrong.

The truth is, Mr. President, that resentment, distrust, and disgust are spreading like wildfire in the hearts and minds of the American people.

Mr. President, this growing public disillusionment is the stuff of which revolutions are made.

We can only hope and pray that sanity and patriotism will finally prevail to save us by leading America out of the chaotic crisis we are in, back on to the road of the traditional principles which underlie our heritage as a free and sovereign people. This is the task that awaits our doing—this, and this alone.

Yet, Mr. President, we can never find our way out of the international morass into which we have been led, or prevent the final emergence of a tyrannical police state in our own midst, unless 150,000,000 Americans are now willing to stand up and be counted as Americans.

We have pulled other nations' chestnuts out of the fire long enough. For far too long we have been underwriting the interests and security of everyone but ourselves.

For too many years we have been the pawns of alien forces—until, today, America, once the land of the free and the home of the brave, has been reduced to the role of a flunky to an international Frankenstein.

America, the richest nation on earth, is being bled white by its own leaders.

America's traditional two-party system has been stalled on dead center by a vicious bypartisan paralysis of all honest criticism and searching debate, a paralysis which destroys every essence of representative government itself.

The American people themselves stand between their own destiny as a free people and the inevitable slavery which their discredited, incompetent, world-saving leadership even now would shackle upon them.

Think of it, Mr. President! After all the global goose chasing we have done during these tragic years, we stand on the threshold of a third world war, under the discredited leadership of those whose follies have helped to breed a Communist monster which has broken its leash and is now at large.

This same leadership has no more understanding of our traditional American principles and of our vital national interests which now are really at stake in this crisis than it has of why we have already fought and lost two other tragic world wars.

What is the truth, Mr. President? The truth is that on December 16, 1948, the Hoover Commission task force investigating the reorganization of our armed services warned in its report that—

> Within slightly more than a score of years, at a great cost in life and property, we have won two wars, only to lose the peace both times, through lack of a clear and consistent national objective. * * *
>
> The bitter lesson does not yet seem to be fully learned * * * for the committee found that strategic plans, made without clear guidance of long-term peace aims, were based on assumptions that may or may not be true, that the military were planning now to fight the next war—if this tragedy should occur, without knowing what exactly we would be fighting for.

The truth is that we are only relearning the ancient biblical teaching of what always happens when the blind lead the blind.

For we now know that what started out as a Korean police action has only plunged us deeper into the rising tide of international anarchy and has further obscured the real issues of our own national interests, national security, and national objectives, which are now at stake.

The tragedy is that if we keep going the way we are headed, and unless these crucial issues are immediately clarified, we shall have already lost the third world war. The reason is that we shall not be fighting for clearly defined national objectives, we shall not be fighting for the preservation of clearly defined American principles, and we shall not be fighting to keep America sound, strong, and free. This then, is the measure of the defeat

that is already in the making. We can only ask ourselves, "Why?" Mr. President, why are we in this tragic predicament? What has happened that America today should be fighting for her own survival with all the odds stacked against her? This is the question that cries for an answer in the minds and hearts of the American people. What is the master-key that unlocks this frightful puzzle? How can we escape such a fate?

Now, Mr. President, I am convinced there is only one way out. Strangely enough, President Truman was telling a tremendous truth when he denounced the Communist investigation as a "red herring." I do not mean that there is the slightest doubt but that Communists and traitors have been selling us out during these tragic years. What I do mean is that the issue of communism has been, is being, and will continue to be used by many as a "red herring" to detract the attention of the American people from the real cause of the disaster we confront.

The real causes of this disaster and the deadliest enemies of America are the internationalist doctrines, the internationalist machinery, and the internationalists themselves, who have provided the instruments whereby alien forces could infiltrate, manipulate and betray the national policies and interests of the United States.

What other master-key unlocks the mystery of America's betrayal? What other explanation puts the frightening events of the past 33 years into their proper perspective? So far as I am concerned, I can find no other way to explain what has happened to America during these tragic years, or what is yet to happen, unless we come to our senses in time; and it is later than most people think.

The truth is that whenever an American embraces internationalism as a doctrine or a practice, however well-intentioned he may be, he betrays both his country and himself. For such a doctrine and practice immediately opens the doors to foreign influence and foreign interests which, by their very nature, are determined to use America for their own selfish and vicious ends. As an example of what I mean, I cite an article in today's Washington Post, under the dateline of Cairo, Egypt, December 12. The headline is "Cairo cheers bid to play off East versus West," and the article begins thus:

> Parliament tonight applauded a deputy's proposal that Egypt make agreements with Communist-bloc nations and use these agreements to pry concessions from the Western Powers.

This is what George Washington meant when, in his farewell address, he said:

> Against the insidious wiles of foreign influence the jealousy of a free people ought to be constantly awake; since history and experience prove that foreign influence is one of the most baneful foes of republican government. Real patriots, who may resist the intrigues of the favorite, are liable to become suspected and odious; while its tools and dupes usurp the applause and confidence of the people to surrender their interests.

Surely we have paid an awful price to relearn in our lifetime that America can survive as a free and sovereign Nation only as we maintain American interests, principles, and security as our primary concern—only as our leadership seeks to protect, preserve and advance America's legitimate and vital interests above all others—only as the American people, themselves, are given honest facts and the opportunity to make honest choices between honest alternatives, before others are given a chance, secretly, to decide their destiny for them.

For years now, America has been the victim of the abandonment and repudiation of these principles and practices, with the inevitable result that nothing short of a major operation on the policies and personnel which have produced the present crisis can save us.

The choice we confront now is not how we are going to save the United Nations; not how we are going to save our allies; not how are we going to save face; but how we are going to save the United States. That is what we are up against today. The choice is not how we are going to perpetuate the mechanism of international death traps. The question is, how are we going to restore the machinery whereby we can take back into our own hands the control of America's foreign policy and destiny.

I know of no other way of doing this than by again warning of the suicidal course we have traveled during the past 33 years, under the leadership of internationalist crusaders, who have been leading us down the road to destruction and strengthening the internationalist machinery which, even today, has been taken over and continues to be manipulated by those who are determined to destroy us.

Mr. President, while this is a little known story which has been deliberately denied to the American people, it is the shocking truth. Why otherwise has it been deliberately suppressed by the very internationalists themselves, who during these tragic years have been playing hand-in-glove not only with Communists but with many other alien interests?

If we are not in a deliberate conspiracy of silence, why have these same internationalists gone to such lengths to pervert, distort and conceal the truth, and even to degrade the writing of history itself?

If we are to save America, the time has come to clean up, once and for all, the deliberate falsehoods and the "isolationist" smears with which the internationalists have been blotting out and fouling up the pages of American history. Those who oppose the internationalists are called "isolationists." If we are to believe the internationalist propagandists, the reason the world is in the predicament it is, is because America has been, and continues to be too isolationist—because we have never given the internationalists enough power with which to meddle in the affairs of other nations—because we have been too stingy with our purse strings—because we have never given them enough control over our resources, manpower and wealth—and because they have not yet been able to make enough outrageous secret deals with alien interests.

The only reason these men have been able to get away with this fantastic distortion of history is because we have let them get away with it, and the time has come to smash the Communist-Fair Deal-internationalist conspiracy that is destroying us. The supreme tragedy is that so many well-intentioned, patriotic Americans have been so completely taken in. At this very moment, internationalism is still peddled as a honeyed phrase that promises our only hope of salvation. Yet, at the same time, internationalism continues to be nothing but a smoke screen to cover up the brutal struggle for national survival which is now going on around the world.

Yet, this internationalism, which has already brought the peoples of the earth to their knees, is the same internationalism that has already tricked America into betraying her own interests in two world wars and is preparing to betray us in a third.

Mr. President, we were tricked into the First World War in Europe, behind the slogan, "We are going to make the world safe for democracy."

Yet, we now know that the American principles we were propagandized into believing were at stake, were thrown into the ash heap and an American President placed his stamp of approval on a war-breeding, inhuman absurdity called the Versailles Treaty.

Subsequent events prove beyond any question of a doubt that under the guise of internationalism our leaders betrayed our own vital interests and pulled the chestnuts of Britain and France out of the fires of power politics by yielding to the influence and pressure of foreign cliques, who wormed their spokesmen into the highest policy-making circles of our Government.

The record also shows that behind the scenes we continued to be led around by the nose by British imperial interests right up to and into the Second World War.

This time, behind the internationalist slogan of the Atlantic Charter and the "four freedoms" we fought the most terrible war in history, only to find that Communists had infiltrated our highest policy-making circles and used this international crusade and the international machinery that was set up for the prosecution of the war, and for the building of the so-called peace that followed, to sell America into the hands of Russia.

Mr. President, my record on these matters is clear.

I have consistently and bitterly opposed this betrayal of American principles.

I have continually warned that this internationalist conspiracy had been taken over by the Communists and was betraying our vital interests by squandering our substance and the blood of our youth in the four corners of the earth.

Not to secure and advance America's interest—not even to make the world

safe for democracy—but to prepare the table for Stalin and make the world safe for communism.

A documentary review of this story is too complicated and involved to present at this particular moment, but I propose to bring this whole sordid story before the Senate in the not too distant future. Parts of it I have brought out in the past.

What is needed now is a recognition of the fact that this continuing internationalist conspiracy, together with its mushrooming organizations and machinery, is now as deadly an enemy as communism itself.

For if we keep going the way we are headed, we shall end up in world-imposed isolation, the object of the undying hatred and enmity of the very peoples who are our natural friends and allies, and saddled with the very totalitarian police state, with its inevitable poverty, degradation, and slavery from which these false prophets of internationalism promised to save the world.

This is why, Mr. President, if America is to be saved, the Congress is now confronted with such a seemingly impossible task.

For it is the duty of Congress, now, and of every Member of Congress who loves America, to prevent the perpetuation of this myth of internationalism for the purpose of saving the face of our internationalists, by pointing out that what is good for internationalism, now has become ruinous to the best interests of the United States of America.

Those who preached the unity-at-any price-with-Russia line, because they said, "Russia is a great peace-loving ally," might have helped keep internationalism and the United Nations alive, but so far as America is concerned, they were preaching treason.

The time has come to recognize that those who are now preaching the unity-at-any-price-with-our-allies propaganda are equally deceiving the American people.

The allies have already fallen out with us and are going their own merry way to take care of their own national interests, and are selling out America's interests and principles, while they leave us holding the bag, fighting their wars, and paying the bills.

Those who continue to preach dependence upon allies who desert us in our hour of need, when, if we are to survive, it will be by dependence on our own wits and strength, are also preaching treason.

At this very moment American GI's are fighting and dying in a United Nations war in Korea under directives that are drafted by a membership that includes our deadly enemies.

This may be good for internationalism, but it is treason to America.

Our GI's are fighting today in Korea against overwhelming odds that are backed by the military might that has been supplied by the underhanded trade practices of our allies, as well as our own Government.

This may be good for internationalism, but it is treason to the United States.

At this very moment American Armed Forces are locked in deadly combat with the hordes of Communist Chinese, who at this very moment, as I speak to the Senate, are represented in the United Nations and turned loose to berate, obstruct, and paralyze our own independence of action.

This may be good for internationalism, but it is treason to the United States.

At this very moment, although threatened with annihilation, our armies, fighting for their very lives, are unable to defend or protect themselves against the onslaught which is based north of the Yalu River in Manchuria because the United Nations will not permit us even to protect ourselves.

Mr. President, this may be good for the United Nations morale, but any red-blooded American knows that, so far as America is concerned, this is the rankest kind of treason.

Mr. President, at this very moment we are engaged in a terrible war which was entered into unofficially by an American President without the advice or consent of Congress—a war which the President has yet to declare; a war which had reduced the President of the United States himself to an errand boy for this anti-American international superconspiracy into which the United Nations has now degenerated.

Meanwhile, both Houses of Congress have been completely bypassed and reduced to rubber stamps to pay the terrible costs and to pick up the tragic pieces. That is what we are doing today.

Equally responsible, Mr. President, for this tragic predicament are members of the Republican Party itself, who, as officials of the American delegation to the United Nations, are continuing to perpetuate internationalism.

It must be clear now, Mr. President, that the time has come for an all-out fight to save America from self-destruction.

It is at this point the question arises, "What would you do?"

While I am speaking only for myself, Mr. President, I think I know how my people in Indiana feel about this tragedy that is taking place.

I think I know what they would expect me to do.

First, since the issue now is clear between this internationalism in which we are caught which enables alien interests to manipulate American policies and resources for their own ends, and an awakened Americanism, the time has come to make or break the Republican Party as the loyal opposition to this continuing sell-out of America.

What possible excuse does the Republican Party have today for existence if it continues to be symbolized by an elephant with a trap door in its belly?

There can be no middle ground now. The Republican Party either stands for the preservation of these United States or for an international conspiracy that is driving us to our destruction.

Mr. President, the hour is so much later than we think.

At this moment, those who have led us into this terrible crisis are preparing to declare a state of national emergency. They held a conference today—another bipartisan conference, it was called—and to demand the surrender of whatever freedom, resources, wealth, and manpower the American people have left, without clarifying our national objectives, without defining the strategic areas the defense of which is necessary to our security, and without making any effort to remove from office those parties who have been responsible for our present predicament.

The President has many emergency powers in his possession. He still holds such powers. Congress left the powers with him, particularly with respect to price and wage controls, and so forth. However, it is apparent that we must have more hysteria. Yet we do not declare what our national objectives are.

Indeed, America stands in desperate need of all-out action to create an impregnable national defense under a leadership we can trust.

But for the Republican Party now to blindly fall in line behind the dangerous untrustworthy and un-American leadership that continues to control our destiny, would be a raw act of unutterable folly.

For this administration is composed of the same personnel, the same Communist-coddling appeasers, the same fellow-traveling conspirators, the same well-intentioned, yet deluded world-savers, the same moral and mental perverts who have been the architects of the present disaster.

This discredited directorate has completely lost touch with and confidence in our form of government and our way of life.

It does not believe in a primary loyalty to America's interests and principles where our relations with other nations are concerned.

Even now, this same leadership is engaged in perpetuating the same self-defeating international hand-out policies which corrupt and confuse the international scene and which continue to bleed us white, even while we are left with no control whatever over the end uses of either our own resources or of our own flesh and blood.

Again I say, Mr. President, this is the same leadership which managed to use its internationalist slogans, blueprints, and war and peace machinery to betray America in two world wars, and which succeeded in its betrayal only because of its determined strangulation of Americanism and American patriots who dared to defend America.

Now, Mr. President, this demand for total mobilization, if acquiesced in by the Republican Party, amounts to a surrender right into the hands of these enemies in our own midst, a surrender which spells the doom of our form of government and way of life.

Again I say, there is no possible reason for the continued existence of the Republican Party if, by its silence, it becomes an accomplice in this continuing internationalist betrayal of the American people.

America is fighting for survival and I do not see how any Republican can meekly surrender whatever freedom or integrity we have left, to the leadership which is determined to use the same machinery, the same slogans, the same sin-

ister objectives of internationalism, to save America from the very mess into which they have plunged us.

How can any Republican now sanction a complete surrender of totalitarian powers to such a leadership, when the same outrageous secret agreements that betrayed us are still on the diplomatic books, when secret diplomacy is still in the saddle, making a mockery of the Senate's traditional treaty-making powers, when the same political and diplomatic personnel that has been completely discredited as either incompetent, untrustworthy, or un-American, still are in power and driving the American people to their destruction, when the same hand-out policies and the same suicidal enforce-a-global-peace philosophy makes it impossible to define attainable national objectives, when the very military strategy on which this global goose chase is based could not be better designed to play into the hands of Moscow, and when mounting global commitments which are impossible to fulfill threaten to bankrupt this Nation and turn America permanently upside down and inside out?

It is time the Republican Party took a stand for America.

For myself, there is no point in continuing to attack a democratic leadership that has gone berserk, when self-appointed spokesmen for the Republican Party are down on their worshipful knees, crawling around, licking the heels of the same false gods.

Second, we must repudiate the policies and purge the personnel which have conspired to bring this tragedy upon us.

This means a repudiation of the secret agreements of Tehran-Yalta-Potsdam, as the only honest means of bringing about a clean break with the treasonable betrayals of the past.

There are some who protest that this means war with Russia.

I can only say, Mr. President, that if a repudiation of the betrayals of humanity and of every American principle of decency and justice means war, the sooner we find it out the better.

Third, Mr. President, we must reorganize our foreign policy on the basis of a realism we have never known before.

This means a complete about-face in our dealings with the German and Japanese people, and the end to the senseless destruction which continues to go on in Germany. It is going on as I speak.

This also means the refusal to compromise with Communist China, and the demand that our so-called allies stop playing both ends against the middle, and help to organize European and Asiatic federations, on a basis of equality of membership and mutual interest. This must be made the basis of all future American cooperation. Meanwhile we should encourage all freedom-loving peoples behind the iron curtain and remain loyal to our proven friends.

Fourth, Congress must force the resignation of Mr. Acheson and Mr. Marshall as the symbols of the catastrophe that has occurred.

Clean out of the national administration, the double talkers, Communist sympathizers, collectivists, crackpots, and internationalist fellow travelers who put everybody else's interests above our own.

Fifth, since the United Nations itself has become a debating society death trap for American GI's, the time has come to revise it or to break it up.

Sixth, Mr. President, we need to halt every last dime of foreign hand-outs now pouring abroad through the international hand-out programs and machinery which our internationalist friends have devised.

We are only preparing the table for Stalin by continuing to feed the confusion and corruption of the anti-Soviet world which continues to play domestic politics with the fate of civilization.

Seventh, I am convinced, Mr. President, that with the crisis that exists, with international commitments, pacts, and treaties becoming more meaningless and futile by the hour and with our so-called allies turning neutral in our hour of need, the time has come to rely upon ourselves for our own protection, defense, security, and salvation, and to go to work immediately putting our own house in order.

This means withdrawing our troops to the Western Hemisphere and its strategic outposts, drawing a line, and sending an ultimatum to Mr. Stalin or any other aggressor, "You will cross this line only at your peril."

Then, Mr. President, we must set about building an impregnable national defense, the core of which should be a striking power capable of destroying at the source any threat to the security of these United States.

Mr. President, I make no claim to being a prophet, but I am absolutely convinced that if we are to save our form of government and our way of life, if we are to survive, this is the direction in which America must now move, and I want to serve notice on this administration, my Democratic colleagues, and my fellow Republicans that this is where I have stood in the past and where I shall always stand.

For myself I am willing to pour out everything America possesses in defense of these United States, but not another dime and not another American life to enable international dreamers to continue pouring out our substance and our lifeblood itself down the rat holes of the earth.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks an article entitled "Kennedy Calls Policy 'Suicide,'" published in the Baltimore Sun of December 13, 1950. Joseph P. Kennedy, former Ambassador to Great Britain, delivered an address in Charlottesville, Va., last night.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

KENNEDY CALLS POLICY "SUICIDE"—FORMER AMBASSADOR SAYS UNITED STATES HAS "OIL BUT NO FRIENDS"

CHARLOTTESVILLE, VA., December 12.—Joseph P. Kennedy, former Ambassador to Great Britain, said tonight our foreign policy is suicidal and has made no foul-weather friends.

Kennedy also charged that United States foreign policy has solidified communism, sapped our economic strength, failed to provide a strong defense in this hemisphere, and is politically and morally a bankrupt policy.

He proposed that the United States get out of Korea and any other place in Asia where we cannot hope to hold our defense, and to stop wasting our resources in an idle attempt to hold the line of the Elbe or the line of the Rhine.

SPEAKS AT LAW SCHOOL FORUM

Kennedy gave his views in a speech at the University of Virginia Law School Forum.

Kennedy, in his talk, said this country had expanded its political and financial programs on an almost unbelievable wide scale, interfering in the Italian elections, spending billions in aid to Greece and Turkey, through the Marshall plan and in other military aid.

"Now in Korea we are fighting the fourth greatest war in our history," he said.

"What have we in return for this effort, friends? We have far fewer friends than we had in 1945. * * *

"Where is there in all Europe any buffer against a massed Russian onslaught? Worse than this, where is there any determination to create such a buffer?"

"OIL BUT NO FRIENDS"

Kennedy said that the United States has "oil but no friends" in the Middle East and that "Indonesia, Malaya, Indochina are in revolt or heavy with discontent at the influences we represent."

Saying that Russia and her satellites have military strength "of a type that the world has never seen," Kennedy added:

"To engage these vast armies on the European or the Asian Continent is foolhardy, but that is the direction toward which our policy has been tending.

"That policy is suicidal. It has made us no foul-weather friends. It has kept our armament scattered over the globe."

SETTLEMENT OF CLAIMS FOR LOSSES AND DAMAGE TO PORTUGUESE TERRITORY OF MACAO

The Senate resumed the consideration of the bill (H. R. 9484) to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights.

RELIEF OF THE PAN AMERICAN UNION

Mr. CONNALLY. Mr. President, I ask that the pending bill be temporarily laid aside, and that the Senate proceed to the consideration of House bill 5902.

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent that the pending bill be temporarily laid aside, and that the Senate proceed to the consideration of House bill 5902, which will be read by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 5902) for the relief of the Pan American Union.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

Mr. WHERRY. Mr. President, is there any reason why the pending bill should be temporarily laid aside?

Mr. CONNALLY. I must leave to attend a meeting of the Committee on Finance. The consideration of the bill will require only a few minutes.

Mr. WHERRY. Does the Senator know whether or not there is likely to be some discussion?

Mr. CONNALLY. I think not.

Mr. WHERRY. Will a vote be required?

Mr. CONNALLY. I am sure that a yea-and-nay vote will not be necessary. The Committee on Foreign Relations reported the bill unanimously, and there is no controversy over it.

Mr. WHERRY. If that is the case, I shall not object to the request of the Senator.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Texas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Foreign Relations with an amendment on page 2, line 1, after the word "organization", to insert a colon and "Provided, That the government of the District of Columbia shall reimburse the Treasury of the United States for such amount."

Mr. CONNALLY. Mr. President, this is a bill relating to the reimbursement of the Pan American Union for an amount which it was forced by the District of Columbia government to pay in the form of an inheritance tax.

Many Senators will remember Dr. Rowe, who was for many years the head of the Pan American Union. I am sure that the Senator from Nebraska [Mr. WHERRY] and the Senator from Iowa [Mr. HICKENLOOPER] will remember Dr. Rowe. He was a very public-spirited man.

Dr. Rowe was killed by an automobile striking him some years ago. In his will he bequeathed $493,680.44, practically all of his estate, to the Pan American Union as a loan fund for Latin-American students desiring to study in the United States, and for the personnel of the Union.

The District of Columbia government stepped in and said, "You must pay us an inheritance tax." Under the force of their pressure, an inheritance tax of $54,000 was grabbed by the District government.

The bill provides that the Pan American Union shall be reimbursed in the sum of $54,691.65, but that the District government must pay back to the Government of the United States a similar sum, so that the Federal Government will not be out anything, and the District government will be forced to repay to the United States the amount which was unjustly, we think, demanded of Dr. Rowe's estate, and which his estate paid.

That is all there is to the bill, Mr. President.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

SETTLEMENT OF CLAIMS FOR LOSSES AND DAMAGE TO PORTUGUESE TERRITORY OF MACAO

The Senate resumed the consideration of the bill (H. R. 9484) to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights.

The PRESIDING OFFICER. The Senate question now automatically reverts to House bill 9484, Calendar 2581, which is the present unfinished business, it having been made so on the motion of the Senator from Illinois just before the Senator from Indiana [Mr. JENNER] began to speak.

Mr. WHERRY. I understand the Senator from Arkansas [Mr. FULBRIGHT] had asked that that bill be laid aside temporarily and that another bill be taken up for consideration.

The PRESIDING OFFICER. The Chair so understood, but that was not done.

Mr. FULBRIGHT. That is correct. The Senator from Connecticut [Mr. MCMAHON], who was prepared to handle the bill relating to the Portuguese territory of Macao, was interrupted by a speech, and meanwhile was obliged to go elsewhere.

I now wish to bring up two bills which are among the four the minority leader discussed with the majority leader, and and to which the majority leader has heretofore referred.

Mr. WHERRY. Mr. President, which bill does the Senator purpose to take up first?

Mr. FULBRIGHT. House bill 8546, Calendar No. 2580, to amend the Philippine Property Act of 1946.

Mr. WHERRY. I have no objection to the action proposed to be taken by the Senator from Arkansas.

AMENDMENT OF PHILIPPINE PROPERTY ACT OF 1946

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the Senate temporarily lay aside House bill 9484, and proceed to consider Calendar No. 2580, House bill 8546, to amend the Philippine Property Act of 1946.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 8546) to amend the Philippine Property Act of 1946.

Mr. FULBRIGHT. Mr. President, the General Appropriations Act of 1951 provides that the Philippine Alien Property Administration shall cease to exist after June 30, 1951. That agency of this Government must wind up its business in the Philippines by that time. In order to do so, it is necessary to amend the Philippine Property Act so that suits brought against the Administration may be brought in United States Courts rather than in Philippine Courts as now provided by law. Failure to amend the law would mean that the United States would need to continue to maintain facilities in the Islands to defend a very small number of suits that might be brought.

At the present time there are only 44 claims pending and on the basis of experience not more than 5 percent of these claims will result in litigation.

There is no opposition to the bill, which was proposed by the Philippine Alien Property Custodian. Neither the Philippine Government nor any claimant has opposed the bill.

I ask for immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the immediate consideration of the bill?

Mr. WHERRY. Mr. President, do I understand the bill came from the Foreign Relations Committee with unanimous approval, and that there was no objection whatever to it?

Mr. FULBRIGHT. That is correct.

Mr. WHERRY. Does the bill come before the Senate with the unanimous recommendation by the committee that it be passed?

Mr. FULBRIGHT. That is correct.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the bill (H. R. 8546) to amend the Philippine Property Act of 1946 was considered, ordered to a third reading, read the third time, and passed.

TOLL BRIDGE ACROSS RAINY RIVER, BAUDETTE, MINN.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent temporarily to lay aside House bill 9484, and that the Senate proceed to consider House bill 7445.

The PRESIDING OFFICER. The Senator from Arkansas asks unanimous consent that the Senate proceed to consider House bill 7445, which will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 7445) authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. WHERRY. Mr. President, as I understand the parliamentary situation, the distinguished Senator from Arkansas is now asking that the unfinished business, which is H. R. 9484, be temporarily laid aside, and that the Senate proceed to the consideration of H. R. 7445. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. WHERRY. I have no objection.

Mr. FULBRIGHT. Mr. President, this bill which was passed by the House last August authorizes the village of Baudette, Minn., to construct a bridge across the Rainy River connecting Baudette with Canada. Congressional action is necessary because the bridge will be across an international boundary. There are a number of precedents for action of this type by the Congress.

This legislation does not authorize the appropriation of funds. Arrangements for the cost of construction are to be made by the village of Baudette. The costs will be amortized by tolls. After the bridge is paid for, it is to be operated free of tolls.

The committee has received no evidence of opposition to the bill. Its passage has been approved by the Department of the Army and the Department of State.

Mr. WHERRY. Mr. President, were any amendments offered in the committee?

Mr. FULBRIGHT. There were no amendments offered.

Mr. WHERRY. And the bill comes from the committee unanimously indorsed by its membership?

Mr. FULBRIGHT. That is correct.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 7445) authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn., was considered, ordered to a third reading, read the third time, and passed.

SETTLEMENT OF CLAIMS FOR LOSSES AND DAMAGE TO PORTUGUESE TERRITORY OF MACAO

The Senate resumed the consideration of the bill (H. R. 9484) to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights.

Mr. FULBRIGHT. Mr. President, I understand that House bill 9484 is the unfinished business.

The PRESIDING OFFICER. The Senator is correct.

Mr. FULBRIGHT. Mr. President, the so-called Portuguese claims arise out of the accidental wartime bombing by American aircraft of the Island of Macao on January 16, February 25, and June 11, 1945. Liability for this type of destruction visited upon neutral territory and nationals is clearly established in international law. Moreover, these claims were at first presented to the Congress by the State Department in company with the Swiss claims, which were identical in character and for which the Congress has voted compensation.

The bill authorizes the Secretary of the Treasury to pay Portugal the sum of 1,172,762 patacas, or about $202,559.52 at the December 31, 1949, rate of exchange. Of this sum 1,043,714.35 patacas is principal and 129,048.04 patacas is interest at 2½ percent up to December 31, 1949. In addition interest at the rate of 71.49 patacas daily from December 31, 1949, to the date of settlement is provided for.

The claims have been thoroughly investigated by the Department of the Army, and it is on the basis of these recommendations that compensation due Portugal has been calculated. The interest rate of 2½ percent is lower than the rate of 3½ percent paid on the Swiss claims. Portugal is now a member of the North Atlantic Treaty. Therefore, not only legally is the United States liable for the damages, but politically, too, it is expedient for us to make these payments. The maintenance of friendly and honorable relations with Portugal is both a matter of deep interest and of vital concern to the security of the United States. The House has already passed the measure. The Committee on Foreign Relations urges the Senate to do likewise. The bill was reported to the Senate unanimously.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. Yes.

Mr. WHERRY. I am only asking these questions in the interest of bringing out all the information possible. I have not seen the report on the bill.

Mr. FULBRIGHT. A report has been filed.

Mr. WHERRY. Does the amount carried by the bill represent the total sum of the claims against us, or will other bills follow?

Mr. FULBRIGHT. The bill covers the total amount.

Mr. WHERRY. The amount covered by the bill will be the one and final and only payment to be made?

Mr. FULBRIGHT. That is correct.

Mr. WHERRY. Are the claims in the category of claims which have heretofore come before the Senate, such as the Swiss claims?

Mr. FULBRIGHT. They are identical with the Swiss claims, only smaller in amount.

Mr. WHERRY. Yes; I understand. I only ask with respect to the principle involved, not the amount.

The PRESIDING OFFICER. The bill is open to amendment.

If there be no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 9484) was ordered to a third reading, read a third time, and passed.

EXECUTIVE SESSION

Mr. McFARLAND. Mr. President, I move that the Senate proceed to consider executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

William F. Riley, of Iowa, to be United States district judge for the southern district of Iowa, vice Charles A. Dewey, retired; and

Walter M. Bastian, of the District of Columbia, to be United States district judge for the District of Columbia.

By Mr. JOHNSON of Colorado, from the Committee on Interstate and Foreign Commerce:

Stephen J. Spingarn, of New York, to be a Federal Trade Commissioner, for the unexpired term of 7 years from September 26, 1946; and

Hugh W. Cross, of Illinois, to be Interstate Commerce Commissioner for the term expiring December 31, 1957.

The PRESIDING OFFICER (Mr. STENNIS in the chair). If there be no further reports of committees, the clerk will proceed to state the nominations on the calendar.

DEPARTMENT OF DEFENSE—NOMINATION PASSED OVER

The Chief Clerk read the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense.

The PRESIDING OFFICER. Without objection, the nomination will be passed over.

DEPARTMENT OF LABOR

The Chief Clerk read the nomination of Robert T. Creasey, of Texas, to be Assistant Secretary of Labor, United States Department of Labor.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

NATIONAL MEDIATION BOARD

The Chief Clerk read the nomination of John Thad Scott, Jr., of Texas, to be a member of the National Mediation Board.

The PRESIDING OFFICER. Without objective, the nomination is confirmed.

NATIONAL LABOR RELATIONS BOARD

The Chief Clerk read the nomination of George J. Bott, of Maryland, to be general counsel of the National Labor Relations Board.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of Hon. Oliver J. Carter to be United States district judge for the northern district of California.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Edward P. Murphy to be United States district judge for the northern district of California.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Hon. William M. Byrne to be United States district judge for the southern district of California.

The PRESIDING OFFICER. Without objection, the nomination is confirmed.

PUBLIC HEALTH SERVICE

The Chief Clerk proceeded to read sundry nominations in the Public Health Service.

Mr. McFARLAND. I ask unanimous consent that the nominations in the Public Health Service be confirmed en bloc.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Without objection, the nominations in the Public Health Service are confirmed en bloc.

That completes the calendar.

RECESS

Mr. McFARLAND. As in legislative session, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 3 o'clock and 32 minutes p. m.) the Senate took a recess until tomorrow, Thursday, December 14, 1950, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 13 (legislative day of November 27), 1950.

DEPARTMENT OF LABOR

Robert T. Creasey, of Texas, to be Assistant Secretary of Labor, United States Department of Labor.

NATIONAL MEDIATION BOARD

John Thad Scott, Jr., of Texas, to be a member of the National Mediation Board, term expiring February 1, 1954.

NATIONAL LABOR RELATIONS BOARD

George J. Bott, of Maryland, to be General Counsel of the National Labor Relations Board, term of 4 years.

UNITED STATES DISTRICT JUDGES

Hon. Oliver J. Carter to be United States district judge for the northern district of California. (Now serving under a recess appointment.)

Edward P. Murphy to be a United States district judge for the northern district of California. (New position.)

Hon. William M. Byrne to be United States district judge for the southern district of California. (Now serving under a recess appointment.)

PUBLIC HEALTH SERVICE

The following-named candidates for appointment in the Regular Corps of the Public Health Service:

To be sanitary engineer (equivalent to the Army rank of major), effective date of acceptance

Euald C. Warkentin

To be junior assistant pharmacists (equivalent to the Army rank of second lieutenant), effective date of acceptance

Edward J. Martin
George J. Gruber
Albert B. Ripley

The following-named candidates for appointment and promotion in the Regular Corps of the Public Health Service:

To be senior scientist (equivalent to the Army rank of lieutenant colonel), effective September 29, 1950

Leslie A. Chambers

To be junior assistant pharmacist (equivalent to the Army rank of second lieutenant), effective November 24, 1950

John W. Toole

To be senior assistant sanitarians (equivalent to the Army rank of captain), effective date indicated

Harold Wainess, November 2, 1950.
Darold W. Taylor, November 8, 1950.

To be senior assistant nurse officer (equivalent to the Army rank of captain), effective November 2, 1950

Mary G. Damiani

To be senior surgeons (equivalent to the Army rank of lieutenant colonel), effective date indicated

Allen B. Eschenbrenner, September 28, 1950.
William J. Brown, September 28, 1950.
Ralph W. McComas, September 29, 1950.
James A. Smith, October 2, 1950.
Frederick G. Gillick, October 13, 1950.
Louis Jacobs, November 6, 1950.
Carl L. Larson, December 26, 1950.

Senior assistant surgeon to be surgeon (equivalent to the Army rank of major), effective Oct. 25, 1950

Arthur E. Rikli

To be senior assistant sanitary engineer (equivalent to the Army rank of captain), effective Oct. 11, 1950

Ronald G. Macomber

To be assistant sanitary engineer (equivalent to the Army rank of first lieutenant), effective Oct. 11, 1950

George W. Burke, Jr.

To be senior nurse officers (equivalent to the Army rank of lieutenant colonel), effective Oct. 31, 1950

Lorena J. Murray
Ellwynne M. Vreeland
Zella Bryant
Esther A. Garrison
Elsie T. Berdan
L. Margaret McLaughlin
Ruth I. Gillan

HOUSE OF REPRESENTATIVES

WEDNESDAY, DECEMBER 13, 1950

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. PRIEST.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

DECEMBER 13, 1950.

I hereby designate the Honorable J. PERCY PRIEST to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art our refuge and strength, our companion and counselor, humbly and gratefully we would acknowledge our dependence upon Thee, for always and everywhere we need Thee.

We need Thee in the morning years when life is carefree and full of adventure and hope. We need Thee when we are in the midway of our course and the burdens are heavy and responsibilities are great. We need Thee in the eventide of life when the shadows lengthen and there is only a little way to go.

Grant that in these perilous days when our pilgrimage is beset with so many hardships and difficulties we may have the glad assurance that the spiritual resources are adequate and available.

We pray that they may give us inward steadfastness in our struggle for peace and righteousness. May we be strong in the Lord and in the power of His might, for Thou art our God forever and ever and will be our guide even unto death.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

REMOVE SECRETARY OF STATE ACHESON

Mr. HALLECK. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. HALLECK. Mr. Speaker, it should be obvious even to President Truman that Acheson has completely lost the confidence of the Congress and of the country. With America facing one of the most critical times in our history, the President has not taken the one step which would do more to convince our people of a sincere desire for unity than any other single move—the replacing of Acheson as Secretary of State and the cleaning up of the State Department.

The matter transcends partisan politics. From a selfish standpoint the Republican cause probably would be better served with Acheson remaining in office, but the welfare of the Nation must come first and I would be derelict in my duty if I did not speak out for the citizens I represent, many of whom have written to me bitterly protesting the continued presence of Acheson in his high office.

This is no time for America to look backward except that we may profit by our past mistakes. We must now make the best of a tragic harvest in the field of international relations and do those things that will strengthen America for the heavy tasks all of us face.

The need for national unity is paramount. To achieve this unity there must be widespread trust in and respect for our leadership.

For the President to defy the crescendo of demands now sweeping the country that a new Secretary of State be named is to impair national morale at a time when the highest morale is desperately needed.

MEMBERSHIP IN AMERICAN LEGION

Mr. LECOMPTE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. LECOMPTE. Mr. Speaker, today I am introducing two bills which I think will appeal to every Member of this House. The bills are for the purpose of carrying out resolutions adopted by the American Legion at the convention in Los Angeles in October of this year.

The first of these bills provides for an amendment to the national charter of the American Legion and is to enable the heroic members of the armed services in Korea to become eligible for membership in the American Legion. Eligibility is also extended to citizens of the United States on active duty in the armed services with governments associated with the United States in the present conflict.

My colleague the gentleman from Iowa [Mr. DOLLIVER] is associated with me in the introduction of these bills and will propose similar measures. Under the rules it is not permissible for two Members of the House to jointly sponsor legislation, and separate bills must be introduced even though the measures are identical.

Mr. Speaker, one of the resolutions adopted at Los Angeles by the national convention of the American Legion reads as follows:

Be it resolved, That the national judge advocate be directed to frame an appropriate charter amendment to be submitted to the Congress so as to add to the eligibility provision thereof the period June 25, 1950, to and including the date of cessation of hostilities, or for those continuing to serve honorably thereafter; and for citizens of the United States on active duty in the armed forces of governments associated with the United States in the present conflict.

The second of these bills provides for giving the national organization of the

American Legion additional protection of emblems, badges, seal, and so forth, and a resolution to this effect was adopted at Los Angeles by the American Legion convention.

These two bills have the endorsement of the national legislative commission of the American Legion, whom I have consulted in connection with the preparation and introduction of these measures. I hope that the appropriate committee of the House will act on these bills promptly and that we will be able to get them enacted into law before adjournment of this Congress. I understand that similar legislation is being given early consideration by the Senate. Let us speed these measures to the White House before Christmas.

The SPEAKER pro tempore. The time of the gentleman from Iowa has expired.

THE ADMINISTRATION IS ENTIRELY TOO SLOW IN BUILDING OUR DEFENSES

Mr. JOHNSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks and include part of a letter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. JOHNSON. Mr. Speaker, the people in my area are away ahead of the administration in realizing that we must rapidly get prepared to defend ourselves.

I am inserting in the RECORD as part of these remarks a letter which I will read in part, which gives the views of a very intelligent man in my home city. His general views have been expressed to me in writing by other constituents. The man that wrote this letter is a thoroughly responsible, successful, and patriotic citizen. Since he is not seeking any notoriety for his views, I am omitting his name.

This is the letter:

DECEMBER 7, 1950.

DEAR ROY: This letter does not require an answer—because I know how busy you are.

People out here are not only concerned but they are frightened, with the lethargy of the Government's preparations for defense, and to rebuild and rearm our military services. Some people doubt that the west coast can be defended or held if Russia should jump soon.

The feeling is to get into military production fast, and accept immediate economic controls on prices, wages, manpower, taxes, etc. Public opinion out here has crystallized much more rapidly than the Government thinks. They want to rearm for protection as quickly as it can be done. They are concerned about their safety, not their financial security or the unpleasantness of wartime controls and dislocations.

They are fed up with the fact that the military in the Pentagon are apparently still squabbling among themselves and can't make up their minds as to what they want—6 months after the outbreak of war. We're still piddling. Nero and his fiddle would take a back seat to our present efforts. You have appropriated the money, but the small number of contracts that have been let or even discussed with industry is shameful.

Why don't we get going? Does anyone back there doubt that this is it—the first stages of all out war—world war III? The elections are over—they still don't have to play politics, do they?

As I said, Roy, this letter does not require an answer; but the contents are just about all people talk about out here these days.

Sincerely.

The SPEAKER pro tempore. The time of the gentleman from California [Mr. JOHNSON] has expired.

RESOURCES AND PRODUCTION

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, during World War II, I asked the Speaker to invite the members of the Joint Chiefs of Staff, as well as the Secretaries of the various departments, to come before the House and present information to the Members which would be of value in regard to the conduct of the war. I felt then, as I firmly believe now, that the Congress should be informed and told about the general objectives the country must accomplish.

Mr. Speaker, I respectfully ask you to request Mr. Stuart Symington, Director of the National Security Resources Board, and who is responsible for our industrial mobilization, to meet with the Members of the House and explain what has been done and what is planned to be done regarding the organizing and preparation of American industrial power to meet any possible emergency, as well as the demands of total war.

The American people today have a feeling of fear and uncertainty regarding the future. Lack of knowledge nourishes fear. If the Government possesses knowledge or information which, if given to the people, would allay their fears and give them courage, and through this courage the strength to face the future, then it seems to me the Government would be performing an act of immeasurable value to the strength of our whole country by imparting and explaining to the people the activities either taking place or which are planned in the immediate future. This would provide the confidence and the courage that is so greatly needed.

Efficiently organized American industrial power is vastly greater than that possessed by all of the Communist countries combined. Within this industrial genius lies the strength of America. With American industry operating at capacity, communism cannot compete with this power. With American industry mobilized and in operation, the leadership of communism has better sense than to challenge this industrial might of America.

It is with this thought in mind, Mr. Speaker, that I think it would be most enlightening to the Members of Congress and to the American people to have Mr. Symington come before us and describe what he is doing to bring our great industrial resources into capacity production. There is nothing I know of at the present time which would give more confidence and courage to the Nation and cause more fear and consternation to the leaders of communism and their supporters.

SUICIDAL UNITED STATES POLICY

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, it is my understanding that in this world struggle we are opposed to more than one dictator, Josef Stalin; we are opposed to communism. I do not want to see our country sucked into a diplomatic Pearl Harbor in this Tito business. May I read from the New York Times of today a report on Joe Kennedy's speech at the University of Virginia last night?

Joseph P. Kennedy, former Ambassador to Great Britain, said tonight that our foreign policy is suicidal and has made us no foul-weather friends.

Mr. Kennedy also charged that United States foreign policy has solidified communism, sapped our economic strength, failed to provide a strong defense in this hemisphere, and is politically and morally a bankrupt policy.

Unless we adopt some sensible amendments to this bill today, I am voting against the measure.

EXTENSION OF REMARKS

Mr. PATMAN asked and was given permission to extend his remarks and include a speech delivered today by Mr. POAGE in Texas before the Farm Bureau Federation.

Mr. ROGERS of Florida asked and was given permission to extend his remarks and include an editorial.

Mr. FEIGHAN asked and was given permission to extend his remarks and include an article.

Mr. HARRISON asked and was given permission to extend his remarks and include extraneous matter.

Mr. GATHINGS asked and was given permission to extend his remarks and include two editorials.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. WILSON of Texas asked and was given permission to extend his remarks and include a speech by Mr. Harry Withers.

Mr. McGREGOR asked and was given permission to extend his remarks and include a newspaper article written by Louis Bromfield.

Mr. BEALL asked and was given permission to extend his remarks and include an editorial from the Baltimore Sun.

Mr. ELLSWORTH asked and was given permission to extend his remarks and include an editorial.

Mr. VURSELL asked and was given permission to extend his remarks and include a speech by Thomas Stack.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include a letter from a constituent.

Mr. MORTON asked and was given permission to extend his remarks in two instances and include extraneous material.

Mr. SADLAK asked and was given permission to extend his own remarks.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the following title:

H. R. 9840. An act to exempt furlough travel of service personnel from the tax on transportation of persons.

CALL OF THE HOUSE

Mr. BURLESON. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 294]

Biemiller	Gillette	Pfeifer, Joseph L.
Boykin	Gorski	Pfeiffer, William L.
Bramblett	Hart	Poage
Brehm	Havenner	Powell
Buckley, Ill.	Hébert	Rich
Burnside	Herter	Sabath
Cannon	Holifield	Scudder
Cavalcante	Irving	Sheppard
Chatham	Javits	Smathers
Chesney	Jennings	Smith, Ohio
Christopher	Jones, Ala.	Stanley
Cole, N. Y.	Kee	Talle
Combs	Keefe	Teague
Crook	Kennedy	Tollefson
Crosser	Kerr	Van Zandt
Davenport	King	Werdel
Davies, N. Y.	Kruse	Whitaker
Dawson	Lichtenwalter	Whitten
Dingell	Lodge	Widnall
Dondero	McCarthy	Willis
Eaton	McGrath	Wolcott
Eberharter	McMillen, Ill.	Wood
Engel, Mich.	Miller, Md.	
Flood	Murray, Wis.	
Fogarty	O'Toole	
Gavin	Passman	

The SPEAKER pro tempore. On this roll call 355 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

YUGOSLAVIA EMERGENCY RELIEF ASSISTANCE ACT OF 1950

Mr. RICHARDS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 9853) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 9853, with Mr. McSWEENEY in the chair.

The Clerk read the title of the bill.

Mr. DAVIS of Georgia. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. DAVIS of Georgia. Mr. Chairman, in order to understand the action proposed by the bill under consideration, let us look for a moment at what we have done for Yugoslavia in the past.

The Senate Foreign Relations Committee report on the Senate companion bill printed in last Friday's CONGRESSIONAL RECORD gives in detail the money which American taxpayers have given and made available to Yugoslavia.

During the war we gave them $36,666,000 under lend-lease and plan A. From 1945 through 1947 we gave them $299,000,000 under UNRRA procedure. In 1949 we furnished them through the Export-Import Bank $55,000,000, and in 1950 we have already furnished them $31,400,000 worth of food supplies.

So far as I know, no one disputes the accuracy of these figures contained in the Senate Foreign Relations Committee report on this legislation.

During the UNRRA years, a total of $430,000,000 was provided Yugoslavia under that plan. Seventy-two percent of this amount was furnished by the United States.

The magazine World Report in its issue of January 21, 1947, stated that taxes would go up in Eastern Europe when supplies from UNRRA ended, for the reason that the free shipments sent in under UNRRA were sold, with the proceeds intended to aid reconstruction. This magazine further stated that Yugoslavia may realize as high as a third of her revenue from sales of UNRRA goods.

I asked at that time the Library of Congress to check this statement for me, and the Legislative Reference Service of the Library of Congress did check it and furnished me a report which said that UNRRA sent supplies into Yugoslavia totaling 2,000,000 tons, with a value of nearly $400,000,000, by the end of 1946, and that UNRRA shipped into Yugoslavia enough food to give every man, woman, and child in the country more than 150 pounds of food per year, and in addition to this, 9 pounds of textiles per person, two pairs of trousers, two shirts, three union suits, six pairs of socks, one sweater, one overcoat, and six handkerchiefs.

This report further contained the statement:

There can be no doubt that the whole of the Yugoslav Army and Air Corps was maintained on our supplies. The 12,000 trucks which UNRRA gave to Yugoslavia have, in the main, been diverted to moving supplies and soldiers of Tito's army.

The fact is that in terms of the total economy of the country Yugoslavia has received as a gift goods equal in sales value to more than 10 years of its total prewar national budget and to three full years of its gross national income, Yugoslavia has thus been saved from complete collapse despite Soviet depredation, only by the movement of UNRRA supplies into the country.

This report from the Library of Congress further stated that based on information furnished it, it would appear that one-third of the Yugoslav revenue for 1946 came from the sales of UNRRA supplies.

Thus, high American taxes in 1946 at one and the same time kept Yugoslavian taxes low, and paid for the equipment and maintenance of the Yugoslavian Army.

Thus our gifts, which we thought were going to starving people in Yugoslavia, actually went to swell the treasury of the Red Yugoslavia Government, then, as now, under the domination of the same Communist Tito.

In this same article prepared by the Library of Congress, it was stated:

What happened in Yugoslavia was that the Communists were able to do as they pleased with UNRRA supplies. People could buy UNRRA supplies only at government-controlled markets at prices which were from 3 to 30 times normal prices. By this selling at a huge profit, the goods we have been sending free to Yugoslavia, Tito's regime has obtained funds to equip and support an army which has put every eighth man in uniform. Even our country could hardly afford to keep such a vast manpower idle. Tito was able to do it on UNRRA.

Thus, we with our gifts enabled Red Yugoslavia to equip and maintain an army devoted to the promotion of communism.

The weak argument is now advanced in behalf of this bill, that if we now send $38,000,000 in foodstuffs to Yugoslavia, our generosity will sway the Communist dictator, Tito, to such an extent that his military strength will be a threat to Russia in the event America and Russia go to war.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Georgia.

Mr. COX. The gentleman's statement leads me to wonder what if anything of sanity and strength there is left to us besides Westbrook Pegler, Fulton Lewis, George Sokolsky, and the Chicago Tribune.

Mr. DAVIS of Georgia. I thank the distinguished gentleman from Georgia for his comment.

Mr. VURSELL. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Illinois.

Mr. VURSELL. I should like to suggest that the large amount of funds the gentleman has listed as furnished by us to Yugoslavia was the result of allowing Communists to get control of the allocation and distribution of UNRRA funds, of which the United States contributed 72 percent of the total. The gentleman is rendering a service giving us these figures showing the wastefulness of the American taxpayer's money through UNRRA in connection with Yugoslavia. Why again inaugurate another program of such waste?

Mr. DAVIS of Georgia. I thank the gentleman from Illinois for his remarks.

If the $38,000,000 we gave them during the war failed to achieve this result, how can it be hoped that $38,000,000 now will accomplish the purpose? If the $385,000,000 additional which we have poured into Yugoslavia since the war including $55,000,000 last year and $31,000,000 this year, has failed to accomplish that pur-

pose, how can it be hoped that another $38,000,000 poured in now will tip the scales and accomplish the purpose which up to this time nearly a half billion dollars has failed to do? Let it be remembered that the taxpayers of America already have poured into the coffers of this Communist country $421,000,000, very nearly half a billion of taxpayers' money.

Mr. COOLEY. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from North Carolina.

Mr. COOLEY. The gentleman makes the statement that we gave Yugoslavia $50,000,000 last year. Is that an accurate statement?

Mr. DAVIS of Georgia. We furnished $55,000,000.

Mr. COOLEY. And that we gave it to them?

Mr. DAVIS of Georgia. I did not say we gave it to them. I said we furnished it to them under the Export-Import Bank plan.

Mr. COOLEY. That was a legitimate loan; was it not?

Mr. DAVIS of Georgia. I am not going into whether it was legitimate or not. I said that it was furnished to Yugoslavia out of the taxpayers' money of this country, which is a fact.

Mr. COOLEY. The reason I interrupted the gentleman was this: I was under the impression that he had left the impression with the House that we made a donation in excess of $50,000,000.

Mr. DAVIS of Georgia. I distinctly said it went under the Export-Import Bank plan.

Mr. COX. Mr. Chairman, if the gentleman will yield further, it was at least doing business with a Communist country at a time when we were with a death struggle with communism.

Mr. DAVIS of Georgia. That is true, I will say to the gentleman from Georgia.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Georgia. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. As a matter of fact, the $55,000,000 referred to is to be repaid in metal, things taken out of the ground, including lead, in competition with the products of our own mines in this country.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. RIVERS. Mr. Chairman, I ask unanimous consent that the gentlemen be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. DAVIS of Georgia. Mr. Chairman, in my opinion, Tito is as blackhearted and treacherous a Communist as Stalin himself. The very thought of voting to spend American taxpayers' money to support the Communist government of a Communist dictator is as repugnant and abhorrent to me as any act which I can conceive.

In the debate yesterday proponents of this bill stated that it is not based upon humanitarian motives, that it is not based upon a principle, but that it is a gamble, and a calculated risk. To me it is neither. The advocates of this bill seem to think that this generosity on our part will generate such gratitude on the part of Tito that his attitude toward Russia will stiffen and toward America will soften up.

We could make no greater mistake than this. There is no such word as gratitude in the Soviet dictionary.

If American generosity could arouse gratitude in Tito's heart, he would long ago have been our ally.

The four hundred and twenty-one million we have already furnished him has not in the slightest degree made him an ally of ours. Four hundred and twenty-one million dollars more will not make him our ally.

Now what is the reason for such haste in bringing up this legislation? Why must we hurry so to give this conscienceless dictator $38,000,000 more worth of supplies, when we have already sent him $55,000,000 in 1949 and $31,000,000 in November 1950, particularly and especially when there is no food emergency in Yugoslavia? Does anyone believe there is a food emergency in Yugoslavia? If so, let us look at the facts. They are set forth in detail both in the Senate Foreign Relations Committee report and in the House Foreign Affairs Committee report. The facts are, as set out in detail in both these committee reports, that in this present year Yugoslavia produced 108 percent of its normal crop of sugar, 100 percent of its normal crop of rice, 88 percent of its normal crop of wheat, 87 percent of its normal crop of barley, 83 percent of its normal crop of rye, 79 percent of its normal crop of oats, and 59 percent of its normal crop of corn. These are undisputed figures.

We are just now in the harvest season. This year's production cannot have been depleted to any substantial extent by this time. These yields, which approach so nearly to normal crop production, will not have been seriously depleted even by next spring.

Notwithstanding the fact that Yugoslavia's sugar production this year was 108 percent of normal, the food distribution program under this bill, and the committee report shows it, provides for $2,400,000 worth of sugar to be sent to Yugoslavia.

Notwithstanding the fact that Yugoslavia's rice production this year was 100 percent of normal, the food distribution program under this bill provides that $1,100,000 worth of rice is to be sent to Yugoslavia.

Thus in this food distribution bill totaling $38,000,000, $3,500,000 of it, or nearly one tenth of the total amount, is to be spent to send to Yugoslavia two articles of food of which Yugoslavia produced this year 100 percent of the normal crop, of one of these items, and 108 percent of the normal crop of the other item.

Mr. Chairman, how eager must this Congress and our Government be to give away American taxpayer's money to do an act of this kind? How gullible must this Congress and the American people be to engage in this kind of give-away program? I have not the slightest intention of voting one 5 cents to send more than a million dollars worth of rice to a Communist country which produced 100 percent of its normal rice crop this year.

I have not the slightest intention of voting one 5 cents of American taxpayers' money to send $2,400,000 worth of sugar to a Communist country which produced a 108 percent of its normal sugar crop this year.

Further and beyond this, I have not the slightest intention of voting one 5 cents of American taxpayers' money to strengthen and bolster up any Communist government anywhere in the world.

We are fighting communism now in Korea. We are fighting Korean Communists and Chinese Communists there. A Communist is a Communist, regardless of his nationality.

Communism cannot be defeated anywhere by coddling it.

I believe we are making ourselves simple in the eyes of the world by trying to coddle communism in Yugoslavia.

We have scattered our substance all over the face of the earth under the mistaken belief that friendship can be bought.

Friendship cannot even be bought among allies, let alone among enemies.

If Tito's friendship could be bought, we have already given him enough to buy it. If what we have already given him cannot buy it, then we do not have enough, and cannot raise enough money or supplies to buy his friendship.

We are on the verge of bankruptcy now. We owe $257,000,000,000. We are having to increase our military spending this year from $13,500,000,000 to a minimum of $50,000,000,000. We are on the verge this moment of going into wartime mobilization controls. We are saddling grave additional burdens upon the backs of our taxpayers, and yet the so-called statesmen of the world continue to coddle communism, and try to appease notorious Communist dictators.

We were gullible enough for a long time to say that Chinese Communists were different from Russian Communists. Our Communist coddlers said that they were not genuine Communists—they were simply agrarian reformers. Too late now we realize how greviously wrong that policy was.

While our boys in Korea are now being killed on the battlefields and frozen in the subzero temperatures of Korea, some of them being burned, butchered, and shot in the back as prisoners of war, while Chinese Communists are doing this, while Chinese Communists are overrunning the little helpless country of Tibet, while Chinese Communists are overrunning French Indochina, and are engaged in spreading communism over the face of the earth just as efficiently and fast as Russia herself is spreading it, England still insists on aiding and abetting Red China to spread communism over the face of the earth by insisting that Red China be seated as a member of the United Nations organization.

Mr. Chairman, I say that there is one way and one way only to stop the spread

of communism, and that is to oppose it openly, vigorously, and constantly. Communism cannot be stopped by appeasement. Communism cannot be stopped or even hindered by coddling it.

This legislation in my opinion is thoroughly unsound. I regard it as absurd. I believe it would be a most serious mistake to pass it, and I shall therefore vote against it.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: Page 1, line 4, after "1950" insert "Whereas the Government of Yugoslavia has urgently requested relief due to drought conditions, and has expressed an intention to conform to its obligations as a member nation of the United Nations."

Mr. FULTON. To explain this amendment, it comes in right after the phrase, "That this act may be cited as the Yugoslav Emergency Relief Assistance Act of 1950." It is a "whereas clause" stating:

Whereas the Government of Yugoslavia has urgently requested relief, due to drought conditions, and has expressed an intention to conform to its obligations as a member nation of the United Nations—

And then you go on with the rest of the bill.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to my good friend.

Mr. RICHARDS. I have just had an opportunity to read the gentleman's amendment. I do not think it would do the original purpose of the bill any harm, and I am willing to agree to it.

Mr. FULTON. I see my friend the gentleman from Alabama [Mr. BATTLE], who with a congressional group in the last 4 or 6 weeks had visited Marshal Tito in Yugoslavia. He will corroborate that. When the Congressmen were there Tito had orally assured this group that he would scrupulously live up to his obligations as a member nation of the United Nations.

Then the question came up in the Foreign Affairs Committee—was this statement an official statement of the Government of Yugoslavia or was it just a casual statement to several Congressmen as United States private citizens, among whom were the gentleman from Alabama [Mr. BATTLE] and the gentleman from North Carolina [Mr. CHATHAM], of the Committee on Foreign Affairs. To remove that question as to whether it was merely a casual conversation by the head of the Yugoslav Government and to put it on the ground of an official communication made to representatives of the United States Government acting in their official capacity in investigating Yugoslavia, I have therefore prepared this amendment. It puts in the preamble of the bill as the specific inducement that the Government of Yugoslavia has urgently requested relief due to drought conditions and has expressed an intention to conform to its obligations as a member nation of the United Nations.

That puts the question this way: If the Government of Yugoslavia then accepts this relief based upon such an inducement or promise, we then have it as an official matter and not as a matter of conversation between Congressmen and Mr. Tito. I certainly think if Tito once has said it he should be perfectly willing in this bill to stand by it; do not you, Mr. BATTLE?

Mr. BATTLE. I agree.

Mr. FULTON. He agrees; I thank the gentleman.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. CASE of South Dakota. Does the gentleman think that placing the language in the bill will bind Mr. Tito? Will it establish a condition under which the money might be withheld if he fails to observe that as a condition?

Mr. FULTON. It is a statement of the record, of the official record of the relations between the United States and the Yugoslav Government as they stand at the time we pass this bill. Now then, under a later provision of this bill the President has the discretion of terminating relief. We cannot force Mr. Tito by an extraneous document to live up to his obligations under the United Nations charter, even though he has already agreed to that pledge. Nevertheless this amendment states the condition upon which this legislation is premised—that Tito himself, as an inducement to this Congress, has officially pledged this course to members of the House Foreign Affairs Committee.

Mr. CASE of South Dakota. If it can be the interpretation of the gentleman's statment, that having it in the bill under those conditions or those circumstances, it may be we are pretending or thinking that we are establishing a condition, but certainly unless Mr. Tito himself subscribes to it, there is nothing binding there so far as he is concerned.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. KEATING. Did the gentleman in his prefatory paragraph in his statement here refer particularly to the guaranty of human rights and fundamental freedoms of the United Nations Charter?

Mr. FULTON. That is correct, and everything that goes with being a good member nation of the United Nations—that the Yugoslav Government will conform closely to the obligations under the United Nations Charter.

Mr. KEATING. Would the gentleman feel it would be necessary for the United Nations to take some affirmative action with regard to those human rights and fundamental freedoms in order to bind Tito to anything, even by inference?

Mr. FULTON. No affirmative UN action should be necessary. The obligation is assumed under the Charter. I could answer the gentleman further in this way: I have another amendment that ties in with this, which I will offer to the next section, paragraph 2, which will put specific conditions in the bill as conditions precedent upon which the United States Government must be assured before a written agreement on the terms of aid can be entered into.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FULTON] has expired.

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. FULTON. That second proposed amendment says that "upon the express prior assurance by the Government of Yugoslavia," and then I cite the various items and others along the line that the gentlemen have suggested.

Mr. CASE of South Dakota. Would the gentleman say, in view of his statement, that he would feel that if Tito fails to live up to the implied commitments, the President would be obliged to withhold aid?

Mr. FULTON. If the Yugoslav Government does not conform to Tito's pledges set out in my currently considered preamble amendment, because of the change in the basic premise upon which this legislation is being based, the President must then, under the changed conditions on page 4, subsection (2) of section 6, terminate all assistance under this act. It is the intention of this amendment that aid shall be promptly terminated by the President under such conditions.

Mr. CASE of South Dakota. I think the Congress can certainly bind the President by establishing the conditions under which he extends aid. I do not think we can bind Tito.

Mr. FULTON. That is correct, but we want this express assurance by Tito placed in the bill as the basis on which the aid is extended.

Mr. CLEMENTE. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. CLEMENTE. Is there any difference in the pledge you have in your amendment for Marshal Tito to perform the obligations as a member of the United Nations and the pledge that he took when he joined the United Nations?

Mr. FULTON. No; there is none. But it simply states, as an official matter of the record, the relation between the Yugoslav Government and the United States Government, and that the Congress assumes that that course will be followed in dealing with the United States. As you know, previously the Yugoslav Government has certainly not lived up to the obligations of the United Nations Charter in many things—religion, the Greek orphans, freedom, and so forth. And, therefore, the express obtaining of this assurance is well warranted.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to my friend from New Jersey.

Mr. CANFIELD. I hope that our colleagues who heard those remarks from Tito's own lips will elaborate on how he elaborated on them.

Mr. FULTON. The gentleman from Alabama [Mr. BATTLE] is here, and I hope he will do so.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FULTON] has again expired.

Mr. COX. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this mushy, moonshine, artificial, soft-pedaling, pussyfooting stuff as represented by this committee sickens me. I had thought that the visits made by Members of this body to foreign countries over the past few years was paying off, but, Mr. Chairman, I doubt now if that is so. I am against the wiles of communism wherever it exists, which is possibly everywhere.

Mr. COOLEY. Mr. Chairman, I move to strike out the last word and I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, all of us must realize that in our day and generation tragic mistakes have been made. The miserable mistake, which was made in the partition of Germany we will long remember as one of the tragic mistakes of modern history. The same is true concerning the partition of Austria and even perhaps the partition of Korea.

In addition to these grave mistakes and to the others which have been made, I personally believe that our Nation made another grave and tragic mistake when it recognized Marshal Tito and the government he had established in Yugoslavia and when we placed our stamp of approval upon the elections which were held in Yugoslavia on November 11, 1945.

In the month of July 1945 even before the Yugoslavian elections and just after I had returned from a trip to Europe I made a speech on the floor of the House and at that time gave to the Members of the House the full benefit of information which I had been able to obtain concerning the situation then existing in Yugoslavia. I emphasized the ruthless manner in which Marshal Tito was then conducting the affairs of that great little country. I pointed out then that I had received information to the effect that he had either executed or exiled or imprisoned more than 60 professors of the University of Belgrade. A year later, our majority leader, the gentleman from Massachusetts [Mr. McCORMACK] took the floor and told the House that in his program of religious persecutions Tito had caused to be executed or exiled 250 Catholic priests.

Within a few weeks after the November 1945 elections, I communicated with the Secretary of State, Hon. James Byrnes, and urged upon him the fact that we should not recognize Marshal Tito as the duly elected head of the Government of Yugoslavia. I then pointed out that the November elections were not in keeping with either the letter or the spirit of the Yalta Agreement, and I emphasized the fact that the citizens of that country had not been afforded free and unfettered elections and had not been accorded the rights and privileges of free and unfettered preelection activities. But, notwithstanding, our country—yes; our officials—recognized Marshal Tito and the government he had established in Yugoslavia. I did not trust Tito then; nor did I trust him when in 1947 he had his open break with Russia. I had no faith in his sincerity; nor have I ever approved or condoned the high crimes and misdemeanors of which he has been guilty. Many tragic events have happened in Yugoslavia and we are living in a fast-changing world. Others appeared to have faith in Tito's sincerity, but actually I had none.

During the past summer I was invited by the speaker of the Yugoslavian House of Representatives to visit Yugoslavia. After arriving in Belgrade, I was invited by Marshal Tito to have dinner with him. Having heard so many fantastic and fabulous stories about this man and his country, I welcomed the invitations and the opportunities.

Socially, Tito is a very likable fellow but not even his personal charm could cause me to forget the many blood-curdling stories which I had heard. My visit with him was very pleasant indeed. I never met a more friendly man nor a man who was more frank and forthright. After dinner we had a conference that lasted almost until midnight, and we talked of just about everything under the sun. When I found that he was apparently perfectly willing to discuss every subject I asked him about the Greek children, and I asked him why he did not return them immediately to Greece and to their parents and loved ones. Tito said that he was anxious to return the Greek children to Greece and to their parents but that he must insist on proper identification of them and of their parents, and he stated that he had no moral right to turn the children over to people who had no right to them. After discussing this situation with Tito we went almost immediately to Greece and conferred with the Prime Minister, and we told him that Tito was apparently sincere in his assertion that he was anxious to return Greek children to Greece and to their parents if proper identification of the children and the relationship could be established. The Prime Minister of Greece told us that he was delighted with such news and that he would immediately give public notice through the press and radio of Tito's willingness to return the children to their parents upon the presentation of proper identification. Since that time I have seen press reports to the effect that at least some of the Greek children have been appropriately identified and have been returned to their homes and parents.

Then I asked Marshal Tito: "Why is it, Marshal Tito, that you insist upon keeping Archbishop Stepinac in jail and making him a martyr? Why don't you free him and exile him and let him be forgotten?" His answer was: "I realize that I would make a lot of people happy if I could do just that, but the fact remains that such action would greatly offend all of the Serbs of Yugoslavia." Tito went on to say that the archbishop had acquired land extending over an area of 200 miles and that in an effort to protect himself and his property he had been a party to the crime of executing 6,000 Serbs. Whether that is true or not I do not know, but actually I had never heard that story before. I thought that the archbishop had been imprisoned as the result of some sort of religious persecution. I thought that he had been arrested and incarcerated without just cause. I did not know that he had joined hands with the German Army and had been particeps criminis in the killing of thousands of Serbs. Notwithstanding the archbishop's conduct Tito appeared willing to release him from prison if he would leave the country, even at the risk of offending a great number of his own people.

We do not seem to realize that the little country of Yugoslavia came into existence only a few short years ago. After World War I the country of Yugoslavia had its birth. It is made up of Czechs, Croats, Slovenes, Serbs, Rumanians, Bulgarians, Germans, and people of many nations. That is the kind of country Tito is trying to run. As I sat in luxurious quarters with Marshal Tito and looked at him dressed in a beautiful uniform covered with gold braid and as I realized the bloody march to power he had made and tried to appreciate his present predicament, I thought to myself that I would rather be a poor tenant farmer in North Carolina than to have that man's job.

I do not intend to condone crime nor to embrace dictatorship, both of which I hate and despise, but as I look at the map of the world and realize how hopelessly weak we are I am convinced that we can afford to make this gift to the people of Yugoslavia, not with the idea of strengthening Tito nor with the idea of perpetuating him in power, but as a friendly gesture to the right-thinking people of his country and in the hope that the people of Yugoslavia will appreciate our friendship, I shall vote for the pending bill. Until the end of the war we were embracing Russia. In our aid to Russia we were pouring out hundreds of millions of dollars, apparently in the honest belief that Russia was a real friend and ally. Tito was also friendly to Russia and his friendship continued until 1948. I asked Tito why he had broken with Russia and he said that Russia wanted to dominate the world and that he wanted no part of such a program. Of course Tito is a Communist. He frankly admits that he is a Communist, but somehow I am willing to believe that he has no designs on the world outside of his own country. Maybe I am wrong and maybe he has. Whether he is sincere remains a secret of the future, but the fact remains that we know that Tito has had a break with Stalin. We know too that a dictator must rule with an iron hand or he will not continue to be a dictator. I do not believe that Tito can ever again turn to the east and ask for aid. He must look to the west. If he should turn again to the east, off would go his head and I believe he knows it. He cannot show evidence of weakness, but he must at all times at least pretend to be strong. I have no idea that we will ever make a democrat out of Tito, but I do believe that by aiding the distressed people of his country we will be making an investment in our own future welfare. If his army will resist invasion this investment may prove worth while.

Mr. BARDEN. Mr. Chairman, will the gentleman yield?

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Mr. COOLEY. I yield to the gentleman from North Carolina.

Mr. BARDEN. Did Mr. Tito give you any good reason as to why he kidnapped the 9,000 children to begin with?

Mr. COOLEY. No. I do not think anybody asked him why he kidnapped them. I do not think anybody would admit it was a case of absolute kidnaping. Some of the parents were already in Yugoslavia. But that is not the problem we are dealing with.

When those of us who served on the Herter committee, the special committee on foreign aid, wanted to insist upon certain conditions being attached to our loans and grants to foreign countries and wanted further to insist upon bringing about certain internal reforms in the nations to be aided by our charity and generosity, we were met with the argument that we shall not use their economic power to influence the internal affairs of other nations. I believe that the time has come when all of us must realize that we must reexamine not only our foreign policy but our foreign-aid policy. If we could, forsooth, bring about necessary reforms in Yugoslavia, certainly it would be a consummation devoutly to be wished. But all of us know that that is not now possible. In our foreign-aid programs of the future we shall very carefully guard the expenditures of every single American dollar.

Let us be realistic about our situation in the world today. If the Communists should attack Yugoslavia, the city of Belgrade would be immediately surrendered and the soldiers of that city would, of necessity, take to the hills and carry on guerrilla warfare. I was not too greatly influenced by the remarks and assurances of Tito. I would not even now accept his mere statement as positive proof of his sincerity. I base my own opinion upon the information I obtained from many sources and from on-the-spot observations which I made. I earnestly believe that if the Communists invade Yugoslavia that Tito and his armies will fight to death resisting the foot of the invader. I am not kidding myself into believing that Tito is a reformed person, or that he will join the ranks of freemen, or that he will join with us in fighting Russia. But I do believe that he will do his dead-level best to keep the Russian Army off the soil of Yugoslavia.

Mr. WHITE of Idaho. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Idaho.

Mr. WHITE of Idaho. Did Tito give any explanation of how they happened to shoot down American fliers over Yugoslavia?

Mr. COOLEY. No. I did not go into that with him. But let us look at the broad aspects of this picture. Take the map of the world. Here is something that appeared in a Los Angeles paper.

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. COOLEY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. COOLEY. Mr. Chairman, here is something that appeared in a Los Angeles paper that you might want to show your constituents. It indicates how the world has been running red with communism. Here we are at this little appendix which you can cover with your finger nail, Korea, where they are challenging the civilized free world. Look at the defeats and the disappointments we have encountered over there. Look how easy it would be if Russia wanted to invade this territory over here. She could circumvent all of Tito's efforts and probably go around the soil of Yugoslavia. But here is an army that I believe will stand and fight and die, not in defense of democracy as we know it and love it, but in defense of their own territory. Tito has got a difficult job. He will try to survive. If he is assassinated or overthrown, or if death comes to him, none of us knows what will happen in Yugoslavia.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Iowa.

Mr. GROSS. These experts that are attesting to the Yugoslavia Army are the same experts, are they, that told us France had the best army in the world in 1939?

Mr. COOLEY. I do not know about that. I got this from our ambassador, I got this from our military and air attachés and other officials. I talked to members of the American press. I did not see or meet an American in Yugoslavia who did not believe the Yugoslavia soldier would fight in the defense of Yugoslavia.

Now, you cannot regard the Yugoslav soldier as a West Point graduate. Frankly, they look like a bunch of tramps. It is nothing but a slave army. They are working on the highways and the railways like we work our convicts in North Carolina and other States of this country. They are dirty, unkempt soldiers. But, that does not mean that they do not have courage enough to fight for their own country. Whether they will fight or not, or whether this is a good investment or not, I do not think any of us know, but I think it is a risk that we can afford to take.

Mr. DAVIS of Georgia. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Georgia.

Mr. DAVIS of Georgia. The gentleman from North Carolina and the gentleman from Georgia have raised the question that was raised before about the Greek children. I would like to give, for the benefit of the House, the information that we have in the Committee on Foreign Affairs on that subject.

The Yugoslav Government has stated as of September 1, 1950, there were about 9,500 Greek children in Yugoslavia but that 8,300 of these were living with their parents, most of whom are Slavs from Greek Macedonia who fought with the guerrilla forces and do not now wish to return to Greece; in fact, it is doubtful whether the Greeks want them back. The Yugoslavs reported that the remaining 1,200 children were living in special camps; it is regarding these that the repatriation arrangements have been made and which are now being implemented.

Mr. COOLEY. I think the gentleman has accurate information.

In closing let me suggest this: If we are going to carry out our program of resisting aggression in the world, if you look at this map, then I want to ask you how in the name of high heaven can we carry out such a program? We are woefully weak everywhere in this world. I honestly think that Soviet Russia could walk into Iran, Iraq, and Syria, and take them over by telephone, but for the Yugoslav army and but for our hope of what the Yugoslavs might do. Why, there may be another Korea. I would like to say this about Korea. You talk about getting out of Korea. When you talk about pulling our flag out of Korea, then let me say, if we do then let us bring our men out of West Germany. Let us bring them home from everywhere. We are in this war. It is not a police action. It is a cruel conflict, and our countrymen are dying every hour of the day and night, and our people must be aroused to that fact. Whether we can buy friendship, I do not know. But I will say this, even if we do not give this aid, and I understand 72 percent will come from our surplus commodity supply account—even if we do not give it to him, I do not think Tito can reach back and clasp the hand of Joe Stalin again. Tito may be done with. I do not think he will be able to keep his army through the winter if we do not give him aid.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. COOLEY. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Accepting the gentleman's statement that the Tito government army is a slave army, does the gentleman think that the United States of America should use such slave troops and, secondly, should supply them with subsistence to keep them in operation in order to be the guardians of freedom in this world of ours?

Mr. COOLEY. Well, I think we ought to do it. I think it is a question of whether we have them in the hills of Yugoslavia or whether we have our own boys there. I have heard talk about the Turkish and the Greek troops. Do you know what a Turkish soldier gets per month? He gets 21 cents per month and one uniform for each season of the year, one for summer, one for winter; not a cake of soap, a razor blade, or pair of socks, but 21 cents a month. If you do not call that a slave army, I do not know what you would call it, and yet I do not mean to reflect on the Turkish soldier, because I think they have given a good account of themselves in Korea.

Mr. FULTON. In talking about the Yugoslav soldier and calling it a slave army, as the gentleman did, does he want to use them as an arm of defense?

Mr. COOLEY. Yes; I would use them, and I would use Tito and anybody else to save the lives of American boys.

American boys cannot fight alone on all the battle fronts of the world nor can American resources alone finance the fighting in all of the vital spots of the world in which we live. If we can help to keep the fighting forces of other nations in the field and on our side, we might be able to save some of our own countrymen. I realize that the thought of giving aid in any shape, form, or fashion to a dictator or to a Communist is somewhat repulsive; but if we have to fight for our own existence, the peoples of other nations must join with us or we will fail in our effort to defend our institutions. I wish that time would permit further detailed discussion of our foreign policy and of our true situation in the world today, but these remarks must be concluded.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The amendment was agreed to.

The Clerk read as follows:

SEC. 2. There is hereby authorized to be appropriated to the President for additional emergency relief assistance to Yugoslavia a sum not to exceed $38,000,000 to remain available for obligation through June 30, 1951.

Mr. BURLESON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BURLESON: On page 1, line 5, beginning with the word "There", strike out all of lines 5, 6, 7, and 8 and insert in lieu thereof: "The President is hereby authorized to expend not in excess of $50,000,000 of the funds, heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended (Public Law 759, 81st Cong.), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this act."

Mr. BURLESON. Mr. Chairman, to those of you who may be familiar with the so-called McCarran amendment passed in the Senate, this is it. It does two things: It provides a diversion of $50,000,000 from the existing ECA unallocated and unexpended funds to Yugoslavia. With what has heretofore been done, that is, with the transfer of $12,200,000 from this fund to the Yugoslav Government, together with funds from the military assistance program and from the Export-Import Bank, making a total of something like $31,000,000, the amendment actually reduces the total proposal by a figure of $200,000.

I feel very much as many of you feel. To be realistic about this matter is one thing, and to be emotional and sentimental about it is another. As the gentleman from North Carolina has just said, and while it is fresh in our minds, we are in a situation today which should cause us to look for friends wherever we can find them around this world. I am not kidding myself and I do not think very many of you are kidding yourselves or anybody else. We are taking chances in this action as we have taken all through the aid programs which have passed this Congress.

There is good reason for adopting the amendment I offer. First, there has been some question as to whether or not there was authority for the transfer of the $12,200,000 from the ECA fund to the Yugoslav Government, making up the $31,000,000 expended in stop-gap aid while the Congress was in recess. This amendment will remove that doubt. That is another feature worth your consideration.

There will be no need for an additional appropriation of $38,000,000. That is certainly an attractive thing to all of us.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from New York.

Mr. KEATING. Does the gentleman know under what authority ECA even purported to act in advancing the $12,000,000?

Mr. BURLESON. I do not. It was an action based on exigencies which was thought to exist at the time, in the judgment of our officials. I do not raise the question of legality, but I do have some doubt about it, and that doubt has been expressed in many quarters. It was thought to be expedient and the use of those funds from sources mentioned was authorized by the executive department.

Again, there may be some question as to the legality of what is here proposed, but it is a realistic approach. Mr. Chairman, as example of the practical and more businesslike approach for providing aid to the Yugoslav Government, by using ECA funds already available to Western Europe. I call your attention particularly to conditions with the British at this time.

From September 1949 to September of 1950 Great Britain's allowance out of the ECA appropriations have been approximately $700,000,000 and in this same period of time the gold reserves and the dollar reserves of the British Government were approximately $1,330,000,000. So, although it is not suggested to be taken out of the fund which has been allocated to the British or to any other European countries, but rather out of the general fund of the ECA appropriation, it seems to me that we now have the opportunity to spread our bets a little thinner around the world. We have been helping a lot of people, hoping to bring about a greater degree of world peace and stability in this troubled and chaotic world, but they should be willing to tighten their belts, even more and more. I am sure they have had their belts pretty tight for a long time. But since we are telling our people it is going to be necessary for us to make some sacrifices under the circumstances in which we find ourselves today, I feel our friends in Europe should be willing to do the same.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. BURLESON. I yield.

Mr. WHEELER. Am I correct in understanding the gentleman to say that there is $50,000,000 floating around loose in the ECA appropriation which can be used for this purpose?

Mr. BURLESON. Well, I do not know of any funds floating around loose, but let me say to the gentleman in all seriousness that there is something in the neighborhood of $500,000,000 to a billion dollars unexpended and unallocated in ECA funds. In other words, no moral obligation has attached to this sum and that is the fund from which money for the purpose of this bill is authorized to be expended.

Mr. WHEELER. I suggest that that money be returned to the Treasury.

Mr. BURLESON. If we could start completely over in all we have done, hindsight would guide us to do many things differently. On the other hand, by reason of the rapidly changing conditions, time is of the essence and the present is always with us.

Mr. VORYS. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. VORYS: On page 1, at the end of the Burleson amendment, strike out the words "under the authority of this act", and insert a comma and the following: "to be expended upon credit terms as provided in section 111 (C) (2) of the Economic Cooperation Act of 1948, as amended, or on a grant basis subject to the following provisions of this act:

"SECTION 3. When any commodity which is not furnished on terms of repayment in dollars is made available under this act, Yugoslavia shall make a commensurate deposit in its currency in a special account to be held and used for such purposes as may be agreed to between Yugoslavia and the Government of the United States."

Mr. VORYS. Mr. Chairman, you have just heard the McCarran-Burleson amendment explained. I do not oppose that amendment, although I think that it neither adds to nor subtracts from our problems. It proposes to take $38,000,000 already appropriated for ECA and spend it for something else. If it cuts down the amount needed for the ECA, we are not getting ahead, and if it comes out of money which might otherwise be saved, we are not getting ahead. However, it is a device which will prevent the pain of an additional appropriation for this purpose. My amendment, however, proposes to give the President and Tito two alternatives. First, a straight loan with no conditions, just exactly like the Spanish loan provided in Public Law 759, that was the way we have handled the dictators earlier this fall. On the other hand, if they want to make it on a grant basis, it is subject to a deposit of counterpart funds along the line of the Interim Aid Act which we passed in the fall of 1947 in the Eightieth Congress, and subject to all of the other conditions written in this act.

Thus the two alternatives are, a loan like the Spanish loan, without conditions; or on a grant basis, with conditions like the Interim Aid Act, providing for counterpart and any other conditions you want to write into the bill.

The loan will be administered, like the Spanish loan, through the ECA, with approval of the Advisory Council, which is a body about the same as the Export-Import Bank board. ECA has been more lenient about loans than the Export-Import Bank. The Export-Import Bank makes loans for 10 or 12 years. The ECA has made them for 35 years. Yugoslavia already has gotten $55,000,000 in loans

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from the Export-Import Bank. Britain, appealed to on this food relief program, has loaned Yugoslavia 3,000,000 pounds, about $8,400,000, and Yugoslavia has accepted it, according to the papers, in the last few days.

Can Yugoslavia repay? Yes. They have strategic materials, copper, lead, zinc, which we need. Since their supposed break with Stalin they have been exporting them largely to the United States. I will give you their exports in recent years of these strategic materials which our side needs in this struggle. In 1948, $45,000,000; in 1949, $37,000,000; the first half of 1950, $15,700,000 worth.

Will they pay? I think they will. Clemantis, who was recently Communist Foreign Minister of Czechoslovakia, called our attention in Prague in 1947 to the fact that, curiously enough, Communist countries have a practice of repaying their capitalistic loans. He said, "It is only countries like Britain who do not repay." So I think if Yugoslavia takes the loan we can be fairly sure they will repay it. In fact, we know they are not completely loaned up now. In the background material handed us by the State Department, on page 3, it is said that "negotiations were recently resumed with the International Bank by Yugoslavia for other loans, specifically for economic development projects."

The CHAIRMAN. The time of the gentleman from Ohio [Mr. VORYS] has expired.

Mr. VORYS. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BATTLE. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. BATTLE. I do not mean to be facetious, but I would like the gentleman to elaborate on this point that we can be sure that they will repay this loan.

Mr. VORYS. We cannot be sure that any country in Western Europe is going to be able to pay any loan back, because, if a third world war is launched, they are all going to have quite a long moratorium. If, however, you are optimistic and feel as I do, that, out of the troubled indecision in the free world now, we are going to be able to line up the free people in both hemispheres, then Yugoslavia is going to need us and our help to stay away from under Stalin's domination, and we are going to need them strategically. I cannot guarantee that Yugoslavia, or anybody else, is going to repay a loan. I merely say it has a fairly good record on loans so far.

Mr. PATTERSON. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. PATTERSON. As far as this loan goes, is this copper and zinc that Tito would export to the United States going to be collateral for the loan, or will we buy that and also make the loan without collateral, and what would be the conditions of this loan?

Mr. VORYS. They would be fixed by ECA and this National Advisory Council. I have not attempted to spell out the conditions, except merely to state that Tito has strategic materials available to pay it off. At present we are buying these materials for dollars. I would judge that part of the materials would be shipped in payment of the loan, in addition to the amounts that we are buying. I have not attempted to spell out the specific provisions of this loan.

Mr. PATTERSON. Do I correctly understand that Marshal Tito has said he would not accept this loan, or this gift, or whatever it might be called, under any conditions we might think should be added to it?

Mr. VORYS. We have been told by the State Department that they do not want any strings or conditions at all.

My amendment provides, first, for a loan. They pay us back without other conditions spelled out in the law except reference to the ECA Act. Second, if it is to be a grant, then they must deposit counterpart, that is, deposit their own currency, in a special account to be held and used for such purposes as may be agreed upon between the two countries. Substantially a similar provision is in the Senate bill. I do not attempt to spell out in this amendment any other conditions that will be put upon the grant. Those will be provided in the rest of the bill.

Mr. RICHARDS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think it is time we check up and see where we stand now.

The gentleman from Texas [Mr. BURLESON] has offered an amendment which materially changes the bill. As presented by the Foreign Affairs Committee, the bill provides $38,000,000 for relief for Yugoslavia. The amendment offered by the gentleman from Texas provides that there will be no new authorization and, of course, no new appropriation. Existing surplus funds from ECA will be diverted and used for the purposes set forth in the bill. In other words, it does not call for another dime of the taxpayers' money. In view of the fact that we have not obtained the cooperation that some of us think we are entitled to from our ECA friends, maybe the approval of the amendment will not only help Yugoslavia but it will awaken some of the ECA recipient countries to the realization that we are not getting all the cooperation we have a right to expect from them. At the same time it will not cost the taxpayers anything. For that reason I will go along with the amendment offered by the gentleman from Texas.

The gentleman from Ohio [Mr. VORYS] proposes to amend the Burleson amendment to this effect: First, to make it a loan; and, second, to operate through counterpart funds just as ECA does.

Mr. Chairman, it is simply ridiculous to talk about Tito ever paying this money back. He probably will be unable to, even if he wants to.

There is another ground for my objection to the amendment offered by the gentleman from Ohio, and it is this: He seemingly proposes, through the amendment, to make this a long-range program through a counterpart fund arrangement just as is done under ECA. The thing we have been trying to impress upon the House since this bill was first considered is that it provides only for an emergency relief program. Yugoslavia should have no grounds upon which to come back later and say that this Congress started this thing and that we should give them more money later to follow through.

If this House wants to appropriate new money to Yugoslavia to effect this so-called relief, then vote down the amendment offered by the gentleman from Texas. If you agree, as I do, that this money could more properly be diverted from existing and surplus ECA funds, then vote up the amendment offered by the gentleman from Texas.

If the Members of the House want to leave the implication that this will be a long-range program with counterpart funds set up as they are now set up in ECA, then vote for the amendment offered by the gentleman from Ohio.

I believe you will be doing a bad thing, and I believe you will be doing a disservice to our taxpayers and holding out false hopes to the government of Yugoslavia if you adopt the Vorys amendment.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. WHEELER. How would the gentleman divert the ECA funds? I should like to know from which one of these countries or from all of these countries does the gentleman propose we shall divert the funds.

Mr. RICHARDS. From any of them or all of them.

Mr. VORYS. Mr. Chairman, does the gentleman yield?

Mr. RICHARDS. I yield.

Mr. VORYS. The gentleman is aware, I am sure, that the Fulbright amendment provided for equivalent local currency for this and that it was adopted in the Senate unanimously.

Mr. RICHARDS. That is an entirely different matter. This bill itself provides for counterpart funds. For what? Only to cover the administration of this act in Yugoslavia by our own people. The Fulbright amendment can be taken up on its own merits later. I am talking about the amendment offered by the gentleman from Ohio.

Mr. VORYS. The gentleman does not say that the Fulbright amendment does not apply to all the relief supplies that are sold for local currency?

Mr. RICHARDS. The Fulbright amendment is not now being considered and is not in the House bill.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. RICHARDS. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. If we were to accept the Burleson amendment, would that be a grant or a loan?

Mr. RICHARDS. It would be a grant but a grant of funds already appropriated by the Congress.

Mr. CRAWFORD. Mr. Chairman, I rise in support of the Vorys amendment.

Mr. Chairman, I am not forgetting that in connection with the creation of

the United Nations organization there was established a very great piece of machinery known as Bretton Woods, which set up a stabilization fund and the Bank for International Credit, and this is the bank that should handle these deals. I have never been sympathetic with the Export-Import Bank nosing into this general picture as it has been explained here the Export-Import Bank did in connection with Yugoslavia in making loans such as the $55,000,000 loan referred to previously. I do not think that was a legitimate loan, I may say to my friend from North Carolina [Mr. COOLEY], because I do not think a loan made to a Communist country at the present time can be defended as a legitimate loan under present world conditions. Therefore, I look upon the $55,000,000 advanced by the Export-Import Bank as an outright gift to Yugoslavia because I do not expect a penny of it will ever be paid back.

Secondly, I am in favor of the Vorys amendment because, as I understand that amendment, it would enable this present proposal to be handled in such a way as to let the funds be taken out of the Marshall plan, ECA funds; is that correct?

Mr. VORYS. Yes.

Mr. CRAWFORD. Then be extended to Yugoslavia under a grant or under a counterpart fund arrangement.

The last time I was in Tokyo I discussed this question of counterpart funds with Mr. Joseph Dodge, of Detroit, who had been sent over to Japan to balance the Japanese budget. I asked him how he was getting along in balancing the Japanese budget. He said: "We are making great progress." I said, "On what basis?" "On the basis of use of the counterpart funds."

I am going to ask the gentleman from Ohio [Mr. VORYS] to check me very carefully here. His proposal in connection with the counterpart fund arrangement is that, if we give these goods or advance these goods to the Yugoslav Government, that Government will in turn sell those goods to its citizens for local currency, and that local currency will be impounded in a fund which is subject to distribution and under the supervision of the joint committee between Yugoslavia and the United States Government; is that correct?

Mr. VORYS. Yes, except as drafted and following the plan, it would also apply to goods that are not sold, that are to be given away. Commensurate deposit is required for everything they do not pay for in our Relief Act of 1947. The same technique is supplied in this. However, the gentleman neglected to mention that Tito is given an alternative under my amendment; that he can get a loan.

Mr. CRAWFORD. I was just coming to that, because we have kind of a double-barreled proposition in this amendment. If we want to make him a loan without any restrictions from ECA funds already provided, we can do so under the Vorys amendment. If you want to put him on a counterpart fund proposition where he will put into a fund controlled by a joint commission, we will call it, a fund of his own currency covering all the goods that we ship him, whether given away or sold through local currency, then that local currency will come under this joint control, and it can then be distributed for such purposes as we deem advisable. Those are the two reasons I am for the Vorys amendment, and I hope it will be carried, and then we can adopt the Burleson amendment and thereby keep this thing tied up in the Marshall-plan funds.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from Iowa.

Mr. GROSS. Does the gentleman think we should make a loan to Tito without any conditions whatsoever?

Mr. CRAWFORD. I would much prefer that kind of a proposition than the one submitted in this bill. I am against this bill lock, stock, and barrel as presented. I am for the amendment, but I am not for the bill even after it is amended only by this amendment.

Mr. GROSS. Is not a loan without any condition merely a subterfuge?

Mr. CRAWFORD. I think the whole thing is subterfuge, even the ECA in many of its phases.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. CRAWFORD. I yield to the gentleman from North Carolina.

Mr. RICHARDS. I was going to ask the gentleman if the Vorys amendment is adopted and the Burleson amendment is adopted, will the gentleman be for the bill?

Mr. CRAWFORD. No; I would not be for the bill. I assume the bill is going to be passed, and therefore I want to make it as acceptable as possible.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GARY. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, I rise in support of the amendment offered by the gentleman from Texas [Mr. BURLESON]. In my judgment that amendment will serve several purposes. In the first place it will obviate the necessity of an additional appropriation at this time. We hope to have on the floor of the House on Friday, according to my understanding, a supplemental bill appropriating $18,000,000,000. This appropriation could not possibly be written into that bill at this time; therefore, it is doubtful whether the authorized funds could be appropriated during this session if we attempt to handle the appropriation in the regular manner.

By diverting funds of the ECA for this purpose, it will do away with the necessity of consideration by the Committee on Appropriations and will speed up proceedings. It will, moreover, conform our action to that of the Senate.

As all of you know, I have a great deal of interest in the ECA appropriations, having served as chairman of the subcommittee that has handled the foreign-aid appropriations during this session of the Congress. I therefore talked to Mr. William Foster, Administrator of ECA, this morning, and he tells me that he has no objection to taking these funds out of the moneys appropriated to the ECA. He said that there will be ample funds to take care of this particular project. He added, however, that he did want to correct the impression that there are between $500,000,000 and $1,000,000,000 of ECA funds that might be diverted to other purposes during this fiscal year. That, he says, is not a fact. It appears that some of the countries are recovering economically more rapidly than had been anticipated and consequently that they will not need all of the funds that have been appropriated for them for this present year. Therefore, there will be a sufficient surplus to take care of the $50,000,000 which is provided for in this bill; the $12,000,000 which has already been taken from the fund and the $38,000,000 additional which this bill would provide.

Mr. WHEELER. Mr. Chairman, will the gentleman yield?

Mr. GARY. I yield to the gentleman from Georgia.

Mr. WHEELER. The gentleman just indicated that he had received permission from Mr. Foster to divert these funds. I am wondering if the gentleman also got permission from Mr. Attlee while he was here last week?

Mr. GARY. May I say to the gentleman that he knows me well enough to know that I do not ask anybody for permission for what I do. I am trying to give this House information. In order to give the House accurate information I contacted the Administrator who has charge of handling these funds, because I wanted to know what effect a diversion would have on the funds. I assumed the other Members of the House would like the same information. I am simply trying to give them that information at the present time. The gentleman knows it is not my custom to seek permission from any of the department heads as to what action I shall take on the floor of the House.

Mr. WHEELER. I did not mean that to be personal.

Mr. GARY. I am certain the gentleman did not mean it that way, but I did want to make it plain that I am simply trying to give the House information.

A short time ago I was quoted correctly in the press as saying that I did not think we should help any dictators, period. I have not changed my position. I say very frankly that I would not raise my hand to help Tito. However, I am tremendously interested in the United States of America and I am going to vote for anything that I think will help the United States of America in this crisis. I cannot help but believe that the passage of this bill will have a good effect.

In October 1947 I had the privilege of visiting Trieste. At that time it was one of the trouble spots of the world.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that the gentleman from Virginia be permitted to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

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Mr. GARY. Just a few weeks before my visit, the Italian peace treaty had gone into effect. Under this treaty we, along with the other countries involved, were obligated to make some changes in the positions of our troops. We all know what took place. There was an agreement with the Yugoslavs and the Russians that, although the treaty went into effect at midnight, if troop movements were completed by 10 o'clock the next morning, it would be satisfactory. That night about 8 o'clock we were notified by Yugoslavia that they would expect us to carry out the terms of the treaty to the letter and be in our new positions by midnight. We did so. Then, you remember, the Yugoslavs threatened to take over Trieste, but were stopped by our soldiers. For weeks thereafter it was thought that they would attempt to carry out their threat.

I stood one evening with General Gaither, of Maryland, on one of the balconies of the castle Miramare, which was built by Maximilian. The moon was shining on the Gulf of Trieste. To our left shone the lights of the city nestled on the hills. As I gazed upon the scene I said, "General, I think this is one of the most beautiful sights I have ever seen." He replied, "Yes, and to think that Maximilian had all of this, yet he went to Mexico and was killed. With all that I have back in the United States, I stand here tonight, but I hope not for the same purpose." That is how tense the situation was at that time.

There is no crisis at Trieste today. Why? Because something has happened. Then we were facing a threat from Tito. We no longer face that threat because Tito has broken with Russia, and we know that Tito is not going to attempt to attack us as long as he does not have the help of Russia.

If, by extending this aid we can gain his cooperation and help, the situation will be even better for us. In my judgment we are going to need the help of all the forces we can get in this world crisis. I favor this bill, not because I think it will help the dictator Tito, but because I think it will help the United States of America.

Mr. CASE of South Dakota. Mr. Chairman, I offer a substitute for the Vorys amendment.

The CHAIRMAN. A substitute for the Vorys amendment would be an amendment in the third degree and is therefore not in order. The substitute amendment may be offered to the original amendment offered by the gentleman from Texas.

Mr. CASE of South Dakota. Then, Mr. Chairman, I offer the amendment as a substitute for the Burleson amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota as a substitute for the Burleson amendment: On page 1, beginning with the word "There", strike out all of lines 5, 6, 7, and 8, and insert in lieu thereof: "The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended, Public Law 759, Eighty-first Congress, for the purpose of providing emergency relief assistance to Yugoslavia to be expended upon credit terms as provided in section III (C) (2) of the Economic Cooperation Act of 1948, as amended, subject to the provisions of this act."

Mr. RICHARDS. Mr. Chairman, I reserve a point of order against the amendment, since I have not had an opportunity to look at it.

Mr. CASE of South Dakota. Mr. Chairman, this amendment makes the aid for Yugoslavia come out of the ECA fund and puts it on a strictly loan basis. It picks up the Burleson amendment at the same point that the Vorys amendment picks it up, and drops out the words in the Vorys amendment which read "or on a grant basis," and also leaves out the section which provides for repayment by simply putting up counterpart funds.

Mr. RICHARDS. Is it the essence of this proposition to make this a straight-out loan with any further provisions or conditions?

Mr. CASE of South Dakota. The essence of my substitute is to make it a straight-out loan taking the money from the ECA funds the same as the Burleson amendment does.

Mr. RICHARDS. Mr. Chairman, I withdraw the reservation of the point of order against the amendment.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JUDD. Did I understand correctly that the gentleman has changed the amount from $38,000,000 to $50,000,000?

Mr. CASE of South Dakota. I picked up the language of the Burleson amendment. The Burleson amendment carries not in excess of $50,000,000. I picked up the Burleson amendment in the same way that the Vorys amendment does, but in adding the language of the Vorys amendment I dropped out the words "or on a grant basis."

Mr. JUDD. What it would do is to authorize loans not to exceed a total amount of $50,000,000?

Mr. CASE of South Dakota. Not in excess of that amount.

Mr. VORYS. It seems to me we have the various ways of doing this thing presented here.

First is the Burleson amendment, which would use existing ECA funds and not require a new appropriation. No one has objected to that.

Mr. CASE of South Dakota. However, that could be with either a grant or on a loan basis?

Mr. VORYS. Yes. Now, I have proposed an alternative of a loan without any conditions, or, if it is a grant, it is to be done on the basis of counterpart, as in previous legislation. The gentleman from South Dakota provides that we use the same Burleson-McCarran amendment for getting the money without a new appropriation, but that it be made a straight loan, subject to the conditions provided in the law. Is that not correct?

Mr. CASE of South Dakota. That is exactly the situation. This will resolve some of the problems I have had in my mind in thinking about this legislation and perhaps would for others.

In the first place, it does not require a new appropriation. It has the same merit the Burleson approach has.

In the second place, taking the statement made by the gentleman from Ohio as to the degree to which Yugoslavia has repaid its loans, it gives some possibility of getting the money back under the terms of the loan provision. It avoids giving a direct grant without the promises that some of us would like to get with a grant, and which it does not seem possible to get. Also, it seems to me to avoid the implication that we would authorize an out-and-out grant to a Communist country whose hands are not too clean when you come to the question of civil and religious liberties. It makes it possible simply to make them a straight-out loan, and to get the money from ECA, without an additional drain on the Treasury.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. JONAS. Who would have to do with fixing the terms of the loan?

Mr. CASE of South Dakota. The section in the ECA Act, to which reference is made by the language "when it is determined that assistance should be extended under the provisions of this title, the Administrator shall allocate funds from the Export-Import Bank," et cetera. So it would be as carried in that section of the ECA Act and must be the conditions carried in this bill itself.

Mr. JONAS. Is not the gentleman's amendment entirely incompatible with the message received from the President, that this is to be an out-and-out grant, which Tito does not want?

Mr. CASE of South Dakota. It does deny the possibility of an out-and-out grant, without any strings attached. That I think is its virtue.

The CHAIRMAN. The time of the gentleman from South Dakota [Mr. CASE] has expired.

Mr. FEIGHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I shall vote for the loan to Yugoslavia for one simple and single reason: the Commander in Chief of our Armed Forces says such aid is necessary for our national defense.

On November 24 President Truman asserted:

> Yugoslavia is a nation whose strategic location makes it of direct importance to the defense of the North Atlantic area.

The defense of the North Atlantic area, I am convinced, is of direct importance to the defense of America.

It would be a reckless American who, in this hour of national peril, would hamper measures necessary for our country's defense. The more effectively to provide for our national security, I have some suggestions to offer in connection with this aid to Yugoslavia. It would be unfortunate, however, if, in the haste of congressional action, these considerations were not brought to the attention of this body.

There is an inevitable human tendency, which I am afraid we Americans have to an acute degree, to think that everyone in trouble is, after all, not such a bad sort of fellow. We have reached

the stage in this country when many people think that Tito is a sort of Balkan Henry Wallace, a pathetic politician who blundered and is endeavoring honestly to find his way home.

Let us face the facts. Josip Broz is an average, if unusually energetic type, of international thug. Where his ideological home is, what his political purposes are, can be easily discovered by his treatment of political opponents and every religious faith.

In line with this "Tito is not such a bad sort of fellow" thing, we have been hearing a good deal lately of the distinction between "good" Communists of the Tito type and "bad" Communists of the Stalin stripe. Let us face the facts. In all the hundreds of thousands of words of mutual abuse that have issued from Moscow and Belgrade since June 28, 1948, when Tito's gang was expelled from the Cominform, there has not been the slightest suggestion of any concrete difference between the Communist regimes of Yugoslavia and of the Soviets—nor any evidence that the people of Yugoslavia resent the oppression under Tito less than the Russians hate their Kremlin masters.

Let us face the facts. Tito is a declared enemy of everything America stands for. Let us not forget that when the United Nations Security Council on June 27 voted to furnish assistance "to repel armed attack"—against the Republic of Korea, "and to restore international peace and security in that area," the lone vote cast against that resolution was by Tito's Talleyrand, Dr. Ales Bebler. With a nice show of impartiality and an embarrassing display of affection for America, Dr. Bebler explained that the war in Korea was the result of dividing geographical areas into spheres of influence. The United States, I suppose, had imperialistic designs on South Korea.

The present Ambassador from Yugoslavia has explicitly accused us of imperialism. Just before leaving for his new post in Washington, Tito's new Ambassador, Vladimir Popovitch, wrote in Kommunist, official organ of the central committee of the Yugoslav Communist Party, on June 1 of this year, that American foreign policy has been and continues to be imperialistic. Perhaps we are expected to be grateful that Mr. Popovitch included Soviet foreign policy in the range of his hatred. We must not forget to thank Mr. Popovitch today for saying that Soviet foreign policy, too, represents the same danger for the independence of some nations. We should be grateful that we are, at least now, linked with the Soviets as equal imperialists. On February 9, 1947, Tito was shouting that America was the greatest enemy of peace in the world.

We are voting this aid to strengthen our national defense. Let us make sure it is so used. Let us not forget that only last July 17 Tito's propaganda chief, Milovan Djilas, assured the Yugoslav peace conference that his country was neutral in the struggle between the east and the west. At this juncture of history, in this hour of international crisis, such studied neutrality betrays a secret hostility to America.

But whatever the private prejudices of Tito's political group, the people of Yugoslavia are facing a famine and the great humanitarian heart of America cannot refuse them food. Let us face the facts. Such an argument is different from the original justification that our aid is demanded in the interest of our national defense.

Besides, such an argument raises the question of how this food shortage happened. We have heard a lot about a drought in the country. We heard a lot about a drought in the Ukraine in 1923, too, though, as we later learned, Stalin had more to do with the famine than the weather did.

Before the last war Yugoslavia regularly exported 25 percent of its meat and grain to Italy and Germany in exchange for manufactured products. It is my information that food production in Yugoslavia since the Tito tyranny began has never reached 60 percent of prewar totals. Tito's drive for industrialization, to establish, I suppose, the "dictatorship of the proletariat," had dragged, I am told, 1,000,000 young men peasants from the farms to work in the state-owned factories. Moreover, Tito's regimentation of the farmers has occasioned livestock slaughtering and a lower food output in a normally food-exporting country. His much advertised break with the Cominform has hastened this hectic drive to collectivize the small farmer. According to September 1950 figures from the Yugoslav Agricultural Commission, there are now 6,970 kolkhozes—collective farms—in Titoland. The vast majority of them—5,650—have been created in the last 2 years, or since Tito fell out with his fellow thieves in the Kremlin. Tito is determined—no matter what the price in human misery—to prove that he is a better Communist than Stalin.

We hear a lot these days of Tito's 30 divisions. As we anxiously examine Western Europe's military feebleness, that is a reassuring number of men to have on our side. We understand the need of keeping the muzzles of Europe's largest standing army pointed menacingly against the Soviet aggressors.

But let us ask some questions about that much publicized army. Let us remember that there was a royal Yugoslav Army of impressive numbers we hoped would hold Hitler in 1941. Its effective resistance was overcome in about a week. Tito's present standing army is equipped with captured German and Italian equipment, plus cast-off Soviet matériel. It is manifestly no match for the motorized forces of the satellite countries; not even for the well-trained, well-equipped Hungarian Army.

But wouldn't the army become the center of terrifying guerrilla action from Yugoslavian mountain strongholds? The question supposes that American national defense will be aided appreciably by 100,000 partisans—the number probably loyal to Tito—making raids from the forests.

Before we put too much American defense reliance on Yugoslav military might, let us look a little closer at the armed forces at his disposal. There is the militia serving in each town and village as the armed instrument of the local Soviets or people's committees and associated with the people's courts. These courts and committees, and especially their armed agents, are considered the embodiment of oppression and cruelty. They symbolize Tito's Communist regime in the eyes of the people. The peasants and townsfolk of Yugoslavia would not be expected to rally around the 60,000 militia men any more than the Czechs rallied around Hitler's hangman, Heidrich.

Then there are the 48,000 troops of the Defense Corps or UDBA, a secret police force at the disposal of Alexander Rankovitch as the Gestapo was at the disposal of Heinrich Himmler. They arrest Yugoslavs at night, keep camps of slave labor, mobilize the nation for forced service, seize grain and pigs from the peasants—all for Tito's party. Are the Yugoslavs expected to rally around Rankovitch's secret police?

Let us remember that Yugoslavia's conscript army is composed of peasants and workingmen, serving under Communist commissars, Communist politicians, and former partisans. Key places are held by thugs formerly belonging to the international Communist conspiracy, and considered by all decent Yugoslavs as foreigners.

You have to live under Communists, it must be remembered, to really hate them. Can this gang of international gangsters be expected to sustain a national-defense effort? The popularity of a regime has a great deal to do with the morale of a people in wartime, as we learned to our embarrassment in South Korea.

Since, as the President said, Yugoslavia is a nation important for our national defense, we are properly concerned about the morale and equipment of her army. At this moment of America's peril, food is a feeble weapon to repel a possible invasion of Yugoslavia, that would imperil Italy, France, and all of western Europe. With the President calling for support of Tito's army in the interests of our own national defense, I am moved to urge that we carry our aid to Yugoslavia much further.

Why can we not, in the interest of our own security, send a military mission to Yugoslavia as we have to Greece and Turkey? Why can we not learn at first hand what the worth of Tito's army is for the defense of the North Atlantic area? If its equipment is outmoded and its morale bad, it would be much better for us to know that now and offer measures to strengthen that army, in the interests always, of course, of our own national defense. I have no doubt that our own military people would promptly report that the system of political commissars indoctrinating conscript soldiers with the hated ideology of communism interferes with military efficiency and hence would actually harm our national defense.

Since our exclusive concern today in voting this loan to Yugoslavia is with American security, I am not satisfied that we can wash our hands, Pilate-like, of the implications of our actions by proclaiming that our aid does not imply approval of the suppression of political and religious liberties in that country.

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Such conditions of organized tyranny demonstrably affect the popularity of a regime. They condition the morale of its army. They affect our national security.

The plight of refugees is always an infallible index of popular hatred of a government. We know that North Korea was a typically Communist tyranny, even though we had no observers there, from the fact that 3,000,000 people fled to the protection of South Korea in the year after the puppet regime was organized at Pyongyang. People are fleeing from Yugoslavia to Germany in numbers comparable to the refugees from the Soviet satellite countries, and for the same reason.

It is only last September that a false rumor was started in a remote rural area of Yugoslavia that the government was permitting people to emigrate to the United States. More than 1,500 peasant families, the entire population in that area, besieged the American Embassy in Belgrade for visas. Then the police learned of it and letters of recantation arrived at the Embassy, saying: "I have changed my mind and have no intention of emigrating to the United States any more."

There was one note, significantly unsigned, scrawled in pencil on a small scrap of paper, that said:

> I beg to inform you that all persons who have registered as immigrants to the United States have been arrested and imprisoned by UDBA. We appeal to your urgent assistance, since all of the people concerned only intended to leave Yugoslavia legally.

I submit that such a judgment of the people on the regime inescapably affects our American security.

It is somewhat reassuring to read that the State Department has made efforts to let the Yugoslav people know that the food we are shipping is coming from the American people and not from the Titoist tyrants. It is good to learn that arrangements have been made to observe the distribution of that food. Since our aid is admittedly in the interests of our own national security, I cannot understand why American teams cannot actually distribute the food. We did it once before in a Communist country—in Russia in 1921.

After all, we have had one unhappy experience of seeing food distributed by UNRRA—and paid for largely by American taxpayers—used to strengthen the power of Eastern European Communist administrators hostile to America. Do we propose to allow our food to be used by Tito's party hacks for their own aggrandizement? That would scarcely improve in Yugoslavia the morale so necessary for American security.

Mr. Chairman, we cannot afford in this hour of national peril to appear to be upholding the regime of Tito which is hated by all Yugoslavs. We cannot afford to be identified in the minds of the poor, oppressed people of Yugoslavia as supporters of the tyrant Tito. We must never forget that it is the people of Yugoslavia, not a small gang of alien international terrorists, that we count on to oppose the military might of the Soviets.

No one in Congress is under any illusions about the character of the government in Yugoslavia. It is a crude, standard, all-too-hideously familiar brand of police state. It is a country cursed with concentration camps, secret police, sudden arrests. It is run by a regime that maintains itself by terror. There is in unhappy Yugoslavia today no freedom of the press, no freedom of elections, no freedom of religion, no freedom of speech. The courts have been perverted to nakedly political purposes, as in every other Communist country. There are the same forced "confessions" of "processed" prisoners kept in underground dungeons until produced at Soviet-style "spectacle" trials. Everything down to the small shops has been nationalized. Forty percent of the arable land has been collectivized, and the ruthless expropriations continue at a frantic rate.

Every Member of this House knows these things. Do we forget that everyone in Yugoslavia not only knows them but has to live under them? Do we propose to encourage the perpetuation of this tyrannical system and thus imperil America's national security?

I want to name three Yugoslav democrats, political leaders, now in jail. I chose three names from three different areas of Yugoslavia, men of different religious faiths, united in their devotion to democratic ideal and in their common fate in Tito's dread prisons. They are Dr. Dragojub Jovanovich, head of the Serbian Agrarian Party; Dr. Boris Furlan, of the Liberal Slovenian Party; and Dr. Tomislav Janchikovich, of the Croatian Peasants' Party.

America needs leaders like these men, alive and free in Yugoslavia today, to tell the people that the people of the United States are their friends; that opposing Soviet aggression is demanded by national interests and human decency—not by any need of saving Tito's hide.

In the interests of our own national defense, I suggest that there should be an amnesty of democratic politicians in Yugoslavia. They are the sincere friends of America and the West.

It would be at least progress, and helpful for American security, if we could return at least to the spirit of Yalta that promised free elections and the right of the people to choose governments freely. These are fundamental freedoms enshrined in the charter of the United Nations, so often called the corner-stone of our foreign policy.

Another fundamental freedom concerns religion. The Yugoslav Constitution under article 25 asserts:

Citizens are guaranteed freedom of conscience and freedom of religion.

There is no one in this House with any doubt of what a mockery those words are. For, like every Communist regime, Titoism recognizes religion as an allegiance to something larger than merely human purposes and, consequently, steadfastly persecutes it.

Members of this House undoubtedly think instantly of the figure of Aloysius Stepinac, the Catholic Archibishop of Zagreb, at the mention of the words "religious persecution." The imprisoned prelate is only a symbol of Tito's relentless war on God, his grinding persecution of all religion. An American Congressman cannot fail to point during this debate to another martyr, the jailed Serbian Orthodox bishop, Varnava Nastic of Sarajevo. Bishop Nastic was born in America.

Because it directly affects the morale of the people of Yugoslavia and, consequently, has a bearing on American security, let us spend a few minutes on this issue of religious persecution. We must make sure, I repeat, that America not be listed as a supporter of the oppressive Tito regime—if we hope to have the people fighting on our side.

How shall we calibrate the resentment of the religious people of Yugoslavia at a regime which has confiscated every Catholic school, every Catholic hospital and orphanage and old-folks home, that has dissolved the religious orders freely serving the poor and the sick, that has murdered 378 priests whose name are known, and holds 400 more in prison today? What must be the attitude of the people toward a regime that attaches the penalty of immediate dismissal to the attendance at religious services of any school teacher? Speaking to a priest jeopardizes the job of a soldier or civil servant. Officers of the defense service, police, and military may not marry in church or have their children baptized. For civilians, a heavy government tax, varying from $15 to $16 for a wedding and from $50 to $100 for a baptisim, is assessed for legal registration.

What mockery of freedom of religion exists when the government forbids all voluntary collections for the maintenance of the clergy or ecclesiastic buildings whether taken up inside or outside a church, when control of newsprint is manipulated to guarantee the absence of a religious press, when imports regulations are designed to ban the replacement of prayer books and catechisms, when ration permits are refused for wine, wheat, flour, candles, and vestments, so that the very possibility of offering mass is endangered, when candidates for the priesthood and their families are terrorized, when religious instruction is allowed only when classes do not conflict with compulsory Communist party programs, inevitably arranged for the same time as religious services. There is no known instance of a child who attended catechism class obtaining the necessary scholarship for higher studies—or even winning admission to a higher school.

The Yugoslav people hate this situation and the Communists responsible for it with all the deep, emotional anger of a peasant people, rooted in religion and devoted to their national traditions. These are the people who must be our allies in opposing Soviet aggression.

It is in the interest of American security that I call attention to the monstrous tyranny oppressing the Yugoslav people. They will never forgive us if our aid only seats Tito more securely on their shoulders.

In the interest of sound, abiding American security in the Balkans, we must, Mr. Chairman, work persistently,

realistically, and honestly, for democracy, for fundamental freedoms, for human decency in Yugoslavia.

Mr. RIBICOFF. Mr. Chairman, I rise in opposition to the Vorys and Case amendments.

Mr. Chairman, in all this legislation I believe we have to be realistic. The gentleman from Michigan [Mr. CRAWFORD] talked about the International Bank. The facts show that at the present time, since the break with Stalin, Yugoslavia has borrowed from the Export-Import Bank some $55,000,000. Yugoslavia has further borrowed from the international fund $11,700,000. I think that the House should understand that until this break in the summer of 1948 the entire Yugoslav economy was dovetailed with the economy of Stalin's Russia. During that time all of its business was going east. It lived on its trade with the eastern satellites and Stalin himself. Since 1948 there had to be quite a reorientation, because there was no longer any question of doing business with the Cominform or the nations in the east.

The gentleman from Ohio [Mr. VORYS] has told this House that a loan has been taken from England, and why should we not have the same situation apply with reference to the funds that come from the United States of America. The gentleman from Ohio, I am sure, realizes that Yugoslavia and all European nations have plenty of sterling. The thing that Yugoslavia does not have and which most of the European nations do not have is dollars. What Yugoslavia needs desperately is dollars, and there is no chance of paying this money back. But we know that Yugoslavia has an abundance of strategic materials which we so desperately need and which are flowing into the United States stockpile. The records show that since the spring of 1949 the United States purchased 66 percent of Yugoslavia's copper export, 54 percent of its lead, 35 percent of its quicksilver, and 30 percent of its antimony. These are materials that the United States must have if the United States is to remain strong. Yugoslav economy is very weak.

If the United States is going to make this a grant, or a loan, or an advance from practical considerations, let us be realistic about it; let us give them the money, because basically we are never going to get it back if we lend it to them. We must approach this with a sense of realism.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield.

Mr. FORD. The gentleman gave figures in regard to Yugoslavian exports to this country, and so forth, from 1948 on. Has the gentleman any comparable figures for prior years?

Mr. RIBICOFF. No, I am sorry, I have not.

I should like to point out further that in the exchange of letters between the United States and Yugoslavia over this particular proposed grant an agreement will be entered into and a proposal has been formulated:

That your government will provide the United States with reciprocal assistance by continuing to facilitate the production and transfer to the United States in such quantities and upon such terms and conditions as may be agreed on, of raw and semiprocessed materials required by the United States as a result of deficiencies or potential deficiencies in its own resources and which may be available in Yugoslavia. Arrangements for such transfers shall give due regard to requirements for domestic use and commercial export of Yugoslavia.

There is no question but that as these materials keep getting in short supply in the United States of America, the United States is going to have to give Yugoslavia or lend to Yugoslavia additional money to get more modern equipment and machinery to increase the production of these most vital materials that the United States so desperately needs.

Mr. LARCADE. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, at this point it is difficult to know exactly the final provisions of the bill under consideration. The original bill provided for outright grants, as I understand of either food or money; however, amendments have been introduced which may authorize a loan or loans to Yugoslavia. The amendment under consideration provides for a loan.

Should the final draft of the bill provide that our Government supply Yugoslavia with food or supplies, I desire to bring to the attention of those charged with the administration of the program the commodities of my district and State which in my opinion, would be desirable to send to Yugoslavia. One of these foods is sweet potatoes. There is a surplus in the United States and the caloric content of sweet potatoes is the next highest of all foods to wheat. Another basic food that is available in my district is rice. This is one of the cheapest foods available and at this time is eagerly sought after by Asia and other countries of the world.

I note from the Washington Food Report of December 2 that under the original plan our Government contemplated supplying Yugoslavia with the following foods: Corn, 125,000 tons; flour, 26,000 tons; oats, 60,000 tons, barley, 50,000 tons; dry peas, 30,000 tons; dry beans, 15,000 tons; rice, 5,000 tons, lard, 5,000 tons; dry skim milk, 6,000 tons; seeds, 18,000 tons.

If the above statement is correct, you will note that provision is not made to use sweet potatoes which is considered one of the finest and most nutritious food available.

It will also be noted that while rice is included in the program, only 5,000 tons of rice is allocated, under what is presumed to be an allocation of $38,000,000.

As stated above rice is considered a basic food the world over, and since this basic food is also in surplus in the United States and is one of the cheapest foods obtainable in the market at this time, my people feel that there should be included in this program a greater amount of rice than that mentioned in the statement to which I refer. Certainly, rice should be supplied in an amount equal to oats and barley—50,000 to 60,000 tons.

Rice is grown principally in the States of Louisiana, Texas, Arkansas, and California, and present statistics indicate that there is a very large surplus of rice in the United States, and since there is possibly no other market outside of the United States at this time, it seems that since this food is so universally consumed in the world that if the bill under consideration should finally provide for the supplying of food to Yugoslavia that this country should utilize a larger share of this food in the program than that which is indicated in the announcement of the Government, and I am taking this time to place this matter before the committee and the Government officials so that when the time comes for the purchase of food supplies under the bill they will give consideration not only to the purchase of rice, but also to sweet potatoes, both of which are fine and cheap foods.

Mr. COTTON. Mr. Chairman, I rise in opposition to the pro forma amendment.

Mr. Chairman, during the 4 years of my service in this body I have rarely taken the time of the House for my observations, certainly not on matters which do not come from the committee on which I serve; but I feel that I cannot remain silent longer today.

These amendments offered to the bill now before this committee indicate even more strongly than what transpired here yesterday exactly what we are trying to do, and it seems to me unfortunate if any of us, sincere and honest though we may be, permit ourselves to salve our own consciences by trying to hedge this bill about with amendments and think we are justified in supporting it. We are either going to give this money or not, and no amendment can make this any other kind of proposition.

For 4 years I have gone along with all of our foreign policy, with all of the foreign aid, and with all our endeavors to strengthen the western democracies and extend our own influence. But here we have something entirely different. This is not aid to the friends of freedom as was the Marshall plan for the western democracies. We know that this is tribute, hush money, appeasement to an enemy. This is not building up our own strength but is advertising our weakness. This is not creating good will but is inviting the contempt of the world.

Many years ago at a time in our history when we said what we meant and meant what we said, a great American spokesman stated:

Not one cent for tribute but millions for defense.

We have now come to the place, and every one of us knows it, when we have lost the respect of the world. No first-class power in history has ever been so discredited, so disgraced, and so humiliated as has our own country in the last few months. The time has come when out from the American Congress should go the message that we are prepared to make America strong, that we are not spending any more time or effort in appeasing our enemies.

This is nothing but an effort to try to immobilize the power of the Yugoslavian Army, an attempt to buy it off. When

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the five American fliers were slain by the air power of Yugoslavia, one of those boys came from a town neighboring my own. I remember the day when I talked with his father and his mother. I did not want to permit that experience to affect my judgment on this bill. I wanted to accede to the request of the President, if I could, but the more I have listened the more I have become convinced that the time has come when we should let it be known that we are through with appeasement; we are through with buying our peace; we are ready to make America strong and "not one cent" in the words of that great statesman "for tribute but millions for defense."

Let us win back our own respect and the respect of the world and let us start here and now. I shall vote against this bill.

Mr. NICHOLSON. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I just listened to the wise words of the gentleman from New Hampshire and I subscribe to everything he said. It seems to me that the time of appeasement has gone about as far as it can go with people and the newspapers, political writers, and others, calling our attention to these things.

It seems to me that in a country as great as our country is, a country that has the fundamentals of freedom at heart, it is about time we start worrying about the United States of America and not be worried at all about this so-called communism they are talking about, because this country believes in the Christian religion and we are going to fight for it. We are going to fight for it maybe with bullets or cannons or airplanes, but whatever it may be we are going to fight just the same as the Christians have since the days of the Holy Roman Empire. They cannot beat us.

I talked with one of the most influential men, in my opinion, who has ever served in this Congress for a great many years. I go to him many times for advice. A great many times I do not take it, but I go to him just the same. He says that we are bribing Yugoslavia. That is all we are doing. When did we sink so low, Mr. Chairman, when the great country that we represent here has got to buy people to carry out battles for us? Mr. Chairman, I am only just talking now for the people I know and I have known for 60 years who believe in a representative, constitutional government. I want to say to you that the letters I get from them abhor the idea of trading with the enemy. We will fight our own battles just as we have through the centuries and we will not have to pay somebody to carry our battles for us. Eighty-five million dollars. Does it not make you kind of laugh to sit here and think that we are selling out for $85,000,000 to some country that has no use for us, that has shot our boys down in the war, and telling us where we could go? Well, they cannot do that to me, Mr. Chairman, and they cannot do it to the people I represent. Eighty-five million dollars. We are just wasting time. There is not a country in this world that does not hate us and there is not a country with any self respect but what has a right to do it, because we are sticking our nose in everybody else's business instead of trying to take care of our own.

Ask me, Mr. Chairman, to appropriate $100,000,000,000 for this country to provide rifles, tanks, airplanes, whatever it may be, and I will vote for it, just the same as everyone of you will. But, when you attempt to tell somebody in Yugoslavia, or make a trade with them, or China or anyone else, we are not in a position to make trades. They are the ones that should make trades. So, we sit here and waste an afternoon or two afternoons over a paltry $85,000,000 and tell the world that we are doing it to have some tramp army, as they say, take care of us. Well, we do not have any tramp armies in this country. We have the kind of boys that went to war when I did. I walked up the streets of Liverpool and an old woman said to me, "What are you doing here when the war is all over?" Well, the war was all over for them but it only just started for us in 1917, and now we take on the responsibility of carrying the load of the world on our shoulders.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in the consideration of this bill, and if you want to know what has happened to the Government of the United States, just walk over to the new House Chambers that are being prepared for us to go into on the 3d day of January and look at the modernistic medallions that are placed over the entrances into the galleries. They are medallions of persons. Now, I will read the names of them to you. I have just now been there and copied them down. I find two Americans among them, and I will give you the entire list: Mason, Poethier, Colbert, Edward I, Alfonso X, Gregory IX, St. Louis, Justinian, Tribonian, Lycurgus, Hammurabi, Moses, Solon, Papinian, Caius, Maimonedes, Suleiman, Innocent III, de Montfort, Grotius, Blackstone, Napoleon, and Jefferson.

Mr. O'KONSKI. No Tito?

Mr. HINSHAW. No Tito.

Mr. MASON. No Truman?

Mr. HINSHAW. No Truman.

Mr. WHEELER. No Stalin?

Mr. HINSHAW. No Stalin.

Mr. WHEELER. No Attlee?

Mr. HINSHAW. No Attlee.

Mr. FULTON. No George Washington?

Mr. HINSHAW. No George Washington that I could find anywhere in the Chamber. I understand, however, that his portrait will be returned. Do we not have enough American heroes that we could find a place for them on these medallions? I ask you what has happened to our country. That room, with its lovely pale blue above and its dark wood below, garnished in gold leaf that they are now putting on, looks something like a cross between a business chamber of what the Good Book of Revelations calls the whorl of Babylon and the Roman circuses where early Christians were martyred.

Mr. NICHOLSON. Did they have a place for the American flag or the UN flag?

Mr. HINSHAW. I trust they will have a place for the American flag behind the Speaker's chair as usual.

Mr. Chairman, I am informed that small busts of the men I have listed have been around the House Chamber since early times, but, as any Member will testify, they were hardly noticeable. Now these men stand out all around the Chamber in large modernistic medallions over the gallery doors. They are the most prominent decorations in the place. Why cannot we have such great Americans as the signers of the Constitution or such great American legislators as Webster, Clay, Calhoun, and others in their places?

Mr. CARNAHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we are soon going to vote on these amendments which are to determine whether or not the proposed aid to Yugoslavia is going to be in the form of a loan or is to be a grant. We should give rather careful attention as to just what the economic results would be of making this a loan instead of a grant.

Yugoslavia, the same as any other country, has only one means of earning dollars and that is through selling us goods, through exporting something to us. In the case of Yugoslavia, they are exporting to us strategic raw materials such as copper, lead, mercury, and zinc. It uses the dollars acquired through these exports to service existing dollar loans, such as the $55,000,000 in credits which it has obtained from the Export-Import Bank, and to purchase from us raw materials, inculding cotton and capital goods which it buys from the United States.

If we make this a loan instead of a grant, the only result would be that Yugoslavia's ability to service existing loans and to buy from us other products would be reduced by the amount of the loan.

This bill provides for the shipment of foodstuffs to Yugoslavia. Foodstuffs do not in themselves produce additional capital. This is an entirely different matter from shipping industrial equipment. Industrial equipment would increase Yugoslavia's ability to earn. If these funds were for the shipment of capital equipment, then there would be more reason to insist that it be made a loan, because the loan would result in increased production in Yugoslavia with which to pay off foreign indebtedness.

I am quite in agreement with loans for this purpose from the Export-Import Bank or from the International Bank, but I repeat, it is different from foodstuffs which are not capital producing. We would therefore gain nothing in the long run by insisting on making this a loan instead of a grant.

This bill will find its justification in our strategic and political interests. We are trying to strengthen the capacity of the Yugoslavs to defend themselves against Soviet imperialism. We also

hope through this bill to strengthen the ties between the Yugoslav and the American peoples. I assume no one will claim that a loan would be as conducive to the attainment of these ends as would a grant. Let us not lose sight of our main objectives.

Let us not kid ourselves that we have any real possibility of getting back a net $38,000,000. I am sure all will agree with me that if 10 years from now there has been no war we will be glad to forget the $38,000,000. If war intervenes we will have no more chance of collecting the loan from Yugoslavia than the proverbial snowball.

Mr. JACOBS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, no one who has ever taken upon himself the responsibility of voting on these momentous issues and no one who has studied history could have listened to the words of the gentleman from Massachusetts without feeling there should be some discussion of why the obvious fact which he stated here is a fact. We are approaching the Christmas season. I came on the floor and Members were talking about appropriating $38,000,000 to feed starving people. I do not believe I would have had any difficulty in voting for this measure on the basis of Christian charity. It certainly is very little. I do not care how the people who are dominated would get the food. They are human beings. But I find this proposal to feed starving people couched in warlike language. I find that for some reason I must agree with the gentleman from Massachusetts that throughout the world we have but few friends. It is one thing to proclaim that you are a Christian. Sometimes it is quite a different thing to practice Christianity. I want to make a suggestion to explain why we have not won some friends, let us say, in the Orient. We support the United Nations. I do, and I always have. We must uphold its decisions. But I wonder if we have exercised the influence we should exercise in arriving at those decisions. I find in reading current history that France, if she had 40 Joans of Arc and as many divisions, could not protect her own continental borders. Yet we are supporting France in trying to maintain a colonial empire in the Orient. That is only one of many examples. I would like to support this measure on the basis of casting bread upon the waters. But when I come to the point that the very act of passing the measure is in itself because of the tenor of this debate a warlike measure, I sometimes wonder whether or not we are a good deal like Bobby Burns' Holy Willy, when we proclaim our Christianity, but our practice is certainly quite different.

I see in the press a great deal about praying. Almost everybody prays, but some people spell it with an "a" and some people spell it with an "e." Sometimes that causes differences of opinion. In my judgment it may be necessary to pass this bill because of the course we are following. I say I may yet vote for it because being convinced that we will follow that course, it will be better for our country to have cast this bread upon the water with warlike language, than not to have cast it at all. But the course of history does not seem to have been observed by many people. Shall I mention another example? Korea. Certainly Korea was the creature of the United Nations. I do not know all the issues. I am just a country lawyer from out in the Mid-West, but I do know there were some ugly rumors that were going on inside of Korea before the outbreak. I would like to have seen my country appear before the United Nations and call for an investigation to right any injustice, or to determine whether there was any injustice. Then I think we would have been on a much stronger moral ground, if we would have gone in when we went in to uphold the decisions of the United Nations. I wonder how many people had read the history of Korea before the decisions were made.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. JACOBS] has expired.

Mr. JACOBS. Mr. Chairman, I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Never since the establishment of Jamestown, save and except the time when the deal was made between this Government under Theodore Roosevelt's administration and Taft with reference to the Philippine Islands, and even before Jamestown was laid out, it had been the consistent historical fact that the Chinese were coming to the aid of the Koreans each time any outsider landed on that peninsula. I wonder how much consideration was given to all these things and to these rumors of injustice in Korea, or consideration given to going before the United Nations and trying to get some decisions based on justice and equity. I do not know. I am not a member of the committee that handles this bill. I may vote for it, simply because I am convinced it is best in the course we are going to take and not because I think it is the best course to take.

The CHAIRMAN. The time of the gentleman from Indiana [Mr. JACOBS] has again expired.

Mr. FULTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the question on this particular amendment or group of amendments is whether the amount shall be a grant, which is a gift to Yugoslavia, or whether it will be a loan which she will have to repay. The question comes up whether this is an act of kindness or whether this is a strategic action. For my part, I disagree with the gentleman from Indiana [Mr. JACOBS] and I agree with my colleague the gentleman from Montana [Mr. MANSFIELD], because he was frank enough to say to me yesterday, in reply to my question, that this was not a humanitarian bill but was a strategic bill, in order to obtain immobilization of 32 divisions in a possible conquest of Western Europe. That is actually what it purports to be.

Then let us see if these people are in dire straits or have the ability to pay. I believe this is a legitimate point of inquiry, in all fairness to the American taxpayer who is called on to foot the bill.

On page 24 of the hearings before the House Committee on Foreign Affairs, Mr. Perkins of the State Department, Assistant Secretary of State for Europe, said in regard to the diet of Yugoslavia:

> The normal diet in the past has been 2,800 calories in Yugoslavia. The estimate is that, with the foodstuffs they have on hand, that will drop to about 2,300 calories.

So the current drop is only about 500 calories. In answer to Mr. VORYS' question:

> That is, this contemplates no tightening of their belts?

Mr. Perkins says:

> About 10 percent of their food ration.
>
> Mr. VORYS. But there has yet been no starvation or any real hunger there?
>
> Mr. PERKINS. No; not up to this moment, if that is what you mean.
>
> Mrs. BOLTON. Do you mean in Yugoslavia?
>
> Mr. VORYS. Yes.

Let us see what else there is. The gentlewoman from Ohio [Mrs. BOLTON] on page 68 introduced this in the record of the hearings from a newspaper clipping:

> The hunger in Yuogslavia, once the granary of Europe, has its true cause in the foolish and unnatural communistic economic plan which has been imposed by a minority on the masses of the Yugoslav people against their will.

Mr. Haggerty is a special agricultural assistant for our embassy in Yugoslavia. He has been in Yugoslavia some months making an investigation for this particular bill and this relief program. Mr. Haggerty says this in comment on the newspaper clipping:

> I would classify that as a half truth. It is true that during the three-odd years of the Communist administration in Yugoslavia there has been economic deterioration in every phase of the economy, agricultural as well as others. It is still true this year. There has been to a degree apathy on the part of the peasants to produce, those who are in the collective farms, a great many of them having been coerced into joining. They have no great enthusiasm for it. They would just as soon see the collectives fail. Their attitude is "Let Henry do it."

And we might say here: "Let Uncle Sam do it."

Mr. Haggerty goes on to state:

> There has been this downward spiral, to put a statistical handle on it—I would not state it as a final judgment—but just to illustrate it, I would say that the fallen production between 1949 and 1950 might be due to the extent of 10 or 15 percent to general economic deterioration and apathy, and the rest of it is due to the drought.

With about an 18 percent drop from 2,800 to 2,300 calories per day, it can be seen that a large part of the cause is the inefficiency of the government even on Mr. Haggerty's own statement.

The question is whether 2,300 calories is sufficient for Yugoslavia during this intervening period until the next crop season. If you will go back to June 4, 1948, page 7212 of the CONGRESSIONAL RECORD, volume 94, part 6, you will find where I had an amendment to increase the daily calorie ration of displaced persons in Germany from 1,550 calories that was set up by our Appropriations Committee of this Congress to a mere 2,000

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calories. The amendment was voted down 102 to 37 by this Congress; we would not even continue to feed those displaced persons 2,000 calories a day in 1948, on June 4, 1948, when we passed the appropriation bill. The United States policy on Europe, and, for that matter, Yugoslav citizens who were displaced persons, was far short of the calories now available to Yugoslavia.

Let us see what else there is. Italy has helped out temporarily in this situation in Yugoslavia, in the last few months.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FULTON] has expired.

Mr. FULTON. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. BLATNIK. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. BLATNIK. The gentleman mentioned that collectivization has something to do with the decreased productivity of agriculture.

Mr. FULTON. That is correct. The productivity has been decreasing progressively, according to the State Department, as the current Yugoslav Government's collectivization program has been pushed against the people's resistance.

Mr. BLATNIK. But will not the gentleman admit that of all the war torn countries of Europe the one that was most devastated both in physical destruction and loss of human life, loss of livestock, which is the mainstay of life and the principal means of transportation, that the destruction was by far more severe in Yugoslavia than in any other part of Europe with one single exception?

Mr. FULTON. That gets away from the issue. The problem here is why Yugoslav current calories available have fallen from 2,800 daily postwar, to a present 2,300 calories. That war destruction did not prevent them from getting back to 2,800 calories postwar, which everybody agrees was satisfactory before the collectivization program was pushed during the last year or so. Let me proceed. I will quote what the caloric intake was for 1948–49 in Greece: It was only 2,468, and in 1947 it was 2,266. This was not as good as Yugoslavia.

In Italy today there is only 2,243 calories a day being used by the peasants, and yet Italy has been asked by us to send aid to Yugoslavia to increase their calories to 2,600 a day. And to the Italians' everlasting credit, despite all the history of trouble over Trieste, and the previous threats from the Yugoslav Government, they promptly complied. Now how about seeing the Italian calorie supply is increased to 2,800 daily? We like to see the people of Yugoslavia eat better, and the same should hold true for Italy.

May I point out that in 13 countries of the world, which contain over half of the world's population, the people exist on 2,000 to 2,300 calories a day: Brazil, 2,343; Chile, 2,351; Colombia, 2,283; Peru, 1,925. The South American countries run much less than the current rate of consumption in Yugoslavia. How about helping our South American friends, too? Japan has only 1,834 calories today, and we certainly should encourage them. Yet Yugoslavia, even as they say under present drought conditions, has 2,300 calories. Pakistan has 2,028 and the Philippines are living on 1,908 calories. Burma, 1,986; Ceylon, 1,918; China, 2,115. India lives on only 1,621 calories daily. Yet we refused to help India. We should assist our Indian friends to obtain at least a subsistence standard, and I urge you to consider this problem.

So you can see Yugoslavia is not on a starvation basis because over half of the population of the world gets less calories today than the Yugoslavs have. The Yugoslavs have been able to develop their agriculture and their agricultural commodities until they are living better than one-half of the world's population. This bill is not upon a starvation basis at all as was stated.

This is a matter solely of, "Do you want to pay for 32 dictator's divisions? Do you want to give up principle to do that?" If you do, you are not destroying your so-called world enemies. You may be destroying yourself.

Feeding deserving people is an entirely different thing from using their sons and forces in a play of power politics. I want the long-suffering people of Yugoslavia and the whole world adequately fed, but the purpose of this bill is expediency and will cut off hope in America from the democratic and younger elements of Yugoslavia.

Mr. BLATNIK. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, reference has just been made to the fact that a slight decrease in productivity can be attributed to the collectivization of the agricultural or rural economy of Yugoslavia. That perhaps is true. Other factors were mentioned. But the major factor was completely overlooked.

Of all of the war-torn countries of Europe the country that by far suffered the most severe and devastating and widespread destruction of physical property, means of livelihod, human life and livestock, which is basic to its economy, which is primarily agrarian, that country was Yugoslavia. Other countries, such as Greece, which too suffered frightfully through years of brutal occupation, then rent assunder by internecine guerrilla warfare, Italy, France, England, and others—all of these countries, needed aid, and substantial aid to prevent them from collapsing right after the war. They would have collapsed if they had not received substantial aid from our country. Aid which totals up into the billions of dollars and runs over a period of several years.

The surprising thing is not that there is a serious food crisis in Yugoslavia and quite some economic hardship. The surprising thing is that they have not long ago collapsed. But they are still on their feet. After the economic sanctions and the economic blockade imposed by the eastern satellite countries of Russia, which cut off completely what trade or economic intercourse was then going on, by all of the economic rules in the book Yugoslavia should have completely collapsed, which was the purpose of the economic blockade. It is very much like a doctor putting a thermometer in the patient's mouth and the temperature reads 120 degrees. By all medical rules the patient should be dead, but somehow or other he is alive.

The past record of the Yugoslav people is perfectly clear—they have exerted themselves to the utmost to carry their own weight, and against great handicaps and difficulties and there is no question that they will continue to do everything they can for themselves before calling for an outside helping hand. The drought of the past season, however, was too much and now they do need an outside helping hand. This aid of $38,000,000 the State Department states has been pared down to the narrowest margin, and even with this plus what other help they may get from other countries, will just enable them to pull through for the coming 6 months of this winter, and then allow them to go on to their spring planting and then to carry on on their own.

Mr. HAYS of Ohio. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to take issue with the gentleman from Minnesota on the question of destruction in Yugoslavia. I traveled extensively throughout some of the countries of Europe which were affected by the war, and I also traveled a good deal through Yugoslavia. I saw less destruction in Yugoslavia than I saw, for instance, in Amsterdam, Holland, or in Frankfurt, Germany or in Warsaw and other parts of Poland, and I think his statement is open to a good deal of question. Of course there was destruction in Yugoslavia but when he says there was more than any other country in Europe I would like to have some figures. I want to tell you a little bit about how some of that destruction came about. The gentleman from Minnesota made a very moving argument here yesterday about how many people were killed in Yugoslavia during the late war and I will not question his figures. But I would like to have a little information about how many hundreds of thousands of those people were killed by Tito or Tito's men. I do know this, that on Easter Sunday in Belgrade during the last year of the war and Easter Sunday in Belgrade does not come on Easter Sunday in the United States because they do not use the same calendar we do—Tito asked that American bombers bomb the city of Belgrade, which was not strategically important; he specified that day and he specified the hour. That day and hour happened, purely by accident I suppose, to be on Easter Sunday when the Serbs were coming out of the orthodox churches. You can still hear about that in Belgrade today and I have more than a little bit of reason to believe that he did it for a purpose, and that purpose was that he wanted the Serbs, who have a natural affinity toward the United States, to hate this country. Tito is like all Communists.

He knew at that time and he knows today where he is going and what he wants. There will not be any debate in Belgrade about any conditions regarding any aid we give them. Why, if you read the little bulletin that the Yugoslav ambassador put out, they even tried to explain away the fact that they do not have any elections in Yugoslavia. You go up in front of a whole lot of people, election officials, and you pick up a ballot which says that you are for Tito's ticket, and you put it in that box, or else you pick up a blank ballot which means you are against the regime, and in front of that same group you put it in the other box. The ambassador in this little bulletin says it is probably pretty hard for Americans to understand this as being a democratic election. Well, some of the people in my district who came from Serbia could tell you in far more colorful language than would be appropriate here it is extremely hard to picture that as being a democratic election. Yet that is the kind of an individual you are dealing with. Oh, yes, I drove down into Serbia a year ago in one instance the old lady in the door of this little peasant cottage told about Tito's men coming to that door and calling the husband out and asking why he had not contributed more, and before he had a chance to answer they shot him down in front of his grandchildren and his children.

For two whole days we traveled through Serbia. I talked to a good many people those 2 days and the rest of the week in Yugoslavia. Not one single person did I find who, when he knew we were Americans, would say he was for Tito or Tito's regime. As a matter of fact, without knowing that they would not be reported, they took their lives in their hands and said, "Tito is no good. Tito is no good." If those people believed that about him, what could anybody else think about him? What is the use of kidding ourselves? You cannot put it on a practical basis. You cannot put it on a Christian basis, may I say to the gentleman from Indiana [Mr. JACOBS], much as I should like to go along with him on that, because Tito is an atheist to begin with. He does not believe in God. He does not believe in good deeds. He does not have any morals. You just cannot deal with a man without morals on any basis that a moral people understand. It is just impossible to do it. I think we ought to think about that a little bit before we go too far in committing ourselves on any sacrifice of principle in dealing with a character of that kind.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this section and all amendments thereto close in 15 minutes.

Mr. SUTTON. Mr. Chairman, some of us have been wanting to speak for about an hour now, and we have not had a chance. I object.

The CHAIRMAN. Objection is heard.

Mr. SUTTON. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. SUTTON. Mr. Chairman, ever since this bill came up yesterday I have been on the floor listening to every Member who spoke, with the exception of the gentleman from Minnesota [Mr. BLATNIK]. I was called to the office and did not get to hear him speak. I was trying to find some justification for supporting this proposal.

Yesterday evening when I went back to the office I called up the Library of Congress and had them browse through the RECORDS of 1938 and 1939 and find the speech our majority leader the gentleman from Massachusetts [Mr. MCCORMACK] made on Russia. I wish I had that speech with me today. It is one of the most beautiful speeches I have ever read. It was a condemnation of communism, of all forms of communism. That was at a time when the gentleman from Massachusetts [Mr. MCCORMACK] asked that the Ambassador from Russia be withdrawn. He had logical reasoning then, sound reasoning. It was one of the most logical talks I have ever read in my life. I wish some of you would go to the Library of Congress and read that speech. We who were not privileged to be here at that time missed something. I suggest that you who were not here then read it, and I am sure you will feel just as I do, you will hate communism just as our majority leader did then and as I do and other Members do now.

Let us get down to a little realism. I am like my good friend and neighbor down the hall from me, the gentleman from Connecticut [Mr. RIBICOFF]. Let us stop, think, and listen, and get down to realism. Some have said that this is to be done from a humanitarian standpoint, that we are asking for this $38,000,000 to go to the aid of a starving people in Yugoslavia.

About 3 weeks ago I had the privilege of being in New York. I had never been down in the Bowery. I had heard so much about it.

It is not an isolated spot. It is not the only spot like it in the United States of America. I spent one entire Sunday afternoon walking through that section of New York, the great metropolitan center of the world. My friends, had you gone through that section as I did, and had you seen those starving people—Americans, true, patriotic Americans, just as patriotic as you and I are—then you would think twice before you sent any money across before taking care of those people here. Then I came back to Washington on Sunday afternoon, and on Monday afternoon I walked through some of the alleys of Washington, D. C., the Nation's Capital, and the Capital of the world today, the place where the entire world is looking for guidance. I went down on Ninth Street. I went through some of the alleys here in Washington, D. C. The Bowery is not an isolated case. I saw men, American men, patriotic citizens of America, digging in the garbage cans right here in Washington, D. C. You have seen them yourselves. Last evening when I was home thinking about this bill I wondered: Are we true to ourselves in appropriating $38,000,000 for people in Yugoslavia when we are letting our own people starve—people who do not have 2,000 calories a day—and yet we want to build up the calories for the people over in Yugoslavia, which is a Communist country, to more than 2,500 calories a day? I wondered: Are we actually thinking of America first of all?

My friends, from a humanitarian standpoint you do not have to go out of America to spend $38,000,000. You can go to my district in Tennessee and to the district of the gentleman from Massachusetts [Mr. MCCORMACK], or any other district in the United States of America. You will find people starving. So from a humanitarian standpoint you cannot grant this $38,000,000 for that reason. These 32 divisions—my friends, you cannot buy friends, it is true—because when your money runs out your friends run out on you. If we want to appease somebody, if we want to buy somebody, if you think that American dollars can buy fighting forces, why do we not appease China? They are fighting and killing our boys today. Why do we not offer them some money? Maybe they will stop killing Americans over in Korea. They are right at our throats now. Not one person on this floor, not one person on this committee, has said that Tito has volunteered in any way to give us any aid at all or any assurance for this $38,000,000. My friends, on what basis can you offer them the $38,000,000? They have critical materials that we need; yes. If they want to trade with us—if they want this food so badly, let us trade with them and give them this food which they need for the materials that we need. Let us think of America. We are in a critical stage today, more serious than many American people think, and probably more serious than you and I think. We who are at the age right now where the chances are that we will have to go back should world war III come find this pretty serious. I was just talking to HUGO SIMS a few moments ago. He is 29 years of age and he is going back into the service of his country. Many more of us will have to go back if we get into an all-out war. We have to think about these things. I am thinking about all of America. Thirty-eight million dollars will buy a lot of bullets. Thirty-eight million dollars will buy quite a bit of ammunition for the boys not only in Korea but wherever America might have to fight.

My friends, think of America and may God help America and God help you and to h—l with Tito and these enemies of ours.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendments to section 2 do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio [Mr. VORYS] to the amendment offered by the gentleman from Texas [Mr. BURLESON].

Mr. VORYS. Mr. Chairman, I ask unanimous consent that the amendment may again be reported.

There being no objection, the Clerk again reported the Vorys amendment.

Mr. CASE of South Dakota. Mr. Chairman, a parliamentary inquiry.

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The CHAIRMAN. The gentleman will state it.

Mr. CASE of South Dakota. Is it the parliamentary situation that the vote now comes on the amendment offered by the gentleman from Ohio [Mr. VORYS] to the Burleson amendment, the Burleson amendment being the amendment which takes the money from ECA, and the Vorys amendment making it available either as a loan or a grant? Then, following the vote on the amendment offered by the gentleman from Ohio [Mr. VORYS], which I assume is in the nature of a perfecting amendment to the Burleson amendment, the vote will then come on the amendment offered by the gentleman from South Dakota as a substitute for the Burleson amendment, either as amended or not?

The CHAIRMAN. The gentleman is correct in his interpretation.

The question is on the amendment to the amendment.

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 43, noes 55.

Mr. VORYS. Mr. Chairman, I ask for tellers.

Tellers were refused.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I ask unanimous consent that the substitute amendment be again reported.

There being no objection, the Clerk again reported the Case substitute amendment.

The question was taken; and on a division (demanded by Mr. CASE of South Dakota) there were—ayes 54, noes 58.

Mr. CASE of South Dakota. Mr. Chairman, I ask for tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. CASE of South Dakota and Mr. RICHARDS.

The Committee again divided; and the tellers reported that there were—ayes 80, noes 93.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BURLESON].

The amendment was agreed to.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: On page 1 after the Burleson amendment add "upon express prior assurance by the Government of Yugoslavia—

"(1) to take all necessary action to reduce its relief needs and to lessen the danger of similar future emergencies;

"(2) to comply insofar as possible with recommendations of the UN to prevent and resist aggression, and to respect the territorial boundaries of adjoining democratic countries and territories including Austria, Greece, and Trieste;

"(3) to arrange for the release and return under United States and UN supervision of the Greek orphans, as well as all orphans of whatever nationality taken or held by the Yugoslav Government or its agents without legal right;

"(4) to stop imprisonment and persecution of eastern and Roman Catholics, and all persons because of their official position or membership in the church of their choice, or because of their religious beliefs;

"(5) to enforce adequately the provisions of the Yugoslav Constitution to guarantee freedom of speech, religion, press, and assembly;

"(6) to relinquish claim of dual citizenship in respect to nationals who have become citizens of other countries, including the United States;

"(7) to conform to its obligations as a member nation of the United Nations."

Mr. RICHARDS. Mr. Chairman, I wish to reserve a point of order. May I ask the gentleman from Pennsylvania if he does not think that amendment would come to section 3 rather than section 2?

Mr. FULTON. The point of offering it at this particular place is that before this question comes up the Yugoslavian Government must give assurance as to these seven conditions. It could either be put in under the section 3 agreement or it can be put in preliminarily before you even start to do any talking about an agreement that these conditions must be met by assurance of the Yugoslavian Government.

Mr. RICHARDS. Would not the gentleman offer it to section 3?

Mr. FULTON. I would agree here it can be put on section 3 but I would rather have it right here where you say that there shall be appropriated a certain amount, then say upon the express prior assurance by the Government of Yugoslavia.

Mr. RICHARDS. Mr. Chairman, I withdraw my reservation. I have not seen the amendment and I do not know much about it.

Mr. FULTON. Mr. Chairman, the purpose of this amendment is to impose certain conditions upon this aid program. These conditions are the conditions that anyone who is in favor of freedom throughout the world will readily agree to. These conditions are prior conditions on which the Yugoslavian Government must assure our Government before we even go into the subject matter of a written agreement under this act.

The first condition is as follows:

1. To take all necessary action to reduce its relief needs and to lessen the danger of similar future emergencies.

The condition gives the United States the right to say to the recipient government, "Your policies are again running you right into this very same thing, and if you further collectivize and kill initiative by unfair acts you are further making an inefficient government, and we must have assurance you will not do that before entering into an agreement.

The second condition is as follows:

2. To comply insofar as possible with recommendations of the United Nations to prevent and resist aggression, and to respect the territorial boundaries of adjoining democratic countries and territories including Austria, Greece, and Trieste.

As to the second condition, we must have assurance that the Yugoslav Government will clear up the current long-standing disputes they have with their neighbors.

The third condition is as follows:

3. To arrange for the release and return under United States and United Nations supervision of the Greek orphans, as well as all orphans of whatever nationality taken or held by the Yugoslav Government or its agents without legal right.

Under this third condition, the Yugoslav Government must give their assurance on the detained orphans, of whatever nationality, before the United States representatives sit down to agree with them.

The fourth condition is as follows:

4. To stop imprisonment and persecution of eastern and Roman Catholics, and all persons because of their official position or membership in the church of their choice or because of their religious beliefs.

Under this fourth condition, we should insist on release from imprisonment of all those now incarcerated, and freedom of religion, whether Catholic, Protestant, or Jewish.

The fifth condition is as follows:

5. To enforce adequately the provisions of the Yugoslav Constitution to guarantee freedom of speech, religion, press, and assembly.

Under this fifth condition, we must insist upon the Yugoslav Government guaranteeing freedom of speech, religion, press, and assembly. I might also say that that is required of members by the United Nations Charter.

Condition 6 is as follows:

6. To relinquish claim of dual citizenship in respect to nationals who have become citizens of other countries, including the United States.

The Government of Yugoslavia now claims if a person is once a Yugoslav, he is always a Yugoslav. That means that many United States citizens cannot even get out of Yugoslavia to come back to this country. Many of you have that problem of claimed dual citizenship in your districts.

The seventh condition is as follows:

7. To conform to its obligations as a member nation of the United Nations.

The seventh condition is in response to Mr. CASE's suggestion that this be put in as an express condition. Here it is an express condition that we must have the prior assurance that these seven items are met before we sit down and negotiate an agreement with the Yugoslav Government.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield to the gentleman from Iowa.

Mr. GROSS. Are those provisions mandatory or elective?

Mr. FULTON. They are mandatory. The Yugoslav Government must give the assurance that it will conform to these steps before we will discuss with them any agreement that the President might make.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. FULTON].

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 55, noes 66.

Mr. GROSS and Mr. TAURIELLO demanded tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. FULTON and Mr. RICHARDS.

The Committee again divided; and the tellers reported that there were—ayes 71, noes 96.

So the amendment was rejected.

The Clerk read as follows:

SEC. 3. No assistance under authority of this act shall be made available nor shall any funds appropriated hereunder be expended until an agreement is entered into between Yugoslavia and the United States containing the following undertakings, and any others the President may determine to be desirable, on the part of Yugoslavia:

(a) To make available to the Government of the United States local currency in amounts required by it to meet its local currency administrative and operating expenses in Yugoslavia in connection with assistance supplied under this act.

(b) To give full and continuous publicity through the press, radio, and all other available media in Yugoslavia to the assistance furnished by the United States.

(c) To permit persons designated by the Government of the United States to observe without restriction the distribution of commodities and other assistance made available under the authority of this act, and to the extent necessary for this purpose to permit full freedom of movement of such persons within Yugoslavia and full access to communication and information facilities.

(d) To make equitable distribution to the people of Yugoslavia of the commodities made available under this act without discrimination as to race, color, or political or religious belief.

With the following committee amendments:

On page 2, line 12, after the word "States", strike out the period, insert a semicolon and the following: "and to allow to the United States, in cooperation with Yugoslavia, the use of such media as may be required to accomplish this purpose."

On page 2, line 16, after the word "observe", insert "and supervise."

On page 2, line 17, after the word "distribution", insert "by Yugoslavia."

On page 2, line 22, strike out "of" and insert "in."

On page 2, line 24, after the word "act", insert the following: ", as well as similar commodities produced locally or imported from outside sources."

On page 3, line 2, strike out the word "color."

The committee amendments were agreed to.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: On page 3, after line 2, insert a new subsection (e): "To take all necessary actions to reduce its relief needs, to encourage increased production and distribution of foodstuffs within Yugoslavia, and to lessen the danger of similar future emergencies."

Mr. JUDD. Mr. Chairman, many of us voted against the amendment submitted by the gentleman from Pennsylvania [Mr. FULTON] because it went too far. It practically dictated in detail what the policies of the Yugoslav Government must be in its internal affairs. I do not believe we have the right to do that with any foreign government, whether we like its policies or not. But when this Nation is called upon to provide funds to assist in a food shortage in another country, which in part results from certain definite governmental policies of that country, then I think it is only a matter of good hard sense, and proper Yankee horse trading to have something to say about changes which must be made in those policies which aggravate the food shortage, if American taxpayers are to help alleviate it.

There are three causes for the food shortage in Yugoslavia. One is the drought. That is an act of God, and we want to help with any suffering resulting from it. The second cause is that Tito in order to get foreign exchange to buy machine tools and other things to build up his armaments and industrialization has been taking food right out of the mouths of his own people and exporting it. That ought to be stopped, and this amendment would require that he do it. The third and most important is his policy of land collectivization which discourages the peasants from producing to the maximum, and even more, discourages them from selling or putting on the open market any surpluses that they may produce beyond what their own families need. It seems to me that when our Government sits down to make an agreement with Tito under which we are to send supplies to help feed people there who are hungry, we must as a minimum require that during the period when aid is being furnished by the United States under this act, he will agree to suspend those two government policies and any other actions which contribute to the food shortage. As a condition for receiving American aid he must stop exporting food which is needed in the country, and he must stop trying to collectivize the farms which takes away incentive for farmers to produce and sell all that they possibly can. When our Government is advocating land reform and wider distribution in many countries and is urging family-owned and operated farms here in the United States, it ought not to be helping Tito go in exactly the opposite direction in Yugoslavia.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. RICHARDS. After listening very carefully to the gentleman, although I have not had an opportunity to study his amendment, it appears a good amendment to me and I would like to say that we are willing to accept it on this side.

Mr. JUDD. I appreciate that decision by the acting chairman of our committee and I think it represents the part of wisdom.

Mr. TACKETT. Mr. Chairman, I move to strike out the last word.

I must necessarily oppose the amendment which has just been offered imposing certain political responsibilities upon Yugoslavia as a prerequisite to receiving funds from our Government, because our people long ago established a policy of never imposing our political governmental system upon any other nation. This amendment amounts to no less than an effort to infiltrate and impose our policies because of our wealth at a time while we are fighting the efforts of Russia to infiltrate in another form—by force. There is very little difference. Every nation should have the sovereign right of its own type of government, and no nation—the United States, Russia, or any other—should ever be authorized to infiltrate its sovereign rights by money or force.

It has not been but a few days since the European recovery program was being discussed on the floor of this House. Today, I fail to hear those who were then hollering long and loud, "The Marshall plan funds are for the purpose of defeating and preventing communism from spreading all over the world." But, today each and every proponent of this bill comes to the floor prefacing his remarks with an apology for supporting such legislation. You hear them in various phrases and in divers manners apologetically stating in the beginning of their remarks that they are not for Tito; that they are not for Yugoslavia; but that they are realists and necessarily need support this legislation. To do what? To help spread communism in Europe and throughout the world. There can be no other interpretation placed upon this legislation. When insisting upon Marshall plan funds, it was to stamp out communism. Today many of these same Members are providing for the nourishment of communism.

If it be true that this legislation is to assist starving Yugoslavs—however the record upon which these contentions must be based do not reveal these facts—I am wondering the argument for the cause of such a situation in Yugoslavia at a time when a very large percentage of the normal crop yield was produced and gathered this last year. We continuously argue in our democracy that communism will not work; that it is bad; and that only free people can hope to exist and reap the benefits of their entitlements. Where today is that argument about freedom of religion, freedom of press, freedom of speech, freedom of assembly, freedom from Government regimentation, and all the other freedoms which we cherish and contend must be the basis of any government if the people are to advance? The predicament of Yugoslavia is exemplary of our contentions on behalf of democracy. Their system of government has failed and regardless of how much food or money is sent there, you well know that it will never reach the people and will be used by Ditator Tito in trade for war armament to foster the communistic ambitions for world domination.

This bill merely proposes to assist in the building within Europe of a Communist government at a time while we are telling the taxpayers of this country that we need spend billions of dollars in Europe to prevent the spread of communism. You cannot buy friendship, and you know it.

We did in World War II for the father of communism, Joe Stalin, exactly what you now propose to do for his underling, Marshal Tito. However, before we assisted Joe Stalin during World War II he had already committed himself to our ball team. In fact, he had already commenced fighting on our side of the fence

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before we went to his aid. But today, Tito tells you in sum and substance, and in no too indefinite and uncertain terms, "I am not promising you believers in democracy anything; still I want you to give me, in addition to the $55,000,000 loan, an additional $38,000,000 free grant of United States money." None of you has the audacity to predict that Tito would ever fight on the side of democracy, or on the side of any free people. Very few of you would hazard the guess that he will not be supporting our adversary in a time of conflict. You merely insist on a poor gamble while admitting that the cards are stacked against us.

It would be impossible for a committee of three Members of this Congress to stay within a small incorporated town of this country composed of two or three hundred people for a period of 3 or 4 days and be able to ascertain their true convictions concerning the many ramifications of international affairs. Yet, two or three Members of this Congress spent a couple of days with the thousands of people in Yugoslavia; had a conversation with Tito; and came back here advocating assistance to Tito while, at the same time, admitting that he is a dictator of the worst degree; that he and his subjects are full-fledged Communists; that none of them has any faith in our system of government; that all of them think that democracy should be abolished; and that Christian ministers, priests, and nuns are jailed merely because of their belief in and advocacy of Christianity. These gentlemen well know that the slaves within Yugoslavia could never expect to enhance any proposed benefits from us, even should they be entitled to our efforts.

Just a few days ago our top Government officials met with responsible representatives from Great Britain and came forth with a no-appeasement decision. Can it be contended that this bill is anything short of appeasement? This is an effort to buy what Russia is attempting to gain by force, and yet we are stupid enough to demand no performance by Yugoslavia for the receipt of our funds.

Mr. Chairman, there is no earthly excuse for us to support this measure. I am wondering how all of you who profess to be of the Christian faith and believers in democracy can face your people, knowing as you do of the oppression of the Christian belief and the imprisonment of such advocates in Yugoslavia.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. TACKETT. I yield.

Mr. FULTON. I want to compliment the gentleman. May I say this: How can anybody appearing before the Committee on Un-American Activities be asked if he is a Communist if we, by this bill, are supporting communism?

Mr. TACKETT. The proponents of this legislation apologize, Mr. FULTON, for this communistic measure and attempt to circumvent the predicament that you suggest they might find themselves in by merely saying in the beginning they want it generally known that they are not supporters of Tito. That is supposed to make everything all right and hunky-dunky. You know as well as I do—and they should know—that to support this bill is to support a Communist government during our efforts to stop the spread of communism throughout the world.

How are you Members who have been clamoring for the Marshall plan going to explain this to your people when you go back home and they readily recall the speeches you have made about how we have necessarily had to spend billions of dollars to keep communism from spreading?

The CHAIRMAN. The time of the gentleman from Arkansas has expired.

Mr. TACKETT. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. TACKETT. Even though I have realized the necessity of peacetime European aid from this country on behalf of friendly democracies in their efforts to rebuild their war-torn countries which were devastated at a time while they were assisting themselves and us, I have previously voted against aid during peacetime due to the enormous amount involved, sincerely believing that we could not hope to keep our democracy strong while spending on foreign soils more than our economy would allow. At the same time, I must admit that my vote on European aid has given me considerable concern. I have not always known for sure whether my vote was the correct one. It was difficult for me to understand how we could spend so much while receiving so little. My contentions have been pretty well exemplified by the efforts received from even the friendly democracies during the Korean conflict. Some would have us believe that all of the 13 present democracies in Europe would have now been communistic had it not been for our assistance under the European recovery program. I cannot contradict those contentions, neither can the proponents of such contentions sustain their claim. All will admit that we have gained little through the billions of dollars we have spread over the world. It has not precluded war, and we have no defense in Western Europe. I have considered the European recovery program during wartime as a wartime measure and a contribution to our national defense and, therefore, have unhesitatingly voted for the Marshall plan during this emergency as a defense and wartime measure.

After the passage of this legislation, I will be at a loss to know the battle cry for world war III. In World War I and World War II the morale of our men was boosted by the thought that they were fighting for freedom—freedom of religion, freedom of press, freedom of speech, freedom of assembly, and freedom from government regimentation—a war to end all wars. What are you going to tell them as a battle cry when we enter world war III? Are we to admit today by this legislation that we have been lying to our fighting military personnel since 1917 by giving millions of dollars to a Communist government that knows and cares nothing about freedom, right or wrong, or lasting peace?

Mr. Chairman, I cannot believe that we are in such a predicament that we need sell the principles which have made this the greatest Nation upon the face of the globe.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. TACKETT. I yield.

Mr. CANFIELD. I agree with the gentleman in everything he says, and this is my first break with my Government's foreign policy. I do not know but what Tito today is playing Stalin's game. The whole thing is a big fraud on the free democracies. Will the gentleman say something about that? Who knows? Who knows?

Mr. TACKETT. I wish to read a portion of a news dispatch from Egypt wherein an official of that country is insisting upon his government's maneuvering itself into a position of getting money from the United States Government. The official is quoted as follows:

> Britain and America are frightened whenever the eastern block is mentioned. Why should not Egypt use agreements with the eastern block as a bargaining point with Western Powers?

Every nation known to us has awakened to the fact that we are suckers for a pretense of friendship. They merely need hint becoming friendly with Joe Stalin in order to receive funds from us in our efforts to buy friendship.

Tito against Joe Stalin. Joe Stalin against Tito. Now, is not that a laugh? Joe Stalin will take over Tito any time he so desires regardless of the billions of dollars that we are foolish enough to give Tito even if we were willing to protest his abolition. Of course, Joe will delay his taking over Tito until Yugoslavia has been fatted with moneys, food, and military armaments from the United States.

Mr. Chairman, I do not claim to be highly versed on international affairs, but my 10-year-old boy is sufficiently intelligent to vote against this legislation.

Mr. WHITE of Idaho. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it is interesting after all my experience and service here in the House of Representatives to have the opportunity to follow the gentleman from Arkansas. There are a lot of things that this Congress should know about in connection with this situation in Yugoslavia, the so-called Tito dictatorship. I am going to say to you Democrats—and I have been here 18 years with you as a Democrat—if you want to make the American people protection-minded, this is the best way in the world that you can get across to the American people that they must have protection for their domestic industries. About the only things they have over in these so-called Marshall plan countries, particularly Yugoslavia, to use for commercial trading as between countries are what they can dig out of the ground. They have no factories, they cannot manufacture enough material to supply their own needs, their farming has broken down. So the only thing they can send

us is what they dig out of the ground—their minerals.

We are doing everything we can to destroy our domestic mining industry. We are bringing in lead under the ECA plan and under the Stockpiling Act from European countries, the dependencies of the Marshall plan countries, particularly Africa; we are bringing in copper, zinc, and lead from Yugoslavia and when this stockpiling business is over, if peace should come to the world and if plans are worked out so that we can abandon this great rearmament program, the mining industry in the United States would go on the rocks. People in the mining communities will be walking the streets of this country in a starving condition because there would be no price for the metals they might produce. We, by the passage of this bill, will do more to make the American people protection minded than anything else we could do.

Mr. Chairman, there are certain avenues of information open to all of us. Over in the Department of Commerce there are different sections which deal with the commercial and financial activities of these various foreign countries. There is over there what we used to call the British Empire unit, now known as the British section. We have the Eastern European section over there also.

I just called to get some information as to how much of a national debt Yugoslavia has. I had some little difficulty reaching the people because they take these long noon hours, but I finally got the Export-Import Bank. The first thing I found out was that there had been $55,000,000 loaned by the Export-Import Bank to Yugoslavia, at 3½ percent, that there was $7,000,000 loaned by Belguim and that Yugoslavia has obtained $9,000,000 from the International Monetary Fund on which they pay no interest. There is also $33,000,000 that they owe on the prewar debt, at 3 percent.

How much of a national debt there is in Yugoslavia—that is war debt—I could not obtain. They have a secret act over there which prevents giving out any industrial, commercial, or financial information by anyone except through government channels; so you cannot find out about the conditions in that country.

Their monetary unit is a dinar, which is fifty to our dollar. In voting for this bill I would like to know how many of the bonds of Yugoslavia are in the vaults of London and how many of those bonds of Yugoslavia are in the vaults of New York and how much of this $38,000,000 we are going to appropriate here will go to maintain the integrity of Yugoslavia and its national debt so that they will not go in default? In other words, are we going to pay interest on our own debt and at the same time contribute money to pay the interest on the national debts of all the Marshall-plan countries, particularly Yugoslavia?

Mr. MANSFIELD. Mr. Chairman, I move that all debate on the pending amendment do now close.

The motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The question was taken; and on a division (demanded by Mr. JUDD) there were—ayes 106, noes 4.

So the amendment was agreed to.

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was amused this afternoon when the gentleman from North Carolina [Mr. COOLEY] compared the appeasement of Tito to the tune of $38,000,000 with the courting of an American girl in offering her flowers and candy. Now, I have never been entertained by Tito in his luxurious mansion as has the gentleman. However, I know something about the rudeness of Yugoslav troops toward American GI's and American Congressmen, if you please. Of course, it was back in the fall of 1947 before the so-called incurable divorcement of Stalin and Tito, something I cannot for the life of me believe. I was in Trieste in September 1947 when there were communistic riots in the streets. I could not sleep at night because Tito's partisans were marching up and down the streets singing their favorite songs about Tito. It so happens that on the day I arrived in Trieste two American GI's committed a terrible crime in the mountains outside of Trieste. They stepped over, if you please, a poorly marked boundary line between Yugoslavia and the free zone of Trieste, and they were immediately seized by Tito's troops and jailed. Commanding our forces in Trieste at that time was Maj. Gen. Bryant E. Moore, now superintendent of the United States Military Academy at West Point, N. Y. I learned one of those boys was a New Jersey boy and I discussed the matter with the general and he told me frankly he could not do a thing with the Yugoslav generals toward effecting the release of those GI's. He asked me if I was willing to undertake a mission to go down to road block No. 5 and talk to some of those Yugoslav military leaders. And, I did. I was given the grandest run-around for several hours, one of the Yugoslav officers saying to me, "Is it not too bad, Mr. Congressman, that on the very day your delegation arrives in Trieste from the United States of America that some of your American GI's thought to step over our boundary line? They are now in jail." One of these boys was from New Jersey and the other from Virginia, from Arlington, Va., represented in this Congress by the distinguished gentleman from Virginia [Mr. SMITH], who is for this bill. Do you know what they told me when they were released 6 days later? They told me they were briefed hour after hour on the tenets of communism, and they were asked pointed questions hour after hour about the number and disposition of our troops in Trieste. Tito wanted to know. You cannot tell me there is an incurable divorcement between Stalin and Tito.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from South Carolina.

Mr. RICHARDS. Is not the gentleman talking about something that happened at Trieste several years ago?

Mr. CANFIELD. Yes, in 1947, the very year we were giving Yugoslavia millions of our dollars for food and other aid.

Mr. RICHARDS. That was before Tito broke with the Cominform, was it not?

Mr. CANFIELD. I do not believe there has been such a break. Does the gentleman think that?

Mr. RICHARDS. Sure.

Mr. CANFIELD. Is the gentleman sold on that?

Mr. RICHARDS. Yes, and everybody else is, almost.

Mr. CANFIELD. Wait, then, until you see the vote on this bill in the House of Representatives. Wait then until you see. This bill ought to be defeated here today in the interest of the defense of the free forces of democracy in this world.

Mr. HESELTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HESELTON: On page 3, line 2, after the word "belief.", insert a new section as follows:

"SEC. 4. All of the funds made available under authority of this act shall be utilized to the fullest practicable extent in the purchase of the commodities from the surplus commodities in the possession of the Commodity Credit Corporation."

Mr. HESELTON. Mr. Chairman, this simply expresses what I believe would be the specific intention of Congress. Unfortunately, I tried to place some figures in the RECORD last night so as to make them available to all of you, but they did not reach the printer. Consequently I can give you these figures only hurriedly.

As I understand it, the committee report indicates that in the past program practically all of the commodities that were sent over were taken from the surplus food commodities held by the Commodity Credit Corporation. I understand from the committee report it is anticipated that something like 71 percent of all the food that is sent will come from that source, but I do not think we should be satisfied to leave it just with the committee report and not express our firm and clear intention that this should be done even to a greater extent, if possible.

I am not prepared to discuss the kinds of food that are being chosen or why they were chosen or whether there can be any other arrangement made to avail ourselves of these tremendous stores of food.

But I can say to you that at the end of October we had 1,743,484,890 pounds of butter, cheese, dried milk, dried eggs, dried beans, and dried peas, that cost the taxpayers of this country $381,828,495.60. But even more important, whether we pass this bill or do not pass it, everyone of us knows we are going to impose upon the great American people greater taxes, greater costs, greater burdens in the days that lie ahead of us. For storing those six commodities alone for only 4 months during the time of the Korean War they paid out $7,537,153.31.

We can accomplish two things if we will only firm this bill up by adopting this amendment.

We can direct those who are going to administer this program to examine it

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carefully and carry out this mandate. We will also be taking a bit of the burden off of the taxpayers' back.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. HESELTON. I yield.

Mr. RICHARDS. May I say that we do not have any objection to the gentleman's amendment. It might help.

Mr. HESELTON. I thank the gentleman. I am sure that it can help. At least we shall have done all we can at this stage.

For the record, under permission granted me, I want to include a breakdown of the figures as to the six commodities.

	Inventory Oct. 31, 1950	Cost	Carrying charges
	Pounds		
Butter	168,889,008	$104,253,780.07	$1,567,317.93
Cheese	109,319,543	36,819,645.70	1,150,513.34
Dried milk	383,500,481	49,409,955.86	1,836,367.63
Dried eggs	108,648,358	114,986,624.21	1,021,758.67
Dried beans	902,857,100	73,743,837.99	1,668,642.62
Dried peas	70,270,400	2,624,651.77	292,553.12
Total	1,743,484,890	381,838,495.60	7,537,153.31

LET'S SAVE AMERICA FOR AMERICANS

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this will probably be the only opportunity I will have to express my opposition to this legislation to give Communist Tito $38,000,000 out of the pockets of the overburdened American taxpayers.

We have been under the domination in this country, it seems, of wild-eyed internationalists for the last few years. What has it brought us? One ex-serviceman with scars all over him said to me the other day, "We have just been through the most useless war in history. Our boys won the fight, but the victory was turned over to Communist Russia, the worst enemy civilization has ever known."

These wild-eyed internationalists want us to get into a world government. Well, you are in one now, the so-called United Nations; and look at the front page of that paper and see what we are getting out of it. They sent our boys into Korea without consulting the Congress of the United States, which, under the Constitution, is charged with the duties and responsibilities of declaring war. Our boys were sent there to be killed by the thousands, yes, tens of thousands, with instruments and munitions purchased with the money which Congress has given away to the various nations of the earth. And today they are driven off the continent of Asia with tremendous losses and are struggling for dear life to find some method of getting out of Korea.

Already our casualties in Korea are enormous. You talk about the Unifed Nations—where are they? They sent American boys to do the fighting and dying and expect Americans to do the paying, while Tito and Stalin play and laugh behind the lines. Already the casualties in Korea have amounted to more than the casualties in the Revolutionary War, the War of 1812, the War with Mexico, and the War with Spain, all put together. American boys have suffered more casualties than our forces suffered in all four of those wars, as a result of that irresponsible internationalism while we hear some long-nosed individuals denouncing fellows who follow the policy of George Washington, Alexander Hamilton, James Madison, John Adams, and Thomas Jefferson as "isolationists."

Our boys are being killed with instruments of war which were purchased with the money that the Congress appropriated, and gave to foreign countries, in my opinion without constitutional authority.

Do not kid yourselves about old Tito. Is not this the same old Communist who murdered our aviators who happened to fly across the line, and buried them without notifying us?

Is not this the same old criminal who murdered Mihailovitch, who protected our boys during the direful days of the Second World War? You are not getting anywhere except heading toward that bankruptcy which Lenin in 1920 said was necessary to bring to the United States in order to bring her down to where we could be conquered by communism.

No—I am not going to vote for this measure. I have taken as much abuse from the Communists of this country, and abroad, as any man who ever served in the Congress of the United States, because of my attitude. I have seen, and I have known, who those Reds are and what they are up to. I say to you that we should not go down into the pockets of the overburdened taxpayers of America—a country which owes more money today than all the rest of the world put together—and dish out money to Tito, to a Communist of the vilest type under the pretenses that he might decide to fight on our side if we get into a European war.

Now the boys are getting back home. They are headed for home now. The so-called United Nations has proved to be a miserable farce. If you do not believe it, just wait until you hear from the people at home. We had better spend our money to build up our own defenses, build up a strong air force, provide an adequate supply of atomic bombs, radar facilities, and every instrument of war to save America and enable America to lead the people of the world to freedom by precept and example. We cannot lead them to it by bribery, or drive them to it with the bayonets.

The CHAIRMAN. The time of the gentleman from Mississippi [Mr. RANKIN] has expired.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, no one can arrive at an accurate appraisal of conditions in present-day Yugoslavia without first being made aware of the religious situation. From a study of the religious situation, it can be determined whether the Yugoslav Government is really democratic, whether as a temporary member of the United Nations Security Council Yugoslavia is keeping its pledge not only to help make the world a more secure place to live in but also whether the Yugoslav Government grants to its own people the fundamental human rights. The issue is not to be judged by a high-minded speech of Marshal Tito or a Yugoslav delegate to the UN. The issue must be judged on the basis of the facts; by what is taking place in Yugoslavia today under the Tito Communist regime.

When the Tito Communist regime took control of Yugoslavia after the Second World War, it was immediately obvious that the regime was fanatically communistic, and that the Communist way of life would be forced upon the 16,000,000 of Yugoslavs. The new Government set the Communist machine in motion. There began the ruthless communization of the land, seizure and confiscation of private homes, convents, great amounts of church property. Thousands and thousands of persons who were thought to prove troublesome to the Communist regime in the future were thrown into prison; many were killed. The schools were filled with teachers with instructions to make Marxism the order of the day. The press and radio, completely in the hands of the regime, blared hourly the party line—the voice of freedom was stifled. The Communist regime was determined to bring to its knees all enemies within its borders, and it was thus that the regime vowed to bring to destruction its greatest known enemy, the Catholic Church. Ever since Karl Marx wrote that religion was the opium of the people, Communists knew that Christianity and communism could not stand side by side; one must give way; one must compromise. Tito was convinced that the compromiser would not be he. Priests were arrested; a number were killed. Convents were confiscated and sisters were made homeless. Catholic schools, hospitals, orphanages were appropriated by the state. The Catholic press was destroyed. The amount of religion taught in the state schools was insignificant; it was difficult to teach religion as such in the churches. Police agents were everywhere, taking note of sermons, listening and reporting conversations. What little property remaining to the church after the outrageous agrarian reform was being taxed so highly that bishops and priests were unable to pay what was exacted from them. With all these events behind him, Tito set out to secure the undoing of his greatest Yugoslav opponent. In this, too, Tito met with success. After a mock trial, which shall live in infamy, the beloved shepherd of the Croats, Archbishop Stepinac was committed to prison for 16 years. Protests from this travesty of justice reached the palace of Tito from all over the free world, but Tito turned a deaf ear. Archbishop Stepinac was where he wished him to be—behind prison walls. By striking the shepherd, Tito hoped to scatter the flock.

June 1948 saw the famous Kominform resolution, expelling Tito from the family of communism. To the western world it appeared that the iron curtain was beginning to fray, perhaps this might be the beginning of the end for communism. Some thought that Tito would be the first to admit that communism was not what his people desired. But Tito soon informed the world of his

stand. He had parted ways with Stalin, but not with communism. He was a loyal follower of the Marx-Lenin line. Tito claimed that he was the real Communist; Stalin was a deviationist.

In spite of the split with Stalin, there was no appreciable relief given to the people from the backbreaking requirements of their Communist masters. The persecution of the church continued with so much determination that even in the year 1949 some 100 priests were arrested; most of them without even the benefit of a mock trial. Arrests of priests and seminarians continue in 1950. It is known that two priests died in prison as a result of the treatment received at the hands of their jailers. Religious orders of sisters, with the exception of a few small houses, were dissolved in the Republics of Slovenia and Bosnia-Herzegovina, and in the area known as the Backa. In Slovenia, where the people are 95 percent Catholic, some orders of priests were dissolved and their property confiscated. A number of churches have been destroyed. One church was converted into a movie studio; another was given to a non-Catholic sect.

The Communists have not been too clumsy in pursuing their drive on Catholicism. Churches have been allowed to remain open. Visitors, coming to Yugoslavia, seeing that the churches are open, proclaim that religious liberty exists in Yugoslavia. In spite of open churches, verbal orders have been given that no policeman or member of the military service is to go to church. A soldier, who goes to church in spite of this prohibition, is the exception and a tribute should be paid to his personal courage. Government workers who frequent church do so at the peril of losing their jobs and means of livelihood. They are dissuaded from being married in church or having their children baptized. Students in the lower schools have been ridiculed in class by their teachers because they attended mass. University students have been discriminated against and even expelled because they insisted on being practicing Catholics. In order to wean the children away from the influence of the church, excursions are planned for Sunday morning or meetings held which the youth are obliged to attend. Some cinema houses are built near churches and special films are shown on Sunday morning during mass time.

Untold pressure has been brought to bear on priests and bishops to force them to join priests associations. These associations have been founded and aided by the government for the purpose of usurping the authority of the bishops, and to cause confusion in the church by separating priests and bishops. All these things happen in spite of the fact that the Yugoslav constitution guarantees religious freedom by virtue of article 25.

The facts depicted above are not isolated facts of 1946 or 1947; these same things are happening today while Yugoslav delegates are sitting at the Security Council and General Assembly meetings. Yugoslav delegates protest that they are being discriminated against by the Soviet Union and those countries in its power. We deplore this discrimination, but even more we deplore the ruthless persecution imposed upon the Yugoslav nation, while their delegates protest to the world, through the medium of the United Nations, that they seek nothing but peace. The world press writes little or nothing of the persecution of 16,000,000 Yugoslavs. The voice of the nation is silent through ruthless control.

The question has now arisen of giving unconditional substantial aid to a nation that will be hungry this winter. Any decision taken regarding this aid without considering the facts laid down in the first part of this memorandum is to care little for the destinies of the Yugoslav people. In Yugoslavia today there languishes in prison Archbishop Stepinac of Zagreb, Bishop Cule of Mostar, and over 300 Catholic priests. Thousands of sisters have been made homeless. The prisons are filled with God-fearing Yugoslavs because they are opposed to the communistic regime. In reading the second part of this exposé, section 1 cannot be forgotten.

Christian charity demands that we must help our starving brethren. But the question of placing millions of dollars worth of aid in the hands of the Yugoslav Communist regime poses many difficulties.

First. To help Yugoslavia substantially without exacting certain conditions is to be ignorant of the real situation. Some conditions, which would be welcomed with great joy by the Yugoslav people, would be the granting of freedom from the ruthless control exercised over the people; a sincere recognition of the human rights; a method of food distribution which will ensure that the Yugoslav people are taken into consideration and that the aid given is not monopolized by the Communist leaders, the all-powerful police, and the Yugoslav Army.

Second. Tito demands that unconditioned aid be given to him by the United States. The Communist leader has stressed in his speeches that he will not sacrifice his principles to gain aid from the west. Will the alternative find the United States sacrificing her principles by aiding substantially a Communist police state and, by this aid, enable it to stay in power and continue its ruthless control and persecution of 16,000,000 Yugoslavs, a small percentage of whom favor the Tito regime, whose elections, amounting to a farce, follow the Communist pattern?

Third. Let the United States be fully aware that to aid a Communist state is to aid a potential enemy who is vowed by principle to rise up and destroy all non-Communist nations when the moment is opportune. Nowhere has Tito denounced communism. He has been expelled by Stalin from the family of communism. If Tito has rejected Stalin, he has not rejected a founder of communism but only its major prophet. The communism of Tito is the communism of Marx and Lenin, the sworn enemies of Christian civilization and the western way of life; let it not be forgotten that Tito and his henchmen have been trained a la Russe. There is no such thing as good communism as opposed to bad communism, just as there is no such thing as good evil as opposed to bad evil. The national communism of Tito is founded on the doctrines of Marx and Lenin and kept in power by ruthless control and untold murders. Tito regards himself as the Communist par excellence. The national communism of Tito is dynamic and, being such, it must tend to spread and increase itself. This evil can increase itself only at the cost of a portion of Christian civilization.

Fourth. By giving Yugoslavia enough aid to make her independent of the east and the west even for 6 months, the United States is helping to keep in power a regime which is odious to 90 percent of the Yugoslav people. The Yugoslav people look to the United States as their only hope of salvation. The Yugoslav man on the street seeks something more than food; he seeks freedom from tyrants.

Fifth. Unconditioned substantial aid to Yugoslavia will be a great set-back to the cause of Christianity in this already persecuted country. The Yugoslav Communist regime will be ensconced in power. Will it not be sadly paradoxical to note that America, who depicts herself as the champion of international justice, and the ardent supporter of all those who would throw off tyranny will be largely instrumental, by its policy, in dealing a serious blow to the cause of Christianity in Yugoslavia and the cause of Christianity throughout the globe.

Sixth. It is well to point out that Tito as a loyal follower of communism is a devotee of Communist morality. A Yugoslav publication of 1950, quoting the words of Lenin, explains what is meant by Communist morality:

> Morality is that which serves to destroy the old society of exploitation and the union of all the workers building a new Communist society.

In other words, any means taken to destroy Christian civilization is morally good for the Communist. This, then, is the morality professed and practiced by Tito. Tito, as a follower of this morality, shot down American planes, took American lives in 1946, just at a time when millions in aid were pouring into his country, thus evoking the harsh words of then Acting Secretary of State Dean Acheson:

> These outrageous acts have been perpetrated by a government that professes to be a friendly nation.

There is no doubt that the Yugoslav nation is friendly to the United States, but the Tito regime has nothing but hatred for America. Who, then, shall be helped? The Yugoslav nation, by demanding concessions for the people? Or the Communist Government, who, because of their morality, can be counted on for nothing. To aid substantially the Yugoslav Communist regime without demanding concrete acts of good will on the part of the Government not only toward America but also toward its own people would be a drastic mistake. The word of a Communist amounts to nothing. They are masters of verbiage. Lenin himself said that words meant nothing for him; he was impressed only by action.

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Seventh. Responsible leaders of the United States, Members of Congress, into whose hands has been placed the commonweal of so many millions, are faced with a serious decision. The question at stake: Whether Yugoslavia, a Communist police state, should be given unconditioned aid, or whether substantial aid should be withheld if the Yugoslav Government is not willing to give freedom to its people. Will the Communists be forced to sacrifice their principles or will America be deluded into violating hers.

America was founded on Christian principles; her founding fathers were men who believed that the Christian way of life must be the sturdy support of the country. As long as tyranny exists any place on the globe the American way of life is faced with a threat. For America to foster tyranny—and that is what unconditioned aid to Yugoslavia would mean—would set a precedent which would result in the utter despair of millions of people in Eastern Europe and Asia who see in America the immovable Statue of Liberty and the unquenchable light of freedom. The task of America is clear; the decision may not be easy. The Tito Communist regime is not only un-Christian, it is anti-Christian; it is not only amoral, it is immoral; it is not only undemocratic, it is antidemocratic; it is not only un-American, it is anti-American. To sacrifice Christian principles so as to preserve the Communist principles of Tito is to betray the sacred trust placed in the hands of American lawmakers by the Christian, God-fearing, liberty-loving, anticommunistic American people. If the policy of the United States is built on the insecure groundwork of expediency, then the Yugoslav question poses a problem. If, as it is hoped, American policy is built on the unshakable foundation of Christianity, then, with God's help, the decision taken regarding aid to the Yugoslav Communist regime should afford no anxiety to Christendom.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment do now close.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I object. I have an amendment to the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. AUGUST H. ANDRESEN to the amendment offered by Mr. HESELTON: After the word "commodities" insert "at Government cost."

Mr. RICHARDS. Mr. Chairman, we will accept the gentleman's amendment to the amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and the amendment thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was agreed to.

Mr. RIBICOFF. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RIBICOFF: Page 2, after line 2, insert a new section as follows:

"Nothing in this act shall be interpreted as endorsing measures undertaken by the present government of Yugoslavia which suppress or destroy religious, political, and economic liberty; and the Yugoslav government shall be so notified when aid is furnished under this act."

Mr. RIBICOFF. Mr. Chairman, this amendment is being offered on behalf of the gentleman from Montana [Mr. MANSFIELD], the gentleman from New York [Mr. JAVITS], and myself.

I think it is time that we introduce a note of sanity into the present debate. Frankly, no bill that has come out of the Foreign Affairs Committee or before the House has been supported with as little enthusiasm as the measure before us today.

It is true that Tito is a Communist; Tito is a dictator. None of us approve Tito or what he stands for; neither do we condone nor do we approve the religious, civil, and political persecution that has taken place in Yugoslavia.

The purpose of this amendment is to point out to Yugoslavians the complete disapproval of their past conduct and what the American people think of this conduct.

But there is another matter which I think is important to bring to the attention of the House and something which was touched upon yesterday. It is so important for us to understand in the world today that we must be realistic.

Basically, the prime purpose of a nation's foreign policy, if it is to have any value, is to see to it that the nation itself survives and is strengthened. All of us understand the principles for which the United States of America stands, all of us believe in democracy and representative government and the great liberties that have made this country great. But no nation can achieve its ends in the world unless it also exercises power in the world, not power in the concept of naked aggression or indifference to the rights of other people, but power in itself for the purpose of achieving the ends for which that nation stands. A nation to exercise this power must be militarily strong, a nation to have this power must have alined with it other people. A nation such as America must make sure that those forces in this world that help strengthen the forces of the United States of America receive the assistance of this Nation. Keep in mind that the nation which travels alone travels on a road of tragedy. It is understood, and we must understand, that the main purpose of Russia's imperialism is to isolate the United States of America either in peace or at war, to place the United States of America in the position where 150,000,000 people must stand up against 2,150,000,000 other people in the world.

Mr. RICHARDS. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from South Carolina.

Mr. RICHARDS. May I say that I have no objection to the amendment, and I do not think any other member of the committee has any objection to his amendment.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. RIBICOFF. I yield to the gentleman from Ohio.

Mr. FEIGHAN. I am in hearty accord with the objectives of the amendment, but I believe also that our State Department should go further, as was expressed in my speech made earlier in the afternoon.

Mr. RIBICOFF. That has been the contention of our committee. In executive session of our committee we have urged upon the representatives of the State Department who are in charge of Yugoslavian affairs to make definite and strong representations of our disapproval of the tactics of Yugoslavia which have been against religion and the clergy. We have urged upon them to mitigate the punishment and to free various Catholic priests and bishops, the various elements of the Orthodox faith, as well as the Protestant clergy who are in the prisons of Yugoslavia. We told them that they cannot expect to come back to the people of this Nation and ask for assistance as long as they disregard those ideals and principles which the people of America hold so dear to themselves and the western philosophy.

We sincerely hope that because of the representations of the State Department and this Congress you will find a gradual change in the philosophy of the Yugoslavian Government. American after American tells us now when he goes to Yugoslavia that the attitude of the people of Yugoslavia is completely different from what it has been in previous years. They are opening up their nation to American newspapermen and American visitors. We are told that the American is appreciated and respected. I hope that because of this amendment the ends sought by the gentleman from Ohio, and I am sure every other Member of this House, will be attained and bring about a good and lasting influence in Yugoslavia.

Mr. JAVITS. Mr. Chairman, I rise in support of the pending amendment.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. May I ask the gentleman from New York if this section is the Connally amendment in the Senate?

Mr. JAVITS. This section is the McMahon amendment in the Senate.

Mr. NICHOLSON. It says that "nothing in this act shall be interpreted as endorsing the measures undertaken by the present Government of Yugoslavia."

Mr. JAVITS. Yes.

Mr. NICHOLSON. That we cannot do this if they destroy the religious, political, or economic liberties that we enjoy?

Mr. JAVITS. What it says is that nothing in the relief which we are giving shall be deemed in any way as condoning or endorsing what Yugoslavia is doing in respect to religious freedom.

Mr. NICHOLSON. And we tell Yugoslavia that these conditions that we pass here today are on the premise that we are telling Yugoslavia what to do?

Mr. JAVITS. If the gentleman will let me continue for a minute I think I can make that clear. As the gentleman from Connecticut has said, this amendment is offered also on the part of the gentleman from Montana [Mr. MANSFIELD], and myself.

I rise to add one further word. When I spoke on this bill yesterday I said that it can only be taken as a measure of economic warfare. If we were taking it as other than a form of economic warfare we would have to attach far more conditions than even contained in the amendment offered by the gentleman from Pennsylvania [Mr. FULTON]. What we are doing now in treating this measure as one of economic warfare, is to give the United States Government an opportunity to make this aid to Yugoslavia as useful to us in our struggle against the Communists as possible, and to make it as harmful to the Kremlin as possible.

But, that does not mean that we should not serve notice on Tito and the Yugoslav people of the fact that this in no way represents any abandonment or weakening of our demands for justice in Yugoslavia already made and reiterated. That it is necessary that religious freedom be assured in Yugoslavia by releasing religious prisoners, such as Archbishop Stepinac and the nuns and priests, who have been incarcerated; that we further give notice that Yugoslavia still has not done anything nearly like it ought to do in regard to the return of the thousands of Greek children abducted by the Communists. I have protested this strongly in the House before. The House itself passed a resolution of protest with respect to this situation upon the motion of the gentlewoman from Ohio [Mrs. BOLTON] and myself, only a few short months ago. I think it is extremely necessary that we do this, and while this bill is economic warfare and therefore we are not imposing as set conditions these matters, we should serve notice that it is not our intention to forego one single issue that we have expressed as demanding rectification and just treatment in Yugoslavia. What we can do here, is put forward a medium that will ultimately get us the very things that we are demanding because we are getting directly into a country, and a situation in Yugoslavia which was heretofore closed to us behind the iron curtain, and for the first time we get a chance to do something to assure our getting results on the issues of religious freedom and imprisoning of Archbishop Stepinac and other priests, the return of the Greek children, the status of United States citizens in Yugoslavia and Yugoslav relations with Greece and Austria and in Trieste.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Massachusetts.

Mr. NICHOLSON. I would like to ask if the State Department is going to tell Yugoslavia what is in this amendment.

Mr. JAVITS. The gentlemen will note that the amendment itself requires as part of this act, when we pass it, that the State Department do that very thing.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, in this booklet here in my hand on Yugoslavia, which must all be true because I received it from the Ambassador of Yugoslavia, it says on the page dealing with the constitution: "Freedom of speech, religion, press, and assembly, is guaranteed."

In committee I offered an amendment which would require measures to carry out those guaranties provided in the Constitution, but it was voted down. Instead, we have this amendment before us which is a new low in timidity, or something. On religious persecution we do not say "stop it"; we do not say "We do not like it"; but we attempt a kind of thought control by telling people of another nation what thoughts they must have about our actions. We say to Tito and the people over there, "You must not interpret this as being what it looks like, an endorsement of persecution." I will go along with it, but I wish to point out what a craven way this is for the great Republic of the United States to stand up for the fundamental freedoms.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from New Jersey.

Mr. CANFIELD. Could not this be called a flowers-and-candy amendment?

Mr. VORYS. Perhaps.

Mr. KUNKEL. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield to the gentleman from Pennsylvania.

Mr. KUNKEL. Is not this amendment a confession of inefficiency on our part?

Mr. VORYS. Well, you can call it what you want. I am going to vote for it. This is the nearest we can get to a mild hint, not a slap on the wrist, but a gentle touch on the shoulder, with reference to the persecution going on over there.

Mr. RICHARDS. Mr. Chairman, I ask unanimous consent that all debate on this section close in 3 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. MULTER].

Mr. MULTER. Mr. Chairman, I am supporting this amendment. I would like to see stronger language used. Much as I dislike to give aid or even simulated approval to any kind of totalitarianism, I feel constrained to vote for this bill. It represents a calculated risk as part of an over-all plan for self-preservation.

During the past year or two we have been told and we have had presented to us some evidence indicating that Yugoslavia has shown a growing inclination to cooperate with the western democracies, and particularly with our own United States. We have traveled a long way since 1946 when the relations between our country and Yugoslavia were so strained that they were on the verge of a complete rupture of diplomatic relations between the two countries.

During these 4 years we have patiently made repeated efforts to convince the people of Yugoslavia that the people of the United States are their friends. We have done that in the hope of veering Yugoslavia away from the orbit of Communist Moscow, and I believe that we have attained a certain measure of success in that direction. With a little more patience and endurance we may achieve final success, so that in the not-too-distant future the people of Yugoslavia will be fully and finally aligned with the free nations of the world.

It is for this reason that I support today the effort to extend aid to Yugoslavia at a time when aid is most needed. A friend in need is a friend indeed, is the way the old saying goes. I fervently hope that the people of Yugoslavia will not forget this outstretched hand that is coming to them from the United States at a time when across their immediate borders they see the outstretched rifles and bayonets of Russia's Communist armies in Bulgaria, Hungary, and Rumania.

Nevertheless, Mr. Chairman, I feel that it should not be a one-way street of all give and no return. Although I dislike to make such aid conditional or to use pressure because of the bad feelings such pressure tactics will arouse, I think we ought to make several things clear to Tito and to the people of Yugoslavia. I have in mind specifically two things:

First, the question of religious freedom in Yugoslavia. What concerns me a great deal—and, I believe, it concerns all of us who are seriously interested in the freedom to worship the faith in which we believe and whose tenets we practice—is the fact that, up until this time, Tito has made no effort to extend to the people of Yugoslavia the right of religious freedom, the right to worship their God in accordance with the dictates of their conscience.

The outstanding example is the case of Archbishop Stepinac, who has been imprisoned now for more than 4 years on trumped-up charges. The Stepinac incident is a tragic commentary on our times, due, to a large extent, to the godlessness of our age. This particular instance can be ascribed directly to a regime which refuses to recognize the meaning of religious freedom and seeks to eradicate all traces thereof. In the modern dictatorships, whether of the left or of the right, oppression is practiced against all who are loyal to their faith—against Catholics, against Protestants, and against Jews. No man with religion in his heart is immune from this persecution. No man who openly espouses his faith is able to avert the wrath of the dictators.

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Today, the leaders and the people of Yugoslavia find that they have been double-crossed by Moscow—as many other nations have discovered in recent years, and still more will discover in the future. They have turned to us anxiously seeking our friendship. Up to now their leaders have failed to learn the lesson of religious freedom.

Is it asking too much, when in our willingness to aid Yugoslavia we ask in return that its leaders extend to their own people a basic democratic concept—freedom from religious persecution?

The other question I wish to raise concerns human rights. When the declaration of human rights came up for a final vote in the General Assembly of the United Nations just 2 years ago in December 1948, it won the wholehearted approval of 48 member nations and 8 others abstained on that vote. Yugoslavia was one of the nations which abstained.

That was most regrettable. The declaration of human rights is recognized throughout most of the world as a goal toward which all nations must aspire. It is unique in human history because the rights it declares are applicable to all peoples everywhere on the face of the earth. Human rights are described as the substance of the "moral and intellectual solidarity of mankind." They are a necessary foundation of world peace and respect for justice, law, and order. Those rights belong to every individual, not because of race, nationality, or religion, but because he is a member of the human family.

I submit, Mr. Chairman, that the Government of Yugoslavia should at once declare its recognition and adherence to the declaration of human rights and to the principles enunciated in that historic document. Coming at this time, it would serve as a source of moral encouragement to the free nations of the world, it would enhance the prestige of Yugoslavia in the eyes of all freedom-loving peoples everywhere, and it would align Yugoslavia on the side of those forces who are fighting for human dignity and a decent approach to world-wide peace.

I believe that if we bring these matters to the attention of Yugoslavia's leaders in a forthright manner and in clear and unmistakable terms they will realize their true significance and their value for their own people, for us, and for the whole free world.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Connecticut [Mr. RIBICOFF].

The amendment was agreed to.

Mr. MANSFIELD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: On page 3, after line 2, insert a new section as follows:

"At the termination of each 3-month period after aid has been extended under this act the Secretary of State shall make a full and detailed report to the Congress. Said 3-month reports shall not be limited to but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this act; (2) information as to any developments in the attitude of Yugoslavia with respect to basic human rights."

Mr. MANSFIELD. Mr. Chairman, there is not much that needs to be said about this amendment. I am not the author of it. It is the second of the McMahon amendments which have already been adopted by the Senate. The first amendment, offered by my colleague, the gentleman from Connecticut [Mr. RIBICOFF] has already been approved by the House. I think this amendment gives us further safeguards in the consideration of this bill to the extent that the Congress must be furnished with a report every 3 months as to how the stipulations contained in this act are being carried out. I urge the House to give its approval to this amendment so that we may have a better and more frequent check on the administration of and the application of this measure.

Mr. TAURIELLO. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have been sitting here the past 2 days listening to the debate on this very important legislation and trying to get all the information necessary from the different Members of this House who have spoken in favor of or against the legislation. There have been some grave doubts in my mind as to whether or not I would support legislation of this kind, and whether it would be a grant or whether it would be a loan to Yugoslavia. I debated back and forth not knowing what course to follow. I finally took it upon myself to wire two men who I think are not only responsible in a particular city, but are looked upon as leaders in religious and civic affairs throughout the Nation. I asked them for their reaction to this type of legislation.

Much has been said about religious freedom in Yugoslavia, and that is one of the biggest questions that has been bothering me as far as this legislation is concerned.

I think it is only fair that the Members of this House should know what these two leaders of the Catholic Church said in answering my wire. One of them is the bishop of Buffalo, the Most Reverend Bishop John F. O'Hara, former president of Notre Dame University. The other is the auxiliary bishop, the Most Reverend Joseph Burke, of Buffalo. The telegrams are as follows:

BUFFALO, N. Y., *December 12, 1950.*
Congressman TAURIELLO,
Washington, D. C.:

On proposed aid to Yugoslavia I hope Congress will be guided by the law of charity. We don't want people to starve anywhere. We should give American supervision with our aid to make sure it will not be used to feed only Communists while anti-Communists starve. We should press our claim for the release from prison or from work camps of bishops, priests, and nuns whose only offense is recognizing God as the source of human rights as our forefathers did in the Declaration of Independence. We should also investigate the possibility of aiding with the rice crop from Formosa those parts of China that are now said to be suffering famine as a punishment for opposing communism.

Bishop JOHN F. O'HARA,
Bishop of Buffalo.

BUFFALO, N. Y., *December 13, 1950.*
Hon. A. TAURIELLO,
House of Representatives,
Washington, D. C.:

Favor grant to Yugoslavia under following conditions: If needed to avert famine but not for stockpiling; if distribution of grant is made under strict American supervision to insure no discrimination because of religious beliefs; if Tito will manifest spirit of American justice and humanitarianism by freeing political prisoners, especially Archbishop Stepinac.

Bishop BURKE of Buffalo.

I think this legislation specifically states this aid will only be given under the strictest kind of supervision by men sent there from this country.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. TAURIELLO. I yield.

Mr. CANFIELD. Does the gentleman now addressing the House think this legislation contains the guarantees that the bishops ask for in their telegrams which he has just read?

Mr. TAURIELLO. I think it does in spirit. I think if this grant or loan is made this Government will follow that spirit.

Mr. FULTON. Mr. Chairman, will the gentleman yield?

Mr. TAURIELLO. I yield.

Mr. FULTON. Did the gentleman vote for my amendment which put in those seven conditions which were in line with what the bishops had asked for?

Mr. TAURIELLO. Yes, I did; I supported the gentleman's amendment. I want to remind the gentleman from Pennsylvania I asked for a teller vote on his amendment and supported it.

Mr. Chairman, I believe the contents of these two telegrams I received from these eminent churchmen should help a great number of the Members of the committee to decide how they will vote on this important legislation.

As for myself, I hate communism and the very word, especially since I had the opportunity to visit Poland and Czechoslovakia last year with a select committee of Members of this House. I saw communism in operation there.

In supporting this legislation I am thinking in terms of what is best for the United States and what we can do to weaken the position of Russia. If we can pull nations away from Russia and to our side, then certainly we are doing what is best for the United States of America. We must take the lesser of two evils, and for all of these reasons I will support this legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Montana [Mr. MANSFIELD].

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. All or any portion of the funds made available under authority of this act may be transferred by the President to any department or agency of the executive branch of the Government to be expended for the purpose of this act. Funds so transferred may be expended under the authority of any provisions of law, not inconsistent with this act, applicable to the departments or agencies concerned, except that funds so transferred shall not be commingled with other funds of such departments or agencies and shall be accounted for separately.

SEC. 5. Local currency made available to the United States by Yugoslavia under the provisions of the agreement required by section 3 may be used for local currency administrative and operating expenses in Yugoslavia in connection with assistance provided by this act without charge against appropriated funds.

Mr. BONNER. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BONNER:

On page 3, line 18, strike out the figure "5" and insert in lieu thereof the figure "6."

On page 3, after line 18, insert a new section reading as follows:

"SEC. 5. At least 50 percent of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this act and transported on ocean vessels (computed separately for dry-bulk carriers and dry-cargo liners) shall be transported on United States flag commercial vessels at market rates for United States flag commercial vessels."

On page 3, line 19, strike out the figure "6" and insert in lieu thereof the figure "7."

Mr. VORYS. Mr. Chairman, I make the point of order that we have passed the section which the gentleman is attempting to amend.

Mr. BONNER. The gentleman is mistaken. The Clerk just finished reading section 5.

Mr. VORYS. I may be corrected by the chairman, but I understood the Clerk had passed that section.

The CHAIRMAN. The amendment may be inserted after section 5. Does the gentleman desire to insert the amendment after section 5?

Mr. BONNER. Mr. Chairman, I ask unanimous consent, then, to return to the end of section 4.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

Mr. VORYS. Mr. Chairman, reserving the right to object, I realize the futility of this, but because the gentleman from West Virginia, Judge KEE, and I have always opposed this attempt to make relief measures for foreigners into relief measures for the merchant marine, I am constrained to object. I will not aid in any way in getting this into this bill.

Mr. BONNER. Mr. Chairman, I offer the amendment as a new section after section 5, with the necessary changes.

The Clerk read as follows:

Amendment offered by Mr. BONNER: Page 3, after line 18, insert the following new section:

"At least 50 percent of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this act and transported on ocean vessels computed separately for dry-bulk carriers and dry cargo liners shall be transported on United States-flag commercial vessels at market rates for United States flag commercial vessels."

Mr. RICHARDS. Mr. Chairman, I am willing to accept the amendment.

The CHAIRMAN. The question is on the amendment.

The amendment was agreed to.

Mr. FULTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FULTON: Page 3, line 18, add a new subsection as follows:

"When the Government of Yugoslavia sells such relief supplies for local currency, (a) the amounts of such local currency shall be deposited by it in a special account; (b) such funds shall be used within such country with the approval of a duly authorized representative of the United States for relief and work-relief purposes."

Mr. FULTON. Mr. Chairman, I will explain this amendment shortly, and will not take the full time. This is what is known as the counterpart amendment. It is the provision that allows you to again use that money for relief purposes that the Yugoslav Government may collect for selling this produce in Yugoslavia. For example, this amendment requires when the Yugoslav Government sells this produce in Yugoslavia and collects local Yugoslavia currency, then that currency collected shall be put into a joint account, subject to the joint control of the Yugoslav Government and the United States representative, so that we shall then use it again for relief, and work-relief purposes.

If this amendment is not adopted, you are putting into the hands of the Yugoslav Government this money that it collects when it sells the produce in Yugoslavia, and that Government then uses it for any purpose it wants to. If you really want to use this money for further relief, and make the Yugoslav Government do likewise, on any proceeds it gets from the sale of this food in Yugoslavia, you should vote for this amendment and Yugoslavia will be able to use it subject to United States control. You will recall that under Public Law 84, which is the law that provided funds and relief for countries devastated by the war, we used just this sort of provision.

In addition to that, we used this provision for counterpart funds under ECA. It is our regular practice and the gentleman from Ohio [Mr. VORYS] will tell you it has been the practice. He and I believe, and many Democratic members of the Foreign Affairs Committee have likewise insisted that the money collected within those recipient countries on the sale of the produce provided, is used for the right purposes and not just thrown into the general support of a dictatorship government. This is a protection and a benefit to the good people of Yugoslavia.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. FULTON. I yield.

Mr. VORYS. Is not the gentleman's amendment closely patterned after the Fulbright amendment which was unanimously adopted in the Senate Foreign Affairs Committee and is now in the Senate bill?

Mr. FULTON. That is correct; it is along the same lines.

Mr. VORYS. It is not exactly the same, but similar in purpose.

Mr. FULTON. The only difference between this and the Fulbright amendment is that this is the form that the Congress has used consistently, and is the legislative language used for that purpose, while the Fulbright amendment is in new language and not tested by experience.

The CHAIRMAN. The time of the gentleman from Pennsylvania [Mr. FULTON] has expired.

Mr. RICHARDS. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this is one amendment that I am not going to agree to. It is the old counterpart proposition. It is, in fact, a part of the same proposition that was voted down awhile ago in the Vorys amendment. It envisions a long-range program just like UNRRA was, like ECA was and still is. If you want to make a long-range program out of this and set up counterpart funds, and imply to Yugoslavia that we are going to keep this up in years to come, go ahead and pass this amendment. Otherwise, vote it down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania.

The question was taken; and on a division (demanded by Mr. FULTON) there were—ayes 18, noes 69.

So the amendment was rejected.

Mr. VORYS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, so far as I know there are no other amendments pending.

There have been questions about the motion to recommit. I shall offer the motion to recommit and shall be able to qualify to offer it without qualification. I am opposed to this bill in the form in which it now is.

The motion to recommit will provide for a loan rather than for grants and will be in substantially the language of the Case substitute which was considered earlier in the day. There are slight changes, but the motion to recommit will provide for a loan such as we made to Spain, using practically the language out of the Spanish-loan provision.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. VORYS. I yield.

Mr. CASE of South Dakota. It does not change the provision that is now in the bill that the money comes out of the presently appropriated ECA funds?

Mr. VORYS. No; that provision has been adopted. My motion does not change the McCarran or Burleson amendment which is, of course, in the bill. The money will come out of ECA funds. But if the motion to recommit is adopted the assistance will be in the form of a loan.

Mr. GROSS. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. GROSS. Mr. Chairman, during the 2 days of debate on this measure to give additional millions of dollars of aid to Yugoslavia not a single member of the Foreign Affairs Committee or a single Member of this House has been able to cite a single assurance, much less a guaranty, that Dictator Tito will give definite and specific aid to the United States in time of need.

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Virtually every speaker in behalf of this measure has prefaced his or her remarks with an apology and an attempted disclaimer for supporting Tito, an avowed Communist, and the head of a government as dictatorial, ruthless, and brutal as there is in existence on this earth today.

The specious argument is made that somehow we can bribe or buy the friendship of this dictator; that this is another of those calculated risks upon which we must spend millions of dollars of the taxpayers' money.

This Republic was not built and it will not endure on the basis of bribed or purchased friendship. There is no such thing.

And I am one of those who are becoming nauseated by the use of this phrase, calculated risk. It is used whenever there is no adequate explanation for an action that is being taken. In the name of all that is fair and decent, how many more billions of dollars and how much more evil is to be committed in the name of calculated risk?

There are those who have attempted to say there is a food shortage emergency in Yugoslavia. The gentleman from Georgia [Mr. DAVIS] answered that argument in a well-documented statement earlier this afternoon. He offered facts and figures to show you that production of most of the major crops in Yugoslavia is from 70 to 100 percent of normal.

There are those supporting this measure who contend that Dictator Tito has "broken" with another dictator by the name of "Dear Old Joe" Stalin. Where is there any convincing evidence that there is more than a propaganda cleavage between these two? There is not a shred of evidence of a genuine rupture between Moscow and Belgrade.

Is there the slightest reason to believe that if real hatred existed between Tito and Stalin that the Yugoslav dictator would not have been put out of the way long ago? Have we forgotten the assassination of Trotsky in Mexico after he broke with Stalin? Have we forgotten that Masaryk, the Czechoslovakian patriot, died in a fall from a window after he publicly announced he would not betray his people and his country by cravenly becoming a puppet in the hands of the Communist regime in his native country?

Are we gullible enough to believe that Stalin and his hirelings could not arrange the exit of Tito and then, perhaps, hang his assassins and place him in the position of a martyr?

I say to you that I am wholly unconvinced that there has been a complete break between Tito and Stalin.

This bill represents another foreign fraud that is being perpetrated upon the American people by an administration that is steadily bringing this Republic to the brink of destruction.

I refuse to be a party to the support of human slavery in Yugoslavia and I refuse to support the Truman administration in its sordid deals and moral sell-outs to such international crooks as Tito.

Mr. COLMER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, we have had 2 days of debate on this very important measure. I think I should be the last person in the world to criticize the motives of anyone who differs with me on this matter, but I do want to give voice to one or two thoughts that are uppermost in my mind before this debate is finally closed. I think just as you do—that we are in a very deplorable condition as far as the world situation is concerned. I should not be presumptuous enough to undertake to say that I know the answers, but there are certain things that I do know in my own common sense and common judgment. Mistakes have been made. Some of you think it would be a mistake if we were to go through with this recommendation, but I call your attention to the fact that it would have been far better from our point of view if this matter had never been debated before the Congress than for it to be debated and then relief denied. I hold no brief for Tito any more than I hold a brief for Stalin. I hope I will not be too intemperate in my language when I say that I differ with some Members who talk about Tito as a Communist. I think Tito is the same type of Communist that Stalin is. They are both ruthless dictators; they are both political adventurers; they are both looking after themselves and using communism as a front to gain their own end.

Now, what are we up against here? We are up against the proposition of whether we are going to make a grant or a loan. It does not make any difference, for that matter, which it is, and I do not agree with the gentleman from Ohio on that. If we are going to do this, let us do it graciously and get everything we can out of it. You know as well as I know that you cannot satisfy yourself or your conscience, politically or otherwise, with the thought that you are going to make this a loan rather than a grant. You are not going to get it paid back, just like you are not going to get back these other millions.

I want to be very realistic about this thing, and I hope I may have the attention of these gentlemen over here for whatever my view may be worth. As I pointed out yesterday, this is a gamble, yes, but it is such a small gamble. There are many people who believe that Tito is on our side. There are some who believe he is not on our side. To the best of our knowledge and information to far he is not going along with the Kremlin.

We have an opportunity here. Somebody said we have already given them three or four hundred million dollars. For the comparatively small sum of $38,000,000, as I pointed out, the cost of a dozen modern bombers or the cost of 5 hours of World War II, we have an opportunity to hold what we have over there and to try to keep him on our side. I rather pride myself that my committee was among the first to advocate a firm policy of dealing with Stalin and I pointed out what we were up against 5½ years ago.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLMER. I ask unanimous consent to proceed for one additional minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. COLMER. Mr. Chairman, I took this floor during World War II and defended assistance to Stalin and to Russia in that crisis. I would do it again because we are up against a realistic proposition, now faced with a Communist world headed by Stalin, as we were faced then with a Fascist world headed by Hitler. Let us not get into any religious or any political or any other kind of motives about this problem. For if we lose out to Stalin, there will be no religion permitted here and there will be only one party here—the Communist party. It is purely a selfish proposition and, in my humble judgment the gamble is worth the taking. We are gambling with a comparatively small stake for the assistance of 32 Yugoslav divisions on our side against our and other free peoples' No. 1 enemy.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as the gentleman from Mississippi [Mr. COLMER] has so well stated, we are indeed in a deplorable condition so far as the world situation is concerned. The problem is how to deal with it so that we can save our country and freedom and Christian decency in the world. We can perhaps gain some help on how to decide the tough question of whether or not to aid the Yugoslavs and thereby aid their oppressor, Tito, by studying how we got where we are. I think the one miscalculation above all others which is responsible for the trouble we are in was this sort of faulty reasoning with regard to another Communist dictatorship, the Kremlin. The pseudo-syllogism went like this: We are fighting Hitler; we are a democracy. The Soviet Union is fighting Hitler; therefore, it is a democracy. That was the erroneous conclusion on which our Government based its whole postwar foreign policy. That is why we are in such peril.

I agree with the gentleman from Mississippi that it was proper for us to aid Stalin during the war. I do not have a single regret about the $11,000,000,000 lend-lease we gave to Soviet Russia as a war policy. It saved thousands of American lives. But it was a mistake to put our chips on Russian cooperation and friendship as a peace policy.

During the war we had two enemies in Europe. The first was Hitler, the second was the Kremlin. It was right to help the second enemy overcome the first. It was wrong to believe that because the Soviets were also fighting Hitler, they were therefore a peace-loving democracy and wanted the kind of world we want, and would cooperate with us to build that kind of a world.

Now we are in a situation where our first enemy is the Kremlin's conspiracy to conquer the world. The enemy is not communism as an economic theory or system, or communism in Yugoslavia. It is the world-wide armed Communist conspiracy dedicated to conquest of every

free people and with ourselves as its main target, because we are all that stands between it and victory. It merely uses communism as a weapon to confuse, mislead, and soften other peoples up preparatory to hitting them with armed violence from within as from without. Since our first enemy is the conspiracy directed from the Kremlin, our first concern must be to weaken that conspiracy. Surely no one believes that Tito is a friend of the kind of world we want any more than Stalin ever was. But Tito is not a threat to our security and Stalin's power is. Tito is not on our side but he is not on the side of our No. 1 enemy either.

Whatever weakens the conspiracy that threatens the survival of the United States helps us. To keep Yugoslavia independent weakens that conspiracy, therefore it is in our interest, in my judgment, to help him keep independent of and hostile to that conspiracy, thereby depriving it of Yugoslavia's potential strength and strategic location, and forcing Stalin to tie down part of forces in that area.

It is not a question trying to gain the favor of Tito or of making a friend out of him, as some have suggested. It is a question of making as much trouble as we can for our No. 1 enemy, Stalin's gang, and thereby reducing their threat to ourselves.

The question is not whether Tito deserves our aid. Of course he does not deserve our aid. The question is whether American boys deserve the better chance to survive, which keeping Tito in the right against Stalin may give them. In this bill we are not trying to buy a friend; that cannot be done. We are trying to make as much trouble as possible for our enemy in order to keep the main threat to our world as divided and weakened as possible. It is solely on the basis of this hard-headed concern for our own youth and our own country that I feel we ought to help keep independent a force, which no matter how undemocratic, is weakening Stalin's conspiracy which unless frustrated can lead to our own destruction. On this basis I believe the bill should be passed.

The Clerk read as follows:

SEC. 6. All or any part of the assistance provided hereunder shall be promptly terminated by the President—

(a) whenever he determines that (1) Yugoslavia is not complying fully with the undertakings in the agreement entered into under section 3 of this act, or is diverting from the purpose of this act assistance provided hereunder; or (2) because of changed conditions continuance of assistance is unnecessary or undesirable, or no longer consistent with the national interest or the foreign policy of the United States;

(b) whenever the Congress, by concurrent resolution of both Houses, finds termination is desirable.

Termination of assistance to Yugoslavia under this section shall include the termination of deliveries of all supplies scheduled under this act and not yet delivered.

With the following committee amendment:

Page 4, line 6, strike out "of both Houses."

The committee amendment was agreed to.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, no Member appreciates more than I do the thoughts that are running through the minds of each and every Member of the House. No matter how any Member may vote, I want them to know that I thoroughly respect the fine motives which prompt them to vote in accordance with their judgment. For 15 years I have vigorously fought communism in and out of the House of Representatives as well as prior to that, and I have a long line of speeches on other occasions testifying to that fact. The Foreign Agent Registration Act is the McCormack Act. The provisions of the Smith bill, under which the 11 Communists were indicted and convicted in New York, were first recommended by a special committee of which I was chairman. I said as long as 3 years ago that Russia was using communism, and the ideology of communism, as a smoke screen for imperialism taking over country after country, then following it up militarily, and ultimately aimed at the United States of America. I have condemned Tito, and I condemn him now.

At this time and in connection with this bill, I am thinking of the United States of America. That is my first interest. During World War II we were dealing with one devil, we were crossing the bridge with one devil, as my friend from Minnesota in other language well said a few minutes ago. We had to help one devil to lick the other devil. If we did not lick the first devil first we would not be seated here today facing the second devil, so to speak, not only descriptively but in expressing my thoughts in relation to Stalin.

Looking at it from the angle of the United States of America and our own national interest, the question is what should we do, not as a policy, not as a principle, but as a matter of expediency.

You and I and this generation of Americans are faced with one of the most trying periods not only in our constitutional history but in the known history of time. We are the guardians of the future. Whether we like it or not, and I wish it were otherwise, we are the guardians of the future, because what we do in these days will determine what the future will be not only for the world, maybe, but at least for the United States of America.

As an American I want to see my country strong as quickly as possible. I have repeatedly said on this floor and off this floor that there is one thing that Stalin and his gang respect, and that is what they fear. The only thing they fear is power greater than themselves. We have the potential power, and we had better develop it just as quickly as we can, not only for a future decent world but for our first job, the best interests of the United States. You and I of these days are and must make our contribution toward preserving the Union which we inherited and passing it on to future generations for their benefit.

As I view this situation, there are two aspects of it. There is the national interest of the United States, based upon expediency. I have publicly stated the only justification we have to deal with Tito is on the ground of expediency in the national interest of the United States, not "expediency" alone, but "expediency" in the national interest of the United States." The question is now whether or not this bill, as amended, is expedient in the national interest of our country.

The second reason is human charity, to which the bishops referred in their telegrams read by the gentleman from New York [Mr. TAURIELLO]. If millions of human beings were starving in China, even people subject to Mao, and there was a bill before this body to try to bring them relief from suffering, it would have to be a cold heart that would say "no," provided there were proper supervision by the American Government. I would agree that to give relief to be administered by a Communist leader would be a mistake, but if there were proper supervision by our Government, as a result of which we would be able to supervise the relief given the human beings, I think it would be a mighty good thing to do, and it would be in accordance with those principles that God himself has given to us, faith, hope, and charity, the greatest of which is charity.

The CHAIRMAN. The time of the gentleman from Masachusetts has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. In Yugoslavia at least 95 percent of the people believe in God, just as you and I and the other Members of this body do. Their only misfortune is that they were born over there and not here. If I were able to read the minds of the two bishops on the question of charity, I am strongly inclined to think that they had that very important message from Christ Himself running through their minds, that the greatest gift of all is the gift of charity.

Looking at it in the light of our own national interest, what follows? We have supervision. It is provided in the bill. It says, "to observe and supervise without restriction the distribution by Yugoslavia of commodities and other assistance made available under the authority of this act." Our policy of containment is over. We know that. This is a rapidly changing world. We have to adjust ourselves and think in the light of the practicalities and realities. Unfortunately we have to think in the light of expediency, too. That is the situation which confronts us.

Whatever policy of containment we had is over; that was scrapped in China, and crystallized in Korea. We have to make ourselves strong, and then still try to penetrate behind the iron curtain. Suppose Tito was tied up with Stalin. Assume that Stalin and Tito were embracing one another, and we are trying to get behind the iron curtain. We would spend much more than $38,000,000 if we could do anything in Yugoslavia to weaken those who dominate and control. It is not a question of what we like. We

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want the people of Yugoslavia to have their own form of government, freely selected. But they are not in the position to do that. I will agree that at least 90 percent of them are against Tito from the information I have received. But as between Stalin and Tito I think Tito represents to them the lesser of two evils. In the light of that situation, having in mind our own expediency in the national interest of the United States, what is the proper thing for us to do? It seems to me, with the world situation as it exists today, with the opportunity of our Government through its officials to go in there with that penetration, a great deal of good can come. If it is actual supervision as it should be, and I hope the Committee on Foreign Affairs, if this bill becomes law, will follow it up and see that it is actual supervision, a tremendous amount of good can come to us and to the national interests of our country and a tremendous amount of good can flow from it, from a world-wide angle.

Mr. SIMPSON of Pennsylvania. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. SIMPSON of Pennsylvania. How does he justify the encouragement and continuance of communism any place in the world?

Mr. McCORMACK. There is no justification of communism. This is not a justification. My position is not a justification of communism. I am surprised the gentleman should ask that question. He ought to know that.

Mr. SIMPSON of Pennsylvania. Does the gentleman think this bill will strengthen communism in Yugoslavia?

Mr. McCORMACK. This bill, as I see it, will help prevent Stalin from taking over Yugoslavia.

Mr. SIMPSON of Pennsylvania. Will it strengthen the continuance of communism in Yugoslavia?

Mr. McCORMACK. Let me ask you: What about the national interests of the United States?

Mr. SIMPSON of Pensylvania. I have asked the gentleman a question.

Mr. McCORMACK. Yes, and I have answered the question in the course of my remarks.

Mr. SIMPSON of Pennsylvania. Will the gentleman agree that this will strengthen communism in Yugoslavia?

Mr. McCORMACK. In my opinion, it will undermine it with American officials going over there and supervising and going in there freely, together with all of the amendments which have been adopted. I am confident it will tend to swing the leaders of that country more and more toward the Western World, and if not it will enable us to penetrate into Yugoslavia, and it is in the best interests of the United States of America and from the broad angle based upon expediency the passage of this bill is to the best interests of our country.

Every one of us are in complete agreement about the viciousness of the religious and civil persecutions that have gone on in Yugoslavia. Every one of us expects and shall demand that any relief given under this bill, if it passes, shall be given to all persons without regard to their religious or political convictions, and there shall be no discrimination in particular against non-Communists. Tito and his government will and should be watched very closely. I might say that, if he needs aid in the future, the granting of it by our Government will depend upon what Tito does during the next several months. A continuance of his persecutions will not be tolerated by us. He should release at once Archbishop Stepinac and the other Catholic priests, as well as the archbishop of the Greek Orthodox Church and the priests of his church who have been imprisoned, as well as the nuns, and permit religious freedom to again exist in Yugoslavia. He should also stop the collectivization of the farm lands of his country. He will have to do this from our angle; he should do it from his own angle. He ought to know now that Stalin will not deal with him; that Stalin will liquidate him if he can. He should realize that his future best interests lie with the Western World, and he should, and, so far as we are concerned, must make internal adjustments in Yugoslavia accordingly.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word, and I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, committee work prevented me yesterday from listening to the debate. It was my privilege, however, this morning to read the record of the debate that took place yesterday.

As I understand that debate, the argument that was made by those who advocated the adoption of this bill—and every one of the speakers, if I read correctly, apologized for supporting it—was that there are two "vicious," "murdering," "communistic" crooks in Europe—neither friendly to us—but we should hire one of them to fight and weaken the other, hoping both will eventually be destroyed.

The gentleman from Minnesota, Dr. JUDD, who made as logical and convincing an argument as I think can be made in support of this bill, followed that same line as did the remarks of the gentleman from Massachusetts [Mr. McCORMACK].

In theory, that argument may be sound, but practically it does not work out that way. We "hired" Stalin to fight Hitler, but we overaided him, and now he threatens our national security.

We have no assurance that Stalin and Tito will not come to terms; that both, being Communists, will not eventually turn on us.

The gentleman from Minnesota, Dr. JUDD, said that our first consideration should be for the youth of our land, the security of the Nation. The gentleman from Massachusetts [Mr. McCORMACK] said that our consideration—and I assume that he meant the same thing as the gentleman from Minnesota, Dr. JUDD—was for the future welfare of our Nation. Both were right. No thoughtful man can even consider any other objective.

We have spent billions upon billons of dollars in other countries in an effort to purchase friendship and military aid should there come a time of need. It is now apparent that, while the expenditure of those billions may have accomplished something, England has, even though it injured us, strengthened our enemies, continued to trade with Russia and China, made it easier for the Communists to kill our men.

There is neither in the United Nations nor in those nations which have subscribed to the Atlantic Pact, one single nation which will go all out for the United States of America. After all the sacrifices we have made—after thousands of our men have died in Korea—England, to save Hong Kong, would desert us in Asia, take into the UN an avowed enemy.

If we continue to follow the foreign policy which we have had for the last 10 years, is it not true that we will not only find ourselves committed to fight in world war III, but that we will be forced to carry the burden of that war; and if during that war our interests come in conflict with those of France or Britain, will they not desert us and leave us to stand alone?

If that be true, and that seems to be the opinion of our people, then is not the first question for us this: What prospect have we of winning world war III; of successfully waging that war not only all through Asia, but of going up into Russia, attempting to conquer Russia? Is it not enough that our wounded men have frozen and, because of the cold, died, in Korea? Must others be sent to follow that long, long trail into and through Siberia? Perhaps to lie unburied along the route followed by Napoleon's armies?

Shall our young men beat our their lives against the unsurmountable barriers of cold and hunger which have destroyed every army which ever went north into Russia?

Can we, if we stand alone—and mark well my words, we will, before the end is reached, stand alone—win world war III without destroying the Republic? That is the practical question. Can we win? If we win will we be a free nation? A nation of free people? To my mind it is a question that should be answered before we commit ourselves to follow along with this foreign policy which has given us this disaster in Korea; taken the lives of thousands of our men. A foreign policy which is calling, as the armed services called this morning, for 80,000 young men in January and another 80,000 in February, and which, comes the end, will take every physically and mentally qualified young man, except those required for production, into the armed services.

Is it not time that we count our young men, count our resources, and determine whether or not we should now go on into world war III and fight it, perhaps alone. Determine today, before we go further, whether we can in Asia and in Russia win a world-wide war?

Is it not about time, as the gentleman from Minnesota, Dr. JUDD, said, that we think about our youth; and, as the gen-

tleman from Massachusetts [Mr. McCORMACK] said, that we think about the security of the Republic?

Is it not about time that we consolidated our battle lines, and here in the Americas—take in South America, if you wish—build a defense which will prove to be effective against any nation or any combination of nations?

Is it not our duty to first think of, to first protect, the welfare of the United States of America? To think first of the Republic, its security?

I cannot go along with a policy which will involve us in a war which I do not believe we can win. I cannot go along with a war which will destroy the freedom of our people. A war which will leave us weak and exhausted, easy prey for a dictator. Let us get out of Korea, out of Asia, and, unless England, France, and Western Europe, not only profess to be willing to carry the brunt of the war but give concrete evidence of doing so, I would get out of Europe.

The welfare of my people, the security of the Republic, always has been, is now and always will be, my first concern. I owe allegiance to no other people, to no other nation—no, not even to that heterogeneous collection—United Nations—self-satisfied, ambitious world politicians, who, like leeches, have attached themselves to our Nation and, by forcing our people's sons, brothers, husbands, and fathers into this war, are sucking the lifeblood from our Republic.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McSWEENEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9853) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, pursuant to House Resolution 878, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. VORYS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. VORYS. I am, Mr. Speaker.

The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. VORYS moves to recommit H. R. 9853 to the Committee on Foreign Affairs with instructions to report it back forthwith with the following amendments:

"After section 2 insert a new section 3 as follows:

"'SEC. 3. Such assistance shall be extended on credit terms as provided in section III C2 of the Economic Cooperation Act of 1948 as amended, subject to the provisions of this act.'

"Renumber the following sections."

Mr. RICHARDS. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and on a division (demanded by Mr. VORYS) there were—ayes 76, noes 173.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. BURDICK. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 225, nays 142, not voting 62, as follows:

[Roll No. 295]

YEAS—225

Abbitt	Fugate	Mills
Abernethy	Gamble	Mitchell
Addonizio	Garmatz	Monroney
Allen, Calif.	Gary	Morgan
Allen, La.	Gathings	Morrison
Andrews	Gordon	Morton
Angell	Gore	Moulder
Aspinall	Gossett	Multer
Bailey	Granahan	Murdock
Barrett, Pa.	Granger	Murphy
Bates, Ky.	Grant	Murray, Tenn.
Battle	Gregory	Noland
Beall	Guill	Norblad
Beckworth	Hagen	Norton
Bennett, Fla.	Hale	O'Hara, Ill.
Bentsen	Hall,	O'Neill
Blatnik	Leonard W.	O'Sullivan
Boggs, La.	Hardy	Pace
Bolling	Harrison	Passman
Bolton, Ohio	Havenner	Patman
Bonner	Hays, Ark.	Patterson
Boykin	Hedrick	Perkins
Breen	Heller	Peterson
Brooks	Herlong	Phillips, Tenn.
Brown, Ga.	Heselton	Polk
Bryson	Hobbs	Preston
Buchanan	Holifield	Price
Buckley, N. Y.	Holmes	Priest
Burke	Hope	Rabaut
Burleson	Howell	Rains
Burnside	Huber	Ramsay
Burton	Jackson, Wash.	Redden
Byrne, N. Y.	Javits	Regan
Camp	Johnson	Rhodes
Cannon	Jones, Mo.	Ribicoff
Carnahan	Jones,	Richards
Carroll	Hamilton C.	Riehlman
Case, N. J.	Jones,	Rivers
Case, S. Dak.	Woodrow W.	Rodino
Celler	Judd	Roosevelt
Chelf	Karst	Sadlak
Christopher	Karsten	Sadowski
Chudoff	Kean	Sasscer
Cole, Kans.	Kearney	Scott, Hardie
Colmer	Keating	Scott,
Cooley	Kelly, N. Y.	Hugh D., Jr.
Cooper	Keough	Shelley
Corbett	Kilday	Sikes
Coudert	King	Sims
Davenport	Kirwan	Smathers
Davies, N. Y.	Klein	Smith, Va.
Davis, Tenn.	Lane	Spence
Dawson	Linehan	Staggers
Deane	Lucas	Steed
DeGraffenried	Lyle	Stigler
Denton	Lynch	Stockman
Dollinger	McCormack	Sullivan
Dolliver	McKinnon	Taurielio
Donohue	McMillan, S. C.	Taylor
Douglas	McSweeney	Thomas
Doyle	Mack, Ill.	Thompson
Durham	Mack, Wash.	Thornberry
Eberharter	Madden	Trimble
Elliott	Magee	Underwood
Engle, Calif.	Mahon	Vinson
Evins	Mansfield	Wadsworth
Feighan	Marsalis	Wagner
Fernandez	Marshall	Walsh
Fisher	Martin, Mass.	Walter
Flood	Merrow	Welch
Forand	Michener	Whittington
Ford	Miles	Wickersham
Frazier	Miller, Calif.	Wier
Wigglesworth	Wolverton	Young
Willis	Woodhouse	Zablocki
Wilson, Okla.	Woodruff	
Wilson, Tex.	Yates	

NAYS—142

Albert	Goodwin	Nicholson
Allen, Ill.	Graham	Norrell
Andersen,	Green	O'Brien, Mich.
H. Carl	Gross	O'Hara, Minn.
Anderson, Calif.	Gwinn	O'Konski
Andresen,	Hall,	Patten
August H.	Edwin Arthur	Philbin
Arends	Halleck	Phillips, Calif.
Auchincloss	Hand	Pickett
Barden	Harden	Potter
Baring	Harris	Poulson
Barrett, Wyo.	Harvey	Quinn
Bates, Mass.	Hays, Ohio	Rankin
Bennett, Mich.	Heffernan	Reed, Ill.
Bishop	Hill	Reed, N. Y.
Blackney	Hinshaw	Rees
Boggs, Del.	Hoeven	Robeson
Bolton, Md.	Hoffman, Ill.	Rogers, Fla.
Bosone	Hoffman, Mich.	Rogers, Mass.
Brown, Ohio	Horan	Rooney
Burdick	Hull	St. George
Byrnes, Wis.	Jackson, Calif.	Sanborn
Canfield	James	Saylor
Carlyle	Jenison	Secrest
Chiperfield	Jenkins	Shafer
Clemente	Jensen	Short
Clevenger	Jonas	Simpson, Ill.
Cotton	Kearns	Simpson, Pa.
Cox	Kelley, Pa.	Smith, Kans.
Crawford	Kilburn	Smith, Wis.
Cunningham	Kunkel	Stefan
Curtis	Lanham	Sutton
Dague	Latham	Taber
Davis, Ga.	LeCompte	Tackett
Davis, Wis.	LeFevre	Towe
Delaney	Lind	Velde
D'Ewart	Lovre	Vorys
Dondero	McConnell	Vursell
Doughton	McCulloch	Weichel
Ellsworth	McDonough	Wheeler
Elston	McGregor	White, Calif.
Fallon	McGuire	White, Idaho
Fellows	Marcantonio	Williams
Fenton	Martin, Iowa	Wilson, Ind.
Fulton	Mason	Winstead
Furcolo	Miller, Nebr.	Withrow
George	Morris	Wolcott
Gilmer	Murray, Wis.	
Golden	Nelson	

NOT VOTING—62

Biemiller	Jacobs	Poage
Bramblett	Jennings	Powell
Brehm	Jones, Ala.	Rich
Buckley, Ill.	Kee	Sabath
Cavalcante	Keefe	Scrivner
Chatham	Kennedy	Scudder
Chesney	Kerr	Sheppard
Cole, N. Y.	Kruse	Smith, Ohio
Combs	Larcade	Stanley
Crook	Lichtenwalter	Talle
Crosser	Lodge	Teague
Dingell	McCarthy	Tollefson
Eaton	McGrath	Van Zandt
Engel, Mich.	McMillen, Ill.	Werdel
Fogarty	Macy	Whitaker
Gavin	Miller, Md.	Whitten
Gillette	O'Brien, Ill.	Widnall
Gorski	O'Toole	Wood
Hare	Pfeifer,	
Hart	Joseph L.	
Hébert	Pfeiffer,	
Herter	William L.	
Irving	Plumley	

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Cole of New York for, with Mr. Smith of Ohio against.

Mr. Herter for, with Mr. Miller of Maryland against.

Mr. Eaton for, with Mr. Lichtenwalter against.

Mr. Poage for, with Mr. Werdel against.

Mr. Hébert for, with Mr. Jacobs against.

Mr. Kerr for, with Mr. Hare against.

Until further notice:

Mr. O'Toole with Mr. Macy.

Mr. Wood with Mr. Jennings.

Mr. Chatham with Mr. Van Zandt.

Mr. Gorski with Mr. Gavin.

Mr. Hart with Mr. Bramblett.

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Mr. Biemiller with Mr. Brehm.
Mr. Crook with Mr. Keefe.
Mr. Crosser with Mr. McMillen of Illinois.
Mr. Dingell with Mr. William L. Pfeiffer.
Mr. Whitten with Mr. Scrivner.
Mr. Whitaker with Mr. Scudder.
Mr. Fogarty with Mr. Rich.
Mr. Stanley with Mr. Gillette.
Mr. Teague with Mr. Talle.
Mr. Sabath with Mr. Plumley.
Mr. Powell with Mr. Tollefson.
Mr. Kee with Mr. Engel of Michigan.
Mr. McGrath with Mr. Widnall.

The result of the vote was announced as above recorded.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, and to strike out all after the enacting clause and insert in lieu thereof the provisions of H. R. 9853, as passed by the House.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. RICHARDS]?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That this act may be cited as the "Yugoslav Emergency Relief Assistance Act of 1950."

SEC. 2. The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Administration Act of 1948, as amended (Public Law 759, 81st Cong.), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this act.

SEC. 3. No assistance under authority of this act shall be made available nor shall any funds appropriated hereunder be expended until an agreement is entered into between Yugoslavia and the United States containing the following undertakings by Yugoslavia and any other undertakings the President may find desirable and appropriate:

(a) To give full and continuous publicity through the press, radio, and all other available media in Yugoslavia to the assistance furnished by the United States.

(b) To permit persons designated by the Government of the United States to observe without restriction the distribution of commodities and other assistance made available under the authority of this act, and to the extent necessary for this purpose to permit full freedom of movement of such persons within Yugoslavia and full access to communication facilities.

(c) To make equitable distribution to the people of Yugoslavia of the commodities made available under this act without discrimination as to race, color, or political or religious belief.

(d) To make available to the Government of the United States local currency in amounts required by it to meet its local currency administrative and operating expenses in Yugoslavia in connection with assistance to Yugoslavia.

(e) Whenever relief supplies furnished under this act are sold for local currency by the Government of Yugoslavia, to use an equivalent amount of such currency to provide relief to needy persons and to children, and for charitable, medical, and such other purposes as may be mutually agreed upon.

SEC. 4. All or any portion of the funds made available under authority of this act may be transferred by the President to any Department or agency of the executive branch of the Government to be expended for the purpose of this act. Funds so transferred may be expended under the authority of any provisions of law not inconsistent with this act applicable to the departments or agencies concerned.

SEC. 5. At least 50 percent of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this act and transported on ocean vessels (computed separately for dry bulk carriers, dry cargo liners and tankers) shall be transported on United States flag commercial vessels at market rates for United States flag commercial vessels if available.

SEC. 6. Local currency made available to the United States by Yugoslavia under the provisions of the agreement required by section 3 of this act may be used for local currency administrative and operating expenses in Yugoslavia in connection with assistance provided by this act without charge against appropriated funds.

SEC. 7. All or any part of the assistance provided under this act shall be promptly terminated by the President—

(a) whenever he determines that (1) Yugoslavia is not complying fully with the undertakings in the agreement entered into under section 3 of this act, or is diverting from the purpose of this act assistance provided hereunder; or (2) because of changed conditions, continuance of assistance is unnecessary or undesirable, or no longer consistent with the national interest or the foreign policy of the United States;

(b) whenever the Congress, by concurrent resolution of both Houses, finds termination is desirable.

Termination of assistance to Yugoslavia under this section shall include the termination of deliveries of all supplies scheduled under this act and not yet delivered.

SEC. 8. Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

SEC. 9. At the termination of each 3-month period after aid has been extended under this act the Secretary of State shall make a full and detailed report to the Congress. Said 3-month reports shall not be limited to, but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this act; (2) information as to any developments in the attitude of Yugoslavia with respect to basic human rights.

Mr. RICHARDS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. RICHARDS: Strike out all after the enacting clause of the bill S. 4234 and insert in lieu thereof the provisions of H. R. 9853, as passed by the House, as follows: "That this act may be cited as the 'Yugoslav Emergency Relief Assistance Act of 1950.'

"Whereas the Government of Yugoslavia has urgently requested relief due to drought conditions, and has expressed an intention to conform to its obligations as a member nation of the United Nations.

"SEC. 2. The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended (Public Law 759, 81st Cong.), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this act.

"SEC. 3. No assistance under authority of this act shall be made available nor shall any funds appropriated hereunder be expended until an agreement is entered into between Yugoslavia and the United States containing the following undertakings, and any others the President may determine to be desirable, on the part of Yugoslavia:

"(a) To make available to the Government of the United States local currency in amounts required by it to meet its local currency administrative and operating expenses in Yugoslavia in connection with assistance supplied under this act.

"(b) To give full and continuous publicity through the press, radio, and all other available media in Yugoslavia to the assistance furnished by the United States; and to allow to the United States, in cooperation with Yugoslavia, the use of such media as may be required to accomplish this purpose.

"(c) To permit persons designated by the Government of the United States to observe and supervise without restriction the distribution by Yugoslavia of commodities and other assistance made available under the authority of this act, and to the extent necessary for this purpose to permit full freedom of movement of such persons within Yugoslavia and full access to communication and information facilities.

"(d) To make equitable distribution to the people in Yugoslavia of the commodities made available under this act, as well as similar commodities produced locally or imported from outside sources, without discrimination as to race or political or religious belief.

"(e) To take all necessary actions to reduce its relief needs, to encourage increased production and distribution of foodstuffs within Yugoslavia and to lessen the danger of similar future emergencies.

"SEC. 4. All of the funds made available under authority of this act shall be utilized to the fullest practicable extent in the purchase of the commodities from the surplus commodities at Government cost in the possession of the Commodity Credit Corporation.

"SEC. 5. Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

"SEC. 6. At the termination of each 3-month period after aid has been extended under this act the Secretary of State shall make a full and detailed report to the Congress. Said 3-month reports shall not be limited to, but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this act; (2) information as to any developments in the attitude of Yugoslavia with respect to basic human rights.

"SEC. 7. All or any portion of the funds made available under authority of this act may be transferred by the President to any department or agency of the executive branch of the Government to be expended for the purpose of this act. Funds so transferred may be expended under the authority of any provisions of law, not inconsistent with this act, applicable to the departments or agencies concerned, except that funds so transferred shall not be commingled with other funds of such departments or agencies and shall be accounted for separately.

"SEC. 8. Local currency made available to the United States by Yugoslavia under the provisions of the agreement required by section 3 may be used for local currency administrative and operating expenses in Yugoslavia in connection with assistance provided by this act without charge against appropriated funds.

"SEC. 9. At least 50 percent of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this act and transported on ocean vessels (computed separately for dry bulk carriers and dry cargo liners) shall be transported on United States flag commercial vessels at market rates for United States flag commercial vessels.

"SEC. 10. All or any part of the assistance provided hereunder shall be promptly terminated by the President—

"(a) whenever he determines that (1) Yugoslavia is not complying fully with the undertakings in the agreement entered into under section 3 of this act, or is diverting from the purpose of this act assistance provided hereunder; or (2) because of changed conditions, continuance of assistance is unnecessary or undesirable, or no longer consistent with the national interest or the foreign policy of the United States;

"(b) whenever the Congress, by concurrent resolution, finds termination is desirable.

"Termination of assistance to Yugoslavia under this section shall include the termination of deliveries of all supplies scheduled under this act and not yet delivered."

The amendment was agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The proceedings whereby the bill H. R. 9853 was passed were vacated, and the bill was laid on the table.

The SPEAKER. Without objection, the Clerk will be authorized to correct section numbers.

There was no objection.

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill, S. 4234, together with a House amendment thereto, insist on the amendment of the House, and ask for a conference with the Senate.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Mr. RICHARDS, Mrs. DOUGLAS, Mr. MANSFIELD, Mr. EATON, and Mr. VORYS.

GENERAL LEAVE TO EXTEND

Mr. RICHARDS. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the Yugoslav Emergency Relief Assistance Act of 1950.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

HEARING ON REAPPORTIONMENT TUESDAY, DECEMBER 19, 10 A. M.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to proceed for one-half minute to make an announcement.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BYRNE of New York. Mr. Speaker, on Tuesday next, at 10 o'clock a. m. a subcommittee of the Committee on the Judiciary will hold a meeting in room 346, Old House Office Building, for the purpose of hearing Members of Congress who desire to be heard regarding reapportionment. We shall have very little time, of course, in this particular session for that matter; nevertheless, on Tuesday morning next at 10 o'clock the subcommittee will be there to hear all those Members who may wish to be heard on this very important matter.

SPECIAL ORDER GRANTED

Mr. BRYSON asked and was given permission to address the House for 30 minutes on tomorrow, Thursday, following the legislative business of the day and any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. PATTERSON asked and was given permission to extend his remarks and include a letter.

Mr. WIDNALL (at the request of Mr. CANFIELD) was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. JAVITS asked and was given permission to extend his remarks in two instances, and in each to include extraneous matter.

Mr. HESELTON asked and was given permission to revise and extend the remarks he made in the Committee of the Whole and to include copies of certain correspondence and tabulations.

Mr. PHILBIN asked and was given permission to extend his remarks in two instances.

Mr. KEOGH asked and was given permission to extend his remarks and include an article that appeared in the Brooklyn Barrister.

Mr. DELANEY asked and was given permission to extend his remarks and include an address by Dr. Joseph F. Thorning, associate editor of the Americas.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks and to include extraneous matter.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three separate instances and in each to include extraneous matter.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. HART (at the request of Mr. KLEIN), for today, on account of official business.

To Mr. O'TOOLE (at the request of Mr. DELANEY), for the balance of the week, on account of official business.

To Mr. WIDNALL (at the request of Mr. CANFIELD), indefinitely, on account of illness.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Thursday, December 14, 1950, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. SPENCE: Committee on Banking and Currency. H. R. 9902. A bill to grant succession to the War Damage Corporation; with amendment (Rept. No. 3186). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOLLIVER:

H. R. 9907. A bill to amend the act incorporating The American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion"; to the Committee on the Judiciary.

H. R. 9908. A bill to amend the act incorporating The American Legion so as to redefine eligibility for membership therein; to the Committee on the Judiciary.

By Mr. LECOMPTE:

H. R. 9909. A bill to amend the act incorporating The American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion"; to the Committee on the Judiciary.

H. R. 9910. A bill to amend the act incorporating The American Legion so as to redefine eligibility for membership therein; to the Committee on the Judiciary.

By Mr. RANKIN (by request):

H. R. 9911. A bill to authorize the payment by the Administrator of Veterans' Affairs of a gratuitous indemnity to survivors of members of the Armed Forces who die in active service, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BYRNES of Wisconsin:

H. R. 9912. A bill to limit the retroactive application of the income tax to employees of the United States working in the possessions or in the Canal Zone to October 1, 1950; to the Committee on Ways and Means.

By Mr. CURTIS:

H. R. 9913. A bill to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; to the Committee on Ways and Means.

By Mr. PRIEST:

H. R. 9914. A bill to amend the Public Health Service Act to authorize assistance to States and political subdivisions in the development and maintenance of local public health units, particularly in national defense areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. RANKIN (by request):

H. R. 9915. A bill to provide that the House of Representatives shall be composed of 450 Members, and for other purposes; to the Committee on the Judiciary.

By Mr. ZABLOCKI:

H. R. 9916. A bill to amend section 1700 (a) (1) of the Internal Revenue Code so as to restore the exemptions from admissions tax which applied during World War II with respect to members of the Armed Forces and to theaters operated on military installations; to the Committee on Ways and Means.

By Mr. CLEMENTE:

H. Res. 881. Resolution calling upon Attorney General and Postmaster General to investigate television service racket; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. WALTER introduced a bill (H. R. 9917) for the relief of Peter V. Bishop, which was referred to the Committee on the Judiciary.

SENATE

THURSDAY, DECEMBER 14, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou seeking shepherd of our souls, from the arid wastes of our own foolish and perverse ways lead us in green pastures and beside still waters. Deepen

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the wells from which our spiritual strength is drawn. Incline our hearts to keep Thy law, and in that law may we meditate day and night. May the meditations and convictions of the heart be mirrored in wise legislation for the Nation.

In the heat and burden of our swiftly ebbing day may we be the agents of Thy beneficent will for mankind, with honor unsullied, playing our part in the life of our times. With full purpose of heart, wherever we are called to stand in this epic hour, may we strike our blow for the truth of God and the freedom of man. We ask it in the Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, December 13, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Chaffee, one of its clerks, announced that the House had passed the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment; requested a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. RICHARDS, Mrs. DOUGLAS, Mr. MANSFIELD, Mr. EATON, and Mr. VORYS were appointed managers on the part of the House at the conference.

COMMITTEE MEETING DURING SENATE SESSION

On request of Mr. LUCAS, and by unanimous consent, the Committee on Public Works was authorized to sit during the session of the Senate today.

The PRESIDENT pro tempore. The Chair will take the liberty of asking unanimous consent that the Appropriations Committee be authorized to sit this afternoon. Without objection, it is so ordered.

ORDER FOR THE CALL OF THE CALENDAR TOMORROW

Mr. LUCAS. Mr. President, I ask unanimous consent that on tomorrow following a quorum call the calendar be called from the beginning for the consideration of unobjected-to bills.

The PRESIDENT pro tempore. Is there objection?

Mr. WHERRY. Mr. President, I inquire whether it is contemplated that all bills regardless of whether reports have been filed on them are included.

Mr. LUCAS. I cannot tell the Senator whether reports will be filed on all bills.

Mr. WHERRY. I have no objection, but I think it would be well if committees reporting bills would file reports on them.

Mr. LUCAS. If they can, they should do so.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. MALONE. Mr. President——

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I yield to the Senator from North Dakota.

Mr. LUCAS. Mr. President, I inquire who has the floor.

The PRESIDENT pro tempore. The Senator from Illinois has the floor.

EXECUTIVE SESSION

Mr. LUCAS. I merely want to finish what I have to say. In view of the fact that we have no business to transact today and no bill will be called up for consideration by the Senator from Illinois, I was hoping that we might, by unanimous consent, proceed to the consideration of executive business for a few moments and confirm nominations to which there is no objection and then return to legislative session. I make that request.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Illinois?

There being no objection, the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the calendar will be stated, beginning with new reports.

INTERSTATE COMMERCE COMMISSION

The Chief Clerk read the nomination of Hugh W. Cross, of Illinois, to be a member of the Interstate Commerce Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL TRADE COMMISSION—NOMINATION PASSED OVER

The Chief Clerk read the nomination of Stephen J. Spingarn, of New York, to be Federal Trade Commissioner.

Mr. WHERRY. Mr. President, I have been asked to have that nomination passed over temporarily.

The PRESIDENT pro tempore. Is there objection?

Mr. LUCAS. I have no objection.

The PRESIDENT pro tempore. The nomination will be passed over temporarily.

Mr. LUCAS. I hope, however, that whoever is objecting to the nomination will make a determination as to what he wants to do about it because I will be compelled, sooner or later, to move to take up the nomination.

UNITED STATES DISTRICT JUDGES

The Chief Clerk read the nomination of Walter M. Bastian, to be United States district judge for the District of Columbia.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of William F. Riley, of Iowa, to be United States district judge of the southern district of Iowa.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

NATIONAL SCIENCE FOUNDATION

The Chief Clerk proceeded to read the nominations of members of the National Science Board, National Science Foundation.

The PRESIDENT pro tempore. Without objection, the nominations of members of the National Science Board, the National Science Foundation, are confirmed en bloc.

The nominations confirmed en bloc are as follows:

For term expiring May 10, 1952:
Sophie Bledsoe Aberle, of New Mexico.
Chester I. Barnard, of New York.
Robert Percy Barnes, of the District of Columbia.
Detlev W. Bronk, of Maryland.
Gerty T. Cori, of Missouri.
Charles Dollard, of New York.
Robert F. Loeb, of New York.
Andrey A. Potter, of Indiana.
For term expiring May 10, 1954:
Lee A DuBridge, of California.
Donald H. McLaughlin, of California.
Edward L. Moreland, of Massachusetts.
Joseph C. Morris, of Louisiana.
Harold M. Morse, of New Jersey.
James A. Reyniers, of Indiana.
Elvin C. Stakman, of Minnesota.
P. H. Yancey, of Alabama.
For term expiring May 10, 1956:
James B. Conant, of Massachusetts.
John W. Davis, of West Virginia.
Edwin B. Fred, of Wisconsin.
Paul M. Gross, of North Carolina.
George D. Humphrey, of Wyoming.
O. W. Hyman, of Tennessee.
Frederick A. Middlebush, of Missouri.
Charles E. Wilson, of New York.

The PRESIDENT pro tempore. That completes the calendar.

PROGRAM FOR THE DAY

Mr. LUCAS. Mr. President, I stated a moment ago, and will restate for the benefit of those who may have come to the Chamber since, that there will be no business transacted today, and after the speeches have been made a recess will be taken until tomorrow.

I now yield the floor.

TRANSACTION OF MORNING BUSINESS

Mr. MALONE obtained the floor.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. MALONE. I am glad to yield.

Mr. WHERRY. Mr. President, inasmuch as the majority leader did not make the request, I ask unanimous consent that the Senator from Nevada be permitted to yield to Senators who wish to make insertions in the RECORD and to transact routine business, without losing his right to the floor.

The PRESIDENT pro tempore. Is there objection?

Mr. MALONE. I shall be very happy to yield for that purpose, if the Senator from North Dakota will defer his remarks for a few minutes.

Mr. LANGER. Certainly.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

MEMORIAL

The PRESIDENT pro tempore laid before the Senate a telegram in the nature of a memorial from James Rullcoski, faithful navigator, Knights of Columbus, Iron River, Mich., remonstrating against the enactment of legislation providing financial assistance in Yugoslavia, which was ordered to lie on the table.

ST. LAWRENCE SEAWAY—RESOLUTION OF FRATERNAL ORDER OF EAGLES

Mr. AIKEN. Mr. President, I present for appropriate reference, and ask unanimous consent to have printed in the RECORD, a resolution adopted by the Fraternal Order of Eagles at its 1950 convention, favoring the development of the St. Lawrence seaway.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

EAGLEDOM GOES ON RECORD

Following is the text of the resolution on the St. Lawrence seaway project adopted at the 1950 convention:

"Whereas a deep water ship channel from the Atlantic Ocean to the Great Lakes region, where a large share of the American armaments are produced, would be of great value to the national defense program; and

"Whereas the availability of high-grade ore deposits in Labrador and Quebec, combined with a deepened St. Lawrence waterway, would assure full-scale operation of the Central States steel industry; and

"Whereas an inland highway of commerce from the Atlantic Ocean to the ports of the Great Lakes would provide direct access by sea to the ports of the world for the industrial and agricultural heart of America and Canada; and

"Whereas the St. Lawrence power development would generate millions of kilowatts of electrical energy to stimulate the industrial development and economic welfare of the Northeastern States of the United States and the eastern Provinces of the Dominion of Canada; and

"Whereas the building of canals, locks, and dams around the unnavigable sections of the St. Lawrence River would expand and develop the national economies of the United States of America and Canada, thus benefiting all sections of the continent: Therefore be it

"*Resolved*, That the Fraternal Order of Eagles urges the Congress of the United States to approve the development, jointly with the Dominion of Canada, of the St. Lawrence waterway project."

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. O'MAHONEY, from the Committee on Interior and Insular Affairs:

H. R. 8821. A bill authorizing payment to certain States amounts withheld from grazing fees on public lands; without amendment (Rept. No. 2632).

By Mr. LUCAS, from the Committee on Finance:

H. R. 7932. A bill to amend section 2883 (d) of the Internal Revenue Code, as amended, by Public Law 448, Eighty-first Congress; without amendment (Rept. No. 2634).

By Mr. O'CONOR, from the Committee on Interstate and Foreign Commerce:

S. Res. 365. Resolution authorizing an investigation of the administration and enforcement by Government agencies of the export policies and control regulations of the United States; with an amendment; and, under the rule, referred to the Committee on Rules and Administration.

INVESTIGATION OF FUEL SUPPLIES IN NEW ENGLAND—REPORT OF A COMMITTEE (REPT. NO. 2633)

Mr. BENTON. Mr. President, from the Select Committee on Small Business, I submit, pursuant to Senate resolution 344, Eighty-first Congress, providing for an investigation of fuel supplies in New England, a report, and ask unanimous consent that it be printed.

The PRESIDENT pro tempore. Without objection, the report will be received and printed, as requested by the Senator from Connecticut.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MAGNUSON (for himself and Mr. JENNER):

S. 4254. A bill to redefine eligibility for membership in AMVETS (American Veterans of World War II); to the Committee on the Judiciary.

By Mr. LODGE:

S. 4255. A bill for the relief of Ritsuko Chojin; to the Committee on the Judiciary.

By Mr. IVES:

S. 4256. A bill for the relief of Mr. and Mrs. Frank N. W. Doodha; to the Committee on the Judiciary.

By Mr. RUSSELL (for himself and Mr. BRIDGES) (by request):

S. 4257. A bill to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

CONTINUATION OF INVESTIGATION OF FUEL RESERVES

Mr. O'MAHONEY submitted the following resolution (S. Res. 374), which was referred to the Committee on Rules and Administration:

Resolved, That the authority of the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, under Senate Resolution 239, Eighty-first Congress, agreed to August 15, 1950 (providing for a study and investigation of the fuel reserves and to formulate a fuel policy of the United States), is hereby continued through January 3, 1953.

ADDITIONAL REPORTS OF A COMMITTEE

By unanimous consent, the following additional reports of a committee were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

H. R. 9780. A bill providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence; without amendment (Rept. No. 2636).

By Mr. MAGNUSON, from the Committee on the Judiciary:

S. 4254. A bill to redefine eligibility for membership in AMVETS (American Veterans of World War II); without amendment (Rept. No. 2635).

A PLEA FOR NATIONAL UNITY—ADDRESS BY SENATOR LEHMAN

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an address in the nature of a plea for national unity, delivered by him at a dinner of the Democratic National Committee in New York City on December 12, 1950, which appears in the Appendix.]

INVESTIGATION OF ORGANIZED CRIME—STATEMENT BY SENATOR KEFAUVER

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a statement prepared by him calling attention to the assistance extended by the American Bar Association to the Special Committee To Investigate Organized Crime in Interstate Commerce, which appears in the Appendix.]

THE RUGGED PATH AHEAD—ADDRESS BY ERLE COCKE, JR.

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD an article entitled "The Rugged Path Ahead," taken from an address by Erle Cocke, Jr., national commander of the American Legion, before the Indianapolis Chamber of Commerce, which appears in the Appendix.]

THE UNITED STATES AIR FORCE IN KOREA—ARTICLE BY ANSEL E. TALBERT

[Mr. JOHNSTON of South Carolina asked and obtained leave to have printed in the RECORD an article regarding the United States Air Force in Korea, by Ansel E. Talbert, chief of the New York Herald Tribune Bureau in Tokyo, which appears in the Appendix.]

A SERIOUS HOUR IN THE NATION'S HISTORY—EDITORIAL BY GEORGE LANG

[Mr. HILL asked and obtained leave to have printed in the RECORD an editorial in the form of a letter to his fellow Rotarians, written by Dr. George Lang, professor of philosophy at the University of Alabama and district governor of rotary for the district of Alabama, which appears in the Appendix.]

THE ST. LAWRENCE SEAWAY—ARTICLE BY WALTER MONFRIED

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an article by Walter Monfried entitled "Seaway to the Midwest," published in the Eagles' national magazine for November 1950, which appears in the Appendix.]

MR. ACHESON'S TROUBLES—ARTICLE BY WALTER LIPPMANN

[Mr. THYE asked and obtained leave to have printed in the RECORD an article entitled "Mr. Acheson's Troubles," written by Walter Lippmann, and published in the Washington Post of December 14, 1950, which appears in the Appendix.]

CITIZENS' PENSIONS: AN AMERICAN PLAN—ARTICLE FROM THE NEW YORK HERALD TRIBUNE

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article by Emily C. Hammond entitled "Citizens' Pensions: An American Plan," published in the New York Herald Tribune September 30, 1950, which appears in the Appendix.]

THE TRUMAN-ATTLEE CONFERENCE—EDITORIAL FROM THE WASHINGTON DAILY NEWS

[Mr. WATKINS asked and obtained leave to have printed in the RECORD an editorial entitled "The People's Voice," published in the Washington Daily News of December 7, 1950, which appears in the Appendix.]

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FOREIGN POLICY OF THE UNITED STATES—COMMUNICATION FROM EMERSON-HOVEY POST, NO. 168, VETERANS OF FOREIGN WARS

[Mr. TOBEY asked and obtained consent to have printed in the RECORD a letter from Arlo I. Pierce, commander of Emerson-Hovey Post, No. 168, Veterans of Foreign Wars, of Portsmouth, N. H., with enclosed communication from the post to President Truman, which appears in the Appendix.]

FINANCIAL ASSISTANCE TO YUGOSLAVIA

The PRESIDENT pro tempore laid before the Senate the following amendment of the House of Representatives to the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, together with a message from the House insisting upon its amendment, and requesting a conference with the Senate thereon.

Resolved, That the bill from the Senate (S. 4234) entitled "An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia" do pass with the following amendment.

Strike out all after the enacting clause and insert:

"That this act may be cited as the 'Yugoslav Emergency Relief Assistance Act of 1950.'

"Whereas the Government of Yugoslavia has urgently requested relief due to drought conditions, and has expressed an intention to conform to its obligations as a member nation of the United Nations.

"SEC. 2. The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended (Public Law 759, 81st Cong.), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this act.

"SEC. 3. No assistance under authority of this act shall be made available nor shall any funds appropriated hereunder be expended until an agreement is entered into between Yugoslavia and the United States containing the following undertakings, and any others the President may determine to be desirable, on the part of Yugoslavia:

"(a) To make available to the Government of the United States local currency in amounts required by it to meet its local currency administrative and operating expenses in Yugoslavia in connection with assistance supplied under this act.

"(b) To give full and continuous publicity through the press, radio, and all other available media in Yugoslavia to the assistance furnished by the United States; and to allow to the United States, in cooperation with Yugoslavia, the use of such media as may be required to accomplish this purpose.

"(c) To permit persons designated by the Government of the United States to observe and supervise without restriction the distribution by Yugoslavia of commodities and other assistance made available under the authority of this act, and to the extent necessary for this purpose to permit full freedom of movement of such persons within Yugoslavia and full access to communication and information facilities.

"(d) To make equitable distribution to the people in Yugoslavia of the commodities made available under this act, as well as similar commodities produced locally or imported from outside sources, without discrimination as to race or political or religious belief.

"(e) To take all necesary actions to reduce its relief needs, to encourage increased production and distribution of foodstuffs within Yugoslavia and to lessen the danger of similar future emergencies.

"SEC. 4. All of the funds made available under authority of this act shall be utilized to the fullest practicable extent in the purchase of the commodities from the surplus commodities at Government cost in the possession of the Commodity Credit Corporation.

"SEC. 5. Nothing in this act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

"SEC. 6. At the termination of each 3-month period after aid has been extended under this act the Secretary of State shall make a full and detailed report to the Congress. Said 3-month reports shall not be limited to, but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this act; (2) information as to any development in the attitude of Yugoslavia with respect to basic human rights.

"SEC. 7. All or any portion of the funds made available under authority of this act may be transferred by the President to any department or agency of the executive branch of the Government to be expended for the purpose of this act. Funds so transferred may be expended under the authority of any provisions of law, not inconsistent with this act, applicable to the departments or agencies concerned, except that funds so transferred shall not be commingled with other funds of such departments or agencies and shall be accounted for separately.

"SEC. 8. Local currency made available to the United States by Yugoslavia under the provisions of the agreement required by section 3 may be used for local currency administrative and operating expenses in Yugoslavia in connection with assistance provided by this act without charge against appropriated funds.

"SEC. 9. At least 50 percent of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this act and transported on ocean vessels (computed separately for dry bulk carriers and dry cargo liners) shall be transported on United States flag commercial vessels at market rates for United States flag commercial vessels.

"SEC. 10. All or any part of the assistance provided hereunder shall be promptly terminated by the President—

"(a) whenever he determines that (1) Yugoslavia is not complying fully with the undertakings in the agreement entered into under section 3 of this act, or is diverting from the purpose of this act assistance provided hereunder; or (2) because of changed conditions, continuance of assistance is unnecessary or undesirable, or no longer consistent with the national interest or the foreign policy of the United States;

"(b) whenever the Congress, by concurrent resolution, finds termination is desirable.

"Termination of assistance to Yugoslavia under this section shall include the termination of deliveries of all supplies scheduled under this act and not yet delivered."

Mr. CONNALLY. Mr. President, I move that the Senate disagree to the amendment of the House of Representatives; agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to, and the President pro tempore appointed Mr. CONNALLY, Mr. MCMAHON, Mr. FULBRIGHT, Mr. WILEY, and Mr. SMITH of New Jersey, conferees on the part of the Senate.

ORDER FOR RECESS UNTIL TOMORROW

Mr. LUCAS. Mr. President, I ask unanimous consent that when the Senate concludes its business this afternoon it stand in recess until tomorrow at 12 o'clock.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

PRESIDENT RENNER, OF AUSTRIA

Mr. LANGER. Mr. President, this is the eightieth birthday of one of Europe's most far-sighted and most courageous statesmen, Dr. Karl Renner, President of the Republic of Austria.

The son of a small farmer, Dr. Renner worked his way up to become Austria's first citizen and to play a leading role in the eventful history of his country. His political career encompasses not less than 50 years, during which time Dr. Renner witnessed his country's transformation from a world power of 50,000,000 inhabitants to a small nation of 7,000,000. He was elected to the Austrian Parliament in 1907 during the reign of Emperor Franz Joseph. In 1918 Dr. Renner headed, as Chancelor, the first government of the new Austrian Republic, and again in 1945 after the Nazis were driven out of Austria it was Dr. Renner to whom the Austrian people turned in their moment of great need and in their desire to rebuild their war-shattered country. Vienna at that time was occupied by the Soviet Union exclusively, and the Western Powers had a hard enough time to assume their position as co-occupants of the Austrian capital.

It was in this atmosphere of want and of fear that Dr. Renner, heading Austria's first and provisional postwar government, had to lay the foundation upon which a sound and democratic nation could be rebuilt. It would have been easy and almost natural for a man of lesser stature to become the willing tool of the occupying Soviet commander. Yet Dr. Renner, with all the wisdom of his age and with the extraordinary experience gained in almost half a century of political life, stood his ground. In September 1945 the Western Powers finally succeeded in entering Vienna to share in the four-power occupation of the Austrian capital. Free and unfettered elections were held and a full-fledged Austrian Government came into power, and Dr. Karl Renner was unanimously elected President of his country. It is a tribute to Dr. Renner's courage and wisdom, displayed under most trying circumstances, that the legislation enacted by his provisional government could be accepted in full by the freely elected Austrian Parliament.

I would like to extend to President Renner sincere and warm greetings on his eightieth birthday, and I would like to congratulate him as one of Western Europe's great democratic statesmen for his outstanding contribution to the cause of democracy. May his courage and wisdom and may the courage of the small Austrian nation be soon rewarded by giving Austria peace and by returning to her her full freedom through the conclusion of her treaty of independence for which the Austrian Government has

striven so courageously during those last years.

THE OBJECTIVES OF OUR FOREIGN POLICY

IT IS THE TIME OF DECISION

Mr. MALONE. Mr. President, this is the time of decision. Let us start with the obvious conclusion that our real objectives are the ultimate security and safety of the United States of America.

THIS NATION NEVER DEFEATED

This Nation has never been defeated in a war—and there is no likelihood that it ever will be defeated if we maintain our economic strength and understand our objectives, bolstered by a definite foreign and domestic policy directed to that end.

Lincoln once said that "as a Nation we must live for all time or die by suicide."

Diplomatically, we have lost World War II. As usual we won the war but lost the peace.

THE SHIFTY SHADOWS OF ACHESON—YALTA, TEHRAN, AND POTSDAM

We have fumbled ourselves into a position of defending the self-interest of almost every nation in the world at the expense of our own. We have been soft-talked into apologizing that the appropriations passed on the floor of the Senate for the benefit of foreign nations, are not larger—and if someone inadvertently mentions our own best interests, he is immediately branded an isolationist.

The shifty shadows from Tehran and Yalta and Potsdam still play across our foreign policy. We have no accurate knowledge of the definite commitments made by our leaders at these conferences, except the vague, uncertain, and changing foreign programs that uphold the dead hand of colonialism and the selfish trade interests or military ambitions of other nations.

WE SUPPLY THE WEAPONS TO FIGHT AGAINST US

We are at war with the Chinese Communists—those agrarian reformers that our present Secretary of Defense discovered early in 1946 in China—while our so-called European allies are sending them the supplies and equipment they need to slaughter our badly outnumbered troops in Korea. These supplies and equipment are paid for through the Marshall plan countries of Europe by our own taxpayers, the parents of the boys being murdered.

Mr. President, I desire to refer to a dispatch in the Journal of Commerce, to show that this is nothing new. It was public information for many, many months—in fact, this has been going on for 3 years at least.

The dispatch was filed at Frankfurt, Germany, December 12, 1950, by the Associated Press. It adds up to the arming of Russia and the satellite countries by the 16 Marshall plan nations. The dispatch reads as follows:

SOVIET BLOC CONTINUES TO GET STRATEGIC ITEMS IN WESTERN EUROPE

FRANKFURT, December 12.—Highly strategic war materials are flowing behind the Soviet iron curtain from West Germany, and the western allies are powerless to stop them.

Such crucial articles as machine tools, ball bearings, optical supplies, steel tubing, and raw steel are being moved secretly into the Soviet satellite bloc.

Allied officials believe that much, or most, of this material finds its way directly to Russia.

ARMY SUPPLIES

It is authoritatively believed also that quantities of rolling stock purchased from United States Army surplus has been previously shipped to Soviet satellites for relay to Russia.

The western allies find themselves helpless. They have export licensing power only over certain specific strategic materials. The rest are licensed by the West German Government. It does not have the power or means to police the ultimate destination of purchased products.

Allied sources said they have no way of determining the exact amount of contraband that has gone to the Soviets. But we feel it was and is of sufficient quantity to make a substantial contribution to the Communist bloc's war potential, one source added.

Allied sources who declined to be identified explained how the East—at a time when United Nations are sorely upset in Korea, acquires vital materials from the West.

EXAMPLE CITED

A Ruhr firm, for example, exports steel to west Berlin buyers who ostensibly are legitimate. But after the steel reaches Berlin it disappears. The allies believe it is easily taken to east Berlin and from there shipped either directly to Russia, or to one of her satellites.

Officials said perhaps as much as $6,000,000 to $8,000,000 worth of steel has been illegally shipped to the East thus far in 1950.

Another source said a shipment of American lead which arrived in the Netherlands went down the Rhine to Switzerland. The lead then went on to Stetten, Poland. American officials were aware of the transaction but were unable to interfere. Switzerland, until yesterday, had no export controls and had become a favored spot for international speculators. The little nation's decision yesterday to impose export and import controls may close that avenue.

Initial receivers of contraband slipping under the iron curtain have been Poland, Hungary, and Czechoslovakia, Allied officials said, but they make no bones that they are convinced Russia ultimately gets the lion's share.

Recently the Allied High Commission asked West German Chancelor Konrad Adenauer to have his Government take steps to stop these movements of strategic materials to the East. Some officials say the Germans don't have adequate border police to halt the movement of contraband.

These are some of the ways, officials say, that illicit shipments are made:

Some contraband goes east under false papers. Other shipments are sold through Communist intermediaries who have set up dummy firms in West Germany. These are busy milking the strategic industries of the West German Republic.

These dummy firms are "fronts" for other intermediaries in Switzerland, Sweden, or the Netherlands whose job is to see that such shipments roll to Russia and its satellites.

Some authoritative quarters believe that at least a portion of United States Army surplus stocks have been sent to the East.

On this, too, their hands are all but tied.

THE NINETY-SIX TRADE TREATIES

Mr. President, beginning in March 1948 the junior Senator from Nevada started placing excerpts from foreign trade treaties in the CONGRESSIONAL RECORD which were in full force and effect. They were not contraband. They were open and aboveboard.

What did they include? They included trade in such materials as are mentioned in the dispatch which I have read—and also ball bearings, tool steel, tools to make this material, electrical equipment, heavy machinery of all kinds, locomotives, and other processed and manufactured equipment. Great Britain and the other 15 Marshall-plan countries have continued shipping such material up to the present time, and are still continuing it.

A list of 96 trade treaties was placed in the RECORD in January of this year. Several of them were reprinted in full, to show the type of material which was being shipped.

SHOULD SHOCK THE SENATE AND THE PEOPLE OF THIS NATION

The junior Senator from Nevada thought it would shock the Senate and the people of the country, but apparently they were not shocked. So now we find ourselves at war with Communist China. In our so-called police action in Korea we are fighting against the very weapons which were made from the material to which I have referred. These weapons were made from the tools shipped by our allies to Russia and Communist China through the 16 Marshall-plan countries in Europe, and through Hong Kong in China. And that trade is still taking place.

At this point, Mr. President, I ask unanimous consent to have inserted in the CONGRESSIONAL RECORD three newspaper clippings on this very subject.

The PRESIDING OFFICER. Without objection, it is so ordered.

[From the New York Times of November 22, 1950]

GERMANS TO RENEW EAST-WEST TRADE—SHIPMENTS DUE TO START THIS WEEK WHILE BOTH ZONES ARE STILL NEGOTIATING PACT

(By Kathleen McLaughlin)

BERLIN, November 21.—The resumption of shipments between Eastern and Western German concerns is in prospect at the end of this week although some weeks will probably elapse before signatures are affixed to a new reciprocal trade pact on which conferences are continuing here.

The mutually imperative requirements of both zones have dictated this premature implementation of the pending treaty according to a member of the western group of delegates.

The negotiations concerning a trade agreement to replace the one that expired last September were suspended October 1, when the East suddenly cut deliveries of electric current to west Berlin. They were resumed several days ago after adjustment of this controversy.

A study of the relative status of the two zones since the reopening of the talks confirms the contentions of the West regarding the imbalance of exchange on the side of the Eastern Germans. The present gap in shipments from East to West is approximately 10,000,000 trade units (each unit being equivalent to one West Deutsche mark, 23.8 cents).

On the other hand, the statement a few days ago by Otto Grotewohl, Minister-President of East Germany, that the West is in arrears to the extent of 50,000,000 units for which eastern concerns already have made advance payments is acknowledged by the western group to be accurate.

These advance payments, they explain, represent customary deposits on sizable orders for complicated machinery, such as dredges, which are not due for delivery for

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some months ahead. Such deals, however, are handled in a separate account and do not affect the balances shown in the clearing account.

On Thursday each side will submit lists of all items they wish to obtain under the pact, together with totals of quantities required. These compilations will become the basis of specifications to be included in the forthcoming agreement.

A spokesman for the West said that the prospectus was that negotiations would not be finished by the end of this year.

Josef Orlopp, chairman of the eastern group of delegates is eager to expand the scope of the clearing account to 1,000,000,000 trade units on each side. The western conferees doubt that the ultimate limit will reach that level.

One of the most critical factors in the current conferences concerns the restrictions imposed by eastern authorities on the free interchange of goods between the two zones. Satisfactory guaranties that the creeping blockade tactics employed up to now to interrupt the movement of trains, trucks, and barges to and from west Berlin will cease are being demanded by the West.

To insure that these conditions are met, the western group has established a subcommission that is meeting separately with eastern representatives. Successful termination of their assignment will be a prerequisite for the signing of the impending trade agreement by the western group.

[From the Washington Daily News of November 21, 1950]

TRADING WITH ENEMY

Scripps-Howard Reporter Jim G. Lucas, writing from the Far East, gives a striking account of heavy traffic in strategic materials between Red China and the British ports of Hong Kong and Singapore.

These are the high lights of Mr. Lucas' charges:

An estimated 75,000 tons of structural steel have been shipped to the Chinese Communists from Hong Kong in the last 2 months. The chairman of the Hong Kong Export Association boasts that "recently increased demands by the Chinese Communists for war and strategic supplies have expanded exports to China, and in consequence, prices for exportable goods have seen great improvement." Airplane parts, on the blacklist, are shipped as auto parts. Heavy shipments of rubber, tin, copper, and aluminum go to Red China from Singapore, even though Communist forces are a serious threat to Malaya.

"Some of that war material moves back into Malaya from China to equip and supply the Malayan Reds," Mr. Lucas writes.

A few hours after Mr. Lucas' account was published, Senator O'CONOR, of Maryland, charged that large quantities of sheet steel recently had been shipped to Communist China and Hong Kong from American ports. Senator O'CONOR based his charges on secret testimony made before an investigating subcommittee which he heads.

He said the steel sheets, some of which were tin-plated, were of a type considered second grade in this country. But he emphasized that the materials easily could be turned to war uses.

Senator O'CONOR has asked the Commerce Department to place the second-grade steel plates on its list of controlled exports and thus prevent additional shipments to the Chinese Reds. That should be done promptly.

As to the shipments of structural steel from Hong Kong and Singapore to the Chinese Communists, it should be made clear just what kind of understanding there is between the American and British Governments about such transactions.

If there is important traffic in war materials between Red China and Britain and this country, the State Department must know about it, in which case the remedy is here at home. If such business has been going on behind the State Department's back, then there are woeful deficiencies in our intelligence services.

Red China has been waging war against our forces in Korea since October 20, according to General MacArthur. A United Nations embargo should have been declared against Red China the moment that attack was confirmed and, in any event, should be declared now.

The troops fighting under the UN flag are entitled to that much consideration from the organization they are supporting. Our Government owes it to our own men at the front to see that they get it.

[From the Washington Daily News of November 20, 1950]

THINGS LOOK UP IN HONG KONG—RED CHINA GETS BRITISH STEEL

(By Jim G. Lucas)

TAIPEH, November 20.—An estimated 75,000 tons of structural steel has been shipped into Red China from Hong Kong in the last 2 months.

The bulk of it was bought in England and other Western European countries. Very little of it comes from the United States.

When a London newspaper charged recently that the British Crown Colony was Red China's principal supplier of war goods, Hong Kong professed to be indignant. But a reputable businessman assures me he has seen bills of lading for 35,000 tons of steel shipped into Red China from Hong Kong in a 3-week period of last month.

The British colony's attitude toward Red China is difficult for Americans to understand. Last week the Hong Kong Standard carried a long interview with Yuen Kingsang, chairman of the Hong Kong Export Association.

IMPROVEMENT

Mr. Yuen was complaining that the Nationalist blockade of Red China ports had "brought about a decline of Hong Kong's export activities." But he added: "Recently increased demands by the Chinese Communists for war and strategic supplies * * * expanded exports to China, and in consequence prices for exportable goods have seen great improvement."

However, Mr. Yuen's optimism was under control. He admitted it was too early to say that "a turn for the better" in export business was in sight.

Recently another Hong Kong newspaper editorially remarked that the fact Chinese Communists were killing British soldiers in North Korea had no bearing on England's recognition of Red China. The fact was irrelevant, the paper said, because the Tommies weren't in Korea under the British flag. They were fighting—and losing their lives as United Nations troops, the editorial pointed out.

A FARCE

Hong Kong maintains a positive blacklist of several thousand items which can't be sold to Red China. But it's farcical. Certain kinds of steel can't be shipped because they might be used to make arms. But structural steel is not on the list.

With China's reserves of manganese and other alloys it's not difficult to convert structural steel into a grade suitable for weapons.

Airplane parts are also on the blacklist, but a Hong Kong trader put it this way:

"What's to prevent plane parts from being declared as automobile parts, which aren't on the list? And as a practical measure, who's going to check them?"

Occasionally a shipment is stopped. One was halted in August, another in September. In both cases aircraft parts were listed as auto parts. They were confiscated. But this is an exception.

Portugal's colony, Macao, 40 miles from Hong Kong, is reported to be Red China's principal source of aviation gasoline, outside of Russia. Macao has no blacklist, and it's a simple matter to relay supplies into China.

BUSINESS IS BUSINESS

Singapore has no blacklist, either. Heavy shipments of rubber, tin, copper, and aluminum go to Red China from Singapore, well-informed commercial sources say, even though Communist forces are a serious threat to Malaya. Some of the war material moves back into Malaya from China to equip and supply the Malayan Reds.

Hong Kong, of course, has its side of the argument. The colony has always been a free port. It depends on trade with the mainland for its existence. There can be no doubt that a majority of Hong Kong's residents detest the Communists and are ashamed of their uncomfortable role. But they ask, What else can we do?

Most Hong Kongers are desperately afraid of offending the Communists and are almost servile in dealing with them. They accept unbelievable insults without protests. Recently John Keswick, managing director of the Jardine, Matheson & Co., trading firm at Shanghai, started back to Hong Kong with his wife. He was "invited" by Communist police to leave the ship a few minutes before sailing so that "some outstanding questions" could be checked.

MOST POLITE

A week later Mr. Keswick was permitted to sail, without explanation and without being questioned at all. When he arrived at Hong Kong he angrily insisted that nothing unusual had happened. He stressed that the Communist police were "most polite" in asking him to leave his ship. He said he was "not interfered with in any way."

Most arrivals from Shanghai refuse to talk in Hong Kong. One foreign trader told me his Shanghai manager was a prisoner in his own office on bread and water as a result of a labor dispute. The Hong Kong man said he had talked with his employee by telephone—with a Communist labor official listening in. "I wouldn't dare have said a word to jeopardize his safety," the trader said.

THE INSANE PRACTICE SHOULD BE STOPPED

Mr. MALONE. Is it not about time that we here, as representatives of the people, put a stop to this insane course of sending war materials and money to these countries only to find them selling munitions and materials with which to kill our boys?

Let us no longer listen to the voice of these internationalists who would not only have us give up our sovereignty, destroy our freedoms, but sacrifice our boys upon the battlefields of foreign countries.

Mr. President, my constituents and your constituents are demanding action on the part of you and me to put a stop to this insane policy and to oust from office those responsible for it.

WE CAN WIN WITH AN OBJECTIVE

The United States can win any war with any nation or group of nations under a definite foreign policy with our own ultimate safety as the objective.

Why are we fighting these wars? Because we must have concluded that we need to do so for our ultimate safety.

We have the resources; we have the know-how in the air-power and submarine fields; we have the technical manpower; and we have the will to win.

TWO WORLD WARS

Having a part in two World Wars, having watched our boys' terrific performance in both of them, it has made me sick at heart to witness for 4 years, from the floor of the United States Senate, our slow disintegration due to the complete absence of a definite foreign policy that made sense to anybody.

THE HELPLESS, JITTERY EXECUTIVE BRANCH AND UNITED NATIONS

Our American boys are in a bloody undeclared war with Communist China—160,000 of them against an estimated 1,000,000 Chinese troops—as a direct result of the President's declared "police action," later bolstered by the approval of the United Nations. The President immediately laid the entire affair in the lap of that body and then deliberately washed his hands of the entire job. No one wants to go to war with China. The Chinese have been our friends for many years. Unfortunately, the Chinese people today—thanks to our State Department—are under the complete control and domination of Moscow, and they must understand all of the implications. What we should do is to help Chiang Kai-shek and the forces in China that are opposed to our enemies in that country.

The United Nations proceeded to hold General MacArthur on the thirty-eighth parallel for a period of 10 days until the demoralized North Korean forces could regroup and the Chinese Communists come to their aid. The UN refused to allow MacArthur to fly planes across the Manchurian border in order to determine to what extent the Chinese were arming troops or to break up the Communist attack back of the lines. Now that great body of strategists has debated the question for 3 weeks while many of our units have suffered an admitted loss of up to 30 percent of their personnel without any idea of where they were going or what they were supposed to do, and with no reinforcements.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point in my remarks an article written by William Chapman, entitled "This Once-Proud Army—Haggard, Cold, in Rags," published in the New York Mirror of December 14, 1950.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Without objection, it is so ordered.

The article is as follows:

THIS ONCE-PROUD ARMY—HAGGARD, COLD, IN RAGS

(By William Chapman)

HUNGNAM, KOREA, December 11.—A transport heavily loaded with Allied troops and equipment is heading out into the Japan Sea today in the first phase of the United Nations Dunkirk-like evacuation of Northeast Korea.

I watched the Allies take Hamhung and Hungnam 2 months ago. And I watched them start out today. I stood on the main pier of this oriental port city, whipped by a bitter Siberian wind, and watched the transport sailing away.

Now there is no band to play stirring music for the troops, no cheers from the North Koreans who watch with inscrutable oriental eyes. There is only the chug of winch motors on the decks of the rust-flecked freighters and the scream of winch cables as they reel in another load of equipment for the hold.

It was different 2 months ago. I stood on a reviewing stand in Hamhung and watched troops of the South Korean Capital Division swing through in a victory parade and onward for the advance up the coast which carried them almost to the border of Russia.

I had watched them take Hamhung and Hungnam the night before. On that warm, sunny day there was no thought of retreat. The troops were swinging smartly through a canyon of welcoming banners and the civilians sent up a deafening chorus of cheers.

Maj. Gen. Kim Pak Il, commander of the South Korean First Corps, congratulated Brig. Gen. Songyon Chan of the Capital Division on a historic march of less than a month which had carried his men through the richest industrial area in Korea.

Now the dock area is covered with the mire of dirty snow, churning trucks and plodding feet, all po'- ting toward the flotilla of ships waiting in the harbor to take the U.' force away.

The mess is littered with empty ration cans and boxes of equipment scattered in the rush of retreat.

It is bitterly cold. The troops and civilians are dressed for warmth in tattered rags, in dirt-stained GI parkas, in ancient Mongolian mountain caps, in mud-coated overshoes.

The troops don't look sharp and confident. They don't smile. They are tired and cold and disgusted. Many are half sick with colds. They slog through the mud with their heads down and shoulders bent.

The South Koreans perhaps are the saddest sight as they wait their turn to board the ships. These are the same proud, cocky troops who marched smartly through on their way to Chongjin.

Now they only huddle in their parkas, their cockiness gone, their young faces immobile in the cold.

Mr. MALONE. Mr. President, the article which has just been printed in the RECORD was written at Hungnam, Korea, on December 11. I wish to read only a portion thereof, as follows:

A transport heavily loaded with allied troops and equipment is heading out into the Japan Sea today in the first phase of the United Nations Dunkirk-like evacuation of northeast Korea.

I watched the Allies take Hamhung and Hungnam 2 months ago. And I watched them start out today. I stood on the main pier of this oriental port city, whipped by a bitter Siberian wind, and watched the transports sailing away.

A PROFOUND DEBATE WAS IN PROGRESS

Mr. President, all that was going on while debate was proceeding in the United Nations as to whether they would permit MacArthur to use on the Manchurian border anything but his bare hands.

THE UNITED NATIONS

The United Nations, made up as it is of some of the countries who are directing the war against us in Korea and China, are the ones who direct the policies of our troops under MacArthur's leadership.

This organization, 10,000 miles away from the front, seems to believe that a war can be fought like a football game, with time out for them to call signals, regroup, and then stop the charge of the enemy troops on the line of scrimmage, which was represented by the Manchurian border. It took the UN 3 weeks to make the decision whether he could meet that line of scrimmage 2 feet or 2 miles beyond the border or wait for the instant of impact of the Communist hordes. The same was true on the thirty-eighth parallel.

When in the history of any country in the world was an army of that country forced to take directions of an organization made up in part of countries who were directing the war against it? Would our forefathers have stood for this? What happened to Benedict Arnold when he tried to betray our fighting forces?

EXECUTIVE BRANCH RESPONSIBLE FOR FOREIGN POLICY

The Constitution of the United States places the responsibility of fixing our foreign policy in the Executive branch of our Government—but since that branch has shown a complete and utter disregard for the best interests of our Nation it is high time that this body take cognizance of the floundering, helpless condition and come forward with definite constructive suggestions long overdue.

When national policies fail as disastrously as ours have failed, it is time to re-examine the whole process which got us into this predicament. Let us face the fact that we have come to a grave crisis—and then let us decide what must be done.

THE TIME OF DECISION

The American people have proved their resourcefulness. We can reach any reasonable objective we set for ourselves. Not only do we have the resources but we have the manpower to protect our reasonable objectives, we have the industrial production, capacity—and the know-how. In other words, we have the ability to win.

First, we must know where we are going, and why.

What, for instance, are we trying to do in Korea? American boys are dying there. For what purpose?

We must establish a definite foreign and domestic policy and know exactly what our objectives are.

If we take stock of our position and fix an intelligent foreign policy with the security and welfare of our people in mind—if, in other words, we fulfill our responsibility to the people we represent—we will come out of this crisis with flying colors.

But we cannot compromise with plans or deeds dangerous to our Nation. Are we going to temporize while our boys are being murdered in Korea, in this undeclared war being fought under the auspices of a super government other than our own? Recrimination is not going to solve our difficulties; however, neither will it be possible to solve them if we fail to recognize their causes.

Let us face it: We are in our present unhappy situation because we departed from concepts so ably set down in our Constitution. We abandoned principles adherence to which have caused this Nation to stand out above all others.

THE ABANDONMENT OF PRINCIPLES

The abandonment of principles has not been sudden, although it has taken place at a constantly increasing pace. Neither has it been done on the basis of considered decision of the people themselves. Some of our leaders have been

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charmed by strange medicine men into the use of temporary cure-alls which are foreign in origin and completely alien to our established form of government.

Some of these drugs seem to be habit-forming and to result in the loosening morals and an approach to degradation. This has been going on without the people's realizing what was happening to them.

PEOPLE AWAKENING TO THEIR PERIL

This is the time of decision. At this time of great crisis I feel more hopeful than I have dared to feel for some time—hopeful because the people are at last awakening to their peril, are becoming aware of its causes, and are showing definite signs of doing something about it. I suggest the following:

First. Forthwith stop assistance of every nature to Communist nations and to nations in any way assisting Russia or her satellites to consolidate Soviet gains and to prepare for world war III.

Second. Stop supporting colonial slavery in any form anywhere.

Third. Oppose with every means at our command the recognition of Communist China by the United Nations.

Fourth. Three suggested approaches to the war in Korea and Asia are as follows:

(a) We could do the obvious, namely, arm Chiang Kai-shek's nationalists and guerrillas to furnish the foot soldiers for the job. Then, under General MacArthur, we could make the most efficient use of our air power and our Navy, including submarines, to destroy the war-making power of Communist Korea and the aggressor Communist China troops.

(b) We could withdraw from Korea and could arm and equip Chiang Kai-shek's troops and let him do the job. It would require a longer time, but he would engage the Communist forces to the extent that it would be doubtful if they could harass us for a considerable time.

If the first two alternatives are not acceptable, we could (c) completely abandon Korea and China—with all of its possible consequences and repercussions.

We can then establish our first line of defense through Japan, Formosa, Okinawa, Guam, the Philippines, Indonesia, New Guinea, and Australia, using ground troops recruited from those countries.

(d) If all of these suggestions are discarded, then we can come home and defend the Western Hemisphere. We must be prepared to defend this continent in any case.

The one thing that we cannot do is to continue the present course of indecision and the nervous jittery attitude, and inactivity until our boys out there either are dead or have climbed aboard the ships.

Fifth. We should inform the governments of Europe which still maintain political and economic agreements with the Soviet Union that these should be terminated at the earliest possible date, as a prerequisite to the continued friendship and assistance of Europe by the United States.

Mr. President, the junior Senator from Nevada has brought up this question many times on the floor of the Senate.

NONAGGRESSION PACTS

On March 30, 1949, I inserted in the CONGRESSIONAL RECORD the full text of the two nonaggression pacts, with all of their military and economic clauses, which England and France, acting separately, have made with Russia. Those pacts are in good standing; there has never been an indication that they are to be canceled. They were good for 20 years from the date of agreement, and provision was made that considerable notice would be required in order that the participating countries might be released from them. No notice has ever been given that the participating nations are seeking termination of those pacts, which read startlingly like the North Atlantic Pact, and mean the same thing.

CAN TAKE THEIR CHOICE

Soon, I believe, a decision on the part of Europe must be made. As it stands now England and France will be able to swing either way, for they are signed up in both "leagues." Whoever seems to have the top spot at the time no doubt will be supported.

This is not the first time I have made this suggestion, but if necessary, loan such funds to private business in strategic areas without weakening our economy.

Sixth. Let us give no more money as gifts to any government. Make loans in the same manner, and under the same rules and regulations, that the RFC loans funds to private business in this country in times of stress. I would not give any money direct to foreign governments as such, and I would not lend taxpayers' funds to private business in a foreign country on less exacting terms than those on which the RFC would make loans to business concerns or private businessmen or GI's in the United States; and furthermore it is not necessary to do so.

BUSINESS AFRAID OF NATIONALIZATION

I do not wish to divert from my central theme; but I shall say that I have examined many of the industries in the Ruhr; in Birmingham, England; in France; in Greece; in Italy, and most of the European countries. A common remark of the businessmen there was that they did not want Marshall-plan money or Government money, but they wanted us to stay out of their hair. That was the expression used by a steel manufacturer in Birmingham, England, who planned a $12,000,000-improvement program—according to the then rate of exchange it meant about £4,000,000. I examined his plan and went over the construction with him. He was very proud of it. I asked where he got the money for it, and whether it came from the Bank of England. He said the money came from the local banks in Birmingham. I asked, "Do you not want some of the Marshall-plan money?"

He replied, "I just want them to keep out of my hair."

All private business there was afraid of nationalization, but they could not successfully fight it.

Seventh. Build as rapidly as possible a military force, spearheaded by an adequate submarine fleet and an air corps of whatever number of groups may be called for, and install radar equipment to protect the Western Hemisphere.

It will be remembered that in December 1947, or early in 1948, the President received the report of his air-policy commission. The Congress also received the report of a committee, which they had previously appointed. The two reports coincided; both reports contained the statement that the United States needed a 35,000-plane striking force which would cost $16,800,000,000, over a 5-year period to be effective in defense and offense.

What happened to that report? It was buried as is usual with reports not meeting the State Department's peculiar ideas of national defense.

When that report was made, I said on this floor, "Let us refer the report to the Armed Services Committee, and have them determine whether it makes sense. If it is found that the air force recommended in the report is what we need, let us build it." If we did that, then we would have sufficient money left over to lend private business in the areas which were important to our ultimate safety. However, those planes have never been built and no further mention of the report was ever made.

Eighth. If the European people will enlist in their own armies and will furnish the ground troops, then—and then only—serve notice on Russia that any move on Europe will be met with an aggressive aerial attack on their means of making war, using every means at our command to defeat their purpose of controlling Europe.

If the people in Europe will not enlist in their own armies, what can we do for them?

The suggestion has been made on the floor of the Senate that we send 20 or 30 divisions of American boys into Europe as bait, to persuade the people of Europe to enlist in their own armies. However, if we sent our boys over there, the European countries would find that they would need an additional 20 or 30 divisions of our American troops, as was the case in World War II, when our forces ultimately constituted approximately 70 percent of the Allied armed forces in Europe.

Ninth. In every possible way, protect and strengthen our national economy, while making all possible speed toward proper preparedness, guard well our national economy; stop wasting the hard-earned dollars of our taxpayers through Marshall-plan and other give-away schemes; and inaugurate a businesslike fiscal policy.

Tenth. Clean up our own Government—throw out the Communists, Communist associates, adherents to foreign ideologies, persons of abnormal moral weakness, and other dangerous security risks. The Armed Services Committees of the Congress should immediately institute a thorough investigation to determine why we are not prepared to fight a war, considering the huge annual expenditures for that purpose. Where did it go—and why is it not effective?

THE UNPREPARED HORDE

In spite of the amount of money which has been appropriated by the Congress

and made available, we are yet unable to fight a war with a relatively unprepared horde of Communist Chinese, who have little artillery and no air force, but yet they drive us out of Korea.

THE CHINESE-RUSSIAN MARKET

It may be known that Russia has continually held out to Germany—and this fact might have something to do with our difficulties there—that if the Germans would remain neutral or ally themselves with Russia, she—Germany—could furnish manufactured and processed material, such as raw steel, tools, ball bearings, optical supplies, steel tubing, and other manufactured materials, to Russia and to China. The greatest potential market in the world is the Chinese market, and it is being held out to the people of Germany that they can over the years furnish a vast amount of material to Russia, and also supply the entire Chinese area over the long years ahead.

PROTECTING OTHER NATIONS

Diplomatically we have lost World War II. The administration saw fit to use our part of the victory as a means of protecting the long-range interests of other nations. Our own interests, involving the security and well-being of our own people, were neglected and pushed aside as of no real consequence.

We had no empire nor were we building one. Once we were in the war we had but one real objective—to end it with victory. We told our fighting men that their sacrifices were not made to advance any nationalistic ambitions or goals for this country but for a continuance of the kind of country they wanted for themselves and their families.

But we did not tell them that they were the pawn pledges for the ambitions and goals of other countries.

Let us look at the United Nations.

WE HAVE BEEN INSULTED AND PUSHED AROUND

We have been insulted and pushed around by the Soviets ever since the organization of the United Nations. We continue to witness the degrading spectacle of our representatives in the United Nations being subjected to daily abuse by representatives of Russia, who is responsible for the war in Asia and its atrocities.

Let us go back for a moment.

UNITED NATIONS DOOMED TO LIFE OF INVALIDISM

At the Dumbarton Oaks Conference, the question of voting in the United Nations organization was left open. Obviously it was left open then because the time was not ripe for introducing the idea of the veto to permit Russia to control the organization; thus subsequent arrangements could be made to permit Russia the veto power. At Yalta, the yet unborn United Nations was doomed to a life of invalidism by Communists' insistence on the veto. It was there, too, that our President agreed to permit Russia three votes and the right to invade Manchuria, the bread basket of China. Alger Hiss was adviser to the President at Yalta.

Yes, we have lost every conference.

THE BERLIN AIRLIFT, MAJOR RETREAT

Too long we have used words, appeasement, and retreat, while our enemy constantly grew stronger, and our prestige declined in the eyes of the world.

Our men who flew the Berlin airlift are to be commended on doing a difficult task in a creditable manner, but the Berlin airlift was the first major retreat since Potsdam, and was made necessary by the action of State Department officials, such as Hiss and Wadleigh. The United States made an agreement giving full control of Berlin to the Russians, but reserving to ourselves no means of getting into or out of the area occupied by our troops and officials.

At Potsdam we made concessions to Russia including the isolation of our occupation forces in Berlin, where they are now surrounded by Communist armies. What chance will these brave men have when the blow falls, as it is bound to fall?

We have encouraged the enemy to believe that we would continue to follow the path of appeasement.

Talks with the Red China delegates, who are now in our country, while their armies continue to slaughter our loved ones in Korea, means some more of that encouragement that we have been extending to Moscow. The Red China envoys, together with the representatives of the nations which have recognized Red China have enjoyed the hospitality of Trygve Lie, the original choice of Russia for Secretary General of the United Nations. As a matter of fact, according to an Associated Press dispatch informing the world of it, they were all at his place the other night for dinner whooping it up for recognition of Communist China at a time when these serious battles are going on in Korea between Communist China and the United States.

ELEVEN-BILLION-DOLLAR LEND-LEASE TO RUSSIA

At the close of World War II, Russia, starving and bankrupt, was held up only by an infusion of $11,000,000,000 of lend-lease and other billions of relief and loans from the United States.

Russia's war on the United States and her allies has proceeded from one diplomatic victory to another. They have never lost a conference with us.

Right here in our own Government we have had people working against us. John Foster Dulles told a group of Senators that there was a clique in the State Department who thought that a dose of communism would be good for China.

OUR STATE DEPARTMENT—COMMUNIST AREAS

There is evidence that State Department officials have been advancing the cause of the Communists on a global scale. The Italian Foreign Minister, Count Carlo Sforza, told the Chamber of Deputies on November 10 that the Italian Government had been considering recognition of the Communist regime in China, and he indicated that the Italian attitude on that question had been influenced strongly by some alluring suggestions made to him by very responsible quarters during his trip to the United States last September.

These suggestions, he said, were that the Soviet Union would not veto Italy's admission to the United Nations if the United States and other member states would not veto the admission of Communist China.

ACHESON PROMISED TO GO ALONG WITH ENGLAND IN RECOGNIZING COMMUNIST CHINA

Mr. President, in September of 1949, while the monetary conference participated in by England, Canada, and the United States was being held at Washington, D. C., the junior Senator from Nevada stated that in his opinion the Secretary of State had promised to go along with England in the matter of admission of Communist China to the United Nations; and he has seen no reason yet to change his mind.

So Mr. Acheson held up the program because so many Senators on this floor seemed to have such violent objection to such a procedure. But when he attended the conference in Europe early this year and came back to ask for a joint meeting of the Members of the two Houses of the Congress of the United States, what did he say?

In a 1-hour speech, containing nothing which we had not heard a hundred times before, except for one sentence buried in the middle of the speech, he said, "We will not use the veto to prevent admission of Communist China to the U. N." This would lead to the recognition of Communist China by the United States, as I have forecast for some time. There is a great suspicion, Mr. President, that he is still working with England to bring about sufficient votes in the United Nations to recognize Communist China, with our representatives merely voting against it, and accepting it and then selling it later to our people.

Our foreign policy in Asia brought on our present trouble directly.

When General Marshall went to China in December 1945, to force the Chinese to accept the Communists in a coalition government, the Chinese Nationalist Government was at the height of its power. The Nationalists had surrounded 100,000 Communists near Canton and 70,000 near Hankow and had blocked off the rest from Manchuria.

GENERAL MARSHALL AND THE AMERICAN PERFORMERS

General Marshall pressured the Nationalists into withdrawing their forces and the Communists went north into Manchuria, where they obtained the wartime stock of Japanese arms and ammunition. The Nationalists even agreed to admit 13 Communists into a national council of 40, but the Communists demanded 14 which would have given them veto power, since a two-thirds vote was required for changes of policy. To force acceptance of this outrageous demand, General Marshall placed a 10 months' embargo against all shipments of arms and ammunition to the Nationalists.

CONFERENCE WITH GENERAL FU

Mr. President, the junior Senator from Nevada visited Peiping, China, in November 1948. He landed in a plane, without lights, at night, and a great Chinese general, General Fu, under Chiang Kai-shek, sent a car without lights and took

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the junior Senator from Nevada to his heavily-guarded camp for a 3-hour midnight conference.

He was a fine looking, efficient, tough general, broad between the eyes, bearing no decorations. He said, "I was defeated early in 1946, when General Marshall stopped the shipment of American ammunition for American guns previously furnished." He said, further, "The Communists can close the area from the harbor to Peking at any moment"—and they were afraid that might be done because of my visit there. He said, "I have kept the railroad from the harbor open, but they can close it at any time they wish to."

Mr. President, he said, without any emotion, "Unless I get substantial help within 30 or 60 days, I will be a prisoner of war." And, Mr. President, he was.

Mr. President, after Congress appropriated $125,000,000 for military equipment for China in April 1948, the State Department placed China on so low a priority that no shipments moved until October and then at prices approximately double their original cost and 15 or more times the prices charged Greece and Turkey.

If we now betray Chiang, one of our few friends of consequence in the Orient, to the enemy, free people everywhere will be asking themselves: "Who among us are next to be betrayed by the appeasers in Washington under the cloak of the United Nations?"

GOVERNMENT OFFICIALS SUPPORT DANGEROUS SECURITY RISKS

It may be remembered, Mr. President, that early this year the junior Senator from Nevada rose in the Senate and presented a resolution calling for an examination of the Communist infiltration and the dangerous security risks in the Department of Commerce, and he named one man, a Mr. Lee, formerly bearing another name, as a specific subject for investigation. What happened, Mr. President? We brought two of those persons to the surface, and, in the opinion of the junior Senator from Nevada, proved that they were dangerous security risks. The junior Senator from Nevada did not say they were Communists; he said they were dangerous security risks, and proved it.

Mr. Sawyer, the head of the Department of Commerce, peremptorily discharged both men, and the congressional investigation has not been continued since that time.

One of them took his medicine and went to New York, where he was almost immediately under indictment by a grand jury for the very thing of which he had been accused here. The other man refused to take his discharge. There is a loyalty board established in each of the departments. It is a very handy thing. The loyalty board had not cleared Mr. Lee, who has been under suspicion and investigation approximately half of his employed life.

POOR SECURITY RISK

But the board said it had not had sufficient evidence to prove him disloyal to the Government, which was the only cause for which they could recommend discharge. But it did have sufficient evidence to show that he was a very poor security risk.

On further insistence his own board held another hearing and found him guilty of disloyalty. Then, Mr. Sawyer, in a great display of front-page headlines, cleared him of disloyalty and then discharged him, so that he can now go back to any Government agency for reemployment. He probably has, by this time. We cannot check on all such persons among nearly 2,000,000 others.

GIFT OF CHIANG AND FORMOSA WILL NOT APPEASE RED CHINA

Mr. President, giving Czechoslovakia to Hitler did not appease Germany, nor will the gift of Chiang and Formosa to Red China appease the appetite of the Communist conspiracy.

For 9 years the State Department officials and their advisers told us that there was no connection between the Chinese Communists and the Russian Communists; that the former were just agrarian reformers, innocent peasants, not real Communists at all; that the movement was just an agrarian reform. Mr. Acheson and his coterie of pink intellectuals spent years in building State Department policy and American public opinion to support the theory that these were the leaders of China whom we should support.

Mr. Acheson helped build up and defend the pro-Communists whom Gen. Patrick J. Hurley, then Ambassador to China, sent home from China when he was sent there to represent this Government. It was Acheson and his young men in the State Department who forbade the American military mission to South Korea to do anything more than train the South Koreans to be defense policemen, the avowed reason for that being that they might possibly attack the North Korean Communists.

THE COMMUNIST CHINA AGGRESSORS

We came to the defense of the ill-equipped South Koreans, and now we are being thrown out of Korea by Communist China.

Mr. President, in that connection, I should like to have inserted in the RECORD at this point an Associated Press dispatch headed "Evacuation race on."

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

EVACUATION RACE ON—ALLIES TAKE TO SHIPS AS REDS CLOSE IN

TOKYO, December 14.—The 60,000-man UN army of Northeast Korea sped its withdrawal through choked Hungnam Harbor today under the menace of Chinese Reds massing in snow-covered hills nearby.

The Allies strove to clear the beachhead before the Communists—possibly 80,000 strong—can strike in force.

A few Reds in captured American uniforms made a light feeler attack on the perimeter yesterday but were quickly driven off.

The orderly evacuation began in secret 3 days ago. It will take several days to complete. Destination of the troops is a top secret.

Allied officers said they were confident that rear-guard troops, armed with artillery and mortars, could hold off the Chinese long enough to clear the port.

Picked troops from five divisions manned the beachhead perimeter. The line arched out in a 4-mile radius from Hungnam.

LAST TO FLY OUT

The plans included measures for taking out the rear-guard troops by air at the last moment.

The port of Hungnam was crammed. Huge booms lifted equipment and supplies aboard Victory and Liberty ships. What can't be taken out will be destroyed.

Landing craft chugged in and out day and night, carrying troops to big transports anchored at the harbor's outer rim.

Wounded men, who had first priority, already had been placed aboard hospital ships or were flown to Japan.

Allied planes circled overhead, alert for a Red attack from the ground or the air. Warships stood by.

Many Korean civilians in the beachhead were fearful of the Red horde they knew would soon swarm over them. An American officer said there were neither the ships nor the time to remove civilians.

All United States Tenth Corps units were reported safely within the beachhead.

Among them was the Seventeenth Regimental Combat Team of the United States Seventh Division. A week ago it was ordered to pull back from its positions on the Manchurian-Korean border.

Details of its 80-mile retreat were not available. It was the only American outfit to reach the Manchurian border.

Other units within the beachhead were the United States First Marine Division and Seventh Infantry Division elements who fought a bitter, 12-day trap-breaking action; the United States Third Infantry Division which held the beachhead and helped the trapped men escape; a few British Commandos; the Puerto Rican Sixty-fifth Regimental Combat Team; and elements of the South Korean Third and Capital Divisions, which had pulled back from positions only 40 miles from the Siberian border.

Some South Korean troops were taken out by ship far north of Hungnam.

Only patrol action occupied troops of the United States Eighth Army in western Korea, faced with the threat of a Communist assault that could possibly result in evacuation of that Allied force, too.

Hundreds of thousands of Reds were reported moving into positions in mountainous central Korea for a possible attack against the Eighth Army's right flank.

The Eighth was last reported maintaining a few positions north of the thirty-eighth parallel, which divides Red North from Republican South Korea, but its main location was south of that line.

The UN army of western Korea controls roads from Seoul to the ports of Inchon and Pusan. These would be needed should it have to pull out of Korea before the million-man Red army threatening it.

REFUGEE PROBLEM

Huge columns of southward migrating Korean civilians posed a problem for the Allies on both sides of the Korean Peninsula.

Troops of the Tenth Corps turned them away from the Hungnam perimeter whenever possible because there was strong possibility that Red fifth columnists would slip into the beachhead with refugees.

One column winding toward Seoul was reported to contain possibly 500,000 persons. The refugees were suffering heavy losses to the bitter cold and to hunger.

Allied fighter and bomber pilots reported killing 1,200 Reds yesterday in attacks on troop concentrations and supply lines in North Korea.

New F-84 Thunderjets killed 650 Communists at Sariwon, 39 miles south of the North Korean capital of Pyongyang.

Airfields around Pyongyang were blasted again by Allied bombers.

Mr. MALONE. Mr. President, it is a pitiful story, and the end is not yet.

THE DELAY WAS DEADLY

This same State Department group insisted that the United Nations forces be held up at the thirty-eighth parallel for more than a week, until the United Nations could at its leisure grant General MacArthur official authority to go beyond that point—a fact that gave the North Koreans an opportunity to regroup their forces, and provide costly resistance—costly in lives and treasure.

It is this group which dictates, at this minute, that the American forces must not fight the war as it ought to be fought—with the bombing of strategic targets behind the enemy lines, to paralyze their supplies and their reserves.

MR. ACHESON—AND CAPTORS

Public opinion mounts up, demanding that there be a clean-up of the State Department—that the gang of pro-Communists there, who have been protected and coddled and defended and covered up be swept out from top to bottom. I am not one of those who believe we should keep quiet about the mistakes of Mr. Acheson. It is our duty to call the attention of the public to what is wrong in our Government. We are not going to straighten out a deplorable situation by trying to ignore it.

Dismissal of Mr. Acheson is, of course, not the complete solution. His successor would be prisoner of the same forces that have brought us to the present disaster. It must be a complete clean-out. These men, who still sit in control and push the buttons that have brought tragedy and despair and death, said these Chinese Communists, who are slaughtering our boys, were just peasants—just agrarian reformers.

Mr. Marshall and his agrarian reformers.

THE DEMOBILIZATION BLUNDER

One of the most colossal blunders to go down in history was this Government's demobilization program after World War II.

We gave away practically every inch of ground so dearly gained by our boys; we created vacuums which invited the Soviets to move in.

The administration demolished a war machine that was second to none. That equipment and the skills of the capable military personnel today would have meant the difference between preparedness and our present unpreparedness.

And then, after destroying the accumulation of weapons and equipment, we compounded our errors by an appalling misuse of defense appropriations. Fifty billion dollars have been appropriated for our military since the close of World War II—and what is there to show for it?

We here in Congress wanted the best in preparedness; we voted appropriations for the best—and what did we get?

The junior Senator from Nevada joined with other Senators in the preceding Congress in voting the President sufficient appropriations for a 70-group Air Force, while the President said that 58 would be enough. Although the appropriation for the higher number was voted, the President did not construct even the 58-group Air Force.

The President now wants 80 air groups on paper—presumably to show to the "agrarian reformers" the blueprints. But it will take years to build an Air Force up after the scandalous demobilization plan.

At the end of World War II, it is reported, we sold 8,000 war planes, including B–24's and B–29's, for $8,000,000 on the firm condition that they be destroyed and baled, so they could be sold for scrap.

It is also reported that the purchaser sold the instruments with which these planes were equipped and the gasoline in the tanks for more money than he had paid for the entire lot.

We also sold A–26's—many for as low as $2,500 apiece—these fast-flying bombing planes that had cost us more than $1,000,000 each. There was a deliberate program of propaganda which brought this about and could easily have been instigated by subversive elements in our Government.

We destroyed the best weapons we had.

CONTAINMENT OF RUSSIA

Mr. President, the containment of Russia is another fallacy. Instead of adequate defense preparation, the President went all out for the so-called containment of Russia through the financial aiding of European countries; our money has been thrown away on the socialistic program of division of wealth—our wealth with the world.

The policy of containment was always unrealistic. What it amounted to was that Soviet Russia was to stay put. The United Nations said so. Our stipulations were that Russia was not to move into Iran, Greece, Turkey, or Germany.

That, of course, was not staying put. It left an enormous area of the earth's surface into which Soviet Russia could expand. And from the American standpoint, the areas left open were greater and more important than those closed to Russia.

Mr. President, you might as well try to contain a herd of Nevada range steers in a three-sided corral, than telling Russia to keep herself contained.

BLACKMAIL TO SOCIALIST NATIONS

The containment of Russia with Scotch tape and spit, and the paying of blackmail money to the nations of Europe has not worked. The folly of past actions has been demonstrated. It is high time for an effective approach to our defense problems.

Our foreign policy has been just one thing: a gigantic give-away program—without rhyme or reason—except that producers of heavy machinery and other fabricated goods in our country might maintain a superficial market abroad, and hold up a false prosperity financed by the United States Treasury through deficit financing.

And what has it gained us?

GOLD BOUGHT BY MARSHALL PLAN MONEY

We have given foreign nations so many dollars that they were apparently unable to make efficient use of all of them so they have been engaged during the period of the Marshall plan of using much of the Marshall-plan money to buy gold from our Treasury to the extent that our gold supply has been seriously depleted.

A WAR ECONOMY

One thing it has gained for us is that we now have a war economy. We have established free trade under the misnomer of a reciprocal trade and the minute we have peace in this country a flood of foreign goods, manufactured by the cheap labor of the world is immediately imported.

Immediately our people become unemployed. Mr. President, as Mr. Sawyer has said—and I agree with him—the war in Korea has cured our unemployment situation. However, it is a tough way to cure it. In June of this year five or six million men were unemployed in our country, and ten to twelve million were partially unemployed. Why? Because of this State Department foreign policy, meaning free trade.

With foreign goods coming in so fast that they were shutting down our glass factories, coal mines, textile factories, oil wells, and other industries it was the beginning of an economic nosedive.

Consequently, the only way we can exist is on a war economy. We declared a police action in late June, and in 60 days our boys are on the way to the front. War contracts were being handed out, and everyone is happy. It is all coming out of the United States Treasury as usual, however. It is the deficit financing principle. Mr. President, some not-far-distant day it will all catch up with us.

RUSSIA'S AIMS

Of course that is exactly what Russia wants us to do. So we have another propaganda wave.

For nearly 5½ years the United States, under the direction of the State Department, has been pouring into foreign countries $36,500,000,000, plus $6,052,000,000 in military aid. It was to buy for us and the world, peace, and for us friendship—the kind of friendship that will take off its coat when we get into a fight.

The peace is fictional, as Korea has shown. As to the friendship these billions are supposed to have bought, that, too, is proving illusory—as all history proves that it would.

In Korea, the United States has 160,000 men fighting on the ground against the Communists. The Navy is employing 90,000 men in its part of the operation and the Air Force 25,000. The total for the United States is 275,000 men under General MacArthur.

All other nations of the world—recipients of the United States billions—have only sent in 20,000 men. Britain has sent 6,000 ground troops; France, 1,000.

AN AMERICAN FIGHT—WHILE THE UN LOOKS ON

So far, the fight for peace and a free world is almost solely an American one—both as to dollars and as to men—while the UN and other nations look on and pass resolutions.

We can replace the dollars but not these men—many of whom would have become natural leaders in science and industry 10 years hence.

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SOVIETS DO NOT UNDERSTAND THE SUBTLE UN ACTION

I read from an article published in the New York Mirror on December 14, 1950. The article is entitled "Soviet Rejects Cease-Fire Bid." The United Nations finally got around, on December 14, to passing, by a 51 to 5 vote, a resolution asking the Soviets and the Communists to cease fire, but the Soviets rejected that vote. The article, by Mr. Seymour Stern, reads as follows:

SOVIET REJECTS CEASE-FIRE BID

(By Seymour Stern)

The 13-nation Arab-Asian cease-fire plan for Korea won the overwhelming support last night of the important United Nations Political Committee at Lake Success despite its rejection by the Soviet bloc. Without that support, however, the plan appeared doomed for cold storage.

The boys are still evacuating. They had been there 3 weeks waiting for this important vote, but the plan will be in cold storage without the five votes which the Soviets were able to get.

Continuing with the article:

Though Russia's Jacob Malik turned down the plan which would set up a three-man commission to negotiate a basis for peace, he announced just before the vote that the Chinese Communist "volunteers" would be withdrawn from Korea if the United Nations forces went home.

Malik's statement came as a surprise since his superior, Andrei Vishinsky, on Saturday had not included Communist China troops in his demand for withdrawal of foreign troops as a condition for peace talks.

WITHHOLD COMMENT

The full import of what appeared to be a Soviet concession was not made clear. Delegates from the western powers withheld comment, but their ringing 51–5 vote was formidable enough to show their strong desire to effect a settlement.

In fact, its passage seemed assured in the General Assembly today. However, if the position of the Red Chinese delegates is similar to that of the Soviets—which it almost certainly is—then the efforts of the three-man commission appointed by Assembly President Entezam would be fruitless.

Malik called the plan an attempt to give General MacArthur a breathing spell so he could reform his ranks and resume the offensive.

This brought home with heavy impact the belief among many delegates that Premier Stalin and not Mao Tse-tung has the final say-so in Korea.

ACCUSES UNITED STATES

Holding to his pattern of accusing America of aggression, Malik insisted on peace on his terms—

What are his terms?—

"The first condition for the restoration of peace is to put an end to American aggression against Korea and China, and, in fact, to put an end to the whole aggressive American policy in the Far East."

This was taken to mean that Malik was making a pitch for a package deal which would include surrender of Korea, Nationalist-held Formosa, and probably Indochina.

COMMUNIST CHINA DEMANDS

One of the things which has not come to light, and which was discussed in the United Nations, was the matter of the demand of Russia and Communist China that the United States pay reparations for all the men killed and the property destroyed in Korea, China, and elsewhere.

They did say, I am informed, that if the rest of the program were agreed to they might temporarily, at least, withdraw this demand.

The pitiful thing is that we are standing idly by, waiting for the UN to make up its mind. First there was a so-called police action, and then an attack by 1,000,000 men. We are standing by to see what the United Nations will allow the boys to do, with the Soviets having the veto power and participating in directing the fight from our side—and totally directing it from the Communist side. They are the people we are really fighting.

Mr. President, it is a great tragedy, but certainly under these auspices this is the most awful tragic thing that has ever happened to the United States in all history.

FIGHT ALMOST SOLELY OUR OWN

So far as the fight for peace and a free world is concerned, it is almost solely our own.

While the leathernecks and other ground troops are out there in the open, bitterly cold, mountainous country, suffering up to admitted 30 percent losses in reaching the get-away ships, the rocking-chair debaters in New York, after 3 weeks, passed a resolution telling the "agrarian Communists" to stop fighting. I suppose they telegraphed to the head of the Communist army to cease and desist. We are not informed as to that, but I suppose the farce would not be complete without that last touch. They might just as well have passed a resolution stopping the Dempsey-Firpo fight in the middle of the first round. That is how effective it would be.

Korea has shown that the Communists mean business. But beyond the United States, does the rest of the so-called freedom-loving world mean business—at least enough to fight? The United States cannot take on single-handedly the whole Communist world.

JUST WHO ARE OUR FRIENDS?

Will Britain help us? Whose side is Britain on, actually?

When Prime Minister Attlee and President Truman reported a meeting of minds on cooperation, what did they mean? Are we going to maintain the present Government of Brtain while it gives comfort and support to our enemy? Are we to wink an eye at England's selling war materials to Russia and her satellites while our boys are being killed with some of those war materials? Is the British stand on recognition of the Communist regime in China consistent with the Prime Minister's statement that the British flag will be found flying next to ours? How do some other nations feel about the conflict between east and west? Here is a dispatch from Cairo that should serve us as a warning.

I ask unanimous consent that part of this dispatch be printed as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

CAIRO CHEERS BID TO PLAY OFF EAST VERSUS WEST

CAIRO, EGYPT, December 12.—Parliament tonight applauded a deputy's proposal that Egypt make agreements with Communist-bloc nations and use these agreements to pry concessions from the western powers.

Soliman Abdel Fattah, a member of the ruling Wafdist Party, advanced the proposal. He spoke in debate on King Farouk's recent throne speech which asked that Britain withdraw her troops from the Suez Canal zone and get out of the Anglo-Egyptian Sudan.

Applause also had greeted an assertion by Wafdist Deputy Ibrahim Talaat Monday night that Egypt should recognize Communist China and establish an accord with "the Soviet Union and all eastern-bloc nations."

Government ministers joined in a general demonstration after Talaat spoke and his statements were displayed prominently today in Cairo newspapers.

Abdel Fattah also recommended diplomatic recognition of Red China. He said the Egyptian Government should "tear down the iron curtain which Britain has erected around Egypt."

"It should reach political, economic, and military agreements with the eastern bloc," he said. "These agreements with the other camp may stimulate the western bloc to give Egypt its demands (for withdrawal of the British).

"Britain and America are frightened whenever the eastern bloc is mentioned. Why shouldn't Egypt use agreements with the eastern bloc as bargaining points?"

Mr. MALONE. Now, let us face our present problem in Asia. There are several alternatives.

PROVEN FRIENDS

Many thoughtful Americans feel that we should take advantage of the offer of the troops of Nationalist China.

There are 500,000 anti-Communist Chinese troops in Formosa, which is a greater number than the combined total of the UN forces in Korea, the French forces in Indochina and the British forces in Hong Kong and Malaya. There are 1,600,000 anti-Communist guerrillas on the mainland of China.

It is believed that, if the remainder of the funds which Congress appropriated for military equipment for use "in the general area of China at the discretion of the President" are permitted to be used for this purpose in Formosa, and the Nationalists are permitted to aid the guerillas and attack the Communists, they can cut communications and involve the Reds to the extent of preventing them from sending large reinforcements to Korea or Indochina, and may ultimately drive the Reds out of China.

MAC ARTHUR HAMPERED FROM THE START

Our campaign in Korea has been hampered from the beginning. MacArthur has never been given a free hand by the United Nations. It could be that that is the way that some of our State Department personnel want it. General MacArthur should be freed from UN control or the troops removed from the area. The United Nations' method is murder—it is not war.

Our boys have been fighting in Korea under orders from the United Nations. Other nations have been deciding whether American boys should live or die. The business of running a military action from the debating tables of the United Nations organization already has reaped its whirlwind, and it is a whirlwind of death, tragedy, and despair.

WHAT IS OUR OBJECTIVE?

After all, where is our defense line? Apparently, the administration has not thought anything through. If the battle lines could be pushed back to the border of Manchuria again, what would this gain for us? What will those additional miles have earned for us? Are we then to go into Manchuria? And do we stay there forever if we go? Or do we retreat to the thirty-eighth parallel? If so, do we stay there forever? What is there that we do not know about our foreign policy that prevents an appraisal of withdrawing from Korea and supporting the armies of Chiang Kai-shek, or using Chiang Kai-shek's ground troops and utilizing our air power?

Korea is not the most important thing in the world to us. Korea is a peninsula off the coast of Asia which the Joint Chiefs of Staff long ago said was militarily untenable.

If we acknowledge Russia as the real, behind-the-scenes threat to our security, what are we gaining by charging at the cape instead of at the bullfighter who flaunts it?

ULTIMATE SAFETY OF THE UNITED STATES OF AMERICA

Perhaps a good appraisal of our position in Asia will force the definition of another problem: A clear statement of our line of defense. At the present time the only estimate of our defense lines that we can get is from analysis of the piecemeal requests for appropriations for one purpose or another in foreign lands, most of which seems to be prompted by the interest of some other nation or group. We must establish a line of defense before we can formulate a proper military program. And that line of defense must have one aim—the ultimate safety of our own country.

THE MONROE DOCTRINE PRINCIPLE

If we can defend the Western Hemisphere, let us say so and build the kind of military machine that can do the job. If we know what we have to do we can plan the kind of Air Force and Navy that will patrol whatever defense line we feel is required for our ultimate safety.

We could then plan the kind of land forces, air power, and submarine fleet that are of the right size and type to fight in places and under conditions predetermined by that policy. We could say to the rest of the world that here, at this point, is where trouble starts for anyone who tries to destroy us. It would be a continuation of the Monroe Doctrine, which has worked so well in the Western Hemisphere for 127 years.

If we are going to give arms aid to European countries, can we not demand that they relieve our troops of the burden of patrol duties on the borders of the very countries supposed to be our allies? They can furnish the foot soldiers necessary in their own areas. If it is impossible to predetermine our last political retreat in Europe, is it not equally impossible to try to anticipate that area in our military responsibilities?

THE ATOM BOMB

In terms of total war, at what point do we use the atom bomb? And do our enemies know what that point is? The American people do not. The Congress does not. How, then, can we plan world actions when we do not make clear even to ourselves where we stand in the world?

WE CANNOT DEFEND THE WHOLE WORLD

We cannot defend the whole world. We cannot even be sure that the world would welcome that defense. Russia may be the worst offender in seeking to extend its system of government, but she is not the only one.

Mr. President, at a time when England had become one of the greatest powers in the world, and when the subject under debate in the House of Commons was whether England was strong enough in herself to undertake the general redress of wrongs throughout the world, Gladstone wrote a letter to the Queen, in which he said:

> Is England so uplifted in strength above every other nation that she can with prudence advertise herself as ready to undertake the general redress of wrongs? Would not the consequence of such professions and promises be either the premature exhaustion of her means or a collapse in the day of performance? Is any power at this time of today warranted in assuming to itself this comprehensive obligation?

That is what Gladstone said on one of the very vital issues of the day during that period of history. And he said:

> England should keep entire in her own hands the means of estimating her own obligations upon the various states of facts as they arise. * * * That it is dangerous for her to assume alone an advanced, and therefore an isolated, position in regard to European controversies, that come what may it is better for her to promise too little than too much; that she should not encourage the weak, by giving expectations of aid, to resist the strong, but should rather seek to deter the strong, by firm but moderate language, from oppression of the weak; that she should seek to develop and mature the action of a common or public or European opinion, as the best standing bulwark against worry, but should beware of seeming to lay down the law of that opinion by her own authority, and thus running the risk of setting against her, and against right and justice that general sentiment which ought to be and generally would be amassed in their favor.

Whether in the jargon of our day this would be called isolationism or appeasement, I do not know. But a great empire was governed and a long peace was achieved when it was deemed honorable to be that prudent and that wise.

I have been called an isolationist by total, one-world internationalists. I want to make my position crystal clear. I am for America as Churchill is for England; then I am a constructive internationalist.

I have been deeply concerned with the reckless dissipation of our taxpayers' money on all kinds of wild schemes in foreign lands.

I am for cooperation with foreign governments, but cooperation must be a two-way street, and that is what I shall continue to insist upon to the best of my ability upon the Senate floor.

I believe in fairness and honor and integrity between nations as between individuals. If that be isolationism, then make the most of it.

We are using the most powerful industrial machine in the world to build up the industrial might of nations that will not stand firm against our potential enemy.

RUSSIA SWEEP OVER EUROPE

Mr. President, no one doubts the ability of Russia to sweep over Europe in record time. One of the great and outstanding generals of France said, when the arming of the Atlantic Pact nations was under discussion in the Senate, that such arming would require at least $100,000,000,000 and 10 years time to make it effective.

Mr. President, Russia knows she can buy the products of the industrial plants we are building in Europe. She is doing so at this time to arm herself and her satellites, Communist China, and the Eastern European nations. She knows there is no reason for her to overrun Western Europe so long as she can purchase her needed supplies under the known 96 trade treaties—there are at least that many, and probably there are many more now in existence. So long as she can do so, why should she move on Western Europe? But if she wanted to move she knows she could do so, because reports are coming in to us now that France will not fight in such event, that England, unless she is attacked, will not fight, and that no other nation beside Germany can fight, and we have disarmed Germany.

INDUSTRIALISTS ARE FRIGHTENED

What does that mean, Mr. President? It means that the industrialists in that area are frightened, are jittery, are afraid that their industries will be destroyed.

Therefore there will be no opposition when the time comes when Russia moves, and so Russia would take over peaceably and operate the industrial machine which the American taxpayers will have furnished the money to build. Russia's production then, added to European production, will be as great or greater than ours.

WHY SEND AMERICAN BOYS FOR A JOB THEY WILL NOT DO FOR THEMSELES?

Then why, Mr. President, is the suggestion continually made that American boys be sent to Europe to defend nations whose people will not enlist in their own armies for the purpose of defending themselves?

Let us get on some sound basis. Let the nations of Europe enlist the foot soldiers to protect their own nations. Then we can direct our air power and Navy to destroy any nation's war-making potential which may seek to extend its system of government.

It is generally known, Mr. President, that there are 20,000,000 more people in England than can ever again make a living for themselves, unless in the very unlikely event that England can again establish her empire throughout the world and force raw materials to be brought thousands of miles to her—and force those who send in the raw materials to buy her manufactured and processed goods at high prices, and prevent purchases being made from other industrial nations by the peoples they can control.

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COLONIALISM IS DEAD

Mr. President, colonialism is as dead as Julius Caesar. It can never be reestablished, even with the use of our wealth. That was proved in Indonesia where the Dutch finally realized that they were at the end of their rope even though we sent huge sums of money which were expended on their armies and their harbor patrols in an attempt to force the Indonesians to sell their products through the Dutch.

Mr. President, I speak with some experience in connection with that matter, for I was there when the two armies were facing each other in the jungle, and I flew across those armies to confer with the cabinet of Dr. Hatta and Dr. Soekarno. The cause of that war was the money exchange methods, as a result of which only approximately 20 percent of the money received for the materials produced there was received by those who produced them. The remainder was kept by the Dutch government. Those conditions cannot be reestablished.

TOO BUSY TO PROTECT OUR OWN RIGHTS

So, Mr. President, we are so busy protecting the rights of other peoples that we neglect to protect our own. We do not even give our own people the right to know where they are going and at what speed they are going there.

SOCIALISTIC SCHEMES UNDER COVER OF WAR

Under cover of war this administration is continuing to fasten its socialistic schemes upon the public, which is watching its sons being slaughtered in an undeclared war, on soil which our generals say could not be defended in the event of a general emergency.

UTTERLY IMPOSSIBLE TO EXIST ON PEACETIME ECONOMY

At Torquay, England, today, Mr. President, more than 100 bilateral agreements are being made with foreign nations, with several hundred of our State Department personnel dealing with the representatives of from 30 to 40 foreign nations, in an attempt to complete the job of establishing free trade and making it utterly impossible for the United States to exist on a peacetime economy basis and have any employment at all.

RUSSIA REALLY FAVORS MARSHALL PLAN

Mr. President, there has long been a strong suspicion on the part of many informed persons that Russia in reality favored the Marshall plan in order that additional industrial equipment would be installed throughout Europe for the manufacture of needed war material and supplies—knowing full well that she would benefit by this construction, she would, by infiltration and by purchase, be able to obtain the manufactured supplies and war material—as the Russians have been able to do through the known 96 trade treaties which the 17 Marshall-plan countries have with Russia and their satellite countries of Eastern Europe. In the last analysis Russia could always occupy Europe within a few weeks and probably have the friendly assistance of much of the population of these nations, including the industrialists, who are extremely nervous and jittery that their plants may be destroyed. It is maintained the psychological, the real effect of the Russian opposition, was to make more certain the passage and continuation of the Marshall plan and ECA.

PIECEMEAL POLICIES

Mr. President, this is a time of tensions that cannot be relieved by piecemeal policies. We must chart a course that is consistent with our survival as a Nation. We can provide answers that will chart that course efficiently and honestly when we know the components of the problem.

EXECUTIVE BRANCH FIXES FOREIGN POLICY

The Constitution of the United States places in the hands of the President, in the executive branch of the Government of the United States, the power to fix the foreign policy. That policy cannot be fixed on the floor of the Senate, except by means of a refusal by the Senate to accept a treaty or declaration of war which may be sent to it.

CONGRESS NOT CONSULTED

However, no such treaty or declaration has been sent here for some time, or apparently is very likely to be sent here again. A declaration of war by us will follow a police action which will lead into such a mess.

At least, those in the executive branch of the Government pretend they had no knowledge that the so-called police action in Korea would result in the present situation; they say they did not believe it would result in the tragedy which is now taking place there.

Mr. President, the only surprising thing in connection with our finding that we are in an undeclared war with an aggressor Communist army of a million men is that anyone should be surprised, after knowing the policies which have been followed for the 5 or 6 years following the close of World War II.

Mr. President, the American people demand that the ship of state stop drifting—that the administration decide where we are going, and why, in accordance with its responsibilities under the Constitution of this Nation.

REALITIES OF THE SITUATION CONFRONTING THE UNITED STATES

Mr. STENNIS. Mr. President, the grave concern and deep gloom in which the people of America find themselves are not due, in my opinion, to the military reverses in Korea. Our people can absorb temporary defeat and come back stronger than ever. Our concern and gloom are caused by the painful and shocking fact that, so far as preparations at home are concerned, we have largely lost the precious time since the Korean invasion in June, and do not yet have a plan of action, much less any tangible accomplishments on the home front.

I am not complaining, nor am I seeking someone to blame. Present and future action is the only thing that will bring results. We cannot longer ignore hard, cold, stubborn facts. Our United Nations allies are not effectively backing us up in Asia on the fighting front or on the diplomatic front. I have been a strong supporter of the United Nations, and I said on the Senate floor soon after the Korean invasion, when our armies were the only ones in the field, that the fighting in Korea was the test as to whether the member nations were standing together on a paper plan or were going to support each other with actual fighting strength on the battle line. We can look at the casualty lists after 6 months of fighting, we can look at the list of matériel furnished, and see that we are carrying the great brunt of the load in blood, in guns, and in money. This fact, in my opinion, was a large contributing factor in Red China's decision to advance into Korea in such crushing numbers.

From what facts I have before me, I think we Americans might just as well realize now that we are without effective allies in Europe or in Asia to help us materially in maintaining our position in Asia. While we argue as to whether our future depends on happenings in Asia or on happenings in Europe, we are now committed in both those areas, and are ineffective in both of them, due in large part to a lack of effective aid from anyone either in Asia or in Europe. We miss the realities of life unless we recognize this fact and reappraise our position. As one group emphasizes the importance of Asia and another group the importance of Europe, I do not find here anyone with an over-all view of the entire picture who is seriously attempting to measure what commitments we shall make throughout the world in proportion to our ability to perform. It is well enough to say that we will resist aggression throughout the world; but in view of the feeble support we get from other nations, I think it is high time that we take another careful look at our own resources, our manpower, and our other capacities, and then make our commitments accordingly. There is no surer way to our eventual destruction than a careless use of what power we do have.

Mr. AIKEN. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. YOUNG in the chair). Does the Senator from Mississippi yield to the Senator from Vermont?

Mr. STENNIS. I am glad to yield.

Mr. AIKEN. The Senator has referred to commitments on the part of the United States to protect other nations. Does not the Senator understand that was a mutual commitment? In the event that the United States happens to be the one needing support, if support is not forthcoming, does the Senator believe that then the United States will still be fully committed to rush to the aid of any other nation which fails to keep its own commitments in support of our country?

Mr. STENNIS. No, I certainly do not, and I am very glad the Senator brought that point out so clearly.

Mr. AIKEN. It seems to me that when an agreement is broken, the party injured thereby should not be morally bound to continue to carry out the agreement to the letter, regardless of what might happen to him in the process.

Mr. STENNIS. I think the Senator is entirely correct. It is a painful fact that I am reluctantly driven to the conclusion that the commitments are not

being kept. I have been a very enthusiastic supporter of the commitments, and, if they are being carried out, I want us to keep on in the way of arms, but I realize we must take another look at the matter.

Mr. AIKEN. The Senator from Mississippi, I think, understands that the commitments are not only not being kept, but that the Chinese Communists at present actually seem to be obtaining the means of enabling them to continue fighting against the United States and killing American soldiers from those countries which ought to be assisting us in restoring order in that area of the world.

Mr. STENNIS. Yes, I think that very clearly points up the facts.

Mr. AIKEN. I may say, in the vernacular, it is adding insult to injury, or injury to insult, whichever way one may prefer to express it.

Mr. STENNIS. The Senator from Vermont is entirely correct. I thank him very much for his contribution.

In view of the conditions we now face, I think the only thing left for us to do is to plan to build up a balance of power in the Pacific. It is clear that our resources and our manpower will not permit us to defend and maintain all of Asia. Before it is too late Japan must be rearmed—if she will rearm—together with any other group, including the Chinese Nationalists, who appear to have a will and a capacity to fight the Asiatic communistic trend. Failing in this, it seems to me that we should draw a defense line in the Pacific that will serve our own defense, a line which we have the means to defend, and stake our future and our chances of survival so far as the Pacific is concerned on defending that line.

Based on what further facts I have within my knowledge, it seems clear to me that militarily we do not have a single effective ally on the continent of Europe and that there cannot be effective opposition to Russia in Western Europe unless Western Germany is rearmed. From present indications Western Germany does not seem to be interested in rearming as our ally. Precious time has been lost in failing to reach an agreed military plan for Western Europe that would have long since placed a commander in chief in the field with authority to act. In view of these facts, and in order that we may know what our own situation is, I think we should offer a definite military plan to the Atlantic Pact countries, after full consultation with them, of course, and consideration of their abilities, and then state that we submit the plan on a take-it-or-leave-it basis.

Mr. President, the junior Senator from Mississippi has been in the Senate for only three short years, but that has been long enough for him to hear most of the debates concerning the European situation, in the course of which I have been led to believe that we have active allies under all circumstances and conditions. I think we are faced today with the painful fact, however, that we do not have one single effective ally on the continent of Europe possessing any material power at all, or having any interest or any inclination to stand with us on the line as I understand it was marked out in the Atlantic Pact.

Mr. KEM. Mr. President, will the Senator yield?

Mr. STENNIS. I am very glad to yield.

Mr. KEM. The Senator says we have no effective ally on the continent of Europe. Would the Senator include all of Europe?

Mr. STENNIS. I have in my mind a reservation as to England, I may say to the Senator from Missouri. I have not reached the definite conclusion that she would not be our ally. I should want to exclude her from the general over-all statement that I made.

Mr. KEM. What interpretation does the Senator from Mississippi place on the agreement which is now being negotiated with England to discontinue temporarily at least the flow of American funds to England under the Marshall plan?

Mr. STENNIS. I am not familiar with the specific terms of the agreement. I am familiar with the news items regarding a temporary suspension of such aid, which I think is entirely proper. I had assumed it would be a permanent withdrawal of aid, in the absence of additional material facts being developed.

Mr. KEM. Does the Senator not feel that that decision was reached a little too late?

Mr. STENNIS. Personally, I think so; yes. I was shocked by facts which were brought out a short time ago regarding the bank balances which were being built up in England as a direct result of Marshall-aid funds.

Mr. KEM. What interpretation does the Senator place upon the fact that the British apparently acquiesced so readily in the discontinuance of the flow of this aid?

Mr. STENNIS. Frankly, I may say to the Senator from Missouri, I have not gone into that in the last 2 or 3 days. I know as a matter of newspaper reports, but really the junior Senator from Mississippi has not inquired into the real situation as to what the conditions were. Frankly, I was surprised, I remember, last evening, to hear a radio announcement that there was not more of a reaction in Great Britain than there was; but I have not looked into that.

Mr. KEM. I thank the Senator very much.

Mr. STENNIS. Continuing, Mr. President, the plan I have mentioned will be designed to effectuate our efforts to restore a balance of power in Europe, with our taking a part therein; but if no effective plan can be agreed upon and a start made toward carrying it out, we should know it within a matter of days from now.

In other words, I think the time for decision is here, and if there is not going to be an actually effective plan put into operation now, I think we ought to know it, for we shall have to make altogether different arrangements. There is nothing harsh about this position. It is necessary to meet the realities of the occasion.

Now, Mr. President, a word about the domestic front. I am amazed, as are the other people of the country, at the way we have shamefully dragged our feet on the question of military and economic preparation. Whether the delays were due to bad judgment, lack of a plan, or other consideration, the bald fact is that we are not economically prepared for the immediate crisis on our hands. The people are certainly not to blame for this condition, and I have recently had many contacts with the people out in my State. During the month of October while in my home State, I traveled more than 4,100 miles, spoke in 34 counties to more than 12,000 people, and answered over 500 questions from the audiences. Although the people have not been told as much of the facts as they think they should have been told, they are well informed generally and are entirely willing to endure the hardships that are necessary for our protection. What they want is a plan of action behind which they can unite. They already have the willingness. That plan has not been forthcoming from the executive branch of the Government although we adopted a controls bill and authorized mobilization months ago. The people sense the danger to the Nation and are amazed that nothing more is being done, as we were amazed on our return here on November 27 to find such a feeble start having been made in our war plans.

I am told that General Bradley described our defeat in Korea as the worst military defeat suffered by our Armed Forces. Think of that. And we are still talking about voluntary controls, something that is an idle dream and contrary to the acquisitive system of free enterprise.

Mr. President, the people who are going to carry the major part of the burden of this military program, and the war itself, when it comes on a large scale, are having to stand by and see their taxes and the cost of living rise, with runaway inflation which is also well on its way. I call for the immediate imposition of effective control of prices and wages, with full-scale priorities and allocation of all war materials. I am no newcomer to this position because I advocated on the floor of the Senate just such a plan within just a few days after the invasion of Korea. The people have had to stand by week after week and month after month and see prices rise and rise and rise, until now they are out of reason and out of bounds. These are the same people, as I have said, who will be called on to make most of the sacrifices in any war that is to be fought.

Mr. President, after preparing this speech I received a letter, which I should like to read, from a very intelligent, patriotic, and down-to-earth-thinking man in Mississippi, who is occupying a responsible position. The letter is dated December 9. I think it represents facts and demonstrates the viewpoint on the part of a substantial number of sound-thinking persons of our great Nation. The letter reads as follows:

EAST CENTRAL JUNIOR COLLEGE,
Decatur, Miss., December 9, 1950.

Senator JOHN STENNIS,
Washington, D. C.

DEAR SENATOR STENNIS: I am very much concerned about this matter of what seems to me to be unwarranted increases in prices.

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I will give you one example. A few days ago we wanted to buy some fire hose and were quoted 96 cents a foot. The town of Decatur, earlier this week, had to pay $1.36 a foot and today we were quoted $1.51. All this has been in the course of 2 or 3 weeks. There are two ways we can lose the war in which we are engaged: to the enemy without and to the profiteers within. If the Government does not have power to give relief to a situation like this, it does not have much power. I have heard some mighty fine people say recently that they would about as soon be destroyed by Russia as to unconscionable profiteers who will, figuratively, stand us against the wall and destroy us. That is a strong sentiment but it represents some elements of truth. Unreasonable excess profits should be confiscated and we must have a relief on this matter of prices. The middle class is about destroyed as is. In 1942 a Chinese consul stationed at New Orleans spoke to a group here in Decatur and said that inflation in his own country would destroy it if something was not done about it and it has come about just as he said. Big business and big labor are paving the way for the same thing in this country. The enemies of this country can win without ever firing a shot.

You know it is very seldom that I ever write a Senator or Congressman and I do not think I have ever written when I have felt more strongly in the matter than I do in this. The solution of this problem is in the hands of our representatives in Washington. I hope you can find the way to do something in this matter.

With highest personal regards, I am,
Yours truly,

L. O. TODD,
President.

Mr. President, that letter speaks for itself. I should like, as an aside, to emphasize the point which the writer makes in his letter, namely, that the people are looking to the Members of Congress to get action. There is where the solution will rest.

Of course, these controls will involve temporary hardships, but it is the grim hand of necessity at work; the penalty for our failure to prepare could be the loss of our freedom. Let me clearly point out, Mr. President, that direct controls alone are not enough. Within themselves, no such controls will acomplish the intended purposes. We must continue to have monetary controls and fiscal controls, including taxes, that we shall not like to impose. Direct controls will create a logjam of pent-up buying power that will break out of bounds unless effective monetary and fiscal controls are continued within reasonable limits.

One gets the impression that those chosen to places of responsible leadership do not want to tackle the difficult task of mobilizing our manpower and our economic production and resources. Such a step of course carries tremendous burdens, but again it is the grim law of necessity dictating the terms. The people feel the need. On my responsibility as an elective official, I call for all-out mobilization of our manpower and industrial and economic production, just as fast as our military machine can absorb the output. We shall not get the job done with more timid methods.

Mr. President, the 8-hour day, the 40-hour week, the one shift per 24 hours, must go. We can never build a war machine on any such basis, and it is idle folly to think of a war program in terms of a 40-hour week.

While the people cry for action and yearn for leadership from Washington, we are spending at least a part of our energy here discussing the idea of making plans to spend almost $200,000,000 for a place of refuge for ourselves and other Government workers here in case of an attack by an atomic bomb. I hope the proposal will be dropped forthwith. I think the Members of the Congress can serve the people better by making up their minds that in case of an atomic-bomb attack on the District of Columbia, perhaps many of us will not survive anyway. In my opinion, we could not do a more shameful thing than to set this example before the American people, which dress it up as you may, is nevertheless largely a matter of those in the Government running for cover when the rest of the people will be told to stick by their posts. If additional buildings are needed, let them be added in the regular course, but not under the guise of a dispersal plan to avoid the effects of an atomic bomb, especially if the removal is for only 20 short miles. If the military needs an additional communications center, let it be built as such.

I do not speak here today just to criticize the President of the United States, or General Marshall, or any group. I have patiently waited for an effective, forward-looking plan of action but it has not been forthcoming. The President must surround himself by many men with ability who can inspire the American people with confidence in a definite plan of further action.

I fail to see where the calling of a national emergency would change the picture. An emergency already exists and this is well known by the American people. What we need is a plan of action and action on the plan. General Marshall has said recently that we do not need mobilization now. Someone is badly mistaken as to our needs, just as we were badly mistaken as to the situation in Korea where an evacuation race is under way. It seems to me that the time for further postponement and an attitude of waiting for developments has long since passed. We are still trying to operate on what I shall call the "minimum plan." Conditions call for a "maximum plan," which I trust will be forthcoming from the executive and from the military and be based on the elemental and fundamental considerations briefly outlined in these remarks. I have an abiding faith that the people will respond in a most magnificent way.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the following bills of the Senate:

S. 297. An act for the relief of Ruggiero DiCostanzo;

S. 995. An act for the relief of Irene George Livanos;

S. 1344. An act for the relief of Gerda Moller Uldall and her son, Mikkel Moller;

S. 1528. An act for the relief of Elmer Beller;

S. 1816. An act for the reimbursement of the S. A. Healy Co.;

S. 2179. An act for the relief of Stephen A. Patkay and his wife, Madeleine;

S. 2420. An act for the relief of Shaoul Minashi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami;

S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act;

S. 2702. An act for the relief of Louis E. Gabel;

S. 2799. An act for the relief of Johan Wilhelm Adriaans;

S. 2803. An act for the relief of Angela Maria Pisano;

S. 2961. An act for the relief of Magdalena L. Jardeleza, Jr.;

S. 2968. An act for the relief of Chen Hua Huang;

S. 3066. An act for the relief of Dionisio Aguirre Irastorza;

S. 3067. An act for the relief of Andres Aguirre Irastorza;

S. 3091. An act for the relief of Master Stanley (Zachne) Hiller;

S. 3250. An act for the relief of Marne Post No. 28, American Legion, New Martinsville, W. Va.;

S. 3329. An act for the relief of Kiyomi Kitamura;

S. 3406. An act for the relief of Lee Yee Yen;

S. 3430. An act for the relief of Martina Arnaiz Zarandona (Sister Bianca Eugenia);

S. 3444. An act for the relief of Victor Francis Oberschall;

S. 3484. An act for the relief of Barbara Sugihara;

S. 3519. An act authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens;

S. 3965. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.;

S. 4072. An act for the relief of Ella Stufka and her son;

S. 4074. An act for the relief of Pamela Bentley; and

S. 4111. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio.

The message also announced that the House had agreed to the amendments of the Senate to each of the following bills of the House:

H. R. 2734. An act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended; and

H. R. 8136. An act for the relief of Joseph Umberto Montalban-Troy.

The message further announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9840) to exempt furlough travel of service personnel from the tax on transportation of persons.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 7445. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.;

H. R. 8546. An act to amend the Philippine Property Act of 1946;

H. R. 9484. An act to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights;

H. R. 9524. An act to supplement the District of Columbia Teachers' Leave Act of 1949; and

H. R. 9840. An act to exempt furlough travel of service personnel from the tax on transportation of persons.

CONFERENCES BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE

Mr. KEM. Mr. President, I move that Senate Resolution 371, calling for a report on the discussions between the President of the United States and Prime Minister Attlee, and submitted on behalf of myself and 23 other Senators, be considered the unfinished business before the Senate.

Mr. WHERRY. Mr. President, I ask unanimous consent that the resolution be read, so that we may know what the measure is, now that a motion has been made to make it the unfinished business.

The PRESIDING OFFICER. Without objection, the resolution will be read.

The Chief Clerk read the resolution (S. Res. 371), submitted by Mr. KEM (for himself, Mr. WHERRY, Mr. KNOWLAND, Mr. BRICKER, Mr. CAIN, Mr. WILLIAMS, Mr. SCHOEPPEL, Mr. AIKEN, Mr. THYE, Mr. HENDRICKSON, Mr. MUNDT, Mr. DONNELL, Mr. BREWSTER, Mr. NIXON, Mr. BUTLER, Mr. MALONE, Mr. DWORSHAK, Mr. YOUNG, Mr. CAPEHART, Mr. WATKINS, Mr. JENNER, Mr. CORDON, Mr. MCCARTHY, and Mr. ECTON) as follows:

Resolved, That it is the sense of the Senate that, after the discussions now being carried on between the President and Prime Minister Attlee have been concluded, the President should forthwith make a full and complete report concerning the same to the Senate; and that the President should not enter into any understandings or agreements with the Prime Minister which might have the effect of committing the United States to any course of action, except by treaty entered into with the advice and consent of the Senate in accordance with the provisions of the Constitution.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. KEM. I yield.

Mr. WHERRY. Mr. President, as I understand, the parliamentary situation is that the distinguished Senator from Missouri has made a motion to consider the resolution. Is that correct?

The PRESIDING OFFICER. That is correct.

Mr. KEM. Mr. President, on December 6 I introduced, on behalf of myself and 23 other Senators, Senate Resolution 371. This is a resolution designed to accomplish two things:

First. To obtain a full report from the President on the results of the recent conference between him and the British Prime Minister.

Second. To prevent the President from making agreements with the Prime Minister affecting in any important way the course of action of this country, except by treaty entered into with the advice and consent of the Senate, as provided by the Constitution.

1. WE DO NOT KNOW WHETHER THE SO-CALLED COMMUNIQUÉ IS THE WHOLE STORY

Mr. Truman and Mr. Attlee concluded their series of conferences at the White House last Friday. That afternoon a so-called communiqué was issued which, it has been assumed, covered the results of the conference. But in justice to Mr. Truman and Mr. Attlee it should be said that it is nowhere stated in the communiqué that it is a full and complete report or that no further business was done at the conference.

As the Washington Evening Star commented:

It is something of a misnomer to speak of the official statement issued on the Truman-Attlee conversations as a communiqué, for it communicates very little in the way of information.

Indeed, if the vague and indefinite statements contained in the communiqué are all that was accomplished at this momentous conference then it is fair to say "the mountain has labored and brought forth a mouse." But we should not conclude too easily that no other business was transacted. It is said that a confidential briefing session was held at the British Embassy last Thursday, open only to British newspapermen. From the dispatches subsequently sent out by the newspapermen present it seems fair to assume that those present were given to understand:

First. Mr. Attlee got everything he came over here to get.

Second. Mr. Attlee made no concessions.

Third. Mr. Attlee secured from Mr. Truman a number of side agreements.

The London newspapers, on December 9, carried dispatches from their Washington correspondents saying that Prime Minister Clement Attlee's trip to Washington was a complete success. The nonpolitical London Times headlined its account "Successful issue at Washington." The Socialist Party paper, the Herald, began an editorial with The Washington Talks Have Achieved Their Object. The Tory Daily Express dispatch summed up: "Mr. Attlee's visit is therefore regarded as a 100-percent success."

An American cannot help but wonder what is the basis for this exultation.

2. THE AMERICAN PEOPLE HAVE REASON TO FEAR AND TO RESIST SECRET DIPLOMACY

Mr. President, it is said that a burnt child fears the fire. If so, the American people have every reason to fear, and to resist, secret diplomacy.

On March 1, 1945, the then President of the United States had just returned from the momentous Yalta Conference. On that day he appeared before a joint session of the Senate and House of Representatives. He stated, among other things:

Quite naturally, this conference concerned itself only with the European war and with the political problems of Europe—and not with the Pacific war.

We know differently now. The China white paper released by the State Department last year states:

On behalf of the United States, Great Britain, and the U. S. S. R. on February 11, 1945, Roosevelt, Churchill, and Stalin signed at Yalta an agreement containing the political conditions upon which the Soviet Union would enter the war against Japan.

The white paper proceeds to list in detail the concessions made to Stalin which in their effect sold China down the "Red" river.

James F. Byrnes, who attended the Yalta Conference as an adviser, had this to say about the Yalta deal in his book Speaking Frankly:

Another agreement was made at Yalta which was to confront me later. This was the top secret—

The top secret, Mr. President—

protocol in which it was agreed that in return for Soviet participation in the war against Japan, the Kurile Islands would be "handed over" to the Soviet Union. It also provided that the former rights of Russia violated by the treacherous attack of Japan in 1904 shall be restored, and listed these as the return of the southern half of Sakhalin Island, internationalization of the port of Dairen, the lease of Port Arthur as a Russian naval base, and joint Russo-Chinese operation of the Chinese Eastern & Southern Manchurian Railroads. The United States was to use its influence to have China agree to that part affecting China's territory.

Mr. Byrnes, although serving as a confidential adviser to the President at Yalta, did not know of this agreement. It was kept from him. He said that the President, upon returning to the United States, kept the Yalta protocol locked in a safe at the White House.

It was not until some time after I became Secretary of State—

Mr. Byrnes wrote—

that a news story from Moscow caused me to inquire and learn of the full agreement. I presented the matter to President Truman, and he requested Admiral Leahy to transfer to the State Department those documents at the White House containing agreements with foreign governments. I wanted to know how many I O U's were outstanding.

At Potsdam, in late July and early August 1945, the notorious war reparations agreement was made with Russia, an agreement bearing the following signatures: J. V. Stalin, Harry S. Truman, C. R. Attlee. Under this deal Stalin was permitted to strip Eastern Germany. Scores of war plants in the allied zones of Germany were dismantled and shipped to the Soviet Union. Included among those shipped from the United States zone of occupation alone were plants for the manufacture of ball bearings, aircraft engines, high explosives, sea mines, and shell casings. These very plants must now be turning out products of war for use by the Reds in Korea.

At Potsdam, the agreement to divide Germany and isolate Allied Forces in Berlin—initially approved at Yalta—was confirmed. The result was the costly Berlin blockade. Furthermore, if war with Russia should come, thousands of American troops stationed in Berlin would be surrounded before firing a shot. The Potsdam agreement was never submitted to the Senate.

The lesson of Potsdam is enough to warn us against permitting the President to enter into further secret pacts without affording the American people a chance, through their representatives in the Senate, to accept or reject them.

Mr. President, 33 years ago next January 8 President Wilson announced his famous 14-point peace program. President Wilson's first point was:

Open covenants of peace, openly arrived at, after which there shall be no private international understandings of any kind, but diplomacy shall proceed always frankly and in the public view.

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It will be recalled that Mr. Wilson also said:

> For my own part, I am not willing to trust to the counsel of diplomats the working out of any salvation of the world from the things which it has suffered.

That was good advice in 1920, Mr. President, and it is good advice in 1950. It is time indeed for our international relations to be "open, above board, and explicit."

A statement made by Mr. Wilson in Washington on May 16, 1914, also contains food for thought:

> We cannot form alliances with those who are not going our way.

Mr. President, the American people are no longer satisfied with oily platitudes. They want to know exactly what took place at the Truman-Attlee conference. They want to know exactly what was agreed upon. As the Washington Daily News said editorially on December 7:

> If the President expects to have public confidence, he must take the people into his confidence and conduct our international relations in the manner provided by the supreme law of the land.

I regret that the Chairman of the Foreign Relations Committee, the Senator from Texas [Mr. CONNALLY], has heretofore refused to cooperate with efforts to obtain early action by his committee on the resolution to bring this about. I regret that he has not taken more interest in preserving and strengthening the constitutional functions of the Senate in the field of foreign relations. I regret that he is apparently willing to acquiesce in the attempts of the President to bypass the Senate. Whether we like it or not it is the business of the Senate to prevent another Yalta or another Potsdam.

3. AN AGREEMENT OF SAME SORT TO CONTINUE THE TRADE BETWEEN BRITAIN AND COMMUNIST CHINA WAS EVIDENTLY MADE

Mr. President, the so-called communiqué on the Truman-Attlee conference was strangely silent on an important question, that is—British trade with Communist China. The communiqué had only this to say:

> We are fully conscious of the increasing necessity of preventing materials and items of strategic importance from flowing into the hands of those who might use them against the free world.

But the London newspapers are not so reticent. They list as a major achievement on the part of Mr. Attlee the fact that he persuaded President Truman and his political advisers not to try to stop foreign trade with Communist China even though she is now our enemy on the battlefield.

The London Daily Mail dispatch from Washington of December 9 put it this way:

> The fact that there is no suggestion in this communiqué of economic sanctions against China is regarded as most significant. Some advisers around President Truman favored sanctions as a method of conducting limited war, but the military advisers of both President Truman and Attlee maintained their position and won.

The objective that Mr. Attlee was so sucessful in achieving is put as follows by a distinguished Washington newspaperman, Arthur Sears Henning, in an article printed in the Washington Times-Herald on December 11:

> The Attlee expedition to Washington was precipitated by President Truman's statement that he was considering the use of the atom bomb in Korea and China.
>
> That scared the British interests, which have a billion dollars worth of investments and trade that would be jeopardized by war in China, and scared Attlee's Labor Party left wingers, who are fighting an increased defense budget and who favor appeasement of Red China and Russia.
>
> The left wingers, numbering about 100, easily could wipe out Attlee's eyelash majority of 5 in parliament and force a parliamentary election in which the Labor Party might lose its shirt.

Mr. President, Hong Kong is a funnel through which Great Britain is now pouring vast quantities of war materials to equip the human sea armies of Communist China. I am informed by the Department of Commerce that, according to the latest information available, a veritable flood of war materials is pouring from Hong Kong to Red China.

Take copper, for an example. In June 1950, the United Kingdom exported $1,910,146 worth of copper wiring to Hong Kong. During the same month, $934,330 worth of copper wiring was exported from Hong Kong to Red China. The same thing is happening in the case of many other war materials, including zinc, iron, and steel products, and so forth.

Mr. President, this is a list of selected items exported from Hong Kong to Red China during June 1950:

	Exports
Rubber and manufactures thereof	$4,035,073
Iron and steel	7,333,445
Nonferrous base metals	2,412,159
Manufactures of base metals	2,092,936
Machinery, apparatus, and appliances other than electrical	3,364,478
Electrical machinery	755,784
Vehicles and transport equipment	1,307,921

These figures do not include exports to middle China, which in the Department of Commerce tabulation includes Formosa.

Hong Kong is a British crown colony and as such is under the control of the British Government. What is shipped from Hong Kong to Red China is in effect shipped from Britain to Red China. It is interesting to note that items in at least five of the seven classifications listed were furnished by the United States to Britain under the Marshall plan.

Belated steps have been taken by our Department of Commerce to curb the shipment of war materials from the United States to Communist China. Certainly it would be outrageous to continue to permit the export of war materials to Red China. It is equally outrageous for Great Britain, supposedly our ally, to continue to ship materials of war to Red China—in many cases the same items which we are giving Britain under the Marshall plan. Britain has recognized Red China. Now she is helping arm Red China while American—and yes, British—soldiers are shot down by the Reds in Korea.

Did Mr. Truman agree not to take any action which would interfere with British trade with Red China through Hong Kong?

The American people have a right to know the answer to that question.

It is incumbent upon their elected representatives in the Senate to make every effort to obtain it.

Yesterday it was announced that effective January 1 next, Marshall-plan aid will be discontinued to Great Britain. The communique on the Truman-Attlee conference is silent as what discussion took place with regard to this and what agreement was reached. The question arises: Just where does the agreement with reference to Marshall-plan aid to Great Britain fit into the picture of the conference?

4. TIME IS OF THE ESSENCE

Our magnificent army in Korea is in retreat before overwhelming numbers of the enemy. But this is no time for the Congress to retreat. This is no time for the Congress of the United States to avoid its governmental duties, or to abdicate its constitutional functions. Certainly no one wants us all to go to our ruin singing in unity, "Hallelujah, Hallelujah."

The hour is late. The most important question before the Congress today is our foreign policy. It should have our attention before it is too late. We should act now to prevent further secret covenants, secretly arrived at.

Mr. President, I ask for the yeas and nays on the motion I have made.

Mr. LUCAS. Mr. President, I regret very much that the Senator from Missouri has seen fit to make the motion this afternoon, because the Senator from Missouri was on the floor of the Senate when I advised the Senate there would be no business transacted this afternoon. Consequently many Senators have left the Chamber for the day with the understanding there would be no business transacted. If the Senator from Missouri, who was on the floor and heard me make that statement at the time, had expected to bring up the motion, it seems to me that as a mere matter of courtesy to myself and other Members of the Senate he would then have served notice that he was going to move to bring up the resolution which has been lying on the table since December 6.

Mr. President, in view of the statement I made, I regret that the Senator has seen fit to make his motion. The Finance Committee is working overtime in an attempt to prepare and report a bill dealing with excess-profits taxes in order that the Congress might adjourn sine die perhaps a week from tomorrow night or a week from Saturday night. The members of that committee, who are now sitting in the committee meeting, do not like to come back to the Senate Chamber if they can possibly avoid doing so. That was one of the things I had in mind when I made the statement I did earlier this afternoon, hoping to avoid any business

of any kind being transacted today, or any quorum calls. Certainly if we are going to vote upon a matter of this kind there will be some discussion, there will be quorum calls, and so forth, and it will disrupt the progress of the Finance Committee. I understand the Appropriations Committee is also meeting on important matters.

Mr. President, I hope the Senator from Missouri will withdraw the motion for the time being, because of the understanding the Senate had this afternoon shortly after we convened. If the Senator from Missouri had not been on the floor that would be something else. Certainly when I came to the Senate Chamber at noon I had every intention of moving that the Senate take a recess until tomorrow at 12 o'clock noon. Had I been present last evening when the Senate took a recess I would have moved that the recess be until tomorrow, because I knew of nothing of importance that was going to take place today.

I explained to the junior Senator from Nebraska [Mr. WHERRY] when I came on the floor that I thought I would move that the Senate take a recess or adjourn until tomorrow. The Senator from Nebraska advised me that two or three speeches were to be made by Members on his side of the aisle. Obviously I had no objection to that. But I doubt if the Senator from Nebraska knew that the Senator from Missouri was going to move to consider the resolution, which was submitted on December 6, and, as I have said, has been lying on the table since that time. At least the Senator from Illinois and the Senator from Texas [Mr. CONNALLY], chairman of the Committee on Foreign Relations, were not advised as to the intention of the Senator from Missouri.

Mr. President, we can secure a quorum, we can debate the resolution the remainder of the afternoon and settle the question. Tomorrow the calendar will be called. But I had hoped we might not disturb with a matter of this kind Senators who are engaged in committee meetings this afternoon.

Mr. President, in view of the agreement we had, or at least in view of the statements I made, I plead with the Senator from Missouri not to press the motion; but that he withdraw it for the time being. He certainly can obtain the floor at any time he desires when a quorum is present. If the Senator from Missouri was vitally interested in a measure, and some Senator moved its consideration in his absence, without a quorum call, particularly if there were an understanding, more or less, such as was had this morning, I am satisfied the Senator would probably be in here registering a rightful complaint.

I hope the Senator from Missouri will withdraw the motion and not press for the yeas and nays on it, because if he does so, it will result in bringing a number of Senators, probably, from their homes, and bringing others from important committee meetings, because they understood thoroughly there would be no business transacted this afternoon.

Mr. KEM. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. KEM. It is hard not to accede to any request of the able Senator from Illinois, who has acted as the majority leader with such credit to himself through the present Congress, and whom we so greatly regret to lose. However, I think he has correctly stated that so far as the Senator from Missouri is concerned any agreement was "more or less." So far as the Senator from Missouri is concerned, it was "less"; that is, there was an utter or entire absence of any agreement with the Senator from Missouri.

I heard the statement made by the majority leader at the opening of the session today, which was, as I recall, to the effect that the majority leadership had agreed that there would be no business transacted today. It did not occur to me that a Member of the minority was in any respect foreclosed from making a motion by an agreement made by the majority leadership. I have always understood that if one is to be foreclosed in a case like that he should be present and be given an opportunity to be heard. I certainly was not present at any majority conference at which the agreement was reached. A mere ex parte statement by the able majority leader certainly would not bind me or any other Member of the minority with respect to his statement.

I know the minority leader will have something to say about this matter. Of course, I shall follow his views.

However, so far as I am concerned, I should like to make it perfectly plain and entirely clear that I recognize no understanding of any kind or character to which I was a party which would bind me or prevent me from making the motion I have made.

Mr. LUCAS. Mr. President, I wholeheartedly concur in what the Senator has said in respect to the right of the minority Members to do anything the rules permit them to do. Certainly a minority Member has a right to move to consider any measure which he desires to have considered; and certainly I have never attempted, by any procedure I have followed in the last 2 years, to curtail the activities of any minority Member.

I have sent for the remarks I made earlier in the day, and I know the Senator from Missouri was on the floor when I made them. I now read them:

> I merely wish to finish what I have to say. In view of the fact that we have no business to transact today and no bill will be called up for consideration by the Senator from Illinois, I was hoping that we might, by unanimous consent, proceed to the consideration of executive business for a few moments and confirm nominations to which there is no objection and then return to legislative session. I make that request.

That was the statement I made. The Senator from Nebraska had no objection at the time to that course.

Mr. KEM. Mr. President, will the Senator yield at this point for a question?

The PRESIDING OFFICER (Mr. MAGNUSON in the chair). Does the Senator from Illinois yield to the Senator from Missouri?

Mr. LUCAS. I yield.

Mr. KEM. I ask the Senator whether, either earlier or later in his remarks, he referred to the fact that an agreement in this respect had been reached by the majority leadership.

Mr. LUCAS. I do not recall that I did, but I now have before me only the earlier remarks.

Mr. KEM. Unless my memory has played me a trick——

Mr. LUCAS. It would not, I am sure.

Mr. KEM. Otherwise it will be found, I believe, that the Senator from Illinois made such a statement earlier.

Mr. LUCAS. If I did say that, it is perfectly all right, for I see no harm in such a statement.

Mr. KEM. I see no harm, either; and it is perfectly proper and certainly within the authority and rights of the majority leader to say so. However, I think he will also agree that any agreement reached in that manner is not binding on a member of the minority.

Mr. LUCAS. I understand all that, Mr. President. I merely repeat that the statement to which I have referred was made. Now the Senator from Missouri buttresses my remarks by saying that I also said that the majority had reached that agreement.

If the Senator from Missouri had intended to call up the resolution, certainly it seems to me that at that time he should have entered the colloquy and should have propounded a question about the resolution. If at that time I had said that I did not intend to move that the resolution be taken up, the Senator from Missouri then should have said that at the proper time he intended to move that the resolution be taken up.

Certainly I said that it was my intention not to have any votes taken in the Senate today.

I yield now to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I was on the floor at the time when the Senator from Missouri made the motion. At that time there was not an acting majority leader on the floor of the Senate. Because of that fact, I asked that the clerk read the motion and read the resolution. I made that request in order to gain time, so that some Senator representing the majority could come to the floor of the Senate.

Finally the Senator from Mississippi [Mr. STENNIS] appeared, after the motion had been made. Of course, he would have asked for a quorum call. I stated to him that the Senator from Missouri had made the motion, but that I understood the question would not be put at once, in that I understood that the Senator from Missouri, who had made the motion, would make a speech on it. Therefore I said that I understood that if the Senator from Mississippi wanted to have a quorum call had, there would be time for it. I further said that inasmuch as I understood that the Senator from Missouri would make a speech on the resolution, ample time would be provided for the majority to consider the motion.

I prevailed upon the Senator from Missouri to have the resolution read so that ample time would be afforded all Senators.

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Mr. KEM. Mr. President, would the Senator have any objection to permitting me to ask the minority leader a question? Will the majority leader yield to me for that purpose?

Mr. LUCAS. I yield.

Mr. KEM. I should like to ask the minority leader whether it is true that before the convening of today's session, I advised him of my intention to make the motion.

Mr. WHERRY. That was the second matter which arose.

I said several times to the Senator from Missouri—for he has asked me about the matter bringing up the resolution—that he could bring up the resolution by motion when some other measure was before the Senate; and I told him that if a motion to have the Senate consider the resolution carried, it would automatically displace any other business which had been pending. I also advised him that if early in the session today there was no unfinished business, it would be proper for him to move that the resolution be taken up. The Senator from Missouri said he wished to make a speech.

Mr. President, I do not know what is in the minds of all Senators, of course. I will say now that I told the majority leader that I had no objection to having the Senate take a recess when the work of the Senate for today was concluded. I also informed him that speeches were to be made today by three Senators on this side on the aisle.

What procedure Senators will adopt, I never can tell, of course. However, certainly I advised the Senator from Missouri that the way for him to bring up his resolution was to make a speech on it, and then he could press for action on it.

I made no agreement with the majority leader about not having Senators on this side of the aisle transact any business today in the Senate Chamber. I agreed with the majority leader that, so far as I was concerned, I was perfectly willing to have a recess taken. I advised him that speeches were to be made by three Senators on this side of the aisle, and that, when they were concluded, I did not know of anything else to be taken up today.

Mr. KEM. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. KEM. I wish to make it clear for the RECORD that there is no basis whatever for an intimation that the Senator from Missouri acted surreptitiously at all in this matter. He advised the minority leader in advance about it.

Mr. WHERRY. Mr. President, if the Senator from Illinois will yield to me——

Mr. LUCAS. Certainly.

Mr. WHERRY. Certainly the Senator from Missouri advised me about the resolution. He did so several times before today. I advised him how I thought he could obtain the floor. Of course, it is up to the best judgment of any Senator to decide how he will proceed. I do not want the RECORD to show that I am not in every way protecting the rights of the Senator from Missouri, for that is my job; and I did advise him as to the procedure which I thought should be followed in making the motion.

I also wish to have it clear that the minority leader was perfectly fair, in that he did not have the question on agreeing to the motion put immediately, although that could have been done, but the minority leader had the clerk read the resolution and read the names of the sponsors of the resolution, until the acting majority leader reached the floor, at which time those on the majority side could exercise any right they chose to exercise.

Mr. LUCAS. Mr. President, I do not care to debate this matter any longer. However, the members of the minority know that the Senator from Illinois time without number has stood on the floor of the Senate and, at the request of the Senator from Nebraska, has advised the Senate what the program would be. If the minority have a program, we certainly should be advised likewise in respect to what they are going to do.

I dare say there is no Member of the Senate who would complain more bitterly—and justifiably so—than would the Senator from Nebraska if I had laid down a program, and subsequently, at a time when there were only about four Senators on the floor—after I had told all Senators that they could leave—moved to have the Senate consider a highly controversial measure.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I agree with the Senator that I think he has been extremely courteous, and forthrightly so, in announcing to the Members of the Senate the program of the majority. I feel that his statement is absolutely correct, and should be made. I have no complaint whatever about the fine courtesy relative to the program, which has been extended through the years by the majority leader. However, he knows as well as I do that, even though he and I might state what the program will be, any Member of the Senate, either on the majority side or on the minority side, can exercise any prerogative he wishes to exercise on the floor of the Senate.

I desire to call particular attention to the fact that as minority leader, I did everything I possibly could do to alert the majority and inform them of the motion which was made.

Mr. LUCAS. Mr. President——

Mr. WHERRY. Mr. President, will the Senator permit me to continue for a further moment?

Mr. LUCAS. Certainly.

Mr. WHERRY. As I understand, the only thing before the Senate is a motion. It is, I suppose, now the unfinished business. I am sure the Senator from Missouri is not pressing for a vote on the motion this afternoon, and that it can remain the unfinished business. I believe he will be agreeable, if the majority leader will let me work it out with him, to have the motion laid aside temporarily, in order to expedite the business of the Senate and the call of the calendar tomorrow, without any difficulty whatever. Is not that correct?

Mr. KEM. Mr. President, I should like to say that any arrangement the minority leader makes with reference to the matter will be agreeable to me.

Mr. LUCAS. Mr. President, I merely want to conclude this statement. I do not want to be placed in a false light with respect to the position I am taking. I know that the Senator from Illinois stands on solid ground so far as the dignity of the Senate of the United States is concerned, and so far as desiring that Senators be fair one to another in the Senate. If the Senator from Missouri had not been on the floor when I made my statement earlier in the day, but had entered the chamber later, it would have been another thing, perhaps. But the Senator from Missouri knew exactly what I said, which was that I had conferred with Members on this side of the aisle, that there were no other bills to be taken up today, and that, so far as the majority was concerned, there would be no business transacted in the Senate.

I immediately went to the Senator from Nebraska when I came into the Chamber at noon, and told him that I had planned to move an immediate recess until 12 o'clock tomorrow. The Senator from Nebraska said, "I do not feel very well, and I wish you could do that, but," he said, "there are three Members on my side of the aisle who desire to make speeches." They make speeches here all the time, without saying much of anything. There is no harm in that, either, so far as that goes. But I know that, as a general rule, we do not transact any business when speeches are being made, because to do so would, ordinarily, only confuse and clutter up the RECORD. But certainly no Senator on this side of the aisle had any idea that the Senator from Missouri was going to move to consider the resolution. I know how I should have been criticized and condemned, and rightfully so, by Senators on the other side of the aisle, had I waited until this afternoon for an opportunity to take up some measure of a controversial nature, after I had told Senators they could go home if they wanted to. I would have been crucified by Members on the other side, and the Senator from Nebraska and the Senator from Missouri would have been two of the gentlemen who would have been on their feet to do that very thing.

Mr. President, I think what has been done is absolutely unfair. I do not believe it is in accordance with good ethics in the Senate of the United States. It is not what we have been accustomed to in the Senate, so far as dealing at arm's length and as men to men on the floor of the United States Senate.

That is all I have to say. I shall have to suggest the absence of a quorum. I shall have to drag Senators from wherever they are, to get them here, after I have advised them they could safely leave, no one having advised me to the contrary. I was about ready to go home, myself, when someone said, "You should come to the floor of the Sen-

ate, because there is an important motion pending before the Senate of the United States."

I am trying to get my files in shape, so that I can leave here on January 3, without being boosted out by the Sergeant at Arms. I have a great deal of work to do. I am still trying to fulfill the duties of the position which the majority gave me 2 years ago. I again say that in all fairness, and as man to man, in the Senate of the United States, this is unfair, it is uncalled for. The distinguished Senator from Missouri, who is an honorable man, a gentleman, and my friend, I think should withdraw the motion now and take an opportunity, at another time, when we have a quorum present, to move the consideration of the resolution. I am not at all objecting to taking it up; I do not object to that. I object to the method which has been pursued.

Mr. President, if the motion is not going to be withdrawn, I shall have to suggest the absence of a quorum. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Anderson	Hayden	Mundt
Capehart	Hendrickson	Myers
Carlson	Hickenlooper	O'Conor
Clements	Johnston, S. C.	O'Mahoney
Connally	Kefauver	Smith, N. J.
Donnell	Kem	Smith, N. C.
Douglas	Lehman	Stennis
Dworshak	Lucas	Thye
Ecton	McClellan	Wherry
Flanders	McFarland	
Fulbright	Magnuson	

Mr. MYERS. I announce that the Senators from Connecticut [Mr. BENTON and Mr. MCMAHON], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Colorado [Mr. JOHNSON], the Senator from Rhode Island [Mr. LEAHY], the Senator from Montana [Mr. MURRAY], the Senator from Florida [Mr. PEPPER], the Senator from Virginia [Mr. ROBERTSON], the Senator from Idaho [Mr. TAYLOR], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained on official business.

The Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senators from Georgia [Mr. GEORGE and Mr. RUSSELL], the Senator from North Carolina [Mr. HOEY], the Senator from Florida [Mr. HOLLAND], the Senator from Wyoming [Mr. HUNT], the Senator from Texas [Mr. JOHNSON], the Senator from Oklahoma [Mr. KERR], and the Senators from West Virginia [Mr. KILGORE and Mr. NEELY] are absent on official committee business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Louisiana [Mr. LONG] is absent by leave of the Senate on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. WHERRY. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate conducting hearings for the Committee on Small Business.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from Vermont [Mr. AIKEN], the Senator from Ohio [Mr. BRICKER], the Senator from New York [Mr. IVES], the Senator from Massachusetts [Mr. LODGE], the Senator from Nevada [Mr. MALONE], the Senator from Pennsylvania [Mr. MARTIN], the Senator from Wisconsin [Mr. MCCARTHY], the Senator from California [Mr. NIXON], the Senator from Maine [Mrs. SMITH], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Delaware [Mr. WILLIAMS] are detained on official business.

The Senator from Maine [Mr. BREWSTER], the Senator from Nebraska [Mr. BUTLER], the Senator from Colorado [Mr. MILLIKIN], and the Senator from Ohio [Mr. TAFT] are detained at a meeting of the Committee on Finance.

The Senator from North Dakota [Mr. LANGER] is detained at a meeting of the Committee on the Judiciary.

The Senator from New Hampshire [Mr. BRIDGES], the Senator from Washington [Mr. CAIN], the Senator from South Dakota [Mr. GURNEY], the Senator from California [Mr. KNOWLAND], the Senator from Oregon [Mr. MORSE], and the Senator from Massachusetts [Mr. SALTONSTALL] are detained at a meeting of the Committee on Armed Services.

The PRESIDING OFFICER. A quorum is not present. The clerk will call the names of the absent Senators.

The legislative clerk called the names of the absent Senators, and Mr. CORDON, Mr. GILLETTE, Mr. HILL, Mr. JENNER, Mr. MAYBANK, Mr. MCCARRAN, Mr. MCKELLAR, Mr. THOMAS of Oklahoma, Mr. THOMAS of Utah, Mr. WATKINS, and Mr. YOUNG answered to their names when called.

The PRESIDING OFFICER (Mr. STENNIS in the chair). A quorum is not present.

RECESS

Mr. LUCAS. Mr. President, in line with the previous unanimous-consent request which I made earlier in the afternoon, that the Senate would recess until 12 o'clock tomorrow, and in accordance with the order previously entered, I now move that the Senate stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. The question is on the motion of the Senator from Illinois that the Senate stand in recess until 12 o'clock tomorrow.

Mr. WHERRY. Mr. President, just a moment.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Illinois.

Mr. WHERRY. Is this a motion to recess?

The PRESIDING OFFICER. It is.

Mr. WHERRY. Mr. President, a parliamentary inquiry. Will the Senator yield for a parliamentary inquiry?

Mr. LUCAS. Mr. President, the motion is not debatable.

Mr. WHERRY. That is correct. I merely asked the distinguished majority leader if he would permit me to propound a parliamentary inquiry.

Mr. LUCAS. Mr. President, I have made the motion.

The PRESIDING OFFICER. The motion is that the Senate stand in recess, in accordance with the order previously entered, until 12 o'clock noon tomorrow.

Mr. WHERRY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. MILLIKIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLIKIN. What is the question before the Senate?

The PRESIDING OFFICER. The question before the Senate is whether or not the Senate will recess until tomorrow at 12 o'clock noon, in accordance with the agreement heretofore entered into that when the Senate takes a recess it be until 12 o'clock noon tomorrow.

The Senate will be in order. The clerk reports that it is impossible to hear the responses of Senators to the roll call. Let us start in the rear of the Chamber. Let members of the press be in order and continue in order. With respect to staff members of Senators, if they cannot find seats, let them please retire toward the walls and be quiet. The Chair is sure that with that good example the Senators will be quiet.

The clerk will proceed with the roll call.

The legislative clerk resumed and concluded the call of the roll.

Mr. MYERS. I announce that the Senators from Connecticut [Mr. BENTON and Mr. MCMAHON], the Senator from Kentucky [Mr. CHAPMAN], the Senator from Mississippi [Mr. EASTLAND], the Senator from Louisiana [Mr. ELLENDER], the Senator from Delaware [Mr. FREAR], the Senator from Colorado [Mr. JOHNSON], the Senator from Montana [Mr. MURRAY], the Senator from Virginia [Mr. ROBERTSON], the Senator from Idaho [Mr. TAYLOR], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained on official business.

The Senator from Georgia [Mr. GEORGE] is absent on official committee business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Louisiana [Mr. LONG] is absent by leave of the Senate on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Kansas [Mr. SCHOEPPEL] is absent by leave of the Senate conducting hearings from the Committee on Small Business.

The Senator from Michigan [Mr. VANDENBERG] is absent by leave of the Senate.

The Senator from North Dakota [Mr. LANGER] is detained at a meeting of the Committee on the Judiciary, and if present would vote "nay."

The Senator from Massachusetts [Mr. LODGE] and the Senator from Pennsylvania [Mr. MARTIN] are detained on official business.

The Senator from Wisconsin [Mr. WILEY] is necessarily absent.

The result was announced—yeas 37, nays 36, as follows:

YEAS—37

Anderson	Johnson, Tex.	Maybank
Byrd	Johnston, S. C.	Myers
Chavez	Kefauver	Neely
Clements	Kerr	O'Conor
Connally	Kilgore	O'Mahoney
Douglas	Leahy	Pepper
Fulbright	Lehman	Russell
Gillette	Lucas	Smith, N. C.
Hayden	McCarran	Stennis
Hill	McClellan	Thomas, Okla.
Hoey	McFarland	Thomas, Utah
Holland	McKellar	
Hunt	Magnuson	

NAYS—36

Aiken	Flanders	Mundt
Brewster	Gurney	Nixon
Bricker	Hendrickson	Saltonstall
Bridges	Hickenlooper	Smith, Maine
Butler	Ives	Smith, N. J.
Cain	Jenner	Taft
Capehart	Kem	Thye
Carlson	Knowland	Tobey
Cordon	McCarthy	Watkins
Donnell	Malone	Wherry
Dworshak	Millikin	Williams
Ecton	Morse	Young

NOT VOTING—23

Benton	Humphrey	Robertson
Chapman	Johnson, Colo.	Schoeppel
Eastland	Langer	Sparkman
Ellender	Lodge	Taylor
Ferguson	Long	Tydings
Frear	McMahon	Vandenberg
George	Martin	Wiley
Green	Murray	

So the motion was agreed to; and, at 3 o'clock and 34 minutes p. m., the Senate took a recess, the recess being, under the order previously entered, until tomorrow, Friday, December 15, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 14 (legislative day of November 27), 1950:

DIPLOMATIC AND FOREIGN SERVICE

Paul C. Daniels, of New York, a Foreign Service officer of the class of career minister, to be Ambassador Extraordinary and Plenipotentiary of the United States of America to Ecuador.

Horatio Mooers, of Maine, now a Foreign Service officer of class 3 and a secretary in the diplomatic service, to be also a consul general of the United States of America.

William N. Fraleigh, of New Jersey, now a Foreign Service officer of class 4 and a secretary in the diplomatic service, to be also a consul of the United States of America.

Charles H. Whitaker, of Rhode Island, now a Foreign Service officer of class 5 and a secretary in the diplomatic service, to be also a consul of the United States of America.

The following-named Foreign Service staff officers to be consuls of the United States of America:

Henry F. Arnold, of New Jersey.
Arthur G. Lund, of Utah.
Reed P. Robinson, of Colorado.
Girvan Teall, of New York.

The following-named Foreign Service reserve officers to be secretaries in the diplomatic service of the United States of America:

Jack C. McDermott, of Texas.
Forney A. Rankin, of North Carolina.
Charles A. Thomson, of Maryland.

IN THE COAST GUARD

The following-named officer of the United States Coast Guard Reserve to be a lieutenant (junior grade) in the United States Coast Guard:

Gerald Joseph Fallon

The following-named persons to be chief radio electricians in the United States Coast Guard:

August Dannenberg	Frederick Baldwin
Edward C. Brichta	James G. Leadbeater
Gabriel V. Denisov	

The following-named person to be a chief gunner in the United States Coast Guard:

Donald A. MacLean

The following-named person to be a chief carpenter in the United States Coast Guard:

Milo Taber

The following-named persons to be chief pay clerks in the United States Coast Guard:

Harold E. Major	Floyd Bieri
Hobart W. Means	James W. Winchester

APPOINTMENTS IN THE REGULAR ARMY

The following-named distinguished military students for appointment in the Regular Army of the United States, effective January 1, 1951, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Norman H. Abreu	Junie L. Clough
Doyle R. Avant, Jr.	Arthur F. Cochran
Walter J. Avery	James C. Cole
James D. Bates	William A. Connelly, O2203265
Adolph E. Baumann	Wolfert Conover, Jr., O2201386
David J. Baumgardner, O2207046	Max A. Craig
Robert B. Beck	Louis A. Daigneau, Jr., O2203469
Rodney G. Benson	Earl E. Daly, Jr.
Louis R. Birkmeyer, O2203715	William E. Davis, O2202162
William C. Bowden, O974205	Ward W. Derryberry, Jr., O2207426
Albert B. Brown, Jr., O2205564	John F. Dickson, Jr.
Dewey E. Brown	George M. Donovan
Russell E. Brubaker, O1913162	Ernest M. Eberhardt, Jr.
Frank E. Burk, O2206783	Robert W. Elliott, O2209905
John P. Burke	Robert H. Erdrich
Jack W. Burns	Donald Esper
Angelo J. Carmassi	Van E. Estes, Jr., O2206829
Donald B. Carmichael	Randall G. Eubanks
Allen R. Champlin, O1861625	James P. Flood, O2211220
William F. Flynn	Frank W. Nadeau, Jr.
Thomas H. Gause	Razeal Nash
Thomas M. Gemmell	Stanton K. Nethery, Jr.
Joe Genualdi, O2206875	William H. Olson, Jr.
John O. Girardeau	Donald J. Opitz, O507350
Frederick J. Gormley	Don A. Palmer
Raymond D. Hall	James M. Paris
James A. Hammond	Roger F. Pearson
David A. Harpman	Robert M. Penor
Gerald E. Harris	James I. Perkins, O2203749
Edward A. Hart, Jr.	William C. Petty
Jesse E. Hart	Donald N. Plants
Bernard T. Hassett	Jack B. Porterfield, O2206478
Gene L. Haupert, O1861633	Wayne W. Reed, O2207077
Joseph E. Hayden, Jr., O969910	Ralph E. Renken
Christopher R. Haydon	John H. Richardson
Clarence T. Hewgley	Errol D. Rodda
James T. Highland, Jr.	Norman H. Ruddle
Irving A. Hill	Gordon C. Russell
Leslie L. Hittle, Jr.	Clifford T. Rutledge
Donald H. Huffine	Frank W. Sample
Robert L. Hurd, O2208924	Horace M. Sanders, Jr.
Rudolph W. Jackson	Erle O. Sandlin, Jr. O975733
David L. E. Jacobs	Robert M. Schlemmer
Stephen H. Janovick, Jr.	Albert A. Schmidt
John O. Jensen	James D. Schultz, O966922
Ivan R. Johnson, O2206982	Jerrold R. Scribner
Robert R. Johnson	Paul R. Seeley, Jr.
Miles T. Jones	Philip D. Sellers
Sheldon Jones, O2202534	Joseph A. Shewski
Thomas H. Joyce	Richard B. Shields, O2202072
Herschell K. Kelley	John M. Shipley
William N. Kelt	George B. Skinner
George R. Kennedy	Kulman B. Smith
John P. King	William H. Smith
Kenneth A. Lagoni	Thomas A. Spencer, O2206974
Clem R. Lakin	William F. Squires
Marshall A. Lanter	Jerry H. Stilson, O2203600
Billy D. Lee	Stephen W. Stith, Jr., O957303
Robert S. Lewis	Donald L. Strange-Boston
Delmas V. Lippard	Ernest E. Street
Carroll D. Logan	Eugene D. Sweeters
Jay C. Lowe, Jr.	Darwin D. Talafuse
Lon U. Lutz	Albert P. Taylor, Jr.
James R. McClure	Robert S. Taylor, Jr., O2206818
Everette G. McGhee, Jr.	Walter M. Taylor
Charles D. McKeown, O2205285	James J. Tolson
Norman W. McNabb	William W. Townsend
Arlen A. McNeil	Vestal J. Vaughn, Jr.
Thomas J. McQuade, Jr.	Bynum P. Ward
Frank D. Maglione, O970819	Lawrence L. Wathey
Donald P. Malloch, Jr.	John C. Webber
William D. Manahan, O2206986	William E. Westerbeck
Frank A. Matthews	Herbert W. Wheeler
Wallace M. Maurer, O2203769	Paul A. Whetstone
Warren M. Maurer, O2203767	Peter L. White, O2210407
Norman R. Metz	Nelson L. Whitmire, O2210434
George E. Mills	Walton S. Williams, O2204290
Sidney E. Mitchell, O972124	Preston E. Williamson
Conrad X. Mizer, O968451	Robert J. Wilson
John T. Moore	Whitfield F. Woodhead
James C. Morris	Glenn H. Woods, Jr.
Robert W. Muller	Thomas B. Wynegar
Jimmy D. Myers	Donald A. Yoder, O2208881
	Fletcher R. Young, Jr.
	Richard G. Zeller

The following-named distinguished military student for appointment in the Medical Service Corps, Regular Army of the United States, effective January 1, 1951, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th

Cong.), subject to designation as a distinguished military graduate, and subject to physical qualification:

Robert D. Short

The following-named distinguished military students for appointment in the Regular Army of the United States, effective June 15, 1951, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Thomas L. Abrahams
Howard A. Acheson, Jr.
John W. Addison, Jr.
Guy B. Agnor, Jr.
Francis J. Aiken, Jr.
Lloyd A. Alaback
John A. Albree
John D. Albritton
Richard A. Alexander
Shelby G. Alfred
Robert D. Allen
Willard G. Alverson
Owen L. Anderson
George N. Andrews
Robert C. Andries
Burrel D. Angell
John F. Anthony, Jr.
LaMar Argyle
Charles E. Armstrong
Robert A. Arnet
Peter E. Arnold
David S. Asbill, Jr.
John S. Autry
Malcolm E. Avery
William T. Avis
Gordon C. Bailey
Robert F. Baisley
Thomas R. Balke
Frank P. K. Barker, Jr., O2204911
Gregory D. Barnes
Wilman D. Barnes
William B. Barnhart
Jack M. Bass, Jr.
Lewie L. Bates, Jr.
Henry E. Batson
James C. Bauer
Harold G. Beal, Jr.
Richard D. Bearden, Jr.
Roy Beaty, Jr.
Charles C. Beazley
Calvin R. Beck
James N. Beil
Arnold F. Bellini
Frank R. Beloy
Edward A. Bender, Jr.
Ernest L. Bennett
Robert C. Bennett, Jr.
James R. Bergman
Jacques W. Bernier
Robert E. Bescherer
Frederick W. Best, Jr., O2204603
Walter F. Biggs, Jr.
Russell D. Bird
George Bjotvedt
John R. Black, O2210562
Robert E. Blackwell, O2207351
Patrick J. Bohen
Alfred W. Bohlen, Jr.
Fred P. Boljen
Lesli S. Bomar, Jr.
Emanuel F. Bosio
Allen B. Bostad
John S. Bowdidge
Douglas C. Bowers
Richard P. Boyd
Arthur H. Boyer
Thomas H. Branch
John N. Brandenburg
Frederick B. Breece
Thomas A. Breen
James P. Broady, O1913005
Elmer G. Brooker, Jr.
Vincent I. Brosky, O2202432
Gerald J. Brown
Samuel T. Brown, Jr.
Thomas J. Brown, Jr.
Wade T. Buchanan, Jr.
Charles A. Bundy
Eugene L. Burch, Jr.
Walter T. Burch
Paul V. Burger
Jack Burgess
Richard K. Burk
John T. Busbee, O2208338
William F. Byron
William V. Call
Ishmael G. Callaway
Jack G. Callaway
Jackie W. Calvert
Thomas D. Canary
Marcus J. Cannady, O1913007
Norris R. Capers
Harry E. Carlsen, O2211182
James B. Carr, Jr.
Regis J. Carr, Jr.
Arnold R. Carrillo, O2210372
Joseph E. Cartan, Jr.
Charles H. Carter, Jr.
George W. Carter III
William G. Carter
Joseph Caruso
Walter A. Caskie
Earl L. Casner, Jr.
Joseph F. Castro
Richard E. Cavazos
Francis C. Chadwick
William N. Chalfant, O2202630
Stephen J. Chamberlin, Jr.
John C. Champeny
George A. Chandler
Kenneth L. Chesak
Thomas B. Christiansen, Jr.
Francis R. Cipolla
Joe T. Clark
Noble N. Clark
Steven T. Clark
Thomas J. Clark, O2203532
William L. Clark
Jack H. Clay
Harold W. Clift, Jr.
Stanley W. Cogan
Richard H. Cole
James P. Coley
Braxton W. Collins
Percy W. Collom, Jr.
Byron R. Coltrin, O2210683
Breck Combs
William T. Comisky
Donald G. Conrad
Edward T. Conroy
George R. Cook
Harold E. Cook
Herbert R. Cook
James M. Cook, Jr.
Raymond K. Cooley
John P. Cooper
William E. Cooper, Jr.
Charles D. Corbett
William U. Corbett, Jr.
John G. Couris, O2203878
George E. Craft, O2202516
Samuel E. Craig, Jr.
Frank P. Crimi
Roger M. Crosby II
Fred P. Culbreth
Gene S. Cunningham, Jr., O2210374
Lee D. Cunningham
Jack V. D'Agostino
Addison D. Davis III
Ernest J. Davis
Francis J. Davis
Max S. Davis, O2209155
William H. Davis
Bobby F. Deas
James R. Decker
Oscar C. Decker, Jr.
Stanley G. DeLaHunt
Charles H. Detweiler
Willys D. DeVoll
Charles B. Dickinson
Walter J. Diggles, O2200710
Simon L. Dingfelder
Rosario J. Di Salvo
Roy J. Dittamo
Henry C. Doan
Steven F. Donarski
Joseph A. Donnan
Jesse B. Doss, O2206867
Charles A. Dougherty, O2021011
Walter J. Dougherty
Ralph S. Dover
Robert E. Dowden
Miles H. Downes
John J. Doyle, Jr., O2202439
Joel E. Drucker
John W. Duffett, O2202731
Thomas N. Duffy
William D. Duffy
David D. Dukes
Roy E. Duncan
Robert E. Dunn
Paul L. Dutton
Henry H. Duval, Jr.
Austin J. Dwyer, O2200711
Eugene L. Eastmoore
Robert D. Ebert
Joel I. Ellis
Robert H. Ellis, O2209005
William B. Ellis
Richard H. Emerson
Harvey E. Emig
Albert J. Engelberg, Jr.
Malcolm L. Ernst
Louis A. Eubank
John H. Evans
Richard C. Evans
Dale D. Evenson
Charles T. Fabian
Edward J. Fahey
Frank A. Faison
John E. Farnham
Donald H. Faulkner
Richard J. Fegley
Jack C. Ferguson
Homer J. Finch
Vincent J. Fisher
Theodore P. Fix, Jr.
Edwin A. Fluevog, Jr.
Lyon A. Flynt
Robert F. Folker, O967711
Neil Folsom
Robert H. Forman
James B. Forster
John L. Fossett
Richard L. Fowler
John K. Fox, O2210654
Michael P. Foy, Jr.
John E. France
David D. Francis
Gordon H. Francis
Robert S. Francis
Robert F. Franz, Jr.
Danny P. Fraser
James R. Frawley, Jr.
Edgar V. Friend, Jr.
John H. Friend, Jr.
Charles J. V. Fries III
Veryl L. Fritz
Michael A. Fucci
James F. Fulton, Jr.
Jonathan W. Fulton
Charles S. Furuya
Robert J. Gaige
Gerald O. Galvan, O2210303
Barney L. Garrett III
William H. Garrett, Jr.
Charles E. Gates
Daniel M. Gauger
Edwin B. Gentry, O2205104
Frank G. George
Robert L. German
John A. Gesell
Raymond C. Giesecke
Clinton Gilbert, Jr.
Oscar T. Gilbert, Jr.
William R. Gillingham
Charles A. Gillis
Ronald J. Gillis
Robert E. Girardin
James E. Glover
Donald J. Goettel
Roger Gohrband
Harry G. Goode, Jr.
Robert J. Goodwin
Warner S. Goodwin, Jr.
George W. Grady
Daniel P. Gray
William W. Gray
James R. Green, Jr.
William C. Gressette
Henry L. Griesbach, Jr.
Edward F. Griger
Richard A. Grimes
William S. Grover
John E. Gudgel, Jr.
Charles B. Guest, Jr.
Robert Gunning, Jr.
Jess H. Hackney
Joseph L. Hadaway
Donald A. Hadley
Warren C. Hale, O2205492
Charles W. Hammond
Clayton B. Hammond
David R. Hampton
Delbert B. Hankins
John W. Hannigan
Karl W. Hansen
William M. Hanser
Robert C. Hanson
Willard E. Hardwick
Robert W. Harper
Charles H. Harrison
William J. Hart, Jr.
John F. Harte, Jr.
Charles D. Hawn
Robert M. Heaney
Donald J. Hecht
Robert J. Heidel
John M. Henchman
James M. Henderson
William J. Herlihy, Jr.
John H. Hesterly
Robert T. Hewitt, Jr., O970279
William H. Hexner O2210743
Wayne C. Hickey, Jr. O2207287
James R. Hillas, Jr.
James R. Hinkle
William P. Hirschmann, Jr.
James E. Hoctor
Rice R. Holcombe
Robert L. Holderman
Rex L. Holland
William C. Hood
Roy S. Hooper, Jr. O2210563
Robert L. Hope
Jack E. Hopper
Charles R. Horton
Samuel R. Horton, Jr.
Philip J. Howard
John K. Hoyle, Jr.
Richard R. Hubbard, O2210584
Johnson Hubbell, O1913037
Richard G. Huber
Jack P. Huddle
Virgil R. Hudnall, O972144
Robert D. Hughes III
Robert F. Hume
Billy B. Humphreys
Amede O. Hungerford
Charles W. Hunter
Horace L. Hunter, Jr.
Merrel E. Hyne
Merritte W. Ireland
Salvatore M. Iuliano
Donald A. Jackson
Louis F. Jacob, Jr., O2206549
Bill P. Jacobs, O2206788
Alden W. Jahnke
Alfred B. Jarden
Donald F. Javete
Kenneth G. Jenkins
Jay R. Jensen
Robert J. Jepsen, Jr.
Earle S. Johnson
Richard F. Johnson
Sven G. Johnson
Vernon D. Johnson
Clifford M. Jones
Ralph W. Julian
James O. Kadel
Edward W. Kahelin
Frederick K. Kamaka
Harlan E. Kamm, O2209401
John J. Keating, Jr.
Milous H. Keith
Lloyd R. Kelly
Harold G. Kelso, Jr.
Clinton R. Kennedy, O2200696
Lester R. Kerfoot, Jr.
Joseph F. Kijauskas
Rupert H. Kinard
Edward J. Kirby
Dwight A. Kirk
George R. Kirmse, O971432
Arthur L. Kirts
Robert A. Kizer
Theodore W. Kleinsasser
Theodore S. Klimaszewski
David M. Klinger
Jere I. Klivansky
William R. Knill
Carl L. Krueger, O969936
Frank M. Kulik, Jr.
Raymond J. Kunze
Richard E. LaBrode
William L. Lam
Charles I. Lambert
James O. Lambert
Roy P. Lambert
Jerome J. Lane
Clarence A. Lange, Jr.
Ronald V. Lange
Robert G. Latchford
Thomas L. Lawley
Walter A. Lawry
Rufus C. Lazzell
Hugh U. Leach
Francis E. Leavens
Irwin E. Lecker
Harry H. Ledbetter
Anderson T. LeDeaux
Luke D. LeFevre, O2210827
James M. Leslie
Rufus E. Lester, Jr.
Louis N. Levinson
Clark H. Lewis
Gerald H. Lewis
Robert G. Lewis
Samuel S. Lewis, Jr.
Robert A. Liday
Carl B. Lind
John P. Lindley
Roger M. Little II
Richard L. Livermore
Marvin W. Livingston
Otis W. Livingston, Jr.
Stanley J. Lobodinski, Jr.
Raymond M. Loeb, Jr.
Howard K. Loenshal, Jr.
John R. Loftin
Edward L. Lokey
John W. Lowden, Jr.
Fred D. MacLean, Jr.
Benjamin B. McAlpin III
Frederick J. McCabe
Gerald W. McCarty
James C. McCraw
John J. McCreary, Jr.
Albert W. McDaniel
James B. McGillis
Thomas E. McGinty
Donald B. McGregor
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Allen V. Young
James Young
Edward D. Younis
George W. Yount
Vitte V. Yusas
John H. Zak
Robert F. Ziems
Richard J. Zuccaro

The following-named distinguished military students for appointment in the Medical Service Corps, Regular Army of the United States, effective June 15, 1951, in the grade of second lieutenant, under the provisions of section 506 of the Officer Personnel Act of 1947 (Public Law 381, 80th Cong.), subject to designation as distinguished military graduates, and subject to physical qualification:

Ward E. Falor
Marcel F. Laventurier
Lewis C. Miner

IN THE AIR FORCE

The following officers for appointments to the positions indicated under the provisions of section 504, Officer Personnel Act of 1947:

To be general

Lt. Gen. Nathan Farragut Twining, 10A, (major general, U. S. Air Force), Air Force of the United States, to be vice chief of staff, United States Air Force, with rank of general with date of rank from October 10, 1950.

To be lieutenant generals

Lt. Gen. Lauris Norstad, 25A (major general, U. S. Air Force), Air Force of the United States, to be commander in chief, United States Air Forces in Europe, with rank of lieutenant general with date of rank from October 1, 1947.

Lt. Gen. Idwal Hubert Edwards, 11A (major general, U. S. Air Force), Air Force of the United States, to be deputy chief of staff, Operations, Headquarters, USAF, with rank of lieutenant general with date of rank from October 1, 1947.

The following-named officers for temporary appointment in the Air Force of the United States under the provisions of section 515, Office. Personnel Act of 1947:

To be major generals

Brig. Gen. Warren Rice Carter, 181A, United States Air Force.

Brig. Gen. Emery Scott Wetzel, 464A, United States Air Force.

Brig. Gen. John Alexander Samford, 377A (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. Robert Kinder Taylor, 390A (colonel, U. S. Air Force), Air Force of the United States.

Brig. Gen. John Paul McConnell, 611A (colonel, U. S. Air Force), Air Force of the United States.

To be brigadier generals

Col. John Stewart Mills, 357A, United States Air Force.

Col. Edwin Minor Day, 440A, United States Air Force.

Col. William Preston Nuckols, 534A, United States Air Force.

Col. Joseph Harold Hicks, 227A, United States Air Force.

Col. Herbert Miller Kidner, 309A, United States Air Force.

Col. Monro MacCloskey, 318A, United States Air Force.

Col. Frederic Ernst Glantzberg, 405A, United States Air Force.

Col. Dudley Durward Hale, 431A, United States Air Force.

Col. Marshall Stanley Roth, 458A, United States Air Force.

Col. Donald John Keirn, 462A, United States Air Force.

Col. Pearl Harvey Robey, 473A, United States Air Force.

Col. John Walker Sessums, Jr., 489A, United States Air Force.

Col. Roy Henry Lynn, 492A, United States Air Force.

Col. William John Clinch, 532A, United States Air Force.

Col. Thetus Cayce Odom, 554A, United States Air Force.

Col. Morris John Lee, 556A, United States Air Force.

Col. Jacob Edward Smart, 592A, United States Air Force.
Col. Hunter Harris, Jr., 624A, United States Air Force.
Col. Leigh Wade, AO403535, United States Air Force Reserve.
Col. Gabriel Poillon Disosway, 654A, United States Air Force.
Col. Charles Raeburne Landon, 712A, United States Air Force.
Col. Charles John Bondley, Jr., 1073A, United States Air Force.
Col. James Clyde Selser, Jr., 1284A, United States Air Force.
Col. Frederick Jensen Dau, 834A, United States Air Force.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 14 (legislative day of November 27), 1950:

INTERSTATE COMMERCE COMMISSION

Hugh W. Cross, of Illinois, to be an Interstate Commerce Commissioner for the term expiring December 31, 1957.

UNITED STATES DISTRICT JUDGES

Hon. Walter M. Bastian, to be United States district judge for the District of Columbia.

William F. Riley, to be United States district judge for the southern district of Iowa.

NATIONAL SCIENCE FOUNDATION

To be members of the National Science Board, National Science Foundation, for term expiring May 10, 1952

Sophie Bledsoe Aberle	Gerty T. Cori
Chester I. Barnard	Charles Dollard
Robert Percy Barnes	Robert F. Loeb
Detlev W. Bronk	Andrey A. Potter

To be members of the National Science Board, National Science Foundation, for term expiring May 10, 1954

Lee A. DuBridge	Harold M. Morse
Donald H. McLaughlin	James A. Reyniers
Edward L. Moreland	Elvin C. Stakman
Joseph C. Morris	P. H. Yancey

To be members of the National Science Board, National Science Foundation, for term expiring May 10, 1956

James B. Conant	O. W. Hyman
John W. Davis	Frederick A. Middlebush
Edwin B. Fred	Charles E. Wilson
Paul M. Gross	
George D. Humphrey	

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 14, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty and ever-blessed God, who art too wise to err and too kind to injure, we pray that Thou wilt be present and favorable unto these Thy servants.

Grant Thy divine guidance, Thy fatherly benediction and the seal of Thy divine approval upon their decisions as they earnestly seek the welfare of our Nation and all mankind.

Help us to cleave with increasing tenacity of purpose and determination and devotion to those God-ordained ideals and principles which are eternally real and true.

May we daily take up with renewed faith and courage and indomitable will the great task of extending the frontiers of freedom and justice to the uttermost parts of the earth.

We pray that in all our longings for peace and in our conflicts with the forces of evil and darkness we may be supremely concerned about vindicating Thy righteousness and maintaining the honor and glory of Thy great and holy name.

Hear us for the sake of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 7445. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.;

H. R. 8546. An act to amend the Philippine Property Act of 1946;

H. R. 9484. An act to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights; and

H. R. 9524. An act to supplement the District of Columbia Teachers' Leave Act of 1949.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 2734. An act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended; and

H. R. 5902. An act for the relief of the Pan American Union.

FURLOUGH TRAVEL OF SERVICE PERSONNEL

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9840) to exempt furlough travel of service personnel from the tax on transportation of persons, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 2, line 2, line 3, strike out "2" and insert "2.025."

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, on H. R. 9840 the Senate amendment makes a minor change to carry out the intent of the House in granting an exemption from tax on furlough travel of service personnel. The amendment is necessary to insure uniform application throughout the United States.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

AMENDMENT TO BANKRUPTCY ACT

Mr. HOBBS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2513) to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, is amended by inserting immediately after the enacting clause a new sentence as follows: "That this act may be cited as the 'Bankruptcy Act'."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

UNLAWFUL RESTRAINTS AND MONOPOLIES

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 2734) to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 4, line 7, strike out "Authority" and insert "Board."

Page 4, line 9, after "Commission" where it appears the second time insert "in the exercise of its jurisdiction under section 10 of the Public Utility Holding Company Act of 1935, the United States Maritime Commission."

Page 4, line 11, strike out "Authority."

Page 4, line 20, strike out "Authority" and insert "Board."

Page 5, line 3, strike out "Commission, Authority," and insert "Commission."

Page 5, line 13, strike out "Commission, Authority," and insert "Commission."

Page 5, lines 18 and 19, strike out "Commission, Authority," and insert "Commission."

Page 5, line 22, strike out "Commission, Authority," and insert "Commission."

Page 5, line 23, strike out "Commission, Authority," and insert "Commission."

Page 6, lines 12 and 13, strike out "Commission, Authority," and insert "Commission."

Page 6, line 18, strike out "Commission, Authority," and insert "Commission."

Page 6, line 19, strike out "Commission, Authority," and insert "Commission."

Page 7, line 1, strike out "Commission, Authority," and insert "Commission."

Page 7, line 8, strike out "Commission, Authority," and insert "Commission."

Page 7, line 9, strike out "Commission, Authority," and insert "Commission."

Page 7, line 16, strike out "Commission, Authority," and insert "Commission."

Page 7, line 18, strike out "Commission, Authority," and insert "Commission."

Page 7, lines 20 and 21, strike out "Commission, Authority," and insert "Commission."

Page 8, lines 6 and 7, strike out "Commission, Authority," and insert "Commission."

Page 8, line 11, strike out "Commission, Authority," and insert "Commission."

Page 8, lines 12 and 13, strike out "Commission, Authority," and insert "Commission."

Page 8, lines 13 and 14, strike out "Commission, Authority," and insert "Commission."

Page 8, line 18, strike out "Commission, Authority," and insert "Commission."

Page 8, line 19, strike out "Commission, Authority," and insert "Commission."

Page 8, lines 20 and 21, strike out "Commission, Authority," and insert "Commission."

Page 9, lines 2 and 3, strike out "Commission, Authority," and insert "Commission."

Page 9, lines 6 and 7, strike out "Commission, Authority," and insert "Commission."

Page 9, lines 10 and 11, strike out "Commission, Authority," and insert "Commission."

Page 9, lines 12 and 13, strike out "Commission, Authority," and insert "Commission."

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

Mr. MARTIN of Massachusetts. Mr. Speaker, reserving the right to object, these are merely technical amendments, are they not?

Mr. BRYSON. Yes.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

ELECTION TO COMMITTEE

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution (H. Res. 882) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That DONALD L. JACKSON of California be, and he is hereby, elected a member of the standing Committee of the House of Representatives on Un-American Activities.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON VETERANS' AFFAIRS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the Committee on Veterans' Affairs may have until midnight tonight to file a report on the bill H. R. 9911.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

AID-TO-YUGOSLAVIA BILL

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, yesterday some of those who were advocating the gift of thirty-eight million to Tito, in particular the gentleman from Massachusetts and the gentleman from Minnesota, Dr. JUDD, based their arguments on the premise that here were, as characterized by Members, two crooked, murdering Communists in Europe—Stalin and Tito—and that we could help ourselves by strengthening the smaller one, Tito, to fight the bigger one, Stalin. In theory that might be said to work out all right. But from a practical standpoint that idea just does not work. We helped Stalin to fight Hitler. What happened? Just what I feared. Hitler went down in defeat. With our help, Stalin rose to power; with our help, became a military giant, threatens our existence, has caused the death of thousands of our men. Are we to repeat our error? I would not trust either Stalin or Tito. I would not give either anything. We do not know just when they will get together, turn on us, and rip us up the back. Let them fight it out; let us look to our own defenses.

PRIVATE CALENDAR

The SPEAKER. This is Private Calendar day. The Clerk will call the first individual bill on the Private Calendar.

GERDA MOLLER ULDALL AND HER SON, MIKKEL MOLLER

The Clerk called the bill (S. 1344) for the relief of Gerda Moller Uldall and her son, Mikkel Moller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Gerda Moller Uldall and her son, Mikkel Moller, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of their last entry into the United States upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct two numbers from the nonpreference category of the first available immigration quota for nationals of Denmark.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELMER BELLER

The Clerk called the bill (S. 1528) for the relief of Elmer Beller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Elmer Beller (formerly an employee of the Office of War Information), the sum of $8,593.05. Such sum shall be in full compensation of his claim against the United States for hospital and medical expenses paid by him as the result of an injury received on August 18, 1944, while training for service with the Psychological Warfare Division, SHAEF: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

SEC. 2. Nothing contained in this act shall require the said Elmer Beller to repay any sums received by him as compensation for such injuries under the provisions of the act entitled "An act to provide compensation for employees of the United States suffering injuries while in performance of their duties, and for other purposes," approved September 7, 1916, as amended.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARNE POST, NO. 28, AMERICAN LEGION, NEW MARTINSVILLE, W. VA.

The Clerk called the bill (S. 3250) for the relief of Marne Post, No. 28, American Legion, New Martinsville, W. Va.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Marne Post, No. 28, American Legion, New Martinsville, W. Va., the sum of $100 in full satisfaction of its claim against the United States for reimbursement of expenses incurred in providing transportation for James L. Anderson, a veteran, from New Martinsville, W. Va., to the Veterans' Hospital, Roanoke, Va., on January 18, 1950: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LAMM LUMBER CO.

The Clerk called the bill (S. 3965) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That notwithstanding the provisions of section 2103 of the Revised Statutes (U. S. C., title 25, sec. 81) and notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of the Court of Claims with respect to claims upon any contract implied in law, jurisdiction is hereby conferred upon such court to hear, determine, and render judgment upon the claim of the Lamm Lumber Co. either against the United States in a fiduciary capacity for the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians or against said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians in connection with the contract construed by such court in its decision dated January 12, 1938, in the case of Lamm Lumber Co. against the United States (86 C. Cls. 171).

SEC. 2. The amount of any judgment awarded by the Court of Claims upon such claim shall not exceed the amount of the

judgment heretofore awarded by such court in the case of Lamm Lumber Co. against the United States (86 C. Cls. 171, 188).

SEC. 3. Suit upon such claim may be instituted by or on behalf of the Lamm Lumber Co. at any time within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof shall be had as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code, and the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians shall be entitled to be represented in such proceedings, if they so desire, by legal counsel employed in conformity with the provisions of section 2103 of the Revised Statutes (25 U. S. C. 81). In the trial of any such suit the Court of Claims shall have jurisdiction to hear and determine any defenses available under the rules of law and equity applicable to contracts made by the United States, defenses of waiver or estoppel based on the course of dealing between the parties, and defenses based on mistake of law or fact, including any failure to collect sums payable under the contract involved in such suit by reason of mistake of law or fact, and shall determine the liability, if any, of the parties defendant as the facts and law require. Parol evidence shall be admissible for the purposes of proving or disproving such defenses notwithstanding any limitation upon the admissibility of parole evidence in suits involving contracts in writing. Any set-off, counterclaim, claim for damages, or other demand set up on the part of any defendant shall be heard and determined by the court in accordance with the provisions of section 2508 of title 28 of the United States Code.

SEC. 4. Any part of any judgment rendered hereunder which represents sums actually deposited to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians for timber cut from tribal lands shall be paid by the Secretary of the Treasury, upon appropriation by the Congress, from any funds in the Treasury of the United States to the credit of said tribe. Any other part of any judgment rendered shall be payable in the same manner as in the case of claims over which the Court of Claims has jurisdiction under section 1491 of title 28 of the United States Code.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOREST LUMBER CO.

The Clerk called the bill (S. 3966) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

ALGOMA LUMBER CO.

The Clerk called the bill (S. 3967) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

There was no objection.

ZYGMUNT PAKULA

The Clerk called the bill (H. R. 2466) for the relief of Zygmunt Pakula.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General be, and he is hereby, directed to cancel forthwith the outstanding warrant of arrest, order of deportation, warrant of deportation, and bond, if any, in the case of the alien Zygmunt Pakula (also known as Pakuta), now residing in Cambridge, Mass. Hereafter, for the purpose of the immigration and naturalization laws, such alien shall be considered to have been lawfully admitted to the United States for permanent residence on November 24, 1945, at the port of Boston.

Upon enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the Polish quota for the first year that the said Polish quota number is available.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That, in the administration of the immigration laws, section 4 of the Displaced Persons Act, as amended (62 Stat. 1011; U. S. C., 50 App. 1953), shall be held to be applicable to Zygmunt Pakula, a native of Poland, notwithstanding the illegal nature of his entry on November 24, 1945."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARIO PUCCI

The Clerk called the bill (H. R. 6500) for the relief of Mario Pucci.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Mario Pucci, who entered the United States at the port of New York on July 29, 1948, as a visitor, shall be deemed to have entered as a permanent resident on that date.

SEC. 2. The Secretary of State is instructed to deduct one number from the current quota for Italy.

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That, for the purposes of the immigration and naturalization laws, Mario Pucci, Giacomo Favetti, Giuseppe Omati, Vincenzo Andreani, Lambruno Sarzanini, and Alessandro Costa shall be considered to have been lawfully admitted to the United States for permanent residence as of the respective dates of their entry into the United States at the port of New York, N. Y., upon the payment by them of the required visa fees and head taxes.

"SEC. 2. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct six numbers from the quota for Italy for the first year that such quota is available."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, and was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Mario Pucci, Giacomo Favetti, Giuseppe Omati, Vincenzo Andreani, Lambruno Sarzanini, and Alessandro Costa."

A motion to reconsider was laid on the table.

MARIA MANFRINI

The Clerk called the bill (H. R. 9286) for the relief of Maria Manfrini.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, solely for the purpose of section 4 (a) and section 9 of the Immigration Act of 1924, as amended, Maria Manfrini shall be considered the alien natural-born child of his adoptive parents, Mr. and Mrs. Salvatore Manfrini, United States citizens.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CAPT. MARCIANO O. GARCES

The Clerk called the bill (H. R. 9845) for the relief of Capt. Marciano O. Garces.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Capt. Marciano O. Garces, of Cebu City, Republic of the Philippines, the sum or $810, in full settlement of all claims against the United States in reimbursement of a like sum of money advanced by him on May 21, 1942, to an officer of the United States Army for the purpose of hiring laborers to bring food to a Japanese prison camp for the use of American and Filipino prisoners of war held therein: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RUGGIERO DiCOSTANZO

The Clerk called the bill (S. 297) for the relief of Ruggiero DiCostanzo.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws the Attorney General of the United States shall record the lawful admission for permanent residence of Ruggiero DiCostanzo, a native of Italy, as of July 28, 1947, the date on which he was originally admitted to the United States as a visitor upon payment of the required visa fee and head tax.

SEC. 2. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the nonpreference portion of the quota for Italy for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

IRENE GEORGE LIVANOS

The Clerk called the bill (S. 995) for the relief of Irene George Livanos.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, Irene George Livanos, of New York, N. Y., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of November 24, 1947, the date of her last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Greece.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. J. ALBRECHT CO.

The Clerk called the bill (S. 752) for the relief of the E. J. Albrecht Co.

Mr. D'EWART. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

S. A. HEALY CO.

The Clerk called the bill (S. 1816) for the reimbursement of the S. A. Healy Co.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, from any money in the Treasury not otherwise appropriated, to the S. A. Healy Co., as the contractor under contracts numbered NOy-12759 and NOy-19806, amounts not to exceed $51,485.99 and $40,887.97 under the respective contracts, as reimbursement for, and in settlement of, claims against the United States for increased compensation resulting from action by the Government's Wage Adjustment Board in authorizing increases in the rates of wages payable under the contracts: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000: *Provided further*, That the said sum of $92,373.96 shall be accepted in full payment of every claim of every kind or character involved in this transaction between the S. A. Healy Co. and the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

STEPHEN A. PATKAY AND WIFE

The Clerk called the bill (S. 2179) for the relief of Stephen A. Patkay and his wife, Madeleine.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the immigration and naturalization laws Stephen A. Patkay and his wife, Madeleine, shall be held and considered to have been lawfully admitted into the United States for permanent residence as of December 23, 1947, the date of their last entry into the United States, upon payment of the required head taxes and visa fees,

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number each from the nonpreference categories of the first available immigration quotas for nationals of Hungary and France.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SHAOUL MINASHI SHAMI ET AL.

The Clerk called the bill (S. 2420) for the relief of Shaoul Minashi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, the aliens, Shaoul Minashi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date on which they last arrived in the United States, upon the payment of the visa fees and head taxes. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct the necessary numbers from the appropriate quotas for the first year that such quotas are available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LOUIS E. GABEL

The Clerk called the bill (S. 2702) for the relief of Louis E. Gabel.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Louis E. Gabel, an individual trading as Gabel Construction Co., of Orlando, Fla., the sum of $38,956.42, in full satisfaction of his claim against the United States for uncompensated losses and damages sustained by him under contract No. NOY-9336, for the construction of a water-softening plant at Florida City, Fla., for the navy yard at Key West, Fla., as a result of a delay in receiving materials and equipment provided for in said contract: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOHAN WILHELM ADRIAANS

The Clerk called the bill (S. 2799) for the relief of Johan Wilhelm Adriaans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, the alien Johan Wilhelm Adriaans shall be held and considered to have been lawfully admitted to the United States for permanent residence as of June 20, 1949, the date on which he was admitted as a visitor, upon payment of head tax and visa fee. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANGELA MARIA PISANO

The Clerk called the bill (S. 2803) for the relief of Angela Maria Pisano.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, Angela Maria Pisano shall be deemed to be the natural-born alien child of Mrs. Mary Levato, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MAGDALENA L. JARDELEZA, JR.

The Clerk called the bill (S. 2961) for the relief of Magdalena L. Jardeleza, Jr.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Magdalena L. Jardeleza, Jr., of Washington, D. C. From and after the date of enactment of this act, the said Magdalena L. Jardeleza, Jr., shall not again be subject to deportation by reason of the same facts upon which such deportation proceedings were commenced or any such warrants and order have issued.

SEC. 2. In the administration of the immigration and naturalization laws, the said Magdalena L. Jardeleza, Jr., shall be considered as having been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 3. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of the Republic of the Philippines.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CHEN HUA HUANG

The Clerk called the bill (S. 2968) for the relief of Chen Hua Huang.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of the immigration and naturalization laws, Chen Hua Huang shall be held and considered to be the natural-born alien minor child of Mr. and Mrs. Chun Ku Huang, citizens of the United States, and shall be deemed to be a nonquota immigrant within the purview of sections 4 (a) and 9 of the Immigration Act of 1924.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DIONISIO AGUIRRE IRASTORZA

The Clerk called the bill (S. 3066) for the relief of Dionisio Aguirre Irastorza.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Dionisio Aguirre Irastorza, of Mountain Home, Idaho, who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Spain.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ANDRES AGUIRRE IRASTORZA

The Clerk called the bill (S. 3067) for the relief of Andres Aguirre Irastorza.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Andres Aguirre Irastorza, of Twin Falls, Idaho, who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Spain.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MASTER STANLEY (ZACHNE) HILLER

The Clerk called the bill (S. 3091) for the relief of Master Stanley (Zachne) Hiller.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Master Stanley (Zachne) Hiller shall be deemed to be the natural-born alien child of Mr. and Mrs. Harry Berger, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

KIYOMI KITAMURA

The Clerk called the bill (S. 3329) for the relief of Kiyomi Kitamura.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Kiyomi Kitamura, the Japanese fiancée of James W. Whitfield, a citizen of the United States and a member of the United States Marine Corps, and that Kiyomi Kitamura may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided,* That the administrative authorities find that the said Kiyomi Kitamura is coming to the United States with a bona fide intention of being married to said James W. Whitfield, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Kiyomi Kitamura, she shall be required to department from the United States, and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Kiyomi Kitamura, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Kiyomi Kitamura as of the date of her entry into the United States, upon the payment by her of the required fees and head tax.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LEE YEE YEN

The Clerk called the bill (S. 3406) for the relief of Lee Yee Yen.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Lee Yee Yen, the minor child of Lee Bing Hong, a citizen of the United States, shall be deemed to be eligible for admission into the United States under the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, if otherwise admissible under the immigration laws.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

MARTINA ARNAIZ ZARANDONA (SISTER BLANCA EUGENIA)

The Clerk called the bill (S. 3430) for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia).

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Martina Arnaiz Zarandona (Sister Blanca Eugenia), a nun in the Order of the Religious of Assumption, presently residing in Miami, Fla., shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

VICTOR FRANCIS OBERSCHALL

The Clerk called the bill (S. 3444) for the relief of Victor Francis Oberschall.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Victor Francis Oberschall shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BARBARA SUGIHARA

The Clerk called the bill (S. 3484) for the relief of Barbara Sugihara.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws of the United States, the provisions of section 13 (c) of the Immigration Act of 1924, as amended (U. S. C., title 8, sec. 213 (c)), which excludes from admission to the United States persons who are ineligible to citizenship, shall not hereafter apply to Barbara Sugihara, of Hiroshima, Japan, the minor daughter of Mary Sugihara, a citizen of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELLA STUFKA AND HER SON

The Clerk called the bill (S. 4072) for the relief of Ella Stufka and her son.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Ella Stufka, the fiancée of John Donald Webb, a United States citizen and an honorably discharged veteran of World War II, and her son, Thomas Roland, may be eligible for visas as nonimmigrant visitors for a period of 3 months: *Provided,* That the administrative authorities find that the said Ella Stufka is coming to the United States with a bona fide intention of being married to said John Donald Webb and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of said Ella Stufka, and her son, Thomas Roland, they shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (U. S. C., title 8, secs. 155 and 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of said Ella Stufka, the Attorney General is authorized and directed to record the lawful admission for permanent residence of said Ella Stufka and her son, Thomas Roland, as of the date of their entry into the United States, upon the payment by them of the required fees and head taxes.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PAMELA BENTLEY

The Clerk called the bill (S. 4074) for the relief of Pamela Bentley.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws,

Pamela Bentley shall be held and considered to be the natural-born alien minor child of Mr. and Mrs. Robert Griffin, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SOUTHERN FIREPROOFING CO., OF CINCINNATI, OHIO

The Clerk called the bill (S. 4111) for the relief of the Southern Fireproofing Co., of Cincinnati, Ohio.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That jurisdiction is hereby conferred upon the United States Tax Court to finally determine the amount, if any, of excessive profits received or accrued by Jacob Lichter and Jennie L. Lichter, partners doing business as Southern Fireproofing Co., of Cincinnati, Ohio, in an amount either less than, equal to, or greater than that determined by the Secretary of War (now the Secretary of the Army) for the calendar year 1942, under the applicable provisions of the Renegotiation Act of 1942, as amended: *Provided*, That the suit authorized hereunder shall be instituted within 90 days after the effective date of this act: *Provided further*, That the passage of this act shall not be construed as an inference of liability on the part of the Government of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PATENT IN FEE TO JAMES CHESTER STEVENS

The Clerk called the bill (S. 3519) authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is authorized and directed to issue a patent in fee to James Chester Stevens for the following-described lands in the State of Montana: The east half of the northwest quarter, the west half of the northeast quarter, the west half of the east half of northeast quarter, the east half of the southwest quarter, and the southeast quarter of section 22, and the west half of the southwest quarter of section 23, township 9 south, range 33 east, Montana principal meridian, containing approximately five hundred and twenty acres.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RELIEF OF JOSEPH UMBERTO MONTALBAN-TROY

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8136) for the relief of Joseph Umberto Montalban-Troy, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Strike out all after the enacting clause, and insert "That, in the administration of the immigration laws, Giuseppe Umberto Montalban-Troy, of Boise, Idaho, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his actual entry into the United States, upon the payment by him of the visa fee of $10 and the head tax of $8.

"SEC. 2. Upon the enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available Italian immigration quota."

Amend the title so as to read: "An act for the relief of Giuseppe Umberto Mantalban-Troy."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

LAMM LUMBER CO.

Mr. BURDICK. Mr. Speaker, I ask unanimous consent that the proceedings by which the bill (H. R. 3965) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co. was passed be vacated and the bill be restored to the calender.

I make this request for the reason that it is in the same category as the next two bills which were passed over. Furthermore, the attorneys for the lumber companies and the attorneys for the Indians are now in conference here in Washington, and they advised me this morning that they thought they might get together.

The SPEAKER. Is there objection to the request of the gentleman from North Dakota?

Mr. LANE. Mr. Speaker, I respectfully regret that I must object. I object.

THE FATE OF THE KOREANS

Mr. MARSHALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

Mr. MARSHALL. Mr. Speaker, we are approaching the Christmas season when our thoughts are focused on peace on earth, good will toward men.

Last night I read in the Washington Star, as I presume many others did, a news item which called attention to the fact that many of the Koreans were suffering undue hardship, terrific hardship, because the war cost them the loss of homes, food, loved ones, and the loss of faith and hope. I call your attention particularly to this portion of the story:

NATIVES WATCH SADLY

The natives of Hungnam and Hamhung were aware of the evacuation. Some stood off in the distance and watched sadly as the ships were loaded.

For days, hundreds of frightened refugees had been pouring in from the mountains to escape probable death at the hands of the Chinese.

An American-educated doctor living in Hungnam said, "We had expected that we could now really enjoy freedom and democracy with United Nations help * * * but look now."

To reveal his name would endanger his life.

"Our people here know that when the Americans are evacuated most of the citizens of this area will be killed by the Chinese and North Korean Communists," he said.

"They will know that we cooperated with the Americans and they will kill us all. We would like to go. We can't escape by land because we are cut off on all sides. If we could only go with you we would go only as we are. We ask only that our lives be saved.

"There are a lot of young men here who would like to join the United Nations forces. You need men. We have men."

But there was little chance that they could be saved. Time was too precious and shipping space was too short.

DISAPPOINTED IN AMERICANS

The doctor said his people were disappointed in the Americans.

"They understand that the United Nations were defeated because of overpowering hordes of Chinese Communists who came down from Manchuria, but they feel that the Americans are deserting them in a time of great need.

"They will find it hard to ever trust the American promises of democracy again."

The short, brown-eyed doctor said, "You can see that our people here have no place to flee. We are not as fortunate as our friends over in Pyongyang (the capital of Red Korea). They could flee south where there were no Chinese.

"But we who are trapped around Hamhung and Hungnam have no place to turn. Our backs are to the sea. If only we could be saved."

Some troops who lived in Hamhung or Hungnam became friends with Korean youngsters. They affectionately called them "boysan" (boy).

Some said they should try to take them along. The little boys were willing.

One officer said, "We would like to take all of them but we just cannot."

One of the great tragedies of war is the suffering of those innocent men, women, and children who are pawns in the great cross current of battle too terrible to comprehend.

Many of these people have lost hope and in great suffering flee from the advancing aggressor in the hope that the United Nations somehow might be able to help them.

It makes me feel the great weakness we labor under in seeking to bring peace to the world and in keeping faith with those who have put their trust in us.

It is my profound hope that as many as possible of these people may be rescued and that those who survive will one day realize that we will do our best—that we do not willingly abandon them to their fate.

It is sad that after all these centuries in which men have sought peace on earth and good will toward men we again approach the holy season of Christmas knowing that all is not well in the world.

Let us all hope and pray that the day will come when the little, innocent people of the world can live without the fear of oppression, starvation, and destructive war.

GOLGOTHA IN KOREA

Mr. LYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. LYLE. Mr. Speaker, today I received a letter from a dear friend, a godly woman who is a teacher in Incarnate Word Convent in Corpus Christi, Tex., Sister Benedict. She enclosed a poem written by a young American soldier in Korea which I shall insert in the RECORD with the hope that all of the Members will read it, for they cannot do so without profit.

Truly this is a great land, Mr. Speaker, a great land inhabited by great people with great hearts. Crisis is not uncommon in our heritage. Our weapons for victory against our enemies are not available to them, for no slave nation that has outlawed God can manufacture the power that comes to a nation whose individuals believe in and have faith in God, nor can they strike the spark that will kindle the spirit to fight that is ever-present in the breasts of freemen.

Mr. Speaker, it is my sincere prayer that those of us here, charged with authority, may act with all speed, with all wisdom and forthrightness that the millions of young Melvin Nicholsons may not have fought in vain.

(The poem reads as follows:)

TO A MOTHER'S SON

O Lovely Lady—come bend
Thy ear to my plea,
For long have I endeavored
To love you and your
Divine Son.
My lips are muted now
By the pain
Of these wounds.
I have wept here in these
Muddy waters
And mingled my
Salt with their filth.
The enemy is about me
Slaughtering my brothers,
And pouring forth
Blood upon the rice.
I have no other solace
Save prayer.

(This I commission to carry
to your Son):

"O Lord, O God—
O Triune One,
I was born in a land
Of quiet towns
And bristling cities.
I loved life and
Laughter and wine and song.
I was free,
I was young,
I had all gifts of
Thy treasure—
And knew no cold,
Nor war,
Nor hate,
Nor far-off lands
Where brewed disaster.
Now I lay on
A field of blood
In a far-off land;
A bewildered,
Helpless child—
Dying for a people
Not my own
And yet my own
In the brotherhood of man.
O Lord, grant me this
Last plea—
That those who
Rule and are destined
For power—
May know that
Man must be free—
For this I have given
My last breath
My last bit of life.
Turn back hate,
O Lord.
Conquer all with
Thy love—
Fill mankind's soul
With charity
That others will not
Have to die like this."

Lovely One, Mater Dei,
I am so weary now,
So cold and weak—
Come let me
Lay my muddy head
On your bosom.
Wipe away my grime
With your veil,
For once—far off—
Thy heart ached
And longed
To press another bloody,
Sweat-streaked brow
To your breast—
Your Son's Golgotha in
Palestine.
My Golgotha in Korea.

—*Melvin Nicholson (Korea, October 1950).*

REPUBLICAN CONFERENCE TOMORROW MORNING

Mr. MICHENER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. MICHENER. Mr. Speaker, I wish to announce, at the request of the minority leader, that there will be a Republican conference in this room tomorrow morning at 10:30.

Mr. PHILLIPS of California. Is it this room or is it the caucus room?

Mr. MICHENER. It will be this room. The caucus room is all torn up.

The SPEAKER. Under previous order of the House, the gentleman from New York [Mr. JAVITS] is recognized for 15 minutes.

FOUR POINTS FOR PEACE

Mr. JAVITS. Mr. Speaker, the situation in the Far East has put the United States on the alert as to the grave situation which is now facing the whole world, for we have learned that the Russians propose to use force, whether directly or by proxy—as through the North Korean and Chinese Communists. We have learned also that this force is to be utilized for aggression through populations more massive in size than anything the world has ever known before to be so used.

Obviously the Soviet Union, which it is generally accepted was behind the North Korean aggression against South Korea and is now behind Communist China's aggression there against the United Nations, is now on a new level of its effort to subvert the world for communism. On this level of the aggressive use of massive military power, anything may be expected anywhere at any time. Under these circumstances, the American people have a right to feel that the efforts which we were making before in the fight against communism to increase our military forces and those of the other free peoples, to greatly increase production, to avoid inflation, to put ourselves in a position for the maximum economic effort on behalf of the underdeveloped areas and the unreconstructed economies of the free peoples and to explain the actions and aspirations of the free peoples to the world must now be succeeded by efforts on a new level commensurate with the increase in the threat directed against us and all the other free peoples.

I am convinced, and I believe many Americans are convinced, that our time is much shorter than we think, that we will require great forces in being not later than next spring—4 to 6 months away—if we are to discourage the Communist aggressors from moving against the free world on an even larger scale than they already have in the Far East and, indeed, from unmasking and moving directly in Western Europe.

With these considerations in mind and speaking as an American and as a Representative in the Congress of a community deeply concerned about our national security, as are all Americans, and about the remedies for it, I make the following four-point recommendation for peace:

First. Mobilization: Declare the United States in a national emergency and step up industrial production 50 percent on a wartime basis. Consider the marshaling and the training of a substantial part of the proposed West European army here in the United States where it will be out of reach of the Russians. Concentrate immediately upon establishing and equipping 20 effective divisions by the spring of 1951; as an interim measure activate, if need be, National Guard and Reserve units to meet this goal while giving Europe its chance to rearm. Accelerate materially the 1952 target date for the 82-group Air Force, and advise the United Nations under the terms of the resolution of the General Assembly of November 3, 1950, that such air power is available to defeat aggression. Reactivate enough shipping to transport, if need be, these forces to repel aggression where it strikes or threatens.

Second. Economic: Launch a broad-scale offensive to improve standards of living for the free peoples of the world and to increase their defense capabilities, under an expanded program of technical assistance. Back this up by an investment program of sufficient magnitude to impress the peoples of underdeveloped areas like India, and other Asiatic countries, that there is real hope, through us, for improvement in their conditions of life. Such a program we should be willing to support with a capital investment of $10,000,000,000 and a 50-year life; most of which investment will come back to us. It will require the mobilization of United States technicians and businessmen as never before, joint Government and business development activities, and a direct tie-in with the World Bank and the International Monetary Fund. Investment in Asia should be largely through United Nations agencies like the World Bank, as best designed to effect the end result in that part of the world.

Third. Ideological: Greatly expand our information media reaching the Soviet-bloc peoples. But also do a Voice of America job in the United States and among the free peoples who will be benefited by our technical assistance and investment program.

Fourth. Equality of sacrifice: Impose price controls now on basic cost-of-living items as a condition upon which wage-stabilization formulae may be developed in high-level collective-bargaining conferences. Make sure of equality of distribution of scarce goods and services. Levy excess-profits and similar taxes on a wartime basis. Be scrupulously fair with respect to family obligations, hardship, essential employment, and length of previous military service in the calling up of men and women for the armed services.

One other point is important. Americans everywhere are thinking deeply about the conviction and zeal with which the free peoples are prepared to resist the aggression of communism and of Communists. We want to do everything we can to marshal in the free world the greatest moral conviction as an incentive to the willingness to work and to accept the hardship which may be required for the free peoples to win.

With these views in mind, Mr. Speaker, I have suggested to the President that the situation is also changed with respect to the assignment which, it seems to be an open secret, the President has in mind for Gen. Dwight D. Eisenhower. It is commonly supposed that General Eisenhower is destined to be appointed as supreme commander of the North Atlantic Treaty forces. Before the situation in Korea developed as it did, that was undoubtedly logical and certainly deserved. The situation being what it is today, I believe there is a higher call for General Eisenhower's services. What he so justly means to the country should now be utilized in its broadest sense in the national interest, and this requires, I believe, that he should be put in overall charge of the mobilization effort, under the President, a position popularly considered that of "Assistant President."

Important as is the military phase alone, I believe that in the position which I have suggested, General Eisenhower would have a post of broader responsibility and one in which that confidence in him of the American people, which he so well deserves, will have even greater opportunity for expressing itself in effort and enthusiasm with respect to the mobilization effort. This is very necessary to inspire the American people in that leadership of the free peoples of the world so essential to our very survival and to theirs.

Our time, I repeat, is much shorter than we think. The President, in his message to us of December 1, 1950, on this crisis, calling for additional appropriations for defense for the Atomic Energy Commission, referred to the fact that the aggression by Communist China in Korea "casts a more ominous shadow over the prospects for world peace." The message also closed on the following note. The President said:

> In this critical time the national interest is paramount, and all partisan or selfish considerations must be subordinated.

These recommendations which I have just made, Mr. Speaker, are designed to carry out the purpose and the spirit of the President's message in realistic terms and are based upon the fact that today time, as lawyers say, is of the essence.

COMMITTEE ON THE JUDICIARY

Mr. HOBBS. Mr. Speaker, I ask unanimous consent that the Committee on the Judiciary may have until midnight tonight to file a report.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

The SPEAKER. Under previous order of the House, the gentleman from South Carolina [Mr. BRYSON] is recognized for 30 minutes.

COTTON TEXTILES IMPORTED FROM INDIA

Mr. BRYSON. Mr. Speaker, entwined in the very warp and woof of our national economy is the production of raw cotton and the manufacture of cotton textiles. All my mature life has been spent in close proximity to cotton and its products. My very livelihood depends on it, for I represent the largest cotton-growing and cotton-spinning and weaving electorate in these United States. My very kith and kin owe their livelihood to it. Anything that affects cotton and its production in the United States, therefore, affects me.

As a wise man said in olden times, "Whereof the heart is full, the mouth must speak." I am always concerned with cotton, and hence I rise again to speak on its behalf in this country of ours.

Mr. Speaker, on August 29 I spoke in this very House against the increased importation of cotton textiles from Japan. At that time I showed how the Japanese cotton textile industry was being rehabilitated, how it has been given new life, as it were, by having factories redesigned and having new machinery installed, thus creating greater production than before the war. I showed how low Japanese labor costs are. In fact, they are 12 times less than those in this country. I showed how the terrific advantage gained by devaluation has more than offset our present tariffs on imported cotton textiles. In addition, I showed how our tariff reductions are working to the benefit of foreign nations; how our customs procedures have been simplified, and that we are manifesting a great willingness to assist foreign countries to export their goods to the United States so as to obtain scarce dollars. I showed how our national foreign policy is oriented toward the giving of economic aid and assisting nations to get their economies on a sound footing; in fact, we are assisting industries in foreign areas which will compete with our own in this fair land of ours. I showed what effects the increasing imports from the textile production of Europe and Japan will have on the textile industry and other related industries in this country. You and I have been told repeatedly how the textile production in Europe is currently 20 percent greater than prewar, how the Japanese textile industry has been rehabilitated; in fact, how Japanese industry has gone so far as to produce modern textile machinery which machinery is being exported in large quantities, thereby assisting other nations to expand their cotton textile production. It is with these facts in mind as background terms of reference that I wish to draw your attention today to the Republic of India, one of the newer Dominions of the British Commonwealth.

The Republic of India is one of the largest cotton growing areas in the world, second only to these United States. At the same time, according to trade statistics her principal import is raw cotton.

Mr. Speaker, you may recall how Great Britain's textile industry was built up by the export of cotton textiles to India. Yet, Mr. Speaker, today the very mills in Lancastershire and Lanarkshire in England are importing cotton sheetings from India.

India is the looming menace in the cotton textile world. She is rapidly taking over traditional British markets, even to the extent of selling her products in England itself. She is rapidly taking the Japanese traditional markets in the Indian and Pacific Ocean areas. In fact, she has learned from Japan to use well-known chop-marked goods—brands—without permission of the Japanese owners, and underselling Japan in her own markets. Furthermore, she is rapidly orienting the economies of large areas in the world toward her own by buying their major cotton crops, notably in the lands surrounding the Indian Ocean.

Now we find her on our shores. Her knock may sound timid at present in the over-all picture, and under the stress and strain of rearming ourselves for a greater conflict—a regirding of our loins as it were for battle—we may be inclined to minimize the menace of the coming insistent knocking on our door by the Indian textile community.

Mr. Speaker, you may have seen the statements in the influential Journal of Commerce or the Wall Street Journal about the increasing influx of Indian textiles into the United States market. I am sure that many of my colleagues here who also represent cotton have no doubt been importuned to do something about this importation and the impending torrent of such imports from India. I mention specifically the flood of cotton sheeting that is coming in in increasing quantities. Mr. Speaker, allow me to expatiate a bit on the insidious character of this new trading opponent which we cotton men have to face.

Indian exporters are sending us cloths of a merchantable character and which are being bought because of our national emergency. At the same time we have been told that we in the United States are confronted with a real or fancied sheeting shortage. Certain importers in this country are beginning to know Indian methods of business as well as their standards of textile products. They are also beginning to know the available quantities and qualities of Indian textiles, and because of the decided price advantage, in spite of our tariffs, are placing large bookings for future delivery. I am vitally concerned with the

competitive prospects when these enormous bookings materialize and Indian textiles flood our markets.

Since the Indian textiles mills are beginning to supplant British and Japanese traditional markets, which markets require mostly coarse and medium cloths, a very large proportion of such manfacture will go primarily to the soft currency or sterling area. A small proportion is finding its way to the dollar markets, but it is the better cloths, such as sheeting, which is finding its way in ever-increasing quantities to the American market. It is this better class sheeting that is competing with our medium cloths at a decided price advantage.

Mr. Speaker, why are these Indian textiles so cheap? The reasons may be simply noted:

First. I have noted before that India is the second largest cotton-growing area in the world. She, therefore, has access to large quantities of home-grown short-staple cotton. Most of her older mills are using this type of cotton.

Second. There was a throttling of imports from her fellow Dominion of Pakistan so that the denial of that traditional market to Indian textiles has made more textiles available for other markets.

Third. At the same time, the Republic of Pakistan used to supply a substantial portion of India's raw cotton. Arrangements have not yet been finalized whereby this raw cotton finds its way into Indian mills. There has thus been a pronounced effort to expand the production of Indian cotton.

Fourth. There is the stimulating effect of devaluation of the Indian rupee, which devaluation has given India a decided advantage over the exports from Pakistan which has refused to devalue its money.

Fifth. In addition, there is a Government need for dollars. The sterling area has been able to supply only a limited portion of India's needs for machinery and other imported goods. Perforce, therefore, India has had to turn to the dollar area for the balance of her requirements. She needs dollars and she is making every effort to obtain as many dollars as possible to pay for her ever-increasing needs.

Sixth. I have another fact in mind, namely, a Government subsidy on raw cotton from overseas. This fact has not yet been conclusively proved, although there is current information that the Indian Government is subsidizing part of the cost of raw cotton to Indian mills. It has been stated that Indian mills pay only 68.5 percent of world cotton prices, and the Government then foots the difference of the bill. As I said, this fact has not yet been conclusively substantiated, but if there is a semblance of truth in it, then I fear that our private enterprise system in this country will have to compete with a governmental cartel to the disadvantage of our free system.

Seventh. One further fact that I should draw to your attention, namely, is the matter of price controls in India. There are strict regulations under which mills may charge only a specific profit of 14 percent to their retailers, and these in turn may charge only a specific profit from the consuming public of 14 percent. Exporters have now been advised that they may not charge more than the current domestic price for goods exported, but may even charge less. I will come back to that point in a few minutes.

Let me diverge for a few moments on the production of raw cotton. The average annual production of raw cotton in India amounts to approximately 3,000,000 bales—392 pounds per bale. As I stated before, there is a pronounced effort to increase the production of long-staple fiber by the importation of newer strains, and the reclamation of large areas of unused land.

In spite of this large production, there is also a large import of raw cotton. For example, during 1949, India imported 1,026,678 bales of raw cotton—392 pounds net weight. Since devaluation in September 1949, the Indian Government has made enough foreign exchange available for the importation of 800,000 bales of cotton, even at rising world prices. This cotton will come mainly from East Africa, Egypt, British areas, and California.

India also exports raw cotton, mainly short-staple fiber, which fiber is used in the making of mattresses and upholstery. Chief importers are the United States and Belgium. There is an export duty on this type of cotton of 100 rupees or $20.94 per bale. At present the limit of 200,000 bales has been license for export in 1950.

As regards the production of cotton textiles, India has two methods of manufacture, namely, power looms and hand looms. Her optimum annual production is approximately 6,300,000,000 yards; divided into 4,800,000,000 yards for power looms and 1,500,000,000 yards for hand looms. Official production of cotton cloth in India has been as follows:

	Million yards
1947	3,761.97
1948	4,319.45
1949	3,909.75
1950	4,000.00

An export quota of 800,000,000 yards has been set for 1950, and this export target is exclusive of exports of fine and super-fine cloths and hand loom cloths, as well as the export of any cloths to the so-called hard currency or dollar areas. The expectation is that during 1950, the Indian export total of cotton textiles will amount to approximately 1,000,000,000 yards. In other words, approximately 25 percent of the anticipated production will be exported.

Mr. Speaker, in several of my previous speeches on the competition of Japanese textiles, I mentioned the fact that the newest and most modern up-to-date textile machinery is also being manufactured in Japan. And I mentioned the hundreds of thousands of new spindles being exported to India. Many of the mills of India have installed these new spindles, and this modern, efficient machinery is producing cotton textiles in ever-increasing quantities. Why, Mr. Speaker, one could send to the Library of Congress for a copy of the Indian Textile Journal and check for one's self the large number of Japanese firms supplying the most modern power looms to India. If the trend continues, then the increase in the number of power looms in India will be astounding.

Mr. Speaker, I wish to draw your attention to the matter of wages prevailing in the textile industry in India. As you are well aware, we have a minimum wage law in this country guaranteeing 75 cents an hour to the lowest paid worker in any of our textile mills. Yet, the average textile wage is far higher, namely, $1.12 per hour. This is three times as high as wages prevailing in the United Kingdom, and 12 times as high as wages prevailing in Japan. Now, if India's, textile manufacturers claim that they can always undersell Japanese cotton textiles, when these textiles are made entirely from imported cotton, then there is sufficient evidence that in India, where such large quantities of home-grown cotton is available, labor must be very much lower than even in Japan. In fact, Mr. Speaker, wages must be on a near-starvation level. To show how the average Indian textile worker spends his meager 320 rupees annual wage, $67 per year in American money, you merely have to study statistics to note that 70 percent of his annual income goes for food, 5 percent for housing, and the balance for all other essentials of life.

And yet, Mr. Speaker, when one studies such influential papers as the Indian Textile Journal, the Indian Export and Importer, the Eastern Economist, as well as the Indian Cotton Growing Review, one finds that the Indian textile worker is considered so well paid that he has, therefore, the least case for asking an increase in wages in India today. When the textile worker is considered to be so well off, I shudder to think what the wages in other industries must be. And, yet, the product of the very textile industry, produced by this so-called well-paid laborer may be, ironically, the very products that compete on our domestic market at a decided price advantage.

Mr. Speaker, soon after partition of the land area of India into the two Republics of India and Pakistan, the Government of the Republic of India instituted a cotton textile development plan. This over-all planning agency announced that 75 cotton mills should be established immediately. Thus far, of this total, 2 mills came into production in 1948, 10 in 1949, and 19 in 1950. The balance should be in production in the near future.

Mr. Speaker, I am concerned with the competition that these new mills will offer to us.

I mentioned price control before. In order to obtain revenue, the newly constituted Indian Government imposed export duties on all exports, but to enable India to obtain precious dollars by expanding the export of cotton textiles, this export duty on cotton textiles was repealed in June 1949. Internal price-control regulations limited the amount of profit a mill may charge a retailer, and he, in turn, the consumer. This internal price control on the movement of cotton has now been made applicable to cotton moving to all destinations. In other words, cotton for export is to be made available by the exporter with a

profit that cannot be more than charged to the domestic consumer. Since domestically produced cotton textiles in India are very cheap, such textiles, when exported, therefore, can be quoted at a very low price, considering the devaluation of the Indian rupee, as well as the low-import duties in the United States. As the influential Indian Textile Journal said in August 1950:

> The difference between the price levels of the Indian textile products and those of other countries are so profound that even the weaker mills will get a stimulus, as during the war.

If the less efficient mills in India—whose overhead costs are higher than the highly modern, efficient mills—can make a handsome profit, how much the more can such a profit be made by the highly efficient mills.

Mr. Speaker, importers of Indian textiles into the United States will say that there is no competition in ordinary print cloths because Indian mills have to use imported raw cotton for making fine yarns. These higher costs, plus import duties applicable, will bring the current price levels out of range to American users. In competition with domestic products, however, Mr. Speaker, the importer does not speak for the grower or the manufacturers of cotton cloths in this country. Very seldom does the importer have the interest of the domestic producer and manufacturer at heart. He is here to make a quick profit, and especially to benefit because of the present conflict.

Allow me to bring to your attention the following. In February of this year the Honorable Mr. Neogy, Minister of Commerce of the Republic of India, stated in a speech before the Export Advisory Council, meeting in New Delhi, the following concerning the export of fine and superfine cloths:

> I hope everything possible will be done to increase exports of these varieties by selling at the barest possible margins, and even at cost, if necessary. To facilitate exports of fine and superfine varieties, we have decided to fix a rebate of the import duty on imported cotton in this country of such textiles.

Mr. Speaker, if this is not a patent attempt at stating that price control need not even be applied to prices quoted to overseas importers, then I think I am misreading his words. In other words, these two varieties of cloth may even be sold at cost so as to provide dollars for India's needs. This aspect of our import trade in cotton textiles from India disturbs me profoundly, because I think that it borders on a dumping practice, which is contrary to our tariff and custom law. I do not see how our domestic producers of cotton textiles can possibly compete on this basis with the Indian textiles.

Mr. Speaker, I have, therefore, felt it incumbent upon myself to write to the Commissioner of the Bureau of Customs to express my personal concern about the increasing shipments from India, and at the same time expressing my fear that export prices of these cotton textiles may actually be lower than the fair market value of similar goods being sold in India. The dumping of such goods, if it can be proved conclusively, will incur serious injury to our domestic market. I have asked him to alert his appraisers at all ports of entry concerning this matter because if the charge of dumping can be proved conclusively, then certainly the countervailing duty section of our tariff laws should be invoked immediately.

Mr. Speaker, let me quote you one illustration of Indian competition which is taking business from all competitors. Recently, an Indian 37-inch, 48 by 44, 3.15 yard sheeting was sold in the United States at 17½ cents, duty paid. A similar Japanese construction was quoted at 24½ cents, f. o. b. The lowest American figure that can be quoted is 25 cents, if bought in this country. There simply is no competition at that price.

Mr. Speaker, I refer you once again to the Indian Textile Journal of August 1950; namely, that there is a cloth shortage in India, and that this cloth shortage is growing rapidly. The lowly Indian consumer whose annual per-capita consumption is less than 12 yards is now facing further curtailment of his minimal requirements, and, yet, we are faced with the prospect of India exporting a billion yards in 1950.

Mr. Speaker, I think that our importers of cotton textiles in this country should not be allowed to import textiles from India when this very same importation deprives the Indian himself of his lowest minimal requirements.

Mr. Speaker, I wish to stress the relentless pressure of imported cloths on our domestic economy. Our importation of countable cotton cloths from all areas is running at the rate of 82,000,000 square yards for 1950, as compared with less than 20,000,000 square yards in 1949. It has been said that even this current rate of import is misleadingly conservative, and that actual imports will be very much higher.

Mr. Speaker, most of us here remember the avalanche of Japanese goods such as velveteen, corduroy, table damask, cotton rugs, and other goods whose damaging effects proved most injurious to our domestic textile industry in the 1930's. Only the beginning of World War II stopped this trend. We have the beginning of the same competition from another quarter, namely, India. I say again, to be forewarned is to be forearmed. In my previous speeches I proved how the vast importation of one specific fabric, such as osnaberg, threatened to close mills in this country. This apparent bargain for the American consumer is being bought at the expense of 500,000 textile jobs in this country, as well as 1,500,000 cotton-growing families.

Mr. Speaker, allow me to stress the effects these incipient imports of Indian textiles will have on the United States of America.

First. We have assisted Western Europe and Japan to rehabilitate their economies. Textile production in Western Europe is 20 percent above prewar. We are already facing increasing exports from England, the Netherlands, France, Belgium, and also Japan. All of these countries can undersell us because of our high labor standards.

Second. The Indian rivulet of cotton textiles will soon grow into a little stream, and later into a torrent of unwanted textiles, not only supplanting the exports from the other areas previously mentioned but also our own domestic production.

Third. Importers of cotton textiles do not have a responsibility to the American cotton industry. They are exploiting a national emergency and actually assisting a foreign country to do injury to a vital war industry in the United States.

Fourth. If we allow this competition to increase, unemployment in the textile industry will come just as sure as fate, with concomitant suffering and relief.

Fifth. There will be injury to the farm markets and 1,500,000 cotton-growing families will have to reduce their standard of living, which is low enough as it is today.

Sixth. An injury to one segment of our important national-defense program will have repercussions on other segments.

Seventh. The American cotton-textile industry has always used American cotton; the two sections of the American cotton industry go hand in hand. Foreigners owe no allegiance to American cotton and will buy cotton where it is cheapest. If India is able to buy cotton cheaper than in the United States in either of the 80 foreign cotton-growing areas, then she will not hesitate to do so.

Eighth. India is installing modern textile machinery. Granted that we in the United States claim a threefold advantage in per operative production, how long can we maintain this advantage against increasing competition from overseas?

Ninth. Foreign countries also need dollars, and as India supplants other countries who have been getting a certain amount of dollars for their textiles in this country we should not allow her to supplant others in our home markets at the expense of these other nations.

Mr. Speaker, I think the matter is even more urgent than I have outlined, because there is now talk that there will be a semi-Government agency in India called the Textile Export Agency, which agency will have the sole right to export cotton products. In other words, all mills in India who have cotton exports will combine and, regardless of cost, millions of yards may be dumped in foreign areas.

India needs dollars, and I assure you that she will make every effort to dump these textiles on our markets. How our private-enterprise system here can possibly compete with a semigovernmental cartel is beyond my comprehension.

Mr. Speaker, we have simplified our custom procedures. We have cut down our tariffs. In fact, we have men in Torquay, England, right now negotiating for further reductions in our cotton tariffs. I think that our course of action is clear. We should stop injuring our private-enterprise system.

Mr. Speaker, I wish to reiterate that this question of cotton textile imports from India to our shores, and the subsequent competition disturbs me greatly. We are living in an age of tension and conflict. I cannot see how our national defense effort can attain its maximum

potential if our very friends follow commercial practices that injure one of our primary domestic industries.

India is supplanting the cheaper Japanese competition under which our cotton industry suffered just before World War II. There is a growing shortage of cotton textiles in India, yet 1,000,000,000 yards are being exported, and a sizable portion of that total export will land here, to the detriment of our own producers. Low-cost labor, the element of cheap export prices, the devaluation of the rupee, the building up of a new, mechanized textile industry, plus the driving need for dollars, is throwing an article upon our markets that cannot do otherwise than upset one of the basic segments of our economy.

Cotton is part of the American scene, but it is the wholesome competitive aspect that I am interested in, and not the exploitation of labor and unfair competition. Allow one nation today to invade our markets successfully with just one commodity in which we are supposed to excel, and tomorrow another nation will come with another commodity. One of these days it may be newsprint, then steel, then plastics, and soon our successful industries will have to cut corners to compete on our own home markets. Gradually, dislocation spreads until private enterprise is driven to the wall.

Cotton textiles may be the first instance where potential damage may be done to our economy. I am raising my voice against unfair competition because it concerns my people, and I will continue to do so in the future. I am sounding a clarion warning against the potential threat of the flood of textiles that will hit us from India. A foreign nation like India is going to great sacrifice to obtain its export goal, even at the expense of shortages at home. I say that our efforts should not be less to protect our own cotton industry. In fact, we cannot afford, at this time in our history, to let a great industry like cotton be injured. If we do that now the flood will hit us when we are least prepared.

WILLIAM M. BOYLE, JR.

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to address the House for 2 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, as a Democrat and a patriotic American I am glad to know that William M. Boyle, Jr., has made it clear that he is going to serve out his full term as chairman of the Democratic National Committee, because Mr. Boyle has consistently demonstrated that he is a political leader with the wisdom and vision to reject partisanship in areas which affect our national security and internal relations.

In a speech at a dinner of leading Democrats from all over the Nation, held in New York City on December 12, and broadcast nationally, Mr. Boyle made it plain that he would continue to serve as chairman until the Democratic National Convention in 1952 in these words:

> I believe that each of our two great parties has an important part to play in maintaining our free way of life in these times. That is why I intend to stick to my job as chairman of the Democratic National Committee. I intend to do the best I can to help make sure that democracy works at home while the free world looks to the United States to help bring victory and peace.

In this address Mr. Boyle patriotically called on the people of the United States to put aside partisanship and to work together as Americans, not as Democrats or Republicans, in meeting the serious crisis which faces our country.

I am proud of the Democratic leadership Mr. Boyle expressed in that talk and I ask unanimous consent to extend my remarks and to insert Mr. Boyle's address in the Appendix of the CONGRESSIONAL RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

EXTENSION OF REMARKS

Mr. WELCH asked and was given permission to extend his remarks and include a speech.

Mr. BURKE asked and was given permission to extend his remarks and include a newspaper article.

Mr. JENKINS asked and was given permission to extend his remarks and include an article.

Mr. MASON asked and was given permission to extend his remarks and include a statement by former Congressman Luckey, of Nebraska.

Mr. REED of New York asked and was given permission to extend his remarks and include extraneous matter.

Mr. COLE of Kansas asked and was given permission to extend his remarks and include an address by Henry A. Bubb.

Mr. HORAN asked and was given permission to extend his remarks and include a newspaper article.

Mr. CRAWFORD asked and was given permission to extend his remarks in two instances and include in each a statement.

Mr. RICH asked and was given permission to extend his remarks and include an editorial.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks and include extraneous matter.

Mr. JONAS asked and was given permission to extend his remarks and include a newspaper article.

Mr. SADLAK asked and was given permission to extend his remarks and include a report from the Employment Security Division of the Department of Labor of the State of Connecticut.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three instances and include in each extraneous matter.

Mr. LYLE asked and was given permission to extend his remarks and include an editorial.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 7445. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.;

H. R. 8546. An act to amend the Philippine Property Act of 1946;

H. R. 9484. An act to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights;

H. R. 9524. An act to supplement the District of Columbia Teachers' Leave Act of 1949; and

H. R. 9840. An act to exempt furlough travel of service personnel from the tax on transportation of persons.

ADJOURNMENT

Mr. MILES. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 43 minutes p. m.) the House adjourned until tomorrow, Friday, December 15, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1780. A letter from the Acting Secretary, Department of Agriculture, transmitting a proposed bill entitled "A bill to amend the Agricultural Adjustment Act of 1938, as amended"; to the Committee on Agriculture.

1781. A letter from the Chairman, National Advisory Committee for Aeronautics, transmitting a report of professional and scientific positions in the headquarters and research stations of the National Advisory Committee for Aeronautics, pursuant to Public Law No. 167, Eighty-first Congress; to the Committee on Post Office and Civil Service.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 8848. A bill to provide for a study of the mental and physical sequelae of malnutrition and starvation suffered by prisoners of war and civil internees during World War II; without amendment (Rept. No. 3188). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 9900. A bill to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended; without amendment (Rept. No. 3189). Referred to the Committee of the Whole House on the State of the Union.

Mr. RANKIN: Committee on Veterans' Affairs. H. R. 9911. A bill to authorize the payment by the Administrator of Veterans' Affairs of a gratuitous indemnity to survivors of members of the Armed Forces who die in active service, and for other purposes; with amendment (Rept. No. 3190). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBBS: Committee on the Judiciary. S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act; without amendment (Rept. No. 3191). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk

for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee on the Judiciary. S. 1139. An act for the relief of Mrs. Robert P. Horrell; without amendment (Rept. No. 3187). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. HEDRICK:

H. Con. Res. 294. Concurrent resolution to express the sense of the Congress that a civilian physical fitness and training program should be established in the interest of national security; to the Committee on Interstate and Foreign Commerce.

By Mr. CROSSER:

H. Res. 883. Resolution providing for one additional clerical assistant for the Committee on Interstate and Foreign Commerce; to the Committee on House Administration.

By Mr. RAYBURN:

H. Res. 884. Resolution granting 6 months' salary and $350 funeral expenses to Mrs. Amlye E. Aston ,widow of J. Lee Aston, late an employee of the House of Representatives; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MARTIN of Massachusetts introduced a bill (H. R. 9918) for the relief of Henry Ty, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2411. The SPEAKER presented a petition of Francis Jean Reuter, Silver Spring, Md., relative to a redress of grievances pertaining to compensations, payments for damages, and other moneys, which was referred to the Committee on the Judiciary.

SENATE

FRIDAY, DECEMBER 15, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal Spirit, whom we seek in vain without unless we first find Thee within: In the night of the world's darkness may the hush of Thy presence fall upon our souls, quiet our minds of their fretting fear, allay the unhappy irritations and resentments of our spirits, and hallow our lives through the grace of contrition and humility. We pray for ourselves the more earnestly because we are important to others.

At this altar of prayer we are thinking of our sons and daughters, many of them in far and perilous places. We are remembering all who rely upon our strength of character, our fidelity in service, and our power to endure, to be unafraid. We would not disappoint them. As the winds grow harder, may our roots strike deeper. Whatever outward things these dangerous days take from us, by Thy grace may they make us inwardly more adequate and wise, dependable and strong. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. HILL, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, December 14, 1950, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 5902) for the relief of the Pan American Union.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 2466. An act for the relief of Zygmunt Pakula (also known as Pakuta);

H. R. 6500. An act for the relief of Mario Pucci, Giacomo Favetti, Guiseppe Omati, Vincenzo Andreani, Lambruno Sarzanini, and Alessandro Costa;

H. R. 9286. An act for the relief of Maria Manfrini; and

H. R. 9845. An act for the relief of Capt. Marciano O. Garces.

LEAVES OF ABSENCE

On request of Mr. WHERRY, and by unanimous consent, Mr. SCHOEPPEL was excused from attendance on the session of the Senate today.

On his own request, and by unanimous consent, Mr. KEFAUVER was excused from attendance on the sessions of the Senate on Monday, Tuesday, Wednesday, and Thursday of next week.

CALL OF THE ROLL—THE CALENDAR

Mr. HILL. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hill	Maybank
Anderson	Hoey	Millikin
Brewster	Holland	Morse
Bridges	Hunt	Mundt
Butler	Ives	Murray
Byrd	Jenner	Myers
Capehart	Johnson, Colo.	Neely
Carlson	Johnson, Tex.	Nixon
Chapman	Johnston, S. C.	O'Mahoney
Chavez	Kefauver	Pepper
Clements	Kem	Russell
Connally	Kerr	Saltonstall
Cordon	Kilgore	Smith, Maine
Donnell	Knowland	Smith, N. J.
Douglas	Langer	Smith, N. C.
Dworshak	Leahy	Stennis
Eastland	Lehman	Taft
Ecton	Lodge	Taylor
Ellender	Long	Thomas, Okla.
Flanders	Lucas	Thomas, Utah
Fulbright	McCarran	Thye
George	McCarthy	Tobey
Gillette	McClellan	Watkins
Gurney	McFarland	Wherry
Hayden	McKellar	Williams
Hendrickson	Magnuson	Young
Hickenlooper	Malone	

Mr. MYERS. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

The Senator from Delaware [Mr. FREAR], the Senator from Connecticut [Mr. MCMAHON], the Senator from Maryland [Mr. O'CONOR], and the Senator from Virginia [Mr. ROBERTSON] are absent on public business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN], the Senator from Kansas [Mr. SCHOEPPEL], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Pennsylvania [Mr. MARTIN] is absent on official business.

The Senator from Ohio [Mr. BRICKER] and the Senator from Wisconsin [Mr. WILEY] are necessarily absent.

The PRESIDENT pro tempore. A quorum is present.

Under the order entered yesterday, the Senate will now proceed to the consideration of bills on the calendar to which there is no objection, beginning with the first order of business thereon, which will be stated.

Mr. HILL. Mr. President, I ask unanimous consent that at this time Senators may have the opportunity to make insertions in the RECORD, introduce bills and resolutions, and so forth, without debate.

The PRESIDENT pro tempore. Will the Senator withhold that request for a moment, and let the first bill be stated?

Mr. HILL. Very well.

The bill (S. 130) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities was announced as first in order.

OUR STRUGGLE FOR EXISTENCE

Mr. LODGE. Mr. President, I should like to take 5 minutes, under the rule, on the first bill on the calendar.

There are two outstanding features of the struggle for existence in which we are now engaged.

The first relates to the question of who does the fighting and is made acute by the fact that our opponent fights without expending his own manpower. We Americans, on the other hand, have been required to shed the blood of our

own young manhood in order to combat those who fight at our opponent's bidding. The first urgent question of our time is therefore: How long we can tolerate an arrangement in which we, in terms of manpower, can never win and they, in the same terms, can never lose?

We must never forget that while money and material have great importance, our greatest and inestimable treasure is our manpower. Certainly one great object of a successful foreign policy is that there be other people who have a common cause with us and who are both willing and able to fight for that cause. This means that our Allies in the Atlantic Pact must promptly get in a strong defensive posture. It means integrating into the defense against Communist imperialism the former enemy nations, Germany and Japan. It means removing the obstacles which now exist to the participation of the former neutrals—Ireland and Spain. It means immediate formation of military units composed of stateless anti-Communist Slavs. These measures should all be taken at once. They will all mean that our American manhood will not in the future be required to carry alone the full load of combat.

The Soviet Union, ever since 1945, has used puppets and satellites to do its fighting for it and to work behind the lines, using political and subversive methods. We Americans will always do our full share of the fighting ourselves, but we must meet this new threat with as much imagination and as much willingness to use new methods as the Soviets do.

Coming to the Senate in 1947, I introduced legislation authorizing the enlisting of selected aliens in the United States Army, thereby making use of some of the millions of anti-Communist young men in the world who would like to fight on our side. It was only last August—more than 3 years later—that this bill finally became law, but the figure had been cut down to 2,500 men. Legislation which I have introduced is now pending for a volunteer freedom corps of 250,000 men. Surely the staggeringly effective use which the Soviets are making of puppet armies must at last have aroused us to the value—not of having puppets of our own—but of having stouthearted and enthusiastic allies on our side, whether in the uniform of their own country or in the uniform of the United States.

In a recent issue of Life magazine this was the subject of the leading editorial. Because this touches squarely the central world issue of our time and because the Life editorial, written several weeks before our reverse in Korea, grasped the magnitude of the problem in such a superior way, I ask unanimous consent that this editorial be printed in the body of the RECORD at this point.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

AN ARMY OF THE FREE—ANTI-COMMUNIST REFUGEES SHOULD BE WELCOMED TO ITS RANKS

It has taken a long time for the Western World to wake up to the fact that 190,000,000 Russians and some 600,000,000 serfs in the Soviet satellite states are organized, not for peace, not even for static defense, but for violently aggressive war.

The sudden shock of the realization that a tremendous avalanche of crude manpower could be thrown at a moment's notice against the free world has caused a flurry of excited stocktaking. Secretary of State Dean Acheson has set forth a plan for designated armed forces on UN call in each UN country outside the Soviet orbit. Winston Churchill, among others, has called for some 60 divisions to defend Europe.

It is a burdensome thing to raise 60 divisions in an industrial economy that must keep strong to avoid trouble from local Communists. But with all the old western Allies—England, France, the Low Countries, the United States—contributing, the job can be done. Moreover, a 60-division minimum can be supplemented by permitting Germany and Japan to raise divisions for their own defense.

The very fact that western civilization is at last talking of defending itself is a vastly encouraging thing. But there is one shortcoming that must be eliminated from the official atitudes toward rearmament—and that is the tendency to think of defense in purely static terms. It is good to think of Americans and Englishmen, Frenchmen, and west Germans, all contributing to the defense of freedom. But if France and Germany, for instance, are really to be free, the defense of Europe cannot forever rest on an arbitrary line somewhere along the River Elbe.

What is really needed to dramatize and inspire the unity of the west is an army of the free that will include thousands of young men from countries inside the iron curtain who wish to rescue their homelands from the grip of a terrible tyranny. None of the official plans for a western army contemplates the use of freedom-loving Poles and Czechs, Lithuanians, and Hungarians. But one man has a plan for forging an army out of the violently anti-Communist refugees from iron-curtain lands. That man is HENRY CABOT LODGE, JR., the Senator from Massachusetts.

The Lodge plan is to enlist under the United States flag a voluntary army from among the million or more potential soldiers who are refugees from the east European satellite states. The political and propaganda value of such an army would be incalculably great. Raised by voluntary means, it would truly dramatize the idea of free devotion to a cause. With such an army in existence, the Voice of America would really begin to speak to the enslaved populations of Poland and Hungary, Czechoslovakia, and Rumania.

The problems involved in the voluntary recruitment of an international legion to serve under the American—or the UN—flag are no doubt considerable. But there would be plus factors working to mitigate the difficulties of training, officering, and integration. To begin with, the potential soldiers who are refugees from iron curtain lands hate Stalin with a fierce and bitter hatred. All of them speak one or more of the languages of Central and Eastern Europe—Polish, German, Czech, Slovak, Lithuanian, Hungarian, Rumanian, or Bulgarian. Since they are people who have known the horrors of Soviet occupation from close up, they would fight to the death to keep Stalin from catching up with them in their new western homes or billets. But since they are also people who have been deprived of their old homes in the east, they are the very people the western democracies need to carry the war against Stalin once he has started his eventual great retreat to the legitimate Russian borders.

An army of the free raised by voluntary enlistment from among the displaced nationals of Central and Eastern Europe would be extremely effective in promoting the ultimate defection from Russia of Poland, Czechoslovakia, Hungary, Rumania, and Bulgaria. Such an army, raised in time to provide it with officers who come up from its own ranks, would eventually go home to the enduring cheers of thousands of oppressed people who don't want to fight for communism. No Polish, Rumanian, or other satellite troops fighting under Russian officers could oppose such an army with any real conviction in their hearts.

The Lodge idea for raising a voluntary army of the free has had a brief mention on this page before (Life, August 14). A year ago the Senate passed a bill authorizing the enlistment of aliens in the United States Army, with a promise of citizenship after 5 years' service. Lodge hoped originally to get the figure for enlistment set at 25,000, but Congress ultimately trimmed the number down to a paltry 2,500. On September 14 of this year the Senator from Massachusetts returned to the subject. He still wants to see the United States enlist 25,000 aliens under the American banner. But he also would like to have the United States Army authorized to enlist up to 250,000 aliens for 2 years' overseas service in a Voluntary Freedom Corps. That would be a beginning toward organizing a voluntary army of the free from among those with the greatest stake in the overthrow of communism. Eventually, as it must be seen, the Lodge idea can be applied to Asia as well as to Eastern Europe. Only free Chinese armies can reconquer China for freedom.

Why is it that the Senator from Massachusetts has had such meager support for his idea? In the American Revolution the Colonials enlisted the voluntary aid of men named Lafayette, Kosciusko, Von Steuben, and so on. They were professional soldiers, but they were also amateurs (i. e., lovers) of freedom. Freedom is a banner that knows no boundaries. It attracts ardent souls everywhere, as Americans have recognized in the past. When the Lodge idea finds lodgment (no pun intended) in the popular imagination, as it must do once journalism has performed its proper function, we look to see United States citizens take it to their hearts in a way that is in keeping with their own American past.

Mr. LODGE. The second outstanding feature of our struggle for existence relates to the question of where our main effort is to be made. Without trespassing into the technical field of military strategy, it must be set down that we are sure to be asked by virtually every area in the world to rush to its defense and that, if we attempt to respond to every call, we shall be bled white. We must, therefore, choose the area which most closely involves our own security and concentrate our main effort on that. We must not fall into the Russian trap and fritter away our strength on the tail of the monster while neglecting its head. If we can win the decision against aggression in some one place, we shall most effectively expedite the liberalization of all parts of the world. We must not forget for a moment that the Soviets are both a relentless and a tricky foe. It is therefore folly to wear ourselves out without ever even meeting the first team.

It is clear that the prime target today is the Ruhr. It is toward the Ruhr that the monster's head is pointing. It is toward the Ruhr that the bulk of our efforts and the bulk of our Army should be directed. It is in that area that successful military operations can have constructive results. If the Soviets could add the Ruhr to their other gains, they would feel that they had an industrial

potential somewhat equal to ours and that they could then attack the United States directly. We do not face the choice of being all in or all out of the world. That is dangerous oversimplification. We face the challenge of applying our strength in those places which will best promote our security.

There is no time to lose. Even with a maximum effort on our part we cannot be strong wherever we would like to be. Even with a maximum effort we cannot carry the whole load alone. It is a long time now that I have been standing in this place asking "What are we waiting for?" and demanding immediate mobilization. I repeat: There should be at least 30 American divisions well under way by June 30, 1951. Governor Dewey's speech of last night is exactly right. We are terribly late. Senators, we must end this handwringing and this creeping paralysis which at present infects us. We have had two Pearl Harbors and still there are those who are not awake. We must stop stumbling around on the threshold of disaster.

TRANSACTION OF ROUTINE BUSINESS

Mr. HILL. Mr. President, I renew my request that Senators at this time be permitted, without debate, to make insertions in the RECORD and introduce bills and joint resolutions, and so forth.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

REPORT OF PHILIPPINE ALIEN PROPERTY ADMINISTRATION — MESSAGE FROM THE PRESIDENT

The PRESIDENT pro tempore laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on the Judiciary:

To the Congress of the United States:

I transmit herewith for the information of the Congress the third annual report for the Philippine Alien Property Administration for the fiscal year ended June 30, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE,
December 15, 1950.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following communications and letters, which were referred as indicated:

PROPOSED SUPPLEMENTAL APPROPRIATION—GENERAL SERVICES ADMINISTRATION (S. DOC. NO. 242)

A communication from the President of the United States, transmitting a supplemental appropriation in the amount of $1,834,911,000, for the General Services Administration, fiscal year 1951 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

REPORT ON FUND TRANSFERS IN DEPARTMENT OF THE AIR FORCE

A letter from the Secretary of Defense, transmitting, pursuant to law, a report on fund transfers in the Department of the Air Force (with an accompanying report); to the Committee on Armed Services.

PEANUT ACREAGE ALLOTMENTS

A letter from the Acting Secretary of Agriculture, transmitting a draft of proposed legislation relating to peanut acreage allotments under the Agricultural Adjustment Act of 1938, as amended (with an accompanying paper); to the Committee on Agriculture and Forestry.

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAMES

Three letters from the Attorney General, withdrawing the names of Francesco Romano, Parashos Georgios Spanolios, and Alexander Sevanik from reports relating to aliens whose deportation he suspended more than 6 months ago, transmitted to the Senate on January 15, 1950, January 16, 1950, and May 15, 1950; to the Committee on the Judiciary.

REPORT ON OPERATION OF TRADE AGREEMENTS PROGRAM

A letter from the Chairman of the United States Tariff Commission, transmitting, pursuant to law, a report on the operation of the trade agreements program, for the period April 1949 to June 1950 (with an accompanying report); to the Committee on Finance.

REPORT ON ADMINISTRATION OF ADVANCE PLANNING PROGRAM

A letter from the Acting Administrator, Housing and Home Finance Agency, transmitting, pursuant to law, a report on the administration of the advance planning program, for the period July 1 to September 30, 1950 (with an accompanying report); to the Committee on Public Works.

MEMORIAL

The PRESIDENT pro tempore laid before the Senate a telegram in the nature of a memorial from Alli F. Ruvani, faithful navigator of Monsignor Rezek General Assembly, Fourth Degree Knights of Columbus, Houghton, Mich., remonstrating against the enactment of legislation providing financial assistance to Yugoslavia, which was ordered to lie on the table.

UNLIMITED DEBATE, ETC.—RESOLUTION OF UNITED COUNCIL OF CHURCH WOMEN, CINCINNATI, OHIO

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD resolutions adopted by the biennial assembly of the United Council of Church Women, held in Cincinnati, Ohio, on November 13 to 16, attended by about 3,000 church women from all parts of the United States, relating to unlimited debate, and so forth.

There being no objection, the resolution was referred to the Committee on the Judiciary, and ordered to be printed in the RECORD, as follows:

Whereas there have been certain privileges granted to Congress for the purpose of enhancing the democratic process; and

Whereas abuse of some of these privileges actually works to thwart the democratic process: Therefore be it

Resolved, That we call upon Members of Congress to discipline themselves to the use of the privileges of congressional immunity and unlimited debate with the greatest sense of responsibility so that these privileges may serve their intended useful purpose rather than the ends of partisan politics; and be it further

Resolved, That we urge Congress to discontinue the practice of granting admittance to the floor to ex-Congressmen during any period when they are registered as lobbyists; and be it further

Resolved, That we call attention to the fact that failure on the part of Congress to remedy these abuses will undoubtedly lead to a demand for legislation curtailing such privileges.

NATIONAL ASSEMBLY OF THE UNITED COUNCIL OF CHURCH WOMEN.
NOVEMBER 1950.

RESOLUTIONS OF NORTH DAKOTA AND MONTANA RECLAMATION ASSOCIATIONS

Mr. LANGER. Mr. President, I present for appropriate reference and ask unanimous consent to have printed in the RECORD resolutions adopted by the North Dakota Reclamation Association at their last convention, which was held jointly with the Montana Reclamation Association, at Sidney, Mont., relating to certain pending legislation.

The PRESIDENT pro tempore. The resolutions will be received, appropriately referred, and, without objection, the resolutions will be printed in the RECORD. The Chair hears no objection.

To the Committee on Public Works:

"RESOLUTION NO. 1—JAMESTOWN DAM

"Whereas through the able representation of Hon. MILTON R. YOUNG, member of United States Senate Committee on Appropriations, concurred in by the other Members of the North Dakota congressional delegation, the Eighty-first Congress appropriated $750,000 for starting construction on the Jamestown Dam; and

"Whereas the James River is an intrastate stream, which creates a flood problem in its basin both in North Dakota and South Dakota: Now, therefore, be it

"*Resolved*, That we commend Senator YOUNG and his North Dakota congressional colleagues for their successful appropriations efforts and urge the North Dakota State Water Conservation Commission to solicit the assistance of South Dakota to obtain an early release of the construction funds frozen by the Bureau of the Budget so that construction can begin on this unit of the Missouri Basin development in 1951 as a safeguard against the ravages and suffering caused by previous disastrous floods of the James River in both North Dakota and South Dakota."

"RESOLUTION NO. 2—MONTANA DIVERSION DAM UNIT

"Whereas the Eighty-first Congress approved $1,000,000 for construction purposes on the Montana diversion dam unit of the Missouri-Souris project, an integral part of the Missouri Basin development; and

"Whereas the Bureau of Reclamation have found sufficient lands for irrigation; and

"Whereas a new site at Porcupine Creek assures all the original benefits plus a hydroelectric power output of over 100,000,000 kilowatt-hours annually; and

"Whereas the need for water for municipal and industrial use in northeast Montana and western North Dakota is becoming increasingly grave, coupled with a constant threat of drought to farmers in the area: Now, therefore, be it

"*Resolved*, That we urge the Bureau of the Budget to release funds that are presently frozen so that construction can be launched in 1951 and thus speed the multiple benefits of this unit of both the Missouri-Souris project and the Missouri Basin development."

"RESOLUTION NO. 4—FLOOD CONTROL

"Whereas the recent recurring floods in many sections of the State have emphasized greater flood damage in the State than had supposedly existed; and

"Whereas it appears that in many areas, such as at the city of Mott, where there has not been a full recognition of such damage and the step to be taken to alleviate such flood losses:

"Therefore, we urge and request that the State conservation commission and Federal agencies charged with such work take expeditious action to coordinate and initiate the necessary work to cure such situations."

To the Committee on Interior and Insular Affairs:

"RESOLUTION NO. 5—SMALL PROJECTS

"Whereas the major emphasis on reclamation development in North Dakota has thus far been on major projects; and

"Whereas small projects in other areas in the United States have proven economically sound; and

"Whereas the National Reclamation Association, through its small-projects committee, has made specific recommendations for furthering the program in all western reclamation States by securing national legislation: Now, therefore, be it

"Resolved, That we fully endorse the program so proposed and direct officers of the North Dakota Reclamation Association to lend every possible aid in securing national legislation by the Eighty-second Congress to carry out the recommendations so made, and that a special committee be appointed by the President to work with the water commission toward further development of small-project program in the State."

"RESOLUTION NO. 6—INTERSTATE COMPACT FOR THE RED RIVER OF THE NORTH

"Whereas the Red River of the North watershed in Minnesota and North Dakota is an interstate basin; and

"Whereas the matter of allocating and dividing the waters of the Red River and its tributaries is an interstate problem which can be dealt with only through a compact between the two States with the approval of the Congress: Now, therefore, be it

"Resolved, That we recommend to the North Dakota State Water Conservation Commission that early action to accomplish such compact be initiated."

"RESOLUTION NO. 7—DECENTRALIZATION OF INDUSTRY

"Whereas the discovery of atomic energy with its terrible implications during the stress of war has created a trend toward decentralization of industry in our Nation; and

"Whereas we have adequate space for industry in western North Dakota, coupled with an inexhaustible supply of lignite, cheap potential hydroelectric power, together with highly suitable waters for industrial use through the development of the Missouri-Souris diversion: Now, therefore, be it

"Resolved, That we urge the North Dakota congressional delegation to solicit the Congress to speed construction of the Missouri-Souris project, not only from a reclamation angle, but as a potential for future defense security by decentralization of industry in this specific project area."

"RESOLUTION NO. 8—LIGNITE DEVELOPMENT

"Whereas research efforts have established the feasibility of developing byproducts from lignite coal to supplant vital scarce commodities needed for the welfare of our national economy; and

"Whereas scientific research has been limited on account of lack of funds: Now, therefore, be it

"Resolved, That we recommend to the North Dakota congressional delegation to support and/or initiate any legislation or appropriations that will speed the development of our lignite coal industry through continued research for lignite byproducts."

"RESOLUTION NO. 15—CANNON BALL AND KNIFE RIVER PROJECTS

"Whereas the Cannon Ball and Knife River projects are contemplated structures under the Missouri River Basin development; and

"Whereas studies and engineering looking toward the construction and development of these projects have been proceeding for many years under the facilities of the North Dakota State water conservation commission and bureau of reclamation; and

"Whereas these projects are of the type contemplated for first construction under the early program of the North Dakota water conservation commission; and

"Whereas there are good reasons that such type of development should be hastened and completed for a better programing of the larger development in North Dakota: Now, therefore, be it

"Resolved, That the North Dakota Reclamation Association urges that the agencies charged with the development and construction thereof do everything to speed the additional studies thereto and that the schedule for such construction may not be further delayed."

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

H. R. 1789. A bill for the relief of the Shelby Shoe Co., of Salem, Mass.; without amendment (Rept. No. 2637).

INTERIM REPORT ON EMPLOYMENT OF HOMOSEXUALS AND OTHER SEX PERVERTS IN GOVERNMENT (S. DOC. NO. 241)

Mr. HOEY. Mr. President, I am going to submit a report of the Senate Investigations Subcommittee of the Committee on Expenditures in the Executive Departments. I ask unanimous consent that I may make a brief statement in connection with the report.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from North Carolina? The Chair hears no objection, and the Senator may proceed.

Mr. HOEY. Mr. President, I submit to the Senate a unanimous interim report of the Senate Investigations Subcommittee of the Committee on Expenditures in the Executive Departments. This is a report of the subcommittee's investigation and study of the employment of homosexuals and other sex perverts in Government, which study was undertaken in accordance with Senate Resolution 280, adopted by the Senate on June 7, 1950.

My committee did not find it to be a very pleasant task to conduct an inquiry into this particular subject, but having undertaken this investigation at the specific direction of the Senate, we pursued every facet of the subject in order to make sure that our inquiry was a complete and thorough one, and to be able to make a full and complete report to the Senate.

At the very outset it was realized by the subcommittee that to mishandle or allow an investigation of this type to get out of control could easily turn the investigation into a witch hunt, which not only would be a reflection upon the subcommittee, of which I am honored to be the chairman, but it would be to the discredit of this august body, which authorized the investigation. Furthermore, an even more serious problem was the possibility of doing irreparable harm to innocent persons in the event of any erroneous public disclosures. Being fully aware of these pitfalls, the subcommittee, as is stated in the report, decided at the very outset to hold all of its hearings in executive session and it was determined that the investigation should be conducted with a minimum of fanfare and publicity. In this regard I wish to commend the members of the subcommittee and staff for the discreet but thorough manner in which this entire inquiry was handled.

Prior to the adoption of Senate Resolution under which this investigation was conducted, the District of Columbia Subcommitee of the Senate Appropriations Committee, composed of Senators HILL and WHERRY, made preliminary studies in this field and both members submitted reports covering their findings. I wish to state that the preliminary work of that subcommittee was of considerable assistance and guidance in our subsequent investigation.

In order to investigate fully and completely the employment of homosexuals and other sex perverts in Government, the members of the subcommittee and the staff conferred with and took testimony from intelligence experts, medical authorities, police officials, judges, prosecutors, and others who by training or experience were qualified to render expert advice and assistance to us. In addition, detailed information was obtained from every department and agency of government regarding the methods and procedures used or to be used in the handling of this serious problem in the Federal Government. This report was prepared only after thoroughly reviewing and digesting all of the testimony and other data obtained by the subcommittee. In the report which has been submitted to the Senate, the subcommittee has attempted to present a full, fair, and unbiased résumé of the findings and recommendations of the subcommittee.

The Subcommittee came to the definite and positive conclusion—and gives the detailed reasons for its conclusion—that overt homosexuals and other sex perverts should not be tolerated in the Government service because they are generally unsuitable and furthermore they do constitute security risks. Throughout the report the subcommittee points out that sex perverts must be put out of Government and kept out. As is clearly

set forth in the report, the subcommittee found it necessary to criticize the manner in which homosexual cases have been handled by many of our Government departments and officials, including the treatment of these cases in our own legislative branch. However, I am convinced that this particular problem can be handled adequately in the Government without any drastic legislative changes. The subcommittee found that if the Government agencies will investigate properly each complaint of sex perversion and thereafter follow the present adequate civil-service rules, these perverts can be put out of Government and kept out of Government. In view of the very serious consequences of dismissal from the Government on charges of sex perversion the subcommittee has recommended that some type of appeal machinery be set up to review the dismissals of these persons from the civilian branches of Government. It is my belief that no special legislation will be necessary to set up such review machinery which could be adequately handled by an Executive order.

The only specific legislation recommended by the subcommittee has to do with amendments to the Criminal Code of the District of Columbia. It has been recommended by the subcommittee, after a conference with the local officials, that these proposed amendments will strengthen greatly the present laws of the District of Columbia with reference to the handling of sex-perversion cases, and for that reason I am submitting to the Senate a proposed bill incorporating these amendments to the District of Columbia Code. These amendments are fully explained in the report which is submitted.

The Senate appropriated $10,000 for the conduct of this investigation and I am happy to be able to report that approximately $3,000 of that amount was not used during the course of the investigation and will be returned to the general fund of the Senate.

I am glad to report that a great many sex perverts have been removed from the Government service and it is believed that they can be kept out of government if the recommendations and suggestions of the subcommittee are followed by the various departments of the Government. It is not the intention of the subcommittee to drop this entire subject with the submission of this report. The subcommittee will from time to time reexamine the handling of this problem by the various agencies of government to determine whether these agencies are handling properly the cases of sex perversion which might arise in the future. In the event it is deemed necessary to make a further report to the Senate, such a report will be submitted by the subcommittee at the appropriate time.

I now send the report to the desk and ask that it be printed as a Senate document.

The PRESIDENT pro tempore. The report will be received, and, without objection, it will be printed as a Senate document.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. RUSSELL (for himself and Mr. BRIDGES, by request):

S. 4258. A bill to amend the Internal Revenue Code in order to allow extensions of time for the filing of returns and the payment of income taxes by certain persons serving in zones of combat between January 1, 1951, and March 15, 1951, and for other purposes; to the Committee on Finance.

By Mr. MUNDT:

S. 4259. A bill to permit certain lands heretofore conveyed to the city of Canton, S. Dak., for park, recreation, airport, or other public purposes to be leased by it so long as the income therefrom is used for such purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOEY:

S. 4260. A bill to amend the laws relating to obscene or indecent exposure acts committed in the District of Columbia; to the Committee on the District of Columbia.

REPORT OF CONFERENCES BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE—AMENDMENTS

Mr. FLANDERS submitted amendments intended to be proposed by him to the resolution (S. Res. 371) favoring the transmission to the Senate by the President of a report of his current discussions with Prime Minister Attlee, and opposing the making of certain agreements in connection therewith, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred to the Committee on the Judiciary:

H. R. 2466. An act for the relief of Zygmunt Pakula (also known as Pakuta);

H. R. 6500. An act for the relief of Mario Pucci, Giacomo Favetti Giuseppe Omati, Vincenzo Andreani, Lambruno Sarzanini, and Alessandro Costa;

H. R. 9286. An act for the relief of Maria Manfrini; and

H. R. 9845. An act for the relief of Capt. Marciano O. Garces.

LUBEC CHANNEL, MAINE (S. DOC. NO. 243)

Mr. CHAVEZ. Mr. President, on September 15, 1950, the Chief of Engineers, United States Army, transmitted to the Senate Committee on Public Works a report on Lubec Channel, Maine, together with accompanying papers and an illustration, requested by a resolution of the Committee on Commerce of the United States Senate, adopted on July 16, 1945. On behalf of the Committee on Public Works, I ask unanimous consent that the report be appropriately referred and printed as a Senate document.

There being no objection, the report was referred to the Committee on Public Works and ordered to be printed as a Senate document.

NATIONAL MOBILIZATION—ADDRESS BY GOVERNOR DEWEY

[Mr. IVES asked and obtained leave to have printed in the RECORD the text of Governor Dewey's address delivered on December 14, 1950, at the dinner of the New York County Lawyers Association, at the Waldorf Astoria Hotel, New York City, and published in the New York Times of December 15, 1950, which appears in the Appendix.]

EDITORIAL TRIBUTE TO SENATOR HUMPHREY

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD an editorial paying tribute to Senator HUMPHREY, published in the December 1950 issue of the Democratic-Farmer-Labor News, which appears in the Appendix.]

OUT OF CRISIS, A SPIRIT OF UNITY—ARTICLE FROM THE NEW YORK TIMES MAGAZINE

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD an article entitled "Out of Crisis, a Spirit of Unity," published in the New York Times magazine of December 10, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGE REFERRED

As in executive session,

The PRESIDENT pro tempore laid before the Senate a message from the President of the United States submitting several nominations, which were referred to the Committee on Interstate and Foreign Commerce.

(For nominations this day received, see the end of Senate proceedings.)

OUR NEW WAR IN KOREA AND AID TO YUGOSLAVIA—STATEMENTS BY SENATOR CAIN

Mr. WHERRY. Mr. President, on behalf of the junior Senator from Washington [Mr. CAIN], who will be absent from the Senate for the next 2 days, I ask unanimous consent to place in the body of the RECORD two statements prepared by him, the first one of which contains newspaper articles which the Senator from Washington asks unanimous consent to have printed in the RECORD in connection with his statement.

The PRESIDENT pro tempore. Without objection, the statements will be printed in the RECORD, as well as the newspaper articles.

(The statements and articles are as follows:)

STATEMENT BY SENATOR CAIN

On November 28 the junior Senator from Washington offered a brief statement to the Senate. This statement addressed itself to the new war in Korea, which came into being at the moment in late November when Chinese Communist forces crossed the Yalu River in strength.

In this statement, which was offered but several short and tragic weeks ago I submitted some completely logical observations from which I wish to quote briefly:

"The only possible action in the present crisis, as I see it, Mr. President, is equally clear: Gen. Douglas MacArthur ought immediately to be given the right to strike wherever military necessity dictates, behind the Yalu River, or anywhere else.

"I think our troops ought to have immediate authority to strike at the supply lines, at the heart, at the marshaling areas, of the enemy. Until that is done—and I hope again my guess is completely wrong—we can only expect an accumulation in Korea of one disaster after another disaster.

"One of two things must inevitably happen very shortly; the enemy's supply lines must be destroyed, consumed, and done away with, or the United States of America, together with those allies fighting with her must—not will or shall, but must—inevitably be humiliated, be hurt deep down inside, and be badly defeated on the field of battle.

"The only answer we can give the men whose lives are sacrificed is 'Go ahead and

protect yourselves by fighting back with all your strength and with every weapon which America and the United Nations can make available to you'."

No decision was made by the United Nations or by the United States to permit our field commander in Korea to attempt to destroy the enemy's power to destroy us. The President of the United States did not delegate his authority to employ the atom bomb to our field commander in Korea. Whether the use of the atom bomb and other conventional bombs would have prevented the recent Korean disasters I am not qualified to say. I can only say again, as I have said before, that we have not employed in Korea some of the major weapons which have been available to us.

Many Americans have been in opposition to employing the atom bomb in Korea. Many have maintained to me that the atom bomb could not successfully be used as a tactical weapon. I have not shared this view but I am not an authority on the question. The question, however, will remain before us for a long time. I think we ought to think about the views of those authorities who consider the atom bomb to possess great tactical value.

A recent issue of the United States Army Combat Forces Journal carries an article on the atom bomb and its potential use as a tactical weapon by Maj. Gen. James M. Gavin. General Gavin is a former commander of the famed Eighty-second Airborne Division. He fought with this division during the last war and trained it for a period after that war. His present assignment is with the weapons systems evaluation group in the Office of the Secretary of Defense, as Chief Adviser of Weapons.

I ran across this article in the Denver Post of December 5, 1950. The article ought to be made available to every member of the Senate and I ask unanimous consent that there be printed as a part of my remarks at this point the article entitled "Atom Bomb Seen Tactical Weapon if Blow Warrants Cost," written by Maj. Gen. James M. Gavin.

The article is as follows:

ATOM BOMB SEEN TACTICAL WEAPON IF BLOW WARRANTS COST

(By Maj. Gen. James M. Gavin)

Retrospection is a blessing for those who must plan and fight our wars. Never do we appreciate the full meaning of the events in which we participate. Only time can give us the answer to knotty problems of tactics, strategy, and weapons systems. We now have 5 years to look back upon our ideas and plans for the use of the newest weapon in our arsenal, the A-bomb.

Its first use was to destroy a Japanese city. Then followed the fanciful claims of what it would do. Typical of much public opinion were the ideas expressed by William Bradford Huie in the December 1948 issue of Reader's Digest:

"We now have enough improved atomic weapons to immobilize the Russian Nation. * * * A staggering proportion of the inhabitants of Russia's key cities—millions of persons—can be killed or maimed in the first raid."

Little thought seems to have been given to other possible uses. The mere threat of its use on urban and industrial areas was credited with maintaining the uneasy postwar peace.

Now, this exclusive acceptance of the bomb as a weapon of final decision when employed against the economy and the noncombatant elements of a nation's population is hard to understand. For never has a weapon been developed that is better suited for use against enemy combat forces.

The model T bomb (Hiroshima) packs a wallop of 20,000 tons of TNT. But since it does not make effective use of all of its potential energy and it largely overkills, its actual destructive effect is closer to 1,300 tons. The relative effects of conventional bombing and atomic bombing are described in the report of the United States strategic bombing survey:

On the basis of the known destructiveness of various bombs computed from the war in Europe and the Pacific and from tests, the survey has estimated the striking force that would have been necessary to achieve the same destruction at Hiroshima and Nagasaki. To cause physical damage equivalent to that caused by the atomic bombs, approximately 1,300 tons of bombs (one-fourth high explosives and three-fourths incendiaries) at Hiroshima and 600 tons (three-fourths high explosives and one-fourth incendiary) would have been required at Nagasaki—in the target area.

EQUALED 2,100 TONS

To place that many bombs in the target area, assuming light attacks under essentially the same conditions of weather and enemy opposition that prevailed when the atomic bombs were dropped, it is estimated that 1,600 tons of bombs would have to be dropped at Hiroshima and 900 tons at Nagasaki. To these bomb loads would have to be added a number of tons of antipersonnel fragmentation bombs to inflict comparable casualties. These would add about 500 tons at Hiroshima and 300 tons at Nagasaki. The total bomb loads would thus be 2,100 tons at Hiroshima and 1,200 tons at Nagasaki. With each plane carrying 10 tons, the attacking force required would have been 210 B–29's at Hiroshima and 120 B–29's at Nagasaki.

In addition to the blast and heat effects, nuclear radiation accompanying the explosion of an atomic bomb also causes casualties, some 15 percent of the total.

The vulnerability of combat forces to atomic attack will vary greatly. It will depend upon how much they happen to be shielded by hills, buildings, trenches, and so on—and upon how far they are from the point of burst. We can readily conceive of land forces in dugouts and heavy fortifications that would give them almost complete protection from an explosion at 2,000 feet altitude. On the other hand, land forces not dug in and massed at night to force a river crossing, for example, might be completely destroyed by a well placed atomic bomb. Massed aircraft on take-off airfields, and concentrations of shipping such as those off the Normandy beaches, would be quite vulnerable. The vulnerability of each combatant in each set of conditions does not lend itself to exact definition. There is no doubt, however, that land combat forces moving in the offense or not well sheltered in defense would be prime targets.

Whether or not it would be worth to the enemy the expenditure of one or several bombs would depend upon the contribution of the destruction. One particular aspect should be noted: Lingering radioactivity following an air burst at, say, 2,000 feet, will not last more than a few minutes. In other words, highly mobile forces could at once attack into the area of the bomb detonation with reasonable immunity from radioactivity.

Most veterans seeking a comparison from their own combat experience would describe an atomic-bomb attack as like the simultaneous detonation of hundreds of high-explosive and incendiary bombs. It would be concentrated in an area of 3 to 5 square miles and would be accompanied by intensive radioactivity. Compared with artillery, it would approximate a high density of well mixed high explosives and incendiaries. Approximately 8,000 medium artillery shells per square mile, over a 3- to 5-square-mile area, with a much heavier concentration in the center of the area than on the fringes, makes a reasonable comparison with the model T bomb. The intense fragmentation characteristic of artillery would of course be absent. This would be somewhat compensated for by radioactivity and objects sent flying by the blast.

For further purposes of comparison we can consider situations in World War II in which actual comparable tonnages of HE were delivered—actual battles in which heavy bombers gave direct tactical support to ground forces. There were many situations in which an atomic bomb could have been decisive. In addition to contributing decisively to the achievements of the Army, its use could have saved many lives and much equipment.

Perhaps the best-known concentrated nonatomic attack of World War II is Cassino. The Air Force alone dropped 1,100 tons on Cassino in one attack. The defenders at Cassino were well dug in and protected. The attacking forces would have been much more vulnerable to atomic attack than the defenders.

In the battle of Normandy, in July 1944, carpet bombing first found a place in the soldier's and airman's lexicon. The ground forces needed all air support they could possibly get when the critical break-out from the beachhead faced them. On July 24–25, 1944, the Air Force, using its heaviest bombers available in ETO, delivered 5,200 tons of bombs in ground support. They were dropped in an area of approximately 2,500 by 7,000 yards. This was equivalent to the destructive forces of perhaps two atomic bombs. This was the battle of St. Lo, a battle decisive in the larger battle of Normandy. The performance of the Air Force's strategic bombers in this significant role contributed largely to gaining that decision. Ironically, the dispersed nature of the bombing caused the death of the Army's foremost enthusiast for air-ground training and cooperation, Lt. Gen. Lesley J. McNair. A more striking example of the need for close teamwork between the Ground and Air Forces would be hard to find.

GREAT TACTICAL GAIN

Iwo Jima is another example of a battle in which the atomic bomb could have been used to great tactical gain. Iwo Jima was a well-defended bastion directly astride the air route from Guam to Tokyo. In area, it compares closely to the destroyed area of Hiroshima. Its capture was costly—21,000 casualties, an escort carrier, and an LCI sunk, major damage to 30 ships, and 168 aircraft lost. How much less the battle cost and achievement would have been if an A-bomb could have been used, then followed immediately by air assault and air-landed forces.

Crete and Okinawa had much in common tactically. The capture of Crete was an essential preliminary to an assault on Suez. The capture of Okinawa was the necessary first phase of our assault on Japan. Both islands had several good air strips and were well defended.

Crete was given a conventional softening up of high-explosive bombing followed by an airborne assault. It was a costly venture. The attacking Germans lost 12,000 men and 170 air transports, and in the words of the German commander, General Student, it was the graveyard of German parachutists."

Okinawa's capture was just as important tactically. After the usual non-atomic softening up it was assaulted by amphibious forces. When the last shot was fired and the costs were tabulated they amounted to 36 ships sunk, 368 ships damaged, 763 airplanes lost, and 48,025 casualties. A high price to pay for what one marine called "a lousy piece of real estate."

In both battles a preliminary atomic bombing would have immeasurably aided the assault forces in establishing their initial lodgment. With an airborne assault following on its heels, an A-bomb could have

been used tactically with decisive results. Among those best known to our Army are Anzio, Bastogne, Salerno, and Normandy.

COST CONSIDERED

Any consideration of the bomb's employment will take into account its cost. Actually its cost may be expressed in two ways—in actual intrinsic worth and its strategical and tactical worth. From the dollar viewpoint, Dr. J. R. Oppenheimer has estimated that its cost would run to about $1,000,000. Tactically, however, the bomb may be given an entirely different value. For example, with a limited stockpile, it would be highly uneconomical to expend a hundred bombs for the purpose of destroying a ground division that costs $100,000,000 if there were other divisions available as replacements. But if a single bomb could render one division ineffective, it would probably be a worthwhile one-bomb investment. Between these two extremes are many situations in which a bomb might be used to advantage. The chief military consideration must be this: What will its use mean in terms of battle decisions at the time and place of its employment? The tactical or strategic gain achieved would usually be more important than the intrinsic worth of the bomb in any determination of whether it should be used. The airman must also weigh the cost of giving the needed ground support in terms of what it will cost to deliver it. The operational cost and losses in an attack by 150 to 200 medium bombers may be so high, compared to that of a few bombers escorting and carrying an A-bomb, that the A-bomb would most often be the better choice.

For months one of the toughest battles in American history has been fought in Korea. Greatly outnumbered, and attacked by a foe that throws in masses of men and equipment regardless of losses, the United Nations forces in Korea tasted the bitterest experiences of war. The issue has been in doubt. But one aspect of the battle does seem clear. The United Nations land forces, using every weapon that can be got to them with our limited mobility, took heavy casualties. They shared a common battle achievement with their fellow combatants in the air force and the navy—the holding of some 3,000 square miles of real estate in South Korea. The weapons systems of the land forces, judging by the casualty reports, have been the hardest hit. Their fighting has been heaviest and their available weapons most taxed. A greater participation by the air-weapons system would add greatly to the successful outcome of the fighting. The most powerful tactical air weapon is the atomic bomb. Its delivery by our air forces would contribute greatly to the common battle achievement.

Setting aside the very serious moral and political considerations and considering only the tactical effects, large concentrations of division or larger size should not be allowed to go unscathed by atomic attack. Certainly several bombs on massed enemy forces, wherever they can be attacked without endangering our own, would contribute greatly to their final, if not immediate neutralization. It is hard to think of anything that would add more to the effectiveness of the United Nations forces. Here was an enemy forced to mass his means for a crossing both because of our defense and his own lack of mobility. He follows the traditional Soviet tactics of massing the men and means to do a job regardless of losses.

The bomb is the tactical answer to this problem whenever it is possible to deliver it profitably.

The military man recognizes the deep-seated political and moral convictions and ideals of our Nation and its leaders, when the possible use of atomic weapons arises. He has no wish to override these vitally important considerations. But no one, military or civilian, who is conversant with modern weapons, including the atomic, can avoid comparing the tactical capabilities and limitations of those weapons. Nor can he help but see that in many tactical situations, the use of atomic bombs may greatly reduce the ultimate total of United Nations casualties.

RETALIATION WEIGHED

Most certainly the possibilities of retaliation by the enemy will also be weighed by all who must give serious thought to the tactical uses of atomic weapons. These possibilities, however, can only be determined by the highest national authorities on the basis of estimated comparative availability of atomic weapons. Certainly, if the struggle for freedom continues, they will one day be faced by such a decision. And the military man would be completely lacking in judgment and common sense if he did not consider the tactical possibilities of atomic weapons in every combat situation that arises.

In summary, the A-bomb is an excellent tactical weapon. It is much higher on the curve of deadliness than either the conventional bomb or the artillery shell. The greater the explosive effect of the atomic bomb the more effective it will be as a tactical weapon. If there is validity to this view of the bomb as a tactical weapon there is a clear implication of a need for considerable development to make its combat employment readily possible. A higher accuracy of delivery is needed than at Hiroshima or Nagasaki. Any means that will aid our ground forces to meet on terms of combat parity an enemy much stronger in numbers deserves our closest attention. And finally, if an H-bomb is developed and A-bombs become available for tactical employment, we should realize now that this will radically revolutionize land warfare.

Land warfare will change in character, both offensively and defensively, to accommodate itself to this new force. Great and continuous dispersion out of immediate close contact with an enemy, an ability to fight effectively in all directions, better communications, lighter and more numerous automatic weapons, electronic systems to close the gaps between physically isolated units, and a high degree of air and land mobility should all characterize the defense of tomorrow. These, plus an ability to concentrate in a global sense at the time and place of decision, should characterize the attack.

With foresight we should be able to develop these capabilities in our Armed Forces. So it is well to note in conclusion that in this air-atomic age retrospection is good but foresight is better.

STATEMENT BY SENATOR CAIN

On the front page of the Denver Post of December 5, I found a letter by a father whose son lost his life in Korea. The father's grief is evident through every word of his letter but the father seeks to justify the death of his son by reflecting on past mistakes only for the purpose of anticipating the future. I think the father's letter ought to be joined with General Gavin's argument. I ask unanimous consent that the letter in question be made a part of my remarks at this point.

The letter is as follows:

A LETTER TO THE EDITOR—USE A-BOMB NOW, HERO'S DAD URGES

(Capt. Eugene R. Guild, a retired Army officer, has written a letter to the editors of the Denver Post in which he blames himself and all other complacent Americans for the death of his son and the 5,000 other fighting men. Here are his views on the use of the atom bomb.)

I am writing as the father of 1 of the 5,000 boys killed by the Reds in Korea. I let my boy down because I did not help him here at home by fighting against the cowardly appeasing policies of those in Washington who sent him to fight. I think that many of the fathers of the other 5,000 boys let their sons down in the same way.

He and the rest of that tragic legion whose bodies lie rotting in Korean graves died not only because of Red bullets and barbarity but because our leaders in Washington as well as the mouse-men of Lake Success were too timorous and weasling to face up to the real aggressor and demand a halt. These men scolded like so many Donald Ducks at the Kremlin, but when the time came for action they pretended that the stooges, the ignorant North Koreans, the gooks were the real aggressors, and killed 5,000 of our sons while killing 250,000 hapless stooges.

These men pretended not to see the munitions coming from Russia and Manchuria which killed our lads. They would not allow supply lines to be bombed or attacking jets to be pursued over the border. It would cause war they said—the age-old cry of the appeaser. Our sons were not given a fair fighting chance for their lives; it was not an honest fight, it was a dishonest, hypocritical fight; and so they died.

And now in a welter of double talk and plausible misrepresentations from Washington, we are told that we must not strike back in defending ourselves against the Reds. They make war on us but we must not make war on them because then they will make war on us; what supreme gibberish is that? We are actually and in fact in war, a killing, maiming war; yet we are warned not to fight back too hard with our best defensive weapon, the A-bomb, or we will find ourselves in a war. The words are sheer idiocy, but they are spoken in Washington with a straight face.

We are being prepared for surrender to the Reds, sugar-coated, of course, with a name like armistice or negotiated peace. Our A-bomb is our best defensive weapon and last resort, but a stream of propaganda tells us that it would be ineffective—no targets, kill women and children and the like. Yet General Gavin, weapons adviser to the Secretary of Defense, the Joint Chiefs, and the President, in a signed statement last month wrote of the Korean War that the A-bomb was the answer to the Red tactics of massed infantry assault. It is not for destroying cities, he wrote, "Never has a weapon been devised that is better suited for use against enemy combat forces." And Gen. Omar Bradley backed him up, saying, "The atomic bomb will make a formidable defensive weapon." Our appeasers are contradicting their own experts in their haste to kneel before the Reds.

WEAPON A SOUND MILITARY DEFENSE

The A-bomb is a sound military defense. What moral or political considerations are there in defending our beleaguered Army and marines with our A-bomb used against attacking troops? The appeasers say, as of yore, let's not do it; let's surrender and have peace in our time. How that smells of Munich.

Suppose, at the start of Korea, we had used leadership instead of Donald Duckism in the UN and pushed through a resolution telling Stalin to stop it within 48 hours or, ready or not, we would hit him with everything we had, including the A-bomb. He would have either backed up or fought. If he had fought, and there is some doubt that he would have, would my son be any deader, would the other 5,000 be any deader, would the other thousands now destined to die because of appeasement be any deader? At least they would have died in an honest war. And we would have been further along in mobilization and total defense.

Friends in Denver and through the State have sent condolences about my boy and asked what they could do. I can tell them now what they can do. They cannot let their own sons down like I did mine. By post

card, telegraph, telephone, and public meetings they can tell the men of Washington what they want; perhaps they can stiffen the backbones and drive out the appeasers; they can try, at least—as I am doing, too late for my son but not too late for the thousands of others. I ask them and all the other fathers and mothers:

Are you going to let your sons down as I did mine?

EUGENE R. GUILD,
Captain, United States Army, Retired, Glenwood Springs, Colo.

STATEMENT BY SENATOR CAIN

We have not heard the last of Korea or of comparable situations elsewhere which may result from Korea. It is proper and useful for us to understand all of the weapons which are available to the free world and to think about the feelings of those whose loved ones have given everything they possess in fighting for you and me at home.

FURTHER STATEMENT BY SENATOR CAIN

On Monday, December 11, 1950, the Senate voted to authorize $38,000,000 in emergency aid to Yugoslavia. Although the measure was passed by a substantial majority, it is perfectly obvious that some of us who voted for the Yugoslav aid bill did so with serious misgivings and profound doubt about its effectiveness in promoting the interest of the United States and the free world.

The incongruity of the situation is apparent; we were asked and we agreed to vote aid to a Communist country in the interest of the struggle against communism; we were asked and we agreed to offer assistance to a dictatorship in the interest of freedom and liberty.

The junior Senator from Washington was persuaded to vote for the Yugoslav emergency assistance, in part, because of the urgency with which the measure was pressed by the Senate Committee on Foreign Relations, but more importantly by the hope that perhaps the action taken was the beginning of an integrated foreign policy program.

It is my sincere prayer that before the next foreign assistance proposal is brought before the Senate, we shall have available to us two things: 1—a comprehensive integrated and fully developed global foreign policy—permit me to underline by way of emphasis the word global; 2—a detailed statement of the functions and purposes of each foreign aid proposal in the over-all policy—that is a justification for each item in relation to our American over-all foreign policy.

The Senate of the United States is charged by the Constitution with both rights and responsibilities in shaping our Nation's foreign policy. Yet, the complete facts which are necessary to permit us to recognize and discharge this vital function have not been before the Senate in recent years. We are sometimes asked to legislate in the dark and to legislate piecemeal; we have yet to be presented with a single over-all picture of what we are endeavoring to do or are expected to accomplish. In my 4 years of experience in this body it has been a race from one emergency to another, along an uncharted course.

The Senate ought to demand a charted course before any future ventures are undertaken or launched.

It is my earnest and sincere purpose to serve notice here today that I shall not again vote for any foreign assistance measure unless a master plan and detailed justifications are made available to us for guidance. I do not believe that America can continue to extend and commit itself overseas unless we are certain that such commitments will contribute to the defense and security of our Nation.

I want further to make it clear that any future request for foreign aid will be measured by me by the yardstick of what other nations are doing in the common effort. We have so far, at least since 1946 when I came to the Senate, accepted the burden of proof of international good will. I am convinced that this has, in part at least, been wrong. There is no reason whatsoever why we of America—after our contributions and sacrifices in two world wars—should be required to give any additional proof of our good and honest intentions and of our willingness to assume a large share of the burden of world peace, as well as world defense.

Measured in terms of military capacity, we have carried, for example, a large part of the fighting in Korea. The defeats the United Nations forces have suffered have largely come about because our Nation has tried to do too much and other nations have undertaken too little. This is one condition which can and must be remedied. The stake of America in freedom is no greater than the stake of any other member of the free community of nations.

Any future request for aid and assistance from such questionable nations as Yugoslavia will be decided, in my mind, by the degree of cooperation which each nation is willing to give to the overwhelming majority of the United Nations. So far, the record of Yugoslavia has not been particularly encouraging. The Yugoslav Government has voted against us in the United Nations more often than with us. The Yugoslav Government has often recognized and supported our enemies.

Is it too much to expect that the Yugoslav Government ought now to show its good will to us free people and to show it in solid, concrete ways? Is it unreasonable for me, an American, to hope and expect the Yugoslavs to send a military force of useful proportions to join the United Nations in Korea? Have I not the right to expect the Yugoslav Government to join with us in voting for a program of international lawfulness in the United Nations? Have I not the right to expect that the Yugoslav Government, out of its appreciation for our assistance which is gladly offered to prevent starvation, will move in the direction of bringing to an end the brutal dictatorship which has been fastened on the people; to restore to these people the right to choose their own government and to end the persecution of religions and the clergy.

To my mind, I have a right to expect these things from the government of Yugoslavia. These are not only reasonable expectations but necessary conditions to international cooperation and good will. What right have we to expect the people behind the iron curtain to take our declarations of freedom and justice seriously if they cannot expect more than to have their Stalinist oppression exchanged for the Tito variety.

To our sorrow and lasting distress we compromised with communism in and after World War II. The result has been more war, more oppression, more hatred, and more fear than ever before in history. We ought not to compromise again.

We are faced now, I believe, with a last chance to preserve our Nation and free institutions; that the chance before us is the last we have have in our lifetime. Another catastrophic compromise and that chance will have slipped from our hands.

With but several exceptions, I have voted for and supported the foreign-aid programs of the administration. I have done so on the strength of assurances—assurances given every time—that every measure was the one and only road to world peace.

The peace which was promised by the foreign-policy makers, and the peace which was our fondest hope, has not been realized. It is possible, of course, that no other course of action would have brought world peace. My purpose today is not to judge or fix the blame but merely to exercise the right of a Senator in urging, not only a reexamination of our foreign policy, but an integration of our foreign policy on a world-wide basis.

Past proposals and programs which were offered and sold to us as a guaranty of peace are now being offered as defense measures. There is a considerable doubt in my mind that such measures as the aid-to-Yugoslavia program will succeed any more in building a strong defense than past programs did in guaranteeing peace.

The reasons for these doubts are obvious. Our foreign-policy strategy has been confused, uncertain, and amazingly contradictory. There is no apparent global foundation upon which the foreign policy of this country can rest. The obvious contradictions are the things which puzzle and trouble me.

The administration has constantly refused to give aid to Spain for the stated reason that the Spanish Government is not democratic. Yet, we are asked with considerable fanfare to give immediate aid to Yugoslavia, whose dictatorship is far more absolute than that of Spain.

The administration has sometimes refused and sometimes neglected to give aid to the independent Republic of China, which has fought for years against both communism and Japan, but we are sending aid to the French colonial forces in Indochina.

The administration is asking the German people to join in the fight for freedom and the independence of the west, yet it continues to maintain a technical state of war with Germany and continues to deny to the German people the very rights for which those people are asked to fight.

If our foreign policy is to be effective or make sense, our strategy must be total and global in character; it must evaluate and meet problems with equal decisiveness, both in the east and in the west. We are competing around the globe with an enemy who understands total strategy. The strategy of this enemy is unified; it has central direction and concentrated purpose.

We cannot meet this strategy with anything less.

IS THIS OUR LAST HOUR?—EDITORIAL FROM THE WASHINGTON EVENING STAR

Mr. RUSSELL. Mr. President, on Tuesday of this week the distinguished junior Senator from Texas [Mr. JOHNSON] delivered a truly notable address in the Senate on the very critical position in which the United States finds itself today in the world. In today's Evening Star the lead editorial deals with that address. I ask unanimous consent that the editorial may be printed in the RECORD as a part of my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

IS THIS OUR LAST HOUR?

"Is this the hour of our Nation's twilight, the last fading hour of light before an endless night shall envelop us and all the Western World

"That is a question which we still have in our power to answer. If we delay longer, we can expect nothing but darkness and defeat and desolation. If we answer the challenge with courage and confidence and with the ability of which we are capable, we can, I am sure, triumph over our foes."

It was in these words that Senator LYNDON JOHNSON of Texas summed up an address to the Senate this week—an address which deserves a great deal more attention than it has received. It was a talk which deserves

attention because Senator JOHNSON was addressing himself to the most urgent question of our time: What must we do to survive?

There are men—men of ability and integrity—who advocate something less than a total, all-out effort. General Marshall spoke for them when he testified on December 1 before a House committee. The Secretary of Defense wants a greater effort. But he does not favor an all-out war mobilization at this time. He fears that if we go to total mobilization the Communists might then ease up and leave us in a difficult position. General Marshall is worried about the reaction of the people in that situation. He is concerned with the matter of cost. In short, he is against an all-out wartime mobilization until we clearly have to do it.

Senator JOHNSON takes the stand that that time is now—that the need is clear and will never be clearer while we still have a chance to survive.

The Texas Senator is in a position to speak with some authority on this question. As chairman of the Senate Military Preparedness Subcommittee, he has seen at first hand the hesitations, the uncertainties, the fumblings of the rearmament program. And he has come away from that experience with this conviction: "I say that the policy of wait and see must end, and it must end now. For what are we waiting? What do we expect to see tomorrow that we cannot see clearly today—or could not see, when the Korean War began, on June 25?"

What Senator JOHNSON sees is this:

"First, we are at war. We are at war not merely with Communist China, but with all the military strength and both the physical and human resources behind the iron curtain. We have been at war for 6 months. We may well be at war for 10 or 20 years more.

"Second, our primary and immediate goal in this war is survival. This is a bleak, disturbing reality. In other wars, our goal has been simply victory. Now, however, we must make our survival certain before we can hope for victory, because we cannot be confident of survival.

"Third, we are not getting ready for war. We are in a war, but all our effort is seemingly directed toward staying out of the war that we are in already. This is adolescent nonsense."

The Star believes that these are facts, and that no rational appraisal of the rapidly mounting evidence can lead to any other conclusion. It is possible, by an emotional process of wishful thinking, to arrive at some other conclusion. If one resolutely turns his face away from the evidence, if he merely shrinks from the 34,000 American casualties in Korea, if he will not look through his mind's eye at the Russian jet fighters which have appeared in some force over the Korean battlefield, if he ignores the words of Russia's Mr. Malik, if he closes his ears to the Communist threat to drive our armies into the sea—if a man will do these things he can make himself believe whatever he wishes. But he cannot convert a state of war into a state of peace. And such a man will never be ready to take the steps that must be taken in the interests of our self-preservation.

What should be done? This question cannot be answered with any absolute assurance. Senator JOHNSON has some definite opinions. He says that first, and above all else, we must have a long-range global plan of strategy for the war to which we are committed. We must not let the Russians decide where we shall fight and where we can fight. We must not fall into the tragic error of squandering our young men in futile, indecisive little wars before the real enemy is ever directly engaged. Second, we must fully mobilize for military service all of our available manpower—that if we do not do this we will be weaker by next June than we were when we went into Korea in June of this year. Third, he calls for immediate mobilization of our economy, including tight controls and an urgent drive to organize and greatly increase our productive capacity.

There are others who say in all earnestness that we should not go this far now. They give reasons for their stand. They say that the necessary plans have not been made, that the machinery has not been set up, that the need is not finally clear. One might ask why, after 6 months of war, so little planning has been done, so little machinery is ready. But that serves no useful purpose. We have to go on from where we are and do the best we can.

Those who would move slowly are gambling on the time factor. This must be so, for certainly if we should find ourselves at war with Russia tomorrow they would urge all possible haste.

But how much reliance can be placed in this assumption that we will have the time required? Some of these people thought that the Russians, at earliest, would not get the atom bomb until 1952. They got it in 1949. Our military planners once looked to 1954 as the period of greatest danger. Now they have moved that date up to 1952. Will they be saying in a few weeks or months that next spring or summer will be the critical time?

Let us think a moment about this. Every hour of delay is a gamble with the life of the Nation. If the Russians should strike before we have had time, at our present pace, to get ready, the problems that bother us now, the difficulties which loom so large, will seem trivial by comparison. We will not be worrying then about the cost or about the psychology of the people. We will be much too busy burying our dead, caring for our wounded, and trying to save what is left of our country.

Time is not, and never will be, on the side of those who waste it. As it is, there may not be enough time left. Even so, is it better to do too little or too much? We have trifled too long with the security of this country, with all of the beliefs and the traditions and the things that are dear to us. Opportunity is slipping away. How shall we answer if we are called up on some desolate tomorrow to explain why we did not make the most of it?

LEAVE TO ADDRESS THE SENATE

Mr. McCARTHY. Mr. President, I ask unanimous consent that immediately upon the conclusion of the call of the calendar I be given the floor before a motion to adjourn or recess is entertained; and that immediately upon the conclusion of my remarks the Senator from New Jersey [Mr. HENDRICKSON] may obtain the floor.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Wisconsin? The Chair hears none, and it is so ordered.

CHARLES J. TREES—CONFERENCE REPORT

Mr. JENNER. Mr. President, I submit a conference report on the bill (H. R. 5244) for the relief of Charles J. Trees, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The report was read by the legislative clerk, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5244) for the relief of Charles J. Trees having met, after full and free conference, have agreed to recommend and to recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the sum inserted by the Senate amendment on page 1, line 4, insert "$9,448.86"; and the Senate agree to the same.

JAMES O. EASTLAND,
(By W. E. J.)
W. E. JENNER,
Managers on the Part of the Senate.

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the present consideration of the report?

There being no objection, the report was considered and agreed to.

DEMONSTRATION OF PUBLIC LIBRARY SERVICE

The PRESIDENT pro tempore. The call of the calendar will be resumed. Is there objection to the first bill on the calendar, which has been stated?

There being no objection, the bill (S. 130) to provide for the demonstration of public library service in areas without such service or with inadequate library facilities, was considered, ordered to be engrossed for a third reading, read the third time, and passed.

Mr. HENDRICKSON. Mr. President, there was so much confusion on the floor when the first calendar number was called that I did not hear it called. I ask unanimous consent that the vote by which the bill was passed be reconsidered.

The PRESIDENT pro tempore. Without objection, it is so ordered. Does the Senator from New Jersey object to the bill?

Mr. HENDRICKSON. By request, I ask that Senate bill 130, Calendar No. 2, go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS PASSED OVER

The bill (S. 206) relating to the immigration status of the lawful wives and children of Chinese-treaty merchants was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 45) for the relief of the owners and operators of certain gold mines which were closed or the operations of which were curtailed by War Production Board Limitation Order L-208, was announced as next in order.

Mr. HENDRICKSON and Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 110) to broaden the cooperative extension system as established in the act of May 8, 1914, and acts supplemental thereto, by providing for cooperative extension work between colleges receiving the benefits of this act and the acts of July 2, 1862, and August 30, 1890, and other qualified colleges, universities, and research agencies, and the United States Department of Labor, was announced as next in order.

Mr. DONNELL and other Senators. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 734) to provide for the appointment and compensation of counsel for impoverished defendants in certain criminal cases in the United States district courts was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (H. R. 2660) to prohibit the parking of vehicles upon any property owned by the United States for postal purposes was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The concurrent resolution (S. Con. Res. 33) suspending the legislative budget pending further study was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 478) for the relief of Carl Piowaty and W. J. Piowaty was announced as next in order.

Mr. HENDRICKSON. Let the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1464) to amend the provisions of the Agricultural Adjustment Act relating to marketing agreements and orders was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1955) to authorize certain persons to accept decorations tendered them by the United Kingdom for services rendered the Allied cause during World War II, and for other purposes, was announced as next in order.

Mr. LANGER. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL INDEFINITELY POSTPONED

The bill (S. 595) relating to the internal security of the United States was announced as next in order.

Mr. HENDRICKSON. Mr. President, I should like to point out that this bill should be taken off the calendar, for it is a part of legislation already passed.

The PRESIDENT pro tempore. Without objection, the bill will be indefinitely postponed.

BILLS PASSED OVER

The bill (S. 458) to provide for a survey of physically handicapped citizens was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 91) to provide for the better assurance of the protection of persons within the United States from lynching, and for other purposes, was announced as next in order.

Mr. RUSSELL. I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF CIVIL AERONAUTICS ACT OF 1938, AS AMENDED

The bill (S. 12) to amend the Civil Aeronautics Act of 1938, as amended, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 802 of the Civil Aeronautics Act of 1938, approved June 23, 1938, is amended by adding at the end thereof the following new language:

"No agreement with any foreign government restricting the right of the United States or its nationals to engage in air-transport operations, or generally granting to any foreign government or its nationals or to any airline representing any foreign government any right or rights to operate in air transportation or air commerce other than as a foreign air carrier in accordance with the provisions of the Civil Aeronautics Act of 1938, or respecting the formation of or the participation of the United States in any international organization for regulation or control of international aviation or any phases thereof, shall be made or entered into by or on behalf of the Government of the United States except by treaty."

BILL PASSED OVER

The bill (H. R. 3368) to amend sections 356 and 365 of the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901, to increase the maximum sum allowable by the court of the assets of a decedent's estate as a preferred charge for his or her funeral expenses from $600 to $1,000, was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

TITLE TO LANDS ACQUIRED IN ADMINISTRATION OF RECLAMATION LAWS—BILL REFERRED TO JUDICIARY COMMITTEE

The bill (S. 1606) to authorize the Secretary of the Interior to determine the validity of titles to lands acquired in the administration of the reclamation laws was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCARRAN. I ask that the bill go over.

The PRESIDENT pro tempore. Upon objection, the bill will be passed over.

Mr. McCARRAN subsequently said: Mr. President, I ask unanimous consent that we may revert to Senate bill 1606, Calendar No. 685, to which I previously raised objection.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada? The Chair hears none.

Mr. McCARRAN. Mr. President, in the judgment of the chairman of the Judiciary Committee, this bill relates to certain matters which should be passed upon by the Judiciary Committee. I hope the author of the bill is present at this time. I ask unanimous consent that the bill be removed from the calendar and referred to the Judiciary Committee.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. WATKINS. Will the distinguished chairman of the Judiciary Committee give the bill consideration in the committee and have a hearing on it, so that the matter may be determined one way or another?

Mr. McCARRAN. I say to the Senator from Utah that the bill will not be pigeonholed, but we will give the Senator a hearing on the bill, and will do so promptly.

Mr. WATKINS. I have no objection.

The PRESIDENT pro tempore. Without objection, the request of the Senator from Nevada is approved, and the bill is referred to the Committee on the Judiciary.

BILLS PASSED OVER

The bill (S. 660) to amend the act of June 27, 1944, Public Law 359, and to preserve the equities of permanent classified civil-service employees of the United States was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1031) amending Public Law 49, Seventy-seventh Congress, providing for the welfare of coal miners, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Let the bill go over.

The PRESIDENT pro tempore. Is there objection?

Mr. HENDRICKSON. I object.

The PRESIDENT pro tempore. Upon objection, the bill will be passed over.

MRS. JUAN A. RIVERA AND OTHERS—BILL PLACED AT FOOT OF CALENDAR

The bill (S. 1976) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard.

Mr. CHAVEZ. Mr. President, will the Senator from New Jersey be so kind as to withhold the objection for a moment?

Mr. HENDRICKSON. I shall be very glad to do so.

The PRESIDENT pro tempore. The Senator from New Mexico is recognized for 5 minutes.

Mr. CHAVEZ. Mr. President, I do not know the parties involved in the bill, but they happen to be Bolivian citizens.

The information I have obtained as to the reason why the Judiciary Committee approved the payment of this amount to the parties named in the bill is as follows: It appears that during the war the Government of the United States made arrangements with the Government of Bolivia—at our instance, I believe; the Senator from Nevada can

correct me if I am mistaken—to use in this country some of the members of the Bolivian Air Corps, either for training or for reasons of our own. One of our transport airplanes was on its way with a group of Bolivian officers, at our instance and request, when the plane crashed. The crash was not the fault of the crew of the airplane, I presume, and certainly was not the fault of the passengers who were our guests, and at that time were under our service. All persons on the plane, including the crew of the plane, were killed. As a result, the women named in the bill became widows. They have children and families.

The United States thought it was only proper that some sort of gesture be made to show our good will and good intentions; it was felt that the widows of those Bolivian Air Corps men, who were willing to come to the United States and do our bidding, at least should be recompensed in the amount stated in the bill.

It seems to me that as a matter of American fair play, this bill has much merit.

Mr. McCARRAN. Mr. President, apropos of the subject matter now before the Senate, let me say that this measure involves five separate, individual awards, to widows of members of the Bolivian air force. The bill was introduced at the request of the Department of the Air Force, on the theory that these officers had been invited as guests of the United States under the provisions of the congressionally approved orientation program, and lost their lives while traveling in an Air Force plane as special guests of our Government.

The Department of the Air Force takes the position that there is a moral obligation on the part of this Government to compensate the widows of these officers.

The committee did not feel that it could act contrary to the statement of the Department of the Air Force in this regard, although there is clearly no legal obligation involved. However, the committee voted to reduce the amount of the allowances from $10,000 to $7,500 in each case, thus cutting the total amount involved in the bill from $50,000 to $37,500.

The PRESIDENT pro tempore. Is there objection?

Mr. HENDRICKSON. Mr. President, I am objecting by request. I realize that there are equities involved in this matter. If we may have the bill placed at the foot of the calendar, perhaps I can see my way clear to withdraw the objection when the bill is reached at the foot of the calendar.

The PRESIDENT pro tempore. Does the Senator ask unanimous consent that the bill go to the foot of the calendar?

Mr. McCARRAN. Mr. President, I ask unanimous consent that the bill go to the foot of the calendar.

The PRESIDENT pro tempore. Without objection, that will be done.

BILLS INDEFINITELY POSTPONED

The bill (S. 1681) to prohibit the picketing of courts, was announced as next in order.

Mr. HENDRICKSON. This bill should be removed from the calendar, because it is a part of legislation which has already been passed at this session.

Mr. McCARRAN. That is correct.

The PRESIDENT pro tempore Without objection, the bill will be indefinitely postponed, as will also a similar bill, Order No. 968 (H. R. 5647), to prohibit the picketing of United States courts.

BILLS PASSED OVER

The bill (S. 2294) to amend the Contract Settlement Act of 1944, so as to authorize the payment of fair compensation to persons contracting to deliver strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. Objection is heard and the bill will be passed over.

The bill (S. 1741) to extend the unemployment allowance benefits of the Servicemen's Readjustment Act of 1944 for a period of 2 years was announced as next in order.

Mr. HENDRICKSON. By request, I ask that this bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 2886) to provide for the killing of starlings in the District of Columbia, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

INCREASE OF LIMIT ON TRAVELING EXPENSES OF JUDGES—BILL PASSED OVER

The bill (S. 48) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges traveling while attending court or transacting official business at places other than their official stations, and to authorize reimbursement for such travel by privately owned automobiles at the rate of 7 cents per mile, was announced as next in order.

Mr. DOUGLAS. I object.

The PRESIDENT pro tempore. Objection is heard.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection temporarily, so that I may make a very brief statement?

Mr. DOUGLAS. I withhold the objection temporarily.

Mr. McCARRAN. Mr. President, this is a bill to which objection has been made by the Senator from New Hampshire [Mr. TOBEY] and also by the Senator from Illinois [Mr. DOUGLAS]. I am informed that the Senator from New Hampshire has withdrawn his objection. Until he objected at this time, I was unaware of the position of the Senator from Illinois. There is a companion bill from the House, which is Calendar No. 932, House bill 2166.

Mr. President, this bill has received serious consideration by the Judiciary Committee. There has been a very concerted movement to increase the salaries of judges. There are the two bills which would avoid increasing their salaries, of which this bill is one. The Federal judges have to travel under orders from the Chief Justice, going from place to place. When they do, it is of course necessary that they live in proper manner. The sum of $15 per day is not out of line, when Senators will recall what it costs Members of the Senate to travel in this day and age. I wish the Senator from Illinois might be of a little more temperate turn of mind toward Federal judges.

The PRESIDENT pro tempore. Is there objection?

Mr. DOUGLAS. I should like very much to reply to my good friend from Nevada by saying that Federal judges already receive a travel allowance of $10 a day. This is a proposal to give them a travel allowance of $15 a day. I think the judiciary might take upon itself some of the qualities of Spartan simplicity. I object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

BILLS PASSED OVER

The bill (H. R. 2432) restoring to tribal ownership certain lands upon the Colville Indian Reservation, Wash., and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

Mr. HENDRICKSON. Over, by request.

The PRESIDENT pro tempore. Objection is heard, and the bill will go over.

The bill (S. 806) authorizing the erection of a monument to Sacajawea, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 384) to authorize the Commisioner of Public Buildings to convey to the Temple Methodist Church, a nonprofit corporation, of San Francisco, Calif., a portion of the federally owned building known as 100 McAlister Street, San Francisco, Calif., and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will go over.

The bill (S. 1439) to provide for assistance to State agencies administering labor laws in their efforts to promote, establish, and maintain safe workplaces and practices in industry, thereby reducing human suffering and financial loss and increasing production through safeguarding available manpower was announced as next in order.

Mr. HENDRICKSON. I ask that this bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

CONCURRENT RESOLUTION PASSED OVER

The concurrent resolution (H. Con. Res. 62) creating a Joint Committee on Lobbying Activities was announced as next in order.

The PRESIDENT pro tempore. Is there objection?

Mr. CORDON. Mr. President, in view of the time that this concurrent resolu-

tion has been on the calendar hitherto, and because of the fact that it has previously been objected to, and also because of my complete lack of knowledge of it I ask that the resolution go over.

The PRESIDENT pro tempore. Objection is heard, and the concurrent resolution will be passed over.

BILL PASSED OVER

The bill (H. R. 2166) to amend title 28, United States Code, section 456, so as to increase to $15 per day the limit on subsistence expenses allowed to justices and judges while attending court or transacting official business at places other than their official station, and to authorize reimbursement for such travel by privately owned automobiles at a rate of not exceeding 7 cents per mile, was announced as next in order.

The PRESIDENT pro tempore. Since this House bill is the same as a previous Senate bill which was passed over, this bill will also be passed over.

TOLL HIGHWAY CROSSING AND APPROACHES, SAN FRANCISCO BAY, CALIF.

The bill (S. 1390) to authorize the conveyance to the State of California of easements for the construction and maintenance of a toll highway crossing and approaches thereto over and across lands of the United States in the vicinity of San Francisco Bay, Calif., and for other purposes, was announced as next in order.

Mr. KNOWLAND. Mr. President, I myself am going to ask that the bill go over, but I desire to make a brief statement under the 5-minute rule.

The PRESIDENT pro tempore. The Senator from California is recognized.

Mr. KNOWLAND. This bill is designed to deal with a problem affecting the State of California only, and relating to a toll highway crossing and approaches in the vicinity of San Francisco Bay. However, there is now a difference of opinion between the municipalities on opposite sides of the bay, and by various groups on both sides, and the State of California. Discussions are now under way to see whether the differences can be ironed out by appropriate legislation which will be acceptable to both the municipalities involved and the California State Toll Bridge Authority, which has the responsibility for building, financing, and operating such a bridge. So I am asking at this time that the bill go over. We expect to have new legislation ready for introduction at the beginning of the next session.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

BILL PASSED OVER

The bill (S. 1596) to authorize the Postmaster General to enter into special agreements for certain switching service by railway common carriers, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that this bill go over, by request.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

PYRAMID LAKE INDIAN RESERVATION, NEV.—BILL PASSED OVER

The bill (S. 17) to authorize the Secretary of the Interior to issue patents for certain lands to certain settlers in the Pyramid Lake Indian Reservation, Nev., was announced as next in order.

Mr. LEHMAN. Over.

The PRESIDENT pro tempore. Objection is heard.

Mr. McCARRAN. Mr. President, may the objection be withheld until the Senator from Nevada can make a statement?

Mr. LEHMAN. I objected.

The PRESIDENT pro tempore. Does the Senator object to the request of the Senator from Nevada that the objection be withheld to permit him to make a brief statement?

Mr. LEHMAN. No; I do not object to that. I was objecting to the bill.

The PRESIDENT pro tempore. The Senator from Nevada is recognized for 5 minutes.

Mr. McCARRAN. Mr. President, this bill involves more of equity and justice toward the white settlers within the lands of the Pyramid Lake Indian Reservation than appears on the surface. The white settlers and their predecessors took up these lands long before the Pyramid Lake Indian Reservation was created. They and their successors in interest have lived on these lands, and the Government of the United States sold and issued a patent to the white settlers for adjacent lands, within the confines of the Pyramid Lake Indian Reservation.

Then, in 1924, the Congress passed and the President signed an act permitting the white settlers to purchase these lands. Arrangements were made with the Interior Department, whereby the purchase was to be made on terms. The white settlers paid year by year until the crash of 1932 came along, at which time it became impossible for them to borrow money.

Today the Interior Department objects to these white settlers being permitted to renew their contracts, and to continue with the purchase of these lands, but nevertheless he retains all of the money which the white settlers have paid, and it is now held by the Indians in their treasury.

Today, the white settlers own the waters which irrigate these lands. The Indians have no water for the lands. The white settlers have all the adjacent lands, holding them by title in fee simple under the present arrangement—and we are seeking a solution of the problem—if an Indian drives his fence through an alfalfa field, and he may leave the stockyard of a white settler on one side of the fence, with the white settler and his family living on the other side of the fence. The result is that the Indian cannot even irrigate the land which he has by subterfuge taken away from the white settlers.

So, in all fairness, whoever is objecting to the consideration of this bill has been ill advised. I happen to know where the objection comes from. It comes from a mind that should not be given the consideration of the people of America. It comes from one Harold Ickes, formerly the Secretary of the Interior. The sooner we quit listening to that individual, the better off America will be in every respect.

Mr. LEHMAN. Mr. President, I still object.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS AND JOINT RESOLUTION AND RESOLUTION PASSED OVER

The bill (S. 240) to stimulate the exploration, production, and conservation of strategic and critical ores, metals, and minerals, and for the establishment within the Department of the Interior of a Mine Incentive Payments Division, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The joint resolution (S. J. Res. 58) providing for a rehearing in the matter of the Bellows Falls Hydro-Electric Corp. (project No. 1892), known as the Wilder Dam project, and a review of any order of the Federal Power Commission, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request I ask that this bill go over.

The PRESIDENT pro tempore. The joint resolution will be passed over.

The bill (H. R. 4815) to provide for medical services to non-Indians in Indian hospitals, and for other purposes, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2197) to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666, 61 Stat. 130), to vest in the Export-Import Bank of Washington, the power to guarantee United States investments abroad, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 250) to authorize the Federal Security Administration to assist the States in the development of community recreation programs for the people of the United States, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2006) to amend the Home Owners' Loan Act of 1933 with respect to Federal savings and loan associations, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 211) to amend the act entitled "An act to create the Inland Waterways Corporation for the purpose of carrying out the mandate and purpose of Congress as expressed in sections 201 and 500 of the Transportation Act, and for other purposes, approved June 3, 1924, as amended, was announced as next in order.

Mr. IVES. I object.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 187) favoring a review of the policy of dismantling German industrial establishments, was announced as next in order.

Mr. LEHMAN. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (S. 1728) to prohibit discrimination in employment because of race, color, religion, or national origin, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 4453) to establish a Fair Employment Practice Commission and to aid in eliminating discrimination in employment because of race, creed, or color, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2595) to provide for the establishment of a Commission on Human Rights in the government of the District of Columbia, was announced as next in order.

Mr. JOHNSTON of South Carolina. Over.

The PRESIDENT pro tempore. The bill will be passed over.

BILLS INDEFINITELY POSTPONED

The bill (H. R. 4703) relating to the internal security of the United States was announced as next in order.

Mr. HENDRICKSON. Mr. President, House bill 4703 and Senate bill 2311, Calendar No. 1365, Senate bill 2311, the so-called Mundt bill should be indefinitely postponed because they are embodied in legislation previously passed at this session.

The PRESIDENT pro tempore. Without objection the bills are indefinitely postponed.

RONALD CLIVE JACK—BILL PASSED OVER

The bill (S. 891) for the relief of Ronald Clive Jack was announced as next in order.

Mr. HILL. Mr. President, by request I ask that this bill be passed over.

Mr. McCARRAN. Before objection is made——

Mr. HILL. I withhold my objection, Mr. President.

Mr. McCARRAN. Mr. President, this is a bill in which the Senator from Illinois [Mr. LUCAS] has been much interested. The bill was introduced by him.

This is a private relief bill for a man about 37 years old, a native of Australia, and a recognized expert in accountancy.

This man is of good character, on the basis of the record available to the Committee on the Judiciary, he is employed by the firm of Ernst & Ernst of Cleveland, Ohio, working in the Chicago office of that firm. The firm has stated that the loss of his services would result in very definite and serious impairment of benefits to a number of its clients.

The Australian immigration quota is oversubscribed, and he is therefore unable to obtain a visa. He is in the United States under a temporary visa which has expired.

The committee was of the opinion that this is a man of outstanding character who will make a good citizen, and that he should be permitted to remain in the United States.

The bill has been objected to on several occasions by the Senator from Alabama [Mr. SPARKMAN]. I do not know whether the Senator from Alabama has withdrawn his objection; though it is my understanding that following the last call of the calendar, the matter of this bill was discussed with him at some length in the hope that he might come to see the merit of the proposal.

Mr. HILL. Mr. President, in the absence of my colleague the Senator from Alabama [Mr. SPARKMAN], who, as we all know, is representing the United States Government in the United Nations, I shall have to ask that the bill be passed over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

BILL PASSED OVER

The bill (S. 272) to facilitate the admission of certain foreign workers desiring to perform agricultural work in the United States was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

AMENDMENT OF SECTION 138 OF THE LEGISLATIVE REORGANIZATION ACT OF 1946—CONCURRENT RESOLUTION PASSED OVER

The Senate proceeded to consider the concurrent resolution (S. Con. Res. 38) to amend section 138 of the Legislative Reorganization Act of 1946, relating to the legislative budget, which had been reported from the Committee on Rules and Administration with amendments, on page 2, line 9, after "July", strike out "1949" and insert "1950."

The amendment was agreed to.

On page 3, line 6, after "February 15", strike out:

After the legislative budget shall have been reported, all bills authorizing appropriations reported by legislative committees shall be referred to the Joint Committee on the Legislative Budget, which shall render a report within 15 days to Congress showing the estimated cost of such legislation and the effect of that cost on the legislative budget.

And insert:

All bills and joint resolutions authorizing appropriations reported from committees of the Senate or the House of Representatives shall be accompanied by reports in writing, which shall be printed; and there shall be included in each such report or in an accompanying document an estimate from the department or other agency of the legislative, executive, or judicial branch of the Government primarily concerned with the expenditure of any funds required to meet the probable cost of carrying out the legislation proposed in such bill or resolution over the first 5-year period of its operation or over the period of its operation if such legislation will be effective for less than 5 years. Estimates received from departments or agencies under this subsection may be submitted by the committees to the Bureau of the Budget for review, and such reviews shall, when practicable, be included within the accompanying documents before said bills and joint resolutions are reported. It shall be the responsibility of the committee to study such reports and report to the Congress as soon as possible thereafter the effect of that cost on the legislative budget.

The amendment was agreed to.

On page 5 beginning with line 1, strike out section 2, as follows:

SEC. 2. Commencing with the second session of the Eighty-first Congress, all appropriations for each fiscal year shall be consolidated in one general appropriation bill to be known as the "Consolidated General Appropriation Act of ——," (the blank to be filled in with the appropriate fiscal year). The consolidated general appropriation bill may be divided into separate titles, each title corresponding so far as practicable to the respective regular general appropriation bills heretofore enacted, but the aggregate total to be appropriated for expenditure in such year, including any amount reserved for deficiencies, shall approximate the maximum total recommended by the legislative budget committee. As used in this paragraph the term "appropriations" shall not include deficiency or supplemental appropriations, appropriations under private acts of Congress, or rescissions of appropriations.

(a) The consolidated general appropriation bill for each fiscal year, and each deficiency and supplemental general appropriation bill containing appropriations available for obligation during such fiscal year, shall contain provisions limiting the net amount to be obligated during such fiscal year in the case of each appropriation made therein which is available for obligation beyond the close of such fiscal year. Such consolidated general appropriation bill shall also contain provisions limiting the net amounts to be obligated during such fiscal year from all other prior appropriations which are available for obligation beyond the close of such fiscal year. Each such general appropriation bill shall also contain a provision that the limitations required by this paragraph shall not be construed to prohibit the incurring of an obligation in the form of a contract within the respective amounts appropriated or otherwise authorized by law, if such contract does not provide for the delivery of property or the rendition of services during such fiscal year in excess of the applicable limitations on obligations. The foregoing provisions of this paragraph shall not be applicable to appropriations made specifically for the payment of claims certified by the Comptroller General of the United States and of judgments, to amounts appropriated under private acts of Congress, to appropriations for the payment of interest on the public debt, or to revolving funds or appropriations thereto.

(b) The committee reports accompanying each consolidated general appropriation bill, and any conference report thereon, shall show in tabular form, for information purposes, by items and totals—

(1) the amount of each appropriation, including estimates of amounts becoming available in the fiscal year under permanent appropriations;

(2) estimates of the amounts to be transferred between such appropriations;

(3) estimates of the net amount to be expended in such fiscal year from each appropriation referred to in clause (1);

(4) estimates of the net amount to be expended in such fiscal year from the balances of prior appropriations;

(5) the totals of the amounts referred to in clauses (3) and (4); and

(6) estimates of the total amount which will be available for expenditure subsequent to the close of such fiscal year from the appropriations referred to in clause (1).

The committee reports accompanying each deficiency and supplemental appropriation bill containing appropriations available for obligation or expenditure during such fiscal

year, and each appropriation rescission bill, and any conference report, on any such bill, shall include appropriate cumulative revisions of such tabulations.

(c) The committee reports accompanying each consolidated general appropriation bill, and any conference report thereon, shall show in tabular form, for information purposes, for each wholly owned Government corporation or other agency of the Government which is authorized to receive and expend receipts without covering such receipts into the Treasury of the United States and which uses a checking account maintained with the Treasurer of the United States for that purpose (A) the estimated expenditures (other than retirement of borrowing) to be made out of such checking account for the fiscal year, (B) the estimated receipts (other than borrowing) to be deposited in such checking account for such fiscal year, and (C) the difference between (A) and (B).

(d) The provisions of paragraphs (2), (3), and (4) shall not be applicable to appropriations of trust funds or to transactions involving public debt retirement.

(e) No general appropriation bill shall be received or considered in either House unless the bill and the report accompanying it conforms with this rule.

(f) The Appropriations Committees of the two Houses may hold hearings simultaneously on each general appropriation bill or may hold joint hearings thereon.

The amendment was agreed to.

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that there is an incorrect date——

Mr. JOHNSTON of South Carolina. Mr. President, I object. I notice that the Senator from Arizona [Mr. HAYDEN] is now on the floor.

The PRESIDENT pro tempore. The date is incorrect, and it should be stricken out and the proper date inserted.

Mr. JOHNSTON of South Carolina. I object.

Mr. HAYDEN. Mr. President, I think the concurrent resolution had better go over.

The PRESIDENT pro tempore. The concurrent resolution will be passed over.

MEASURES PASSED OVER

The bill (S. 3050) to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, was announced as next in order .

Mr. LEHMAN. I object.

The PRESIDENT pro tempore. The bill will be passed over.

The concurrent resolution (S. Con. Res. 35) requiring committee reports to include estimates of the probable cost of proposed legislation, was announced as next in order.

Mr. HILL. Over.

The PRESIDENT pro tempore. The concurrent resolution will be passed over.

The bill (S. 3049) to amend the Agricultural Adjustment Act of 1938, as amended, and for other purposes, was announced as next in order.

Mr. MURRAY. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7185) to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, was announced as next in order.

Mr. LEHMAN. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3560) to rescind the order of the Postmaster General curtail certain postal services, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 261) favoring rescission of the order of the Postmaster General curtailing certain postal services was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The resolution will be passed over.

The bill (H. R. 4653) for the relief of the New York Quinine & Chemical Works, Inc., was announced as next in order.

Mr. CORDON. Mr. President, by request, I ask that the bill be passed over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 1981) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon certain claims for basic and overtime compensation, was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that this bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

NEW YORK QUININE & CHEMICAL WORKS, INC.

Mr. McCARRAN. Mr. President, will the Senator withhold his objection? I am not addressing myself to Senate bill 1981, but I should like to discuss Calendar No. 1596, House bill 4653. Do I correctly understand that there was objection to the consideration of that bill?

The PRESIDENT pro tempore. The Senator from Oregon [Mr. CORDON] objected to it.

Mr. McCARRAN. Will the Senator withhold his objection?

Mr. CORDON. I shall withhold my objection. However, I should like to explain that my objection is made by request.

Mr. McCARRAN. Then it would be uselessly taking up time if I made an explanation.

Mr. President, I am serving notice at this time on the Senator from Oregon that at the conclusion of the call of the calendar I shall move to take up Calendar 1596, House bill 4653; for the relief of the New York Quinine & Chemical Works, Inc.

BILL PASSED TO FOOT OF CALENDAR

The bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, was announced as next in order.

Mr. HENDRICKSON. Mr. President, a similar bill has been passed to the foot of the calendar, and I ask that the same course be taken in connection with this bill.

The PRESIDENT pro tempore. Without objection, it is so ordered.

BILLS PASSED OVER

The bill (S. 3358) to prohibit transmission of certain gambling information in interstate and foreign commerce by communications facilities was anounced as next in order.

Mr. McCARRAN. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 3314) to authorize the appointment of Joseph F. Carroll and Bernt Balchen as permanent colonels in the Regular Air Force was announced as next in order.

Mr. KNOWLAND. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 2196) to legalize maritime hiring halls was announced as next in order.

Mr. DONNELL. Over.

The PRESIDENT pro tempore. The bill will go over.

The bill (S. 3245) to give effect to the Medical Examination (Seafarers) Convention, 1946, adopted at the twenty-eighth (maritime) session of the International Labor Organization held at Seattle, Wash., June 6–29, 1946, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2786) to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (S. 3244) to give effect to the Certification of Ships' Cooks Convention, 1946, adopted at the twenty-eighth (maritime) session of the International Labor Organization, held at Seattle, Wash., June 6–29, 1946, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3246) to give effect to the Food and Catering (Ships' Crews) Convention, 1946, adopted at the twenty-eighth (maritime) session of the International Labor Organization, held at Seattle, Wash., June 6–29, 1946, was announced as next in order.

Mr. HENDRICKSON. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3687) to require the armed services to utilize private American shipping services for the overseas transportation of commodities and civil personnel was announced as next in order.

Mr. SALTONSTALL. Over.

The PRESIDENT pro tempore. The bill will be passed over.

BILL PASSED TO THE FOOT OF THE CALENDAR

The bill (S. 3682) to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to the time of taking effect of annuities of Members and elected officers of the Senate and House of Representatives was announced as next in order.

Mr. WILLIAMS. Over.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDENT pro tempore. Does the Senator from Delaware withhold his objection?

Mr. WILLIAMS. Yes.

The PRESIDENT pro tempore. Without objection, the bill will be passed to the foot of the calendar.

BILLS AND RESOLUTION PASSED OVER

The bill (S. 3147) to establish a temporary National Commission on Intergovernmental Relations was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard. The bill will go over.

The bill (S. 3350) to amend the minimum-wage law by extending the application of minimum-wage orders to men, and for other purposes was announced as next in order.

Mr. HENDRICKSON. Mr. President, by request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will go over.

The bill (H. R. 4237) to amend the act entitled "An act to regulate the practice of optometry in the District of Columbia" was announced as next in order.

Mr. CORDON. Mr. President, by request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 2923) to authorize the Federal Deposit Insurance Corporation to acquire or construct, with its own funds, a building within the District of Columbia suitable for the Corporation, was announced as next in order.

Mr. LANGER. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3257) to amend the District of Columbia Unemployment Compensation Act to provide for unemployment compensation in the District of Columbia, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 49) to enable the people of Hawaii to form a constitution and State government and to be admitted into the Union on an equal footing with the original States was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 331) to provide for the admission of Alaska into the Union was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 8083) to amend the Export-Import Bank Act of 1945, as amended (59 Stat. 526, 666; 61 Stat. 130), to vest in the Export-Import Bank of Washington the power to guarantee United States investments abroad, was announced as next in order.

Mr. LANGER. Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

The bill (H. R. 6606) to provide that the district judge for the eastern, middle, and western districts of Pennsylvania shall become a district judge for the middle district of Pennsylvania alone when the first vacancy occurs in that district was announced as next in order.

Mr. LANGER. I object.

The PRESIDENT pro tempore. Objection is heard. The bill will be passed over.

The bill (S. 490) for the relief of Frank Miller was announced as next in order.

Mr. HENDRICKSON. Mr. President, I object.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 6616) to provide for the expeditious naturalization of former citizens of the United States who have lost United States citizenship through voting in a political election or in a plebiscite held in Italy was announced as next in order.

SEVERAL SENATORS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The resolution (S. Res. 291) to investigate the causes of gasoline-price increases during the past 5 years and whether supplemental antitrust legislation is needed was announced as next in order.

Mr. CORDON. Mr. President, by request, I ask that the resolution go over.

The PRESIDENT pro tempore. The resolution will be passed over.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

The bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas, was announced as next in order.

Mr. SALTONSTALL. Mr. President, when the bill was last called on the consideration of the calendar I objected on the ground that enactment of the bill would entail an unnecessary expense during wartime. I should like to ask the Senator from Texas what his present plans are with respect to the bill. I understand no request for an appropriation is being made at the present time, or while the present emergency exists.

Mr. CONNALLY. The senior Senator from Texas and the junior Senator from Texas are prepared to make a statement with reference to the bill. We shall not ask for any funds under the bill during the pendency of the national emergency.

Mr. AIKEN. I ask that the bill go over.

Mr. CONNALLY. If objection is made, I see no reason for making a statement with reference to the bill.

Mr. McFARLAND. Mr. President, I should like to make a brief statement. House bill 2733 has had the most careful consideration of both the Committee on Public Works of the House of Representatives and of the Committee on Interior and Insular Affairs of the Senate. The bill was unanimously reported by both committees. I regard it as a very important bill, because under it municipal water would be furnished to approximately 11 cities in west Texas. It would also furnish irrigation water for some 20,000 acres of land.

The cities involved are unable to secure water by means of loans from the RFC or other sources because of inability to finance the project with short loans. They have expressed their willingness, and the bill so provides, that they pay interest upon the money which would be furnished for securing water for municipal purposes, which cost constitutes $78,498,000 of the $84,656,000, the estimated cost of building the project.

Senators who are interested in the project, as well as other persons who have shown an interest in it, have stated that they would be willing not to ask for an appropriation so long as a shortage of lumber and material exists, and the money is needed for national defense.

The people living in the cities involved are very much concerned, because the water is being pumped to a lower level all the time, and it is very difficult to get water for municipal purposes. It is being made very difficult for the farmers to pump water for irrigation purposes. If relief is not given, it will mean, in the end, that the areas involved will practically dry up. There are many important defense establishments located in the area, such as refineries and airports, which are very important to the national defense.

I hope the distinguished Senator from Vermont will withhold his objection because of the importance of the bill. It was first objected to by the Senator from New Mexico [Mr. CHAVEZ]. It was objected to until a compact had been reached between the States involved. Such a compact has been made. It should be noted that practically all of the money involved is repayable to the Government with interest, and at the same interest the Government would have to pay. This is one project which would not cost the Government a great deal of money. I deem it to be a very important project, and I hope that the Senator from Vermont will not object.

Mr. CHAVEZ. Mr. President, the Senator from Arizona has very well stated the case. There is no doubt in my mind as to the necessity of taking some action in order to get a supply of water for the cities and towns in west Texas. Originally I had objected to the bill, and I am not apologizing for having made the objection. The water which would be necessary to supply the cities and the irrigation projects in Texas would come from New Mexico. I did not want to see a bill passed by the Senate until New Mexico was amply protected by a compact between the States involved.

The State of New Mexico, the State of Oklahoma, and the State of Texas are involved.

On the 4th of December, at Santa Fe, N. Mex., there was signed a compact by which the rights of the various States were outlined. That compact will have

to be approved by the individual States, and also by the Congress.

What appeals to me more from the municipal standpoint is this: Heretofore, under reclamation law, the Government has advanced the money for a project to be used for irrigation purposes, and the only money for which the Government could obtain reimbursement was the actual amount which was advanced. Under the proposed legislation not only would the money advanced for this particular work be paid back, but interest on the money would be paid to the Federal Government.

I have now no objection to the bill, although if it is to be considered at this time, I wish to submit two clarifying amendments which will carry out the purposes of the compact signed at Santa Fe, N. Mex.

The PRESIDENT pro tempore. Does the Senator from Vermont still desire to object?

Mr. CONNALLY. Mr. President, have I permission to speak under the 5-minute rule?

The PRESIDENT pro tempore. The Senator has 5 minutes.

Mr. CONNALLY. Mr. President, I beseech the Senator from Vermont not to insist upon his objection. If this were a charge on the Treasury of the United States, not repayable, I would certainly recognize the right of the Senator to object. But under the terms of this bill any money which the Federal Government advances will be repaid with interest, with the exception of an item for wildlife and another small item for flood control. Other than those two items, everything will be repaid. The entire territory, including the 11 municipalities, will be organized into districts, taxes will be imposed, and the money will be collected and paid back to the Federal Treasury.

I can understand the difficulty of the Senator from Vermont, where the snows accumulate upon the mountains and the water is drained back, in understanding our problem. The people of Vermont have plenty of water. They have no water problem.

Let me say to the Senator from Vermont that the area involved in this bill was traveled over by old Coronado, in 1540, as I recall, as he marched across the arid plains. It is a wonderful section of the country, but it needs water. The people must have water to subsist. They must have water for domestic uses. This plan is certainly not hostile to the Reclamation Act. Under the Reclamation Act, as I understand, no interest is charged on western lands for 40 years. We hope that this condition will not last for 40 years. Under the terms of the bill the stricken areas—stricken in the sense that they have not sufficient water—will be forced to pay interest on the money which the Government advances.

The water table in this area is being constantly lowered by drafts upon it for irrigation and for domestic use. The water level is constantly going down. That will mean the wreckage and ruin of many municipalities, and of a wonderful agricultural area which produces much of the food we need.

There is no request for an appropriation at this time because of the national emergency. But we want the authorization in order that the people of the area may go ahead with their planning and with their engineering studies, so that when the time comes for us to get the money we can proceed with the work and not be delayed over an indefinite period of years.

I trust that the generous and noble Senator from Vermont will keep his heart open to these appeals of needy people and will forget for a moment the demand for economy. He might as well forget it, because the money will come from the people who are to be benefited, with the exception of the two items which I mentioned, one for wildlife, which is a small item, and the other for flood control. There will not be much flood control. We would like to have a flood occasionally. If we could control the flow of water by a dam across the Canadian River, that would solve our problem. There comes down from New Mexico and other sources sufficient water to take care of all these municipalities if we could but harness it, arrest it, and control it by a dam across the Canadian River.

Mr. President, I salute the Senator from Vermont. I appeal to all his noble impulses. I appeal to his love for his fellow man. I appeal to his statesmanship. He looks far into the years of the future. Let us not be governed by the temporary situation. The situation of the people in that area is not temporary. It is a situation which is going to damn the municipalities and the people residing in that great area unless we can get this relief, which will not cost the Government anything except for the two items which I mentioned, which are inconsequential.

I hope the Senator from Vermont will not insist upon his objection.

Mr. AIKEN. Mr. President, the Senator from Vermont is not without a heart; and when the senior Senator from Texas beseeches, it is only natural that that heart should be touched. I am particularly pleased with his tribute to the snow country and the amount of water which we have in that area. But, Mr. President, we do not have everything up there. It is true that we have a great deal of water. We have so much water that if the Senator from Texas would permit that water to be harnessed, it would perform the work of 135,000,000 Chinese coolies. We have water, but we are not permitted to harness it. We have copper, but we are not permitted to mine it, because there is not enough electricity, and our output is restricted to 8,000,000 pounds a year. We need power in that section of the country. For many years—ever since 1934—the senior Senator from Texas has opposed the northeastern section of the United States having the power it needs to carry on its industries, to operate its mines, to light its homes, and to contribute all we should to the war effort whenever war occurs.

The great north-central region needs access to the sea. It needs the right to bring about the development of the project which would enable ocean-going vessels to proceed to Duluth, Chicago, and Detroit. It has not been permitted to exercise that right because the senior Senator from Texas has seen fit to oppose legislation which would be beneficial to other parts of the United States.

So I say that my heart is touched. I might say that my heart was touched a little more by the pleadings of the Senator from New Mexico [Mr. CHAVEZ], who has always supported legislation beneficial to other parts of the country.

Mr. CHAVEZ. Mr. President——

Mr. AIKEN. It has been called to my attention that the good people of Texas, as well as New Mexico, have supported us generally in our efforts to obtain power and transportation in the northeastern area of the United States. I believe that the Texas area is on record as supporting us to this end.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. AIKEN. I have only 5 minutes. I yield.

Mr. CHAVEZ. I invite the attention of the Senator from Vermont to the fact that every time the St. Lawrence River project, or any other New England project, has come before us for consideration, so far as this Senator from New Mexico is concerned, he has always gone all-out, and will continue to do so.

Mr. AIKEN. The Senator from New Mexico is stating the facts. However, if I remember correctly, the last time this particular bill was called, he stopped it. Perhaps there has been a reconciliation since that time.

Mr. CHAVEZ. I do not think so.

Mr. AIKEN. It might have been some other bill sponsored by the Senator from Texas that the Senator stopped.

Mr. CHAVEZ. I stopped this particular bill, yes, because New Mexico was not protected. But on the first of December Texas signed a compact with New Mexico, and claimed she would not take all the water; but would actually leave a little to New Mexico. For that reason I am willing to withdraw my objection, though, if the bill is to be considered today, I wish to submit a couple of amendments.

Mr. AIKEN. Mr. President, in the belief that the good people of Texas will some time be able to convince the Senator from Texas of the error of his ways, I withdraw my objection to the bill.

The PRESIDENT pro tempore. The objection to the consideration of the bill on the part of the Senator from Vermont has been withdrawn.

Mr. CHAVEZ. Mr. President, as I said, I shall submit a couple of amendments to the bill.

Mr. WILLIAMS. Mr. President, I ask that the bill go over.

The PRESIDENT pro tempore. The Senator from Delaware objects. The bill will go over.

Mr. McFARLAND subsequently said: Mr. President, I give notice that I deem House bill 2733, Calendar No. 2113, of such great importance that at the first opportunity next week, if there shall be a lull in the legislative program of the

Senate, I shall move that the Senate proceed to consideration of that bill. The objection with respect to the proposed legislation was ironed out with members of our committee on both sides of the aisle. I cannot see how there could be any valid or serious objection to the legislation.

Mr. McFARLAND subsequently said, during Mr. McCARTHY'S address: Mr. President, it was understood by those of us who were interested in Calendar No. 2113, House bill 2733, that it would be placed at the foot of the calendar and later considered. There is no objection to considering it, and I ask unanimous consent that the Senator from Wisconsin may yield for that purpose without losing the floor, and that the pending business be temporarily laid aside but not displaced.

The PRESIDENT pro tempore. Is there objection?

Mr. WHERRY. Reserving the right to object—and I shall not—and I do not want to—this is one of the bills which was placed at the foot of the calendar, is it not?

Mr. McFARLAND. It is. It was agreed it would be taken up subsequently, after having been placed at the foot of the calendar.

Mr. WHERRY. I have no objection.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas, which had been reported from the Committee on Interior and Insular Affairs, with an amendment to strike out all after the enacting clause and to insert:

That, for the purposes of irrigating land, delivering water for industrial and municipal use, controlling floods, providing recreation and fish and wildlife benefits, and controlling and catching silt, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain the Canadian River reclamation project, Texas, described in the report of the Commissioner of Reclamation approved by the Secretary May 3, 1950, entitled "Plan for Development, Canadian River Project, Texas," Project Planning Report No. 5-12.22-1, at an estimated cost of $86,656,000, the impounding works whereof shall be located at a suitable site on the Canadian River in that area known as the Panhandle of Texas. In addition to the impounding works, the project shall include such main canals, pumping plants, distribution and drainage systems, and other works as are necessary to accomplish the purposes of this act.

SEC. 2. (a) Notwithstanding any recommendations in the above-mentioned report to the contrary, only the costs of construction allocable to flood control and, upon approval by the President of a suitable plan thereof, to the preservation and propagation of fish and wildlife, and operation and maintenance costs allocable to the same purposes, shall be nonreimbursable.

(b) Actual construction of the project herein authorized shall not be commenced, and no construction contract awarded therefor, until (1) the Congress shall have consented to an interstate compact between the States of New Mexico, Oklahoma, and Texas, in conformity with Public Law 491, Eighty-first Congress, and (2) repayment of that portion of the actual cost of constructing the project which is allocated to municipal and industrial water supply and of interest on the unamortized balance thereof at a rate (which rate shall be certified by the Secretary of the Treasury) equal to the average rate paid by the United States on its long-term loans outstanding at the time the repayment contract is negotiated minus the amount of such net revenues as may be derived from temporary water supply contracts or from other sources prior to the close of the repayment period, shall have been assured by a contract satisfactory to the Secretary, with one central repayment contract organization, the term of which shall not exceed 50 years from the date of completion of the municipal and industrial water supply features of the project as determined by the Secretary.

(c) The repayment contract shall provide, among other things, (1) that the holder thereof shall have a first right, to which right the rights of the holders of any other type of contract shall be subordinate, to a stated share or quantity of the project's available water supply for use by its constituent industrial and municipal water users during the repayment period and a permanent right to such share or quantity thereafter subject to payment of such costs as may be incurred by the United States in its operation and maintenance of any part of the project works; (2) that, subject to such rules and regulations as the Secretary may prescribe, the care, operation, and maintenance of such portions of the pipe line and related facilities as are used solely for delivering such water to the contract holder and its constituent organizations shall, as soon as is practicable after completion of the municipal and industrial water supply features of the project, pass to the contract holder or to an organization which is designated by it for that purpose and which is satisfactory to the Secretary; and (3) that title to such portions of the pipe line and related facilities shall in like manner pass to the contract holder or its designee or designees upon payment to the United States of all obligations arising under this act or incurred in connection with the project.

SEC. 3. There are hereby authorized to be appropriated, out of many moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act.

Mr. CHAVEZ. Mr. President, I have two amendments which I desire to offer to the amendment of the committee.

The PRESIDENT pro tempore. The amendments will be stated.

The LEGISLATIVE CLERK. On page 3, in the amendment of the committee, line 18, it is proposed to insert after the period, the words, "The use by the project of waters arising in Ute and Pajarito Creeks, N. Mex., shall be only of such use as does not conflict with use, present or potential, of such waters for beneficial consumptive purposes in New Mexico."

The amendment to the amendment was agreed to.

The PRESIDENT pro tempore. The second amendment will be stated.

The LEGISLATIVE CLERK. On page 4 of the committee amendment, line 3, after the word "until", it is proposed to strike out "(1) the Congress shall have consented to an interstate compact between the States of New Mexico, Oklahoma, and Texas," and to insert, "(1) the Congress shall have consented to the interstate compact between the States of New Mexico, Oklahoma, and Texas agreed upon by the Canadian River Compact Commission at Santa Fe, N. Mex., December 6, 1950."

The amendment to the amendment was agreed to.

Mr. WILLIAMS. Mr. President, I am not going to take the time of the Senate, but I really think that this bill should be voted down at this particular time, for the reason that the President has already issued a directive to the effect that work shall not begin on the construction of projects which are not necessary to the national defense.

The Senator from Arizona and the Senator from Texas have already conceded that this project could be delayed until such time as the emergency period is over. The only way we can stop the spending of money is to stop passing bills. I see no reason in the world why we should pass the authorization, if it is not planned to go ahead with the project until after the emergency is over. After the emergency is over, I think we would be in a better position to legislate more intelligently than we can today. I therefore urge that the bill be defeated.

Mr. McFARLAND. Mr. President, I do not want to delay the Senate. I have already made a statement on the importance of the bill.

Mr. McCARTHY. Mr. President, may I interrupt? I have a meeting at 4:30 which I must attend. If there is to be any extended discussion——

Mr. McFARLAND. I am willing to have a vote, because I have already made my statement.

Mr. McCARRAN. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McCARRAN. Do I correctly understand that there was some sort of unanimous-consent agreement arrived at this morning?

The PRESIDENT pro tempore. The Chair is advised by the Parliamentarian that the Senator from Wisconsin asked and obtained unanimous consent to have the floor for the purpose of making a speech following the completion of the call of the calendar.

Mr. McCARRAN. Is that the unanimous-consent agreement which entitled the Senator from Wisconsin to the floor?

The PRESIDENT pro tempore. It is. The question is on agreeing to the amendment, as amended, to the bill (H. R. 2733).

The amendment as amended was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938—BILL PASSED OVER

Mr. BREWSTER. Mr. President, I was called out of the Chamber when Senate bill 3049, Calendar No. 1521 was reached. The bill then was objected to by the Senator from Montana [Mr. MURRAY]. I have spoken to the Senator from Montana, and he has indicated

he is prepared to withdraw his objection. Therefore, I ask unanimous consent that the Senate return to consideration of Senate bill 3049, Order No. 1521. The bill was introduced by the Senator from Illinois [Mr. LUCAS].

The PRESIDENT pro tempore. Is there objection?

Mr. MURRAY. Mr. President, I withdraw my objection.

Mr. LUCAS. Mr. President, may I inquire what calendar number was referred to?

Mr. BREWSTER. No. 1521, Senate bill 3049.

Mr. LUCAS. I object, Mr. President.

The PRESIDENT pro tempore. The Senator from Illinois objects.

Mr. BREWSTER. Mr. President, will the Senator from Illinois withhold his objection for 3 minutes?

Mr. LUCAS. I am glad to do so.

Mr. BREWSTER. I shall not undertake to labor the argument with the Senator from Illinois, who is in the rather curious position of objecting to his own bill. I had hoped that before the session expired he might be prepared to let his child see the light of day. I shall not, however, discuss that matter.

CHARLES E. WILSON, ECONOMIC MOBILIZER

I want to speak briefly on a far more profound matter which affects us. As it seems to me, the time has arrived to raise the old Harry.

Out of the vasty deep of current chaos there emerges today a glimpse of the man who helped more than any other Member of the Congress to mobilize America industrially in the Second World War and I refer to Senator Harry Truman.

In the naming of Charles E. Wilson as economic mobilizer, with power, the country may find assurance that the lessons learned by the Truman committee in 1942 are about to be applied. Every experience of 1918 and 1942 in industrial mobilization taught the vital necessity of concentration of power and responsibility.

Further steps in the foreign field to put responsibility in those in whom both the President and the country have full confidence as to their judgment and their surroundings and background will at one stroke unite the country and the Congress behind the President.

Forgetting all the past, all Americans may get together on a program at home and abroad that is utterly consistent with the commitments of our country and the proposal last night of the technical leader of his Missouri majesty's loyal opposition.

No individual must be permitted to hamper the all-out effort upon which America must immediately embark.

The elected officials of this country are going to rise to their responsibilities on both sides, and America is going to start the new year with a new look.

Vox populi; vox Dei.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point an article entitled "Second Wilson Job in War Production," published in the New York Times today, and an article written by Robert J. Donovan, dealing with the appointment of Mr. Wilson, which was published in the New York Herald Tribune today.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the New York Times of December 15, 1950]

SECOND WILSON JOB IN WAR PRODUCTION—IN 1942, GENERAL ELECTRIC HEAD RESPONDED TO PRESIDENT ROOSEVELT'S SUMMONS

Recognized as one of the country's outstanding production men, Charles E. Wilson, president of the General Electric Co., is taking the second Government post he has accepted at the request of a President in wartime.

President Roosevelt summoned Mr. Wilson to Washington in 1942 to become vice chairman of the War Production Board, in charge of production scheduling. Mr. Wilson, who celebrated his fiftieth anniversary with the General Electric organizaiton last year, resigned the corporation presidency when assuming his new job in World War II.

"It took me 40 years to climb to the presidency and 40 seconds to step out," he said then. "But hell's loose and I've got to do something about it."

At that time Ferdinand Eberstadt, vice chairman of the War Production Board in charge of program determinaiton, favored Army control over the Government agency. The former corporation head believed the board must go into plants, work out production schedules and then tell each plant where the production was to be sent and when. He insisted that Mr. Eberstadt's scheme kept war contracts out of the hands of small business.

MORE AUTHORITY FOR WILSON

In December of 1942, a compromise was completed whereby Mr. Wilson was permitted to survey military production schedules, balance them against industrial capacity and arrange for their completion. Later that month Donald M. Nelson, head of the board, dismissed Mr. Eberstadt and promoted Mr. Wilson to the post of executive vice chairman of the agency in charge of all programs.

In August of 1944, the former General Electric president resigned his WPB office on the ground that his value to the wartime production program was being impaired by attacks made upon him through the press and radio.

He asserted that the attacks were made at the instigation of "subordinate officials connected with the personal staff of Mr. Nelson." President Roosevelt accepted his resignation with reluctance.

Mr. Wilson goes this time to a Washington post with specific ideas again on defense production. Last week he said defense spending in 1952 would reach a level of $46,000,000,000, but would decline in the following year to about $41,000,000,000.

In a speech before the National Press Club, Mr. Wilson declared that the figures he cited were based upon estimates by his company's own experts. He added that his organization assumed that there would be some increase of the workweek and estimated power requirements at a wartime level of industrial activity.

In Mr. Wilson's opinion, there will be sufficient electric power to meet present needs with a safe reserve margin. There will be no power shortage, he said, unless one or more of these steps is taken:

If major war-production projects are placed where power will not be available to them.

If present manufacturing facilities for utility power-supply equipment is diverted to other purposes.

If materials necessary to produce equipment is not made available as a vital part of over-all defense-program schedules.

STARTED WORK AT 12 YEARS

The 6-foot 2-inch energetic executive of General Electric was born on Hudson Street in Manhattan on November 18, 1886. His father was hurt in the crush at the opening of the Brooklyn Bridge and died soon afterward. His mother supported him by working as a housekeeper. When 12 years old he stopped school and went to work as an office boy for the Sprague Electric Co., one of the organizations that finally made up General Electric.

He learned accounting at night school and enrolled later for correspondence courses in engineering.

Mr. Wilson advanced from office boy through various departments until in 1939 he was elected the fourth president of General Electric. After his resignation in 1944 from the War Production Board, he was again elected president and a director of the corporation.

In 1946 a strike of 10,000 General Electric workers held up production of a large part of the country's supply of electrical appliances for home and industrial use. It lasted from January 15 until March 13. It was settled on the basis of a wage increase of 18½ cents an hour. During the labor controversy Mr. Wilson had lashed out against the fact-finding boards.

"Uncontrolled fact finding can be notoriously abused," he said. "If the proceedings already taken on this principle are representative of what we could expect, it is apparent that the search is likely to be not for facts but for some sort of a framework on which to bring wages into line with the currently announced Presidential wage-price policy."

President Truman named Mr. Wilson chairman of the Civil Rights Committee in 1946. That same year he also appointed him to the Advisory Commission on Universal Military Training.

Mr. Wilson married in 1907 the former Miss Elizabeth Maisch. They have an adopted daughter, Margaret.

[From the New York Herald Tribune of December 15, 1950]

WILSON, OF GENERAL ELECTRIC, TO RUN AMERICA'S WAR PRODUCTION—NATION AWAITS MOBILIZATION TALK TONIGHT—TRUMAN CONSIDERS GRADUAL CONTROLS—MAY DELAY FULL FREEZE OF PAY AND PRICES IN PLAN FOR VAST RISE IN OUTPUT

(By Robert J. Donovan)

WASHINGTON, December 14.—Charles E. Wilson, president of the General Electric Co., who was Executive Vice Chairman of the War Production Board in World War II, agreed today to head America's new industrial-mobilization program.

President Truman, it was learned, intends to announce the appointment of the 64-year-old New York executive in his speech to be broadcast and televised at 10:30 p. m. tomorrow outlining new plans for vastly building up this country's industrial and military power to meet the threat of Communist aggression.

Reports that Mr. Wilson would become head of a new over-all defense production agency to be established by the President circulated throughout Washington all day. The White House refused to confirm or deny them. Tonight, however, Mr. Wilson announced through a spokesman in New York that he had accepted the Mobilization post. There were no further details about the scope of his new job.

GRADUAL CONTROLS PLANNED

The announcement topped these other developments:

1. It was reported that President Truman inclined toward gradual wage and price controls instead of an immediate freeze of the economy as he worked on the final draft of tomorrow's speech. Under this plan the area of controls would be expanded as rapidly as a staff could be assembled to administer and

enforce them. The first controls to be applied would be in the field of commodities in critical demand for military production.

2. In the first move of its kind, the Government tonight invited labor and management in the automobile industry to meet with Economic Stabilization Agency officials here next Wednesday "for an informal discussion of wage stabilization problems in the passenger-automobile industry."

Cyrus S. Ching, Chairman of the Wage Stabilization Board, said the action was not a result of the refusal yesterday of automobile manufacturers to cancel price increases on 1951 models, as the Government asked. He said the meeting is being called because the Board cannot avoid the conclusion that some kind of controls, either voluntary or mandatory, are in the realm of possibility."

3. Officials indicated that the proclamation of a state of national emergency, which the President originally planned to issue before his speech tomorrow night, is now expected to come soon after it, probably on Saturday.

VINSON FOR 4,000,000 FORCE

4. A proposal that the Armed Forces should plan for a total of 4,000,000 men by mid-1952 was made by Representative VINSON, Democrat, of Georgia, chairman of the House Armed Services Committee, one of those who discussed expansion of the Armed Forces at a conference with President Truman at the White House yesterday. The present manpower goal of the armed services, as revealed by budget requests, is 2,771,000 by next June 30, although it has recently been agreed within the administration that this total would be inadequate.

5. The National Production Authority served notice that the use of copper and brass in the production of nonmilitary products soon would be cut. The products to be affected reportedly range from plumbing and radiators to hub caps and coffins.

Mr. Wilson's announcement through a spokesman tonight that he had accepted the top industrial mobilization job caught many Washington officials by surprise. They knew he had been offered the post, but they expected the announcement to come from the President tomorrow, so they would not officially confirm the appointment. Thus, the job has been accepted publicly before there has been any official announcement as to the exact nature of it.

OVER-ALL ORGANIZATION

The President has not revealed what kind of production agency he plans to set up under Mr. Wilson. Reports are it will be an over-all organization supervising allocation and production of essential commodities. It would take over jurisdiction now scattered throughout a number of agencies and departments, including the Commerce Department and the National Production Authority, headed by William Henry Harrison, president of the International Telephone & Telegraph Corp.

In his speech tomorrow night Mr. Truman is expected to explain the necessity for a state of national emergency and to announce a vast new mobilization program, including enlargement of the Armed Forces, greatly expanded war production, and imposition of economic controls.

Some officials said tonight Mr. Truman still had not come to a final decision as to whether he would immediately order complete across-the-board wage-and-price controls, thus freezing the whole economy at once, or begin with controls on selected commodities, especially those like steel, needed for defense production.

It was learned on good authority, however, that Mr. Truman and his advisers were tending to favor selective controls since there is not yet an adequate staff to administer and enforce controls on a great many items.

The economic stabilization agency, to which the task would fall, has fewer than 200 employees and no field offices outside Washington. Its World War II predecessor, the Office of Price Administration, had about 70,000 employees and, according to testimony before congressional committees, a similar number would be required now to enforce general wage-and-price controls.

For the second consecutive day, Mr. Truman conferred this morning on controls with high-ranking Democrats and Republicans in Congress, meeting with a group different from the one which went to the White House yesterday, and this afternoon he went over his plans with the National Security Council and other administration leaders.

Senator BURNET R. MAYBANK, Democrat of South Carolina, chairman of the Senate Banking and Currency Committee, said he and several other legislators present urged the President to declare a state of emergency and move as rapidly as possible toward complete controls. The Senator indicated he favored selective controls on key commodities until the ESA has a staff adequate to enforce general controls.

Members of the Atomic Energy Commission and of the Joint Congressional Committee on Atomic Energy also attended the morning meeting.

Mr. MORSE. Mr. President, I desire to take a moment to associate myself with the remarks of the Senator from Maine [Mr. BREWSTER] with regard to the appointment of Mr. Wilson. During World War II I had the opportunity to observe the industrial statesmanship of Mr. Wilson as he worked on the home front in connection with our economic stabilization program. I wish to say that in my opinion he made one of the most brilliant records on the home front in connection with the war effort of any man in a civilian capacity.

I believe his appointment by President Truman will be reassuring not only to American industry but to the American people. They will be pleased to know that we have such an able man performing a vital task in the emergency which confronts us, in whom all can have complete confidence.

The PRESIDENT pro tempore. On objection by the Senator from Illinois, Senate bill 3049 will be passed over.

The next bill on the calendar will be stated.

BILLS PASSED OVER

The bill (H. R. 5098) to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, business, and other purposes requiring the grant of long-term leases was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over by request.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (S. 3972) to stimulate exploration for the conservation of strategic and critical ores, metals, and minerals, and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 7303) to amend section 120 of the Internal Revenue Code was announced as next in order.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (S. 3108) to provide for payment of an annuity to widows of judges was announced as next in order.

The PRESIDENT pro tempore. Is there objection?

Mr. LUCAS. Mr. President, I do not personally object, but I have a request from my colleague to object to that bill.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (S. 3069) to establish a Bureau of Passports and Visas to be headed by a Director was announced as next in order.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The bill (H. R. 10) to facilitate the deportation of aliens from the United States was announced as next in order.

Mr. LUCAS. Mr. President, that bill should be indefinitely postponed. It is a part of a measure which already has been passed.

The PRESIDENT pro tempore. Without objection, the bill is indefinitely postponed.

The bill (H. R. 6114) to set aside certain lands in Oklahoma, formerly a part of the Cheyenne-Arapaho Reservation; and also known as the Fort Reno Military Reservation; for the Cheyenne-Arapaho Tribes of Indians of Oklahoma, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill is passed over.

RECLASSIFICATION OF POSTMASTERS, ETC.—BILL PASSED OVER

The bill (S. 1978) to reclassify postmasters, assistant postmasters, and other positions in the postal field service was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill.

Mr. WILLIAMS. Mr. President, reserving the right to object, I should like to ask the Senator who is chairman of the Committee on Post Office and Civil Service whether he will accept as an amendment to the bill the text of House bill 2945, which is the bill by which it is proposed that postal rates be increased. I notice that the committee has reported the bill for increasing the salaries of postmasters, but has failed to report the bill which would increase the income of the postal service. If the Senator is willing to accept as an amendment the bill increasing the postal rates, I shall not object to the consideration of this bill.

Mr. JOHNSTON of South Carolina. Mr. President, I ask that the bill go over at the present time, and I will discuss the matter with the Senator.

The PRESIDENT pro tempore. On objection, the bill goes over.

BILLS PASSED OVER

The bill (H. R. 5965) to provide for the construction of certain Veterans' Administration hospitals, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. Mr. President, in light of the situation in the world today, I think the bill should go over. Therefore I ask that it go over.

The PRESIDENT pro tempore. The bill will be passed over.

The bill (H. R. 2934) to consolidate the Parker Dam power project and the Davis Dam project was announced as next in order.

Mr. McCARRAN. Mr. President, there is involved in this bill a question concerning the distribution of power from consolidated projects. That question should be settled before the bill is enacted. Therefore, I must object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 706) providing equal pay for equal work for women, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. By request, I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 3499) to grant persons entitled to vocational rehabilitation under part VII, Veterans Regulation No. 1 (a), as amended, a minimum of 4 years training was announced as next in order.

Mr. HENDRICKSON. I ask that the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (H. R. 8195) to rescind the order of the Postmaster General curtailing certain postal services was announced as next in order.

Mr. WILLIAMS. Let the bill go over.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (H. R. 5187) to protect consumers and others against misbranding, false advertising, and false invoicing of fur products and furs was announced as next in order.

Mr. HENDRICKSON. I object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

WILHELM ENGELBERT

The bill (S. 560) for the relief of Wilhelm Engelbert was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, reserving the right to object, I wonder whether the distinguished Senator from Nevada [Mr. McCARRAN] will give us an explanation of the bill. I am concerned lest the recipient of the proposed relief is connected with certain Nazi influences.

Mr. McCARRAN. Mr. President, I shall make a statement, and I shall try to reach the Senator's specific question.

This bill cancels the deportation proceedings against a 45-year-old native and citizen of Germany, who last entered the United States as a seaman in December, 1926. He is a former member of the National Socialist Labor Party, and was interned as an alien enemy during World War II.

On July 1, 1948, the Attorney General ordered his release from alien enemy proceedings.

This man is married to a citizen of the United States. It appears that the wife, who depends upon the beneficiary of the bill for her support, is in delicate health, and has had medical and surgical care over a period of years.

So far as is disclosed to the Committee on the Judiciary, there is nothing in connection with this man which would warrant his being excluded from the United States.

Mr. HENDRICKSON. Is it true that this man refused to serve in the Army of the United States, against Germany, in the last war?

Mr. McCARRAN. I think that is true, according to the information we have. On the other hand, this relief is not proposed for this man, but for his wife, who is dependent upon him, and is a citizen of the United States.

However, the question propounded by the Senator from New Jersey must be answered in the affirmative.

Mr. HENDRICKSON. The wife is the one who will receive the benefit of this measure; is that correct?

Mr. McCARRAN. Yes.

Mr. HENDRICKSON. Mr. President, I withhold objection.

Mr. McCARRAN. This measure permits this man to remain in the United States.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 560), which had been reported from the Committee on the Judiciary with an amendment at the top of page 2 to strike out:

SEC. 2. In the administration of the immigration and naturalization laws, the said Wilhelm Engelbert, who entered the United States illegally on December 31, 1926, shall be considered as having been lawfully admitted to the United States for permanent residence as of December 31, 1926, on payment of the required visa fee and head tax.

SEC. 3. Upon enactment of this act, the Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Germany.

So as to make the bill read:

Be it enacted, etc., That the Attorney General is authorized and directed to discontinue any deportation proceedings and to cancel any outstanding order and warrant of deportation, warrant of arrest, and bond, which may have been issued in the case of Wilhelm Engelbert. From and after the date of enactment of this act, the said Wilhelm Engelbert shall not again be subject to deportation by reason of the same facts upon which any such deportation proceedings were commenced or any such warrants and order have issued.

The amendment was agreed to.

The bill ordered to be engrossed for a third reading, read the third time, and passed.

BILLS PASSED OVER

The bill (S. 3463) to amend the Railway Labor Act, as amended, so as to prevent interference with the movement of interstate commerce, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. By request, Mr. President, I object.

The PRESIDENT pro tempore. Objection is heard, and the bill will be passed over.

The bill (H. R. 7240) to amend the act entitled "An act to regulate barbers in the District of Columbia, and for other purposes, approved June 7, 1938, and for other purposes, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. LUCAS. Mr. President, the Senator from New Mexico [Mr. CHAVEZ] requests that I object, in his behalf.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 2362) to provide for flight experience for certain students in senior high schools of the District of Columbia was announced as next in order.

Mr. HENDRICKSON. Mr. President, I object to the consideration of this measure.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

The bill (S. 3980) to extend the requirements for fixing the minimum number of deck officers on steam vessels to certain additional vessels of the United States, and for other purposes, was announced as next in order.

Mr. STENNIS. Mr. President, on behalf of the junior Senator from Louisiana [Mr. LONG], I object.

The PRESIDENT pro tempore. Objection is heard, and the bill goes over.

STUDY OF CERTAIN TRIBES, BANDS, AND GROUPS OF INDIANS—JOINT RESOLUTION PASSED OVER

The joint resolution (H. J. Res. 490) to authorize and direct the Secretary of the Interior to study the respective tribes, bands, and groups of Indians under his jurisdiction to determine their qualifications to manage their own affairs without supervision and control by the Federal Government was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the joint resolution?

Mr. HENDRICKSON. Mr. President——

Mr. LUCAS. Mr. President——

Mr. HENDRICKSON. Mr. President, I yield to the Senator from Illinois.

Mr. LUCAS. Mr. President, I do not care who objects to the present consideration of this measure; one or the other of us will object, I assume.

Mr. HENDRICKSON. I was going to object, by request.

Mr. LUCAS. I yield to the Senator from New Jersey, for that purpose.

Mr. HENDRICKSON. I thank the Senator.

Mr. President, I object to the present consideration of the joint resolution.

The PRESIDENT pro tempore. Objection is heard, and the joint resolution will be passed over.

Mr. WATKINS. Mr. President, reserving the right to object, I desire to make a statement regarding the joint resolution.

The PRESIDENT pro tempore. Does the Senator who objected withhold his objection for that purpose?

Mr. HENDRICKSON. I gladly do so.

The PRESIDENT pro tempore. The Senator from Utah is recognized.

Mr. WATKINS. Mr. President, I intend to take a few minutes to discuss briefly House Joint Resolution 490, which is a resolution to authorize and direct the Secretary of the Interior to study the respective tribes, bands, and groups of Indians under his jurisdiction to determine their qualifications to manage their own affairs without supervision and control by the Federal Government.

Mr. President, this joint resolution is not as simple as the above statement would indicate it to be. In making my comments today on this joint resolution, I want it to be distinctly understood that I am thoroughly convinced that we should do everything possible to help the American Indians become independent and self-supporting American citizens. The sooner that result can be accomplished, the better it will be for the Indians and for all the rest of us. For one thing, the demands on the Treasury will be greatly lessened.

Our Government has been the guardian of the Indians for over 100 years. On the surface it would appear to be entirely unnecessary now to authorize the Secretary of the Interior to make a study of these Indians to determine their qualifications to control and manage their own affairs. If the Bureau of Indian Affairs has not made that study in the last 100 years, and if it now does not have a definite program for the emancipation of Indians, it would appear to me that it would be a waste of time and money to ask that Bureau to undertake the job now.

The fact is that numerous studies, both by the Bureau and by outside institutions and persons, have been made over the years to determine how to bring about the fullest development of the Indians, in order that they may become independent Americans, with all the rights and responsibilities of citizenship. In the beginning of the Eightieth Congress, the Commissioner of Indian Affairs was requested to file with the Senate a report naming the Indian tribes which then were ready for immediate release from the guardianship of the United States. He was also requested to name other tribes and detail their status of preparation for full citizenship and conduct of their own affairs. This report was given. It stated that 10 Indian tribes were then ready for management of their own affairs, and could be released within a reasonable time.

The report, also indicating the status of other tribes, was rather full and complete. Definite and specific recommendations were made to the Senate. For the most part, these recommendations appeared to be sound and desirable, but for some reason the administration blocked nearly every move made to make them effective.

The new study to be authorized by the joint resolution will not hasten release of Indians to manage their own affairs. In my opinion it will delay it. The Indian Bureau representative told the Senate committee that the Bureau did not have the staff to make this investigation, and would have to make contracts with schools or outside consulting agencies to do the work. Obviously, neither the schools nor the consulting agencies would be prepared to do this work as well as the Indian Bureau itself. It should also be remembered that we are now facing a manpower shortage.

Indian and native race tribes are scattered all the way from Point Barrow, in Alaska, to the Florida peninsula, and east and west across the country. It would be a mammoth undertaking to study in the field each of these Indian tribes. Obviously, the only other place to get the information is from the files of the Indian Bureau and from the Indian Administration itself. It should be clear that outside institutions would have to be educated to do this job. It would take years to accomplish the investigations proposed, and in the meantime all Indian legislation would be held in abeyance until the study had been completed. Action on studies and recommendations already made, and not new investigations, is the need of the hour.

The resolution authorizes the use of $50,000 out of funds appropriated for the benefit of the Indians. In addition, there is an authorization to use, out of the funds to be appropriated for the Indian Bureau, whatever funds are deemed necessary to carry out the purposes of this joint resolution. This is an open-ended authorization. Some of the money which would be used would be furnished by the Indians themselves. Obviously, the Indians should be heard from before this proposed legislation is enacted.

Indians are badly in need of all appropriations which have been made or are likely to be made in the future. To take money from their needs for sustenance, health, and education to make a study to get information which should be, and is, already in the possession of the Indian Bureau, certainly is not in the interests of the Indians. Indian associations complain that the Indians themselves who would be the most affected did not have an opportunity to appear before the committees which considered this measure. They say it was rushed through committee.

I think I have said enough today to indicate that this measure should not be enacted on the Consent Calendar, but should have the fullest debate. As chairman of the Subcommittee on Indian Affairs for 2 years, I had an opportunity to study many of the Indian tribes at first hand and to note their rate of progress. As a result of my studies, I have come to the conclusion that what is needed now is action on recommendations that have already been made, and not new investigations. Therefore I object.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Objection has been made to the present consideration of House Joint Resolution 490.

Mr. McFARLAND. Mr. President, I should like to state that I shall have no objection to the joint resolution coming up under unlimited discussion, at the proper time, but I consider it to be a very important piece of legislation, and I am sorry that I have to disagree with the distinguished Senator from Utah. I think that we must require the Indian Bureau to make these reports and recommendations, in order that we may receive them promptly and regularly.

The PRESIDING OFFICER. Objection having been made, the bill goes over. The clerk will report the next measure on the calendar.

PEANUT MARKETING QUOTAS—BILL PASSED OVER

The bill (S. 3135) to amend the peanut marketing quota provisions of the Agricultural Adjustment Act of 1938, as amended, was announced as next in order.

Mr. HILL. I object.

Mr. ANDERSON. Mr. President, will the Senator withhold his objection temporarily?

The PRESIDING OFFICER. Does the Senator from Alabama temporarily withhold his objection?

Mr. HILL. I withhold it temporarily.

Mr. ANDERSON. Mr. President, I have prepared a statement, which embodies a number of tables, which it would require some time to discuss properly, and which I shall merely ask permission to have them inserted in the RECORD at this point.

There being no objection, the statement and tables were ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR ANDERSON

From the previous discussion which took place with reference to peanuts on Wednesday on the floor of the Senate, I am persuaded that before we get too far along on any sort of legislation to remedy our present difficulties there will be much discussion as to what has taken place in the past and what is likely to be the experience in the future. For this reason I desire to submit a number of things for the record and ask that they be printed in order that the factual material may be in the RECORD and available to Senators before there is any vote on this question.

For instance, on Wednesday I made a statement that the peanut program on the 1949 crop was going to cost the Government about $49,000,000, that since slightly more than 2,000,000 acres of peanuts had been planted we could figure out that the cost was something in the neighborhood of $20 an acre. In support of that statement, I desire to submit for the record and have printed three items. The first is a letter dated November 30 from Frank Woolley, Deputy Administrator of the Production and Marketing Administration, addressed to me which was designed to supplement several telephone conversations which we had had. This letter indicates that the direct loss was $39,605,053.85, and that, in addition, section 32 subsidized the export of peanuts in the amount of $4,559,192.19, and that ECA, in addition, put up $5,040,177.91. Mr. Woolley points out that the total cost was $49,204,423.95. Of course, there were some additional sums spent for peanut butter out of the school lunch program but we can leave that out of the discussion. I, therefore, ask unanimous consent to insert in the RECORD at this point Mr. Woolley's letter of November 30, a table showing CCC operations through October 31, 1950, in price support of the 1949 crop of peanuts, and an analysis of sales of the 1949 crop of peanuts.

NOVEMBER 30, 1950.

Hon. CLINTON P. ANDERSON,
United States Senate.

DEAR SENATOR ANDERSON: This is an informal note with respect to Commodity

Credit Corporation losses and other Government expenditures in connection with peanuts from the 1949 crop.

Attached hereto is a statement for the 1949 crop similar to the one which we provided you on the 1948 crop. I think it would be fair to say that the total subsidy through ECA and otherwise for 1949 peanuts amounts to approximately $49,000,000. You will notice from the attachment that CCC sustained a direct loss of $39,605,053.85. In addition, section 32 subsidized the export of peanuts in the amount of $4,559,192.19 on sales to ECA. ECA put up $5,040,177.91, making the total cost to the United States Government $49,204,423.95. The $1,763,560 spent for peanut butter out of section 6 cannot be properly charged as any type of subsidy since this purchase was made strictly for the benefit of the school lunch program in the interest of centralized procurement rather than in the interest of price support.

In view of the current discussions that are taking place with respect to peanut legislation, I thought you would be anxious to have this data.

Sincerely,

FRANK K. WOOLLEY,
Deputy Administrator.

Commodity Credit Corporation—Operations through Oct. 31, 1950, in price support of 1949-crop peanuts

[Quantity, in pounds]

Particulars	Farmers stock	Shelled
Purchased by CCC	74,505,263	487,827,219
Dispositions:		
Inventory adjustment (shrinkage, etc.)	3,374,397	22,269
Sales [1]	71,130,866	487,804,950
Total dispositions	74,505,263	487,827,219
Inventory Oct. 31, 1950	0	0

[1] See separate analysis of sales.

Commodity Credit Corporation—Analysis of sales—1949 crop peanuts

[Quantity in pounds]

A. SHELLED PEANUTS

1. Domestic sales for crushing	[1] 412,790,829	
2. Export sales:		
(a) Sales under sec. 112 (e), Foreign Assistance Act, ECA countries	[2] 62,032,959	
(b) Sales to private exporters	[1] 12,981,162	
(c) Total export sales		75,014,121
3. Total, shelled peanuts		487,804,950

B. FARMERS STOCK PEANUTS (ALL DOMESTIC SALES)

1. For seed and edible uses at no loss		32,428,550
2. Domestic sales for crushing	[2] 38,702,316	
3. Total, farmers stock peanuts		71,130,866

[1] Net loss to CCC on 1949-crop peanuts to Oct. 31, 1950, was $39,605,053.85, all of which was on domestic sales for crushing with the exception of a minor loss on sales to private exporters.

[2] Payments from sec. 32 funds with respect to peanuts exported under sec. 112 (e) of the Foreign Assistance Act amounted to $4,559,192.19

NOTE.—Under the 1950 program of sec. 6, National School Lunch Act, 7,999,966 pounds of peanut butter were purchased at cost of $1,763,560.

In the course of the discussion I suggested that the cost per acre of the peanuts planted for oil might run as high as $27 an acre. That figure I admit will be hard to demonstrate, but supporting information is available. For example, the Association of Virginia Peanut and Hog Growers on Aug. 17, 1950, released the following statement on the responsibility for the cost of the 1949 peanut program:

"RESPONSIBILITY FOR COST OF 1949 PEANUT PROGRAM

"Total cost of the program, $39,000,000.

"Virginia-Carolina, 27 percent of production, 12 percent of cost, $10.40 per 1,000 pounds.

"Southeast, 50 percent of production, 67 percent of cost, $27 per 1,000 pounds.

"Southwest, 23 percent of production, 21 percent of cost, $18 per 1,000 pounds.

"One may well inquire as to why the Virginia type is costing even 12 percent of the total cost, when we are in acute short supply. Simply because CCC subsidizes No. 2 shelled peanuts (the least desirable shelled grade), by purchasing them from the sheller at 16.4 cents per pound, and selling them to the oil mills at approximately 6 cents per pound. This is justified as long as acreages far in excess of edible trade demands are permitted in the Southeast, for CCC realizes there will be a quantity of excess peanuts to be purchased and crushed for oil at a loss. CCC can purchase such excess more economically and efficiently in the form of No. 2 shelled peanuts, then as farmers stock (unshelled), which would also call for the crushing of the more desirable kernels along with the less desirable kernels. This No. 2 program accounted for the entire portion of Virginia type cost. When acreages are allotted by types, based upon the estimated demands of the edible trade, there will be no anticipated surplus and no further justification for the No. 2 program, and no appreciable cost of the peanut program.

"We believe our efforts toward such a program to be sound, logical, and for the future security of a peanut program. We are simply asking that our product be allowed to stand upon its own merits, and if permitted to do so, we are confident we will have nothing to be ashamed of.

"WILLIAM V. RAWLINGS,
"Executive Secretary."

That statement estimated the total cost of the 1949 program at $39,000,000. Of that, it was estimated that 27 percent of the production and 12 percent of the cost or $10.40 per 1,000 pounds came from the Virginia-Carolina area; that 50 percent of the production and 67 percent of the cost or $27 per 1,000 pounds came from the Southeast; and that 23 percent of the production and 21 percent of the cost or $18 per 1,000 pounds came from the Southwest. I am sure that the Association of Virginia Peanut and Hog Growers would be able to produce evidence in support of their published statement which so far as I know has not be challenged.

The Senate of the United States had a hearing on H. R. 9109 which was conducted on August 9, 10, and 11, 1950. The hearings are printed and are available. They dealt with cotton and peanut acreage allotments. During the hearings we got into a question of peanut losses and the senior Senator from Minnesota inserted in the printed hearings at page 61 a letter from the Fisher Nut & Chocolate Co. at St. Paul, Minn., pointing out that there was within a surplus crop of peanuts a scarcity. The scarcity was of the Virginia-type peanuts. In the questioning I pointed out that since the Government was losing $100 a ton on peanuts the cost of the program would not be $38,000,000 for 1949 as had been estimated, but might move to fifty or sixty million dollars a year. You can understand my interest in a Government announcement that the total loss for 1949 is likely to be $49,204,000.

I have been trying to find out the per-acre cost where peanuts are planted for oil. Yesterday I got from the Department of Agriculture these figures. They were hastily assembled and I would not want anyone in the Department blamed if they were off a few dollars here and there, but the Department pointed to the loss of more than $49,000,000 and said that of the peanuts exported to Europe 40 percent came from the Southeast, 60 percent from the Southwest, and none from the Virginia-Carolina area. I, therefore, asked the Department to recalculate the figure carried by the Virginia Peanut and Hog Growers and the Department did supply me with figures yesterday. It said that $4,600,000 would represent the cost of disposing of all the No. 2's in the Virginia-Carolina area, making the average cost run $12 per acre as previously estimated, but that the cost in the Southeast area would rise to $30,400,000 or $24 per acre, whereas the average cost in the Southwest area, because of the large exports, would rise to roughly $14,000,000 or $18.75 per acre. This figure does not work out at $27 but at the time I used the $27 figure it was estimated that the large exports were coming from the Southeast areas and, therefore, that a proper proportion of the increase from 39,000,000 to 49,000,000 should be charged to that area, which worked out to a $27 figure. I am glad that the figure is only $24, and I desire to correct my previous estimate to that extent. I desire to incorporate the following letter from the Department of Agriculture at this point:

DECEMBER 15, 1950.

HON. CLINTON P. ANDERSON,
United States Senate.

DEAR SENATOR ANDERSON: This is in reply to your telephone request of December 13 for information regarding peanut program losses for the 1949 crop in each of the three producing areas.

Direct losses to the Commodity Credit Corporation for 1949-crop peanuts amounted to $39,605,054, as of October 31, 1950. The amount of losses incurred, the acreage picked and threshed, and the losses per acre, in each area are as follows:

TABLE I

Area	Amount of loss [1]	Acres picked and threshed	Loss per acre
Virginia-Carolina	$4,933,078	379,000	$13.02
Southeastern	26,364,524	1,252,000	21.06
Southwestern	8,307,452	701,000	11.85
Total	39,605,054	2,332,000	16.98

[1] Area losses partly estimated.

Apart from the above losses, $4,559,192 of section 32 funds were used to subsidize the export of No. 2 shelled peanuts for crushing. An additional $5,040,178 was put up by the Economic Cooperation Administration. This amounts to a total of $9,599,370 used for peanuts exported for crushing. We have no way of knowing whether the amount put up by ECA should be considered a loss to the United States Government because a division between ECA grants and loans is not made on a commodity basis. However, in answer to your specific request, the following table shows a breakdown of the total amount represented by CCC's losses, section

32 funds, and ECA expenditures for 1949-crop peanuts:

TABLE II

Area	Amount considered as loss [1]	Acres picked and threshed	Amount per acre
Virginia-Carolina	$4,933,078	379,000	$13.02
Southeastern	30,281,067	1,252,000	24.19
Southwestern	13,990,279	701,000	19.96
Total	49,204,424	2,332,000	21.10

[1] Area losses partly estimated.

Of the peanuts exported for crushing, 40.8 percent was acquired in the southeastern area and the remaining 59.2 percent was acquired in the southwestern area. None of these peanuts were obtained from the Virginia-Carolina area because the oil content of the 1949-crop peanuts acquired from that area was slightly less than the minimum 46 percent requested by ECA. In table II the amount of section 32 funds and ECA expenditures was prorated between the southeastern and southwestern areas in the same proportion that CCC sales for export to all destinations from each area were of the total quantity sold by CCC for export.

In order to present a clear picture of losses which might be attributed to the 1949-peanut program, consideration should be given to the fact that the peanuts exported for crushing could have been sold by CCC for domestic crushing and a part of their cost to CCC recovered. On the basis of prices received by CCC for other No. 2 shelled peanuts sold for domestic crushing from the 1949 crop, it is estimated that CCC could have recovered approximately $1,540,000 for peanuts acquired in the southeastern area and exported to ECA countries and approximately $1,700,000 for peanuts acquired in the southwestern area and exported through ECA.

In the following table III, showing a breakdown of losses by areas, the amount considered as loss in table II has been adjusted by deducting the estimated amounts that would have been received if the peanuts exported from the southeastern and southwestern areas had been sold by CCC for domestic crushing:

TABLE III

Area	Amount considered as loss [1]	Acres picked and threshed	Amount per acre
Virginia-Carolina	$4,933,078	379,000	$13.02
Southeastern	28,741,067	1,252,000	22.96
Southwestern	12,290,279	701,000	17.53
Total	45,964,424	2,332,000	19.71

[1] Area losses partly estimated.

If we can furnish you any further information, please let us know.

Sincerely yours,

LIONEL C. HOLM,
Acting Administrator.

May I point out that the reason that no peanuts were exported from Virginia and Carolina was that the exporters wanted a peanut running 46 percent or more in oil content and the Virginia-Carolina peanuts do not do that. Secondly, the reason why more came from the Southwest than from the Southeast was that the port facilities available from the Gulf Coast were easier to use.

Now, as to the 1950 losses, I think I should point out that because of the present world situation and the strong export demand for fats and oils, current losses to CCC on quota peanuts are relatively small, presently averaging about $35 per ton, farmers stock basis. The present world situation likely will continue and dollars will be available to other countries because of United States purchases abroad. Therefore, losses for peanuts diverted to crushing from the 1951 crop will continue at low levels. However, I do not feel that because of these relatively light losses on the current situation we should pass the peanut provisions of H. R. 9109 which would increase the acreage principally in Georgia, Alabama, and Texas by 76,888 acres and only increase the acreage in the Virginia-Carolina areas where we really need more peanuts by 64,149. I am inserting in the RECORD at this point an analysis of the peanut provisions of H. R. 9109 with table I showing the effect of such an increase in the State acreage allotments under H. R. 9109 and also with a second table labeled table II which shows the effect of legislation now recommended by the Department of Agriculture on 1951 State acreage allotments. I desire to insert these two tables at the same time because it will be easier to follow them if they are printed together.

"ANALYSIS—PEANUT PROVISIONS OF H. R. 9109

"Table I illustrates the change which would be made in the national and State acreage allotments for 1951 pursuant to section 8 of H. R. 9109. Column 4 of the table is the same as the allotments which have already been announced for 1951. Column 5 shows the State acreage allotments computed pursuant to the first proviso of section 8 and column 6 shows the increases in allotments resulting from the application of this proviso. These increases total 76,888 acres.

"Column 7 of the table shows the indicated permissive increases which might be made for Virginia and Valencia type peanuts in the major producing States as provided for in the second proviso of section 8. Some minor adjustments may be required in the increases for States other than North Carolina, Tennessee, and Virginia. In view of the present demand for these types of peanuts, the Secretary will no doubt increase the State acreage allotments to the 1950 allotments.

"Section 8 of H. R. 9109 also contains a provision which would permit the release and reapportionment of peanut acreage allotments voluntarily surrendered to any county committee.

"Under present legislation, CCC is authorized to distribute to farmers proceeds realized from selling excess oil peanuts for edible purposes only for the 1950 crop. Section 8 amends the act so that such proceeds might be distributed in any year."

TABLE I.—*Peanuts: Indicated 1951 State acreage allotments under H. R. 9109, assuming an initial national allotment of 1,771,117 acres*

State and area	1945–49 straight average acreage [1]	1950 acreage allotment prior to Public Law 471	1,771,117 acres apportioned		First indicated 1951 acreage allotment [2]	Initial increase through proposed legislation (column 5—column 4)	Possible additional major increases for types through proposed legislation [3]	Second indicated 1951 acreage allotment
			Basis, column 1	Basis, column 2				
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
	Acres	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*
Virginia	154,600	141,108	88,399	117,819	117,819		23,289	141,108
North Carolina	287,600	225,702	164,448	188,451	188,451		37,251	225,702
Tennessee	5,400	4,766	3,088	3,979	3,979		787	4,766
Total Virginia-Carolina area	447,600	371,576	255,935	310,249	310,249		61,327	371,576
South Carolina	27,200	18,375	15,553	15,342	15,553	211	2,822	18,375
Georgia	1,046,600	701,400	598,439	585,638	598,439	12,801		598,439
Florida	96,400	73,236	55,121	61,149	61,149			61,149
Alabama	444,200	274,907	253,991	229,535	253,991	24,456		253,991
Mississippi	15,400	9,272	8,806	7,742	8,806	1,064		8,806
Total Southeast area	1,629,800	1,077,190	931,910	899,406	937,938	38,532	2,822	940,760
Arkansas	8,600	5,473	4,917	4,570	4,917	347		4,917
Louisiana	4,000	2,506	2,287	2,092	2,287	195		2,287
Oklahoma	241,400	183,600	138,031	153,298	153,298			153,298
Texas	723,600	451,200	413,750	376,732	413,750	37,018		413,750
New Mexico	10,000	5,959	5,718	4,975	5,718	743		5,718
Total Southwest area	987,600	648,738	564,703	541,667	579,970	38,303		579,970
Arizona	500	960	286	801	801			801
California	500	1,257	286	1,050	1,050			1,050
Missouri	500	279	286	233	286	53		286
Total others	1,500	2,496	858	2,084	2,137	53		2,137
Acreage reserved for new farms			17,711	17,711	17,711			17,711
Total United States	3,066,500	2,100,000	1,771,117	1,771,117	1,848,005	76,888	64,149	1,912,154

[1] Basis revised acreage data contained in Crop Report released July 11, 1950.
[2] Larger of entries in column 3 or column 4, excluding possible increases for Virginia-type producing areas.
[3] Difference between column 5 and 1950 allotment for major Virginia-type producing States.

Source: Fats and Oils Branch, PMA, Program Analysis Division.

TABLE II.—*Peanuts: Indicated 1951 State acreage allotments under legislation recommended by the Department of Agriculture assuming an initial national allotment of 1,771,117 acres*

State and area	1945–49 straight average acreage [1] (1)	1950 acreage allotment prior to Public Law 471 (2)	2,100,000 acres apportioned on basis of 1945–49 average acreage (3)	Larger of columns (2) or (3) (4)	First indicated 1951 acreage allotment [2] (5)	1951 acreage allotment announced Oct. 26, 1950 (6)	Second indicated 1951 allotment [3] (7)	1941 acreage allotment (8)	Possible additional increases for types through proposed legislation [4] (9)	Third indicated 1951 acreage allotment (10)
	Acres	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*	*Acres*
Virginia	154,600	141,108	105,873	141,108	112,869	117,819	117,819	141,108	23,289	141,108
North Carolina	287,600	225,702	196,955	225,702	180,535	188,451	188,451	225,702	37,251	225,702
Tennessee	5,400	4,766	3,698	4,766	3,812	3,979	3,979	4,766	787	4,766
Total, Virginia-Carolina area	447,600	371,576	306,526	371,576	297,216	310,249	310,249	371,576	61,327	371,576
South Carolina	27,200	18,375	18,627	18,627	14,899	15,342	15,342	18,375	1,516	16,858
Georgia	1,046,600	701,400	716,733	716,733	573,301	585,638	585,638	550,694	----------	585,638
Florida	96,400	73,236	66,017	73,236	58,580	61,149	61,149	73,236	----------	61,149
Alabama	444,200	274,907	304,197	304,197	243,321	229,535	243,321	274,907	----------	243,321
Mississippi	15,400	9,272	10,546	10,546	8,436	7,742	8,436	2,476	----------	8,436
Total southeast area	1,629,800	1,077,190	1,116,120	1,123,339	898,537	899,406	913,886	919,688	1,516	915,402
Arkansas	8,600	5,473	5,889	5,889	4,710	4,570	4,710	5,473	----------	4,710
Louisiana	4,000	2,506	2,739	2,739	2,191	2,092	2,191	353	----------	2,191
Oklahoma	241,400	183,600	165,316	183,600	146,858	153,298	153,298	61,607	----------	153,298
Texas	723,600	451,200	495,536	495,536	396,369	376,732	396,369	246,373	----------	396,369
New Mexico	10,000	5,959	6,848	6,848	5,478	4,975	5,478	3,673	----------	5,478
Total southwest area	987,600	648,738	676,328	694,612	555,606	541,667	562,046	317,479	----------	562,046
Arizona	500	960	342	960	768	801	801	----------	----------	801
California	500	1,257	342	1,257	1,005	1,050	1,050	1,257	----------	1,050
Missouri	500	279	342	342	274	233	274	----------	----------	274
Total others	1,500	2,496	1,026	2,559	2,047	2,084	2,125	1,257	----------	2,125
Acreage reserved for new farms	----------	----------	----------	----------	17,711	17,711	17,711	----------	----------	17,711
Total United States	3,066,500	2,100,000	2,100,000	2,192,086	1,771,117	1,771,117	1,806,017	1,610,000	62,843	1,868,860

[1] Basis revised acreage data contained in Crop Report released July 11, 1950.
[2] Column 4 reduced proportionately to a United States total of 1,771,117 acres, with acreage reserved for new farms of 17,711 acres.
[3] Larger of column 5 or column 6.
[4] Preliminary.
Source: Fats and Oils Branch, PMA, Program Analysis Division.

I know that many questions may be raised about these tables on acreage figures and in order that it all may be closer together, I think it ought to be pointed out that under provisions of Public Law 272 passed by the Eighty-first Congress a base quota of 2,100,000 acres was reached for the various States. Subsequently, there was a House joint resolution (H. J. Res. 398) passed by the second session of the Eighty-first Congress which increased that figure by nearly 100,000 acres and nearly all of it went to Alabama and Texas. The attached tables marked "A" and "B" contain the detailed figures showing that both Alabama and Texas were treated substantially the same as other areas prior to the relief they received under House Joint Resolution 398. Column 11 of table A shows that prior to House Joint Resolution 398, Alabama's 1950 allotment was 61.2 percent of its 1948 allotment. You will notice that all States, including Virginia and North Carolina, only received 63.4 percent of their 1949 acreage and that Georgia had only obtained 60 percent of its 1948 acreage. The effect of House Joint Resolution 398 was to give Alabama a 1950 allotment of 63.8 percent of its 1948 allotment whereas Georgia was left at 60 percent in 1948. Texas obtained 66.4 percent as a result of the increase. I include the two tables to be printed in the RECORD at this point:

Peanuts: Comparison of State and National peanut-acreage allotments before and after enactment of Public Law 272, 81st Cong., and related comparisons

State	1949 allotment (1)	1950 allotment under legislation prior to Public Law 272 [1] (2)	1950 allotment under legislation as amended by Public Law 272 (3)	Acreage increase or decrease through Public Law 272 (4)	Percentage increase or decrease through Public Law 272 (5)	1943–47 average acreage picked and threshed (6)	1948 acreage picked and threshed (7)	Percent 1949 allotment was of 1943–47 average acreage (column 1÷column 6) (8)	Percent 1949 allotment was of 1948 acreage (column 1÷column 7) (9)	Percent 1950 allotment is of 1943–47 average acreage (column 3÷column 6) (10)	Percent 1950 allotment is of 1948 acreage (column 3÷column 7) (11)
Alabama	399,821	302,453	274,907	−27,546	−9.1	503,200	499,000	79.5	80.0	54.6	61.2
Arizona	401	303	960	+657	+216.8	[3] 500	1,600	80.2	25.1	192.0	60.0
Arkansas	8,418	6,368	5,473	−895	−14.1	16,200	8,000	52.0	105.2	33.8	68.4
California	1,257	[2] 1,257	1,257	----------	----------	[3] 500	0	251.4	----------	251.4	----------
Florida	53,882	[2] 73,236	73,236	----------	----------	103,000	110,000	81.4	76.3	71.1	66.6
Georgia	878,024	664,199	701,400	+37,201	+5.6	1,088,200	1,169,000	80.7	75.1	64.5	60.0
Louisiana	4,041	3,057	2,506	−551	−18.0	7,800	3,000	51.8	134.7	32.1	83.5
Mississippi	14,129	10,688	9,272	−1,416	−13.2	19,800	15,000	71.4	94.2	46.8	61.8
Missouri	401	303	279	−24	−7.9	[3] 500	[4] 200	80.2	200.5	55.8	139.5
New Mexico	8,641	6,537	5,959	−578	−8.8	10,000	9,000	86.4	96.0	59.6	66.2
North Carolina	243,035	[2] 225,702	225,702	----------	----------	300,400	295,000	80.9	82.4	75.1	76.5
Oklahoma	188,336	142,471	183,600	+41,129	+28.9	229,000	306,000	82.2	61.5	80.2	60.0
South Carolina	25,613	19,375	18,375	−1,000	−5.2	37,200	26,000	68.9	98.5	49.4	70.7
Tennessee	5,739	[2] 4,766	4,766	----------	----------	9,200	5,000	62.4	114.8	51.8	95.3
Texas	625,788	473,390	451,200	−22,190	−4.8	776,600	752,000	80.6	83.2	58.1	60.0
Virginia	141,444	[2] 141,108	141,108	----------	----------	155,000	164,000	91.3	86.2	91.0	86.0
Total	2,628,970	2,075,213	2,100,000	+24,787	+1.2	3,257,100	3,312,800	80.7	79.4	64.5	63.4

[1] Column 1 reduced by 24.3520412 percent (the percentage which the 1950 national marketing quota was reduced below the 1949 national marketing quota of 850,000 tons) except that no State is reduced below the 1941 acreage allotment determined for the State.
[2] Computed allotment increased to equal the 1941 State allotment. This total increase in the national allotment by this adjustment would have amounted to 86,476 acres.
[3] Estimated BAE data not available.
[4] Measured acreage.

Peanuts: Comparison of State and National acreage allotments for 1950 under existing legislation and H. J. Res. 398, 81st Cong., 2d sess.

State	1949 acreage allotment	1950 acreage allotment		Acreage increase required in 1950 allotments by H. J. Res. 398 (column 3 — column 2)
		Under existing legislation [1]	Under H. J. Res. 398 [2]	
	(1)	(2)	(3)	(4)
	Acres	*Acres*	*Acres*	*Acres*
Alabama	399,821	274,907	319,373	44,466
Arizona	401	960	960	
Arkansas	8,418	5,473	6,724	1,251
California	1,257	1,257	1,257	
Florida	83,882	73,236	73,236	
Georgia	878,024	701,400	701,400	
Louisiana	4,041	2,506	3,228	722
Mississippi	14,129	9,272	11,286	2,014
Missouri	401	279	320	41
New Mexico	8,641	5,959	6,902	943
North Carolina	243,035	225,702	225,702	
Oklahoma	188,336	183,600	183,600	
South Carolina	25,613	18,375	20,459	2,084
Tennessee	5,739	4,766	4,766	
Texas	625,788	451,200	499,873	48,673
Virginia	141,444	141,108	141,108	
Total	2,628,970	2,100,000	2,200,194	100,194

[1] Not less than the larger of (*a*) 1941 allotment, or (*b*) 60 percent of 1948 acreage picked and threshed.

[2] Column 2 increased where necessary to not less than 79.879 percent of 1949 acreage allotment shown in column 1. (79.879 represents percentage which 1950 national allotment, 2,100,000 acres, is of the 1949 national allotment of 2,628,970 acres.)

There is another interesting factor in the peanut situation and that is the agreement which I understand has been reached between the Department of Agriculture and the southeastern peanut shellers under which the Department agrees to take 1,100 pounds of the No. 2 runner type of peanuts out of every ton of farmers' stock peanuts at a price of 15 cents per pound or 5 cents more than the current market price. A letter to me from the junior Senator from Virginia, Senator ROBERTSON, sets forth this understanding and says of it:

"A ton of farmers' stock shells out approximately 1,400 pounds which means that the producer of the runner type will sell 300 pounds in normal trade channels and the Government will buy the rest at a premium price of 5 cents per pound.

"I am likewise informed that the Government under this agreement will have to purchase approximately 2,000,000 tons of runner oil peanuts out of an estimated crop of 385,000 tons."

I cite this section from the letter by the junior Senator from Virginia to explain why his people are very anxious to see good peanut legislation pass. They are afraid that if too much money is squandered on a program of this nature it will jeopardize the whole agricultural program.

This same situation was called to my attention in a letter from W. W. Rawlings, Executive Secretary of the Association of Virginia Peanut & Hog Growers, Inc., dated December 16, 1950. I am inserting at this point in the RECORD two paragraph from that letter:

"A recent estimate, indicates a total production of 385,000 tons of runner type peanuts this year; and, it is further estimated CCC will have to purchase aprpoximately 200,000 tons of this total, for crushing.

"CCC initially agreed to purchase 500 pounds of shelled (runner) peanuts for each ton of farmers stock (yielding approximately 1,400 pounds of shelled goods) purchased by a sheller under CCC contract, these peanuts being purchased at approximately 15 cents per pound and sold at the prevailing oil price, approximately 10 cents per pound. Because of the huge surplus, the S. E. shellers have this week prevailed upon CCC to increase this by an additional 600 pounds, or a total of 1,100 pounds for each 1,400 pounds of shelled goods."

It is not my purpose to discuss at any length what might follow the failure of the Congress to amend the present peanut quota law in such a fashion as to permit the planting of necessary acres of the Virginia-Carolina type of peanuts. I believe there is a suit pending, in which a broker is suing the Secretary of Agriculture and the Administrator of PMA over the denial of import licenses for the Virginia-Carolina type of peanuts. With an actual scarcity of that type of peanuts in the country such a suit would appear difficult to defend and if the plaintiff in the suit should prevail, this country would be faced with the importation of Chinese, Mexican, and Indian peanuts because the growers of the ball-park type peanuts in the United States have been refused the right to grow enough for the American market.

If agricultural programs are to succeed and to be accepted by the producers as well as the consumers, they surely should not require the development of a scarcity in a particular commodity. We have quotas on tobacco and those quotas are so set that each particular type of tobacco has enough acreage to supply the domestic market and take care of exports in the ordinary years. These programs supply some slight excess to make certain that the market is adequately supplied.

We have different types of peanuts produced in this country and it would seem that the quotas should not result in an overproduction of one type and an underproduction of another year after year. Occasional years may produce variations but over the long run the users of peanuts in this country ought to be able to obtain all they want of every type.

When the Congress comes closer to a final decision on this matter, the House and the Senate may be attracted to the provisions of the bill recommended by the Department of Agriculture. Surely such a bill should be considered early in the next session.

Mr. ANDERSON. Mr. President, I want to call the attention of the Senator from Alabama to the fact that peanut quotas were voted on yesterday, and that in the State of Virginia, only 47 percent of all the growers voted in favor of them; that the quotas carried by a vote of 70 percent, when 65 percent is required, and that we are on our way to destroy the peanut program because of the refusal of Senators to let their States of Virginia and the Carolinas grow peanuts which the American market demands and which the American market requires, and which American producers of candy and other goods are going to have to import from China while American farmers are denied their rights. The reason they are denied their rights is because they cannot have them, unless they will give something to other States to which they are not entitled. I only want to remind our friends that I think they are destroying what has been a good program, and what could remain a good program, by an insistence that somebody else be given something, in order to give plain justice to Virginia and the Carolinas. I regret that the growers of my State will be handicapped perhaps if the bills which I am supporting are passed, but in the long run they will be better off if the peanut program is sound and solvent, than if it remains in the present situation.

The PRESIDING OFFICER. Objection has been heard, and the bill will be passed over.

CONSERVATION OF ASSETS OF INCAPACITATED PERSONS

The Senate proceeded to consider the bill (S. 1113) to provide for the appointment of committees to conserve the assets of persons of advanced age, mental weakness, or physical incapacity, which had been reported from the Committee on the District of Columbia with an amendment, to strike out all after the enacting clause, and insert:

That if a person residing in or having property in the District of Columbia is unable, by reason of advanced age, mental weakness (not amounting to unsoundness of mind), or physical incapacity properly to care for his property, the United States District Court for the District of Columbia may, upon his petition or the sworn petition of one or more of his relatives or friends, appoint some fit person to be conservator of his property.

SEC. 2. Upon the filing of such petition, the court shall fix a time and place for a hearing thereon; and shall cause at least 14 days' notice thereof to be given to the person for whom a conservator is sought to be appointed if he is not the petitioner, and to such other persons as the court shall direct. The court in its discretion may appoint some disinterested person to act as guardian ad litem in any proceeding hereunder. Upon a finding that such person is incapable of caring for his property, the court shall appoint a conservator who shall have the charge and management of the property of such person subject to the direction of the court.

SEC. 3. Such conservator before entering upon the discharge of his duties shall execute an undertaking with surety to be approved by the court in such maximum amount as the court may order, conditioned on the faithful performance of his duties as such conservator; and he shall have control of the estate, real and personal, of the person for whom he has been appointed conservator, with power to collect all debts due such person, and upon authority of the court to adjust and settle all accounts owing by him, and to sue and be sued in his representative capacity. He shall apply such part of the annual income, and such part of the principal as the court may authorize, of the estate of such person to the support of such person, and the maintenance and education of his family and children; and shall in all other respects perform the same duties and have the same rights and powers with respect to the property of such person as have guardians of the estates of infants.

SEC. 4. When any person for whom a conservator has been appointed under the provisions of this act shall become competent to manage his property, he may apply to such court to have such conservator discharged and to be restored to the care and control of his property. If the court finds him to be competent, an order shall be entered restoring the care and control of his property to such person. The court shall have the same powers with respect to the property of any person for whom a conservator has been appointed as it has with respect to the property of infants under guardianships.

SEC. 5. Upon filing of a petition as provided by this act the court may, with or without notice or hearing, appoint a temporary conservator of the estate of any person hereunder, if it deems such action necessary for the protection of such estate, subject to the provisions for an undertaking contained in

section 3 hereof. Such temporary conservator shall serve only until such time as a permanent conservator can be appointed or until sooner discharged.

SEC. 6. Where a conservator is appointed pursuant to the provisions of this act, all contracts and business transactions, subsequent to the filing of the petition, of a person for whom a conservator has been appointed hereunder, shall be presumed to be a fraud upon him and against his rights and interests

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness not amounting to unsoundness of mind, or physical incapacity."

BILL PASSED OVER

The bill (H. R. 7524) to authorize the establishment of a wildlife-management area in the Florida Keys, Fla., and for other purposes, was announced as next in order.

Mr. WILLIAMS. Over.

The PRESIDING OFFICER. Objection is heard, and the bill will be passed over.

EXTENSION OF TIME OF PERMITS ON AGUA CALIENTE INDIAN RESERVATION LANDS

The Senate proceeded to consider the bill (H. R. 9272) to amend the act of October 5, 1949 (Public Law 322, Eighty-first Congress), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation, which had been reported from the Committee on Interior and Insular Affairs with an amendment, on page 1, line 8, after the numerals "1951," to insert a colon and "*Provided*, That this amendment shall not extend the duration of any permit which would, according to its own terms, expire on or before December 31, 1951."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

RIGHT-OF-WAY FOR ELECTRIC TRANSMISSION LINE, SANTA FE FLOOD CONTROL BASIN, AND SAN GABRIEL RIVER IMPROVEMENT, CALIFORNIA

The bill (S. 4138) to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission-line purposes in the Santa Fe Flood Control Basin and the San Gabriel River improvement, California, was announced as next in order.

Mr. KNOWLAND. Mr. President, I call attention to the fact that this bill, with one minor exception, is the same as Calendar No. 2579, House bill 7735, and I ask that the House bill be considered. The only difference between the two bills—and the Senate bill was unanimously reported by the Armed Services Committee—is that the House bill is further limiting, inasmuch as it contains a provision that the easement may be given for a period not to exceed 50 years. Ample safeguards are contained in both bills that the easement may only be given on such conditions as may be prescribed by the Federal authorities, and at a fair value. That language is in both bills.

The PRESIDING OFFICER. The Senator from California requests unanimous consent that Calendar No. 2579, the bill H. R. 7735, be substituted for Calendar No. 2756, the bill S. 4139 and that the House bill be now considered. Is there objection?

There being no objection, the bill (H. R. 7735) to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission line purposes in the Santa Fe flood control basin and the San Gabriel River improvement, California, was considered, ordered to a third reading, read the third time, and passed.

The PRESIDING OFFICER. Without objection, Senate bill 4138 is indefinitely postponed.

JOINT RESOLUTION PASSED OVER

The joint resolution (S. J. Res. 202) to provide for the establishment and maintenance of the National Portrait Gallery, and for other purposes, was announced as next in order.

Mr. HENDRICKSON. I ask that this joint resolution be passed over.

The PRESIDING OFFICER. The joint resolution will go over.

BILL PASSED OVER

The bill (H. R. 9313) to amend the Agricultural Act of 1949 was announced as next in order.

Mr. HENDRICKSON. Mr. President, this is certainly not a bill which should be considered on a mere calendar call. I ask that it go over.

The PRESIDING OFFICER. The bill will be passed over.

PURCHASE OF VESSELS "MARIPOSA" AND "MONTEREY"—BILL PASSED OVER

The bill (H. R. 9626) authorizing the Secretary of Commerce to purchase the vessels *Mariposa* and *Monterey* was announced as next in order.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Mr. President, I should like to have an explanation of the bill. I insist that this bill should be carefully and thoroughly explained.

Mr. MORSE. Mr. President, as a matter of courtesy, I do not wish to supersede the Senator from Washington. I have an explanation of the bill which I should like to present, but I should be very glad to follow the author of the bill, if he has anything to offer.

Mr. MAGNUSON. Mr. President, I desire to submit certain amendments to the bill. I must confess that they were sent to me in the nature of a letter, and they will have to be read. The letter just came. I apologize for not having them in proper form.

The PRESIDING OFFICER. Let us first determine whether there is objection to the present consideration of the bill, before any amendments are in order.

Mr. WILLIAMS. Mr. President, I have no objection to either the Senator from Washington or the Senator from Oregon making a statement in regard to the bill, although I have been requested by the junior Senator from Illinois [Mr. DOUGLAS] to oject to the passage of the bill at this time; which I do, in his absence.

The PRESIDING OFFICER. Objection is heard. Will the Senator withhold the objection temporarily?

Mr. WILLIAMS. I withhold the objection, if Senators desire to make an explanation.

The PRESIDING OFFICER. The Senator withholds his objection.

Mr. MAGNUSON. Mr. President, I merely want to make a brief statement. This bill was before the Senate recently, shortly before adjournment. It merely gives the Secretary of Commerce authority to negotiate, to charter, or to make such arrangements as he may deem to be in the interest of the Government for the purchase or charter of two passenger ships which are now in the San Francisco Bay area, the vessels *Mariposa* and *Monterey*.

Those two ships were taken by the Government during the war and were used as troopships. They were later turned back to the company, and, under the provisions of the contract, the United States Government was to reimburse the company for the amount of reconversion necessary to put those ships back in shape to be used on regular passenger runs. There was some disagreement as to what the amount should be, and some criticism of the Maritime Commission and others involved as to the amount, and a fight ensued between the General Accounting Office and the Matson Steamship Line as to what amount should be allowed for reconversion so as to put the two ships back into passenger use.

That is another story, Mr. President. But since that time those two ships have been standing idle. They are the only two available passenger-transport ships in the entire United States that have not been converted and used. The Maritime Commission, the Secretary of Defense, and everyone in the executive departments having to do with the defense of the country say they need these ships.

All the bill does, Mr. President, is to allow the Secretary of Commerce to negotiate for them. They can be converted into troop transports within 90 days. There has been constant objection to the bill on the ground of the fracas between the Matson Line and the General Accounting Office as to the cost of reconversion as of now as compared with the cost in the last world war.

This bill has nothing to do with that. The last time I asked for the passage of the bill it was objected to by the Senator from Delaware [Mr. WILLIAMS], who talked about the fracas with the General Accounting Office. During my campaign the Republican nominee for the United States Senate made a speech in which he said I was trying to sell the United States Government two pigs in a poke—two 20-year-old ships——

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I should like first to finish my statement.

The Department of Defense says that troop transports are needed. These ships are available. If Senators want to object, that is another matter entirely. I do not know what the ships are worth, but we need them. They can be converted within 90 days. If we had passed this bill 3 months ago, the ships would be in Korea today helping to evacuate some of our troops.

I am through with it. If Senators want to continue to object, it is all right with me.

Mr. MAGNUSON subsequently said: Mr. President, I have referred to a letter, which is addressed to the Senator from Colorado [Mr. JOHNSON] by the Acting Secretary of Commerce. I ask that this letter be printed in the RECORD at this point as a part of my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF COMMERCE,
Washington, December 15, 1950.

Hon. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate,
Washington, D. C.

DEAR MR. CHAIRMAN: This letter is in further reply to your request of September 28, 1950, for our comments concerning H. R. 9626, a bill authorizing the Secretary of Commerce to purchase the vessels *Mariposa* and *Monterey*.

The bill would authorize the Secretary of Commerce, upon request of the Secretary of Defense, to purchase the vessels *Mariposa* and *Monterey* for use during war or national emergency or at any time in support of military operations. If requested to do so by the Secretary of Defense, the Secretary of Commerce would also be authorized to convert the vessels to the requirements of the Secretary of Defense, and to transfer such vessels to the Department of Defense, without reimbursement upon the completion of such conversion.

In a letter of August 17, 1950, addressed to the Maritime Administration the Acting Secretary of the Navy stated:

"In view of the present situation, the Department of the Navy recommends that the Maritime Administration purchase both the steamship *Mariposa* and the steamship *Monterey* from the Oceanic Steamship Co., and take the necessary steps to complete them as troop transports."

In view of this recommendation, the Department of Commerce urges early and favorable consideration of this bill as an emergency measure. We recommend, however, that the following technical amendments be included in the bill:

I. The words ", without reimbursement," lines 9 and 10, page 2, be deleted. At the present time the cost of conversion by the Department of Commerce is being paid out of defense funds. As a matter of policy, it may be decided that in this case also, financing of these conversion costs should be a defense expenditure. Therefore, the bill should not preclude use of appropriations of either the Department of Defense or the Department of Commerce.

II. In the interest of clarity, and to implement the above amendment, we recommend that an authorization of appropriations in the usual form be included:

"SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act."

We are advised by the Bureau of the Budget that, while there would be no objection to the submission of this report, it was their opinion that the amendments herein proposed should be incorporated in the bill.

If we can be of further assistance in this matter, please call upon us.

Sincerely yours,

PHILIP B. FLEMING,
Acting Secretary of Commerce.

Mr. MORSE. Mr. President, the Senator from Washington has made a very clear statement of the distinction between the bill now pending before the Senate and the old claims dispute.

I want to speak as a member of the Committee on Armed Services, because I see several of my colleagues from that committee now on the floor of the Senate.

I give the Senate my word that the passage of this bill is vital to the security of America, and I deeply regret that the junior Senator from Illinois has filed an objection and is not here to hear the discussion in regard to the importance to the security of the Nation of the passage of this bill, because, knowing the junior Senator from Illinois as I do, I am perfectly satisfied that if he were present he would withdraw his objection on the basis of the information which I now wish to put into the RECORD in regard to these ships, because these two ships need to be converted as rapidly as is possible in order to be turned into transport ships for American troops.

We cannot justify standing on the floor of the United States Senate today to postpone action on a bill which is so vital to the security of this country as I believe this bill to be. We cannot be wasting any more precious hours in making America strong. Here are potential transport ships available, and apparently the bill is going to be passed over, simply because an objection has been filed by a Senator who is not here to hear the explanation as to the importance of the bill.

I wish to read now, Mr. President, into the RECORD, an explanation with reference to the acquisition of these ships which will be endorsed by the Defense Department.

The purpose of this bill is to authorize the Secretary of Commerce upon request of the Secretary of Defense, to purchase the vessels *Mariposa* and *Monterey* and such necessary materials as may be needed for their conversion to troop transports. The Secretary of Commerce is also authorized, upon request of the Secretary of Defense, to convert these vessels to meet military requirements.

In the hearings on this bill before the House Committee on Merchant Marine and Fisheries and the subcommittee of the Senate Interstate and Foreign Commerce Committee, strong endorsement of the need for these vessels by the Government was presented by officials of the Defense Department, the Commerce Department, and the Maritime Administration. When unanimous consent to consider this bill was requested on September 23, 1950, the closing day of the last session, objection was voiced.

Three months have elapsed. Had this legislation been enacted, conversion of these two vessels would already be on the way to relieve the known and serious shortage of fast, large troop carriers required by this country in time of need.

The evidence submitted to the Committee on Interstate and Foreign Commerce in its study and investigation of the merchant marine attests to the woeful lack of vessels of this type.

Table V-D of Senate Report No. 2494, Merchant Marine Study and Investigation, tabulates the merchant vessels of the United States as of June 30, 1949, by size and speed. This tabulation includes active privately owned tonnage and all tonnage active or laid-up, owned or controlled by the Maritime Administration.

There are only three vessels listed with a speed of 21 knots or better. These vessels are the *America*, owned by the United States Lines, the *Washington*, owned by the Government and presently chartered to the United States Lines, and the *Lurline*, owned by Matson. The *Mariposa* and *Monterey* are sister ships of the *Lurline*.

There are three passenger vessels under construction, two for American Export Lines, and one for United States Lines, which will have a speed in excess of 21 knots.

The only other vessel in this speed range is the U. S. S. *Wakefield*, formerly the steamship *Manhattan*, which was acquired by the Navy during World War II, and converted to a transport.

This country is now embarked on a vast program to build up military strength with the utmost speed. This will include a substantial increase in the number of our Armed Forces. Similar preparation must be made to provide adequate transports for possible large-scale movement of troops.

Responsible officials of the Government have confirmed to me the need of the immediate acquisition of the vessels *Mariposa* and *Monterey* for conversion to troop transports.

It is true that section 902 of the Merchant Marine Act, 1936, gives to the Secretary of Commerce the power to acquire these ships—the same power requested by H. R. 9626. The principal difference is that section 902 is not operative in the absence of a specific proclamation of national emergency by the President. The issuance of such a proclamation is a matter of broad national policy, which goes far beyond the acquisition of two potential transports.

It should be noted that the standard of compensation provided by H. R. 9626 is exactly the same as the standard provided in section 902.

This is an emergency measure necessary for the defense of the country. I think it should be enacted now.

Mr. President, in view of the objection which apparently is going to be filed, I desire now to serve notice that I shall make a plea to the majority leader to permit this bill to come up by motion at the earliest possible hour, because I think we should demonstrate to the Nation that when ships are needed by the Defense Department and it makes a request for this kind of aid, the Senate of the United States will back it up.

The PRESIDING OFFICER. Is there objection to the consideration of the bill?

Mr. DOUGLAS. Mr. President, I do not object to the present consideration

of the bill, although I shall object to its passage for the time being. But I understand that certain statemen's were made about the fact that I was not performing my duty by being on the floor of the Senate. It is a well-known and established practice of asking colleagues to object to bills if a Senator is called away from the floor and he is opposed to them. That has been done at least 20 times this afternoon. I do not wish to hold this bill up merely on the basis of an objection of an individual Senator, but I desire to point out that there is a long history of negotiations surrounding these two ships; that in the past excessive sums have been involved. The matter has been gone into by the senior Senator from Vermont [Mr. AIKEN] when he was chairman of the Committee on Expenditures in the Executive Departments, and again on the floor of the Senate in 1949. There is very grave reason to believe that in the past there has been collusion between the Maritime Commission and the Matson Co. We may possibly be involved in a case of fraud and scandal, and, although I am sure none of it would involve any Senators, I think it is about time we watched what we are doing in these matters. It is my belief that the Government already has the power to requisition these ships by the Defense Production Act.

Furthermore, there is a great possibility that the President may declare a national emergency tonight in which case legislation most certainly will not be necessary. On the other hand, if we pass the legislation anyway, it will constitute a virtual mandate that these ships be purchased. If any Senator doubts this, he should read the report of the committee on this bill. Certainly the bill deserves debate and should not be passed on a Unanimous-Consent Calendar.

I would also like to say that if we need legislation to requisition ships it should be general legislation. It should not be directed solely to two ships, and especially not to two ships with such a history of shady negotiations.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. MAGNUSON. Mr. President, I rise to a point of personal privilege.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

Mr. SALTONSTALL. Mr. President, reserving the right to object——

SEVERAL SENATORS. Over.

Mr. SALTONSTALL. Mr. President, will the Senator from Illinois and other Senators withhold their objections long enough for me to read in the RECORD a statement on the subject? The statement comes in the form of a letter from the Department of the Navy.

Mr. CHAVEZ. Mr. President, if the bill is of such serious consequence as the Senator from Oregon [Mr. MORSE] indicates, it seems to me it should not be considered on the Unanimous-Consent Calendar. I would be willing to listen to a motion to consider it later. If it is of such consequence it should not be considered on the Unanimous-Consent Calendar.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a letter from the Navy Department relating to the *Mariposa* and the *Monterey*. I received the letter this morning from the Navy Department. It is signed by the Vice Chief of Naval Operations, Admiral L. D. McCormick. I present this letter after long discussions yesterday in the Committee on Appropriations. The letter states that the Navy at the present time needs these two ships, the *Mariposa* and the *Monterey*, and wants the bill to be passed in order to make the purchase of the ships possible. This is a completely different subject matter, as the Senator from Oregon and the Senator from Washington pointed out, than the previous controversy over the rehabilitation of the ships for civilian purposes. I agree with the Senators that the bill be passed.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE NAVY,
OFFICE OF THE CHIEF OF
NAVAL OPERATIONS,
Washington, D. C., December 14, 1950.

Hon. LEVERETT SALTONSTALL,
United States Senate,
Washington, D. C.

MY DEAR SENATOR SALTONSTALL: This is in response to your questions during hearings of the Senate Appropriations Committee today regarding the acquisition by the United States of certain vessels to be fitted and used as transports.

As you know, there are three President Line ships in building which are being acquired by the Government for use as transports. Such use of these ships is highly desirable because they are new and their construction has not progressed beyond a point so that their conversion for troop carrying will be unduly expensive.

There is also a proposal with which you are familiar to acquire the steamships *Mariposa* and *Monterey*, and to take steps necessary to convert them as troop transports.

The Navy Department has recommended that all five of these ships be acquired and fitted as transports. This recommendation was made in view of the existing international situation which makes it necessary that all reasonable steps be taken now to provide for large troop lifts. All five ships can be advantageously used in the light of contingencies which may now reasonably be foreseen.

I am informed that there are no prospective purchasers of a single ship of the President Line class and that the prospects for commercial operation of steamships *Mariposa* and *Monterey* are poor.

In connection with our conversation comparing the President Line ships and the three ships designed to compete in the luxury trade, I am glad to furnish the following characteristics:

	Length	Tonnage	Speed	Passengers
United States	940	60,000	31	2,000
Independence	682	20,500	25	972
Constitution	682	20,500	25	972
President Line ships	537	12,660	19.5	228

I trust that the foregoing is an adequate answer to your queries.

Cordially yours,
L. D. MCCORMICK,
Vice Chief of Naval Operations.

The PRESIDING OFFICER. The parliamentary situation is that objection is heard, and the bill will go over.

Mr. MAGNUSON. I ask unanimous consent that I may be allowed to address the Senate for 2 minutes.

The PRESIDING OFFICER. The Senator from Washington requests unanimous consent to address the Senate for 2 minutes. Is there objection? The Chair hears none, and the Senator is recognized for 2 minutes.

Mr. MAGNUSON. Mr. President, the junior Senator from Illinois [Mr. DOUGLAS] made the statement that some kind of fraud, collusion, or scandal was involved in this situation. I agree that there was considerable argument with respect to these ships in the past in connection with the old Maritime Commission. The present bill has nothing to do with that matter. The bill would merely authorize the Secretary of Commerce to negotiate for the purchase of the two ships which the Department of Defense says it needs. What the Government would pay for the two ships I do not know. How the Government would negotiate for their purchase I do not know. I have sufficient faith in Mr. Sawyer to know that he would probably get the best price he could. The argument over these two ships—and I am not familiar with the argument—was with the old Maritime Commission. That Commission has been abolished. It was abolished practically at my request. The bill has nothing to do with that argument. I do not think anyone should say that there is an atmosphere of fraud, collusion, or scandal involved here. The other matter has been investigated pro and con by the Senator from Vermont and the General Accounting Office and involves a past transaction. I do not think the controversy has been settled; has it?

Mr. AIKEN. It will probably take another 30 years.

Mr. MAGNUSON. It will probably take another 30 years to settle it. No price is set in the bill. The Government wants the ships for troop ships. I am becoming a little tired of being accused of something that happened 10 years ago. That question is not involved here at all, and I am not trying to talk about that. I am talking about a bill which would allow the Secretary of Commerce to negotiate for the purchase of two ships which the Government needs.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SALTONSTALL and Mr. DOUGLAS addressed the Chair.

The PRESIDING OFFICER. The Chair will try to see to it that every Senator is protected in his rights. However, the Chair has an obligation to the Senate as a whole. The Chair will ask the clerk to call the next order on the calendar and then recognize any Senator who wishes to be recognized.

The bill (H. R. 2093) authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Reidel was announced as next in order.

Mr. DOUGLAS. Mr. President, I ask unanimous consent that there be printed

at this point in the RECORD a letter from Mr. Raymond S. McKeough, under date of May 23, 1950, along with some other material. At the time the letter was written Mr. McKeough was Commissioner of the United States Maritime Commission. The letter is addressed to the Senator from Wyoming [Mr. O'MAHONEY] as chairman of the Subcommittee on Independent Offices Appropriations of the Appropriations Committee of the Senate. It should throw some light on the history of the negotiations surrounding the *Mariposa* and the *Monterey*, which will give a further indication of why I feel the bill should be debated and not passed on the Consent Calendar.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

UNITED STATES MARITIME COMMISSION,
Washington, May 23, 1950.

The Honorable JOSEPH C. O'MAHONEY,
Chairman, Subcommittee on Independent Offices Appropriations of the Appropriations Committee, United States Senate.

DEAR SENATOR O'MAHONEY: I am writing you in the matter of the steamship *Mariposa* and the steamship *Monterey*, owned by the Oceanic Steamship Co., a wholly owned subsidiary of Matson Navigation Co., about which Chairman Fleming, of the Maritime Commission wrote to you on May 16. As he stated in his letter, I do not concur with the decision of the Commission majority in this matter, and I desire to acquaint your committee with the reasons for my dissent. Circumstances make it impossible for me to submit to you a comprehensive brief dealing with all aspects of the matter. In the belief that you are generally familiar with the background and the 4 years of negotiations between the Government and the Oceanic Steamship Co., owner of the vessels, I shall only touch upon some of the major considerations which convince me that the latest decision of the Commission majority, submitted to you for approval by your committee, is unwise, not in the interest of the merchant marine, and not in the public interest, and, therefore, that it should not be approved.

I desire, however, to sketch the more recent developments in this matter with some of which your committee may not be fully familiar, and which are not touched upon in the report of the Commission majority.

In brief, the Commission majority proposes to pay to Oceanic the sum of $5,653,555.99, for which Oceanic would obligate itself in the main to complete the restoration of the *Mariposa*. This would require reopening and amendment of the so-called redelivery lumpsum settlement agreement covering both the *Mariposa* and *Monterey*, made in 1946 between the War Shipping Administration and Oceanic, under which the Government stands ready to pay to Oceanic approximately $1,900,000, if, as, and when Oceanic completes the reconversion of the *Mariposa*. However, under the existing contract, Oceanic need not complete the reconversion, in which case the Government owes Oceanic nothing. It is now proposed that the Government pay Oceanic approximately $3,800,000, over and above the $1,900,000 conditionally due, to persuade Oceanic actually to complete the reconversion of the *Mariposa*.

In addition, the Commission majority proposes to have the Government buy from Oceanic the SS *Monterey*, presently in a very much unfinished state, with reconversion only one-third completed, plus materials purchased or ordered by Oceanic but not yet installed in the *Monterey*. Under the majority decision, the price to be paid for the *Monterey* and the selection of the materials, as well as the price to be paid for them, would be left to the discretion of the Commission, with the sole proviso that the price be "deemed fair and reasonable by the Commission" and that the materials to be purchased be selected as deemed "advisable by the Commission in the public interest."

Apparently, the majority's proposal also includes a commitment to subsidize operation of the *Mariposa* on the Australia service. This feature, although important and controversial, is not covered in any detail in Chairman Fleming's letter to you of May 16, or the report transmitted with it.

In its three major features, this majority proposal is identical with one submitted to the Commission by Commissioner Carson in his memorandum of July 6, 1949, except that Commissioner Carson specified a purchase price for the *Monterey* and materials and spelled out details of the proposed subsidized operation of the *Mariposa*. In my memorandum of July 18, 1949, I explained in detail why I considered the proposal, in plain language, a "bail out" of Oceanic/Matson for its own managerial mistakes. Since, as stated, the proposal now submitted to you in substance is identical with Commissioner Carson's of July 6, 1949, I attach hereto a copy of my comments of July 18, 1949. This will make it unnecessary to repeat in detail the objections then raised by me which, in my opinion, are equally valid today.

With Commissioner Carson's proposal and my critical comments before it, the Commission last July decided to postpone action until after passage of the 1950 Independent Offices Appropriations Bill (H. R. 4177) which, as passed by the House of Representatives, authorized the Commission to acquire and complete the *Mariposa* or the *Monterey*, or both. House Report 425 (p. 32) accompanying the bill said that when buying either ship, or both, the Commission, "* * * in their sale to another United States-flag operator * * * may resell such ships on mortgage terms or may contribute a construction differential subsidy to the cost of improvements to the vessels or both." The Senate Committee on Appropriations (Report 639) added the following comment to that of the House Committee: "This Committee wishes to stress that the Maritime Commission, with its discretionary power, should protect the interests of the United States in all such negotiations."

You will note that the present proposal of the Commission's majority differs greatly from the arrangement the House and Senate Appropriations Committees had in mind. Instead of buying one or both ships for resale to another operator, Oceanic is to be given, in addition to the amount due under existing contract, a special subsidy of approximately $3,800,000 to complete the *Mariposa* for its own account, plus assurance of a special subsidy contract, with a provision for special accommodation of the seasonal needs of the Matson Navigation Co. which owns Oceanic. In addition, the *Monterey* is to be bought by the Government, not for resale to another operator, but to be laid up for use in a possible future emergency.

On August 1, 1949 (see CONGRESSIONAL RECORD, volume 95, part 6, pp. 10456–10466), the Senate discussed in detail the aforementioned authority proviso in the appropriation bill, as well as Commissioner Carson's proposal and the objections raised by me, with the result that the Senate decided to strike out the authority to buy one or both of the vessels for resale to another operator, which, as indicated, was a far more conservative approach than the one recommended by Commissioner Carson and now adopted by the Commission majority. The decision to strike out the authority was adopted in conference and the Commission was directed (conference rept. 1262 of August 12, 1949, pp. 9 and 10) to submit instead its recommendation on the matter to the appropriate legislative committees. Although the conferees took this action because, as they said, they were "unable to secure any estimate from the Maritime Commission as to what a proper and equitable contract would cost the Government," Chairman Fleming's letter of May 16 and the majority report omit an estimate as to what the proposed three-way action (*Mariposa*, *Monterey*, operating subsidy) would cost the Government. Instead, as pointed out, the purchase price of the *Monterey* and the materials is to be left to the Commission's discretion.

Following the action of the Congress in striking out previously granted appropriation authority for Commission acquisition of one or both of the vessels, the Commission, on October 14, 1949, on motion of Chairman Fleming, over my dissent, approved two-thirds of Commissioner Carson's July 6 proposal, i. e., decided to pay over $5,600,000 to Oceanic for Oceanic's completion of the *Mariposa* reconversion for its own account, and to offer Oceanic a modified special subsidy contract for the *Mariposa*, subject to the required statutory findings, the most important of which is Oceanic's financial ability to operate the subsidized service successfully. Since the majority action of October 14, 1949, did not provide for acquisition of either ship, the majority, while notifying the legislative committees of the action, decided that it need not await "consideration by the appropriate legislative committees of the Congress." The Commission, having left the fate of the *Monterey* entirely open, Oceanic promptly came back with a counterproposal that it either be permitted to sell the *Monterey* for foreign-flag operation or that the Government acquire the *Monterey*.

Following the October 14, 1949 majority action, the Government Operations Subcommittee of the House Committee on Expnditures in the Executive Departments held an informal hearing on October 18, 1949, with the chairman and other members of the committee, as I recall, expressing considerable doubt as to the wisdom and equity of the majority decision. Growing out of this hearing the Comptroller General ruled by memorandum of November 8, 1949, to Congressman PORTER HARDY, Jr., with copy to the Commission, that the proposed payment of over $5,600,000 to Oceanic, under the revised terms approved by the Commission majority, would not seem to be "in satisfaction of an obligation properly incurred against funds of the War Shipping Administration prior to January 1, 1947," failing which the funds would not be available for the proposed payment, with a new appropriation in consequence required for such payment.

Hoping that the objections of the Comptroller General might be overcome, the Commission proceeded with the implementation of the majority's October 14 action. The necessary findings as to Oceanic's financial adequacy caused considerable difficulties, the Commission's staff finally finding Oceanic financial resources inadequate. Oceanic's president and vice president opposed this finding in a meeting with the Commission and further negotiation at the direction of the Commission ensued which, however, failed to convince the Commission's staff of the adequacy of Oceanic's finances. In a new report to the Commission, dated March 6, 1950, the Chief, Bureau of Government Aids, had this to say in conclusion:

"Certainly, the unwillingness of Matson Navigation Co. to lend financial support to its subsidiary indicates a lack of confidence on the part of the stockholders in the success of the undertaking, and, if the stockholders have no confidence, there is no reason why the Commission should be any more confident on this subject."

In resubmitting the entire matter to the Commission, the staff, confronted with a legal ruling (memorandum of March 7, 1950 from the General Counsel) that the Commission had no authority to acquire the *Monterey* unless it first "affirmatively deter-

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mines the subject vessel is necessary for use upon another essential service," recommended that the Commission permit the sale and transfer foreign of the *Monterey*, as not needed for our merchant marine or for emergency use. Oceanic's existing contractual obligation to keep the *Monterey* under United States flag until April 28, 1952 (the *Mariposa* until December 17, 1951), was to be waived (the specific penalty provided for in the original nominal-interest loan agreements being totally ignored) in consideration of Oceanic's obligating itself to restore the *Mariposa*, although under the same original construction loan contracts Oceanic was not only required to keep the *Mariposa* (as also the *Monterey*) in the highest classification of the American Bureau of Shipping (i. e., in good repair), but, under the Commission's majority action of October 14, 1949, the Government was to pay Oceanic an extra $3,800,000 (approximately) in consideraiton of Oceanic obligating itself to restore the *Mariposa*.

On April 25, 1950, the Commission, after listening to further protests by Oceanic's vice president against the financial recommendations of the Commission's staff, decided unanimously not to permit the sale foreign of the *Monterey*. No action was taken on any of the remaining staff recommendations but instead, upon motion of Commissioner Coddaire, over my dissent, the Commission made three determinations and recommendations requesting the Chairman to transmit them with all pertinent facts to the Congress. These determinctions appear in full on page 9 of the report attached to Chairman Fleming's letter to you of May 16, 1950, and have been rephrased, with substantial modifications in detail, into the two questions appearing on page 1 of the letter of May 16 proper.

This brings the situation up to date, although many important details have necessarily been omitted from this abbreviated chronological sketch.

In the following, I shall comment on the proposal of the Commission, attempting to supplement rather than repeat the comments contained in my memorandum of July 18, 1949 (attached) to which I have already referred.

The first proposal is for payment of $5,653,555.99 by the Government to bring about the restoration and modernization of the steamship *Mariposa*. Under existing contract, the Commission would have to pay Oceanic approximately $1,900,000 upon completion of the restoration, now about 60 percent complete, of the *Mariposa*. I would see little objection to assist Oceanic by paying this sum in advance, if completion within a reasonable time were assured by means of a bond. However, Oceanic is to be paid not only this sum, but an additional $3,800,000 (approximately), or twice again as much, provided Oceanic agrees to complete the restoration. It is true that under the existing settlement contract the Government cannot compel Oceanic to finish the work. However, if it is not finished, the Government saves approximately $1,900,000. Moreover, no attempt has been made to enforce the original loan agreement (at nominal interest rate) under which the *Mariposa* was built and which still requires Oceanic to keep the *Mariposa* in the highest class of the American Bureau of Shipping. Instead, Oceanic is to be paid three times the remaining sum conditionally due it under the settlement contract, solely to persuade and assist the company to finish the reconversion of its own ship, for its own account and future use.

This is a novel kind of subsidy for which the Merchant Marine Act, 1936, makes no provision. To the contrary, the 1936 Act, in order to keep our merchant marine really modern and competitive, limits the economic life of a vessel to 20 years and prohibits the subsidization of a vessel older than that except under very special circumstances, and even in those exceptional cases, it is evident that older vessels should be subsidized only until modern replacement vessels can be completed. The Merchant Marine Subcommittee of the Senate Interstate and Foreign Commerce Committee recently completed hearings at which special emphasis was laid by all, members and witnesses alike, on the urgent need for new vessel construction as the only means of survival of even a nucleus of the American shipbuilding industry, so urgently needed in case of war. In my own testimony before the subcommittee I pointed out that for the bulk of our fully built-up dry cargo and tanker fleet, earnings rather than added vessels are the need of the hour, and that work for our shipyards would have to come from the building of new passenger ships for which construction differential subsidy is available under title V of the 1936 act.

I consider it therefore detrimental to the American merchant marine and the American shipbuilding industry, if vessels which have practically reached the end of their economically useful life are rehabilitated, instead of new vessels being constructed. The *Mariposa* will be 20 years old in December 1951, 1½ years from now, i. e., before a modern replacement vessel can probably be completed. The Commission has just unanimously opposed legislation calling for the rehabilitation of old vessels for Great Lakes operation, on the grounds that such rehabilitation does not promote a modern, competitive merchant marine and instead would further reduce the prospects of new construction work, so urgently needed by our shipyards.

The Commission cannot, of course, object to Oceanic completing the restoration of the *Mariposa*, and stands ready in that case to pay the balance due on the *Mariposa* under the existing settlement contract. The restoration was contemplated to be completed 3 years ago, and would have resulted in nearly 5 years of operation before the vessel became 20 years old. My objection, on the other hand, is directed against the payment of a special incentive and bonus, in fact, a special subsidy, of nearly $3,800,000 for the rehabilitation of a vessel practically over-age when completed, even though the intended modernization is alleged to give the *Mariposa* an added useful life of 15 years. That modernization, to the best of my knowledge, is limited almost wholly to the passenger accommodations. In hull design and engines, the *Mariposa*, when completed, will hardly be comparable to modern vessels and surely not those built 5 or 10 years from now.

To pay a special subsidy of nearly $3,800,000 as an incentive for the rehabilitation of an old vessel appears especially incongruous in the light of the strong representations to Congress by the shipping industry that the age at which vessels may be traded in to the Government for an allowance against the price of a new vessel should be reduced from 17 years to 12 years, in order to stimulate modernization of our fleet. The Commission objected to this proposed legislation only on the grounds that the 1936 act already permits the trading in of 10-year-old vessels so that there was no need for the proposed amendment.

In the foregoing, I have referred to the payment of approximately $3,800,000 proposed by the Commission's majority over and above the approximately $1,900,000 conditionally due Oceanic for completion of the *Mariposa*, as a special subsidy. I fail to see how it can be interpreted otherwise. The fact that the added sum proposed to be paid for the *Mariposa* is the amount which Oceanic would receive under existing contract if it completed the reconversion of the *Monterey*, makes it no less a subsidy if the payment is to be made without Oceanic completing the *Monterey*.

The so-called "lump-sum settlement agreement" between the War Shipping Administration and Oceanic is a lawful, valid contract. It was freely entered into, as the report of the majority (p. 3) attests. To rewrite it now so as to pay Oceanic for finishing one ship what the Government agreed to pay upon completion of two ships, would be as I have previously stated, a bail-out at taxpayers' expense. This becomes overwhelmingly clear when we review the events which caused Oceanic's present plight and the 3 years of persistent attempts to rewrite the contract in favor of Oceanic.

Under the agreement under which the *Mariposa* and *Monterey* were chartered and subsequently requisitioned by the Government, through the War Shipping Administration, that agency was obligated to restore them to their former condition, ordinary wear and tear excepted, or to make such other arrangement as was mutually acceptable to it and Oceanic. This contract clause, freely agreed to, rather than the fifth amendment to the Constitution of the United States, governed the obligation of the War Shipping Administration.

Under this clause, the lump-sum settlement agreement was entered into in August 1946. It provided that the vessels were to be returned to Oceanic, and Oceanic was to be paid approximately $5,650,000 each in settlement of all redelivery obligations of the Government, as follows: one-third when the reconversion work was commenced by Oceanic, one-third when half completed, and the last third when fully completed. It was further agreed between Oceanic and War Shipping Administration that competitive sealed bids would be invited on Commission-approved reconversion specifications, plus certain improvements desired by Oceanic for its own account, and that another wholly owned subsidiary of the Matson Co., United Engineering Co., a repair yard of San Francisco, was to be awarded the contract by Oceanic if United Engineering was low bidder. United Engineering, Oceanic, and the War Shipping Administration agreed that United Engineering would submit a bid not exceeding the amount of the estimate of the Technical Division of the cost of the Government's redelivery obligation, plus the cost of Oceanic's own improvements. No such opportunity was apparently offered any other bidder.

The invitation provided for fixed price bids and the terms and conditions of War Shipping Administration Warship-Lumpsumrep (April 10, 1945) contract. Three bids were received; the "low" bid, $6,881,500 by United Engineering; the second low bid, $8,250,000 by Newport News Shipbuilding and Dry Dock Co.; and the third bid, $8,900,000 by the Bethlehem Steel Co., New York. All of these bids covered not only the reconversion, but added work for Oceanic's account as well. As agreed between WSA and Oceanic, Oceanic awarded the contracts to United Engineering, but a copy of the contract, which has just become available shows that instead of awarding the work on the basis of the fixed price bid of $6,881,500, submitted by United Engineering, the contract provided for Oceanic to pay whatever the cost turned out to be. (There was to be no profit.)

It may well be held that the "second low" bidder, Newport News Shipbuilding & Dry Dock Co., the country's largest shipbuilder, was deprived of the contracts through a competitive "low bid" by Oceanic's affiliate which was neither fair nor competitive, in view of the subsequent contract award which bore no resemblance to the bid.

I do not know whether the lawfulness and propriety of these proceedings have ever been investigated. I do know, however, that they were the direct cause of Oceanic's financial distress and its appeal to the Government for help. As it turned out, Newport News was

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not the only loser. Whether due to United Engineering's lack of experience, excessive overhead, or other reasons, the cost of the work on the two vessels exceeded estimates so greatly that Oceanic called a halt in 1947. All work stopped, and it has not been resumed since. Shipyard workers had to be laid off.

With the *Mariposa* work about 60 percent and the *Monterey* work about 30 percent completed, Oceanic, which paid the bill under its ceilingless contract, claims that it has already paid, for the work so far on the two ships, approximately $17,500,000 (including $3,255,000 so-called committed expense items), compared to Newport News' fixed price bid of $8,250,000 per vessel, or $16,500,000 for both, for the complete job, including reconversion and modernization. Newport News, it must be presumed, would have completed the work at the bid price irrespective of any possible cost increases. Thus, if the real low bidder had received the contract, the vessels would have been completed long ago, and the Government would not be asked, as it has been asked persistently over the past 3 years, to foot the bill for Oceanic's mistakes. Actually these mistakes were Matson's, whose management was the same as that of Oceanic and United Engineering (part of which Matson recently sold). It is regrettable that Matson, a strong, financially very potent company, has so far been unwilling to repair the damage it caused, sending instead its subsidiary Oceanic to the Government to ask for relief.

In connection with Oceanic/Matson's decision to halt all work on the *Mariposa* and *Monterey*, two facts should be noted:

The first fact is that the steamship *Lurline*, the third of the *Mariposa* and *Monterey* group of vessels, owned directly by Matson, and redelivered by War Shipping Administration from war service under what appears to have been the same type of lump-sum settlement agreement providing for three progress payments, was reconverted and has since been operating successfully in Matson's Hawaii service.

The second fact worth noting in connection with the stoppage of all work on the *Mariposa* and *Monterey* is that Oceanic advised the Commission at first that it saw no prospects whatever for a profitable resumption, even with operating subsidy, of the service to Australia in which the two vessels operated before the war. More recently a place for part-time operation of one vessel, with operating subsidy, is seen by Oceanic with the same vessel serving in Matson's domestic luxury passenger service between the west coast and Hawaii during part of the year. The Commission's Trade Routes Committee, which vigorously opposed as inadequate and impractical one-ship services on relatively short routes, such as the North Atlantic, and between New York and Cuba, in spite of the far more frequent sailings even a single ship can make over the relatively short routes involved, recommended, although reluctantly, that Oceanic's proposed one-vessel part-time service to Australia, a far longer route, be approved on the theory that one vessel is better than none. I question the soundness of this theory under which, presumably even one sailing is better than none. As indicated, in other instances in which subsidized one-ship operation was considered, the same committee found such operation uneconomical and noncompetitive.

Thus, we find that Oceanic is to be given a subsidy of nearly $3,800,000 by special legislation or committee action, in abrogation of a valid contract, to complete the reconversion of the nearly 19-year-old *Mariposa*, in order to have that vessel operate under a subsidy contract providing for a probably inadequate service accommodatingly revised to suit Matson's program, without any provision for construction of a replacement vessel, and in the face of repeated staff findings that Oceanic is not at the present time financially qualified, under the 1936 act, to receive an operating subsidy contract. There is no doubt in my mind that this proposal of the Commission's majority in every respect violates the various admonitions and exhortations of the several congressional committees to which I have referred earlier.

Before leaving the proposal concerning the *Mariposa*, I would like to refer briefly to the objections raised by Commission counsel against the Comptroller General's ruling as to the nonavailability of the existing appropriation for WSA obligations incurred before January 1, 1947; I would also like to review certain added considerations offered by Oceanic, which the Commission majority holds would justify reopening and amending the 1946 settlement contracts.

Commission counsel argues that the added payment to Oceanic would be in satisfaction of an obligation incurred before January 1, 1947, and, therefore, properly paid for from funds appropriated for such obligations of the War Shipping Administration. Yet at the very same time, counsel argues, and the Commission majority concurs, that the legal consideration for amendment of the WSA contract and payment of money conditionally due for the *Monterey*, for the *Mariposa* instead, is the new added positive obligation on the part of Oceanic definitely to complete the *Mariposa*. I fail to see how the proposed tripled payment by the Government can be held to be justified by a new counterperformance on the part of Oceanic, so as to overcome the Comptroller General's doubts as to the presence of a valid legal consideration permitting rescission of the contract, while at the very same time your committee is told that the tripled payment for the *Mariposa* is really an old obligation, incurred long, long ago, which argument is intended to overcome the Comptroller General's finding that WSA funds set aside for old obligations may not be used.

I believe in fair play. I do not believe in heads I win, tails you lose.

Now as to some of the further added, new considerations, which, according to the majority report, distinguish the proposed settlement from Oceanic's obligation under the original loan agreement to keep the *Mariposa* in the highest state of condition and repair: You are told, for instance, that under the proposed addendum the Government would be protected by insurance; its redelivery obligations would be released and it would be protected against paying a second time for the money allowed for reconversion, in case of future requisitioning.

As to the insurance protection, it applies only during the reconversion. There is no provision for insurance protection of the Government's added contribution after the work is completed, so that in case of total loss of the *Mariposa* after its restoration, the Government would recover nothing towards its added investment, nor would Oceanic be required to use insurance proceeds towards construction of a replacement, although the availability of the *Mariposa* as a passenger vessel and potential troop transport is one of the main arguments offered in outward justification of the proposed action. This availability, I submit, is in no way assured, since apart from the lack of a replacement requirement in case of loss or after a given number of years, there is also no provision for the *Mariposa's* operation, or even documentation under the American flag, for the period of the allegedly added 15 years of life. Oceanic would be free to apply for transfer to foreign flag, and should the political situation quiet down, there is little doubt, judging from the actions of the Commission majority on transfer applications during the post war period, that Oceanic's application for permission to sell and transfer the *Mariposa* to a foreign flag would be approved, particularly if the Australian service conforms to Oceanic's earlier pessimism, and in view of the *Mariposa's* advanced age and doubtful ability to compete with vessels built now, or 5 years from today.

As to the release of the Government's redelivery obligations, claimed in the majority report as a new, added consideration justifying the proposed tripled payment for the *Mariposa*, this is a mystifying claim. Obviously, the existing settlement contract already provides for a full release of the Government's obligation growing out of the Government's wartime use of these vessels.

Finally, you are told (p. 6 of majority report) that Oceanic offers an agreement "which protects the Government in possible future payments of just compensation for *Mariposa* or *Mariposa's* use by eliminating $8,519,453 (the sum of Government's funds utilized in *Mariposa's* restoration) [if the majority's present decision is carried out] from *Mariposa's* value for just compensation purposes."

I cannot concede that the prospect of possible return of a given sum in the event of a future emergency, an occurrence which the Government does not control, would justify the Government to pay today a huge sum not otherwise due. Today's payment is definite; tomorrow's return speculative, a relationship of events which ordinarily is considered gambling. It would be a bad gamble, moreover, since the proposed addendum, attached to Chairman Fleming's letter of May 16, 1950, does not in fact furnish the claimed protection. This becomes apparent from a comparison of "4." of the addendum with section 802 of the 1936 act, which realistically protects the requisition value payable by the Government, not only by limiting the value, whereas the proposed addendum would only provide for a definite deduction from a wholly indefinite value, but most importantly, by providing that the value limitation, in the case of section 802, "shall run with the title to such vessel or vessels and be binding on all owners thereof."

The addendum proposed by the Commission majority is significantly devoid of such provision, which could easily have been added. Instead, Oceanic would agree to notify potential future buyers of the *Mariposa* of this provision of the addendum, for a rather elusive purpose, since under the addendum, if the Commission must pay such future owner just compensation without an appropriate deduction, Oceanic, not the future owner, would be obligated to keep the Government harmless.

Your committee will wish to weigh the value of this complicated, and legally highly dubious provision, were Oceanic to sell the *Mariposa*, for instance, to Matson and thereupon liquidate, surely a reasonable possibility in view of Oceanic's difficult financial condition and the doubtful prospects of the Australia service.

In addition to the above described defects of the proposed addendum, it lacks any protection against an overpayment in case of purchase of the *Mariposa* by the Government. By contrast, section 802 of the 1936 act provides such protection in the case of requisition or purchase.

One final aspect of the proposed payment of $5,653,555.99 for completion of the restoration of the *Mariposa:* This amount, as you know, includes approximately $3,750,000 remaining from the total of $5,653,316 agreed as total sum payable on the *Monterey*. Included in the settlement sum for each vessel is approximately $1,300,000 as the Government's share in the cost of fireproofing the vessels upon restoration, plus installation of large evaporators selected by Oceanic as a means of providing the necessary counterweight to offset the topside weight of the fireproofing. The Government's obligation to pay for any part of the fireproofing and consequential ballasting was by no means clearly established, but the Comptroller General ruled that "the cost of compliance with Coast Guard require-

ments for fireproofing may be regarded as an obligation of the WSA.

Since under the proposal submitted to you by the Commission majority, the *Monterey*, now only 30 percent reconverted, would not be completed by Oceanic, it seems that Oceanic would not comply with the Coast Guard's requirement. Under these circumstances, payment to Oceanic of the cost of fireproofing which Oceanic will not perform, appears wholly unconscionable. The corresponding amount, i. e., approximately $1,300,000, should in any event be deducted from the proposed payment to Oceanic.

Having dealt at unfortunately all too great length with the *Mariposa*, without in any way covering all aspects of the proposal in full, it remains for me to explain my objection to the further proposal that the Government acquire the unfinished *Monterey*. While question 2, propounded in Chairman Fleming's letter to you of May 16 describes the *Monterey* as "a vessel capable of restoration and modernization for operations on essential United States trade routes (and) as a potential naval auxiliary" the report submitted at the same time (p. 8) states:

"Neither the Government nor Oceanic contemplate further restoration of the *Monterey* at this time nor does the Commission deem it necessary now to utilize the *Monterey* in service upon an essential United States trade route."

The fact is that the Commission has neither a purchaser, nor a long-term charterer, nor a trade route in prospect for the *Monterey*. In my memorandum of July 18, 1949 (attached), I pointed out that the Government already owns a good number of passenger vessels of similar size, some of them faster, others far more modern, which it has been unable to sell or to employ at worthwhile charter rates. I pointed to the record of repeated pronouncements on the part of the administration in opposition to construction by the Government of vessels for which no buyer is assured in advance. Acquisition through purchase should surely fall under the same injunction. I also pointed to the unavailability of funds to modernize passenger ships already Government owned, for commercial operation, on the one hand, or to repair Government-owned vessels for greater readiness in case of war, on the other hand, making it appear very dubious, to say the least, that tax funds should be used to buy still another old passenger ship, this one in a state of incompletion, plus materials intended for restoration to a luxury passenger ship, when the Government admittedly has no intention to restore the vessel to operation.

To my comments of last year, equally valid today, I would like to add, however, that the Commission even now has full authority to purchase the *Monterey* under the 1936 act. I am referring to section 510 under which the Government stands ready to take vessels 17 years and older in trade-in on new construction. Special authority to circumvent the letter and spirit of the 1936 act, to the detriment, as I have explained, both of the American merchant marine and our distressed shipbuilding industry, is now sought by the Commission's majority to permit purchase of the *Monterey* for cash, without new construction.

I do not think that the 1936 act should be rewritten in special accommodation of Oceanic, which, according to the majority report (p. 8) has requested the Commission either to acquire the *Monterey* plus materials, or to approve transfer foreign because, according to Chairman Fleming's letter of May 16, "* * * it may be unable to close the *Mariposa* transactions except concurrently with the acquisition by the Commission of the *Monterey* and certain materials for her restoration."

Here we have a case where even the tripling of the payment conditionally due on the *Mariposa*, and the promise of an operating subsidy contract, modified to suit every desire of Oceanic/Matson, will not persuade Oceanic/Matson to finish the *Mariposa*, but where the Government, in addition, is asked to take the *Monterey* off Oceanic's hands, plus materials, for neither of which the Government has any certain use, against full payment by the Government, apparently including payment for materials purchased with the Government's first installment under the settlement contract, for which materials the Government thus is asked to pay a second time.

These terms I consider outrageous. I urge your committee to disapprove them.

The Commission majority, regardless of Oceanic's request and statement of inability to go through with the *Mariposa* proposal without the Government's purchase of the *Monterey*, states that it advances the proposal to acquire the *Monterey* upon its own merit. The majority explains this fortuitous coincidence by its following formal determination (see p. 9 of report):

"2. The Commission believes the *Monterey* is suitable for use of the United States in time of war or national emergency."

This determination was made immediately following disapproval, unanimous, of a staff recommendation by the Commission's Chief, Bureau of Government Aids, and the general manager, that the sale and transfer foreign of the *Monterey* be permitted in view of the lack of need of the vessel for the national defense.

The aforementioned determination as to the *Monterey's* suitability for war use, together with the decision to request enabling legislation permitting the Commission to acquire the *Monterey*, presumably for potential war use, since no commercial operation is in prospect, was made by majority action of the Commission on April 25, 1950. Nine days later, on May 4, 1950, Chairman Fleming inquired of the Secretary of the Navy (letter attached to Chairman Fleming's letter to you dated May 16), "* * * if you consider the steamship *Monterey* a vessel suitable for economical and speedy conversion into a naval or military auxiliary, or otherwise suitable for the use of the United States in time of war or national emergency."

By letter of May 12 (likewise in your hands), the Secretary of the Navy declared the *Monterey* suitable for economical and speedy conversion into a naval or military auxiliary or otherwise suitable for war use, adding that the Navy would under present circumstances object to transfer of the *Monterey* to foreign flag, and closing with a request to be informed as to the condition and material readiness of the steamship *Monterey* when this status is determined by survey. Apparently, no information as to the condition and material readiness of the *Monterey* was available to the Department of the Navy when the declaration was made as to the suitability of the *Monterey* for economical and speedy conversion.

The United States Government does not to my knowledge, except during a formal state of emergency or war, acquire privately owned vessels for the purpose of lay-up for use in a potential future emergency. Obviously, once the authority is granted and the precedent is established, other owners, including highly efficient operators of vessels suitable for war use (all ships are) for which no profitable employment is available, will look to the Government to take such surplus vessels off their hands.

I see neither a case in equity nor in factual need on the part of the Government, for the purchase of the *Monterey* from Oceanic, except through the mechanism of section 510 of the 1936 act. The fact that I do not believe the Government should buy the *Monterey* for possible future war use, does not, however, indicate that the *Monterey* fails to have such potential usefulness. Were the Government to sanction the "either/or" approach of Government purchase or permission to sell foreign, as the only, and perfectly proper alternative, the end of the privately owned American-flag merchant marine would be at hand. Whatever is found right for Oceanic/Matson in spite of the record of the *Mariposa-Monterey* case, should surely be right for every other American shipowner.

In conclusion, it is my earnest recommendation that your committee reject and disapprove in all parts the proposal of the Oceanic Steamship Co. as advanced to you by the majority of the Commission. This does not mean that I see no solution that might restore one or both of the vessels to operation. I offered such a solution in my earlier memorandum to the Commission of November 30, 1948, of which I attach a copy hereto, for your information. The proposal, which unfortunately was given short shrift by Oceanic/Matson, remains valid today. In addition, I again call attention to section 510 of the 1936 act. In either case I am ready to assist any equitable proposal of Oceanic/Matson within the framework of the 1936 act. I am opposed, however, to having the United States Government "bail out," whether by interpretation or special legislation, a private corporation which brought upon itself whatever its difficulties are, and the owners of which, moreover, seem to be entirely able to overcome those self-made difficulties without special assistance from the public Treasury, over and above that available under existing laws and contracts.

Sincerely yours,

RAYMOND S. MCKEOUGH,
Commissioner.

JULY 18, 1949.

UNITED STATES MARITIME COMMISSION—COMMISSIONER RAYMOND S. MCKEOUGH—THE CASE OF THE STEAMSHIP "MARIPOSA" AND THE STEAMSHIP "MONTEREY"

Reference is made to Commissioner Carson's memorandum of July 6, 1949, in substance recommending acceptance of the Oceanic Steamship Co.'s proposal of September 15, 1948. I recommend disapproval for the following reasons:

1. Oceanic, claiming that the cost of reconverting the *Mariposa* and *Monterey* and of the improvements Oceanic decided to make, has expanded beyond its financial ability, and that operation of two passenger ships in the Australian trade is unwarranted, asks the Commission, and Commissioner Carson so recommends, for four concessions:

First, the Commission is to reopen and revise the redelivery settlement contract between the War Shipping Administration and Oceanic so as to pay Oceanic for the completion of the *Mariposa* not only what is still due under the contract for the *Mariposa*, approximately $1,900,000, but also the remaining two-thirds, approximately $3,800,000, of what War Shipping Administration agreed to pay for the reconversion of the *Monterey*, while at the same time waiving the completion of the *Monterey*.

Second, the Commission is to take over from Oceanic the one-third completed *Monterey* for which Oceanic says it has no use, plus all materials delivered or ordered, for approximately $4,600,000, the book value of the vessel and the full cost of the material.

Third, the Commission is to grant Oceanic a 10-year extension of its operating subsidy contract modified to require operation of the *Mariposa* only, under special waiver in view of her advanced age.

Fourth, the Commission is to permit diversion of the *Mariposa* from Oceanic's Australia service to the Hawaii service of the Matson Steam Navigation Co., Oceanic's parent, for four or more round trips each year.

It is easy to see how the question of "bail-out" arose, although Commissioner Carson says on page 10 of his memorandum of July 6 that whether "* * * mitigation of the terms of the agreement must perforce be deemed a release from its own (Oceanic's) improvidence * * * is not the question before us." The existing contracts, Oceanic's difficulties, and its proposal for Commission action to extricate it out of this situation, in my judgment, put this question very much before us. Whether or not the motive of those favoring Oceanic's proposal is the desire to release it "from its own improvidence," the effect would be just that.

2. Oceanic voluntarily and freely entered the contracts under which the Government would pay it approximately $11,300,000 if Oceanic reconverted the two ships. There is no claim or even hint of duress. I am told by Captain Conway, War Shipping Administrator when the contracts were entered into, that it is his recollection that Oceanic avidly sought the contracts and did not at all object to their terms.

Oceanic began the reconversion. Whatever the reasons—the award of the contracts to a repair yard, likewise a subsidiary of Matson, with rejection of the fixed price bid of the Newport News Shipbuilding & Dry Dock Co. no doubt was a major factor—Oceanic/Matson found that the cost would exceed estimates. Moreover, the prospects of the Australian passenger service appeared more doubtful. Aware of the Government's anxiety about the state of the United States flag passenger ship fleet, and of west coast shipyard labor's desperate need for work, Oceanic halted the reconversion work and told the Nation and the Commission that work would not be resumed under the agreed terms, but only if the Government would double and triple its cash contribution by paying Oceanic for one ship what Oceanic had freely accepted as the proper payment for two ships and by taking the second ship and all materials off Oceanic's hands without loss to Oceanic, thereafter, if the Government desired, completing the second ship at is own (Government's) expense at an additional cost of $10,000,000 or more, throwing in for a bargain a request for a 10-year operating subsidy contract for greatly reduced service but with special accommodation for Matson, the parent.

All this with the implication that, if the proposal were not adopted, the Commission, not Oceanic, would have to bear the responsibility for nonrestoration of Oceanic's two ships and the resultant loss to shipyard employment, the American merchant marine, and the national defense. I protest both the approach and the terms offered by Oceanic which I consider unwarranted from the viewpoint of the interests of the United States Government.

3. The proposal under discussion is Oceanic's second. When it was first discussed last September, I pointed out that it was even more unfavorable than the first proposal which the Commission unanimously rejected on July 1, 1948. This still applies. Under the first proposal, as shown by the staff committee memorandum of May 17, 1948, to the Commission, the latter would have acquired both vessels for $10,827,000 whereas under the present proposal, the Commission would acquire only one vessel with a cash outlay of approximately $10,-200,000.

4. The Commission is now being told in essence that it may reopen the contracts, indeed any contracts, and change their terms at its discretion, provided such action in its opinion would substantially benefit the Government. The Commission is also told in the legal memorandum attached to Commissioner Carson's memorandum of July 6, 1949, that its "* * * discretionary power is not dependent upon its being wisely exercised."

There is much I would like to say about this amazing thesis, but in the interest of brevity I merely call attention to the fact that the Appropriations Committee of the Senate of the United States vetoed this concept in the case of the *Mariposa* and *Monterey*. In recommending continued authority for the Commission to acquire and complete Oceanic's ships, the Senate committee not only pointedly admonished the Commission to "protect the interests of the United States in all such negotiations" (p. 10 of Rept. 639, July 8, 1949) but inserted in the bill proper the very word "wise" before the word "discretion."

We may be told that this has little legal weight, but I for one cannot conceive that this and the rather unusual congressional admonitions and qualifications in both the House and the Senate reports are anything except warning signals which the Commission cannot brush aside with impunity. I may add that both the House and the Senate committee made it quite clear that the appropriation authority granted the Commission is no directive to acquire the *Mariposa* or *Monterey*, or both. It is an administrative matter for which the Commission remains responsible; the Congress merely made it possible for the Commission to deal with the matter on its merits.

5. Commissioner Carson recommends that the Commission reopen a settlement and reverse a decision made by its predecessor in office, the War Shipping Administration. In his decision of July 21, 1936, 16 Comptroller General 51 (A–66863), the Comptroller General, based on a long line of court decisions, said:

"It is a principle of long standing that an officer of the Government may not reopen a settlement or reverse a decision made by his predecessor in office except upon production of new and material evidence, or to correct manifest mistakes of fact such as errors in calculation, or for fraud or collusion."

None of the conditions listed in the Comptroller General's decision are present in our case. Commissioner Carson does not refer to this decision but on page 9 of his memorandum of July 6 concludes that approval of Oceanic's proposal by the Commission would be "* * * not subject to review as to the exercise of its authority by the courts or an accounting officer of the Government."

The opposite is true. Any further payments under the War Shipping Administration contracts involved, whether or not they are rewritten, would have to come from the special fund set up in the Treasury Department for the payment of obligations incurred by the War Shipping Administration prior to January 1, 1947, which includes redelivery obligations with respect to privately owned vessels used by the Government during the war.

As to such payments, the Congress has superimposed the authority of the Comptroller General over that of the Commission by requiring the Comptroller General's certification of the propriety of vouchers presented by the Commission to the Treasury Department. In the case of the *Mariposa* and *Monterey*, there is good reason to assume that the Comptroller General, regardless of what he may do in other cases, will very carefully review the propriety of Commission revision of the WSA contracts to the substantial financial advantage of the other party: In his letter of July 31, 1947, the Comptroller General questioned the propriety of even the existing WSA settlements of the *Mariposa* and *Monterey* redeliveries.

Thus already on record, the Comptroller General holds full veto power over the action recommended by Commissioner Carson.

6. The Commission is told that Oceanic's proposal is "substantially advantageous to the Government." I do not believe it is.

First, we are told, the proposal is advantageous because it would assure the completion of reconversion of the two ships which the existing contracts did not assure. I do not quite see how agreement to complete the *Mariposa* could serve as a consideration, under the proposal, of payment by us of approximately $5,600,000, inasmuch as completion of the *Mariposa*, under the existing *Mariposa* contract, would already be the consideration of our paying Oceanic approximately $1,800,000.

Commissioner Carson's recommendation, moreover, would assure completion of the *Mariposa* only. There are no recommendations as to the completion and disposal of the *Monterey*. Under the present contracts, the cost to the Commission, from here on, for the completion of the *Mariposa* would be approximately $1,800,000. If the ship is not completed, there will be no further cost to the Government. Under Commissioner Carson's recommendation, the total cost to the Commission would be approximately $10,-200,000, or nearly six times as much. I do not believe that a prudent businessman would pay $8,400,000 for assurance of completion.

Such a contribution to private enterprise for the purpose of persuading it to restore its own property would be a new type of subsidy of which the 1936 act says nothing. Were it not for the assumption that the Government is anxious to have Oceanic complete the *Mariposa*, the proposal, not only to raise the ante, but to sextuple it, I believe, would never have been made in serious vein.

7. True, the Commission, by the increased total payment to Oceanic, in addition to assuring completion of the *Mariposa*, would also acquire the unfinished hulk of the *Monterey*. However, the Commission is not in the business of buying up old passenger ships, and particularly incomplete ones, in order to take them off their owners' hands, except under title V of the 1936 act, in trade-in on new construction which Oceanic does not propose.

The Commission already owns several old passenger ships such as the *Washington* and the three "good neighbor ships," as well as some new ones, including the *President Wilson*, *President Cleveland*, and *LaGuardia*, none of which, unfortunately, it has been able to sell. To add to that unwanted Government-owned fleet still another old ship, particularly what is in reality only one-third of a ship, is advantageous neither to the Government nor to the merchant fleet.

On the other hand, were the Commission to complete the *Monterey*, the Government's investment in that ship would exceed $18,-400,000 made up of approximately $3,800,-000 to be paid under the proposal to Oceanic as balance of the *Monterey* contract, about $4,600,000 purchase price, and $10,000,000 plus for completion. With the cost of building a fully up-to-date new passenger ship of similar size estimated at between $20,000,000 and $25,000,000, investment of over $18,400,000 in a ship which is already almost overage surely would be neither "wise discretion" nor "substantially advantageous to the Government."

Nor does the proposed payment of $4,600,-000 for the hull of the *Monterey* and materials appear to have been properly computed. There is no provision for deduction of the depreciated construction subsidy paid—by the Maritime Commission's own testimony—through the mail contracts under which the *Mariposa* and *Monterey* were built (see hearings on H. R. 5130, Merchant Marine bill, 1939, pp. 204 to 207 and 225, Committee on Merchant Marine and Fisheries, March, April, May 1939).

There is likewise no provision for the proper deduction, from the cost of the materials of $3,021,000, which is to be subject only to verification of quantity and cost, of

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at least part of the Commission's initial payment of approximately $1,900,000 under the *Monterey* contract. To pay in effect twice for some of the same materials would hardly be advantageous to the Government.

8. Most important, however, is the fact that the Commission has no buyer for the *Monterey*. The American President Lines, Ltd., at one time considered purchase but now proposes only to charter the *Monterey* for the short span of 3 years at the end of which she will be 21 years old. In the face of contractual obligations to buy or build new passenger ships, American President Lines did not so far agree to purchase the modern *President Cleveland* or *President Wilson* in spite of their extremely low statutory sales price.

The Government is not in the business of acquiring old, incomplete passenger ships and reconstructing them at high cost for the purpose of short-term chartering. The seven passenger ships which the Commission already owns and to which I have previously referred, not only remain unsold so far but could only be chartered at rates under which the Government's investment in these ships is not being recovered.

When the acquisition of the *Mariposa* and *Monterey* was first authorized the then Chairman of the Commission assured the House Appropriations Committee that no funds would be spent for the ships unless recovery of such funds were assured. In reporting our 1950 appropriation, the House committee, as quoted on page 5 of Commissioner Carson's memorandum of July 6, 1949, went to great lengths to limit our discretion with respect to the Government's contribution in the resale of the vessels.

The President himself in 1948 ruled out construction of vessels except under firm sales contract. (See letter from the President dated April 15, 1948, to the Chairman of the Commission.) He just extended this injunction to the 1951 budget (letter of July 1, 1949, from the Director, Bureau of the Budget). I cannot conceive that he would be more favorable to the purchase of unfinished hulls by the Commission and their reconstruction, except under firm resale contract.

With this history, plus the Senate's extraordinary admonitions already mentioned by me, I do not see how the Commission can justify acquiring the *Monterey* without securing first a binding contract for her resale to another American operator.

9. A prudent businessman, who owns unimproved properties would improve them instead of acquiring, at high cost, additional unimproved property, especially if no buyer is in sight for either.

For the Government to invest over $18,500,000 in acquiring and completing the *Monterey* would not be advantageous. The same sum invested in either the *Washington* or any of the three "good neighbor ships," vessels of similar size and age as the *Monterey*, all of which the Government already owns, and all of which require reconstruction for long-term operation, would obviously reach much farther and produce greater value both for the Government and the merchant marine.

It is by no means certain, however, that the long-range interest of the American merchant marine would benefit from the restoration and modernization at substantial cost to the Government of passenger ships approaching 20 years of age. The merchant marine needs new ships.

10. It has been suggested that even if the *Monterey* cannot be resold, her acquisition would serve our national defense. Apart from Presidential and congressional injunctions against investment in vessels except for resale, the Commission is not in the business, and has no mandate under the law, to buy old passenger ship hulls for their possible defense value.

The Bureau of the Budget recently declined to approve added funds for the repair even of real naval auxiliaries already Government property. The Comptroller General, in his report on construction subsidies, severely criticized this Commission's spending for national defense and recommended amendment of the 1936 act so as to let the Defense Department pay for defense features. I do not believe that the national defense could serve to justify acceptance of Oceanic's proposal.

11. As another major additional contribution by the Government, one of Commissioner Carson's recommendations provides that the Commission grant Oceanic what amounts to a new, vastly modified 10-year operating subsidy contract.

This recommendation disregards the Commission's established procedure for the handling of operating subsidy matters. There is no staff report, review, or concurrence. There are no findings as required under title VI of the 1946 act. There are no facts presented to warrant such findings. Although Oceanic's financial plight is the basic premise of the entire proposal, no question is asked, no answer provided as to its financial qualifications for an operating subsidy. The proposed revised service, six sailings a year, is less than one-half the sailings declared necessary in the Commission's Trade Route Report of 1946. No replacement program is provided for in spite of the age of the *Mariposa*. The entire matter of an operating subsidy is disposed of with a few cursory recommendations.

This, I submit, is not the proper way of dealing with one of the major responsibilities of the Commission.

12. In my opinion, it is doubtful, to say the least, that the proposed six sailings per year constitute a regular service eligible for operating subsidy. To my knowledge, there is no subsidized service with so few sailings. In 1946 the Commission announced that 13 annual sailings are required for this service. This figure has not yet been revised. Oceanic's prewar contract provided for 13 sailings.

No facts are presented to show that the proposed reduction to less than half is substantially advantageous to the Government. If Oceanic is unable or unwilling to provide adequate service, maybe some other operator will.

13. Moreover, six round trips are not the maximum service which the *Mariposa*, even as a single ship, would be able to make in the Australia service: For part of the year, the *Mariposa*, Commissioner Carson recommends, is to work for her real owner, the Matson Co., sole owner of Oceanic.

Under the old contract, the *Mariposa* and *Monterey* had the privilege of calling at Hawaii en route to and from Australia, thus providing a major convenience for Matson. The Commission is now to permit Matson, however, to use the *Mariposa* outright for a minimum of four (i. e., possibly more) round voyages solely between California and Honolulu. I pointed out in my memorandum to the Commission of November 30, 1948 (S. S. *Mariposa* and S. S. *Monterey* of the Oceanic Steamship Co.), approved by the Commission on December 14, 1948, that Matson "* * * needs additional tonnage for the Hawaiian passenger trade where its present passenger service is handicapped in its competition with the airplane by the infrequency of the ocean service permitted by the single steamship *Lurline*." This suggestion was brushed aside, but it is a fact that frequency of service is a major requirement, particularly on those routes on which airline competition is especially keen. Significantly, Matson was reported during May to have newly initiated a passenger service to Hawaii, necessarily limited, on 15 of its freighters. Matson's need for additional passenger tonnage, of course, is attested to also by the proposal for the periodic use of the *Mariposa* in its Hawaiian service.

Thus, Oceanic's proposal, if adopted, would not only be a bail-out, but also a device to give Matson the benefit of a spare ship for the Hawaii tourist season—maintained with Government subsidy in the Australia trade during the Hawaii off season. This may be very advantageous to the Matson Co. and may permit it to give better service to Hawaii with minimum risk and minimum cost and at the expense of the subsidized Australia service, but it is certainly not substantially advantageous to the Government. In my opinion, it would misuse the subsidy system for the private gain of a nonsubsidized carrier.

CONCLUSION

The proposal of the Oceanic Steamship Co. is as unacceptable today as it was when first broached in September 1948. We must believe in the sanctity of contracts freely entered into. Here we have Oceanic tell the Government of the United States that it will let its two ships remain unfinished unless the Government signs on the dotted line. If it is desirable to put these two ships into operation with additional help, the question must be asked: At what price? The price which Oceanic asks, in my opinion, is extortionate. The prudent businessman would not pay it, and the Commission will not pay it if it uses wise discretion.

It does not do for Matson to remember that it owns Oceanic when Matson wants something of Oceanic, such as the use of the *Mariposa* as a spare ship for the Hawaii season, but to look the other way when Oceanic needs help.

Matson must be willing to help and Oceanic must be willing to help. Any additional assistance from the Government must be through and within the 1936 act. In my aforementioned memorandum of November 30, 1948, I have pointed the way to possible solutions of Oceanic-Matson's dilemma.

Such solutions must be quite equitable. So far, Oceanic's proposals have not been equitable. The Commission, therefore, should deny the proposal submitted in Commissioner Carson's recommendations identified as item No. 1 on the Commission's agenda of July 19, 1949.

RAYMOND S. MCKEOUGH,
Commissioner.

UNITED STATES MARITIME COMMISSION—COMMISSIONER MCKEOUGH—STEAMSHIP "MARIPOSA" AND STEAMSHIP "MONTEREY" OF THE OCEANIC STEAMSHIP CO.

NOVEMBER 30, 1948.

While I am sympathetic to the desire of the Oceanic Steamship Co. to assist in finding a solution of its present difficulties involving the steamship *Mariposa* and steamship *Monterey*, I am unable to accept the proposals heretofore submitted to the Commission by that company with respect to the ultimate disposition of the *Mariposa* and the *Monterey*. In my judgment the two proposals submitted by the Oceanic Steamship Co. are beyond justifiable defense or prudent judgment on the part of the Commission.

Accordingly, I am submitting herewith a possible arrangement which appears to me practical from both a financial and an operating point of view, as far as the Oceanic Steamship Co. is concerned, and at the same time fair and reasonable, as far as the United States Government is concerned.

While our Technical Bureau estimated that it would cost about $20,000,000 each to reproduce the two vessels, Oceanic contended before the Commission that it would cost $25,000,000, a figure likewise mentioned by the chairman in his testimony before the House Appropriations Committee. The actual cost may be in between these two figures,

and, for the purpose of this discussion, let us assume that it would cost $22,500,000 to reproduce each vessel. Oceanic also contends that the *Mariposa* and *Monterey* would have a remaining economic life of 15 years upon completion of restoration now interrupted. On this basis, the reconstructed vessels would have a value of $16,875,000 each, i. e., three-fourths (15 instead of 20 years life) of the estimated reproduction cost mentioned herein.

There can be little doubt that Oceanic's parent company, the Matson Steamship Navigation Co., needs additional tonnage for the Hawaiian trade where its present passenger service is handicapped in its competition with the airplane by the infrequency of the ocean service permitted by the single S. S. *Lurline*. Oceanic's second proposal confirmed Matson's need for additional passenger tonnage in its Hawaii service in which Matson had two passenger vessels prior to the war. Therefore, it should be considered as a perfectly reasonable proposition for Matson to purchase one of the two vessels after completion as a companion vessel to the *Lurline*, for say $15,000,000 after completion of reconstruction, with Oceanic retaining the other vessel for the Australian trade, where, according to Oceanic's last proposal, conditions have improved so as to make operation of one passenger vessel possible and provided, of course, the Commission should conclude that it would be desirable to extend Oceanic's subsidy contract modified so as to materially reduce the number of sailings thereunder. It must be understood at the same time that in case either one of these vessels is completed for operation in a subsidized service, the 1936 act would have to be amended so as to permit depreciation to be computed on the basis of a longer life than 20 years.

In this case, of course, the Commission would pay the balance due under the WSA redelivery settlement contracts, since reconstruction of both vessels would be completed.

Financially, Oceanic's position would be as follows (based on Oceanic's letter of September 15, 1948):

Total amount expended by Oceanic to date, less amounts received under WSA settlement agreement	$12,466,405
Estimated cost to complete both vessels	17,816,000
Total cost of reconstruction of both vessels	30,282,405
Receipts:	
Proposed sale to Matson	15,000,000
Due under WSA agreement	5,600,000
Total	20,600,000
Net cost to Oceanic	9,682,405
Book value both vessels	3,427,000
Total investment by Oceanic in vessel to be retained by it	13,109,405

Under the above arrangement Matson and Oceanic would have one ship each fully reconstructed and modernized to suit the particular trade, good for 15 years each, at a cost of approximately $15,000,000 and $13,000,000, respectively. This would substantially improve Oceanic's financial position, as the $20,600,000 to be collected from Matson and the Commission would exceed by almost $3,000,000 the net balance in cash outlay estimated by Oceanic as required to complete both vessels. Matson, on the other hand, would acquire needed passenger tonnage at a reasonable cost, based on their own estimates, which cost, I am convinced, it can well afford to pay, while at the same time complying with its obligation to assist its distressed subsidiary.

Should Oceanic conclude that it would be economically unsound to continue the Australian passenger trade and, as a consequence, not complete the second vessel for its own operation, then it should explore the possibility of selling one of the vessels after completion to some other United States flag company at a price satisfactory to both. Of course, Oceanic, under such conditions, should, if necessary, be willing to take some loss as a result of its own errors by selling the second ship for less than its revised investment therein.

The Commission in turn could assist in such a transaction by purchasing the vessel. After completion, from Oceanic under section 215 of the 1936 act for the price agreed to between Oceanic and the intended buyer, and simultaneously selling it to the buyer for the same price with a 25-percent down payment and a mortgage for the balance, provided appropriation authority in the 1949 Appropriation Act has not been utilized for other purposes in the meantime or, in such event, provided funds for such purpose are included in the Commission's 1950 budget.

In this manner the Commission would be lending its credit to help Oceanic extract itself out of a most unusual situation, but without actually donating millions of dollars to bail it out with respect to a financial dilemma arising wholly from the operator's own mistakes.

Oceanic's last proposal embodied in its letter of September 15, 1948, after several days of consideration, was referred by the Commission to Mr. Morse in order that he might further explore the situation.

RECOMMENDATION

Accordingly, I recommend that the Commission direct Mr. Morse to discuss the aforedescribed arrangements with the Oceanic Steamship Co. and report to the Commission on the results of such discussions as soon as possible.

RAYMOND S. MCKEOUGH,
Commissioner.

Mr. DOUGLAS. Mr. President, for further evidence of the questionable character of the negotiations surrounding the *Mariposa* and the *Monterey* I would like to refer the Senate to House Document No. 465, dated February 6, 1950, which is the report on the audit of the United States Maritime Commission by the Comptroller General for the fiscal years ended June 30, 1948 and 1949, pages 81 to 84.

It would seem to me that the passage of the present bill, even though the price were not fixed, would naturally be regarded by the Department of Commerce not only as an authorization to go ahead but also as an injunction to go ahead. Although the Maritime Commission itself has been formally disbanded, the personnel has merely moved over into the Department of Commerce, and the previous policies largely continue.

Mr. SALTONSTALL. Mr. President, the situation at the present time, as I understand, is that the old argument about the *Mariposa* and *Monterey* and their rehabilitation for civilian purposes is not involved in the discussion. As I understand, no work has been done on one of the ships. On the other ship approximately $5,000,000 worth of work has been done.

In the present Navy Department budget is an appropriation request for taking over three so-called President liners, which are now being built. These three President liners are badly needed. They are partially built. The Navy Department wants them for transport purposes. Instead of having them put into the luxury-liner business, the Navy Department wants them used for transport purposes. As I said, the question came up on two different occasions recently in the Committee on Appropriations. On those two occasions Admiral Sherman was asked by me whether the two ships involved were needed by the Navy. Admiral McCormick was asked by me whether the two ships were needed by the Navy. Admiral Sherman has testified before the Committee on Appropriations that the Navy is sadly lacking in transport facilities at the present time. They want the three President Line ships. I asked Admiral McCormick, if we passed the pending bill with reference to the *Mariposa* and *Monterey*, whether they would still want the three President Line ships, because if we could keep one of them for civilian purposes, we could compete that much more for the civilian maritime traffic on the Atlantic Ocean.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. SALTONSTALL. I should like to complete my statement first, otherwise, I am afraid I may lose the trend of my thought.

Admiral McCormick came back this morning with a letter to the effect that in the considered opinion of the Navy Department they need the three President liners, which have a length of 537 feet, a tonnage of 12,660, and a speed of 19.5 knots. They also need the *Monterey* and *Mariposa*. The *Mariposa* and the *Monterey* are in a peculiarly good position to be fitted out as transports because they have never been returned to civilian use. I agree with the Senator from Illinois and the Senator from Vermont. However, I have been familiar with this subject for 3 years and have studied it with the Senator from Wyoming and the Senator from Oregon [Mr. CORDON]. It is a very complicated question. The question was whether the Government would be cheated. However, the pending bill involves an entirely different question. It is whether or not we should put the two ships back into the troop-transport service. Of course if there are too many troop transports after the war, the President Line ships, which are slower ships, can be more readily refitted and adapted to civilian use, and perhaps the two Matson Line ships can be scrapped because they are more than 20 years old.

Under present conditions I hope the bill will be passed. If it is passed, the Department of Commerce will be authorized to buy the ships only if the Department of Defense certifies that they are necessary for troop-transport purposes. Two leading officers of the Navy have testified that the ships are desperately needed. I hope the bill will be passed.

Mr. O'MAHONEY. Mr. President, in view of the fact that the letter from Commissioner McKeough was addressed to me as chairman of the subcommittee on independent offices appropriations of the Committee on Appropriations, I desire to make a brief statement in order to correct the RECORD.

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So far as the *Mariposa* and the *Monterey* are concerned, those two vessels were the property of the Matson Line, and were taken over by the Government during World War II under a contract which made it the obligation of the Government not only to return the vessels to the owners, but to restore them to a form which would make them suitable for use in civilian and commercial transportation.

The whole controversy with respect to the *Mariposa* and *Monterey* raged over what type of compensation should be paid to the line for the rehabilitation of those vessels to enable them to be used in commercial traffic. The Committee on Appropriations was most careful to make certain that the Government of the United States was not victimized in any such deal. When the bill came from the House 2 years ago providing authority for the payment of additional sums by the Government to the owners for the rehabilitation of these vessels, the Senate subcommittee, of which I happened to be the chairman, modified that bill and placed provisions in the Appropriation Act which prevented, as we thought, any exploitation of the Government.

As I see it, that question is not involved here. One of these vessels has never been rehabilitated in any form for commercial traffic. The other was partially rehabilitated, but the work was stopped because the cost was apparently in excess of the bid which the Matson Line subsidiary made, and it was over that question that the whole controversy raged.

The provision before us has nothing to do with any payment by the Government for the rehabilitation of these vessels. The provision in this bill is merely authority to the Secretary of Commerce to take these vessels over again. The problem would arise, of course, as to what payment should be made.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I want the record to be perfectly clear that there are two questions involved.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Of course.

Mr. AIKEN. May I ask what the need is for specific legislation in the case of the *Monterey* and the *Mariposa*, when, if a national emergency is declared, as I understand, these ships or any other ships could be requisitioned by the Navy if they were needed? It seems to me that the passage of this legislation would in effect be an instruction to the Commerce Department to purchase these two ships which, as has been stated, are already over age and are not in condition to be operated at the present time, whereas I believe we have large numbers of much better ships tied up in a moth-ball fleet.

Mr. O'MAHONEY. I have nothing in the world to do with that question.

Mr. AIKEN. Why specify these two ships to be purchased?

Mr. O'MAHONEY. This bill was reported from a committee of the United States Senate. I took the floor merely for the purpose of pointing out the difference between the controversy which previously existed and the present situation. Whether these vessels are such vessels as should be purchased, I do not know. However, statements have been made to me by competent persons to the effect that the vessels are such that they could be effectively used.

The PRESIDING OFFICER. The time of the Senator from Wyoming has expired.

Mr. AIKEN. The thing I could not understand was why special legislation was necessary.

Mr. MORSE. Mr. President, I should like to make a further brief statement. First, I should like to direct my attention to my friend, the Senator from Illinois [Mr. DOUGLAS]. I do not know who gave him the information, off the floor, as to the supposed import of my remarks. I understood him to say that he was under the impression that I had passed some criticism of his supposed dereliction of duty because he was not in the Chamber. I will let my remarks in the RECORD speak for themselves. However, I assure the Senator from Illinois that when he reads them he will find that he has been misinformed, because I specifically stated that I was satisfied that if the Senator from Illinois were in the Chamber and could hear the explanation which I was seeking to give, his opinion would be different with regard to his objection. I am still convinced that when the Senator from Illinois gets the facts he will see that this case is entirely different from the case about which he has been talking, which goes back to the old claim. If he reads into my remarks any criticism of him, I assure him that such was not my intention. I simply protested the fact that apparently we were not going to be able to get the bill through today because objection had been filed, and the objector was not present to hear the explanation.

Mr. President, I wish to repeat very quickly that we are not dealing here with the old claim case at all. We are dealing here with a request which comes from the Department of Defense for legislative clearance of these ships, so that there may be early conversion for transport purposes. I disagree with the assumptions contained in the remarks of my good friend from Vermont [Mr. AIKEN], about these being a couple of old hulks, seeming to imply that they would not be of vital service to our Government if we speeded their conversion. The time factor is important. We need transports at the earliest possible hour. All I can do as a member of the Armed Services Committee is to rely, as I think I have the right to rely, upon the expert opinion which comes to us from the military officials who have the direct responsibility of prosecuting our interest in connection with their emergency. Those military officials tell us that a great amount of time would be saved by converting these ships quickly into transports. I intend to rely upon their judgment rather than the judgment of the Senator from Vermont in this matter.

The Senator from Vermont makes reference to ships in mothballs. All I can tell the Senator from Vermont is that our military officials tell us that there is not a single ship in mothballs comparable to these ships for transport use if we will proceed immediately to convert them.

That is the only plea I am making here today. I think we have a request from the Defense Department which ought to be met by the Senate, leaving for other hearings the question of the old claims case, which is in no way involved in the passage of this bill. The bill would simply authorize the Secretary of Commerce, upon certification from the Secretary of Defense, to proceed to buy these ships. I think we know enough about Government transactions to realize that they are going to be bought on a fair-price basis. If either the Government or the companies have any subsequent claim in regard to the old transaction, such claim can continue to pend—I think the Senator from Vermont is correct on that point—probably for years to come. But we need these ships now, and I think the bill ought to be brought up by motion and passed.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. MORSE. I yield.

Mr. KNOWLAND. I should like to say that I think the Senator from Oregon has placed his finger on the vital factor in this case, which is the time element.

Because this subject has been in controversy for some time, I personally went to inspect one of these two vessels, which happened to be tied up in San Francisco Bay. I do not claim to be a ship expert in any sense of the word. However, I am informed—and the evidence which has been submitted indicates—that these vessels, although 20 years old, are not old hulks. Today they could probably outspeed most of the vessels which are available on the high seas, and which could be used for transport purposes.

My impression is that these vessels could be converted in a period of less than 6 months. If enough shifts were put on the work, probably the conversion could be done in considerably less time than that. One of them is just in the process of being put into service as a commercial vessel. As to the other one, which I did not see, I understand, no work has been done to reconvert it for commercial uses. But if we are faced with an emergency in which we will need fast vessels in order to transport troops to wherever they are needed, I think this request by the Navy Department—having nothing to do, as the Senator has pointed out with the old controversy—should stand on its own feet, and that we should not take any action which would jeopardize the defense of the Nation and the adequacy of troop transportation.

Mr. DOUGLAS. Mr. President, it is the common impression that the President of the United States will tonight declare a national emergency. If such a national emergency shall be declared, I take it no legislation of this type will be needed, because it will then be possible for the Defense Department to requisition these ships and pay an adequate price for them. If a national emergency shall not be declared, then I think such a matter would very properly be before the Senate. I would suggest that the bill go over until Monday, until we find out

whether the added powers are needed. In the meantime the situation can be canvassed, the documents can be studied, and no damage will be done.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. MAGNUSON. I shall be glad to confer respecting this situation, because it is a matter which apparently cannot be handled on the call of the Unanimous Consent Calendar. If the President tonight declares only a limited emergency, which might require the legislation, I am sure the majority leader will be glad to let us discuss this matter the first of the week.

Mr. LUCAS. Mr. President, the entire world around the United States of America is smoldering. Everyone knows that the Nation is in one of the most critical periods of its history. Yet here in the Senate of the United States we quibble over whether or not we will pass a bill giving the Department of Commerce the power to negotiate for these ships. When Admiral McCormick, and Admiral Sherman, the head of the Navy, come before the Appropriations Committee and tell that committee the importance of obtaining these ships at this particular time, it is rather difficult for me to understand how Senators can stand on the floor and make objections to a measure of this character.

I do not know what the President of the United States is going to say tonight. I know he is going to make a speech. Whether he will declare a national emergency tonight or next week, or declare one at all, remains to be seen. But we have no time to lose, Mr. President. I regret to say this, but the sooner the Senate of the United States moves with all expedition possible toward every conceivable kind of a defense we can provide for the Army and the Navy and the Air Corps, the better off the country is going to be so far as our future safety and security are concerned. Certainly, so far as I am concerned, I am willing when we conclude the call of the calendar, to move the consideration of the bill, so we may find whether we can pass it at that time. We should not take any chances.

Mr. AIKEN. Mr. President, I am sorry to hear the inconsistency of the majority leader. I do not know whether the Matson Line will lose $10,000,000 if the bill is not passed this afternoon. But it is a fact, I understand, that if the Navy needs these ships it can buy them tomorrow. If the Navy does not need them, why should we pass a law virtually instructing the Government to buy old ships it does not need, in order to bail out a steamship company to the extent of $10,000,000?

Mr. LUCAS. I do not know why the authors of the proposed legislation are proceeding with the debate with such insistence, urging the Senate to pass this measure, if the United States Government can buy the ships without any legislation.

Mr. AIKEN. The bill would authorize the Department of Commerce to buy them. If the Navy needs them it can buy them today.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAPEHART. I am altogether in favor, Mr. President, of passing this bill, but I want to keep the record straight by saying that under the 1950 Defense Production Act, which Congress passed more than 3 months ago, the President of the United States can requisition and purchase any equipment in the United States the Government wishes to buy, at its own price. If the Government needs these two ships, it can buy them under the 1950 Defense Production Act. However, I am perfectly willing to permit the bill to be passed, if we can have a vote on it.

Mr. LUCAS. Mr. President, there must be some disagreement respecting the position taken by the Senator from Indiana. Certainly those who are more or less in control of the proposed legislation requested the Chief of the Navy, Admiral Sherman, to come before the committee and testify so they could obtain his opinion about the matter. Certainly he would know whether the President of the United States, under the authority he has, could take over the ships. I disagree with the Senator from Indiana with respect to the authority that was given to the President of the United States under the Defense Production Act. If all the authority necessary is contained in the Defense Production Act, as some claim, then it is unnecessary to have a national emergency proclaimed. But those who are advising the President of the United States at the present time, through the Attorney General's Office, tell him that he does not have all the power that is necessary at the present time under the National Defense Production Act and other measures that have been carry-overs from World War I.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. CAPEHART. There is not any question that the President has the right under the 1950 Defense Production Act to acquire by requisition any facility in the United States. There can be no question about that.

Mr. LUCAS. I do not see why we are having all this debate, if the Senator from Indiana is correct.

Mr. CAPEHART. I do not, either.

Mr. LUCAS. Certainly those in charge of the bill should have understood that. The Senator from Oregon [Mr. MORSE] and the Senator from Washington [Mr. MAGNUSON] say that is not correct. So undoubtedly someone is wrong. If there is any doubt about the matter, let us not take any chance; let us pass the bill.

Mr. CAPEHART. I am perfectly willing to pass the bill to permit the Government to purchase these two ships, because under the 1950 Defense Production Act, if the Government wants them it can acquire them within the next hour.

I should like to have the Senator from Washington tell us why he thinks that under the 1950 Defense Production Act the Government cannot acquire these two vessels.

Mr. MAGNUSON. I will say first that the bill has been before us since last September. Under the Defense Production Act the President has the right to requisition and acquire, but he must first declare a state of emergency.

Mr. CAPEHART. Mr. President, that is not correct.

Mr. MAGNUSON. That is my impression.

Mr. CAPEHART. That is not accurate. I am certain every member of the Senate Committee on Banking and Currency who is present on the floor will vouch that what I am saying is correct. Under the 1950 Defense Production Act the President has the right to requisition any facility or material he wishes to requisition, and he can take it over on the basis of paying any price he fixes, paying 50 percent of that price, and then the owners, if they think they are entitled to more, have the right to go to court and sue the Federal Government for a larger amount.

Mr. MAGNUSON. The Senator and I disagree on that provision. The Defense Production Act was passed after the bill we are speaking of reached the calendar.

Mr. CAPEHART. I appreciate that.

Mr. MAGNUSON. The bill has been before the Senate since September.

Mr. CAPEHART. I see no reason why the Senate should not pass the bill, because I know that the President has the right to take over the ships, if he desires to do so, under the 1950 Defense Production Act.

Mr. CHAVEZ. Mr. President, I was the Senator who requested that the bill go over.

The PRESIDENT pro tempore. The bill has already gone over.

Mr. CHAVEZ. Very well. I ask for the regular order.

Mr. MORSE. Mr. President, I simply want to say, in reply to the Senator from Indiana and the Senator from——

The PRESIDENT pro tempore. The present occupant of the chair was not here when the Senator from Oregon spoke previously. Is the Senator now speaking the second time?

Mr. McCARRAN. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. McCARRAN. How many times can one Senator speak during the 5-minute period on the Consent Calendar?

The PRESIDENT pro tempore. Only once.

Mr. McCARRAN. That is what I understood.

JACOB F. REIDEL

The PRESIDENT pro tempore. During the course of the debate which has just taken place, House bill 2093 was announced as next in order. Is there objection to the present consideration of House bill 2093, Calendar No. 2585?

There being no objection, the bill (H. R. 2093) authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Reidel, was considered, ordered to a third reading, read the third time, and passed.

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The PRESIDENT pro tempore. The next bill on the calendar will be stated.

RESTRICTION ON IMPORTATION OF CERTAIN GIANT SNAILS

The bill (H. R. 6242) to prevent the entry of certain giant snails into the United States was announced as next in order.

Mr. MORSE. Mr. President, using 5 minutes on this bill, I wish to say to my good friend from Nevada I simply want to close my record on the Mariposa-Monterey bill by saying that those of us who were urged today by the representatives of the Departments of Defense and Commerce to try to do our best to secure the passage of the bill were advised that this was the quickest way to expedite the purchase of these ships, so sorely needed by the Defense Establishment. We were further advised that it was the advice of the Office of the Comptroller General that this bill should be passed.

In carrying out what we considered to be our duty—or, at least, what the junior Senator from Oregon particularly considered it to be his duty as a member of the Armed Services Committee—I have made on the floor of the Senate the case that I have made today. I think those departments know whereof they speak as to the advisability of having this bill passed, and before the afternoon is over I hope the bill will be passed.

The PRESIDENT pro tempore. Is there objection to the present consideration of House bill 6242, Calendar No. 2586.

Mr. MAYBANK. I have an amendment to this bill. I submit the amendment. It is at the desk.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 6242) to prevent the entry of certain giant snails into the United States.

The PRESIDENT pro tempore. The amendment of the Senator from South Carolina will be stated.

The CHIEF CLERK. At the end of the bill it is proposed to add the following new section:

SEC. 2. Section 358 of the Agricultural Adjustment Act of 1938, as amended, is amended by adding a new subsection (e), as follows:

"(e) Notwithstanding any other provision of this section, the allotment determined or which would have been determined for any land which is removed from agricultural production for any purpose because of acquisition by any Federal, State, or other agency having a right of eminent domain shall be placed in a pool and shall be available for use in providing equitable allotments for farms owned or acquired by owners displaced because of acquisition of their farms by such agencies. Upon application to the county committee, within 5 years from the date of such acquisition of the farm, any owner so displaced shall be entitled to have an allotment for any other farm owned or acquired by him equal to an allotment which would have been determined for such other farm plus the allotment which would have been determined for the farm so acquired: *Provided*, That such allotment shall not exceed 50 percent of the acreage of cropland on the farm. The provisions of this subsection shall not be applicable if (1) there is any marketing quota penalty due with respect to the marketing of peanuts from the farm or by the owner of the farm at the time of its acquisition by the Federal, State, or other agency; (2) any peanuts produced on such farm have not been accounted for as required by the Secretary; or (3) the allotment next to be established for the farm acquired by the Federal, State, or other agency would have been reduced because of false or improper identification of peanuts produced on or marketed from such farm."

Mr. JOHNSTON of South Carolina. Mr. President, the effect of the amendment will be as follows: In South Carolina, more than 250,000 acres of land in the peanut-growing area are being taken by the Federal Government. The persons who now live on that land have been trained to grow peanuts. If they are required to move to other places, this measure will give them the right to transfer whatever allotment they had in that area to another area where they can obtain land on which to grow peanuts.

The bill will not increase by one iota the amount of acreage for South Carolina or elsewhere in the United States, but it will give the persons who are being forced to move from that area the right to plant peanuts if they can obtain land somewhere else.

Mr. HENDRICKSON. Mr. President, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. HENDRICKSON. Let me ask the Senator what costs are involved by the amendment.

Mr. JOHNSTON of South Carolina. No costs are involved by the amendment, other than the costs which would have been involved at the present time under the Agricultural Act pertaining to peanuts. The same quantity of peanuts will be grown, if the farmers can obtain the land. However, a great many of them cannot secure land elsewhere. So, naturally there will be a smaller peanut acreage in South Carolina.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. JOHNSTON of South Carolina. I yield.

Mr. AIKEN. I understand that the amendment simply permits the persons who are displaced from their present locations, which are the site of the hydrogen bomb plant, to take their peanut acreage quotas with them, wherever they may go, whether elsewhere in South Carolina or to Georgia, for instance.

Mr. JOHNSTON of South Carolina. Yes. This measure would do the same thing that is allowed at the present time in the case of the cotton growers, wheat growers, and tobacco growers.

Mr. AIKEN. If the explanation the Senator from South Carolina has given is correct—and I assume it is—I can see no objection to the amendment.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to amend the Agricultural Adjustment Act of 1938, as amended, and to prevent the entry of giant snails into the United States, and for other purposes."

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The concurrent resolution (S. Con. Res. 108) favoring suspension of the deportation of certain aliens, was considered and agreed to, as follows:

Resolved, etc., That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-5536319, Abraham, Veronika, or Veronica Abraham.

A-4344291, Abreu y Alvarez, Ricardo, or Richard Abreu.

A-6711109, Abstender, Liza (nee Liza Markowicz).

A-2245436, Ali, Asod, or Alli Asod Ullah or Asodeoolla Ashruffoolla.

A-5501876, Alinosi, Lottie Bernice (nee Dean).

A-3763210, Alma, Helen (nee Stedman Kinter or Alma S. Kinter or Alma Stedman Kinter).

A-4420223, Altamura, Pasquale.

A-6857826, Alter, Salomon Sloima.

A-5199171, Alvarez, Justina Martin.

A-3059986, Amat, Kasmoin, or Kasmoin Bin Amat.

A-6289628, Arce, Socorro Labrado Ylanan, or Socorro Labrado Rodrigues (maiden name), formerly Socorro Labrado Ylanan alias Mrs. Joe Manila.

A-6439301, Arcellana, Juan Aquino.

A-5395748, Arnold, Gustavus or Gus Arnold.

A-5987632, Arron, Barbara, or Sydney Barbara Arron or Barbara Lewis.

A-5158808, Ashton, Sarah Ellen, or Sarah Ellen Lewis (nee Muskett).

A-3594093, Asriliant, Willy, or Wolka Asriliant or Zev Wolf.

A-5906951, Auriammo, Elsie.

A-1619827, Avvantaggio, Frank, or Frank Conti.

A-7044374, Bagues, Salvador, or Ruben Marrufo or Salvador Bagues-Villanueva.

A-5134324, Bahler, Karl F., or Karl Friedrich Bahler or Karl Bahler.

A-6030813, Basalo-Sosa, Carmen Teresa.

A-6172610, Bautista, Adalia Marquez de.

A-6702357, Benintende, Franscesco, or Frank Benintende.

A-5156017, Berken, Regina Jean Matyas.

A-6719358, Bijjani, George Yousuf.

A-5624281, Birznier, Lina Margareta.

A-6975483, Blount, Richard Keith.

A-5652886, Blumberg, Barney Masel, or Boroch Blumberg.

A-4964138, Boeschling, Henry Frederick Wilhelm.

A-6427944, Bohn, Odette (nee De Rich or Rich).

A-5722987, Bonacasa, Liborio, or Benny Bonacasa or Bonacasa Liborio.

A-4068857, Bongini, Christino, or Christino Bongini.

A-5944282, Boutilier, Verner Trinimon, or Fred Gavin.

A-7049222, Bovoletis, Peter Considine.

A-5110682, Brega, Ernesto.

A-6687726, Brown, Basilette Argendeli (nee Argendeli).

A-5932145, Brown, Percy Flint.

A-6614098, Brown, Vernal Albert.

A-5648521, Bruck, Lila, or Hedwig Drdlik or Hedwig Bruck.

A-6732457, Bulleri, Dora Luigiana.

A-4490134, Burack, Sam.

A-5085609, Cardoza, Joao Ferreira, or John F. Cardoza.

A-7178248, Carlson, Berna Birgit Allrum.
A-4399018, Carroll, Louis Lawrence, or Louis Carroll.
A-5972088, Carty, Peter Silven.
A-2746974, Casals, Domingo, or Domingo Cassis y Costa.
A-6642478, Chaltas, Aristea Constantinou Katraouzou, or Aristea Constantinou Katraouzou.
A-6187140, Chan, William Hee, or Gik Hee Chan.
A-6187141, Chan, Linda Siou King, or Chum Shao King.
A-5552575, Charleston, Frank Langelier.
A-7539135, Chiang, Chien Yin, or Chien Chick Yin.
A-6798761, Yink, Chiang Chu Sheng (nee Chu Sheng Ying).
A-3291982, Chikhmatoff, Olga Chirinsky, or Olga Shirinsky Shikhmatoff (nee Korff).
A-7273887, Clewis, Raimer Herman, or Raimer Herman Clews (formerly Raimer Herman Saladin or Rainer Herman Saladin).
A-6230243, Cohen, Albert Kibrit, or Alberto Cohen Kibrit or Albert Cohen.
A-1455053, Constantios, Philipos Nikolas, or Philip Constantios.
A-3021828, Costa, Amedio Giovanni, or Amedeo G. Costa.
A-5811877, Damhus, Ejnar Jensen, or Edward or Eddy Damhus.
A-4822959, Dapas, Pietro, or Peter Dapas.
A-6690314, De Acosta, Petronila Machuca.
A-6603146, De Barios, America Cabrera.
A-6603146, Barrios Y Cabrera, Jesus.
A-6787390, De Escobedo, Consuelo Gomez-Alonzo, or Rafaela Lopez.
A-7050144, De Ferrari, Felicina Gallo (nee Felicina Serafina Gallo).
A-6455865, De Grimwood, Laura Antonia Padilla.
A-1101037, Delikat, Lottie Margaret.
A-6323338, Dennis, Edward Victor, or Edward Victor Brown.
A-1412812, Diamantis, Stavros Spyridon.
A-5346801, Di Carlo, Calogero, or Calogero Lelio Di Carlo.
A-4418201, Doorly, Joseph, or Joseph Dorley.
A-7273891, Doring, Uwe Franz.
A-5618814, Dumkolis, Trifo Alexander, or Trifo Alexander Dumkoloff or Trifo Alex Dumkeles.
A-6897795, Eastman, Elsa Oria (formerly Elsa Oria Garchitorena, nee Elsa Erinko Oria).
A-6852384, Elefant, Clara, or Elder, nee Lakatos.
A-5151368, Enomoto, Mihacri or Jack.
A-6364325, Entralgo, Luis Estella.
A-4789169, Esop, Edward.
A-6811187, Esposito, Lucien Nicolas.
A-7196657, Essoglou, Panteleimon Elie.
A-6745435, Estaque, Jeanne (nee Seitelsohn).
A-6162093, Faustino, Iluminador Flores.
A-6362677, Femino, Marina Domenica Grace (formerly Hislop).
A-6420315, Fieldhouse, Roger Hyde.
A-1842349, Figueiras, Jose Gullardo, or Jose Gallardo.
A-7203232, Flanagan, Johanna Adriana.
A-4570472, Fogel, Morris, or Moische Fogel.
A-6878609, Forcke, Nadine Elwin.
A-6878610, Forcke, Eddie Wallace.
A-3079984, Fournaris, Constantinos Georgios, or Constantinos Fournaris or Gus Fournaris or Kostas Fournaris.
A-6808868, Franklin, Gudrun, or Gudrun Bruinsma.
A-5456991, Friedman, Fanny or Kalmar.
A-1875873, Fu, Huang, or Wong Fook or Wong Fook Nygoon or Wong Fook Yuen or Wong Chun Go.
A-7039621, Galati, Salvatore.
A-5739972, Galati, Maria Antico.
A-7198759, Gampe, Roland Pierre Lucien, or Roland P. Gampe.
A-5854618, Garden, Janet Miller, or Jean Whatling.
A-6353465, Gernaey, Marie Madeline (nee Kemmer, or Marie Madeline Jablonski).
A-6872607, Godley, Percival Francis, or Francis Percival Godley.
A-6872608, Godley, Doris (nee Eldred).
A-6649919, Goldstein, Rubin, or Riven Goldstein.
A-1046757, Goldstein, Sol.
A-6506566, Grille, Paul Jacques.
A-1868318, Gronek, Helena, or Helen Gronek.
A-6965863, Grun, Elza, or Elise Weisz, or Elszi or Eliz or Elsa.
A-6784146, Gubel, Josef.
A-4306817, Guerrero, Bozena Tomankova (nee Bozena Tomankova).
A-6164825, Gum, Mim, or Min Gum.
A-7131216, Guthrie, James.
A-3199500, Gutierrez, Dolores, or Dolores Arroyo.
A-4146713, Gutierrez, Guadalupe (alias Guadalupe Arroyo).
A-1976967, Hagymasi, Terez, or Terez Massey.
A-160136-, Hallas, Dionisios or Georgadidgh.
A-6905340, Hand, Monique Yvonne (nee Placide).
A-1822905, Handeli, Vitali, and Victor Handeli.
A-6497132, Hardy, Cornelia Agatha.
A-6022964, Haritopoulos, Elias Theodore (alias Elias Charitopoulos alias Louis Haritopoulos).
A-3295410, Hartmann, Barbara (nee Hess).
A-6216009, Hastings, John.
A-7115400, Hayes, James Victor.
A-5308606, Heinz, Joseph Karl.
A-6861917, Hendrickson, Agda Jakobina, formerly Ruutikainen (nee Meriruusu).
A-6567798, Holen, Jenny Klara (nee Walderhaug).
A-6243527, Hou, Ai Ying, or Mah Ah Ying or Wang Ai Ying.
A-6853305, Howe, Maclean Kenneth Daniel (alias Hau Kam Tat or Daat).
A-6838592, Hristostomidis, Hristostomis Yani, or Chris John Chrisostomidis.
A-6245685, Hronis, Sophie.
A-7530134, Hsiang, Ping, or Ping Hsian Hsiang or Catherine Hsiang or Bian Hsian Hsiang or Hsiang Bin Hsien.
A-3043752, Huffan, Edwin Eric.
A-5872012, Hum, Lee Shee, or Hum Lee Shee.
A-6505446, Huvos, Laszlo, or Leslie Huvos.
A-6590020, Iacovetta, Osvaldo, or Osvaldo Iocovetta or Osvaldo Iacouetta.
56093/439, Ibrahim Mehmet, or Ibrahim Mehmet or Mehmed Abrahim.
A-6367213, Iversen, Bjorg Wennberg.
A-6455634, Jacks, Edna Eulalia (nee Barkas, or Edna E. Jacks).
A-6872541, James, Poulia or Poulia Cotsifa, maiden name, or Poulia Kotsifa.
A-5665665, Jaresch, Emma Johanna.
A-6930157, Jarosz, Ingelise Solveig (nee Jensen).
A-2395816, Kakowoulis, Nicolis, or Nickolis Kakovoulis.
A-7115013, Kastanos, Antonios Simos.
A-3930365, Kew, Ko, or Kew Ko.
A-6369146, Khouri, Mounira (nee Mounira Abouzeid or Mme. Vve Nagib).
A-7189565, Kiang, Stuart, or Chao-Hai Kiang.
A-1757786, Kilian, Jozef.
A-6187117, Kim, June Jha.
A-7043054, Kiu, Kong Yuet, or Cecile Kong or Tong Yuet Kiu.
A-5398701, Kiesznicki, Wilhelm August, or Wilhelm Kieznicki or William August Kieznicki or William August Lkeznicki.
A-5110558, Knaus, Maximilian, or Max Knaus.
A-5299330, Knudsen, Soren Anton, or Steve Knudsen.
A-5282771, Kurth, Paul Gustav.
A-6254761, Kyriakidks, Makrina, or Makrina S. Kyriakides or Makrina Socrates Kyriakides (nee Makrina Kouzoudjacojhiu).
A-9511403, Lai, Leung.
A-5472117, Larsen, Christian Peter, or Christian Peter Werdelbon.
A-5187667, Larsen, Dagny Kirstine Johanna Sorensen.
A-7039676, Larsen, Betty Dagny.
A-6008146, Lawver, Maria Tome Da Silva.
A-5336741, Lee, Hung Yuke.
A-1663081, Lekich, John, or John Sam Lekich.
A-6510544, Lemak, Oscar.
A-6510545, Lemak, Zoltan.
A-9749126, Leon, Francisco Ysmael Martinez, or Francisco Martinez.
A-7053056, Lewis, Rosane Maria, or Rosana Maria Mannucci, Rosanna Mannucci.
A-4280100, Lima, Jose Paiva, or Jose De Paiva Lima.
A-7141199, Lincourt, Linda Margaret, or Linda Margaret Suitter.
A-2303848, Linkous, Gladys Coriess (nee Coriess).
A-7099284, Loeschnigg, Janet, or Misuet Loechnigg, or Misuet Loeschnigg.
A-6620856, Loginoff, Natalie N.
A-6817715, Lowe, Evelyn Joan (nee Sommerfeld or Summerfield, formerly Rutherford).
A-1394982, Luckiewicz, Joseph Kazimierz.
A-4866489, Luehmann, Alwin Albert Hermann.
A-6182609, Luis Domingo.
A-1162558, Macpherson, Donald Joseph.
A-1001691, Madore, Rose Marie (nee Cote or Rose Marie Labrie).
A-7140937, Mahlmann, Dirk Robert, or Dirk Robert Vogel or Dirk Robert Hogan.
A-5537676, Majchrzak, Mary.
A-2244345, Manalis, John Ioannis.
A-5014713, Marchetti, Pietro Guido, or Pietro Marchetti or Pete Marchetti or Francisco Genetti.
A-3325763, Mark, See Cheung.
A-4778299, Markiori, Emilio, or Emilio Marchiori or Emilio Marki.
A-7083230, Markoures, Irene Panageotou, or Irini Athanasios Panageotou.
A-7140936, Marlmann, Rainer Wolfgang, or Rainer Wolfgang Hogan.
A-4632664, Marmorstein, Alexander, or Alex M. Stone.
A-6611011, Marwick, Nancy Joy.
A-1205669, Masuko, Sadao.
A-3397407, Matchkaloff, Alexander Serge, or Alexander S. Machavariani or Alexander Sedrakovitch Machkaloff or Alexander S. Machavarian or Alexander Angelo.
A-5427886, Matthiesen, Heinrich, or Heinrich Walter Matthiesen.
A-5147605, McCombs, Gordon Leslie.
A-4374141, Mckay, Sariphas.
A-5829263, Mehr, Lena Melissa, or Lena Melissa Bates (nee Goodwin).
A-2997698, Menagatos, Soterios Demitriou (alias Sam Poulos).
A-6799595, Mendoza, Jose Leofranco Perez.
A-6953451, Metzger, Henryk.
A-6068690, Meukow, Walter Trendel, or Walter Trendel.
A-6172753, Millios, Argyro, or Argyro Miliou (nee Argyro Gouliou).
A-6989727, Mitchell, Irene (nee Tsingheraki).
A-4774831, Mohamed, Niaz.
A-7092580, Montesantos, Eleftherios, or Terry Montesantos.
A-4441139, Moret, Giovanni Battista, or John Moret.
A-5644709, Morrall, Edgar Michael, or William Henry Thomas.
A-4314060, Moss, Joseph.
A-5868852, Moss, Sarah.
A-5412142, Mui, Kan Chi, or Lung Sheung Mui.
A-4854667, Muniz-Gardea, Sotero, or Sotero G. Muniz or Sotero Soto.
A-4854668, De Muniz, Catalina Gomez.
A-7064744, Mustapa, Margit Hildegard, or Margit Hildegard Jarvinen.
A-1514718, Nacinovich, Frank.
A-6074029, Nevarez, Herriberto, or Heriberto Nevarez Valencia.
A-6706845, Ngon, Jew Yee Sue.
A-5714884, Nicholoff, Karl Christ, or Karl Nicholoff or Kyrilios Bozanis Nicholoff.

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A-2836564, Nicolas, Herman Henry or Nicholas.
A-6722391, Nicoletopoulos, Leonidas Diomidis.
A-5310261, Norby, Arnt.
A-5156554, Ohnstein, Martin, or Charles Hagendorf.
A-5295492, Olesen, Marius Imanuel.
A-1188009, Orro, Ano Rosa, or Nina R. Lopez or Maria Teresa Cartaya.
A-1119930, Orsini, Filippo.
A-5022341, Ortiz, Jose, or Joseph Ortiz or Jose Ortiz Camus.
A-6572200, Ortiz, Robert.
A-5221301, Paliaga, Peter.
A-5157878, Palmes, Stanley Gerald.
A-5212363, Paolini, Giuseppini, formerly Giuseppina Milesi (nee Bargellini).
A-5081215, Papadopoulos, Yoannis, or Ioannis Papadopoulos.
A-6947402, Paplitzky, Ingeborg Ingrid.
A-6280674, Pascual, Marta Villarin.
A-6630763, Pataki, Viola Klara (nee Lanyi).
A-7203344, Paulsen, Greta Juul.
A-7117535, Paulsen, Einar Juul.
A-7110852, Penalva, Marcel Aime.
A-4897907, Perugini, Pasquale Aniello, or Pasquale Perugini.
A-5137818, Pfeiffer, Richard Ewald.
A-7178604, Pilos, Thalia Kalkandis, or Thalia Kalkandis or Thalis Stavros Pilos or Thalia Stavros Kalkandis.
A-2069819, Pina, Enrique (alias Henry Pina).
A-7203340, Piscope, Domenico.
A-6849316, Pla, Yolande, or Yolande Prato.
A-6725293, Poharnck, Zoltan Imre.
A-4390552, Polzin, Rudolf.
A-3117457, Poppos, Demetrios, or Demilrios Poppos.
A-7083227, Powell, Alwyn Leslie.
A-5664259, Prol, Antonio Alvarez.
A-7072434, Proskouriakoff, Irene Daniel.
A-7049124, Purdy, Cassie May.
A-5455840, Puzzolo, Giuseppe.
A-1643444, Rabias, Constantinos Nicolaos.
A-1595278, Radulich, Blasul, or Blasul Radulic.
A-6296121, Redfern, Ruth Myrtle.
A-6296119, Redfern, Allan Henry.
A-5630645, Redwood, Margaret (nee Margaret Marshall).
A-7097046, Rein, Monika.
A-3543705, Reis, Rosa Oliveira (nee Rosa Candida Oliveira).
A-5911903, Rigas, Eleftherios.
A-6995278, Rim, Lilly Mary (Mrs. Herbert Rim) (nee Lilly Mary Ruppert or Lilly Mary Ruppert De Rin by a former marriage Mrs. Hans Neumann).
A-7044264, Roberts, Grace Ruth Kearny.
A-5068648, Roininen, Laina Maria, or Laina Maria Roine.
A-7050590, Rosadio, Jose.
A-6018546, Rosenblum, Lajb, or Leo Rosenblum.
A-5127498, Rosenlund, Rolf.
A-1107407, Roston, Albert Joseph, or Abraham Josef Rothstein.
A-6307307, Roth, Elizabeth Evelyn Achica, or Elizabeth Evelyn Achica.
A-6569422, Rubinstein, Israel.
A-1991240, Rukojc, Jadwiga, or Jean Rukojc or Jadwiga Rukoic.
A-5080828, Sa, Manuel Afonso.
A-7013315, Sackville, Patricia Ann.
A-7013316, Sackville, Roma Collard.
A-5562524, Salczer, Herman, or Herman Salcer.
A-6985669, Sam, Choy (Chinese name), or Johnny Sam Choy (American name).
A-6268824, Sanchez, Domingo Valluluz.
A-7189991, Sarno, Mamerto Torres, or Mamerto Torres.
A-7189992, Sarno, Rosauro Torres, or Tosauro Torres.
A-7199021, Sawaya, Louis Neemer.
A-9177018, Sclavogiannis, Emmanuel.
A-7203550, Schenk, Knut.
A-5856538, Schertzer, Michael.
A-1629901, Schliemann, Wilhelm Johannes.
A-7050939, Scillama, Antonia (nee Restivo).
A-4319937, Scocco, Giacomo.
A-5258278, Scott, Louise (nee Harris).
A-4204299, Seymour, Alex.
A-3383663, Shee, Jew, or Jew Ngui Haai.
A-2547932, Shong, Wong, or Shong Wong.
A-1413437, Sima, Albin Franz.
A-7044320, Sirigos, Antonios Nicolaos, or Antonios Sirigos or Anthony Sirigos.
A-6394192, Skorpak, William.
A-4803564, Slowes, Mendel.
A-7050623, Smith, Constance Agnes (nee Brady).
A-6047633, Smith, Vina (nee Mitchell).
A-5707986, Smoke, Josef, or Josef Smuk.
A-3445330, Soler, Maria Barber, or Mother Bienvenida De San Jose.
A-2587707, Sonck, Edouard.
A-1748368, Souze, Joao Azevedo, or John Azevedo Souza.
A-6065414, Spigno, Enrico Giuseppe.
A-5931914, Stapleton, Thomas Michael.
A-3631892, Stefanovich, Mitre, or Mitro or Stefanoff alias Jim Stevens, Mitro Stefan Nadanovic, Mitre Stefan or Stefanou, Stoyanis Egos.
A-6389053, Stein, Paul, or Pelta Sztejn.
A-6389054, Sztejn, Rywka, or Rita Stein.
A-6448763, Stern, Irving, or Isac, Isak and Isaac Stern.
A-5368221, Stoor, John Hjalmar.
A-7140315, Stout, Catharina Maria (nee Berendsen).
A-6664171, Stow, Peggy Spencer, or Peggy Spencer (maiden name).
A-7594279, Straus, Ernst Gabor.
A-6236237, Suan-Chi, Lee, or Suan Chi Lee or Stephen Charles Lee.
A-4133791, Suarez, Francisco Betanco, or Frank P. Suarez or Frank Petanco or (Petanko) or Frankly Bestanco or Manuel Martinis or Francisco Suarez Betanco or Francisco Betanocor Santana Suarez.
A-1611150, Suchman, Andrew, or Arpad Suchman or Suchmann.
A-6245755, Sultanis, Aphrodite.
A-5090585, Szekely, Istvan Attila.
A-5339009, Sziber, John, or Joan.
A-7112131, Sztankay, Zoltan Ferencz.
A-7112538, Sztankay, Ada Hackl (nee Adelheid Josephine Marie Hackl).
A-4453899, Tasco, Vincenzo.
A-6446668, Teitelbaum, Hana, Mr. or Mrs. Hana Teitelbaum (nee Halberstam).
A-6923989, Theocharis, George Emanual.
A-9023412, Thomas, Pnangiotos Sotiriou, or Pete Thomas.
A-6869332, Thorne, Julia Veronica, formerly Julia Veronica Loft (nee Cohoon).
A-4982652, Thornton, Patrick, or Patrick Joseph Thornton.
A-6816830, Torres-Hernandez, Nicanor, or Nicanor Torres-Torres.
A-6475654, Trepper, Moritz, or Morris Trepper or Noishe Trepper.
A-2523644, Tselentis, Jerasimas (alias Jerry Lent).
A-4947416, Tsistinas, Andreas Christos.
A-6964992, Tzetzos, Evangelos, or Angelo Tzetzos.
A-6930397, Uscatu, Everdichia.
A-5924685, Utter, Alice Ruth (nee Simmons).
A-6732030, Valensi, Cleopatra, or Cleopatra Manoussaki.
A-2594465, Van De Velde, Martha Maria, or Martha Van De Velde (alias Martha Maria Van Haver).
A-5161342, Van Der Veen, Olga, or Olga Van Der Neen Wisner.
A-6854557, Van Tilburg, Cornelius Arnoldes, or John Beckos.
A-6665383, Velge, William.
A-5215026, Verticchio, Giuseppe.
A-5204879, Von Bomsdorff, Felix.
A-5507120, Vonderohe, William Lilie, or William Lillie.
A-1099779, Wadelkis, Veronica Irene.
A-4448744, Wan, Fong.
A-6419308, Wang, Francis Chwen-Tao.
A-6341236, Warr, Rosa (nee Rosa or Rose Mahfooz).
A-6521597, Wassner, Danuta, or Danuta Ziff.
A-6233641, Wawrzkiewicz, Rura Serrano (nee Pura Serrano).
A-4247813, Weinberg, Morris (Moishe).
A-4166705, Weinberg, Tillie (nee Steinschneider or Taube, Toba or Tobe Weinberg).
A-7145747, Weiss, Lieselotte.
A-7053511, Wells, Adelheid Anna, or Adelheid Anna Schuecke (Schucke) (nee Klinner (Kinner)).
A-4448745, Wing, Fung Sik, or Fung Yee Wing.
A-4687569, Woo, Ji-Hung.
A-4687621, Woo, Yun-Chwang, or Woo Chung.
A-4687620, Woo, Eching Shen, or Mrs. Y. C. Woo.
A-6514174, Yankelewitz, Leib or Leon.
A-4532669, Yau, Au (Owyou).
A-4532661, Yeung, Fung Kim.
A-4772969, Young, Kenneth Abram.
A-4532655, Yum, Ma.
A-7582013, Yung, Yip Kung (alias Benjamin Yip).
A-5323816, Zacks, Milly, or Millie Sachs, formerly Milka Zuk.
A-6882598, Santamarina y Alvarez, Fernando Garcia, or Fernando Garcia Santamarina.
A-3630195, Fry, Madeleine Thurza (nee Logan).
A-5140180, Mitani, Masatane.

LESLIE A. CONNELL

The bill (S. 735) for the relief of Leslie A. Connell, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Leslie A. Connell, of Tacoma, Washington, the sum of $2,622, in full satisfaction of his claim against the United States for reimbursement of (1) the sum of $2,500 paid by him in satisfaction of a judgment rendered against him as a result of his injuring a pedestrian while driving a Government-owned vehicle in the performance of his duties as a mail collector and (2) the sum of $122 paid by him for court costs, attorney fees, and filing fees in connection with such judgment: *Provided*, That no part of the amount appropriated in this Act in excess of 10 per centum thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this Act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

GEORGE O. DRUCKER AND OTHERS

The bill (S. 2460) for the relief of George O. Drucker, Livia Drucker and their minor daughter, Gloria Elizabeth Drucker was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That in the administration of the immigration laws, George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker, who entered the United States on transit visas, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 14, 1949, the date on which they entered the United States, upon payment of the required head taxes and visa fees.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper

quota-control officer to deduct three numbers from the nonpreference category of the first available immigration quota for nationals of Czechoslovakia.

DR. LUTFU LAHUT UZMAN

The bill (S. 3125) for the relief of Dr. Lutfu Lahut Uzman was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Dr. Lutfu Lahut Uzman, of Cambridge, Mass., who was admitted into the United States on a student visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Turkey.

ETHELYN ISOBEL CHENALLOY

The bill (S. 3259) for the relief of Ethelyn Isobel Chenalloy, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Ethelyn Isobel Chenalloy, of Los Angeles, Calif., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available Chinese immigration quota.

RICHARD H. BUSH

The bill (S. 3260) for the relief of Richard H. Bush was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That any salary payments made by any disbursing officer of the United States Army to Richard H. Bush (Army serial number RA6955646) for the period from January 21, 1946, to May 16, 1947, for which the said Richard H. Bush was retroactively rated and paid as a technical sergeant, shall be held valid and lawful.

WILLARD SIDMER RUTTAN

The bill (S. 3261) for the relief of Willard Sidmer Ruttan was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at ports of entry of aliens as immigrants for permanent residence in the United States, that provision of section 3 of the Immigration Act of 1917 (39 Stat. 875), as amended (U. S. C., title 8, sec. 136 (e)), which excludes from admission to the United States persons who have been convicted of or admit having committed a felony, or other crime or misdemeanor involving moral turpitude shall not hereafter be held to apply to Willard Sidmer Ruttan.

ARMANDO SANTINI

The bill (S. 3378) for the relief of Armando Santini was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Armando Santini shall be held and considered to have been lawfully admitted into the United States for permanent residence as of July 12, 1948, the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Italy.

JOSE MANZANO SOMERA

The bill (S. 3554) for the relief of Jose Manzano Somera was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Jose Manzano Somera, temporarily residing in Chicago, Ill., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the appropriate immigration quota for the first year such quota is available.

HOWARD LOVELL

The bill (S. 4110) for the relief of Howard Lovell was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Howard Lovell, of Florence, Colo., the sum of $5,000, in full satisfaction of his claim against the United States for compensation for injuries sustained by him while fighting a forest fire at Camp Carson, Colo., on January 17, 1950, as the result of an accident involving an Army truck, he having no remedy under the Federal Tort Claims Act, as amended: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

DR. FERNAND VAN DEN BRANDEN

The bill (S. 4133) for the relief of Dr. Fernand Van Den Branden was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Dr. Fernand Van Den Branden, of 10 Rue des Melezes, Brussels, Belgium, the sum of $13,269.82, in full settlement of all claims against the United States for property damage, personal injuries, and loss of earnings sustained, and medical and hospital expenses incurred as the result of an accident which occurred near Buchy (Moselle), France, on June 30, 1948, involving a United States Army truck: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

ATTENDANCE OF CERTAIN JUDGES AT JUDICIAL CONFERENCES

The bill (H. R. 4579) to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges of Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska was considered, ordered to a third reading, read the third time, and passed.

DR. CHAO-JEN CHEN, DR. JANET WANG CHEN, AND ELEANOR CHEN

The bill (H. R. 6228) for the relief of Dr. Chao-Jen Chen, Dr. Janet Wang Chen, and Eleanor Chen was considered, ordered to a third reading, read the third time, and passed.

YAMAGUCHI MICHIKO

The bill (H. R. 8834) for the relief of Yamaguchi Michiko was considered, ordered to a third reading, read the third time, and passed.

ESTABLISHMENT OF UNIFORM SYSTEM OF BANKRUPTCY

The bill (H. R. 9284) to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto, was considered, ordered to a third reading, read the third time, and passed.

MRS. ENID LOUISE NOBLE ROMICK, JR.

The bill (H. R. 9475) for the relief of Mrs. Enid Louise Noble Romick, Jr., was considered, ordered to a third reading, read the third time, and passed.

FRANCES ETHEL BEDDINGTON

The Senate proceeded to consider the bill (S. 2888) for the relief of Frances Ethel Beddington, which had been reported from the Committee on the Judiciary with an amendment, in line 8, after the word "United", to strike out "States." and insert "States, upon payment of the required visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.", so as to make the bill read:

Be it enacted, etc., That in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Frances Ethel Beddington, as of December 16, 1945, the date she was admitted temporarily to the United States, upon payment of

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the required visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BERNIECE JOSEPHINE LAZAGA

The Senate proceeded to consider the bill (S. 3044) for the relief of Berniece Josephine Lazaga, which had been reported from the Committee on the Judiciary with an amendment in line 8, after the word "residence", insert "upon payment of the required visa fee and head tax", so as to make the bill read:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Berniece Josephine Lazaga, Berkeley, Calif., who entered the United States on March 12, 1946, at San Francisco, Calif., as a nonquota immigrant student, shall be held and considered to have been lawfully admitted, as of such date, to the United States for permanent residence upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for the Philippine Islands for the first year such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

GEORGE BRANDER PALOHEIMO AND EVA LEONORA PALOHEIMO

The Senate proceeded to consider the bill (S. 3241) for the relief of George Brander Paloheimo and Eva Leonora Paloheimo, which had been reported from the Committee on the Judiciary with an amendment in line 6, after the word "born", insert "alien", so as to make the bill read:

Be it enacted, etc., That, for the purpose of the immigration and naturalization laws, George Brander Paloheimo and Eva Leonora Paloheimo, natives of Finland, shall be considered the natural born alien children of their adoptive parents, Mr. and Mrs. Y. A. Paloheimo, citizens of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

LINDA LEO

The Senate proceeded to consider the bill (S. 3699) for the relief of Linda Leo, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert the following:

That, for the purposes of the immigration and naturalization laws, Linda Leo, the minor child of Yee Leo, a citizen of the United States, shall be deemed to be eligible for admission into the United States under the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, if otherwise admissible under the immigration laws.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

JAMES McGILLIC AND BLOSSOM McGILLIC

The Senate proceeded to consider the bill (S. 3725) for the relief of James McGillic and Blossom McGillic, which had been reported from the Committee on the Judiciary with an amendment to strike out all after the enacting clause, and insert:

That, notwithstanding any statute of limitation or lapse of time or any provision of law to the contrary, suits may be instituted within 1 year after the date of enactment of this act by James McGillic, of Fargo, N. Dak., and Blossom McGillic, of Mandan, N. Dak., upon their claims against the United States for damages to their land and buildings, and to their crops, purporting to have resulted from the construction and maintenance of a dike by the Soil Conservation Service of the Department of Agriculture around such Service's nursery, which adjoins the land of the said James McGillic and Blossom McGillic in Morton County, N. Dak. In any such suit brought pursuant to this act, proceedings shall be had and the liability, if any, of the United States shall be determined in accordance with the provisions of law and applicable in the case of tort claims against the United States: *Provided, however*, That nothing in this act does or shall constitute an admission of liability on the part of the United States.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

REV. ANDREW CHAI KYUNG WHANG

The Senate proceeded to consider the bill (H. R. 8759) for the relief of Rev. Andrew Chai Kyung Whang, which had been reported from the Committee on the Judiciary with an amendment on page 1, after line 10, to insert:

Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

ARCHIBALD WALTER CAMPBELL SEYMOUR

The Senate proceeded to consider the bill (H. R. 8973) for the relief of Archibald Walter Campbell Seymour, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Archibald Walter Campbell Seymour, who was born in India of British parents, shall be held and considered to have been born in Great Britain.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

TOMOKO YAMAYA

The Senate proceeded to consider the bill (H. R. 9145) for the relief of Tomoko Yamaya, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert:

That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Tomoko Yamaya, the Japanese fiancée of Paul H. Vine, a citizen of the United States and an honorably discharged veteran of World War II, and that the said Tomoko Yamaya may be eligible for a visa as a nonimmigrant temporary visitor for a period of 3 months: *Provided*, That the administrative authorities find that the said Tomoko Yamaya is coming to the United States with a bona fide intention of being married to Paul H. Vine, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within 3 months after the entry of the said Tomoko Yamaya, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (8 U. S. C. 155, 156). In the event the marriage between the above-named parties shall occur within 3 months after the entry of the said Tomoko Yamaya, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Tomoko Yamaya as of the date of her entry into the United States, upon payment of the required head tax and visa fee.

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

H. HALPERN & BRO., INC., OF BOSTON, MASS.

The Senate proceeded to consider the bill (H. R. 9236) for the relief of H. Halpern & Bro., Inc., of Boston, Mass., which had been reported from the Committee on the Judiciary, with an amendment, on page 1, line 5, after the word "of", to strike out "$3,874.79" and insert "$661.86."

The amendment was agreed to.

The amendment was ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

E. C. BROWDER AND CHARLES KENYON

The Senate proceeded to consider the bill (S. 2830) for the relief of E. C. Browder and Charles Kenyon, which had been reported from the Committee on the Judiciary, with amendments, on page 1, line 5, after the name "Charles", to strike out "Kenyon" and insert "Keylon"; in line 6, after the words "sum of", to strike out "$8,397.40" and insert "$4,800", and on page 2, line 4, after the name "Charles", to strike out "Kenyon" and insert "Keylon", so as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to E. C. Browder and Charles Keylon, of Harriman, Tenn., the sum of $4,800, in full satisfaction of their claim against the United States for damages sustained by them when they were notified by

the United States Government that condemnation proceedings previously instituted against the farm of E. C. Browder had been abandoned, and then notified at a later date that the Government intended to go forward with its condemnation proceedings, which actions by the Government caused the sale, purchase, and resale of farm equipment by E. C. Browder and his partner, Charles Keylon, and interfered substantially with farming operations: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of E. C. Browder and Charles Keylon."

STAVROS S. NIARCHOS

The Senate proceeded to consider the bill (S. 2921) authorizing the naturalization of Stavros S. Niarchos, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause, and insert:

That, for the purposes of the immigration and naturalization laws, Stavros S. Niarchos shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The amendment was agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Stavros S. Niarchos."

JAMES SHELLENBERGER, JR.

The bill (S. 3513) for the relief of James Shellenberger, Jr., was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. JOHNSTON of South Carolina. Mr. President, I should like to hear an explanation of the bill.

The PRESIDENT pro tempore. Will the Senator in charge of the bill explain it?

Mr. McCARRAN. Mr. President, this is the case of a little boy who is virtually blind for life because of the negligence or carelessness of Army personnel in an Army hospital.

The actual beneficiary would be the boy, though the bill provides for payment to his legal guardian. The amount of the payment provided is $50,000.

This little boy is now 4 years old. He was born in an Army hospital in Italy, his father then being a captain in the United States Army, on official duty in that country.

At the time of this boy's birth, Army personnel in the hospital put drops in his eyes, which caused blindness in his left eye and reduced the effectiveness of his right eye to about 50 percent vision.

The Army admits that these injuries were caused by the mistake of Army personnel.

While there are no arbitrary standards for determining the amount of an award in such a case, the committee believes that $50,000 is not excessive for the injuries sustained by this baby.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 3513) for the relief of James Shellenberger, Jr., which had been reported from the Committee on the Judiciary with amendments, on page 1, beginning at line 3, to strike out:

That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to James Shellenberger, Sr., of 3835 Lincolnway East, Mishawaka, Ind., on behalf of his infant son, James Shellenberger, Jr., the sum of $50,000, in full satisfaction of the claim of the said James Shellenberger, Jr., against the United States for compensation for permanent and complete loss of sight in one eye, partial loss of sight in the other eye, and facial disfigurement, caused by the use of an improper solution of silver nitrate in his eyes at the time of his birth in the United States Army 61 Station Hospital in Leghorn, Italy, in January 1947.

And insert:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of James M. Shellenberger, Jr., a minor, of Mishawaka, Ind., the sum of $50,000, in full settlement of all claims against the United States for the injury of said James M. Shellenberger, Jr., which resulted in the permanent loss of sight in his left eye, the partial loss of sight in his right eye, and facial disfigurement, caused by the use of an improper solution of silver nitrate in the eyes of said infant at the time of his birth in the Sixty-first Station Hospital, United States Army, at Leghorn, Italy, on January 8, 1947.

So as to make the bill read:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of James M. Shellenberger, Jr., a minor, of Mishawaka, Ind., the sum of $50,000, in full settlement of all claims against the United States for the injury of said James M. Shellenberger, Jr., which resulted in the permanent loss of sight in his left eye, the partial loss of sight in his right eye, and facial disfigurement, caused by the use of an improper solution of silver nitrate in the eyes of said infant at the time of his birth in the Sixty-first Station Hospital, United States Army, at Leghorn, Italy, on January 8, 1947: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill for the relief of James M. Shellenberger, Jr., a minor."

REVIEW OF ORDERS OF FEDERAL COMMUNICATIONS COMMISSION

The bill (H. R. 5487) to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object, may we have a brief explanation of the bill for the RECORD?

The PRESIDENT pro tempore. Will the Senator from Nevada explain the bill?

Mr. McCARRAN. Mr. President, this legislation changes the method of review of certain orders of the Federal Communications Commission, the Maritime Administration, and the Department of Agriculture. At present these orders are reviewable in a trial de novo by a district court before three judges, at least one of whom must be a circuit judge, with a right of appeal to the Supreme Court. This bill would make those orders reviewable by appeal to the circuit court of appeals on the record made before the agency. Review by the Supreme Court would be by certiorari only.

The present mode of review has often disrupted the ordinary conduct of litigation by the district courts by requiring the attendance of three judges during the conduct of a trial when one would be sufficient. The right of appeal from the three-judge court directly to the Supreme Court has also forced the Supreme Court to consider cases where the questions involved were only of minor importance.

This change made by this bill is in accordance with the methods of review of orders of the Federal Trade Commission, the Securities and Exchange Commission, and the National Labor Relations Board. It is designed to accomplish a saving in judicial time and energy while still preserving the rights of the parties.

The bill carries the approval of the agencies concerned, the Attorney General, the judiciary, and practitioners.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McFARLAND. Mr. President, I should like to have the bill go over until I can study it a little further. It involves the Communications Act, if the Senator does not mind. Next week I shall probably join with the Senator in asking unanimous consent for its passage.

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Mr. McCARRAN. I do not mind, except that we have had the bill before us for sometime, there has been considerable study, and I should like to dispose of it at this session.

Mr. McFARLAND. I desire to cooperate, but I believe we passed a bill in regard to the Communications Act. I regret that I have not had an opportunity to study the bill.

The PRESIDENT pro tempore. Objection is heard.

Mr. McCARRAN. Does the Senator object to having the bill placed at the foot of the calendar?

Mr. McFARLAND. I do not think we have had sufficient time. I shall probably have an opportunity to consider it the first of next week.

The PRESIDENT pro tempore. The bill will be passed over.

Mr. McFARLAND subsequently said: Mr. President, I ask unanimous consent to revert to calendar 2618, House bill 5487, to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended. I withdraw the objection I made with reference to that bill.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5487) to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, which had been reported from the Committee on the Judiciary with amendments on page 2, line 12, after the word "Board", to insert "or the Maritime Administration"; in line 14, after the word "Commission", to strike out "or Board" and insert "Board, or Administration"; on page 3, line 5, after the word "Board", to insert "or the Maritime Administration"; on page 6, after line 19, to strike out:

SCOPE OF REVIEW

(d) The findings of the agency as to the facts, if supported by substantial evidence, shall be conclusive. No objection to the order of the agency shall be considered by the court unless such objection shall have been urged before the agency or unless there were reasonable grounds for failure to do so.

And on page 11, line 8, after the word "Agriculture", to insert "or the United States Maritime Commission, the Federal Maritime Board, and the Maritime Administration."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The title was amended so as to read: "An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board or the Maritime Administration under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended."

EDWIN A. KNOUS

The bill (S. 3897) for the relief of Edwin A. Knous was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Edwin A. Knous, of Ruth, Nev., the sum of $84.25, in full satisfaction of his claim against the United States for travel allowance and subsistence due for traveling on orders dated April 16, 1943, from San Francisco, Calif., to Miami, Fla., while a seaman, second class, in the United States Navy: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delievered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined in any sum not exceeding $1,000.

EXTENSION OF BENEFITS TO CERTAIN PERSONS IN MILITARY, NAVAL, OR AIR SERVICE

The bill (S. 4229) to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16 Seventy-eighth Congress, as amended, was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. HENDRICKSON. Reserving the right to object, this is important legislation, and I think the RECORD should show exactly what the bill would do. I request an explanation.

The PRESIDENT pro tempore. Will the Senator in charge of the bill explain it?

Mr. McCARRAN. Mr. President, this is not one of my bills.

Mr. HENDRICKSON. Mr. President, I ask that the bill go to the foot of the calendar.

The PRESIDENT pro tempore. Without objection, the bill will be placed at the foot of the calendar.

Mr. HENDRICKSON subsequently said: Mr. President, I ask unanimous consent to return to Calendar 2621, Senate bill 4229, to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law 16, Seventy-eighth Congress, as amended.

Mr. AIKEN. Mr. President, an explanation of the bill was requested a few minutes ago, and then the bill was passed over temporarily.

The bill was sponsored by all the members of the Committee on Labor and Public Welfare, plus the Senator from New York [Mr. IVES]. It simply extends the benefits of the Vocational Rehabilitation Act to veterans serving in the Korean war to the same extent as they are applicable to veterans of World War II.

The PRESIDENT pro tempore. Is there objection to consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (S. 4229) to extend to certain persons who served in the military, naval, or air service on or after June 25, 1950, the benefits of Public Law No. 16, Seventy-Eighth Congress, as amended, which had been reported from the Committee on Labor and Public Welfare, with amendments on page 1, line 4, after the word "June", to strike out "25" and insert "27"; on page 2, line 11, after the word "June", to strike out "25" and insert "27", and on page 3, line 3, after the word "of", to strike out "the United States" and insert "a State, Territory, or possession of the United States or of the District of Columbia", so as to make the bill read:

Be it enacted, etc., That service in the active military, naval, or air service of the United States on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, shall afford basic entitlement to vocational rehabilitation under Public Law No. 16, Seventy-eighth Congress, as amended, needed to overcome the handicap of a disability incurred in or aggravated by such service for which compensation is payable under the provisions of subparagraph I (c), part II, Veterans Regulation No. 1 (a), as amended (or would be but for receipt of retirement pay), subject to the applicable provisions, conditions, and limitations of Public Law No. 16, Seventy-eighth Congress, as amended, except as follows:

(1) Vocational rehabilitation based on service as prescribed in this act may be afforded within 9 years after the aforesaid termination of the period beginning June 27, 1950.

(2) Notwithstanding the fact that vocational rehabilitation may have been previously afforded under Public Law No. 16, as amended, or that education or training may have been afforded under title II of the Servicemen's Readjustment Act of 1944, as amended, additional vocational rehabilitation may be provided hereunder to the extent necessary by reason of a handicap due to disability incurred in or aggravated by service, as provided herein.

(3) Any person eligible for vocational rehabilitation under this act who, at the time of such service, was not a citizen of the United States, shall be afforded such benefit only while a resident of a State, Territory, or possession of the United States or of the District of Columbia.

The amendments were agreed to.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended."

ELIGIBILITY FOR MEMBERSHIP IN AMERICAN LEGION

The bill (S. 4240) to amend the act incorporating the American Legion so as to redefine eligibility for membership therein, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 5 of the act approved September 16, 1919 (41 Stat.

285; U. S. C. of 1946, title 36, sec. 45), entitled "An act to incorporate the American Legion," as amended, is hereby further amended to read as follows:

"SEC. 5. That no person shall be a member of this corporation unless he served in the naval or military services of the United States at some time during any of the following periods: April 6, 1917, to November 11, 1918; December 7, 1941, to September 2, 1945; June 25, 1950, to the date of cessation of hostilities, as determined by the United States Government; all dates inclusive, or, who being citizens of the United States at the time of entry therein, served in the military or naval services of any of the governments associated with the United States during said wars or hostilities: *Provided, however,* That such person shall have an honorable discharge or separation from such service or continues to serve honorably after any of the aforesaid terminal dates."

INCORPORATION OF AMERICAN LEGION

The bill (S. 4241) to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion," was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 4 of the act approved September 16, 1919 (41 Stat. 285; U. S. C. of 1946, title 36, sec. 44), entitled "An act to incorporate The American Legion" is hereby amended to read as follows:

"SEC. 4. That the corporation created by this act shall have the following powers: To have perpetual succession with power to sue and be sued in courts of law and equity; to receive, hold, own, use, and dispose of such real estate and personal property as shall be necessary for its corporate purposes; to adopt a corporate seal and alter the same at pleasure; to adopt a constitution, bylaws, and regulations to carry out its purposes, not inconsistent with the laws of the United States or of any State; to use in carrying out the purposes of the corporation such emblems and badges as it may adopt and to have the exclusive right to manufacture, and to control the right to manufacture, and to use, such emblems and badges as may be deemed necessary in the fulfillment of the purposes of the corporation; to establish and maintain offices for the conduct of its business; to establish State and Territorial organizations and local chapter or post organizations; to publish a magazine or other publications, and generally to do any and all such acts and things as may be necessary and proper in carrying into effect the purposes of the corporation."

SEC. 2. That section 8 of said act (41 Stat. 285; U. S. C. of 1946, title 36, sec. 48) is hereby amended to read as follows:

"SEC. 8. That said corporation and its State and local subdivisions shall have the sole and exclusive right to have and to use, in carrying out its purposes, the name 'The American Legion,' or 'American Legion'."

CONVEYANCE OF LAND TO THE VERMONT AGRICULTURAL COLLEGE

The bill (S. 4235) to authorize the transfer to the Vermont Agricultural College of certain lands in Addison County, Vt., for agricultural purposes, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the Secretary of Agriculture is authorized and directed to transfer and convey to the Vermont Agricultural College, a State-owned corporation, upon acceptance by said agricultural college, without cost, the real property comprising nine hundred forty-two and forty-two one-hundredths acres, more or less, of the United States Morgan Horse Farm located in Addison County, town of Weybridge, Vt., and such of the personal property of this station as may be agreed upon, in writing, by the Secretary of Agriculture and the dean of the Vermont Agricultural College. Such real and personal property and research records shall be transferred upon the express condition that they shall be used by the Vermont Agricultural College for the benefit of agriculture for such period as may be agreed upon by the Secretary and the said college at the time of transfer. Deeds to the property conveyed pursuant to this act shall contain a reservation to the United States of all gas, oil, coal, and other minerals and all fissionable materials as may be found in such lands and the right to the use of the lands for extracting and removing same.

The authority herein contained shall expire on June 30, 1951, unless, prior to such expiration date, the dean of the Vermont Agricultural College shall have notified the Secretary of Agriculture of the acceptance of the lands and other property of the station under the terms of this act.

QUITCLAIM DEEDS TO LAND OF COAST GUARD LIGHT STATION, BROWN'S POINT, WASH.

The bill (H. R. 8851) to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Brown's Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Brown's Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the County of Pierce, State of Washington, was considered, ordered to a third reading, read the third time, and passed.

WAIVER OF NAVIGATION AND VESSEL-INSPECTION LAWS

The bill (H. R. 9681) to authorize the waiver of the navigation and vessel-inspection laws, was considered, ordered to a third reading, read the third time, and passed.

DEDUCTIONS FROM WAGES OF SEAMEN FOR PAYMENT INTO EMPLOYEE WELFARE FUNDS

The bill (H. R. 8349) to authorize deductions from the wages of seaman for payment into employee welfare funds was announced as next in order.

Mr. HENDRICKSON. I object.

Mr. MAGNUSON. Mr. President, I wonder if the Senator would reserve his objection.

Mr. HENDRICKSON. I shall be pleased to withhold my objection.

Mr. MAGNUSON. I hope the Senator will withdraw his objection. This bill happens to be a very important one, and it involves——

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. HENDRICKSON. I shall be glad to withhold my objection, but I am objecting by request.

Mr. MAGNUSON. May I ask what Senator objects?

Mr. HENDRICKSON. The Senator from Ohio [Mr. TAFT].

Mr. MAGNUSON. I should like to explain the bill so that the RECORD may be clear.

The PRESIDENT pro tempore. Does the Senator from New Jersey withdraw his objection?

Mr. HENDRICKSON. No; I withhold it, Mr. President.

Mr. MAGNUSON. Mr. President, under the California law, it is mandatory that 1 percent of the wages of seamen be deducted and placed in the welfare fund. With the assent of the seamen these welfare funds are usually worked out in labor-management relations between the employer and the employee. The Federal law prohibits deduction for the welfare fund, but the California law requires it, and all maritime contracts in California are based upon that mandatory provision of the California law. The purpose of this bill is to remove the conflict so that the employer and the employee can do what is required by law in California. I am afraid that without this bill there may be some labor trouble involving the maritime situation on the Pacific coast.

I am hoping that the Senator will withdraw his objection, and that the bill may be brought up on Monday.

I wonder if the Senator from New Jersey will permit me to perfect the bill by offering an amendment.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill for that purpose?

There being no objection, the Senate proceeded to consider the bill (H. R. 8349) to authorize deductions from the wages of seamen for payment into employee welfare funds, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment on page 1, after line 8, to strike out:

(g) The provisions of this section shall not apply to, or render unlawful, deductions made by an employer from the wages of a seaman, pursuant to the written consent of the seaman, if (1) such deductions are paid into a trust fund established for the sole and exclusive benefit of seamen employed by such employer, and their families and dependents (or of such seamen, families, and dependents jointly with seamen employed by other employers and their families and dependents); and (2) such payments are held in trust for the purpose of providing, either from principal or income or both, for the benefit of such seamen, their families, and dependents, medical and/or hospital care, pensions on retirement or death of the seamen, life insurance, unemployment benefits, compensation for illness or injuries resulting from occupational activity, sickness, accident, and disability compensation, or any one or more of the foregoing benefits, or for the purpose of purchasing insurance to provide any one or more of such benefits.

And insert:

(g) The provisions of this section shall not apply to, or render unlawful deductions made by an employer from the wages of a seaman, (1) with respect to deductions to be paid into a trust fund established for the sole and exclusive benefit of seamen employed by such employer, their families and dependents or of such seamen, their families and dependents jointly with seamen employed by other employers and their families and dependents, and such payments are held in trust for the purpose of providing, either from principal or income or both, for the benefit of such seamen, their families and dependents, medical and/or hospital care, pensions on retirement or death of the seamen, life insur-

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ance, unemployment benefits, compensation for illness or injuries resulting from occupational activity, sickness, accident and disability compensation, or any one or more of the foregoing benefits, or for the purpose of purchasing insurance to provide any one or more of such benefits: *Provided*, That such trust fund is established or continued pursuant to any provision of law, regulation, or other enactment of any State or Territory of the United States of America permitting the establishment or continuation of such trust fund in lieu of and as a substitute for some or all of the contribution and/or benefits provided for in such law, regulation, or other enactments: *And provided further*, That such deduction is pursuant to the written consent of the seaman; or (2) with respect to money deducted in payment of membership dues in a labor organization: *Provided*, That the employer has received from each seaman, on whose account such deductions are made, a written assignment which shall not be irrevocable for a period of more than 1 year or beyond the termination date of the applicable collective bargaining agreement, whichever occurs sooner.

The amendment was agreed to.

The PRESIDENT pro tempore. The amendment offered by the Senator from Washington will be received and lie on the table.

Mr. MAGNUSON. Mr. President, I should like to have it read so that the record will be clear.

The PRESIDENT pro tempore. The clerk will read the amendment offered by the Senator from Washington.

The LEGISLATIVE CLERK. On page 2, line 19, after the words "trust fund," it is proposed to insert "or to be applied in payment of premiums on a group insurance contract."

On page 3, line 1, after the third "and", to insert "in the case of payments into a trust fund."

The amendment was agreed to.

Mr. HENDRICKSON. Mr. President, I renew my objection.

Mr. MAGNUSON. Mr. President, I want to say, for the record, that the purpose of the amendment is to place some of these fees either in the labor-management joint account or in insurance companies. Some insurance companies handle these trust funds for the California seamen.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

RELIEF OF EDULJI DINSHAW AND SISTER, MRS. BACHOO DINSHA WORONZOW

The bill (S. 4069) for the relief of Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow, was announced as next in order.

Mr. HENDRICKSON. Mr. President, reserving the right to object, there are no agency reports in connection with this bill, and I wonder if the distinguised Senator from Nevada would be good enough to explain the situation.

Mr. McCARRAN. Mr. President, this bill grants the status of permanent residence to a 34-year-old native of India and his 36-year-old sister, also a native of India. He first entered the United States in October 1939 and again entered in July 1941 and has remained here since that time. His sister entered the United States in October 1939, and except for short periods of absences has been continuously in the United States since that time. The beneficiaries of the bill have holdings in enterprises in various parts of the world and maintain contact with persons who possess information which is of significance to the interest of the United States. Both beneficiaries are of the highest moral character and would make worthy citizens of the United States.

Mr. HENDRICKSON. Mr. President, I take it the Senator from Nevada would vouch for these two persons.

Mr. McCARRAN. I can vouch for them on the information which I have.

The PRESIDENT pro tempore. Is there objection to the consideration of the bill?

There being no objection, the bill (S. 4069) for the relief of Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That for the purposes of the immigration and naturalization laws, Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of their last entries into the United States upon payment of the required visa fees and head taxes. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct two numbers from the appropriate quota for the first year that such quota is available.

PAYMENTS TO STATES OF GRAZING FEES ON PUBLIC LANDS

The bill (H. R. 8821) authorizing payment to certain States of amounts withheld from grazing fees on public lands was announced as next in order.

Mr. HENDRICKSON. Reserving the right to object, Mr. President, let me say that Calendar Nos. 2629 through 2632 are without complete reports. I do not want to be technical, but I should like to have a thorough explanation of each of the bills as they come up.

Mr. O'MAHONEY. Mr. President, with reference to Calendar 2629, House bill 8321, there is a committee report. Many years ago Congress provided by law that 25 percent of the grazing fees collected in the Federal forests should be paid in lieu of taxes. Last year when we passed the bill codifying the various laws governing the Forest Service it was discovered that the Forest Service had fallen into the practice of using a portion of these fees for the improvement of the forest before making a computation to determine the 25 percent. In the law which was enacted this year Congress corrected the defect. So the bill before us is merely a provision authorizing the appropriation to 15 States of funds to which they would have been entitled had it not been for the unauthorized deductions which were made in the past.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

AMENDMENT OF INTERNAL REVENUE CODE

The bill (H. R. 7932) to amend section 2883 (d) of the Internal Revenue Code, as amended by Public Law 448, Eighty-first Congress, was announced as next in order.

Mr. McCARRAN. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 2, after line 9, it is proposed to insert the following new sections:

SEC. 3. Section 2806 (d) of the Internal Revenue Code, as amended, is amended to read as follows:

"(d) All distilled spirits found in any cask or package, and any bottled distilled spirits found in any case, without having upon such cask or package or case each mark and stamp required therefor by law or regulations, shall be forfeited to the United States."

SEC. 3. Section 4 of the Federal Alcohol Administration Act (U. S. C., title 27, sec. 204) is amended in the following respects:

(1) Subsection (d) is amended to read as follows:

"(d) A basic permit shall be conditioned upon (1) compliance with the requirements of section 5 of this act (relating to unfair competition and unlawful practices) and of section 6 of this act (relating to bulk sales and bottling), with the twenty-first amendment and laws relating to the enforcement thereof, and with all other Federal laws relating directly or indirectly to distilled spirits, wine, and malt beverages, including taxes with respect thereto, and (2) conduct of the operations under such permit in conformity with the laws of the State in which such operations are conducted."

(2) Clause 1 of subsection (e) is amended by striking out '*Provided*, That for a first violation of the conditions thereof the permit shall be subject to suspension only.'

(3) Subsection (g) is amended to read as follows:

"(g) A basic permit may be issued for 1 year and shall expire on the 31st day of December next succeeding the issuance thereof unless suspended, revoked, or annulled as provided herein, or voluntarily surrendered: *Provided*, That the Secretary may without formal application extend any permit granted under this part after August 31, in any year to December 31 of the succeeding year. (1) If leased, sold or otherwise voluntarily transferred, the permit shall be automatically terminated thereupon, and (2) if transferred by operation of law or if actual or legal control of the permittee is acquired, directly or indirectly, whether by stock ownership or in any other manner, by any person, then such permit shall be automatically terminated at the expiration of 30 days thereafter: *Provided*, That if within such 30-day period application for a new basic permit is made by the transferee or permittee, respectively, then the outstanding basic permit shall continue in effect until such application is finally acted on by the Secretary of the Treasury."

(4) The second sentence of subsection (h) is amended to read as follows: "Such appeal shall be taken by filing, in the district court of the United States within any district wherein such person resides or has his principal place of business, or in the United States District Court for the District of Columbia, within 60 days after the entry of such order, a written petition praying that the order of the Secretary be modified or set aside in whole or in part"; and the next to the last sentence thereof is repealed.

(5) Subsection (i) is amended to read as follows: "(1) No basic permit shall be suspended or revoked for a violation of any condition thereof relating to compliance with Federal law if the alleged violation of a Federal law has been compromised by any officer of the Government authorized to compromise such violation."

SEC. 4. All basic permits issued pursuant to the provisions of the Federal Alcohol Administration Act, as amended (Public, No. 401, approved August 29, 1935; U. S. C., 1940 edition, title 27, ch. 8, sec. 201 and the following), prior to the approval of this act shall expire on the 31st day of December 1951: *Provided*, That before the expiration date of any such permit it may be terminated, or, upon notice and hearing, suspended, revoked, or annulled as provided in the said Federal Alcohol Administration Act.

Mr. McCARRAN. This amendment, Mr. President, would make five changes in the Internal Revenue Code and the Federal Alcohol Administration Act.

The purpose of these changes would be—

First. To authorize issuance by the Internal Revenue Bureau of regulations forbidding obliterations of serial numbers on cases of bound whisky.

Second. To authorize the Internal Revenue Bureau to revoke a basic permit, granted under the Federal Alcohol Act, for a first violation.

Third. To make basic permits under the Federal Alcohol Act annually renewable.

Fourth. To make the Federal district courts, rather than the circuit courts of appeal, the forum for review of administrative action by the Internal Revenue Bureau revoking or suspending basic permits under the Federal Alcohol Act.

Fifth. To authorize suspension or revocation of a basic permit issued under the Federal Alcohol Act, for violation of Federal laws, such as the Price Control Act, relating only indirectly to alcoholic beverages, or for failure to conduct operations under such permit in conformity with State law.

Mr. HENDRICKSON. Mr. President, will the Senator yield for a question?

Mr. McCARRAN. Yes.

Mr. HENDRICKSON. Was the amendment considered by the Committee on Finance?

Mr. McCARRAN. I do not know. However, the amendment has been be the Committee on Finance for some 6 years. I have repeatedly brought it to the attention of the Committee on Finance. Yesterday this amendment, in the form of a bill, was reported favorably by the House committee. The same bill which I have proposed for many years before the Committee on Finance is now before the House, having been reported favorably by the House committee. Undoubtedly it will be passed by the House and come to the Senate.

Mr. HENDRICKSON. Does not the Senator believe it would be better legislative policy to wait until the House bill comes to the Senate, and then take up the subject?

Mr. McCARRAN. I advised the chairman of the Committee on Finance that I would offer the amendment which has been stated, because the same amendment, in the form of a bill, has been before the committee for many years. It has been approved by the departments, and the approval is on file before the committee.

Mr. HENDRICKSON. Mr. President, as I listened to the reading of the amendment it seemed to me it was quite complicated and complex. It is hard to understand what changes are proposed, even with the explanation which the Senator is now giving. I do not believe the subject is properly before the Senate at this time. It should be considered by the Committee on Finance and reported to the Senate by the committee before we give consideration to it on the floor of the Senate. I shall have to object to the amendment on that ground.

Mr. McCARRAN. Does the Senator object to the amendment?

Mr. HENDRICKSON. I object to the amendment.

Mr. McCARRAN. Then, I object to the bill.

Mr. LUCAS. Mr. President, I hope the Senator from Nevada will not object to this little bill.

Mr. McCARRAN. This little bill is no more important than the amendment I offered. The amendment I offered is germane to the bill, and is a part of the whole situation.

Mr. LUCAS. Mr. President, I appreciate that, and I am sorry that the Senator feels he should object to the bill simply because his amendment was objected to. I can understand the position of the Senator from New Jersey. I am a member of the Committee on Finance, and I do not recall that the committee has ever considered the amendment. The chairman of the Committee on Finance is not on the floor. He is working on the tax bill.

This bill, H. R. 7932, has been passed unanimously by the House of Representatives. I respectfully request the Senator from Nevada to let the measure go through. Then if the House passes the bill to which the Senator from Nevada referred, as he says it will, and the bill comes to the Senate, it seems to me that then would be the proper time for the amendment to be taken care of. I respectfully urge my good friend from Nevada to let this little measure go through, because while it is not too important and presumably could wait until next session, it was reported unanimously from the committee. There has been no objection to it.

Mr. President, I cannot make many more appeals like this to the Senator from Nevada. I am just about through.

Mr. McCARRAN. I have appealed many times to the Senator from Illinois. Sometimes my appeals did not take, and sometimes they did.

Mr. President, I thought my explanation would be ample to justify a fair consideration of the amendment. I was cut off by the Senator from New Jersey [Mr. HENDRICKSON] when I was making my explanation.

Mr. HENDRICKSON. Mr. President, I apologize to the distinguished Senator from Nevada.

Mr. McCARRAN. It is not necessary. I take it the Senator is going to object, and sought to save time.

Mr. HENDRICKSON. The Senator is exactly correct.

Mr. McCARRAN. That is all right. However, my amendment is strictly germane. My bill has been before the Finance Committee for years. I have a letter from the chairman of that committee stating that he would lay it before the committee. My amendment, in the form of a companion bill, has been reported favorably from the House committee. The measure will undoubtedly pass the House. It is approved by the departments. The departments consider the amendment highly essential.

Mr. HENDRICKSON. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. HENDRICKSON. Did I correctly understand the Senator to say that he has a letter from the chairman of the Finance Committee indicating that this subject has been studied by the Finance Committee?

Mr. McCARRAN. I have a letter, but it is not of recent date. On one occasion when I introduced the bill and it was referred to the Finance Committee, I received a letter from the Senator from Georgia [Mr. GEORGE], saying that he would lay the bill before the committee.

Mr. HENDRICKSON. If this subject has been before the Finance Committee and it has had an opportunity to study it, I will withdraw my objection.

Mr. McCARRAN. I do not say that it has been considered. I do not wish to imply that, because I do not know enough about it. However, the subject has been pending there for years. It has been pending in the House, and finally it has been reported from the House committee.

Mr. HENDRICKSON. I still feel that it ought to have the consideration of the appropriate committee, since it is a finance matter.

Mr. McCARRAN. Mr. President, if I may, I should like to conclude my explanation.

The provisions of this amendment, Mr. President, are the same as the provisions of the bill, S. 22, which I introduced at the beginning of this session. In two previous sessions of the Congress, I have also introduced bills containing similar provisions. Those bills were intended to implement the recommendations made by a special subcommittee of the Judiciary Committee more than 6 years ago, as a result of its investigation of the alcoholic beverage industry.

The Internal Revenue Bureau of the Treasury Department and the Alcohol Tax Unit have always reported favorably on this proposed legislation. Those who administer these laws believe these changes are needed to clean up a bad situation in a segment of the liquor industry.

The Department has filed several favorable reports on these bills of mine. Very recently, in connection with an inquiry conducted by the Senate Special Committee To Investigate Organized Crime in Interstate Commerce, the so-called Kefauver committee, the officials who administer our laws for the control of alcoholic beverages reiterated their desire to see enactment of these proposals, and stated, in effect, that, if these recommendations should be accepted, the major problems which were worrying the Kefauver committee would be solved.

Only a day or so ago representatives of the Bureau of Internal Revenue appeared before the Committee on Ways and Means of the House of Representa-

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tives to testify with respect to a bill pending there which is a companion bill to my own bill, S. 22. Following the testimony of these representatives of the Internal Revenue Bureau, the House Committee on Ways and Means voted to report that bill favorably to the other body.

Frankly, Mr. President, the situation is this: While it is not certain that the House will approve this legislation during the present session, it is most likely; but the chances are the Senate will not have an opportunity to vote on it except by voting on my amendment to the pending bill.

However, if the Senate accepts this amendment, it is perfectly clear that there will be no delay in the other body, since the provisions of the amendment have already been approved by the Ways and Means Committee of the other body.

These are strengthening provisions, Mr. President, designed to give the Internal Revenue Bureau authority which it urgently needs to cope with law violators and prospective law violators in the liquor industry.

I do not want to labor the matter, Mr. President, and will discuss only most briefly the specific provisions of my proposed amendment.

Much of the liquor which flows illegally in interstate commerce is traceable to liquor cases whose serial numbers have been removed; but under present regulations no serial number is required on cases of imported distilled spirits. Adoption of my amendment would plug up this loophole.

Many of those persons who operate in illegal or improper liquor transactions are known to field agents of the alcohol tax unit. However, they continue in business because under the Federal Alcohol Administration Act at the present time the alcohol tax unit is not allowed to deny permits to wholesalers and rectifiers unless ironclad proof can be secured that they have violated certain specific provisions of that act. Violation of provisions of other acts is not legally a basis for denial of a permit. Adoption of my amendment will plug that loophole also.

Under existing law, the only penalty for a first violation of the conditions of a basic permit issued under the act is suspension of the permit. No matter how serious the violation may be, the permit cannot be revoked for a first offense. My amendment would permit the administrative agency to have authority, in its discretion, to revoke a permit for a single violation if that violation is sufficiently serious. This cannot result in any inequities, since an order revoking a permit will always be subject to judicial review.

At the present time, basic permits issued under the Federal Alcohol Act are of indefinite duration. They continue in effect until suspended or revoked in accordance with the act. Such suspension and revocation, being subject to court review, often cannot be made effective for 1 or even 2 years, during which time the permit holder is enabled to continue in business, even though the administrative agency may have satisfied itself that he is not a fit person to be in business. Adoption of my proposed amendment would make basic permits annually renewable, which would be a very salutary thing.

In order to provide speedier determination of appeal from orders for suspension or revocation of basic permits, my amendment would also provide authority for filing such appeals in Federal district courts, rather than in circuit courts of appeals, as now provided. Making the district courts the forum for such litigation will not only aid the alcohol-tax unit in more speedily disposing of its work, but will also provide the permit holder against whom a suspension or revocation order is issued with an opportunity for a speedier determination of his rights than he can now obtain.

I have pointed out that under present law a basic permit issued under the Federal Alcohol Act can be suspended or revoked only for failure to comply with Federal laws relating to distilled spirits, wine or malt beverages. My amendment would permit suspension also for violation of other Federal laws which might relate only indirectly to alcoholic beverages.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

Mr. McCARRAN. Mr. President, what is the pending question?

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Nevada.

Mr. WHERRY. Oh, no, Mr. President. May I ask what calendar number we are now discussing?

The PRESIDENT pro tempore. Calendar No. 2630, House bill 7932.

Mr. WHERRY. I thought objection had already been made to the bill.

Mr. McCARRAN. Yes, objection has been made to the bill.

Mr. HENDRICKSON. Yes, Mr. President, objection was made to the bill.

The PRESIDENT pro tempore. Then the Chair misunderstood the situation.

Mr. LUCAS. Yes; objection has been made to the bill.

Mr. McCARRAN. Objection was made to the amendment and to the bill.

Mr. HENDRICKSON. That is true; yes.

The PRESIDENT pro tempore. On objection, the bill will be passed over.

The next bill on the calendar will be stated.

BILL PASSED OVER

The bill (H. R. 9780) providing the privilege of becoming a naturalized citizen of the United States to all aliens having a legal right to permanent residence, was announced as next in order.

Mr. RUSSELL. Over.

The PRESIDENT pro tempore. The bill will be passed over.

APPOINTMENT OF CARL McFARLAND TO BE PRESIDENT OF MONTANA STATE UNIVERSITY

Mr. MURRAY. Mr. President, the Great Falls Tribune of December 10, one of Montana's leading newspapers, contains an article announcing the appointment of Carl McFarland, of Washington, D. C., as president of the Montana State University.

The many friends and acquaintances of Carl McFarland will be interested in this announcement and, therefore, I ask unanimous consent that this article be printed in the RECORD at the conclusion of my remarks.

The PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MURRAY. Mr. President, Carl McFarland went from the high school of Great Falls, Mont., to the State university, where he developed into one of that institution's most distinguished students. He took the law course at the university and entered upon the successful practice of law in his State immediately upon his graduation. At one time he served as State code commissioner and prepared a revision of the State Codes of Law of Montana, which is recognized by the legal profession as an outstanding accomplishment.

In 1937, President Roosevelt named Mr. McFarland as Assistant United States Attorney General, and he served in that capacity for several years before entering into a law partnership with the Honorable Homer Cummings, former United States Attorney General.

Mr. President, he has been practicing law in the city of Washington since 1939 and is recognized as one of the most distinguished members of the Washington bar.

His appointment as president of the Montana State University was made by the State education board by unanimous vote.

His many friends in Montana and throughout the country are pleased that this great honor has been bestowed upon Mr. McFarland and are confident that he will meet with a high measure of success in the administration of this educational institution of Montana.

I have been a close personal friend of Carl McFarland ever since he commenced the practice of law in the State of Montana, and hold him in high respect. I am gratified to read of the action of my State in selecting him to head the Montana State University.

EXHIBIT 1

[From the Great Falls Tribune of December 10, 1950]

DR. McFARLAND ACCEPTS STATE UNIVERSITY PRESIDENCY

HELENA, December 9.—Dr. Carl McFarland has accepted the presidency of Montana State University at Missoula, Gov. John W. Bonner announced today. Bonner said the Washington, D. C., attorney telephoned acceptance of the State education board's offer to head the school that gave him his law degree in 1930 and an honorary doctor of laws degree last year.

McFarland will report by letter when he will take over the $10,000-a-year job resigned this summer by Dr. James A. McCann, now president of Kansas State College.

"HAPPY," SAYS BONNER

The Governor said: "I am happy that Dr. McFarland accepted. He will be the first State university alumnus to be made president of the university. It speaks well for Montana when distinguished persons like Dr. McFarland are beginning to head important Montana institutions. I hope this trend continues."

McFarland went from Great Falls High School to the State university. He was State code commissioner before his appointment

by President Roosevelt as Assistant United States Attorney General in 1937. He has been in private law practice in Washington since 1939.

The university gave him an honorary degree this year when he gave the commencement address there.

The Governor announced Monday that the presidency was open to McFarland, with unanimous approval of the education board and university faculty.

Mr. McCARRAN. Mr. President, in conjunction with the remarks of the Senator from Montana I wish to say that those of us who have had opportunity for contact with Mr. Carl McFarland in Washington will greatly regret his removal from our midst. The State of Montana is to be congratulated in having acquired the services of such an able man. He has been in Washington for a considerable time. He was one of the great aids we had in drafting the Administrative Procedure Act which is now law. I shall regret his absence from the city of Washington, but I congratulate the State of Montana in acquiring such a splendid man to be the president of the University of Montana.

Mr. MURRAY. Mr. President, on behalf of the people of Montana I wish to thank the able Senator from Nevada for his very eloquent remarks.

Mr. ECTON. Mr. President, I desire to join my senior colleague in welcoming Carl McFarland to Montana as president of Montana State University. I also wish to congratulate the State Board of Education of our great State of Montana for being able to secure the services of an outstanding lawyer of the United States, a businessman of unexcelled qualifications, and a great educator. He is recognized as an educator, along with his business and legal qualifications.

Since he has been in Washington he has been in partnership with a legal firm in Helena. He is a graduate of Montana State University as well as holding degrees from some of the greater universities of the United States.

We are very happy that he has consented to come back to his home and to his alma mater, to act as its president in the coming years.

REDEFINITION OF ELIGIBILITY TO MEMBERSHIP IN AMVETS

The bill (S. 4254) to redefine eligibility for membership in AMVETS (American Veterans of World War II), was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 6 of the act approved July 23, 1947, Public Law 216, Eightieth Congress (61 Stat. 407; 36 U. S. C. 67e), is amended to read as follows:

"SEC. 6. Any person who served in the Armed Forces of the United States of America or any American citizen who served in the Armed Forces of an allied nation of the United States on or after September 16, 1940, and before the legal termination of World War II, is eligible for regular membership in AMVETS, provided such service when terminated by discharge or release from active duty be by honorable discharge or separation. No person who is a member of, or who advocates the principles of, any organization believing in, or working for, the overthrow of the United States Government by force, and no person who refuses to uphold and defend the Constitution of the United States, shall be privileged to become, or continue to be, a member of this organization."

Mr. JOHNSTON of South Carolina. Mr. President, on the call of the calendar a bill was passed over and went to the foot of the calendar.

The PRESIDENT pro tempore. The Chair will say that three bills went to the foot of the calendar. The clerk will state the first bill that went to the foot of the calendar.

MRS. JUAN ANTONIO RIVERA AND OTHERS

The bill (S. 1976) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, was announced as next in order.

Mr. PEPPER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. PEPPER. Would consideration now of the bills that went to the foot of the calendar during the call of the calendar, prejudice a Senator's right in respect to requesting that we return to a bill on the calendar which was passed over when it was reached?

The PRESIDENT pro tempore. If the Senator makes a unanimous consent request——

Mr. HENDRICKSON. Mr. President, I shall object to returning to any bills which when reached were not carried to the foot of the calendar.

The PRESIDENT pro tempore. That settles that point.

Mr. HOLLAND. Mr. President, the Senator from Illinois [Mr. LUCAS] was called out of the Chamber. He advised the junior Senator from Florida that it was his understanding that three bills had been placed by unanimous consent at the foot of the calendar and were to be considered as a part of the calendar immediately following the call of Senate bill 4254, Calendar No. 2632.

The PRESIDENT pro tempore. That is correct. The first bill which went to the foot of the calendar is now before the Senate.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. HOLLAND. Will the call of the calendar be completed when the call of those three bills which have been placed at the foot is completed?

The PRESIDENT pro tempore. It will be completed then, yes.

Mr. HOLLAND. I thank the President pro tempore.

Mr. CHAVEZ. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. CHAVEZ. What bill is now before the Senate?

The PRESIDENT pro tempore. Senate bill 1976, Calendar No. 731. There is on the calendar an identical House bill, H. R. 5051, Calendar No. 1738.

Mr. McCARRAN. Mr. President, that is the bill the Senator from New Jersey [Mr. HENDRICKSON] asked about when Senate bill 1976 when to the foot of the calendar.

Mr. HENDRICKSON. Yes.

The PRESIDENT pro tempore. Is there objection to the consideration of either of the two bills?

Mr. HENDRICKSON. Mr. President, I wish to ask a question of the Senator from Nevada. Were the widows of these Bolivian fliers compensated at all by their own government?

Mr. McCARRAN. The answer, so far as I have any knowledge, is "No."

Mr. HENDRICKSON. Of course, it seems to me we should have some proof of that fact, because I do not believe it is proper for the United States Government to award these moneys to the widows if they already have been paid by their own Government.

I may say that the objection I made, which was entered by request, was based on the question I have just asked.

Mr. CHAVEZ. Mr. President, although I cannot assure the Senator from New Jersey that the widows have not been recompensed by their own Government——

Mr. HENDRICKSON. The Senator is positive of that fact, is he?

Mr. CHAVEZ. I am trying to make it clear.

Mr. HENDRICKSON. Oh, I thought the Senator said he could assure us of that.

Mr. CHAVEZ. No; I could not.

Nevertheless, knowing generally the persons involved, knowing the type of people they are, and the citizens of that particular country, my opinion, in the best of faith, would be that these widows have not received a penny.

Mr. HENDRICKSON. Mr. President, I appreciate what the Senator says, but certainly that is negative proof. In the light of no assurance that the widows have not been compensated by their own Government, I shall have to interpose my objection again—which, as I said before, is by request.

Mr. CHAVEZ. Of course, Mr. President, I do not blame the Senator from New Jersey for doing that; but I wish him please to believe this: As I have stated heretofore, if these persons were to walk in the Senate Chamber now, I would not know them. However, I have had persons from Bolivia, previously unknown to me, speak to me or write to me simply because they think I am kindly disposed toward them and toward people south of the United States border, and they have asked that I do the right thing. They have interceded, and have said, "Why can we not have a little justice?"

This measure has been recommended by our Air Corps, by the armed services, by our State Department, and by virtually everyone else.

Mr. President, I think the greatest characteristic of an American is, not our power to do things, but our spirit of fair play and decency.

Mr. HENDRICKSON. I agree with the Senator.

Mr. CHAVEZ. The United States Government, the most powerful Government in the world, had asked the men who were killed to come to the

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United States on our ships. I venture to say, although I do not have the proof, that the widows and children of those men are now in need of something to eat.

It is unbelievable that our country, which can afford to give billions and billions of dollars to countries in Europe and elsewhere in the world, cannot give a few cents to these widows who live in South America.

Mr. HENDRICKSON. Mr. President, all in the world I ask is proof to the Senate that there will not be double compensation as a result of the enactment of this bill.

I know how sincerely the Senator from New Mexico feels about the loss these widows have suffered. However, I cannot understand why it is at all unreasonable to ask for proof positive that previous compensation has not been made by the Bolivian Government.

Mr. McCARRAN. Mr. President, I think the inquiry of the Senator from New Jersey is proper, and I do not object to it in the least. I think it is a wise inquiry.

Let me say that we made the same inquiry of the Department, and the Department advised us, as I now recall, that these women had received nothing, except what would be given generally to those who had lost their support. I do not know what that is.

Mr. HENDRICKSON. Mr. President, is it not possible to bring before the Senate a statement in regard to this matter, so that we can be assured on that point? If the majority leader would approve that action, I would be perfectly willing to have the bill considered at a later date, when we have the proof for which I have asked.

Mr. McCARRAN. Would the Senator from New Jersey and other Senators be satisfied to have the bill passed now, with the agreement that before the bill becomes law we must first establish that the widows have not received specific compensation?

Mr. HENDRICKSON. I would be quite satisfied with that arrangement, and I know that the Senator for whom I have objected to the consideration of the bill would be satisfied with that arrangement.

Mr. WHERRY. Mr. President, I think the way to accomplish that purpose would be to have us waive the rule in regard to the filing of a motion to reconsider, with the idea that the bill will be passed at this time. Then, if such evidence is not forthcoming, the Senator from New Jersey could move to reconsider the action of the Senate on the bill.

Therefore, I ask unanimous consent that the bill be passed now, and that we waive the rule in regard to filing a motion to reconsider, so that a motion to reconsider may be made and acted upon in the event the proof which has been requested is not forthcoming.

Mr. CHAVEZ. That is satisfactory.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, which had been reported from the Committee on the Judiciary with amendments, on page 1, line 7, after the word "of"; to strike out "$10,000" and insert "$7,500"; in line 9, after the word "of", to strike out "$10,000" and insert "$7,500"; on page 2, line 1, after the word "of", to strike out "$10,000" and insert "$7,500", in line 3, after the words "sum of", to strike out "$10,000" and insert "$7,500", and in line 4, after the words "sum of", to strike out "$10,000" and insert "$7,500."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

The PRESIDENT pro tempore. By unanimous consent, a motion to reconsider is entered.

Mr. McCARRAN. Mr. President, let me inquire whether the bill on which the Senate has just acted is House bill 5051.

The PRESIDENT pro tempore. That is correct.

Mr. CHAVEZ. Mr. President, in order to have the RECORD perfectly clear in this connection, let me say that Calendar No. 1738, House bill 5051, is an identical bill which has been passed by the House of Representatives.

The PRESIDENT pro tempore. Yes; and that is the bill which has just been passed by the Senate.

There is a corresponding Senate bill, namely, Senate bill 1976, Calendar No. 731. Without objection, the Senate bill will be indefinitely postponed.

ANNUITIES OF MEMBERS AND ELECTED OFFICERS OF THE SENATE AND HOUSE OF REPRESENTATIVES

The PRESIDENT pro tempore. The next bill heretofore placed at the foot at the calendar will be stated.

The bill (S. 3682) to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to the time of taking effect of annuities of Members and elected officers of the Senate and House of Representatives was announced as next in order.

The PRESIDENT pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. JOHNSTON of South Carolina. Mr. President, I offer the amendments which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendments will be stated.

The LEGISLATIVE CLERK. At the end of the bill, it is proposed to insert the following new section:

SEC. 2. Section 3A of such act is amended by adding at the end thereof a new paragraph as follows:

"(11) Hereafter, no person who has had at least 6 years' service as a Member of Congress shall receive any credit for such service for the purposes of an annuity under section 4 of this act, but any such person who (A) has not served as a Member of Congress subsequent to August 2, 1946, or (B) failed to give notice as provided by paragraph (1) of this section of his desire to come within the purview of this act, may, upon application therefor, be paid an annuity computed in accordance with this section, beginning at age 62 or as of the date of such application if subsequent to age 62: *Provided*, That in the computation of such annuity, no credit shall be allowed for any service for which deposit has not been made in accordance with section 9 of this act."

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment submitted by the Senator from South Carolina will be stated.

The LEGISLATIVE CLERK. At the end of the bill, after the amendment just agreed to, it is proposed to insert the following new section:

SEC. 3. (a) Section 85 of chapter 23 of the Printing Act, approved January 12, 1895, as amended (48 Stat. 1018; 39 U. S. C. 326), is amended by inserting after the words "until the 30th day of June following the expiration of their respective terms of office" a comma and the words "or until the expiration of six months following such expiration, whichever is the later."

(b) Section 7 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June thirtieth, nineteen hundred and five, and for other purposes", approved April 28, 1904 (33 Stat. 441; 39 U. S. C. 327), is amended by inserting before the period at the end thereof a comma and the following: "until the first day of December following the expiration of their respective terms of office, or until the expiration of six months following such expiration whichever is the later."

The amendment was agreed to.

The PRESIDENT pro tempore. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill (S. 3682) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That the third paragraph of section 13 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by inserting before the period at the end of the first sentence thereof a colon and the following: "*Provided*, That, in the case of an elected officer of the Senate or House of Representatives, such annuity shall commence on the day following the date on which salary shall cease provided such employee meets the age and service requirements for retirement at that time. An annuity granted under the provisions of section 3A shall commence on the day following the date on which salary shall cease or on the day on which the person entitled to such annuity attains age 62, whichever is later."

SEC. 2. Section 3A of such act is amended by adding at the end thereof a new paragraph as follows:

"(11) Hereafter, no person who has had at least 6 years' service as a Member of Congress shall receive any credit for such service for the purpose of an annuity under section 4 of this act, but any such person who (A) has not served as a Member of Congress subsequent to August 2, 1946, or (B) failed to give notice as provided by paragraph (1) of this section of his desire to come within the purview of this act, may, upon application therefor, be paid an annuity computed in accordance with this section, beginning at age 62 or as of the date of such application if subsequent to age 62: *Provided*, That in the computation of such annuity, no credit shall be allowed for any service for which deposit

has not been made in accordance with section 9 of this act."

SEC. 3. (a) Section 85 of chapter 23 of the Printing Act, approved January 12, 1895, as amended (48 Stat. 1018; 39 U. S. C. 326), is amended by inserting after the words "until the 30th day of June following the expiration of their respective terms of office" a comma and the words "or until the expiration of 6 months following such expiration, whichever is the later."

(b) Section 7 of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1905, and for other purposes", approved April 28, 1904 (33 Stat. 441; 39 U. S. C. 327), is amended by inserting before the period at the end thereof a comma and the following: "until the first day of December following the expiration of their respective terms of office, or until the expiration of 6 months following such expiration whichever is the later."

Mr. McCARRAN. Mr. President, have we concluded the call of the calendar?

The PRESIDENT pro tempore. The call of the calendar has been completed.

AMENDMENT OF PUBLIC LAW 359—RECLASSIFICATION OF POSTMASTERS

Mr. JOHNSTON of South Carolina. Mr. President, in connection with Calendar No. 1500, the bill S. 3050, to amend Public Law 359, chapter 287, Seventy-eighth Congress, second session, I desire to say that I hope the Senate will take that up sometime in the near future, if possible before this session is over, in order that we may dispose of it.

Mr. President, in connection with Calendar No. 2249, the bill (S. 1978) to reclassify postmasters, assistant postmasters, and other positions in the postal field service, I want it understood that I did not object to that bill. I suppose the Senator from Delaware [Mr. WILLIAMS] objected to it. I was in favor of taking up the bill, but the Senator offered an amendment with which I did not agree.

ORDER OF BUSINESS

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Missouri [Mr. KEM] to take up Senate Resolution 371, under a previous order—for which the Chair was not at all responsible.

Mr. McCARTHY obtained the floor.

Mr. HOLLAND, Mr. JOHNSTON of South Carolina, and other Senators addressed the Chair.

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. McCARTHY. I shall be glad to yield. I see there are a number of Senators who desire me to yield. I shall do so on condition that I do not thereby lose the floor, of course.

Mr. HOLLAND. Mr. President, the junior Senator from Florida is simply acting as majority leader in the absence of the Senator from Illinois. He was advised by the majority leader, however, before he left that a unanimous-consent agreement of some kind had been entered into, effective as of the time of the completion of the call of the calendar. Is that correct?

The PRESIDENT pro tempore. That is correct.

Mr. HOLLAND. And is that unanimous-consent agreement now being followed in the recognition of the Senator from Wisconsin?

The PRESIDENT pro tempore. That is exactly what is being done.

Mr. PEPPER. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. McCARRAN. Mr. President, I was going to ask the Senator to yield sufficient time so that I might move that the Senate proceed to the consideration of a small bill which was objected to on the call of the calendar.

Mr. WHERRY. Mr. President, I make the point that that is out of order.

The PRESIDENT pro tempore. It would require unanimous consent.

Mr. WHERRY. It would require unanimous consent.

Mr. McCARRAN. I beg the Senator's pardon. Why does it require unanimous consent?

Mr. WHERRY. Because there is a motion before the Senate, which is the unfinished business; and the only way the Senator could take up the bill would be by unanimous consent.

Mr. McCARRAN. When was the unanimous-consent agreement entered into?

Mr. WHERRY. I say, the unfinished business is a motion on the part of the Senator from Missouri to take up a resolution. A motion to take up a bill is now out of order. The only way it could be taken up would be by unanimous consent.

Mr. McCARTHY. I have no objection.

The PRESIDENT pro tempore. The Chair will state that he is so advised by the Parliamentarian.

Mr. PEPPER. Mr. President, will the Senator yield to me a moment for a brief statement?

The PRESIDENT pro tempore. Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. McCARTHY. I yield 2 minutes to the Senator from Florida.

Mr. PEPPER. Mr. President, Senators will recall that for a period of, I think, a year, my colleague and I have endeavored to obtain action on a relief bill for a man named Piowaty. I imagine the name recalls the efforts we have made. I believe that it is a meritorious case, and so does my colleague, who, on behalf of the Committee on Agriculture and Forestry, submitted to the Senate a report which, I believe, was unanimous, in favor of the bill. The distinguished Senator from New Jersey felt it necessary to object today, at the request of a Senator who is absent—the Senator from Kansas [Mr. SCHOEPPEL]. I desire to give notice that I shall attempt, by motion or otherwise, to bring up this bill for consideration as early as possible. I feel it is only my duty to give the Senate an opportunity to do justice before the expiration of this session. I thank the Senator very much.

DREW PEARSON

Mr. McCARTHY. Mr. President, the other night I told one of my fellow Senators that today I intended to discuss the background of one of the cleverest men who has ever prostituted one of the noblest professions—a man, who, in my opinion, has been and is doing an infinite amount of damage to America and all of the institutions of our form of Government. When I told the Senator this, he said: "McCARTHY, don't do it." He said it would be like having stood in the mouth of the Cloaca Maxima and having tried to stop the flow. He said: "You will be merely inundated by the slime and smear and he will still go on every day and every week polluting otherwise fine newspapers and poisoning the air waves."

I realize that the task of exposing this man, or perhaps I should say this person, will be an unpleasant, disagreeable task, which will leave me more than a bit bloodied up also, but as I told the Senator the other night—when I was a boy on the farm my mother used to raise chickens. From those chickens the groceries for a large family were supplied, as well as mother's Christmas money. The greatest enemy the chickens had were skunks. In order to protect mother's chickens my three brothers and I had to dig out and destroy those skunks. It was a dirty, foul, unpleasant, smelly job. We learned early in life that the jobs that most badly need doing and are so often left undone are often the most difficult and unpleasant jobs.

I do not agree with the Senator who advised me the other night—I do not agree that this is an impossible task. I think that while it cannot be done overnight, this man can be exposed to the American people for what he is, at which time he will no longer be dangerous.

Before discussing the important place which he holds in the Communist scheme of propaganda, I would like to describe him in the words of some expert witnesses, well known and highly respected by the Senate.

First, let me quote one of the outstanding Senators from the other side of the aisle—one of the great Senators, not only of today but great in the entire history of this Senate, the Senator from Georgia [Mr. GEORGE]. On the floor of the United States Senate, on the 21st of February 1944, he said:

> [Pearson] began his whole tirade with a deliberate lie. * * * It is not often that an ordinary, congenital, deliberate, and malicious liar such as Drew Pearson refers to a printed record on which it is possible to pin him down. * * * What sort of a liar is he, Mr. President, when in the very face of the RECORD which he himself invites every word that he said is disproved? * * *
>
> Mr. President, I know some of the motive, some of the malice, back of this sudden attack by Drew Pearson on me. * * * Down deep is a fight against representative government. It is a smear campaign against the legislative branch of this Government. * * *
>
> Again I ask, what sort of a liar is Mr. "Skunk" Pearson? (CONGRESSIONAL RECORD, vol. 90, pt. 2, pp. 1903–1904.)

Next, let me quote Morris A. Bealle, a highly respected writer:

> All the boys in the Washington press galleries, except the leftist stooges and Communist sympathizers and "New" Deal dog

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robbers, have an abiding contempt for this fellow who had brought prostitution of their great profession to its zenith. They say: "When bigger lies are told Pearson will tell them."

He goes on further to say:

"The truth is not in him; he is a pathological liar." (Washington Squirrel Cage, 1948 edition, p. 39.)

Pearson makes his living by blackening ch racters. He is a smear columnist, a professional character assassin, and the author of false and vile insinuations. (Washington Squirrel Cage, 1948 ed., p. 39.)

On the 17th of December 1941, Representative MARION T. BENNETT, of Missouri, described Pearson as follows:

Pearson and Allen * * * do not have the manhood or honor to admit their mistake. * * * These two columnists have prevaricated. * * * They are well known in informed circles because of their utter lack of regard for the truth and for being two of the most dishonest, unreliable, and vicious character assassins in America. They are a disgrace to the great newspaper profession. They apparently seldom take the trouble to ascertain the facts. * * * They make their living in the half light of minds diseased by the filth they alone can imagine. (CONGRESSIONAL RECORD, vol. 87, pt. 8, pp. 9943–9944.)

Mr. President, normally I should not take the time of the Senate in quoting witnesses, but I do think it is important that the record of this man be made clear for the benefit of the well-meaning and deluded newspaper publishers who still are buying his service.

I might say, Mr. President, in fairness to Mr. Allen, that apparently he could not stomach this association and broke it up himself. So it is barely possible that he may have been unfairly blamed for what Drew Pearson was saying; I do not know.

Again on the floor of the Senate on the 12th day of March 1945, a Democratic Senator described Pearson as follows:

It is not only generally known, but it is universally admitted, that Drew Pearson is the biggest and most notorious liar in America today. Not only is Pearson recognized as being the biggest liar, but he is also recognized as being the most perfect smear artist of the press and radio. He will go down in history as Drew Pearson, the sponge, because he gathers slime, mud, and slander from all parts of the earth and lets them ooze out through his radio broadcasts, and through his daily contributions to a few newspapers which have not yet found him out. (CONGRESSIONAL RECORD, vol. 91, pt. 2, pp. 2010–2011.)

On the 20th of May 1943, Representative FRANK BOYKIN, of Alabama, described Pearson as follows:

Drew Pearson is the damnedest liar that ever lived. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4723.)

On the 12th of June 1948, the Senator from Maine [Mr. BREWSTER] stated:

I have been a little puzzled by the apparent malevolence of Mr. Pearson. * * * * * * these attacks of various kinds have developed upon me, with all the cunning and skill he commands—and it is very considerable. I have a very wholesome respect for his tenacity and ingenuity in presenting half-truths in order to fortify whatever views he takes, sometimes walking a very tight rope between situations. * * * he is able so to present a situation as to leave implications which are utterly unwarranted by a full disclosure of the facts. (CONGRESSIONAL RECORD, vol. 94, pt. 6, p. 7957.)

On the 15th of December 1947 the Senator from Washington [Mr. CAIN] had the following to say:

The conversation described by Mr. Pearson never took place. * * * Mr. Pearson has unfairly, unreasonably, and senselessly abused Mr. REECE through an imaginary dialog which was spawned by an individual who has been malicious, irresponsible, and mischief making. * * * Pearson has lied * * * without reason or excuse. Through doing this he has insulted the intelligence of his readers and broken faith with his profession. (CONGRESSIONAL RECORD, vol. 93, pt. 9, pp. 11360–11361.)

On the 25th of April 1944 former Senator A. B. Chandler, of Kentucky, described Pearson as follows:

* * * There is a definition for that sort of liar. He is called a revolving liar. (CONGRESSIONAL RECORD, vol. 90, pt. 3, p. 3634.)

On the 21st of June 1943 EUGENE COX, of Georgia, described Pearson as follows:

This Washington Post happens to be the purveyor of the filth concocted by one Drew Pearson, whom I denounce as a filthy and cowardly villain, a venomous slanderer, and an insinuating rogue, who makes his living in the blackening of other men's reputations and the practice of blackmail blackguardism. (CONGRESSIONAL RECORD, vol. 89, pt. 5, p. 6185.)

He should not have said "The Washington Post"; he should have said "The Washington Edition of the New York Daily Worker." His statement appears in volume 89, part 5, page 6185, of the CONGRESSIONAL RECORD.

On the 20th of May 1943 Stephen Early, White House secretary, is quoted in the CONGRESSIONAL RECORD in regard to one of Pearson's stories as follows:

There is no truth in any detail of this story. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4724.)

On the 19th of November 1940 former Representative Hamilton Fish made the following statement:

The Pearson-Allen statement is damnably false. * * * This is not a personal issue, but if permitted to continue it may undermine the confidence of the American people in the integrity of our public officials and destroy our free institutions and democratic Government, which is now under attack throughout the world. * * *

The only way I know of (dealing with these contemptible people) is through libel action or horsewhipping or the old gun method. It is too bad that that has gone out. That used to be resorted to in the old days of Benton and Clay. They would have taken a gun and gone after them. (CONGRESSIONAL RECORD, vol. 86, pt. 12, p. 13685.)

On the 26th of December 1940 the following is found in an extension of remarks in the House of Representatives:

A typical example of the lack of regard for truth in the Merry-Go-Round, published by Drew Pearson and Robert S. Allen. * * * These smear columnists are rendering a disservice to the public and to public officials by their irresponsible and false statements and deliberate misrepresentations. (CONGRESSIONAL RECORD, vol. 86, pt. 18, p. 6983.)

I hesitate, Mr. President, to take up the time of the Senate in citing these expert witnesses, but I think it is important to do so before going on to what I consider to be a much more important facet of Mr. Pearson's activities.

On the 20th of May 1943, the following statement was quoted by Representative MORRISON, of Louisiana:

Drew Pearson, in my opinion, is the most contemptible, dishonest, and dishonorable smear propagandist in America, and by inference the most colossal liar in the Nation. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4723.)

On the 10th of June 1947, Senator GILLETTE, of Iowa, in referring to one of Pearson's articles, stated:

The intimation * * * as stated in the article, is absolutely without foundation. (CONGRESSIONAL RECORD, vol. 81, pt. 5, p. 5511.)

On the 23d of November 1943, Congressman John W. Gwynne, of Iowa, made the following statement:

The statement of Drew Pearson did contain one truth, believe it or not. I think it must have been an accident. (CONGRESSIONAL RECORD, vol. 91, pt. 8, p. 10946.)

William "Bull" Halsey, fleet admiral, United States Navy, had this to say:

Pearson is a blackguard who, by insinuations and outright lies, tried to destroy public confidence in the Navy's air arm. The scoundrel didn't have the "guts" to take a plane ride with a man he said got his wings by fraud. (Washington Squirrel Cage, 1948 edition, p. 39.)

On the 28th of March 1935, the late Senator Pat Harrison, of Mississippi, made the following statement:

This is so mendacious, it is willful, it is so misleading and untruthful, it is such a damnable lie * * * that I cannot pass it by unnoticed. * * *

* * * These audacious, misleading, incorrect statements carried in the Merry-Go-Round, written by Mr. Drew Pearson, are written because of a motive. (CONGRESSIONAL RECORD, vol. 79, pt. 4, p. 4618.)

I intend to discuss the motive.

On the 24th of May 1949, Congressman CLARE HOFFMAN, of Michigan, described Pearson as follows:

A man who gratuitously smears innocent, defenseless individuals in order to sell his wares, advance his own financial interests, no doubt derives pleasure from the squirming and the suffering of his victims. Drew Pearson, who seldom misses an occasion to throw out a falsehood and insinuation or by innuendo to injure some innocent victim, if he runs true to form, must be chagrined by the death of James V. Forrestal, whom he so vigorously and meanly attacked, because Forrestal is dead and no longer will be humiliated or suffer because of Pearson's slanderous, libelous statements. (Appendix to the CONGRESSIONAL RECORD, vol. 95, pt. 14, p. A3182.)

Again, in April of 1939, Secretary of State Cordell Hull, in referring to a Pearson article, dated April 14, 1939, had this to say:

Those parts of it of which I have knowledge are so thoroughly inaccurate and misleading that they could not in my judgment be substantiated by anyone. (CONGRESSIONAL RECORD, vol. 84, pt. 5, p. 5416.)

Again on the 21st of December 1940, in a press conference Cordell Hull stated:

[The Merry-Go-Round article bore earmarks that] would indicate it to be a deliberate misrepresentation. It is very disagreeable when we are so hopelessly overwhelmed with emergency matters to have an article of whole cloth thrown into our faces and sent over the Nation with the representation that it is based on actual knowledge. (New York Times, December 22, 1940, p. 18, cols. 1–5.)

Again on the 30th of August 1943, in referring to a Pearson article, Hull stated:

I desire to brand these statements as monstrous and diabolical falsehoods. (New York Times, August 31, 1943, p. 1, col. 7.)

As quoted by the Senator from Georgia [Mr. GEORGE] on February 21, 1944, Hull again referred to Pearson as an "unmitigated and congenital" liar—CONGRESSIONAL RECORD, volume 90, part 2, page 1904.

Jesse Jones, as quoted by Representative O'Connor, of Montana, on the 2d of April 1942, had this to say:

There is no truth in the Merry-Go-Round story of April 1 about me * * *. Practically all references to me and my work by those columnists over the year has been made for the purpose of injuring me, and where there has been any basis for reference to me, the facts are maliciously distorted through innuendo. This article is typical of their column. (CONGRESSIONAL RECORD, vol. 88, pt. 3, p. 3289.)

The Senate will recall that in 1947 Congressman Robert Jones, of Ohio, was nominated for membership on the Federal Communications Commission. Pearson attacked the nomination of Jones, claiming he had reliable and reputable witnesses who would testify that Jones was a member of the Black Legion. Senators will recall it. The following is found in the answer in the court record in the case of Pearson against King Features and Westbrook Pegler, page 20 of the answer:

One Congressman Jones, of Ohio, was nominated for membership on the Federal Communications Commission. The said plaintiff opposed said nomination and contended that said Jones was a member of the Black Legion.

At a hearing conducted on the confirmation of the aforesaid Mr. Jones, the said plaintiff—

Pearson—

stated falsely that he had affidavits substantiating the membership of said Jones in such Black Legion. The said plaintiff produced as witnesses a person who had been an inmate of the insane asylum, and had a criminal record; a person so senile as not to know in what manner he had reached Washington or the hearing room; and a third witness, likewise with a criminal record, of no credibility whatever. The charges trumped up by said plaintiff were fakes and lies, as he then and there well knew. The witnesses he produced were for the most part perjurers, as plaintiff then and there well knew; the nomination of the aforesaid Jones was confirmed by the United States Senate by a unanimous vote, thus in effect finding that said plaintiff was a faker, liar, and suborner of perjury by a vote of 96 to 0.

In connection with the above the following statement was made by Congressman Jones to the Interstate and Foreign Commerce Committee of the United States Senate on July 1, 1947:

I believe that any competent lawyer, reading Pearson's testimony, would dismiss it instanter as the flimsiest hearsay and of no probative value. * * * Pearson's first charge is wholly false and entirely unsubstantiated. * * * The second charge is false. * * *

I am sure that the members of the committee have every right to take judicial notice of the fact that Pearson's credibility has been attacked upon scores of occasions. It is sufficient, I believe, to cite as witnesses in my behalf as to Pearson's reputation for truth and veracity * * * members of the Washington press corps who in a poll voted him the most unreliable commentator. (CONGRESSIONAL RECORD, vol. 93, pt. 6, p. 8092.)

The late Congressman Lesinski, of Michigan, had the following to say on the floor of the House of Representatives:

This is one of those damnable lies that has always been produced by Drew Pearson. (CONGRESSIONAL RECORD, vol. 94, pt. 6, p. 7601.)

On the 25th of April 1944 the Senator from Tennessee [Mr. MCKELLAR] described Pearson colorfully and in detail. I shall quote only a few of the passages:

I do not know Pearson; but really he is an ignorant ass, is he not? * * * This ignorant, blundering, lying ass, who makes his living by lying on Senators and other public men. * * *

* * * If ever there was an opportunity for my temper to be aroused by plain lying, it would be aroused by the plain lying of this so-called Washington columnist. * * * He is just an ignorant liar, a pusillanimous liar, a peewee liar, and he is a paid liar. * * *

Pearson makes his living by making sensational lying statements about men in high office. * * * He actually makes his living that filthy way. He ought to have the contempt of every honest man.

* * * When a man is a natural-born liar, a liar during his manhood and all the time, a congenital liar, a liar by profession, a liar for a living, a liar in the attempt to amuse, or to be as he thinks smart, a liar in the daytime, and a liar in the nighttime. It is remarkable how he can lie.

* * * This revolving, constitutional, unmitigated, infamous liar, this low-lived, double-crossing, dishonest, corrupt scoundrel, who claims to be a columnist. He is not a columnist. He is a monumentalist. That is, a monumental liar. * * * This knave—and I am using very mild language. * * *

Gentlemen, I am not angry, I am just sorry that this great Nation of ours, this Nation of honest men, this Nation of Americans, has within its borders any person so low and despicable, so corrupt, so dishonorable, so groveling, so desirous of injurying the character and the accomplishments of his fellowmen, as this low-born, low-lived, corrupt, and dishonest Drew Pearson. (CONGRESSIONAL RECORD, vol. 90, pt. 3, pp. 3683–3687).

On Sunday this miserable, lying, corrupt, dishonest scoundrel, Drew Pearson, with a dishonest and disordered mentality and a putrid and corrupt morality, wrote and published another lying article about me. * * *

This is a lie out of the whole cloth, known to be a lie when Pearson wrote it, known to be a lie when Silliman Evans bought and paid for it, and no person with character sufficient to sleep with a hog or to associate with dogs or polecats would write such an article or would print such an article. Indeed, Pearson, in his mental make-up is a cross between a ranting maniac and a drunken Silliman Evans. * * *

The article had no resemblance to truth, but is simply the result of a disordered and corrupt mind working only for money paid for it by Silliman Evans. * * * (CONGRESSIONAL RECORD, vol. 92, pt. 7, pp. 9090–9091.)

On the 17th of October 1945, Congressman Joseph J. Mansfield, of Texas, made the following statement:

I consider this paragraph so grossly erroneous in point of fact that it should not be permitted to go unchallenged. (CONGRESSIONAL RECORD, vol. 91, pt. 13, p. A4359.)

On the 18th of December 1943, the Senator from South Carolina [Mr. MAYBANK] made the following statement:

Mr. Pearson's statement is false and unfounded. * * * an absolute falsehood has been printed in the Pearson article. (CONGRESSIONAL RECORD, vol. 89, pt. 8, p. 10867.)

On the 4th of May 1945, Congressman AUCHINCLOSS, of New Jersey, made the following statement:

The column of Drew Pearson * * * contains references * * * that are cruel, wholly false, and libelous. (CONGRESSIONAL RECORD, vol. 91, pt. 11, p. A2073.)

On the 20th of May 1943, Congressman JAMES H. MORRISON, of Louisiana, made the following statement:

* * * Drew Pearson lied on the radio and I know he lied on the witness stand which, down where I come from, is perjury. * * * I have had occasion to check into the record of Drew Pearson to see what kind of reputation he has for telling the truth. I find that United States Senators, Members of Congress, Cabinet members, generals and even the secretary to the President in no uncertain terms labeled him as a downright liar and garbage can collector of filthy, manufactured synthetic lies.

But Drew Pearson has not spent all of his time blackmailing, intimidating, and lying about public officials and Congressmen. His vocations describe a thwarted and frustrated man with a warped, twisted, and diseased idea of mankind and life. * * * I want the Members of this House to know that Pearson, who poses as a great liberal, is at heart a money miser and one of the greediest men for cash I have ever met anywhere any time. If he cannot get it honestly, look out for the blackmail. * * *

His contribution to the war effort is based on a low-down degrading, cowardly, yellow, stinking pen to defame, to vilify, to humiliate, and to attempt to destroy America's No. 1 hero, Gen. Douglas MacArthur. * * *

* * * Seldom do I have the unpleasant task of skinning a skunk. I hope I have done the job well. (CONGRESSIONAL RECORD, vol. 89, pt. 4, pp. 4722–4724.)

On the 20th of May 1943, Congressman Mott, of Oregon, described Pearson as follows:

Drew Pearson and Robert Allen are a pair of journalistic polecats. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4724.)

Former Senator Nye, of North Dakota, made the following statement:

Pearson is a master of the half truth. When a direct lie does not suit his purpose because it might be too dangerous, he can lie by inference by merely leaving out qualifying remarks and explanation. (CONGRESSIONAL RECORD, vol. 89, pt. 4, p. 4723.)

On the 2d of April 1942, Congressman O'Connor, of Montana, labeled Pearson as a deliberate liar—CONGRESSIONAL RECORD, volume 88, part 3, page 3290.

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The mother of Pearson's former wife had this to say about Pearson:

Drew, rose-sniffing, * * * child cheater, sentimental Drew. Vicious and perverted Drew. * * *

Incidentally, you GI Joes, when you happen to listen to the phony Quaker Pearson of a Sunday night—Bleeding Heart Drew—never forget that although he was 20 and in perfect health in 1917, he managed to "thee and thou" himself out of service in World War I. Then, as now, Drew was a yellow-bellied slacker. * * *

* * * Too many of these zanies are crazy all right, but they're crazy like foxes. * * *

But, to go back again, how can any normal-minded human being choose this filthy work of plotting, planning, sneaking, lying, spying, cheating, stealing, smearing, in the mere hope of one day overthrowing our American form of Government, for that's all it amounts to. (CONGRESSIONAL RECORD, vol. 91, pt. 13, p. A4548.)

Columnist Westbrook Pegler had the following to say about Pearson:

James V. Forrestal * * * was * * * a victim of the wanton blackguardism and mendacity of the radio which has been a professional specialty of Drew Pearson. Pearson has become a man of great power and special privilege because other decent men like Forrestal go in fear of fantastic lies to be spread over the Nation by radio, all to stimulate the sale of a brand of hats or laxative. (Appendix to the CONGRESSIONAL RECORD, vol. 95, pt. 14, p. A3183.)

On February 2, 1944, Congressman RANKIN, of Mississippi, described Pearson as follows:

Drew Pearson, one of the well-known slimemongers of the radio * * * revealed himself of one of the most vicious propagandists in America. (CONGRESSIONAL RECORD, vol. 90, pt. 1, p. 1081.)

On the floor of the United States House of Representatives, February 8, 1944:

* * * those of us who listened in on Sunday night heard Drew Pearson, one of the radio scavengers of America, in a most contemptible manner, falsely attack one of the most elegant ladies in Washington. * * * Every person who is familiar with the incident tells us that Drew Pearson was lying about her in his statement. (CONGRESSIONAL RECORD, vol, 90, pt. 1, p. 1419.)

On the floor of the United States House of Representatives, June 11, 1945:

Drew Pearson * * * went to bat for those saboteurs in the State Department who were exposed by the Dies Committee on Un-American Activities. * * * A high-ranking general in the United States Army told me more than a year ago that if he were to give out the Government secrets that were being broadcast by Drew Pearson * * * he would be court-martialed immediately, and ought to be. * * * Somebody in the State Department, in the War Department, and even around the White House, has been giving out secret information to Drew Pearson * * * to broadcast to the world regardless of its cost in the lives of American boys on the various fighting fronts. (CONGRESSIONAL RECORD, vol. 91, pt. 12, p. A2770.)

Walter Reuther, president of the United Automobile Workers, described Pearson as follows:

Pearson is not only a chronic liar but a fool. (Washington Squirrel Cage, 1948 edition, p. 39.)

He is right about his being a chronic liar; but make no mistake, Pearson is no fool. He is the most cleverly dangerous man in the country. If he were a fool he would not be dangerous.

On the 11th of May 1939 Senator Robert R. Reynolds, of North Carolina, had this to say:

Unfortunately, the only way a public official can avoid vilification by these two men, the authors of the Washington Merry-Go-Round, is to bow to their will and the will of those whom they serve. (CONGRESSIONAL RECORD, vol. 84, pt. 5, pp. 5413–5433.)

On September 1, 1943, the New York Times reported the late President Roosevelt's press conference, as follows:

Mr. Roosevelt called Mr. Pearson a liar. * * * The President continued, he had no hesitation in saying that the whole statement, from beginning to end, was a lie.

But there is nothing in that, he went on, since the man is a chronic liar in his columns. * * *

It is the kind of journalism that hurts the press, the President declared, besides hurting the country. (New York Times, September 1, 1943, p. 4, column 2.)

On the 25th of April 1944, Senator Tom Stewart, of Tennessee, made the following statement:

* * * I do not think this man Pearson has the ability to slander anyone. One must be honest before one can slander another, and one must be able to tell something which at least approaches the truth. (CONGRESSIONAL RECORD, vol. 90, pt. 3, p. 3687.)

On the 11th of March 1948, President Truman in a press conference made the following statement:

First I want to pay attention to a vicious statement that was made by a columnist. * * * I had thought I wouldn't have to add another liar's star to that fellow's crown, but I will have to do it. This is just a lie out of the whole cloth. (New York Times, March 12, 1948, p. 17, columns 2–3.)

On the 7th of July 1941, Senator MILLARD TYDINGS, of Maryland, made the following statement:

The spreading of rumors in a whispering campaign is not a crime against an individual; it is a crime against society. * * * And that is the kind of campaign which Drew Pearson has tried, in his nefarious manner, to conduct. * * *

"But he that fliches from me my good name robs me of that which not enriches him and makes me poor indeed." This is what Pearson and Allen tried to steal. Where are they now? I have brought all the facts out into the light of day. Where are the skunks now? Down in their hole where they ought to be and where the company suits them. (CONGRESSIONAL RECORD, vol. 87, pt. 6, pp. 5831–5834.)

On the 18th of June 1945, Senator TYDINGS said further:

Washington Merry-Go-Round * * * is written by an individual who names himself Drew Pearson, but most persons who are familiar with his utterances on a variety of subjects generally call him "Pew Smearson." * * * Normally, I would pay no attention to such garbage but * * * I am unwilling by silence to see this deliberate lie passed on to the American people. * * *

I fail to find within the limits of parliamentary language words to describe this worm masquerading in the physique and the clothing of a supposed man. In the last war this scoundrel, although away above the draft age, found asylum in an SATC, and the only powder he ever smelled was in the presence of ladies who might have adorned the windward side of the parade ground; and today, sitting in a comfortable chair, far removed from any danger, without any scintilla of fact or truth to support the statement, this supposed purveyer of information besmirches the character of one of the most gallant soldiers.

He was referring to Pearson's attacks upon Gen. Douglas MacArthur at that time.

* * * I would call him a perpetual, chronic, revolving liar, and a few other things that I cannot add in the presence of this distinguished and rather ethical company. This man has engaged, to my personal knowledge, in the gentle art of blackmail, without any success. He has been guilty of attempting to buy public influence. I have the affidavits and the checks in my possession to substantiate what I am saying. He has been affiliated with one of the great gambling rackets of America, according to one who worked with him. (CONGRESSIONAL RECORD, vol. 91, pt. 5, pp. 6213–6214.)

The United States Department of the Army in April 1948 had this to say about one of Pearson's articles:

The implications in Mr. Pearson's statement are not only unfair, but are absolutely without foundation, as proved beyond question in the course of the investigation into the entire situation. (CONGRESSIONAL RECORD, vol. 94, pt. 10, p. A2492.)

On the 15th of March 1945 Congressman EARL WILSON of Indiana described Pearson as follows:

This ruthless, double-barreled, diabolical, puerile liar, Drew Pearson. * * * He is a liar, preceded by many uncomplimentary adjectives and is really everything he has been called and more. (CONGRESSIONAL RECORD, vol. 91, pt. 2, p. 2276.)

On the 13th of July 1950 Representative ANDREW JACOBS, of Indiana, had this to say about a Pearson article:

The statement was made out of the whole cloth. Now I could call him a liar, but I always believe in being a little more original than that. * * *

If we are nothing else in Indiana, we are generally pretty good sports. But that would be something that Mr. Pearson could not comprehend, being the kind of man he is. * * *

Pearson was a dishonorable man for attempting to assassinate his friend. * * * He being a poor sport himself—he just figured that everybody else would be a poor sport. * * *

That, Mr. Speaker, about demonstrates how much confidence you can put in this fellow Pearson. * * * It is impossible to know whether he is stupid or false, or both. I will bet it is both. (CONGRESSIONAL RECORD, July 13, 1950, pp. 10112–10116.)

As the Senate knows, one of the prime targets of this man Pearson has always been the head of the House Un-American Activities Committee. Any man who attempts to dig out the unnamed Communists comes in for Pearson's smear. Representative WOOD, of Georgia, being chairman of that committee, comes in for the usual treatment.

On the 15th of June 1950, Representative JOHN S. WOOD, of Georgia, made the following statement:

Ignoring the unsupported conclusions spawned in the distorted mind of this scandalmonger, Drew Pearson, as set forth in his column, I desire to make specific reply to his direct statements and insinuations. * * * He uttered a malicious lie. * * * His

unsupported statement * * * is a wicked and malicious lie * * * a wicked and gratuitous lie. * * * It ought not to be in the public interest that men in public office should be forced to suffer the slanders and falsehoods of one whose stock in trade consists of a wicked heart, a lying tongue, and a poisonous pen. And so * * * I have deemed it to be my duty to * * * condemn this dirty slander peddled by this arch liar and character assassin. * * *

This rogue * * * has built his name upon the wreckage of the reputations of others that he has wrought. * * * He has been slandering people, high and low, great and small, for years. This is his profession—and he has been condemned by millions of people upon whom he has unjustifiably inflicted injury. * * *

The chief legman and stooge of Drew Pearson today is one David Karr, a former member of the staff of the Daily Worker, of New York, the official publication of the Communist Party in America. * * *

Drew Pearson has consistently misrepresented, slandered, and abused every person—man or woman—who, because of love of country and constitutional liberty, have raised their voices against the spread of alien ideologies and against those who would overthrow our form of government. He has been the most effective weapon that the Stalinists have been able to use in America for the undermining of our whole constitutional system. To him there is nothing under the heavens that is sacred. He befouls and means to befoul everything he touches. He occupies the unique and unenviable position today of standing alone at the very pinnacle of all the slanderers and scandalmongers in all of America today. (CONGRESSIONAL RECORD, June 15, 1950, pp. 8653–8655.)

On September 23, 1950, Senator WILLIAM E. JENNER, of Indiana, had the following to say:

I have just had the honor and distinction of being attacked by America's No. 1 keyhole-peeping, muckraking, character-assassinating, propaganda-peddling prostitute of the Nation's press and radio—"P. U. Fearsome" * * *.

Mr. Drew Pearson is not an s. o. b. He is only his own filthy brain child, conceived in ruthlessness and dedicated to the proposition that Judas Iscariot was a piker. * * * There is money in this business in 1950 A. D. * * * for, as I intend to prove, this Drew Pearson is a self-appointed, self-made, cross t'd, dotted i'd, double-documented, super-superlative, revolving s. o. b. * * *

I cannot comprehend why such propaganda-peddling prostitutes as Drew Pearson, who make their living by feeding on the festering wounds of the characters they have stabbed in the back, continue to be supported by so many. * * * Never have I seen any person stoop to such depths of journalistic degradation and character assassination. (CONGRESSIONAL RECORD, September 23, 1950, p. 15673.)

On September 14, 1950, Congressman CHRISTIAN A. HERTER, of Massachusetts, made the following statement:

This entire article is a complete distortion of the facts. * * * Drew Pearson was fully aware of the true facts. (Appendix to the CONGRESSIONAL RECORD, pp. A6525–A6526.)

On May 19, 1950, the Senator from Georgia [Mr. RUSSELL] made the following statement:

Mr. Pearson abuses the freedom of the press for political blackmail. * * * It would be impossible for any Senator to attempt to add to Mr. Pearson's stature as the prince of liars. * * * He has been charged * * * again and again of being the creature who long ago wrested away the laurels of Ananias and placed them proudly on his own brow. * * * The Prince of Peace * * * looked down through 2,000 years, and in the eighth chapter of John, the 44th verse, described Pearson when he said: "There is no truth in him. When he speaketh a lie, he speaketh of his own; for he is a liar, and the father of it." (CONGRESSIONAL RECORD, May 19, 1950, p. 7306.)

I could go on almost indefinitely citing Senators, Representatives, and other well-known, well-respected men, who have labeled Pearson as a deliberate liar. However, I believe the cross-section of Democrats and Republicans just quoted should give to the country a fairly good picture of the extent to which Pearson can be believed.

I call attention again to the statement by former Representative Jones, of Ohio, now Federal Communications Commissioner, to the effect that the Washington press had voted Pearson as the most unreliable commentator. That really is going a long way.

I would like to also quote briefly from the answer filed by King Features and Westbrook Pegler in the Supreme Court of the State of New York in the case of Pearson against King Features Syndicate, Inc., and Westbrook Pegler. This gives a rather good documentation of the deliberate lying of Pearson.

The said plaintiff (Pearson) formed the design of destroying the late Hon. James Forrestal, United States Secretary of Defense. The aforesaid James Forrestal was an honorable, industrious, high-minded servant of the public, of extraordinary ability, whose services were rendered in vast excess of full measure, without hope of personal regard or for any other motive than patriotism. The said plaintiff (Pearson) schemed the destruction and discrediting of the said James Forrestal by the continuous broadcast and publication of a stream of vicious, false, scurrilous lies, concocted from the venom and pathological virulence of plaintiff's (Pearson's) putrid imaginings or pretended imaginings.

* * * * *

On the 16th day of January 1949, said plaintiff (Pearson) broadcast in the same manner, as hereinabove alleged as follows:

"The White House: Well, President Truman was about to accept the resignation of Secretary Forrestal, when last Sunday he heard Walter Winchell's broadcast about Forrestal's income-tax finagling in the 1930's. Whereupon, Truman sent for a transcript of the Winchell broadcast and literally hit the ceiling. 'I'm not going to let that little so and so,' he stormed, 'tell me who I'm going to keep in my Cabinet.'"

And a day later, he told Forrestal he could stay on, at least for the time being.

"However, the most important aspect of this incident is not so much Forrestal's income tax, though as I reported last year, it is a matter of record that Forrestal did escape paying $95,000 income tax by a subterfuge company in Canada. But much more significant is the fact that Mr. Truman should let important decisions of state be made or reversed by a radio commentator, no matter who he is. It's probably going to make some of us think twice about criticizing inefficient public officials for fear Mr. Truman will then decide to continue them in office.

"For my part, I personally think Mr. Forrestal is a very nice and charming gentleman, but I agree with Walter Winchell that a man who avoids taxes by concealing his money in a foreign country cannot command the respect of boys who are drafted into the Army."

This is what I call attention to particularly. Here we have the typical Pearson type of attack.

"And I would go further and state that a man who runs out the back door of his house into the alley, leaving his wife to cope with a jewel robbery alone, would not appear to have the courage or chivalry to be the best Secretary of National Defense."

In truth and in fact the subject matter of the aforesaid broadcast did not originate from the White House as said plaintiff (Pearson) falsely sought to have his audience believe, but originated from the same diseased mentality as hereinabove alleged. The incidents related in said broadcast were wholly false to plaintiff's (Pearson's) knowledge. It was not a fact that the late Secretary Forrestal ever defrauded, or attempted to defraud, the United States of any income taxes owing by the said Forrestal as said plaintiff (Pearson) then and there well knew. The pretense of said plaintiff (Pearson), that he had been admonished for criticism, was likewise a complete fake, inasmuch as the criticism of plaintiff (Pearson) on this and all other occasions was not based on criticism but on deliberate contemptible lying. It is not a fact that Mr. Forrestal ran out the back door of his house into an alley leaving his wife to cope with a jewel robbery alone. The wife of the late Mr. Forrestal was robbed of jewelry on a public street of the city of New York. Mr. Forrestal was asleep on an upper floor of his home and was completely unaware of any such occurrence. Mrs. Forrestal, on that occasion, was accompanied by other persons. There was, and is, no alley adjacent to any back door of the house then occupied by the late Mr. Forrestal. The robbers in the above incident were duly arrested and convicted after a public trial. The facts thereof were fully known to said plaintiff (Pearson) and his statement about the robbery far from being a comment and criticism was a thoroughly vicious, unprincipled, contemptible act of lying and fakery, impossible of accomplishment by anyone but a blackguard.

With respect to the charges of cowardice leveled by said plaintiff (Pearson) against the late James Forrestal, defendants allege that Mr. Forrestal wore the uniform of his country in World War I and served in the United States Navy and performed all such duties as were assigned to him to the complete satisfaction of his fellow citizens. In World War II the said James Forrestal served as Secretary of the Navy and for the purpose of better discharging the functions of said office visited actual combat areas under fire, and subjected himself in excess of anything required by his duties to the same risk of enemy action as was required of noncommissioned soldiers, sailors, and marines. A deliberate lie of the same sort concocted by the said plaintiff (Pearson) was uttered by him a few days before the Presidential election of 1944. On that occasion the said plaintiff (Pearson) stated that Thomas E. Dewey, Governor of New York, had obtained an agricultural deferment from the draft with the implication that since Governor Dewey was well known not to be seriously engaged in farming the Governor of New York was probably a coward and a slacker. The aforesaid statement was a characteristic lie of said plaintiff (Pearson), uttered on the eve of an election in which Governor Dewey was a candidate, at such a time that Governor Dewey had no adequate opportunity to circulate an answer thereto. In connection therewith one or more of the newspaper clients of said plaintiff (Pearson) forced said plaintiff (Pearson) to admit, as was the fact, that his publication was a fake and a lie, and that he had not even sought to obtain

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information from Governor Dewey about his draft status. The said plaintiff (Pearson) then and there well knew that governors of States were wholly exempt from being drafted, whether engaged in farming or not, and the blackguard lie of said plaintiff (Pearson) was a part of a deliberate scheme to deprive Governor Dewey of votes in the Presidential election, which he otherwise might have received.

As contrasted with the war records and alleged cowardice as charged by said plaintiff (Pearson) of Messrs. Forrestal and Dewey, the war record of said plaintiff (Pearson) is as follows:

On October 29, 1918, the said plaintiff (Pearson) was a student at Swarthmore College, a Quaker institution of higher learning. At that time the said plaintiff (Pearson) lacked some 45 days of being 21 years of age. The said plaintiff (Pearson) had theretofore registered for the draft, in accordance with the provisions of law, and was in every way completely sound of body and fully qualified physically for induction into the combat or any other branch of the United States Army. On October 29, 1918, said plaintiff (Pearson) caused himself to be inducted into the Students Army Training Corps in which he served for 44 days and from which he was discharged on December 12, 1918, at a time when he was 21 years of age. The said plaintiff (Pearson) continued his college status during the aforesaid brief period and his services consisted of drilling 1 hour a day and his remuneration consisted of the usual pay of a private in the United States Army; board, room, tuition, clothing, and Government insurance. Subsequent to the aforesaid so-called military service the said plaintiff (Pearson) at no time pretended to have been a veteran of World War I until the elapse of approximately 20 years, at which time, and thereafter, he furnished to a reference work entitled "Who's Who in America" a claim that in 1918 he was in the United States Army. The mother-in-law of said plaintiff (Pearson), as stated by said defendants, publicly stated that said plaintiff (Pearson) had thee'd and thou'd his way out of World War I—to which defendants' publications related, although in one or more newspapers a misprint of World War II may have occurred—without objection or counterstatement by said plaintiff (Pearson). Likewise in the Congress of the United States the said plaintiff's alleged war record was ridiculed and derided by Senator MILLARD A. TYDINGS, of Maryland, without comment or rejoinder by said plaintiff (Pearson), and statements that said plaintiff (Pearson) was a yellow-bellied slacker were duly inserted in the CONGRESSIONAL RECORD without objection. As compared to Messrs. Forrestal and Dewey, whom he accused of cowardice and in the latter case slackerism as well, the war record of said plaintiff was as stated by defendants.

* * * * *

In connection with defendants' allegations that said plaintiff (Pearson) is a habitual, incorrigible, professional liar, as distinguished from an occasional or accidental liar, defendants allege that said plaintiff (Pearson) was publicly designated a chronic liar by the late President Franklin D. Roosevelt, as was the fact. With respect to the veracity of said plaintiff, Hon. Harry S. Truman, President of the United States, stated on the 11th day of March 1948, and stated truthfully:

"I had thought I wouldn't have to add another liar's star to that fellow's crown, but I will have to do it. That is just a lie out of the whole cloth. That is as emphatic as I can put it."

* * * * *

The said plaintiff published and broadcast, prior to the Presidential election of 1948, that one Walter Reuther would be a candidate for Vice President on the same ticket with Senator ROBERT A. TAFT. The aforesaid statement was a deliberate fake and lie, as said plaintiff (Pearson) then and there well knew, and brought forth the statement from said Reuther that said plaintiff (Pearson) was not only a chronic liar but a fool, and that statement of said Reuther was fair and just under the circumstances. The blackguardly purpose of said plaintiff (Pearson) was unjustly to cause the labor union followers of Reuther to believe that said Reuther had deserted their interests and had espoused the cause of Senator TAFT, which said followers for the most part regarded as inimical to organized labor.

* * * * *

The said plaintiff (Pearson) uttered and published a fake lying broadcast to the effect that General MacArthur, at some time before the recent war, had gotten rid of General Eisenhower, who at one time was one of his subordinates in the Philippines. The statement was a fake and a lie, as plaintiff (Pearson) then and there well knew, inasmuch as General MacArthur had sought and retained the services of General Eisenhower for a period additional to his original tour of duty, and always spoke of him in terms of the highest esteem.

Among the loftier flights of mendacity attained by said plaintiff (Pearson) was a broadcast by him to the effect that Senator MCKELLAR had drawn a knife against a fellow Senator on the floor of the United States Senate, and had been disarmed. No such incident ever occurred; plaintiff (Pearson) knew it had never occurred; his statement was a fake and a lie.

The said plaintiff broadcast during the recent war that if the One Hundred and Sixth Infantry Division had held out a few hours longer the Battle of the Bulge disaster would have been largely averted. The said statement was a fake and a lie, as plaintiff (Pearson) then and there well know. The One Hundred and Sixth Infantry Division held out not for hours but for days and sustained casualties of more than 50 percent. Its heroic efforts beyond the call of duty prevented a far more serious disaster than in fact occurred.

In connection with the medicine show broadcasts of said plaintiff (Pearson), to his knowledge and with his consent and assistance, there were broadcast statements that a patent medicine, peddled on said broadcast was a cure for constipation. The said claim was a fake and a lie, as plaintiff (Pearson) then and there well knew, and the broadcasters were ordered by the Federal Trade Commission to cease and desist from such false representations on or about January 23, 1945.

The said plaintiff (Pearson) broadcast during the recent war that Russian oil was being sent, or was about to be sent, to the United States for storage in worn-out wells in Pennsylvania, which said plaintiff (Pearson) at that time, unless suffering from acute lunacy, must have known was a nonsensical lying fake.

On or about February 13, 1946, the said plaintiff (Pearson) broadcast that Hon. James A. Farley had virtually forced Cardinal Spellman to take said Farley with him to visit the Vatican. The said publication was a fake and a lie and was retracted as such on March 12, 1946.

The said plaintiff (Pearson) published in 1945 a statement that British policies in Greece were motivated by the fact that the Hambros Bank of London, which was interested in the Greek situation and was the chief British creditor of Greece, had bailed Winston Churchill out of bankruptcy in 1912. The statement was a fake and a lie, as plaintiff (Pearson) then and there well knew, and the republication thereof by innocent reputable publishers caused them in the British courts to pay the sum of $25,200, and tender an abject apology and retraction.

* * * * *

The said plaintiff (Pearson) in the course of the recent war broadcast that General Patton would never again be permitted to command troops at a time prior to all the greatest victories won by General Patton and his armies on behalf of the United States. At the time of said publication said plaintiff (Pearson) knew that he had no sources of information whatever as to the future status of General Patton, and his reckless unfounded statement was a fake and a lie.

* * * * *

The broadcast of said plaintiff (Pearson) has consisted for a long time of cheap gossip, partisan propaganda, sneaking innuendo, and malicious, baseless accusations. When such material consisted of other than outright lies and fabrications, it consisted of half-truths and was broadcast in such a manner and with such expression as to convey damaging imputations against those to whom for any reason said plaintiff (Pearson) had conceived malice. Such malice, on numerous occasions, was incurred by persons who declined to furnish said plaintiff (Pearson) with sensational revelations and by those who were frank in the expression of their opinion that said plaintiff was a worthless dishonest scoundrel.

* * * * *

Not trusting my memory or even my old notes, when Pearson charged Forrestal with deserting his wife in the hands of gunmen, I called on Herman Stichman, the chairman of the New York State Housing Authority, who had handled the prosecution in November 1940. Mr. Stichman said there was absolutely no excuse to impugn Forrestal's conduct because he was asleep inside the house at 27 Beekman Place, when the stick-up took place on the street outside at about 2 o'clock in the morning.

Mrs. Forrestal had spent the evening at the Persian Room at the Hotel Plaza with several friends. About 1:45 she and her escort, Richard B. W. Hall, got into Mr. Hall's car, driven by his chauffeur, and drove to Beekman Place. When they pulled up at the curb, Mrs. Forrestal said, "Instead of the chauffeur opening the door, a man jumped in the car in the back with us. He said, 'This is no joke; it's a stickup.' I told him it was a silly way to make a living. He had a gun. The gun was pushed up at Mr. Hall. There was another man with the chauffeur. At one point there were two men in the back of the car. Both had guns."

After they got Mrs. Forrestal's jewelry, valued at more than $100,000, the men ran to a car that was parked just ahead, leaped in and got away. Mrs. Forrestal saw four men altogether. When they had left, she rushed into the house, notified her husband, and called the police.

Mrs. Forrestal had been "fingered" by a woman named Dorothy Stirrat, alias Dolly Turner, a criminal known as "The Lady Finger." With her own escort, a member of the gang, "The Lady Finger," left the Plaza when Mrs. Forrestal and Hall left, followed the Hall car in her car, pointed it out to the gunmen who were waiting in another car close by, and wished them luck as they took out after the quarry. The stickup was so quiet that, far from awakening Jim Forrestal, it escaped the notice of a special watchman for the block who, for the moment, chanced to be conversing with a taxi man out of sight around the corner.

"The Lady Finger" got 10 to 20 years; Lomars, 10 to 20 years, and Joseph Weiss, alias Morris Seitchick, 30 to 60 years. Lomars held a union meeting and passed a resolution appropriating $5,000 for his defense on the ground that he was a labor spokesman and a victim of a Wall Street plot.

The Forrestal house is on the east side of Beekman Place. There is no alley through or behind the block through which Forrestal could have fled if he had been the coward that Pearson said he was.

Only a man as diabolically clever as Pearson could continue to maintain his huge reading and listening audience after being so completely and thoroughly labeled an unprincipled liar and a fake.

It is impossible for me to understand how so many reputable newspapermen can buy the writings of this twisted, perverted mentality which so cleverly sugar-coats and disguises his fiendishly clever, long-range attempts to discredit and destroy in the minds of the American people all of the institutions which make up the very heart of this Republic.

It is difficult beyond words to understand how reputable publishers and editors with such a deep obligation to their readers allow the streams of information to be polluted and poisoned by a man so thoroughly labeled and known to be a prostitute of the great profession of journalism.

So much for Pearson's disregard for truth and honesty and decency. Let us proceed briefly on to the even more dangerous part of this picture.

The heads of any of our intelligence agencies will testify that one of the principal aims of the Communist Party is to gain control of our lines of communication; that is, newspapers, radio, television, motion pictures, and so forth. It, of course, would be a miracle if they had not recognized in Pearson the ideal man for them—an unprincipled, greedy degenerate liar—but with a tremendous audience both in newspapers and on the air waves * * * a man who has been able to sugar-coat his wares so well that he has been able to fool vast numbers of people with his fake piety and his false loyalty.

Pearson has long had working for him—part of the time officially on his payroll, and part of the time in a slightly different status—one David Karr. The relationship is such that it is difficult to know who is the master and who is the servant. I may say that just what his status is is difficult to know, except that they are still working together today. I will give the Senate a complete picture of Karr's function in a minute.

To give you a picture of this man David Karr, let me quote Martin Dies, head of the Un-American Activities Committee, on page 512 of the CONGRESSIONAL RECORD for February 1, 1943.

This link between Pearson and Karr is the important link:

Here is the case of David Karr who is assistant chief of the foreign-language division of the Office of War Information at a salary of $4,600. That was Lattimore's division. For 2 years, Karr was on the staff of the Communist Party's official newspaper, the Daily Worker. There is not the slightest doubt that all members of the Daily Worker staff were required to be members of the Communist Party. Karr was a writer for the Communist-front publication, Equality, whose editorial council was composed largely of well-known Communists and Communist fellow travelers.

David Karr was also public-relations director of the American League for Peace and Democracy, one of the Communist fronts which Attorney General Biddle branded as subversive. Karr was a frequent writer for the league's magazine, Fight.

I also quote from a statement made by Congressman DONDERO on the floor of the House, page 9702 of the CONGRESSIONAL RECORD of October 10, 1945.

The ink was hardly dry on the Japanese surrender when a barrage of vilification and slander was launched against General MacArthur, led by the Communist Daily Worker, PM, and Drew Pearson, who is the voice of David Karr, formerly with the Daily Worker. For more complete information on this subject, I refer you to the story in the Washington Daily News of October 8, 1945. Even Dean Acheson, our own Acting Secretary of State, participated in that hue and cry, and it was echoed in London by Soviet Commissar Molotov. It has reached a climax in the Russian proposal to hamstring MacArthur with a four-power control board, the fruition of a well-synchronized and thought-out plan to sacrifice American interests to those of the Soviet Union.

Incidentally, while under questioning by Dr. Matthews before the House Committee on Un-American Activities, Karr admitted under oath that he knew the American League for Peace and Democracy, whose publicity he was handling, was a Communist-controlled organization. Some of the testimony is set forth on page A876 of the CONGRESSIONAL RECORD for February 18, 1944.

I have discussed this man Pearson with practically every former member of the Communist Party whom I have met during my recent and present investigation of Communists in Government. Almost to a man, they were agreed on a number of things: No. 1: That Pearson's all-important job, which he did for the party without fail, under the directions of David Karr, was to lead the character assassination of any man who was a threat to international communism. No. 2: That he did that job so well that he was the most valuable of all radio commentators and writers from the standpoint of the Communist Party. No. 3: In order to maintain his value, it was necessary that he occasionally throw pebbles at communism and Communists generally, so as to have a false reputation of being anti-Communist.

It appears that Pearson never actually signed up as a member of the Communist Party and never paid dues. However, that has not in any way affected his value to the party; nor has it affected his willingness to follow the orders of David Karr, who, of course, is a most active member of the party, and who carries instructions and orders to Pearson.

I ask those who are skeptical as to whether Pearson actually has been doing a job for the Communist Party to stop and review Pearson's record over the past 10 years. You will find that he has always gone all-out to attack anyone who is attempting to expose individual and dangerous Communists, while at the same time he goes through the fakery of criticizing communism and Communists generally. The heads of the House Un-American Activities Committee have always been his targets.

You will find also that he has always consistently and without fail launched a campaign of personal smear and vilification against any man in public life who has stood against any plan of socialization in this country, no matter how good or how bad the plan might be.

One of Pearson's extremely important tasks, assigned him by the Communist Party, through David Karr, was the destruction in the eyes of the American people of Chiang Kai-shek. That was one of his No. 1 jobs. There is, of course, no secret about the fact that one of the major aims of international communism was to create a Red China. As Lenin said:

He who controls China, controls the world.

It has never been a secret that Communist imperialistic Russia has always realized that the first step toward the creation of a Communist world was the creation of a Red China, then the creation of an entire Red Asia, and then the creation of a Red Pacific which would wash our western shores. But before the Communists could take over China, the American people had to be fooled into believing that the man who controlled the anti-Communist forces in China was corrupt and wicked to the extent that he should not receive our aid, and that the Russian-directed Chinese Communists were fine people, agrarian reformers, interested only in the welfare of China.

Pearson was assigned the job of leading the cabal of left-wing mocking birds in the destruction of Chiang Kai-shek. He did the job well.

His next major task was to destroy James Forrestal. Forrestal, as we recall, was the originator of the Truman doctrine for Greece and Turkey. It was the direct opposite of the Acheson-Marshall plan for Europe. The Forrestal plan, which Truman adopted, was to provide the necessary sinews of war to Greece and Turkey, so that they could withstand the pressure of imperialistic communism. In Europe, of course, the plan was to give economic aid and fatten the goose, in effect, with but little thought to military aid.

So Forrestal had to be destroyed, or Truman might apply the Forrestal plan to Europe. So again, Pearson was assigned the task—assigned it by the Communist Party, through David Karr. Again Pearson and his cabal did the job well—hounding Forrestal to death. He and the Communist Party murdered James Forrestal in just as cold blood as though they had machine-gunned him.

The next intended victim on the Communist Party list is Gen. Douglas MacArthur. As all of us know Douglas MacArthur is the one man who, above all others, has stood in the way of Communist domination of all of Asia and the islands of the Pacific. So MacArthur must go. MacArthur must be destroyed.

Again Pearson is assigned the job by the Communist Party, through David Karr; and Pearson is setting about that job with the same fervor, the same malice, the same disloyalty to America, the same degeneracy, as he set about the task of destroying Chiang Kai-shek and destroying James Forrestal.

It is up to the American people—and above all, up to the newspaper men who are buying Pearson's column and the

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radio stations that are carrying his broadcasts—to see that this voice of international communism is stilled.

If the loyal American newspaper editors and publishers and radio station owners refuse to buy this disguised, sugar-coated voice of Russia, the mocking birds who have followed the Pearson line will disappear from the scene like chaff before the wind. The American people can do much to accomplish this result. They can notify their newspapers that they do not want this Moscow-directed character assassin being brought into their homes to poison the well of information at which their children drink. They can notify the Adam Hat Co., by actions, what they think of their sponsoring of this man. It should be remembered that anyone who buys an Adam hat, any store that stocks an Adam hat, anyone who buys from a store that stocks an Adam hat, is unknowingly and innocently contributing at least something to the cause of international communism by keeping this Communist spokesman on the air.

In that connection I should like to quote briefly from the December 12 radio broadcast of Earl Godwin:

> And you know, or do you know, that there is no one so timid about America as the average businessman. He wants to stand up and cheer if someone will be the cheer leader * * * but I've known only one stand out in front and attack Communists since I have been on the air who really would and communism * * * One department store sponsor was induced to let me go by a few letters from silly Georgetown pinkos who declared that as long as I was on the air under that sponsorship, they would never enter the store. In fact, none of them ever had entered it. But I take this opportunity to call attention to the flimsy pretext of patriotism that many timid Americans have today * * *

I say to the 150,000,000 normal people of America, the chips are down. They are truly down. The time has come for action. It is up to the American people, through their actions, to notify the sponsors of the voices of communism that have been polluting the airwaves and the newspapers, that they, the American people, are through paying for the soapboxes for those who preach the Communist Party line. I know there will be a great scream that I am trying to impair the freedom of the press, the freedom of these men to speak. I say let them speak where and when they will, but the American people do not have to buy the soap boxes from which they speak. If the American people take action and refuse to continue paying for the Pearson cabal, the Communist Party in the United States will have suffered a death blow.

Some of my colleagues in the Senate and the House who have been working with me on this matter may wonder why I have not touched upon one other important phase of this case. I want to assure them that it is not being neglected; and when all of the details of the documentation are completed, it will be presented to the Senate in detail.

Mr. President, I assume that Mr. Pearson will complain because this documentation is presented under congressional immunity. I think we can take care of that for him all right. If Mr. Pearson wants to waive his own special, self-created kind of immunity—for as Senators know, most of his property has been conveyed away to his wife, I assume, so that it is not subject to judgments for libel or slander—and will take legal action to provide that the property which he has been conveying out of his own name will at all times be subject to judgments for libel and slander, I shall be glad to repeat this, if he will submit the request in writing—and will tell me where and when he wants this repeated off the floor of the Senate.

ORDER FOR RECESS TO MONDAY

During the delivery of Mr. McCARTHY'S address,

Mr. HOLLAND. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. McCLELLAN in the chair). Does the Senator from Wisconsin yield to the Senator from Florida?

Mr. McCARTHY. I yield for a question.

Mr. HOLLAND. No, I do not wish to ask a question. I desire to propound a unanimous-consent request. I ask unanimous consent that the Senator from Wisconsin may yield to me for that purpose without losing the floor. The request has been agreed to by the minority leader and the acting majority leader.

Mr. McCARTHY. I yield for that purpose.

Mr. HOLLAND. Mr. President, because of the fact that a party conference is due to be under way shortly, and also because several Senators desire to be elsewhere, I ask unanimous consent that upon the completion of the remarks of the Senator who has the floor, the Senator from Wisconsin [Mr. McCARTHY], the Senate take a recess until 12 o'clock noon on Monday next.

Mr. HENDRICKSON. Mr. President, I shall be obliged to object to the request in that form.

Mr. McCARTHY. Mr. President, I ask that the Senator amend the request to include the Senator from New Jersey [Mr. HENDRICKSON]; so that after I shall have concluded my address and the Senator from New Jersey shall have concluded his address, the Senate then take a recess as suggested.

Mr. HOLLAND. I am very happy to amend the request accordingly.

Mr. HENDRICKSON. Mr. President, I wish to inform the Senator from Florida that included in the unanimous-consent agreement entered into earlier today was the privilege for me to make an address.

Mr. HOLLAND. Mr. President, I have so amended the request.

The PRESIDING OFFICER. The Chair so understands. The Chair understands that the Senator from Florida has amended his request accordingly.

Mr. HOLLAND. I amend my request at the suggestion of the two Senators so as to include the remarks of the Senator from Wisconsin and the Senator from New Jersey.

The PRESIDING OFFICER. Is there objection? The Chair hears none; and it is so ordered.

CONFIDENCE IN CRISES

Mr. KEFAUVER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a speech which I have prepared, entitled "Confidence in Crises."

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

CONFIDENCE IN CRISES

On VJ-day we had great dreams of a long period of pease. We were instrumental in creating the peace machinery which took the form of the United Nations Organization, in the hope that it might put an end to war in the reasonable future It is now evident after only five short years that our dream house was built on quicksand, for the dream was turned suddenly into the nightmare of Korea. This so-called police action by the UN, despite our refusal to face the fact, is actually an undeclared war, for the hard truth is that it has already cost the United States in casualties more than the Revolutionary War; more than the War of 1812; more than the Mexican War; and more than the Spanish-American War. Where the end may be, we cannot foretell.

As our dream of peace has turned into a rude awakening to war, we have discovered that expensive as war has always been, it can become even more costly. The cost of military preparedness and military measures has been inflated, along with the cost of living. One of the reasons for this increase is apparent when we consider that we are now spending approximately 75 cents of every Federal tax dollar in paying the cost of past wars or preparing for the next one.

Our situation in Korea is certainly critical—how critical we do not yet know. It is impossible at this time to say whether our efforts to keep the fighting localized there will be successful, or whether it will spread into all-out war with China and possibly even into a general, all-out world war. If this is the beginning of the world war III we have all been fearing, our opponent has chosen wisely, for both the time and place could hardly have been selected with greater advantage to him or greater disadvantage to us. The military defeats he has inflicted are the most humiliating in our history.

But humiliating as is our defeat and fearful as is the length of our casualty list, here in the Senate today a primary problem is the even more fearful loss of confidence by the American people in their leadership. The cause of this loss of confidence is not easy to determine. In checking your mail and in following the papers and radio, you will find, as I have found, that some place the blame on the failure or bad judgment of our leadership in the field. Others lay the blame at the door of our leaders here at home.

Regardless of where the fault may lie, the fact remains that confidence in American leadership has, at a most critical time, suffered greatly. The seriousness of this loss cannot be overestimated. It can have disastrous aftereffects unless it is restored and restored quickly. There are many suggestions as to how it may be restored. Some extreme voices suggest the use of the atom bomb, either on the enemy in Korea; on the people in Manchuria and China proper; or on the Kremlin itself. Senators, I know, will agree that this is not the answer. We were shocked recently to learn that the use of the atom bomb alone will not be necessarily decisive. As a matter of fact, we are told by our experts that the conventional type of high explosives are more effective on dispersed forces in uneven terrain. In any event it is now clear that we can no longer rely for our security on our atomic secrets—even if we still have any of those secrets left.

There are others who in their horror of war suggest appeasement as the answer. We have come to loathe the term "appeasement" since

tasting the fruit of the seeds sown at Munich. Senators will agree, I'm sure, that appeasement is not the answer.

There are still others who hold to the hope that the UN Organization can still prove to be the instrument for solving our dilemma and thus become the medium through which public confidence can be restored.

Here we come nearer to what seems to me to be the answer. The UN Organization has done a great deal of good. It has not proved adequate in security measures because of indiscriminate Russian vetoes but it has given us a degree of cooperation in many important fields, and, properly used, may still divert the newest plunge of the world into war. The difficulty is that preserving, as it does, complete national, sovereign independence of action has not proved sufficiently powerful to prevent Communist China from intervening; neither will it prove adequate to prevent the intervention of the Soviet Union, there or elsewhere.

We have learned the hard way that aggressor nations may be restrained only by the greater strength of free people. This was clearly demonstrated when the United States joined other free people in fighting the forces of aggression to win World War I. A like result was achieved when the free people of the world joined together earlier in the conflict to win the even greater struggle in World War II. The strength of free people can still avert world war III, or at least win it if it does start.

Mr. President, our present perilous situation has one basic cause—one which has not been given adequate attention. It is clearly there for us all to see, though apparently too few of us have seen it except in shadowy outline.

The Communists have, for all practical purposes, unified the foreign policy and the military policy of the entire Communist world, except for the defection of Tito. It is true that this unity has been brought about by methods we cannot emulate. It is true that it results from the establishment of totalitarian control by a small clique in the Kremlin, through the mechanism of an international Communist movement which unerringly follows the policy line laid down in Moscow. But the fact is that this unity exists, and, as far as foreign and military policy are concerned, it permits the Kremlin to dispose of the manpower and resources of a third of the world.

We have seen the consequences of this enforced unity. The Kremlin pushed the button and the Chinese marched. Tens of thousands of Chinese soldiers have died in Korea to serve the ends of the Russian dictators. The Kremlin has the capability now, of stopping this war and of unleashing new wars at a dozen other points in Asia and Europe.

As unity creates strength, disunity preserves weakness. The democracies possess 80 percent of the industry and most of the resources of the world, but they cannot employ them effectively for their common security because they are disunited.

Our steps toward a unified defense cannot be classified by even the most optimistic as more than partial. Progress toward that end is exceedingly slow. Steps toward a unified foreign policy are yet to be taken. The democracies continue to blunder along and nullify their potential collective strength by seeking to synchronize 12 separate foreign policies by the inadequate methods of diplomacy.

We can certainly increase our collective strength by collective rearmament. But we cannot create a collective situation of strength which will deter further Communist aggression unless we can create, by agreement, a unity of foreign policy and defense comparable to that which the Communists have already created.

Mr. President, I have a suggestion to make. It is not new. For nearly 2 years many of us in Congress, both Democrats and Republicans, have urged the President, the State Department, and the Congress to begin an exploration of the benefits of democratic union in the Atlantic community.

Those of us who support the principle of federation anticipated the day when circumstances would require a unity of purpose and concert of action by the world's free people. Our pleas fell on deaf ears. Our pleas fell on deaf ears not only in the Executive Department, but in Congress as well. Now we find ourselves confronted with an immensely more critical situation than we faced then.

The American people yearn and cry out for a strong policy and for strong leadership in following that policy. It is high time their yearning is satisfied and their cries are heeded.

Recent events in Korea serve to accentuate the urgent necessity for careful consideration of extending without further delay the American principle of federation to all people who practice our free way of life.

While it is true that we could not foresee Korea as the locale of attack, we felt an attack would occur somewhere, sometime, unless the free people were so strong that no aggressor would dare move against us.

It would have been far better and far wiser to have worked out our unification in the calm of peacetime. The situation now, however, leaves us no alternative. We must build now with all possible speed toward at least a minimum joinder of our foreign and military policies with those of our democratic allies.

Time is precious, because we cannot afford the loss of the productive skills, the resources, and the manpower of Western Europe; because we dare not risk the possibility of standing alone against the then prodigious power of the enemy in a showdown.

At the risk of becoming repetitious, may I again remind the Senate that it is time which kills us. This was never more true than now.

There are three steps which should be taken and taken at once if we are successfully to meet the challenge confronting us.

Here at home we should have immediate complete mobilization. Our fighting strength must be brought as quickly as possible to its maximum. Economic controls should be applied on everything straight across the board. This should have been done, in my judgment, on the same Sunday when the UN Security Council determined to resist aggression in South Korea.

Then, in concert with other free people, we should convoke a convention to explore and apply where feasible now, the principle of federation of free people, beginning with the sponsors of the Atlantic Pact. Anything less than a solid merger into a permanent partnership of the free will be only a snare and a delusion. The hard facts today deny us the luxury of further delusions. To fail now to move toward such an organic union with other free peoples is to face the future with tools totally inadequate to assure our security. It is to allow by default the continuance of the present trend toward world war III, with all its horrible consequences. I, for one, am not willing to bear this responsibility.

These three steps will restore the confidence of our own people. They will also renew the confidence of other free people throughout the world who look to America for decisive action in meeting the present crisis.

The first two steps will give us our maximum strength in a minimum of time. They will also give renewed confidence and courage to our allies and enable them better to build their own strength. Only by providing a proper example for them to follow can we properly exercise our leadership.

The third step will reassure them as to our permanent dedication to the preservation of freedom. Our past history causes them to doubt the permanence of our willingness to lead the free world. The inexorable march of history forced this unsolicited role upon us. We have no choice but to accept and having accepted, we dare not fail.

ATTAINMENT OF ECONOMY THROUGH TRANSFER OF EMPLOYEES

Mr. HENDRICKSON. Mr. President, on September 5 last, I introduced for appropriate reference, a resolution which was later specifically designated Senate Resolution 342.

The basic purpose of this resolution was the attainment of economies through a proper transfer of Federal employees, wherever such transfers are possible.

For the purpose of the RECORD, I now ask unanimous consent that the resolution in question be inserted in the body of the RECORD at this point, as a part of my remarks.

There being no objection, the resolution (S. Res. 342) was ordered to be printed in the RECORD, as follows:

Resolved, That it is the sense of the Senate that—

(1) in carrying out the provisions of section 607 (b) of the Federal Employees Pay Act of 1945, during the fiscal year ending June 30, 1951, the Director of the Bureau of the Budget should so determine the numbers of full-time civilian employees, and the full-time equivalent of part-time employment, on the basis of the relative needs of the various departments, establishments, and agencies of the Government for personnel, that the aggregate number of such civilian employees (including the full-time equivalent of part-time employment) will not exceed the aggregate number of such employees (including the full-time equivalent of part-time employment) on June 30, 1950;

(2) vacancies authorized to be filled in the Department of Defense may be filled by the transfer of personnel from other departments, establishments, and agencies of the Government.

Mr. HENDRICKSON. Mr. President, I conceded at the time this resolution was offered that it was far from perfect, but that it certainly was a move forward and in the right direction; and I then expressed the hope, as I express the hope now, that the committee to which this resolution has been referred, namely, the Senate Committee on Post Office and Civil Service, will carefully consider the worthy objectives behind this legislation, and that as a result of their studies, the resolution will be perfected to that degree where our great Government, in these perilous times, may be able to save some of its valuable dollars, in terms of millions, without impairing the efficiency of any of our operations and functions.

In this connection I was tremendously impressed with an editorial which appeared in the Tuesday, December 12 issue of the Washington Post, entitled "Essential Trimming."

In this editorial the author convincingly argues that a good many billions of dollars can be saved by eliminating, reducing, or postponing contemplated outlays without inflicting undue hardship on the civilian population.

Again for the record, Mr. President, I ask unanimous consent that the copy of this editorial be incorporated in the

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body of the RECORD at this point in my remarks.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

ESSENTIAL TRIMMING

Elmer B. Staats, assistant director of the Federal Budget Bureau, recently forecast that the Presidential budget message will recommend elimination of all Federal grants to housing authorities for any purpose except the purchase of sites. Half of the $150,000,000 appropriated for hospital construction, he said, has been placed in reserve and will not be available. These cutbacks are necessary not only because the Federal Government is faced with huge military expenditures but also because the construction of new housing and hospitals increases demands for scarce materials and labor. Since our productive resources are limited, the needs of national defense are a compelling reason for deferring work on slum clearance and nonessential housing projects.

For the same reason drastic reductions in public works expenditures are essential. To be sure, primary highways are as essential to national security as steel mills, but many road projects contribute nothing to national defense. That is also true of many reclamation and electrification projects that help to swell the Government's budgeted expenses.

Substantial cuts can be made in other spending activities. The cost of CCC price-support operations, for instance, has been greatly reduced owing to the rise of farm prices and actual shortages of many basic farm products. Sharp reductions in the economic foreign-aid program are in order in view of the progress made by ECA countries and the introduction of military aid. Federal educational and relief grants can also be trimmed, since booming business insures full employment and enables State and local governments to extract more revenue from the income stream. Regional shifts of population resulting from expansion of defense industries will relieve school and housing shortages in some places and increase them elsewhere. Federal aid on a selective basis may be the solution of this problem.

As the Committee for Economic Development warns, "many expenditures of the Federal Government that are classified as 'nonmilitary' are essential to the national security; they cannot be reduced and may even have to be expanded. The situation does not call for indiscriminate slashes, in Government or elsewhere." Nevertheless, it is quite evident that a good many billions of dollars can be saved by eliminating, reducing or postponing contemplated outlays without inflicting undue hardship on the civilian population. The sacrifices entailed will be compensated for by a shrinkage of Federal deficits, reduced pressure on prices, and a speedup of defense production that would otherwise be impeded by civilian competition for manpower and strategic materials.

Mr. HENDRICKSON. Of course, I make no claim that the editorial to which reference has just been made in any way directly supports my humble effort to bring an end to excessive political patronage, payroll padding and expediency based upon purely political considerations, but any honest effort to attain the highly important objectives urged in the editorial certainly must recognize the ever-increasing need for an over-all study of Federal payrolls both here in Washington and throughout the country to the end that all governmental functions and the employees required to efficiently and effectively administer those functions, may be put in balance.

Senate Resolution 342 was designed specifically to initiate such a movement, and here and now, Mr. President, I appeal to the chairman and the members of the Senate Post Office and Civil Service Committee to use Senate Resolution 342 or some counterpart thereof to enable us to determine just how far safety will permit us to effect those economies which can be invoked in this field.

Certainly we must find a way to check flagrant abuses of gross overstaffing as they have been reported in the Coast Guard, the field services, the Bureau of Engraving and Printing, and other Departments and divisions of Government, even if it means charges and dismissals of those who are directly responsible for that overstaffing.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Louisiana?

Mr. HENDRICKSON. I yield.

Mr. LONG. I am sure the Senator realizes, does he not, that some of the legislation which has been passed in an effort to give us a sound civil-service system has made it very difficult to reduce the number of unnecessary persons on the payroll. For example, if we were to go into a department and find an employee occupying a desk where very little work was being done, we could not merely dismiss that employee and thereby save that much money; for that person, in turn, would insist on his rights, and he would bump somebody out of his job further on down the line. The person who would lose his job would insist on his rights and would exercise his seniority. So it becomes a very complicated process merely to reduce the payroll by one person whose services might be unnecessary, in many cases.

Mr. HENDRICKSON. I quite understand the problem. I had the privilege of serving on the Post Office and Civil Service Committee of the Senate, and I know something of the tremendous problems which confront that committee.

Mr. LONG. I join the Senator also in feeling that our first interest should be economy for the Government and the taxpayers, even though in some cases it might work a hardship on an individual employee.

Mr. HENDRICKSON. I thank the Senator for his contribution.

Perhaps this is the cure, Mr. President, but whatever the remedy may be, it is clearly our responsibility to prescribe an appropriate antidote which will give the patient relief.

I fully realize that the task I would assign is extensive—that it will be time-consuming and by the same token, I am mindful that the Eighty-first Congress is fast approaching its sunset, so I shall not urge the impossible. However, I shall most certainly say that this is a matter which should have the immediate attention of the Eighty-second Congress and I here and now serve notice that my voice will not be stilled on this subject until I begin to see positive and effective action in the new Congress.

Mr. HOLLAND. Mr. President, will the Senator yield?

Mr. HENDRICKSON. I gladly yield to the distinguished Senator from Florida.

Mr. HOLLAND. I desire to commend strongly the position taken by the distinguished Senator from New Jersey, and I should like to ask him, at some place in his argument, if he has not intended to do so, to dwell upon the point, which it seems to me is highly important, that this is the best time we shall ever have to accomplish needed reductions in personnel.

Mr. HENDRICKSON. I, of course, agree with the Senator.

Mr. HOLLAND. There are two reasons for that; first, the fact that we are so critically in need of the funds which are being so used, and we are going to be so heavily pressed in the defense effort; and, second, that we do no injustice to anyone, because we are rapidly reaching the time of an acute manpower shortage, and there is certainly opportunity for gainful employment open to anyone who wants to work. So it seems to me that from both standpoints this is the best time the Nation will ever have, as well as the most necessitous time, for accomplishing the reduction in staff along the lines suggested by the able Senator.

Mr. HENDRICKSON. I, of course, agree with the distinguished Senator from Florida, and I shall deal with the subject matter he has just discussed.

I hope that despite the lateness of the hour in the current session, the wheels for that action may be set in motion by the appropriate committee forthwith, even though I say I know it is late.

Mr. President, while ever increasing and excessive Federal payrolls standing alone constitute a serious threat to our National economy, this is not the only field where we can show real sanity by "trimming our sails" to meet the "ill winds" which are ahead for us, as the Senator from Florida has indicated.

The Washington Post editorial points generally to the whole field of nonessential spending and because the members of the Senate of the United States must be familiar with the major functions of Government which fall into this category, I shall avoid cluttering the record with details.

I do want to emphasize, however, that it is the clear duty of the Congress in this critical moment when our whole way of life is swaying in the balance, to save our resources and to save our tax dollars wherever possible by (1) eliminating in some instances and (2) reducing in others and (3) postponing those outlays which can be curtailed without imposing unnecessary burdens and inflicting undue hardships upon the people of a country which is already carrying an unjust share of the burdens of so-called free nations of the world who claim they want to be free.

I now turn back for a moment to the motive which prompted the introduction of Senate Resolution 342 which was, as I have said, primarily to afford savings through curtailment of employment in some instances, reassignment of employees in others, and to bring an end to overstaffing wherever it exists.

To those who would charge that this effort on my part is political in nature and an aim to discredit certain of the executive and administrative branches of Government I would point to parts 1, 2, and 3 of the preliminary report of the House Subcommittee on Overstaffing in the Executive Departments and Agencies, created pursuant to House Resolution 114 of the Eighty-first Congress.

To minimize the printing costs I shall not ask to include these reports in the RECORD, although they deserve a place there; but so that they may be available to any Member of the Senate who is sufficiently interested in this subject, I shall prepare to supply them by mail.

However, because these careful studies so thoroughly support the ultimate objectives of Senate Resolution 342, I think it appropriate that we have a few quotations in the RECORD at this point.

In part I of the preliminary report, which had to do primarily with the Federal Security Agency, we find under the caption "Relationships," on page 12, the following observations:

In pursuing the relationships between fiscal management and the housekeeping functions down through the various levels of agency organization, an effort was made to determine the extent of monetary control over organization, personnel classification, procurement, travel, duplicating, automotive transportation, and other service functions, insofar as overstaffing is concerned. The picture is one of frustration. In theory, fiscal management has authority to review and make recommendations on any changes in organization, function, or personnel actions. Actually, this authority is on paper only due to the domination of the program operators over administrative officers throughout the agency. The fiscal officers, in most cases, know where the "fat" exists in both the administrative and program offices. They are, however, helpless to do anything about it as long as the program executives control appropriations.

Then, again, under the caption "General conditions," on page 13, we note the following:

There are 14 separate and distinct program appropriations made to the divisions in the Bureau of State Services from which money for administration is donated to the office of the bureau chief by his operating divisions. In such a complex arrangement, is it any wonder that a high percentage of budget and accounting personnel is required?

One interesting observation in part I of the report, which does not deal with payrolls, is that captioned "Procurement," from which I quote:

The data presented in table VI, average number of employees and relative cost of purchasing operations during fiscal year 1949, illustrate the extent of overstaffing in the procurement process in the Agency. It will be noted that of 121,014 purchase orders issued in fiscal 1949, half—50 percent—of them were for amounts of less than $20. Yet the average cost of issuing each order amounted to $5. In the Food and Drug Administration and the Office of Education, the proportion of orders under $20 was more than 60 percent and the average cost of issuing each order was in excess of $10. It cost the Office of Education $10,293 to spend $31,148 for an overhead of 33 percent. It should also be noted that the average work load for each of the 197 persons engaged in processing procurement orders was less than 3 per day—2.4—and half of them were for items costing less than $20.

But back to the subject of overstaffing, on pages 20 and 21, under the caption "Areas of unsatisfactory staffing," we note the following comments:

In evaluating the quality of administration in the Federal Security Agency, there are three organizational units which require careful scrutiny. They appear to be examples of gross overstaffing. They are (1) the Office of Education, (2) the Division of Management Planning and Services in the Bureau of Old-Age and Survivors Insurance, in Baltimore, and (3) the field-service units throughout the Agency.

1. The Office of Education numbers 355 employees. Of that number, 155 are in positions above grade GS–11. There are 102 secretarial employees representing 28.7 percent of the total work force in the office. The Division of Central and Auxiliary Services in this office numbers 98 employees.

2. Bureau of Old-Age and Survivors Insurance, Social Security Administration headquarters in Baltimore, Md.: The Division of Management Planning and Services in this headquarters has a personnel complement of 240 employees assigned in branches as follows:

Office of the Chief	3
Fiscal Management Branch	71
Administrative Management Branch	26
Management Services Branch	140
Total	240

Considering that this unit serves only at the bureau level and in view of the duplication of similar effort at other levels throughout the administration, this unit appears to be unreasonably large. In 1948 the Social Security headquarters office was reduced in conformance with the provisions of the Labor-Federal Security Agency Appropriations Act of 1949. The majority of the headquarters staff was moved from Washington to Baltimore at that time. It is clear that these additional units were not properly realined with the staff already existing at the new location. At any rate, as now constituted, this Division presents a fertile area for reorganization and reduction of employees.

3. Field service offices: One of the most unique characteristics of the Federal Security Agency is the existence of field service offices attached to almost every part of the organization. In fact, there are no less than 30 of these offices dispersed through the various bureaus and divisions, many of them duplicating efforts assigned elsewhere in the Agency. In many instances, their existence does not follow any acceptable organizational pattern. At least some of the key officials interviewed attempt to justify their existence as a vital part of the Agency's public-relations program. Employees in these units were described as the people who make speeches and acquire radio time to promote the Agency's program. Documentary evidence secured in the Agency reveals that some of the field service employees feel that a disproportionate part of their time is spent in public relations. This evidence is reproduced herein as exhibit 3 of the appendix.

Mr. President, I cannot recommend too strongly that the whole of part I of this report be given careful study by all Members of the Senate who either claim to be or are economy-minded.

Mr. President, I turn to part II of the report that it might highlight the record with but a single quotation—a quotation captioned "Conclusions":

The subcommittee finds that a substantial part of the $1,000,000 initially appropriated for the revision of the Consumer Price Index by this division was dissipated through gross overstaffing, inferior planning, untrained supervision, and improvident administration. The subcommittee believes that the supervision prevalent in this division has been inept, poorly qualified, and without the proper concept of the taxpayers' interest in the responsibility it has assumed. The subcommittee concludes that the allegations made by the employees who appeared voluntarily before it are justified and that these employees rendered a distinct public service in bringing these conditions to the attention of the subcommittee.

This clearly indicates that in one division, a division of the Labor Department alone, there is a chance to recapture a substantial part of a million dollars annually. Mr. President, I know that a million dollars is "peanuts" as we spend money today, but like the little drops of water and the little grains of sand, they make a mighty ocean and a mighty land. I cannot forget that a loving and devoted mother once told me that if I would take care of the pennies, the dollars would take care of themselves, and I find that principle to be so true, so dependable. I say if it is true in the family life, Mr. President, it is true in the community life, it is true at State levels of government and, of course, it cannot help but to be true at the national level, for a Nation is only the composite expression of its people.

Only to again stimulate an interest in this study, I quote from part III of the Preliminary Report of the House Subcommittee to Investigate Overstaffing in the Executive Departments and Agencies. With one exception, this survey deals exclusively with the administrative management of the Treasury Department, and that exception is a survey of fiscal accounting in the Government as it points up in the Treasury Department. I will only labor the Senate with one citation from that document, and that falls under a series of suggestions for improvement in the utilization of personnel at page 91. It is entitled "Effect Upon Staffing":

It is estimated that full acceptance of the suggestions outlined above would make it possible for the Fiscal Service of the Treasury Department to operate with 1,575 fewer employees. Table 12 shows the present and proposed staffing for the Fiscal Service, Department of the Treasury. In addition, the suggested realinement of functions in the Treasury Department could reduce related activities in other departments and agencies in a corresponding degree.

I am very much impressed, Mr. President, by the careful estimate of the subcommittee that the full acceptance of its suggestions would make it possible for the Fiscal Service of the Treasury Department to operate with 1,575 fewer employees.

I want to take this opportunity, Mr. President, to commend the House Committee on Post Office and Civil Service and its able subcommittee for these preliminary but no less enlightening studies. They should go far to prove to the Congress that there is a sizable waste of manpower in the Federal Government, and we cannot afford to waste manpower at a time when manpower is needed to man our national defenses in both industrial and military functions. Mr. President, I hold that it is our bounden duty in the Senate to supplement these splendid House studies and contribute some of our effort to the en-

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lightenment of the whole Congress through appropriate studies in the Senate. In this connection I want to point out that there should be no overlapping.

We already have, through the Byrd committee and the Senate Committee on Expenditures in the Executive Departments, very valuable sources of information, but I do feel that we should consolidate in one committee the job of ascertaining with complete accuracy just where we can cut payrolls and to what extent, just where we can transfer employees from one department to another with resulting advantages to both departments, just where we can dispense entirely with functions which are obsolete and without value to the operations with which they are connected.

Mr. President, it must be crystal clear to the Senate that I am simply urging more serious and concentrated attention to the grave dangers which flow from the lack of a scientific approach to our ever-mounting public payrolls. It is dangerous, not only to the personnel involved but it also adds unduly to the well-nigh back-breaking burdens which will be squarely on our people in the next few months directly as the result of the current world crisis.

Mr. President, within a few days the Senate of the United States will be in the process of debating an extremely controversial new tax bill. No matter what stand we may take individually on that bill when the roll is called, we must all certainly be conscious of the fact that we will be imposing terrific new burdens on the people of America; and whether we call the bill by the name of excess-profits tax or by some other name, the ultimate cost will come from the pocket of Mr. Average Citizen. He is the one who pays and pays and pays always.

In addition to the tax bill, we are going to be called upon, in a matter of hours now, to act upon a staggering new emergency appropriation to supplement our military needs. Here again, no matter how essential this action may be, we will be giving new impetus to the runaway cost of Government which was unleashed some 18 years ago. Mr. President, we must face that fact.

It is only natural that as we confront these costly programs, we cannot help but be forcefully reminded that we are engaged in a tragic and costly war. Moreover, I cannot, as I think of that war and those boys as precious to their families here at home, fail for one minute to remember that those boys expect their Government to meet its obligations here on the home front.

Many of those heroic lads do not know precisely what our domestic obligations are, but you can be sure, Mr. President, that they expect us to know, and, sir, I say we should know or else we should yield our time-honored offices to others who do know and are fully prepared to take the consequences for what they do as they adequately meet all of our domestic obligations. Mr. President, can anyone deny that one of our primary domestic obligations is to keep our economy sound?. Let me say, sir, that a majority of those boys out in the Far East are prepared to answer that question and answer it quickly, and their answer would be emphatically "No."

O, Mr. President, as we undertake to fully meet, with fortitude and courage, all of our sworn obligations to the people of America, and particularly in this dark hour, to those youngsters who are carrying our burdens abroad, we should take stock carefully here at home. If we do this, we cannot fail to review some of the great lessons of history. Mighty nations before us, possessing superb defenses and heroic armies, failed totally and completely because the leaders of those nations, in time of great crisis, either overlooked completely or dared to defy simple economic principles which were as sound then as they are today. They too took calculated risks and with terrific and shattering consequences. So without belaboring the Senate with the many examples which history spells out for us in respect to the problem of sound fiscal controls and simple and sane economies, I shall only sum up with this observation, namely, that in my humble judgment, the Senate has a new call upon it as it treats with appropriations, taxes, and expenditures. It is apparent from history that the Congress has to learn again and again and always the hard way the value of the tax dollar, of which it is the sole custodian.

But on this occasion, Mr. President, in the midst of the horrible blood-letting in Asia, which in the flick of an eye can burst forth into another global war, we must see to it not only that first things come first, but also that first things are put first. So it follows that having acted to put our military defenses in order, we must distinguished clearly between essential and nonessential expenditures and this we must do so effectively that we do not impede in any manner our military and industrial mobilization.

These programs must be on a scale sufficiently strong and sufficiently broad to make aggressor nations in the world look always hereafter to the advantages of negotiating peace before they undertake again to move against America, the patient and long-suffering friend of mankind. So well must we balance our economic, industrial, and military strength that the bully and aggressor of tomorrow will shrink and cringe at the mere thought of moving against a mighty and united Nation which has only peace under well-ordered law as its objective.

Mr. President, I yield the floor.

Mr. LUCAS. Mr. President, will the Senator yield for a question?

Mr. HENDRICKSON. I yield.

Mr. LUCAS. The Senator has been talking about economy in government. He has made a very constructive address. However, I have not heard it all. The Senator has also been talking about our mighty united Government. He has been talking about a global war, which might be upon us at any moment. I am wondering if the Senator knows that this afternoon the majority of Republicans in a Republican conference in the House of Representatives voted to ask for the immediate ouster of the Secretary of State, Mr. Acheson.

Mr. HENDRICKSON. I did not know that. I have been busily engaged on the floor all afternoon with the calendar. At the conclusion of the call of the calendar I waited patiently to get my place on the floor. I know only what has happened in this Chamber this afternoon.

Mr. LUCAS. I agree with the Senator from New Jersey that we ought to be united. If there was ever a time when the people of the Nation ought to close ranks, it is now. We should forget about the assessment of the liabilities of the past, if there be such; forget about the mistakes of the past, if there be such—and I presume there are some. Now is the time, it seems to me, for the people of the Nation, and especially those in public life, to forget the past and trust in the future, and look the present situation squarely and courageously in the face. We must have unity of purpose and unity of thought, if we are to survive as a free nation.

We are all familiar with the announcement by the President of the United States that he will make a speech to the Nation tonight on the conditions which exist in this country at the present time, as they are associated with world conditions. The Secretary of State has announced that he will go to Brussels for the purpose of meeting with the French, the British, and others in order that they may at least attempt to reach a solution of the difficult problems which are before them in Germany and other parts of the world. On the eve of his departure——

Mr. HENDRICKSON. Let me say, Mr. President, that I am enjoying tremendously the distinguished Senator's remarks. He speaks a great deal of truth. I want to hear him through, but I am due at a Republican conference. I shall appreciate it if he will limit the remainder of his remarks to a question.

Mr. LUCAS. Did not the Senator yield the floor?

Mr. HENDRICKSON. I said I yielded the floor, but I am glad to retain it, and yield to the Senator from Illinois.

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Chair will have to announce that upon the yielding of the floor by the Senator from New Jersey, according to the order previously entered the Senate will stand in recess until 12 o'clock noon on Monday next.

Mr. HENDRICKSON. I should like to say, in response to the Senator's remarks, that I shall never agree that we should not profit by the lessons of the past. There are many things in the past which I think we can bury with great advantage, but I think we must always be mindful, in all our official acts, of the lessons of the past.

Mr. LUCAS. Mr. President, will the Senator further yield before he yields the floor?

Mr. HENDRICKSON. I yield.

Mr. LUCAS. I certainly agree with the able Senator that we should profit by any mistakes made in the past. I believe that the last statement which the Senator made in his address was an admirable one. I congratulate him for it. But it seems to me pertinent, when we are talking about a unified America, to inquire how we can be unified when, on the eve of the departure of the Secretary of State upon what is probably one of the most important missions ever performed by any American

official, who ever traveled to the other side of the world, we find the majority of Members of the House of Representatives in the Republican ranks asking for the ouster of the Secretary of State. What a tragedy at this hour. How can the Secretary perform his solemn functions under such a cloud? What will the other nations of the free world think of such a charge?

It matters not what we may think about the man. He is the Secretary of State. He is the President's choice. His nomination was confirmed by the Senate. It seems to me that we are playing directly into the hands of Stalin. If I were Stalin—and I believe I understand something about that oriental mind—I would interpret this action as practically an invitation to strike wherever he wished, because he knows, as a result of this sort of procedure, that America is not united, that we are divided, and continue to be divided. With so many reckless and irresponsible charges constantly filling the air, one wonders whether or not some people are gambling with the fate of our country.

Mr. President, I have said little or nothing recently. I shall not be here very long. But I still believe in my country. I believe in the principles and free institutions which it represents. If the Republicans desire to throw the foreign policy into the forum of the Senate and the House of Representatives, there are many things that may be said about some of their so-called heroes who consider themselves practically God Almighty. We on this side of the aisle have remained silent. We have said little or nothing. We have hoped and prayed that America might be united in this crisis, and that political considerations might stop at the water's edge. But apparently that cannot be done.

I thank the able Senator from New Jersey.

Mr. HENDRICKSON. Mr. President, I should like to say that I think we all have the same hopes and the same prayers in these perilous days.

DAVID KARR

Mr. ANDERSON. Mr. President, will the Senator from New Jersey be kind enough to yield to me?

Mr. HENDRICKSON. I yield the floor.

Mr. ANDERSON. If the Senator yields the floor, the Senate will be in recess.

Mr. HENDRICKSON. I will retain the floor. I am glad to yield to the Senator from New Mexico.

Mr. ANDERSON. I wish to take only a minute, if the Senator will indulge me.

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from New Mexico?

Mr. HENDRICKSON. I yield.

Mr. ANDERSON. Mr. President, I was absent when certain remarks were made by the junior Senator from Wisconsin [Mr. McCARTHY], but I understand that among other things certain statements were made with reference to David Karr. I rise at this time only to say that in order to protect reputations so far as I can, I think I ought to make it clear that I was a member of a select committee of the House of Representatives, chosen from the membership of the Appropriations Committee, to pass upon a great many cases certified by the Dies committee, or the House Committee on Un-American Activities.

Among those charges were certain charges against David Karr. The charges were examined as carefully as possible by the committee. They were examined in great detail by me. So far as I could find, and so far as any other member of the committee was concerned, no member of the committee found anything in the charges which would in any way justify the assertion that David Karr was connected with any Communist-front organization, or was himself in any way a Communist.

I thought it might be proper to make that statement since it was a matter of official record on the part of the House of Representatives, and that Mr. Karr might be justified in having his reputation protected to that slight degree.

I thank my dear friend from New Jersey very much for his courtesy to me.

Mr. HENDRICKSON. It is a pleasure. Mr. President, I yield the floor.

RECESS

The PRESIDING OFFICER. Under the terms of the order heretofore entered, the Senate will stand in recess until 12 o'clock on Monday next.

Thereupon (at 5 o'clock and 18 minutes p. m.) the Senate took a recess until Monday, December 18, 1950, at 12 o'clock noon.

NOMINATIONS

Executive nominations received December 15 (legislative day of November 27), 1950:

COAST AND GEODETIC SURVEY

The following named officers of the Coast and Geodetic Survey for appointment to the grades indicated, subject to qualification therefor as provided by law:

To be ensigns

Barbour C. Stokes, Jr., effective January 18, 1950

Robert E. Williams, effective March 7, 1951

Michael C. Fox, effective March, 18, 1951

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 15, 1950

The House met at 12 o'clock noon, and was called to order by the Speaker pro tempore, Mr. McCORMACK.

DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

DECEMBER 15, 1950.

I hereby designate the Honorable JOHN W. McCORMACK to act as Speaker pro tempore today.

SAM RAYBURN,
Speaker.

PRAYER

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou whose will is sovereign and supreme, may we now render unto Thee the homage of our hearts and seek to bring our wills into harmony with Thy divine will.

We are daily praying for the dawning of that better day when humanity shall enter upon nobler and more magnanimous ways of living and when everything which estranges men and nations from one another shall be forever supplanted by the spirit of good will.

Grant that we may have the courage to attempt great ventures in brotherhood. May the members of the human family stand to one another in that same relationship of love and peace as Thou dost to each of them.

However desperate and dire our plight may seem to be, may we never be tempted to feel that all that is noble in our Christian civilization is at the mercy of the powers of darkness.

We pray that when anguish and fears grip our souls we may find our joy and strength in the glorious promise that "Thou wilt keep him in perfect peace whose mind is stayed on Thee."

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Hawks, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills of the House of the following titles:

On December 11, 1950:

H. R. 2365. An act for the relief of the city of Chester, Ill.

On December 13, 1950:

H. R. 483. An act to extend the time limit within which certain suits in admiralty may be brought against the United States.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate disagrees to the amendment of the House to the bill (S. 4234) entitled "An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CONNALLY, Mr. McMAHON, Mr. FULBRIGHT, Mr. WILEY, and Mr. SMITH of New Jersey to be the conferees on the part of the Senate.

ANDREW REMSON, JR.

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, I know the membership will rejoice with me that an Alabama boy, Andrew Remson, Jr., of Talladega, in my district, has distinguished himself by his career in the United States Military Academy at West Point and has now been elected a Rhodes scholar from Alabama to go to Oxford University for several years.

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It is gratifying when young men who have choice opportunities also have what it takes to avail themselves of those privileges. I know that you will all rejoice with me that this splendid Alabamian has taken full advantage of his opportunities, improving them and himself to enhance the pride of all who know him.

This dispatch from West Point appeared in New York newspapers on November 26, 1950:

CADET ANDREW REMSON AWARDED WEST POINT HONOR

WEST POINT, N. Y.—Cadet Andrew C. Remson, Jr., son of Mr. and Mrs. A. C. Remson, 706 Maple Drive, Talladega, recently was presented with a gold star to represent his being a distinguished cadet in academics at the United States Military Academy. Cadet Remson received this honor because of his exceptionally high academic average in the class of 1951. He ranks No. 2 in his class of 480 men.

The academic course at the Academy is very similar to an engineering and social-science course in a university. Each daily recitation is graded, and the total grades are balanced on what other cadets do. Sports, military tactics, and other extracurricular activities are combined with academics in order to develop a well-rounded leader.

After his graduation as valedictorian from Talladega High School, Remson attended Marion Institute for a year. He served in the infantry as a sergeant for 2 years before being appointed to West Point by Representative SAM HOBBS.

At the Academy he has been active in intramural athletics and is a cadet color sergeant. He is a member of the German Club, Radio Club, Art Club, and Railroad Club.

Upon his graduation in June 1951 Remson hopes to be commissioned in the engineers.

On the next day I wrote his parents:

I am thrilled, as I know you are, and deeply gratified that this outstanding boy has already justified the regard I had for his capabilities and for him. In my opinion, this is only the first of the honors which will be his in the career ahead, and I shall always be proud to claim him as my appointee.

You have every reason to be proud to be his parents, as he has to be your son.

That prediction has so soon begun to be verified. On last Saturday, December 9, the Rhodes Scholarship Award Committee meeting in New Orleans selected him to be one of the four Rhodes scholars from the district composed of 6 States, finally chosen from the 12 designated to compete for the high honor.

THE RAILROAD STRIKE

Mr. BARDEN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. BARDEN. Mr. Speaker, this morning we are at war. Our Armed Forces are engaged in a life-and-death struggle with the Communist forces of China; over 300 carloads of United States mail, official business and personal, is being held up in Washington Union Station alone; military personnel stopped in their tracks; many boys trying to get home and for some it will probably be their last visit, are blocked; military supplies to our Armed Forces are being blocked. All America is being called on to make great sacrifices of their own blood, finances, and so forth, while the members of the Railroad Brotherhood of Trainmen are paralyzing our transportation system with strikes, not just against the railroads but against our Government and have challenged the United States Army. The Government should accept the challenge at once—and see to it that the Chinese Communists should not receive further assistance from any group in America, whether they be railroad unions, through wildcat or "tame cat" strikes, or any other group. I have carefully checked with counsel and the House Parliamentarian, and the Committee on Labor, of which I am chairman, under the Reorganization Act does not have jurisdiction. I wish it did have.

PERMISSION TO ADDRESS THE HOUSE

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

[Mr. GOSSETT addressed the House. His remarks appear in the Appendix.]

STATEMENT BY MARTIN DIES

Mr. VELDE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. VELDE. Mr. Speaker, on September 22, I inserted in the CONGRESSIONAL RECORD a statement which had been made by the Honorable Martin Dies, former Representative from Texas. The original statement contained reference to the three news services, INS, UP, and AP. Subsequent to this insertion I received many requests for reprints and I presume that with all the requests I had telephonically and by letter, I can very well issue and send out at least a half million copies.

I have also had correspondence with Mr. Dies regarding this statement and he requested that he be allowed to change his statement with reference to the three news services for the permanent RECORD. Therefore, in the permanent RECORD there will be no mention of these news services. I am satisfied that Martin Dies realizes that any reporter assigned to the Un-American Activities Committee by these news services reported the news of the Dies committee objectively and honestly.

While I was not closely associated with newsmen until 2 years ago, I am satisfied that the three news services, the UP, INS, and AP, as well as the great majority of the American press, are free from Communist affiliations and are just as much interested in seeing the country rid of this menace as Mr. Dies is or I am.

THE RAILROAD WILDCAT STRIKE

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, the radio and press are furnishing us with the astounding news that shipment of food, clothing, ammunition, and medicine to our troops in Korea is being held up by the railroad strike. I cannot imagine a greater act of ingratitude or one more unpatriotic. Until comparatively recently, a railroad employee was highly regarded. Lately, however, in a great many instances they have joined hands with members of the CIO and, therefore, have stooped to a very low level.

How anyone who calls himself an American could read the accounts of what is happening in Korea and then feign sickness in order to technically avoid being held in contempt of court is beyond me. I can imagine the feelings of the mothers and fathers who read of this disgraceful strike against the Government when at the same time our casualty list is the largest in history.

If present provisions of law are not adequate to deal with this situation, then I urge you to join with me in immediately providing necessary authority.

PENSIONS FOR DEPENDENTS OF CIVIL WAR VETERANS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, several weeks ago I received a letter from a very sweet old lady who asked me if there was a possibility of the enactment of legislation that would increase her pension of $36 a month, which she receives as the widow of a Civil War veteran.

Noting that she was receiving a very small award, I wrote and asked her for the details as to her age, claim number, and so forth. When I received her reply I found she is 77 years of age and in great need of additional assistance. I had the Veterans' Administration officials search for the file and I am very happy to report that this morning I am advised the needy pensioner will receive a check for about $1,000 in back pension which is due her. It will be a wonderful Christmas for this old lady and I know it will make her holiday one long to be remembered.

However, the point I want to make is this: Had the Veterans' Administration been operated in an efficient and businesslike manner, this pensioner would have received an increase in her award, to $48 a month, when she reached the age of 70—7 years ago. Because she was ignorant of the law, and because the Veterans' Administration neglected to increase the award automatically, as should have been done, she has been obliged to struggle along as best she could on the small amount of $36 a month.

I believe that there must be many parallel cases in the files of the Veterans'

Administration. With this in mind, I suggested that all of the Civil War $36 awards be separated from the files and reviewed to ascertain whether or not the pensioners were receiving all that they were entitled to under existing law.

The first reaction I received to this suggestion was that the Veterans' Administration does not have the personnel necessary for such a survey. Such a statement cannot be condoned. I believe that five persons, working diligently, could review all of these claims—for there are not many—in a week.

It is time the Veterans' Administration officials cease saying that they cannot do this or that service for veterans and their dependents because Congress has not provided sufficient funds for personnel. You and I know that when the Administrator of Veterans' Affairs and his assistants come to the Capitol with their requests for money if they are properly presented they are always given what they deem necessary for good service to our veterans.

Congress should look into this situation promptly and carefully.

CALL OF THE HOUSE

Mr. ARENDS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 296]

Abbitt	Gorski	Miller, Calif.
Barrett, Pa.	Granahan	Miller, Md.
Beall	Gwinn	Morrison
Bennett, Mich.	Hare	Multer
Boykin	Havenner	Murray, Wis.
Bramblett	Hays, Ark.	Nelson
Brehm	Hébert	O'Toole
Buchanan	Heffernan	Pfeifer,
Buckley, Ill.	Heller	Joseph L.
Buckley, N. Y.	Herter	Pfeiffer
Burke	Hinshaw	William L.
Burton	Holifield	Poage
Case, S. Dak.	Huber	Powell
Cavalcante	Irving	Riehlman
Celler	Jackson, Calif.	Roosevelt
Chatham	Jacobs	Sabath
Chesney	James	Saylor
Chiperfield	Jenison	Scott, Hardie
Chudoff	Jennings	Scudder
Cole, N. Y.	Johnson	Shelley
Combs	Karst	Simpson, Pa.
Coudert	Kee	Smith, Ohio
Crawford	Keefe	Stanley
Crook	Kelley, Pa.	Talle
Crosser	Kennedy	Teague
Davies, N. Y.	Keogh	Van Zandt
Dawson	Kerr	Wadsworth
Dingell	King	Wagner
Dollinger	Klein	Walsh
Dondero	Kruse	Werdel
Douglas	Lichtenwalter	Whitaker
Eaton	Lodge	White, Idaho
Engel, Mich.	Lynch	Whitten
Fulton	McDonough	Widnall
Gathings	McMillan, S. C.	Wier
Gavin	McMillen, Ill.	
Gillette	Macy	

The SPEAKER pro tempore. On this roll call 321 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

THIRD ANNUAL REPORT FOR THE PHILIPPINE ALIEN PROPERTY ADMINISTRATION—MESSAGE FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER pro tempore laid before the House the following message from the President of the United States, which was read and, together with the accompanying papers, referred to the Committee on Foreign Affairs:

To the Congress of the United States:

I transmit herewith for the information of the Congress the Third Annual Report for the Philippine Alien Property Administration for the fiscal year ended June 30, 1949.

HARRY S. TRUMAN.

THE WHITE HOUSE,
December 15, 1950.

RESIGNATION AS MEMBER OF CONGRESS

The SPEAKER pro tempore laid before the House the following communication:

DECEMBER 15, 1950.

Hon. SAM RAYBURN,
Speaker of the House of Representatives, Washington, D. C.

MY DEAR SPEAKER: I have transmitted my resignation as Representative in Congress from the State of Wyoming, effective at midnight on December 31, 1950, to Hon. A. G. Crane, Governor of Wyoming. I am herewith enclosing a copy of my letter of resignation.

Yours very truly,

FRANK A. BARRETT.

DECEMBER 15, 1950.

Hon. A. G. CRANE,
Governor of Wyoming, Cheyenne, Wyo.

DEAR GOVERNOR CRANE: I hereby resign as Representative in Congress from the State of Wyoming, effective at midnight December 31, 1950.

Yours very truly,

FRANK A. BARRETT.

PAN AMERICAN UNION

Mr. BURLESON. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 5902) for the relief of the Pan American Union, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 13, after "organization", insert ": *Provided*, That the government of the District of Columbia shall reimburse the Treasury of the United States for such amount."

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

Mr. RICH. Mr. Speaker, reserving the right to object, I would like to know what this bill does.

Mr. BURLESON. Mr. Speaker, this bill passed the House several weeks ago and has for its purpose the refunding to the Pan American Union the sum of $54,691.65 collected by the District of Columbia from that organization on an inheritance tax from the estate of Dr. Leo S. Rowe, who bequeathed the sum of $493,680.44 to the Pan American Union. The legal question has not been settled accurately as to whether or not an inheritance tax is due the District although the Board of Tax Appeals has held that it does. Neither has the Federal inheritance tax question been settled, that is, whether any tax is due the Federal Government.

It is thought that due to the conditions under which the bequest was made by Dr. Rowe and because the Pan American Union is a quasi-public institution, this action should be taken, technicalities under the law notwithstanding. I shall be glad to give further explanation if the gentleman wishes.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BURLESON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. Does this come in under unanimous agreement of the members of the committee?

Mr. BURLESON. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

MRS. AMLYE E. ASTON

Mrs. NORTON. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 884 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That there shall be paid out of the contingent fund of the House to Mrs. Amlye E. Aston, widow of J. Lee Aston, late an employee of the House of Representatives, an amount equal to 6 months' salary at the rate he was receiving at the time of his death and an additional amount not to exceed $350 toward defraying the funeral expenses of said J. Lee Aston.

The resolution was agreed to.

A motion to reconsider was laid on the table.

CHARLES E. WILSON

Mr. JAVITS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. JAVITS. Mr. Speaker, the President will shortly announce, if he has not already, the appointment of Charles E. Wilson as head of what will be the Defense Production Board. Mr. Speaker, this is very bad news for Joe Stalin and very good news for the American people. Mr. Wilson, president of General Electric, is the man who did so much to whip out the guns and planes and tanks as vice chairman of the War Production Board that overwhelmed the Axis from 1941 to 1945, inclusive, and this is the man who can do the job now.

I think that of all of the things that have happened in this country in the last few weeks, when the country was finally aroused out of a dangerous lethargy, this appointment is one of the best. It will mean a striking and potent force of pro-

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duction will be unloosed; especially as it is coupled with the fact that Mr. Wilson will have no strings attached to him, will have direct access to the President, and that he is going to really head up the job.

This appointment bears out the argument on this floor when the Defense Production Act was under consideration that we wanted this economic mobilization job handled by one agency, and not spread around in different Government departments, but in one agency concentrating on this job. This is now accomplished. I think our country has a right to feel very good about it and the Kremlin, I am sure, to feel very bad about it.

SPECIAL ORDER GRANTED

Mr. VURSELL asked and was given permission to address the House for 15 minutes on Tuesday next, following any special orders heretofore entered.

PRICE AND WAGE CONTROLS ESSENTIAL

Mrs. BOSONE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentlewoman from Utah?

There was no objection.

Mrs. BOSONE. Mr. Speaker, I do not know how many of the Members of Congress do their own cooking in Washington, and I do not think there are many, if any, who do their own marketing. I happen to do both. I get thoroughly exasperated every time I leave a food store with a bag of groceries, and realize how much money I have spent and how light the bag is. I cannot help being worried and concerned about the many low income families in America who have many mouths to feed. There must be thousands who are merely working these days in order to pay their bare living expenses. There must be many these days whose total pay check hardly stretches over their bare living expenses.

If prices are going up any higher, the average parent will not have any money to pay the high taxes to keep our country secure. Some of you may be saying, "Well, if it weren't for labor asking for wage increases prices would not be spiraling." I do not think the facts bear this out. I believe that prices go up first—making living more expensive—and then labor asks for a pay increase. It is time that the vicious spiral leading to inflation subsides. I believe we should begin right now to check rising prices.

The people who are using the war to increase prices are, in my mind, traitors to our country.

I believe that the mandatory price and wage controls must be imposed right now.

EXTENSION OF REMARKS

Mr. LECOMPTE asked and was given permission to extend his remarks and include resolutions by Poweshiek County, Iowa.

Mr. GROSS asked and was given permission to extend his remarks in two instances and in each to include editorials.

Mr. WALTER asked and was given permission to extend his remarks and include an address by Msgr. Edward S. Swanstrom.

Mr. HART asked and was given permission to extend his remarks and include several newspaper editorials and a book review.

Mr. McCORMACK (at the request of Mr. PRIEST) was given permission to extend his remarks in two separate instances and in each to include extraneous matter.

Mr. LARCADE asked and was given permission to extend his remarks and include extraneous matter.

Mr. THORNBERRY asked and was given permission to extend his remarks and include extraneous matter.

Mr. POULSON asked and was given permission to extend his remarks in three instances, and in one to include an article by Charles Wilson.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include a resolution adopted this morning by the Republican conference.

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include a condensed version of a speech made by Joseph P. Kennedy before the University of Virginia Law School Forum several days ago as it appeared in the press.

Mrs. ST. GEORGE asked and was given permission to extend her remarks and include an article.

Mr. D'EWART asked and was given permission to extend his remarks and include two resolutions.

Mr. LANE asked and was given permission to extend his remarks and include extraneous matter.

Mr. MANSFIELD (at the request of Mr. PRIEST) was given permission to extend his remarks and include a newspaper article.

Mr. WILLIS asked and was given permission to extend his remarks and include an article, notwithstanding the fact that it may exceed two pages of the RECORD.

Mr. SMATHERS asked and was given permission to extend his remarks and include an editorial appearing in the St. Petersburg Times.

Mr. MULTER (at the request of Mr. ADDONIZIO) was given permission to extend his remarks.

SECOND SUPPLEMENTARY APPROPRIATION BILL, 1951

Mr. CANNON, from the Committee on Appropriations, reported the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes (Rept. No. 3193), which was read a first and second time, and, with the accompanying papers, referred to the Committee of the Whole House on the State of the Union and ordered to be printed.

Mr. TABER reserved all points of order on the bill.

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and pending that motion, I should like to reach an agreement with the gentlemen from New York [Mr. TABER] as to time for general debate. It occurs to me that in view of the general approval of this bill on both sides of the aisle, we can get along with 2 hours of general debate.

Mr. TABER. I have felt that we really ought to have 3 hours. There is quite a good deal to the bill, and the Members will probably ask for very considerable explanations. I think not to exceed 3 hours would be about right.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that general debate be limited to 3 hours, one-half to be controlled by the gentlemen from New York and one-half by myself.

The SPEAKER. Is there objection to the request of the gentlemen from Missouri?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9920, with Mr. COOPER in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

Mr. CANNON. Mr. Chairman, we are submitting the second supplemental appropriation bill for 1951. It is essentially a preparedness bill. It carries a total appropriation of $18,033,304,424, a reduction of $47,741,610 below the estimate of $18,081,046,034 submitted by the Bureau of the Budget.

The bill is principally for military preparedness, but a few items are included of an urgent nature for civilian purposes and it is largely from these that the small deduction has been made.

The amount provided in this bill for national defense will bring the aggregate amount provided for the armed services for the current fiscal year to a total of approximately $42,000,000,000. It will increase the over-all provisions for the fiscal year, in round figures, to $78,000,000,000. The total national income for the fiscal year is estimated to be between $41,000,000,000 and $42,000,000,000.

The amount we are now adding is for financing an immediate expansion of manpower and the stepping up of production, later to be augmented in step with developing needs and objectives. The details of the national defense portion of the bill will be supplied to you, to the extent that publicity limitations permit, by the able chairman of the subcommittee having jurisdiction of Defense Department appropriations, the Honorable GEORGE MAHON. Likewise, details will be supplied on other chapters of the bill by the several chairmen of the respective subcommittees having jurisdiction.

The funds here provided may be said to be the first increment of all-out preparedness for any eventuality. Other bills extending and expanding the program will follow as our Armed Forces

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and those of our allies develop production and mobilization for national defense. We have made some progress heretofore along these lines, hoping vainly, as it now appears, that somehow, in some way, the necessity for drastic action might be averted.

After Pearl Harbor the United States was a second-rate power. England had a much larger navy, France a much greater army, and Hitler, decisively, a much larger air force. When the war closed we had more ships, more tanks, and more planes than all the rest of the world combined. We were the mightiest military power, at the close of the hostilities in 1945 that history has ever known. Our descent from that commanding position was rapid and precipitous. The instant firing ceased Members of Congress were buried beneath an avalanche of letters and telegrams demanding, requesting that the boys be brought home. Industry wanted its employees back, mothers wanted their sons back, wives wanted their husbands back. There was a universal demand that the boys come home. It was insistent and peremptory.

"The war is over. There is no reason to keep them longer. They are needed here at home," and it seemed sensible and logical.

Military commanders and State Department diplomats pleaded for time for orderly demobilization. They pointed out the importance of completing negotiations and the necessity for maintaining occupation until treaties could be written. But importunities would not be denied and we brought them home. I recall that when the budget came up the Committee on Appropriations recommended and the Congress approved the elimination of $100,000,000 for maintenance of troops abroad in order to compel more rapid demobilization.

They flocked to transports so hurriedly and precipitately that they left war material scattered all over Europe and Asia. Some got back without rifles. "What use was a gun. We were not going to fight any more." There would never be another war in all the tides of time.

But other powers did not demobilize. Almost unnoticed they continued to draft and drill additional troops. Their factories worked feverishly in day and night shifts turning out war supplies. And as their diplomatic representatives become more aggressive and insolent we suddenly realize that while we turned our attention to peaceful pursuits they have more tanks, more guns, more planes, more submarines than we and our allies—that we have lost our position of military preeminence and it has been taken over by totalitarian government pledged to destroy free government and democratic institutions.

Belatedly we are beginning to look to our priming. But it is an uphill task. It involves vast expenditures. War was never cheap. It is estimated that when the cost of World War II is paid to the last pension, the total expenditures for all war purposes will reach at least $1,000,300,000,000. The cost of the next war will be infinitely more. The pay of a private is now almost four times what it was in that war. The cost of an antiaircraft gun has gone up from $10,000 to $300,000. A division which could then be financed for $14,000,000 now costs $74,000,000. And everything else in proportion.

Our course that does not take into consideration the agony and the suffering and the destitution? And it does not take into consideration the havoc which the next war will bring to America and her people and their possessions. In the last two world wars America was untouched. Not a brick was dislodged. Not a railroad rail was moved. Not a bridge blown up. But in the next war, however alert we are, however well prepared, some of the thousands of enemy planes will seep through and our centers of population and production, our shining cities will be reduced to rubble. It has happened to every other country. This time it will come to America. And no section, however remote, will escape. Even if we win the clock of civilization will be moved back 500 years.

We must not have another war. But how can it be avoided? We cannot retire to our own backyard to be isolated and surrounded and exterminated. We cannot run away. England tried that.

I sat in the gallery of the House of Commons and listened to Chamberlain. He had come back from Germany where he had traded everything he had and much more to Hitler for one moment's brief respite, and sometime afterward Hitler utterly destroyed the very building, the historic House of Parliament, in which we sat at that time.

The prophet Amos, over 2,000 years before, had foretold exactly what would happen:

> He that fleeth shall not flee away, and he that escapeth shall not be delivered.

We have only one alternative—to become so strong that no enemy will dare attack us. We must arm; we must arm as rapidly as we can; we must be as strong as possible as soon as possible, and this bill proposes a start in that direction. At the same time, the bill is not in a strict technical sense a war bill. We report it out today in the hope that by adopting this program, that by implementing these plans we can avoid war.

We labor under another heavy handicap. During the war we developed a spending psychology. And from 1945 down to date, instead of husbanding our resources as a bankrupt nation should have done, instead of reducing the public debt periodically and materially, we have spent for civilian purposes, for things which we could have done without, such vast sums that we are financially crippled today as we face the stern necessity of a war for survival. We could not deny ourselves. We adopted every new program. When the committee attempted to stem the tide on the floor we were outvoted on both sides of the aisle. We now have difficulty in refunding the bonds that are now outstanding. Month after month, when we made a drive to sell bonds, we found that more bonds had been cashed than had been sold. We face the necessity for the sternest economy. No money must be spent that is not actually and imperatively required either in this bill or those which follow.

We are fortunate in having General Marshall at the head of the Department of Defense; we are exceedingly fortunate that he continues hale and hearty under the added burdens placed upon him. With his great capacity, his wide experience, his patriotic devotion we can rest assured that no precaution will be overlooked and every step will be taken to insure the defense of the Nation. To his great wisdom and superior leadership go the lion's share of the credit for the direction and successful prosecution of the last war. We could not have been better captained and commanded. We placed our faith in him before and we place our faith in him again. And so far as I am concerned it will be the policy of the House Committee on Appropriations to follow his tried and proven leadership. To that end we invite the cooperation of every Member of this House regardless of party or other affiliation.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Chairman, I yield myself 22 minutes.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Minnesota.

Mr. AUGUST H. ANDRESEN. I wish the gentleman would discuss what the procurement divisions of the Army and the Air Corps have done with the billions of dollars heretofore appropriated since Korea, so that we may find out if there is any negligence on the part of those agencies in getting the matériel which is necessary to arm our troops properly in order to carry on the war.

Mr. TABER. I will try to get to that to a certain extent as I go along.

Mr. Chairman, the State Department and the President have failed to protect the interests of the United States at Yalta, Potsdam, and in our dealings with the United Nations and China. The continuous appeasement of the Communist groups to the point where the threat of Communist domination of the world has become so apparent that even they could not avoid it has brought us to the most serious situation that I can recall in all the history of the United States.

We are faced with a situation where we must have many controls, many priorities and where the people of America must dig in and must cease to quibble about having a good time but work continuously, pay taxes and avoid the purchase of everything except absolute necessities all the time.

We have had presented to us appropriations involving close to 17 billions of dollars for the military. We must provide them. On the other hand, we must not provide for things that are not needed and that we can get along without. We need guns, ammunition, airplanes, tanks and ships and the men who will be required to man and operate them. We must have courage enough to tell folks back home that the military forces must have first call on everything, and that they must do without.

The Army must proceed in an orderly way and it cannot be allowed to waste this money by careless contracting and foolish and extravagant construction and operation.

We must expect just as much common sense in approaching this problem on the part of the Armed Services as we ask of the ordinary people.

When General Marshall tells us, as he has, that this is not the time to put universal military training into effect because it would absolutely interfere with and prevent the building up of our Armed Forces through the draft system which is already established, we must stop talking about that and get down to the things that are presently needed. If we need universal military training in the progress of events, that will be time enough to provide it. For my own part I shall be guided by what seems to be, for the time being, in the best interests of the military forces. That will be my aim as I go along.

The sacrifices that the people are asked to make are as nothing to what would hit them with Soviet control and Soviet domination over their lives. There must come on the part of the people a realization of the choice that faces them:

Slavery to a heartless and pitiless dictator like Stalin, or great sacrifices to preserve the liberties of mankind. And when those liberties are preserved this time, let us try to win the peace.

These estimates which relate to the dollars required for the military have been approved just as they were presented by the armed services.

They were approved in the amount of $51,000,000 for the Department of Defense, Office of the Secretary; $9,210,865,000 for the Department of the Army; $2,979,371,000 for the Navy; $4,603,011,000 for the Air Force.

This was all a cash appropriation. We have made enormous provisions for the Army for the construction of tanks. We have tried to supply, insofar as it might be possible, deficiencies in ammunition and munitions so that everything that is required, insofar as they are able to say that they can provide it, will be covered. There undoubtedly were a great many cases where individual items could have been cut without interfering with the efficiency of the armed services or the war effort, but there are so many other things that will have to be provided in the days to come, resulting from the turn of events in Korea and the more acute foreign situation, that it was impossible for us at this time to make the kind of a review that would permit us to pare down any of the items that were presented to us by the military.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from California.

Mr. JOHNSON. Due to the fiscal policies of this administration there has been a spiral of inflation ever since 1945, as the gentleman knows. Is the gentleman able to tell the House how much of the cost of these various items aggregating about $16,000,000,000 is due to the inflation that we have had in the last few years?

Mr. TABER. Oh, I would say, taking in mind the whole picture—and I think we might just as well take in mind increases in compensation that have been given to the members of the Armed Forces and the allotments that have been provided, and all that sort of thing—that at least 30 percent of this $16,000,000,000 is due to the inflation that has been allowed to progress over the last 5 years. The whole bill calls for $17,820,000,000, as will be seen by referring to page 2 of the report. Six billion dollars of that, I have not the slightest doubt, is due to increases in prices and inflation.

The big items in this bill are, for the Army, $1,553,000,000 over-all for the Quartermaster Corps; $716,000,000 for increased personnel in the Army; $655,000,000 for the Signal Corps; $656,000,000 for the engineers; $4,000,000,000 for the Ordnance Department; and $575,000,000 for the provision of production facilities in the Army.

In the Navy the big items run as follows: For increased personnel, $184,000,000; for Marine Corps troops and facilities, $291,000,000; for Navy aircraft and related facilities, $158,000,000; for construction of aircraft, $156,000,000; for ships and facilities, $383,000,000; for construction of ships, $335,000,000; for Navy ordnance $707,000,000; for new public works, $303,000,000; and for the Navy's stock fund, $100,000,000.

For the Air Force there is provided for procurement of aircraft $2,114,000,000; for major procurement other than aircraft, $583,000,000; for acquisition and construction of real property, $807,000,000; for maintenance and operation, $704,000,000; for armed personnel, $264,000,000; and for research, $115,000,000. The total for the Air Force is $4,603,000,000.

I would say the percentage of build-up is perhaps greatest for the Army. There we are providing a force which at the end of the fiscal year on June 30 will be somewhere in the neighborhood of 1,250,000 men. Maybe they will go faster than that.

The committee has been guided unanimously, I would say, by this rule, that we should ask the military what they are able to use and then should try to provide it if it seems at all reasonable. It did not seem to be wise to the committee to provide a lot of things that they did not ask for or that they did not know whether they wanted or were not ready to order. We might all say without any difficulty that perhaps they will need much more than this, but until they can, in an orderly way, within their own organization tell you what they need and how to go after it, there is no reason for the committee to make provision. For my own part I am ready to let them have what they need. I recognize that we have not over a very considerable period taken advantage of many opportunities that we have had to produce real results. There has been a tremendous quantity of equipment turned over to the Chinese, which got into the hands of the Chinese Communists. On the other hand, most of that is not equipment which we could use today because it is not of the type of modern construction necessary today. Many of the things we had in the last war, like the Garand rifle and a few things of that sort, and most of the Navy ships are in shape so that they can be used. The aircraft, with the single exception of the B–29 which was in vogue at that time, is not of the most modern character. Frankly it staggers one when one sees what an airplane costs today because the cost is so terrific. It also staggers one when one sees what ordnance costs. Those figures are so high it is almost unbelievable. But just as I said before we are faced with the job of supplying these funds to cure the situation that the country finds itself in just as rapidly as we can supply them and just as freely as they may be asked for. We cannot, and we all might just as well recognize it, go into the kind of military production we would like to have. We cannot build up the personnel of the Armed Forces as fast as we would like, because there is a limit to the number that can be trained as we go along, but we have to do the best we can and take advantage of what our folks in our own Military Establishment can figure out can be used and produced.

Frankly, I have been disappointed in the situation in Korea. On the other hand, once in a while there is a glimmer of satisfaction. Such a glimmer came a couple of days ago when three or four of our jet planes went up against 24 of the Russian jet planes and cleaned them out. No country in the world has the capacity to produce that this country has, and that is because we have the free-enterprise system. We must preserve that system. We must expect it to do more than it has ever done before in the light of military production, and we must expect of the men who are called to service that same kind of superservice that has been given in the past, and which is the only thing which can today preserve the liberties of mankind.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Chairman, I yield 35 minutes to the gentleman from Texas [Mr. MAHON], chairman of the Subcommittee on Appropriations for the Department of Defense.

Mr. MAHON. Mr. Chairman, if Members will pardon me I will not yield for questions until I have completed my remarks. The large charts which are before you will be of interest and I shall make reference to them and have them reproduced in the RECORD at the conclusion of my statement.

URGENCY OF PROGRAM FOR NATIONAL DEFENSE

Mr. Chairman, this is the hour which we had hoped could be averted. With the adoption of this appropriation bill we are coming closer than ever to the firm conclusion that full-scale war may possibly be upon us at any moment. It would seem certain that without a rapid build-up of our military strength all-out war would become inevitable. But with the military posture which this bill will help make possible, we still cling tenaciously and desperately to the hope that global war can be averted. Yet our hope

is sustained by a very tenuous thread and with every passing day the danger looms larger.

Let us hope that Winston Churchill was right when he said in the House of Commons a few days ago, speaking with caution and reservation, that it was his hope and belief that the free world still had a breathing spell, still had time to build up its strength.

Obviously we do not know what the future holds. It may well be that the Soviets themselves do not know when and if they will launch an all-out shooting war against the free world.

The program to gain strength which we are now placing into operation, this present significant trend of events in the United States and in Western Europe, might conceivably cause the Soviets to change their timetable. But we cannot be deterred by that fact. We know that at this time, and during the coming months, there can be no possible security for us in weakness.

MILITARY FUNDS PROVIDED IN FISCAL YEAR 1951

I should like to proceed immediately to a discussion of the military portion of this supplemental appropriation bill. The question may well be asked, Why this supplemental request at this time? inasmuch as we passed a supplemental appropriation bill in August of this year giving the Army, Navy, and Air Force an additional supplemental sum of $11,000,000,000 for this fiscal year, bringing the total to twenty-five billion. Yet in the light of events the answer to that question seems obvious. It will be more profitable to discuss the way this supplemental request fits into the pattern of our defense effort.

Here is the picture as you will note from the chart which is now before you. For the current fiscal year—fiscal year 1951—we have already provided in the regular bill and in the first supplemental, as previously indicated, the sum of $25,000,000,000 for the Army, Navy and Air Force and for the office of the Secretary of Defense. In this supplemental request, $16,800,000,000 is superimposed upon the previous figure; and when this bill becomes the law, the Department of Defense will have available for the current fiscal year the total sum of $42,000,000,000. I am speaking in round figures in order to facilitate an over-all understanding of the sums involved.

The question arises, Is the $17,000,000,000 provided in this bill adequate for the present? The Joint Chiefs of Staff in preparing the supplemental request now before you were not restrained by an arbitrary ceiling figure which had been imposed at the White House. The Joint Chiefs were free to use their own judgment and to request those sums which they felt were required for the defense of the country. The committee was careful to advise officials that Congress stood ready and willing to provide any sum, regardless of size, which might be required for the defense and security of the United States. Defense officials stood solidly on the ground that $17,000,000,000 is all that should be requested of Congress by the Department at this time. The committee has adopted the program recommended by General Marshall, the Secretaries of Army, Navy, and Air Force and the Joint Chiefs of Staff.

However, let me point out that when the $17,000,000,000 figure was agreed upon by the Department of Defense, the full-scale attack of the Chinese Communists had not been made in Korea. In other words, the $17,000,000,000 requested is unrealistic in the sense that it does not fully take into account the losses which have been recently sustained in Korea and the changed world picture which has been brought about by the full-scale entry into the Korean War to the Chinese Communists.

Defense officials were asked if further funds were not required at this time. Their response was that it was not possible to calculate accurately at the moment what our recent losses had been in Korea and what might possibly be necessary in the light of changing world conditions. They explained that to resurvey the needs of the entire Military Establishment and to reestimate the requirements would probably require weeks. It would mean that this pending supplemental bill would have to be sidetracked and the program for further military buildup deferred until next session of Congress. Defense officials were unanimous in appealing to the committee to pass the bill which is now before you and await a further assessment of the situation and the request for additional appropriations until more information should become available. This, we were assured, would cause no loss of time in our defense program. In fact, the quick passage of the pending measure would buy much previous time which would otherwise be lost.

The Defense Establishment is now formulating its request for appropriations for the fiscal year which begins next July. That program, the program for the fiscal year 1952, should be submitted to Congress within a very few weeks and defense officials make it clear that the fiscal 1952 program is coordinated with the present request. It will provide for the extension and enlargement of the military program now in operation and to be placed in operation by the pending measure.

Now as to whether or not additional requests will be made for military appropriations for the current fiscal year, my own judgment is that additional requests will have to be made for further funds. Indications are that additional requests may be made during the early part of the next session within the range of 5 to 10 billion dollars. Of course, further requirements would be somewhat dependent upon the changing world picture. If full-scale war should develop, it is apparent that additional huge sums would immediately be required.

I have pointed out upon several past occasions a fact which all Americans should recognize—the fact that all-out mobilization of manpower and resources for a full-scale shooting war would require a minimum annual appropriation of at least $100,000,000,000.

Millions of men would be called into uniform and there would be an immediate increase in tempo. General Marshall, as you will note from the hearings, does not think it is in the best military interests of the United States for us at the moment to begin full and total mobilization for war of our manpower and industry. This view, insofar as I am able to learn, is held by the Joint Chiefs of Staff and by all our top military officials. They feel that this program is what should be carried out right now; that it comprises the efficient and orderly steps which should be taken at this moment. Members of Congress, in considering this measure, should consider it with all these factors in the background of their thinking.

I know that all of us are most anxious to do everything within our power to expedite our defense program and improve our military position. In other words, all of us fervently believe in an all-out effort. Obviously, the words "total mobilization" mean different things to different people. I believe all thoughtful Americans desire a total devotion to the job at hand. Certainly there is no disunity or lack of agreement on the necessity for the most effective military program that can possibly be devised for the prevention of all-out war.

To throw 5,000,000 additional men into uniform overnight in a full-scale military manpower effort without adequate weapons to train and fight with and without adequate training installations would in the opinion of most military men injure the defense effort, shock our production economy and rob defense plants of the manpower so vital to rapid conversion and expansion of defense industry and rapid production of defense weapons.

If full-scale war should break out tomorrow, there would be a disposition for all of us to ask the question, "Why did we not have 8,000,000 men in uniform and in the possession of all necessary equipment in order to meet the frightful demands of the moment?" On the other hand, if full-scale war did not break out, we would ask, "Why has the Department of Defense kept 8,000,000 men in uniform for all this time, disrupting families, bankrupting the country and upsetting the production and the economy of the Nation?"

It must be remembered that dollars alone will not buy security. There are other factors which cannot possibly be glossed over.

Let us take a look at military spending as contrasted with military appropriations by Congress. Congress appropriates the money but the money is expended, under our form of government, by the executive branch.

As I have said, when this bill becomes the law, we will have appropriated for defense this year $42,000,000,000. I am referring only to the figures for the Army, Navy, and Air Force. I am not including the $12,000,000,000 which we have provided for atomic energy, military aid to Europe and other programs which are strictly national defense in character.

If you include that, the figure runs up to $54,000,000,000 for national defense.

Of the $42,000,000,000 appropriated by Congress and available to the Department of Defense, only about $19,000,000,-

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000, less than one-half, will actually be expended out of the Treasury this year. The remaining sums will no doubt be obligated during this fiscal year, and they are essential in order that obligations can be incurred and the programs placed under way, but the actual money will not be withdrawn from the Treasury and spent until a much later date.

It should be pointed out further that the Department of Defense has on hand from appropriations made in prior years, not including the current year, the sum of $8,000,000,000, mostly for aircraft procurement, which is available for expenditure. In explanation let me point out that a long lead time is required in the procurement of many highly technical and expensive items and they must be ordered months in advance of the date they can be delivered.

A look at our experiences in World War II might be profitable. I shall speak of fiscal years. In 1941 the Defense Establishment received appropriations in the sum of $14,000,000,000 and expended $6,000,000,000. In 1942 the appropriation was $94,000,000,000 and the expenditure was $23,000,000,000. In 1943 the appropriation was $66,000,000,000 and the expenditure was $63,000,000,000. In 1944 the appropriation was $87,000,000,000 and the expenditure was $76,000,000,000. In 1945 the appropriation was $44,000,000,000 and the expenditure $41,000,000,000. The disparity between the appropriation and expenditure figures in World War II is accounted for by the same factors previously explained which apply to the current fiscal year.

It would seem from a comparison of World War II and current figures that we are going a considerable distance toward full mobilization. In other words, we are now entering a state of partial mobilization on a very firm basis which will increasingly become capable of rapid expansion to all-out production and mobilization. Regardless of moneys appropriated, the country will move forward on the basis of certain inevitable and inescapable limitations. What we seek is maximum effort and maximum performance.

In comparing present figures with World War II figures it should be borne in mind also that the defense dollar now will buy perhaps two-thirds to one-half of what it would buy during World War II hostilities.

PROCUREMENT PROBLEM

At this point it would be profitable to take a look at the procurement problem. It is perfectly clear that the Government must immediately and by compulsory means do a better job of channeling essential defense materials away from the manufacturer of ordinary civilian goods and into the hands of the manufacturer of defense items. Take the communications and electronics field. Manufacturers are doing a huge business in civilian production of such items as television sets. They are making large profits and they are not too excited about giving up civilian production and converting to defense production. Communications equipment has increased in price from one-fourth to one-half since the Korean fighting began and prices in this field have about doubled since World War II. This fiscal year we are providing the Army Signal Service with about $1,000,000,000 and the Navy and the Air Force are receiving a total for such purposes of about $2,000,000,000.

The point of this whole matter is that all manufactured items, airplanes, tanks, trucks, guns, and ammunition have vastly increased in price and are moving upward in cost every month. Production for nonessential civilian purposes must be drastically reduced, the pressure must be relieved, and American industry must proceed full speed ahead in defense production or we are not going to get our money's worth for the defense dollar and our rearmament effort will bog down. Of course, we do not discount the difficulties involved in the conversion program.

IMPACT ON THE ECONOMY

Previous appropriation bills since the hostilities of World War II ceased have had relatively little impact on the civilian economy. The bill before us today will start a chain of reaction which will have a terrific impact on American industry, and on our civilian economy. In this bill $8,000,000,000 is for major procurement, tanks, airplanes, guns, and other items of hardware. Out of the $42,000,000,000 provided for the Army, Navy, and Air Force for the fiscal year nearly $19,000,000,000 is for major procurement. In other words, and in a big way, we are coming into the hardware stage of our defense effort. Plans cannot be forever left on the drawing board while research and development people seek for the perfect weapon. At such a time as this we must have something in hand—much more than we now have—with which to fight. And let us hope that we may have time for the buildup and that our buildup may be a stabilizing influence which will swing the scales in the direction of peace.

ITEMS IN THE BILL

Now a few quick references to some of the provisions in the bill. It accelerates the antitank and antisubmarine program, so important to the defense of this country. It provides additional funds for the all-important radar fence.

It provides large additional funds for research and development in the field of guided missiles, and puts guided missiles in actual production for use by the services.

Additional funds for research and development are provided, bringing the over-all total for the year to $1,100,000,000.

It provides for a buildup of the United States Air Force from 58 groups to 68 groups, and paves the way for the 84-group program in the next fiscal year. This action upholds and vindicates those of us in the House who have worked for years for a more powerful air force.

Additional aircraft for the Navy is not provided in this measure in view of previous appropriations for this purpose, but additional ships will be taken out of moth balls, and the funds provided will insure more modern ships and a greater degree of readiness. The Navy will have 1,028 active ships in service.

Tanks in quantity are provided and other Army weapons through an over-all $4,300,000,000 provision for such purposes.

Under this measure the number of men in the Army, Navy, Air Force, and Marines on June 30 would be 2,766,000, distributed as follows: Army, 1,264,000; Navy, 684,000; Marines, 166,000; Air Force, 651,000. However, plans now being worked out will raise all these figures to higher levels and this is clearly required.

The bill provides the Army, with $9,200,000,000 when added to previous appropriations this year, runs the over-all total to $16,500,000,000. For the Navy the corresponding figures would be three billions and ten and eight-tenths billions; for the Air Force four and six-tenths billions, and thirteen and seven-tenths billions.

MILITARY SECURITY

The printed hearings of the military portion of the bill are more sketchy than ever before. In the hearings this year and in previous years we have urged officials to keep out of the record all information which would be helpful to the enemy and dangerous to the security of the United States. Yet we recognize that some information must necessarily be made available to Members of the House and the American people.

Here is what often happens. During our closed-door hearings the military people speak in guarded tones when they refer to information which would be helpful to the enemy, the record is carefully edited, and then a few days or weeks thereafter this hush-hush information, part or all of it, appears in the front page of the paper with the intimation, usually false, that it is an announcement from the Pentagon. This policy is inexcusable. It endangers American lives and the security of the United States. It tells the potential foe what our program is and informs him how to plan. This dangerous blabmouth procedure has already cost lives and dollars but during the succeeding months of our accelerated military program it might have more tragic and disastrous results. I again, as upon previous occasions, make a plea for the security of the United States in these matters.

The top officials in the Military Establishment are greatly concerned when there are leaks of information. It is to be hoped that at this critical time they may prevent further helpful announcements to the potential foe. It is likewise to be hoped that all other public officials, and American citizens generally, will also be more careful in these important matters. It is conceivable that the release of secret information might mean the difference between peace and war, victory and defeat.

CONCLUSION

We all recognize that this is a dangerous world and that from day to day we are in grave peril, but I feel some well-intentioned Americans are unwittingly broadcasting to the world some very dangerous statements. Those who rush into print to say that we are in worse shape

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than we were the day after Pearl Harbor, those who proclaim that we have nothing to fight with and no defense plans in the event all-out war should strike tomorrow, those who shout from the housetops that we stand naked and defenseless before the world and intimate that the aggressor could bend us to his will in the event of war, those who say that the American people are frustrated, bewildered, and disunited—those who say things like that should weigh their words carefully lest they perhaps convince the aggressor that the free world is ripe for aggression and is waiting only to be plucked. Such untimely declarations when made without reference to other factors might possibly tend to incite the aggressor to full-scale attack. Yet we recognize that a balance in these matters must be found as it is urgently necessary that the American people be frankly informed of the dangers which confront us.

In World War I and in World War II, the aggressor attacked because he underestimated the might of America. The aggressor would probably never start a war which he did not think he could win. For my part, I am not going to encourage him to start one by giving him the hope that we would fall over and play dead and permit him to win it. If the worst comes to the worst, America through blood, sweat, and tears and frightful losses, I admit—but America would triumph again.

Now is the time to set the record straight. We hate war; we love peace and liberty; we do not want to fight. We are not prepared to wage all-out war at the moment. We do not propose to start a war, and we have no aggressive designs on any nation. If a full-scale war should start tomorrow we would be pushed back on many fronts. We would be critical because we did not have 10,000,000 trained men in uniform, with 5,000,000 of them in Western Europe; we would bemoan the fact that we did not have enough tanks and airplanes, and that much of our mighty fleet was still in mothballs; our losses would be great, and we would be humiliated wherever we would have to retreat; we would lose some battles and some campaigns. But we would have some men in uniform, some tanks, some airplanes, some ships, some ammunition, some atomic bombs, and the power and the will to deliver them upon those who had brought havoc to the world. We would have the greatest industrial and agricultural potential the world has ever known, the greatest reservoir of skilled labor and know-how the world has ever known, the greatest steel and oil production and capacity on the planet, the very sinews of war; and immeasurable capacity for united effort and an undaunted fighting spirit which is born again with every generation.

No, no, we are not ready for war—far from it—but I hope a recitation of a few fundamental truths will tend to set things in their proper perspective and warn the aggressor lest he be deceived by loose talk and miscalculate the will and the actual and potential might of the United States.

In conclusion, as a united and determined people, let us get on with the job of building up our defenses as effectively and as rapidly as possible. The time may be shorter than we think. Not 1 hour should be wasted. And as we devote our whole energies to the task of self-preservation and peace we can pray every day for the best while we rapidly prepare for the worst. The quick passage of the bill now before us is a significant part of the job at hand.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I am pleased to yield.

Mr. FORD. Can the gentleman state whether the item for construction of ships amounting to $335,330,000-plus contains funds for the completion or the initiation of the so-called giant aircraft carriers?

Mr. MAHON. No. We have provided for about 18 additional minesweepers, and for accelerating the work on our submarines and our killer-type submarines, and on the reconversion of ships like the *Essex*, now being reconverted at a cost of $32,000,000 and many other programs. This carrier, which you speak of, is in the mill, a large carrier, but not as big as the one previously canceled. But the Navy is moving along in a very splendid way in its program. Of course the new carrier is in the cards, unless some change unknown to the committee is made.

Mr. FORD. What they anticipate is a reactivation of the ships of the class of the *Essex* and *Independence?*

Mr. MAHON. Not only that, but what is more important, they are being reconverted and made capable of carrying the heavier jet type of plane.

Mr. SADLAK. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. SADLAK. My question was along the line of the question asked by the gentleman from Michigan [Mr. FORD]. I thought the gentleman said in his statement that there was no additional provision for planes for the naval branch of the service, but simultaneously he said that more ships were being taken out of "mothballs."

Mr. MAHON. That is right. Earlier in the year we provided large sums to the Navy for the aircraft program. Admiral Sherman did not request at this time any additional aircraft for the Navy. Further requests will come next year. Many undelivered naval aircraft are in process of manufacture for the Navy.

The Air Force has available today $8,000,000,000 with which to pay for undelivered aircraft. The Navy does not have as big a program, but the Navy program is considerable. The Navy is in good hands and is growing in strength on the sea and in the air.

Mr. SADLAK. My question came because the gentleman was saying that more ships would be taken out of mothballs.

Mr. MAHON. Yes; and the airplanes have already been ordered to accommodate those ships.

Mr. SADLAK. There has already been provision for additional carriers, which would be taken out of mothballs?

Mr. MAHON. Yes. You have to order these airplanes a couple of years in advance.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. NICHOLSON. I would like to ask if this chart, which calls for about $17,000,000,000, is for carrying on the program that we have now.

Mr. MAHON. It is for carrying on and expanding the program which we now have. It is for laying the groundwork of the program which could rapidly be expanded for the defense of the country.

Mr. NICHOLSON. Could the gentleman tell me how much of this goes into actual war effort?

Mr. MAHON. If the gentleman will look at the third column of figures, he will see "Procurement of tanks, ships, guided missiles," and all those things. There is provided $18,800,000,000 for that purpose in the current fiscal year. Eight billion in the bill pending before us is for procurement. During the previous years we have had to pay our men and feed them and clothe them and transport them and maintain and operate ships, aircraft, and so forth. The largest single portion of the money, percentagewise, had gone for that purpose prior to the Korean action.

Mr. NICHOLSON. I would like to ask the gentleman from Texas if this money we have been appropriating for the last 4 years has been entirely for upkeep of the Army, the Navy, and Air Force.

Mr. MAHON. No. The membership should not be confused or upset by the fact that since World War II, and prior to this year, we had appropriated $50,000,000,000 for national defense. Twenty billion dollars has gone to pay, feed, clothe, and transport the Armed Forces. I do not know of anybody who did not want to pay, feed, and clothe our forces. About $13,000,000,000 has gone for maintenance of these operations. Heaven knows we realize now that we should have spent the money to maintain and operate our defense program.

Eight billion dollars went for such things as procurement of combat weapons and those expenditures are paying dividends now, and in the future they will pay much larger dividends. Two billion dollars of the money went for research and development which kept us ahead of the world in the matter of military research and development and in the modernization of weapons. So we have nothing to apologize for with respect to where the money has gone. Some of us wish only that more had been provided in view of the situation which confronts us today.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield.

Mr. NICHOLSON. I am only trying to do something to help out my country. As the gentleman must realize——

Mr. MAHON. I do not speak in impatience of the gentleman from Massachusetts; I speak with some impatience of the lack of understanding on the part of some of our people, not including my fellow House Members, as to where the

money has gone. If we had disbanded the Army, Navy, and Air Force and taken the $50,000,000,000 and spent it for tanks, airplanes, and other fighting weapons with nobody to man them or care for them, placing them in warehouses or out in the weather where they would deteriorate and become obsolete, the critics would of course have ample basis to complain. Rusted, obsolete weapons and no men in uniform to man them would really place us in a perilous position. All we need is more light and information on what we have been trying to do. The gentleman has been cooperating in doing what he could as a Member of the House for the defense of the country and I commend him. A speech I made on August 25, 1950, and which appears in the CONGRESSIONAL RECORD fully covers this subject.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield further?

Mr. MAHON. I yield.

Mr. NICHOLSON. I agree 100 percent with what the gentleman from Texas has said. I want my country to be armed 100 percent. All I want to know is whether this money is going for our own protection or for somebody else.

Mr. MAHON. All this money is for the defense of the United States, and I am sure we are unanimous in supporting this request. An expensive rearmament program is unavoidable, yet it is far and away the greatest tragedy in our time that in a world where so much needs to be done for the uplifting and betterment of mankind we should be compelled to give our best resources and our finest energies to the horrible demands of war.

I wish to insert at this point for reproduction in the RECORD the two charts to which I have referred and yield back the balance of my time.

Department of Defense, fiscal year 1951

APPROPRIATIONS

[Billions of dollars]

Department	Regular bill	First supplemental	Second supplemental	Total
Army	4.1	3.2	9.2	16.5
Navy	4.1	3.8	2.9	10.8
Air Force	4.8	4.6	4.6	14.0
Office, Secretary of Defense	.3	.1	.1	.5
Total	13.3	11.7	16.8	41.8

Military strength—end of year

[In thousands]

Department	Regular bill	First supplemental	Second supplemental	Total
Army	630	204	429	1,263
Navy (including Marines)	452	270	133	855
Air Force	416	132	103	651
Total	1,498	606	665	2,769

Department of Defense, fiscal year 1951—Army, Navy, Air Force, and Office of Secretary of Defense

[Billions of dollars]

	Regular bill	First supplemental	Second supplemental	Total	
				Amount	Percent
Military personnel: Pay, subsistence, clothing, etc.	4.3	1.3	1.7	7.3	17
Operations and maintenance of forces, plant and equipment	3.6	2.6	3.9	10.1	24
Procurement of tanks, planes, ships, and other major equipment	3.1	7.1	8.6	18.8	45
Public works	.3	.4	1.4	2.1	5
Research and development	.6	.1	.4	1.1	3
Civilian components, industrial mobilization, etc.	1.4	.2	.8	2.4	6
Total	13.3	11.7	16.8	41.8	100

Mr. TABER. Mr. Chairman, I yield 15 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH.]

Mr. WIGGLESWORTH. Mr. Chairman, the future of America, the future of the Western World, depends in the last analysis upon military power. Given sufficient military power it may be unnecessary to use it. Without sufficient military power America cannot speak or act effectively, under present conditions. Military power offers the best hope of avoiding war and carries with it the best assurance of dealing effectively with the enemy in the event of war.

Five years ago, Mr. Chairman, America had military power in abundance. We had defeated all of our enemies. We were the most powerful military nation in the world's history. We were in a position to assure almost any peace that seemed just and lasting.

That opportunity, Mr. Chairman, was literally thrown away. Unconditional surrender; decisions at Tehran, Yalta, and Potsdam; the dismantling of fighting forces and equipment; and the dismal failure of our Far Eastern policy have all contributed.

Today, despite $19,000,000,000 worth of weapons and equipment supposedly in our possession at the end of World War II; despite $144,000,000,000 heretofore appropriated in the fiscal years 1946 to 1951, inclusive, for national defense and related activities, we are confronted by a picture calling for immediate action.

We know that our great reserve of military power is not adequately mobilized; that there has been little or no mobilization by our allies; that the administration still declines to accept aid from the Chinese Nationalists; and that the Communist Government in Soviet Russia, controlling directly or indirectly one-fifth of the world's surface and one-third of mankind, today, according to highest authority, has no less than 175 divisions under arms, one-third mechanized; with some 40,000 tanks, some 19,000 planes and several hundred submarines.

Mr. Chairman, surely the aims of the Communist Government in Russia must be clear to all by this time. The teachings of Lenin, avowed frequently by Stalin, 36 broken promises during a period of 12 years, 45 vetoes, aggression through satellites and general conduct at the United Nations, must have convinced any who heretofore have had any doubts.

The dangers of inaction or lack of effective action in America, Mr. Chairman, must be equally clear to all. We must prepare. National preparedness is called for and called for immediately.

We were unprepared, Mr. Chairman, prior to World War I. We were unprepared prior to World War II. We were unprepared prior to Korea. It must not happen again.

The recent record of the administration is not encouraging.

I have not personally read the report of the Johnson committee in the Senate, but I am told that it states flatly that the defense agencies have been lagging behind the public in awareness of the emergency, and that it charges specifically inefficiency, negligence, lack of coordination and, above all, complacency, in such important agencies as the Munitions Board, the General Services Administration, and the National Production Authority.

We know, Mr. Chairman, that over $700,000,000 provided on two occasions by this Congress for an expanded air force were in each instance impounded by the President and not allowed to be spent.

We know that $22,000,000 similarly provided by the Congress for Air Force research and development were impounded in the same manner. The hardship resulting from this action is referred to specifically in the hearings.

We know that at the end of the last fiscal year more than $1,700,000 provided by this Congress for national defense purposes and subject to obligation or expenditure during that fiscal year had not been obligated as of its close on June 30, 1950.

Mr. Chairman, I have listened day after day to almost every word of the testimony in connection with this bill and I want to emphasize that we were told specifically and repeatedly that the requests now under consideration do not represent a war budget or a full mobilization budget. On the contrary they represent, and I quote, "an initial step in a planned 4-year effort to give us some measure of security against disaster."

Mr. Chairman, it is clear from the off-the-record if not from the on-the-record testimony before your committee that vital items in the pending appropriations were estimated for back in the autumn before the recent developments in Korea and that they are entirely inadequate.

It is evident that the whole program now under consideration is based on a time element assumption which may prove as false as the assumptions made in respect to the North Koreans and the Communist Chinese in Korea.

In other words, Mr. Chairman, the program before us today in important respects is too little and too slow.

Mr. Chairman, the record of the past is history; the record of the present and the immediate future is in our hands.

The emergency confronting America at this time calls for realistic and

speedy action. The time element is vital. We must achieve a level of preparedness essential for the security and defense of America at the earliest possible moment. We must prepare, despite the enormous drain on our economy and the possible effects upon our standards of living.

As the Chancelor of Germany recently said, "There will be lasting peace only when the United States is able to confront the Soviet Union with a military force, to attack which the Russians would consider truly dangerous. Only then will the time have come to talk peace, lasting peace, with the Russians."

Mr. Chairman, there is no time to lose.

As has been pointed out, the bill before us carries the enormous total of $17,820,000,000.

The greater portion, or $16,844,000,000, goes to the three armed services, bringing their over-all total for the present fiscal year up to $41,841,000,000.

Of this total the Army will receive $16,400,000,000, the Navy $10,700,000,000, and the Air Force $13,900,000,000.

Under leave to extend my remarks, I include at this point in the RECORD four tables giving over-all break-downs for appropriations during the fiscal year 1951:

Preliminary distribution of appropriated and requested obligational authority, by major cost category

BASIC AND FIRST SUPPLEMENTAL APPROPRIATIONS

[Millions of dollars]

Cost category	Army	Navy	Air Force	Department of Defense	Total	
					Amount	Percent
I. Military personnel costs	2,125	1,943	1,544	----------	5,612	22
II. Operation and maintenance	2,301	2,004	1,827	----------	6,132	25
III. Major procurement and production costs	1,958	3,158	5,152	----------	10,268	41
Aircraft	37	2,320	4,285	----------	6,642	27
Ships and harbor craft	46	229	----------	----------	275	1
Other	1,875	609	866	----------	3,350	13
IV. Acquisition and construction of real property	180	149	367	----------	696	3
V. Civilian components	383	203	188	----------	774	3
VI. Research and development	140	249	224	[1] 120	733	3
VII. Industrial mobilization	50	15	14	[1] 70	158	1
VIII. Establishment-wide activities	103	80	27	358	538	2
Retired pay	----------	----------	----------	342	342	1
Office of the Secretary of Defense	----------	----------	----------	11	11	----------
Interservice and Department-wide projects	103	50	27	5	185	1
Wool reserve	----------	----------	----------	----------	----------	----------
Civilian relief in Korea	----------	----------	----------	----------	----------	----------
Prisoners of war	----------	----------	----------	----------	----------	----------
Contingencies	----------	----------	----------	[1] 85	85	----------
Total	7,250	7,770	9,343	633	24,996	100

PROPOSED SECOND SUPPLEMENTAL APPROPRIATION

I. Military personnel costs	1,135	287	265	----------	1,687	10
II. Operation and maintenance	2,473	603	859	----------	3,935	23
III. Major procurement and production costs	4,550	1,580	2,463	----------	8,593	51
Aircraft	17	91	1,780	----------	1,888	11
Ships and harbor craft	4	377	----------	----------	381	2
Other	4,529	1,112	684	----------	6,325	38
IV. Acquisition and construction of real property	320	303	807	----------	1,430	8
V. Civilian components	39	----------	23	----------	62	----------
VI. Research and development	112	154	121	[1] 50	437	3
VII. Industrial mobilization	67	34	53	----------	154	1
VIII. Establishment-wide activities	515	18	13	1	547	3
Retired pay	----------	----------	----------	----------	----------	----------
Office of the Secretary of Defense	----------	----------	----------	1	1	----------
Interservice and Department-wide projects	29	18	13	----------	60	----------
Wool reserve	350	----------	----------	----------	350	2
Civilian relief in Korea	100	----------	----------	----------	100	1
Prisoners of war	36	----------	----------	----------	36	----------
Contingencies	----------	----------	----------	----------	----------	----------
Total	9,211	2,979	4,603	51	16,844	100

TOTAL, FISCAL YEAR 1951

I. Military personnel costs	3,260	2,230	1,809	----------	7,299	17
II. Operation and maintenance	4,774	2,607	2,686	----------	10,067	24
III. Major procurement and production costs	6,508	4,738	7,615	----------	18,861	45
Aircraft	54	2,411	6,065	----------	8,530	20
Ships and harbor craft	50	606	----------	----------	656	2
Other	6,404	1,721	1,550	----------	9,675	23
IV. Acquisition and construction of real property	500	452	1,174	----------	2,126	5
V. Civilian components	422	203	211	----------	836	2
VI. Research and development	252	403	345	[1] 170	1,170	3
VII. Industrial mobilization	126	49	67	[1] 70	312	1
VIII. Establishment-wide activities	618	67	40	359	1,085	3
Retired pay	----------	----------	----------	342	342	1
Office of the Secretary of Defense	----------	----------	----------	12	12	----------
Interservice and Department-wide projects	132	67	40	5	245	1
Wool reserve	350	----------	----------	----------	350	1
Civilian relief in Korea	100	----------	----------	----------	100	----------
Prisoners of war	36	----------	----------	----------	36	----------
Contingencies	----------	----------	----------	[1] 85	85	----------
Total	16,461	10,749	13,946	684	41,841	100

[1] Departmental and/or category distribution to be determined by Secretary of Defense.

NOTE.—Details will not necessarily add to totals because of rounding.

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Department of Defense proposed second supplemental appropriation, fiscal year 1951, by object classification

[Millions of dollars]

	Army		Navy		Air Force		OSD		Total	
	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent	Amount	Percent
01 Personal services, military	705.1	8	220.4	7	204.9	4			1,130.4	7
01 Personal services, civilian	263.9	3	93.1	3	30.5	1	0.5	1.0	388.0	2
Total	969.0	11	313.5	10	235.4	5	.5	1.0	1,518.4	9
02 Travel	22.6		18.0	1	32.6	1	.1	.2	73.3	1
03 Transportation of things	229.0	2	23.0	1	33.8	1			205.8	2
04 Communication services	2.7		2.8		3.1				8.5	
05 Rents and utility services	11.4		4.1		5.9				21.4	
06 Printing and reproduction	8.6		5.3		5.4				19.3	
07 Other contractual services	1,156.1	13	350.1	12	341.2	7	.2	.4	1,847.6	11
08 Supplies and materials	3,744.1	41	711.0	24	562.5	12			5,017.6	30
09 Equipment	2,790.6	30	1,291.9	43	2,696.9	59	.2	.4	6,779.6	40
10 Lands and structures	276.7	3	258.9	9	686.2	15			1,221.8	7
11 Grants, subsidies, and contributions										
12 Pensions, annuities, and insurance claims			.8						.8	
13 Refunds, awards, and indemnities	.1								.1	
14 Interest										
15 Taxes and assessments										
16 Investments and loans										
Undistributed							50.0	98.0	50.0	
Total	9,210.9	100	2,979.4	100	4,603.0	100	51.0	100.0	16,844.2	100

The Army request is based on 1,263,000 enlisted men, 105,000 officers, and 526,000 civilians; 16 divisions, if you please, or only one division more than those which we now have under arms.

The Navy request is based on 688,000 officers and enlisted men, 424,000 civilians, and a moderate increase in ship production, conversion, and acceleration.

The Air Force request is based on 651,000 officers and enlisted men and some 250,000 civilians, with the exception of 68 wings by the end of the present fiscal year and 84 wings during the following months.

You will notice from the tables inserted in the RECORD, that ordnance and expediting construction account for about 50 percent of the request by the Army; that ordnance, ships and facilities, both ship and air, account for some 60 percent of the request by the Navy; and that aircraft and other procurement account for about 50 percent of the request by the Air Force.

Mr. Chairman, the request under consideration is an enormous one. It has been impossible to consider the various items in detail because of the time available. The presentation by the services has been rapid. The consideration by your subcommittee has been rapid.

As appears from a table which I shall insert at this point in the RECORD, as of November 30 last, only 52 percent of the sums previously made available to the services had been obligated, and only 17 percent of the total had been expended. This of course suggests the possibility of postponement and further consideration of certain items at a subsequent date.

Department of Defense—Summary statement of estimated obligations and expenditures as of Nov. 30, 1950

	Total appropriated fiscal year 1951	Unobligated carry-over from fiscal year 1950, transfers, reimbursements, etc.	Total available	Obligations	Percent obligated	Expenditures
Department of the Army	$7,250,390,143	$174,861,308	$7,425,251,451	[1] $4,328,908,755	58	[2] $1,336,902,245
Department of the Navy	7,769,957,300	606,331,225	8,376,288,525	3,765,166,736	45	1,706,163,238
Department of the Air Force	9,342,787,000	47,835,593	9,390,622,593	5,071,262,522	54	1,014,616,597
Office of Secretary of Defense	633,300,000		633,300,000	200,794,872	32	132,540,164
Total	24,996,434,443	829,028,126	25,825,462,569	13,366,132,885	52	4,190,222,344

[1] Obligation amount for military construction is through Oct. 31, 1950, only.
[2] Through Nov. 22, 1950, except amount for military construction which is through Oct. 31, 1950, only.

Source: Budget Division, Secretary of Defense, Dec. 11, 1950.

It should also be noted that many of the items have been computed on a new mathematical basis called scoop. This almost defies analysis.

There are undoubtedly items in this bill which are too heavy and which may not be justified. There are undoubtedly other items that should receive further consideration. I have in mind particularly the requests of the Army Quartermaster Corps and the requests for construction items by all three defense services.

I repeat, however, that items of major importance in this request, items which are fundamental to the over-all programs of all three services, are clearly insufficient. Further, requests in the near future appear to be imperative.

In view of the vital importance of time, knowing that there will be further opportunity for review as further requests are presented to your committee, I support the national defense items in this bill and urge the administration to accelerate the mobilization program at the earliest possible moment.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to my able colleague from Massachusetts.

Mr. NICHOLSON. In this program are we taking care of a 70-group air force?

Mr. WIGGLESWORTH. The present program contemplates proceeding from 58 wings to 68 wings in the present fiscal year, and from there to 84 wings in the course of the next year.

Mr. NICHOLSON. If that is so, have we taken care of the Air Force for which we voted in the Eightieth Congress?

Mr. WIGGLESWORTH. I do not know how I can answer the gentleman any more specifically than to repeat what I have said, that at the present time we have some 58 wings, that we are proposing to increase to 68 wings in the next 6 months and to 84 wings in the course of the succeeding year.

Mr. NICHOLSON. If we pass this appropriation bill, if we do all these things, can the President then say, "We do not need it"? That is all I want to know.

Mr. WIGGLESWORTH. The President always has the power to impound appropriations.

Mr. NICHOLSON. My friend from Massachusetts, with whom I agree almost all the time, must realize that we voted in the Eightieth Congress to have a 70-group Air Force, and the President would not permit it. Is he going to permit it now?

Mr. WIGGLESWORTH. I tried to emphasize that in my opening remarks. I certainly hope with my friend from Massachusetts that there will be no repetition of the procedure to which he refers.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. JOHNSON. Can the gentleman advise whether or not in the amount provided for the Army there is an item for military defense assistance program, and if so, how much is it?

Mr. WIGGLESWORTH. The gentleman refers to the overseas program?

Mr. JOHNSON. Yes.

Mr. WIGGLESWORTH. As far as I know there is nothing specifically provided here for that program. Those funds are taken out of appropriations already made, as I understand it.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mrs. ROGERS of Massachusetts. What is being done for the Navy regarding the carriers and the naval air arm?

Mr. WIGGLESWORTH. I think there is nothing specifically here for naval aircraft, but there is considerable for other items in which I think the gentlewoman is interested.

Mrs. ROGERS of Massachusetts. Does that mean another carrier?

Mr. TABER. Carriers would come under ships. There are $335,000,000 for additional new ship construction.

Mrs. ROGERS of Massachusetts. What is a ship? What is the definition of a ship?

Mr. TABER. It might be a carrier, or it might be a destroyer, or minesweeper, or a battleship.

Mrs. ROGERS of Massachusetts. Does the gentleman know whether that carrier which was authorized and on which there was a cut-back will be built now?

Mr. TABER. I do not understand that it will, but I understand that another carrier of very substantial size will be in process.

Mrs. ROGERS of Massachusetts. Some of the Army have stated that the carriers are very much needed in this Korean situation and that it would have been a rather different story if we had had those carriers.

The CHAIRMAN. The time of the gentlewoman from Massachusetts has expired.

Mr. TOWE. Mr. Chairman, I ask unanimous consent to extend my remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. TOWE. Mr. Chairman, I intend to vote for this bill. However, I am not convinced that this large sum of money is to be spent in a manner which will give us the defense we so badly need. The Congress has already appropriated many billions of dollars, yet we are now told by Secretary Marshall that the police action in Korea has bled us white of materials and men. What is the plan? What is our policy? I ask again, where are we going? How can we be assured that this $18,000,000,000 will bolster our defense? It now appears that no matter how many billions we spend we cannot get any assurance that the countries who are receiving material assistance from us either can or will fight when the chips are down. The time has come to devote all our energies toward defending ourselves. Perhaps if we start now we can defend the Western Hemisphere. In this connection I invite your attention to a speech made by former Ambassador Kennedy. What he says begins to make sense to me.

I understand that the President this very day will declare a national emergency. The administration talks of total mobilization, yet only this morning we read that Secretary Marshall advises against total mobilization.

While the administration is trying to make up its mind what its policy is abroad and at home, our men are fighting and dying. That is a terrific sacrifice, made largely because those who have directed our foreign policy have not known what they were doing.

On the home front many substantial businesses, from which workers earn their living, and from which the Government secures great tax revenue, will be put out of business unless there is some definite plan adopted immediately. In many instances manufacturers and others are unable to get material and at the same time defense orders are not available. All of this results from the fact that this administration does not seem to know what it is doing.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, in the time that has been allocated to me I am not going to be able to discuss some of the intricate portions of the bill. However, I can say to you that this bill has been closely scrutinized by the combined membership of your committee, the regular subcommittee which ordinarily has cognizance of these appropriations was joined by the members of the Deficiency Appropriations Committee and also the members of the so-called central committee.

So the conclusions reached and presented to you here today are not those exclusively of the subcommittee ordinarily handling appropriations of this character. You have heard very fine explanations of the details and particular items of the bill from those who preceded me, however, I would like to call your attention to something which I think is significant, and which will have something to do with your thinking on the subject in the future. The present bill which calls for $16,800,000,000 is of course an estimated and splendid program, although very belatedly presented to the Congress. Now listen to this: Developing from the first regular appropriation bill and the first supplemental bill there is, as nearly as I can establish at the moment, some $10,000,000,000 that have not yet been obligated or expended by the military. When you take the $10,000,000,000 in that category, and if this bill is passed, which I am sure it will be, and add to this $16,800,000,000, you have a total of $26,800,000,000 as the result. During the course of the hearings I addressed inquiries to the present inflated cost of procurement as related to dollars provided by our appropriation bills and the appropriations contemplated by this bill. From information furnished to me by the Procurement Division and those in authority and supervising the work of the Department of Defense, it is very definitely indicated that because of lack of controls in this country our present dollar has declined in its procurement value at least 20 percent, if not more. I think as much as 28 percent, but let us use 20 percent.

Consequently I would like to call to your attention as forcibly as I can that you must not anticipate that the moneys we have appropriated are going to buy dollar wise what a dollar normally would buy unless you have a controlled economy, if the present standards of procurement and the inflated position of the dollar prevails during the time required to make the future procurements. You are going to lose at least 20 percent of the value of the dollar, which is a very low estimate, but will at this rate amount to $5,300,000,000 of dollar buying loss. Do not forget this when regulations for control are requested.

Mr. HINSHAW. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. HINSHAW. In that $10,000,000,000 which the gentleman mentioned a moment ago as having been brought forward from other bills, does that include money which was not expended for the purpose of purchasing aircraft for the Air Force?

Mr. SHEPPARD. That includes any and all of the money that has not been expended and all that is left in the category as unexpended.

Mr. HINSHAW. In other words, that is the money that was impounded, which was to purchase the additional airplanes?

Mr. SHEPPARD. Not necessarily. Not in my mathematics. The impounding to which the gentleman refers had to do with the 70-group aircraft program and does not include this money. I am referring specifically to the money appropriated in the last regular bill and the first supplementary bill, on which my information is there is approximately $10,000,000,000 unexpended or unobligated. So you add that to what we presently have under consideration, and it would make $28,000,000,000 plus, which would be subject to the slip-off of 20 percent. This result would make a total of about $3,300,000,000 loss.

Mr. HINSHAW. If the gentleman does not have the breakdown, perhaps the gentleman could put it in the RECORD.

Mr. SHEPPARD. In order to do that I would have to call back all the procurement officers and ask them what particular amounts were left out of respective categories of expenditure, to wit, planes and various and sundry others. This could not be done in time for this RECORD.

Mr. HINSHAW. But there has been a withholding of these funds from commitment?

Mr. SHEPPARD. I cannot accept your statement literally. I will say that the money you refer to has either not been obligated or expended for the cause it was intended by the Congress and at the time.

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Mr. HINSHAW. I recall the words of the gentleman's committee in the report on the appropriation bill last spring.

Mr. SHEPPARD. I thank the gentleman.

Mr. BROOKS. Mr. Chairman, will the gentleman yield?

Mr. SHEPPARD. I yield.

Mr. BROOKS. I know the gentleman's concern, as is mine, is that we get this defense program moving at top speed at the first possible moment and that we turn out the airplanes, tanks, ammunition, and equipment that we so badly need as rapidly as is possible. That leads me to this question: Is there any major request for appropriation by the defense departments which was turned down by your committee?

Mr. SHEPPARD. Not one.

Mr. BROOKS. This bill represents substantially everything that the Defense Department needs at the present time?

Mr. SHEPPARD. That is exactly right, insofar as their testimony before the committee is concerned.

If you want to get expeditious consideration of your dollar expended, there is one way, and that is to have an immediate declaration of emergency and put everybody to work, instead of just a few of them in Korea.

The CHAIRMAN. The time of the gentleman from California [Mr. SHEPPARD] has again expired.

Mr. TABER. Mr. Chairman, I yield 7 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, although I may be repeating some statements already made, I cannot impress too deeply upon the Members of the House the fact that this presentation is not a realistic or factual presentation. You must understand that the machinery that it takes to get all of these estimates up in detail requires time. Each service determines its needs. The Joint Chiefs of Staff review the requests. Those agreed upon go to the Bureau of the Budget. If there approved, it goes to the President, and in turn the request comes to Congress. These figures were developed by the Armed Forces on the facts as they existed prior to Thanksgiving Day and prior to the terrific setbacks and losses that we have since experienced in Korea. As a matter of fact, in many of the categories of supplies which were requested, there were some of us who felt that possibly we should urge upon the Armed Forces to accept a larger sum of money. We did make that suggestion, but we were met with the reply that this was an orderly process and to do otherwise would break up the orderly plan. Certainly if the set-backs in Korea had not busted up an orderly plan, nothing else has. This is not a realistic presentation. Our military leaders assured us that our needs are being reviewed daily and that they will make their further needs known at the earliest possible moment. That simply means, I am sure, that immediately upon the convening of the Eighty-second Congress there will come to this House and to the Senate requests for far more funds, based in part, at least, on our Korean experiences to make available to the men in our services many more supplies.

Essentially this bill will give the pay that is necessary for the augmented Armed Forces. It will give us more ships, more planes, more guns, more ammunition, more bombs, all to be used by this added increment of men.

Another situation that should be realized by the Members of the House is that there is a change in procedure in this budget. For many years past when contracts ran for many months we gave to the Armed Forces what is known as contract authorization. In other words, they were authorized to enter into contracts and then later on the money would actually be appropriated to pay what had become due upon these contracts. Under this particular budget presentation, you will find there is no contract authorization, but we appropriate for the entire program, no matter what was the length of the program, whether it be a 10-day program, a 10-month program, or longer. The entire cost of the program as it is now envisaged by the present prevailing prices is provided for. There is no provision made for the anticipated rise in the cost of materials and labor. All of those things must be adjusted at a later date.

Many of the facts were given to us off the record, and properly so. Frankly, I have stood aghast at some of the disclosures of facts made here relative to our military program, not only here on the floor of the House but in the hearings and in the reports. You will recall that last spring when the defense appropriation item was up I suggested that perhaps it might be a good plan to have executive sessions of the House and the Senate when we discussed these war measures, because we were telling altogether too much about what we were going to do; so much so that a potential enemy need not have a very costly spy system to find out all our secrets. All any enemy would have to do would be to have his agents sit in the gallery of the House while we were discussing the bill, read the RECORD, and read the reports and hearings, and they would know exactly what we had in mind and what we planned to do. Even though many details are not in the hearings and many details are not in the report, that does not mean that the members of this subcommittee do not know what the major essential facts and items are; we do. To a great extent due to the lack of time for detailed examination, we have had to accept the advice and recommendations of our military leaders upon faith; you in turn must take some of our statements on faith, because we cannot and indeed we should not disclose all the facts upon which this budget presentation and appropriation is based. It is distressing that this must be so. We would like, all of us on the committee would like, to have had many more detailed facts, but time did not permit. We would like for you to have more and more facts, but the world situation is so serious that it is not proper or expedient or wise to give those facts on this floor. Many facts can be given in private, if desired.

As far as present needs are concerned it may be helpful to know that with each passing day more and more of the carriers of every type that were in "mothballs" on both coasts are being restored to service just as rapidly as the crews can be obtained and just as rapidly as the machinery can be tuned up ready to go. That is true of many particular types of our naval vessels. We can be entirely thankful for a program set up and approved by this Congress to conserve these ships in the event of another outbreak which we hoped would never take place until long after those ships had turned to rust. The event has taken place, we have them available and they are being made ready rapidly. Many of those ships that were in the "mothball" fleet are today doing duty in Korean waters.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. I am very glad to learn that because I think it is very helpful for this country to know that and also the other countries of the world to realize that fact. The gentleman may remember that when we were on a committee there was always an appropriation for what we called lots and slabs for added necessities. I feel that the armed services still has those appropriations that have been made available without talking publicly about them to go ahead with our defense.

Mr. SCRIVNER. In closing, Mr. Chairman, may I say that the time has come when we must face the facts. This Nation must prepare and be strong, this Nation must pay for that program and while we are doing all that we must pray that our preparedness plans are timely—and that these men and munitions will never be needed in any war.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. CANNON. Mr. Chairman, I yield such time as he may desire to the gentleman from Texas [Mr. PICKETT].

Mr. PICKETT. Mr. Chairman, researchers have estimated the average era of peace in the history of the world to be but 7 years. Events of the last two generations reduce that average. We are not at peace now; but while we strive for peace, we must prepare for war. Uncertainty, indecision, delay must end.

To recount the errors of omission and commission of the past would serve no useful purpose. They must not be forgotten. We must draw on them for experience and use that experience as the compass by which we chart a clear, direct, and positive course.

We have lost an unwanted fight in Korea. In the words of one Army sergeant, "We weren't exactly beat. We were just fighting a lost cause against too damn many Chinese." Many thousands of our soldiers are now being evacuated from northeast Korea. Admittedly, we cannot reinforce the remainder in substantial numbers at this time. It would probably be the better part of wisdom to evacuate them all.

Because of our experience, the action we are taking in passing this supplemental military appropriations bill should be used as another step in a preparedness program far greater than that we have

undertaken since World War II. We must increased our Armed Forces as rapidly as practicable by the integration of volunteers, draftees, reservists, and the National Guard; providing the manpower with the best possible training, leadership, and weapons.

In order to support such a program for preparedness, we must mobilize our civilian manpower and industrial production. Legislation already passed by Congress to achieve that end ought to be utilized since it is evident the voluntary-compliance efforts of the past are not successful. If the law is inadequate, Congress will amend it.

Such an economic mobilization will require controls and allocations that I personally dislike and would not support in ordinary times. But these are not ordinary times. It will require increased taxes and reduced production of civilian goods. It will require the paring of Government expenditures for programs not essential to our survival to the bone. Politics, controversial domestic issues, "business as usual," must take a back seat.

In the process of mobilization, while continuing to work for peace, we must assess the world situation in the light of who is our friend and who is not. Those who give a clear indication that they choose to fight on the side of freedom will be aided in keeping with our own preparations and our ability to aid them. Assistance to those who are not our friends should not be extended.

These observations do not touch all of the problems we are faced with. They are not intended to do so. I believe those things at least are necessary in view of the challenge confronting us. Answer to the challenge by a direct and positive course will be immediately responded to with determination and cooperation by the American people.

We have all prayed such a course would not be necessary; but it is far better to be prepared for the worst and it not occur, than to be unprepared should the worst come.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, I shall take just a few moments to explain one or two items in this bill which were considered by the Subcommittee on the Treasury and Post Office Departments. The Post Office had no request for additional appropriations at this time, but the Treasury did have several. The first was a request from the Division of Disbursements, which appears on page 5 of the bill, for $380,000. These funds are to take care of an increased workload arising out of the social-security-extension bill, which was passed after the enactment of the regular appropriations bill, and also to take care of the expenses incident to the issuance of checks in payment of a second special dividend on national service life insurance. The committee approved $300,000 instead of the $380,000 requested.

The Bureau of Customs requested $350,000 to take care of the increased workload at the ports of entry. They need some additional help. The committee did not feel, however, that they need all of the help requested, so we reduced their request to $225,000.

The Secret Service asked for $82,000 additional for special agents and $49,000 for White House Police for the protection of the lives of the President and the Vice President. After the recent attempt on the life of the President and in view of certain other information that was presented to the committee, we thought the additional protection should be provided and approved the full amount requested.

The other item is both substantial and important. It increases the operating expenses of the Coast Guard $18,600,000, and the funds for acquisition, construction, and improvement, $7,900,000. Those funds are to be used entirely in the port-security program. You will recall that when the first supplemental appropriation bill was before us the port-security program had not been perfected. Therefore, the Coast Guard was not in a position to request a specific appropriation. We did, however, in that bill authorize them to use not exceeding $10,000,000 of their regular appropriations for port security. The program is now beginning to take shape, and the Coast Guard requested these funds to finance it. Realizing the necessity of protecting our ports from atomic bombs and other explosives, the committee approved the entire amount requested.

That covers all of the requests of the Treasury Department.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New Jersey [Mr. CANFIELD].

Mr. CANFIELD. Mr. Chairman, as the ranking Republican Member of the House Subcommittee on Appropriations for the Treasury and Post Office Departments, I concur in the statement just made by our distinguished chairman, the gentleman from Virginia [Mr. GARY]. I hope that the membership will find time to read the hearings on the presentation of the Chief of the United States Secret Service, Mr. Baughman, when he discussed the protection of the President and the Vice President. You will note in the bill before you today that we are not only providing funds for the protection of the Vice President but we are also providing for the first time legal authority for such protection. You will see, if you read the hearings, where I examined the Chief of the United States Secret Service at some length regarding the protection of the President when he appears in the House of Representatives to make a presentation on the State of the Union or otherwise before a joint session of the Congress. It is my considered feeling we do not have adequate measures for proper protection of the President when we hold such meetings, and, furthermore, that we do not have adequate protection for ourselves.

One of the mistakes of World War II was the administration's delay in facing up to inflation controls.

We do not want to see that experience repeated.

The first consideration, to my mind is—are we to be engaged in an all-out rearmament effort? Apparently not.

This country has not entered a stage that could be described as a war economy. Back in 1942 half the Nation's entire income went for defense purposes. At the present time, while our national income is running well above $230,000,000,000, current expenditures for the Army, Navy, and the Air Force are at a rate of not much more than two billion dollars a month. That makes our defense effort roughly 11 percent as compared with 50 percent back in 1942.

I think that it is time we realized that we cannot regard our rearmament program as something to be carried out at half speed. Rather we should work at top speed—and that will mean controls and sacrifices I feel the American people, in return for safety and protection, are willing to meet the challenge if they are convinced that no time and no resources are being wasted to drive ahead with this new defense effort.

Now, there is another phase to defense here in our United States. It is civilian defense of our American cities and towns located in so-called target areas. I shudder when I think of how remiss we have been on this problem of civilian defense, when I hark back to the time that month after month our President permitted the United States National Security Resources Board, charged with jurisdiction over civilian defense, to go without a permanent Chairman. True, after the very able and distinguished W. Stuart Symington was named as head of that important body he started feverishly to work out a program of civilian defense, and now there is a new agency charged with carrying out this effort. But even at this moment we have no national law on this subject.

May I say to you in passing that only this week when we in the House of Representatives preponderantly voted to give Tito and the communistic Government of Yugoslavia $38,000,000 we also refused in the very bill before us today every cent requested by the Commissioners of the District of Columbia for civilian defense of our National Capital city, almost $400,000. Not 1 cent was allowed by the subcommittee. Not 1 cent appears in this bill before you. Of course, the members of the subcommittee will say to you that they had some doubts about the request.

Do you recall the speakers who advocated the grant to Tito and his Government? Almost every one said, "I have extreme doubt about this grant. I am holding my nose when I vote 'aye' on the bill." I voted "No."

I live in a target area. My cities of Paterson, Passaic, and Clifton, N. J., on the fringe of New York, are in a prime so-called target area in this atom-bomb world. Do you know what some of my mayors are telling me? "Mr. Congressman, we are waiting for the cue from the Federal Government. We are waiting to see what the Federal Government is going to do in the way of laws and appropriations before we legislate, before we appropriate any funds for civilian defense."

Do you know what I am telling my mayors? I am telling them, "Mayors, you may wait too late if you wait for the cue from the Federal Government. Mayors, you know as well as I know that the first law of life, the first law of na-

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ture, is self-preservation. You now have a weighty responsibility. You ought to get on the ball."

Only today I picked up from the New York Times this little item about air-raid surveys in Great Britain. They are not waiting. They know that time is of the essence.

LONDON, December 14.—The Government has asked local authorities for a survey within 2 months of their existing air-raid shelters and estimates of additional shelters needed.

Where are the shelters in the District of Columbia? Where are the shelters in our Capital City today?

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the distinguished gentleman from California.

Mr. JOHNSON. I want to compliment the gentleman on mentioning civil defense. The same sentiment that was echoed to him in New Jersey came to me from every single city manager in my district. They want to know what the Federal Government is doing. They want to know their cue. They want to get ideas as to what they should try to do. I gave them the same answer the gentleman gave his mayors, that they had better start themselves because a delay might be fatal if they did not do anything about it, if they waited to hear from the Federal Government.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. CANFIELD. I yield to the distinguished gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. The gentleman may remember that the governors and mayors of various States and cities came to Washington recently and asked for guidance and help. They went back without any definite information to give to their people. If the gentleman reads the press, he knows that is true.

Mr. CANFIELD. Yes; that is true. They went back confused. There is no question about it. And we here are so unrealistic in facing the facts of life.

The CHAIRMAN. The time of the gentleman from New Jersey has expired.

Mr. SHEPPARD. Mr. Chairman, I yield 7 minutes to the gentleman from Florida [Mr. SIKES].

Mr. SIKES. Mr. Chairman, the gravity of the present situation has been emphasized so repeatedly that there can be no question of the dangers which confront us. Time may indeed be running out on us. We have little choice but to be as well prepared as we can for any eventuality.

When we pass this bill, we in Congress will have done all that we can in defense preparations at this time.

It provides for an over-all build-up which more nearly approximates a war footing than any measure brought to you since World War II. It materially increases and modernizes our fighting strength.

It does so at terrific cost, considerably more than on June 25, more than double that of a comparative build-up in 1940. In a sense it ignores the lessons of Korea, for Korea is primarily a land war. Specialized ground combat units could be equipped and trained for land fighting at much less cost. This measure looks beyond the fighting in Korea and prepares us for defense in a broader sense. We have no alternative but to prepare to defend ourselves on land and sea and in the air. We do not know where the next attack will come.

A stronger defense will not come overnight. We cannot go home and say the passage of this bill has made us secure. This is a money bill and it takes time to convert it into armed strength. But we can say we have provided what the services need from us. As a matter of fact the services have not spent all the money previously voted for them. Now we simply are signing a check to permit a continuation of the build-up which we recognized as essential in September, and which we find must be increased in keeping with the increased gravity of events world-wide.

This is a $16,000,000,000 build-up, and the committee is unanimous in support of it. Obviously, the committee has not had time to thoroughly examine the justification offered in this request for funds. It is the best estimate we can make under the circumstances. We are placing a very great trust in the heads of the Armed Forces. Fortunately they are men in whom we can place great trust.

Historically, defense funds have become almost sacred in this country. I do not think that is a wholesome situation. Virtually anything can now be justified and secured in the name of defense. We in Congress lean over backward in our desire to provide for the security of the Nation and the comfort and well-being of its forces. That can lead to abuse. It can and possibly does lead to gadgeteering. An increasingly larger number of men is being required to operate the supply lines and the equipment which support our men at the front. In consequence I believe we today have in our Armed Forces a smaller percentage of men with guns in their hands than any other nation. Our men are better armed, and they are better provided for. That is pleasing and what we want. But these things do not necessarily provide the balance of victory. Witness Korea, where Reds with one pocket full of rice and another pocket full of ammunition whipped us soundly.

We can now more clearly evaluate the seeming disaster to our military forces in Korea. We have in truth lost a campaign. But we have not lost a war. Our forces were badly hurt but they were not destroyed. There remains strong UN fighting forces which have formed a defense line across the narrow waste of Korea which is fully capable of taking care of itself.

We need not delude ourselves on the possibility of winning in Korea for a long time. We do not have the resources at this time and our allies are not providing the additional forces which are needed. I doubt that we could justify the cost in manpower if we had the resources. We can hold on until we see fit to evacuate and we can do both successfully.

I hope the lesson in Korea has taught us we can never afford to become involved in a land war with China. Now that Red China has thrown down the gauntlet however, we can and should afford the Chinese Nationalists an opportunity to bomb Red commerce, railroad lines, and military factories. We should systematically encourage Nationalist guerrilla activities inside China. We will find Red China highly vulnerable, and we can develop sufficient confusion and unrest inside China proper to lessen her appetite for pulling Russian chestnuts out of the fire in Korea, Tibet, southeastern Asia, and finally, India.

These are not costly undertakings. They do not require the sacrificing of American lives. They simply encourage the Chinese to fight for a government of their own choice.

The most alarming sign of the times is our seeming inability to prevent the enemies of world freedom from picking the time and place where trouble starts. This, coupled with our willingness to attempt to handle the trouble almost alone, presents a situation where we can be bled to death, physically and materially. This, more than to fight us, is the first aim of the Kremlin. It is not necessary that we fight on our enemy's terms. Nor is it possible that we fight successfully alone. These truths we must accept.

I state again: the Chinese Nationalists offer a fertile source of manpower on Formosa. The Nationalists and the anti-Reds on the mainland of China offer many more. We ignore both. The Japanese offer trained men, 5,000,000 of them, and a tremendous industrial potential. Theirs is the biggest unused source of military strength in the world today. We help to feed the Japanese. We protect them. We neither ask nor get anything in return. To utilize their strength will require no new policy. We have demonstrated that we are not squeamish about whose help we get. I do not consider Japanese hands any redder than Tito's. And the Japs were our friends for many years before their war lords prostituted their thinking.

These forces, singly or jointly, can give our foes much more to handle in Asia than will be required to get their attention off us. And to those who are sticklers for legal form, I suggest the use of "volunteers," as other powers use them, and a treaty of peace with Japan, which is wholly within our right.

There are in Europe hundreds of thousands of refugees from communism. They will fight and fight well for a chance to go home again. Surely they have as much to fight for as the American boys who are now being prepared to fight in Europe if we are attacked on that continent.

Communism does not hesitate to use whatever weapons are at hand. With all its disregard for human life, the Kremlin is not today expending Russian lives. We live in a world which is wholly practical and not at all idealistic. We shall have to be practical too. We may save many American lives if we rely more upon allies who, because of their background, know much better than we how to deal with Communists.

But these things are not within congressional jurisdiction. We are the legislative, not the administrative branch

of government. Ours is the responsibility of providing the funds and the basic laws, of trying to follow through as the people back home would want.

There is in this bill funds which will nearly double our fighting effectiveness and provide us with modern weapons. That, I think, is the comparison in which you are most interested. I believe the security of our Nation requires this step which we now propose.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 5 minutes to the gentleman from Iowa [Mr. GROSS].

Mr. GROSS. Mr. Chairman, we are here this afternoon about to bill the taxpayers of the United States for another $18,000,000,000. It does not make any difference in what language you speak, that is a vast amount of money and the people are entitled to know what commitments this spending is designed to implement and whether they are going to get dollar for dollar.

In other words, are those who have been enriching themselves on defense spending going to continue their luxurious ride at the expense of the security of this Nation?

President Truman, in his message to Congress on December 1, in connection with this legislation, had this to say and I quote:

> About $9,000,000,000 of these new funds will be used for major military procurement, and to expand facilities for military production.

Let it be remembered that in four fiscal years, after the end of World War II, more than $50,000,000,000 was supposedly spent on the Military Establishment of this country, yet when the blow fell in Korea it became apparent that only about eight and one-half billion dollars of this staggering expenditure actually went into the weapons of war and the trained forces necessary for their efficient use.

In the light of this extravagance, which must be charged to President Truman and his administration, are we supposed to believe now that we will get more in the way of actual defense for less than eighteen billion than we did for more than $50,000,000,000?

On the basis of dollar for dollar we are going to get less if for no other reason than that President Truman, by refusing to put price and wage controls in effect long ago, has permitted inflation to debauch the medium of exchange and rip wide holes in the Nation's economy. As to the price of inflation, according to the latest report of the Council of Economic Advisers, United States citizens are now able to save, percentagewise, less than half the amount they saved at the first of this year—3.1 percent compared with 7.6 percent. How much more suffering, under scarcities and black markets, can small manufacturers and their laid-off employees stand? In this connection, the previously mentioned Council of Economic Advisers reports that unemployment increased 300,000 in November, the last month tabulated, over October.

This Congress, long ago, provided President Truman with the powers to halt inflation, distribute materials equitably, stamp out black markets, and stop the gouging, but he has procrastinated. Why? Apparently he is not interested in the people we represent, but we should be, and I, for one, am.

Under Truman inflation, how much will the proposed appropriation be worth when spent next week, next month, or even tomorrow? What will it buy for our fighting men? And who will reap the profits, and to what extent?

Are we content to saddle the people with another $18,000,000,000 mortgage while closing our eyes to profiteering and inflation?

Nobody denies that it is necessary to build our military strength. But how can we do it, no matter how much is spent, if the purchasing power of money vanishes into the thin air of inflation or into the bottomless pockets of the profiteers?

The people of this country are bewildered, confused, and becoming desperate because of the stupidity, blundering, and procrastination that has been perpetrated upon them. At no time in the history of this Republic, in a time of crisis, have they suffered more from a lack of firm, intelligent, and courageous leadership.

The people of this country are fast coming to realize that their internal danger is becoming grave. They labor under no illusions as to their external danger. They have long since become convinced that they are at war even though there are some who still indulge in the pettifoggery of calling it a police action.

I do not know what the present occupant of the White House proposes to say in his message to the Nation this evening. I do know that under the Constitution and his oath of office he has the duty and the obligation to set forth, and where he has the authority, to put into effect those measures necessary to end the present chaos and provide the unity of purpose the people want and which is so desperately needed.

If unable or incompetent to meet the needs and demands of the hour, President Truman should resign forthwith and make way for someone who can meet this challenge.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. MARCANTONIO].

Mr. MARCANTONIO. Mr. Chairman, I rise in opposition to the proposed appropriation for armaments.

Armaments per se have always meant nothing; armaments are merely the implementation of a policy. Armaments implementing a policy of genuine defense of a people's interest is one thing; armaments implementation in pursuance of a genuine defense policy is always in the interest of the Nation, but these armaments implement an insane war program which has never been in the interest of the Nation and it is today definitely not in the best interest or defense of the people of the United States.

This insane war policy culminated last June in our operation desperation in Korea. I do not believe I am subjecting myself to an accusation of immodesty when I now say beyond challenge that I stood up here as the only Member of this House in opposition to our intervention in civil war in Korea. I did so on the very day on which the President announced our disastrous adventure in Korea. I said then, on June 27, in the well of the House, after the majority leader had read the statement that the President had issued from the White House:

> Mr. Chairman, we have heard words read here by our distinguished majority leader which I think will mark a disastrous course, and the words I am using do not adequately describe the disastrous consequences this course will have on the people of the United States unless checked by the people themselves.

That was said on June 27. Events since June 27, I maintain, have vindicated the position I took at that time. There are very few people in America today who do not wish we had never gone into Korea. I said also at that time that the Chinese people would fight; and I explained that our action there was not in the defense of a single American interest in Korea, but that we were fighting against the national aspirations of the people of China, Korea, Viet Nam, and other peoples in Asia for national liberation and self-determination.

Now you here offer what? More appropriations for more armaments, leading to what? Leading to the acceptance of an increased armaments race and of the doctrine of the inevitability of war. Some Members have stood up here during this debate today and have stated that we were at war. The idea of the inevitability of war is being foisted on the people largely by those who sit in the high seats of government. That idea has been fostered here. Tonight it will be fostered again by the President of the United States in his address to the people of the country.

The only alternative that is offered to the people of the world and the only alternative that is offered to the people of the country as a result of this insane war policy which you are implementing with this appropriation is world conflict and use of the atomic bomb. This is the tragic end of the road on which you have been dragging the American people.

I stated also on June 27 in connection with the atomic bomb:

> Remember one thing: A bomb was dropped on Hiroshima. It had terrible consequences, but it did not frighten the people of China and it did not frighten the people of Korea and the people of Asia.

So the threat of the use of the atomic bomb has only alienated decent-minded people away from us. Events show that that threat has not frightened the people of China. The alternative of the use of the atomic bomb, the alternative of an armaments race, the alternative of the idea of inevitability of war, leave us completely bankrupt in the eyes of our own people here at home whose economic and social interests are being sacrificed every day to the interests of this insane war policy, to this armaments program, to the interests of this doctrine of inevitability of war. I say again what I have said since June 27 that there is no interest in Korea of the American people which warrants the shedding of one

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precious drop of American blood, there is no interest there of the American people which warrants the disastrous consequences which have been inflicted on our soldiers, on our economy, and on the welfare of the American people.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman one additional minute.

Mr. MARCANTONIO. Mr. Chairman, the best defense of these United States is not armaments, the best defense of these United States is a policy of peace. I say that our problems can be resolved without the sacrifice of a single interest of the American people; they can be resolved by a policy of courageously carrying out two steps—cease fire on both sides and at the same time honest negotiations for an honest conclusion for peace. But you cannot enter into those honest negotiations unless you recognize the right of the Chinese people to self-determination and the right of the people of China to national unity. We must accept the people of Asia and China as equals. You cannot enter into any honest negotiations for peace as long as you want to hang on to a corrupt dictator like Chiang Kai-shek and insist on establishing false, unjustified, and pretended defense lines for America in Formosa or in other parts of Asia. That will not make for an honest and effective conclusion for peace. That only carries out the insane program of war and despair abroad and at home.

The best defense of America does not lie in this armaments race implementing this insane program of war. Such a race will lead only to a war which at best no one will win, but which will destroy civilization as we know it. The best defense of America does not lie in the atom bomb. It can be thrown in both directions and destroy us, too. The best defense of America lies in a policy of peace and today specifically the best defense of America is peace with China.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 7 minutes to the gentleman from California [Mr. JOHNSON].

Mr. JOHNSON. Mr. Chairman, I listened with a great deal of interest to what the gentleman from New York [Mr. MARCANTONIO] had to say just now. While Korea may be a terrible mistake, I do not think the gentleman from New York offers us a prescription to cure it. This bill, in my opinion, is about the best step we can take to overcome the situation caused by our reverses in Korea.

I wanted to say something else which does not directly concern this bill. Anyone reading this bill might get the idea that America is a warlike nation, that we were, by building armaments and through other war preparation activities, provoking people and nations into war. The few remarks I wish to make are that for an undeviated history of 50 years the considered policies of the United States have been peaceful. I wish to place in the record a few landmarks indicating conclusively that we are seeking peace for ourselves and the world.

In 1901 we entered into a treaty under the leadership of John Hay enunciating the open-door policy for China by which we virtually guaranteed the territorial integrity of that country.

In 1922, I think it was, after we had gone through World War I, we had a naval disarmament conference, inviting the leading naval nations to participate, which they did. Many people have laughed at that effort, ridiculed it, and made fun of what we proposed. In my humble judgment it indicated the heart and mind of a country that was groping and trying to find a way to make peace. Much as that disarmament conference was criticized at the time, I want to point out to you that very few, if any, statesmen in the United States Senate voted against that disarmament proposed by the conference, by which we proposed to and did sink the most tonnage. Considered in the light of the conditions following the war of 1917, it was a magnificent gesture in what we thought at the time was a step toward world peace.

Then we went along for a few years. We were still trying to find some way to avoid warfare among the nations of the world. In 1928 we sponsored the Kellogg-Briand Pact. Unfortunately the fine expressions and the noble principles set out in that document had nothing behind them to implement it. It laid down the basic principle that war would be the last resort of nations to settle disputes. It laid down the policy that every single effort in every direction, and by every means, to bring about the settlement of disputes between nations should be by negotiation and other peaceful methods. There was nothing in there, however, to implement any decision arrived at, nor was there machinery to force negotiations before going to war. The result was when that treaty might have been invoked at the outbreak of the world war, some of the signatory parties disregarded it. They plunged into war, disregarding the path provided by the Kellogg-Briand Pact, to which they were a party.

Then, what did we do in 1946? We kept a promise of almost 50 years with the Philippine Islands that when they were ready for their freedom we would give it to them. We won the war of 1898 and got the Philippines. Only 2 percent of the people of the Philippines could then read and write. We educated them, we trained them, we poured in billions and billions of dollars to help them educate their people, develop their economy, and get ready for self-government, and finally in 1946—and I think this is one of the greatest steps ever taken by a great nation—we finally gave them their freedom. On top of that we made an agreement to last 25 years to help stabilize their economy and get on a firm, sound economic basis. Some of us are wondering if that was a mistake, but any way it shows that we had no imperialistic designs, which some prominent people and nations are accusing us of having.

We furnished the leadership for the writing of the United Nations constitution. I do not think that that document is as well written as the original document of the League of Nations, but, anyway, it showed the considered judgment of our Nation and most of those who were in control of the conference to find peaceful methods to settle international problems.

Later on we were worried about atomic warfare and the Baruch plan was offered by the United States, which I think was almost too liberal for our own security, but it did lay down a realistic plan of inspection that I believe would have had the effect of outlawing atomic warfare. It was rejected by one of our allies.

We have done other things during the past half century that any unbiased reader, any unbiased historian or student of history, must interpret as being that fundamentally and basically the United States of America does not want war. We want to get along with the world. We want the world to solve its problems by some type of united security and some type of negotiation, but in every one of our efforts we have been thwarted.

I hope and I pray, like you do, that what we are doing today in stepping up our defense $19,000,000,000, and what we will do next January in stepping that up probably a great deal more than that, will not lead us into a general war whereby everybody will lose, even the winner. I merely, in my humble way, want to get down in the CONGRESSIONAL RECORD, for those who may read it, that we have this long record of effort in trying to bring about a peaceful world. We can truthfully say the United States has been a leader of the efforts, even though they have all been abortive up to date, to bring about world peace, for which the people of the world have dreamed and prayed and worked for over 2,000 years. This by no means is all the efforts we have made to provide world peace.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON. I yield.

Mrs. ROGERS of Massachusetts. Does not the gentleman feel that industrial production will be very much stepped up under the leadership of Mr. Charles E. Wilson, the president of the General Electric Co.?

Mr. JOHNSON. I do not believe you could pick a better man in the whole United States than Mr. Wilson to handle that problem. He is a well-trained, statesmanlike industrialist. He will do an excellent job.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Tennessee [Mr. GORE].

Mr. GORE. Mr. Chairman, I had not intended to seek time to speak at this time, but because of certain testimony given by our national defense leaders and also because of some utterances in debate today, I do desire now to express a few sincere opinions.

I am not one who thinks it would be a great service to the men in the Kremlin for our people to know and recognize the extent of the danger, the gravity of the peril to freedom not only all over the world but right here in our own country. Perhaps the men plotting that peril know its scope and extent better than I. Suffice it to say that in my opinion the danger is far more grave than at the time of Pearl Harbor, for the

reasons that then we had powerful allies who had their strength mobilized and were already in the fight. Today we do not have an ally whose strength is mobilized. Moreover, our own strength is mostly unmobilized. Yet we face the organized and mobilized might of a large part of the land mass, the resources, and the human masses of Eurasia.

What disturbs me by a reading of the testimony of the national defense leaders before the Appropriations Committee and by some statements which have been made here is an apparent hesitation to make an all-out approach to what clearly appears to be an all-out danger. If this hesitation is born of a feeling that an all-out attempt at defense preparation on the part of our country would precipitate further acts of aggression by our acknowledged foes, I would recall to you that those arguments were uttered repeatedly in the Congress of the United States before Pearl Harbor. "Oh, we dare not build up an air force or fortify this or that lest we precipitate war," it was said. Mr. Chairman, let us not repeat the mistake.

If that hesitation arises out of some lack of confidence in the willingness of the American people to face up to the dangers confronting their country once they know and recognize those dangers, then I must say I do not share that lack of faith.

If that hesitation is based upon an apprehension that the people of the United States could not contain themselves in the event of a diminution of a Communist threat after our strength is fully mobilized, that full mobilization would make war inevitable even though the threat to freedom shall have lessened, then I must deny that democracy and freedom is untrustworthy with power, can only be safe and trusted as a handmaiden of weakness.

If that hesitation is based upon a real fear for what may happen to our way of life because of years of governmental controls, restrictions, regulations, taxes, inflation, and all that these mean, then I must say that I share the apprehension fully. Many dangers to freedom are involved, internally, I mean.

But, Mr. Chairman, the threat from aggressive communism with its mobilized military hordes is stark and immediate. This growing menace has already snuffed out the liberty and democratic character of a whole series of nations. We must prepare fully and immediately to repel this threat, taking our chances with acknowledged attendant dangers.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield to the able gentleman from Ohio.

Mr. BROWN of Ohio. I am sure the gentleman well knows the high respect I have for him and his patriotism and intelligence. I do not understand the gentleman to be criticizing the Congress for its failure to build up the national defense of this country, do I?

Mr. GORE. That was not the purpose of the remarks of the gentleman from Tennessee.

Mr. BROWN of Ohio. I hope the gentleman will permit me at this point in his remarks to call the attention of the people to the fact that the Congress of the United States on three different occasions did vote to increase our air force from 48 groups to 70 groups, and that that increase which the Congress provided for never came about until after the attack in Korea. I think I should point out the Congress of the United States did provide for armed forces totaling over 2,000,000 men, and yet in spite of that fact our armed forces numbered slightly over 1,400,000 men at the time of the attack in Korea. I hope there will be no inference drawn from the gentleman's remarks—and I am sure the gentleman did not mean it that way—that the Congress of the United States has been dilatory in its duties. The responsibility for the failure of the American people and the American Nation to be prepared at this time rests squarely with the executive branch of the Government and not the Congress. We have voted every dollar that has ever been requested for national defense purposes.

Mr. GORE. I thank the distinguished gentleman from Ohio for his contribution.

In reply I would be pleased to advise him that it was not my purpose in rising to be critical of anyone, let alone to be critical of the Congress of the United States. Of course, there is blame enough for all of us. There is blame enough for both parties in the Congress. I have no desire to be partisan now. There is job enough for all of us—every member of both parties, not only in the Congress, but every official in our Government and every citizen of America. It is not my purpose to be hypercritical, realizing that in these terrible times officials of the executive branch no less than ourselves are under terrific strain and pressure. Instead, it is my purpose to voice some deeply disturbing thoughts that I have.

In calling to the attention of this body what appears to me to be a great, grave threat to the very existence of our country, and my doubts about the adequacy of our measures to vouchsafe our security, I do not predict doom for my country or read its obituary. I desire to arouse and exhort my Government and my fellow-countrymen to recognize the danger for what it is and to prepare to safeguard our Nation.

Our basic fault with a partial mobilization effort is that it doesn't get the necessary job done, it being very hard to obtain sacrifice from one unless sacrifices are required of all.

Let me address my remarks now to one part of this bill which comes from my subcommittee dealing with the Atomic Energy Commission. There you will find one instance in which an all-out attempt is being made. Not only are we appropriating enormous sums by this bill to build additional fissionable-material-production facilities, but, as has been announced in the press today, there is money contained in the bill for the construction of plants in other countries to make available a greater supply of uranium so that there may be in the hands of our country in the future a continuing supremacy of atomic weapons. Were it not for the superiority we have in atomic stockpiles, I fear that we might be faced with an imminent threat in Alaska, if we are not under present circumstances. We can be thankful for this atomic-weapon headstart. We must keep it. Other preponderances stand in our favor—a superior navy, a qualitatively superior air force, productive capacity, and a virulent, free people.

Mr. Chairman, for these reasons and others, I urge a policy, not of overcautiousness—deliberateness, yes; but not overcautiousness—rather a policy of imagination and courage, faith in the people, faith in our institutions, and faith in the cause for which I fear we are bound to fight.

The CHAIRMAN. The time of the gentleman from Tennessee [Mr. GORE] has again expired.

Mr. CANNON. Mr. Chairman, that concludes the general debate.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

FEDERAL SECURITY AGENCY

OFFICE OF EDUCATION

Promotion and further development of vocational education

Appropriations made under this head for the fiscal year 1951 shall be available for carrying out the provisions of the act of March 18, 1950 (Public Law 462).

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"For an additional amount for National Institute of Health, operating expenses, $2,625,000, including the objects specified under this head in the Federal Security Agency Appropriation Act, 1951."

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for five additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. FOGARTY. Mr. Chairman, events of the past week leave no doubt that our country must be fully prepared for all-out war. We must be equipped to wage an offensive attack in remote areas and be alert to the likelihood of battle close to or at our shores. In addition, we have to recognize the immediate necessity for strengthening the civilian backbone which experience has taught us is the mainstay of our war effort.

For both military and civil defense, health and medical advances are of the utmost importance. In the last war—a war which unfortunately has only been recessed—we were able to succeed in combat and maintain production largely through the application of scientific and technical knowledge amassed beforehand and given impetus during the emergency period. These lessons must not be lost.

We are engaged in a struggle in which we are at a tremendous numerical disadvantage. We can counter or offset this situation only by technical and sci-

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entific superiority. In health and medical services both for military and civilian standards, we are short-handed. We cannot afford also to be short-sighted.

As we all know and have recognized through enactment of the doctor draft, medical manpower is one of the weakest links in our chain of armor. Shortage, not only of doctors, but of technicians, nurses, and other specialists, has brought us perilously close to the stage where we cannot be certain of sustaining our health and strength. The most important factor in this picture is research and research manpower.

Trained personnel cannot be obtained overnight and cannot be obtained even in a period of years. We can and must take the next step of expanding research and scientific endeavor so as to multiply the capacity and increase the ability of each doctor and nurse. Through discovery of disease cures and drugs, application of research findings, improvement of clinical and patient care and rehabilitation of the ill and injured, we can increase manyfold the quality and quantity of medical service, even though we cannot hope to increase medical manpower to the point of minimum adequacy.

Above all, we must emphasize research in the basic sciences. The source and origin of power and potential in this area are the universities, medical schools, and research centers of our Nation. From these alone can we hope to get the flow of discoveries and men which will be the mainstay of the medical effort. From this potent resource we have only recently obtained the miraculous discoveries of cortisone, the much publicized drug which has proved potent in a wide array of diseases, and findings concerning blood composition, fractions, and preservation, which may revolutionize treatment of patients suffering from shock and burns.

I appreciate the vast recent appropriations to the military, some of which will be applied to medical research, but the armed forces must properly, and of necessity, concern themselves mainly with the application of research findings, development of methods, and care of casualties. The research which they support bears directly and immediately upon performance of their military function. In order to make this research and care more effective, precisely the type of work which I have described as emanating from the schools and research foundations is of greatest significance. Without constant delving and searching in fundamental problems of physical and mental disease, we cannot hope to provide the knowledge and material indispensable to the medical functions essential in military and civil defense. We can go only so far in maintaining our healthy individuals and caring for our sick on the basis of present knowledge. Expansion of research presents unlimited prospects in maintaining an economy of high production and in assuring strong military forces.

Despite these considerations, the House Appropriations Committee deleted a request for the relatively small sum of $2,600,000 for basic research authorized under the recently enacted medical research law. Public Law 692, approved August 15, 1950, authorizes specific support of research and training in arthritis and rheumatism, multiple sclerosis, cerebral palsy, epilepsy, poliomyelitis, blindness, leprosy, and other diseases. The law also directs the Surgeon General to establish in the Public Health Service a National Institute of Arthritis and Metabolic Diseases and a National Institute of Neurological Diseases and Blindness. Passage of the research legislation in August at the time of significant military and civil-defense preparations and following the decisions to cut back or defer nonessential programs, clearly implied recognition of its importance for the national welfare and security. The nature and extent of the diseases and disabilities to which this new legislation directs action manifestly indicate their close relationship to the mobilization effort and heightened civilian production.

Shortly after enactment the Senate approved a $3,000,000 appropriation for this work, but this action was not confirmed by the conference committee. Despite this set-back, the Surgeon General proceeded in recognition of the urgency of these programs. He promptly established the institutes and has convened the advisory councils of outstanding non-Government experts which are prescribed by law to review and approve specific projects. The councils have already begun work on the assumption that programs approved by Congress would receive financial support.

In addition to the military and civil-defense considerations, it is important to realize the background which led to passage of this law. It is estimated that some 7,000,000 people, or about 5 percent of the population, suffer from arthritis and rheumatism, costing the Nation about $750,000,000 a year in lost wages, relief payments, and medical care. Hay fever and asthma affect some 3,400,000 Americans; goiter and thyroid diseases afflict 1,200,000 people; and diabetes incapacitates another million; at least 330,000 suffer from peptic ulcers. Many of these are among the physical handicaps building up the alarming rate of military rejections.

Among the neurological diseases, the situation is comparable, if not worse, since these afflictions distort mind and body and have not yet been completely accepted by the public as health problems. Those who suffer from cerebral palsy number more than 500,000; epilepsy affects over 800,000 and multiple sclerosis destroys bodily control of 175,000 more. Tragic blindness handicaps 200,000. For these, adjustments to normal living is trying and difficult. The economic costs to the Nation arising from these diseases—not considering the pain involved—run into billions of dollars, whereas the sums so far spent for research on causes and means of prevention and cure are negligible.

These statistics, striking though they may be, do not completely define the real issue. That basic issue is one of extending hope and measures of relief and possible cure to millions who will find the courage and strength to man our guns and to support those who do. Of greater importance are the possibilities held out by research in the prevention of disability and disease.

The National Institutes of Health, research organization of the Public Health Service, has developed plans for conduct of the basic investigations authorized. Financial support is the sole important factor now holding up commencement of work.

Mr. Chairman, this Committee on Interstate and Foreign Commerce passed this legislation by a unanimous vote. Congress passed this legislation last August authorizing the setting up of these two new institutes by a unanimous vote. It was too late at the time this bill was sent to the Senate for justifications to be presented to the subcommittee of which I am chairman. As a consequence the Public Health Service justified these expenditures before the Senate Committee on Appropriations. The Senate allowed an expenditure of $3,000,000.

Because of the fact no one from our subcommittee served as a conferee the $3,000,000 Senate item was stricken out in the conference.

All I am asking the House to do this afternoon is to include in this supplemental or deficiency appropriation bill a sum of $2,625,000 so that these two institutes which have already been authorized and set up by the Surgeon General of the Public Health Service can start in operation this fiscal year. The only way we can start these two institutes operating is to give them money with which to operate between now and the first of July 1951. I know that the Bureau of the Budget has already allowed a budget request for these two institutes for the next fiscal year, but because of the fact that they have already allotted the sum of $3,000,000 that has been provided by the Senate and because we as Members of this body have not before had an opportunity to vote on whether or not they should have any money with which to operate, I think it is only fair and just that the Congress have a chance today to vote to put these two institutes in operation for the benefit of millions of people in this country at the present time.

In all of my work in the Congress and in the past 10 years since I have been a Member of this body, I do not know of any other governmental organization that has worked in a more cooperative spirit with private agencies and with the American Medical Association as has the various institutes on heart, cancer, and mental health. We all know of the success that has been obtained by those institutes over the past 5 or 6 years since they have been operating with funds appropriated by the Congress in that time.

All I want to do is to grant some relief to these millions of people, because we believe that the answer is in sight. We know by actual experience through development, through research and discovery of two what we have been told by leading doctors in the country are

perhaps the greatest medical discovery since Pasteur's work on bacteriology. I refer to the two wonder drugs, cortisone and ACTH. For the first time in history men and women who have been afflicted over the years and have been bedridden by rheumatoid arthritis and other forms of arthritis after a few injections of these wonder drugs are up walking around at the present time and are resuming the work that they had previously engaged in 4 or 5 years ago.

I know this from actual experience. We have a clinic that just started in Rhode Island. I saw a man there only 2 weeks ago who was a former railroad worker, who had been bedridden for 5 years. After treatment with this wonder drug, cortisone, for 2 months, he has resumed his work as a railway worker. If this can be accomplished for that individual and the millions of people who are suffering and laid up and bedridden at the present time, it is not only the responsibility of the Congress but, in my opinion, we would be fair and just to them due to the possibilities now through the discovery of these great drugs. They will not only relieve pain but will put men and women back on their feet who have been bedridden for years.

This is an opportunity for the Members of the Congress to do something not only for the war effort but for the millions who are suffering from this disease at the present time.

The CHAIRMAN. The time of the gentleman from Rhode Island has expired.

Mr. FOGARTY. Mr. Chairman, I ask unanimous consent to proceed for three additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Rhode Island?

There was no objection.

Mr. CANNON. Mr. Chairman, at the conclusion of the remarks of the gentleman, I ask unanimous consent that all debate on this section and all amendments thereto close in 10 minutes, one-half of the time to be controlled by myself and one-half by the gentleman from New York.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from New Jersey.

Mr. CANFIELD. The gentleman from Rhode Island sponsors a great humanitarian cause, a challenging program for America. Is this the same program with which the gentleman from Wisconsin [Mr. KLEFE] was so concerned in previous years?

Mr. FOGARTY. This is the same program that the gentleman from Wisconsin has done so much to put into effect and I am sorry he is not here today because I know he is 100 percent behind it. I was hoping he would be here in the closing days of his service to the country and to the Congress so that he could speak and that the Congress in turn would by its action in voting these appropriations show its appreciation to the gentleman from Wisconsin for the wonderful work he has done in the past 12 years since he has been a Member of this body.

Mr. CANFIELD. The gentleman by his amendment asks for one-nineteenth of the $38,000,000 we gave to Tito and his government during the past week. He is asking for the sum of $2,000,000 for the health and welfare of America. I am supporting the gentleman in his effort.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. FOGARTY. I yield to the gentleman from Tennessee.

Mr. PRIEST. As the author of the bill creating these two institutes and as chairman of the subcommittee on health reporting the bill to the Congress, I want to express my appreciation for the effective statement the gentleman has just made. I join him in feeling that it would be a tragic delay to wait 6 months to continue this great work with ACTH and cortisone. I hope the gentleman's amendment will be adopted.

Mr. FOGARTY. I appreciate the words of the gentleman from Tennessee.

I sincerely hope that the Members of the House this afternoon will give some consideration to this most worthy cause. I was never more sincere in my life when I say to you this afternoon that we could not pay for anything more humane than such a program as this; the possibility of helping these people who cannot help themselves; that medical science does not know anything about. There is not a doctor existing in the world today that can do anything for a man that has multiple sclerosis. The only thing he can do is to give you an idea of about how long you may live. It is a progressive disease that no one can do anything about, and until we make a mass attack on some of these killing diseases of humanity we are never going to find the answer, because the work is not being done at the present time. I am just as sure as I stand here today that the accomplishment that we will be able to render the people of our country by appropriating this $2,000,000 cannot be termed in numbers of dollars, only in the relief of the suffering and the pain of the millions afflicted with this disease at the present time.

Intensified research in the field of arthritis and metabolic diseases offers exceptional opportunity for success. Recent important research discoveries and tools, such as cortisone, radioactive isotopes for tracer work, and electron microscopy, have provided bases and methods previously unknown with which to work. As I indicated, immediate results, notably in the metabolic diseases, would have a direct effect in improving military medicine and sustaining civilian health.

A comprehensive research program covering fundamental investigations, development, and production of drugs and therapeutic agents, clinical trials and application, with specific attention to arthritis and other metabolic diseases, is planned. These would be undertaken by qualified scientists, supported by grants-in-aid, and by those now and to be employed at the National Institutes of Health.

Research on rheumatoid arthritis and related diseases will receive additional emphasis and support, not only because of their high incidence but because of their singularly tragic and crippling effects. Efforts will be made to increase the supply of remedial drugs, to develop improved methods of diagnosis, to investigate causes and possible prevention of these diseases.

The success of cortisone and of ACTH—adrenocorticotropic hormone—in treatment of rheumatoid arthritis and other diseases call for increased attention to isolation and manufacture of similar compounds. Research to determine the course of these compounds in the body, as well as organs involved, must be undertaken through intensive laboratory and clinical testing. In this connection I want to relate the case of penicillin, which is directly in point. Following the realization of the potentialities of this antibiotic, production and more production was ordered. From September 1941 until March 1945 production difficulties were met and finally conquered. In large part, these program aims were achieved through coordination by the Office of Scientific Research and Development. By 1943, when chemical procedures had been fairly well standardized, production in the small pilot plants had increased to 40,000,000 units a month from 10,000,000 in 1942. It was then time to build factories, and priorities were issued in 1943 by the War Production Board. Defense Plant Corporation financed construction costs where needed and the Public Health Service undertook testing of products. The result of the completed integrated venture is told succinctly in Scientists Against Time, the history of OSRD, page 350—and I quote:

> Since the aim of the program was to produce penicillin, its success is best indicated by the figures of production. In evaluating these figures, 1,000,000 units may be taken as the average amount required to treat a single patient. In June 1943, 425,000,000 units were produced; in December 1943, 9,195,000,000 units, a twenty-two-fold increase; in June 1944, 117,527,000,000 units, a further thirteenfold increase; in December 1944, 293,376,000,000 units; in June 1945, 646,818,000,000 units. As production increased the cost of the product fell. A package of 100,000 units which originally sold at wholesale for $20 now sells for considerably less than $1, of which 20 percent is the cost of packaging.

Through this effort, sufficient quantities were provided for military and civilian use and at an extremely modest cost. The mobilization of both research and engineering talent to conquer a complex problem demonstrates, beyond guesswork, the need for providing support which can lead to a similar effort, if determined to be necessary.

In the event of large scale atomic or radiation attack, it will be of utmost importance to have supplies of blood or blood substitutes available. Research on blood substances and substitutes in shock and burn conditions must be continued. You may have heard about the

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recently announced discovery by PHS scientists of the efficacy of a saline solution which can be taken orally for treatment of thermal burns. This most significant addition to civilian defense has already been adopted by defense officials. Other blood research will analyze characteristics of white cells which change in different diseases, thus providing guides before and after operations. Blood work has been classed by the defense agencies as of prime importance at this time.

In neurology and blindness, the Service plans to attack not only specific diseases but to initiate a pioneering program emphasizing basic studies in disease identification, relationships and body reactions. Hopeless invalidism once characterized those afflicted with multiple sclerosis, epilepsy, cerebral palsy, and other neurological diseases. Today, new methods of rehabilitation, new treatments and drugs indicate miraculous improvement and freedom from utter dependency. But only a beginning has been made. Rehabilitation is based on trial and error—not on basic knowledge. Drugs are only partly successful, they aid only in certain forms of these disorders. There are no "cures" even in sight. Scarcely a start has been made on prevention. Research in the neurological disorders stands today about where research in the infectious diseases stood 30 years ago.

The $2,600,000 requested to start these programs would be used to organize the new institutes and to begin outside support to universities and research agencies to undertake complementary studies and to support instruction in clinical and research techniques. This aid is absolutely essential to increase the supply of specialized manpower and to stimulate entry of young scientists into these fields. Research grants will be awarded only after competent technical review by outside consultants and the Advisory Councils.

Of this sum, $250,000 would be used for grants for research in control and rehabilitation methods. Far-sighted physicians and social-service workers have long felt that research in and development of methods of home and clinic treatment of arthritic and rheumatic diseases is needed to enable the chronic and crippled individual to be a useful member of society. In neurology and blindness, special grants are equally essential for research in the initiation, development, and improvement of control and rehabilitation methods and devices. These grants to be awarded to qualified agencies, institutions, hospitals, and universities, will also be made on the recommendation of the appropriate National Advisory Council.

I cannot too strongly urge favorable action on a request which, in monetary terms, is extremely modest in proportion to the total defense expenditure. It must be evident, however, that in terms of its value, in terms of waging war and enjoying peace, it is one of the most profitable and productive investments we can make.

Mr. TABER. Mr. Chairman, I yield 2 minutes to the gentleman from Kansas [Mr. SCRIVNER].

Mr. SCRIVNER. Mr. Chairman, knowing the deep sincerity of the chairman of our subcommittee, of course, it is distasteful to me personally to find myself in opposition of his amendment. However, I would point out this, that this is not an urgent thing. These diseases have been suffered since the beginning of time.

We are concerned primarily now with the urgency of appropriations for military defense of this Nation without which even those people so suffering cannot live. It is quite possible, knowing the headway made with cortisone and ACTH, that by delaying this program until the regular appropriation comes in next year you may find that it will be possible to more clearly, succinctly, and successfully set this program up so that there will be a greater understanding of the problem, a greater understanding of the possibilities thereof. Of course, I might point out that this is just a very small camel that is getting a very small nose under the tent. But, before this program is over it will run into many, many millions of dollars, and this is merely one of the social activities for which there were no budgeted funds which must at this particular time give way to the urgent demands for military defense.

Mr. TABER. Mr. Chairman, I yield myself 1 minute.

Mr. Chairman, there is no budget estimate for this item. When we approach a problem of this kind I like to see it done carefully, especially in times when we need every dollar there is. The amendment itself that has been offered indicates that it has not had careful consideration because it calls for $2,665,000 to operate an activity which would have to start not earlier than the 1st of February and continue through about 5 months. The whole request that is going to be allowed by the budget for next year is only $3,000,000. Now, it has been handled on such an elaborate basis that it shows the trouble we get into when we attempt to do things without them being properly budgeted and without having the facts developed so that we know where we are at. We ought not to adopt amendments and embark upon programs that are going to cost many millions of dollars when we need every dollar for defense.

Mr. FOGARTY. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Rhode Island.

Mr. FOGARTY. In view of the fact that the budget allocated $3,000,000 for this fiscal year, it was justified.

Mr. TABER. That was for a whole year.

Mr. FOGARTY. No.

Mr. TABER. This is for 5 months. That is all that could be available for it. It is so elaborate and so beyond all reason that I do not see how the House could give it favorable consideration.

Mr. FOGARTY. The budget did justify $3,000,000 for this fiscal year.

Mr. TABER. I wonder if the gentleman feels that $3,000,000 for 1 year is the same as $2,600,000 for 5 months.

Mr. FOGARTY. The $3,000,000 was not for 1 year, because the bill was not signed into law until August 15, and this was justified on the basis of starting sometime around the first of October. This amount I have is only $2,600,000.

The CHAIRMAN. Under the unanimous-consent agreement, the gentleman from Missouri is recognized for 5 minutes.

Mr. CANNON. Mr. Chairman, this is a very appealing amendment. It has a very laudatory purpose. I wish we had means to take care of it. I wish we could do something about it. But, Mr. Chairman, there is a stream of butchered and suffering men pouring back from the front every day. And we are borrowing the money to take care even of these. To ask us to divert funds from the hospitalization of the human wreckage being steadily ground out at the front is one of the most absurd and unreasonable propositions ever offered on this floor.

Mr. Chairman, St. Paul said, "This one thing I do." That is what the American people must reiterate today, "This one thing we do. We must win this war." We must devote our time and resources to that one task until the Nation is safe. In order to do it, we must quit spending money for anything not directly connected with, and contributing to, the success of the war. We do not have money enough for essential military needs and services, much less money enough to waste on other things, however desirable they may seem at the time.

Mr. Chairman, we must have some teamwork on this floor. We must have some coordinated effort on the part of Members here to spend the small amount of money we have left where it will do the most good in defense of the Nation. I trust we will have the support of all patriotic Members to that effect.

I ask for a vote.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The question was taken; and on a division (demanded by Mr. FOGARTY) there were—ayes 26, noes 59.

Mr. CANFIELD. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"Grants for hospital construction: Section 1214 of the General Appropriation Act, 1951, shall not be applicable during the fiscal year 1951 to the item 'Grants for hospital construction' contained in chapter V of said act."

Mr. CANNON. Mr. Chairman, I make the point of order against the amendment that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Rhode Island desire to be heard on the point of order?

Mr. FOGARTY. I do not, Mr. Chairman.

The CHAIRMAN. The Chair has examined the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY] against which the gentleman from Missouri [Mr. CANNON] has made a

point of order. It appears to the Chair rather clearly that the amendment seeks to amend existing law. Therefore, it would be legislation on an appropriation bill, in violation of the rules of the House. The Chair sustains the point of order.

Mr. FOGARTY. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. FOGARTY: On page 8, after line 12, insert:

"PUBLIC HEALTH SERVICE

"Grants for hospital construction: For construction grants under part C, title VI, of the Public Health Service Act, as amended, $75,000,000, to be allotted to the several States as provided in such part C, except that such amount shall be available during the fiscal year 1951 only to the extent necessary to bring the allotments to the several States during such fiscal year to the total basis of $150,000,000, as authorized."

HOSPITAL SURVEY AND CONSTRUCTION PROGRAM

Mr. FOGARTY. Mr. Chairman, there is probably not one Member of Congress who is not familiar with the Hospital Survey and Construction Act and the accomplishments of this program in all the States and Territories since its inception on August 13, 1946. As chairman of the Appropriations Subcommittee hearing this program, I have become more particularly interested in the program, its objectives and accomplishments.

It was in the period just prior to and at the beginning of our Nation's activities in World War II that the acute shortage of adequate health facilities for those of our people who needed hospital care became apparent. Not only was there a lack of hospital beds but the distribution of beds as indicated by the location of hospitals showed the greatest need to be in the rural areas and those areas close to industrial centers.

Recognizing the inadequacy of our hospital plant, leaders in the health field joined with public-spirited citizens, acquired the support of the American Medical Association, and established a Commission on Hospital Care under the auspices of the American Hospital Association. This commission studied the Nation's hospital resources and made recommendations concerning a long-range plan for providing adequate hospital facilities. The Congress passed the Hill-Burton Act in 1946 which provided for a program of hospital survey and construction in all the States and Territories. This act provided for a joint Federal, State, and community effort. The program has, in general, been proceeding most satisfactorily. In 4 years of operation 72,000 hospital beds have been added. Over 300 projects have been completed and are in operation. Over 1,500 projects have been approved and over 800 of these are currently under construction. However, over 800,000 additional hospital beds are still necessary to meet the minimum needs for hospital services in this country. This estimate does not take into consideration the increased need due to the present international situation.

You will recall that the amendments to the Hospital Survey and Construction Act passed by the Eighty-first Congress, increased from $75,000,000 to $150,000,000 the contract authority for hospital construction. The Eighty-first Congress also provided for a similar contract authority of $150,000,000 through 1955. The action by this Congress in continuing the contract authorization at $150,000,000 for fiscal year 1951 despite attempts to reduce it was a unanimous one. I believe it was a gratifying recognition of the success of the program to date and recognized importance of adequate hospitals to the Nation's health. One cannot challenge the fact that a healthy nation is a strong nation.

The action by this Congress was important since it assured the States and the local communities of the support of their government in their plans for hospital construction. This is extremely important in view of one of the program's primary objectives, namely national planning. Each State continues to survey its hospital needs and to revise and develop its plans, thinking always of the needs of city and town. The development of an orderly construction program must include the needs for special facilities such as mental disease, chronic disease and tuberculosis, as well as those relating to general hospitals. In planning for good hospital programs designed to provide adequate hopsital service for our total population, it would seem that the States should have adequate assurance of Federal support.

You will further recall that the Public Health Service and the State agencies administering this program operated under continuing resolutions as authorized by Congress during the first 2 months of the present 1951 fiscal year. In so doing, the several State agencies made grant commitments to hundreds of communities throughout the Nation on the basis of contract authority of $150,000,000. Project sponsors in these communities on the basis of grant commitments from their respective State agencies entered into specific contracts. The contracts related to the acqusition of sites, preparation of architectural plans and specifications, engineering services, conduct of fund raising campaigns, the authorization and sale of bonds and other related contractual operations, thus committing a substantial portion of the sponsor's share of project costs. The States and communities had every reason to assume that the Congress and the Executive Branch of Government would observe its commitments, particularly since it was this very Congress which last year expanded the program and in the spring voted the full one hundred and fifty million contract authorization. Nevertheless, the Bureau of the Budget in implementing section 1214 of the General Appropriations Act which required a five hundred and fifty million savings chose to cut this program in half by establishing a reserve of $75,000,000 against the $150,000,000 voted by the Congress. The effect upon State and community planning and upon the program in general is almost immeasurable. The many months, and in some cases, years of planning are completely disrupted.

The State agencies administering the program have had to revise their schedules for the present fiscal year. I am advised that in so doing over 450 projects scheduled for inclusion in the 1951 program—over 450 communities are having to have their projects postponed to a later fiscal year or in some instances, completely eliminated from the program. These projects would provide over 22,000 hospital beds to the Nation's critical bed supply. Over 150 of these communities have raised their own funds from local subscriptions, bond issuances, or local taxation and must now await Federal funds in ensuing fiscal years. In other localities the situation is even more serious. There are 88 communities distributed over 31 States which have acquired sites, raised local funds, and proceeded with architectural plans into the final drawing stage. Many more have in fact acquired sites, employed architects, raised funds, or otherwise obligated themselves. In these instances local obligations have been incurred, relying upon the good faith of the Congress. We cannot permit them to feel that we, the same Representatives in the same Congress, let them down.

Not only did the establishment of a $75,000,000 reserve for the present fiscal year seriously disrupt the program, but in support of this action the information issued is misleading. A number of State governors were advised that there was a balance of approximately ninety-one million dollars available from 1950 funds and that the $75,000,000 to this $91,000,000 would exceed the $150,000,000 required for the 1951 program. Similarly, press notices appearing in newspapers throughout the Nation noted a carry-over of $92,000,000 to the present fiscal year.

However, you are aware that contract-authorization amounts for this program, made available by the Congress for a given fiscal year, remain available during a 2-year period. Thus the 1950 contract authorization for hospital construction—available for obligation during a 2-year period—was $150,000,000. At the end of the first year of availability—June 30, 1950—$58,000,000 had been committed to projects under construction by that date. Seventy million to projects not under construction, with a balance of twenty-two million not specifically earmarked to projects. These latter two items total ninety-two million. The program, of course, continued to operate since the funds were available for another full fiscal year. By September 12, 1950, when the reserve was established, of these 1950 funds, eighty-five million was committed to projects under construction, sixty million to projects not yet under construction, leaving a balance of approximately five million. However, it must be emphasized that neither the ninety-two million nor the sixty million represent free and available balances. Of these funds, all but five million had been committed to projects sponsors and applicants—communities which, relying upon commitments or initial approval of their projects by the State agencies and the Public Health Service, proceeded to acquire sites, raised funds through bond issues and other means, hired architects and consultants, and proceeded with the detailed preparation of construction plans and specifications.

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The remaining balance of five million could be regarded as a reserve for change-order increases during construction. Virtually all of the 1950 funds had been committed and were therefore not available for the 1951 program; the statements, therefore, that larger sums were available for the 1951 program is misleading, and at best represent a failure to correctly understand the program.

Lest it be thought that I am supporting needless expenditure on the home front in the light of the national crisis, may I point out the national defense aspects of hospital construction activities. It may be regarded as providential that the hospital survey and construction program is adding hospitals in the rural areas to a larger extent than in the urban areas. Of approximately 1,500 projects already approved three-fourths are for general hospital construction and about one-half of these are for completely new hospitals. At least 75 percent of these new general hospital projects are located in places with populations below 10,000. There is a trend that shows that physicians are establishing their practices in these small towns instead of remaining in the urban areas as has been the pattern during the past two decades. The modern medical practice requires instruments of precision, X-ray facilities and laboratories. These modern hospitals include such facilities and permit medicine to be practiced on the high level being taught in our medical schools. Adequate health facilities attract adequately trained health workers and result in better patient care in areas which previously did not have physicians. Today we need more than ever adequate hospitals in the areas outside of the larger centers of population. Need I spell out in detail why I make that statement. I do not think it necessary. Times such as those of today when our international, national, and personal tranquillity has been unbalanced means that we must find ways and means of preserving the very basis of our democracy, the most precious possession our democracy cherishes, namely, the individual. I point out that the health of that individual is one of our greatest assets and must be guarded. Our whole economy is dependent upon the health and productiveness of that individual.

In a geared-up production period so essential to our existence in the world today there will be shortages of material and manpower in all fields. Plans and methods pertaining to this vital subject are occupying many of us in this Congress. I have no doubt that they will be adequate for the job to be done. I submit that we will have sufficient materials and manpower available during this period of the greatest productivity this Nation has ever known to permit the underpinning of all our essential resources. It is inconceivable to me that we would permit deficiencies in materials, supplies, and manpower to limit the building of vital health facilities which are so greatly needed. Facilities for the health of our people; the care of the sick; the hospital care of those needing it; the public health services needed must be available. The maintenance of the health properly conducted is an essential commodity at any time. In times of stress, in times of a possible catastrophe either from physical forces or from bacterial forces brought about either by man or by nature we need the protective influence of adequate health resources properly organized and conducted.

The fact that we need at present more, better, and serviceable health facilities—hospitals, health centers, and community clinics cannot be disputed. A review of the State plans as required by the Hill-Burton Act, Public Law 725, Seventy-ninth Congress and as amended by Public Law 380, Eighty-first Congress shows that a minimum need of over 800,000 hospital beds should be added to the 1,000,000 beds now in existence. We must achieve that goal even for a peacetime existence. The Hill-Burton program is geared to that end. Let us not now further handicap ourselves by postponing these efforts through permitting that program to be cut back to $75,000,000 in 1951. The Federal Government has an obligation to work with the States and local communities in carrying out this program as planned. We cannot, we should not shirk our responsibility. We must keep our covenant with the people of this country.

I have studied this matter and I have developed a great appreciation of the need for adequate health facilities. I am prepared to offer at this time an amendment which will permit the hospital survey and construction program to continue to go forward. It is with a feeling of great pride that I seek to keep our covenant with the citizenry of this precious democracy.

The CHAIRMAN. The time of the gentleman from Rhode Island [Mr. FOGARTY] has again expired.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes, 2 minutes to be reserved to the committee and 3 minutes to the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri [Mr. CANNON]?

There was no objection.

Mr. CANNON. Mr. Chairman, this is, in effect, the same proposition presented by the last amendment. Even in prosperous times, when we had no appreciable debt and had no war in the offing, we made no appropriation for such items as this. Now we have the most stupendous debt the world ever saw and a menacing war situation confronting us. We are already giving them $75,000,000—money we do not have—money that is needed in the war program.

These civilian hospitals are nondefense items. They are local responsibilities and should be supported by the localities which they serve. The local municipalities, counties, and States are solvent and are operating in the black, while the Federal Government is in the red and going deeper every day. We should use this money where it is really needed, for field hospitals, base hospitals, first-aid stations at the front, and for veterans' hospitals, and let the communities take care of their own civilian hospitals. The bill before us is a bill for national defense. It is to be hoped no further inroads will be made on the funds from which the defense items must be appropriated.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CANNON] has expired.

The gentleman from New York [Mr. TABER] is recognized for 3 minutes.

Mr. TABER. Mr. Chairman, this same money was appropriated last year in the bill and it presently is impounded in the Treasury of the United States by the President because in looking the picture over he did not believe that the necessity for this fund was as great as the necessity for the expenditure for the war effort.

I may say that in my own territory there was a case where they wanted some of this money but could not get it because it was impounded. They went out and raised the money themselves to build their own hospital facilities, and did build them. They can do it everywhere else if they will.

I hope that we will not upset the picture that the President has created in here. The $75,000,000 was once made available. We should not try to make another $75,000,000 available when the President impounded the first.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Rhode Island [Mr. FOGARTY].

The amendment was rejected.

The Clerk read as follows:

Page 1, line 17: The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951."

Mr. NORRELL. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. NORRELL. Mr. Chairman, I make the point of order against the language beginning after the comma following the figures "1951" and reading as follows: "is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951,'" that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from Missouri desire to be heard on the point of order?

Mr. CANNON. We concede the point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from Missouri concedes the point of order; the point of order is sustained.

Mr. THOMAS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this matter was threshed out in the committee this morning. The action just taken is the action of our distinguished chairman, acting through the gentleman from Arkansas [Mr. NORRELL]. Some other language, Mr. Chairman, is also subject to a point of order and I make it against the entire paragraph; then I want to offer an amendment.

The CHAIRMAN. Does the gentleman mean to strike the paragraph?

Mr. THOMAS. Yes, that paragraph and the next one, all of it dealing with the Maritime Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas to strike out the language?

Mr. TABER. Mr. Chairman, reserving the right to object, that would cover the rest of the paragraph and the following paragraph after that to which a point of order is pending?

The CHAIRMAN. The gentleman will please indicate the language that he wants stricken.

Mr. THOMAS. All of the language under that head pertaining to the Maritime Commission.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. STEFAN. Mr. Chairman, reserving the right to object, I think the Committee ought to know what language is being stricken. I ask that the language that is to be stricken be read.

The CHAIRMAN. The chairman has requested the gentleman from Texas to read the language that he has included in his request. The Clerk will read it.

The Clerk read as follows:

DEPARTMENT OF COMMERCE

MARITIME ACTIVITIES

Ship construction

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950," and inserting in lieu thereof "June 30, 1951."

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

Salaries and expenses

Limitations under the head "Salaries and expenses," United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to "$483,000," and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000."

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. CASE of South Dakota. Mr. Chairman, reserving the right to object, and I do this because I think the Members would like to know what is going on. The reason it was necessary to have this read was so that Members might get some idea of what is proposed to be stricken by the request of the gentleman from Texas. The language which has been read constitutes an amendment that was adopted in the full committee this morning. The printed copies of the bill available to the Members of the House do not show that language, so that the only way we can tell what is here being done is either to understand what the Clerk has just read or to ask the gentleman from Texas to explain what he proposes to do. May I say this as the basis for reserving the right to object? The budget as it was presented to the subcommittee made available certain balances for the construction of some faster ships, cargo ships, estimated to be from 10 to 14 knots. The gentleman from Texas proposed in the subcommittee the addition of some additional funds to the other balances which would have made possible the construction of a large number of cargo vessels. I anticipate—perhaps I should not anticipate—that the purpose of the gentleman from Texas in asking that this language be stricken is that he wants to offer some language which would be in order that would make possible the purpose that he sought to accomplish by adding the other money, but which was stricken out here on a point of order that was made by the gentleman from Arkansas.

I should like to yield to the gentleman from Texas if he cares to state whether or not that is the fact, and then I shall withdraw my reservation of objection.

Mr. THOMAS. Our distinguished friend who will soon leave us and go to the Senate has stated it correctly. Of course, the language that was stricken on the point of order by the gentleman from Arkansas was the budget language. No one raised that question before in committee this morning and, of course, it is subject to a point of order.

Mr. CASE of South Dakota. I withdraw my reservation of objection, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. THOMAS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. THOMAS: Page 9, after line 16, insert "Department of Commerce, maritime activities, ship construction: For the construction of cargo vessels in accordance with the provisions of the Merchant Marine Act of 1936, as amended, $350,000,000."

Mr. THOMAS. Mr. Chairman, that very simple language that you have just heard read appropriating $350,000,000 is exactly the same that we did in about 20 lines in the bill as reported from the committee.

May I give you the history back of it? The language that was stricken on the first point of order took the vitals out of the first half of it, namely, about $126,000,000.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield to the gentleman from Nebraska.

Mr. STEFAN. The gentleman struck some additional language, salaries and expenses. Would that be affected by the present amendment?

Mr. THOMAS. No, sir, because the same amount of money is included in this exact language. Here is the problem, and I will state it to you very frankly. We are trying to build some fast cargo ships. The Maritime Administration, under its new cleaned-house management, I might say, have developed these plans whereby we can build some 20- to 22-knot ships. They will go unescorted.

This is the most economical ship that we can possibly have; not only economical in money but economical in saving manpower of the Navy and everybody else concerned in the escorting of ships. We are told by the Maritime Administration that we need several hundred of these ships. We were also told that they will be built on the Atlantic coast, the Gulf coast, and the Pacific coast, and that it will take 11 to 14 months to build them. I plead with you, my colleagues, we have heard many fine speeches today on national defense. Let us not have it hurled at us again, "Too little, too late." Eleven to fourteen months is a tremendously long time to wait to build these ships. We ought to have them now. Of course, we have 1,600 what we call ugly ducklings laying up on the Atlantic coast, the Pacific coast, and the Gulf coast, last war's ships. Certainly we used poor judgment in building them, because we cannot give them away now. Industry cannot use them. They are too slow. They will make only 10 knots. They have to go escorted, and when they go escorted, they make only 7½ knots. It has been testified by the experts in the Maritime Administration that they are the most expensive ships we can possibly have. Of course, we are going to use most of them. We are going to use them where the ships do not have to go escorted, and bring in such materials as bauxite and other heavy, bulky cargoes, moving the ships up and down our coastlines, to South America, and so forth. This is purely a national defense item. The subcommittee voted for it unanimously, and it was adopted by the full committee. I ask your support of it.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. PHILLIPS of California. Mr. Chairman, I rise to support the chairman of the subcomimttee in his statement, and in his request that this amendment be adopted. The Maritime Commission, under new leadership and direction, went to the Budget Bureau and then came to the Congress asking for an extension of time in order that they might use all funds available at the present time to build a new and faster type of cargo ship. The motion of the gentleman from Arkansas was to strike out that request and to stop the building of any new-type vessels after December 31 of this year. I do not believe that was his intention. I believe he would have offered some substitute motion. The subcommittee hearing the evidence from the present Maritime direction realized that the figures had

DIGITIZED BY THE INTERNET ARCHIVE IN COOPERATION WITH UNIVERSITY OF MINNESOTA LIBRARIES

been made up by the Bureau of the Budget prior to the present break in the war situation in Korea, and we decided it was necessary to give the Maritime Commission permission, and money, to start building more of the faster type ships if we are to have them available for the use of men and materials when they will be needed.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. PHILLIPS of California. Mr. Chairman, I move to strike out the last word.

Continuing my statement, Mr. Chairman, the subcommittee, therefore, feeling that this was a matter of time if we are to have vessels ready, when it would take a year or more to build them, and if it is necessary to open shipyards in order to build them. It will be necessary to have enough ships under construction to keep the work going and train the men, so we felt that it was desirable to give this agency more money than actually had been requested by a Budget Bureau which had acted upon a situation prior to the present situation in Korea.

I hope, therefore, that the House will vote as the Appropriations Committee voted upon the same matter in the committee meeting this morning, and vote to adopt the amendment offered by the gentleman from Texas [Mr. THOMAS].

Mr. NORRELL. Mr. Chairman, I rise in opposition to the amendment.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

Mr. NORRELL. I yield.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in not to exceed 10 minutes after the expiration of the time of the gentleman from Arkansas, one-half of the time to be controlled by the gentleman from Missouri and one-half by the gentleman from New York [Mr. TABER].

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. THOMAS. I object.

Mr. NORRELL. Mr. Chairman, the membership of the House is entitled to know why the point of order was made a while ago on the two paragraphs. Of course there is no law authorizing such appropriation. The reason there is not is that the budget which was submitted to the committee contained no estimate for these ships. It did contain a fine all-around program of shipbuilding and other national-defense articles. There was no budget estimate for this amount. If this amendment is adopted there will be no estimate from the budget providing the $350,000,000 involved here. It is not in the President's budget. It has been vetoed by the Joint Chiefs of Staff of the defense forces of the United States. There is a reason for that, and the reason is that there are now in storage over 2,000 commercial ships not being used. They do not need them and have not even called them out yet. Are we going to spend $350,000,000 not authorized by the President, not mentioned and provided by the budget, and vetoed by the Joint Chiefs of Staff at a time when we have over 2,000 commercial ships in storage and not in use I say to you that we should follow the recommendation of the Joint Chiefs of Staff with reference to the activities of the War Department during this war.

Mr. TABER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, this is an item which the committee has put in with a budget estimate. My understanding of the actual situation is that the Maritime Commission has made a contract for a set of plans which perhaps are not quite completed, with the Bethlehem Steel Co., shipbuilding division. They propose to build a ship which will have a speed of 20 knots.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. THOMAS. May I say to my friend I think he is in error when he says there was no budget estimate. There was a budget estimate for 16 of the ships. Your subcommittee, and incidentally the gentleman from Arkansas did not hear one word of that testimony, and is not a member of the subcommittee. As I was saying, your subcommittee took that budget estimate and built it up and authorized 34 more, making a total of 50 on the theory that we should not be too little and too late.

Mr. TABER. I think that is correct. They expect that these ships will cost $6,000,000 each, but for budget purposes they want $7,500,000. I would be willing to go ahead on what the Budget suggested, just about $100,000,000; but when you make it two hundred and fifty or three hundred and fifty million more than the Budget asked for, for a ship that has never been built and nobody knows how well it will work, it is a little difficult for me to follow that kind of business. It looks to me as if they were asking so much money that they would be so cumbersome in their operation and so ridiculous in going into things that have not been tried on a very large scale, that we ought not to do it. I hope the amendment will not be agreed to.

Mr. PHILLIPS of California. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. PHILLIPS of California. The gentleman from Arkansas [Mr. NORRELL] made the statement that we had available at the present time several thousand vessels. I would like to ask the gentleman if he knows exactly, so that a correction can be made on that.

Mr. TABER. I think we have 1,600 so-called Liberty ships in mothballs, ready to be fixed up.

Mr. PHILLIPS of California. Not necessarily in mothballs, but just lying around.

Mr. TABER. Well, they are supposed to be ready. Then they have about 125 of the so-called Victory ships that have not been placed in commission.

Mr. PHILLIPS of California. How fast are those ships?

Mr. TABER. Oh, they are perhaps 15 knots.

Mr. PHILLIPS of California. In other words, the Liberty ship is the slowest ship, and that will make about 10 knots, and the other about 15.

Mr. TABER. That is correct.

Mr. PHILLIPS of California. Those results are not satisfactory in wartime, are they?

Mr. TABER. Neither are the others that are designed, because the snorkel submarines are supposed to go 26 knots. These that are designed are only supposed to go 20 on a surface run, and once in a while, under forced draft, 21 or 22. That is where the trouble comes in. You are asking for a more expensive ship than the ones you have got, and you are not solving the question.

Mr. REDDEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. REDDEN. The gentleman from Arkansas [Mr. NORRELL] said the Joint Chiefs of Staff vetoed the production of these ships. Could the gentleman tell us on what ground they vetoed the production of these ships?

Mr. TABER. Well, I do not know whether they vetoed it or not. All I know is that they approved the budget with an estimate for about 15 of these ships. I may be wrong. It may be 16, or something like that, whereas this would call for something like 70.

The CHAIRMAN. The time of the gentleman from New York [Mr. TABER] has expired.

Mr. CANNON. Mr. Chairman, I move that all debate on this amendment, and all amendments thereto, do now close.

The CHAIRMAN. The question is on the motion offered by the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. GORE) there were—ayes 83, noes 114.

So the motion was not agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. THOMAS) there were—ayes 42, noes 61.

So the amendment was rejected.

Mr. HAND. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HAND: On page 9, after line 17, insert a new paragraph to read as follows:

"Federal assistance in major disasters: To carry out Public Law 875, Eighty-first Congress, an act to authorize Federal assistance to States and local governments in major disasters, and for other purposes, approved September 30, 1950, the sum of $5,000,000."

Mr. HAND. Mr. Chairman, this amendment really is offered in a sense to test the good faith of our body and of the administration. On September 30, 1950, the act was passed, Public Law 875, which provided for Federal assistance to States and local governments in the event of a major disaster.

Section 2 of that act defines a major disaster to mean a flood, hurricane, storm, or other catastrophe in any part of the United States which in the determination of the President threatens to be of sufficient severity to warrant Federal aid.

Whether or not you agree with the wisdom of passing the act, it was passed by the Congress and approved without any substantial opposition on September 30, 1950. A very short time after it

was approved, in fact, November 25, 1950, a storm of almost unexampled severity struck in virtually all parts of the United States. I am concerned with the effects of that storm which devastated large areas in my district, not only for the district which I represent, but for other districts which were likewise severely affected by the emergency. For example, part of my district is now flooded with water. There are required sand bags at least as an emergency measure to prevent further floods. There is a very considerable loss of life in one of my counties on the Delaware Bay shore. There has been a tremendous loss involving millions of dollars of property on the Atlantic shore in my area.

As I say, whether or not you feel this type of legislation is such that the Congress ought to pass or whether you feel the States should take care of their own emergencies, even though they may be of a catastrophic nature, the fact is that the Congress passed that Act. After the storm on November 25, we came down to see whether or not we could get relief under the Act which this Congress passed and I found upon inquiry that the administration and the Congress never implemented it by an appropriation of money required and authorized by the act.

Mr. STEFAN. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Nebraska.

Mr. STEFAN. I am somewhat familiar with that act because I, too, have floods in my district, but I believe there are some funds remaining on hand which are not expended as yet. Has the gentleman appeared before the proper agency?

Mr. HAND. I may say to the gentleman from Nebraska that my impression is that under a previous act which was repealed by this act, there were some small funds remaining, but my official information is to the effect that the $5,000,000 authorized by this act which we passed on September 30 have never been appropriated. If we are acting in good faith the appropriation should be made because the act was passed for the very purpose of taking care of the situation which struck many of us on November 25.

Mr. STEFAN. Has the gentleman appeared before an agency to secure some of the unexpended balance or before the committee to ask for an appropriation?

Mr. HAND. I may say to the gentleman that I have not because my impression is the funds remaining are entirely inadequate. Indeed, the funds authorized by this act on a national basis are likewise inadequate.

Mr. RICH. Mr. Chairman, will the gentleman yield?

Mr. HAND. I yield to the gentleman from Pennsylvania.

Mr. RICH. The gentleman will find that funds were appropriated but the President impounded them recently and they cannot be spent for the purpose for which they were intended. It seems to me if we can afford to give money to all these countries all over the world we ought to be able to do something for our own people back in the States of New Jersey, Pennsylvania, and other States.

Mr. HAND. Of course, I certainly agree with the gentleman. I may say further that on wiring the President for action under this act he wrote me a very sympathetic letter saying he would like to act if he could and that he would make an investigation. As I said before, I really want to test our good faith. Did we pass this act on September 30 as merely a useless gesture or merely as a sop to make the localities or States think we were going to do something for them, or did we mean business? If we meant business, here is our opportunity. We are in the emergency now and here is an opportunity to implement that law which we passed by the appropriation of a comparatively small sum compared with the total bill we are discussing. All we ask is $5,000,000.

Mr. Chairman, I ask for favorable consideration of my amendment.

Mr. CANNON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, I rise in opposition to the pending amendment.

Mr. Chairman, this of course is a new program, it is a nondefense item and there is no budget estimate for it. Nor was it included in the program sent down to us by the Defense Department. It may be said further that the weather experienced here in the last few weeks is mild compared with the weather experienced by our armies in North Korea the last few weeks.

This is neither the time nor the bill for an item of this character. I trust the amendment will be rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New Jersey [Mr. HAND].

The amendment was rejected.

The Clerk read as follows:

TENNESSEE VALLEY AUTHORITY

For an additional amount, $64,500,000, to remain available until expended: *Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding.

Mr. TABER. Mr. Chairman, I make a point of order against the proviso on line 9, running down to line 12 on page 11 that it is legislation on an appropriation bill.

Mr. GORE. Would the gentleman withhold the point of order until I could plead with him and give him the reasons why the subcommittee put this in?

Mr. TABER. I will withhold it.

Mr. GORE. The Atomic Energy Commission called upon the Tennessee Valley Authority to build at the quickest possible moment a huge steam plant to furnish power for the gaseous diffusion plant producing uranium—U235—at or near Paducah, Ky. The TVA said that with the greatest possible speed the steam plant could not be producing power as quickly as needed by the AEC production facilities, and that if they were forced to resort to competitive bidding they might not find a supplier who could supply the generators and the turbines quickly enough to meet the emergency schedule. Therefore, this language is necessary in order to meet the urgent dead line given by the Atomic Energy Commission. I plead with the gentleman not to make his point of order.

Mr. TABER. You see, they originally had a budget estimate of $84,000,000; then they dropped down to $75,600,000 and now they are down to $64,500,000.

Mr. GORE. That was the action of the subcommittee as a result of a modification of plan by the AEC.

Mr. TABER. Indicating that they did not know what they were doing. It would seem like, if they followed business methods, they might get down even further. It would seem to me that we should insist on that point of order.

The CHAIRMAN. Does the gentleman desire to be heard further on the point of order?

Mr. GORE. If the gentleman insists on the point of order it must, in my opinion, be sustained, but I do feel that the gentleman will make a grievous error in insisting upon it.

The CHAIRMAN. Does the gentleman from New York insist on his point of order?

Mr. TABER. I insist on my point of order, Mr. Chairman.

The CHAIRMAN. The gentleman from New York makes the point of order that the language referred to is legislation on an appropriation bill. The gentleman from Tennessee concedes the point of order.

The Chair sustains the point of order.

Mr. CASE of South Dakota. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. CASE of South Dakota: Page 11, after line 12, insert a new section, as follows:

"RENEGOTIATION OF CONTRACTS

"SEC. 602. (a) All negotiated contracts for procurement in excess of $1,000 entered into during the current fiscal year by or on behalf of the Atomic Energy Commission and the Tennessee Valley Authority, and all subcontracts thereunder in excess of $1,000, are hereby made subject to the Renegotiation Act of 1948 in the same manner and to the same extent as if such contracts and subcontracts were required by such act to contain the renegotiation article prescribed in subsection (a) of such act. Each contract and subcontract made subject to the Renegotiation Act of 1948 by this section shall contain an article stating that it is subject to the Renegotiation Act of 1948. In determining whether the amounts received or accrued to a contractor or subcontractor during his fiscal year from contracts and subcontracts subject to the Renegotiation Act of 1948 amount in the aggregate to $100,000, receipts or accruals from contracts and subcontracts made subject to such act by this section shall be added to receipts or accruals from all other contracts and subcontracts subject to such act.

"(b) Notwithstanding any agreement to the contrary, the profit limitation provisions of the act of March 27, 1934 (48 Stat. 503, 505), as amended and supplemented, shall not apply to any contract or subcontract which is subject to the Renegotiation Act of 1948.

"(c) The authority, in the Renegotiation Act of 1948, of the Secretary of Defense with respect to contracts entered into by the Department of Defense shall, with respect to

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contracts entered into by the Atomic Energy Commission, be vested in the Atomic Energy Commission, and shall, with respect to contracts entered into by the Tennessee Valley Authority, be vested in the Tennessee Valley Authority."

Mr. CASE of South Dakota (interrupting the reading of the amendment). Mr. Chairman, inasmuch as the balance of the amendment is technical in nature, I ask unanimous consent that the further reading be dispensed with and that it be printed at this point.

The CHAIRMAN. Is there objection to the request of the gentleman from South Dakota?

There was no objection.

Mr. GORE. Mr. Chairman, I reserve a point of order against the amendment.

Mr. CASE of South Dakota. Mr. Chairman, the Members of the House who are familiar with the history of renegotiation during World War II will recognize the term. Early in World War II, by amendment to the Sixth Supplemental Defense Act of 1942, we instituted renegotiation to curb war profiteering. It started as a rather simple amendment but was expanded into a considerable statute. The result of that, however, was that during World War II the Government made recovery of something over $10,000,000,000 in cash, to say nothing of improved forward pricing on new contracts.

When we had under consideration the special appropriation bill in the spring of 1948 to provide for supplemental appropriations for the national defense, and in particular where we provided the additional funds to set up a 70-group air force, the House adopted an amendment I offered which reinstated renegotiation for those funds and any funds consolidated therewith. So, as has been brought out, and as I brought out during the debate on the tax bill the other day, renegotiation is in effect with respect to contracts let by the defense establishment for the Army, Navy, and Air Force because of the funds that have been consolidated with the money that was provided in the special Supplemental Appropriation Act of 1948.

Mr. REED of New York. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield.

Mr. REED of New York. Was that renegotiation confined to the contracts for that 70-group air force?

Mr. CASE of South Dakota. No; it applied to all the money that was provided in that 1948 bill which included other branches of the Defense Establishment. The language in that act also provided that those funds should be consolidated with other funds and the commingling of those funds has continued renegotiation. This was brought out in a colloquy I had with the gentleman from Georgia [Mr. VINSON] when we put into effect some of the first Korean emergency legislation last summer.

This proposal now offered is to extend renegotiation to the Atomic Energy Commission and to the Tennessee Valley Authority.

Mr. THOMAS. Mr. Chairman, will the gentleman yield?

Mr. CASE of South Dakota. I yield to the gentleman from Texas.

Mr. THOMAS. Would the gentleman's amendment do any more than bring the TVA and the Atomic Energy Commission under the terms of the Renegotiation Act?

Mr. CASE of South Dakota. That is all it does. It brings TVA and the Atomic Energy Commission under renegotiation the same as the Defense Establishment is. There is reason for it from the Government's standpoint, and that is so that we shall not permit excessive profits where we are turning vast sums over to the Atomic Energy Commission on estimates that one of their members said in the hearings were high, wide, and handsome.

Mr. THOMAS. If my memory serves me correctly, the Atomic Energy Commission stated at the hearings that they had no objection to being brought under the terms of the Renegotiation Act.

Mr. CASE of South Dakota. That is correct.

Mr. THOMAS. The TVA representatives said that also, but that they would like the privilege of going back to their main office and studying the proposition, later giving us a letter on it. Whether or not they have given us a letter on it I do not know. I have not seen it.

Mr. CASE of South Dakota. I have their letters on it, and the pertinent sentences are:

From a letter by Gordon Dean, Chairman of the AEC, under date of December 11, 1950, I read:

> At the outset we would like to state that the Commission is fully in accord with the objective of renegotiation legislation which is to prevent excessive profits derived from defense contracts. * * * If H. R. 9564 were enacted and if the Commission were brought within its terms, a uniformity of policy and interpretative decisions on renegotiation would result.

The letter from TVA is dated December 8, 1950, and was signed by Gordon R. Clapp, Chairman of the Board. The gist of it is in these sentences:

> While we believe it is less important to the Government to make TVA contracts subject to renegotiation than those of other agencies, we would have no objection to the renegotiation of our contracts if the renegotiation proceedings were conducted by some other agency or agencies. We understand that it has been the policy in the past for the Government agency having the largest volume of contracts with a particular supplier to handle the renegotiation proceedings with that supplier for all Federal agencies.

From the standpoint of the contractor, this amendment should be in the bill, because many of the construction contractors are doing business with the Defense Establishment where the contracts are subject to renegotiation, but if they build for the Atomic Energy Commission they are not subject to renegotiation on that portion of their business. Their whole business should be treated alike from the standpoint of the contractor and from the standpoint of the Government.

This is one way to curb excessive war profits; it is an essential step in the prevention of excessive war profits.

Mr. REED of New York. Mr. Chairman, will the gentleman yield further?

Mr. CASE of South Dakota. I yield.

Mr. REED of New York. Is there not another reason, that it is an emergency and the contractors do not know themselves how much their profits or losses will be?

Mr. CASE of South Dakota. That is exactly true.

Mr. REED of New York. Consequently the Defense Department tells them to go ahead regardless, and they will adjust it later.

Mr. CASE of South Dakota. Yes. That was the origin of renegotiation, to have a device where we could keep up all speed and yet make it possible to protect the Government. The subcommittee discussed this matter. It was brought to the attention of the agencies in our hearing. The amendment is offered with the approval of the gentleman from Texas, the chairman of our subcommittee. It has been drafted by those who are familiar with existing law and who are experienced in such matters. It seeks simply to put the contracts of the Atomic Energy Commission and the Tennessee Valley Authority under the same law that applies to the funds of the Defense Establishment.

I ask for the adoption of the amendment.

Mr. GORE. Mr. Chairman, I seek recognition and further reserve my point of order.

Mr. Chairman, the amendment offered by the distinguished and able gentleman from South Dakota, is a lengthy, complicated, and far-reaching one. I have tried to read and analyze it at the Clerk's desk. It contains some 250 or 300 words of technical language. It operates as an amendment of the renegotiation law. That is a subject which is even now being considered by the Committee on Ways and Means. I am sure the distinguished gentleman has a worthy purpose in mind. I do not know that I would disagree in any respect with the objective which he seeks, but I am not sure what the objective is and I am not sure what the effect will be, nor do I believe any Member of this body, other than perhaps the author of the amendment himself, has such knowledge. Therefore, I feel, in the name of orderly procedure, we should not adopt here by way of a quickie amendment a far-reaching amendment to the renegotiation law, which I favor.

Mr. CASE of South Dakota. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield; but before the gentleman speaks, may I take this opportunity to congratulate the gentleman and the people of his State upon the promotion given to him and the great honor that has come to him. I want to say that although the gentleman's retirement from this body will be a great loss, the other body will gain a most valuable Member who in due time will become one of its outstanding and most valuable Members.

Mr. CASE of South Dakota. Mr. Chairman, when a gentleman prefaces his yielding to another gentleman with language like that, it always cramps the style of the Member who is yielded to in making a point which in any sense modifies the earlier remarks of the gentleman yielding.

Mr. GORE. Having served on the committee with my beloved friend for so long I know how delicately he can cramp a man's style. But I am not attempting to do so in this case. My remarks are genuinely and sincerely made.

Mr. CASE of South Dakota. Nevertheless, Mr. Chairman, I do appreciate very much the remarks of the gentleman. I cannot at this time take the time of the House to respond in that particular but I certainly do appreciate them and as well as the other very many kind remarks that Members have been making, either personally or in the deliberations of this body at various times.

However, Mr. Chairman, with respect to this matter, I was hoping the gentleman would not insist upon his point of order in order that the matter might go before the other body. Renegotiation of contracts started that way. The very first amendment which instituted renegotiation was a very simple one which did not have very much detail in it. But it was accepted by the House in March of 1942, and the details were worked out by the other body.

As a result of that we accomplished great savings. If we do not do this at this time then these contractors who are getting these contracts will not be on notice, and the contracts will not carry the clause proposed in the amendment that every such contract shall carry a clause making it subject to the Renegotiation Act of 1948. In view of the fact that the defense establishment is operating under that, and in view of the fact further that the Atomic Energy Commission and the TVA people both in their correspondence have said that they are in favor of the principle and have no objection to coming under the renegotiation law, I was hoping the gentleman would not insist upon his point of order, and permit it to be initiated at this time.

Mr. GORE. In reply, permit me to say I have no objection to the objectives which I think the gentleman has in mind. However, it is not the TVA or the Atomic Energy Commission which by this amendment will be brought under the renegotiation law. It is an amendment of the renegotiation law the extent of which is not now apparent to me. It is a far-reaching amendment, and I believe the Committee on Ways and Means, representing this body, will give careful consideration to the proposal and will report proper legislation covering the matter very soon. In fact, the committee has already completed hearings on the subject.

Mr. CASE of South Dakota. This does not amend the renegotiation law except to bring the Atomic Energy Commission and the TVA under it. It does not change the way it operates at the present time with respect to the Defense Establishment.

Mr. GORE. Again, let me say that the renegotiation law applies to contracts. It is not a question of applying it to Government agencies.

Mr. CARROLL. Mr. Chairman, will the gentleman yield?

Mr. GORE. I yield.

Mr. CARROLL. Will the $18,000,000 we are about to vote on be subject to the renegotiation clause which existed in other appropriation bills?

Mr. GORE. To the extent that the renegotiation law would apply; yes. The committee of which the gentleman is a distinguished member will, I am advised, soon have the whole question of the renegotiation law under further study.

Mr. CARROLL. If the gentleman will permit one further question with reference to the military program in this appropriation bill. Is it subject to renegotiation legislation existing in other appropriation bills at the present time?

Mr. GORE. I believe that statement is true with respect to a large percentage of the bill.

Mr. Chairman, I insist on the point of order.

Mr. CASE of South Dakota. The $17,000,000 will be subject to renegotiation, but the billion for TVA and the Atomic Energy Commission will not be.

The CHAIRMAN. The gentleman from South Dakota [Mr. CASE] has offered an amendment which has been reported. The gentleman from Tennessee [Mr. GORE] has made a point of order against the amendment, on the ground that it contains legislation on an appropriation bill.

Mr. CASE of South Dakota. Mr. Chairman. I concede the point of order.

The CHAIRMAN. The gentleman concedes the point of order, and therefore the Chair sustains the point of order.

The Clerk will read.

The Clerk read as follows:

AIRCRAFT AND RELATED PROCUREMENT

"Aircraft and related procurement", including construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; electronic and communication equipment, detection and warning systems, and specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the aprpoval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents, transportation of things and personal services in the field; to remain available until expended; $2,114,700,000: *Provided*, That the aircraft procurement program heretofore established for the fiscal year 1951 is further increased by $2,114,700,000.

Mr. HINSHAW. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, earlier in the day we had the privilege of listening to a splendid address by the gentleman from Tennessee [Mr. GORE].

In order that the record may be kept straight concerning the House of Representatives and its Committee on Appropriations, I would like to read into the RECORD some of the remarks of the Subcommittee on Appropriations dealing with the National Defense Establishment contained in House Report 1797, Eighty-first Congress, second session, filed on March 21, 1950. It reads as follows:

For some 3 or 4 years prior to consideration of the fiscal year 1950 appropriation for the Air Force it had been advocated that a 70-group program was the minimum peacetime Air Force capable of providing adequate security to the United States. Such a program had been supported by Generals Eisenhower and Spaatz, the President's Air Policy Commission, and the Joint Congressional Policy Board. The House of Representatives was strongly behind a program to give to the country an Air Force greater than the 48 groups proposed in the budget estimates for fiscal year 1950. The action of the Congress in enacting the National Military Establishment Appropriation Act, 1950, confirmed its position as to the greater Air Force.

At the conclusion of World War II the Air Force was operating toward a goal of a balanced peacetime establishment capable of meeting the requirements of national security and of providing a proper mobilization potential in the form of a sound and adequate aircraft industry, a trained reserve potential and a physical plant capable of supporting these elements. The core of that establishment was to be composed of 70 first-line groups which gave the name to the entire program, commonly known as the 70-group program.

The 70-group goal had been set while the war was still in progress and it was hoped it could be attained through an orderly reduction from the peak strength of 273 groups reached by the Army Air Force during the war. However, due to the rapid demobilization of the Military Establishment, the Air Force by the end of fiscal year 1947 had been reduced to a level of 38 groups. At this point the trend was halted and the Air Force gradually began to rebuild its strength.

The initial objective was to reach a level of 55 groups by the end of 1947, the groups to be fully manned and to have at least a minimum of training using equipment from World War II, to be in full operational status by the end of fiscal year 1948. The next step toward the 70-group goal was established as a strength of 66 groups to be attained by the end of fiscal year 1949, the remaining 4 groups to be activated during fiscal year 1950.

The reports of the two governmental policy groups referred to above, published during the early part of 1948, were important factors in substantiating Air Force policy and the thinking of the Congress in these regards. Both reports recommended prompt action to recreate the strength of the Air Force through an orderly expansion toward the 70-group goal as the minimum needed to assure national security in time of peace.

During the Eightieth Congress, there was considered a bill authorizing a peacetime 70-group Air Force with a personnel strength appropriate for such a force and including authority to procure 5,200 aircraft a year. The bill had the full approval of those in authority including the President. Under these circumstances the Air Force moved toward an orderly build-up to a 70-group force, including the necessary equipment, personnel, and training to augment the program.

While budget requirements were under consideration for fiscal year 1950, and prior to the submission of the budget to Congress, the President placed specific limitations on the military departments with respect to appropriations for fiscal 1950. These limitations, or ceilings, were well under the amount necessary to carry out the previously planned Air Force programs. To follow the directive required a major reduction in the number of Air Force units and a determination of those areas where reductions could be taken that would least affect the capacity to carry out the program assigned to the Air Force. By the time of committee hearings on the budget estimates it had been determined that

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the budget ceiling would support no more than 48 groups and those groups to maintain maximum capacity to properly perform their assigned tasks would require some changes in composition.

About the time of the hearings on the 1950 budget estimates, the Air Force had reached a level of about 59 activated groups (not fully implemented). A reduction to the 48-group structure would present a problem of cancellation of procurements and earlier-made plans with some loss to the Government. Most careful consideration was given to the matter by the committee and in the interest of efficiency and savings in not losing that which had been acquired toward the 70-group program which, in the judgment of the committee based upon its own knowledge and the advice from such distinguished men and groups as mentioned above, was essential for the defense of the Nation there was passed by the Congress, sent to the White House and signed by the President, a bill carrying funds for the Air Force in excess of the budget estimates.

The Appropriations Committee then said:

In signing the National Military Establishment Appropriation Act, 1950, the President issued a statement indicating objections to the action of the Congress in increasing funds for the Air Force and directing "the Secretary of Defense to place in reserve the amounts provided by the Congress in H. R. 4146 for increasing the structure of the Air Force," which amounted to an item veto, a power not possessed by the President.

Those are strong words, Mr. Chairman. The committee has stated that when the President directed that these funds be placed in reserve, it "amounted to an item veto, a power not possessed by the President."

Then they go on as follows:

Under article I, section 8, of the Constitution of the United States, the following is provided:

"The Congress shall have the power * * * to declare war * * * to raise and support armies * * * to provide and maintain a Navy." It is evident that the Congress is given the responsibility of providing for the national defense.

On the question of increasing the Air Force program from 48 groups to 58 groups, there was much debate and consideration in the Congress over a period of months prior to the adoption of the 58-group program. In other words, the bill which was passed by the Congress and approved by the President embraced the 58-group program, but the impounding of funds by the President reduced the program from a 58-group program to a 48-group program. A major question of policy was determined by the Congress, and funds were provided to implement the policy but the will of Congress was circumvented.

It is perfectly justifiable and proper for all possible economies to be effected and savings to be made, but there is no warrant or justification for the thwarting of a major policy of Congress by the impounding of funds. If this principle of thwarting the will of Congress by the impounding of funds should be accepted as correct, then Congress would be totally incapable of carrying out its constitutional mandate of providing for the defense of the Nation.

In carrying out the Presidential directive to place in reserve the amounts provided in the law for increasing the structure of the Air Force above the budget requests it now appears from information presented to the committee that the amounts of $157,999,000 cash and $577,755,000 contract authority were placed in reserve. These amounts are at variance with the amounts mentioned in the report of this committee and the amount referred to in the message transmitting to Congress the budget estimates for fiscal year 1951. The committee in its report on the fiscal year 1950 appropriation bill indicated that the budget estimates for the Air Force should be reduced by $51,000,000 through reductions in such fields "as civilian personnel, civilian and military travel, subsistence, clothing and equipage, transportation, economies, and price trends being taken into account."

After explaining the specific reductions in the amount of $51,000,000 the committee plainly stated in its report that the Air Force program was to be increased above the budget estimate in the amount of $800,000,000 plus the above amount, which together would provide funds in the amount of $851,000,000 to accelerate the Air Force program "of which $208,067,000 is in cash and the balance is in contract authorization."

The President in his message to the Congress submitting the 1951 budget in referring to the aircraft procurement program and its costs stated:

"This contemplates that $851,000,000 of 1950 authorizations being held in reserve will be applied against requirements for aircraft to be contracted for in 1951."

Based upon these facts and the direction of the President to the effect that there should be placed "in reserve the amounts provided by the Congress * * * for increasing the structure of the Air Force," it follows that the specific sums of $208,067,000 cash and $642,933,000 contract authority should have been placed in reserve. It now appears from information submitted to the committee (hearings, p. 1313) that the amounts of $157,999,000 cash and $577,755,000 contract authority were placed in reserve, which leaves a difference of $40,068,000 cash and $65,178,000 contract authority.

The committee inquired:

"Mr. MAHON. * * *

"Having failed to secure the 58-group program—at least, the beginning of the 58-group program—the next question arises as to our position now. Are we now in possession of a 48-group program and is our level of aircraft procurement and our level of training and our level of operation such that we can and will, moving in the direction we are now moving, maintain a 48-group program? I would like a well-considered answer to that.

* * * * *

"Let me restate this to see if I exactly understand. The present program before this committee, if projected from year to year, which is a program of about $1,350,000,000 for Air Force procurement, would not bring about or maintain a modern 48-group program.

* * * * *

"By how much do we miss the mark?"

The answer submitted to the committee is as follows:

"Assuming an annual availability of $1,350,000,000 for aircraft procurement, it is estimated that the following states of aircraft inventory modernization will exist at the end of fiscal year 1956. These figures are applicable against the first-line inventory requirements of 48 United States Air Force and 11 Air National Guard groups.

"United States Air Force and Air National Guard groups: First line, 42 groups; second line, 17 groups; total, 59 groups."

In other words, at the rate of aircraft procurement in the present bill, instead of having 48 modern groups in the United States Air Force in 1956, we would have 42 first-line groups. It should be carefully noted that the 59 groups above referred to include the Air National Guard.

Under the budget as submitted to the Congress for fiscal year 1951 it is stated that the strength of the Air Force is to be—

"It is contemplated that the active Air Force will be organized into 48 groups and 13 separate squadrons, approximately its present strength. The Air National Guard and Air Force Reserve will be organized into 27 groups and 25 base wings, respectively."

Thus it will be noted that a projection of the same amount of funds annually for aircraft procurement will produce at the end of fiscal year 1956 a lesser number of modernized groups than is contemplated under the present program for fiscal year 1951. World conditions do not indicate that such a downward trend is justified and it is the opinion of the committee that a restudy and revaluation of military strength projected into future years should be made.

I reiterate, as has been said here before, this Congress and its predecessors have voted not only every dime for national defense which has been requested by the Executive, but it has also increased the amounts both before and since World War II, and since the war certainly those additional moneys for the purchase of modern aircraft for the Air Force have been placed in reserve until Korea happened. But not until Korea was it recognized by the executive department of this Government that we needed to increase our Military Establishment pending events which we here all foresaw. The House of Representatives can congratulate itself on having been foresighted even beyond any foresight evidenced or displayed by the executive department while we commiserate with our country and the armed services over our woeful lack of preparedness at this critical hour.

The Clerk concluded reading the bill.

Mr. WHITE of California. Mr. Chairman, I am going to vote for this bill to arm this Nation, but I should like to offer a humble suggestion for a change in basic policy for the Nation.

In my opinion, we have enough to do to enforce the Monroe Doctrine to protect the Western Hemisphere from aggression.

I am opposed to sending our sons to die all over the world in a war that solves nothing more than did World Wars I and II. We should reduce our commitments to defending this hemisphere. That program we may be able to carry out. The present program of our country trying to stop war wherever it breaks out is insane and foolhardy. I want my sons to live to defend their own country—not to die in a war in foreign fields. I feel sure I speak for many other fathers and mothers in this Nation.

Mr. CANNON. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. COOPER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, had directed him to report the bill back to the House with the recommendation that the bill do pass.

Mr. CANNON. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

Mr. MARCANTONIO. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. MARCANTONIO. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. MARCANTONIO moves to recommit H. R. 9920 to the Committee on Appropriations with instructions to report the bill back to the House forthwith with the following amendment: Page 31, after the period in line 4 insert the following: "*Provided*, That none of the funds appropriated in this act shall be paid to any person, partnership, firm, or corporation which denies equality in employment because of race, color, or creed."

Mr. CANNON. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken and on a division (demanded by Mr. MARCANTONIO) there were—ayes 1, noes 210.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

The bill was passed and a motion to reconsider was laid on the table.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

Mr. PETERSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, for the purposes of irrigating land, delivering water for industrial and municipal use, controlling floods, providing recreation and fish and wildlife benefits, and controlling and catching silt, the Secretary of the Interior, acting pursuant to the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto), is authorized to construct, operate, and maintain the Canadian River reclamation project, Texas, described in the report of the Commissioner of Reclamation approved by the Secretary May 3, 1950, entitled 'Plan for Development, Canadian River Project, Texas,' project planning report No. 5-12.22-1, at an estimated cost of $86,656,000, the impounding works whereof shall be located at a suitable site on the Canadian River in that area known as the Panhandle of Texas. In addition to the impounding works, the project shall include such main canals, pumping plants, distribution and drainage systems, and other works as are necessary to accomplish the purposes of this act. The use by the project of waters arising in Ute and Pajarito Creeks, N. Mex., shall be only such use as does not conflict with use, present or potential, of such waters for beneficial consumptive purposes in New Mexico.

"SEC. 2. (a) Notwithstanding any recommendations in the above-mentioned report to the contrary, only the costs of construction allocable to flood control and, upon approval by the President of a suitable plan thereof, to the preservation and propagation of fish and wildlife, and operation and maintenance costs allocable to the same purposes, shall be nonreimbursable.

"(b) Actual construction of the project herein authorized shall not be commenced, and no construction contract awarded therefor, until (1) the Congress shall have consented to the interstate compact between the States of New Mexico, Oklahoma, and Texas agreed upon by the Canadian River Compact Commission at Santa Fe, N. Mex., December 6, 1950, in conformity with Public Law 491, Eighty-first Congress, and (2) repayment of that portion of the actual cost of constructing the project which is allocated to municipal and industrial water supply and of interest on the unamortized balance thereof at a rate (which rate shall be certified by the Secretary of the Treasury) equal to the average rate paid by the United States on its long-term loans outstanding at the time the repayment contract is negotiated minus the amount of such net revenues as may be derived from temporary water supply contracts or from other sources prior to the close of the repayment period, shall have been assured by a contract satisfactory to the Secretary, with one central repayment contract organization, the term of which shall not exceed 50 years from the date of completion of the municipal and industrial water supply features of the project as determined by the Secretary.

"(c) The repayment contract shall provide, among other things, (1) that the holder thereof shall have a first right, to which right the rights of the holders of any other type of contract shall be subordinate, to a stated share or quantity of the project's available water supply for use by its constituent industrial and municipal water users during the repayment period and a permanent right to such share or quantity thereafter subject to payment of such costs as may be incurred by the United States in its operation and maintenance of any part of the project works; (2) that, subject to such rules and regulations as the Secretary may prescribe, the care, operation, and maintenance of such portions of the pipeline and related facilities as are used solely for delivering such water to the contract holder, and its constituent organizations shall, as soon as is practicable after completion of the municipal and industrial water supply features of the project, pass to the contract holder or to an organization which is designated by it for that purpose and which is satisfactory to the Secretary; and (3) that title to such portions of the pipeline and related facilities shall in like manner pass to the contract holder or its designee or designees upon payment to the United States of all obligations arising under this act or incurred in connection with the project.

"SEC. 3. There are hereby authorized to be appropriated, out of any moneys in the Treasury not otherwise appropriated, such sums as may be required to carry out the purposes of this act."

Mr. GUILL. Mr. Speaker, the spirit of cooperation prevailed today in the House of Representatives and in the other body. They extended to the Panhandle of Texas the opportunity to, some day, realize a dream that will eventually culminate in the construction of the Canadian River dam. The efforts of many men have been put forth in trying to make this dream become a reality. I think this is the time to commend each of them individually, and the people of the Panhandle of Texas can thank the teamwork in the House and the Senate for making this legislation possible.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN of Massachusetts. Mr. Speaker, may I inquire of the majority leader as to the program of next week?

Mr. McCORMACK. On Monday we will have the call of the Consent Calendar, and if any of the following bills do not pass by unanimous consent, they will be taken up under suspension of the rules:

H. R. 9802, granting succession to the War Damage Corporation. That bill comes from the Committee on Banking and Currency.

H. R. 9900, vocational rehabilitation of the armed services, extending Public Law 16, for those in the service now.

H. R. 9911, the Servicemen's Indemnity Act of 1950.

H. R. 8848, a bill providing for a survey of the prisoners of World War II, the effects of undernourishment, and so forth, upon them.

I shall ask unanimous consent that it be in order to consider, on Monday, District bills, and if granted, there will be two bills.

Mr. MARTIN of Massachusetts. The gentleman can do that now.

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that on Monday next it may be in order to consider District bills.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. The first District bill is Senate Joint Resolution 209, the District rent-control bill, extending it in conformity with the national action.

S. 1122, to amend the code relating to children born out of wedlock.

Tuesday is undetermined, but I have no knowledge of any legislation on that date.

On Wednesday we will take up H. R. 9798, the civilian-defense bill. I talked with the chairman of the Committee on

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Armed Services. He expected it to be reported out Monday by his committee and asked me to bring it up Wednesday, which I am doing.

Then there is a public-works bill, H. R. 9893, coming out of the Committee on Armed Services. Chairman VINSON gave me the same information relative to that bill.

Thusday, and Friday are undetermined. Any further program will be announced later, although at this time I know of none.

Mr. MARTIN of Massachusetts. Can the gentleman tell us what the program is for Christmas?

Mr. McCORMACK. I will come to that. Conference reports, of course, may be called up at any time.

In relation to Christmas: The best information I can get on the tax bill in the Senate is that it will be reported out of the Senate committee tomorrow, the report to be filed in the Senate on Monday, with the intention, as I understand, of bringing it up Tuesday. How long it will be debated there, of course, I cannot state; I would not undertake to. But it is hoped that if they get through Wednesday or Thursday at the latest, it will go to conference. If the conference report is not agreed upon by Friday of next week, then it is the intention to bring it up on January 1 and to adjourn from Friday of next week until Tuesday of the following week, from Tuesday until Thursday and from Thursday until January 1.

I have no knowledge of any legislation that would come up the week after next. I think it advisable for us to adopt that procedure even if we could adjourn, say, on Friday next. I think it is perhaps the better procedure for the Congress to be in session rather than taking an adjournment sine die in the light of the situation as it exists.

Mr. MARTIN of Massachusetts. When will the conference on the appropriation bill that we just passed be apt to come up?

Mr. McCORMACK. Probably the chairman can tell us.

Mr. MARTIN of Massachusetts. I yield to the gentleman.

Mr. CANNON. That, of course, will depend on action taken by the Senate. As soon as the Senate messages it back, we will immediately go to conference. That should not be long. I take for granted that will be before the Christmas holidays.

Mr. McCORMACK. That is the best information I can give at the moment, and it is definite. I like to be as definite as I possibly can when giving information to the House.

ADJOURNMENT OVER

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

AMENDMENT OF SECTION 26 (D) (6) OF INTERNAL REVENUE CODE

Mr. CAMP. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9794) to amend section 26 (d) (6) of the Internal Revenue Code.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That Section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(A) Adjustment of net income and resulting tax—years beginning prior to January 1, 1948: If, for any taxable year beginning after December 31, 1940, and prior to January 1, 1948, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in accordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (C), and if the closing inventory of a subsequent taxable year, ending prior to January 1, 1956, reflects a replacement, in whole or in part, of the goods so previously liquidated, the net income of the taxpayer otherwise determined for the year of such involuntary liquidation shall be adjusted as follows:

"(i) Increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost; or

"(ii) Decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods over the aggregate cost thereof reflected in the opening inventory of the year of the involuntary liquidation.

The taxes imposed by this chapter and by chapter 2 for the year of such liquidation, for preceding taxable years, and for all taxable years intervening between the year of liquidation and the year of replacement shall be redetermined, giving effect to such adjustments. Any increase in such taxes resulting from such adjustments shall be assessed and collected as a deficiency but without interest, and any overpayment so resulting shall be credited or refunded to the taxpayer without interest."

SEC. 2. Section 22 (d) (6) of the Internal Revenue Code is amended by the addition of the following:

"(B) Adjustment of net income and resulting tax—years beginning after June 30, 1949: If, for any taxable year beginning after June 30, 1949, and prior to January 1, 1954, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in acordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (D), the net income of the taxpayer otherwise determined for the year of such involuntary liquidation and for the year of replacement shall, with respect to goods involuntarily liquidated, be adjusted as follows:

"(i) Adjustment of net income for the year of involuntary liquidation: (a) Increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost of such goods for the year of involuntary liquidation; or (b) decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of involuntary liquidation over the aggregate cost thereof reflected in the opening inventory of the year of involuntary liquidation; and

"(ii) Adjustment of net income for the year of replacement: (a) Increased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of liquidation over the aggregate replacement cost thereof for the year of replacement; or (b) decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of replacement over the aggregate replacement cost of such goods for the year of liquidation.

As used in this subparagraph, the term "aggregate replacement cost" for the year of involuntary liquidation means the average cost of goods of the kind involuntarily liquidated that were purchased, manufactured, or otherwise produced by the taxpayer during such year or, in the absence of such cost for the year of liquidation, the average cost of such goods purchased, manufactured, or otherwise produced in the latest preceding taxable year in which such purchase, manufacture, or production occurred. If, in any taxable year, goods involuntarily liquidated have been partially replaced and an adjustment has been made for such replacement under subdivision (ii) of this subparagraph, no further adjustment shall be made under subdivision (ii), of this subparagraph with respect to such replaced goods, unless in a year following such partial replacement there has occurred an involuntary liquidation to which the provisions of this subsection are applicable. If the closing inventory of the taxpayer for the last taxable year ending prior to January 1, 1956, does not reflect a complete replacement of the goods involuntarily liquidated, the net income of the taxpayer otherwise determined for the year of involuntary liquidation shall be further adjusted, with respect to the goods not replaced, as follows:

"(iii) Increased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods for the year of involuntary liquidation over the aggregate cost thereof reflected in the opening inventory of the year of involuntary liquidation; or

"(iv) Decreased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost of such goods for the year of involuntary liquidation.

The taxes imposed by this chapter and by chapter 2 for the year of liquidation, for preceding taxable years, for the year of replacement, and for all taxable years intervening between the year of liquidation and the year of replacement, shall be determined or redetermined, as the case may be, giving effect to the adjustments prescribed in this paragraph. Any increase in such taxes resulting from adjustments to net income under subdivisions (iii) and (iv) of this subparagraph shall be assessed and collected as a deficiency but any overpayment so resulting shall be credited or refunded to the taxpayer without interest."

SEC. 3. That section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(C) Definition of involuntary liquidation—years beginning prior to January 1, 1948: The term "involuntary liquidation," as used in this subparagraph, means the sale or other disposition of goods inventoried under the method described in this subsection, either voluntary or involuntary, coupled with a failure on the part of the taxpayer to purchase, manufacture, or otherwise produce and have on hand at the close of the taxable year in which such sale or other disposition occurred such goods as would, if on hand at the close of such taxable year,

be subject to the application of the provisions of this subsection, if such failure on the part of the taxpayer is due, directly and exclusively, (i) to enemy capture or control of sources of limited foreign supply; (ii) to shipping or other transportation shortages; (iii) to material shortages resulting from priorities or allocations; (iv) to labor shortages; or (v) to other prevailing war conditions beyond the control of the taxpayer."

SEC. 4. That section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(D) Definition of involuntary liquidation—years beginning after June 30, 1949: The term 'involuntary liquidation,' as used in this subparagraph, means the sale or other disposition of goods inventoried under the method described in this subsection, either voluntary or involuntary, coupled with a failure on the part of the taxpayer to purchase, manufacture, or otherwise produce and have on hand at the close of the taxable year in which such sale or other disposition occurred such goods as would, if on hand at the close of such taxable year, be subject to the application of the provisions of this subsection, if such failure on the part of the taxpayer is primarily due, directly or indirectly, (i) to foreign governmental restriction of sources of limited foreign supply; (ii) to shipping or other transportation shortages; (iii) to material shortages resulting from priorities, allocations, or Government stockpiling programs; (iv) to labor shortages; (v) to inability because of material shortages to purchase in the customary manner at established prices; (vi) to seizure, or an exercise of the power of requisition or condemnation or the threat or imminence thereof; (vii) to disruption of normal trade relations between countries; (viii) to fires, storms, shipwreck, floods, droughts, crop blights, epidemics, or other casualty, or to theft; or (ix) to other conditions beyond the control of the taxpayer."

SEC. 5. That section 22 (d) (6) of the Internal Revenue Code be amended as follows:

"(E) Replacements: If, in the case of any taxpayer subject to the provisions of subparagraph (A) or subparagraph (B), the closing inventory of the taxpayer for a taxable year, subsequent to the year of involuntary liquidation but prior to the complete replacement of the goods so liquidated, reflects an increase over the opening inventory of such goods for the taxable year, the goods reflecting such increase shall be considered, in the order of their acquisition, as having been acquired in replacement of the goods most recently liquidated (whether or not in a year of involuntary liquidation) and not previously replaced, and if the liquidation was an involuntary liquidation shall be taken into purchases and included in the closing inventory of the taxpayer for the year of replacement at the inventory cost basis of the goods replaced.

"(F) Election irrevocable: An election by the taxpayer to have the provisions of this paragraph apply, once made, shall be irrevocable and shall be binding for the year of the involuntary liquidation and for all determinations for prior and subsequent taxable years insofar as they are related to the year of liquidation or replacement.

"(G) Adjustment in certain cases: If the adjustments specified in subparagraph (A) are, with respect to any taxable year, prevented, on the date of the filing of the income-tax return of the taxpayer for the year of the replacement, or within 3 years from such date, by any provision or rule of law (other than this subparagraph and other than sec. 3761, relating to compromises), such adjustments shall, nevertheless, be made if, in respect of the taxable year for which the aljustment is sought, a notice of deficiency is mailed or a claim for refund is filed, as the case may be, within 3 years after the date of the filing of the income-tax return for the year of replacement. If the adjustments specified in subdivisions (iii) or (iv) of subparagraph (B) are, with respect to any taxable year, prevented, on the date of the filing of the income-tax return of the taxpayer for the last taxable year ending prior to January 1, 1956, or within 3 years from such date, by any provision or rule of law (other than this subparagraph and other than sec. 3761, relating to compromises), such adjustments shall, nevertheless, be made if, in respect of the taxable year for which the adjustment is sought, a notice of deficiency is mailed or a claim for refund is filed, as the case may be, within 3 years after the date of the filing of the income-tax return for the last taxable year ending prior to January 1, 1956. If, at the time of the mailing of such notice of deficiency or the filing of such claim for refund, the adjustment is so prevented, then the amount of the adjustment authorized by this paragraph shall be limited to the increase or decrease of the tax imposed by this chapter and chapter 2 previously determined for such taxable year which results solely from the effect of subparagraph (A) and subparagraph (B), and such amount shall be assessed and collected, or credited or refunded, in the same manner as if it were a deficiency or an overpayment, as the case may be, for such taxable year and as if, on the date of the filing of the income-tax return for the year of the replacement or (if subdivision (B) is applicable) for the last taxable year ending prior to January 1, 1956, as the case may be, 3 years remain before the expiration of the periods of limitation upon assessment or the filing of claim for refund for the taxable year. The tax previously determined shall be ascertained in accordance with section 734 (d). The amount to be assessed and collected under this paragraph in the same manner as if it were a deficiency or to be credited or refunded in the same manner as if it were an overpayment shall not be diminished by any credit or set-off based upon any item, inclusion, deduction, credit, exemption, gain, or loss, other than one resulting from the effect of subparagraph (A) or subparagraph (B). Such amount, if paid, shall not be recovered by a claim or suit for refund, or suit for erroneous refund based upon any item, inclusion, deduction, credit, exemption, gain, or loss, other than one resulting from the effect of subparagraph (A) or subparagraph (B)."

Mr. CAMP. Mr. Speaker, I offer a committee amendment:

The Clerk read as follows:

Committee amendment offered by Mr. CAMP: Strike out all after the enacting clause and insert the following: "That section 22 (d) (6) (relating to the involuntary liquidation and replacement of elective inventories) of the Internal Revenue Code is hereby amended as follows:

"(a) By amending the title of subparagraph (A) thereof to read as follows:

"'(A) Adjustment of Net Income and Resulting Tax.—Years beginning prior to January 1, 1948.'

"(b) By striking out in subparagraph (A) thereof 'January 1, 1951' and by inserting in lieu thereof 'January 1, 1953.'

"(c) The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1940.

"SEC. 2. Liquidations in taxable years beginning after December 31, 1949, and prior to January 1, 1954.

"(a) In general: Section 22 (d) (6) of the Internal Revenue Code is hereby amended by the addition of the following subparagraph:

"'(F) Years Beginning After December 1, 1949, and prior to January 1, 1954.

"'(i) Adjustment of net income and resulting tax: If, for any taxable year beginning after December 31, 1949, and prior to January 1, 1954, the closing inventory of a taxpayer inventorying goods under the method provided in this subsection reflects a decrease from the opening inventory of such goods for such year, and if the taxpayer elects, at such time and in such manner and subject to such regulations as the Commissioner with the approval of the Secretary may prescribe, to have the provisions of this paragraph apply, and if it is established to the satisfaction of the Commissioner, in accordance with such regulations, that such decrease is attributable to the involuntary liquidation of such inventory as defined in subparagraph (B) (as modified by clause (ii) of this subparagraph), and if the closing inventory of a subsequent taxable year, ending prior to January 1, 1956, reflects a replacement in whole or in part, of the goods so previously liquidated, the net income of the taxpayer otherwise determined for the year of such involuntary liquidations shall be increased by an amount equal to the excess, if any, of the aggregate cost of such goods reflected in the opening inventory of the year of involuntary liquidation over the aggregate replacement cost, or decreased by an amount equal to the excess, if any, of the aggregate replacement cost of such goods over the aggregate cost thereof reflected in the opening inventory of the year of the involuntary liquidataion. The taxes imposed by this chapter and by chapter 2 for the year of such liquidation, for preceding taxable years, and for all taxable years intervening between the year of liquidation and the year of replacement shall be redetermined, giving effect to such adjustments. Any increase in such taxes resulting from such adjustments shall be assessed and collected as a deficiency but without interest, and any overpayment so resulting shall be credited or refunded to the taxpayer without interest.

"'(ii) Definition of involuntary liquidation: For the purposes of this subparagraph the term "involuntary liquidation" shall have the meaning given to it in subparagraph (B) and, in addition, it shall mean a failure, as referred to in that subparagraph, on the part of the taxpayer due, directly and exclusively, to disruption of normal trade relations between countries. For the purposes of this subparagraph the words "enemy" and "war," as used in subparagraph (B), shall be interpreted pursuant to regulations prescribed by the Secretary, in such a way as to apply to circumstances, occurrences, and conditions, lacking a state of war, which are similar, by reason of a state of national preparedness, to those which would exist under a state of war.

"'(iii) Application of subparagraphs (C) and (E): Subparagraphs (C) and (E), to the extent that they refer to any taxpayer subject to the provisions of subparagraph (A) or to the adjustments specified in or resulting from the effect of subparagraph (A), shall be as applicable to a taxpayer subject to the provisions of this subparagraph or to adjustments specified in or resulting from the effect of this subparagraph as though they specifically referred to this subparagraph. For this purpose, and with respect to the taxable years covered by this subparagraph, the reference in subparagraph (E) to section 734 (d) shall be taken as a reference to section 450 (d).'

"(b) Effective date: The amendment made by this section shall be applicable with respect to taxable years beginning after December 31, 1949."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AMENDING CHAPTER 26 OF THE INTERNAL REVENUE CODE

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present con-

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sideration of the joint resolution (H. J. Res. 553) amending chapter 26 of the Internal Revenue Code.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That chapter 26 of the Internal Revenue Code is amended by adding at the end of subchapter E a new section designated 3183 to read as follows:

"SEC. 3183. National emergency transfers of distilled spirits.

"(a) Transfers permitted: Under regulations prescribed by the Secretary, distilled spirits of any proof, including alcohol (the term 'distilled spirits' or 'spirits' as hereinafter used in this section shall include alcohol) may be removed in bond in approved containers and pipe lines from any registered distillery including a registered fruit distillery (such registered distillery and registered fruit distillery hereinafter referred to as 'distillery'), internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse to any distillery, internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse for redistillation, or storage, or any other purpose deemed necessary to meet the requirements of the national defense: *Provided*, That any such distilled spirits may be stored in approved tanks in, or constituting a part of, any internal revenue bonded warehouse or industrial alcohol bonded warehouse: *Provided further*, That any such distilled spirits removed to an industrial alcohol plant or industrial alcohol bonded warehouse may be withdrawn therefrom if of a proof of 160 degrees or more for any tax-free purpose, or upon payment of tax for any purpose, authorized by part II of subchapter C; and any such distilled spirits removed to a distillery or internal revenue bonded warehouse may be withdrawn therefrom if of a proof of 160 degrees or more for any tax-free purpose authorized by part II of subchapter C or for any purpose authorized in the case of like spirits produced at a distillery: *Provided further*, That any such distilled spirits, upon removal from a distillery or internal revenue bonded warehouse for transfer to an industrial alcohol plant or industrial alcohol bonded warehouse or for any tax-free purpose authorized by part II of subchapter C, shall be subject to the provisions of part II of subchapter C: *Provided further*, That when any distilled spirits are removed under the provisions of this section to a distillery, industrial alcohol plant, or industrial alcohol bonded warehouse, the tax liability of the proprietor of the distillery, internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse from which the spirits are removed, and the liens on such distillery, industrial alcohol plant, or industrial alcohol bonded warehouse, shall cease; and at and from the time the distilled spirits leave the distillery, internal revenue bonded warehouse, industrial alcohol plant, or industrial alcohol bonded warehouse the tax shall be the liability of the proprietor of, and the liens shall be transferred to the premises of, the distillery, industrial alcohol plant, or industrial alcohol bonded warehouse to which the distilled spirits are transferred: *Provided further*, That when any distilled spirits are removed under the provisions of this section to an internal revenue bonded warehouse the proprietor of such warehouse shall be primarily liable for the tax on the spirits at and from the time the spirits leave the premises from which transferred: *Provided further*, That the provisions of section 2901 of the Internal Revenue Code shall apply in respect of losses of any distilled spirits transferred, or removed for transfer, under this section to a distillery or internal revenue bonded warehouse; and the provisions of section 3113 of the Code shall apply in respect of losses of any distilled spirits transferred, or removed for transfer, under this section to an industrial alcohol plant or industrial alcohol bonded warehouse: *And provided further*, That sections 2836, 2800 (a) (5), and 3250 (f) of the Internal Revenue Code shall not apply to the redistillation of such spirits at a distillery nor shall section 2870 of the code apply to the removal of such spirits from any distillery or internal revenue bonded warehouse.

"(b) Exemption from statutory requirements: The Secretary may temporarily exempt proprietors of distilleries, internal revenue bonded warehouses, industrial alcohol plants, or industrial alcohol bonded warehouses from any provision of the internal revenue laws relating to distilled spirits, except those requiring payment of the tax thereon, whenever in his judgment it may seem expedient to do so to meet the requirements of the national defense. Whenever the Secretary shall exercise the authority conferred by this subsection he may prescribe such regulations as may be necessary to accomplish the purpose which caused him to grant the exemption.

"(c) Termination of section: The authority conferred upon the Secretary by this section shall expire 5 years from the date of enactment of this section."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, under existing law the Government may and is presently withdrawing beverage distilled spirits for emergency industrial use in connection with the increased production of synthetic rubber. However, under existing law there is no provision for the transportation in bond, the storage, the denaturalization or distillation of these spirits under internal revenue supervision after the withdrawal free of tax for use in the defense program. House Joint Resolution 553 will make possible the utilization for industrial purposes of distilled spirits produced at beverage distilleries as provided for during World War II. It is of the utmost importance that this be done in order to safeguard the continuation of our production of synthetic rubber.

INCOME TAXES

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution (H. J. Res. 554) amending section 3804 of the Internal Revenue Code.

The Clerk read the title of the joint resolution.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the joint resolution, as follows:

Resolved, etc., That section 3804 of the Internal Revenue Code is hereby amended by adding at the end thereof the following new subsection:

"(f) Additional time to be disregarded: In the case of an individual serving in the Armed Forces of the United States, or serving in support of such Armed Forces, in an area designated by the President of the United States by Executive order as a 'combat zone' for the purposes of section 22 (b) (13), at any time during the period designated by the President by Executive order as the period of combatant activities in such zone for the purposes of such section, or hospitalized outside the States of the Union and the District of Columbia as a result of injury received while serving in such an area during such time, the period of time disregarded under this section, notwithstanding the limitations of subsections (a) and (c), shall include the period of service in such area, plus the period of continuous hospitalization outside the States of the Union and the District of Columbia attributable to such injury, and the next 180 days thereafter."

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, the purpose of this joint resolution is to suspend the time limitations with respect to the performance of acts required under Federal tax laws, including the filing of income-tax returns and the payment of Federal income taxes, where such performance is impracticable or impossible by reason of the service by an individual in the Armed Forces of the United States or in support of such Armed Forces in a combat zone.

The period of time to be so disregarded is the period of service in the combat zone, plus the period of continuous hospitalization attributable to injury received during service in the combat zone, and the next 180 days thereafter.

Under existing law the Commissioner of Internal Revenue does not have the authority to authorize general extensions of time for filing income tax returns and making payment of income taxes by members of the Armed Forces serving in Korea. Since some members of the armed services now in Korea would, under existing law, be required to file an amended declaration by January 15, 1951, prompt enactment of the joint resolution is imperative.

ESTIMATED TAXES

Mr. CURTIS. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9913) to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 145 of the Internal Revenue Code (relating to penalties

with respect to failure to file returns, pay tax, etc.,) is amended by adding after subsection (e) a new subsection (f), as follows:

"(f) In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the penalties prescribed by this section shall not be applicable if the taxpayer failed to meet the requirements of section 294 (relating to substantial underestimate of estimated tax), by reason of the increase in tax on individuals imposed by the Revenue Act of 1950."

SEC. 2. Subparagraph (2) of subsection (d) of section 294 of the Internal Revenue Code is amended by adding at the end of subparagraph (2) a new sentence reading as follows: "In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the additions to tax prescribed by this subsection shall not be applicable if the taxpayer failed to meet the 80-percent and 66⅔-percent requirements of this section by reason of the increase in tax on individuals imposed by the Revenue Act of 1950."

With the following committee amendment:

Strike out all after the enacting clause and insert the following: "That section 145 of the Internal Revenue Code (relating to penalties with respect to failure to file returns, pay tax, etc.) is amended by relettering subsection (e) as subsection (f) and by adding after subsection (d) a new subsection (e), as follows:

"'(e) In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the penalties prescribed by this section shall not be applicable if the taxpayer failed to meet the requirements of section 294 (d) (2) (relating to substantial underestimate of estimated tax), by reason of the increase in normal tax and surtax on individuals imposed by section 101 of the Revenue Act of 1950.'

"SEC. 2. Paragraph (2) of subsection (d) of section 294 of the Internal Revenue Code is amended by adding at the end of paragraph (2) a new sentence reading, as follows: 'In the case of taxable years beginning prior to October 1, 1950, and ending after September 30, 1950, the additions to tax prescribed by this subsection shall not be applicable if the taxpayer failed to meet the 80-percent and 66⅔-percent requirements of this paragraph by reason of the increase in normal tax and surtax on individuals imposed by section 101 of the Revenue Act of 1950.'"

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. CURTIS. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

Mr. CURTIS. Mr. Speaker, the present law requires a taxpayer to estimate his income in advance and pay the tax currently. If during the year he finds that he has underestimated his tax, the law contains provisions for filing an amended estimate. If a taxpayer fails to estimate and pay an amount which is equal to 80 percent of the tax finally found to be due, he is subject to a penalty.

H. R. 9913 provides in substance that if the taxpayer's estimate or declaration is in an amount sufficient to be 80 percent of the tax that would be found due under the tax rates that existed prior to the increase in rates provided in the Revenue Act of 1950, that no penalty will be assessed.

The purpose of this act is to make it unnecessary for a taxpayer to file an amended estimate or declaration if his declaration already filed would not be subject to penalty under the tax rates that existed prior to the 1950 Revenue Act. The passage of this measure will save trouble and expense for millions of taxpayers. It will mean a saving of considerable sums to the Government in that these amended estimates will not have to be received and processed. There will be no loss in revenue to the Treasury. The additional amount of taxes due from an individual will be paid when he files his final return on or before March 15.

AMENDMENT OF SECTION 313 (B) OF THE TARIFF ACT OF 1930

Mr. YOUNG. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8344) to amend section 313 (b) of the Tariff Act of 1930.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 313 (b) of the Tariff Act of 1930 be amended to read as follows:

"(b) Substitution for draw-back purposes: If imported duty-paid sugar; nonferrous metal; ore containing nonferrous metal; flaxseed and/or linseed, and oil, and duty-free or domestic merchandise of the same kind and quality are used in the manufacture or production of articles within a period not to exceed 1 year from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation of any such articles, notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported articles, an amount of draw-back equal to that which would have been allowable had the sugar; nonferrous metal; ore containing nonferrous metal; flaxseed and/or linseed, and oil, used therein been imported; but the total amount of draw-back allowed upon the exportation of such articles, together with the total amount of draw-back allowed in respect of such imported merchandise, under any other provision of law, shall not exceed 99 percent of the duty paid on such imported merchandise."

With the following committee amendment:

Page 1, line 7, strike out "flaxseed and/or linseed, and oil", and insert "flaxseed and linseed, and flaxseed and linseed oil."

The committee amendment was agreed to.

Mr. JENKINS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JENKINS: On page 2, line 7, strike out "flaxseed and/or linseed, and oil", and insert "flaxseed and linseed, and flaxseed and linseed oil."

Mr. JENKINS. Mr. Speaker, as reported out unanimously by the Committee on Ways and Means, the committee amendment at page 1, line 7, applies on page 2, line 7.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

YUGOSLAV EMERGENCY ASSISTANCE ACT

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the managers on the part of the House may have until midnight tonight to file a report on the bill S. 4234.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA—CONFERENCE REPORT

Mr. RICHARDS submitted a conference report and statement on the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

CANADIAN RIVER RECLAMATION PROJECT, TEXAS

Mr. MAHON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. MAHON. Mr. Speaker, I take this one-fourth minute in order to express my deepest gratitude to the Speaker and to Chairman J. HARDIN PETERSON, of the House Committee on Public Lands, and to Mr. MCCORMACK, the majority leader, and to Speaker JOE MARTIN, the minority leader, and to Mr. CRAWFORD and Mr. D'EWART, and all members of the Committee on Public Lands and to the House membership on both sides of the aisle for the favorable action taken today on the conference report on H. R. 2733, the bill providing for the Canadian River project in the Panhandle-Plains area of Texas.

The House approved this measure on August 4, 1949, the bill having been introduced by our former colleague, Hon. Gene Worley, and piloted through the House by him and myself.

The Senate having taken favorable action today, I am pleased to see the House concur in the final version of the bill and I believe that this project will prove to be in the best interests of the Panhandle-Plains area of Texas and the country as a whole. Thanks very much.

EXTENSION OF REMARKS

Mr. BIEMILLER (at the request of Mr. MARSHALL) was given permission to extend his remarks and include some printed material.

Mr. MURDOCK asked and was given permission to extend his remarks and include an address made by the gentleman from Colorado [Mr. ASPINALL].

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three instances and include extraneous matter in each.

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Mr. WIGGLESWORTH asked and was given permission to revise and extend the remarks he made today and include certain tables.

Mr. MAHON asked and was given permission to revise and extend the remarks he made today and include certain tables.

Mr. HINSHAW asked and was given permission to revise and extend the remarks he made today in Committee of the Whole and include certain material from a committee report.

Mr. HINSHAW asked and was given permission to extend his remarks and include a debate between the gentleman from Virginia [Mr. GARY] and himself on the subject of How To Prevent Strategic Materials From Going to the Soviet Bloc.

Mr. POULSON asked and was given permission to extend his remarks in two instances, and in each to include extraneous matter.

Mr. LOVRE asked and was given permission to extend his remarks in two instances and include various articles.

Mr. MACK of Washington asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. SHORT asked and was given permission to extend his remarks and include a newspaper article.

Mr. HAND asked and was given permission to extend his remarks in connection with the appropriation bill.

Mr. REES asked and was given permission to extend his remarks and to include an editorial.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that the committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2734. An act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended; and

H. R. 8136. An act for the relief of Giuseppe Umberto Mantalban-Troy.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 297. An act for the relief of Ruggiero Di Costanzo;

S. 995. An act for the relief of Irene George Livanos;

S. 1344. An act for the relief of Gerda Moller Uldall and her son, Mikkel Moller;

S. 1528. An act for the relief of Elmer Belier;

S. 1816. An act for the reimbursement of the S. A. Healy Co.;

S. 2179. An act for the relief of Stephen A. Patkay and his wife, Madeleine;

S. 2420. An act for the relief of Shaoul Minashi, Emily Shami, Joseph Clement Shami, and Charles Henry Shami;

S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act;

S. 2702. An act for the relief of Louis E. Gabel;

S. 2799. An act for the relief of Johan Wilhelm Adriaans;

S. 2803. An act for the relief of Angela Maria Pisano;

S. 2961. An act for the relief of Magdalena L. Jardeleza, Jr.;

S. 2968. An act for the relief of Chen Hua Huang;

S. 3066. An act for the relief of Dionisio Aguirre Irastorza;

S. 3067. An act for the relief of Andres Aguirre Irastorza;

S. 3091. An act for the relief of Master Stanley (Zachne) Hiller;

S. 3250. An act for the relief of Marne Post, No. 28, American Legion, New Martinsville, W. Va.;

S. 3329. An act for the relief of Kiyomi Kitamura;

S. 3406. An act for the relief of Lee Yee Yen;

S. 3430. An act for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia);

S. 3444. An act for the relief of Victor Francis Oberschall;

S. 3484. An act for the relief of Barbara Sugihara;

S. 3519. An act authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens;

S. 3965. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.;

S. 4072. An act for the relief of Ella Stufka and her son;

S. 4074. An act for the relief of Pamela Bentley; and

S. 4111. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H. R. 7445. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.;

H. R. 8546. An act to amend the Philippine Property Act of 1946;

H. R. 9484. An act to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights;

H. R. 9524. An act to supplement the District of Columbia Teachers' Leave Act of 1949; and

H. R. 9840. An act to exempt furlough travel of service personnel from the tax on transportation of persons.

ADJOURNMENT

Mr. YOUNG. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 31 minutes p. m.), under its previous order, the House adjourned until Monday, December 18, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1782. A letter from the Acting Administrator, Housing and Home Finance Agency, transmitting the Fourth Quarterly Report on the administration of the advance planning program authorized under Public Law No. 352, Eighty-first Congress, approved October 13, 1949; to the Committee on Public Works.

1783. A letter from the Attorney General, transmitting a letter relative to the case of Francesco Romano, file No. A-2927242 CR 27869, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1784. A letter from the Attorney General, transmitting a letter relative to the case of Alexander Sevanik, file No. A-6988687 CR 28064, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1785. A letter from the Attorney General, transmitting a letter relative to the case of Parashos Georgios Spanolios, file No. A-2857898 CR 27032, and requesting that it be withdrawn from those pending before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1786. A letter from the adjutant general, United Spanish War Veterans, transmitting the proceedings of the Fifty-second National Encampment of the United Spanish War Veterans, held in Atlantic City, N. J., September 24–28, 1950, pursuant to Public Law No. 249, Seventy-seventh Congress (H. Doc. No. 736); to the Committee on Armed Services and ordered to be printed, with illustrations.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mrs. NORTON: Committee on House Administration. House Resolution 884. Resolution granting 6 months' salary and $350 funeral expenses to Mrs. Amlye E. Aston, widow of J. Lee Aston, late an employee of the House of Representatives; without amendment (Rept. No. 3192). Ordered to be printed.

Mr. KERR: Committee on Appropriations. H. R. 9920. A bill making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; with amendment (Rept. No. 3193). Referred to the Committee of the Whole House on the State of the Union.

Mr. KING: Committee on Ways and Means. H. R. 3858. A bill allowing the consumer of gasoline to deduct for income-tax purposes, State taxes on gasoline imposed on the wholesaler and passed on to the consumer; with amendment (Rept. No. 3194). Referred to the Committee of the Whole House on the State of the Union.

Mr. HARRIS: Committee on the District of Columbia. S. 1122. An act relating to children born out of wedlock; with amendment (Rept. No. 3195). Referred to the Committee of the Whole House on the State of the Union.

Mr. McMILLAN of South Carolina: Committee on the District of Columbia. Senate Joint Resolution 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended; without amendment (Rept. No. 3196). Referred to the Committee of the Whole House on the State of the Union.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298. Resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3197). Referred to the Committee of the Whole House on the State of the Union.

Mr. HOBBS: Committee on the Judiciary. H. R. 9910. A bill to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; without amendment (Rept. No. 3198). Referred to the House Calendar.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 553. Joint resolution amending chapter 26 of the Internal Revenue Code; without amendment (Rept. No. 3199). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. House Joint Resolution 554. Joint resolution amending section 3804 of the Internal Revenue Code; without amendment (Rept. No. 3200). Referred to the Committee of the Whole House on the State of the Union.

Mr. CURTIS: Committee on Ways and Means. H. R. 9913. A bill to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; with amendment (Rept. No. 3201). Referred to the Committee of the Whole House on the State of the Union.

Mr. YOUNG: Committee on Ways and Means. H. R. 8344. A bill to amend section 313 (b) of the Tariff Act of 1930; with amendment (Rept. No. 3202). Referred to the Committee of the Whole House on the State of the Union.

Mr. DOUGHTON: Committee on Ways and Means. H. R. 8881. A bill to permit educational, religious, or charitable institutions to import textile machines and parts thereof for instructional purposes; with amendment (Rept. No. 3203). Referred to the Committee of the Whole House on the State of the Union.

Mr. RICHARDS: Committee of conference. S. 4234. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency-relief assistance to Yugoslavia; without amendment (Rept. No. 3204). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. WALTER:

H. R. 9919. A bill to redefine eligibility for membership in AMVETS (American Veterans of World War II); to the Committee on the Judiciary.

By Mr. KERR:

H. R. 9920. A bill making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; to the Committee on Appropriations.

By Mr. BURDICK:

H. R. 9921. A bill to amend the act of July 6, 1945, as amended, so as to reduce the number of grades for the various positions under such act, and for other purposes; to the Committee on Post Office and Civil Service.

H. R. 9922. A bill to prohibit age requirements or limitations with respect to the appointment of persons to positions in the competitive civil service during periods of war or national emergency; to the Committee on Post Office and Civil Service.

By Mr. CHELF:

H. R. 9923. A bill to provide that the House of Representatives shall be composed of 450 Members, and for other purposes; to the Committee on the Judiciary.

By Mr. O'BRIEN of Michigan:

H. R. 9924. A bill to authorize a Federal civil defense program, and for other purposes; to the Committee on Armed Services.

By Mr. RHODES:

H. R. 9925. A bill to provide free postage for members of the Armed Forces of the United States; to the Committee on Post Office and Civil Service.

By Mr. ANGELL:

H. J. Res. 551. Joint resolution to provide for the conveyance to Portland, Oreg., of certain property to be maintained by such city as an air-raid shelter during emergencies with the need therefor, and for other public and municipal purposes at all other times; to the Committee on Public Works.

By Mr. LARCADE:

H. J. Res. 552. Joint resolution to amend section 402 of the Defense Production Act so as to require that if price or wage controls are exercised under that section, they be exercised for prices and wages generally and ceilings be set at the levels prevailing from May 24, 1950, to June 24, 1950; to the Committee on Banking and Currency.

By Mr. DOUGHTON:

H. J. Res. 553. Joint resolution amending chapter 26 of the Internal Revenue Code; to the Committee on Ways and Means.

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code; to the Committee on Ways and Means.

By Mr. KEATING:

H. Con. Res. 295. Concurrent resolution for the release of Archbishop Stepinac and the Greek children held by Yugoslavia; to the Committee on Foreign Affairs.

By Mr. CLEMENTE:

H. Res. 885. Resolution providing for investigation of low-flying airliners; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS of Florida:

H. Res. 886. Resolution to provide for a national call to prayer on Sunday, December 24, 1950; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. DOLLIVER:

H. R. 9926. A bill for the relief of Charlie Bodady; to the Committee on the Judiciary.

By Mr. LANE:

H. R. 9927. A bill for the relief of Mering Bichara; to the Committee on the Judiciary.

SENATE

MONDAY, DECEMBER 18, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou Immanuel, God with us, again by Thy grace the journeying months have brought us near to the shining glory of the holy night. Amid the tumult and terror of man's inhumanity to man, we hear anew the tidings of the angels' song and the music that is not of earth.

May an understanding sympathy that knows no boundaries of border or race find lodging even in bitter hearts hardened by cynicism. May a longing for purity that sees God and the Godlike on the common earth be born in minds stained by unhallowed thoughts. Save us from a festivity that knows nothing of receptivity and from decoration that forgets dedication. May the holly of this joyous season enshrine the holy, and its crimson beads be but emblems of the myrrh of sacrifice, the gift of contrite hearts. We ask it in the name of Bethlehem's Babe. Amen.

THE JOURNAL

On the request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, December 15, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the amendment of the Senate to the bill (H. R. 2733) to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas.

The message also announced that the House had passed the following bills and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 8344. An act to amend section 313 (b) of the Tariff Act of 1930;

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code;

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950;

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes;

H. J. Res. 553. Joint resolution amending chapter 26 of the Internal Revenue Code; and

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code.

COMMITTEE MEETINGS DURING SESSION OF THE SENATE

On request of Mr. LUCAS, and by unanimous consent, a subcommittee of the Committee on Public Works was authorized to sit during the session of the Senate today.

On request of Mr. LUCAS, and by unanimous consent, a subcommittee of the Committee on Public Works was authorized to sit this afternoon during the session of the Senate.

AUTHORIZATION FOR COMMITTEE ON FINANCE TO MEET AND FILE REPORT

Mr. KERR. Mr. President, speaking for the chairman of the Senate Finance Committee, the Senator from Georgia [Mr. GEORGE], I ask unanimous consent that the Committee on Finance be authorized to sit during this afternoon, and to file its report during the recess of the Senate.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Carlson	Cordon
Anderson	Chapman	Donnell
Brewster	Chavez	Douglas
Butler	Clements	Dworshak
Byrd	Connally	Eastland

ARMED FORCES INSTITUTE OF PATHOLOGY LIBRARIES

Ecton	Knowland	Nixon
Ellender	Langer	O'Conor
Frear	Leahy	O'Mahoney
Fulbright	Lehman	Pepper
George	Long	Robertson
Gillette	Lucas	Russell
Gurney	McCarran	Saltonstall
Hayden	McCarthy	Smith, Maine
Hendrickson	McClellan	Smith, N. J.
Hickenlooper	McFarland	Smith, N. C.
Hill	McKellar	Stennis
Hoey	McMahon	Taft
Holland	Magnuson	Taylor
Hunt	Malone	Thomas, Utah
Ives	Martin	Thye
Jenner	Maybank	Tobey
Johnson, Colo.	Millikin	Tydings
Johnson, Tex.	Morse	Watkins
Johnston, S. C.	Mundt	Wherry
Kem	Murray	Wiley
Kerr	Myers	Williams
Kilgore	Neely	Young

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER] is absent by leave of the Senate on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Ohio [Mr. BRICKER], the Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

The Senator from New Hampshire [Mr. BRIDGES] is absent on official business.

The Senator from Kansas [Mr. SCHOEPPEL] is detained on official business.

The VICE PRESIDENT. A quorum is present.

CONFERENCE BETWEEN PRESIDENT AND PRIME MINISTER ATTLEE

The VICE PRESIDENT. The question before the Senate is the motion of the Senator from Missouri [Mr. KEM] to proceed to the consideration of Senate Resolution 371.

NOTICE OF CONSIDERATION OF NOMINATION OF ANNA M. ROSENBERG TO BE ASSISTANT SECRETARY OF DEFENSE

Mr. LUCAS. Mr. President, it is my understanding that the Armed Services Committee have reported favorably the nomination of Anna M. Rosenberg a second time. That nomination will be taken up in executive session sometime this afternoon before the Senate finishes its business for the day.

AID TO YUGOSLAVIA—CONFERENCE REPORT

Mr. WHERRY. Mr. President, several Senators have asked about the conference report on the Yugoslav aid authorization bill. Let me inquire whether that is ready.

Mr. LUCAS. I understand that it is.

Mr. WHERRY. Is it possible that it may come before the Senate this afternoon?

Mr. FULBRIGHT. It is intended that it will come to us soon after 12:30 today.

Mr. WHERRY. I thank the Senator very much.

CREDENTIALS

The VICE PRESIDENT laid before the Senate the credentials of THOMAS C. HENNINGS, JR., duly chosen by the qualified electors of the State of Missouri, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, THOMAS C. HENNINGS, JR., was duly chosen by the qualified electors of the State of Missouri a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, Forrest Smith, and our seal hereto affixed at Jefferson City, Mo., this 13th day of December, in the year of our Lord 1950.

FORREST SMITH,
Governor.

By the Governor:
[SEAL] WALTER H. TOBERMAN,
Secretary of State.

The VICE PRESIDENT laid before the Senate the credentials of BOURKE B. HICKENLOOPER, duly chosen by the qualified electors of the State of Iowa, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF IOWA,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, BOURKE B. HICKENLOOPER, of Cedar Rapids, Iowa, was duly chosen by the qualified electors of the State of Iowa a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

In testimony whereof, I have hereunto set my hand and caused to be affixed the great seal of the State of Iowa. Done at Des Moines this 12th day of December in the year of our Lord 1950; of the State of Iowa the one hundred and third, and of the independence of the United States the one hundred and seventy-fourth.

WM. S. BEARDSLEY,
Governor.

By the Governor:
[SEAL] MELVIN D. SYNHORST,
Secretary of State.

The VICE PRESIDENT laid before the Senate the credentials of PATRICK A. MCCARRAN, duly chosen by the qualified electors of the State of Nevada, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF NEVADA,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify, that at a general election held in the State of Nevada on Tuesday, the 7th day of November 1950, PATRICK A. MCCARRAN was duly elected by the qualified electors of the State of Nevada a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January, 1951, having received the highest number of votes cast for said office at said election, as appears by the certificate of the duly constituted and qualified board of canvassers now on file in the office of the secretary of state at Carson City, Nev.

In testimony whereof, I have hereunto set my hand and caused the great seal of State to be affixed at Carson City, this 6th day of December, in the year of our Lord 1950.

VAIL PITTMAN,
Governor.

By the Governor:
[SEAL] JOHN KOONTZ,
Secretary of State.
By MURIEL LITTLEFIELD,
Deputy.

Mr. ELLENDER presented the credentials of RUSSELL B. LONG, duly chosen by the qualified electors of the State of Louisiana, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF LOUISIANA,
EXECUTIVE DEPARTMENT.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1950, RUSSELL B. LONG was duly chosen by the qualified electors of the State of Louisiana a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, Earl K. Long, and our seal hereto affixed, at Baton Rouge, this 13th day of December, in the year of our Lord, 1950.

EARL K. LONG,
Governor.

By the Governor:
[SEAL] J. R. NELSON,
Assistant Secretary of State.

Mr. MARTIN presented the credentials of JAMES H. DUFF, duly chosen by the qualified electors of the State of Pennsylvania, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

COMMONWEALTH OF PENNSYLVANIA,
GOVERNOR'S OFFICE.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November, 1950, JAMES H. DUFF was duly chosen by the qualified electors of the Commonwealth of Pennsylvania a Senator from said Commonwealth to represent said Commonwealth in the Senate of the United States for the term of 6 years, beginning on the 3d day of January, 1951.

Witness: His Excellency, our Governor, JAMES H. DUFF, and our seal hereto affixed at the city of Harrisburg, Pa., this 6th day of December, in the year of our Lord 1950.

JAMES H. DUFF.

By the Governor:
[SEAL] GENE SMITH,
Secretary of the Commonwealth.

UNIVERSITY OF WYOMING LIBRARIES

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask unanimous consent that Senators may be permitted to introduce bills and submit petitions, memorials, and other routine matters for the RECORD at this time, without engaging in debate.

The VICE PRESIDENT. Without objection, it is so ordered.

DISPOSITION OF EXECUTIVE PAPERS

The VICE PRESIDENT laid before the Senate a letter from the Archivist of the United States, transmitting, pursuant to law, a list of papers and documents on the files of several departments and agencies of the Government which are not needed in the conduct of business and have no permanent value or historical interest, and requesting action looking to their disposition, which, with the accompanying papers, was referred to a Joint Select Committee on the Disposition of Papers in the Executive Departments.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the committee on the part of the Senate.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A telegram embodying a resolution adopted by the governing board, Cooperative Bureau for Teachers, New York, N. Y., signed by Rosemary Park, chairman, relating to the assignment of manpower under universal military service; to the Committee on Armed Services.

A petition signed by Glenn Samson, and sundry other citizens of Bancroft, Nebr., relating to the recall of veterans into the armed services; to the Committee on Armed Services.

A resolution adopted by the general assembly of the Council of Jewish Federations and Welfare Funds, Inc., at Washington, D. C., relating to assistance to Israel; to the Committee on Foreign Relations.

A letter in the nature of a petition from the high court, Catholic Order of Foresters, Chicago, Ill., signed by Thomas R. Heaney, high chief ranger, relating to religious persecution in Yugoslavia; ordered to lie on the table.

The memorial of P. R. and Elsie Speckord, of Dundalk, Md., remonstrating against the confirmation of Anna Rosenberg as Assistant Secretary of Defense; ordered to lie on the table.

EXTENSION OF INSTITUTIONAL ON-FARM TRAINING—RESOLUTION OF RICHLAND COUNTY (WIS.) BOARD OF SUPERVISORS

Mr. WILEY. Mr. President, I have received this morning from J. R. Annear, county clerk for Richland County, Wis., a resolution adopted by the board of supervisors of that county on November 1, 1950, pertaining to the vital subject of institutional on-the-farm training for veterans. I ask unanimous consent that the resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

Resolution 10

Resolution pertaining to petitioning Congressmen and Senators of this State to extend institutional on-farm-training law

The benefits to participating veterans of institutional on-farm training have been proven beyond doubt; and

The demand for such training has exceeded the facilities for training and it is certain that hundreds of veterans actively engaged in farming who have appreciated their need for training and have made application for such training will fail to find enrollment by the deadline of July 25, 1951: Therefore be it

Resolved, That whatever steps may be necessary should be taken to grant to those veterans who (1) are actively engaged in farming, (2) have made request for institutional on-farm training, (3) have had their farms surveyed by the nearest instructor in on-farm training, and who (4) have had their individual petition for training considered and approved by their local veterans training committee before July 25, 1951, the status of having been registered for on-farm training and the privilege of entering training on the earliest date training facilities can be provided them, even though such date be subsequent to July 25, 1951, but providing further that all training shall terminate July 25, 1956, per terms of the present law; be it further

Resolved, That the deadline date of July 25, 1951, be extended to include institutional, on-the-job, and apprentice training; be it further

Resolved, That the clerk mail copies of this resolution to the Congressmen from the Third Congressional District and to both Wisconsin United States Senators so that they may be acquainted with the desires of said board.

E. R. KELLER,
ALVA E. MILLER,
GEORGE SMART,
TED JACOBSON,
M. C. KINTZ,
Agriculture Committee.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on the Judiciary; without amendment:

S. 301. A bill for the relief of Joseph Bernstein (Rept. No. 2640);

S. 996. A bill for the relief of Aron Tejbus Birenbaum (Rept. No. 2641);

S. 2458. A bill for the relief of Ruth Obre Dubonnet (Rept. No. 2642);

S. 2488. A bill for the relief of Jan Josef Wieckowski and his wife and daughter (Rept. No. 2643);

S. 2983. A bill for the relief of Nene Baalstad (Rept. No. 2677);

S. 3183. A bill for the relief of Zdenek Marek (Rept. No. 2646);

S. 3222. A bill for the relief of Dr. John Lien-kwei Tsang (Rept. No. 2647);

S. 3291. A bill for the relief of Dr. Shuh-Yuen Liu (Rept. No. 2648);

S. 3309. A bill for the relief of Dr. Alfredo Kraessel (Rept. No. 2649);

S. 3502. A bill for the relief of Ayako Chika (Rept. No. 2650);

S. 3601. A bill for the relief of Victor G. Lutfalla (Rept. No. 2651);

S. 3688. A bill for the relief of Dr. Alexander V. Papanicolau and his wife, Emilia (Rept. No. 2652);

S. 3695. A bill for the relief of Francis Kueen San Thu, Mary Luke Thu, Catherine Thu, Victoria Thu, and Anne Bernadette Thu (Rept. No. 2653);

S. 3703. A bill for the relief of Jacoba van Dorp (Rept. No. 2654);

S. 3841. A bill for the relief of Gertrud Lomnitz (Rept. No. 2655);

S. 3869. A bill for the relief of Sui Ken Fong and Sui Tung Fong (Rept. No. 2656);

S. 3878. A bill for the relief of Valmai Eileen Mackenzie (Rept. No. 2657);

S. 3940. A bill for the relief of John E. Turri and Edward H. Turri (Rept. No. 2658);

H. R. 4256. A bill for the relief of James A. G. Martindale (Rept. No. 2659);

H. R. 5782. A bill for the relief of Mrs. Vera Raupe (Rept. No. 2660);

H. R. 8478. A bill for the relief of Bernard Spielmann (Rept. No. 2661);

H. R. 8868. A bill for the relief of Mary Valsamis Dendramis and Vassili G. Dendramis (Rept. No. 2678);

H. R. 8869. A bill for the relief of Lena Valsamis and Lucy Balosa Valsamis (Rept. No. 2662); and

H. R. 9286. A bill for the relief of Maria Manfrini (Rept. No. 2663).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 2767. A bill for the relief of Yoshiko Fukuda (Rept. No. 2644);

S. 2805. A bill authorizing the naturalization of George Aeton (Rept. No. 2664);

S. 2941. A bill to amend chapter 37 of title 18, United States Code, relating to espionage and censorship (Rept. No. 2638);

S. 2965. A bill for the relief of George Pantelas (Rept. No. 2665);

S. 3077. A bill for the relief of Shizu Fujii and her son, Suenori Fujii (Rept. No. 2645);

S. 3149. A bill for the relief of Irene Garland (Rept. No. 2666);

S. 3155. A bill for the relief of Marie Louise Shiraki (Rept. No. 2667);

S. 3335. A bill for the relief of Joseph Girardi (Rept. No. 2668);

S. 3408. A bill for the relief of Sophie Strauss (Rept. No. 2672);

S. 3572. A bill for the relief of Mrs. George (Wong Tze-yen) Poy (Rept. No. 2669);

S. 3737. A bill for the relief of William Greville Birkett (Rept. No. 2670);

S. 3860. A bill for the relief of Mrs. Okuni Kobayashi (Rept. No. 2671); and

S. 4106. A bill for the relief of Vernon Crudge (Rept. No. 2673).

By Mr. McCARRAN, from the Committee on the Judiciary, with amendments:

S. 3312. A bill for the relief of Noriko Hori (also known as Juliietta Hori) and her daughter, Francis Fay Willie (Rept. No. 2674);

S. 3345 A bill for the relief of Humayag Dildilian and his family (Rept. No. 2675); and

S. 3693. A bill for the relief of Toshi Koike (Rept. No. 2676).

INCREASE IN LIMIT OF EXPENDITURES BY COMMITTEE ON ARMED SERVICES

Mr. JOHNSON of Texas. Mr. President, from the Committee on Armed Services, I report favorably an original resolution, increasing the limitation of expenditures for hearings and investigations by the Committee on Armed Services.

The VICE PRESIDENT. The resolution will be received, and, under the rule, referred to the Committee on Rules and Administration.

The resolution (S. Res. 375) was referred to the Committee on Rules and Administration, as follows:

Resolved, That the first section of Senate Resolution 93, Eighty-first Congress, agreed to June 22, 1949, increasing the limitation of expenditures for hearings and investigations by the Committee on Armed Services, is amended by striking out "December 31, 1950," and inserting in lieu thereof "January 31, 1951.".

ARREST OF WITNESSES WHOSE TESTIMONY IS REQUIRED BY SPECIAL COMMITTEE TO INVESTIGATE INTERSTATE CRIME—REPORT OF A COMMITTEE—MINORITY VIEWS

Mr. McCARRAN. Mr. President, from the Committee on the Judiciary, I report the resolution (S. Res. 368) requiring the issuance of warrants of arrest for certain persons desired as witnesses before the Special Committee To Investigate Organized Crime in Interstate Commerce, with a recommendation that the resolution be referred to the Special Committee To Investigate Organized Crime in Interstate Commerce, and I submit a report (No. 2639) thereon. Accompanying the report are minority views of the Senator from Tennessee [Mr. KEFAUVER], which I ask may be printed with the report.

The VICE PRESIDENT. The resolution will be placed on the calendar, and, without objection, the report will be printed as requested by the Senator from Nevada.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

(Mr. SALTONSTALL introduced Senate bill 4261, to exempt members of the Armed Forces from the tax on admissions when admission is free of charge, which was referred to the Committee on Finance, and appears under a separate heading.)

By Mr. BUTLER:

S. 4262. A bill to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; to the Committee on Finance.

EXEMPTION FROM CERTAIN TAXES BY MEMBERS OF ARMED FORCES

Mr. SALTONSTALL. Mr. President, I introduce for appropriate reference a bill which would exempt the payment of the excise tax by members of the Armed Forces in uniform in the case of an admission free of charge to an entertainment. I do this because I believe that when the person or people giving an entertainment contribute the tickets the Federal Government should be willing to relax the requirement that such free tickets be taxed in the case of men in uniform.

Perhaps the tax should be taken off on all admissions for our men now in uniform and in hospitals, but I certainly believe that the bill which I now send to the desk is a proper approach at the present time for the benefit of our boys in the services.

The VICE PRESIDENT. The bill will be received and appropriately referred.

The bill (S. 4261) to exempt members of the Armed Forces from the tax on admissions when admission is free of charge, introduced by Mr. SALTONSTALL, was read twice by its title, and referred to the Committee on Finance.

HOUSE BILLS AND JOINT RESOLUTIONS REFERRED

The following bills and joint resolutions were severally read twice by their titles, and referred, as indicated:

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; to the Committee on Appropriations.

H. R. 9802. An act to grant succession to the War Damage Corporation; to the Committee on Banking and Currency.

H. R. 8344. An act to amend section 313 (b) of the Tariff Act of 1930;

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code;

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950;

H. J. Res. 553. Joint resolution amending chapter 26 of the Internal Revenue Code; and

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code; to the Committee on Finance.

DEPENDENCE OF THE PEOPLE ON AGRICULTURE—ADDRESS BY SENATOR ELLENDER

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD an address by him on the subject We Must Be Strong, delivered by him December 13, 1950, at Dallas, Tex., before the annual convention of the American Farm Bureau Federation, which appears in the Appendix.]

UNITED STATES OF AMERICA VERSUS STATE OF LOUISIANA—REPLY TO PLAINTIFF'S MEMORANDUM ON PROPOSED DECREE

[Mr. ELLENDER asked and obtained leave to have printed in the RECORD the defendant's reply to plaintiff's memorandum on proposed decree in the case of United States of America versus State of Louisiana, pending in the Supreme Court of the United States, which appears in the Appendix.]

PROPOSED REMOVAL OF SECRETARY ACHESON—STATEMENT BY SENATOR LEHMAN AND NEWSPAPER COMMENT

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD a statement and several editorials and an article relating to the demand by the Republican caucuses of the Senate and House for the removal of Secretary Acheson, which appear in the Appendix.]

THE ROLE OF CENTRAL BANKING—ADDRESS BY THOMAS B. McCABE

[Mr. HILL asked and obtained leave to have printed in the RECORD an address on the subject The Role of Central Banking in Our Free Enterprise Society, delivered by Thomas B. McCabe, Chairman of the Board of Governors of the Federal Reserve System, at the Alabama dinner of the American Newcomen Society, Birmingham, Ala., December 12, 1950, which appears in the Appendix.]

THE WAR WE ARE LOSING—SPEECH BY DR. GEORGE GALLUP

[Mr. FULBRIGHT asked and obtained leave to have printed in the RECORD a speech entitled "The War We Are Losing," delivered by Dr. George Gallup, before the National Municipal League Conference, at Buffalo, N. Y., on November 22, 1950, which appears in the Appendix.]

THE ROSENBERG INQUIRY—ARTICLE BY JOSEPH AND STEWART ALSOP

[Mr. LUCAS asked and obtained leave to have printed in the RECORD an article entitled "The Rosenberg Inquiry," written by Joseph and Stewart Alsop, and published in the New York Herald Tribune of December 17, 1950, which appears in the Appendix.]

HEAVY-HANDED DIPLOMACY MIFFS LATIN UN DELEGATES—ARTICLE FROM WASHINGTON SUNDAY STAR

[Mr. CHAVEZ asked and obtained leave to have printed in the RECORD an article entitled "Heavy-Handed Diplomacy Miffs Latin UN Delegates," written by Edward Tomlinson, and published in the Washington Sunday Star of December 17, 1950, which appears in the Appendix.]

THE ST. LAWRENCE SEAWAY—EDITORIAL FROM THE SUBURBAN LIST

[Mr. AIKEN asked and obtained leave to have printed in the RECORD an editorial entitled "Should Delay No More" written by Milo C. Reynolds and published in the Suburban List, at Essex Junction, Vt., of December 14, 1950, which appears in the Appendix.]

ST. LAWRENCE SEAWAY— ARTICLE FROM THE WASHINGTON SUNDAY STAR

[Mr. THYE asked and obtained leave to have printed in the RECORD an article entitled "St. Lawrence Seaway—Sponsors of Perennial Project Believe It May Be Approved as Step Toward Defense," written by Francis P. Douglas, and published in the Washington Sunday Star, December 17, 1950, which appears in the Appendix.]

SALE OF WAR GOODS TO COMMUNIST CHINA BY BRITISH FIRMS—ARTICLE BY HOWARD NORTON

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD an article by Howard Norton, regarding the sale of war goods to Communist China by British firms, published in the Baltimore Sunday Sun, December 17, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORT OF A COMMITTEE

The following favorable report of a nomination was submitted:

By Mr. McCARRAN, from the Committee on the Judiciary:

John W. Gibson, of Michigan, to be a member of the Displaced Persons Commission.

BERNARD F. ELMERS—CONFERENCE REPORT

Mr. KILGORE. Mr. President, I submit a conference report on the bill (H. R. 4803) for the relief of Bernard F. Elmers, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4803) for the relief of Bernard F. Elmers, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with amendments as follows: Page 1, line 3, strike out "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated" and insert in lieu thereof the following: "That the Secretary of State be, and he is hereby, authorized and directed to pay, out of the funds appropriated for the International Refugee Organization"; Senate amendment numbered 1, in lieu of the sum inserted by the Senate amendment insert

"$12,500"; amendment numbered 2, restore the language "personal injuries and"; and the Senate agree to the same.

HARLEY M. KILGORE,
WARREN G. MAGNUSON,
ALEXANDER WILEY,
Managers on the Part of the Senate.

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
KENNETH B. KEATING,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the report?

Mr. WHERRY. Reserving the right to object, I should like to ask a question. Does the conference language reduce the amount involved?

Mr. KILGORE. No; the conference language increases the amount allowed by the Senate. The conferees were convinced, after conferring with the House, that the House amount as originally allowed was correct, and the conferees agreed to go along with it.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the report was considered and agreed to.

A PLEA FOR NATIONAL UNITY

Mr. McKELLAR. Mr. President, I ask unanimous consent that I may speak for 4 minutes on a matter which I believe will be of considerable interest to all Members of the Senate.

The VICE PRESIDENT. Without objection, the Senator from Tennessee is recognized for 4 minutes.

Mr. McKELLAR. I ask that Senators be seated, to listen to what I have to say; and I thank them heartily for doing so.

Mr. President, for many years the New York Times has printed in its Sunday edition a section entitled "The News of the Week in Review." I buy that newspaper every Sunday, primarily in order to read that section. Whoever prepares it has a master mind. In my opinion, yesterday's section was the best review ever published by that newspaper. I doubt that it could be improved upon. I know that I could not improve upon it. It should be read by every Senator and by every Member of the House of Representatives. It is most regrettable that in this time of trouble and distress it cannot be read by every American citizen. It describes the far eastern situation, the European troubles, the Russian aggression, and does so succinctly, concisely, and accurately, just as I believe those situations to be.

At this point in my remarks, Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks, all of the front page of section 4 of yesterday's edition of the New York Times and the first column and one-half of page 2–E of that section.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

THE NEWS OF THE WEEK IN REVIEW AS PRESIDENT TRUMAN ACTS TO MEET THE CHALLENGE OF COMMUNISM

MOBILIZATION TO MEET THE CHALLENGE

The United States moved last week to meet fully the challenge of international communism. Yesterday, for the second time in a decade, while the United States was not yet at war, a national emergency was proclaimed. Once again the most powerful Nation on earth is to mobilize, to build a mighty armed force, to serve as the arsenal for its allies.

The challenge for the United States last week was undiminished. In Korea the massed forces of Communist China struck savagely in an effort to complete the defeat of American troops fighting under the United Nations banner.

In Europe, the western countries are virtually defenseless in the face of overwhelming Russian might. This week the top diplomatic official of the United States, Secretary of State Dean Acheson, is to meet in Brussels with the Foreign Ministers of the other Atlantic Pact countries. The mission is to launch a real rearmament of the Continent.

In a radio address to the Nation on Friday night, the President spelled out the challenge to the United States and its allies in the strongest terms. Mr. Truman said:

"Danger has been created by the rulers of the Soviet Union. * * * The forces of Communist imperialism burst out into open warfar in Korea. [The Communists] have shown that they are now willing to push the world to the brink of a general war to get what they want. This is the real meaning of the events that have been taking place in Korea. That is why we are in such grave danger."

UNITED STATES ACTS—A STATE OF EMERGENCY

The last time a national emergency was proclaimed in the United States was in May 1941. The British, with their dominions, were fighting alone against the dictators; the Germans were in process of driving them to a "little Dunquerque" from Crete. On the 27th—the day the Royal Navy gave Britain something to cheer about by sinking the battleship *Bismarck*—President Franklin D. Roosevelt said in a fireside chat:

"We will not accept a Hitler-dominated world. * * * I have tonight issued a proclamation that an unlimited national emergency exists."

The proclamation put America's mobilization into second speed; half a year later, with Pearl Harbor, it was to shift into high. In the peak years the Nation was to devote to war as much as $90,000,000,000—nearly half of the National product then—and two-thirds of its industrial capacity. As many as 400,000 young men a month were drafted into the Armed Forces until they totaled more than 13,000,000.

Last Friday night, with America once again the main hope of the free world, President Harry S. Truman said:

"We cannot yield to aggression. * * * I will issue a proclamation tomorrow morning declaring that a national emergency exists."

Mr. Truman's proclamation served notice that it was time for the mobilization against the Communist threat to move into second speed. The question of whether or when the time will arrive for a high-speed mobilization is, of course, the question of a big war.

The President acted at the end of a week in which the sense of urgency in the Capital rose rapidly. At the beginning of the week he held important meetings with Democratic congressional leaders and with his civilian advisers on mobilization. On Wednesday and Thursday he and his highest councilors conferred in extraordinary sessions with congressional chieftans of both parties. There appeared to be broad agreement that in the light of Korea and its implications the Nation must take drastic action—action in military mobilization and in economic mobilization.

ON THE MILITARY FRONT

At the outbreak of the Korean war the United States Armed Forces totaled about 1,450,000 men. Many of these were tied down in various assignments—occupation duty in Germany and Japan, antiaircraft defense of the United States, assignments to schools. On K-day there were only four divisions in the United States that could be sent out of the country.

The Armed Forces now are believed to total around 2,300,000 (the exact figures are secret). National Guard units and Reservists of all three service branches have been called up. For the Army, 210,000 men will have been drafted by the end of this month. Still the shortage of military manpower is extremely acute.

The defense budget has expanded much more rapidly. At K-day it was about $13,000,000,000. Congress has rapidly expanded the figure. A bill being rushed through Congress will put the total close to $42,000,000,000.

On Friday night Mr. Truman said:

"We are expanding our Armed Forces very rapidly. * * * Our next step is to increase the number of men and women on active duty to nearly three and a half million. * * * At the same time we will have a very rapid speed-up in the production of military equipment."

The President's words left much room for speculation about the Government's precise military objectives. According to informed observers, the picture is something like this:

As to manpower, the figure of 3,500,000 used by Mr. Truman indicates an expansion of about 1,200,000. About 21,000 of these will be in 2 National Guard divisions which, it was announced, will be called up in January. The only clues he gave on how long the total expansion would take were that the Army and Navy build-up would take a few months while the Air Force would take somewhat longer. Earlier in the week the Army gave another clue by asking Selective Service for 160,000 men in January and February instead of the 90,000 previously scheduled.

New rules for draft?

Moreover, new draft targets are thought likely to require changes in the draft law and regulations. Theoretically the law provides a draft reservoir of about 8,500,000 men between ages 19 and 26. But many of these are unfit. The law exempts veterans and gives deferments to certain students. The regulations are generous in granting deferments for married men, fathers, and essential workers.

As a result only about 1,000,000 are considered draftable. An additional 500,000 men come into draft age each year. But the feeling is that too little leeway is left for further expansion, if needed. Accordingly the administration may tighten up on deferments and ask Congress to amend the law—by, for example, broadening the age limits, extending the length of service from 21 to 24 months, and cutting down on exemptions.

As to military expenditure, the budget is expected to rise further—perhaps to $50,000,000,000—before the fiscal year ends next June 30. Where it will go from there Mr. Truman did not say. As one indication, however, he said that "within 1 year" from now plane production will quintuple and combat-vehicle production will quadruple.

Mr. Truman stressed that the mobilization was to rearm not only the Unites States but also the western Allies. Yesterday the State Department showed that the field of American concern is still broader by proposing a special conference of the foreign ministers of 21 American Republics.

ON THE ECONOMIC FRONT

Two world wars and the threat of a third have given the President a wide range of extraordinary powers. Notably there is the Second War Powers Act of 1917, amended in 1942. It still holds since World War II still is on officially. Under this and other laws the President has controls over shipping, communications, radio stations, and other fields. There also is the Defense Production

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Act of 1950, enacted last September because of the Korean war. Under it the President has powers to control inflation and make sure defense production gets done.

Up to now Mr. Truman has followed a go-slow policy in using his powers. They have been delegated widely throughout the administration.

The general overseer, as Coordinator of Mobilization, has been W. Stuart Symington, Chairman of the National Security Resources Board. There is a new Economic Stabilization Agency under Alan Valentine, in charge of price and wage controls; it has scarcely functioned. In the Commerce Department there has been a National Production Authority under William H. Harrison; among other things it has fixed quotas on the nonmilitary use of critical materials.

The Federal Reserve Board has restricted bank, consumer, and real-estate credit. The Labor Department has been dealing with manpower; Agriculture, food and farm machinery; Interior, fuels and power; the Interstate Commerce Commission, transportation. Collaterally, Congress has enacted higher income taxes for individuals and corporations, and an additional tax on corporate excess profits is in the works.

Voluntary controls tried

In this set-up two of the President's most drastic powers have been held in abeyance. The Defense Production Act permits him to impose price and wage ceilings—either generally or in selected industries, so long as wage controls accompany price controls. The administration has shied away from them on the ground that voluntary restraints should be given a chance to work.

In recent weeks the pressure for rigid controls has rapidly gathered force. Much of organized labor has won wage increases; these often have been followed by price increases. There have been fears that the wage-price spiral might get out of hand. The critical turn in world events, and the prospect of a far more strenuous American mobilization, have brought a general conviction that stricter controls are in order. If a clincher were needed, it came last Wednesday when General Motors, Ford, and eight other auto firms, asked by Mr. Valentine to withhold price increases on their cars voluntarily, said flatly "No"—higher labor and materials costs made price hikes necessary.

On Friday night Mr. Truman said:

"We can handle this production program, but it will require hard work. It will require us to make a lot of changes in our ordinary ways of doing things. * * * [It] will inevitably push up prices, unless we take positive action to hold them down."

In his speech the President spelled out the specific steps—and yesterday he began the process of putting them into action. These are the steps:

As to organization, Mr. Truman brought the entire economic mobilization under the central control of a new Office of Defense Mobilization. It will have charge of production, procurement, manpower, transportation, and economic stabilization. Its head, formally appointed yesterday, is Charles Edward Wilson, 64, president of General Electric for 11 years who was Vice Chairman of the War Production Board in World War II. (He is not to be confused with Charles Erwin Wilson, president of General Motors, who calls himself "Engine Charley" and his namesake "Electric Charley.")

Mr. Wilson will be free to decide whether to run the mobilization through scattered agencies as now or to merge them into a single agency. He will thus be a czar to a degree no man was in World War II. The closest approximation in that war was James F. Byrnes, who as head of the Office of War Mobilization and Reconversion was called assistant president, but acted mainly as an umpire of interagency disputes.

Ceilings—and autos

As to controls, Mr. Truman said there would be moves at once to control prices of a number of materials and products. Wage controls will go along with the price controls. In addition, Mr. Truman said he would put before Congress still further taxes in order to help prevent inflation and put defense "as nearly as possible on a pay-as-you-go basis."

Last night the Economic Stabilization Agency issued the first price-ceiling order in the new program—and the first since OPA. It rolled auto prices back to the levels of December 1—before the recent increases. They will hold there until March 1, pending a thorough study of auto prices. Meanwhile ESA will study auto-wage stabilization. More price ceilings in other lines are expected to come.

Thus America is to live again, in some measure, the still-fresh memories of a mobilized economy—the shortages, the substitutes, the regulations, the longer working hours and, above all, the young men going away.

The President's proclamation yesterday served not only a legal purpose (it will add a few to his many powers) but also the psychological purpose of driving home to the people the need for the sacrifices ahead. For its part the Nation seemed united in its response to his call:

"I summon all citizens to make a united effort for the security and well-being of our beloved country."

NO QUARTER ON KOREAN BATTLEFIELDS

In Korea the United Nations army is split into two segments separated by 200 miles. Except where UN troops are in firm contact with the enemy, the tactical situation is obscure. It is hidden in a security silence which Tokyo headquarters imposed on Thursday to cloak troop movements. But the strategical picture is clear.

In the south, somewhere along the thirty-eighth parallel, units of Lt. Gen. Walton H. Walker's Eighth Army are deployed in strong points commanding the roads. This staggered defense line stretches from the west coast to the central mountain range. Defenses have also been mounted around the Inchon-Seoul area. Between the parallel and Pyongyang, the capital of North Korea, the Chinese commander, Lin Piao, is massing at least 150,000 men for an attack down the center of the peninsula which is designed to outflank and encircle the UN defenses.

In the northeast Maj. Gen. Edward M. Almond's Tenth Corps holds a narrow beachhead—its radius is less than 6 miles—around the port of Hungnam. Transports are tied up at the piers. Off shore stands the Seventh Fleet. Overhead, Marine and naval fighters are flying cover. Posted around the perimeter is a United States infantry division, fighting off probing attacks and determined to hold the line against an assault by 100,000 Chinese troops which is expected at any minute. The Tenth Corps is being evacuated. The evacuation has been going on all week. How many of the corp's 60,000 men are still in the beachhead is not known.

UN plans secret

What are the future plans of the United Nations high command? These, also, are a closely guarded secret. But one thing is clear. The Chinese Communists now have more than 300,000 men in Korea. In addition, there are nearly 100,000 North Korean troops, already operating in guerrilla bands or in reorganized units behind the front. Against this Communist mass, General MacArthur has 275,000 men.

If Mao's commander in Korea, Lin Piao, throws the full weight of his divisions across the thirty-eighth parallel, it will probably be impossible for the United Nations to hold a defense line across the whole width of the peninsula at the parallel.

It may be that the UN commander will decide to set up beachheads based upon Pusan in the south and Inchon in the west. Ringed with dug-in tanks and heavy artillery, covered by the big guns of the fleet and protected by air power, these beachheads could be held for some time, and could be reduced only at tremendous cost. Furthermore, both Inchon and Pusan—especially the latter—provide good facilities for evacuation if a final withdrawal becomes necessary.

The major fighting last week took place in the northeast. A week ago today Task Force Dog from the United States Third Division crashed through a Chinese roadblock deep in a gorge along the road between Hungnam and Hagaru, and linked up with the Marines and GI's that had fought their way out of the trap around the Changjin Reservoir. Men of the rescuing task force cut left and right of the road and held off 4 Chinese divisions coming in for the kill. Puerto Rican soldiers manned the heights along the canyon. The trucks carrying the Marines and GI's swept through. Last Monday night all the trapped force—between 20,000 and 25,000 men—was safe within the Hungnam beachead. The next morning their rescuers joined them.

Evacuation begins

There was little time to lose. Three strong Chinese columns were surging down upon the beachhead—one along the coast, one behind the marines from Changjin Reservoir, a third between them. Last Wednesday the booms started swinging the tanks and trucks from the piers onto the waiting Victory and Liberty ships; soldiers moved up the gangways. Landing craft and launches put off from the fleet moored in the roadstead—the battleship *Missouri*, several cruisers, five flattops, a large number of destroyers, and auxiliary craft—to pick up more men. As the men were evacuated the outposts began pulling in.

A few hours before dawn on Friday morning came the dread beating of drums and blowing of bugles that herald a Chinese attack. An enemy force of 2,500, including Mongolians on ponies, hit the defense line west of Hungnam. The Chinese objective was the Hungnam airfield. There was bloody hand-to-hand fighting. Two United States platoons—about 100 men—were cut off; one of them was feared lost. Reinforcements were rushed in and the Communists were thrown back. One thousand Chinese lay dead in front of the UN line.

But all day Friday the pressure continued. On Saturday morning UN troops pulled out of the large industrial city of Hamhung, 6 miles northwest of Hungnam, as engineers blew the bridges and drove engines and railway cars into the chasm.

The Third Division, manning the perimeter, is confident it can hold until the evacuation is completed. Then the last rear guards will make a dash for the nearby airstrip and board the waiting planes. The Tenth Corps will have been saved.

NO COMPROMISE IN UN DIPLOMACY

The first Chinese Communist mission to the United Nations—a group of seven men and two women headed by General Wu Hsiu-chuan—arrived at Lake Success 23 days ago. Officially the Chinese came to discuss their charge that the United States' action in throwing a naval blockade around Formosa constituted armed aggression against the Chinese Peoples Republic. But far more than that, General Wu used the UN forum to repeat Russia's bitter denunciations of the United States and the western democracies and to present far-reaching demands. He said, in effect: Get out of Korea. Get out of Formosa. Give us China's seat at the UN.

In private talks with perhaps a dozen delegates, talks initiated in an effort to end

the intervention of Communist China—General Wu has been equally tough. All proposals made to him have met the same response: He nodded and agreed to transmit them to his government.

Wu to the press

Yesterday, for the first time, General Wu called a press conference. He called it in order to announce Peiping's answer to a cease-fire proposal the UN General Assembly had approved. General Wu, in effect, rejected the cease fire. Later it was disclosed that General Wu and his delegation plan to leave Lake Success this week.

The press conference came after a week of United Nations attempts to end the Korean war. These attempts turned on what kind of truce might be acceptable to both sides. The Chinese Communists had demanded what would amount to a "conditional cease-fire." Their price was a definite commitment that the United States would allow Peiping to take Formosa. The United States wanted an unconditional cease-fire. The United States position was that, once the Korean war was ended, we would discuss Formosa in the United Nations—but we would not negotiate at the point of a gun.

On Monday, at Lake Success, a group of Asian and Mideastern delegates led by India's Sir Benegal Rau drafted a package plan of two resolutions which they hoped would constitute a framework for reconciliation of the Chinese and American views. Resolution No. 1 proposed a three-man committee, including Assembly President Nasrollah Entezam of Iran, to "determine the basis on which a satisfactory cease-fire in Korea can be arranged." Resolution No. 2 called for appointment of a committee including the United States and possibly Communist China to draft plans for a general Far Eastern settlement—including Formosa's future status.

Only the first resolution came up for debate last week and only the Russian bloc opposed it. Russia's Jacob Malik called it an "Anglo-American device" designed to give the United States time to regain strength for further aggression. His opposition seemed to indicate that Moscow was pushing China to continue the war.

Entezam, Rau, Pearson

On Thursday the Assembly approved the resolution, 52 to 5. President Entezam then named the two other members of the cease-fire committee—Sir Benegal and Lester Pearson of Canada. On Friday they started sounding out the Americans and the Chinese Communists. On Friday evening General Wu conferred with UN Secretary General Trygve Lie for more than an hour. There were reports that General Wu had threatened to go back to Peiping unless the UN took up the Formosa problem immediately.

This was the background for yesterday's press conference, which was held in the Security Council chamber at Lake Success. General Wu read a four-page statement. He called the cease-fire proposal a trap; he said its real purpose was to tie [our] hands. But he said: "We are willing to try to advise the Chinese volunteers to bring to an early conclusion the military operations which they have been forced to undertake together with the [North] Korean People's Army in their resistance against the United States Armed Forces of aggression."

The Peiping delegation is to fly home on Tuesday. But despite their departure, efforts to work out some kind of cease-fire will continue—if not in the UN, then elsewhere.

AND NOW EUROPE—TO BUILD WEST'S DEFENSES

In Brussels, March 17, 1948—three weeks after the Communist coup in Czechoslovakia pushed Russia's sphere westward—five Western European countries signed an alliance. They were: Great Britain, France, Belgium, the Netherlands, and Luxembourg. The paper they signed said that if any treaty member were attacked all would come to the victims defense. Actually, the five countries had little in the way of military power to put into the field.

In Brussels, tomorrow and Tuesday, there will take place a meeting of the members of a greatly expanded western alliance—the Atlantic pact. The foreign ministers of these countries will attend: the United States, Canada, the five Brussels pact countries, Italy, Portugal, Norway, Denmark, Iceland. The harsh fact is that, while the alliance has grown in numbers, the western powers have not got the armies to put up a serious defense of Western Europe. Russia's devisions, vastly outnumbering the West, could sweep quickly to the Atlantic and the English Channel.

What the pact members hope to accomplish at the Brussels Conference meetings, and at supplementary meetings, is to bring about a real rearmament of the West—including Western Germany. The idea is to provide a deterrent to a march of the Red Army. While the West could never build up enough armed strength to stop the Russians dead in event of war, it could build up a powerful force—powerful enough to show the Russians that an invasion of Western Europe would be a very costly affair. Thus, the theory goes, western rearmament may hold off the Russians.

Foreign ministers prepare

Last week the pact foreign ministers made careful preparations for the Brussels conference. In Washington Secretary of State Dean Acheson, despite the demands of the Korean crisis, spent much time on the European defense problem. Experts briefed him. He read papers—some by John McCloy, United States High Commissioner in Germany—on the German troop question. He held long consultations on the question of Soviet intentions in Europe. Mr. Acheson leaves today by plane.

Mr. Acheson and his colleagues will have before them, for final approval, agreements already worked out by their lieutenants on three major aspects of western defense.

First, there is the general plan for a coordinated Atlantic defense force made up of the national armies of pact countries.

Second, there is the plan for a supreme commander of the Allied Atlantic force. The Ministers are expected to call on the United States to provide that commander. It is a foregone conclusion that he will be Gen. Dwight D. Eisenhower.

Third, there is the plan—a most controversial plan—for bringing Germans into the defense of Western Europe. It is a compromise plan between the views of the United States and France.

Original positions

Originally the United States argued that Europe could be defended only if strong German forces participated. It urged that 10 German divisions (a division is a self-contained military unit) be recruited for service in the Atlantic Force under orders of the Supreme Commander. France shrank from the idea. Her attitude stemmed from her deep-seated fear of rebirth of German military power; and an increasing fear that the reappearance of German divisions on the borders of Eastern Europe would provoke the Russians into marching. Last Wednesday in London, the pact minister's subordinates put the final touches on the compromise plan. The plan, in essence, is this.

About 150,000 German troops would be recruited under Allied supervision. They would be divided not in divisions but in regimental combat teams of not more than 6,000 soldiers each. These teams would be assimilated into divisions of the pact powers. While this process of recruitment goes on, France would try to work out a decision with other continental powers on a French project for a solution of the German rearmament question. The project is for a European army in addition to the regular armies of the pact nations. The European army would have divisions made up of three combat teams each—one team French, another German, the third other European nationals.

Because of the harmony reported from London last Wednesday, there were many statements to the effect that the German rearmament question was at last settled. That may be true as far as the United States and France and the other pact nations are concerned, but it is far from true as far as Western Germany is concerned. The United States and its Allies have a big selling job ahead of them, for the West Germans do not like the compromise plan at all.

Mood of Germans

This is the West Germans' attitude: They fear a war in which the decisive battles very likely would be fought on German soil. They feel that a defense force under the compromise would be too weak. Many Germans are saying that they would rather be bolshevized than fight a war they could not win. That is the line of the Socialist Party in West Germany. But the Socialists would be willing to rearm—if rearmament were not hobbled by the conditions of the Allied plan. They want German divisions—in effect, a new German Army—and the commitment of very powerful American forces as proof that the west seriously intends to defend Germany. They want that—or no rearmament at all.

In recent state elections in West Germany, the Socialists, campaigning on their rearmament positions, made heavy gains at the expense of the Christian Democrats, the party of Konrad Adenauer, Chancelor of West Germany. Last Tuesday the Adenauer government took the Socialist position. A government spokesman said the Atlantic Pact compromise plan was unacceptable; that Germans would go along with rearmament only on the basis of full equality with the pact powers. Full equality would mean not only German divisions, but, for all practical purposes, complete sovereignty for West Germany.

The Russian question

At the Brussels Conference the pact ministers will discuss the question of what to do about the German attitude toward rearmament—and the Russian attitude. The Russians are engaged in an intense campaign to head off the rearmament of West Germany. Last October the Kremlin (which has allowed partial rearmament of East Germany), warned the United States, Britain, and France that the Soviet Union would not tolerate western rearmament. Maybe that statement means what it implies—that Russia would march if West Germany started to rearm—and maybe it is a bluff. But in any case that warning, and others like it, have had the effect of increasing fear among west Europeans—Germans included—of German rearmament. Apparently the Russians hope that fear will bring paralysis of the defense effort in the west. The Americans, in discussions with the west Europeans, have put emphasis on the United States stockpile of atomic bombs as a deterrent to Russia, at least as long as the present superiority in atomic weapons exists. But the Europeans are not so sure.

Mr. McKELLAR. Mr. President, perhaps I should stop here; but, because I believe our country to be in perhaps the greatest danger it has ever experienced, I am going to add a few words.

Mr. President, in my judgment, dangerous as our foreign enemies may be, our greatest danger lies here at home. Our greatest danger lies in the dissension and differences that I see constantly increasing. I have served in one or the

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other of the two Houses of Congress for a period of nearly 40 years. During that long period of time I do not believe I have ever seen the Members of this body and the Members of the other body, or the people generally, ever working at such cross purposes. I do not believe I have ever seen them so critical of one another. I do not believe I have ever known our people, both in the Government and out of it, to be more critical, nor have I ever seen them show such utter disregard in many respects for our Constitution and laws. I do not believe I have ever read in our history of such a mix-up in world affairs as exists today.

Our possessions have been invaded, and our rights have been violated by other nations—nations, incidentally, as all of us know, to which we have been exceedingly kind, in fact, more than exceedingly kind, indeed to some of them we have been more kind than any other nation ever has been to another. Yet today we do not really know on which side any of these nations will be if the present troubled developments in the world lead to conflict.

All of this should make the citizens of the United States stay together and work only for our common country. The purpose of this short statement, Mr. President, is to urge each and every one of my colleagues, each and every American citizen, to stay together in this time of trouble. This is no time for dissension; it is no time to permit ourselves to become worked up over lesser questions and lesser matters. To my mind, it is our supreme moment; it is our greatest test.

The questions before us are, "Shall the greatest Constitution ever written and the greatest government ever devised by man and the freest and most successful and most prosperous people on earth, remain as presently set up; or are we to be taken over by Communists who believe neither in God nor in man? I pray to a just God that the answer to the last question will be no.

As my colleagues know, I am critical at times. I am not excusing myself. I do not blame others, including some Senators for being critical. But, Mr. President and fellow Senators, men with whom I have been associated for so long, and for whom I have such great respect, at this time of peril to our Government and of peril to our people, let us withhold our criticisms and dissensions until a more propitious occasion. Each one of us held up his hand before Almighty God and took an oath to defend the Constitution of the United States against all enemies, foreign and domestic.

As all of us know, we cannot change our Government overnight; we cannot change our officials overnight, though a change can be made, of course, by means of impeachment in the House of Representatives and trial by the Senate. But the President of the United States, Mr. Truman, is our President, and will remain President until January 1953. In everything we do or say to discredit him we are helping the Russians, although not intentionally, of course. Nevertheless, regardless of whatever our intentions may be or whatever our forgetfulness may be, the fact remains that we are helping the Russians when we pursue that course.

If we are forced into a war Mr. Truman will still be our Commander in Chief during that war. Whatever critics may say, we in the Senate who have served in this body with our President know that he is honest, we know that he is able, we know that he is courageous, and we know that he has the power to appoint his executive officers, by and with the consent of the Senate.

Let me remind the Senate that everyone of these officers, some of whom are being criticized, was confirmed by our vote. We were for them, as the President was. We took part in it, as he did. He has appointed these officers, and we have approved them and have consented to their appointment. Some of them may not do just what we would have them do. Some of them have made mistakes. We all make mistakes. But let us get together behind our President and behind our Government. Let us build up our Army, our Navy, our Marine Corps, our Air Corps, and all our other defenses. I pray you, my colleagues, do not let it be said of us that it was during our service that the United States lost her first great conflict. Let us forget politics, forget differences, forget everything except that our Government and our people, and even our religion are in danger. Let us be united in the conflict which apparently is before us. I appeal personally to Senators, who constitute part of the greatest legislative body that has ever existed among men. I fear I have trespassed upon them, but I thank them with all my heart for the fine attention they have given me.

CONFERENCES BETWEEN THE PRESIDENT AND PRIME MINISTER ATTLEE

Mr. FULBRIGHT. Mr. President, has the routine business been completed?

The VICE PRESIDENT. If there are no further formal or routine matters, the Senator from Arkansas is recognized. The question before the Senate is the motion of the Senator from Missouri to proceed to the consideration of the resolution (S. Res. 371) calling for a report on the discussions between the President of the United States and Prime Minister Attlee.

Mr. LUCAS. Mr. President, if the Senator from Arkansas will yield, we on this side of the aisle have no objection to permitting that motion to come up and making the resolution the pending business.

The VICE PRESIDENT. Without objection, the motion will be agreed to.

Mr. JOHNSON of Colorado. Mr. President, what was the request?

The VICE PRESIDENT. The request was that the motion to take up the resolution offered by the Senator from Missouri be agreed to, and that the resolution be placed before the Senate.

Mr. CONNALLY. Mr. President, will the Senator yield?

The VICE PRESIDENT. Does the Senator from Arkansas yield to the Senator from Texas?

Mr. FULBRIGHT. I yield.

Mr. CONNALLY. I move that the resolution be referred to the Committee on Foreign Relations.

The VICE PRESIDENT. Does the Senator from Arkansas yield for that purpose?

Mr. FULBRIGHT. With the understanding that I may get the floor again.

The VICE PRESIDENT. Without objection, the Senator from Arkansas yields for that purpose. The question is on the motion of the Senator from Texas to refer the resolution to the Committee on Foreign Relations.

Mr. KEM. Mr. President, I have no disposition to object to a reference of the resolution to the Committee on Foreign Relations, if there can be some understanding that it be reported back to the Senate promptly. Time is of the essence in the consideration of this resolution, if the session is permitted to expire with nothing done about the resolution it will be an idle and a futile thing.

The purpose of the resolution is very plain. It is to prevent another Yalta or another Potsdam, at which were made, on behalf of the American people, important agreements that will affect the American people for generations to come. Those agreements were not referred to the Senate but were consummated by the Executive Department of the Government in secret.

The resolution merely asks for a full and complete report of what was done at the recent conference between Mr. Attlee and Mr. Truman, and it asks that any agreements entered into at the conference should, under the Constitution, be embodied in a treaty which should be submitted to the Senate for ratification or rejection.

Mr. President, at the time the resolution was proposed I suggested to the distinguished Senator from Texas, the chairman of the Senate Committee on Foreign Relations, that there be some understanding that the resolution be reported either favorably or unfavorably at some definite time. He was not agreeable to that course. I hope he will reconsider and permit the resolution to be referred with some understanding as to the time at which it may be reported. It does not require extensive hearings. It involves merely a question of judgment. Every Member of the Committee is thoroughly advised as to the facts and circumstances of the underlying law. I hope that an understanding can be reached that the resolution shall go to the Committee on Foreign Relations and be reported in sufficient time to be acted upon at the present session.

Mr. CONNALLY. Mr. President, the chairman of the Committee on Foreign Relations has no power individually to pledge what the committee is going to do. That is why I proposed the resolution be referred to the committee, so as to let the committee decide when and if it wants to act on the resolution.

Mr. KEM. Mr. President, will the Senator yield?

Mr. CONNALLY. In a moment.

I took that course instead of the course which is sometimes taken of introducing a bill or resolution and demanding that

the committee act on it day after tomorrow.

I now yield to the Senator from Missouri.

Mr. KEM. I should like to ask the Senator if I have failed to make myself clear? The suggestion was that the resolution be referred to the committee with a request, or with a direction, that it be reported on a day certain. I was not under the illusion that the chairman of the committee could bind the committee in that respect, but I think the Senate can do so. It can refer the resolution to the committee with instructions. There is nothing unusual about that. That was done in the case of the resolution of the Senator from Tennessee [Mr. KEFAUVER] a few days ago in regard to subpenaing some witnesses to appear before his subcommittee. There was general agreement, as I recall, that the resolution should go to the committee with instructions to report within a certain definite period. That is all we are asking in this instance, not that the chairman shall undertake to bind the committee with reference to anything, but merely that he agree that the Senate may direct the committee to report within a certain time.

Mr. CONNALLY. Mr. President, evidently I misunderstood the Senator, because he said he had no objection to the resolution being referred to the committee with the understanding, and so forth. Whose understanding?

Mr. KEM. The understanding of the Senate.

Mr. CONNALLY. There is nothing in the resolution with reference to that.

So, Mr. President, I insist on my motion that the resolution be referred to the Committee on Foreign Relations without any handicap, but leaving it to the fair judgment of the committee just as every other resolution or bill is left. Why should we choose this particular time to violate the rules which give every committee the opportunity to consider any measure which is referred to it? Let the committee consider it. Why should the Senator from Missouri direct what the Committee on Foreign Relations should or should not do?

I insist on my motion to refer the resolution to the committee, and I ask for the yeas and nays.

The VICE PRESIDENT. Has the Senator from Texas concluded?

Mr. CONNALLY. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Frear	Kem
Anderson	Fulbright	Kerr
Brewster	George	Knowland
Butler	Gurney	Langer
Carlson	Hayden	Leahy
Chapman	Hendrickson	Lehman
Chavez	Hickenlooper	Long
Clements	Hill	Lucas
Connally	Hoey	McCarran
Cordon	Holland	McCarthy
Donnell	Hunt	McClellan
Douglas	Ives	McFarland
Dworshak	Jenner	McKellar
Eastland	Johnson, Colo.	McMahon
Ecton	Johnson, Tex.	Magnuson
Ellender	Johnston, S. C.	Malone
Martin	O'Mahoney	Taft
Maybank	Pepper	Taylor
Millikin	Robertson	Thye
Morse	Russell	Tydings
Mundt	Saltonstall	Watkins
Murray	Smith, Maine	Wherry
Neely	Smith, N. J.	Wiley
Nixon	Smith, N. C.	Williams
O'Conor	Stennis	Young

The VICE PRESIDENT. A quorum is present.

Mr. KEM. Mr. President, I move that the motion of the Senator from Texas be amended by adding at the end thereof the following words:

That the committee be instructed to report the resolution back to the Senate not later than Thursday, December 21, 1950.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Missouri [Mr. KEM] to the motion of the Senator from Texas [Mr. CONNALLY].

Mr. KEM. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The VICE PRESIDENT. Senators who favor the amendment offered by the Senator from Missouri to the motion of the Senator from Texas [Mr. CONNALLY] will vote "yea" when their names are called; those opposed to the amendment will vote "nay."

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. LUCAS. Would the amendment offered by the Senator from Missouri require the Committee on Foreign Relations to report to the Senate by Thursday of this week, or Thursday of next week?

The VICE PRESIDENT. The committee would be required to report to the Senate not later than Thursday, December 21, 1950. That is this week.

Mr. LUCAS. I hope the Senate will vote down the amendment. It is a very important amendment. The resolution is very important. The Committee on Foreign Relations should not be pushed with such rapidity. Probably it would involve some hearings to dispose of the resolution. No doubt witnesses would have to be called from the State Department. It seems to me it is very short notice, and I hope the Senate will vote down the amendment.

Mr. CONNALLY. Mr. President, I very earnestly urge Senators to vote against the amendment. The Senate is busy with the tax bill, and we have other important matters before us. Members of the Committee on Foreign Relations are also members of other committees which require their attendance at hearings. The resolution is a very important one. The Senator from Missouri would give the committee directions not only what it should do but when it should do it. The Senator's amendment would force the committee to report to the Senate by December 21, which will be next Thursday. I appeal to Senators to vote down the amendment to the motion.

The VICE PRESIDENT. The yeas and nays have been ordered. Those who favor the amendment offered by the Senator from Missouri to the motion of the Senator from Texas [Mr. CONNALLY] will vote "yea" when their names are called; those who oppose the motion will vote "nay." The Secretary will call the roll.

The legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

The Senator from Virginia [Mr. BYRD], the Senator from Iowa [Mr. GILLETTE], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Utah [Mr. THOMAS] are unavoidably detained on official business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER] is absent by leave of the Senate on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce also that the Senator from Pennsylvania [Mr. MYERS] is paired on this vote with the Senator from Kansas [Mr. SCHOEPPEL]. If present and voting, the Senator from Pennsylvania would vote "nay," and the Senator from Kansas would vote "yea."

I announce further that the Senator from West Virginia [Mr. KILGORE] is unavoidably detained on official business, and if present would vote "nay."

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Ohio [Mr. BRICKER], the Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS], and the Senator from Massachusetts [Mr. LODGE] are necessarily absent. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "yea."

The Senator from New Hampshire [Mr. BRIDGES] is absent on official business, and if present and voting would vote "yea."

The Senator from Kansas [Mr. SCHOEPPEL] who is detained on official business is paired on this vote with the Senator from Pennsylvania [Mr. MYERS]. If present and voting, the Senator from Kansas would vote "yea" and the Senator from Pennsylvania would vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is detained on official business of the Committee on Crime Investigation, and if present would vote "yea."

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The result was announced—yeas 30, nays 45, as follows:

YEAS—30

Aiken	Ives	Mundt
Brewster	Jenner	Nixon
Butler	Kem	Smith, N. J.
Carlson	Knowland	Taft
Cordon	Langer	Thye
Donnell	McCarthy	Watkins
Dworshak	Malone	Wherry
Ecton	Martin	Wiley
Hendrickson	Millikin	Williams
Hickenlooper	Morse	Young

NAYS—45

Anderson	Holland	Magnuson
Chapman	Hunt	Maybank
Chavez	Johnson, Colo.	Murray
Clements	Johnson, Tex.	Neely
Connally	Johnston, S. C.	O'Conor
Douglas	Kerr	O'Mahoney
Eastland	Leahy	Pepper
Ellender	Lehman	Robertson
Frear	Long	Russell
Fulbright	Lucas	Saltonstall
George	McCarran	Smith, Maine
Gurney	McClellan	Smith, N. C.
Hayden	McFarland	Stennis
Hill	McKellar	Taylor
Hoey	McMahon	Tydings

NOT VOTING—21

Benton	Flanders	Myers
Bricker	Gillette	Schoeppel
Bridges	Green	Sparkman
Byrd	Humphrey	Thomas, Okla.
Cain	Kefauver	Thomas, Utah
Capehart	Kilgore	Tobey
Ferguson	Lodge	Vandenberg

So Mr. KEM's amendment to Mr. CONNALLY's motion was rejected.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Texas [Mr. CONNALLY] to refer Senate Resolution 371 to the Committee on Foreign Relations. On this question the yeas and nays have been ordered, and the Secretary will call the roll.

The legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON] and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

The Senator from Virginia [Mr. BYRD] and the Senator from Iowa [Mr. GILLETTE] are unavoidably detained on official business.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Minnesota [Mr. HUMPHREY] is absent because of illness.

The Senator from Tennessee [Mr. KEFAUVER] is absent by leave of the Senate on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

I announce further that the Senator from West Virginia [Mr. KILGORE] is unavoidably detained on official business and if present would vote "yea."

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN], and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Ohio [Mr. BRICKER], the Senator from Indiana [Mr. CAPEHART], the Senator from Vermont [Mr. FLANDERS] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent. If present and voting, the Senator from Vermont [Mr. FLANDERS] would vote "nay."

The Senator from New Hampshire [Mr. BRIDGES] is absent on official business, and if present would vote "nay."

The Senator from Nebraska [Mr. BUTLER] and the Senator from Kansas [Mr. SCHOEPPEL] are detained on official business. If present and voting, the Senator from Nebraska and the Senator from Kansas would each vote "nay."

The Senator from New Hampshire [Mr. TOBEY] is detained on official business of the Committee on Crime Investigation and if present would vote "nay."

The result was announced—yeas 47, nays 29, as follows:

YEAS—47

Anderson	Hunt	Murray
Chapman	Johnson, Colo.	Myers
Chavez	Johnson, Tex.	Neely
Clements	Johnston, S. C.	O'Conor
Connally	Kerr	O'Mahoney
Douglas	Leahy	Pepper
Eastland	Lehman	Robertson
Ellender	Long	Russell
Frear	Lucas	Saltonstall
Fulbright	McCarran	Smith, Maine
George	McClellan	Smith, N. C.
Gurney	McFarland	Stennis
Hayden	McKellar	Taylor
Hill	McMahon	Thomas, Utah
Hoey	Magnuson	Tydings
Holland	Maybank	

NAYS—29

Aiken	Jenner	Nixon
Brewster	Kem	Smith, N. J.
Carlson	Knowland	Taft
Cordon	Langer	Thye
Donnell	McCarthy	Watkins
Dworshak	Malone	Wherry
Ecton	Martin	Wiley
Hendrickson	Millikin	Williams
Hickenlooper	Morse	Young
Ives	Mundt	

NOT VOTING—20

Benton	Ferguson	Lodge
Bricker	Flanders	Schoeppel
Bridges	Gillette	Sparkman
Butler	Green	Thomas, Okla.
Byrd	Humphrey	Tobey
Cain	Kefauver	Vandenberg
Capehart	Kilgore	

So Mr. CONNALLY's motion was agreed to, and the resolution (S. Res. 371) was referred to the Committee on Foreign Relations.

REPUBLICAN CONTRIBUTIONS TO OUR SECURITY

Mr. FULBRIGHT. Mr. President, first I should like to pay a tribute to the senior Senator from Tennessee [Mr. MCKELLAR] for the remarks he made a moment ago, and I should like to associate myself with the sentiments he so eloquently expressed. I was very much impressed by the statement made by the senior Member of this body, and I think everyone will take his remarks to heart.

Mr. President, on Saturday last, the day after the Republicans of this Congress formally condemned the Secretary of State and demanded his dismissal, the New York Times reported on the front page as follows:

> The consensus of comment reported in a London dispatch was that the Republican action had struck a severe blow against the leadership of the United States in European action for defense.

As everyone knows, Mr. Acheson was scheduled to leave, and did leave, on Sunday to attend an extremely important conference in Brussels. The purpose of this conference is to coordinate our efforts and plans with those of our allies in the North Atlantic Treaty organization. Our allies, in fact all free peoples, are looking to this Nation for leadership in our common struggle against the ever-increasing pressure of Russian aggression.

Critical decisions of far-reaching importance concerning the creation of a European defense system, the integration of national military forces, and the coordination of economic resources, must be made. This condemnation of the Secretary of State, our representative at the conference, will largely, if not completely, destroy his influence, and consequently, our Nation's influence at this conference. Certainly this action has caused confusion and uncertainty in the minds of our allies. It is a most serious matter that at a time like this we find ourselves without an effective way to counsel with our friends or to use our influence in building the united defenses of the free world, including our own. I can think of no greater tragedy to a great nation than to find itself unable to make decisions and to act in the moment of its greatest danger.

Mr. President, this attack upon Mr. Acheson is, of course, not just a personal matter between him and the Republicans. It is, in fact, an attack upon the President and his foreign policy, and will be so interpreted by the world. Everyone knows that the President, under our Constitution, has the primary responsibility for our foreign policy. Everyone knows that Mr. Acheson is not an independent agent, but, on the contrary, that he is but the instrumentality of the President in carrying into effect the foreign policy which the President determines.

Mr. President, if the Republicans desire to change our foreign policy, which I assume they do, I submit that they have approached their objective in a misguided and irresponsible manner, unworthy of a great party. Instead of a personal attack upon an individual, let them come forward with a constructive foreign policy program. They have many persuasive advocates among their members; and if their program has substance and merit, surely they can rely upon the membership of this body and the people to give their suggestions serious and sympathetic consideration. If they can persuade the majority of this body and the people that their substantive proposals are right, I have no doubt the President will modify his policies accordingly, just as this body will listen sympathetically to their proposals. This

procedure is in accord with our free democratic traditions, and would, I believe, receive universal approval.

On the contrary, Mr. President, the persistence of the Republicans in pursuing a policy of character assassination as a means of bringing about changes in our policies or our Government is an extremely dangerous course to follow. It smacks of Nazi totalitarianism. It is based upon an appeal to the prejudices and emotions of men, rather than to reason. It can, if carried on, cause disruption among our allies and division among our own people.

Mr. LUCAS. Mr. President, will the Senator yield for an observation?

The PRESIDING OFFICER (Mr. STENNIS in the chair). Does the Senator from Arkansas yield to the Senator from Illinois?

Mr. FULBRIGHT. I yield.

Mr. LUCAS. The Senator from Arkansas keeps referring to the Republicans. I think perhaps he should say—if I may make a slight correction—a majority of the Republicans.

Mr. FULBRIGHT. I accept that correction. Of course the Members of this body know to whom I am referring. The action taken was the official action, as I understand, of the majority of the conference of the Republican Members of the House and of the Senate.

Mr. President, for more than a year now we have witnessed in this country an unparalleled campaign of personal vilification, irresponsible and unrestrained. The latest object of this campaign, Mrs. Anna Rosenberg, occupied many hours of the time of the Committee on the Armed Services, at a period when those men should have been giving their concentrated, profound, and undivided attention to the security of this Nation. I refer to the last 2 weeks. I cannot think of any more effective way by which our efforts to provide for our security could be sabotaged than to distract the best minds, the leaders of this Congress, the Members of our Armed Services Committee, by such false charges. I do not believe the evil geniuses of the Kremlin can devise a more effective way to paralyze us than to induce our leaders, in the Congress and in the executive branch of our Government, to spend their time and energies in a frenzied examination of false charges against our own citizens. If a stranger from Mars should read our press during the past year, it probably would never occur to him that the real enemies of this country are in Moscow, rather than Washington.

Mr. President, I do not for a minute wish to leave the impression that I think our foreign policy has been faultless or that constructive criticism should be withheld by the opposition. I, for one, welcome temperate and pertinent advice and suggestions as to what is the proper course for us to pursue. My point is simply that to attack the patriotism and character of persons with whom one may disagree, rather than the ideas and policies involved, is unjustifiable and irresponsible, and dangerous to our security.

Mr. President, I appeal to the thoughtful and responsible members of the minority party to reflect that, in this dangercus period, with the majority, as small as it is—and as small as it will be in the next Congress—the administration, as never before needs their sympathetic support. I am confident that the people of this country will, during the next 2 years, recognize and appreciate the contribution to our security that the minority may make. Working together, I am sure we can prevail against the ruthless aggression of Russia. Divided and suspicious of one another, no one can predict what may happen.

Suspicion and hatred and distrust have a way of spreading like a plague. Once they are aroused, they are not easy to eradicate. If the infection spreads too far and too deep, such confusion and distrust may increase to such an extent that only a man on horseback can control the situation.

Mr. KNOWLAND. Mr. President——

Mr. FULBRIGHT. Does the Senator wish me to yield?

Mr. KNOWLAND. I thought the Senator had completed his remarks, and I wanted to make some observations.

Mr. FULBRIGHT. I yield the floor.

The PRESIDING OFFICER. The Senator from Arkansas yields the floor. The Senator from California.

Mr. KNOWLAND. Mr. President, it is not my intention to prolong the discussion which has been advanced by the Senator from Arkansas. I merely wish to point out, however, that during the Republican Eightieth Congress the Senate and Members of the Senate on this side of the aisle gave overwhelming support to the foreign policy of our country. It was under the leadership of the distinguished Senator from Michigan [Mr. VANDENBERG] that the Greek-Turkish aid program, and the ECA program got under way. When the North Atlantic Pact was before this body, it had the overwhelming support of Members on both sides of the aisle. The arms implementation legislation, each time it has been before this session and the previous session, has had the overwhelming support of Members on both sides of the aisle.

I believe that the Senator from Arkansas is mistaken when he tries to make the point that the resolution which was adopted by both the minority Members of the House and of the Senate, was directed to the personality of the individual concerned. I believe that Mr. Acheson unfortunately may find himself in a situation somewhat parallel to that in which the former Prime Minister of Great Britain, Mr. Chamberlain, found himself at the outbreak of World War II. It will be recalled that Mr. Chamberlain had participated in the Munich conference.

I have no doubt now, and have never had any doubt, that Mr. Chamberlain sincerely believed that by appeasing the Nazis at Munich, he was gaining some time. He at that time perhaps did not believe Hitler would violate his agreements, and that appeasement, then as now, was but surrender on the installment plan. But with the benefit of the retrospect of history, we know that appeasement is not the road to peace.

Many of us on this side of the aisle have supported the foreign policy of this Government in Europe bec use we have felt that that policy made sense. It was to enable the rehabilitation of war-torn Europe so that a vacuum would not be created into which would flow the forces of international communism. I think all Americans, regardless of partisan affiliation, recognized the fact, after a short time, that economic assistance alone would not solve the problem, because the Soviet Government and international communism are determined to press for any soft spot. Therefore, when the President of the United States proposed a Greek-Turkish-aid program to withstand that type of pressure, not only with economic help but with military aid, that program—and I cite the record, and I challenge the Senator from Arkansas to dispute it—had the overwhelming support of Members on this side of the aisle as well as on the other side of the aisle. No party has any monopoly on patriotism.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Arkansas?

Mr. KNOWLAND. I shall yield in a moment.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. KNOWLAND. I shall be glad to yield at the conclusion of my remarks. The oath which the Members on this side of the aisle took to protect and defend the Constitution of the United States is no less sacred than that which was taken by Members on the other side of the aisle; and while we may have honest differences of opinion, I think that, however we vote, it is in the belief that we are serving our country to the best of our ability.

When we found that the pressures of international communism still persisted after the Berlin blockade, the North Atlantic Pact was proposed to the Senate of the United States. It had the overwhelming support of Republicans and Democrats alike. That was followed by the arms-implementation legislation as I have pointed out heretofore, which also had the overwhelming support of Republicans and Democrats alike.

I have pointed out that I think Mr. Acheson, perhaps unfortunately, found himself in the same position as that in which Mr. Chamberlain found himself after Munich. When finally the pressure by Germany became so great and Hitler violated the Munich agreement, Mr. Chamberlain brought Great Britain into the war when Germany attacked Poland. He recognized that his past policies had been a mistake, and that it was impossible to yield to appeasement and save the peace. He faced up to the problem. But I think it was apparent to everyone at that point that he was a captive of his past mistakes, and that Britain could not have had the unity which she needed in her most desperate hour, under the leadership of Mr. Chamberlain. Chamberlain had to give way for Winston Churchill, and, under Mr. Churchill,

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Britain obtained the degree of unity which she needed in that period.

In speaking on this question I do not claim to speak for the Republican Party, but only for myself.

As I have said, I think Mr. Acheson found himself in somewhat the same position as that of Mr. Chamberlain. It is true that Mr. Acheson was advancing a program to stop communism in Europe. That program, as I have pointed out, had the overwhelming support of both parties in the Congress. But, while he was closing the door to communism in Europe, his policies were leaving a door wide open to communism in Asia. It is on this basis that I believe there has been a strong feeling, not only in the Congress but throughout the country, that those policies were unsound for, certainly, if 1,500,000,000 people should fall into the orbit of international communism, with the vast resources of Asia, such as oil, tin, and rubber, to say nothing of the great supplies of manpower, there are some of us who honestly believe that it would be most difficult, if not impossible, to stop communism in Europe under those conditions.

Mr. President, I think we should face some of the alternatives. I have never been one of those who have maintained that we should turn our eyes to Asia alone. To the contrary, I think many of us on this side of the aisle recognize the tremendous importance of Europe, and that we must give to Europe a larger share of whatever help we can give; but our complaint has been that the State Department has underestimated the importance of Asia. Those who contend that it is possible to concentrate attention on Europe, and that at all hazards, we should risk an abject surrender if need be in Asia, in order to concentrate on Europe, are furthering a very dangerous doctrine; because, if in a far eastern Munich we are prepared to yield in Korea and in Formosa, how are we going to withstand the pressures of communism in Japan? And, if we yield in Japan, we turn over to international communism a great industrial potential second only to the Ruhr?

If we yield then in Japan, how shall we maintain a position in the Philippines? Because all the arguments which can be made about abandoning Asia insofar as Formosa and Korea are concerned, or subsequently, Japan, can be made about the danger of becoming embroiled in a situation in the Philippines. If we are prepared to surrender in the Philippines, how can we withstand communism anywhere in southeast Asia? If we are prepared to yield and surrender in southeast Asia, how can we convince the American people that we should stand in India or in Pakistan? I think the American people and Senators of the United States on both sides of the aisle are entitled to an answer from the administration as to where it is proposed to stand. Is it proposed that we shall constantly yield, until all of Asia goes, and there is such overwhelming power in the Communist orbit that it will overwhelm anything we are able to build up in Europe. It has been estimated that the Soviet Union has in Siberia about 750,000 of their troops. If they are able to protect their far-eastern flank, they will be able to transfer those troops, as Mr. Stalin did during the attacks on Moscow and Leningrad, from the Far East into Europe. That number alone is greater than the total number of troops we are talking about equipping and supplying in Western Europe to meet the onslaught of communism.

There is grave danger, many of us believe, in letting Asia go down the drain. That is the point on which some of us have differed from the foreign policy of the administration. There would have been no Korean situation, I believe, had there not been a Communist China. There would be no danger today in southeast Asia if communism had not reached the borders of Indochina. There would be no threat in Japan today if it were not for the overwhelming victory of communism in China, largely with the support of the Soviet Union at a time when the Government of the United States was turning its back on the Republic of China.

These things are a part of the history of the situation. The fact that the State Department tried to encourage a coalition with communism in China is so clear that no one can successfully dispute it. History has taught us that we cannot have coalitions with communism. It did not work in Poland, where the democratic leaders were forced to flee. It did not work in Czechoslovakia where Mazaryk's life was forfeited. It did not work in Bulgaria, where the democratic leader, Petkov, was hanged. It did not and it does not work at any other place in the world, and there is no reason to believe it would work any better in Asia than it did in Europe.

I should like to say to the able Senator from Arkansas that if a policy is devised which warrants the support of the American people, a global policy to meet a global menace, there is no question of doubt in my mind that it will receive the overwhelming support of Republicans and Democrats alike. But I do not believe we would be discharging our obligations as Senators of the United States to be rubber stamps for either the present administration or any future Republican or Democratic administration. We have an obligation which we cannot lightly put aside.

The American people are entitled to the facts and to the truth. I have confidence that if the people know the facts, they will make sound judgments. But they have not always had the facts from this administration. For a period of 2 years the Wedemeyer report on China, which would have given information to the Congress and to the American people, which might have helped us make sound judgments, was suppressed and was denied to the American people. The Wedemeyer report on Korea has been suppressed for 3 years, and is today still suppressed.

I say, on my responsibility, as a Senator of the United States, as one of the few Senators who have had the opportunity to read that report, that, in my judgment, though I am not at liberty to disclose its contents because it is still maintained in the security classification, there is nothing in that report which, if it had been released to the American people and to the Congress, would have been detrimental to the security of the people of the United States. On the contrary, it would have put the Congress and the country on notice of some of the grave dangers involved in withdrawing our troops from Korea, or if we were to withdraw our troops from Korea, it would have put us on notice that the army of the Republic of Korea should have been better equipped than it was finally equipped by this Government when we did withdraw.

In the face of that record, in the face of the secret agreement at Yalta by which we lost the moral leadership of the world when we surrendered to the Soviet Union something which was not ours to surrender, when it was done without the consent of the American people or of the American Congress, when we took what belonged to our wartime ally and friend, the Republic of China, and give it to the Soviet Union, and, by so doing, assured Russian domination of Manchuria—I say we lost our moral leadership in the world. In the face of that record, there is room for criticism of the foreign policy of this Nation insofar as it relates to us.

When we consider the fact that in 1939 there were only 175,000,000 people within the orbit of Soviet imperialism, and when today there are more than 800,000,000 behind the Communist iron curtain, I say we do have a right to question the measure of success of our foreign policy.

Mr. President, speaking merely on my own responsibility as a Senator of the United States, I believe we would be derelict in our duty if we did not bring some of these things to the attention of the people of the United States. I stand ready today, as I have always stood ready, to support the Government of the United States in a sound foreign program. I have voted, without exception, for every proposal which has been presented, insofar as Europe is concerned, and I have parted company only when the administration tried to force a coalition with communism in Asia and when it failed to recognize the great danger to the United States of having a billion and a half persons in Asia fall into the arms of international communism.

Mr. FULBRIGHT. Mr. President, I should like to make a few observations, if the Senator from California has yielded the floor.

Mr. KNOWLAND. I have yielded the floor.

Mr. FULBRIGHT. I think the Senator from California stated that he was not present when I started my remarks. I did not intend in this speech to analyze the whole substance of our foreign policy. My particular point was with reference to the criticism by the Republicans of the Secretary of State, and I should like to make a few observations on that point.

I desire to try to straighten out the record a little bit, because I feel that the remarks of the Senator from California have slanted the entire discussion in a direction which I had not intended. There was nothing in my remarks questioning the patriotism of those who criticize or demand the resignation of the

Secretary of State. I question their wisdom, especially at this time, and the appropriateness of the nature of the attack upon the Secretary. I want to point out that in our Government the Secretary of State does not play the same role as that played in England by the Prime Minister. The Secretary of State is not in the same position as that which was occupied by Mr. Chamberlain or any Prime Minister under a parliamentary system. The Secretary is the agent of the President not of the Congress. The President is comparable to the Prime Minister, but his tenure is not subject to a vote of confidence by the Congress.

In regard to the support of our foreign policy, I am disturbed by the present situation, in view of the fact the Republicans overwhelmingly supported our foreign policy a year ago. That leads me to the feeling that this attack has been based upon a false foundation. It is the same type of thing which was inspired and led by certain members of the minority party more than a year ago, which has put the relationship between the members of this body on a false and dangerous basis. I refer to the questioning of men's motives and questioning their patriotism, instead of questioning the wisdom of their policies. If the Senator's party had confined its criticism to the type of criticism which the Senator from California made in his address a moment ago, that is, questioning the wisdom of our policies, they would have every right to do so. I have great sympathy for such an approach. In fact, I welcome some constructive suggestion as to what we ought to do now.

It is true that the Senator from California and I have a different view about what happened in China. He interprets the widely publicized offer or suggestion by General Marshall that the Nationalist Government seek some kind of coalition with the Communists as an act of appeasement. I feel that there was a great weakness in the administration of Chiang Kai-shek, and that even at that time the situation was hopeless insofar as we were concerned. Furthermore, it was felt the only way to handle the situation would be to send in a full-scale army with all its equipment, and thus undertake the subjection of China. However, I firmly believe that General Marshall and our other leaders felt that in their best judgment it was a hopeless situation. Doubtless they felt that the corruption and reaction of the old Koumintang party was such that it was helpless in the struggle against the Communists.

That, however, is another phase of the problem. I am willing to discuss it, and I hope we shall have an opportunity when we can very dispassionately discuss the entire subject on its merits.

I wish to impress my point on the Senator from California and other Senators. I was questioning the wisdom of the action taken on Friday by the Republicans which may, and probably will, destroy the influence of our country in the councils of our Allies and before the world at this very critical time. The plea I was making, and which I am still making, is that at least during this critical period we act calmly and not fall to quarreling among ourselves about the patriotism of personalities who are involved in our Government. That is the main point I was seeking to make.

I was not seeking to defend every item of our foreign policy. I remind the Senator that I have had very serious differences of view with the Secretary of State. I think the Senator will recall that on ECA legislation year after year for 3 years I offered amendments of which he did not approve, and which the majority of the Senate did not support. I could refer to several such items. I do not think that our foreign policy is faultless. However I am convinced that under present circumstances that the kind of attack to which I have referred will prove to have been a disservice to our country, to the Republican Party, and to our democratic system of government.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I should like to yield the floor. The Senator from Colorado has been very patient. However, I am glad to yield for a question.

Mr. BREWSTER. The Senator from Arkansas stated that the only way in which we could deal with the matter would be to proceed to defeat or impeach the President. Does the Senator recall the statement?

Mr. FULBRIGHT. I said that if the objective is to change our foreign policy and our administration of it, it is the President and not the Secretary of State who determines the policy. The President is the equivalent of Mr. Chamberlain. If the Senator from California wishes to change our policy, it is up to the President, and not Mr. Acheson, who after all is a subordinate and subject to dismissal and control by the President.

Mr. BREWSTER. Does the Senator from Arkansas recognize the provision in the Constitution with reference to the conduct of our foreign policy with the advice and consent of the Senate?

Mr. FULBRIGHT. As to appointments and treaties, not as to the formulation of policies.

Mr. BREWSTER. Does not the Senator believe that the formulation of treaties and the appointment of personnel are matters peculiarly within the advice and consent of the Senate?

Mr. FULBRIGHT. I will say to the Senator that the North Atlantic treaty, which he is seeking to implement at Brussels, was submitted to the Senate, and a majority of the Senate supported the treaty. I think it will be found that a majority of the Republican Members of the Senate have supported other major items.

Mr. BREWSTER. I understood the Senator from California to state that the North Atlantic treaty is a perfect example of a subject involving the advice and consent of the Senate. It must be remembered that its initiation came during the Eightieth Congress, when the Senator from Michigan [Mr. VANDENBERG] presented his resolution with respect to it. Is that not correct?

Mr. FULBRIGHT. I believe the origin of it was the resolution called the Vandenberg resolution, if I recall correctly.

Mr. BREWSTER. That is correct. As the Senator from California has pointed out, does not the Senator recognize that in the recent election the conduct of our foreign policy by Mr. Acheson was one of the major issues in the campaign?

Mr. FULBRIGHT. It was my impression that it was not the conduct of our foreign policy. Rather, I believe it was the character, the patriotism, and the allegiance of certain individuals to our form of government, which is the very thing I am seeking to criticize. In my opinion, such criticism is an appeal to emotions and prejudices, and not to reason. Criticism has been made on that basis, and not upon a reasonable or rational examination of the policy involved. While we had none of it in my own State, from what I have been told there was that kind of criticism in other States. It seems to me that it may be excusable for the Republican Party immediately before the election to go much further in its criticisms than it should go now when the election is over and we are confronted with a grave emergency. Certainly now, we ought to go very far in trying to get away from that type of approach to the problem.

Mr. BREWSTER. Would the Senator from Arkansas question the fact that certainly following the election it was generally considered that the results of the election indicated serious question in the minds of the people with respect to the conduct of our foreign policy.

Mr. FULBRIGHT. I think that it may have well been influenced by its course; that is, whether we were doing well or not in Korea. However, I recall when the authorization to move our troops into Korea was announced it resulted in very hearty support from Republicans as well as Democrats. I believe one active Republican member of the Committee on Foreign Relations even proposed some kind of resolution endorsing our action in Korea. It is true that when reverses set in and the consequences became apparent, there was a change in sentiment. I have no doubt about that.

Mr. BREWSTER. I have one other question to ask of the distinguished Senator from Arkansas. Does he not recognize that while the Senator from Maine would have deferred action a litle longer—and, in fact, tried very earnestly to defer action—with the honest expectation that the President of the United States himself would recognize the significance of the election and the lack of confidence that seemed to be implied in the result, the Republican membership of this body had shown great moderation in waiting more than a month since the election, anticipating, as many others did, that it would mean a change in the position taken, and that it was not, apparently, until there were other definite moves made to cloak over past errors and to build up a position of carrying on with the guidance of a leader in politics which had so tragically failed, that this action finally came? Does the Senator not recognize the moderation of the Republicans in most instances, and would he not accord to us that position which I am sure we accord to him, of complete sincerity in seeking the welfare of our country? I do not believe that the misguided words of one or another in an

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election should be attributed to everyone concerned, particularly when we have waited a whole month before taking the action which the Senator now questions.

Mr. FULBRIGHT. I wish to impress upon the Senator that I tried very carefully to refrain, and did refrain, from questioning the motives or patriotism or character of the Republicans. It is purely a question of the wisdom and timing of the statement. It is a question of the wisdom of the statement, with regard to our own effectiveness in this time of trouble. That is the distinction which I wish to impress, and that is the very distinction which I was hoping the Republican Members of both bodies would make.

It is time we quit attacking other men's motives when we disagree with their ideas. We should attack only the ideas. That is exactly the essence of the plea which I am trying to make today. The time has long passed when, every time we disagree with someone, we call him a Communist. We may say that he is stupid or that he is wrong. I take no offense at that.

The Senator knows what I am talking about. To me the experience of Anna Rosenberg was a dreadful thing. Apparently all one needs to do is to have some crackpot point a finger at someone, and the whole country is stirred into a frenzy. That is the kind of thing which I think is dangerous. If we can agree to disagree only on the level of ideas or policies, then I think there will be no trouble.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BREWSTER. Would the Senator from Arkansas challenge the proposition that a very substantial majority of the membership on the other side of the aisle have privately and repeatedly expressed the opinion to their colleagues in this body that a change in the office of Secretary of State is now wise and desirable?

Mr. FULBRIGHT. I think that is true.

Mr. BREWSTER. That, it seems to me, tells the whole story.

(The following debate, which appears at page 16896 of the daily RECORD of Tuesday, December 19, 1950, was, on request of Mr. FULBRIGHT, and by unanimous consent, ordered to be transposed and to be printed at this point in the permanent RECORD of Monday, December 18, 1950.)

Mr. FULBRIGHT. Mr. President, yesterday after I had made my statement about the Republican action on Friday demanding the dismissal of the Secretary of State, the senior Senator from Maine [Mr. BREWSTER] asked me some questions and engaged me in debate. The Senator from Maine is an exceedingly clever man. His mind works like radar, and his tongue like lightning.

At one point in the debate, in answer to one of his interrogatories, I misinterpreted the significance of his statement, and my answer was not in accord with what I believed then, and now believe, to be the facts.

I do not believe that a majority of the Democratic Members of this body believe that the Secretary of State should be dismissed now, especially under the circumstances which the Republican Party created by its action on Friday. Certainly at that time I had no way of even estimating such a fact. I sought to correct my answer to read:

I think that is true on the other side of the aisle, but it is not true on this side of the aisle.

That expresses more accurately what I believe to be the real facts. I ask unanimous consent that this statement be transposed in the permanent RECORD so as to follow immediately my answer.

The VICE PRESIDENT. Without objection——

Mr. BREWSTER. Mr. President, reserving the right to object, I wish to be clear as to whether or not the context originally appearing in the RECORD is to remain?

Mr. FULBRIGHT. The context as it appears in the RECORD is to remain, because the Senator well knows that he objected to any change. I am only asking that the explanation I have now made be transposed in the permanent RECORD to follow my answer on that page. I do not see how the Senator could object to that.

Mr. BREWSTER. I should like to have inserted in connection therewith, also at the same point in the RECORD, this additional material, which it seems to me has a very pertinent bearing upon the question. With all deference to the intentions of the Senator from Arkansas, I think his record as a public speaker and as a debater, and his long training, are sufficiently familiar to my colleagues.

The question which I asked was—and it was in connection with a colloquy which was under way, and certainly in respect to which there was no possibility of misinterpretation:

Mr. BREWSTER. Would the Senator from Arkansas challenge the proposition that a very substantial majority of the membership on the other side of the aisle have privately and repeatedly expressed the opinion to their colleagues in this body that a change in the office of Secretary of State is now wise and desirable?

The answer appears in the RECORD, and, as I understand, the Senator from Arkansas does not challenge it:

Mr. FULBRIGHT. I think that is true.

This further colloquy followed then:

Mr. BREWSTER. That, it seems to me, tells the whole story.

Mr. FULBRIGHT. I believe that many of the Senator's colleagues have gone far beyond that, and have indulged in exactly the sort of thing which I think both of us deplore; that is insinuation as to motives, and the insinuation that whatever failures there have been—and there is disagreement as to how effective our policy has been—resulted not purely from lack of wisdom, but from insincerity or from a lack of patriotism. That is what I am complaining about.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Now it seems to me that what the majority leader [Mr. LUCAS] had to say is very clear confirmation.

Mr. LUCAS. One point which the Senator has been making is with respect to the question of timing.

I am quoting from the Senator from Illinois [Mr. LUCAS].

It seems to me that is the most important point we are debating.

I may have been misinformed with respect to the Senator from Maine. If I have been correctly informed I wish to congratulate him. He can say yes or no, as to whether or not he did what has been reported to me. It is my understanding that in the conference of Republicans the Senator from Maine pleaded with his colleagues not to do what they have done, but seek an opportunity to sit down with Republicans and Democrats alike, together with the President of the United States, to see whether or not this project could not be moved along in the direction which the majority of Republicans desired. However, he was overruled. That is the story I heard. Whether it is true or false I do not know. But if it be true, I wish to commend the Senator if he took that position in the conference.

I skip three or four lines in which he challenged the action of the Republicans. I think I will not skip it. I will read it.

I feel that the Senator from Arkansas is entirely right. It seems to me unbelievable that my colleagues on the Republican side of the aisle should take this action on the eve of Mr. Acheson's departure for Brussels. If they had taken it 10 days ago, 2 weeks ago, or after his return, that would be something else. But in my humble opinion my Republican friends have practically destroyed his usefulness at that conference as a result of the action which they took.

Farther along, the Senator from Illinois [Mr. LUCAS] added:

It seems unbelievable that men in the United States Senate should take the action which was taken in tying the hands of the Secretary of State when he goes to a conference dealing with problems which may shake the foundations of the world within the next few days.

The Senator from Arkansas [Mr. FULBRIGHT] allowed me again to interrupt him, which I very much appreciated, and it will be found that I replied to the Senator from Illinois saying it was quite true that I had sought to accomplish the objective which many Members on both sides had in view, namely, a change.

Then I said:

About 2 weeks ago the Senator from Maine consulted what might be considered his opposite number on the other side with a view to such action. He found complete concurrence. The Senator from Arkansas has frankly admitted that there are many on the other side who feel that there should be a change.

Similarly, my views were presented to some of the executive departments and discussions were opened as to whether four or five Members on this side of the aisle and four or five Members on the other side might sit down with the President and explain to him why it seemed desirable for this result to be brought about.

No further reply has been received from the other side.

* * * * *

It was felt that the President himself, if he were properly advised by Members on the other side of the aisle, would immediately recognize the need for a change.

I omitted one sentence which follows something I read previously:

No further reply has been received from the other side. In spite of that, not only the Senator from Maine, but many other Senators on this side who have varying views, and some very intense views, sought to delay

action when the Ives proposal was first made, with a view to some possible accommodation.

* * * * *

That is the reason why we drifted along until we were on the very eve of Mr. Acheson's departure. I was one of those most reluctant to act. However, I believe that the necessity for facing this issue was the result of the failure to recognize the implications of the election, and the very frank and candid admission by the Senator from Arkansas, which does credit to his honesty of purpose, that there were perhaps a majority on the other side who felt the wisdom of a change. If a change had been brought about at any time within the past month, this whole tragic situation could have been avoided. But it is not possible in view of the feeling in the country.

* * * * *

I have stated the reasons why those of us who have sought to defer this action found ourselves in a more and more untenable position. So it certainly does not seem to me that those on this side can be challenged for having finally felt that they must thus express their convictions that recent conditions demanded there be a change.

There it seems to me, if the Senator from Arkansas will permit, to be perfectly clear that throughout the whole colloquy it was entirely evident, and it proceeded upon the assumption, that a majority upon the other side of the aisle—and I think there is no question as to what "the other side of the aisle" means, as I was certainly speaking from this side of the aisle—felt privately that there should be a change.

I do not want to challenge the right or the propriety of the Senator from Arkansas expressing himself now as to what he may have meant, but I cannot conceive that in the entire colloquy of the Senator from Illinois and the Senator from Arkansas there was any possibility for misunderstanding as to what we all had very definitely in mind.

I would simply ask that in whatever interpolation is made by the Senator from Arkansas, that my remarks similarly may be included following his in the interpolation in the permanent RECORD.

Mr. FULBRIGHT. Mr. President, I should like to include in my unanimous-consent request whatever the Senator from Maine wishes to put in. The only point of my request is to clarify the RECORD. From my point of view, and, I think, as we all admit, the Senator from Maine is the cleverest man in the Senate in debate. He has the quickest mind, and so forth. I am simply stating, for whatever it may be worth to the Senate and the public, that his response does not represent my belief at that time or now, and that it was his words which were put into a form of a challenge by the Senator from Maine. He said, "the other side of the aisle." Now, to me in that kind of debate "the other side of the aisle" meant the Republican side. It was the side I had been discussing, I thought, for some several minutes. It was the action of the Republicans which I was deploring. And that is "the other side of the aisle." What I sought to do in correcting the RECORD last night was to say "that is true on the other side of the aisle, but not on this side." The Senator from Maine took exception to that correction. Therefore there has to be this explanation.

Now certainly, as to my unanimous-consent request, I am perfectly willing for the Senator from Maine to interpret it in any way he likes. I am only stating as a fact that I did not intend at that time, nor now, to say that the majority of the Members on this side, the Democratic side, wish to have the Secretary of State dismissed. To my knowledge only one person that I know of has publicly made such a statement on the Democratic side of the aisle. As to what the others have privately said, I am not here to speak for them now or any other time. That is all I want to do in the RECORD, and I am perfectly willing to include in my request that at this point in the RECORD, this explanation of mine, and whatever the Senator from Maine chooses to say, as he has, be put into the RECORD in order that whoever reads the RECORD will have the matter drawn to his attention.

If it is not transposed in the permanent RECORD, there will be nothing to indicate what my real opinion is. That is all I wish to have done.

The VICE PRESIDENT. Is there objection?

Mr. BREWSTER. Mr. President, reserving the right to object, let me inquire whether it will also appear that this was interpolated on the following day.

Mr. FULBRIGHT. I think that is quite proper. I simply wish the facts to appear in the permanent RECORD as they are. As I understand, the Official Reporters often do that in the permanent RECORD, namely, transpose some colloquy which relates to a former occasion.

Mr. BREWSTER. So far as I am concerned, I have no objection whatever.

I wish to express my appreciation of the very generous compliment of the Senator from Arkansas. In view of the extensive training the Senator from Arkansas had in his Rhodes Scholar days and as president of a great university, I think he is quite capable of taking care of himself on the floor of the Senate, and I think that his earlier frank statement——

Mr. NEELY. Mr. President, I call for the regular order. The world is on fire. Continuation of the present out-of-order debate would simply tend to add fuel to the flames.

The VICE PRESIDENT. Is there objection to the request of the Senator from Arkansas?

Mr. BREWSTER. Mr. President, I had reserved the right to object.

The VICE PRESIDENT. When the regular order is called for, all previous reservations lapse.

Mr. BREWSTER. Mr. President, I am sure the Senator will not object to permitting me to conclude my statement.

The VICE PRESIDENT. Does the Senator from West Virginia withdraw his demand for the regular order?

Mr. NEELY. No, Mr. President; I insist upon it.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. What is the unfinished business?

The VICE PRESIDENT. The unfinished business is the conference report on the slot-machine bill.

Mr. WHERRY. I thank the Chair.

Mr. LUCAS subsequently said: Mr. President, I simply wish to take a minute or two of the time of the Senate to make it perfectly clear that in no way did the Senator from Illinois agree on yesterday, in the course of the debate and colloquy between the Senator from Arkansas and the Senator from Maine, that the majority, the Democrats on this side of the aisle, agreed that Secretary Acheson should resign or that the President should call for his resignation. The implication left by the statement made by the Senator from Maine is, I think, to that effect; and I wish to deny any such implication and deny that I made any such charge either directly or indirectly.

The VICE PRESIDENT. Without objection, the request of the Senator from Arkansas that the debate which has just taken place be transposed so as to appear in the permanent RECORD at the place indicated in yesterday's RECORD is agreed to.

(Following the above transposition, the debate on Monday, September 18, 1950, continued as follows.)

Mr. FULBRIGHT. I believe that many of the Senator's colleagues have gone far beyond that, and have indulged in exactly the sort of thing which I think both of us deplore: that is insinuation as to motives, and the insinuation that whatever failures there have been—and there is disagreement as to how effective our policy has been—resulted not purely from lack of wisdom, but from insincerity or from a lack of patriotism. That is what I am complaining about.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. LUCAS. One point which the Senator has been making is with respect to the question of timing. It seems to me that that is the most important point we are debating.

I may have been misinformed with respect to the Senator from Maine. If I have been correctly informed I wish to congratulate him. He can say yes or no, as to whether or not he did what has been reported to me. It is my understanding that in the conference of Republicans the Senator from Maine pleaded with his colleagues not to do what they have done, but seek an opportunity to sit down with Republicans and Democrats alike, together with the President of the United States, to see whether or not this project could not be moved along in the direction which the majority of Republicans desired. However, he was overruled. That is the story I heard. Whether it is true or false I do not know. But if it be true, I wish to commend the Senator if he took that position in the conference.

I feel that the Senator from Arkansas is entirely right. It seems to me unbelievable that my colleagues on the Republican side of the aisle should take this action on the eve of Mr. Acheson's departure for Brussels. If they had taken it 10 days ago, 2 weeks ago, or after his return, that would be something else. But in my humble opinion my Republi-

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can friends have practically destroyed his usefulness at that conference as a result of the action which they took. Because of the tension which exists throughout the world, it seems to me that that conference is probably the most important conference the Secretary of State has attended in connection with foreign affairs since he has held that office.

Almost every article we read is along the same line, whether we read Mr. James in the New York Times, Arthur Krock, the editorials in the Washington Star or Post, or the editorials from the Herald Tribune which have been placed in the RECORD by the Senator from New York [Mr. LEHMAN].

A cartoon from the front page of the Washington Star of yesterday shows Acheson boarding a plane with his hands tied behind his back with a rope. Mr. President, that tells it all. In my opinion those who operate the Washington Evening Star are absolutely on the square so far as their independence is concerned, and so far as the treatment of a problem is concerned. The cartoon and the editorial from the Star tell the story.

Mr. President, I am not making a plea for Acheson so much as I am making a plea for my country. As I stated on the floor of the Senate the other day, in my judgment this is the most critical period in the history of this Republic. It seems unbelievable that men in the United States Senate should take the action which was taken in tying the hands of the Secretary of State when he goes to a conference dealing with problems which may shake the foundations of the world within the next few days. I say definitely that in my opinion such action has weakened the position of our Secretary of State. There can be no question about it. My friends knew that he was leaving at this particular time. So I say that in my opinion the timing is very, very bad.

Mr. BREWSTER. Mr. President——

Mr. MORSE rose.

Mr. FULBRIGHT. Mr. President, I am ready to yield the floor. I wished to make one further observation. Does the Senator from Maine desire to have me yield to him? The Senator from Oregon has been on his feet. Does he wish me to yield to him, or does he desire the floor in his own right?

Mr. MORSE. I should like to have the Senator yield for a question, but I yield to my friend from Maine if he has a question.

Mr. BREWSTER. Mr. President, I desire to reply as soon as I may to what the Senator from Illinois [Mr. LUCAS] has said.

Mr. FULBRIGHT. I yield for that purpose.

Mr. BREWSTER. It is quite true that the Senator from Maine has sought to accomplish the objective which many Members on both sides had in view, namely, a change. However, the Senator from Maine has found himself in a very unhappy position. This action has been held off for more than a month since the election. About 2 weeks ago the Senator from Maine consulted what might be considered his opposite number on the other side with a view to such action. He found complete concurrence. The Senator from Arkansas has frankly admitted that there are many on the other side who feel that there should be a change.

Similarly, my views were presented to some of the executive departments and discussions were opened as to whether four or five Members on this side of the aisle and four or five Members on the other side might sit down with the President and explain to him why it seemed desirable for this result to be brought about.

No further reply has been received from the other side. In spite of that, not only the Senator from Maine, but many other Senators on this side who have varying views, and some very intense views, sought to delay action when the Ives proposal was first made, with a view to some possible accommodation. It was felt that the President himself, if he were properly advised by Members on the other side of the aisle, would immediately recognize the need for a change. That is the reason why we drifted along until we were on the very eve of Mr. Acheson's departure. I was one of those most reluctant to act. However, I believe that the necessity for facing this issue was the result of the failure to recognize the implications of the election, and the very frank and candid admission by the Senator from Arkansas, which does credit to his honesty of purpose, that there were perhaps a majority on the other side who felt the wisdom of a change. If a change had been brought about at any time within the past month, this whole tragic situation could have been avoided. But it is not possible in view of the feeling in the country.

The appearance of the Secretary of State during his broadcast was tragic in the extreme. What is the explanation for it? It is beyond me. Everyone who saw it was shocked and horrified, not so much at the content of the broadcast, which did not commend itself, but at the appearance and delivery, which seemed to be that of a man who had completely lost his grasp, his courage, and his leadership. I have stated the reasons why those of us who have sought to defer this action found ourselves in a more and more untenable position. So it certainly does not seem to me that those on this side can be challenged for having finally felt that they must thus express their convictions that recent conditions demanded there be a change.

Mr. MORSE rose.

Mr. FULBRIGHT. Does the Senator from Oregon wish me to yield?

Mr. MORSE. Yes.

Mr. FULBRIGHT. I yield.

Mr. MORSE. I most respectfully wish to suggest to the Senator from Arkansas that I raise this question because I know he does not want any of his remarks to be subject to any misinterpretation in these rather moving times by having read into them an intention the Senator did not mean. Therefore it is as a matter of courtesy that I rise to be of assistance to the Senator from Arkansas in clarifying what I think there is need of clarification in the RECORD, with regard to his discussion of impeachment. I say this because surprisingly there are apparently forces on foot in this country that are bringing, at least to my own office, and I suppose to the offices of other Senators, telegraphic demands for the impeachment of the President of the United States. It disturbs me very much because I think it is merely a part of a dangerous emotional pattern sweeping the country.

The Senator from Arkansas in his intention to compare the British system of government with the American system of government, I am sure, sought to point out that the Secretary of State does not hold an analogous or compartive office to that of the Prime Minister of Great Britain.

Mr. FULBRIGHT. Yes.

Mr. MORSE. Then the Senator made some remarks, which, I say, I am fearful may be misinterpreted by the press to the effect that if we wanted to accomplish what apparently critics of our foreign policy are seeking to accomplish, the proper course would be to impeach the President. I am fearful that that remark of the Senator from Arkansas—and I think that is a pretty fair statement of what he said—may cause some people to overlook the fact that he was merely speaking analogously in regard to the two Governments, that of the United States and that of Great Britain, and that if we did have the kind of system that exists in Great Britain, then as a congressional body comparable to Parliament, we would express a lack of confidence in the Government.

But I would like to have the Senator from Arkansas make clear, if I understand what I think is his meaning, that under our Constitution, to use a hypothetical case, the fact that we may be in disagreement with the President of the United States on foreign policy or any other policy does not support, under our Constitution, an impeachment proceedings. The Constitution is pretty clear as to the grounds for impeachment, and there are no grounds for impeachment under our Constitution simply because the Congress finds itself in disagreement with the President of the United States over a matter of policy, be it foreign policy or any other policy.

Mr. FULBRIGHT. I appreciate very much the contribution of the Senator from Oregon. The Senator is quite right in his statement. I did not treat that subject in my prepared remarks at all. What I was trying to make clear was the difference between the situation in which Mr. Chamberlain found himself, which was referred to by the Senator from California [Mr. KNOWLAND], right after Dunkerque, and so on, when he was removed from office.

The Senator from Oregon is quite right. I am not suggesting, and I do not think there is any question on that point, that difference of opinion in matters of policy does not furnish a valid ground for impeachment. The only way to get rid of the Executive for reasons of policy is by defeating him in an election.

Mr. MORSE. Mr. President, will the Senator permit me to read two portions of the Constitution of the United States,

in order to make the matter clear in the RECORD?

Mr. FULBRIGHT. Yes.

Mr. MORSE. Article I, section 3, of the Constitution provides that—

> The Senate shall have the sole power to try all impeachments.
>
> Proceedings for that purpose—

shall be on oath or affirmation. When the President of the United States is tried, the Chief Justice shall preside: and no person shall be convicted without the concurrence of two-thirds of the members present.

Then article II, section 4 thereof, reads:

> The President, Vice President, and all civil officers of the United States shall be removed from office on impeachment for, and conviction of, treason, bribery, or other high crimes and misdeameanors.

Mr. FULBRIGHT. I thank the Senator from Oregon. Since the Senator brought up that point I wish to emphasize that I was certainly not suggesting that the President be impeached or that proceedings be instituted for that purpose. Of course, I would oppose such action I would go further and say that even on the merits, aside from the timing of this action by the members of the minority party, I do not think a continuation of the pressure to oust the Secretary of State, and in that way to try to solve the question at the moment, is a contribution to our way of government. Though I have had differences with the administration on matters of policy, I have never subscribed to the idea that the Secretary of State has any leaning toward the Communist line, or to Russia, or that he is an appeaser. I do not, by reason of the fact that I did not seek to question or to differ with some of the remarks of the Senator from California, wish to have it understood thereby that I acquiesce in them, or accept them as being valid. I did not intend to and do not intend to introduce that particular aspect of our foreign policy into the discussion.

I thank the Senator from Oregon for his contribution, and I desire to make it clear that I think it would be a great tragedy to seek to change our policy by any kind of impeachment proceedings.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield to me for a question?

Mr. FULBRIGHT. I yield for a question.

Mr. SMITH of New Jersey. As one of those who were at the conference, and who, as the public knows, did not feel that the course my colleagues took was a wise one at this time——

Mr. FULBRIGHT. For which I commend the Senator from New Jersey.

Mr. SMITH of New Jersey. But that I rather favored the approach which would call upon the leadership of both parties to get together with the administration to see whether the changes which we all want to explore and have brought about could be brought about, I wish to ask the Senator from Arkansas if he feels that such a procedure might have been successful, and that those on the Democratic side as well as on the Republican side would have joined together in the matter if my colleagues had not seen fit to take the other position? I do not wish to criticize my colleagues.

I do not agree with the wisdom of the course they took. But many of us felt that any effort to get together to work this matter out would be perfectly fruitless because in the last analysis nothing could be done about it, and that there was a great desire in the country to have some action taken to express lack of confidence. But I think the action that was taken was unwise, as the Senator from Arkansas has pointed out. I wish to obtain an expression from the Democratic side as to whether they would have sat down with us and worked out a solution.

Mr. FULBRIGHT. Mr. President, I am a very poor one to whom to address such a question. I am not in any sense among the leaders on this side, nor am I close to the administration. So I have no grounds for saying what could have been done in that direction. I can only add that some kind of cooperation, nonpartisan cooperation, with the best of will, is certainly called for under the circumstances. I think the leaders should get together on this matter as well as with respect to all other problems which are troubling us.

Mr. SMITH of New Jersey. I think I can speak for all my colleagues here when I say that the action taken on this particular issue is no way showed a lack of support for the Secretary of State in his present mission. Of course, I did not vote for the resolution, but my colleagues added a paragraph indicating that we were entirely behind the administration in an effort to work out the problem.

Mr. FULBRIGHT. To me that is entirely contradictory, if I may say so.

Mr. SMITH of New Jersey. I am speaking now of intent. I am confident there was no intent to hamstring or, as was previously suggested, to pull the rug out from under the Secretary of State just at this moment when he is on the way to Brussels.

Mr. FULBRIGHT. I am trying to make it plain I do not question the intentions or motives of the Republicans at all. I am only questioning their wisdom in taking this action.

Mr. SMITH of New Jersey. It is difficult for me to differ with the Senator from Arkansas, because that is my position.

Mr. FULBRIGHT. The situation is difficult enough as it is, and I hope we can keep our discussion on the basis of only the matter of the wisdom of the courses that are being proposed or pursued.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed, without amendment, the following bills and joint resolution of the Senate:

S. 3263. An act to amend Veterans' Preference Act of 1944 with respect to certain mothers of veterans;

S. 3654. An act to amend section 3 of the Postal Salary Act of July 6, 1945;

S. 3672. An act to amend section 3 (c) of the Civil Service Retirement Act so as to make the exclusion from such act of temporary employees of the Senate and House of Representatives inapplicable to such employees with one or more years of service;

S. 3910. An act relating to the assignment of surplus clerks in the Postal Transportation Service;

S. 4102. An act relating to contracts for the transmission of mail by pneumatic tubes or other mechanical devices;

S. 4229. An act to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended;

S. 4240. An act to amend the act incorporating The American Legion so as to redefine eligibility for membership therein;

S. 4254. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II); and

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

The message further announced that the House had agreed to the amendments ot the Senate to the bill (H. R. 5487) to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended.

The message also announced that the House had passed a bill (H. R. 9802) to grant succession to the War Damage Corporation, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 297. An act for the relief of Ruggiero DiCortanzo;

S. 995. An act for the relief of Irene George Livanos;

S. 1344. An act for the relief of Gerda Moller Uldall and her son, Mikkel Moller;

S. 1528. An act for the relief of Elmer Beller;

S. 1816. An act for the reimbursement of the S. A. Healy Co.;

S. 2179. An act for the relief of Stephen A. Patkay and his wife, Madeleine;

S. 2420. An act for the relief of Shaoul Minashi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami;

S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act;

S. 2702. An act for the relief of Louis E. Gabel;

S. 2799. An act for the relief of Johan Wilhelm Adriaans;

S. 2803. An act for the relief of Angela Maria Pisano;

S. 2961. An act for the relief of Magdalena L. Jardelcza, Jr.;

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S. 2968. An act for the relief of Chen Hua Huang;
S. 3066. An act for the relief of Dionisio Aguirre Irastorza;
S. 3067. An act for the relief of Andres Aguirre Irastorza;
S. 3091. An act for the relief of Master Stanley (Zachne) Hiller;
S. 3250. An act for the relief of Marne Post No. 28, American Legion, New Martinsville, W. Va.;
S. 3329. An act for the relief of Kiyomi Kitamura;
S. 3406. Ar act for the relief of Lee Yee Yen;
S. 3430. An act for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia);
S. 3444. An act for the relief of Victor Francis Oberschall;
S. 3484. An act for the relief of Barbara Sugihara;
S. 3519. An act authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens;
S. 3965. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.;
S. 4072. An act for the relief of Ella Stufka and her son;
S. 4074. An act for the relief of Pamela Bentley;
S. 4111. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio;
H. R. 2734. An act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended; and
H. R. 8136. An act for the relief of Giuseppe Umberto Mantalban-Troy.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, December 18, 1950, he presented to the President of the United States the following enrolled bills:

S. 297. An act for the relief of Ruggiero DiCostanzo;
S. 995. An act for the relief of Irene George Livanos;
S. 1344. An act for the relief of Gerda Moller Uldall and her son, Mikkel Moller;
S. 1528. An act for the relief of Elmer Beller;
S. 1816. An act for the reimbursement of the S. A. Healy Co.;
S. 2179. An act for the relief of Stephen A. Patkay and his wife Madeleine;
S. 2420. An act for the relief of Shaoul Minashi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami;
S. 2512. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act;
S. 2702. An act for the relief of Louis E. Gabel;
S. 2799. An act for the relief of Johan Wilhelm Adriaans;
S. 2803. An act for the relief of Angela Maria Pisano;
S. 2961. An act for the relief of Magdalena L. Jardeleza, Jr.;
S. 2968. An act for the relief of Chen Hua Huang;
S. 3066. An act for the relief of Dionisio Aguirre Irastorza;
S. 3067. An act for the relief of Andres Aguirre Irastorza;
S. 3091. An act for the relief of Master Stanley (Zachne) Hiller;
S. 3250. An act for the relief of Marne Post No. 28, American Legion, New Martinsville, W. Va.;
S. 3329. An act for the relief of Kiyomi Kitamura;
S. 3406. An act for the relief of Lee Yee Yen;
S. 3430. An act for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia);
S. 3444. An act for the relief of Victor Francis Oberschall;
S. 3484. An act for the relief of Barbara Sugihara;
S. 3519. An act authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens;
S. 3965. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.;
S. 4072. An act for the relief of Ella Stufka and her son;
S. 4074. An act for the relief of Pamela Bentley; and
S. 4111. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio.

EMERGENCY POWERS OF THE PRESIDENT

The PRESIDING OFFICER (Mr. STENNIS in the chair) laid before the Senate a communication addressed to the Vice President, which was read by the legislative clerk and referred to the Committee on Expenditures in the Executive Departments, as follows:

THE WHITE HOUSE,
Washington, December 18, 1950.

Hon. ALBEN W. BARKLEY,
President, United States Senate,
Washington, D. C.

MY DEAR MR. VICE PRESIDENT: The defense effort we are now undertaking in order to meet the critical world situation will call for the use of a number of emergency powers. Many of these powers can be exercised under the authority of legislation now in effect. It is clear, however, that, as our mobilization program moves forward, there will be need for additional legislative authority. A number of proposals for new legislation are now being studied in the executive branch, and I expect to transmit recommendations to the Congress from time to time for emergency legislation as it becomes necessary.

Two of the measures which we know will be needed are of such importance for the tasks immediately ahead, that I wish to request action by the present Congress before adjournment.

The first of these is legislation along the general lines of title I of the First War Powers Act, 1941, which contained the emergency reorganization powers available to the President during World War II.

The current mobilization effort requires that the President be able to adjust from time to time, by rapid Executive action, the organization of the executive branch. Clear authority should be provided to establish such defense agencies as may be required, to coordinate, consolidate, transfer, and utilize existing agencies and officers, and to rearrange Government functions and personnel. Only in this way can the organization of the executive branch be kept continuously in line with the evolving requirements of defense mobilization.

In World War II the provisions of title I of the First War Powers Act, 1941, were used extensively in matters of vital importance to the war effort. For example, there were established under the authority of that title such major agencies as the War Production Board, the War Manpower Commission, and the War Shipping Administration.

It is clear that in a number of instances there may be need for similar kinds of action very quickly, as the present defense program moves forward. The Director of Defense Mobilization, Mr. Wilson, is already beginning to review the scope and character of our present programs and organizational arrangements in relation to the expanding job which lies ahead. As soon as changes are found to be necessary, the President should be enabled to place them in effect. Delay would only hamper the over-all effort. Therefore, it is of great importance that the necessary legislative authority be made available now, for the duration of the national emergency.

As was the case in World War II, these powers will not be used to make permanent changes in the organization of the Government. The changes that will be made under this authority will be temporary in nature, for the purpose of furthering the defense effort. When the emergency has ended, the agencies affected will revert to their present status unless further action is taken by the Congress.

The second of these measures on which I wish to request action by the Congress before adjournment of the present session is legislation along the lines of title II of the First War Powers Act, 1941, which contained the emergency contracting provisions in effect during World War II.

The authority to let contracts through negotiation can now be exercised as a result of the declaration of a national emergency. However, there is considerable doubt as to whether authority now exists for modifying contracts after they have been entered into.

It is already apparent that the agencies responsible for defense production will need authority to modify existing contracts in order to avoid undue delays in production and to keep suppliers in business on Government work.

For example, some Government suppliers now face possible bankruptcy because fixed prices in their Government contracts are entirely inadequate to meet rising costs. In certain cases, contract price adjustments are essential to keep these firms in production. Other Government contractors, engaged in especially hazardous work for the military services, may have to be indemnified promptly for damage to facilities and equipment in order that repairs or replacement may be undertaken without delay.

In these and many other instances, contract adjustments are needed to speed defense procurement. Therefore, I urge that title II powers again be made available, so long as the emergency lasts.

Representatives of the executive branch stand ready to furnish the appropriate committees of the Senate and the House of Representatives any information or assistance which may be desired in connection with these matters.

Sincerely yours,

HARRY S. TRUMAN.

PROHIBITION OF TRANSPORTATION OF GAMBLING DEVICES IN INTERSTATE AND FOREIGN COMMERCE—CONFERENCE REPORT

Mr. JOHNSON of Colorado. Mr. President, I call up the conference report on Senate bill 3357, to prohibit transportation of gambling devices in interstate and foreign commerce, and ask for its consideration.

The PRESIDING OFFICER. The report will be read.

The legislative clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, 7, and 8, and agree to the same.

ED C. JOHNSON,
ERNEST MCFARLAND
E. C. J.,
JOHN J. WILLIAMS,
Managers of the Part of the Senate.

DWIGHT L. ROGERS,
LINDLEY BECKWORTH,
J. PERCY PRIEST,
JAMES I. DOLLIVER,
JOHN B. BENNETT,
Managers on the Part of the House.

The PRESIDING OFFICER. The question is on the present consideration of the conference report.

Mr. MALONE. Mr. President——

The PRESIDING OFFICER. The motion is not debatable.

The question is on agreeing to the motion of the Senator from Colorado that the Senate proceed to the consideration of the conference report on Senate bill 3357. [Putting the question.]

The motion was agreed to; and the Senate proceeded to consider the report.

Mr. JOHNSON of Colorado. Mr. President——

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. McMAHON. Mr. President, I should like to ask the Senator from Colorado a question, if he will yield to me.

Mr. JOHNSON of Colorado. I yield.

Mr. McMAHON. I understand that the conference report on the Yugoslav aid authorization bill will be ready a little later in the afternoon. I am informed that the conference report on Senate bill 3357 may take considerable time.

Mr. JOHNSON of Colorado. I hope the Senator from Connecticut is mistaken, and that it will not take very long to dispose of the conference report on Senate bill 3357. For many months it has been ready for disposition by the Senate. It came to us in September, at which time it was debated at length. The further consideration of the conference report has been postponed because of important measures coming before the Senate, and in the interval the Senate has considered a great many measures of importance. I hope most of the debate on the conference report has been exhausted, and that we shall be able to proceed very quickly to vote on it, so that we shall not delay action on the matter about which the Senator from Connecticut is very properly so much concerned.

Mr. McMAHON. I join the Senator in the hope that this matter can be disposed of very quickly, and I certainly favor having the Senate dispose of it.

My question is this: If the conference report on the Yugoslav aid authorization bill is ready a little later in the afternoon, as I think it will be, inasmuch as I believe that it is now not controversial, or at least that it will not provoke any lengthy debate, would the Senator be disposed to agree to a unanimous-consent proposal to have the Senate take up the conference report on the Yugoslav aid authorization bill, and temporarily lay aside the conference report on Senate bill 3357?

Mr. JOHNSON of Colorado. Of course, Mr. President, I have been cooperating with Senators in regard to all matters coming up while the conference report on Senate bill 3357 has been ready for action by the Senate. I refer particularly to cooperation in regard to action by the Senate on all matters of vital importance to the United States and to our international affairs. So far as I am concerned, of course I would not wish to cause one moment's delay in connection with action by the Senate on the conference report the Senator from Connecticut has mentioned.

Mr. McMAHON. I thank the Senator.

Mr. JOHNSON of Colorado. Mr. President, as I have said, this conference report has been before the Senate for a long time.

First, I wish to refer to the proposed legislation with reference to the transportation of slot machines. This measure grew out of a crime conference called by the Attorney General of the United States. The attorneys general of all the States, I believe, and representatives of the cities—either their mayors or persons appointed by them—held a crime conference, and made certain recommendations. As a result of those recommendations, the Attorney General of the United States sent to the Congress two pieces of proposed legislation. One of them is Senate bill 3357. This bill was referred to the Committee on Interstate and Foreign Commerce, and was reported from that committee by a unanimous vote in favor of passage of the bill. The bill then was placed on the calendar. When the calendar was called, Senate bill 3357 was passed by the unanimous vote of the Senate, and went to the House of Representatives. In the House the bill was amended. Conferees were named by the Senate and by the House to resolve the differences between the two bodies in regard to the bill. After considerable discussion in the conference, the measure we have before us today was reported by unanimous vote of all the conferees on the part of both the House of Representatives and the Senate.

I have received from the Attorney General of the United States a letter, under date of November 29, addressed to me as chairman of the Senate Committee on Interstate and Foreign Commerce. The letter reads as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., November 29, 1950.

Hon. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce, United States Senate, Washington, D. C.

MY DEAR SENATOR: I am most desirous that the Senate promptly and favorably consider the bill (S. 3357) to prohibit the interstate transportation of gambling devices. To that end I request your cooperation by calling up the conference report on the bill as soon as practicable.

The desirability of and need for this legislation are self-evident, and become more apparent with each passing day.

Sincerely,

J. HOWARD MCGRATH,
Attorney General.

Today I received by messenger another letter from the Attorney General. This letter was dated in his office on December 15, but I received it just today. The letter reads as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., December 15, 1950.

Hon. EDWIN C. JOHNSON,
Chairman, Interstate and Foreign Commerce Committee, Washington, D. C.

MY DEAR SENATOR: This week in Miami, Fla., the National Association of Attorneys General held a conference and among other things discussed at length the bill (S. 3357) dealing with the prohibition of the transportation of gambling devices in interstate commerce.

The members of this conference strongly urged that this legislation be passed by the Congress of the United States inasmuch as it was their considered opinion that such a bill would go far to aid them in combating crime in their respective States.

As you recall, I wrote to you some time ago—

That is the letter I just read—

urging the passage of this bill on behalf of the members of the Attorney General's Conference on Organized Crime held here in Washington, D. C., on February 15, 1950. Again I strongly urge you on behalf of the National Association of Attorneys General, the members of the Attorney General's Conference on Organized Crime, and the Department of Justice to use every effort to bring about the passage of this bill before the closing session of this Congress.

Sincerely,

J. HOWARD MCGRATH,
Attorney General.

Mr. President, I am going to make every effort within my power and upon my responsibility to bring this matter to a vote on the part of the Senate, so that the conference report and the proposed legislation may be disposed of.

I wish to read into the RECORD a very brief article published in the Washington Post under date of December 7. I may say that I have in my files many editorials, published by newspapers in the United States, urging and demanding that the Senate and the House of Representatives complete action on this proposed legislation and enact it into law. Today I shall read only one brief newspaper article, as follows:

MCGRATH LETTER RENEWS DEMAND FOR BAN ON SLOTS

Attorney General McGrath yesterday renewed an urgent plea that Congress prohibit interstate shipment of slot machines.

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He told Chairman EDWIN C. JOHNSON, Democrat, Colorado, of the Senate Interstate Commerce Committee, in a letter which McGrath made public today—

In fact, he made it public before I received it; I read it in the newspapers before I received it—

that with each passing day the need for a law banning shipment of the machines becomes more apparent.

Both the House and Senate have passed such a bill, but in different forms. A compromise measure has been blocked by Senator MALONE, Democrat of Nevada—

So the article states. I know that the Senator from Nevada will object very much to that, but that is the way the press report reads—

who talked against it for 11 hours just before Congress recessed last September.

The ban was originally proposed by the Attorney General's crime conference here last February.

As I have said, I have a great many editorials dealing with the subject, but I shall not burden the RECORD with them. Some of them take the Senator from Nevada to task, and I do not want to place anything of that kind in the RECORD, because I am presuming that the Senator from Nevada is acting from patriotic motives as he sees the situation.

Perhaps I should again read into the RECORD the differences between the House and Senate measures. They are stated in the RECORD of last September 19, but we shall all perhaps want to refresh our memories with respect to them.

The House struck out the definition of gambling devices contained in the original Justice Department bill, and substituted a much more specific and narrow definition, the effect of which is to limit the bill exclusively to slot machines and to exclude from the bill pin-ball machines. The conference agreed to this change. However, the definition in the conference report is still broad enough to include slot machines which do not pay off in cash and are paid off in merchandise. That is No. 1.

No. 2. The House bill defines "State" to include Alaska, Hawaii, Puerto Rico, the Virgin Islands, and Guam. This places these Territories in exactly the same position as the individual States. Hence, the legislative assemblies of all States and Territories would have the power to authorize the transportation of slot machines into such State or Territory.

Prior to this change in the bill these Territories were treated like poor relatives with respect to this matter. They were not given the dignity to which they were entitled, and the provision in the House bill extends to them rights which they should have with respect to gambling devices.

No. 3: It will be noted that the conference report version tightens the original Justice Department language by requiring the various States specifically to pass laws exempting such States from the provisions of the new law instead of merely allowing the governor to certify to the Attorney General that the State now has such a law. The effect, therefore, is to require each State legislature to enact legislation exempting that State or a particular subdivision of it from the effect of the Federal law. The Federal law does not go beyond the borders of any State. Any State can legalize slot machines and gambling devices. This bill has no effect whatever upon the laws of such a State. It does not go that far. All it concerns itself with is the transportation from one State into another. The House eliminated a provision which would have barred exportation of slot machines to foreign countries.

No. 4: The conference report requires every manufacturer and dealer in gambling devices to register annually with the Attorney General of the United States. The original Justice Department language would have required registration with the Collector of Internal Revenue in the collection district in which the business is carried on.

No. 5: The conference report modifies section 5 of the Senate bill by extending the prohibition to American flag ships on the high seas.

No. 6: The conference report also consolidates the penalty sections into a single penalty of $5,000 fine and 2 years' imprisonment for violations of all provisions of the bill. The Justice Department has provided two classes of penalties, a $5,000 fine and 2 years' imprisonment for violation of section 2, which prohibits the interstate transportation of gambling devices, and violation of section 5, which prohibits the manufacture, transport, possession, or use of gambling devices on Federal territory; and a $2,000 fine and 1 year imprisonment for violation of section 3, which deals with the registration of manufacturers of and dealers in gambling devices, and violation of section 4, which deals with the marking of packages containing gambling devices.

So, Mr. President, the sixth change in the House bill has to do with the consolidation of the penalty sections into a single penalty of a $5,000 fine and 2 years imprisonment, instead of the different categories which I have read.

Mr. President, as I have already said, this conference report was debated at great length in the Senate on September 19. I do not think it necessary to debate it again in such detail. If there are any questions as to the result of the changes proposed in the conference report, I shall be glad to try to answer them. The Senate conferees were informed that the language as finally adopted by the House was discussed with the Attorney General of the United States, who said he liked the language of the House bill much better than the language of the Senate bill. He approved the changes which were made in it.

Of course, we all know that the Attorney General of the United States has no authority to enact laws. He does not belong to the legislative department of this great Government. But this bill came from his office. It came from his office, not because of any particular thinking in the Justice Department, but because of a crime conference which was called, at which the mayors and attorneys general of the country assembled, and at which they made recommendations. Because of those recommendations by the law enforcement officers throughout the United States, the Attorney General wrote the department bill and sent it to the Congress. The Senate acted very promptly, as I have said. The House Committee held hearings lasting several days—and I commend them for it—at which time they gave everyone an opportunity to be heard either for or against the bill. They gave more attention to it, perhaps, than did the Senate. We passed it just as the Attorney General sent it to us, without crossing a "t" or dotting an "i." We enacted into law the bill which he recommended, because of the origin of this bill, coming out of the crime conference as it did. But in my humble opinion, and I have given considerable study to the subject, I think the House version makes it a much more acceptable, a more constructive measure, and I earnestly hope the Senate will very promptly enact into law the conference report on Senate bill 3357.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

GAMBLING DEVICES BILL—THE SENATE-HOUSE CONFERENCE REPORT ON SENATE BILL 3357 NULLIFYING STATE LAWS

Mr. MALONE. Mr. President, I want to thank the Senator from Colorado for his straightforward statement that the bill was written by the Attorney General of the United States and passed by the Senate exactly as he requested it.

NO OBJECTION TO SENATE BILL

I want to say, Mr. President, that the junior Senator from Nevada has no objection to this proposed legislation because the bill as passed by the Senate simply provided that wherever the use of such gambling devices was legal, as certified by the Governor of a State to the United States Attorney General, unbroken shipments from point of origin may go into that State.

DID NOT NULLIFY A STATE LAW

There was no objection because it did not nullify any law of any State, so far as the junior Senator from Nevada knew.

INCLUDES ALL GAMBLING DEVICES

I have to take issue with the distinguished senior Senator from Colorado that the House bill upon which the conferees agreed, only includes slot machines. It includes all gambling devices. This to me would mean the destruction of the thoroughbred horse industry since the parimutuel machines would be included along with roulette wheels and slot machines and other gambling devices. The Senate bill, which the Attorney General wrote, did not mention slot machines, but included all gambling devices. This, in my opinion, was proper because it did not nullify the 20-year-old gambling law of my State of Nevada. The governor merely certifies to the Attorney General of the United States that their use is legal.

HOUSE SUBSTITUTED ANOTHER BILL

Mr. President, the House of Representatives substituted another bill, almost in its entirety, and in that bill nullified a 20-year-old law of the State

of Nevada through requiring an entirely new act to be passed by our legislature to exempt our State from the provisions of the act.

This would also be true of the shipment of parimutuel machines into States where horse racing is legal, thus nullifying the laws of those States making the use of such machines legal.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. MALONE. I shall be happy to yield to the Senator from Colorado.

Mr. JOHNSON of Colorado. The conference report does not change or modify in the slightest degree any law of the State of Nevada. It simply exercises the constitutional right of the Congress to enact legislation affecting interstate commerce. Congress has acted in that capacity many times. The Senator will recall the Dyer Act relating to automobiles stolen in interstate commerce; the Mann Act with respect to white slavery; the Prison Goods Act which went to the Supreme Court. In the Whip and Collar case, as I recall, the Court established the right of the Federal Government and the Congress to enact this kind of legislation to protect the people. So that there is nothing new in this proposed legislation——

Mr. MALONE. Mr. President, I yielded for a question.

Mr. JOHNSON of Colorado. Yes. I have no question to ask at this time.

NOT LEGAL TO STEAL AUTOMOBILES

Mr. MALONE. I would simply say, in order to clarify the matter, that the Dyer Act prohibited the movement of stolen automobiles across State lines. It, of course, did not nullify any State law, because no State had made it legal to steal automobiles. Nor were any other of the acts enumerated by the distinguished senior Senator from Colorado pertinent to this issue. They have no possible connection.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield for a question?

Mr. MALONE. I yield.

Mr. JOHNSON of Colorado. Does the Senator contend that the State of Nevada passed a law which opened the commerce of the country to the shipment of slot machines? Is that what he is saying? What law of the State of Nevada does this bill change?

THE HOUSE ACT NULLIFIES THE NEVADA 20-YEAR-OLD GAMBLING ACT

Mr. MALONE. The State of Nevada passed an act making gambling legal within the confines of that State. The passage of that act was within the framework of the Constitution, and this bill nullifies that law.

On the face of it, I do not see how the distinguished senior Senator from Colorado could assert otherwise. Under the provisions of the bill as presented now, it would be necessary for the State of Nevada to enact a new law to exempt itself from legislation passed by the Congress of the United States.

No one asserted the Attorney General sent a bill to the House.

The Attorney General sent a bill here to the Senate, and it was passed, as the distinguished Senator has said, without crossing a "t" or dotting an "i." That was all right, and no one objected, because, as the Attorney General wrote it, it did not nullify the 20-year-old gambling law of Nevada. It was only required that the Governor of Nevada certify that the use of such gambling devices was legal.

ATTORNEY GENERAL'S VERSION SUBMITTED TO THE SENATE

The initiation of the law was approved at a meeting of attorneys general, then submitted to the Senate by the United States Attorney General, and I approve of it. This is the exact language of the report, written, I assume, either by the distinguished senior Senator from Illinois or his assistants, on Senate bill 3357, Report No. 1482, from which I read:

EXCERPT FROM SENATE REPORT NO. 1482

The bill herein recommended for enactment was transmitted to the Congress of the United States by Attorney General J. Howard McGrath on April 1, 1950. It grew out of the Attorney General's Crime Conference of representatives of local, State, and Federal law-enforcement officials which met in Washington on February 15, 1950, to discuss law-enforcement problems with reference to organized crime. The Crime Conference adopted a resolution specifically endorsing the proposed legislation and requesting the Attorney General to transmit it to the Congress with a request for enactment. Enactment of the bill was endorsed by FBI Director J. Edgar Hoover in testimony before the House Appropriations Committee earlier this year.

NO OBJECTIONS TO THE SENATE BILL

Mr. President, I have heard no objections to the Senate bill. Certainly if there had been objection, the bill would not have been passed on the consent calendar. But I say, Mr. President, that the bill passed by the House and agreed to by the Senate conferees is not the bill which the Attorney General sent to the Congress of the United States. He did not send this bill, and no one has asserted that he did. As to the proposed legislation which the Attorney General sent to the Senate, there is no record of his having sent it any other place. The bill, as written by the Attorney General, did not nullify the 20-year-old law legalizing gambling in the State of Nevada. There was no objection to it.

HOUSE CONFEREES DOMINATED THE CONFERENCE

I can understand how possibly the House conferees, being more assertive than is the senior Senator from Colorado, were allowed to rewrite the bill.

The junior Senator from Nevada asked to be invited before the conference, and he understands that that practice is customary, when there is an important piece of legislation in which a Senator is interested, whether he is a member of the conference or not. But he was not invited.

A SENATOR'S ATTENDANCE AT A CONFERENCE COMMITTEE

I am not informed whether the subject of my attendance was brought up and discussed. I do not know whether they discussed the question of allowing at such conference anyone who might have objection to the interference with a long-established State law passed within the framework of the Constitution of the United States.

NOT A MEMBER OF ANY STATE LEGISLATURE

Mr. President, I am not a member of the Nevada Legislature. I am not a member of the Kentucky Legislature, which voted for local option. I am not a member of the legislature of any of our 48 States.

Any State legislature could pass an act which may not conform to the junior Senator from Nevada's ideas of proper legislation.

LEGALIZED HORSE RACING

Legalized horse racing is permitted in California, Florida, Illinois, and in other States of the Union. The junior Senator from Nevada has nothing to say about such laws which are or may have been passed by such State legislatures. However, I would object on the floor of the Senate to the passage of any legislation which would seek to nullify any State law by the simple device of making it illegal to ship race horses across State lines. That is similar to what is sought to be done here.

THE CONTROVERSIAL SECTION 2 OF THE BILL

Mr. President, so that the RECORD may be complete, as the distinguished Senator from Colorado has said, the subject was debated at some length, and the debate with reference to it appears in the CONGRESSIONAL RECORD of September 20 and September 21.

I should like to read into the RECORD a part of section 2 of the Senate bill, and I ask that the remainder of the section be inserted in the RECORD at this point.

The PRESIDING OFFICER. Is there objection?

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

SECTION 2—SENATE BILL

SEC. 2. It shall be unlawful knowingly to transport or cause to be transported in interstate or foreign commerce any gambling device, or knowingly to take, receive, possess, or dispose of any gambling device transported in violation of this act: *Provided*, That the provisions of this section shall not apply to the course of unbroken interstate transportation of any gambling device into any State where the use of such device is legal, as certified by the governor of the State to the Attorney General of the United States and published by the Attorney General in the Federal Register. In the absence of such certification and publication, the use of gambling devices in any State shall, for the purposes of this act, be presumed to be illegal; and all persons and officials affected by the provisions of this act shall be entitled to act in reliance upon the presumption.

Nothing in this act shall be construed to interfere with or reduce the authority, or the existing interpretations of the authority, of the Federal Trade Commission under the Federal Trade Commission Act, as amended (15 U. S. C. 41–58).

Mr. MALONE. I read from section 2 of the Senate bill:

SEC. 2. It shall be unlawful knowingly to transport or cause to be transported in interstate or foreign commerce any gambling device—

The remainder of the bill is confined to definitions and penalties, and this section represents the heart of the bill. This is the bill which the Attorney Gen-

eral of the United States sent to the Senate—

or knowingly to take, receive, possess, or dispose of any gambling device transported in violation of this act: *Provided*, That the provisions of this section shall not apply to the course of unbroken interstate transportation of any gambling device into any State where the use of such device is legal, as certified by the governor of the State—

I ask the Senators to listen to this portion—

as certified by the governor of the State to the Attorney General of the United States and published by the Attorney General in the Federal Register.

Mr. President, that is the provision in the bill which was sent to the Senate by the United States Attorney General. He never to my knowledge wrote any other bill or made any other suggestion in that respect. I read further:

In the absence of such certification and publication, the use of gambling devices in any State shall, for the purposes of this act, be presumed to be illegal; and all persons and officials affected by the provisions of this act shall be entitled to act in reliance upon the presumption.

Legislative action by the States represents the wishes of the people of that State. The members of a State legislature have more opportunity to know what the people of their State want than does the distinguished Senator from Colorado or the junior Senator from Nevada, neither of whom are members of State legislatures.

SECTION 2 OF THE HOUSE BILL

Mr. President, I now wish to read section 2 of the bill as passed by the House. I ask permission that any parts of the section which I do not read be made a part of the RECORD at this point.

Section 2 of the House bill provides:

SEC. 2. It shall be unlawful knowingly to transport any gambling device to any place in a State, the District of Columbia, or a Territory or possession of the United States from any place outside of such State, the District of Columbia, or a Territory or possession: *Provided*, That this section shall not apply to transportation of any gambling device to a place in any State which has enacted a law providing for the exemption of such State from the provisions of this section, or to a place in any subdivision of a State if the State in which such subdivision is located has enacted a law providing for the exemption of such subdivision from the provisions of this section.

TWENTY-YEAR-OLD LAW NULLIFIED BY CONFERENCE REPORT—HOUSE BILL

Mr. President, what would it do? What is the meaning of it? It means that a 20-year-old law in my State of Nevada would be nullified. Another law would have to be passed. Before it could be passed it would have to go before committees and be debated by the two houses of the legislature.

THE CONGRESS IN SMALL BUSINESS TO NULLIFY STATE LAW

Mr. President, I submit that the Congress of the United States is indeed in small business if it seeks to nullify a law passed by a State legislature, especially one which was enacted as long ago as 20 years, particularly when no principle is involved or served. It is simply an attempt to nullify an act of the Legislature of Nevada by the passage of a Federal act.

QUESTION OF LEGAL GAMBLING NOT BEFORE THE SENATE

Mr. President, I would say that the question of whether gambling should be legalized or not in the State of Nevada or in the United States of America is not before the Senate. Apparently no one has had the guts to submit such a bill for our consideration and face the issue clearly. If the Attorney General wants such a bill, to make all gambling illegal, let him introduce it. The Cabinet officers practically introduce bills—they control Congress, apparently. Everything they suggest is brought here without any proper consideration of its ultimate effect. Let the Attorney General introduce a bill prohibiting all gambling.

LET THE CONGRESS DEBATE GAMBLING ON ITS MERITS

Then let the Congress of the United States debate the bill on its merits. Let us not come in through the back door and try to nullify a 20-year-old law of a State simply because the proponents of such a measure do not have the intestinal fortitude to come out and say what they want to do.

Mr. President, I think I speak for every man, woman, and child in the State of Nevada when I say that the Nevada people want to do whatever is in their power to assist other States in enforcing its laws.

WOULD PROTECT ANY STATE'S RIGHT

The junior Senator from Nevada would stand on the floor of the Senate for another 12 hours, if it is necessary to do so, to protect the right of any other State to pass any legislation it wants to pass within the framework of the Constitution of the United States, without the Congress getting in its hair.

The moment we lose such a right we have gone another great step in the direction which I know the distinguished senior Senator from Colorado does not approve, and that is in the direction of a dictatorship in Washington. In other words, we would be bringing to Congress the power to pass upon all legislation by the States.

CITY OF WASHINGTON DANGEROUS TO THE UNITED STATES OF AMERICA

In the opinion of the junior Senator from Nevada, the city of Washington is the most dangerous city in the United States of America to the United States of America. Why do I say that? It is because every man, woman, and child in the city of Washington is either working for the Government, working for someone who is working for the Government, or selling something to someone who is working for the Government.

If one remained here for 3 months without going west of the city limits to again get the feel of the situation, to listen to the people making a living the hard way, he might conclude that everyone in the United States wanted to run the Government from here.

THE REPRESENTATIVES OF FOREIGN COUNTRIES

It is interesting to observe that there are 70, 80, or 90 consuls and ambassadors here. They are here at our expense, generally speaking, to get something out of the United States through the Congress. They want gift loans and free trade so that there will be no obstacle to bringing in all kinds of products manufactured by their cheap, low-living-standard labor.

FREE TRADE A WAR ECONOMY—CAUSE OF FINE PEACETIME ECONOMY

We are now in a war economy. The minute the war is over the cheap-labor products of the European and Asiatic countries will come into the United States by the boatload and trainload, and our boys will be out of work.

THE 1934 TRADE AGREEMENTS ACT

This process started in 1934, when we passed the 1934 Trade Agreements Act.

Here, Mr. President, is an example of the thoughtlessness of the Congress.

The pending measure is not quite as serious—it does not affect as many people as does the 1934 Trade Agreements Act.

CONGRESS ABROGATED ITS RESPONSIBILITY

The Congress of the United States abrogated its responsibility under that act. By that act it transferred to the executive department, meaning in this case the great State Department, its constitutional responsibility to regulate foreign trade through tariffs and import fees.

IT WOULD BE A SHAME TO OFFEND MR. ACHESON

This afternoon I listened to some very learned debate as to whether someone might have offended Mr. Acheson. Under cover, the free-trade sell-out of the workers and investors of this Nation is being completed at Torquay, England, today. It is said that the conferences will last until March. More than 100 so-called trade treaties are under discussion.

In the first place, there is no such thing as a trade treaty. Our tariffs are being lowered; and if another nation, by any chance does lower one of its tariffs, the possibility of anything being imported into that country is nil because of their quotas, embargoes, manipulation of currency values, and all known subterfuges. It is a one-way street.

UNEMPLOYMENT IN PEACETIME

We are now on a war economy. In June of this year, there were between 5,000,000 and 6,000,000 unemployed in this country, because of the products of cheap labor shipped into our market. There were between 10,000,000 and 12,000,000 partially unemployed. Mr. Sawyer stated, after the war had been in progress for about 60 days, "We cured the unemployment situation."

ANOTHER EXAMPLE OF APPROPRIATING STATE'S RIGHTS

Mr. President, that is a tough way to cure unemployment. We have done it twice in the past 10 years—three major democratic wars in a generation—through the Democratic Party being captured by the Socialist Party and becoming a war party.

The pending measure is merely another example of the thoughtlessness of the Congress of the United States in transferring its responsible powers out of its jurisdiction and taking unto itself the rights of the States. I have been

present on the floor of the Senate many times when the question of States' rights has been discussed. I have never seen the majority of the Senate vote for abrogating States' rights.

DO NOT GAMBLE—BUT WILL PROTECT STATE'S RIGHT TO LEGALIZE IT

Mr. President, personally I do not gamble. I take no particular credit for that fact. I simply do not gamble. But if the people of Mississippi or the people of Nevada or the people of Montana want to enact a law legalizing gambling devices, and the State law is within the framework of the Constitution of the United States, I will do all in my power to protect the action of that legislature. That is what I am doing today. That is what I did during the 12-hour debate in September.

GOVERNORS BOARD OF DIRECTORS OF PRESIDENT

If we continue the steady encroachment upon States' rights, taking them in one by one, it will be only a very short time before the governors of the 48 States will be only a board of directors for the President of the United States. It is a pattern, Mr. President. The trend has been going on for 18 years. It is my honest belief that the senior Senator from Colorado also objects to it in his heart.

HOUSE HAS NOT APPROVED CONFERENCE REPORT

Mr. President, it is customary, and has been for many years, when a Senate bill passes and it goes to conference and the conferees agree on a report, that the House consider adopting the report first. It is customary, if a House bill passes and is passed by the Senate and sent to conference, and the conferees agree, for the Senate to consider the report first. For some unknown reason we are presented with the conference report without the House having first approved it as has become the custom.

WHAT ARE THE CONCEALED OBJECTIVES OF THE BILL?

Mr. President, there is a brief sentence in the report, No. 3111, which states that a couple of amendments were adjusted in the conference. I read from the report:

> The second amendment would have permitted a State which has enacted a law providing for the exemption of such State from the provisions of section 2 of the bill to ship gambling devices from such State for repairs into another State.

The language which turned down that amendment is something out of this world. "The House conferees felt that these two amendments"—but referring particularly to the second amendment—"are incompatible with the objectives of this legislation."

Mr. President, what are the objectives of this legislation? Are they to help the distinguished senior Senator from Colorado enforce the law in Colorado, or are they to make it impossible for any State to operate a gambling device, regardless of the State law? According to this language, if a machine is shipped to another State for repair, when there are no repair facilities in the State where the gambling device is legally used, it would seem that it is not the objectives of the bill to enforce the law in other States.

The objectives seems to be to prevent a State which has a law making the use of such gambling devices legal from actually utilizing such devices by preventing them from being returned for repairs.

THE SUBJECT OF WHETHER SUCH DEVICES SHOULD BE LEGAL—NOT UNDER DISCUSSION

The junior Senator from Nevada is not discussing whether the use of these gambling devices should be legal in Nevada or in any State within the United States. He is not discussing the question as to whether they should be legal in the State of Nevada or the State of Mississippi, or the State of Florida, for the simple reason that that question is not before the Senate.

The question before the Senate is, Shall it become the practice of the Congress of the United States to go through the back door and nullify and defeat the objective of the laws of a State even though they have been passed within the framework of the Constitution of the United States?

DEFENDING THE RIGHTS OF STATE LEGISLATURES

There are, no doubt, persons in my State, and persons in Mississippi, the State of the Presiding Officer, and persons in every other State who do not feel the use of gambling devices should be made legal.

As the junior Senator from Nevada has said, he is not a member of the Nevada Legislature. He is not a member of any other State legislature. He is a Member of the Senate of the United States, and, as such, regards as his responsibility and his duty to defend the right of any State to pass any law it wants to, within, of course, the framework of the Constitution, without the Congress getting into its hair.

BILL TO PROHIBIT ALL GAMBLING

If Congress should want to pass legislation prohibiting gambling of every nature, we would discuss roulette, slot machines, pari-mutuels for horse racing; we would discuss the use of all gambling devices, including the use of playing cards. Many persons are adverse to the use of playing cards. Many are against horse racing.

This bill would merely snipe at horse racing by prohibiting the shipment of such devices in interstate commerce.

Mr. President, what we are now considering may be merely the first step.

Perhaps the next step will be to make it illegal to send a race horse or a pack of playing cards across a State line. This bill prohibits the shipment of parimutuel machines in interstate commerce—which I am advised, would severely curtail the race-horse and the quarter-horse industry. It may then be provided that there must be a breeding farm in every State, that there must be a card factory in every State, and a parimutuel machine factory in every State.

Mr. President, at the conclusion of my remarks I shall move to refer the legislation back to the conference committee with instructions to the Senate conferees that they stay with the Senate legislation, as they should have done in the first place, or at least to the extent that they will oppose the nullifying of any State law which has been passed within the framework of the Constitution.

ASK CONFEREES NOT TO NULLIFY STATE LAWS

All the junior Senator from Nevada asks is that the Senate conferees not agree to the nullification of a State law and make additional legislation necessary.

LEGAL GAMBLING NOT BEFORE SENATE

Mr. President, I wish to reiterate at this point that the question of whether or not gambling should be legal in any State of the Union is not before the Senate.

The only question before the Senate today is that raised by the conference report. The question the junior Senator from Nevada raises is the advisability of the Senate conferees accepting proposed legislation contained in a conference report, when the legislation proposed by the Senate itself did not contain such proposals.

I question the advisability of the proposed legislation as passed by the House and accepted by the conferees which would nullify a 20-year-old law of a sovereign State of the Nation—a law passed within the framework of the Constitution of the United States, and expressing the will of the people of that State.

Mr. President, I can sympathize with the people of Colorado if they cannot enforce their laws against gambling devices in Colorado. I cannot, however, agree that they should nullify another State's law in order to enforce their own.

ANY CHIEF OF POLICE CAN ENFORCE LAW

The chief of police in any city of America, backed by his mayor and city council, in a city where gambling is illegal, could close up gambling in that city within 24 hours. Is it because men cannot be obtained in certain States who will enforce the State laws against gambling that it is proposed here that Congress pass legislation which would nullify the law of another State which handles the proposition in an entirely different manner.

DO NOT MAINTAIN IT IS PERFECT ANSWER

I do not say the method used by Nevada in the matter of gambling or anything else is a complete answer to any of the problems involved. The junior Senator from Nevada has never said that. But the Nevada Legislature—the Assembly and the State Senate—elected by the voters in all the precincts in the State, has spoken for Nevada in the matter.

Mr. President, I have never said that the solution of the gambling problem has been arrived at by my State, Nevada. I have said that the legislature of my State, expressing the will of the people of the State, has passed a measure making the use of gambling devices legal.

MANY PROBLEMS STILL TO BE SOLVED

Over the years there has been considerable question in regard to gambling, liquor, and various other problems in the States and cities.

An examination of the statutes of the States will reveal, I believe, that they have endeavored in different ways to

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solve these questions. However, so far as I know, this is the first time an attempt has been made by the Congress of the United States to nullify a State statute. I say this with all due respect to the distinguished senior Senator from Colorado, who referred to the Dyer Act, the Mann Act, and other acts which have nothing whatever to do with this proposed act, because none of the other statutes he has named nullified the law of any State.

So far as I know it never was legal in any State for a person to steal an automobile. Therefore, the Federal law making it illegal for a stolen automobile to be transported across State lines was merely a help to the States in enforcing their own laws.

ATTORNEY GENERAL WORDING OF PROPOSED STATUTE APPROVED

If the Senator from Colorado would agree to have this measure worded as was proposed by the Attorney General of the United States, so that it would not be necessary for the Legislature of Nevada to pass another act similar to the one which was passed by the State legislature 20 years ago, the situation would be different and no objection would be entered.

COOPERATE TO WORK OUT A SUITABLE BILL

If this conference report is returned to the conferees, the junior Senator from Nevada would be willing to confer with the conferees and work out something which will be entirely satisfactory to the Attorney General of the United States and still not nullify a legal act of the legislature of any State. Furthermore, Mr. President, if during this short time it is impossible for us to arrive at a measure which will be satisfactory to all concerned, the junior Senator from Nevada has expressed a willingness, immediately upon the convening of the next Congress, to confer with the senior Senator from Colorado or his committee or any other committee, and with the Attorney General, if he wishes and work out a suitable measure.

ACT RECOMMENDED BY ATTORNEY GENERAL NOT OPPOSED

Mr. President, the measure recommended by the Attorney General of the United States was not opposed. That measure provided that it would be necessary for the Governor of any of the States, including my own State, to certify to the Attorney General of the United States that the use of such gambling devices was legal in his State. No one objects to a measure of that kind.

However, the junior Senator from Nevada does object when such measure is perverted to nullify a 20-year-old statute in his own State.

May I remind my colleagues that the Attorney General is committed to the bill as it was passed by the Senate.

Now to attempt to nullify an established statute of any State I think is highly improper. I think it is time for the Senate to take cognizance of all such proposed legislation.

PROBABLY NOT LAST STATE AFFECTED

When the law was passed in Nevada, within the framework of the Constitution of Nevada and within the framework of the Constitution of the United States, the State legislature was acting in carrying out the will of the people of Nevada.

Mr. President, I wish to remind the Senate that although Nevada may be the first State so affected, it probably will not be the last one, if the step now proposed is taken.

MOTION TO RECOMMIT TO SENATE-HOUSE CONFEREES

Mr. President, at this time I move that the conference report on Senate bill 3357 be recommitted to the Senate-House conferees, with instructions to the Senate conferees to disagree with the House amendments, and to insist upon the bill as previously passed by the Senate.

The PRESIDING OFFICER (Mr. CHAPMAN in the chair). The question is on agreeing to the motion of the Senator from Nevada.

Mr. MALONE. Mr. President, I suggest the absence of a quorum.

Mr. LANGER. Mr. President——

Mr. MALONE. I yield.

Mr. LANGER. Mr. President, I wish to be recognized in my own right.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. McCARRAN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. Does that mean that the junior Senator from Nevada now loses the floor?

The PRESIDING OFFICER. Did the Chair correctly understand the Senator from Nevada to suggest the absence of a quorum?

Mr. MALONE. I withdraw the suggestion.

Mr. McCARRAN. Mr. President, I have propounded a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McCARRAN. Does this mean that the junior Senator from Nevada now loses the floor?

The PRESIDING OFFICER. Has the Senator yielded the floor?

Mr. MALONE. I intended to yield to the Senator from North Dakota, without losing the floor, but I now relinquish the floor.

Mr. JOHNSON of Colorado. Mr. President, I do not think it is good policy for Senators to continually farm out the time on the floor to other Senators, and I would object to that. The Senator from Nevada made a motion; and, when a Senator makes a motion, he loses the floor, of course. If the Senator from North Dakota has the floor, I do not see any point in having the Senator from Nevada yield to him.

The PRESIDING OFFICER. The Senator from North Dakota has been recognized.

UNITED STATES FOREIGN POLICY—ATTITUDE OF GERMANS

Mr. LANGER. Mr. President, at the time the Senate debated the question of approving the Charter of the United Nations, I opposed it. I believe I am today the only Senator upon the floor who was against approval of the Charter at that time. I wish to call the attention of the Senate to a part of my speech upon that occasion. I said I was opposed to adoption of the United Nations Charter, and as shown by page 8188 of the RECORD of July 28, 1945, I said:

> I would be willing to vote for the appropriation of the last dollar in the United States Treasury, and the last dollar we could borrow if, by spending that money, we could eliminate war, which we all abhor and hate. I would unhesitatingly vote for the Charter if I felt that it offered even the tiniest hope of a permanent peace. But, in spite of that, Mr. President, I feel from the bottom of my heart that the adoption of the Charter—and make sure we are going to implement it—will mean perpetuating war.

I repeat the words "would mean perpetuating war." I continued:

> I feel it will mean the enslavement of millions of people from Poland to India, from Korea to Java, as well as people in many other places on this earth.

Quoting further:

> Mr. President, I feel that the adoption of the Charter will be one step more toward compulsory military conscription, and all that which goes with war.

Mr. President, I submit that what I prophesied on that occasion has come true. What I am particularly concerned with is not Asia, because, bad as is the situation in Asia today, the situation is much worse in Europe.

Today the situation in Germany, for instance, needs immediate and constructive attention. When the victorious American and allied armies entered southern Germany they were hailed as long-awaited liberators, who would free the German people, not only from invasion by communism, but also from oppression by nazism. The German people were disappointed when they learned that unconditional surrender by them meant not only surrender of the Hitler government but of all the German people.

Mr. President, when the Americans approached Germany the German and Austrian people climbed to the roofs of their houses to wave their white shirts and white rags in celebration of the fact that, at last, their friends, the Americans, even though they had been fighting them for many months, were now coming in to take charge of the enemy in Berlin. I think every Senator knows what happened—that the Government of the United States permitted Russia and Joe Stalin to place an iron ring, not only around Berlin but also around the earth. Today Members of this body may wonder whether the German people are going to take up arms against Russia, whether Western Germany is to be included, in truth and in fact, as well as in the matter of arms, in the Atlantic Pact.

Today, across the water, Mr. Acheson, representing our Government, meeting there with other representatives of the Atlantic Pact, face as their chief problem the question of whether Germans are to be integrated as a part of the force to fight the Communists. In the newspaper this morning it was stated that if the United States remained in Asia, and if the forces in Japan and the Chinese Nationalists were allowed to help, it would mean a 30-years' war.

So when I said that if we adopted the United Nations Charter it would mean perpetual war, I uttered a prophecy which has come true.

What we are all concerned about today is the situation in Europe. When we speak of Europe, I think of the words of Gen. Omar Bradley, who said that the people of Germany were the crux of the entire European situation.

Mr. President, after the war the principle of collective guilt was used in dealing with the German people. They accepted it, especially after learning of the crimes against humanity which had been committed by the Nazi government against the Jews, the Catholics, and the Lutherans. In their present status, however, the German people feel that they have suffered their humiliation, that they have paid a sufficient price for the sins of the Nazi leaders in this world of confusion, when so many wrongs were committed by people who sat in judgment on the rest of mankind. The Germans feel that they, too, have a right to live again as a free and self-supporting people.

I go into this in some detail because so many Senators have asked me to speak upon the floor and to give the results of my journey in Europe, where I went at my own expense, entirely apart from the military, entirely apart from the Department of State, and merely as one United States Senator who wanted to find out what the real situation was. I was peculiarly fitted for that task, Mr. President, because, as Senators I know, I speak the German language. I could wander about in a most unobtrusive manner talking with people, trying to arrive at their true inward feeling. I say that the proof that the majority of the Germans never approved of the Nazi policy is the well-known fact that Hitler could rule only by police-enforced dictatorship.

Mr. President, as I proceed I think I shall make it abundantly clear that ever since we got into World War II, all through that war, and in all the years after that war, all the 5 years after it, our Government has made every mistake it could possibly make. I do not know of a single one it missed. I invite attention to the fact that it is not only the Democrats who are responsible. Oh, no, Mr. President. Republicans rise today and shout to high Heaven against the administration. They can call Mr. Acheson all the names they want to call him, and they can, as was done last week, with only five of us in the Republican caucus voting against them, stick a knife into the back of Mr. Acheson. We send him across the water discredited in every way in which the Republican Party could discredit him. But the truth of the matter is that during that entire time we had a bipartisan foreign policy. During the Eightieth Congress the record shows every single vote of the 13 members of that committee was unanimous. That is a fact, Mr. President.

I know that I was the only sinner upon the floor who voted against the confirmation of Mr. Stettinius. The 3-hour talk I delivered upon that occasion was entirely in vain; but it was under his architecture and that of Alger Hiss that at San Francisco the United Nations Charter, with a veto power included at the request of the American and English representatives, was adopted and submitted to this body.

Who, Mr. President, gave the most eloquent speeches in favor of its adoption with the veto power included? It was Senators on the Republican side of the aisle. Some of my Democratic colleagues rose and said, "Under the United Nations Charter it is impossible to get into a war because the United States has not surrendered a single shred of its sovereignty." But we are in a war, Mr. President; we are in a war up to our necks. Only an hour and a half or two hours ago upon this floor we heard the distinguished senior Senator from Tennessee [Mr. MCKELLAR] say that never in all the history of the United States, certainly during the 40 years he has been a Member of the Congress, has our Government faced a more critical situation. In part that critical situation arises from our treatment of Germany and Austria. Something which was entirely and unanimously ignored by the Foreign Relations Committee of the Senate, and ignored by our Department of State was that the majority of the Germans never approved of the Nazi policy, and it is a well-known fact that Hitler could rule only by police-enforced dictatorship. However, representatives of the State Department, our national administration, and the members of the Foreign Relations Committee of the Senate stood idly by and did nothing. Now when we are face to face with a crisis, they try to blame Secretary Acheson.

I invite the attention of my fellow Senators, Mr. President, to the fact that I was one of six Senators who voted against the confirmation of Mr. Acheson. But I do not propose to sit idly by and see any group of Senators, whether they are on the Democratic or Republican side, make a goat of Mr. Acheson when he is not to blame. Mr. Acheson, in my opinion, is no more guilty than are some of the very Republicans who stuck a knife into his back last week.

In Germany, Mr. President, children are growing up, and their parents feel that at least they should not be condemned or punished for the political mistakes of the past. I found that the Germans are a proud people, too proud to parade their poverty publicly or to be beggars at their neighbors' doors. They are also a conservative and industrious people. I submit that the 33,000,000 Americans who are of Teutonic origin, set an example for industry, for thrift, for being law-abiding citizens, and for being good, patriotic Americans. Millions of persons in Germany are relatives of the millions in this country, and they are very much alike.

As I judge the picture, the Germans over there realize the present political situations in the world. They know there can be no compromise between the dictatorship of communism and the rights and freedoms of democracy. The great majority of the German people want three things: Political independence, religious freedom, and the right to earn a decent living. Complete political independence for Germany at this time is dangerous. They feel it might aggravate Russia into a war in Europe, and it would surely lead to disagreements among our allies.

Religious freedom has been granted to the Germans in the western zone. It might be said, however, that our interpretation of the complete separation of church and state in connection with the administration of the McCloy funds is causing much misunderstanding, because in Germany the social and charitable work which is carried on is so much a part of organizations that are definitely either Catholic or Lutheran. There is no quarrel between these two groups, but they often find themselves excluded in favor of some new nonreligious organization that calls itself liberal. The Germans feel that, although unintentionally, we are nevertheless, at least indirectly, interfering in the religious life in Germany. I think it is very important that the persons in charge of administering the McCloy funds should be given much broader power in favor of religious groups who are doing social work, the rule being that all moneys allotted must be used for social and charitable work and not for purely religious purposes.

Within the realm of immediate possibility, then, there is a third desire of the Germans, namely, to earn a decent living. At the present time, and under the present set-up, it is entirely impossible for too large a proportion of Germans in the western zone to earn a decent living. What are the reasons why Germans cannot earn a decent living? First, a large percentage of the factories have been destroyed in the war or were dismantled after the war, with the result that entire towns, in some cases, were left without any work possibilities. Second, 40 percent of the houses were completely destroyed, many more damaged by war. The victims who survived had to seek refuge in the country, where there was no work for them.

Third, into such a disturbed economy of Western Germany more than 12,000,000 German expellees were driven, robbed of their homes, their possesions, coming often with only the clothes on their bodies, with no kitchen utensils, no bedding, no provisions of any kind; thousands of them sick. Hundreds of thousands of the men who belonged to these refugee families had been kept back in slavery to work the farms and factories they had owned or to be sent as slaves into the mines and into Siberia. Even if Western Germany had not lost 40 percent of its housing it would have required 1,200,000 new dwelling units to take care of the expellees.

The International Refugee Organization refused to lend any assistance, not only to the Germans driven out of former German territory, but also to the millions of Germans who were ethnic Germans, driven from their homes in Czechoslovakia, Hungary, Yugoslavia, and other Balkan countries and from the Baltic states. These ethnic Germans had never been citizens of the German state, but still they were dispossessed and persecuted, and the International Refugee Organization refused to take any responsibility for them. The shattered economy of present Western Ger-

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many had to accept more than 10,000,000 of these unfortunate people.

Thank God, the charity of American people, in response to the appeals of Jewish, Catholics, and Protestant organizations, did much to relieve the sufferings imposed by the political policies of the victors in the war. May I say here that only this charity, consisting of hundreds of millions of dollars, saved the 70,000,000 Germans from spiritual despair and physical starvation.

Every Senator should realize the desperate plight of the German people at that particular time.

Marshall plan aid, given for diplomatic reasons, would have been much too late had it not been for this charity, inspired by religious motives. The German people are deeply appreciative of this charity. But the time has come when they ask for an economic arrangement that will permit them to live by the work of their hands and talents. They refuse communism, they wish to be accepted again into the family of democratic nations. If we refuse this request we shall strive in vain to save Europe from disaster, in spite of the billions we have given to England, France, Italy, and other European countries. It is only in Germany and Austria that communism can be stopped from conquering all of Europe. In saying it, I emphatically endorse what was said by Gen. Omar Bradley only a few weeks ago.

The free and democratic powers need the assistance of the German and Austrian peoples. The effective assistance of these people can be had for the investment of a sum of money that is insignificant compared to the billions we are voting for the equipment of American and other armies that are to fight the aggression of communism. Yet, the investment we make in the Western German and Austrian economy today are as much a part of our defense program as the billions of dollars spent for guns and airplanes. The German and Austrian people will be our strongest allies in the fight we are waging, but we must give them economic assistance to permit them to live decently. We must give to the present Governments of Germany and Austria, limited as they are, a political prestige with their own people so that these Governments show to their people that cooperation with the democracies is really their only hope to reestablish themselves in the family of democratic nations. We must give to the present German and Austrian Governments the economic assistance necessary to give homes and jobs to the millions of expellees we helped to force upon them, because in the Potsdam Agreement we did give sanction to a migration of people that, under Russian-inspired brutality, turned out to be the largest and most inhuman forced migration in the history of mankind.

In all the history of the world, Mr. President, there has never been anything like it heretofore. The signing of the Potsdam agreement sent 15,000,000 people into slavery. Abraham Lincoln, whose picture hangs on the wall of this Chamber, would turn over in his grave if he knew that a President of the United States had signed an agreement which sent 15,000,000 people into the most inhuman forced migration and slavery in the history of mankind.

We need not be too worried about the votes against rearmament that we so recently witnessed in southern Germany. The German and Austrian people live in daily fear of a Russian invasion. They cannot and will not vote to take up arms unless and until there is a real hope that the Russian armies will be stopped at the German and Austrian borders. At present, even a token membership of Germans in a European army would give the long looked-for excuse that Russia wants for invading Western Germany. The recent voting in southern Germany was against a rearmament they consider inefficient and dangerous. This was the first opportunity the expellees had to register their demand for a place to live and work in this changed Europe. We know from their history that these expellees are a conservative people. They are people of Yugoslavia and of Rumania who were living there for hundreds of years. Tito comes along. He is the man to whom we voted millions of dollars a few days ago. Tito and his Government wanted those farms. So they walked in and took them. If the man in charge of a farm did not want to give it up he was killed. They took the wives and children of those farmers and drove them out of the country and into Germany. Now they have nationalized the farms.

When the peasants did not raise enough food, what happened? The propagandists said there was a drought, and that good old Uncle Sam should send millions of dollars to feed the people. So we find the United States Government lining up with those scoundrels, those crooks, those Communists. Hard working heads of families have been deprived of their farms; and when the patriotic peasants and farmers would not raise a crop, the people of the United States were taxed to send them food, and to back up everything that Tito had done. That is why the senior Senator from North Dakota did not vote for aid to Yugoslavia. In my opinion it is a good, sound, unanswerable reason.

Those families were driven from their homes, away from their churches, away from their schools. Where are they today? We have heard a great deal of the displaced persons; but the situation of these millions of people is just as bad as the worst we have ever heard about displaced persons. I saw them. They live in single rooms, three or four families in a room. They live in camps and shacks. Children are without proper food, and are getting no education. How can they when the heads of families are without work and fathers and mothers see no hope of reestablishing a home? When that is the situation, ballots will be cast in protest, even by a conservative people. Let us never forget, Mr. President, that every expellee who comes into Germany is automatically a citizen, with the right to vote. That is why 3 weeks ago yesterday in Hesse, and in Württemberg, Baden, and 2 weeks ago yesterday in Bavaria, we found Social Democrats for the first time in history gaining an overwhelming victory at the polls. In Bavaria for the first time we found an almost solid phalanx of Social Democrats, getting more votes than any other party.

All our millions of dollars spent to advocate democracy will do little good if we fail to offer hope of jobs and homes. If we now build up Western Germany and Austria economically it will be the source of internal physical strength and political unity that we shall need far more than any presently contemplated small German army in the event that Russia attacks democratic Europe. If the Russian attack comes, in spite of all our efforts to keep the peace, every German and Austrian possible will march with us in the battle which will decide the future of the world.

Let me repeat the warning that if Western Germany should fall a victim to Russia, the hundreds of millions of dollars which we have spent in France, Italy, and England will have been spent in vain, for those nations, too, will fall before Communist aggression.

The Voice of America speaks in vain to the Germans in the Russian zone and to the oppressed people in Russian satellite countries unless it can not only tell of freedom in distant democratic countries, but point to liberties, food, and homes gained by the people of Western Germany and Austria who have been associated with the Western democracies. American fathers and mothers would much rather give money than sacrifice the lives of their sons and daughters in this battle for freedom and human rights. I wish to say publicly, not only to Members of the Senate, but to the American people, that helping Western Germany and Austria to take care of millions of homeless expellees will save American lives, and it should be a part of our present defense program.

Mr. President, let me sound a final warning. If we refuse the necessary assistance to the present conservative governments in Western Germany which support democratic institutions, we shall play into the hands of the smaller radical groups who are now attempting to unite their forces. They call it the German neutrality movement. Should this group attain power they will negotiate a modus vivendi with Russia. Then again we shall see in all Germany a dictatorship of the minority, as we already see it in Eastern Germany, supported by Russia. That will end all hope of a free and prosperous Europe.

Have we not learned a lesson from the mistakes of England and France when they refused the help which Chancelor Bruening asked for a few years ago? Have we not learned a lesson from our own recent mistakes in China? What we need today is not revolution, destroying the good with the bad, not restoration, which returns the evil with the good, but a renovation—building a new world order on social justice, economic security, and religious freedom. This renovation in the world order must include Western Germany and Austria.

Specifically, I should like to go into detail as to some of the things which have taken place in Germany during the past 5 years. Why is it that our American Government has been helping the

Communists over there rather than the German people?

There has been much discussion, both pro and con, with respect to the war-crimes trials which we held in Nuremberg. I am not now speaking of the first Nuremberg trials, in which the Russians openly participated, to try Goering and the other Nazi leaders. I am speaking of the subsequent war-crimes trials, which were conducted by American judges, under American law written especially for the purpose. The prosecutors were Americans. Let me repeat, Mr. President, that I am speaking not about the first Nuremberg trials, where Goering and his associates were tried. I am speaking of the subsequent war-crimes trials, which were conducted by American judges, under American laws written especially for the purpose. The cases were prosecuted by American prosecutors and defended only by German lawyers. One of our fundamental principles of justice is that the accused has the right to select his own lawyer, and that if he is denied the right to select his own counsel he cannot be said to have had a fair trial, as we in this country understand fair trials.

Mr. President, the very German men the Senate want to fight alongside our boys against Russia and at whom the Senate wonders because they do not wish to do so, as it wonders why in the last three elections the vote has been against America—those very German men are now talking and complaining about the war-crimes trials.

At those war-crimes trials, when some of the defendants asked for American lawyers to defend them in American courts, since they were tried by American prosecutors, before American judges, their requests were refused. What do Senators think of that? What did the Foreign Relations Committee do, Republicans and Democrats alike, when that was going on? The matter was brought to the attention of the members of that committee. But what did the great Foreign Relations Committee of the United States Senate do?

The refusals were generally by the prosecution. This is not to say that the German lawyers, counsel in these cases, were not able. Generally, the people over there believe that the German lawyers were men of high intellectual and legal ability. But they were Germans and treated as such by the Americans, who were very conscious of the fact that America was victorious in the war.

Moreover, the rules under which the defendants were tried were not the rules and laws prevailing in Germany, but were the rules written specifically for the purpose of the trials. Though the laws were drafted by Americans they did not follow American standards of procedure at all. Again I repeat, I am not talking about the first trials. I am talking about the trials of the great masses of German citizens who were arrested. Certain as it is that the sun rises in the east and sets in the west, so some day in the future American boys and American girls are going to pay the penalty for what has been done.

Mr. President, in this country, we do not permit ex post facto laws, but in Nuremberg such laws were permitted to be made use of. Here we demand that the accused shall have the right to be confronted with the witnesses against him. The most humble man or woman in this country arrested for stealing a bicycle, has, under our Constitution, the right to be confronted with the witnesses against him or her. In this country we allow no hearsay evidence in a criminal case. At Nuremberg the American prosecutors were allowed to and did use affidavits, some containing hearsay evidence, or being based on hearsay evidence. Then we wonder why the Germans do not want to fight alongside us.

Living accommodations in Nuremberg were luxurious for the prosecutors and inadequate for the German defense lawyers. That is what the Germans over there tell us, Mr. President. Though in a case before the court all the lawyers were supposed to be treated equally, at Nuremberg in many respects the German counsel were not treated with the same consideration accorded American counsel. At Nuremberg the American Chief of Counsel was also the Federal administrative officer of the court. Thus the prosecutor was in the position to favor its side, and to hamstring the defense by such devices as failing to produce evidentiary material in its possession, which had been demanded by the defense, or pretending not to be able to locate such material.

Here at home it is unthinkable for men to be tried for crimes and not to be given the chance to point out errors in the trial by an appeal to a higher court. At Nuremberg no appeal or revision was permitted.

How do Senators who are now begging German men to join in the fight like the position those Germans are taking? Perhaps the final answer will not be given in their own lifetimes, but their sons and their daughters are going to be given the answer.

The judgment of the trial court was final. If after the trial, the defense located material evidence which would have aided the defense, it was too late, and it was just too bad for the defense. Of course, we are told that there was an administrative review by the military.

However, since the prosecution was by the military the mechanics of an administrative review must give an obvious appearance of inadequate consideration of possible errors at the trial when contrasted with a judicial review of such errors. As one of the trial judges said:

> In many instances practices have been followed that were not in keeping with our generally accepted concepts of proper administration of justice.

Someone has tried to justify the war-crimes trials as being intended to deter future aggressors. It was said, "We will set such examples, that there will be no more aggressors in the future. We will set an example right here." But today, Mr. President, with our boys dying in Korea we see how ridiculous such a declaration is. The Nuremberg trials have not deterred the Reds in Korea.

These war-crime trials were decided on in Moscow and they were carried on under Moscow principles. These trials were essentially the same as the mass trials held in the 1930's by Stalin when Vishinsky used treason trials to liquidate Stalin's opposition. In Russia Stalin used such trials to liquidate his internal enemies. At Nuremberg the Communists used the war crimes trials to liquidate their external enemies.

It is the Communist's avowed purpose to destroy the Western World which is based on property rights. The war crimes trials were aimed directly at property rights. It was intended to try the accused as aggressors, convict them as having started the war, and then confiscate their property as a penalty.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. McCARRAN. I am interested in the discussion by the Senator, but I notice that repeatedly he has stated that he wants to differentiate between the first Nuremberg trials and the latter Nuremberg trials. I think it would be enlightening to the Senate if the Senator would tell us why he differentiates between them. In other words, why does he differentiate between the first Nuremberg trials and the later Nuremberg trials?

Mr. LANGER. The first Nuremberg trials were tried by Allied courts. The first Nuremberg trials were tried by judges from England, Russia, and other countries. The other trials were conducted by American judges and American prosecutors according to American laws specifically enacted for that purpose. The difference between them was as great as the difference between day and night. For the second Nuremberg trials we sent from all over the United States judges to try between 2,000,000 and 3,000,000 Germans who were arrested and tried at what were called the denazification trials.

Mr. McCARRAN. Mr. President, will the Senator yield further?

The PRESIDING OFFICER (Mr. LEHMAN in the chair). Does the Senator from North Dakota yield to the Senator from Nevada?

Mr. LANGER. I yield for a question.

Mr. McCARRAN. Is it not true that we sent some of the highest legal authorities in this country to participate in the first Nuremberg trials?

Mr. LANGER. At the first Nuremberg trials, we were represented by Mr. Biddle, our former Attorney General, who was sent there to be one of the trial justices. We were also represented by Mr. Robert H. Jackson, who went there to be the chief prosecutor. At that time he was one of the associate justices of the Supreme Court of the United States.

However, that system was not followed at the second Nuremberg denazification trials. At that time all the judges and all the prosecutors were Americans.

Mr. McCARRAN. I may have misunderstood what the Senator from North Dakota said, but I thought he said that the first Nuremberg trials were tried under Soviet Russia.

Mr. LANGER. No; the Senator from Nevada most certainly misunderstood me. I shall repeat what I said. I said that the war-crimes trials were decided

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on in Moscow and were carried on under Moscow principles.

Mr. McCARRAN. In that connection, does the Senator distinguish between the first Nuremberg trials and the later Nuremberg trials?

Mr. LANGER. Yes.

Mr. McCARRAN. In other words, according to the idea of the Senator from North Dakota, the first Nuremberg trials were carried on under the American system of jurisprudence; is that correct?

Mr. LANGER. They were carried on under the joint jurisdiction of the Allies.

Mr. McCARRAN. Was not Russia included?

Mr. LANGER. Yes.

Mr. McCARRAN. Did not Russia dominate there?

Mr. LANGER. I would not say Russia took any greater part than did any other of the Allies. I said that the subsequent Nuremberg trials, the war-crimes trials, were decided on in Moscow and were carried on under Moscow principles. Let me point out that when I speak of "principles" in that connection, I am using the word which is spelled "p-r-i-n-c-i-p-l-e s," rather than the word "p-r-i-n-c-i-p-a-l-s."

Mr. President, as I have said, those trials were essentially the same as the mass trials which were held in the 1930's by Stalin, when Vishinsky used treason trials to liquidate Stalin's opposition. In Russia, Stalin used such trials to liquidate his internal enemies. At Nuremberg the Communists used the war-crimes trials to liquidate their external enemies.

It is the Communists' avowed purpose to destroy the Western World, which is based on property rights. The war-crimes trials were aimed at property rights. It was intended to try the accused as aggressors, convict them of having started a war, and then confiscate their property as a penalty. Thus Moscow hoped to give a death blow to the capitalistic system. Our fellow-travelers and pro-Communist stooges were the dupes, and in some cases were the willing helpers.

Mr. President, in view of the questions my distinguished friend, the Senator from Nevada, has asked, I want him to listen carefully to what I shall say now: If there be any doubt that the war-crimes trials served the purposes of Russia, and did not serve the interests of the West, we need only ask who approved those trials. Senators will find that those war-crimes trials have been most ardently supported by Communist-front organizations, and that the same organizations have been most active in objecting to review by the Clemency Board appointed by High Commissioner McCloy of the errors committed during those trials.

At the original Nuremberg trial, the Russians openly participated. In that case they tried, but failed in the attempt, to establish that the industrialists had been guilty of starting the war. The Russians tried again, during the war-crimes trials, which were held by Americans only. That did not prevent some of the prosecution staff from collaborating with the Russians, with whom they were ideologically in accord. Again the Russians tried to establish that the industrialists as a group, and individually, were guilty of starting the war. Again they failed. In the trials of the industrialists, all the defendants were acquitted of the charge of having committed crimes against the peace. Despite that, the Communist-front organizations and their stooges continued to denounce those industrialists as warmongers. That charge, a pure Moscow invention, is particularly ironic today when we see what is going on in Korea, and when we consider who is responsible. Yet the Moscow stooges have not hesitated to send telegrams of protest to President Truman and High Commissioner McCloy, when he recently released some of the men convicted of war crimes, after the Clemency Board had examined the cases and recommended their release.

I hope my distinguished friend, the Senator from Nevada, will listen carefully, because some 2 weeks ago I submitted a resolution, which now is before his committee, calling for an investigation of the part the Communists played in the Nuremberg war-crimes trials, after the first Nuremberg trials were held.

If the payrolls of the Nuernberg prosecution staff are subpenaed by the Judiciary Committee, headed by the distinguished Senator from Nevada, it will be seen that practically the entire prosecution staff was composed of leftists and men who since then have been exposed as Communists and members of Communist-front organizations. They were, and still are, leftists. The tactics they pursued at Nuremberg were partisan. They were not the sort of tactics we expect to see followed in an American courtroom. They acted under the Moscow principle that the state can do anything to its enemies, and they decided who were those enemies. They were actuated by personal motives, in many cases. Typical was Prosecutor Rapp, in case 12; in a radio address he declared that, as far as he was concerned, his purpose was to tear the masks from the faces of the generals, and that such men could no longer be considered as leaders; that that was his hobby, and was what he intended to prove.

Obviously when the prosecution was composed of men who had such bias, impartial justice could not prevail. That situation and the result were deplorable.

Mr. President, I say to my distinguished friend, the Senator from Nevada [Mr. McCARRAN], the chairman of the Judiciary Committee, that when the committee holds its hearings, I shall be very glad to have the committee subpena the necessary witnesses and have them brought before the committee, and subpena the payrolls and investigate the names appearing on them, for some of those persons have been Communists and some have been called such by various newspapers in the United States. Regardless of that fact, those persons were called to help in that prosecution.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. McCARRAN. I am most interested in what the Senator has had to say, in view of his vote on the Internal Security Act of 1950.

Mr. LANGER. Mr. President, if my distinguished friend will wait, I will discuss that with him. I say that because I am afraid my distinguished friend may leave the Chamber while I am speaking.

Let me say that one of the most terrible things that ever happened was the passage by the Senate of the Internal Security Act of 1950, for that act resulted in wrecking the good will on the part of the people of Germany and Austria for the United States, good will which the administration for months and years had built up. No unprejudiced man, who went to those countries, as I did, could help but feel sorrowful at the terrible effect that act had upon the people of Germany and Austria. The American consuls over there told me that before that act was passed 1 out of every 10 persons who applied for a visa to come to the United States was able to obtain one, but that after the passage of that act only 1 out of every 90 persons who tried to get a visa to come to the United States was able to obtain one.

However, that is not all. Mind you, Mr. President, more than 200,000 of those persons had applied to come to the United States, under the quotas; but following the passage of that act, their visas were canceled. Why was that done? At one time at Ellis Island, 1,200 persons were stopped. Some of them were the brides of American soldiers. Some of them had sold their furniture. Many of them had given up their jobs to come here. They were stopped at Ellis Island as the result of passage of the Internal Security Act. After I reached Europe—and I had with me the veto message of President Truman—I said, "How could any man in the United States Senate vote against the President on a measure of this kind?" Here was the President of the United States vetoing the act. What did he do? Whom did he consult? He called in representatives of the Central Intelligence Agency, upon which we spend millions of dollars. The CIA had men in Russia, particularly in Moscow, and they had them in every other country. I met with some of them in Germany and Austria. They said to me, "How in heaven's name could such an act be passed?" I talked with the High Commissioners in Germany and Austria, and they said, "The act has done irreparable injury to the friendly relations existing between the peoples of Austria and Germany and the people of America." In spite of the information furnished by the Central Intelligence Agency and by the representatives of the Department of State, whose ambassadors are in every country, Members of the Senate, three of them at least, have since come to me and said they did not know what in the world they were voting upon. One of them, after he had voted, said to me. "Bill, who are the Volksdeutsch?" He did not even know who they were.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Nevada.

Mr. McCARRAN. Does the Senator not know that the Security Act was prepared and passed for the security of America, not for the security of foreign

countries? If the Senator is now arguing for the security of foreign countries, he is addressing himself to something other than the internal security of the United States in 1950.

Mr. LANGER. Mr. President, I am glad the distinguished Senator said that, because in my opinion it shows the great ignorance of so many people in America as to where the real security of this country lies. I read a speech by General Omar Bradley, in which he said that the real security of America lies in Germany and in Austria.

Mr. McCARRAN. I am sorry to say——

Mr. LANGER. I decline to yield until I have finished. He said, "We have got to have the Germans integrated as a part of our defense of this country." The relationships, in Germany and Austria, according to Mr. McCloy and Mr. Donnelly, were unusually friendly. They were getting along beautifully with those people. Friends of those people had come to America, and more were coming. Relationships were fine. Upon the passage of that act, visas were immediately cancelled, and, as the Senator well knows, thousands and thousands of people were denied admission. It immediately created ill feeling. Mr. President, what would you think if a GI who had fought for 4 years for us and who had married a German girl, and had made all the arrangements to bring her here, suddenly, overnight, found that he could not bring her into this country?

Mr. McCARRAN. But who has the right of determining who shall come into this country—Germany or America?

Mr. LANGER. America, of course.

Mr. McCARRAN. We determined it. But now the Senator from North Dakota wants Germany to determine who shall be admitted.

Mr. LANGER. The Senator from North Dakota wants no such thing. The Senator from North Dakota made his position plain for 2½ years on the very committee of which the Senator is chairman. Time and time again I made my position clear. I was one of those who voted to send the Senator, himself, to Europe, where he spent 2 or 3 months. Let me remind the Senator—although he may have conveniently forgotten it—it was the Senator from North Dakota who backed the Senator when the Senator returned from his European trip. I stood upon the Senate floor to back the Senator in connection with the displaced-persons bill. No one was more eager to provide security for America than the Senator from North Dakota, and, in my opinion, the Senator from Nevada. We fought shoulder to shoulder in that fight, from beginning to end.

The Senator from North Dakota is just as sincere in desiring a continuance of friendly relations with the people of Germany and Austria, whom we need in this battle, according to Gen. Omar Bradley, as is the Senator from Nevada. Certainly, I would never vote for a bill which the President of the United States, in his veto message, in my opinion, clearly demonstrated would do more good than harm to the Communists. That was my opinion. The Senator from Nevada has the right to his opinion. I am not disputing that at all. But I still say that in that veto message, when the President said, "We have 27 laws now dealing with Communists, and we already have 3 more pending, which, if adopted, will solve this entire problem," I still think, in my humble judgment, the President was absolutely right.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Nevada.

Mr. McCARRAN. The Senator, in giving his excuse, in connection with the vote on the veto message, said that the reason he voted against the bill was so that he would be in a position to move to reconsider.

Mr. LANGER. The Senator will remember that the Senator from North Dakota did not vote until the remainder of the entire membership of the Senate had voted. Then what? I voted for the bill—that is, for the Kilgore substitute. Never forget that it was for the Kilgore substitute that I voted. I said I did so because I wanted to move to reconsider. When the bill came up, and when the Kilgore substitute and all the others were gathered together and put into one package, I was one who spoke against that. I had intended to vote against it, but unfortunately I was in the hospital and did not have an opportunity to vote.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Nevada.

Mr. McCARRAN. I do not think the Senator from North Dakota was present when the Kilgore substitute was presented, because it was about 12:30 at night.

Mr. LANGER. The Senator from North Dakota was not only present, but actually voted for it. The RECORD will show I voted for it.

Mr. McCARRAN. What I have in mind is this: I am not criticizing the vote of the Senator, but I am criticizing the fact that the Senator now raises a question about the law, after having told the Senate that his reason for not voting was that he wanted to move a reconsideration. However, he did not move a reconsideration.

Mr. LANGER. The Senator is entirely wrong. The RECORD will speak for itself. The RECORD will show that I voted for the Kilgore substitute. I was present and voted for it. Afterwards, when all the bills were joined together, and when the one-package bill came up, I unfortunately was in the hospital. I had spoken against that bill. I was unable to be present.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. McCARRAN. I wish to agree with the Senator—he did support me when I was absent, after he had voted to permit me to go to Europe. I am grateful for his vote.

Mr. LANGER. I thank the Senator.

Mr. McCARRAN. The Senator has been most consistent with me during the years that I have been chairman, and I appreciate his consistency. But, now and then even consistency becomes a little off balance.

Mr. LANGER. I thank the distinguished Senator. I tried to do the best I could on the committee. I hope that at least for a part of the time I was right. Babe Ruth's batting average was only 400. I doubt that I can excel Babe Ruth's average.

I desire to continue with my statement. I was discussing the effect of the Nuremberg trials, and I am not talking about the first trial, where judges from various countries sat, but the one where we had American judges and American prosecutors. Here is what the Germans think about it.

We had hoped that these trials would demonstrate to the Germans the superiority of the Anglo-Saxon way of life and system of justice. Actually the Nuremberg trials have had a tremendous effect on the Germans, but not the effect that was supposedly intended. The Germans know that their leaders were tried for crimes against humanity, including the torture of Germans by Germans. The Germans also know that the Soviet Union has tortured, imprisoned and murdered many times more men than Hitler did, and that nobody has been tried for such crimes against humanity as the murder of some 4,000 Polish officers in Katyn Forest. German generals were tried for rounding up Russian partisans who were interfering with their lines of communication. These generals are supposed to have rounded up these men primarily for the purpose of using them as slave labor. Yet no Russian general has been punished for seizing thousands of German laborers from the east zone. Nor has any American been punished for the inhumanity to man to which thousands of German civilians and war prisoners were subjected by British and American Armed Forces right after the termination of war.

It is now realized fairly generally that the war crimes trials stand in the way of inducing Germans today to be willing to fight on our side against Russia. Thus the trials have resulted in helping Russia and hindering the United States.

The purpose of Moscow for years has been the destruction of the west. Any means, fair or foul, are used. The Kremlin has no ethics; it wants only destruction of its enemy. The Nuremberg trials have helped toward that end. The opposition of the Germans to Russia and to communism centered in its leaders, in its officials, and government workers. To remove political leaders and able and experienced officers in government and big business, automatically weakens the government apparatus in the opponent country, and of course it makes it that much harder for such country to recover. All this serves the interest of Moscow. It does not serve the interests of the United States, which has been compelled to pump money into the German economy to undo the mistakes made at Potsdam.

The war crimes trials were a breach of a long historical tradition of the West. In the past, wars ended with an armistice, which was followed by a peace conference and a peace treaty. In 1918 there was talk of trying the Kaiser as a war criminal. Balfour, of England, questioned whether such trials could be just,

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and said that neutral judges would have to sit on the court if the world was to be convinced that justice had been done. If the court was composed only of members of the victorious powers, it would be difficult to convince the world that the trials were impartial. Our Secretary Lansing in 1919 refused to issue a list of war criminals who were to be held responsible for the war on the ground that nobody could be tried under this particular charge. Lansing held that the accused could not be tried legally because they were only morally guilty. There was no law which made their actions a crime. In those days the world was conservative, and Moscow was struggling for existence. Moscow has become of age. The bear's appetite has grown with eating. Those who opposed the expansion of Russia, who honestly thought they were defending their country against the Communists, are now accused and tried as war criminals. Again, no one tries the Politburo for doing the same thing for which we have tried and convicted Germans at Nuremberg. The world thus has a clear demonstration that guilt is relative, and that if the criminal is big and powerful enough nothing will happen to him.

Hitler systematically undermined all previous concepts of justice in Germany. We held that this was wrong and fought and defeated Hitler and the Nazis so as to demonstrate that our system was superior. We held the war crimes trials despite the skepticism expressed by leading authorities because we hoped thus to demonstrate the superiority of our concept of justice. Had these trials been conducted by high-caliber men, men motivated by ideals and not by ambition, perhaps we might have succeeded in our purpose. But these trials were not held by men of high ideals. They were run by men animated by ambition or vindictiveness or both. The high purposes have been perverted. The result has been catastrophic.

The Russians are the only ones who profit, because they never have made any pretense of superiority of their system of justice. They have simply liquidated their enemies and rewarded those who work with them. We have convinced the Germans that public opinion and not justice determined court decisions; that collective guilt replaced individual liability; that men have been tried as symbols for representative groups, rather than for things they individually did; that the most able men were picked and tried primarily because they had been able; that so far as the industrialists' trials were concerned, the trials had for their purpose the destruction of German competition, and crippling Germany's effectiveness in world trade for a long time to come, and last, but not least, that the trials were debased from their high purpose by letting newly made Americans of German origin participate for the purpose of personal vindictiveness and revenge.

The Nuremberg trials were sham, not genuine justice. Their purpose was to satisfy feelings of revengefulness, and to fabricate a moral justification for reparation claims, and for changing the economic and political set-up in Germany. Under an ostensible legality the trials were in fact no different from the old-time western frontier lynchings. In Texas and in the far West in the old days it was summarized in the humorous but truthful expression: "Let's give him a fair trial and then hang him." Nuremberg in the minds of most Germans was no different. There, too, the victims were arrested and tried, but the result was often known in advance. If the prosecution had any complaint it was that the judges were not willing to go along fully, that the sentences were in some cases less than the prosecution demanded.

If the war-crimes trials were intended to deter aggressors in the future they have failed. Korea proves this. If they had been properly carried out they would no doubt have contributed further to securing the values which go to make up the American way of life, and what we call western civilization. But the spirit which animated these trials, the manner in which they were conducted, have resulted in the opposite. This should not be surprising when we consider that they served the purposes of Moscow, which is the declared enemy of all rights and values which are at the foundation of our way of life.

That we have failed in achieving the purposes for which the Nuremberg war-crimes trials were held is shown by the action of German workers employed in the Boehm & Voss shipyard, when their chief, Mr. Boehm, was tried for opposing the dismantling of the shipyard. When the defendant was asked to rise before the court pronounced sentence, all the workers in the courtroom also rose, showing that in their opinion the judgment also applied to them. By their action they in effect said: "This judgment is also directed against us." In the same manner the Nuremberg judgments also have affected unnumbered others who were not at Nuremberg, but who felt that the judgments individually affected them. And these are the men whose support we will need if we fight Russia. Certainly we need their support to oppose the growth of communism in Germany. Their support will not be had until they feel that the injustices of the Nuremberg judges are corrected in those cases where the circumstances clearly demand such correction.

Mr. President, consider the foolishness of the Nuremberg trials. Millions of Germans were denazified. All the educated ones were taken. They included scientists, school teachers, and engineers. What did Russia do? Russia had denazification trials also for 3 or 4 weeks, and then stopped. Then Russia got its Communist stooges, including some who had been on the payroll of Communist newspapers in the United States, and put them on the payroll of the United States Government. I saw some of their photographs in Germany. They participated in the trials. While Americans were saying to school teachers, scientists, and engineers, "You cannot work in schoolhouses; you will have to take a shovel and get to work in the ditches by the day," what did Russia do? I am told by Germans that they took 50,000—it may not have been as many as that—of the leading engineers and scientists over to the east zone and put them on the Russian payroll, gave them nice homes in which to live, and said to them, "Continue to develop the submarine which Hitler started. Continue to develop the rocket which Hitler started."

I was given the name of one German scientist who refused and who was promptly executed.

Whether the Department of State is to blame I leave for the American public to judge. But, as there is a war on now with Russia, I say to the Senate of the United States, Mr. President, that some of the weapons used by Russia will be the very weapons that Hitler was fashioning at the time the war ended. Russia got hold of them because of the denazification program.

Mr. McCARRAN. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. McCARRAN. A short time ago the Senator from North Dakota made some expressions with reference to the Internal Security Act. He was very vehement in his expressions, no doubt in keeping with his thoughts. I know that the Senator does not choose his companions.

Mr. LANGER. I do not. I believe every Senator votes according to his conscience.

Mr. McCARRAN. It may be interesting to the Senator from North Dakota to know that his expressions with reference to the Internal Security Act are adhered to by all the Communist organizations in the world today.

Mr. LANGER. Mr. President, all I can say is that if what the distinguished Senator from Nevada says is true—and I do not believe it is true—the previous occupant of the chair, the junior Senator from New York [Mr. LEHMAN], would be in the same category with me. The distinguished Senator from Connecticut [Mr. BENTON] would be in the same category. So would every other Senator who voted against the Internal Security Act. Some 10 or 11 Senators voted against the act. Leaving myself out entirely, Mr. President, I believe the 10 Senators who voted against the Internal Security Act are as patriotic, as honest, and as much opposed to communism as is the Senator from New Mexico [Mr. CHAVEZ]. The Senator from New Mexico is probably the leading Catholic in the Senate. If anyone is opposed to communism certainly it is the average Catholic. The Senator from New Mexico walked into the Senate Chamber after every Senator had voted on the internal security bill, while the votes were being tallied by the clerk, and said, "Mr. President, I want to vote." The Chavez family is one of the leading Catholic families in New Mexico. It was one of the leading families in Old Mexico for 400 years. One ancestor of the distinguished Senator from New Mexico was a President of old Mexico. Another ancestor was the Governor of what is now New Mexico. From this distinguished family have come great clerics and distinguished judges.

The judgment of the Senator from New Mexico is as good as that of any

other Senator when it comes to the question of what is or is not communism or communistic. The Senator from New Mexico walked onto the floor of the Senate and said, "Mr. President, I want to vote." When his name was called he voted "nay." If the Senator from New Mexico had been the only Senator to vote against the Internal Security Act I would have said that he voted according to his conscience. He may be right or he may be wrong. The same thing applies to every other Senator. When 11 Senators vote against a bill, the fact that some Communists may agree with them is not evidence that the 11 Senators have any communistic thoughts.

Mr. President, let us take an ordinary case. I believe in the Bank of North Dakota. I believe that public money belongs to the people. I believe that money which belongs to a township, county, or State, should be put into a public bank which is owned by the people themselves. I believe that any interest paid on the money should accrue to the benefit of the people. We have such a bank in North Dakota. We have the Bank of North Dakota. I think it is wrong for a private bank to get public money and put it into its coffers. Sometimes when public money is placed in a private bank one-half of 1 percent or perhaps 1 percent interest is paid on it. The bank turns around and lends that money to the people who own it at 5, 6, 7, or 8 percent interest.

The fact that a Communist may happen to agree with me with respect to the Bank of North Dakota does not mean that I have any Communist leanings. For example, when a former colleague of the Senator from Nevada spoke in favor of gambling in Nevada, he helped his distinguished colleague. He had a perfect right to do that.

Mr. McCARRAN. What is that?

Mr. LANGER. I admire him for doing it.

Mr. McCARRAN. Mr. President, I cannot hear what the Senator is saying. Does the Senator say I helped gambling?

Mr. LANGER. The distinguished Senator from Nevada certainly helped his former colleague, the former Senator from Nevada, Mr. Bunker, in a speech on the floor of the Senate, because the sentiments expressed by former Senator Bunker were the sentiments of the Senator from Nevada.

Mr. McCARRAN. Who?

Mr. LANGER. Former Senator Bunker. There was nothing wrong about it. I admire the Senator from Nevada for doing it, if he believed it was a good law for Nevada. If he thought so, it was his duty to speak up. Simply because some Communists—if there were any in Nevada—thought gambling was good for Nevada, we cannot criticize the Senator from Nevada, any more than we should criticize the 10 or 11 Senators who were opposed to the internal-security bill. They should not be condemned or criticized for their position because some Communists or Communist-front organizations believed as they did on the bill.

Mr. McCARRAN. The Senator from North Dakota misjudged what I said. I said that the Senator from North Dakota is not a chooser of his own companions. However, the position he takes is supported by every Communist organization in the world.

Mr. LANGER. Of course, Mr. President, I cannot speak for all Communist organizations in the world, because I do not know anything about them. I do know that I have made speech after speech on the floor of the Senate—and the Senator from Nevada did not agree with me—in condemning the judges in San Francisco for letting Mr. Harry Bridges, the leading Communist, out on bail. The Senator from Nevada was opposed to me in the case of the bill I introduced. At that time the Communist-front organizations were opposed to me and were in favor of the stand taken by the Senator from Nevada. Therefore, the whole argument simmers down to——

Mr. McCARRAN. I do not know what the Senator is referring to.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nevada?

Mr. LANGER. I yield.

Mr. McCARRAN. To what does the Senator from North Dakota refer?

Mr. LANGER. I am referring to the bill I introduced in the Senate calling for an investigation of the judges who admitted Harry Bridges to bail.

Mr. McCARRAN. The Senator from Nevada was opposed to it? Is that what the Senator from North Dakota said?

Mr. LANGER. Yes; it is my recollection that the Senator was opposed to it.

Mr. McCARRAN. The Senator is in error. Not only that, but the committee of which the Senator from Nevada is chairman voted that the Senator from Nevada should appoint a subcommittee to investigate the matter.

Mr. LANGER. The Senator from Nevada states that he was in favor of the bill, and I was delighted to hear him say so. My recollection was that he was opposed to it. However, I am delighted to hear that he joined the Senator from North Dakota in that very great work.

Mr. McCARRAN. He did not join the Senator from North Dakota. He was ahead of him in that respect.

Mr. LANGER. Generally that is true, but on this occasion, in connection with the bill to which I have referred, I was ahead of the Senator from Nevada. I introduced the bill.

Mr. President, I now wish to refer to the matter of Communist penetration in Germany.

Today our State Department and the Kremlin are at war with one another over the radio. We have spent millions for the Voice of America program. It is supposed to inform the people behind the iron curtain about the superiority of our way of life, and to wean them away from Moscow. So far as I could learn the program is effective. It is doing much good. Many listen and are glad to hear facts. A Rumanian farmer born in Rumania in 1873 had lived in Cincinnati until 1910. Two of his children were born and live in the United States. One had been born in Rumania. In 1910 his father died. He returned to Rumania to take over the farm, and remained there until this year. He says the Russians take everything from the small farmer; that men who formerly owned 2,000 acres are now glad to be allowed to work as day laborers on the Danube Canal; that the people eat black bread of poor quality, while the Russians eat bread made from the white flour they take from the peasants; that recently there was a revolt in Hungary; that 84 cars full of men were transported to Siberia, 50 men to each car, and that many had been shot; that the people listen to our radio programs and are waiting for help from the United States to free them from the yoke of Russia; that while Rumanian oil production was plentiful before the Russians came, oil has become scarce there now; that Russian troops were training with tanks and full equipment daily near the village where he lived.

No doubt the men who work on the Voice of America program must know these facts. If I, as a plain traveler, could learn them, surely the State Department through its agents must be even better informed.

The Communists, on the other hand, are not idle. They also broadcast from powerful stations located in Leipzig, Prague, Magdeburg, and other cities in the Russian zone. To overcome their propaganda our stations must of course be equally powerful or more powerful. In this connection, I call attention to another of the many errors of our State Department boys. Some time ago at a conference held in Copenhagen, Denmark, the European radio wave lengths were reallocated. Of course the German areas occupied by the Russians were represented at this conference. But one of our State Department boys made a mistake. We were not represented. I suppose somebody conveniently or deliberately overlooked this meeting. The result was that although our State Department controls the western zone of Germany, and although Munich—or Muenchen, as it is called over there—is in the American zone, the radio wave length of Munich was awarded to the city of Athens, Greece, and so this summer at 8 o'clock at night the Munich radio was silent, but the propaganda from the Russian zone came in full strength. The Germans no longer hear American propaganda, but they hear Russian propaganda, or else they have to shut off their radios. This while we spend millions for the Voice of America program. I have been told that the responsible officials in the State Department were very angry when this happened. I do not know whether the person responsible for this mistake is still on the job. In my opinion he should be fired, but I suppose, like many other fellow travelers and Communists who have been hiding on the payroll, he is still on the job, drawing good pay and neglecting American interests.

Not all the Voice of America programs can be praised. Some have results opposite from what is intended. Or perhaps this opposite result is really intended. Certainly a speech by Ted Williams over the Voice of America on Fri-

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day, September 15, 1950, intended to win the Germans to our side in the coming conflict sounded as though it had been written and issued by the Kremlin, rather than by Washington. It certainly did not help win to our side fighters in the coming conflict.

Mr. President, I wish to take up the question of denazification, the subject upon which the Senator from Nevada [Mr. McCARRAN] was interrogating me. I am sorry that he has left the Chamber as I go into more detail.

Mr. President, among the policies which have damaged the interests of the United States, the denazification program is in my opinion the worst. Instead of limiting denazification to the active and evil participants and beneficiaries of the Nazi movement, we indiscriminately penalize every German, whether his membership was active or merely nominal.

Mr. President, it is now after 5 o'clock. I very much dislike to discuss this very important subject of denazification with so few Senators present. My speech on that subject will not be long. Let me ask the acting majority leader if it is the plan to take a recess at about 5 o'clock. I should like to resume my speech when more Members of the Senate are present.

Mr. JOHNSON of Colorado. Does the Senator wish to place it in the RECORD?

Mr. LANGER. No; I wish to deliver it on the floor of the Senate.

Mr. President, I ask unanimous consent that, after the disposition of the pending business, which is the conference report, I may retain the floor tomorrow when the Senate meets at 12 o'clock.

The PRESIDING OFFICER. Unanimous consent is requested by the senior Senator from North Dakota that he be permitted to retain the floor when the Senate convenes tomorrow.

Mr. JOHNSON of Colorado. That is, after the conference report is disposed of tomorrow.

Mr. LANGER. Yes.

The PRESIDING OFFICER. The request of the Senator from North Dakota is that on Tuesday, after the disposition of the conference report, which is now before the Senate, he be recognized. Is there objection? The Chair hears none, and it is so ordered.

RECESS

Mr. JOHNSON of Colorado. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 16 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, December 19, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 18 (legislative day of November 27), 1950:

DIRECTOR OF DEFENSE MOBILIZATION

Charles E. Wilson, of New York, to be Director of Defense Mobilization.

POSTMASTERS

The following-named persons to be postmasters:

ALABAMA

James H. Wilbanks, Fyffe, Ala., in place of J. E. Johnson, retired.

Festus T. Bryan, Glenwood, Ala., in place of P. B. Curtis, retired.

James E. Nettles, Jr., Repton, Ala., in place of M. A. Straughn, transferred.

Stephen H. Greene, Troy, Ala., in place of J. F. Harmon, transferred.

CALIFORNIA

Everett M. Fisher, Rio Linda, Calif., in place of M. M. Wilson, retired.

William D. Thornton, Watsonville, Calif., in place of Harry Bridgewater, retired.

CONNECTICUT

Jerry C. Cotrone, Old Greenwich, Conn., in place of T. J. Maher, deceased.

Michael L. White, South Woodstock, Conn. Office became Presidential July 1, 1947.

FLORIDA

John Kenneth Rogers, Naples, Fla., in place of C. W. Stewart, retired.

Lucius A. Bryant, Jr., Orlando, Fla., in place of J. D. Begg, deceased.

GEORGIA

Dorothy K. Moxley, Wadley, Ga., in place of F. H. Moxley, deceased.

ILLINOIS

Armanda R. Napoli, Steger, Ill., in place of I. C. Cinnamon, removed.

INDIANA

Clyde V. Wolford, Newberry, Ind. Office became Presidential July 1, 1944.

IOWA

Leo J. Miller, Denison, Iowa, in place of H. C. Finnern, retired.

Robert E. Allmon, Missouri Valley, Iowa, in place of E. D. Bradley, transferred.

MICHIGAN

Leon D. Wallaker, Arcadia, Mich., in place of F. H. Smith, Jr., resigned.

MINNESOTA

Ruth G. Mueller, Gaylord, Minn., in place of T. W. Comnick, deceased.

Cormac A. Suel, Shakipee, Minn., in place of H. C. Mertz, deceased.

MISSISSIPPI

Mary Bell Smith, Midnight, Miss., in place of L. W. Smith, retired.

Jimmy Griffith, Sunflower, Miss., in place of B. M. Sledge, retired.

NEBRASKA

Dean J. Ehle, Ponca, Nebr., in the place of J. A. Gunn, removed.

NEW JERSEY

Charles D. Tingley, Washington, N. J., in place of F. A. Robertson, deceased.

NEW YORK

Harold C. Epke, Holley, N. Y., in place of George Heal, retired.

Hannah M. Curtis, Morrisville, N. Y., in place of W. J. Holbert, deceased.

William J. Cromie, Palmer, N. Y., in place of A. W. Cohan, deceased.

Gerald W. Churchill, Walden, N. Y., in place of Fred Burns, retired.

NORTH CAROLINA

Emmett Robinson Wooten, Kinston, N. C., in place of S. C. Sitterson, deceased.

PENNSYLVANIA

William L. Bedsworth, Belle Vernon, Pa., in place of George Lange, retired.

William Lester Davis, Peach Glen, Pa. Office became Presidential July 1, 1948.

Joseph F. Sullivan, West Chester, Pa., in place of G. J. Moses, retired.

SOUTH DAKOTA

Marion E. Peterson, Arlington, S. Dak., in place of F. C. Wetterberg, retired.

TEXAS

Arlon T. Carroll, Crane, Tex., in place of J. T. Butler, resigned.

Clarence R. Wiley, Fort Stockton, Tex., in place of A. W. Dunn, deceased.

Roland A. Johnson, McCamey, Tex., in place of R. S. Guyton, resigned.

UTAH

Franklin G. Slaugh, Vernal, Utah, in place of Pontha Calder, retired.

VIRGINIA

Charles F. Shuler, Elkton, Va., in place of J. H. Miller, retired.

Howard S. Myers, Virginia Beach, Va., in place of W. R. M. Moss, deceased.

Samuel H. Hale, Wise, Va., in place of J. M. Roberson, transferred.

WEST VIRGINIA

Elizabeth D. Burch, Smithers, W. Va., in place of R. C. Bell, declined.

WISCONSIN

Harry J. Kelley, Manitowoc, Wis., in place of H. F. Kelley, retired.

Gordon E. Schuler, Plymouth, Wis., in place of A. W. Schiereck, retired.

HOUSE OF REPRESENTATIVES

MONDAY, DECEMBER 18, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, in this time of national emergency, life for all of us is taking on a new seriousness and a deeper earnestness for we are confronted by dangers which threaten to destroy our liberties

We are beginning to realize that we are citizens of this great Nation, not merely to receive benefits and enjoy the blessings of freedom without hindrance but we must now defend and preserve them at any cost.

Grant that we may be loyal to the memory and tradition of our forefathers who cherished lofty ideals and whose spirit of sternness and simplicity, of struggle and sacrifice, of faith and hope, shone brightly even in the darkest days.

We know that if we are derelict in our devotion or yield to despair we shall be traitors to the faithful of all ages, traitors to our fellow citizens, who are now fighting so valiantly, and traitors to our God.

We pray that we may take more seriously the matter of our personal loyalty to Thee, walking in the ways of righteousness and holding fast the faith that Thy divine purpose cannot be defeated.

Hear us in the name of our blessed Lord. Amen.

The Journal of the proceedings of Friday, December 15, 1950, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 2093. An act authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Riedel;

H. R. 4579. An act to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges in Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska;

H. R. 6228. An act for the relief of Dr. Chao-Jen Chen, Dr. Janet Wang Chen, and Eleanor Chen;

H. R. 7735. An act to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission line purposes in the Santa Fe Flood Control Basin and the San Gabriel River Improvement, Calif.;

H. R. 8821. An act authorizing payment to certain States amounts withheld from grazing fees on public lands;

H. R. 8834. An act for the relief of Yamaguchi Michiko;

H. R. 8851. An act to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Browns Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Browns Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the county of Pierce, State of Washington;

H. R. 9284. An act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9475. An act for the relief of Mrs. Enid Louise Noble Romick, Jr.; and

H. R. 9681. An act to authorize the waiver of the navigation and vessel-inspection laws.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas;

H. R. 5051. An act for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria;

H. R. 5487. An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended;

H. R. 6242. An act to prevent the entry of certain giant snails into the United States;

H. R. 8759. An act for the relief of Rev. Andrew Chai Kyung Whang;

H. R. 8973. An act for the relief of Archibald Walter Campbell Seymour;

H. R. 9145. An act for the relief of Tomoko Yamaya;

H. R. 9236. An act for the relief of H. Halpern & Bro., Inc., of Boston, Mass.; and

H. R. 9272. An act to amend the act of October 5, 1949 (Public Law 322, 81st Cong.), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 12. An act to amend the Civil Aeronautics Act of 1938, as amended;

S. 560. An act for the relief of Wilhelm Engelbert;

S. 735. An act for the relief of Leslie A. Connell;

S. 1113. An act to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness, not amounting to unsoundness of mind, or physical incapacity;

S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker;

S. 2830. An act for the relief of E. C. Browder and Charles Keylon;

S. 2888. An act for the relief of Frances Ethel Beddington;

S. 2921. An act for the relief of Stavros S. Niarchos;

S. 3044. An act for the relief of Bernice Josephine Lazaga;

S. 3125. An act for the relief of Dr. Lutfu Lahut Uzman;

S. 3241. An act for the relief of George Brander Paloheimo and Eva Lenora Paloheimo;

S. 3259. An act for the relief of Ethelyn Isobel Chenalloy;

S. 3260. An act for the relief of Richard H. Bush;

S. 3261. An act for the relief of Willard Sidmer Ruttan;

S. 3378. An act for the relief of Armando Santini;

S. 3513. An act for the relief of James Shellenberger, Jr., a minor;

S. 3554. An act for the relief of Jose Manzano Somera;

S. 3682. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to the time of taking effect of annuities of Members and elected officers of the Senate and House of Representatives;

S. 3699. An act for the relief of Linda Leo;

S. 3725. An act for the relief of James McGillic and Blossom McGillic;

S. 3897. An act for the relief of Edwin A. Knous;

S. 4069. An act for the relief of Eduljl Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow;

S. 4110. An act for the relief of Howard Lovell;

S. 4133. An act for the relief of Dr. Fernand Van Den Branden;

S. 4229. An act to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended;

S. 4235. An act to authorize the transfer to the Vermont Agricultural College of certain lands in Addison County, Vt., for agricultural purposes;

S. 4240. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein;

S. 4241. An act to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion";

S. 4254. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II); and

S. Con. Res. 108. Concurrent resolution favoring the suspension of deportation of certain aliens.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5244) entitled "An act for the relief of Lt. Col. Charles J. Trees, Army of the United States."

LT. COL. CHARLES J. TREES

Mr. BYRNE of New York submitted a conference report and statement on the bill (H. R. 5244) for the relief of Lt. Col. Charles J. Trees, Army of the United States.

PRAYER AND SUPPLICATION FOR PEACE AND DIVINE GUIDANCE

Mr. ROGERS of Florida. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. ROGERS of Florida. Mr. Speaker, our Christmas joy is shadowed by a solemn sense of gloom, urgency, and emergency. Our Nation has girded itself for action to meet a situation threatening its very existence.

We are all at war, let us make no mistake about that—at war with the most ruthless and diabolical power which has ever cowed the good earth and whose purpose of world domination has been evident now for a long time. This power is acting without conscience and guided by a Godless ideology and is threatening to the very survival of our cherished institutions.

America is the one and only hope of the world. Without us all free peoples would be crushed; ours is an awesome responsibility. In spite of our dire danger this is no time for panic and defeatism. If our Nation throws her all in this global test she is invincible.

Business as usual has been sidetracked and the material resources of this Nation have been mobilized to meet this destructive threat. The fate of the world will be settled by America.

While we are mobilizing our material resources in this hour of danger, we are deeply conscious of the fact that the moral and spiritual resources of our people constitute the Nation's great bulwark in times of national crisis and that the churches of the Nation of all creeds and faiths are the instruments through which our moral and spiritual resources can best be marshaled and given strength. Our greatest weapon is spiritual. America rests on spiritual verities. The spiritual forces of our Nation must be mobilized for this crisis.

I, therefore, introduced in the House on Friday House Resolution 886, calling upon the churches of the Nation of all creeds, beliefs, and faiths to observe, set aside, and dedicate Sunday, December 24, as a time for prayer and supplication for peace and for divine guidance to the men and women, elected and appointed, civilian and military, on whose shoulders rests the responsibility for leadership in this time of great crisis, and for strength and unity to enable our people to persevere, with other freedom-loving people, in bringing about a lasting and permanent peace in the world.

THE PEOPLE OF THE STATE OF ILLINOIS ARE PATRIOTIC

Mr. O'HARA of Illinois. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. O'HARA of Illinois. Mr. Speaker, I was not on the floor the other day at the moment my friend and distinguished colleague from Illinois [Mr. VELDE] spoke on the subject of the city of Chi-

cago and the State of Illinois. I have since read the context of his remarks as they appear on page 16408 of the CONGRESSIONAL RECORD of December 11, 1950. I have never had occasion of feeling anything but pride in the State of Lincoln and Douglas, of Grant and Logan, of Altgeld and Dunne and Horner, of Oglesby and Yates and Lowden. No State in the Union has more brilliantly proved its loyalty under the test of battle in the war with Mexico, the war of the sixties, the Spanish-American War, and World Wars I and II. Mr. Ellixor Libonati, the national chairman of the Americanization committee of the American Legion, informs me that that great organization, which has gone exhaustively into the problem of communism, places the maximum number of Communists in the entire State of Illinois, including the city of Chicago, at 8,000. I sincerely hope that my distinguished colleague in his zeal for uncovering the misdeeds and the twisted philosophy of the 8,000 did not intend to reflect upon the fine patriotism of the many millions of men and women of Illinois whose love of country is unsurpassed by that obtaining in any State in the Union.

THE JUDITH COPLON TRIAL

Mr. KEATING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. KEATING. Mr. Speaker, I have today introduced a bill to correct a situation which, if allowed to continue, may seriously imperil the safety of our country.

This measure would permit the Director of the Federal Bureau of Investigation and certain investigative agencies of the armed services to wire tap or intercept certain communications which they have due cause to believe would produce evidence or lead to the production of evidence by which saboteurs, traitors, and enemy agents might be apprehended and convicted of their crimes against this country.

Under the laws of our land at present, as interpreted by the courts, interception and divulgence of any communication is forbidden. Hence any evidence or information leading to the arrest of a person which has been obtained by means of wire tapping is not admissible in court. As a practical matter, if the FBI and other governmental investigative agencies are to operate efficiently and effectively to protect our national security, they must have the legal right to tap wires. Otherwise, we are saying to spies that they are free to use telephones in their espionage activities, but the Government is forbidden to tap those wires in its counterespionage work. What an absurd and dangerous result.

Of course, indiscriminate wire tapping must not be allowed nor practiced and any grant of authority to use these measures to apprehend specific types of criminals must be hedged about with strict protective measures so that the civil rights of our citizens shall be guarded at all times. Thus, it is provided in the measure I have suggested that before intercepting communications, the investigational agency must obtain a permit from a Federal judge upon a showing of reasonable cause to believe that the communications may contain information which would assist in the conduct of such investigations.

But the recent case of Judith Coplon points up the present unfortunate predicament very clearly. Since the FBI had used the means of wire tapping to obtain evidence against her, the Second Circuit Court of Appeals felt compelled to rule against the Government, although, as the court decision said, her guilt was clear.

I fully realize that the time may be too short at this session to complete action on such a bill, but I intend to reintroduce a similar bill in the next Congress, since I am convinced that such authorized, limited use of wire tapping is an indispensable weapon in our fight to protect fully our national security. Speedy enactment of this or similar legislation is essential. We must not tie the hands of our investigative agencies in safeguarding our country against enemy spies.

RETIREMENT OF HON. CHARLES A. PLUMLEY

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, circumstances over which I have no control may determine the early hour of my departure from these Halls and these surroundings and from my friends on both sides of the aisle. May I be privileged in these hours of terrific personal responsibility which I shirk, to hope and pray for each and every one of you, and all of us, that for now and forever the day may break and all shadows flee.

That is the symposium of the responsibility of those of you who must see to it that democracy survives. God love you as I leave you.

SEXUAL PERVERTS IN GOVERNMENT EMPLOY

Mr. RICH. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker, I have just read an article about the number of sexual perverts in the employ of the Government. I never thought there were so many homosexuals in the whole United States. According to the article, the committee that has been investigating this matter has found that 574 such persons have quit their jobs and that 420 have been fired. Does it not amaze you to think of all these people they have in the Government? What we need is a thorough housecleaning and the quicker the better.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House for 10 minutes today, tomorrow, and Wednesday, at the conclusion of the legislative program and following any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. WICKERSHAM asked and was given permission to extend his remarks and include a radio address.

Mr. BAILEY (at the request of Mr. WIER) was given permission to extend his remarks and include an article from the Clarksburg News, of Clarksburg, W. Va.

Mr. BONNER asked and was given permission to extend his remarks in two instances, in one to include a digest of the inaugural address of President Gordon Gray, of the consolidated University of North Carolina; and in the other to include a newspaper article on the anniversary of the Wright inaugural flight at Kitty Hawk, N. C.

Mr. CARNAHAN asked and was given permission to extend his remarks and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in two instances and include newspaper items.

Mr. ELLIOTT asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. BENTSEN asked and was given permission to extend his remarks and include an editorial.

Mr. HAYS of Ohio asked and was given permission to extend his remarks and include a newspaper article.

Mr. HUBER asked and was given permission to extend his remarks and include two newspaper articles.

Mr. O'HARA of Minnesota asked and was given permission to extend his remarks in seven instances and include in one an address by William L. Hutchinson.

Mr. COTTON asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HARVEY asked and was given permission to extend his remarks and include an editorial appearing in the Indianapolis News.

Mr. CLEVENGER asked and was given permission to extend his remarks in two instances and include editorials.

Mr. FORD asked and was given permission to extend his remarks and include two editorials.

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks and include a copy of a letter from the manager of the Veterans' Administration regional office of Milwaukee.

Mr. McCORMACK asked and was given permission to extend his remarks and include certain information.

Mr. RICH asked and was given permission to extend his remarks and include an article appearing in the Times-Herald entitled "Perverts in Official Agencies Called Peril to the United States Security."

Mr. HARRISON asked and was given permission to extend his remarks and include an editorial.

EMERGENCY RELIEF ASSISTANCE TO YUGOSLAVIA

Mr. RICHARDS. Mr. Speaker, I call up the conference report on the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. 3204)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Yugoslav Emergency Relief Assistance Act of 1950.'

"SEC. 2. The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended (Public Law 759, Eighty-first Congress), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this Act.

"SEC. 3. No assistance under authority of this Act shall be made available nor shall any funds appropriated hereunder be expended until an agreement is entered into between Yugoslavia and the United States containing the following undertakings, and any others the President may determine to be desirable, on the part of Yugoslavia:

"(a) To make available to the Government of the United States local currency in amounts required by it to meet its local currency administrative and operating expenses in Yugoslavia in connection with assistance supplied under this Act.

"(b) To give full and continuous publicity through the press, radio, and all other available media in Yugoslavia to the assistance furnished by the United States; and to allow to the United States, in cooperation with Yugoslavia, the use of such media as may be required to accomplish this purpose.

"(c) To permit persons designated by the Government of the United States to observe and supervise without restriction the distribution by Yugoslavia of commodities and other assistance made available under the authority of this Act, and to the extent necessary for this purpose to permit full freedom of movement of such persons within Yugoslavia and full access to communication and information facilities.

"(d) To make equitable distribution to the people in Yugoslavia of the commodities made available under this Act, as well as similar commodities produced locally or imported from outside sources, without discrimination as to race or political or religious belief.

"(e) Whenever relief supplies furnished under this Act are sold for local currency by the Government of Yugoslavia, to use an equivalent amount of such currency to provide relief to needy persons and to children, and for charitable, medical, and such other purposes as may be mutually agreed upon.

"(f) To take all appropriate economic measures to reduce its relief needs, to encourage increased production and distribution of food stuffs within Yugoslavia, and to lessen the danger of similar future emergencies.

"SEC. 4. All of the funds made available under authority of this Act shall be utilized to the fullest practicable extent in the purchase of the commodities from the surplus commodities in the possession of the Commodity Credit Corporation at prices authorized by section 112 of the Foreign Assistance Act of 1948, as amended.

"SEC. 5. Nothing in this Act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this act.

"SEC. 6. At the termination of each three-month period after aid has been extended under this Act the Secretary of State shall make a full and detailed report to the Congress. Said three-month reports shall not be limited to, but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this Act: (2) information as to any developments in the attitude of Yugoslavia with respect to basic human rights.

"SEC. 7. All or any portion of the funds made available under authority of this Act may be transferred by the President to any department or agency of the executive branch of the Government to be expended for the purpose of this Act. Funds so transferred may be expended under the authority of any provisions of law, not inconsistent with this Act, applicable to the departments or agencies concerned, except that funds so transferred shall not be commingled with other funds of such departments or agencies and shall be accounted for separately.

"SEC. 8. Local currency made available to the United States by Yugoslavia under the provisions of the agreement required by section 3 may be used for local currency administrative and operating expenses in Yugoslavia in connection with assistance provided by this Act without charge against appropriated funds.

"SEC. 9. At least 50 per centum of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this Act and transported on ocean vessels (computed separately for dry bulk carriers and dry cargo liners) shall be transported on United States-flag commercial vessels at market rates for United States-flag commercial vessels, if available.

"SEC. 10. All or any part of the assistance provided hereunder shall be promptly terminated by the President—

"(a) whenever he determines that (1) Yugoslavia is not complying fully with the undertakings in the agreement entered into under section 3 of this Act, or is diverting from the purpose of this Act assistance provided hereunder; or (2) because of changed conditions, continuance of assistance is unnecessary or undesirable, or no longer consistent with the national interest or the foreign policy of the United States;

"(b) whenever the Congress, by concurrent resolution, finds termination is desirable.

"Termination of assistance to Yugoslavia under this section shall include the termination of deliveries of all supplies scheduled under this Act and not yet delivered."

And the House agree to the same.

JAS. P. RICHARDS,
HELEN GAHAGAN DOUGLAS,
MIKE MANSFIELD,
CHARLES A. EATON,
JOHN M. VORYS,
Managers on the Part of the House.

TOM CONNALLY,
J. W. FULBRIGHT,
H. ALEXANDER SMITH,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 4234), to furnish emergency relief assistance to Yugoslavia, submit the following statement in explanation of the effect of the action agreed upon by the committee of conference and recommended in the accompanying conference report.

The House struck out all of the Senate bill after the enacting clause and inserted a substitute amendment. The committee of conference has agreed to a substitute for both the Senate bill and the House amendment. Except for the differences noted below and except for clarifying, clerical, and necessary conforming changes the conference substitute is the same as the House version.

The preamble: The House amendment contained a preamble, pointing out that Yugoslavia has urgently requested relief because of a drought and that it has expressed an intention to conform to its obligations as a member nation of the United Nations. The Senate bill contained no such preamble. The conference agreement strikes out this language. In the opinion of the committee of conference the legislative history of the bill is clear that the first idea expressed here is already part of the legislation. The second idea is not sufficiently established as a fact to include it in this bill.

The "counterpart" provision: One of the conditions of aid is that whenever relief supplies are furnished by the United States under this act and are sold for local currency in Yugoslavia, the Government of Yugoslavia must undertake to use an equivalent amount of such currency to provide relief to needy persons and to children and for charitable, medical, and such other purposes as may be agreed upon between Yugoslavia and the United States. This provision was not in the House amendment. The House receded.

The theory of this provision is contained in a number of acts of Congress providing relief and assistance to foreign countries, such as Public Law 84, Eightieth Congress, and the Foreign Assistance Act of 1948, as amended. It has become known as the "counterpart" principle.

One of the purposes of this provision is to make every dollar of United States assistance count for as much as possible. This provision makes the American dollar do double duty. One of the important elements in the consideration of the bill in the House was the concern that United States assistance reach all those who need it and that the United States get the maximum return from the use of its resources.

Appropriate economic measures by Yugoslavia: Another undertaking by Yugoslavia set forth in the House version was its agreement to take all necessary actions to reduce its relief needs, to encourage increased production and distribution of foodstuffs within Yugoslavia, and to lessen the danger of similar future emergencies. This was not in the Senate version. It was the view of the House in adopting this provision that relief from the United States was only half of the picture. Action by the United

States could be effective only if supplemented by self-help measures by Yugoslavia to meet its own crisis. The words "necessary actions" in the House version were designed to make the self-help feature of the program explicit. It was the view of the committee of conference, in adopting the language "appropriate economic measures," that this phrase more nearly conforms to this purpose. The language of the conference agreement paraphrases the language of Public Law 84, Eightieth Congress, in this respect. The requirement as now expressed in the conference agreement thus conforms to part practice.

The cost formula for the purchase of commodities: The House version provided that the funds appropriated for the Yugoslav program shall be utilized as far as possible in the purchase of surplus commodities held by the Government. The purchase price was defined as "at Government cost". The Senate bill contained no such provision. The conference agreement provides that the price formula governing the sale of surplus commodities shall be the same as that already contained in section 112 of the Foreign Assistance Act of 1948, as amended.

The House version required a price formula at variance with existing law under which surplus commodities have been furnished for foreign relief programs since 1948. The effect of the House language was to require an entirely different pricing arrangement than that now prevailing for ECA and any other foreign assistance program. The conference agreement makes it certain that this program will not receive any preferential treatment. It brings this program into line with the procedure already approved by the Congress on previous occasions.

Ocean transportation: Both the House and Senate versions contained the provision requiring that at least 50 percent of the gross tonnage of the aid supplied under the bill be transported on United States flag commercial vessels. The major point of difference concerned the words "if available" which were in the Senate version but not in the House version. The House receded. The absence of these words could result in a situation where shipment of the supplies might be held up because sufficient United States flag commercial vessels were not available. The retention of the words "if available" removes this possibility and affords greater flexibility.

JAS. P. RICHARDS,
HELEN GAHAGAN DOUGLAS,
MIKE MANSFIELD,
CHARLES A. EATON,
JOHN M. VORYS,
Managers on the Part of the House.

Mr. RICHARDS. Mr. Speaker, may I say for the information of the House that there were few important differences between the Senate bill and the House bill, and I believe I will be joined in this statement by the ranking minority Member on the other side.

I see no reason for extended debate on the conference report. It speaks for itself.

Mr. VORYS. Mr. Speaker, will the gentleman yield?

Mr. RICHARDS. I yield.

Mr. VORYS. This is a unanimous conference report, is it not?

Mr. RICHARDS. That is correct.

Mr. VORYS. The bill now reflects the so-called counterpart funds principle in the Fulbright amendment, providing that when relief supplies are sold for local currency, an equivalent amount of such currency shall be used for mutually agreed purposes. Is that not correct?

Mr. RICHARDS. The bill contains at least part of the principle for which the gentleman from Ohio fought on the floor of the House the other day. It provides a local currency fund for relief to needy persons, children, and for charitable and medical purposes.

Mr. VORYS. In any case it contains the so-called Fulbright amendment?

Mr. RICHARDS. That is correct.

Mr. VORYS. And it also preserves the House amendment on self-help, with clarifying changes, which would require appropriate economic measures to reduce relief needs, such as marking time on collectivization while this program is going on?

Mr. RICHARDS. That is substantially correct.

Mr. VORYS. I think it is a better bill than when it left the House floor, and I approve of the conference report.

Mr. RICHARDS. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CONSENT CALENDAR

The SPEAKER. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

PRESERVING COMPENSATION AND LEAVE BENEFITS FOR POST-OFFICE CUSTODIAL EMPLOYEES

The Clerk called the bill (H. R. 8711) relating to the compensation and leave benefits of officers and employees in the custodial service of the Post Office Department transferred to the General Services Administration under Reorganization Plan No. 18 of 1950.

Mr. BYRNES of Wisconsin. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

AMENDING SECTION 17 OF THE CONTRACT SETTLEMENT ACT

The Clerk called the bill (H. R. 8883) to amend section 17 of the Contract Settlement Act of 1944 so as to authorize the payment of fair compensation to persons contracting to deliver certain strategic or critical minerals or metals in cases of failure to recover reasonable costs, and for other purposes.

Mr. TRIMBLE. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

AMENDING THE RAILWAY LABOR ACT

The Clerk called the bill (H. R. 7789) to amend the Railway Labor Act to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

Mr. RICH. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

AID TO NEEDY AMERICANS FOR THEIR REPATRIATION

The Clerk called the bill (H. R. 8927) to authorize aid to needy American nationals in connection with their repatriation from foreign countries, and for other purposes.

Mr. FORD. Mr. Speaker, I ask unanimouns consent that this bill be passed over without prejudice.

The SPEAKER. Is their objection to the request of the gentleman from Michigan?

There was no objection.

AMENDING SECTION 9 (a) OF THE TRADING WITH THE ENEMY ACT

The Clerk called the bill (S. 1837) to amend the Trading With the Enemy Act.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Colorado?

There was no objection.

AMENDING SECTION 1205 OF TITLE XII OF THE MERCHANT MARINE ACT, 1936, AS AMENDED

The Clerk called the bill (H. R. 9715) to amend section 1205 of title XII of the Merchant Marine Act, 1936, as amended.

Mr. FORD. Mr. Speaker, I ask unanimous consent that this bill be passed over without prejudice.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

GRANTING VETERANS' PREFERENCE TO MOTHERS OF CERTAIN VETERANS

The Clerk called the bill (S. 3263) to amend Veterans' Preference Act of 1944 with respect to certain mothers of veterans.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 2 of the Veterans' Preference Act of 1944, as amended (5 U. S. C. 851), is amended by striking out clauses 5 and 6 and inserting in lieu thereof the following: "(5) mothers of deceased ex-servicemen or ex-servicewomen who lost their lives, under honorable conditions while on active duty in any branch of the Armed Forces of the United States during any war, or in any campaign or expedition (for which a campaign badge has been authorized), or of service-connected permanently and totally disabled ex-servicemen or ex-servicewomen who were separated from such Armed Forces under honorable conditions if—

(A) the father is totally and permanently disabled, or

(B) the mother was widowed, divorced, or separated from the father and—

(1) has not remarried, or

(2) has remarried but (i) her husband is totally and permanently disabled or (ii) she is divorced or legally separated from her husband or such husband is dead at the time preference is claimed."

SEC. 2. (a) Section 3 of such act, as amended, is amended by striking out "(5)

and (6)" and inserting in lieu thereof "and (5)"

(b) Section 10 of such act is amended by striking out "(5) and (6)" and inserting in lieu thereof "and (5)."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ACCUMULATION OF COMPENSATORY TIME IN THE POSTAL SERVICE

The Clerk called the bill (S. 3654) to amend section 3 of the Postal Salary Act of July 6, 1945.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 of the act entitled "An act to reclassify the salaries of postmasters, officers, and employees of the Postal Service; to establish uniform procedures for computing compensation; and for other purposes," approved July 6, 1945 (59 Stat. 435), as amended, is amended to read as follows:

"SEC. 3. (a) When the needs of the service require employees to perform service on Saturdays, Sundays, or holidays, such employees shall be allowed compensatory time for such service on 1 day within 5 working days next succeeding the Saturday or Sunday and within 30 days next succeeding the holiday.

"(b) If the service so performed on Saturdays and Sundays is less than 8 hours, such service may, in the discretion of the Postmaster General, be carried forward and combined with similar service performed on other Saturdays and Sundays, and such employees may be allowed compensatory time for such combined service or any part thereof at any time, except that, whenever at least 8 hours of such service has been accumulated, such employees shall be allowed 8 hours compensatory time on 1 day within 5 working days next succeeding the Saturday or Sunday on which the total accumulated service was at least 8 hours.

"(c) The Postmaster General may, if the exigencies of the service require, authorize the payment of overtime to employees other than supervisory employees whose base salaries, exclusive of longevity salary, are more than $4,170 per annum, for services performed on Saturdays, Sundays, and Christmas Day during the month of December, in lieu of compensatory time.

"(d) Supervisory employees shall be allowed compensatory time for services performed in excess of 8 hours per day, and those whose base salaries, exclusive of longevity salary, are more than $4,170 per annum shall be allowed compensatory time for services performed on Saturdays, Sundays, and on Christmas Day during the month of December, within 180 days from the days such service was performed.

"(e) The provisions of this section shall shall not apply to employees in the Postal Transportation Service; post-office inspectors; rural carriers; traveling mechanicians; examiners of equipment and supplies; clerks in third-class post offices; and employees paid on an houly basis."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

INCLUDING TEMPORARY EMPLOYEES OF SENATE AND HOUSE UNDER PROVISIONS OF CIVIL SERVICE RETIREMENT ACT

The Clerk called the bill (S. 3672) to amend section 3 (c) of the Civil Service Retirement Act so as to make the exclusion from such act of temporary employees of the Senate and House of Representatives inapplicable to such employees with one or more years of service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That section 3 (c) of the Civil Service Retirement Act of May 29, 1930, as amended by section 3 of the act of January 24, 1942, as amended, is further amended by inserting after the words "The provisions of this act shall not apply to employees of the Senate or the House of Representatives whose employment is temporary or of uncertain duration" the words "unless and until such employees shall have served continuously in such employment for at least 1 year: *Provided,* That chairmen of committees shall give notice in writing to the disbursing office concerned on or before the date when the services of such employees are to commence or terminate, or when salary changes are to become effective."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ASSIGNMENT OF SURPLUS CLERKS IN THE POSTAL TRANSPORTATION SERVICE

The Clerk called the bill (S. 3910) relating to the assignment of surplus clerks in the postal transportation service.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the paragraph headed "Railway Mail Service" in the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1918, and for other purposes," approved March 3, 1917, as amended, is amended by inserting after the second proviso thereof (62 Stat. 575; 39 U. S. C. 632) the following: "*Provided further,* That when a surplus clerk cannot be placed in a position of his grade without giving him preference over a clerk with a longer continuous postal transportation service record, he may be relegated to a lower-grade position in his own organization or transferred elsewhere to any grade that may be available for a regular clerk of his standing, under such regulations as the Postmaster General may prescribe."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONTRACTS FOR TRANSMISSION OF MAIL BY PNEUMATIC TUBES

The Clerk called the bill (S. 4102) relating to contracts for the transmission of mail by pneumatic tubes or other mechanical devices.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Postmaster General may enter into contracts, for terms not exceeding 10 years, for the transmission of mail by pneumatic tubes or other mechanical devices.

SEC. 2. Contracts for the transmission of mail by pneumatic tubes or other mechanical devices shall be subject to the provisions of laws relating to the letting of mail contracts, except as otherwise provided in this act. Advertisements shall state in general terms only the requirements of the service and shall be in the form best calculated to invite competitive bidding. The Postmaster General may reject any and all bids. No contract shall be awarded except to the lowest responsible bidder tendering full and sufficient guaranties to the satisfaction of the Postmaster General of his ability to perform satisfactory service.

SEC. 3. In the city of New York, including the Borough of Brooklyn, the annual rate of expenditure for the transmission of mail by pneumatic tubes shall not exceed $15,500 per mile per annum of double line pneumatic-tube facilities for a period of 10 years, after which time the annual rate of expenditures per mile shall not exceed $12,000. This rate shall be inclusive of maintenance expenses but shall be exclusive of all operating expenses.

SEC. 4. All laws or parts of laws inconsistent or in conflict with this act are hereby repealed. This shall include, but is not limited to, the following laws:

(a) The provisions of the acts of April 21, 1902; March 2, 1907; May 27, 1908; and June 19, 1922 (39 U. S. C. 423), relating to contracts for transmission of mail by pneumatic tubes; and

(b) The act entitled "An act to provide for certain administrative expenses in the Post Office Department, including retainment of pneumatic-tube systems, and for other purposes," approved June 30, 1948 (62 Stat. 1163).

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

AUTHORIZING RELIEF OF CERTAIN AUTHORIZED CERTIFYING OFFICERS

The Clerk called the bill (H. R. 9828) to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Labor.

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That the Comptroller General of the United States is authorized and directed to allow credit in the accounts of authorized certifying officers of terminated war agencies, in process of liquidation by the Department of Labor at the time of the enactment of this act, for the amounts of suspensions and disallowances, which have been, or may be, raised by the General Accounting Office on account of payments made in accordance with vouchers certified by such certifying officers: *Provided,* That the Secretary of Labor or his authorized representative shall certify that in his opinion there is no evidence of fraud or collusion on the part of the certifying officers in connection with the payments.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

The SPEAKER. That is the last eligible bill on the calendar.

REDEFINING ELIGIBILITY FOR MEMBERSHIP IN THE AMERICAN LEGION

Mr. CELLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 4240) to amend the act incorporating the American Legion so as to redefine eligibility for membership therein, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 5 of the act approved September 16, 1919 (41 Stat. 285; U. S. C. of 1946, title 36, sec. 45), entitled "An act to incorporate The American

Legion," as amended, is hereby further amended to read as follows:

"SEC. 5. That no person shall be a member of this corporation unless he served in the naval or military services of the United States at some time during any of the following periods: April 6, 1917, to November 11, 1918; December 7, 1941, to September 2, 1945; June 25, 1950, to the date of cessation of hostilities, as determined by the United States Government; all dates inclusive, or, who being citizens of the United States at the time of entry therein, served in the military or naval services of any of the governments associated with the United States during said wars or hostilities: *Provided, however*, That such person shall have an honorable discharge or separation from such service or continues to serve honorably after any of the aforesaid terminal dates."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill was laid on the table.

ELIGIBILITY FOR MEMBERSHIP IN AMVETS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 4254) to redefine eligibility for membership in AMVETS—American Veterans of World War II.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 6 of the act approved July 23, 1947, Public Law 216, Eightieth Congress (61 Stat. 407; 36 U. S. C. 67e), is amended to read as follows:

"SEC. 6. Any person who served in the Armed Forces of the United States of America or any American citizen who served in the armed forces of an allied nation of the United States on or after September 16, 1940, and before the legal termination of World War II, is eligible for regular membership in AMVETS, provided such service when terminated by discharge or release from active duty be by honorable discharge or separation. No person who is a member of, or who advocates the principles of, any organization believing in, or working for, the overthrow of the United States Government by force, and no person who refuses to uphold and defend the Constitution of the United States, shall be privileged to become, or continue to be, a member of this organization."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

TO AMEND INTERNAL REVENUE CODE AND FEDERAL ALCOHOL ADMINISTRATION ACT

Mr. COOPER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 3229) to amend the Internal Revenue Code, as amended, and the Federal Alcohol Administration Act, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 2806 (d) of the Internal Revenue Code, as amended, is amended to read as follows:

"(d) All distilled spirits found in any cask or package, and any bottled distilled spirits found in any case, without having upon such cask or package or case each mark and stamp required therefor by law or regulations, shall be forfeited to the United States."

SEC. 2. Section 4 of the Federal Alcohol Administration Act (U. S. C., title 27, sec. 204) is amended in the following respects:

(1) Subsection (d) is amended to read as follows:

"(d) A basic permit shall be conditioned upon (1) compliance with the requirements of section 5 of this act (relating to unfair competition and unlawful practices) and of section 6 of this act (relating to bulk sales and bottling), with the twenty-first amendment and laws relating to the enforcement thereof, and with all other Federal laws relating directly or indirectly to distilled spirits, wine, and malt beverages, including taxes with respect thereto, and (2) conduct of the operations under such permit in conformity with the laws of the State in which such operations are conducted."

(2) Clause 1 of subsection (e), is amended by striking out ", provided that for a first violation of the conditions thereof the permit shall be subject to suspension only."

(3) Subsection (g) is amended to read as follows:

"(g) A basic permit may be issued for 1 year and shall expire on the 31st day of December next succeeding the issuance thereof unless suspended, revoked, or annulled as provided herein, or voluntarily surrendered: *Provided*, That the Secretary may without formal application extend any permit granted under this part after August 31, in any year to December 31 of the succeeding year. (1) If leased, sold, or otherwise voluntarily transferred, the permit shall be automatically terminated thereupon, and (2) if transferred by operation of law or if actual or legal control of the permittee is acquired, directly or indirectly, whether by stock ownership or in any other manner, by any person, then such permit shall be automatically terminated at the expiration of 30 days thereafter: *Provided*, That if within such 30-day period application for a new basic permit is made by the transferee or permittee, respectively, then the outstanding basic permit shall continue in effect until such application is finally acted on by the Secretary of the Treasury."

(4) The second sentence of subsection (h) is amended to read as follows: "Such appeal shall be taken by filing, in the district court of the United States within any district wherein such person resides or has his principal place of business, or in the United States District Court for the District of Columbia, within 60 days after the entry of such order, a written petition praying that the order of the Secretary be modified or set aside in whole or in part."; and the next to the last sentence thereof is repealed.

(5) Subsection (i) is amended to read as follows: "(i) No basic permit shall be suspended or revoked for a violation of any condition thereof relating to compliance with Federal law if the alleged violation of a Federal law has been compromised by any officer of the Government authorized to compromise such violation."

SEC. 3. All basic permits issued pursuant to the provisions of the Federal Alcohol Administration Act, as amended (Public, No. 401, approved August 29, 1935; U. S. C., 1940 ed., title 27, ch. 8, sec. 201 and the following), prior to the approval of this act shall expire on the 31st day of December 1947: *Provided*, That if this act is approved after August 31, 1947, the Secretary may, without formal application, extend any such permit to December 31, 1948. *Provided further*, That before the expiration date of any such permit it may be terminated, or, upon notice and hearing, suspended, revoked, or annulled as provided in the said Federal Alcohol Administration Act.

With the following committee amendments:

Page 2, line 5, strike out "section 5 of this act (relating to unfair competition and unlawful practices) and of section 6 of this act (relating to bulk sales and bottling)" and insert in lieu thereof "the Federal Alcohol Administration Act."

Page 4, line 8, strike out "1947" and insert "1951" and strike out the balance of line 8, and 9, 10, and 11, down to and including "Provided further."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WAR DAMAGE CORPORATION

Mr. SPENCE. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9802) to grant succession to the War Damage Corporation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, I understand this is the same bill we had during the Second World War?

Mr. SPENCE. Mr. Speaker, this is a bill that reactivates the War Damage Corporation. It has been reported unanimously by the committee, in response to a general demand of the people, both on the west coast and the east coast. We have had many, many telegrams and letters urging that this organization be reactivated in order that the people may secure insurance they otherwise could not secure against war damage.

Mr. MARTIN of Massachusetts. My question was if the bill is exactly the same as the previous bill.

Mr. SPENCE. It is substantially the same, except for a few clarifying amendments that we would like to have considered.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That this act may be cited as the "War Damage Corporation Act of 1950."

SEC. 2. Notwithstanding the Government Corporation Control Act or the charter of the War Damage Corporation, the War Damage Corporation (hereinafter referred to as the "Corporation") shall have succession for the objects and purposes set forth in section 3. The Corporation shall not have succession beyond July 1, 1955, except for purposes of liquidation, unless it is extended beyond such date pursuant to an act of Congress.

SEC. 3. The Reconstruction Finance Corporation is directed to supply funds to the Corporation. Such funds shall be supplied only upon the request of the President and the aggregate amount of the funds so supplied shall not exceed $1,000,000,000, exclusive of capital stock subscribed prior to the date of the enactment of this act. The Corporation is authorized to use its funds to provide, through insurance, reinsurance, or otherwise, reasonable protection against loss of or damage to property, real and personal, which may result from—

(a) hostile or warlike action in time of peace or war (including action in hindering,

combatting, or defending against an actual, impending or expected attack) (1) by any government or sovereign power (de jure or de facto) or any authority using military, naval, or air forces; or (2) by military, naval, or air forces; or (3) by an agent of any such government, power authority, or forces; or

(b) the discharge, explosion, or use of any weapon of war employing atomic fission or radioactive force;

with such general exceptions as the Corporation, with the approval of the President, may deem advisable. Such protection shall be made available upon the payment of such premium or other charge, and subject to such terms and conditions, as the Corporation, with the approval of the President, may establish, but, in view of the national interest involved, the Corporation shall from time to time establish uniform rates for each type of property with respect to which such protection is made available, and, in order to establish a basis for such rates, the Corporation shall estimate, from time to time, the average risk of loss on all property of such type in the United States. Such protection shall be applicable only (1) to such property situated in the United States (including the several States and the District of Columbia), the Canal Zone, the Territories and possessions of the United States, and in such other places as may be determined by the President, for the purposes of this act, to be under the dominion and control of the United States; (2) to such property in transit between any points located in any of the foregoing; and (3) to all bridges and tunnels between the United States and Canada and between the United States and Mexico: *Provided*, That such protection shall not be applicable to property in transit upon which any agency of the Government is authorized to provide marine war-risk insurance. The Corporation, with the approval of the President, may suspend, restrict, or otherwise limit such protection in any area to the extent that it may determine to be necessary or advisable in consideration of the loss of control of such area by the United States making it impossible or impracticable to provide such protection in such area. The Corporation, with the approval of the President, may provide such limitations and general exceptions with respect to classes of property protected and other matters as the Corporation may deem necessary or desirable.

SEC. 4. The Corporation shall have the following general powers in carrying out the objects and purposes set forth in section 3:

(1) To amend its charter insofar as is necessary to carry out the objects, purposes, and general powers set forth in sections 3 and 4.

(2) To adopt, alter, and use a corporate seal, which shall be judicially noticed.

(3) To adopt, amend, and repeal bylaws, governing the conduct of its business, and the performance of the powers and duties granted to or imposed upon it by law.

(4) To sue and be sued in its corporate name in any court of competent jurisdiction.

(5) To determine the character of and the necessity for its obligations and expenditures and the manner in which they shall be incurred, allowed, and paid, subject to the laws applicable specifically to Government corporations.

(6) To acquire, in any lawful manner, any property—real, personal, or mixed, tangible or intangible—to hold, maintain, use, and operate the same; and to sell, lease, or otherwise dispose of the same, whenever any of the foregoing transactions are deemed necessary or appropriate to the conduct of the activities authorized by this act, and on such terms as may be prescribed by the Corporation.

(7) To execute all instruments necessary or appropriate in the exercise of any of its functions.

(8) To use the United States mails in the same manner and under the same conditions as the executive departments of the Federal Government.

(9) To settle and adjust claims held by it against other persons or parties and by other persons or parties against the Corporation.

(10) To borrow, hypothecate, and to invest and reinvest its funds.

(11) To appoint such officers, agents, attorneys, and employees as may be necessary for the conduct of the business of the Corporation; and to delegate to them such powers and to prescribe for them such duties as may be deemed appropriate by the Corporation.

(12) To take such actions as may be necessary or appropriate to carry out the powers and duties herein or hereafter specifically granted to or imposed upon it.

SEC. 5. The Corporation, including its franchise, its capital, reserves, surplus, and income, shall be exempt from all taxation (which shall, for all purposes, be deemed to include sales, use, storage, and purchase taxes) now or hereafter imposed by the United States, or any Territory, dependency, or possession thereof, or by any State, county, municipality, or local taxing authority, except that any real property (or buildings which are considered by the laws of any State to be personal property for taxation purposes) of the Corporation shall be subject to State, Territorial, county, municipal, or local taxation to the same extent according to its value as other real property is taxed.

With the following committee amendments:

Page 2, line 8, after the word "act", insert "The Corporation shall pay interest to the Reconstruction Finance Corporation on such funds, including those realized from capital stock, at a rate commensurate with that charged on borrowings by the Reconstruction Finance Corporation from the Treasury."

Page 2, line 16, after the word "which", strike out the balance of line 16, all of lines 17, 18, 19, 20, 21, 22, 23, and 24, and on page 3, lines 1, 2, 3, and 4, down to and including the word "advisable" and insert "may result from hostile or warlike action, including action in hindering, combating, or defending against an actual, impending or expected attack, (1) by any government or sovereign power (de jure or de facto), or by any authority using military, naval, or air forces; or (2) by military, naval, or air forces; or (3) by an agent of any such government, power, authority, or forces; with such general exceptions as the Corporation, with the approval of the President, may deem advisable."

Page 4, line 2, after the word States", strike out the balance of line 2 and all of lines 3 and 4.

Page 7, line 8, insert:

"SEC. 6. The Corporation shall contribute to the Civil Service Retirement and Disability Fund, on the basis of annual billings as determined by the Civil Service Commission, for the Government's share of the cost of the Civil Service Retirement System applicable to the Corporation's employees. The Corporation shall also contribute to the Employee's Compensation Fund, on the basis of annual billings as determined by the Federal Security Administrator, for the benefit payments made from such fund on account of the Corporation's employees. The annual billings shall also include a statement of the fair portion of the cost of the administration of the respective funds, which shall be paid by the Corporation into the Treasury as miscellaneous receipts."

The committee amendments were agreed to.

Mr. SPENCE. I offer the following amendments, which I send to the desk.

The Clerk read as follows:

Amendments offered by Mr. SPENCE:

Page 2, at the end of line 7, after "subscribed", insert "and paid in."

Page 6, line 13, change the period to a semicolon and insert the following: "*Provided, however*, That all employees on the payroll of the Corporation shall have been appointed and shall be compensated in accordance with the Civil Service Act and the Classification Act of 1949."

The amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL CIVIL DEFENSE

Mr. VINSON. Mr. Speaker, I ask unanimous consent that it shall be in order on Wednesday next to move that the House resolve itself into the Committee of the Whole House for the consideration of the bill (H. R. 9798) as amended, to authorize the Federal civil defense, and for other purposes, and that there be not exceeding 2 hours' general debate, one-half to be controlled by the gentleman from North Carolina [Mr. DURHAM] and one-half to be controlled by the gentleman from Missouri [Mr. SHORT]; that at the close of the general debate the bill will be open for amendment under the 5-minute rule.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, as I understand the request, this is simply to avoid the necessity of going to the Rules Committee. Otherwise, all the interests of the House are protected?

Mr. VINSON. The gentleman from Massachusetts in stating the case is exactly correct.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

CONSTRUCTION AT MILITARY AND NAVAL INSTALLATIONS

Mr. VINSON. Mr. Speaker, I ask unanimous consent that it shall be in order on Wednesday next to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9893) to authorize certain construction at military and naval installations, as amended; that there shall be not to exceed 1 hour's general debate to be equally divided and controlled by the gentleman from Texas [Mr. KILDAY] and by the gentleman from Missouri [Mr. SHORT] and that the bill shall then be read under the 5-minute rule.

Mr. NICHOLSON. Mr. Speaker, reserving the right to object, is this matter coming up the same day civilian defense is taken up?

Mr. VINSON. That is the request I am making. I am hoping we can dispose of both bills on Wednesday.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

STUDY OF HEALTH OF WORLD WAR II PRISONERS OF WAR

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8848) to provide for a study of the mental and physical sequelae of malnutrition and starvation suffered by prisoners of war and civilian internees during World War II.

The Clerk read the title of the bill.

Mr. H. CARL ANDERSEN. Mr. Speaker, reserving the right to object, how much will this proposal cost the taxpayers?

Mr. RANKIN. Not over $75,000.

Mr. H. CARL ANDERSEN. Just what will it do?

Mr. RANKIN. This bill provides for a study of the health of prisoners of war of World War II to be coordinated by the War Claims Commission.

The actual medical research would be done by the Veterans' Administration, the Public Health Service, the Surgeons General of the Armed Forces, and possibly private agencies in an effort to determine the result of malnutrition and starvation upon these men and how it affects their later life. The information obtained would be most helpful in evaluating future claims of these men.

The total cost is estimated to be for this project approximately $75,000.

Mr. H. CARL ANDERSEN. Just how urgent is this matter?

Mr. RANKIN. It has been reported unanimously by the Committee on Veterans' Affairs.

Mr. H. CARL ANDERSEN. Just what is the urgency about the bill?

Mr. RANKIN. The war has been over for 5 years. If we are going to get any benefit from a study of this kind we should get at it.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

Mr. H. CARL ANDERSEN. Mr. Speaker, I object.

VOCATIONAL REHABILITATION OF VETERANS

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9900) to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, a similar bill has been passed by the Senate, S. 4239, to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended. I ask unanimous consent that the Senate bill may be substituted in lieu of the House bill.

The Clerk read the title of the Senate bill.

The SPEAKER. Is there objection to the present consideration of the Senate bill?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc., That service in the active military, naval, or air service of the United States on or after June 27, 1950, and prior to such date as shall thereafter be determined by Presidential proclamation or concurrent resolution of the Congress, shall afford basic entitlement to vocational rehabilitation under Public Law No. 16, Seventy-eighth Congress, as amended, needed to overcome the handicap of a disability incurred in or aggravated by such service for which compensation is payable under the provisions of subparagraph I (c), part II, Veterans Regulation No. 1 (a), as amended (or would be but for receipt of retirement pay), subject to the applicable provisions, conditions, and limitations of Public Law No. 16, Seventy-eighth Congress, as amended, except as follows:

(1) Vocational rehabilitation based on service as prescribed in this act may be afforded within 9 years after the aforesaid termination of the period beginning June 27, 1950.

(2) Notwithstanding the fact that vocational rehabilitation may have been previously afforded under Public Law No. 16, as amended, or that education or training may have been afforded under title II of the Servicemen's Readjustment Act of 1944, as amended, additional vocational rehabilitation m..y be provided hereunder to the extent necessary by reason of a handicap due to disability incurred in or aggravated by service, as provided herein.

(3) Any person eligible for vocational rehabilitation under this act who, at the time of such service, was not a citizen of the United States, shall be afforded such benefit only while a resident of a State, Territory, or possession of the United States or of the District of Columbia.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider and the bill H. R. 9900 were laid on the table.

GRATUITOUS INDEMNITY FOR ALL MEMBERS OF ARMED FORCES

Mr. RANKIN. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9911) to authorize the payment by the Administrator of Veterans' Affairs for a gratuitous indemnity to survivors of members of the Armed Forces who die in active service, and for other purposes.

The Clerk read the title of the bill.

Mr. EVINS. Mr. Speaker, reserving the right to object, and I shall not object, I think the chairman of the committee should advise the House as to the full provisions of this bill.

Mr. RANKIN. Mr. Speaker, this bill provides a gratuitous indemnity in the amount of $10,000 to the survivors of all men killed in the Armed Forces on and after June 27, 1950, without cost to the serviceman.

In addition, the man, upon discharge, will be protected for a period of 90 days in order to permit him to readjust to civilian life and determine the sort of insurance protection he wishes to obtain from commercial sources.

Beneficiaries are limited to the immediate family of the serviceman and the indemnity is payable only in monthly installments of $92.90 over a 10-year period.

Veterans having World I or World War II insurance may maintain such insurance if they are recalled to active duty or they may avail themselves of the gratuitous indemnity. For those having permanent type of insurance, provision is made that they may surrender the policies for cash and reinstate them at some future date with a net saving to the individual.

The gratuity is exempt from the claims of creditors and from taxation.

Bars future entrants under the national service life insurance or United States Government life insurance, but any man having either of these policies may reinstate them if lapsed in the same manner as may be done today. Of course, such policies may be continued at the option of the insured.

Any man unable to obtain commercial insurance after discharge at standard rates will be eligible to carry a national service life insurance policy similar to the type of policy issued today for the same sort of condition.

Mr. EVINS. May I say that there is a provision in this bill which provides for a special class of beneficiaries, namely, illegitimate children. I wonder if the Congress wants to go on record as favoring the payment of $10,000 beneficiary payment to illegitimate children? One of the purposes of the act is to bring about economy in the administration of the veterans' insurance program. The investigation of the claims of illegitimate children beneficiaries may not result in economies in administration of the act. I just wish to call this fact to the attention of the House. I shall not object to the passage of the bill. I favor its passage but believe the illegitimate child class of beneficiary should be stricken from the provisions of the bill.

Mr. RANKIN. In reply to the gentleman from Tennessee, who voted to report this bill out of committee, may I say that the question he raises about illegitimate children is where a man recognizes the child and includes it in his insurance. We must give him that right under this bill, as is done in all veterans' insurance legislation.

Mr. Speaker, this bill was carefully considered. I regret very much that the distinguished gentleman from Indiana [Mr. NOLAND], chairman of the subcommittee, is not present. That committee did a splendid job.

The bill provides for a gratuitous indemnity in the amount of $10,000 to the survivors of all men killed in the armed services on and after June 27, 1950, without cost to the serviceman. I may say to the gentleman from Pennsylvania [Mr. FLOOD], who has been inquiring about those Pennsylvania servicemen who were killed by accident in a train wreck in Ohio, that they were in the national service and are covered by this bill.

In addition, Mr. Speaker, the men covered under this bill will be protected for a period of 90 days after they leave the service in order to permit them to readjust to civilian life and to determine the sort of insurance protection they wish to obtain from commercial sources. Beneficiaries are limited to the immediate families of the servicemen and the indemnity is payable only in monthly installments of $92.90 over a period of 10 years. This will take care of these families for 10 years.

Veterans having World War I or World War II insurance may maintain such insurance if they are recalled to active duty, or they may avail themselves of the gratuitous indemnity. For the ones having a permanent type of insurance, provision is made that they may surrender the policies for cash and reinstate them at some future date with a net saving to the individual. The gratuity is exempt from the claims of creditors and from taxation.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Pennsylvania.

Mr. FLOOD. I just wish to observe in connection with the comments of the gentleman from Mississippi that his reference to a certain train wreck will recall to the House the accident when the One Hundred and Ninth Field Artillery of the Twenty-eighth Division of the Pennsylvania National Guard was called into Federal service. They were leaving for Camp Atterbury, Ind. The train wreck, you will recall, took place September 11, 1950. It was right after the men went into the Federal service. I think this part of the bill and the intent and the purpose of this act, especially this retroactive provision, cannot better be illustrated because these boys did not have a chance even to file their applications before they were processed into the Federal service. On their way to camp, with no opportunity of getting insurance, these men were killed as much in action as though they were in Korea. I commend the committee for its action.

Mr. RANKIN. Mr. Speaker, this bill bars future entrants to national service life insurance or United States Government life insurance, but any man having either of these policies may reinstate them in the same manner as may be done today. Of course, such policies may continue at the option of the insured. Any person unable to obtain commercial insurance after discharge at standard rates will be eligible to carry a national service life-insurance policy similar to the type of policy issued today for the same sort of condition.

The Bureau of the Budget has indicated that it favors the approach embodied in this bill and gives as its opinion that had it been in effect several hundreds of millions of dollars would have been saved during the period 1940-49. The Comptroller General estimates that the saving would have amounted to $587,000,000.

The bill, in brief, provides uniform coverage for all members of the Armed Forces from the time they are inducted into active service and 90 days after they are discharged without cost and drastically reduces the administration required to handle such a program.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Tennessee.

Mr. EVINS. The members of the Committee on Veterans' Affairs recognize that there is a great deal of merit and benefit in this legislation. However, there are certain amendments that might well be adopted to improve the legislation, and I want to ask the chairman whether or not there is any possibility for amendments to be offered on this bill in the Senate?

Mr. RANKIN. The Senate has a right to amend it.

Mr. EVINS. There will therefore be a possibility then for clarifying amendments as to classes of beneficiaries to be adopted in the Senate.

Mr. RANKIN. Yes.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the lady from Massachusetts.

Mrs. ROGERS of Massachusetts. The members of the committee are very anxious to have the provisions of this bill passed. I was talking to the veterans yesterday. They are extremely anxious to have it passed, both the disabled and the nondisabled veterans. There are so many mistakes made at times in the filing for insurance that the men do not get their applications accepted. It will cost the Government less. The veterans' organizations are very anxious to have it passed. Some would like to add other provisions, but they want this bill passed, and passed immediately. If you were in a hospital with arms and legs off or broken backs and had no insurance, you would realize what this will mean. It will cost the Government much less than if they took out the other kind of insurance.

Mr. FORD. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Michigan?

Mr. FORD. Does this bill coincide more or less with the recommendations of the Hardy committee?

Mr. RANKIN. I think so.

Mr. FORD. In effect it is a substitute for the so-called national service life insurance program that we have had in effect during World War II?

Mr. RANKIN. Yes.

Mr. CUNNINGHAM. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Iowa.

Mr. CUNNINGHAM. I want to be sure that I understand the bill. As I understand, this bill will give automatic life insurance to every boy in the service without the payment of the premium and up to 90 days after discharge. If after the 90 days he wishes to pay for it, he can do so, and carry it just as the boys are now doing.

Mr. RANKIN. If he has had national service life insurance in the past, he can reinstate it, or if he is disabled, he will be permitted to take out Government insurance.

Mr. CUNNINGHAM. In fact, he had automatic insurance then, and that protects him for 90 days, and that will not preclude him from getting the $10,000 national life insurance, even though he is disabled.

Mr. RANKIN. If he is disabled to the extent that his disability makes him uninsurable at standard commercial rates.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Virginia.

Mr. HARDY. First of all, I want to compliment the Committee on Veterans' Affairs for this very constructive piece of legislation. But, there are a few questions I want to get specific answers on in order that the record will be perfectly clear. Will National Guardsmen and others who participate in active duty 2 weeks of the year be covered?

Mr. RANKIN. Yes.

Mr. HARDY. During the period of their active service?

Mr. RANKIN. Yes.

Mr. HARDY. Will aviation pilots who fly for only a few hours a month or week be covered during the period of their assignment of duty?

Mr. RANKIN. Yes.

Mr. HARDY. Will aviation cadets be covered?

Mr. RANKIN. Yes.

Mr. HARDY. Now, that is not too clear, as I understand this bill.

Mr. RANKIN. Yes; they are covered.

Mr. HARDY. Aviation cadets under the aviation cadet program then will be covered?

Mr. RANKIN. Yes.

Mr. HARDY. Now then, there is only one settlement provided in this thing.

Mr. RANKIN. Yes.

Mr. HARDY. There is no lump-sum provision; simply a $10,000 annuity proposition.

Mr. RANKIN. That is correct.

Mr. HARDY. And the annuity is computed at the rate of 2¼ percent?

Mr. RANKIN. Yes.

Mr. HARDY. This program does not superimpose a gratuitous program now on the national life insurance program.

Mr. RANKIN. It does not.

Mr. HARDY. It does not carry any subsidies other than a straight gratuitous life insurance program.

Mr. RANKIN. That is correct.

Mr. HARDY. It provides an option, does it not, for the military personnel who now have national service life insurance either to continue that insurance or drop it and take the gratuitous program?

Mr. RANKIN. The gentleman is correct.

Mr. HARDY. They cannot do both?

Mr. RANKIN. They cannot do both; that is right.

Mr. HARDY. Can the gentleman tell us approximately how many Federal employees can be eliminated under this program and how long it will take to eliminate them?

Mr. RANKIN. I cannot tell the gentleman how many, but the recently opened special office in Philadelphia might be closed when this bill is enacted. The Comptroller General tells us that if we had had this law in force from 1940 to 1949 the Government would have saved $587,000,000.

Mr. HARDY. I thank the gentleman. However, I think that is a very conservative figure. I think it would have been considerably more than that.

Mr. RANKIN. I do, too.

Mr. HARDY. At the moment the military forces all have a considerable number of personnel assigned to the responsibility of assisting service people to take out insurance under the national service

life insurance program. They will no longer be necessary under this program?

Mr. RANKIN. No.

Mr. HARDY. Those people will be freed for combat and other duties?

Mr. RANKIN. That is right.

Mr. HARDY. I thank the gentleman very much.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Minnesota.

Mr. H. CARL ANDERSEN. I think the gentleman is to be complimented on bringing this measure before the House. He will recall that many of us tried to do this same thing in the spring of 1942. I am certainly very much pleased to see this measure now brought before the House, before this war becomes an all-out war.

Mr. RANKIN. If we had succeeded at that time, the Government would have saved $587,000,000, at least.

Mr. H. CARL ANDERSEN. The gentleman is absolutely correct.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from New York.

Mr. JAVITS. On the question of the reinstatement of insurance or getting insurance if one has been injured in the service, is that retroactive? I have a case where a boy who was injured in the service in World War II is now in the Army again, and they are blocking his getting the insurance because they say one has to wait 10 years if he has had a mental difficulty or disorder. It is an outrageous situation.

Mr. RANKIN. He can take the gratuitous insurance, but if he cannot get the commercial insurance at standard rates, when he gets out, he can take national service life insurance in the manner provided in section 10 of this bill.

Mr. JAVITS. So the insurance provision is retroactive under this bill?

Mr. RANKIN. Yes.

Mr. EVINS. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield to the gentleman from Tennessee.

Mr. EVINS. The gentleman would have no objection to the elimination of the illegitimate child provision in the Senate?

Mr. RANKIN. If I had that much influence in the other body, you just do not know the changes I would bring about over there.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

The Clerk read the bill as follows:

Be it enacted, etc.—

PART I—SERVICEMEN'S INDEMNITY

SECTION 1. This part may be cited as the "Servicemen's Indemnity Act of 1950."

SEC. 2. Except as hereinafter provided, on and after June 27, 1950, any person in the active service of the Army, Navy, Air Force, Marine Corps, or Coast Guard, including the Reserve components thereof while in active duty; cadets and midshipmen at the United States Military, Naval, and Coast Guard Academies; commissioned officers of the Public Health Service while entitled to full military benefits as provided in section 212 (a) of the act of July 1, 1944 (58 Stat. 689), as amended (42 U. S. C. 213); and commissioned officers of the Coast and Geodetic Survey while assigned to duty during a period of war or an emergency as proclaimed by the President or the Congress on projects for the Army, Navy, or Air Force in areas outside the continental United States or in Alaska or in coastal areas of the United States determined by the Department of Defense to be of immediate military hazard, shall be automatically insured by the United States, without cost to such person, against death in active service in the principal amount of $10,000: *Provided*, That any person called to extended active duty for a period exceeding 30 days shall continue to be so protected for a period of 90 days after separation from such service.

SEC. 3. Upon certification by the Secretary of the service department concerned of the fact of death of any person deemed to have been automatically insured under this part, the Administrator of Veterans' Affairs shall cause the indemnity to be paid as provided in section 4 only to the surviving spouse, child or children (including a stepchild, adopted child, or an illegitimate child if the latter was designated as beneficiary by the insured), parent (including a stepparent, parent by adoption, or person who stood in loco parentis to the insured), brother, or sister of the insured. The insured shall have the right to designate the beneficiary or beneficiaries of the indemnity within the classes herein provided; to designate the proportion of the principal amount to be paid to each; and to change the beneficiary or beneficiaries without the consent thereof but only within the classes herein provided. If the designated beneficiary or beneficiaries do not survive the insured, or if none has been designated, the Administrator shall make payment of the indemnity to the first eligible class of beneficiaries according to the order set forth above, and in equal shares if the class is composed of more than one person.

Any installments not paid to a beneficiary during such beneficiary's lifetime shall be paid to the named contingent beneficiary, if any; otherwise, to the beneficiary or beneficiaries within the permitted class next entitled to priority.

SEC. 4. The indemnity shall be payable in equal monthly installments of 120 in number with interest at the rate of 2¼ percent per annum.

SEC. 5. The automatic indemnity coverage authorized by section 2 shall apply to any person in the active service of the named Armed Forces who, upon death in such active service, is insured against such death under a contract of national service life insurance or United States Government life insurance, but only with respect to a principal amount of indemnity equal to the difference between the amount of insurance in force at the time of death and $10,000: *Provided*, That any person in active service, who is insured under a permanent plan of national service life insurance or United States Government life insurance, may elect to surrender such contract for its cash value. In any such case, the person may, after separation from active service be granted permanent plan insurance not in excess of the amount surrendered for cash, or may reinstate such surrendered insurance upon payment of the required reserve and the premium for the current month upon application in writing, payment of premiums and evidence satisfactory to the Administrator showing such person to be in good health at the time of such application.

SEC. 6. The Administrator of Veterans' Affairs is authorized to promulgate such rules and regulations, not inconsistent with the provisions of this part, as are necessary or appropriate to carry out its purposes.

SEC. 7. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to carry out the provisions of this part, to be known as the servicemen's indemnity appropriation, for the payment of liabilities under this part.

SEC. 8. Any person guilty of mutiny, treason, spying, or desertion, or who, because of conscientious objections, refuses to perform services in the land or naval forces of the United States or refuses to wear the uniform of such force, shall forfeit all rights to an indemnity under this act. No indemnity shall be payable for death inflicted as a lawful punishment for crime or for military or naval offense, except when inflicted by an enemy of the United States.

SEC. 9. The provisions of Public Law No. 262, Seventy-fourth Congress, approved August 12, 1935 (49 Stat. 607), and titles II and III of Public Law No. 844, Seventy-fourth Congress, approved June 29, 1936 (49 Stat. 2031), insofar as they are applicable, shall apply to the provisions of this part: *Provided*, That assignments of all or any part of the beneficiary's interest may be made by a beneficiary to a widow, widower, child, father, mother, brother, or sister of the insured, when all other persons within the permitted classes join in the assignment.

PART II—RESTRICTIONS ON ISSUANCE OF UNITED STATES GOVERNMENT LIFE INSURANCE AND NATIONAL SERVICE LIFE INSURANCE

SEC. 10. The National Service Life Insurance Act of 1940, as amended, is hereby amended by adding the following new sections:

"SEC. 619. On and after the date of enactment of the Insurance Act of 1950, and except as otherwise provided in section 5 of the Servicemen's Indemnity Act of 1950 and section 620 hereof, no national service life insurance shall be granted to any person under the provisions of the National Service Life Insurance Act of 1940, as amended, or the World War Veterans' Act, 1924, as amended, nor shall any Government life insurance or national service life insurance, on which the United States is authorized by law to pay the premium, be issued or granted to any person under any provision of law: *Provided*, That the foregoing shall not be construed to prohibit (1) the granting or issuing of national service life insurance or United States Government life insurance in cases in which acceptable applications accompanied by proper and valid remittances or authorizations for the payment of premiums have, prior to the date of approval of the Insurance Act of 1950, been received by the Veterans' Administration, or which have, prior to said date, been placed in the mails properly directed to the Veterans' Administration, or been delivered to an authorized representative of any of the uniformed services.

"SEC. 620. Any person who is released from active service under other than dishonorable conditions on or after the date of enactment of the Insurance Act of 1950, and at the time of release is found by the Administrator to be suffering from a disability or disabilities resulting from or aggravated by such active service which renders such person uninsurable at standard rates, according to recognized underwriting requirements of nongovernmental insurers, shall, upon application in writing made within 1 year from the date of release from active service or within 1 year from date of determination of such a service-connected disability and payment of premiums as provided in this act, be granted insurance by the United States against the death of such person occurring while such insurance is in force. Insurance granted under the provisions of this section shall be on a nonparticipating basis and all premiums and other collections therefor shall be deposited and covered into the Treasury to the credit of a revolving fund and any payments on such insurance shall be made directly from such appropriations to such fund as are hereby authorized. Except as herein provided, the

other provisions of this act shall be for application to such insurance."

SEC. 11. This part may be cited as the "Insurance Act of 1950."

With the following committee amendments.

Page 1, line 9, strike out "duty" and insert "service."

Page 6, line 15, strike out "(1)."

Page 7, line 19, strike out "appropriations" and insert "fund. Appropriations."

Page 7, line 20, strike out "as."

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that the gentleman from Wisconsin [Mr. DAVIS] be permitted to extend his remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. DAVIS of Wisconsin. Mr. Speaker, the previous remarks of the chairman of the Veterans' Affairs Committee, the distinguished gentleman from Mississippi, including his constructive statement and his answers to the questions propounded by the gentleman from Virginia, the chairman of the Hardy subcommittee, which made a previous study of this question of indemnity or insurance for servicemen, have given adequate explanation of the terms of this proposal.

As a member of the subcommittee which held hearings on this important matter, I want to add my voice of approval to the product which we labored and brought forth. This bill is the result of many weeks of investigation and serious thought by members of the staff of the Veterans' Affairs Committee and the subcommittee of which our departing colleague the gentleman from Indiana [Mr. NOLAND] served as chairman. In addition to our individual and committee work, we had the benefit of testimony from veterans' organizations, several Government agencies, and a number of private insurance experts. Then, too, we had the benefit of the capable work of the Hardy subcommittee of the Committee on Expenditures in the Executive Departments. This painstaking work, plus the patience and industry of our subcommittee, which in addition to our chairman, Mr. NOLAND, included Mr. MACK of Illinois; Mr. ELLIOTT, of Alabama; Mr. BATES of Massachusetts; and your humble servant, are responsible for the sound and well-considered measure which is now before the House for action.

Many problems have associated themselves with the present system of premium-paying national service life insurance. Among them are lack of uniform coverage, unreasonable administrative difficulties, high administrative cost, and continuation of Government participation in veterans' insurance in peacetime, long after the period of risk caused by participation in the armed services has passed.

In spite of strenuous efforts by officials in the armed services, there were a substantial number of World War II servicemen who carried no Government insurance at all, or had an inadequate amount. A substantial number of insurance records were lost. Thus, in addition to the inadequacy of coverage, the intent of an appreciable amount of national service life insurance was not fulfilled.

The bill before us today substitutes the principle of indemnity for a system of premium-paying insurance. All servicemen, while on active duty and for a reasonable period thereafter, will be covered in the amount of $10,000.

On the basis of all the information we have been able to gather, the net cost to the taxpayers, would be less than the cost of continuing the present premium type national service life insurance. Thus, uniform and universal coverage would be cheaper, without cost to the servicemen, than the present rather involved, administratively top-heavy, premium paying type of insurance. The saving through elimination of red tape and Government bookkeeping would be substantial, and accounts for the net lowering of cost to the American taxpayers. It is a matter of record that the Assistant Administrator for Insurance stated that the administrative burden of national service life insurance, if it were to be expanded to cover the veterans of a possible third war, would be unbearable. This fact adds to the urgency of the legislation before us today.

The coverage of this bill would be retroactive to the date of the military action in Korea, that is, June 27, 1950. By substituting this indemnity program for the present national service life insurance, the latter system would gradually expire. Because of the contractual nature of existing NSLI policies, those in effect must be permitted to continue. However, no new policies would be issued—understanding of course that the present right of reinstatement by NSLI policy holders would not be interfered with. Any NSLI policy holder who has converted his policy to a permanent plan, would be permitted to surrender his policy for cash at the time his gratuitous type indemnity became effective; that is, when he entered the service; then would be permitted to reinstate such surrendered insurance after the gratuitous indemnity plan no longer was available to him.

Part II of the bill provides the only exception to the afore-mentioned statement that no new national service life insurance policies would be issued. If, as a result of service, a veteran could not obtain insurance from private companies at standard rates, he would be permitted to obtain nonparticipating national service life insurance from the Government. This continues the so-called H insurance which is now in effect as a part of the national service life insurance program.

As I see it, Mr. Speaker, this bill would provide better indemnity coverage for the men in our armed services, and at the same time it would get the Government out of the business of providing peacetime insurance.

Better coverage, at less cost, with less red tape—these are the major benefits of the bill before us. This is sound legislation to deal with a problem of considerable urgency.

Mr. EVINS. Mr. Speaker, I am strongly in favor of the enactment of this legislation but feel that one particular phase of the legislation or section of the bill should be called to the attention of the House. It is that section relating to classes of beneficiaries under the terms of the national service life insurance policy. Among the special classes and categories of beneficiaries is included illegitimate children of veterans and I feel that this class of beneficiary should be stricken from the legislation. One of the principal purposes of the bill in addition to providing $10,000 gratuitous insurance to men entering on active military service is to bring about economies in the administration of the act and the operation of the veterans' insurance program.

In the event the illegitimate-child category is continued in the bill and enacted into law, I fear that there will be a tremendous increase in administrative costs. I can envision investigators of the Veterans' Administration going all over the world investigating claims of this character. Letters and affidavits might well be submitted to the Veterans' Administration in support of the claim of a particular beneficiary. We should eliminate the illegitimate-child category and thus insure that the legitimate children, brothers and sisters, fathers and mothers, and relatives be made the beneficiary under the terms of this gratuitous insurance. I feel very strongly that this provision should be deleted from the legislation but under the unanimous-consent request an amendment to this effect cannot be offered at this time.

The matter is called to the attention of the House and made a matter of record with the hope that action can be taken in the other body or in conference if such develops.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks in the RECORD on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

STUDY OF THE HEALTH OF WORLD WAR II PRISONERS OF WAR

Mr. RANKIN. Mr. Speaker, I move to suspend the rules and pass the bill (H. R. 8848) to provide for a study of the mental and physical sequelae of malnutrition and starvation suffered by prisoners of war and civilian internees during World War II.

The Clerk read as follows:

Be it enacted, etc., That the War Claims Commission, with the assistance and cooperation of the Administrator of Veterans' Affairs, shall inquire into and report to the Congress with respect to the mortality rate and the mental and physical sequelae of malnutrition and imprisonment sustained by members of the Armed Forces of the United States and civilian American citizens who were imprisoned by enemies of the United

States during World War II. To this end the War Claims Commission is authorized and directed to make all necessary arrangements (including contacts, agreements, and so forth), for the conduct of research activities for the purpose of determining—

(1) The procedures and standards to be applied in the diagnosis of the mental and physical condition of former prisoners of war;

(2) The life expectancy of former prisoners of war;

(3) Whether there is evidence to sustain a conclusive presumption of service connection in favor of former prisoners of war for purposes of hospitalization in Veterans' Administration facilities; and

(4) Standards to be applied, for the evaluation of claims of American civilian and military personnel based upon the physical and mental sequelae of the conditions of their imprisonment, in the event such claims are later made compensable.

The SPEAKER. Is a second demanded?

Mrs. ROGERS of Massachusetts. I demand a second, Mr. Speaker.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, there was no objection to this bill in committee. I am sure there will be none in the House. This bill, as I said a while ago, provides for a study of the health of prisoners of war of World War II to be coordinated by the War Claims Commission. That should have been done long ago. Some of our war prisoners have been overlooked. They were given the most brutal treatment in all the history of civilization. Actually, as I said, the medical research would be done by the Veterans' Administration, the Public Health Service, the Surgeon General of the Armed Forces, and possibly private agencies, in an effort to determine the result of malnutrition and starvation upon these men; and how it affects their later life. I can see no reason why anybody would object to that kind of legislation.

Mr. H. CARL ANDERSEN. Mr. Speaker, will the gentleman yield?

Mr. RANKIN. I yield.

Mr. H. CARL ANDERSEN. My sole purpose in objecting at this time is the fact that it seems to me we are in the closing days of the session here. I doubt whether there is a quorum of the House in Washington. I cannot see why this particular measure could not go over for due consideration when the full Congress is here in January or February.

Mr. RANKIN. Let me say to the gentleman from Minnesota that we appointed a subcommittee who carefully went into the subject. They made a careful study of the proposition. The bill has been reported out. If we were to carry this over until the next session, we would probably have to go through all that procedure again. Those who heard the testimony were unanimously in favor of this bill. All of the service organizations were for it. The amount of money required is very small compared to what we have been spending elsewhere.

Mr. H. CARL ANDERSEN. Does the gentleman assure me that it has received thorough discussion at the hands of the subcommittee and of the committee?

Mr. RANKIN. Yes; indeed.

Mr. H. CARL ANDERSEN. Then, Mr. Speaker, I would have no objection.

Mr. RANKIN. Mr. Speaker, I reserve the balance of my time.

Mrs. ROGERS of Massachusetts. Mr. Speaker, this bill, H. R. 9911, providing for a gratuitous indemnity for servicemen is the result of months of study and consideration by the staff of the Committee on Veterans' Affairs and by a special subcommittee composed of five members of the committee.

Prior to public hearings held by the subcommittee, the staff met a number of times with representatives from the Army, the Navy, the Coast Guard, Public Health Service, the Veterans' Administration, the Bureau of the Budget, the General Accounting Office, and all of the major veterans' organizations. At these conferences each phase of the insurance problem was weighed pro and con, and finally a bill was drawn up and the subcommittee then received testimony upon it from all of the interested organizations.

The bill under consideration today was reported from the Committee on Veterans' Affairs without a dissenting vote. It authorizes the payment by the Administrator of Veterans' Affairs of a gratuitous indemnity to survivors of members of the Armed Forces who die in active service. The pertinent features of the measure are as follows:

On and after June 27, 1950, each person in the Armed Forces is insured against death in the amount of $10,000 without cost to the person. For your information, this would cover in those National Guard men who died in the tragic train wreck, as well as those who died later in the airplane disaster.

Protection covers the period from induction into active service and for 90 days after separation from service. This 90 days was deemed sufficient for a man to return to his home and obtain insurance, if he desired it, from commercial insurance companies. If the person is injured in service to such an extent as to make him uninsurable at normal commercial rates, then he may obtain a policy under the National Service Life Insurance Act. I am informed that all a veteran would have to do in such a case would be to submit evidence to the Administrator of Veteran's Affairs that a commercial insurance company had refused to insure him at normal commercial rates, and he would then be allowed to insure with the Government.

The measure bars future entrants to United States Government life insurance and the national service life insurance programs, after enactment of this act. But any person having one of these policies may continue it in force or if he has a lapsed policy he may reinstate it upon a showing of good health.

Beneficiaries are limited to the surviving spouse, child, or children, parent, brother, or sister of the insured. The indemnity cannot be assigned for the benefit of creditors and it is exempt from taxation. The indemnity is paid in monthly installments of $92.90 each over a 10-year period.

The Bureau of the Budget has reported that it believes enactment of the bill at this time would be desirable and that it is consistent with a sound long-range program for servicemen's and veterans' benefits. The Comptroller General has estimated that had this program been in effect during the period 1940–49, the cost to the Government would have been reduced by approximately $587,000,000.

As I see it, there are two very good reasons for the enactment of the measure. First, it promises to effect a great saving in the cost of administering our insurance program. It would mean a great reduction in the number of personnel necessary to carry out the program. In this connection, it is interesting to quote the statement of Mr. Harold W. Breining, the Assistant Administrator for Insurance, of the Veterans' Administration. Testifying before the Committee on Expenditures in the Executive Departments, this year, he said:

> In time of emergency I think the manpower to operate an insurance system, projecting in the future, would probably not be available. * * * I base that on the difficulties that we had in connection with the operation of the insurance program during the last war. Most of our difficulties, even carrying over up to today, were due to lack of personnel, space, and equipment. * * * It is likely to be worse and I do not think we ought to repeat the experience that we had in this last war.

Secondly, the bill covers every man who enters the Armed Forces and it covers him or her equally. All of us have had distressing experiences with those cases where men were killed without insurance or with too little insurance. That would not happen under this measure.

This bill is supported by the Veterans of Foreign Wars, the Disabled American Veterans, and the AMVETS. The American Legion has taken no stand upon the question because of a lack of mandate from their national convention. The National Association of Life Underwriters, representing the insurance agents, strongly recommends this approach to the problem, while the commercial insurance companies believe, as a whole, that this approach would be advantageous to the serviceman and to the country.

It is not a perfect bill, and I doubt that we can ever enact a measure that would be perfect, but it is, in my opinion, the proper approach to a problem that we must solve. I believe that we should enact this measure, and then, if there are objectionable features to it, we can pass remedial legislation in the new Congress. We have a duty now to protect those men who are fighting and dying for us in Korea and elsewhere. I hope the bill will pass.

Mr. Speaker, it is extremely important that the bill be passed now. If it goes over to the next session of the Congress, no one knows when it would come up. The Committee on Veterans' Affairs will have new members. It will mean new hearings. In the House most of our time probably will be taken up in passing legislation for the conduct of the war. We discussed the plight of the prisoners

many times in past years in the Committee on Veterans' Affairs. This bill was unanimously reported. It has the unanimous support of all the veterans' organizations. It is my belief that the study of the effects of the prisoners of war in the Korean conflict should be added to this bill.

Mr. RANKIN. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

DISTRICT OF COLUMBIA BUSINESS

The SPEAKER. The Chair recognizes the gentleman from South Carolina [Mr. McMILLAN].

EXTENDING PROVISIONS OF DISTRICT OF COLUMBIA EMERGENCY RENT ACT

Mr. McMILLAN of South Carolina. Mr. Speaker, I call up the Senate Joint Resolution (S. J. Res. 209) to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended, and ask unanimous consent that the joint resolution be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

The Clerk read the Senate joint resolution, as follows:

Resolved, etc., That section 1 (b) of the District of Columbia Emergency Rent Act, as amended (D. C. Code, 1940 ed., sec. 45–1601 (b)), is hereby amended by striking out "January 31, 1951" and inserting in lieu thereof "March 31, 1951."

The Senate joint resolution was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

Mr. McMILLAN of South Carolina. Mr. Speaker, I yield to the gentleman from Arkansas [Mr. HARRIS] to call up the next bill.

PROVIDING FOR SUPPORT AND MAINTENANCE OF CHILDREN BORN OUT OF WEDLOCK

Mr. HARRIS. Mr. Speaker, I call up the bill (S. 1122) relating to children born out of wedlock, and ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the act entitled "An act to provide for the support and maintenance of bastards in the District of Columbia", approved June 18, 1912 (37 Stat. 134), as amended February 22, 1921 (41 Stat. 1144), and March 16, 1926 (44 Stat. 208), be, and the same is hereby, repealed.

SEC. 2. Title: This act may be cited as "An act relating to children born out of wedlock."

SEC. 3. Jurisdiction: The juvenile court of the District of Columbia is hereby given jurisdiction of all cases arising under this act. Proceedings shall be instituted in the name of the District of Columbia and prosecution upon information shall be by the Corporation Counsel for the District of Columbia or any of his assistants.

SEC. 4. Time of bringing complaint: Proceedings to establish paternity and provide for the support of a child born out of wedlock may be instituted after four months of pregnancy or within two years after the birth of the child, or within one year after the putative father has ceased making contributions for the support of such child: *Provided, however*, That the time during which the defendant shall be absent from the jurisdiction shall be excluded from the computation of the time within which complaint may be filed.

SEC. 5. Complaint: Any unmarried woman who is at least 4 months pregnant or who has been delivered of a child born out of wedlock, or any married woman who is at least 4 months pregnant with a child, which if born alive, may be born out of wedlock, or who has been delivered of a child born out of wedlock and who was not living with nor cohabiting with her husband during the period of time in which such child could have been conceived, may go before an Assistant Corporation Counsel for the District of Columbia at the juvenile court and accuse any man of being the father of her child and request his arrest. In case of death, disability, or incompetence of the mother, the complaint may be made by the custodian, guardian, or next friend of the child. The complainant shall be examined under oath by an Assistant Corporation Counsel concerning the married or single status of the mother when the child was begotten, when and where it was born, if born, and such other information as may be deemed necessary or pertinent for testing the truth of the accusation. If, upon examination, there appears reasonable cause to believe that the woman is at least 4 months pregnant or that the child, if born, is within the age limits provided in this act, or that the putative father has ceased making contribution for the support of such child within 1 year from the time of making complaint, and reasonable cause to believe that the accused person is the father thereof, the complaint shall be reduced to writing by such officer, verified by the complainant, and filed with the clerk of the court; and such verified complaint may be introduced in evidence to impeach the complaining witness in any subsequent proceedings therein.

SEC. 6. Apprehension of accused: Upon the filing of the complaint, the case shall be calendared forthwith for preliminary hearing. The clerk of the court shall issue a summons requiring the accused to appear in court on a day certain for such purpose, or, if deemed necessary a warrant for the arrest of the defendant shall be issued, directed to the United States marshal or the Major and Superintendent or any member of the Metropolitan Police Department of the District of Columbia, requiring the accused to be arrested and brought before the court.

SEC. 7. Bond; commitment on failure to give bond; jury trial: The court may require the accused to enter into bond with surety in a sum not to exceed $2,500, guaranteeing his appearance on the date set for hearing or trial. If the defendant shall fail to appear, the security for his appearance shall be forfeited and shall be applied toward the support of the child if so ordered by the court. If the defendant shall fail to post bond fixed by the court he shall forthwith be committed to the Washington Asylum and Jail, there to remain until the date set for hearing, or until he enter into the required bond or otherwise be discharged by due process of law. In all prosecutions under this act the defendant shall be entitled to, but may waive, trial by jury. In no event, however, shall final hearing take place until after the birth of the child.

SEC. 8. Blood tests: Whenever it is relevant to the prosecution or defense of an illegitimacy action, the court may, in its discretion, direct that the mother, child, and the defendant submit to one or more blood tests to determine whether or not the defendant can be excluded as being the father of the child, but the results of the test shall be admissible as evidence only in cases where defendant does not object to its admissibility.

SEC. 9. Exclusion of public: Upon trial of proceedings under this act, the court shall exclude the general public, at the request of either party.

SEC. 10. (a) Judgment: prenatal and confinement expenses; maintenance: If the defendant, in open court, shall acknowledge the paternity of a child born out of wedlock, or if at the trial the finding of the court or jury be against the defendant, the court in rendering judgment thereon may enter an order for the payment of the prenatal medical care and costs of the mother's confinement and expenses of childbirth in such amount or amounts as it may deem reasonable, commensurate with defendant's ability to pay. The court shall also order the payment of annual amounts, equal or varying, for the maintenance and education of the child, commensurate with defendant's ability to pay, such payments to be made at such periods or intervals as the court directs. The court, in its discretion, may order payments to be made by the defendant at the precinct wherein he resides through the Metropolitan Police Department of the District of Columbia. Payments shall continue until the child reaches the age of 16 years unless the child prior thereto be legally adopted.

(b) Petition for modification of judgment; hearing: The court may from time to time, upon petition of any party in interest, change or modify its order directing the amount that defendant shall pay for the maintenance and support of the child. Hearing on such petition shall be held not less than 10 days following notice in writing by the clerk of the court to the parties in interest, mailed to or left at their last known places of residence.

(c) Death of child: In case of the death of the child before reaching the age of 16 years, the court, upon proof thereof, may order the payment of reasonable funeral expenses, and shall terminate the order for maintenance; and any arrears which may be owing at the time of death may, in the discretion of the court, be canceled.

SEC. 11. (a) Performance bond; commitment; probation: The court may require the defendant to give security not to exceed $2,500 guaranteeing payments ordered by the court. The court may, however, in its discretion, suspend the requirement of security and place the defendant on probation to the court on condition that payments be made as ordered. In default of payments as ordered, the court may commit the defendant to jail for a period of not more than 1 year. At the expiration of the term of commitment the defendant may be discharged, but his liability to make subsequent payments or any payments in arrears in accordance with the judgment shall not thereby be affected. In lieu of commitment or as a condition of his release from jail, the court may suspend sentence and place the defendant on probation upon such terms as the court may direct. The amount of security, if forfeited, shall be disbursed as the court in its direction may direct.

(b) Judgment: execution: In event of default of payments as ordered, the court may, in its discretion, after notice by registered mail to the defendant at his last-known address, and after hearing, reduce the amount of arrears to judgment. The juvenile court of the District of Columbia is hereby empowered after such notice and hearing to reduce to judgment the arrears under any order hereafter entered for the support and maintenance of a child born out of wedlock or for any amounts provided to be paid by the

defendant under any section or sections of this act, and when docketed in the clerk's office of the United States District Court for the District of Columbia such judgment shall have the same force and effect as judgments of the United States District Court for the District of Columbia, and execution thereon may be effected in the same manner as upon judgments of the said district court.

SEC. 12. Voluntary acknowledgment of paternity by father: The putative father of a child born out of wedlock may enter into an agreement with the mother of the child, or with some other person on behalf of the child, for the support and maintenance of said child, and said agreement may be submitted at any time to the court for ratification and approval. When said agreement is ratified and approved, the court shall issue an order incorporating the terms thereof, the payments thereunder may be received and disbursed by the court in the same manner as provided in section 13 of this act. The faithful performance under the terms of said agreement shall bar other remedies of the mother or any other person on behalf of the child for the support of the child, subject to the provisions of section 10 (b) of this act.

SEC. 13. (a) Concurrent jurisdiction in nonsupport cases: The juvenile court of the District of Columbia is hereby given concurrent jurisdiction with the United States District Court for the District of Columbia in all cases arising under the act of Congress of March 23, 1906 (34 Stat. 86), as amended June 18, 1912 (37 Stat. 136), and June 10, 1926 (44 Stat. 716) (title 22, sec. 903, of the D. C. Code, 1940 ed.), and the court, in its discretion, may order payments to be made by the defendant at the precinct wherein he resides, through the Metropolitan Police Department of the District of Columbia.

(b) Failure to support illegitimate child; misdemeanor: The provisions of the said act of Congress of March 23, 1906 (34 Stat. 86), as amended, making it a misdemeanor to abandon or wilfully neglect to provide for the support and maintenance of minor children in destitute or necessitous circumstances, shall also apply to any person who abandons or fails to support his illegitimate child when paternity has been established judicially or when paternity has been directly acknowledged by the putative father under oath, or indirectly acknowledged by voluntarily making contributions to the support of such child.

(c) Voluntary contributions for support: The juvenile court of the District of Columbia is hereby authorized to approve voluntary agreements for the support and maintenance of wife or minor children and to accept payments made pursuant thereto and disburse the same to the person or persons for whom such contributions are paid, in the same manner as payments are accepted and disbursed under the provisions of the act of Congress of March 23, 1906 (34 Stat. 86), as amended.

SEC. 14. Liability of the father's estate: In the event of the death of the defendant after paternity has been established and prior to the time the child reaches the age of 16 years, any sum or sums due and unpaid under any order of the court at the time of defendant's death shall be a valid claim against the defendant's estate.

SEC. 15. New birth record upon marriage of natural parents: Whenever a certified copy of a marriage certificate is submitted to the Health Officer of the District of Columbia establishing that the previously unwed parents of an illegitimate child have intermarried subsequent to the brith of said child and paternity of the child has been judicially determined or acknowledged by the husband before the Health Officer of the District of Columbia, a new certificate of birth, bearing the original date of birth and the names of both parents, shall be issued and substituted for the certificate of birth then on file. The original certificate of birth and all papers pertaining to the issuance of the new certificate shall be placed under seal, and opened for inspection only upon order of the United States District Court for the District of Columbia.

SEC. 16. (a) Reports to Bureau of Vital Statistics: Upon entry of a final judgment determining the paternity of a child born out of wedlock, the clerk of the court shall forward a certificate to the bureau of vital statistics of the jurisdiction in which the child was born, giving the name of the person adjudged to be the father of said child.

(b) Upon receipt of the certificate as provided in section 16 (a) hereof, the Health Officer of the District of Columbia shall file said certificate with the original birth record, and thereafter may issue a certificate of birth registration including thereon the name of the person adjudged to be the father of said child.

SEC. 17. Records: None of the records or proceedings in any case arising under this act shall be open to inspection by anyone other than defendant or counsel of record except upon order of the court. The court upon proper showing may, in its discretion, authorize the clerk to furnish certified copies of any such records or portions thereof to the defendant, the mother, or custodian of the child, any party in interest, or their duly authorized attorneys, and the clerk is hereby authorized to furnish certified copies of such records or portions thereof upon request to the United States attorney for the District of Columbia for use as evidence in nonsupport proceedings as provided in section 13 of this act.

SEC. 18. Construction of statute; appropriations: This act shall be so interpreted as to effectuate the protection and welfare of the child involved in any proceedings hereunder, and appropriations to carry out the purposes of this act are hereby authorized.

SEC. 19. Constitutionality: If any section, subdivision, or clause of this act shall be held to be unconstitutional or invalid, such decision shall not affect the validity of the remaining portions of this act.

With the following committee amendments:

Page 3, line 4, following the word "counsel", strike remainder of line 4, lines 5, 6, and that portion of line 7 ending with the word "truth" and insert in lieu thereof "to determine the validity."

Page 3, line 9, following the word "believe", strike remainder of line 9, through to the word "that" in line 14.

Page 3, line 14, following the word "father", insert "of the child in question."

Page 3, line 15, strike the word "thereof."

Page 3, lines 15 and 16, strike the words "by such officer."

Page 3, line 24, following the word "necessary", insert "by the court."

Page 4, lines 13 and 14, strike the words "Washington Asylum" and insert the word "District."

Page 5, line 4, following the word "court", strike the word "shall" and substitute the word "may."

Page 5, line 5, following the word "public", insert the following: ", and shall do so."

Page 5, line 15, following the word "court", strike the word "shall" and substitute the word "may."

Page 5, lines 15 and 16, strike the words "the payment of annual amounts, equal or varying" and substitute the word "payments."

Page 5, line 21, strike the word "the" and insert "a."

Page 5, line 21, strike the words "wherein he resides through."

Page 5, line 21, before the word "the" insert the word "of."

Page 6, lines 2 and 3, strike the following: "upon petition of any party in interest."

On page 6, line 5, following the word "child", strike the period and the words "hearing on such petition" and substitute a semicolon and the following: *"Provided, however,* That a hearing."

Page 6, line 8, add "s" to the word "place" to give it a plural meaning.

Page 6, line 16, strike the word "may" and insert the word "shall."

Page 6, line 21, following the word "of", insert the word "any."

Page 6, line 22, following the word "may," insert the words "revoke probation and."

Page 6, line 23, following the word "year", insert "at any one time."

Page 6, line 23, after the word "of", strike the word "the" and insert "a."

Page 7, line 1, following the word "judgment", insert the following: "or for commitment for further default."

Page 7, line 3, strike the words "suspend sentence and" and substitute "set aside commitment and again."

Page 7, line 4, before the word "place", insert the word "again."

Page 7, line 15, strike the word "for."

Page 7, line 15, strike the word "provided", and substitute the word "ordered."

Page 8, line 3, strike the words "at any time."

Page 8, line 4, strike the word "when", and substitute the words "If and when."

Page 8, line 6, strike the word "the" and insert in lieu thereof "and."

Page 8, line 21, following the word "at", strike the words "the precinct wherein he resides through the" and insert "a precinct of the."

Page 9, line 11, following the word "to", strike the following: "approve voluntary agreements", and insert in lieu the following: "accept voluntary payments."

Page 9, lines 12 and 13, strike the following: "and to accept payments made pursuant thereto."

Page 9, line 13, following the word "disburse", insert the word "to."

Page 11, line 12, following the word "attorneys", strike the comma and insert in lieu thereof a period.

Page 11, line 12, strike the words "and the" and insert in lieu the word "The."

Page 11, line 16, strike the period following the word "act" and insert a comma and add the following: "and to the Bureau of Vital Statistics as principal in section 16 (a) hereof."

The committee amendments were agreed to.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. CHATHAM (at the request of Mr. RICHARDS) was given permission to extend his remarks and include an article on China.

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the RECORD in two instances and include extraneous matter.

Mr. MILLER of California asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD and include extraneous matter.

Mr. CANFIELD asked and was given permission to extend his remarks in the RECORD and include an editorial.

REVIEW OF ORDERS OF FEDERAL COMMUNICATIONS COMMISSION

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 5487) to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended, together with Senate amendments, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, line 12, after Board", insert "or the Maritime Administration."

Page 2, line 13, strike out "or Board," and insert "Board, or Administration."

Page 3, line 3, after "Board", insert "or the Maritime Administration."

Page 6, strike out all after line 20 over to and including line 3 on page 7.

Page 11, line 10, after "Agriculture", insert "or the United States Maritime Commission, the Federal Maritime Board, and the Maritime Administration."

Amend the title so as to read: "An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board or the Maritime Administration under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended."

The SPEAKER. Is there objection to the request of the gentleman from Alabama [Mr. HOBBS]?

There was no objection.

The Senate amendments were agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. MILLER of California asked and was given permission to address the House on tomorrow for 10 minutes, following the legislative business of the day and any other special orders heretofore entered.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. WAGNER (at the request of Mr. YOUNG), for an indefinite period, on account of illness.

To Mr. HELLER (at the request of Mr. BYRNE of New York), for an indefinite period, on account of official business.

SENATE BILLS AND CONCURRENT RESOLUTION REFERRED

Bills and a concurrent resolution of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 12. An act to amend the Civil Aeronautics Act of 1938, as amended; to the Committee on Interstate and Foreign Commerce.

S. 560. An act for the relief of Wilhelm Engelbert; to the Committee on the Judiciary.

S. 735. An act for the relief of Leslie A. Connell; to the Committee on the Judiciary.

S. 1113. An act to provide for the appointment of conservators to conserve the assets of persons of advanced age, mental weakness, not amounting to unsoundness of mind, or physical capacity; to the Committee on the District of Columbia.

S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker; to the Committee on the Judiciary.

S. 2330. An act for the relief of E. C. Browder and Charles Keylon; to the Committee on the Judiciary.

S. 2888. An act for the relief of Frances Ethel Beddington; to the Committee on the Judiciary.

S. 2921. An act for the relief of Stavros S. Niarchos; to the Committee on the Judiciary.

S. 3044. An act for the relief of Bernice Josephine Lazaga; to the Committee on the Judiciary.

S. 3125. An act for the relief of Dr. Lutfu Lahut Uzman; to the Committee on the Judiciary.

S. 3241. An act for the relief of George Brander Paloheimo and Eva Lenora Paloheimo; to the Committee on the Judiciary.

S. 3259. An act for the relief of Ethelyn Isobel Chenalloy; to the Committee on the Judiciary.

S. 3260. An act for the relief of Richard H. Bush; to the Committee on the Judiciary.

S. 3261. An act for the relief of Willard Sidmer Ruttan; to the Committee on the Judiciary.

S. 3378. An act for the relief of Armando Santini; to the Committee on the Judiciary.

S. 3513. An act for the relief of James Shellenberger, Jr., a minor; to the Committee on the Judiciary.

S. 3554. An act for the relief of Jose Manzano Somera; to the Committee on the Judiciary.

S. 3682. An act to amend the Civil Service Retirement Act of May 29, 1930, as amended, with respect to the time of taking effect of annuities of Members and elected officers of the Senate and House of Representatives; to the Committee on Post Offices and Civil Service.

S. 3699. An act for the relief of Linda Leo; to the Committee on the Judiciary.

S. 3725. An act for the relief of James McGillic and Blossom McGillic; to the Committee on the Judiciary.

S. 3897. An act for the relief of Edwin A. Knous; to the Committee on the Judiciary.

S. 4069. An act for the relief of Edulji Dinshaw and his sister, Mrs. Bachoo Dinsha Woronzow; to the Committee on the Judiciary.

S. 4110. An act for the relief of Howard Lovell; to the Committee on the Judiciary.

S. 4133. An act for the relief of Dr. Fernand Van Den Branden; to the Committee on the Judiciary.

S. 4235. An act to authorize the transfer to the Vermont Agricultural College of certain lands in Addison County, Vt., for agricultural purposes; to the Committee on Agriculture.

S. 4241. An act to amend the act incorporating the American Legion so as to redefine (a) the powers of said corporation, (b) the right to the use of the name "The American Legion" and "American Legion"; to the Committee on the Judiciary.

S. Con. Res. 108. Concurrent resolution favoring the suspension of deportation of certain aliens; to the Committee on the Judiciary.

ADJOURNMENT

Mr. COOPER. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 59 minutes p. m.) the House adjourned until tomorrow, Tuesday, December 19, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1787. A letter from the Acting Secretary, Department of Agriculture, transmitting a draft of a proposed joint resolution entitled "Joint resolution relating to peanut acreage allotments under the Agricultural Adjustment Act of 1938, as amended"; to the Committee on Agriculture.

1788. A letter from the Secretary of Defense, transmitting a report relative to adjustments made by the Department of the Air Force, with the approval of the President and the Secretary of Defense, making certain adjustments between appropriations to improve the administration of appropriated funds available to the Department of the Air Force, pursuant to section 403 of the National Security Act, as amended; to the Committee on Armed Services.

1789. A letter from the Assistant Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to make certain revisions in titles I through IV of the Officer Personnel Act of 1947, as amended, and for other purposes"; to the Committee on Armed Services.

1790. A letter from the Acting Attorney General, transmitting copies of the orders of the Commissioner of the Immigration and Naturalization Service granting the application for permanent residence filed by the subjects of such orders, pursuant to section 4 of the Displaced Persons Act of 1948, as amended; to the Committee on the Judiciary.

1791. A letter from the Acting Attorney General, transmitting copies of the orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved, pursuant to the act of Congress approved July 1, 1948 (Public Law No. 863), amending subsection (c) of section 19 of the Immigration Act of February 5, 1917, as amended (8 U. S. C. 155 (c)); to the Committee on the Judiciary.

1792. A letter from the chairman, Reconstruction Finance Corporation, transmitting a draft of a proposed bill entitled "A bill to amend chapter 26 of the Internal Revenue Code"; to the Committee on Ways and Means.

1793. A letter from the Assistant Secretary of Defense, transmitting a draft of a proposed bill entitled "A bill to amend the Internal Revenue Code in order to allow extension of time for the filing of returns and the payment of income taxes by certain persons serving in zones of combat between January 1, 1951, and March 15, 1951, and for other purposes"; to the Committee on Ways and Means.

1794. A letter from the Archivist of the United States, transmitting a report of lists or schedules covering records proposed for disposal by various Government agencies; to the Committee on House Administration.

1795. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 5, 1950, submitting a report, together with accompanying papers, on a review of reports on Sandwich Harbor, Mass., requested by a resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on August 19, 1946; to the Committee or Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. KING: Committee on Ways and Means. H. R. 3229. A bill to amend the Internal Revenue Code, as amended, and the Federal Alcohol Administration Act, as amended; with amendment (Rept. No. 3206). Referred to the Committee of the Whole House on the State of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee of conference. H. R. 5244. A bill for the relief of Charles J. Trees; with amendment (Rept. No. 3205). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DOLLIVER:

H. R. 9928. A bill to amend the public Health Service Act to authorize assistance to States and political subdivisions in the development and maintenance of local public health units, particularly in national defense areas, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. KEATING:

H. R. 9929. A bill to authorize acquisition and interception of communications in interest of national security and defense; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. JONES of Alabama:

H. R. 9930. A bill authorizing the Secretary of the Interior to issue to Jake Alexander a patent in fee to certain lands in the State of Alabama; to the Committee on Public Lands.

By Mr. LECOMPTE:

H. R. 9931. A bill for the relief of the Old King Coal Co.; to the Committee on the Judiciary.

SENATE

TUESDAY, DECEMBER 19, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, amid all the bitterness and ill will of these days, we thank Thee for the gentle, balmy climate of the Christmastide. May the cynicism which has tarnished our faith be dissolved by the confident assurance that these clouds are lies and that the blue sky is the truth.

We would bow anew at the shrine of that One who didst come to a violent world and who is now remembered and adored, while the ruthless dictators are forgotten. In a world that is a neighborhood and must be made a brotherhood or perish, join us to that saving minority that across the boundaries of prejudice, intolerance, and hatred extends the dominion of understanding and good will. In the Redeemer's name we ask it. Amen.

THE JOURNAL

On request of Mr. GEORGE, and by unanimous consent, the reading of the Journal of the proceedings of Monday, December 18, 1950, was dispensed with.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 1122) relating to children born out of wedlock, with amendments, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 3229. An act to amend the Internal Revenue Code, as amended, and the Federal Alcohol Administration Act, as amended;

H. R. 8848. An act to provide for a study of the mental and physical sequelae of malnutrition and starvation suffered by prisoners of war and civilian internees during World War II;

H. R. 9828. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Labor; and

H. R. 9911. An act to authorize the payment by the Administrator of Veterans' Affairs of a gratuitous indemnity to survivors of members of the Armed Forces who die in active service, and for other purposes.

CALL OF THE ROLL

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hayden	McFarland
Anderson	Hendrickson	McKellar
Benton	Hickenlooper	McMahon
Brewster	Hill	Magnuson
Bricker	Hoey	Malone
Bridges	Holland	Martin
Butler	Humphrey	Maybank
Byrd	Hunt	Millikin
Capehart	Ives	Morse
Carlson	Jenner	Mundt
Chapman	Johnson, Colo.	Murray
Chavez	Johnson, Tex.	Myers
Clements	Johnston, S. C.	Neely
Connally	Kem	Nixon
Cordon	Kerr	O'Conor
Donnell	Kilgore	O'Mahoney
Douglas	Knowland	Pepper
Dworshak	Langer	Robertson
Eastland	Leahy	Russell
Ecton	Lehman	Saltonstall
Ellender	Long	Schoeppel
Frear	Lucas	Smith, Maine
Fulbright	McCarran	Smith, N. J.
George	McCarthy	Smith, N. C.
Gurney	McClellan	Stennis
Taft	Thye	Wherry
Taylor	Tobey	Wiley
Thomas, Okla.	Tydings	Williams
Thomas, Utah	Watkins	Young

Mr. LUCAS. I announce that the Senator from Iowa [Mr. GILLETTE] is absent because of illness.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Tennessee [Mr. KEFAUVER] is absent by leave of the Senate on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Vermont [Mr. FLANDERS] and the Senator from Massachusetts [Mr. LODGE] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

SENATOR FROM RHODE ISLAND

Mr. LEAHY. Mr. President, I have the honor and the privilege of presenting JOHN O. PASTORE, Senator-elect from the State of Rhode Island and Providence Plantations. I ask that he now be permitted to take the oath of office.

The VICE PRESIDENT. The certificate has heretofore been filed. If the Senator from Rhode Island will escort the Senator-elect to the desk, the oath will be administered to him.

Mr. PASTORE, escorted by Mr. LEAHY, advanced to the desk, and the oath prescribed by law was administered to him by the Vice President.

CREDENTIALS

The VICE PRESIDENT laid before the Senate the credentials of HERBERT H. LEHMAN, duly chosen by the qualified electors of the State of New York, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, HERBERT H. LEHMAN was duly chosen by the qualified electors of the State of New York a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, Thomas E. Dewey, and our seal hereto affixed at city of Albany, this 14th day of December, in the year of our Lord 1950.

THOMAS E. DEWEY,
Governor.

By the Governor:

[SEAL] THOMAS J. CURRAN,
Secretary of State.

REPORT OF COMMITTEE FILED DURING RECESS

Under the order of the Senate of the 18th instant,

Mr. GEORGE, from the Committee on Finance, to which was referred the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, reported it on December 18, 1950, with amendments, and submitted a report (No. 2679) thereon.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following communications and letter, which were referred, as indicated:

REVISION OF PROPOSED SUPPLEMENTAL APPROPRIATION—CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS (S. DOC. NO. 244)

A communication from the President of the United States, transmitting a revision of a proposed supplemental appropriation involving an increase of $1,709,903.33, for payment of claims for damages, audited claims, and judgments (with accompanying papers); to the Committee on Appropriations and ordered to be printed.

SUPPLEMENTAL APPROPRIATION—ACCESS ROADS TO MILITARY AND DEFENSE FACILITIES (S. DOC. NO. 245)

A communication from the President of the United States, transmitting a proposed supplemental appropriation for access roads to military and defense facilities, in the amount of $8,000,000, for the Department of Commerce, fiscal year 1951 (with an accompanying paper); to the Committee on Appropriations and ordered to be printed.

AMENDMENT OF CHAPTER 26, INTERNAL REVENUE CODE

A letter from the Chairman of the Reconstruction Finance Corporation, transmitting a draft of proposed legislation to amend chapter 26 of the Internal Revenue Code (with an accompanying paper); to the Committee on Finance.

PETITIONS

Petitions, etc., were laid before the Senate, and referred as indicated:

By the VICE PRESIDENT:

A resolution adopted by the general assembly of the Council of Jewish Federations and Welfare Funds, Inc., at Washington, D. C., relating to development of services under public and private auspices to meet the needs of the Armed Forces and the civilian population; to the Committee on Armed Services.

A resolution adopted by the board of commissioners of the city of Newark, N. J., favoring the enactment of House bill 9710, to assist the large cities of the United States in planning and constructing facilities designed to serve as garage and parking areas in time of peace and as protective shelters in time of atomic war; to the Committee on Armed Services.

A letter in the nature of a petition from the National Council of Jewish Women, Inc., New York, N. Y., signed by Mrs. Irving M. Engel, national president, relating to the confirmation of the nomination of Anna M. Rosenberg as Assistant Secretary of Defense, and so forth; ordered to lie on the table.

NOMINATION OF CHARLES E. WILSON TO BE DIRECTOR OF DEFENSE MOBILIZATION—EXECUTIVE REPORT OF A COMMITTEE

During the colloquy between Mr. FULBRIGHT and Mr. BREWSTER,

Mr. MAYBANK. Mr. President, I wish to report the nomination of Charles E. Wilson, from the Committee on Banking and Currency.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. We are already acting under a unanimous-consent proceeding. Does the Senator from South Carolina now mean to put that aside?

The VICE PRESIDENT. One would not affect the other, if it is granted.

Mr. MAYBANK. Mr. President, as in executive session, from the Committee on Banking and Currency, I ask unanimous consent to report favorably the nomination of Charles E. Wilson, of New York, to be Director of Defense Mobilization.

The VICE PRESIDENT. Without objection, the nomination will be received, and placed on the Executive Calendar.

Mr. MAYBANK. Mr. President, I wish to say the nomination was unanimously approved by members of the committee on both sides of the aisle.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the report from the committee be placed at the end of the colloquy which is now taking place.

The VICE PRESIDENT. Without objection, it is so ordered.

STATEMENT BY THE VICE PRESIDENT WITH REFERENCE TO YEA-AND-NAY VOTES

The VICE PRESIDENT. The Chair desires to make an observation at this time, while many Senators are present.

For some time there has been growing a custom by which some Senators, when there is a yea-and-nay vote, will come to the desk and will whisper to the clerks how they desire to be recorded when their names are called, and then will depart from the Chamber. Thereafter their names are called, and there is no response, but the clerk complies with the request. That has been done by Senators on both sides of the aisle.

The Chair thinks that not only is it a bad custom, but it is in violation of the Senate rule. The rule requires that when a Senator's name is called during the taking of a yea-and-nay vote, that Senator shall answer either "yea" or "nay," and shall do so publicly.

If one Senator has a right to engage in the practice to which the Chair has just referred, a dozen Senators would have an equal right to do so, or all Senators would have an equal right to do so. Likewise, if Senators have a right to come to the desk, in advance of the calling of their names, and state to the clerk how they wish to be recorded when their names are reached, Senators would have a right to call up on the telephone and instruct the clerks how they wish to be recorded. Obviously that is a violation of the rules, and it adds to the confusion existing at the desk, because in such case the clerk who is calling the yeas and nays cannot very well listen to the responses of Senators whose names are called, and at the same time understand what is being whispered to him by a Senator who wishes to instruct the clerk how his vote should be recorded when his name is called somewhat later on.

In the case of a quorum call, the situation is different; but in the case of a yea-and-nay vote, the Chair thinks it is contemplated by the rule that each Senator shall announce his vote publicly and shall be present when his vote is announced.

For that reason, the Chair will advise the clerks to discontinue the practice, which the Chair thinks is a violation of the rule, of having Senators stop at the desk and advise the clerks how they wish to be recorded when their names are reached later on, during the call of the roll.

The Chair wishes to make that announcement to all Senators, because in the opinion of the Chair the practice is in contravention of the rule relating to yea-and-nay votes.

Mr. WHERRY. Mr. President, I heartily agree in every respect with the observations made by the distinguished Vice President. Not only do I think the statement he has made is entirely warranted, but I think the time has come when the procedure he has stated should be followed, under the rule, by all Members of the Senate.

The VICE PRESIDENT. I thank the Senator from Nebraska.

EXTENSION OF FIRST WAR POWERS ACT, 1941

Mr. LUCAS. Mr. President, I ask unanimous consent, out of order, to introduce a bill which amends and extends the provisions of the First War Powers Act of 1941. This is an important measure.

I have conferred with the distinguished Senator from Arkansas [Mr. MCCLELLAN], who is chairman of the Committee on Expenditures in the Executive Departments. It is my understanding that the letter which was sent to the Senate yesterday by the President of the United States was referred to that committee, and I assume that this bill will be referred to the same committee.

The VICE PRESIDENT. The Chair has consulted the rules in regard to this matter, and also has consulted the Parliamentarian. The Chair thinks that is the committee to which this bill should be referred. The Chair was first under the impression that the bill might be referred either to the Judiciary Committee or to the Armed Services Committee. However, upon reconsideration it seems that the Committee on Expenditures in the Executive Departments obviously has jurisdiction, because the bill provides for certain reorganizations, transfers, and so forth. The previous bills on that subject were referred prior to the enactment of the Reorganization Act, which now governs.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I did not quite understand the nature of the bill. Is it proposed to reenact the War Powers Act of World War II?

Mr. LUCAS. No. Practically the entire purpose of the bill is to amend and extend certain provisions of the First War Powers Act of 1941. For instance,

the First War Powers Act contained a phrase "for the prosecution of the war." That phrase is stricken from the bill now being introduced. As I recall, this bill deals only with the successful promotion of the national defense, instead of "the prosecution of the war."

Next, there is the striking out of the words, "the Army and the Navy," at each place where they appear in each section, and the insertion, in lieu thereof, the words, "the Armed Forces." That phrase would include all the integrated forces, including the Army, the Navy, and the Air Corps.

Mr. TAFT. Does the bill give the President the right to reorganize the Government in any way he sees fit to do?

Mr. LUCAS. Yes, and that is the law at the present time, as I understand, under the First War Powers Act.

The only thing that is proposed to be done by the bill in the case of the First War Powers Act, which is still in effect, as I understand, is the striking out of certain provisions which deal with World War II, because we are now dealing with something else, not with World War II.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I wish to make this statement: Of course in World War II we gave the President the power to reorganize the Government. He did that without any consultation with Congress. He submitted no plans to Congress.

Now we have in effect a Reorganization Act, under which the President can make any reorganization he wishes to make, if he submits a plan for it to Congress, and if the plan is not rejected by either House of Congress.

I feel very strongly that this matter is a controversial one. If the President is going to reorganize the Government now, when the Reorganization Act is in effect, I think he should do so in accordance with its provisions.

All I have to say is that it seems to me this Congress is through. I think a matter of this importance should go over until the next Congress. I propose to oppose the enactment of any substantial change of a general nature in the powers of the President of this sort.

If there is a desire to create a particular department in a hurry, let us have the plan submitted, and let us act on it. But it seems to me that there is an effort to rush through a great deal of emergency legislation. There is about to be reported an excess profits tax bill, and if we are to legislate properly, we ought to spend at least 2 weeks more in committee in considering the bill. We are to be asked to consider a civil defense bill, which is being proposed in the House of Representatives, conferring the most extensive powers, which ought to be considered at length by the Senate before the powers are granted. It seems to me that we should not, in this Congress, begin now to enact new legislation of a fundamental nature. I may be mistaken about the nature of the proposal the Senator from Illinois is discussing, but it seems to me that this Congress, a "lame duck" Congress, ought to finish what we set out to do, namely, to pass the appropriation bill and the excess-profits-tax bill, but we ought not to embark upon some great project which is fundamentally new.

The new Congress meets in 2 weeks, and it seems to me we ought to finish our work and refer matters of great importance which do not have to be acted upon tomorrow, at least, to the new Congress.

Mr. LUCAS. Merely by way of a brief reply to the Senator from Ohio, let me say that section 2 of the War Powers Act deals with contracts, and it is proposed to amend section 201 of the act by striking out the words "the prosecution of the war effort" and the words "the prosecution of war," appearing in that section, and to insert in lieu thereof the words "in the national defense."

Mr. TAFT. Mr. President, if the Senator will yield, that act has been repealed; it has expired; it is no longer in force.

Mr. LUCAS. It will be in force if this amendment to the first War Powers Act is adopted by the Congress.

With respect to the reorganization features of the bill, that is a matter, I take it, which the committee would very seriously consider, in view of the statement made by the Senator from Ohio; but aside from the statute referred to by the Senator from Ohio, it seems to me that the other matters covered by the bill I am introducing are very important. I undertake to say that time is of the essence, and we cannot afford to lose any more time. This is a short session, and another session is coming on; but it seems to me, as a result of a cursory examination of this bill, which is very simple, in the way of an amendment to the War Powers Act, it is absolutely necessary that immediate action be taken. I sincerely hope, and I know that the able Senator from Arkansas and his committee will cooperate, that immediate action will be taken. If the question of reorganization of the Government is vital, and if it is not desired to take that chance at this time, certainly the other proposals which I have discussed can be reported back.

Mr. McCLELLAN and Mr. TAFT addressed the Chair.

The VICE PRESIDENT. Does the Senator from Illinois yield, and if so, to whom?

Mr. LUCAS. I yield first to the Senator from Arkansas.

Mr. McCLELLAN. Mr. President, I may say to the distinguished majority leader that, within the last few moments, I have conferred with the Director of the Budget and representatives of the executive branch of the Government regarding this measure, and have received a statement of their views with respect to the necessity for it.

I fully agree with the able majority leader that the second aspect of the bill relating to contracts should be enacted immediately. I also agree, in part, with the distinguished Senator from Ohio, with respect to the provisions dealing with reorganizing the executive branch of the Government. We have in the statutes now a Reorganization Act. I am perfectly willing that the President be granted such powers as may be absolutely necessary to bring about the quickest, fullest mobilization of our armed strength, but I do not agree that he should be given unrestricted and unlimited powers to reorganize Government agencies not related to the war effort and whose functions are not related to that effort. There is no necessity for our granting powers to do that. It will be my purpose to call the committee together to hold hearings on this bill tomorrow morning.

Mr. LUCAS. I thank the Senator from Arkansas. I think he has made a very fair statement about the entire matter.

I know what the Senator from Ohio has in mind; at least, I heard it on the radio this morning. I think it was a statement made by the Senator from Maine [Mr. BREWSTER]. The Senator from Maine seems to be getting a good deal of publicity in these days, and rightfully so. He is entitled to it at all times.

Mr. BREWSTER. I trust the Senator from Illinois will continue to agree with me as he did yesterday.

Mr. LUCAS. I seldom agree with the Senator from Maine, because he is seldom right. But anyway, I think it was reported over the radio that the Senator from Maine was going to object to this bill because of the reorganization feature dealing with the Welfare Department.

Mr. BREWSTER. That is entirely in error. I intended nothing of the kind, I said nothing of the kind. It must have been some other Senator.

Mr. LUCAS. Very well, some other Senator. I thought the Senator from Maine would be glad to accept that radio comment. Anyway, it was some Senator on the Republican side. I can understand how Senators feels about the reorganization of the welfare department, in view of the previous vote in the Senate, but certainly the Senator from Arkansas will be able to take care of that. What I am contending is that there are certain provisions in this emergency amendment to the War Powers Act which are absolutely vital and essential, to which I believe no one, whether Democrat or Republican, can take exception.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I should like to take two exceptions: First, this is not an amendment to the War Powers Act. There is no War Powers Act. It has expired; it is gone, except a small section dealing with the importation of certain commodities, which is found in the Second War Powers Act. Otherwise, the First War Powers Act is not law. The question is one of enacting a new law, not of amending the old one.

That is my first suggestion. In the second place, I should like to suggest to the Senator that if the President wants to reorganize even the Armed Forces, and if he is ready to do it, if he knows what it is he wants to do, he can write out such a reorganization plan and send it up to the Congress and it can be approved within 24 hours, if we want to do it. It does not seem to me that it is

at all necessary to give the President power to take to pieces any reorganization we may have undertaken, even in the war field.

We spent a great deal of time on the Unification Act. I do not know whether this bill would enable the President to change the entire Unification Act, but it seems to me that if he wants to change it, he ought to submit the plan to the Congress under the present Reorganization Act, and give us a chance to pass on the exact plan. I certainly assure the Senator that I am in favor of speed—100-percent speed—if any such proposal is submitted.

Mr. LUCAS. The Senator from Ohio is continually talking about the reorganization of the Government under this bill or amendment of the First War Powers Act. Mr. President, I am satisfied the Senator from Ohio has not even taken a cursory glance at this measure and as to what the Executive desires to have done in order that essential work may be carried on speedily and effectively. It is necessary that we give key officials certain powers before they can operate, and particularly under section 201 dealing with contracts. Unless the amendment now proposed is adopted by the Congress, they will be absolutely stymied so far as any immediate action is concerned.

Once the Senator from Ohio realizes exactly what this bill proposes to do, eliminating the question of the reorganization of the Government, I think he will have no objection to its being passed. I sincerely hope that the Committee on Expenditures in the Executive Departments will meet and will report the bill as speedily as possible. I thank the Senator from Arkansas for his early attention to it, and for his statement that the committee is expected to consider the bill at once.

Mr. SMITH of New Jersey. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SMITH of New Jersey. I was not in the Chamber when the bill was introduced, but I have been in conversation for the past 2 days with the Department of the Army, because of certain contracts for supplies, which certain people in my own State, entered into a few months ago with the ordnance department. Since that time there has been a rise in the cost of raw materials, to an extent which makes it impossible to perform without the companies going broke. Therefore, I asked whether there could be any relief. I was told that no relief could be given without legislation, but that a bill would be brought before the Senate which would give authority to relieve from these hardship cases, so that such contracts could either be renegotiated in the light of the present costs of raw materials, the rise in costs, or else canceled, or some other adjustment made. My question to the Senator is whether the bill introduced by him today, aims to relieve that kind of hardship situation.

Mr. LUCAS. I think the bill will absolutely relieve it by amendment to section 201, which deals with contracts. As the War Powers Act of 1941 is written at the present time, it deals with the prosecution of the war effort in connection with World War II. It does not deal with the prosecution or promotion of the national defense at this particular time.

So, according to the executive department, they have no authority to proceed to change any contracts or to do anything along the line of promoting the national defense, by way of entering into contracts, until the authority proposed by the bill is granted.

Mr. SMITH of New Jersey. I thank the Senator. I think that is the way the Army felt about it. It is desired that these contractors shall be relieved from a hardship.

Mr. LUCAS. The Attorney General's office has advised the President of the United States that what is proposed by the bill should be and must be done, and no action can be taken until it is done. Consequently, if we delay it until after January 3, it will not be delayed for a few days only, but possibly for a few weeks. I know we are all interested in immediate action, so far as it does not do any violence to the proposition which has been discussed.

With respect to the reorganization feature, that can be taken care of, if the situation is as bad as the Senator from Ohio thinks it may be. I know that the Senator from Arkansas, who led the fight against reorganization of the welfare department, will see to it that that question is taken care of, because I know he does not want a measure that will create controversy.

Mr. SMITH of New Jersey. I did not know that that question was involved in this matter.

Mr. LUCAS. I read the bill in a hurry, and it seemed to me that it would amend the War Powers Act of World War I. In that act there are certain reorganization features, and those provisions are still in the bill, with certain amendments thereto.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. May I ask the distinguished majority leader, in view of his last statement—with which I am in total agreement, except that I think it should go much further—whether he feels that the bill introduced by him can be submitted to a legislative committee and brought back to the Senate this week after having been considered in the committee? It is intended that it is to be one of the measures which will be debated on the floor before the Senate takes a final adjournment?

Mr. LUCAS. I am not sure that it will be. I am not certain how far we will get. I know that the Senator from Georgia [Mr. GEORGE], chairman of the Finance Committee, hopes to have taken up tomorrow the excess-profits-tax bill. In addition to that, there is the appropriation bill to be considered. But the bill I have been discussing is one which I am satisfied will not take very long. I am sure that the Committee on Expenditures in the Executive Departments, headed by the distinguished Senator from Arkansas, can dispose of the bill in a very short while. There may be some little difficulty in striking out certain language dealing with reorganization, but I am satisfied that no Senator is going to object to what the executive branch of the Government is trying to do in the matter. I am also satisfied, from the conversation which the Senator from Arkansas had with representatives of the executive branch, that he feels the same way about it.

Mr. WHERRY. Does the minority leader correctly understand that before a recess is taken it will be the purpose of the majority leader to have the Senate consider the excess-profits-tax bill, the appropriation bill, and this particular amendment to title I of the War Powers Act? Is that the program?

Mr. LUCAS. That is the program, plus the fact that if the defense measure comes up we should like to consider that also. Whether we can do so is another question. But I do not believe the Senate can afford to pass up anything which is absolutely essential to the war effort, even if we have to return next week. No one wants to enjoy the holidays any more than does the Senator from Illinois, but, on the other hand, if we cannot get this proposed legislation passed, we shall be compelled to work right up to the 3d day of January.

Mr. WHERRY. I appreciate that it is very difficulty to say how long the Senate will be in session; but I understand that it will possibly take until Saturday night to conclude consideration of the excess-profits-tax bill, and if the other matters mentioned by the Senator from Illinois are brought up, and if they are not concluded, it is the intention to hold the Senate in session to give consideration to the bill the Senator has just been discussing.

Mr. LUCAS. The Senator is correct. I can probably tell the Senate with more accuracy as to the situation after we see what happens to the tax bill. It is a very technical bill, as those who have been listening to the testimony and arguments in executive session well know. It is quite different from the House bill. The Senator from Georgia would know more about it than does the Senator from Illinois. But I will say that it is not an easy bill.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BREWSTER. Does the Senator from Illinois understand that under the provisions of the bill which we have been discussing it would be possible for the President, by Executive order, to create a department of health and welfare?

Mr. LUCAS. I do not know, I will say to the Senator from Maine. I saw the bill only this morning, but it does contain reorganization features. Certainly that is a question to which the committee should give consideration. I am not clear on that point.

The bill (S. 4264) to amend and extend certain provisions of the First War Powers Act, 1941, introduced by Mr. LUCAS, was read twice by its title, and referred to the Committee on Expenditures in the Executive Departments.

PROHIBITION OF TRANSPORTATION OF GAMBLING DEVICES IN INTERSTATE AND FOREIGN COMMERCE—CONFERENCE REPORT

The Senate resumed the consideration of the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Nevada [Mr. MALONE] to recommit the conference report to the conferees, with certain instructions.

Mr. MALONE. Mr. President——

The VICE PRESIDENT. The Senator from Nevada.

THE GAMBLING DEVICE LEGISLATION MOTION TO RETURN TO CONFERENCE COMMITTEE—INSTRUCT SENATE CONFEREES STAY WITH SENATE BILL

Mr. MALONE. Mr. President, I shall take only a few minutes of the time of the Senate.

AMBIGUOUS BILL—MAY INCLUDE PARI-MUTUELS

I want to say again, as I said yesterday, that this bill is not simply a slot-machine bill. It is ambiguously worded and may include any gambling device. It is a roulette-wheel bill; or, if the attorneys who called me this morning are correct, it will also include pari-mutuel machines.

NO OBJECTION TO SENATE BILL

Mr. President, I wish to say that the junior Senator from Nevada has no objection at all to the Senate bill as passed. The Senate bill merely provided that the governor of a State may certify to the Attorney General that the use of such gambling devices is permitted in his State, and no new legislation was necessary.

The House bill is a complicated and ambiguous bill, because it attempts to define gambling devices in a rather loose manner. I have been advised by attorneys that it is wide open and that the court might well decide that wheels of fortune—roulette and pari-mutuel machines are included.

MOVE TO RECOMMIT

So the motion of the junior Senator from Nevada is to recommit the report to the conference committee with instructions to the Senate conferees to stay with the Senate bill as passed, which was written and submitted to the Senate by the Attorney General of the United States, in accordance with the resolution of the attorneys general of the United States in their regular annual conference early this year. There is no statement to the effect that the Attorney General intended any other legislation.

SERIOUS QUESTION OF CONSTITUTIONALITY

Mr. President, there is a serious question, as I am advised by attorneys, as to the constitutionality of the legislation, because it nullifies State law.

The Constitution of the United States in the tenth amendment says:

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

Doing indirectly what we dare not do directly has the effect of nullifying the right of a State to pass legislation within the framework of the Constitution of the United States.

CHIEF JUSTICE MARSHALL—STATES' RIGHTS

The great Chief Justice Marshall said:

> The power to tax is the power to destroy.

We have found that out. It is equally true that the power to regulate is the power to destroy. What is sought to be done by this proposed act is to destroy, under the guise of regulation, industries in certain States which those States, within their sovereign powers, have already legalized.

Mr. President, now someone in an administrative or enforcement capacity has had the affrontery to determine there is something evil per se about gambling. That person or persons seek to eliminate it in spite of the fact that the powers reserved to the States include the right of each State to legislate on gambling as it desires. These persons opposed to gambling seek to inflict their views upon all the States by means of this act forbidding the passage in interstate commerce of all gambling devices. Under the guise of regulating they seek to destroy, what is a gigantic industry in many States.

To regulate under the interstate commerce clause there must be concern for the health, lives, and property of the people as a whole. Congress has no general power to enact police regulations. The power to make the ordinary police regulations remains with the individual States and cannot be assumed by the National Government—*Southern Express Co.* v. *Whittle* (69 Southern 652 (Ala.)).

SENATOR TAFT—PARI-MUTUEL MACHINES

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield to the senior Senator from Ohio.

Mr. TAFT. I have had some inquiries from people in Ohio who operate race tracks in my State with respect to whether the enactment of the bill would prohibit the transportation of pari-mutuel machines, which are used in connection with the operation of race tracks.

As I read the conference report it seems to me that under the first paragraph of the bill there probably was at least the possibility of that being done. I would not object to the bill if it recognized that where it was legal in a State to do so a person would have the right to ship in such machines.

As I understand, under the conference report the Legislature of Ohio would be required to enact a new law if it wished to permit the shipment of such machines into the State of Ohio.

I am not perfectly clear as to the nature of pari-mutuel machines and whether they would be covered by the pending bill. It seems to me that there would be at least a fair claim under subsection (1) (B) that the machines would be covered. If that is a fact, I certainly would prefer to have the bill go back to the committee and to have it reconsidered in connection with the motion of the Senator from Nevada [Mr. MALONE].

SENATOR JOHNSON

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield for a question.

Mr. JOHNSON of Colorado. Mr. President, I ask unanimous consent that I may reply to the Senator from Ohio.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Senator from Colorado requests unanimous consent that he may reply to the Senator from Ohio without prejudice to the right of the Senator from Nevada to have the floor. Is there objection? The Chair hears none, and it is so ordered.

Mr. JOHNSON of Colorado. The bill which we are considering today in the form of a conference report was not intended to cover anything but slot machines. It does not cover anything but slot machines. It does not in any way affect pari-mutuel machines of any kind, including totalizators, or any of the other types of machines used in connection with horse racing. It does not cover gadgets which are used in pari-mutuel betting. It covers only slot machines. I will say to the Senator from Ohio, with respect to a State's rights, when machines are shipped into a State they must be shipped from some other State. The bill is unusual in that it would make it possible for any State to permit slot machines to be shipped into it.

SENATOR TAFT

Mr. TAFT. Is that not true of the Senate bill? As I understand, the present bill seems to be broader than the Senate bill. The chief difference is that a State would have to pass a new statute if it wanted to have permission to import from another State such devices.

Mr. JOHNSON of Colorado. In order to have permission to ship slot machines into a State it would be necessary to pass a legislative act to that effect.

Mr. TAFT. I am not so much concerned with slot machines as I am with pari-mutuel machines.

Mr. JOHNSON of Colorado. The bill does not touch any other machines. It does not touch pari-mutuel machines. The language in the House bill is narrower.

Mr. TAFT. This is the language to which I was referring:

> (1) Any so-called slot machine or any other machine or mechanical device an essential part of which is a drum or reel with insignia thereon, * * * (B) by the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property.

There is nothing in that language which refers to any coins. Subsection (1) (A) speaks of coins. Subsection (1) (B) does not refer to coins. It would seem to me, therefore, that a pari-mutuel machine might be fairly considered to be operated with a drum or reel. The bill would cover roulette machines, and it might be broad enough to include pari-mutuel machines. I do not know anything about pari-mutuel racing machines. Some persons in my State who

are interested in pari-mutuel racing seem to have become quite concerned about the bill.

Mr. JOHNSON of Colorado. Pari-mutuel machines do not use any drum or mechanical devices like those used in slot machines.

Mr. TAFT. It must be some sort of machine.

Mr. JOHNSON of Colorado. The machine used in horse racing is a four-legged machine, a horse. If the horse comes in first the man who played the horse gets paid. It is not a matter of chance.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. MALONE. I am happy to yield with the same understanding.

Mr. O'CONOR. As the Senator knows, a number of States have legalized pari-mutuel betting on horse racing. Does the Senator feel that the shipment of equipment for repair in interstate commerce would be permitted, assuming a State had legalized the use of totalizators and other pari-mutuel equipment?

Mr. JOHNSON of Colorado. There is nothing in the bill which would prohibit or hinder in any way the shipment of pari-mutuel paraphernalia into any State. It would not restrict any such shipment in the slightest degree.

Mr. O'CONOR. It was my understanding that it was not the intention of the committee to do so.

Mr. JOHNSON of Colorado. The intention of the committee, the intention of the Crime Commission, the intention of the Attorney General, the intention of the Senate Committee on Interstate and Foreign Commerce, of which the Senator from Maryland is an honored and very useful member, the intention of the Senate itself, and the intention of the conferees appointed by the Senate were to confine the proposed legislation specifically to slot machines, and to nothing else.

Mr. O'CONOR. Carrying out the Senator's thought, it is my understanding that legal opinion has already been secured which supports the Senator's statement in that respect.

Mr. JOHNSON of Colorado. That is correct.

SENATOR MALONE—INTENTIONS OF COMMITTEE HONEST

Mr. MALONE. Mr. President, there is no question in the mind of the junior Senator from Nevada that the senior Senator from Colorado is absolutely honest in what he says that the bill was intended to apply only to slot machines.

There is also no question in any one's mind that the provisions of the bill include all wheels of chance in addition to slot machines, including wheels of fortune, roulette wheels, and the like. All such wheels bear insignia of some kind.

CARD FROM PARI-MUTUEL CARRIES INSIGNIA

Attorneys from States where horse racing and pari-mutuel devices for gambling are legalized have expressed the opinion that such pari-mutuel machines could well come under the definitions of the proposed act, in that the card or ticket which the bettor receives comes out of the machine, when he lays down his money on a particular horse.

Therefore it could very easily be declared by a court decision that a pari-mutuel machine comes within the purview of the pending bill.

DEFINITION OF GAMBLING DEVICES—AMBIGUOUS

There is no question that gambling devices, as commonly known, marked with numbers or insignia, are included in the bill. The bill, however, as Senator TAFT, the senior Senator from Ohio, has so ably said is not clear. It is ambiguous. That is why the junior Senator from Nevada has moved to recommit the report to conference, with instructions to the Senate conferees that the Senate bill, which everyone can understand, be agreed to.

SENATE BILL—GOVERNOR TO CERTIFY TO UNITED STATES ATTORNEY GENERAL

Everyone can understand the Senate bill. Under the Senate bill it would not be necessary to pass a new bill in Ohio, Nevada, Mississippi, or in any other State.

All that would be required would be for the governor of a State to certify to the Attorney General that the use of such a machine is legal in his State. That is all that would be necessary.

STATES LEGALIZING HORSE RACING

States in which pari-mutuel machines have been legalized in connection with horse racing, are California, New Jersey, Illinois, Maryland, Kentucky, Delaware, Michigan, Massachuetts, Louisiana, Florida, Rhode Island, Arkansas, New Hampshire, and Nevada. I believe the distinguished senior Senator from Colorado should be given an opportunity to clarify the bill.

In conclusion, Mr. President, I ask unanimous consent to complete the record, and with that I submit the case to the Senate.

The PRESIDING OFFICER. There being no objection, it is so ordered.

Mr. HOLLAND. Mr. President, I ask unanimous consent to address certain questions to the distinguished senior Senator from Colorado with reference to the committee's understanding and his understanding of the meaning of certain wording in the conference bill.

The PRESIDING OFFICER (Mr. STENNIS in the chair). The Chair will recognize the Senator from Colorado if he wishes to be recognized.

Mr. JOHNSON of Colorado. Mr. President, I yield to the Senator from Florida.

Mr. HOLLAND. In common with the Senator from Maryland [Mr. O'CONOR], who has already voiced his apprehension, and Senators from other States than the States of Maryland and Florida which have legalized pari-mutuel betting on certain races, the Senator from Florida is somewhat concerned about the wording of certain portions of the conference report. He invites the attention of the Senator from Colorado to the fact that the original Senate bill makes it very clear that a gambling device, as defined by that bill, is limited to a device "designed or adapted for gambling or any use by which the user"—I repeat the words "the user"—"as a result of the application of any element of chance may become entitled to receive, directly or indirectly, anything of value."

On the other hand, the bill recommended by the conference report omits the words "the user." The Senator from Florida merely wishes to clarify for the RECORD that portion of the wording of the conference bill which uses these words in defining the term "gambling device." I now read from the conference bill:

That as used in this act the term "gambling device" means——

(1) any so-called "slot machine" or any other machine or mechanical device an essential part of which is a drum or reel with insignia thereon, and (A) which when operated may deliver, as the result of the application of an element of chance, any money or property, or—

The Senator from Florida is particularly concerned by the words which follow—

(B) by the operation of which a person may become entitled to receive, as the result of the application of an element of chance, any money or property.

The Senator from Florida invites the attention of the Senator from Colorado to the fact that under this subdivision (B) in section 1 of the conference bill the result may come not only to the user but also to any other person than the user. I wish to be very sure that that language does not permit the application of the bill to a totalizator used in pari-mutuel racing, which is nothing in the world but a complex computing machine or device. The question which the Senator from Florida wishes to address to the Senator from Colorado at this time is this:

Is it not true that subdivision (B) in section 1 of the conference bill cannot in any situation apply to a totalizator because of the fact that subdivision (B) includes, as a necessary element, that provision stated in the words "as the result of the application of an element of chance," whereas in the use and operation of a totalizator there is and can be no element of chance whatever, the machine being purely a computing machine, which, using the figures and facts which are committed to it, delivers, as a result of its computation, fixed and certain results, and there being no element of chance whatever entering into the operation of the computing machine which is referred to generally as a totalizator?

Mr. JOHNSON of Colorado. Mr. President, the Senator from Florida has stated the case very clearly. The bill does not affect in any way any adding machine or any computing machine of any description or kind. It cannot do so. The sentence which begins with "(B)" in line 20 is part of the whole sentence and is controlled by the language preceding it. There is nothing in the conference report which in any way affects in the slightest degree any of the paraphernalia used in pari-mutuel betting. This language applies only to slot machines. It seems to me that the description which is given in the bill is clear, and that it

is clear that it applies only to slot machines.

Mr. HOLLAND. I thank the Senator. Can it be said with complete accuracy that, in order to be in any way affected by the bill, if it be enacted, a machine or device, a slot machine, or any other piece of paraphernalia would necessarily have to include in its own essential operation an element of chance?

Mr. JOHNSON of Colorado. The Senator is correct. There would have to be an element of chance. Also, it would have to be operated. The language is "which, when operated, may deliver, as the result of the application of the element of chance, any money or property." Those two conditions accurately describe a slot machine.

Mr. HOLLAND. And the absence of an element of chance in the operation of any kind of an accounting or computing machine, and particularly of that machine which is generally referred to as a totalizator, entirely prevents the application of the conference bill to any such machine?

Mr. JOHNSON of Colorado. The Senator is positively correct.

Mr. HOLLAND. The Senator from Colorado has been most kind. I should like to ask him one further question. Is it equally true that any subassembly or essential part of any such computing machine or totalizator would likewise be wholly outside the field of operation of the proposed legislation, as embraced in the conference report?

Mr. JOHNSON of Colorado. The Senator is correct. The bill would not in any way affect any machine, or any part of a machine, used for calculating purposes. I say again that the bill would not in any way affect any paraphernalia used in pari-mutuel betting—either repairs, parts, or old machines.

With reference to this matter, I ask unanimous consent to have inserted at this point two letters signed by the Attorney General, Howard McGrath.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., December 19, 1950.

Hon. EDWIN C. JOHNSON,
Chairman, Interstate and Foreign Commerce Committee,
Washington, D. C.

DEAR SENATOR: As you know, in connection with the Attorney General's conference on organized crime, the Department of Justice cooperated in the preparation of the bill to prohibit the transportation of gambling devices, which you introduced in the Senate as S. 3357. In the various stages through which the bill passed, including amendment by the House, it was never my understanding or the Department's intention that the bill was intended to prohibit the transportation of totalizers used in parimutuel betting at race tracks in States where such operations are legal. I was therefore interested to observe that in today's debate preceding the approval of the conference report by the Senate statements were made on the floor which would tend to establish as a matter of legislative history that the bill was not intended to apply to such totalizers.

Sincerely,

HOWARD MCGRATH,
Attorney General.

OFFICE OF THE ATTORNEY GENERAL,
Washington, D. C., December 19, 1950.

Hon. EDWIN C. JOHNSON,
Chairman, Committee on Interstate and Foreign Commerce,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: The Department of Justice participated in the consideration and drafting of the House of Representatives amendments to S. 3357, a bill to prohibit the transportation of gambling devices. We approve the bill as passed in the House, and we urge the Senate to adopt it in that form.

Sincerely,

HOWARD MCGRATH,
Attorney General.

Mr. MALONE. Mr. President, I ask unanimous consent to address the Senate for 2 minutes.

The PRESIDING OFFICER. The Senator from Nevada asks unanimous consent to address the Senate for 2 minutes. Is there objection? The Chair hears none, and the Senator from Nevada is recognized.

SUMMATION

Mr. MALONE. Mr. President, in view of the colloquy which has just taken place on the floor of the Senate, I wish to say that attorneys, who have communicated with me this morning, from the States where horse racing is conducted through the betting mediums of parimutuel machines say that there is a very good chance that the machines may be included through the ambiguous language and construction of this bill.

They say that each bet made changes the odds and that the percentage is retained by the machine in the calculations.

The percentage remains the same, but the element of chance is affected by the amount of money bet. Attorneys from California and other States have told me that there is a very serious question involved, and that a court might rule that such devices are included in the conference report as now constructed.

There is no doubt but that the senior Senator from Colorado [Mr. JOHNSON] intended that devices generally should not be included—there is, however, little doubt but that many of them are included in the ambiguous language and construction of the bill as returned to the Senate by the Senate conferees—therefore I submit that the wise course is to return it to the conference committee with instructions to stay with the Senate bill.

Mr. WHERRY. Mr. President, apparently the debate on this question has ended. I suggest the absence of a quorum so that we may vote upon the pending motion and upon the adoption of the conference report, if that is agreeable to the Senator from Colorado.

The PRESIDING OFFICER. The absence of a quorum has been suggested. The clerk will therefore call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken	Byrd	Cordon
Anderson	Capehart	Donnell
Benton	Carlson	Douglas
Brewster	Chapman	Dworshak
Bricker	Chavez	Eastland
Bridges	Clements	Ecton
Butler	Connally	Ellender
Frear	Lehman	Pastore
Fulbright	Long	Pepper
George	Lucas	Robertson
Gurney	McCarran	Russell
Hayden	McCarthy	Saltonstall
Hendrickson	McClellan	Schoeppel
Hickenlooper	McFarland	Smith, Maine
Hill	McKellar	Smith, N. J.
Hoey	McMahon	Smith, N. C.
Holland	Magnuson	Stennis
Humphrey	Malone	Taft
Hunt	Martin	Taylor
Ives	Maybank	Thomas, Okla.
Jenner	Millikin	Thomas, Utah
Johnson, Colo.	Morse	Thye
Johnson, Tex.	Mundt	Tobey
Johnston, S. C.	Murray	Tydings
Kem	Myers	Watkins
Kerr	Neely	Wherry
Kilgore	Nixon	Wiley
Knowland	O'Conor	Williams
Langer	O'Mahoney	Young

The PRESIDING OFFICER. A quorum is present.

The question recurs on the motion of the Senator from Nevada [Mr. MALONE] to recommit the conference report to the conferees, with instructions that the Senate conferees insist on the bill as passed by the Senate.

The motion was rejected.

The PRESIDING OFFICER. The question now is on agreeing to the conference report.

The report was agreed to.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. FREAR was excused from attendance on the session of the Senate for the remainder of the day.

PREVENTION OF PENALTIES FOR FAILURE TO MEET ESTIMATED TAX REQUIREMENTS BY REASON OF INCREASES UNDER REVENUE ACT OF 1950

The PRESIDING OFFICER. Under the previous order of the Senate, the Senator from North Dakota [Mr. LANGER] is recognized at this time.

Mr. GEORGE. Mr. President, will the Senator from North Dakota yield to me briefly?

Mr. LANGER. I yield to the Senator from Georgia.

Mr. GEORGE. Mr. President, I am going to report a bill and a joint resolution from the Committee on Finance, and ask unanimous consent for their immediate consideration. I shall make a brief statement which I think will show the necessity for the enactment of the proposed legislation.

From the Committee on Finance, I report favorably, without amendment, the bill (H. R. 9913) to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950, and I submit a report (No. 2681) thereon. I ask unanimous consent for the immediate consideration of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Georgia?

Mr. WHERRY. Reserving the right to object, Mr. President, although I shall not object, I should like to have the RECORD show that the privilege of the floor is now being extended by the Senator from North Dakota [Mr. LANGER], in order to comply with the unanimous-consent request of the Senator from Georgia, and that such action on the part of

the Senator from North Dakota does not prejudice his right to obtain the floor immediately after this measure and the one which I understand is to follow it have been disposed of.

Mr. GEORGE. I thought that was understood, and I so request.

The PRESIDING OFFICER. The Chair so understands.

Mr. WHERRY. Very well.

Will the Senator from Georgia please give us a review or résumé of the bill?

Mr. GEORGE. Mr. President, this bill and the joint resolution which I shall report in a few minutes are reported unanimously by the Finance Committee. In the committee there was no disagreement whatever regarding these measures, both of which come to the Senate from the House. In the committee we made no amendment of them.

The enactment of this first measure, House bill 9913, is made necessary by virtue of the fact that in the 1950 Tax Act we increased the rate of individual income taxes. Those taxpayers would be required to make a reestimate of their tax liability to avoid a penalty, unless this bill were passed. The bill simply removes the necessity for a reestimate of tax in the present taxable year. That is all this bill does.

Mr. WHERRY. Very well. Will the Chair put the question?

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 9913) was considered, ordered to a third reading, read the third time, and passed.

EXTENSION OF TIME FOR FILING OF TAX RETURNS BY MEMBERS OF THE ARMED FORCES

Mr. GEORGE. Mr. President, if the Senator from North Dakota will further yield to me, I now report favorably, from the Finance Committee, House Joint Resolution 554, amending section 3804 of the Internal Revenue Code, and I submit a report (No. 2682) thereon.

I desire to make some general observations with respect to this measure. It was unanimously approved by the Finance Committee without amendment. It provides for a restoration of section 3804 of the Revenue Act of 1941. This measure simply extends the time for the filing of returns for the payment of taxes by soldiers and others connected with the armed forces in Korea, or in other combat areas, until 180 days after their return to the States or after their discharge from hospitals. The joint resolution also postpones the payment of their taxes during this period of suspension. I ask unanimous consent for the immediate consideration of the joint resolution.

Mr. WHERRY. Will the Chair please put the question?

The PRESIDING OFFICER. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 554) was considered, ordered to a third reading, read the third time, and passed.

Mr. GEORGE. I desire to thank the distinguished Senator from North Dakota for his courtesy, and also to thank the majority and minority leaders.

The PRESIDING OFFICER. Under the previous order, the Senator from North Dakota has the floor.

TRANSACTION OF ROUTINE BUSINESS

Mr. WHERRY. Mr. President, will the distinguished Senator from North Dakota yield for the purpose of permitting Senators at this time, without debate, to make insertions in the record, introduce bills and joint resolutions, and so forth?

Mr. LANGER. I shall be glad to yield for that purpose.

The PRESIDING OFFICER. Unanimous consent is requested that the Senator from North Dakota may yield for the transaction of routine business, including insertions in the record, without prejudice to his right to the floor. Without objection, it is so ordered.

CIVIL DEFENSE—RESOLUTION OF VETERANS' ORGANIZATIONS, SPARTA, WIS.

Mr. WILEY. Mr. President, I have in my hand a fine resolution adopted by veterans' organizations of Sparta, Wis., on the urgent issue of civil defense. I am proud that my State of Wisconsin has pioneered in grass-roots civil defense activity but what we have done is still merely a tiny fraction of what must be done in Wisconsin and throughout the Nation if our people are to be prepared for the worst.

I ask unanimous consent that this brief resolution be printed in the RECORD, and appropriately referred.

There being no objection, the resolution was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

SPARTA, WIS., *December 16, 1950.*

Hon. ALEXANDER WILEY,
United States Senate,
Washington, D. C.

DEAR SIR: Perilous conditions confronting every citizen, every community and the United States as a Nation, demand immediate and effective governmental direction.

The combined membership of the organizations represented hereon, urgently request your immediate and utmost effort to the end that vital Civil Defense legislation be effected and administered with the least practicable delay.

DARREL BARLOW,
Commander, American Veterans' of World War II, Monroe County Post, No. 17, Sparta, Wis.

GERALD MCMULLIN,
Commander, Veterans of Foreign Wars, Major General R. B. McCoy Post, No. 2112, Sparta, Wis.

CARL SCHULTZ,
Commander, American Legion, Orville L. Arnold Post, No. 100, Sparta, Wis.

LATVIA INDEPENDENCE DAY—RESOLUTION OF UNITED AMERICAN LATVIAN COUNCIL OF NEW YORK

Mr. O'CONOR. Mr. President, the United American Latvian Council of New York, which is comprised of a number of persons of Latvian birth and ancestry who are loyal and patriotic American citizens, has a very keen interest in any diplomatic or other movements that would tend to better the conditions of the people of their homeland.

On the occasion of the commemoration of the proclamation of the independence of the Republic of Latvia on November 18, 1950, at Webster Hall, New York City, the United American Latvian Council of New York adopted resolutions on the matter of Soviet occupation and absorption of the Baltic countries, and urging ratification of the Genocide Convention, which deserve the attention of the Members of Congress.

I therefore ask unanimous consent to have the resolutions printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Foreign Relations, and ordered to be printed in the RECORD, as follows:

NEW YORK, *November 18, 1950.*

RESOLUTIONS UNANIMOUSLY ADOPTED AT THE COMMEMORATION OF THE PROCLAMATION OF THE INDEPENDENCE OF THE REPUBLIC OF LATVIA ON NOVEMBER 18, 1950, AT WEBSTER HALL, NEW YORK CITY, UNDER THE AUSPICES OF THE NEW YORK LATVIAN SOCIETY AND THE UNITED AMERICAN LATVIAN COUNCIL OF NEW YORK

Whereas the Latvian people all over the world, whether residents of the United States of America and other free countries, refugees still waiting for a haven to settle, or ill-fated victims of aggression and oppression in Soviet-occupied Latvia and Russian slave-labor camps, are this day, the anniversary of the proclamation of Latvia's independence 32 years ago, united in prayer for the liberation of their Soviet-subjugated native country and nation; and

Whereas all Latvian people, honoring this day the leaders and veterans of the struggle for freedom who paved and opened the road to independence for Latvia, above all mournfully pay tribute to the countless victims of Soviet terror who have lost their lives, or are subjected to continuous suffering, virtual slavery, or mass deportations to slave labor in Russia, merely because of their unwillingness to endorse the cruel and godless regime of their alien Bolshevik oppressors; and

Whereas the brutal and unwarranted occupation and the perfidiously engineered absorption of the Baltic countries into the Soviet Union have never been recognized by the Governments of the United States and other western democracies which continue to uphold the legal existence of the independent Republics of Latvia, Lithuania, and Estonia, and their diplomatic representatives: Be it therefore

Resolved, That we, citizens and residents of the United States of Latvian descent, gathered today to commemorate the Independence Day of Latvia and to prayerfully remember the extreme sufferings of the Latvian Nation, gratefully acknowledge the steadfast refusal of the President, Congress, and people of the United States of America to recognize the purported annexation of the Baltic Republics, Latvia, Lithuania, and Estonia, by the Soviet Union; and be it further

Resolved, That we, in order to strengthen and keep alive the confidence of the Baltic peoples in the ultimate victory of the free world, respectfully petition the President to render them every possible assistance of the American Government: By publicly restating America's nonrecognition of the Soviet occupation and absorption of the Baltic countries; by persuading and inducing the Senate to ratify and proclaim the genocide convention, adopted by the United Nations, as an effective means of exposing and combating the crime of genocide in Soviet-dominated countries, and by establishing liaison with the Soviet-harassed Baltic peoples, activating the Voice of America broadcasts in the Latvian, Lithuanian, and Estonian languages, always realizing that the restoration of human rights and indpendence to the Baltic nations constitute an integral condition for world peace, based on international law and justice; and be it further

Resolved, To salute and endorse the courageous stand of the President of the United

States against further Soviet aggression and extension of the iron curtain, and the leadership of the American Government and its representatives in the United Nations in their present attempts to stop, even by resorting to armed resistance as in Korea, the mendacious war provocations of a handful of Stalinite conspirators, aiming at total world domination through complete extinction of liberty, veracity, and justice everywhere in the world; and be it finally

Resolved, That copies of these resolutions be submitted to the President, the Secretaries of State and Defense, Members of both Houses of the Congress, the Governor of the State of New York, the Secretary General of the United Nations, the diplomatic and consular representatives of Latvia, Lithuania, and Estonia, and the press.

GUIDO TRUCE,
President of the New York Latvian Society.

HARRY W. LIELNORS,
President of the United American Latvian Council of New York.

REORGANIZATIONS IN THE EXECUTIVE BRANCH—REPORT OF A COMMITTEE (S. REPT. NO. 2680)

Mr. McCLELLAN. Mr. President, from the Committee on Expenditures in the Executive Departments, I submit, pursuant to law, a report relating to reorganizations in the executive branch of the Government, and ask that it be printed.

The VICE PRESIDENT. The report will be received, and, without objection, it will be printed, as requested by the Senator from Arkansas.

FEDERAL CIVIL DEFENSE PROGRAM—REPORT OF A COMMITTEE

Mr. CHAPMAN. Mr. President, on behalf of the Senator from Tennessee [Mr. KEFAUVER], from the Committee on Armed Services, I report an original bill (S. 4268) to authorize a Federal civil-defense program, and for other purposes, and I submit a report (No. 2683) thereon.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. IVES:

S. 4263. A bill for the relief of Lee Oy Gum; to the Committee on the Judiciary.

(Mr. LUCAS introduced Senate bill 4264, to amend and extend certain provisions of the First War Powers Act, 1941, which was referred to the Committee on Expenditures in the Executive Departments, and appears under a separate heading.)

By Mr. O'CONOR:

S. 4265. A bill to prohibit the transfer of strategic commodities to countries whose armed forces are in conflict with Armed Forces of the United States; to the Committee on the Judiciary.

By Mr. McCLELLAN (for himself and Mr. O'CONOR):

S. 4266. A bill to amend and extend title II of the First War Powers Act, 1941; to the Committee on Expenditures in the Executive Departments.

By Mr. McCARRAN:

S. 4267. A bill to amend the act entitled "An act to provide better facilities for the enforcement of the customs and immigration laws," approved June 26, 1930, as amended; to the Committee on the Judiciary.

(Mr. CHAPMAN (for Mr. KEFAUVER), from the Committee on Armed Services, reported an original bill (S. 4268) to authorize a Federal civil defense program, and for other purposes, which was ordered to be placed on the calendar, and appears under a separate heading.)

AMENDMENT OF CERTAIN PROVISIONS OF FIRST WAR POWERS ACT, 1941—AMENDMENTS

Mr. McCLELLAN submitted amendments intended to be proposed by him to the bill (S. 4264) to amend and extend certain provisions of the First War Powers Act, 1941, which were referred to the Committee on Expenditures in the Executive Departments, and ordered to be printed.

HOUSE BILLS REFERRED

The following bills were severally read twice by their titles, and referred, as indicated:

H. R. 3229. An act to amend the Internal Revenue Code, as amended, and the Federal Alcohol Administration Act, as amended; and

H. R. 9911. An act to authorize the payment by the Administrator of Veterans' Affairs of a gratuitous indemnity to survivors of members of the Armed Forces who die in active service, and for other purposes; to the Committee on Finance.

H. R. 8848. An act to provide for a study of the mental and physical sequelae of malnutrition and starvation suffered by prisoners of war and civilian internees during Revenue Code, as amended, and the Federal World War II; to the Committee on Labor and Public Welfare.

H. R. 9828. An act to authorize relief of authorized certifying officers of terminated war agencies in liquidation by the Department of Labor; to the Committee on Expenditures in the Executive Departments.

FOR THE COMMON DEFENSE—REPORT BY SECRETARY OF DEFENSE GEORGE C. MARSHALL

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD portions of a report by Secretary of Defense George C. Marshall, entitled "For the Common Defense," which appears in the Appendix.]

EULOGY OF ENSIGN JESSE L. BROWN BY ROSCOE SIMMONS

[Mr. O'CONOR asked and obtained leave to have printed in the RECORD a eulogy of Ensign Jesse L. Brown, of Mississippi, by Roscoe Simmons, published in the Washington Times-Herald, Sunday, December 17, 1950, which appears in the Appendix.]

OUR BURNED FINGERS—EDITORIAL FROM THE OMAHA MORNING WORLD-HERALD

[Mr. WHERRY asked and obtained leave to have printed in the RECORD an editorial entitled "Our Burned Fingers," published in the December 15, 1950, issue of the Omaha Morning World-Herald, which appears in the Appendix.]

FUTILITY OF EFFORTS TO BUY FRIENDSHIP OF FOREIGN COUNTRIES—ARTICLE BY GEORGE SOKOLSKY

[Mr. KEM asked and obtained leave to have printed in the RECORD an article regarding the attempted purchase of friendship abroad, by George Sokolsky, published in the Washington Times-Herald, December 19, 1950, which appears in the Appendix.]

CONGRESSIONAL IMMUNITY AND THE CITIZEN—ARTICLE BY NATHAN BOONE WILLIAMS

[Mr. HUNT asked and obtained leave to have printed in the RECORD an article entitled "Congressional Immunity and the Citizen," written by Nathan Boone Williams, and published in the current issue of the District of Columbia Bar Association Journal, which appears in the Appendix.]

EXECUTIVE MESSAGE REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr. JOHNSTON of South Carolina, from the Committee on Post Office and Civil Service:

One hundred and sixty-two postmasters.

NOMINATION OF ANNA M. ROSENBERG TO BE ASSISTANT SECRETARY OF DEFENSE—EXECUTIVE REPORT OF A COMMITTEE

Mr. BYRD, from the Committee on Armed Services, submitted a report (Ex. Rept. No. 16) on the nomination of Anna M. Rosenberg, to be Assistant Secretary of Defense, which was ordered to be printed.

MILLARD E. TYDINGS

Mr. SALTONSTALL. Mr. President, I should like to read into the body of the RECORD a resolution which was adopted unanimously this morning by the Armed Services Committee. The purpose of the resolution will become clear when I read it. It reads as follows:

MILLARD E. TYDINGS

To do proper honor to him and in recognition of his long and distinguished service to his State and Nation, we, his colleagues on the Senate Armed Services Committee, are privileged to present to MILLARD E. TYDINGS, our departing chairman, this commemorative scroll.

A statesman and a patriot, he has at all times labored diligently and unselfishly for his country's welfare. His 35 years of congressional service, following distinguished and heroic participation in World War I, have been marked by his clear awareness of the need for vigilance and preparedness. His wisdom in fighting tirelessly for adequate defense measures is impressively borne out against the backdrop of world tension and conflict today.

It has indeed been fortunate for our Nation that MILLARD E. TYDINGS' leadership of the Senate Armed Services Committee has so effectively promoted those principles of preparedness in which he and we so strongly believe. He has guided with skill and rare ability the work of this committee during these past two critical years. His wide experience and keen judgment have been of inestimable value to his colleagues as they have faced the great and grave problems that have so often arisen.

As he has been friend to us as well as chairman, we have been honored by warm, personal association with him. His absence will hence be felt the more keenly. Our sincere good wishes go with him in all future undertakings. With a sense of high privilege we here set down our signatures in testimony of our respect and friendship for MILLARD E. TYDINGS.

RICHARD B. RUSSELL, HARRY FLOOD BYRD, VIRGIL M. CHAPMAN, LYNDON B. JOHNSON, ESTES KEFAUVER, LESTER C. HUNT, STYLES BRIDGES, CHAN GURNEY, LEVERETT SALTONSTALL, WAYNE MORSE, WILLIAM F. KNOWLAND, HARRY P. CAIN.

WASHINGTON, D. C., *December 14, 1950.*

MESSAGE FROM THE HOUSE—ENROLLED BILLS AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the Vice President:

S. 3263. An act to amend Veterans' Preference Act of 1944 with respect to certain mothers of veterans;

S. 3654. An act to amend section 3 of the Postal Salary Act of July 6, 1945;

S. 3672. An act to amend section 3 (c) of the Civil Service Retirement Act so as to make the exclusion from such act of temporary employees of the Senate and House of Representatives inapplicable to such employees with one or more years of service;

S. 3910. An act relating to the assignment of surplus clerks in the Postal Transportation Service;

S. 4102. An act relating to contracts for the transmission of mail by pneumatic tubes or other mechanical devices;

S. 4229. An act to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended;

S. 4240. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein;

S. 4254. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II);

H. R. 2093. An act authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Riedel;

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas;

H. R. 4579. An act to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges in Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska;

H. R. 5487. An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission, or the Federal Maritime Board or the Maritime Administration under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended;

H. R. 5902. An act for the relief of the Pan American Union;

H. R. 6228. An act for the relief of Dr. Chao-jen Chen, Dr. Janet Wang Chen, and Eleanor Chen;

H. R. 7735. An act to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric-transmission-line purposes in the Santa Fe flood-control basin and the San Gabriel River improvement, California;

H. R. 8821. An act authorizing payment to certain States amounts withheld from grazing fees on public lands;

H. R. 8834. An act for the relief of Yamaguchi Michiko;

H. R. 8851. An act to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Browns Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Browns Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the county of Pierce, State of Washington;

H. R. 9284. An act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9475. An act for the relief of Mrs. Enid Louise Noble Romick, Jr.;

H. R. 9681. An act to authorize the waiver of the navigation and vessel-inspection laws; and

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended.

ENROLLED BILLS AND JOINT RESOLUTION PRESENTED

The Secretary of the Senate reported that on today, December 19, 1950, he presented to the President of the United States the following enrolled bills and joint resolution:

S. 3263. An act to amend Veterans' Preference Act of 1944 with respect to certain mothers of veterans;

S. 3654. An act to amend section 3 of the Postal Salary Act of July 6, 1945;

S. 3672. An act to amend section 3 (c) of the Civil Service Retirement Act so as to make the exclusion from such act of temporary employees of the Senate and House of Representatives inapplicable to such employees with one or more years of service;

S. 3910. An act relating to the assignment of surplus clerks in the Postal Transportation Service;

S. 4102. An act relating to contracts for the transmission of mail by pneumatic tubes or other mechanical devices;

S. 4229. An act to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended;

S. 4240. An act to amend the act incorporating The American Legion so as to redefine eligibility for membership therein;

S. 4254. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II); and

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended.

LEAVE OF ABSENCE

On his own request, and by unanimous consent, Mr. TOBEY was excused from attendance on the remainder of the session of the Senate today.

FINANCIAL ASSISTANCE TO YUGOSLAVIA—CONFERENCE REPORT

Mr. FULBRIGHT. Mr. President, with the understanding that it is without prejudice to the right of the Senator from North Dakota to the floor, I ask unanimous consent to call up the conference report on Senate bill 4234, to provide aid to Yugoslavia.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. FULBRIGHT. Mr. President, I submit a conference report on the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, and I ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER (Mr. JOHNSTON of South Carolina in the chair). The report will be read for the information of the Senate.

The report was read by the legislative clerk, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment insert the following:

"That this Act may be cited as the 'Yugoslav Emergency Relief Assistance Act of 1950'.

"SEC. 2. The President is hereby authorized to expend not in excess of $50,000,000 of the funds heretofore appropriated for expenses necessary to carry out the provisions of the Economic Cooperation Act of 1948, as amended (Public Law 759, Eighty-first Congress), for the purpose of providing emergency relief assistance to Yugoslavia under the authority of this Act.

"SEC. 3. No assistance under authority of this Act shall be made available nor shall any funds appropriated hereunder be expended until an agreement is entered into between Yugoslavia and the United States containing the following undertakings, and any others the President may determine to be desirable, on the part of Yugoslavia:

"(a) To make available to the Government of the United States local currency in amounts required by it to meet its local currency administrative and operating expenses in Yugoslavia in connection with assistance supplied under this Act.

"(b) To give full and continuous publicity through the press, radio, and all other available media in Yugoslavia to the assistance furnished by the United States; and to allow to the United States, in cooperation with Yugoslavia, the use of such media as may be required to accomplish this purpose.

"(c) To permit persons designated by the Government of the United States to observe and supervise without restriction the distribution by Yugoslavia of commodities and other assistance made available under the authority of this Act, and to the extent necessary for this purpose to permit full freedom of movement of such persons within Yugoslavia and full access to communication and information facilities.

"(d) To make equitable distribution to the people in Yugoslavia of the commodities made available under this Act, as well as similar commodities produced locally or imported from outside sources, without discrimination as to race or political or religious belief.

"(e) Whenever relief supplies furnished under this Act are sold for local currency by the Government of Yugoslavia, to use an equivalent amount of such currency to provide relief to needy persons and to children, and for charitable, medical, and such other purposes as may be mutually agreed upon.

"(f) To take all appropriate economic measures to reduce its relief needs, to encourage increased production and distribution of foodstuffs within Yugoslavia, and to lessen the danger of similar future emergencies.

"SEC. 4. All of the funds made available under authority of this Act shall be utilized to the fullest practicable extent in the purchase of the commodities from the surplus commodities in the possession of the Commodity Credit Corporation at prices author-

ized by section 112 of the Foreign Assistance Act of 1948, as amended.

"SEC. 5. Nothing in this Act shall be interpreted as endorsing measures undertaken by the present Government of Yugoslavia which suppress or destroy religious, political, and economic liberty, and the Yugoslav Government shall be so notified when aid is furnished under this Act.

"SEC. 6. At the termination of each three-month period after aid has been extended under this Act the Secretary of State shall make a full and detailed report to the Congress. Said three-month reports shall not be limited to, but shall include (1) information as to whether or not Yugoslavia is abiding by the agreement as provided for under section 3 of this Act; (2) information as to any developments in the attitude of Yugoslavia with respect to basic human rights.

"SEC. 7. All or any portion of the funds made available under authority of this Act may be transferred by the President to any department or agency of the executive branch of the Government to be expended for the purpose of this Act. Funds so transferred may be expended under the authority of any provisions of law, not inconsistent with this Act, applicable to the departments or agencies concerned, except that funds so transferred shall not be commingled with other funds of such departments or agencies and shall be accounted for separately.

"SEC. 8. Local currency made available to the United States by Yugoslavia under the provisions of the agreement required by section 3 may be used for local currency administrative and operating expenses in Yugoslavia in connection with assistance provided by this Act without charge against appropriated funds.

"SEC. 9. At least 50 per centum of the gross tonnage of any equipment, materials, or commodities made available under the provisions of this Act and transported on ocean vessels (computed separately for dry bulk carriers and dry cargo liners) shall be transported on United States-flag commercial vessels at market rates for United States-flag commercial vessels, if available.

"SEC. 10. All or any part of the assistance provided hereunder shall be promptly terminated by the President—

"(a) whenever he determines that (1) Yugoslavia is not complying fully with the undertakings in the agreement entered into under section 3 of this act, or is diverting from the purpose of this act assistance provided hereunder; or (2) because of changed conditions, continuance of assistance is unnecessary or undesirable, or no longer consistent with the national interest or the foreign policy of the United States;

"(b) Whenever the Congress, by concurrent resolution, finds termination is desirable.

"Termination of assistance to Yugoslavia under this section shall include the termination of deliveries of all supplies scheduled under this act and not yet delivered."

And the House agree to the same.

TOM CONNALLY,
J. W. FULBRIGHT,
H. ALEXANDER SMITH,
Managers on the Part of the Senate.

JAS. P. RICHARDS,
HELEN GAHAGAN DOUGLAS,
MIKE MANSFIELD,
CHARLES A. EATON,
JOHN M. VORYS,
Managers on the Part of the House.

The PRESIDING OFFICER. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDING OFFICER. The question is upon agreeing to the conference report.

Mr. WHERRY. Mr. President, I should merely like to have the Senator from Arkansas call attention briefly, for the RECORD, to the differences between the Senate and House, and also to explain the nature of the compromise.

Mr. FULBRIGHT. I may say to the minority leader that we had a very amicable conference with the House conferees. There was no real controversy. There are perhaps three points which may be of interest. One had to do with the counterpart provision, which was inserted by the Senate committee and adopted on the floor, which provided that whenever any of the goods were sold for local currencies, they should be subject to disposal by mutual agreement. It is a provision very similar to that which is in effect in ECA. As to this provision the House receded, and went along without any difficulty.

The next most important difference, I think, was with regard to the cost formula for the purchase of commodities. The conference agreed that the House provision might work very great difficulty in connection with the administration, and that the provision of section 112 of the Foreign Assistance Act of 1948, as amended, should be adopted. It is exactly the same procedure which was followed in the setting of prices on commodities under the existing aid bill. The House agreed to that.

There was one other point. The Senate had provided that the words "if available" be included in the provision requiring 50 percent of the shipments to be in American bottoms. The House had stricken the words "if available." The conference reinserted the two words, to make the language conform to the Senate version.

In the conference, a paragraph of the preamble which had been inserted by the House was eliminated. The conferees agreed that it was unnecessary and would create certain implications unwarranted by the facts.

There was one other provision which is perhaps worthy of notice. I refer to the language requiring Yugoslavia to take apropriate economic measures to assist in the production of their own food supply, and in the elimination of certain difficulties which they have encountered as a result of the drought.

Mr. McCLELLAN. Mr. President, I have no doubt that the conferees, in view of this measure having passed both Houses, have worked out what they conceived to be the very best possible bill to carry out the measure's announced objectives. It is not my purpose to criticize the report of the conferees, but I feel that this measure is a mistake of such magnitude that I should be derelict in my duty to my country were I not to raise my voice again in opposition to its final enactment. I certainly criticize no one who may disagree with me and who may hold views contrary to those that I shall express.

It is not my purpose to criticize them, but in this critical period in the history of the world, in this emergency in which our Nation is facing a crisis unparalleled in its history, at a time when we are, in all probability and from every indication we shall be compelled to draw upon all our resources, manpower, material, and economic resources, to the very limit to produce the maximum strength we can develop to resist communism and the aggression of communism, Mr. President, it is the height of stupidity for this Congress and for this Government to give $38,000,000, $50,000,000 or any other material assistance to any Communist dicator, Tito or any other Communist ruler or government.

Mr. President, this is supposed to be a relief bill. It is, in truth and in fact, a military assistance bill. I know, Mr. President, that when this bill came before the Senate it was passed by a vote of 60 to 21. The House, after 2 days of debate, passed it by a vote of 225 to 142. I am not unmindful, Mr. President, that my efforts now will fail, but I want this record clear. I do not believe that any impartial person can read the record of debate on this measure, or read the reports filed by the respective committees, and come to any conclusion other than that it is simply an attempt to coddle and to appease another Communist dictator.

Mr. President, to speak for this bill one has to concede, as all who supported it and advocated it did concede, that in the enactment of this measure we are taking what is termed a calculated risk. Mr. President, on the other side of it, this measure constitutes a calculated fraud instigated by Tito and being perpetrated on the American people. It is not even a gamble—we haven't a chance—we are the loser before we start.

What do we hope to gain? This bill is not necessary. The aid provided in it is not needed to prevent people from starving. It is needed only to enable Dictator Tito to carry out an industrial program for military purposes.

Let us see, Mr. President, if it is imperative that such legislation be enacted to help to prevent people from starving. Let us see if it is necessary to relieve the hungry and the distressed.

Mr. President, the records show, and I think these figures are undisputed, that notwithstanding the drought that has been represented to us to be so severe in Yugoslavia this year, Yugoslavia has produced 108 percent of her normal crop of sugar; she has produced 100 percent of her normal rice crop, 88 percent of wheat; 87 percent of barley, 83 percent of rye, 79 percent of oats, and 59 percent of her normal corn production.

Mr. President, we in America have suffered such reductions in normal crops in the past, and no one starved here, although our standard of production may have been higher.

Let us see what we are proposing to do. It is said, and I assume these statistics are not controverted—I have not found that they are disputed anywhere in the debate on the measure—it is said that in the postwar years, with millions of dollars, approximately $421,000,000 of direct aid from our country to Yugoslavia, she raised her daily calorie consumption per capita to 2,800. It is now agreed that even with the shortage in crops, her present food supply in agricultural products, without any aid from us, Yugoslavia has and can provide 2,300 calories daily for each person.

Mr. President, is that such a deficiency in food that it recommends to this Government in the present world crisis that we should provide by gift to Yugoslovia money and food sufficient to raise those calories up to 2,600 per person as this measure is intended to do? Mr. President, if that justifies this expenditure, then let us see where else we may have similar and even more pressing obligations, because, Mr. President, 2,300 calories is more abundant than the number of calories now consumed by half the populations of the world.

Brazil, our neighbor to the south, is consuming only 2,343 calories per capita daily; Chile is consuming only 2,351; Colombia, 2,283; Peru, 1,925; Japan, 1,834; Pakistan, 2,028; the Philippines, 1,908; Burma, 1,986; China, 2,115; India, 1,621.

Some of those nations certainly are our friends. Some of their people surely believe in liberty and in democracy and are opposed to dictator rule. If we are fighting the cause of freedom, Mr. President, and want to strengthen nations and give aid where it will be received with gratitude and used to help stem the tide of communistic aggression, we can better consider some of those countries, and give aid that might be appreciated by governments friendly to us and not an enemy as is the government and ruler of Yugoslavia.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. BREWSTER. Does the Senator from Arkansas have in mind that at the meetings of the Inter-Parliamentary Union, in Dublin, in September, to which a delegation from this body was sent and of which the Senator from Maine is a member, representatives of India, Ceylon, and Burma announced that we were in favor of colonialism and had given aid in the matter of food to other nations when their standard was very much higher than their own, and we had not given aid to them? In other words, apparently Communist propaganda had made very great inroads among their people, if we are to credit their representatives, to the proposition that our aid was wholly a matter, not of humanitarian sympathy, but of power and military expediency; that otherwise we should, as the Senator from Arkansas has pointed out, consider assisting the other suffering peoples of the world, and that we are cultivating a very great deal of distrust and suspicion by the manner in which our program is being carried out.

Mr. McCLELLAN. I wish to say to the able Senator from Maine that we have heard frequently on the floor of the Senate remarks to the effect that we must be careful in what we are doing so as not to give Communists an opportunity to make use of our actions for propaganda purposes. What will be thought by other peoples of the world whose distress is greater and whose purposes and hopes of liberty, freedom, independence, and democracy are in accord with ours when we, as the champions of freedom, direct aid to a military communistic dictator, who has disregarded, violated, and trampled upon every principle of righteousness for which we stand, in order to gain the power he holds today. Shall we provide Yugoslavia with 2,600 calories for her people and at the same time not turn a hand to aid those who are with us and not against us, and who are now living on far less than Yugoslavia already has?

Mr. President, by this act, innocent though it may be on the part of those who support it, we would definitely help a Communist dictator. With what benefit in mind to us shall we do it? That possibly, Mr. President—if Stalin moves, Tito will furnish some opposition. I may say, Mr. President, as I said in my remarks when the bill was up for consideration in the Senate:

If Stalin decides to move and does not decide to move directly against Tito, he will simply bypass Tito. In that case, Tito will not be in the way and will not come to our assistance or to the assistance of Europe. He will not come to our assistance until such time as we have the war so nearly won that he will want to jump in on the winning side, as Mussolini thought he was doing in World War II.

Mr. KEM. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. KEM. In that connection, I should like to ask the Senator from Arkansas how many troops Tito or Yugoslavia has sent to Korea during the present engagements there.

Mr. McCLELLAN. The able Senator from Missouri is a moment ahead of me. I started to draw the example that we are in a crisis, with our boys being killed by the hordes of communism, to whose ideology and principles and purposes Tito subscribes. Mr. President, although Yugoslavia is a member of the United Nations, although the United Nations is the defender in Korea, not one soldier has Yugoslavia supplied. Not one soldier, Mr. President, not one single piece of armament will she supply when Stalin starts to march against the western powers. What are we doing? With this aid we would simply be building up Yugoslavia's economic strength. We would make it possible for her to continue her so-called 5-year industrial program without serious interruption. That 5-year program, of course, is to build up her industries, which is a commendable thing for any country to do. However, with the need for rehabilitation of the free world, in the name of heaven why should we, under the economic strain under which we shall have to labor to meet the crisis which confronts us, further weaken ourselves and expend our resources to help a Communist dictator upon whom we cannot rely?

Someone has said that by aiding Tito we would be taking a calculated risk. Mr. President, it would be necessary to calculate a long string of figures until it would be possible to get down to the point where we would not be taking a complete risk.

Mr. KEM. Mr. President, will the Senator yield further?

Mr. McCLELLAN. I am glad to yield.

Mr. KEM. I should like to ask the Senator whether the importance of creating a feeling of solidarity among the countries of the Western Hemisphere has not often been pointed out. In that connection I should like to say to the Senator from Arkansas that within the last month I had occasion to visit five countries in Central America and also Mexico. In each one of the countries our party was frequently asked about the Marshall plan. It was pointed out to us that their countries had to meet the same conditions which Western Europe had to meet and for which the Marshall plan was intended as an alleviating factor. The people in those countries pointed out to us that they have difficulty in keeping up their standards of living. They pointed out to us that they are faced with the threat of Communist infiltration. They said to us, "The United States is sending these millions and millions of dollars all over Western Europe. Why is it that you do not realize our problems here right at home?"

Mr. McCLELLAN. Mr. President, I appreciate the remarks of the Senator from Missouri. I do not wish unduly to extend my remarks. I simply wish to say that in this fight against communism, if this is the occasion when the blue chips are down, in all probability it will take all the resources that our Nation can marshal. Will we not learn from history? Are we to continue to repeat mistake after mistake?

Mr. President, the time has come for us to get away from the idea that every time it is proposed to give away some money we ought to go along with the suggestion on the basis of the calculated risk that somewhere in the future, somewhere down the line, we shall get some benefit from it.

Mr. President, if Tito needs food, let us buy something from Tito. Let us buy from him what he has to sell. Let us buy metals, ore, and the raw materials which his country produces and exports. Let us exchange food for such materials. Let us get something in return. Let us not tax the American people to hand out gratuities to murderers, to world bandits, and to those who subscribe to the philosophy that force will finally dominate our civilization.

Mr. President, others may do it but I shall not be a party to it.

Mr. President, I ask unanimous consent to have inserted in the RECORD at this point a further statement on the subject entitled "Yugoslavia and Tito."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

YUGOSLAVIA AND TITO

The area of the country of Yugoslavia is 95,557 square miles, nearly the same area as that of the State of Oregon. The country is made up largely of what were the former Balkan states of Slovenia, Croatia, Bosnia, Dalmatia, and Serbia.

The population is approximately 16,000,000. This was the official figure for 1940, but it has increased very little due to large numbers of refugees and the fact that an estimated 1,700,000 have been killed during the wars since 1940. These peoples are made up of about 8,000,000 Serbs, 4,000,000 Croatians, 1,250,000 Slovenes, and the remainder of the

16,000,000 being a mixed population of Germans, Hungarians, Albanians, and Russians. In the book Tito's Imperial Communism, by the journalist, R. H. Markham, there is this comment on the peoples of Yugoslavia:

"There was no fixed ruling class in Yugoslavia, no submerged proletariat, no exploitation of one social stratum by another, but just political 'ins' and political 'outs.'

"There were about 16,000,000 common, hard-working men and women, most peasants, among whom were small groups and cliques and gangs of strong men, good and bad, struggling to decoy peasant votes in order to seize and maintain state power. These masters, who were peasants or the sons of peasants, used power partly for their own advantages and partly for the good of the people. As the state grew stronger and richer the might of these knights became greater and their takings vaster. In the same proportion the struggle of the outsiders to get inside increased in ferocity.

"I do not mean to condemn all Yugoslav politicians. They were like politicians in many other lands. Among them were good men who tried to serve the people and did serve the people. But I want to emphasize that the reports of a classic class struggle in Yugoslavia are largely a myth. The main struggle was and is for state power. What Tito and his Communists wanted, acquired, and are determined to hold is state power. Every other aspect of the new regime is of minor importance."

When Hitler occupied Yugoslavia, he found two distinct classes, one headed by Mihailovitch and the other by Tito. Tito headed the Communists and Mihailovitch the anti-Communists. The pact between Stalin and Hitler in 1939 is described by Markham as having the following effect upon the Communists in Yugoslavia:

"So, from the day Stalin and Hitler signed their pact in 1939, the Yugoslav Communists sprang into activity. Of course they were not against Germany. And naturally, they were not with England or France. Neither were they for Yugoslav unity. They were for the universal upheaval, following the guiding star of Russia and nothing else, serving Russia and no other power. They denounced the Allies in furious terms. They portrayed the war as exclusively a fight between blood-thirsty empires. They excoriated the whole capitalistic order and joyfully predicted its imminent collapse. They poured out streams of invectives against the Yugoslav Government and Regent and Army.

* * * * *

"As 1938 passed and 1940 passed and 1941 came, making the world situation more dangerous, the Communists stood, taut and tense, by day and by night, as racers waiting for the pistol shot. Their ears were strained to hear the signal giver, Moscow.

"When March 27 came, with all Serbians defying Hitler, the Communists at first ignored it as a futile bourgeois act, and then on March 28 attempted a futile counterrevolution. But their great moment had not yet come. The conspiratorial network was not created for the banal task of saving the fatherland, Yugoslavia. They had seven more weeks to wait for the clock of destiny to strike. Then Hitler attacked Russia. The detestable war between capitalist empires was transformed into a holy crusade. The day had dawned in preparation for which the Yugoslav Communists had spent their lives. They began their epochal role with a heroism and fanaticism rarely equaled in the heroic, fanatical Balkans.

* * * * *

"The breaking out of that struggle would be as the coming of the bridegroom; for it every bridesmaid kept her lamp burning and filled with oil. That was as basic in the faith of Yugoslav Communists as the Resurrection and Easter Day were in the faith of their Christian brothers. Many special signs had indicated that 'the hour' was approaching, and for it the Yugoslav Communists had put their conspiratorial machine in readiness. Couriers were on their toes to dash away with messages to every part of the kingdom. Communist officers in the Yugoslav Army were designated for certain key positions in the revolutionary army and leading civilian Communists were prepared to fill other military posts. The chief commissars were appointed, definite campaign plans had been agreed upon, methods for getting weapons had been worked out, local cells in vital points of operation were on the alert. The Communist underground machine was an armored locomotive resting on a hidden track under full steam. When the great day of June 22 came, the whistle blew and the locomotive sped to the attack.

* * * * *

"The forces of Mihailovitch operated in a different manner. In the first place they launched no revolution, since they considered their activity a function of the long-existing state and a continuation of the official anti-Hitler fight which was begun on March 27. They flew the Yugoslav flag and regular regimental banners, reestablished local Serbian authorities, sought to revive Serbian faith and courage, reassembled units of the Serbian Army, urged Serbs not to serve Germans, tried to prevent the Germans from confiscating Serbian stocks of food, restricted the movement of Germans, blew up vital military installations, and killed German agents.

"Mihailovitch and his Chetniks did not care to waste their forces in trying to take large cities in open battles. They preferred to avoid head-on clashes. They wanted to reorganize their shattered nation and prepare it for long, effective, wise resistance.

"Since these forces of Mihailovitch and Tito were fighting in a fairly small area, they soon found themselves in contact. And to avert clashes the leaders met. Mihailovitch and Tito conferred. They sought a plan for common action, but failed in their efforts. Tito wanted a separate revolutionary command for his forces; Mihailovitch demanded that all forces comprise a single army under one command, his own. So they disagreed, separated, and fought. Their soldiers began to kill each other; Yugoslavs shot Yugoslavs, as the German invaders cheered."

If Mihailovitch and Tito's forces could have continued to work together there might have been an entirely different story, but the issues between them were basic and could not be resolved. Most of the people of Serbia were peasants and artisans and had struggled for centuries for freedom, especially against the Turks. They therefore resisted the plans of Tito to convert them to communism and make them subservient to Moscow. The effect of this situation is described by Markham in this way:

"Of course, that meant civil war. Tito after long preparation had pulled a Fort Sumter. From the end of the summer of 1941, civil war raged in Yugoslavia, along with the war between Yugoslavs and Germans. The main struggle in Yugoslavia, after Tito's fateful invasion of Serbia, was the civil struggle between the Communists and anti-Communists. There were many dramatic secondary fights—indeed Yugoslav developments were as a labyrinth containing a dozen spots of intense interest—but the supreme struggle dominating all others, giving meaning to all others, providing an unchanging pattern in the chaos, was the fight between Communist totalitarianism and its opponents.

"Naturally, the civil war which Tito provoked in Siberia facilitated the work of the Germans. During the early fall of 1941 new Nazi divisions crushed both Serbian resistance forces with terrible cruelty, left towns and villages smoking ruins, and massacred civilians by the scores of thousands."

Although by 1939 there were at the most one-half million Communists, they were well organized and better equipped to attract aid from the Allies.

"The main motive of Tito and his Communist comrades in fighting the Germans was their hope that through fighting they would obtain control of the Yugoslav state. Their chief aim was political power. And Tito did not delay taking steps toward forming a country-wide political organization that would develop into a reorganization of the state. In fact, he and the other leading Communists began taking such steps long before the war broke out. As we retrace their activity we see that they moved toward their goal with great steadfastness and skill."

Regardless of the fact that Tito was about to obtain material aid from America and Britain, his attitude toward his former allies was described in 1946 by Markham as follows:

"No force in the western world since VE-day has shown itself so hostile to Britain and America as have Tito and his partisans. Although no statesman in the world did more to place Tito in power than Winston Churchill, excepting Stalin alone, Tito has treated Britain as a mortal enemy. In 1944 the British and Americans actually saved Tito personally from the Germans. For a long period they clothed, fed, and equipped his army. They maintained scores of thousands of Yugoslav women and children in Italy and Egypt. The British protected him with their fleet on the island of Vis. Yet at that very time Tito and his partisans defied the British. They openly offended the British in Italy, stirred up the Greek EAM against the British, encouraged the Albanian partisans to threaten the lives of British liaison officers. I write all this from personal knowledge. As the British and Americans were maintaining and training partisan armies in Africa and Italy, Tito surreptitiously left Vis and flew off to Moscow. His associates refused to let the British forces land on the Dalmatian coast, after the Allies had forced the Germans to evacuate it, and they seized practically all British property in Yugoslavia on the pretext that its owners had collaborated with the Germans. Rarely in its long history has Great Britain been so humiliated even by a great power as it was repeatedly insulted by Balkan partisans that were incited by Tito. And that hostility continues unabated.

"Toward America, Tito and his regime may be even more hostile, perhaps because America is more of a world factor. America is not only treated officially as an enemy but the Yugoslav Government appears to go out of its way to compromise, offend, and actually injure America. Tito acts as though he were serving as a light brigade, or an advance guard, for Soviet Russia in fighting the United States. He seems to be testing out how far he can wear America down or how much America will take. He seems to lead the shock troops of communism and Slavdom against the United States.

"For example, he kept a number of Americans as 'slave laborers' and long refused to give even civil attention to United States notes about them. It is true that this dispute was two-sided, because some of those Americans may have been of German origin with unfavorable war records, but Tito treated the United States Government, when protecting American citizens, as though he were dealing with an enemy, not an ally daily giving enormous aid to Yugoslavia.

* * * * *

"More flagrant than any of these things was the shooting down of two American planes and the killing of five American soldiers. There seems to be no doubt that this was done deliberately. It is true that Tito considered himself provoked. He charged

America with air spying. But at that moment America was feeding literally millions of Yugoslavs. America was Tito's ally and we were all trying to make peace. Yet Tito's army deliberately killed Americans. It is difficult to interpret that shooting as anything but the act of a rash and irresponsible statesman, in whose hands Balkan peace is not safe. It may be that the Americans were technically at fault in touching Yugoslav air, but is there any conceivable justification of Tito's blotting out such Americans in time of peace? Tito is engaged in a kind of war with America—and a war of aggression."

And this attitude in 1947 was described in an oration by a prominent Czech Communist when he said: "Let the world know that our frontiers do not end at the eastern border. They extend from the Adriatic and the Bulgaro-Greek border over thousands and thousands of miles to the Pacific. These are our frontiers—the Slav frontiers. Within that territory live 250,000,000 Slavs who would defend our frontiers if anyone were to threaten them."

Markham concludes: "This grand and sweeping picture places Yugoslavia in a united Communist realm stretching from the Adriatic and northern Greece, across the Balkans, eastern Europe and Russia to Japan. That fact fixes Yugoslavia's place in contemporary history. In that grandiose, monolithic Slav world, Yugoslavia is a key outpost and a cornerstone.

"This opinion of a leading spokesman for world communism and for Slavdom regarding Yugoslav's alinement confirms what Tito himself and his leading comrades have said many times. Yugoslavia is a unit in a continent-spanning, world-threatening political system. With each passing month the cracks and seams in the Communist-dominated Slav monolith are being filled and smoothed by drastic purges and a general tightening of the Communist Party. During the month of May alone, Soviet Russia and its Communist affiliates announced 'reactionary plots' in every Communist-governed Balkan land, including Yugoslavia, and all the 'plots' resulted in police action against non-Communist leaders."

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Holland	Murray
Anderson	Humphrey	Myers
Benton	Hunt	Neely
Brewster	Ives	Nixon
Bricker	Jenner	O'Conor
Bridges	Johnson, Colo.	O'Mahoney
Butler	Johnson, Tex.	Pastore
Byrd	Johnston, S. C.	Pepper
Capehart	Kem	Robertson
Carlson	Kerr	Russell
Chapman	Kilgore	Saltonstall
Chavez	Knowland	Schoeppel
Clements	Langer	Smith, Maine
Connally	Lehman	Smith, N. J.
Cordon	Long	Smith, N. C.
Donnell	Lucas	Stennis
Douglas	McCarran	Taft
Dworshak	McCarthy	Taylor
Eastland	McClellan	Thomas, Okla.
Ecton	McFarland	Thomas, Utah
Ellender	McKellar	Thye
Fulbright	McMahon	Tobey
George	Magnuson	Tydings
Gurney	Malone	Watkins
Hayden	Martin	Wherry
Hendrickson	Maybank	Wiley
Hickenlooper	Millikin	Williams
Hill	Morse	Young
Hoey	Mundt	

The PRESIDING OFFICER. A quorum is present.

The question is on agreeing to the conference report on Senate bill 4234.

The report was agreed to.

EXCESS PROFITS TAX BILL MADE THE UNFINISHED BUSINESS

Mr. LUCAS. Mr. President, out of order, I ask that Calendar Order 2676, the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, be made the unfinished business.

The PRESIDING OFFICER (Mr. STENNIS in the chair). Is there objection? The Chair hears none, and it is so ordered.

Mr. LUCAS. Mr. President, I might add—and I think the distinguished Senator from Georgia [Mr. GEORGE], chairman of the Senate Committee on Finance, will agree—that we shall not proceed to the consideration of this bill until tomorrow, at 12 o'clock, but that, after the convening of the Senate tomorrow, we shall immediately proceed to the consideration of this measure.

FARM-PRODUCT PRICES

The PRESIDING OFFICER. The Senator from North Dakota [Mr. LANGER] is recognized.

Mr. YOUNG. Mr. President, I ask unanimous consent that my distinguished colleague may yield to me to make a statement lasting not more than 15 minutes; and I ask unanimous consent that it be understood that in doing so, my colleague will not jeopardize his right to the floor.

Mr. LANGER. I yield, providing there is that understanding.

The PRESIDING OFFICER. Without objection, it is so ordered; and the Senator from North Dakota [Mr. YOUNG] is recognized.

Mr. YOUNG. Mr. President, in this morning's Washington Post there appears an article entitled "Farm Lobby Cracks Price Law." The article is by Drew Pearson, and it reads, in part, as follows:

FARM LOBBY CRACKS PRICE LAW

(By Drew Pearson)

It looks as if the cost of certain key items isn't going to be controlled very soon, after all.

Price Administrator Mike Di Salle, who came to Washington prepared to do a job for the housewife, got a rude shock when he read the price-control law thoroughly. For the farm lobby had neatly inserted certain exceptions to price control, and one of them is grain. In brief, Di Salle has no power whatsoever to control the price of grain or any food made from grain.

So Di Salle will have to go back to Congress in January and get the law rewritten.

Aside from this, the new price czar—

And then the article goes on to refer to other matters.

Mr. President, that article is erroneous, deceiving, and misleading. I think it is designed primarily to make the farmer the goat again in the present price situation.

It leaves the impression that farm-commodity prices are unreasonably high and that they are exempt from price control.

I think a few facts should be called to the attention of the Senate. I have obtained comparative figures from the Department of Agriculture. They give a comparison between the parity-price situation as of November 15, 1950, and the parity-price situation as of a year before, as of November 15, 1949.

Let me say in passing that parity is based upon a Government formula which is designed to insure farmers of their fair share of the national income. In other words, when a farm commodity is selling at parity the farmer is only receiving for what he produces a price which has a fair relationship to that received by industry and labor for what they produce.

Mr. President, in the last year labor has received at least two rounds of wage increases, and about four rounds of wage increases since the war. During this same period farm prices have dropped by anywhere from 25 percent to as much as 50 percent, and more.

Let me read some comparative figures:

On November 15, 1949, wheat was selling at 90 percent of parity. Now, as of November 15, 1950, wheat was selling at 85 percent of parity. It is true that in the last week the price of wheat has risen some 5 or 6 cents a bushel or some 2 or 3 percent of parity.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. YOUNG. I am glad to yield.

Mr. MAYBANK. Does the Senator desire to complete his statement before he yields?

Mr. YOUNG. I prefer to finish reading these comparative figures.

Mr. MAYBANK. Very well.

Mr. YOUNG. Mr. President, a year ago, rye was selling at 73 percent of parity. As of November 15, 1950, it was selling at 75 percent of parity.

A year ago, corn was selling at 67 percent of parity; now it is selling at 83 percent of parity.

A year ago, oats were selling at 70 percent of parity; now they are selling at 82 percent of parity.

A year ago, barley was selling at 74 percent of parity; now it is selling at 75 percent of parity.

A year ago, grain sorghums were selling at 57 percent of parity; now they are selling at 60 percent of parity.

A year ago, hogs were selling at 90 percent of parity; now they are selling at 90 percent of parity.

A year ago, soybeans were selling at 85 percent of parity; now they are selling at 97 percent of parity.

A year ago, beef cattle were selling at 148 percent of parity; now beef cattle are selling at 140 percent of parity.

A year ago, veal calves were selling at 147 percent of parity; now they are selling at 141 percent of parity.

A year ago, lambs were selling at 152 percent of parity; now they are selling at 136 percent of parity.

A year ago, chickens were selling at 85 percent of parity; now they are selling at 75 percent of parity.

A year ago, turkeys were selling at 100 percent of parity; now they are selling at 86 percent of parity.

A year ago, eggs were selling at 77 percent of parity; as of November 15, 1950, they were selling at 74 percent of parity. Of course, in the case of eggs,

since November 15 there has been a speculative market, when I think a few persons obtained a corner on the market; and the price went up unreasonably.

I am glad to yield now to the distinguished Senator from South Carolina.

Mr. MAYBANK. Mr. President, I appreciate the Senator's courtesy in yielding to me. I have asked him to yield for the reason that he talked to me this morning about the article to which he has referred, and we were talking about it in the Appropriations Committee. Other persons have called it to my attention.

One of the troubles seems to be, as the Senator from North Dakota has so ably stated, that if anything goes wrong, many persons want to blame the poor old farmer. There is no reason why anyone should undertake to blame the farmer and try to avoid responsibility for a law that we passed in September or October, and which should have been placed in force a long time ago. So I requested the staff of the Banking and Currency Committee to look into the law and the facts so that I would be certain of what I am about to state, with the kind permission of the distinguished Senator from North Dakota.

Mr. YOUNG. I shall be glad to yield to the Senator from South Carolina for that purpose.

Mr. MAYBANK. The statement is as follows:

I intend no criticism of Mr. Pearson. He is reporting what some people, perhaps in high places, are saying. Actually a thorough study of the act and some knowledge of farm prices and agricultural production would reveal that the committee, not any lobby, unanimously agreed on the price-control provisions relating to agricultural commodities. These sections of the act, in effect, provide that price controls on farm commodities should be in fair relationship to the prices of other commodities and the prices existing during the period May 24 to June 24, 1950. It would be manifestly unfair, for example, to fix a price on a farm commodity at a price existing today, when that price had changed hardly at all over the last 6 months, while the prices of numerous other nonfarm commodities had moved up from 25 to 50 percent in some cases.

Let me comment here that the Senator from North Dakota has given the parity figures.

In view of the actual statistics on farm prices and nonfarm prices during the last 6 months, it appears that someone seems to be looking very hard for a scapegoat to blame for the current failure to control prices. Why all the concern about controlling grain prices at this moment, when the price of gain over the past 6 months has practically remained stationary?

Mr. President, I take my hat off to the distinguished Senator from North Dakota and to other Senators on his side of the aisle, who know more about grain than I do. All I know is what is shown by the statistics, and, further, that there is an effort to blame the farmer.

I repeat:

Why all the concern about controlling grain prices at this moment, when the price of grain over the past 6 months has practically remained stationary?

The statement continues:

On June 15 the price for wheat received by the farmer was $1.93. On November 15 it was $1.94. It is true that it has moved up slightly since that date. Is that the cause for all the concern—grain moves up a bit, and immediately all the blame for whatever failure there has been to control prices is put on the farm lobby?

How is it that no one bothers to point out that in June 1948, when wheat was selling for $2.81, a 1-pound loaf of bread was selling for 13.8 cents, while in October this year, when wheat had dropped to $1.91, the same loaf of bread was selling for 14.7 cents?

In other words, bread was selling for more than 1 cent higher, and wheat had gone down, as the Senator has said, by nearly $1 a bushel.

Who is reaping the profits out of inflation—the farmers or the distributors and the processors? On a 15-cent loaf of bread it is calculated that a wheat farmer receives only about 2½ cents.

The price of meat in October, according to the Bureau of Labor Statistics, was practically the same as it was in June. Corn on June 15 was selling for $1.36, and on November 15 it was selling for $1.37.

That refers, of course, to the price at the farms. The statement continues:

It is quite clear that the farmer during the last 6 months has been getting approximately the same price for his produce, but he has had to pay higher and higher prices for what he buys, and as soon as the prices move up a bit, because of the upward movement of nonagricultural prices—

And that is the parity formula to which the distinguished Senator from North Dakota was referring—

the farmer and the farm lobby is held to be the chief scoundrel.

The act and the agricultural commodity price control provisions are the best and the fairest the committee could devise in the short time the committee had to act before the end of the last session. I would be the last one to say they are perfect. But I do say that if inflation has taken place, and it has, it is not because of the Defense Production Act, or because of the agricultural commodity price control provisions of the act.

I thank the Senator from North Dakota for having permitted me to read that statement.

Mr. YOUNG. Mr. President, I should like to read a brief statement from a report of the Bureau of Agricultural Economics of the Department of Agriculture, issued last September. It is as follows:

The Bureau of Agricultural Economics of the Department of Agriculture reports that whereas in 1947 the wheat farmer received 3 cents out of a loaf of bread selling for 13 cents, his return in 1949 was only 2.4 cents from a loaf selling for 14½ cents.

In other words, when the price of wheat went down, the price of bread went up.

I should like to have the distinguished Senator from South Carolina, who is chairman of the Committee on Banking and Currency, which handled the price-control legislation, comment on this statement by Drew Pearson, if he will:

In brief, Di Salle has no power whatsoever to control the price of grain or any food made from grain.

I wonder whether that is a correct statement, in the opinion of the Senator from South Carolina.

Mr. MAYBANK. Mr. President, I do not desire to get into an argument with anyone, but I do want it distinctly understood that the Senate of the United States voted for the defense production bill, and it was my understanding that it was a fair bill, a bill that would be fair to business, fair to labor, and fair to the farmer. Whatever may be the reason for the current inflationary forces I see no reason to blame a farm lobby or farmers, for it has not been the prices of agricultural commodities that have gone up so much, but the prices of hundreds of other nonfarm commodities.

Mr. YOUNG. In other words, the stabilizer of prices can then control the prices of meat, which is derived from grain, as well as the price of bread and other commodities; is that correct?

Mr. MAYBANK. In my judgment, he can control whatever prices he wants to control.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. YOUNG. I yield to the Senator from Vermont.

Mr. AIKEN. I may say to the distinguished Senator from North Dakota that the reason some people think that the price control administrator has no authority to control the prices of farm commodities, and particularly of grains, is that most commodities, and with but few exceptions, are still selling below the minimum price ceiling permitted by the law which was enacted last fall. So long as farm commodities are selling at low prices, prices out of proportion to those which prevail in the case of other commodities, the Price Administrator would have no authority to regulate the prices. But I believe that when the prices rise to the minimum ceilings permitted by the law, the Price Administrator would then have authority to prevent their getting out of line. I should like to ask the Senator from North Dakota whether that is not true?

Mr. MAYBANK. Mr. President, if the distinguished Senator from North Dakota will yield, let me say that I agree with the statement of the Senator from Vermont, but, as I was saying to the Senator from North Dakota and as I now say to my good friend from Vermont, there is no good reason for anyone to say we cannot control the price of bread because we cannot control the price of wheat. The Senator knows that the price of wheat has gone up scarcely at all, though the price of bread has risen.

Mr. AIKEN. The Senator from South Carolina may be entirely correct about that, but the prices of farm commodities do not come under the jurisdiction of the stabilizer of prices until they reach the minimum levels, and many farm commodities are still selling so low that, contrary to public belief, they have not yet reached even the minimum limit.

Mr. MAYBANK. The distinguished Senator from Vermont, the former chairman of the committee, has stated the point correctly. Would it be fair to freeze an agricultural commodity price if it was much below parity?

Of course, the committee did not do such thing as to freeze or to suggest that the prices of commodities should be away below parity.

Mr. AIKEN. It is very obvious that other costs and profits entering into the picture are what the consumer finds so high. The price is still well below parity, but the cost of labor and transportation and, in many cases, margins of profit have risen so that consumer costs have become quite high, and there is a tendency, as usual, to blame the farmer for it.

Mr. MAYBANK. I think the Senator from Vermont will agree with me that the farmer has not received the benefit.

Mr. AIKEN. That is correct.

Mr. THYE. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. THYE. Mr. President, on the day on which the retail market in Washington quoted eggs at $1 and more in the Washington markets I called a produce buyer in central western Minnesota and asked him what he was paying for eggs on that day. He was purchasing approximately 90 percent of the eggs he was receiving directly from the producer and the other 10 percent came from some buyer of eggs. On that day eggs were 64 cents for the grade A variety, and the price had just risen because of the rise in the general market price in the eastern area of the United States. The price on that day was $1.04 a dozen in the Washington retail market. The price of the second grade of eggs in Minnesota was approximately 10 or 12 cents a dozen less, which would make the second grade of eggs about 52 cents a dozen. The smaller eggs were priced at betweeen 20 or 24 and 30 cents a dozen to the producer. They were small eggs, pullet eggs, and the so-called dirty eggs.

Mr. President, I went into a retail market in Washington, not in the downtown section, but in the outer edge of the city, and bought ordinary groceries, such as breakfast food, bread, and butter, and I remarked to the clerk, "My, these prices are high." He immediately said, "It is the farm price-support program that makes all foods higher in price."

I said, "Are you familiar with what the farm-support program does?" He said, "Yes. It freezes the prices at this high level."

I said, "How much has the farm-price support program affected the price of bread?"

He said, "Tremendously."

I said, "Young man, before you talk like this and confuse the poor housewife who buys groceries, you had better check on the law and find out what it requires and just how it does affect the commodities which the housewife buys for her necessary food."

The fact is, Mr. President—and the only reason I make mention of it is that in every food market reference is made to the price-support program as being the factor which has made the costs of food so high—there comes a time when we in Congress, as has been so ably done by the Senator from North Dakota [Mr. YOUNG] and by the chairman of the Banking and Currency Committee [Mr. MAYBANK] this afternoon, should shed light on the true facts in order that the housewife may have her fears somewhat allayed. It is not the farm program which is causing the higher food costs; it is oftentimes the excess profits which are taken, and it is a monopoly, rather than the farm price-support program which is causing it.

Mr. YOUNG. The Senator is correct. I do not know of a segment of our economy which has had more misinformation put out about it than have the farmers of this Nation. It is a pity that the people of this great Nation do not have more accurate information regarding its great agricultural economy. There are many sensational stories unfortunately carried in prominent magazines, most of which are not based on facts at all. That is the case with this Drew Pearson article and those of many other columnists.

Mr. President, I should like to read from the Bismarck Tribune of December 14, 1950, the cash grain quotations of that date as follows:

No. 1 wheat was selling at $2.02 a bushel. After the close of the war wheat was selling for something over $3 a bushel. That means a drop in price of a dollar a bushel.

Barley was selling for 93 cents a bushel. For months after World War II barley was selling at double that amount.

Oats were selling at 70 cents a bushel in Bismarck. After the war, for a year or more, the price was approximately double that amount.

Rye was selling on December 14, 1950, at $1.32 a bushel.

Flax was selling at $3.47; only 2 years ago it was about twice this price or more than $6 a bushel.

During the same period in which farm commodity prices have dropped, farm machinery costs went up 25 or 30 percent and more. The price of automobiles has gone up probably 25 percent or more. The price of gasoline, the price of clothing, and the price of everything which the farmer has to buy have increased. The farmer has taken the rap for 4 years in succession, and all these publications are bound to keep on giving this misinformation to the people of the United States.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. YOUNG. I yield.

Mr. MAYBANK. The farmers do not advertise in the newspapers and magazines, do they?

Mr. YOUNG. No; unfortunately, they do not. I have often wished that the farmers would spend a little money in presenting the true picture to the American public by way of radio programs and newspaper publicity.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. LANGER] has the floor.

In order to keep the RECORD straight, unanimous consent has been requested by the Senator from North Dakota that he be permitted to yield indefinitely to the Senator from Wisconsin [Mr. MCCARTHY] for the purpose of making a speech, without the Senator from North Dakota losing his right to the floor.

Is there objection? The Chair hears none, and it is so ordered.

DAVID KARR AND DREW PEARSON

Mr. MCCARTHY. Mr. President, I have a file which I desire to insert in the RECORD today, containing photostats of the so-called Karr report, via the Executive Director and Chief Examiner of the Civil Service Commission, dated June 25, 1943. Before doing so, however, I should like to mention the fact that last week I discussed on the Senate floor the service being rendered to the Communist Party by a radio commentator named Pearson. I pointed out that his collaborator and the man through whom he receives orders and directions from the Communist Party is one David Karr, who was and is a very active and important member of the Communist Party.

Pearson, as was to be expected, immediately denied Karr's membership in the Communist Party. He made a statement to the effect that if Karr is a Communist, then the Washington Monument is a hole in the ground. Lest there be any doubt about this particular phase of the Pearson case, I am today reading into the CONGRESSIONAL RECORD the opinion rendered to the Civil Service Commission from the office of its Chief Examiner. That report should require no comment. Please keep in mind that this is one of those secret reports never supposed to come to the eyes of the American people. I assume Mr. Pearson did not know we had this report when he denied Mr. Karr's membership in the Communist Party.

I believe I fully covered a few days ago the important connection between David Karr and Drew Pearson. As I pointed out at that time, David Karr is the connecting link between Drew Pearson and the Communist Party. He is the man who assigns to Pearson the important task of conducting a character assassination of any man who dares to stand in the way of international communism.

As I pointed out the other day, the first major task which Pearson and his cabal had was to destroy Chiang Kai-shek. The next was to destroy Forrestal. The job now assigned to them is the destruction of Gen. Douglas MacArthur. They are doing that job with the same viciousness, degeneracy, and lack of adherence to the truth that he and his group have always folowed.

Let me read to the Senate the secret report of the Civil Service Commissioner at the time David Karr was working for the Government. Prior to that time he had been working in the Office of War Information, either under Mr. Lattimore, in the western portion, or under Mr. Joe Barnes, who was in the eastern portion. I do not know which. I think Senators are acquainted with the record of Lattimore. Mr. Joe Barnes also has been named as an active member of the party.

Subsequently Mr. Karr applied for a job as senior liaison officer, CAF-12, $4,600 a year, in the Office for Emergency Management.

I read from the report:

STATUS OF KARR CASE

Mr. David Karr was appointed senior liaison officer, CAF 12, $4,600, Office of Facts

and Figures, Office for Emergency Management, February 5, 1942, subject to investigation.

Mr. Karr has no pending eligibilities or applications and his case has been returned without fingerprint clearance.

Investigation was conducted by the Federal Bureau of Investigation in March, April, May, and June, 1942.

I wish Senators would keep in mind that I am reading from the report of the Office of the Executive Director and Chief Examiner of the Civil Service Commission. I continue:

Additional investigation was conducted in April, 1943, by the Federal Bureau of Investigation, because Karr was the subject of complaints coming within the purview of Public Law 644, of the Seventy-seventh Congress. He was interviewed twice in connection with this investigation. The first time was on April 21, 1943, and again on May 10, 1943.

In his application, executed January 31, 1942, Mr. Karr stated he was born in New York City August 24, 1918, attended grammar school from 1924 to 1931; high school, 1931 to 1936; new school for social research from February 1937 to June 1937, and has been attending George Washington University since September 1941.

He lists his employments as February 1935 to January 1938 World-Telegram, reporter, paid by assignment on space basis, etc.; June 1937 to January 1938, New York Daily Mirror, reporter, paid by assignment on space basis, etc.; January 1938 to March 1938, salesman Fuller Brush Co.; November 1937 to January 1938, H. M. Manheim, office boy; April 1938 to January 1940, the Hour, investigator analyst, writer on foreign propaganda and subversive activities in the United States; August 1939 to present, Trans-Radio Press, reporter, rewrite desk man, and assistant to publisher.

David Karr has had considerable background experience as a newspaperman, doing investigative work. Thirty-five witnesses, including 12 FBI agents and confidential informants testified in this matter. Some of the witnesses expressed opinions favorable to Karr and others expressed opinions unfavorable. It is unnecessary to consider the opinion testimony, in view of the uncontroverted facts adduced in this case. The opinion testimony adds nothing to nor does it take anything from Mr. Karr's record of activities as either admitted by him or clearly proven by the testimony of FBI agents and informants.

The various FBI reports on David Karr are summarized as follows:

It must be kept in mind that this is not my summary. This is the summary from the Office of the Chief Examiner of the Civil Service Commission. I continue:

While working for the Fuller Brush Co. in and around New York, David Karr formed a close association with the Communist Party, joining it before he was hired by the Communist organ, the Daily Worker. The Daily Worker is the Communist paper which goes generally to all members of the Communist Party and whoever else cares to subscribe. Mr. Karr admitted to several FBI agents and informants that he was doing rewrite work for the party organizer.

I call attention particularly to this part:

The party organizer is the most confidential of all publications of the Communist Party. It is printed for and issued to only those who are high in the ranks of the party and it contains the latest instructions and decisions of the Communist Party.

That is the FBI analysis of this organ. I continue to quote:

Anyone doing rewrite work for the party organizer was of necessity a trusted and powerful member of the Communist Party. Mr. Karr had intimate contact with the high authorities of the Communist Party.

If I may stop quoting for a minute, I should like to call attention to this very important matter. Senators have in mind that if they wish to subscribe to the Daily Worker they can do so, and it will be sent to their home. However, no Senator may subscribe to the party organizer. According to the FBI report, that is the most confidential of all publications. It contains instructions to the top hierarchy of the Communist Party. Therefore, when a man is doing rewrite work for the party organizer, he is the last word on the directions and instructions going out in this top-secret publication to the members of the Communist Party. I am reading from the report of the chief examiner, saying that that was the task of Drew Pearson's chief collaborator, David Karr.

Going back to the report:

While he makes no mention of it in his application, Mr. Karr was doing work intermittently for the Daily Worker in 1937–38–39, at which time he was a member of the Communist Party. Each member of the staff of the Daily Worker had to be a member of the Communist Party. Mr. Karr also wrote articles for a magazine called Fight, which was published by the League for Peace and Democracy, which was heavily infiltrated and controlled by members of the Communist Party. Mr. Karr was also a member of the Mirror Unit of the Communist Party, at which time he informed an FBI undercover agent that he had inside tips on the Hearst organization, which he furnished to the party and that he wrote under another name when he wrote articles exposing the Hearst organization.

Mr. Karr was militantly and vociferously against United States intervention in the war until Hitler invaded Russia, after which time he adopted the party line and just as vociferously urged immediate United States intervention in the war.

David Karr was active in the formation of a victory council, sponsored by the Office of War Information. He succeeded in having a very heavy Communist representation on that council. He was also active in assisting the Communist Party to form a united front with several groups which the Communist Party had not in the past been successful in infiltrating and dominating.

The FBI reports also show that while working for the Daily Worker, David Karr freely admitted he was a member of the Communist Party. Mr. Karr was also connected with the Hour, which was headed by Albert E. Kahn, who was also a member of the Communist Party. The Hour had a very definite Communist background.

Mr. Karr wrote vigorous attacks upon the head of the Un-American Activities Committee, referring to the committee's work as "witch hunting" and "a danger to America." He referred to Congressman Dies as a "Witch-Finder General" and "the long-legged southern congressional rabble-rouser."

Mr. Karr did considerable lecturing along the Communist Party line, some of which was under the sponsorship of a Mr. Lowell Wakefield, a reporter for the Daily Worker, who was also a member of the Communist Party. He collaborated on a number of writing jobs with a Mr. Spivak, a well-known Communist writer, and with Mr. Wakefield.

When interviewed on July 14, 1942, David Karr stated that when he lost his job with the Daily Mirror he made contacts through the left wing section of the Newspaper Guild and Lowell Wakefield, a Communist reporter of the Daily Worker, who introduced him to a Mr. Spivak, a well-known Communist writer, and that the three of them "did a number of jobs together"; that Wakefield hired him to write articles, among them one on Martin Dies, head of the Un-American Activities Committee.

That, incidentally, is not Larry Spivak, of Mercury.

These are the admissions of Mr. Karr when he was interviewed:

This article was very critical of Congressman Dies. He stated that he was not a member of the Communist Party or the Young Communist League. He claimed that he wrote expositions of the Communist movement in this country, but when asked to produce the same was unable to do so. He admitted having attended meetings of the Young Communist League, but stated he attended less than half a dozen. He also admitted attending meetings of the Communist Party, but stated he did not attend as a member, but as a reporter of the Daily Worker.

I suggest to members of the press who are not members of the Communist Party—and that includes all I can see present, I believe—that they try to attend a meeting of the Communist Party as reporters, and see where they get.

He further admitted that he had lectured at meetings of the League for Peace and Democracy and that he knew it was Communist controlled and also that he had written for the league's magazine Fight. He stated that the League for Peace and Democracy invited him to become public relations director, but he did not take the job.

This is the conclusion of the chief examiner:

On the entire record, it is concluded that the activities, affiliations, and associations of David Karr, as shown by the Federal Bureau of Investigation's reports and the Commission's hearings, are communistic, and a finding of ineligible is considered necessary in this case. It is recommended, therefore, that Mr. David Karr be rated ineligible for the position of senior liaison officer; that he be barred for the duration; and that his immediate removal from the service be requested.

The date of this report is June 25, 1943.

Mr. President, I should also like to quote from the testimony before a subcommittee of the Senate Committee on Immigration and Naturalization, of Howard C. Rushmore, who is presently on the editorial staff of the New York Journal American. I may say that to the best of my knowledge Mr. Rushmore is one of the most truthful witnesses with whom I have had contact. Rushmore testified that he had been on the staff of the Daily Worker, which is the official organ of the Communist Party. He also testified that he had been a member of the Communist Party for 3 years, from 1937 to 1939, inclusive, and that prior to that time he had been a member of the Young Communist League; that while a member of the Young Communist League he was managing editor

of their publication, known as the Young Worker.

On page 798 of the hearings, Rushmore testified as follows:

Question. Does the name, Dave Katz, mean anything to you?

Answer. I knew a person by the name of Dave Katz when I was on the Daily Worker. In fact, I used to give him assignments. He, at that time, was working on one of the New York non-Communist papers and he had to show me his party card to get these assignments. Anyone working for the Worker, even on that basis, had to be a member of the Communist Party. I believe that Katz later became a leg man, as we say, or a reporter, for Drew Pearson. At the time I knew him he was a Communist.

Question. What name does he go under now? Do you know that?

Answer. I believe he uses the name of Karr.

Last week in discussing the extent to which the voice of this political terrorist and character assassin, Pearson, has been damaging America and helping the Communist cause, I pointed out that the Adam Hat Co. is presently responsible for poisoning the air waves with this voice of international communism; that the Adam Hat Co. is responsible for poisoning the well of information from which the families of millions of Americans drink. The Adam Hat Co. made an unusual answer. They said, "We are paying him, keeping him on the air, bringing him into millions of homes, but we are not responsible for what he says."

That defense is, of course, ridiculous to the point of being ludicrous. It is about the same as paying for huge ads in the Communist Daily Worker and having it sent into every American home, then saying: "Oh, but we are not responsible for what this Communist paper says."

The American people will not be fooled by this phony, senseless excuse. The truth is that Drew Pearson, under the directions of David Karr, of the Communist Party, would not be pouring his poison into millions of American homes every Sunday, if the Adam Hat Co. did not hire him and pay him to do it. He is in their employ. They do not have to hire the Karr-Pearson voice of communism; they could hire some voices of and for America.

The Adam Hat Co. might well take a lesson from the Canadian legal profession, which recently barred Communists from their legal organization on the basis that the Reds were unfit company for decent men and women. They did not want Communists or their propaganda peddlers representing them.

There is an old American saying to the effect that an honest, independent citizen never wears another man's hat. We should remember this today and refuse to touch anything stained with the Soviet foulness that comes from Pearson and Karr. These two are the grease-monkeys of the Communist conspiracy that is trying to conquer us. Everything they touch is smeared with the filth of their hands. The blackness of their lies is mixed with the blood shed by American boys, who are the real victims of the Communist conspiracy which Pearson and Karr continuously promote in America—bought and paid for by the Adam Hat Co.

Mr. ANDERSON. Mr. President, will the Senator from North Dakota yield to me?

Mr. LANGER. I yield.

Mr. ANDERSON. Since at the conclusion of the address of the junior Senator from Wisconsin last week I had a word or two to say about David Karr, I desire to say a word now, not with the intention of trying to engage in controversy, but solely to explain that Mr. Karr's name came before a select committee of the House of Representatives chosen from the membership of the Appropriations Committee. The House of Representatives was steadily being torn to pieces by Members rising every time an appropriation bill was about to pass and moving that no part of the funds appropriated by the bill should be used to pay the salaries of certain persons, and then reading a full list of those whom the Dies Committee had charged, in the particular division of government whose appropriation was being considered, with being Communist sympathizers or members of the Communist Party. There would be a long argument about it, and the House was unable to transact business.

The problem was solved, I think to the satisfaction of the House, by the suggestion that the then chairman of the Appropriations Committee [Mr. CANNON] of Missouri, and the ranking Republican member [Mr. TABER] of New York, select five Members in whom they both had confidence, and empower those five men to conduct an investigation of the charges to see if there were names which should be stricken from the payroll. Judge Kerr of North Carolina was selected as chairman of that committee, and I was selected as one of its members. We certified to the House of Representatives the names of certain persons who we felt ought to be left off Federal payrolls. In addition to that, suggestions were made to members of various departments. While the record was not particularly clear in certain cases, it was of a nature that would certainly indicate that the person might very well not be employed.

I must say that in the case of David Karr nothing like the testimony which the Senator read to the Senate was presented to the committee by the FBI. There was nothing that I saw—and I believe my memory is reasonably good—in the FBI report that even approximately approaches what has just been read.

Mr. McCARTHY. Mr. President, will the Senator yield for a minute?

Mr. ANDERSON. Yes.

Mr. McCARTHY. If the Senator from New Mexico had had in his possession the photostats which I will be glad to hand him, photostats of the recommendation of the chief examiner for the Civil Service Commission; if he had had before him the testimony which is set forth in this report which I hold in my hand—a report, the Senator understands, not prepared by McCARTHY, but prepared in the office of the chief examiner of the Civil Service Commission, then certainly he would have recommended that David Karr's name be removed from any Federal payroll, and that he be removed from any Federal job? Am I correct?

Mr. ANDERSON. No, not necessarily because——

Mr. McCARTHY. Oh, well, then——

Mr. ANDERSON. Let me explain that, if I may. In every FBI report I saw there were both sides of every question. There would be one line of witnesses who almost without exception would say that they saw this man going in and out of Communist meetings. "We have seen him steadily engaged in this sort of activity." Then further along would be a long series of careful investigations by the FBI pointing out that there was in their opinion no truth in the charge that he had been a member of the Communist Party. I am not trying to say that there was anything of that nature in the file of David Karr, because I recall nothing of that nature. I merely point out that with all this information in front of the members of the committee, David Karr was subsequently certified as eligible for Federal employment.

Mr. McCARTHY. Mr. President, will the Senator yield again?

Mr. ANDERSON. After I finish one brief statement.

I am trying to explain to the junior Senator from Wisconsin that I am not endeavoring to discuss the controversy at issue. I do not know the facts at this late date. I went over the Karr case in 1943 or 1944. I went carefully into a great many cases and at that time read files long into the night for weeks and months at a time, and I make no pretense to being able to remember what was in every file.

Mr. McCARTHY. May I ask the Senator from New Mexico this question? If he had had before him at that time this report in which appears the fact that Karr admitted to a man within the Bureau, first, that he worked for the Daily Worker—and it must be remembered that in order for one to work for the Daily Worker he must be a Communist; second, that he worked for the party organizer as a rewrite man; if the Senator had had before him the report which shows that Karr admitted that he had attended meetings of the Communist Party; that he had joined the Young Communist League; that he had admitted considerable lecturing along the Communist Party line, some of which was under the sponsorship of Lowell Wakefield, and had collaborated on a number of writing jobs with Mr. Spivak, both well-known Communist writers; if the Senator were to find that Karr had admitted having been given the task of smearing Martin Dies, head of the Un-American Activities Committee—if the Senator knew he had admitted all that, would not the Senator have believed that this man, regardless of how many persons said he was a nice young man, under no circumstances was qualified to work for this Government?

Mr. ANDERSON. Mr. President, I did not so understand the testimony that was read. I thought it was a statement by an examiner of the Civil Service Commission that one FBI agent had testified that he had received certain information. I should want to read the whole file before passing judgment on it. That is all I say. And when one reads the whole file one may get another impression.

For example, this is close to Christmas, and I know everyone would like to do something nice for the American Red Cross. Mr. David Karr has addressed to me a letter under date of December 18, thanking me for the few brief words I put into the RECORD, and then says with reference to the charges made against him: "(1) I will pay $10,000 to the American Red Cross, or any other charity he"—meaning the Senator from Wisconsin—"designates, if he can prove I was ever on the staff of the Daily Worker for 2 minutes, let alone 2 years."

I think there is a chance to pick up $10,000 of easy money for the American Red Cross, and so far as I am concerned, that would clear up the situation.

Mr. McCARTHY. May I ask the Senator from New Mexico, would it satisfy him if he knew that Karr worked for the Daily Worker? Would it satisfy the Senator if we had Karr's employer, Howard C. Rushmore, come over here and swear under oath, as he has, that he employed Karr, "and I could not have employed him unless I had seen his party card"? Would it satisfy the Senator if in addition to that the Senator had in his hand page 5 of this secret report in which it appears that when interviewed by the Civil Service Commission on July 14, 1942, Mr. Karr admitted that he was a reporter, that he worked for the Daily Worker, and admitted that he attended Communist meetings? He, of course, said he was not a member of the party; that he merely went to the meetings as a reporter, but he admitted that he attended meetings of the Young Communist League. Would it satisfy the Senator if in addition to that he had in his hands reports to the effect that Karr admitted that he was a rewrite man for the party organizer? Is there anything further I can do to qualify the Red Cross for that $10,000? Must I have his picture receiving the party card——

Mr. ANDERSON. No.

Mr. McCARTHY. What more can we show than his own admission to the Chief Examiner of the Civil Service Commission that he is a Communist? He is not only a Communist but he is high in the Communist Party organization. I ask the Senator what more proof I can give him?

Mr. ANDERSON. I tried to answer that; that is to see all the evidence, when the FBI file is not here, sir. The Civil Service file is not here. If all the FBI file or all the Civil Service file were here, that would reveal why the Civil Service Commission listed him eligible for Federal employment. That is what I am trying to say.

Mr. McCARTHY. Mr. President, will the Senator yield for one more question?

Mr. ANDERSON. I am glad to. First, I will say I have tried my very best to state that this is a matter upon which, some years ago, I spent weeks and months, to the detriment of my health, and I do not intend to spend additional weeks and months upon it to the detriment of my health. I only was trying to explain how it was possible for a group in the House of Representatives, presented with certain information, to decide that there was nothing quite so bad about this young man as had been represented by witnesses. I am not trying to go into all the material the Senator from Wisconsin presents. I am not going to be qualified to pass upon it, and I do not desire to pass upon it. I only say that every time one of these cases came in I spent hours trying to study the information, and the only cases that we certified—we would have certified more of them if the matter had continued—were the Dodd, Watson, and Lovett cases. Now it comes down to some very fine hair lines. I admit that the line between Goodwin and Frederick Schumann was very close. Yes, the committee, Republicans and Democrats alike, cleared Frederick Schumann by unanimous vote and we condemned Goodwin Watson by unanimous vote, Republican and Democrats alike.

Mr. McCARTHY. Mr. President, will the Senator yield for two more questions?

Mr. ANDERSON. I yield.

Mr. McCARTHY. First with relation to Frederick Schumann. Was the Senator aware at the time he cleared Frederick Schumann that Frederick Schumann had belonged to 35 organizations which had been officially labeled either by the Attorney General or by a congressional committee as front-support organizations doing the work of the Communist Party? Was the Senator aware of that, No. 1? And, No. 2——

Mr. ANDERSON. Yes; and not only was I aware of that, but the Republican members of the committee were aware of it when the matter was presented to the leading members of the Republican Party of the House of Representatives, including JOHN TABER, who is as far from the Communists as anybody could ever be. I was aware of it.

Mr. McCARTHY. One more question. The Senator is talking about this investigation of Karr. Did the Senator ever see the complete FBI files on David Karr?

Mr. ANDERSON. I think not.

Mr. President, I have read through the letter from David Karr to me. I do not think it says anything in an unkind fashion toward the junior Senator from Wisconsin. If it had, I would not want it printed in the RECORD, because I do not think it is proper so to use the CONGRESSIONAL RECORD.

Mr. President, I ask unanimous consent to have the letter printed in the RECORD at this point. I will say to the Senator from Wisconsin that if there is anything in it which he thinks in any way is a reflection on him, I want that taken out, because I do not wish to use the CONGRESSIONAL RECORD as a medium of talking about my fellow Members of the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. McCARTHY. Mr. President, reserving the right to object, although I shall not do so, let me say to the Senator that I have been called rather descriptive names on the floor of the Senate. If one or two more are added in that letter, they will not bother me at all.

The PRESIDING OFFICER. Without objection, the letter will be printed in the RECORD.

The letter is as follows:

NEW ROCHELLE, N. Y., *December 18, 1950.*

Hon. CLINTON P. ANDERSON,
United States Senate,
Washington, D. C.

DEAR SENATOR: I have noted in the CONGRESSIONAL RECORD your gracious reply to Senator MCCARTHY's statements concerning me. I well recall the fair-minded way in which you disposed of these charges after careful investigation by the Kerr committee, of which you were a member in 1943. At that time, every statement now reechoed by the Senator from Wisconsin was fully answered. As I recall it, the full records of the Un-American Activities Committee, the FBI, and the Civil Service Commission were placed at your disposal. The full security clearance you gave me further stimulated my eagerness to work for the democratic process.

As to the Senator from Wisconsin's rehash:

(1) I will pay $10,000 to the American Red Cross, or any other charity he designates, if he can prove I was ever on the staff of the Daily Worker for 2 minutes, let alone 2 years.

(2) In 1938 I wrote a number of articles on Nazi activities in the United States. As a free-lance writer I sold these wherever I could. Several appeared in The Fight and several in Equality. They attacked the German-American Bund and the Ku Klux Klan. As I recall it, a number of prominent writers, including Members of Congress, Dorothy Thompson, Mrs. Franklin D. Roosevelt, and many others wrote for these magazines at the same time. It was not until several years later that it was revealed that these magazines had been converted into Communist-controlled fronts. I had long since severed my association with them.

On Friday, I challenged Senator MCCARTHY to repeat his charges off the floor without immunity so that they could be tested in the courts. It seems to me that an attempt to hash over these discredited charges, item by item, in these critical days is a waste of the United States Senate's valuable time. As for my own situation, I believe it would best be handled in the courts. The greatest service that could be done for me at this time, while at the same time serving the best interests of the Senate and the Nation, would be to get MCCARTHY to meet me in court.

Very sincerely yours,

DAVID KARR.

THE DENAZIFICATION PROGRAM

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. LANGER. Mr. President, yesterday afternoon I went fully into the proposition that the situation in Europe is much worse than the situation in Asia, and much more dangerous to the people of the United States. I base that statement upon the investigation I made personally when I went abroad with groups associated with the military or with some of the Government departments.

In my remarks yesterday I took up the matter of denazification. I showed how, following the war, under the American policy, every engineer, every scientist, and every school teacher was barred from employment in the American zone. I showed how Russia promptly hired them. I said that at that time the feeling of the German people was that they wanted nothing to do with rearmament, chiefly because of the difference between the way they were treated at the end of the war by the United States and the way they were treated at that time by the

Russians. I showed that when the American troops entered Germany, they were hailed by the German people as their liberators and their friends, but thereafter the German people were amazed at the treatment they received.

At this time I particularly wish to take up the matter of denazification. Again I wish to make it plain that I am not talking about the first trial, where Goering and the other leaders were tried, because they were tried by an Allied court. I am referring to the millions of German people who were tried by American courts, with American prosecutors, under laws written by Americans.

Yesterday, in the course of my remarks, I made it plain that those laws were ex post facto laws. I shall take a few minutes today to inform the Senate of the attitude of the German people in regard to that denazification program.

Among the policies which have damaged the interests of the United States, the denazification program is in my opinion the very worst. Instead of limiting denazification to the active and evil participants and beneficiaries of the Nazi movement, we indiscriminatedly penalized every German, whether his membership was active or merely nominal. In other words, during the Nazi regime, if a child wanted to go to school, that child had to join the Nazi Party.

If denazification had been used for the proper purpose—that is, to free the German people from the spirit of injustice and ruthless power—it would have served to reconstruct good will for us in Germany. It must be borne in mind that there were many opponents of Hitler, that many men had suffered and died for their opposition to Hitler. The emigrants in New York, who from a safe distance denounced the cruelty and injustices of the Nazis, were not their only opponents. There were many decent and courageous men who remained in Germany and did what they could to oppose. These men welcomed the entry into Germany of the Americans. They welcomed our troops as friends, as liberators. They were men of justice and good will who did not want to see hate and injustice of the victors replace the hate and injustice of the Nazis. These men approved denazification in principle as a desirable goal; but they deplored denazification as practiced, because they saw that it was accomplishing the very opposite of what was intended. They saw that the law was in error, that it was written in a spirit of hate and revenge by persons who were interested in paying off personal scores, rather than in reconstructing German society. These men deplored the broad basis of the law as a result of which about one-third of all German adults were made criminals, directly or indirectly affected by the law.

Mr. President, at this time I wish to call attention again to the fact that a number of Communists, some of whom had worked in the United States for the Daily Worker, and belonged to the Communist Party in the United States, simply changed their names and were put on the payroll of the United States Government as persecutors and prosecutors in some of those trials.

In my remarks on yesterday, I referred to my resolution calling for the production of the payrolls in order to make it possible to show what men received pay from the United States Government for their work in the denazification program. I wish to have the payrolls produced before the committee, so that it can ascertain how many of those men were Communists and were working for Joe Stalin, in an attempt to discredit our Government in Western Germany.

I repeat, Mr. President, that under the denazification law about one-third of all German adults were made criminals, and either directly or indirectly were affected by that law.

The law included a presumption-of-guilt provision, which automatically resulted in having the accused immediately barred from his usual line of work, in addition to other serious consequences. Of course, the law also included an invention of the Kremlin, which makes persons liable for opinions and acts at a time when they were not forbidden. Although the western civilized nations had wisely forbidden ex post facto laws, the zealots responsible for the denazification program included such a provision. Thus, these newly made citizens, most of them of German origin, now saw a chance for revenge and the exercise of hate. All that was done in the name of America, for the purposes of teaching democracy to the Germans. Denazification was planned and carried out by the same leftist group here in Washington and in Germany which invented the Morgenthau plan. In Germany the program was carried out chiefly by Communists whom the United States had put in power. Those Communists openly boasted that denazification was intended as a means of changing property ownership. For that purpose they even instituted denazification proceedings against men who had died years before. Of course, only "dead Nazis" who had left some property were subject to denazification proceedings. The dead men could easily be found guilty, and the property they had left could be taken as a fine. Nazis who had died poor were left in peace.

Denazification proved a perfect measure for enlarging the political power of the Communist Party in Germany. Remember, Mr. President, that our military government made the Communist Party legal, in addition to placing many Communists in good Government jobs. Every denazification board had at least one Communist Party member.

That is the way America has acted over there. Now the German people are being called upon to be willing to fight. It is any wonder that in the elections held 3 weeks ago last Sunday in Württemberg, Baden, and Hesse, and in the election held a week ago in Bavaria, the German Social Democrats won by overwhelming majorities.

Former Nazis, whether nominal or active members, were approached and told that they would have no trouble—if they joined the Communist Party. Men holding small jobs, who had been compelled to become Nazi Party members merely to hold their jobs, were forced to become Communists, again merely so that they could hold their jobs. Little men, plain workers of the railroads, and so forth, were ousted from their work automatically because they had been party members, only to see to their chagrin that their boss who had made them join the Nazi Party was now still on the job, because—through pull, or otherwise—he could prove he had never been an active Nazi. Graft was rampant. The poor, if they did not join the Communist Party, had to pay a fine and were suspended from their regular work for varying periods, while those who could pay enough had their cases postponed and, after sufficient delay, they were quietly dropped or dismissed with very light penalties.

All German doctors, lawyers, teachers, and professional men necessarily belonged to professional groups, just as our lawyers and doctors belong to bar and medical associations. All such associations were automatically taken over by the Nazis. Thus doctors, lawyers, teachers, and other professional men automatically became nominal party members without being asked whether they liked it or not. The denazification law automatically barred these men from their work. They had to support their families as common laborers, if they were lucky enough not to be arrested. Thus we find those scientists and school teachers in the American zone of occupation digging ditches.

Our bright boys responsible for this program also had invented automatic arrest. This means that anyone accused would automatically be arrested and would then be held for varying length of time in prison or detention camps, until he could find out why he was arrested, and perhaps disprove the charge. Some men were held for as long as 2 years. In one case a woman teacher was arrested, held in prison for 6 months, and then released with the statement written on her discharge, "promoted during Nazi regime," as the reason for her detention. Collective guilt was the rule.

The very people who now complain about guilt by association under our new Security Act were the ones who approved guilt by association when they had the power in Germany. It mattered little why anyone had joined the party. All were put in the same class, and all were penalized. Lawyers who returned after 4 and 5 years service in the army were, upon discharge as prisoners of war, arrested as former Nazis, forbidden to engage in legal practice, and otherwise humiliated. Is it any wonder that these men today say "No" when we ask them to again take arms for the defense of the west? Scientists were barred from their jobs. Their families hungered. Their funds, if they had any, were blocked. They were ousted from their homes. While this was going on, the Russians opened research projects, offered well-paid jobs to these unemployed scientists, and gave them extra food packages. It must be borne in mind that in those days we were anxious to get on our side scientists who might contribute, or have knowledge of subjects related, to the atomic bomb. We all remember that our atomic bomb project was very secret.

Yet here our zealots were driving to the Russian side the very scientists who could have worked for us.

While we were teaching the American way of life to the defeated Germans and asking them to learn better ways from our lectures, we were imprisoning Germans merely for their opinions, and this was done by men who were at the same time preaching the superiority of a country which makes freedom of opinion one of its basic principles. These men were accused of crimes which were never crimes when committed. They were told that having joined the party was a crime. Over here, as part of our war program, we compelled every working man to join a labor union. Over there we penalized German workers because they had belonged to the German labor front, the one big labor union to which all German workers were compelled to belong. And then we committed the crowning injustice of enacting ex post facto laws in the name of democracy, though our Constitution expressly forbids ex post facto laws.

Why was all this done? It was done as part of a deliberate policy to prevent the Germans from becoming too friendly to the Americans, so that the Germans might not some day fight alongside the Americans against the Russians. All these apparent mistakes were not mistakes. They were part and parcel of a plan to create a gulf between the decent Germans and the Americans. It was done by a crowd of leftist refugees and pro-Communists, who had obtained important positions in Washington. The program was planned and carried out by our intellectual leftists. That is why they so enthusiastically approved it in the press and so strenuously objected when suggestions were made to modify the severity of the denazification program. That demand was made upon this floor time and time again, and, therefore, I believe every Senator ought to be interested in the adoption of an appropriate resolution and in an investigation being made, so that the names of the Communists and pro-Communists who are on the payroll of the Federal Government, and who were for Russia, may be obtained.

Back of this program were the open Communists, such as Gerhard Eisler, who with many similarly minded men had been rescued by the United States in 1940 from French concentration camps, to keep them from being captured by the advancing German Army. These men had been given political asylum by the United States. While American boys were dying to recapture the lands occupied by the Nazis, these Communists worked out programs calculated to favor Russia and to harm the United States. After they returned to Germany they were welcomed with open arms by the Russians, and immediately given important positions in the Russian Zone, from which they openly worked against the United States. The Communists were well aware that they could not openly spread their doctrines and advocate their policies in the United States if they wished to succeed. They therefore infiltrated our intellectual groups with various Communist-front organizations, through which they spread their theories. Our duped intellectuals were allowed to believe that the ideas were theirs. In fact, the Communists were pulling the strings.

Denazification had a legitimate purpose, and would have been a good thing if it had been confined to its original purpose. But, as happened in the case of many other programs which had a good purpose, the Communists managed to infiltrate and to pervert the programs; so that they benefited Moscow but not the United States. Of course the American taxpayer was allowed to pay the bill.

DISMANTLING AND REARMAMENT

In this connection, Mr. President, I desire to take up, as a part of the subject, the mismanagement of the rearmament program.

While the American taxpayer is asked to finance the development of backward areas under the point 4 program, England, the largest beneficiary of Marshall plan funds, is creating a gigantic backward area in the very heart of Europe. The point 4 program is supposed to block communism. Yet at Salzgitter, in central Germany, the policies pursued by England advance communism. There, in an area as large as New York City, some 50,000 men are now unemployed because the steel plant where they formerly had jobs has been destroyed by the British, and the machinery which could have supplied steel for our rearmament has been delivered to the Russians.

This plant is located near Hannover, 15 miles from the iron curtain. It was erected during 1938–44 to exploit large deposits of low-grade iron ores, which, until then, it had been impossible to work economically. Mr. Brassert, an American engineer, born in England, had constructed in England steel plants which economically used low-grade iron ores found in England. The Germans asked Brassert to build similar plants for them to exploit the German low-grade iron ores. Brassert, worried lest the English might object, consulted Prime Minister Chamberlain. Chamberlain thought it would be a very good idea to use German labor and material for such peaceful construction, and thus avoid their use for armaments. Chamberlain urged Brassert to construct the plant on a gigantic scale. Despite the repeated objections of the German generals that this building project was consuming steel urgently needed to build tanks, the plant was built, and the building continued throughout the war. When the plant was finished in 1944 it was the most modern, efficient, and integrated steel plant in Europe, if not in the world, capable of producing 500,000 tons of steel annually. Modern towns were built to accommodate 50,000 workers with their families, with a garden to each family. A new industrial area destined to equal the Ruhr was being developed. The gas from the coke ovens was sold to cities as far away as Berlin. The heat and coal dust from the iron smelters and blast furnaces was piped under boilers to drive generators capable of supplying the plants and 250,000 inhabitants with electricity.

This plant, constructed to utilize all technical advances and to avoid waste, no longer exists. The coke ovens have been dynamited. Of the eight blast furnaces, the most modern in the world, all but two have been razed. The rolling mills have been dismantled and delivered to the Russians. The very foundations of the buildings have been blown up so that it is impossible for other industries to use the buildings and employ the now jobless former workers. Yet our allies repeatedly have asserted that buildings which could be used for other peaceful purposes would be allowed to remain, and that in carrying out this dismantling program care would be taken that no unemployment would result.

Of course the Russians have seen their opportunity and are taking advantage of this Allied stupidity. To the skilled men thrown out of work by the destruction of this plant they have offered jobs at good pay, in steel mills erected behind the iron curtain, with the very materials and machines taken from this dismantled plant. The unskilled workers remain in the area, a burden on the state, drawing unemployment subsistence, and ready listeners to the constant radio propaganda directed at them from the Russian zone which tells them that they are without jobs and their children hungry because Anglo-American capitalists were afraid of the competition of this new, most efficient steel plant. Their children are invited for a month's vacation in country resorts behind the iron curtain, free of cost, where the children are given new clothes, are well fed and entertained, and of course propagandized against the west. Each month a new group of children were thus invited and indoctrinated. Meanwhile we spent millions on a Voice of America program to wean the satellites away from the Russians.

Is it any wonder that some of the unemployed in the Salzgitter area demanded a plebiscite for the purpose of voting on the question of joining the Salzgitter area to the Russian zone of Germany? The Russians construct steel plants while we dismantle them and make men unemployed. Children graduating from school have no plants in which they can learn a trade. Again the Russians profit from our mistakes by offering them jobs and apprentice opportunities in their zone.

I invite the attention of Senators to a recent issue of the New York Times which states that in the three elections I have named some people refused to go to the polls and vote.

Those responsible for dismantling repeatedly assured the world that plants which had no military value and which were not on the dismantling list would not be destroyed. That promise likewise is not being kept. At Salzgitter, but not part of the steel works, is an experimental pilot plant for concentrating the poorest grade iron ore by a sintering process. The plant has demonstrated that very low-grade ores can be commercially utilized. It is the only such plant in Europe, and perhaps in the world. It is known as the Krupp-Rennanlage. This plant was inventoried as part of the

steel plant, although it is an experimental plant and was never part of the steel works. This plant also is to be destroyed. The British awarded it as reparations to Greece. The Greeks have no use for it, and therefore offered to trade the plant for locomotives and heavy machinery. The Germans were willing to make this trade. But our friends, the British, have refused to give their consent on the ground that the plant has been awarded to other countries. Meanwhile Uncle Sam is asked to supply more money to Europe—to keep Europe from becoming Communist.

When asked for an explanation, the British had many, all of which could readily be refuted. They finally pointed out the window to the nearby Harz mountain and said: "Over there 18 miles away are the Russians." Yet a rolling mill identical with the one destroyed at Salzgitter has been constructed in a steel mill at Linz, Austria, on the shores of the Danube, where the Russians are right across the river. Of course the American taxpayer has paid for this new plant in Linz.

Mr. President, I went over there. There is a dam there, and on the other side of the river, in the hills, the Russians control the situation by their guns, less than 100 yards away. The ECA is spending $12,000,000 of American money to establish a first-class armament plant there. I said to the assistant manager, "How long would it take, in case of war, for the Russians to take this plant?" He said, "They could take it in 15 minutes." On one side of the dam we are spending an enormous amount of money to build this great plant, and less than 100 yards away is the Russian zone, with Russian guns trained on the plant.

Today there is a shortage of steel. The Fair Dealers tell us that our industrialists were negligent; that they had not expanded steel production enough. Yet these same critics are responsible for the destruction of this 500,000-ton steel capacity in the heart of Europe, and for the creation there of a devastated area.

Other examples of this stupidity could be supplied. Such as, for instance, the destruction in Dortmund, recently, of gigantic forge hammers of 2,000 tons weight made in 1943–44. These hammers were most modern and are vitally needed for the forging of huge pieces of metal. New ones will have to be constructed if Germany is to help in the rearmament program. Of course, ECA dollars will be required to pay for the work.

New forge hammers will probably cost close to $800,000. The value of the destroyed forges as scrap, when sent to England, was $30,000. This sort of démontage is still continuing. That the policy is based on economic and not military reasons is clear from the situation at the Henrichs plant in Hattingen. There after great effort it was possible to save from dismantling a 6,000-ton forge. It is now the largest in Germany, after a 15,000-ton forge at the Krupp plant and a 10,000-ton forge in another plant were dismantled. This forge is now used for making urgently needed large forged pieces, which were formerly made cheaper and better by the dismantled larger forges. Such needed pieces are practically always made from electro-steel. For this reason the Germans asked the British to remove from the dismantling list one of the two electric ovens at Hattingen. The British refused. Yet two other electro ovens, located far away, which were built expressly for war purposes, were not put on the dismantling list. Since the ovens are miles away from the forges, they cannot, of course, be used economically. That is the reason why the British dismantled the one and let the others stand while posing to the world as generous, considerate victors. In reality, they are motivated by competitive reasons only, and, of course, the American taxpayer is allowed to pay the bill. Another electro oven at Hattingen of 40 tons capacity has been offered to France, Norway, Yugoslavia as reparations. None had any use for it and rejected it. Despite this, the British insist that it be dismantled. And I repeat, this at the very time when the world is short of steel.

The advocates of the point 4 program tell us that it will prevent the spread of communism; that as we industrialize other countries we raise their standard of living and create additional markets for our products, thus contributing to the stabilization of the world. Yet our allies in Europe and the fellow travelers in military government have done everything in their power to destroy, under the guise of demilitarization, and to prevent the modernization and reconstruction of German industry, thus obviously furthering the growth of communism in Germany.

The policies which have resulted in these economic stupidities all were fixed by the Morgenthau-minded men who first had power in our occupation forces. Even though we no longer officially approve of the Morgenthau plan, many of the men who were Morgenthau-minded are still in positions where they control the economic policies in Europe. In the English zone crippling of a competitor, plus socialistic policies of the labor government have been responsible. In our zone the fellow travelers and the outright Communists, such as Harry White, and Alger Hiss, and their like have been responsible.

The result of all this is that Germany has been effectively crippled, and the American taxpayer has been compelled to make up the deficit via the Marshall plan. The same minds who are responsible for this destructive policy also are responsible for the Potsdam agreement which forbids the Germans to make military equipment. We need today precision instruments. There is a shortage of skilled labor in the United States. Many of the items which our Army needs could be made by German plants and men who are now idle. Potsdam forbids them from helping us. The Russians, of course, have not bothered about Potsdam. They used this skilled labor. They offer good pay while we offer them the dole. The Askania Werke in Berlin, world famous for its scientific and precision instruments, have over 1,000 skilled men now idle who are ready, able, and willing to make instruments required by our Armed Forces, if only we will allow them to do it. It is high time that our restrictions be removed and that these men be allowed to help in our armament program.

Mr. President, that brings me to the Security Act of 1950.

SECURITY ACT OF 1950

In my trip abroad I found that the Security Act of 1950 which we enacted to combat communism has, at least as far as Germany is concerned, the opposite effect. I am not quite sure whether the difficulties are due entirely to the act. I have been opposed to the act in principle, because I felt it was improperly drawn, and could be misconstrued. Perhaps the difficulty is merely with the regulations and directives issued by certain individuals in the State Department. At any rate the effect of the new act is not as was hoped by its proponents, and I believe it will be wise to reexamine it and correct the most glaring injustices.

Before this new law many Germans received immigration visas and have become residents in the United States. The majority of these persons who have complied with all our regulations, and who were carefully screened before they were given their visas, are now subject to deportation, merely because at one time they served in the Germany Army, or had been nominal members of the party, or of the party labor union, or of one of the youth movements. The irony of this situation is that at one time after the end of hostilities German ex-soldiers were barred from immigration, because they had served in the German Army. The State Department later changed this when it was realized that after all these soldiers had merely done their duty. These ex-soldiers were no longer considered as members of an organization hostile to the United States and were given visas. Now as a result of the enactment of the new Security Act they are again barred and refused immigration visas.

Since the law became effective about 5,000 German and Italian immigrants and businessmen visitors have been taken to Ellis Island, where many were held for 2 or 3 weeks, some even longer, all because they were at one time members of the Labor Front, Hitler Youth, or had served as soldiers. After some time the Attorney General has admitted them temporarily for 6 months under the ninth proviso, because he cannot, under the new law, admit them permanently. It is hoped that the status of these persons can be adjusted after the Congress has corrected the obvious injustices in the new law, which have caused these difficulties.

Meanwhile such temporary admission is of doubtful value to the immigrant. He cannot know whether or not he will ultimately be excluded. Therefore he cannot seek a job or establish a home. This uncertainty is deplorable because many of these immigrants waited 2 and 3 years for their visas, and when they finally did receive them, gave up their jobs, sold their possessions, and now have

no existence in the old country to which they can return.

The cases of former German soldiers are all the more unjust when we realize that before they receive their visas the consuls first asked High Commissioner McCloy, who assured them that the new law did not apply to immigrants merely because they had served as soldiers in the German Army. Yet upon their arrival the Immigration Service detained them at Ellis Island and subsequently admitted them, but only temporarily for 6 months. Some of these men left their wives and children in Europe hoping to establish themselves and then bring their families over. Unless the law is changed these men who have complied with all our regulations, have no assurance they will ultimately be admitted.

The new law is especially severe on very young people. At the age of 10 under the Hitler regime all boys and girls were automatically enrolled in the Hitler Youth. This enrollment was not voluntary. The children had to enroll, or their parents had to bear the consequences. The same thing applied to the Labor Front, the all-embracing German Labor Union. To hold a job a worker had to join the union. If he did not he could not get the job. Yet, all these former members are penalized by the new law, despite the fact that the Hitler Youth and all other Nazi Party affiliates were dissolved in 1945, and despite the fact that General Clay, in Christmas 1947, issued a general amnesty for all German youth.

Among the persons detained recently on Ellis Island were many young girls who at one time had belonged to the Hitler Youth. One girl had managed to avoid joining until 1944, when she could no longer find excuses and had to enroll. By reason of her membership of approximately 1 year in the Hitler Youth she was detained on her arrival. Many of these detainees are girls who had married American soldiers. Most of them were too young to be seriously contaminated by the Nazi ideas. Young people, now 19 or 20 years old, were only 15 when the Nazis collapsed. Since then they have been in contact with Americans and have been free from Nazi influences. Yet, under the new law they are penalized for their involuntary onetime membership in these Hitler organizations.

The new Security Act also interferes with business. Many German businessmen who wish to come here as visitors, and whose presence in the United States is important to us today, are unable to come because they cannot receive visas if they were nominal party members, or if they belonged to the Labor Front or any other affiliate. This is especially annoying at this time, when we are trying to stimulate German trade. On the one hand, we finance a dollar drive and bring German businessmen here for that purpose under the auspices of the State Department. On the other hand, our Immigration Service tells them they may not enter because at one time in their lives they belonged to the wrong political party.

Mr. President, about a week or 10 days after the Internal Security Act was passed, I received a telephone call from Milwaukee. It came from the German-American Society, an organization which is made up of the most loyal Americans to be found anywhere in our country. After a great deal of trouble, and after working for 2 years, they had been able to get a German industrialist, with a credit of over $7,000,000 to come to America for the purpose of purchasing cheese-making machinery for use in Germany. He came to this country with his wife. When he arrived in America he was taken by the Naturalization and Immigration Service and put on Ellis Island. He and his wife were separated for 2 days. Finally the society asked me to see what I could do for them. They wanted me to try to obtain their release. Attorney General McGrath, when appealed to, finally saw to it that the man was taken out of the place in which he had been separated from his wife. His wife had been put in one place and he had been put in another place.

When I got there I found other industrialists, leading men of Germany, who were coming over here to spend their money so that they might build up trade between the United States and Germany.

What is happening in Germany and Austria? American automobiles cannot be sold because the German and Austrian peoples do not have the dollars. So automobiles come in from England, Czechoslovakia, and other countries, to compete with American automobiles. I inquired from the man handling the Chrysler machine over there, and found that in Austria this year only 12 Chryslers were sold.

And what of the psychological effect on the Germans of this new law? Some time ago we penalized them because they fought against Russia. Now we ask them to rearm, to help defend the West. Now we tell them that it is all right to be a soldier. But at the same time we tell them they are excluded from the United States because they had been soldiers. People in Germany are saying, "Are we good enough only for cannon fodder, but not good enough to be immigrants?" Could anyone blame the Germans if they feel reluctant to fight with, or for us? Can we expect men to defend our country if we do not consider them good enough to enter our shores, and especially when we base our refusal on the fact that they have at one time been soldiers and helped to defend their country against Russia, the same country which we now ask them to help us to fight?

Millions of these people are relatives of the 33,000,000 American citizens of Teutonic origin in this country. Many of them are brothers of American citizens and many are related in other ways. Many of them receive money from their relatives in the United States so that they may come to this country and go to the Midwest and other places where so many American citizens of Teutonic origin live.

This situation, like many others involving Germany in recent years, plays into the hands of the Communists. Make no mistake about it, the Communists are aware of these things and constantly point them out to the Germans. Just as with denazification, so this interpretation of the security law tends to divide the Germans from the Americans. That was the purpose of the Communists and fellow travelers in Washington who originated the Morgenthau plan, the denazification, and other evils in Germany. They knew that the majority of decent Germans were only too glad when the Americans came because they hoped thereby to throw off the Nazi yoke. Such a policy did not suit Moscow. Germans friendly to America was the last thing the Kremlin wanted. The long-range hope and plan of the Russians is to communize Germany, and to use the German industrial potential against the west. These policies and mistakes made in Washington—if they are mistakes—all help the Russians and harm the United States.

The recent elections in Germany have demonstrated that the Russians have succeeded only too well. The editorial appearing in the Saturday Evening Post for November 25, 1950, though written several weeks before the elections, has painted the picture, and the recent elections have proven that it is correct.

Mr. President, I suggest the absence of a quorum.

Mr. GEORGE. Mr. President, will the Senator withhold his suggestion of the absence of a quorum?

Mr. LANGER. I withhold it.

Mr. GEORGE. Unless some Senator desires to take up something else, I am about to move that the Senate take a recess until tomorrow.

Mr. LANGER. I had understood that the Rosenberg nomination was coming up. I certainly withdraw the call for a quorum.

RECESS

Mr. GEORGE. Mr. President, I move that the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 4 o'clock and 14 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, December 20, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 19 (legislative day of November 27), 1950:

IN THE AIR FORCE

The following-named persons, who were appointed in the United States Air Force under recess-appointment provisions during the last recess period of the Eighty-first Congress, for appointment in the United States Air Force in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947) and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be major, USAF (medical)

Morris F. Wiener, O264174.

To be captains, USAF (medical)

Frank J. DiTraglia, AO474625.
W. B. Spencer, O935165.
Robert B. Stonehill, AO1726280.
John R. Troxell, O479893.

To be captains, USAF (dental)

Frank H. Ketcham, O469419.
John G. Polhemus, Jr., AO1706109.

To be first lieutenants, USAF (medical)

James B. Anderson, AO342458.
Edwin R. Ballinger.
James L. Curtis, AO970593.
Martin J. Freedman, AO977691.
Roland E. McClain, 497348 USNR.
Clifford R. Pollock, AO976820.

To be first lieutenants, USAF (dental)

John R. Ashton
Robert L. Jeske

The following-named distinguished aviation cadets, who were appointed in the United States Air Force under recess-appointment provisions during the last recess period of the Eighty-first Congress, for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eighteth Congress (Officer Personnel Act of 1947):

To be second lieutenants

James F. Bahl	Robert W. Koernig
Richard S. Beyer	Francis T. Martin, Jr.
Dolphus E. Blodgett, AO673666	Earl W. Pitts
John S. Brace	George E. Schropp
Carl H. Carey, Jr.	William F. Voigt
Joseph M. Glasgow, Jr.	Byron L. Webber
Richard R. Heyde	Kenneth G. Yerg
Earl L. Huggins	Albert Yurgel

The following-named persons for appointment in the United States Air Force, in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be majors, USAF (medical)

Benjamin H. Inloes, Jr., 328894, USNR.
James P. Jernigan, O340404.

To be captains, USAF (medical)

Robert L. Forrest, AO935795.
William H. Karmany, O486798.
Harold W. Woodcock, AO1706249.

To be captains, USAF (dental)

Alexander G. Klier.
Philip Manners, AO1716336.
Willard H. Poor, AO1685910.
Marion R. Williams, AO975792.

To be first lieutenants, USAF (medical)

Frederick G. Collins.
William W. Drummy, Jr., 491117, USNR.
Ernest R. Hartmann, AO972653.
James M. Keegan, AO963364.
Robert A. Matuska, AO978188.
Theodore E. Patrick.

To be first lieutenants, USAF (dental)

William P. Dohoney, AO1325694.
David R. Jordan, AO1906258.
John F. Mack, AO965055.
Robert J. Morrison, AO1906265.
Enslie I. Schilb, Jr., AO945994.
George B. Shrewsbury, O1315377.
William W. Steiner, AO1906223.

Subject to physical qualification and subject to designation as distinguished military graduates, the following-named distinguished military students of the senior division, Reserve Officers' Training Corps, for appointment in the United States Air Force in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Theodore W. Alexander	Guy C. Cisco, Jr.
	Kenneth H. Coffee
Donald E. Bodie, AO1856241	Marvin H. Franzen
	Milton D. Hill
Moses R. Box, AO1857229	Charles S. Hoke
	Eugene E. Holmen
Charles P. Caruso	John W. Innis
Grant W. Johnson	William A. Robertson, Jr.
Bernard C. Lorenz	
Albert W. Madigan	Orville H. Schwanger, Jr.
William M. Menco	
Kenneth E. Murley	Rolf S. Scovell
Guy D. Perham	John H. Stotts
James L. Pyle	Edgar Udine
Mose F. Ramsey, Jr.	David A. Vardaman

The following-named distinguished aviation cadets for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Robert B. Bigelow.
George R. Cox, AO2101867.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 19, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art willing and able to do for us abundantly above all that we can ask or think, we humbly confess that we are frequently so confused and bewildered in our search for the true, the beautiful, and the good.

Daily we are conscious of how unequal we are to our tasks and how much we need Thee. We know that we cannot find the right solution to our problems on the basis of our own finite wisdom.

When we think of man's inhumanity to man we are tempted to believe that many members of the human family have lost their capacity for kindly feelings toward one another.

Thou knowest how desperately mankind needs the regenerating presence and power of Thy divine spirit. This is our only hope for a better world wherein dwelleth righteousness and peace.

Grant that we may have the faith and the courage to believe in the regeneration and salvation of all the members of the human race.

Hear us in the name of the Christ of Christmas who became the Son of Man in order that men everywhere might become the sons of God. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4803) entitled "An act for the relief of Bernard F. Elmers."

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. LANGER members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 51–10.

IMPORTATION OF TEXTILE MACHINERY AND PARTS

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 8881) to permit educational, religious, or charitable institutions to import textile machines and parts thereof for instructional purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

Mr. LANE. Mr. Speaker, reserving the right to object, I notice this is a bill that exempts textile machines and parts thereof from duty when imported for instruction in educational, religious, or charitable institutions.

I wish to know, Mr. Speaker, who is seeking this legislation. As I recall, we have excellent machinery in our own textile industry that can be used for educational purposes. We have had some experience with the Textron Co. forming one of these charitable corporations, which has been a great deal of trouble to the textile industry throughout the United States. I wish to ask the gentleman from North Carolina, chairman of the Committee on Ways and Means, if he will be kind enough to explain to the House the reason for this legislation and why it is necessary at this hour.

Mr. DOUGHTON. Mr. Speaker, this bill was introduced by the gentleman from North Carolina [Mr. COOLEY], chairman of the Committee on Agriculture of the House.

The bill would permit the free entry, under the Tariff Act of 1930, as amended, of any textile machine or machinery or parts thereof imported by any society or institution incorporated or established solely for educational, religious, or charitable purposes for its own use in the instruction of students and not for sale or for any commercial use under rules and regulations prescribed by the Secretary of the Treasury.

The Department of State, Treasury Department, and the Department of Commerce have advised that they would have no objection to the enactment of this legislation.

Mr. REED of New York. Mr. Speaker, reserving the right to object, this bill comes here under unanimous report of the Committee on Ways and Means. In Switzerland there has been created or invented a machine that seems to be superior to machines in this country for weaving cloth. The universities that are teaching the students the manufacture of fabric want them to have the benefit of this new machinery for the benefit of our country. Sometimes we have had to bring in machinery from foreign lands by smuggling. That is the way the business of fabrics has been built up in this country. Sometimes they are brought in by small parts and put together. That is what has developed New England and North Carolina in this line of work. These machines cannot be used when imported for this purpose except in educational institutions where they are teaching the manufacture of fabrics.

They cannot be used for commercial purposes, so they will not come in competition with anything manufactured here.

Mr. DOUGHTON. Or cannot be put up for resale.

Mr. REED of New York. They cannot be put up for resale.

Mr. GROSS. Is private industry paying for these machines?

Mr. REED of New York. No; the colleges are paying for them so the students can be taught the latest and most improved methods in regard to the manufacture of fabrics.

Mr. HESELTON. Has any testimony been taken from the manufacturers of fabrics in this country?

Mr. REED of New York. No. There is no opposition to this from that source. It is to their benefit.

Mr. BRYSON. Is it contemplated that after these machines are imported without the payment of duty and the students are taught, then commercial enterprise will need to purchase that machinery so that they can use them?

Mr. REED of New York. After they are here, they can improve on them or manufacture them or do what they want to with them. There is no reason for imposing a tariff on educational institutions that want to use the latest and most improved machinery for the teaching of their students.

Mr. BRYSON. I do not admit we have to import the latest and finest textile machinery. I think we have shown the world that we can manufacture them ourselves.

Mr. REED of New York. If we are going to control our foreign markets we have to have the latest methods because they are in competition with us. We eventually will have to have the machinery and we will manufacture them here.

Mr. BRYSON. There are other factors entering into this besides improved machinery. A large part of India's textiles, for instance, are produced by hand. The textile worker in India receives $67 a year, while the textile worker in my district receives $67 a week. We cannot compete with this foreign slave labor in any case.

Mr. REED of New York. Taking the tariff off of a superior machine to produce fabrics more cheaply makes it easier for us to compete with the cheap labor abroad in the world market.

Mr. BRYSON. It is not contemplated that any appreciable quantity will be imported?

Mr. REED of New York. No; probably North Carolina, South Carolina, and one or two other States will have the benefit.

Mr. BRYSON. Do not let North Carolina take precedence over South Carolina in textiles.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Tariff Act of 1930, as amended, is further amended by adding at the end of part II (the free list) thereof a new paragraph to read as follows:

"PAR. 1817. Any society or institution incorporated or established solely for educational, religious, or charitable purposes may import free of duty any textile machine or machinery, or part thereof, for its own use in the instruction of students and not for sale or for any commercial use, under such rules and regulations as the Secretary of the Treasury may prescribe."

With the following committee amendment:

Page 1, line 4, strike out "part II" and insert "title II."

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

SPECIAL ORDER TRANSFERRED

Mr. BIEMILLER. Mr. Speaker, I ask unanimous consent that the special order granted me for today be transferred to tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

TIME FOR UNITY

Mr. HERLONG. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. HERLONG. Mr. Speaker, a new word, "reexaminist," has recently been coined in our language. I approve of that word in its fullest sense. I think it is time we all became reexaminists. Let us start by reexamining ourselves; then let us reexamine our criticisms and our motives for criticism. Let us reexamine our hearts, our souls, and our minds, to be sure that what we say and do is really best for America. Let us be sure that our thinking and actions are not just the result of political bias. I do not believe in criticism simply for criticism's sake. The best defense against a bad idea is always a better idea. Destructive criticism never helped anyone. This is no time for hindsight. It is time that we forget everything except the menace surrounding us and unite as one—without politics—to present a solid front against the enemies who seek to destroy us. There is no time now for carping and criticism—there may be just barely time to join our forces—but if ever there was a time for unity, that time is now.

UNIVERSAL MILITARY TRAINING

Mr. EBERHARTER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. EBERHARTER. Mr. Speaker, I note with much satisfaction that a resolution which would have proved embarrassing to the President and to our Secretary of State was unfavorably acted upon. In the perilous situation which our country faces, it is imperative that every citizen, whether they be in high places or low places, join in unity and patriotism to prepare for any eventuality. Surely unified action rather than unjustified sniping at those charged with the responsibility of the conduct of our diplomatic affairs is the most desirable course.

Mr. Speaker, I am today filing the petition of the Allegheny County Committee representing more than 50 individual American Legion posts in Allegheny County, Pa., urging the immediate adoption by Congress of universal military training, and setting forth that all other methods being inadequate, that such training is the only solution for the protection of this Government and the prevention of world war III.

I am confident that at the convening of the Eighty-second Congress immediate consideration will be given to this far-reaching proposal.

AMENDING THE NATURAL GAS ACT

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks, and include certain excerpts from news articles, a letter, and certain tabulations.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have introduced a resolution to amend the Natural Gas Act so as to give the Federal Power Commission the authority to prescribe safety requirements with respect to the construction, extension, operation, and maintenance of their transportation facilities.

I think all of us will recall reading in the latter part of November of the explosions in this vicinity on two sections of a transcontinental natural gas pipeline on two successive days.

The first, on November 23, caused injuries to a mother and two children and also caused substantial property damage near Culpeper, Va.

On the next day another section of a pipeline exploded at King of Prussia, Pa. Two persons were injured in this explosion and there was also property damage.

I requested a check on previous explosions. There was no information available from the Federal Power Commission because it does not have any authority or duty in connection with such explosions.

I did find, however, that there have been at least four additional explosions this year.

A pipeline exploded on July 2 at Beallsville, Ohio, but I have not located any detailed account of the result of that explosion.

On July 15 there was an explosion on the Big Inch line at West Chester, Pa., killing one young man and injuring two. One of the injured men died on July 22.

An explosion occurred at Wadley, La., on September 20. In this instance there were no injuries.

A gas pipeline exploded near Greenville, Miss., on December 4. Two persons were killed and two were injured, all workmen for the Tennessee Gas Transmission Co. The terrific blast tossed debris 250 feet into the air and

resulting fire scorched a strip of ground an eighth of a mile wide.

Under permission granted to me, I now want to include news dispatches in the press with reference to these explosions:

PIPELINE BLAST, FIRE BURNS THREE NEAR CULPEPER—MOTHER, TWO CHILDREN VICTIMS AS EXPLOSION DAMAGES TWO FARMS

CULPEPER, VA., November 23.—A 1,000-foot section of a transcontinental natural-gas pipeline exploded near here late yesterday, injuring three persons and sending flash flames 300 feet into the air.

Trooper C. H. Moore, of the Virginia State Police, said Mrs. John F. Suter, her daughter, Mildred, 19, and her son, Jim, 5, suffered burns to their backs, arms, legs, and necks. They were treated at the Medical Arts Center here and released. Mr. Suter's property, located about 75 yards from the explosion, suffered some damage.

The explosion occurred about 9 miles southeast of here, near route 647, and not far from the village of Lignum. The blast could be heard faintly in Culpeper. It shook windows within a 4-mile area.

SUTER HOME DAMAGED

The big section of 30-inch pipe, buried 8 feet in the ground, was part of the line stretching from Texas to New York. It does not supply gas to any part of the Washington area.

Fire broke out immediately, and the glow of the flames was visible for miles around. The back part of Mr. Suter's house was ripped off, several outbuildings were destroyed, and some pigs, a dozen chickens, and a hawk were killed by concussion. Mr. Suter was working in a field beyond the gas line and had to detour between 15 to 20 miles to reach his home.

Another house owned by Earl Hawkins, which also was about 75 yards from the explosion, had a few broken windows, and two brooder houses were destroyed by the fire, the police reported.

Also damaged was a section of route 647, under which the pipeline was laid. A piece of pavement about 18 feet square was uprooted on each side.

GAS CUT OFF

On arrival at the scene Trooper Moore called his station by radio, and the flow of gas was cut off at the nearest pipeline station, causing the flames to die down a bit. Even so, the flames continued to shoot from the broken pipeline for hours afterward.

Sheriff B. H. Wayland, of Culpeper County, said he saw the flames from 7 miles away.

"It looked like a flash of lightning," he declared.

The explosion occurred in a new section of line. Trooper Moore said some gas had been put in the pipeline yesterday while pressure was being checked.

The line, he said, is owned by the Transcontinental Gas Line Co., of Houston, Tex., and was designed to serve only the New York area. The Culpeper section was completed about a month ago. The line crosses the Potomac River near Great Falls on its way north.

A later news account stated that the explosion ripped up a section of State Route 647 minutes after a loaded school bus had passed over the spot.

GAS PIPELINE EXPLOSION ROCKS PENNSYLVANIA AREA FOR 7 MILES

KING OF PRUSSIA, PA., November 24.—A blast, ripping the earth with terrific force, tore up a mile of a Texas-to-New York natural gas pipeline yesterday, rocking this fertile farm area for 7 miles in all directions.

Blinding flames shot 300 feet in the air and seared trees and grass.

Huge chunks of the metal pipeline were thrown with rocket speed into fields. Windows in homes miles from the explosion were shattered.

Two persons were injured.

Two outbuildings on the farm of Peter Camiel, where the blast originated, were destroyed by flames that baked the earth for 150 feet on both sides.

ONE HUNDRED FIRE ENGINES REPORT

More than 100 fire engines from a score of small communities in the vicinity of this Montgomery County community rushed equipment to the scene.

(A similar explosion occurred Wednesday near Culpeper, Va., another section of Transcontinental's Texas-to-New York system. Three persons were burned in Wednesday's blast, which was heard for several miles in the Culpeper area.)

Firemen and police said they had been alerted to watch for trouble on the new section of pipeline by representatives of Transcontinental Pipelines, Inc.

TESTING BEGAN TUESDAY

A pressure test was begun Tuesday and firemen were ordered to stand by for possible trouble. Several homes in the vicinity of the pipeline were ordered evacuated before the pressure tests began.

Injured slightly in the blast were Edwin Camiel, 27, and his brother Joseph, 21, who were gunning for their Thanksgiving turkey on the farm owned by their brother, Peter.

Both men were hurled into the air by the force of the blast though they were 500 feet away from the pipeline. Joseph Camiel suffered a sprained ankle as he fell after the blast. Edwin was bruised.

PIPELINE BLAST INVESTIGATED

BEALLSVILLE, OHIO, July 2.—Officials of the Texas Eastern Gas Co. today investigated the cause of an explosion that ripped up 12 feet of the Big Inch pipeline 2 miles southeast of here. Flames towered in the sky, casting a glow visible within a 65-mile radius. The pipeline carries natural gas from Texas to New York.

SECOND DEAD IN BIG INCH BLAST

PHILADELPHIA, July 22.—Donald Ciccarone, 17 years old, a West Chester High School junior, died today of injuries suffered last Friday in an explosion at the Big Inch pipeline depot 10 miles north of West Chester. Lewis (Pete) Keller, 21, former star athlete at West Chester High, was killed instantly.

BIG INCH BLAST KILLS YOUTH

WEST CHESTER, PA., July 15.—Lewis (Pete) Keller, 21 years old, former West Chester, Pa., high school star athlete was killed and two other youths injured today in an explosion on the Big Inch gas pipeline. The explosion came when pressure in the pipe blew both a cover plate and a cleaning tool out of the pit where the youths were trying to remove the tool.

EXPLOSION RIPS GAS PIPELINE

WADLEY, LA., September 20.—A newly completed Texas-to-New York natural-gas pipeline exploded near here today as engineers began building up pressure to put the big line into use. There were no injuries. The blast ripped out about 300 yards of the line owned by the Transcontinental Gas Pipeline Corp. of Houston. The line was cut off over a 14-mile stretch at two substations soon after the explosion.

TWO KILLED BY GAS PIPELINE EXPLOSION NEAR GREENVILLE, MISS.

GREENVILLE, MISS., December 5.—A gas pipeline exploded near here shortly before noon Monday, killing two persons and injuring two others. The terrific blast, which occurred at 11:27 a. m. (central standard time), tossed debris 250 feet into the air and resulting fire scorched a strip of ground an eighth of a mile wide. Those killed and injured were workmen for the Tennessee Gas Transmission Co., which is installing four 26-inch lines across the Mississippi River.

I have conferred with the counsel for the Federal Power Commission and he advises me that under existing law, the only power the Commission has with reference to safety requirements are in connection with the normal conditions which may be incorporated into the initial certificate.

I have also received a letter from Commissioner Nelson Lee Smith, which is self-explanatory, with the statistical information referred to in that letter. I want this to be a part of the RECORD.

With the expanding use of natural gas it seems to be self-evident that with something like 100,000 miles of main transmission pipelines in operation or authorized, and 65,000 of those miles now in operation constructed before certificates were required, and also with applications for 16,000 miles of such lines still pending, there is a very real need of thorough consideration of legislation in this field. There is ample precedent in connection with the safe operations in other public utilities. Now, with these large lines carrying heavy potential explosive possibilities into more and more congested areas the matter is becoming increasingly urgent. I am particularly interested in view of the construction in the near future of 144 miles of 120-inch line in Massachusetts, some of it going directly through the First District. There is also 268 miles of somewhat smaller capacity line to be constructed in Connecticut and New Hampshire.

A further factor is involved. When the pipeline companies had to negotiate for contracts or right-of-way, the owner of the real estate could include consideration of the safety factor in the negotiations for such contract. Now, with the power of eminent domain, he is certainly more limited in his ability to make a satisfactory contract.

In any event, the major consideration should be insuring the safety of those who live or work near any one of these lines or who have occasion to pass over their locations.

I realize that it is practically impossible to obtain any immediate consideration of the proposal at this session of Congress. But I do think it important that the bill be filed so that the Commission or any other agencies interested can begin work on their reports so that they can be made available early in the next session of Congress, and I shall refile the bill when that Congress convenes.

Under permission granted to me I am including here Commissioner Smith's letter and the enclosure:

FEDERAL POWER COMMISSION,
Washington, December 18, 1950.

Hon. JOHN W. HESELTON,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN HESELTON: Pursuant to your telephone request of Thursday, Decem-

ber 14, 1950, there are attached hereto four tabulations prepared by our staff.

Table A shows, by States, the total miles of natural-gas mains at the end of 1949 as reported by the American Gas Association. These figures include field lines, gathering lines, transmission and distribution main, but exclude service pipe. They do not include pipelines carrying a mixture of natural and manufactured gas.

Table B shows, by States, the total miles of natural-gas mains at the end of 1949 which are classified as being used for the transmission of natural gas. Excluded from the tabulation are the mileages of field and gathering lines, and distribution pipelines. Mixed gas lines are also excluded from this tabulation.

Table C lists only the mileages of natural-gas transmission main to be used for the transportation of natural gas in interstate commerce, as authorized by this Commission, for the period from January 1, 1950, to November 10, 1950. Excluded herein are projects for which the total estimated construction costs are less than $700,000. This tabulation is not directly comparable with table B since table C does not contain data on intrastate transmission mains which are not subject to the jurisdiction of this Commission.

Table C also lists the mileages and pipeline diameters authorized. A breakdown of the mileages by States is not readily available in all instances. Some of this information could be obtained, approximately, by scaling off the maps filed with the applications. This, however, would probably require a week or 10 days to complete; it will not be undertaken except in response to any further request which you may make.

Table D is similar to table C, but lists the major projects pending with the Commission as of November 10, 1950. The tabulation indicates by appropriate footnotes the pending projects which are competitive with each other.

As I told Mrs. Heselton over the phone on Friday, it is approximately correct to say that there are now in operation or authorized in the neighborhood of 100,000 miles of main transmission gas pipelines, of which some 35,000 have been certificated by this Commission since it was given authority over these matters by amendment of the Natural Gas Act in 1942, with applications covering about 16,000 miles of line still pending.

If further information is desired, we shall be pleased to furnish whatever may be available to us.

Sincerely yours,

NELSON LEE SMITH,
Commissioner.

TABLE A.—*Miles of utility gas main, natural gas, by State, end of 1949*

Division and State:	1949
United States	281,480
New England	0
Middle Atlantic:	
New Jersey	420
New York	6,900
Pennsylvania	26,450
East North Central:	
Illinois	10,260
Indiana	5,060
Michigan	11,950
Ohio	28,280
Wisconsin	1,950
West North Central:	
Iowa	4,160
Kansas	17,410
Minnesota	3,180
Missouri	7,060
Nebraska	4,630
North Dakota	440
South Dakota	640
South Atlantic:	
Delaware	0
District of Columbia	1,060
Florida	180
Georgia	2,140
Maryland	1,090
North Carolina	0
South Carolina	0
Virginia	1,110
West Virginia	16,650
East South Central:	
Alabama	2,670
Kentucky	5,630
Mississippi	5,090
Tennessee	2,140
West South Central:	
Arkansas	6,270
Louisiana	9,600
Oklahoma	12,740
Texas	37,340
Mountain:	
Arizona	3,420
Colorado	2,950
Idaho	0
Montana	2,900
Nevada	0
New Mexico	3,800
Utah	1,540
Wyoming	2,040
Pacific:	
California	32,330
Oregon	0
Washington	0

NOTE.—Includes field, gathering, transmission, and distribution main but excludes service pipe. Data not adjusted to common diameter equivalent. Does not include mixed gas.

Source: Gas Facts, American Gas Association.

TABLE B.—*Miles of utility gas main, natural gas, by State, end of 1949, transmission only*

Division and State:	Transmission
United States	98,270
New England	0
Middle Atlantic:	
New Jersey	100
New York	2,630
Pennsylvania	9,110
East North Central:	
Illinois	3,640
Indiana	1,910
Michigan	2,460
Ohio	9,690
Wisconsin	400
West North Central:	
Iowa	1,800
Kansas	10,300
Minnesota	630
Missouri	2,040
Nebraska	2,390
North Dakota	280
South Dakota	310
South Atlantic:	
Delaware	0
District of Columbia	0
Florida	40
Georgia	30
Maryland	150
North Carolina	0
South Carolina	0
Virginia	230
West Virginia	4,480
East South Central:	
Alabama	1,040
Kentucky	2,100
Mississippi	2,710
Tennessee	640
West South Central:	
Arkansas	3,110
Louisiana	4,340
Oklahoma	4,890
Texas	15,010
Mountain:	
Arizona	1,730
Colorado	1,090
Idaho	0
Montana	1,240
Nevada	0
New Mexico	2,160
Utah	310
Wyoming	1,390
Pacific:	
California	3,600
Oregon	0
Washington	0

NOTE.—Data not adjusted to common diameter equivalent. Does not include mixed gas.

Source: Gas Facts, American Gas Association.

TABLE C.—*Mileage of natural-gas transmission pipeline construction authorized by Federal Power Commission for facilities involving over $700,000 in construction costs, Jan. 1 to Nov. 10, 1950*

Company	Location of lines (States)	Pipeline mileage	Pipeline diameters (inches)
Commonwealth Natural Gas Corp.	Virginia	214	18, 12, and 8.
Northern Natural Gas Co.	Kansas	155	20.
	Kansas, Nebraska, Iowa, and Minnesota	442	26.
	Total	597	
Texas-Illinois Natural Gas Pipeline Co.	Texas, Arkansas, Missouri, Illinois	1,332	12, 20, 24, 26, and 30.
Niagara Mohawk Power Corp.	New York	16	14.
		10	12 and 16.
	Total	26	
Tennessee Gas Transmission Co.	Mississippi	15	26.
	New York	661	30.
		126	26.
		303	24.
		75	8.
	Total	1,180	
South Jersey Gas Co.	New Jersey	77	12 to 16.
United Fuel Gas Co.	West Virginia	18	10 and 20.
New York State Natural Gas Corp.	Pennsylvania	54	16.
		5	10 and 16.
		188	20.
		7	Miscellaneous.
	New York	14	16.
	Total	418	

TABLE C.—*Mileage of natural-gas transmission pipeline construction authorized by Federal Power Commission for facilities involving over $700,000 in construction costs, Jan. 1 to Nov. 10, 1950*—Continued

Company	Location of lines (States)	Pipeline mileage	Pipeline diameter (inches)
Panhandle Eastern Pipe Line Co.	Illinois and Indiana	91	30.
		69	26.
	Total	160	
Southern Natural Gas Co.	Mississippi, Alabama, Georgia, and South Carolina	225	18.
		147	16.
		105	10.
		25	8.
		135	14 and 24.
		171	Miscellaneous.
	Total	808	
Texas Eastern Transmission Corp.	Arkansas	10	24.
	Pennsylvania	36	30.
	Total	46	
Associated Natural Gas Co.	Missouri	36	6 and 8.
Iroquois Gas Corp.	New York	23	6, 8, 12, and 16.
Central Kentucky Natural Gas Co.	Kentucky	41	20.
East Ohio Gas Co.	Ohio	24	20.
El Paso Natural Gas Co.	New Mexico and Arizona	433	24.
		188	Miscellaneous.
	Total	621	
Mississippi River Fuel Corp.	Louisiana	41	18.
Michigan-Wisconsin Pipe Line Co.	Michigan	191	24.
Colorado Interstate Gas Co.	Texas and Colorado	215	20.
Texas Gas Transmission Corp.	Mississippi	11	12.
		7	20.
	Total	18	
Acme Natural Gas Co.	Pennsylvania	20	6, 8, and 10.
Tennessee Natural Gas Lines, Inc.	Tennessee	9	10.
		15	8.
	Total	24	
Kansas-Nebraska Natural Gas Co., Inc.	Kansas and Nebraska	56	2 to 12.
Ohio Fuel Gas Co.	Ohio	22	16.
Prince Georges Gas Corp.	Maryland	20	22.
Hope Natural Gas Co.	West Virginia	20	18.
Equitable Gas Co.	Pennsylvania	17	6 to 16.
Northeastern Gas Transmission Co.	Massachusetts, Connecticut, New Hampshire	144	20.
		100	16.
		168	3 to 16.
	Total	412	
Transcontinental Gas Pipe Line Co.	New Jersey and New York	35	24.
United Gas Pipe Line Co.	Louisiana	16	16.
Manufacturers Light & Heat Co., Natural Gas Co. of West Virginia, Cumberland & Allegheny Gas Co., and Home Gas Co.	New York, Pennsylvania, Ohio, Maryland, and West Virginia	57	4 to 16.
	Grand total	6,785	

ATTACHMENT TABLE C

[The above mileage of pipe does not include facilities authorized prior to Jan. 1, 1950, which were not in use up to that time. Below are listed the more important of these projects]

Company	Location of lines (States)	Pipeline mileage	Pipeline diameter (inches)
Tennessee Gas Transmission Co.	Texas, Mississippi, Tennessee, Kentucky, Ohio, West Virginia, Pennsylvania, and New York.	965	24, 26, and 30.
		395	26.
		343	Miscellaneous laterals.
	Total	1,703	
El Paso Natural Gas Co.	New Mexico, Arizona, and California	615	30.
		51	24.
		40	20.
		13	18.
		351	Miscellaneous laterals.
	Total	1,270	
Texas Gas Transmission Corp.	Texas, Louisiana, Arkansas, Mississippi, Tennessee, and Ohio	723	26.
		110	20.
	Total	833	
Trunkline Gas Co.	Texas, Louisiana, Mississippi, Tennessee, Kentucky, and Illinois	740	26.
		560	Miscellaneous lines.
	Total	1,300	
Texas Eastern Transmission Corp.	Texas, Arkansas, Missouri, Illinois, Indiana, Ohio, and Pennsylvania	246	20 to 26.
		100	16.
	Total	346	
Pacific Gas & Electric Co.	California	506	34.
Transcontinental Gas Pipe Line Corp.	Texas, Louisiana, Mississippi, Alabama, Georgia, South Carolina, North Carolina, Virginia, Maryland, Pennsylvania, and New York.	362	30.
		1,405	26.
		73	Miscellaneous laterals.
	Total	1,840	
	Grand total of attachment	7,798	

TABLE D.—*Mileage of natural-gas transmission pipeline construction pending before the Federal Power Commission in major projects involving construction costs of $700,000 or over on Nov. 10, 1950*

Company	Location of pipelines (States)	Pipeline mileage	Pipeline diameter (inches)
Southern Natural Gas Co.[1]	Mississippi, Alabama, Georgia, Florida, and South Carolina	375	24.
		226	26.
		942	Miscellaneous laterals.
	Total	1,543	
Atlantic Gulf Gas Co.[1]	Louisiana, Alabama, Georgia, Florida, and South Carolina	280	30.
		152	26.
		147	24.
		80	20.
		60	12.
		1,012	Miscellaneous.
	Total	1,731	
Northwest Natural Gas Co.[1]	Idaho, Oregon, and Washington	606	24.
		150	18.
	Total	756	
Pacific Northwest Pipe Line Corp.[1]	Texas, Oklahoma, Kansas, Colorado, Wyoming, Utah, Idaho, Oregon, and Washington.	2,175	26.
		400	Miscellaneous laterals.
	Total	2,575	
Westcoast Transmission Co., Inc.[1]	Washington and Oregon	543	12 to 20.
		72	Miscellaneous.
	Total	615	
Erie Gas Service Co.[1]	Pennsylvania and Ohio	46	10.
		29	8.
	Total	75	
Lake Shore Pipe Line Co.[1]	Pennsylvania and Ohio	45	10.
Grand River Gas Transmission Co.[1]	do	76	8 and 10.
Carolina Natural Gas Corp.[1]	North Carolina and South Carolina	375	4 to 12.
Public Service Co. of North Carolina[1]	do	376	3 to 12.
Piedmont Natural Gas Co., Inc.[1]	do	74	4 to 10.
United Gas Pipe Line Co	Louisiana	224	6 to 26.
	Texas, Louisiana, and Mississippi	1,005	8 to 30.
	Total	1,229	
New York State Natural Gas Corp.	Pennsylvania	45	16 and 18.
		8	8, 10, and 12.
	Total	53	
Texas Eastern Transmission Corp.	Mississippi, Tennessee, Kentucky, Ohio, West Virginia, and Pennsylvania	791	30.
	New York	14	Miscellaneous laterals.
	Total	805	
Egyptian Natural Gas Co	Illinois	40	8.
		40	6.
	Total	80	
Natural Gas Service Corp	Virginia	96	12.
		3	8.
	Total	99	
East Tennessee Natural Gas Co	Tennessee	139	6, 8, and 16.
El Paso Natural Gas Co	Arizona	44	4 to 16.
South Central Alabama Natural Gas Co	Alabama	150	4 to 10.
Algonquin Gas Transmission Co	New Jersey, Connecticut, Rhode Island, and Massachusetts	150	26.
		104	24.
		10	22.
		8	18.
		24	16.
		2	14.
		24	12.
		64	10.
		20	8.
		72	6.
		49	4.
		7	3.
	Total	534	
South Georgia Natural Gas Co	Georgia	144	10 to 16.
		104	4 to 8.
	Total	248	
Transcontinental Gas Pipe Line Corp	New Jersey and New York	12	20, 24, and 26.
Southeastern Michigan Gas Co	Michigan	55	12.
Valley Gas Pipe Line Co., Inc	Texas, Arkansas, Missouri, Illinois, Indiana, and Michigan	1,000	30.
	Texas and Louisiana	500	24.
	Total	1,500	
Midsouth Gas Co	Arkansas	240	3 to 16.
Georgia Natural Gas Co	Alabama, Georgia, and Florida	335	4, 6, and 8.
Shenandoah Gas Co	Virginia	38	8.
		11	3 and 4.
	Total	49	

[1] Competitive applications—Same general market area.

TABLE D.—*Mileage of natural-gas transmission pipeline construction pending before the Federal Power Commission in major projects involving construction costs of $700,000 or over on Nov. 10, 1950*—Continued

Company	Location of lines (States)	Pipeline mileage	Pipeline diameter (inches)
Niagara Mohawk Power Corp.	New York	55	10.
Texas Illinois Natural Gas Pipe Line Co.	Texas	72	20.
Missouri Central Natural Gas Co.	Missouri	60	6.
New River Gas Co.	West Virginia and Virginia	50	3 to 6.
The Peoples Natural Gas Co.	Pennsylvania	36	14.
		15	8 to 10.
	Total	51	
Nevada Natural Gas Pipe Line Co.	Arizona and Nevada	114	10.
		7	2 and 4.
	Total	121	
Kansas-Nebraska Natural Gas Co., Inc.	Kansas and Nebraska	515	2 to 12.
	Grand total	14,513	

SPIRITUAL PREPARATION

Mr. BRYSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include a resolution.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

Mr. BRYSON. Mr. Speaker, when the first meeting of the United Nations was assembled for the purpose of perfecting the organization, we were shocked to discover that God was ignored. The chief reason for the rejection of the Creator from the momentous deliberations of this organization was the fear that any mention of the Supreme Being might be offensive to our "good allies," the atheistic representatives of the Soviet Government.

Today, as we look back on the most appalling record of futility and confusion ever presented by an assembly of presumably intelligent statesmen, it should be evident that there is a connection between the exclusion of God from the UN and the colossal failures that have characterized its efforts. Is it not possible that if the delegates, from now on, humbly call on God for light and guidance before each session they will be more successful? In these critical days of anxiety and fear it might be well to try this plan. Those of us who had concluded that we must have some sort of union of the Nations in order to preserve peace, still have great hope in the organization. There are those who now believe it still to be imperative to have divine wisdom and guidance if the undertaking is to succeed.

In this connection, I am making a special effort to have our Judiciary Committee report favorably today on House Resolution 886, as introduced by our colleague the gentleman from Florida [Mr. ROGERS], calling for a day of prayer. I attach hereto a recent resolution passed by the International Christian Leadership, Inc.:

RESOLUTION ADOPTED BY THE BOARD OF DIRECTORS, INTERNATIONAL CHRISTIAN LEADERSHIP, INC., DECEMBER 16, 1950, AT WASHINGTON, D. C.

The President has announced a state of national emergency and issued his orders requiring disciplined living and national cooperation in the great task before us.

We recognize the need of spiritual preparation that we may more adequately meet the great responsibilities of this hour.

We further recognize the overwhelming odds that confront us in the Far East and the problems in other parts of the world.

In all of this we recognize our utter dependence on Almighty God and the need for our adherence to His prescription for national well-being saying: "If my people, which are called by my name, shall humble themselves, and pray, and seek my face, and turn from their wicked ways; then will I hear from heaven, and will forgive their sin, and will heal their land."

Be it therefore resolved, That we request the elected representatives of the people, the United States Senate and House of Representatives, to issue a call to the Nation for a day of prayer and daily individual spiritual preparation invoking the grace, guidance, and wisdom of God to all of us but particularly to those charged with major decisions and leadership.

Respectfully submitted.

WILLARD S. PAUL,
President.
DONALD C. STONE,
Vice President.
CLYDE DOYLE,
Secretary.
ABRAHAM VEREIDE,
Executive Director.

SPECIAL ORDER GRANTED

Mr. CANFIELD asked and was given permission to address the House for 10 minutes today, following any special orders heretofore entered.

MANAGEMENT-LABOR RELATIONS

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, satisfactory relations between management and labor in America reached a new high this week with the awarding of $150 in bonuses to each of 20,000 Endicott-Johnson workers in the Triple Cities area in my district.

I believe as long as a relationship of this kind exists between management and labor we need have no concern about the perpetuation of our American system. I know no better way to distribute corporation funds than among the rank and file of the workers of any corporation. I commend the officials of Endicott-Johnson for doing such a magnanimous thing. I believe every corporation and concern in the country could well emulate the example of Endicott-Johnson, because as long as the average worker is able to receive a Christmas bonus of that amount of money he will be able to feed and clothe and improve the lot of his family.

I dare say that had other concerns in this country learned from Endicott-Johnson how to extend a friendly hand to their workers, we would scarcely know the meaning of labor strife today.

Endicott-Johnson long ago accurately concluded that their workers were their greatest asset. The founder of this great shoe concern, the late George F. Johnson, believed that everybody had the right to work and to live.

Consequently, he built free parks and playgrounds, free dancehalls and recreation centers, established free medicine and clinics for all his workers.

No industrialist ever went so far down the line to cement friendly relations with personnel. No other business head 50 years ago considered such steps necessary.

However, because of such tokens of appreciation for loyal and steady work as these benefits I have described, Endicott-Johnson has known practically no labor strife and very little but industrial harmony. I, for one, am glad to see such a forthright policy being perpetuated in the form of the current Christmas bonus.

DEFENSE PROGRAM

Mr. GAVIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. GAVIN. Mr. Speaker, during the past month I have had the opportunity to observe at first hand conditions in several European countries, and to check the present status of our defense program with American officials and representatives in Europe, as well as certain political and military leaders of that continent.

In almost all countries, there has been a marked improvement in economic conditions during the past year and the contrast with the desperate situation which prevailed in 1947 is very heartening. In view of this substantial improvement and recovery, and the heavy burdens and sacrifices which our own people are being called upon to bear at this time, it is my belief that the expenditure of further funds for economic recovery in Europe

should, with a few exceptions, be drastically curtailed, and promptly terminated. I recognize that there are some projects which are nearing completion, and should be finished, and that in certain difficult areas, particularly Berlin, economic assistance will be required for a longer period. In the main, however, Europe is relatively prosperous; food supplies are ample; and people appear to be well-clothed, well-shod, and adequately fed.

With respect to the military defenses of Western Europe, I regret to state that after a year and one-half of the North Atlantic Pact and the agencies implementing that treaty, there has resulted no substantial defense for Western Europe. Our own occupation forces in Germany and Austria while well-organized and trained, are completely inadequate to meet a major Communist offensive. Despite the imminence of the danger, there is little or no sense of urgency in most European countries; and the only nation in a state of emergency appears to be the United States.

If the defense of Europe is to be prepared on any realistic basis, with even a chance of success, the military potential of Germany, both in manpower and industrial capacity, must be fully and promptly utilized. The present plans for organizing small German units for incorporation in the European army are, in my opinion, inadequate and entirely unrealistic. As I stated last February, our German policies must be reexamined on an over-all basis; and if we are to achieve any worthwhile results in that country, we must act promptly and vigorously. We must plan on 20 to 30 German divisions organized, directed, and, so far as possible, supplied by Germany, under an over-all United Nations commander and staff. To achieve this, it will require a fundamental change in our present policies in Germany—a change long overdue.

In addition to rearming the Germans for the protection of their country, we must utilize the important strategic position and the dependable anti-Communist forces in Spain. Our "head in the sand" policy toward that country must be promptly and drastically changed. I am convinced that relatively modest military aid to Spain will produce results of far greater value than much larger sums now being expended in certain other countries.

Finally, our diplomatic representatives must bring home to the European countries that the world-wide threat of communism is greater and more immediate for them than for the United States, and that we cannot undertake alone to furnish the raw materials, the weapons—and the manpower—to defeat Soviet imperialism in Europe.

As a result of my trip I am forced to conclude that we find ourselves, 5 years after the war, in a grave military position in Europe; and further that vastly increased efforts on the part of the European countries will be required if we are to meet the threat to the free world.

SECRETARY OF STATE ACHESON

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Speaker, if I understood the gentleman from Florida [Mr. HERLONG] correctly, he wants us to forget the things that have gone before. As to some things that might be all right, but under that theory the child that burnt his hand on the stove would just keep on doing it until he had no hand left. We cannot follow the gentleman's suggestion. We must remember what has gone before. Otherwise a ruinous policy would destroy us for lack of criticism.

Then the gentleman intimated we should not criticize, we should not attempt to oust Mr. Acheson. I cannot agree. I remember reading the scriptures. If I recall correctly, there was a fellow named Jonah. They had to throw him overboard before they could quiet the storm, reach port safely.

That is the situation just as long as Mr. Acheson stays in the administration. Don't fool yourselves. The people do not like him. They do not trust him. They have no confidence in him and just so long as he is in the administration, they will not wholeheartedly, willingly, and enthusiastically support the administration. They will do their part—because they are loyal—but their hearts will not be in their efforts.

The SPEAKER. The time of the gentleman from Michigan has expired.

SECRETARY OF STATE ACHESON

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, if the statement made by the gentleman from Florida was intended to advocate the silencing of the criticism directed at Mr. Acheson and others, then I disapprove. I am sorry to say that I did not like either the tone or the spirit of the gentleman's statement, because, as I felt, it rather suggested the thought that we should enter a confession of our imbecility or incapacity or incompetency to function as the legislative body of this country. But, aside from this, I want to say to you gentlemen that the conditions of the world are such that nothing less than general mobilization, which is war, is needed, rather than the declaration of a national emergency, which is politics.

The SPEAKER. The time of the gentleman from Georgia has expired.

SECRETARY OF STATE ACHESON—ALGER HISS AND ANNA ROSENBERG

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. RANKIN. Mr. Speaker, I am somewhat embarrassed at this argument about Mr. Acheson. I am probably more responsible for Mr. Acheson being Secretary of State than any other man alive. It was my amendment to the rules of the House which created the Committee on Un-American Activities that exposed the treason of Alger Hiss. If it had not been for that, Hiss probably would be Secretary of State now, and Acheson would be his assistant.

But to show you how the line is being followed, Anna Rosenberg, a little Yiddish woman from Austria-Hungary, will now become Assistant Secretary of National Defense, if confirmed by the Senate, and will have more power over the lives of the American people than was ever exercised by any American President.

While General Marshall wonders where he was the night before.

God save America.

The SPEAKER. The time of the gentleman from Mississippi has expired.

GENERAL EISENHOWER

Mr. CRAWFORD. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. CRAWFORD. Mr. Speaker, here we can only express the opinion of one Member. I simply take the floor to express my own personal opinion for the benefit of the people of my district. I very much regret that General Eisenhower has been made supreme commander of the so-called United Nations forces of Europe. I think we are the goat on the Asian Continent, and I think we will be the goat on the European Continent. I would much prefer to see General Montgomery made head man over there so that those people who are close to the situation can look after their own backyard without forever and eternally putting the blame and responsibility upon the people of the United States. I feel we have done our share and will always do our share, and that the other countries of the earth are today imposing upon us, and that it is only a matter of a few months until we will have demonstrated that the manpower of the United States is not sufficient to physically lick the Russian-directed manpower of the balance of the world.

The SPEAKER. The time of the gentleman from Michigan has expired.

UNITED NATIONS

Mr. BATTLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BATTLE. Mr. Speaker, I have long been a supporter and a booster of the United Nations. I feel that a strong, vigorous world organization constitutes one of the best hopes of freedom for mankind and the survival of civilization itself.

It is a matter of great concern to me, therefore, to note the possibility that the General Assembly may adjourn in a few days without recognizing or acting upon the new phase of the Korean war which was brought about by the aggression of the Red Chinese. To me it seems clear that the hope for the very existence of the United Nations in the future is with the General Assembly since the Security Council has been rendered helpless by the Russian veto. Therefore, it is vital that in the interest of world peace the General Assembly continue to meet until some definite plan can be worked out toward solving the present crisis involving the aggression of a new nation. It is disheartening to many stanch UN supporters that China's aggression to date has been practically ignored by the General Assembly as far as official action is concerned.

The nature of the action taken would, of course, have to depend on developments, but there are certain measures which should be undertaken without delay. In the first place, the General Assembly must brand the Red Chinese as world aggressors. Secondly, I think we would do well to clamp a complete economic embargo on Red China as an official act of the United Nations.

The UN showed real promise last summer when it made the historic decision to put down the aggressors in Korea. It would be tragic, indeed, to falter now when the fate of the world is at stake.

CRITICISM WITHOUT CONSTRUCTIVE SUGGESTION

Mr. BOLLING. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. BOLLING. Mr. Speaker, during the past 2 weeks I have been very much disturbed by the simple fact that there has been a great deal of personal criticism of individuals and no constructive suggestion as to how better this country might meet the problems that confront it at home and abroad. It seems to me that the irresponsibility of those individual criticisms is revealed clearly by the total absence of any constructive suggestions to accompany them. It must be very clear to everyone that the responsibilities which this country has and which we as individual members of this great body have are so great that we must apply ourselves to achieving the best solutions of our critical problems, at this time which may be a turning point in all the world's history, a time of world-wide decision for freedom or for slavery.

The time has come when criticize we may, but criticize without responsibility we cannot.

The SPEAKER. The time of the gentleman from Missouri has expired.

CRITICISM OF PUBLIC OFFICIALS

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to proceed for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, my colleague from Michigan [Mr. HOFFMAN] has related the story of Jonah and the whale. I might add to his remarks by recalling that even the whale could not stomach Jonah and lost little time in disgorging him through the process of regurgitation.

My heart goes out to the gentleman from Florida [Mr. HERLONG] and others on the right side of the aisle who bewail criticism of Secretary Acheson and others in their beloved administration who have gotten us into the mess in which we find ourselves. I would not like it either if we Republicans were responsible for such inept and blundering leadership.

In my opinion, criticism of incompetent officials must go on until changes are made. Not until then will the people of this Nation have any confidence in their Government. There are very few Americans today who do not know the true facts about our foreign policies that have brought this Nation to its greatest crisis. They know that Acheson, Lattimore, Hiss, and their ilk sold us down the river in Asia. They know that if we had stood by Chiang Kai-shek and the Nationalist government in China who were our allies in World War II, there would be no Communist forces in China, Manchuria, and Korea today.

The SPEAKER. The time of the gentleman from Michigan has expired.

CALENDAR WEDNESDAY

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that business in order on Calendar Wednesday may be dispensed with this week.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE ON ARMED SERVICES

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that the Committee on Armed Services may have until midnight tonight to file reports.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

Mr. HOFFMAN of Michigan. Mr. Speaker, I yield back my time and will use it tomorrow.

The SPEAKER. Under previous order of the House, the gentleman from New Jersey [Mr. CANFIELD] is recognized for 10 minutes.

POSTAL SERVICE STANDARDS

Mr. CANFIELD. Mr. Speaker, during the fall campaign I attended many forum meetings in my district during which there were question and answer periods. Always there were questions about the ever-lowering standards of our national postal service. Many women asked the question: "When will the postal service be normalized in the United States?"

Last July the Commerce and Industry Association of New York conducted a survey of the postal service following numerous complaints about the institution of service curtailments on June 1, 1950. At that time hundreds of association members replied citing examples of delays and adverse effects of the curtailments. After that survey the Post Office Department cooperated in attempting to overcome some of the major difficulties found. The Association issued on December 1 a follow-up questionnaire to learn effects of mail service curtailments on business firms during the past 3 months. The questionnaire requested specific instances which were attributable to service curtailments beginning June 1, 1950, rather than isolated instances which might have occurred irrespective of the curtailments put into effect at that time. To date 343 replies from business firms in New York City have been received. Although a complete tabulation of replies has not been made, generally the complaints of the service fall into the following categories:

Outgoing mail: Since the branch post offices will not accept any mail after 5:30 p. m. business firms have been hard pressed to meet this deadline. Mail prepared in the late afternoon cannot be processed through the mail room in time to have it reach the post office before the deadline. Thus a one-day delay occurs immediately.

Service windows close at 5:30 p. m. and it is impossible to obtain insurance or registry service at the branch offices, and the business houses must go long distances either to the main post office or an annex if the need is urgent.

Delivery of mail, particularly third class mail, has been very slow. Instances have been cited where mail from one midtown Manhattan point takes 2 days to arrive at another point in midtown. Mail which usually took merely overnight, now is being delivered in the late morning or in the afternoon.

Parcel post: Service has been particularly bad in this mail category. Many say quite frankly that the time of arrival of parcel post packages is guesswork. Business firms are now finding that from 2 to 6 days are added to the time previously required for delivery. This is true not only for long distance parcels but for intracity deliveries where the jams on railroads cannot be blamed.

Incoming mail: Mail deliveries in the morning are one-half to three-quarters of an hour later than prior to June 1. A firm which previously had its mail opened and distributed shortly after the beginning of operations, now finds that the office staff must sit around for as much as a half hour waiting for the mail in order to begin the day's work.

Directory service: Generally speaking, the reinstitution of the directory service of foreign mail insufficiently addressed is working well in practice. The curtailment of the domestic directory service

has worked a hardship on firms because of the added cost and delay of letters returned either because of insufficient or incorrect addresses.

General comments: The comments made on the questionnaire have been that mail service in the past several months has gone from bad to worse. What is unfortunate is that the users of mail detect a lowering of morale of the postal employees and a general reluctance on the part of the Department personnel to provide the usual standard of high service which they had been accustomed to giving.

The mail users now take the attitude that it is anybody's guess when mail or packages will arrive either in the office or at the ultimate destination. In order to insure prompt delivery of local mail, firms have begun to resort more than ever to messenger service and special-delivery service, disregarding the use of Uncle Sam's postal system.

The gentleman who sent me the interim report I have just quoted, Mr. Joseph A. Sinclair, secretary of the Commerce and Industry Association of New York, in his cover letter refers to a personal experience. He is domiciled in Ridgewood, N. J. He states:

I personally did not realize how bad the parcel post service is until this noontime when I ordered a package from one of the downtown stores to be sent out to my home in Ridgewood and was told that it was doubtful that the package would be delivered in Ridgewood (some 20 miles away) before Christmas. This is a period of 10 days.

Mr. Speaker, business is losing in this deal. The Post Office Department of the United States will undoubtedly lose because of this curtailment order of June 1, 1950, and certainly the taxpayers and the patrons of the Post Office are not going to benefit.

I am a reexaminationist when it comes to the postal service of the United States and I think it is high time that the Postmaster General rescind the order as directed in a resolution passed by this House, which resolution is now pending in the Senate of the United States.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. CANFIELD. I yield to the gentleman from New York who has been so much interested in seeing that these faults are remedied.

Mr. EDWIN ARTHUR HALL. I want to congratulate the gentleman for protesting this order of June 1, 1950, because when I went home this summer I found that more people were disgruntled, more business firms were upset and the general order of business and commerce was jeopardized to a greater extent than I had ever noted before, all because of this one order which the Postmaster General put into effect in June of this year.

Mr. CANFIELD. The gentleman will recall the Postmaster General first indicated that the amount of money he expected to save through this order would be $15,000,000. I understand now he has raised this figure to $70,000,000. But even so the loss to business and the loss to the public at large is exceedingly greater.

Mr. EDWIN ARTHUR HALL. Has the gentleman any information for the House as to what steps have been taken to loosen the log jam that is holding up approval of this resolution so that it will be placed squarely before the Postmaster General in order for him to rescind the order?

Mr. CANFIELD. May I say to the gentleman from New York I was hoping that the Senate would pass the resolution approved by the House of Representatives directing the Postmaster General to rescind that unfortunate order. The other body has not yet taken action.

And I regret to say the Postmaster General is still under the impression that the people of the United States are quite satisfied with the present mail situation. He insists that he is receiving more complimentary letters than complaints. I am at a loss to understand this and I know many who now refer to the time in yesteryear when they could mail letters and packages with the assurance they would be delivered expeditiously but, they go on to say, Uncle Sam's mail box and Uncle Sam's Post Office do not mean just the same in these days.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. SAYLOR for an indefinite period, on account of official business.

EXTENSION OF REMARKS

Mr. LUCAS asked and was given permission to extend his remarks and include a statement, also an editorial from the Fort Worth Star-Telegram.

Mr. LANE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. MORRIS asked and was given permission to extend his remarks.

Mr. PRICE asked and was given permission to extend his remarks and include a newspaper article.

Mr. BIEMILLER asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. FUGATE asked and was given permission to extend his remarks and include an editorial.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. BOYKIN (at the request of Mr. PRIEST) was given permission to extend his remarks and include an editorial.

Mr. GRAHAM asked and was given permission to extend his remarks and include extraneous matter.

Mr. GROSS asked and was given permission to extend his remarks and include extraneous matter.

Mr. PHILBIN asked and was given permission to extend his remarks and include a set of resolutions and an address.

Mr. BURLESON asked and was given permission to extend his remarks and include a statement.

Mr. BATTLE asked and was given permission to extend his remarks and include a statement.

Mr. SHAFER asked and was given permission to extend his remarks in the RECORD in three instances.

Mr. FOGARTY (at the request of Mr. MCCORMACK) was given permission to extend his remarks and include extraneous matter.

Mr. McCORMACK asked and was given permission to extend his remarks and include a letter appearing in the Washington Post of December 16, 1950, written by Eric Dorman O'Gowan.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 2093. An act authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Riedel;

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas;

H. R. 4579. An act to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges in Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska;

H. R. 5487. An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission, or the Federal Maritime Board or the Maritime Administration under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended;

H. R. 5902. An act for the relief of the Pan American Union;

H. R. 6228. An act for the relief of Dr. Chao-Jen Chen, Dr. Janet Wang Chen, and Eleanor Chen;

H. R. 7735. An act to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission line purposes in the Santa Fe Flood Control Basin and the San Gabriel River improvement, California;

H. R. 8821. An act authorizing payment to certain States amounts withheld from grazing fees on public lands;

H. R. 8834. An act for the relief of Yamaguchi Michiko;

H. R. 8851. An act to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Brown's Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Browns Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the county of Pierce, State of Washington;

H. R. 9284. An act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9475. An act for the relief of Mrs. Enid Louise Noble Romick, Jr.; and

H. R. 9681. An act to authorize the waiver of the navigation and vessel-inspection laws.

The SPEAKER announced his signature to enrolled bills and a joint resolution of the Senate of the following titles:

S. 3263. An act to amend Veterans' Preference Act of 1944 with respect to certain mothers of veterans;

S. 3654. An act to amend section 3 of the Postal Salary Act of July 6, 1945;

S. 3672. An act to amend section 3 (c) of the Civil Service Retirement Act so as to make the exclusion from such Act of temporary employees of the Senate and House of Representatives inapplicable to such employees with one or more years of service;

S. 3910. An act relating to the assignment of surplus clerks in the Postal Transportation Service;

S. 4102. An act relating to contracts for the transmission of mail by pneumatic tubes or other mechanical devices;

S. 4229. An act to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended;

S. 4240. An act to amend the Act incorporating The American Legion so as to redefine eligibility for membership therein;

S. 4254. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II); and

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 39 minutes p. m.) the House adjourned until tomorrow, Wednesday, December 20, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1796. A letter from the Assistant Secretary, Department of State, transmitting a report, including a detailed statement of expenditures as of October 31, 1950, concerning the character and extent of participation by the United States Government in the Port-au-Prince Bicentennial Exposition, commemorating the two hundredth anniversary of the founding of the capital of Haiti, in accordance with the provisions of section V of Public Law No. 251, Eighty-first Congress; to the Committee on Foreign Affairs.

1797. A letter from the Chairman, United States Tariff Commission, transmitting the Third Annual Report of the United States Tariff Commission on the operation of the Trade Agreements Program; to the Committee on Ways and Means.

1798. A communication from the President of the United States, transmitting a letter relative to emergency powers and the need for additional legislative authority; to the Committee on the Judiciary.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 3207. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. GARMATZ: Joint Committee on the Disposition of Executive Papers. House Report No. 3208. Report on the disposition of certain papers of sundry executive departments. Ordered to be printed.

Mr. DURHAM: Committee on Armed Services. H. R. 9798. A bill to authorize a Federal civil defense program, and for other purposes; with amendment (Rept. No. 3209). Referred to the Committee of the Whole House on the State of the Union.

Mr. KILDAY: Committee on Armed Services. H. R. 9893. A bill to authorize certain construction at military and naval installations, and for other purposes; with amendment (Rept. No. 3210). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. CELLER:

H. R. 9932. A bill to amend and extend certain provisions of the First War Powers Act, 1941; to the Committee on the Judiciary.

By Mr. HESELTON:

H. R. 9933. A bill to amend the Natural Gas Act to authorize the Federal Power Commission to prescribe safety requirements for natural-gas companies; to the Committee on Interstate and Foreign Commerce.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

2412. By Mr. EBERHARTER: Petition of the Allegheny County committee of the American Legion, Pittsburgh, Pa., urging the Congress of the United States to immediately enact a universal military training statute in order to carry out fairly, adequately, and justly the protection of our country and the prevention of world war III; to the Committee on Armed Services.

2413. By Mr. FORAND: Resolution by the Bristol Veterans' Council, of Bristol, R. I., for introduction in the CONGRESSIONAL RECORD, relative to extension of the privileges embodied in Public Laws Nos. 346 and 16 to the servicemen engaged in the Korean campaign; to the Committee on Veterans' Affairs.

SENATE

WEDNESDAY, DECEMBER 20, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

O Thou desire of nations, as again our hearts are drawn by the lure of the manger, enable our spirits to kindle with the joy of simple shepherds long ago. As every hearth is aflame with the Christmas candles of faith and hope and love, we think tenderly and with pride of our Nation's youth, upon whose embattled loneliness the silent stars look down from alien skies. As in distant corners of the earth they keep their constant vigil for freedom's sake, our wistful prayers for them wing their way to Thee and bind them to us with a nearness which mocks the separating miles.

Hasten the day when the mighty melody above the little eastern town, "Peace to men of good will" shall be the divine harmony of all earth's myriad tongues. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. GEORGE, and by unanimous consent, the reading of the Journal of the proceedings of Tuesday, December 19, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Miller, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed a bill (H. R. 8881) to permit educational, religious, or charitable institutions to import textile machines and parts thereof for instructional purposes, in which it requested the concurrence of the Senate.

COMMITTEE MEETINGS DURING SENATE SESSION

On request of Mr. GEORGE, and by unanimous consent, the Committee on Expenditures in the Executive Departments was authorized to meet during the session of the Senate today.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON UNITED STATES PARTICIPATION IN PORT-AU-PRINCE BICENTENNIAL EXPOSITION

A letter from the Assistant Secretary of State, transmitting, pursuant to law, a report on United States participation in the Port-au-Prince Bicentennial Exposition (with an accompanying report); to the Committee on Foreign Relations.

LAW ENACTED BY GUAM CONGRESS

A letter from the Secretary of the Interior, transmitting, pursuant to law, a copy of a law enacted by the Tenth Guam Congress (with an accompanying paper); to the Committee on Interior and Insular Affairs.

REPORT OF NATIONAL FOREST RESERVATION COMMISSION (S. DOC. NO. 246)

A letter from the Secretary of the National Forest Reservation Commission, transmitting, pursuant to law, a report of the Commission for the fiscal year 1950 (with an accompanying report); to the Committee on Agriculture and Forestry, and ordered to be printed, with illustrations.

MEMORIALS

Memorials were laid before the Senate, and referred, as indicated:

By the PRESIDENT pro tempore:

A resolution adopted by the Danville (Ill.) Branch of the American Association of University Women, protesting against the enactment of legislation providing compulsory health insurance; to the Committee on Labor and Public Welfare.

A telegram in the nature of a memorial, signed by David F. Pond, FN Assembly 2804, Munising, Mich., remonstrating against the enactment of legislation providing financial assistance to Yugoslavia; ordered to lie on the table.

CALL OF THE ROLL

Mr. GEORGE. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. GILLETTE in the chair.) The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Bridges	Chapman
Anderson	Butler	Chavez
Benton	Byrd	Clements
Brewster	Capehart	Connally
Bricker	Carlson	Cordon

Donnell	Kem	Nixon
Douglas	Kerr	O'Conor
Dworshak	Kilgore	O'Mahoney
Eastland	Knowland	Pastore
Ecton	Langer	Pepper
Ellender	Lehman	Robertson
Flanders	Lodge	Russell
Frear	Long	Saltonstall
Fulbright	Lucas	Schoeppel
George	McCarran	Smith, Maine
Gillette	McCarthy	Smith, N. J.
Gurney	McClellan	Smith, N. C.
Hayden	McFarland	Stennis
Hendrickson	McKellar	Taft
Hickenlooper	McMahon	Taylor
Hill	Magnuson	Thomas, Okla.
Hoey	Malone	Thomas, Utah
Holland	Martin	Thye
Humphrey	Maybank	Tydings
Hunt	Millikin	Watkins
Ives	Morse	Wherry
Jenner	Mundt	Wiley
Johnson, Colo.	Murray	Williams
Johnson, Tex.	Myers	Young
Johnston, S. C.	Neely	

Mr. LUCAS. I announce that the Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Tennessee [Mr. KEFAUVER] is absent by leave of the Senate on official business.

The Senator from Alabama [Mr. SPARKMAN] is absent by leave of the Senate on official business as a representative of the United States to the fifth session of the General Assembly of the United Nations.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from New Hampshire [Mr. TOBEY] is absent on official business.

The PRESIDING OFFICER. A quorum is present.

The Senator from Georgia [Mr. GEORGE] is entitled to the floor.

TRANSACTION OF ROUTINE BUSINESS

Mr. GEORGE. Mr. President, I ask unanimous consent that Senators be permitted to introduce bills and joint resolutions, present petitions and memorials, and other routine matters for the RECORD, without debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNIVERSAL MILITARY TRAINING—LETTER FROM COMMANDERS OF VETERANS' ORGANIZATIONS, MILWAUKEE, WIS.

Mr. WILEY. Mr. President, I was glad to receive this morning a letter from the leading veterans officers of the State of Wisconsin in which they expressed the joint views of their respective organizations on behalf of the enactment of universal military training legislation. It has always been my position that those men who have seen service in the uniform of their nation are entitled to the most earnest consideration when they submit their suggestions on military problems facing our country. Who is in a better position to comment on that issue than the very men who have sacrificed years of their lives, and their bodies, to the service of their country?

We are all becoming increasingly aware of the fact that the half-way, half-hearted, half-baked, inadequate measures adopted thus far for mobilization of the home front on an economic, military and other basis, are doing a grave disservice to our fighting men, as well as to the future of our country. We desperately need to go on an all-out basis if we are to survive as a nation.

I ask unanimous consent, therefore, that there be printed in the RECORD at this point the text of the letter received this morning from these distinguished Wisconsin veterans, together with their names, and appropriately referred.

There being no objection, the letter was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, together with the names, as follows:

WISCONSIN VETERANS COUNCIL,
Milwaukee, Wis., December 11, 1950.

Senator ALEXANDER WILEY,
Senate Office Building,
Washington, D. C.

DEAR SENATOR WILEY: With world conditions in their present perilous state, it is the sincere wish of the undersigned that you give the utmost consideration to this letter.

Meeting in emergency session this morning in Milwaukee, the Wisconsin commanders of every chartered veterans organization in our State unanimously passed a resolution asking that you use your entire influence and assistance in securing the immediate passage of universal military training in legislation.

Our basic interest is, as always, in the security of our Nation, and in beseeching your aid we present a united front of 300,000 Wisconsin veterans. We cannot impress our sentiments in this matter upon you too strongly, for we feel that history will record in indelible letters what action America takes now.

May we count upon your help in this most important program?

Most sincerely,

Jerome E. Host, Department Commander, the American Legion Department of Wisconsin; Dewey A. Decker, Department Commander, AMVETS, Green Bay; Paul P. Moore, Department Commander, Army and Navy Union, Milwaukee; Herbert Pommerening, Department Commander, Disabled American Veterans, Oshkosh; Paul Corbin, Department Commandant, Marine Corps League, Janesville; Richard P. Golick, Department Commander, Military Order of the Purple Heart, Sheboygan-Chicago; George V. Porter, Squadron Commandant, Navy Club of America, Racine; George P. Lohmaier, Department Commander, United Spanish War Veterans, Fort Atkinson; Sverre Roang, Department Commander Veterans of Foreign Wars, Edgerton.

REPORT OF A COMMITTEE

The following report of a committee was submitted:

By Mr. McCLELLAN, from the Committee on Expenditures in the Executive Departments:

S. 4266. A bill to amend and extend title II of the First War Powers Act, 1941, with an amendment (Rept. No. 2686).

AUDITS OF GOVERNMENT CORPORATIONS—REPORT OF A COMMITTEE (REPT. NO. 2685)

Mr. McCLELLAN. Mr. President, from the Committee on Expenditures in the Executive Departments, I submit, pursuant to the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong.), a report relating to audits of Government corporations, and I ask unanimous consent that it be printed.

The PRESIDING OFFICER. The report will be received, and, without objection, printed, as requested by the Senator from Arkansas.

SUPPLEMENTAL APPROPRIATIONS, 1951—REPORT OF A COMMITTEE

Mr. McKELLAR. Mr. President, from the Committee on Appropriations I report favorably, with amendments, the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, and I submit a report (No. 2684) thereon.

The PRESIDING OFFICER. The report will be received and the bill will be placed on the calendar.

Mr. WHERRY. Mr. President, does the Senator from Tennessee intend to bring up the bill tomorrow?

Mr. McKELLAR. I hope to do so.

REPORTS ON DISPOSITION OF EXECUTIVE PAPERS

Mr. JOHNSTON of South Carolina, from the Joint Select Committee on the Disposition of Executive Papers, to which were referred for examination and recommendation four lists of records transmitted to the Senate by the Archivist of the United States that appeared to have no permanent value or historical interest, submitted reports thereon pursuant to law.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, December 20, 1950, he presented to the President of the United States the enrolled bill (S. 4234) to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LANGER:

S. 4269. A bill for the relief of certain alien refugees; and

S. 4270. A bill for the relief of certain alien refugees; to the Committee on the Judiciary.

By Mr. YOUNG:

S. 4271. A bill for the relief of Mary Osadchy; to the Committee on the Judiciary.

By Mr. TYDINGS:

S. 4272. A bill for the relief of the city of Baltimore; to the Committee on the Judiciary.

By Mr. KNOWLAND (for himself and Mr. NIXON):

S. 4273. A bill to authorize the Secretary of the Navy to enlarge existing water supply facilities for the San Diego, Calif., area in order to insure the existence of an adequate water supply for naval installations and defense production plants in such area; to the Committee on Armed Services.

By Mr. LANGER:

S. 4274. A bill for the relief of Werner Otto Wenk; to the Committee on the Judiciary.

By Mr. PEPPER:

S. 4275. A bill for the relief of Victor Di Taranto and Gaetano Barletta; to the Committee on the Judiciary.

REQUEST FOR NAMES OF FEDERAL JUDGES INCAPACITATED IN PERFORMANCE OF DUTIES

Mr. LANGER. Mr. President, I submit for appropriate reference a resolution, which reads as follows:

Resolved, That the Director of the Administrative Office of the United States Courts is requested to report to the Senate not later than January 15, 1951, the names of all judges of the United States district courts and United States Courts of Appeals who have not been able to perform their duties as judges because of disabilities or for other reasons for at least 6 months immediately prior to the date of such report and who are eligible for retirement.

The purpose of this resolution is to bolster up the efficiency of the all-important judicial branch of our Government. In these days, all of us, including every individual citizen in the country, is called upon to contribute his utmost so that our country may successfully meet the problems—the grave ones—confronting us today. We must as part of this effort see that the all-important purpose of the judiciary presented in our courts be shown prompt justice, because so often justice delayed is justice defeated.

It has come to my notice that there are several individuals holding judicial positions in our Federal courts who are no longer able to perform their duties—not through any fault of their own—but because of illness that will keep cases presented them from ever getting off their desks.

Mr. President, there is one thing about that, and that is that any such situation should be brought to light and that proper steps be taken to remedy them.

In introducing this resolution, I have not the slightest thought of impugning the integrity or the ability of those serving in judicial capacities. I have always thought that when they are no longer able to perform their duties prompt action should be taken that others may succeed to their positions.

The Federal judiciary is independent and should be, but it is the duty of the legislative branch of the Government to contribute its part by legislation and other ways, to see that proper appointments are made and that those who are no longer able to serve, avail themselves of the privilege of retirement, which I feel utter ample.

I might add that in the manner of human nature, many individuals are reluctant to give up their duties when the time comes that they are no longer able to perform them. The least we can do is to keep full account of the circumstances that we may be fully cognizant when such conditions arise.

It is with such a purpose that this resolution is submitted and I hope it will be adopted promptly.

The resolution (S. Res. 376) submitted by Mr. LANGER was referred to the Committee on the Judiciary.

MRS. JUAN ANTONIO RIVERIA ET AL.—REQUEST FOR RETURN OF H. R. 5051

Mr. McCARRAN. Mr. President, I submit a resolution and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will read the resolution.

The resolution (S. Res. 377) was read by the legislative clerk, as follows:

Resolved, That the Secretary be, and he is hereby, directed to request the House of Representatives to return to the Senate the bill (H. R. 5051) for the relief of Mrs. Juan Antonio Riveria, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, together with the Senate engrossed amendments thereto.

The PRESIDING OFFICER. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. McCARRAN. Mr. President, a few days ago, on the call of the Consent Calendar, the bill (H. R. 5051) was objected to by the Senator from New Jersey [Mr. HENDRICKSON]. He agreed to permit the bill to pass, providing certain information was conveyed to him and his right to move for a reconsideration would not be curtailed. By some misadventure the bill was messaged to the House. This resolution merely calls for its return to the Senate.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 377) was agreed to.

HOUSE BILL REFERRED

The bill (H. R. 8881) to permit educational, religious, or charitable institutions to import textile machines and parts thereof for instructional purposes, was read twice by its title, and referred to the Committee on Finance.

NOTICES OF MOTIONS TO SUSPEND THE RULE—AMENDMENTS

Mr. McKELLAR. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, the following amendment, namely:

On page 1, after line 12, insert the following:

"PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

"(a) Section 49 of the Revised Statutes is amended to read as follows:

"'SEC. 49. When any person dies while serving as a Member of or Delegate to Congress, as Resident Commissioner from Puerto Rico, as an officer or employee of either the Senate or House of Representatives, or as an employee of a joint committee of the Senate and House of Representatives, the appropriate disbursing officer of the Senate or House of Representatives shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such persons, any unpaid balance of salary or other sums due such person at the time of his death.'

"(b) Section 50 of the Revised Statutes is repealed."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 9920, making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, the following amendment, namely:

On page 4, before the heading entitled "Chapter III," insert the following:

"MARITIME ACTIVITIES

"SHIP CONSTRUCTION

"The first proviso in the paragraph under the head 'United States Maritime Commission, ship construction' in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951.'

"Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority, the totals of which, including not to exceed $500,000 which may be transferred to the appropriation 'Salaries and expenses' for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head 'New ship construction' in the Independent Offices Appropriation Act, 1950, or the last provison under the head 'Ship construction' in the Independent Offices Appropriation Act, 1951.

"For the payment of obligations incurred on or after July 1, 1946, including obligations authorized herein, for ship construction, reconditioning and betterments, pursuant to the Merchant Marine Act, 1936, as amended, and to the authority granted under the head 'United Statess Maritime Commission' in the several appropriation acts for the fiscal years 1947, 1948, 1949, 1950, and 1951, the unexpended balance of funds heretofore appropriated for the liquidation of such obligations may be consolidated and may, in total, be available for the liquidation of such obligations.

"SALARIES AND EXPENSES

"Limitations under the head 'Salaries and expenses,' United States Maritime Commission in the Independent Offices Appropriation Act, 1951, are amended as follows: 'Maintenance of shipyard facilities' is increased from '$452,000' to '$183,000,' and 'Maintenance and operation of terminals' is decreased from '$765,000' to '$734,000.'"

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 9920, making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, the following amendment, namely:

Page 9, after line 22, under the heading "Tennessee Valley Authority", following the word "expended", insert the following: ": *Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 9920, making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

Mr. McKELLAR. In accordance with rule XL, of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, the following amendment, namely:

On page 26, after line 3, insert the following:

"CHAPTER IX

"FOREIGN AID

"Whenever he determines that such action is essential, the President may from time to time utilize for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II, of Public Law 535, 81st Cong.), not to exceed in the aggregate 5 percent of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, 80th Cong.), as amended."

Mr. McKELLAR also submitted an amendment intended to be proposed by him to House bill 9920, making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment referred to, see the foregoing notice.)

CAPITOL CLOAKROOM—INTERVIEW WITH SENATOR PEPPER

[Mr. PEPPER asked and obtained leave to have printed in the RECORD the Capitol Cloakroom interview with him held over the Columbia Broadcasting System on December 5, 1950, which appears in the Appendix.]

DEATH OF CURTIS LONGINO WALLER, JUDGE OF THE CIRCUIT COURT OF APPEALS OF THE FIFTH CIRCUIT

[Mr. PEPPER asked and obtained leave to have printed in the RECORD an article published in the University of Florida Law Review, dedicated to Curtis Longino Waller, judge of the Circuit Court of Appeals of the Fifth Circuit, which appears in the Appendix.]

TOTAL MOBILIZATION—BROADCAST BY MARY SPARGO

[Mr. AIKEN asked and obtained leave to have printed in the RECORD the "Vermont News Round-Up," broadcast by Mary Spargo from Station WCAX in Burlington, Vt., December 16, 1950, which appears in the Appendix.]

WHY WE HAVE GOOD JUDGES—EDITORIAL FROM THE KANSAS CITY STAR

[Mr. DONNELL asked and obtained leave to have printed in the RECORD an editorial entitled, "Why We Have Good Judges," published in the Kansas City Star, November 11, 1950, which appears in the Appendix.]

UNIQUE APPEAL TO SANTA CLAUS—EDITORIAL FROM THE EUGENE (OREG.) REGISTER-GUARD

[Mr. DWORSHAK asked and obtained leave to have printed in the RECORD an editorial entitled, "Unique Appeal to Santa Claus," published in the Eugene (Oreg.) Register-Guard, December 11, 1950, which appears in the Appendix.]

RECOMMENDATIONS OF THE PEOPLE OF KANSAS ON TAX ISSUES

[Mr. CARLSON asked and obtained leave to have printed in the RECORD recommendations of the people of Kansas on tax issues, which appear in the Appendix.]

REQUIREMENTS FOR LABELING BREAD—TESTIMONY OF JERRY VOORHIS

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD a portion of the testimony of Jerry Voorhis, of the Cooperative League of the United States, before a special committee of the House of Representatives, which appears in the Appendix.]

MAIL PAY—EDITORIAL FROM THE WASHINGTON POST

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD an editorial discussing the proposed separation of straight airline subsidies from the cost of transporting air mail, published in the Washington Post December 14, 1950, which appears in the Appendix.]

TWO HUNDRED AND FIFTIETH ANNIVERSARY OF THE FOUNDING OF THE CITY OF DETROIT

[Mr. BRICKER, on behalf of Mr. FERGUSON, asked and obtained consent to have printed in the Appendix of the RECORD a statement regarding the two hundred and fiftieth anniversary of the founding of the city of Detroit, which appears in the Appendix.]

WITHDRAWAL FROM KOREA—EDITORIAL FROM THE ST. LOUIS GLOBE-DEMOCRAT

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial entitled, "Time To Get Out," published in the St. Louis Globe-Democrat, December 11, 1950, which appears in the Appendix.]

CONGRESS SHOULD GIVE US AN ADEQUATE MERCHANT FLEET—EDITORIAL FROM NEW YORK INQUIRER

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD an editorial entitled "Congress Should Give Us an Adequate Merchant Fleet," published in the New York Inquirer under date of December 18, 1950, which appears in the Appendix.]

LETTER TO A SOLDIER IN KOREA

[Mr. DOUGLAS asked and obtained leave to have printed in the RECORD a letter to a soldier in Korea, read by Rev. A. Powell Davies, at All Souls' Church, Unitarian, Washington, D. C., on Sunday, December 17, 1950, which appears in the Appendix.]

APPLICATION OF PRICE CEILINGS TO GRAINS

Mr. YOUNG. Mr. President, yesterday I challenged the statement by a nationally syndicated columnist that price ceilings could not be applied to grains under existing legislation, and I quoted Department of Agriculture statistics to prove that farm prices had not advanced unduly during the last year.

I ask unanimous consent to insert in the RECORD, at the conclusion of my remarks, a United Press story carried in the New York Times of December 19, 1950. It is captioned "Slight drop noted in farmer income," and I believe it bears out what I had previously said, that agriculture is not sharing in the expanded national income which has resulted from price and wage increases since the outbreak of the Korean war. As a matter of fact, this newspaper article, based upon Department of Agriculture compilations, reveals that the gross income of American farmers for the first 11 months of 1950 was actually 1 percent below the figure for the same period in 1949.

While figures on net income of farmers during this same period are not available, it is certain that they will show a much sharper decline than do the gross income figures. On November 15 of this year the index of prices paid by farmers had reached the highest level in history. In other words, farmers were paying more than ever before for the goods and services which they must purchase to carry out their day-to-day farm operations. The prices of the commodities which farmers market have not advanced nearly enough to offset these mounting operating costs.

At best, farmers will have great difficulty in maintaining the high rate of production which they have achieved through hard work, increased mechanization, and improved farming practices. With the Nation embarking upon another gigantic defense program, and with thousands of farm youths scheduled for induction into the Armed Forces, we may soon face the most critical farm-labor shortage in our history. As steel and other metals are diverted to build planes, tanks, ships, and guns, it will become increasingly difficult for farmers to obtain machinery and machinery-repair parts. It is not too early for our top officials to outline a program under which agriculture will be assured an adequate labor supply and a continuing flow of machinery. If they fail to do this, farm production will inevitably slump from the record highs of the last 3 years, and food prices will just as inevitably skyrocket.

The American farmer, even today, is not receiving what Congress has decreed to be a fair price for most of his products, namely, parity. Except for a few farm commodities which are in short supply, agricultural products have lagged far behind both wages and other products in the upward price climb which began last June 24. If farmers were to follow the 40-hour workweek, as most workers in other industries do, food supplies would indeed become scarce, and the resultant prices so high that few people would have enough to eat.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SLIGHT DROP NOTED IN FARMER INCOME—1 PERCENT DECLINE REPORTED FOR FIRST 11 MONTHS—TOBACCO, FRUIT RECEIPTS ARE HIGHER

WASHINGTON, December 18.—Farm income for the first 11 months of this year fell slightly below the same period last year, despite higher farm prices, the Department of Agriculture reported today.

A 1-percent drop in the farmer's return was attributed to smaller sales volume.

National farm income up to December 1 this year totaled $25,300,000,000, compared to $25,663,000,000 for the same period in 1949. Total farm income for 1950 still could reach last year's total of $28,127,000,000, but only if December marketings are exceptionally heavy.

The record high in farm income was established in 1948, when farmers pocketed $30,554,000,000.

Despite the over-all drop, farmers in nine States made more money during the first 11 months of 1950 than they did last year. The States are Michigan, Virginia, North Carolina, Georgia, Montana, Colorado, Washington, Oregon, and California. Their marketings were as high or higher than last year.

Farm receipts from the sale of livestock and livestock products for the 11 months this year was $14,300,000,444, about the same as last year. The number of livestock that went to market was smaller, but price increases offset the decline in sales.

Crop sales during the period amounted to $11,000,000,000, 4 percent under 1949. While crops averaged slightly higher than last year, marketings were smaller.

Receipts from wheat, corn, cotton, and vegetables were reported especially low as compared to 1949 because of decreases in the volume marketed. On the other hand, receipts from tobacco and fruits were well above last year's level. The gain in tobacco receipts was attributed to an increase in sales. Fruit increases resulted from higher prices.

NOTICE OF INTENTION TO ADDRESS THE SENATE

Mr. PEPPER. Mr. President, I give notice, if I may, that as soon as I may obtain recognition after the convening of the Senate tomorrow at noon, I shall make some observations regarding the journey I recently made around the world, and upon aspects of our foreign policy.

WAR DAMAGE INSURANCE

Mr. MAYBANK. Mr. President, I should like to have the attention of the distinguished majority leader and the distinguished minority leader. The House has passed what is commonly known as the so-called war damage bill, and the bill has been referred to the Committee on Banking and Currency of the Senate. The bill passed by the House is quite similar to the bill which was enacted during the last war. The House has passed the bill by a unanimous vote. I hesitate to call the Banking and Currency Committee together to consider and report the bill unless the Senate so desires. Many persons are inquiring to find out what the Senate is going to do about the bill. I should like to ask the Senator from Illinois [Mr. LUCAS] and the Senator from Nebraska [Mr. WHERRY], the two leaders, what their opinion is. If they feel as the House did about the bill, the committee can meet in the morning and can consider and report the bill. On the other hand, of course I appreciate the state of the calendar and the time requirements of the pending tax bill.

Mr. WHERRY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield for a discussion of the question raised by the Senator from South Carolina?

Mr. GEORGE. I yield.

Mr. WHERRY. Mr. President, inasmuch as the question asked by the Senator from South Carolina is addressed to the majority leader and to me, I should like to make a brief reply. Although the measure to which the Senator from South Carolina has referred is very important, I feel it does not have to be acted on at this special session. It will be only some 12 or 13 days before the new Congress convenes. While the bill is important, certainly it is not of an emergency type which requires handling by the Congress which now is in special session.

I respectfully submit to the majority leader that if we pass the tax bill and the appropriation bill and the bill giving the requested authority in respect to procurement contracts, the Senate will be kept fully at work at least until Saturday, and possibly until later than that.

So I beg of the Senator that even though the proposed legislation to which he refers is important, and even though I appreciate the fact that the bill was passed unanimously by the House, yet he should remember that many of the Members of the House already are on their way home, feeling that their work has been completed.

Mr. MAYBANK. One reason why I asked the question is that various Members of the House of Representatives have asked me about this measure. The chairman of the House Committee on Banking and Currency, Representative SPENCE, and various representatives of business throughout the country continually are calling the Senate Banking and Currency Committee to find out what we are going to do about the bill. There is no use in having a meeting of the committee to report the bill to the Senate unless the Senate is going to act on it.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TAFT. It seems to me that in connection with the bill referred to by the Senator from South Carolina there should be a full examination of the experience had during the war. At the time there was a dispute as to the program and as to whether the people in the interior should have to pay the same rate as that paid by the people living on the coast, and whether the program should cover the islands of the Pacific, and to what extent, and whether it should cover the mandated islands.

It seems to me those questions require some examination, and that a rather thorough study should be made by the committee. I do not believe there is time to do so at this session.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. CAPEHART. I agree with what the able Senator from Ohio and the able Senator from Nebraska have just said; but I wish to say that I can think of nothing more important for the Senate to do than to pass the war-damage insurance bill. It should be brought to the floor of the Senate, and the Senate should pass it in the same form in which the similar bill was enacted during World War II, because the people of the Nation are entitled to war-risk protection. We are at war.

Mr. GEORGE. Mr. President, if this matter is to be debated, I shall have to request the regular order.

Mr. MAYBANK. Mr. President, I should like to make just one further statement, if the Senator will permit.

Mr. GEORGE. Very well.

Mr. MAYBANK. The Senator from Indiana [Mr. CAPEHART] is a member of the Banking and Currency Committee, and he knows that we are receiving many requests from various parts of the country in regard to taking action on this measure.

Mr. CAPEHART. I agree that it should be amended, and that we can amend it at the coming session. However, we should do for our people something along the line the bill proposes.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. GEORGE. Yes; since the matter has been debated this long.

Mr. LUCAS. If this measure is so important as the Senator from South Carolina and the Senator from Indiana contend that it is, I think the Banking and Currency Committee should meet and should report the bill, regardless of whether it is passed at this session. It should go to the calendar, and I am satisfied that if it reaches the calendar, we probably shall pass it. We must remember that when the Congress convenes on January 3, it will not immediately begin to pass proposed legislation.

Mr. MAYBANK. That is my thought.

Mr. LUCAS. When the present session ends, every measure remaining unacted upon will be swept from the board, and in the next Congress it will be necessary to begin all over again. Following January 3, it probably will be a number of weeks before this bill is reached.

Mr. MAYBANK. And it will be necessary to begin all over again with it in the House of Representatives.

Mr. WHERRY. Mr. President, will the Senator from Georgia yield to me, so that I may ask a question of the majority leader?

Mr. GEORGE. I yield.

Mr. WHERRY. The statement I made a moment ago was made on the premise that we shall end the present session by the coming Saturday night. Of course, if we are to remain in session following this week, hearings can be held on the bill to which the Senator from South Carolina has referred. I am not now discussing the merits or the demerits of the bill; but there are many amendments which have been suggested to it. My feeling is that if we are to leave here by Saturday night, it will be impossible for us to handle the bill. However, if we are to be in session next week, the situation will be different.

Mr. MAYBANK. Then, Mr. President, I shall have the committee meet tomorrow and consider the bill and prepare to report it. Hearings will be held if necessary.

CONSIDERATION OF NOMINATIONS

Mr. LUCAS. Mr. President, if the Senator from Georgia will further yield——

Mr. GEORGE. I yield.

Mr. LUCAS. I should like to make a brief statement in regard to the executive calendar. I understand that the nomination of Anna M. Rosenberg is ready to be presented.

The PRESIDING OFFICER. The Chair is advised that the nomination was reported to the Senate yesterday.

Mr. LUCAS. I had understood that either it had already been reported or was to be reported today.

I understand that sometime late in the afternoon, after we complete debate on the tax bill, we shall proceed to consider the nominations of both Anna M. Rosenberg, who has been nominated to be Assistant Secretary of Defense, and Stephen J. Spingarn, who has been nominated to be a member of the Federal Trade Commission. Both those nominations have been objected to heretofore.

Mr. WHERRY. Mr. President, for many days the minority members have not objected to confirmation of the nomination of Miss Anna M. Rosenberg. For a day or so after the nomination came up, we did ask that the nomination go over. However, when the nomination was recommitted and was further considered by the committee, it was agreeable to us to wait and to abide by the report.

I wish to tell the distinguished majority leader that I am quite sure the minority have no objection to the consideration of either of the nominations which have been passed over.

However, the Senator from North Dakota served notice that when nominations came up, in view of the fact that apparently there are no North Dakota residents in the diplomatic service, he would object to some of the nominations and would give the Senate his advice in respect to the appointment of residents of North Dakota to positions in the diplomatic service. So I suggest to the Senator that when the executive calendar is reached, he allow sufficient time, at least, for the Senator from North Dakota to submit his observations.

PRICE AND WAGE CONTROL

Mr. CAPEHART. Mr. President, will the Senator from Georgia yield to me for a minute, to permit me to make a brief observation?

Mr. GEORGE. I yield for 1 minute, but then I must ask for the regular order.

Mr. CAPEHART. I thank the Senator.

Mr. President, about 3 months ago the Congress passed the Defense Production Act a measure designed to control prices, wages, and many other things. At the present time, the administration is putting into effect many of the provisions of that act. However, in my personal opinion the administration is violating not only the law but the intent of the law, because the administration recently froze the price of automobiles as of December 1, but failed to freeze wages.

I wish to call attention to the fact that section 401, paragraph 3, of the Defense Production Act provides—and I shall read exactly what the provision is:

> Whenever a ceiling has been imposed with respect to a particular material or service, the President shall stabilize wages, salaries, and other compensation in the industry or business producing the material or performing the service.

Now the President has frozen the price of automobiles as of December 1, but so far he has failed to freeze wages in that industry. In my opinion, we are getting off to a bad start with respect to that law, in that the administration already has violated the law or the intent of Congress in respect to it.

As a member of the Banking and Currency Committee which spent so many days and nights on the bill, I felt that I should call this matter to the attention of the Senate.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce.

The message also announced that the House had agreed to the amendment of the Senate to the bill (H. R. 9272) to amend the act of October 5, 1949 (Public Law 32, 81st Cong.), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

S. 4234. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia;

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; and

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code.

EXCESS PROFITS TAX ACT OF 1950

The Senate resumed the consideration of the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. GEORGE. Mr. President, this tax bill is presented in response to the mandate contained in the Revenue Act of 1950, requiring the Committee on Finance to report a corporate excess-profits tax as early as practicable during the Eighty-first Congress, after November 15, 1950.

In order to comply with this mandate and report an excess-profits tax as early as possible, the Senate Committee on Finance began hearings on the excess-profits-tax bill on Monday, December 4, 1950, while the bill still was being debated in the House. Only by sitting for long hours and under severe pressure has your committee been able to report the bill at this time.

An excess-profits-tax bill is not the type of bill which can be handled quickly. Too many difficult problems are inherent in this type of tax. The treatment of new corporations, the effect of such a tax upon growing and expanding businesses, and the need of relief for corporations with inadequate credits are all factors which must be considered in framing an excess-profits-tax law. These problems are much more difficult under present conditions than in the case of an economy which has been fully mobilized for war. Moreover, they are also much more important under present conditions than in the case of a full-scale war. The present emergency is likely to be of long duration, and as a result, the relief provisions must be adequate if further business expansion is not to be stopped altogether.

The committee has approached these problems from a twofold point of view. An attempt has been made to provide solutions for the more important types of cases involving inadequate excess-profits credits. However, at the same time, it has also been recognized that it is necessary to secure sizable additional revenue to aid in meeting the rising costs of our military program. This latter factor, of course, has made it necessary to moderate the relief provisions more than might otherwise be desirable.

REVENUE EFFECTS

It is estimated that your committee's bill will yield $3,200,000,000 in a full year of operation with corporate profits at the level existing in the calendar year 1950. The House bill, under similar assumptions as to corporate profits, would yield about $3,000,000,000. It is believed that with such a level of corporate profits an excess-profits tax would be imposed on about 70,000 of the 400,000 taxable corporations.

Corporate profits in the last half of 1950 are running at an annual rate considerably in excess of $40,000,000,000. If this trend continues into 1951, your committee's bill may reasonably be expected to result in an increase in corporate tax liabilities of between four and five billion dollars.

On that particular point, Mr. President, let me say to the Senate that, from direct taxes on individuals, under present law and for a full year's operation, the Treasury will receive $20,700,000,000. Under the House bill it will receive the same amount, and under the Senate bill it will also receive the same amount, because we are not dealing with individual rates in this bill. From direct taxes on corporations, the Treasury will receive, under the present law, $16,200,000,000; under the House bill, $19,300,000,000; and under the Senate finance bill, as reported, $19,400,000,000. From excise and miscellaneous taxes, the Treasury

will receive under the present law, under the House bill, and under the Senate bill—because they are not affected by this bill—$8,200,000,000 per year and from net employment taxes $800,000,000 per year. If we add to these the average rate of import duties collected and miscellaneous receipts, which may or may not continue, under war conditions, we would add about $2,000,000,000 more to these receipts, and the total figures would stand as follows: Under the present law, a total of $47,900,000,000; under the House bill, a total of $51,000,000,000; and under the Senate Finance Committee bill, a total of $51,100,000,000. Those are impressive figures, I think, showing the total tax liability under the present law and under the law as we propose to amend it in this bill. Of course, that takes into consideration only Federal tax liability, and does not touch State, county, municipal, or any local taxing subdivisions.

The estimated tax liabilities appear in the following table:

Comparison between the estimated tax liabilities[1] on a full-year basis, present law, House bill and Senate Finance Committee bill

[In billions of dollars]

	Present law	House bill	Senate Finance Committee bill
Direct taxes on individuals[2]	20.7	20.7	20.7
Direct taxes on corporations	16.[illegible]	19.3	19.4
Excise and miscellaneous taxes	8.2	8.2	8.2
Net employment taxes	.8	.8	.8
Total	45.9	49.0	49.1

[1] After the 1950 Revenue Act and the House bill or the Senate Finance Committee bill become fully effective.
[2] Includes estate and gift taxes.

NOTE.—The above figures differ from collections in that they do not reflect receipts from customs and miscellaneous receipts which approximate $2,000,000,000.
Source: Staff of the Joint Committee on Internal Revenue Taxation, Dec. 20, 1950.

THE EXCESS-PROFITS TAX RATE

Under the House bill, corporations are subject to an excess-profits tax of 30 percent of their excess profits. This makes the total rate, including normal and surtax, 75 percent on the taxable excess profits. However, the House bill had a provision fixing an over-all tax ceiling. Under this ceiling, the total tax, including normal and surtax, could in no case exceed 67 percent of the taxpayer's total income.

Under your committee's bill, the additional rate of 30 percent on excess profits is retained. However, because for 1951 and subsequent years, your committee bill provides for an additional increase in the surtax of two percentage ppints, the total rate on taxable excess profits is 77 percent as compared to 75 percent under the House bill.

Because of the difficulty of devising adequate relief measures, your committee believes that the over-all ceiling rate to be applied to a taxpayer's total income should not exceed 60 percent as compared to 67 percent, under the House bill.

The over-all effective tax-rate limitation of 60 percent under your committee's bill will not affect any corporation whose income in the tax year is less than 182 percent of its excess-profits credit. The ceiling will benefit small- and middle-sized corporations with inadequate credits under the bill. It will have very little, if any, effect upon the larger corporations.

TWO PERCENT SURTAX INCREASE

Your committee's bill increases the surtax rate by two percentage points effective with respect to taxable years beginning on and after July 1, 1950. This increase is not retroactive and will not apply to the calendar year 1950. Your committee believed it wise to bring the bill in line with the revenue estimates under the House bill, and concluded that a 2-percent increase in the surtax rate, which applies only to corporations with income of over $25,000, was justifiable in the light of expanding Government costs.

The 2-percentage-point increase in the surtax rate affects about 100,000 corporations, and increases their tax liability by about $600,000,000. It increases the surtax on about 30,000 corporations whose tax liabilities were not affected by the House bill.

THE COMPUTATION OF THE EXCESS-PROFITS TAX

Both the House bill and the Finance Committee bill permit the taxpayer to use either average earnings or invested capital in arriving at a proper measure of normal profits for excess-profits-tax purposes. The base period selected for the earnings credit consists of the years 1946 to 1949, inclusive. The taxpayer is given the option to select three out of four of such years. In addition to eliminating 1 year in the base period, the taxpayer is permitted to count any deficit year in the base period as zero. For example, if a taxpayer has two or more deficit years in the base period, it can eliminate one and count the remaining deficit years as zero. In addition, the average earnings credit may be increased by 12 percent of the net capital additions, including one-half of the net additions in 1948 and all of the net additions in 1949. The 12-percent rate of return allowed on capital net additions applies whether the net capital addition takes the form of equity capital, borrowed capital, or retained earnings. Under the House bill, a lesser return was allowed on borrowed capital.

RELIEF FOR SMALL CORPORATIONS

The committee's bill provides for a minimum credit of $25,000 for small corporations. This credit enables any taxpayer to have an excess-profits-tax net income up to $25,000 without being subject to the excess-profits tax. If the credit otherwise computed is less than $25,000, the taxpayer is permitted to raise his credit to that amount. However, the $25,000 credit will not apply if the credit otherwise allowed is more than that amount. This is distinguishable from the specific exemption of $10,000 under the World War II statute, which was an additional allowance to all corporations regardless of the size of their excess-profits credits.

TERMINATION OF EXCESS PROFITS TAX

The committee believed it desirable to terminate the excess-profits tax as of December 31, 1952, in order to give assurance that the tax would be thoroughly reviewed in the not too distant future. There was no termination date in the House bill.

On that point, Mr. President, I wish to emphasize that the committee anticipates that the act will be renewed, but inasmuch as the bill has been produced under extreme pressure and by working the staff of both the Joint Committee on Internal Revenue Taxation, and the Treasury, overtime, day and night, for many days, it would be anticipated that there would be errors in the bill which should be corrected by a rewriting of this bill.

INVESTED CAPITAL CREDIT

For many taxpayers, "average earnings" for the period 1946 to 1949 is not a fair measure of normal earnings. Both the committee bill and the House bill permit an alternative credit measured by a certain percentage of invested capital.

The committee bill allows the following rates of return on invested capital:

Capital to which rate applies	Rates under Finance Committee bill	Rates under World War II law
	Percent	*Percent*
Under $5,000,000	12	8
$5,000,000 to $10,000,000	10	6
Over $10,000,000	8	5

I may say, Mr. President, in passing, that on these rates there was no controversy, as the committee understood, between the House, the Treasury, and the Members of the Finance Committee.

These rates are the same as those under the House bill, except in the case of borrowed capital. Under the committee's bill the rates on borrowed capital are the same as the rates on equity capital and retained earnings. The House bill used a formula which produced a lesser rate on borrowed capital.

The method of determining invested capital under the House bill was retained. In general, this was determined by deducting from the tax basis of assets on the corporate books at the end of the base period the total of the liabilities plus any "recent loss adjustment." The "recent loss adjustment" permits a net deficit for either the total years 1946 to 1949 or the total years 1940 to 1949 to be added to the net assets.

There were some taxpayers who felt that the "asset approach" for determining invested capital used in the House bill was less equitable than the historical approach in effect during World War II. The committee believed that taxpayers, if they so desire, should be permitted to determine their invested capital under the historical method, and the bill gives them an election so to do.

In the case of insurance companies other than life, the committee amended the bill to provide that 50 percent of their reserves should be counted as borrowed capital in computing the invested capital base.

AVERAGE EARNINGS CREDIT

For the purpose of providing a yardstick of normal earnings, the bill provides that the base period shall be the 4 years 1946 to 1949, which was a rela-

tively favorable period for business generally. After the taxpayer eliminates its poorest year in this period, the earnings of the remaining 3 years are adjusted in a manner described subsequently and averaged. The resulting average base period net income is then reduced by 15 percent for the purpose of determining the excess-profits credit.

It was necessary to select the period 1946 to 1949 instead of the period 1936 to 1939, which was used in the World War II law, because of the great number of businesses which have started during and after the last war. Furthermore, many of the businesses which were in existence during the prior base period have substantially changed their character since that time.

The committee recognized, however, that the 1946 to 1949 period was one of unusual business prosperity due in large part to the deferred demands and accumulated savings of World War II and to the high level of military expenditures which was maintained throughout those years. Since this unprecedented level of business activity could hardly have been expected to continue permanently, the use of the income of the years 1946 through 1949, without adjustment, would produce a general overstatement of the taxpayers' earning capacity in the absence of hostilities in Korea and the large military program. For these reasons the bill provides a moderate 15 percent cutback in the average base-period net income.

The bill also provides for several adjustments to base-period earnings which would minimize hardship in the case of individual taxpayers. As already mentioned, the taxpayer is required to eliminate his poorest year during the base period. This provision would prove of great benefit to corporations which experienced temporary low earnings due to reconversion or other causes during the postwar years.

Although the base period generally is the four calendar years 1946 through 1949, taxpayers using fiscal years ending between December 31 and April 1 will use the last four taxable years ending prior to April 1, 1950. It is desirable to permit taxpayers to use their own taxable years insofar as possible, and the first quarter of 1950 did not include or border upon the months affected by the Korean hostilities. On the other hand, fiscal year taxpayers whose taxable years end after March 31 are required to use as their base period the four calendar years 1946 through 1949. This is accomplished by prorating the earnings of their fiscal years which begin and end within this period.

NET INCOME FOR EXCESS-PROFITS-TAX PURPOSES

The bill provides that the income to which the excess-profits tax is to be applied is to be the income which is subject to the ordinary income tax, adjusted in order to remove the effect of certain types of income and deductions, which are of a sporadic and unusual nature and which, therefore, do not provide a fair measure of the taxpayer's true excess profits. Both this bill and the House bill follow the pattern of the World War II law in this respect. However, your committee's bill makes certain changes in the adjustments provided by the House.

Unlike the House bill, net losses on the sale or exchange of assets used in a trade or business are not excluded from excess profits net income; net gains from such sales or exchanges are, however, excluded as in the House bill.

If the taxpayer has elected to use the invested capital base, the interest deduction with respect to borrowed capital is excluded. This change from the House bill is required by the provision of the bill which provides for the inclusion of 100 percent of borrowed capital in invested capital.

The bill provides a larger exemption than does the House bill with respect to the income from coal, iron, and timber properties which were not in operation during the base period, and extends this type of relief to new or revived metal mines and to new natural-gas properties. Moreover, the bill provides this same treatment for metal mines which had an aggregate loss during the 1946–49 period. Your committee believed that these changes were essential in order to encourage the development of these natural resources at this time.

The bill permits taxpayers using the installment method of accounting for income-tax purposes to elect to report their income on the accrual basis for the excess-profits tax. While the House bill permitted this election only to taxpayers receiving income from installment sales, your committee's bill extends the same option to taxpayers whose principal business is the purchasing of installment sales obligations. This extension is required in order to prevent discrimination against the latter class of taxpayers.

Except for certain minor technical changes, the bill conforms to the other provisions of the House bill relating to the computation of excess-profits net income. These include provisions concerning long- and short-term capital gains and losses, casualty losses, income from the retirement or repurchase of bonds, income from the recovery of bad debts, refunds of processing taxes, contributions by life-insurance companies to policyholders' reserves, payments by the Government to encourage development of mineral resources, the credit for dividends received from domestic corporations, the reallocation of abnormal income arising from work done in other years, payments under long-term contracts, certain railroad leases, bad-debt reserves of banks, and blocked income in foreign countries.

The bill makes many comparable adjustments to base-period net income. In general, where a certain type of income or deduction is excluded from excess-profits net income, the same type of exclusion is provided with respect to the income of the base years. The committee bill follows, in general outline, the House bill with respect to such adjustments.

However, your committee's bill permits an additional adjustment with respect to the assessments paid by banks during the base-period years to the Federal Deposit Insurance Corporation. It is anticipated that such assessments will be considerably less than those paid during the base-period years, and for this reason the bill provides that the deduction for FDIC assessments in the base years will be reduced proportionately.

LOSS CARRYOVERS AND UNUSED CREDIT CARRYOVERS

The net operating loss carryovers of the ordinary income tax are also applicable for excess-profits-tax purposes. Losses in 1950 and later years may be carried forward for 5 years. Losses in 1948 and 1949 may be carried forward for only 2 years. However, your committee has added a provision which permits a taxpayer using the earnings credit to elect to carry forward to 1950 and 1951 losses during the base period which have not otherwise been offset.

The bill permits the unused portion of an excess-profits credit to be carried back against the prevous year and to be carried forward for 5 years—the same carryover period as is provided for net operating losses.

GENERAL RELIEF PROVISIONS

Because of the high rate used under an excess-profits tax it is necessary to be unusually careful in defining the base upon which the rate is imposed, so as to avoid inequities and discriminations which might be tolerable if the rate used were low. After all the general adjustments have been made to the taxpayer's credit and taxable income, there would undoubtedly be a considerable number of hardship cases. Therefore, the bill, like the World War II law, contains a series of provisions designed to adjust for abnormalities in the experience of individual taxpayers. However, the general approach taken in the bill is substantially different from that used in the World War II law.

The latter dealt with this problem under the well-known section 722. The general approach used was to construct a hypothetical base-period earnings experience for the individual taxpayer who qualified for relief. In general, relief was provided when the taxpayer experienced an adversity during the base period, made changes in its business during the base period which affected its potential earning power substantially, or was not in existence during the base period and could not obtain an equitable basis under the invested-capital method. Taxpayers who could demonstrate that they fell within the general categories set out in section 722 were required to base their claim for relief upon evidence of what their income would have been in the absence of the event or condition which formed the basis for relief.

Section 722 had the appearance of providing relief in true hardship cases and in many instances it was not difficult for a taxpayer's representative to convince themselves that it was eligible under the section. The result was a very large number of claims for relief. However, the attempt to prove the effect of the abnormality upon the taxpayer's earnings experience during the base period proved to be extremely difficult. The work of processing the claims went very slowly and in 1946 the dissatisfaction expressed by taxpayers caused the Joint Committee on Internal Revenue

Taxation to hold hearings at which their grievances were aired. At that time the representatives of the Bureau of Internal Revenue came forward with a proposal to transfer the work on 722 cases to a specialized group of agents working under what came to be known as the Excess Profits Tax Council. It was the opinion of many at that time that the fundamental difficulty was not with section 722 itself, but the manner in which it was being administered. It was hoped that the administrative reorganization attending the establishment of the Excess Profits Tax Council would expedite the processing of the claims and the attainment of more generally satisfactory results. While a large number of claims were subsequently disposed of, many, including some of the most important and the most difficult claims, still remain unsettled and about 600 cases have been appealed from the Excess Profits Tax Council to the Tax Court.

Although section 722 held out the promise of equitable results, the expense, trouble, and delays attendant upon the settlement of claims resulted in many cases in little or no relief to the taxpayer. Moreover, a growing awareness of the difficulty of obtaining relief discouraged the prosecution of claims by many small taxpayers. The complaint arose that relief under the section 722 was available only to the comparatively large and well financed corporations.

The relief sections contained in this bill are based upon the idea that it is better to provide a less perfect adjustment quickly under a prescribed formula than to strive for a more refined result and risk all the pitfalls which the 722 approach involves.

(A) ABNORMALITIES

For instance, a taxpayer which has in one of its three best base-period years an abnormality such as a fire, strike, flood, or price war having a substantial effect upon its income, is given the option to substitute for the income of the abnormal year the rate of return for its industry in that year applied to its total assets for the last day of the year. Taxpayers having more than one abnormal year may substitute for their entire base-period-earnings experience an average base-period net income determined by multiplying the average rate of return for the taxpayer's industry by the taxpayer's average assets during the base period.

Thus the amount of relief available is prescribed by a formula, and qualification for relief depends only upon the establishment of the existence of the abnormality and compliance with a test which determines whether or not the effect of the abnormality on income was substantial. Hence the area which remains for administrative judgment is comparatively small.

(B) NEW PRODUCTS

The bill also provides a relief formula for a taxpayer which has made substantial changes in its products or services during the last 3 years of its base period. The formula is available if a taxpayer, which introduces one or more new products or services, can show that (a) by the end of the third year or earlier following the year in which the products or services were introduced, the gross income from such products was more than 40 percent of the taxpayer's total gross income, and (b) that its net income in any one of the taxable years in which it has met the percentage of gross income test was in excess of 125 percent of the average excess-profits net income during the base-period year or years preceding the first change in product or service used in qualifying under the gross-income test.

Taxpayers qualifying under the new-product test may substitute for their base-period earnings experience an average base-period net income calculated by multiplying the industry average rate of return for the taxpayer's industry by the taxpayer's total assets for the last day of the earliest year in which the taxpayer qualifies for relief or the last day of its base period if this is an earlier date.

(C) CHANGES IN CAPACITY

A similar relief measure is provided for taxpayers which made substantial changes in their productive capacity during the base period. Such taxpayers are given the option to use an average base-period net income calculated by multiplying the base-period rate of return for the taxpayer's industry by the taxpayer's assets at the close of its base period. The taxpayer may qualify for this relief by showing an increase of 100 percent or more in its productive capacity by the close of the base period. Alternatively, it may show an increase of 50 percent or more in its productive capacity and an increase of 50 percent or more in the adjusted basis of the taxpayer's total facilities. For the taxpayer who has difficulty in measuring changes in productive capacity, a third test is provided which is based exclusively upon a change in the value of its facilities. To qualify under this test, the unadjusted basis of the taxpayer's total facilities after the change in its plant or equipment occurs must exceed by 100 percent or more the unadjusted basis of the facilities prior to that time.

(D) DEPRESSED INDUSTRIES

A somewhat different type of relief is provided for the taxpayer whose industry was depressed during the base period. In these cases the industry average rate of return during the base period is not an appropriate method of providing relief, since the average reflects the depression in the industry. Therefore, the qualified taxpayer is permitted an average base-period net income calculated by applying 80 percent of the rate of return earned by the taxpayer's industry during the period 1936 through 1949 to its average total assets during the base period. It should be borne in mind that this type of relief is available only if the taxpayer's industry is depressed.

The depressed industries relief is available when the average rate of return of the industry during the base period is less than 60 percent of its average for the period 1936 through 1949. The 60 percent test is a rigorous one, since, generally speaking, profits were higher in the base-period years than over the period 1936 through 1949.

The classification of industries used in relief cases based on abnormalities, new products, or changes in capacity is set up on a comparatively broad basis and is shown in both the bill and the committee report. A Government document is now available which will assist the taxpayer in determining the industry in which he belongs. He is a part of that industry in which he obtains the largest percentage of his gross receipts.

The industry average rates of return will be computed from data regularly compiled from income-tax returns in preparing the Treasury Department's Statistics of Income. Tentative rates will be proclaimed on or before March 1, 1951, and final rates will be released at a later date, when the 1949 data have been completed.

The classification of industries used for the purposes of depressed industry relief is somewhat more refined. The existence of such industries and the appropriate rates of return will also be announced by the Treasury Department. A taxpayer will be regarded as a member of a depressed industry only if more than 50 percent of its gross receipts are obtained in that industry.

The formula used in providing relief in abnormality cases is simpler and less erratic than the one contained in the House bill and can be applied where all of the taxpayer's years are abnormal, which was not possible under the House formula.

The relief provision for increased capacity does not appear in the House bill nor does the depressed-industry provision. Testimony at the committee's hearings indicated that both provisions were necessary.

NEW CORPORATIONS

Corporations formed after the beginning of the base period usually do not have an opportunity to develop an adequate base-period earnings credit. Since the invested-capital credit is merely intended to be a floor, and since there are industries in which invested capital is a small element in earning capacity, some special rule for new corporations is obviously required.

Under the bill a corporation which commenced business at any time after the beginning of the base period may use as an alternate basis an amount determined by applying the average base-period rate of return for the taxpayer's total assets. If the taxpayer's first 3 years end in the base period, the rate is applied to the taxpayer's total assets at the close of the base period. When the taxpayer's first, second, or third taxable year ends after the base period, the credit for each of these years is determined by applying the industry's base-period rate of return to the taxpayer's total assets at the end of each of these years. For subsequent years the credit will be the same as that calculated for the third year, adjusted for subsequent additions to capital.

The basic assumption used in this formula is that under the forced-draft conditions of today, new corporations will approximate or attain maturity by the end of the third year after they commence business.

The measure of relief provided for new corporations is similar to that given an old corporation introducing new products or services which bring about a substantial change in the character of its business.

The committee has amended the House bill so as to prevent the use of the new corporation option in cases where assets are transferred from one corporation to another in order to obtain the benefits of higher industry rate of return.

GROWING CORPORATIONS

Corporations which experience an unusually rapid growth during the base period also present a special problem, because their base-period experience is clearly unrepresentative of their normal earning capacity.

The bill provides that corporations which qualify under certain well-defined tests have the option to elect a substitute average base-period net income based on (a) their earnings in 1949, or (b) their average earnings in 1948 and 1949, or (c) the average of half their earnings in 1949 and 40 percent of their earnings in 1950.

The House bill contained only the first two of these options. The third was added because it was clear from the testimony at the hearings that in certain cases the House options would not provide adequate relief.

To qualify for the growth options, a corporation must have been in existence at the beginning of the base period and show that its total payrolls in the last half of its base period were 130 percent or more of its payrolls in the first half, or that its gross receipts during the last half of the base period were more than 150 percent of the total during the first half.

The benefits of the growth options have been denied to corporations which had assets of not more than $20,000,000 at the beginning of the base period. This limit will exclude large, well-established businesses, which presumably do not require special treatment.

The committee is aware of certain additional problems which are not resolved by the growth options contained in the bill, and, pursuant to instructions from the committee, a floor amendment to this section of the bill will be presented at the appropriate time.

REGULATED PUBLIC UTILITIES

The committee has recognized the special problems of the regulated public utilities under an excess-profits tax. Normally, a public utility whose rates are regulated so as to limit its profits to a fair return on its investment will not have profits which are excess. In fact there is more likely to be a tendency for utility rates to lag behind increases in costs during a period when there are excess profits for industry in general. An excess-profits tax which arbitrarily applied the same standards of excess profits to the regulated public utilities as are applied to unregulated businesses would inevitably have the consequence of taxing away a part of the return which the utility commissions have decided is reasonable and necessary.

To meet this special problem of the regulated public utilities, the bill provides a credit for, first, electric, gas, and water utilities; second, streetcar and trackless trolley systems; third, municipal and suburban bus systems; fourth, bus and truck transportation; fifth, transportation of gas by pipeline; sixth, transportation of petroleum products by pipeline, and seventh, transportation by railroad; which is the sum of the ordinary income taxes they pay plus a rate of 6 percent on their total capital—other than inadmissible assets.

The amount of this credit is reduced by the amount of their interest deduction, since they are allowed the interest deduction in computing excess-profits net income. A credit computed in the same manner, but allowing a rate of return of 7 percent on total capital, is provided for telephone and telegraph utilities and common carrier airlines subject to the jurisdiction of the Civil Aeronautics Board.

These rates of return differ from the rates provided in the House bill in that the rate for railroads has been raised from 5 percent to 6 percent. The rate for telephone and telegraph has been raised from 6 percent to 7 percent, and the rate on transportation by air has been raised from 5 percent to 7 percent.

The committee has added a provision for a credit based on a 6-percent rate of return in the case of regulated bus and truck utilities.

The provision in the House bill with respect to the transportation of oil by pipeline has been clarified to read "transportation of oil or other petroleum products by pipeline."

Your committee's amendment specifically provides that in a case where only some of the members of an affiliated group eligible to file a consolidated return are regulated public utilities, the regulated utilities may file a consolidated return separate from the other members of the affiliated group.

The committee amendment also provides that a utility may qualify as a regulated utility if 80 percent or more of its gross income is from regulated sources. Since many public-utility systems are not regulated as to rates in part of the territory within their service area, the committee amendment provides that a utility of this type shall be considered regulated as to rates if the whole system is interconnected and coordinated so that the regulation to which it is subject has the effect of controlling the rates charged in the unregulated portions of its service area.

Under the House bill the rate of return for purposes of the excess-profits-tax credit was calculated only on the tax basis of the assets held by the utilities. In fact, however, the fair rates of return set by the regulatory authorities are not calculated on the tax basis of the assets of the utilities, but are based, instead, on their corporate books of account. These books are maintained in accordance with systems of accounts prescribed by the regulatory authorities or are maintained in accordance with the uniform systems of accounts prescribed by the Federal Power Commission or the National Association of Railway and Utility Commissioners. Consequently, an excess-profits-tax credit computed by applying a rate of return to the tax basis of assets would, in many cases, result in treating as excess profits the earnings which the appropriate regulatory authories have determined to be fair and normal. To correct this your committee's amendment permits the electric, gas, and water utilities, the streetcar, trackless trolley, and bus systems, the common carriers of gas by pipeline, and the telephone and telegraph utilities to compute their rate of return for purposes of the credit on either the tax basis of their assets or on the basis of their average outstanding common and preferred capital stock accounts and capital surplus and earned surplus accounts, as recorded on their corporate books of account.

MINERALS

The World War II excess-profits-tax law provided an exemption for income from the mining of certain specific strategic minerals. These were minerals which were essential to the military effort and were not normally produced in quantity in the United States. The House bill provided an exemption for these same minerals and included a number of additional strategic minerals. The new minerals were added to the strategic list after consultation with the National Security Resources Board. Your committee has added molybdenum to the strategic list because of its vital importance to our defense effort.

In order to keep the list of strategic minerals current with defense demands, the House bill provided for the certification of additional strategic minerals by the agency created to carry out section 303 (a) of the Defense Production Act of 1950. Your committee has retained this provision in the bill, but has amended the bill to strike out a provision which gave this agency the authority to certify minerals which are not so strategic as they are critical. Under the House bill, income from mining these critical minerals would be entirely exempt from excess-profits tax where it was obtained from the operation of new mines, or mines which were closed down at the time of the Korean invasion, or mines which operated at an over-all loss during 1946, 1947, 1948, and 1949. Your committee believed that this provision was too broad and would result in exemption of income in many cases where such an exemption was not necessary. It was felt that increased output of minerals which were not strategic but were merely critical could be encouraged through subsidies or bonus payments more effectively and at less cost than through excess-profits-tax exemption.

It was felt by your committee that, except for the special case of the strategic minerals, fair treatment of mineral producers under the excess-profits tax could be achieved by applying the principles of the World War II excess-profits tax. The old law provided that, where output exceeded normal output, a certain portion of the income from the increased output would be exempt. This provision applied to certain mining, timber, and natural-gas properties, and it gave recognition to the fact that these types of properties are wasting assets, so that their excessive depletion during

the period of an excess-profits tax would, in some cases, result in an unfair tax burden.

Your committee's bill contains the provision of the House bill that, in the case of coal and iron mines, timber properties, and natural-gas properties, the exempt portion of their income is determined by multiplying current excess production by one-half of the current net income per unit.

The House bill also provided—as did the World War II law—that one-sixth of the net income of coal and iron mines and timber properties not in operation during the base period should be exempt. To encourage the production of metals for the emergency from new properties and from old properties which were not in operation during the base period this provision has been extended to such metal mines, and also to metal mines which operated at an aggregate loss during the base period. Income from natural-gas properties not in operation during the base period is also included. To increase the incentive for new production the exemption has been increased from one-sixth to one-third of the net income. Also, your committee's bill excludes amounts paid by the United States or any of its agencies for the encouragement of exploration, development, or the mining of critical and strategical minerals or metals.

FOREIGN CORPORATIONS

Your committee's bill, like the House bill, provides an exemption from the excess-profits tax for nonresident foreign corporations, as was done under the World War II law. These corporations are subject to a 30-percent gross income tax in lieu of the ordinary corporate income tax. Resident foreign corporations are subject to the excess-profits tax, as they were during World War II.

WESTERN HEMISPHERE TRADE CORPORATIONS

This bill, like the World War II law, provides an exemption from excess profits tax for domestic corporations where 95 percent of their income for the last 3 years is from outside the United States and 50 percent of their gross income is from an active trade or business. These corporations are principally the Western Hemisphere trade corporations, which receive special treatment under the ordinary income-tax laws.

The consolidated return provisions in the House bill have been amended by your committee so as to permit Western Hemisphere trade corporations a new election, for taxable years ending after June 30, 1950, to file separate returns and thus receive the excess profits tax exemption described above.

FOREIGN DIVIDENDS

Under the World War II law, dividends of foreign corporations were subject to excess-profits tax where the taxpayer used the earnings credit, but were not subject to excess-profits tax where the taxpayer used the invested capital credit. This treatment of the earnings credit taxpayer had the effect of discouraging the payment of foreign dividends where they could be deferred until after the termination of the excess-profits tax. Under the House bill and under the committee bill, foreign dividends are treated like dividends of domestic corporations in the case of both the earnings credit and the invested capital credit; that is, they are excluded from excess-profits net income in the base period and in the tax period, and stock in a foreign corporation is treated as an inadmissible asset.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. AIKEN. I should like to ask if there is anything in the bill which would affect speculative profits made by foreigners trading on the United States commodity exchanges.

Mr. GEORGE. There is nothing in the bill with respect to that problem. That was dealt with in the Tax Act of 1950.

Mr. AIKEN. That is the law which was enacted about the 1st of last September, is it not?

Mr. GEORGE. Yes; but it is not dealt with in this bill.

BLOCKED INCOME

There is a special excess-profits tax problem in the case of income earned abroad prior to the time of the excess-profits tax which is not taxable until a later year because of foreign monetary exchange or other restrictions. To the extent that this income is not attributable to a period in which we are taxing excess profits, it would be unjust to subject it to the high excess-profits rate. For that reason your committee has included the provision of the House bill which provides that blocked foreign income shall not be included in excess profits net income if it was earned in a year prior to the imposition of the excess-profits tax. Your committee has amended this provision to provide that the Secretary shall determine to which year the blocked income is attributable in doubtful cases.

AIR-MAIL COMPENSATION

Your committee has restored the provision of the old law which exempts airlines which have no adjusted excess-profits tax net income after excluding air-mail subsidies from their excess-profits net income. This provision was stricken from the House bill by a floor amendment. The 7-percent rate of return allowed the airlines under the bill is substantially below the rate of return allowed overseas airlines by the Civil Aeronautics Board, and since the air-mail subsidies are, to a large extent, used for the overseas lines, the effect of their exclusion is to provide equitable treatment for the overseas airlines in line with the treatment accorded them by the Civil Aeronautics Board.

MERCHANT MARINE ACT

Your committee's bill, like the House bill and the World War II excess-profits tax, permits exclusion of amounts received by shipbuilders which are required to be paid in to the Maritime Board as a revolving ship construction fund. Your committee's bill also deals with the reserve and construction funds provided by the Merchant Marine Act in which ship operators are required or permitted to deposit earnings and gains from the disposition of ships. Your committee's bill provides that these earnings during the base period, other than capital gains, shall be included in computing base-period earnings, to the extent that they exceed current payments into these funds. Also they increase the taxpayer's invested capital unless offset by current payments into these funds.

TREATMENT OF EARNINGS CREDIT IN CASE OF REORGANIZATIONS

The bill provides a part II of the excess-profits tax subchapter which is designed to carry out the functions of supplement A under the World War II excess-profits tax. The general purpose of supplement A under the old law was to provide that, in the case of tax-free consolidations or mergers of two corporations into one, the corporation continuing business after the merger may compute its earnings credit on the basis of the combined earnings experience of the two earlier corporations during the base period. Part II of subchapter D in this bill serves this same function, and it goes beyond the old law in providing similar rules in the case of a tax-free split-up as, for example, where the assets of an old corporation are split up among two or more new corporations. The rules in this latter type of case provide for an allocation of the earnings experience of the old corporation during the base period among the new corporations for purposes of determining their earnings credits under the excess-profits tax. Where the business of a partnership is incorporated, part II permits the corporation to use the base period earnings experience of the partnership, as was the case under the old law. The bill goes beyond the old law by permitting a corporation to use an allocated share of the earnings experience of a partnership where only a part of the partnership properties are incorporated.

Your committee's amendment of part II in the House bill was necessary in order to conform the treatment of part II transactions with the changes the committee amendments make in the treatment of taxpayers generally who use the earnings credit. For example, part II provides rules for the treatment of taxpayers covered by all of the special relief provisions under the earnings credit in cases involving tax-free reorganizations, consolidations, mergers, and split-ups.

Mr. CARLSON. Mr. President, will the Senator yield?

Mr. GEORGE. I yield to the Senator from Kansas.

Mr. CARLSON. I should like to ask the distinguished chairman of the committee a question with regard to the relief of corporations which do not qualify under the invested-capital base or the average-earnings base. If I remember correctly, Congress wrote into the World War II Act section 722, which provided relief for corporations operating under abnormal conditions. I wonder if any provision is made in the bill for that type of corporation?

Mr. GEORGE. Yes, I may say to the Senator from Kansas that we have tried to spell out what we clearly contemplated, or had in contemplation under section 722 of the World War Act. Section 722 of the World War Act got into the act by virtue of an amendment which the present chairman of the Finance

Committee himself offered on the floor, which simply provided that in cases where abnormalities clearly existed, recourse should be had to the tax court.

Of course, that was a very crude way of presenting the issue to the Congress. In a later bill, section 722 was worked out.

The present bill approaches the same problem, but undertakes to spell out relief for new corporations formed after the base period began, for depressed industries, for corporations having abnormalities, and for other corporations which we thought were entitled to relief.

Whether the committee has gone far enough and whether those relief provisions will be altogether effective, of course, remains to be demonstrated or disproved in the administration of the act. However, we have attempted to provide for substantially all the situations for which we were seeking to give a remedy under section 722. In this bill we have a provision for the growing corporations, a formula for the so-called growth companies, which is not yet as complete as we would like to make it, and we shall offer a further amendment on that point before the bill leaves the Senate.

Mr. CARLSON. Mr. President, will the Senator yield further in connection with this matter?

Mr. GEORGE. I yield to the Senator from Kansas.

Mr. CARLSON. As the distinguished chairman of the committee well knows, section 722 was written in order to carry out the congressional intent—at least, I think it was the intent of both the House committee and the Senate committee—that some relief be given to corporations which came under that particular distress qualification. I am hoping that the Senate and the committee will stress the fact that in acting today on this bill it is the intention that some of these corporations which are growth corporations and have abnormal situations will obtain some relief under that section.

Mr. GEORGE. The committee has endeavored to do precisely that. It was as a result of the action of the joint committee that the organization known as the Excess Profits Tax Council was set up. That was done in order to bring about a better administration of section 722.

Mr. THYE. Mr. President, will the Senator yield?

Mr. GEORGE. I am glad to yield.

Mr. THYE. The television industry would naturally come under the so-called growing-corporations classification because the firms engaged in the television industry are in their infancy and are growing rapidly during these years.

Mr. GEORGE. That is quite true. We have had considerable evidence from the television companies and other concerns which now are developing a new product. Of course, those who are engaged in the television industry are developing a relatively new product, and those firms also are growing rapidly.

Mr. THYE. Mr. President, will the Senator yield for a further question?

Mr. GEORGE. Yes.

Mr. THYE. In northern Minnesota, for instance, we have a concern engaged in obtaining vitamins from fish livers by means of processing the oil. That is a well-established and well-recognized business. However, over a period of years that company was processing only a limited amount. Since the end of the war that firm's research and study and plans to expand its plant were such that most of its profits were plowed back into the business, into research, and into the development of a larger business. That concern will show no profits to speak of for the past 2 or 3 years, but from now on its profits might be considerable, much in excess of any profits shown in the prior several years.

How will the proposed law affect that particular corporation?

Mr. GEORGE. Was the corporation in existence before the beginning of the base period, namely, before 1946?

Mr. THYE. Yes; the corporation has been in existence for more than 10 years, and it made its expansion and its plans for expansion and research in the postwar years.

Mr. GEORGE. The bill undertakes to meet that problem, I may say to the distinguished Senator, by including a formula which may be described as an increased-capacity formula. Whether these formulas will adequately meet these situations, of course the committee cannot say. We only express the hope that they will, and we have taken the extraordinary step of providing for the rewriting of this bill by the end of December 1952, in order that we may meet the problems which, through experience, are then presented to us in a clearer light in the very brief hearing the committee was able to hold on this bill.

Mr. THYE. Mr. President, I thank the very able and distinguished chairman of the committee for answering those questions.

Mr. GEORGE. I thank the Senator from Minnesota.

Mr. President, at this time I should like to do the extraordinary thing of asking unanimous consent that all the committee amendments be agreed to en bloc and that the bill as thus amended be considered as the original bill, with the right of any Senator to offer any amendment to any section or any provision, or to move to strike out or to change in any wise the text of the bill, all such motions to be considered as motions in the second degree, so that they would be in order.

The PRESIDING OFFICER. The Senate has heard the unanimous-consent request of the Senator from Georgia. Is there objection? The Chair hears none, and it is so ordered.

Mr. GEORGE. Mr. President, I wish to thank the Senate for giving that consent. Of course, the same result could easily be accomplished, always, by making only one amendment—in other words, by striking out all after the enacting clause and making one inclusive amendment. However, we have preferred to deal with the House text of the bill.

The committee amendments agreed to en bloc are as follows:

Under the heading "Title I—Excess Profits Tax, Subchapter D—Excess Profits Tax, Part I—Rate and Computation of Tax," on page 2, line 7, after the figures "1950", to insert "and beginning before January 1, 1953"; in line 8, after the word "in", to strike out "Section" and insert "section"; in line 10, after the word "section", to strike out "452" and insert "454"; after line 13, to strike out:

"(2) an amount which when added to the tax imposed for the taxable year under this chapter, determined without regard to the tax imposed by section 102 and without regard to the tax imposed by this subchapter, equals 67 percent of the corporation surtax net income, computed under section 15 or supplement G, as the case may be, but without regard to the credits provided in section 26 (h) and (i)."

And in lieu thereof, to insert:

"(2) an amount equal to the excess of 60 percent of the excess-profits net income for the taxable year over the tax which would be imposed for the taxable year under sections 13, 14, and 15, supplement G, and supplement Q, whichever are applicable to the taxpayer, computed (subject to sec. 108 and sec. 141, if applicable) as if the amount of the normal-tax net income and the amount of the corporation surtax net income (or the amount subject to the rate of tax in such supplement) were equal to the amount of the excess-profits net income for such year."

On page 3, after line 7, to strike out:

"For computation of tax in the case of a short taxable year, see section 423 (a) (2)."

On page 3, after line 17, to insert:

"(c) Taxable years beginning before January 1, 1953, and ending after December 31, 1952: In the case of a taxable year beginning before January 1, 1953, and ending after December 31, 1952, the tax imposed by subsection (a) shall be an amount equal to that portion of a tentative tax, determined under subsection (a), which the number of days in such taxable year before January 1, 1953, bears to the total number of days in such taxable year."

On page 4, line 1, to reletter the subsection from "(c)" to "(d)."

On page 4, after line 9, to strike out:

"(d) Deferment of payment in case of abnormality: If the adjusted excess profits net income (computed without reference to sec. 442, 443, or 444) for the taxable year of a taxpayer which claims on its return, in accordance with regulations prescribed by the Secretary, the benefits of section 442, 443, or 444, is in excess of 50 percent of its normal tax net income for such year, the amount of tax payable at the time prescribed for payment may be reduced as follows:

"(1) If the application of section 442, 443, or 444 is made in accordance with tentative rates of return described in section 445 (d), by an amount equal to 80 percent of the amount of the reduction in the tax so claimed.

"(2) If the application of section 442, 443, or 444 is made in accordance with the base period yearly rate of return described in section 445 (b) or the base period rate of return described in section 445 (c), by an amount equal to 100 percent of the amount of the reduction in the tax so claimed.

The amount of the reduction in tax, to the extent it exceeds the claimed reduction in tax finally determined, shall be payable within 1 year after such final determination. The running of the statute of limitations provided in section 275 or 276 on the beginning of distraint or a proceeding in court for collection, in respect of such reduction in tax, shall be suspended for the period beginning with the date such tax would be payable but for this subsection and ending with the

date falling 60 days after such final determination."

On page 5, after line 14, to insert:

"(e) Cross references: For special rules for computation of the tax imposed by subsection (a) in the case of—

"(1) short taxable years, see section 433 (a) (2);

"(2) corporations engaged in mining of strategic minerals, see section 450 (a);

"(3) abnormalities in income in taxable period, see section 456;

"(4) corporations completing contracts under Merchant Marine Act, see section 457."

On page 6, line 5, after the word "section", to strike out "433" and insert "433 (a)."

On page 6, line 7, after the word "excess," to strike out "profit credits" and insert "profits credit."

In section 432, on page 7, line 1, after the numerals "1950" to insert "and beginning before January 1, 1953"; in line 4, after the word "year", to insert "and computed without the allowance of any deduction under section 23 (s) (relating to net operating losses)", and in line 18, after the word "year.", to insert "The unused excess profits credit for a taxable year beginning before January 1, 1953, and ending after December 31, 1952, shall be an amount which is such part of the unused excess profits credit determined under the preceding provisions of this subsection as the number of days in such taxable year before January 1, 1953, is of the total number of days in such taxable year. There shall be no unused excess profits credit for any taxable year for which the taxpayer is exempt from taxation under this subchapter."

On page 9, line 19, after the word "sentence", to insert "or such part of the unused excess profits carry-back for such preceding taxable year, whichever is the lesser".

On page 10, after line 3, to insert:

"(e) Unused excess profits credit of year of liquidation: For any taxable year during which the taxpayer (1) completes the distribution of substantially all of its assets in liquidation, or (2) completes the conversion of substantially all of its assets into assets not held in good faith for the purposes of the business, then the unused excess profits credit for such year shall be an amount which is such part of the unused excess profits credit determined under the preceding provisions of this section as the number of days prior to the date of the completion (described in (1) or (2), whichever is earlier) is of the total number of days in the taxable year, and no part of the unused excess profits credit for such year shall be an unused excess profits credit carry-over for any succeeding taxable year."

In section 433, on page 11, after line 11, to strike out:

"(C) Gains and losses from sales or exchanges of capital assets, etc.: There shall be excluded gains and losses from sales or exchanges of capital assets and gains and losses, from sales or exchanges of property, to which section 117 (j) is applicable."

And in lieu thereof, to insert:

"(C) Gains and losses from sales or exchanges of capital assets: There shall be excluded gains and losses from sales or exchanges of capital assets."

On page 13, line 6, after the word "debt", to strike out "unless a deduction with reference to such debt was allowable from gross income for any taxable year for which an excess profits tax was imposed under this subchapter or subchapter E of chapter 2" and insert "if the deduction of such debt was allowable from gross income for any taxable year beginning before January 1, 1940, or beginning after December 31, 1945, and ending before July 1, 1950, or if such debt was properly charged to a reserve for bad debts during any such taxable year."

On page 13, line 23, after "202 (c)", to insert: "If the excess profits credit for the taxable year is computed under section 436, there shall be deducted from the normal tax net income only 50 percent of the amount determined under the preceding sentence."

On page 14, line 8, after the word "section" to strike out "451" and insert "453"; in line 11, after the word "section", to strike out "451" and insert "453"; in line 12, after the word "section", to strike out "451" and insert "453"; in line 14, after the word "section", to strike out "451" and insert "453"; in line 18, after the word "section", to strike out "451" and insert "453"; in line 19, after the word "section", to strike out "451" and insert "453"; in line 20, after the word "section", to strike out "451" and insert "453", and in line 22, after the word "this" to strike out "subparagraph," and insert "subparagraph;".

On page 14, after line 22, to strike out:

"(J) Net operating loss deduction adjustment: The net operating loss deduction shall be adjusted as follows: In lieu of the reduction provided in section 122 (c), such reduction shall be in the amount by which the excess profits net income computed with the exceptions and limitations specified in section 122 (d) (1), (2), (3), and (4) and computed without regard to subparagraph (b), without regard to any credit for dividends received, and without regard to any credit for interest received provided in section 26 (a) exceeds the excess profits net income (computed without the net operating loss deduction)."

And in lieu thereof to insert:

"(J) Net operating loss deduction adjustment: The net operating loss deduction shall be adjusted as follows:

"(i) In computing the net operating loss for any taxable year under section 122 (a), and the net income for any taxable year under section 122 (b), the deduction for interest shall be reduced by the amount of any reduction under subparagraph (N) or (O), whichever is applicable upon the basis of the excess profits credit for such taxable year; and

"(ii) In lieu of the reduction provided in section 122 (c), such reduction shall be in the amount by which the excess profits net income computed with the exceptions and limitations specified in section 122 (d) (1), (2), (3), and (4), and computed without regard to subparagraph (C), without regard to any credit for dividends received, and without regard to any credit for interest received provided in section 26 (a) exceeds the excess profits net income (computed without the net operating loss deduction); and

"(iii) If the excess profits credit for the first taxable year under this subchapter is computed under section 435, the taxpayer may elect in its return for such taxable year to compute its net operating loss deduction for the purposes of this subsection for all taxable years by treating an amount equal to the base period loss adjustment (as defined in clause (iv)) as a net operating loss carryover from the last taxable year ending before July 1, 1950, but for such purposes the net income computed under section 122 (b) for any taxable year ending before July 1, 1950, shall be determined without regard to such carry-over;

"(iv) For the purposes of clause (iii), the base period loss adjustment shall be the amount of the recent loss adjustment determined under section 437 (f), using the base period as the recent loss period, and computed by limiting the amount of the net operating loss for any taxable year beginning before January 1, 1948, to an amount equal to the net operating loss carry-over from such taxable year to the taxable year immediately succeeding such taxable year; and

"(v) If the taxpayer makes the election provided in clause (iii) of this subparagraph, the net operating loss deduction for the purposes of this subsection for each taxable year ending after June 30, 1950 (whether or not the credit for such taxable year is computed under section 435), shall be computed without regard to the net operating loss for any taxable year ending before July 1, 1950, and the net operating loss carry-over specified in clause (iii) of this subparagraph shall not be allowed as a net operating loss carry-over to any taxable year for which the excess profits credit is not computed under section 435."

On page 18, line 10, after "lessee.", to insert: "For the purposes of this subparapgraph an agreement for lease of railroad properties entered into prior to December 1, 1950, shall be considered to be a lease including such term as the total number of years such agreement may, unless sooner terminated, be renewed or continued under the terms of the agreement, and any such renewal or continuance under such agreement shall be considered part of the lease entered into prior to December 1, 1950."

On page 19, line 2, after the figure "23", to strike out "(k)," and insert "(k);".

On page 19, line 10, after the word "subchapter.", to strike out "the determination of the extent to which income so derived shall be considered to have been includible, but for such restrictions, in the gross income of the taxpayer for years which preceded its first taxable year under this subchapter shall be made under regulations prescribed by the Secretary," and insert "In determining the taxable year for which income derived from foreign sources would have been includible (but for such restrictions) in cases where specific identification cannot be made, such determinations shall be made in accordance with regulations prescribed by the Secretary."

On page 20, line 15, after the word "be", to strike out "allowed." and insert "allowed;".

On page 20, after line 15, to insert:

"(N) Interest—Credit based upon invested capital: If the excess profits credit for the taxable year is computed under section 436 the deduction for interest shall be reduced by so much of such interest as represents interest on the indebtedness included in the daily amounts of borrowed capital (determined under section 439 (b)).

"(O) Interest—Credit based upon income: If the excess-profits credit for the taxable year is computed under section 435, the deduction for interest shall be reduced by an amount which bears the same ratio to the interest on the indebtedness included in the daily amounts of borrowed capital (determined under section 439 (b)) as the excess of the amount determined under section 435 (g) (3) (C) over the aggregate, divided by the number of days in the taxable year, of the amount determined under section 435 (g) (4) (E) for each day of the taxable year, bears to the average borrowed capital for the taxable years (as defined in section 439 (a)).

"(P) Payments to encourage exploration, development, and mining for defense purposes: An amount paid to a taxpayer by the United States (or any agency or instrumentality thereof), whether by grant or loan, and whether or not repayable, for the encouragement of exploration, development, or mining of critical and strategic minerals or metals pursuant to or in connection with any undertaking approved by the United States (or any of its agencies or instrumentalities) and for which an accounting is made or required to be made to an appropriate governmental agency, and the forgiveness or discharge of any of such amount, shall be excluded in computing excess-profits net income; and any expenditures (other than expenditures made after the repayment of such grant or loan) attributable to such grant or loan shall

not be deductible by the taxpayer as an expense nor increase the basis of the taxpayer's property either for determining gain or loss on sale, exchange, or other disposition or for computing depletion or depreciation, but upon the repayment of any portion of any such grant or loan which has been expended in accordance with the terms thereof such deductions and such increase in basis shall to the extent of such repayment be allowed as if made at the time of such repayment;

"(Q) Income from installment sales, long-term contracts, etc.: For adjustment, in the case of a taxpayer making an election provided in section 455, with respect to income derived from installment sales, installment sales obligations, or long-term contracts, see section 455."

On page 25, line 3, after the word "year", to strike out "within, or beginning or ending within, the base period."

On page 27, line 15, after "Sales.—", strike out "Income" and insert "In the case of a taxpayer which has made the election provided in section 455 (a), income"; in line 17, after the word "sales", to insert "and from installment sales obligations"; in line 20, after the word "method", to insert "without treating any portion of such income as unrealized at the close of any period"; in line 22, after the word "on", to strike out "the" and insert "such", and in line 23, after the word "periods.", to strike out "This paragraph shall be applicable only for the purpose of computing the average base period earnings in determining the excess-profits credit for any taxable year for which an election made under section 453 (a) is applicable, and shall have no application in the computation under section 435 (f) of the base period capital addition."

On page 28, line 5, after "Contracts.—", to strike out "Income" and insert "In the case of a taxpayer which has made the election provided in section 455 (b), income", and in line 11, after the words "periods.", to strike out "This paragraph shall be applicable only for the purpose of computing the average base period earnings in determining the excess-profits credit for any taxable year for which an election under section 453 (b) is applicable and shall have no application in the computation under section 435 (f) of the base period capital addition."

On page 28, line 20, after the word "Deductions.", to strike out:

"Under regulations prescribed by the Secretary for the determination, for purposes of this paragraph, of the classification of deductions for any taxable year or years within, or beginning or ending within, the base period, if—

"(A) any class of similar deductions for the taxable year attributable to a claim, award, judgment, or decree against the taxpayer, or interest on any of the foregoing."

On page 29, after line 3, to strike out:

"(B) any class of similar deductions for the taxable year attributable to intangible drilling and development costs paid or incurred in or for the drilling of wells or the preparation of wells for the production of oil or gas, and for development costs in the case of mines."

On page 29, after line 9, to strike out:

"(C) any class of similar deductions for the taxable year under section 23 (f) for losses arising from fires, storms, shipwreck, or other casualty, or from theft, or arising from the demolition, abandonment, or loss of useful value of property, not compensated for by insurance or otherwise; or."

On page 29, after line 15, to strike out:

"(D) any other class of deductions for the taxable year,

exceeded 115 percent of the average amount of deductions of such class for the four previous taxable years, the deductions of such class shall, subject to the rules provided in paragraph (10), be disallowed in an amount equal to such excess."

And in line 22, after the amendment just above stated, to insert:

"If, for any taxable year or years within, or beginning or ending within, the base period, any class of deductions for the taxable year exceeded 115 percent of the average amount of deductions of such class for the four previous taxable years, the deductions of such class shall, subject to the rules provided in paragraph (10), be disallowed in an amount equal to such excess. For the purposes of this paragraph, each of the following groups of deductions shall constitute a class of deductions:

"(A) Deductions attributable to claims, awards, judgments, and decrees against the taxpayer, and interest on the foregoing;

"(B) Deductions attributable to intangible drilling and development costs paid or incurred in or for the drilling of wells or the preparation of wells for the production of oil or gas, and for development costs in the case of mines; and

"(C) Deductions under section 23 (f) for losses arising from fires, storms, shipwreck, or other casualty, or from theft, or arising from the demolition, abandonment, or loss of useful value of property, not compensated for by insurance or otherwise. The class of deductions under this subparagraph for any taxable year shall not include deductions which are excludible under paragraph (2) or which would be so excludible if such paragraph were applicable with respect to such taxable year.

The classification of deductions of any class not described in subparagraphs (A) to (C), inclusive, shall be subject to regulations prescribed by the Secretary."

At the top of page 32, to strike out: "For the purpose of the preceding sentence a deficit in excess profits net income for any taxable year shall be counted as zero."

On page 32, after line 3, to strike out: "(C) Deductions shall not be disallowed under such paragraphs unless the taxpayer establishes that the excess is not a cause or a consequence of an increase in the gross income of the taxpayer in its base period or a decrease in the amount of some other deduction in its base period, and is not a cause or a consequence of a change at any time in the type, manner of operation, size, or condition of the business engaged in by the taxpayer."

On page 32, after line 12, to insert: "Such average excess profits net income shall, for the purposes of this subparagraph, be computed by aggregating the excess profits net incomes of all such taxable years, dividing such aggregate by the total number of months in such years, and multiplying the quotient by 12. For the purposes of this subparagraph, the excess profits net income for any taxable year shall in no case be less than zero."

On page 32, after line 20, to insert: "(C) Deductions of any class shall not be disallowed under such paragraph unless the taxpayer establishes that the increase in such deductions—

"(i) is not a cause or a consequence of an increase in the gross income of the taxpayer in its base period or a decrease in the amount of some other deduction in its base period, which increase or decrease is substantial in relation to the amount of the increase in the deductions of such class, and

"(ii) is not a consequence of a change at any time in the type, manner of operation, size, or condition of the business engaged in by the taxpayer."

On page 33, after line 16, to strike out:

"(E) If the taxpayer's average base period net income is determined under section 435 (e), there shall not be disallowed under such paragraph any amount which is to be taken into account under section 435 (e) (4) for the purpose of determining the total payroll of the taxpayer."

On page 34, line 10, after the word "lessee.", to insert: "For the purposes of this paragraph an agreement for lease of railroad properties entered into prior to December 1, 1950, shall be considered to be a lease including such term as the total number of years such agreement may, unless sooner terminated, be renewed or continued under the terms of the agreement, and any such renewal or continuance under such agreement shall be considered part of the lease entered into prior to December 1, 1950."

At the top of page 35, to insert:

"(13) Bank assesments by Federal Deposit Insurance Corporation. In the case of a bank (as defined in section 104), the deduction for the assessment by the Federal Deposit Insurance Corporation shall be reduced to an amount which is such part thereof as the net assesment (after credits applicable thereto) for the taxable year for which the excess profits credit is being computed is of the gross assesment for such taxable year."

On page 35, after line 8, to insert:

"(14) Life insurance companies: In the case of a life insurance company, there shall be deducted from the normal-tax net income the excess of (A) the product of (i) the figure determined and proclaimed under section 202 (b) and (ii) the excess profits net income computed without regard to this paragraph, over (B) the adjustment for certain reserves provided in section 202 (c)."

On page 35, after line 16, to insert:

"(15) Credit for income subject to prior excess-profits tax. The credit provided in section 26 (e) shall not be allowed.

"(c) Deficit in excess profits net income: For the purposes of this subchapter, the deficit in excess profits net income for any taxable year shall be the excess, if any, of—

"(1) the sum of the deductions from gross income, the credit for dividends received, the credit provided in section 26 (a) (relating to interest on certain obligations of the United States and its instrumentalities) and the amount of the decrease resulting from the adjustments provided in subsection (b), over

"(2) the sum of the gross income and the amount of the increase resulting from the adjustments provided in subsection (b)."

On page 36, line 14, after the word "computed", to strike out "For allowance of excess-profits credit in case of certain reorganizations, see part II of this subchapter."

On page 37, line 5, after the word "section", to strike out "436" and insert "436 (b)".

On page 37, line 9, after the word "section", to strike out "446" and insert "448"; in line 11, after the word "section", to strike out "446" and insert "448", and in line 13, after the word "computed", to insert "In the case of a regulated public utility which has made and filed a consent described in section 141 (e) (8) or (j) applicable to the taxable year, the excess-profits credit shall, for purposes of filing a consolidated return, be determined in accordance with such consent."

On page 37, line 21, after "section (a)", to insert "or (c)"; in line 25, after the word "agreement", to insert "or agreements"; in the same line, after the word "to", to strike out "July" and insert "December"; on page 38, line 1, after the word "where", to strike out "the" and insert "each"; in line 2, after the word "and", to strike out "requires" and insert "where under one or more of the leases or agreements relating to the leased properties"; in line 3, after the word "lessee", to insert "is, or the lessees are, required"; in line 8, after the word "among", to strike out "each of such corporations" and insert "the lessor and each of the lessee corporations so required to pay the taxes of the lessor under this subchapter", and in line 12, after the word "Secretary", to insert: "For the purposes of this subsection an agreement for lease of railroad properties entered into prior to December 1, 1950, shall be considered to be

a lease including such term as the total number of years such agreement may, unless sooner terminated, be renewed or continued under the terms of the agreement, and any such renewal or continuance under such agreement shall be considered part of the lease entered into prior to December 1, 1950."

On page 39, line 5, after the numerals "442", to insert "12 per centum of"; in line 7, after "subsection (f)", to insert "and"; in line 10, after the word "year", to strike out "and (D) the amount of the credit provided in subsection (h) (1) (relating to net additions to borrowed capital) for the taxable year,"; in line 14, after the word "minus", to strike out "the sum of", and in line 16, after the word "year", to strike out "and the amount of the borrowed capital reduction for the taxable year, computed under subsection (h) (2)."

On page 39, after line 21, to insert: "(3) Cross reference: For the computation of the excess-profits credit based on income in the case of certain reorganizations, see part II of this subchapter. For increase in excess-profits credit in case of certain corporations making deposits under the Merchant Marine Act, 1936, see section 457 (c)."

On page 40, after line 11, to strike out:

"(c) Average base period net income—determination.—

"(1) Definition: For the purposes of this section the average base period net income of the taxpayer shall be the amount determined under subsection (d), subject to the exception that if the taxpayer is entitled to the benefits of subsection (c) of this section, or section 442, 443, or 444, then the average base period net income shall be the amount determined under subsection (c) or such section, whichever results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed.

"(2) Cross reference: For the computation of the average base period net income in the case of certain reorganizations, see part II of this subchapter."

And insert:

"(c) Average base period net income—Determination: For the purposes of this section the average base period net income of the taxpayer shall be the amount determined under subsection (d), subject to the exception that if the taxpayer is entitled to the benefits of subsection (e) of this section, or section 442, 443, 444, 445, or 446, then the average base period net income shall be the amount determined under subsection (d) or (e) or under such section, whichever results in the lesser tax under this subchapter for the taxable year for which the tax under this subchapter is being computed."

On page 42, after line 24, to strike out:

"(B) the total assets of the taxpayer, determined under paragraph (3), did not, as of the beginning of its base period, exceed $20,000,000; and."

And insert:

"(B) the total assets of the taxpayer as of the first day of its base period (when added to the total assets for such day of all corporations with which the taxpayer has the privilege under section 141 of filing a consolidated return for its first taxable year under this subchapter), determined under paragraph (3), did not exceed $20,000,000; and."

On page 44, after line 7, to strike out "The average base period net income determined under this subsection shall be the amount ascertained under subparagraph (C) or subparagraph (D), whichever is the larger."

On page 44, after line 11, to insert:

"(E) By computing (in the manner provided by the second sentence of subsection (d) (1)) the excess profits net income for each of the 12 months in the period beginning July 1, 1949, and ending June 30, 1950. For the purposes of this subparagraph the excess profits net income for any month after December 1949 shall be the 'weighted excess profits net income' for the taxable year in which such month falls divided by the number of full calendar months in such year, but in no case shall such excess profits net income for any month be less than zero. The 'weighted excess profits net income' for any taxable year beginning before July 1, 1950, shall be—

"(i) 100 percent of the excess profits net income for the taxable year if such year ends before July 1, 1950;

"(ii) 90 percent of the excess profits net income for the taxable year if such year ends after June 30, 1950, and before October 1, 1950;

"(iii) 80 percent of the excess profits net income for the taxable year if such year ends after September 30, 1950, and before April 1, 1050; and

"(iv) 70 percent of the excess profits net income for the taxable year if such year ends after March 31, 1951.

"(F) By computing the aggregate of the excess profits net income for each of the 12 months referred to in subparagraph (E). The average base period net income determined under this subsection shall be the amount ascertained under subparagraph (C), (D), or (F), whichever is the highest."

On page 46, line 1, after the word "cash", to strike out "used in the taxpayer's business" and insert ", held by such taxpayer for the purposes of the business."; and after line 4, to insert "In case the taxpayer has the privilege under section 141 of filing a consolidated return for its first taxable year under this subchapter, the total assets of the affiliated group as of any day shall be determined under regulations prescribed by the Secretary."

On page 46, line 20, after the words "of the", to strike out "period" and insert "year"; and in line 21, after the word "such", to strike out "year" and insert "period."

On page 48, line 3, after the words "portion of the", to strike out "period" and insert "year"; and in the same line, after the word "such", to strike out "year" and insert "period."

On page 48, after line 8, to strike out:

"(1) Base period capital addition: The amount of the base period capital addition referred to in subsection (a) (1) (B) shall be the sum of—

"(A) 12 percent of the net base period equity capital addition, computed under paragraph (2) (C),

"(B) the amount of the base period borrowed capital addition, computed under paragraph (3) (D),

minus the sum of 12 percent of the net base period equity capital reduction, computed under paragraph (2) (D), and the amount of the base period borrowed capital reduction, computed under paragraph (3) (E); except that the base period capital addition shall in no case be less than zero.

"(2) Net base period capital addition or reduction.—

"(A) The net increase in equity capital during any period shall, for the purposes of this subsection, be the amount, if any, by which the equity capital (as defined in section 437 (c)) at the end of such period exceeds the equity capital at the beginning of such period. The amount ascertained under this subparagraph shall be reduced by the excess, if any, of the inadmissible assets (as defined in section 440) of the taxpayer at the end of such period over the inadmissible assets at the beginning of such period. The net increase in equity capital shall in no case be less than zero.

"(B) The net decrease in equity capital during any period shall, for the purposes of this subsection, be the amount, if any, by which the equity capital (as defined in section 437 (c)) at the beginning of such period exceeds the equity capital at the end of such period. The amount ascertained under this subparagraph shall be reduced by the excess, if any, of the inadmissible assets (as defined in section 440) of the taxpayer at the beginning of such period over the inadmissible assets at the end of such period. The net decrease in equity capital shall in no case be less than zero.

"(C) The net base period equity capital addition shall be the excess of—

"(i) the net increase, if any, in equity capital during the period covered by the last two taxable years of the taxpayer which precede its first taxable year under this subchapter, over

"(ii) one-half of the amount by which the net increase, if any, in equity capital during the earlier taxable year in such period exceeds the net decrease, if any, in equity capital during the later taxable year in such period.

"(D) The net base period equity capital reduction shall be the excess of—

"(i) the net decrease, if any, in equity capital during the period covered by the last two taxable years of the taxpayer which precede its first taxable year under this subchapter, over

"(ii) one-half of the amount by which the net decrease, if any, in equity capital during the earlier taxable year in such period exceeds the net increase, if any, in equity capital during the later taxable year in such period.

"(3) Base period borrowed capital addition or reduction.—

"(A) The adjustment for the net increase in borrowed capital during any period shall, for the purposes of this subsection, be an amount equal to (i) one-third of the amount by which the daily borrowed capital (as determined under section 439 (c)) for the day following the close of such period exceeds the daily borrowed capital for the first day of such period, times (ii) the average interest rate for the day following the close of such period. The adjustment for the net increase in borrowed capital shall in no case be less than zero.

"(B) The adjustment for the net decrease in borrowed capital during any period shall, for the purposes of this subsection, be an amount equal to (i) one-third of the amount by which the daily borrowed capital (as determined under section 439 (c)) for the first day of such period exceeds the daily borrowed capital for the day following the close of such period, times (ii) the average interest rate for the first day of such period. The adjustment for the net decrease in borrowed capital shall in no case be less than zero.

"(C) The average interest rate for any day shall, for the purposes of subparagraphs (A) and (B), be an amount equal to the amount ascertained by dividing the aggregate of 1 year's interest on the daily borrowed capital for such day by the amount of the daily borrowed capital for such day.

"(D) The amount of the base period borrowed capital addition shall, for the purposes of paragraph (1) (B), be the excess of—

"(i) the adjustment, if any, for the net increase in borrowed capital during the period covered by the last two taxable years of the taxpayer which precede its first taxable year under this subchapter, over

"(ii) one-half of the amount by which the adjustment, if any, for the net increase in borrowed capital during the earlier taxable year in such period exceeds the adjustment, if any, for the net decrease in borrowed capital during the later taxable year in such period.

"(E) The amount of the base period borrowed capital reduction shall, for the purposes of paragraph (1), be the excess of—

"(i) the adjustment, if any, for the net decrease in borrowed capital during the period covered by the last 2 taxable years of the taxpayer which precede its first taxable year under this subchapter, over

"(ii) one-half of the amount by which the adjustment, if any, for the net decrease in borrowed capital during the earlier taxable year in such period exceeds the adjustment, if any, for the net increase in borrowed capital during the later taxable year in such period."

On page 53, after line 11, to insert:

"(i) Definition of yearly base period capital: For the purposes of this subsection, the yearly base period capital for any taxable year shall be the sum of the equity capital (as defined in sec. 437 (c)) at the beginning of such taxable year and the daily borrowed capital (as defined in sec. 439 (b)) for the first day of such taxable year, reduced by the sum of—

"(A) the amount of inadmissible assets at the beginning of such taxable year, determined under section 440,

"(B) the amount of loans to members of a controlled group, determined under paragraph (4), and

"(C) the amount of the adjustment for interest on borrowed capital, determined under paragraph (5).

"(2) Computation of base period capital addition—general rule: The amount of the base period capital addition referred to in subsection (a) (1) (B) shall, except in cases otherwise provided for in paragraph (3), be determined as follows:

"(A) By computing the yearly base period capital for each of the following years:

"(i) the first taxable year of the taxpayer under this subchapter;

"(ii) the immediately preceding taxable year; and

"(iii) the second preceding taxable year.

"(B) By computing the amount of the excess, if any, of the amount ascertained under subparagraph (A) (i) over the higher of the amounts ascertained under subparagraphs (A) (ii) and (A) (iii).

"(C) By computing the amount of the excess, if any, of the lower of the amounts ascertained under subparagraphs (A) (i) and (A) (ii) over the amount ascertained under subparagraph (A) (iii).

"(D) By adding to the amount ascertained under subparagraph (B) one-half of the amount ascertained under subparagraph (C).

"(3) Special rules in case of abnormality during base period: In the event that the average base period net income of the taxpayer is determined under section 442, then—

"(A) If its average base period net income is determined under section 442 (d), the base period capital addition shall be zero.

"(B) If its average base period net income is determined under section 442 (c) (1) by including a substitute excess profits net income for any part of its first taxable year under this subchapter or for the immediately preceding year, the base period capital addition shall be zero.

"(C) If its average base period net income is computed under section 442 (c) (1) by including a substitute excess-profits net income for any part of the earlier of the taxpayer's two taxable years immediately preceding its first taxable year under this subchapter, the base period capital addition shall be the excess, if any, of the amount ascertained under paragraph (2) (A) (i) over the amount ascertained under paragraph (2) (A) (ii).

"(4) Loan to members of a controlled group: If, on the first day of any taxable year, the taxpayer and any one or more other corporations are members of the same controlled group, as defined in subsection (g) (6), the amount referred to in paragraph (1) (B) with respect to such taxable year shall be the amount of the indebtedness of such other corporation (or if more than one, such other corporations) to the taxpayer at the beginning of such day. For the purposes of this paragraph, the term 'indebtedness' means indebtedness which constitutes daily borrowed capital, as defined in section 439 (b) (1), of such other corporation for such day.

"(5) Adjustment for interest on borrowed capital: The adjustment for interest on borrowed capital referred to in paragraph (1) (C) with respect to any taxable year shall be determined as follows:

"(A) By multiplying any indebtedness of the taxpayer which constitutes daily borrowed capital (as defined in sec. 439 (b)) for the first day of such taxable year by the annual rate of interest payable upon such indebtedness during such taxable year.

"(B) By aggregating the amounts ascertained under subparagraph (A) with respect to all borrowed capital for such day.

"(C) by multiplying the aggregate amount ascertained under subparagraph (B) by 100, and dividing the product by 12.

"(6) Cross reference: For special rules applicable to this subsection see section 441."

On page 57, line 8, after "(g)", to strike out "Capital changes." and insert "Net capital addition or reduction."

On page 57, line 16, after the word "year.", to insert "If there is an increase in inadmissible assets for the taxable year, determined under paragraph (5), the net capital addition shall be the excess of the amount determined under the preceding sentence over the amount of such increase in inadmissible assets."

On page 58, line 4, after the word "year.", to insert "If there is a decrease in inadmissible assets for the taxable year, determined under paragraph (5), the net capital reduction shall be the excess of the amount determined under the preceding sentence over the amount of such decrease in inadmissible assets."

On page 58, line 15, after the word "day.", to strike out "Such property paid in shall be included in an amount equal to its basis (unadjusted) for determining gain upon sale or exchange. If the unadjusted basis of the property is a substituted basis, such basis shall be adjusted, with respect to the period before the property was paid in by an amount equal to the adjustments proper under section 113 (b) (2)."

On page 59, after line 3, to insert:

"(C) The amount, if any, by which the average borrowed capital for the taxable year (as defined in section 439 (a)) exceeds the daily borrowed capital for the first day of the taxpayer's first taxable year under this subchapter."

On page 59, after line 8, to strike out: "The amount ascertained under this paragraph shall be reduced by the excess, if any, of the inadmissible assets (as defined in section 440) of the taxpayer at the beginning of such day over the inadmissible assets at the beginning of its first taxable year under this subchapter. The daily capital addition shall in no case be less than zero."

On page 60, line 2, after the word "taxable", to strike out "year.", and insert: "year; and

"(C) The amount, if any, by which the daily borrowed capital (as determined under section 439 (b)) for the first day of the taxpayer's first taxable year under this subchapter exceeds the average borrowed capital for the taxable year; and

"(D) The amount determined under paragraph (6), relating to increase in certain inadmissible assets by a member of a controlled group; and

"(E) The amount determined under paragraph (7), relating to increase in loans to a member of a controlled group."

On page 60, after line 14, to strike out: "The amount ascertained under this paragraph shall be reduced by the excess, if any, of the inadmissible assets (as defined in sec. 440) of the taxpayer at the beginning of its first taxable year under this subchapter over its inadmissible assets at the beginning of such day. The daily capital reduction shall in no case be less than zero.

"(5) Cross-reference: For special rules applicable to this subsection with respect to distributions to shareholders, see section 437 (g)."

At the top of page 61, to insert:

"(5) Definitions with respect to inadmissible assets: For the purposes of this subsection—

"(A) Average inadmissible assets for the taxable year: The average inadmissible assets for any taxable year shall be the total of the daily amounts attributable to the inadmissible assets for such taxable year, determined under section 440 (b) divided by the number of days in such taxable year.

"(B) Original inadmissible assets: The term 'original inadmissible assets' means the total of the inadmissible assets for the first day of the taxpayer's first taxable year under this subchapter, determined under section 440 (b).

"(C) Increase in inadmissible assets: The term 'increase in inadmissible assets' for any taxable year means the excess of the average inadmissible assets for such taxable year over the original inadmissible assets.

"(D) Decrease in inadmissible assets: The term 'decrease in inadmissible assets' for any taxable year means the excess of the original inadmissible assets over the average inadmissible assets for such year.

"(6) Controlled group: If, on any day of the taxable year, the taxpayer and any one or more other corporations are members of the same controlled group, the amount added to the daily capital reduction under paragraph (4) (D) shall be whichever of the following amounts is the lesser:

"(A) The excess of the aggregate of the adjusted basis (for determining gain upon sale or exchange) of stock in such other corporation (or if more than one, in such other corporations) held by the taxpayer at the beginning of such day over the aggregate of the adjusted basis (for determining gain upon sale or exchange) of stock in such other corporation (or if more than one, in such other corporations) held by the taxpayer at the beginning of its first taxable year under this subchapter; or

"(B) The excess of the aggregate of the adjusted basis (for determining gain upon sale or exchange) of inadmissible assets held by the taxpayer at the beginning of such day, over the aggregate of the adjusted basis (for determining gain upon sale or exchange) of inadmissible assets held by the taxpayer at the beginning of its first taxable year under this subchapter.

The increase in inadmissible assets for the taxable year shall, for the purposes of paragraph (1), be determined by reducing the inadmissible assets for such day by the amount by which the daily capital reduction for such day is increased under this paragraph. As used in this paragraph, a controlled group means one or more chains of corporations connected through stock ownership with a common parent corporation if (i) more than 50 percent of the total combined voting power of all classes of stock entitled to vote, or more than 50 percent of the total value of shares of all classes of stock, of each of the corporations (except the common parent corporation) is owned directly by one or more of the other corporations and (ii) the common parent corporation owns directly more than 50 percent of the total combined voting power of all classes of stock entitled to vote, or more than 50 percent of the total value of shares of all classes of stock, of at least one of the other corporations.

"(7) Loans to members of a controlled group: If, on any day of the taxable year, the taxpayer and any one or more other corporations are members of the same controlled group, as defined in paragraph (6), the amount added to the daily capital reduction under paragraph (4) (E) shall be the excess of the amount of the indebtedness of

such other corporation (or if more than one, such other corporations) to the taxpayer at the beginning of such day over the amount of the indebtedness by such other corporation (or if more than one, such other corporations) to the taxpayer at the beginning of its first taxable year under this subchapter. For the purposes of this paragraph, the term 'indebtedness' means indebtedness which constitutes daily borrowed capital, as defined in section 439 (b) (1), of such other corporation for such day.

"(8) Cross reference: For special rules applicable to this subsection see section 441."

On page 64, after line 10, to strike out:

"(h) Additions and reductions in borrowed capital.—

"(1) Credit for addition to borrowed capital: The amount of the credit referred to in subsection (a) (1) (D) shall, for any taxable year, be an amount equal to (A) one-third of the excess of the average borrowed capital for such year (as determined under section 439 (c)) over the daily borrowed capital for the first day of the taxpayer's first taxable year under this subchapter, multiplied by (B) the average interest rate for the taxable year; except that such credit shall in no case exceed an amount equal to 3 percent of such excess.

"(2) Borrowed capital reduction: The amount of the borrowed capital reduction referred to in subsection (a) (1) shall, for any taxable year, be an amount equal to (A) one-third of the excess of the daily borrowed capital for the first day of the taxpayer's first taxable year under this subchapter (as determined under sec. 439 (c)) over the average borrowed capital for the taxable year, multiplied by (B) the average interest rate for the last preceding taxable year during which the taxpayer had borrowed capital; except that such reduction shall in no case exceed an amount equal to 3 percent of such excess.

"(3) Definition of average interest rate: The average interest rate for any taxable year shall be the amount ascertained by dividing the total interest accrued for such year with respect to borrowed capital by the amount of the average borrowed capital for such year."

On page 65, after line 18, to strike out:

"The excess-profits credit for any taxable year computed under this section shall be the sum of the following:

"(1) The basic equity capital credit computed under section 437,

"(2) The new capital credit, if any, computed under section 438 (a),

"(3) The borrowed capital credit, if any, computed under section 439,

reduced by the amount computed under section 440 (relating to inadmissible assets)."

On page 66, after line 4, to insert:

"(a) General rule: In the case of a domestic corporation (except a corporation described in subsection (b)) the excess-profits credit for any taxable year computed under this section shall be the sum of the following:

"(1) The invested capital credit computed under section 437, reduced by the amount computed under section 440 (b) (relating to inadmissible assets), and

"(2) The new capital credit, if any, computed under section 438 (a).

"(b) Foreign corporations and corporations entitled to benefits of section 251.—

"(1) Computation of credit: In the case of a foreign corporation engaged in a trade or business within the United States, and in the case of a corporation entitled to the benefits of section 251, the excess-profits credit for any taxable year computed under this section shall be determined in accordance with rules and regulations prescribed by the Secretary, under which—

"(A) General rule: The excess profits credit shall be the invested capital credit computed under section 437, reduced by the amount computed under section 440 (b) (relating to inadmissible assets). In computing the invested capital credit for the purposes of this subsection, (i) the invested capital for any taxable year shall (in lieu of the amount provided in section 437 (b) (1)) be the aggregate of the sum of the equity capital (determined under section 437 (c)) as of the beginning of each day of such taxable year and the daily borrowed capital (determined under section 439 (b)) for each such day divided by the number of days in such year, (ii) the term 'assets' as used in section 437 (c) shall be considered as referring to United States assets, (iii) the term 'liabilities' as used in such section shall be considered as referring to United States liabilities, and (iv) the daily borrowed capital shall be determined under section 439 (b) by reference only to United States liabilities. In the application of section 440, the terms 'admissible assets' and 'inadmissible assets' shall include only United States assets.

"(B) Exception: If the Secretary determines that the United States assets of the taxpayer cannot satisfactorily be segregated from its other assets or that the United States liabilities of the taxpayer cannot satisfactorily be segregated from its other liabilities, the invested capital of the taxpayer shall be an amount (in lieu of the amount ascertained under subparagraph (A)) which is the same percentage of the sum of the equity capital of the taxpayer, determined under section 437 (c) as of the end of the last day of the taxable year without the application of this subparagraph, and the daily borrowed capital determined under section 439 (b) for the day following such last day without the application of this subparagraph, which the net income for the taxable year from sources within the United States is of the total net income of the taxpayer for such year.

"(2) Definitions: As used in this subsection—

"(A) the term 'United States assets' means assets held by the taxpayer (in good faith for the purposes of the business) in the United States, determined in accordance with rules and regulations prescribed by the Secretary.

"(B) the term 'United States liabilities' means the liabilities of the taxpayer which are directly related to its United States assets, determined in accordance with rules and regulations prescribed by the Secretary."

On page 69, line 1, after "SEC. 437.", to strike out "Basic Equity" and insert "Invested."

On page 69, line 2, after the word "The", to strike out "basic equity" and insert "invested"; after line 4, in the first line of the table, after the word "the", to strike out "adjusted equity" and insert "invested"; in the next line, after the word "year", to strike out "(determined under subsection (b))" and insert "(as defined in subsection (b) (1))"; and in line 5 of the table, after the words "of the", to strike out "adjusted equity" and insert "invested."

On page 69, after the table, beginning with line 5, to strike out:

"(b) Adjusted equity capital: The adjusted equity capital for any taxable year (hereinafter in this subsection referred to as 'the taxable year') shall be the sum of—

"(1) the equity capital (as defined in subsection (c)) as of the beginning of the taxable year;

"(2) the capital addition for the taxable year computed under subsection (d); and

"(3) the recent loss adjustment computed under subsection (f),

minus the capital reduction for the taxable year computed under subsection (e). If the amount of the adjusted equity capital so computed is over $5,000,000, such amount shall be reduced by the net new capital addition computed under section 438."

At the top of page 70, to insert:

"(b) Invested capital.—

"(1) Election of taxpayer: The invested capital for any taxable year shall be the adjusted invested capital determined under paragraph (2), except that if the taxpayer elects in its return for such taxable year to compute its invested capital under the provisions of section 458, the invested capital for such year shall be the historical invested capital determined under section 458. For the invested capital of certain insurance companies, see paragraph (3). For increase in adjusted invested capital or historical invested capital in the case of certain corporations making deposits under the Merchant Marine Act, 1936, see section 457 (c).

"(2) Adjusted invested capital: The adjusted invested capital for any taxable year (hereinafter in this paragraph referred to as 'the taxable year') shall be the sum of—

"(A) the equity capital (as defined in subsection (c)) as of the beginning of the taxable year;

"(B) the capital addition for the taxable year computed under subsection (d);

"(C) the average borrowed capital for the taxable year computed under section 439 (a); and

"(D) the recent loss adjustment computed under subsection (f),

minus the capital reduction for the taxable year computed under subsection (e). If the amount of the adjusted invested capital so computed is over $5,000,000, such amount shall be reduced by the net new capital addition computed under section 438 (b).

"(3) Mutual insurance company (other than life or marine): The invested capital of a mutual insurance company (other than life or marine) shall be the mean of its surplus, plus 50 per centum of the mean of all reserves required by law, both surplus and reserves being determined at the beginning and end of the taxable year, and it may include as equity capital its organization expenses. The surplus shall include all of the assets of the company other than the reserves required by law."

On page 71, line 18, after the word "time", to insert "in good faith for the purposes of the business", and in line 24, after the word "exchange.", to strike out "In the case of an insurance company, its reserves shall be treated as liabilities and not as assets.", and insert "In the case of an insurance company (other than mutual and other than life or marine), 50 per centum of its reserves required by law (other than reserves which constitute borrowed capital under sec. 439 (b) (2)) shall be considered as equity capital and, it may include as equity capital its organization expences. In the case of a bank (as defined in sec. 104) its reserves for bad debts shall not be treated as liabilities."

On page 72, after line 20, to strike out "Such property shall be included in an amount equal to its basis (unadjusted) for determining gain upon sale or exchange. If the unadjusted basis of the property is a substituted basis, such basis shall be adjusted, with respect to the period before the property was paid in, by an amount equal to the adjustments proper under section 113 (b) (2)."

On page 75, after line 20, to strike out:

"(g) Rules for application of this section, section 438, and section 435 (g): For the purposes of this section, section 438, and section 435 (g)—

"(1) Distributions to shareholders: A distribution by a corporation of its stock or rights to acquire its stock shall not be regarded as money or property paid in for stock, or as paid-in surplus, or as a contribution to capital, and such a distribution

shall not be considered as a distribution by a corporation to its shareholders.

"(2) Distributions in first 60 days of taxable year: So much of the distributions (taken in the order of time) to shareholders made during the first 60 days of any taxable year as does not exceed the accumulated earnings and profits as of the beginning thereof (computed without regard to this paragraph) shall be considered to have been made on the last day of the preceding taxable year. This paragraph shall not apply with respect to distributions made during the first 60 days of the taxpayer's first taxable year under this subchapter.

"(3) Computation of earnings and profits of taxable year: For the purposes of subsection (c) of this section and section 435 (g) (4) (A), in determining whether a distribution is out of the earnings and profits of any taxable year, such earnings and profits shall be computed as of the close of such taxable year without diminution by reason of any distribution made during such taxable year or by reason of the tax under this chapter for such year and the determination shall be made without regard to the amount of earnings and profits at the time the distribution was made.

"(4) Exchanges: For the purpose of determining the amount of property paid in for stock, or as paid-in surplus, or as a contribution to capital—

"(A) If the basis (unadjusted) of the property for determining gain upon a sale or exchange is determined by reference to the basis of the property in the hands of the transferor, proper adjustment shall be made for the amount of any liability of the transferor assumed upon the exchange and of any liability subject to which such property was so received, for the amount of any other liability of the taxpayer constituting consideration for the property so received, and for the aggregate of the amount of money and the fair market value of other property (other than such stock and other than such liabilities) transferred to the transferor.

"(B) If the property consists of an indebtedness of the taxpayer, the amount of such property shall be considered equal to the amount of the indebtedness.

"(5) Election under section 453. In the case of a taxpayer electing under section 453, the adjusted equity invested capital, the net new capital addition, and the net capital addition shall be computed in a manner consistent with the method of accounting so elected, except as to installment sales made prior to the first taxable year under this subchapter in the case of a taxpayer electing under section 453 (a), and except as to contracts begun before the first taxable year under this subchapter in the case of a taxpayer electing under section 453 (b).

"(6) Cross references: For special rules affecting determination of basis of property acquired in certain intercorporate liquidations, see part III."

On page 78, line 12, after "Sec. 438.", to strike out "Capital Changes" and insert "New Capital Credit."

On page 78, line 16, after the word "except", to strike out "that the new capital credit shall be zero if the adjusted equity capital for the taxable year, computed without regard to the last sentence of section 437 (b), is $5,000,000 or less.", and insert "that the credit provided by this subsection shall not be allowed—

"(1) if the invested capital for the taxable year (computed without reduction by the amount of the net new capital addition) is $5,000,000 or less;

"(2) if the invested capital for the taxable year is the historical invested capital determined under section 458;

"(3) if the taxpayer is a mutual insurance company (other than life or marine)."

On page 79, line 8, after the word "addition", to strike out "for each day of the taxable year over the aggregate of the daily capital reduction (determined under section 437 (e)) for each day of the taxable year" and insert "(determined under subsection (c)) for each day of the taxable year over the aggregate of the daily new capital reduction (determined under subsection (d)) for each day of the taxable year. If there is an increase in inadmissible assets for the taxable year, determined under section 435 (g) (5), the net new capital addition shall be the excess of the amount determined under the preceding sentence over the amount of such increase in inadmissible assets."

On page 79, line 23, after the word "excluded", to insert "equity"; in line 24, after the word "subsection", to strike out "(d)" and insert "(e)", and on page 80, line 2, after the word "day.', to strike out "Such property paid in shall be included in an amount equal to its basis (unadjusted) for determining gain upon sale or exchange. If the unadjusted basis of the property is a substituted basis, such basis shall be adjusted, with respect to the period before the property was paid in, by an amount equal to the adjustments proper under section 113 (b) (2)."

On page 80, line 12, after the word "excluded", to insert "equity", and in line 13, after the word "subsection", to strike out "(d)" and insert "(e)."

On page 80, after line 16, to insert:

"(3) The amount, if any, by which the increase in the daily borrowed capital for such day exceeds the increase in the excluded borrowed capital for such day. For the purposes of this paragraph the term 'increase in the daily borrowed capital' for such day means the amount by which the daily borrowed capital for such day (as defined in section 439 (b)) exceeds the daily borrowed capital for the first day of the taxpayers' first taxable year under this subchapter, and the term 'increase in the excluded borrowed capital' for such day means the amount by which the excluded borrowed capital for such day (as defined in subsection (f)) exceeds the excluded borrowed capital for the first day of the taxpayers' first taxable year under this subchapter.

"(d) Daily new capital reduction: The daily new capital reduction for any day of the taxable year shall be the sum of the following:

"(1) Distributions to shareholders previously made during such taxable year which are not out of the earnings and profits of such taxable year; and

"(2) The amount, if any, by which the equity capital at the beginning of the taxpayer's first taxable year under this subchapter plus the total amount of excluded equity capital paid in after the beginning of such first taxable year and before the beginning of the taxable year exceeds the amount of the equity capital at the beginning of the taxable year; and

"(3) The amount, if any, by which the daily borrowed capital (as defined in section 439 (b)) for the first day of the taxpayer's first taxable year under this subchapter exceeds the daily borrowed capital for such day."

On page 81, line 24, to reletter the subsection from "(d)" to "(e)"; on page 82, line 1, after the word "excluded", to insert "equity"; and on page 83, line 6, to strike out "In determining the amount of any property so paid in, such property shall be included in an amount determined in the manner provided in subsection (c) (1)."

On page 83, after line 9, to insert:

"(f) Definition of excluded borrowed capital: The term 'excluded borrowed capital' for any day of any taxable year means so much of the daily borrowed capital for such day as consists of outstanding indebtedness to a member of a controlled group, as defined in subsection (e) (2), which includes the taxpayer."

On page 83, after line 15, to strike out:

"SEC. 439. Borrowed capital credit.

"(a) Amount of credit—general rule: Except as provided in subsection (b), the borrowed capital credit shall be an amount equal to one-third of the deduction allowable for such year with respect to interest on borrowed capital plus one-third of the interest element accrued or paid, if not allowable as an interest deduction, on conditional sales contracts; except that such credit shall in no case (1) exceed an amount equal to 3 per centum of the average borrowed capital for such year as computed under subsection (c) or (2) be less than an amount equal to 1 per centum of the average borrowed capital for such year as computed under subsection (c) excluding from the computation of the daily borrowed capital for any day any indebtedness evidenced by an obligation the original maturity of which was for a term of less than 5 years.

"(b) Insurance companies: In the case of an insurance company, the borrowed capital credit for any taxable year shall be the sum of the following:

"(1) the amount of the credit allowed under subsection (a), plus,

"(2) an amount equal to 1 per centum of the mean of the pro rata unearned premiums, determined at the beginning and end of the taxable year, plus,

"(3) in the case of a life insurance company an amount equal to one-third of the sum of:

"(A) the product of (i) the mean of the amount of the adjusted life insurance reserves, determined at the beginning and end of the taxable year, and (ii) its average rate of interest assumed in computing such reserves, plus

"(B) the product of (i) the mean of the amount of the reserves on insurance contracts (or contracts arising out of insurance or annuity contracts) which do not involve, at the time with reference to which the computation was made, life, health, or accident contingencies, determined at the beginning and end of the taxable year, and (ii) its average rate of interest assumed in computing such reserves.

The average rate of interest assumed by the taxpayer during the taxable year shall be calculated in the manner provided in section 201 (c) (4).

"(c) Definition of borrowed capital.—

"(1) Average borrowed capital: The average borrowed capital for any taxable year shall be the aggregate of the daily borrowed capital for each day of such taxable year, divided by the number of days in such taxable year.

"(2) Daily borrowed capital: The daily borrowed capital for any day of any taxable year shall be the amount, as of the beginning of such day, of the outstanding indebtedness (not including interest) of the taxpayer, which is evidenced by a bond, note, bill of exchange, debenture, certificate of indebtedness, mortgage, deed of trust, or conditional sales contract. In the case of property of the taxpayer subject to a mortgage or other lien, the amount of indebtedness secured by such mortgage or lien shall be considered as an indebtedness of the taxpayer whether or not the taxpayer assumed or agreed to pay such indebtedness."

And insert:

"SEC. 439. Borrowed capital.

"(a) Average borrowed capital: For the purposes of this subchapter, the average borrowed capital for any taxable year shall

be the aggregate of the daily borrowed capital for each day of such taxable year, divided by the number of days in such taxable year.

"(b) Daily borrowed capital: For the purposes of this subchapter, the daily borrowed capital for any day of any taxable year shall be determined as of the beginning of such day and shall be the sum of the following:

"(1) The amount of the outstanding indebtedness (not including interest) of the taxpayer, incurred in good faith for the purposes of the business, which is evidenced by a bond, note, bill of exchange, debenture, certificate of indebtedness, mortgage, deed of trust, bank-loan agreement, or conditional sales contract. In the case of property of the taxpayer subject to a mortgage or other lien, the amount of indebtedness secured by such mortgage or lien shall be considered as an indebtedness of the taxpayer whether or not the taxpayer assumed or agreed to pay such indebtedness, plus

"(2) In the case of an insurance company, an amount equal to 50 percent of the mean of the amount of the pro rata unearned premiums determined at the beginning and end of the taxable year, plus,

"(3) In the case of a life insurance company, an amount equal to 50 percent of the mean of the amount of the adjusted reserves, and an amount equal to 50 percent of the mean of the amount of the reserves on insurance or annuity contracts (or contracts arising out of insurance or annuity contracts) which do not involve, at the time with reference to which the computation was made, life, health, or accident contingencies, determined at the beginning and end of the taxable year; plus

"(4) In the case of a face-amount certificate company as defined in section 4 (1) of the Investment Company Act of 1940 (15 U. S. C., sec. 80a-4), an amount equal to 50 percent of the mean of the amount of reserves on its outstanding investment certificates, determined at the beginning and end of the taxable year."

On page 88, beginning with line 11, to strike out "The amount by which the sum referred to in section 436 shall be reduced for any taxable year shall be an amount which is the same percentage of such sum" and insert "In the case of any amount which is required to be reduced by reference to this subsection, the reduction shall be the same percentage of such amount"; and in line 23, after the word "made", to insert "as of the beginning of each day."

On page 89, after line 2, to strike out:

SEC. 441. Foreign corporations and corporations entitled to benefits of section 251—invested capital

"(a) Computation of credit: Notwithstanding section 436, in the case of a foreign corporation engaged in a trade or business within the United States, and in the case of a corporation entitled to the benefits of section 251, the excess profits credit computed under section 436 shall be determined in accordance with rules and regulations prescribed by the Secretary, under which—

"(1) General rule: The excess profits credit shall be the basic equity capital credit computed under section 437, reduced by the amount computed under section 440 (relating to inadmissible assets). In computing the basic equity capital credit for the purposes of this section (A) the adjusted equity capital for any taxable year shall be the aggregate of the equity captial as of the beginning of each day of such taxable year divided by the number of days in such year, (B) the term 'assets' as used in section 437 (c) shall be considered as referring to United States assets, and (C) the term 'liabilities' as used in such section shall be considered as referring to United States liabilities. In the application of section 440, the terms 'admissible assets' and 'inadmissible assets' shall include only United States assets.

"(2) Exception: If the Secretary determines that the United States assets of the taxpayer cannot satisfactorily be segregated from its other assets or that the United States liabilities of the taxpayer cannot satisfactorily be segregated from its other liabilities, the adjusted equity capital of the taxpayer shall be an amount (in lieu of the amount ascertained under paragraph (1)) which is the same percentage of the equity capital of the taxpayer, determined under section 437 (c) as of the end of the last day of the taxable year without the application of this paragraph, which the net income for the taxable year from sources within the United States is of the total net income of the taxpayer for such year.

"(b) Definitions: As used in this section—

"(1) the term 'United States assets' means assets held by the taxpayer in the United States, determined in accordance with rules and regulations prescribed by the Secretary.

"(2) the term 'United States liabilities' means the liabilities of the taxpayer which are directly related to its United States assets, determined in accordance with rules and regulations prescribed by the Secretary."

On page 91, after line 3, to insert:

"SEC. 441. Rules for determining credit.

"For the purposes of this section, section 435, section 437, section 438, and section 440—

"(a) Equity capital: The term 'equity capital' means the equity capital as defined in section 437 (c).

"(b) Property paid-in: For the purpose of determining the amount of property paid in for stock, or as paid-in surplus, or as a contribution to capital, such property shall be included in an amount equal to its basis (unadjusted) for determining gain upon sale or exchange. If the unadjusted basis of the property is a substituted basis, such basis shall be adjusted, with respect to the period before the property was paid in, by an amount equal to the adjustments proper under section 113 (b) (2).

"(c) Money and property paid-in: For the purpose of determining the amount of money and property paid in for stock, or as paid-in surplus, or as a contribution to capital, there shall be included only money and property paid in good faith for the purposes of the taxpayer's business.

"(d) Distributions to shareholders: A distribution by a corporation of its stock or rights to acquire its stock shall not be regarded as money or property paid in for stock, or as paid-in surplus, or as a contribution to capital, and such a distribution shall not be considered as a distribution by a corporation to its shareholders.

"(e) Distributions in first 60 days of taxable year: So much of the distributions (taken in the order of time) to shareholders made during the first 60 days of any taxable year as does not exceed the accumulated earnings and profits as of the beginning thereof (computed without regard to this paragraph) shall be considered to have been made on the last day of the preceding taxable year. This paragraph shall not apply with respect to distributions made during the first 60 days of the taxpayer's first taxable year under this subchapter.

"(f) Computation of earnings and profits of taxable year: In determining whether a distribution is out of the earnings and profits of any taxable year, such earnings and profits shall be computed as of the close of such taxable year without diminution by reason of any distribution made during such taxable year or by reason of the tax under this chapter for such year and the determination shall be made without regard to the amount of earnings and profits at the time the distribution was made.

"(g) Exchanges: For the purpose of determining the amount of property paid in for stock, or as paid-in surplus, or as a contribution to capital—

"(1) If the basis (unadjusted) of the property for determining gain upon a sale or exchange is determined by reference to the basis of the property in the hands of the transferor, proper adjustment shall be made for the amount of any liability of the transferor assumed upon the exchange and of any liability subject to which such property was so received, for the amount of any other liability of the taxpayer constituting consideration for the property so received, and for the aggregate of the amount of money and the fair market value of other property (other than such stock and other than such liabilities) transferred to the transferor.

"(2) If an indebtedness of the taxpayer is canceled or released in exchange for stock, or as paid-in surplus, or as a contribution to capital, the amount paid in shall be considered equal to the amount of the indebtedness.

"(h) Election under section 455: In the case of a taxpayer electing under section 455, the invested capital, the net new capital addition, the base period capital addition, determined under section 435 (f), and the net capital addition or reduction determined under section 435 (g) shall be computed in a manner consistent with the method of accounting so elected, except as to installment sales made (or installment sales obligations acquired) prior to the first taxable year under this subchapter in the case of a taxpayer electing under section 455 (a), and except as to contracts begun before the first taxable year under this subchapter in the case of a taxpayer electing under section 455 (b).

"(i) Effect of intangible property on determination of credit: In the case of intangible property, the basis (unadjusted) and the adjusted basis for determining gain upon sale or exchange shall be determined without regard to the value of the property as of March 1, 1913. For the purposes of this subsection, the term 'intangible property' means secret processes and formulae, good will, trade-marks, trade brands, franchises, and other like property. The provisions of this subsection shall not apply in determining the amount of gain realized upon the sale, exchange, or other disposition of such property.

"(j) Improvements by lessee to properties of lessor railroad corporation: For the purposes of section 437 (c), the fair value of additions and betterments made by the lessee to the physical properties of a lessor railroad corporation which have become the property of the lessor corporation by rejection of its lease (such fair value being determined as of the date such additions and betterments became the property of the lessor) shall be included in determining the basis (unadjusted) of such property; and where the value of such improvements cannot be accurately determined by the old records thereof, because lost, incomplete, or inaccurate, the value of such improvements determined by the Interstate Commerce Commission for rate-making purposes shall be used in lieu of such fair value."

On page 95, after line 4, to strike out:

"SEC. 442. Average base period net income—abnormalities during base period.

"(a) General: If for any taxable year within, or beginning or ending within, the base period a taxpayer which commenced business prior to January 1, 1946, establishes that:

"(1) normal production, output, or operation was interrupted or diminished because of the occurrence, either immediately prior to, or during such taxable years, of events unusual and peculiar in the experience of such taxpayer, or

"(2) the business of the taxpayer was depressed because of temporary economic circumstances unusual in the case of such taxpayer,

and if the amount determined under subsection (c) exceeds 110 percent of the excess profits net income for the 12 calendar months in which an abnormality is determined to exist under this subsection and if no such abnormality is determined to exist for at least one period of 12 calendar months exclusive of the 12-month period eliminated under subsection (b) (2), the taxpayer's average base period net income shall be the amount determined in accordance with the provisions of this section or section 435, whichever is higher.

"(b) Average base period net income: The average base period net income determined under this section shall be determined as follows:

"(1) By computing the excess profits net income or deficit in excess profits net income for each month in the base period. The excess profits net income or the deficit in excess profits net income for any month shall be the excess profits net income or deficit in excess profits net income, as the case may be, for the taxable year in which such month falls divided by the number of calendar months in such year.

"(2) By eliminating from the base period whichever of the 12-month periods corresponding to the calendar year the elimination of which produces the highest remaining aggregate excess profits net income or the lowest aggregate deficit in excess profits net income.

"(3) By substituting for the aggregate excess profits net income or aggregate deficit in excess profits net income, as the case may be, of any remaining 12-month period corresponding to the calendar year an amount determined under subsection (c).

"(4) By computing the aggregate of the excess-profits net income, or substitute excess-profits net income, for each of the 36 months remaining in the base period, reduced by the sum of the deficits in excess-profits net income for each of such months.

"(5) By dividing by three the amount ascertained under paragraph (4).

"(c) Adjustment: The excess-profits net income for any 12 calendar months in which an abnormality is determined to exist under subsection (a) shall be an amount which bears the same relation to the aggregate of the taxpayer's excess-profits net income for the remaining calendar months of the base period in which no abnormality has been determined to exist (exclusive of the 12-month period eliminated under subsection (b) (2)) as the taxpayer's industry index for the calendar months in which the abnormality has been determined to exist bears to the aggregate of the taxpayer's industry indices for such remaining calendar months.

"(d) Taxpayer's industry index: For purposes of this section the taxpayer's industry index for any 12 calendar months in the base period shall be the index proclaimed by the Secretary in accordance with the provisions of section 445 for that industry classification to which is attributable the largest amount of the taxpayer's average monthly gross receipts for such 12 calendar months.

"(e) Gross receipts: As used in this section 'average monthly gross receipts' with respect to any period means the figure ascertained as follows:

"(1) By computing the total amount received or accrued during such period from the sale, exchange, or other disposition of stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of its trade or business;

"(2) By computing the gross income, attributable to a trade or business regularly carried on by the taxpayer, received or accrued during such period, excluding therefrom—

"(A) Gross income derived from the sale, exchange, or other disposition of property;

"(B) Gross income derived from discharge of indebtedness of the taxpayer;

"(C) Dividends on stocks of corporations; and

"(D) Income attributable to recovery of bad debts; and

"(3) By dividing the sum of the amounts computed under paragraphs (1) and (2) by the number of months in such period.

In the event that a taxable year falls partly within such period, there shall be allocated, for the purposes of paragraphs (1) and (2), to the portion of the period within such year an amount of the total gross receipts (as defined in such paragraphs) for such year in the same proportion as the number of months in such year within the period bears to the total number of months in such year.

"(f) Rules for application of section: The taxpayer shall compute its tax, file its return, and pay the tax shown on its return under this subchapter without the application of this section, except as provided in section 430 (d). The benefits of this section shall not be allowed unless the taxpayer within the period of time prescribed by section 322 and subject to the limitation as to amount of credit or refund prescribed in such section makes application therefor in accordance with regulations prescribed by the Secretary. If average base-period net income has been determined under the provisions of this section for any taxable year, the Secretary may by regulations prescribe the extent to which this subsection may be waived for purposes of determining the tax under this subchapter for a subsequent taxable year."

At the top of page 100, to insert:

"SEC. 442. Average base period net income—abnormalities during base period.

"(a) In general: If a taxpayer which commenced business on or before the first day of its base period establishes that, for any taxable year within, or beginning or ending within, its base period:

"(1) normal production, output, or operation was interrupted or diminished because of the occurence, either immediately prior to, or during such taxable year, of events unusual and peculiar in the experience of such taxpayer, or

"(2) the business of the taxpayer was depressed because of temporary economic circumstances unusual in the case of such taxpayer,

the taxpayer's average base period net income determined under this section shall be the amount computed under subsection (c) or (d), whichever is applicable.

"(b) Period subject to adjustment: The period subject to adjustment under this section shall be determined as follows:

"(1) By computing the excess profits net income or deficit in excess profits net income for each month in the base period. The excess profits net income or the deficit in excess profits net income for any month shall be the excess profits net income or deficit in excess profits net income, as the case may be, for the taxable year in which such month falls divided by the number of calendar months in such year.

"(2) By eliminating from the base period whichever of the following 12 months results in the higher remaining aggregate excess profits net income or the lower remaining aggregate deficit in excess profits net income—

"(A) The 12 consecutive months the elimination of which produces the highest remaining aggregate excess profits net income, or the lowest remaining aggregate deficit in excess profits net income, or

"(B) The 12 months which remain after retaining in the base period the 36 consecutive months which produce the highest remaining aggregate excess profits net income or the lowest remaining aggregate deficit in excess profits net income.

"(c) Twelve or fewer months affected by abnormalities: If no more than 12 of the months remaining after the application of subsection (b) (2) fall within taxable years the excess profits net income of which was reduced (or the deficit in excess profits net income of which was increased) by reason of an abnormality determined to exist under subsection (a), the average base period net income determined under this section shall be computed as follows:

"(1) by computing the excess profits net income, determined in accordance with section 435 (d) (1), for each of the 36 months remaining after the application of subsection (b) (2) of this section.

"(2) By computing, for each such month which falls within any taxable year the excess-profits net income of which was reduced (or the deficit in excess-profits net income of which was increased) by reason of an abnormality determined to exist under subsection (a), the substitute excess-profits net income provided under subsection (e).

"(3) By identifying the months described in paragraph (2) for which the amount of the substitute excess profits net income ascertained under such paragraph exceeds 110 percent of the amount of the excess-profits net income ascertained under paragraph (1).

"(4) By computing the sum of (A) the aggregate of the substitute excess-profits net income for each of the months identified under paragraph (3) and (B) the aggregate of the excess-profits net income (ascertained under paragraph (1)) for each of the other months remaining after the application of subsection (b) (2).

"(5) By dividing by 3 the amount ascertained under paragraph (4).

"(d) More than 12 months affected by abnormalities: If more than 12 of the months remaining after the application of subsection (b) (2) fall within taxable years the excess-profits net income of which was reduced (or the deficit in excess-profits net income of which was increased) by reason of an abnormality determined to exist under subsection (a), the average base-period net income determined under this section shall be computed as follows:

"(1) By determining the amount of the taxpayer's total assets for the last day of each of its taxable years ending after the first day of its base period and prior to the first day of its first taxable year under this subchapter.

"(2) By computing the average of the amounts ascertained under paragraph (1).

"(3) By multiplying the amount ascertained under paragraph (2) by the base-period rate of return, proclaimed by the Secretary under section 447, for the taxpayer's industry classification.

"(4) By determining the aggregate amount of interest paid or incurred by the taxpayer for all taxable years ending after the first day of its base period and prior to the first day of its first taxable year under this subchapter, dividing such aggregate by the total number of months in such years, and multiplying the quotient by 12.

"(5) By subtracting the amount ascertained under paragraph (4) from the amount ascertained under paragraph (3).

"This subsection shall have no application with respect to any taxpayer unless the amount of the taxpayer's average base period net income determined under this subsection exceeds 110 percent of the taxpayer's average base-period net income computed under section 435 (d).

"(e) Substitute excess-profits net income.—

"(1) Computation: For the purposes of subsection (c) (2), the substitute excess profits net income for any month shall be computed as follows:

"(A) By multiplying the amount of the taxpayer's total assets for the last day of the taxable year in which such month falls or for the last day of its taxable year immediately preceding its first taxable year under this subchapter, whichever day is earlier, by the rate of return provided under paragraph (2).

"(B) By reducing the amount ascertained under subparagraph (A) by the total interest paid or incurred by the taxpayer for the 12 months beginning with the first day of the taxable year within which such month falls.

"(C) By dividing by 12 the amount ascertained under subparagraph (B).

"(2) Base period yearly rate of return: The rate of return to be used under paragraph (1) (A) shall be the base period yearly rate of return, proclaimed by the Secretary under section 447 for the taxpayer's industry classification, for the following year—

"(A) in the case of a taxable year of the taxpayer beginning in 1945 and ending in 1946—for the year 1946;

"(B) in the case of a taxable year of the taxpayer beginning in 1949 and ending in 1950—for the year 1949; and

"(C) in the case of any other taxable year of the taxpayer—for the year in which falls the greater number of days in such taxable year.

"(f) Total assets: For the purposes of this section, the taxpayer's total assets for any day shall be determined as of the end of such day and shall be an amount equal to the sum of the cash and the property (other than cash, inadmissible assets, and loans to members of a controlled group as defined in section 435 (f) (4)) held by the taxpayer in good faith for the purposes of the business. Such property shall be included in an amount equal to its adjusted basis for determining gain upon sale or exchange, determined under the rules provided in section 441.

"(g) Taxpayer's industry classification: The taxpayer's industry classification shall be determined, for the purposes of subsection (d), by reference to the last taxable year within or beginning within its base period, and, for the purposes of subsection (e), by reference to the taxable year within which falls the last month for which a substitute excess profits net income is determined; and, in either case, shall be the industry classification under section 447 to which is attributable the largest amount of the taxpayer's gross receipts for such taxable year.

"(h) Rules for application of section: The benefits of this section shall not be allowed unless the taxpayer makes application therefor in accordance with section 447 (e).

"(i) Cross references.—

"(1) For definition of gross receipts, see section 435 (e) (5).

"(2) For computation of capital additions in the base period, see section 435 (f) (3).

"(3) For computation of excess profits credit based on income in the case of certain reorganizations, see part II of this subchapter."

On page 106, after line 20, to strike out:

"SEC. 443. Change in product or services.

"(a) In general: In the case of any taxpayer which commenced business on or before January 1, 1946, and which establishes that—

"(1) during the 36-month period ending December 31, 1949, there was a substantial change in the products or in the services furnished,

"(2) more than 33⅓ percent of its net income for any one of the three consecutive taxable years immediately following the taxable year in which the change referred to in paragraph (1) occurred is attributable to such changed products or services, and

"(3) its net income for any one of the taxable years in which it has met the requirement of paragraph (2) exceeds 125 percent of its average net income for the taxable year or years which ended after December 31, 1945, and prior to the taxable year in which such change occurred,

its average base period net income for each excess-profits tax taxable year, beginning with the year in which the change in product or service was made, shall be the amount computed in accordance with subsection (b) or section 435 (adjusted in a manner consistent with the provisions of subsection (g) of this section, relating to the exclusion of certain capital additions and reductions), whichever is the larger.

"(b) Average base period net income: The average base period net income determined under this section shall be computed as follows:

"(1) If the taxable year in which the taxpayer met the requirements of subsections (a) (2) and (3) ends prior to January 1, 1950, by multiplying the amount of the taxpayer's total assets for December 31, 1949, by the base period rate of return for the taxpayer's industry;

"(2) If the taxable year in which the taxpayer met the requirements of subsections (a) (2) and (3) ends subsequent to December 31, 1949, by multiplying the amount of the taxpayer's total assets for the last day of such taxable year by the base period rate of return for the taxpayer's industry.

"(c) Total assets: For the purposes of this section the taxpayer's total assets for any day shall be determined as of the end of such day and shall be an amount equal to the sum of the cash and the property other than cash used in the taxpayer's business. Such property shall be included in an amount equal to its adjusted basis for determining gain upon sale or exchange.

"(d) Taxpayer's industry classification: For purposes of this section the taxpayer's industry classification for any day shall be that industry classification proclaimed by the Secretary in accordance with the provisions of section 445 to which is attributable the largest amount of the taxpayer's gross receipts for the taxable year which includes such day.

"(e) Base period rate of return: For purposes of this section the base period rate of return for any excess profits tax taxable year shall be that rate of return for the taxpayer's industry classification proclaimed by the Secretary in accordance with the provisions of section 445.

"(f) Gross receipts: As used in this section the term 'gross receipts' when used with respect to any period means the sum of the following:

"(1) The total amount received or accrued during such period from the sale, exchange, or other disposition of stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of a taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of its trade or business, and

"(2) The gross income, attributable to a trade or business regularly carried on by the taxpayer, received or accrued during such period, excluding therefrom—

"(A) Gross income derived from the sale, exchange, or other disposition of property;

"(B) Gross income derived from discharge of indebtedness of the taxpayer;

"(C) Dividends on stock of corporations; and

"(D) Income attributable to recovery of bad debts.

"(g) Capital additions and capital reductions: In determining the net capital addition or the net capital reduction, as the case may be, of a corporation the excess profits tax liability of which has been determined by employing average base period net income computed in accordance with this section, no regard shall be had to any capital addition or capital reduction made on or prior to the day for which the total assets of the taxpayer were determined.

"(h) Rules for application of section: The taxpayer shall compute its tax, file its return, and pay the tax shown on its return under this subchapter without the application of this section, except as provided in section 430 (d). The benefits of this section shall not be allowed unless the taxpayer within the period of time prescribed by section 322 and subject to the limitation as to amount of credit or refund prescribed in such section makes application therefor in accordance with regulations prescribed by the Secretary. If average base period net income has been determined under the provisions of this section for any taxable year, the Secretary may by regulations prescribe the extent to which this subsection may be waived for purposes of determining the tax under this subchapter for a subsequent taxable year."

And insert:

"SEC. 443. Average base period net income—Change in products or services.

"(a) In general: If a taxpayer which commenced business on or before the first day of its base period establishes with respect to any taxable year that—

"(1) During so much of its three immediately preceding taxable years as falls within the 36-month period ending on the last day of its base period, there was a substantial change in the products or services furnished by the taxpayer,

"(2) More than 40 percent of its gross income for such taxable year is attributable to one or more of the new products or services, and

"(3) Its average monthly excess profits net income (determined under subsection (e)) for such taxable year exceeds 125 percent of its average monthly excess profits net income (determined under subsection (e)) for the taxable years ending within its base period and prior to the taxable year in which the first change to which gross income is attributed for the purpose of this subsection occurred,

then, in computing its excess profits credit for taxable years under this subchapter which end on or after the last day of the earliest taxable year with respect to which the requirements of paragraphs (1), (2), and (3) are satisfied, its average base period net income determined under this section shall be the amount computed under subsection (b).

"(b) Average base period net income: The average base period net income determined under this section shall be computed as follows:

"(1) By multiplying the amount of the taxpayer's total assets for (A) the last day of its taxable year immediately preceding its first taxable year under this subchapter, or (B) the last day of the taxable year in which the taxpayer first meets the requirements of subsection (a), whichever day is later, by the base period rate of return, proclaimed by the Secretary under section 447, for the taxpayer's industry classification.

"(2) By subtracting from the amount ascertained under paragraph (1) the total interest paid or incurred by the taxpayer for the 12 months ending with whichever day is used under such paragraph.

"(c) Taxpayer's industry classification: For the purposes of this section, the taxpayer's industry classification shall be the industry classification under section 447 to which is attributable the largest amount of the taxpayer's gross receipts for the taxable year which includes whichever day is used under subsection (b).

"(d) Capital addition or reduction: If the average base period net income of the taxpayer is determined under this section—

"(1) the excess profits credit for the taxable year in which the taxpayer first meets the requirements of subsection (a) shall not include any net capital addition or reduction determined under section 435 (g), and

"(2) in determining the net capital addition or reduction under section 435 (g) for any subsequent taxable year, the expression 'the first day of the taxpayer's first taxable year under this subchapter' shall be read as 'the first day of the taxpayer's first taxable year under this subchapter or the day following the close of the taxable year in which the taxpayer first met the requirements of section 443 (a), whichever day is later'.

"(e) Average monthly excess profits net income: For the purposes of subsection (a) (3)—

"(1) The excess profits net income for any year shall be computed by making the adjustments provided in section 433 (b) as though such section were applicable to all taxable years.

"(2) The average monthly excess profits net income for any period of two or more taxable years shall be determined (A) by computing the aggregate of the excess profits net income for all taxable years within such period, (B) by subtracting from such aggregate the aggregate amount of the deficits in excess profits net income for all taxable years within such period, and (C) by dividing the amount ascertained under (B) by the total number of months in such taxable years.

"(3) The average monthly excess profits net income determined for any period shall in no case be less than zero.

"(f) Rules for application of section: The benefits of this section shall not be allowed unless the taxpayer makes application therefor in accordance with section 447 (e).

"(g) Cross references.—

"(1) For definition of gross receipts, see section 435 (e) (5).

"(2) For definition of total assets, see section 442 (f).

"(3) For computation of excess profits credit based on income in the case of certain reorganization, see part II of this subchapter."

At the top of page 115, to insert:

"SEC. 444. Average base period net income—Increase in capacity for production or operation.

"(a) In general: If a taxpayer which commenced business on or before the first day of its base period establishes that, during the 36-month period ending on the last day of its base period, there was an increase, as defined in subsection (b), in its capacity for production or operation, the taxpayer's average base period net income determined under this section shall be the amount computed under subsection (c).

"(b) Increase in capacity: An increase in capacity for production or operation shall be deemed to have occurred, for the purposes of this section, if the taxpayer establishes that it made an addition or additions to its facilities (as defined in subsection (d)) or replaced all or a part of its existing facilities, and that:

"(1) as a result of such additions or replacements, its capacity for production or operation on the last day of its base period was 200 per centum or more of its capacity for production or operation on the day prior to the beginning of such 36-month period, or

"(2) (A) as a result of such additions or replacements, its capacity for production or operation on the last day of its base period was 150 per centum or more of its capacity for production or operation on the day prior to the beginning of such 36-month period, and (B) the adjusted basis for determining gain upon sale or exchange of its total facilities on the last day of its base period was 150 per centum or more of the adjusted basis for determining gain upon sale or exchange of its total facilities on the day prior to the beginning of such 36-month period, or

"(3) the basis (unadjusted) for determining gain upon sale or exchange of its total facilities on the last day of its base period was 200 per centum or more of the basis (unadjusted) for determining gain upon sale or exchange of its total facilities on the day prior to the beginning of such 36-month period.

"(c) Average base period net income: The average base period net income determined under this section shall be computed as follows:

"(1) By multiplying the amount of the taxpayer's total assets for the last day of its taxable year immediately preceding its first taxable year under this subchapter by the base period rate of return, proclaimed by the Secretary under section 445, for the taxpayer's industry.

"(2) By subtracting from the amount ascertained under paragraph (1) an amount equal to the total interest paid or incurred by the taxpayer for the 12 months ending with the end of such immediately preceding taxable year.

"(d) Facilities: For the purposes of this section, the term 'facilities' means real property and depreciable tangible property, held by the taxpayer in good faith for the purposes of the business.

"(e) Taxpayer's industry classification: For the purposes of this section, the taxpayer's industry classification shall be the industry classification under section 447 to which is attributable the largest amount of the taxpayer's gross receipts for its taxable year immediately preceding its first taxable year under this subchapter.

"(f) Rules for application of section: The benefits of this section shall not be allowed unless the taxpayer makes application therefor in accordance with section 447 (e).

"(g) Cross references:

"(1) For definition of gross receipts, see section 435 (e) (5).

"(2) For definition of total assets, see section 442 (f).

"(3) For computation of excess-profits credit based on income in the case of certain reorganizations, see part II of this subchapter."

On page 118, line 1, to change the section number from "444" to "445."

On page 118, line 4, after the word "the", to strike out "beginning of its base period, and which is not an acquiring corporation of a component corporation which was in existence (as determined under section 461 (d)) prior to the beginning of such base period, shall be a new corporation for purposes of this section and its average base period net income shall be the amount determined in accordance with subsection (b) or section 435 (adjusted in a manner consistent with the provisions of subsection (f) of this section, relating to the exclusion of certain capital additions and reductions), whichever is the larger" and insert "first day of its base period shall, except as provided in subsection (g), be considered a new corporation for the purposes of this section, and its average base period net income determined under this section shall be the amount computed under subsection (b)."

On page 118, after line 21, to strike out:

"(1) For the taxpayer's first taxable year, if such taxable year is an excess-profits-tax taxable year, by multiplying the amount of the taxpayer's total assets for the last day of such taxable year by the base-period rate of return for the taxpayer's industry;

"(2) For the taxpayer's second taxable year, if such taxable year is an excess-profits-tax taxable year, by multiplying the amount of the taxpayer's total assets for the last day of such taxable year by the base-period rate of return for the taxpayer's industry;

"(3) For the taxpayer's third taxable year, if such taxable year is an excess-profits-tax taxable year, by multiplying the amount of the taxpayer's total assets for the last day of such taxable year by the base-period rate of return for the taxpayer's industry;

"(4) For the taxpayer's fourth taxable year and for succeeding taxable years, if such fourth and succeeding taxable years are excess-profits-tax taxable years, by multiplying the amount of the taxpayer's total assets for the last day of the taxpayer's third taxable year, or for December 31, 1949, whichever day is later, by the base-period rate of return for the taxpayer's industry.

"(c) Total assets: For the purposes of this section the taxpayer's total assets for any day shall be determined as of the end of such day and shall be an amount equal to the sum of the cash and the property other than cash used in the taxpayer's business. Such property shall be included in an amount equal to its adjusted basis for determining gain upon sale or exchange.

"(d) Taxpayer's industry classification: For purposes of this section the taxpayer's industry classification for any day shall be that industry classification proclaimed by the Secretary in accordance with the provisions of section 445 to which is attributable the largest amount of the taxpayer's gross receipts for the taxable year which includes such day, except that the industry classification applicable to the taxable year in which falls the thirty-fifth month following the month in which the taxpayer commenced business shall apply to all succeeding excess-profits-tax taxable years.

"(e) Base-period rate of return: For purposes of this section the base-period rate of return for any excess-profits-tax taxable year shall be that rate of return for the taxpayer's industry classification proclaimed by the Secretary in accordance with the provisions of section 445.

"(f) Capital additions and capital reductions: In determining the net capital addition or the net capital reduction, as the case may be, of any new corporation the excess-profits-tax liability of which has been determined by employing average base-period net income computed in accordance with this section, no regard shall be had to any capital addition or capital reduction made on or prior to the day for which the total assets of the taxpayer were determined.

"(g) Gross receipts: As used in this section the term 'gross receipts' when used with respect to any period means the amount computed as follows:

"(1) By computing the total amount received or accrued during such period from the sale, exchange, or other disposition of stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of its trade or business,

"(2) By computing the gross income, attributable to a trade or business regularly carried on by the taxpayer, received or accrued during such period, excluding therefrom—

"(A) Gross income derived from the sale, exchange, or other disposition of property;

"(B) Gross income derived from discharge of indebtedness of the taxpayer;

"(C) Dividends on stocks of corporations; and

"(D) Income attributable to recovery of bad debts."

And insert:

"(1) For the purpose of determining the excess-profits credit for any of the taxpayer's first three taxable years which is a taxable year under this subchapter—

"(A) By multiplying the amount of the total assets for such taxable year (determined under subsection (c)), held by the

taxpayer in good faith for the purposes of the business, by the base period rate of return, proclaimed by the Secretary under section 447, for the taxpayer's industry classification.

"(B) By subtracting from the amount ascertained under subparagraph (A) the total interest paid or incurred by the taxpayer for the 12 months ending with the last day of such taxable year.

"(2) For the purpose of determining the excess-profits credit for any taxable year under this subchapter other than a taxable year described in paragraph (1)—

"(A) By multiplying the amount of the taxpayer's total assets (as defined in section 442 (f)) for (i) the last day of its taxable year immediately preceding its first taxable year under this subchapter, or (ii) the last day of its third taxable year, whichever day is later, by the base period rate of return, proclaimed by the Secretary under section 447, for the taxpayer's industry classification.

"(B) By subtracting from the amount ascertained under subparagraph (A) the total interest paid or incurred by the taxpayer for the 12 months ending with whichever day is used under such subparagraph.

For the purposes of this section, the taxable year of the taxpayer in which it commenced business and its two succeeding taxable years shall be considered to be its first three taxable years.

"(c) Total assets for first 3 years: The amount of the total assets for any taxable year referred to in subsection (b) (1), shall, for the purposes of such subsection, be the sum of

"(1) the total assets (as defined in section 442 (f)) for the last day of the taxpayer's taxable year immediately preceding its first taxable year under this subchapter, and

"(2) the net capital addition (determined under section 435 (g)) for such taxable year referred to in subsection (b) (1).

minus the net capital reduction (determined under section 435 (g)) for such taxable year referred to in subsection (b) (1).

"(d) Taxpayer's industry classification: The taxpayer's industry classification shall be determined, for the purposes of subsection (b) (1), by reference to the particular taxable year for which the excess-profits credit is thereunder determined, and, for the purposes of subsection (b) (2), by reference to the taxpayer's third taxable year; and, in either case, shall be the industry classification under section 447 to which is attributable the largest amount of the taxpayer's gross receipts for such taxable year.

"(e) Capital addition or reduction: If the average base period net income of the taxpayer is determined under this section—

"(1) the excess-profits credit for any taxable year for which such determination is made under subsection (b) (1) shall not include any net capital addition or reduction determined under section 435 (g), and

"(2) in computing the net capital addition or reduction under section 435 (g) for any taxable year for which such determination is made under subsection (b) (2), the expression 'the first day of the taxpayer's first taxable year under this subchapter' shall be read as 'the first day of the taxpayer's first taxable year under this subchapter or the day following the close of the taxpayer's third taxable year, whichever day is later'."

On page 124, line 21, to reletter the subsection from "(h)" to "(f)"; in the same line, after the word "The", to strike out "taxpayer shall compute its tax, file its return, and pay the tax shown on its return under this subchapter without the application of this section, except as provided in section 430 (d). The"; on page 125, line 1, after the word "taxpayer", to strike out "within the period of time prescribed by section 322 and subject to the limitation as to amount of credit or refund prescribed in such section"; in line 4, after the word "with", to insert "section 447 (e)", and in line 4, after the amendment just above stated, to strike out "regulations prescribed by the Secretary. If average base period net income has been determined under the provisions of this section for any taxable year, the Secretary may by regulations prescribe the extent to which this subsection may be waived for purposes of determining the tax under this subchapter for a subsequent taxable year."

On page 125, after line 10, to insert:

"(g) Ineligible corporations:

"(1) If a taxpayer, on or after December 1, 1950, and prior to the end of its third taxable year, acquires any properties in any of the transactions described in paragraph (2), it shall not, for the taxable year in which such acquisition occurs or for succeeding taxable years, be entitled to the benefits of this section except under the circumstances and subject to the limitations provided in section 462 (g).

"(2) The transactions to which paragraph (1) applies are as follows:

"(A) The acquisition by the taxpayer from another corporation of properties the basis of which in its hands is determined by reference to the basis of such properties to the transferor;

"(B) The acquisition by the taxpayer of a substantial part of its assets from another corporation, or of a substantial part of the properties of another corporation, if 50 percent or more in value of the outstanding stock or outstanding voting stock of the taxpayer is directly or indirectly owned, at the time of such acquisition, by individuals owning directly or indirectly 50 percent or more in value of the outstanding stock, or outstanding voting stock of the transferor;

"(C) The aquisition by the taxpayer of a substantial part of the properties distributed on or after December 1, 1950, by another corporation, if such properties constituted a substantial part of the business assets of such other corporation, and if 50 percent or more in value of the outstanding stock or outstanding voting stock of the taxpayer is owned directly or indirectly by individuals who at the time of such distribution owned directly or indirectly 50 percent or more in value of the outstanding stock or outstanding voting stock of such other corporation;

"(3) For the purposes of this subsection, the provisions of section 503 shall be applicable in the determination of ownership of stock.

"(h) Cross references:

"(1) For definition of gross receipts, see section 435 (e) (5).

"(2) For computation of excess profits credit based on income in the case of certain reorganizations, see part II of this subchapter."

On page 127, after line 6, to strike out:

"SEC. 445. Industry base period rates of return.

"(a) Industry classification: The Secretary, not later than March 1, 1951, shall determine and proclaim a classification of taxpayers by industry, such classification to be generally in accord with the classification regularly used by the Treasury Department in compiling published statistics from corporation income-tax returns.

"(b) Base period yearly rate of return: The Secretary shall determine and proclaim for each industry classification under subsection (a) the rate of return for each of the four calendar years 1946 through 1949 and indices based thereon. Each such industry base period yearly rate of return shall be obtained by dividing the sum of the aggregate net income and the aggregate interest deduction for all corporations in the particular industry classification filing income-tax returns for such year by the average of the aggregate total assets of such corporations for such year.

"(c) Base period rate of return: The Secretary shall determine and proclaim for each industry classification under subsection (a) the rate of return for the 48-month period ending December 31, 1949, obtained by dividing the sum of the aggregate net income for such period and the aggregate interest deduction for such period for all corporations in the particular industry classification filing income-tax returns for taxable years in such period by the aggregate total assets of such corporations for such period.

"(d) Tentative rates of return: The Secretary, not later than March 1, 1951, shall determine and proclaim for each industry classification, tentative base period yearly rates of return, tentative indices based thereon, and a tentative base period rate of return. Such tentative rates of return shall be effective, subject to the provisions of section 430 (d) concerning deferment of tax, until such time as the base period yearly rates of return and base period rates of return are determined and proclaimed."

On page 128, after line 17, to insert:

"SEC. 446. Average base period net income—depressed industry subgroups.

"(a) In general: If a taxpayer which commenced business on or before the first day of its base period is a member of a depressed industry subgroup, as defined in subsection (c), its average base period net income determined under this section shall be the amount computed under subsection (b).

"(b) Average base period net income: The average base period net income determined under this section shall be computed as follows:

"(1) By determining the amount of the taxpayer's total assets for the last day of each of its taxable years ending after the first day of its base period and prior to the first day of its first taxable year under this subchapter.

"(2) By computing the average of the amounts ascertained under paragraph (1).

"(3) By multiplying the amount ascertained under paragraph (2) by the adjusted rate of return, proclaimed by the Secretary under subsection (d) (2), for the taxpayer's industry subgroup.

"(4) By determining the aggregate amount of interest paid or incurred by the taxpayer for all taxable years ending after the first day of its base period and prior to the first day of its first taxable year under this subchapter, dividing such aggregate by the total number of months in such years, and multiplying the quotient by 12.

"(5) By subtracting the amount ascertained under paragraph (4) from the amount ascertained under paragraph (3).

"(c) Depressed industry subgroups: The Secretary shall determine and proclaim as a depressed industry subgroup any industry subgroup (defined in accordance with subsection (f)) having a rate of return (determined under subsection (d) (1)) for the period 1946 through 1949 which is less than 60 percent of its rate of return (determined under subsection (d) (2) for the period 1936 through 1949.

"(d) Rates of return for industry subgroups:

"(1) Period 1946–49: The rate of return for an industry subgroup for the 4-year period 1946 through 1949 shall be obtained by dividing the sum of the aggregate net income (computed without regard to the net operating loss deduction provided in section 23 (s)) for the 4 years 1946 through 1949 and the aggregate interest deduction for such years shown on the income-tax returns filed by the corporations in such industry subgroup submitting balance sheets, by the aggregate assets for such years of such corporations as of the close of the taxable years for which such returns were filed. Such aggregate net income, interest deduction, and total assets shall include the amounts reported on the income-tax returns for the calendar years 1946, 1947, 1948, and 1949, and the amounts reported on returns for other

taxable years the greater part of which falls in such calendar years.

"(2) Period 1936-49: The rate of return for an industry subgroup for the 14-year period 1936 through 1949 shall be determined in the same manner as is provided in paragraph (1) with the substitution of the years 1936 through 1949 for the years 1946 through 1949.

"(e) Adjusted rates of return for depressed industry subgroups: The adjusted rate of return for a depressed industry subgroup shall be a rate equal to four-fifths of the rate of return for such industry subgroup for the 14-year period 1936 through 1949 as determined under subsection (d) (2). The Secretary shall determine and proclaim the adjusted rate of return (computed to the nearest thousandth) for each industry subgroup determined and proclaimed to be depressed under subsection (c).

"(f) Industry subgroups.—For the purposes of this section, industry subgroups shall be generally in accord with the industry subgroups regularly used by the Treasury Department in compiling published statistics from income tax returns, but with such combinations of subgroups as the Secretary determines are necessary to provide reasonably comparable data over the period 1936 through 1949.

"(g) Members of industry subgroup: For the purposes of this section, a taxpayer is a member of an industry subgroup if more than 50 percent of the taxpayer's gross receipts (as defined in section 435 (e) (5)) for the taxable years beginning with or within its base period is attributable to such industry subgroup.

"(h) Tentative determinations of depressed industry subgroups and adjusted rates of return: The Secretary, not later than March 1, 1951, shall proclaim the industry subgroups tentatively determined to be depressed in accordance with subsection (c) and the tentative adjusted rates of return (computed to the nearest thousandth), determined under subsection (d), for such industry subgroups. Such tentative determinations shall be effective until such time as final determinations are proclaimed by the Secretary. Such final determinations shall relate back as though such determinations had been in effect in place of the tentative determinations. If the application of this section is made in accordance with a tentative determination, such application shall be redetermined in accordance with the final determination when proclaimed. The period of limitation prescribed under sections 275, 276, and 322 shall not begin to run with respect to overpayments or deficiencies in tax caused by such redetermination period to such time as the final determination is proclaimed by the Secretary.

"(i) Rules for application of section: The benefits of this section shall not be allowed unless the taxpayer makes application therefor in accordance with section 447 (e). The determinations by the Secretary required under this section shall be made on the basis of returns regularly used by the Treasury Department in compiling published statistics from income tax returns."

On page 133, after line 10, to insert:

"SEC. 447. Industry base period rates of return.

"(a) Base period yearly rate of return: The Secretary shall determine and proclaim for each industry classification in subsection (c) a rate of return (computed to the nearest thousandth) for each of the 4 years 1946 through 1949. The yearly rate of return for each industry classification shall be obtained by dividing the sum of the aggregate net income (computed without regard to the net operating loss deduction provided in section 23 (s)) and the aggregate interest deduction shown on the income-tax returns filed by the corporations in such classification submitting balance sheets, by the aggregate total assets of such corporations as of the close of the taxable year for which such returns were filed. Such aggregate net income, interest deduction and total assets for each such year shall include the amounts reported on the income-tax returns for the calendar year and the amounts reported on returns for other taxable years the greater part of which falls in such calendar year. The determinations by the Secretary required under this section shall be made on the basis of returns regularly used by the Treasury Department in compiling published statistics from income-tax returns.

"(b) Base period rate of return: The Secretary shall determine and proclaim for each industry classification in subsection (c) a rate of return (computed to the nearest thousandth) for the 4-year period 1946 through 1949. Such base period rate of return for each industry classification shall be obtained by aggregating the net income and interest deduction (such amounts being determined as provided under subsection (a)) for such 4 years and dividing the aggregate by the sum of the total assets (determined as provided under subsection (a)) for such 4 years.

"(c) Industry classification: For purposes of this subchapter the classification of taxpayers by industry shall be as provided in the table below. Each such industry classification is defined in accordance with the specifications shown in the Standard Industrial Classification Manual (prepared by the Division of Statistical Standards, Bureau of the Budget) for the major industry group or groups the numbers of which appear opposite such classification.

INDUSTRY CLASSIFICATIONS

	Major group number
AGRICULTURE, FORESTRY, AND FISHERIES	
Farms and agricultural services, hunting, trapping	01 and 07
Forestry	08
Fisheries	09
MINING	
Metal mining	10
Anthracite mining	11
Bituminous coal and lignite mining	12
Crude petroleum and natural-gas extraction	13
Nonmetallic minerals except fuels	14
CONTRACT CONSTRUCTION	
General contractors	15 and 16
Special trade contractors	17
MANUFACTURING	
Ordnance and accessories	19
Food and kindred products	20
Tobacco manufactures	21
Textile mill products	22
Apparel and other finished products made from fabrics	23
Lumber and wood products	24
Furniture and fixtures	25
Paper and allied products	26
Printing, publishing, and allied industries	27
Chemicals and allied products	28
Products of petroleum and coal	29
Rubber products	30
Leather and leather products	31
Stone, clay, and glass products	32
Primary metal industries and fabricated metal products (except ordnance, machinery, and transportation equipment)	33 and 34
Machinery (except electrical)	35
Electrical machinery, equipment, and supplies	36
Transportation equipment	37
Professional, scientific, and controlling instruments; photographic and optical goods; watches and clocks; including miscellaneous manufacturing industries	38 and 39
TRANSPORTATION, COMMUNICATIONS, AND OTHER PUBLIC UTILITIES	
Railroads	40
Local and interurban railways and bus lines	41
Trucking and warehousing	42
Highway transportation not elsewhere classified	43
Water transportation	44
Transportation by air	45
Pipeline transportation	46
Services incidental to transportation	47
Telecommunications	48
Utilities and sanitary services	49
WHOLESALE TRADE	
Wholesale trade	50 and 51
RETAIL TRADE	
Building materials and farm equipment	52
General merchandise	53
Food	54
Automotive dealers and gasoline service stations	55
Apparel and accessories	56
Furniture, home furnishings, and equipment	57
Eating and drinking places	58
Miscellaneous retail stores	59
FINANCE, INSURANCE, AND REAL ESTATE	
Banking	60
Credit agencies other than banks	61
Security and commodity brokers, dealers, exchanges, and services	62
Insurance carriers	63
Insurance agents, brokers, and service	64
Real estate	65
Holding and other investment companies	67
SERVICES	
Hotels, rooming houses, camps, and other lodging places	70
Personal services	72
Miscellaneous business services	73
Automobile repair services and garages	75
Miscellaneous repair services	76
Radio broadcasting, including facsimile broadcasting, and television	77
Motion pictures	78
Amusement and recreation services except motion pictures	79
Other services	80, 81, 82, 84, 86, and 89

"(d) Tentative rates of return: The Secretary, not later than March 1, 1951, shall determine and proclaim for each industry classification, tentative base period yearly rates of return and a tentative base period rate of return (each computed to the nearest thousandth). Such tentative rates of return shall be effective until such time as the base period yearly rates of return and base period rates of return are determined and proclaimed. The base period yearly rates of return and base period rates of return, upon proclamation thereof by the Secretary, shall relate back as though such rates had been in effect in place of the tentative rates of return. If the application of section 442, 443, 444, 445, or 446 is made in accordance with tentative rates of return, such application shall be redetermined in accordance with the base period yearly rate of return or the base period rate of return when determined and proclaimed. The period of limitation prescribed under section 322 and sections 275 and 276 shall not begin to run with respect to overpayments or deficiencies in tax caused by such redetermination prior to such time as the base period yearly rates of return and the base period rates of return are determined and proclaimed by the Secretary.

"(e) Application for benefits of section 442, 443, 444, 445, or 446: The tax for any taxable year under this subchapter shall be

determined without regard to section 442, 443, 444, 445, or 447 unless an application for the benefits of such section, setting forth the grounds for the application of such section in such detail and in such manner as the Secretary may prescribe, is filed by the taxpayer—

"(A) With its return for the taxable year, or

"(B) Within the period of time prescribed by section 322 (as extended under the last sentence of subsection (d) of this section or of section 446 (h)) for filing claim for credit or refund, and in such case the application of section 442, 443, 444, 445, or 446, shall be subject to the limitations as to amount of credit or refund prescribed in section 322, or

"(C) After the period described in paragraph (B), if within the period of limitations for the assessment of a deficiency (as extended under the last sentence of subsection (d) of this section or of section 446 (h)) in the tax imposed by this chapter for the taxable year, and in such case the application of section 442, 443, 444, 445, or 446 shall not reduce the tax by an amount greater than the deficiency determined without regard to the application of such section,

except that if a petition is filed with the Tax Court for the redetermination of the tax under this chapter for the taxable year, the application for the benefits of section 442, 443, 444, 445, or 446, shall be effective only if filed not later than the date on which such petition is filed. Section 442, 443, 444, 445, or 446, shall not be applied upon the basis of any grounds other than those set forth in an application filed within the period prescribed in this subsection."

On page 139, after line 9, to strike out:

"SEC. 446. Excess profits credit—regulated public utilities.

"(a) The excess profits credit for any taxable year computed under this section shall be the regulated public utilities credit (as defined in subsection (b)) reduced by the amount computed under section 440 (relating to inadmissible assets).

"(b) The regulated public utilities credit for any taxable year shall be an amount which is the sum of the following:

"(1) The tax imposed by sections 13, 14, and 15 for such taxable year, and

"(2) an amount computed by applying to the sum of the following the percent prescribed in subsection (c):

"(A) the adjusted equity capital for such taxable year (as computed under section 437 (b) without regard to the last sentence thereof), and

"(B) the average borrowed capital for such taxable year (as defined in section 439 (c))

less the deduction allowable for such year with respect to interest on indebtedness included in borrowed capital under section 439 (c).

"(c) The percent referred to in subsection (b) (2) shall be—

"(1) 6 percent in the case of a corporation engaged in the furnishing or sale of—

"(A) telephone service, telegraph service, electric energy, gas, or water, or

"(B) transportation (not included in paragraph (3) below) on an intrastate, suburban, municipal, or interurban electric railroad, or on an intrastate, municipal, or suburban trackless trolley system, or a municipal or suburban bus system—

if the rates for such furnishing or sale, as the case may be, have been established or approved by a State or political subdivision thereof, or by an agency or instrumentality of the United States or by a public service or public utility commission or other similar body of the District of Columbia or of any State or political subdivision thereof.

"(2) 6 percent in the case of a corporation engaged as a common carrier in the furnishing or sale of transportation by pipe line of oil or gas, if subject to the jurisdiction of the Interstate Commerce Commission or the Federal Power Commission.

"(3) 5 percent in the case of a corporation engaged in the furnishing or sale of transportation by common carrier—

"(A) by railroad, subject to the jurisdiction of the Interstate Commerce Commission, or

"(B) by air, subject to the jurisdiction of the Civil Aeronautics Board.

"(d) For the purposes of this subchapter the term 'regulated public utility' means a corporation described in subsection (c) substantially all of whose excess profits net income for the taxable year is derived from sources described in subsection (c)."

On page 141, after line 17, to insert:

"SEC. 448. Excess profits credit—regulated public utilities.

"(a) Amount of credit: In the case of a regulated public utility (as defined in subsection (d)), the excess-profits credit for any taxable year computed under this section shall be the sum of the tax imposed by sections 13, 14, 15, and 141 (c), for such taxable year and the amount determined under subsection (b).

"(b) Computation: The amount referred to in subsection (a) for any taxable year shall be determined as follows:

"(1) by applying to the sum of the following the percent prescribed in subsection (c):

"(A) the adjusted invested capital for such taxable year, and

"(B) the average borrowed capital for such taxable year as defined in section 439.

For the purposes of this paragraph the adjusted invested capital for any taxable year shall be the amount computed for such year under section 437 (b) (2) without reduction by the amount of the net new capital addition; except that in the case of a corporation described in subsection (c) (1) (A), (c) (1) (B), (c) (2), or (c) (4), the corporate books of account of which are maintained in accordance with systems of accounts prescribed by an appropriate regulatory body (or, if not so prescribed, are maintained in accordance with the uniform systems of accounts prescribed by the Federal Power Commission or the National Association of Railway and Utility Commissioners), the adjusted invested capital for such year shall be the sum of the average outstanding common and preferred capital stock accounts and the capital surplus and earned surplus accounts for such taxable year as recorded on such corporate books of account.

"(2) by reducing the amount ascertained under paragraph (1) by the deduction allowable for such year with respect to interest on indebtedness included in borrowed capital under section 439 (c).

"(3) by reducing the amount ascertained under paragraph (2) by the amount computed under section 440 (b) (relating to inadmissible assets).

"(c) The percent referred to in subsection (b) (1) shall be—

"(1) Six percent in the case of a corporation engaged in the furnishing or sale of—

"(A) electric energy, gas, or water, or

"(B) transportation (not included in paragraph (3)) on an intrastate, suburban, municipal, or interurban electric railroad, on an intrastate, municipal, or suburban trackless-trolley system, or on a municipal or suburban-bus system, or

"(C) transportation (not included in subparagraph (A)) by motor vehicle—

if the rates for such furnishing or sale, as the case may be, have been established or approved by a State or political subdivision thereof, by an agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of the District of Columbia or of any State or political subdivision thereof.

"(2) 6 percent in the case of a corporation engaged as a common carrier in the furnishing or sale of transportation of gas by pipeline, if subject to the jurisdiction of the Federal Power Commission.

"(3) 6 percent in the case of a corporation engaged as a common carrier in the furnishing or sale of transportation by railroad, or in the furnishing or sale of transportation of oil or other petroleum products by pipeline, subject to the jurisdiction of the Interstate Commerce Commission.

"(4) 7 percent in the case of a corporation engaged in the furnishing or sale of telephone or telegraph service, if the rates for such furnishing or sale meet the requirements of paragraph (1).

"(5) 7 percent in the case of a corporation engaged in the furnishing or sale of transportation as a common carrier by air, subject to the jurisdiction of the Civil Aeronautics Board.

"(6) 6 percent in the case of a corporation engaged in the furnishing or sale of transportation by common carrier by water, subject to the jurisdiction of the Interstate Commerce Commission under part III of the Interstate Commerce Act, or subject to the jurisdiction of the Federal Maritime Board under the Intercoastal Shipping Act, 1933.

"(d) For the purposes of this subchapter the term 'regulated public utility' means (except as provided in subsection (e)) a corporation described in subsection (c), but only if 80 percent or more of its gross income (computed without regard to dividends and capital gains and losses) for the taxable year is derived from sources described in subsection (c). If the taxpayer establishes to the satisfaction of the Secretary that—

"(1) its revenue from regulated rates described in subsection (c) (1) or (4) and its revenue derived from unregulated rates are derived from its operation of a single interconnected and coordinated system within a single area or region in one or more States or from the operation of more than one such system, and

"(2) the regulation to which the taxpayer is subject in part of its operating territory of such a system is effective to control rates within the unregulated territory of such system so that rates within the unregulated territory have been and are substantially as favorable to users and consumers as are the rates within the regulated territory,

such revenue from such unregulated rates shall be considered, for the purposes of this subsection, as income derived from sources described in subsection (c) (1) or (4).

"(e) Consolidated returns of regulated public utilities: For provisions applicable to consolidated returns of regulated public utilities computing their excess-profits credit under this section, see subsections (e) and (j) of section 141. For purposes of filing a consolidated return, a common parent corporation shall be deemed a regulated public utility if at least 90 percent of its gross income (computed without regard to capital gains or losses) is derived directly or indirectly from sources described in subsection (c). For the purposes of the preceding sentence dividends received from a regulated public utility shall be considered as derived from sources described in subsection (c) if the regulated public utility is a member of an affiliated group (as defined in section 141 (d)) which includes the common parent corporation."

On page 146, line 21, to change the section number from "447" to "449."

On page 148, line 1, to change the section number from "448" to "450."

On page 148, line 5, after the word "mineral", to strike out "or a critical mineral."

On page 148, line 21, after the word "kyanite", to insert "molybdenum."

On page 149, after line 2, to strike out:

"(2) the term 'critical mineral' means a mineral (other than a strategic mineral)

(A) which the certifying agency has certified to the Secretary that additional production thereof within the United States is essential for the defense effort, and (B) which is mined from—

"(i) a mineral property which was developed and br ught into production subsequent to June 25, 1950; or

"(ii) a mineral property which has been in production prior to June 25, 1950, but was not in production on such date; or

"(iii) a mineral property from which, during the period it was in production during 1946, 1947, 1948, and 1949, the aggregate gross income derived therefrom was less than the aggregate of the deductions (allowable under section 23 without regard to any net operating loss deduction) attributable to such property during such period of production."

On page 149, line 21, to renumber the subsection from "(3)" to "(2)."

On page 150, line 7, after the word "strategic" to strike out "or critical."

On page 151, to change the section number from "449" to "451."

On page 152, line 18, to change the section number from "450" to "452."

On page 159, line 21, to change the section number from "451" to "453."

On page 161, line 4, after the word "hereinafter", to insert "in this section"; in line 5, after the word "called", to strike out "base" and insert "normal"; in line 11, after the word "hereinafter", to insert "in this section"; in line 12, after the word "called", to strike out "base" and insert "normal"; in line 17, after the words "for the", to strike out "base" and insert "normal"; in line 19, after the word "the", to strike out "base" and insert "normal"; on page 162, line 9, after the words "during the", to strike out "base" and insert "normal"; and in line 11, after the word "the", to strike out "base" and insert "normal."

On page 163, line 5, after the word "sand" to insert "shell."

On page 163, line 11, after the words "for the", to strike out "base" and insert "normal"; in line 17, after the words 'during the", to strike out "base" and insert "normal"; and in line 19, after the words "during the", to strike out "base" and insert "normal."

On page 165, line 20, after the word "the", to strike out "base" and insert "normal."

On page 166, line 7, after the word "the", to strike out "base" and insert "normal."

On page 166, line 16, after the word "the", to strike out "base" and insert "normal."

On page 166, after line 20, to strike out:

"(4) Coal and iron mines and timber properties not in operation during base period: For any taxable year, the nontaxable income from exempt excess output of a coal mining or iron mining property or a timber block which was not in operation during the base period, shall be an amount equal to one-sixth of the net income for such taxable year (computed with the allowance for depletion) from the coal mining or iron mining property or from the timber block, as the case may be."

On page 167, after line 5, to insert:

"(4) Mines, timber properties, and natural gas properties not in operation during normal period: For any taxable year, the nontaxable income from exempt excess output of a metal or coal mining property or a timber block or natural gas property which was not in operation during the normal period shall be an amount equal to one-third of the net income for such taxable year (computed with the allowance for depletion) from the metal or coal mining property, the timber block, or the natural gas property, as the case may be. For the purposes of the preceding sentence, a metal mining property shall be deemed not to have been in operation during the normal period if, during the period it was in production during 1936, 1937, 1938, and 1939, the aggregate gross income derived therefrom was less than the aggregate of the deductions (allowed under section 23 without regard to any net operating loss deduction) attributable to such property during such period of production."

On page 168, line 2, after the word "the", to strike out "base" and insert "normal."

On page 169, line 6, to change the section number from "452" to "454."

On page 169, line 8, after the word "filing", to strike out "consolidated returns" and insert "a consolidated return."

On page 170, after line 6, to insert:

"(g) Any corporation subject to the provisions of title IV of the Civil Aeronautics Act of 1938, in the gross income of which for any taxable year ending after June 30, 1950, there is includible compensation received from the United States for the transportation of mail by aircraft if, after excluding from its gross income such compensation, its adjusted excess-profits net income for such year is zero or less. Such exclusion from gross income for such year shall also be made in computing the unused excess-profits-credit adjustment for any other taxable year, but only for the purpose of determining whether the corporation is exempted by this subsection from the tax imposed by this chapter for such other taxable year."

On page 170, line 20, to change the section number from "453" to "455."

On page 170, line 25, after "44 (a)", to insert "or whose principal business consists in purchasing installment sales obligations"; on page 171, line 5, after the word "sale", to insert "or installment sales obligations"; in line 6, after the word "accrued", to insert "without treating any portion of such income as unrealized at the close of such period", and in line 12, after the word "sales", to insert "or installment sales obligations."

On page 172, line 10, after the word "section", to strike out "454" and insert "456."

On page 173, line 3, after the word "in", to strike out "any" and insert "the", and in line 14, after the word "section", to strike out "450" and insert "452."

On page 174, line 4, after the word "section", to strike out "432" and insert "433."

On page 174, line 6, after the word "adjustment", to strike out "of the base equity capital credit see section 437 (g) (5)" and insert "in determining the excess-profits credit, see section 441 (h)."

On page 174, line 9, to change the section number from "454" to "456."

On page 174, line 13, after the word "class", to insert "described in paragraph (2)."

On page 175, line 20, after the word "elects.", to strike out "The classification of income of any class not described in subparagraphs (A) to (D), inclusive, shall be subject to regulations prescribed by the Secretary."

On page 178, line 24, after the word "taxable", to strike out "year" and insert "years."

On page 181, line 4, to change the section number from "455" to "457."

At the top of page 182, to insert:

"(c) Credit for deposits under Merchant Marine Act.—

"(1) Base period earnings credit: The excess-profits credit computed under section 435 for any taxable year shall be increased by the amount, if any, by which (A) the average of the taxpayer's deposits entitled to the benefits of section 511 or 607 of the Merchant Marine Act, 1936, during each of the taxpayer's base period years, exceeds (B) the amount of such deposits made during such taxable year.

"(2) Invested capital credit: The adjusted invested capital determined under section 437 (b) (2), or the historical invested capital determined under section 458, for any taxable year shall be increased by the amount by which (A) the taxpayer's deposits, as of the beginning of such taxable year, which are entitled to the benefits of section 511 or 607 of the Merchant Marine Act, 1936, exceeds (B) the additional taxes that would have been imposed under this chapter and chapter 2 in respect of such deposits for prior taxable years but for such sections 511 and 607. The increase in the invested capital credit for any taxable year resulting from the application of this paragraph shall be reduced by the amount of the taxpayer's deposits during such taxable year which are entitled to the benefits of such section 511 or 607, but such increase shall in no case be reduced below zero."

On page 183, after line 2, to insert:

"SEC. 458. Historical invested capital.

"(a) Definition of historical invested capital: For the purposes of this subchapter the historical invested capital for any taxable year shall be the average invested capital for such year, determined under subsection (b). (For computation of invested capital in case of foreign corporations and corporations entitled to the benefits of section 251, see section 436 (b).)

"(b) Average invested capital: The average invested capital for any taxable year shall be the aggregate of the daily invested capital for each day of such taxable year, divided by the number of days in such taxable year.

"(c) Daily invested capital: The daily invested capital for any day of the taxable year shall be the sum of the equity invested capital for such day plus the daily borrowed capital for such day determined under section 439 (b).

"(d) Equity invested capital: The equity invested capital for any day of any taxable year shall be determined as of the beginning of such day and shall be the sum of the following amounts, reduced as provided in subsection (e)—

"(1) Money paid in: Money previously paid in for stock, or as paid-in surplus, or as a contribution to capital;

"(2) Property paid in: Property (other than money) previously paid in (regardless of the time paid in) for stock, or as paid-in surplus, or as a contribution to capital. Such property shall be included in an amount equal to its basis (unadjusted) for determining loss upon sale or exchange. If the property was disposed of before such taxable year, such basis shall be determined under the law applicable to the year of disposition, but without regard to the value of the property as of March 1, 1913. If the property was disposed of before March 1, 1913, its basis shall be considered to be its fair market value at the time paid in. If the unadjusted basis of the property is a substituted basis, such basis shall be adjusted, with respect to the period before the property was paid in, by an amount equal to the adjustments proper under section 115 (l) for determining earnings and profits. For the purposes of this section the fair value of additions and betterments made by the lessee to the physical properties of a lessor railroad corporation which have become the property of the lessor corporation by rejection of its lease (and fair value being determined as of the date such additions and betterments became the property of the lessor) shall be considered as a contribution to capital; and where the value of such improvements cannot be accurately determined by the old records thereof, because lost, incomplete, or inaccurate, the value of such improvements determined by the Interstate Commerce Commission for rate-making purposes shall be used in lieu of such fair value.

"(3) Distributions in stock: Distributions in stock—

"(A) Made prior to such taxable year to the extent to which they are considered distributions of earnings and profits; and

"(B) Previously made during such taxable year to the extent to which they are considered distributions of earnings and profits other than earnings and profits of such taxable year;

"(4) Earnings and profits at beginning of year: The accumulated earnings and profits as of the beginning of such taxable year;

"(5) Deficit in earnings and profits of another corporation: In the case of a transferee, as defined in subsection (f) (4), an amount, determined under such paragraph, equal to the portion of the deficit in earnings and profits of a transferor attributable to property received previously to such day.

"(e) Reduction in equity invested capital: The amount by which the equity invested capital for any day shall be reduced as provided in subsection (d) shall be the sum of the following amounts—

"(1) Distributions in previous years: Distributions made prior to such taxable year which were not out of accumulated earnings and profits;

"(2) Distribution during the year: Distributions previously made during such taxable year which are not out of the earnings and profits of such taxable year;

"(3) Earnings and profits of another corporation: The earnings and profits of another corporation which previously at any time were included in accumulated earnings and profits by reason of a transaction described in section 112 (b) to (e), both inclusive, or in the corresponding provision of a prior revenue law, or by reason of the transfer by such other corporation to the taxpayer of property the basis of which in the hands of the taxpayer is or was determined with reference to its basis in the hands of such other corporation, or would have been so determined if the property had been other than money; and

"(4) Deficit in earnings and profits transferred to another corporation: In the case of a transferor, as defined in subsection (f) (4), an amount, determined under such paragraph, equal to the portion of the deficit in earnings and profits of the transferor attributable to property transferred previously to such day.

"(f) Rules for Application of Subsections (d) and (e).—

"(1) Distributions to shareholders: The term 'distribution' means a distribution by a corporation to its shareholders, and the term 'distribution in stock' means a distribution by a corporation in its stock or rights to acquire its stock. To the extent that a distribution in stock is not considered a distribution of earnings and profits it shall not be considered a distribution. A distribution in stock shall not be regarded as money or property paid in for stock, or as paid-in surplus, or as a contribution to capital.

"(2) Distributions in first 60 days of taxable year: In the application of such subsections so much of the distributions (taken in the order of time) made during the first 60 days thereof as does not exceed the accumulated earnings and profits as of the beginning thereof (computed without regard to this paragraph) shall be considered to have been made on the last day of the preceding taxable year. This paragraph shall not apply with respect to distributions made during the first 60 days of the taxpayer's first taxable year under this subchapter.

"(3) Computation of earnings and profits of taxable year: For the purposes of subsections (d) (3) (B) and (e) (2) in determining whether a distribution is out of the earnings and profits of any taxable year, such earnings and profits shall be computed as of the close of such taxable year without diminution by reason of any distribution made during such taxable year or by reason of the tax under this subchapter or chapter 1 for such year and the determination shall be made without regard to the amount of earnings and profits at the time the distribution was made.

"(4) Deficit in earnings and profits—earnings and profits of transferor and transferee: If a corporation (hereinafter called 'transferor') transfers substantially all its property to another corporation formed to acquire such property (hereinafter called 'transferee'), if—

"(A) the sole consideration for the transfer of such property is the transfer to the transferor or its shareholders of all the stock of all classes (except qualifying shares) of the transferee. (In determining whether the transfer is solely for stock, the assumption by the transferee of a liability of the transferor or the fact that the property acquired is subject to a liability shall be disregarded);

"(B) the basis of the property, in the hands of the transferee, for the purposes of this subsection, is determined by reference to the basis of the property in the hands of the transferor;

"(C) the transferor is forthwith completely liquidated in pursuance of the plan under which the acquisition of the property is made; and

"(D) immediately after the liquidation the shareholders of the transferor own all such stock;

for the purposes of this subchapter, in computing the equity invested capital for any day after the date of the acquisition of the property, the earnings and profits or deficit in earnings and profits of the transferee and the transferor shall be computed as if, immediately before the beginning of the taxable year in which such transfer occurs, the transferee had been in existence and sustained a recognized loss, and the transferor had realized a recognized gain, equal to the portion of the deficit in earnings and profits of the transferor attributable to such property.

"(g) For special rules affecting computation of property paid in for stock in connection with certain exchanges and liquidations, see part III.

"(h) The reserves of an insurance company shall not be included in computing equity invested capital under this section but shall be treated as daily borrowed capital as provided in section 439."

On page 190, after line 6, to strike out:

"PART II—EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN EXCHANGES

"SEC. 461. Definitions.

"For the purposes of this part—

"(a) Acquiring corporation. The term 'acquiring corporation' means—

"(1) A corporation which has acquired—

"(A) substantially all the properties of another corporation and the whole or a part of the consideration for the transfer of such properties is the transfer to such other corporation of all the stock of all classes (except qualifying shares) of the corporation which has acquired such properties, or

"(B) substantially all the properties of another corporation and the sole consideration for the transfer of such properties is the transfer to such other corporation of voting stock of the corporation which has acquired such properties, or

"(C) before December 1, 1950, properties of another corporation solely as paid-in surplus or a contribution to capital in respect of voting stock owned by such other corporation, or

"(D) substantially all the properties of a partnership in an exchange to which section 112 (b) (5), or so much of section 112 (c) or (e) as refers to section 112 (b) (5), or to which a corresponding provision of a prior revenue law, is or was applicable.

"(E) properties either from one or more corporations or from one or more partnerships or from one or more corporations and one or more partnerships in an exchange, not otherwise described in this subsection, to which section 112 (b) (5), or so much of section 112 (c) or (e) as refers to section 112 (b) (5), or to which a corresponding provision of a prior revenue law, is or was applicable.

For the purpose of subparagraphs (B) and (C) in determining whether such voting stock or such paid-in surplus or contribution to capital is the sole consideration, the assumption by the acquiring corporation of a liability of the other, or the fact that property acquired is subject to a liability, shall be disregarded. Subparagraph (B) or (C) shall apply only if the corporation transferring such properties is forthwith completely liquidated in pursuance of the plan under which the acquisition is made, and the transaction of which the acquisition is a part has the effect of a statutory merger or consolidation.

"(2) A corporation which has acquired property from another corporation in a transaction with respect to which gain or loss was not recognized under section 112 (b) (6) of chapter 1 or a corresponding provision of a prior revenue law;

"(3) A corporation the result of a statutory merger of two or more corporations; or

"(4) A corporation the result of a statutory consolidation of two or more corporations.

"(b) Component corporation: The term 'component corporation' means—

"(1) In the case of a transaction described in subsection (a) (1), the corporation which transferred the assets;

"(2) In the case of a transaction described in subsection (a) (2), the corporation the property of which was acquired;

"(3) In the case of a statutory merger, all corporations merged, except the corporation resulting from the merger; or

"(4) In the case of a statutory consolidation, all corporations consolidated, except the corporation resulting from the consolidation; or

"(5) In the case of a transaction specified in subsection (a) (1) (D), the partnership whose properties were acquired.

"(6) In the case of a tranaction specified in subsection (a) (1) (E), the partnership or corporations whose properties were acquired.

"(c) Income of certain component corporations not included: For the purposes of section 434, section 462, section 463, and section 464 in the case of a corporation which is a component corporation in a transaction described in subsection (a)—

"(1) Except as provided in paragraphs (2), (3) and (4), for the purpose of computing, for any taxable year ending after June 30, 1950, the excess profits credit of such component corporation or of an acquiring corporation of which the acquiring corporation in such transactions is not a component, no account shall be taken of the excess profits net income, or of the average base period net income if computed under section 444 (relating to new corporations), of such component corporation for any period before the day after such transaction, or of the excess profits net income, or of the average base period net income if computed under section 444 (relating to new corporations), for any period before the day after such transaction of its component corporations in any transaction before such transaction, and no account shall be taken of the capital reduction of such component corporation either immediately before such transaction or for any prior period, or of the capital addition or capital reduction either immediately before such transaction or for any prior period of its component corporations in any transaction before such transaction.

"(2) Except as provided in paragraphs (3) and (4), in case such transaction occurred in a taxable year of such component corporation ending after June 30, 1950, for the purpose of computing the excess profits credit of such component corporation for such taxable year, the amount of its average base period net income shall be limited to an amount which bears the same ratio to such

average base period net income (computed without regard to this paragraph but with the application of paragraph (1) in case of a prior transaction described in subsection (a) with respect to such component corporation or a component corporation thereof), as the number of days in such taxable year before the day after such transaction bears to the total number of days in such taxable year.

"(3) Except as provided in paragraph (4), in the case of a transaction described in subsection (a) (1) (E), for the purpose of computing the excess profits credit of such component corporation or of an acquiring corporation of which the acquiring corporation in such transaction is not a component, no account shall be taken of that portion of the excess profits net income, or of the average base period net income if computed under section 444, of such component corporation, or of its component corporation in any transaction before such transaction, for any period before the day after such transaction which is allocable to the acquiring corporation in such transaction under section 462 (c), and no account shall be taken of that portion of the capital addition or capital reduction of such component corporation or of its component corporation in any transaction before such transaction either immediately before such transaction or for any prior period which is allocable to the acquiring corporation in such transaction under section 462 (e);

"(4) In the case of a transaction described in subsection (a) (1) (E) which occurred in a taxable year of such component corporation ending after June 30, 1950, for the purpose of computing the excess profits credit of such component corporation for such taxable year, the amount of its average base period net income shall be limited to the sum of the following:

"(A) An amount which bears the same ratio to such average base period net income (computed without regard to this paragraph but with the application of paragraphs (1) and (3) in case of a prior transaction described in subsection (a) with respect to such component corporation or a component corporation thereof), as the number of days in such taxable year before the day after such transaction bears to the total number of days in such taxable year; and

"(B) An amount which bears the same ratio to that portion of its average base period net income as is allocable to such component corporation in such transaction under section 462 (e) (computed without regard to this paragraph but with the application of paragraphs (1) and (3) in case of a prior transaction described in subsection (a) with respect to such component corporation or a component corporation thereof), as the number of days in such taxable year after the day of such transaction bears to the total number of days in such taxable year.

For the purposes of section 462, in the case of a corporation which is a component corporation in a transaction described in subsection (a), in computing for any taxable year the average base period net income of the acquiring corporation in such transaction or of a corporation of which such acquiring corporation becomes a component corporation, no account shall be taken of the excess profits net income of such component corporation for any period beginning with the day after such transaction.

"(d) For the purposes of sections 443 and 444 (relating to new corporations), any taxpayer which is an acquiring corporation shall be considered to have been in existence for any period during which it or any of its component corporations was in existence. Except for purposes of the previous sentence, a component corporation in transaction described in subsection (a) other than one described in subsection (a) (1) (E) shall be deemed not to have been in existence prior to the day after such transaction for purposes of determining the applicability of section 444 (relating to new corporations).

"(e) Component corporations of component corporations: If a corporation is a component corporation of an acquiring corporation, under subsection (b) or under this subsection, it shall (except for the purposes of section 462 (d) (1) and (2) and section 463 (a) (1), and (3)) also be a component corporation of the corporation of which such acquiring corporation is a component corporation.

"(f) Sole proprietorship: For the purposes of section 461 (a) (I) (D), 461 (b) (5), and 462 (g), a business owned by a sole proprietorship shall be considered a partnership."

On page 198, after line 6, to strike out:

"SEC. 462. Recomputation of excess profits net income.

"(a) In general: In the case of a taxpayer which is an acquiring corporation, its average base period net income (for the purpose of the credit computed under section 435) shall be the amount computed under section 435 without reference to this section or the amount under section 435 after the recomputation of its excess profits net income in the manner provided in this section, whichever is the greater. The excess profits net income under section 435 (d) (1) of such acquiring corporation recomputed with the application of this section shall be the excess profits net income for each month of the acquiring corporation's base period increased or decreased, as the case may be, by the addition or reduction resulting from including the excess profits net income for that month of all component corporations in the manner provided in subsection (b).

"(b) Method of recomputation of excess profits net income of acquiring corporation.—

"(1) The excess profits net income for each month in the base period of the acquiring corporation shall be determined in the case of the acquiring corporation, and of any component corporation, as provided in section 435 (d) (1) without regard, however, to that part of such section which provides that in no event shall the excess profits net income of any corporation for any month be less than zero.

"(2) For the purposes of this section, if, for any full month of the acquiring corporation's base period during which such corporation was in existence as provided in section 461 (d), either the acquiring corporation or any component corporation was not in existence, such corporation's excess profits net income for such month shall, notwithstanding the last sentence of section 435 (d) (1), be an amount equal to 1 per centum of the excess of

"(A) the equity capital (as defined in section 437 (c)) of such corporation at the close of the day before the transaction described in section 461 (a) occurred, or at the close of the base period of such corporation, whichever is earlier, over

"(B) an amount equal to the same percentage of such equity capital as would be applicable under section 440 in reduction of the excess-profits credit (based on invested capital) of such corporation if section 440 were applied on the day before the transaction described in section 461 (a) occurred, or at the close of the base period of such corporation, whichever is earlier.

In case either the acquiring corporation or any component corporation owned stock in any other such corporation on the first day of such owning corporation's first taxable year under this subchapter, the amounts computed under subparagraphs (A) and (B) with respect to such corporations shall be adjusted, under regulations prescribed by the Secretary, to such extent as may be necessary to prevent the excess profits net income of such corporations for the base period of the acquiring corporation from reflecting money or property having been paid in by either of such corporations to the other for stock or as paid-in surplus or as a contribution to capital, or from reflecting stock of either having been paid in for stock of the other or as paid-in surplus or as a contribution to capital. For the purposes of this paragraph, stock in either such corporation which has in the hands of the other corporation a basis determined with reference to the basis of stock previously acquired by the issuance of such other corporation's own stock shall be deemed to have been paid in for the stock of such other corporation.

"(3) For every month of the acquiring corporation's base period there shall be added to the excess profits net income or deficit in excess profits net income of the acquiring corporation for that month the excess profits net income or deficit in excess profits net income of each component corporation for that month. The excess profits net income of the acquiring corporation for any month, recomputed as provided in the previous sentence, shall, in no event, be less than zero.

"(c) Use by acquiring corporation of alternative average base period net income based on growth provided for in section 435 (e).—

"(1) In the case of a transaction described in section 461 (a), other than a transaction described in section 461 (a) (1) (E), in which the acquiring corporation and all the component corporations were in existence (without regard to the provisions of section 461 (d)) and had commenced business more than 48 months before the close of the base period of the acquiring corporation, the acquiring corporation, for purposes of determining its qualification under section 435 (e) (1), shall combine with its total payroll and its total gross receipts, for any portion of such acquiring corporation's base period as preceded such transaction, the total payroll and total gross receipts of such component corporations for such period. The allocation of payroll and gross receipts amounts of a component corporation to such portion of such base period shall be made in accordance with the rules provided in section 435 (e) (4) and 435 (e) (5). For purposes of qualifying under section 435 (e) (1) (B) (relating to total assets of the taxpayer), such acquiring corporation shall combine its total assets on the date specified in section 435 (e) (1) (B) with the total assets of such component corporations on such date. In the event, however, that such transaction occurred during the base period of the acquiring corporation, section 435 (e) shall be inapplicable in determining the acquiring corporation's average base period net income where that determination is based upon the excess profits net income of the acquiring corporation computed under section 435 (d) (1) without reference to the recomputation provided for by this section.

"(2) In the case of a transaction described in section 461 (a), other than a transaction described in section 461 (a) (1) (E), in which either the acquiring corporation or one or more component corporations was in existence (without regard to the provisions of section 461 (d) and had commenced business more than 36 months before the close of the base period of the acquiring corporation and was entitled to the benefits of section 435 (c) prior to such transaction but in which either the acquiring corporation or one or more of such component corporations was not in existence (without regard to the provisions of section 461 (d)) or had not commenced business more than 48 months before the close of the base period of such acquiring corporation, if such transaction occurred during the base period of the acquiring corporation, section 435 (e) shall be inapplicable in determining the acquiring corporation's average base period net income based

either upon its excess profits net income computed under section 435 (d) (1) without reference to this section or upon its excess profits net income recomputed under that section in the manner provided in this section. In any such case, if such transaction occurred after the close of the base period of such acquiring corporation, the monthly excess profits net income of the corporation entitled to the benefits of section 435 (e) for any month of the acquiring corporation's base period shall be, for purposes of the recomputation provided by this section, one-twelfth of the credit to which such corporation was entitled under section 435 (e).

"(3) In the case of a transaction described in section 461 (a) (1) (E) in which the component corporation was in existence and had commenced business more than 48 months before the close of the base period of the acquiring corporation, and, immediately prior to such transaction, was entitled to the benefits of section 435 (e), if such transaction occurred after the close of the base period of the component corporation, both the component corporation and the acquiring corporation shall be entitled to compute their average base period net income by the use of the method provided in section 435 (e) without reference to the tests prescribed under that section with respect to qualifying thereunder. If the transaction occurred during the base period of the acquiring corporation, the payroll and gross receipts of the component corporation for the period prior to the day of the transaction shall be allocated as between the component corporation and the acquiring corporation in the same ratio as the excess profits net income and the average base period net income computed under section 444 of the component corporation are allocated under subsection (e), and such allocated payroll and gross receipts amounts shall be treated by the component corporation and by the acquiring corporation as the payroll and gross receipts of the component corporation and the acquiring corporation for the period prior to the transaction. The acquiring corporation in such a case shall be considered, for purposes of section 435 (e), as having commenced business at the time the component corporation commenced business. In the application of the test prescribed in section 435 (e) (1) (B) (relating to total assets of the taxpayer) the component corporation and the acquiring corporation shall each be considered as having the total assets of the component corporation as of the date applicable for purposes of section 435 (e) (1) (B).

"(4) For the purpose of this subsection, in any case subject to the application of paragraphs (1) and (2), where, for purposes of section 435 (c), the gross receipts of a corporation are referred to in the determination of the average base period net income under that section, the Secretary shall prescribe by regulation such rules as may be necessary in order to insure that such gross receipts shall not be distorted by reason of transactions between companies which are parties to the transaction described in section 461 (a).

"(d) Use by acquiring corporation of alternative average base period net income provided for new corporation in section 444: An acquiring corporation in a transaction described in section 461 (a), other than a transaction described in section 461 (a) (1) (E), if it was not in existence (as determined under section 461 (d)) prior to January 1, 1946, shall be entitled to determine its average base period net income for purposes of section 444 in the manner provided in section 444 subject, however, to the following exceptions:

"(1) Where the transaction occurred after the close of the third taxable year of the acquiring corporation and of the component corporation or corporations, the average base period net income of the acquiring corporation after the transaction shall be determined, for purposes of section 444, in lieu of in the manner provided by section 444 (b), by adding the average base period net incomes of the acquiring corporation and of the component corporation or corporations as previously determined under that section at the close of the third taxable years of such corporations.

"(2) Where the transaction occurred prior to the close of the third taxable year of either the acquiring corporation (determined without regard to section 461 (d)) or of one or more of the component corporations, but after the close of the third taxable year of one or more of such corporations, the average base period net income of the acquiring corporation for purposes of section 444 shall be determined, in lieu of in the manner provided by subsection (b), by adding the average base period net incomes previously determined under section 444 at the close of the third taxable year of the corporations in existence for more than three taxable years and an average base period net income amount computed by the method specified in section 444 for each corporation not in existence for three taxable years by applying the industry rate of return for such corporation to the total assets of such corporation immediately prior to such transaction.

An acquiring corporation in a transaction referred to in section 461 (a) (1) (E) shall not be entitled to determine its average base period net earnings by reference to section 444 except to the extent that it is entitled to an allocable portion of the average base period net income of a component corporation so computed and allocated to the acquiring corporation in the manner prescribed by subsection (e) of this section.

"(e) Allocation rule: In the case of a transaction described in section 461 (a) (1) (E), the amount of the component corporation's excess-profits net income for any month which shall be taken into account by the acquiring corporation in the recomputation of its excess-profits net income as provided in subsection (b) shall be such portion of the component corporation's total excess-profits net income for that month as the fair market value of the assets transferred by the component corporation to the acquiring corporation bears to the fair market value of the total assets of the component corporation as they existed at the close of the day before the transaction. In any such case, that amount of the average base period net income, if computed under section 444 (relating to new corporations), of the component corporation which is allocable to the acquiring corporation shall be such portion of the component corporation's total average base period net income computed under that section as the fair market value of the assets transferred by the component corporation to the acquiring corporation bears to the fair market value of the total assets of the component corporation as they existed at the close of the day before the transaction. Pursuant to regulations prescribed by the Secretary, in lieu of the amount of the component corporation's excess-profits net income for any month, or of the component corporation's average base-period net income computed under section 444, referred to above and determined as prescribed above, there may be included an amount agreed upon by the acquiring corporation and the component corporation and any other corporation a party to such transaction, provided the Secretary consents thereto. In no case shall the total of the excess-profits net incomes, or the total of the average base period net incomes computed under section 444, provided for in such agreement be in excess of 100 percent of the excess profits net income, or of the average base-period net income computed under section 444, of the component corporation. In any case in which an agreement between the parties and consent thereto by the Secretary is not obtained, a final determination of the fair market values of the properties for the purposes of this subsection shall be binding upon all parties claiming a right to the credit of the component corporation.

"(f) (1) If, after December 31, 1945—

"(A) the taxpayer acquired stock in another corporation, and thereafter such other corporation became a component corporation of the taxpayer, or

"(B) a corporation (hereinafter called 'first corporation') acquired stock in another corporation (hereinafter called 'second corporation'), and thereafter the first and second corporations became component corporations of the taxpayer,

then to the extent that the consideration for such acquisition was not the issuance of the taxapayer's or first corporation's, as the case may be, own stock, the average base-period net income of the taxpayer shall be reduced, and the transferred capital addition and reduction adjusted in respect of the income and capital addition and reduction of the corporation whose stock was so acquired and in respect of the income and capital addition and reduction of any other corporation which at the time of such acquisition was connected directly or indirectly through stock ownership with the corporation whose stock was so acquired and which thereafter became a component corporation of the taxpayer, in such amounts and in such manner as shall be determined in acordance with regulations prescribed by the Secretary. For the purposes of this paragraph, stock which has, in the hands of the taxpayer or first corporation, as the case may be, a basis determined with reference to the basis of stock previously acquired by the issuance of the taxpayer's or first corporation's, as the case may be, own stock, shall be considered as having been acquired in consideration of the issuance of the taxpayer's or first corporation's, as the case may be, own stock.

"(2) If during the taxable year for which tax is computed under this subchapter the taxpayer acquires assets in a transaction which constitutes it an acquiring corporation, the amount includible under subsection (a), attributable to such transaction, shall be limited to an amount which bears the same ratio to the amount computed without regard to this subsection as the number of days in the taxable year after such transaction bears to the total number of days in such taxable year.

"(g) In the case of a partnership which is a component corporation by virtue of section 461 (b) (5) and (6), the computations required by this part shall be made, under rules and regulations prescribed by the Secretary, as if such partnership had been a corporation.

"(h) In the case of a taxpayer which becomes an acquiring corporation in any taxable year ending after June 30, 1950, if, at the beginning of the first taxable year of such corporation which ends after June 30, 1950, and at all times until the taxpayer became an acquiring corporation—

"(1) the taxpayer owned not less than 75 percent of each class of stock of each of the qualified component corporations involved in the transaction in which the taxpayer became an acquiring corporation; or

"(2) one of the qualified component corporations involved in the transaction owned not less than 75 percent of each class of stock of the taxpayer, and of each of the other qualified component corporations involved in the transaction,

the average base period net income of the taxpayer shall not be less than (A) the average base period net income of that one of its qualified component corporations involved in the transaction the average base period net income of which is greatest, or (B) the average base period net income of

the taxpayer computed without regard to the base period net income of any of its qualified component corporations involved in the transaction. As used in this subsection, the term 'qualified component corporation' means a component corporation which was in existence on the date of the beginning of the taxpayer's base period."

On page 212, after line 9, to strike out:

"SEC. 463. Capital changes.

"(a) Taxpayer using part II of this subchapter: For the purposes of section 435 (g), if the transaction which constitutes the taxpayer an acquiring corporation occurs in a taxable year of the taxpayer which ends after June 30, 1950, and the taxpayer's average base period net income is computed under section 435 after the redetermination of its excess-profits net income in the manner provided in section 462, the following rules shall apply in computing the daily capital addition and daily capital reduction of the taxpayer for each day after such transaction:

"(1) The transferred capital addition or transferred capital reduction of the component corporation shall be treated as if it were a capital addition or reduction as the case may be, of the taxpayer.

"(2) The transferred capital addition of the component corporation shall be its daily capital addition as of the time immediately before the transaction (computed under section 435 (g), but without regard to the reduction of the amount ascertained under section 435 (g) (3) on account of inadmissible assets as defined in section 440, but with the application of paragraph (6) of this subsection).

"(3) The transferred capital reduction of the component corporation shall be its daily capital reduction as of the time immediately before the transaction (computed under section 435 (g), but without regard to the reduction of the amount ascertained under section 435 (g) (4) on account of inadmissible assets as defined in section 440, but with the application of paragraph (7) of this subsection).

"(4) In computing the daily capital addition of the taxpayer, money or property paid in to the taxpayer by any of its component corporations, and property consisting of stock in any such component corporation paid in by shareholders of such component corporation, shall be disregarded.

"(5) In computing the daily capital reduction of the taxpayer, distributions by the taxpayer to any of its component corporations not out of earnings and profits shall be disregarded.

"(6) In computing the transferred capital addition of the component corporation, money or property paid in to such component corporation by the taxpayer or any other component corporation and property consisting of stock in the taxpayer or any other component corporation paid in by shareholders of the taxpayer or other component corporation, shall be disregarded.

"(7) In computing the transferred capital reduction of the component corporation, distributions by such component corporation to the taxpayer or any other component corporation shall be disregarded.

"(8) The daily capital addition and daily capital reduction of the taxpayer to which any amount is added under paragraph (1) shall be the amount thereof computed before its reduction under section 435 (g) (3) or (4), as the case may be, on account of inadmissible assets as defined in section 440.

"(b) Rule where acquiring corporation is component of taxpayer: In cases where an acquiring corporation is a component of the taxpayer, and the transaction which constitutes such corporation an acquiring corporation occurs in a taxable year of such corporation which ends after June 30, 1950, for the purpose of determining the daily capital addition or reduction of the taxpayer the above rules shall be applied in a similar manner to determine the daily capital addition or reduction of such acquiring corporation for each day after such transaction."

On page 215, after line 2, to strike out:

"SEC. 464. Capital additions in base period.

"In the case of transactions described in section 461 (a) in which one or more of the corporations which were parties to the transaction had capital additions in the base period as defined in section 435 (f) then, for purposes of determining the average base period net income of the acquiring corporation based upon its excess profits net income recomputed as provided in section 462, such capital additions shall be treated, pursuant to regulations prescribed by the Secretary, in a manner consistent with the method provided for the determination of such capital additions in section 435 (f)."

On page 215, after line 13, to strike out:

"SEC. 465. Foreign corporations.

"The term 'corporation' as used in this part does not include a foreign corporation."

On page 215, after line 16, to insert:

"PART II—EXCESS PROFITS CREDIT BASED ON INCOME IN CONNECTION WITH CERTAIN EXCHANGES

"SEC. 461. Definitions.

"For the purposes of this part—

"(a) Acquiring corporation: The term 'acquiring corporation' means—

"(1) A corporation which has acquired—

"(A) substantially all the properties of another corporation and the whole or a part of the consideration for the transfer of such properties is the transfer to such other corporation of all the stock of all classes (except qualifying shares) of the corporation which has acquired such properties, or

"(B) substantially all the properties of another corporation and the sole consideration for the transfer of such properties is the transfer to such other corporation of voting stock of the corporation which has acquired such properties, or

"(C) before December 1, 1950, properties of another corporation solely as paid-in surplus or a contribution to capital in respect of voting stock owned by such other corporation, or

"(D) substantially all the properties of a partnership in an exchange to which section 112 (b) (5), or so much of section 112 (c) or (e) as refers to section 112 (b) (5) is applicable.

"(E) properties either from one or more corporations or from one or more partnerships or from one or more corporations and one or more partnerships, other than from a corporation exempt under section 101, in an exchange, not otherwise described in this subsection, to which section 112 (b) (4) or (5), or so much of section 112 (c) or (e) as refers to section 112 (b) (4) or (5), is applicable.

For the purpose of subparagraphs (B) and (C) in determining whether such voting stock or such paid-in surplus or contribution to capital is the sole consideration, the assumption by the acquiring corporation of a liability of the other, or the fact that property acquired is subject to a liability, shall be disregarded. Subparagraph (C) shall apply only if the corporation transferring such properties is forthwith completely liquidated in pursuance of the plan under which the acquisition is made, and the transaction of which the acquisition is a part has the effect of a statutory merger or consolidation.

"(2) A corporation which has acquired property from another corporation in a transaction with respect to which gain or loss was not recognized under section 112 (b) (6);

"(3) A corporation the result of a statutory merger of two or more corporations; or

"(4) A corporation the result of a statutory consolidation of two or more corporations.

"(b) Component corporation: The term 'component corporation' means—

"(1) In the case of a transaction described in subsection (a) (1), the corporation which transferred the assets;

"(2) In the case of a transaction described in subsection (a) (2), the corporation the property of which was acquired;

"(3) In the case of a statutory merger, all corporations merged, except the corporation resulting from the merger; or

"(4) In the case of a statutory consolidation, all corporations consolidated, except the corporation resulting from the consolidation; or

"(5) In the case of a transaction specified in subsection (a) (1) (D), the partnership whose properties were acquired;

"(6) In the case of a transaction specified in subsection (a) (1) (E), the partnerships or corporations whose properties were acquired.

"(c) Income of certain component corporations not included: For the purposes of section 434, section 462, section 463, and section 464, in the case of a corporation which is a component corporation in a transaction described in subsection (a)—

"(1) Except as provided in paragraphs (2), (3), and (4), for the purpose of computing, for any taxable year ending after June 30, 1950, the excess profits credit of such component corporation or of an acquiring corporation of which the acquiring corporation in such transaction is not a component, no account shall be taken of the excess profits net income, or of the average base period net income if computed under section 442, 443, 444, 445, or 446, of such component corporation for any period before the day after such transaction, and no account shall be taken of capital additions in the base period computed under section 435 (f), and net capital additions or reductions computed under section 435 (g), of such component corporation to the extent that such computations relate to any period before such transaction.

"(2) Except as provided in paragraphs (3) and (4), in case such transaction occurred in a taxable year of such component corporation ending after June 30, 1950, for the purpose of computing the excess profits credit of such component corporation for such taxable year, the amount of its average base period net income shall be limited to an amount which bears the same ratio to such average base period net income (computed without regard to this paragraph) as the number of days in such taxable year before the day after such transaction bears to the total number of days in such taxable year.

"(3) Except as provided in paragraph (4), in the case of a transaction described in subsection (a) (1) (E), for the purpose of computing the excess profits credit of such component corporation or of an acquiring corporation of which the acquiring corporation in such transaction is not a component, no account shall be taken of that portion of the excess profits net income, or of the average base period net income if computed under section 442, 443, 444, 445, or 446, of such component corporation, for any period before the day after such transaction which is allocable to the acquiring corporation in such transaction under section 462 (1), and no account shall be taken of that portion of capital additions in the base period computed under section 435 (f), and net capital additions or reductions computed under section 435 (g), of such component corporation, to the extent that such computations relate to any period before such transaction, which is allocable to the acquiring corporation in such transaction under section 462 (1);

"(4) In the case of a transaction described in subsection (a) (1) (E) which occurred in a taxable year of such component corporation ending after June 30, 1950, for the purpose of computing the excess profits

credit of such component corporation for such taxable year, the amount of its average base period net income shall be limited to the sum of the following:

"(A) An amount which bears the same ratio to such average base-period net income (computed without regard to this paragraph), as the number of days in such taxable year before the day after such transaction bears to the total number of days in such taxable year; and

"(B) An amount which bears the same ratio to that portion of its average base-period net income as is allocable to such component corporation in such transaction under section 462 (i) (computed without regard to this paragraph), as the number of days in such taxable year after the day of such transaction bears to the total number of days in such taxable year.

For the purposes of section 462, in the case of a corporation which is a component corporation in a transaction described in subsection (a), in computing for any taxable year the average base-period net income of the acquiring corporation in such transaction, no account shall be taken of the excess-profits net income, or of the average base-period net income, of such component corporation for any period beginning with the day after such transaction.

"(d) For purposes of sections 435 (e), 442, 443, 444, 445, and 446, any taxpayer which is an acquiring corporation shall be considered to have been in existence and to have had taxable years for any period during which it or any of its component corporations was in existence, and such corporation shall be considered to have commenced business on the earliest date on which it or any of its component corporations commenced business. Except for purposes of the previous sentence, a component corporation in a transaction described in subsection (a), other than one described in subsection (a) (1) (E), shall be deemed not to have been in existence or to have commenced business prior to the day after such transaction for purposes of determining the applicability of sections 435 (e), 442, 443, 444, 445, and 446, to such corporation after such transaction. For purposes of the first sentence of this subsection, a corporation which was an acquiring corporation in a previous transaction shall be deemed to have been in existence for such period as is determined by the application of that sentence to that corporation with respect to that transaction. For purposes of his part, where sections 443 (b), 444 (c), 445 (b), and 446 (b) refer to the amount of a taxpayer's total assets as of the last day of its taxable year immediately preceding the taxpayer's first taxable year under this subchapter, such references, where appropriate, shall be taken to mean the amount of such taxpayer's total assets as of the last day of its base period.

"(e) Component corporation which was an acquiring corporation in a previous transaction: In the case of a component corporation which was an acquiring corporation in a previous transaction, its average base-period net income, for purposes of the later transaction, shall be determined under sections 435 (d), 435 (e), or 442 (c) with the application of section 462 (b), and of sections 462 (c) or (d), where applicable, with respect to the previous transaction, and its average base-period net income, for purposes of the later transaction, shall be determined under sections 442 (d), 443, 444, 445, or 446, with the application of sections 462 (d), (e), (f), (g), or (h), where applicable, with respect to the previous transaction.

"(f) Sole proprietorship: For the purposes of sections 461 (a) (1) (D), 461 (b) (5), and 462 (k), a business owned by a sole proprietorship shall be considered a partnership."

On page 223, after line 14, to insert:

"SEC. 462. Average base period net income—Determination

"(a) In general: In the case of a taxpayer which is an acquiring corporation, for the purposes of the determination of its average base period net income under section 435 (c), its average base period net income determined under section 435 (d) may be determined by computing its excess profits net income either with or without reference to section 462 (b), and its average base period net income under sections 435 (e) or 442 (c), subject to the rules provided in sections 462 (c) or (d), may likewise be determined by computing its excess profits net income either with or without reference to section 462 (b). Its average base period net income under sections 442 (d), 443, 444, 445, and 446 shall be determined subject to the rules provided in sections 462 (d), (e), (f), (g), and (h). The excess profits net income of such acquiring corporation, computed with reference to section 462 (b), shall be the excess profits net income for each month of the acquiring corporation's base period, and for the additional period ending June 30, 1950, increased or decreased, as the case may be, by the addition or reduction resulting from including the excess profits net income for that month of all component corporations in the manner provided in subsection (b).

"(b) Method of recomputation of excess profits net income of acquiring corporation.—

"(1) The excess profits net income for each month in the base period of the acquiring corporation and for each month in the additional period ending June 30, 1950, shall be determined in the case of the acquiring corporation, and of any component corporation, as provided in section 435 (d) (1) without regard, however, to that part of such section which provides that in no event shall the excess profits net income of any corporation for any month be less than zero.

"(2) For the purposes of this section, if the acquiring corporation was in existence, as provided in section 461 (d), at the beginning of its base period and, for any full month of such base period, either the acquiring corporation or any component corporation was not in existence, such corporation's excess profits net income for such month shall, notwithstanding the last sentence of section 435 (d) (1), be an amount equal to 1 percent of the equity capital (as defined in section 437 (c)) of such corporation at the close of the day before the transaction described in section 461 (a) occurred, or at the close of the base period of such corporation, whichever is earlier, reduced by an amount determined under section 440 (b) (relating to ratio of inadmissible assets), by applying section 440 (b) as of the day before the transaction described in section 461 (a) occurred, or at the close of the base period of such corporation, whichever is earlier. In case either the acquiring corporation or any component corporation owned stock in any other such corporation on the first day of such owning corporation's first taxable year under this subchapter, the amounts computed under this paragraph with respect to such corporations shall be adjusted, under regulations prescribed by the Secretary, to such extent as may be necessary to prevent the excess profits net income of such corporations for the base period of the acquiring corporation from reflecting money or property having been paid in by either of such corporations to the other for stock or as paid-in surplus or as a contribution to capital, or from reflecting stock of either having been paid in for stock of the other or as paid-in surplus or as a contribution to capital. For the purposes of this paragraph, stock in either such corporation which has in the hands of the other corporation a basis determined with reference to the basis of stock previously acquired by the issuance of such other corporation's own stock shall be deemed to have been paid in for the stock of such other corporation.

"(3) For every month of the acquiring corporation's base period and for each month thereafter for the period ending June 30, 1950, there shall be added to the excess profits net income of the acquiring corporation for that month, as determined under paragraphs (1) and (2), the excess profits net income of each component corporation for that month so determined. The excess profits net income of the acquiring corporation for any month, recomputed as provided in the previous sentence, shall, in no event, be less than zero.

"(c) Use by acquiring corporation of alternative average base period net income based on growth provided for in section 435 (e):

"(1) In the case of a transaction described in section 461 (a), other than a transaction described in section 461 (a) (1) (E),

"(A) where, immediately prior to the date of the transaction, the acquiring corporation and all the component corporations (other than a corporation created incident to such transaction) met the requirements of sections 435 (e) (1) (A) and (B):

"(i) the acquiring corporation shall not be denied the right to determine whether it is eligible for the benefits of section 435 (e) without reference to the recomputation of its excess profits net income provided for in section 462 (b) where the transaction occurred on or after July 1, 1950, but it shall be denied such right where the transaction occurred prior to July 1, 1950, and

"(ii) the acquiring corporation shall be entitled to compute its average base period net income under section 435 (e) with reference to the recomputation of its excess profits net income provided for in section 462 (b) if the tests of section 435 (e) are satisfied. For that purpose, the acquiring corporation shall combine with its total payroll and its total gross receipts for that portion of its base period which preceded such transaction the total payroll and total gross receipts of such component corporations for that portion of such period. The allocation of payroll and gross receipts amounts of a component corporation to any such portion of such period shall be made in accordance with the rules provided in section 435 (e) (4) and (5). For purposes of qualifying under section 435 (e) (1) (B) (relating to total assets of the taxpayer), such acquiring corporation shall combine its total assets on the date specified in section 435 (e) (1) (B) with the total assets of each component corporation on such date. The Secretary shall prescribe by regulation such rules as may be necessary to insure that such combined total gross receipts do not reflect a duplication for purposes of this section;

"(B) where, immediately prior to the date of the transaction, either the acquiring corporation or one or more component corporations, met the requirements of section 435 (e) (1) (A) and (B), but where either the acquiring corporation or one or more of such component corporations (other than a corporation created incident to such transaction) did not meet such requirements, the acquiring corporation shall not be entitled to compute its average base period net income under section 435 (e), regardless of the date on which the transaction occurred, or of whether or not, after the transaction, it determines its excess profits net income with reference to the recomputation provided for in section 462 (b). In any such case, where the transaction occurred on or after July 1, 1950, the monthly excess profits net income of the corporation entitled to the benefits of section 435 (e) for any month of the acquiring corporation's base period shall be, for

purposes of the recomputation provided for in section 462 (b), one-twelfth of the average base period net income to which such corporation was entitled under section 435 (e).

"(2) In the case of a transaction described in section 461 (a) (1) (E) which occurred after the close of the base period of the component corporation in which the component corporation, immediately prior to the date of the transaction, was entitled to the use of the alternative average base period net income based on growth provided for in section 435 (e), the acquiring corporation, if it determines its excess-profits net income with reference to the recomputation provided for in section 462 (b), and the component corporation shall be entitled to compute their average base period net incomes under section 435 (e). Where the transaction occurred during the base period of the acquiring corporation, and the component corporation, immediately prior to the date of the transaction, met the requirements of sections 435 (e) (1) (A) and (B), the acquiring corporation, if it determines its excess-profits net income with reference to the recomputation provided for in section 462 (b), and the component corporation, shall be entitled to compute their average base period net incomes under section 435 (e), provided, however, that they met the tests of that section. For that purpose, the payroll and gross receipts of the component corporation for the period prior to the day of the transaction, determined in accordance with the rules provided in section 435 (e) (4) and (5), shall be allocated as between the component corporation and the acquiring corporation in the same ratio as the excess-profits net income of the component corporation allocated under subsection (i), and such allocated payroll and gross receipts amounts shall be treated by the component corporation and by the acquiring corporation as the payroll and gross receipts of the component corporation and the acquiring corporation for the period prior to the transaction. In the application of the test prescribed in section 435 (e) (1) (B) relating to total assets of the taxpayer) the component corporation and the acquiring corporation shall each be considered as having held the total assets of the component corporation as of the date applicable for purposes of section 435 (e) (1) (B).

"(d) Use by acquiring corporation of alternative average base period net income provided in the case of base period abnormalities in section 442.—

"(1) In the case of a transaction described in section 461 (a) which occurred during the base period of an acquiring corporation which commenced business (as provided in section 461 (d)) prior to the beginning of its base period, the acquiring corporation shall be entitled to determine its average base period net income under section 442 (c) or (d) if it satisfies the requirements of either such subsection and satisfies the other requirements of section 442. For purposes of section 442—

"(A) In the case of such a transaction, other than a transaction described in section 461 (a) (1) (E), for purposes:

"(i) of determining excess-profits net income for any month of the base period for purposes of section 442 (c) or (d), such acquiring corporation shall recompute its monthly excess-profits net income as provided in section 462 (b), but without regard to the last sentence of section 462 (b) (3);

"(ii) of the computation provided in section 442 (d) (1) or (e) (1) (A) with respect to any day, the acquiring corporation shall be considered as having had the total assets of its component corporation or corporations on such day;

"(iii) of the interest adjustment provided in section 442 (d) (4) and (e) (1) (B), the acquiring corporation shall be considered as having paid or incurred the interest paid or incurred by its component corporation or corporations for that part of such periods as is referred to in those sections as preceded the date of the transaction; and

"(iv) of determining the existence of an abnormality under section 442 (a) with respect to the period prior to such transaction, the acquiring corporation shall be treated as if the component corporation's business during such period were its own; and

"(B) In the case of a transaction described in section 461 (a) (1) (E), for purposes:

"(i) of determining excess profits net income for any month of the base period for purposes of section 442 (c) or (d), such acquiring corporation shall be considered as having had for that month that proportion of the excess profits net income (or deficit in excess profits net income) of the component corporation for such month which is allocable to such acquiring corporation under section 462 (i);

"(ii) of the computation referred to in subparagraph (A) (ii) of this paragraph and of the interest adjustment referred to in subparagraph (A) (iii) of this paragraph, the acquiring corporation shall be considered as having had the same portion of the items referred to in those subparagraphs as the ratio of its allocable share of the excess profits net income of the component corporation under section 462 (i) bears to the total excess profits net income of that corporation; and

"(iii) of determining the existence of an abnormality under section 442 (a) with respect to the period prior to such transaction, the acquiring corporation shall be treated as if that portion of the component corporation's business which was subsequently transferred to the acquiring corporation had been its own.

"(2) In the case of a transaction described in section 461 (a) which occurred after the close of the base period of an acquiring corporation which commenced business (as provided in section 461 (d)) prior to the beginning of its base period, the acquiring corporation shall not be entitled to determine its average base period net income under section 442 except that:

"(A) if all of the corporations, parties to the transaction, were, prior to the transaction, entitled to compute their average base period net incomes under section 442 (d) or under sections 442 (d), 443, 444, 445, or 446, the acquiring corporation may add an average base period net income of any such corporation computed under section 442 (d) to such other average base period net incomes for the purpose of determining its average base period net income after the transaction under the section applicable to it prior to the transaction, and

"(B) if all of the corporations, parties to the transaction, were, prior to the transaction, entitled to compute their average base period net incomes under section 442 (c), if some were so entitled under section 442 (c) and the remainder under section 442 (d), or if some, but not all, were so entitled under either section 442 (c) or (d), then, for purposes of the recomputation of the excess profits net income of the acquiring corporation under section 462 (b), and for purposes of the allocation of a portion of the excess profits net income (or deficit in excess profits net income) of the component corporation to the acquiring corporation under section 462 (i) in the case of a transaction described in section 461 (a) (1) (E);

"(i) in the case of an average base period net income computed under section 442 (c), the substitute excess profits net income of the corporation for any month determined under section 442 (c) (1) shall be treated as the excess profits net income of that corporation for that month; and

"(ii) in the case of an average base period net income computed under section 442 (d), a figure obtained by dividing such average base period net income by 12 shall be treated as the excess profits net income of that corporation for any month of its base period.

"(3) In the case of a transaction described in section 461 (a), where the acquiring corporation had not commenced business, within the meaning of section 461 (d), prior to the beginning of its base period, the acquiring corporation shall not be entitled to compute its average base period net income under section 442 in the manner provided therein or as provided in this section.

"(e) Use by acquiring corporation of alternative average base period net income provided for change in products or services in section 443—

"(1) In the case of a transaction described in section 461 (a), other than a transaction described in section 461 (a) (1) (E), where the acquiring corporation had commenced business, within the meaning of section 461 (d), on or before the first day of its base period, the following rules shall be applicable in determining the availability to the acquiring corporation of a right to compute its average base period net income under section 443—

"(A) Except as provided in subparagraphs (B) and (D), where any corporation a party to the transaction, other than a corporation created incident to such transaction, had not commenced business, without regard to section 461 (d), on or before the first day of the acquiring corporation's base period, the acquiring corporation shall not be entitled to compute its average base period net income under section 443.

"(B) In a case described in subparagraph (A) above, where the acquiring corporation, other than a corporation created incident to such transaction, and all of the component corporations were, prior to the transaction, entitled to compute their average base period net incomes under section 442 (d), 443, 444, 445 or 446, the acquiring corporation may add an average base period net income computed under section 443 of any of the parties to the transaction to such other average base period net incomes for the purpose of determining its average base period net income after the transaction under the section applicable to it prior to the transaction.

"(C) Where, at the time of the transaction, one or more of the corporations, parties to the transaction, had made a substantial change, within the meaning of section 443 (a) (1), in the products or services which it furnished, but where such corporations were not entitled at such time to compute their average base period net incomes under section 443, the acquiring corporation, if it recomputes its excess profits net income in the manner provided in section 462 (b) (but without regard to the last sentence of section 462 (b) (3)), shall be entitled to compute its average base period net income under section 443 if the requirements of that section are satisfied. For that purpose the gross income of all of the component corporations for taxable years beginning with, within, and subsequent to, the taxable year of the corporation which made the first such change in which such change was made shall be treated as having been earned by the acquiring corporation. The total assets of the component corporations as they existed on the last day of such year of the acquiring corporation which preceded the taxable year in which the transaction occurred shall be treated, for purposes of the determination of its average base period net income under section 443 for the taxable year of the transaction and for subsequent taxable years, as having been held by the acquiring corporation on such day. Interest paid or incurred by any component corporation prior to the

day of the transaction shall be considered as having been paid or incurred by the acquired corporation at the time when it was paid or incurred by such component corporation. In any such case, each such change shall be treated as having been made by the acquiring corporation at the time when it was made by the corporation making the change.

"(D) In a case described in subparagraph (A), where a corporation a party to the transaction commenced business during the 36-month period ending on the last day of the base period of the acquiring corporation, and the transaction occurred prior to December 1, 1950, the activities of that corporation shall be treated for purposes of section 443, and with respect to the activities of the other corporations parties to the transaction, as though they constituted a substantial change in products or services furnished, within the meaning of section 443 (a) (1), by the acquiring corporation and, for purposes of determining whether or not the acquiring corporation meets the requirements of that section, the rules prescribed in subparagraph (C) shall be applicable.

"(E) Where there was a substantial change in the products or services furnished by the acquiring corporation subsequent to the date of the transaction, the acquiring corporation shall be entitled to determine its average base period net income under section 443 with respect to such change if it recomputes its excess profits net income in the manner provided in section 462 (b) (without regard to the last sentence of section 462 (b) (3)), subject to the application of the rules prescribed in subparagraph (C).

"(F) Subject to the application of the above rules, an acquiring corporation shall not be deemed, for purposes of section 443, to have made a substantial change in the products or services furnished by it solely by reason of a change in such products or services resulting from the execution of a transaction described in section 461 (a).

"(2) In the case of a transaction described in section 461 (a) (1) (E), the acquiring corporation shall only be entitled to compute its average base period net income under section 443 where:

"(A) the component corporation was entitled to compute its average base period net income under section 443 prior to the date of the transaction, in which event such average base period net income shall be allocated as between the acquiring corporation and the component corporation in the manner provided in section 462 (i), or

"(B) there was, after the date of the transaction, a substantial change in the products or services furnished by the acquiring corporation and the acquiring corporation determines its excess profits net income for each month of the base period by reference to the excess profits net income allocable to it in the manner provided in section 462 (i).

"(3) In the case of a transaction described in section 461 (a), where the acquiring corporation had not commenced business, within the meaning of section 461 (d), on or before the first day of its base period, the acquiring corporation shall not be entitled to compute its average base period net income under section 443 in the manner provided therein or as provided in this section.

"(f) Use by acquiring corporation of alternative average base period net income provided in the case of increase in capacity for production or operation in section 444: Where any corporation, a party to a transaction described in section 461 (a) which occurred after the close of the base period of the acquiring corporation, was entitled to compute its average base period net income under section 444, the acquiring corporation shall only be entitled to compute its average base period net income under such section where all of the corporations, parties to the transaction, (other than a corporation created incident to the transaction) were entitled to compute their average base period net incomes under sections 442 (d), 443, 444, 445 or 446, in which case the acquiring corporation may add an average base period net income computed under section 444, or an allocable portion thereof determined under section 462 (i), of any of the parties to the transaction to such other average base period net incomes for the purpose of determining its average base period net income after the transaction under the section applicable to it prior to the transaction. Where, in the case of a corporation entitled to compute its average base period net income under section 444, the transaction described in section 461 (a) occurred prior to the time at which any corporation a party to the transaction was entitled to compute its average base period net income under section 444, the Secretary, pursuant to regulations, shall provide for the extent to which and for the manner in which the acquiring corporation shall be entitled to compute its average base period net income under such section.

"(g) Use by acquiring corporation of alternative average base period net income provided for new corporations in section 445.—

"(1) In the case of a transaction described in section 461 (a) which occurred during the base period of the acquiring corporation, such acquiring corporation shall be entitled to compute its average base period net income under section 445, in the manner provided therein, if such corporation had not commenced business, within the meaning of section 461 (d), prior to the beginning of its base period and, in applying section 445, the number of taxable years since the acquiring corporation is deemed to have commenced business under section 461 (d) shall be determinative.

"(2) In the case of a transaction described in section 461 (a) which occurred after the close of the base period of an acquiring corporation which had not commenced business, within the meaning of section 461 (d), prior to the beginning of its base period—

"(A) where such transaction is a transaction other than a transaction described in section 461 (a) (1) (E)—

"(i) and the transaction occurred after the close of the third taxable year after the commencement of business of the component corporation or corporations and of the acquiring corporation (unless such corporation was created incident to the transaction), the commencement of business for each such corporation being determined without regard to section 461 (d), the average base period net income of the acquiring corporation after the transaction shall be determined, for purposes of section 445, in lieu of in the manner provided by section 445 (b), by adding together the average base period net incomes of the acquiring corporation and of the component corporation or corporations as determined under that section as of the first day of the fourth such taxable year of each such corporation;

"(ii) and the transaction occurred prior to the close of the third taxable year after the commencement of business of either the acquiring corporation or of one or more of the component corporations, determined without regard to section 461 (d), but after the close of the third taxable year after the commencement of business of one or more of such corporations, the average base period net income of the acquiring corporation after the transaction shall be determined, for purposes of section 445, in lieu of in the manner provided by section 445 (b), by adding together the average base period net incomes determined under section 445 as of the first day of the fourth such taxable year of each such corporation in business for more than three taxable years and an average base period net income amount computed by the method specified in section 445 for each corporation not in business for three taxable years as though the day immediately prior to such transaction were the first day of such corporation's fourth such taxable year;

"(iii) and the transaction occurred prior to the close of the third taxable year after the commencement of business of the acquiring corporation and of the component corporation or corporations, the average base period net income of the acquiring corporation after the transaction shall be determined, for purposes of section 445, by the method specified in section 445, and, in applying that method, the number of taxable years since the acquiring corporation is deemed to have commenced business under section 461 (d) shall be determinative;

"(B) where such transaction is a transaction described in section 461 (a) (1) (E)—

"(i) and the transaction occurred after the close of the third taxable year after the commencement of business of the component corporation, the average base period net income of the acquiring corporation after the transaction shall be that portion of the average base period net income of the component corporation, determined under section 445, which is allocable to the acquiring corporation under section 462 (i);

"(ii) and the transaction occurred prior to the close of the third taxable year after the commencement of business of the component corporation, the average base period net income of the acquiring corporation after the transaction shall be determined, for purposes of section 445, by the method specified in section 445 and, in applying that method, the number of taxable years since the acquiring corporation is deemed to have commenced business under section 461 (d) shall be determinative.

"(3) In the case of a transaction described in section 461 (a) where the acquiring corporation had commenced business, within the meaning of section 461 (d), prior to the beginning of its base period, the acquiring corporation shall not be entitled to compute its average base period net income under section 445 in the manner provided therein or as provided in this section. In any such case, however, where the acquiring corporation (other than a corporation created incident to the transaction) and all of the component corporations were, prior to the transaction, entitled to compute their average base period net incomes under sections 442 (d), 443, 444, 445, or 446, the acquiring corporation may add an average base period net income computed under section 445 of any of the parties to the transaction to such other average base period net incomes for the purpose of determining its average base period net income after the transaction under the section applicable to it prior to the transaction.

"(h) Use by acquiring corporation of alternative average base period net income provided for depressed industries in section 446: Where any corporation, a party to a transaction described in section 461 (a) which occurred after the close of the base period of the acquiring corporation, was entitled to compute its average base period net income under section 446, the acquiring corporation shall only be entitled to compute its average base period net income under such section where all of the corporations, parties to the transaction (other than a corporation created incident to the transaction), were entitled to compute their average base period net incomes under sections 442 (d), 443, 444, 445, or 446, in which case the acquiring corporation may add an average base period net income computed under section 446, or an allocable portion thereof determined under section 462 (i), of any of the parties to the transaction to such other average base period net incomes for the purpose of determining its average base period net income after the transaction under the section applicable to it prior to the transaction. Where, in the case of a corporation entitled to compute its average base period net income under section 446, the transac-

tion described in section 461 (a) occurred prior to the time at which any corporation a party to the transaction was entitled to compute its average base period net income under section 446, the Secretary, pursuant to regulations, shall provide for the extent to which and for the manner in which the acquiring corporation shall be entitled to compute its average base period net income under such section.

"(i) Allocation rules in the case of transactions described in section 461 (a) (1) (E)—

"(1) The amount of the component corporation's excess profits net income for any month which shall be taken into account by the acquiring corporation in the computation of its excess profits net income as provided in subsection (b) shall be such portion of the component corporation's excess profits net income, or of its substitute excess profits net income if computed under section 442 (c), for such month as the fair market value of the assets transferred to the acquiring corporation bears to the fair market value of the total assets of the component corporation as they existed immediately prior to such transaction.

"(2) In the case of a transaction which occurred after the close of the third taxable year after a component corporation commenced business, the amount of its average base period net income, if computed under section 445 (relating to new corporations), for such taxable year and for any taxable year thereafter which is allocable to the acquiring corporation shall be such portion of the component corporation's average base period net income computed under such section as the fair market value of the assets transferred by the component corporation to the acquiring corporation bears to the fair market value of the total assets of the component corporation as they existed immediately prior to the transaction.

"(3) For the purposes of section 461 (c) (4) (B), the average base period net income allocable to the component corporation, other than in the case of an average base period net income computed under section 445 (b) (1), shall be such portion of its average base period net income computed under section 435 (c) as the fair market value of the assets not transferred in the transaction bears to the fair market value of the assets held immediately prior to such transaction.

"(4) In the case of a transaction which occurred after the requirements of section 442 (d), 443, 444, or 446 are met by the component corporation, the amount of the component corporation's average base period net income, if computed under any of such sections, for such taxable year, which is allocable to the acquiring corporation, shall be such portion of the component corporation's average base period net income computed under such section as the fair market value of the assets transferred by the component corporation to the acquiring corporation bears to the fair market value of the total assets of the component corporation as they existed immediately prior to the transaction.

"(5) Pursuant to regulations prescribed by the Secretary, a determination of the fair-market value of the properties and of the division thereof for the purpose of this subsection, may be made by agreement between all persons parties to the transaction, where the Secretary consents thereto. In no such case shall the aggregate of the excess profits net incomes or of the average base period net incomes allocated under the above paragraphs be in excess of 100 percent of the excess profits net income or of such average base period net income, as the case may be, of the component corporation.

"(6) Pursuant to regulations prescribed by the Secretary, an allocation of excess profits net income or average base period net income for the purposes of this section may be made on the basis of the earnings experience of the assets transferred and retained in lieu of an allocation based on the fair market value of the assets if all of the parties to the transaction consent thereto and if it is established to the satisfaction of the Secretary that such an allocation fairly represents an identifiable earnings experience of each such group of assets. Except in the case of a transaction which occurred before December 1, 1950, in which the component corporation is a partnership, the aggregate of the excess profits net incomes or average base period net incomes allocated to the several parties to the transaction as provided in this paragraph shall not be in exces of 100 percent of the excess profits net income or of the average base period net income as the case may be of the component corporation.

"(7) In any case in which there is a determination of the fair market value of the properties or a determination of an allocation of excess profits net income or average base period net income based on identifiable earnings, such fair market values or excess profits net incomes or average base period net incomes so determined shall be binding upon all parties to the transactions for the excess profits tax taxable year for which determined and for all subsequent excess-profits tax taxable years.

"(8) Cross reference: For rules for the allocation of payroll, gross receipts, equity capital, borrowed capital, and capital additions and reductions, see sections 461 (c) (3), 462 (c), 463, and 464.

"(j) (1) If, after December 31, 1945—

"(A) the taxpayer acquired stock in another corporation, and thereafter such other corporation became a component corporation of the taxpayer, or

"(B) a corporation (hereinafter called 'first corporation') acquired stock in another corporation (hereinafter called 'second corporation'), and thereafter the first and second corporations became component corporations of the taxpayer,

then to the extent that the consideration for such acquisition was not the issuance of the taxpayer's or first corporation's, as the case may be, own stock, the average base period net income of the taxpayer shall be reduced, and the transferred capital addition and reduction adjusted, in respect of the income and capital addition and reduction of the corporation whose stock was so acquired and in respect of the income and capital addition and reduction of any other corporation which at the time of such acquisition was connected directly or indirectly through stock ownership with the corporation whose stock was so acquired and which thereafter became a component corporation of the taxpayer, in such amounts and in such manner as shall be determined in accordance with regulations prescribed by the Secretary. For the purposes of this paragraph, stock which has, in the hands of the taxpayer or first corporation, as the case may be, a basis determined with reference to the basis of stock previously acquired by the issuance of the taxpayer's or first corporation's, as the case may be, own stock, shall be considered as having been acquired in consideration of the issuance of the taxpayer's or first corporation's, as the case may be, own stock.

"(2) If during the taxable year for which tax is computed under this subchapter the taxpayer acquires assets in a transaction which constitutes it an acquiring corporation, the amount includible under subsection (a), attributable to such transaction, shall be limited to an amount which bears the same ratio to the amount computed without regard to this subsection as the number of days in the taxable year after such transaction bears to the total number of days in such taxable year.

"(k) In the case of a partnership which is a component corporation by virtue of section 461 (b) (5) and (6), the computations required by this part shall be made, under rules and regulations prescribed by the Secretary, as if such partnership had been a corporation.

"(l) In the case of a taxpayer which becomes an acquiring corporation in any taxable year ending after June 30, 1950, if, at the beginning of the first taxable year of such corporation which ends after June 30, 1950, and at all times until the taxpayer became an acquiring corporation—

"(1) the taxpayer owned not less than 75 percent of each class of stock of each of the qualified component corporations involved in the transaction in which the taxpayer became an acquiring corporation; or

"(2) one of the qualified component corporations involved in the transaction owned not less tan 75 percent of each class of stock of the taxpayer, and of each of the other qualified component corporations involved in the transaction,

the average base period net income of the taxpayer shall not be less than (A) the average base period net income of that one of its qualified component corporations involved in the transaction the average base period net income of which is greatest, or (B) the average base period net income of the taxpayer computed without regard to the base period net income of any of its qualified component corporations involved in the transaction. As used in this subsection, the term 'qualified component corporation' means a component corporation which was in existence and had commenced business (without regard to the provisions of sec. 461 (d)) on the date of the beginning of the taxpayer's base period.

"(m) Treatment of abnormalities in income in taxable period: In the case where an acquiring corporation in a transaction described in section 461 (a) which occurred prior to December 1, 1950, receives income which, under the provisions of section 456 (relating to abnormalities in income in taxable period), would be attributable, under section 456 (b), to a taxable year of a component corporation of such acquiring corporation, which taxable year closed prior to or with the close of the base period of the acquiring corporation, for purposes of section 456, such income, and all other income of the same class, of the component corporation for such year and previous taxable years shall be treated as income of the acquiring corporation."

On page 255, after line 22, to insert:

"SEC. 463. Capital changes.

"(a) Taxpayer using part II of this subchapter: For the purposes of section 435 (g), if the transaction which constitutes a taxpayer an acquiring corporation occurs in a taxable year of the taxpayer which ends after June 30, 1950, and the taxpayer's average base period net income is computed by application of this part, the following rules shall apply in computing the net capital addition and net capital reduction of such acquiring corporation after such transaction:

"(1) Except with respect to a transaction described in section 461 (a) (1) (E), in the determination of the amounts of money and property paid in for stock or as paid in surplus or as a contribution to capital after the beginning of the taxable year of the acquiring corporation for the purposes of section 435 (g) (3) (A), there shall be added, as of the day after the transaction, the amounts of money and property paid in for stock or as paid in surplus or as a contribution to capital to a component corporation after the beginning of the taxable year of such component corporation and prior to the day of the transaction which constitutes such corporation a component corporation.

"(2) Except with respect to a transaction described in section 461 (a) (1) (E), in the determination of the amounts of distributions to shareholders which were not out of the earnings and profits of the taxable

year of the acquiring corporation for the purposes of section 435 (g) (4) (A), there shall be added, as of the day after the transaction, the amounts of distributions to shareholders of a component corporation not out of the earnings and profits of its taxable year in which such transaction occurred and prior to such day.

"(3) Except with respect to a transaction described in section 461 (a) (1) (E), for the purpose of section 435 (g) (3) (B) and (g) (4) (B), for a taxable year of the acquiring corporation beginning after the date of the transaction the equity capital of the acquiring corporation at the beginning of the taxpayer's first taxable year under this subchapter shall be the aggregate of the equity capital of the acquiring corporation as of such date and the equity capital of a component corporation as of the first day of the first taxable year of such component corporation under this subchapter. This rule shall be modified pursuant to regulations prescribed by the Secretary under section 462 (j) to the extent that the transaction is subject to that subsection.

"(4) Except with respect to a transaction described in section 461 (a) (1) (E), in the case of the taxable year in which the transaction occurred, for purposes of section 435 (g) (3), there shall be added as of the day of the transaction the amount, if any, by which the equity capital of a component corporation at the beginning of its taxable year in which the transaction occurred exceeds its equity capital at the beginning of its first taxable year under this subchapter, and, for purposes of section 435 (g) (4), there shall be added as of the day of the transaction the amount, if any, by which the equity capital of a component corporation at the beginning of its first taxable year under this subchapter exceeds its equity capital at the beginning of its taxable year in which the transaction occurred.

"(5) Except in the case of a transaction described in section 461 (a) (1) (E), for the purposes of section 435 (g) (3) (C) and (g) (4) (C), in the computation of the daily borrowed capital of the acquiring corporation for the first day of such corporation's first taxable year under this subchapter there shall be added the daily borrowed capital of a component corporation for the first day of its first taxable year under this subchapter and in the computation of the average borrowed capital of the acquiring corporation for its taxable year in which such transaction occurred there shall be included the daily borrowed capital of a component corporation for that part of the acquiring corporation's taxable year prior to the transaction.

"(6) Except in the case of a transaction described in section 461 (a) (1) (E), for the purposes of section 435 (g) (5) (C) and (D), in the computation of the original inadmissible assets of the acquiring corporation there shall be added the original inadmissible assets of a component corporation, and in the computation of the average inadmissible assets of the acquiring corporation for the taxable year of the transaction there shall be added the daily amounts attributable to the inadmissible assets of a component corporation for that part of the acquiring corporation's taxable year prior to the date of the transaction.

"(7) The Secretary shall prescribe by regulation such modification of the rules specified in this section as may be necessary to carry out the principles of such rules and the rules of section 435 (g) in cases involving intercorporate stock ownership, contributions, distributions, stock purchases, and loans between parties to a transaction described in section 461 (a), or their shareholders, prior to the date of such transaction.

"(8) In the case of an acquiring corporation in a transaction described in section 461 (a) (1) (E), for the purposes of section 435 (g) (3) (B) and (g) (4) (B), so much of the equity capital of the component corporation at the beginning of its first taxable year under this subchapter shall be allocated to the acquiring corporation as is proportionate to the ratio which the equity capital transferred to the acquiring corporation in the transaction bears to the equity capital of the component corporation immediately prior to the transaction. The amount so allocated shall be deemed to be the equity capital of the taxpayer as of the first day of its first taxable year under this subchapter.

"(9) In the case of a transaction described in section 461 (a) (1) (E), for the purposes of section 435 (g) (3) (C) and (g) (4) (C), the daily borrowed capital of an acquiring corporation for the first day of such corporation's first taxable year under this subchapter shall be such portion of the daily borrowed capital of the component corporation for the first day of its first taxable year under this subchapter as the borrowed capital of the acquiring corporation immediately after the transaction bears to the borrowed capital of the component corporation as of the close of the day prior to the day of the transaction.

"(10) In the case of a transaction described in section 461 (a) (1) (E), in the determination of the original inadmissible assets of an acquiring corporation for the purposes of section 435 (g) (5) (C) and (g) (5) (D), there shall be allocated to such corporation that proportion of the original inadmissible assets of the component corporation as is proportionate to the ratio which the inadmissible assets transferred to the acquiring corporation in the transaction bears to the total of the inadmissible assets held by the component corporation immediately prior to the transaction. The amount so allocated shall be deemed to be the original inadmissible assets of the acquiring corporation.

"(11) For purposes of the determination under section 435 (g) (6) and (7) of the amount to be added to the daily capital reduction in the case of a corporation a member of a controlled group such determination shall be made, pursuant to regulations prescribed by the Secretary, in a manner consistent with the method provided in such sections.

"(12) In the case of a transaction other than that described in section 461 (a) (1) (E), to the extent that stock of a component corporation was acquired in an exchange for other than stock of the acquiring corporation within the meaning of section 462 (j), the basis of the assets of the component corporation shall be redetermined as provided in section 470 and such redetermination basis shall be used for all purposes of section 435 (g).

"(13) In the case of transactions described in section 462 (e) (1) (C), (e) (1) (B) and (e) (2) the net capital additions and reductions of the acquiring corporation after the transaction shall be determined under this section subject to the application, prior to the transaction, of section 443 (d) to each corporation which was a party to the transaction.

"(14) In the case of transactions described in section 462 (g) (2) and the second sentence of (g) (3), the net capital additions and reductions of the acquiring corporation after the transaction shall be determined under this section subject to the application, prior to the transaction, of section 445 (f) to each corporation which was a party to the transaction.

"(b) Rule where acquiring corporation is component of taxpayer: In cases where an acquiring corporation is a component of the taxpayer, and the transaction which constitutes such corporation an acquiring corporation occurs in a taxable year of such corporation which ends after June 30, 1950, for the purpose of determining the daily capital addition or reduction of the taxpayer the above rules shall be applied in a similar manner to determine the net capital addition or reduction of such acquiring corporation for each day after such transaction."

On page 262, after line 22, to insert:

"SEC. 464. Capital changes during the base period.

"For the purposes of section 435 (f), if the transaction which constitutes the taxpayer an acquiring corporation occurred during or after the beginning of the second taxable year preceding the first taxable year of the acquiring corporation under this subchapter, and the acquiring corporation's average base period net income is computed by application of this part, the following rules shall apply in computing the base period capital addition of such acquiring corporation:

"(a) In the case of a transaction, other than a transaction described in section 461 (a) (1) (E), which—

"(1) occurred during or after the first taxable year of the acquiring corporation under this subchapter, for the purposes of section 435 (f), the base period capital addition of the acquiring corporation for the taxable year in which the transaction occurred shall be the sum of:

"(A) the base period capital addition of the acquiring corporation, and

"(B) so much of the base period capital addition of a component corporation as is proportionate to the ratio which the number of days in the taxable year of the acquiring corporation after the transaction bears to the number of days in such taxable year;

and the base period capital addition of the acquiring corporation for any taxable year thereafter shall be the aggregate of the base period capital addition of the acquiring corporation and the base period capital addition of such component corporation.

"(2) occurred during the taxable year of the acquiring corporation immediately preceding its first taxable year under this subchapter, its base period capital addition shall be computed after—

"(A) adding to its yearly base period capital for the immediately preceding taxable year (as defined in section 435 (f) (2) (A) (ii)) of the acquiring corporation the yearly base period capital for the immediately preceding taxable year (so defined) of a component corporation, and

"(B) adding to its yearly base period capital for the second preceding taxable year (as defined in section 435 (f) (2) (A) (iii)) of the acquiring corporation the yearly base period capital for the second preceding taxable year (so defined) of such component corporation.

"(3) occurred during the second taxable year of the acquiring corporation preceding its first taxable year under this subchapter, its base period capital addition shall be computed after adding to its yearly base period capital for the second preceding taxable year (as defined in section 435 (f) (2) (A) (iii)) of the acquiring corporation the yearly base period capital for the second preceding taxable year (so defined) of a component corporation.

"(b) In the case of a transaction described in section 461 (a) (1) (E) which—

"(1) occurred during or after the first taxable year of the component corporation under this subchapter, for purposes of section 435 (f), the base period capital addition of the acquiring corporation shall be such portion of the base period capital addition of the component corporation as is proportionate to the ratio which the fair market value of the assets transferred to the acquiring corporation in the transaction bears to the fair market value of the assets of a component corporation immediately prior to the transaction;

"(2) occurred during a taxable year of the component corporation which is or would be if it remained in existence, a taxable year

preceding its first taxable year under this subchapter,

"(A) The yearly base period capital of the acquiring corporation for the year in which the transaction occurred shall be computed as of the day following the transaction,

"(B) If the taxable year of the acquiring corporation during which the transaction occurred is its first taxable year under this subchapter, its base period capital addition shall be computed by

"(i) treating as its yearly base period capital for the immediately preceding taxable year (as defined in section 435 (f) (2) (ii)) such portion of the yearly base period capital of the component corporation for the first day of the taxable year of the component corporation in which such transaction occurred, and

"(ii) treating as its yearly base period capital for the second preceding taxable year (as defined in section 435 (f) (2) (iii)) such portion of the yearly base period capital of the component corporation for the first day of the taxable year of the component corporation before the taxable year of the component corporation in which the transaction occurred as is proportionate to the ratio which the fair market value of the assets transferred to the acquiring corporation in the transaction bears to the fair market value of the assets of the component corporation immediately prior to the transaction.

"(C) If the taxable year of the acquiring corporation during which the transaction occurred is its taxable year immediately preceding its first taxable year under this subchapter its base period capital addition shall be computed by treating as its yearly base period capital for the second preceding taxable year (as defined in section 435 (f) (2) (iii)) such portion of the base period capital of the component corporation for the first day of the taxable year of the component corporation in which such transaction occurred as is proportionate to the ratio which the fair market value of the assets transferred to the acquiring corporation in the transaction bears to the fair market value of the assets of the component corporation immediately prior to the transaction.

"(3) Was a transaction in which a part of the assets of a component corporation were transferred to an acquiring corporation which had commenced business prior to such transaction, the base period capital addition of such acquiring corporation shall be computed pursuant to regulations prescribed by the Secretary."

On page 267, after line 20, to insert:

"SEC. 465. Foreign corporations.

"The term 'corporation' as used in this part does not include a foreign corporation."

On page 268, line 1, after "Part III—", to strike out "Adjusted basis of assets received in certain intercorporate liquidations" and insert "Invested capital in connection with certain exchanges and liquidations."

On page 268, after line 6, to insert:

"For the purposes of this subchapter (other than section 458)—."

On page 273, line 11, after the word "intercorporate", to strike out "liquidation."" and insert "liquidation."

On page 273, after line 11, to insert:

"SEC. 471. Exchanges.

"For the purposes of section 458—

"(a) Definitions, etc.: For the purposes of this section—

"(1) 'Exchange', 'transferor', and 'transferee': The term 'exchange' means a transaction by which one corporation (hereinafter called 'transferee') receives property of another corporation (hereinafter called 'transferor') and the basis of the property received, in the hands of the transferee, for the purposes of section 458 (d) is determined by reference to the basis in the hands of the transferor.

"(2) Determination of basis of property received: The basis, in the hands of the transferee, of the property of the transferor received by the transferee upon the exchange shall be determined in accordance with section 458 (d).

"(b) Rule: In the application of section 458 (d) to a transferee upon an exchange in determining the amount paid in for stock of the transferee, or as paid-in surplus or as a contribution to capital of the transferee, in connection with such exchange, only an amount shall be deemed to have been so paid in equal to the excess of the basis in the hands of the transferee of the property of the transferor received by the transferee upon the exchange over the sum of—

"(1) The amount of any liability of the transferor assumed upon the exchange and of any liability subject to which such property was so received, plus

"(2) The amount of any liability of the transferee (not arising out of any liability described in paragraph (1)) constituting consideration for the property so received, plus

"(3) The aggregate of the amount of any money and the fair market value of any other property (other than such stock and other than property described in paragraphs (1) and (2) transferred to the transferor.

"(c) Reduction in daily invested capital: In the application of section 458 (c) to a transferee upon an exchange, the daily invested capital for any day after such exchange shall be reduced by an amount equal to the amount by which the sum of the amounts specified in paragraphs (1), (2), and (3) of subsection (b) exceeds the basis in the hands of the transferee of the property of the transferor received upon the exchange."

On page 275, after line 7, to insert:

"SEC. 472. Invested capital adjustment at the time of tax-free intercorporate liquidations.

"For purposes of section 458—

"(a) Definition of intercorporate liquidation: As used in this section, the term 'intercorporate liquidation' means the receipt (whether or not after June 30, 1950) by a corporation (hereinafter called the 'transferee') of property in complete liquidation of another corporation (hereinafter called the 'transferor'), to which—

"(1) the provisions of section 112 (b) (6), or the corresponding provision of a prior revenue law, is applicable or

"(2) a provision of law is applicable prescribing the nonrecognition of gain or loss in whole or in part upon such receipt (including a provision of the regulations applicable to a consolidated income or excess profits tax return but not including section 112 (b) (7), (9), or (10) or a corresponding provision of a prior revenue law),

but only if none of such property so received is a stock or a security in a corporation the stock or securities of which are specified in the law applicable to the receipt of such property as stock or securities permitted to be received (or which would be permitted to be received if they were the sole consideration) without the recognition of gain.

"(b) Definition of plus adjustment and minus adjustment: For the purposes of this section—

"(1) Plus adjustment: The term 'plus adjustment' means the amount, with respect to an intercorporate liquidation, determined to be equal to the amount by which the aggregate of the amount of money received by the transferee in such intercorporate liquidation, and of the adjusted basis at the time of such receipt of all property (other than money) so received, exceeds the sum of—

"(A) the aggregate of the adjusted basis of each share of stock with respect to which such property was received; such adjusted basis of each share to be determined immediately prior to the receipt of any property in such liquidation with respect to such share, and

"(B) the aggregate of the liabilities of the transferor assumed by the transferee in connection with the receipt of such property, of the liabilities (not assumed by the transferee) to which such property so received was subject, and of any other consideration (other than the stock with respect to which such property was received) given by the transferee for such property so received.

"(2) Minus adjustment: The term "minus adjustment" means the amount, with respect to an intercorporate liquidation, determined to be equal to the amount by which the sum of—

"(A) the aggregate of the adjusted basis of each share of stock with respect to which such property was received; such adjusted basis of each share to be determined immediately prior to the receipt of any property in such liquidation with respect to such share, and

"(B) the aggregate of the liabilities of the transferor assumed by the transferee in connection with the receipt of such property, of the liabilities (not assumed by the transferee) to which such property so received was subject, and of any other consideration (other than the stock with respect to which such property was received) given by the transferee for such property so received

exceeds the aggregate of the amount of the money so received and of the adjusted basis, at the time of receipt, of all property (other than money) so received.

"(3) Rules for application of paragraphs (1) and (2): In determining the plus adjustment or minus adjustment with respect to any share, the computation shall be made in the same manner as is prescribed in paragraphs (1) and (2) of this subsection, except that there shall be brought into account only that part of each item which is determined to be attributable to such share.

"(c) Rules for the application of this section—

"(1) Stock having cost basis.—The property received by a transferee in an intercorporate liquidation attributable to a share of stock having in the hands of the transferee a basis determined to be a cost basis, shall be considered to have, for the purposes of subsection (b), an adjusted basis at the time so received determined as follows:

"(A) The aggregate of the property (other than money) held by the transferor at the time of the acquisition by the transferee of control of the transferor (or, if such share was acquired after the acquisition of such control, at the time of the acquisition of such share, or, if such control was not acquired, at the time immediately prior to the receipt of any property in the intercorporate liquidation in respect of such share) shall be deemed to have an aggregate basis equal to the amount obtained by (i) multiplying the amount of the adjusted basis at such time of such share in the hands of the transferee by the aggregate number of share units in the transferor at such time (the interest represented by such share being taken as the share unit), and (ii) adjusting for the amount of money on hand and the liabilities of the transferor at such time.

"(B) The basis which property of the transferor is deemed to have under subparagraph (A) at the time therein specified shall be used in determining the basis of property subsequently acquired by the transferor the basis of which is determined with reference to the basis of property specified in subpargraph (A).

"(C) The basis which property of the transferor is deemed to have under subparagraphs (A) and (B) at the time therein specified shall be used in determining all subsequent adjustments to the basis of such property.

"(D) The property so received by the transferee shall be deemed to have, at the time of its receipt, the same basis it is deemed to have under the foregoing provisions of this paragraph in the hands of the transferor, or in the case of property not specified in subparagraph (A) or (B), the same basis it would have had in the hands of the transferor.

"(E) Only such part of the aggregate property received by the transferee in the intercorporate liquidation as is attributable to such share shall be considered as having the adjusted basis which property is deemed to have under subparagraphs (A), (B), (C), and (D) of this paragraph.

"(2) Basis of stock not a cost basis: The property received by a transferee in an intercorporate liquidation attributable to a share of stock having in the hands of the transferee a basis determined to be a basis other than a cost basis shall, for the purposes of subsection (b), be considered to have, at the time of its receipt, the basis it would have had had the first sentence of section 113 (a) (15) been applicable.

"(3) Definition of control: As used in this subsection, the term 'control' means the ownership of stock possessing at least 80 percent of the total combined voting power of all classes of stock entitled to vote and the ownership of at least 80 percent of the total number of shares of all other classes of stock (except nonvoting stock which is limited and preferred as to dividends), but only if in both cases such ownership continues until the completion of the intercorporate liquidation.

"(d) Adjustment of equity invested capital: If property is received by the transferee in an intercorporate liquidation, in computing the equity invested capital of the transferee for any day following the completion of such intercorporate liquidation—

"(1) with respect to any share of stock in the transferor having in the hands of the transferee, immediately prior to the receipt of any property in such intercorporate liquidation, a basis determined to be a cost basis, the earnings and profits or deficit in earnings and profits of the transferee shall be computed as if on the day following the completion of such intercorporate liquidation the transferee had realized a recognized gain equal to the amount of the plus adjustment in respect of such share, or had sustained a recognized loss equal to the amount of the minus adjustment in respect of such share;

"(2) with respect to any share of stock in the transferor having in the hands of the transferee, immediately prior to the receipt of any property in such intercorporate liquidation, a basis determined to be a basis other than a cost basis, there shall be treated as an amount includible in the sum specified in section 458 (d) the amount of the plus adjustment with respect to such share, or as an amount includible in the sum specified in section 458 (e) the amount of the minus adjustment with respect to such share.

"(e) Invested capital basis.—

"The adjusted basis which property received by the transferee in an intercorporate liquidation is considered to have under the provisions of subsection (c) at the time of its receipt shall be thereafter treated as the adjusted basis, in lieu of the adjusted basis otherwise prescribed, in computing any amount, determined by reference to the basis of such property in the hands of the transferee, entering into the computation of the invested capital of the transferee, or of any other corporation the computation of the invested capital of which is determined by reference to the basis of such property in the hands of the transferee.

"(f) Statutory mergers and consolidations: If a corporation owns stock in another corporation and such corporations are merged or consolidated in a statutory merger or consolidation, then for the purposes of this section and section 458 such stock shall be considered to have been acquired (in such statutory merger or consolidation) by the corporation resulting from the statutory merger or consolidation, and the properties of such other corporation attributable to such stock to have been received by such resulting corporation as a transferee from such other corporation as a transferor in an intercorporate liquidation.

"(g) Determinations.—

"(1) Regulations: Any determination which is required to be made under this section (including determinations in applying this section in cases where there is a series of transferees of the property and cases where the stock of the transferor is acquired by the transferee from another corporation, and the determinations of the basis and adjusted basis which property or items thereof have or are considered to have) shall be made in accordance with regulations which shall be prescribed by the Secretary. If the transferor or the transferee is a foreign corporation, the provisions of this section shall apply to such extent and under such conditions and limitations as may be provided in such regulations.

"(2) Application to liquidation extending over long period: The Secretary is authorized to prescribe rules similar to those provided in this section with respect to the days within the period beginning with the date on which the first property is received in the intercorporate liquidation and ending with the day of its completion; and the extent to which, and the conditions and limitations under which, such rules are to be applicable."

On page 284, after line 2, to insert:

"TITLE II—INCREASE IN CORPORATION SURTAX

"SEC. 201. Surtax on corporations.

"(a) Rate of tax: Section 15 (b) (1) of the Internal Revenue Code (relating to rate of surtax in the case of taxable years beginning after June 30, 1950) is hereby amended by striking out '20 percent' and inserting in lieu thereof '22 percent.'

"(b) Mutual insurance companies other than life or marine: Section 207 (a) (3) (A) (ii) of such code (relating to surtax on interinsurers or reciprocal underwriters) is hereby amended by striking out '30 percent' and inserting in lieu thereof '33 percent.'

"(c) Regulated investment companies: Section 362 (b) (4) of such code (relating to surtax on regulated investment companies) is hereby amended by striking out '20 percent' and inserting in lieu thereof '22 percent.'

"(d) Business income of certain tax-exempt organizations: Section 421 (a) (1) of such code (relating to surtax of certain section 101 organizations upon unrelated business net income) is hereby amended by striking out '20 percent' and inserting in lieu thereof '22 percent.'

"(e) Effective date: The amendments made by this section shall be applicable with respect to taxable years beginning on or after July 1, 1950."

On page 285, after line 3, to insert:

"SEC. 202. Credits of corporations.

"(a) Credit for dividends paid on certain preferred stock: Section 26 (h) (1) (B) of the Internal Revenue Code (relating to credit for dividends paid on certain preferred stock) is hereby amended by striking out '31 percent' and inserting in lieu thereof '30 percent.'

"(b) Western Hemisphere trade corporations: Section 26 (i) (1) of such code (relating to credit of Western Hemisphere trade corporations) is hereby amended by striking out '31 percent' and inserting in lieu thereof '30 percent.'

"(c) Effective date: The amendments made by this section shall be applicable with respect to taxable years beginning on or after July 1, 1950."

On page 285, after line 18, to insert:

"SEC. 203. Fiscal year taxpayers.

"Section 108 (f) (2) of the Internal Revenue Code (relating to computation of tax of a fiscal year beginning before July 1, 1950, and ending after June 30, 1950) is hereby amended by adding at the end thereof the following new sentence: 'For the purposes of this paragraph, the provisions of sections 15 (b) (1), 26 (h) (1), and 26 (i) (1) shall be applied without regard to the amendments made to such provisions by title II of the Excess Profits Tax Act of 1950.'"

On page 286, line 4, in the heading, after the word "title", to strike out "II" and insert "III."

On page 286, line 6, to change the section number from "201" to "301."

On page 289, line 22, after the word "section", to strike out "447" and insert "449"; in line 23, after the word "section", to strike out "452" and insert "454"; on page 290, line 1, after the word "section", to strike out "452" and insert "454", and in line 4, after the word "year", to strike out "beginning after December 31, 1943" and insert "ending after June 30, 1950."

On page 290, after line 8, to insert:

"(8) Regulated public utilities described in section 448 (d) which compute their excess profits credit under section 448 but not including any such regulated public utility which has made and filed a consent, applicable to the taxable year, to compute its excess profits credit without regard to section 448. The consent shall be made and filed at such time and in such manner as may be prescribed by the Secretary. The consent shall be applicable to the taxable year for which filed and to each consecutive subsequent taxable year for which a consolidated return is filed."

On page 291, line 22, after the word "section", to strike out "45."" and insert "45.".

On page 291, after line 22, to insert:

"(j) Includible regulated public utilities: Despite the provisions of paragraph (8) of subsection (e), two or more regulated public utilities each of which has made and filed a consent, applicable to the taxable year, to compute its excess-profits credit under section 448 only, shall be considered as includible corporations for the purpose of the application of subsection (d) to such regulated public utilities alone. The consent shall be made and filed at such time and in such manner as may be prescribed by the Secretary. The consent shall be applicable to the taxable year for which filed and to each consecutive subsequent taxable year for which a consolidated return is filed."

On page 292, line 12, to change the section number from "202" to "302."

On page 293, line 16, to change the section number from "203" to "303."

On page 294, line 2, after the word "section", to strike out "449" and insert "451", and in line 7, after the word "section", to strike out "449" and insert "451."

On page 294, line 9, to change the section number from "204" to "304."

On page 295, line 2, after the word "thereof", to strike out ""448 and 451"" and insert ""450 and 453"".

On page 295, line 9, after the word "section", to strike out "447" and insert "449."

On page 295, line 13, to change the section number from "205" to "305."

The PRESIDING OFFICER. The present parliamentary situation is that the bill is open to amendment.

Mr. GEORGE. That is correct.

Before I take my seat, Mr. President, I desire to say what I think is obvious and, I am sure, well understood by all members of the committee, namely—to paraphrase the words of the poet—that whcever expects a perfect excess-profits

tax bill to see, will see it never, for such never has been, and never will be.

However, in view of the rather long and tiring presentation I have made, I think the taxing authorities may at least find set forth the congressional intent and purpose and design of this bill, and will be governed in their administration by the congressional intent, as we have sought to express it here.

I now yield the floor.

Mr. KERR. Mr. President, I offer an amendment which I submit on behalf of myself and the senior Senator from Texas [Mr. CONNALLY]. I should like to have the chairman of the committee examine the amendment and see whether it will be agreeable to the committee to accept it.

I may say to the Senate that the only purpose of the amendment is as follows: The base period provided in the bill is from January 1, 1946, to December 31, 1949. The provisions with reference to a growth company primarily are, among other things, that it must have an earning period for the last 2 years of the base period and the first 2 years of the base period.

The PRESIDING OFFICER. Will the Senator suspend for a moment, while the amendment is read for the benefit of the other Members of the Senate?

Mr. KERR. Yes, Mr. President.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 42, in line 24, it is proposed to strike out "the beginning of its base period" and insert in lieu thereof the following: "May 1, 1946."

On page 43, after the period in line 17, it is proposed to insert:

In the case of a taxpayer which commenced business after the beginning of its base period—

(i) the total payroll for the first half of its base period shall be increased by an amount which bears the same ratio to such total payroll as the number of days in such base period before the day the taxpayer commenced business bears to the total number of days in the first half of such base period, and

(ii) the gross receipts for the first half of its base period shall be increased by an amount which bears the same ratio to such gross receipts as the number of days in such base period before the day the taxpayer commenced business bears to the total number of days in the first half of such base period.

Mr. GEORGE. Mr. President, will the Senator from Oklahoma yield?

The PRESIDING OFFICER. Does the Senator from Oklahoma yield to the Senator from Georgia?

Mr. KERR. I yield.

Mr. GEORGE. My understanding is that thi amendment is designed to apply the growth formula, that is, the treatment accorded to rapidly growing corporations, to a corporation which was actually incorporated or began business some 30 days after the beginning of the base period. Is my understanding of it correct?

Mr. KERR. It is. The formula would apply to such a corporation up to, but for not more than 4 months; in other words, if the corporation was in business, beginning on or before May 1, 1946.

Mr. GEORGE. That is 1946, the first year of the new base period. Is that correct?

Mr. KERR. That is correct.

Mr. GEORGE. For myself, I should have no objection to the amendment. The corporation could be treated as a new corporation, a privilege which the Senator may not desire to take away from it. Is the amendment in the alternative?

Mr. KERR. Yes; it is.

Mr. GEORGE. We have no objection to the amendment.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from Oklahoma [Mr. KERR] is agreed to. The bill is open to further amendment.

Mr. MILLIKIN. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. The Clerk will state the amendment.

The ASSISTANT JOURNAL CLERK. On page 183, at the end of line 2, it is proposed to insert "to the extent the taxpayer has withdrawn funds from deposits made under section 511 or 607 to construct or acquire a vessel or vessels, the adjusted invested capital determined under section 437 (b) (2) for each such vessel shall be computed under the provisions of this paragraph as though the withdrawn funds expended in its construction or acquisition were still on deposit in such fund."

Mr. MILLIKIN. Mr. President, the proposed amendment has to do with the subject of handling deposits under the Merchant Marine Act. It has just been handed to me. I am told that it is a very vital and just amendment. I regret that I am not in position to vouch for the fact, but we seem to be moving h re at great speed. If the distinguished chairman of the committee has no objection, I should like to offer the amendment, so that it may go to conference, and may receive study in the meantime.

Mr. GEORGE. I have no objection to taking it to conference, I may say to the distinguished Senator from Colorado.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. MILLIKIN]. Without objection, the amendment is agreed to.

The bill is open to further amendment.

Mr. JOHNSON of Colorado. Mr. President, I offer an amendment, which I send to the desk and request to have read.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT JOURNAL CLERK. On page 295, after line 12, it is proposed to insert:

SEC. 304. Amortization deduction: Section 124A of the Internal Revenue Code is hereby amended by striking out all of the first sentence of section 124A (e) after the words "emergency period", and inserting in lieu thereof a period.

Mr. JOHNSON of Colorado. Mr. President, I should like to ask the chairman of the committee to take this amendment to conference. I do not like to offer amendments on the floor, but this amendment has been considered in committee. In fact, it has been considered in committee on previous occasions. The provision was in the World War II excise-profits-tax bill. I should like to have the chairman take it to conference, to see whether something can be worked out in connection with the problem which it is meant to correct.

Mr. GEORGE. Mr. President, this is an amendment to the amortization section of the Revenue Act of 1950. It is an amendment which was discussed in committee. The apparent necessity for it arises out of regulations which have been adopted, and which I regret very much to say may prevent the investment of private capital in the war plants and facilities which we are endeavoring to help or to make possible. I think the amendment is controversial, not because it is in conflict with the purpose which the committee had in mind at the time, but because it is not in harmony with the regulations this year. I do not mind taking the amendment to conference, but I should like to have it understood that it is accepted only for conference.

Mr. JOHNSON of Colorado. That will be understood. If the chairman will take it to conference, I shall be perfectly satisfied. I ask unanimous consent to insert in the RECORD a very brief explanation of the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. AIKEN. Mr. President, will the Senator tell us the purpose of the amendment? I may say I do not think very highly of last-minute amendments, written on single sheets of paper, with but one copy available. Senators do not know what they are voting on. I do not know but that this particular amendment may be a good one; but we are legislating under difficulties when a Senator offers a last-minute amendment of which no copies are available to the other Members of the Senate. Perhaps the Senator from Colorado will tell us what his amendment proposes, before it is sent to conference.

AMORTIZATION DEDUCTION

Mr. JOHNSON of Colorado. Mr. President, as a part of the Revenue Act of 1950, the Congress provided for 5-year amortization of facilities certified as essential to defense purposes. This provision was substantially a reenactment as to facilities acquired and to be acquired in the present and future years of operation of a like provision applicable to World War II facilities.

In the committee's consideration of this provision, the suggestion was made that the amount of the facility subject to amortization should perhaps be reduced by that portion of the facility representing its probable economic usefulness after 5 years. This proposal was rejected and no such basis for reduction was recognized by the bill as finally enacted.

Since the enactment of the 1950 law, regulations have been promulgated by the certifying authority adopting the very provision which the Congress rejected. Apparently, support for this action was believed to be found in a clause

of the amortization provisions authorizing the inclusion in the amortizable basis of a facility of only such portion of the cost as the certifying authority certifies as attributable to defense purposes. Actually, this clause was intended to serve an entirely different purpose, namely, to make express provision for partial amortization of facilities used simultaneously for defense purposes in part, and for nondefense purposes in part.

It is the purpose of the amendment to overrule this erroneous administrative construction of the amortization provision. It is accomplished by repealing the clause in the act on which the administrative action was supposed to have been based. It is not believed that this clause is necessary for the purposes which it was originally intended to serve, and its deletion from the law will prevent the future reduction of the amortizable basis of facilities on grounds which the Congress did not contemplate.

I hope that is clear to the Senator from Vermont.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. JOHNSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. McMAHON. Mr. President, I have an amendment which is lying on the desk.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Connecticut.

The LEGISLATIVE CLERK. On page 39, line 2, after the comma, it is proposed to insert the following: "or the excess profits credit computed under section 713 (but without the benefit of subsection (f) or sec. 722) for the last taxable year of the taxpayer beginning prior to January 1, 1946, whichever is the greater."

Mr. McMAHON. Mr. President, this amendment is couched in technical language, and I desire to make very plain for the record what it does.

The amendment provides an alternative earnings credit based upon a 1936-39 income.

It is prompted by the fact that some industries and firms, contrary to the general experience, have been depressed throughout the postwar period and have no excess-profits-tax credit whatsoever based upon 1946–49 income. In some instances, the new relief provision relating to "depressed industry subgroups" is of no assistance because the depressed condition has continued through the current year. In other words, Mr. President, they are still losing money.

It is believed that as a matter of principle any taxpayer should be entitled as a minimum to the use of the same earnings credit which it used in 1945 under the World War II law. This is the credit to which it would have been entitled if the excess-profits tax had not been repealed. It makes no allowance for the tremendous price inflation which has occurred in the meantime.

The amendment would make provision for such an alternative credit, permitting the taxpayer to have the benefit of capital additions only with the beginning of its first taxable year under the new excess-profits tax.

Under the amendment, the World War II credit would be computed without the benefit of the so-called normal growth provisions (section 713 (f)) and without the benefit of section 722, the "abnormality" section.

Mr. President, I ask that the amendment be adopted.

Mr. GEORGE. Mr. President, I must admit that I did not catch the purport of the amendment as read by the clerk. Will the Senator read it again?

Mr. McMAHON. On page 39, line 2, after the comma, it is proposed to add the following language: "or the excess profits credit computed under section 713 (but without the benefit of subsection (f) or section 722) for the last taxable year of the taxpayer beginning prior to January 1, 1946, whichever is the greater."

The purpose of the amendment, I say to the Senator from Georgia, is to provide for companies which are still losing money in the current year an opportunity to take the 1936 to 1939 base, which was used as the base under the provision of the excess-profits-tax law in the last war, from 1939 through 1945. In other words, if we had not repealed the excess-profits-tax law they would still be paying under the provision which I should like the Senator to accept and take to conference.

Mr. GEORGE. Let me ask the Senator a question. Does he propose giving an alternative or an election to the corporation which is still losing money, and which has lost money, to use the old base under the World War II Act and without any increase in the amount?

Mr. McMAHON. That is correct; to use the 1936–39 base when the company, perhaps, did make some money, whereas today it is making nothing at all.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. LANGER. Would there be a decrease in the amount?

Mr. GEORGE. They would not have to use it; it would be in the alternative. They could use it, or they could take the payment provided in the bill for a deficit corporation, possibly, or a depressed industry.

Mr. McMAHON. However, we take away from them the use of the abnormality action.

Mr. GEORGE. That is correct.

Mr. President, I have no objection to this amendment. I do not know that I am authorized by the committee to accept it. The committee considered the question very seriously, but, as suggested to us in committee and as urged upon the committee, we were asked to permit the corporation to take the old basis, 1936 to 1939, plus 100 or 150 percent, or an increase of some amount. I think that operated against favorable consideration of the amendment in the committee. As I understand all the amendment now does, in effect, is to provide that in computing the base the taxpayer shall not be reduced below what he would have had in 1936 to 1939.

Mr. McMAHON. That is correct.

Mr. GEORGE. That is really the effect of it, is it not?

Mr. McMAHON. Yes.

Mr. GEORGE. And without any increase in it. I have no objection.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Connecticut [Mr. McMAHON].

The amendment was agreed to.

Mr. SALTONSTALL. Mr. President, I should like to ask the distinguished chairman of the Finance Committee a question. I do so because there are 80 companies located in Massachusetts producing all types of electronic equipment, including television sets, and employing 35,200 persons.

I am informed that the growth company qualification provisions of H. R. 9827 as reported by the Senate Finance Committee excludes 61 percent of the set manufacturers and their suppliers in the television manufacturing industry, producing more than 80 percent of the output, who are equally as true growth companies as the 39 percent who qualify. On page 27 of the committee report on the excess-profits-tax bill it is stated that—

> A floor amendment will be offered to provide further liberalization as to the qualification for determining growth under this.

I should like to ask the distinguished chairman of the Committee on Finance whether the amendment to be offered by the committee would take care of the other 61 percent of the television manufacturing industry, particularly the suppliers of parts, such as resistors, capacitors, and so forth? I understand from a very brief conversation with the Senator from Georgia that an amendment was drafted, which was not satisfactory, and that it is being redrafted, so that it may be taken to conference. I understand the amendment would be sufficiently to cover the question I have asked the Senator from Georgia. Is that correct?

Mr. GEORGE. An amendment is now being drafted, and we are awaiting its arrival on the floor before offering it. Whether it would bring in the rapidly growing group I would not be able to say. It is our hope that the amendment will accord the growth treatment to a great many companies which are now producing new products or which have had a rapid abnormal expansion in their business. At least it will be sufficiently broad so that in conference we may have elbow room to consider any more appropriate amendment which may be suggested.

I may say to the Senator from Massachusetts that the House formula is very restrictive. In the first place, it excludes any rapidly growing corporation which, at the beginning of the base period, had assets—and note the word "assets"—of $20,000,000. I am told that there are some seven or eight television companies which had at the beginning of the base period—that is, January 1, 1946—assets which were greatly in excess of $20,000,000. They would be excluded. We are now undertaking to accord to them a treatment which I believe will afford relief to a great many of

them and will enable most of them to qualify as growth companies and those receiving the benefits of the growth formula. I will say to the Senator that is the purpose we have in mind. Certainly we hope that it will be broad enough at least to give us room for action in conference.

Mr. SALTONSTALL. Mr. President, I appreciate very much the statement of the Senator from Georgia.

Mr. GEORGE. I shall be very glad to have the amendment read as soon as it is received. The amendment has not yet been received, but it is coming over.

Mr. CAPEHART. Mr. President, have all committee amendments been agreed to?

The PRESIDING OFFICER. All committee amendments were agreed to en bloc.

Mr. CAPEHART. Are we now estopped from offering amendments?

The PRESIDING OFFICER. Any Senator has the right to offer an amendment.

Mr. CAPEHART. Any amendment?

The PRESIDING OFFICER. That is correct, under the unanimous-consent agreement.

Mr. GEORGE. I send forward a technical amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT JOURNAL CLERK. On page 143, line 21, it is proposed to strike out the letter "A" and insert in lieu thereof the letter "B."

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. GEORGE. Mr. President, I send forward another amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT JOURNAL CLERK. On page 111, line 14, after the word "income", it is proposed to insert "or 33 percent of its net income."

Mr. GEORGE. It was thought wise to put it in the alternative.

The PRESIDING OFFICER. The question is on agreeing to the amendment by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. GEORGE. Mr. President, I send forward another technical amendment, which is designed to correct an error in the bill, and I ask that the amendment be read.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT JOURNAL CLERK. On page 142, line 13, after the word "addition", it is proposed to insert "and without regard to section 437 (b) (2) (C)."

The PRESIDING OFFICER. Without objection, the amendment is agreed to.

Mr. GEORGE. I have another technical amendment which I desire to offer.

The PRESIDING OFFICER. The clerk will state the amendment.

The ASSISTANT JOURNAL CLERK. On page 143 it is proposed to substitute a semicolon for the period at the end of line 9, and insert the following:

except that in the case of a corporation described in subsections (c) (1) (A), (c) (1) (B), (c) (2), or (c) (4), the corporate books of account of which are maintained in accordance with systems of accounts prescribed by an appropriate regulatory body (or, if not so prescribed, are maintained in accordance with the uniform systems of accounts prescribed by the Federal Power Commission or the National Association of Railway and Utility Commissioners), in determining the amount computed under section 440, the amount attributable to each asset held at any time during such taxable year shall be determined according to such corporate books of account.

Mr. GEORGE. Mr. President, I understand the purpose of the amendment is to correct an error, the error being that under the bill as it was reported utilities would have had to compute the value of their intangibles, which was clearly an error, because we are dealing here with tangible assets.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. GEORGE. Mr. President, I have another amendment, which has not yet been reduced to writing. It involves simply a correction of a date. On page 45, line 11, it is proposed to strike out "1950" and to insert in lieu thereof "1951." The amendment would simply change a date.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. MILLIKIN. Mr. President, I send an amendment to the desk and ask that it be read.

The ASSISTANT JOURNAL CLERK. On page 296, line 20, it is proposed to insert the following:

SEC. 306. Payments to encourage exploration, development, and mining for defense purposes.

Section 22 (b) is amended by adding the following new paragraph:

"(15) Payments to encourage exploration, development, and mining for defense purposes: The amount paid to a taxpayer by the United States (or any agency or instrumentality thereof), whether by grant or loan, and whether or not repayable, for the encouragement of exploration, development, or mining of critical and strategic minerals or metals pursuant to or in connection with any undertaking approved by the United States (or any of its agencies or instrumentalities) and for which an accounting is made or required to be made to an appropriate governmental agency, and the forgiveness or discharge of any of such amount, shall be excluded in computing excess profits net incomes; and any expenditures (other than expenditures made after the repayment of such grant or loan) attributable to such grant or loan shall not be deductible by the taxpayer as an expense nor increase the basis of the taxpayer's property either for determining gain or loss on sale, exchange, or other disposition or for computing depletion or depreciation, but upon the repayment of any portion of any such grant or loan which has been expended in accordance with the terms thereof such deductions and such increase in basis shall to the extent of such repayment be allowed as if made at the time of such repayment."

Mr. MILLIKIN. Mr. President, Senators will remember that we passed the Defense Production Act of 1950 for the encouragement, exploration, development, and mining of strategic minerals and metals. I am told that the Bureau of Mines is drawing up a program of that nature. Of course, it would be rather absurd for the Government to be giving gifts or grants to aid that objective, and at the same time levying taxes on its own money. The purpose of this amendment is to relieve grants and loans of that type from income surtax or excess profits tax.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield.

Mr. MAGNUSON. I understand that representatives of the American Mining Congress appeared before the committee and made some suggestions. Do I correctly understand that, in a general way, those suggestions have been embodied in the Senator's amendment?

Mr. MILLIKIN. Not all of them; but the substance of this amendment is the same as the substance of an amendment proposed by the American Mining Congress.

Mr. GEORGE. Mr. President, will the Senator yield for a question?

Mr. MILLIKIN. I yield.

Mr. GEORGE. Do I correctly understand that this amendment exempts subsidy payments or bonuses for the production of minerals?

Mr. MILLIKIN. Yes.

Mr. GEORGE. From the excess profits tax?

Mr. MILLIKIN. From the excess profits tax and the income surtax.

Mr. GEORGE. They are exempt from the excess profits tax.

Mr. MILLIKIN. We already have a provision which does that, but that would not serve the purpose which was intended. The mining interests have been very much agitated about the exclusion of the other tax, because they say that they cannot get a mine going if we do not exempt also the normal tax and surtax.

Mr. GEORGE. On the bonus payments?

Mr. MILLIKIN. Yes.

Mr. GEORGE. On principle I have no objection to the amendment. As the distinguished Senator knows, I have tried not to get into the income tax in this bill any further than absolutely necessary for the general purposes of an excess-profits tax.

Mr. MILLIKIN. The purpose of the emergency legislation to which I have referred would, I respectfully suggest, be frustrated if we did not have something of the nature of this amendment.

Mr. GEORGE. I will not offer any objection to it. We can look at it in conference. I am anxious to avoid any trouble in amending the income-tax act.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. MILLIKIN. I gladly yield.

Mr. O'MAHONEY. The Senator from Colorado was present at the session of the Committee on Finance before which I appeared urging that the mineral trona be included among those which, under section 448, I believe, are excluded from the excess-profits tax because of the principle that it is desirable to promote the production of minerals which are valuable in defense. As I understand, the amendment which the Senator now proposes has nothing to do with that subject.

Mr. MILLIKIN. Nothing whatever.

Mr. O'MAHONEY. As I understand, this amendment deals solely with——

Mr. MILLIKIN. With the money which the Government itself will grant or loan to encourage exploration, development, and mining of strategic minerals and metals.

Mr. O'MAHONEY. In other words, it deals with the provisions of the Defense Production Act by which we sought to stimulate, by Government advances, the production of certain minerals.

Mr. MILLIKIN. Exactly.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. MILLIKIN. I yield.

Mr. TAFT. If we do not exempt these grants, the Government will have to provide about twice as much in order that the recipients of the grants may have enough money to pay the tax.

Mr. MILLIKIN. The point is very well taken, and I thank the Senator.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Colorado [Mr. MILLIKIN].

The amendment was agreed to.

Mr. KERR. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from Oklahoma will be stated.

The ASSISTANT JOURNAL CLERK. On page 145, line 16, it is proposed to strike out "within a"; in line 17, it is proposed to strike out "single area or region in one or more States"; on the same page it is proposed to strike out lines 19 through 26; on page 146, it is proposed to strike out lines 1 and 2 and insert in lieu thereof "(2) the unregulated rates have been and are substantially as favorable to users and consumers as are the regulated rates."

Mr. KERR. Mr. President, there is included in the bill with reference to the particular language where the revenue is derived from unregulated rates, a provision which permits a regulated utility to qualify from its operation of a single interconnected and coordinated system within a single area or region in one or more States. The purpose of this amendment is to apply to the principle of the qualification rather than to the limited area of the qualification. As I understand, it carries out the intent of the committee when the other language was formulated and adopted, and does not change the purpose for which the included language was written.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma.

Mr. TAFT. Mr. President, may I ask which words are proposed to be stricken?

Mr. KERR. On page 145, line 16, it is proposed to strike out "within a"; in line 17, it is proposed to strike out "single area or region in one or more States"; it is proposed to strike out beginning with line 19 on page 145 and continuing through line 2 on page 146, and substitute therefore the words "the unregulated rates have been and are substantially as favorable to users and consumers as are the regulated rates."

Mr. TAFT. Mr. President, is this amendment intended to cover a case in which a utility may be entirely in a regulated territory, but some of its sales, such as sales to other utilities, are not regulated? Is that the purpose of the amendment?

Mr. KERR. If I understand the Senator's question, that is one of the purposes.

Mr. TAFT. Such a situation was referred to by the junior Senator from Virginia [Mr. ROBERTSON]. As I understand, this amendment is intended to cover a case in which a utility is partly in regulated territory and partly in unregulated territory. If this amendment is made, it also covers a case in which a utility is partly regulated, as to some of its sales, but not as to other sales.

Mr. KERR. The Senator is correct.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Oklahoma [Mr. KERR].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. O'MAHONEY. Mr. President, I desire to ask the Senator from Georgia if he will now entertain an amendment such as I proposed when I appeared before the committee, to include the mineral trona among the strategic minerals defined on page 148, beginning in line 14. Within the past 4 or 5 years a large natural deposit of trona has been discovered in my State. I believe that it is the largest in the world; certainly it is the largest in the United States.

Trona produces soda ash which is very helpful in the production of uranium, as well as other commodities valuable for defense and in the production of petroleum. It is a substance which the National Production Authority placed under inventory control under the very first regulation which was issued this year. It seemed to me that in all the circumstances, since it does have these defense applications, it might be well to include trona in the bill among these items.

I understand from conversations with some members of the committee that the committee did not act favorably upon the amendment, largely because not sufficient evidence had been received. In these circumstances it occurs to me that the amendment could well go to conference.

Mr. GEORGE. Mr. President, we did not have sufficient information about the production and use of trona, and we thought the amendment ought to be offered on the floor, so the distinguished Senator from Wyoming or perhaps other Senators might tell us something about the matter and put something in the RECORD that would justify its inclusion. As I understand, this is a domestic mineral.

Mr. O'MAHONEY. It is a domestic mineral.

Mr. GEORGE. Is it found outside the United States also in great quantities?

Mr. O'MAHONEY. No; not in great quantities. That is my understanding. Soda ash, which is refined from trona is now manufactured by synthetic process. In this country it is found in nature, in the substance called trona which is now being mined in my State.

Mr. GEORGE. And is it a necessary strategic metal or mineral?

Mr. O'MAHONEY. That was the information which I received; and that view is sustained, I think, by the fact that the product was placed under inventory control by the Production Board under the Defense Production Act.

Mr. GEORGE. The committee did not raise any objection to inclusion in this section of that substance, but we did not have adequate information. Perhaps in conference there might be some adverse testimony given.

Mr. O'MAHONEY. That is true. I was going to say that if the Senator from Georgia would be willing to accept the amendment and take it to conference, I would undertake to supply such additional information as I can.

Mr. GEORGE. I would be very glad to do it.

Mr. O'MAHONEY. Mr. President, on page 148, line 21, after the comma at the end of the line, I offer the amendment to insert the word "trona."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wyoming [Mr. O'MAHONEY].

The amendment was agreed to.

Mr. GEORGE. Mr. President, I now send forward to the desk the amendment relating to the growth formula and ask that it be stated.

The PRESIDENT pro tempore. The amendment offered by the Senator from Georgia will be stated.

The LEGISLATIVE CLERK. On page 42, commencing with line 22, it is proposed to strike out through line 17 on page 43, and insert:

This subsection if the taxpayer commenced business before the beginning of its base period and if either—

(A) (i) the total assets of the taxpayer as of the first day of its base period (when added to the total assets for such day of all corporations with which the taxpayer has the privilege under section 141 of filing a consolidated return for its first taxable year under this subchapter), determined under paragraph (3), did not exceed $20,000,000, and

(ii) the total payroll of taxpayer (as determined under par. (4)) for the last half of its base period is 130 percent or more of its total payroll for the first half of its base period, or the gross receipts of the taxpayer (as determined under par. (5)) for the last half of its base period is 150 percent or more of its gross receipts for the first half of its base period; or

(B) (i) the taxpayer's net sales for the period beginning January 1, 1950, and ending June 30, 1950, when multiplied by two,

equals or exceeds 150 percent of its net sales for the calendar year 1948, and

(ii) 50 percent or more of the taxpayer's net sales for the calendar year 1949 is attributable to a product, or class of products (including any article in which such product or class of products is the principal component) of a kind not generally available to the public at any time prior to January 1, 1946, and

(iii) the amount of the taxpayer's net sales which is attributable to such product or class of similar products, for the calendar year 1946 is 5 percent or less of the amount of its net sales so attributable for the calendar year 1949.

For the purposes of this subparagraph, the term "net sales" with respect to any period means the total amount received or accrued during such period from the sale, exchange, or other disposition of stock in trade of the taxpayer or other property of a kind which would properly be included in the inventory of the taxpayer if on hand at the close of the taxable year, or property held by the taxpayer primarily for sale to customers in the ordinary course of its trade or business; reduced by the amount of discounts, returns, and allowances paid or incurred for such period.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. GEORGE. Mr. President, I am advised that the amendment will make the growth formula under the bill available to corporations which do not meet the tests under the House bill, but which have evidenced real growth as the result of a rapid step-up in sales of a product of a kind which was not generally available to the public at any time before 1946. For example, the amendment will cover corporations experiencing real growth in the television manufacturing field. This amendment, of course, is not designed to provide relief in those cases where there is a modification of a product, such as an improvement or change in the style. As an example of that statement, a new automobile is not intended to be treated as a new product for the purposes of this provision.

If the amendment is effective to bring under the formula any corporation, then, of course, it would be entitled to the growth treatment provided in the bill.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. TAFT. Would the additional qualification permit the company with more than $20,000,000 of assets to qualify as a growth company?

Mr. GEORGE. It would if it meets any one of these tests because the language is in the alternative. In other words, this test commences with "or." So my understanding is that it would permit such a company as the Senator mentions to qualify. Apparently the amendment would throw open the matter in conference.

Mr. TAFT. Mr. President, will the Senator yield further?

Mr. GEORGE. I yield.

Mr. TAFT. As I understand, the amendment is not so phrased as to include corporations such as the General Motors Corp. or other companies whose incomes are considerable.

Mr. GEORGE. No. It would not cover the case of change of model of an automobile or anything of that kind. It must be confined as the amendment indicates.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Georgia.

Mr. O'MAHONEY. Mr. President, I should like to ask the Senator from Georgia if this new amendment, which I have not had the opportunity of course to read, but which I understand applies to growth companies——

Mr. GEORGE. It is intended to.

Mr. O'MAHONEY. Will it apply to companies with assets as great as $20,000,000?

Mr. GEORGE. More than $20,000,000, if they meet the test here laid down. We do not remove the $20,000,000 corporation from the operations of the provision, but this is another alternative which the growth company may meet.

Mr. O'MAHONEY. In view of the fact that the committee bill has increased the income-tax rate for corporations, the normal and surtax, to 47 percent instead of 45——

Mr. GEORGE. Only the surtax. We do not impose any increase on the normal.

Mr. O'MAHONEY. The surtax, yes, so that the total rate goes as high as 47 percent.

Mr. GEORGE. That is correct.

Mr. O'MAHONEY. It has seemed to me that that might result and probably would result in penalizing small corporations, to the great advantage of the huge growing corporations. For example, a corporation with a total income, let us say, of $100,000, would be embraced within the 47 percent rate, would it not?

Mr. GEORGE. Yes, that is true, because it would get into the surtax bracket.

Mr. O'MAHONEY. But under this amendment which affects growth corporations, a growth corporation might have a total income of $500,000 or more, and yet it would have a special exemption which would not go to the normal corporation or firm. Am I correct about that?

Mr. GEORGE. The amendment does not give an exemption.

Mr. O'MAHONEY. But it provides this alternative method.

Mr. GEORGE. Yes; but it is solely for the purpose of giving them a base. It does not exempt them from the excess-profits tax at all.

Mr. O'MAHONEY. But it gives them a higher base than they otherwise would have.

Mr. GEORGE. Yes; because otherwise many of them would not have a base, although some would.

We believe this formula would exclude those heavily invested firms which may be said in all reason not to be entitled to any special consideration or treatment. This amendment is offered for the purpose of being taken to conference, because the provision now in the bill is so restricted as to exclude 61 percent of the television industry.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Georgia [Mr. GEORGE].

The amendment was agreed to.

Mr. CAPEHART. Mr. President, I offer an amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the proper place in the bill it is proposed to insert a new section, as follows:

(h) Change in operations and management:

In the case of any two or more corporations who consolidated their operational activities or a substantial portion thereof, after December 31, 1946, and prior to July 1, 1950, whether or not the corporations were also merged and by reason of such consolidation additional net income is produced, then in each taxable year after such consolidation the additional net income of each such corporation, where such additional income results by reason of such consolidation and is not already reflected in the base period earnings, shall be added to the average base period net income of each corporation and shall operate as an additional credit to such taxpayer in computing its liability for excess-profits tax under the provisions of this act.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Indiana.

Mr. CAPEHART. Mr. President, I should like to suggest to the able Senator from Georgia that he take the amendment to conference; and if the amendment can be worked in the bill, as I believe it can, I would ask that that be done.

Mr. GEORGE. Mr. President, so far as I am concerned, I shall be glad to agree, to take the amendment to conference, with the understanding that if it does not fit into the bill properly, we shall be free to eliminate it.

This particular matter was studied by the committee. The committee did not see fit to include it. Of course, it does possess certain merit.

However, if it is understood that the amendment is taken for conference purposes, I shall be very glad, so far as I am concerned, to have it approved.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Indiana [Mr. CAPEHART].

The amendment was agreed to.

Mr. MYERS. Mr. President, I offer an amendment, which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 45, after line 17, it is proposed to insert the following:

(G) By computing—

(i) in the manner provided by subparagraph (E), the excess profits net income for each of the 6 months in the period beginning July 1, 1948, and ending December 31, 1948, and for each of the 6 months in the period beginning January 1, 1950, and ending June 30, 1950, and

(ii) the aggregate of the excess profits net income for each of the 12 months referred to in clause (i).

In line 20, it is proposed to strike out "or (F)" and insert in lieu thereof "(F), or (G)(ii)."

And on page 44, in line 17, before the word "the", it is proposed to insert "and subparagraph (G)."

Mr. MYERS. Mr. President, I have discussed the amendment with the chairman of the committee, as well as with other members of the committee and with members of the staff.

Section 435 (e) of the bill is intended to grant relief to companies with a record of major growth during the latter part of the base period and early in 1950. Companies which meet the stringent qualifications imposed under this section will be permitted to compute their credit by using 50 percent of the 1949 earnings plus 40 percent of the 1950 earnings.

In a very few cases, true growth companies otherwise meeting these severe qualifications will be denied relief due to strikes, fires, and so forth, which abnormally depressed their 1949 earnings.

To relieve the severe hardship which would otherwise be suffered by these companies, I am offering this amendment to permit such taxpayers to use 50 percent of their earnings for the year 1948 in lieu of their abnormally low earnings for 1949.

This further relief provision will have a negligible effect, I believe, upon the revenue, since it will be a rare and aggravated case where a company otherwise qualifying as a "growth company" will have earnings in 1948 greater than in 1949.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Pennsylvania [Mr. MYERS].

The amendment was agreed to.

Mr. GEORGE. Mr. President, I offer a series of technical amendments relating to the growth formula, which have been prepared by the staff. I ask that they be approved en bloc.

The PRESIDENT pro tempore. The amendments will be stated.

The LEGISLATIVE CLERK. On page 227, it is proposed to strike out lines 10 and 11, and insert the following: "tion created incident to such transaction) had commenced business prior to the beginning of its base period (determined without reference to section 461 (d)) and met the requirements of section 435 (e) (1) (A) (i):."

On page 228, in line 15, it is proposed to strike out "(1) (B)" and insert "(1) (A) (i)."

On page 228, in line 18, it is proposed to strike out "'435 (e) (1) (B)", and insert "435 (e) (1) (A) (i)."

On page 229, it is proposed to strike out lines 1 and 2 and insert "one or more component corporation, had commenced business prior to the beginning of its base period (determined without reference to section 461 (d)) and met the requirements of section 435 (e) (1) (a) (i)."

On page 230, it is proposed to strike out lines 11 and 12, and insert the following: "transaction, had commenced business prior to the beginning of its base period (determined without reference to section 461 (d)) and met the requirements of section 435 (e) (1) (A) (i), the acquiring corporation, if it de-."

On page 231, in line 6, it is proposed to strike out "435 (e) (1) (B)" and insert "435 (e) (1) (A) (i)."

On page 231, in line 11, it is proposed to strike out "(e) (1) (B)" and insert "(e) (1) (A) (i)."

On page 231, after line 11, it is proposed to insert:

(3) Where any corporation, a party to a transaction described in section 461 (a), either was entitled at the time of the transaction to determine its average base period net income under section 435 (e) by reason of its having met the requirements of sections 435 (e) (1) (A) and (D) or, where the transaction occurred prior to July 1, 1950, had commenced business prior to the beginning of its base period (determined without reference to section 461 (d)) and was furnishing at the time of the transaction a product of the type described in section 435 (e) (1) (B) (ii), the acquiring corporation shall be entitled to determine its average base period net income under section 435 (e) as provided in this subsection, disregarding, for purposes of this paragraph, the next to the last sentence of paragraph (1) (A) (ii) and the last sentence of paragraph (2), and substituting, for purposes of this paragraph, for the reference to the requirements of section 435 (e) (1) (A) (i), wherever it appears in paragraphs (1) and (2), a reference to the requirements of section 435 (e) (1) (B) as set forth in this paragraph, and for the words "gross receipts", wherever they appear in paragraphs (1) and (2), the words "net sales."

The PRESIDENT pro tempore. Is there objection to the consideration of the several amendments en bloc? The Chair hears none, and, without objection, the amendments are considered and agreed to en bloc.

Mr. DWORSHAK. Mr. President, I send to the desk an amendment, which I ask to have read.

Mr. GEORGE. Mr. President, will the Senator permit me to offer one more clerical amendment?

Mr. DWORSHAK. I yield.

Mr. GEORGE. Mr. President, I send to the desk a clerical amendment, which I ask to have read.

The PRESIDENT pro tempore. The clerk will read the amendment.

The LEGISLATIVE CLERK. On page 255, line 13, it is proposed to strike out "prior to" and insert "on or before."

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. DWORSHAK. Mr. President, I ask that my amendment be read by the clerk.

The PRESIDENT pro tempore. The clerk will read the amendment offered by the Senator from Idaho.

The LEGISLATIVE CLERK. On page 148, line 21, after the word "molybdenum", it is proposed to insert "beryllium."

Mr. DWORSHAK. Mr. President, I am sure the committee will accept this amendment. It merely includes beryllium among the strategic minerals. I have checked with the Bureau of Mines, and it has pointed out that this is an alloy used with steel and copper in connection with the production of jet planes and munitions. I am sure that there can be no valid objection to the inclusion of beryllium among the strategic minerals.

Mr. GEORGE. Mr. President, the committee will offer no objection, subject to the same statement I have heretofore made, that if it should appear that any of these metals or minerals ought not to be included, we shall then be at liberty to use our best judgment.

Mr. DWORSHAK. That is satisfactory.

The PRESIDENT pro tempore. Without objection, the amendment offered by the Senator from Idaho [Mr. DWORSHAK] is agreed to.

Mr. CONNALLY. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDENT pro tempore. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 163, following line 19, it is proposed to add a new paragraph, as follows:

9 (A). Alternative computations: In any case in which more than one mineral property is owned or operated by a lessor or a producer as defined in (a) (1) of this section, such lessor or producer may treat the mineral properties as one property for purposes of computing exempt excess output under this section.

The PRESIDENT pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

TOO MILD A TAX BILL

Mr. O'MAHONEY. Mr. President, I think that all the committee amendments have been presented. I want to make a few brief remarks about the pending bill. In the first place, I wish to express my personal appreciation to the Finance Committee for having reported an excess-profits-tax bill. It is not the sort of bill I was advocating during the session of the Congress in September, but it is an excess-profits-tax bill, and it complies with the provision which was contained in the tax bill which was passed—that at the adjourned session of the Congress an excess-profits-tax bill would be presented. It is a mild bill. It does not raise enough revenue, but it is an excess-profits-tax bill.

This morning the Committee on Appropriations completed its consideration of the supplemental defense appropriation bill, containing approximately $20,000,000,000 of new funds, to be expended principally for the defense of the United States. Added to the $17,000,000,000 appropriation bill passed last fall, this will make a total of $37,000,000,000 to be spent for defense.

There was evidence before the committee which showed that the increases in the prices of commodities which go into defense since immediately before the outbreak of the Korean war have taken a very severe bite out of every defense dollar. It is not too much to say that within the past 6 months the increase in price of the materials we are purchasing for national defense has been so great as to amount to approximately $3,000,000,000. In other words, it will cost $3,000,000,000 more now to buy commodities for defense than it would have cost in April or May of this year. Inflation is undermining our ability to defend the Nation.

In order that it may be understood just what $3,000,000,000 would do, I have had a computation made with respect to the cost of equipping infantry divisions and purchasing bombers and jet fighters. The fact is that the $3,000,000,000 which we have lost by inflation since April 1950 would be sufficient to outfit and equip 10 infantry divisions. It would provide 300 B–36 bombers and 2,250 F-jet fighters for the protection of the United States and the defense of the principles for which it stands.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. BREWSTER. Does that mean alternatively, or does it mean that it would cover all items? It was not clear to me.

Mr. O'MAHONEY. No—all the defense items I have mentioned.

Mr. BREWSTER. The sum the Senator has mentioned would provide all those items. Is that correct?

Mr. O'MAHONEY. The $3,000,000,000 would provide all those items.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. I thought it costs $400,000,000 to equip one division alone; so I would have supposed that the estimate of $3,000,000,000 for the cost of equipping 10 divisions would be a little low.

Mr. O'MAHONEY. Of course, these figures may be subject to alteration. I had the computation made. I did not make it myself. I am sure, however, that it is not too inaccurate and correctly portrays the losses we are suffering from inflation.

Mr. MARTIN. Mr. President, I have heard that the cost of equipping an infantry division at the time of the outbreak of the Korean war was $75,000,000, and that it is now $81,000,000; and, in addition to the items which the Senator has mentioned, there was a statement to the effect that the sum indicated by the Senator would furnish tanks for 10 armored divisions. If we were to lose from our military power 10 infantry divisions, the tanks of 10 armored divisions, and the number of bombers the Senator suggested the people of America would be greatly shocked, and then would figure that we were in a very bad situation.

Mr. O'MAHONEY. I thank the Senator from Pennsylvania, whose long military experience adds very much to the significance of his words. My purpose was to compare the situation in which we find ourselves with respect to appropriations with the situation which exists with respect to taxes. An examination of the House report will show that the purpose of the House committee was to make this tax bill a softer bill than the excess-profits-tax bill for World War II. We seem to be excessively tender toward profits. The report of the Senate Finance Committee, on page 8, contains a table which shows the rates of return on equity capital which are allowed in this bill, as compared with the rates which were allowed in World War II. I ask that the table be printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Equity capital, retained earnings, and borrowed capital [1] rate brackets	Rates under Finance Committee bill	Rates under World War II law
(In millions)		
Under $5	12 percent	8 percent.
$5 to $10	10 percent	6 percent.
Over $10	8 percent	5 percent.

[1] Under the World War II statute the capital in each bracket included only one-half of the borrowed capital.

Mr. O'MAHONEY. Under the heading "Equity capital retained earnings, and borrowed capital rate brackets," according to the Finance Committee bill, such capital under $5,000,000 will be allowed a rate of 12 percent. In the World War II tax law, the allowed rate was only 8 percent. Where the equity capital amounts to more than $5,000,000 and less than $10,000,000, the rate in this bill is 10 percent; the rate under the World War II law was 6 percent. Where the equity capital amounts to more than $10,000,000, which includes all the giant corporations, the pending bill allows a rate of 8 percent, as compared with 5 percent under the World War II law.

Mr. TAFT. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Wyoming yield to the Senator from Ohio?

Mr. O'MAHONEY. I shall yield in a moment. What that means, of course, is that we are saying that the tax-paying corporation will not begin to pay excess-profits taxes under this bill, if it chooses the invested capital base, until it has earned—if it is one of the giants—with more than $10,000,000 invested, 8 percent; if its invested capital is between $5,000,000 and $10,000,000, it will not begin to pay excess-profits taxes until it has earned 10 percent; and if it is under $5,000,000, until it has earned 12 percent.

Believe it or not, however, this bill permits borrowed capital to be computed in the invested capital base. In the World War II law only one-half of borrowed capital could be added to the invested capital base. Now we allow it all. Thus with interest rates low a corporation could reduce its tax liability under this excess-profits bill by borrowing at low rates money it did not need so as to raise its credit. We are tender indeed toward profits.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. TAFT. I should like to point out, however, that as to the 8 percent, the taxpayer would pay taxes under the general corporation tax, so he would not keep 8 percent; he would keep approximately only 4½ percent.

Mr. O'MAHONEY. What the Senator says may be correct. I am pointing out that a device is offered to reduce excess-profits-tax liability.

The Finance Committee bill has increased the surtax rate over the amount applicable in the years from 1945 to 1947. But, in addition to that, this bill reduces the over-all ceiling from 67 percent, as provided in the House bill, to 60 percent as provided in this bill. That over-all ceiling may be briefly explained in this way: The ceiling of 67 percent provided by the House bill had the effect of providing that no matter how great the profits were, no corporation would pay excess-profit taxes which, when added to the normal tax and the surtax of 47 percent, would exceed 60 percent on the whole. So that means that we are levying a surtax upon corporations which are not earning the high profits and excess-profits tax is intended to reach of an increased rate which raises normal and surtax to a maximum of 47 percent and we are saying, in effect, that the excess-profits tax shall cover only the 13 percent between 47 and 60 percent.

Mr. TAFT. We applied the 60-percent rate to the largest corporations in the country, such as General Motors, du Pont, and United States Steel. The 60-percent limit will not save them 1 percent on the very large earnings which they have enjoyed in 1950. With any kind of regulation they will not enjoy much greater amounts in 1951. So, according to the information given to the committee, it is to the advantage of the intermediate and smaller companies. It will in no way, as we see it, assist the large corporations, or reduce their taxes.

SMALL CORPORATIONS PENALIZED

Mr. O'MAHONEY. When we increased the normal and surtax maximum to 47 percent, when we place this limit on all corporations, and when we then reduce the excess-profits-tax ceiling from 67 percent in the House bill to 60 percent, we are necessarily favoring the corporations with high incomes, with high profits, with excess profits. At the same time we are penalizing the small corporations which are not enjoying such high profits because we are shifting the burden from the giants to the smaller corporations.

We have employed the progressive-tax idea so far as individuals are concerned, but for some reason or other, which has never been clear to me, in the drafting of tax laws we have chosen not to apply the progressive theory to the taxation of corporate income. For example, a corporation with an income of, let us say, $100,000, will pay the normal and surtax rate of approximately 45 percent under the present law. An individual with an income of $100,000, on the other hand, will pay at a rate in excess of that. So it goes. The individual tax rate will go as high as 85 percent, but the corporate tax rate, under this bill, will never go higher than 60 percent because of these provisions. That system favors the existing big corporation and tends to dry up investment capital for new enterprise.

Mr. President, the President sent to the Congress a request for an excess-profits-tax bill which would raise $4,000,000,000. The House committee reported a bill which was a billion dollars under that amount, namely, approximately $3,000,0000,000. The Finance Committee has reported a bill which has added $200,000,000, as I understand the report. This bill is estimated to produce revenue amounting tio $3,200,000,000.

I cannot fail to think corporate management of the United States must feel that this is not a heavy bill, because ever since it became clear what the nature of this measure would be, prices in the stock market have been going up for the big corporations which are expected to receive war contracts. The stock market knows that we are tender toward profits.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. Is the Senator from Wyoming aware of the fact that what he has said is particularly true in connection with mining companies?

Mr. O'MAHONEY. I was not aware of that, but I acknowledge that it may be a fact in some cases. They ought to pay their share.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. I agree with the Senator. I want to invite attention to the fact that their exemption was brought about with the Senator's consent and approval, and I disapproved.

Mr. O'MAHONEY. The tax bill was designed to exempt products necessary to defense.

Mr. WILLIAMS. Would the Senator agree with me that his proposal is against the recommendations of the President, who has consistently and repeatedly recommended that we tax mining companies to a greater extent?

Mr. O'MAHONEY. I think there is a distinction there that the Senator overlooks. The Senator will probably cause me to branch off into what I consider to be an irrelevant discussion. As the Senator from Ohio said a while ago when he was commenting on the amendment offered by the distinguished Senator from Colorado, it would be perfectly absurd for the Government, under the Defense Production Act, to pay subsidies to promote the production of minerals which are needed for defense purposes and, at the same time, tax those companies on the subsidies provided by the Government. I was not consulted in the preparation of that amendment. I did however urge the stimulation of domestic mineral production.

Mr. WILLIAMS. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. I yield.

Mr. WILLIAMS. Will the Senator agree with me that the same statement could also be made with respect to farmers and to companies manufacturing airplanes or anything else?

Mr. O'MAHONEY. No; I do not think so.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. MILLIKIN. With reference to the $4,000,000,000 recommended, at the time the recommendation was made it was thought that that sum would balance the budget for the present fiscal year. So it had some sort of relevancy to the particular revenue problem facing the country at that time. An examination quickly developed that it would not balance the budget, and it has no relation whatever, in terms of dollars, to the deficit next year. So that $4,000,000,000 lost its sanctity. In view of the fact that there is going to be an enormous increase in taxes, I do not think the $4,000,000,000 figure has its original unimpeachable character.

Mr. O'MAHONEY. I will say to the Senator from Colorado that it never had any unimpeachable character, in my mind. I thought it was far too low. It never occurred to me that $4,000,000,000 would balance the budget. I am now quite sure that $3,200,000,00 will not go anywhere near balancing the budget. This is not a pay-as-you-go tax bill.

Mr. MILLIKIN. Mr. President, will the Senator yield further?

Mr. O'MAHONEY. Certainly.

Mr. MILLIKIN. I think that next year the amount realized will probably be from $4,000,000,000 to $5,000,000,000. But if the Senator from Wyoming is worried about the difference between $3,200,000,000 and $4,000,000,000, I think he may be comforted by realizing that we are going to raise all taxes.

Mr. O'MAHONEY. I am happy to hear the Senator say that. I know the Senator redeems his promises, and that means that the Senator from Colorado in the next session of Congres will be working for a higher level of taxes.

Mr. MILLIKIN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. Yes.

Mr. MILLIKIN. I will not do that with joy, but through necessity.

Mr. O'MAHONEY. None of us will do it with joy, of course. What I am trying to point out is the impelling necessity of levying a high rate of taxes, particularly on high profits. No one may hope to make a profit out of the defense program. If we are drawn into another war, no one may expect to make any profit out of that. There can be no doubt that the dictators in the Kremlin are depending upon our failure realistically to take free money out of the market and prevent inflation as their last weapon with which to destroy us. Inflation is the enemy within the gate and we are not coming to grips with it.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. DWORSHAK. I am sure that the Senator from Wyoming does not want the recent colloquy between himself and the Senator from Delaware [Mr. WILLIAMS] to leave the erroneous impression that the mining companies which mine strategic minerals want to be permitted to profiteer in this great hour of emergency. I should like to point out that the exemptions of strategic minerals include various minerals which are in short supply, and many of which are being imported into this country. Certainly it would be virtual confiscation to induce the domestic mining industry to produce in excess of normal requirements, and at the same time have the Government step in through any kind of tax and take virtually all the profits or proceeds from the mining of such minerals. In the mining industry capital investment is reflected in deposits of minerals. When they are exhausted the result is not comparable to a profit, but rather to a depletion of capital investment. The mining industry wants to cooperate in every way possible in this emergency.

Mr. O'MAHONEY. I am grateful to the Senator for his statement. I wish to add only that it has been the policy of Congress for many years now to stockpile strategic and critical materials. It was recognized that in some instances we do not ourselves produce the strategic and critical materials which are necessary in war. Therefore, we authorized the accumulation of a stockpile, and we have been buying these materials. In the act which authorized the stockpiling we provided specific authority to stimulate the production of these materials at home, so that we would not be dependent upon foreign sources of supply. I think that is a sound program.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. AIKEN. I have enjoyed the discussion of the Senator from Wyoming. I am sure that I would agree with him on a great many points which he has made if I understood the intricacies of our tax structure as well as the Senator from Wyoming understands them. However, I have yet failed to get the point of his discourse. Does the Senator advocate a vote against the bill?

Mr. O'MAHONEY. Oh, no.

Mr. AIKEN. Is the bill so inadequate that we should vote against it?

Mr. O'MAHONEY. No. The bill is inadequate, but it is probably all we can get now.

Mr. AIKEN. I ask the question because if there is a roll call, I shall be obliged to vote first, and I should like to have the guidance of the Senator from Wyoming.

Mr. O'MAHONEY. I hope the Senator from Vermont will vote for the bill. Certainly I shall vote in favor of the bill.

Mr. AIKEN. That is what I wanted to find out.

Mr. O'MAHONEY. I am aware of the fact that members of the Committee on Finance have said privately what the Senator from Colorado has stated, that next year the committee will come in with another tax bill, and I want that tax bill to be realistic, as this tax bill is unrealistic. However, half a loaf is better than no bread. I have remembered enough of my New England upbringing not to forget that maxim. Therefore, I shall take the bill rather than take no bill, because Congress will adjourn very soon. I shall do this although this bill is far less than half a loaf.

Mr. AIKEN. I thank the Senator from Wyoming, and I shall vote in favor of the bill.

Mr. O'MAHONEY. I do not desire unduly to take the time of the Senate in discussing this subject. My purpose, as I have stated to the Senator from Vermont, is to get my statement into the RECORD. The bill does not produce the amount of revenue the Government should have. There are many loopholes in the bill. I hope that when in the next session of Congress we undertake to write a tax bill consideration will be given not only to the points which I have

raised but also to other points which an examination of the bill will, I am sure, disclose should be adequately covered.

The principle of an excess-profits tax is here again recognized although it is far weaker than it ought to be, far weaker than the World War II excess-profits-tax law. It has been given to us in the face of the most bitter, most determined fight ever made to kill the principle of a tax on high profits. That fight failed. It gives us reason to hope that the new Congress will give us a tax bill that will help stop inflation, a tax bill that will help save the system of private property.

Mr. GEORGE. Mr. President, the distinguished Senator from New Jersey [Mr. HENDRICKSON], who was called from the floor, has asked me to offer an amendment, to which there is no objection. The amendment would include certain other utilities, one of which had been omitted.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 143, line 14, it is proposed to strike out the words "or water, or" and to insert in lieu thereof "water, or sewerage disposal services, or."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. GEORGE. Yes.

Mr. WHERRY. I should like to ask a question or two with reference to former section 722. I notice on page 24 of the report that under the caption "Other types of abnormalities in the base period" certain relief is given, which is also true of subparagraph (iii) on page 22 of the report, which deals with increase in capacity during the base period. I do not know in how many other places in the bill relief is given similar to relief under section 722. I assume all such relief refers to the future. I am wondering whether anything has been done with respect to giving retroactive help in hardship cases, such as I brought to the attention of the distinguished Senator from Georgia, growing out of situations which occurred during World War II relative to the base period, depressed industries, and other abnormalities.

Mr. GEORGE. There is nothing in the bill which gives relief to any hardship cases retroactively. The purpose of providing formulas for increased capacity, new corporations, depressed industries, abnormalities, and so forth, was to provide automatic relief rather than the relief which taxpayers were not able to get under section 722, at least as it was administered.

Mr. WHERRY. I deeply appreciate the remarks of the Senator. There is nothing by way of retroactive relief?

Mr. GEORGE. Nothing retroactively.

Mr. WHERRY. Does the Senator feel that in a tax bill next year there may be something done with reference to section 722? The Senator well knows that there are companies in my section of the country which have had no relief by taking their cases through proper channels. I think they are working for some retroactive legislative relief. Because automatic relief is being given to abnormalities in the future, I am wondering whether anything could be done in the next session with reference to retroactive relief.

Mr. GEORGE. I would not be able to say, of course. The Treasury has indicated that we shall have a tax bill, and presumably the House will begin work upon another tax bill at an early date. Generally proper treatment is given to real hardship cases, and oftentimes retroactively. I can only say to the Senator that I believe that we shall deal with these matters just as we ordinarily do in a general tax revision, when we can get to them and have an opportunity to deal with them. I should like to be able to give the Senator some assurance, and I should be glad to do so if I could, but I cannot give him any more definite assurance than I have given.

Mr. WHERRY. I appreciate the assurance which the Senator has given. I have spoken to him on more than one occasion.

Mr. GEORGE. That is correct.

Mr. WHERRY. Some relief was anticipated. Up until now it has not been given. The procedure has practically shut out any relief in the majority of cases.

Mr. GEORGE. The Senator is correct. The program of relief has somewhat broken down. However, that section is not repealed.

Mr. WHERRY. No.

Mr. GEORGE. It is still open, and we are still functioning under it.

Mr. WHERRY. There is no repeal of whatever provisions there are relative to hardship cases retroactively.

Mr. GEORGE. The Senator is correct.

Mr. WHERRY. Those provisions remain in full force and effect.

Mr. GEORGE. That is true. This bill, however, is not made retroactive.

Mr. President, I wish to add merely one word. At the beginning of my statement, I pointed out that at the present time the total tax take from individuals now amounts to $22,000,000,000, and that the total tax take from corporations, by the passage of this bill, will have reached the high level of more than $19,000,000,000. If the increase in corporate income continues through 1951 at the present trend, the total tax take from corporations will exceed the present tax take from individuals, and this bill will produce between $4,000,000,000 and $5,000,000,000 if the normal increase, the trends of which are now evident and measurable, extends through 1951. The tax on corporations is extremely high, even if it is taken out of some $40,000,000,000 of income, when we consider that forty-odd billion dollars as against the total income of all individuals in the United States.

Complaint was made by the distinguished Senator from Wyoming [Mr. O'MAHONEY] because of a 60-percent over-all limitation. Let me remind him that with a 95-percent rate in World War II the ceiling was fixed at 72 percent after taking into account the postwar credit.

Mr. FLANDERS. Mr. President, we have before us an excess profits tax bill which is generally expected to pass substantially as presented. This bill is commonly considered by sensible people to be better than the House bill. I beg to differ with this statement. It is merely less bad than the House bill.

"Excess profits tax" is one of those bright, shining, liberal tags which appeals to the ordinary voter and to the voter-conscious legislator. Every legislator should be voter conscious, but he must be something more. I think all of us would agree that our constituents expect us to do something more than take a real or imaginary referendum of their judgment on any given subject at any given time and govern our voting thereby. I am sure, Mr. President, that my own constituents feel that they have put me in a position where I am given some time for study and analysis, and they expect an exercise of judgment on my part. They also retain the right of criticism and of demanding explanations. Finally, they reserve the right to retire me at the end of my term if my voting and my explanations for my votes are not satisfactory to them.

Assuming that some thought and analysis is required of me by my constituents and that I am not to be a voting machine manipulated by levers, I feel it my duty to do something more than read the tag on this package. The tag says, "Excess profits tax." What is in the package?

Mr. President, there are in the package administrative difficulties and injustices. Others have detailed or will detail some of these. I will refer to them only briefly. What I do wish to say first is that you cannot segregate the excess profits of war production from peacetime profits in a time of all-out preparation for war such as we are entering. Any increase in profits as a result of our expansion of war production is an excess profit, whether it comes at first hand and to a contractor of war matériel or whether it comes at third or fourth hand to industries and business not directly connected with the war effort. There is no administrative procedure which the mind of man can devise which will separate the war profits from the peacetime profits.

There are likewise war losses. Profits of some businesses are going to be very greatly decreased by the war effort. These unfortunate businesses may properly seek to sustain their falling markets by getting war contracts suited to their equipment and the skill of their personnel. But their losses are war losses.

In view of these over-all considerations the real policy for all-out production is to tax profits wherever found. The corporation tax is the answer to the problem of corporate war profits.

The alternative for excessive profits which this tax was designed to remedy, is to be found in renegotiation. In the process of renegotiation special conditions are always, and of necessity, taken into account as they cannot be in general legislation. The combination of high corporate taxes and renegotiation

cover all the necessities for profit control and high tax revenue under war conditions.

There is every expectation that this bill will pass the Senate substantially as is. I am not going to delay its progress by amendments at this time. However, I earnestly suggest to the Finance Committee that it replace this bill with one providing a corporate tax of 60 percent in place of the 45 percent of the House measure and the 47 percent of the Senate measure. This will, according to the best estimate I can get, produce some $7,000,000,000 of increased income, $3,000,000,000 or $4,000,000,000 more than does the bill under consideration. My own opposition to the excess profits tax is not that it raises too much money. I am urging that a general corporation tax of 60 percent be established at the earliest possible time in the session of the Eighty-second Congress, eliminating completely the misbegotten excess profits tax.

A couple of the inequities require brief comment. One of them is in provisions for hardship cases. The provisions in the Senate bill for depressed industries should be defined in more specific terms as relating to industries which exhaust their demand in wartime instead of damming it up. A Treasury classification is not a valid criterion for this purpose. As an example, automobiles and consumer goods in general had their demands dammed up by war controls. As further examples, shipbuilding, the airplane industry, and machine tools had their demand exhausted by wartime conditions. This should be the criterion for relief.

I know something of each of these three industries but know the machine-tool industry most intimately, having been engaged in it for 50 years until I came to the Senate. The bill appears to lump it with general machinery. It should not be so lumped. For instance, under general machinery could come printing machinery and textile machinery which had a postwar boom. Demand had been dammed up. Machine tools had a postwar slump. Peacetime demand had been destroyed.

I do not need to call attention to the inflationary effect of unwarranted expenses which follow in the wake of excess profits. That is sufficiently well known, but has not deterred the preparation and presentation of this bill. I wish to mention briefly what others have criticized, and that is its effects on small business.

It sometimes seems as though every time we pass a bill with a liberal tag and without examining the package, we get another blow at small business. That was the case with the recently passed H. R. 2734, putting in question the acquisition of assets. The small-business man who wishes to dispose of his property is now sure of no process except the kind of a piecemeal liquidation that goes with bankruptcy. His reasons for wishing to sell may be perfectly good. He or his partners may be growing old without heirs coming along to take over. Or it may be the settlement of an estate in the event of death. The value of the estate may be tremendously depreciated by this law, to the misfortune of the widow and the orphan.

But that is an aside. What I am saying in this case is that while the impossible endeavor is made to protect the interests of the small business such business is sure to get it in the neck. It will, among other things, run up against the advantage which big business will have in its institutional advertising which will be warranted from the business standpoint when the Government pays most of the bill. It furthermore will get it in the neck because the big company can fight it case through. The little business cannot afford the high cost of legal talent and the executive attention.

I might go further, but these examples will do.

In view of these considerations I shall vote against this tax bill if I am able to be in the Senate when it comes to a vote. And I hereby ask that my name be reported against it if I am compelled to be absent, as may be the case.

I do ask that we have a much higher regular corporate tax of general application. I have suggested 60 percent. If we do that, and if we raise personal-income taxes as well, we shall be fighting the causes of inflation instead of trying merely to control the symptoms as we do under the measures we have voted for wage and price control. Let us be honest in our efforts to save the American citizen from the forces of inflation.

Mr. DOUGLAS. Mr. President, first I should like to congratulate the Committee on Finance for reporting to the Senate an excess profits tax bill. We were somewhat dubious last fall as to whether or not we would have an excess profits tax bill, and I am glad the committee has brought this measure before the Senate.

I also desire to congratulate the committee on dating back the effective period at which the new tax rates will take effect to the first of July instead of to the first of October, as might have been possible under the joint resolution adopted by the Senate and House last September.

I should like to emphasize the fact that we need tremendous amounts of revenue. When we passed the ordinary budget last summer there was an indicated deficit of approximately $3,000,000,000. That may have been made good by the greater prosperity of the country and the increase in revenue since then, but in September, as we are all aware, we passed the first supplemental appropriations bill, calling for $17,000,000,000, nearly all of it for war purposes. Furthermore, as the Senator from Wyoming [Mr. O'MAHONEY] has stated, the Appropriations Committee now has under consideration, and I believe will report tomorrow, the second urgent deficiency bill, which, as he stated, will provide appropriations of $18,000,000,000 more. We will therefore be appropriating—and I am very glad we are doing so—$35,000,000,000 more for military purposes above and beyond the ordinary budget of some $41,000,000,000 which we passed last summer, and which included in it an item of about $13,500,000,000 for military appropriations for our own forces, plus other appropriations for defense such as atomic energy.

Mr. President, it is quite possible that we may not spend within the fiscal year 1950–51 all of this extra $35,000,000,000 which we will appropriate during the current year. I think it is probable that we will not spend all of it. But I believe it will be necessary for us to spend at a greater rate than now seems to be contemplated if we are to be adequately prepared for the military emergency which now confronts us.

MILITARY CRISIS REQUIRES GREATLY INCREASED REVENUES

We are in a serious military crisis and we need a much larger Army, a much larger Navy, a much larger Air Force, and time will not work with us unless we use every minute of it to become prepared to the fullest possible extent. I think, therefore, our military and defense authorities should not feel that they should restrict their efforts during the coming months in order to spend as little as possible. The aim should be to bring about the maximum amount of military preparation, and we can certainly expect that a very large amount of this $35,000,000,000 will be spent during the coming 6 months. As we move into the fiscal year 1951–52 we will be spending at the very least $35,000,000,000 plus $15,000,000,000 or a total of $50,000,000,000 for national defense. The sum total for national defense will probably be greatly in excess of that figure.

Mr. President, that is on the expenditures side. What provision are we making on the revenue side for these tremendous outlays? Last September we passed a revenue bill which was estimated to yield approximately four and a half billion dollars a year when it came into full operation. Today we have submitted to us an excess profits tax bill yielding in this year an annual rate of three and two-tenths billion dollars, and yielding from four to five billion dollars a year when in full operation. If we estimate the future yield of this bill at $4,000,000,000 that, added to the four-and a half billion dollars provided by the tax bill of last September makes a total of eight and one-half billion dollars. I doubt if these two bills combined will yield more than from nine to nine and one-half billion dollars as compared with the additional $35,000,000,000 which we are pledging ourselves by appropriations. In other words we are providing for only about one-quarter of the added military costs by our two tax bills.

INFLATIONARY DANGERS OF INADEQUATE TAXATION

Mr. President, what will happen if we do not tax at a greater rate? It is perfectly obvious what will happen. The Government will be forced to borrow. We hope that the American public will buy bonds out of current income, out of savings resulting from reduced expenditures for consumption. But we know as a matter of fact that, if we have to raise from twenty-five to twenty-seven billion dollars by loans, the private savings of

individuals will not be sufficient to meet this amount.

As a result, unless we raise more revenue, we will have to borrow from the banks, and the Treasury will be compelled to go to the banks and tell them that they should subscribe a given percentage of their capital assets in the form of loans to the Government. The banks will do this, but how will they do it? They will do it by setting up checking accounts to these amounts, against which the Government can draw. The banks will create, therefore, check-book money, added bank credit against which the Government will draw to pay for the materials and services which it utilizes in the war.

In other words, the sum total of money which is offered for goods will increase relatively, and the inevitable result will be a rise in the price level and inflation. We can stave that off partially, for a time by a system of price and wage controls, but it will only be postponing or alleviating the increases in prices unless we have an all-out system and wage controls. Even then, controls will attack only the effects of inflation and not the cause itself. Even if we have controls, we must still attack the root of inflation by higher taxes so that we can avoid borrowing from the banks.

So it seems to me that the most important thing this body can do at the present time is to pass a strong tax bill which will raise the maximum amount of revenue. To fail to do so is to force the Government to borrow, to force the banks to create credit, and to force up the price level. We cannot disavow responsibility for what follows, if we do not try to get the maximum amount of revenue at this time.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, I have great respect for the Senator from Ohio, but I am speaking without a prepared manuscript, and I should like to finish my remarks. Then I shall be very glad to yield to the Senator from Ohio. I am afraid that if his siren song sounds across the Chamber, I shall forget some of my points and be diverted. [Laughter.] Therefore, like Ulysses, I must lash myself to the mast until I have finished.

Mr. President, I know it is very difficult to enact a very severe tax bill. The people who are to pay the increased taxes always appear and protest. The general public is not represented to the same degree; the general public does not have its personal representatives in Washington, and its voice cannot be heard. It is up to us to make it heard.

However, the ultimate consequences go further. It is hard to tax; it is unpopular to tax. It is easy to postpone the evil day. But whatever the political consequences to us may be—and they may be severe in the case of those who work for a rigid tax bill—certainly they are less important than the consequences to our country if we fail to tax as rigidly as we should.

Certainly I do not wish to criticize the Finance Committee, which is composed of eminent gentlemen, patriotic gentlemen, able gentlemen. Anything I say certainly should not be interpreted in the slightest sense as a criticism of their motives. I merely say that bills which are supposed to be helpful to some elements of society frequently are hurtful to society as a whole. It is to this larger aspect that I should like to speak.

There are at least two points in the bill about which I am very dubious, and there is a third point about which I should like to ask some questions.

REDUCED MAXIMUM EFFECTIVE RATE WILL COST US $250,000,000

The first point about which I am dubious is the proposed reduction of the maximum effective rate of taxation. Under the provisions of the bill as passed by the House this maximum effective rate is 67 percent. This would be reduced to 60 percent by the Senate committee bill. I have had some computations made on that point. It seems clear that the Senate committee amendment will result in a loss to the Government of approximately $250,000,000 of revenue per annum, perhaps much more.

We remember that in World War II the maximum rate of taxation was 72 percent. Now it is proposed that we reduce that rate to 60 percent, as compared with the rate applied during World War II, and reduce it 7 percentage points below the maximum rate provided by the House.

There will be some interesting consequences of that action. Not only will there be a loss of revenue, but such a change will mean that the concerns which profit most from the war activity, and whose earnings rise very greatly, will be exempted to the degree by which the reduction in the maximum rate can be imposed. I think we should take that point very much into consideration.

It is my present intention to offer an amendment which will increase the maximum rate of taxation from 60 to 70 percent. According to my estimates, that increased rate will yield approximately $350,000,000 more revenue than will the maximum rate provided by the committee.

TREATMENT ACCORDED TO PROFITS MADE ON BORROWED CAPITAL

There is a second part of the committee bill about which I am very dubious. In fact, I think this portion of the committee bill would be a mistake and that we should retain the House provision. This is the provision for the treatment of profits made on borrowed capital. The bill as passed by the House provided that the interest on borrowed capital—in other words, the interest on bonds or on borrowings from banks—would be deducted from the gross profits before arriving at taxable net profits, so that the excess-profits rate would be figured on the net profits minus the interest; and then, to make an allowance for the risk on indebtedness, the net credit would be equal to one-third of the interest cost. That is, the gross credit is one and one-third times the interest cost, but after deduction of bond interest, the net credit is one-third interest cost. This is exempted from excess-profits tax.

The bill now before us, as reported by our committee, provides that there shall be an average, overall rate of return on all capital, computed not merely on equity capital, but also on borrowed capital. This makes a very real difference, because we well know that the interest rate on borrowed capital is appreciably below what the average overall rate of return will be under the second method of computing excess profits.

I hold in my hand the most recent bulletin—for November 1950—of the Federal Reserve Board. On page 1506 we find stated the average yield on corporation bonds. The statement shows that in the last week of October, the average rate of return on high-grade corporate bonds was as follows: 2.67 percent on Aaa bonds; 2.72 percent on Aa bonds; 2.91 percent on A bonds; and 3.22 percent on Baa bonds.

Mr. President, what is the meaning of this provision? The meaning is that under the second method of computation this bill provides an average rate of return, on borrowed capital as well as equity capital, of 12 percent for corporations with earnings under $5,000,000, 10 percent on earnings of corporations from $5,000,000 to $10,000,000, and 8 percent on earnings of corporations over $10,000,000.

Suppose a concern is worth $10,000,000, and suppose half of its capital is provided by means of the sale of bonds and half through equity capital. Under this provision that corporation will be allowed 11 percent on the entire $10,000,000, or approximately $1,100,000, before the computation of excess profits begins.

Under the provision of the bill as passed by the House, if the corporation borrowed on its bonds at 3 percent it would be allowed the actual interest paid on the bonds—in other words, 3 percent on $5,000,000, or $150,000—plus one-third, or $200,000.

Therefore we see that the excess earnings—the earnings in excess of the cost on the bonds—can therefore be transferred to the owners of the equity under the provisions of the committee bill, so that their real earnings will be appreciably in excess of the 10 percent which is allowed.

TREATMENT ACCORDED BORROWED CAPITAL ILLUSTRATED

I have worked out an illustration on that point which I should like to give: Assume that a corporation has a total capitalization of $10,000,000, consisting of $5,000,000 equity and $5,000,000 borrowed capital, with interest at 3 percent. Under the provisions of the bill as passed by the House the net excess-profits credit would be equal to $600,000, plus one-third of the interest cost—$50,000—or a total of $650,000. Under the bill as now proposed to be revised, the net credit would be equal to $950,000, or an increase of almost 50 percent over the House bill.

Now, note what happens to the earnings of the stockholders. Taking into account this $950,000 before excess-profit taxes means that the stockholders of the corporation can earn 19 percent on their investment of $5,000,000 before they are subject to excess-profits tax; that is, there is $950,000 which they earn before

the excess-profits tax begins, compared with the 13 percent which was allowed under the House bill. The result of the Senate provision is to give a much greater rate of return to those concerns which have appreciable amounts of bonded indebtedness than is given to concerns which do not have much bonded indebtedness. Therefore, this provision will tend to favor the highly capitalized companies, the large companies which have been able to float bonds, who will only pay for these bonds at the rate of 3 percent interest, but who are given an earning rate of return of from 8 to 10 percent. The difference between that 3 percent on the one hand and the 8 and 10 percent on the other can be transferred to the holders of equities. This is discriminatory against small companies. It loses revenue of at least $50,000,000 a year, possibly more; and it seems to me to violate the principles of equity as well as the desire to raise more revenue.

Mr. KERR. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. Does the Senator from Illinois yield to the Senator from Oklahoma?

Mr. DOUGLAS. I see my charming friend from Oklahoma rising. Since I refused to yield to the Senator from Ohio, I can hardly discriminate in favor of my good friend from Oklahoma, much as I should like to do so.

Mr. KERR. Mr. President, will the Senator yield for a one-third-of-a-second observation?

Mr. DOUGLAS. Certainly.

Mr. KERR. I would suppose that my distinguished friend from Illinois would like to have such inaccuracies as he has stated called to his attention at the time they are made, rather than at a later time; but I shall be glad to wait.

Mr. DOUGLAS. No; I shall be glad to have the Senator correct any inaccurate statement I may have made.

Mr. KERR. Will the Senator repeat the figure he gave as to what a company having $5,000,000 equity capital and $5,000,000 bonded indebtedness would receive in the way of profits, exempt from excess profits tax, under the House bill, as contrasted to the provisions of the Senate bill?

Mr. DOUGLAS. Under the House bill, the amount which would be exempted, according to my figures, would be $650,000.

Mr. KERR. How did the Senator arrive at that figure?

Mr. DOUGLAS. Twelve percent of $5,000,000, which is the exemption stated; that is, if we look at the report on page 8, the equity capital retained, earnings, and borrowed capital, under $5,000,000, to 12 percent; so the 12 percent of that would be $600,000. Then there would be the added provision of one-third of the actual interest cost, and I assume a 3-percent-interest rate; so that the total interest cost would be $150,000. One-third of that would be $50,000, and, according to my arithmetic, $600,000 plus $50,000 would be $650,000. If the Senator's arithmetic is superior to that, I should be very glad to have it.

Mr. KERR. The Senator from Oklahoma disclaims any interest in or knowledge of arithmetic, but he can count up to $650,000.

Mr. DOUGLAS. It is based on 12 percent of $5,000,000, plus one-third of $150,000, which equals $650,000.

Mr. KERR. What did the Senator say would be the return on the basis of that computation, under the Senate bill?

Mr. DOUGLAS. Nine hundred and fifty thousand dollars. That would be the net credit before excess profits occurred.

Mr. KERR. How did the Senator arrive at that figure?

Mr. DOUGLAS. That would be composed of a 12-percent rate of earnings on the first $5,000,000, which is $600,000, plus 10-percent earnings on the next $5,000,000, which is $500,000. Six hundred thousand dollars plus $500,000 equals $1,100,000. Is that correct?

Mr. KERR. Six hundred thousand dollars plus $500,000 equals $1,100,000; that is correct.

Mr. DOUGLAS. To that we agree. From that would be deducted the $150,000 for interest paid, leaving $950,000 remaining. There would be an interest cost of $150,000.

Mr. KERR. There would be a cost of $150,000. Now is the Senator aware of the fact that that is subject to the 47 percent?

Mr. DOUGLAS. I speak simply of the excess-profits rate.

Mr. KERR. The Senator said it would be profit to the stockholder.

Mr. DOUGLAS. I said that the excess-profits rate would not begin until $950,000 has been reached.

Mr. KERR. Did the Senator say there would be an additional benefit of $300,000 to the stockholders?

Mr. DOUGLAS. I was not aware of that. I shall check that.

Mr. KERR. If the Senator said that, then he was in error, was he not?

Mr. DOUGLAS. Yes, but the supertax rate would not apply.

Mr. KERR. I understand.

Mr. DOUGLAS. That is what I mean to say.

Mr. KERR. Neither would it be profit to the stockholders.

Mr. DOUGLAS. But the supertax rate would not be applied.

Mr. KERR. Does the Senator base that on the second $5,000,000 of the capital structure, under the House bill, so that the corporation would be permitted to earn a maximum of $50,000, free from the excess-profits tax?

Mr. DOUGLAS. It would be permitted to deduct from gross profits the interest actually paid, plus one-third of the interest.

Mr. KERR. One-third would be 1 percent, would it not?

Mr. DOUGLAS. That is correct, if the interest rate is 3 percent.

Mr. KERR. That is the figure the Senator used, is it not?

Mr. DOUGLAS. Yes.

Mr. KERR. One percent of $5,000,000 would be $50,000, on the borrowed capital. The corporation would be permitted to earn $50,000 free of the excess-profits tax; is that correct?

Mr. DOUGLAS. That is correct. Of course, it would be applied——

Mr. KERR. If the Senator will pardon me one moment. The Senator is aware that that would be subject to the normal surtax, is he not?

Mr. DOUGLAS. That is correct.

Mr. KERR. That is, of 47 percent.

Mr. DOUGLAS. But not surtax—normal tax.

Mr. KERR. And the surtax?

Mr. DOUGLAS. Now, what about the surtax?

Mr. KERR. It is quite an item.

Mr. DOUGLAS. I do not see how the Senator gets the surtax.

Mr. KERR. The bill provides a total of 47 percent.

Mr. DOUGLAS. That is the normal tax; not the excess-profits tax.

Mr. KERR. That is normal and surtax, before excess-profits tax.

Mr. DOUGLAS. Is there not 30 percent added on top of that.

Mr. KERR. The 30 percent is over and above that.

Mr. DOUGLAS. In what we have been saying, I have been using the rate of 45, as provided by the House bill, and 47, as provided by the Senate bill, as the normal tax, and then an additional 30 percent added above that.

Mr. KERR. It has the same effect, by whatever name it may be called.

Mr. DOUGLAS. It is well to get our terms defined.

Mr. KERR. It is well to get them to correspond with the facts of the bill, then we shall easily understand them.

Mr. DOUGLAS. This is what I have been trying to do. We are trying to find a common understanding.

Mr. KERR. Will the Senator join me in requesting the head of the joint staff to tell us what the 47 percent is called?

Mr. LANGER. Mr. President, will the Senator speak a little louder?

Mr. KERR. If the distinguished Senator from North Dakota is going to remain awake during the argument, I shall be glad to speak loudly enough to make him hear. [Laughter.]

I should like to ask Mr. Stam to inform the Senator from Illinois——

Mr. DOUGLAS. I should be willing to make Mr. Stam a Member of the Senate if it lay within my power to do so.

Mr. KERR. For the information of the Senator, I have consulted Mr. Stam in a whispered tone of voice, and he advises me that the 47 percent is known as normal and surtax.

Mr. DOUGLAS. As what is the 30 percent known?

Mr. KERR. The House bill provided an excess-profits tax of not to exceed 30 percent on the earnings of a corporation. It was an excess-profits tax figure.

Mr. DOUGLAS. It is really a surtax.

Mr. KERR. It is not so called.

Mr. DOUGLAS. But, in reality, is it not?

Mr. KERR. I am afraid the Senator has now left the position which I thought we took, that we would find out what the technical terms were and use them accordingly. I say it has the same effect.

Mr. DOUGLAS. I am not certain what the purpose of this exercise in semantics

in which the Senator from Oklahoma is indulging may be, but if we go to the average over-all rate of return on bonded indebtedness as well as on equity capital and are able to float the bonds at a much lower rate of interest, it means that the earnings on equity capital before the excess-profits tax begins will be higher than they otherwise would be, and the total amount of the tax will therefore be less. Is there anything wrong with that statement?

Mr. KERR. The only thing that is wrong with it is that it is not correct, if the Senator will permit me to say so. Before we can collect a tax we must know the sum of money to which it is subject.

Mr. DOUGLAS. Certainly.

Mr. KERR. If the Senator will follow me on the line on which I had started, I will show why there would not be any money to which the excess-profits tax would be applied under the proposal which the Senator recommends.

Mr DOUGLAS. Mr. President, would the Senator be willing to save his speech until later?

Mr. KERR. I was going to ask only two more questions.

Mr. DOUGLAS. Who has the floor, Mr. President?

Mr. KERR. The Senator from Illinois has the floor. If he does not like the manner in which the subject has been developed, and if it proves at all embarrassing to him, I shall be glad to wait until the Senator surrenders the floor.

Mr. LEHMAN. Mr. President, will the Senator yield in order that I may ask the Senator from Oklahoma a question?

Mr. DOUGLAS. Mr. President, I must protest. I have the floor.

Mr. LEHMAN. Mr. President, may I ask the Senator from Illinois a question?

Mr. DOUGLAS. I shall be delighted to answer it.

Mr. LEHMAN. I have been very much interested in the colloquy, and it seems to me very evident, regardless of terminology, that if we consider a company with assets of $10,000,000, which include bonded indebtedness——

Mr. KERR. Bonded indebtedness is not included in the assets of a company.

Mr. LEHMAN. It should not be. But the allowance which the company can claim in computing its excess-profits tax, under the Senate bill, certainly does include all indebtedness, as I understood the statement of the distinguished chairman of the Finance Committee. I do not have the calculation, but it seems perfectly self-evident to me that if we make an allowance of 10 or 12 percent on bonded indebtedness, the charge on which is only 2, 2½, 3, or 3½ percent, there is very definitely a gain for the owner and a loss in revenues to the Treasury of the United States. It seems to me, if the distinguished Senator from Oklahoma will permit me to say so, it is axiomatic and must be self-evident to anyone who can make the calculation.

Mr. DOUGLAS. I thank my distinguished colleague from New York. May I say that a rose by any other name would smell as sweet, whether it is called a surtax or something else? The point is that there is an additional tax of 30 percent which is imposed on what is defined as excess profits. The method of computation which the Senate bill adopts means that excess profits will not begin until a much later stage than that which is provided for under the House bill. Therefore, the total amount of revenue raised by the Federal Government will be less. But, however the tax may be designated, under the Senate provision it does not go into effect until the corporation has earned more money than would be the case under the House bill.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, I started in by saying that I wanted to finish my statement without yielding. I have yielded to the distinguished Senator from Oklahoma. As always happens, I stirred up a hornet's nest. The hornets come out and they sting; but I now yield to the biggest and buzzingest hornet of them all—the distinguished Senator from Ohio.

Mr. TAFT. Let us assume that one corporation has $1,000,000 and another corporation has $1,000,000. One is represented by 50 percent equity and 50 percent bonds, and the other by 90 percent equity and 10 percent bonds. Why should not one corporation pay the same tax as the other corporation?

Mr. DOUGLAS. It is a question of what constitutes a profit, I would say to the Senator. It is the earnings upon equity capital, not the earnings upon total capital value.

Mr. TAFT. No; I do not think so. I think the whole question is what can be earned on a certain amount of capital. I considered a case yesterday in which a corporation had $20,000,000 of preferred stock. It issued $20,000,000 of debentures. Why should it pay a different tax? Perhaps one company is doing a better job than the other, making more money, and so forth, but I say that is wholly immaterial as between the two companies.

Mr. DOUGLAS. There are always these transitional problems when a caterpillar is about to become a butterfly.

Mr. KERR. Mr. President, will my good friend from Illinois yield for one more question?

Mr. DOUGLAS. I hope the Senator from Oklahoma, with the geniality which always characterizes him, will permit me to reply to the Senator from Ohio before I take him on.

Normally, I think we should view profits as a return upon the investment by owners. Borrowings are not investments by owners; they are money received from banks or from the general investing public. I had always thought that interest on loans was a cost and that profits accrued only after interest was paid. I would say that is about the most fundamental accounting principle. Bonds are indebtedness which a corporation owes, and the remainder of the capital is an equity which the stockholders own. I thought that was elementary accounting. This is a very important point, because if we get an average over-all return on the total capital, whether it be raised from borrowings or from equity of the owner, we give to the owners of the equity the difference between the rate of return allowed on the borrowed capital and the actual interest on the borrowed capital——

Mr. GEORGE. But we do not allow the borrower to deduct any interest. For all intents and purposes it is the capital of the borrower.

Mr. DOUGLAS. I cannot understand that it is the capital of the borrower. It is a debt of the borrower. I do not believe we should grant the same profits on debts as we do on equity capital. Bonds are debts.

Mr. GEORGE. If the Senator wants to engage in that sort of thimble-rigging it is all right; but if a corporation borrows money and is not entitled to take a deduction for any interest paid upon the money, and if it uses the money in its business, why should it not be regarded as a part of its capital?

Mr. DOUGLAS. Because it is a debt of the corporation.

Mr. GEORGE. Yes, I know that; but it is not entitled to deduct anything for interest paid on it.

Mr. DOUGLAS. It becomes a cost and is deducted from gross revenue before any net revenue is arrived at. If a corporation is permitted 12 percent on its borrowed capital and pays 3 percent interest, is it not perfectly clear that the net benefit is 9 percent, even if interest is not deducted?

Mr. KERR. Mr. President, will the Senator yield for one question?

Mr. DOUGLAS. I shall be delighted to yield.

Mr. KERR. Is the Senator aware of the fact that under the House bill the limit a corporation can make on borrowed capital before beginning to compute the excess-profits tax is approximately one-half of 1 percent?

Mr. DOUGLAS. Does the Senator mean after taxes are deducted?

Mr. KERR. The limit which a corporation could earn and keep under the House bill on borrowed capital before beginning to pay on excess profits would be approximately one-half of 1 percent. Did the Senator know that?

Mr. DOUGLAS. I think I know it. I think I see it through a glass darkly. However, I would appreciate it if my friend would indicate the arithmetic which he uses so that I may see his point face to face.

Mr. KERR. That is what I was about to do when the Senator interrupted with his usual eloquence and his exercise of a privilege which he was entitled to exercise.

Mr. DOUGLAS. I thought the Senator was addressing a question to me.

Mr. KERR. Yes. Take a corporation which has $5,000,000 of borrowed money. Under the House bill it is permitted to earn $50,000 on its borrowed capital.

Mr. DOUGLAS. Which is one-half of 1 percent?

Mr. KERR. One-half of 1 percent.

Mr. DOUGLAS. How does the Senator arrive at the one-half of 1 percent?

Mr. KERR. It pays 47 percent in normal and surtax.

Mr. DOUGLAS. That is what I thought the Senator meant. To be precise, it is 0.53 percent.

Mr. KERR. That is approximately one-half of 1 percent.

Mr. DOUGLAS. Approximately; that is correct.

Mr. KERR. I should like to have the Senator tell me if he thinks any corporation would be foolish enough to borrow $5,000,000 to invest in its business if the limit which it could earn on the $5,000,000 was $26,000 a year; or if any corporation which had $5,000,000 to lend would lend it to a company which under the law could earn only $26,000 a year on the $5,000,000.

Mr. DOUGLAS. The Senator is much more of a financier than I am, and 0.53 percent may not seem like very much to my distinguished friend from Oklahoma, but to the poor Senator from Illinois it is fairly decent.

Mr. KERR. Does the poor Senator from Illinois think he could borrow $5,000,000 on that basis?

Mr. DOUGLAS. I could never borrow anything like $5,000,000.

Mr. KERR. Could he lend anything like $5,000,000?

Mr. DOUGLAS. No; I am not in the class with the Senator from Oklahoma.

Mr. KERR. The Senator from Illinois would not have to be in my class. To be able to do it would not put the Senator from Illinois in my class, because he is more nearly in my class than he would think. However, does the Senator think that anyone would borrow or lend $5,000,000 if the extent of the profit that could be realized on it was $26,000 a year?

Mr. DOUGLAS. Is it not true that 133 percent of the actual interest payment can be used as a taxable deduction by the company?

Mr. KERR. The 133 percent is not subject to the excess-profits tax. However, of that amount, or 4 percent of the total in the Senator's illustration, 3 percent goes to pay interest which is not retained by the corporation.

Mr. DOUGLAS. That is correct.

Mr. KERR. That leaves 1 percent.

Mr. DOUGLAS. That is correct.

Mr. KERR. Under the law, 47 percent goes to Uncle Sam in normal and surtax.

Mr. DOUGLAS. But not the additional tax of 30 percent.

Mr. KERR. No; because in that case it would be permitted to earn only one-fourth of 1 percent.

Mr. DOUGLAS. Yes. I believe the House was quite generous.

Mr. KERR. The Senator thinks so?

Mr. DOUGLAS. Yes.

Mr. KERR. The Senator thinks that borrowers would want to borrow and lenders would want to lend money when the maximum profit that could be earned and kept was approximately one-half of 1 percent.

Mr. DOUGLAS. As a matter of fact, is that not a fairly good rate of earning?

Mr. KERR. As a matter of fact, I do not know of anyone who would be so foolish as to borrow it if the most he could expect to earn, out of which to pay it back, was one-half of 1 percent a year, because it would take 200 years to retire his capital; nor do I know of anyone who owned that kind of money who would be so perfectly silly as to lend if it took 200 years in which to get it back.

Mr. DOUGLAS. I may say to my good friend from Oklahoma that I do not insist on rigidly following the House formula. Perhaps we might increase it not one and one-third times, but perhaps one and one-half times. However, I should like to ask my good friend to consider the other aspect of the situation. If of the $10,000,000 capitalization of the corporation to which he refers $5,000,000 was in equity capital and $5,000,000 in borrowed capital, the $5,000,000 in equity capital under the Senator's formula would be earning $950,000, or 19 percent, before being subject to excess-profits tax. Does he regard that as necessary to get equity capital?

Mr. KERR. I am glad the Senator asked that question.

Mr. DOUGLAS. I hope the Senator will answer it.

Mr. KERR. I will. A company borrowing $5,000,000 under the illustration given by the Senator from Illinois, and on the basis of the figures which the Senator gave——

Mr. DOUGLAS. I am talking about the equity capital. That is the question I was asking. That is the point I made. Does the company need to get 19 percent in earnings?

Mr. KERR. Mr. President, I know of no Senator who is more insistent on being permitted to answer questions than the Senator from Illinois. I would appreciate it if he would accord the same privilege to the Senator from Oklahoma.

Mr. DOUGLAS. Mr. President, will the Senator answer the question?

Mr. KERR. I shall be glad to if the Senator from Illinois will permit me to do so.

Mr. DOUGLAS. I should like to hear the Senator's answer.

Mr. KERR. The company, under the illustration given by the Senator, borrows $5,000,000. If it pays 3 percent interest, and if it is permitted to earn a total of 10 percent, it would leave a net of 7 percent, because under the law on the second $5,000,000 the company is permitted to earn 10 percent.

Mr. DOUGLAS. That is correct.

Mr. KERR. That leaves the company at that point a maximum of 7 percent on $5,000,000, which is $350,000.

Mr. DOUGLAS. Yes.

Mr. KERR. It must pay 47 percent of that in normal and surtax.

Mr. DOUGLAS. That brings us back to the point at which we started. They are not additional excess profits, although its earnings are increased.

Mr. KERR. It does not make any difference to the company whether it pays these earnings to the Government in the form of normal and surtax or excess-profits tax. On the one hand, it has completely parted title to it, and on the other hand the Government has completely received the money. Is that not correct?

Mr. DOUGLAS. The Government has not received the additional tax which we call the excess-profits tax.

Mr. KERR. There is no way in which the Government can receive the same dollar more than once.

Mr. DOUGLAS. There is not the additional tax of 30 percent levied on that $350,000.

Mr. KERR. The company does not have the $350,000, because it pays normal and surtax of 47 percent. That leaves approximately $175,000 earned on the $5,000,000. Is the Senator aware that when that passes to the stockholders in the form of dividends, the average stockholder pays 50 percent of that to the Government?

Mr. DOUGLAS. Certainly. I think it may well be that in an ideal community we should tax only income when received by individuals or when reinvested by a company in a business. It is quite possible that the whole system of corporate taxation results in double taxation. However, the Senator is not proposing to throw out that formula, is he?

Mr. KERR. Not at all.

Mr. DOUGLAS. I say that the excess profits should begin at an earlier stage than they are arrived at under the formula of the Committee on Finance. I say excess profits are earnings on equity capital. If the Senator says they are earnings on total capital, and the owner's equity capital should get an added rate of return for the differences between the cost on borrowed capital and the allowed rate of return on borrowed capital, our assumptions are different, and we would vote differently. However, I am at least trying to indicate what the issue is.

Mr. KERR. Mr. President, will the Senator yield for a question?

Mr. DOUGLAS. I yield.

Mr. KERR. Is it not entirely possible that excess-profits taxes are those which begin on profits which are excess, or above normal?

Mr. DOUGLAS. I had never regarded a debt as an asset of the owner. It is extraordinary to have an exponent of sound finance say that debt is an asset of the owner of the company. I always considered debt to be a liability.

Mr. KERR. The Senator from Oklahoma calls attention to the fact that wherever there is a liability there must be an asset.

Mr. DOUGLAS. But not in the same hands.

Mr. BREWSTER. Mr. President, will the Senator from Illinois yield for a question?

Mr. DOUGLAS. Mr. President, I am taking up more time of the Senate than the junior Senator from Illinois deserves, although the subject is important. I have no desire to delay consideration of the bill. I have no desire to take more time than necessary. If the Senator from Maine has some burning question which he would like to put, it would be ungracious of me not to yield; but upon his head and not upon mine be any delay.

Mr. BREWSTER. I have not hitherto occupied any time of the Senate or of the Senator from Illinois on this subject.

Mr. DOUGLAS. The Senator is correct.

Mr. BREWSTER. It occurred to me, that, having been raised within 10 miles of where the Senator from Illinois was raised, in very humble circumstances, we might reduce this discussion from millions to de minimis and perhaps arrive at the equities which the Senator from Illinois seeks. I may say that I have considerable sympathy with what I understand to be the position of the Senator from Illinois. As I understand him, the Senator from Illinois feels that the debt of a corporation is not the investment of the owner, but is rather the investment of the lender.

Mr. DOUGLAS. Yes. What I am saying is that the debt of a corporation is an obligation of the corporation.

Mr. BREWSTER. Yes.

Mr. DOUGLAS. But that the real investment of the owner consists of the equity capital.

Mr. BREWSTER. But the obligation under the debt is not an investment of the owner.

Mr. DOUGLAS. That is correct.

Mr. BREWSTER. That is what I tried to say.

Mr. DOUGLAS. The Senator is correct.

Mr. BREWSTER. That is what I understand. Getting the discussion down to the level of transactions with which we in Maine are familiar, about all we have in Maine are very small mortgages. If one should buy a $10,000 house and borrowed $5,000, getting the other $5,000 from some other source, when he got the $5,000 under the mortgage, would the money at that point belong to him or to the mortgagor?

Mr. DOUGLAS. I should say that his equity in the house, what he owns, is $5,000.

Mr. BREWSTER. I am asking the Senator about the $5,000 which is borrowed. Is that the money of the borrower, or is it someone else's money?

Mr. DOUGLAS. It is someone else's money.

Mr. BREWSTER. The borrower has borrowed it and given his note for it. Is it not his money?

Mr. DOUGLAS. But he has an obligation for an equal amount, so that his net worth is the $5,000 equity.

Mr. BREWSTER. I was trying to get at the matter of investment. The borrower has invested $10,000 in the house, $5,000 in money of his own, and $5,000 in money which he borrowed, for which he gave his note. Once the borrower gave his note, the money no longer belonged to the lender, but to the borrower, and he invested it in the house.

Mr. DOUGLAS. But he had an obligation of $5,000 in return for the money he borrowed.

Mr. BREWSTER. That obligation represents an obligation against the investment, against the equity.

I think there is some equity in the position of the Senator from Illinois, but I do not think it is 100 percent. Certainly the risk of the equity owner when he imperils his investment is entitled to some consideration. Whether we give it too much or too little may be argued; but certainly the Senator from Illinois will not claim that the borrower is not entitled to some consideration when he risks everything he has, including his good name.

Mr. DOUGLAS. The borrower will get a return on the bonds which he holds. The House bill allows this. I am simply saying that borrowed capital should not be allowed exactly the same status as equity capital for the purposes of an excess-profits tax.

I agree that recognition should be given for risks incurred in borrowing money. That is what the House bill proposed to do in the most logical manner. Since the degree of risk is reflected in the rate of interest, the House properly varied the credit with the interest cost and not simply with the amount of debt.

I should like to make another point. I am not certain, but I think that the proportion of equity capital is greater in the case of small business than in the case of large business. Small businesses are unable to float bonds or borrow from banks to the same extent that large companies do. So the proposal of the Senate Finance Committee, in addition to taking revenue from the Government, favors the big concerns which have a larger proportion of their capital in the form of borrowed money than do smaller firms.

Mr. KERR. Mr. President, will the Senator yield?

Mr. DOUGLAS. I yield.

Mr. KERR. Is not the Senator perfectly aware that the facts are just the opposite? It is the small outfits which have to borrow money. The larger concerns are investing their own money, in the main. Is not the Senator aware of the statement of General Motors as to how much of its capital is borrowed, and how much is equity?

Mr. DOUGLAS. I will accept that. Let me modify my statement, if I may.

Mr. KERR. I shall be delighted to have the Senator modify it to conform to the actualities.

Mr. DOUGLAS. There is something in what the Senator from Oklahoma says so far as corporations with assets below $250,000 are concerned. But there is another point that should be borne in mind. That is that the small business must pay a higher rate of interest on such borrowing as it makes. Therefore, the difference between the average rate of return which is allowed under this bill and the amount which has to be paid to the lender is less in the case of the smaller concern than in the case of the larger concern. Therefore, the small concern does not benefit to the same degree as does the large concern.

Mr. KERR. Mr. President, will the Senator yield?

Mr. DOUGLAS. Mr. President, I am glad to yield. I do not know how I got into this, but I am in it, and I shall simply try to bear my shield with honor.

Mr. KERR. Is not the Senator aware of the fact that a company whose total assets are more than $10,000,000 is permitted to earn only 8 percent on its total, on the amount which is above $10,000,000?

Mr. DOUGLAS. Yes; the increment above that.

Mr. KERR. That provision was intended to bring about a situation under which the big borrower would not be permitted to earn any more net on his borrowed money than the small borrower. So for the little borrower, who would certainly be one with assets of less than $5,000,000——

Mr. LUCAS. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LUCAS. How far apart must Senators stand when they argue with one another?

The PRESIDENT pro tempore. There is no fixed rule. [Laughter.]

Mr. DOUGLAS. Mr. President, I thank my colleague from Illinois for reminding my colleague from Oklahoma as to what the parliamentary situation is.

Mr. KERR. Since we have been reminded of it, will the Senator be so kind as to tell me what it is?

Mr. DOUGLAS. I thought I had the floor.

Mr. KERR. I thought the Senator had yielded to me for a question.

Mr. DOUGLAS. I was listening to a statement.

Mr. KERR. If the Senator declines to permit me to proceed on the basis of his yielding to me, I shall retire.

Mr. DOUGLAS. I would not hurt the feelings of the Senator from Oklahoma for the world.

Mr. KERR. The Senator from Oklahoma is very grateful to the Senator from Illinois. May I assume that I have permission to continue to ask the question?

Mr. DOUGLAS. Yes; but I hope the Senator, with his usual politeness, will observe some length limitation on the amount of preparatory matter with which he prefaces his question.

Mr. KERR. If the Senator declines able to go back with me to the question from fields into which we have rambled in the discussion of it, I ask him if he is not aware of the fact that a small corporation which has the benefit of the 12-percent allowance would receive actually a greater return on the investment money which it borrows than would the big corporation under the 8-percent limitation on it.

Mr. DOUGLAS. Under another feature of the bill.

Mr. KERR. Under this very feature with reference to the credit for total invested and borrowed capital.

Mr. DOUGLAS. Only under the provisions of the Senate committee bill allowing the same rate of return on borrowed capital as on equity capital. It is not the same in the House bill.

Mr. KERR. Does not the Senator understand that if the small borrower pays a total of 8 percent——

Mr. DOUGLAS. That is on the total amount of capital, not on the proportionate distribution.

Mr. KERR. It is on the total, including the borrowed capital. But if he borrows capital within the $5,000,000 limit, he is given a 12 percent credit, even though he pays 8 percent interest or 7 percent interest. If he paid 7 percent interest, he would have 5 percent left; and if the big borrower paid 4 percent interest and had a total of 8, he would have only 4 percent left.

So the bill is found to encourage the smaller earners, and in doing so it would permit expanded operation, which would result in increased production, increased business, increased profit, and therefore increased taxes.

Mr. DOUGLAS. I thank the Senator from Oklahoma for his remarks. But it is a novel idea to me that small business is now considered to be those with assets below $10,000,000. Within this range it is perfectly clear that the typically small company with assets less than $500,000 or so is at a financial disadvantage compared with one of $10,000,000 assets.

Mr. President, I do not want to take up much more time. I merely want to ask the Senate to consider the question of the railway provisions a little more thoroughly than perhaps has been the case. As Senators know, there is a third method of computing the base for excess-profits taxation which applies to electric-light companies and gas companies. They are allowed 6 percent on their assets, after income tax, before they are subject to excess-profits tax. Telephone companies and airlines are allowed 7 percent. Railways are allowed 6 percent after income tax, before the additional tax on excess profits begins.

RAILROADS VIRTUALLY EXEMPTED

I am not certain what the precise way of dealing with the railway situation is. I think there are certain considerations that should be borne in mind. One is that railway earnings are volatile, and that when the car capacity is utilized more fully net earnings shoot up much more rapidly than gross revenue. I have worked out some tables on the rate of return on net worth of railways. They went up to about 20 percent on net worth, that would be on equity, in 1943. We can expect railway revenues to rise very largely in this period of military preparation and possible war. The volume of traffic will increase very greatly, both passenger and freight. That will send earnings up much more rapidly than the increase in traffic because there will be a fuller utilization of facilities.

There is a second factor which I think needs to be borne in mind. That is, that the railway rates on Government freight will be much higher during the coming period than they were during the last war. As I remember roughly the history of this subject, it is that in the period around 1870 the Government, in consideration of giving large grants of land to the railways, provided that the railways should carry Government freight free of cost. Then at a later period, I think it was in the 1880's or 1890's, that was changed to provide that Government freight should be carried at one-half normal rates. That provision existed in World War I and through World War II. But the Seventy-ninth Congress repealed this measure, and now Government freight has to be carried at normal rates, full rates. So we may expect railway revenues to rise very, very sharply, and net revenues to rise very, very sharply during the period which lies ahead, both from an increase in volume of traffic and from an increase in rates on Government freight.

Government freight and passenger traffic will, of course, constitute a tremendous portion of the total traffic. I think these facts should be borne in mind in deciding whether or not we should grant a 6-percent guaranteed return to railways before excess profits taxes begin.

Mr. President, that concludes all I have to say. I wish to thank my colleagues for their patience.

SEVERAL SENATORS. Vote! Vote!

Mr. DOUGLAS. Vote on what, may I ask, Mr. President?

The PRESIDENT pro tempore. The bill is open to amendment. Is there any further amendment to be offered to the bill?

Mr. DOUGLAS. Yes, Mr. President. On page 2, line 22, I move to change the figure "60" percent of excess profits to the figure "70" percent of excess profits. This will yield an added $370,000,000 revenue.

SEVERAL SENATORS. Vote! Vote!

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Illinois.

The amendment was rejected.

The PRESIDENT pro tempore. The bill is open to further amendment.

Mr. McMAHON. Mr. President, I have an amendment at the desk which I ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. At the appropriate place in the bill it is proposed to add a new section as follows:

SEC. —. The import tax imposed under section 3425 of the Internal Revenue Code shall not apply with respect to articles (other than copper sulfate and other than composition metal provided for in paragraph 1657 of the Tariff Act of 1930, as amended, which is suitable both in its composition and shape, without further refining or alloying, for processing into castings, not including as castings ingots or similar cast forms) entered for consumption or withdrawn from warehouse for consumption during the period beginning July 1, 1950, and ending with the close of June 30, 1952.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Connecticut. All in favor of the amendment——

Mr. McMAHON rose.

Mr. McFARLAND. Mr. President——

The PRESIDENT pro tempore. The Chair believes the Senator from Connecticut was first on his feet.

Mr. McFARLAND. Mr. President, the Senator from Connecticut was not talking.

Mr. McMAHON. If the amendment were noncontroversial and were going to be adopted, I was certainly going to let it be adopted, but I gather there is some controversy about it.

Mr. President, the situation outlined in the amendment is familiar to the Senate. On August 25 of this year the Senator from Connecticut offered the amendment to cure a very serious situation. It was temporarily withdrawn, but I again offered it on September 1, and the Senate took action on the amendment by tabling it. The situation it was designed to correct has grown worse. It was because of this fact that I wrote the chairman of the Finance Committee, the distinguished senior Senator from Georgia [Mr. GEORGE], the following letter under date of December 14, 1950:

DECEMBER 14, 1950.

In re House Joint Resolution 502.

Hon. WALTER F. GEORGE,
Chairman, Senate Finance Committee,
Washington, D. C.

MY DEAR SENATOR GEORGE: There is still pending before your committee a bill, House Joint Resolution 502, already passed by the House, which would extend until June 30, 1951, the suspension of the import tax on copper. I am most hopeful that you can offer the language of that bill as an amendment to the tax legislation now before your committee.

The situation as to our copper supply is the most acute in our history, even worse than during the height of World War II. Domestic mine production so far this year has averaged about 80,000 tons per month while the recovery from scrap and secondary sources has averaged about 9,000 tons per month. Domestic needs have averaged about 130,000 tons per month so that the deficit, in excess of 40,000 tons per month, has been made up from imports.

Since June 30 of this year all imports have been subject to an excise import tax of $40 per ton so that the price of copper—when it is available—has thus been increased to 26½ cents per pound on hundreds of thousands of tons.

The highly inflationary effect of this price increase is obvious, particularly since it is reflected in the end use of copper in thousands of items. If that's all there were to the problem it would be serious enough.

But, Senator GEORGE, the National Production Authority has ordered a cutback of 15 percent on all copper intended for civilian use. This cutback rate will be increased commencing February 1 to 20 percent, with the further probability that a system of allocations and priorities will have to be imposed.

Stockpile demands of the Government have not been taken into account in the foregoing comment nor have I said anything about defense orders which are being placed at an increased rate. Stockpile needs and defense orders therefore inevitably are taking a larger share of the short supply.

Preparations for defense in the remaining free nations of the world plus the degree of the restoration of production to meet consumer needs, in England, France, and Germany, notably, have caused these countries to enter the world market in competition with us. The foreign sources of supply upon which we have previously depended, notably Chile, and Canada to a lesser degree, consequently are selling their copper abroad to countries which impose no tariff barrier. The result is that even the world supply upon which we must draw to make up our deficits is seriously threatened.

Under such conditions, it seems we can no longer justify continuation of the tariff barrier which is diverting copper from our shores.

You will remember that the House bill would have continued the suspension of the tax from July 1, 1950, until June 30, 1951. Since nearly 6 months of that contemplated period have already expired, I feel that the suspension previously voted by the House should be extended until June 30, 1952. Accordingly I enclose a proposed amendment which would accomplish that result, the language in all other respects being identical with House Joint Resolution 502. Since the pending legislation will unquestionably go to conference, in the light of the situa-

tion which I have explained, and which is known to the House, I am confident that the House conferees will not oppose the extension of the suspension until June 30, 1952.

Senator GEORGE, from my own experience with defense plans, I can assure you that the more copper we can bring into the country, the quicker we can bring it in, and the less we have to pay for it, the better off we all will be.

So I bespeak your most earnest and immediate consideration of this urgent problem.

Please believe me, with esteem and best personal wishes,

Sincerely yours.

That letter, which is signed by the Senator from Connecticut, tells the story. This question was debated twice, at great length.

I do not believe that under the circumstances which exist, the imposition of the duty can be justified, and I do not believe it is in the interest of our country to maintain the tariff or the duty in being.

I have offered the amendment. I should like to have it voted on. I do not intend to press the obvious, because if there is anything that is as plain as is the fact that we are now in this Chamber it is that we need all the copper we can get, and we need it as quickly as we can get it.

To impose a tax of 2 cents a pound, or approximately $80,000,000 a year, to further inflate the economy, while at the same time depriving ourselves of copper which we need, simply does not make sense to me.

I hope the amendment will be agreed to.

Mr. McFARLAND. Mr. President, I have thought this bill to be a revenue-raising bill, not a bill providing for a reduction of revenue. The amendment the distinguished Senator from Connecticut proposes would reduce the revenue of the United States, rather than increase it.

As has been stated, this amendment has been brought up and considered before, and it has been voted down.

We do not know what would be the effect of the proposed removal of this tax, and we would not know until hearings on the subject were had before the proper committee.

I do not wish to make extended remarks on this subject, unless it is absolutely necessary that I do so. I know there are many corporations which would like to be relieved of their taxes and would like to pay less taxes, just as would the corporations in the State of the distinguished Senator from Connecticut. However, in reducing those taxes, the question is whether we would thereby obtain more of the products we need, regardless of what they might be.

Mr. President, I understood that the distinguished senior Senator from Georgia [Mr. GEORGE] would move that the amendment be laid on the table. With that understanding, I do not care to discuss the amendment in detail at this time. If the motion to lay on the table is rejected, I think we should go into the subject thoroughly, and hold hearings on this question, and make them available to all Members of the Senate. Certainly this matter should be considered in hearings before the committee, rather than be taken up during the time available here on the floor of the Senate.

Mr. HAYDEN. Mr. President, will my colleague yield to me?

Mr. McFARLAND. I yield.

Mr. HAYDEN. My colleague will remember that when copper was selling at a fair price, at one time there was complaint about this tax; and the copper producers throughout the West, where copper is mined, at that time agreed that so long as those conditions existed, they would consent to forego any duty on imported copper. That was done with the distinct understanding, however, that a change in the situation would require that the tax be imposed.

A change did occur. The price of copper dropped heavily, and in a very short period of time, immediately after we had passed a joint resolution extending the time when there would be no duty. That resulted in the discharge of thousands of workers in the copper mines. In our own State there were many, many hundreds of men on unemployment relief, and the situation was very critical.

Our concern primarily is that that condition shall not again develop. For that reason, we must have some kind of assurance about this matter.

What the Senator from Connecticut proposes is that the tariff be removed entirely, for all time to come. That is very different from removing the tariff temporarily, during wartime, at a time when the price of copper is high. A complete removal, for all time to come, as is proposed by the Senator from Connecticut, would cause the market to break as it broke before, and would cause serious unemployment.

Mr. EASTLAND. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield.

Mr. EASTLAND. Is not the subject of the amendment one which should come up on its own merits, and not during the consideration of a tax bill?

Mr. McFARLAND. Certainly it is, and that is the suggestion I would make.

As stated by my colleague, there are many reasons why this tax should not be removed. One reason is that we now have before us a tax-raising bill, not a tax-reduction bill. If we are going to start reducing taxes, let us go right down the line in reducing them; if the Government has reached a point where it does not need any more money, and where we can reduce taxes, let us reduce taxes all down the line, and thus be fair to everyone.

Mr. EASTLAND. Mr. President, will the Senator yield once more to me?

Mr. McFARLAND. I yield.

Mr. EASTLAND. This amendment involves the question of a tariff, does it not?

Mr. McFARLAND. It does.

Mr. EASTLAND. The amendment is wholly foreign to the bill now before the Senate, is it not?

Mr. McFARLAND. Yes; it is wholly foreign to it.

Mr. GEORGE. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield to the Senator from Georgia.

Mr. GEORGE. I move that the amendment of the Senator from Connecticut be laid on the table.

The PRESIDENT pro tempore. The question is on agreeing to the motion of the Senator from Georgia to lay on the table the amendment proposed by the Senator from Connecticut [Mr. McMAHON].

The motion to lay on the table was agreed to.

The PRESIDENT pro tempore. The bill is open to further amendment.

Mr. MILLIKIN. Mr. President, I offer the following amendment: On page 148, in line 18, after the word "vermiculite," insert the word "perlite."

That insertion would be made before the words "long-fiber asbestos in the form of amosite."

The reason of the amendment, namely, the insertion of the word "perlite" at the point I have indicated, is that I am informed that perlite is a competitive article with vermiculite; and if perlite were not included, the perlite producers would be put out of business.

I have not had a chance to make a thorough check of the facts which have been represented to me. With the consent of the distinguished chairman of the committee, I should like to be able to take this subject to conference, so that we can either include the amendment or exclude it, according to the later development of the facts.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Colorado [Mr. MILLIKIN].

The amendment was agreed to.

Mr. MILLIKIN. Mr. President, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 163, in line 4, it is proposed to strike out the words "coal and iron mines," and insert in lieu thereof the words "mines in operation during normal period"; and in line 6 it is proposed to strike out "a coal mining or iron mining property" and insert in lieu thereof "a metal or coal mining property."

On page 65, in lines 5 and 8, it is proposed to strike out "iron ore" and insert in lieu thereof "ore."

On page 165, in line 6, it is proposed to strike out "coal mining property, iron mining property" and insert in lieu thereof "mining property."

The PRESIDENT pro tempore. Does the Senator desire that all the amendments be considered en bloc?

Mr. MILLIKIN. Yes, I do.

The PRESIDENT pro tempore. Without objection, they will be considered en bloc. Without objection, the amendments are agreed to en bloc. The bill is open to further amendment. If there be no further amendment to be offered, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill (H. R. 9827) was read the third time, and passed.

Mr. GEORGE. Mr. President, I send to the desk a unanimous-consent request, which I ask to have read.

The PRESIDENT pro tempore. The clerk will read the unanimous-consent request.

The LEGISLATIVE CLERK. Mr. GEORGE asks unanimous consent that—

(1) The bill be printed with the Senate amendments numbered; and

(2) That in the engrossment of the amendments of the Senate to the bill the Secretary of the Senate be authorized to make such changes in section, subsection, and paragraph, etc., numbers and letters and cross-references thereto as may be necessary to the proper numbering and lettering of the bill.

The PRESIDENT pro tempore. Without objection, the unanimous-consent request is granted, and it is so ordered.

Mr. GEORGE. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. GEORGE, Mr. CONNALLY, Mr. BYRD, Mr. MILLIKIN, and Mr. TAFT conferees on the part of the Senate.

Mr. GEORGE. Mr. President, I desire to announce that the chairman of the Ways and Means Committee has advised me that he will be ready to begin work on the bill in the morning at 9:30, although there would be no formal appointment of his conferees until 12. He stated that, knowing who the conferees would be, however, it would be possible to begin work at 9:30 or 10 o'clock. I suggest that the Senate conferees meet in the Finance Committee room at 9:30, if that is not too early, or at 10 o'clock, in any event. I suggest 9:30.

NOTICE OF INTENTION TO ADDRESS THE SENATE

Mr. HUNT. Mr. President, I ask unanimous consent that on tomorrow morning, following the morning hour, I be given 10 minutes to make an address.

Mr. WHERRY. Mr. President, I think there is already a similar request. I understand the Senator from Florida had announced that he wanted the floor. Perhaps he did not get unanimous consent. I respectfully request that the appropriation bill be the order of business immediately after the address of the Senator from Wyoming.

Mr. HUNT. It will be. I have conserved the time of the Senate very conscientiously for 2 years, and on this occasion I ask for only 10 minutes.

Mr. WHERRY. Would the Senator object to taking the time in connection with the consideration of the appropriation bill?

Mr. LUCAS. I do not have any objection.

The PRESIDENT pro tempore. Without objection, it is so ordered.

NATIONAL DAY OF PRAYER

Mr. McCARRAN. Mr. President, I ask unanimous consent for the present consideration of the resolution which I submit and send to the desk.

The PRESIDENT pro tempore. The resolution will be read.

The legislative clerk read the resolution, as follows:

Whereas our country is in an hour of dire danger in which hostile forces, acting without conscience and guided by a godless ideology, threaten the very survival of our cherished institutions; and

Whereas, while we must mobilize our material resources to meet this threat, we are also deeply conscious of the fact that the moral and spiritual resources of our people constitute the Nation's great bulwark in times of national crisis; and

Whereas the churches of the Nation, of all creeds and faiths, are the instruments through which our moral and spiritual resources can best be marshaled and given strength; Therefore be it

Resolved, That the Senate suggests that the churches of the Nation, of all creeds and faiths, set aside and dedicate, Sunday, December 24, 1950, as a time for prayers and supplication for divine guidance of the men and women, elected and appointed, civilian and military, on whose shoulders rests the responsibility for leadership in this time of great crisis, and for strength and unity to enable our people to persevere, with other freedom-loving people, in the effort to bring about peace and justice in the world.

Mr. McCARRAN. Mr. President at this hour in our Nation's history, and at this period of the year, when we are approaching the natal day of the Saviour of mankind, it seems to me that a resolution of this kind could very properly be considered by the Senate of the United States. There was never a time in the history of the United States when the people were so bewildered and so earnestly looking for light and consolation as they are today. We are a Christian Nation. We believe in prayer and supplication to a divine being. Therefore, I ask that this resolution be referred to the Judiciary Committee of the Senate, for report, which I hope will be made by Friday of this week.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution (S. Res. 378) was referred to the Committee on the Judiciary.

EXECUTIVE SESSION

Mr. LUCAS. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports, the clerk will proceed to state the nominations on the Executive Calendar.

DEPARTMENT OF DEFENSE

The legislative clerk read the nomination of Anna M. Rosenberg to be Assistant Secretary of Defense.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to this nomination?

Mr. LANGER. Mr. President, I speak in opposition to this nomination. On November 30, 1944, there was brought to the attention of the Senate the fact that the State of North Dakota had been discriminated against in the matter of major appointments. Since that time I have spoken to various executive officers and to various Members of the Senate, in an effort to see to it that the State of North Dakota received a square deal.

Mr. LUCAS. Mr. President, will the Senator yield for an observation, without losing his right to the floor?

Mr. LANGER. I yield.

Mr. LUCAS. Mr. President, I desire to make this announcement to the Senate. I hope that we may be able to remain here this evening until we finish, one way or another, our consideration of this nomination and the nomination which immediately follows it, that of Stephen J. Spingarn, to be a Federal Trade Commissioner. I merely mention this to Senators, so they will know that possibly there may be a vote upon one or the other of these nominations this evening. I make the statement further because, now that the tax bill has passed the Senate within a day's time in fact, in 1 day less than many of us believed might be required for its passage considering its importance, it appears that if we can finish this matter tonight, we probably shall be able to conclude our work on Friday evening. I merely hope that the Senate will remain in session until we can finish the consideration of these nominations.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. When is it the Senator's intention to call up the appropriation bill?

Mr. LUCAS. Following the consideration of the unfinished business tomorrow. I was going to make that announcement. We shall take up the appropriation bill tomorrow. The civil defense bill is ready to be considered, and I understand not very much time will be taken on the appropriation bill. Following that we shall take up the civil defense bill, which has been reported from the Armed Services Committee.

Mr. WHERRY. Mr. President, will the majority leader yield to me?

Mr. LUCAS. Certainly.

Mr. WHERRY. The distinguished Senator stated that he contemplated that the Senate might adjourn or recess on next Friday night. Of course, that means that it would not return until January. It would not be the intention to have the Senate return after Christmas, would it?

Mr. LUCAS. I shall know a little more about it tomorrow if matters move in the direction of being passed upon by the Senate.

The PRESIDENT pro tempore. It is settled that the appropriation bill will come up first tomorrow?

Mr. LUCAS. Yes. I am wondering, Mr. President, if the Senator from North

Dakota [Mr. LANGER] would let the Senate approve all the remaining nominations on the calendar without prejudicing his rights.

Mr. LANGER. I deeply and sincerely regret that I cannot agree to that.

Mr. President, although I have made objections to the fact that North Dakota has received no major appointments of any moment since 1944, in spite of all the protests I have made, I invite attention to the fact that on Friday, December 8, approximately 10 days ago, I announced that I would oppose any further nominations, and stated as follows:

Mr. President, last evening when the calendar was called in executive session I did not object to the confirmation of the various individuals who have been nominated to office. Time and time again on the floor of the Senate I have called the attention of the Senate and of the administration to the fact that no citizen of North Dakota has been named to head any important office. Year after year has gone by without any citizen of North Dakota being nominated to any such office.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield. I continue reading, Mr. President:

At the present time no citizen of North Dakota is serving as ambassador or consul, and you all know that there is no better group of people anywhere than North Dakota people. One New York man after another has been named, and at one time there were six members of the Cabinet who had been appointed from the State of New York, and last night we confirmed another New Yorker.

Mr. President, I am serving notice that the next time the Senate is called on to confirm anyone to head any office I propose to oppose the confirmation. I shall do all in my power to see to it that the people of North Dakota finally get the recognition to which they have been entitled ever since the State was admitted into the Union in 1889. I want the Senators to know exactly how I feel on the subject. I have taken up the matter time and time again, and if in order to get results I must cause delay and take the time of the Senate, even in these critical times, I propose to do it. North Dakota is a part of these United States, the citizens pay a large share of the taxes, and I propose to see that some citizens from there will have something to do with the real operation of this Government.

Mr. LONG. Mr. President, will the Senator yield for a question?

Mr. LANGER. I decline to yield.

Mr. President, on the Executive Calendar today what do we find? We find three more nominations from the State of New York—Anna M. Rosenberg, to be Assistant Secretary of Defense; Stephen J. Spingarn, to be a member of the Federal Trade Commission, and Charles E. Wilson, to be Director of Defense Mobilization.

So I repeat, Mr. President, that I do intend to plead that the State of North Dakota gets justice.

Mr. President, I wrote to former Secretary of State Stettinius in 1944 and asked him to give me a list of the number of persons serving in the Department of State and how many of them were from North Dakota. I received a reply from Mr. Stettinius which was as follows:

MY DEAR SENATOR LANGER: In response to your telephone request of this morning there is attached a statement showing the total number of personnel of the Department of State as of November 30, 1944. I understand that you are interested only in the totals and, consequently, I have made no further breakdown as between American and aliens, officer and clerical, etc. If you wish further information please let me know.

Mr. President, I want to say to the Senate that Mr. Stettinius replied promptly and very frankly. At that time he attached a statement which showed that the Department of State, as of November 30, 1944, had a total personnel in the Department service in the United States of 3,142, and in the foreign service a total of 5,784, or a grand total employed in the Department of State alone—and I might add, according to the figures of the distinguished Senator from Virginia [Mr. BYRD], the number in the State Department has since been increased—at that time there was a total of 8,926 persons. At that time, as I said, not one of them came from the State of North Dakota. The situation has not changed, Mr. President.

At that time, in Argentina, for example, the State Department employed 138 persons, not one of whom came from North Dakota.

In Australia it employed 63 persons, not one of whom came from North Dakota.

It employed in Belgium 48 persons, not one of whom came from North Dakota.

In Bolivia it employed 67 persons, not one of them came from North Dakota.

In Brazil the total number of employed personnel was 359, not one came from North Dakota.

In Bulgaria the State Department employed six persons, not one of whom came from North Dakota.

In Canada, right next to the State of North Dakota, 255 persons were employed by the State Department, but not one of them came from North Dakota.

In Chile, the State Department employed 167 persons, not one of them came from North Dakota.

In China, there were 102 persons employed by the State Department, but not one of them came from North Dakota.

In Colombia the State Department employed 120 persons, not one of whom came from North Dakota.

In Costa Rica the State Department employed 51 persons, but not one of them came from North Dakota.

In Cuba the State Department employed 141 persons, but not one of them came from North Dakota.

In Czechoslovakia six were employed but none of them came from North Dakota.

In Denmark there were three, but there was not one from North Dakota.

In the Dominican Republic 46 were employed, but not one came from North Dakota.

In Egypt, 101, but not one comes from North Dakota; in El Salvador, 30, but not one comes from North Dakota; in Ecuador, 70, but not one comes from North Dakota; in Ethiopia, 30, but not one comes from North Dakota; in Finland, 9, but not one comes from North Dakota; in France, 230, but not one comes from North Dakota; in Great Britain, 726, but not one comes from North Dakota; in Greece, 21, but not one comes from North Dakota; in Guatemala, 38, but not one comes from North Dakota; in Honduras, 38, but not one comes from North Dakota; in Haiti, 48, but not one comes from North Dakota; in Iceland, 15, but not one comes from North Dakota. Mr. President, there are more people living in North Dakota who came from Iceland than in any other State of the Union. We had a judge on our supreme court who came from Iceland. We have had district court judges who originally came from Iceland. Some of them made outstanding records in the United States. One of them became a leading lawyer in Portland, Oreg. Apparently the administration could not appoint one of them to a single position over there. In Iran, 63, but not one comes from North Dakota; in Iraq, 42, but not one comes from North Dakota; in Ireland, 50, but not one comes from North Dakota; in Italy, 68, but not one comes from North Dakota; in Lebanon, 34, but not one comes from North Dakota; in Libya, 16, but not one comes from North Dakota; in Luxemburg, 4, but not one comes from North Dakota; in Mexico, 468, but not one comes from North Dakota; in Morocco, 65, but not one comes from North Dakota; in the Netherlands, 28, but not one comes from North Dakota; in New Zealand, 33, but not one comes from North Dakota; in Nicaragua, 61, but not one comes from North Dakota. In Norway, 7, but not one comes from North Dakota. I may add, Mr. President, that 40 percent of the population of North Dakota is of Scandinavian stock. However, not one citizen of North Dakota has been appointed to any position in Norway. With the possible exception of Minnesota—and I think there are more Swedes in Minnesota than Norwegians—North Dakota has the greatest Norwegian population of any State in the Union. Palestine, 23, but not one comes from North Dakota; Panama, 74, but not one comes from North Dakota; Uruguay, 40, but not one comes from North Dakota; Peru, 96, but not one comes from North Dakota; Poland, 16, but not one comes from North Dakota; Portugal, 156, but not one comes from North Dakota; Rumania, 5, but not one comes from North Dakota; Saudi Arabia, 20, but not one comes from North Dakota; Spain, 250, but not one comes from North Dakota; Sweden, 165, but not one comes from North Dakota. We have a large Swedish population. Nevertheless, not one comes from North Dakota. Switzerland, 152, but not one comes from North Dakota; Syria, 15, but not one comes from North Dakota; Turkey, 155, but not one comes from North Dakota; the Union of South Africa, 64, but not one comes from North Dakota; Soviet Russia, 104, but not one comes from North Dakota; Venezuela, 58, but not one comes from North Dakota; Yugoslavia, 8, but not one comes from North Dakota; Vatican City, 11, but not one comes from

North Dakota. In the United States, assigned to Washington, are 395. Not one comes from North Dakota. The United States Dispatch Agency, 20, and not one comes from North Dakota.

I assert, Mr. President, that out of a total of 5,784, not a single appointment was from the State of North Dakota. In addition, Mr. President, there are 3,141 in the departmental service, and not one, so far as I know, has come from the State of North Dakota. Not one person from North Dakota has been appointed at the head of any one of these services.

Mr. President, I realize, of course, that if the State of North Dakota did not have people who are qualified to fill some of these positions, they ought not to be appointed. However, I call attention to the fact that North Dakota has an outstanding record when it comes to men and women who have distinguished themselves in the arts, sciences, medicine, and business. I have repeatedly referred to some of these people on the floor of the Senate. Let us take, for example, medicine. If today one of my distinguished colleagues should become desperately ill and if he were taken to Rochester, Minn., for treatment by the Mayo brothers at their great hospital, and if all the doctors there could not decide what was wrong with the distinguished Senator, the one doctor who would have the final say as to whether the Senator should be operated on, and for what, is a North Dakotan. He was graduated from the University of North Dakota. He has the final authority. If any Senator were to go to General Motors to buy a truck—as, for example, if my good friend from Virginia [Senator BYRD] were to go to General Motors to buy a truck to haul his apples—he would buy a Fargo truck, which is a truck built and designed by a man from Fargo, N. Dak. He is the leading authority in the world on trucks. If today one of my distinguished colleagues wanted to buy a diamond, or if he had a lawsuit involving diamonds, or if he wished to buy a diamond mine in South Africa or anywhere else in the world, and he wanted to be absolutely sure that he was getting his money's worth, the final authority that he would consult would be Charlie Boise, who has offices in London, New York, and other places. He was born on a North Dakota farm near Sherbrook in Steele County, N. Dak. To show that North Dakotans have always come out on top whenever they have had an opportunity, I remember that in World War I President Wilson found that there was graft and crookedness in the buying of goods for the Navy. He selected a young man from North Dakota, John Hancock, who was born at Emerado, N. Dak., a little town of less than 100 people. He placed him in charge of buying $2,000,000,000 worth of property for the Navy. He did so well that there was not one breath of scandal. He did such a good job that he was assigned to buy goods for the Army in World War II. Today he is the only man in all America who holds distinguished service medals from both the Army and Navy. Later he became one of the outstanding financiers in the country, and one of the great patriotic men of America. He was a director of the New York Stock Exchange, and a partner in Lehman Bros. in New York.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield for any purpose.

Mr. MAYBANK. If the Senator——

Mr. LANGER. I am sorry. I deeply regret it, but I decline to yield. I have waited for a long time to give this speech, and I intend to give it.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. MAYBANK. Mr. President——

Mr. LANGER. Mr. President, I decline to yield for any purpose.

Mr. MAYBANK. The Senator and I have been friends. I should like to make a suggestion to him.

Mr. LANGER. Mr. President, I decline to yield for any purpose.

The PRESIDING OFFICER. The Senator from North Dakota declines to yield.

Mr. LANGER. Mr. President, when Franklin Roosevelt became President, we all remember that the banks were in desperate shape. They were collapsing. In my State alone 561 banks out of approximately 700 closed their doors. All over the country the same thing was happening. There was a cry on the part of some to nationalize the banking industry. Franklin Delano Roosevelt looked all over the United States to find someone who could handle the banking situation. He picked out a North Dakota boy, J. F. T. O'Connor, from Grand Forks, N. Dak., a boy who was so poor that when he went to the country school he took off his shoes and walked in his bare feet to save shoe leather. J. F. T. O'Connor did a job so good that Henry Ford, who had $164,000,000 on deposit in the banks of Detroit, Mich., and who feared that he would lose most of that money and that thousands of men would be out of employment, paid him the public compliment of saying that he had done a magnificent job, and that in his judgment no man could have done better.

Coming back to the automobile industry, if anyone wishes to buy a Nash automobile, he should know that the president of the Nash Motor Co. is a North Dakota boy, George Mason. He has made an outstanding record. He sells a product which, in the judgment of many North Dakota people, is not equaled by any other automobile.

If a lady wishes to buy a refrigerator, and she buys a Kelvinator, a North Dakota boy, born at Valley City, N. Dak., is president of that company.

Only a short time ago the Pulitzer prize was awarded to a North Dakota man for having written the best play of the year.

Down in North Carolina, at Duke University, a young North Dakota boy named Grimson, 34 years old, is at the head of the surgical department. Only a short time ago, Life and Fortune magazines wrote up the marvelous discoveries which he had made, which are going to result in saving hundreds of thousands of lives.

Some time ago I made a list of North Dakota citizens who have distinguished themselves—particularly the womenfolk—which I placed in the RECORD here. When World War II was over—and I say this with all deference to distinguished Senators who are present this evening—France sent to this country a committee to find the typical American nurse. The committee visited every State in the Union, as well as the District of Columbia. When they were through, they selected a little 18-year-old girl from Wahpeton, N. Dak., named Rose Lauder. If one goes to Paris today, in a great public square he will find a life-sized statue of Rose Lauder.

When it comes to bravery the records show that the women of North Dakota have an outstanding record. Let me give an illustration. On a day when Hiram Johnson and Robert La Follette were fighting it out in the North Dakota presidential primary—I believe it was the 17th of March—one of the greatest blizzards in the history of the State occurred. In a little schoolhouse near Center, N. Dak., in Oliver County, there was a little girl 16 years of age, named Hazel Miner. With her were her younger sister and brother. When the teacher dismissed the school the three children drove away on a sled. The family lived about a mile and a half from the schoolhouse. The three children became lost. When they were found the next day, the searchers discovered that Hazel Miner had taken off her overcoat and placed it around the two smaller children. She had taken off her overshoes, and she had placed all the robes in the sled around the two small children. Then she lay down between them to die. She was found dead, but the two smaller children were alive and well. Today if one goes to North Dakota, in the public square around the courthouse at Center, N. Dak., he will find a life-sized statue erected to the memory of that brave little 16-year-old girl.

Mr. President, let us examine the war record of North Dakota. The question may be asked as to why someone from North Dakota has not been appointed to some job in the Government service. What is the matter? Only the day before yesterday newspapers throughout the country announced that very soon the National Guard from two of the States would be called into active service. The report stated that it was considered that one of the National Guard units most nearly ready was from the State of North Dakota. I am very proud to make that statement.

In the Spanish-American War, population considered, more North Dakota men and boys were decorated for bravery than from any other State in the Union. The same thing occurred again in World War I.

It is a tribute to the fine Christian upbringing of the boys in our State, Mr. President, that after World War I, when the veterans' hospitals were established, there were fewer boys from North Dakota than from any other State in the Union who were taken to veterans' hospitals to be treated for venereal disease.

Every soldier in this country is familiar with the fact that at Guadalcanal in the last war more North Dakota boys were decorated for bravery in one battle than ever before in the history of the country.

Mr. President, there might be some reason why North Dakota is being discriminated against, but I want to say very frankly that up to the present time I have been unable to discover it. I may say to my colleagues that it cannot be because of lack of bravery on the part of North Dakota boys in World War II. Brig. Gen. Albert Hartle, for instance, who distinguished himself in the Aleutian campaign and later in the Pacific theater, and who now has a beach named after him in the Aleutian Islands, is a North Dakota farm boy.

Let us go back to the subject of business again. Who organized the Cream of Wheat Co., one of the big business concerns of this country? The president of that company is Daniel F. Bull. It is located in Minneapolis. He was a North Dakota boy, and he organized that company.

I say, Mr. President, whether in the arts, in science, medicine, or agriculture North Dakota men have risen to the very top. Let us consider agriculture. At a time when we were trying to produce flax, during World War I, when we needed flax and needed linseed oil, who came to the rescue? Dr. H. L. Bolley, of Fargo, N. Dak., produced a wilt-resisting flax, and thereby increased the yield of flax threefold in this country.

Mr. President, we have a Bureau of Indian Affairs in our Government.

Mr. MAYBANK. Mr. President, will the Senator yield?

The PRESIDING OFFICER [Mr. CHAPMAN in the chair]. Does the Senator from North Dakota yield to the Senator from South Carolina?

Mr. LANGER. I decline to yield.

We have in our Government a Bureau of Indian Affairs. In North Dakota we have four Indian reservations. We have many Indians there. Yet since statehood, 61 years ago—and I want every Senator upon this floor to listen carefully—in spite of that large Indian population we have never had a Commissioner of Indian Affairs, we have never had a first assistant Commissioner of Indian Affairs, we have never had a second assistant Commissioner, we have never had a third assistant Commissioner, we have never had a fourth assistant Commissioner, we have never had a fifth assistant Indian Commissioner, we have never had a sixth assistant Commissioner, we have not even had a seventh assistant Commissioner of Indian Affairs.

Mr. MAYBANK rose.

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from South Carolina?

Mr. LANGER. I decline to yield. I regret to say I cannot yield at this time.

Mr. MAYBANK. Will not the Senator recommended a person to be Assistant Indian Commissioner?

Mr. LANGER. This afternoon there was mentioned the great State of New Mexico. I am glad the State of New Mexico has received its share of appointments. That State is securing its share of appointments right along. Members of the Cabinet have come from that State, and I am proud of them. Three Indian Commissioners in a row came from that State. But when the delegation from North Dakota recommended a man who was endorsed by the State University of North Dakota, a man who has studied every Indian tribe in the United States, whose doctor of philosophy thesis dealt with the subject of Indians, who had lived among the Indians, who had gone to Flagstaff, Ariz., and investigated the Hopis, who had studied the Navajos in New Mexico, and who had gone to Alaska and become acquainted with the Indian tribes up there—was he appointed? He was not. He was not appointed either a Commissioner of Indian Affairs, or first assistant, or second assistant, or third, or fourth, or fifth, or sixth, or seventh assistant Commissioner of Indian Affairs. He received exactly nothing, although he was endorsed unanimously by the people of North Dakota, who were thoroughly familiar with the Indian question.

So, Mr. President, today I am here pleading that the State of North Dakota be recognized, and that a man from North Dakota may be named either Commissioner of Indian Affairs or first assistant, or second assistant, or third assistant, or fourth assistant. But I should like at least to have a man from North Dakota named first assistant, if that can possibly be done. As a matter of fact, we should have a man coming from our State to be Indian Commissioner. So far we have simply been unable to secure the appointment of any man from North Dakota to that position.

That is not all, Mr. President. I know that every Senator will shrink with horror at what I am now going to say. In this great country of ours, under our Anglo-Saxon system of jurisprudence, every man wants to believe that he receives a fair trial. North Dakota belongs to the eighth judicial circuit. Would Senators believe me when I tell them that from statehood, in October 1889, up to the present time, there has never been one single representative of the State of North Dakota on the Circuit Court of Appeals for the Eighth Judicial District? Oh, three men have been appointed to that court from Minnesota at the same time, and two or three from the State of Nebraska. But North Dakota has not had one in 61 years, since statehood. When next there is a vacancy for a position on that court I intend to oppose any lawyer or judge being appointed to that position unless he comes from the State of North Dakota, so that we may at least have one man out of the great number of men on that bench, on the court of appeals, who is familiar with the problems we have in the State of North Dakota. We are entitled to such representation. I believe that when Senators realize that we have had no representative on the court of appeals from North Dakota for 61 years, that in case a man from some other State is named for a vacancy to that court they will not confirm him; that confirmation will be put over until someone from North Dakota is named to the position.

Mr. President, in 61 years no member of the Cabinet has been a resident of North Dakota. When I spoke about this matter in 1944, I named five men and one woman, residents of New York State—residents of only that one State, Mr. President—who were members of the President's Cabinet on that day. I have no objection to those who come from New York; for I like New York; I have the deepest affection for New York, for that is where I met my wife. New York is a splendid State and it has lovely people. I went to school there for 4 years, after I graduated from the University of North Dakota, and I have a great, great many warm friends in the State of New York. However, I think even the two distinguished Senators from New York will agree with me that they can afford to divide up a little bit when it comes to members of the President's Cabinet, and that they should not have, from New York, six members of the President's Cabinet and leave North Dakota without any.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield at this time, Mr. President.

Mr. MAYBANK. I wish to agree with the Senator.

Mr. LANGER. Mr. President, I think the two distinguished Senators from New York will agree with me that at least a Secretary of Agriculture or a Secretary of the Interior should come from North Dakota. So, next time, no matter whether a Democrat or a Republican is elected President of the United States—whichever it may be—I hope that some person from North Dakota will be placed in the President's Cabinet.

I may say, Mr. President, that I am not a candidate for one of those positions and would decline it if it were offered to me because I have the best job in the world right now—that of senior Senator from North Dakota.

However, I believe in North Dakota we have hundreds upon hundreds of men and some women who could very ably and very capably fill a position in the Cabinet of the President of the United States.

Mr. President, during these 61 years there has never been an ambassador for the United States who has been a resident of North Dakota. When we consider those who have served during that period of 61 years as ambassadors from the United States to all the countries in the world—I have not counted the number of those countries, but, of course, there are many of them—we find that there has never been a time when a man or a woman from North Dakota has been appointed to be an ambassador for the United States to one of the foreign countries.

Then we come to the matter of consuls. I have a dim recollection that years and years ago, when I was a little, tiny boy, the man who owned the largest newspaper in Fargo, N. Dak., Major Edwards, was appointed consul to Quebec. He is the only person from North Dakota ever to be appointed a consul.

Mr. President, the record shows what a great State North Dakota is.

North Dakota produces approximately 45 percent of the country's spring wheat, and its high protein content makes it premium quality. For a long time North

Dakota was known as the Nation's breadbasket.

When it comes to durum wheat, North Dakota produces more than 90 percent of all the durum wheat that is produced in the United States.

The people of North Dakota are hard workers, honest, industrious people. In North Dakota we have more colleges and other educational institutions, believe it or not, than has the State of Iowa, which has three times the population that our State has. In North Dakota we have our Agricultural College; we have our State University; we have our Science School; we have six normal schools; we have a School of Forestry. Whenever North Dakota boys have gone to such colleges as Harvard, Yale, Columbia, or some of the other large colleges in other parts of the country, it is very unusual that those North Dakota boys are not either at the head of their class or very nearly at the head of their class.

North Dakota has produced about 15,000,000 bushels of flax annually. That production has been increased lately to almost 30,000,000 bushels.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield at this time, Mr. President. I shall be through in a little while.

Mr. President, North Dakota is first, among all the States of the United States, in respect to the production of barley; North Dakota produces about 20 percent of the Nation's barley.

In North Dakota we raise so much corn that when we plant it, we plant it in rows a mile long, or sometimes 2 miles long. Sometimes one row of corn is 1 mile, or 2 miles, or 3 miles long. I see in the Chamber at this time my distinguished friend, the junior Senator from Connecticut [Mr. BENTON] who used to live in Montana. I know that my distinguished friend will bear me out when I say that when we travel in North Dakota in the summertime, we see rows of corn so long that we cannot see from one end of them to the other. North Dakota has become one of the great corn-producing States.

There is another thing which I wish to state at this time, Mr. President, namely, there is no State in the Union where communism will make less strides than in the State of North Dakota, because in North Dakota the overwhelming number of the people own their own homes. I am very proud of that fact. In North Dakota we have the family-type, family-size farms. The result is that the average man owns his own home. The same is true in the cities of North Dakota.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. LANGER. I decline to yield.

Mr. President, in addition to what I have stated, let me point out that in North Dakota we have a large acreage planted in certified seed potatoes. We furnish seed potatoes to every State in the Union, and we send them to every country in the world.

Mr. President, I am not going to say anything detrimental to any other State; but it is amazing to me to see some of the advertisements about potatoes. For example, a while ago I was in Chicago, and while there I went into a restaurant, where I saw a big sign advertising the potatoes which are said to come from a certain State; and the purpose of the advertisement was to urge people to buy that kind of potato. However, Mr. President, the seed from which those potatoes are raised comes from North Dakota.

Let us consider for a moment the production of turkeys. Mr. President, do you know that if you buy a North Dakota turkey, it is worth 10 cents a pound more than a turkey coming from any other State of the Union? Yet once in a while I see a turkey which comes from some other State, but is labeled as being a North Dakota turkey. However, investigation often shows that the bird never saw North Dakota, but someone simply bought that turkey in another State, and put on it a sign, "North Dakota turkey," in order to get the added price when it was sold.

AGREEMENT TO VOTE ON NOMINATIONS OF ANNA M. ROSENBERG AND STEPHEN J. SPINGARN

Mr. LUCAS. Mr. President, at this point will the Senator from North Dakota yield to me?

Mr. LANGER. For a question?

Mr. LUCAS. No; I wish the Senator to yield to me in order that I may propose a unanimous-consent agreement.

Mr. LANGER. Yes; I yield, if the matter to which the Senator refers will appear in the RECORD at the conclusion of my remarks.

Mr. LUCAS. Very well.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LUCAS. Mr. President, will the Senator agree to a unanimous-consent proposal that the Senate vote on the Rosenberg and Spingarn nominations at, let us say, 12:30 p. m. tomorrow?

Mr. LANGER. At what time?

Mr. LUCAS. At 12:30 p. m. tomorrow.

Mr. LANGER. Yes, certainly.

Mr. LUCAS. Mr. President, I ask unanimous consent that that be done.

Mr. MAYBANK. Mr. President, let me ask whether it will be possible for us to vote on the nominations tonight.

Mr. LUCAS. Perhaps so; I do not know.

At what time would the Senator from North Dakota say he would think we could vote on the nominations tonight?

Mr. LANGER. Honestly, Mr. President, I do not know. When I begin to talk about North Dakota, I go on and on and on. [Laughter.]

Mr. LUCAS. That is why I suggested that we agree to vote on the two nominations at 12:30 p. m. tomorrow.

Mr. MAYBANK. Mr. President, I withdraw my suggestion.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Rosenberg and Spingarn nominations be voted on by the Senate at 12:30 p. m. tomorrow, one nomination to be voted on immediately following the other.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LUCAS. Mr. President, that order has been entered, has it?

The PRESIDING OFFICER. Yes.

The agreement as reduced to writing is as follows:

Ordered, That on the calendar day of Thursday, December 21, 1950, at the hour of 12:30 o'clock p. m., the Senate proceed to vote, without further debate, upon the question of advising and consenting to the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense, and immediately thereafter, without further debate, proceed to vote upon the question of advising and consenting to the nomination of Stephen J. Spingarn, of New York, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1946.

ANNA M. ROSENBERG

Mr. LEHMAN. Mr. President, if the Senator from North Dakota will yield, I think this may be an appropriate time for me to make the statement to which I referred a while ago.

Mr. LANGER. I yield.

Mr. LEHMAN. Mr. President, there is pending before us a nomination which has aroused widespread interest throughout the country. It has been the subject of one of the most exhaustive committee investigations undertaken in the past year.

The Armed Services Committee was good enough to permit me, although not a member of that committee, to be present as an observer during many of the sessions held on the nomination of Anna Rosenberg to be Assistant Secretary of Defense.

In one way it was shocking to me that an individual of such high and unquestioned repute, of such notable attainments, for whom so many people have vouched on the basis of intimate associations extending over two decades, should be subjected to the kind of ordeal which Mrs. Rosenberg has faced during the past 2 weeks.

On the other hand, I am deeply and favorably impressed by the minute care with which the Armed Services Committee went into the charges that were made—the scrupulous attention given to each piece of testimony, to each allegation, and each statement made before the committee. Hours upon hours were spent in hearing these charges and in examining into them, and following back over every possible trail which was indicated. No stone was left unturned; no charge was left unheard.

It is not my wish or prerogative to analyze the testimony given before the Armed Services Committee, nor the procedure followed by that committee. All I wish to say is that no nominee for public office has ever received a more microscopic examination of character and political background.

Of course, there were ugly undertones to this proceeding. The sources of some of the charges were motivated not by patriotic devotion, but by unpatriotic prejudices. But all that is now happily over. The committee has given Mrs. Rosenberg a clean bill of health.

Mrs. Rosenberg is a citizen of my State. I have known her both personally and professionally for a quarter of a century. She served her State in many official ca-

pacities during the years when I was Governor, and both before and after that. She achieved the reputation of being an eminent expert in labor-management problems, in labor relations, and in manpower problems generally.

In all the years that I have known her she has followed no narrow social doctrine or ideological cant. Her chief characteristic has been her complete openmindedness and receptiveness to facts. Her store of knowledge is amazing. Her administrative skill is of the highest. She has shown a great gift for improvisation and initiative. Her capacity for work is prodigious.

I assume it was for these reasons that Gen. George C. Marshall selected Mrs. Rosenberg to be one of his assistants to share the tremendous responsibility he now has for the defense of our country and of the free world.

Mrs. Rosenberg was a member, by my appointment, of the New York defense council when it was first established in 1941. She sat on that council for 5 years, until the end of the war. My successor, Governor Dewey, kept her in that position when the defense council became the war council. One of her colleagues of those days is my colleague today in the Senate, the senior Senator from New York [Mr. IVES], who was then majority leader of the New York State Assembly, and, by virtue of his position, a member of the defense council and then of the war council.

I can think of no one better equipped than Mrs. Rosenberg to occupy the post to which she has been named by the President. It is my belief that the United States Government is very fortunate, indeed, to have her services in this difficult and trying period. In this period of our history, we need the best and finest talents of the entire Nation in positions of governmental responsibility. The very survival of our Nation depends upon that.

That is why I cannot view without extreme regret the experience of Mrs. Rosenberg in suffering the attacks against her character, broadcast by radio and spread over the pages of the press. I do not think it will provide a very attractive precedent for others who are approached to serve, at personal sacrifice, in public capacities.

Of course, Mrs. Rosenberg's experience is not a new one. There have been similar ones in the recent past. I know that it is absolutely necessary that we exercise the most scrupulous care in the selection of persons for sensitive posts in the United States Government. Yet surely there is—there must be—a better way to exercise these precautions than by charges in the press and over the radio.

I hasten to add that the Armed Services Committee did its best, to my certain knowledge, to minimize the public character of the investigation. I have nothing but the highest praise for the conduct of that committee.

The Senate is going to confirm this nomination. I am pleased at that. I am sure that Mrs. Rosenberg will continue to be a great asset in the Defense Department, a great aid to General Marshall, and will make a vital contribution to the vast defense effort which lies ahead for all of us. I am proud to support her nomination, and to urge all my colleagues to do likewise. This fine lady is a great credit to her State, as she is to her country.

NOMINATION OF CHARLES E. WILSON TO BE DIRECTOR OF DEFENSE MOBILIZATION

Mr. LUCAS. Mr. President, will the Senator yield further?

Mr. LANGER. Certainly.

Mr. LUCAS. Charles E. Wilson, of New York, has been nominated by the President to be Director of Defense Mobilization. He wishes to take the oath of office in the morning, so that he can immediately get to work. I wonder whether we can confirm the nomination of Mr. Wilson and the others—it will take only a little time to do so—in order to accommodate them.

Mr. LANGER. I should like very much to have that done. The trouble is, Mr. President, that I stated that I would oppose action on any nomination until I had an opportunity to make my speech; and Mr. Wilson is one of those who come from New York.

Mr. LUCAS. Yes; he is.

Mr. LANGER. On the present executive calendar there are the names of three persons who come from New York.

Mr. MAYBANK. Mr. President, none of those whose names are on the present executive calendar come from South Carolina, I am sorry to say; and likewise my heart has bled because of the lack of nominations of residents of North Dakota.

Mr. LANGER. Mr. President, do I correctly understand that the Senator from South Carolina is going to ask that the nomination of Mr. Wilson be confirmed tonight?

Mr. MAYBANK. That is what I wanted to ask the Senator. I had hoped we might confirm Mr. Wilson's nomination so he could take the oath of office tomorrow morning. He is from New York. I am a poor South Carolinian, as the Senator is a poor North Dakotan, with no appointees on the list. I should like to see Mr. Wilson's nomination confirmed, so that he can be sworn in tomorrow morning.

Mr. LANGER. Mr. President, if the distinguished Senator from New York will ask me to yield to him for that purpose, I shall be glad to do so.

Mr. LEHMAN. Reserving the right to object—and I do not intend to object—may I ask the distinguished majority leader whether, in his request that we vote at 12:30, there will be any allowance of time for brief remarks with regard to the nominees? If not, I desire to ask unanimous consent to read into the RECORD tonight a brief statement which I have prepared regarding Mrs. Anna Rosenberg.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none.

Mr. LEHMAN. Mr. President, I shall wait until the distinguished Senator from North Dakota is through, and I shall then read the statement into the RECORD.

Mr. MAYBANK. Mr. President, I wonder if the Senator from North Dakota will yield.

Mr. LANGER. I will yield to my distinguished friend from New York now for the purpose stated. I should like to do that for my distinguished friend from New York.

Mr. LEHMAN. I will read it tomorrow.

Mr. MAYBANK. Mr. President, may I ask the Senator from North Dakota whether it will be possible to have Mr. Wilson's nomination confirmed tonight, so he can be sworn in tomorrow?

Mr. LUCAS. Mr. President, the Senator from North Dakota indicated that, if the Senator from New York would request him to yield in order that the nomination of Mr. Wilson may be confirmed immediately, he would comply with the request.

Mr. LEHMAN. That is that the nomination be confirmed tonight?

Mr. MAYBANK. To be confirmed tonight, so he can be sworn in tomorrow morning.

Mr. LEHMAN. Mr. President, I ask unanimous consent that the nomination of Mr. Charles E. Wilson to be Director of Defense Mobilization, and whose name appears on the calendar, be now confirmed, so that he may be sworn in tomorrow morning.

Mr. MAYBANK. Or so that he can be sworn in immediately.

Mr. LEHMAN. And at the same time, I ask unanimous consent——

Mr. LUCAS. I suggest the Senator propound one unanimous-consent request at a time.

The PRESIDING OFFICER. Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. WHERRY. Mr. President, I have been trying to obtain recognition.

The PRESIDING OFFICER. The Senator from New York has been recognized.

Mr. WHERRY. Mr. President, will the Senator from New York yield? I thought the Chair said the unanimous-consent request had been granted.

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. A unanimous-consent agreement on what?

The PRESIDING OFFICER. On confirmation.

Mr. WHERRY. That is the point I am raising. I wanted to reserve the right to object, in order that I might find out what was going on.

Mr. LANGER. We are trying to get a square deal for the people of North Dakota.

Mr. WHERRY. Very well. Just a moment. To begin with, I am for the confirmation of the nomination of Mr. Charles E. Wilson just as soon as we can confirm it. But I do not know the nature of the unanimous-consent agreement that has been entered into.

The PRESIDING OFFICER. That was the subject of the unanimous consent agreement. It was also agreed that the Senate would vote on the nomination of Mrs. Rosenberg tomorrow at 12:30.

Mr. WHERRY. What about the rest of the nominations on the calendar? Are they to be confirmed en bloc?

Mr. LUCAS. We shall finish them tomorrow.

Mr. WHERRY. Then the unanimous consent is that we confirm the nomination of Charles E. Wilson tonight; is that correct?

Mr. MAYBANK. Yes, tonight.

Mr. LUCAS. Immediately.

Mr. WHERRY. That is the one thing we want to do tonight, if possible.

The PRESIDING OFFICER. That is correct.

Mr. WHERRY. This is a question of confirmation. I do not want to step on anyone's toes in the matter of a quorum call. Does a quorum call have to be waived?

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the rule does not require a quorum call under the circumstances.

Mr. WHERRY. I am glad to have in the RECORD the statement that a quorum call is not required by the rule, so no criticism can be made.

Mr. MAYBANK. I desire to say that the committee approved Mr. Wilson's nomination unanimously.

Mr. WHERRY. I am for Charles E. Wilson 1,000 percent. There is no argument about that.

Mr. MAYBANK. I, too am in favor of the confirmation of his nomination.

Mr. WHERRY. All I am trying to do is to keep within the requirements, for the benefit of Senators on this side who may feel that a quorum call should have been had.

The PRESIDING OFFICER. The Chair is advised by the Parliamentarian that the rules do not require a quorum call under the circumstances.

Mr. LUCAS. I ask that the President be immediately notified of the confirmation of the nomination of Mr. Wilson.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LUCAS. I thank the Senator from North Dakota for his courtesy and kindness in yielding at this particular time for the unanimous-consent requests.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LANGER. I yield.

Mr. MAYBANK. I have the floor.

Mr. WHERRY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Who has the floor?

The PRESIDING OFFICER. The Senator from South Carolina has the floor.

Mr. LANGER. Mr. President, I did not lose the floor. I appeal from the decision of the Chair. I certainly have the floor.

Mr. WHERRY. Mr. President, a point of order.

The PRESIDING OFFICER. The Senator will state it.

Mr. WHERRY. Who has the floor?

The PRESIDING OFFICER. The Senator from North Dakota has the floor.

Mr. WHERRY. I asked the Senator to yield to me.

The PRESIDING OFFICER. But he has not yielded.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LANGER. I yield to the Senator from Nebraska, after which I shall yield to the Senator from South Carolina.

Mr. WHERRY. Mr. President, I want to thank the Senator from North Dakota, and also the majority leader, for their kindness in yielding, and for agreeing to the confirmation of Mr. Charles E. Wilson. I also desire to thank them for bringing about the unanimous-consent agreement to vote on the other two nominations.

Mr. LANGER. Mr. President, I yield now to the Senator from South Carolina.

Mr. MAYBANK. To my good friend from North Dakota I merely desire to repeat what the distinguished Senator from Nebraska said, and I thank the Senator for yielding. I also wish to thank the minority leader, because this matter was imperative.

Mr. WHERRY. The Senator thanks everyone.

Mr. MAYBANK. No, Mr. President. It was imperative that Mr. Wilson's nomination be confirmed tonight, so he could take office tomorrow. So I thank the Senator from North Dakota.

DISCRIMINATION AGAINST CITIZENS OF NORTH DAKOTA IN APPOINTMENTS TO FEDERAL OFFICE

Mr. LANGER. Mr. President, I ask unanimous consent that the paragraphs on page 9692 of the CONGRESSIONAL RECORD, volume 90, part 7, dealing with the products of North Dakota, be inserted at this point as a part of my remarks.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

MASS PRODUCTION THROUGH MODERN MECHANIZED METHODS

Leading wheat State

North Dakota produces about 45 percent of the country's spring wheat and its high protein content makes it premium quality. Long termed the "Nation's breadbasket," North Dakota produces prodigiously.

First in durum

More than 90 percent of the durum grown in the United States comes from North Dakota to be made into seminola, macaroni, and to supply export needs. Durum wheat is grown efficiently in the land of the long furrow, ideally suited to modern mechanized equipment.

For linseed oil

North Dakota produces about 15,000,000 bushels of flax annually, making it one of the leading producers of flax, often judged the best in world competition at the International hay and grain show in Chicago. Flax is also coming into use as an edible food oil. Flax fiber is important commercially for making linen, paper, and insulation material.

First in barley

North Dakota produces about 20 percent of the Nation's barley, important as food for humans as well as livestock. The State is also a major source of high-quality malting barley used in the manufacture of malt beverages.

Mile-long corn rows

Development of sturdy hybrid seeds has increased production, while livestock demands have enlarged acreages as North Dakota progresses in diversification and stabilization. Northern grown seed from North Dakota is in strong demand.

A MAJORITY OWN THEIR OWN FARM HOMES

Home ownership

Many beautiful farm homes exemplify the pride of ownership, and a high percentage of North Dakotans own their own farms. Pictured is a modern farm home in the Sheyenne River Valley, where combined grain farming and balanced livestock production bring assured profits.

Profitable potatoes

North Dakota has a larger acreage of certified seed potatoes than any other State, and the production of seed for Southern States and Caribbean countries provides a $20,000,000 annual industry. Fine table stock is used in new dehydration plants supplying a wide market.

Sugar beets

Without irrigation or fertilization sugar beets with a content of 16 to 17 percent, yielding about 9 tons per acre, are produced in the Red River Valley, and 12 to 14 tons under irrigation in the Valley of the Yellowstone along the western border. Beet growing, now highly mechanized, is very profitable. It fits in rotation plans and aids in livestock feeding and fattening.

Soybeans

The magic material for plastics, high protein food products for man and beast, soy beans is a crop being rapidly expanded in North Dakota, with a soybean processing unit installed in the State mill and elevator at Grand Forks.

Tractor territory

North Dakota's level areas, great fields, free from stone, tend toward complete mechanized methods as indicated in the threshing scene above.

LIVESTOCK MANUFACTURES FOOD FROM FEED

Herds pedigreed and rich, ample feed

Uncounted thousands of bison fattened in days of old on the prairies whose rich, nutritious grasses now support registered herds of beef and dairy cattle, followed by quality sheep and premium hogs, while turkeys, poultry, and poultry products supply processing plants for year-round operation, farmers with ready cash and a splendid balance to agriculture, once devoted largely to the growing of cereal grains. Dried grama and bunch grass furnishes feed for livestock on the range even during winter months.

MANY MARKETS FOR NORTH DAKOTA FARMERS

Competition and cooperation

Competition is the life of trade and cooperation also plays an important part in the markets of North Dakota. The State offers a State-owned mill and elevator, in competition with independent flour mills, and cooperatively owned elevators operate in competition to individually owned grain houses—all of which works to make good markets for North Dakota farmers, who can sell all their products for cash at any season.

QUALITY PRODUCTS PROVIDE PROFITABLE INDUSTRIES

North Dakota turkeys

The special quality and flavor of North Dakota turkeys, North Dakota butter, North Dakota poultry, bring premiums on eastern markets. North Dakota pottery made from some of the world's finest ceramic clays sells readily in all States. The dry, healthful climate is ideal for the production of fine furs.

North Dakota honey

Water-white honey gathered by bees from sun-flooded fields of sweet clover has a taste and flavor which wins instant favor and is declared of supreme quality by honey connoisseurs over the Nation. More hours of sunshine allow the bees to work longer hours, store more honey per hive, a fact which brings apiaries here annually from distant States.

A WARM WELCOME TO AIR-CONDITIONED COMFORT

Gradually the romantic history of North Dakota, the unique beauty of its Badlands, of its 22 State parks, the compelling interest of restored prehistoric Indian village dwellings, its skyscraper capitol, its immense International Peace Garden, beauty spots, and other attractions—are making the State a touring objective.

For many years North Dakota's faster, shorter, better, cooler routes have been popular pathways to the Alps of America, the Nation's greatest scenic section, the Pacific Northwest. North Dakota provides the Main Street to the Yellowstone, the Broadway to Glacier, and the Appian Way to the other American and Canadian parks.

North Dakota's broad sweeps, the stillness of its Badlands, the Sunken Gardens of America, brings peace to the soul of the visitor. There is rest for the eyes in the beauty of the great green or golden seas of grain in mile-square checkerboards. Enlarged horizons, unmatched sunsets, and the great blue tent in which the stars are hung give a new sense of freedom to those escaping from congested confusion, who have broken into the open spaces to breathe ozone-filled air, to drink in the health-giving sunshine, and to be a part of nature itself.

North Dakota welcomes visitors to its healthful, zestful, restful climate. Visitourists are urged to linger in its sunshine, enjoy its hospitality, and to become relaxed and refreshed. Citizens are grateful to those hunters, fishermen, outdoor people who acknowledge North Dakota as a touring objective.

STATE HAS GREAT WEALTH OF NATURAL RESOURCES

More than 600,000,000,000 tons of lignite coal, enough for the needs of the Nation for 400 years, underlies 28,000 square miles in western North Dakota. If sold at only $1 a ton, it would pay the national debt twice over. Gasoline, plastics, various oils, acids, dyes, paints are made from lignite economically mined.

Lignite coal is briquetted into high-class fuel at Dickinson and Minot plants. New industrial uses of lignite for motor fuel, etc., are being worked out by United States Bureau of Mines engineers in North Dakota. Natural gas furnishes another cheap and efficient fuel. Lignite lends encouragement to new industries because of its economy.

Mr. LANGER. Mr. President, I am very happy to advise the Senate that I have just been informed that the executive department is going to give, almost immediately, very sympathetic consideration to the plight of North Dakota. Therefore, I shall not speak any further tonight. I want to see what will develop. Unless we get the sympathetic consideration of which I have just been assured, Mr. President, I am in duty bound to continue to oppose the confirmation of all nominations of heads of departments, ambassadors, and so forth. I am deeply appreciative of the fact that the executive department has notified me that the terrible discrimination which has existed against the State of North Dakota for 61 years—61 long, long years—is going to cease.

The PRESIDING OFFICER. What is the pleasure of the Senate?

RECESS

Mr. LANGER. Mr. President, I move that, in executive session, the Senate now stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 52 minutes p. m.) the Senate, in executive session, took a recess until tomorrow, Thursday, December 21, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 20 (legislative day of November 27), 1950:

UNITED NATIONS

Mrs. Anna Eleanor Roosevelt, of New York, to be the representative of the United States of America on the Human Rights Commission of the Economic and Social Council of the United Nations for a term of 3 years. (Reappointment.)

George P. Baker, of Massachusetts, to be the representative of the United States of America on the Transport and Communications Commission of the Economic and Social Council of the United Nations for a term of 3 years. (Reappointment.)

IN THE NAVY

Rear Adm. Malcolm F. Schoeffel, United States Navy, to be Chief of the Bureau of Ordnance in the Department of the Navy for a term of 4 years.

Vice Adm. Lynde D. McCormick, United States Navy, to have the grade, rank, pay, and allowances of an admiral while serving as Vice Chief of Naval Operations.

Rear Adm. Albert G. Noble, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Chief of Naval Material in the Department of the Navy.

CONFIRMATION

Executive nomination confirmed by the Senate, December 20 (legislative day of November 27), 1950:

DIRECTOR OF DEFENSE MOBILIZATION

Charles E. Wilson, of New York, to be Director of Defense Mobilization.

HOUSE OF REPRESENTATIVES

MONDAY, NOVEMBER 20, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, who art always seeking to inspire and sustain us with a vivid sense of Thy presence and power, we pray that this assurance may be for all of us a here-and-now experience.

Grant that the thought of Thy divine sovereignty may guard us against doubt and fear as we strive to hold at bay the forces of tyranny and aggression that would enslave us.

Help us to bring our lives consciously and continuously into harmony with what Thou dost desire and command. In all our plans and purposes may we be impelled by pure and unselfish motives.

Give us a clearer understanding of our duty, not as a heavy burden or a drudgery, but as a devotion to a great cause. May we be loyal partners with all who are giving themselves so valiantly in order to secure the blessings of freedom for our own and succeeding generations.

Lift us by Thy grace above all the hazards and hardships of time's happenings into the blessedness of Thine own eternal peace.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment a bill and joint resolution of the House of the following titles:

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; and

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code.

The message also announced that the Senate agrees to the reports of the committees of conference on the disagreeing votes of the two Houses on the amendments of the Senate to bills of the House of the following titles:

S. 3357. An act to prohibit transportation of gambling devices in interstate and foreign commerce; and

S. 4234. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

The message also announced that the Senate had adopted the following resolution (S. Res. 377):

Resolved, That the Secretary be, and he is hereby, directed to request the House of Representatives to return to the Senate the bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, Mrs. Raul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria, together with the Senate engrossed amendments thereto.

AGUA CALIENTE INDIAN RESERVATION

Mr. MORRIS. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9272) to amend the act of October 5, 1949 (Public Law 332, 81st Cong.), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 8, after "1951", insert ": *Provided*, That this amendment shall not extend the duration of any permit which would, according to its own terms, expire on or before December 31, 1951."

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

BERNARD F. ELMERS

Mr. BYRNE of New York submitted a conference report and statement on the bill (H. R. 4803) for the relief of Bernard F. Elmers.

EXTENSION OF REMARKS

Mr. HÉBERT (at the request of Mr. PASSMAN) was given permission to extend his remarks.

Mr. LANE asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. PRICE asked and was given permission to extend his remarks and include a newspaper article.

Mr. BOLLING asked and was given permission to extend his remarks and include a column by Lowell Mellett.

Mr. BIEMILLER asked and was given permission to extend his remarks in two instances and include newspaper articles.

Mr. JACOBS asked and was given permission to extend his remarks and include a letter and an answer to it.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in three instances and include in each instance extraneous matter.

Mr. STOCKMAN asked and was given permission to extend his remarks in two instances and include in one a resolution adopted unanimously by the Oregon Wheat Growers League last December 9, and in the other an address by the administrator of the Oregon Wheat Commission on Wheat and Our Foreign Policy.

Mr. JOHNSON asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. BIEMILLER asked and was given permission to include extraneous matter in the remarks he expects to make under special order later in the day.

Mr. CLEVENGER asked and was given permission to extend his remarks and include an editorial from the Van Wert Times-Bulletin.

Mr. JENISON asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. VURSELL asked and was given permission to extend his remarks.

AMENDING AND EXTENDING CERTAIN PROVISIONS OF THE FIRST WAR POWERS ACT, 1941

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 9932) to amend and extend certain provisions of the First War Powers Act, 1941.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. HALLECK. Reserving the right to object, Mr. Speaker, as I understand it, this matter was first presented yesterday to the Committee on the Judiciary. I think there were certain representatives of the Department present, but no hearings as such were held. The gentleman can correct me if I am in error about that.

Mr. CELLER. The gentleman is correct.

Mr. HALLECK. This proposal contains two titles. The first has to do with power and authority granted to the President to provide for the redistribution of functions among executive agencies, and for numerous other powers in connection with that general subject, having to do with the agencies of the Government.

The second title has to do with the making of contracts of procurement in connection with the national defense.

From what I have been able to determine of the matter, there is no immediate urgency for any determination as to the matters contained in title I.

As a matter of fact the powers therein contained are extremely broad and have been the subject of considerable questions by many Members who have had a chance to look at it. My own view is that certainly the matters contained in title I should have more careful consideration before action is taken. The powers therein granted would certainly not be invoked before the first of the year anyway.

In respect to title II, if the proposal were to be limited to that, as far as I am personally concerned, I would not object to its consideration at this time. That has to do with the contract procurement matters. However, I think I should point out that in the brief examination which has been made of the matter by some Members here, and I might say by certain Members of the other body, question has been raised as to whether or not that title does not go too far insofar as it would repeal by implication, at least, as I understand it, rather carefully worked-out provisions of the Defense Procurement Act of 1948. So, Mr. Speaker, while all of us certainly want to cooperate in the expeditious consideration of measures necessary for the national defense, I do not seen how a unanimous-consent request can be granted for this measure as a whole containing these two titles in the light of the very limited consideration that have been given to it and having regard also to what I think is clearly a situation in which we could certainly take the time necessary to inquire more carefully into the provisions of title I at least.

Mr. CELLER. Of course the gentleman understands that these changes to be made in the War Powers Act are only temporary and are for the duration of the emergency which has been declared by the President.

Mr. HALLECK. Yes, I understand that, but I might say to the gentleman from New York that if he has any definite idea of how long this emergency is going to last, then he knows more than I do about it, and I think more than any other Member of the House of Representatives. It may be a matter of years. Therefore, Mr. Speaker, the request embodying all these matters, and being as it is, I must object.

Mr. McCORMACK. Mr. Speaker, will the gentleman reserve his right to object for a moment?

Mr. HALLECK. Yes.

Mr. McCORMACK. What is the gentleman's position on a unanimous-consent request that it be in order tomorrow to consider this bill with 1 or 2 hours of debate, to be divided equally between the majority and minority?

Mr. HALLECK. As a matter of fact the gentleman knows that if objection is made then the matter can go to the Committee on Rules and possibly have some further airing there, which I take it would probably be productive of some better understanding of what it is about. I would feel constrained to object to the unanimous consent for consideration of this bill tomorrow.

Mr. McCORMACK. I might say that the latter is very unusual.

Mr. HALLECK. It might be quite unusual, but we have been doing a few unusual things, I may suggest to the gentleman from Massachusetts, in respect to the enactment of legislation quickly and expeditiously to meet the present emergency which is upon us. So I do not think it is quite fair to criticize those of us who feel obligated to suggest that the powers sought to be granted in title I at least are so broad that we might well take a look at them to see what they are, before we undertake to put them into law.

Mr. CELLER. Of course both Houses of the Congress can, by concurrent resolution, terminate these powers which we grant here at any time.

Mr. HALLECK. I recognize that. That has been in all of these War Powers Acts. Might I suggest to the gentleman from New York that even the inclusion of that provision of the act that it is only for the duration of the emergency would not justify us in rushing blindly into such a broad grant of authority and power as is here indicated. The matter should have more careful consideration.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield for a parliamentary inquiry?

Mr. HALLECK. Yes, I yield to the gentleman.

Mr. HOFFMAN of Michigan. Will you tell me where I can get a copy of the bill? I am told at the desk that they do not have any.

Mr. CELLER. The bill was filed yesterday.

Mr. HOFFMAN of Michigan. Well, I cannot get a copy.

Mr. CELLER. I will be glad to give the gentleman a copy.

Mr. HALLECK. Of course, as I understand it, the bill reported by the committee is not the one that is really to be supported by the gentleman from New York [Mr. CELLER]; that he has in mind to offer a complete substitute, a copy of which I have, which is a carbon copy of a typewritten page.

Mr. CELLER. That is a committee amendment. All it does is to reenact in haec verba the provisions of title I and title II of the War Powers Act.

Mr. HALLECK. Mr. Speaker, I object.

The SPEAKER. Objection is heard.

FEDERAL CIVIL DEFENSE ACT OF 1950

Mr. DURHAM. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9798) to authorize a Federal civil-defense program, and for other purposes.

The question was taken; and the Speaker announced the ayes appeared to have it.

Mr. HOFFMAN of Michigan. Mr. Speaker, I object to the vote on the ground that a quorum is not present, and

I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 244, nays 0, not voting 185, as follows:

[Roll No. 297]

YEAS—244

Addonizio	Garmatz	Morris
Albert	Gilmer	Moulder
Allen, Calif.	Golden	Multer
Andersen, H. Carl	Gore	Murdock
	Gossett	Murray, Tenn.
Andresen, August H.	Graham	Nelson
	Granahan	Norblad
Andrews	Granger	Norrell
Arends	Grant	Norton
Aspinall	Green	O'Hara, Ill.
Auchincloss	Gross	O'Hara, Minn.
Bailey	Hale	O'Sullivan
Barrett, Pa.	Hall, Edwin Arthur	O'Toole
Bates, Mass.		Passman
Battle	Halleck	Patten
Beckworth	Harden	Patterson
Bennett, Fla.	Hardy	Perkins
Bentsen	Harris	Peterson
Biemiller	Harrison	Philbin
Bishop	Harvey	Pickett
Blatnik	Hays, Ark.	Polk
Boggs, Del.	Hays, Ohio	Price
Bolling	Heselton	Priest
Bolton, Ohio	Hinshaw	Ramsay
Bonner	Hobbs	Rankin
Bosone	Hoffman, Mich.	Reed, N. Y.
Bramblett	Holmes	Rees
Breen	Howell	Rhodes
Brown, Ga.	Hull	Ribicoff
Brown, Ohio	Jackson, Wash.	Richards
Bryson	Jacobs	Rivers
Burdick	James	Robeson
Burleson	Javits	Rodino
Burnside	Jenison	Rogers, Fla.
Byrne, N. Y.	Jennings	Rogers, Mass.
Byrnes, Wis.	Jensen	Rooney
Camp	Johnson	Sadowski
Canfield	Jonas	Sanborn
Carlyle	Jones, Ala.	Sasscer
Carnahan	Jones, Hamilton C.	Scott, Hardie
Carroll		Scott, Hugh D., Jr.
Case, N. J.	Jones, Woodrow W.	Scrivner
Celler		Secrest
Chelf	Judd	Shafer
Chudoff	Karst	Shelley
Clemente	Karsten	Sheppard
Clevenger	Kean	Short
Cole, N. Y.	Kearney	Simpson, Pa.
Cooper	Keating	Smith, Va.
Cotton	Keogh	Spence
Cox	Kilday	Steed
Crawford	King	Stigler
Cunningham	Kirwan	Stockman
Curtis	Klein	Sullivan
Dague	Kunkel	Tackett
Davis, Ga.	Lane	Tauriello
Davis, Tenn.	Lanham	Thomas
Davis, Wis.	Lichtenwalter	Tollefson
Dawson	Lind	Towe
Deane	Linehan	Trimble
DeGraffenried	Lovre	Van Zandt
Denton	Lucas	Velde
Dollinger	Lynch	Vinson
Dolliver	McCarthy	Vursell
Dondero	McConnell	Wadsworth
Donohue	McCormack	Walter
Doughton	McCulloch	Weichel
Durham	McGregor	Wheeler
Eberharter	McGuire	White, Idaho
Elliott	McKinnon	Whittington
Ellsworth	McMillan, S. C.	Wickersham
Elston	McSweeney	Wier
Evins	Mack, Ill.	Wigglesworth
Fallon	Mack, Wash.	Williams
Feighan	Magee	Wilson, Okla.
Fenton	Mahon	Wilson, Tex.
Fernandez	Marsalis	Withrow
Fisher	Merrow	Wolverton
Flood	Michener	Woodhouse
Forand	Miles	Young
Ford	Miller, Calif.	Zablocki
Frazier	Mills	
Fugate	Mitchell	
Furcolo	Monroney	

NOT VOTING—185

Abbitt	Allen, La.	Barden
Abernethy	Anderson, Calif.	Baring
Allen, Ill.	Angell	Barrett, Wyo.
Bates, Ky.	Havenner	Pfeifer, Joseph L.
Beall	Hébert	
Bennett, Mich.	Hedrick	Pfeiffer, William L.
Blackney	Heffernan	
Boggs, La.	Heller	Phillips, Calif.
Bolton, Md.	Herlong	Phillips, Tenn.
Boykin	Herter	Plumley
Brehm	Hill	Poage
Brooks	Hoeven	Potter
Buchanan	Hoffman, Ill.	Poulson
Buckley, Ill.	Holifield	Powell
Buckley, N. Y.	Hope	Preston
Burke	Horan	Quinn
Burton	Huber	Rabaut
Cannon	Irving	Rains
Case, S. Dak.	Jackson, Calif.	Redden
Cavalcante	Jenkins	Reed, Ill.
Chatham	Jones, Mo.	Regan
Chesney	Kearns	Rich
Chiperfield	Kee	Richlman
Christopher	Keefe	Roosevelt
Cole, Kans.	Kelley, Pa.	Sabath
Colmer	Kelly, N. Y.	Sadlak
Combs	Kennedy	St. George
Cooley	Kerr	Saylor
Corbett	Kilburn	Scudder
Coudert	Kruse	Sikes
Crook	Larcade	Simpson, Ill.
Crosser	Latham	Sims
Davenport	LeCompte	Smathers
Davies, N. Y.	LeFevre	Smith, Kans.
Delaney	Lodge	Smith, Ohio
D'Ewart	Lyle	Smith, Wis.
Dingell	McDonough	Staggers
Douglas	McGrath	Stanley
Doyle	McMillen, Ill.	Stefan
Eaton	Macy	Sutton
Engel, Mich.	Madden	Taber
Engle, Calif.	Mansfield	Talle
Fellows	Marcantonio	Taylor
Fogarty	Marshall	Teague
Fulton	Martin, Iowa	Thompson
Gamble	Martin, Mass.	Thornberry
Gary	Mason	Underwood
Gathings	Miller, Md.	Vorys
Gavin	Miller, Nebr.	Wagner
George	Morgan	Walsh
Gillette	Morrison	Welch
Goodwin	Morton	Werdel
Gordon	Murphy	Whitaker
Gorski	Murray, Wis.	White, Calif.
Gregory	Nicholson	Whitten
Guill	Noland	Widnall
Gwinn	O'Brien, Ill.	Willis
Hagen	O'Brien, Mich.	Wilson, Ind.
Hall, Leonard W.	O'Konski	Winstead
		Wolcott
Hand	O'Neill	Wood
Hare	Pace	Woodruff
Hart	Patman	Yates

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. Preston with Mr. Martin of Massachusetts.

Mr. Heller with Mr. Jenkins.

Mrs. Kelly of New York with Mr. Woodruff.

Mr. Mansfield with Mr. Eaton.

Mr. Morrison with Mr. Allen of Illinois.

Mr. Winstead with Mr. Latham.

Mr. Whitten with Mrs. St. George.

Mr. McGrath with Mr. Hand.

Mr. Boggs of Louisiana, with Mr. Kearns.

Mr. Whitaker with Mr. Corbett.

Mr. Smathers with Mr. Cole of Kansas.

Mr. Redden with Mr. Nicholson.

Mr. Regan with Mr. Reed of Illinois.

Mr. Thompson with Mr. Sadlak.

Mr. Teague with Mr. Hagen.

Mr. Sikes with Mr. Simpson of Illinois.

Mr. Jones of Missouri, with Mr. Stefan.

Mr. Cooley with Mr. Taylor.

Mr. Abbitt with Mr. Jackson of California.

Mr. Underwood with Mr. Horan.

Mr. Welch with Mr. Goodwin.

Mr. Powell with Mr. Wolcott.

Mr. Gary with Mr. Brehm.

Mr. Abernethy with Mr. Rich.

Mr. Gordon with Mr. Gillette.

Mr. Bates of Kentucky with Mr. Hill.

Mr. Baring with Mr. Werdel.

Mr. Hébert with Mr. Hoeven.

Mr. Boykin with Mr. Fulton.

Mr. Kerr with Mr. Potter.

Mr. Crook with Mr. D'Ewart.

Mr. Doyle with Mr. Beall.

Mr. Yates with Mr. Mason.

Mr. Murphy with Mr. Miller of Maryland.

Mr. Fogarty with Mr. Fellows.

Mr. Buckley of New York with Mr. Gwinn.

Mr. Kelley of Pennsylvania, with Mr. Leonard W. Hall.

Mr. Rabaut with Mr. Herter.

Mr. Quinn with Mr. Smith of Kansas.

Mr. Rains with Mr. Scudder.

Mr. O'Neill with Mr. Morton.

Mr. O'Brien of Illinois with Mr. Chiperfield.

Mr. Hart with Mr. Anderson of California.

Mr. Havenner with Mr. Guill.

Mr. Burton with Mr. Taber.

Mr. Colmer with Mr. Phillips of California.

Mr. Madden with Mr. Miller of Nebraska.

Mr. Engle of California with Mr. Blackney.

Mrs. Douglas with Mr. Angell.

Mr. Roosevelt with Mr. Coudert.

Mr. Dingell with Mr. Gavin.

Mr. Delaney with Mr. Hope.

Mr. Stanley with Mr. Widnall.

Mr. Staggers with Mr. Saylor.

Mr. Sutton with Mr. George.

Mr. Lyle with Mr. Vorys.

Mr. Burke with Mr. Wilson of Indiana.

Mr. Gregory with Mr. Smith of Wisconsin.

Mr. Gathings with Mr. Richlman.

Mr. Holifield with Mr. McDonough.

Mr. Heffernan with Mr. LeCompte.

Mr. Irving with Mr. Bennett of Michigan.

Mr. Herlong with Mr. Gamble.

Mr. Morgan with Mr. Talle.

Mr. Larcade with Mr. Murray of Wisconsin.

Mr. Willis with Mr. Martin of Iowa.

Mr. Wood with Mr. Hoffman of Illinois.

The result of the vote was announced as above recorded.

The doors were opened.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9798) to authorize a Federal civil defense program, and for other purposes, with Mr. ROONEY in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. The gentleman from North Carolina [Mr. DURHAM], and the gentleman from Missouri [Mr. SHORT] have 1 hour each. The Chair recognizes the gentleman from North Carolina [Mr. DURHAM].

Mr. DURHAM. Mr. Chairman, I yield myself 15 minutes.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. McCORMACK. Mr. Chairman, I like to keep the membership informed of any changes in the program, or anything that might be expected in relation to the program. The Committee on Interstate and Foreign Commerce yesterday voted and directed the gentleman from Texas [Mr. BECKWORTH] to call up the union-shop bill. I have conferred with the gentleman from Texas [Mr. BECKWORTH], and, in accordance with the direction of his committee he has informed me that in pursuance of that direction he intends to call up that bill tomorrow; is that correct, may I inquire of the gentleman from Texas?

Mr. BECKWORTH. That is correct.

Mr. HALLECK. Can the gentleman from Texas tell us whether or not he is prepared to yield for the purpose of submitting amendments to the measure?

Mr. BECKWORTH. It is my understanding, from a very authoritative source, that once a Member in charge of a bill under the rule to be used, yields, he loses control of the measure itself, and although the committee has not had a chance to discuss this matter since I received the information, in the absence of any further direction from the committee I would not be disposed to yield.

Mr. HALLECK. The gentleman is acting chairman of the committee at the moment, is he not?

Mr. BECKWORTH. The gentleman is the acting chairman of the committee, insofar as this bill is concerned, but the gentleman is acting in accordance with the direction of the chairman of the committee, who has called the meetings concerning this bill from time to time.

Mr. HALLECK. Does the gentleman have it in mind to try to convene any further meeting of the Committee on Interstate and Foreign Commerce prior to taking up the matter tomorrow?

Mr. BECKWORTH. The gentleman has not had occasion to determine that. I might add, the gentleman will certainly be glad to talk to the other members of the committee, the members who had a part in the direction which has been spoken of, and determine what the committee would like to do in that connection.

Mr. McCORMACK. And that would be informal?

Mr. BECKWORTH. I do not say whether it would be informal or not. The chairman of the committee to whom I have referred could call the committee together.

Mr. McCORMACK. That is, it would not be the official action of the committee. The gentleman at the present time is under instructions from his committee, taken in a meeting which was formal and official, to call this bill up when recognized by the Speaker for this purpose and he advised me that he intended to call it up tomorrow. Under the rules he has control of the time, and if he yields he loses control of the floor. In accordance with the direction the gentleman has at the present time he intends to proceed and not yield for the purpose of offering amendments.

Mr. BECKWORTH. As of the present time, yes, I would say I have no authority to act otherwise at this time, keeping in mind the committee direction of which I have spoken.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. HALLECK. If I understand the parliamentary situation, the time for debate would not exceed 1 hour.

Mr. BECKWORTH. That is right.

Mr. HALLECK. As I understand, the gentleman says he does not propose to offer any amendments.

Mr. BECKWORTH. At the moment, I would not state that I propose to do that.

The CHAIRMAN. The gentleman from North Carolina [Mr. DURHAM] is recognized.

Mr. DURHAM. Mr. Chairman, the Committee has before it today H. R. 9798, which is a bill to authorize the Federal civil defense program. This subject has been before the Joint Committee on Atomic Energy for the better part of a year, during which time that committee held hearings and a good deal of ground work was done on this subject. This bill is an outgrowth of that study. When the bill was referred to the Armed Services Committee, the chairman appointed a special subcommittee, all of the members of which were also members of the Joint Atomic Energy Committee, so that the special subcommittee could have the value of the members' experience concerning this subject.

I want the Members to know that our committee held exhaustive hearings on this bill, and the bill before you now is the result of our hearings and studies on this subject.

Originally, the bill was not divided into titles and it was apparent that if it were not so divided and generally tightened up throughout, the Administrator would have powers which were entirely too far-reaching. The subcommittee, therefore, divided the bill into four titles, as follows: Organization, powers and duties, emergency authority, and general provisions.

The declaration of policy is stated in section 2 of the bill. I believe that declaration is clear for it states that the policy and intent of the Congress is to plan and provide for the protection of life and property from an enemy attack of any nature, and that the responsibility is to be shared between the States and the Federal Government. The committee next wrote into the bill several definitions which were deemed necessary in order that there would be no misinterpretation. You will note that we defined "attack," "civil defense," "organizational equipment," "materials," "facilities," "States," and the term "neighboring countries."

As I have stated, title I sets up the organization of a Federal Civil Defense Administration. At the head of this Administration there will be an Administrator appointed from civilian life by the President, by and with the advice and consent of the Senate. He will receive a salary of $17,500 per year, which is commensurate with the salaries paid other agency heads. Under the Administrator will be a Deputy Administrator, also appointed by the President, with confirmation of the Senate, but the deputy need not necessarily be a civilian. He will receive a salary of $16,000 per year.

Title II is the title dealing with powers and duties, and sets out the detailed functions of the Administrator. He will prepare national plans and programs and check on State plans and operations. He will review the civil defense activities of the several departments and agencies of the Federal Government, and coordinate them with each other and with the activities of the States and neighboring countries. The Administrator will look after civil defense communications and warnings, study and develop civil defense measures, including research, and conduct schools and training programs. He will also assist, encourage and review interstate compacts and the bill provides for the consent of Congress to these compacts. In subsection (h) on page 7 of the bill, the Administrator is given the authority to procure, construct, lease, transport, store, maintain, renovate, or distribute materials and facilities for civil defense. This was a very broad subsection, so you will note that the committee wrote in two provisions requiring the Administrator to report to the Congress. It was felt that this would be an adequate safeguard and would let the Congress keep a check on the Administrator.

Subsection (i) of this title is that subsection dealing with financial contributions to the States for civil defense purposes. The contributions will be matched by the States for organizational equipment and shelters or protective facilities, but no contributions will be made for State or local personnel and administrative expenses. The contributions will be worked on a formula which is stated in this subsection and will be apportioned among the States in the ratio which the urban population of the critical target areas in each State bears to the total urban population of the critical target areas in all the States.

Title III of the bill is the emergency authority. It is recognized that this title will give to the Administrator considerable power, but on the other hand, it must be realized that in the event of an enemy attack such powers will be absolutely necessary. To implement this section the President must declare a national emergency for civil defense purposes and thereafter the President may direct any Federal department or agency to provide their personnel, materials and facilities to the Administrator, or emergency shelter, by construction or otherwise, and authority to make emergency repairs and temporary replacements of communications, hospitals, utilities, transportation facilities, or public facilities of States or their political subdivisions damaged or destroyed by enemy attack. During the emergency the Administrator is authorized to exercise this authority without regard to several laws enumerated in the bill, which mainly have to do with receiving bids on purchases, advertising for bids, and so forth. During the emergency the Administrator may provide financial assistance for temporary relief or aid of civilians, and he will coordinate and direct the relief activities of the various departments and agencies of the United States.

Title IV of the bill contains the general provisions concerning personnel, the establishment of the United States Civilian Defense Corps, a provision concerning printing, a provision giving the Administrator the authority to prescribe rules and regulations, security provisions and another section concerning a report to the Congress. This report would be submitted annually and would cover expenditures, contributions, work and accomplishments of the administration.

Generally speaking, that is what is in the bill. I think the Armed Services Committee has reported a very good civil defense bill. The legislation has been coordinated with other interested governmental agencies and, in principle, they all endorse this legislation. The

Council of Mayors and the Council of State Governments also endorse the legislation. The bill was cleared by the Bureau of the Budget and the President has asked that civil defense legislation be given high priority by the Congress.

The fiscal effects of the bill are such that an expenditure of $3,100,000,000 is entailed, for the program, over a 3-year period. It should be noted that approximately one-half of this will be contributed by the States, leaving $1,600,000,000 to be contributed by the Federal Government.

COMMENTS ON H. R. 9798

Section 201 (a): The starting point of civil defense by the Administrator is the preparing of plans and programs. For several years considerable work has been carried on in this field as evidenced by the Hopley report and the United States civil defense. Continual work is required in considering and revising such plans and programs and it is definitely one of the continuing functions of the Administrator.

As a part of such plans and programs, consideration will be given to the planning for plant protection. In large part, other Government agencies will handle the internal security of plants most concerned with national defense and the Administrator will be most interested in the civil defense plans of other plants. Likewise, the evacuation and reception of the civilian population is another example of civil defense planning.

In preparing such plans it is contemplated that the Administrator will build on the plans and programs previously developed by NSRB. It is believed Congress should, in effect, give recognition to this previous work and permit a continuity to be maintained.

The subsection also provides that the Administrator shall "sponsor and direct" such plans. The dictionary definition of "sponsor" as used herein is "one who assumes responsibility for some other person and thing." The Administrator is, of course, responsible for the civil defense plans and programs. The dictionary definition again for "direct" as used herein is to "cause a (person or thing) to turn, move, point out or follow a course." As applied to plans and programs the phrase indicates the Administrator will assume responsibility for the same and will point out the course civil defense should follow.

To give added authority to need for complete and accurate civil defense information, the Administrator is also authorized to obtain reports on the State plans and operations for civil defense. This added authority will more readily enable the Administrator to obtain the necessary information. The Administrator will, in effect, run a clearing house for civil defense information.

Section 201 (b): In order to assemble at one point information as to the civil defense activities of the Federal Government, the Administrator is authorized to review all of such activities of the several departments and agencies of the Federal Government. This would include, of course, the civil defense activities carried on by the Atomic Energy Commission and the Department of Defense. In order to prevent the ignoring, duplication, or undue delay of different civil defense items or projects, the Administrator is authorized to bring the activities of such agencies with respect to civil defense into an accord or common action with each other and with the civil defense activities of the States and neighboring countries. In other words the activities will be coordinated.

COMMUNICATIONS

Section 201 (c): Civil Defense Communications will consist of two branches: (a) The alerting system; (b) the message-handling system.

Both systems will be designed to operate with both wire and radio equipment in order to make these systems invulnerable, if possible.

The alerting system, $30,451,500: The alerting system transmits air raid warnings from the air defense command to civil defense authorities in the various States.

The air defense command, by means of its radar equipment and its ground observer system, obtains information of approaching enemy aircraft. This information is sent to the air defense control center and from this point is fanned out to civil defense authorities in the nearby States. The air defense command is completing 11 of these control centers throughout the United States.

Two types of warnings are presently disseminated by officials in the air defense control centers. The first warning is known as the yellow alert. It is sent out when approaching enemy aircraft are first detected, and while it is still impossible for the air defense command to predict what city or cities might be the ultimate targets. In effect, the yellow alert means possibility of an attack.

Inasmuch as the yellow alert is sent to a wide area by the air defense control center, it is essential that it be kept confidential, since otherwise this Nation's productive capacity could be seriously impaired if the public were informed of the presence of such an alert. This confidential yellow alert is sent to key civil defense officials, to governors of States, to police and fire chiefs, and so forth, who upon its receipt begin to mobilize their protective personnel.

By way of example, if we suppose that a flight of unidentified aircraft is detected 200 miles out in the Atlantic on a line extending east from New York City, in all probability a yellow alert would be sent to key point warning centers in every seaboard State between Maine and Virginia. When, however, it was determined that the flight was definitely heading toward New York City, the red alert would be sent to that city, whereas Boston, Baltimore and Washington would be given the all clear signal.

The red alert is the public warning indicating imminent danger of air attack. This warning also originates in the air defense control centers and goes to the same key point warning centers to which the yellow alert is directed. Upon receipt of the red alert in any city, the sirens are immediately put into action and the public is warned of the approaching danger.

The air raid alerting system depends primarily on telephone circuits running between the air defense control centers and the various key point warning centers in the various States.

To back this system up with radio linkage, it is proposed to make full use of the broadcasting stations in this country. Inasmuch as it is desired to retain the confidential aspect of the yellow alert, some device must be employed to make the broadcasting stations activate special receivers owned by key civil defense officials but, at the same time, to prevent the receivers in general use by the public from picking up the information. This can be easily done by transmitting subaudible tones over the broadcasting stations. These subaudible tones are not detected by the general public but they cause a bell to ring and a light to flash on the special alert receivers in the possession of the key civil defense personnel.

In essence, the alerting system can be classed as a one-way communications system since the whole service rendered is warning the public of impending air raid. There is no requirement for replies returning from the public to any of the air defense control centers.

The message-handling system, $1,630,000 to be spent outright by the Federal Government plus $8,185,000 to be spent by the Federal Government as a counterpart to a similar expenditure made by the States: The message-handling system is designed as a two-way communications system. Telephone circuits are the backbone of this system but experience has shown that the telephone system is vulnerable to bombing attacks. For this reason and also for the reason that the telephone system is not able to handle all the traffic connected with a major disaster such as bombing, it has been decided to augment the telephone system with radio facilities.

In most municipalities the fire and police departments already have radio systems which can be used for their respective services in event of any emergency. Some augmentation of these radio facilities is necessary in some cities and States, and this augmentation is contemplated in the proposed budget.

In addition to the fire and police radio systems which will be utilized to their full capacity in the fire and police activities attendant upon a disaster, two-way radio facilities must be provided for rescue workers, medical teams, demolition squads, air-raid wardens, etc. It is proposed to use the portable and mobile radio facilities of American radio amateurs in performing this communications service, and to augment such equipment in target areas wherever deemed necessary.

It is further proposed that mobile facsimile transmitting and receiving equipment be made available for each major target city so that maps of city streets showing road blocks, pipeline breaks, fire areas, etc., may be transmitted by radio from the scene of the disaster to the local control center.

The communications system in any community is centered in the local control center which will be equipped with

both telephone and radio communications equipment.

In addition to being the focal point for communications to and from fire, police, wardens, rescue, medical, and demolition teams, the control center is also utilized to summon assistance from other communities, from the State, or from the Federal Regional Civil Defense supply depots. An extension of this radio and telephone system will provide communications between the regional offices of the Federal Civil Defense Administration and the National Office of that Administration.

In every community, the two-way message-handling system described above will be augmented by a one-way service provided by the existing broadcasting stations. These stations will be utilized to train the public in civil defense procedures before any attacks are made. As described above, the broadcasting stations will also play an important part in backstopping the alerting system. Furthermore, the broadcasting stations will be utilized after the air raids have passed, as a means of disseminating advice to the citizens, and as a means of reuniting members of families. In this way the full possibilities of our present broadcasting system can be utilized to best advantage, and at the same time two-way mobile and portable radio equipment which can be taken directly to the scene of the disaster will be used when needed.

Section 201 (d): The Administrator would be expected to carry on research to afford adequate protection of life and property by developing the best methods of treating the effects of attacks by atomic, radiological, chemical, bacteriological, biological, or other weapons or processes. Under the coordination referred to in subsection (b), the Administrator would naturally utilize the agencies best qualified to conduct such research and would avoid duplication. In addition, the Administrator would develop adequate civilian shelter designs and also materials for protective covering. A further necessity is the need for developing equipment for facilities and effecting the standardization thereof to aid in meeting enemy attacks. Examples of the types of research now contemplated are the following:

First. Developing communal and family types of protective shelters.

Second. Development and testing of equipment for civil defense control centers.

Third. Development of public warning devices.

Other research projects would be developed for civil defense as deemed necessary. It is not contemplated that the Administrator will acquire or construct research laboratories but will utilize existing facilities. There will not be a large Federal research staff. Virtually all research will be accomplished by assignment or contract. This research authority is contemplated as a Federal program and the cost over a 3-year period is estimated at $3,000,000.

Section 201 (e): An important phase of civil defense is the training of professional workers and volunteers in the best methods of organizing civil defense and in the operations and techniques of civil defense. These techniques are considered as the method or details of procedure essential to the expertness of civil defense. It is contemplated now that the Administrator will establish one national staff college and also a minimum of three technical training schools. The Administrator would expect to train only the top civil defense officials and training supervisors designated by the States or the political subdivisions thereof. Such schools might be operated under contract or possibly organized and operated by the Administrator. It may be necessary to provide subsistence and quarters for the trainees and instructors on a reimbursable basis. Each class at the staff college will average about 50 students and will extend over about 5 weeks. The college staff will comprise about seven instructors. Each training school will handle about 125 students in each class and each course will extend over about 3 weeks. Shorter courses will also be given at these schools. The expenditure over a period of 3 years is estimated at about $10,000,000.

The Federal training program will include civil defense instruction in the curricula of schools and colleges; the provision of audio-visual aids and other training materials; on-the-spot institutes to assist State and local planners and administrators in the development of their civil defense programs; provision of tests to achieve standardization; and assistance in development of exercises to test civil defense planning, organization, and operations at the local, State, and regional levels.

It is not planned that the Federal Government will underwrite the cost of travel, subsistence, or pay of students, other than Federal employees, while receiving civil defense training.

No land will be acquired and no buildings will be constructed for the purposes of this subsection.

Section 201 (f): Civil defense information must be made available to every citizen through all appropriate means of communication. The methods used to reach the established goals mentioned above may be divided into the following categories:

First. That designed for the general public to provide education in civil defense problems and methods and specific instruction in individual and group self-protection against weapons which may be used against us.

Second. That designed to inform the general public on the progress of civil defense organization.

Third. That designed to teach, orient, or increase and maintain the morale of civil defense volunteer workers.

Fourth. That designed to provide teaching and study information for those who will instruct civil defense workers.

Fifth. That designed to keep the various States, and through them the political subdivisions, informed of Federal plans, programs, or policies.

"The appropriate means" refers to maximum use of existing Government and private media, including the press, magazine, special publications, manuals, handbooks, radio, television, motion-picture films, film strips, film slides, posters, exhibits, and such other means as may be available. Funds for distribution will be used only when no existing facilities are available. The costs of disseminating such information are a part of the administrative expenses of the administration and must be established each year in the light of the conditions then existing. The present budget contemplates the expenditure of $1,000,000 per year for disseminating civil defense information.

Section 201 (g): One of the basic concepts of civil defense is the rendering of mutual aid between the States. To form a legal basis for such aid it is recommended that the States enter into interstate civil defense compacts and the Administrator would encourage the negotiation of such compacts and review the terms thereof in order to obtain a reasonable degree of similarity or uniformity in the terms and conditions of such compacts which are consistent with the national civil defense plans and programs. The Administrator would also assist and coordinate the activities under such compacts.

This subsection grants the consent of Congress to such compacts. The Administrator is further authorized to encourage reciprocal civil defense legislation by the States.

Section 201 (h): In order to acquire stockpiles and also to acquire facilities necessary in the connection with civil defense, the Administrator is authorized to deal in materials and facilities as defined in the act which are needed to prepare for or meet enemy attacks. Real property needed by the Administrator might be acquired by negotiation and immediate possession could be obtained with the right to make improvements prior to the clearance of title by the Attorney General. Facilities could be constructed or renovated and may be leased as well as procured. The powers also relate to real property and are in broad terms since the exact situation confronting the Administrator at this time of exercising such powers is not known. Quarterly reports would be delivered to the Armed Services Committee under this subsection covering all property acquisitions under this subsection. The cost of the stockpiling program over a period of 3 years is estimated at $400,000,000. The costs of acquring any real property are included in other estimates under the bill.

Section 201 (i): The Administrator may make financial contributions to the States for civil defense purposes. Such contributions may include the procurement, construction, lease, or renovating of materials and facilities considered necessary to prepare for or meet enemy attacks. Certain limitations are imposed on the contributions, in that no contributions may be made for State or local personnel and administrative expenses, or for items of personal equipment for State or local workers, or for the procurement of land. Contributions for organizational equipment shall be equally matched by the States. Such equipment would be peculiar to civil defense and of a type that must be in place at time of disaster, that is, fire-fighting equipment,

portable pipe and fitting, service trucks, vehicle fitments for litters. Contributions for shelters are to be apportioned among the States "in the ratio which the urban population of the critical target areas (as determined by the Administrator) in each State, at the time of the determination, bears to the total urban population of the critical target areas of all the States." This formula follows to some extent previous legislative enactments governing contributions to the States. The apportionment on the basis of the critical target areas is designed to render aid to the States where the need is considered greatest. If a State fails to match the funds apportioned, such funds may be reallocated. The section further excludes from the contributions of the States the value of any land. Further, it contains sanctions in the event there is reasonable evidence of the misuse of funds contributed by the Administrator. The estimated contributions by the Administrator over a period of 3 years is estimated at $100,000,000 for organizational equipment and $1,-$125,000,000 for shelters or protective facilities.

Section 201 (j): Materials acquired by the Administrator under title II can be disposed of only when found to be unnecessary or unsuitable for civil-defense purposes. In such case the materials shall be treated as excess property and handled in accordance with the Federal Property and Administrative Services Act of 1949.

Section 202: Under title II of the Defense Production Act of 1950 the President can requisition materials and facilities for national defense or defense. This section extends the authority to include "civil defense" within the term "national defense" or "defense."

Section 302: This provision is designed to make available the resources of the Federal Government during the period of the emergency. The decision to use these resources and the extent to which they shall be used is to be decided by the President. Resources include personnel, materials, and facilities.

This device is admittedly only for a very temporary period as the result of great stress. The authority is similar to that conferred in time of disaster by Public Law 875, Eighty-first Congress.

Section 303 (a): The emergency authority herein contained can be exercised without regard to the limitations of existing laws. The laws cited relate to facilities and materials and briefly are as follows:

Fortieth United States Code, section 278a: Lease of buildings to Government—maximum rental shall not exceed 15 percent of fair market value, and so forth.

Forty-first United States Code, section 5: All purchases and contracts for supplies and purchases or services must be advertised.

Fortieth United States Code, section 259: No money shall be paid for a site for a public building in excess of amount appropriated.

Fortieth United States Code, page 267: Restrictions on buildings; approval of sketch plans; limit of cost.

The Federal Property and Administrative Services Act of 1949 contains the general authority and limitations relating to the procurement of personal property.

The foregoing limitations may be varied to expedite and aid in the procurement of materials and facilities.

Section 303 (b): This subsection confers broad authority on the Administrator during an emergency in connection with the transactions for the disposal of materials. Primarily this authority will be used to make available materials which have been stockpiled in the regional areas. Depending on the severity of the attack the Administrator might sell at cost or perhaps market value. With widespread and continued attacks the Administrator might deliver the materials without compensation. Deliveries would be made to or through the States.

The disposal could be made without regard to any limitation of existing law. The provisions of the Federal Property and Administrative Services Act of 1949, as amended, could be waived. This means the property would not be classed as excess or surplus.

The transactions would be made for civil defense. While the term is broad it seems clear that the materials would be used almost entirely in carrying out the measures cited in (c) of the civil-defense definition, namely, welfare, emergency medical, health and related services, rescue, and the like.

Under no circumstances could the Administrator generally go into a wholesale or retail business and his activities would be determined in good part by the extent of the damage.

Section 401 (a): It is estimated that the Federal Civil Defense Administration will require a maximum staff of 3,000 employees by June 30, 1952, at which time employment should level off. This estimate is based on staffing a national office and 13 regional offices.

Section 401 (b): It is not possible to estimate the number of part-time consultants or advisory committees which will be required at this time. Naturally, during the formulative phases of the program, consultants will be used extensively. At the present time we are using the services of six consultants on a part-time basis.

Section 401 (c): It is planned to establish 13 regional office areas to conform with the recently approved plan for regional areas. Advisory committees will be appointed when they are considered necessary. However, it is not expected that these committees will be required extensively.

The United States Civil Defense Corps is designed to be established and operated on a local level under the direction of the State. Generally, this corps would be composed of units and each unit would represent a protective service, although some administrative units might be included. Examples of the units are: Rescue, auxiliary police, auxiliary firemen, air-raid warnings, medical, drivers, welfare, transportation. Each unit would have insignia bearing its identification which would be the same throughout the United States. The training procedures would also be uniform to permit the ready interchange of units.

The corps would not conflict or override any of the duties of the State Guard and the personnel of the Guard would not be included in any of the services. A large number of the members would consist of women.

Through the corps the Administrator hopes to build up a morale which could permit the onerous duties of civil defense to be carried out in a more efficient manner and with a greater degree of discipline.

While the corps has the name "United States" it is not intended in any way that the members by reason of such membership would be employees or appointees of the United States. The members would be under the direction of control of the local or State leaders.

Federal Civil Defense employees will not be members.

Section 402: The President may issue regulations governing the authority granted above under subsection 8 (b), and the President may also provide by regulation for the exemption of persons employed or whose services are utilized under the authority of said subsections from the operation of certain sections of the Criminal Code. Regulations similar to those contemplated by this section have been issued in Executive Order 10182 of November 21, 1950, under the Defense Production Act of 1950 and the section contemplates the uniform application of such regulations to the administration.

Mr. SHORT. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, one of the things a man in politics, especially if he is a Member of Congress, painfully learns is that very often he has to do things which he does not like or want to do. I do not like this legislation that delegates such broad, sweeping powers to any particular individual. I think it is fraught with considerable danger, but I am fearful that it would be more dangerous not to pass this bill or legislation similar to it. The big question is not "Can we afford it," but "Can we afford not to do it." We are in a desperate race against time. The hour is late and we must act now. I do not like castor oil but sometimes I am forced to take it, and many of the members of our committee, on both sides, I think, realize that unless properly administered, the door could be opened to a lot of vicious boondoggling and waste under this measure. Money could be spent where the votes are most needed. I do not think that will happen as long as our former colleague, who served in this body, and also served as Governor of Florida, remains as Administrator. But, of course, we are not guaranteed that Millard Caldwell will always be the Administrator. He has had both legislative and executive experience. I might say that he is appointed for no specified time; no particular termination to the tenure of his office or even to the expiration of this act. This is permanent legislation setting up an independent Federal civilian agency that is going to cost

the taxpayers of the Nation during the next 3 years a little more than $3,100,000,000, on a 50–50 percent basis, the Federal Government contributing half of the money that is matched by the various States. We all know that very little, if anything, has been done about civilian defense in this country.

The thing that makes this legislation extremely difficult is that we are taking more or less a leap in the dark, but there is no way to avoid it. We have no yardstick; we have no standard; we have had very little experience ourselves to go by. We are entering a vast unknown and unexplored field. Naturally it is difficult to legislate on this matter.

I might say, however, that the men who have been living for weeks and months with this problem—particularly the very fine son of an illustrious father, Jerry Wadsworth, who knows more about the problem, I think, than any other particular individual, because he has devoted more study to it—have kept very vividly in mind in the preparation of this legislation the experiences which different nations in World War II had; in France, in Italy, particularly in Britain, and even measures that were taken by our defeated enemies, particularly in Germany and Japan.

Some sort of legislation of this nature is absolutely essential and necessary. The Senate Armed Services Committee beat us a little to the draw and reported out a similar bill last Saturday, and though members of our committee realize some of the dangers inherent and the weaknesses that you can find in this particular bill, we were convinced that it is the only thing we can do under present world conditions and therefore we reported it unanimously.

I imagine, at least $1,000,000,000 of the $3,000,000,000 that will be spent in the next 3 years will be spent on the construction of shelters, but it will also be necessary for the agency to prepare for the storage of food, medicines, and other supplies in case of an attack. Obviously the legislation is prepared to take care of a contemplated atomic attack, but we realize that due to the great advancement that has been made in recent years through science and technology, there will be other types of assault. Modern mechanized warfare is a very complex thing.

This legislation is to protect the civilian population, particularly in the vital strategic centers; our arsenals to supply and equip ourselves from atomic attack, and also from chemical, bacteriological, and radiological warfare as well as sabotage.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Illinois.

Mr. JONAS. Will the distinguished member of the committee explain a little more fully this 50-50 arrangement? Assuming a State was to enter into negotiations about obtaining Federal aid, what mechanics would it have to follow according to the terms of the bill?

Mr. SHORT. Very broad powers are granted to the Administrator. After an attack actually comes, I am not so sure that he does not have more power than the President of the United States. He could confiscate land and property of any kind. No doubt the Administrator will work with the mayors of our different cities as well as the governors and local people of the various States in the letting of these contracts.

Mr. JONAS. This bill provides for erecting bomb shelters?

Mr. SHORT. Yes, and for negotiating contracts.

Mr. JONAS. That would be preliminary to any actual attack. With whom do we have these negotiations?

Mr. SHORT. Like all Gaul, this bill is divided into three parts. The first stage is to prepare against an attack of any kind. The second is to take care of the destruction and panic that comes with an attack. The third stage, of course, is for relief after an attack has been made.

Gentlemen, this is a new field. It is uncharted. We had to grant very broad powers to the Administrator. He thought perhaps we wrote in too many restrictions. I do not think we did write in too many. The original bill was too broad and indefinite. We have safeguards in the legislation, due to the very splendid work of our exceptionally able chairman the gentleman from Georgia [Mr. VINSON], and the very fine help that was given him by the chairman of the subcommittee, the gentleman from North Carolina [Mr. DURHAM], together with the gentleman from Texas [Mr. KILDAY], the gentleman from New York [Mr. COLE], and the gentleman from Ohio [Mr. ELSTON]. I want at this point to express my appreciation for the thorough study and the much thought and energy that was given to this problem. I almost overlooked my friend the gentleman from Illinois, [MEL PRICE]. He was there. Our professional staff member, Mr. Ducander, was most helpful. I just sat in on the sidelines more or less myself. I did the best I could, I contributed very little to it, except I did get them to increase the penalty for unlawfully wearing the insignia. During an atomic attack you have a wonderful opportunity to practice sabotage. We had a little, puny, insignificant penalty of a $250 fine and 6 months' imprisonment. I thought we should make it at least commensurate with the penalty that one suffers for impersonating an officer, wearing a uniform, so we wrote in a provision making the penalty a $1,000 fine and a year's imprisonment for wearing insignia unlawfully.

Mr. JONAS. We do not have any actual facts, and I assume the committee will concede there was not any actual evidence before the committee?

Mr. SHORT. That is right to a certain extent but I repeat we have never faced this situation before.

Mr. JONAS. Anybody that has the bomb is in position to come over here with a bomb that is comparable to the one we are planning on. Nobody has seen an enemy country work a bomb or the mechanics of it or put one into effect?

Mr. SHORT. The sky is a two-way highway.

Mr. JONAS. That is right.

Mr. SHORT. They can come over here and we can go over there. We must always bear that in mind. We can attack but we also must defend.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. HOFFMAN of Michigan. I am astounded and amazed at the gentleman's statement that the sky is a two-way highway. Up until this time I have always been told that Mr. Stalin could bomb us but that we were helpless. Where did the gentleman get the idea we could do anything? I think the gentleman is right, but I just wondered when that was discovered.

Mr. SHORT. I would not dare to say just what I feel in my heart. I can truthfully say that never in all my life have I been so worried and disturbed as I am at this particular moment. I just hope there will be no attack. Perhaps it is a vain hope, but it is a very fervent prayer, I can assure the gentleman of that.

Mr. HOFFMAN of Michigan. In the press I noticed either yesterday or this morning a statement that here in Washington we were preparing at Griffith Stadium to feed the people of Washington in case of attack upon the city. Do you know of anything along that line? Is that part of the program?

Mr. SHORT. I certainly think you should consider every contingency and every possibility, but it is impossible for me, with my lack of prophetic vision which is not nearly as great as that of the gentleman from Michigan to predict or look into the future and tell exactly what would happen in the case of attack. I do not think it is ridiculous. I do not think that is a ridiculous idea at all. Of course, I can not solve the imponderables.

Mr. HOFFMAN of Michigan. Is it one of the purposes of this bill, the primary purpose, I might say, to provide a sort of city of refuge for folks in government, including Congressmen and Senators?

Mr. SHORT. It is to take care of you and me, both; yes. It is to take care of you and me. Every American is worthy of protection and care.

Mr. HOFFMAN of Michigan. I can see that that is one reason why some people support it. My idea was that it might be better to do something for the fellows over there, and that you and I take our chances. It would not be any great loss if one or the other, or both of us were hurt here.

Mr. SHORT. I am sure that anyone who has seen the severe damage from bombing in World War II, not only in England and Germany and Japan, but the countries that they went through, is convinced that the boys on the battlelines are very much concerned about the safety of their families and their people back home. They are very much concerned.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. ALLEN of Illinois. The gentleman just said that in 2 or 3 years it would require about $3,000,000,000. We know that during the last war when they had these black-outs, they equipped tens of thousands with steel helmets, buckets of sand, and a lantern and pick, and I am wondering whether or not in

supplying these things if they would not be competing against the Army for materials. Is that not true to the extent of at least several billions of dollars, especially when we have a shortage now? Would they not come in and say, "Here is the bill."

Mr. SHORT. I can but will not elaborate on it. I do not think it is necessary to elaborate on this, except to remind the gentleman from Illinois that when you are in war today it is total warfare. It is not only war between armies on the battlefield, but it is war between total populations and often the civilian population suffers first and suffers the most. That is the situation in modern warfare today.

Mr. ALLEN of Illinois. Would not they be competing with the Armed Forces and taking away strategic materials from our boys who would be doing the actual fighting? That is what bothers me.

Mr. SHORT. Of course you have to prepare for total war, and you have to be strong on every front. But the battle front can never be stronger than the home front. You have to defend your industries. It was our industrial might, huge output, and great productive capacity which won World War II. Everybody knows that. It saved the battle of Britain, and it saved the battle of Stalingrad.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. JAVITS. Is it not a fact that Mr. Wilson, now the top mobilizer in the country, and the national production authority, will determine the priority of this as well as everything else, and if it is determined that this ought to have a priority either before or after military priorities it will get it, and if not, it will not?

Mr. SHORT. Of course the Administrator of this Federal Civil Defense will work in close conjunction, cooperation, and collaboration with the Munitions Board, the National Security Resources Board, and all other Government agencies involved.

Mr. JAVITS. Is it not a fact that Mr. Wilson has no authority superior to him, other than the President of the United States, over all these fellows, including this one? Should not the record show that?

Mr. SHORT. In the case of an atomic attack the power of the Administrator would be almost unlimited.

Mr. JAVITS. Section 301 says that in the event of an enemy attack or in anticipation of imminent enemy attack, the President may proclaim a national emergency for civil defense purposes.

Should not the RECORD show that that is a special declaration of a special type of emergency, and that this language does not mean that the President has already acted, because we know he has already declared a national emergency?

Mr. DURHAM. I think if the gentleman will read the definition of what an attack is, he will see.

Mr. JAVITS. Is that not a fact? I think the RECORD should show that this is a fact, that this is a different type of emergency from what the President has already declared.

Mr. DURHAM. I think that is definitely understood.

Mr. SHORT. I am glad the gentleman made his statement for the RECORD.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield for a question?

Mr. SHORT. Oh, I am glad to yield to the gentleman.

Mr. BROWN of Ohio. As I understand this bill and the gentleman's very lucid explanation of it, the man in charge of our civilian defense, after this bill becomes law, will have authority to determine which cities or communities in America may be given bomb shelters and which may not. Is that correct?

Mr. SHORT. Yes. They have to prove the need and necessity. And they could spend the money in the areas where votes are most needed.

Mr. BROWN of Ohio. In other words, the Administrator shall determine, on the need and necessity, what community shall have it and what shall not; he shall determine which citizens will be entitled to a chance for their lives and which shall not. Can the gentleman from Missouri, learned and able as he is, conceive in his mind some of the difficulties that Members of Congress may have from their constituents in case a community in your district or my district is left out of the program?

Mr. SHORT. I assure the gentleman from Ohio and the gentleman from Illinois [Mr. ALLEN] that I have had the same feelings as both of the gentlemen entertain. I know that the Administrator is a good, loyal Florida Democrat, and I also know that, above everything else, he is a great American. I think he is going to do a good job.

Mr. BROWN of Ohio. But I am serious about this.

Mr. SHORT. And that he will administer the law fairly and impartially. I am serious, too.

Mr. BROWN of Ohio. I am asking a serious question. This legislation gives to one man the authority to determine what community will be given protection from a bomb attack and which community will not, and which group of citizens may have a bomb shelter available in case of attack and which will not.

Mr. SHORT. You must trust somebody.

Mr. KILDAY. Mr. Chairman, will the gentleman yield on that specific point?

Mr. SHORT. I yield.

Mr. KILDAY. I call the gentleman's attention to page 29, beginning in line 4, where the bill sets out the formula which shall be followed by the Administrator in allocating these funds to the States and provides specifically that it shall be based upon the proportion of persons in that State, the proportion which the urban population bears to the total population.

Mr. BROWN of Ohio. Yes. I have read that, but he determines what the critical target areas may be.

Mr. SHORT. Well, I would like to ask the gentleman from Ohio, whom would you have determine that?

Mr. BROWN of Ohio. I want to say this to the gentleman——

Mr. SHORT. Do you not think it is better to set up an agency in a moment of calm, when we can think seriously?

Mr. BROWN of Ohio. I am afraid the gentleman is a little overdrawing the picture if he thinks this is a moment of calm in Washington, and if everyone is thinking in good true reason, then God spare us in a time of emergency.

Mr. SHORT. It is much better to write the law now than to wait until the emergency happens and a bomb drops.

Mr. BROWN of Ohio. But there is another saying: "Do not act in haste and repent in leisure."

Mr. SHORT. We are not acting in haste.

Mr. BROWN of Ohio. I would like to ask another question.

Mr. SHORT. The hour is getting late.

Mr. BROWN of Ohio. I would like to ask another question because we all have responsibilities. Some of us do not occupy high positions, but we have some responsibilities as the elected representatives of the people. I have read with a great deal of interest, and I want the gentleman's comment, because I have such high respect for his judgment——

Mr. SHORT. Oh, I am sure.

Mr. BROWN of Ohio. I would like his comment on the provision on page 26—I presume you have read it very carefully—that we establish a college.

Mr. SHORT. Yes.

Mr. BROWN of Ohio. It provides a civilian defense college. Now, are we going to have to wait until degrees are conferred? We talk about time being short, that it is later than you think; now, are we going to have to wait until we establish that college, send people to the college and have them graduate and receive their degrees and then decide what is going to be done?

Mr. SHORT. Mr. Chairman, call it anything you will. We must have training and educational centers. I do not particularly like the name "college." Call it a college, call it a university, call it a school, call it anything you please; it is nothing to wonder about, it is simply a training place. There is one central college or training center established and there are training centers in the East, in the Midwest, and West.

Mr. BROWN of Ohio. I will read the language: One national civil defense college and three civil defense technical training schools.

Mr. SHORT. That is right. How in the world are you going to learn without going to college? One must study at some place. Call it anything you wish.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. DURHAM. Since the gentleman has raised the question of colleges, this is only a 5-week course. The term "college" does not mean much in the way that is ordinarily understood by the average individual American. This is just a 5-week course of training.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. HARVEY. May I ask the gentleman about the estimated cost? As I recall, the gentleman referred to something approximating $3,000,000,000.

Mr. SHORT. Three billion one hundred million dollars over a 3-year period.

Mr. HARVEY. Over a 3-year period?

Mr. SHORT. That is right.

Mr. HARVEY. Is that Federal and State costs combined?

Mr. SHORT. That is the total cost, of which the Federal Government would contribute one-half to match money put up by the States or local agencies.

Mr. HARVEY. In other words, the amount to be appropriated from Federal funds will be a little over a billion and a half.

Mr. SHORT. Yes.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I am glad to yield to the gentleman from New Jersey.

Mr. CANFIELD. May I say to the gentleman that I happen to live in a prime target area, the New York metropolitan area where the people today are looking to the Federal Government for leadership in this problem. They are waiting for this day, and they want this bill enacted into law.

Mr. SHORT. They are a year ahead of us.

Mr. CANFIELD. They are waiting for the cue from Washington, all the governors of our eastern and western seaboard States. Is not that true?

Mr. SHORT. Yes; I think that is true.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. FORD. I wish to ask a question about this civil defense college and defense technical training schools. It is not expected that there will be any money spent for the purchase of property in the construction of buildings and facilities for these schools; I am sure that with the decrease in student enrollment in the various colleges throughout the country there will be adequate space for anything of this sort.

Mr. SHORT. The Administrator and the very able Acting Administrator, Mr. Jerry Wadsworth, who devoted so much study to this question, gave us full assurance that they would use existing facilities as far as possible.

Mr. BROWN of Ohio. Page 27 of the bill limits that; it prohibits it.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield.

Mr. JAVITS. I am a graduate of this civil-defense college. I served in the service which gave the course, the Chemical Warfare Service, both as an officer and an instructor. I went to this school that is engaged in training people.

Let me say that the course is very simple. It teaches about the gases used and the training needed. Without this training it would prove to be much more costly and wasteful both of material and lives than if we failed to see that these people get the adequate and competent training that is provided for in this bill.

Mr. SHORT. I am glad the gentleman made that statement.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Will it be necessary for the States to pass enabling legislation to go along with this bill?

Mr. SHORT. I think so. Any State that might be helped would have to match these funds. I am informed by the gentleman from New Jersey [Mr. CANFIELD] that about 20 States already have civil-defense laws.

Mr. CRAWFORD. Will the States which do not pass enabling legislation be recipients under this bill?

Mr. SHORT. No; they will not.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from North Carolina.

Mr. DURHAM. More than 50 percent of the States already have passed this legislation.

Mr. SHORT. Yes. That is my understanding.

Mr. DURHAM. And the balance of the State legislatures meet in January.

Mr. SHORT. Every country around the world that we visited has already taken these precautions. They have been working on this whole problem. We are far, far behind. I think the American public is far ahead of the Congress in this matter and they want some action. Now, not tomorrow.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Iowa.

Mr. GROSS. Does not the gentleman from Missouri think that the Federal Government is putting a rather large amount of money into this thing? Are not the States and cities able to put up more money for the protection of their own people?

Mr. SHORT. Well, the problem is so big and so important that I think the contribution from the Federal Government is a reasonable and fair one. It is expensive, but if you will go down the Unter den Linden and see the total devastation, almost complete destruction, or if you will go to Yokohama and Tokyo, an area of 12,000,000 population where you have many square miles of desolated factories—Tokyo was turned into a bonfire, and you have only a forest of chimneys standing—then you would realize the necessity for this.

Mr. ALLEN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield to the gentleman from Illinois.

Mr. ALLEN of Illinois. I am wondering if the following figures might be interesting: You could double the personnel of every fire department in the United States and equip them for less than the cost of this bill. It is something we should consider.

Mr. SHORT. It is certainly going to take more than the fire departments in case of an atomic bomb attack. I assure the gentleman of that.

Mr. DURHAM. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. KILDAY].

Mr. KILDAY. Mr. Chairman, there can be no question of the necessity for this legislation. I wish that I had the optimism of the gentleman from Illinois so I could in any wise believe, or even reasonably assume, that others do not have possession of the atom bomb or lack the ability to deliver the atom bomb to the United States. Unfortunately, I do not have that optimism in view of my service as a member of the Committe on the Armed Services and as a member of the Joint Committee on Atomic Energy.

This legislation is necessary, and it is necessary now. As has been indicated, more than half of the States have passed enabling legislation. The other legislatures will meet in January so that those which have not passed their enabling legislation will be able to do so and will have before them what is expected of them on the basis of the Federal legislation.

Mr. Chairman, this is a most difficult bill to draw. Those of us who were here during the war are especially conscious of that fact. We recall some of the things that were done in the name of civil defense during the last war. We remember too well that dancers, artists, and actors were sheltered over here in the headquarters of the Civil Defense Agency in Washington, quite a contrast to the unpaid wholehearted cooperation received by the local communities from those who volunteered and worked for nothing.

This legislation has not been hastily considered. Hearings were held somewhat earlier. Nothing developed from it. If you will take the bill as it appears before you you will see that we have stricken out the requested provisions and we have rewritten the bill, and we have done so to avoid those things that any of us might fear because of our previous experience with a program of this type. We have thrown about the bill very strong safeguards in the preparatory period. If you will examine the bill which has been stricken you will find that the original request was for legislation practically waiving all restrictions and limitations so as to permit the Administrator to do as he pleased. We have been very circumspect in drawing the provisions in regard to preparation. Of course, you must go ahead with your emergency provisions, because in that preparatory period he must know what he is preparing to do. His duties must be set out and his powers and his authority when you come to what he can do in the emergency period or after an attack—and the word "attack" is defined, so as to be sure it is an attack on the United States—that he will then have very broad powers, and in the very nature of things he should have, although we do not need to worry too much about it, because in the event of a serious attack upon the United States justifying the exercise of those powers, even under this bill or without it, quite likely you would have a situation of martial law prevailing with all of the powers which are called for in that situation, so that after the bomb drops it is an entirely different thing.

Then the question of what he can do afterwards in connection with relief and rehabilitation comes up. We were much concerned about using the word "rehabilitation" for fear it would mean rehabilitating a community which had been struck as distinguished from immediate emergency relief, and we believe our language is adequate to confine it to immediate emergency relief.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As I understand, and as the gentleman has explained it, this bill does give very broad powers to the Administrator. But, I notice that the bill in specific instances limits the power of the Administrator. On page 30 there is a limitation, starting in line 20. I am wondering whether it is a misprint, or if the committee has purposely placed that limitation in the bill, and if so, why? I want to read it:

> That the Administrator shall not approve any project which is of such sound value as reasonably to assure the retirement or repayment of the construction costs thereof within a period of not more than 50 years.

Is that a misprint?

Mr. KILDAY. That was very deliberately placed in the bill.

Mr. BROWN of Ohio. That is so the Administrator cannot invest any of this civil defense money in any of these sound projects that are reasonably sure to repay the investment?

Mr. KILDAY. I do not care to be facetious.

Mr. BROWN of Ohio. I am not facetious; I am thoroughly concerned about this matter.

Mr. KILDAY. I refuse to yield further, but I will explain in detail the reason it is included and what it means.

Mr. BROWN of Ohio. I think we are entitled to an explanation of the meaning of this provision.

Mr. KILDAY. This provision is to prevent the Administrator from approving self-liquidating projects. That is because of the fact that in a very great many cities in the United States programs have been in existence and are now being developed or have been developed in the past for the construction of underground parking areas and garages. The mayor of Boston appeared. The gentleman from Ohio [Mr. ELSTON], if he takes time on the bill, will go into that in more detail, with reference to a program there. There were programs mentioned before the committee in San Francisco, I believe, and of course, each of us individually know of other programs. The purpose of this is to prevent tacking onto this bill, which is intended to be a real emergency measure, some project which was heretofore developed, whose primary purpose is either to relieve traffic and parking congestion in cities or to promote the interest of those—I do not say in the instances I mentioned it exists, but some of us know of instances in which persons have been promoting private business ventures, and we wanted to make sure that this did not apply and did not permit the use of any portion of this $3,000,000,000 in carrying out a self-liquidating program under the guise of an emergency, whereas it is not, in fact, an emergency.

I must say this: The bill as reported to the Senate by the Senate committee contains another provision in which it is stated in substance that the Reconstruction Finance Corporation shall have the power to either lend funds or purchase securities of the project certified by the Administrator of Civil Defense as being in the interest of civil defense, the only limitation, other than approval of the Administrator of Civil Defense, being that some $250,000,000 is the limit which can be outstanding at any one time.

This matter having come out of our committee in one form and out of the Senate committee in another, I feel very strongly that it is a matter that ought to go to conference to be worked out, because we in the committee have not had an opportunity to consider thoroughly the Reconstruction Finance Corporation provision, and the Senate committee has not had the opportunity to go over our viewpoint on it.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Minnesota.

Mr. JUDD. I should like to know what is meant specifically by the language on page 40, which states:

> No such employee shall occupy any position determined by the Administrator to be of critical importance from the standpoint of national security until a full field investigation concerning such employee shall have been conducted by the Federal Bureau of Investigation and a report thereon shall have been evaluated by the Administrator.

Does evaluation mean that the Administrator must take the data submitted to him by the FBI and make a written statement, putting it in the individual's file, saying that he takes the responsibility for appointing this person even though some derogatory information regarding the person may have been in the FBI report?

The reason I ask this question is that several times in the past persons have been given positions of critical importance in various agencies after derogatory information had been submitted by the FBI. Then we never could find out who had made the decision to employ or appoint the man despite the derogatory information.

Mr. KILDAY. This is intended to include the provision which now applies to the Atomic Energy Commission. I believe the gentleman is informed that the FBI will report the results of its investigation without any determination as to whether the individual shall be employed or shall not be employed. That decision is up to the Administrator.

Mr. JUDD. Does the Administrator have to make a written statement, and put it in the file, that he takes the responsibility for employing or appointing the individual?

Mr. KILDAY. I am not positive of that.

Mr. JUDD. It ought to be in the law. The reason I brought this up now is to get it into the RECORD that we want to be able in fact to fix the responsibility for employing any persons regarding whom there is derogatory material.

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from Illinois.

Mr. PRICE. The mere fact that the Administrator appoints him after a report is made by the FBI would indicate he takes the responsibility.

Mr. KILDAY. Of course, this is different from some provisions in that the responsibility is placed directly on the Administrator. It being an administrative detail, I think it is one as to which the Administrator, to protect himself, should provide procedures.

Mr. JUDD. He cannot rule on every one of the thousands of employees, and it is important for us to know who overrules the derogatory information. We have had this situation before.

Mr. SHELLEY. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield to the gentleman from California.

Mr. SHELLEY. I agree with the decision as to financing self-liquidating projects, but has the committee allowed any leeway for the Administrator to set up a formula by which portions of these underground garages might be set aside and used as civil defense bomb shelters?

Mr. KILDAY. The idea of bomb shelters must not be overemphasized. It is not the intention nor is this money available to go into all the cities and every portion of the cities to build bomb shelters. The vast majority of that work will be in connection with existing buildings, basements, inner portions, and things of that kind, to strengthen those particular portions of buildings and make them adaptable as shelters. It is not the idea to put all over Washington, say, underground shelters.

As to the specific question here, in connection with what I understand to be the situation as to San Francisco there in front of the St. Francis Hotel, that was a self-liquidating project built quite some time ago. Whether that would prevent it from securing funds for strengthening, that is a borderline case.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. CANFIELD. In his October 5, 1949, directive to the States and municipalities of our country, Dr. Steelman urged them to go ahead with legislation and plans. Will those States and cities which have gone ahead and perfected plans for defense be eligible for Federal contributions under this law? In other words, will the far-sighted States and cities that have already acted be eligible for Federal contribution under this law?

Mr. KILDAY. I would have to refer the gentleman to the chairman of the subcommittee. I am not clear on that point at the moment myself.

Mr. DURHAM. I should think what they have already expended would be entirely up to the Administrator to determine what proportionate share he would recognize as being necessary for civilian defense.

Mr. KILDAY. I personally doubt that they would get any contribution if they spent very much money because personal equipment of the workers is not provided for in this bill, nor would land count as a contribution.

Mr. CANFIELD. I have in mind only that covered by this bill.

Mr. KILDAY. Under this bill they are going to have to contribute to the purchase of organizational equipment locally and I agree with the chairman that that would be a matter for the decision of the Administrator.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. CRAWFORD. Wherein does this language in section 408, pages 42 and 43, limit the expenditures to $3,000,000,000, or any other sum if the Administrator finds that more money is necessary?

Mr. KILDAY. I will have to ask the staff to point that out.

Mr. ELSTON. Mr. Chairman, will the gentleman yield?

Mr. KILDAY. I yield.

Mr. ELSTON. I think that the $3,100,000,000 is only an estimate, and obviously if this legislation should pass, since there is no limitation placed upon it, the Administrator could go before the Committee on Appropriations and ask for additional appropriations.

Mr. KILDAY. That is true, and if a limitation is considered desirable, I have no objection.

Mr. CRAWFORD. The way this language reads now, the Bureau of the Budget can transfer any sum within the purposes of this act, whether it be three billion or three hundred billion dollars. I see no limitation whatsoever.

Mr. KILDAY. Mr. Chairman, I think this is important, and I think it is important that we do it now. I agree this is the type of program where hysteria can take control and run hog wild. Places that need this civilian-defense work the least will probably be organized the first, and it will be more difficult to get the really critical areas to go ahead with the program than it will be in the smaller places where the need is not so great. In this legislation we have attempted to put every safeguard around it. I believe the provisions we have of putting the State rather than the local community in contact with the Administrator of Civilian Defense on the State contribution and local contribution and the allocation of funds is going to do a great deal toward preventing the mistakes we made before and putting the available money where it is needed the most within the individual State.

We have attempted to avoid our previous mistakes and I hope we have succeeded.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SHORT. Mr. Chairman, I yield 17 minutes to the gentleman from Ohio [Mr. ELSTON].

Mr. ELSTON. Mr. Chairman, I voted to report this measure out of committee, although I was opposed to some of the provisions contained in it. It is a matter of great regret that legislation as far-reaching as this had to be so hastily considered. This measure involves not only the possible expenditure of $3,100,000,000, but additional sums if they become necessary. While there are some objections to the pending bill, it is a definite improvement over the measure that was originally submitted to us. The first draft of the bill conferred powers on the Administrator, the like of which have never been conferred on even the President of the United States during wartime. In the very brief time that our subcommittee had an opportunity to consider this legislation I think we corrected many of the objectionable features of the original bill. While the measure as now presented to the House is far from being perfect, and I think it might be improved by amendments offered on the floor or in conference, I believe it is the best that we could obtain in the short time in which we had to consider it.

Let us bear in mind at the outset that this is permanent legislation. I raised the question in committee that there should be some limitation of time, and it occurs to me that there should be a termination date so that Congress later on can reconsider the whole program. We followed this procedure as to rent control and other legislation. In a few years we will be in a position to decide whether or not legislation as far-reaching as this shall be continued. We cannot know what conditions may be like a few years hence. It can do no harm to the program for Congress to reappraise the whole situation in the light of conditions as they may exist after the passage of several years.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from Minnesota.

Mr. JUDD. Does the gentleman intend to submit an amendment to that effect? I hope he does.

Mr. ELSTON. It is my purpose to do so. I feel there should be some limitation. It would not hamper the efforts of the Administrator and it could not adversely affect the program if the Congress should retain some control other than through appropriations.

Mr. JUDD. Is it not true that the Congress has been ahead of the administration on this matter and that there have been repeated requests here during many months for the administration to act? If there is continued need for the program, the Congress will extend the legislation; and, if not, it ought to expire.

Mr. ELSTON. I thoroughly agree with the gentleman. Before we vote on this bill let us consider some of its principal provisions.

Take the shelter program for example. The greater part of the appropriations that will be made will be for shelters. While the bill provides that the States shall make equal contributions for shelters, I do not believe that any plan has as yet been devised for the erection of shelters in the critical target areas. I cannot tell you today exactly what plan the administration has for the building of these shelters. We all know that if an atomic attack comes, it may come in a matter of minutes. Under the circumstances the most important thing is to educate the people to protect themselves in the shortest period of time available. We would have to build an untold number of shelters in order to protect all the people in a target area. Of necessity there would have to be a sufficient number so as to enable people to reach them in ample time. If the shelters are going to be near the center of the atomic burst, they, of course, would be destroyed along with everything else.

It has been argued, and I think there is some merit to the argument, that you might do more harm than good if they cannot quickly be reached, since an alarm would cause people to leave their homes and expose themselves to the increased danger in the streets. We have not been given a very clear-cut picture as to the kinds of shelters which are to be built. Some cities have come in with plans to build underground garages and parking areas, linking them up with the civil defense, and making the contention that if they are built the civilian population will have an opportunity to use them as shelters. It was conceded by one of the witnesses who appeared before us that that kind of shelter could only protect people in its immediate vicinity. There was no satisfactory explanation as to what would happen if the parking area were filled with automobiles at the time of an attack. It was admitted that a downtown garage would afford no protection to those who live in the suburban areas. The suggestion was made that these people would have to protect themselves by building shelters in their back yards or by strengthening their own homes. It was conceded likewise that the average basement is not safe because the force of the explosion might cause a collapse of the building. So the whole program is not very clear, although it is contemplated that more than $2,000,000,000 will be spent on this phase of the program.

While the States are to contribute for shelters vast power is conferred upon the Administrator in this respect: If the States do not go along with the program of the Administrator, it is entirely within his power to deny funds to the State. The bill provides that the money denied to a State shall be allocated to other States that do comply with the Administrator's orders and plans.

I think the gentleman from Ohio [Mr. BROWN], who interrogated the gentleman from Missouri [Mr. SHORT] a moment ago, is familiar with what happened in Ohio some years ago when an administrator in Washington was given power to determine what money should be allocated to the States under the Federal security program. The Federal Administrator got into a controversy with the Governor of Ohio and refused to allocate certain funds to the State of Ohio. As a result the State of Ohio has been endeavoring since to recover money lawfully due. The same thing could be true here; if the States do not comply strictly with the regulations of the Administrator, he could reallocate the money to other States. As he determines what are critical areas there could easily be a controversy on this question.

If a State is not satisfied with any decision of the Administrator, there is no appeal. This, I submit, is a matter that should have been given further consideration.

It was my hope that we might report out legislation which would take this whole matter up on a temporary basis, authorizing the appropriation of such funds as were needed for the immediate future and letting the next Congress determine what should be done about the shelter program and other things which could wait.

The original bill provided that the States might enter into compacts with each other, which compacts were subject to approval by the Administrator. The original bill went even further than that. It provided that States might enter into compacts with foreign governments, subject to the approval of the Administrator. Some of us raised the question of the constitutionality of such provisions, and they were deleted from the present bill. This measure, however, still provides that compacts may be entered into between the States.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from North Carolina.

Mr. DURHAM. I think the gentleman will remember that when that point was raised the committee took from the bill the proviso which did give the Administrator the power. It is found in subsection (j) on page 31. We changed the language to read:

(j) Arrange for the sale or disposal of materials and facilities found by the Administrator to be unnecessary or unsuitable for civil defense purposes in the same manner as provided for excess property in the Federal Property and Administrative Services Act of 1949, as amended.

It would go back to the Treasury, and not to the Administrator for redistribution to the States.

Mr. ELSTON. That is true as to materials sold, but as to the reallocation of funds it says he shall allocate funds to the other States. It does not say anything about the money reverting to the Treasury but merely provides that the Administrator shall allocate the funds to the other States who comply with his directive.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from Iowa.

Mr. GROSS. Does this bill permit the building of express highways around cities or around so-called primary target areas? Does it permit the building of express highways around a city?

Mr. ELSTON. I doubt that the bill as now written would permit anything of that kind. I do not believe it would go quite that far.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from New York.

Mr. JAVITS. I have a wire from the mayor of the city of New York in which he asks that we authorize in this bill parking garages on the theory that they are excellent underground shelters and says that the Senate bill permits money to be used for that purpose. Can the gentleman comment on that matter?

Mr. ELSTON. I do not think that is a wise provision. I cannot agree with the language in the bill as reported by the other body. We are concerned with civilian defense. The section to which the gentleman from Ohio [Mr. BROWN] referred earlier in this debate was placed in the bill so that it would not be possible for a municipality to build a parking area or garage, use it for income purposes, and tie it in with civilian defense. I do not believe that the present Acting Administrator believes it is a good provision. If we are going to permit in this legislation the building of garages and parking areas, and other self-liquidating projects or income-producing projects, I believe we would be doing it to the detriment of the civilian population.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from North Carolina.

Mr. DURHAM. At the present time these municipalities can go to the RFC and borrow money. There is nothing to prevent that in this bill.

Mr. ELSTON. That is correct.

Mr. DURHAM. We still have that authority. If approved by the State administrator and they serve a useful purpose and can be used, there is nothing to prevent them from being used as a shelter space.

Mr. ELSTON. That is true.

Mr. DURHAM. We have over 16,000 municipalities in this country. You would immediately place the Administrator in the position of having to endorse or not endorse these projects, an almost impossible job. It looks to me like the question is an insurmountable one. It is a matter of whether or not these underground garages would be feasible where you store cars from day to day and you run the people in there by the thousands, nobody to smoke, nobody to throw away a cigarette. You would immediately have all kinds of danger. These various communities should justify their projects on the basis of the worth of them. I have no objection to them being built for this purpose. If they can be built as a bomb shelter and later we would be in position probably to help in making them bombproof we should do so. But to go out and endorse them in blank, which we would have to do, is something I do not think we ought to do.

Mr. ELSTON. I agree thoroughly with the gentleman.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. SHORT. Mr. Chairman, I yield the gentleman five additional minutes.

Mr. ELSTON. If the Congress is going to permit projects of this kind to be considered, this could become the greatest boondoggling proposition imaginable. Every city that had a project of this kind would be putting on all kinds of pressure to have their projects approved. That I say would be detrimental to civil defense. As the gentleman from North Carolina pointed out, if a city itself goes to the RFC or some other lending agency and obtains a loan, and builds a garage, the Administrator may find that that garage under certain circumstances would be useful. He may thereafter authorize its improvement if it can be made useful for the protection of the civilian population, and he may authorize the expenditure of money upon that property. I submit that the better way is for the city to go to the RFC and make the application as they would make any other application, then let the Administrator later on determine whether or not the project is useful.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from New York.

Mr. JAVITS. Would not the city, at least, be entitled to have from the Administrator that determination in advance, even if he is not putting up the money to the extent that it will be necessary?

Mr. ELSTON. I have no doubt that they can get his opinion about it, but to tie it in in a civilian defense bill, I submit is wrong. This is not the place for it.

Mr. JAVITS. The gentleman does not feel, however, that it is very important to make this project for civil defense self-liquidating, if possible; that there should be no inhibition in the bill against making it self-liquidating? It seems to me if these projects could be built it would save money.

Mr. ELSTON. This bill does not bar self-liquidation.

Mr. JAVITS. In other words, it does not inhibit it.

Mr. ELSTON. If they could show the RFC that their plan was meritorious and borrowed the money, it may be that the Administrator would later on find that the project can be used, but to tie it in with civilian defense in the first instance would mean that every city that wanted to build a parking lot or a garage would be contacting the Administrator. He definitely is not the one to pass on the merits of a self-liquidating project except as it may be useful for civilian defense. He should not be called upon to pass upon such projects in the first instance.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. As I understand it, though, this simply prohibits the approving of any project which is of such sound value as to reasonably assure retirement or repayment of construction, because they are all within a period of 50 years. We do not talk in this bill about reconstruction loans; we talk about sound value if I can read the English language correctly. How can there be any objection to the Administrator of Civilian Defense spending money, that is, money that we authorize here, for the construction of a garage, we will say? I can understand why you might not want to use it to house people during the war, but the construction of a building or a garage that will do as a shelter during an emergency, and once the emergency is over, can be used by

the community as a garage and will have some permanent value afterward. Under this bill he has the power to stop them from using it for any purpose other than defense, if he wishes to.

Mr. ELSTON. There is nothing, I would say to the gentleman, that prevents the Administrator from approving the use of a parking area or a garage. The only purpose of the section to which the gentleman refers is to keep the Administrator from being the one who in the first instance spends the taxpayers' money, to build projects which are income producing or self-liquidating.

Mr. BROWN of Ohio. I understand the gentleman's position. I think we both have the same thought as to what we want to accomplish, but it seems to me that this language does not accomplish that. It does something else. I am not unmindful of the fact that in London the subways were the greatest bomb shelters that they had. They were already there. And, I presume in case of an attack in New York the subways will be used. If I was in New York and I thought a bomb attack was coming, I would hit one of those subways as fast as I could get there, and so would any other person. Now, the gentleman has in his city, which I am well acquainted with, a rapid-transit system that might possibly be of great value as a bomb shelter. Other cities might desire to spend the money to build a bomb shelter in the form of a subway system, and, once the emergency was over, it could be used for rapid transit. Seemingly this bars them, and I just think this language ought to be looked over so that after the emergency is over it could be used for some good purpose. I am not unmindful of the fact that during the other war we had a civil-defense program, and we had these dancing courses in it, and everybody saving us from harm; and after the war we even took the tin hats and sold them and made flower pots out of them.

Mr. ELSTON. I see the gentleman's position. Of course there would be projects that would be perfectly sound, but as a matter of policy the Administrator of Civil Defense is not the one to pass on those projects in the first instance. The project in Cincinnati to which the gentleman refers has been completed, and there would not be anything in this bill that could prevent the Administrator from spending funds to strengthen it or otherwise making it useful for the protection of the civilian population.

Mr. BROWN of Ohio. Suppose you wanted to extend that system?

Mr. ELSTON. If they wanted to extend the system, then the city should finance it as they financed it originally, provided the city was making the extension for income. If the extension was proposed solely for civilian defense the Administrator could authorize it. The section in question only prohibits the Administrator from authorizing self-liquidating projects in the first instance. If the law is otherwise, the door would be opened for all sorts of boondoggling projects.

Mr. BROWN of Ohio. I understand the word "boondoggling." I know what boondoggling is. I think this provides for boondoggling. Boondoggling takes its name from the fact that you have done something that has no lasting value. That is what it was back in the New Deal days.

Mr. ELSTON. I usually agree with my colleague from Ohio, but on this I think I must disagree with him. It does not do anything of the sort. This provision is put in here to prevent that, and to require the Administrator to devote his energies and his efforts to the protection of the civilian population—not to pass upon projects where civil defense is only incidental.

Mr. BROWN of Ohio. If the Administrator of Civil Defense would find that by the construction of 2 miles more of that rapid-transit system in the gentleman's city he could furnish protection for the citizens in that area just as well as he could by something that would have no value after the war was over, would he not be barred from building that because it would have use later on?

Mr. ELSTON. He would not be barred if the extension is for civil defense. He would be barred if the extension were for revenue purposes and civil defense is only incidental.

Mr. CRAWFORD. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman from Ohio now speaking is absolutely correct, because to follow the other course would tax the people in my congressional district to build improvements in cities X, Y, and Z. If they want to do that, let them borrow the money from the Reconstruction Finance Corporation or private industry or private individuals and build their self-liquidating proposition and pay for it and take care of the situation themselves.

Mr. ELSTON. I want to thank the gentleman from Michigan for his views. If we do not have this provision in this act many cities will begin to devise plans and bring them to the Administrator. Some of them have plans that have been turned down by the Reconstruction Finance Corporation. Now they are seeking to tie them in with civil defense.

Mr. JOHNSON. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from California.

Mr. JOHNSON. I was present at the hearings on this bill, although they were not as long as I would wish them to be. We should recognize the fact that the cities themselves should contribute some of their ingenuity and money to help protect themselves. That is why I agree with the gentleman's argument. May I say for the RECORD at some of the best features of the bill we have before us are due to the suggestions of the gentleman from Ohio, who now has the floor.

Unfortunately, before this bill was set down on the calendar I had made arrangements for a conference on the housing bill, in which I am vitally interested, for the armed services. I may not be here when the roll is called, if there is a roll call, so I want to announce now that I am heartily in favor of the bill and if I am here will vote for it. If I am absent, it will be because I realize that my vote is not needed to pass the bill.

Mr. ELSTON. I appreciate the gentleman's remarks.

Mr. KEATING. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from New York.

Mr. KEATING. In my city they are now constructing what is called a veterans' war memorial which contains a large auditorium. Under the auditorium is a ramp where, it is said, 10,000 people could be housed. I presume under the construction as laid out this would not serve as a proper shelter in case of any attack; or would it be appropriate and within the provisions of this bill for the municipality to come to the Administrator here with a request for aid simply to the extent that it might be necessary to bolster up that building or make it stronger for the purpose of serving for this function.

Mr. ELSTON. I have no doubt but what conferences could be had with the Administrator, and I think the Administrator would be justified in advising whoever has charge of the project as to the feasibility of strengthening the building so that it might be used for civilian protection. The only purpose of the section we are debating is to prevent going to the Administrator in the first instance with the entire project and tying in civilian defense with self-liquidating projects.

Mr. KEATING. In this case all of the funds have been raised and no Federal funds are involved at all at present. But the cost is something like $4,000,000. It might be that for $5,000,000 they could make it suitable for a bomb shelter. Then, as to the additional million, it would be appropriate for them to make this application?

Mr. ELSTON. Yes; and the Administrator, I think, would have authority to grant it.

Mr. Chairman, there are many other features of the bill which I had hoped to discuss, such as the seizure provisions, the provisions with respect to the transfer of appropriations, and the like. We have taken every precaution we can to prevent the Administrator from seizing property which is not needed. We have placed a provision in the bill, for example, that as to any project involving more than $500,000 he must come to the Congress and submit his plans. The bill does not have the approval of Congress, but he has to come to us before he approves of any project involving over half a million dollars. Moreover, the Administrator has to report to the Congress every 3 months in order that Congress may keep in touch with the activities of his agency. I repeat that this measure is not perfect, but I believe it is the best we can hope for under existing conditions. Our committee has eliminated many of the objectionable features of the original bill, and I shall support it.

Mr. DURHAM. Mr. Chairman, I yield 15 minutes to the gentleman from Illinois [Mr. PRICE].

Mr. PRICE. Mr. Chairman, the Congress now has before it an assignment of historic importance—acting upon legislation that will set up a permanent Fed-

eral Civil Defense Administration and establish a national civil defense program for the United States. Since the beginning of this month the Armed Services Committees of both Houses, working in close collaboration with the Joint Committee on Atomic Energy, have been drafting legislation designed to achieve these ends. Bills incorporating the considered views of these committees are now being submitted to the full Congress for scrutiny and approval.

It is a sobering, but necessary, thing that your elected Representatives should now find themselves concerned with legislation of this sort—legislation which has no parallel in our history. We Americans are by tradition and instinct a people of peace; we do not take joyously to forging the instruments of our common defense. But, as aggressors have always learned in the past, albeit at the price of American dead, we are also a people who can look hard facts in the face, and derive the necessary moral therefrom.

It takes no unique insight, nor any secret information concerning Soviet intentions or capabilities, to tell us why we need as soon as possible a sound and effective civil defense program. The necessity for such a program derives from a single unescapable fact that is known to us all—we live in a world which contains the aggressive Soviet dictatorship armed with weapons of mass destruction.

Like my colleague from Texas [Mr. KILDAY], I am very much disturbed when I hear anyone, any citizen, doubt the fact that the Russians have the atomic bomb. They not only have the atomic bomb, but the men in the Kremlin are stockpiling atomic bombs, and they are expanding their air force, which already includes long-range bombers. They have the atomic bomb; they are stockpiling it, and they have deliverability.

Mr. JONAS. Mr. Chairman, will the gentleman yield for a question? I do not want to interrupt the gentleman's thought.

Mr. PRICE. Yes; I am glad to yield to my colleague from Illinois.

Mr. JONAS. The gentleman's statement is what I have been waiting for. It seems to me that we would make a much more appealing approach to the passage of this legislation, in the minds of the people, if someone in authority or someone who should have the facts was prepared to get up and state that Russia has the bomb, that we know it definitely, and know it is a matter of certainty, and that this legislation is being urged and accelerated because of the lurking dangers in the fact that Russia has the atomic bomb. The gentleman from Illinois [Mr. PRICE] is the first one that I have heard in connection with this legislation, or any other legislation of a similar character, to definitely and positively state that Russia has the atomic bomb and is able to exploit it to the extent that it is comparatively as dangerous as ours. Is that information based on hearsay, or is it based on fact?

Mr. PRICE. I will say with all the emphasis and positiveness that I have that there should be no doubt left in the mind of any single American that the Russians have the atomic bomb, that they have an atomic-energy program, that they are stockpiling atomic bombs, and that they have long-range bombers. It is time for us to stop living in a fool's paradise. I want the House not only to know that, but if there is anyone in any corner of America who has any doubt in his mind about it, it is time that we in the Congress removed that doubt. I can definitely assure the American people that Russia is developing her atomic strength.

Mr. JONAS. Does the gentleman say as a matter of certainty and positiveness that he has evidence—tangible, physical evidence—that will establish beyond a reasonable doubt that Russia has an active and live and dangerous bomb, comparable to the one that we have?

Mr. PRICE. Absolutely and positively.

Mr. JONAS. Very well. I am satisfied.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield.

Mr. SHORT. I would like also to inform the gentleman that the gentleman from Illinois [Mr. PRICE] is a member of the Joint Committee on Atomic Energy.

Mr. JONAS. I was glad to get that information. At least someone has gone on record that that is a fact and we can say to our constituents that it is a fact.

Mr. PRICE. It is absolutely a fact, and it is a dangerous thing for us not to recognize that fact. There is no question about it.

Mr. CANFIELD. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield.

Mr. CANFIELD. Is it not true also that the Soviet Union has real, hard, concrete plans for the civilian defense of their cities and towns?

Mr. PRICE. Yes.

Mr. CANFIELD. And today thousands and thousands of Russians are being trained in the very art in which we are so remiss.

Mr. PRICE. Yes, I think the gentleman is absolutely right. It is time for us to do something for our own protection. It is time for us to get this program into action to meet the demands of local communities and States in this country. It is time for Congress to act; we should act now. We may have some misgivings on the great power that is given to the Administrator, but we should waive those aside to meet this very vital need.

The men in the Kremlin are stockpiling atomic bombs; they know, these men who seek dominion of all the globe, that the industrial might and prowess of American cities and workers stands between them and world conquest. We must, therefore, assume that our cities and civilian populations may rank high on the Kremlin list of priority targets.

And I want to say in this respect that when any group of planes sets out on a bombing mission some of them are going to get through, no matter what the defense against them is or how great. All records of air attack show that a number of them get through. We are not an impregnable Nation. If an air attack is brought against any target in this country some plane or some group of planes is going to get through. There is no question about that either.

Mr. DURHAM. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield.

Mr. DURHAM. I think the committee should remember the fact that in World War II only 16 percent of our bombers were shot down at the worst—in World War II in a very small area. The other 84 percent always got through.

Mr. PRICE. Yes: the gentleman is absolutely correct. I want to go a little further than that. Sixteen percent represents the greatest number ever shot down in a particular attack. The average number of planes stopped in air attacks was only 8 percent. Conceding that we were able to shoot down or stop 30 percent in an enemy air attack, and that may be doing almost the impossible, it means 70 percent would get through. These are some of the things that Americans should know and should be thinking about and doing something about. We should be thinking about it right now when we are considering this legislation.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield.

Mr. SHORT. We all know that to wipe out Detroit would be as severe a loss as the loss of any battle that could be imagined between contending armies.

Mr. PRICE. Certainly.

The oceans no longer grant our homeland general exemption from the ravages of war. We find ourselves, in truth, facing a situation resembling the days of the Indian wars—when our civilians and soldiers were exposed to equal dangers.

Should our towns and cities be attacked, a civil-defense program instantly ready to minimize casualties and restore facilities vital to the prosecution of the war may mean the difference between victory and defeat. It is estimated that first-rate civil-defense measures and 12 minutes' advance warning of an atomic attack might reduce casualties by as much as 50 percent.

Mr. SHORT. Yet some people would do nothing but wait until our cities are wiped out and our civilians killed before they would take any action.

Mr. PRICE. They want to wait until it is too late.

The wartime experience of England bears this out. Except for the heroism and skill of her civil-defense workers, England might well have been brought to her knees by the Nazi onslaught from the air.

But civil defense is more than war insurance; it is peace insurance as well. If an enemy knows that we are ready and able to meet an attack on our cities, he will think twice before attempting to launch a perfidious knock-out blow in the hope that it will paralyze our people and industries beyond rehabilitation. So civil defense not only greatly increases our chances for victory if war does come; it lessens the likelihood of war as well.

I want to emphasize that the urgent necessity for this program is merely underscored by the tragic happenings in

Korea. The fundamental reason for these measures stems from the fact that with each passing week and month, the Soviets stockpile more materials that can be turned into weapons of mass destruction. No possible momentary easing of Red pressure will change this fact, nor reduce the necessity for civil defense. On the contrary, such a program as this will be needed until such time as, under United Nations auspices, the weapons of war are themselves subjected to international regulation.

Long before Red aggression had fully revealed its ugly form in Korea, it seemed clear to me that a soundly considered civil-defense program was an indispensable part of our agenda for national survival. Last winter, I and my colleagues of the Joint Committee on Atomic Energy held hearings to survey the state of our civil-defense preparations. We found that much constructive planning was under way, but we impressed upon the executive branch of the Government our deep conviction that we must move forward in this crucial era with all possible speed.

The legislation now before the Congress represents the culmination of many months of hard work. It embodies two principles that have been basic in all our thinking on civil defense: first, that civil defense is a job for civilians; second, that a proper civil-defense program will demand the teamwork of all levels and branches of our Government.

Our military leaders have informed the Congress that this is a job for civilians. In time of war, our armed forces will have their hands full in discharging their proper responsibility—taking the war to the enemy's soil. The legislation reflects this conviction.

The legislation also provides for the intimate teamwork that will be necessary if our program is to succeed.

It is in our cities that bombs may fall. The measure before the Congress, therefore, properly leaves our local communities vested with primary responsibility for civil defense.

But our States will also have a vital role to play—in coordinating the activities of their municipalities, in acting as the channel of communication between Washington and our cities, in mobilizing State-wide resources to meet an attack, in arranging with neighboring States for mutual assistance if the resources of one State prove inadequate. I regard this matter of interstate assistance, parenthetically, as of the highest importance, and because of this conviction some weeks ago I called upon all communities in the St. Louis metropolitan area, in Missouri and Illinois, to coordinate their civil-defense effort in one master plan. I am glad this legislation before us today carries provisions for interstate compacts.

Yet part of the civil-defense job must be given to the Federal Government. The legislation recognizes this. The Civil Defense Administration provided for in the bill would have such responsibilities as these—preparing national plans and programs, reviewing and coordinating the civil-defense activities of the various departments and agencies of the Federal Government, making provision for the dissemination of air-raid warnings, sponsoring and farming out research programs that will enable us better to treat the effects of attacks, training civil-defense officials and instructors from our States and local communities, conducting an information program that will give our people authoritative advice on how to prepare for an attack and what to do if one comes, encouraging the States to negotiate interstate civil-defense compacts, making financial contributions to augment the civil-defense expenditures of our States and local communities—such activities, under this legislation, will fall within the province of the Federal civil-defense agency.

A few words on the financing of this program may give you some indication of the problem's magnitude. The program envisaged by the Civil Defense Administration over the next 3-year period would cost $3,100,000,000—of this sum, the Federal Government's share would be somewhat more than a billion and one-half dollars, or 54 percent.

It is no exaggeration to call this civil-defense legislation a revolutionary departure in our jurisprudence. We are entering upon waters still in good part uncharted; we cannot be sure that the measure now before the Congress is the final answer to our problem—the field is too new for final answers. But I am confident that this legislation gets us off to a good start, and I know that the Congress will keep our civil-defense preparations under constant review.

Sound legislation is vital to the success of this undertaking. Far more vital still is the manner in which everyday Americans will give of their time and skill to our civil-defense program. There can be no let-George-do-it attitude on the part of any person in this country. If we are to succeed we must act as a united people in meeting this common danger.

Prompt enactment of this measure is necessary to permit the Federal Government to provide the leadership State and municipal governments have been demanding for months. It is our responsibility here today to create the machinery which will meet these demands.

I hope the House will give unanimous support to this very important legislation.

Mr. DURHAM. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, there has been some question raised here as to whether or not Russia has atomic weapons. I would like the Committee to be assured of the fact that those weapons do exist today; also this bill covers a little more than atomic weapons. It covers bacteriological warfare, it covers conventional bombing and gas warfare, and all of those things which have not been mentioned that I feel should be called to the attention of the Committee.

Mr. Chairman, I have no further requests for time.

Mr. SHORT. Mr. Chairman, I ask unanimous consent that all Members may have permission to extend their remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CLEMENTE. Mr. Chairman, I am going to vote for this legislation because I believe that it is vitally important to the defense and preparedness of this country, but I do so feeling that much more might have been placed in this bill for the assistance of highly populated municipalities, now commonly referred to as the natural target cities. In a congested area like New York City, the cost of the site alone will be between 25 percent and 50 percent of the total cost of the project. This automatically reduces the Federal participation far below 50 percent of the actual cost. I doubt very much whether some States may find it possible to provide adequate shelters under these conditions. I strongly urge, as did the Honorable Vincent R. Impellitteri, mayor of the city of New York, that shelter funds be used to pay part of the cost of permanent projects that will be useful for defense as well as peacetime purposes.

The actual construction of bomb shelters as such is of great need during time of attack, but what becomes of the bomb shelters in peacetime? All I am attempting to do here is help establish a permanent civilian program that will afford the communities having bomb shelters the opportunity of utilizing these shelters for some other constructive purpose in time of peace.

We in New York City realize that our city is probably on the list of prime targets, and we are determined to be prepared when the attack comes. But whenever anything is planned the future is involved. Therefore, I believe some consideration should be given to these congested areas.

I am trying to speak for all cities, but I shall speak in particular of my own city.

New York City is the greatest city in the world. It is the crossroads of the world commerce. The great part played by New York City in World War II is known to all, and it will be ready again—more so than before. It is the nerve center of industry and the financial center of the world, and the Nation's most important gateway. New York City is one of the most vital life lines for the defense of the United States.

I honestly believe that some changes in the bill should be made in order that due consideration might be given large cities such as New York.

MILITARY AND ECONOMIC IMPORTANCE OF NEW YORK CITY TO THE DEFENSE OF THE NATION

First. Defense production in New York City: New York City has proved its ability to function as a great center of war production.

The value of war contracts awarded to firms in New York City from early July to early December 1950 amounted to 14.7 percent of the total for the United States during that period.

During World War II, New York City made a great contribution to the Nation's war production effort. Through June 1945, war supply contracts amounting to $9,438,667,000 were awarded to manufacturers in the metropolitan area, consisting of the five counties of the city of New York and Nassau, Suffolk, Westchester, and Rockland Counties. Altogether the New York metropolitan area accounted for approximately 5 percent of the Nation's total war production output. As of 1942, approximately 550 plants in New York City were engaged in war production work.

Second. New York City as a center of military transportation and supply: During World War II, the port of New York was the Nation's most important base for the overseas transportation of military personnel and supplies. More than 50 percent of all shipping backing up our war effort passed through the port of New York. It became the busiest harbor in the world and there was such a tremendous expansion of its activities that in 1944 the port handled 10 times its peacetime volume of traffic.

Overseas movements of troops from the New York area, along with shipments of vast quantities of supplies, were handled by the huge New York port of embarkation located on the water front at First Avenue and Fifty-eighth Street in Brooklyn. Between Pearl Harbor and December 31, 1946, 3,489,427 troops with equipment embarked from this great military transportation facility. During the same period, 3,145,364 troops and other passengers returned through this port of embarkation. And, in addition, 76,596,716 tons of supplies were shipped through the port and its outports, such as the one at Albany, N. Y. When in full operation during World War II, the New York port of embarkation was equipped to handle 100,000 troops per day and move supplies that would fill freight cars extending from New York City to North Carolina.

Third. New York City as a defense base and center of military operations: In and near New York City there is concentrated a vast network of military headquarters and Armed Forces installations, agencies, and facilities.

(a) Army: The First Army Headquarters, with jurisdiction over the States of New York, New Jersey, Delaware, and all of the New England States, is located on Governor's Island. The forts situated within the city include Fort Jay on Governor's Island, Fort Hamilton in Brooklyn, Fort Tilden on the Rockaway Peninsula, Fort Totten in Bayside, Queens, and Fort Wadsworth on Staten Island. The city is dotted with a myriad of offices, installations, and facilities necessary for the administration of Army activities and the conduct of Army operations.

(b) Navy and Marine Corps: New York City is the headquarters of the eastern sea frontier.

The Brooklyn Navy Yard ranks with the largest naval shipyards of this country. During World War II it was one of our most important centers for the construction of fighting ships. In 1943, at the peak of its activities, it employed almost 70,000 men and women.

At the Brooklyn Naval Base and at other facilities in the port of New York, ships of our Navy are constantly being repaired, serviced, and supplied.

The Bayonne Navy Base at Bayonne, N. J., in the New York harbor, is an important facility for drydocking, supplying, and berthing ships of the Navy.

A naval air base is maintained at Floyd Bennett Field in Brooklyn. Numerous naval and Marine Corps agencies and installations essential to the operations of these branches of the armed forces are located in various parts of the city.

(c) Air Force: The headquarters of the United States Air Force Continental Command are at Mitchel Field, Long Island, a short distance from New York City's Eastern boundary. A number of Air Force agencies and facilities are located within the city.

Fourth. New York City as a center of population: According to the 1950 Federal Census, New York City has a population of 7,841,023, or more than 5 percent of the entire population of the United States. The city's millions live in an area of 320 square miles traversed by about 5,700 miles of streets and served by more than 1,400 miles of subway, bus, and trolley lines. These lines carry 9,936,000 passengers daily.

In the New York metropolitan census district, consisting of New York City, Nassau, Suffolk, Westchester, and Rockland Counties in New York State, and Bergen, Essex, Hudson, Middlesex, Morris, Passaic, and Somerset Counties in New Jersey, a population of 12,838,143 is concentrated. This is about 8.5 percent of all our people.

Moreover, almost a quarter of the Nation lives within 250 miles of New York City.

Every business day about 650,000 commuters come into New York City. It is estimated that on a typical business day, about 3,765,000 people enter the portion of the island of Manhattan south of Sixty-first Street, an area of only nine square miles.

The metropolitan area and surrounding districts are closely linked with New York City by economic ties and other bonds of interdependence. A major disaster in New York City would cause swift and serious repercussions in suburban and neighboring localities.

It is self-evident that from the standpoint of population alone, New York City is the most inviting atomic target in the Western Hemisphere.

Fifth. New York City as the industrial, commercial, and financial leader of the Nation:

(a) Industrial and business activity generally: Over 243,000 business and manufacturing firms are established in New York City. They give employment to almost 3,000,000 people and their annual payrolls total well over $9,000,000,000.

Nearly one-half of the largest corporations in the United States make their headquarters in New York City, as well as hundreds of others with Nation-wide activities.

(b) Manufacturing: Although people are not accustomed to thinking of New York City as a great industrial center, it has been the leading manufacturing city of the country since 1824. The industrial supremacy of New York City is reflected in the 1947 census of manufactures of the Federal Census Bureau, which shows that the New York metropolitan area—the New York metropolitan census district described above—was far ahead of the other metropolitan areas of the country as a manufacturing community.

Here is an excerpt from the 1947 census of manufactures showing the relative industrial standing of the New York metropolitan area and 10 of the other leading metropolitan areas of the Nation:

Census of manufactures: 1947—Vol. I, U. S. Department of Commerce, Bureau of Census

[Excerpt from table 4—standard metropolitan areas]

Standard metropolitan areas:	*Value added by manufacture* [1]
New York, northeastern New Jersey	$9,322,683,000
Chicago	5,529,062,000
Detroit	2,910,650,000
Philadelphia	2,803,106,000
Los Angeles	2,052,671,000
Pittsburgh	1,707,918,000
Cleveland	1,546,157,000
Boston	1,391,157,000
St. Louis	1,296,471,000
San Francisco-Oakland	1,049,490,000
Buffalo	1,023,231,000

[1] Value of products less cost of materials, supplies, fuel, electricity, and contract work.

In 1939, New York City accounted for more than a quarter of the total industrial production of the 14 largest cities in the United States. In the same year, the value of its manufactures was 7.2 percent of the value of all manufactured goods produced by the entire Nation.

There are presently over 41,000 manufacturing firms in New York City. In 1947 they produced over $12,000,000,000 worth of goods.

(c) Wholesale and retail trade: New York City is the leading wholesale market of the Nation. Its wholesale sales exceed $20,000,000,000 a year. Available figures show that in 1939, the city's wholesale sales amounted to about one-fourth of the total for the country.

New York City is the greatest retail market in the Nation, with more than 115,000 retail sales outlets. In 1948 the city's retail sales amounted to almost $8,000,000,000. As of 1939, retail sales in the city were 7.6 percent of the country's total.

(d) Finance and banking: New York City is the financial capital of North America.

During 1949, the banks of New York City cleared checks amounting to almost $359,000,000,000, or almost half the total cleared in the United States. Here is a table showing bank clearings during 1949 in the 14 cities of the Nation with the highest bank clearings. This table demonstrates that bank clearings in New

York City in 1949 were nearly eight times as great as those of the city with the next largest figure.

1949 bank clearings

(From Commercial and Financial Chronicle, Monday, Jan. 16, 1950, pp. 40–41)

New York City	$358,842,127,086
Philadelphia	45,243,000,000
Cleveland	15,177,252,645
Pittsburgh	14,754,868,469
Baltimore	10,796,546,527
Atlanta	11,603,100,000
Detroit	19,485,020,385
Chicago	35,806,922,419
St. Louis	13,605,415,859
Minneapolis	12,696,801,286
Kansas City	15,147,198,256
Dallas	12,259,102,374
Galveston	10,488,302,223
San Francisco	19,512,663,849
Grand total (183 cities)	756,212,778,557
Outside New York City	397,370,651,471

As of June 30, 1947, bank deposits in New York City totaled about $27,500,000,000. In January 1946, 23.7 percent of the bank deposits of the entire country were in New York City banks.

A recent release of the Board of Governors of the Federal Reserve System reveals that the banks of New York City which are members of the Federal Reserve System have total assets which are more than three times as great as those of the member banks of the city next in order of rank with respect to value of member bank assets. Here is an excerpt from this release:

Assets and liabilities of all banks in the United States, Oct. 25, 1950

[Partly estimated—in millions of dollars]

Total assets, all banks	183,580
Total assets, all commercial banks	161,290
Total assets, all Federal Reserve System member banks [1]	137,363
Total assets, New York City banks, members of Federal Reserve System	26,829
Total assets, Chicago banks, members of Federal Reserve System [1]	7,216

[1] Does not include most savings banks and some other banks.

Approximately 75 percent of the foreign trade of the United States is financed by the banks of New York City.

New York City is considered the Nation's chief life insurance center. As of 1942, 300 companies, with assets of over $37,500,000,000, had their headquarters in this city.

In 1945 the activity on the New York Stock Exchange included more than 65 percent of all shares of stock sold in the country and more than 90 percent of the face value of bonds sold.

There are six commodity exchanges in New York City. The New York Cotton Exchange is the world's chief futures market for American cotton. The New York Produce Exchange is the principal cash market for wheat in North America, and is also a large cash market for corn, oats, other grains, and flour. The Commodity Exchange, Inc., is a market for rubber, raw silk, hides, copper, lead, zinc, and tin. The New York Coffee and Sugar Exchange is the largest of the world's exchanges for both coffee and raw sugar futures. The New York Cocoa Exchange is the only organized cocoa market in the United States. Trading in butter, eggs, and potatoes is carried on at the New York Mercantile Exchange.

(e) Food: New York City is a key center for the distribution of food. Approximately 10 percent of all food consumed in the United States is handled at the Port of New York. In the metropolitan area, taking in a population of approximately 13,000,000, about 60,000,000 pounds of food are consumed daily, or almost 11,000,000 tons per year.

(f) Real estate: There are 838,025 parcels of taxable real estate in New York City, having an aggregate assessed value of $18,396,138,375.

(g) Public utilities: The tremendous needs of New York City for electricity, gas, and steam are met by the greatest system of public utility plants in the country. To meet the city's growing demands, the public utility supplying electricity to its inhabitants increased its capacity from 2,329,000 kilowatts in 1942 to 2,842,000 at present. The utilities supplying gas increased their total capacity from 393,500,000 cubic feet per day in 1942 to 651,000,000 today. The utility furnishing steam to many of the city's huge buildings enlarged its capacity from 8,036,000 pounds per hour in 1942 to 10,041,000 at present. There are more than 3,000,000 telephones in the city.

Sixth. New York City as a transportation center:

(a) The port of New York is the Nation's greatest seaport. The port of New York is the leading seaport of the United States and the Western Hemisphere. It includes the harbor facilities of New York City and contiguous waters of New Jersey, and extends over a total shoreline of 771 miles.

Ships entering the port are served by a total of 2,000 piers, wharves, and quays. According to the latest prewar figures, more than $900,000,000 are invested in terminals, warehouses, and equipment for handling commerce in the port.

In 1949 more than 25,000,000 long tons of cargo, having a total value of more than $6,000,000,000, were moved in foreign trade through the port of New York. This was about 50 percent of the value of the entire foreign trade of the United States for that year.

The total water-borne commerce of the port in 1949, including foreign, coastwise, intercoastal and internal movements, amounted to about 115,000,000 long tons.

About one-third of all general cargo—as distinguished from tanker cargoes and certain bulk shipments—shipped in the foreign trade of the United States is moved through the port of New York.

The port of New York also leads in the coastal trade. In 1949 there were approximately 10,000 movements of deep-sea vessels in and out of the port, which is served by more than 100 steamship lines.

Most of the waterborne passenger traffic to Europe and almost 60 percent of the South American traffic are handled in the port of New York. More than 750,000 overseas passengers were carried to and from the port in 1949.

The largest group of customs brokers and shipping agents in the country is concentrated in New York City.

(b) Railroads: The city of New York is one of the leading railroad terminals of the country. The port area is served by 12 railroads. In 1949 these railroads moved 77,100,000 tons of freight into, from, or through the port of New York. Ten major railroad lines carry approximately 190,000,000 passengers, exclusive of commuters, in and out of New York City annually.

(c) Trucking: New York City is one of the great trucking terminals of the country. As is shown by exhibit K hereto attached, it is estimated that approximately 14,512,000 tons of freight were moved by tractor-trailer trucks into or through the city during 1948. This does not include the large volume of freight handled by trucks other than tractor-trailers, nor does it reflect shipments originating in New York City.

(d) Airports: New York City is the greatest commercial air traffic center in the world. LaGuardia Airport, the busiest in the world in scheduled flights, is principally devoted to handling domestic traffic, while New York International Airport, the largest and most modern in the world, is predominantly an overseas air terminal. During the first 11 months of 1950 a total of 3,566,000 scheduled airline passengers used these airports. Of these, 474,000 were overseas passengers.

New York City is presently served by 24 scheduled air carriers. Twenty-five percent of all domestic scheduled airline passengers land or take off at the airports serving the New York City area.

(e) Highways, bridges, and tunnels: The New York metropolitan area is knit together by a vast system of highways, bridges, and tunnels which are of vital importance to the flow of traffic through the metropolitan area and neighboring regions. Among the better known of these facilities are the George Washington, Manhattan, Brooklyn, Triborough, Williamsburg, Queensboro, and Bronx-Whitestone Bridges, the Holland, Lincoln, Queens-Midtown and Brooklyn-Battery Tunnels, the West Side Express Highway, the Henry Hudson Parkway, and the Circumferential Parkway.

The CHAIRMAN. All time having expired, the Clerk will read the bill for amendment.

Mr. DURHAM. Mr. Chairman, I ask unanimous consent that the committee substitute be considered as read, and printed in the RECORD at this point, and open to amendments at any point thereof.

The CHAIRMAN. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The committee substitute follows:

Be it enacted, etc., That this act may be cited as the "Federal Civil Defense Act of 1950."

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DECLARATION OF POLICY

SEC. 2. It is the policy and intent of Congress to provide a plan of civil defense for the protection of life and property in the United States from an enemy attack. It is further declared to be the policy and intent of Congress that this responsibility for civil defense shall be shared by the Federal Government and the several States. The Federal Government, to the maximum extent possible, shall provide necessary coordination and guidance; shall be responsible for the operations of the Federal Civil Defense Administration as set forth in this act; and shall provide necessary assistance as hereinafter authorized.

DEFINITIONS

SEC. 3. As used in this act—

(a) The term "attack" means any attack or series of attacks by an enemy of the United States causing, or which may cause, substantial damage or injury to civilian property or persons in the United States in any manner by sabotage or by the use of bombs, shellfire, or atomic, radiological, chemical, bacteriological, or biological means or other weapons or processes;

(b) The term "civil defense" means all those activities and measures which are designed or undertaken either: (1) to minimize the effects which might otherwise be caused by, (2) to deal with the immediate emergency conditions created by, or (3) to make emergency repairs or otherwise effect emergency restoration of vital utilities and facilities destroyed or damaged by enemy attack within the United States and affecting the civilian population. The principal activities and measures in civil defense are: (1) preattack preparation, including, but not limited to, organization, establishment of operational plans and supporting agreements, recruitment, training, research, procurement, stockpiling, construction, provision of warning systems, shelters, shelter areas, control centers, and when appropriate accomplishment of nonmilitary evacuation; (2) attack provisions and arrangements, including, but not limited to, enforcement by established authorities of prescribed passive defense regulations required by military or civil authorities, evacuation to shelter areas, traffic and panic control, control and use of lighting and communications; and (3) immediate postattack measures, including, but not limited to, firefighting, rescue, emergency medical, health and sanitation, monitoring for specific hazards of special weapons, unexploded bomb reconnaissance, essential debris clearance, emergency welfare measures, emergency and immediately essential repair of damaged vital facilities;

(c) The term "organizational equipment" means equipment determined by the Administrator to be necessary to a civil defense organization as distinguished from personal equipment;

(d) The word "materials" shall include raw materials, supplies, medicines, equipment, component parts and technical information and processes necessary for civil defense;

(e) The word "facilities," except as otherwise provided in this act, shall include buildings, shelters, utilities, and land;

(f) The term "States" shall include the several States, the District of Columbia, the Territories, and the possessions of the United States; and

(g) The term "neighboring countries" shall include Canada and Mexico.

TITLE I—ORGANIZATION

FEDERAL CIVIL DEFENSE ADMINISTRATION

SEC. 101. (a) There is hereby established in the executive branch of the Government a Federal Civil Defense Administration (hereinafter referred to as the "Administration") at the head of which shall be a Federal Civil Defense Administrator appointed from civilian life by the President, by and with the advice and consent of the Senate. The Federal Civil Defense Administrator (hereinafter referred to as the "Administrator") shall receive compensation at the rate of $17,500 per year.

(b) There shall be in the Administration a Deputy Administrator who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $16,000 per year. The Deputy Administrator shall perform such functions as the Administrator shall prescribe and shall act for, and exercise the powers and perform the duties of, the Administrator during his absence or disability.

(c) The Administrator shall perform his functions subject to the direction and control of the President.

TITLE II—POWERS AND DUTIES

DETAILED FUNCTIONS OF ADMINISTRATION

SEC. 201. The Administrator is authorized, in order to carry out the above-mentioned purposes, to—

(a) prepare national plans and programs for the civil defense of the United States, making such use of plants and programs previously initiated by the National Security Resources Board as is feasible; sponsor and direct such plans and programs; and request such reports on State plans and operations for civil defense as may be necessary to keep the President, the Congress and the several States advised of the status of civil defense in the United States;

(b) review the civil defense activities of the several departments and agencies of the Federal Government and coordinate them with each other and with the civil defense activities of the States and, through the Department of State, with neighboring countries;

(c) make appropriate provision for necessary civil defense communications and for dissemination of warnings of enemy attacks to the civilian population;

(d) study and develop civil defense measures designed to afford adequate protection of life and property, including, but not limited to, research and studies as to the best methods of treating the effects of attacks; developing shelter designs and materials for protective covering or construction; and developing equipment or facilities and effecting the standardization thereof to meet civil defense requirements;

(e) conduct or arrange, by contract or otherwise, for training programs for the instruction of civil defense officials and other persons in the organization, operation, and techniques of civil defense; conduct or operate schools or classes, including the furnishing of subsistence and quarters for trainees and instructors subject to reimbursement on terms prescribed by the Administrator; and provide instructors and training aids as deemed necessary: *Provided*, That not more than one national civil defense college and three civil defense technical training schools shall be established under the authority of this subsection: *Provided further*, That no land shall be acquired and no buildings shall be constructed pursuant to this subsection;

(f) publicly disseminate appropriate civil defense information by all appropriate means;

(g) assist and encourage the States to negotiate and enter into interstate civil defense compacts (consent to which is hereby given by the Congress); review the terms and conditions of such proposed compacts in order to assist to the extent feasible in obtaining uniformity therein and consistency with the national civil defense plans and programs; assist and coordinate the activities thereunder; aid and assist in encouraging reciprocal civil defense legislation by the States which will permit the furnishing of mutual aid for civil defense purposes in the event of an attack which cannot be adequately met or controlled by a State or political subdivision thereof threatened with or undergoing attack;

(h) procure, construct, lease, transport, store, maintain, renovate or distribute materials and facilities for civil defense, with the right to take immediate possession thereof: *Provided*, That facilities acquired by purchase, donation, or other means of transfer may be occupied, used, and improved for the purposes of this act, prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended (40 U. S. C. 255); *Provided further*, That the Administrator shall report not less often than quarterly to the Congress all property acquisitions made pursuant to this subsection: *And provided further*, That before entering into any transaction pursuant to this subsection in an amount or value of $500,000 or more, the Administrator shall report thereon in full detail to the Congress.

(i) make financial contributions, on the basis of programs or projects approved by the Administrator, to the States for civil defense purposes, including, but not limited to, the procurement, construction, leasing, or renovating of materials and facilities. Such contributions shall be made on such terms or conditions as the Administrator shall prescribe, including, but not limited to, the method of purchase, the quantity, quality, or specifications of the materials or facilities, and such other factors or care or treatment to assure the uniformity, availability, and good condition of such materials or facilities: *Provided*, That, except as otherwise provided in section 303 (d) of this act, no contributions shall be made for State or local personnel and administrative expenses, or for items of personal equipment for State or local workers, or for the procurement of land: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for organizational equipment shall be equally matched by such State: *Provided further*, That financial contributions to the States for shelters and other protective facilities shall be determined by taking the amount of funds appropriated or available to the Administrator for such facilities in each fiscal year and apportioning same among the States in the ratio which the urban population of the critical target areas (as determined by the Administrator) in each State, at the time of the determination, bears to the total urban population of the critical target areas of all

of the States: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for such shelters and protective facilities shall be equally matched by such State and, if not matched within a reasonable time, the Administrator may reallocate same to other States on the formula outlined above: *Provided further*, That the value of any land contributed by any State or political subdivision thereof shall be excluded from the computation of the State share: *Provided further*, That the amounts paid to any State under this subsection shall be expended solely in carrying out the purposes set forth herein and in accordance with State civil defense programs or projects approved by the Administrator. Whenever the Administrator, after reasonable notice and opportunity for hearing the State, finds that there is a failure to expend funds in accordance with the terms and conditions governing the Federal contribution for such approved programs or projects, the Administrator shall notify such State that further payments will not be made to the State from appropriations under this act or from funds otherwise available for the purposes of this act (or in his discretion from appropriations under this act for any approved program or project with respect to which there is such failure to comply) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Administrator shall either withhold the payment of any financial contributions to such State, or limit payments to the program or project with respect to which there is substantial compliance with the terms and conditions governing the Federal contribution for such program or project: *Provided further*, That the Administrator shall not approve any project which is of such sound value as reasonably to assure the retirement or repayment of the construction costs thereof within a period of not more than 50 years: *And provided further*, That the Administrator shall report not less often than quarterly to the Congress all contributions made pursuant to this subsection.

(j) arrange for the sale or disposal of materials and facilities found by the Administrator to be unnecessary or unsuitable for civil defense purposes in the same manner as provided for excess property in the Federal Property and Administrative Services Act of 1949, as amended.

RELATION OF DEFENSE PRODUCTION ACT OF 1950 TO CIVIL DEFENSE

SEC. 202. The terms "national defense" or "defense" as used in title II of the Defense Production Act of 1950 shall be construed to include "civil defense" as defined in this act.

MUTUAL AID PACTS BETWEEN SEVERAL STATES AND FOREIGN COUNTRIES

SEC. 203. The Administrator shall give all practicable assistance to States in arranging, through the Department of State, mutual civil defense aid between the States and neighboring countries.

IDENTITY INSIGNIA

SEC. 204. The Administrator may prescribe insignia, arm bands, and other distinctive articles (including designs previously covered under Letters Patent which were assigned to the United States and held by the Office of Civilian Defense created by Executive Order No. 8757 issued May 20, 1941), which may be manufactured for or possessed or worn by persons engaged in civil defense activities pursuant to rules and regulations for the manufacture, possession, or wearing thereof established by the administrator. The manufacture, possession, or wearing of any such insignia, arm band, or other distinctive article otherwise than in accordance with such rules and regulations shall be unlawful and shall subject such person to a fine of not more than $1,000 or imprisonment of not more than 1 year, or both.

TITLE III—EMERGENCY AUTHORITY

NATIONAL EMERGENCY FOR CIVIL DEFENSE PURPOSES

SEC. 301. In the event of an enemy attack or in anticipation of imminent enemy attack, the President may proclaim a national emergency for civil defense purposes. Such emergency shall continue until terminated by the Presidential proclamation or by concurrent resolution of Congress.

UTILIZATION OF FEDERAL DEPARTMENTS AND AGENCIES

SEC. 302. During the period of such emergency, under such terms and conditions as to donation, compensation, or return as may be prescribed, and solely for civil defense purposes, the President may direct any Federal department or agency to provide, and such departments and agencies are hereby authorized to provide—

(a) their personnel, materials, and facilities to the Administrator for the aid of the States;

(b) emergency shelter by construction or otherwise; and

(c) on public or private lands, protective and other work essential for the preservation of life and property, for clearing debris and wreckage, and for making emergency repairs to, and temporary replacement of, communications, hospitals, utilities, transportation facilities, or public facilities of States or their political subdivisions damaged or destroyed by attack.

EMERGENCY POWERS

SEC. 303. During the period of such emergency, the Administrator is authorized to—

(a) exercise the authority contained in section 201 (h) without regard to the limitation of any existing law including the provisions of the act of June 30, 1932, as amended (40 U. S. C. 278a), and section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), and section 3734 of the Revised Statutes, as amended (40 U. S. C. 259 and 267), and the Federal Property and Administrative Services Act of 1949, as amended;

(b) sell, lease, lend, transfer, or deliver materials or perform services for civil defense purposes on such terms and conditions as the Administrator shall prescribe and without regard to the limitations of existing law;

(c) coordinate and direct, for civil defense purposes, the relief activities of the various departments and agencies of the United States as provided in section 302 hereof;

(d) reimburse any State for the compensation paid to and the transportation, subsistence, and maintenance expenses of any State employees or employees of political subdivisions of any State while engaged in rendering civil defense aid outside the State and to pay fair and reasonable compensation for the materials of the State government or any political subdivision utilized or consumed outside of the State, including any transportation costs, in accordance with rules and regulations prescribed by the Administrator. As used in this subsection, the term "employees" shall include full- or part-time paid, volunteer, auxiliary, and civil-defense workers subject to the order or control of a State government or any political subdivision thereof, and such employees shall not be deemed by reason of such reimbursement to be employees or appointees of the United States;

(e) provide financial assistance for the temporary relief or aid of any civilian injured or in want as the result of any attack; and

(f) employ temporarily additional personnel without regard to the civil-service laws and to incur obligations on behalf of the United States for civil defense purposes as authorized in this act.

During the period of any such emergency, the Administrator shall transmit quarterly to the Congress a detailed report concerning all action taken pursuant to this section.

IMMUNITY FROM SUIT

SEC. 304. (a) During the period of such emergency, neither the Federal Government nor, except in cases of willful misconduct, gross negligence, or bad faith, any officer or employee thereof while complying with or attempting to comply with any provision of this act or of any rule, regulation, or order issued pursuant to this act shall be liable to any person, whether or not such person is engaged in civil defense, for death, injury, or property damage resulting therefrom. Nothing contained in this section shall affect the right of any person to receive any benefit or compensation to which he might otherwise be entitled under the Federal Employees' Compensation Act, as amended (5 U. S. C. 751), or any other act of Congress providing for any pension or retirement.

(b) The death or disability of any employee of the Federal Government incident to his performance of civil-defense duties pursuant to this act shall, for the purposes of any law providing benefits for the death or disability of Federal employees, be deemed to constitute death or disability incurred by him in the course of an incident to his principal Federal employment.

WAIVER OF ADMINISTRATIVE PROCEDURE ACT

SEC. 305. During the period of such emergency, the functions and duties exercised under this act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237), except as to the requirements of section 3 thereof.

TITLE IV—GENERAL PROVISIONS

ADMINISTRATIVE AUTHORITY

SEC. 401. For the purpose of carrying out his powers and duties under this act, the Administrator is authorized to—

(a) employ civilian personnel for duty in the United States, including the District of Columbia, or elsewhere, subject to the civil-service laws, and to fix the compensation of such personnel in accordance with the Classification Act of 1949, as amended; and subject to the standards and procedures of that act, to place not more than 22 positions in grades 16, 17, and 18 of the General Schedule established by that act, and any such positions shall be additional to the number authorized by section 505 of that act; and, notwithstanding the provisions of any other law, except those imposing restrictions upon dual compensation, employ, in a civilian capacity, with the approval of the President, not to exceed 25 retired personnel of the armed services on a full- or part-time basis without loss or reduction of or prejudice to their retired status;

(b) appoint such advisory committees and employ such part-time advisory personnel (including not to exceed 25 subjects of the United Kingdom and the Dominion of Canada) as are deemed necessary in carrying out the provisions of this act. Persons holding other offices or positions under the United States for which they receive compensation, while serving as members of such committees, shall receive no additional compensation for such service. Other members of such committees and other part-time advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed $50 for each day of service, as determined by the Administrator;

(c) utilize the services of Federal agencies and, with the consent of any State or local government, accept and utilize the services of State and local civil agencies; establish and utilize such regional and other offices as may be necessary; utilize such voluntary and uncompensated services by individuals or organizations as may from time to time be needed; and authorize the States to estab-

lish and organize such individuals and organizations into units to be known collectively as the United States Civil Defense Corps: *Provided*, That the members of such corps shall not be deemed by reason of such membership to be appointees or employees of the United States;

(d) notwithstanding any other provisions of law, accept gifts of supplies, equipment, and facilities; and utilize or distribute same for civil defense purposes in accordance with the provisions of this act;

(e) reimburse any Federal agency for any of its expenditures or for compensation of its personnel and utilization or consumption of its materials and facilities under this act to the extent funds are available;

(f) purchase such printing, binding, and blankbook work from public, commercial, or private printing establishments or binderies as he may deem necessary upon orders placed by the Public Printer or upon waivers issued in accordance with section 12 of the Printing Act approved January 12, 1895, as amended; and

(g) prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this act, and, without being relieved of his responsibility therefor, perform any of the powers and duties vested in him through or with the aid of such officials of the Administration as he may designate.

EXEMPTION FROM CERTAIN PROHIBITIONS

SEC. 402. The authority granted in subsection 401 (b) shall be exercised in accordance with regulations of the President, who may also provide by regulation for the exemption of persons employed or whose services are utilized under the authority of said subsection from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99).

SECURITY REGULATIONS

SEC. 403. (a) The Administrator shall establish such security requirements and safeguards, including restrictions with respect to access to information and property, as he deems necessary. No employee of the Administration shall be permitted to have access to information or property with respect to which access restrictions have been established under this subsection until it shall have been determined that no information is contained in the files of the Federal Bureau of Investigation or any other investigative agency of the Government indicating that such employee is of questionable loyalty or reliability for security purposes, or, if any such information is so disclosed, until the Federal Bureau of Investigation shall have conducted a full field investigation concerning such person and a report thereon shall have been evaluated by the Administrator. No such employee shall occupy any position determined by the Administrator to be of critical importance from the standpoint of national security until a full field investigation concerning such employee shall have been conducted by the Federal Bureau of Investigation and a report thereon shall have been evaluated by the Administrator.

(b) Each Federal employee of the Administration, except the subjects of the United Kingdom and the Dominion of Canada specified in section 401 (b) of this act, shall execute the loyalty oath or appointment affidavits prescribed by the Civil Service Commission. Each person other than a Federal employee who is appointed to serve in a State or local organization for civil defense shall before entering upon his duties, take an oath in writing before a person authorized to administer oaths, which oath shall be substantially as follows:

"I, ————, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

"And I do further swear (or affirm) that I do not advocate, nor am I a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence; and that during such time as I am a member of the (name of civil defense organization), I will not advocate nor become a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence."

Any person who shall be found guilty of having falsely taken such oath shall be punished as provided in Eighteenth United States Code, section 1621.

TRANSFERS TO ADMINISTRATION

SEC. 404. The functions, property, and personnel of the Federal Civil Defense Administration established by Executive Order No. 10186, issued December 1, 1950, are hereby transferred to the Administration established by this act.

UTILIZATION OF EXISTING FACILITIES

SEC. 405. In performing his duties, the Administrator shall (1) cooperate with the various departments and agencies of the Government; (2) utilize to the maximum extent the existing facilities and resources of the Federal Government, and, with their consent, the existing facilities and resources of the States and local political subdivisions thereof and other organizations and agencies; and (3) refrain from engaging in any form of activity which would duplicate or pafallel activity of any other Federal department or agency unless, with written approval of the President, the Administrator shall determine that such duplication is necessary to accomplish the purposes of this act.

ANNUAL REPORT TO CONGRESS

SEC. 406. The Administrator shall annually submit a written report to the President and the Congress covering expenditures, contributions, work, and accomplishments of the Administration, pursuant to this act, accompanied by such recommendations as he shall deem appropriate.

APPLICABILITY OF ACT

SEC. 407. The provisions of this act shall be applicable to the United States, its Territories, possessions, and the District of Columbia, and their political subdivisions.

APPROPRIATIONS AND TRANSFERS OF FUNDS

SEC. 408. There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act. Funds made available for the purposes of this act may be allocated or transferred for any of the purposes of this act, with the approval of the Bureau of the Budget, to any agency or Government corporation designated to assist in carrying out this act: *Provided*, That each such allocation or transfer shall be reported in full detail to the Congress within 30 days after such allocation or transfer.

ATOMIC ENERGY ACT OF 1946

SEC. 409. Nothing in this act shall be construed to amend or modify the provisions of the Atomic Energy Act of 1946, as amended.

FEDERAL BUREAU OF INVESTIGATION

SEC. 410. Nothing in this act shall be construed to authorize investigations of espionage, sabotage, or subversive acts by any persons other than personnel of the Federal Bureau of Investigation.

SEPARABILITY

SEC. 411. If any provision of this act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the act, and the application of such provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Mr. JAVITS. Mr. Chairman, I offer an amendment.

Amendment offered by Mr. JAVITS: Page 30, line 19, after the colon, strike out all of line 19 down to and including line 23.

Mr. JAVITS. Mr. Chairman, the purpose of my amendment has been developed in the course of general debate. It goes directly to the idea that the Administrator shall, rather than shall not, participate with municipalities, in projects which are important to civilian defense and, at the same time, may be self-liquidating. The provision which I seek to strike out prohibits that and does really something that is very anomalous in a Congress that is trying to make its money go the longest way it possibly can. It says that if a project can liquidate itself under 50 years, then no money is to be put up by the Administrator to help with the project. It seems to me that we would expect that the thing would go just the other way. If a project was useful and important and could be liquidated within a reasonable period of time so that you could put a bond issue on it, we certainly would want the Administrator to make it possible that that should be done, and in that way save money. In addition to that, many cities will want to build projects under this bill for civilian defense, and at the same time find it only possible to build those projects through a bond issue, because they would be otherwise useful. The reason is that most cities are carrying heavy indebtedness now; they have little money for civilian defense purposes unless they get it through bond issues, which generally are not permitted unless the project is of a self-liquidating character. Many cities are deeply interested in the building of underground parking garages for example. They would serve very importantly in the whole civil defense program while at the same time relieving traffic congestion also vital to internal security.

Mrs. BOLTON of Ohio. Mr. Chairman, will the gentleman yield?

Mr. JAVITS. I yield to the gentlewoman from Ohio.

Mrs. BOLTON of Ohio. If those underground places are used for garages and when the garages are not empty, what happens to them?

Mr. JAVITS. Obviously the Administrator is not going to devote money to that purpose unless he is satisfied that the conditions are such as to serve civilian defense purposes. I am sure that in imminence of attack, they will not be used except for civilian defense. The technical evidence on the subject is certainly complete on the use of such facilities for civilian defense.

That brings me to the main point of this argument, or the argument which will be made against this amendment, because it was made in general debate,

and that is that it will burden the Administrator with a lot of applications for projects which may involve improvements to cities, and so on and that, it is said, is not the intention of the bill. I assume the Administrator is not going to be soft-headed about this proposition, and he is not going to be weak about distributing this money for projects which are not full value for civilian defense purposes. I think we must act on the fact that the Administrator will have that much sense to see through programs which are not for civilian defense and to see that projects he helps are primarily for civilian defense.

In the other body this very bill encourages exactly such projects of participation by municipalities and does not directly discourage them as this bill proposes to do.

This civil defense effort is extremely important. The people of the country have been waiting for it. Certainly the people of the big cities have been waiting for it. The gentleman from Massachusetts [Mr. KENNEDY] and I demanded action on civilian defense and a national civilian defense establishment of the President months and months and months ago. I am delighted that this bill is here, but I do not think we should be shortsighted about the fact that we want to make it attractive for municipalities to join with the Administrator in civil defense projects by making it possible for them to establish projects essential to civil defense which are at the same time self-liquidating.

I think that perhaps unwittingly the House will be doing a disservice to New York, Detroit, Chicago, Pittsburgh, San Francisco, Los Angeles—and every other big city in the country—which will participate in this program by leaving this proviso in instead of leaving it out.

I hope very much the Committee of the Whole will see the justice of this position as it was clearly seen over in the other body and will strike out this prohibition which, I think, will result in making civilian defense work less productive than it could be.

Mr. ELSTON. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I do not know that there is much that I can add to what was said at the time I was discussing this bill in general debate. I do, however, want to say that if we want to turn the Civil Defense Administrator into a WPA official, then the amendment offered by the gentleman from New York should be adopted. If, on the other hand, we want to allow the Administrator to deal in purely civil defense matters, this amendment should be rejected.

I am sure we can readily appreciate exactly what is going to happen if the Administrator has the power and the authority to pass on projects which are to be self-liquidating or income-producing. In the first place, he would be flooded with applications to approve all types of projects. His time is needed for matters that deal solely with civil defense.

As I stated before, there is nothing to prevent the Administrator from considering any kind of project provided the project is already in existence. He could consider an underground garage or a parking area or any other kind of building, provided it was already constructed or plans had been made to construct it and it had been financed. That is exactly what he expects to do. He expects to consider all types of buildings and determine which ones might be useful for civil defense. But he should not be charged with the responsibility of having to pass on these projects in the first instance. We should not by this bill pave the way for the Administrator to have to consider projects wherein civil defense is only incidental. If such projects have merit, the cities concerned can go to the Reconstruction Finance Corporation or to other lending agencies and get the money.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield to the gentleman from New York.

Mr. JAVITS. I am right, therefore, in pinpointing the whole discussion on the question of the burden on the Administrator. Just as an administrative question, there is no substantive reason why this should not be done; is not that true? It is just a question as to whether we in the Committee of the Whole think we want the Administrator to do that job or whether we do not. There is no substantive reason against it.

Mr. ELSTON. There is more to it than that, because I hope Congress will appropriate only what is absolutely necessary for civil defense.

If we are going to have to deal with projects that are costly, like underground parking areas and the like, we may find there will be all kinds of pressure put on the Administrator to approve them. Before we know it we will be spending far more money than is contemplated. In the first place, the general idea of using parking areas and garages and the like for civilian defense is not good. It has not been explained what would occur if there was a bombing raid while a garage was filled with automobiles.

In the first place, garages in themselves are hazardous because of the presence of gasoline. As evidence of this most garages have signs warning against smoking. So far those are the types of self-liquidating projects that have been urged. The mayor of the city of Boston, for example, testified before our committee and indicated they were considering a large underground parking project. There was testimony before our committee to the effect that some of the projects of that type had been disapproved by the RFC and they had not been able to obtain money. It was obvious to me, and I think to some of the other members of the committee, that they are now trying to tie such projects into civilian defense. I suggest the amendment offered by the gentleman from New York should be voted down.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. HOFFMAN of Michigan. Mr. Chairman, there seems to be an idea in Washington that we can solve practically every question by writing a bit of legislation and appropriating a few million or billion dollars. That is a sort of overall remedy. I do not believe in being frightened into that method.

This bill in the declaration of policy declares:

> It is the purpose and intent of the Congress to provide a plan for civil defense for the protection of life and property in the United States from enemy attack.

Then down, beginning at line 15, it defines what the authors of the bill mean by an enemy attack. The amendment offered by the gentleman from New York [Mr. JAVITS] and his remarks in support of that amendment may or may not disclose some of the moving forces back of this bill. We had some legislation like this one time, and if memory serves correctly, there were a lot of selfish, greedy people who used that legislation for the advancement of their own interests.

Here we go again. Admittedly New York has a terrific problem of transportation. Now, under the guise of civilian defense is the rest of the country to furnish money to solve that problem? Build garages in New York—which is what the gentleman proposes?

That is what the gentleman's argument amounts to. Every other city in the country will have the same argument. If this was a bill to protect, for example, the blast furnaces in the district of the gentleman from Pennsylvania [Mr. GRAHAM], or if it was something like that, I could see the reason for it because we must have blast furnaces. We must have production facilities. If it was a bill to protect other war-production industries I could see the reason for it, go along with it. But here it is, a bill to protect the civilian population who cannot be in any danger unless there is an attack upon this country. I think folks will admit that there is a limit somewhere to our ability to furnish dollars or to produce. Personally, I do not worry overmuch any longer about threatened national bankruptcy. In my comparatively short life I have been bankrupt, busted, if you want to call it that, several times. I have lived through one or two depressions with the people of my community. It never hurt me any. All I had to do was to get along with a little less, work a little harder, and while I did not like it at the time, ultimately I think the result was good for me. I think perhaps the same thing is true of the Nation. Perhaps through a depression is the only way our people will learn.

Everyone will admit that there is a limit to the number of men, young men, the best of the young men, that we can induct into the armed services. Already we are being told that we will have to get out of Asia because there are too many people over there who do not agree with us and who are making their disagreement unpleasantly known to us. In the end we will get out of Asia proper. Why not do it now? If our protection calls for aid to the Chinese who are fighting communism, let us aid them, but

not with American men. If we can serve our interest by aid to Japan, let us give it. I think it was this morning I read in the press a somewhat similar statement by someone in authority, who I assume had knowledge, as to Europe. That is to say that it was a little bit beyond our power to hold Europe and send an army of foot soldiers to conquer Russia. Are we not overtaxing our resources, our manpower, when we attempt to put 200,000 men in Europe as is now proposed? And later perhaps a million or two million more? Is it not apparent that in the end, sometime, somewhere along the line we will find it necesary, if we intend to preserve our own national existence and protect the security of the Republic, to forget sending Americans across the seas to fight, exhaust themselves and die everywhere al lover the world? Is it any more than common sense to realize that great as we are there is a limit to our resources, our manpower? Is it not time for us to get out of Asia, out of Europe, spend our dollars, our efforts, in support of those who are doing the fighting rather than, as this bill proposes, for made work—for your and my protection, for the protection of those who are in no immediate danger?

The CHAIRMAN. The time of the gentleman from Michigan [Mr. HOFFMAN] has expired.

The question is on the amendment offered by the gentleman from New York [Mr. JAVITS].

The amendment was rejected.

Mr. ELSTON. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. ELSTON: On page 43 after line 23 insert a new section as follows:

"SEC. 412. After June 30, 1954, or after the date of the passage of a concurrent resolution by the Congress, which declares that the powers conferred on the Administrator under the provisions of this act are no longer necessary for the accomplishment of the purposes of this act, whichever shall first occur, none of the functions authorized under such provisions may be exercised."

Mr. ELSTON. Mr. Chairman, the language of this amendment simply indicates that it is the intention of Congress that this legislation shall not be considered to be permanent. We are conferring vast powers upon the Administrator. Many of the delegations of power are necessary. At least we cannot take a chance on not delegating them at this time. In my opinion, we are delegating more power than is necessary. Therefore if we give the Administrator an opportunity to carry into effect the far-reaching provisions of this act, it seems to me that Congress should, within a reasonable time, go over the whole program and review it. We hope this is only temporary legislation and that the present emergency will soon be over. If it does not end, Congress should later consider a continuance of the law in the light of conditions existing at that time.

If this amendment is adopted the act will terminate on June 30, 1954, which is the end of a fiscal year, or upon the passage of a concurrent resolution by the Congress which declares that the powers conferred on the Administrator under the provisions of the act are no longer necessary. It may be that Congress will determine before June 30, 1954, that this act should be terminated, but if Congress does not do it by concurrent resolution, then when June 30, 1954, comes around, the law ceases to function.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. ELSTON. I yield.

Mr. JUDD. I want to compliment the gentleman for offering this amendment. If adopted, it will permit Members to vote for the bill with greater assurance that its powers will not be abused. Such extraordinary powers are granted in this bill that it is all the more important that Congress have a check upon them. If the Administrator and his officials know that at a given period they have got to come back here for extension of their powers in case that should be necessary, it is bound to be a stimulus to the best kind of administration. If the program is well handled, it will be continued if necessary; if not, we ought to have a chance to look it over, modify it, or end it.

Mr. ELSTON. Yes. I want to thank the gentleman from Minnesota for his contribution. We have put similar amendments in other legislation. I believe we have a similar provision in the ECA bill. In a law as far reaching as ECA and as important as this legislation is to the Nation there should be congressional review.

Congress has been criticized for delegating too much power to agencies of Government. We are now delegating vast power because of a great emergency. Since the emergency may change, a review of the law is essential. This amendment simply permits that review before June 30, 1954, but allows the act to be terminated on that date if there is no further reason for it.

I hope the committee will adopt the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The amendment was agreed to.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. EDWIN ARTHUR HALL: Page 43, after line 23 add a new section as follows:

"SEC. 412. There is hereby created a volunteer army composed of persons on the home front who are neither in the draft nor are members of any enlisted unit of the Armed Forces, but who possess firearms and have knowledge of their use.

"(a) The function of this volunteer army shall be to help guard the home front against surprise attack or in case of invasion.

"(b) Primary weapons to be used by such volunteer army shall be firearms already in the possession of its members, for which duly authorized permits have been issued.

"(c) Ammunition for such firearms shall be available to members of said auxiliary force by the Secretary of Defense, and supplied through regular present business channels.

"(d) Setting up of local units throughout the Nation shall be in the hands of hunting and sportsmen's organizations and of other outdoor groups, coordinated and assisted by officers on detail from the United States Army.

"(e) Such groups shall be trained solely for local defense and shall be conducted on a voluntary basis."

Mr. DURHAM. Mr. Chairman, I make a point of order against the amendment.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, will the gentleman reserve his point of order?

Mr. DURHAM. Mr. Chairman, I reserve a point of order against the amendment.

The CHAIRMAN. The gentleman from North Carolina reserves a point of order against the amendment.

The gentleman from New York [Mr. EDWIN ARTHUR HALL] is recognized.

Mr. EDWIN ARTHUR HALL. Mr. Chairman, there are hundreds of hunting and sportsmen's organizations in this country; there are about 40 such in the congressional district which I represent. These organizations are composed of the most patriotic and loyal American citizens. Their members range through all age groups; they are hunters, good shots, and they are expert in the use of firearms.

My contention is that a volunteer group of this kind, legalized as they are throughout the length and breadth of America, would compose a vigilant group which in the case of attack would be an auxiliary force to any home defense or home guard or State militia that we might have. Of course, there would be many members of these organizations drafted into the Regular Armed Forces and others would serve in various contingent groups; however, there are those others who would not be affected in these hunters' organizations. They could organize locally in such a way that they would compose a definite and powerful defense arm on behalf of the American public.

Mr. HOFFMAN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. EDWIN ARTHUR HALL. I yield to the gentleman from Michigan.

Mr. HOFFMAN of Michigan. Does the gentleman provide any compensation for these people who would be taken in under his amendment?

Mr. EDWIN ARTHUR HALL. I assure the gentleman this does not cost the Government a penny, because these men, all patriotic citizens beyond draft age, good shots, good hunters, good sportsmen, would immediately spring to the defense of their country in case of attack. They could be organized and coordinated into units by these sportsmen's organizations. They would not expect or require compensation.

I offer this amendment at the suggestion of certain groups of hunters and at the request of sportsmen in my district who have urged me to place this before the House. I am sorry that a point of order has been made against the amendment and I hope the Chair will rule against it, because I believe my amendment is germane. It would certainly add a great deal to what has already been proposed here today.

These hunters and sportsmen's organizations in my district will contribute no end to the home defense of America. I

believe these people can be utilized. They can be organized and themselves carry the ball to a great extent in the defense of our homes, our schools, our churches, and our land in case of this attack which everybody says is possible.

Mr. Chairman, I submit the amendment to the committee. I trust these organizations will be utilized by the Civilian Defense authorities because they are in a position, due to their knowledge of firearms, due to their knowledge of the local terrain, the lay of the land, the geography of the section in which they live, to form a vigilante group which would be of invaluable assistance in the defense of our country. Many other Members have these organizations in their respective districts. Due to to the good hunting and the excellent outdoor facilities that exist in my district, I have a number of these sportsmen's organizations. I believe that we are overlooking one of the greatest sources of national defense in the event—God forbid—the enemy should overrun this beloved land of ours. These men, great patriots all, would be in position to spring to the defense of the country immediately and in a very effective manner. I submit that we would be shirking our duty, we would be neglectful of our responsibility, if we did not enlist and recruit the abilities and the proclivities of these organizations immediately and encompass them into this great defense program involving our civilian front.

Mr. Chairman, many of their members have urged me for several months to present this amendment.

Through it I propose to give hunters and sportsmen a considerable share of responsibility for home-front defense. I am sure they want such responsibility, because to a man they are patriotic and especially fitted for this job.

These hunters' clubs are composed of men through all ages. A large number are beyond draft age and would not necessarily be in other categories of the military.

These men are all expert with rifles and other firearms. They are well acquainted with the terrain and the countryside adjacent to their homes.

In case of attack, such hunters would immediately become the vigilantes of each community. They would meet quickly, organize and deploy to points of trouble within a given radius of their homes.

With their ability to shoot, and to move through woods, hills, and rough country with alacrity, they would present a veritable hornet's nest to an oncoming foe.

Their familiarity with the neighborhood in which they reside would make them as effective in the path of the enemy as any guerrilla fighters. They would harass the invader with deadly accuracy.

These hunters' clubs need little organizing, because they are already set up, composed of men banded together in a common devotion, love of the outdoors. They require only a coordinating hand which could be supplied by the proper authorities.

Such groups are ready and willing to contribute their hunting skill to the common defense. I am positive that to a man, their membership will respond.

As I have said, my amendment does not contemplate any cost in the work of organizing, but it does provide for the supplying of these hunters with ammunition through ordinary business channels in case of invasion.

The CHAIRMAN. Does the gentleman from North Carolina desire to be heard further in support of his point of order?

Mr. DURHAM. Mr. Chairman, I withdraw the point of order.

Mr. Chairman, I am quite sure that the Committee realizes the far-reaching effect of this amendment. In my opinion it would cause a state of confusion and I ask that the Committee vote down the amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. EDWIN ARTHUR HALL].

The amendment was rejected.

Mr. JUDD. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JUDD: Page 40, line 2, and on page 40, line 7, after the word "evaluated", insert the words "in writing."

Mr. JUDD. Mr. Chairman, this amendment will do, I think, what we talked about during general debate to reduce the chance for unsuitable persons to get into the civil defense set-up. It seeks to avoid the sort of situation which has arisen a good many times heretofore in which individuals were hired or retained by agencies in spite of derogatory information submitted to the agencies by the FBI after full field investigation of the employees. Apparently the heads of the agencies felt that there were other considerations which justified them in overriding the findings of the FBI.

I grant that there may be situations where that is justifiable, but I think we ought to fix in the record the responsibility on someone so that if later it develops that damage has been done to our country through appointment or employment of such individuals, those who are responsible for such appointment or employment will be known. We have had instances where individuals about whom the FBI submitted extensive derogatory information were still kept in employment, or were hired for jobs, and then when attempts were made to find out who was responsible, we could not find out. This amendment would merely require that after a full field investigation was conducted and the report was submitted to the Administrator by the FBI, he would have to evaluate that report in writing if he were to hire an individual, notwithstanding derogatory information. In a program as vital as this which reaches into every aspect of our nation's life and gives the agency access to critical information about our war plants and our home defenses, we ought to be doubly careful to make sure that there is nobody in the agency about whose loyalty to the United States any possible question can be raised. It gives protection to the country and also to the Administrator. Since, under the law, he can hire a person only if he is willing to take in writing the responsibility for disregarding any unfavorable information which the FBI develops, he can use the law to resist any pressures on him. If there is no derogatory information, no question is raised. If there is, then the man who hires him notwithstanding ought to be willing to be responsible on the record.

I hope that the amendment will be adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. JUDD].

The amendment was agreed to.

Mr. BURDICK. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, well, Christmas is here, but I am afraid Santa Claus will have to forego his usual trips to this great country. He has been so busy giving away presents in foreign countries that he cannot be expected to give us the attention he usually does. Besides this inattention on the part of Santa Claus, which is not his fault but the fault of Congress, many homes have vacant chairs at the holiday dinner table. There will be more sorrow among the people than they have ever experienced before.

This country is in a more perilous position as to its future than at any time in our history. The free nations of the world are up against Communist enemies numbering 1,500,000,000 people who are on the march against our theory of capitalist governments. If we should fail in our attempt to protect this democracy, then the noblest plan of government will be defeated and what we have enjoyed so long—freedom of speech, of the press, of religion, and individual expression—will be denied us. We cannot permit this to happen, and we shall have to give all we have to avert this danger. "Business as usual" will have to wait, and "Business for national defense" will have to take its place. Many things we want and are used to we cannot have, but in this contest we cannot think of ourselves. We cannot mourn over the things we cannot have. We will all have to contribute to the fullest extent we can and place our offering on the altar of freedom. This is no time to think of profits and the increase of wealth. We have a new job, and that is to defend what we already have. Without this defense, we shall have nothing left to defend. More than the property side of this question is a far greater issue, and that is the fate of our free institutions.

We are right back where we were when Patrick Henry said, "Give me liberty or give me death."

Mr. CANFIELD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I believe that some of us, at least, are a little naive in our approach to this problem today, and there are certain facts which stare us in the face. One is that the Soviet Union has the atomic bomb. Another fact is the admission of our military leadership that an aggressor nation with an atomic bomb can undoubtedly get through to

bomb our cities and towns. There is also another fact adduced in a recent report of the Joint Congressional Committee on Atomic Energy that the Soviet Union, realistically appraising dangers, is feverishly bolstering its civil defenses while we here in the United States of America mark time.

While some of the Members of the House may be running away from this problem today, I am not. It is not because I live in a prime target area. I have seen bombings in this world. I was in London for 3½ weeks in June and July 1944 during the robot bomb attack, and saw those infernal Hitler machines coming in from the Pas de Calais area of the Continent every 5 minutes day and night, literally destroying the capital city of the United Kingdom. I saw how the people of the British Empire reacted in civil defense, because they knew how.

Here today our citizens do not even have a primer, they do not even know the ABC's of civil defense here in our capital city.

Fifteen weeks after Hiroshima and Nagasaki I saw those cities in Japan, and I observed the destructive force of this terrible atom bomb, something they did not have in World War II.

In the New York Times of today appears an editorial on the lag in civil defense in New York City, and I want to quote a few paragraphs from that editorial:

It is a shock to hear that the people of New York City are laggard and remiss in volunteering to protect their own lives and property in the event of a wartime disaster. It is also a shock to learn thae the city's Director of Civil Defense, Arthur W. Wallander, must publicly deplore the apathy of New Yorkers in this respect. And it is a shock to find that less than 10 percent of the personnel needed in civil-defense work in this city have volunteered.

The reason for it, we suspect, is not that our citizens are lazy, callous, or cynical. As Mr. Wallander puts it, it is because "people lack interest and awareness of the possible dangers ahead." The obvious remedy, then, is to point out the dangers as being quite possible and very real and to dramatize and drive home the great need of civil defense, something that has not been done effectively thus far. Above all, New Yorkers must be made to realize that they cannot adopt a let-George-do-it attitude. For it is very evident from Mr. Wallander's report that George is depending on the rest of us, and if and when the blow falls all of us will be very badly off indeed if we do not get busy now.

I know that in the States and in the cities called critical target areas governors and mayors are awaiting the cue from Washington. They want national leadership shown here today in this very bill before us. I am certain that after the passage of this bill they will indicate their readiness to "get on the ball," so to speak, and do a real job. Let us not hem and haw and continue to mark time in this dangerous hour.

We are told in the Washington papers of this very day that the Soviet Embassy here in our Nation's Capital is facing the facts of life. We are told that they are buying new fire hose, and there is also a report that they are digging in.

Members of Congress, who live elsewhere, may have their doubts. I wonder how many have done what I have. I have talked with nearly all of our House employees, those who live here throughout the year, bringing up their children in the Nation's Capital. They are deeply concerned and they stand for this legislation with a remarkable degree of unanimity. Let us proceed to tell our people here and elsewhere we are now moving to do all we can for home defense. It will be reassuring to them and to their brave boys on our fighting fronts.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

Mr. DURHAM. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. ROONEY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9798) to authorize a Federal civil-defense program, and for other purposes, had directed him to report the bill back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The SPEAKER. Without objection, the previous question is ordered.

There was no objection.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. DURHAM. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 247, nays 1, not voting 181, as follows:

[Roll No. 298]

YEAS—247

Abbitt	Bonner	Cox
Addonizio	Bosone	Crawford
Albert	Brambiett	Cunningham
Allen, Calif.	Breen	Curtis
Allen, Ill.	Brown, Ga.	Dague
Andersen, H. Carl	Brown, Ohio	Davis, Ga.
	Bryson	Davis, Tenn.
Andresen, August H.	Burdick	Davis, Wis.
	Burnside	Deane
Andrews	Byrne, N. Y.	DeGraffenried
Arends	Byrnes, Wis.	Delaney
Aspinall	Camp	Dollinger
Auchincloss	Canfield	Dolliver
Bailey	Carlyle	Dondero
Barrett, Pa.	Carnahan	Donohue
Bates, Mass.	Carroll	Doughton
Battle	Case, N. J.	Durham
Beall	Celler	Eberharter
Beckworth	Chelf	Elliott
Bennett, Fla.	Chiperfield	Ellsworth
Bentsen	Chudoff	Elston
Biemiller	Clemente	Evins
Bishop	Clevenger	Fallon
Blatnik	Cole, N. Y.	Feighan
Boggs, Del.	Cooley	Fenton
Bolling	Cooper	Fernandez
Bolton, Ohio	Cotton	Fisher
Flood	Kirwan	Rhodes
Forand	Kunkel	Ribicoff
Ford	Lane	Richards
Frazier	Lanham	Rivers
Fugate	Lichtenwalter	Robeson
Furcolo	Lind	Rodino
Gamble	Linehan	Rogers, Fla.
Garmatz	Lovre	Rogers, Mass.
Gary	Lucas	Rooney
Gilmer	McCarthy	Sadowski
Golden	McConnell	Sanborn
Gore	McCormack	Sasscer
Gossett	McGregor	Scott, Hardie
Graham	McGuire	Scott, Hugh D., Jr.
Granahan	McKinnon	
Granger	McMillan, S. C.	Scrivner
Grant	McSweeney	Secrest
Green	Mack, Ill.	Shafer
Gross	Magee	Shelley
Hale	Mahon	Sheppard
Hall, Edwin Arthur	Marsalis	Short
	Merrow	Simpson, Pa.
Halleck	Michener	Smith, Va.
Harden	Miles	Spence
Hardy	Miller, Calif.	Staggers
Harris	Miller, Md.	Stigler
Harrison	Mills	Stockman
Hart	Mitchell	Sullivan
Harvey	Monroney	Taber
Havenner	Morris	Tackett
Hays, Ark.	Moulder	Tauriello
Hays, Ohio	Multer	Thomas
Heselton	Murdock	Thompson
Hobbs	Murphy	Tollefson
Holmes	Murray, Tenn.	Towe
Hope	Murray, Wis.	Trimble
Howell	Norblad	Underwood
Hull	Norrell	Van Zandt
Jackson, Wash.	Norton	Velde
Jacobs	O'Hara, Minn.	Vinson
James	O'Neill	Vursell
Javits	O'Sullivan	Walter
Jenison	O'Toole	Weichel
Jensen	Passman	Wheeler
Jonas	Patten	Whittington
Jones, Ala.	Perkins	Wickersham
Jones, Hamilton C.	Peterson	Wigglesworth
	Philbin	Williams
Jones, Woodrow W.	Phillips, Calif.	Wilson, Okla.
	Pickett	Wilson, Tex.
Judd	Polk	Wolcott
Karsten	Price	Wolverton
Kean	Priest	Woodhouse
Kearney	Ramsay	Woodruff
Keating	Rankin	Young
Keogh	Reed, Ill.	Zablocki
Kilday	Reed, N. Y.	
King	Rees	

NAYS—1

Hoffman, Mich.

NOT VOTING—181

Abernethy	Doyle	Karst
Allen, La.	Eaton	Kearns
Anderson, Calif.	Engel, Mich.	Kee
Angell	Engle, Calif.	Keefe
Barden	Fellows	Kelley, Pa
Baring	Fogarty	Kelly, N. Y.
Barrett, Wyo.	Fulton	Kennedy
Bates, Ky.	Gathings	Kerr
Bennett, Mich.	Gavin	Kilburn
Blackney	George	Klein
Boggs, La.	Gillette	Kruse
Bolton, Md.	Goodwin	Larcade
Boykin	Gordon	Latham
Brehm	Gorski	LeCompte
Brooks	Gregory	LeFevre
Buchanan	Guill	Lodge
Buckley, Ill.	Gwinn	Lyle
Buckley, N. Y.	Hagen	Lynch
Burke	Hall, Leonard W.	McCulloch
Burleson		McDonough
Burton	Hand	McGrath
Cannon	Hare	McMillen, Ill.
Case, S. Dak.	Hébert	Mack, Wash.
Cavalcante	Hedrick	Macy
Chatham	Heffernan	Madden
Chesney	Heller	Mansfield
Christopher	Herlong	Marcantonio
Cole, Kans.	Herter	Marshall
Colmer	Hill	Martin, Iowa
Combs	Hinshaw	Martin, Mass.
Corbett	Hoeven	Mason
Coudert	Hoffman, Ill.	Miller, Nebr.
Crook	Holifield	Morgan
Crosser	Horan	Morrison
Davenport	Huber	Morton
Davies, N. Y.	Irving	Nelson
Dawson	Jackson, Calif.	Nicholson
Denton	Jenkins	Noland
D'Ewart	Jennings	O'Brien, Ill.
Dingell	Johnson	O'Brien, Mich.
Douglas	Jones, Mo.	O'Hara, Ill.

O'Konski	Riehlman	Thornberry
Pace	Roosevelt	Vorys
Patman	Sabath	Wadsworth
Patterson	Sadlak	Wagner
Pfeifer,	St. George	Walsh
Joseph L.	Saylor	Welch
Pfeiffer,	Scudder	Werdel
William L.	Sikes	Whitaker
Phillips, Tenn.	Simpson, Ill.	White, Calif.
Plumley	Sims	White, Idaho
Poage	Smathers	Whitten
Potter	Smith, Kans.	Widnall
Poulson	Smith, Ohio	Wier
Powell	Smith, Wis.	Willis
Preston	Stanley	Wilson, Ind.
Quinn	Steed	Winstead
Rabaut	Stefan	Withrow
Rains	Sutton	Wood
Redden	Talle	Yates
Regan	Taylor	
Rich	Teague	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. Winstead with Mr. Martin of Massachusetts.
Mr. Whitten with Mr. Eaton.
Mr. Colmer with Mr. Taylor.
Mr. Abernethy with Mr. Latham.
Mr. Roosevelt with Mr. Coudert.
Mrs. Kelly of New York with Mr. Hand.
Mr. McGrath with Mr. Jenkins.
Mr. Heller with Mr. Blackney.
Mr. Kelley of Pennsylvania with Mr. Angell.
Mr. Kennedy with Mr. Simpson of Illinois.
Mr. Chatham with Mr. Potter.
Mr. Buckley of New York with Mr. Hagen.
Mr. Gordon with Mr. Kearns.
Mr. Quinn with Mr. Widnall.
Mr. Sabath with Mr. Corbett.
Mr. Stanley with Mr. Patterson.
Mr. Engle of California with Mr. Riehlman.
Mr. Preston with Mr. Gillette.
Mr. Smathers with Mr. Herter.
Mr. Kerr with Mr. Gwinn.
Mr. Mansfield with Mr. Cole of Kansas.
Mr. Yates with Mrs. St. George.
Mr. Burleson with Mr. Leonard W. Hall.
Mr. Hébert with Mr. Gavin.
Mr. Morrison with Mr. Hoeven.
Mr. Larcade with Mr. Hoffman of Illinois.
Mr. Klein with Mr. Chiperfield.
Mr. Lynch with Mr. D'Ewart.
Mr. Teague with Mr. Fellows.
Mr. Redden with Mr. Nicholson.
Mr. Regan with Mr. Anderson of California.
Mr. Heffernan with Mr. Fulton.
Mr. Powell with Mr. Scudder.
Mr. Lyle with Mr. Horan.
Mr. Madden with Mr. Werdel.
Mr. Morgan with Mr. Stefan.
Mr. Wood with Mr. Poulson.
Mr. Willis with Mr. Sadlack.
Mr. Denton with Mr. Miller of Nebraska.
Mr. Whitaker with Mr. Goodwin.
Mr. Fogarty with Mr. Hill.
Mr. Doyle with Mr. Jackson of California.
Mr. Welch with Mr. Saylor.
Mr. Jones of Missouri with Mr. George.
Mr. Baring with Mr. Smith of Kansas.
Mr. Gregory with Mr. Smith of Wisconsin.
Mr. Buchanan with Mr. Morton.
Mr. Hedrick with Mr. Mason.
Mr. Wier with Mr. Kilburn.
Mr. Burton with Mr. Hinshaw.
Mr. Holifield with Mr. Johnson.
Mr. Thornberry with Mr. Vorys.
Mr. Steed with Mr. Wilson of Indiana.
Mr. Sikes with Mr. Mack of Washington.
Mr. Rabaut with Mr. McDonough.
Mr. Rains with Mr. McCulloch.
Mr. O'Brien of Illinois with Mr. Bennett of Michigan.
Mr. O'Brien of Michigan with Mr. Talle.
Mr. Boykin with Mr. LeCompte.
Mr. Irving with Mr. Brehm.
Mr. Gathings with Mr. Engel of Michigan.
Mr. Sutton with Mr. Lodge.
Mr. Bates of Kentucky with Mr. Plumley.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

EXTENDING PROVISIONS OF FIRST WAR POWERS ACT

Mr. SMITH of Virginia, from the Committee on Rules, reported the following privileged resolution (H. Res. 887, Rept. No. 3229), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9932) to amend and extend certain provisions of the First War Powers Act, 1941. That after general debate, which shall be confined to the bill and continue not to exceed 2 hours, to be equally divided and controlled by the chairman and rankink minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

FEDERAL BUREAU OF INVESTIGATION

Mr. McSWEENEY, from the Committee on Rules, reported the following privileged resolution (H. Res. 888, Rept. No. 3230), which was referred to the House Calendar and ordered to be printed:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 3945) to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation. That after general debate, which shall be confined to the bill and continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the Judiciary, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

PUBLIC WORKS

Mr. KILDAY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 9893) to authorize certain construction at military and naval installations, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 9893, with Mr. GORE in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the agreement, general debate will be equally divided. The gentleman from Texas [Mr. KILDAY] is recognized for 30 minutes and the gentleman from Missouri [Mr. SHORT] for 30 minutes.

Mr. KILDAY. Mr. Chairman, I yield myself 15 minutes.

Mr. Chairman, this bill, H. R. 9893, is an authorization bill in the total amount of $1,650,000,000 for military public works projects. On last Friday, December 15, the House passed the second supplemental appropriation bill, which included $1,430,000,000 to finance these projects. In other words, we have already appropriated the major portion of the funds here being authorized.

This is, of course, an unusual proceeding. It is one that was dictated by the necessities of the situation. It was done after conference between the chairman of the Committee on Armed Services and members of the Committee on Appropriations. In normal times, as in the last public-works bill we had, the bill itself sets out item by item in great detail the projects that are authorized in the bill. That is not possible nor feasible at this time because of several considerations, one being the fluid nature of the program at the present time as compared to the long-range program that was contemplated in previous public-works bills. In addition, much of the information as to these installations is classified, many of these items being classified as secret, so that it has not been possible for us to set out in the bill nor in the report exactly what these projects are. However, the committee has in executive session gone over each and every project contemplated by each of the three services. Of course, that information is on hand with the committee. The full Committee on Armed Services considered the bill rather than a subcommittee, and analyzed each one of these projects within the limited time that was available to us. That information, as I say, is on hand with the committee and with the members of the committee. We will be very glad to discuss various items of the bill with those who are interested, understanding, of course, that we are under classification secret as to many of these items.

Title I of the bill authorizes $291,000,000 for general categories of construction within continental United States, $91,000,000 for similar construction overseas, and $7,500,000 for the special-weapons project, making a total of $390,896,900 for Army construction. You have already appropriated $319,750,000, approximately 80 percent of the total, to support this authorization.

This points up the necessity for the authorization bill, notwithstanding the unusual proceedings we have had in adopting the appropriation prior to the authorization. The appropriation did not cover all the funds that will be necessary for the projects contained in that bill, and authorization is necessary for the balance. As we go on, you will see that there were some limitations and the addition of small projects and the elimination of others.

Title II authorizes $327,000,000 for various types of construction within continental United States, and $54,000,000 for construction outside the continental United States, making a total

authorization of $381,655,310 for Navy construction. You have already appropriated $303,378,000, approximately 80 percent of the total, to support this authorization.

Title III of the bill authorizes $451,467,000 for construction in continental United States, $367,150,000 for construction outside continental United States, and $66,987,000 for the aircraft control and warning system, both within and without the United States, making a total authorization of $885,604,000 for Air Force construction. You have already appropriated $807,000,000, approximately 90 percent of the total, to finance these projects.

The total authorization of the Army, Navy, Air Force, and Marine Corps is $1,658,156,210. You have already appropriated $1,430,128,000 to finance that authorization.

In order that we may survive as a nation, we have committed ourselves to a greatly expanded military establishment. All of us know that it is going to cost stupendous sums of money to carry out this program In order for the Army to meet its increased responsibility, it is necessary to build or rehabilitate barracks, water mains, and various types of utilities, storage and warehouse facilities, gunnery ranges, station hospitals, roads, parking areas, communications facilities, guided-missile facilities, and numerous other installations. The Army is expanding some existing camps to capacity and is reactivating others which have been in a standy-by basis. Maximum utilization is being made of those World War II facilities which remain available. Wherever it is feasible the Army is exercising its rights under recapture clauses to recover property which has previously been disposed of.

The Navy is being greatly expanded, and I think it should be recognized that when we bring carriers and other types of ships out of mothballs, we must expand existing shore facilities and activate other shore facilities which are required in the training and supply of the increased fleet. The Navy has a dual problem. It must maintain a shore establishment, which is similar in some respects to that of the Army, and it must also maintain aviation facilities ashore to support carriers, antisubmarine warfare, and numerous other naval aviation requirements. Therefore, in addition to conducting an expansion similar to that of the Army, the Navy must expand its air-support facilities. Again, maximum utilization is being made of active shore establishments and those which can be reactivated.

It is accurate to state that the base facilities of the Air Force are more inadequate than those of either the Army or the Navy. This fact is evidenced in the bill which provides more than twice as much authorization for the Air Force than it does for either of the other two services. We must recognize that during World War II the great majority of our air bases were built to accommodate nothing larger than the B–17. We must also recognize the fact that those air bases will not accommodate our present planes of much greater weight, nor do most of them provide runways of sufficient length to accommodate jet airplanes. Most runways do not exceed 5,000 to 6,000 feet in length. But the safe operation of jet fighters and bombers requires a runway of 8,000 feet. Therefore, a very large portion of the Air Force funds must be devoted to making runways stronger, longer, and wider. In addition, parking aprons must be strengthened and enlarged. Alert hangars, engine test and repair facilities, training facilities, communications and navigational facilities, and numerous types of research and development facilities must be constructed.

During our consideration of the last military public works bill, we deleted the entire authorization for the construction of family quarters in continental United States. That deletion totaled more than $100,000,000. In the present bill, a total of 164 family quarters are authorized for continental United States, 42 for the Army—at an average cost of $16,700—and 122 for the Navy—at an average cost of approximately $17,000. In the case of the family quarters for the Army, they are all located at isolated communications facilities which must be manned on a 24-hour basis. Wherry projects are not feasible in these instances. The problems that the Services experience in obtaining and keeping qualified personnel at such isolated installations are not generally understood or apppreciated.

Title III contains two authorizations styled "And other construction", in the amount of $22,550,000 for continental United States, and $30,828,000 for outside continental United States. Under prevailing conditions, it is readily understandable that situations may arise which will necessitate immediate construction which cannot await normal legislative action without seriously impairing our defense efforts. So these authorizations are in the nature of emergency authorizations. It has been agreed between representatives of the Air Force and the Armed Services Committee that no project will be undertaken, pursuant to this particular authorization, until such project has been fully explained to the committee. It is likewise understood and agreed that the Air Force will not undertake the establishment of a separate Air Force Academy under this general authorization.

The committee has made four substantive amendments to the bill. The first of these amendments relates to the general category of ordnance facilities within continental United States in Title II. The general authorization for Navy ordnance facilities was increased in the amount of $226,600. The purpose for this increase is to permit the Navy to participate in the construction of a bridge across Portage Canal in Jefferson County, Wash., the total cost of the bridge being $311,000. Jefferson County, Wash., is to bear the remaining expense of $84,400 and to bear all future maintenance cost of the bridge. At the present time the Navy Ammunition Depot on Indian Island is serviced by a ferry operating between the mainland and the island. The cost to the Navy for annual maintenance of this ferry is approximately $50,000 per year. An additional factor to be considered is the fact that the ferry will need to be replaced within the foreseeable future. Therefore, this is a self-liquidating project and has been added in the interest of better service and economy.

This is a joint project between Jefferson County, Wash., and the Navy. The project has been contemplated for a long period of time. I understand that Jefferson County has done all of its share of it. That is, it is ready with its money to go ahead with the construction of it. The total cost is $311,000 and only $226,000 of it will fall on the Government, and it will also eliminate the item of $50,000 a year that the Government has been paying for operation.

The second substantive amendment relates to Air Force depots and logistical facilities in continental United States. That particular category has been increased in the amount of $10,000 to permit the Air Force to purchase 66.33 acres of land from the Federal Housing Administration at Robins Air Force Base, Ga., in order to accommodate a Wherry housing project. Under existing law Federal Housing Administration cannot transfer this property to the Air Force without the receipt of reasonable market value of the property.

The third substantive amendment relates to research and development and test facilities of the Air Force. Within that general category the Air Force had included $800,000 for preliminary plans for the establishment of an Air Force medical center at a site not yet chosen. The ultimate project would have cost in excess of $25,000,000. In view of this fact, the committee felt that a far more detailed justification should be made than time presently permits. Therefore, the Committee deleted $300,000 from that general authorization of the Air Force.

That is a new project on the part of the Air Force and is not, in my personal opinion, an emergency item. We feel it may be necessary. We do not know. But we want a special bill on it. It is not an emergency item.

The final amendment is contained in a new section which is designated section 407. The committee has been disturbed over the disposal of military property, both real and personal, which would now be helpful in our national defense efforts, and feels that some additional restriction should be placed on such disposals. The inclusion of personal property within a disposal prohibition would create such a severe administrative burden on the military services that the committee has refrained from including it at this time. However, a prohibition against the disposal of real property acquired by the Army, the Navy, or the Air Force, pursuant to this or any previous act, is contained in the committee amendment. The amendment provides that such disposals can only be made by act of Congress, passed subsequent to the enactment of this act. In the interest of clarity, it should also be pointed out that the term "equipment" in this new section does not refer to strictly military equipment such as that being furnished under the MDAP program, but rather machine-type equipment such as catapults, and so

forth, which are installed on real estate or in buildings to be erected under this act, and, therefore become fixtures, in the legal sense, to such real estate.

This legislation has been approved by the Bureau of the Budget and is recommended by the Department of Defense. It has been approved by a unanimous vote of the Committee on the Armed Services and is emergency legislation designed to further the expansion of our military force. I feel that it should be adopted at this time.

Mr. SHORT. Mr. Chairman, I yield myself 10 minutes.

Mr. Chairman, H. R. 9893 is a short bill of only seven pages, but it deals in the aggregate with scores, if not hundreds, of every type and kind of project and construction imaginable. These two huge volumes here contain the list of all these projects scattered over continental United States and some in other countries, the Philippines, Korea, Japan, Germany; some of them highly classified projects with justification for each.

I want the Members of the House to understand that our Committee on Armed Services went through each of these two huge volumes very carefully and insisted that the witnesses from the different branches of the armed services appearing before us give full justification for each one of these projects: All kinds of warehouses, depots, proving grounds, storage facilities, water supply, and other projects I do not care to discuss on the floor of the House or in public. They are highly classified. No doubt there is some pork in them.

I think that at all times the American people should remain cool, calm, and collected; but in this sad, sick, and war-torn world we should not become jittery or panicky; at the same time I think we need to make our people feel and realize much more fully than they do the deadly peril that confronts us. I think our painful experience in Korea has certainly demonstrated beyond the shadow of a doubt that this country of 150,000,000 people and 3,000,000 square miles of territory cannot forever support more than 2,000,000,000 people in all the other countries of the world.

As this year ends, I think perhaps we need to take a new inventory and have a reappraisal of America's capacity, as to what we can do. It may be that we shall have to shorten and tighten and strengthen our lines of defense; certainly it is obvious that we cannot hope to match the manpower of the Asiatic Continent. Certainly the hour has arrived when we need to think a little more of our own defense here in the United States and less of other countries.

Personally I found very little will among the different nations and peoples I have visited on several occasions since the close of World War II—the people in continental Europe—I found very little disposition or will to offer resistance. Seriously, I doubt whether the peoples in Western Europe, the Low Countries, including Scandinavia, have the will to fight regardless of the materials and supplies that we send them. Is Russia waiting for us to build up a richer prize for her to seize? Perhaps I should not make that statement in this critical hour, but I think it is a fact. Unpleasant as it may be, we have to face it.

I am glad to tell the Committee that the money that we authorize in this particular bill is not for foreign nations but for our own national defense. It totals $1,658,000,000. The Congress already has appropriated more than $1,400,000,000. So this is merely to authorize most of the money that has already been appropriated. Congratulations to Appropriations Committee. Thank God this money is to be spent mostly in our own country and only in foreign spots where it is absolutely necessary for the defense and protection of America and of Americans.

This legislation is so badly needed that I do not want to consume another minute's time; in fact, I think we should vote unanimously for this bill and we should get to work on these projects because they already are overdue.

Mr. Chairman, I now yield 1 minute to the gentleman from Illinois [Mr. ARENDS].

Mr. ARENDS. Mr. Chairman, I have a letter from my colleague from Illinois [Mr. SIMPSON] which reads as follows:

DEAR LES: As I am unavoidably absent today, I wish you would please state on the floor my position in favor of the two bills enacted, H. R. 9798 and H. R. 9893.

Sincerely yours,

SID SIMPSON.

Mr. SHORT. Mr. Chairman, I yield 2 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Chairman, though I have the greatest respect for the judgment of my colleagues and desire to follow along every time I can, I was forced to cast a negative vote on the previous bill. The roll call disclosed I was the only dumb one who voted against it. I voted against it because the money and energy to implement it will not be used in the war effort but rather for boondoggling, as similar funds were used in World War II, and to protect people who will need no immediate protection.

Well, when the boondogglers get through and we criticize some needless wasteful expenditures that have been made under it, and the gentleman from Massachusetts, the majority leader, gets up and states, "You voted for it," I can reply, "I did not." I had no part in the wasteful expenditure of funds which were so badly needed for the support of those who are doing the fighting for the amusement, the entertainment of civilians.

If I understand this bill now before the House correctly, it provides in a very minor degree for the building of certain war facilities abroad. With that I can gladly go along. I want to say now, and I am talking primarily to my people, that when it is an appropriation for our national defense I will go along no matter what that appropriation may be; but I just cannot go along with legislation which will be used, as so much legislation has been and as so many appropriations have been used to purchase political support. Nor do I propose to be frightened into giving a blank check for authority to a bureaucrat every time the administration yells "Wolf." If I understand correctly from what my colleagues have said, this is a defense measure, just that, nothing else. That being the purpose of the bill, I vote for it with a clear conscience.

Mr. KILDAY. Mr. Chairman, I yield 2 minutes to the gentleman from Minnesota [Mr. WIER].

Mr. WIER. Mr. Chairman, I do not care to inject any foreign matter into this discussion at the present time, but because of my interest and my experience last year in the investigation and the drawing up of legislation for children in the Federal impact districts, particularly some that will be involved in this bill, I am compelled to say one or two things. Under the terms of this bill the appropriation for the needs of federally impacted districts, where these new installations or increased installations take place, will have to be increased, more money will be needed. It is my thinking or at least my hope the Committee on the Armed Services of the House and Senate will insist where the military puts up permanent installations, has troops permanently housed there, a part of the bill shall make it mandatory that the school facility shall be a part of the project to take care of the prospective children coming from that project. I do not think this impact should be placed upon the local school districts. I think the military should take care of some of it.

Mr. SHORT. Mr. Chairman, will the gentleman yield?

Mr. WIER. I yield to the gentleman from Missouri.

Mr. SHORT. I am glad the gentleman brought up that point because we have some provisions in this bill for schools.

Mr. WIER. I was asking for that information. I think we have to take cognizance that if we are going to have thousands of men and children at military installations, the Government itself has to put up the school construction.

Mr. SHORT. The gentleman is absolutely correct, and I am happy to inform him that we do have some items in this bill for that particular purpose.

Mr. WIER. I thank the gentleman.

Mr. KILDAY. Mr. Chairman, I yield 1 minute to the gentleman from Virginia [Mr. GARY].

Mr. GARY. Mr. Chairman, when the vote was taken on the civil defense bill today, the gentleman from Virginia [Mr. ABBITT] and I were attending a conference at the ECA offices, and consequently could not be present. Had we been present, we would have voted "aye."

Mr. WIER. Mr. Chairman, if the gentleman will yield, I make the same announcement. I was in the back room and did not hear the bell.

Mr. KILDAY. Mr. Chairman, we have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc.—

TITLE I

SEC. 101. The Secretary of the Army, under the direction of the Secretary of Defense, is authorized to establish or develop military

installations and facilities by the construction, conversion, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Facilities for Army Field Force stations, $79,722,525; facilities for United States Military Academy, $1,057,400; advance design of future construction projects for Army Field Force stations or United States Military Academy, $1,000,000; facilities for technical service stations as follows: Ordnance Corps, $38,025,275; Quartermaster Corps, $23,277,600; Chemical Corps, $21,129,000; Signal Corps, $44,814,500; Corps of Engineers, $11,677,600; Transportation Corps, $10,956,200; Finance Corps, $23,242,000; Adjutant General's Corps, $2,900,000; Army Medical Service, $8,663,200; classified construction, $20,000,000; advance design for future construction projects for technical service stations, $2,000,000; and acquisition of land or real property, $3,295,500.

OUTSIDE CONTINENTAL UNITED STATES

Alaska, $28,105,600; Japan, $4,415,000; Hawaii, $923,900; United States Army, Europe, $53,111,600; United States forces, Austria, $4,080,000; and advance design of future construction projects for overseas bases, $1,000,000.

TITLE I–A

SEC. 102. The Secretary of the Army, under the direction of the Secretary of Defense, is authorized to establish or develop military installations and facilities by the construction, conversion, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

SPECIAL WEAPONS PROJECT

Construction at classified installations, $7,500,000.

TITLE II

SEC. 201. The Secretary of the Navy, under the direction of the Secretary of Defense, is authorized to establish or develop naval installations and facilities by the construction, conversion, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Fleet facilities, $5,460,380; aviation facilities, $226,913,000; Marine Corps facilities, $30,055,000; ordnance facilities, $43,237,880; medical facilities, $478,000; supply facilities, $5,490,000; communication facilities, $7,062,750; classified facilities, $6,000,000; and advance planning, $2,625,000.

OUTSIDE CONTINENTAL UNITED STATES

Alaska advance planning, $660,000; fleet facilities, $7,430,700; aviation facilities, $31,542,500; Marine Corps facilities, $1,500,000; ordnance facilities, $300,000; supply facilities, $1,950,000; and communication facilities, $10,723,500.

TITLE III

SEC. 301. The Secretary of the Air Force, under the direction of the Secretary of Defense, is authorized to establish or develop installations and facilities by the construction, conversion, installation, or equipment of temporary or permanent public works, including buildings, facilities, appurtenances, and utilities, as follows:

CONTINENTAL UNITED STATES

Operational support facilities, $199,654,000; training facilities, $133,782,000; depots and logistical facilities, $58,644,000; communications and navigational aid facilities, $8,432,000; research and development and test facilities, $23,664,000; classified facilities, $5,531,000; and other construction, $53,378,000.

OUTSIDE CONTINENTAL UNITED STATES

Operational support facilities, $263,497,000; depots and logistical facilities, $31,420,000; communications and navigational aid facilities, $26,535,000; and classified facilities, $14,870,000.

AIRCRAFT CONTROL AND WARNING SYSTEM

Facilities at classified locations, $66,987,000.

TITLE IV

GENERAL PROVISIONS

SEC. 401. The Secretary of the Army, the Secretary of the Navy, and the Secretary of the Air Force, under the direction of the Secretary of Defense, are respectively authorized, in order to establish or develop the installations and facilities as authorized by titles I, I–A, II, and III of this act, to acquire lands and rights pertaining thereto, or other interests therein, including the temporary use thereof, by donation, purchase, exchange of Government-owned lands, or otherwise, without regard to section 3648, Revised Statutes, as amended. When necessary, construction of a public works project authorized by this act may be commenced prior to approval of title to the underlying land by the Attorney General as required by section 355, Revised Statutes, as amended.

SEC. 402. There are hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, such sums of money as may be necessary to accomplish the purposes of this act, but not to exceed:

(1) For public works authorized by title I: Inside continental United States, $291,760,800; outside continental United States, $91,636,100; or a total of $383,396,900;

(2) For public works authorized by title I–A: A total of $7,500,000;

(3) For public works authorized by title II: Inside continental United States, $327,322,010; outside continental United States, $54,106,700; or a total of $381,428,710; and

(4) For public works authorized by title III: Inside continental United States, $483,085,000; outside continental United States, $336,322,000; aircraft control and warning system facilities, $66,987,000, or a total of $886,394,000.

SEC. 403. The approximate cost indicated for each of the classes of projects enumerated and authorized by titles I, I–A, II, and III of this act may, in the discretion of the Secretary concerned, be varied upward or downward, but the total cost of the projects under each title shall not exceed the total appropriations authorized in respect of such title by section 402 of this act.

SEC. 404. No unit of family quarters with a net floor area in excess of 1,080 square feet shall be constructed under the authority of this act.

SEC. 405. Appropriations made to carry out the purposes of this act shall be available for expenses incident to construction, including administration, overhead, planning and supervision, and shall be available until expended when specifically provided in the appropriation act.

SEC. 406. Any projects authorized by this act may be prosecuted under direct appropriations or authority to enter into contracts in lieu of such appropriation.

With the following committee amendments:

On page 3, line 16, strike "$43,237,880" and insert "$43,464,480."

On page 4, lines 10 and 11, strike "$58,644,000" and insert "$58,654,000."

On page 4, line 13, strike "$23,664,000" and insert "$22,864,000."

On page 4, line 14, strike "$53,378,000" and insert "$22,550,000."

On page 4, line 19, strike "and."

On page 4, line 20, substitute a semicolon for the period and insert "and other construction, $30,828,000."

On page 6, line 3, strike "$327,322,010" and insert "$327,548,610."

On page 6, line 8, strike "$381,428,710" and insert "$381,655,310."

On page 6, line 10, strike "$483,085,000" and insert "$451,467,000."

On page 6, line 11, strike "$336,322,000" and insert "$367,150,000."

On page 6, line 13, strike "$886,394,000" and insert "$865,604,000."

On page 7, following line 9, insert the following new section:

"SEC. 407. Notwithstanding any other provision of law, the Departments of the Army, Navy, and Air Force may not grant or transfer to another Government department or agency other than a military department or to any other party any land or buildings of a permanent nature, or any interests in such property, except equipment no longer serviceable and except easements, leases, or permits deemed to be in the public interest, which shall have been acquired, constructed or installed pursuant to the provisions of this or any previous act except as authorized by an act of Congress enacted subsequent to the date of enactment of this act."

The committee amendments were agreed to.

Mr. KILDAY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore [Mr. PRIEST] having assumed the chair, Mr. GORE, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 9893) to authorize certain construction at military and naval installations, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

Mr. KILDAY. Mr. Speaker, I move the previous question on the bill and all amendments thereto to final passage.

The previous question was ordered.

The SPEAKER pro tempore. Is a separate vote demanded on any amendment? If not, the Chair will put them in gross.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The bill was passed.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. FURCOLO asked and was given permission to address the House for 1 hour on tomorrow, at the conclusion of the legislative program of the day and following any special orders heretofore granted.

OAKLAND NAVAL SUPPLY CENTER PROVIDES VITAL LOGISTICS SUPPORT FOR KOREAN WAR

Mr. MILLER of California. Mr. Speaker, I ask unanimous consent to

address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. MILLER of California. Mr. Speaker, the Naval Supply Center at Oakland, Calif., is one of the Navy's Bureau of Supplies and Accounts tidewater activities located on San Francisco Bay at Oakland's Middle Harbor in Alameda County, across the bay from the city of San Francisco and the Golden Gate. This installation which was commissioned just 8 days after Pearl Harbor, played a vital role in World War II in supplying, equipping, and feeding the vast Pacific Ocean area. It gained a tremendous amount of experience in materials handlings, packing, preservation, waterfront operations, and all the techniques, methods and know-how involved in a war of logistics. It boasted a record of meeting every shipping deadline on time, and getting the material where it was needed when it was needed.

When the Korean crisis broke, the Oakland Navy Supply Center, despite a big reduction in force which had cut its personnel down to a peacetime basis, possessed a tightly knit, highly skilled organization of trained logistics specialists, ready to proceed on an emergency basis at a moment's notice. Over 97 percent of the center's personnel are civilian employees.

The first step taken was to increase the basic workweek to 6 days, and to work around the clock 7 days a week in depots, branches, departments, divisions, sections, and units where the work load meant a 24-hour stint in order to meet rush deadlines. Requisitions started to pour into Oakland from the entire Pacific Ocean area as well as Pacific coast installations. From an average of 19,762 line items requisitioned during an average month prior to the Korean incident, the figure jumped to a staggering total of 97,803 line items requisitioned during the month of August 1950—an increase of 394 percent.

Everything from toothpicks to turbines was shipped out in a never-ending stream of supplies.

It is 5,000 miles from Oakland, Calif., across the vast stretches of the Pacific Ocean to Pusan, in Korea. It took lots of ships loaded to the gunwales with all sorts of supplies to get those supplies to the forward area in condition to be used immediately.

From the farms and factories of America the supplies were shipped out to the Pacific coast via train, truck, and plane. Oakland, Calif., by virtue of its central location, received a major portion of these supplies. Three transcontinental railroads plus innumerable truck and air freight lines also brought the materials in from Navy inland depots and supply points to the Oakland Naval Supply Center.

With an over-all workload increase of better than 217 percent, additional personnel were urgently and swiftly required to help run the intricate logistics chain which stretched half way around the world. Oakland and its surrounding communities provided that help in the form of a 17-percent personnel increase to accomplish that 271-percent workload increase—this to augment the 6-day workweek.

These employees, trained on the job by their supervisors, rolled up their sleeves and pitched in to keep the supplies and equipment moving steadily and smoothly.

During the month of August, for example, the center handled a total of 234,754 measurement-tons of material—a 111 percent increase over the 1948 base figure. This included the loading of 52 vessels—including 11 at commercial piers—as well as 71 Navy and commercial barges and yard craft, 205 rail cars, and 1,439 commercial and Navy trucks. Unloading operations included 30 vessels—including 24 at commercial piers—180 Navy and commercial barges and yard craft, 259 rail cars, and 1,157 commercial and Navy trucks. The fact that Navy barges and small craft were readily available was a large contributing factor in the speedy and efficient water-front operations.

Luckily for the Nation, much of the material needed overseas in a desperate hurry was already inside of the huge storehouses at the Oakland naval supply center and was shipped out in the first wave of supplies. This gave the center valuable time to order and receive replenishment material in time to get it loaded aboard ships returning from the forward areas for their second shuttle trip to the fighting zone.

The Navy's civil-service employees proved that they could produce under unusual, pressing, and rush conditions as well as under what is called normal conditions. At the Oakland naval supply center, the civil-service stevedore gangs especially merit a pat on the back for a job well done. They worked on a 24-hour-a-day, 7-day-a-week basis, loading among their tonnage better than 500,000 different items of supply of every shape, size, and weight imaginable. This included a great deal of fragile material such as radar and plane parts.

The supply center's trained nucleus of civil service stevedores was augmented by contract stevedores to meet the peak load placed on the center. Once again, the importance of the availability of contract services the Navy was demonstrated. The commercial contract stevedores and the commercial tug barge, and heavy lift equipment operators contributed in no small way to the ability of the supply center to meet the impact of the Korean war. The operators of commercial harbor equipment also played an important part in the center's ability to cope with the almost overnight tripling of the demand for movement of supplies and equipment overseas. The availability of Navy personnel, both civilian and military, and Navy-owned equipment in actual operation explained the ability of the center to cope with the unprecedented suddenness of the load thrown upon it. It was a combination of this availability of personnel and equipment in service, and the extension of their hours of work that made the record of the center possible.

An outstanding example of some of the problems which arose during the months of June, July, and August was the complete outfitting of 11 reactivated ships sent to the Oakland naval supply center by the Military Sea Transportation Service for complete stores and materials. This entailed an unbelievable amount of work. Some of the ships needed as many as 2,500 mattresses, 2,500 pillows, 5,000 blankets, 165 tons of general stores, 700 tons of provisions, 4,500 bunks, and as high as 7,000 separate line items. Getting these ships ready for sea on time, with everything in its proper place, was a challenge which the Oakland naval supply center's personnel met successfully. All 11 vessels, fresh out of the "mothball" fleet, were outfitted by the naval supply center within a period of only 10 days.

The streamlining and centralization which the center had started after the last war paid off in big dividends. As an example, labor and equipment is handled by one department, packing by another, instead of having each depot with its own groups of laborers and packers. This basic purpose of increased flexibility for greater efficiency and more expeditious handling of materials proved highly successful. Each component at the center had its distinct job to do. Each was a vital link in the big chain closely interwoven with all the others and all working together in unison toward one big goal.

The Korean incident proved conclusively that the Navy's concept of supply, which provides for a concentration of material in one area, at a naval supply center, was sound, and was capable of meeting the acid test. The Oakland naval supply center provided materials not only for overseas, but also for shore installations up and down the Pacific coast.

The foresight and good planning on the part of the Navy's Bureau of Supplies and Accounts in having the material readily available at the naval supply center, Oakland, which is the primary logistics activity on the Pacific coast, was one of the main factors in getting the material out to the Pacific Ocean area in such speedy fashion.

The development of this machine that works so smoothly and so efficiently was the responsibility of Rear Adm. Murrey L. Royar. Admiral Royar commands the loyalty of the personnel at the naval supply center at Oakland. He earned the respect of the people throughout California.

As long as the emergency continues, the naval supply center is ready to accomplish its mission of servicing the Pacific Ocean area with material, equipment, supplies, and provisions. This installation as well as the entire Oakland area, which includes a big section of Alameda County, Calif., has proved once again that it is ready to cope with any situation that may arise.

TRANSPORTATION OF GAMBLING DEVICES

Mr. ROGERS of Florida. Mr. Speaker, I call up the conference report on the bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce, and ask unanimous

consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 3111)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House numbered 1, 2, 3, 4, 5, 6, 7, and 8, and agree to the same.

DWIGHT L. ROGERS,
LINDLEY BECKWORTH,
J. PERCY PRIEST,
JAMES I. DOLLIVER,
JOHN B. BENNETT,
Managers on the Part of the House.

ED C. JOHNSON,
ERNEST MCFARLAND,
JOHN J. WILLIAMS,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The amendment of the House No. 1 substituted for the definition of "gambling device" contained in the bill as passed by the Senate a new and more restrictive definition of "gambling device".

It further defined the terms "State" and "possession of the United States".

It further substituted for section 2 of the bill as passed by the Senate a new section 2 which permitted any State (as defined in section 1) to exempt itself from the prohibition contained in this section with respect to transportation of gambling devices to any place in such State or to any place in a subdivision of such State.

House amendments Nos. 2 and 3 substituted "Attorney General" for "Collector of Internal Revenue" as the Federal official with whom manufacturers of, and dealers in, gambling devices must register and file certain information.

House amendments Nos. 4, 5, and 6, eliminated Territories from the prohibition contained in section 5 and brought within that prohibition the special maritime and territorial jurisdiction of the United States as defined in section 7 of title 18 of the United States Code.

House amendments Nos. 7 and 8 made uniform the penalties for the violation of sections 2, 3, 4, and 5 of the bill.

The Senate recedes from its disagreement on all of the House amendments.

The House conferees rejected two amendments proposed by the Senate conferees. The first amendment would have permitted the use of gambling devices as defined in the bill in any place owned or controlled by the United States if such place is in a State or subdivision thereof which has enacted a law providing for the exemption of such State or such subdivision from the provisions of section 2 of the bill. The second amendment would have permitted a State which has enacted a law providing for the exemption of such State from the provisions of section 2 of the bill to ship gambling devices from such State for repairs into another State.

The House conferees felt that these two amendments are incompatible with the objectives of this legislation.

DWIGHT L. ROGERS,
LINDLEY BECKWORTH,
J. PERCY PRIEST,
JAMES I. DOLLIVER,
JOHN B. BENNETT,
Managers on the Part of the House.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Florida. I yield.

Mr. HUGH D. SCOTT, JR. Will the gentleman explain the bill?

Mr. ROGERS of Florida. This bill has been fully discussed heretofore on the floor of the House and has also been fully discussed in the Committee on Interstate and Foreign Commerce. The other body first passed the bill and sent it to the House. The House passed it with amendments. Conferees were appointed and it went back to the other body where they agreed to the bill as amended by the House. In other words, the House has passed on every provision of this bill. For the specific information of the gentleman from Pennsylvania this is a bill prohibiting the transportation of slot machines or gambling devices through the channels of interstate commerce. This is the outcome of the conference with the attorneys general and prosecuting attorneys throughout the entire Nation. They met here in Washington. The bill is the result of that conference. It has been agreed to by the other body. I would like to read the letter from Attorney General McGrath which was sent to Senator JOHNSON who had charge of the bill in the other body. He says:

MY DEAR SENATOR: I am most desirous that the Senate promptly and favorably consider the bill S. 3357 to prohibit the interstate transportation of gambling devices. To that end I request your cooperation by calling up the conference report on the bill as soon as practical. The desirability and the need for this legislation is self-evident and becoming more apparent with each passing day.

Mr. Speaker, I do not believe anyone has any objection to this legislation because it does not in any way interfere with States' rights. If a State desires to permit gambling by the use of these slot machines within the confines of the State or Territory they can do that. This prohibits the use of the channels of interstate commerce for the shipment of these gambling devices. Therefore, I hope the conference report will be adopted.

Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PROVIDING FOR A NATIONAL CALL TO PRAYER ON SUNDAY, DECEMBER 24, 1950

Mr. BRYSON. Mr. Speaker, I am authorized by the Committee on the Judiciary to ask for the immediate consideration of House Resolution 886.

The Clerk read the resolution, as follows:

Whereas our country is in an hour of dire danger in which hostile forces, acting without conscience and guided by a godless ideology, threaten the very survival of our cherished institutions; and

Whereas, while we must mobilize our material resources to meet this threat, we are also deeply conscious of the fact that the moral and spiritual resources of our people constitute the Nation's great bulwark in times of national crisis; and

Whereas the churches of the Nation, of all creeds and faiths, are the instruments through which our moral and spiritual resources can best be marshaled and given strength: Therefore be it

Resolved, That the House of Representatives suggests that the churches of the Nation, of all creeds and faiths, set aside and dedicate Sunday, December 24, 1950, as a time for prayers and supplication for divine guidance of the men and women, elected and appointed, civilian and military, on whose shoulders rests the responsibility for leadership in this time of great crisis, and for strength and unity to enable our people to persevere, with other freedom-loving people, in the effort to bring about peace and justice in the world.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. BRYSON. Mr. Speaker, I offer a committee amendment.

The Clerk read as follows:

Committee amendment offered by Mr. BRYSON: Strike out all of the "Resolved" clause beginning with line 1, page 1, through line 6 and insert in lieu thereof the following:

"*Resolved*, That the House of Representatives call upon the people of the commonwealth of all creeds and faiths, to observe Sunday, December 24, 1950, as a time of prayer and supplication to the God who hath made and preserved us a Nation. And that on this day, so designated, our citizenship repair to the churches of their choice to invoke divine guidance for the men and women elected and appointed, civilian and military, on whose shoulders rests the responsibility for leadership in this time of great crisis and for strength and unity to enable our people to persevere, with other freedom-loving people, in the crusade to bring about peace and justice in the world."

The committee amendment was agreed to.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. HALLECK asked and was given permission to address the House for 1 hour on Monday, January 1, 1951, following the legislative business of the day and any other special orders heretofore entered.

CONTINGENT EXPENSES OF THE HOUSE

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 890) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That appropriations under the heading "Contingent expenses of the House, 1951" shall be available for such additional numbers of books, pamphlets, and documents as the Doorkeeper may find necessary to complete allotments to Members.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

EXTENSION OF REMARKS

Mr. HAVENNER asked and was given permission to extend his remarks and include a letter.

Mrs. HARDEN asked and was given permission to extend her remarks and include a sermon.

Mr. BARRETT of Pennsylvania asked and was given permission to extend his own remarks.

Mr. HOWELL asked and was given permission to extend his remarks and include extraneous matter.

Mr. CARNAHAN asked and was given permission to extend his remarks and include a newspaper article.

Mr. JONES of North Carolina asked and was given permission to extend his remarks on the subject of a commendation of report of Subcommittee on Appropriations for Armed Services, headed by Representative GEORGE H. MAHON.

Mr. KENNEDY (at the request of Mr. HOWELL) was given permission to extend his remarks in two instances.

SPECIAL ORDER

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 10 minutes.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks and include a letter and two editorials.)

THE STAR DEFENDS ACHESON, CRITICIZES REPUBLICANS

Mr. HOFFMAN of Michigan. Mr. Speaker, an editorial in the Sunday Washington Star under the caption "A reckless gesture," charges that Republicans of Senate and House for partisan advantage were guilty of a disservice to the interests of the country in this critical period when they insisted that Acheson had lost the confidence of the people and called for his resignation.

The editorial apparently proceeds on the theory that the present administration is untouchable, its policies and administrators should not be criticized, even though the policies which it is following give promise of the destruction of the people's welfare, threatens the very existence of the Republic.

The line followed by the Star in this editorial, a copy of which is attached hereto and made a part hereof is that used by the New Deal and its supporters ever since its inception. The slightest disagreement is attributed to unworthy motives, a lack of intelligence.

The New Deal, the one-worlders, and the internationalists have all proceeded on the theory that no one other than themselves had any concept of the Nation's needs nor of the domestic or foreign policy which this country should follow, which would but serve our country's welfare.

Professing adherence to the two-party system, vociferously announcing its belief in the right of a free press and free speech, nevertheless, they charged with either ignorance or disloyalty those who differed with, who ventured to criticize, the objectives or methods of the New Deal, the possible consequence of the adoption of the policies of the one-worlders or the internationalists.

Note the intolerance of, the inconsistencies in, the Star editorial: In the first paragraph it concedes that Acheson and the State Department may have lost the confidence of Congress and of the American people. In the next paragraph, adopting the methods of the New Deal, the self-satisfied internationalists, it charges that the reason for the adoption by the Republicans of the resolution calling for the removal of Mr. Acheson, is not the existence of this lack of confidence—which it admits may and which does exist—but rather that the Republicans were playing politics. The Star will not even give Republicans the benefit of a doubt—it assumes we acted from unworthy motives.

The editorial then argues that any lack of confidence in Mr. Acheson is due to a preelection "get Acheson" campaign. That argument is an insult to the intelligence of the American people.

Assuming that extravagant and perhaps untruthful statements were, during the campaign, made both against and for Mr. Acheson, surely with the aid of the press, the editors, the columnists, and the radio commentators, the American people had an opportunity and the ability to weigh the evidence and form sound judgment.

Prior to the election, the people for months were advised of Mr. Acheson's foreign policy and of the results of that policy. Many of the larger newspapers—the Star and the Post here in Washington—went all out for Mr. Acheson and his foreign policy. The people knew that Mr. Acheson and Mr. Truman denied that there were Communists in the administration, that those Communists were solicitous, not for the welfare of America, but were more concerned with serving the interests of other countries.

It was a fact—a fact finally admitted by almost everyone, that Alger Hiss, endorsed and supported by those high in the administration, betrayed the interests of his country and finally was convicted of perjury. Yet, after his conviction, Mr. Acheson, publicly, while Secretary of State, announced that he would not turn his back on Hiss. When Acheson, after the conviction of Hiss, after knowledge that he had served a potential enemy, publicly adhered to his friendship for Hiss, he damned himself in the eyes of the American people—he lost their confidence.

After Mr. Truman charged that Republican efforts to oust Communists from policy-making positions in the Government were just a "red herring" and subsequent events disclosed the necessity for a house cleaning, the American people arrived at the conviction that Mr. Truman was either ignorant or indifferent to an existing dangerous situation in his own administration. Many then lost confidence in him.

When the administration's armed services and the State Department told the American people that we did not need and could not hold Korea, and Mr. Truman then, at the request of United Nations, ordered our Armed Forces into world war III, the American people knew that again the administration was either incompetent to serve, or indifferent to, our Nation's welfare.

When the cost of that incompetence or indifference was the lives of thousands of American boys, their lack of confidence mushroomed into bitter indignation and resentment.

It requires no stretch of the imagination to believe that had the election occurred after December 1, and had Mr. Truman been a candidate at that time, there would have been a Republican Eighty-second Congress, Mr. Truman overwhelmingly repudiated—another President in the White House in 1951.

It is unfortunate that Mr. Truman could not have been ousted by a vote of a lack of confidence. Mr. Truman went to the country, as did the Vice President, and practically all of his supporters, asking for a vote of confidence. They failed to get it.

This editorial complains because the resolution adopted by both the Senate and House Republicans, expressing a lack of confidence in Mr. Acheson, does not carry specifications of the charges against Mr. Acheson. The specific charges against Mr. Acheson were made in and out of Congress long before the election. The one-worlders, the supporters of United Nations and the press which went along with Acheson and Truman, presented to the people their defense of those charges. That defense failed.

Instead of accepting the verdict of the people at the polls, Acheson, the President and those who say he must be unquestioningly supported, now charge that the demand for the resignation of Mr. Acheson was conceived in an attempt to gain partisan advantage, made and supported, without regard to the welfare of the people.

That charge is the usual smear charge of the self-satisfied and intolerant. It is unworthy of and not made by real Democrats.

The Star, in further defense of Mr. Acheson, in further condemnation of Republicans, states that when condemning the Acheson policies, "The Republicans in Congress should have named them—spelling them out, as indictments of the man to be punished. But, of course, this could not be done." As pointed out above, the charges were, prior to the election, spelled out in detail.

A bill of particulars could easily be given. The "spelling out" of just one is sufficient to justify the ousting of Acheson, the impeachment of Harry S. Truman.

Permit me to give you the facts, and, they cannot be, they are not, disputed. The State Department and our military authorities told the people that we did

not need, that we did not want Korea. Our military authorities told our people that we could not, by force, hold Korea against an assault.

Nevertheless, when the North Koreans went into South Korea, Mr. Truman—without consulting Congress, without any demand from the American people, who must furnish the manpower, at the request of the Security Council and the United Nations—ordered our Armed Forces to throw back the North Koreans, to invade their territory. Mr. Truman took us, without the consent of Congress, by the exercise of arbitrary power, into world war III.

The editorial continued:

For Republicans in Congress, or most of them, have supported these policies, helped to implement them by the expenditure of billions of dollars approved by Congress.

What an unfair criticism. True, some Republicans did go along because they were told time and again that their cooperation was necessary to save the country, to bring about world peace, that if they did not go along they were traitors to their own country.

That brand of smear brought some Republicans to heel. Even so, it does not lie in the mouth of the Star or of those who insisted upon Republicans supporting or refraining from criticism of Acheson's foreign policy, to now condemn them because they went along, joined the "bipartisan" "me too" brigade. The administration and one-worlders damned Republicans who did not "join up." They now would silence those who did and now find themselves in a dilemma they helped create.

Acceptance of the Star's demand would forever silence administration critics, no matter how ruinous its acts. The Star charges that the adoption of the resolution was but a continuation of what it characterizes as "the smear which supported the preelection campaign against Mr. Acheson."

The election of Mr. TAFT is proof that the rendition of real service to the people's interest is the way to the people's confidence—that Mr. Acheson did not give—therefore, he lost their confidence.

This editorial says that the resolution adopted by the Republicans of the Senate and the House has "a far more injurious effect on the country than on Mr. Acheson." That is nonsense. All one needs to do to repudiate the argument followed in this editorial is to read the mail of any Senator or Congressman. Such a reading will disclose that the people want no more of Mr. Acheson or of Mr. Truman and his foreign policy.

Letters by the hundreds are coming to Congressmen in which those who are doing the fighting, who have sons, fathers, husbands, or brothers in the war or about to be called in the war, among others ask the following questions:

First. For what are we fighting?

Second. For whose benefit are we fighting?

Third. What will be the effect of this war upon the Nation's future?

Fourth. Is this war being fought for America, its people, or is it being fought to protect, advance the interest, of a nation, of a group of other nations?

Fifth. Can world war III be won and what will we have when it is over—what will we have accomplished?

The editorial further states that if Acheson is forced out of office, "It will mean that an able public servant has been hounded out of office by accusations that for the most part are unnamed and unproved, accusations which are given color only by a dangerous sort of irresponsibility that suggests hysteria." The contrary is true. If Mr. Acheson is forced out of office it will mean that at long last the author of our foreign policy has, by the American people, been weighed in the balance and found wanting. It will mean that the man who aided in the defeat of the Chinese Nationalists, the strengthening of the Chinese Communists—who followed too often and too long the appeasement wishes of England and France, no longer will formulate our foreign policy.

May I say to my colleagues, my duty is to serve the interests of my country and to do it in the way my people want it done. I owe no superior obligation to any editor, any group, any other nation.

The people know, the men who are fighting abroad know, that Mr. Acheson and Mr. Truman are responsible for the country's present danger.

It is no answer to charge that some Republicans followed a "me too" policy—a course the administration begged them to take.

The people cannot now get at Mr. Truman, but they can demand Mr. Acheson's removal.

Self-preservation does not demand that we blindly follow Mr. Truman. Self-preservation demands that we repudiate his policy of giving away our resources, bleeding ourselves white as Joe Stalin demands. Self-preservation demands that we conserve our manpower and in an intelligent, effective way, prepare a national defense which will make our Nation secure.

Mr. Truman, Mr. Acheson, the one-worlders, the internationalists will not consider the facts; they insist that 150,000,000 people should not only "rehabilitate" the rest of the world, but that we fight in every war no matter what the cause, the prospect of success, no matter what the cost to us. They will not accept the hard fact that we cannot successfully wage war in Asia against the Chinese and Russians, in Europe against Russia and her allies, that our so-called allies will not wholeheartedly fight with us, that the moment it appears to be to their interest they will deal with Russia.

Our men have fought to the limit of their endurance in Korea, they have done all that men could do. They have been driven out of Korea. Let us keep them out.

Military men say we cannot hold Europe. They tell us that Stalin can overrun Western Europe to the sea in 30 or 60 days. Do you wish to sacrifice another 200,000 additional men by sending them to fight, many to die in Europe? Just how many men must be offered up in sacrifice to the internationalism of an Acheson, the stubborness of a Truman? Does Truman really believe our people will unite behind a policy which is futile, which calls for the death of perhaps a million or more men?

I hope when Herbert Hoover speaks tonight the President will listen and give heed. That the one-worlders and the internationalists will see the error of their way. That the people's representatives will think and act on the advice of the first President. Get our men out of Asia, out of Europe, defend the Western Hemisphere and only such outlying territory as may be absolutely essential to our national welfare, the Republic's security.

Indicating that the Republican resolution does not go far enough to express the will of the people, the desire of the people for the ouster of Mr. Acheson, permit me to read a few excerpts from two editorials and just one typical letter similar to those received by most Members:

SAUGATUCK, MICH., *December 14, 1950.*

Hon. CLARE E. HOFFMAN,
Fourth District, Michigan,
Washington, D. C.

DEAR MR. HOFFMAN: I am enclosing this editorial from the Herald-American. You have probably had it called to your attention already.

I should like to add a few points to it however. Our President is now making speeches and statements that even a high-school student would consider juvenile. We are being told that the people will have to become aware of the seriousness of the situation that exists and that the people will have to make more sacrifices in days to come. He is either mad, stupid, or just taking the usual political "out" of shunting his blind mistakes off on the people. Does he consider those boys who have fought such a desperate battle on Korea as the people? You don't fight and die in battle without becoming aware of the dangers that exist. And the parents and wives of those boys know the mental anguish that is felt when a boy is killed. Are they the people? When tragedy strikes close at home you realize the seriousness with every beat of a broken heart.

What clearer answer could he have that the people of America have awakened to the facts than the repudiation of his policies in the November elections?

I have reached middle age and begin to find myself in the category of the older generation. How do you answer the questions of the young people who ask "Why didn't you do something about it? You had the power to change the course? Well, I've decided I won't sit back and not raise a finger—not only will I raise my finger but I'll shake my fist and yell my head off until something is done to rid this country of second-rate, double-talking fools.

Harry Truman will not be able to wrap the Presidential cloak of immunity around him forever. The long arm of the American people can still reach into the White House and lead him by the nose back to Independence to join the other Missouri mules.

If there were any hope that the present administration could take hold of the situation and face it with wisdom and honesty there would be no cause for harsh criticism, but each day takes us closer to imminent danger and the double talk gets us no closer to a solution.

In the name of Heaven don't let universal military training get sidetracked in the next Congress.

I am an American who is mad as a hornet and there are many more like me.

Earnestly yours.

[From the Chicago Herald-American of December 10, 1950]

OUR AMERICAN DUTY

(Reprinted from last Tuesday's Chicago Herald-American)

The blundering and disloyal "foreign policies" of the New Deal are taking this country into complete disaster—both military and economic.

Our sovereignty has been impaired by making us a virtual vassal of the United Nations, which disrupts our councils, and seeks to fly its mongrel flag over our public buildings.

Our wealth is dissipated to support socialism abroad and to defend alien peoples who are not willing to defend themselves.

The lives of our young men are being sacrificed in a desperate war which our purported allies are not trying to help us win on the battlefields and are conspiring to make us lose in the mazes of diplomacy—and duplicity.

For our own survival, it is imperative that we extricate ourselves from these destroying situations at once.

* * * * *

Without even inadequate support from others in the United Nations, we are fighting almost alone against massed hordes on the Asian Continent.

Continuing the war means only the slaughter of millions in a quixotic American attempt to conquer a vast and distant population.

First and foremost, therefore, this country should withdraw its Armed Forces from the invasion areas.

We should get our troops out of Korea as quickly as possible.

We should come home to our own country, reconstruct our defenses, and give heed to our own security and welfare.

This might be a defeat for the New Deal, which is responsible for our dismal plight.

It would not be a defeat for the United States, but merely an act of self-preservation.

Secondly, we should get out of the United Nations.

That organization has not sustained us in the war that we undertook in its behalf.

Instead, it has interfered with our operations.

Furthermore, it is conniving to admit the enemy into a privileged membership where the enemy could dictate peace terms.

Accordingly, the United Nations should let Red China in—and leave the United States out.

Then let the United Nations see how it gets along.

This country has maintained the United Nations since its inception, with no return in loyalty or gratitude.

So let those who run the United Nations pay for the United Nations—and fight its wars.

Finally, we should end our unrequited efforts to support and supply an ingrate Europe.

Even England, our supposedly stanch ally, has not genuinely backed us in our solitary United Nations war, nor assisted us elsewhere.

On the contrary, Marxist England formally recognized the Chinese Communist Government, and collaborates with Marxist France in preventing a European rearmament.

Europe has intimated it no longer wants our martial help.

This is Europe's attitude, let Europe look out for itself, and see how Europe gets along.

Since obviously we stand alone, we should have the wisdom and the courage to act alone.

For our duty is to protect our own people and to foster our own Nation.

BENTON HARBOR CORPORAL DESCRIBES FIGHT—RICHARD LANCASTER IN CENTER OF GORY 50-MILE TREK TO KOREAN PORT

United States Marine Corp. Richard Lancaster, 20, trapped somewhere in the vicinity of Changjin Reservoir December 4 by overwhelming forces of Chinese Reds, sat down and wrote a letter to his parents, Mr. and Mrs. Kenneth Lancaster, of 1304 Seneca Road, Benton Harbor.

The Lancasters read their son's letter this morning, not knowing whether he was among the 25,000 marines and doughboys who broke through the Reds today after a bitter 50-mile battle of annihilation.

Following is text of the letter:

"DEAR MOM, DAD, AND FAMILY: I'm writing you under rather tough conditions—but if I don't write now, I may not get the chance again. As you probably know, the First, Fifth, and Seventh Marine Regiments of the First Division are in the Chosin sector now; but if things don't change damn quick, there won't be any regiments or even a division left in 48 hours.

"In the last 36 hours we—the Fifth Marines—have had almost 600 men killed, and almost all of us are wounded or frostbitten. Yesterday I caught shrapnel from a grenade in the arms and chest—I'm just lucky it wasn't more serious, because I haven't had so much as a band aid to cover the wounds as yet. We're fortunate to have cold weather, in a way—no worry of bleeding to death, anyway.

"I don't know what you've heard back home, but, believe me, it's horrible over here. For one thing, we are terrifically outnumbered—the last estimate was about 23 to 1. Another thing, these Chinese gooks are better armed and equipped than we are. They've got our weapons plus Russian weapons, and they're eating better than we are.

"In my original platoon there are four of us alive; the three guys I came with from South Bend who were in my platoon all got killed yesterday. The platoon sergeant and I were sharing a foxhole when a gook dropped a grenade right in; the sergeant was blown to bits and I was only scarcely wounded. As I told you before, we are totally outnumbered here. Well, last night the litter cases (seriously wounded) were put in rubber rafts and floated down the river to try to get through the gooks' lines and to field hospitals. This morning we get word that out of 420 guys 3 of them made it alive. The damn gooks made special targets of them as they were helpless to do anything about it. We couldn't send a large guard with them—we just couldn't spare the men.

"The First Division numbered close to 9,000 men; now we've got 2,200 able to fight—that included the wounded also. You may not believe this now, but sometime you ask a marine or an army guy who was in Korea, and then you'll find out the horrible truth.

"We don't have a chance over here—there's too many gooks to kill. It seems like when you shoot 1 he's got 10 to replace him. Yesterday morning, Captain Cook, our company CO, got his before he even got out of his sleeping bag. A gook caught him there and shot him up so bad you wouldn't have known he ever had a face—it was a rotten sight. I almost got sick. This probably sounds fantastic to you—it would have to me a few months ago—but now I know and I'll never forget it as long as I live.

"It's just a damn shame that the American people don't wake up and see what's going on. We're not just fighting the Koreans or the Chinese—we're fighting the Russians, too.

"I wish that you could not be here for just a few hours just to see what it's like; then you'd know what I mean. It's like a terrible nightmare that never stops. Ya' know, I'm now down to about 150 pounds. I always wanted to lose weight, but not like this. This is the first actual break we've had in fighting in 48 hours, and it's probably the last one we'll have for quite a while. The gooks are reforming for another try to break our lines and kill us, and if we don't get more replacements and supplies flown in they will.

"* * * I hope you received my Christmas presents all right—grandma and grandpa, also. Write and let me know. Ya' know, if we should ever get out of this alive, I should have a pot full of mail waiting for me. Tell Billy to be a good boy while I'm gone. Tell grandma and grandpa that this letter is to them, too, as I won't get a chance to write again for quite a while. Tell everyone hello for me—the Meskimens, Bakers, Lawrences, etc., and please, Mom, don't worry about me. I'm all right; I'm still alive.

"Well, till the next time, have a swell Christmas, and remember, I'll be thinking of all of you. 'Bye for now.

"Your son, with love,

"DICK."

A note telling young Lancaster's father what to do with insurance benefits in the event of the writer's death accompanied the letter.

Lancaster had only recently returned to his company after recovering from wounds suffered in earlier Korean fighting. The wounds he referred to in the letter received by his parents today are the second he sustained in the Korean campaign.

Lancaster was recalled from Reserve status to active duty with the marines last September. He had been attending the University of Missouri.

[From the Detroit Times of December 17, 1950]

COUNSEL FROM MOSCOW

Not often does Soviet Russia favor the United States with good advice.

When this occurs, of course, the advice may be inadvertently given, in pursuance of Russian designs.

Nonetheless, we should not be disdainful to our own undoing.

If the advice is sound—duly considering its suspect source—it may be ultimate wisdom to accept its implications.

An historic example of such perverse kindness is the repeated Russian suggestion—made by Pravda in Moscow and by Foreign Minister Vishinsky at Lake Success—that we ought to get out of Korea, where we are fighting the immense Communist far-eastern alliance with only token aid from our nominal allies.

The Korean campaign is not a war that we can win, even though we have committed almost our entire Regular Army and Marine Corps into battle, and General MacArthur has evidently averted an American debacle for the third time by unsurpassed skill.

It is a war that can totally disrupt our rearmament by sacrificing our irreplaceable veteran land forces in hopeless combat with the inexhaustible hordes of the Orient.

Obviously, therefore, we should evacuate our divisions from Korea while the time remains to do so.

However, Soviet Russia's inverse advice applies much more widely than merely to the Korean War.

We are inveigled into the war, virtually alone, because of our irrational associations in the United Nations, and if we remain in the United Nations we will have other wars to fight alone in other quarters of the globe.

For the United Nations imposes all the obligations upon us and assumes none upon itself.

We foolishly entered the organization as its chief contributing member—financially speaking.

Now we are becoming its arsenal, as well as its universal commando.

And we do not have either the manpower or the material resources to police the whole world.

By every implication we should take the Russians' suggestion and return to our own American land and our own American policy of keeping out of foreign entanglements.

Let us not only get out of Korea—let us also get out of the United Nations.

And once out, let us stay out.

Let us realize that the United Nations is united in only one thing: in seeing how much it can get out of America without giving anything in return.

We should appreciate the advice that we are receiving.

It expresses a good American policy, whether it comes from the Russians or not; and would properly emanate from a good American President, if we had one.

HOUR OF MEETING TOMORROW

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on tomorrow at 11 o'clock a. m.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

MRS. JUAN ANTONIO RIVERA ET AL.

The SPEAKER laid before the House the following message from the Senate which was read:

Senate Resolution 377

Resolved, That the Secretary be, and he is hereby, directed to request the House of Representatives to return to the Senate the bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, Mrs. Paul Valle Antelo, Mrs. Jorge Diaz Remero, Mrs. Otto Resse, and Mrs. Hugo Soria, together with the Senate engrossed amendments thereto.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

ORGANIZED MEDICINE—A DOCUMENTED RECORD OF OPPOSITION TO SOCIAL AND ECONOMIC PROGRESS

The SPEAKER. Under previous order of the House, the gentleman from Wisconsin [Mr. BIEMILLER] is recognized for 1 hour.

Mr. BIEMILLER. Mr. Speaker, we stand engaged in a world-wide struggle for the mind of man. At home and abroad, democracy contends against Russian totalitarianism. In this global conflict we must reserve our deepest faith, not for armed might, but for truth and freedom and security. For these ideals in the end shall command the unconquerable loyalty of the human spirit.

As we mobilize we must buttress our defenses not only against communism, but its twin allies—poverty and insecurity. For communism breeds best where human needs go unmet, where suffering is needless, and where economic progress is blocked by indifference or malice.

This Nation has already erected wide defenses against poverty, against insecurity, and against the needless human suffering which so often prevails abroad. We have insured ourselves against the financial hazards of unemployment, of accidents on the job, against an impoverished old age. Even when the American breadwinner dies his family receives some measure of financial security as a matter of right, not charity. Our system of social insurance—social security—has stood the test of experience, has proven a better bulwark against communism than restrictive legislation or furious speeches.

MAJOR DEFENSE GAP

But now as we mobilize for the third time in little more than three decades, there is still one major gap in our defenses where poverty and needless suffering can strike. We have not yet protected ourselves against the crippling burdens of unexpected illness. We have not yet taken even those steps most necessary to the conservation of our greatest national resource—the health of our people. We face the dangers of atomic bombs, of biological warfare, and unrevealed weapons even more terrible, without taking certain basic measures which military intelligence and common sense demand.

If we are to close these gaps in our health defenses before it is too late, the American people—and particularly their doctors—must have the facts so that they may distinguish between truth and propaganda. We cannot afford the complacency of a Maginot-line complex about our health defenses nor do we want a terrible, shocked awakening to a medical Pearl Harbor. We must recognize the need for action.

PLIGHT OF HEALTH SCHOOLS

To help us avoid both catastrophes has been my purpose for many months in calling national attention to the plight of our medical and public health schools, to the fact that our home front and our Armed Forces abroad may soon be endangered by lack of needed doctors and other health experts. A bipartisan bill to correct this dread deficiency has been called by the President the most vital health legislation before Congress.

Last July 13, I pleaded with the House of Representatives to follow the Senate by unanimously passing the Emergency Health Training Act. This bipartisan measure would enable our financially crippled medical schools to train more doctors, dentists, and other desperately needed health personnel. I pointed out that the ever-deepening Korean crisis threatened us with medical disaster even then.

Leading authorities on medical education testified before members of the House Interstate and Foreign Commerce Committee in support of this measure. Only one organization stood opposed. Yet that one organization prevailed against the interests of the majority.

The gravity of our health needs brought this emergency measure up to a vote four times. Yet the intransigence of one organization blocked transmittal to the House.

Last August 30, in an effort to focus public attention on the Nation's critical health situation, I cited the record of that single obstructing organization, the American Medical Association. In the last three decades, that record has been one of almost unparalleled opposition to social and economic progress, blindness to need, and resistance to reform. I listed 10 major stands, past and present, whereby organized medicine has set its face against the welfare of the American people. The Congress of Industrial Organizations brought these facts to the American community through advertisements in 58 newspapers throughout the country. The American Federation of Labor, through its commentator, Frank Edwards, likewise carried the AMA's tarnished record to millions of listeners from coast to coast.

MASSIVE AMA LOBBY

Despite the fact that the AMA operates the most massive and heavily financed lobby in the country, all the winds of its multimillion dollar propaganda machine could not extinguish those burning truths nor snuff out the resulting fires of public interest.

I would be less than frank or fair if I did not also state that some people doubted whether organized medicine could indeed have opposed social security, workmen's compensation, and so many other measures. Most of these dissenters followed the American tradition of calling for more facts before accepting AMA denials at face value.

Yet one reply, unfortunately, as important as it is unfair, differed from the others. That reply dodged issues, evaded, concealed, denied, and breathed resentment under the title "A Fancy Package of Untruths." It was published in the Journal of the American Medical Association, November 11, 1950. Dr. Elmer Henderson, president of the American Medical Association, wrote that article.

DR. HENDERSON'S CHARGES

He called the CIO's message about organized medicine's record "the same old fancy wrapped package of lies, untruths, half-truths, and part-truths—all aimed at confusing the American people on the issue of socialized medicine." He further said:

> It really reveals the ruthless boldness of men who are spreading the cancerous growth of socialism among the people.

He ascribed the origin of the CIO's message to my speech which appeared in the CONGRESSIONAL RECORD of August 30, then characterized those remarks as "outright lies"; he denied some charges, agreed to others, and omitted any reference whatsoever to still others.

Dr. Henderson's dismissal of my factual statements and his own revision of American medical history have reached some 145,000 members of the AMA. An unknown number of laymen have also seen it, since organized medicine pays its lobbyists $100,000 a year and provides them with millions of dollars to distribute such material in astronomical quantity. But, in replying to Dr. Henderson and documenting my charges at sufficient length to satisfy the fair-minded observer, I am not very optimistic about the chances of lifting the iron curtain of censorship so evident in the medical press.

In replying to Dr. Henderson, let me repeat what I have said so frequently

in the past. I am not charging the individual American physician with the shabby record of the medical lobby. Our doctors are among the world's finest. Their competence and devotion to humanity are justly famous. It is shameful that these dedicated men and women find so seldom in the pages of their medical journals or in the public announcements of AMA officials, the same objectivity toward economic and social problems that characterizes reports on medical advance.

ILLUSTRATION OF AMA ATTITUDE

This never-ceasing misrepresentation of the President's comprehensive national health program is perhaps typically illustrated by the AMA stand on the need to provide our medical and public health schools with Federal funds. I take this issue first because action is so terribly urgent and quote Dr. Henderson in full to give him every benefit to prove his assertion about my "outright lies":

Mr. BIEMILLER said that the American Medical Association blocked Federal aid to medical schools. He is right, but he failed to explain that the bills proposed would lead to control of the medical schools by the Federal Government, either directly or indirectly, with a gradual deterioration of medical education because of political domination. The Association long has held that the problem of financial support for medical schools should be freely in the hands of the communities or States served by these schools.

My charge, then, that the AMA is indeed blocking this measure is not an "outright lie." It is, in fact, true, confirmed by the president of the AMA. Let me in charity allow Dr. Henderson to fall back to a less-exposed position. His essay also categorized the statements by the CIO and myself as untruths, half-truths, and part-truths—all aimed at confusing the American people on the issue of socialized medicine.

EVEN CHARITY CANNOT CONDONE DIVINE RIGHT OF AMA

Dr. Henderson reserves to the AMA exclusive powers to interpret the intent or effect of all legislation. Dr. Henderson says that Federal aid to medical education would be dangerous and hence the AMA stands opposed. This flat statement leaves us to infer that through some latter-day extension of the divine right of kings the AMA can do no wrong. The AMA, according to Dr. Henderson's calm assumption, is thus truth's supreme arbiter, competent to overrule every differing professional and public body, no matter how distinguished or how conservative. That an imposing list of such organizations, too long to cite at this point, does differ with the AMA is not mentioned. Also ignored by Dr. Henderson is the nature of the AMA's past positions on this issue. His omissions may well be deliberate, for if you understand the AMA's turns and twists and tactics on Federal aid to medical education you have the key to its behavior on many others.

My remarks of July 13 attempted such an examination and documentation at length. Hence, the following is hardly more than a running summary of a fuller treatment in the CONGRESSIONAL RECORD, July 13, 1950, pages 10116-10124:

In 1946 America's need for more doctors, dentists, nurses, and so forth, was generally recognized. Even the American Medical Association permitted official spokesmen to discuss the need. One such spokesman was Dr. Herman Weiskotten, dean of the Syracuse University College of Medicine and member of the Council on Medical Education and Hospitals of the AMA. He declared that approximately half of our medical schools were operating on budgets far below the essential basic minimum required for the conduct of a satisfactory program. Dr. Weiskotten said:

The American people should realize that the first and most important step in improving the health and medical care of our people is the more adequate support of more than half of the medical schools of this country.

I am sure that at some future date, long after Federal aid to medical education has been adopted, an AMA spokesman will single out those remarks to the exclusion of all others and claim that organized medicine was responsible for its passage.

SHIFT IN TACTICS

But this was an early and temporary admission. The AMA took another turn and found that the serious problem just pointed out by its AMA's spokesman was perhaps not serious after all. In October 1947, Dr. Anderson, secretary of the same council of which Dr. Weiskotten was a member, was far less concerned than his associate. He referred to a study just made by the AMA and made this deprecating statement:

We are prepared to contend that the maximum deficit that could possibly be forecast for 1960 does not exceed 15,000 physicians.

Only 15,000. When you consider that the patient list of the average physician runs between 500 and 1,500, you have some idea of how many people would get inadequate care with such a shortage. It could not conceivably run below seven and a half million people. And this in peacetime. Yet, there you have the statement of a responsible AMA official predicting a doctor shortage, and not worrying about the consequences.

Thus far, how would you describe the AMA's position?

It saw medical education a problem in February 1947. No real problem in October 1947. If that confuses you, then read the 1948 report of the council on medical education of the AMA. It found that our medical schools required an additional $15,000,000 for current maintenance and some $197,000,000 for construction of needed facilities:

The question that remains—

said the council—

is whether the public will provide this support voluntarily or whether it will have to be provided by direct Federal subsidy.

THE $212,000,000 QUESTION

That, indeed, was the $212,000,000 question. The trouble was the answer. In July 1948, a meeting authorized by the board of trustees was held in New York City. Representatives of universities, business, industry, banking, educational foundations, and private philanthropic organizations discussed a national campaign to raise about $15,000,000 a year to support medical education. A lot of hopes were raised by that meeting, but as of 1950, more than 2 years have not brought this money.

Was there a problem or not, according to the AMA in 1948? Let me return to quote from the AMA report of October 30, 1948, from its council on medical education and hospitals:

These studies have led to the conclusion that there is no need for any great increase in the number of medical graduates and the gradual expansion of facilities for medical education that is taking place will adequately meet the Nation's needs.

Evidently no problem.

Then, in February 1949, Dr. Weiskotten came back again to call attention to a problem after all:

Paradoxic as it may appear in the face of the present plight of the existing medical schools, there is developing a demand that these schools greatly increase the size of their student bodies and that new schools be established.

Of course there was a problem. Each passing month between 1946 and 1948 intensified its complexity while the AMA shifted back and forth between affirmation and denial.

EXPERTS' CONCLUSIONS

Indeed, the problem had grown so critical that the matter came before Congress in 1948. At the close of open Senate hearings, a group of the most distinguished experts in every sector of the professional health training field, including important AMA representation, agreed on a set of 13 general principles. Among these were statements that—

The schools are in a financial emergency.

There are recognized shortages of manpower in the health professions.

Existing private sources of income are not able to meet the needs for either operation or construction.

Federal aid was found necessary. It was even agreed that scholarships as well as operation and construction grants would be helpful in equalizing and expanding educational opportunities for qualified individuals.

This group also formulated legislative guides for the Senate committee. The resulting bill, S. 1453, conformed closely to those guides and passed the Senate unanimously in September 1949. Before passage, at an August meeting in Washington, Dr. George F. Lull, secretary-general of the AMA, told reporters that his organization favored aid to medical education.

HOUSE TAKES UP BILL

After Senate passage, the House Interstate and Foreign Commerce Committee took up the House companion bill, H. R. 5940, which I sponsored. The committee unanimously approved the bill and sent it to the Rules Committee where it died because the first session of this Congress ended. During this entire process, the AMA was rather quiet. Only a few words broke the silence, and they were far from ominous. The AMA's

council on medical education reported to the AMA house of delegates in November:

> While the council is not entirely satisfied with the bill, it does incorporate several modifications suggested by the council's representatives and it is a distinct improvement over any other bill for Federal aid to education that has been introduced.

HONEYMOON SOON OVER

But the short honeymoon was soon over. In a supplementary report of the board of trustees in December 1949, there was the following statement:

> Since S. 1453 has now passed the Senate and since it appears doubtful that further changes will be made by the House in the companion bill, H. R. 5940, the board of trustees feels it must oppose this bill.

There was no official explanation of what happened between November and December. But it is relevant to note that the AMA national education campaign had been at work, all during 1949. According to its report made that December to the AMA, it operated with a record-breaking war chest of $2,200,000. It distributed 55,000,000 pieces of literature condemning the President's national health program as "socialized medicine." Those few facts are highly necessary to an understanding of why the AMA of December reversed the AMA of November. The AMA of December heard its high pressure lobbyists set a militant note. Why tolerate any approval for the President's national health program, particularly when there was a compelling strategic reason to present an unbroken front of opposition? Obviously it was embarrassing to the AMA lobbyists to be in the position of condemning that program, if they had to admit that Federal aid to medical education—the first measure in the President's program—was sound and necessary.

A NEW LINE

So that December 6 to 9, 1949, at the AMA's meeting in Washington, D. C., the AMA unveiled a new line. It declared that the House Federal aid to medical education bill must be opposed as granting Federal officials "too much potential authority to interfere in the internal administration of the medical schools."

I think the analysis of the motivation behind this new line was fairly and correctly stated by the Committee for the Nation's Health. A bulletin issued January 5, 1950, by this national nonpartisan body of independent-minded physicians and laymen declared:

> The AMA's stand is based on political and economic prejudice, not medical grounds. The reversal can best be understood as a tactical shift dictated by its opposition to national health insurance. As part of a "defense in depth" policy, the AMA now seems to be weighing every proposal in terms of defending the status quo in medical economics. Consideration of human needs, of training more doctors, increasing facilities, extending preventive care, eliminating the dollar barrier—none of these determines AMA legislative policy. The overriding factors seem to be the potential effect of each measure on:
>
> (a) National health insurance; and
>
> (b) On the control which organized medicine wants to exert over every phase of medical care.
>
> To conduct this campaign without compromise, the AMA hierarchy is forced to go further and further to the right in search of support. Conversely, its defense of the status quo seems to be forcing the AMA into sharper political attacks against liberal programs. To hold its own Maginot line, it must ally itself with other conservative groups, including reactionary elements in the Democratic and Republican Parties. The militant right-wing attitude of the AMA, as revealed at the December meeting, may mean that it will use its war chests to oppose liberal programs in any field where the AMA sees "serious medical implications."

SHORT-SIGHTED ATTITUDE

As 1949 vanished, so did any AMA pretense of sweet reasonableness. On February 12, 1950, the AMA's opposition to Federal aid to medical education was tailored in closed conference—to conform to political requirements that had no reference to or consideration of the Nation's medical needs. How else could any policy be classified except as incredibly short-sighted and deliberately obstructive, when reached on this basis:

> From our standpoint, the fundamental question involved in compulsory health insurance is much more adapted to effective, clear-cut presentation than the hidden threat in a bill to provide Federal aid to medical education; the danger in a sickness-disability section of a proposed Social Security program, or the entering wedge for socialized medicine that is adroitly wrapped up in a school health bill.
>
> Instead of being confronted with the task of defeating a revolutionary program of Government medicine, embodied in a single proposal, or in companion bills, we are now faced with a series of measures—disarming in language but dangerous in their provisions—some of which must be beaten and some drastically changed or amended.
>
> No one of the fringe bills, by itself, would usher in a complete system of socialized medicine, but each of the bills is designed to achieve part of that objective.

CLAIM "BACK DOOR" APPROACH

> These bills have been described as "the back door" approach to socialized medicine. That is gross understatement. At this session of Congress, the socializers are trying to come in the back door, the side door, and the French window. We can be sure of this, too, that if we relax our work on the main issue, they will soon be battering at the front door again.

These statements are quoted directly from a document which the AMA's national education campaign is evidently not anxious to give public circulation. That document is entitled "Second National Conference, National Education Campaign, American Medical Association." The conference took place at the Drake Hotel in Chicago.

Do not these words fully bear out the analysis of the AMA's new policy of total all-out opposition made by the committee for the Nation's health a month earlier?

Thus, from February 1947 to February 1950, the AMA spun like a weather vane on whether we need to train more doctors, the financial status of our medical schools, whether they require Federal funds, and if so, whether such legislation should be passed. When it came time, a few months later, to induct a new president in June 1950, what policy on Federal aid for medical education was taken? Of the many positions available, Dr. Henderson, with the advice of the AMA's $100,000-a-year lobbyists, made a choice which has been almost universally condemned as tragic.

ALLEGED DOCTOR SHORTAGE

Said Dr. Henderson in his inaugural address about our need to train more doctors and to help medical schools:

> The misleading propaganda which has emanated from Washington on this issue is an affront to the American people's intelligence. Typical of this flagrant misrepresentation is the attempt to create a crisis over an alleged doctor shortage in this country. The simple truth is that the ratio of doctors to population is higher in the United States than in any nation on earth except Israel, where the unfortunate refugee doctors of all Europe are gathered. It is equally true, as we are confident most of the people are aware, that the individual physician today can provide far more medical service than even a decade ago, because of technologic improvements. (President's address before the ninety-ninth session of the American Medical Association, San Francisco, June 27, 1950.)

Thus, the AMA returned again to the position of no problem. Dr. Henderson attributed the whole furor to "the barbs and criticisms of a comparatively small group of little men—little men whose lust for power is far out of proportion to their intellectual capacity, their spiritual understanding, their economic realism, and their political honesty. It is the administrative arm of our Government in Washington which has failed us in this generation—a Government which is sick with intellectual dishonesty, with avarice, with moral laxity, and with reckless excesses." (President's address before the ninety-ninth session of the American Medical Association, San Francisco, June 27, 1950.)

"SELFISH, CYNICAL" MEN?

Who are some of Dr. Henderson's "selfish, cynical men" who believe that Federal aid to medical education is urgently required? They include the President, every Republican and every Democratic Senator of the Eighty-first Congress, and the then Secretary of Defense, to cite but a few.

Dr. Henderson conveniently neglected to mention that these "cynical, selfish men" were joined by a most imposing array of professional experts. Their statements appear in full in the CONGRESSIONAL RECORD of July 13, pages 10119–10124, and subsequent issues.

DR. SIMMONS' STATEMENT

Brig. Gen. James S. Simmons, retired, dean of the Harvard University School of Public Health and chief of preventive medicine of the United States Army for 30 years, telegraphed the President August 19, 1950:

> The shocking news that the House Commerce Committee has tabled the bill for Federal aid to medical and public health schools moves me as president of the Association of Schools of Public Health to appeal directly to you.
>
> I am confident that if the American people realized what a crippling blow this negative action has dealt to the Nation's military and civil-preparedness program they would demand that the tragic mistake be rectified. Health of American fighting men and industrial workers must be conserved by a strong national program of public health and military preventive medicine to guard against

diseases as deadly and disabling as bombs and bullets.

Many highly trained specialists will be required. Their postgraduate training is available only in the 10 accredited schools of public health in this country. The financial plight of the 10 schools is such that their total output of specialists is now only one-fifth the number needed to operate the Nation's peacetime health program. Surely the Korean crisis and threat of another global war must make it evident to all that an already critical situation has now become more perilous.

Without added funds the schools are helpless to fulfill their obligation to the Nation. It is obvious that they need emergency financial aid. This is the kind of aid that would be provided by the Federal aid to medical education bill already passed by the Senate and now tabled in the House committee.

I am convinced that one of the most important responsibilities now facing the Congress and the country is to act immediately to insure the training of an adequate and continuing supply of experts in the prevention of disease and conservation of health among our workers and military forces.

It is my earnest belief that the need for swift passage of the bill for Federal aid to medical education is imperative. Its cost compared to enormous outlays necessary for armaments is relatively minor, yet the need it would serve is of major importance to the maintenance of our national strength.

DR. HINSEY'S STATEMENT

Dr. Joseph C. Hinsey, chairman, committee of financial aid to medical education, and dean of Cornell University Medical School, wrote me:

The action by the board of trustees, the house of delegates, and the council on medical education and hospitals of the American Medical Association opposing H. R. 5940 after it had passed your committee and the companion bill S. 1453 after it had passed the Senate was taken independently of our Association of American Medical Colleges and without a poll of our membership. After its study and work with this legislation, this committee is unanimous in its support of H. R. 5940.

STATEMENT OF FIVE DEANS

No less than five deans of leading medical schools declared in a joint letter:

We, the undersigned deans of the professional schools of medicine, dentistry, and public health in the State of Massachusetts, individually and jointly, urge your strong support of H. R. 5940, the bill proposing an emergency 5-year program of grants and scholarships for education in the medical and health fields. We hope that you will work for early priority for this bill in the Rules Committee and will vote for its passage when it comes on the floor of the House.

We are convinced that the present desperate financial plight of our professional schools, not only in Massachusetts but throughout the United States, has already interfered with the quality of professional education and is preventing the development of adequate medical and health personnel for the country.

We make this statement in full awareness of the position recently adopted by the American Medical Association. We vigorously oppose that position. The American Medical Association in adopting its position was in no way authorized to speak for the professional schools of Massachusetts.

Early passage of H. R. 5940 will enable the professional schools of the United States to start immediately on an expanded, more effective total program of training. We do not believe that this urgent need can be met without such assistance.

Dwight O'Hara, M. D., Dean, Tufts College Medical School; James M. Faulkner, M. D., Dean, Boston University School of Medicine; James M. Dunning, D. D. S., Dean, Harvard School of Dental Medicine; C. D. Marshall-Day, M. D., Dean, Tufts College Dental School; George Packer Berry M. D., Dean, Harvard Medical School; James S. Simmons, M. D., Dean, Harvard School of Public Health.

OTHERS AID PROPONENTS

Space considerations reduce me to a mere listing of other distinguished members from the ranks of medicine and education who support Federal aid to medical education despite the AMA:

A. C. Ivy, Ph. D., M. D., D. Sc., vice president of the University of Illinois in charge of the colleges of the health professions; John S. Hirschboeck, dean, Marquette University School of Medicine; W. E. Brown, M. D., dean of the University of Vermont College of Medicine; Robert Hutchins, chancellor of the University of Chicago; P. J. Carroll, M. D., dean of the Creighton University School of Medicine; M. Don Clawson, president of Meharry Medical College; Vernon W. Lippard, M. D., dean of the University of Virginia Department of Medicine; Willard C. Rappleye, M. D., dean and vice president in charge of medical affairs, Columbia University; Samuel Paul Capen, chancellor of the University of Buffalo; Michael I. English, S. J., regent of Loyola University School of Medicine; Sister M. Thomas, O. S. F., dean, College of Nursing, Marquette University; J. Murray Kinsman, M. D., dean, University of Louisville; R. S. Cunningham, M. D., dean, Medical College of Union University.

This list of distinguished supporters of Federal aid to medical education is by no means meant to be complete.

OUTLINE OF AID POSITION

Because a clear understanding of the issue is so important to this Nation's health defense let me emphasize again that these professional leaders differed sharply with organized medicine on three major issues:

First, they declare that the Nation needs more doctors and other health personnel—a need great enough to be called an emergency and to require Federal action.

Second, they urge Federal legislation to provide funds for medical and public health schools since private philanthropy has proved unable to carry so great a burden.

Third, they viewed the stringent safeguards written into such legislation as adequate protection against potential threats of Federal domination or interference.

Despite this most abbreviated presentation, is it not apparent that there is wide-ranging support for Federal aid to medical education; that there are substantial and incontrovertible bases for this support; and the integrity and competence of these supporters are unimpeachable. Yet, all of this testimony Dr. Henderson brusquely ignores or sweeps aside in his heated retort, "A fancy package of untruths."

HOOVER COMMISSION VIEW

But all this is only a portion of the evidence and only a part of the larger picture. I would be at fault if I did not refer you to the Task Force Report on Federal Medical Services, Appendix O. That group of experts serving on the Hoover Commission—the Commission on Organization of the Executive Branch of the Government—made three recommendations. All three were directed toward surveying and easing the financial crisis of our medical schools—the crisis which the AMA has treated with the sleight-of-hand touch of a knowing magician—making it appear and vanish at will. The Hoover Task Force was concerned with grim realities, not illusions. It soberly stated that Federal Government's legitimate basis of interest:

A sufficient principle on which to justify such Federal aid is that the Government is the largest single customer for medical personnel even in peace, and by far the greatest customer of all in war.

ANOTHER COMMITTEE SEES NEED

Equally important is the recently released report of the Surgeon General's Committee of Medical School Grants and Finances. The AMA was well represented on that committee by a past president, Dr. E. E. Irons, predecessor to Dr. Henderson. I cannot summarize all of the committee's 89 pages of carefully checked data, but here are three of its most important findings:

First. The 79 medical schools of the country need an additional $40,000,000 a year in current operating funds to perform their existing functions adequately.

Second. The schools need about $330,000,000 for construction facilities apart from the above-mentioned $40,000,000 a year in additional operating funds.

Third. The preceding estimates do not allow for any expansion in the number of medical students, only for maintaining profession education adequately for the present number. To carry out the enrollment expansion planned by 55 of the medical schools—bringing an increased enrollment of freshmen students of 22 percent—the deans of these schools estimate that an additional $244,000,000 will be needed for new construction, and an additional $18,000,000 a year for the maintenance of operations.

TURN OF THE AMA SCREW

Perhaps all this incontrovertible evidence was too weighty for the AMA leaders to shrug off. Perhaps even the most myopic of their political propagandists could see that, at the very least, some sort of a grand gesture was needed whereby the AMA could maintain its pressure, perhaps even increase it. So this year's convention, Cleveland, December 6, 1950, produced another turn of the AMA's screw. The AMA's grand gesture was its announcement of a $500,000 fund for medical schools. The turn of the screw was a new multimillion-dollar drive against state socialism as

embodied in Federal aid to medical education.

After its announcement ran through the usual stock phrases about the dangers of socialism, the AMA was forced to the grudging admission that this fund was "only the nucleus, and you cannot build very much with only $500,000"—Washington Post, December 7, 1950. A second admission, made by Dr. Louis H. Bauer, chairman of the AMA's board of trustees, concerned that question which so often vexed the AMA in the past: Should it recognize that the medical schools faced a problem? Dr. Henderson, we have seen, denied it in December 1949. But the line changed again, and so Dr. Bauer was saying this December 1950:

Many medical schools, if they were assured a solvent future, would increase their enrollments now. We regard the financing of the medical schools as one of the most pressing problems facing the medical profession today.

A TROJAN GIFT

The total inadequacy of that $500,000 makes the Trojan nature of this gift apparent. This amount is about 1 percent of what the medical schools have declared in the Surgeon General's report is required to permit necessary expansion. It is one five-hundredth of the amount which Federal legislation would make available. Best index of all, it is about one-eighth of what the AMA itself has spent on propaganda in the last 3 years to call the President's national health program socialized medicine. In short, the AMA has already spent eight times as much money on those two smear words as it proposes to allocate to all 79 medical schools of the Nation.

Thus, the AMA fights a rear-guard action, retreating step by step, but resisting bitterly at each opportunity. It seizes upon the device of a campaign for voluntary funds to divert pressure. Either AMA leaders are uninformed or insincere in this newest tactic.

Is not the AMA aware of the efforts of a national foundation, headed by Mr. Herbert Hoover, which is appealing to large corporations and other groups to contribute to the medical schools? This very group of distinguished Americans, including some of the most conservative businessmen in the country, recognizes at the outset that private contributions alone cannot possibly do the job. Their report assumes the necessity of Federal subsidies, sees no dangers arising from the legislation pending before this Congress.

HERBERT HOOVER'S STAND

For the record, here are pertinent quotations from Medical Education in the United States, issued March 1, 1950, by the National Fund for Medical Education, Inc. In his covering note, former President Herbert Hoover states:

Last spring President Conant, on behalf of several university presidents and others, requested me to be the honorary chairman of this fund. Notwithstanding the heavy work imposed by the Federal Government Reorganization Commission, I accepted. I did so because in those investigations we found that our medical educational system was woefully inadequate for the conduct of our national defense and our Federal hospitals for veterans and others. And it is doubly inadequate for the needs of the people generally.

The foreword states:

Federal grants-in-aid may be forthcoming, at least temporarily, but it seems desirable that private sources of support also be stimulated. Thus there will be created a balance between two great sources of support—a balance under which the academic freedom essential to scientific medical education will be preserved.

The problem is put in forthright terms:

America's medical schools are in a precarious financial state. The situation is so grave that some schools may be forced to close their doors unless they can get additional financial support.

In general, the privately supported schools are in the worst condition, but State and municipally operated schools are also staggering under a growing financial burden.

The dangers inherent in such a situation can hardly be exaggerated. Without competent doctors, the practical results of medical research will be virtually lost to the Nation.

The fund would create a balance between public and private support for medical education. Unless the Government—Federal and State—is to be expected to step into the breach on an extensive and permanent basis, private means must be found to reinforce medical and allied scientific education. The Federal Government probably will provide temporary aid to help the medical schools through the present crisis. It would be desirable to enlist private support in an effort to balance public support. This would help preserve academic freedom, leaving the medical schools beholden to no single source for their revenue.

There is now pending in Congress legislation (S. 1453; H. R. 5940) proposing grants-in-aid for medical education. The bill has bipartisan support. It is emergency legislation to meet the very real danger that many medical schools may be forced, eventually, to close their doors. The grants are to be for only 5 years in annual amounts considered necessary to avert this threatened financial breakdown. Proponents of the bill have insisted, wisely, on the 5-year limitation. In this way it may be possible for private agencies, such as the National Fund for Medical Education, to meet, at least in part, these pressing demands.

Among the members of the board of the National Fund for Medical Education, Inc., are such leading businessmen as Winthrop W. Aldrich, Earl Bunting, Carl Byoir, Victor Emanuel, Bernard F. Gimbel, Robert A. Lovett, William S. Paley, Winthrop Rockefeller, Spyros P. Skouras, Alfred P. Sloan, Jr., Thomas J. Watson, and Ernest T. Weir.

ONE AGAINST MANY

The story can now be summarized. On the one side is the American Medical Association's history of equivocation, culminating November 11 in an official declaration by its president, again attacking Federal aid to medical education and accusing the CIO and myself of lying about the AMA position.

Arrayed against the various aspects of the shifting AMA position are the published statements of 20 medical educators and deans, professional organizations like the American Dental Association, the Association of Land Grant Colleges, the American Nurses Association, Committee on Federal Aid to Medical Schools of the American Association of Universities, Committee on Financial Aid to Medical Education of the Association of American Medical Colleges. There are such independent organizations as the Commission on Organization of the Executive Branch of the Government, the 1950 preliminary report of the Surgeon General's Committee on Medical School Grants and Finances.

And finally there is the responsible press of America. Among the many publications and noted commentators which favored this measure and opposed the AMA are the following: Collier's, the New York Times, Dr. James Howard Means in the Atlantic Monthly, Louisville Courier-Journal, New York Post, the Nation, the New Republic, Milton Mayer in Harper's Magazine, and many others.

And all this the AMA lobby would dismiss as a "fancy package of untruths."

Although Dr. Henderson did not concern himself with Federal assistance to State and local public health units, the AMA record is remarkably and significantly similar to that on Federal aid to medical education.

Just last week it blocked rules committee clearance on this bill—also already approved in the Senate with bipartisan support—again using the old excuses about foot-in-the-door legislation.

Well, look at the groups sponsoring this bill and consider just how socialistic their tendencies are. It is interesting to note that one of them, the National Health Council, lists the AMA as a dues paying, participating member organization.

Among the others are: American Academy of Pediatrics; American Farm Bureau Federation; American Heart Association; American Parents Committee; American Public Health Association; American Social Hygiene Association; American Veterans' Committee; Association of State and Territorial Health Officers; General Federation of Women's Clubs; the Midcentury White House Conference on Children and Youth; National Advisory Committee on Local Public Health Units; National Congress of Parents and Teachers; National Foundation for Infantile Paralysis; National Grange; National Health Assembly; National Organization for Public Health Nursing; National Tuberculosis Association; National Young Women's Christian Association; Spokesmen for Children; Young Men's Christian Association, International Council.

AMA ON VOLUNTARY PLANS

Let me move on to document another charge which Dr. Henderson classified as an outright lie. I stated August 30 that the AMA lobby fought voluntary plans when they were first proposed, and even now attempts to harass all those consumer-sponsored plans it cannot dominate. Dr. Henderson dismissed these statements as a "deliberate falsification of the facts," notwithstanding the fact that I quoted directly from the Journal of the American Medical Association and

cited instance after instance of AMA opposition to various voluntary plans.

It is interesting that once again, after crying "falsification," Dr. Henderson goes on to corroborate my charge. In his very next sentence, Dr. Henderson says:

Fifteen years ago, the association did oppose some of the so-called voluntary health plans, but for good reason. Certain features were objectionable, and they have long since been eliminated, thereby helping to speed up the growth of the strong voluntary plans as they exist today.

Again, you will note, the abrogation to the AMA exclusively of correct judgment on the social and economic aspects of the delivery of medical care.

Necessarily long as the record was about Federal aid to medical education to support my charges, it would have to be even longer to include all the evidence against the AMA on voluntary plans. A number of volumes have dealt with this subject. Here is just a scattering of the testimony accumulated through the years:

FROM THE AMA JOURNAL

From the Journal of the American Medical Association, December 2, 1932, commenting on the majority report of the famous Wilbur committee on the costs of medical aid which favored voluntary insurance:

So definite was the trend of the committee's studies in this direction (insurance schemes and practice) that one must view the expenditure of almost $1,000,000 with mingled amusement and regret. A colored boy spent a dollar taking 20 rides on the merry-go-round. When he got off, his old mammy said: "Boy, you spent yo' money, but where you been? * * *"

The Journal has pointed out repeatedly that such practices will mean the destruction of private practice; that they represent the exploitation of physicians for gain of business; that they put medical schools into unfair competition with their own graduates; and that they are, in a word, "unethical." * * *

The alinement is clear—on the one side the forces representing the great foundations, public health officialdom, social theory—even socialism and communism inciting to revolution; on the other side the organized medical profession of the country urging an orderly evolution.

From the Journal of the American Medical Association, December 9, 1932, page 2035:

The physicians of this country are the only group with the knowledge, training, and experience necessary to practice medicine. Intent on their daily and nightly task of preventing disease, healing the sick, and ministering to the afflicted, they have given scant attention and but little of their time to a consideration of the way in which their work was being invaded by the octopus of big business. * * * This is the question of Americanism versus Sovietism for the American people.

OTHER SUPPORTING EVIDENCE

In 1934 the president-elect of the AMA attacked voluntary health insurance and predicted that the medical profession's future would depend on the defeat of the present trend toward general socialization, by which term he included voluntary health insurance. See History of the AMA, edited by Dr. Fishbein, page 424.

Dr. Olin West, a high-ranking AMA officer opposed voluntary insurance because it "has always been the forerunner of compulsory insurance," Journal of the American Medical Association, April 12, 1941, page 1085.

CALLED BLUE CROSS "HALF-BAKED"

Since the largest of all voluntary plans is the Blue Cross, let me recall some instances of organized medicine's earlier behavior. When Blue Cross began in 1933, local medical societies opposed it fiercely and received support from the AMA. The Journal of the AMA called Blue Cross "a half-baked scheme" and declared "all sorts of hospitalization insurance schemes" are the "mechanization of medical practice."

When the American College of Surgeons approved the Blue Cross plan in 1934, the AMA's ruling house of delegates promptly smeared the former organization, publicly condemning the college for "an apparent attempt to dominate and control the nature of medical practice." This blast was delivered because the American College of Surgeons was willing to experiment with voluntary prepayment plans for surgical care in approval hospitals and took a direct step toward this end in the face of AMA commands to the contrary—resolution adopted eighty-fourth annual session of the AMA, June 1934. Reported in the Journal of the American Medical Association, page 2195, June 19, 1934.

SAID VOLUNTARY PLANS UNWORKABLE

Organized medicine's resistance to the Blue Cross continued in the thirties. In 1934, the AMA's Bureau of Medical Economics undertook to prove why voluntary health insurance cannot succeed:

Without some form of compulsion voluntary insurance fails of its objective of distributing the cost of sickness among large classes of the population with even approximate fairness. The young and healthy will not join and the aged and sickly, if accepted, will raise the cost to a prohibitive point and, if rejected, remove protection from those most in need. Sickness insurance cannot distribute the burden of sickness among the low-income classes unless it is compulsory. Most of the so-called voluntary schemes have a large element of compulsion in them. This may take the form of making membership in a labor organization or even, as formerly in Denmark, to a certain degree a condition of citizenship. That all such indirect compulsion finally proves ineffective would seem to be indicated by the recent action in Denmark. This country, which has long been hailed by the defenders of the voluntary system as an example of successful operation without direct legal compulsion (although it exercised various forms of indirect compulsion so effectively as to include a larger percentage of the working class than most of the formally compulsory schemes) has adopted a thorough compulsory system, which went into effect October 1, 1944.

FORBADE COOPERATION

As late as 1940, the Wisconsin State Medical Society forbade its local societies to cooperate with Blue Cross. Even today local and State medical society publications are replete with items referring to the animosity of some doctors to voluntary insurance and the efforts of medical cliques to dominate the Blue Cross organization.

Medical Economics, a trade publication which stanchly supports the American Medical Association, has not been able to swallow the AMA's protestations of devotion to voluntary plans. I quote from an article entitled "The Political Makeup of the American Medical Association" which addressed itself to the remarks of Dr. Irons, a past AMA president.

There is no questioning Dr. Irons' sincerity. But it is difficult to reconcile with actuality the popular fiction, which Dr. Irons supports, that the AMA has always fostered experimen ation in voluntary prepayment plans. The fact is that the AMA did nothing positive to encourage voluntary health insurance until the formation of associated medical care plans only a year ago, though in 1938 the house of delegates had enunciated certain principles approving voluntary hospitalization plans, reversing an action taken 5 years previously when the plans had been roundly condemned. During the early struggles of the plans, many State and county societies, far from aiding in their development, actually opposed them; and it is reported reliably that AMA officers from time to time expressed consternation at their growing popularity. To Blue Cross executives, among others, the doctrinaire view crediting the AMA with early sponsorship of experimental voluntary prepayment programs emerges as a simple untruth (February 1947, p. 84).

For example, the Louisville Courier-Journal, September 28, 1950, quotes a colleague of Dr. Henderson, Dr. R. Haynes Barr, of Owensboro, Ky. As chairman of the Kentucky Medical Association's campaign committee for "education" in the virtues of voluntary health insurance, Dr. Barr declared that the medical societies "are giving this valuable weapon against socialized medicine nothing more than lip service."

DR. HAWLEY'S LAMENT

Dr. Hawley, chief executive officer of the Blue Cross-Blue Shield commissions, has been frank in telling the national leaders of organized medicine that they must abandon the hostility and indifference to voluntary plans. On June 20, 1948, he told the presidents and officers of State medical associations:

Our national leaders seem to be purposefully blind to the social changes that are taking place. It is impossible to halt a movement by merely refusing to recognize its existence; and this movement toward extending the benefits of adequate medical care to all of our citizens has already gained too much momentum to be halted by any means. The last hope of American medicine lies in abandoning our present position in the rear of the column, where we have been holding back, and establishing ourselves firmly in the forefront, where we can guide and direct the movement into paths that are the best for our people as well as best for our profession. I emphasize that the welfare of our people must be given at least as much consideration as the welfare of the health professions. Too many physicians regard medical care as their exclusive prerogative. We must recognize that the consumer of medical care also has a great stake in it; and, if there has existed any doubt as to this, it should have been dispelled by the deliberations of the National Health Assembly, held in Washington early in May 1948.

The demand for more comprehensive medical care and for an effective means of budg-

eting its costs has grown within 10 years from a whisper to a roar. Our people will not be denied much longer. If the medical profession does not at once assume the leadership, if it does not at once cease its double talk and double dealing with the voluntary nonprofit prepayment plans and throw its influence squarely and honestly behind these plans, we are going to have compulsory Government health insurance in this country within 3 years.

We cannot afford to waste any more time in fruitless discussions that lead us nowhere. We must decide right now whether we are going to unite in this effort; and if we are, we must cease all delaying and obstructive tactics.

PATENT INSINCERITY REVEALED

All this documents the hostile attitude of the American Medical Association, which now poses as the great defender of the voluntary plans. The patent insincerity of that pose is best revealed by the current history of some of the Nation's most outstanding consumer-sponsored voluntary plans. This entire subject has been thoroughly documented in a report entitled "Restrictions on Free Enterprise in Medicine," published by the Committee on Research in Medical Economics. It outlines some of the instances where consumer plans were forced to resort to court action to gain relief from AMA harassment.

In 1929, Dr. Michael Shadid, together with a group of farm people at Elk City, Okla., began the organization of an ultimately very successful cooperative hospital and insurance plan. The local and State medical societies retaliated with a fierce personal onslaught upon Dr. Shadid, culminating in an attempt to have his license to practice revoked.

At about the same period, the Ross-Loos Clinic in Los Angeles, a well-established private medical group, upon request undertook to furnish prepaid service to some large organized bodies of employees. The local medical society promptly took adverse action, expelling some leading members of the group, even though one of them was a former president of the society. After a long struggle, the expelled members were reinstated. More frequently, the outcome has been the other way, the doctors giving up connection with the prepayment plan, or declining to go ahead with the lay group seeking to organize it. Many plans have thus died aborning.

There follows the description of suits now pending in the courts of two States which rather fully illustrate the methods of medical society restrictive actions.

UNITED STATES OF AMERICA V. OREGON STATE MEDICAL SOCIETY

On October 18, 1948, the Attorney General of the United States filed a complaint against the Oregon State Medical Society, the Oregon Physicians' Service (the physicians' insurance plan), various county medical societies in the State of Oregon and certain individual officers of the above-named organizations. This complaint charges that the defendants have been engaged in a combination and conspiracy to restrain and monopolize the furnishing of prepaid medical care.

The specific charges illuminated the methods believed to have been employed. It is charged that the defendants have—

"(a) Hindered and obstructed prepaid medical-care organizations in their attempts to procure and retain qualified doctors to cooperate with them;

"(b) Expelled, threatened, and incited the expulsion from medical societies of doctors cooperating in prepaid medical care plans other than those sponsored or approved by the defendants;

"(c) Formed and promoted their own prepaid medical care plans with the intent to drive out, hinder, and obstruct other commercial medical care plans operating in the State of Oregon;

"(d) Interfered with commercial prepaid medical care organizations other than those sponsored or approved by them in obtaining hospital facilities for their members;

"(e) Refused to treat patients and have caused others to refuse to treat patients who are members of a prepaid medical care plan not endorsed by defendants unless the patient pays cash;

"(f) Refused and encouraged other doctors to refuse to give patients who are members of a prepaid medical care plan not endorsed by the defendants itemized statements that will enable the patient to be reimbursed under the plan to which he has subscribed;

"(g) Refused to consult or assist and have encouraged others not to consult or assist doctors who treat members of a prepaid medical care plan not endorsed by them;

"(h) Spread false propaganda among doctors, hospitals, and the general public for the purpose of discrediting any prepaid medical care plan not endorsed by them;

"(i) Agreed among themselves and with others not to compete with each other for prepaid medical care business or with other similar organizations approved by or affiliated with them, and

"(j) Succeeded in making hospital facilities in Oregon available only to members of defendant Oregon Medical Society and its component county medical societies, and have restricted and excluded other qualified doctors cooperating in prepaid medical plans other than those sponsored or approved by the defendants from access to such facilities."

COMPLETE SERVICE BUREAU VERSUS SAN DIEGO COUNTY MEDICAL SOCIETY

In October 1948 a suit was brought against the San Diego County Medical Society and a number of individual members of the society in the California State Superior Court. The complainants were the Complete Service Bureau, a nonprofit medical prepayment plan sponsored by an organized body of subscribers; and three physicians associated with the bureau.

For over 10 years, the complaint declares, the society has endeavored to obstruct or destroy this health insurance plan. Specifically, the San Diego County Medical Society, continue the charges, has closed its membership to all physicians engaged in service to the members of the Complete Service Bureau, and has sought to visit on such physicians complete business and social ostracism. Medical society members are not allowed to hold professional consultations with them. The bureau doctors are completely barred from the major hospitals of San Diego County, and so are their patients.

Some of the more interesting refinements of the monopolistic practices alleged in the San Diego case are: The medical society, during the year 1947 and since, has attempted to poison the minds of the public against nonmembers of the society. It does this by publishing paid advertisements in the current editions of the San Diego telephone directory, designating the members of the San Diego Medical Society among the physicians listed in the directory. The advertisement contains statements which seek to give the impression that nonmembers of the society are not qualified to practice medicine, do not possess professional qualifications and moral character and do not conform to standards insuring the highest possible quality of service to the public.

Furthermore, read the charges, a medical society sponsored whispering campaign against the bureau has been in progress since 1947. The society members, nurses, employees, and members of their families frequently cause to circulate belittling and derogatory remarks of nonmembers, referring to them as "quacks" and their groups as "outfits" and the prepaid medical plan as a "scheme."

As a consequence, the complaint continues, the Complete Service Bureau has had difficulty in obtaining physicians for its insurance plan, although the bureau has sought for such physicians through various agencies throughout the United States and through advertising in medical periodicals, as is customary in connection with positions open to doctors.

SUPREME COURT UPHOLDS CONVICTION OF AMA

The legal background of the Oregon and San Diego cases is set in perspective by the Group Health Association case. In January 1943 the United States Supreme Court affirmed the conviction of the American Medical Association and the District of Columbia Medical Society for violation of the Sherman Antitrust Act.

This story began in 1937, when several hundred employees of the Federal Home Owners' Loan Corporation living in Washington formed a nonprofit cooperative organization—the Group Health Association. They obtained a grant of $40,000 from the HOLC, equipped a clinic, engaged doctors, assessed themselves monthly prepayments, got medical care and hospitalization for their members and families, and looked for more members in other Federal agencies.

The District of Columbia Medical Society first attacked the association on legal grounds. The Group Health Association was improperly engaged in the insurance business and in the "corporate practice of medicine," the society declared; but a district court upheld the Health Association's legal position.

Then came direct action by the society. The association's doctors were refused either admission to the medical society, if they came from outside, or if they already were inside, they were expelled from membership. They were refused opportunity to treat association patients in local hospitals. Stories of sick people denied treatment, consultation, or operation appeared in the press. Some of the participating doctors resigned from Group Health but most stood by. Membership grew, public pressure to make local hospitals change their policy mounted, and then, late in 1938, the Department of Justice brought a criminal suit against the American Medical Association, the District of Columbia Medical Society, two other local medical societies, and 18 individual doctors prominent in one or more of these organizations.

The district court convicted and fined the District of Columbia Medical Society and the American Medical Association. The other defendants were acquitted. After their conviction, the case was appealed by the defendants to the Supreme Court.

The unanimous decision handed down by the United States Court of Appeals for the District of Columbia is most revealing in its explanation of the legal, economic, and social issues involved in the Group Health Association and similar cases.

Others who have actively promoted voluntary plans can document through their own personal experience the fact which Dr. Henderson and the AMA seek so ineffectually to deny; namely, that organized medicine has long harassed and still harasses those voluntary plans which it cannot control. Let me quote from the testimony presented in May 1950 to the Senate Subcommittee on Health of the Committee on Labor and Public Welfare. The speaker is Mr. Horace R. Hansen, general counsel, Cooperative Health Federation of America.

As an enthusiastic supporter of voluntary insurance plans, Mr. Hansen would certainly be well qualified to give the lie to my statement if he found organized medicine an ally, rather than an opponent, as I have stated.

Let us see whether Mr. Hansen's testimony supports or refutes Dr. Henderson:

Mr. Hansen testified in support of S. 1805, a bill embodying the President's recommendations to help voluntary plans in rural areas. This bill is sponsored by Senator HUBERT H. HUMPHREY, Democrat, Minnesota.

HANSEN TESTIMONY

I am frankly very, very surprised that there is any opposition by the American Medical Association or any State society to a bill of this type. I have represented the consumer-sponsored plans and organizations designed to develop them for 12 years, and during that time I have had many negotiations with county societies and State associations and with the American Medical Association. At first there was objection on the part of the profession simply to the idea of prepayment. It was an idea tending toward socialism 10 years ago. The idea simply of budgeting for the cost of unpredictable illness.

Now we find that everyone on all sides and the profession and everybody else agrees to the idea of prepayment. I submit the only question involved in all this controversy is: Who controls the money? And I do not say that lightly, and I want to prove it.

The statements of Dr. Martin and Dr. Erickson pick at the details and ignore the problem. The medical associations and the AMA have said repeatedly, "We are for any good voluntary plan which will produce good medicine. We are opposed to compulsory medicine."

Dr. Erickson, for example, says: "We in Minnesota are proud of the fact that Minnesota is willing to experiment with various types of medical and hospital care plans."

CHARGES FALSEHOOD

That simply is not true, and as long as this has come out, I want to state bluntly how those of us who are in this consumer-sponsored idea feel about this opposition. We have tried in Minnesota in three sessions of the legislature to get a simple enabling act that says people can get together, form a nonprofit association, and make voluntary contracts with doctors. There are plenty of safeguards, State insurance department regulations and all, but there is bitter opposition by the State medical association. There again it was a picking of the details and an ignoring of the whole problem. There isn't any question in my mind that all of these things that are raised by the medical association like lack of freedom of choice, class legislation, and control, or influence by the Surgeon General, are nothing more than techniques used to defeat consumer-sponsored plans and that the real interest of the medical associations is to put down any competition to their own Blue Shield plans. They want to control all medical dollars.

The fight comes right down to the point of not ethics or standards or anything of that kind, but strictly a straight question of economics—whether organized medicine has complete and exclusive control or whether laymen who pay the bills should have some control.

We have no quarrel with the Blue Shield plans, but we think they are inadequate for a lot of reasons. Those plans are catastrophic type of care in most cases. They do nothing by way of improving the standards of the practice of medicine. They do nothing by way of developing group practice, which most doctors would agree is the best way to deliver modern medicine. They do nothing by way of encouraging or doing anything about preventive medicine.

But we say that for all of the reasons I have stated, the Blue Shield plans are very deficient and will never solve the whole problem. What we object to is that the medical profession insists upon monopolizing the field of prepayment.

I have written an article in the current Iowa Law Review of the Iowa University, in which I have listed the restrictive State statutes which State medical associations have obtained and have illustrated the discriminatory practices of doctors—that is, the medical societies—against participating doctors in consumer-sponsored plans.

At the present time the Department of Justice is prosecuting the Oregon Medical Society and several local societies because in Oregon they will not permit laymen to come into the field of prepayment medicine and have anything to do with it. All the laymen want is to have something to say about the financial administration, nothing with the medical part, but just with the financial administration.

DISCRIMINATION SHOWN

The doctors there in organized medicine have discriminated against the doctors in these plans by expelling them from the society, with all of the attendant abuses that the doctor gets as a result of it, the lack of ability to get consultative specialist services or to use the hospitals and so on.

There is another action pending in the State of Washington under the State antitrust laws against the King County Medical Society for the same thing, and in San Diego under the State antitrust law against the San Diego Medical Society. I might say that I have personal knowledge of other prosecutions that will occur in the future in which investigations are now being made.

There is this widespread discrimination, professional discrimination, by the medical societies against participating physicians in plans of this type, as well as the continuous effort by medical societies to get special restrictive legislation giving them complete monopoly in the prepayment field at the same time fighting every attempt we make to get equal or parallel opportunity.

Now, our whole point, Senator, in this—and I am sorry that this had to come into this hearing—is that there should be the same freedom to experiment in this field as in any other segment of the American economy, that there be freedom for the Blue Shield to operate and freedom for our plans to operate too, and that public acceptance be the guide for development in this field of voluntary medical care plans.

That is the American way. I think any restrictive monopolistic practices are obnoxious to our democratic sense, our spirit of free enterprise, and they should be permitted to exist.

ASKS FREEDOM FOR VOLUNTARY PLANS

I think that doctors should accept experimentation in this field with the same spirit in which they accept experimentation in their own medical sciences and that experimentation in the voluntary field is the only way we are going to make any progress. I think if this sort of thing continues we are all going to throw up our hands and say, "All right, we didn't want compulsory health insurance but now since we are blocked at every turn in the road, there is nothing to do but join hands, go down to Washington and ask for compulsory health insurance."

As I noted previously, S. 1805 proposed Federal aid to voluntary nonprofit health-insurance plans. Most of these are in rural areas and have been handicapped by lack of adequate facilities. An administration Senator sponsored the measure. National organizations which support compulsory health insurance favored it.

AMA OPPOSES VOLUNTARY PLAN HELP

And what was the attitude of the AMA—the self-appointed great defender of voluntary health insurance? First, Dr. Walter B. Martin told the Senate subcommittee in behalf of the AMA, May 10, 1950, that these plans required no aid:

I believe that they would oppose, and rightly so, any suggestion that either Federal or State participation is needed or desirable in carrying out their programs.

Again the AMA speaks as the final arbiter of medical economics. The testimony of spokesmen for these rural health cooperatives did not cause Dr. Martin or the AMA to alter their myopic views.

RAISES OLD BOGEYMAN

Dr. Martin raised again the AMA's favorite bogeyman—socialized medicine. He said:

The bill, if enacted, will not only provide Federal funds for the construction of facilities by membership organizations which will be available only for use by members but will also definitely share the medical-care plans that must be put into operation to qualify the applicant organization for Federal funds. Stated otherwise, Federal direction and control over these medical-care plans will not merely be a possibility but an actuality.

While this bill would apply to a relatively small segment of the population, its enactment would set a pattern of that Federal direction and control over medicine proposed by another measure before your committee, S. 1679, under the provisions of which the providing of medical care to practically the entire population would be federalized and socialized. Many of the fundamental objections to the latter measure are equally applicable to the pending bill.

As further proof of how the AMA's lip service to the voluntary way is rejected by the leaders of consumer-sponsored voluntary plans, let me quote from the statement of October 19, 1950, made by former Congressman Jerry Voorhis, executive secretary of the Cooperative Health Federation of America. This statement was made while the AMA's $1,110,000 advertising campaign was endeavoring to befuddle the American people into believing that the AMA supported voluntary plans:

VOORHIS STATEMENT

The American Medical Association, in one of the biggest advertising campaigns in the Nation's history declares that the voluntary way is the American way. Millions of doctors and patients and potential patients wish the AMA would be consistent. The unfortunate fact is, however, that AMA appears to favor voluntary action only when AMA controls the action. The Cooperative Health Federation of America and other organizations of consumers of medical care have reluctantly been forced to this conclusion.

In State after State organized medicine, that is the State AMA affiliate, has succeeded in recent years in getting legislation passed which virtually forbids the people to take any voluntary action to solve their problem of how to pay for modern medical care. Time and again prepayment plans have been organized by voluntary groups of people only to find that their proposal to share together the risks of illness was against the

AMA-sponsored law. To their credit be it said that the Wisconsin Medical Society supported in 1947 an enabling act for that State which reversed this situation and that the Illinois Medical Society gave support to a somewhat similar bill which failed of passage, however, in the legislature of that State in 1950. But Wisconsin and Illinois are exceptions to the general rule. The AMA as a national organization has yet to lift a finger in opposition to laws on the statute books of nearly a score of States which prevent the people taking voluntary action on their own behalf in the field of medical economics.

And the fact is that these plans do not start to benefit anyone until he is so sick he has to go to the hospital. What the people have been trying to do through their genuinely voluntary plans is to cover the major costs of medical care, which are physicians' services, and to provide themselves with such access to preventive medical care as will keep them out of hospitals in the first place.

One is tempted to ask the AMA just who it thinks should have the right to use the voluntary way. Certainly AMA does not refer to doctors when it says this, because doctors with unimpeachable professional qualifications who associate themselves with voluntary group health plans are, except in rare instances, discriminated against, denied admission to medical societies. Where is their right to voluntary action? Certainly AMA does not refer to the people of New York City whose completely voluntary health insurance plan providing comprehensive care to over a quarter of a million people has been under constant AMA attack. The same could be said of the people of many other communities, urban and rural alike. Certainly AMA does not favor the voluntary way for our hospitals, because at its last meeting AMA attempted to dictate to every hospital in the country and say that none of them could have professional people on their full-time staffs. And certainly the AMA is not concerned about the opportunity of medical schools to train an adequate number of physicians, nurses, and technicians nor about the right of people to voluntarily enter the medical profession. For the AMA has opposed the aid to medical education which is so sorely needed especially by the non-tax-supported medical schools if they are to keep their doors open.

The Cooperative Health Federation exists to promote the use of the voluntary method by the people in solving their economic problems involved in the high cost of modern medical care. But voluntary action should be available to all the people and in view of its public record the lip-service of AMA to the principle of voluntarism sounds hollow indeed. The American Medical Association has no right to a monopoly of the opportunity to act in accordance with the voluntary way. The rest of us are Americans, too.

A BRIEF OF THE EVIDENCE

Let me sum up in brief the evidence against the AMA on voluntary plans:

First. There are the statements in its official publication, the Journal of the AMA, attacking the early voluntary plans.

Second. There is a record of restrictive legislation against consumer-sponsored voluntary plans in more than a score of States.

Third. There is the record of court cases including a unanimous United States Supreme Court decision sustaining a conviction against the AMA. Other cases are now before the courts in California, Oregon, and Oklahoma by consumer plans seeking relief from the harrassment of organizated medicine.

Fourth. There are the official statements and testimony of spokesmen for consumer-operated voluntary plans regarding the AMA's lip service to the voluntary way.

Fifth. There is the present opposition of the AMA to S. 1805—a measure to aid voluntary rural health insurance plans.

I challenge Dr. Henderson to present these facts to the 145,000 members of the AMA and prove his charge of falsification.

DR. HENDERSON AGAIN

Here is Dr. Henderson on workmen's compensation:

It might interest Mr. BIEMILLER to know that the association never opposed the principle of workmen's compensation legislation. Any statement to that effect is a deliberate untruth, aimed to mislead the American workingman. During the formative period of this legislation, the American Medical Association did contend that there were certain inadequate provisions for the supplying of medical care to injured workmen, and pointed particularly to the absence of any right given to the injured workman to select his own physician. That stand of the association was to protect the workingman and not to challenge any benefits he might receive.

As in the two previous cases, Dr. Henderson is quick to cry "falsification," "untruth," and so forth, but then is forced to corroborate my statements in the next breath.

NO ALTRUISM INVOLVED

Here is documentation to prove that organized medicine opposed workmen's compensation, and not on the altruistic grounds of concern for the best interest of the American workman. I quote from One Hundred and Forty Million Patients by Carl Malmberg, former information specialist for the United States Public Health Service and a former chief investigator for the United States Senate Subcommittee on Health and Education:

The medical societies were among the most bitter opponents of workmen's compensation when that reform was first proposed. William Green, president of the American Federation of Labor, was a member of the Ohio State Legislature at that time, and he says, "Now I recall in those days when the medical profession came in in groups and the employers came in in groups and said, 'This will drive us out of Ohio. It will confiscate our property, destroy our profession. It is socialism in the most violent form.' That was back in 1912. Today the employers in Ohio, the medical profession, and labor, are united in support of the bill."

AMA FOUGHT GROUP PRACTICE

Let me quote Dr. Henderson on another charge:

Mr. BIEMILLER said, too, that the American Medical Association fought group practice. * * * The statement actually is silly. The American Medical Association has consistently fought for the highest type of standards in group practice. When any group-practice plan was tied in with a questionable insurance scheme or when a patient was restricted to a particular group of doctors by his insurance policy or when any group-practice plan restricted a patient in the free choice of a physician, the association was never hesitant in voicing bitter objection. This was done in the sole interest of better medical care for the patient.

Again, Dr. Henderson abrogates to the AMA supreme power to decide the economic and social aspects of medical care. In his authoritative volume, Voluntary Medical Care Insurance in the United States, Dr. Franz Goldmann, associate professor of medical care at the Harvard School of Public Health, wrote:

Actually, many of the physicians who in the thirties assumed the leadership in organizing group-practice plans were punished for their action. They were expelled from their medical society and consequently lost the hospital privilege, teaching appointments, opportunity for consultation, the right to accreditation by specialty boards, and the possibility of taking out malpractice insurance policies or obtaining malpractice defense without great cost. Their hospitals were removed from the list of hospitals registered by the American Medical Association.

Let me cite another authority. Louis S. Reed, former member, research staff, committee on costs of medical care, in his book, Health Insurance, states that the AMA's pronouncements about group practice are "so broad that practically any contract arrangement which offers troublesome competition to the private practitioners in a community may be found unethical. Evidence abounds that in community after community the code of ethics has been used as a club to break up contract arrangements which were highly satisfactory to the public served."

Much the same evidence is presented by Oliver Garceau in his volume, The Political Life of the American Medical Association. If further proof is wanted, consult James Rorty's America Mobilizes Medicine, Michael M. Davis' America Organized Medicine, and Medicine at the Crossroads, by Dr. Bertram M. Bernheim, associate professor of surgery, the Johns Hopkins University, and Carl Malmberg's One Hundred and Forty Million Patients.

Now, let us move on to the next charge. Dr. Henderson denies as outright lies that organized medicine opposed vaccination against diphtheria and other contagious diseases by public-health authorities. Dr. Henderson declares that the house of delegates never adopted such a stand and that it did not oppose the reporting of communicable diseases to public-health authorities. He cites in defense a 1925 resolution endorsing preventive medicine, a 1905 resolution commending the American Society for the Control of Cancer, and the work of the woman's auxiliary to the AMA to prevent and eradicate tuberculosis, especially among children. He further states that my comments about venereal disease clinics are ridiculous.

RECORD IS REFUTATION

Again, the record of organized medicine's own actions refutes the statement of its president.

Here is what Louis Reed reports in his book, Health Insurance, Harpers, pages 170–171:

Prior to the depression physicians opposed, but not vociferously, the encroachments of public-health departments upon the private practice of medicine. Physicians were prosperous enough not greatly to mind the nibblings of public-health agencies. There was enough friction, however, to cause public-health officials to be diplomatic in initiating any new activity, lest they incur the

wrath of local private practitioners. However, as the depression deepened and private practices dwindled, physicians cast jealous eyes at those who in increasing numbers sought free care from public-health agencies, hospitals, and clinics. And all over the land doctors protested against, and took steps to lessen, governmental competition with private practice. Thus in 1933 the Indiana State Medical Society had its way in a reorganization of the State health department. The society thus announced its victory—as quoted by Mary Ross, Health Inventory, 1934, Survey Graphic, January 1934, page 39:

"There is no need to disguise the fact that there has been * * * considerable cause for criticism of the broadening activities of this branch of government. Attention has been particularly directed toward the work of the Division of Infant and Maternal Welfare, the Hygienic Laboratory, and the subsidization of venereal clinics in different parts of the State. Not only have those branches cost a considerable sum of money, but they have also entered into forms of medical practice which have essentially put the State in competition with the practitioners of medicine. * * * The present set-up is designed to correct these abuses, improve the quality of the proper services of the State board of health, and to effect a saving of probably $75,000 a year.

"Obviously it is impossible for everybody in such a rearrangement to get everything that he might desire. It certainly seems, however, that the organized physicians of the State now have pretty nearly everything that they can reasonably ask."

Louis Reed continues:

All over the country physicians have demanded (1) that health department clinics refuse all patients who by any possibility could pay a private physician for their care; and (2) that services to indigent patients be provided by private practitioners paid on a fee for service basis, and not by salaried physicians in clinics. The method of remuneration would be immaterial to health departments were it not that in the case of most types of services to ambulatory patients, the latter method is by far the more economical. For instance, health departments have tried both methods in immunizing children against diphtheria and in treating patients with venereal disease. Experience has demonstrated that even though private physicians are willing to take as low as $1 a visit, the cost will be considerably more than the cost of providing the services through salaried physicians in clinics.

EXAMPLE FROM RORTY VOLUME

James Rorty furnishes another concrete example of organized medicine's opposition to the development of public health measures in the field of tuberculosis, diphtheria, and other communicable diseases:

During the years 1923–28, the Milbank funds supplemented the health budget of Cattaraugus County, N. Y., by subsidies amounting to half a million dollars. It sought persistently to cooperate with the local medical socity. It paid salaries and gave fellowships to many of the local doctors. It accomplished a highly successful and important demonstration which Prof. C. E. A. Winslow, of Yale, has called one of the most effective and inspiring contributions made to the care of rural public health anywhere in the world. As a result of a 5-year organized attack on infant and maternal mortality, tuberculosis, typhoid, diphtheria, the mortality rate for all these diseases dropped sharply and Dr. Winslow estimated a dividend of approximately 100 percent on the money invested by the fund and by the county.

Seemingly, the county board of health, the board of supervisors, and the taxpayers pretty much agreed with Dr. Winslow's appraisal. Because they backed the project and voted overwhelmingly to increase the county's per capita expenditure out of local taxes for public health work.

It sounds like a success story and a feather in the cap of John A. Kingsbury, who was secretary of the Milbank fund during this period. It was—with this rather important qualification: the demonstration gave rise to a long and bitter holy war, conducted by a minority of the local physicians, who felt that the fund had trespassed upon the sacred preserves of private medicine. * * *

Yet this minority of a minority was permitted by their colleagues to attack the motives, the conduct, and the results of the demonstration and to appeal in the name of the County Medical Society to the State Medical Society and to the board of trustees of the American Medical Association. In the course of the controversy they disseminated far and wide among the American medical profession a series of yellow, blue, pink, and brown books, much after the manner of warring nations justifying to the world at large their political and diplomatic turpitudes and imbecilities. I quote from the Brown Book, issued in August, 1928:

"The whole future of public health work and preventive medicine in the United States is being molded and charted by the controversies which are going on in Cattaraugus County. * * * The drift toward paternalism and pauperization is strong. The tendency toward socialization of medicine is openly avowed by many supporters of the Milbank group. * * * Our medical society thinking primarily of the good of the general public, can honestly do nothing else than protest * * * against such quackery. * * * Cattaraugus County has been the Lexington and Concord of a great battle which must presently be fought out in every corner of the country."

A PHYSICIAN SPEAKS OUT

And again, on page 254, Rorty writes:

It is notorious that from the very beginning the public health services have had to fight the opposition of medical politicians, organized in the local medical societies. On this point we have the testimony of a professor of surgery in a grade A medical school in New York City, quoted in American Medicine, who writes:

"It is well known that the doctors have persistently opposed every measure that has been conceived and dedicated to increasing the health and longevity of the community. We opposed the establishment of boards of health, we opposed the reporting of communicable diseases, and we have opposed practically every step along the arduous course of the public health movement. We are not unlike the weavers in the great industrial centers in England who organized mob parties to go in and destroy the newly-made machines. They argued that 1 machine run by 1 man can produce an output equal to the labor of 10 men. Therefore, 9 men must obviously be thrown out of work. History records that this assumption was fallacious."

The physician quoted above says "We," speaking regretfully for the profession as a whole. But other contributors to this survey make a sharp distinction between the profession and its reactionary politicians. A middle western practitioner, president of a clinic, writes:

"Our local State and national health boards, while having the support, advice, and association of outstanding physicians, find in general that one of their constant and most difficult problems is to overcome the opposition of local medical societies to such health measures as the health departments deem necessary to public welfare. There are cases where public health officials have had to resign from local societies because of their opposition to the health measures instituted."

SOCIETIES REGIMENT PHYSICIANS

Further corroboration comes from Malmberg, who states:

Medical societies not only attempt to regiment physicians in private practice, but they often attempt to lay down rules for public health departments as well. Free immunization against communicable diseases, which has done so much to reduce death rates, was bitterly opposed by organized medicine, and still is in many instances.

Malmberg cites an example of organized medicine's continuing hostility to the work of Maryland public health clinics in administering without charge the anti-Rocky Mountain fever developed and distributed at public expense by the United States Public Health Service. The doctors objected to this "encroaching upon their private practice," according to the May 12, 1947, issue of the Washington, D. C., Evening Star.

SUSPECTS LOCAL HEALTH UNITS

Organized medicine still views local public health departments, fearfully jealous lest their extension make inroads upon the practitioner's paid services. The AMA currently opposes a measure now before Congress to strengthen our local public health units through Federal funds. Although this measure passed the Senate unanimously last year, the AMA views it in the same category as Federal aid to medical education—as "the back door to socialized medicine."

Another charge to which Dr. Henderson takes violent exception is my citing AMA opposition to the American Red Cross plan of 1949. That plan called for a Nation-wide reserve of civilian blood banks. Actually, Dr. Henderson does not attempt to disprove my statements, even though he presumably includes them among the "outright lies." Instead, he replies that the AMA's board of trustees approved the plan "in principle, even before it was publicly announced."

AMA TACTICS ON BLOOD BANKS

The AMA's tactics on the American Red Cross plan somewhat resembles its shifts on aid to medical education; it is not embarrassed to be on all sides of the question and then later, triumphantly single out the position which in the light of history, causes them least embarrassment. I quote one of the AMA official statements which should not be forgotten.

Said the Journal of the American Medical Association, January 17, 1948, page 190:

A vast civilian free blood bank is considered not the proper function of the American Red Cross.

The editorial specifically condemned the plan because it would eliminate the customary fee private practitioner's charge for transfusions.

LOCAL SOCIETIES JOIN IN

A number of local societies, as I indicated August 30, went further. Said the New Orleans Medical and Surgical Journal in March 1948:

The American Red Cross, while not politically dominated, operates with Government sponsorship, not with tax money but

with public subscription. The allotment of blood and its products by the American Red Cross should ultimately lead to the effect of having the Red Cross practice medicine. The transition from this arrangement to state medicine could become an imminent danger.

I also cite for Dr. Henderson's benefit an even earlier example of the AMA's rather tart approach to some Red Cross activities. Declared the board of trustees in 1922:

The public health activities of the American Red Cross are no longer necessary, and if continued, are likely to promote community irresponsibility.

That appears on page 285 of the AMA Index and Digest of Official Action.

NOTEWORTHY OMISSIONS

It is pertinent to note that while Dr. Henderson told 145,000 members of his association that all my charges are "outright lies," he made no reference whatsoever to three instances I cited:

First. Organized medicine's opposition to the first bills to grant Federal aid to the States to reduce infant and maternal mortalities—a step by the Federal Government which the AMA labeled as "bureaucratic interference with the sacred rights of the American home, unsound in policy and tending to promote communism."

Second. Organized medicine's jaundiced view of the Social Security Act, which the board of trustees viewed as "the first step in the breakdown of American democracy, a beginning invasion by the state into the personal life of the individual."

Third. Organized medicine's varying degrees of hostility toward such great foundations as the Rockefeller Foundation, the Rosenwald Fund, the Commonwealth Fund, the Millbank Memorial Fund, the Twentieth Century Fund, and the American Foundation. It termed some of these efforts in the development of medical research and knowledge which resulted in tremendous health gains for all people "lay interference and intrusion."

MEDICAL CENSORSHIP

Will this documented reply to Dr. Henderson appear in the pages of the Nation's medical press? I am not hopeful, for sad experience proves that the leaders of organized medicine—despite their talk about conducting a national education campaign—are most afraid of education and the spread of ideas. They do not wish to meet their critics in full and open debate now any more than they have in times past.

Let me cite but one instance to illustrate the stubborn refusal of the AMA leaders to allow their membership opportunity to hear the other side. Almost 2 years ago—February 8, 1949, to be exact—in an address to the representatives of 13 great national organizations dedicated to the improvement of social legislation, I presented the case for a national health program as called for by the President, and stated:

Time and again, the AMA has been called upon by those in Congress and by representatives of public interest organizations for a legislative program to help secure a more equitable distribution of medical care. I should like to echo that call again, but I do so with little hope of receiving any constructive reply. But in addition to this, I would like to address a request publicly to Dr. Morris Fishbein, editor of the Journal of the American Medical Association, and often regarded as the spokesman of organized medicine. I ask him in the public interest and in fairness to an ever-growing number of responsible members of the American Medical Association who favor national health insurance to open the pages of the Journal to a fair presentation of both sides of the issue.

The standards of fair journalism and public interest require at the least that the existing iron curtain of censorship be lifted from the pages of the Journal of the American Medical Association so that the American doctor may find full and fair discussion of the pros and cons of this significant issue.

CHALLENGES UNMET

That challenge, and every subsequent challenge has gone unmet. I have no hope that the spirit of fair play will suddenly prevail now so that the hardworking physicians of this country will see this reply to Dr. Henderson. However, the gravity of our national health needs and a steadfast reliance upon the ability of the truth ultimately to prevail, compels me to bring further important facts to the attention of the individual doctor. Medical iron curtains notwithstanding I am confident that this information will pierce barriers, will seep, trickle, and flow around every obstacle. With a slowness that is agonizing, but a surety that is heartening, the facts shall become known to America's 150,000,000 patients and 200,000 doctors.

Can Dr. Henderson and the leaders of the AMA's national education campaign be proud of having founded their multimillion-dollar efforts on a false keystone? Indeed, the theme of the AMA's campaign has been grounded on a quotation that is demonstrably false and irrelevant. The AMA has circulated millions of leaflets embodying this false statement which they attribute to Lenin:

Socialized medicine is the keystone to the arch of the Socialist state.

NO DOCUMENTATION

I have called attention before to the fact that the greatest research library in the world—the Library of Congress—stated:

All our efforts to trace this or similar statements by Lenin have been to no avail.

The Russian specialist of the University of Chicago reported a similar failure. When I asked the president of the Wisconsin State Medical Society for complete documentation, he replied:

I am very sorry, indeed, that I cannot document this quotation.

This total lack of authenticity has not prevented Whitaker and Baxter from continued circulation of this spurious quotation. How can organized medicine expect to be received in good faith when it continues to sanction such tactics?

ASKS DR. HENDERSON TO REPLY

There is a long list of other instances in which organized medicine has misrepresented or permitted its spokesmen to misrepresent or condoned misrepresentations about the President's national health program to the public. For the sake of brevity, I ask Dr. Henderson to reply to each of these cases:

First. Has not the secretary of the British Medical Association repeatedly charged American medical spokesmen with misrepresenting the attitude of the BMA toward the British National Health Service?

Second. Has not the American Medical Association been publicly castigated by Raymond Rich Associates whose public relations services it had employed for 17 months? Did this reputable organization not issue its public statement of resignation sent to all AMA officers and Members of Congress as follows:

The very integrity and sincerity of the association are at stake. * * * Stated simply, the association has yet to take unequivocal and effective action on the policies which it adopted on our recommendation last year; to seek the truth on the economic and social aspects of medicine, to put the public first, and to become adequate to its responsibilities.

Third. Is the American Medical Association proud of the endorsement its journal accorded the National Physicians Committee—an organization which engaged in so many questionable practices that it was finally disbanded as a result of protests from thousands of outraged physicians?

Fourth. Is the American Medical Association proud of the record of its national educational campaign directors in making wholly unsubstantiated charges that in their own wild words, "a police arm of the Government" was "in a campaign to discredit American medicine and terrorize physicians into abandoning their opposition to compulsory health insurance." Were not these charges so palpably false that the editorial director of the AMA's national education campaign resigned when he found no evidence to support Whitaker and Baxter's irresponsible headline efforts.

DR. MEANS REFLECTS

The answers to these questions reflect so badly upon the American Medical Association that all of us who respect and admire the individual practitioner are concerned by the low state to which his professional organization has descended. The answers to these questions were so disturbing to Dr. James Howard Means that this distinguished professor of clinical medicine at Harvard University and chief of the medical services at the Massachusetts General Hospital, declared in the Atlantic Monthly, October 1950:

In conclusion I submit that in recent years organized medicine has taken on a rapidly expanding political function. In my opinion this is being exerted in a way which is not in the best interest of the people, for whom, after all, medical service is supplied. Medical care is for the people—not for the doctors. * * *

In this emergency I consider that organized medicine has failed dismally. Its public relations are deteriorating. People look upon its motivation with increasing suspicion. It cries now for voluntary health plans but does little actually to produce them. The record shows that when others have sought to do these things, organized medicine has obstructed them. A learned profession has sunk, or been dragged, in its political sphere, to a distressingly low level.

ELMER DAVIS COMMMENTS

Dr. Means' opinions cannot fail to carry weight in view of his prestige and professional accomplishments. His views are echoed by an equally distinguished American, by one of the most respected commentators of our time, Elmer Davis. Mr. Davis, from the vantage point of the layman, delivered these remarks in his noteworthy broadcast of October 13:

I am not enough of an expert in either public health or medical economics to know whether national health insurance is advisable or not; but it certainly is not socialized medicine, and such a pounding of the bass drum as the American Medical Association is putting on this week makes you feel that it can't be a very good cause which has to be defended by such specious arguments. According to the AMA advertising, if we decide to pay for medical care by health insurance we are giving up our freedom and inviting men with whips and guns to take us over. Doctors are supposed to be men more intelligent than the average, and it is hard to believe that many of them really think this; but the medical leaders have turned their crusade over to a firm of press agents, who are using the circus type of ballyhoo. * * *

I repeat—national health insurance may or may not be a good thing; I am not competent to judge. But the techniques of the doctors' union—the use of questionable statistics or irrelevant slogans instead of analysis of the facts, the appeals to political and economic prejudice—all that looks as if they felt that their case could not stand examination on its merits.

If they have valid and credible arguments, many of us would like to hear them. But we have not heard them yet.

I earnestly urge that in the place of the stultifying slogans of its lobbyists, organized medicine will substitute the words of one of the greatest physicians of all time—Sir William Osler:

Undue reverence for authority as such, a serene satisfaction with the status quo, and a fatuous objection to change have often retarded the progress of medicine. In every generation, in every country, there have been, and ever will be, laudatores temporis acti, in the bad sense of that phase, not a few of them, men in high places, who lent the weight of a complacent conservatism to bolster up an ineffectual attempt to stay the progress of new ideas.

APPOINTMENT OF GENERAL EISENHOWER SUPREME COMMANDER

Mr. REES. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. REES. Mr. Speaker, the President has done well in the appointment of Gen. Dwight D. Eisenhower to become commander for the supreme headquarters of the Allied Powers in Europe. There is no one in this country or anywhere else who is as well qualified to do the job as Dwight Eisenhower.

It is hoped that General Eisenhower will be given complete authority in the handling of this tremendous responsibility, and if given the responsibility he will discharge his duty as he has in the past, with credit to himself and to his country.

In General Eisenhower's own words, he will "look duty squarely in the face and do everything he possibly can to make peace on earth a reality."

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows:

To Mr. SMITH of Kansas (at the request of Mr. REES), on account of illness in family.

To Messrs. TALLE, LECOMPTE, MARTIN of Iowa, and HOEVEN (at the request of Mr. DOLLIVER).

ENROLLED BILL AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled a bill and joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; and

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code.

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 4234. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency-relief assistance to Yugoslavia.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on the following dates present to the President, for his approval, bills of the House of the following titles:

On December 19, 1950:

H. R. 2734. An act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended; and

H. R. 8136. An act for the relief of Giuseppe Umberto Mantalban-Troy.

On December 20, 1950:

H. R. 2093. An act authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Riedel;

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas;

H. R. 4579. An act to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges in Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska;

H. R. 5487. An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board or the Maritime Administration under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended;

H. R. 5902. An act for the relief of the Pan American Union;

H. R. 6228. An act for the relief of Dr. Chao-Jen Chen, Dr. Janet Wang Chen, and Eleanor Chen;

H. R. 7735. An act to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission line purposes in the Santa Fe Flood Control Basin and the San Gabriel River Improvement, California;

H. R. 8821. An act authorizing payment to certain States amounts withheld from grazing fees on public lands;

H. R. 8834. An act for the relief of Yamaguchi Michiko;

H. R. 8851. An act to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Brown's Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Brown's Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the County of Pierce, State of Washington;

H. R. 9284. An act to amend the act "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto;

H. R. 9475. An act for the relief of Mrs. Enid Louise Noble Romick, Jr.; and

H. R. 9681. An act to authorize the waiver of the navigation and vessel-inspection laws.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 31 minutes p. m.) the House, under its previous order, adjourned until tomorrow, Thursday, December 21, 1950, at 11 o'clock a. m.

EXECUTIVE COMMUNICATIONS, ETC.

1799. Under clause 2 of rule XXIV, a letter from the Assistant Secretary of Defense transmitting a draft of proposed legislation entitled "A bill to provide for the greater security of the United States against attack, and for other purposes" was taken from the Speaker's table and referred to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BRYSON: Committee on the Judiciary. House Resolution 886. Resolution to provide for a national call to prayer on Sunday, December 24, 1950; with amendment (Rept. No. 3225). Referred to the House Calendar.

Mr. McCARTHY: Committee on Post Office and Civil Service. S. 2351. An act to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes: with amendment (Rept. No. 3226). Referred to the Committee of the Whole House on the State of the Union.

Mr. CELLER: Committee on the Judiciary. H. R. 9932. A bill to amend and extend certain provisions of the First War Powers Act, 1941; with amendment (Rept. No. 3227). Referred to the Committee of the Whole House on the State of the Union.

Mr. BYRNE of New York: Committee on the Judiciary. S. 3945. An act to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation: without amendment (Rept. No. 3228). Referred to the Committee of the Whole House on the State of the Union.

Mr. SMITH of Virginia: Committee on Rules. House Resolution 887. Resolution

for consideration of H. R. 9932, a bill to amend and extend certain provisions of the First War Powers Act, 1941; without amendment (Rept. No. 3229). Referred to the House Calendar.

Mr. McSWEENEY: Committee on Rules. House Resolution 888. Resolution for consideration of S. 3945, an act to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation; without amendment (Rept. No. 3230). Referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BYRNE of New York: Committee of conference. H. R. 4803. A bill for the relief of Bernard F. Elmers; without amendment (Rept. No. 3211). Ordered to be printed.

Mr. WALTER: Committee on the Judiciary. S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker; without amendment (Rept. 3212). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2888. An act for the relief of Frances Ethel Beddington; without amendment (Rept. No. 3213). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 2981. An act for the relief of Giuseppe Merlinet Forgnone; without amendment (Rept. No. 3214). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3044. An act for the relief of Berniece Josephine Lazaga; without amendment (Rept. No. 3215). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3125. An act for the relief of Dr. Lutfu Lahut Uzman; without amendment (Rept. No. 3216). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3241. An act for the relief of George Brander Paloheimo and Eva Leonora Paloheimo; without amendment (Rept. No. 3217). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3259. An act for the relief of Ethelyn Isobel Chenalloy; without amendment (Rept. No. 3218). Referred to the Committee of the Whole House.

Mr. BYRNE of New York: Committee on the Judiciary. S. 3260. An act for the relief of Richard H. Bush; without amendment (Rept. No. 3219). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3261. An act for the relief of Willard Sidmer Ruttan; without amendment (Rept. No. 3220). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3378. An act for the relief of Armando Santini; without amendment (Rept. No. 3221). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3554. An act for the relief of Jose Manzano Somera; without amendment (Rept. No. 3222). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. S. 3699. An act for the relief of Linda Leo; without amendment (Rept. No. 3223). Referred to the Committee of the Whole House.

Mr. WALTER: Committee on the Judiciary. Senate Concurrent Resolution 108. Concurrent resolution favoring the suspension of deportation of certain aliens; with amendment (Rept. No. 3224). Referred to the Committee of the Whole House.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. GOODWIN:

H. R. 9934. A bill to exempt members of the Armed Forces from the tax on admissions when admission is free of charge; to the Committee on Ways and Means.

By Mr. JENNINGS:

H. R. 9935. A bill to amend the Social Security Act to provide that veterans of World War II who died during the 5-year period immediately following their separation from the active military or naval services shall be deemed fully insured individuals; to the Committee on Ways and Means.

By Mr. WEICHEL:

H. R. 9936. A bill to make available, free of cost, survival information under atomic attack; to the Committee on House Administration.

By Mr. HESELTON:

H. Res. 889. Resolution directing full, complete, and continuing study and investigation of the administration, execution, and enforcement of export policies and control regulations; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. HAVENNER:

H. R. 9937. A bill for the relief of the estates of William A. Miller and Harold P. Stites; to the Committee on the Judiciary.

By Mr. JENNINGS:

H. R. 9938. A bill for the relief of Dewey Esco Hill; to the Committee on the Judiciary.

By Mr. JOSEPH L. PFEIFER:

H. R. 9939. A bill for the relief of Wera Fazio, a minor; to the Committee on the Judiciary.

SENATE

THURSDAY, DECEMBER 21, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met in executive session at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, who in times past, across yearning centuries, spoke to the fathers through the prophets and in the word made flesh hath spoken to us in that One whose name is the Prince of Peace, and upon whose shoulders the government of men must ultimately rest: We thank Thee that not on one wondrous night alone did a star of hope light the heavens, but that straight down the crowding years the starlit pathway leads, reminding our earth-filled eyes that the highest truth is born in lowly places, clad in humble garb. As the Christmas star rains its fire once more on an earth plowed with spite and hate, may we see in it a shining symbol that if we would find the truth and the life abundant we must follow our starry ideals, no matter over what burning sands or to what lonely deserts they take our faltering feet. Following the gleam, bring us and all mankind, at last, to that glad day which all men of good will seek:

"When peace shall over all the earth
Its ancient splendor fling,
And the whole world send back the song
Which now the angels sing."

Amen.

THE JOURNAL

On request of Mr. McKELLAR, and by unanimous consent, as in legislative session, the Journal of the proceedings of Wednesday, December 20, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILL AND JOINT RESOLUTIONS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following act and joint resolutions:

On December 20, 1950:

S. 2513. An act to give a short title to the act of July 1, 1898, commonly known as the Bankruptcy Act; and

S. J. Res. 207. Joint resolution to continue for a temporary period certain provisions of the Housing and Rent Act of 1947, as amended.

On December 21, 1950:

S. J. Res. 209. Joint resolution to amend and extend the provisions of the District of Columbia Emergency Rent Act, as amended.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, returned to the Senate, in compliance with its request, the bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, Mrs. Paul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria.

The message announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9827) to provide revenue by imposing a corporate excess profits tax, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DOUGHTON, Mr. COOPER, Mr. DINGELL, Mr. MILLS, Mr. REED of New York, Mr. WOODRUFF, and Mr. SIMPSON of Pennsylvania were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H. R. 9798. An act to authorize a Federal civil defense program, and for other purposes; and

H. R. 9893. An act to authorize certain construction at military and naval installations, and for other purposes.

ENROLLED BILL SIGNED

The message further announced that the Speaker had affixed his signature to the enrolled bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce, and it was signed by the Vice President.

LEAVES OF ABSENCE

On his own request, and by unanimous consent, Mr. CAPEHART was excused from attendance on the sessions of the Senate until January 2, 1951.

On his own request, and by unanimous consent, Mr. KNOWLAND was excused from attendance on the sessions of the Senate, beginning at 4 o'clock tomorrow afternoon.

On his own request, and by unanimous consent, Mr. HOEY was excused from attendance on the session of the Senate today, to attend to public business.

AWARD OF CONGRESSIONAL MEDAL OF HONOR TO COL. JUSTICE MARION CHAMBERS

Mr. TYDINGS. Mr. President, as in legislative session, I ask unanimous consent to have inserted in the RECORD at this point an account of the presentation of the Congressional Medal of Honor awarded to Col. Justice Marion Chambers, United States Marine Corps Reserve, retired. The presentation took place at the White House. The President of the United States made the presentation to Colonel Chambers. The account of the presentation describes the heroic and outstanding conduct of Colonel Chambers for which the Medal of Honor was awarded to him. Colonel Chambers is one of the advisory staff experts of the Committee on Armed Services. In that capacity he has been invaluable to his country and to the committee. He is an outstanding and heroic officer, a great soldier, and a fine gentleman. I am proud to say that he is a resident of Rockville, Md. I ask that the account be inserted in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CONGRESSIONAL MEDAL OF HONOR AWARDED TO COL. JUSTICE MARION CHAMBERS, USMCR (RETIRED)

The President today bestowed the Nation's highest award, the Congressional Medal of Honor, on Col. Justice Marion Chambers, USMCR (retired), for exceptional gallantry which helped assure the victory at Iwo Jima. It was the two hundredth Medal of Honor for a marine; the eightieth for marine heroism in World War II.

Colonel Chambers, of 140 South Adams Street, Rockville, Md., has been staff adviser for the Senate Armed Services Committee for the past 4 years. He is a product of Washington's Fifth Battalion of Marine Reserves which has graduated numerous outstanding officers.

Presentation of the Medal of Honor was made at noon in the west wing of the White House. Invited were Secretary of Defense George C. Marshall; Secretary of the Navy Francis P. Matthews; Admiral Forrest P. Sherman, Chief of Naval Operations; Gen. C. B. Cates, Commandant of the Marine Corps; Lt. Col. R. H. Thomas, USMC, aide to the Commandant of the Marine Corps; Mrs. J. M. Chambers (wife); Patricia Chambers (daughter); John Chambers (son); J. M. Chambers (son); Peter and Paul Chambers (7-month-old twin sons); Mr. A. F. Chambers, Sr. (father); Mr. A. F. Chambers, Jr. (brother); Mr. and Mrs. Rodney Jarvis (sister and husband); Mr. and Mrs. Mead Baker (sister and husband); Mr. and Mrs. John Schmutzer (mother-in-law and father-in-law); Mr. and Mrs. Albert Schmutzer (brother-in-law and wife); Mr. Lawrence M. Rullson (major, USMCR); Mr. James G. Headley (captain, USMCR); Mr. Henry Hubbard and Mr. James R. Miller (friends); Maj. Gen. Verne D. Budge (USA retired) (friend); and Mrs. J. F. Blakeney (friend).

Colonel Chambers had been recommended for the Medal of Honor on April 7, 1945, after he had been evacuated from Iwo Jima seriously wounded. He had received the Navy Cross, which honor was revoked upon the reexamination of the original recommendation, with additional evidence.

He commanded the Third Battalion, Twenty-fifth Marine Regiment, in the Iwo Jima landing on February 19, 1945. His sector was beneath high ground from which heavy enemy fire raked the whole landing beach.

"Capture of the high ground," read the recommendation, "* * * was essential to the success of the D-day operations. It is an established fact that had it not been done, it would have constituted a most serious threat to the subsequent operations of the Fifth Marine Corps."

The Third Battalion lost more than half its officers and nearly one-half its enlisted strength on D-day. But by "fearless disregard for his own life"—and leading his depleted battalion "by example rather than command" Colonel Chambers won the key heights and anchored the right flank of the Marines' position.

On the fourth day, directing the Marines' first rocket barrage and exposed to the enemy's main line of resistance, Colonel Chambers fell under enemy machine-gun fire. His wounds were so serious that he was medically retired on January 1, 1946, and, because he was specially commended for performance of duty in combat, he was promoted to full colonel.

He was born at Huntington, W. Va., on February 2, 1908, the son of Mr. and Mrs. Arthur F. Chambers. He went to school there and 3 years at Marshall College in Huntington. He attended George Washington University 2 years, then National University also in Washington where he obtained his law degree.

Colonel Chambers joined the Naval Reserve in 1928, served 2 years, then joined the Marine Corps Reserve as a private. He was commissioned in 1932 and continued his studies toward promotion. He was a major, attending summer camp, when the Fifth Battalion was called up in 1940. For his enthusiasm and energy in training his men they dubbed him "Jumping Joe."

Colonel Chambers received the Silver Star medal for getting out the wounded and directing the night defense of a battalion aid station on Tulagi, where he was a patient already seriously wounded. He commanded the Third Battalion, Twenty-fifth Marines in the Roi-Namur campaign. On Saipan he suffered blast concussion, but returned to lead his command there and on Tinian. He had trained his command so thoroughly and his leadership was so conspicuous that he was awarded the Legion of Merit.

The award today reads:

"The President of the United States takes pleasure in presenting the Medal of Honor to Col. Justice M. Chambers, United States Marine Corps Reserve, for service as set forth in the following citation:

"'For conspicuous gallantry and intrepidity at the risk of his life above and beyond the call of duty as commanding officer of the Third Assault Battalion Landing Team, Twenty-fifth Marines, Fourth Marine Division, in action against enemy Japanese forces on Iwo Jima, Volcano Islands, from February 19 to 22, 1945. Under a furious barrage of enemy machine-gun and small-arms fire from the commanding cliffs on the right, Colonel Chambers, then lieutenant colonel, landed immediately after the initial asault waves of his battalion on D-day to find the momentum of the assault threatened by heavy casualties from withering Japanese artillery, mortar, rocket, machine-gun, and rifle fire. Exposed to relentless hostile fire, he coolly reorganized his battle-weary men, inspiring them to heroic efforts by his own valor and leading them in an attack on the critical, impregnable high ground from which the enemy was pouring an increasing volume of fire directly onto troops ashore as well as amphibious craft in succeeding waves. Constantly in the front lines encouraging his men to push forward against the enemy's savage resistance, Colonel Chambers led the 8-hour battle to carry the flanking ridge top and reduce the enemy's fields of aimed fire, thus protecting the vital foothold gained. In constant defiance of hostile fire while reconnoitering the entire regimental combat team zone of action, he maintained contact with adjacent units and forwarded vital information to the regimental commander. His zealous fighting spirit undiminished despite terrific casualties and the loss of most of his key officers, he again reorganized his troops for renewed attack against the enemy's main line of resistance and was directing the fire of the rocket platoon when he fell, critically wounded. Evacuated under heavy Japanese fire, Colonel Chambers, by forceful leadership, courage, and fortitude in the face of staggering odds, was directly instrumental in insuring the success of subsequent operations of the Fifth Amphibious Corps on Iwo Jima, thereby sustaining and enhancing the finest traditions of the United States naval service.'

"HARRY S. TRUMAN."

ORDER OF BUSINESS

The VICE PRESIDENT. The Chair would like to state that the Senate is in executive session. Under the unanimous-consent agreement entered into the Senate will proceed to vote on the nomination of Anna M. Rosenberg at 12:30 o'clock. There is no agreement as to a division of the time. The Chair will recognize Senators who wish to address the Senate.

TRANSACTION OF ROUTINE BUSINESS

Mr. WHERRY. Mr. President, I ask unanimous consent that, as in legislative session, Senators be permitted to make routine insertions in the RECORD, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMAS of Oklahoma, from the Committee on Agriculture and Forestry:

H. R. 9832. A bill to remove marketing penalties on certain long staple cotton; without amendment (Rept. No. 2688).

By Mr. McCARRAN, from the Committee on the Judiciary, without amendment:

S. 2244. A bill conferring jurisdiction on the Court of Claims of the United States to hear, determine, and render judgment on the claims of G. T. Elliott, Inc., and M. F. Quinn (Rept. No. 2689):

S. 4000. A bill for the relief of Ernestine Bacon Jacobs (Rept. No. 2690);

S. 4003. A bill for the relief of Ertogroul Osman and Mehmed Fahreddin (Rept. No. 2691);

S. 4205. A bill to confer jurisdiction on the Court of Claims to hear, determine, and render judgment upon a certain claim of the Board of County Commissioners of Sedgwick County, Kans. (Rept. No. 2692);

H. R. 8152. A bill for the relief of Guy Thomas and others (Rept. No. 2693); and

H. R. 8585. A bill for the relief of Athina Mary Onassis (Rept. No. 2694).

By Mr. McCARRAN, from the Committee on the Judiciary, with an amendment:

S. 3749. A bill for the relief of Carroll L. Vickers, authorized certifying officer, Federal Works Agency (Rept. No. 2695); and

H. R. 7019. A bill for the relief of Aenny Blank (Rept. No. 2696).

By Mr. McCARRAN, from the Committee on the Judiciary:

S. Res. 378. Resolution to provide for a national call to prayer on Sunday, December 24, 1950; without amendment.

By Mr. KILGORE, from the Committee on the Judiciary:

H. R. 2513. A bill to amend subdivisions d and e of section 58 of an act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto; without amendment (Rept. No. 2697).

By Mr. FULBRIGHT, from the Committee on Banking and Currency:

H. R. 9802. A bill to grant succession to the War Damage Corporation; without amendment (Rept. No. 2698).

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on today, December 21, 1950, he presented to the President of the United States the enrolled bill (S. 3357) to prohibit transportation of gambling devices in interstate and foreign commerce.

EMMA W. WILSON

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 363, and I ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Reserving the right to object, will the distinguished Senator explain the purpose of the resolution?

Mr. HAYDEN. The resolution was submitted by the Senator from Nebraska [Mr. BUTLER] and relates to the death of an employee in his office.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 363) submitted by Mr. BUTLER on November 28, 1950, was considered and agreed to, as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Emma W. Wilson, sister of Evelynn Walker, late an employee of the Senate, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

ELECTION OF MEMBER OF SENATE TO JOINT COMMITTEE ON PRINTING

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 379) was considered and agreed to, as follows:

Resolved, That Mr. CLEMENTS, of Kentucky, be, and he is hereby, elected a member on the part of the Senate of the Joint Committee on Printing, vice Mr. WITHERS, of Kentucky.

RESOLUTIONS REPORTED FROM COMMITTEE ON RULES AND ADMINISTRATION

Mr. HAYDEN. From the Committee on Rules and Administration, I now report four resolutions, the purpose of which is to grant investigating committees extensions of time until January 31, 1951, within which to make reports.

The VICE PRESIDENT. The clerk will state the first resolution.

INVESTIGATION OF PRODUCTION OF AGRICULTURAL CROPS

The LEGISLATIVE CLERK. A resolution (S. Res. 361) extending the authority for an investigation with respect to the protection of agricultural crops, reported with an additional amendment.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Reserving the right to object, Mr. President, I am not sure that all Members of the Senate heard the explanation by the distinguished chairman of the committee. But I understand this is the first of four or five resolutions, which tide the committees over until the Eighty-second Congress. Is that correct?

Mr. HAYDEN. That is correct.

Mr. WHERRY. The Committee on Rules and Administration determined that the committees in question should all be treated alike in fixing the termination date of January 31, 1951. By that time, the committees will have been able to take care of their offices, and, if the authorizations are renewed in the next Congress—and the new Congress can do as it pleases about that—that will give 1 month in which the committees may operate until a decision is made with respect to the authorizations in the new Congress. I am sure the Senator would like to have me say that each and every one of these resolutions has the termination date January 31, 1951.

Mr. HAYDEN. That was unanimously agreed to by the committee.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution, as reported from the Committee on Rules and Administration?

There being no objection, the Senate proceeded to consider the resolution (S. Res. 361), which had previously been reported from the Committee on Agriculture and Forestry, with an amendment, in line 7, after the word "until", to strike out "February 28" and insert "February 15."

The amendment of the Committee on Rules and Administration was, in line 7, after the word "until", to strike out "February 15", as proposed to be amended, and insert "January 31."

The amendment was agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That the authority of the Committee on Agriculture and Forestry, or any duly authorized subcommittee thereof, under Senate Resolution 36, Eighty-first Congress, agreed to April 11, 1949, and Senate Resolution 198, Eighty-first Congress, agreed to February 1, 1950 (providing for an investigation with respect to the production of agricultural crops), is hereby continued until January 31, 1951.

INVESTIGATION OF FIELD OF LABOR-MANAGEMENT RELATIONS

Mr. HAYDEN. From the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 367, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 367) was considered and agreed to, as follows:

Resolved, That the authority of the Committee on Labor and Public Welfare, or any duly authorized subcommittee thereof, under Senate Resolution 140, Eighty-first Congress, agreed to August 15, 1949 (providing for a study and investigation of the entire field of labor-management relations), is hereby continued through January 31, 1951.

CONTINUATION OF AUTHORITY FOR INVESTIGATION OF FUEL RESERVES

Mr. HAYDEN. From the Committee on Rules and Administration, I report favorably, with an amendment, Senate Resolution 374, and ask unanimous consent for its present consideration.

There being no objection, the Senate proceeded to consider the resolution.

The amendment of the Committee on Rules and Administration was, in line 6, after the word "through", to strike out "January 3, 1953" and insert "January 31, 1951."

The amendment was agreed to.

The resolution, as amended, was agreed to, as follows:

Resolved, That the authority of the Committee on Interior and Insular Affairs, or any duly authorized subcommittee thereof, under Senate Resolution 239, Eighty-first Congress, agreed to August 15, 1950 (providing for a study and investigation of the fuel reserves and to formulate a fuel policy of the United States), is hereby continued through January 31, 1951.

INVESTIGATIONS BY COMMITTEE ON ARMED SERVICES

Mr. HAYDEN. From the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 375, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 375) was considered and agreed to, as follows:

Resolved, That the first section of Senate Resolution 93, Eighty-first Congress, agreed to June 22, 1949, increasing the limitation of expenditures for hearings and investigations by the Committee on Armed Services, is amended by striking out "December 31, 1950," and inserting in lieu thereof "January 31, 1951."

PRINTING OF ADDITIONAL COPIES OF HEARINGS ON DEFENSE PRODUCTION ACT OF 1950

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration I report favorably, without amendment, Senate Resolution 370, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 370) was considered and agreed to, as follows:

Resolved, That there be printed 1,000 additional copies of the hearings conducted before the Senate Committee on Banking and Currency on S. 3936, Eighty-first Congress, on the Defense Production Act of 1950.

Such additional copies shall be for the use of the Senate Committee on Banking and Currency.

PAY OF ADMINISTRATIVE AND CLERICAL ASSISTANTS OF SENATOR LEAHY

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report an original resolution, and ask unanimous consent for its present consideration.

There being no objection, the resolution (S. Res. 380) was considered and agreed to, as follows:

Resolved, That the administrative and clerical assistants in the office of Senator EDWARD L. LEAHY, appointed by him and borne on the payroll of the Senate when displaced by his elected successor, shall be continued on such payroll at their respective salaries until the end of the Eighty-first Congress, to be paid from the contingent fund of the Senate.

DAISY ADENA SMITH AND HOMER S. SMITH

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, without amendment, Senate Resolution 372, and ask unanimous consent for its present consideration. It relates to the death of an employee in the office of the Senator from Texas [Mr. CONNALLY].

There being no objection, the resolution (S. Res. 372) was considered and agreed to as follows:

Resolved, That the Secretary of the Senate hereby is authorized and directed to pay from the contingent fund of the Senate to Daisy Adena Smith and Homer S. Smith, parents of Isabel M. Smith, late an employee of the Senate, a sum equal to 6 months' compensation at the rate she was receiving by law at the time of her death, said sum to be considered inclusive of funeral expenses and all other allowances.

INTERNAL SECURITY

Mr. HAYDEN. Mr. President, from the Committee on Rules and Administration, I report favorably, with amendments, Senate Resolution 366, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the Senate proceeded to consider the resolution.

Mr. LANGER. Mr. President, may we have an explanation of the resolution?

Mr. HAYDEN. The resolution was submitted by the Senator from Mississippi at the request of the chairman of the Judiciary Committee. It relates to a continuance of surveillance of the infiltration of Communists into the United States. There was some question raised in committee as to the text of the resolution, which we can consider when it is looked into again in January, in that it specifies certain statutes to be examined, whereas the committee has broad authority to do that anyway, but inasmuch as the extension is only until the 31st of January, and can be reviewed by the committee, we decided to put the resolution into this shape.

Mr. LANGER. I have no objection.

The VICE PRESIDENT. The amendments of the committee will be stated.

The amendments of the Committee on Rules and Administration were, on page 4, line 4, after the word "exceed", to strike out "$100,000" and insert "$10,000"; in line 6, after the word "committee", to insert "on or before January 31, 1951"; and after line 6, to strike out:

SEC. 5. The committee shall from time to time report to the Senate the results of its study and investigation, together with such recommendations as it may deem advisable respecting necessary legislation. All authority conferred by this resolution shall terminate on March 1, 1952.

The amendments were agreed to.

The resolution (S. Res. 366) as amended, was agreed to, as follows:

Resolved, That the Committee on the Judiciary, or any duly authorized subcommittee thereof is authorized and directed to make a complete and continuing study and investigation of (1) the administration, operation, and enforcement of the Internal Security Act of 1950; (2) the administration, operation, and enforcement of other laws relating to espionage, sabotage, and the protection of the internal security of the United States; and (3) the extent, nature, and effects of subversive activities in the United States, its Territories and possessions, including, but not limited to, espionage, sabotage, and infiltration by persons who are or may be under the domination of the foreign government or organizations controlling the world Communist movement or any other movement seeking to overthrow the Government of the United States by force and violence.

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to hold such hearings, to require by subpenas or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and, within the amount appropriated therefor, to make such expenditures as it deems advisable. The cost of stenographic services to report hearings of the committee or subcommittee shall not be in excess of 25 cents per hundred words. Subpenas shall be issued by the chairman of the committee or the subcommittee, and may be served by any person designated by such chairman.

A majority of the members of the committee, or duly authorized subcommittee thereof, shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the committee, or by such subcommittee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. The committee, or duly authorized subcommittee, shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, and is authorized to utilize the services, information, facilities, and personnel of the various departments and agencies of the Government to the extent that such services, information, facilities, and personnel, in the opinion of the heads of such departments and agencies, can be furnished without undue interference with agencies, can be furnished without undue interference with the performance of the work and duties of such departments and agencies.

SEC. 4. The expenses of the committee, which shall not exceed $10,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee on or before January 31, 1951.

The preamble was agreed to, as follows:

Whereas the Congress from time to time has enacted laws designed to protect the internal security of the United States from acts of espionage and sabotage and from infiltration by persons who seek to overthrow the Government of the United States by force and violence; and

Whereas those who seek to evade such laws or to violate them with impunity constantly seek to devise and do devise clever and evasive means and tactics for such purposes; and

Whereas agents and dupes of the world Communist conspiracy have been and are engaged in activities (including the origination and dissemination of propaganda) designed and intended to bring such protective laws into disrepute or disfavor and to hamper or prevent effective administration and enforcement thereof; and

Whereas it is vital to the internal security of the United States that the Congress maintain a continuous surveillance over the problems presented by such activity and threatened activity and over the administration and enforcement of such laws.

INVESTIGATION OF EXPORT POLICIES AND CONTROL REGULATIONS

Mr. HAYDEN. From the Committee on Rules and Administration, I report favorably, with an amendment, Senate Resolution 365, and ask unanimous consent for its immediate consideration.

There being no objection, the Senate proceeded to consider the resolution.

The amendment of the Committee on Rules and Administration was on page 2, after line 3, to strike out:

SEC. 2. The committee shall report its findings, together with its recommendations for such legislation as it may deem advisable, to the Senate at the earliest practicable date.

SEC. 3. For the purposes of this resolution the committee, or any duly authorized subcommittee thereof, is authorized during the sessions, recesses, and adjourned periods of the Eighty-first and Eighty-second Congresses, (1) to make such expenditures as it deems advisable; (2) to employ upon a temporary basis such technical, clerical, and other assistants as it deems advisable; and (3) with the consent of the head of the department or agency concerned, to utilize the services, information, facilities, and personnel of any of the departments or agencies of the Government.

SEC. 4. Expenses of the committee under this resolution, which shall not exceed $25,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

And insert:

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to hold such hearings, to require by subpenas or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and, within the amount appropriated therefor, to make such expenditures as it deems advisable. The cost of stenographic services to report hearings of the committee or subcommittee shall not be in excess of 25 cents per hundred words. Subpenas shall be issued by the chairman of the committee or the subcommittee, and may be served by any person designated by such chairman.

A majority of the members of the committee, or duly authorized subcommittee there-

of, shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the committee, or by such subcommittee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. The committee, or duly authorized subcommittee, shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, and is authorized to utilize the services, information, facilities, and personnel of the various departments and agencies of the Government to the extent that such services, information, facilities, and personnel, in the opinion of the heads of such departments and agencies, can be furnished without undue interference with the performance of the work and duties of such departments and agencies.

SEC. 4. The expenses of the committee, which shall not exceed $2,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee, on or before January 31, 1951.

So as to make the resolution read:

Resolved, That the Committee on Interstate and Foreign Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full, complete, and continuing study and investigation of the administration, execution, and enforcement by Government departments and agencies of the export policies and control regulations of the United States.

Such study and investigation shall include, but shall not be limited to, a continuing surveillance of the effectiveness of measures and efforts instituted by Government agencies to prevent the shipment or transshipment of exported materials to countries unfriendly to the United States or lack of such measures or efforts. The committee is also directed to ascertain to what extent, if any, American carriers have been and are utilized in such transportation.

SEC. 2. The committee, or any duly authorized subcommittee thereof, is authorized to sit and act at such places and times during the sessions, recesses, and adjourned periods of the Senate, to hold such hearings, to require by subpenas or otherwise the attendance of such witnesses and the production of such books, papers, and documents, to administer such oaths, to take such testimony, to procure such printing and binding, and, within the amount appropriated therefor, to make such expenditures as it deems advisable. The cost of stenographic services to report hearings of the committee or subcommittee shall not be in excess of 25 cents per hundred words. Subpenas shall be issued by the chairman of the committee or the subcommittee, and may be served by any person designated by such chairman.

A majority of the members of the committee, or duly authorized subcommittee thereof, shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the committee, or by such subcommittee, shall constitute a quorum for the purpose of administering oaths and taking sworn testimony.

SEC. 3. The committee, or duly authorized subcommittee, shall have power to employ and fix the compensation of such officers, experts, and employees as it deems necessary in the performance of its duties, and is authorized to utilize the services, information, facilities, and personnel of the various departments and agencies of the Government to the extent that such services, information, facilities, and personnel, in the opinion of the heads of such departments and agencies, can be furnished without undue interference with the performance of the work and duties of such departments and agencies.

SEC. 4. The expenses of the committee, which shall not exceed $2,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee on or before January 31, 1951.

The amendment was agreed to.

The resolution, as amended, was agreed to.

Mr. HAYDEN. Mr. President, that is all.

FEDERAL CIVIL DEFENSE PROGRAM—AMENDMENTS

Mr. IVES submitted amendments intended to be proposed by him to the bill (S. 4268) to authorize a Federal civil defense program, and for other purposes, which were ordered to lie on the table and to be printed.

Mr. McMAHON and Mr. BRIDGES each submitted an amendment intended to be proposed by them, respectively, to Senate bill 4268, supra, which were ordered to lie on the table and to be printed.

HOUSE BILLS REFERRED OR PLACED ON CALENDAR

The following bills were each read twice by their titles and referred, or ordered to be placed on the calendar, as indicated:

H. R. 9798. An act to authorize a Federal civil defense program, and for other purposes; ordered to be placed on the calendar.

H. R. 9893. An act to authorize certain construction at military and naval installations, and for other purposes; to the Committee on Armed Services.

NOTICE OF HEARING ON NOMINATION OF HON. EDWARD L. LEAHY TO BE UNITED STATES DISTRICT JUDGE FOR THE DISTRICT OF RHODE ISLAND

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, December 28, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. Edward L. Leahy, of Rhode Island, to be United States district judge for the district of Rhode Island, vice Hon. John Patrick Hartigan, elevated. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from North Carolina [Mr. SMITH], and the Senator from Missouri [Mr. DONNELL].

NOTICE OF HEARING ON NOMINATION OF HON. JOHN PATRICK HARTIGAN TO BE CIRCUIT JUDGE OF THE UNITED STATES COURT OF APPEALS FOR THE FIRST CIRCUIT

Mr. McCARRAN. Mr. President, on behalf of the Committee on the Judiciary, and in accordance with the rules of the committee, I desire to give notice that a public hearing has been scheduled for Thursday, December 28, 1950, at 10:30 a. m., in room 424, Senate Office Building, upon the nomination of Hon. John Patrick Hartigan, of Rhode Island, to be circuit judge of the United States Court of Appeals for the First Circuit, vice Hon. John C. Mahoney, retired. At the indicated time and place all persons interested in the nomination may make such representations as may be pertinent. The subcommittee consists of the Senator from Nevada [Mr. McCARRAN], chairman, the Senator from North Carolina [Mr. SMITH], and the Senator from Missouri [Mr. DONNELL].

ADDRESS BY SENATOR MARTIN TO THE GRAND CENTRAL RAILROAD BRANCH, YMCA

[Mr MARTIN asked and obtained leave to have printed in the RECORD an address delivered by him at the Waldorf Astoria Hotel, New York, November 20, 1950, at the diamond jubilee dinner of the Grand Central Railroad Branch, YMCA, which appears in the Appendix.]

ADDRESS BY SENATOR MARTIN BEFORE THE PENNSYLVANIA COUNCIL OF REPUBLICAN WOMEN

[Mr. MARTIN asked and obtained leave to have printed in the RECORD an address by him at Harrisburg, Pa., November 14, 1950, before the annual convention of the Pennsylvania Council of Republican Women, which appears in the Appendix.]

ADDRESS BY FRANCIS CARDINAL SPELLMAN TO NEW YORK STATE ASSOCIATION OF CHILDREN'S COURT JUDGES

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an address delivered by Francis Cardinal Spellman at a dinner of the New York State Association of Children's Court Judges, in New York City, on December 1, 1950, which appears in the Appendix.]

IN THE MATTER OF FRIENDSHIP—EXCERPT FROM ADDRESS BY THE LATE SENATOR HARRY B. HAWES

[Mr. ROBERTSON asked and obtained leave to have printed in the RECORD an excerpt from a memorial address entitled "In the Matter of Friendship," delivered by the late Senator Harry B. Hawes, of Missouri, which appears in the Appendix.]

COMMUNIST AGGRESSION—LETTER TO THE NEW YORK HERALD TRIBUNE

[Mr. NEELY asked and obtained leave to have printed in the RECORD a letter addressed to the New York Herald Tribune by Gen. Donald B. Adams, and others, on the subject of Communist aggression, which appears in the Appendix.]

CHEROKEE INDIAN WINS PLEA TO REJOIN MARINES

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a newspaper article relating to a plea of a Cherokee Indian to be permitted to rejoin his Marine outfit, which appears in the Appendix.]

THE GREED FOR WEALTH—STATEMENT BY J. K. WELLS

[Mr. THOMAS of Oklahoma asked and obtained leave to have printed in the RECORD a statement entitled "The Greed for Wealth," by J. K. Wells, of Oklahoma City, Okla., which appears in the Appendix.]

EDITORIAL TRIBUTE TO THE LATE BEN J. SALLOWS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD a eulogy of Ben J. Sallows, of Alliance, Nebr., in an editorial from the Alliance Daily Times-Herald of December 18, 1950, which appears in the Appendix.]

A SOLDIER'S PRAYER—BY LT. WILLIAM REAVIS ROBERTS

[Mr. KEFAUVER asked and obtained leave to have printed in the RECORD a soldier's prayer, written by Lt. William Reavis Roberts, who was killed in line of duty in a plane crash March 2, 1944, which appears in the Appendix.]

POSITIVE APPROACH TO FOREIGN POLICY: SUMMARY OF SENATE ADDRESS—RELEASE FROM SENATOR MALONE'S OFFICE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "Positive Approach to Foreign Policy: Summary of Senate Address," which appears in the Appendix.]

THE REAL PURPOSE BEHIND ATTLEE'S VISIT—RELEASE FROM SENATOR MALONE'S OFFICE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "The Real Purpose Behind Attlee's Visit," which appears in the Appendix.]

DESTRUCTION OF THE NATION'S ECONOMIC STRUCTURE—RELEASE FROM SENATOR MALONE'S OFFICE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "Destruction of the Nation's Economic Structure," which appears in the Appendix.]

THE GRAY REPORT EXTENDS CRACKPOT SOCIALIST PROGRAMS—RELEASE FROM SENATOR MALONE'S OFFICE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "The Gray Report Extends Crackpot Socialist Programs," which appears in the Appendix.]

STATE DEPARTMENT ADVANCING CAUSE OF COMMUNISM—RELEASE BY SENATOR MALONE'S OFFICE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "State Department Advancing Cause of Communism," which appears in the Appendix.]

THIS ADMINISTRATION GREATEST HOARDER OF ALL TIME—RELEASE FROM OFFICE OF SENATOR MALONE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "This Administration Greatest Hoarder of All Time," which appears in the Appendix.]

WHAT HAPPENED TO THE $48,000,000,000 FOR DEFENSE—RELEASE FROM THE OFFICE OF SENATOR MALONE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "What Happened to the $48,000,000,000 for Defense," which appears in the Appendix.]

DEMAND FOR THE REMOVAL OF DEAN ACHESON—RELEASE FROM THE OFFICE OF SENATOR MALONE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office entitled "Demand for Removal of Dean Acheson," which appears in the Appendix.]

IN DEFENSE OF STATES' RIGHTS—RELEASE FROM THE OFFICE OF SENATOR MALONE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office on the subject In Defense of States' Rights, which appears in the Appendix.]

IN DEFENSE OF INSTALLMENT BUYING—RELEASE FROM SENATOR MALONE'S OFFICE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release from his office on the subject, Defense of Installment Buying, which appears in the Appendix.]

SEAFARING UNIONS CALL FOR IMMEDIATE MOBILIZATION OF MARITIME INDUSTRY TO MEET ANY EMERGENCY—STATEMENT BY JOSEPH CURRAN

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a statement by the seafaring unions, over the signature of Joseph Curran, chairman of the CIO Maritime Committee, which appears in the Appendix.]

REASONS FOR THE IMMEDIATE CONSTRUCTION OF FAST CARGO AND PASSENGER SHIPS—MEMORANDUM BY SENATOR MAGNUSON

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a memorandum, written by himself, setting forth reasons why the Government should authorize the immediate construction of fast cargo ships and passenger ships, which appears in the Appendix.]

PRESENT AND PRE-WORLD WAR II STATUS OF AMERICAN MERCHANT MARINE—QUARTERLY REPORT OF JOINT COMMITTEE FOR AMERICAN MERCHANT MARINE

[Mr. MAGNUSON asked and obtained leave to have printed in the RECORD a quarterly report of the Joint Committee for the American Merchant Marine, which appears in the Appendix.]

ISSUES IN THE CONNECTICUT ELECTION—LETTER FROM DR. PAUL ROSAHN

[Mr. BENTON asked and obtained leave to have printed in the RECORD a letter from Dr. Paul Rosahn, of New Britain, Conn., regarding issues in the recent election in Connecticut, which appears in the Appendix.]

THE SENATE ON TRIAL—ARTICLE BY SENATOR HUMPHREY

[Mr. MORSE asked and obtained leave to have printed in the RECORD an article entitled "The Senate on Trial," written by Senator HUMPHREY, reprinted from the American Political Science Review, which appears in the Appendix.]

MILITARY AND ECONOMIC PROBLEMS CONFRONTING THE PACIFIC NORTHWEST

[Mr. MORSE asked and obtained leave to have printed in the RECORD a letter, dated December 1950, written by Mike Jenney, general manager, Pioneer Service Co., Inc., with reference to the military and economic problems confronting the Pacific Northwest, which appears in the Appendix.]

ARE WE WORTHY OF OUR HERITAGE?—ADDRESS BY GEORGE E. STRINGFELLOW

[Mr. MORSE asked and obtained leave to have printed in the RECORD an address delivered by George E. Stringfellow, vice president, Edison Industries, and imperial captain of the guard of the Shrine of North America, before the Masons of the Bell Laboratories, in Jersey City, Friday, October 20, 1950, which appears in the Appendix.]

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. CHAVEZ, from the Committee on Public Works:

Lt. Col. William R. Shuler, Corps of Engineers, to serve as member of the California Debris Commission, vice Brig. Gen. Walter D. Luplow.

By Mr. McCARRAN, from the Committee on the Judiciary;

Frank J. Parker, of New York, to be United States attorney for the eastern district of New York, vice J. Vincent Keogh, resigned.

ADDRESS BY HERBERT HOOVER

Mr. WHERRY. Mr. President, former President Herbert Hoover made an address on "Our National Policies in This Crisis," over the Mutual Broadcasting System last night.

The counsel and admonitions of the only living former President command the attention of our people, because his is a voice of experience in the highest public office in the land.

As we, who are Members of the Congress, weigh the tremendous responsibility that is ours in this crisis, our minds are open for the light to guide our actions.

The observations of Mr. Hoover, therefore, are of immediate interest for thoughtful consideration.

I ask unanimous consent for insertion of former President Hoover's radio address of last night in the body of the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

I have received hundreds of requests that I appraise the present situation and give my conclusions as to our national policies.

I speak with a deep sense of responsibility. And I speak tonight under the anxieties of every American for the Nation's sons who are fighting and dying on a mission of peace and the honor of our country.

No appraisal of the world situation can be final in an unstable world. However, to find our national path we must constantly reexamine where we have arrived and at times revise our direction.

I do not propose to traverse the disastrous road by which we reached this point.

THE GLOBAL MILITARY SITUATION

We may first survey the global military situation. There is today only one center of aggression on the earth. That is the Communist-controlled Asian-European land mass of 800,000,000 people. They have probably over 300 trained and equipped combat divisions with over 30,000 tanks, 10,000 tactical planes, and further large reserves they can put in action in 90 days. But they are not a great sea power. Their long range air power is limited. These congeries of over 30 different races will some day go to pieces. But in the meantime they are cannon fodder.

Facing this menace on the eastern front there are about 100,000,000 non-Communist island peoples in Japan, Formosa, the Philippines, and Korea. Aside from Korea, which I discuss later, they have probably 12 effective combat divisions with practicaly no tanks, air, or navy.

Facing this land mass on the South are the Indies and the Middle East of about 600,000,000 non-Communist peoples. There are about 150,000,000 non-Communist peoples in north Africa and Latin America. Except Turkey and Formosa, these 850,000,000 people have little military force which they would not or could spare. But they could contribute vital economic and moral strength.

Facing this menace on the continental European front there are about 160,000,000 non-Communist people who, excluding Spain, have less than 20 combat divisions now available, few tanks and little air or naval force. But their will to defend themselves is feeble and their disunities are manifest.

Of importance in military weight at this moment there is the British Commonwealth of 150,000,000 people, with probably 30 combat divisions under arms, a superior navy, considerable air force and a few tanks.

And there are 150,000,000 people in the United States preparing 3,500,000 men into a gigantic air force and navy, with about 30 equipped combat divisions.

SOME MILITARY CONCLUSIONS

If we weigh these military forces as they stand today we must arrive at certain basic conclusions.

(a) We must face the fact that to commit the sparse ground forces of the non-Communist nations into a land war against this Communist land mass would be a war without victory, a war without a successful political terminal. Any attempt to make war on the Communist mass by land invasion, through the quicksands of China, India, of Western Europe is sheer folly. That would be the graveyard of millions of American boys and would end in the exhaustion of this Gibraltar of western civilization.

Even were Western Europe armed far beond any contemplated program, we could never reach Moscow. The Germans failed with a magnificent army of 240 combat divisions and with powerful air and tank forces.

(b) Equally, we Americans alone with sea and air power can so control the Atlantic and Pacific Oceans that there can be no possible invasion of the Western Hemisphere by Communist armies. They can no more reach Washington in force than we can reach Moscow.

(c) In this military connection we must realize the fact that the atomic bomb is a far less dominant weapon than it was once thought to be.

(d) It is obvious that the United Nations have been defeated in Korea by the aggression of Communist China. There are no adequate forces in the world to repel them.

Even if we sacrifice more American boys to hold a bridgehead, we know we shall not succeed at the present time in the mission given to us by the 50 members of the United Nations.

OUR ECONOMIC STRENGTH

We may explore the American situation still further. The 150,000,000 American people are already economically strained by Government expenditures. It must not be forgotten that we are carrying huge burdens from previous wars, including obligations to veterans and $260,000,000,000 of bond and currency issues from those wars. In the fiscal year 1952 Federal and local expenditures are likely to exceed $90,000,000,000. That is more than our total savings. We must finance huge deficits by further Government issues. Inflation is already moving, but we might with stern measures avoid the economic disintegration of such a load for a very few years. If we continued long on this road, the one center of resistance in the world will collapse in economic disaster.

THE DIPLOMATIC FRONT

We may appraise the diplomatic front. Our great hope was in the United Nations. We have witnessed the sabotage of its primary purpose of preserving peace. It has been down to last week a forum for continuous smear on our honor, our ideals, and our purposes.

It did stiffen up against raw aggression last July in Korea. But in its call for that military action America had to furnish over 90 percent of the foreign forces and suffer over 90 percent of their dead and injured. That effort now comes at least to a measurable military defeat by the aggression of Communist hordes.

Whether or not the United Nations is to have a moral defeat and suffer the collapse of its whole moral stature now depends on whether it has the courage to—

(a) Declare Communist China an aggressor.

(b) Refuse admission of this aggressor to its membership.

(c) Demand that each member of the United Nations cease to furnish or transport supplies of any kind to Communist China that can aid in their military operations. Such a course honestly carried out by the non-Communist nations is not economic sanctions nor does it require military actions. But it would constitute a great pressure for rectitude.

(d) For once, pass a resolution condemning the infamous lies about the United States.

Any course short of this is appeasement.

WHAT SHOULD OUR POLICIES BE?

And now I come to where we should go from here.

Two months ago I suggested a tentative alternate policy for the United States. It received a favorable reception from the large majority of our press.

Since then the crisis in the world has become even more acute. It is clear that the United Nations are defeated in Korea. It is also clear that other non-Communist nations did not or could not substantially respond to the UN call for arms to Korea. It is clear the UN cannot mobilize substantial military forces. It is clear continental Europe has not in the 3 years of our aid developed that unity of purpose and that will power necessary for its own defense. It is clear that our British friends are flirting with appeasement of Communist China. It is clear that the United Nations is in a fog of debate and indecision on whether to appease or not to appease.

In expansion of my proposals of 2 months ago, I now propose certain principles and action.

First. The foundation of our national policies must be to preserve for the world this Western Hemisphere Gibraltar of western civilization.

Second. We can, without any measure of doubt, with our own air and naval forces, hold the Atlantic and Pacific Oceans with one frontier on Britain (if she wishes to cooperate), the other on Japan, Formosa, and the Philippines. We can hold open the sea lanes for our supplies. I devoutly hope a maximum of cooperation can be established between the British Commonwealth and ourselves.

Third. To do this we should arm our air and naval forces to the teeth. We have little need for large armies unless we are going to Europe or China. We should give Japan her independence and aid her in arms to defend herself. We should stiffen the defenses of our Pacific frontier in Formosa and the Philippines. We can protect this island chain by our sea and air power.

Fourth. We could, after initial outlays for more air and Navy equipment, greatly reduce our expenditures, balance our budget, and free ourselves from the dangers of inflation and economic degeneration.

Fifth. If we toil and sacrifice as the President has asked, we can continue aid to the hungry of the world. Out of our productivity, we can give aid to other nations which they have already displayed spirit and strength in defense against communism. We have the stern duty to work and sacrifice to do it.

Sixth. We should have none of appeasement. Morally there is no appeasement of communism. Appeasement contains more dangers than Dunkerques. We want no more Tehrans and Yaltas. We can retrieve a battle, but we cannot retrieve an appeasement. We are grateful that President Truman has denounced such a course.

Seventh. We are not blind to the need to preserve western civilization on the Continent of Europe or to our cultural and religious ties to it. But the prime obligation of defense of western continental Europe rests upon the nations of Europe. The test is whether they have the spiritual force, the will, and acceptance of unity among them by their own volition. America cannot create their spiritual forces; we cannot buy them with money.

You can search all the history of mankind and there is no parallel to the effort and sacrifice we have made to elevate their spirit and to achieve their unity. To this date it has failed. Their minds are confused with fears and disunities. They exclude Spain, although she has the will and means to fight. They higgle with Germany, although she is their frontier. They vacillate in the belief that they are in little danger and the hope to avoid again being a theater of war. And Karl Marx has added to their confusions. They still suffer from battle shock. Their highly organized Communist parties are a menace we must not ignore.

In both World War I and World War II (including West Germany) they placed more than 250 trained and equipped combat divisions in the field within 60 days with strong air and naval forces. They have more manpower and more productive capacity today than in either one of those wars. To warrant our further aid they should show they have spiritual strength and unity to avail themselves of their own resources. But it must be far more than pacts, conferences, paper promises, and declarations. Today it must express itself in organized and equipped combat divisions of such huge numbers as would erect a sure dam against the Red flood. And that before we land another man or another dollar on their shores. Otherwise we shall be inviting another Korea. That would be a calamity to Europe as well as to us.

Our policy in this quarter of the world should be confined to a period of watchful waiting.

NATIONAL UNITY

There is a proper urge in all Americans for unity in troubled times. But unless unity is based on right principles and right action it is a vain and dangerous thing.

Honest difference of views and honest debate are not disunity. They are the vital process of policy making among freemen.

A right, a specific, an open foreign policy must be formulated which gives confidence in our own security before we can get behind it.

CONCLUSIONS

American eyes should now be opened to these hordes in Asia.

These policies I have suggested would be no isolationism. Indeed, they are the opposite. They would avoid rash involvement of our military forces in hopeless campaigns. They do not relieve us of working to our utmost. They would preserve a stronghold of Christian civilization in the world against any peradventure.

With the policies I have outlined, even without Europe, Americans have no reason for hysteria or loss of confidence in our security or our future. And in American security rests the future security of all mankind.

It would be an uneasy peace but we would carry it on with these policies indefinitely even if the Communists should attack our lines on the seas.

We can hope that in time the millions of other non-Communist peoples of the world will rise to their dangers.

We can hope that sometimes the evils of communism and the disintegration of their racial controls will bring their own disintegration. It is a remote consolation, but twice before in world history Asiatic hordes have swept over a large part of the world and their racial dissentions dissolved their empires.

Our people have braved difficult and distressing situations in these three centuries we have been on this continent. We have faced our troubles without fear and we have not failed.

We shall not fail in this, even if we have to stand alone. But we need to realize the whole truth and gird ourselves for troubled times. The truth is ugly. We face it with prayer and courage.

Mr. KEM subsequently said: Mr. President, I am glad the minority leader has placed in the body of the RECORD the address delivered by former President Herbert Hoover last evening on our national policies in this crisis. I hope every Member of the United States Senate will read and ponder these words that come from the heart of this great American.

In view of what has been said in the Senate recently—and well said—about the importance of national unity, I invite the particular attention of my colleagues to this paragraph of President Hoover's thought-provoking address:

There is a proper urge in all Americans for unity in troubled times. But unless unity is based on right principles and right action it is a vain and dangerous thing.

Honest difference of views and honest debate are not disunity. They are the vital process of policy making among free men.

Mr. President, I ask unanimous consent that the remarks I have just made may be placed in the RECORD after the speech delivered by former President Hoover appears in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

RAILROAD TO ALASKA

Mr. BUTLER. Mr. President, I ask unanimous consent to insert in the RECORD a letter I have written to Gen. George C. Marshall relating to the construction of a railroad through Canada to Alaska.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 19, 1950.

Hon. GEORGE C. MARSHALL,
Secretary of Defense,
Department of Defense,
Washington, D. C.

DEAR GENERAL MARSHALL: For some time I have been deeply interested in getting action started on the proposal to construct a through railroad to Alaska connecting with the existing American-Canadian Railroad systems and the Alaska Railroad.

Over a year ago Public Law 391, the Magnuson-Butler-Jackson bill was passed authorizing the President to carry on negotiations with Canada looking toward a survey and ultimate construction of this railroad. As I understand it, one meeting was held with Canadian representatives, but I do not believe much progress was made and apparently the project is not moving along at all.

Military events in Korea have revealed once again what a dangerous position we are in in the Pacific area, where Alaska is a key outpost. I cannot help but think what a terrible risk we are taking by having no dependable land transportation link with Alaska. At present the bulk of our military supplies to the Territory must go by boat, but our shipping to and from Alaska is almost completely controlled by Harry Bridges through the International Longshoremen's and Warehousemen's Union.

For several years I have devoted considerable time to a study of the activities of Bridges and his union, both in Hawaii and Alaska. In the event of a major conflict, I am absolutely convinced that Bridges would not hesitate to call repeated strikes and engage in similar maneuvers for the deliberate purpose of stopping shipments of military necessities and sabotaging our defense effort. Under such circumstances I believe we might desperately want a rail link with Alaska.

Since the negotiations with Canada do not seem to be making much progress I am writing to ask if the Department of Defense might not at this time wish to get behind the project a little more strongly than in the past and develop a definite proposal for congressional consideration during the coming session of Congress. I understand that the Department is now engaged in reviewing the entire defense picture with a view to determining what changes in its program are necessary in the light of recent developments. During the course of that consideration I hope that the proposed Alaska rail link may be advanced to a high priority level.

Your views on this proposal in the light of the current situation will be very deeply appreciated.

Yours very sincerely,

HUGH BUTLER,
United States Senator, Nebraska.

APPROPRIATIONS FOR THE FISCAL YEAR ENDING JUNE 30, 1951

Mr. McKELLAR. Mr. President, as in legislative session, I ask unanimous consent that at the conclusion of the executive session, and after returning to legislative session, the Senate proceed to the consideration of the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

Mr. WHERRY. Mr. President, reserving the right to object—and I shall not object—I should like to ask the distinguished junior Senator from Georgia whether, if the request of the Senator from Tennessee is granted, the Senator from Georgia will ask that the supplemental appropriation bill be temporarily laid aside so that the Senate may consider the so-called military public works bill.

Mr. RUSSELL. I have not had an opportunity to discuss the subject with the distinguished chairman of the Committee on Appropriations. I intend to discuss it with him as soon as it is possible to do so.

Mr. WHERRY. Mr. President, I have no objection to making the supplemental appropriations bill the unfinished business of the Senate.

Mr. McKELLAR. I thank the Senator from Nebraska.

The VICE PRESIDENT. Without objection, the supplemental appropriation bill will be taken up at the conclusion of the executive session.

NOMINATION OF ANNA M. ROSENBERG

Mr. IVES. Mr. President, speaking on the nomination of Mrs. Anna M. Rosenberg, to be Assistant Secretary of Defense, I wish to say that I endorse the nomination unqualifiedly. I have known Mrs. Rosenberg for about 10 years, and during that period of time I had the pleasure of serving with her on the New York State War Council. I became acquainted with her great capacity to handle big problems and to handle human beings. I know of no person in this country who is better qualified to undertake problems dealing with personnel and manpower than is Mrs. Rosenberg. I feel certain that she will meet with great success in her new assignment. I want to make that statement publicly at this time and to wish her well in her big undertaking and great responsibility.

Mr. President, I ask unanimous consent to have inserted in the body of the RECORD at this point a statement prepared by the junior Senator from Washington [Mr. CAIN] in behalf of Mrs. Rosenberg's confirmation. The Senator from Washington, as I believe is generally known, is ill and is unable to be present. He is a member of the Committee on Armed Services, and he has requested me to place his statement in the RECORD.

There being no objection, Mr. CAIN's statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR CAIN

Had the appointment been mine to make I would not have selected to be Assistant Secretary of Defense an individual who was (a) foreign born, (b) a woman, and (c) a member of a minority group. I would have searched for a person against whom prejudice and suspicion would not so easily run.

The selection, however, was not for me to make. As a member of the Armed Services Committee and of the Senate it became my responsibility to examine the nominee's capacity, knowledge, and loyalty. I undertook this task in all seriousness, because from the moment the appointment was announced I was keenly conscious of how controversial the nominee's background made her, and I was disposed to support no person for the vital post of Assistant Secretary of Defense handling manpower who was not proven to be possessed of unusual abilities and the highest devotion to my country.

That Mrs. Rosenberg is an authority on manpower problems, and is a person of large capacity was established before the committee by several score of witnesses who are recognized as being outstanding authorities on the question of competence. If Mrs. Rosenberg does not know her business, or if she is a mental dud, she has completely fooled many of the best brains in this country over a period of years. From the hundreds who wrote or called the committee concerning Mrs. Rosenberg's knowledge and ability not a single one, so far as I recall, offered a negative criticism in these fields. It is important in voting for Mrs. Rosenberg to believe that she is among the foremost in manpower management. I do so believe.

Allegations were made to the committee that Mrs. Rosenberg had been associated some years ago with un-American activities, and was or had been a member of Communist-front organizations. The committee was determined to get at the truth involved in these highly serious charges. Every American ought to read every word of the committee hearings. Should an American after reading these hearings conclude that Mrs. Rosenberg is a disloyal person that reader will be in disagreement with each of the 13 committee members, each of whom would strenuously fight against confirming

anyone, for any post, whose loyalty was in doubt. The committee voted unanimously for Mrs. Rosenberg because it became convinced that her loyalty to the United States and its free institutions was not in doubt If Mrs. Rosenberg is disloyal, then 13 committee members, both Democrats and Republicans, are disloyal and very stupid.

The committee hearings caused me some anxiety and deep concern but not because of Mrs. Rosenberg. Among the chief witnesses were some who sought to inflict deep injury to Mrs. Rosenberg, and further divide the Nation by giving false testimony under oath. Others promiscuously accused Mrs. Rosenberg of disloyalty without offering a scrap of supporting evidence. One or more told the committee they had never seen and did not know Mrs. Rosenberg, yet I know that they tried to influence, and were partly successful, prominent commentators and columnists to tell the country that Mrs. Rosenberg was subversive in every way. These witnesses called themselves men, but they were cowardly, dishonest, and traitorous in their conduct and testimony before the committee. I have urged the committee to seek to prefer perjury charges against these individuals. I hope it does and that those referred to will be fined and imprisoned. This result would be good for the Senate committee, Mrs. Rosenberg and the Nation.

I do not know that Mrs. Rosenberg will make a success of her job, but I feel keenly that she is qualified to try. The Secretary of Defense selected her and believes her to be qualified. Noted industrialists in all sections of the land certify that Mrs. Rosenberg knows as much about the problems of manpower as anyone. All of these men and the Armed Services Committee state publicly that Mrs. Rosenberg is a loyal and patriotic American. What more should a person have to be entitled to confirmation?

I believe that the Senate ought to confirm Mrs. Rosenberg, but more than that is required. Much of Mrs. Rosenberg's effectiveness has clearly been destroyed. Unfounded and unsupported charges against her have been accepted by many Americans as being true. The Senate ought to do all it can to restore Mrs. Rosenberg's effectiveness. The committee hearings ought to be made public, and Senators ought through statements to tell everybody what Mrs. Rosenberg is not, as well as what she is. Her success is of importance to every American. She must not be permitted to be ineffective or to fail because people generally have not been told who she really is and what she can really accomplish for the good of us all. Committee members are the ones most qualified to talk of these things.

On the assumption that Mrs. Rosenberg is to be confirmed by the Senate I would conclude that there is something striking and promising about the appointment. It means to me that, if my country finds it necessary fully to mobilize, we shall go about that task in a full way. Aside from the fundamental question of loyalty we shall only be concerned with what a person can do, and no longer concerned with who is this person and where does he or she come from. Mrs. Rosenberg is some of those things which in the past have not qualified a person for authority and influence in a man's world. If she gets away with her monumental undertaking it will mean that others of like backgrounds will be given a chance to serve America.

For us to conquer the deep seated trouble of the present, for us to have a real chance to live tomorrow, it will be imperative for every American to stand by and offer his abilities. It will be just an imperative that these abilities be made use of without regard to race, or place of birth, or sex. Mrs. Rosenberg's appointment is actually an experiment. For the good of the Nation I pray that it works.

PERSONAL STATEMENT BY SENATOR LANGER

Mr. LANGER. Mr. President, I want the RECORD to show that last evening I voted against confirmation of the nomination of Mr. Wilson. Because there may not be a yea-and-nay vote today on the nomination of Mrs. Anna M. Rosenberg, of New York, I want the RECORD to show that if there were a yea-and-nay vote I would vote against her nomination.

I wish the RECORD further to show that if there were a yea-and-nay vote on the nomination of Stephen Spingarn, of New York, I would also vote against his nomination.

I call attention to the fact that if the nomination of Mr. Spingarn is confirmed, the Federal Trade Commission will have honored five members from the State of New York. I further call the attention of the Senate to the fact that for 61 years no person has been appointed from the State of North Dakota to any single policy-making group, as the head of any Department, as a member of the Cabinet, as an Ambassador, or as a consul.

IMPORTANCE OF FULL REPORT ON MEETING OF REPRESENTATIVES OF THE NORTH ATLANTIC PACT NATIONS

Mr. BUTLER. Mr. President, our Secretary of State has just returned from a meeting with appropriate representatives of the North Atlantic Pact nations. His remarks to the press, upon his arrival home, were that the meeting was a success and that the cause of peace has been advanced.

It is to be hoped that an adequate disclosure on this meeting will be forthcoming to the Senate within a reasonable time. We must know the extent of any commitments made in behalf of the United States, and we must have an opportunity to weigh those commitments in the manner prescribed by law. While we fully appreciate the security requirements which govern such disclosure, we must be in a position to protect the public interest in these most critical times. Confidence of the public can be earned only by guaranteeing the representation of its interests in policies the fulfillment of which must be borne by the public.

NOMINATION OF STEPHEN J. SPINGARN

Mr. LEHMAN. Mr. President, last night I spoke in support of the nomination of Mrs. Anna M. Rosenberg. I should like now to say a few words about the nomination of Mr. Stephen J. Spingarn to be a member of the Federal Trade Commission. I have known Mr. Spingarn officially through contacts I had with him in his position as general legislative assistant to the President. I understand that he has a record of 16 years of devoted public service. He is what we call a career man. As such, his nomination seems to me to be a most happy and satisfactory one.

I have read the record of Mr. Spingarn's testimony before the Interstate and Foreign Commerce Committee. That testimony impressed me as being that of a man who is highly knowledgeable, alert, and extremely well informed on the broad economic problems that will face him as a member of the Federal Trade Commission. At the same time his mind is open on several of the most controversial and complex problems now before the Federal Trade Commission. He showed a grasp of these problems without any prejudice regarding their solution. I can think of no better approach for a new member of this Commission.

A nominee for a high post should certainly not be judged on the basis of his family connections. But I cannot refrain from stating that I have known Mr. Spingarn's family for four generations. The name is an eminently honorable one in the annals of my State—honored not only for integrity of character and civic leadership but also for many contributions to the public good and for unselfish devotion to the cause of human betterment.

From what I know of Mr. Spingarn he is a young man in the tradition of his family. I can give him no finer tribute. I know that the Senate will confirm this nomination.

I wish to be recorded not only in support but also in praise of the President's action in making this designation.

CONGRESSIONAL IMMUNITY

Mr. HUNT. Mr. President, last August before the adjournment of Congress I introduced two measures in the Senate. They were appropriately referred, but no action was taken upon them. I do not like to see the Eighty-first Congress adjourn without expressing myself with reference to those two measures. They deal with the immunity enjoyed by Members of Congress.

Article 1, section 6, of our Constitution, gives to Members of Congress the privilege to make defamatory, smearing statements, and to practice demagoguery with complete immunity from laws applied to all other citizens of our country.

This unusual special privilege was placed in the Constitution by the founding fathers with apparently little or no discussion or debate, it having been lifted almost in identical form from the English law:

> For any speech or debate in either House they shall not be questioned in any other place.

We must remember that the Constitutional convention was only shortly removed from English rule. The Members of the convention were cognizant of and alert to the inherent danger which lies in control of legislative bodies by the executive, then known as the King. So our doctrine of legislative immunity from arrest for any cause, except treason, felony, or breach of the peace and from questioning in any other place for speeches and debates in either House was promulgated in England as a necessary protection, not from the people represented in the Parliament, but from the executive crown. The Parliament in session must be allowed to criticize the King without fear of retaliation in the form of arrest or civil suits. If not, the democratic processes in England would fail. Therefore, it was plainly and definitely the intention of the Parliament to seek protection not from their constituents, but from the King.

This doctrine was embodied completely in the Constitution of the United States and in the constitutions of our several States, and there it remains today. In a long list of court cases growing out of abuse of this privilege, immunity from arrest is well established by a series of decisions, all of which are clear and concise with reference to immunity enjoyed. Unfortunately many recent decisions have expanded the coverage of this immunity to other government administrative and quasi judicial personnel. The courts have ruled that a Cabinet officer acting within the scope of his duty may issue public statements derogratory to the character of individual citizens with absolute immunity.

Most Members of Congress, and certainly all of our constituents, would be surprised, amazed, and appalled if they knew and fully realized the extent to which this doctrine of privilege and immunity can be applied without equivalent precautions against abuse. Surely it was the intention of the framers of our Constitution that immunity should apply to words spoken in the Halls of Congress, but, as construed by our courts, immunity is applicable to speeches which are never made or uttered before the Congress but which can be written or adopted by Members of Congress as extensions of imaginary remarks and broadcast throughout the country in the CONGRESSIONAL RECORD.

The doctrine of immunity has been applied to committee reports and to testimony embraced in committee hearings.

During the days of the constitutional convention the power of the press was feeble as compared with the power of the press of today. Other means of dissemination of news was nonexistent, while today we have the great national and world-wide circulation of magazines, radio, and television. So, when I, as a Member of Congress, either knowingly or without intent to smear and injure, make an official statement derogatory to any person, the tactic pays off in three ways. First, it makes of me, as a Member of Congress, a man to be feared; second, it discredits my opponents, and in the third place it gives to me publicity, which in some cases may be my paramount objective. Words spoken by Members of Congress, and especially on the floor of the United States Senate, carry great weight and are still, I think, accepted by the people as statements of truth from authoritative sources. They are universally accepted as facts. Therefore, so long as our Constitution carries this clause, Members in either body of this or any other Congress may make unfounded and unsubstantiated charges against named individuals, and every American citizen is in acute danger of losing his constitutional right to defend himself.

The Congress, in each and every law passed, has a fundamental purpose, namely, protection of some right or privilege of one, some, or all citizens. Surely the protection of the guaranteed rights of the citizens under the Constitution is the primary function of this body.

If situations should confront us when we of the Congress are no longer able to control our own Members by the rules of society, justice, and fair play, then we must take drastic steps to control them, steps which will take away our right to immunity, and by doing so reestablish the right of fair trial and opportunity of defense on the part of the individual citizen.

The irony of the situation lies in the fact that we, of the Congress, who are elected for the prime purpose of protecting our constituents, while allowing to remain in the Constitution that provision which gives us the privilege to attack our constituents and seek cover under the cloak of immunity, at the same time retain rules of the Senate which make it impossible to attack each other, thus affording ourselves protection we will not grant to the people.

So I repeat, the right of each and every American citizen of self defense may be violated by Members of Congress who are elected to defend these very rights.

Newspapers carry banner headlines of our accusations, radios blare them, accusations, whether true or false, are constantly battered into the minds of the people.

But what of the accused? His voice is the voice of one crying in the wilderness, a voice unable to make himself heard because of constitutional immunity, because of article 1, section 6, of the Constitution.

I repeat, this was not the intention of of the founding fathers. Their intention was to keep the legislator on the job, and to protect him from harassment of civil suit. They unquestionably did not intend to aid and abet him in the violation of democratic rights of the citizens which had been established only after centuries of struggle.

This problem of immunity, of freedom from questioning, must be solved. Therefore I have offered in the Senate a joint resolution to repeal that part of section 6 of article I of the Constitution which reads:

> And for any speech or debate in either House they shall not be questioned in any other place.

This joint resolution may be considered by some Members of Congress to be harsh. They will question the advisability of lifting this congressional shield, and thereby making Members of the Congress legally responsible and legally reliable for their words and actions. To my way of thinking, however, the time has arrived when the American citizen wishes no longer to tolerate such high-handed, irresponsible actions, and no longer to permit himself to be deprived by congressional action of his reputation, of his position, of his home, and have his family injured without the right to defend himself. We have placed the citizens of this country in the position of not being informed of the nature and cause of the accusation, of not being confronted by the witnesses against them, of not being able to obtain witnesses in their favor, and of not being able to have the assistance of counsel for their defense.

All too long Congress, if not in law in actuality, has placed Mr. John Q. Citizen, our constituent, if you please, Mr. President in double jeopardy. He is tried in committee and subcommittee, in the newspapers and on the radio. Then if an iota of evidence is found upon which a legal action may be based he is again tried in a court of law.

In event my colleagues do not see the wisdom of removing this special privilege which we enjoy, and pursuing further the possibility, should we continue to be immune, of devising some method which will not require citizens of the United States to suffer by our deeds without a remedy, I have introduced legislation which will parallel the development of Government liability to suit upon contracts and for torts. Originally the Government could not be sued upon any grounds whatsoever—"The king could do no wrong." Later it was recognized that this was unjust, and Government by an act of Congress, has consented to be sued upon contracts.

The extension of governmental liabilities is based upon the sound ground that where the conduct of a governmental business involves a loss to a citizen, such as when the driver of a Government motor vehicle inexcusably wrecks a citizen's car, the loss should be borne as a cost of Government, and therefore the injury or loss is borne as a cost of Government so that the whole people, not the individual damaged, bear the cost.

The application of this doctrine to congressional immunity is clear. It is something which has been suggested recently by two members of the New York bar, both graduates of the University of Cornell and the Yale Law School. Thus the remedy would be for Congress to pass an act permitting a party so injured to sue the United States Government for defamatory statements for which, if it were not for congressional immunity, he could obtain redress by law.

The great advantage of such an act would be the financial reparation made to the individual libeled. An unjust charge, for example, of communistic leanings, can cause a person great financial harm—perhaps the total loss of job and job opportunities. The problem of extending damages resulting from congressional libel is the same as in all other libel cases.

A sum of money, however, can never completely compensate a person for a lost reputation, but the very fact of winning a judgment would help to restore his reputation. A citizen asking employment after being libeled by a Member of Congress could show a prospective employer the judgment vindicating him. While the newspapers and radio commentators would never play up the story of his being cleared by 12 good men, nevertheless it would be a news item within the community where the plaintiff lived, and the embarrassment of being proved wrong might supply the restraint now lacking for those very few who willfully promulgate libel.

The time to correct this unfair, unjust favor and privilege given to Members of Congress is long past due. Suggestions I have made will never compensate for the injuries suffered by all too many good citizens down through the years, but will prevent reoccurrence of

such unhappy, unnecessary, and cruel situations.

Mr. KEFAUVER. Mr. President, will the Senator yield to me for an observation?

Mr. HUNT. I decline to yield at the moment. I have practically concluded my statement.

Mr. President, I intend to reintroduce the two measures immediately after the Eighty-second Congress convenes. I expect at that time to press for action on one of the measures.

The VICE PRESIDENT. The Senator from Tennessee desires to ask the Senator from Wyoming a question. There remains 1 minute before the time set for the vote.

The Senator from Wyoming is recognized.

Mr. HUNT. Mr. President, I yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I wish to compliment the Senator from Wyoming upon the work he has done on this very important matter, and I desire to associate myself with the general purpose he has in mind. The proposal of the Senator should be given careful and immediate consideration. Maintaining the prestige of Congress as well as fair treatment to the individual citizen requires legislation of this kind.

I wish to ask the Senator a question. If a plan such as the one here presented were adopted, would it to some extent, at least, have alleviated a great deal of the hard work the Senate Armed Services Committee has had to do in ferreting out and finally bringing to light the facts in regard to the improper and unjustified charges which were made against Mrs. Rosenberg? And let me say that I think Mrs. Rosenberg a most capable woman; I know she will make a splendid Assistant Secretary of Defense, and I regret exceedingly that she has had to go through such a dreadful humiliation which was inspired by evil design. Would not the Senator's proposal at least make such a smear more unlikely?

Mr. HUNT. I should like to say to the Senator from Tennessee that the hearings before the Armed Services Committee upon the Anna M. Rosenberg nomination primarily prompted me to deliver these remarks today, although, as I have said, they are long overdue and should have been made long ago.

DEPARTMENT OF DEFENSE—NOMINATION OF ANNA M. ROSENBERG

The VICE PRESIDENT. Under the unanimous-consent agreement, the time has expired; and the Senate is to vote now on the nomination of Mrs. Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense.

Mr. BYRD. Mr. President, I ask unanimous consent to proceed for 2 minutes to make an explanation of the report made by the Armed Services Committee respecting the pending nomination.

The VICE PRESIDENT. Is there objection to postponing for 2 minutes the time for voting on the nomination? The Chair hears none, and the Senator from Virginia is recognized.

Mr. BYRD Mr. President, on December 19, on behalf of the Armed Services Committee, the Senator from Virginia made a unanimous report from the committee, recommending confirmation of the nomination of Anna M. Rosenberg to be Assistant Secretary of Defense. This is the second time the Committee on Armed Services has unanimously recommended the confirmation of this nomination.

I have been a Member of the Senate for 18 years. I have never participated in an investigation of charges made against a nominee whose nomination was before the Senate that was conducted with greater diligence or more searchingly than was this investigation of the charges made against Anna M. Rosenberg. Not only did the committee hear every witness who desired to be heard, but we even investigated rumors, by subpenaing those who were supposed to have made statements critical of Mrs. Rosenberg. Twenty-five hours were consumed in the hearings, and 1,053 pages of testimony were taken.

The result was that the committee has unanimously reported to the Senate that there is not one scintilla of evidence to support the charge that Mrs. Rosenberg at any time was sympathetic to communism or was a Communist.

Mr. President, as chairman of a subcommittee, I wish to state that the President of the United States permitted the subcommittee, composed of myself, the Senator from Wyoming [Mr. HUNT], and the Senator from Washington [Mr. CAIN], to inspect the files of the FBI. Not a single criticism of Mrs. Rosenberg's loyalty to the country was contained in those files. To the contrary, there was much commendation.

Mr. President, the suggestion of nomination was made personally to the President by Secretary of Defense Marshall, as is shown in the report. There are in the files and in the hearings letters from General Eisenhower, Secretary Stuart Symington, Mr. Baruch, James F. Byrnes, Colonel Hobby, Robert P. Patterson, General Smith, and many others, testifying as to Mrs. Rosenberg's loyalty and efficiency.

I wish to read the concluding portion of the committee report, comprising the committee's findings and recommendation:

COMMITTEE FINDINGS

After a thorough and meticulous investigation of all the charges made, it is the unanimous opinion of the members of the Armed Services Committee that evidence has not been submitted to support the charges against the nominee. Furthermore, it is the unanimous opinion of the committee that the nominee is qualified to fill the position to which she has been appointed.

RECOMMENDATION

It is the unanimous recommendation of all members of the Armed Services Committee that the Senate confirm the nomination of Anna M. Rosenberg to be Assistant Secretary of Defense.

Mr. President, I ask that the entire report be printed at this point in the RECORD, as a part of my remarks.

There being no objection, the report (Ex. Rept. No. 16) was ordered to be printed in the RECORD, as follows:

The Committee on Armed Services, to whom was referred the nomination of Anna M. Rosenberg to be Assistant Secretary of Defense, a position to which she was appointed during the last recess of the Senate, having considered the same, submit the following report to accompany said nomination reported to the Senate on November 30, 1950.

It is unusual for committees of the Senate in submitting recommendations with respect to Presidential nominations for confirmation to file a written report with the Senate. However, because of unusual circumstances surrounding the Armed Services Committee's consideration of the nomination of Anna M. Rosenberg to be Assistant Secretary of Defense, and the grave charges made against the nominee, the committee at the conclusion of the recent hearings in the case voted to file a report with the Senate.

ORIGINAL RECOMMENDATION FOR CONFIRMATION

The nomination of Anna M. Rosenberg to be Assistant Secretary of Defense, a position to which she was appointed during the recent recess of the Congress, was referred to the Armed Services Committee on November 27, 1950. On November 29, Mrs. Rosenberg was requested to appear before the committee. She testified under oath relative to her qualifications for the position to which she was appointed, her business connections, alleged membership in disloyal and subversive groups, and other pertinent information. At the conclusion of this hearing the nine members of the committee present voted unanimously to recommend her confirmation to the Senate. A printed record of the testimony of this hearing has been made available for Members of the Senate and general distribution.

CHARGES AGAINST NOMINEE

Shortly thereafter some members of the committee received oral and written statements to the effect that named witnesses could be produced who would swear that Mrs. Rosenberg had been a member of a Communist-front organization, was considered to be a member of the Communist Party, and had assisted in placing Communists in high Government positions.

COMMITTEE INVESTIGATION

The committee met on December 5 to consider these grave charges against the nominee. Subpenas were issued for those persons who were purported to have knowledge of these allegations. The committee held six sessions, each of 3- to 4-hour duration, to hear all witnesses who might have knowledge of any disloyal activities of the nominee. The record of these hearings consists of 1,053 pages of transcribed testimony. The attendance of the committee members at these hearings was excellent, and at no time during the presentation of evidence were there less than seven members present.

One witness, Ralph De Sola, testified that he, of his own knowledge, knew Anna M. Rosenberg to be a member of the John Reed Club in either 1934 or 1935, a known Communist-front organization, while he was also a member. He stated that he saw her at four or five meetings of the club and was introduced and talked to her on one occasion. De Sola stated that he recognized the nominee from pictures and from personal observation to be the same person that he met at a meeting of the John Reed Club in 1935. The person named by De Sola as introducing him to Mrs. Rosenberg did not only fail to corroborate De Sola's testimony but stated that he had never attended a meeting of the John Reed Club and did not know the nominee. Others named by De Sola as prominent in the John Reed Club at that time likewise had no knowledge of Mrs. Rosenberg's membership or attendance at meetings of the club. De Sola further testified that he had in 1937 turned over to an agent of the Federal Bureau of Investigation named George Starr information concerning Mrs. Rosenberg's membership in the John Reed Club and other Communist activities

in which she has participated. George Starr in testifying before the committee recalled talking with De Sola but did not recall any mention of Anna M. Rosenberg. He further stated that had De Sola transmitted to him information relative to Anna M. Rosenberg's connection with Communist activities, such information would have been transmitted to the Federal Bureau of Investigation for inclusion in the Rosenberg file.

At the request of the committee, and by direction of the President, the complete FBI files on Anna M. Rosenberg were inspected by a subcommittee of the Armed Services Committee, consisting of Senators BYRD, HUNT, and CAIN. Each subcommittee member indicated that after a thorough reading of the file there was nothing therein to substantiate De Sola's statement or to indicate in any way that Mrs. Rosenberg was a disloyal person.

Other charges of disloyalty to her country brought to the attention of the committee have all been thoroughly investigated with the conclusion that there is no evidence to support the charges.

The transcribed testimony of the witnesses before the committee relative to the nomination of Anna M. Rosenberg has been printed and made available for distribution.

As of December 19, after the completion of hearings, the committee was advised by the Federal Bureau of Investigation that their agents have located an Anna Rosenberg who was associated with the John Reed Club in New York City in the early 1930's. This woman, whose maiden name was Anna Rosenberg, admits to the FBI agents that she was associated with the John Reed Club in New York City from shortly after its founding until 1934, when she moved to California, and that she knew of no other Anna Rosenberg who was associated with the John Reed Club.

QUALIFICATIONS OF THE NOMINEE

Practically the entire working part of Mrs. Rosenberg's life has been spent in personnel, labor-relations, and manpower work. Until her appointment as Assistant Secretary of Defense she was engaged in this type of business in New York, having several responsible and well-known clients. She has also served the Government on many important boards and commissions.

Mrs. Rosenberg was personal representative of President Roosevelt in 1944 and of President Truman in 1945 to study military manpower problems in the European theater. From 1942 to 1945 she was secretary of the President's Labor Victory Board. Further, she was a member of the Advisory Board of the Office of War Mobilization and Reconversion from 1944 to 1947. She was a member of the Manpower Consulting Committee of the Army and Navy Munitions Board. She was a member of the President's Advisory Commission on Universal Training and allied matters connected with national defense. During the war Governor Lehman appointed her a member of the New York State War Council and Governor Dewey continued her appointment.

Until recently Mrs. Rosenberg was a member of the Committee on Mobilization Policy of the National Security Resources Board and a special manpower consultant to the Chairman of that Board, Mr. W. Stuart Symington.

At the time of the original hearing on the nomination of Mrs. Rosenberg, General Marshall sent the following telegram to the chairman of the Senate Armed Services Committee:

"Lovett informs me your committee asked him the circumstances surrounding Mrs. Rosenberg's appointment as Assistant Secretary of Defense. I want you to know that I personally thought of her and selected her for the position without suggestion, or recommendation, or consultation from anyone. I advised no one, other than Lovett and Mrs. Rosenberg, of my selection until I talked to the President on election day.

"G. C. MARSHALL,
"Secretary of Defense."

Since the appointment was made the committee has received messages of unqualified support of the nominee from General Eisenhower, Secretary Stuart Symington, Mr. Bernard M. Baruch, Hon. James F. Byrnes, Col. Oveta Culp Hobby, Hon. Robert P. Patterson, Gen. Bedell Smith, and numerous others. The committee received over 1,000 messages for and against the nominee. It is significant to note that all the messages indicating personal knowledge of Mrs. Rosenberg and her work voice approval of the nomination.

COMMITTEE FINDINGS

After a thorough and meticulous investigation of all the charges made it is the unanimous opinion of the members of the Armed Services Committee that evidence has not been submitted to support the charges against the nominee. Furthermore, it is the unanimous opinion of the committee that the nominee is qualified to fill the position to which she has been appointed.

RECOMMENDATION

It is the unanimous recommendation of all members of the Armed Services Committee that the Senate confirm the nomination of Anna M. Rosenberg to be Assistant Secretary of Defense.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense?

Mr. BENTON. Mr. President, I ask unanimous consent that I may insert at this point in the RECORD a statement in regard to Mrs. Rosenberg.

The VICE PRESIDENT. Without objection, the statement will be printed at this point in the RECORD.

The statement submitted by Mr. BENTON is as follows:

STATEMENT BY SENATOR BENTON

Mr. President, it would not be fitting for me to permit Mrs. Rosenberg's name to come before the Senate for confirmation without speaking briefly. I have known her more intimately and have seen her far more frequently than has any other Member of Congress.

In the hearings before the Committee on Armed Services, she has been through what she calls an "ordeal." I shall not now try to draw any moral for the Senate from these hearings. There are many Members of the Senate far better qualified to do this. I hope they will do it. What we can learn applied to future hearings, I leave to my seniors to suggest. But I may say that I very much like one suggestion reported in the press: That public hearings of charges against the character of a nominee for office be given a preliminary screening by the committee staff, or in some other fashion, before they are thrown into the front page headlines and put under the klieg lights.

Mrs. Rosenberg is, of course, far better able to withstand false charges and vilification than are most appointees. The press and radio know her well. She has as large a group of influential and powerful friends as any private citizen in the United States.

I first met her in 1940. I was introduced to her by the chairman of one of our great corporations. He introduced her with the amazing statement, "Here is one of the half dozen most influential people of the United States." I thought I knew the country pretty well. It was my business. Yet I had never heard of her. Her alleged influence came out of the confidence she enjoyed of President Roosevelt, as well as Governor Lehman, Mayor LaGuardia, and many others of our great leaders with whom she worked intimately—and daily. Indeed, Mr. David Rockefeller, at the completion of his term as secretary to Mayor LaGuardia, told me that there was nobody in his judgment in whom the mayor had such implicit confidence.

Many who did not know Mrs. Rosenberg—at that time felt that her influence and her so-called power rested wholly upon these personal relationships. The fact that this is not true has now again been attested to by her choice by General Marshall—as it has previously by her selection on many key boards—and further by her amazing record of achievement in her own private business since the termination of the war.

I first worked with Mrs. Rosenberg in 1940 when we both served as consultants and advisors to Mr. Nelson Rockefeller. Five years later when he resigned as Assistant Secretary of State, he personally told me that without her guidance and counsel he could not have hoped to establish his great record in the field of Inter-American Affairs. Mrs. Rosenberg's firm in New York not only serves Mr. Nelson Rockefeller and other members of the Rockefeller family as clients, but serves Col. John Hay Whitney, the great firm of Lazard Freres, R. H. Macy & Co., and many other of America's great enterprises. I am proud of my own connections with her, which are numerous.

Now, what is the extraordinary quality about this immigrant girl—this girl born in Budapest who migrated to this country at the age 13 or 14—what is the extraordinary quality that makes her so influential year in and year out, and makes her list of clients the finest and most envied in the entire field of public and personal relations.

I once compared her to Mr. Jesse Jones, who for more than a decade so brilliantly served his country in post after post here in Washington. I worked closely with Secretary of Commerce Jones throughout the war years after he appointed me vice chairman of the original board of trustees of the Committee for Economic Development. Mr. Jones personally selected and approved the 45 or 50 original appointments to the group which established the Committee for Economic Development, a group that expanded into some seventy thousand by the end of the war. Mr. Clarence Francis, Chairman of the Board of General Foods, once told me that Jesse Jones was the finest judge of men he had ever seen. Mr. Jones' great administrative gifts grew, I came to believe, from what I shall call his intimate touch with reality. He had an uncanny talent for going to the real heart of a problem. He knew what people wanted. He knew what was actually in their minds regardless of what they said. He knew where the dangers and risks lay. He knew how to use incentives and rewards.

This keen sense of reality is the distinguishing quality which Mrs. Rosenberg's rich clients are willing to pay heavily to get. Mr. Jones has used his talent for himself, and for his country. Mrs. Rosenberg has used hers for her friends and clients and for her country which she loves with an unrivalled passion.

I once said of Mrs. Rosenberg that "She has a genius for candor." But candor is not one of the gods real gifts—unless it is keyed to a keen and unwavering sense of reality

I do not say that Mrs. Rosenberg is the most remarkable woman that I have ever known. I have known remarkable women who shall be nameless on the floor of the Senate—and elsewhere.

But I say unequivocally that Mrs. Anna M. Rosenberg is the most extraordinary human being that I have ever known and that her gifts are unique.

Mr. President, these gifts are today greatly needed by the American people here in our Government in Washington. General Marshall is to be congratulated on bringing them

to the service of the people. General Marshall's great prestige makes it difficult for his subordinates to talk up to him. I worked under him for almost a year as Assistant Secretary of State and later served under him, while he was still Secretary of State, as chairman of two United States delegations at international conferences. General Marshall is an avid listener; he is a skilled questioner; but it is not easy for his subordinates, against his great experience and background, to hammer their way into his office and to deliver themselves in a few minutes of opinions and experiences which may have taken months to form. This must be even more true in the Department of Defense where General Marshall served for more than 40 years and where he has forgotten much more than most of his subordinates will ever learn. It is not easy for any executive to find subordinates who can and will speak up, and I ask the Senate to imagine General Marshall's problems in the Pentagon.

General Marshall's appointment of Mrs. Rosenberg shows his talent as an executive. He of course knows that her experience embracing labor management relations and manpower problems, over the past 17 years, is unrivalled by any man or woman anywhere. But he also senses his own need for fearless talk, for outside criticism, for candid and courageous appraisal all of this he will get from Mrs. Rosenberg. He knows she is better qualified for this role—not merely than anyone he can get—but than anybody, anywhere. Indeed, I know that she would never have accepted this appointment had she not herself seen this great need of the general's and properly appraised her own capacity to contribute to it.

This is not the first offer of high post that Mrs. Rosenberg has had in Washington. She has turned down higher. It is only due to the great crisis we face that she accepted this appointment at such personal sacrifice.

Mr. President, as with so many things—which turn out unexpectedly—I believe that this ordeal to which Mrs. Rosenberg has been subjected will prove to be a good thing for the country and a good thing for her and for General Marshall. There is, in these hearings, the operation of what I like to call the law of the opposite effect. This is one of my favorite laws and we see it operating all around us. These hearings were designed to besmirch Mrs. Rosenberg. Their effect is just the opposite. What the hearings have done is to bring to the attention of every single member of the Senate, and to the country as a whole, the remarkable record and background of our new Assistant Secretary of Defense, and her extraordinary qualifications for the job. The hearings have forced each and everyone of us to the realization that we have an extraordinary figure in the Defense Department fully capable to discharge the great responsibilities which are hers. Now that the Senate knows the background of this amazing woman, she will not lack defenders when the attacks mount around her. In her job she will be forced to do unpopular things. Yes, here is a dirty assignment. When she boldly makes the tough decisions, we of the Senate will not have to ask: "Who is this Mrs. Rosenberg?" We shall know, and through knowing, we shall have confidence in the action taken. The country will know. And the country will have confidence.

Indeed, Mr. President, a day or two ago I jestingly asked Mrs. Rosenberg whether she had personally planned these hearings. I told her that I had always known that she was smart but I had never thought that anybody could be smart enough to come to Washington with a plan by which Representative RANKIN and Mr. Gerald K. Smith combined their forces in an attack upon him.

Mr. President, I congratulate the Committee on Armed Services on the patience and thoroughness with which it has conducted these unpleasant hearings. I congratulate the committee on the unanimity of its findings. In particular, I congratulate Senator CAIN for his sympathy and support—and I urge upon the Senate the immediate and unanimous approval of this recommendation from the committee on which we are now to vote.

The VICE PRES DENT. The question is, Will the Senate advise and consent to the nomination of Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense? [Putting the question.]

The nomination was confirmed.

FEDERAL TRADE COMMISSION

The VICE PRESIDENT. The next nomination on the Executive Calendar is that of Stephen J. Spingarn, of New York. The nomination will be read by the clerk.

The legislative clerk read the nomination of Stephen J. Spingarn, of New York, to be a Federal Trade Commissioner.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to his nomination? [Putting the question.]

The nomination was confirmed.

DISPLACED PERSONS COMMISSION

Mr. WHERRY. Mr. President, do I correctly understand that now that these nominations have been confirmed, the Senate has returned to the consideration of legislative business?

The VICE PRESIDENT. No; the Executive Calendar has not been concluded.

The next nomination on the Executive Calendar will be stated.

The legislative clerk read the nomination of John W. Gibson, of Michigan, to be a member of the Displaced Persons Commission.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

The VICE PRESIDENT. Without objection, the nominations of postmasters are confirmed en bloc.

NOMINATIONS IN THE ARMY, AIR FORCE, NAVY, AND MARINE CORPS

The VICE PRESIDENT. Inasmuch as there has been some consideration of taking an adjournment this week, the Chair suggests that consideration be given to notifying the President of the confirmations of nominations.

Mr. KNOWLAND. Mr. President, while the Senate is in executive session, I report favorably, with a unanimous report from the Committee on Armed Services, sundry nominations in the Army, Air Force, Navy, and Marine Corps, extending from the grade of admiral or general down through the grade of lieutenant. The committee's report is unanimous on the part of both the Democratic and the Republican members of the committee.

Inasmuch as the printing bill in this case would amount to several hundred dollars, I suggest that there is precedent for considering the nominations at this time. No objections have been raised to them. I ask unanimous consent to that effect.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Mr. President, reserving the right to object, let me ask the distinguished Senator from California whether included among the appointments are any of civilians, or are all the appointments in the military or armed services?

Mr. KNOWLAND. There are no civilian appointments; all of them are in the armed services, the military.

Mr. WHERRY. All of them are routine, are they?

Mr. KNOWLAND. Yes; and they are unanimously reported by the committee.

Mr. WHERRY. I have no objection.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc, without the necessity of having them printed in the RECORD.

Mr. LUCAS. Mr. President, I ask unanimous consent that the President be notified of all nominations heretofore approved by the Senate.

The VICE PRESIDENT. Without objection, the President will be notified in these cases.

SUPPLEMENTAL APPROPRIATIONS, 1951

The Senate resumed the consideration of legislative business.

The VICE PRESIDENT. Under the unanimous consent agreement entered into earlier today House bill 9920 is the unfinished business.

The Senate proceeded to consider the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. McKELLAR. Mr. President, I wish to make a brief statement in regard to the bill, so that the Senate will know what has been done by the Appropriations Committee.

The committee very largely accepted the House version of the bill, with the addition of two items. One is the stockpiling item, involving an amount of $1,800,000,000. The other is the atomic-energy item. The two items together constitute a difference, as compared with the amount carried in the House version of the bill, of a little more than $2,000,000,000.

That is all I wish to say.

Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the Senate Appropriations Committee be first considered.

The VICE PRESIDENT. Under the practice which has long been in existence, the committee amendments are to be read and considered first.

MILITARY AND NAVAL CONSTRUCTION

Mr. RUSSELL. Mr. President, from the Senate Committee on Armed Services, I report favorably the bill H. R. 9893 and I submit a report (No. 2687) thereon. I desire to make a very brief statement.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. Is this the military construction bill?

Mr. RUSSELL. It is.

Mr. WHERRY. In order that we may be able to plan our program here, may I ask the Senator whether he intends to ask that the appropriation bill be temporarily laid aside and this measure be considered now?

Mr. RUSSELL. I do. I now state very briefly the reasons why I shall do that.

The VICE PRESIDENT. The Secretary will state the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 9893) to authorize certain construction at military and naval installations, and for other purposes.

Mr. RUSSELL. Mr. President, in the second supplemental appropriations bill, which is now the pending business, there are contained a large number of items of appropriations for construction of certain public works which the Department of Defense says are essential to the defense of the United States. The bill passed the House and has been reported by the Senate Committee without having followed the customary method of authorizing these works by express statute. In other words, we have the cart before the horse. In an effort to get the horse before the cart, the Senate Committee on Armed Services this morning reported unanimously, and without amendment, the bill which passed the House on yesterday, giving statutory authorization for the construction of these works. The bill, in round figures, authorizes $1,600,000,000 worth of construction. There are contained in the appropriation bill appropriations for approximately $1,500,000 of that amount. In other words, more than 90 percent of the authorization is already contained in the appropriation bill which the Senator from Tennessee has made the unfinished business.

In the interest of regular parliamentary procedure, I ask that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of H. R. 9893.

The VICE PRESIDENT. Is there objection?

Mr. WHERRY. Reserving the right to object—and I shall not object to the request—I am wondering whether the distinguished Senator would merely make another observation as to how passing this bill before the appropriation bill is passed may facilitate the entire procedure.

Mr. RUSSELL. It will certainly remove any doubt whatever as to the authority of the Department of Defense to proceed with these very necessary defense projects.

Mr. WHERRY. And that is the purpose of putting the authorization bill ahead of the appropriation bill, is it?

Mr. RUSSELL. Yes; and also to maintain the regular procedure which has always obtained, in that authorizations are generally enacted by the Congress before appropriations are made to carry out an authorization that does not exist.

Mr. WHERRY. Let me ask the Senator this question: The Senator is a member of both the Committee on Appropriations and the Committee on Armed Services. Is it not a fact that if we pass the appropriation bill, we shall be appropriating a large sum of money, the authorization for some of which are carried in the bill of the Senator from Georgia?

Mr. RUSSELL. The Senator is correct. As I stated, more than 90 percent of the authorization is carried in the appropriation bill.

Mr. WHERRY. So that they should really go together, but the authorization should come ahead of the appropriation, and that is the sole purpose. Is that correct?

Mr. RUSSELL. That is the only purpose.

Mr. WHERRY. Mr. President, I have no objection at all to the immediate consideration of the bill, and I thank the Senator from Georgia for his observations. Of course, we can argue the merits of the authorization, but in view of the fact that we are already appropriating, as the Senator from Georgia said, for 90 percent of the authorization, we may as well get the authorization in first.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. CHAVEZ. Is it not a fact that what the Senator from Georgia is trying to do is to insure that each one of the projects shall go before the respective committees for authorization?

Mr. RUSSELL. That is a fact. Otherwise, the bill might be subject to a point of order. It would not be subject to a point of order in this case, because the House has already approved. But it certainly would be in the direction of orderly procedure to do what has been suggested.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. BRIDGES. Mr. President, I think the Senator is correct as to the problem as he has outlined it. I think the Senator from Georgia will agree with me that appropriating money without having the proper standing committee of the Senate being given an opportunity to study, pass on, and authorize or disapprove the various projects included is bad procedure. I think the Senator from Georgia agrees with that, and he is taking the only recourse which he can take consistently with getting us back again on the right track.

I should like to say further that so far as the Defense Establishment is concerned, I think, not only in the committee but on the floor of the Senate, the Defense Department and every other department wants to have due notice that in the future they shall proceed in an orderly way, and that the proper legislative committees of the Senate have a full opportunity to hear the evidence and study such a complex and substantial bill as is this one, without coming in for appropriations.

Mr. RUSSELL. Every standing committee of the Senate is very jealous of its powers, and properly so, to consider proposed legislation before appropriations are made.

Mr. SALTONSTALL. Mr. President——

Mr. HUNT. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield first to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I should like to ask the Senator from Georgia whether he thinks it advisable to take steps to change the law, which has been changed piecemeal, in war emergencies, so that the Defense Department cannot undertake this procedure in the future.

Mr. RUSSELL. I certainly want to exercise every possible precaution to protect the jurisdiction of the Senate Committee on Armed Services. That committee is composed of Senators who have been working intimately with the question of national defense, and I think every step should be taken to see that the Defense Establishment in the future does apprise the Senate Committee on Armed Services of plans and intentions in advance of going to the Committee on Appropriations. I say that as a member of the Committee on Appropriations and as one who is very proud of his membership on that committee. It is a procedure which has been followed throughout the course of the history of our country.

I now yield to the Senator from Wyoming.

Mr. HUNT. Mr. President, as I understand the chairman of the Committee on Armed Services, primarily the point he has in mind is that by allowing the appropriation bill to be acted upon before action is taken on the authorization bill we do not thereby establish a precedent which might be dangerous not only during wartime but also in peacetime.

Mr. RUSSELL. The Senator is correct. I wish to say that the Senator from Tennessee [Mr. MCKELLAR] cooperated wholeheartedly with me in bringing this matter to the attention of the Senate.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHERRY. I hope the Senator will discuss fully the appropriations, as I understand this bill is being reported without amendment.

Mr. RUSSELL. The Senator is correct.

Mr. WHERRY. So that the authorizations are the exact amounts approved by the House; is that a fact?

Mr. RUSSELL. That is correct.

Mr. WHERRY. I understand the authorization was $1,650,000,000. The reason why I am asking these questions is that there is no report accompanying the bill. Possibly the Senator had intended to give us all that information.

Mr. RUSSELL. The correct figure is $1,658,000,000.

Mr. WHERRY. My understanding is that in the supplemental appropriation bill the House approved an appropriation of $1,430,000,000 of the authorization. What I should like to have the distinguished Senator point out is that no doubt the House bill was strictly for military construction projects which were absolutely necessary, and I should like to have an explanation, if the Senator can give it, of the projects.

Mr. RUSSELL. I will say to the distinguished Senator that I cannot give the information down to the last dollar and cent, but I will say that most of the difference is in the completion of the projects which are started under the appropriations contained in the bill which is the unfinished business before the Senate. One of the reasons given by the Defense Establishment for not requesting the entire $1,658,000,000 was that they knew there would be another appropriation bill which would cover the difference between the $1,430,000,000 appropriated and the $1,658,000,000 authorized.

Mr. WHERRY. I have not had time to examine the CONGRESSIONAL RECORD this morning. Does the Senator know why the committee appropriated $1,430,000,000, and did not appropriate more? Was it because it was not asked for at that time?

Mr. RUSSELL. That is correct.

The VICE PRESIDENT. If the Senate will permit, the Chair desires to congratulate the Senate on its good attendance, but the Chair hopes it will not be denied the right to congratulate the Senate on its good order. The Senate will be in order.

Mr. WHERRY. Mr. President, in the absence of a report accompanying the bill, if the Senator from Georgia can give us the information I have suggested, I should appreciate it.

Mr. RUSSELL. Of course, that question would more properly arise on the consideration of the appropriation bill which appropriates the funds. But it is my understanding that the Defense Establishment did not ask for the money, because it did not feel it could be authorized or contracted for or expended before there would be another appropriation bill. The Committee on Appropriations, under the leadership of the distinguished Senator from Tennessee [Mr. MCKELLAR], has allowed in the bill every dollar which the Defense Establishment sought for military purposes. The Senator from Nebraska, being one of the ranking members of that committee, knows that to be the fact. There may be differences as to our foreign policy, but we have been united as one man in responding to every request of the Defense Establishment to provide for the men of America who are being summoned to the colors in this perilous period.

Mr. WHERRY. So if the House committee considered the bill at the time the Senate considered it, there probably would not be the difference between what was appropriated and what the authorization asked for.

Mr. RUSSELL. I think the difference would still be there. Very frequently Congress will authorize a great deal more than is requested in an appropriation bill because of the length of time covered by a contract.

Mr. WHERRY. Then there is no dispute in the findings of the Senate committee and the House committee.

Mr. RUSSELL. We have reported the House bill without amendment.

Mr. WHERRY. Is the entire authorization for military construction?

Mr. RUSSELL. It is all for military construction.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. SALTONSTALL. My memory is not sufficiently clear, but I think that every project in the authorization bill has been started. There are three or four items which, as the Senator from Georgia has stated, are not appropriated for in full because the Military Establishment did not request the amount in full; but every item has been started.

Mr. RUSSELL. The Senator has stated the matter, as I understand it.

I now yield to the Senator from Utah.

Mr. WATKINS. Mr. President, at the beginning of his remarks the Senator said something about public works projects to be authorized. Now he mentions only military projects.

Mr. RUSSELL. If I used the term "public works," instead of "military public works," it was certainly an oversight on my part, because the bill refers only to military projects.

Mr. WATKINS. As a member of the Committee on Public Works, I do not remember that the committee received any communications with relation to such projects.

Mr. RUSSELL. I assure the Senator that the Committee on Armed Services is not in any way infringing upon the prerogatives of the Committee on Public Works. These are strictly military projects which come within the jurisdiction of the Committee on Armed Services.

Mr. WATKINS. I am not at all complaining of any infringement on the prerogatives of the Committee on Public Works. If there were any public-works projects involved, I merely wanted to get straight in my mind what they were. I am satisfied with the explanation of the Senator. I may have misunderstood his remarks with respect to public works.

Mr. RUSSELL. If I did not use the term "military public works" it was an omission on my part, because all the projects involved are military projects.

Mr. President, I ask unanimous consent for the present consideration of the bill (H. R. 9893) to authorize certain construction at military and naval installations, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the bill?

There being no objection, the bill (H. R. 9893) to authorize certain construction at military and naval installations, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. RUSSELL. Mr. President, I ask unanimous consent that the report of the committee be printed in the RECORD at this point.

There being no objection, the report (No. 2687) was ordered to be printed in the RECORD, as follows:

The Committee on Armed Services, to whom was referred the bill (H. R. 9893), to authorize certain construction at military and naval installations, and for other purposes, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

PURPOSE OF THE BILL

The purpose of this bill is to provide the authorization for the construction of facilities required by the Department of Defense and to authorize the appropriation of funds to carry out this construction at locations within and outside the continental limits of the United States. A major portion of the funds required for the construction authorized in this bill, is contained in the second supplemental appropriation bill, 1951 (H. R. 9920).

DISCUSSION OF THE BILL

On December 13, 1950, the President submitted to the Congress recommendations for the additional appropriation of funds for the Department of Defense totaling $16,844,247,000. Included in this amount is approximately $1,500,000,000 for new construction for the military services and for which this bill will provide the major part of the authorization.

The following paragraph is quoted from a letter from the Secretary of Defense to the chairman of the Senate Armed Services Committee dated December 19, 1950:

"You have inquired as to the emergent nature of the projects contained in the justifications submitted by the three military departments in support of S. 4257. The public-works construction which the Department of Defense seeks by S. 4257 is urgently needed at this time. The projects embraced by that bill are needed now in order to broaden the mobilization base of the Armed Forces so that they will be prepared readily to meet the requirements of any mobilization that may be dictated by the international situation. That international situation has already led to the proclamation by the President of the United States of the existence of a national emergency. Time is of the essence with respect to those projects. Accordingly, it is extremely important for this Department to secure at the earliest possible time authority for the construction of those projects."

The Army second supplemental construction program, titles I and IA of the bill, totals $390,896,900 for authorization. The program was assembled and based on the following principles:

(a) Current strategic requirements will be satisfied to the extent required at this time.

(b) Permanent facilities programmed will not exceed permanent requirements for forces in being on June 30, 1950.

(c) The total of new permanent and existing temporary and permanent facilities at an installation will not exceed emergency requirements.

(d) All existing mobilization-type facilities will be continued in use throughout the emergency and are not to be replaced with permanent construction.

The application of these principles has resulted in a program required by the expanded Army and which consists essentially of permanent construction. It accomplishes two main objectives: First and primarily, provision of long lead time construction items to improve our mobilization base; and, secondarily, provision of an additional increment of our permanent peacetime requirements, by proper location and selection of the facilities to be constructed.

Of the authorization being requested, $299,300,000 is for construction in the continental United States; $91,600,000 is for construction overseas and in Alaska.

The overseas portion consists of: $28,100,000 to continue the program for the deployment of the peacetime forces in Alaska, and to provide logistical supporting facilities there; $57,200,000 for vital facilities in other overseas areas; $4,400,000 for temporary construction in Japan; $900,000 for troop housing in Hawaii; $1,000,000 for the advance design of overseas projects.

The sum of $299,300,000 for the continental United States will provide for the following major categories of facilities: $50,000,000 for facilities for antiaircraft defense of the United States; $37,600,000 for facilities to

speed up the research and development program; $37,300,000 for training facilities, including antiaircraft and guided-missile training, as well as specialized training in other fields; $3,800,000 for communications facilities; $13,100,000 for housing of 6,455 troops; $92,300,000 for increased warehouses and equipment maintenance shops, including $29,100,000 for a new signal depot in the east; $26,200,000 for a new finance administration center; $27,500,000 for certain classified activities, including the Armed Forces special-weapons project; $8,500,000 for certain industrial and port facilities and the Armed Forces Institute of Pathology; $3,000,000 for advance design.

This authorization includes 42 sets of family quarters at isolated stations in the continental United States for which funding is not planned at this time. Also included is authorization for 635 sets of quarters in Alaska for which appropriations are being sought in the second supplemental appropriations bill.

The second supplemental program was developed prior to the conditions that now exist in Korea. It, therefore, represents planning which may require some changes dependent on decisions that may be reached on national and international levels. For example, this program accents research and development and improvement of the Army logistic system. Only $13,100,000 is provided for troop housing in the United States. New plans may require a change in this emphasis. For that reason, the Army has asked for a degree of flexibility in the authorization act which is not normally accorded to peacetime programs. It needs the facilities provided for in this program, regardless of any changes in plans; however, new plans may bring into top urgency items not presently so considered.

A total of $319,750,000 is being sought in the second supplemental appropriations bill to support total authorizations of $390,896,900 contained in titles I and IA of this bill, H. R. 9893. It is anticipated that the total appropriation will be obligated during fiscal year 1951.

The Navy's request for authorization for public works in the 1951 second supplemental amounts to $381,655,310, of which $327,548,610 is for continental facilities and planning, and $54,106,700 is for overseas facilities and planning.

The Navy's public works proposal is based on requirements due to the situation in the Far East, the increase in forces afloat, the build-up of our two Marine Corps divisions to full strength, and certain emergency repairs. Projects presented for appropriations are of a deficiency nature, and can be placed under contract before the end of fiscal year 1951.

Requested funds will be applied to the following:

(a) Improvement of fleet-support activities in the western and central Pacific.

(b) Augmentation of the Marine Corps shore establishment.

(c) Airfield runways and facilities to provide safe operation for jet and long-range naval aircraft and for tactical and gunnery training.

(d) Expansion of communications facilities.

(e) Conversion of certain ordnance facilities in order to produce new and improved explosives.

(f) Construction of additional aviation gasoline and jet fuel bulk storage to bring up our reserve storage.

(g) Emergency repairs to certain naval shipyard installations.

Title II authorizes a total of 122 family quarters, all to be located at Inyokern, Calif., at a total cost of $2,017,880. The justification is as follows:

(a) The naval ordnance test station, Inyokern, is one of the important Bureau of Ordnance research stations and is the most important one engaged in research in the field of guided missiles. Lack of proper housing accommodations is the primary factor which most seriously affects the ability of the station to carry out its mission. Very little effective work can be obtained from employees, whose term of employment is from 6 to 8 months. Many new employees report on the station, spend a month or so getting cleared for secret material and being indoctrinated into their jobs, then fruitlessly wait on the housing list for 3 or 4 months, becoming more dissatisfied with barracks-type life all the time. They finally terminate after 6 or 8 months of employment when they find that it will be several years before they can expect to better their housing accommodations. This situation has been aggravated by the present emergency since some of those employees without any housing for their families or with housing which is inadequate, now feel that they had better seek employment elsewhere where conditions are better before they find themselves frozen in their jobs and unable to leave Inyokern.

The total Navy authorization of $381,655,310 has been funded to the extent of $303,378,000 in the second supplemental appropriation bill. It is anticipated that the entire sum will be obligated during fiscal year 1951.

The Air Force request for authorization in title III totals $885,604,000, of which $451,467,000 is in continental United States and $367,150,000 is outside continental United States.

A large percentage of Air Force facilities are of mobilization and "tar paper" (theater of operations) types of construction. In the last 5 years the facilities problem has been aggravated by the accelerating magnitude of demands imposed by new aircraft developments. Subsequent to World War II, public works have been limited.

To meet the facilities requirement generated by the scheduled limit activations and by the Air Force development plan, it is necessary that a vast Air Force construction program be embarked on at the earliest possible moment.

Stemming from the previously mentioned schedule of unit activations and operational requirements, a detailed study was undertaken to evolve a base-utilization program. In such a study as this the factors of force composition and time phasing become paramount. In arriving at the finalized base-utilization program certain basic concepts were employed. They are:

(a) Maximum use of existing facilities currently under Air Force jurisdiction.

(b) Maximum expansion of existing Air Force installations.

(c) Maximum use and expansion of all other facilities available.

In developing this construction program the Air Force has used certain standards of construction, as follows:

(a) Air Force permanent 25-year-life construction: This type of permanent construction will conform to normal competitive commercial standards, providing an economical life of approximately 25 years with normal maintenance. This permanent construction will be used at all bases of the 48-wing plan (July 1, 1950) and for facilities for the associated squadron fighter interceptor deployment bases.

(b) Air Force semipermanent 10-year-life construction: This type of construction will be built on on-grade slabs or masonery or concrete piers, with standard framing of floors and roof trusses. For the sake of economy, a prefabricated wood shell or frame or similar light construction with an economical life of approximately 10 years will be used. If these structures must later be continued in use, they can be made to compare favorably with Air Force permanent construction by adding standard weatherproof siding and roofing, finished floors, and completing interior sealing and trim. This semipermanent construction will be used at all bases other than those at which permanent construction will be employed.

(c) Air Force temporary 5-year-life construction: This is the World War II temporary "theater of operations" type construction with inadequate interior living and working conditions and without standard heating plants or sanitary facilities incorporated in the building. This program does not envision this type of construction. It will be resorted to only in the event of full mobilization or for strictly theater-of-operations construction.

Of the $885,604,000 authorization scheduled for acquisition and construction about $463,200,000 (or 52 percent) is allocated to facilities directly in support of Air Force operations. A further $133,800,000 is for training facilities within the United States.

For depots and logistical facilities the Air Force has scheduled $90,100,000, largely within the United States.

For communications facilities and navigational aids some $35,000,000 is programed of which more than three-fourths is in the overseas areas.

The sum of $22,800,000 is devoted to priority research, development, and test facilities; $20,400,000 for classified facilities, and $53,400,000 for other construction, of which $22,550,000 is for continental United States and $30,828,000 is for overseas.

In addition, the bill includes $67,000,000 additional authorization for an expansion of our land-based aircraft control and warning system.

Facilities to support Air Force operations are critically essential. These shortages are largely in the categories of airfield pavements, fuel-storage facilities, operational and aircraft-maintenance structures.

In this program there is scheduled $95,700,000 for airfield pavements, $82,300,000 for fuel storage and dispensing facilities, $182,900,000 for operational facilities (includes tactical air-control facilities) and plant for aircraft maintenance. Troop housing has been allocated $169,300,000, about 75 percent of which is within the United States. The only Air Force family housing in this bill is in the overseas areas, mainly in Alaska. For base support facilities, including utilities and grounds improvements, $141,900,000 has been scheduled.

Under prevailing conditions, it is readily understandable that situations may arise which will necessitate immediate construction which cannot await normal legislative action without seriously impairing our defense efforts. For that reason the committee has approved a general authorization for "and other construction"—$22,500,000 in continental United States, and $30,828,000 outside continental United States. However, the committee has imposed two restrictions: (1) The authorization shall not be construed as authorizing a separate Air Force Academy; (2) the Air Force will fully advise the committee before proceeding with any projects under the authorization.

The total Air Force authorization of $885,604,000 has been funded to the extent of $807,000,000 in the second supplemental appropriations bill.

The proposed legislation has the approval of the Bureau of the Budget and the Department of Defense, as is evidenced by the letter of the Assistant Secretary of Defense, which is hereby made a part of this report.

ASSISTANT SECRETARY OF DEFENSE,
Washington, D. C., December 12, 1950.

Hon. CARL VINSON,
Chairman, Committee on Armed Services, House of Representatives.

DEAR MR. CHAIRMAN: There is forwarded herewith a draft of proposed legislation to authorize certain construction at military and naval installations, and for other purposes.

This proposed legislation is a part of the Department of Defense legislative program

for 1950 and it has been approved by the Bureau of the Budget. The Department of Defense recommends that it be enacted by the Congress.

Purpose of the legislation: This proposal would authorize the Secretaries of the Army, Navy, and Air Force to construct public works urgently needed by the Department of Defense at this time. That need will become increasingly acute under the expanding military program dictated by the current international situation. It is contemplated that all of the projects covered by this authorization bill will be financed in whole or in part during fiscal year 1951 and funds so to finance those projects are being sought for inclusion in the second supplemental appropriation bill, 1950.

Legislative references: The last major public works bill for the Department of Defense is Public Law 564 of the Eighty-first Congress, approved June 17, 1950.

Cost and budget data: The total amount of authorization included in this proposal is $1,658,719,610, of which $390,896,900 (including $7,500,000 for the Armed Forces special-weapons project) is for the Department of the Army, $381,428,710 is for the Department of the Navy, and $886,394,000 is for the Department of the Air Force.

Sincerely yours,

MARX LEVA.

SUPPLEMENTAL APPROPRIATIONS, 1951

The Senate resumed the consideration of the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The VICE PRESIDENT. The Secretary will proceed to state the amendments of the Committee on Appropriations.

The first amendment of the Committee on Appropriations was, under the heading "Chapter I—Legislative branch," at the top of page 2, to insert:

ARCHITECT OF THE CAPITOL

CAPITOL BUILDINGS AND GROUNDS

For an additional amount for ' Building," $21,500.

The amendment was agreed to.

The next amendment was, under the heading "Department of Commerce," on page 3, after line 18, to insert:

ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)

For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765).

The amendment was agreed to.

The next amendment was, on page 2, after line 4, to insert:

Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000.

The amendment was agreed to.

The next amendment was, under the heading "Federal Security Agency," on page 8, after line 7, to insert:

PUBLIC HEALTH SERVICE

Grants for hospital construction: For an additional amount for construction grants under part C, title VI, of the Public Health Service Act, as amended, $75,000,000.

The amendment was agreed to.

The next amendment was, under the heading "Chapter V—Department of the Interior," on page 9, after line 2, to strike out:

SOUTHEASTERN POWER ADMINISTRATION

CONSTRUCTION

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

The amendment was agreed to.

The next amendment was, under the heading "Chapter VI—Independent offices—Atomic Energy Commission," on page 9, line 19, after the word "amount", to strike out "$840,000,000" and insert "$1,080,000,000"; and in line 22, after the word "exceed", to strike out "two hundred and fifty" and insert "five hundred and fifty."

Mr. LANGER. Mr. President, with reference to the Atomic Energy Commission, I should like to ask for some explanation as to why the Commission needs 550 passenger vehicles.

Mr. McKELLAR. I did not hear the Senator's question.

Mr. LANGER. On page 9, in connection with the Atomic Energy Commission, why is it necessary to provide 550 automobiles?

Mr. McKELLAR. The Senator from Wyoming had charge of that phase of the bill. I ask that he be permitted to answer the question of the Senator from North Dakota.

Mr. O'MAHONEY. I shall be very glad to explain the reason for the amendment. The Atomic Energy Commission presented persuasive evidence of the fact that busses are needed and used to transport workers from their homes to the various plants at which they work. The use of busses is a timesaver and money saver. The use of passenger vehicles is required in order to make certain in the construction of new projects—and new projects are to be constructed—that management officials will reach speedily the various parts of the projects. The committee was quite convinced that this increase was essential as a money saver. I should like to call attention to the fact that the budget estimate had placed no limitation upon the number of cars to be furnished, but the committee placed a limitation of 550, after having very thoroughly examined the witnesses of the Atomic Energy Commission.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. Certainly.

Mr. LANGER. I notice that the House passed the bill with a limitation of 250 cars, and the Senate committee changed the limitation to 550.

Mr. O'MAHONEY. Yes; we added 300 cars because we were convinced by the testimony that the cars were essential to expedite the construction work and to save the time of the men going back and forth to the various projects.

Mr. LANGER. There is nothing in the bill which would prevent the Commission from purchasing 550 Cadillacs; is there?

Mr. O'MAHONEY. There is a general law which provides explicitly that no passenger vehicle may be bought which costs more than $1,400.

Mr. LANGER. I thank the Senator.

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The next amendment was, at the top of page 10, to insert:

GENERAL SERVICES ADMINISTRATION

STRATEGIC AND CRITICAL MATERIALS

For an additional amount for carrying out the Strategic and Critical Materials Stock Piling Act of July 23, 1946 (50 U. S. C. 98), $1,834,911,000.

The amendment was agreed to.

The next amendment was, under the subhead "National Advisory Committee for Aeronautics," on page 10, after line 6, to insert:

SALARIES AND EXPENSES

For an additional amount for "Salaries and expenses," $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from "$260,000" to "$300,000."

The amendment was agreed to.

The next amendment was, under the subhead "Selective Service System—Salaries and expenses," on page 11, line 8, after the word "expenses", to strike out "$10,787,899" and insert "$11,000,000"; in the same line, after the amendment just above stated, to strike out the comma and "of which not exceeding $250,000 shall be available for equipment, and not exceeding $35,000 for travel expenses of special boards", and in line 13, after the word "replacement", to insert a colon and the following proviso: "*Provided*, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed."

The amendment was agreed to.

The next amendment was, under the subhead "Tennessee Valley Authority," on page 12, line 2, after the word "amount", to strike out "$64,500,000" and insert "$67,000,000."

The amendment was agreed to.

The next amendment was, on page 28, after line 2, to insert:

CHAPTER VIII

DISTRICT OF COLUMBIA

(Out of revenues of the District of Columbia)

Office of Civil Defense

For an additional amount, fiscal year 1951, for "Office of Civil Defense," $337,500; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service and classification laws.

Mr. BRIDGES. Mr. President, I have an amendment to offer on page 16. Is there an understanding that the committee amendments shall be considered first?

The VICE PRESIDENT. Committee amendments are to be disposed of first.

The question is on agreeing to the amendment on page 28, after line 2.

The amendment was agreed to.

The next amendment was, in the heading on page 28, line 12, after the word "Chapter," to strike out "VIII" and insert "IX."

The amendment was agreed to.

The next amendment was, under the heading "Claims for Damages, Audited Claims, and Judgments," on page 28, line 21, after the word "in", to insert "Senate Document No. 244, and", and in line 22, after the word "Congress", to strike out "$5,274,034" and insert "$6,983,938."

The amendment was agreed to.

The next amendment was, in the heading on page 29, line 11, after the word "Chapter", to strike out "IX" and insert "X."

The amendment was agreed to.

The next amendment was, under the heading "General provisions," on page 29, line 13, to change the section number from "901" to "1001."

The amendment was agreed to.

The next amendment was, on page 31, line 4, to change the section number from "902" to "1002."

The amendment was agreed to.

The next amendment was, on page 31, line 11, to change the section number from "903" to "1003."

The amendment was agreed to.

The VICE PRESIDENT. That completes consideration of committee amendments.

Mr. BRIDGES. Mr. President, I send two amendments to the desk and ask that they be stated.

Mr. McKELLAR. Mr. President, will the Senator yield so that I may ask for the adoption of two more amendments which I am authorized to present to the Senate by the Committee on Appropriations and as to which I have given notice?

The VICE PRESIDENT. Does the Senator from New Hampshire yield to the Senator from Tennessee for that purpose?

Mr. BRIDGES. I yield for that purpose.

Mr. McKELLAR. I send the first amendment to the desk and ask to have it stated.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 1, after line 12, it is proposed to insert the following:

PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

(a) Section 49 of the Revised Statutes is amended to read as follows:

"SEC. 49. When any person dies while serving as a Member of or Delegate to Congress, as Resident Commissioner from Puerto Rico, as an officer or employee of either the Senate or House of Representatives, or as an employee of a joint committee of the Senate and House of Representatives, the appropriate disbursing officer of the Senate or House of Representatives shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death."

(b) Section 50 of the Revised Statutes is repealed.

The amendment was agreed to.

Mr. McKELLAR. Mr. President, I offer another amendment on behalf of the Committee on Appropriations. Its presentation was unanimously directed by the committee.

The VICE PRESIDENT. The Secretary will state the amendment.

The LEGISLATIVE CLERK. On page 4, before the heading entitled "Chapter III," it is proposed to insert the following:

MARITIME ACTIVITIES

SHIP CONSTRUCTION

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1950" and inserting in lieu thereof "June 30, 1951".

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority, the totals of which, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plant or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head "Ship construction" in the Independent Offices Appropriation Act, 1951.

For the payment of obligations incurred on or after July 1, 1946, including obligations authorized herein, for ship construction, reconditioning and betterments, pursuant to the Merchant Marine Act, 1936, as amended, and to the authority granted under the head "United States Maritime Commission" in the several appropriation acts for the fiscal years 1947, 1948, 1949, 1950, and 1951, the unexpended balance of funds heretofore appropriated for the liquidation of such obligations may be consolidated and may, in total, be available for the liquidation of such obligations.

SALARIES AND EXPENSES

Limitation under the head "Salaries and expenses," United States Maritime Commission, in the Independent Offices Appropriations Act, 1951, are amended as follows: "Maintenance of shipyard facilities" is increased from "$452,000" to "$483,000," and "Maintenance and operation of terminals" is decreased from "$765,000" to "$734,000."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, on behalf of the committee I offer the amendment which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 12, after line 2, under the heading "Tennessee Valley Authority," following the word "expended", it is proposed to insert the following: ": *Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding."

The amendment was agreed to.

Mr. McKELLAR. Mr. President, on behalf of the committee I offer the amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 21, after line 11, it is proposed to insert the following:

CHAPTER IX—FOREIGN AID

Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, 81st Cong.), not to exceed in the aggregate 5 percent of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, 80th Cong.), as amended.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Tennessee [Mr. McKELLAR] on behalf of the committee.

The amendment was agreed to.

Mr. KNOWLAND subsequently said: Mr. President, I ask unanimous consent that at the point where the 5-percent ECA amendment was agreed to a statement and two letters from the ECA Administrator be printed in the RECORD.

There being no objection, the statement and letters were ordered to be printed in the RECORD, as follows:

ECONOMIC COOPERATION ADMINISTRATION,
Washington, D. C., December 20, 1950.

Hon. WILLIAM F. KNOWLAND,
United States Senate,
Washington, D. C.

DEAR BILL: You inquired as to the general purposes for which we requested a right to transfer 5 percent of our appropriated funds from title I to title II.

As a result of developments since the passage of this year's appropriations bill less money is needed for economic aid to Europe and more is needed for economic aid in the Far East between now and June 30, 1951. In view of this we feel it desirable that the right be given to transfer up to 5 percent from the European to the far eastern title. This would make available a possible total of $125,900,000 in the general area of China.

This authority is sought for these immediate reasons: to increase by $15,000,000 the amount of aid to Formosa, to provide $15,000,000 to inaugurate a program in the Philippines, and to reimburse the sum of $4,500,000 used to purchase grain sorghums in the United States to relieve a threat of famine in India. In addition, it seems prudent to provide authority in case further transfers prove necessary in the critical area of Far East and Southeast Asia where urgent action may be required at any time. Any transfer of funds which ECA proposes would also, of course, require the approval of the Budget Bureau and the President.

The only one of the above programs which has not already been in operation for some months is the Philippine program where we propose to use up to $15,000,000 between now and June 30, 1951, to the extent that projects are submitted by the Philippine Government which warrant ECA approval. The fund would not be used, however, unless the Philippine Government took the necessary steps for social and fiscal reform which were accepted in general terms by the president of the Philippines in an agreement signed on November 14, 1950. I am attaching a press release which outlines the major points in that agreement, which basically were that if appropriate reforms were undertaken by the Philippine Government the President of the United States would propose a substantial program of economic aid to the United States Congress. This program would be designed to extend over a

period of years. ECA does not propose to take any other action on the major program other than the $15,000,000 proposed above until the whole plan has been presented to the Congress for appropriate legislation.

However, since the Government of the Philippines is moving rapidly toward the initiation of those reforms, ECA and the State Department, with the approval of the President of the United States, feel that we should initiate some of the projects at once so as to develop further the enthusiasm and support of the Philippine Government and people.

With this financial and moral support from the United States I believe that we can establish promptly an effective aid program which will make possible a major improvement in the whole Philippine situation.

Thanks for the opportunity of commenting on these plans.

Sincerely,

WILLIAM C. FOSTER,
Administrator.

P. S.—You will, of course, recall that the China Area Aid Act of 1950 prohibits the use of these funds in Communist-dominated areas.

STATEMENT IN SUPPORT OF AUTHORIZATION TO TRANSFER FUNDS APPROPRIATED UNDER TITLE I FOR THE EUROPEAN AREA TO TITLE II OF THE GENERAL AREA OF CHINA OF PUBLIC LAW 535

As conditions have developed since the appropriation bill was passed, the demands on the funds for Europe will be less in proportion to the demands on the available funds for the general area of China. It is, therefore, felt desirable that flexibility be provided by authorizing the President to transfer up to 5 percent between the two titles of Public Law 535. This proposed flexibility is the same as the Congress provided for the mutual defense assistance program.

It is not intended to use that amount for any new purposes but simply to have funds available which can be used to meet emergencies in the critical Far East area if necessity requires. I am informed that the Economic Cooperation Administration contemplates only the following additional expenditures: $15,000,000 for the Philippines; $15,000,000 for Formosa, and $4,500,000 to replace funds diverted from Burma, Indochina, Indonesia, and Thailand for the purchase of grain to relieve famine conditions in India. These and any other additional expenditures would, of course, require the approval of the Bureau of the Budget and the President.

The only one of the above programs that is new is the one for the Philippines and these funds would not be used unless the Philippine Government took the steps toward necessary social and fiscal reform which were accepted by the President of the Philippines in an agreement signed with Mr. Foster as the representative of President Truman on November 14, 1950. I have been assured that the major program would not be undertaken until the whole plan has been presented to the Congress and approved. The Government of the Philippines, however, is moving rapidly toward the initiation of these reforms and it is felt that the United States should take advantage of that impetus and initiate some of the projects at once.

The need for additional funds for Formosa is urgent due to increased heavy burdens and unless additional funds can quickly be made available, the economy of Formosa will be seriously jeopardized. These requirements for the Philippines and for Formosa cannot be met by reduction of the scheduled programs for Burma, Indochina, Indonesia, and Thailand without severe risk to the achievements of the objectives of the United States in the whole area. Of course none of these funds can be used in a Communist-dominated area.

DECEMBER 16, 1950.

Hon. KENNETH D. MCKELLAR,
United States Senate, Washington, D. C.

DEAR SENATOR MCKELLAR: The Economic Cooperation Administration is now operating in Formosa and Southeast Asia under the authorization of title II of Public Law 535 with funds left over from earlier appropriations for the China-aid program. It is requested that authorization be given the President to transfer up to 5 percent of the funds appropriated under title I to title II of Public Law 535 in order to permit the programs now scheduled to be maintained for the rest of the fiscal year and to provide flexibility to meet contingencies in this strategic and critical area of the world.

About $98,000,000 remained from earlier appropriations for the China-aid program and the Congress earmarked $40,000,000 for the Formosa program, $8,000,000 for humanitarian relief in China and $6,000,000 for Chinese students and teachers in the United States. It was assumed, however, for planning purposes that it would not be feasible to provide relief in China and that the $8,000,000 tentatively earmarked for this purpose would be available for the general area. Fifty-two million dollars were therefore considered to be available for Burma, Indochina, Indonesia, and Thailand, although even this amount was somewhat less than recommended by the Griffin mission which surveyed the needs of these countries during this past spring.

The need for additional funds during this fiscal year for programs which are now scheduled arises primarily because of necessary expenditures which were not anticipated at the time of the original estimates. The President, because of the famine conditions in India, allocated $4,500,000 to purchase grain for that country. Thirty million dollars will also be required to carry out the economic program recently initiated in the Philippines and to maintain the Formosa program which has been changed as a result of the improved military situation of the island from a relief and rehabilitation program operating on a month-to-month basis to one designed to enable Formosa to achieve self-sufficiency within a few years. These additional expenditures cannot be met by reducing the scheduled programs in the other countries without severe risk to the achievement of our objectives in this area. Costs, moreover, have increased substantially since the original estimates were formulated.

As of this date, about $52,000,000 of the $92,000,000 available have been obligated. A good part of the period since the Congress authorized use of these funds in the general area of China, however, had to be utilized in organizing the missions, in negotiating the required bilateral agreements, and in screening the preliminary programs. The program in Burma, Indochina, Indonesia, and Thailand have, therefore, only been in full operation for approximately 2 months, and the amended program for Formosa for about the same length of time. At the rate of obligation which has now been reached and which is required to maintain the momentum of the program, available funds will be exhausted during the third quarter of this fiscal year, even if emergencies do not arise which would require expenditure of more funds than now scheduled. It is considered, moreover, that funds must be available to meet emergency situations.

We, of course, hope that expenditures can be held to the $36,000,000 additional required for the programs now scheduled. The position of the United States in this troubled area should not, however, be risked on the certainty of being able to do so. Authorization is, therefore, requested to transfer up to 5 percent of the funds appropriated for the European area so that funds will be available to meet emergencies as well as to maintain the present programs. For example, it has been apparent in recent weeks that military burdens are weighing heavily on the Formosan economy and considerably more than the amount now estimated may be needed to prevent economic and financial collapse and to preserve the real progress already achieved. The situation in Indochina is critical and the building up of indigenous military forces may impose financial burdens which will require additional economic support. Harvests are again bad in India, and it may again be necessary to help finance increased grain imports if famine conditions are to be avoided. Such examples can be multiplied, but we consider that it is clear that in these days common prudence requires that ample funds be on hand to be used if emergencies do arise.

Authorization to transfer economic-aid funds between areas is required for the same reasons that led the Congress to include such authorization in the MDAP legislation—to enable the United States to move quickly and effectively to meet emergencies threatening our over-all struggle against the forces of the Kremlin. We do not know in advance just where the pressure against the free world is going to build up or in what area it may be wise for the United States to use its economic strength in the general effort to combat Communist pressure. We do know that with resources that can be rapidly mobilized the United States stands a better chance of counteracting the strains and holding the line against the forces of subversion and aggression.

Sincerely yours,

WILLIAM C. FOSTER,
Administrator.

PROPOSED LANGUAGE

Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, 81st Cong.), not to exceed in the aggregate 5 percent of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, 80th Cong.), as amended.

Mr. LANGER. Mr. President, will the Senator yield for a question?

Mr. MCKELLAR. I yield.

Mr. LANGER. I connection with the maritime activities amendment which was adopted a moment ago, providing an additional $224,000,000, could the Maritime Commission buy the two ships which were discussed the other day, the *Mariposa* and the *Monterey*?

Mr. O'MAHONEY. Mr. President, will the Senator yield to me?

Mr. MCKELLAR. I yield.

Mr. O'MAHONEY. Let me say that it was not in contemplation of the committee or of the evidence which was presented to us that that should be done. This appropriation is designed to enable the Maritime Commission to build new ships which are required by the Defense Establishment.

Mr. LANGER. The amendment specifically exempts the Commission from any necessity for buying new ships. It does not provide that these are to be new ships.

Mr. O'MAHONEY. The amendment has to do with new ship construction, as is disclosed by the following provision:

The first proviso in the paragraph under the head "United States Maritime Commission, ship construction" in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out "December 31, 1951", and inserting in lieu thereof "June 30, 1951."

Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority——

Mr. LANGER. Let me invite the Senator's attention——

Mr. O'MAHONEY. I beg the Senator's pardon. Please permit me to answer.

The appropriation acts for the fiscal years 1950 and 1951 which Congress passed last year, and which are referred to, did not contain provisions authorizing the acquisition of the ships referred to, and there was under consideration upon the floor the other day a special bill dealing with that question, which was not passed. I feel quite confident that there is nothing in this amendment which changes the situation with respect to the two vessels to which reference has been made.

Mr. LANGER. Mr. President, will the Senator further yield?

Mr. O'MAHONEY. I yield.

Mr. LANGER. I call attention to the proviso at the end of the second paragraph of the amendment, reading as follows:

Provided, That such additional vessels shall not be subject to the first proviso under the head, "New ship construction" in the Independent Offices Appropriation Act, 1950, or the last proviso under the head, "Ship construction" in the Independent Offices Appropriation Act, 1951.

Mr. O'MAHONEY. Those provisos were provisos of limitation, by which only a certain number of new vessels could be built. That is all that has been eliminated.

Mr. LANGER. What the Senator from North Dakota wants to know is this: Must this $224,000,000 be spent for new ships?

Mr. O'MAHONEY. Yes.

Mr. LANGER. Or can the Commission buy old hulks?

Mr. O'MAHONEY. No. This is for new ships.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. SALTONSTALL. Is it not true that by changing the language which is a part of the amendment of the Senator from Tennessee, the Maritime Commission is permitted to use, up to July 1, 1951, certain funds which were appropriated for the construction of passenger ships? That language has been changed so that freight-carrying ships may be constructed, ships which will have a speed of 20 knots, draw 30 feet, and hold a certain number of tons.

Mr. O'MAHONEY. New ships.

Mr. SALTONSTALL. New ships; and those new ships are to cost $7,000,000 apiece. By putting in the $224,000,000 in addition to the language change with respect to the $126,000,000, we permit the Maritime Commission to build 50 new ships. Is not that correct?

Mr. O'MAHONEY. The Senator is quite correct. Will the Senator not agree with me that it is not the intention of the committee, and there is nothing in this language to authorize the purchase of any old ships?

Mr. SALTONSTALL. It certainly is not the intention of the committee. Absolutely not. Other ships would have to be purchased by the Navy Department from military funds, entirely apart from this appropriation. That is the committee's intention.

Mr. O'CONOR. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield.

Mr. O'CONOR. Is it not true, in furtherance of the statement of the Senator from Wyoming, that Admiral Cochran of the Maritime Commission and others have urged this measure as essential, so a to provide ships in addition to those which are presently available, and that the entire urge is for new construction to supplement existing facilities?

Mr. O'MAHONEY. The Senator from Maryland is quite correct. I think I am at liberty to say that a request is now pending before the Bureau of the Budget for additional sums for the construction of additional ships. This request will be presented in the new budget.

Mr. McKELLAR. At all events, I will say to the Senate that the committee allowed what was asked, because we thought it was a time of danger, and that new ships ought to be made available. After hearing the testimony of the various witnesses we allowed this item to go in.

Mr. O'CONOR. Mr. President, will the Senator from Tennessee yield in order that I may insert in the RECORD a statement in support of the committee's position on this question.

The VICE PRESIDENT. Without objection, the statement will be printed in the RECORD.

The statement is as follows:

STATEMENT BY SENATOR O'CONOR

There are few, if any, requirements which have greater merit and call for more immediate action than the upbuilding of our merchant marine.

Despite the costly lessons of World Wars I and II, our Nation has failed to give proper recognition to the important part to be played in an emergency by the merchant marine. Despite the experience of the past, many people considered the laid-up fleet as available for any use when necessity arose.

Some of us saw the inherent dangers in this policy and gave warning that we would be caught unprepared if we did not take forthright and adequate steps to remedy the situation. I might add at this juncture that about a year ago I introduced the long-range shipping bill which, if promptly enacted, would have gone far to remedy the present unfortunate situation.

In the Korean crisis America learned to its sorrow that only a small portion of the laid-up fleet was of the type that could be placed into immediate service in order to answer the need of the hour. It is a matter of great regret to note that we did not have enough troop ships and fast cargo ships ready for the emergency. It was necessary to charter foreign ships and it would have been even more disastrous had we been faced by a foe which had readily available submarines and air forces to repel the Inchon landing.

There is imperative need for ships which can move American troops expeditiously. There is immediate need for fast cargo ships that can continue to help the armed services by transporting ammunition and supplies. The inexcusable neglect evidenced toward the maritime industry has resulted in a deplorable condition with regard to available shipbuilding personnel in the United States. Unless remedial action is taken, and taken promptly, in connection with efforts to mobilize the country's resources against Communist aggression, it would be folly to expect anything but a complete break-down of American shipping and ship construction in the event of the long-dreaded all-out attack by Communist forces.

Recollection of the great number of ships constructed during World War II confuses many of our people, who apparently feel that these laid-up ships could be put back into service at a moment's notice, and would be entirely satisfactory for naval auxiliary and Army transport use. As anyone familiar with the situation knows full well, however, there is quite a time lag between the withdrawal of these vessels from the laid-up fleet and the date of their reentry into service. Much more important, however, is the fact that, by and large, they are not fast enough to keep up with the speedy naval forces of today or to avoid the improved enemy submarines that will be encountered in any future naval engagement.

What is urgently and vitally needed is a continuing program of ship construction which will prevent "block obsolescence", that will permit recruitment and maintenance of a minimum core of experienced shipbuilders, and that will keep the United States at least somewhat abreast at all times of its peacetime and wartime maritime needs.

American private enterprise can be depended upon to do its part in ship construction if only the Nation will give it the opportunity. World War II demonstrated better than anything in history how successfully the maritime industry can respond in an emergency if it is given the sign to go ahead.

Those of us who took active part in the lengthy committee hearings over the 5-week period earlier this year have long since been convinced of the crying need for a strong American merchant marine. This great industry can be of inestimable value during the national emergency, now declared by the President. In past crises patriotic merchant seamen have done their full share in protection of the interests of the United States. Backing them will be ship construction and ship repair organizations who are experienced and able and deserve our support. No finer group of patriotic citizens can be found in America than the key officials, the workers and seamen who together represent a merchant marine of which our Nation can well be proud.

DECEMBER 19, 1950.

The PRESIDENT OF THE UNITED STATES,
Washington, D. C.:

Respectfully urge administration support for long-range shipping bills in Congress, S. 2786 and H. R. 5346. The maritime industry has not had the attention it warrants as part of the national-defense organization. The objections previously put forward by the Treasury Department and the Bureau of the Budget are now entirely overshadowed by the current emergency.

Respectfully yours,

GEO. H. FRENCH,
President, the Maryland Drydock Co.

BALTIMORE ASSOCIATION OF COMMERCE,
Baltimore, Md., December 18, 1950.

Hon. HARRY S. TRUMAN,
President of the United States,
Washington, D. C.:

The Baltimore Association of Commerce, representing 2,300 business and industrial organizations of this community, earnestly requests your vigorous support of the long-range shipping legislation now pending before Congress after receiving approval of the appropriate committees of both Houses.

A strong United States-flag merchant fleet is a fundamental need in this period of national crisis both as a defense measure and for the preservation of our economy. As a center of world shipping and ship construction and repair with experienced personnel

whose skills must be preserved for this emergency, Baltimore is particularly concerned. We view the situation, however, primarily as a national issue of the gravest significance.

G. H. POUDER,
Executive Vice President.

Mr. RUSSELL. Mr. President——

Mr. KNOWLAND. Mr. President, will the Senator yield for an insertion in the RECORD at this point of some explanatory material?

Mr. BRIDGES. Mr. President, did not I have the floor?

The VICE PRESIDENT. The Chair begs the Senator's pardon. The Senator from New Hampshire had the floor, and yielded to the Senator from Tennessee for the purpose of offering some amendments.

Mr. BRIDGES. I yield to the Senator from Georgia.

Mr. RUSSELL. Mr. President, in view of the action taken by the Senate in enacting the authorization for military public works, I ask that the bill be amended, on page 14, line 14, after the words "Military construction, Army," by inserting "including construction as authorized by law."

The VICE PRESIDENT. Without objection, that amendment will be made.

Mr. RUSSELL. I offer the same amendment on page 18, line 22, after the word "new", the language to be inserted being "including construction as authorized by law."

The VICE PRESIDENT. Without objection, the amendment is agreed to.

Mr. BRIDGES. Mr. President, I ask that my two amendments be stated. The amendments are offered on behalf of the Senator from Oregon [Mr. CORDON], the Senator from California [Mr. KNOWLAND], and myself.

The VICE PRESIDENT. The first amendment offered by the Senator from New Hampshire for himself and other Senators will be stated.

The LEGISLATIVE CLERK. On page 16, line 24, after the word "therefor", it is proposed to insert: ": *Provided further*, That none of the funds provided under this head shall be used for such purposes in any territory of Korea under Communist control."

Mr. BRIDGES. Mr. President, Members of the Senate will find this item on page 16, under the heading "Civilian Relief in Korea." During the hearings I questioned Secretary Marshall and Secretary Lovett about this problem. Let me read this brief quotation:

AMOUNT FOR RELIEF IN KOREA

Senator BRIDGES. I wondered in this bill about the item for $100,000,000 for relief of various kinds in Korea. Considering the current situation there, I should think it would be pretty difficult to apply that now, would it not?

Secretary LOVETT. Yes; I think it would, Senator BRIDGES. General McGruder has the details on that. That was responsive to a request in the Department to estimate the needs on the assumption of course at that time that the pacification of North Korea was in motion. The South Korean portion of it is, of course, in the lap of the gods.

Senator BRIDGES. I notice in the North Korean item, a lot of it is for rebuilding municipal distribution systems in North Korea. I am just wondering whether or not that is at least a necessary thing in this appropriation. We would have to know what the situation was certainly before we rush into this to appropriate for North Korea rehabilitation when it may never be in our hands.

Secretary LOVETT. That will be one of the last items, I am sure, that is justified, Senator BRIDGES, and of course it would depend on the circumstances then.

Senator BRIDGES. Certainly, but I am not sure that psychologically it would be the thing for us to do, to throw $100,000,000 into this to help rehabilitate the Communists in North Korea at this particular time. I think you people will want to center on other things, as I would. I would be enthusiastic about a situation developing, perhaps, of rebuilding some of South Korea, but there would have to be quite a lot of salesmanship done on me to spend a lot of money rebuilding North Korea.

Mr. MCKELLAR. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield.

Mr. MCKELLAR. I have no objection to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES] on behalf of himself, the Senator from Oregon [Mr. CORDON], and the Senator from California [Mr. KNOWLAND] on page 16, after line 24.

The amendment was agreed to.

Mr. BRIDGES. Mr. President, on behalf of myself and the Senator from Oregon [Mr. CORDON], I offer another amendment which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. On page 16, line 21, after the word "transportation;", it is proposed to strike out "$100,000,000" and to insert in lieu thereof "$50,000,000."

Mr. MCKELLAR. Mr. President, I have no objection to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

The amendment was agreed to.

Mr. BRIDGES. Mr. President, a good deal of question has been raised by Members of the Senate respecting the progress of the Department of Defense in awarding contracts, how those contracts are awarded, whether by bid, whether by negotiated contracts, and whether or not the rising scale of prices has interfered with the ability of the contractor or the subcontractor to deliver. There is a colloquy in the hearings beginning at the middle of page 26 and continuing to page 31, in which the Senator from New Hampshire submits a series of questions and is joined in them by the Senator from Wyoming [Mr. O'MAHONEY], the Senator from California [Mr. KNOWLAND], the Senator from Alabama [Mr. HILL], and other Senators. I ask unanimous consent that the questions and answers to which I have referred may be printed in the RECORD at this point as a part of my remarks.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DEFENSE CONTRACTS

Senator BRIDGES. Mr. Chairman, in order to expedite things here, I would like to ask a series of questions, and then allow the Defense Department to answer them in writing at the next meeting on Monday, and that would expedite the thing here, if you will.

1. I would like the approximate figure as to the number of defense contracts awarded up to date.

2. Whether the contracts have been awarded on bid or negotiated basis?

3. If there have been any negotiated contracts, in general, what have they been for?

4. If contracts have been awarded on a bid basis, have there been cases where the successful bidder was unable to assume his obligations in the contract through failure to produce the product? There are a good many rumors on that, in the Subcommittee in the Armed Services.

Then, 5. How many successful bidders have had to ask for more funds subsequent to the date of the contract due to circumstances which they consider beyond their control?

Senator HILL. Would you say "And what were those circumstances"?

Senator BRIDGES. Yes.

6. If from the answers to the above it is obvious that certain contracts are not being fulfilled according to their original obligations, we would like a report made to the committee which would include the following:

The total contracts awarded on the bid basis, on negotiated basis. Contracts awarded on the bid basis subsequently canceled by the Department of Defense, and for what reason canceled. Contracts awarded on the bid basis for which no deliveries have been made by contracting firm or industry, and for what reason. A number of contracts awarded on the bid basis where contracting firm or industry came back for an increase in funds for completion, and for what purpose.

Senator O'MAHONEY. May I interrupt at that point to ask a question subordinate to that? How many contracts contain escalator price clauses?

Senator BRIDGES. That is very good. And what is the policy on subcontracts? In other words, various people of your Department with or without your knowledge are making different statements about subcontracts, and sometimes it is said that the Defense Department has complete jurisdiction over them, and some others say, "Well, now, that is a thing over which we have no jurisdiction and that comes wholly under the contracting firm for the top contract."

I think if the clerk will submit those, and they can be answered in writing, that will save a lot of time here.

Senator O'MAHONEY. Let us add another question: What has been the experience of the Defense Department with respect to increasing prices during the past 6 months?

Senator ELLENDER. May I submit another question, following Senator BRIDGES? I would like to know this: I have been informed that on several occasions bids have been submitted by various contractors, all of whom have qualified, but yet when the time comes to give the bid out, there is a feeling that in many cases the low bidder is not accepted, although he is qualified, but is given to one that has had experience in World War II. Now, I would like to know what the policy is going to be in the future, if the Defense Department is going to invite bidders and give it not to those who have the lowest bid, but to those who have had the experience in the past. It strikes me that it ought to be given to the lowest bidder.

Senator O'MAHONEY. The lowest responsible bidder.

Mr. LOVETT. In Senator BRIDGES' first question, you used the word "obligated" or "contracted"?

Senator BRIDGES. I referred to the number that have been awarded, that is, you can subdivide them under those that have been contracted, actually contracts awarded, or that there are partial steps in so doing.

Mr. LOVETT. I find we frequently cause confusion unintentionally by following the budget description of "obligations" which requires the full contract, whereas all of the services operate really on the basis of commitment when letters are sent out and engineering production starts before the contract is fully completed—the basic agreements having been reached. So if Senator BRIDGES will permit, we will deal with it on the basis of committing funds, and then contracted in addition, so as to give you the full picture. Otherwise it would be misleading.

Senator BRIDGES. There has been called to my attention where I said contracts awarded on a bid basis on which no delivery is made; I mean by that where, for some reason, they have reneged, where you have awarded it in good faith, but where the company has not lived up to the delivery on the contract.

Mr. LOVETT. That is understood.

(The information requested is as follows:)

"DEPARTMENT OF DEFENSE PROCUREMENT ACTIVITY JULY 1 THROUGH OCTOBER 30, 1950

"1. Question. Number of Department of Defense contracts awarded and/or committed since July 1. Money value represented by such contracts.

"Answer. During the first 4 months of fiscal year 1951, the Department of Defense placed approximately 500,000 purchase actions. Since this figure includes local purchases (purchases under $1,000), which type of purchase accounts for the great bulk of all governmental purchase transactions, it is probably more significant that there has been committed and obligated from all procurement funds and project authorizations during the period approximately $8,100,000,000. It must be borne in mind that included in the latter sum are commitments to Government-owned manufacturing arsenals and plants. Accordingly, the industrial impact of these commitments has not been fully realized by the award of all contracts thereunder.

"2. Question. Which part of 1 above was negotiated and which part advertised in number of transactions and amount of money?

"Answer. Although our statistical effort is not entirely current for the first 4 months of fiscal year 1951, the best estimate available is that approximately 50,000 transactions were advertised, representing a value of $900,000,000, and 450,000 transactions were negotiated, representing a money value of over $7,000,000,000. Here, again, it must be borne in mind that the negotiated figure includes local purchases which, during fiscal year 1950, represented 75 percent of the total number of negotiated transactions and 3 percent of the value of the negotiated transactions.

"3. Question. In general terms, what items are being negotiated?

"Answer. Generally speaking, the military departments have been negotiating for the following types of items: (a) Those that are highly technical; (b) those for which but one source exist; (c) those which are urgently needed in support of military operations; and (d) those that are in extremely short supply. Included are such items as tanks and military-type vehicles, large and complicated electronic items, aircraft, missiles, aircraft maintenance and overhaul services, airline transportation services, steel, aluminum and aviation gasoline, and the like.

"The Secretary of Defense approved today, December 18, 1950, a policy designed to broaden the industrial base of our procurement programs. This policy requires that contracts be spread across industry as widely as possible. In accomplishing this purpose wider use of negotiation will be required. Formal advertising will continue to be used, but not when its use will adversely affect either the speed-up of the procurement process or the broadening of the industrial base. The declaration by the President of a state of national emergency permits the Secretaries of Army, Navy, and Air Force to authorize negotiation pursuant to the authority of section 2 (c) (1) of the Armed Services Procurement Act of 1947. Copy of the policy approved today is set forth below, showing the 10 points to which the military departments are to pay particular attention in placement of contracts.

"4. Question. Under advertising—

"(a) What is the experience with respect to default by contractors?

"Answer. Defaults in advertised Department of Defense procurements have always been negligible in number. There has been no marked upswing in the number of defaults since July 1, 1950. However, it should be noted that in general it is still too early for default actions to occur with respect to advertised contracts related to the Korean action. The reason for this is that, in general terms, awards made during August 1950 specify delivery dates of from 2 to 6 months. The Department foresees, however, an increase of defaults for the reason of contractor's inability to perform.

"(b) Have the contracts been canceled? If so, for what reason?

"Answer. There have been the usual number of 'terminations for the convenience of the Government.' In addition, there have been cases of termination for default which, upon investigation, are found to have been justified under the provisions of the contract. In these instances the cases are converted and terminated 'for convenience of the Government' and not by 'default.' Where the justification does not exist it is necessary that the excess costs, if any, of the default be held against the defaulting contractor's account. Appeals are permitted in the instances where differences of opinion are not resolved between the contractor and the contracting officer.

"(c) Have upward revisions in prices been requested? For what reason?

"Answer. Yes. Upward revisions in prices have been requested in order to prevent serious loss to contractors due to continuous and serious price increases. In those instances in which the contract did not specifically provide for the price redetermination or escalation, the requests were refused, since there is no legal basis for adjusting prices upward without legal consideration.

"(d) Are awards made to the lowest bidder? Under what circumstances does production experience in World War II result in an award to other than the lowest bidder?

"Answer. Yes; awards are made to the lowest responsible bidder, price and other factors considered. Prior to receiving the award of a military contract, a bidder must show evidence of his financial and technical qualifications to perform. Previous successful production experience, including that of World War II, is one indication of such qualification. However, award is never made solely because of World War II production experience to other than the lowest responsible bidder.

"5. Question. In general terms, have contractors requested upward revisions in prices without consideration or under price redetermination or escalation provisions contained in the contract? Upon what basis have the revisions been requested?

"Answer. In situations in which the contracts do not contain price redetermination or escalation clauses, contract modifications have been requested on the basis of serious financial loss due to the unforeseen price increases. Since no legal consideration passes to the Government, relief cannot and has not been granted. In situations in which price redetermination or escalation clauses are included in the contracts, upward price revisions have been allowed in accordance with the terms of the particular contract.

"6. Question. In general terms, how many contracts contain provisions for price escalation?

"Answer. Very few. Every effort is made to purchase military requirements on a fixed-price basis. Price escalation and price redetermination is authorized only when there are unknown pricing factors which will become evident as production under the contract progresses and, by including the clauses, contingency charges will be minimized. It should be noted that there is considerable pressure for price redetermination and escalation provisions in procurements now under consideration. If economic conditions continue as at present, it can be expected that further pressure for such escalation will be exerted.

"7. Question. In general terms, what is Department of Defense experience in price increases in the last 6 months?

"Answer. The Department of Defense has undertaken, within each of the military departments, a continuing study of price levels. Price comparisons for end products purchased by the military departments are difficult to make because of the constant evolution and development of the product, and our price studies indicate that price increases have varied considerably by types of products. We have also even found that there have been price decreases resulting from greater volume production. Both the Air Force and the Navy have indicated a general experience of an over-all price rise of approximately 10 percent occuring over the period in question. Price studies of the Army made by each of the technical services of representative items procured by the technical services show:

Technical services	Items	Average price increases, percent
Signal Corps	Radio set and field wire	9.7
Corps of Engineers	Lumber and miscellaneous construction equipment	18.3
Quartermaster	Cotton and wool cloth, wool (foreign and domestic), leather and shoes	30.5
Transportation Corps	Railroad cars and cargo pallets	12.8
Ordnance Corps	Metals, chemicals, etc	30.8
Medical Services	Miscellaneous medicines, chemicals, and medical devices	34

"8. Question. What is the current Department of Defense policy in regard to subcontract management?

"Answer. One of the principal services the Government obtains from industry under a contract is contractor management which includes, among other things, subcontract management. Although the Military Departments promote the widest possible subcontracting by the prime contractor and particularly small business, and reserve the right to approve the more significant subcontracts, they do not intervene in any way nor direct the contractual relationship between the prime contractor and his subcontractors.

"BROADENING OF POLICY RELATIVE TO THE INDUSTRIAL BASE OF PROCUREMENT PROGRAMS

"The President has declared a national emergency. The issuance of this declaration permits the Secretaries of the Military Departments to authorize the negotiation of purchases and contracts pursuant to the authority contained in section 2 (c) (1) of the Armed Services Procurement Act of 1947. The Munitions Board recommended, and I approved, the following statement of policy.

"The Military Departments have already received instructions to accelerate procurement actions in connection with second supplemental 1951 funds. It is essential in complying with these instructions that contracts be spread across industry as widely as possible in order to broaden the industrial base of our procurement program. Broadening the base will require wider use of negotiation. Formal advertising will continue to be used in appropriate cases, but not when such use will adversely affect the acceleration of procurement or the broadening of the industrial base contemplated by this directive.

"The Military Departments should pay particular attention to—

"(a) The greatest possible integration of current procurement contracts with the industrial mobilization program and the accepted schedules of production.

"(b) The equitable distribution of procurement contracts among the maximum number of competent suppliers. The concentration of contracts with a few leader suppliers is to be avoided unless the necessity therefor is clear.

"(c) The utilization of existing open industrial capacity to the maximum. Expansion of facilities should not be authorized when open capacity can be found. Whenever time permits, and in order to broaden the mobilization base, additional contractors should be utilized in lieu of multishift or overtime operation.

"(d) The fullest possible use of small-business concerns.

"(e) The utilization in negotiation of competition and multiple awards, whenever possible.

"(f) The aggressive encouragement or requirement of subcontracting by prime contractors.

"(g) The provision of maximum incentive to the producer for the reduction of his costs.

"(h) The placement of contracts with a view to economies in the use of transportation facilities.

"(i) The availability of manpower in distressed employment areas or in areas of manpower shortages.

"(j) The reservation of special skills and abilities for the more difficult production tasks.

"To the extent necessary, departmental procurement procedures and practices should be modified to conform to the foregoing. Particular attention should be paid to the caliber of personnel engaged in the negotiation of contracts."

Mr. MURRAY. Mr. President, I offer as an amendment a new section, which I ask to have inserted at the proper place in the bill, and which I ask to have stated.

The VICE PRESIDENT. The amendment will be stated.

The LEGISLATIVE CLERK. At the appropriate place in the bill it is proposed to insert:

SEC. —. In order to stimulate production of strategic minerals and metals from small deposits located in the United States, the RFC is authorized and directed, pursuant to regulations duly promulgated in that regard, and provided a claim has been filed or is filed within 6 months immediately following the date of the enactment of this act, to pay to a producer of strategic or critical minerals or metals, an amount equal to the unrecovered costs, including capital expenditures, not, however, in excess of $100,000,000 to any one producer, incurred during the period between September 8, 1939, and August 14, 1945, in a good faith effort to furnish or arrange to furnish any of said materials or metals for use in the prosecution of the war, whether contracted for in writing or in response to any oral, written, or published request, solicitation, appeal, or offer to purchase from a contracting agency defined in the Contract Settlement Act of 1944, Seventy-eighth Congress, Public Law 395. A claim otherwise allowable under the provisions of this act shall not be barred by reason of (1) prior rejection under the Contract Settlement Act of 1944, Public Law 395, Seventy-eighth Congress, or (2) the lapse of a corporate charter, where the claim is filed by a surviving stockholder.

Mr. McKELLAR. This is evidently legislation. We have had no hearings on the subject at all. We do not know whether it is good legislation or bad legislation. I am instructed by the committee to enter a point of order against the amendment.

Mr. MURRAY. Mr. President, will the Senator withhold his point of order for a moment?

Mr. McKELLAR. Yes.

Mr. MURRAY. I wish to call attention to the fact that if we are going to produce some of the scarce critical metals which are essential in the war, it is necessary that the action proposed by the amendment be taken. In World War II a great number of small mining operators, as a result of being requested, or acting upon the statements made by the procurement agencies of the Government, undertook to develop some scarce metals and minerals. When the war ended they had not been able to cover the costs of their operations. The amendment seeks to bring about that just action, that just compensation for these mine operators. If we are going to expect them again to undertake development of mines producing scarce minerals we must treat them with fairness and prevent them from incurring great expense for which they would not be compensated. It seems to me it is an amendment which is necessary in order to encourage the small mine operators to go to work on mines that contain metals and minerals of a kind which are essential to war production.

Mr. McKELLAR. Mr. President, if the Senator will permit me, I will say in reply that we do not know with what the amendment deals. It has not been recommended to us. There is no budget estimate for it. There has been no testimony taken about it. The only thing we know is that at the last moment the Senator from Montana offers the amendment. It may be a very good thing, but the Senator will have to offer it at the next session of Congress. It cannot go into this bill. I make the point of order against it.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Will the Senator from Tennessee withhold his point of order until the Senator from Nevada [Mr. McCARRAN] has spoken?

Mr. McKELLAR. Yes.

Mr. McCARRAN. Mr. President, I desire to take only several minutes of the Senate's time today on the subject of governmental red tape as it pertains to this country's acute shortage of war metals and minerals.

The Congress enacted into law on September 8, 1950, the Defense Production Act of 1950 with the express purpose of facilitating the production of goods and services necessary for national security. Section 302 of the act gave the President authority to make provision for loans for the exploration, development and mining of strategic and critical metals and minerals. Section 303 of the act gave the President authority to make provision for the encouragement of exploration, development, and mining of critical and strategic minerals and metals.

I believe I can say without successful contradiction that it was the intent of Congress through the act to secure minerals and metals as speedily as possible to build up our depleted reserves. I believe it was the further intent of Congress that the administering agencies designated should have the same thought in mind.

However, the Congress did not reckon with the red-tape experts in its timetable of implementing national security.

More than 2 months after enactment of the Defense Production Act, these red-tape experts in the National Security Resources Board were still hard at work trying to formulate a questionnaire under which an applicant might file for Government loans under terms of the act.

Three months after passage of the act these application forms were finally completed. In fact, they were so complete that an outstanding mining engineer with 25 years of experience told me he could not fill out one of the application form monstrosities if his life depended upon it.

This application form is a masterpiece of "red tape intellect." Each form has 12 pages of searching questions whose answers would no more indicate the production potential of a mine than it would predict a probable date for armageddon. Whether a one-man mining company wants to borrow $5,000 to sink a mine shaft or a big corporation wants $100,000,000 to build an H-bomb plant, the same questions must be answered.

Each questionnaire must be submitted in quadruplicate. An item overlooked by the "red tape experts" was that the paper on which the forms were printed is so heavy that a squad of typewriters cannot make a carbon impression on a duplicate copy, let alone on the triplicate or quadruplicate copies. Perhaps, a miner's jackhammer would be more appropriate.

Let me point to a part of the text of this application form. There are 18 basic questions, with 26 subheadings, plus a comprehensive financial statement, a comparative statement of income and expenses, and a comparative statement of condition of the applicant.

A mining company would be eligible to secure a loan application only if its metal or mineral were on the essential list. Strangely enough, this questionnaire asks the applicant to set forth the existent shortages of the metal or mineral, either regionally or nationally, presumably, the true shortage of a metal such as copper, lead, or zinc, is top-secret information known only to the munitions board, the joint chiefs of staff, and the National Security Resources Board itself.

The form asks the miner to go one step further and do a "crystal gazing

act" by predicting to the National Security Resources Board what the future shortage of the metal or mineral might be. Again, such predictions can come only from the munitions board, the Joint Chiefs of Staff, and the National Security Resources Board.

The applicant must also provide his "blank check" to the Federal Government, by agreeing to "reimburse any agency upon demand for any expenses incurred in connection with or arising out of this application or any loan made pursuant hereto."

Meanwhile, the mining men of the West, who are asking for a chance to dig out minerals vital to any war effort; are plagued with this "comedy of errors."

The National Security Resources Board time and again vetoed suggestions of the Defense Minerals Administration, staffed by some dollar-a-year leaders in the mining industry, that an application form or at least some of the questions have a relevance to the mining industry. Instead, four economists from the National Security Resources Board were allowed to dictate their "red tape whims" to a mining industry trying with every means at its command to build up our mineral reserves.

The Defense Minerals Administration, charged with marshaling our mineral and metal potential, rebelled to no avail against the "red tape dictates." Instead, today, the miner must fill out the 12-page National Security Resources Board form, plus a 10-question Defense Minerals Administration statement of facts. The latter deals with the practical aspects of mining, such as the extent of deposits, assay reports, production records, and production facilities.

One miner has written to me that in dealing with this "red tape," he will probably have to use more lead in writing out the practically endless forms than he will be able to dig out of the ground for some time to come.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Nevada yield to the Senator from Wyoming?

Mr. McCARRAN. I shall finish my statement in a moment.

Mr. O'MAHONEY. I simply wish to make a comment regarding the Senator's speech.

Mr. McCARRAN. Very well, I am glad to have the Senator from Wyoming do so.

Mr. O'MAHONEY. I am very happy, indeed, that the Senator from Nevada has made this statement for the RECORD. The facts, as he relates them, are correct, as they have been found by members of the staff of the Committee on Interior and Insular Affairs. I should like to have the Senator know that the committee will endeavor to induce the authorities who have prepared this amazing questionnaire to see a little light of reason and draw up an application form which a mining engineer can understand and can fill out.

I thank the Senator very much for his statement.

Mr. McCARRAN. Mr. President, I am grateful to the Senator from Wyoming for his contribution. Let me say that it should not be necessary for a mining engineer to fill out the form, because the practical miner who tramps the hills and finds the ledges and knows what a ledge or a lode or a vein is, is usually able to give comprehensive advice as to what he has found. Technical matters—such as, for instance, assays and the like—may follow thereafter.

Mr. President, I am protesting this "red tape monstrosity" to Chairman Stuart Symington, of the National Security Resources Board, in the hope that a more sensible approach may be taken to a critical problem.

I bring this commentary to the attention of the Senate in the further hope that we may be able to point out to the administrative agencies that total war, if it comes, might be lost in a maze of red tape. Such a total war can only be won with planes, tanks, and guns.

This Nation must have minerals and metals—not on paper application forms, but in fighting equipment in the hands of our soldiers, sailors, and airmen.

I thank the Senate for its attention.

Mr. McKELLAR. Mr. President, in regard to the amendment of the Senator from Montana [Mr. MURRAY], I make the point of order that it proposes the addition of legislation to an appropriation bill. I am very sorry to have to make the point of order. I do so upon instructions of the committee.

Mr. President, at this point I ask unanimous consent that the clerks at the desk be authorized to correct chapter and section numbers in the bill to correspond with the amendments which have been made.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MURRAY. Mr. President, I merely wish to associate myself with the remarks which have been made by the distinguished Senator from Nevada [Mr. McCARRAN]. He has clearly shown the need for a revision of the questionnaires he has discussed. Not only must that be done, but we must adopt some kind of a fair and decent attitude toward the small mine operators if we are going to get them to undertake to develop the scarce and strategic minerals which are essential to the defense preparations of our country.

In the last war, many hundreds of the small mine owners went to work because they felt it was their patriotic duty to undertake to open up deposits which they thought would be promising and would furnish the Government with the necessary metals and minerals for the prosecution of the war.

That is the reason why I offered my amendment today. I am sorry that it is going to be made the subject of a point of order. I hope that at some proper time we may be able to have this matter taken care of.

Mr. O'MAHONEY. Our committee will be glad to hear the Senator at any time.

Mr. MURRAY. I thank the Senator very much.

The PRESIDING OFFICER. The Senator from Tennessee [Mr. McKELLAR] has made a point of order that the amendment of the Senator from Montana proposes the addition of legislation to an appropriation bill.

The amendment is clearly legislation proposed to an appropriation bill; therefore, the Chair sustains the point of order.

Mr. McKELLAR. Mr. President, may we have the third reading of the bill?

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass?

The bill (H. R. 9920) was passed.

Mr. McKELLAR. Mr. President, I move that the Senate insist upon its amendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. RUSSELL, Mr. McCARRAN, Mr. O'MAHONEY, Mr. BRIDGES, Mr. GURNEY, Mr. WHERRY, and Mr. CORDON conferees on the part of the Senate.

Mr. MAYBANK subsequently said: Mr. President, in connection with the appropriation for the Treasury and Post Office Departments, I ask unanimous consent to have inserted in the RECORD a statement I have prepared, having reference especially to the Coast Guard.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

As chairman of the subcommittee for the Treasury and Post Office Departments appropriations bill, I feel it is an opportune time to advise the Senate of the splendid work being done in these trying days by the personnel of the Treasury Department, especially by the military and civilian personnel attached to the Coast Guard Service. As Senators know, this service has been in long existence, and has many varied and complex functions, the most recent being the important port security program which was authorized by the so-called Magnuson Act of August 8, 1950 (Public Law 679). To implement this program there is included in the second supplemental pppropriation bill for 1951 $14,700,000 for operating expenses, and $7,900,000 for acquisition, construction, and improvements.

The bill also carries $3,900,000 additional funds for allowances for dependents of enlisted members of the Coast Guard, as provided by the Dependents Assistance Act of 1950 (Public Law 771). The regular bill for 1951 carried under these two heads the respective sums of $136,000,000 and $17,000,000, thus making the total requirements for 1951, $154,600,000 for operating expenses and $24,900,000 for acquisition, construction, and improvements for the Coast Guard Service.

For the most part these fund requirements are essential to our national defense. They represent without doubt the minimum needs of the Coast Guard at this time. Additional military personnel and essential matériel are being procured at an accelerated rate.

It is to be remembered that members of the Coast Guard perform essential and distinguished service both in time of peace as

well as in time of war; however, in time of war the Coast Guard operates as a service in the Navy. Therefore, it is of paramount importance to the country that the Coast Guard be maintained in a high state of military readiness, and only through the sufficiency of funds and the continued good work of the Coast Guard personnel can this be accomplished.

Mr. McCARRAN obtained the floor.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. McCARRAN. I yield.

Mr. O'MAHONEY. I desire to call attention to the fact that the appropriation bill which has just been passed carries a total sum for the Department of Defense of $16,845,181,000—an extraordinary sum of money.

In this connection, I desire to call the attention of the Senate to the part of the report of the committee, beginning on page 3 and ending on page 4, entitled "Increasing Prices and National Defense Procurement." I ask unanimous consent that these 2 pages of the report, chapter 7, which deal with national defense, covered in chapter 7, may be printed in the RECORD.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

INCREASING PRICES AND NATIONAL DEFENSE PROCUREMENT

The committee has been profoundly disturbed by continuously increasing prices of commodities affecting national defense and feels that it is the responsibility of the Department of Defense to leave nothing undone to translate into orders at the earliest possible time, the appropriations which are made in this bill. The committee requested of the Department of Defense specific information with respect to the variations in price for military matériel and equipment since immediately before the outbreak of the Korean War. This report filed with the committee by the Office of the Secretary of Defense when analyzed carries the startling information that inflation has cut the value of the dollars of the sums appropriated for defense since pre-Korea by approximately $3,000,000,000.

The Office of the Secretary of Defense reports of the committee that "these price rises are becoming increasingly widespread despite efforts to reduce costs wherever feasible by simplification of specifications and substitution of materials." Again the Office of the Secretary of Defense reports, with respect to the purchase of aviation gasoline; not only that prices have increased by some 3 to 14.6 percent but that "part of the aviation gasoline supplies are being derived from marginal productions * * * that are not economical under normal conditions" with the result that "premiums of varying amounts are being paid for the supply increments furnished from marginal sources reaching from 5 to 45 percent."

It is the opinion of the committee that time is of the essence in the placing and delivery of orders for all defense materials and equipment for which appropriations are here made. The committee will watch carefully and anxiously to see how clearly the Department will accelerate its procurement of vital materials. It demands action by the Department; it hopes the Department will show results.

The committee is aware of the problems involved in putting into effect wage and price controls but believes that the sooner a termination of this problem is concluded, the quicker the monster of inflation may be defeated.

A review of the basic raw materials which go into the production of military commodities clearly shows the impossibility of separating prices on civilian production from prices on military production.

It has come to the committee's attention that quantities of strategic materials have been sold by our friends to Russia and China. It is to be hoped that the free nations allied with us will take steps to at once stop such transactions.

Specific examples of this startling upward trend of prices for military procurement may be set up as follows:

BASIC RAW MATERIALS

Eleven basic raw materials used by the military show an average increase in price from April 1950 to December 1950 of 72.3 percent. Ten of these eleven items had price increases between September and December ranging from 1.2 to 40 percent.

PRICE INCREASES ON SELECTED MAJOR ITEMS

Aviation gasoline purchased through normal channels increased 3–3.2 percent on the Gulf coast and 13–14 percent on the west coast. Prices of supplies obtained from marginal sources are from 5 to 45 percent higher.

Increases in some other important items are as follows:

	Over-all percent increase, April to October-November 1950	Percent increase occurring between August-September and October-November
Army:		
Tires, 7.50 by 20	38.3	14.7
Bailey bridge	37.0	
Trousers, cotton, khaki	30.8	12.6
Boots, service, combat	42.4	
Cloth, wool, serge, 15-ounce	39.8	10.3
Navy:		
Rope, wire, 9/16-inch	100.0	
Mattresses	65.4	65.4
Sheets	50.7	50.7
Shell, smoke	55.8	
Air Force:		
Height finder, AN/TPS-10D	38.9	14.3
Parachutes:		
T-7A, parachute assembly with service canopy	51.7	
100-foot cargo chute	39.8	

In April 1950 the Army paid $23.99 for a 7.50 by 20 tire. In December 1950 that same tire cost the Army $33.18—and nearly $4 of the increase has occurred in the last 2 months.

In April 1950 the Army paid $37,796 for a Bailey bridge. That same bridge now costs the Army $51,792.

In April 1950 it cost the Army 74 cents to cut, make, and trim a soldier's cotton khaki trousers. To perform those same operations in December 1950 costs the Army 97 cents. Nearly half of the increase in the cost of these operations has occurred since September 1950.

In April 1950 the Army paid 57.5 cents for a soldier's wool socks. By December 1950 those same socks cost 68.1, 5 cents of the increase occurring since September.

In April 1950 combat boots cost the Army $5.72 a pair. Those same boots in December cost $8.15 a pair.

In April 1950 the Navy paid 11.9 cents a foot for 9/16-inch wire rope. In December 1950 the price is exactly double, or 23.8 cents.

In August 1950 the Navy paid $8 for mattresses. Those same mattresses cost $13.23 in December.

In August 1950 the Navy paid $1.50 for sheets. Those same sheets cost $2.26 in December.

In April 1950 an Air Force flying jacket cost $16.50. This same jacket in December cost the Air Force $25.

In April 1950 a parachute assembly with service canopy cost the Air Force $198.30. To get this same assembly in December cost $300.77.

In April 1950 the Air Force could buy a 100-foot cargo parachute for $1,287. In December 1950 they must pay $1,798.66.

RELIEF OF NEW YORK QUININE & CHEMICAL WORKS, INC., ET AL.

Mr. McCARRAN. Mr. President, by arrangement with the majority and minority leaders, I at this time move that the Senate proceed to the consideration of Calendar Order 1596, the bill (H. R. 4653) for the relief of the New York Quinine & Chemical Works, Inc., and others.

The PRESIDING OFFICER. The clerk will read the bill by title.

The LEGISLATIVE CLERK. A bill (H. R. 4653) for the relief of New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works.

Mr. AIKEN. I suggest the absence of a quorum. I do so in order that the Senator from New Jersey [Mr. HENDRICKSON] may be present before action is taken on this request.

Mr. O'MAHONEY. I was about to make that suggestion.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. WHERRY. Mr. President, in order to expedite the work of the Senate, let me say that the Senator who is interested in this particular piece of proposed legislation is now on the floor, and unless there is some reason for continuing with the quorum call, I ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on the motion of the Senator from Nevada that the Senate proceed to the consideration of House bill 4653.

Mr. McCARRAN. Mr. President, if I may have the attention of the Senate, I wish to discuss this bill.

This is a private claim bill which involves the payment of $139,000.

Because of the substantial amount involved, the bill was referred by the chairman of the Committee on the Judiciary to a subcommittee, composed of the Senator from West Virginia [Mr. KILGORE], the Senator from Washington [Mr. MAGNUSON], and the Senator from Michigan [Mr. FERGUSON].

A public hearing was held on the bill. The bill remained before the subcommittee for some months following the hearing, and was reported favorably to the full committee on May 17.

This is a somewhat complicated matter, but I shall attempt to state it as simply as possible.

This claim arises out of wartime transactions for the purchase of opium from Turkey. The three claimant companies, who are chemists and drug wholesalers, were the ultimate receivers and distributors of the opium. The original

purchase from Turkey was made for the account of the Defense Supplies Corporation by one of the three claimant companies, under an arrangement worked out at the request of the Government. The purpose of this arrangement was to stockpile opium, which was then in short supply, and to make the stockpile available for distribution in the United States, through regular channels.

It is a trade practice of long standing to buy and sell opium on the basis of the morphine content. That is, an initial price is agreed upon on the basis of an assumed morphine content, by percentage; and when the opium is delivered, it is sampled and tested, and the price is then adjusted, up or down, depending on whether the morphine content is higher or lower than the assumed percentage.

In the purchase of this particular opium, this trade practice was recognized in the exchange of correspondence and cablegrams between this country and Turkey. Subsequently, when the opium was parceled out in smaller lots to the three claimant companies, this trade practice was not in terms incorporated in the letters of acceptance which constituted informal contracts for the purchase of the opium by the claimant companies.

The Defense, Supplies Corporation paid the Turkish suppliers for the opium; and subsequently, the American companies who are claimants here paid the Defense Supplies Corporation for the opium which they received. The Defense Supplies Corporation made a profit on the deal in excess of $300,000.

The opium was below standard in the sense that it had a lower morphine content than the assumed percentage. Therefore, the Defense Supplies Corporation was entitled to a refund from the Turkish suppliers. The Department of State attempted, over a long period, to secure this refund, but was unsuccessful in doing so. Then the American company which had handled the original negotiations with Turkey offered to attempt to secure the refund, and by the device of deducting the amount of the refund from the billings to it, by the same Turkish suppliers, of other opium subsequently purchased, was successful in collecting the entire amount. Then, assuming that in accordance with the usual trade practice, this refund would be pased on to the companies which received and distributed the opium, a proposal in this regard was submitted to the Reconstruction Finance Corporation, successor to the Defense Supplies Corporation. The RFC took the position that from the purely legal standpoint, since the contract with the American companies did not contain any specific provision for adjustment of the price in proportion to the morphine content of the opium, and did contain a provision that the opium was being accepted "as is," the amount of the refund could not be passed on to the claimant companies. The RFC did agree that the money should be retained by the company which had collected it, until a determination of the matter; and representatives of the RFC testified that they felt these claimants had an equitable case, and did not oppose enactment of this legislation.

Boiled down, the situation is this: Through the efforts of one of these claimants, the Government has recovered a refund which, in accordance with trade policies, should be passed on to the ultimate purchaser and distributer of the opium in each case. This sum is in excess of a profit of over $300,000 which the Government already has made on the deal. For the Government to get this money, it would constitute a windfall. If the Reconstruction Finance Corporation, through the State Department, had itself successfully recovered this refund, under the accepted trade practice, there would be a moral obligation to pass it on to the claimants here; though it is admitted that it is extremely doubtful whether there would be any basis for legal enforcement of this equitable claim.

Under all the circumstances, it was felt by a majority of the committee that the bill should be approved.

The bill has been passed by the House of Representatives and has come from the House to the Senate. I submit the matter to the Senate.

Mr. HENDRICKSON. Mr. President, first of all I wish to commend the able Senator from Nevada for his very enlightening statement of the equities involved in the pending bill. I, too, wish to join in strongly urging that H. R. 4653 be passed by the Senate. Since I have previously presented my views on the bill, and since the distinguished Senator from Nevada has also made a full explanation of it, I shall not take the time of the Senate to repeat the arguments which have heretofore been made.

I refer my colleagues to pages 11971 and 11972 of the CONGRESSIONAL RECORD for August 8, 1950, for a concise statement of the views of my distinguished colleague, the senior Senator from New Jersey [Mr. SMITH] and to page 14695 of the CONGRESSIONAL RECORD for September 13, 1950, for a detailed and convincing statement made by the able Senator from Nevada [Mr. MCCARRAN].

In fairness to the Senator from Michigan [Mr. FERGUSON] who, as we all know, is out of the country on official business, I think I should say that he objected to the bill when it came up on calendar call. Because of the objections of the Senator from Michigan, I have reexamined the bill very carefully, and I am absolutely convinced that this is a clear case in which considerations of equity completely outweigh strictly legal technicalities which, in themselves, are certainly arguable.

In the light of all the circumstances, the three companies named in the bill should certainly not be forced to turn over to the Government the amount of $139,293.55, which was collected from the Turkish opium monopoly because of a morphine deficiency in the opium the companies bought from the Government. The United States Government has already made a substantial and unexpected profit on its opium stockpiling program, and every consideration of equity supports the retention of the amount provided in the bill by the companies named. I know that if my distinguished senior colleague were on the floor of the Senate this afternoon, he would join in urging that the bill be passed at this time.

The PRESIDING OFFICER (Mr. HUMPHREY in the chair). Is there objection to the present consideration of the bill (H. R. 4653) for the relief of the New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works?

There being no objection, the bill was considered, ordered to a third reading, read the third time, and passed.

FEDERAL CIVIL-DEFENSE PROGRAM

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 2678, the bill (S. 4268) to authorize a Federal civil-defense program, and for other purposes.

Before we begin to debate the measure I should like to suggest the absence of a quorum.

Mr. HICKENLOOPER. Mr. President, I desire to reserve my right to object to consideration of the bill until I can ask the Senator from Illinois a few questions with respect to it.

Mr. LUCAS. I shall be very glad to listen to any inquiry with respect to it.

Mr. HICKENLOOPER. Has the Senator from Illinois discussed the subject with the minority leader?

Mr. LUCAS. On yesterday I advised the Senate that we would take up the civil-defense bill before we concluded with the business of the present session of Congress.

Mr. HICKENLOOPER. I agree that the bill should be considered. I am not raising any question with respect to that point. However, there was some discussion yesterday about the desire of a number of Members of the Senate on this side of the aisle to have time to look at certain provisions of the bill. I do not know whether they have had such opportunity.

Mr. WHERRY. I was not present when the distinguished majority leader made his request. I wonder if he would object to having a quorum call. I believe some Senators who are interested in the bill desire to offer amendments.

The PRESIDING OFFICER. The majority leader stated that he would suggest the absence of a quorum.

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. HICKENLOOPER. Mr. President, I understand that the request of the Senator from Illinois has not been acted upon.

The PRESIDING OFFICER. The request of the Senator from Illinois that the Senate proceed to the consideration of the bill is pending.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LUCAS. Mr. President, I ask unanimous consent that the quorum call be suspended.

Mr. MORSE. I object.

The PRESIDING OFFICER. The Senator from Oregon objects. The clerk will proceed with the call of the roll.

The legislative clerk resumed the call of the roll.

Mr. LUCAS. Mr. President, I have discussed the matter with the able Senator from Oregon, and I again ask unanimous consent that the order for a quorum call be rescinded, and that further proceedings under the call be suspended.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LUCAS. Mr. President, I now withdraw the request, which is pending before the Senate.

The PRESIDING OFFICER. The Senator from Illinois withdraws the request which is pending before the Senate, which is that the Senate proceed to the consideration of the civilian defense bill.

Mr. McCLELLAN. Mr. President——

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. WHERRY. Mr. President, inasmuch as there was a colloquy between the majority leader and the minority leader relative to the request he is withdrawing, I was wondering whether the majority leader would not state the reason for withdrawing the request at this time.

Mr. LUCAS. I shall be glad to do that. It is my understanding that a tentative agreement was made between members of the Armed Services Committee that certain amendments should be offered to the civilian-defense bill, and that the bill would not be taken up until tomorrow. Under those conditions, of course, I withdraw the request.

The PRESIDING OFFICER. In other words, it is the intention of the majority leader to move for the consideration of the bill tomorrow, is it?

Mr. LUCAS. Yes. The moment we finish with the other matters which may be pending in the Senate this afternoon, I shall make a motion to take up the civilian defense bill, and in view of the understanding between the members of the committee, of course, we will consider the bill tomorrow. I hope we may debate it this afternoon, with the understanding that the vote on the bill will be taken tomorrow, if that is satisfactory to the Members of the Senate.

Mr. WHERRY. It is perfectly agreeable. That will give every Senator an opportunity to offer an amendment if he desires to do so, but the votes will come tomorrow.

The PRESIDING OFFICER. The Senator from Arkansas has been recognized.

AMENDMENT AND EXTENSION OF TITLE II OF THE FIRST WAR POWERS ACT, 1941

Mr. McCLELLAN. Mr. President, I ask unanimous consent for the immediate consideration of Calendar No. 2680, Senate bill 4266.

The PRESIDING OFFICER. The clerk will state the bill by title.

The LEGISLATIVE CLERK. A bill (S. 2466) to amend and extend title II of the First War Powers Act, 1941.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Arkansas?

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Expenditures in Executive Departments with an amendment, on page 2, line 3, after the word "designate" to strike out the period and insert a comma and the words "but in no event beyond June 30, 1952," so as to make the bill read:

Be it enacted, etc., That section 201 of the First War Powers Act, 1941 (55 Stat. 838) is hereby amended by striking out the words "the prosecution of the war effort" and the words "the prosecution of the war", appearing in such section, and inserting in lieu of each stricken provision the words "the national defense."

SEC. 2. Title II of such act, as amended, shall remain in force during the national emergency proclaimed by the President December 16, 1950, or until such earlier time as the Congress by concurrent resolution or the President may designate, but in no event beyond June 30, 1952.

SEC. 3. Nothing in this act shall prejudice anything heretofore done under the said title II of the First War Powers Act, 1941, or the continuance in force of any action heretofore taken thereunder.

Mr. WHERRY. Before we proceed with the consideration of the bill, I should like to ask whether the bill as it comes from the committee has to do only with title II.

Mr. McCLELLAN. It has to do with title II. It makes the powers granted applicable to the present emergency. The committee reported the bill with a limitation, that the powers conferred by the bill are in no event to continue in force longer than June 30, 1952.

Mr. WHERRY. There is no objection to the immediate consideration of the bill.

The PRESIDING OFFICER. Does the Senator from Arkansas wish to make further comment?

Mr. McCLELLAN. In view of the answer I have just given to the distinguished minority leader, I do not believe it necessary to discuss the bill. I am sure every Senator is familiar with it and understands it, and I ask that the amendment be reported.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 2, line 3, after the word "designate", it is proposed to insert the words "but in no event beyond June 30, 1952."

The PRESIDING OFFICER. The question is on agreeing to the amendment.

Mr. WHERRY. Mr. President, I am trying to get this matter clear in my own mind. This bill would amend title II of the Second War Powers Act, would it?

Mr. McCLELLAN. That is correct.

Mr. WHERRY. I am in favor of the legislation, I may say, but will not the Senator state why it is necessary to do what the bill provides for?

Mr. McCLELLAN. I can point out the reason. The powers which were conferred by title II in the original act of 1941 contained this language:

The President may authorize any department or agency of the Government exercising functions in connection with the prosecution of the war effort—

That referred to the war effort of that time. In the bill now pending the language has been changed so as to read "in connection with the national defense." The intent is merely to bring the statute up to date, to make it applicable to the present emergency, rather than to World War II.

Mr. WHERRY. I am not sure of the number of the section, but does not section 401 of the Second War Powers Act provide that the power shall remain in full force and effect until a concurrent resolution adopted by the Congress terminates the war?

Mr. McCLELLAN. I may say that the position many take is that the war is still in force, but the original enactment referred to the "war," which meant World War II. We are not now proceeding under a declaration of war, so far as the present national emergency is concerned, and the purpose is to amend the War Powers Act, since it is still in force, so as to make the powers apply to the national emergency which the President declared a few days ago.

Mr. WHERRY. I think the Senator knows my feelings, and that I am absolutely in favor of what the Senator is attempting to accomplish. But in order to keep the record straight, I will say that, in my opinion, section 401 of the Second War Powers Act is in full force and effect so far as national emergency is concerned, and if it is the power is already in existence. I am not concerned over taking the action now proposed. I think it is a good thing. It shows what the intention is. But I ask: If it is necessary to amend title II of the act to do what the Senator proposes to do with respect to contractual authority, what about title I under which it is proposed to set up the central agency for Mr. Charles Wilson?

Mr. McCLELLAN. I may say to the distinguished minority leader that he certainly knows that the President requested such powers, or amendments of title I, so as to confer those powers.

Mr. WHERRY. But does the Senator from Arkansas think title I is necessary?

Mr. McCLELLAN. That I have not decided. I may say that our committee has held hearings on the matter. We are still holding hearings on that question. We have not reported a bill for that purpose. We simply know there is a distressing situation existing in regard to contracts.

Mr. WHERRY. I am in favor of alleviating that situation.

Mr. McCLELLAN. If legislation for that purpose is not immediately passed the defense effort may be retarded. Therefore the committee acted as quickly and expeditiously as it could with reference to that subject. There can be no question as to the importance of this authority.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield to the majority leader.

Mr. LUCAS. I should like to ask the Senator a question. Am I correct in my understanding that Mr. Wilson will appear before the Senator's committee tomorrow?

Mr. McCLELLAN. Mr. Wilson will appear before the committee tomorrow at our invitation. I may say I intended to announce this afternoon to all Members of the Senate that the hearings were in progress; that Mr. Wilson will appear, and because of what I believe to be adequate considerations, I have concluded that that should be an executive session, of course with an invitation extended to any Member of the Senate to be present who may care to attend.

Mr. LUCAS. Mr. President, will the Senator further yield?

Mr. McCLELLAN. I yield.

Mr. LUCAS. I commend the Senator from Arkansas for the expedition and speed with which he has handled this phase of the recommendations made by the President. I think everyone understands the importance of immediate legislation on the contract feature of the World War II Powers Act. I also believe that something will have to be done with respect to title I. I do not know what Mr. Wilson will say about it. But I am satisfied, from what I can learn in a cursory way, that some legislation will have to be passed if Mr. Wilson is to have the kind of power he believes he ought to have. I know the Senator from Arkansas will consider that and, of course, establish safeguards with respect to any and all reorganization features, which we have heretofore discussed from time to time.

Mr. McCLELLAN. Mr. President, I may say to the able majority leader, that the immediate problem, of course, is to ascertain just what powers are actually needed. The committee felt yesterday, after the conclusion of hearings such as we were able to have, that we should invite Mr. Wilson to discuss this subject with the committee and give us the benefit of his thinking at this time.

I may assure the majority leader that it is the purpose of my committee to expedite these matters. Certain safeguards may be necessary. We are trying to give the subject full consideration, and not act hastily or blindly. We are trying to obtain all the facts in respect to the subject, and do what we honestly believe to be in the best interest of our country by providing the powers we find are needed.

Mr. O'CONOR. Mr. President, will the Senator yield for a question?

Mr. McCLELLAN. I yield.

Mr. O'CONOR. Is it not a fact that the method devised of having a separate enactment such as proposed by the majority leader, and also by the Senator from Arkansas, is the preferable method because of a unanimous decision of the committee that there should be a termination date fixed, which, as provided in the bill, is June 30, 1952. Rather than attach it to the existing law, this separate enactment is considered to be the preferable method?

Mr. McCLELLAN. I think so. I think the committee is trying to handle the matter in the most judicious manner possible.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. WHERRY. I am heartily in accord with what the Senator is attempting to do. I am glad the Senator from Arkansas reported the bill as amended, restricting it to title II.

Mr. McCLELLAN. I may say to the able Senator we felt there should be no delay about the matter.

Mr. WHERRY. I understand. Has the distinguished Senator made up his mind with relation to the observation previously made that, if the authority requested already exists, the proposed legislation might in any way take away any of that authority?

Mr. McCLELLAN. The bill would take away nothing.

Mr. WHERRY. As the Senator knows, I spoke previously with reference to title I.

Mr. McCLELLAN. The pending bill has no relationship whatever to title I. Title I is still in the same category, has the same status, has the same force and effect it has had.

Mr. WHERRY. But assuming, if the Senator will, that section 401 continues titles I and II in full force and effect, what I am asking is if the amendment is needed? What does it do?

Mr. McCLELLAN. I think it is to make the powers applicable to a declared emergency rather than to the prosecution of a former war.

Mr. WHERRY. That is something that should be cleared up.

Mr. McCLELLAN. It certainly does no harm. It clarifies the language. If the proposed legislation is enacted there can be no question with respect to the powers.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. McCLELLAN. I yield.

Mr. O'CONOR. Is it not a fact that there are now a total of some 45 disputed matters in connection with which there has been a difference of opinion on the legal side as to whether they can be handled under the existing law?

Mr. McCLELLAN. There are 45 such contracts in the Army alone. That does not include the Navy and the Air Force. We have that much positive testimony. How many there are in other branches the committee does not have information, but there are similar situations in the other branches of the service. This proposed legislation is important and is needed. I am convinced that unless it is enacted, deliveries and production may be retarded, and we ought not to incur any delay.

Mr. WHERRY. Mr. President, will the Senator yield for one more question?

Mr. McCLELLAN. I yield.

Mr. WHERRY. If the position of the Senator is maintained so far as title II is concerned, then is it the Senator's opinion that additional legislation will have to be asked for to amend title I, to carry out its provisions?

Mr. McCLELLAN. I may say that the committee is proceeding on that premise at the present time.

Mr. WHERRY. Mr. President, there is no objection to the bill on our part.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment to Senate bill 4266, on page 2, line 3.

The amendment was agreed to.

Mr. FREAR obtained the floor.

Mr. McCLELLAN. Mr. President, I ask for a vote on the measure.

Mr. FREAR. I yield to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas asks for a vote on the measure.

Mr. WILLIAMS. Mr. President, the senior Senator from Delaware also wishes to be recognized, but if the junior Senator from Delaware desires to proceed with his speech, I have no objection.

The PRESIDING OFFICER. The junior Senator from Delaware is recognized, and he may proceed with his remarks.

Mr. McCLELLAN. Mr. President, I ask the Senator from Delaware to yield until we can conclude the business at hand, without his losing the floor thereby.

The PRESIDING OFFICER. The Senator from Arkansas has asked that the junior Senator from Delaware may yield, without losing the floor thereby, so the Senate may conclude the business at hand. Is there objection?

Mr. WILLIAMS. Mr. President, reserving the right to object, I have no objection to that request, if it can be understood that I may be recognized after the junior Senator from Delaware has concluded.

The PRESIDING OFFICER. The Chair is sure we can cooperate in the spirit of brotherly love.

Mr. FREAR. Mr. President, I yield.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 4266) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 201 of the First War Powers Act, 1941 (55 Stat. 838) is hereby amended by striking out the words "the prosecution of the war effort" and the words "the prosecution of the war," appearing in such section, and inserting in lieu of each stricken provision the words "the national defense."

SEC. 2. Title II of such act, as amended, shall remain in force during the national emergency proclaimed by the President December 16, 1950, or until such earlier time as the Congress by concurrent resolution or the President may designate, but in no event beyond June 30, 1952.

SEC. 3. Nothing in this act shall prejudice anything heretofore done under the said title II of the First War Powers Act, 1941, or the continuance in force of any action heretofore taken thereunder.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States submitting nominations were communicated to the Senate by Mr. Hawks, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed without amendment the following bills of the Senate:

S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker;

S. 2888. An act for the relief of Frances Ethel Beddington;

S. 2981. An act for the relief of Giuseppe Merlinet Forgnone;

S. 3044. An act for the relief of Berniece Josephine Lazaga;

S. 3125. An act for the relief of Dr. Lutfu Lahut Uzman;

S. 3241. An act for the relief of George Brander Paloheimo and Eva Leonora Paloheimo;

S. 3259. An act for the relief of Ethelyn Isobel Chenalloy;

S. 3260. An act for the relief of Richard H. Bush;

S. 3261. An act for the relief of Willard Sidmer Ruttan;

S. 3378. An act for the relief of Armando Santini;

S. 3554. An act for the relief of Jose Mangano Somera;

S. 3699. An act for the relief of Linda Leo;

S. 3945. An act to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation;

S. 3966. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.; and

S. 3967. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4803) for the relief of Bernard F. Elmers.

The message further announced that the House had severally agreed to the amendment of the Senate to the following bills of the House:

H. R. 8759. An act for the relief of Rev. Andrew Chai Kyung Whang;

H. R. 8973. An act for the relief of Archibald Walter Campell Seymour;

H. R. 9145. An act for the relief of Tomoko Yamaya; and

H. R. 9236. An act for the relief of H. Halpern & Bro., Inc., of Boston, Mass.

PROPOSED MEETING OF THE DISTRICT COMMITTEE DURING THE SESSION OF THE SENATE

The PRESIDING OFFICER. The junior Senator from Delaware [Mr. FREAR] is recognized.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. FREAR. I yield.

Mr. LUCAS. May I ask the Senator how long he expects to speak?

Mr. FREAR. I may say to the distinguished majority leader it will be about 8 or 10 minutes.

Mr. LUCAS. Will the Senator yield to me in order that I may place before the Senate a unanimous-consent request?

Mr. FREAR. I am glad to yield to the Senator from Illinois if I do not lose my right to the floor by doing so.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Senator may yield to me without losing his right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. LUCAS. Mr. President, I ask unanimous consent that the Committee on the District of Columbia may be permitted to meet during the session of the Senate today.

The PRESIDING OFFICER. Without objection——

Mr. SCHOEPPEL. Mr. President, reserving the right to object; was that a request, may I ask the distinguished majority leader, for unanimous consent that the Committee on the District of Columbia may meet?

Mr. LUCAS. This afternoon; yes.

Mr. WHERRY. Mr. President, I shall have to object to that request. I object in response to requests made by members of that committee who are attending other committee hearings.

The reason I have been asked to object is that those Senators were not present to vote on the appropriation bill and they felt that the other committee hearings were more important. They asked me not to give consent to this matter, at least until they could be notified.

If it is not absolutely mandatory that consent be obtained at this time, I wish the majority leader would wait until tomorrow.

Mr. LUCAS. The Senator does not have to make any excuses; I think I understand.

Mr. WHERRY. I thank the Senator. I withdraw the excuses, then. [Laughter.]

FEDERAL CIVIL DEFENSE PROGRAM

Mr. LUCAS. Mr. President, in line with the preceding statement, I ask unanimous consent that the Senate proceed to the immediate consideration of Senate bill 4268, providing for a Federal civil-defense program.

The PRESIDING OFFICER. Is there objection?

Mr. WHERRY. Mr. President, there is no objection to the immediate consideration of the bill, if the Senator will go a step further and will say that he intends to have the bill debated this afternoon, and to have the votes taken on the bill tomorrow.

Mr. LUCAS. That is the understanding, and no excuses will be offered.

Mr. WHERRY. I thank the Senator.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate proceeded to consider the bill (S. 4268) to authorize a Federal civil-defense program, and for other purposes.

The PRESIDING OFFICER. The bill is taken up at this time in accordance with the understanding reached earlier in the day.

Mr. WHERRY. Mr. President, does the majority leader feel that any other business which might necessitate yea-and-nay votes may be taken up this afternoon? Several Senators are preparing to leave.

Mr. LUCAS. I cannot guarantee that no Senator on either side of the aisle may not move to have some other measure taken up at some time later today. However, I understand that no Senator on this side of the aisle will do so. On the other hand, during these last 2 days of my life in the Senate, I refuse to guarantee anything. [Laughter.]

Mr. WHERRY. Mr. President, I think we can rely on the Senator's understanding in that regard.

ANNOUNCEMENT REGARDING CALL OF THE CALENDAR

Mr. LUCAS. Mr. President, a number of Senators have asked about a call of the calendar. I think that on tomorrow we can proceed, if we have the time—as undoubtedly we shall—to have a call of the calendar of bills to which there is no objection, beginning where the last call of the calendar concluded. However, under no circumstances will I agree to have any other bills considered during the call of the calendar. I am not willing to have the Senate debate over again a number of bills which have been debated heretofore.

Mr. WHERRY. If I correctly understand the position the Senator takes, it is that if a call is had of the calendar of bills to which there is no objection, the call will include only the bills on the calendar beginning at the point where the previous call of the calendar ended.

Mr. LUCAS. If we have a call of the calendar tomorrow—and I am certain that we shall—we shall begin where the last call of the calendar ended, and we shall discuss and debate only the bills to which there is no objection. We will not return to the bills previously on the calendar, before the unobjected-to bills.

The PRESIDING OFFICER. Then it is the understanding that the call of the calendar will commence following the end of the last call of the calendar.

SOUND MONEY

Mr. FREAR. Mr. President, I have no desire to detain the Senate or prevent it from making progress at this time on its ambitious program. I shall take only a few minutes of the very valuable time of the Senate.

Mr. President, the excess profits tax bill which we have passed has been urged on the Congress as an equitable way of increasing the Nation's current payments on the defense program. The measure recognizes a condition which is common to all periods of rising prices and expanding activity. That condition is the wide differences among corporations and among individuals with respect to size of income and with respect to increases in income.

The tax legislation requires payment of additional taxes by corporations which acquire unusual profits from defense contracts or from civilian business. When such revenue is added to the tax increases already imposed on individuals and corporations in the Revenue Act of 1950, substantial additions are made to the funds available for meeting the requirements of our expanding defense program. The tax also has the objective, beyond that of an equitable current payment for the defense program, of encouraging defense production. It does that by limiting the profits, and thus the attraction of the alternative, which is civilian production.

If the defense program is put on a pay-as-you-go basis, by means of this tax and other actions which the Congress may take, and if it is made effective quickly by a rapid increase in defense production, the total cost of procurement will be held to a minimum consistent with the effectiveness of defense;

the mobilization program will not pump credit into an economy which already is inflated; and the future value of the dollar will not be endangered by further accumulation of indebtedness that requires repayment as well as interest costs. As I see it, the tax bill is not designed with the one aim of maintaining the future value of the dollar. However, like other legislation, such as the Revenue Act of 1950, and the Defense Production Act, it has that aim, along with the aim of meeting immediate conditions of a more particular nature, such as raising revenue, reducing profiteering, authorizing priorities, controlling installment and real estate credit, and so on. The aim of maintaining the soundness of the dollar should always be included when the justification of a legislative proposal is offered during inflationary circumstances.

This aim, a sound dollar, is common to many legislative enactments. It is of greater importance than any of the particular objectives sought by those enactments. Unless the aim of sound money is realized, attempts to attain the other objectives are, in my opinion, without much point. The reason for this is simple and fundamental. The people of our Nation make their living by producing for sale to other people, and by buying from others, the things they need but do not produce or own. The common denominator for stating the value of commodities produced, and the value of productive work, and the means for making payment when buying commodities or services, is the dollar. Without a common denominator for such diverse items as bushels of wheat, work at a machine, consideration of legislation, railroad transportation, and the many other products and occupations familiar to everyone, an economy of free bargaining, free choice of occupation, free business enterprise, would be impossible. Many or most of the products and occupations would be impossible.

If the common denominator fails to function properly, or if it is forced into disuse, the form of our economic system will change.

The common denominator must be sound; that is to say, its value must be stable from day to day and year to year, so that those who work, save, borrow, lend, and invest, can plan ahead, develop efficiency and skill, build productive capacity, and provide for their own future. That is what sound money means. It does not imply a particular form of currency; but it does imply that whatever the form, it will continue; and the value of it, in terms of the things and work for which it is a common denominator, will go on without great interruptions and changes. Sound money in this sense is the basic requirement of capitalism, and always should be given first consideration when appraising our economic situation and any proposals for legislation affecting it. Unfortunately, sound money as a descriptive term, sometimes has been identified with a specific form of money which, whatever its other virtues, would require discontinuation of the form then current. In debates over monetary proposals, the term sound money has fallen somewhat out of repute. But the objective of sound money, which is a reliable common denominator for exchange, and for planning of the affairs of individuals and of governments probably is more important today than at any time within the last three quarters of a century.

The first of the circumstances which makes sound money of such importance is the obvious one that more of the Nation's people depend on money income and expenditure for their living than in the past. The second is the circumstance, likewise well known, that more people are debtors or creditors, and for larger amounts, than in the past; and, of course, that the Federal Government has a greater volume of debt than in the past. The third circumstance is that the value of the dollar has depreciated considerably in recent years. The fourth and most compelling reason for attention to the soundness of the dollar is that we are nearer than in many years to a danger point at which money begins to lose its acceptability as a common denominator of value in trade and industry. This is the point at which individuals and corporations may begin resorting on a wide scale to inflation hedges, then to barter and to theft rather than to the use of money, for exchanging or acquiring commodities and services. It is also the point at which the Government is compelled to use requisitions rather than money to obtain what it wants. Development of these latter conditions usually is followed by introduction of a new money, and is accompanied with political disturbances, sometimes of a revolutionary nature.

The circumstances referred to above, in my opinion, make sound money at least equal in importance to military strength. Any appraisal of our position and prescriptions for it, require at least a brief description and analysis of those circumstances.

Since our economy is entirely a money economy, it seems to me that its soundness is essential if production is to be adequate, either for ordinary consumption and business purposes, or for these, plus defense preparations. We must remember that the whole economy is organized around money payments.

Money measures the value of work and of commodities, and so it measures debts and credits. Sound money is essential to equity between debtor and creditor. The biggest debtor is the Federal Government. Its direct obligations at the end of November 1950 totaled $257,076,619,514. Its biggest group of creditors were the banks, which held slightly less than one-third of these obligations. Individuals held slightly less than one-quarter of the total. Insurance companies held about one-twentieth. Other corporations held about the same portion. The principal other holder, United States Government investment accounts, held as much as insurance companies and nonfinancial corporations together. Nearly all of the Federal debt is World War II debt. Those who loaned money to the Government during World War II have lost purchasing power on long-term securities which they have retained. The loss on about $150,000,000,000 of long-term Treasury bonds and Savings Bonds issued before 1950 and still outstanding has amounted to something more than $40,000,000,000 in purchasing power. The Government, of course, has not necessarily gained that much. It is not essentially true that the Government's ability to obtain tax revenues has changed by the same amount as the price index which indicates a loss in purchasing power to investors. There have been both increases and decreases in real wages which, with other factors, determine ability to pay taxes to the Government. With reference to some periods, the gain in taxable capacity may have exceeded losses to creditors.

There have been increases in debt and credit in many places other than the Government. For example, new nonfarm mortgages of less than $20,000 each have amounted to one billion one hundred million to one billion six hundred million dollars in each month of the last year. Any change in the value of the dollar would affect seriously the creditors who have extended the money secured by these mortgages, and would as well affect the hundreds of thousands of borrowers. As another example, consumer credit has increased to about $19,300,000,000, an increase by 28 percent during 1 year. Bank loans increased nearly $5,000,000,000 in the first 3 months after the beginning of war in Korea. The inequities between creditor and debtor probably have been, and will be, less in the case of business and installment loans than in the case of real estate loans and Government bonds. The reason is that the term is shorter and the amount smaller.

The fluctuations of the value of the dollar in recent years, and particularly in recent months, have come with considerable changes in the position of groups other than creditors and debtors. While the value of the dollar has declined by two-fifths since the beginning of World War II, money wages have tripled; profits after taxes have quadrupled; dividends more than doubled; rental incomes doubled. Federal taxes have increased more than eightfold. This span of years has comprised three periods of depreciation of the dollar—the war, the postwar years of 1946–48, and the months of 1950. In each of these periods, the different indicators of economic change have varied with respect to which moves first, which moves fastest, and which moves farthest. The rates of change in consumer prices in 1950 have been only three-fourths as fast as in 1946–48, while wholesale prices have risen one and a sixth times as fast. Sales have risen two and three-quarters times as fast; profits two and two-fifths times; total wages only nine-tenths as fast; industrial production four times as fast; employment less than half as fast, and weekly earnings one and one-quarter times as fast. A comparison of recent months with 1939–44 shows a different picture. As in comparison with 1946–48, however, wholesale prices have risen faster in recent months than in the earlier periods; this has been true also of profits.

What has been the moving force toward depreciation of our money? In the first half dozen years of the war and postwar inflation, the moving force clearly was the increase in Federal Government expenditures. In the period 1946–48, money saved out of the period of large expenditures was spent in a period of inflation, while governmental expenditures were being cut very sharply. In the recent months, inflation or depreciation of the value of the dollar has proceeded without an increase in Government expenditures. However, in the period of the sharpest recent increases, additional Government expenditures have been anticipated and have led both business and consumers to spend more. Federal expenditures have been of such a large amount as to maintain the economy close to full employment, even though they have been financed principally out of taxes. An increase in such expenditures now, particularly if it is made by pumping additional money into the economy, will increase prices more than proportionately. The reason is that production is near to capacity throughout the economy, and responses to higher prices and better markets will be made only if the benefit of a response if unusually high; that is, only if much higher prices can be obtained.

As the value of the dollar depreciates, a danger point may be reached. Mr. Edwin Nourse has spoken of that danger point as follows:

> The greatest thing we have to fear in the economy of the United States is a spreading fear of the future of the dollar. That distrust is already upon us in some degree. It is not too late to cure it by sound public and private policy. * * * The signs of fear are daily accumulating as people ask each other, "What is the best hedge against inflation?" Hedging against inflation is a flight from the dollar. * * * Those who are ready to take a chance on "containing" inflation may well ponder what happens when a stampede once gets started.

Mr. McCLELLAN, Mr. KEFAUVER, and Mr. WILLIAMS addressed the Chair.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). The Senator from Arkansas is recognized.

DEATH OF FORMER SENATOR HATTIE W. CARAWAY

Mr. McCLELLAN. Mr. President, it is with sadness and deep regret that I announce the death of my esteemed former colleague in this body, the Honorable Hattie W. Caraway. Death came to Mrs. Caraway at the Whitehall sanitarium, Falls Church, Va., at 11:15 a. m. today as the result of an illness she has suffered since early last January.

Senator Hattie W. Caraway, the widow of former United States Senator Thaddeus H. Caraway, had a most enviable career as a public servant. Upon the death of her illustrious husband, the Honorable Thaddeus H. Caraway, while he was serving as a Member of this body, she was appointed a Member of the United States Senate from the State of Arkansas on November 13, 1931, to fill the vacancy occasioned by his death. Thereafter she was elected by the people of Arkansas to fill out the unexpired term. She was subsequently elected to this high office by the people of Arkansas in 1932 and in 1938 for 6-year terms.

As I recall, Senator Hattie W. Caraway was the first member of her sex ever elected by the people of a sovereign State of this Union to represent it in the United States Senate. Her reelection to two full terms is a testimonial to her and proves the great esteem and confidence in which she was held by the citizens of my State.

After her term as Senator expired on January 2, 1945, she was appointed by the President of the United States as a member of the United States Compensation Appeals Board, in which position she served faithfully until recently, when she was compelled to resign on account of ill health.

In the course of her service here she attained national recognition as an able legislator and made a host of admiring friends throughout the Nation, who, I know, today share with the citizens of my State the deep sorrow that they feel in the loss of this distinguished woman.

It was my extreme good fortune to have her warm personal friendship and to have labored with her as a colleague in the United States Senate. Her attitude toward me as a junior member of this body during the 2 years in which I served with her was one of utmost kindness, consideration, and cooperation. These magnificent personal qualities she exemplified in all of her labors.

She was in her womanly tenderness and understanding devoted to the cause of human welfare, and was always solicitous and diligent in her efforts to promote and advance the interest of the common man and to contribute in every way possible to a higher standard of life for our people and toward the building of a stronger Nation.

Among relatives and loved ones who survive her are two distinguished sons, Col. Paul Caraway and Col. Forrest Caraway, of the United States Army, both of whom are graduates of the Military Academy at West Point, and both of whom have dedicated their lives in the service of the defense of their country.

Mr. President, I extend to those relatives and loved ones my heartfelt sympathy. I share with them the sorrow and grief that I know they are experiencing in the loss of their mother, who was my esteemed friend and for whom multitudes of American citizens mourn today.

Mr. FULBRIGHT. Mr. President, I wish to associate myself with the sentiments expressed by my colleague, the senior Senator from Arkansas. It was with profound sadness that I heard of the death of former Senator Hattie W. Caraway. She was an old and close friend of my mother and of myself. Her husband, the late Senator Thaddeus Caraway, was, as many Members of the Senate know, one of the outstanding Members of this body for many years.

Former Senator Hattie Caraway was a fine character and was greatly devoted to the interests of her State and of the Nation. She labored long and faithfully in behalf of her country and of the people of my State. I know that I speak for all the people of Arkansas and all the Members of the Senate in expressing my deep sympathy to her family.

Mr. McFARLAND. Mr. President, I desire to join the distinguished Senators from Arkansas in what they have said in regard to former Senator Hattie W. Caraway. I am very glad I had the opportunity of knowing her and that I can be remembered as one of those who were her friends. She was a lovely lady. She served her family, her State, and her Nation well and with great distinction.

THE GOVERNMENT'S DISPOSAL OF ESSENTIAL AGRICULTURAL COMMODITIES UNDER CLASSIFICATION OF "SURPLUS AND NONESSENTIAL"

Mr. WILLIAMS. Mr. President, last Friday the President, in speaking to the American people, emphasized that our country was confronted by two grave threats: First, the threat of communism; and, second, the threat of inflation.

To combat these threats the President called upon the American people to forget the "business as usual" policies and requested that we all pull together in an effort to rebuild our Military Establishments, conserve our natural resources, and check the current inflationary spiral.

To accomplish this goal the President on the following day declared that a "state of emergency exists in our country," and thereby paved the way for price and wage controls.

Conferences are being held today in Washington between leaders of the meat industry and administration officials to discuss the need of price controls on meats. Price controls have already been declared in effect in one major industry, and similar conferences to those which are being held today are scheduled with representatives of other industries.

On Monday of this week the Price Stabilization Director, Michael V. Di Salle, indicated that later this week he would call for an honor-system freeze on all prices and wages, appealing to the patriotism of the American people to cooperate with their Government in this grave emergency.

From reading the American newspapers in which the plans of the Government officials are outlined, we are given the impression that at long last the administration has recognized that a war is going on. The days of reckless Government waste accompanied by the politics as usual slogans are being replaced by a call for a united effort, without regard to politics, for greater production, stockpiling, and conservation of our Nation's resources.

At this point I ask unanimous consent to have inserted in the RECORD an article which appeared in the Evening Star of December 18, 1950, entitled "United States Aims at 10 Percent Rise in 1951 Crop Output."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES AIMS AT 10 PERCENT RISE IN 1951 CROP OUTPUT; WOULD TOP 1948 PEAK

The Government's crop production targets for 1951 will call for at least 10 percent more

food, livestock feed, and fiber commodities than was harvested this year.

Under the threat of war, the Agriculture Department is outlining production programs which, if realized, would top the record farm output of 1948.

This year's crop volume turned out to be bigger than had been forecast. In its final report of the year, issued yesterday, the Department said the harvest was the third largest of record.

LONG FALL SEASON WAS FACTOR

A prolonged fall season for maturing and harvesting crops helped improve the quantity and quality of many items, the Department said.

The aggregate volume of this year's harvest was 126 percent of the 1923–32 average. This compares with the record of 137.5 percent in 1948 and 132 percent in 1949.

Much of next year's increase will be sought in cotton, wheat, and corn. A very short cotton crop this year has led the Government to urge farmers to produce at least 60 percent more in 1951.

LARGER CORN CROP SOUGHT

While supplies of corn are large the Government would like to see next year's crop top this year's by 15 to 20 percent. Corn is the major raw material for production of meat, milk, and poultry products.

This year's harvest was a well-balanced one, with the single exception of cotton. Only a few crops in themselves set records—soybeans, grain sorghums, and sugar beets. But many crops were far above average.

In the class of large crops were corn, oats, hay, rice, potatoes, tobacco, cranberries, and alfalfa and sweetclover seeds. Larger-than-average crops of flaxseed, sorghum, silage, peanuts, sugarcane, hops, apples, pears, cherries, citrus fruits, and truck crops were harvested.

Mr. WILLIAMS. Mr. President, in this article it is pointed out that the Department of Agriculture is calling on the farmers of this country to increase production of all basic agricultural commodities, and they emphasize the fact that these commodities are essential to our national welfare. It also calls attention to the critical shortage with which this country is faced in regard to cotton.

In view of this background and after listening to the patriotic appeals on the part of the President and other administration leaders, I was shocked this week to find that the administration, while calling upon the American people for greater sacrifices and expressing great concern with the threatening rising cost of living, were at the same time launching one of the greatest international bargain day sales of the twentieth century.

In order that the Members of Congress might realize the size of this bargain day sale, I shall insert in the RECORD a copy of United States Department of Agriculture Bulletin No. 2873–50 dated December 1, 1950, in which the Department of Agriculture announced its December sales prices for agricultural commodities which are listed as nonessential, declared surplus, and offered for sale in export trade only. These commodities are being offered with a strict provision that under no circumstance are these bargains available to the consumers in the United States or its Territories, nor are they available for purchase by foreign countries using ECA dollars.

At this point I ask unanimous consent to have inserted in the RECORD the above-described bulletin.

There being no objection, the bulletin was ordered to be printed in the RECORD, as follows:

CCC ANNOUNCES DECEMBER EXPORT SALES PRICES FOR SURPLUS COMMODITIES

Ralph S. Trigg, President of the Commodity Credit Corporation, United States Department of Agriculture, today announced the prices at which approximate quantities of the Corporation's commodity holdings will be available to commercial exporters for export sale during the month of December 1950. The following commodities will be available during the month: Dried whole eggs, nonfat dry milk solids, raw linseed oil, flaxseed, dry edible beans, dry edible peas, Austrian winter pea seed, wheat, oats, barley, corn, grain sorghums, potato starch, fresh Irish potatoes, and gum rosin.

The list, which varies from month to month as additional commodities become available, or commodities formerly available are dropped, is designed to aid in moving CCC's excess inventories into export through regular commercial channels. By knowing in advance the commodities and quantities that are available, private exporters are in position to develop export sales before the commodities are actually purchased from CCC.

Since the beginning of the program, in January of this year, sales for export, reported through November 23, totaled $77,374,780, covering the following commodities:

Commodity	Quantity	Dollar value
Mexican canned meat	pounds..	30, 242, 260	$2, 747, 977
Mexican canned beef	do....	120, 120	24, 336
Dried whole eggs	do....	4, 191, 528	1, 090, 214
Frozen turkeys	do....	141, 171	38, 099
Shelled peanuts	do....	11, 000, 000	893, 750
Cottonseed oil, crude [1]	do....	3, 240, 000	429, 300
Flaxseed	bushels..	1, 172, 499	4, 522, 818
Dry edible beans	hundredweight..	520, 134	2, 971, 679
Dry edible peas	do....	285, 643	815, 314
Wheat	bushels..	12, 862, 249	30, 487, 625
Barley	do....	4, 151, 942	5, 373, 107
Corn	do....	11, 133, 320	17, 623, 270
Grain sorghums	hundredweight..	2, 784, 815	5, 980, 512
Fresh Irish potatoes	do....	4, 801, 383	48, 014
Gum rosin	do....	508, 580	3, 534, 895
Linseed oil, raw	pounds..	4, 783, 026	669, 624
Nonfat dry milk solids	do....	1, 206, 716	124, 246

[1] Includes sales only through April 1950. In May this commodity was dropped from sales list and sold "as available."

The December list of commodities, the approximate quantities for sale, the points where available, and the export sales prices, are given below. Sales are restricted to buyers not using ECA dollars or other funds of the United States Government, but commodities for which the sales prices are not less than the domestic market price on the date of sale may be resold to buyers using such funds.

The CCC will entertain offers from prospective buyers for the purchase of any commodity on the current list. Offers accepted by CCC will be subject to the terms and conditions prescribed by the Corporation. These terms include payment by cash or irrevocable letter of credit before delivery of the commodity, and the conditions require removal of the commodity from CCC storage within a reasonable period of time and proof of exportation.

Announcements containing all terms and conditions of sale will be furnished upon request. Interested persons are invited to communicate with the Production and Marketing Administration, USDA, Washington 25, D. C., with respect to all commodities.

December export price list

Commodity	Approximate quantity available (subject to prior sale)	Export sales price
Dried whole eggs, in carload lots only:		
1950 pack (in barrels and drums)	10,000,000 pounds	F. a. s. vessel, United States Gulf or east coast ports: 1950 pack, 60 cents per pound. 1948–49 pack, 30 cents per pound. F. o. b. cars or trucks at warehouse locations: 60 cents per pound for 1950 pack or 30 cents per pound for 1948–49 pack, less freight based on the average gross shipping weight, at the lowest export freight rate to New York or New Orleans, whichever is lower.
1948–49 pack (in barrels, drums, and 14-pound containers).	11,150,000 pounds	
Nonfat dry milk solids, in carload lots only:		
Spray process	165,000,000 pounds [1]	For export to all countries except those listed below: Spray process, 12½ cents per pound f. o. b. location of stock in any State. Roller process, 10½ cents per pound f. o. b. location of stock in any State. For export to Western Hemisphere countries except Canada and colonial possessions of foreign countries, and territories and possessions of the United States: Spray process, 9½ cents per pound f. o. b. location of stock in any State, less freight based on the average gross shipping weight, at the lowest export freight rate from that location to nearest port of export. Roller process, 7½ cents per pound f. o. b. location of stock in any State, less freight based on the average gross shipping weight, at the lowest export freight rate from that location to nearest port of export.
Roller process	75,000,000 pounds [1]	
Linseed oil, raw	520,000,000 pounds [1]	14 cents per pound f. o. b. tank cars at storage locations (Buffalo; San Francisco; Los Angeles; Cleveland; New York; Philadelphia; Baltimore; Portland; Oreg.; Houston, Tex.; Kenedy, Tex.; and Good Hope, La.).
Flaxseed, bulk	2,000,000 bushels [1]	No. 1, $2.50 per net bushel (56 pounds pure flaxseed) bulk, basis in store Minneapolis or other points of storage, subject to stocks. For other grades market differentials will apply.

[1] These same lots also are available at domestic sales prices announced today.

December export price list—Continued

Commodity	Approximate quantity available (subject to prior sale)	Export sales price
Dry edible beans:		No. 1 grade 1948 crop f. a. s. vessel at locations shown below:
Pinto, bagged	920,000 bags [1]	$5.90 per 100 pounds, San Francisco and Portland, Oreg.; $6 per 100 pounds, United States Gulf ports.
Pea, bagged	250,000 bags [1]	$5.50 per 100 pounds, east coast and North Pacific ports.
Red kidney, bagged	505,000 bags [1]	$6 per 100 pounds, New York.
Great Northern, bagged	1,370,000 bags [1]	$5 per 100 pounds, Portland, Oreg.; $5.10 per 100 pounds, United States Gulf ports.
Baby lima, bagged	150,000 bags [1]	$5.50 per 100 pounds, San Francisco.
Pink, bagged	126,000 bags [1]	$5.25 per 100 pounds, San Francisco.
Red kidney, bagged	65,000 bags [1]	No. 1 grade 1949 crop: $6.50 per 100 pounds f. a. s. vessel, New York.
		Discounts for grades on all beans:
		No. 2, 25 cents less than No. 1.
		No. 3, 50 cents less than No. 1.
		At CCC's option, 1949 crop beans may be furnished in lieu of 1948 beans in instances where stocks are exhausted of 1948 beans of the type and grades desired.
Dry edible peas, bagged	600,000 hundredweight [1]	No. 1 grade, 1949 crop, $3.75 per 100 pounds f. a. s. vessel, North Pacific ports.
		If sold at point of production deduct cost of transportation, and cost of processing if sold on basis thresher run.
		Peas may be used for splitting provided entire quantity of split peas produced therefrom is exported.
Austrian winter pea seed, bagged	73,000 hundredweight	Market price on date of sale at place of delivery, provided delivery takes place within 15 days, unless otherwise agreed upon.
Wheat, bulk	100,000,000 bushels [1]	Do.
		Wheat may be used for milling export flour, provided the entire quantity of flour produced therefrom is exported.
Oats, bulk	11,675,000 bushels [1]	Market price on date of sale at place of delivery, provided delivery takes place within 15 days, unless otherwise agreed upon.
Barley, bulk	28,300,000 bushels [1]	Do.
		Barley may be exported as malt or pearled barley when all the malt or pearled content is exported.
Corn, bulk	100,000,000 bushels [1]	Market price on date of sale at place of delivery, provided delivery takes place within 15 days, unless otherwise agreed upon.
		Corn may be used for the manufacture of starch, provided the entire quantity of starch produced therefrom is exported.
Grain sorghums, bulk	16,000,000 hundredweight.[1]	Market price on date of sale at place of delivery, provided delivery takes place within 15 days, unless otherwise agreed upon.
		Grain sorghums may be used for the manufacture of starch, provided the entire quantity of starch produced therefrom is exported.
Potato starch, in carload lots only:		
Pearl type, packed in 200-pound burlap bags with paper inner liners.	600,000 pounds [1]	$4.50 per hundredweight f. a. s. vessel, Boston, Mass.
Powdered type, packed in 100-pound and 200-pound burlap bags with paper inner liners.	4,860,000 pounds [1]	
Fresh Irish potatoes, packed in usual 100-pound burlap sacks, in carload or truckload lots only.	Substantial quantities, as available in Aroostook County, Maine.	U. S. No. 1 grade when loaded at CCC's point of purchase: 50 cents per sack f. o. b. cars at country shipping point, for export to areas other than United States possessions, Canada, Mexico, Cuba, or the Caribbean area.
		Consideration will be given to offers to purchase potatoes packed in crates at above price plus additional costs to CCC. Communicate with the Director, PMA Commodity Office, 67 Broad St., New York, N. Y. Telephone Digby 4-8300.
Fresh Irish potatoes, for processing into potato food products for export.	Quantities as available in the late potato-producing States.	Basis 1 cent per hundredweight bulk ungraded at farm, plus reimbursement for approved marketing services required to be performed.
Gum rosin, in metal drums averaging 517 pounds net each	80,000 drums [1]	$8.50 per hundred pounds net, grades M through G, $8.65 grade N, $8.75 grade WG, and $9 grades X and WW, "as is," on storage yards in Georgia and Florida.

[1] These same lots also are available at domestic sales prices announced today.

Mr. WILLIAMS. Mr. President, I wish to call particular attention to the fact that included in the bulletin are 100,000,000 bushels of wheat, 100,000,000 bushels of corn, and millions of bushels of other grains. They are all listed as surplus. At the same time that they are being classified as surplus and nonessential the Department of Agriculture is asking for greater production, and the Price Administrator has said this week he would consider setting price controls on such commodities in order to hold down the price. Nevertheless they are still being declared surplus and nonessential.

In this bulletin it will be noted that under this surplus-disposal program, the sales since January through November 23, 1950, total $77,374,780. As of June 23, immediately prior to the outbreak of war in Korea, the sales under this program for the first 6 months totaled only $11,366,648.

Immediately following the outbreak of the war in Korea and during the succeeding months, export sales under this surplus disposal program jumped an average of over 600 percent, and it is significant that the sales during the month of November jumped an average of 1,300 percent over the average sales for the 6 months prior to the outbreak of the war in Korea.

The dollar sales recorded do not tell the full story since they do not reflect the losses which were sustained on some of these commodities.

For instance, in this $77,000,000 reported as sales there is reflected only the amount we received in payment and not the cost of the goods to the American taxpayers.

As an example I call attention to the fact that the 4,801,385 bags of potatoes, 100 pounds each, were sold at an average price of 1 penny per bag, and the amount reflected in the receipt column is only $48,014.

This is an extreme example, but nevertheless in each instance the total volume is reflected only as the amount received and in practically all cases the sales price was substantially below the cost of the items.

I call attention again to the fact that these commodities which are being offered for export are not a part of the agricultural commodities which are being shipped to Europe under the ECA program.

It is almost beyond comprehension that we find our Government through the Commodity Credit Corporation today, 5 months after the beginning of the Korean War, still liquidating its inventories under the classification "surplus and nonessential."

This is particularly hard to understand when we find that the same Government agency, the Department of Agriculture, only yesterday issued an appeal to the American farmers to put forth an all-out effort to increase their production of these same agriculture commodities in 1951 by at least 10 percent.

I fully recognize that if these commodities are held in reserve at this time and if during the subsequent months the war clouds were to vanish, our Government would not realize as much money in their sale as it would under the existing circumstances. However, the difference in the price which we would receive for these commodities today and that which we would receive in the event of world peace 1 year from now, is a small amount to pay for this country's security.

On the other hand, if the war clouds continue and we become involved in a third world war, the vast inventories of agricultural commodities in this country which we had on hand at the beginning of the Korean episode would prove a godsend.

At a time when our country is being threatened by an outside aggressor, with the cost of living reaching an all-time high, with price controls being considered on all food and agricultural products, and at a time when every sensible and loyal American recognizes that we must conserve our resources, there is absolutely no possible justification for the existing policy of treating these inventories as "surplus and nonessential."

It is inexcusable that this administration, through the Department of Agriculture, while under the threat of war clouds, should continue stripping the American cupboard bare and distributing our resources to the far corners of the earth.

To further emphasize the contradiction of this dumping program, I call your attention to the fact that only today the Congress is being asked to appropriate about $17,000,000 to be used in the replenishing of our stockpiles of strategic materials and in the rebuilding of our national defense.

Also, we are proposing to draft millions of American boys in the Army. These drastic measures are being authorized on the assumption that there is a grave threat of another world war.

Yet we still find the same administration which is advocating these wartime measures conducting its activities in the Department of Agriculture as if there were no threat either of inflation or of war.

In order that the Members of Congress might better realize the gigantic scale upon which our reserves are being depleted through international bargain sales, I shall summarize these offerings, reduced in terms of carload lots, basis 50 tons for each car.

Remember all of these are still classified as surplus.

First. Two thousand four hundred carloads dried milk solids, or 240,000,000 pounds.

Second. Five thousand carloads raw linseed oil, or 529,000,000 pounds, representing 66,000,000 gallons.

Third. One thousand one hundred and twenty carloads bulk flaxseed, or 2,000,000 bushels.

Fourth. Nine hundred and twenty carloads dried pinto beans, or 92,000,000 pounds.

Fifth. Two hundred and fifty carloads dried pea beans, or 25,000,000 pounds.

Sixth. Five hundred and seventy carloads dried red kidney beans, or 57,000,000 pounds.

Seventh. One thousand three hundred and seventy carloads Great Northern dried beans, or 137,000,000 pounds.

Eighth. One hundred and twenty-six carloads dried pink beans, or 12,600,000 pounds.

Ninth. One hundred and fifty carloads dried baby lima beans, or 15,000,000 pounds.

Tenth. Six hundred carloads dried edible peas, or 60,000,000 pounds.

Eleventh. Seventy-three carloads Austrian winter pea seed, or 7,300,000 pounds.

Twelfth. Sixty thousand carloads wheat, or 100,000,000 bushels.

Thirteenth. Three thousand seven hundred carloads oats, or 11,675,000 bushels.

Fourteenth. Fifteen thousand carloads barley, or 28,300,000 bushels.

Fifteenth. Fifty-six thousand carloads corn, or 100,000,000 bushels.

Sixteenth. Sixteen thousand carloads grain sorghum, or 1,600,000,000 pounds.

Seventeenth. Fifty-four carloads potato starch, or 5,460,000 pounds.

Eighteenth. An unspecified quantity of fresh Irish potatoes, listed as available at a price of 1 cent per hundredweight at the farm.

Nineteenth. Four hundred carloads gum rosin, or 80,000 drums.

Mr. FREAR. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield to my colleague.

Mr. FREAR. I think the Senator made reference to fresh Irish potatoes.

Mr. WILLIAMS. Yes.

Mr. FREAR. Does not the senior Senator from Delaware think the unspecified quantity will be higher in the next few months than it was when the present figures were prepared?

Mr. WILLIAMS. In this bulletin issued on December 1 they did not place any figure or quantity with reference to surplus potatoes. They listed potatoes as an unspecified amount. That is the language they used. Apparently the potatoes which are being offered are potatoes which are now coming from the State of Maine, and they are being sold as fast as they are received. Apparently they do not know how many they will have, and therefore they did not specify the amount of potatoes which are to be offered. They did say it would be a substantial quantity.

Mr. FREAR. Does it not seem to the senior Senator from Delaware that there may be good reason for using the term "unspecified amount" or "unspecified quantity"?

Mr. WILLIAMS. In view of the fact that they used specified amounts with respect to other commodities, it would seem to me that the reason for using the reference to an unspecified amount was because they did not know how many potatoes they would get from the State of Maine, although they estimated it would be in the millions of pounds. Prior to this, they had sold 4,000,000 bags of potatoes at a penny a bag.

Mr. FREAR. Does not the senior Senator from Delaware think it is reasonable to assume that the quantity will be so high that public opinion in this country on the potato issue will be what it was about 12 months ago?

Mr. WILLIAMS. Unless I miss my guess, public opinion will not only be the same with reference to potatoes, but there will also be public resentment to any agricultural commodity's being classified as surplus or nonessential when at the same time the Government is asking Congress to give them power to put price controls on such commodities in order to hold down the price. At the same time, they are calling on farmers for an all-out increase in production of the same commodities which are classified as surplus and nonessential. To make matters worse, we are losing hundreds of millions of dollars annually on the disposal program.

Mr. FREAR. I thank the Senator, and I thoroughly agree with him.

Mr. WILLIAMS. There are also 210 carloads of dried eggs representing 63,000,000 dozen in shell form. Altogether this accounts for approximately 160,000 carloads of agricultural commodities, most of which are nonperishable.

It is estimated that there are about 110 freight cars to the mile. If they were all put into one train they would make a solid train of surplus commodities reaching from Independence, Mo., to the White House. Instead of calling it the Missouri mule train, it should be called the international gravy train.

In addition to the sales of agriculture commodities through export, substantial quantities of our inventories as of June 30 have been sold to domestic merchants, who in turn have redistributed the goods through domestic channels or export.

That portion of sales which has been made to domestic dealers does not affect the over-all national supply since the goods if sold to domestic dealers, would still be in this country and available to the American people.

However, it does make a great difference when these inventories are sold for export either directly by the Government or indirectly through private exporters.

Of course those commodities which are perishable must be moved in some form, but the perishable commodities represent but a small percentage of the over-all sales and offerings covered by the list of December 1.

A major percentage of the commodities which have been declared surplus as of December 1 and offered for resale—export only—are nonperishable commodities and commodities which could readily prove essential to our national welfare in the event of war or of an unexpected crop failure.

Reserve supplies of wheat, cotton, wool, corn, linseed oil, dried beans, and all other types of grains are just as essential to our national defense program as are guns and planes. These, nonperishable items should be stockpiled particularly in the face of a grave international crisis—even more so than some items which are currently on the stockpiling list.

I have previously called attention to how our Government during the recent months declared surplus and disposed of a huge inventory of wool at a loss to the taxpayers of around $25,000,000. Now they are proposing to replenish this inventory at an increased cost of more than 50 percent over its sales price.

Cotton: Since the outbreak of war in Korea on June 25 our Government has liquidated its holdings of approximately $600,000,000 worth of cotton. Large quantities of this cotton which have been sold since the outbreak of war have been exported from this country with the result that today our Government finds itself extremely short of this critical war material as was pointed out yesterday by the Secretary of Agriculture, when

he appealed to the southern farmers to increase their acreage in 1951. Yet we have completely liquidated the 3,500,000 bales of cotton from the inventory which we had June 30, 1950, valued at approximately $600,000,000. A substantial amount of that cotton has been exported.

The Senator from Maryland [Mr. O'CONOR] has called the attention of the country to the fact that substantial quantities of other war materials have been exported from this country to China since the outbreak in Korea, and the country as a whole has been rather critical of the shipping companies which have been named as transporters of these goods.

I made the statement previously—and I am sure the Senator from Maryland will agree with me—that while we do not excuse any American shipping company from their obligation to reject shipments to China under the wartime conditions existing since June 1950, we are not so much interested in the names of the shipping companies who were acting as common carriers but in the names of the exporting firms and manufacturers in America who were attempting to profiteer by selling war materials to an enemy of our country in time of war.

Mr. O'CONOR. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. O'CONOR. I am in entire agreement with the statement just made by the Senator from Delaware. So far as investigations have progressed thus far, I do not feel that the entire blame rests upon the shipping companies. It is unquestionably true, as the senior Senator from Delaware has just stated, that when those carriers are presented with licensed items for transportation, items with respect to which approval has already been received from the Government, they are faced with a difficult situation. When manufacturers undertake to make the shipments, it is understandable that the shipping companies face that situation, and may not, therefore, be entirely to blame. I quite agree that the Senator has very properly stated the situation.

While I am on my feet, I should like to pay tribute to the senior Senator from Delaware for the painstaking study he has made of this particular subject matter. I express the hope that the subject will be thoroughly investigated.

Mr. WILLIAMS. I am sure that under the leadership of the Senator from Maryland the subject will be investigated, because I know that the committee of which he will be the chairman, and of which I am hoping to be a member, intends to go into this question. I believe that that is one of the main things the American people want to know. They want to know who is responsible for these shipments. The shipments are going out of this country with the endorsement and blessing of our Government. We should know the names of the Government officials who are endorsing these shipments, and the departments in which they operate. Perhaps we should know the reasons why they endorse them.

I should like to point out, as I have stated before, that at the outbreak of war we had 3,500,000 bales of cotton on hand with the Government, which was a very good stockpile with which to enter a national emergency. About $600,000,000 of the money of the American taxpayers was invested in this reserve. Since June 1950 that reserve has been liquidated, with the exception of a little less than $20,000,000 worth of cotton.

The exports from this country are as follows: During the month of June we exported 740,533 bales; during the month of July we exported 265,000 bales; August, 355,000 bales; September, 372,000 bales; October, 283,000 bales, or a total of over 2,000,000 bales. The value of these exports since the outbreak of the war in June exceeds $371,813,000, not including the large quantities for which export license have been granted since October.

On September 8 the Government put in export controls over cotton. One would think that the Government was going to stop the exports, but it seems that it was merely desired to channel the exports to those whom the Government wanted to handle the business. Since export licenses have been put into effect, the allocations requested for cotton exports have increased. On October 10, the Department of Agriculture approved the allocation of 2,000,000 bales of cotton for export. On November 2 it approved the allocation of 146,000 bales. On November 7 it approved the allocation of 1,350,000 bales of cotton. The Department of Agriculture approved the allocation of this cotton for export on the assumption that cotton was not a strategic material and was not essential to our national welfare. Any man in his right senses knows that cotton is an essential wartime commodity. The country recognizes that there is a great shortage of cotton at this time.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. DWORSHAK. Does the Senator from Delaware have any information as to whether any of this cotton which has been shipped abroad has been sent behind the iron curtain, to any country which is in conflict with our desire for world peace?

Mr. WILLIAMS. I am coming to that. Some of this cotton, unfortunately, has gone to China and other communistic controlled countries. As I have stated before, I do not know to what countries the wheat, corn, beans, potatoes, and other commodities were exported. I refer to those which have been exported since the outbreak of the war. However, it is an established fact that substantial quantities of cotton and other essential war materials of which there is a critical shortage in this country have been exported since the outbreak of war in Korea. A substantial quantity of cotton has been going behind the iron curtain, and even direct to China.

Mr. SCHOEPPEL. Mr. President, does the distinguished Senator from Delaware have any information as to whether or not reports have been made to the proper agency and to the Senate Committee on Agriculture and Forestry of what has actually been transported since the outbreak of the Korean War in this respect?

Mr. WILLIAMS. Not being a member of the Agricultural Committee, I am unable to answer that question. I will say that it took quite a while to dig out this much information. So it must not have been too much of an open book so far as the Senate is generally recognized.

We know of six shipments involving 50,000,000 pounds of cotton which have been exported to Manchuria and Red China direct since the outbreak of the war in Korea. How much more through rerouting I am unable to say. These shipments from this country to China have been with the full knowledge of the administration officials. They were made from New Orleans during the months immediately following the outbreak of the Korean episode. These shipments were made from allocations directly from the Commodity Credit Corporation's inventory, with the full knowledge and consent of that agency, to the exporting concern with the understanding they were going to Red China.

These shipments were as follows:

Date	Amount exported (bales)	Destination
July 13, 1950 (2 shipments)	13,000	Dairen, Manchuria.
	1,857	Do.
July 17, 1950	7,520	Do.
Aug. 7, 1950 (2 shipments)	3,946	Do.
	10,127	Do.
Aug. 21, 1950	3,615	Tientsin-Taku Bar, China.
Aug. 24, 1950 (2 shipments)	800	Do.
	2,839	Dairen, Manchuria.
Aug. 28, 1950	4,859	Do.
Total	48,563	

Do not forget that these were allocated by the Commodity Credit Corporation to this export concern to go to China and Manchuria under these contracts after we had gotten into the war with China.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SCHOEPPEL. Does the distinguished Senator from Delaware have any information that would throw any light upon the proposition of why these shipments of somewhat critical material, such as cotton, would be made after war was under way? Does the Senator have any explanation as to how that came about?

Mr. WILLIAMS. I talked with the Department officials, and they said their excuse for shipping this was that prior to the outbreak of war in Korea they had entered into negotiations with China and Manchuria, by which they were to send them certain amounts of cotton in return for soybeans. These soybeans, as Senators know, are not strategic war materials, and can be bought freely. They said that after the war—or rather, after the police action broke out in Korea—since it was not recognized by the Government as a war, they felt that they were to a certain extent honor bound to continue these shipments and complete their agreements.

Of course, I fail to understand that, because prior to June 24 we also had a

gentlemen's agreement that we would not shoot the Chinese or North Koreans, and that they would not shoot us, but that gentlemen's agreement was broken after June 24, as any American soldier in Korea will tell you.

It is ironic to note that the cotton used to fill these orders was allocated to the exporting firm by the Commodity Credit Corporation, who at the time knew that the shipments of cotton were going to Manchuria and Red China.

Altogether approximately $370,000,000 worth of cotton was exported from this country, a substantial portion of which was accounted for by Government sales, how much, if any, of the other commodities mentioned have been exported to China or other communistic countries, either directly or through rerouting in transit, I am unable to say at this time. I am advised by the Department officials that it will take some time for them to compile the information, but I shall insist that this information be furnished to the committee.

I am advised that the customary procedure to follow in licensing the export of these commodities is that the exporting firm will put on his shipping statement that he is guaranteeing to ship the commodity to X country. There seems to be no follow-through to see that the shipment goes to that country. The main thing the Government agency seems to endeavor to ascertain by its follow-through is that the commodity is shipped out of the country. There does not seem to be too much of a check here as to whether or not the commodity is rerouted in transit or what finally happens to it. One segment of our Government seems more concerned about stripping the American cupboard bare and getting rid of these commodities and getting them out of the domestic markets.

With $600,000,000 worth of cotton being sold at domestic prices and under the threat of export controls the market naturally was not as high as the world market. Following the sale of that cotton to the American cotton merchants, export releases were made of 3,500,000 bales whereby that cotton could be exported out of this country into a world market which averaged about 20 to 30 percent higher than the domestic market. The profits which automatically accrue to the firms which bought this cotton prior to the allocation of these export licenses run into the hundreds of millions of dollars, and I am determined to find out who made this profit.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. SCHOEPPEL. Does the Senator from Delaware have information as to the names of the concerns to whom these sales were made?

Mr. WILLIAMS. I have the names of one or two of the concerns, which I would rather not give at this time for certain reasons. The only exporter whose name I am going to reveal at this particular time is the Government itself. I think the American people are entitled to know the names of all manufacturers in this country, exporters, or any business concerns, that have been trading with the enemy since June 24. They are entitled to know the names of all Government officials or agencies who have condoned this practice. I think the American people are especially entitled to know that one agency of the Government itself, namely, the Commodity Credit Corporation, is guilty. So I do not think we should be too harsh in our criticisms of some of our corporations for doing what the Government itself is doing, and that is failing to recognize that a war is going on.

I am reporting this information to the Senate and the country since I believe that each of us should know what this Government agency has been doing since June 23 while the American forces have been fighting in Korea.

I am ashamed of the fact that the name of the first exporter to be revealed as responsible for shipments of strategic materials to Red China since the outbreak of the Korean War should be an agency of the United States Government. Their effort to excuse these shipments on the basis that a contract was entered into prior to the outbreak of the war has no weight whatsoever. It is common knowledge that war cancels all prior contracts, and the mere fact that the administration has seen fit to describe the conflict in Korea as a police action instead of war in no way lessens their responsibility to see that all aid to our enemy was stopped immediately.

Mr. WHERRY. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). Does the Senator from Delaware yield to the Senator from Nebraska?

Mr. WILLIAMS. I yield.

Mr. WHERRY. I have not had the pleasure of hearing all of the Senator's speech. However, I know something about the subject matter and about what is covered by his remarks. I should like to state that I am in complete sympathy with the observations the Senator has made.

It is unfortunate that at this late date we have now to begin to investigate these matters. I was proud of the fact that the Committee on Rules and Administration reported immediately the resolution providing for the creation of a special committee to investigate the very violations—as I call them—or, at least, the procedures under which the Government agencies have been operating.

Mr. President, I do not seek to take credit for what has been done; but while I am on my feet I wish to say that I am sure some Senators will remember the determined fight which has been made in the past 2 or 3 years by distinguished Senators. At one time a resolution was signed by some 53 or 55 Senators, calling for an investigation of the shipment of strategic materials to Russian satellite countries; and Senators asked that such shipments at least come within the provisions of our own export controls. I refer now to the goods which were shipped from the United States to Russian satellite countries, under the reciprocal trade agreements and bilateral agreements.

As long as 2 years ago it was pointed out that Russia and the satellite countries were obtaining strategic materials, which were being sent from the United States, at the expense of the American taxpayers, to the ECA countries. Now we find that those goods have been used to make the very bullets that are killing our boys in Korea.

Certainly it is most regrettable that the horse is out of the barn. The failure of those in charge of the foreign relations of our country to act effectively to stop the flow of war materials to Russia and her satellites is one of the contributing causes of the national emergency that now confronts the United States. We are reaping the whirlwind of many failures in foreign policy.

I think it behooves the next Congress—for it looks as if the present Congress is about to end its session—to appropriate the money required for the investigations which I hope will be conducted by the very able Senator from Maryland [Mr. O'CONOR] under the provisions of the resolution, so that this matter will be investigated, and so that these infringements and violations, as I call them, will be terminated by the Government. Certainly some new procedures should be entered into.

Mr. WILLIAMS. I thank the Senator from Nebraska for his statement. I know that on numerous occasions during the past few years he has led the fight to stop the shipment of such strategic materials to Russia and her satellite countries. I also wish to join him in paying tribute to the Senator from Maryland [Mr. O'CONOR], because I think the action of the Senator from Maryland in calling our attention to the fact that such strategic materials were leaving this country and were going to China is certainly one of the greatest contributions which has been made by any Senator, and I am proud of what he has done. I shall join him in the future in all attempts to get to the bottom of this problem and to stop these shipments.

Mr. WHERRY. I hope the Senator will remember the names of all of the 55 Senators who signed the resolution, and that the Senator will especially recall the work done by the junior Senator from Missouri [Mr. KEM], who about a year ago compiled many statistics in regard to the shipments of strategic materials. That job was a very difficult one, because it was almost impossible to obtain those statistics from the Government agencies. However, the junior Senator from Missouri did a masterful job in reporting that information to the Members of the Senate and to the people of the United States.

Mr. WILLIAMS. I thank the Senator. Many shipments have been made. However, even as of today the Government is declaring 60,000 carloads, or 100,000,000 bushels, of wheat to be a nonessential, surplus commodity, and 100,000,000 bushels of corn to be a nonessential, surplus commodity. They are offered for export, except that they cannot be sent to ECA countries as a substitute for ECA funds.

Mr. WHERRY. Mr. President, will the Senator yield further?

Mr. WILLIAMS. I yield.

Mr. WHERRY. I do not wish the Senator to misunderstand what I said.

When I said the horse is out of the barn, I was referring to what the investigation will reveal.

However, the point is that when this matter was pointed out 2 years ago, and then was very forcibly called to the attention of the Senate, we were very much better off in respect to that situation than we are now.

I am totally in sympathy with the resolution, and I favor it. We reported it from the Committee on Rules and Administration the same day it was called to our attention. The resolution has already been agreed to and the committee has been set up to hold hearings until January 31, at which time it will be necessary to request a new authorization for the committee. I certainly hope the Senate will support the request at that time.

Mr. WILLIAMS. I thank the Senator, and the country would have been much better off today had the administration heeded the advice of the Senators from Nebraska and Missouri in checking the shipment of these strategic materials.

Mr. President, I think the Government should put an immediate end to the exporting and declaring as surplus of any agricultural commodities, particularly those which are not perishable. I think there is no excuse at all for the classification of a long list of agricultural nonperishable commodities as surplus and exportable. It is absolutely inexcusable for this Government, since the outbreak of war, to have completely liquidated its cotton holdings, comprising approximately $600,000,000, and to have agreed, as it has, to the exportation of practically all that cotton from this country, when we need it here in the United States, and when at the same time the Government has been calling for the farmers of the United States to increase their production.

I think the greatest contribution this Government could make to the war effort would be to have a Cabinet meeting downtown and for those in charge of the executive departments to make up their minds whether we are in war or out of war. If we are in war, then let the Government itself begin to make its contribution to the war effort.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. BREWSTER. I wonder whether the Senator from Delaware saw in the New York Herald Tribune of this morning the report headed as follows:

Hong Kong Sees United States Embargo as a Peril to It—Colony Charges That Curb Will Strangle Trade and Provide Red Propaganda.

The article is by Homer Bigart, a special correspondent to the New York Herald Tribune.

The first part of the article reads as follows:

HONG KONG, December 20.—Faced with possible economic ruin by the American embargo on shipments to Red China, this British colony, grown incredibly fat on record trade profits of the past 2 years, is trying with pathetic intensity to believe that everything is going to be all right.

The initial reaction to the embargo was one of bitterness against the United States. That was perfectly normal, since this colony lives by trade and at least one-fourth of its business is with Communist China. If the embargo and Peking's retaliatory measures are effective, Hong Kong stands to lose the equivalent of nearly $800,000,000 a year.

A similar article appears in the New York Times, Mr. President.

I shall not read further from the article. However, let me state that it appeared that last year there was done from Hong Kong, largely with Red China, over $1,000,000,000 worth of business.

Is it the idea of the Senator from Delaware that the impact of those shipments, in terms of the attacks upon our boys in Korea, may be a matter of very vital concern?

Mr. WILLIAMS. There is no question at all about that. I may say that in addition to the shipments I have mentioned, substantial quantities of cotton have been shipped to Hong Kong. When I referred to shipments made to China I was not referring to shipments going to Hong Kong, but I was then referring only to shipments going directly to China. Although there is no question but that shipments made to Hong Kong eventually go to Red China, yet such shipments are made under the guise of sending materials to the British colony of Hong Kong. I think it is past time that all such shipments were stopped.

Mr. President, I shall ask unanimous consent to have inserted at this point in the RECORD, immediately following my remarks, a chart which outlines the exports of cotton from the United States between June and October of this year. These figures are the latest I have been able to obtain.

These exports are broken down by countries. The figures are presented both in terms of bales and in terms of dollar volume. They represent exports of 2,017,687 bales, or about two-thirds of the inventory in the hands of the Commodity Credit Corporation as of June 30, 1950, and they represent a sales volume of $371,813,000.

I now ask that these statistics be printed at this point in the RECORD.

There being no objection, the statistics were ordered to be printed in the RECORD, as follows:

United States exports of raw cotton—June to October 1950

Schedule C No.		Quantity in bales						Value in thousands of dollars					
		June	July	August	September	October	Total	June	July	August	September	October	Total
101	Greenland												
122	Canada, including Newfoundland and Labrador [1]	26,028	18,562	10,921	22,406	32,637	110,554	4,383	3,143	2,013	4,373	6,628	20,540
223	Costa Rica [2]				20		20				4		4
239	Cuba [2]	100	400	1,000	900	2,171	4,571	18	64	202	185	478	947
242	Jamaica [1]		300		200		500		63		42		105
247	Dominican Republic [2]		150		94	50	294		26		20	9	55
301	Colombia [2]	12,283	4,160	5,818	2,401	2,855	27,518	2,174	741	1,026	487	650	5,078
307	Venezuela [2]	349	774	688	1,666	368	3,845	67	143	144	363	81	798
337	Chile [2]	3,729	2,083		467		6,279	686	378		99		1,163
401	Sweden (ECA)	3,660	847	893	8,863	1,305	14,968	512	142	160	1,893	263	2,970
403	Norway (ECA)	1,774	105	893	2,568	1,771	7,111	321	20	165	510	380	1,396
409	Denmark (ECA)	4,613	1,246	1,626	1,533	1,762	10,780	836	249	355	326	367	2,133
412	United Kingdom [1] (ECA)	1,919	12,160	67,143	63,257	35,020	179,499	339	2,152	12,440	12,877	7,427	35,235
419	Ireland [1] (Eire) (ECA)			300	805	200	1,305			59	166	42	267
421	Netherlands (ECA)	27,483	565	619	6,493	12,903	48,063	4,907	110	115	1,426	2,884	9,442
423	Belgium and Luxemburg (ECA)	11,359	4,918	3,886	6,023	7,423	33,609	1,848	834	704	1,190	1,519	6,095
427	France (ECA)	116,882	4,744	10,668	31,611	39,778	203,683	19,775	844	1,982	6,213	8,089	36,903
431	Germany (ECA)	168,451	7,032	9,661	37,640	36,655	259,439	30,136	1,306	1,957	8,059	7,989	49,447
433	Austria (ECA)	19,432	1,486	371			21,289	3,442	278	70			3,790
435	Czechoslovakia (E)	2,550	3,000	4,941		400	10,891	505	603	1,035		80	2,223
437	Hungary (E)	201					201	35					35
441	Switzerland (ECA)	2,141	200	813	5,755	3,603	12,512	343	32	145	1,169	684	2,373
455	Poland and Danzig (E)	859	17,127	1,123			19,109	154	2,758	228			3,140
469	Spain	5,427	6,571	4,227	3,925	256	20,406	938	1,253	876	825	61	3,953
475	Italy (ECA)	110,108	1,942	3,556	9,939	12,936	138,481	18,560	346	681	2,160	2,760	24,507
476	Free Territory of Trieste (ECA)	278					278	46					46
479	Yugoslavia (E)		2,500	20,450	1,600		24,550		494	4,086	334		4,914
484	Greece (ECA)	12,379	1,386	128	658		14,551	2,204	250	27	128		2,609
485	Rumania (E)	5,109					5,109	779					779
507	Iran		46			9	55		8			2	10
509	Israel and Palestine [1]	500	500	250	500		1,750	86	87	58	124		355
533	India [1]	35,886	5,628	1,839			43,353	5,945	1,006	321			7,272
551	French Indochina and French India	4,850		778	4,987		10,615	883		132	906		1,921
561	Indonesia (Netherlands Indies)	1,000	829				1,829	180	183				363
565	Philippines, Republic of	863	600	1,073	1,601		4,137	156	109	230	329		824
571	China	22,802	15,361	50,227	500		88,890	3,613	2,538	8,411	74		14,636

[1] Countries included in "British Commonwealth of Nations".
[2] American republic.

United States exports of raw cotton—June to October 1950—Continued

Schedule C No.		Quantity in bales						Value in thousands of dollars					
		June	July	August	September	October	Total	June	July	August	September	October	Total
573	Manchuria (including Kwantung)		22,377	17,798			40,175		3,407	2,729			6,136
581	Korea (Chosen)	9,071					9,071	1,335					1,335
582	Hong Kong [1]	15,390	20,637	25,678	603		62,308	2,493	3,300	4,080	108		9,981
583	Taiwan (Formosa)	2,010	39			2,526	4,575	312	6			421	739
587	Japan	109,260	106,307	108,405	154,950	89,187	568,109	18,768	18,888	19,972	30,670	18,381	106,679
711	French Morocco	1,703					1,703	300					300
792	Union of South Africa [1]	684	400	202	416		1,702	124	66	37	86		313
	Total	740,533	264,982	355,975	372,381	283,816	2,017,687	127,203	45,826	64,441	75,148	59,195	371,813

[1] Countries included in "British Commonwealth of Nations."

COMMENTS ON THE ADDRESS TO THE NATION BY HERBERT HOOVER

Mr. MORSE obtained the floor.

Mr. KEFAUVER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Oregon yield to the Senator from Tennessee?

Mr. KEFAUVER. Mr. President, I have been seeking recognition in order that I might begin the debate on the civil defense bill.

Mr. MORSE. I do not think I shall be very long in making the speech, but I should like to exercise my right to make it.

The PRESIDING OFFICER. The Chair wishes to say to Senators that there is on the desk before him a list of Senators desiring to speak, which list the Chair has been endeavoring to follow.

Mr. MORSE. Mr. President, I rise, with a great deal of temerity, to discuss extemporaneously various questions of foreign policy which were raised last night in a speech by a great American. I find myself in agreement with a great many parts of the speech. I find myself in disagreement with certain assumptions which I think were made in President Hoover's speech, which are false assumptions. I feel free to discuss his speech because as he has pointed out in the speech itself, debate on foreign policy is very desirable. Therefore, Mr. President, in these extemporaneous remarks I wish to present at least a point of view on foreign policy which I think I owe it to myself to make clear for the record.

In view of the fact that this is a purely extemporaneous speech, I shall not yield during the course of the speech, because what it really represents is the junior Senator from Oregon thinking aloud on vital questions of foreign policy, as he sees them, which have been raised by former President Hoover's speech. The junior Senator from Oregon has not had the time since the deliverance of the Hoover speech to prepare a manuscript, which would protect him as to the continuity of his remarks in case of interruption as he proceeded; therefore, he will not yield at any time during the speech, until he finishes it. He will then be very glad to yield for such questions as his colleagues may wish to ask him.

At the outset I wish to say that in my opinion, it is incumbent upon my party, the minority party, which, in recent months and in recent days in this session of Congress, has been taking stands on foreign policy in conflict with what we thought was a bipartisan—nonpartisan foreign policy, to come forward with a specific foreign policy program of its own. I register a strong dissent from the notion that it is the primary duty of the minority party merely to take a negative, critical attitude toward the foreign policy of the present administration. I think that if the leaders of the Republican Party do not wish to support the foreign policy program of the present administration, they owe it to the American people to specify wherein they except and to offer constructively and affirmatively their substitute proposals on each one of the issues in regard to which they take exception with the administration. Certainly in an hour that is so dark and critical as this, my great party, the Republican Party, cannot justify standing before the American people and saying "We ask you to support us, because we oppose the foreign policy of the administration, in part or in whole," and then refuse to tell the American people exactly and specifically and affirmatively what substitutions they would make for any part of the program of the administration.

I desire to make it very clear that in these extemporaneous remarks I speak only for myself; but I honestly believe, in presenting the views I express here this afternoon that there will be found support for them among millions of Americans and among millions of voters within the Republican Party and among millions of voters within the ranks of the independents, as well as among the Democratic voters of the country. I desire to say again as I have said so many times in the past, that in my judgment we are dealing here with an issue so vital to the very survival of America that the challenge of statesmanship which confronts everyone who holds office in these days is to rise above the level of partisan politics and take the great question of foreign policy to the heights of statesmanship. We should keep faith with the principles of the platforms of both major parties of 1948 when, in essence, they pledged themselves that partisanship would stop at the water's edge so far as foreign policy was concerned.

I do not speak for him this afternoon, Mr. President, but I would, in my humble way, honor him this afternoon and pay tribute to him, when I say that, in my judgment, one of the great statesman in the field of foreign policy in the past decade has been the great giant from the State of Michigan, the senior Senator from that State, Mr. ARTHUR VANDENBERG. And I think it is well in this hour of crisis that my party, the Republican Party, review again the basic tenets of the doctrines on foreign policy which the giant statesman from Michigan has so valiantly presented and defended and promulgated in this body in a series of historic speeches, and which he has exemplified and sought to implement as a member of the Foreign Relations Committee of the Senate, under the leadership of the Senator from Texas [Mr. CONNALLY] when the Democrats have been in a majority, and under his own brilliant leadership during the Eightieth Congress, when my party was in power. As I have thought through these great problems of foreign policy during the past critical weeks, I have tried to answer with complete intellectual honesty this question: "What vote that you have cast on foreign policy since you have been in the Senate of the United States would you now change, not on the basis of the facts you had then, but on the basis of the facts you have now?"

To my way of thinking that is the acid test. O Mr. President, each one of us can say, in a spirit of rationalization, that on the basis of the facts we had when we cast our vote we would still stand by that vote, but I think the acid test of the voting record of each one of us is this: How would you vote now on the same issue, if, ab initio, this were the first time the issue was presented to you? How would you vote now on the basis of the facts you now have?

Mr. President, there is not a single vote on a single major issue of foreign policy that I have cast during my term of office that I would change on the basis of present day facts if I were now called upon to vote.

Having said that, Mr. President, I think I have summarized and epitomized as well as I can my chief evaluation of the speech delivered last night by a great American, former President Hoover, because, on the basis of some of the assumptions set forth in that speech, if the facts supported the assumptions, I would have answered the question differently. On the basis of some of the assumptions contained in that speech, some of my votes in the past 6 years would have to be modified. However, I am satisfied that the facts do not support certain assumptions made in Hoover's speech last night.

I intend, Mr. President, later in this speech, to take specific paragraphs of former President Hoover's speech of last night and tell wherein I find it impossible for me to go along with certain of his

assumptions. But let me say this early in my speech, that I find myself, as the RECORD tomorrow will show, on the basis of my remarks today, in agreement with many of the major points of the Hoover speech. But, with equal clarity, let me say that I do not think the Hoover speech last night enunciates the specific points for a foreign-policy program either for the Republican Party or for the American people that either group should follow in toto. There are some statements in it which I would make a part of the Republican foreign policy if my party is going to be insistent upon establishing a Republican foreign policy in contrast with the foreign policy of the administration instead of meeting the challenge of working on a cooperative and consultative basis with the administration. I believe that so far as Republican policies are concerned, my party should raise this great issue to a level of statesmanship and support one foreign policy for the United States, a foreign policy around which all leaders of America can gather and which they can in unity and unison support.

In fact, Mr. President, in comparison of the Hoover speech last night with the speech delivered a few nights ago by the titular head of the Republican Party, the Governor of New York, Mr. Dewey, I would say that I think that, in the main, the Governor of New York made a much more objective and realistic speech, in view of present world conditions, than the great ex-President of our country made last night. When I say that, it is not to be interpreted that I think the Dewey speech was the complete answer as to what the Republican position should be, nor does it mean that I do not believe there should be some modifications or revisions of the Dewey speech as the basis for a foreign policy program. But there is this great difference between the two speeches: In my judgment, the Governor of New York, in his great speech, was much more realistic in connection with one all-important, vital fact than was the great former President Hoover in his speech last night. I think the speech made by the Governor of New York recognized that the security of America is dependent upon the survival of Europe to a much greater extent than that point was recognized by the former President of the United States in his speech last night.

It is because of that fundamental difference in point of view on foreign policy which I think exists within my party at this hour, that I, with great temerity, rise to speak extemporaneously of some of my views on foreign policy.

Mr. President, as I read through the Hoover speech and concluded my reading of it, I said to myself, "That would be a great speech if all the assumptions in it were true. That would be a reassuring speech, a comforting speech, a speech that would appeal to my desire to be safe and to my desire to have 160,000,000 fellow Americans safe, if all the assumptions in it were true."

Unquestionably, many of the assumptions in it are true, but in regard to the importance of Europe to the survival of America, it seems to me the great Mr. Hoover failed in the preparation of his speech to give adequate weight to certain realities which confront us in respect to Europe.

Mr. President, some days ago the junior Senator from Massachusetts [Mr. LODGE] not only on the floor of the Senate but elsewhere, expressed to those of us who always are eager to get his point of view on foreign policy—and I think this body knows the high esteem in which I hold the junior Senator from Massachusetts and the confidence I have in his thinking, leadership, and statesmanship in the field of foreign policy—the warning that we should not underestimate the importance of the Ruhr to the security of America. He made that statement before Mr. Hoover made his speech.

One of the things that concern me about some of the assumptions in the Hoover speech of last night is the great danger that psychologically it will be looked upon by many in Europe as an invitation to surrender Europe to communism. We Americans cannot take the position that we and we alone are going to dictate the terms of European cooperation. We Americans cannot take the position, from the standpoint of our own safety and survival of the freedom way of life in the world, that all the freedom-loving nations within the United Nations, who have so much at stake and so much to risk so far as the threat of spreading communism is concerned, must abide by our decisions, our wishes, and our mandates.

Mr. President, though certainly the great ex-President of the United States had no such intention—and I hope the fear I am about to voice is ill-founded, but I doubt it—I fear that there are many people in Europe who will look upon the speech as a weakening of the North Atlantic Pact. I fear that psychologically the speech will not lend strength to the North Atlantic Pact at almost the hour of the close of the Brussels Conference.

I am not in a position to say with authority how successful the Brussels Conference was. I shall have to await a full disclosure of the agreements, commitments, and understandings which were entered into. However, to the extent that I have been advised informally and unofficially, as a Member of this body I was greatly cheered today by advice and information which I received in connection with the Conference at Brussels. Such advice and information caused me to believe that great progress has been made at Brussels. The Conference apparently moved forward for a strengthening of the North Atlantic Pact. The appointment of the great American soldier and leader, Gen. Dwight Eisenhower, as the head of the North Atlantic Pact military forces is enthusiastically received by our allies in Europe. It is a great builder of morale. The conference gave every indication that our allies in Europe fully understand the importance of their cooperating with us shoulder to shoulder, manpower for manpower, industry for industry, in building up the defenses of Europe in order to meet the potentialities of a Russian attack.

I would, Mr. President, that the speech last night of the great Hoover had laid greater emphasis upon the importance of the North Atlantic Pact and the progress which has already been made in connection with the North Atlantic Pact, instead of being phrased, as it was, in terms which I feel will cause too many of our loyal and enthusiastic friends in Europe to be filled with discouragement. I fear the Hoover speech will cause too many dissident groups in Europe that are seeking to spread propaganda against us to spread further misrepresentations about the heart and soul of the American people in this fight for freedom. I fear that Russia will undertake to paint the picture that we are ready to walk out on Europe and leave her to her own protection and defenses. I fear that because of the assumption of the speech that the Atlantic and Pacific Oceans are sufficient protection for our national security if we arm the Air Force and the Navy to the teeth.

Speaking now as a member of the Committee on Armed Services, and on the basis of my knowledge as a member of that committee, but again speaking only for myself and not for the committee, I think the American people need to be told today by our Government that arming our Air Force and our Navy to the teeth is no guaranty of the ultimate security and survival of America.

The Hoover speech failed to take into account some of the military realities about which I think it is perfectly proper to speak.

The Soviet Government and its satellite forces have in being today a tremendous submarine power. In my judgment the submarine power of the Communist part of the world in being today necessitates some modification of the assumptions in the Hoover speech to the effect that we can survive safely by withdrawing into ourselves and rely upon the oceans, and our Navy and Air Force for internal security. The Hoover speech clearly implied that he thinks it would be safe for us to walk out of Europe. I think it would be a very dangerous thing to do.

Likewise, I think the great ex-President overstated his case from the standpoint of the military aspects of it, with his emphasis on the Navy and upon air power. By all means we must keep the American Navy as strong as possible, both so far as surface and undersea vessels are concerned, and we must strengthen it as quickly as possible. The record is perfectly clear that such has been my plea ever since I have been a member of the Armed Services Committee or member of the old Naval Affairs Committee. As a member of that committee I have been constantly urging and pleading for greater strengthening of the naval forces as well as the air forces and the land forces of our country.

There was another assumption in Hoover's speech of last night in which I think he overstated his case from the standpoint of our military posture. That was the assumption that with the two oceans, with the American Navy on them, plus the arming of the Air Force to the teeth, we would be secure against Russia.

He overlooked the fact that Russia, too, is arming to the teeth, both as to submarines and as to all types of air force. He overlooked the fact that the tremendous Russian air forces based both in Siberia and Manchuria, the ones in Manchuria being close to thousands of American boys at this hour, are now capable of delivering a strike of devastating proportions. That striking power will not be limited to areas of the world other than the continental United States.

I happen to be one who believes that the Russian striking forces will first be leveled at the United States, with tremendous leveling consequences on our major cities when and if it strikes. So, Mr. President, I will not be a party to a proposal which seeks to arouse in the American people a sense of security which would be a false security. I think the Hoover speech will cause many Americans to assume that they are more secure than they really are. I think it was a serious mistake for him to give the American people the view that if we direct ourselves to a maximum strengthening of our Navy and a maximum strengthening of our air forces, we have reasonable assurance of survival no matter what happens in Europe. I would emphasize, if I emphasize nothing else in these extemporaneous remarks, the point made by the distinguished Senator from Massachusetts [Mr. LODGE] the other day, that the industrial power of the Ruhr is of vital importance to the security of America.

Comforting as a head-in-the-sand attitude may be, emotionally satisfying as wishful thinking sometimes is, I urge the American people today to evaluate very carefully and consider long what I think is the clear import of the Hoover speech of last night, that we can survive if we withdraw unto ourselves and try living unto ourselves alone with a powerful air force and a powerful navy, letting Europe go down if necessary, provided Europe does not do exactly what we desire to have it do.

I wish to be fair to the ex-President in my critical analysis of his speech. As I read portions of his speech in a moment I shall point out for the RECORD where I clearly agree with him, but also where I would urge caution on the part of the American people, who at this hour are looking for anything that will give them hope that they are going to be secure. The American people would welcome a psychological escape, but there is no escape, psychologically or otherwise, from the realities of the situation which confronts us.

In this country we have always rallied, in times of great crisis around the principle that "United we stand, divided we fall." We have rallied around it as applied to the people of the United States; but I wish to plead with the American people today to recognize that now we must rally around the principle "United we stand, divided we fall" as applied to and as encompassing our freedom loving allies abroad, because I repeat that if Europe goes down Russia will have the Ruhr. If Russia obtains the industrial war-making power of the Ruhr and the rest of Europe, with the slave labor which her police-state methods will make it easy for her to obtain, she will have the potential war-making power to drive against America, not for 1 year, but for a quarter of a century, or for so long as it will take gradually to whittle us down and finally subdue us.

I believe that the great danger which confronts America is that the plan of Stalin to isolate us from the rest of the world may prevail if Communist Russia succeeds in isolating us from Europe. Who will stand with us once Europe is down? Then we are in for a death struggle with communism. I do not think the realities support what I consider to be the false assumption in the great ex-President's speech of last night. We cannot isolate ourselves and survive.

Mr. President, I wish to emphasize in these extemporaneous remarks that I think the military implementation of the North Atlantic Pact, the allied military forces, naval, land, and air, contemplated by it, and the allied plans within it under the leadership of the great Gen. Dwight Eisenhower, presently represent the greatest defense America has. I think it is the only hope for preventing the Ruhr from falling into the hands of Russia, the only hope for preventing the industrial war-making power of our allied friends in Europe from falling into the hands of Russia. I believe this basic point—and I would call it a basic fact, because I think it is basic—must not be lost sight of by the American people. Our security and possibly our survival depends upon preventing Russia from capturing the war-making power of Europe.

It seems to me it was not given the proper emphasis in the speech by Mr. Hoover last night, but, in my opinion, it is the point that should be emphasized above all else. Thus, in this great parliamentary body in the weeks ahead as we proceed with what all evidence indicates is going to be one of the most historic debates ever held within these walls—a debate on foreign policy between sincere and patriotic men on each side of the aisle—we must not lose sight of the relation of Europe to our security. Let me say here and now for the RECORD that I have complete confidence in the patriotism and the sincerity and the motives of those within my party and within the party of the opposition with whom I do not agree as to what the objectives of our foreign policy should be. I pray they give to those of us who disagree with them credit for the same high motives of patriotism and sincerity and a desire to do anything and everything we can that the facts indicate should be done to protect the security of our freedom way of life.

Mr. President, as I interpret portions of the Hoover speech of last night I am left in doubt as to how the ex-President would have answered the question that at the beginning of my remarks I said was the acid test question, if he had been a Member of the Senate during the critical years just past, when, under the leadership of the giant from Michigan, Senator VANDENBERG, we developed what has become known as a bipartisan foreign policy.

Let us take some of those major issues. There were those of us who followed VANDENBERG, and, we hope in our humble way, helped the development of the great idea which, after all, was the basic tenet of every pronouncement he ever made on the floor of the Senate in the field of foreign policy; namely, the goal of eventually setting up a system of international justice through law. There is no hope for the survival of mankind itself, Mr. President, unless in the century to come we reach that goal. Later I shall speak further on that point. As we followed the leadership of the great Senator from Michigan we voted for the Truman doctrine in Greece. Let those who today, on the basis of the present facts, to say nothing of the facts that existed at the time we cast that vote, who now think they would not vote that way, make their position clear in the historic debate that is to come in the weeks ahead. Let them explain what they think would have happened if we had not gone to the aid of Greece.

For the junior Senator from Oregon I want the record perfectly clear that if the vote on the Truman doctrine in Greece was before the Senate today I would vote for it still. Yet in a recent campaign in my State, those who sought to defeat me because of my position on foreign policy, cited it as one of the votes which they claimed justified my defeat.

Let us move to the next great issue. Let those in my party and in the Democratic Party who are now making such a fight on foreign policy, who yet have to come forward with a constructive program of their own, but who voted for ECA, rise on the floor of the Senate in the historic debate ahead and tell the American people that if they had that vote to cast again—not on the basis of the facts that existed when they voted, but on the basis of the facts that exist today—they would vote differently.

O Mr. President, in applying this acid test I want to give them every benefit and every advantage. I want to let them meet the issue as to what they would do today on foreign-policy issues. Yet as we listen to some of their public pronouncements and as we check some of their votes within the party conference as well as their statements on the floor of the Senate, I think we are led to believe that apparently they would now change their votes on foreign-policy issues if they had an opportunity to change them. But, as for the junior Senator from Oregon, let the RECORD be perfectly clear that respecting ECA I would vote today exactly as I did when I first cast the vote. Why? Because, Mr. President, it is my opinion that Europe today would be overrun by Russian communism if it had not been for the millions upon millions of American taxpayer dollars that went to the economic rehabilitation program in Europe through ECA. I think the millions of dollars we have spent for ECA were well spent for American security and were a sound investment in freedom. In my judgment, those millions of dollars were spent at a time when it was nip and tuck in Europe, touch and go, as to whether or not Italy and France, for

example, would capitulate completely to the rising tide of communism which the vicious, false, lying propaganda of the Russians was selling to the troubled minds of the people of Europe. A vicious propaganda that was used as a psychological bombardment upon their minds, developed to the point that many of us were fearful as to whether Italy and France would survive as free nations.

Oh, of course, there were wastes, there were mistakes, and many of them. There were some administration failures. But let me hasten after that sentence to add here a word of tribute to and commendation of the great Paul Hoffman who did such a statesmanlike and valiant job as the Director of the ECA. I think he is one of the great Americans of our time; a man who saw the vision of the century.

Mr. President, the great goal of this century is to establish a system of international justice through law. However, there is no hope of doing that; the possibility of it is extinct the moment Europe goes down to communism.

To my friends in the Republican Party who do not share my views on the need for a nonpartisan, coalition foreign policy, I continue to ask them the question, What chances do you think there are for a system of international justice through law in the century that is ahead of us, if Europe becomes a totalitarian state? My answer to that question is, "None."

That is why, Mr. President, I say that one of the basic assumptions of the speech Mr. Hoover made last night—namely, the return to the concept that the Atlantic and the Pacific Oceans can protect us and keep us secure—constitutes an overstatement on his part. I think he failed to evaluate correctly the significance of the industrial war-making power of Europe and the threat of that war-making power to the United States once it falls into Russian hands. We must prevent that threat to our security from occurring. Russia must not be allowed to get the Ruhr.

Mr. President, at this point in my remarks I wish to say that the American people should not overlook the fact that a great revolution is going on in the world. A little later I shall say something about the attitudes of our allies in Europe. Our allies in Europe should not forget that there is going on in the world a great revolution which will probably last 100 years before there will be reached a point of social and political equilibrium that will permit of the successful operation of a system of international justice through law. That revolution is the revolution of the colored masses as well as suppressed and exploited peoples of all color of the world for a better way of life. At the present time it is not a revolution involving a political ideology. For the most part, those millions are illiterate, ignorant, uninformed, with little understanding, if any, as to the distinctions between the great political system of democracy and systems of totalitarianism. They are millions of human beings who for the most part are motivated by their feelings and their instincts, their desire to survive, and their recognition that, after all, they have a right to a better way of life. They are going to struggle and to fight, if necessary, for food and shelter and clothing and security for their offspring. That is one of the great realities of the time in which we live. I fear that Hoover failed to give it sufficient consideration when he prepared his speech.

Mr. President, that revolution is rather basic, so far as its instinctive motivations are concerned. That revolution is going on, and nothing can stop it. I think it is an inevitable part of the evolution of mankind itself.

In that revolution we Americans have a tremendous stake. We have a stake so important that I think the outcome of that revolution in the coming century will determine the destiny of America itself. If in the midst of that revolution we play a short-sighted policy and if we proceed to allow the totalitarian states to capitalize, by means of their propaganda, upon an American policy which supports either colonialism or imperialism in the backward areas of the world, I fear that at the end of that revolution we may find ourselves with the colored masses of the world alined against us. As they improve their industrial power, as their standard of living gradually rises during the course of that revolution—as I believe will be the inevitable result—we had better find ourselves on one side of the colored masses of the world, and not aligned against them. Therefore, Mr. President, I think that in the century ahead we Americans are going to have to take freedom to them and manifest it, in the first place, in the form of economic freedom. That is why I have been heard to say, and why I have repeated here today, for the purposes of emphasis, that before we can instill an understanding of the ways of democracy in the minds of the colored masses of the world who are in revolution, we have to pay some attention to their empty stomachs.

That is why I have felt that the point 4 program is so important. Incidentally, it is not alone a Democratic program; in fact, I think one of the paradoxes involved in the discussion we are having today in this country is that the basic principles of the point 4 program were germinated and generated in the administration of a great former President of the United States, Herbert Hoover. If we study the policies of his administration, both when he was a great leader as Secretary of Commerce, and later as President of the United States, we find that he understood the importance of bringing to the backward peoples of the world an improved economic status, a better way of life. We see that he recognized the importance of putting into practice the great Christian principle that we are our brother's keeper, and that political democracy itself is bottomed upon and rests upon great religious tenets, all of which flow to the basic principle that a society of free men believes in protecting the dignity of the individual.

Mr. President, you cannot study our constitutional debates, you cannot study the biographies of our constitutional fathers, you cannot analyze the Constitution and the Declaration of Independence, you cannot fully understand the rich meaning of the San Francisco Charter, without recognizing that the American people, from the birth of our Nation to this day, have always dedicated themselves to the proposition that, under our system of self-government, we seek to protect the dignity of the individual. We must apply that ideal in our foreign policy. We must apply it in connection with our relationships to backward countries. Therefore, most politely but with great sincerity of purpose, I would say to my friends in Great Britain, in France, in Holland, and in the other allied countries, "We who are ready to make a fight for the freedom way of life need to recognize that imperialism and colonialism in the world are through, and that we only play into the hands of Communist propaganda, if in our foreign policy we follow a course of action which seeks to perpetuate in any degree colonialism and imperialism." That means that in developing our foreign policy, we should exercise much greater care than we have in the past, in seeing to it that we do not in the countries to which we seek to bring aid place our stamp of approval upon reactionary economic, social, and political policies and thereby allow our action to be interpreted as favoring a perpetuation of exploitation of the weak through imperialism and colonialism.

In furtherance of that basic principle, let me say, particularly in view of some discussion which took place on the floor of the Senate earlier this afternoon, that I think in the years gone by we should have been emptying thousands upon thousands of tons of food which is surplus in America into empty stomachs abroad rather than into empty Government bins, when our Government knew that from 20 to 60 percent of such surplus foodstuffs would be wasted by becoming unfit for human consumption before they ever came out of the bins. I think we should have exchanged such foodstuffs for good will, if that is all we could have exchanged them for. But we know, Mr. President, that thousands of tons of food could have been exchanged, in years gone by, for strategic materials. Such an exchange would have placed us in a stronger position today in this great fight for freedom around the world, and would have been one of the most effective answers we could have given to the voice of Russia which has bombarded the air waves of the world with its lying, false representations against us. The former President of the United States very correctly deplored last night in his speech the lying tactics of Russia.

Mr. President, what I am trying to say is that we, the people of the United States, are going to have to demonstrate to the other peoples of the world that we intend to practice our democratic principles, that we intend to put into practice the spiritual meanings of democracy, that we intend to translate into action our faith in the dignity of the individual and our resolve to set up, in the century of struggle ahead, a system of international justice through law, under which great issues of international conflict can

be settled through the processes of adjudication, rather than through a contest of armaments.

I believe we need to demonstrate to the world that we stand ready and willing to execute, along with all other countries, including Russia—and necessarily Russia must be included—a true disarmament program, as one of the steps which eventually must be taken if peace is to replace war in the relations of mankind. If in the century ahead we do not so develop a system of international justice through law that peace can replace war as an instrument for settling disputes among nations, then I think I make no overstatement when I say that I seriously doubt the survival of freedom in the world. However, talk of disarmament today is but wishful thinking, so long as Russia commits one aggression after another.

Now, Mr. President, with these as general principles, outlining at least my philosophy in regard to the approach which I think we ought to take in our foreign policy, I desire to turn to certain very specific arguments and proposals made in the Hoover speech last night. Let me insert at this point a conclusion to the argument which I began a few moments ago, and from which I digressed. I had come to the point of ECA, and I asked the question, "How many who voted for ECA would now, on the basis of facts as they exist today, change their votes? I placed myself on record as one who would not. Let us now move into the next great specific proposal which has characterized our bipartisan foreign policy. Bipartisan foreign policy must not become to the American people merely a name or a label. As leaders in the Congress, we have the obligation of taking to the American people point by point the platform, indeed, the specific planks of the platform of our bipartisan foreign policy.

The next great milestone in its development was the North Atlantic Pact. On the basis of conditions as they exist today—not only as they existed when the vote for the pact was cast, but as they exist today—how many of those on the Republican side of this aisle, who are now apparently so critical of the foreign policy of the United States, but who voted for the North Atlantic Pact, would vote differently today? The junior Senator from Oregon wants the RECORD to show that he would cast the same vote today on the North Atlantic Pact that he cast when the vote was taken.

The next great step in the development of the so-called bipartisan foreign policy was the military implementation of the pact about which a series of international conferences have been held and in regard to which, primarily, the recent conference in Brussels was held. How many of my Republican colleagues who, in their public statements, are now so critical about the bipartisan foreign policy, who voted for the military implementation of the pact, would change their vote today on the basis of facts as they today exist, if they were given such an opportunity? Let them speak out, Mr. President, when the debate proceeds at the beginning of the next session of Congress, because their votes are a matter of record.

The American people are entitled to know from them "What do you, as Republicans, propose to substitute for the record which a majority of the Republicans made in the Senate of the United States under the leadership of the great giant from Michigan [Mr. VANDENBERG] and how does it differ from the specific proposals for which you voted?"

I repeat, Mr. President, that an obligation rests upon my party not only to criticize the specific things with which it disagrees—and I would it would be more specific in its criticism—but the obligation also rests on the Republican Party to come forward with a specific program on the very issues which now, apparently, through the hindsight of some, they would change if they were in power.

If the specific proposals in the Hoover speech are to be the foreign policy of the Republican Party, then let us formally tell the American people so, and, in keeping with our democratic processes of a free ballot, let them in due course of time, when the opportunity presents itself exercise their choice. But, as for me, Mr. President, I would again vote for the military implementation of the North Atlantic Pact. Mr. Hoover said last night that there is a clear obligation upon the people of Europe to do their share, and in that I am in complete agreement. But I feel that the North Atlantic Pact and its implementation is the greatest defense America has at the present moment.

What else, Mr. President, in broad outline, encompasses the bipartisan foreign policy in Europe? I think the great issues I have mentioned are the major ones. Does the attack on our foreign policy limit itself only to Asia? If so, then the leaders of my party should make that crystal clear.

Let us now take a look at Asia, Mr. President. Of course, as we all realize, with respect not only to Asia but everywhere else in the world following VJ-day, we demobilized too rapidly; but I am proud to say, Mr. President, that we did not demobilize too rapidly with any encouragement from the Armed Services Committee of the United States Senate. The record is perfectly clear. Our attitude could be described as dragging our heels, urging that the process not proceed too rapidly. For that too rapid demobilization the primary responsibility has to rest on the shoulders of the 160,000,000 American people, because, after all, Congress, under a system of self-government, is bound to reflect to a remarkable degree the attitudes and the pressures of the electorate. There is nothing surprising about that, and there is nothing bad about it, either. As individual Members of Congress, we have an obligation of leadership, and we all agree we should not yield on principles. But men who hold office are human beings, and although I would not take away from the Congress its fair share of responsibility for a demobilization program which went too fast, nevertheless I would place the primary responsibility for it upon the American people themselves. The demand of the overwhelming majority of the people of the country in the months following World War II, for fast demobilization at such a rate that the security of America abroad was endangered was yielded to by the Congress and by the administration. That demobilization program played right into the hand of Communist Russia, for during those months and years Russia did not demobilize.

As we were weakening our Armed Forces Russia proceeded to devote a totalitarian economy to the building up of the weapons and arsenals of war. That has been the Russian program. We knew it. The leaders of our Government knew it. Yes, Mr. President, I think we can take judicial notice, so to speak, of the fact that the American people knew it. The record is perfectly clear. Too many of our people were bent on returning to business as usual, profits as usual, yes, an over-all pattern of selfishness as usual.

That is, again, something that is easy to understand, so far as human behavior is concerned. But we are talking today, Mr. President, about causes and effects. We are talking today about results of a pattern of behavior which we laid down for ourselves as a people. We are trying to balance accounts, and we find that our liabilities, because of our own shortsightedness, are large. Of course, our rapid demobilization affected the situation in Asia, because we now know that we did not leave ourselves in an adequate position of defense in Asia. We did not leave ourselves in an adequate position of defense at the outposts of America, which, figuratively speaking, are within a stone's throw of tremendous concentrations of Russian forces. We followed such a shortsighted policy following VJ-day, that we greatly weakened the defenses of the outposts of America in Alaska, for example. This can now be said, because it no longer is true, but at one time since VJ-day we weakened those defenses to such a point that Alaska could not have offered effective resistance to an oncoming Russian air-strike. The defenses of Alaska were utterly weak, at a time when one of the greatest concentrations of air power ever gathered in the world was assembled by Soviet Russia in Siberia. During the period of time that Alaska was in such weak condition the American people, in my judgment, as far east as Chicago were at the mercy of that Russian Air Force. It is to our credit that we proceeded to strengthen those defenses. It is to the credit of the Congress of the United States that from time to time since VJ-day, as the public and the Congress became aware of the critical security situation in which we found ourselves, it appropriated the funds necessary to start to rebuild the defenses of our country.

I use Alaska only as one example. There are many other examples I could cite to show that the demobilization program of America weakened our position in the world, not only militarily, but psychologically as well, because our allies were at a loss to understand why we should do it, knowing full well what Russia was doing by way of directing

her whole program into building up her arsenals of war.

What was our next mistake? As I have said so many times, and as I have indicated very briefly today, I think the greatest weakness in our foreign policy has been our Asiatic policy. One of the first great mistakes we made was in our failure in China to link together military aid and economic reform which would bring to the Chinese people themselves the benefits of the millions of dollars we were pouring into China. It is not a good record in the pages of American history, and I do not think the white paper is an answer to it, an explanation of it, or a full disclosure of what happened. In my opinion the white paper contains within it too much alibi-ing and rationalizing of a mistaken policy in Asia.

The responsibility for it must be placed primarily on the doorstep of the State Department. I think every effort should have been made by members of both parties to insist upon a correction of our Chinese policy. It is my understanding that for the most part during that period of time the State Department did not carry out to the full measure it should have done the joint consultation and bipartisan cooperation which characterized its policy with respect to Europe. This is only to the best of my recollection, and I am not certain as to the dates, but I believe the CONGRESSIONAL RECORD will show that a colloquy took place on the floor of the Senate during the Eightieth Congress in which the great giant, the senior Senator from Michigan [Mr. VANDENBERG], chairman of the Committee on Foreign Relations, was specifically asked how long it had been since the administratian had consulted with the Committee on Foreign Relations with regard to Asiatic policy. A checking of the RECORD will show, I think, that the Senator from Michigan replied to the question by rather reluctantly admitting that it had been many months.

In the same colloquy discussion took place with respect to whether or not the Foreign Relations Committee had been apprised with respect to the contents of the Wedemeyer report. I think the record will show that the reply of the Senator from Michigan, the chairman of the Committee on Foreign Relations, was to the effect that the committee had not been apprised as to its contents. So I say here today, as I have said so many times in the past several years, that in my judgment, the State Department is deserving of severe criticism and censure for its failure to keep the Congress of the United States and particularly the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House informed as to the State Department's policies in Asia.

Mr. President, I hope that sometime during the debate in the weeks ahead evidence can be submitted to those of us who are not members of the Committee on Foreign Relations which will show that our viewpoint in regard to the shortcomings of the State Department in this respect is in need of some revision. However, if there is any evidence existing at the present time which would support a revision of such viewpoint the State Department itself has been derelict in its duty not bringing forth the evidence.

I should like to stress the failure of the State Department frankly to advise the Congress of the United States through the Committee on Foreign Relations of information and facts which the State Department might have had in regard to specific programs, specific issues, and the specific problems as they arose in Asia. Had that been done, we might today find America following quite a different course of action throughout Asia. The assumption that under the Constitution the only thing the administration need submit to the Committee on Foreign Relations is something which it pleases to call a treaty, and not something which it pleases to call an executive agreement is in my opinion unsound as a matter of constitutional theory and causative of much of the misunderstanding over foreign policy which has developed in our country. Again I say that the responsibility for the growth of that misunderstanding must rest squarely on the doorstep of the State Department.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. MORSE. No. As I have already explained, I shall not yield until I have concluded my remarks. There is no one to whom I should be more pleased to yield than the senior Senator from Maine. However, I am thinking out loud on this subject, and for the sake of continuity I want to go along on the general points which I desire to cover. Then I shall be glad to submit myself to cross-examination.

Mr. President, I shall not engage in personalities. I did not join in a resolution of my party in conference recommending that the Secretary of State resign primarily because I thought it was a great mistake, particularly at the time the resolution was submitted, to adopt such a resolution. I know what I would have done if I were the Secretary of State. I have said this publicly many times in my State and elsewhere. I know what I would have done had I been Secretary of State and found myself in a position where I seemed unable to win the cooperation of a large section of the Senate of the United States, which has such great responsibility in regard to foreign policy, greater responsibilities, Constitution-wise, than has the House. I know that if I were satisfied that I could not regain the confidence necessary for cooperation in carrying out a truly bipartisan foreign policy, if I could not thrash out in consultation and conferences differences at least to the point that we could have a friendly understanding and could go forward united in executing a bipartisan foreign policy, I would resign. I am satisfied that if I had reached the conclusion that it was hopeless to try to win the confidence of the Members of the Senate as to make it possible to execute a bipartisan foreign policy, then, from the standpoint of protecting the interests of my President, I would resign.

The Secretary of State did not decide to follow that course of action, and I considered it a personal matter between himself and the President. I felt that it was a great mistake, practically on the very eve of his departure to represent our country in Brussels, to adopt a resolution which at best could not strengthen him at Brussels. It certainly could not be interpreted by anyone that the resolution passed by a majority of the Republicans would be an aid to him in the conference in Brussels.

I felt also that the resolution represented more a negative reaction to a personality than to a policy. I thought the resolution was a contribution to national disunity rather than to unity. When we come to the specific questions of foreign policy which we have passed upon point by point in the Senate of the United States during the past few years—the Truman doctrine in Greece, the ECA, the North Atlantic Pact and its military implementation, Asiatic aid, Korean aid, and the final decision to go back into Korea—the majority of my Republican colleagues, under the leadership of the great VANDENBERG, voted for those proposals. Many of us have disagreed with some of the State Department procedures in respect to Asiatic policies, but for the most part we have agreed as to the objectives of those policies. Therefore, I could not convince myself that this manifestation of a lack of confidence in the Secretary of State, as set out in the Republican resolution, was basically bottomed upon a disagreement with policy, unless those who supported the resolution wanted to answer in the affirmative the question which I stated at the beginning of my remarks was the acid test by saying, "Yes, we would vote differently now on the major provisions of our bipartisan foreign-policy program of recent years." If that is their view I am sure that as the historic debate of the next few weeks progresses they will say so. If that is their view, then I think there may be some fallacy in the argument which I now make when I say that I formed the feeling primarily that the anti-Acheson resolution was just what my label indicates—anti-Acheson rather than anti-policy. But I did not feel that the time the resolution was offered was the hour to make a manifestation of personal disapproval, which I am persuaded many of those who voted for the resolution had in mind. I felt that at that hour, as the Secretary of State was about to go forward to a historic world conference, which I believe will prove with the passage of time to be of tremendous importance to the future security of America, we should have buried our personal differences and sent him forth to the conference armed as fully as he could be armed with the backing of his government, hoping that as our representative—as he had a right to be at that time under the Constitution of the United States—he would come back with agreements and understandings which would

strengthen America's position in this fight for freedom.

That is why I could not vote for the resolution, although, as I have said, I am sure that if I had been in Mr. Acheson's position in recent months and had become satisfied that the chances of winning the full cooperation of an overwhelming majority in the Senate of the United States were not very good, I would have resigned.

Mr. President, I do not wish to be misunderstood if I can prevent being misunderstood, although I know that we are discussing a subject today which can easily give rise to misunderstanding. No matter what one may say or how carefully he may try to phrase his remarks, there is always the possibility of misunderstanding. I have sought to phrase my remarks very carefully. That is why I have spoken so deliberately, and I am sure it must have appeared to the listeners rather ponderously. No matter how careful one is these days in phrasing his remarks, on the very controversial subject of foreign policy there will be some who will be bound to misunderstand him. In an endeavor to protect myself as best I can, I wish to turn now to a few of the paragraphs of the great Hoover speech of last night. I wish to point out my complete agreement with some of them, and my reservations with respect to other parts.

Mr. Hoover said among other things:

> We may first survey the global military situation. There is today only one center of aggression on the earth. That is the Communist-controlled Asian-European land mass of 800,000,000 people. They have probably over 300 trained and equipped combat divisions with over 30,000 tanks, 10,000 tactical planes and further large reserves they can put in action in 90 days. But they are not a great sea power. Their long-range air power is limited. These congeries of over 30 different races will some day go to pieces. But in the meantime they are cannon fodder.

Mr. President, with much of that paragraph I agree; but there are two assumptions contained in it which I would modify by way of reservations.

I point out that the implication that since Russia is not a great sea power we are relatively safe because of the assumed protection of the Pacific and the Atlantic Oceans needs to be qualified. As I suggested earlier, at this moment Russia is a great submarine power. We cannot be sure that her possible superiority in submarines may not prove to be a greater asset than superiority in surface craft. Whether Russia is superior in submarines today I do not know; but I do know, Mr. President, that they have tremendous submarine striking power, and when I say that, I disclose no military secret, because that information has been made available to the American people for many months past.

The next assumption in that paragraph which I would qualify is that—

> These congeries of over 30 different races will some day go to pieces.

I say most respectfully, Mr. President, that I deem that to be a bit of wishful thinking on the part of the ex-President. Would that we could be sure of it. I pray to God it might be true. But we must not count on it. I think it is a false assumption categorically to state that these congeries will eventually go to pieces. I think it is based on the assumption that totalitarianism cannot survive, and that police-state methods cannot control masses of people in subjugation for centuries. I think it is also one of the most serious mistakes of assumption made by the great ex-President last night in his significant speech.

We Americans cannot afford to engage in the wishful thinking, the false assumption, the adoption of a false security attitude that the Communist section of the world which is pitted against us will eventually and for a certainty go to pieces. It will not go to pieces, at least in time to save the freedom way of life in the world in the century ahead unless the freedom-loving peoples of the world unite around the principle to which I referred earlier in my remarks and to which we must now rededicate ourselves, namely, that united we stand, and divided we fall. That principle must be applied by and to all the people in all the freedom-allied countries of the world.

We cannot justify withdrawing into ourselves on this continent and taking solace in the assumption of the great ex-President that sooner or later these congeries, comprising more than thirty different races will some day go to pieces. Mr. President, such as assumption in history gone by was made by foreign peoples with respect to the United States. In fact, it is a part of the Communist philosophy today that eventually capitalism and democracy will disintegrate. We think we know better.

When we are dealing with an enemy I like to assume he is just as smart as we are. One of the things the American people must do, in my opinion, is to take it for granted that in this struggle for freedom around the world we are pitted against forces and leaders who in many respects are as smart as we are. We can be pretty sure that they are going to do everything in their power to see to it that this assumption of the ex-President of the United States does not come to pass. I seriously question that there is any possibility of it coming to pass within our generation or within a period of time soon enough to prevent the destruction of America if we proceed to withdraw into ourselves and live unto ourselves alone, and accept the assumption which is interwoven in the speech of the great ex-President that we can proceed in safety if we arm our Navy and our Air Forces to the teeth, and rely upon the Pacific and the Atlantic Oceans for protection, forgetting, as I said earlier, what will happen to us if the great industrial war-making power of Europe falls into the hands of Communist Russia.

Later in his speech the ex-President said:

> Facing this menace on the continental European front there are about 160,000,000 non-Communist people who, excluding Spain, have less than 20 combat divisions now available, few tanks and little air or naval force. But their will to defend themselves is feeble and their disunities are manifest.

It is that language, Mr. President, I had in mind when I said earlier in my speech that from a psychological standpoint I thought there was language in the ex-President's speech that was unfortunate, and I cite that as my exhibit. I cite it as my exhibit particularly when there has just closed in Brussels a conference which sought to strengthen the North Atlantic Pact and the military implementation program thereunder, a conference which sought to bring greater unity and determination to our allies in Europe and to make clear a manifestation on the part of the American Government that we fully recognize the threat Russia is to freedom in Europe and through Europe to freedom in the United States. I think the language of Mr. Hoover which I have quoted will be interpreted by many in Europe as language of defeatism, as language of surrender on the part of the United States so far as support of Europe is concerned. I think it came at a very unfortunate time, so shortly after the Brussels Conference.

Mr. President, let me make clear, if I make nothing else clear in the course of this speech, that I believe it is most important that the American people and the other freedom-loving peoples of the world understand that the aggressive enemy of freedom today is primarily Russia, with her tag-along satellite nations who, under her police-state methods, are helpless now, in my judgment, to do anything else but carry out her program of aggression and totalitarianism. I would have my country—as I said over a national radio broadcast three times within the past 2 weeks—face the fact that today Russia is carrying on a form of hot war against us. Russia has been making hot war against us ever since the Berlin incident. I do not know whether she will go into an all-out, full-scale hot war, but I know that we are sticking our heads in the sand for a certainty if we fail to recognize the fact that today Russia is carrying on a hot war against freedom. We cannot with safety follow the language of that part of the Hoover speech which might be—and, I fear, will be—subject to the interpretation that now we are ready to withdraw into continental United States, to protect our freedom against that hot war, unless the peoples of Europe follow a course that meets with our pleasures and decisions. No, Mr. President; in view of the circumstances which exist today in the world, I think that statement by ex-President Hoover which I have just quoted from his speech was an unfortunate one.

The next important paragraph of Mr. Hoover's speech to which I would call attention is as follows:

> Of importance in military weight at this moment there is the British Commonwealth of 150,000,000 people, with probably 30 combat divisions under arms, a superior navy, considerable air force and a few tanks.
>
> And there are 150,000,000 people in the United States preparing 3,500,000 men into a gigantic Air Force and Navy, with about 30 equipped combat divisions.
>
> If we weigh these military forces as they stand today we must arrive at certain basic conclusions.
>
> (A) We must face the fact that to commit the sparse ground forces of the non-Communist nations into a land war against

this Communist land mass would be a war without victory, a war without a successful political terminal. Any attempt to make war on the Communist mass by land invasion, through the quicksands of China, India, or Western Europe is sheer folly. That would be the graveyard of millions of American boys and would end in the exhaustion of this Gibraltar of western civilization.

Mr. President, with the basic premise of that paragraph, I am in agreement. I am in accord with the view that we cannot and should not fight a land war in the sections of the world which the great ex-President enumerated in that paragraph of his speech. However, I would have my country be on guard against the over-all conclusion which I fear he draws in his speech after he lays down these sound premises.

I agree with his next major premise, when he says:

Even were Western Europe armed far beyond any contemplated program, we could never reach Moscow. The Germans failed with a magnificent army of 240 combat divisions and with powerful air and tank forces as contrasted with the 60 divisions now being talked about.

However, Mr. President, I think there should be added to that observation on the part of the ex-President, the very important one that without an adequate mass of land troops in Europe, in case the hot war becomes an all-out war, we cannot stop the mass of Communist land troops from extending itself all over Europe. That is why I think there was need in the speech of the ex-President for a greater emphasis on the North Atlantic Pact program. It seems to me he overlooked, in this part of his speech, the importance of a mass of Allied land troops in Europe and its ability to prevent an invasion of Europe by the massed Russian forces. I do not agree with any assumption that the North Atlantic Pact and the Allied nations participating therein cannot, through the navy and the air forces and the land troops, build up a resistance which will stop an invasion of Europe by Russia. We are not talking about an invasion of Russia, to Moscow; but we are talking about saving the Ruhr from falling into the hands of Russia, because on the control of the Ruhr depends, I believe, the ultimate security of this country in an all-out war with Russia.

The ex-President's next point in his speech is as follows:

(B) Equally, we Americans alone with sea and air power can so control the Atlantic and Pacific Oceans that there can be no possible invasion of the Western Hemisphere by Communist armies. They can no more reach Washington in force than we can reach Moscow.

I say most respectfully, Mr. President, that I believe that assumption by Mr. Hoover is glaringly false. I would that his assumption were true. However, if we become encircled by Communist countries, if all Europe falls to communism, if we lose any foothold in the Pacific, in my judgment, any assumption that Communist armies cannot invade America is clearly false, and represents, I am sorry to say, an example of wishful thinking. In my opinion, there would be great danger of invasion of America by Communist armies if we should lose our Allies abroad and find ourselves encircled by communistic regimes and police states. That false assumption on the part of the ex-President in his speech is so serious that I think it colors a great many of the other conclusions he reaches.

Mr. President, if, in the years immediately ahead, we become encircled by Communist countries, as the result of the fall of Europe and the loss of American strongholds in Asia; if, for example, a Pearl Harbor should occur in the area of Korea, today, both to our naval forces afloat there, and to our Armed Forces located there and to our Air Force located near there in combat with what is known to me to be a powerful Russian air force based not far from them, we would find it difficult to tell the people of the Pacific coast that there would be no danger of an invasion of the west coast. Why, Mr. President, if Alaska should fall to Communist attack and the Communists obtain bases there, you would have a most difficult time telling the people of the West, as far east at least as Chicago, that there would be no danger of a Communist invasion of the west. I think that this part of Hoover's speech which I am criticizing will have the effect of giving those who assume it to be sound a sense of false security in America, if they are not warned of its unsoundness. I think the American people ought to be told that there will be danger of invasion by Russia, if we become encircled by Communist countries and Russia obtains the great war-making industrial potential of the Ruhr, for example, or knocks out Alaska, or stages a Pearl Harbor attack on our Air Force and Navy in the Pacific, and gets by with it. The danger is real, and I propose to raise my voice in expressing to the American people the sincere belief that it is real, and that the assumption of the ex-President, contained in this paragraph, needs marked qualification.

Mr. Hoover further said:

(C) In this military connection we must realize the fact that the atomic bomb is a far less dominant weapon than it was once thought to be.

I think he is entirely correct, and I believe it was well he told the American people that. I am afraid there has been stirred up in the minds of the American people a sense of false security so far as the atomic bomb is concerned. It is a devastating weapon, there is no doubt; but, that it is the type of weapon which will knock out Soviet Russia for a certainty, is at best exceedingly questionable; and the ex-President, according to my view, is completely correct in making the point he does about the atomic bomb. I think the American people need also to realize that we have no monopoly on it; that, devastating as that weapon is, it can be used against us as well as for us. We need to recognize that there is also a great difference in the industrial concentration and dispersement of the war-making power of the two nations. I am satisfied that the atomic bomb, once the Russians get a stockpile in numbers closely approaching our own, can wreak greater damage on the United States than we can wreak on Soviet Russia, so far as future war-making potentialities are concerned. That is true because it is pretty well known that our great industrial institutions are more concentrated, whereas Russia has followed to a greater degree, so we are informed, a program of dispersement and a policy of effective concealment, so far as her war-making plants are concerned.

The ex-President then says:

(D) It is obvious that the United Nations have been defeated in Korea by the aggression of Communist China. There are no adequate forces in the world to repel them.

I think he is dead right. I happen to be one who believes that we should withdraw from Korea to a line in the Pacific we can defend; that we should stretch as effective a blockade against Communist China as we can; that we should encourage guerrilla warfare in Communist China by Asiatics; that we should make very clear to Great Britain that she, too, has an obligation to cooperate in this matter, and that no American boys are going to die to save Hong Kong. Great Britain must recognize that Hong Kong is a war casualty, and Great Britain's good faith in this joint enterprise to defend freedom, for herself and for us, must cause her to take a realistic position about Hong Kong. We cannot stand by and see her feed Communist China economically, and American boys die as a result of the war goods which the Chinese Communists get from the Russian Communists as the result of a direct and indirect trade cooperation by Great Britain. But I think it is a matter that can be settled and determined in honest, sincere, good-faith conferences between the leaders of these two great democracies.

In my judgment the ex-President is right in pointing out that we cannot hold Korea; but in making that statement I hasten to add that it does not justify the assumption that we made a mistake in Asiatic policy, in drawing the issue with Russia over Korea. We drew the issue with Russia when we went back into Korea after the invasion by the Russian sponsored North Koreans. I think the invasion of South Korea by the North Koreans, backed, as we now know, by the Communist Chinese and the Communist Russians, was a signal on the part of the Communist section of the world that they intended to carry on an aggressive course of action in Asia. I think, also, it was the test put up to us as to whether that was the time for Russia to start her conquest of Asia. Although we have suffered a military defeat, and although I think it is shameful that we were not in a position more adequately to protect the lives of American heroes who fought in the Korean War and who are dying there today, nevertheless the decision to go back into Korea had to be made. The mistake was, not in the decision, but in the fact that we were not strong enough at that hour to back up the decision with greater military strength.

No, Mr. President; I am not one of those who think it was a mistake to call Russia's hand, because, after all, we called not the North Koreans alone, not

the Communist Chinese alone, but Russia's hand. We made the decision to go back into Korea in opposition to her renewed aggressive course of action in Asia.

Mr. KNOWLAND. Mr. President, will the Senator yield at that point for a question?

Mr. MORSE. I should like to yield, but I said at the beginning that I would not yield until I finished my speech. I am merely thinking out loud, and speaking much longer than I intended to, maybe selfishly, but, at least, from the standpoint of my record, I want the people of my State to know my thoughts on foreign policy questions as they come out of my head today in response to what I think is a very, very critical situation which exists.

Of course, Mr. President, I believe we made some very serious mistakes on the Korean issue long before the invasion. Some Senators have previously heard me say that I think we made a mistake as early as July 1945, and some of us in this body felt, at the time the San Francisco Charter was before the Senate for ratification that we should insist upon the recognition of the provisional government of Korea and should insist that a trusteeship or mandate of the United Nations be placed over Korea until such time as a free election could be held. That was then my view, and it has always remained my view. But instead of doing that, a few months thereafter the administration actually joined with Russia in the partitioning of Korea along the thirty-eighth parallel, giving as its excuse or explanation the argument that it was doing it for military convenience. When we did that we joined with Russia in the partition of the freedom of Korea. History will so record. From the time the administration did that, it proceeded with a whole chain of mistakes in Korea. It knew about them when it was making them. That is the sad part of it.

I have always been at a loss to understand why so many people, in discussing the question of foreign policy in recent years, have not recognized the nature of the Russian pattern. Russia has never varied it. She has applied it uniformly and consistently with respect to every satellite country which has been taken over. She applied it in Korea. We knew, or should have known, that that is exactly what Russia would do. What did she do? The moment the United States joined with Russia in the partition of Korea, Russia dropped her iron curtain along the thirty-eighth parallel. Russia always does that. The iron curtain is basic to her pattern. It is the warp and woof of her pattern. That is why it has always been so difficult for me to understand the gullibility, the shortsightedness, of so many people who have discussed the Russian problem since VJ-day in terms of the oft-repeated suggestion that we should try to understand the Russians. We were told, "They really do not mean what you think they mean by their iron-curtain policy. They do not mean it as an unfriendly gesture."

Nonsense, Mr. President—nonsense and gullibility. Ever since the Russians dropped the iron curtain along their own borders, to say nothing of dropping it along the borders of satellite countries in which we had an interest, at least, as a free nation in the world to see to it that the principle of self-determination was not trampled under military foot by aggressive nations—we had that much of an interest in the satellite countries—her action can be interpreted as nothing but unfriendly and a manifestation of a clear intention to follow a warlike policy against the freedom-loving peoples of the world.

So, Mr. President, I repeat today what my colleagues have heard me say on this floor during the past several years, that, so far as I am concerned, I shall have to continue to assume that Russia's intentions are not intentions of peace so long as she makes the warp and woof of her foreign policy the iron curtain.

Peoples who have the intentions of friendship, peoples who believe in good neighborliness, peoples who want to cooperate and be friendly, do not put signs in their front yards saying "Stay out or suffer the consequences." That is what Russia has done. One of the sad things about this whole picture is that so many Americans fail to appreciate the fact that during World War II Russia never really functioned as an ally. She never cooperated as an ally. She conducted herself simply as a nation that had a common enemy. She would not even permit American military missions behind her iron curtain during the war. Her record during the war, as well as immediately after the war, in the occupational zones of Europe, was a record of noncooperation, obstruction, and of act after act that made it perfectly clear that she was not friendly. Certainly she took advantage of all the matériel we made available to her to help her fight the common enemy. But, Mr. President, the record is so overwhelming, and we knew it before Korea, that her conduct indicated an attitude of unfriendliness and an intention to violate the peace whenever it served her selfish purposes to violate it, that we should have given greater heed to that pattern of behavior on the part of Russia before we joined with her in the partition of Korea's freedom along the thirty-eighth parallel. We certainly should have given greater heed to it when we observed what she did once she dropped the iron curtain along the thirty-eighth parallel.

What did she do? There has been much said about our military intelligence, and about the fact that we did not know what was going on north of the thirty-eighth parallel. Such a charge needs qualification. Certainly we did not know all we should like to have known, but we knew a great deal. Do not sell American military intelligence short in analyzing this problem. It was not because we did not know what was going on north of the thirty-eighth parallel; it was because at the time, for some inexplicable reason which I shall never be able to understand, a short-sightedness continued in America. I think it existed in the State Department as well as in the Military Establishment also. It was a shortsighted belief that the Korean problem would work itself out. It was said, "They are bluffing. We will wait. Russia is bluffing." If so, they have been bluffing for a long time, with consequences which have been very gainful to them and detrimental to us.

What did the Russians do? They proceeded to train a Communist army in North Korea. They did not train the army with Russians in any great numbers. They trained them with Koreans who had been brought down in large numbers from the army in Manchuria, which was a Russian-trained army. It was a well trained army, too. They separated those Koreans from the Manchurian army—officers and foot soldiers alike—infiltrated them among the forces of North Korea, and proceeded to train a Communist army in North Korea.

What did we do? We trained a police force in South Korea. We told the world we were going to train a police force. We told the world we were going to train a force which would be capable of taking care of internal disturbances and police actions, and which would be strong enough to handle border raids along the thirty-eighth parallel. We were very careful to announce to Russia and the world at large that we were not going to train an army. We did not train an army. We did a pretty good constabulary job, but certainly we did not train an army. The record which the South Koreans have made in the Korean War is an exceptionally good record, particularly when there is taken into consideration what we did in South Korea so far as giving military training is concerned and what the Russians did north of the thirty-eighth parallel in North Korea through their Communist Koreans who had been brought down from Manchuria for the purpose of training a Communist army in North Korea.

Mr. President, that was not the only mistake we made. After Russia got her Communist Army trained in North Korea by the use of Russian-trained Koreans taken from the Manchurian Army, she started to bombard the airwaves of the world, particularly of Asia, with her vicious lying propaganda that she was ready and willing and, in fact intended, to proceed to withdraw Russian occupation forces from North Korea, but that militaristic America, imperialistic America, exploiting America was keeping the South Koreans under the militaristic heel of the American Army. That is the rot which she fed to the people of Asia. She repeated over and over again the technique of the big lie. The sad thing about that technique is that unless it is combated, many people believe it.

What did we do? Let the record of the Congress of the United States speak for itself. We cut the appropriation for the Voice of America. We cut the appropriation when what we should have done was to greatly enlarge it. Not only should we have enlarged the appropriation for the Voice of America program, but we should have enlarged the appropriation for every other type of service that would have been helpful in meeting the vicious lying propaganda of the Russian Communists. At that time we should have enlarged the appropriations for the point 4 program in Asia, because that was the time to win the good will of millions of Asians whose good will we

will sorely need in the great contest for freedom which will mark the coming decades.

Did we stop with that mistake? No. In quotation marks, Mr. President, we cooperated with Russia. We yielded to her propaganda. We pulled out of South Korea. We took out our forces, and with our forces we took out most of our equipment. We did all that at the very time when we knew that there was great military activity north of the thirty-eighth parallel and at the very time when there were periodic raids across the border on the part of segments of the North Korean army. I shall never forget the testimony before the Committee on Armed Services by the American general who was in command of the American forces in Korea. He testified that he was on board ship in the Pacific on his way back to the United States when he heard over the radio that an invasion of South Korea had begun. I cannot quote verbatim what the General said, but I am sure I am quoting him quite accurately when I say that he testified before our committee to the effect that he did not think it was anything serious. At first he assumed it was merely another one of those border raids which had been going on for months and that it would spend itself in a few days. He thought it was a raid for the purpose of getting control of quantities of rice, because the area in which the raid occurred was an area of heavy rice production. We knew those raids were going on. We knew they had been going on for some weeks preceding our withdrawal from Korea. I say it was a great mistake to withdraw at that time.

The next mistake was that in South Korea, as in China before, we repeated the China mistake of not seeing to it that economic reform was linked to military aid. I do not want to spend a great deal of time elaborating the point tonight. However, I wish to assert, and I am satisfied that the record will sustain me, that by and large we did a very poor job in South Korea in bringing to the South Koreans as individuals benefits of economic reform which should have characterized our program in South Korea but did not. Here again the Russian propaganda machine took advantage of every little disturbance within South Korea, of every conflict between the Government and the people of the lower classes, and of every protest about lack of economic aid to the people themselves. For this, too, I think the State Department must assume its full share of responsibility.

I think that after all, under our Constitution and the powers with respect to foreign policy which rest in the President and are executed through the State Department, we had the right to look to the State Department for recommendations and proposals, and for requests for advice and consultation in connection with the implementation of our program in South Korea. I hold to the view that if the Foreign Relations Committee of the Senate had been fully apprised of some of the things we now know occurred in South Korea during those months we would have avoided some of the serious mistakes which I am outlining here this evening.

Of the many other mistakes, I wish to mention one more—perhaps the major one of all—a mistake which I think was very disturbing to the thinking of the people not only in Korea, but elsewhere in Asia, and particularly in India. It was a mistake which I have a feeling—I have nothing on which I can substantiate it except my interpretation of his conduct and some of the language he has used since—has caused some shift of attitude on the part of the leaders of India, particularly Nehru. I believe that we Americans must keep our eyes on India. I think we must give great heed to Nehru and to the point of view of his followers. We must be realistic about it, because in my judgment, so far as the free part of Asia is concerned, as India goes so, most likely, will the rest of Asia go. India is of vital importance to the defense of Asia for freedom. That is why I said earlier in my remarks this afternoon that I would that we had paid more attention in the years gone by to getting our surplus food into empty stomachs in Asia than keeping it in Government bins where much of it was bound to spoil. I believe that such a course of action would have been one of the most effective manifestations in the whole field of foreign policy of putting Christian principles of democracy to work.

I have the feeling that the last mistake in Korea which I wish to mention had a tremendous effect in India, in Indochina, in Indonesia, and, for that matter, in all of the free sections of Asia. I refer to the announcement last January by the State Department that our line of defense in the Pacific primarily was to be a line from the Aleutians through Japan, Okinawa, and the Philippines. I think that announcement had a tremendous psychological effect in Asia. I do not believe that the effect was very good for America.

Again referring to the testimony of General Roberts, who was in charge of our occupational forces in Korea, and who testified before the Senate Armed Services Committee, I recall that he did not like to answer these questions. I recall that some of us on the Armed Services Committee asked him for his opinion as to the effect of the American announcement that our line of defense was to be the line I have just mentioned. He preferred not to answer the question, but I remember that a couple of us insisted that he give us the benefit of his personal opinion. Of course, his answer was exactly the answer anyone should have known. It was to the effect that the announcement helped to speed up Communist activity in Korea. I think it helped to speed up Communist activity throughout Asia. It was a terrible mistake, Mr. President.

That, it seems to me, is a perfect example of where the administration and the State Department should have put into practice the true meaning of a bipartisan foreign policy, as I understand its meaning—a consultation with the leaders of both parties in the Congress in advance of any public enunciation of policy, because I dare say that if the Secretary of State had advised us in the Senate, for example, that such was his thinking, careful consideration would have been given to it by the leaders of Congress, and probably the decision would never have been made public. Certainly some Members of the Senate would have been able to perceive the dangers of any such policy as that, dangers which were bound to come to pass, and did come to pass. I think that from that time on there was a tremendous speed-up of Communist activity in Asia. The Communists took it for granted—and I believe they had the right to take it for granted—that we were not going to defend Korea, in fact, that we were not going to engage in military activity beyond the announced line of defense.

I know that there are those who in good faith, and with motives just as sincere as mine, feel that such an interpretation of the State Department's announced policy is taking out of context the true intent of the State Department. But the best they can say for themselves, on the basis of their own assumption, is that even if that be true—which I question—the choice of their language was most unfortunate, because the language which they chose went around the world as notice to people everywhere, Communists and non-Communists alike, totalitarian and freedom-loving people equally, that we were withdrawing from Asia.

As I stated earlier, I do not think it was a mistake to go back into Asia because we had no other choice unless we then wanted to surrender all of Asia to Russia.

Had we not taken a stand for freedom in Korea, I am satisfied in my own mind that our failure to do so would have been a signal for the advance of Communist forces all over Asia. It is an historical shame that we were not in a position of defense and military power so that we could have given to our heroes who have sacrified their lives in Korea the support to which they were entitled.

Mr. President, I have made these comments on Asia because they set forth my views on the subject and give the background as to why I believe the ex-President was right last night when he pointed out that now we cannot stay in Korea. In my opinion, he is right. Now I think we have to withdraw to lines of defenses in the Pacific we can hold, and, as I said earlier in my remarks, stretch a blockade in the Pacific which will make perfectly clear that we recognize Communist China as an aggressor against freedom, and that we recognize Russia as the power behind the aggressor.

I now want to comment on another paragraph of the speech of ex-President Hoover last night.

> We may explore the American situation still further. The 150,000,000 American people are already economically strained by Government expenditures. It must not be forgotten that we are carrying huge burdens from previous wars, including obligations to veterans and $260,000,000,000 of bond and currency issues from those wars. In the fiscal year 1952, Federal and local expenditures are likely to exceed $90,000,000,000. That is more than our total savings. We must finance huge deficits by further Government issues. Inflation is already moving but we might, with stern measures, avoid the economic disintegration of such a load for a

very few years. If we continue long on this road the one center of resistance in the world will collapse in economic disaster.

I think he is dead right, Mr. President, in his economic analysis of the fiscal problems which confront us. I have tried to point out for years that the greatest defense weapon America has is not the atomic bomb at all, but our economy. We have got to make great sacrifices now to preserve it. One of the paradoxes is that in preserving our economy some individuals and companies and economic forces in this country, yes, all of us, are going to have to suspend—I should like to put it in terms of suspending rather than sacrificing—some of our economic freedoms for a little while. There is no other way. I know it is a paradox.

It was well stated to us by Jim Forrestal, at some time in 1947, when he testified before the Armed Services Committee. I shall never forget what he said for it was utterly sound. We were talking then about a proposed armed services budget of some $21,000,000,000 out of a then proposed total national budget of $40,000,000,000. The then Secretary of Defense thought it was too high. He thought at least it ought to be very carefully screened and scrutinized to see what savings could be made. The usual argument was made as it was made in those days: "But, Mr. Secretary, you know if we get into a war to preserve freedom it is going to cost us many times $21,000,000,000." And Jim Forrestal very quickly replied, "Yes; I know that is true, but I also know that if we get into that war one of the paradoxes of it will be that we will go to war to save freedom, to protect and preserve our freedom, but in a large measure, for the duration of the war and for some time after the war, we will lose much of our freedom at home."

That is true, Mr. President. It is a very difficult concept for the American people fully to grasp as to its implications, but I think they have got to be told. It is important that those of us who have the responsibility of casting votes in the Congress of the United States on various proposals for economic mobilization as well as military mobilization should have the courage and the frankness to tell the American people that during this crisis some of their freedoms are going to be curtailed; that in time of great national crisis all our freedoms as individuals are relative, subordinate to the great goal of preserving the Government itself. And now as we enter into a course of action that must be adopted in order to meet this crisis, we in the Congress of the United States should tell the American people that a great many of their freedoms will have to be curtailed. We cannot have the kind of economic stabilization and mobilization which I think is clearly implied in the language of the great ex-President in his speech last night, as he discussed the fiscal problems of our country, without a great deal of economic regimentation and a great deal of economic direction on the part of the Government over all American industry and labor and every other segment of our economy.

To my labor friends let me say here and now that they have to face the fact that all of us in America are going to suffer a lowering of the standards of our living during this crisis. I believe we are guilty of the most inexcusable type of political hypocrisy if we, as Members of the Congress, lead labor, or farmers, or businesmen, or consumers generally, to believe that in this crisis we can mobilize for the preservation of freedom in our country and in the world and at the same time maintain the present high standards of living in America. That cannot be done. It is not going to be done. I believe that a great deal of conflict and misunderstanding can be avoided if we frankly inform the American people that it cannot be done, that this is a crisis more serious in its import than any crisis we have ever faced heretofore, and that the word "sacrifice" is no platitude, but is a meaningful outline of a course of sacrifice which we all have to proceed to follow at once.

In my opinion American labor is not going to be able to set itself off to one side and separate wage control from price control. They are inseparable. They must be combined, in my judgment, under the jurisdiction of one board or tribunal.

Labor has to face the fact that so-called escalator clauses, highly desirable in a peacetime economy, cannot stand up in a wartime economy, because they are a part of the vicious circle of inflation, and it is necessary to break into that vicious circle of inflation. So all of us, including labor, will have to make sacrifices.

Knowing labor as I do, I have no doubt what its patriotic response will be. Once the facts about the crisis are made clear to labor, it will join in whatever sacrifices are necessary. It rightly will take the position that on the economic front the Congress and the administration must do everything within their power to see to it that the sacrifices are equalized, and that unfair discriminations, favorable to one group as against another, are eliminated. However, that labor will willingly sacrifice, along with farmers and businessmen and consumers generally, I have no question, once the facts are made clear.

Mr. President, to avoid the economic dangers which the ex-President so well stated in his speech of last night, let us have no more talk about voluntary controls and piecemeal stabilization. We are now in a fight to the finish, and it calls for the greatest of speed, consistent with the maximum of efficiency possible during an emergency, with all-out economic and military mobilization.

The next paragraph of the ex-President's speech on which I wish to comment is as follows:

Whether or not the United Nations is to have a moral defeat and suffer the collapse of its whole moral stature now depends on whether it has the courage to—

(A) Declare Communist China an aggressor.

I agree.

(B) Refuse admission of this aggressor to its membership.

I agree.

(C) Demand that each member of the United Nations cease to furnish or transport supplies of any kind to Communist China that can aid in their military operations. Such a course honestly carried out by the non-Communist nations is not economic sanctions nor does it require military actions. But it would constitute a great pressure for rectitude.

I agree. In fact, Mr. President, I have already covered my views on this point earlier in my remarks, in my argument for the imposition of a blockade of China.

I read further:

(D) For once, pass a resolution condemning the infamous lies about the United States.

Any course short of this is appeasement.

I agree.

A little later in his speech the ex-President said:

It is clear continental Europe has not in the 3 years of our aid developed that unity of purpose and that will power necessary for its own defense. It is clear that our British friends are flirting with appeasement of Communist China. It is clear that the United Nations is in a fog of debate and indecision on whether to appease or not to appease.

Mr. President, I think that statement in the ex-President's speech is somewhat unfortunate. It does not seem to me to be wholly accurate or fair, so far as concerns describing the conduct of our allies in Europe in connection with the ECA program or in connection with the North Atlantic Pact and the military implementation of it.

I agree with the ex-President, as I said earlier in my remarks, that our British friends certainly are going to have to be more realistic about the situation in Communist China, and will have to recognize that as they aid Communist China, they do injury to freedom and to their freedom-loving Allies; as they bring economic aid to Communist China, they do damage to the defenses of the United States. I think that we, as copartners with them in this great struggle to preserve freedom in the world, have the right to have them join with us in seeing to it that economic aid to Communist China comes to a halt.

A little later in his speech the ex-President said:

We can, without any measure of doubt, with our own air and naval forces, hold the Atlantic and Pacific Oceans with one frontier on Britain (if he wishes to cooperate); the other, on Japan, Formosa, and the Philippines. We can hold open the sea lanes for our supplies.

I devoutly hope that a maximum of cooperation can be established between the British Commonwealth and ourselves.

Mr. President, I have already commented on that paragraph of the speech.

Again I summarize my position simply by saying that I think the ex-President

overstates the case. I think there is pregnant in those remarks a great deal of hopeful thinking and wishful thinking that cannot be squared with the realities of the situation in which we find ourselves.

Mr. Hoover also said:

We should give Japan her independence and aid her in arms to defend herself.

I am in agreement, and I think we should proceed to execute a peace treaty with Japan, regardless of Russia.

Mr. Hoover then also said:

We should stiffen the defenses of our Pacific frontier in Formosa and the Philippines. We can protect this island chain by our sea and air power and without land power.

Mr. President, I certainly believe we should strengthen our defenses in the Philippines. So far as Formosa is concerned, I think we are going to have to face the fact that we are involved in some international commitments which never should have been made and which, in my judgment, amount to a circumvention of the treaty-making clauses of the Constitution of the United States. In my opinion, that is exactly what the international agreements in respect to Formosa constitute. Nevertheless, they were entered into; and we are going to have to face that reality as one of the problems of international law which must be solved by adjudication. I think there we should rely heavily upon the procedures of the United Nations for a negotiation and an adjudication of the Formosan issue.

Next, Mr. Hoover said:

Fourth. We could, after initial outlays for more air and navy equipment, greatly reduce our expenditures, balance our budget, and free ourselves from the dangers of inflation and economic degeneration.

I most certainly agree with that point.

Mr. President, I do not agree with the great ex-President of the United States in regard to the assumption, which I think is implicit in his speech taken in its entirety, that we should not proceed at this time with the military-manpower program that is contemplated for America. I think that program is essential to our safety. That is why I am one of the most ardent supporters in the Senate of a universal service law, and that is why I think we must go ahead with military mobilization, including the mobilization of ground troops, for the time being, as a clear notice to Russia that we intend to do all within our power to defend our frontiers of defense at home and abroad. We must make clear to Russia that we intend to do what we can to help our allies in Europe, with their complete cooperation—and with the ex-President's comment on that point, I am in agreement, in defending the Ruhr, so that the Ruhr will not fall to Russia.

A little later in the speech, Mr. Hoover said:

Sixth. We should have none of appeasement. Morally there is no appeasement of communism. Appeasement contains more dangers than Dunkerques. We want no more Tehrans and Yaltas. We can retrieve a battle, but we cannot retrieve an appeasement. We are grateful that President Truman has denounced such a course.

Mr. President, I agree with the premises laid down in that paragraph; but I would most respectfully suggest to ex-President Hoover that if we withdraw unto ourselves, into continental United States, that act itself will be looked upon around the world as a form of appeasement. It will be looked upon as walking out on what I think are great obligations on our part to defend freedom in Europe in order to preserve freedom in the United States.

Then, in his speech, Mr. Hoover said:

Seventh. We are not blind to the need to preserve western civilization on the continent of Europe or to our cultural and religious ties to it. But the prime obligation of defense of western continental Europe rests upon the nations of Europe. The test is whether they have the spiritual force, the will and acceptance of unity among them by their own volition. America cannot create their spiritual forces; we cannot buy them with money.

You can search all the history of mankind and there is no parallel to the effort and sacrifice we have made to elevate their spirit and to achieve their unity. To this date it has failed. Their minds are confused with fears and disunities. They exclude Spain, although she has the will and means to fight. They higgle with Germany, although she is their frontier. They vacillate in the belief that they are in little danger and they hope to avoid again being a theater of war. And Karl Marx has added to their confusions. They still suffer from battle shock. Their highly organized Communist Parties are a menace we must not ignore.

Mr. President, although there is a considerable amount of truth in what the ex-President said in that passage, again I think his emphasis was unfortunate, because in that passage he sells short the North Atlantic Pact. He sells short the great significance of the military program which is being worked out under the North Atlantic Pact; and he sells short the great job which the great Eisenhower is going to Europe to perform.

I would be the first to agree with the ex-President that the people of Europe have shown serious shortcomings, but their problems have been different from ours. We have not lived quite so close to the shadows of Russian guns. We have not lived quite so close to the shadows of the wings of Russian planes. Although I shall continue to insist, as a member of the Armed Services Committee, that we receive a greater amount of cooperation and a fuller performance of promises on the part of our allied friends in Europe, nevertheless I do not share the emphasis which I think the ex-President put on that particular passage of his speech.

He goes on to say:

In both World War I and World War II (including West Germany) they placed more than 250 trained and equipped combat divisions in the field within 60 days with strong aid and naval forces.

Of course they did, Mr. President, but we have got to face the fact that since then they have been tremendously reduced in war potential. We have a very definite responsibility of cooperation with them in the reestablishment of that potential. Let America not forget that, after all, that war was our war as well as theirs. As history has shown, it was our war from the first day, not merely from the day that we got into it.

Without in any way excusing or justifying any failure on their part to give us all-out cooperation since VJ-day, I believe the situation also calls for a charitable attitude, and an understanding on our part of their war psychology and of their great fear of what is likely to happen to them if the North Atlantic Pact is not successful in stopping the overrunning of Europe by the Russian horde. That is what the challenge is all about, as I see it. It seems to me that on the very eve of trying to put into effect a joint Allied common-defense program in Europe under General Eisenhower, neither our allies nor our own security are strengthened by placing just the emphasis which the ex-President placed in his speech by way of criticism of our European allies.

In concluding his speech, Mr. Hoover said:

We can hope that sometime the evils of communism and the disintegration of their racial controls will bring their own disintegration. It is a remote consolation, but twice before in world history Asiatic hordes have swept over a large part of the world and their racial dissensions dissolved their empires.

That is true. But, Mr. President, it would also be very fallacious to outline America's future defense program on the basis of the assumption that the particular pattern of history referred to by the ex-President will repeat itself. The great danger is that, even should it repeat itself, before the repetition takes place the United States may have ceased to exist as a free Nation. I think the time element was too much overlooked by the ex-President as he indulged in that kind of assumption in his speech last night, because I know of no set of facts which justifies the assumption that the Communist segment of the world will collapse before it has its death struggle with the free areas of the world. Unless we keep ourselves in a position of strong defense cooperation with our allied friends in Europe, I fear for the survival of America. So that assumption of the ex-President I would consider with a great many reservations attached to it.

Mr. President, in closing my speech let me tell my colleagues in the Senate that I am sorry to have taken this amount of time, but I felt obligated to do it, in order to keep my own record straight, in order to clear up certain misunderstandings which exist here in the Senate and elsewhere in the country in regard to my position on foreign policy; and in order to place in the RECORD at least a point of view which qualifies somewhat and sets forth reservations, in specific respects, to the speech which was made last night by the great ex-President of the United States. Taken

as a whole, I think it was a great speech by a great man. I have tried to make clear that I agree with a great many portions of it, but I thought it important that those of us who disagree with the basic implication of the speech, namely, that it would be safe for America to treat the Pacific and the Atlantic as adequate defenses provided we armed to the teeth so far as our Army and our Air Force are concerned, should express reservations to the argument of the ex-President, because I think his argument rests on a very unsound and false assumption.

Mr. President, I close with laying down again the major premise of my remarks, namely, that I think the American people must face the fact that our principal line of defense does not happen to be the eastern shore of the United States, but it happens to be the eastern line of the territory of our allied friends in Europe. Unless we prevent Soviet Russia from taking over the industrial war-making power of Europe, particularly the Ruhr, I seriously question that we can survive in the decades ahead of us in an all-out struggle against a world in which we should find ourselves an island of freedom surrounded by the turbulent, stormy waters of communism.

Mr. President, as separate and distinct from my comments on the Hoover speech, I ask unanimous consent to have printed in the body of the RECORD a statement on foreign policy which I think is deserving of the serious attention of every Member of the Senate, and which appeared recently in the New York Times. It takes the form of a letter to the President of the United States issued by the Citizens Committee on Foreign Policy. There are attached to it the names of some great American leaders. I particularly want to stress the planks in this proposed foreign policy in connection with the Asiatic problem, with special emphasis on the recommendation of the committee for a blockade of Communist China.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CITIZENS COMMITTEE
ON FOREIGN POLICY,
New York, December 12, 1950.

THE PRESIDENT,
The White House,
Washington, D. C.

DEAR MR. PRESIDENT: The leaders of the Communist world have clearly shown their intent to attack the free world by military means as well as by subversion and propaganda. It is therefore of first importance to realize that both the United States and the United Nations are under planned attack, and to formulate out of the welter of confusion a specific program of action by the United States against the greatest danger which it has ever faced. We, therefore, urge that:

1. The President and Congress proclaim a state of national emergency.

2. The Government undertake immediate full-scale mobilization of the Armed Forces and the industrial economy.

3. We reaffirm our unalterable determination to support the decision of the United Nations to defend Korea against aggression whether or not military necessity calls for the temporary withdrawal of United Nations forces.

4. The United Nations enforce economic and other necessary sanctions against Communist China unless its forces are withdrawn from Korea.

5. We refuse to recognize the Chinese Communist Government, and we oppose recognition by the United Nations.

6. We provide economic aid and military supplies to the Chinese Nationalist Government on Formosa and maintain the United States fleet there.

7. We provide economic aid and military supplies to the anti-Communist forces on the Chinese mainland, French Indochina, and Malaya.

8. We encourage India and Pakistan to strengthen themselves against any contingency, and we provide them with economic and military supplies.

9. We accelerate the negotiation of peace treaties with Japan and Germany, providing for their rearmament under agreed controls.

10. We use all means to bring about the fullest measure of common defense by every member of the Atlantic Pact, giving our utmost support to those nations which fully cooperate in mobilizing their strength, recognizing that the defense of the North Atlantic area is our major strategic interest and responsibility.

11. The Government create a nonpartisan advisory council, representing all segments of the population, including management, labor, agriculture, etc.

12. The executive departments regularly consult with the leaders of both parties in the Senate and the House of Representatives in formulating national policy in the current emergency.

13. We intern all Communists and subversives classified as dangerous by the Federal Bureau of Investigation.

14. We assist, within the limitation of essential military priorities, all governments and individuals willing to fight Communist aggression.

Yours truly,

Gen. Donald B. Adams, Dr. William S. Bernard, George V. Denny, Jr., Charles Edison, Maj. George Fielding Eliot, John Ellis, Christopher T. Emmet, George B. Ford, Rev. William J. Gibbons, S. J., Arthur J. Goldsmith, Robert R. Guthrie, Dr. Alvin S. Johnson, H. V. Kaltenborn, Frederick C. McKee, Hugh Moore, Mrs. Natalie Paine, Dr. Daniel A. Poling, Victor F. Ridder, Herbert Bayard Swope, Westmore Willcox, Jr.

COMMITTEE SERVICE

During the delivery of Mr. MORSE's speech,

Mr. LUCAS. Mr. President, I send to the desk an order and ask for its immediate consideration.

The PRESIDING OFFICER (Mr. THOMAS of Oklahoma in the chair). The clerk will read the order.

The legislative clerk read the order, as follows:

Ordered, That the Senator from Rhode Island [Mr. PASTORE] be assigned to membership on the Committee on the District of Columbia, the Committee on Expenditures in the Executive Departments, and the Committee on Post Office and Civil Service.

The PRESIDING OFFICER. The question is on agreeing to the order submitted by the Senator from Illinois.

The order was agreed to.

Mr. LUCAS. Mr. President, I should like to make this one statement so that the Senator from Rhode Island will understand that this is only a temporary appointment, and that when the new Congress comes in and new committees are appointed, any assignment which he desires at that time will be considered. I say that because I do not want the Senator to be under any apprehension that he is permanently assigned to the committees referred to in the order.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. SALTONSTALL. Will the distinguished majority leader state how late he intends to keep the Senate in session today?

Mr. LUCAS. I cannot advise the Senator as to that at this time. I understand that a long speech is to be made by the Senator from Florida.

FEDERAL CIVIL DEFENSE PROGRAM

Mr. KEFAUVER. Mr. President, if it has not already been printed in the RECORD, I ask unanimous consent that Senate bill 4268 be printed in the body of the RECORD preceding my remarks.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 4268

A bill to authorize a Federal civil defense program, and for other purposes

Be it enacted, etc., That this act may be cited as the "Federal Civil Defense Act of 1950."

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Sec. 401. Administrative authority.
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Sec. 410. Federal Bureau of Investigation.
Sec. 411. Separability.

DECLARATION OF POLICY

SEC. 2. It is the policy and intent of Congress to provide a plan of civil defense for the protection of life and property in the United States from attack. It is further declared to be the policy and intent of Congress that this responsibility for civil defense shall be vested primarily in the several States and their political subdivisions. The Federal Government shall provide necessary coordination and guidance; shall be responsible for the operations of the Federal Civil Defense Administration as set forth in this act; and shall provide necessary assistance as hereinafter authorized.

DEFINITIONS

SEC. 3. As used in this act—

(a) The term "attack" means any attack or series of attacks by an enemy of the United States causing, or which may cause, substantial damage or injury to civilian property or persons in the United States in any manner by sabotage or by the use of bombs, shellfire, or atomic, radiological, chemical, bacteriological, or biological means or other weapons or processes;

(b) The term "civil defense" means all those activities and measures designed or undertaken (1) to minimize the effects upon the civilian population caused or which would be caused by an attack upon the United States, (2) to deal with the immediate emergency conditions which would be created by any such attack, and (3) to effectuate emergency repairs to, or the emergency restoration of, vital utilities and facilities destroyed or damaged by any such attack. Such term shall include, but shall not be limited to (A) measures to be taken in preparation for anticipated attack (including the establishment of appropriate organizations, operational plans, and supporting agreements; the recruitment and training of personnel; the conduct of research; the procurement and stockpiling of necessary materials and supplies; the provision of suitable warning systems; the construction or preparation of shelters, shelter areas, and control centers; and, when appropriate, the nonmilitary evacuation of civil population); (B) measures to be taken during attack (including the enforcement of passive defense regulations prescribed by duly established military or civil authorities; the evacuation of personnel to shelter areas; the control of traffic and panic; and the control and use of lighting and civil communications); and (C) measures to be taken following attack (including activities for fire fighting; rescue, emergency medical, health and sanitation services; monitoring for specific hazards of special weapons; unexploded bomb reconnaissance; essential debris clearance; emergency welfare measures; and immediately essential emergency repair or restoration of damaged vital facilities);

(c) The term "organizational equipment" means equipment designated by the Administrator as of such a type or nature as to require it to be financed in whole or in part by the Federal Government. It shall not be construed to include those items which the local community normally utilizes in combating local disasters excepting when required in unusual quantities dictated by the requirements of the civil-defense plans;

(d) The word "materials" shall include raw materials, supplies, medicines, equipment, component parts and technical information and processes necessary for civil defense;

(e) The word "facilities," except as otherwise provided in this act, shall include buildings, shelters, utilities, and land;

(f) The term "United States" or "States" shall include the several States, the District of Columbia, the Territories, and the possessions of the United States.

TITLE I—ORGANIZATION

FEDERAL CIVIL DEFENSE ADMINISTRATION

SEC. 101. (a) There is hereby established in the executive branch of the Government a Federal Civil Defense Administration (hereinafter referred to as the "Administration") at the head of which shall be a Federal Civil Defense Administrator appointed from civilian life by the President, by and with the advice and consent of the Senate. The Federal Civil Defense Administrator (hereinafter referred to as the "Administrator") shall receive compensation at the rate of $17,500 per year.

(b) There shall be in the Administration a Deputy Administrator who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $16,000 per year. The Deputy Administrator shall perform such functions as the Administrator shall prescribe and shall act for, and exercise the powers and perform the duties of, the Administrator during his absence or disability.

(c) The Administrator shall perform his functions subject to the direction and control of the President.

CIVIL DEFENSE ADVISORY COUNCIL

SEC. 102. (a) There is hereby created a Civil Defense Advisory Council, hereinafter referred to as the Council, which shall advise and consult with the Administrator with respect to general or basic policy matters relating to civil defense. The Council shall consist of the Administrator, who shall be chairman, and 12 additional members to be appointed by the President, of whom three members shall be representative of the State governments, three members shall be representative of the political subdivisions of the States and the remaining members shall be selected among the citizens of the United States of broad and varied experience in matters affecting the public interest, other than officers and employees of the United States (including any department or agency of the United States) who, as such, regularly receive compensation for current services. The following organizations shall be invited to establish panels of names for the members representative of the States and of the political subdivisions thereof:

The Council of State Governments.

The Governor's Conference.

The American Municipal Association.

The United States Conference of Mayors.

The representatives of the States and the political subdivisions thereof appointed by the President shall be selected from the panels established by the above-mentioned organizations. Not more than a majority of two of the members shall be appointed to the Council from the same political party. Each member shall hold office for a term of 3 years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term; and (2) the terms of office of the members first taking office after the date of the enactment of this act shall expire, as designated by the President at the time of appointment, four at the end of 1 year, four at the end of 2 years, and four at the end of 3 years, after the date of the enactment of this act. The Council shall meet at least once in each calendar year and at such other times as the Administrator shall determine that its advice and counsel will be of assistance to the program.

(b) The Administrator may appoint such other advisory committees as are deemed necessary.

(c) The members of the Council and the members of any other advisory committees, other than the Administrator, may be compensated at rates not in excess of $50 per diem and, while away from their homes or regular places of business, they may be paid actual travel expenses and not to exceed $15 per diem in lieu of subsistence.

TITLE II—POWERS AND DUTIES

DETAILED FUNCTIONS OF ADMINISTRATION

SEC. 201. The Administrator is authorized, in order to carry out the above-mentioned purposes, to—

(a) prepare national plans and programs for the civil defense of the United States, making such use of plans and programs previously initiated by the National Security Resources Board as is feasible; sponsor and direct such plans and programs; and request such reports on State plans and operations for civil defense as may be necessary to keep the President, the Congress, and the several States advised of the status of civil defense in the United States;

(b) delegate, with the approval of the President, to the several departments and agencies of the Federal Government appropriate civil defense responsibilities, and review and coordinate the civil defense activities of the departments and agencies with each other and with the activities of the States and neighboring countries;

(c) make appropriate provision for necessary civil defense communications and for dissemination of warnings of enemy attacks to the civilian population;

(d) study and develop civil defense measures designed to afford adequate protection of life and property, including, but not limited to, research and studies as to the best methods of treating the effects of attacks by atomic, radiological, chemical, bacteriological, biological, or other weapons and processes; developing shelter designs and materials for protective covering or construction; and development equipment or facilities and effecting the standardization thereof to meet civil defense requirements;

(e) conduct or arrange, by contract or otherwise, for training programs for the instruction of civil defense officials and other persons in the organization, operation, and techniques of civil defense; conduct or operate schools or classes, including the furnishing of subsistence and quarters for trainees and instructors subject to reimbursement on terms prescribed by the Administrator; and provide instructors and training aids as deemed necessary;

(f) publicly disseminate appropriate civil defense information by all appropriate means;

(g) assist and encourage the States to negotiate and enter into interstate civil defense compacts; review the terms and conditions of such compacts in order to assist to the extent feasible in obtaining uniformity therein and consistency with the national civil defense plans and programs; assist and coordinate the activities thereunder; aid and assist in encouraging reciprocal civil defense legislation by the State which will permit the furnishing of mutual aid for civil defense purposes in the event of an attack which cannot be adequately met or controlled by a State or political subdivision thereof threatened with or undergoing an attack: *Provided*, That a copy of each such civil defense compact shall be transmitted promptly to the Senate and the House of Representatives. The consent of the Congress shall be granted to each such compact, upon the expiration of the first period of sixty calendar days of continuous session of the Congress following the date on which the compact is transmitted to it; but only if, between the date of transmittal and expiration of such sixty-day period, there has not been passed a concurrent resolution stating in substance that the Congress does not approve the compact;

(h) procure, by condemnation or otherwise, construct, lease, transport, store, maintain, renovate or distribute materials and facilities for civil defense, with the right to take immediate possession thereof: *Provided*, That facilities acquired by purchase, donation, or other means of transfer may be occupied, used, and improved for the purposes of this Act, prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended (40 U. S. C. 255): *Provided further*, That the Administrator shall report not less often than quarterly to the Committees on Armed Services of the Senate and House of Representatives all property acquisitions made pursuant to this subsection;

(i) make financial contributions, on the basis of programs or projects approved by the Administrator, to the States for civil defense purposes, including, but not limited to, the procurement, construction, leasing, or renovating of materials and facilities. Such

contributions shall be made on such terms or conditions as the Administrator shall prescribe, including, but not limited to, the method of purchase, the quantity, quality, or specifications of the materials or facilities, and such other factors or care or treatment to assure the uniformity, availability, and good condition of such materials or facilities: *Provided*, That except as otherwise provided in section 303 (d) of this act, no contributions shall be made for State or local personnel and administrative expenses, or for items of personal equipment for State or local workers, or for the procurement of land: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for organizational equipment shall be equally matched by such State from any source it determines is consistent with its laws: *Provided further*, That financial contributions to the States for shelters and other protective facilities shall be determined by taking the amount of funds appropriated or available to the Administrator for such facilities in each fiscal year and apportioning same among the States in the ratio which the urban population of the critical target areas (as determined by the Administrator) in each State, at the time of the determination, bears to the total urban population of the critical target areas of all of the States: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for such shelters and protective facilities shall be equally matched by such State from any source it determines is consistent with its laws and, if not matched within a reasonable time, the Administrator may reallocate same to other States on the formula outlined above: *Provided further*, That the value of any land contributed by any State or political subdivision thereof shall be excluded from the computation of the State share: *And provided further*, That the amounts paid to any State under this subsection shall be expended solely in carrying out the purposes set forth herein and in accordance with State civil defense programs or projects approved by the Administrator. Whenever the Administrator, after reasonable notice and opportunity for hearing the State, finds that there is a failure to expend funds in accordance with the terms and conditions governing the Federal contribution for such approved programs or projects, the Administrator shall notify such State that further payments will not be made to the State from appropriations under this act or from funds otherwise available for the purposes of this act (or in his discretion from appropriations under this act or from funds otherwise available for the purposes of this act for any approved program or project with respect to which there is such failure to comply) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Administrator shall either withhold the payment of any financial contributions to such State, or limit payments to the program or project with respect to which there is substantial compliance with the terms and conditions governing the Federal contribution for such program or project.

(j) arrange for the sale or disposal of materials and facilities found by the Administrator to be unnecessary or unsuitable for civil-defense purposes in the same manner as provided for excess property in the Federal Property and Administrative Services Act of 1949, as amended, and any funds received as proceeds from the sale or other disposition of such materials and facilities shall be covered into the Treasury as miscellaneous receipts.

RELATION OF DEFENSE PRODUCTION ACT OF 1950 TO CIVIL DEFENSE

SEC. 202. The terms "national defense" or "defense" as used in title II of the Defense Production Act of 1950 shall be construed to include "civil defense" as defined in this act.

MUTUAL AID PACTS BETWEEN SEVERAL STATES AND FOREIGN COUNTRIES

SEC. 203. The Administrator shall give all practicable assistance to States in arranging, through the Department of State, mutual civil defense aid between the States and neighboring countries.

IDENTITY INSIGNIA

SEC. 204. The Administrator may prescribe insignia, arm bands, and other distinctive articles (including designs previously covered under Letters Patent which were assigned to the United States and held by the Office of Civilian Defense created by Executive Order No. 8757 issued May 20, 1941) which may be manufactured for or possessed or worn by persons engaged in civil-defense activities pursuant to rules and regulations for the manufacture, possession, or wearing thereof established by the Administrator.

The manufacture, possession, or wearing of any such insignia, arm band, or other distinctive article otherwise than in accordance with such rules and regulations shall be unlawful and shall subject such person to a fine of not more than $250 or imprisonment of not more than 6 months, or both.

TITLE III—EMERGENCY AUTHORITY

NATIONAL EMERGENCY FOR CIVIL DEFENSE PURPOSES

SEC. 301. The provisions of this title shall be operative only during the existence of a state of civil defense emergency (referred to hereinafter in this title as "emergency"). The existence of such emergency may be proclaimed by the President—

(a) upon a declaration of war by the Congress;

(b) upon the declaration of the existence of a national emergency by the President or by concurrent resolution of the Congress; or

(c) at any time when the President determines that the national safety requires the invocation of the provisions of this title and, after transmitting notice of such determination to the Armed Services Committees of the Congress, directs the Administrator to proceed pursuant to the provisions of this title.

Any such emergency shall terminate upon—

(1) the proclamation of the termination thereof by the President;

(2) direction to the Administrator, after prior notice to the Armed Services Committees of the Congress, to terminate action pursuant to this title; or

(3) the passage by the Congress of a concurrent resolution terminating such emergency.

UTILIZATION OF FEDERAL DEPARTMENTS AND AGENCIES

SEC. 302. During the period of such emergency, under such terms and conditions as to donation, compensation, or return as may be prescribed, the President may direct, after taking into consideration the military requirements of the Department of Defense, any Federal Department or agency to provide, and such departments and agencies are hereby authorized to provide—

(a) their personnel, materials, and facilities to the Administrator for the aid of the States;

(b) emergency shelter by construction or otherwise; and

(c) on public or private lands, protective and other work essential for the preservation of life and property, for clearing debris and wreckage, and for making emergency repairs to, and temporary replacement of, communications, hospitals, utilities, transportation facilities, or public facilities of States or their political subdivisions damaged or destroyed by attack.

EMERGENCY POWERS

SEC. 303. During the period of such emergency, the Administrator is authorized to—

(a) exercise the authority contained in section 201 (h) without regard to the limitation of any existing law, including the provisions of the act of June 30, 1932, as amended (40 U. S. C. 278a), and section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), and section 3734 of the Revised Statutes, as amended (40 U. S. C. 259 and 267), and the Federal Property and Administrative Services Act of 1949, as amended;

(b) sell, lease, lend, transfer, or deliver materials or perform services for civil defense purposes on such terms and conditions as the Administrator shall prescribe and without regard to the limitations of existing law: *Provided*, That any funds received from the sale or other disposition of materials or for services shall be deposited to the credit of appropriations currently available and made pursuant to this Act and shall be available for expenditure for the purposes of such appropriations;

(c) coordinate and direct the relief activities of the various departments and agencies of the United States as provided in section 302 hereof;

(d) reimburse any State, including any political subdivisions thereof, for the compensation paid to and the transportation, subsistence, and maintenance expenses of any employees while engaged in rendering civil-defense aid outside the State and to pay fair and reasonable compensation for the materials of the State government or any political subdivision utilized or consumed outside of the State, including any transportation costs, in accordance with rules and regulations prescribed by the Administrator. As used in this subsection, the term "employees" shall include full- or part-time paid, volunteer, auxiliary, and civil defense workers subject to the order or control of a State government or any political subdivision thereof, and such employees shall not be deemed by reason of such reimbursement to be employees or appointees of the United States;

(e) provide financial assistance for the temporary relief or aid of civilian injured or in want as the result of any attack; and

(f) employ temporarily additional personnel without regard to the civil-service laws and to incur obligations on behalf of the United States for civil defense purposes as authorized in this act.

During the period of any such emergency, the Administrator shall transmit quarterly to the Congress a detailed report concerning all action taken pursuant to this section.

IMMUNITY FROM SUIT

SEC. 304. During the period of such emergency, neither the Federal Government nor, except in cases of willful misconduct, gross negligence, or bad faith, any officer or employee thereof while complying with or attempting to comply with any provision of this act or of any rule, regulation, or order issued pursuant to this act shall be liable to any person, whether or not such person is engaged in civil defense, for death, injury, or property damage resulting therefrom. Nothing contained in this section shall affect the right of any person to receive any benefit or compensation to which he might otherwise be entitled under the Federal Employees' Compensation Act, as amended (5 U. S. C. 751), or any other act of Congress providing for any pension or retirement.

WAIVER OF ADMINISTRATIVE PROCEDURE ACT

SEC. 305. During the period of such emergency, the functions and duties exercised under this act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237), except as to the requirements of section 3 thereof.

TITLE IV—GENERAL PROVISIONS

ADMINISTRATIVE AUTHORITY

SEC. 401. For the purpose of carrying out his powers and duties under this act, the Administrator is authorized to—

(a) employ civilian personnel for duty in the United States, including the District of Columbia, or elsewhere, subject to the civil-service laws, and to fix the compensation of such personnel in accordance with the Classification Act of 1949, as amended; and subject to the standards and procedures of that act, to place not more than 22 positions in grades 16, 17, and 18 of the general schedule established by that act, and any such positions shall be additional to the number authorized by section 505 of that act; and, notwithstanding the provisions of any other law, including those imposing restrictions upon dual compensation or dual employment, employ in a civilian capacity, with the approval of the President, not to exceed 25 retired personnel of the armed services on a full- or part-time basis without loss or reduction of or prejudice to the retired status and compensation of such personnel;

(b) employ not to exceed 100 experts and consultants or organizations thereof, as authorized by section 55 (a), title 5, of the United States Code, and not to exceed 25 aliens. Individuals so employed may be compensated at rates not in excess of $50 per diem and, while away from their homes or regular places of business, they may be paid actual travel expense and not to exceed $15 per diem in lieu of subsistence and other expenses while so employed;

(c) utilize the services of Federal agencies and, with the consent of any State or local government, accept and utilize the services of State and local civil agencies; establish and utilize such regional and other offices as may be necessary; utilize such voluntary and uncompensated services by individuals or organizations as may from time to time be needed; and authorize the States to establish and organize such individuals and organizations into units to be known collectively as the United States Civil Defense Corps: *Provided*, That the members of such corps shall not be deemed by reason of such membership to be appointees or employees of the United States;

(d) employ persons of outstanding experience and ability without compensation to the extent deemed necessary and appropriate to carry out the provisions of this act and such persons may be allowed transportation and not to exceed $15 per diem in lieu of subsistence while away from their homes or regular places of business pursuant to such employment;

(e) notwithstanding any other provisions of law, accept gifts of funds, supplies, equipment, and facilities; and utilize or distribute same for civil defense purposes in accordance with the provisions of this act;

(f) reimburse any Federal agency for any of its expenditures or for compensation of its personnel and utilization or consumption of its materials and facilities under this act to the extent funds are available;

(g) purchase such printing, binding, and blank-book work from public, commercial, or private printing establishments or binderies as he may deem necessary upon orders placed by the Public Printer or upon waivers issued in accordance with section 12 of the Printing Act approved January 2, 1895, as amended; and

(h) prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this act, and, without being relieved of his responsibility therefor, perform any of the powers and duties vested in him through or with the aid of such officials of the Administration as he may designate.

EXEMPTION FROM CERTAIN PROHIBITIONS

SEC. 402. The authority granted in subsections 401 (b), (c), and (d) shall be exercised in accordance with regulations of the President who may also provide by regulation for the exemption of persons employed or whose services are utilized under the authority of said subsections from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99).

SECURITY REGULATIONS

SEC. 403. (a) The Administrator shall establish such security requirements and safeguards, including restrictions with respect to access to information and property as he deems necessary. No employee of the Administration shall be permitted to have access to information or property with respect to which access restrictions have been established under this section, until it shall have been determined that no information is contained in the files of the Federal Bureau of Investigation or any other investigative agency of the Government indicating that such employee is of questionable loyalty or reliability for security purposes, or if any such information is so disclosed, until the Federal Bureau of Investigation shall have conducted a full field investigation concerning such person and a report thereon shall have been evaluated by the Administrator. No such employee shall occupy any position determined by the Administrator to be of critical importance from the standpoint of national security until a full field investigation concerning such employee shall have been conducted by the Federal Bureau of Investigation and a report thereon shall have been evaluated by the Administrator.

(b) Each Federal employee of the Administration shall execute the loyalty oath or appointment affidavits prescribed by the Civil Service Commission. Each person other than a Federal employee who is appointed to serve in a State or local organization for civil defense shall, before entering upon his duties, take an oath in writing before a person authorized to administer oaths, which oath shall be substantially as follows:

"I, ———, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

"And I do further swear (or affirm) that I do not advocate, nor am I a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence; and that during such time as I am a member of the (name of civil defense organization), I will not advocate nor become a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence."

Any person who shall be found guilty of having falsely taken such oath shall be punished as provided in 18 United States Code 1621. The requirements of this subsection shall not be applicable to aliens appointed pursuant to subsection 401 (b) of this act.

TRANSFERS TO ADMINISTRATION

SEC. 404. The functions, property, and personnel of the Federal Civil Defense Administration established by Executive Order No. 10186, issued December 1, 1950, are hereby transferred to the Administration established by this act.

UTILIZATION OF EXISTING FACILITIES

SEC. 405. In performing his duties, the Administrator shall (1) cooperate with the various departments and agencies of the Government; (2) utilize to the maximum extent the existing facilities and resources of the Federal Government, and, with their consent, the facilities and resources of the States and local political subdivisions thereof, and of other organizations and agencies; and (3) refrain from engaging in any form of activity which would duplicate or parallel activity of any other Federal department or agency unless the Administrator, with the written approval of the President, shall determine that such duplication is necessary to accomplish the purposes of this act.

APPLICABILITY OF ACT

SEC. 406. The provisions of this act shall be applicable to the United States, its Territories, possessions, and the District of Columbia, and their political subdivisons.

APPROPRIATIONS AND TRANSFERS OF FUNDS

SEC. 407. There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this act. Funds made available for the purposes of this act may be allocated or transferred for any of the purposes of this act, with the approval of the Bureau of the Budget, to any agency or Government corporation designated to assist in carrying out this act: *Provided*, That each such allocation or transfer shall be reported in full detail to the Committees on Appropriations of the Senate and House of Representatives within 30 days after such allocation or transfer.

RECONSTRUCTION FINANCE CORPORATION

SEC. 408. To aid in carrying out the purposes of this act, the Administrator is authorized to certify to the Reconstruction Finance Corporation as to the necessity under its civil defense program of purchasing securities or making a loan or loans (including participations therein and guaranties thereof) for the purpose of aiding in financing projects for civil defense purposes, and the Reconstruction Finance Corporation is hereby authorized to purchase such securities or to make such loan or loans (including participations therein and guaranties thereof) with maturities not to exceed 50 years and on such terms and conditions as the Corporation may determine except that any such purchases of securities or loans may be made only to the extent that financing is not otherwise available on reasonable terms. The total amount of loans, purchases, participations, and guaranties, made pursuant to this section shall not exceed $250,000,000 outstanding at any one time.

ATOMIC ENERGY ACT OF 1946

SEC. 409. Nothing in this Act shall be construed to amend or modify the provisions of the Atomic Energy Act of 1946, as amended.

FEDERAL BUREAU OF INVESTIGATION

SEC. 410. Nothing in this Act shall be construed to authorize investigations of espionage, sabotage, or subversive acts by any persons other than personnel of the Federal Bureau of Investigation.

SEPARABILITY

SEC. 411. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act, and the application of such provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that a short section-by-section analysis of the bill be printed in the RECORD at this point in my remarks.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS

Section 1 sets up the table of contents.

Section 2 contains the declaration of policy.

Section 3 is the definition section.

Section 101 establishes a Federal Civil Defense Administration headed by an Administrator appointed from civilian life by and with the advice and consent of the Senate and a Deputy Administrator appointed under the same circumstances. The Administration is placed directly under the supervision of the President.

Section 102 creates a Civil Defense Advisory Council, consisting of representatives of the Federal, State, and local governments, as well as from the citizens at large. It has a membership of 12 and the representatives of State or local agencies shall be selected from panels recommended by specified public agencies. The Council shall meet not less than once a year to advise the Administrator in his duties.

Section 201 specifies the functions of the Administration in detail.

Section 201 (a) directs the Administrator to prepare plans making full use of plans previously prepared by the National Security Resources Board if they are feasible.

Section 201 (b): In order to coordinate at one point all information as to the civil defense activities of the Federal Government, the Administrator is authorized to review all of such activities of the several departments and agencies of the Federal Government. This would include the coordination of civil defense activities carried on by the Atomic Energy Commission and the Department of Defense. In order to prevent the ignoring, duplication, or undue delay of different civil defense items or projects, the Administrator is authorized to bring the activities of such agencies with respect to civil defense into an accord or common action with each other and with the civil defense activities of the States and neighboring countries.

Section 201 (c): The Administrator is authorized to establish such communication systems as are required. It is contemplated that he must make full use of existing communication systems, including the various governmental installations and existing commercial systems. It is not intended that he establish duplicating or overlapping facilities unless absolutely essential.

Section 201 (d): The Administrator is authorized to insure the carrying on of research to afford adequate protection of life and property by developing the best methods of treating the effects of attacks by atomic, radiological, chemical, bacteriological, biological, or other weapons or processes. The Administrator must utilize the agencies best qualified to conduct such research and avoid duplication. In addition, the Administrator would develop adequate civilian shelter designs and also materials for protective covering.

It is not contemplated that the Administrator will acquire or construct research laboratories, but will utilize existing facilities. A large Federal research staff is not authorized and virtually all research will be accomplished by assignment or contract.

Section 201 (e): The Administrator will train only the top civil defense officials and training supervisors designated by the States or the political subdivisions thereof. Such schools might be operated under contract or organized and operated by the Administrator. It may be necessary to provide subsistence and quarters for the trainees and instructors on a reimbursable basis. Each class at the staff college will average about 50 students and will extend over about 5 weeks. The college staff will comprise about seven instructors. Each training school will handle about 125 students in each class and each course will extend over about 3 weeks. Shorter courses will also be given at these schools. The expenditure over a period of 3 years is estimated at about $10,000,000.

The Federal training program will include civil defense instruction in the curricula of schools and colleges; the provision of audio-visual aids and other training materials; on-the-spot institutes to assist State and local planners and administrators in the development of their civil defense program; development of tests to achieve standardization; and assistance in development of exercises to test civil defense planning, organization, and operations at the local, State, and regional levels. It is not planned that the Federal Government will underwrite the cost of travel, subsistence, or pay of students, other than Federal employees, while receiving civil defense training.

Section 201 (f): Civil defense information will be made available to every citizen through all appropriate means of communication. "Appropriate means" refers to maximum use of existing Government and private media, including the press, public libraries, magazines, special publications, manuals, handbooks, radio, television, motion-picture films, film strips, film slides, posters, exhibits, and such other means as may be available.

Section 201 (g): The Administrator is authorized to encourage the negotiation of civil defense compacts between States and review the terms thereof in order to obtain a reasonable degree of similarity or uniformity in the terms and conditions of such compacts which are consistent with the national civil defense plans and programs. The Administrator will also assist and coordinate the activities under such compacts.

This subsection grants the consent of Congress to such compacts by the filing thereof with the Congress. Lack of negative action by concurrent resolution of the Congress within 60 days will constitute approval.

Section 201 (h): In order to acquire stockpiles and also to acquire facilities necessary for civil defense, the Administrator is authorized to deal in materials and facilities as defined in the bill which are needed to prepare for or meet enemy attacks. Real property needed by the Administrator might be acquired by negotiation or condemnation and immediate possession can be obtained with the right to make improvements prior to the clearance of title by the Attorney General. Facilities may be constructed or renovated and may be leased as well as procured. The powers also relate to real property and are in broad terms since the exact situation confronting the Administrator at the time of exercising such powers is not known. Quarterly reports must be delivered to the Armed Services Committees under this subsection covering all property acquired thereunder.

Section 201 (i): The Administrator may make financial contributions to the States for civil defense purposes. Such contributions may include the financing of the procurement, construction, leasing, or renovating of materials and facilities considered necessary to prepare for or meet enemy attacks. No contributions may be made for State or local personnel and administrative expenses, or for items of personal equipment for State or local workers, or for the procurement of land. Contributions for organizational equipment shall be equally matched by the States. Such equipment would be peculiar to civil defense and of a type that must be in place at time of disaster, that is, fire-fighting equipment, portable pipe and fitting, service trucks, vehicle fitments for litters. Contributions for shelters are to be apportioned among the States—"in the ratio which the urban population of the critical target areas (as determined by the Administrator) in each State, at the time of the determination bears to the total urban population of the critical target areas of all the States."

This formula follows to some extent previous legislative enactments governing contributions to the States. The advice of the Department of Defense must be considered in establishing critical target areas. The apportionment on the basis of the critical target areas is designed to render aid to the States where the need is considered greatest. If a State fails to match the funds apportioned, such funds may be reallocated. The section further excludes from the contributions of the States the value of any land. Further, it contains sanctions in the event there is reasonable evidence of the misuse of funds contributed by the Administrator.

Section 201 (j): Materials acquired by the Administrator under title II can be disposed of only when found to be unnecessary or unsuitable for civil defense purposes. In such cases the materials shall be treated as excess property and handled in accordance with the Federal Property and Administrative Services Act of 1949. Amounts received for such materials shall be covered into the miscellaneous receipts of the Treasury.

Section 202: Under title II of the Defense Production Act of 1950 the President can requisition materials and facilities for national defense or defense. This section extends the authority to include "civil defense" within the term "national defense" or "defense."

Section 301: It is intended that the emergency authorities of this title be invoked only when the President declares a state of civil defense emergency. It can only be proclaimed during a period of war or national emergency. It is not intended that such a state of civil defense emergency exists solely because of a declaration of war or national emergency. A second positive step must be taken by the President, and it is intended that the Congress have full power to terminate these authorities whether or not the President agrees with such action. Because of the broad nature of these powers the committee is of the opinion that their invocation be exercised only under the gravest circumstances.

Section 302: This section is designed to make available the resources of the Federal Government for civil defense purposes during the period of the emergency. The decision to use these resources and the extent to which they shall be used is to be decided by the President. The President is directed to take into consideration the military requirements of the Department of Defense in directing the use of the resources, for it is not intended that anything be done which might impair the military in carrying out its primary mission. Resources include personnel, materials, and facilities. It is intended that these authorities shall exist for as short a time as practicable and then only while the requirements of section 301 are met.

Section 303 (a): The emergency authority herein contained can be exercised without regard to the limitations of existing laws. The laws cited relate to facilities and materials and briefly are as follows:

610 U. S. C. 278a: Lease of buildings to Government—maximum rental shall not exceed 15 percent of fair market value, etc.

41 U. S. C. 5: All purchases and contracts for supplies and purchases or services must be advertised.

40 U. S. C. 259: No money shall be paid for a site for a public building in excess of amount appropriated.

40 U. S. C. 267: Restrictions on buildings; approval of sketch plans, limit of cost.

The Federal Property and Administrative Services Act of 1949 contains the general authority and limitations relating to the procurement of personal property.

The foregoing limitations may be varied to expedite and aid in the procurement of materials and facilities.

Section 303 (b): This subsection confers broad authority on the Administrator dur-

ing an emergency in connection with the transactions for the disposal of materials. Primarily such authority will be used to make available materials which have been stockpiled in the regional areas. Depending on the severity of the attack, the Administrator may sell at cost or perhaps market value. With widespread and continued attacks the Administrator might deliver the materials without compensation. In the event sales are made under these conditions, funds received are available to the Administrator and need not be covered into miscellaneous receipts of the Treasury.

Section 303 (c): Authorizes the direction of relief activities as established by section 302.

Section 303 (d): Provides, during an emergency, for the reimbursement of any State of expenses incurred in performing civil defense functions outside the State, including the payment of fair and reasonable compensation of materials used and expenses and salaries of employees utilized.

Section 303 (e): Authorizes the providing of financial assistance for the relief of aid of persons injured or who may be homeless or in want as a result of damage caused by an attack.

Section 303 (f): Authorizes employment of temporary personnel without regard to the civil service laws and the obligating of the United States for civil defense purposes as authorized by the act.

Any of the authorities of section 303 which are exercised must be reported quarterly to the Congress starting within 90 days of the invocation of the first authority.

Section 304: No employees of the Federal Government or the States or their political subdivisions shall be held liable for damage incurred in performing civil defense functions during an emergency. In effect this section sets aside the Federal Torts Act as it applies to these employees. It is not intended that they be protected from acts caused as a result of gross negligence, willful misconduct, or bad faith.

Section 305: Waives all the requirements of the administrative procedures without excepting the one requiring publication of regulations in the Federal Register.

Section 401: This section authorizes the employment of civilian personnel in accordance with the requirements of the civil-service laws and the Classification Act. The bill provides 22 positions in the so-called superclassification grade and authority for the Administrator to employ, with the approval of the President, not to exceed 25 retired military personnel. This would be without regard to the dual compensation laws to permit the drawing of both civil and retired pay.

As originally introduced, the section also authorized the employment of experts and consultants without. Such personnel could be employed at $50 per day. The committee limited the number of such persons to 100 and authorized in addition the appointment of 25 aliens to assist in the development of the program. These aliens are to be experts in the field of civil defense from the United Kingdom and Canada. It is intended that they be screened thoroughly for security purposes in accordance with the normal provisions that may be in existence to insure no alien being employed whose employment would be a threat to the security of the United States.

This section also authorizes the utilization of the services of Federal agencies, and with their consent the utilization of the services of State and local governments. It also authorizes the States to organize their civil defense workers in a corps to be known as the United States Civil Defense Corps, but membership in such corps does not per se establish such individuals as appointees or employees of the United States.

The section also authorizes the employment of persons of outstanding experience and ability without compensation to assist in carrying out the provisions of the act as well as the acceptance of gifts and their distribution for civil-defense purposes. Reimbursement to any Federal agency for expenditures made in connection with the purposes of this act is authorized out of funds available to the Administrator. It provides the normal provisions concerning printing and binding and permits the Administrator, without being relieved of his responsibilities, to delegate certain of his powers and duties to other officials of the Administration.

Section 402 permits the President to issue regulations exempting certain persons employed by the Administration from the operation of certain sections of the Criminal Code barring dual service of Federal employees. This authority is similar to that granted under the Defense Production Act of 1950 and it is the intent that the authorities of this section be exercised under regulations uniform with those prescribed under the Defense Production Act of 1950.

Section 403: This section provides that the Administrator establish stringent security regulations governing the activities of the agency. As originally introduced it would have required all employees to be the subject of a full field investigation by the Federal Bureau of Investigation. As amended the section provides that all employees shall be checked against the files of the Federal Bureau of Investigation and other investigative agencies of the Federal Government. In event any derogatory information is developed, such employees shall be the subject of full field investigations by the Federal Bureau of Investigation.

The Administrator shall also designate positions of critical importance and the occupants of those positions shall be investigated thoroughly by the Federal Bureau of Investigation.

Also, since the provisions of the Atomic Energy Act of 1946, as amended, apply to persons employed under the authority of this act, all employees having access to classified atomic energy data must be investigated fully by the Federal Bureau of Investigation.

The section also requires the Federal employees to execute the normal loyalty oath for such employees. Persons serving in State or local organizations are required to take an oath of allegiance to the Constitution of the United States. The only exception from this requirement will be the 25 aliens authorized in section 401 (b).

Section 404 transfers the functions, personnel, and property of the Federal Civil Defense Administration in the Office of Emergency Management at the present time to the Administration established by this bill.

Section 405 requires the Administrator to utilize to the maximum extent possible existing facilities and resources of the Federal Government. The committee amended the bill to make it clear that it does not intend that the Administrator establish duplicate Federal functions unless the President specifically approves such duplication in writing.

Section 406: This section provides that the bill shall apply to the United States, its Territories, and the District of Columbia, and their political subdivisions.

Section 407 is the normal authorization for appropriations along with authority to transfer funds appropriated to the Administrator to any agency or Government corporation designated to assist in carrying out the provisions of this bill. Such transfer requires the approval of the Bureau of the Budget and full reports to the Committees on Appropriations of the House of Representatives and Senate.

Section 408: This section is aimed at encouraging the development of self-liquidating projects to provide civil-defense facilities, including shelters, utilities, hospitals, and so forth. It merely modifies existing law to permit the Reconstruction Finance Corporation to grant loans for such purposes with a maturity period of 50 years instead of the 40 years as contained in present law. The Administrator of Civil Defense must certify to the Reconstruction Finance Corporation as to the necessity to the civil-defense program of such projects. The amount that can be outstanding at any time for this purpose is $250,000,000, and it is the intent that this be an increase in the lending authority of the Reconstruction Finance Corporation.

Section 409: This section makes it clear that nothing in this bill shall affect in the slightest degree the provisions of the Atomic Energy Act of 1946, as amended.

Section 410 makes it clear that nothing in this bill authorizes investigations of espionage, sabotage, or subversive activities by other than the Federal Bureau of Investigation.

Section 411 establishes the usual provisions for separability to insure that in the event any section is deemed invalid the other sections shall apply.

* * * * *

The hearings that were held on the subject have been printed and made available to each Senator.

Mr. KEFAUVER. Mr. President, we are today considering Senate bill 4268, a bill to round out the national defense of the United States by establishing a program for civil defense. This bill has been reported unanimously by the Senate Armed Services Committee. A companion bill passed the House of Representatives yesterday with only one dissenting vote. For almost a year a subcommittee of the Armed Services Committee, consisting of the Senator from Kentucky [Mr. CHAPMAN], the Senator from Washington [Mr. CAIN,] and myself, has been studying this problem and simulanteously studies were made by the Joint Committee on Atomic Energy.

In that connection, Mr. President, I wish to pay tribute to the Joint Committee on Atomic Energy and to its Chairman, the distinguished senior Senator from Connecticut [Mr. MCMAHON] for the intense study they have made of the problem and for the report on the subject which they have published. I feel that their studies and the hearings which have been held have contributed much to the information of the public and the Congress on the question of civilian defense.

Undoubtedly the activity of the joint committee in this field has done much to encourage and to hasten the submission of plans for civilian defense by the executive departments. While we are considering the bill at a late date, it probably would have been later had it not been for the excellent activity of the Joint Committee on Atomic Energy and of its chairman.

The staffs of the two committees have worked in concert on this proposal, and we are grateful for the assistance which they have given us.

I also desire to say, Mr. President, that the staff of the Armed Services Committee of the Senate during the past 9 or 10 months have given a great deal of consideration to the problem of civilian defense, particularly Colonel Chambers, who has been assigned to this particular work. His assistance has been very substantial and very intelligently rendered.

The Committee on Armed Services, in addition to hearing a report of which has been printed, also conducted very extensive executive hearings over a period of many days. The executive hearings are necessarily classified and are not for general use in printed form for the Members of the Senate.

The Senate Armed Services Committee and the Joint Committee on Atomic Energy are agreed that there is no more pressing problem facing the country today than is the prompt enactment of legislation in this field.

Over and beyond any other consideration as to the need for prompt action on this bill is the fact that it is designed to provide only a small Federal agency to guide and coordinate an extensive Federal and State structure which will be largely manned by volunteer forces. Such a plan will require the enactment of a great deal of legislation by the various State legislatures, a majority of which will convene in January.

In that connection, Mr. President, the Governors Conference urged very strenuously that this proposed legislation be passed and that the conference report be agreed upon as early as possible, in order that before the State legislatures meet in January the Administrator may have time to work out plans and programs so the activities of the States and the Federal Government can be coordinated. Forty-four of the State legislatures will meet in January. It is urgent that the bill be passed and the conference report agreed upon tomorrow, if possible. Every State in the Union has established some kind of civilian defense organization. Most of them have been established by executive orders of the various governors, but they are very anxious to have it in legislative form when the 44 State legislatures meet in January.

We are unanimous in believing that it is mandatory that the Federal civil defense law be enacted in advance of the meetings of the various State legislatures in order to provide a proper base for State laws.

I do not propose at this time to attempt to analyze in detail the provisions of this bill. I intend to explain it in general terms and answer such questions as will be raised to the best of my ability. If it appears that the bill is too controversial to be voted on today, I am more than willing to delay the voting until tomorrow so that it can be considered overnight by those Members of the Senate who retain some reservations. I would like to point out, however, that the hearings on this bill were printed and distributed to the offices of all the Senators, so that many of your inquiries have perhaps already been answered by the testimony taken before the committee.

In approaching the problem of establishing a civil defense plan, the committee has unanimously concurred in the proposition that it must be solved at the local level. Nor can it be confined to a few critical areas throughout the country. In this day of potential extensive damage which can be caused by atomic weapons or others perhaps more devastating, it is essential that not only the critical target areas be defended and plans prepared for their protection, but that the various small communities be prepared to provide support for the defense of the so-called critical target cities.

Mr. President, after listening to the excellent address of the junior Senator from Oregon [Mr. MORSE] as to the necessity of mobilization, military and civil, I know that the public generally will understand this necessity. It is useless to plan a civil defense plan for Detroit, for instance, unless we gear into it the many small cities and hamlets of Michigan, Canada, and perhaps other States which must receive evacuees, furnish emergency housing, medical care, food and clothing, and help rehabilitate those persons who might be the helpless victims of such an attack. Furthermore, if the productive capacity of Detroit, which I use only as an example in this case, is to be maintained, we must have on a State and Nationwide basis plans which will permit the rapid reestablishment of those sections of Detroit which can be quickly rehabilitated and put back into production. I know that many persons have argued that we need only to provide a civil-defense plan to include the critical target areas. Mr. President, nothing could be more shortsighted or potentially as dangerous as thinking of this type. Just as the requirements of a military campaign demand careful organization in the rear areas to support the front lines, so does our civil-defense plan require a fully organized country to support the critical cities.

When legislation on this subject was first introduced, the committee felt it proposed entirely too broad a grant of power to the Administrator. In substance, there was no normal grant of power under which the Administrator would have functioned. He always would have had available to him the so-called emergency powers, which did not seem desirable to those of us who studied the proposal. Accordingly the bill was rewritten and divided into four titles. Three of these titles establish the normal peacetime functioning of the Civil Defense Administration, which would permit the development in an orderly fashion of a well-rounded civil-defense program. Into title III were placed all the so-called emergency powers as they were by the House of Representatives. The idea was originally brought forward by Representative VINSON, the chairman of the House Committee on Armed Services. The House, in the bill it passed, also made a division of the bill into titles. These powers are extremely broad and should be carefully controlled. Basically, these powers can only be invoked when the President declares a civil-defense emergency.

This civil defense emergency can only be declared after he has first declared a national emergency, or a declaration of war has been made by the Congress. There is one exception to these conditions. The committee, after hearing the testimony, was convinced that there may come a time when the President might need to place into operation some of the emergency powers without alarming the citizens of our country or placing our actions on notice to hostile foreign countries. This could well come about through the receipt by our military and the President of certain intelligence which would indicate a pressing need to expedite our civil defense program. In the event the President thought this intelligence was of such a nature as to indicate a threat to the national safety, he is authorized, after first consulting with the chairman of the respective Armed Services Committees of the Congress, to direct the Administrator of Civil Defense to invoke any or all of the emergency powers. The committee was not very happy about this alternative procedure but inserted it after careful and considered discussion of the point involved. In all cases we reserved the right to terminate the use of such powers by concurrent resolution of the Congress.

Another point which received considerable attention by the committee was the cost of this program, and how it would be financed. The committee was well aware of the fact that this project is a serious and an extensive one and could well run into heavy expenditures. It is estimated that this bill will cost over a period of 3 years between $3,000,000,000 and $3,200,000,000. Of this amount approximately 54 percent will be furnished by the Federal Government and 46 percent by the State and local communities. In any event it is a drain on the taxpayer. Various amendments were suggested which would have cost the Federal Government a greater proportionate share of the total expense. The committee has consistently rejected all of these proposed amendments. Furthermore, it has endeavored to reduce the total cost of the program by eliminating any expenditures for so-called self-liquidating projects. These might be underground garages, hospitals, and items of that nature. These could be financed under normal lending procedures by the Reconstruction Finance Corporation, but there are no direct appropriations to assist in the construction of such projects.

The largest single item of expenditure over a period of 3 years is $2,250,000,000 for shelters, of which the Federal Government would put up 50 percent of the money. The other expensive items include stockpiles of medical supplies and equipment of various kinds which will cost in the vicinity of $300,000,000, all to be paid from Federal money. Organizational type equipment will cost about $200,000,000 equally divided between the Federal Government and the States, and communication equipment which will be paid for by the Federal Government and which will cost roughly $32,000,000.

We have heard a great many questions concerning the cost of the shelter program. It is interesting to note that all the government and municipal people have been greatly interested in the shelter program because they believe that it is one of the most urgent requirements of the total program. In that the committee concurs. According to the testimony given to the committee there

is no intention on the part of the administration and certainly it is not the intention of the committee to start a promiscuous construction program of large, underground mass shelters. Rather this program contemplates a strengthening of existing basements where the basic construction permits, and the development of a certain number of relatively small bomb shelters in properly located districts to provide protection for the persons working in those areas. It does not contemplate shelters in individual back yards nor does it envision the building of shelters in communities which are not in the so-called critical target areas. Mr. President, we are spending billions of dollars on our national military machine. That machine can only function if it has the proper equipment and the tools with which to work. The ability to get those tools and equipment rests squarely on the productive effort of our country, and that in turn can only be insured by an implementation of the civil-defense program, including the shelter program.

I know that there are those who argue that this program involves too much money, but we can no longer stand idle in this business of getting ready to meet the threat of atomic war. I know that many are tired of hearing us say on the floor of the Senate that we are at war. But, Mr. President, there is an old doctrine of the law which we all know well and that is that the facts speak for themselves. We are already virtually at war and we have already waited too long in this business of civil defense. I certainly hope that no one today will oppose this bill solely because of some vague fear that it is going to cost too much money, or that the powers granted are too broad.

I repeat that the Senate Armed Services Committee unanimously approved this bill after considerable discussion. I believe the general principles of the bill have been agreed upon by the Joint Committee on Atomic Energy. Just as we are now in a position of placing confidence and trust in our military leaders, we must create an organization and place confidence in the leaders who will handle the problem of civil defense. The Military Establishment does not want to handle this problem and has specifically recommended that it not be assigned to them. Yet they say that it is a problem which must be solved immediately because only through a program such as this can we be assured that our vital productive capacity and civilian morale in this country can be maintained. The Armed Services Committee believes that such legislation is necessary. It believes that we have already waited too long for the creation of such a plan. It believes that the bill that we have before us has been screened and modified to the point where it gives a reasonable protection against an unwarranted use of authorities by the Executive Department.

Mr. President, I could go on at great length arguing for the consideration and passage of this bill. I prefer, however, to take no more of the Senate's time, but I am prepared to answer such questions as may be directed to me. Probably it will not be possible to act on the bill today, but tomorrow I hope we can get early consideration of it and that it may be possible to agree on the conference report tomorrow, or at least at the very earliest time possible.

Mr. President, I yield the floor.

AMERICAN FOREIGN POLICY IN THE FAR EAST

Mr. KNOWLAND. Mr. President, I do not intend to delay the Senate. However, I have some material which I desire to have placed in the RECORD. On the 27th of April of this year during the hearings before the Committee on Foreign Relations, Mr. Earl Browder, the former secretary of the Communist Party in America, testified relative to some prior criticisms he had made of our policy, as he then understood it, of supporting the Republic of China and of being critical of the Communist regime in China. As I recall his testimony, he said he was called to the State Department by the then Under Secretary of State, Mr. Welles, and was given a memorandum, which in turn he transmitted to Mme. Sun Yat-sen, who I understand now occupies a position as one of the vice chairmen of the Communist regime in China.

Mr. President, I desire to ask unanimous consent that there appear at this point in my remarks the statement I made immediately upon coming to the floor of the Senate from the hearing of the Committee on Foreign Relations. My statement on that day is found on page 5897 of the CONGRESSIONAL RECORD, Eighty-first Congress, second session.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. KNOWLAND. Apropos the question raised by the Senator from South Dakota [Mr. MUNDT] on the testimony today, to most of which I listened, as did the Senator from South Dakota, I was rather startled at the testimony of Mr. Browder to the effect that he had transmitted through some channels to the Government of the United States messages he had received from Mao Tse-tung, the Communist leader in China, which influenced this Government in changing its policy. As I understood the testimony this morning, that policy was changed on or about October 1942, and from that time to 1945 it was so satisfactory to the Communist Party of the United States that they did not feel it was necessary to carry on their agitation. While he said that he felt it would not be proper to claim sole credit for doing it, it did so happen that the policy which we pursued after October 1942 was certainly reasonably satisfactory to the Communist Party in this country.

I have not had a chance to completely reanalyze the American white paper which was issued on August 5, 1949, relative to our dealings with China, except in a somewhat cursory manner. I have checked through it, and I cannot find any such document in the American white paper on or about the date of October 1942. I have had my office contact the State Department to ask them to furnish me with a copy of this document which Mr. Browder says Sumner Welles gave him with the understanding that he would transmit it to Mme. Sun Yat-sen, who was one of the leading figures in the Communist Party in China, and who, I believe, is now one of the vice chairmen of the Communist regime in China. I have also asked that they supply me with the documents leading up to the issuance of that paper, which apparently was turned over to Mr. Browder for transmittal to Mme. Sun Yat-sen.

Reserving my judgment until the State Department clearly can indicate whether or not this memorandum appears in the white paper, I should say that it would seem to me to be rather unusual for a document of such importance, which marks the turning point of American policy in China, should have been excluded from the white paper. I am saying now that it has been excluded. I cannot find it. Certainly I feel that there should be a full explanation to the Senate and to the country as to why these documents, which now appear to be of considerable historic interest in this whole problem, were not amply outlined in the white paper with reference to China.

Mr. KNOWLAND. Mr. President, I desire also to have printed in the body of the RECORD at this point in my remarks a memorandum which I received from my administrative assistant, Mr. George Wilson, relative to telephone conversations which he had had at my direction with Mr. Sprouse, of the State Department, asking the State Department for a copy of the memorandum regarding which Mr. Browder testified. In this memorandum to me, which speaks for itself, which was made on April 29, 1950, Mr. Wilson informs me that he in turn had been informed by the State Department that they had made a diligent search of the records, and had not been able to find a copy to furnish me. I might say, Mr. President, that so far as I can find in the files of my office, no subsequent communication was received from the State Department in regard to that matter.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

Thursday evening at about 6 o'clock I called Mr. Sprouse of the State Department (extension 5662) and told him that you would appreciate very much being furnished with a copy of a message or statement which was sent by Sumner Welles to Madam Sun-Yet-sen via Mr. Earl Browder. I informed him that the message was sent approximately in October of 1942. I also informed him that you had been unable to find the message in the white paper although you had not made a detailed search for the statement.

On Friday about a quarter to 12 I again called Mr. Sprouse to inquire if he was able to locate the statement which I had discussed with him the previous evening. He advised me that they were checking their files but had not, as yet, found the message. I, therefore, advised him if they would check the CONGRESSIONAL RECORD of Thursday, April 27, and I gave him the specific page number, it might shed a little more light on the document that they were looking for. He thanked me and assured me that they were still looking for Mr. Welles' statement.

At about 4:15 Friday, April 28, I again called Mr. Sprouse and on being advised that he was attending a session of the Institute of Foreign Relations, asked that he call me back when he returned. At about 5:30 or 6 o'clock he returned my call and advised me that his people had been unable, as of the

moment, to find the Welles statement but would continue to look for it. I thanked him and advised him that in addition to the Welles statement, you would like a copy of a message which Mr. Browder claimed he had received from Mao Tse-tung in 1942, regarding the military situation in China, which he, in turn, claimed to have given to President Roosevelt. I stated that I assumed copies of the message were made available by the White House to the State Department and was sure the message would be in the State Department files. I further advised him that Mr. Browder stated that the information he had received from Mao was later confirmed by our own military sources.

At the time of our last conversation, I informed Mr. Sprouse that you were quite anxious to receive copies of the two messages as soon as possible.

In talking about the Welles statement I also asked for any supporting papers which would be available.

GEORGE WILSON.

Mr. KNOWLAND. Mr. President, I desire to have printed at this point in my remarks a copy of the memorandum given to Mr. Earl Browder by the Under Secretary of State, Mr. Sumner Welles, at his office in the State Department on October 12, 1942. I shall not take the time of the Senate to read the entire memorandum because it will speak for itself, but I do desire to read this much of an extract from it:

With regard to the specific charge that "these officials continue the old policy of 'war against the Communists' in China" this Government has had no such policy, either "old" or "new." This Government has in fact viewed with skepticism many alarmist accounts of the "serious menace" of "Communism" in China.

I ask that the entire memorandum be printed as a part of my remarks.

There being no objection, the memorandum was ordered to be printed in the RECORD, as follows:

MEMORANDUM GIVEN TO EARL BROWDER BY UNDER SECRETARY OF STATE SUMNER WELLES, AT HIS OFFICE IN THE STATE DEPARTMENT, OCTOBER 12, 1942

With regard to the specific charge that it is on the advice of reactionary officials in the State Department that Chiang Kai-shek is keeping his best armies out of the war, the simple fact is that the nearest approach to advice given by any officials in the Department of State in this context has been an expression of an opinion that civil strife in China, at all times unfortunate, would be especially unfortunate at a time when China is engaged in a desperate struggle of self-defense against an armed invader. The implication of this expression of opinion was that the Chinese Government should try to maintain peace by processes of conciliation between and among all groups and factions in China. And the course which Chiang Kai-shek has been pursuing is not keeping his best armies out of the war. Both the armies of the National Government and the Communist armies are fighting the Japanese. No Chinese armies are actively engaged in large-scale offensive operations against the Japanese—for the reason, principally, that there is lacking to all Chinese armies types and amounts of equipment which are essential to such operations, but this situation is one which both the Chinese Government and the American Government are endeavoring to remedy as equipment becomes available.

With regard to the specific charge that the State Department in Washington has informed Chungking's representatives that our Government would be displeased if complete unity was established in China between the Kuomintang and the Communists, what this statement alleges is the exact opposite of the fact. The State Department in Washington has at all times taken the position, both in diplomatic contexts and publicly, that the United States favors complete unity among the Chinese people and all groups or organizations thereof.

With regard to the specific charge that these officials continue the old policy of war against the Communists in China, this Government has had no such policy, either "old" or "new." This Government has in fact viewed with skepticism many alarmist accounts of the serious menace of communism in China. We have, for instance, as is publicly and well known, declined to be moved by the Japanese contentions that presence and maintenance of Japanese armed forces in China were and would be desirable for the purpose of combating communism.

With regard to the specific charge that officials of this Government tell Chungking it must continue to fight the Communists if it wishes United States friendship, the simple fact is that no officials of this Government ever have told Chungking either that it must fight or that it must continue to fight the Communists, this Government holds no such brief, this Government desires Chinese unity and deprecates civil strife in China; this Government treats the Government of China as an equal; it does not dictate to the Government of China, it does not make United States friendship contingent; it regards unity within China, unity within the United States, unity within each of the countries of the United Nations group, and unity among the United Nations as utterly desirable towards effectively carrying on war against the Axis powers and toward creation and maintenance of conditions of just peace when the United Nations shall have gained the victory which is to be theirs.

Mr. KNOWLAND. Mr. President, I also ask to have printed as a part of my remarks, for the information of the Senate, an article which I have since dug up from the Congressional Library, from the files of the New York Daily Worker, which was published Friday, October 16, 1942, in which there is an article under the heading "Welles states United States policy on China." Then it gives an interview with Mr. Browder, and following this there appeared the text of the memorandum which I have checked with the memorandum which I have just put into the RECORD, and they seem to coincide.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WELLES STATES UNITED STATES POLICY ON CHINA—AFTER INTERVIEW WITH UNDER SECRETARY OF STATE, BROWDER RETRACTS CHARGES AGAINST STATE DEPARTMENT OFFICIALS

Earl Browder, general secretary of the Communist Party, at his office at 35 East Twelfth Street, New York City, made the following statement to the press yesterday:

"In the Worker of October 4, I made charges that persons whom I designated as reactionary officials in the State Department were encouraging the maintenance of a situation in China harmful to the war effort of our country and its allies. I spoke of strained relations between Kuomintang and Communists, resulting in the immobilization of large numbers of the best troops of that country.

"Upon the invitation of Mr. Sumner Welles, the Under Secretary of State, I visited him in his office on October 12, in company with Mr. Robert Minor, and heard from him, and from Mr Lauchlin Currie, administrative assistant to the President, a detailed refutation of my charges in this respect. The information received from Mr. Welles and Mr. Currie convinced me that my charges had been made on the basis of incomplete information. I believe it is established that no responsible official of the State Department is contributing to disunity in China, and that the policy of the United States Government is being exerted in the opposite direction.

"I am therefore more than happy to retract those charges without reservation. What I had thought of as a heavy door that needed pushing open proved to be but a curtain of lack of information. Since many persons in the United States and in China also are without that information which I lacked before visiting Mr. Welles, I believe our war effort will be benefited if I make public that portion of Mr. Welles' remarks which was given to me in written form."

Mr. KNOWLAND. Mr. President, I merely wish to say that one of the great difficulties the Senate of the United States has in meeting its problems is getting information. It is very difficult sometimes for a United States Senator to get information he needs in the discharge of his duties. I was here during a portion of the remarks of the Senator from Oregon [Mr. MORSE], in which he quite properly, I believe, said that had the Senate been consulted on certain policies which were followed in the Far East and elsewhere, he believes that perhaps a different policy might have ensued.

I wish to say to the Senator from Oregon that I agree with him in his statement, if I correctly understood him. But I also wish to point out to him that it is very difficult for the Senate to discharge its constitutional obligations when from time to time, and rather consistently, there is lowered an iron curtain between the activities of the executive departments and Senators in their quest for information which they need in the discharge of their duties. I call his attention again to the fact that for a period of 2 years, I might say the most crucial 2 years, from 1947 to 1949, the Wedemeyer report on China was suppressed, despite the fact that it was officially requested by Members of the Senate and by Senate committees.

I might say for the record that I think the Wedemeyer report on Korea, which the junior Senator from California has read—and I believe he is one of the few Senators who have had opportunity and occasion to read it—very clearly pointed out some of the very dangers which the Senator from Oregon was discussing today. If that report had been made available to the Senate of the United States and its committees, I believe that both the Armed Services Committee and the Foreign Relations Committee, as well as individual Senators, might have been able to make their influence felt.

The Senator from California did not see that report until just a month or so ago, long after the June 25 invasion of South Korea by the North Korean Communists. So it is very difficult for the

legislative branch of the Government to conduct its share of the responsibilities of the Government—and we have some very heavy responsibilities—when we do not have cooperation from the executive branch in supplying us with information.

I might say to the Senator from Oregon that the Wedemeyer report on Korea was unanimously and officially requested of the State Department by the Committee on Appropriations, which was dealing with appropriations having to do with the Korean situation. I sat in a meeting of that committee, and I raised the question again with the Secretary of State, Mr. Acheson. Mr. Acheson at that time said that he had not had an opportunity to take the matter up with the President of the United States, that he expected to do so in a few days. However, it was only fair, he said, for him to tell the committee that his recommendation was to be that the committee not get the information. I thought that ought to be a matter of record for the United States Senate.

Mr. President, I desire to have printed at this point in my remarks an item which appeared on the news ticker in the anteroom of the regular Senate Chamber, saying that "The United States was reported today to be ready to send about 30 B–26 bombers to Indochina to bolster French forces fighting Communist-led rebels." I shall not read the whole article. I merely make the observation that while not objecting to this program, it seems to me to be a very strange policy which has denied for a period of more than a year much-needed planes for the defense of the island of Formosa, and yet with such alacrity the officials can find the planes and actually ship them to Indochina.

I believe the policies we have followed in the past have been the major reason for the criticism of the Department of State. I must differ with my good friend, the Senator from Oregon, because I believe it is not a matter of personalities, but is a matter of policies, and the policy involved in the news item I have just quoted is one of the policies we are apparently continuing to follow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from California?

There being no objection, the item from the news ticker was ordered to be printed in the RECORD, as follows:

WASHINGTON.—The United States was reported today to be ready to send about 30 B-26 bombers to Indochina to bolster French forces fighting Communist-led rebels.

The ships will be flown to Indochina by American crews and turned over to the French.

Officials who told reporters of the plans said there would be two squadrons of the bombers. A squadron has 15 planes.

The officials said delivery of the planes reflects American determination to rush as much military equipment as possible to the French and loyal Indochinese forces, in an effort to thwart Communist bid for power in that strategic area.

Secretary of Defense George Marshall has personally promised French Defense Minister Jules Moch that the B–26 bombers would be sent. Moch pleaded for air reenforcements when he was here in October for conferences with top officials.

The French aircraft carrier *Dixmude* several weeks ago arrived at an Indochina port with a cargo of some 48 American Hellcat and Helldiver fighters.

The United States also has supplied enough ground equipment and ammunition to enable the French to establish 12 battalions of loyal Indochinese nationals to help in the fight against Ho Chi Minh's guerrilla forces.

Mr. KNOWLAND. Mr. President, as a part of my remarks I also desire to have printed at this point in the RECORD a letter which I addressed today to Mr. Sprouse, of the State Department, enclosing for the files of the State Department the memorandum which they gave to Mr. Browder, and which they have not been able to find.

The PRESIDING OFFICER. Is there objection?

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 21, 1950.

MR. PHILIP D. SPROUSE,
Office of Chinese Affairs,
Department of State, Washington, D. C.

DEAR MR. SPROUSE: You will recall during the testimony before the Foreign Relations subcommittee Mr. Earl Browder testified that he had been furnished a statement in October 1942 by Mr. Sumner Wells, then Under Secretary of State, which statement Mr. Browder apparently transmitted to Madame Sun Yat-sen.

On Thursday, April 28, Mr. George Wilson, my administrative assistant, contacted you and requested a copy of the Wells statement together with certain other documents which had been mentioned in Mr Browder's testimony. You informed Mr. Wilson that a search had been made of the State Department's records and you had been unable to locate copies of the several statements mentioned.

Today, I received what purports to be a copy of the memorandum given by Mr. Sumner Wells to Mr. Earl Browder. This may help you locate at least one of the documents that you heretofore had been unable to find.

Sincerely yours,

WILLIAM F. KNOWLAND.

Mr. KNOWLAND. Mr. President, I also ask to have printed as a part of my remarks extracts from the speech of the distinguished educator and philosopher, Dr. Hu Shih, former Ambassador to the United States which he made at the Commonwealth Club in San Francisco on December 1 of this year.

There being no objection, the extracts were ordered to be printed in the RECORD, as follows:

CHINESE PEOPLE AND GOVERNMENT NOT FREE; MAO A KREMLIN GAULEITER—BUT, DR. HU SAYS, "FREE CHINA"—MILLIONS UNDER RED BONDAGE—ON OUR SIDE

(From address by Dr. Hu Shih, famed Chinese scholar and ex-Ambassador to United States)

Before the end of 1949, nearly the whole of continental China, except for the guerrilla areas, came under the conquest of world communism.

In September 1949, the Chinese Communist Party put up a great show in Peiping. A new people's political consultative conference attended by 635 delegates designated by the Communist Party passed three documents: (1) The common program of the PPCC hailed as the constitution of the Communist regime; (2) the organization law of the central government; and (3) the organization law of the PPCC itself.

DICTATORSHIP BY PARTY

The first article of the common program gives this definition: "The People's Republic of China is a state of the new democracy, that is, a state of the people's democracy. It carries out the people's democratic dictatorship, which is led by the working class."

Translated into plain language, it means that the People's Republic of China is a dictatorship of the Chinese Communist Party in the name of the people.

It is called a state of the new democracy, because in 1940 Mao Tse-tung published a pamphlet, the New Democracy, which was an attempt to present the Chinese Communist Party under the disguise of liberalism.

The new democracy—high sounding name for the united front—was to be the combined dictatorship of several revolutionary classes.

PREVICTORY SLOGANS FORGOTTEN

My former student Mao Tse-tung, being an orthodox Communist, could conceive of all states and governments only as class dictatorships. Therefore he tells us in his pamphlet that in the whole world there are only three forms of state: (1) Republic of bourgeois dictatorship, which prevails in all old democratic countries; (2) republic of proletarian dictatorship, which is the form of state of the Soviet Union; (3) republic of joint dictatorship of several classes, which Mao calls the new democracy.

Mao Tse-tung actually talked about "an election based on a real popular and equal suffrage irrespective of differences, of sex, belief, property, and education."

But of course no Communist Party could ever tolerate sharing political power with non-Communist groups or parties. So today all previctory slogans and promises are conveniently forgotten, and the people's government is indisputably a dictatorship of the one and only party, with a number of non-Communist democratic personages holding nominal and honorary posts.

MAO ADMITS DICTATORSHIP

On July 1, 1949, the official Communist news agency broadcast a lengthy article by Mao Tse-tung which has become required reading for all teachers and students. A few sentences:

"'You are dictatorial.' Yes, dear gentlemen, you are right and we are dictatorial. * * * The reactionaries must be deprived of the right to voice their opinion, and only the people are allowed to have the right to voice their opinion.

"Who are the people? At the present stage in China, they are the working class, the peasants, the petty bourgeoisie, and the national bourgeoisie. Under the leadership of the working class and the Communist Party, these classes unite together to form their own state and elect their own government to carry out dictatorship over the running dogs of the imperialism—the landlords, the bureaucratic class, the Kuomintang reactionaries and their henchmen—these classes shall oppress them and only allow them to behave properly, and not allow them to talk and act wildly. If they talk and act wildly, they shall be curbed and punished immediately. * * *"

INSTRUMENTS OF OPPRESSION

"These two aspects, namely, democracy among the people, and dictatorship over the reactionaries, combine to form the people's democratic dictatorship.

"'Do you not want to do away with the state authority?' Yes, but not at the present. Why? Because imperialism still exists, the internal reactionaries still exist, and classes in the country still exist. * * *

"The army, the police, the court—these machineries of the state are instruments for classes to oppress classes. To the hostile classes, the state apparatus is an instrument of oppression. It is violent and not benevolent."

These arrogant and insolent words of Mao Tse-tung give a vivid picture of the dictatorial and oppressive rule under which about 400,000,000 Chinese are now suffering.

Article 5 of the common program stipulates that the people of the Chinese People's Republic shall have 11 kinds of freedom. But article 7 says:

"With regard to all reactionaries, feudalistic landlords, bureaucratic capitalists, after they are disarmed and their special influences are liquidated, they must be deprived of their political rights, but at the same time given some means of livelihood and forced to reconstruct themselves to become 'new men' by means of hard labor. * * *" Here we find forced slave labor already dignified into a constitutional provision.

NO FREEDOM OF SILENCE

Under such a regime, there is no freedom for the nonconformist. There is no freedom of speaking out, and no freedom of silence. At any moment, a man may be called upon to make positive statements of his own belief and disbelief.

A year ago last May the chancelor of the Catholic University in Peiping was made to publish an open letter in which my old friend and fellow academician said emphatically that there was no real freedom anywhere except in the areas liberated by the Communists. Did he really say that? Did he have the freedom not to say that?

A few weeks ago, all newspapers in Communist China published what purported to be a written confession of my younger son, in which he denounced me as "an enemy of the people" and also his own enemy. Did my son actually say that? Was he free not to say that? I cite this to show how oppressive the Communist regime is.

But it is not the Chinese people alone who are not free. The Chinese Communist regime itself is not free.

CHINA'S GOVERNMENT IN BONDAGE

Mao Tse-tung, the Chinese Communist Party, and the entire Chinese Communist Government are not free: They are all under the bondage which the U. S. S. R. imposes on her satellite countries.

They have always taken orders from the Kremlin, and they must continue to take such orders because Communist China is dependent on the military and industrial power of the Soviet Union.

It was Stalin who conceived and ordered creation of the Chinese Red Army. It was Stalin who throughout two decades nurtured this Red Army to full strength. It was Stalin who wrested from President Roosevelt and Prime Minister Churchill the secret Yalta agreement which made it possible for Stalin to convert both Manchuria and North Korea into contiguous bases for the U. S. S. R. to aid effectively the Chinese and Korean Communist armies in their military conquest of China.

All this indebtedness to the U. S. S. R. has been openly acknowledged by the leaders of Chinese communism.

Mao has declared that Communist-led China must "lean to one side," must "ally with the Soviet Union, with the new people's democracies, and with the proletariat and masses of the people (that is, the communists) in other countries, to form an international united front."

ALLEGIANCE TO STALIN

This allegiance has been formally stipulated into the constitution of the Communist state in China. Article 11 says:

"The People's Republic of China allies itself with all those states and peoples who love peace and freedom. First of all, it allies itself with the Soviet Union. * * *"

The Moscow treaty made Communist China and Soviet Russia partners in a defensive and offensive alliance.

What has been happening in Tibet, what is now happening in Korea, are best evidences that Communist China has no choice but to march wherever it is ordered to move.

What could be more foolish than for the Chinese Communists to invade Tibet, thereby alienating the undoubted sympathy and support of India? The only possible explanation is that Communist China was under orders to do so.

AT WAR WITH CAPTIVE CHINA

And what could be more insane than for the new state of Communist China to embark on war with one of the two greatest powers in the world? The only possible explanation is that the great prestige of world communism is at stake and that therefore Communist China has been ordered to come to the rescue of North Korea regardless of all possible consequences.

It becomes self-evident now that all the trouble in Korea and in the Far East today stems from the fact that China is no longer free, has become a captive nation of world communism. The free world is at war with captive China.

It would have been absolutely impossible even to imagine a free China fighting the United States.

Captive China is attacking you, but free China is still your friend, ever ready to help you and fight shoulder to shoulder with you.

By "free China," I do not mean merely the 600,000 well-trained soldiers and the 7,000,000 population in the island bastion of Formosa. Nor do I mean merely the vast numbers of Chinese guerrilla units now fighting on the Chinese mainland against the Communists.

By "free China" I mean the vast majority of the Chinese people who are mentally and emotionally anti-Communist even though they are physically living and suffering under the iron yoke.

ALWAYS BE FREE CHINA

Free China exists as a reality because, of all the peoples conquered by world communism, my people are the most civilized and have lived under a civilization noted for its individualism and its century-long fights for intellectual, religious, and political freedom.

If history and civilization mean anything at all, there shall always be a free China.

And this free China is prodemocracy, pro-America and pro-West. The 100 years of China's contact with modern western ideas and institutions has not been in vain; the over 100 years of Christian missionary work in China has not been in vain; the 75 years of intensive education and training of thousands of Chinese youths in the American universities and colleges has not been and cannot be in vain.

KNOW WHAT COMMUNISM IS

The sad experience of living and suffering under Communist rule has enabled my people to understand clearly what communism and Communist rule is.

Let the free world make it clear to the people of China that it is fighting the Communist dictatorship in China and not the vast majority of the people of China; that any movement on the part of the people of China to sabotage the Communist conquerors or to rid themselves of their Stalinist puppet dictators will have the moral support and, whenever possible, the material support of democratic and peace-loving peoples of the world.

When the free world gives the word, free China will surely respond.

Mr. KNOWLAND. Mr. President, I also desire to have printed at this point in my remarks an article which appeared in the Fortnight Magazine for December 11, 1950, by Mr. Clement Reicher, under the title "How Vulnerable Is the Mao Regime?"

There being no objection, the article was ordered to be printed in the RECORD, as follows:

HOW VULNERABLE IS THE MAO REGIME?

(By Clement Reicher)

It appears that the Government has drawn the following conclusions from the all-out attack by the Chinese Communists: that it has brought total war near enough to make a further substantial speed-up of mobilization necessary, but not near enough to call for an immediate transfer of our troops to other potential theaters of war. It is still assumed that we have time enough to build up strength in all the most exposed positions before we have to meet a showdown with Russia. Let us hope that we have that time and that we will not have to pay a staggering price for all those years of neglecting our defense. Meanwhile, we are in for a protracted war with the Chinese Communists, unless the latter give in and withdraw their troops from Korea.

On the opposite page are indicated the lines of policy which we of Fortnight believe should be adopted. I shall here only add certain considerations which flow from my experience of living among the Chinese for 13 years with open eyes and an open mind.

For years the American public has been feasted on writings giving a vivid description of the Chinese scene, pleasantly dramatized, mostly correct in detail, but fundamentally false. From these writings the public has got the impression that Mao Tse-tung is at the head of an incomparably strong government wholeheartedly supported by all the Chinese people. Now we have to fight it. It looks a formidable, terrifying task.

Fortunately, Mao's regime is highly vulnerable. Though it has a strong army and will certainly prove to be no pushover, it rests on a shaky political basis which coming events are bound to subject to enormous pressure.

According to the popular picture, the Chinese Communists owe their phenomenal rise to power essentially to their discovery of an explosive "charge" lying hidden in the Chinese village communities. The peasants, having been "inertly miserable" for thousands of years under the crushing burdens imposed on them by usurers and the owners of the land they tilled, became "alertly miserable" after our ideals of democracy and the rights of man had reached them. This was the explosive charge. Along came the Communists and provided the "fuse" by showing the peasants how to revolt and get ownership of their farms. Liberation of the energies contained in the "charge" has swept the Communists into power.

So far, all this is true. The "charge" is certainly there; but if we know how to play our cards we can make it explode right into the faces of the Communists themselves.

What a tragedy that America, of all nations, should now have to bend her energies toward destroying what little order and peace there is in China. But since the new rulers have wantonly dragged their country into the great conspiracy against the civilized world, what else could we do? We may thank God that the National Government of China has survived American foreign policy and is still there to help us and to remind us, always, that it is not the Chinese Nation but a conspiratorial regime which is our enemy.

THE CHINESE ARE WAKING UP

Look at the holes in the glowing picture painted in the books:

The Chinese peasant now owns the land he tills. The long-coveted title deed is his and so is the joy of possessing it. It gives him all the rice he needs, and security. Piffle. It does not. Under any government with limited powers it would; but it does not under a regime with unlimited rights of taxation. It all goes up in smoke. The title

deed given him by the Communists was a hoax; he has been betrayed. He can't help noticing it.

He never knew that the money extracted from him in rentals flowed, ultimately, into capital investments which kept the national economy going. He never thought that a government that relieved him from paying rentals would have to increase his taxes to make up for the loss in national savings. He did not know that Communist governments deliberately sacrifice the living generation for alleged benefits to future generations, that they do it by outrageously accelerating the process of capital formation—in other words, by taxing him as he had never been taxed before, in order to pay for rapid industrialization. He did not know it, and he does not know it now. But he is not pleased to pay, as he does now, more in taxes than he formerly paid in rentals and interest rates. On the contrary, he is as eagerly inclined to revolt against the new masters as he was against the old.

After having become the stronger party in the civil war, the Communists were in a position to offer peace. Weary of perpetual warfare, the Chinese people flocked to them by the millions. Now the angels of peace are leading the people into an even more frightful war. Won't they notice that, also?

The students, adolescent spearhead of Chinese public opinion, revolted against the little thought control there was under the old regime, only to creep into the straitjacket thought control of the new. Many of them are becoming aware of it, and resent it.

The industrial workers are now idle, or working for less pay.

The patriots turned their fury against the ghost of western imperialism and delivered their country into the grip of Russia. They are beginning to question what they have done.

WHAT KIND OF WAR?

We will not fight this war as the Japanese did, who sent their armies into the vast interior where they got bogged down. We could not even try to match American manpower against Chinese manpower, nor do we need Chinese raw materials or anything else out of China.

We should fight with planes and ships, and make up for our manpower shortage by raising Asian armies under the United Nations flag. No time should be lost in rearming Japan. Above all, we should allow the entirely reorganized and modernized army of the Chinese Nationalists on Formosa to take part in the war, giving it all the equipment and air cover it needs to become effective on the mainland. The masses of anti-Communist guerrillas, who are active in many parts of China, could be easily increased. The Communists taught the peasantry guerrilla tactics and the art of self-defense. Now this knowledge can be used against the Communist authorities and their tax collectors.

In this war, there will be a destructive task for us, and a constructive one. On the one hand, we have to undermine the Communist regime, on the other, to demonstrate to the Chinese people that there is an alternative. The Japanese failed because they could not offer that choice; a revitalized National government would provide it. It is enormously difficult to modernize a country like China. Yet, the younger men who have risen to leadership in Formosa have all it takes to succeed if we support and help them. By contrast, we shall find that subversion of the Communist regime is a much easier task, since it does not involve problems of readjustment between East and West. It can be accomplished by methods which are as old as China herself; and here is where Chiang Kai-shek comes back into the picture. He is past master in playing the old game of Chinese politics. Furthermore, only his name is known to every Chinese peasant and coolie and can become the symbol of an alternative to Communist rule.

While we were doing nothing, there was little hope for a split in Communist ranks. The war may produce it.

Mr. KNOWLAND. Finally, Mr. President, I ask to have printed at this point in my remarks an editorial which appeared in the same issue of the same magazine over the signature of Mr. Keep, the publisher, entitled "Let Us Do Our Stern Duty."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LET US DO OUR STERN DUTY

The raw intervention of Red China in the Korean War is the final proof that the Communist regimes of Russia and China are twins in evil and barbarism. Hard-minded people have never doubted it, but wishful thinkers among our socialistic do-gooders, scholars, and diplomats have clung desperately to the illusion that somehow the Chinese Reds were different and somehow might be appeased.

The British Socialists and Pandit Nehru, of India, have been as unrealistic as has Mr. Acheson. Now it is time for Mr. Acheson, Professor Jessup, John Carter Vincent, Dean Rusk, and other soft thinkers to resign from our State Department. This coterie of bad guessers has completely lost the confidence of the people.

Surely President Truman must know this. No considerations of pride, politics, or personal friendship can possibly justify his continuing to entrust the future of mankind to these discredited men. The President, like everyone else, must now do his stern duty. He will have Americans of both parties with him when he does.

There are only two things, it seems to us, that can prevent world war III and, if it comes, save Asia and the entire world from communism: (1) American willingness to fight as we were willing to fight after Pearl Harbor; (2) our realistic readiness to use every available ally, whether we like him or not, including, immediately, Chiang Kai-shek and his reformed and powerful Formosan Army and the hordes of disaffected Chinese guerrillas on the mainland.

We may very well be able to upset the Chinese Communist government without a general war, if we play our cards boldly and coldly before effective internal opposition is smothered. We have no intention of invading China, of course.

But Chiang must be released, as Senator WILLIAM KNOWLAND so wisely states, from his commitment not to raid the mainland of China, and we must immediately authorize our airmen to bomb the Manchurian airfields and centers from which the Chinese Reds are dispatched and supplied.

England 10 short years ago saved civilization from Hitlerism until help arrived. With infinitely greater resources the United States can save itself and the world from communism. There are enormous factors in our favor.

The Communist regimes are founded on fear, fanaticism, hate, and incredible cruelty. These regimes by now are as abhorrent to millions of Russians and Chinese as they are to us. There are already powerful undergrounds in both Russia and China, not to mention the shaky satellite nations. Millions of Communist troops are "undependable" and vast will be the sabotage and quick surrenders once the issue is fully joined.

We are fighting for our lives and for all freedom-loving people. We cannot afford to be too squeamish as to the means or the allies we employ against an absolutely ruthless enemy. This is the test of western civilization; can it again master a bold and savage tyranny?

Fortnight believes that in the interest of possible peace and—failing that—ultimate victory:

1. We must ask the UN bluntly to accuse Red China of outright aggression and deny her UN recognition.

2. We must maintain and strengthen our armies in Korea and keep this beachhead in Asia at all costs.

3. We must aid Chiang's Formosan army and his mainland guerrillas and saboteurs in every possible hard-boiled way.

4. We must first threaten to bomb Manchurian military objectives unless the Chinese Reds withdraw promptly from Korea, following through if they defy us.

5. We must, as Senator KNOWLAND says, arm the western Germans, the Japanese, and the Spaniards against the Russian threat.

6. We must put the Harry Bridges and the Hugh Brysons out of action, for their efforts to create unrest are intolerable at a time like this.

7. We must purge our Government of all suspected traitors whether proof sufficient for actual prosecution can be adduced or not. It is no part of anyone's civil rights to work for the United States Government.

8. We must draft more young men, after giving the hardier of them a chance to volunteer for hand-picked combat units which we now so sadly lack. We must call up more reserves and additional National Guard outfits. We must, unfortunately, get back to a war footing as rapidly as possible.

And we must keep our heads, embark on no witch hunts, persecute no groups. We must accustom ourselves to doing the hard thing rather than the soft and we must believe in Almighty God and the justice of our cause. Then, deserving leadership, we will surely find the entire civilized and semi-civilized world following our lead. In due time the top-heavy structure of world communism will fall in ruins as the result of our pressure against it and its own evil weakness.

O. D. KEEP,
Publisher.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The PRESIDING OFFICER (Mr. MCFARLAND in the chair) laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

RECESS

Mr. KNOWLAND. Mr. President, I move that the Senate now stand in recess until tomorrow at 12 o'clock.

The motion was agreed to; and (at 7 o'clock and 20 minutes p. m.) the Senate took a recess until tomorrow, Friday, December 22, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 21 (legislative day of November 27), 1950:

DIRECTOR FOR INTERNATIONAL SECURITY AFFAIRS

Thomas D. Cabot, of Massachusetts, to be Director for International Security Affairs.

UNITED STATES CIRCUIT JUDGE

John Patrick Hartigan, of Rhode Island, to be United States circuit judge, first circuit, vice John C. Mahoney, retired.

UNITED STATES DISTRICT JUDGE

Edward L. Leahy, of Rhode Island, to be United States district judge for the district of Rhode Island, vice John Patrick Hartigan, elevated.

UNITED STATES ATTORNEYS

Dalton T. Pierson, of Montana, to be United States attorney for the district of Montana, vice John B. Tansil, deceased.

Arthur A. Maguire, of Pennsylvania, to be United States attorney for the middle district of Pennsylvania. He is now serving in this office under an appointment which expired August 7, 1950.

Powless W. Lanier, of North Dakota, to be United States attorney for the district of North Dakota. He is now serving in this office under an appointment which expired June 4, 1950.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 21 (legislative day of November 27), 1950:

DEPARTMENT OF DEFENSE

Anna M. Rosenberg, of New York, to be Assistant Secretary of Defense. (Appointed during the last recess of the Senate.)

FEDERAL TRADE COMMISSION

Stephen J. Spingarn, of New York, to be a Federal Trade Commissioner for the unexpired term of 7 years from September 26, 1946.

DISPLACED PERSONS COMMISSION

John W. Gibson, of Michigan, to be a member of the Displaced Persons Commission.

DEPARTMENT OF THE NAVY

Rear Adm. Homer N. Wallin, United States Navy, to be Chief of the Bureau of Ships in the Department of the Navy, with the rank of rear admiral, for a term of 4 years.

Rear Adm. Malcolm F. Schoeffel, United States Navy, to be Chief of the Bureau of Ordnance in the Department of the Navy for a term of 4 years.

Rear Adm. Albert G. Noble, United States Navy, to have the grade, rank, pay, and allowances of a vice admiral while serving as Chief of Naval Material in the Department of the Navy.

IN THE ARMY

COMMANDING GENERAL, SEVENTH ARMY

Lt. Gen. Manton Sprague Eddy, O4655 (major general, U. S. Army), for appointment as commanding general, Seventh Army, with the rank of lieutenant general, and as a lieutenant general in the Army of the United States.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

The following-named officers for appointment in the Regular Army of the United States to the grades indicated under the provisions of title V of the Officer Personnel Act of 1947:

To be major generals

Albert Cowper Smith, O5265.
William Frederic Marquat, O6533.
George Anthony Horkan, O7201.
Jerry Vrchlicky Matejka, O7496.
William Herschel Middleswart, O8358.

To be brigadier generals

George Bittmann Barth, O11241.
Howard Louis Peckham, O12053.
Urban Niblo, O12418.
Wayne Clifton Zimmerman, O12436.
Francis Henry Lanahan, O12735.
Halley Grey Maddox, O12852.
Cortlandt Van Rensselaer Schuyler, O14905.

The following-named officers for temporary appointment in the Army of the United States to the grades indicated under the provisions of subsection 515 (c) of the Officer Personnel Act of 1947:

To be major generals

Ira Platt Swift, O12205.
Walter Joseph Muller, O12224.
Julian Wallace Cunningham, O4922.
Rex Webb Beasley, O5246.
John Lloyd McKee, O5613.
John Stewart Bragdon, O3770.
David Lewis Ruffner, O6997.
Paul Wolcott Rutledge, O7289.
Albert Pierson O11838.
Robert Miller Montague, O12261.
Courtney Whitney, O398227.
Kenneth David Nichols, O17498.

To be brigadier generals

Orlando Clarendon Mood, O14781.
Richard Brown Thornton, O14853.
John Francis Uncles, O14914.
Robert Nicholas Young, O15068.
Eugene Ware Ridings, O15230.
Elwyn Donald Post, O15243.
Robert Leroy Dulaney, O15351.
Edwin Britain Howard, O15361.
Gordon Edmund Textor, O15524.
Armistead Davis Mead, O15767.
Raleigh Raymond Hendrix, O15897.
John Murphy Willems, O16176.
Mason James Young, O3788.
Basil Harrison Perry, O5236.
John Tupper Cole, O5256.
Sterling Alexander Wood, O5308.
Clare Hibbs Armstrong, O5318.
James Francis Brittingham, O5746.
James Gasper Devine, O6540.
Marcus Brenneman Bell, O6316.
Theodore Francis Wessels, O6911.
Walter David Luplow, O7002.
Arthur Richard Walk, O7286.
Guy Orth Kurtz, O7418.
Frank Huber Partridge, O7497.
Theodore Leslie Futch, O8572.
Albert Carl Lieber, O8834.
Donald Sutter McConnaughy, O9738.
Boniface Campbell, O9788.
Merle Halsey Davis, O9832.
Charles Clifton Blanchard, O11200.
Eugene Vincent Elder, O11681.
Frank Needham Roberts, O12734.
David James Crawford, O14916.
Frank Sayles Bowen, Jr., O16434.
Victor Allen Conrad, O1554C.
Ralph Irvin Glasgow, O15576.
Richard Givens Prather, O15698.
Rinaldo Van Brunt, O16225.
Charles Ernest Loucks, O6949.
John Alexander Klein, O7536.
John Bartlett Hess, O12599.
William Henry Maglin, O15812.
Elbert DeCoursey, O17813, Medical Corps.

APPOINTMENTS IN THE REGULAR ARMY OF THE UNITED STATES

To be brigadier general, Medical Corps

Maxwell Gordon Keeler, C6320.

The nominations of Norman H. Abreau et al., distinguished military students, for appointment in the Regular Army of the United States, which were confirmed today, were received by the Senate on December 14, 1950, and appear in full in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Norman H. Abreau, which is shown on page 16570, and ending with the name of Lewis C. Miner, appearing on page 16572.

IN THE UNITED STATES AIR FORCE

The following officers for appointments to the positions indicated under the provisions of sections 504, Officer Personnel Act of 1947:

To be general

Lt. Gen. Nathan Farragut Twining 10A (major general, U. S. Air Force), Air Force of the United States, to be Vice Chief of Staff, United States Air Force, with rank of general, with date of rank from October 10, 1950.

To be lieutenant generals

Lt. Gen. Lauris Norstad, 25A (major general, U. S. Air Force), Air Force of the United States, to be commander in chief, United States Air Forces in Europe, with rank of lieutenant general, with date of rank from October 1, 1947.

Lt. Gen. Idwal Hubert Edwards, 11A (major general, U. S. Air Force), Air Force of the United States, to be Deputy Chief of Staff, Operations, Headquarters, United States Air Force, with rank of lieutenant general, with date of rank from October 1, 1947.

The following-named persons, who were appointed in the United States Air Force under recess-appointment provisions during the last recess period of the Eighty-first Congress, for appointment in the United States Air Force in the grades indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947) and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be major, USAF (medical)

Morris F. Wiener, O264174.

To be captains, USAF (medical)

Frank J. DiTraglia, AO474625.
W. B. Spencer, O935165.
Robert B. Stonehill, AO1726280.
John R. Troxell, O479393.

To be captains, USAF (dental)

Frank H. Ketcham O469419.
John G. Polhemus, Jr., AO1906109.

To be first lieutenants, USAF (medical)

James B. Anderson, AO342458.
Edwin R. Ballinger.
James L. Curtis, AO970593.
Martin J. Freedman, AO977691.
Roland E. McClain, 497348 USNR.
Clifford R. Pollock, AC976820.

To be first lieutenants, USAF (dental)

John R. Ashton
Robert L. Jeske

The following-named distinguished aviation cadets, who were appointed in the United States Air Force under recess-appointment provisions during the last recess period of the Eighty-first Congress, for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

James F. Bahl	Robert W. Koernig
Richard S. Beyer	Francis T. Martin, Jr.
Dolphus E. Blodgett AO673666	Earl W. Pitts
John S. Brace	George E. Schropp
Carl H. Carey, Jr.	William F. Voigt
Joseph M. Glasgow, Jr.	Byron L. Webber
Richard R. Heyde	Kenneth G. Yerg
Earl L. Huggins	Albert Yurgel

The following-named persons for appointment in the United States Air Force, in the grades indicated with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947), and title II, Public Law 365, Eightieth Congress (Army-Navy-Public Health Service Medical Officer Procurement Act of 1947):

To be majors, USAF (Medical)

Benjamin H. Inloes, Jr., 328894 USNR.
James P. Jernigan, O340404.

To be captains, USAF (Medical)

Robert L. Forrest, AO935795.
William H. Karmany, O486798.
Harold W. Woodcock, AO1706249.

To be captains, USAF (Dental)

Alexander G. Klier.
Philip Manners, AO1716336.
Willard H. Poor, AO1685910.
Marion R. Williams, AO975792.

To be first lieutenants, USAF (Medical)

Frederick G. Collins.
William W. Drummy, Jr., 491117 USNR.
Ernest R. Hartmann, AO972653.
James M. Keegan, AO963364.

Robert A. Matuska, AO978188.
Theodore E. Patrick.

To be first lieutenants, USAF (Dental)

William P. Dohoney, AO1325694.
David R. Jordan, AO1906258.
John F. Mack, AO965055.
Robert J. Morrison, AO1906265.
Enslie I. Schilb, Jr., AO945994.
George B. Shrewsbury, O1315377.
William W. Steiner, AO1906223.

Subject to physical qualification and subject to designation as distinguished military graduates, the following-named distinguished military students of the Senior Division, Reserve Officers' Training Corps, for appointment in the United States Air Force in the grade of second lieutenant, with dates of rank to be determined by the Secretary of the Air Force, under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

Theodore W. Alexander	Albert W. Madigan
Donald E. Bodie AO1856241	William M. Menco
Moses R. Box AO1857229	Kenneth E. Murley
Charles P. Caruso	Guy D. Perham
Guy C. Cisco, Jr.	James L. Pyle
Kenneth H. Coffee	Mose F. Ramsey, Jr.
Marvin H. Franzen	William A. Robertson, Jr.
Milton D. Hill	Orville H. Schwanger, Jr.
Charles S. Hoke	Rolf S. Scovell
Eugene E. Holmen	John H. Stotts
John W. Innis	Edgar Udine
Grant W. Johnson	David A. Vardaman
Bernard C. Lorenz	

The following-named distinguished aviation cadets for appointment in the United States Air Force in the grade indicated, with dates of rank to be determined by the Secretary of the Air Force under the provisions of section 506, Public Law 381, Eightieth Congress (Officer Personnel Act of 1947):

To be second lieutenants

Robert B. Bigelow.
George R. Cox, AO2101867.

The following-named officers for temporary appointment in the Air Force of the United States under the provisions of section 515, Officer Personnel Act of 1947:

To be major generals

Warren Rice Carter, 181A.
Emery Scott Wetzel, 464A.
John Alexander Samford, 377A.
Robert Kinder Taylor, 390A.
John Paul McConnell, 611A.

To be brigadier generals

John Stewart Mills, 357A.
Edwin Minor Day, 440A.
William Preston Nuckols, 534A.
Joseph Harold Hicks, 227A.
Herbert Miller Kidner, 309A.
Monroe MacCloskey, 318A.
Frederic Ernst Glantzberg, 405A.
Dudley Durward Hale, 431A.
Marshall Stanley Roth, 458A.
Donald John Keirn, 462A.
Pearl Harvey Robey, 473A.
John Walker Sessums, Jr., 489A.
Roy Henry Lynn, 492A.
William John Clinch, 532A.
Thetus Cayce Odom, 554A.
Morris John Lee, 556A.
Jacob Edward Smart, 592A.
Hunter Harris, Jr., 624A.
Leigh Wade, AO403535.
Gabriel Poillon Disosway, 654A.
Charles Raeburne Landon, 712A.
Charles John Bondley, Jr., 1073A.
James Clyde Selser, Jr., 1284A.
Frederick Jensen Dau, 834A.

IN THE NAVY

Vice Adm. Lynde D. McCormick, United States Navy, to have the grade, rank, pay, and allowances of an admiral while serving as Vice Chief of Naval Operations.

The following-named officers of the Navy for permanent appointment to the grade of rear admiral:

Rear admirals, line

Wallace R. Dowd	Walter E. Moore
Hugh E. Haven	Burton B. Biggs
Calvin M. Bolster	Lyman A. Thackrey
Ralph E. McShane	Grover B. H. Hall
John P. Womble, Jr.	Lorenzo S. Sabin, Jr.
Byron H. Hanlon	Walter G. Schindler
Robert F. Hickey	George L. Russell
Ruthven E. Libby	Milton E. Miles
Thomas H. Binford	William S. Parsons

Rear admirals, Medical Corps

Bertran Groesbeck, Jr.	Carl A. Broaddus
Herbert L. Pugh	Joseph B. Logue

Rear admiral, Supply Corps

Charles L. Austin

Rear admiral, Dental Corps

Daniel W. Ryan

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Navy from the 5th day of June 1951:

Allen E. Alman	Edwin A. McLean
Jack H. Anderson	Bruce R. McCullough
Robert T. Billington	Charles D. Mendenhall
Robert W. Blodgett	Russell H. Miles, Jr.
Robert L. Boonstra	Albert C. Mitchell
Daniel M. Branigan	James W. Murray
Frank S. Dennis	Loren A. Norden
Gerald W. Fauth, Jr.	Maurice T. Ross
Kenneth Fox	Harry M. Sumner
Robert N. Gray	Russell W. VanDore Jr.
Arthur S. Grenell	Leonard T. Weinstein
William A. Henshaw	Clinton C. Williams
Albert M. Hunt	
Donald L. Keach	
Lawrence C. Lander III	

The following-named (Naval Reserve Officers' Training Corps) to be ensigns in the Supply Corps of the Navy from the 5th day of June 1951:

Richard G. Gresla	Floyd O. Stroup
William S. Gripman	
Duane C. Nuechterlein	

The following-named women (civilian-college graduates) to be ensigns in the Navy:

Nancy J. Ardiff	Lorraine Kraff
Margaret L. Bristol	Mary L. McCarty
Elizabeth E. Bryan	Fran McKee
Allyne Burns	Patricia E. J. Moore
Margaret Caldwell	Norma F. Parlin
Marian A. Campbell	Mary C. Pettit
Dorothy I. Clark	Catherine L. Rutherford
Dorothy J. Cralle	
Gladys D. Duffy	Mary F. Saunders
Marie K. Elsen	Anne P. Smith
Lauraine A. Freethy	Margaret N. Spangler
Norma J. Gray	Mary E. Sturges
Betty J. Grimes	Faith E. Walters
Dolores L. Hanan	Mary E. Wood
Betty L. Harrah	

Mary S. Read, woman (civilian-college graduate), to be an ensign in the Supply Corps of the Navy.

The nominations of Joe L. Akagi et al. for appointment in the Navy, which were confirmed today, were received by the Senate on December 8, 1950, and appear in the Senate proceedings of the CONGRESSIONAL RECORD for that date, under the caption "Nominations," beginning with the name of Joe L. Akagi and ending with the name of Ruth E. Kennedy, which appear on page 16359.

The nominations of Theodore H. Armstrong et al. for temporary appointment in the Navy, which were confirmed today, were received by the Senate on December 8, 1950, appear in the congressional proceedings of the Senate for that date, under the caption, "Nominations," beginning with the name of Theodore H. Armstrong and ending with the name of Jacob Siegel, which appear on page 16407.

IN THE MARINE CORPS

The following-named officers of the Marine Corps for temporary appointment to the grade of major general, subject to qualification therefor as provided by law:

Gerald C. Thomas	Edward A. Craig
Henry D. Linscott	Christian F. Schilt

The following-named officers of the Marine Corps for temporary appointment to the grade of brigadier general, subject to qualification therefor as provided by law:

James P. Riseley	William J. Scheyer
Gregon A. Williams	Albert D. Cooley
Frank H. Lamson-Scribner	Lewis B. Puller
	Robert O. Bare

POSTMASTERS

ALABAMA

James H. Wilbanks, Fyffe.
Festus T. Bryan, Glenwood.
Billye S. McElroy, Livingston.
James E. Nettles, Jr., Repton.
Stephen H. Greene, Troy.

ALASKA

Norma A. Anderson, Craig.
Nancy E. Parker, Spenard.

ARKANSAS

Cecil Charles Walker, Eureka Springs.

CONNECTICUT

Jerry C. Cotrone, Old Greenwich.
Michael L. White, South Woodstock.

DELAWARE

Francis Allyn Cooch, Jr., Newark.

FLORIDA

Jackson F. Ritch, DeLeon Springs.
John Kenneth Rogers, Naples.
Lucius A. Bryant, Orlando.
Edward F. Thrasher, Seffner.

GEORGIA

Henry Ward Beecher Collins, Collins.
Dorothy K. Moxley, Wadley.

HAWAII

Lei Pansy Pickard, Hauula.

IDAHO

Bennie D. Harmon, Dubois.
Jimmy H. Christopherson, Hazelton.
Archie E. McKinley, Kellogg.
Willis J. Lyman, Rexburg.

ILLINOIS

James H. Sneed, Creal Springs.
John A. Weber, Lostant.
Roy H. Dawkins, Jr., Louisville.
Lowell L. Taylor, Metropolis.
Frances H. Pembroke, Monticello.
Curtis C. Lake, Niantic.
Arthur L. Koetting, Jr., Okawville.
Harry C. Shaw, Palestine.
Mary M. Hackett, Polo.
Everett C. Leeper, Rockport.
Frederick A. Dreyer, Steeleville.
Armanda R. Napoli, Steger.
Florence M. Binkley, Warrensburg.
Everett W. Patterson, Watseka.
Willard W. Cain, Woodhull.
Claude E. Wedel, Worden.

INDIANA

Ralph L. Combs, Cedar Lake.
Walter B. Popejoy, Delphi.
Leonard Y. Cripe, Goshen.
Clyde V. Wolford, Newberry.
Otho F. Wilson, Paoli.

IOWA

Loyd D. Webb, Alta Vista.
Gordon F. Williamson, Battle Creek.
Raymond A. Veale, Boone.
Elbie R. Petro, Cedar Rapids.
Raymond C. Formanek, Chelsea.
Gorman B. Howell, Clarinda.
Earl E. Gaule, Clearfield.
Leo J. Miller, Denison.
Reginald T. Naae, Graettinger.
Paul F. Goergen, Granville.
Richard D. McCarty, Hartley.
Walter E. Dietsch, Hills.

Edward C. Fritsche, Homestead.
Jerome E. Whalen, Jefferson.
Arlie V. Otto, Johnston.
Lloyd M. Crumly, Letts.
Harlan W. Cohrs, Lewis.
Paul J. Vollmer, Manning.
Henry C. Pendergraft, Mason City.
Doris B. Kimzey, Milo.
Robert E. Allmon, Missouri Valley.
Mark H. Booth, Montour.
John L. Weno, North Liberty.
Elder O. Bottolfson, Northwood.
Mary A. Boldra, Randolph.
Harold A. Berg, Ruthven.
Robert J. Balik, Spillville.
Gerald J. Svacina, Tama.
Berle G. Keck, Washta.
Matthew J. Elong, Waucoma.

KENTUCKY

Parker D. Moore, Bardwell.
Donald McDonald, Hardyville.

LOUISIANA

Dan W. Graves, Bogalusa.
Loy R. Gaar, Dodson.
Arthur H. Prevey, Elizabeth.
Edna C. Ducote, Hackberry.
Thomas F. Mahaffey, Jennings.
Clifford Duplechin, Mamou.
Tilon M. O'Bier, Shongaloo.

MAINE

John A. Merriman, Sedgwick.

MINNESOTA

John O. Barklow, Kasota.
Fritz R. Greenfield, Pease.
Leslie J. Henderson, Roosevelt.

MISSISSIPPI

Ruth Seale, Lyon.
Mary Bell Smith, Midnight.
Jimmy Griffith, Sunflower.

MISSOURI

Charles E. Jones, Rolla.

NEBRASKA

Chester A. Koza, Clarkson.
Burton E. McKee, Lyman.
Dean J. Ehle, Ponca.

NEW JERSEY

Frank A. Brown, Arlington.
Gladys A. Rysinski, Cliffwood Beach.
Dorothy B. Jahn, Mantoloking.
Edna M. Thompson, Mickleton.
Edward J. Brennan, Ocean Gate.
Francis E. Davenport, Pitman.
Harry F. Kolbert, Skillman.
Fiore V. Romeo, Stirling.
John F. Carroll, Teaneck.
Joseph S. Chamberlain, Titusville.

NEW YORK

Harold James Hyland, Arcade.
George A. Christensen, Clymer.
Abraham Finkle, Far Rockaway.
Michael S. Valvo, Forestville.
Marjorie H. Schneider, Islip.
Jesse J. Bridge, Madison.
Horace V. Orton, Wingdale.

NORTH CAROLINA

Emmett Robinson Wooten, Kinston.
Willie H. Smith, Rocky Mount.
James P. McPherson, Snow Camp.
Kent Haynes, State Road.

NORTH DAKOTA

Mary S. Tomlinson, Benedict.

OHIO

Gwendolyn M. Flack, Bettsville.
Jacob Benjamin Romine, Galion.
Dennis E. Hurst, Marietta.
Fred A. Luhnow, North Madison.
Florence V. Needler, Poland.
Verdi C. Von Thron, Port Clinton.

OKLAHOMA

Paul Hampton, Hinton.
Elsie V. Fulfs, Randlett.

OREGON

Donald B. Estes, Coquille.
Elva G. Varnum, Crater Lake.

PENNSYLVANIA

William L. Bedsworth, Belle Vernon.
Elizabeth S. Whitesell, Washington Crossing.
Samuel R. Klinger, Wiconisco.

SOUTH CAROLINA

Sam W. Lytchfield, Jr., Bonneau.

SOUTH DAKOTA

Marion E. Peterson, Arlington.
LaVerna L. Marshall, Draper.
James W. Sweaney, Sturgis.

TENNESSEE

Andrew J. Frazier, Bon Aqua.
Ted L. Rozell, Chapel Hill.
Charles H. Settle, Gainesboro.
Vesta C. Locke, Mount Juliet.
Charles R. Byrn, Murfreesboro.
James A. Britton, Whitesburg.

TEXAS

Ethan L. Upshaw, Belton.
Claude B. Lynch, Jr., Como.
Arlon T. Carroll, Crane.
Joe B. Chastain, Emory.
Clarence R. Wiley, Fort Stockton.
Roland A. Johnson, McCamey.
Thomas J. Agnor, Marshall.
Bonnie F. Goldsmith, Needville.

UTAH

Alva G. Boman, Lewiston.
Arvin L. Bellon, Roosevelt.
Franklin G. Slaugh, Vernal.

VERMONT

Fredric L. Pierce, Barnet.
Frederick L. Kemp, Craftsbury.
John P. Dudley, East Montpelier.
Reginald F. Pelow, Lyndon.

VIRGINIA

Charles F. Shuler, Elkton.
Hicklen B. Quillen, Jr., Cate City.
Charles T. Braswell, Norton.
Howard S. Myers, Virginia Beach.
Moffett E. Bibb, Jr., Weyers Cave.
Samuel H. Hale, Wise.
Mayo H. Worrell, Zuni.

WEST VIRGINIA

Charles W. Maloney, Bradshaw.
Elizabeth D. Burch, Smithers.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 21, 1950

The House met at 11 o'clock a. m.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou blessed and eternal God, we thank Thee for the high and holy privilege of coming unto Thee through the old and familiar way of prayer.

Grant that in these perilous times we may not rely only upon the might and power of material resources, but may we seek to develop strength of spirit and faith with which we shall be prepared and able to cope with anything that the future may hold for us of suffering and sacrifice.

We are confident that no enemy from the outside can ever conquer us and that if defeat should overtake us it would be because of our inner failures and the spiritual weakness of our hearts.

Inspire us to cultivate the habit of daily prayer for we have the testimony of experience that if we pray in ordinary days we shall know how to pray with conquering power when we are beset by trials and tribulations, by moods of cowardice and fear, and by despondency and despair.

In Christ's name we bring our petitions. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9827. An act to provide revenue by imposing a corporate excess-profits tax, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. GEORGE, Mr. CONNALLY, Mr. BYRD, Mr. MILLIKIN, and Mr. TAFT to be the conferees on the part of the Senate.

EXCESS-PROFITS-TAX ACT OF 1950

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference requested by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DOUGHTON, COOPER, DINGELL, MILLS, REED of New York, WOODRUFF, and SIMPSON of Pennsylvania.

CALL OF THE HOUSE

Mr. SMITH of Virginia. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 299]

Abernethy	Cannon	Elston
Allen, Ill.	Case, S. Dak.	Engel, Mich
Allen, La.	Cavalcante	Engle, Calif.
Anderson, Calif.	Chatham	Fellows
Andrews	Chesney	Fisher
Angell	Christopher	Fogarty
Barden	Cole, Kans.	Gamble
Baring	Colmer	Gary
Barrett, Wyo.	Combs	Gathings
Bates, Ky.	Cotton	Gavin
Battle	Coudert	George
Bennett, Mich.	Crook	Gillette
Blackney	Crosser	Goodwin
Boggs, La.	Davenport	Gordon
Bonner	Davies, N. Y.	Gorski
Boykin	Davis, Ga.	Graham
Brehm	Dawson	Gregory
Brooks	Denton	Gross
Buchanan	D'Ewart	Guill
Buckley, Ill.	Dondero	Hagen
Buckley, N. Y.	Doyle	Hall, Leonard W.
Burke	Durham	Hand
Burleson	Eaton	

Hare	McDonough	Rogers, Fla.
Harrison	McGrath	Roosevelt
Harvey	McMillan, S. C.	Sabath
Hays, Ark.	McMillen, Ill.	Sadlak
Hays, Ohio	Mack, Ill.	St. George
Hébert	Macy	Saylor
Hedrick	Madden	Scott, Hardie
Heffernan	Mahon	Scudder
Heller	Mansfield	Shafer
Herlong	Marcantonio	Short
Herter	Marshall	Sikes
Hill	Martin, Iowa	Simpson, Ill.
Hobbs	Martin, Mass.	Simpson, Pa.
Hoeven	Mason	Sims
Hoffman, Ill.	Miller, Nebr.	Smathers
Hoffman, Mich.	Morgan	Smith, Kans.
Holifield	Morrison	Smith, Ohio
Horan	Morton	Smith, Wis.
Huber	Moulder	Stanley
Irving	Murray, Tenn.	Stefan
Jackson, Calif.	Nicholson	Sutton
Jackson, Wash.	Noland	Talle
Jacobs	O'Brien, Ill.	Taylor
James	O'Brien, Mich.	Teague
Jenkins	Pace	Thompson
Jennings	Patman	Thornberry
Johnson	Patterson	Towe
Jonas	Peterson	Underwood
Jones, Mo.	Pfeifer, Joseph L.	Vorys
Jones, Hamilton C.	Pfeiffer, William L.	Wagner
Karst		Walsh
Kearns	Plumley	Welch
Kee	Poage	Werdel
Keefe	Potter	Wheeler
Kennedy	Poulson	Whitaker
Keogh	Powell	White, Calif.
Kerr	Preston	White, Idaho
Kilburn	Quinn	Whitten
Kilday	Rabaut	Whittington
Klein	Rains	Widnall
Kruse	Redden	Willis
Larcade	Reed, Ill.	Wilson, Ind.
Latham	Regan	Wilson, Tex.
LeCompte	Rich	Winstead
LeFevre	Richards	Wood
Lichtenwalter	Riehlman	Woodhouse
Lodge	Rivers	Yates
Lyle	Robeson	Zablocki

The SPEAKER. On this roll call 218 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

ADJOURNMENT FROM TOMORROW UNTIL TUESDAY NEXT

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that when the House adjourns on tomorrow it adjourn to meet on Tuesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

H. HALPERN & BRO., INC.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9236) for the relief of H. Halpern & Bro., Inc., of Boston, Mass., with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Page 1, line 5, strike out "$3,874.79" and insert "$661.86."

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

FOREST LUMBER CO.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3966) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman tell us what this bill is?

Mr. BYRNE of New York. Mr. Speaker, this is a bill to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co., which, as I understand it, has been cleared with the objectors.

Mr. TABER. How much is involved?

Mr. BYRNE of New York. I cannot say what the terms of the claim may be.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 2103 of the Revised Statutes (U. S. C., title 25, sec. 81) and notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of the Court of Claims with respect to claims upon any contract implied in law, jurisdiction is hereby conferred upon such court to hear, determine, and render judgment upon the claim of the Forest Lumber Co. either against the United States in a fiduciary capacity for the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians or against said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians in connection with the contract construed by such court in its decision dated January 12, 1938, in the case of Forest Lumber Co., a corporation, against the United States (86 C. Cls. 188).

SEC. 2. The amount of any judgment awarded by the Court of Claims upon such claim shall not exceed the amount of the judgment heretofore awarded by such court in the case of Forest Lumber Co., a corporation, against the United States (86 C. Cls. 188, 225).

SEC. 3. Suit upon such claim may be instituted by or on behalf of the Forest Lumber Co. at any time within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof shall be had as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code, and the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians shall be entitled to be represented in such proceedings, if they so desire, by legal counsel employed in conformity with the provisions of section 2103 of the Revised Statutes (25 U. S. C. 81). In the trial of any such suit the Court of Claims shall have jurisdiction to hear and determine any defenses available under the rules of law and equity applicable to contracts made by the United States, defenses of waiver or estoppel based on the course of dealing between the parties, and defenses based on mistake of law or fact, including any failure to collect sums payable under the contract involved in such suit by reason of mistake of law or fact, and shall determine the liability, if any, of the parties defendant as the facts and law require. Parol evidence shall be admissible for the purposes of proving or disproving such defenses notwithstanding any limitation upon the admissibility of parol evidence in suits involving contracts in writing. Any set-off, counterclaim, claim for damages, or other demand set up on the part of any defendant shall be heard and determined by the court in accordance with the provisions of section 2508 of title 28 of the United States Code.

SEC. 4. Any part of any judgment rendered hereunder which represents sums actually deposited to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians for timber cut from tribal lands shall be paid by the Secretary of the Treasury, upon appropriation by the Congress, from any funds in the Treasury of the United States to the credit of said tribe. Any other part of any judgment rendered shall be payable in the same manner as in the case of claims over which the Court of Claims has jurisdiction under section 1491 of title 28 of the United States Code.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ALGOMA LUMBER CO.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3967) to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain what this bill is?

Mr. BYRNE of New York. Mr. Speaker, this is a bill similar to the one just passed giving jurisdiction to the Court of Claims and also cleared by the objectors.

Mr. TABER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That, notwithstanding the provisions of section 2103 of the Revised Statutes (U. S. C., title 25, sec. 81) and notwithstanding any statute of limitations or lapse of time or any limitation upon the jurisdiction of the Court of Claims with respect to claims upon any contract implied in law, jurisdiction is hereby conferred upon such court to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. (including the claim of George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust, successors by transfer, conveyance, and assignment thereof) either against the United States in a fiduciary capacity for the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians or against said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians in connection with the contract construed by such court in its decision dated January 12, 1938, in the case of Algoma Lumber Co., a corporation, against the United States (86 C. Cls. 226).

SEC. 2. The amount of any judgment awarded by the Court of Claims upon such claim shall not exceed the amount of the judgment heretofore awarded by such court

in the case of Algoma Lumber Co., a corporation, against the United States (86 C. Cls. 226, 271).

SEC. 3. Suit upon such claim may be instituted by or on behalf of the Algoma Lumber Co. or by the said trustees as successors in interest thereto at any time within 1 year after the date of enactment of this act. Proceedings for the determination of such claim and review thereof shall be had as in the case of claims over which such court has jurisdiction under section 1491 of title 28 of the United States Code, and the Klamath and Modoc Tribes and Yahooskin Band of Snake Indians shall be entitled to be represented in such proceedings, if they so desire, by legal counsel employed in conformity with the provisions of section 2103 of the Revised Statutes (25 U. S. C. 81). In the trial of any such suit the Court of Claims shall have jurisdiction to hear and determine any defenses available under the rules of law and equity applicable to contracts made by the United States, defenses of waiver or estoppel based on the course of dealing between the parties, and defenses based on mistake of law or fact, including any failure to collect sums payable under the contract involved in such suit by reason of mistake of law or fact, and shall determine the liability, if any, of the parties defendant as the facts and law require. Parol evidence shall be admissible for the purposes of proving or disproving such defenses notwithstanding any limitation upon the admissibility of parol evidence in suits involving contracts in writing. Any set-off, counterclaim, claim for damages, or other demand set up on the part of any defendant shall be heard and determined by the court in accordance with the provisions of section 2508 of title 28 of the United States Code.

SEC. 4. Any part of any judgment rendered hereunder which represents sums actually deposited to the credit of said Klamath and Modoc Tribes and Yahooskin Band of Snake Indians for timber cut from tribal lands shall be paid by the Secretary of the Treasury, upon appropriation by the Congress, from any funds in the Treasury of the United States to the credit of said tribe. Any other part of any judgment rendered shall be payable in the same manner as in the case of claims over which the Court of Claims has jurisdiction under section 1491 of title 28 of the United States Code.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

E. J. ALBRECHT CO.

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 752) for the relief of the E. J. Albrecht Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. BYRNE of New York. This particular bill, Mr. Speaker, has been objected to by the objectors. I simply call it up to indicate that I would call it up and expected, of course, an objection from the objectors.

Mr. TABER. What does the bill do?

Mr. BYRNE of New York. This bill came from the Senate; I believe it is Senator LUCAS' bill. It was passed by our Claims Committee, and the objectors have objected to it.

Mr. TABER. I think under those circumstances I shall object, Mr. Speaker.

RICHARD H. BUSH

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3260) for the relief of Richard H. Bush.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain that bill?

Mr. BYRNE of New York. This is a bill which has been reduced in the amount of some three-hundred-odd dollars, and it is not objected to by the objectors.

Mr. TABER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the Senate bill, as follows:

Be it enacted, etc., That any salary payments made by any disbursing officer of the United States Army to Richard H. Bush (Army serial No. RA 6955646) for the period from January 21, 1946, to May 16, 1947, for which the said Richard H. Bush was retroactively rated and paid as a technical sergeant, shall be held valid and lawful.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FEDERAL BUREAU OF INVESTIGATION

Mr. BYRNE of New York. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3945) to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. TABER. Mr. Speaker, reserving the right to object, will the gentleman explain this bill?

Mr. BYRNE of New York. This particular bill will grant to the Director, Associate Director, Assistant to the Director, Assistant Directors, inspectors, and agents of the Federal Bureau of Investigation of the Department of Justice the right to carry firearms, serve warrants and subpenas issued under the authority of the United States and make arrests without warrant for any offense against the United States; in other words, this bill will correct the situation that was brought about by the arrest of the Coplon woman and upon which arrest the verdict against her was reversed by the circuit court of appeals in New York recently.

Mr. TABER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 3052 of title 18, United States Code, is amended to read as follows:

"The Director, Associate Director, Assistant to the Director, Assistant Directors, inspectors, and agents of the Federal Bureau of Investigation of the Department of Justice may carry firearms, serve warrants and subpenas issued under the authority of the United States and make arrests without warrant for any offense against the United States committed in their presence, or for any felony cognizable under the laws of the United States if they have reasonable grounds to believe that the person to be arrested has committed or is committing such felony."

SEC. 2. Section 3107 of title 18, United States Code, is amended to read as follows:

"The Director, Associate Director, Assistant to the Director, Assistant Directors, agents, and inspectors of the Federal Bureau of Investigation of the Department of Justice are empowered to make seizures under warrant for violation of the laws of the United States."

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

House Resolution 888 was laid on the table.

GEORGE O. DRUCKER AND OTHERS

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2460) for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

Mr. TABER. Reserving the right to object, Mr. Speaker, will the gentleman explain the bill?

Mr. WALTER. This bill and 11 similar bills, all Senate bills, have been passed by the Senate. Our committee has reported them unanimously. They are all private immigration bills.

Mr. TABER. Have they been cleared by the objectors?

Mr. WALTER. Yes; they were cleared by the objectors.

Mr. TABER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker, who entered the United States on transit visas, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of May 14, 1949, the date on which they entered the United States, upon payment of the required head taxes and visa fees.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct three numbers from the nonpreference category of the first available immigration quota for nationals of Czechoslovakia.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FRANCES ETHEL BEDDINGTON

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2888) for the relief of Frances Ethel Beddington.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration and naturalization laws, the Attorney General be, and he is hereby, authorized and directed to record the lawful admission for permanent residence of Frances Ethel Beddington as of December 16, 1945, the date she was admitted temporarily to the United States, upon payment of the required visa fee and head tax. Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GIUSEPPE MERLINET FORGNONE

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2981) for the relief of Giuseppe Merlinet Forgnone.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Giuseppe Merlinet Forgnone, who was admitted into the United States on February 7, 1949, on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Italy.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

BERNIECE JOSEPHINE LAZAGA

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3044) for the relief of Berniece Josephine Lazaga.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Berniece Josephine Lazaga, Berkeley, Calif., who entered the United States on March 12, 1948, at San Francisco, Calif., as a nonquota immigrant student, shall be held and considered to have been lawfully admitted, as of such date, to the United States for permanent residence upon payment of the required visa fee and head tax. Upon the enactment of this act, the Secretary of State shall instruct the proper quota-control officer to deduct one number from the quota for the Philippine Islands for the first year such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

DR. LUTFU LAHUT UZMAN

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3125) for the relief of Dr. Lutfu Lahut Uzman.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Dr. Lutfu Lahut Uzman, of Cambridge, Mass., who was admitted into the United States on a student visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of his last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Turkey.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

GEORGE BRANDER PALOHEIMO AND EVA LEONORA PALOHEIMO

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3241) for the relief of George Brander Paloheimo and Eva Leonora Paloheimo.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purpose of the immigration and naturalization laws, George Brander Paloheimo and Eva Leonora Paloheimo, natives of Finland, shall be considered the natural-born alien children of their adopted parents, Mr. and Mrs. Y. A. Paloheimo, citizens of the United States.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ETHELYN ISOBEL CHENALLOY

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3259) for the relief of Ethelyn Isobel Chenalloy.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Ethelyn Isobel Chenalloy, of Los Angeles, Calif., who was admitted into the United States on a temporary visa, shall be held and considered to have been lawfully admitted to the United States for permanent residence as of the date of her last entry into the United States, upon the payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available Chinese immigration quota.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

WILLARD SIDMER RUTTAN

Mr. WALTER. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3261) for the relief of Willard Sidmer Ruttan.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the imigration laws, relating to the issuance of immigration visas for admission to the United States for permanent residence and relating to admissions at ports of entry of aliens as immigrants for permanent residence in the United States, that provision of section 3 of the Immigration Act of 1917 (39 Stat. 875), as amended (U. S. C., title 8, sec. 136 (e)), which excludes from admission to the United States persons who have been convicted of or admit having committed a felony, or other crime or misdemeanor involving moral turpitude shall not hereafter be held to apply to Willard Sidmer Ruttan.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ARMANDO SANTINI

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 3378) for the relief of Armando Santini, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Armando Santini shall be held and considered to have been lawfully admitted into the United States for permanent residence as of July 12, 1948, the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the first available immigration quota for nationals of Italy.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

JOSE MANZANO SOMERA

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 3554) for the relief of Jose Manzano Somera, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, in the administration of the immigration laws, Jose Manzano Somera, temporarily residing in Chicago, Ill., shall be held and considered to have been lawfully admitted into the United States for permanent residence as of the date of his last entry into the United States, upon payment of the required head tax and visa fee.

SEC. 2. The Secretary of State is authorized and directed to instruct the proper quota-control officer to deduct one number from the nonpreference category of the appropriate immigration quota for the first year such quota is available.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

LINDA LEO

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (S. 3699) for the relief of Linda Leo, and ask for its immediate consideration.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That, for the purposes of the immigration and naturalization laws, Linda Leo, the minor child of Yee Leo, a citizen of the United States, shall be deemed to be eligible for admission into the United States under the provisions of sections 4 (a) and 9 of the Immigration Act of 1924, as amended, if otherwise admissible under the immigration laws.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FAVORING SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the concurrent resolution (S. Con. Res. 108) favoring the suspension of deportation of certain aliens, and ask for its immediate consideration.

The Clerk read the title of the concurrent resolution.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Clerk read the concurrent resolution, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Congress favors the suspension of deportation in the case of each alien hereinafter named, in which case the Attorney General has suspended deportation for more than 6 months:

A-5536319, Abraham, Veronika, or Veronica Abraham.

A-4344291, Abreu y Alvarez, Ricardo, or Richard Abreu.

A-6711109, Abstender, Liza (nee Liza Markowicz).

A-2245436, Ali, Asod, or Alli Asod Ullah or Asodeoolla Ashruffoolla.

A-5501876, Alinosi, Lottie Bernice (nee Dean).

A-3763210, Alma, Helen (nee Stedman Kinter or Alma S. Kinter or Alma Stedman Kinter).

A-4480223, Altamura, Pasquale.

A-6857826, Alter Salomon Sloima.

A-5199171, Alvarez, Justina Martin.

A-3059986, Amat, Kasmoin, or Kasmoin Bin Amat.

A-6289628, Arce, Socorro Labrado Ylanan, or Socorro Labrado Rodrigues (maiden name), formerly Socorro Labrado Ylanan alias Mrs. Joe Manila.

A-6439301, Arcellana, Juan Aquino.

A-5395748, Arnold, Gustavus or Gus Arnold.

A-5987632, Arron, Barbara, or Sydney Barbara Arron or Barbara Lewis.

A-5158808, Ashton, Sarah Ellen, or Sarah Ellen Lewis (nee Muskett).

A-3594093, Asrilant, Willy, or Wolka Asrilant or Zev Wolf.

A-5906951, Auriammo, Elsie.

A-1619827, Avvantaggio, Frank, or Frank Conti.

A-7044374, Bagues, Salvador, or Ruben Marrufo or Salvador Bagues-Villanueva.

A-5134324, Bahler, Karl F., or Karl Friedrich Bahler or Karl Bahler.

A-6030813, Basalo-Sosa, Carmen Teresa.

A-6172610, Bautista, Adalia Marquez de.

A-6702357, Benintende, Francesco, or Frank Benintende.

A-5156017, Berken, Regina Jean Matyas.

A-6719358, Bijjani, George Yousuf.

A-5624281, Birznier, Lina Margareta.

A-6975483, Blount, Richard Keith.

A-5652886, Blumberg, Barney Masel, or Boroch Blumberg.

A-4964138, Boeschling, Henry Frederick Wilhelm.

A-6427944, Bohn, Odette (nee De Rich or Rich).

A-5722987, Bonacasa, Liborio, or Benny Bonacassa or Bonacasa Liborio.

A-4068857, Bongini, Christino, or Christino Bongini.

A-5944282, Boutilier, Verner Trinimon, or Fred Gavin.

A-7049222, Bovoletis, Peter Considine.

A-5110682, Brega, Ernesto.

A-6687726, Brown, Basilette Argendeli (nee Argendeli).

A-5932145, Brown, Percy Flint.

A-6614098, Brown, Vernal Albert.

A-5648521, Bruck, Lila, or Hedwig Drdlik or Hedwig Bruck.

A-6732457, Bulleri, Dora Luigiana.

A-4490134, Burack, Sam.

A-5085609, Cardoza, Joao Ferreira, or John F. Cardoza.

A-7178248, Carlson, Berna Birgit Allrum.

A-4399018, Carroll, Louis Lawrence, or Louis Carroll.

A-5972088, Carty, Peter Silven.

A-2746974, Casais, Domingo, or Domingo Cassis y Costa.

A-6642478, Chaltas, Aristea Constantinou Katraouzou, or Aristea Constantinou Katraouzou.

A-6187140, Chan, William Hee, or Gik Hee Chan.

A-6187141, Chan, Linda Siu King, or Chum Shao King.

A-5552575, Charleson, Frank Langelier.

A-7539135, Chiang, Chien Yin, or Chien Chick Yin.

A-6798761, Yink, Chiang Chu Sheng (nee Chu Sheng Ying).

A-3291982, Chikhmatoff, Olga Chirinsky, or Olga Shirinsky Shikhmatoff (nee Korff).

A-7273887, Clewis, Raimer Herman, or Rainer Herman Clewis (formerly Raimer Herman Saladin or Rainer Herman Saladin).

A-0230243, Cohen, Albert Kibrit, or Alberto Cohen Kibrit or Albert Cohen.

A-1455053, Constantios, Philipos Nikolas, or Philip Constantios.

A-3021828, Costa, Amedeo Giovanni, or Amedeo G. Costa.

A-5811877, Damhus, Ejnar Jensen, or Edward or Eddy Damhus.

A-4822959, Dapas, Pietro, or Peter Dapas.

A-6690314, De Acosta, Petronila Machuca.

A-6603146, De Barrios, America Cabrera.

A-6603166, Barrios Y Cabrera, Jesus.

A-6787390, De Escobedo, Consuelo Gomez-Alonzo, or Rafaela Lopez.

A-7050144, De Ferrari, Felicina Gallo (nee Felicina Serafina Gallo).

A-6455865, De Grimwood, Laura Antonia Padilla.

A-1101037, Delikat, Lottie Margaret.

A-6323338, Dennis, Edward Victor, or Edward Victor Brown.

A-1412812, Diamantis, Stavros Spyridon.

A-5346801, Di Carlo, Calogero, or Calogero Lelio Di Carlo.

A-4418201, Doorly, Joseph, or Joseph Dorley.

A-7273891, Doring, Uwe Franz.

A-5618814, Dumkolis, Trifo Alexander, or Trifo Alexander Dumkoloff or Trifo Alex Dumkeles.

A-6897795, Eastman, Elsa Oria (formerly Elsa Oria Garchitorena, nee Elsa Erinko Oria).

A-6852384, Elefant, Clara, or Elder, nee Lakatos.

A-5151368, Enomoto, Mihacri or Jack.

A-6364325, Entralgo, Luis Estella.

A-4789169, Esop, Edward.

A-6811187, Esposito, Lucien Nicolas.

A-7196657, Essoglou, Panteleimon Elie.

A-6745435, Estaque, Jeanne (nee Seitelsohn).

A-6162093, Faustino, Iluminador Flores.

A-6362677, Femino, Marina Domenica Grace (formerly Hislop).

A-6420315, Fieldhouse, Roger Hyde.

A-1842349, Figueiras, Jose Gallardo, or Jose Gallardo.

A-7203232, Flanagan, Johanna Adriana.

A-4570472, Fogel, Morris, or Moische Fogel.

A-6878609, Forcke, Nadine Elwin.

A-6878610, Forcke, Eddie Wallace.

A-3079984, Fournaris, Constantinos Georgios, or Constantinos Fournaris or Gus Fournaris or Kostas Fournaris.

A-6808868, Franklin, Gudrun, or Gudrun Bruinsma.

A-5456991, Friedman, Fanny or Kalmar.

A-1875873, Fu, Huang, or Wong Fook or Wong Fook Nygoon or Wong Fook Yuen or Wong Chun Go.

A-7039621, Galati, Salvatore.

A-5739972, Galati, Maria Antico.

A-7198759, Gampe, Roland Pierre Lucien, or Roland P. Gampe.

A-5854618, Garden, Janet Miller, or Jean Whatling.

A-6353465, Gernaey, Marie Madeline (nee Kemmer, or Marie Madeline Jablonski).

A-6872607, Godley, Percival Francis, or Francis Percival Godley.

A-6872608, Godley, Doris (nee Eldred).

A-6649919, Goldstein, Rubin, or Riven Goldstein.

A-1046757, Goldstein, Sol.

A-6506566, Grille, Paul Jacques.

A-1868318, Gronek, Helena, or Helen Gronek.

A-6965863, Grun, Elza, or Elise Weisz, or Eiszi or Eliz or Elsa.

A-6784146, Gubel, Josef.

A-4306817, Guerrero, Bozena Tomankova (nee Bozena Tomankova).

A-6164825, Gum, Mim, or Min Gum.

A-7131216, Guthrie, James.

A-3199500, Gutierrez, Dolores, or Dolores Arroyo.

A-4146713, Gutierrez, Guadalupe (alias Guadalupe Arroyo).

A-1976967, Hagymasi, Terez, or Terez Massey.

A-1601361, Hallas, Dionisios or Georgadidgh.

A-6905340, Hand, Monique Yvonne (nee Placide).

A-1822905, Handeli, Vitali, and Victor Handeli.

A-6497132, Hardy, Cornelia Agatha.

A-6022964, Haritopoulos, Elias Theodore (alias Elias Charitopoulos alias Louis Haritopoulos).

A-3295410, Hartmann, Barbara (nee Hess).

A-6216009, Hastings, John.

A-7115400, Hayes, James Victor.

A-5308606, Heinz, Joseph Karl.
A-6861917, Hendrickson, Agda Jakobina, formerly Ruutikainen (nee Meriruusu).
A-6567798, Holen, Jenny Klara (nee Walderhaug).
A-6243527, Hou, Ai Ying, or Mah Ah Ying or Wang Ai Ying.
A-6853305, Howe, Maclean Kenneth Daniel (alias Hau Kam Tat or Daat).
A-6838592, Hristostomidis, Hristostomis Yani, or Chris John Chrisostomidis.
A-6245685, Hronis, Sophie.
A-7530134, Hsiang, Ping, or Ping Hsian Hsiang or Catherine Hsiang or Bian Hsian Hsiang or Hsiang Bin Hsien.
A-3043752, Huffan, Edwin Eric.
A-5872012, Hum, Lee Shee, or Hum Lee Shee.
A-6505446, Huvos, Laszlo, or Leslie Huvos.
A-6590020, Iacovetta, Osvaldo, or Osvaldo Iocovetta or Osvaldo Iacouetta.
56093/439, Ibrahim, Mehmet, or Ibrahim Mehmet or Mehmed Abrahim.
A-6367213, Iversen, Bjorg Wennberg.
A-6455634, Jacks, Edna Eulalia (nee Barkas, or Edna E. Jacks).
A-6872541, James, Poulia or Poulia Cotsifa, maiden name, or Poulia Kotsifa.
A-5665665, Jaresch, Emma Johanna.
A-6930157, Jarosz, Ingelise Solveig (nee Jensen).
A-2395816, Kakowoulis, Nicolis, or Nickolis Kakovoulis.
A-7115013, Kastanos, Antonios Simos.
A-3930365, Kew, Ko, or Kew Ko.
A-6369146, Khouri, Mounira (nee Mounira Abouzeid or Mme. Vve Nagib).
A-7189565, Kiang, Stuart, or Chao-Hai Kiang.
A-1757786, Kilian, Jozef.
A-6187117, Kim, June Jha.
A-7043054, Kiu, Kong Yuet, or Cecile Kong or Tong Yuet Kiu.
A-5398701, Kleszncki, Wilhelm August, or Wilhelm Kleznicki or William August Kleszncki or William August Lkeznicki.
A-5110558, Knaus, Maxmilian, or Max Knaus.
A-5299330, Knudsen, Soren Anton or Steve Knudsen.
A-5282771, Kurth, Paul Gustav.
A-6254761, Kyriakidks, Makrina, or Makrina S. Kyriakides or Makrina Socrates Kyriakides (nee Makrina Kouzoudjacojhiu).
A-9511403, Lai, Leung.
A-5472117, Larsen, Christian Peter, or Christian Peter Werdelbon.
A-5187667, Larsen, Dagny Kirstine Johanna Sorensen.
A-7039676, Larsen, Betty Dagny.
A-6008146, Lawver, Maria Tome Da Silva.
A-5336741, Lee, Hung Yuke.
A-1663081, Lekich, John, or John Sam Lekich.
A-6510544, Lemak, Oscar.
A-6510545, Lemak, Zoltan.
A-9749126, Leon, Francisco Ysmael Martinez, or Francisco Martinez.
A-7053056, Lewis, Rosane Maria, or Rosana Maria Mannucci, Rosanna Mannucci.
A-4280100, Lima, Jose Paiva, or Jose De Paiva Lima.
A-7141199, Lincourt, Linda Margaret, or Linda Margaret Suitter.
A-2303848, Linkous, Gladys Corless (nee Corless).
A-7099284, Loeschnigg, Janet, or Misuet Loechnigg, or Misuet Loeschnigg.
A-6620856, Loginoff, Natali N.
A-6817715, Lowe, Evelyn Joan (nee Sommerfeld or Summerfield, formerly Rutherford).
A-1394982, Luckiewicz, Joseph Kazimierz.
A-4866489, Luehmann, Alwin Albert Hermann.
A-6182809, Luis, Domingo.
A-1162558, Macpherson, Donald Joseph.
A-1001691, Madore, Rose Marie (nee Cote or Rose Marie Labrie).
A-7140937, Mahlmann, Dirk Robert, or Dirk Robert Vogel or Dirk Robert Hogan.
A-5537676, Majchrzak, Mary.
A-2244345, Manalis, John Ioannis.
A-5914713, Marchetti, Pietro Guido, or Pietro Marchetti or Pete Marchetti or Francisco Genetti.
A-3325763, Mark, See Cheung.
A-4778299, Markiori, Emilio, or Emilio Marchiori or Emilio Marki.
A-7083230, Markoures, Irene Panageotou, or Irini Athanasios Panageotou.
A-7140936, Marlmann, Rainer Wolfgang, or Rainer Wolfgang Hogan.
A-4632664, Marmorstein, Alexander, or Alex M. Stone.
A-6611011, Marwick, Nancy Joy.
A-1205669, Masuko, Sadao.
A-3397407, Matchkaloff, Alexander Serge, or Alexander S. Machavariani or Alexander Sedrakovitch Machkaloff or Alexander S. Machavarian or Alexander Angelo.
A-5427886, Matthiesen, Heinrich, or Heinrich Walter Matthiesen.
A-5147605, McCombs, Gordon Leslie.
A-4374141, Mckay, Sariphas.
A-5829263, Mehr, Lena Melissa, or Lena Melissa Bates (nee Goodwin).
A-2997698, Menagatos, Soterios Demitriou (alias Sam Poulos).
A-6799595, Mendoza, Jose Leofranco Perez.
A-6953451, Metzger, Henryk.
A-6038690, Meukow, Walter Trendel, or Walter Trendel.
A-6172753, Millios, Argyro, or Argyro Milliou (nee Argyro Gouliou).
A-6989727, Mitchell, Irene (nee Tsingheraki).
A-4774231, Mohamed, Niaz.
A-7032580, Montesantos, Eleftherios, or Terry Montesantos.
A-4441139, Moret, Giovanni Battista, or John Moret.
A-5644709, Morrall, Edgar Michael, or William Henry Thomas.
A-4314060, Moss, Joseph.
A-5869852, Moss, Sarah.
A-5412142, Mui, Kan Chi, or Lung Sheung Mui.
A-4854667, Muniz-Gardea, Sotero, or Sotero G. Muniz, or Sotero Soto.
A-4354668, De Muniz, Catalina Gomez.
A-7064744, Mustapa, Margit Hildegard, or Margit Hildegard Jarvinen.
A-1514718, Nacinovich, Frank.
A-6074029, Nevarez, Herriberto, or Heriberto Nevarez Valencia.
A-6706845, Ngon, Jew Yee Sue.
A-5714884, Nicholoff, Karl Christ, or Karl Nicholoff or Kyrillos Bozanis Nicholoff.
A-2386564, Nicolas, Herman Henry or Nicholas.
A-6722391, Nicoletopoulos, Leonidas Diomidis.
A-5310261, Norby, Arnt.
A-5156554, Ohnstein, Martin, or Charles Hagendorf.
A-5295492, Olesen, Marius Imanuel.
A-1188009, Orro, Ano Rosa, or Nina R. Lopez or Maria Teresa Cartaya.
A-1119930, Orsini, Filippo.
A-5022341, Ortiz, Jose, or Joseph Ortiz or Jose Ortiz Camus.
A-6572200, Ortiz, Robert.
A-5221301, Paliaga, Peter.
A-5157878, Palmes, Stanley Gerald.
A-5212363, Paolini, Giuseppini, formerly Giuseppina Milesi (nee Bargellini).
A-5081215, Papadopoulos, Yoannis, or Ioannis Papadopoulos.
A-6947402, Paplitzky, Ingeborg Ingrid.
A-6280674, Pascual, Marta Villarin.
A-6630763, Pataki, Viola Klara (nee Lanyi).
A-7203344, Paulsen, Greta Juul.
A-7117535, Paulsen, Einar Juul.
A-7110852, Penalva, Marcel Aime.
A-4897907, Perugini, Pasquale Aniello, or Pasquale Perugini.
A-5137818, Pfeiffer, Richard Ewald.
A-7178604, Pilos, Thalia Kalkandis, or Thalia Kalkandis or Thalis Stavros Pilos or Thalia Stavros Kalkandis.
A-2069819, Pina, Enrique (alias Henry Pina).
A-7203340, Piscope, Domenico.
A-6849316, Pla, Yolande, or Yolande Prato.
A-6725293, Poharnck, Zoltan Imre.
A-4390552, Polzin, Rudolf.
A-3117457, Poppos, Demetrios, or Demilrios Poppos.
A-7083227, Powell, Alwyn Leslie.
A-5664259, Prol, Antonio Alvarez.
A-7072434, Proskouriakoff, Irene Daniel.
A-7019124, Purdy, Cassie May.
A-5455840, Puzzolo, Giuseppe.
A-1643444, Rabias, Constantinos Nicolaos.
A-1595278, Radulich, Blasul, or Blasul Radulic.
A-6296121, Redfern, Ruth Myrtle.
A-6296119, Redfern, Allan Henry.
A-5630645, Redwood, Margaret (nee Margaret Marshall).
A-7097046, Rein, Monika.
A-3543705, Reis, Rosa Oliveira (nee Rosa Candida Oliveira).
A-5911903, Rigas, Eleftherios.
A-6995278, Rim, Lilly Mary (Mrs. Herbert Rim) (nee Lilly Mary Ruppert or Lilly Mary Ruppert De Rin by a former marriage Mrs. Hans Neumann).
A-7044264, Roberts, Grace Ruth Kearny.
A-5068648, Roininen, Laina Maria, or Laina Maria Roine.
A-7050590, Rosadio, Jose.
A-6018546, Rosenblum, Lajb, or Leo Rosenblum.
A-5127498, Rosenlund, Rolf.
A-1107407, Roston, Albert Joseph, or Abraham Josef Rothstein.
A-6307307, Roth, Elizabeth Evelyn Achica, or Elizabeth Evelyn Achica.
A-6569422, Rubinstein, Israel.
A-1991240, Rukojc, Jadwiga, or Jean Rukojc or Jadwiga Rukoic.
A-5080828, Sa, Manuel Afonso.
A-7013315, Sackville, Patricia Ann.
A-7012316, Sackville, Roma Collard.
A-5562524, Salczer, Herman, or Herman Salcer.
A-6985669, Sam, Choy (Chinese name), or Johnny Sam Choy (American name).
A-6268824, Sanchez, Domingo Valluluz.
A-7189991, Sarno, Mamerto Torres, or Mamerto Torres.
A-7189992, Sarno, Rosauro Torres, or Tosauro Torres.
A-7199021, Sawaya, Louis Neemer.
A-9177018, Sclavogiannis, Emmanuel.
A-7203550, Schenk, Knut.
A-5856538, Schertzer, Michael.
A-1689901, Schliemann, Wilhelm Johannes.
A-7050939, Scillama, Antonia (nee Restivo).
A-4319937, Scocco, Giacomo.
A-5258278, Scott, Louise (nee Harris).
A-4204299, Seymour, Alex.
A-3383663, Shee, Jew, or Jew Ngui Haai.
A-2547932, Shong, Wong, or Shong Wong.
A-1413437, Sima, Albin Franz.
A-7044320, Sirigos, Antonios Nicolaos, or Antonios Sirigos or Anthony Sirigos.
A-6394192, Skorpak, William.
A-4803564, Slowes, Mendel.
A-7050623, Smith, Constance Agnes (nee Brady).
A-6047633, Smith, Vina (nee Mitchell).
A-5707986, Smoke, Josef, or Josef Smuk.
A-3445330, Soler, Maria Barber, or Mother Bienvenida De San Jose.
A-2587707, Sonck, Edouard.
A-1748368, Souze, Joao Azevedo, or John Azevedo Souza.
A-6965414, Spigno, Enrico Giuseppe.
A-5931914, Stapleton, Thomas Michael.
A-3631892, Stefanovich, Mitre, or Mitro or Stefanoff alias Jim Stevens, Mitro Stefan Nadanovic, Mitre Stefan or Stefanou, Stoyanis Egos.
A-6389053, Stein, Paul, or Pelta Sztejn.
A-6389054, Sztejn, Rywka, or Rita Stein.
A-6448763, Stern, Irving, or Isac, Isak and Isaac Stern.
A-5368221, Stoor, John Hjalmar.
A-7140315, Stout, Catharina Maria (nee Berendsen).

A-6634171, Stow, Peggy Spencer, or Peggy Spencer (maiden name).
A-7594279, Straus, Ernst Gabor.
A-6236237, Suan-Chi, Lee, or Suan Chi Lee or Stephen Charles Lee.
A-4133791, Suarez, Francisco Betanco, or Frank P. Suarez or Frank Petanco or (Petanko) or Frankly Bestanco or Manuel Martinis or Francisco Suarez Betanco or Francisco Betancor Santana Suarez.
A-1611150, Suchman, Andrew, or Arpad Suchman or Suchmann.
A-6245755, Sultanis, Aphrodite.
A-5090585, Szekely, Istvan Attila.
A-5339009, Sziber, John, or Joan.
A-7112131, Sztankay, Zoltan Ferencz.
A-7112538, Sztankay, Ada Hackl (nee Adelheid Josephine Marie Hackl).
A-4453899, Tasco, Vincenzo.
A-6446668, Teitelbaum, Hana, Mrs. or Mrs. Hana Teitelbaum (nee Halberstam).
A-6923989, Theocharis, George Emanual.
A-9023412, Thomas, Pnangiotos Sotiriou, or Pete Thomas.
A-6869332, Thorne, Julia Veronica, formerly Julia Veronica Loft (nee Cohoon).
A-4932652, Thornton, Patrick, or Patrick Joseph Thornton.
A-6216830, Torres-Hernandez, Nicanor, or Nicanor Torres-Torres.
A-6475654, Trepper, Moritz, or Morris Trepper or Noishe Trepper.
A-2533644, Tselentis, Jerasimas (alias Jerry Lent).
A-4947416, Tsistinas, Andreas Christos.
A-6964992, Tzetzos, Evangelos, or Angelo Tzetzos.
A-6930397, Uscatu, Everdichia.
A-5924685, Utter, Alice Ruth (nee Simmons).
A-6732030, Valensi, Cleopatra, or Cleopatra Manoussaki.
A-2594465, Van De Velde, Martha Maria, or Martha Van De Velde (alias Martha Maria Van Haver).
A-5161342, Van Der Veen, Olga, or Olga Van Der Veen Wisner.
A-6654557, Van Tilburg, Cornelius Arnoldes, or John Beckos.
A-6665383, Velge William.
A-5215026, Verticchio, Giuseppe.
A-5204879, Von Bomsdorff, Felix.
A-5507120, Vonderohe, William Lilie, or William Lillie.
A-1099779, Wadeikis, Veronica Irene.
A-4448744, Wan, Fong.
A-6419308, Wang, Francis Chwen-Tao.
A-6341236, Warr, Rosa (nee Rosa or Rose Mahfooz).
A-6521597, Wassner, Danuta, or Danuta Ziff.
A-6233641, Wawrzkiewicz, Rura Serrano (nee Pura Serrano).
A-4247813, Weinberg, Morris (Moishe).
A-4166705, Weinberg, Tillie (nee Steinschneider or Taube, Toba or Tobe Weinberg).
A-7145747, Weiss, Lieselotte.
A-7053511, Wells, Adelheid Anna, or Adelheld Anna Schuecke (Schucke) (nee Klinner (Kinner)).
A-4448745, Wing, Fung, Sik, or Fung Yee Wing.
A-4687569, Woo, Ji-Hung.
A-4687621, Woo, Yun-Chwang, or Woo Chung.
A-4687620, Woo, Eching Shen, or Mrs. Y. C. Woo.
A-6514174, Yankelewitz, Leib or Leon.
A-4532669, Yau, Au (Owyou).
A-4532661, Yeung, Fung Kim.
A-4772969, Young, Kenneth Abram.
A-4532655, Yum, Ma.
A-7582013, Yung, Yip Kung (alias Benjamin Yip).
A-5323816, Zacks, Milly, or Millie Sachs, formerly Milka Zuk.
A-6882598, Santamarina y Alvarez, Fernando Garcia, or Fernando Garcia Santamarina.
A-3630195, Fry, Madeline Thurza (nee Logan).
A-5140160, Mitani, Masatane.

With the following committee amendments:

On page 10, line 12, strike out all of line 12.

On page 15, line 10, strike out all of line 10.

On page 21, line 11, insert "A-6653416, Salgo Miklos or Nicholas Salgo or Nicolas M. Salgo."

The committee amendments were agreed to.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

REV. ANDREW CHAI KYUNG WHANG

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8759) for the relief of Rev. Andrew Chai Kyung Whang, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 10, after "taxes.", insert "Upon the enactment of this act the Secretary of State shall instruct the proper quota-control officer to deduct one number from the appropriate quota for the first year that such quota is available."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

ARCHIBALD WALTER CAMPBELL SEYMOUR

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8973) for the relief of Archibald Walter Campbell Seymour, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That, for the purposes of the immigration and naturalization laws, Archibald Walter Campbell Seymour, who was born in India of British parents, shall be held and considered to have been born in Great Britain."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in

A motion to reconsider was laid on the table.

TOMOKO YAMAYA

Mr. WALTER. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 9145) for the relief of Tomoko Yamaya, with an amendment of the Senate thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Strike out all after the enacting clause and insert "That the provisions of the immigration laws relating to the exclusion of aliens inadmissible because of race shall not hereafter apply to Tomoko Yamaya, the Japanese fiancée of Paul H. Vine, a citizen of the United States and an honorably discharged veteran of World War II, and that the said Tomoko Yamaya may be eligible for a visa as a nonimmigrant temporary visitor for a period of three months: *Provided*, That the administrative authorities find that the said Tomoko Yamaya is coming to the United States with a bona fide intention of being married to Paul H. Vine, and that she is found otherwise admissible under the immigration laws. In the event the marriage between the above-named parties does not occur within three months after the entry of the said Tomoko Yamaya, she shall be required to depart from the United States and upon failure to do so shall be deported in accordance with the provisions of sections 19 and 20 of the Immigration Act of February 5, 1917 (8 U. S. C. 155, 156). In the event the marriage between the above-named parties shall occur within three months after the entry of the said Tomoko Yamaya, the Attorney General is authorized and directed to record the lawful admission for permanent residence of the said Tomoko Yamaya as of the date of her entry into the United States, upon payment of the required head tax and visa fee."

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The Senate amendment was concurred in.

A motion to reconsider was laid on the table.

COMPENSATION FROM DUAL EMPLOYMENT

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2351) to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. SCRIVNER. Mr. Speaker, reserving the right to object, this comes to us rather hastily. It has not been possible in this short time to study in detail all of the provisions of this particular bill. But in substance it would provide, for instance, that retired Army and Navy officers might be recalled to service and receive not only their retired pay, but also to be paid for their new Government service. There is no one who has higher regard for these military men than I. They have served their country well. But their country has also served them well. It educated them. It has taken care of them through adversity and depression. It has cared for them in their illness. It has helped them to nurse their families back to health. When the time came for them to retire they were given very substantial retirement pay. Although the Government owes them a debt, they, in turn, owe the Government a much greater debt. If these men are needed in the service today during this or any future emergency, there is the very simple expedient of recalling them to active duty and letting them revert back to active duty pay being assigned where their ability

can be best used. That takes care of the situation entirely. Of course it will be said that the bill provides a ceiling of $5,000.

But at the same time the President, in a national emergency is given the power to suspend that ceiling. If that is done there is no limit on what this dual remuneration might be.

May I point out further, Mr. Speaker, there was no such legislation or provision such as this during all of World War II. Certainly the present emergency is not as serious as World War II.

Therefore, Mr. Speaker, I object to the present consideration of this bill.

Mr. ARENDS. Mr. Speaker, I ask unanimous consent to proceed for 1 minute for the purpose of asking the majority leader if he can clarify the program for the next day or two, or up to January 1.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LEGISLATIVE PROGRAM

Mr. McCORMACK. Mr. Speaker, tomorrow will be confined to any conference reports that may be ready; also any bills that can be taken up by unanimous consent. That is always implied if it is not expressed.

I am unable to state whether the conference report will be ready on the tax bill. If so, we would like to get through with that tomorrow. If not, it will be taken up on January 1.

The union shop bill will be taken up on January 1, as well as the War Powers Act.

Any conference reports not acted upon tomorrow will be taken up on January 1. I do not know of any other legislation, but by this statement I do not want to exclude any other legislation being considered on January 1 if that may develop. What I have stated is the only legislation I can specifically refer to that will be taken up after we meet on January 1.

Mr. PHILLIPS of California. What about the appropriation bill?

Mr. TABER. The appropriation bill is going to conference tonight, we expect.

Mr. McCORMACK. We are hopeful that that will be agreed upon and acted upon tomorrow. If that is agreed upon, it will be acted upon tomorrow. Also the conference report on the tax bill, if that has been agreed upon in conference.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. BROWN of Ohio. I have been assigned the rule on the War Powers Act on the minority side. I understood the gentleman to say the railroad labor bill and the War Powers Act would be called up on January 1. Can the gentleman tell us which bill will be called up first under that schedule?

Mr. McCORMACK. I am unable to state that, but it is my understanding that, if the gentleman from Texas [Mr. BECKWORTH] seeks recognition, he probably will have to be recognized.

Mr. BECKWORTH. Mr. Speaker, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. BECKWORTH. The gentleman knows, doubtless, that the gentleman from Texas would seek recognition on that bill when he is told by the leadership it is the proper time. That is substantially what we have tried to do as a committee thus far.

Mr. McCORMACK. I am telling the gentleman that that matter will be taken up on January 1.

Mr. BECKWORTH. January 1 was set without consulting the gentleman from Texas or any member of his committee that I know of.

Mr. McCORMACK. Is that intended as an implied rebuke to anybody?

Mr. BECKWORTH. No; no rebuke is implied. However, I feel the situation should be clear.

Mr. McCORMACK. If so, let me advise the gentleman——

The SPEAKER. The Chair will state that the gentleman's recognition is entirely within the discretion of the Chair. If the Chair thinks other matters have priority, they will be taken up first.

Mr. BECKWORTH. The gentleman just wants it understood.

Mr. McCORMACK. But the gentleman from Massachusetts wants the gentleman from Texas to understand that there are situations where members of a committee cannot be consulted at times.

Mr. BROWN of Ohio. The gentleman from Ohio simply asked that question because he had been assigned the rule on the War Powers Act on the minority side, and he just wanted to know what time he should be here.

Mr. McCORMACK. The gentleman from Massachusetts is sorry the gentleman from Ohio has not had an opportunity to make the speech he has in mind.

Mr. BROWN of Ohio. I am sure the House has lost a great deal of wisdom.

Mr. McCORMACK. Whether we agree on that or not, we all agree that we respect the gentleman and his views.

CHRISTMAS GREETINGS AND OUR GRATITUDE TO THE BOYS IN KOREA

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, it would be ironical to wish the men fighting for us in Korea a merry Christmas, but we can unite in sending them our prayers, our love, and our deep gratitude for what they are doing for us.

The Prince of Peace was born years ago on Christmas Day. The Prince of Peace gave his life for us. These men in Korea are giving their lives for us. We can pledge ourselves today never for one instant to cease to care for them and to see that their sacrifices are not in vain. We can pray that their sacrifices will bring a just and lasting peace.

THE LATE HON. HATTIE W. CARAWAY

Mr. NORRELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. NORRELL. Mr. Speaker, it becomes my unpleasant responsibility as chairman of the House delegation from Arkansas to announce the untimely passing this morning of ex-Senator Hattie W. Caraway of Arkansas. You will remember her as the first woman to be elected to the United States Senate in her own right. She served in that body for about 15 years, succeeding her great and illustrious husband, Hon. T. H. Caraway. After the death of her husband she was on November 13, 1931, appointed to succeed him and to serve until the next general election. Then at the following general election in 1932 was elected to a full term. She was reelected in 1938, and she retired at the expiration of her term on January 3, 1945. Many of the people of Arkansas will remember Mrs. Caraway as a charming and pleasant young woman in her early days; they will remember her as a beautiful and charming, hospitable and pleasing wife and widow of the great Senator, T. H. Caraway. Their residence in Arkansas was at Jonesboro. All of Arkansas will remember her as one of the outstanding members of the United States Senate for a period of about 15 years. After she retired from the United States Senate she was appointed to the United States Employees Commission and then in 1946 she was appointed to the United States Employees Compensation Appeals Board. She always rendered very able and conscientious public service.

I wish to say on behalf of the people of Arkansas that we bow our heads today in grief and sorrow at the untimely passing and answering of the last roll call of that great, good, and gracious woman, Mrs. Hattie W. Caraway of Arkansas. We extend our deepest sympathy to her surviving children, Messrs. Forrest and Paul Caraway.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Arkansas.

Mr. HARRIS. Mr. Speaker, I join with my colleague and the other members of the Arkansas delegation, and I am sure all Members of the Congress, in expressing my deep regret and sorrow at the passing of former Senator Caraway.

I knew Mrs. Caraway very well, as did the gentleman and the other members of our delegation. We had known her for a long, long time. We knew her husband before her, a very able Senator in the United States Senate representing our State.

I learned that Mrs. Caraway passed away only a little while ago. My heart was sad, regardless of the fact I had known about her condition during the past several weeks. We had known her as not only a very fine woman but one of the outstanding Senators who served the Government of the United States, her country, and the Senate of the United States. I know her two boys, both of whom graduated from West Point Military Academy and now are

serving their country in the Armed Forces.

The people of our State are bereaved in the loss of this outstanding woman who has made such a remarkable record during her lifetime. She was a person of sweet disposition, lovable character, firm in her conviction, loyal to her friends, and a very able servant. Our State and Nation have lost a most loyal officer in the important post she has held for several years as a member of the Federal Employees Compensation Commission.

She has now gone to rest with the Great Maker and Master of all, our God, as she was a devoted Christian mother. May our Lord keep her in peace and have blessing on her soul.

I join with the gentleman and others in extending to the family, to which she was so devoted and loved so much, our heartfelt sympathy in their bereavement.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. NORRELL. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Mr. Speaker, I join with the distinguished gentleman from Arkansas and the Members of the Arkansas delegation in the deserving and splendid tribute they have paid to the life and memory of Mrs. Caraway.

Mrs. Caraway was not only a sweet lady but an outstanding legislator, a fine and noble character with a philosophical mind, one who attracted and made friends because of the respect they had for her.

Her late husband was also one of the outstanding Members of the United States Senate, a most unusual situation in our history for a husband and wife both to have served in the Senate of the United States. That very fact of itself shows the respect and the confidence the people of Arkansas had in both of them as individuals and in both of them as a couple. That is the finest evidence of respect that any couple could receive, any husband and wife could receive, from the people of any State of the Union or of any congressional district of the Union, if they had served in this body.

I was honored by knowing her late husband and also in knowing Mrs. Caraway. When we speak about one we speak about both of them, Mrs. Caraway and her late husband, because if ever a husband and wife signified the very highest and finest of unity in marriage it was the late Senator Caraway and Mrs. Caraway.

I join with the Members of the Arkansas delegation in expressing a feeling of keen regret that I know is in the mind of each and every Member of this House in her death, and also in extending to her two sons my profound sympathy in their bereavement.

Mr. HAYS of Arkansas. Mr. Speaker, I appreciate the remarks of the gentleman from Massachusetts [Mr. McCORMACK] who has an intimate knowledge of the great public service rendered by Senator Caraway. The congressional service of Mrs. Caraway and her husband, Thaddeus Caraway, also a Senator from Arkansas, covered a span of 32 years and they left a lasting influence upon our State and national life. The citizens of our State experience a deep sorrow in the passing of Mrs. Caraway and they will always cherish the memory of this good and faithful servant of her people.

Mr. NORRELL. Mr. Speaker, I ask unanimous consent that all Members may have five legislative days in which to extend their remarks on the passing of Mrs. Caraway.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

Mr. NORRELL. Mr. Speaker, I yield to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Speaker, I would like to pay my tribute to Senator Hattie Caraway. I knew her for a great many years. I always admired her; admired her for her ability, her courage, her moral and physical courage, her courage to do what she thought was right, to vote as she thought she ought to vote. I saw her once when she was injured. It was a very painful and very trying injury. I remember her physical courage at that time. I remember her brilliant mind and I know of no one who had a quicker or more delightful wit than Hattie Caraway. I remember during World War I, the friendliness and the generosity of the Arkansas people when they gave wheat for the war. We shall miss Hattie Caraway, Mr. Speaker, and I join in mourning her loss.

Mr. NORRELL. I thank the gentlewoman from Massachusetts very kindly.

BERNARD F. ELMERS

Mr. BYRNE of New York. Mr. Speaker, I call up the conference report on the bill (H. R. 4803) for the relief of Bernard F. Elmers, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. NO. 3211)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4803) for the relief of Bernard F. Elmers, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate and agree to the same with amendments as follows:

Page 1, line 3, strike out "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated" and insert in lieu thereof the following: "That the Secretary of State be, and he is hereby, authorized and directed to pay, out of the funds appropriated for the International Refugee Organization"; Senate amendment numbered 1, in lieu of the sum inserted by the Senate amendment insert "$12,500"; amendment numbered 2, restore the language "personal injuries and",

And the Senate agree to the same.

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
KENNETH B. KEATING,
Managers on the Part of the House.

HARLEY M. KILGORE,
WARREN G. MAGNUSON,
ALEXANDER WILEY,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 4803) for the relief of Bernard F. Elmers submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

This bill as passed the House appropriated the sum of $12,500 to Bernard F. Elmers for personal injuries and property damage sustained by him on July 8, 1947, when he was assaulted and robbed while employed as a civilian employee of the Army Exchange Service, serving with the Army in Germany. Mr. Elmers could not be regarded as having been an employee of the United States for the purpose of entitlement to the benefits of the United States Employees' Compensation Act of September 7, 1916 (39 Stat. 742; 5 U. S. C. 751), as amended. The officers' mess and the enlisted men's club, whose accounts he had been auditing during the evening he was injured, are not operated by or connected with the Army Exchange Service. His injuries received while he was returning home after auditing the accounts of those agencies cannot, therefore, be considered as having been sustained during the course of his employment with the Army Exchange Service. Consequently, he is not entitled to any benefits under the employees' compensation insurance provided from private sources for the protection of Army Exchange Service employees.

Inasmuch as the evidence in this case shows that Mr. Elmers was assaulted while returning to his quarters late at night after having worked on an audit of the accounts of the officers' mess and the enlisted men's club at the direction of his commanding officer, and as there is no method by which he may be compensated for damages sustained by him except through the enactment of special legislation by the Congress, such as that proposed in H. R. 4803, the Secretary of the Army states in his report dated February 2, 1950:

"Considering the nature and extent of the injuries sustained by Mr. Elmers, which have resulted in a large degree of permanent disability, the earnings lost by him on account of his injury, and the value of the personal property lost, the proposed award of $12,500 provided in H. R. 4803 appears to be fair and reasonable."

On the Senate floor on August 23, 1950, when this bill passed the Senate, Senator SCHOEPPEL asked the question, "May we have an explanation of the bill, please?"

Senator MCCARRAN, chairman of the Senate Judiciary Committee, stated:

"Bernard F. Elmers was a civilian employee of the Army in Germany in 1947, when he was seriously injured by two Polish displaced persons who attacked him, inflicting serious injuries upon him, fracturing his skull and severing certain nerves which caused permanent paralysis and disfigurement of his face, and causing him to lose mental capacity and impair his hearing and vision. He is being paid the sum of $2,500, which is the value of certain bonds that were taken from him by the criminal investigation division of the Army and not returned to him. Apparently the bonds were lost while in the possession

of the Army in connection with said investigation."

Senator SCHOEPPEL then stated:

"I should like to ask the distinguished chairman of the Judiciary Committee a question. This measure is a House bill, and it will, of course, go to conference. There is some question about the compensation having been reduced from a larger amount to the amount stated in the bill. In the judgment of the chairman of the committee, is this amount adequate compensation for this man, considering the type of his injury?"

Senator MCCARRAN then stated:

"I am not ready to say that, but I thought it was the best we could get under the circumstances. I do not think it is adequate compensation."

It would appear that Members of the Senate realize that the sum of $2,500 is not adequate and that the amount would be worked out in conference. Therefore, after a full discussion, it was the opinion of the conferees that, in view of the fact that large sums of money have been appropriated to the International Refugee Organization, this appropriation should be made from that fund, and the following amendment was agreed upon:

Page 1, line 3, strike out "That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated," and insert in lieu thereof the following: "That the Secretary of State be, and he is hereby, authorized and directed to pay, out of the funds appropriated for the International Refugee Organization"; Senate amendment No. 1, in lieu of the sum inserted by the Senate amendment insert "$12,500": amendment No. 2, restore the language "personal injuries and".

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
KENNETH B. KEATING,
Managers on the Part of the House.

Mr. BYRNE of New York. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

PERSONAL ANNOUNCEMENT

Mr. FULTON. Mr. Speaker, on yesterday the gentleman from Pennsylvania [Mr. CORBETT] and myself were delayed by the late arrival of the plane. Had we been able to get here in time we would have voted "aye" on the civil defense measure.

The SPEAKER. Under previous order of the House the gentleman from Massachusetts [Mr. FURCOLO] is recognized for 60 minutes.

BLUEPRINT FOR SECURITY

Mr. FURCOLO. Mr. Speaker, may it please the House: Like all of you, I have been searching for some way out of the disastrous situation in which America finds itself. In analyzing that situation, it seems to me that out of all the tangled events of the recent past, two conclusions can be drawn: First, this Nation has had no definite long-range policy upon which a predetermined course of action could be taken; second, communism has had such a policy.

The time has long since come for this Nation to guide itself by planned action rather than by intuitive guesswork. We must accept the facts as they are, evaluate them to the best of our present ability, and then act. We can no longer wait for the "right" course—the certain, easy, and safe one. There will be no such choice in our generation.

Let me preface my remarks by acknowledging that I speak only as a layman who has no more information than is equally available to anyone who can read or hear. I do not want anyone to be misled into thinking that I speak from knowledge of any facts that are not already accessible to the public. I do not want anyone to be persuaded to my beliefs or suggestions in the thought that we in Congress are "in the know." The simple fact is that we are not—and I do not believe anyone else in the Government is, either.

CONGRESSMEN HAVE A DUTY

Being in Congress has only one bearing here: it gives me the duty of reporting the situation as I see it. The qualifications I have do not warrant this talk but the position I hold demands it.

Probably time will prove my analysis is inaccurate, my fears unfounded, and my recommendations ill-advised. Be that as it may, and in the full realization of my own lack of qualifications to either analyze or advise, I cannot conscientiously remain silent. I can merely express my thoughts and then those of greater knowledge and wisdom may accept or reject them.

CHANGING WORLD

We in America must awaken to the fact that the world has changed in the past 20 years. We are aware of that in a vague sort of way, but the full realization of its meaning has not yet struck us with any forcible impact. Consequently, we do not know what we are up against.

The world has the same geography in terms of land and water but the countries of the world have changed and are changing daily. I do not refer merely to boundary lines but rather to changes of values. In many cases the strong have become weak and the weak strong. Agricultural people have become industrial, backward nations progressive, peaceful civilizations warlike, and vice versa. Giant nations have toppled, slumbering peoples are stirring, revolutions, both peaceful and bloody, have been changing the course of history. New philosophies, new sets of values, new ways of living have appeared. The once slow march of science has become a flight too rapid for our vision or intellect. We are dimly aware of it but its true significance has escaped us.

THE OLD ORDER CHANGETH

We are not living in the same world or at the same time as many other nations, in one sense. Measured by time as we know it, America and many nations of comparable culture have progressed 50 years in the last decade—but still other nations have progressed a thousand years in the same period. Where our own experience has perhaps been an orderly transition from horse to auto to airplane to atomic energy, others have gone almost directly from horse to atomic energy. The whole world is catching up with us. The old order changeth so that today very few, if any, nations tremble at the voice of America. There are many giants today.

THE TRUTH MAY HURT

We in America justly take pride in the military prowess of our youth, but we must recognize that other peoples have warriors, too. They are not going to run because we announce that we are sending fighting men. They will not drop dead of fright simply because American troops land. Perhaps once upon a time a hundred Americans were the match for a thousand from any other nation—but that is no longer true.

It may hurt our pride and vanity to acknowledge that, but failure to, may destroy our Nation. The cold, unalterable fact is that bad men who believe in bad principles can kill good men who believe in good principles. Bullets and bombs cannot tell the difference.

NO SUPERMEN

We all know that, of course, but our failure to act upon its truth has been tragic. Where China is concerned, for example, most Americans had conjured up a mental picture of a few GI's with machine guns ordering several thousand Chinese to lay down their sticks and stones and go back to the rice paddies. Ten years ago it was having some American battleship take an afternoon off to sink the Jap Navy. Think back to Pearl Harbor and you will recall that no one could comprehend that tiny Japan dared stand up to mighty America.

Was it only the people in Government who did not understand that? No, it was the people of America.

We thought we could win by calling the Japs "monkey men" who lived on a pound of rice a month and were crazy enough to believe their Emperor was divine. Then we learned that monkey men fired bullets that killed as effectively as those fired by fine young Americans. We found out that the pound of rice a month we had sneered at kept the Jap as healthy as a month's GI rations. And crazy Japs who died for an Emperor they believed to be divine also took young Americans to death with them.

We had been blissfully unaware of the fact that the world had been changing. We had thought Japan was Gilbert and Sullivan—but when the curtain went up, there was Tojo.

THE ATOM BOMB

Today we are beginning to recognize that many nations have military strength equal to or greater than ours—"but we have the atom bomb." We will not open our eyes to the facts of life and realize that neither the atom bomb nor anything else is a quick, easy, and safe way out of the situation in which we and the world find ourselves.

The days of monkey men and Maginot lines are gone forever. The world is moving and will continue to move too rapidly. There is no "atom bomb line" any more than there was ever really a "Maginot line." Neither will there be a "chemical line" or a "bacteriological warfare line" or anything else. We are trapped, hoist by the petard of our own civilization.

NOT THE ANSWER

We must banish all self-delusions or we shall perish in the darkness of ignorance. We cannot find the path

through the forest unless we first see the trees.

The facts are that we cannot destroy Russia or China or communism by the atom bomb without destroying the world. We may bomb the cities of Russia, but what will we then do about the rest of Europe when Russian soldiers move into France, Germany, Poland, Italy, and other nations? Can the Russian soldiers in Europe be destroyed by the atom bomb without destroying all the people of Europe? Are we also to assume that Russia has no retaliatory weapons of her own?

The atom bomb alone is not the answer. Other nations may have it or something equally effective. Or, if they do not, we cannot use it without destroying our friends as well as our enemies.

Let me point out that I do not intend at this time to discuss the moral issues involved in either using the atom bomb or engaging in preventive war. I am merely trying to analyze the facts without getting into moral questions that might well affect any decision to be made by this country.

WHERE WE STAND

Aside from the atom bomb, where do we stand militarily? Taking the most optimistic view, those we consider our enemies have more men under arms than we do, have equally good weapons and equipment, and have certain geographic advantages.

On long-range policy, where do we stand? Our enemies seem to know where they are going, what they will try to do, and when they will seek to accomplish it. They know the what, where, when, how, and why of their endeavors. Do we?

The easy answer is to say that all we want is peace, but how do we achieve it? What do we do? When? Where? How? O, there are so many questions but so few answers.

THE TERRIBLE TRUTH

There can be no peacetime economy for America in a world of nations living under wartime economies. There will be no peace in our lifetime—none, that is, as we have always thought of peace. There may be for future generations, but only if we have the fortitude to measure up to the task before us in this generation.

Of course, we in this generation must always keep our eyes raised to the hope of true and lasting peace in our lifetime, but we must also keep our eyes on the road to that sort of peace. The road is going to be long and difficult, and it will not be traveled in 5, 10, or perhaps even 20 years. The way will be precarious, fraught with danger and hardship, and calling for personal sacrifices on the part of everyone in the Nation.

It will involve gearing our Nation to a wartime economy for many years—a wartime economy even if our men are not actively engaged in combat any place in the world. That is a very difficult thing for peace-loving Americans to undertake, but there is no escape from it because we cannot escape the world in which we live.

How will realization of that terrible truth be of help to America? First of all, it should enable the powers that be to decide on a long-range policy to achieve peace. Instead of drifting, hoping against hope that a favorable wind will come, we will steer a definite course toward a definite objective. We have not been able to do that because we have never really known the various stations on the way to our ultimate destination.

PRECIPICE TO PRECIPICE

We have had an essentially negative policy of waiting for an emergency, then rushing to patch up the situation, then sitting back and hoping that no future emergencies would arise. We have breathlessly rushed from crisis to crisis like a mountain goat hopping from precipice to precipice, always hoping that we might somehow escape falling into the abyss.

When war clouds gathered, we have drafted a few men, threatened industry and labor, disrupted homes, thrown business and the stock market into a tail spin, and scared the daylights out of the Nation. Two weeks later we resumed normal living. Another crisis, more jitters, then normalcy again. There has been no certainty, no permanence, no settling down to anything—neither to war nor to peace. We hover between the two, being afraid to accept either.

REMEDIES?

There is a panacea for each of us, depending upon who we are. The Republicans can blame the Democrats who are in power, the Democrats can accuse the Republicans of sabotaging efforts of the administration, the people can blame both parties. Praise Johnson for economy, then condemn him for stupidity. Impeach the President, throw Acheson out, fire MacArthur. A head can roll for every new disaster—but will it stop Stalin or Mao?

We have weakened ourselves and our chances for ultimate peace because we still insist on thinking of every new development as being a new crisis. The truth is that we are in for one crisis after the other and we had better adjust to "situation crisis" as being "situation normal." We must settle down before we can help the world to settle down.

THE PEOPLE'S FIGHT

That calls for positive diplomacy on the part of our leaders—hard, definite, calculated diplomacy that the world will understand. But the tragic truth is that no such action is even possible until the people of this Nation are first conditioned for and ready to accept such leadership with all the sacrifices it will entail.

There is absolutely no way of accomplishing the task without the complete and wholehearted support of all the people of the Nation. It is really the fight of the people, not simply that of the President or the State Department or the members of the Armed Forces.

All the people must appreciate what this country is up against. They must try to understand the difficulties that confront our Nation when dealing with some of the other nations of the world. We have a horror of war because of the havoc, suffering, and death it brings—but there are many peoples today who look on war as being normal. It is the only way of life many of the Chinese Communists have ever known. They do not think of death and destruction in the same terms that America does because both those tragedies have little meaning for people who have spent their lives in the midst of death and destruction.

ONCE UPON A TIME

We have been adjusted to dealing with European nations. Our relationships, our diplomacy, and our wars have been with peoples of Europe who have our own general background and civilization. We understood them and they understood us because, basically and fundamentally, we were of the same human cloth. Our philosophies, our minds, our ways of life were very much alike. We spoke their language in mind if not in tongue. Is that true of the peoples with whom we must deal from now on? Do we know what appeals to or impresses the Oriental mind? Or the Communist mind? The Hindus? The Moslems? Once whatever made sense to us also made sense to the other powerful nations of the world because we all lived by substantially the same standards, beliefs, morals, religions, and philosophies. Our way of dealing with the world was based on that criterion. It is difficult if not impossible for us to realize that that is no longer true in the world today.

The world of 20 years ago is no longer with us. Instead we have a completely new world and perhaps—not inevitably but merely perhaps—there must be new ways of dealing with this new world.

THE TASK BEFORE US

We must set out to accomplish many seemingly inconsistent ends. We must prepare for both war and peace, make sacrifices without undermining our own standard of living, adjust our way of life to the realities of the world, and yet still keep our democratic institutions. How can we do it? How can we save both America and the American way of life?

A 25-YEAR PLAN

First of all, we must become strong militarily. We must adopt a plan that will enable us to keep adequate military strength for 25 years without bankrupting the Nation. Let us at least plan for 25 years—we can always abandon the plan if events prove we have been overly pessimisitic.

At least three objections are immediately presented: First, the manpower shortage; second, the expense; third, the disruption of individual and family life. Those same objections are not so forceful if we are planning for only a year or two but a long range policy covering 25 years is another story.

MANPOWER—MONEY—MORES

Is there any plan that may resolve the three difficulties outlined above? The only suggestions being considered are either universal military training or a draft similar to that used in World Wars I and II or a combination of the two. I do not believe either plan, or a combination of the two, is the answer. Either or both may be all right for a

short period of time, but I do not think either is suitable for any long-range program, assuming that we do not want to bankrupt the Nation or seriously undermine the American way of life.

INTERNAL COLLAPSE

It is impossible for us to consider any draft or military training program without also taking into account the Nation's financial status. We must figure the tremendous drain of finances and the possibility of a complete collapse of our financial structure. We must remember that this country can be destroyed from within as well as from without. Internal collapse can give victory to our enemies just as quickly as defeat on the battlefield. We cannot simply order millions of men into uniform without first knowing what the financial effect upon the country will be. Obviously, we must have armed forces that can adequately protect the security of this Nation. But we must never lose sight of the fact that the security of the Nation can also be endangered by financial bankruptcy.

NATURAL PREJUDICE

It is probably not the primary responsibility of the military to be concerned about finances. Neither is it the primary responsibility of our financial experts to be concerned about the size of the military. The military man naturally feels that the best way to guarantee the security of the Nation is by giving the Armed Forces whatever is needed. The financier naturally thinks the best way to guarantee the security of the Nation is by avoiding bankruptcy. Each authority is a product of his own background and experience, and each has a natural bias or prejudice in favor of his particular viewpoint. We all represent our own beliefs, and our opinions are colored by our convictions gained in a lifetime. Each, in his own way, is right; but, in another sense, each is wrong in that he only sees a part of the entire picture.

The same is true when we begin to consider the effect of a manpower shortage on domestic industry. The industrialist believes that emphasis must be placed on keeping our productive output at highest efficiency. And there is a great deal to be said for his viewpoint that the way to win wars or to guarantee America's security is by keeping defense production moving at top speed.

All three—the financier, the military man, and the industrialist—recognize the need for strength in all three departments. But each believes most consideration should be given to his particular field.

FAMILY PROBLEM

To further complicate the picture, there is the individual or family problem. It seems that most families are for a strong America and fully appreciate the need for sound economy, full military strength, and maximum productive output. The only condition they place upon such endeavors is that the ends be accomplished without disrupting the family life of America—or, as they put it to most Congressmen: "Cannot they win the war without my husband?" They recognize that nothing will more seriously undermine the American way of life than disruption of our families. They know the consequences of that just as we do.

Now, if my talk were based on an assumption of a short war, the family problem would of course still be serious but would not be insurmountable. However, it is a different matter where any long-range policy is concerned. It of course is also directly connected with the military, financial, and productive problems.

Even with generous family allowances, the wives, children, and parents of servicemen suffer. Family allowances will increase with its resultant effect upon our financial condition. Industrial output is decreased as skilled workers are taken from industry. The same is true of agriculture and all other fields of endeavor, of course. Yet, in spite of everything, we must somehow afford to give this Nation adequate military protection. We dare not do otherwise. What is the best way of doing that?

Before we can answer, we must admit that any conclusion we reach is going to be merely a guess or a calculated risk. We cannot conclude anything until we have assumed a set of facts that we are willing to use for a springboard to our ultimate decision. Again, we must analyze the situation coldly and ascertain the known facts to the best of our ability. To the known facts must be added certain estimated or probable facts that will provide us with a basic assumption. Before we can adopt any long-range policy, we must start from a basis of some sort. We know we must become militarily strong. What is the best way to achieve that end?

THE EASIEST WAY

One easy answer is to decide that we must immediately put as many men under arms as our enemies have and at all times maintain a standing army as large as theirs. Unfortunately, we cannot match them man-for-man because their numbers are greater. But suppose we could? Suppose we immediately put ten or fifteen million men under arms. Would that be a solution?

It would answer the military phase, perhaps. But what about our financial structure? What about our production? What about the domestic upheaval? The cost of keeping 15,000,000 men under arms even for a short period is staggering. The cost for a 25-year period would be disastrous to our entire economy and to our American way of life.

If Russia wanted to see us destroyed, the easiest way for her to accomplish that end would be to lead us into the maintenance of a huge standing army for a long period of time. Our productive output would be seriously damaged, our financial structure would collapse, and our American way of life would be dangerously undermined or destroyed. The battle might be won without a single shot having been fired.

OUR STANDARDS ARE DIFFERENT

Why is it that other nations can support large standing armies? Because their standards are different than ours. We have the best-paid, best-clothed, and best-fed servicemen in the world. There are times when that is not true, of course, but over any long period it is a fact. We do not have slave labor in industry or agriculture, we do not exploit any conquered nations, we do not have a low standard of living, and we do not have the same type of economy or culture that characterizes many other nations. That is why our military structure must always have a standing force numerically less than that of our enemies. I emphasize standing force, and, by that term, mean men actually in the service 24 hours a day. And, of course, I am not referring now to a shooting war.

UNIVERSAL MILITARY TRAINING?

If putting all men under arms is not the answer, how about the alternative offered of a fairly large standing force coupled with universal military training whereby a substantial force of young men will also be trained and theoretically ready for active duty?

That may be adequate but I do not believe that is the answer, either. The expense, while less than the other, is still great. But, in addition to that, the system may still not always make available for active duty a large enough group in a short enough time, assuming complete mobilization as quickly as possible becomes necessary. It still leaves many millions of potential fighting men out of the defense picture. In the world today, we cannot leave anyone out of our defense set-up. Failure to adequately prepare every possible fighting man may be fatal to the security of this Nation.

There may not be any solution but I believe all of us have a duty to make suggestions in the hope that something constructive may possibly be offered. That is the reason for my talk.

THREEFOLD PROGRAM

The military preparedness program that I suggest, as one part of a long-range program, is threefold. First of all, I believe we should immediately establish an armed force that will have sufficient personnel to meet the needs of the present situation. Those men would be drafted under the Selective Service System. By sufficient I mean 1,000,000 more men than must be sent out of the country immediately.

Let me illustrate very roughly by assuming that we must immediately provide 2,000,000 men for service abroad, whether that service be as part of United Nations troops or as American troops. I use the figure 2,000,000 arbitrarily merely for purposes of illustration. The correct figure might be more or less than that. Under my plan, an additional 1,000,000 men would also be called to active duty to be held in readiness in camps here in this country. In brief, the first part of the program I suggest is merely a draft under the already established selective-service system.

My reason for the figure of 1,000,000 men held in camps is this: It is impossible to ship more than a million men out of America to probable battlefields in less than 6 months, even under the best conditions we could hope for, and using every means of transportation we have.

Our military leaders know that and every nation in the world knows it, too. The conclusion is reached simply by counting ships, determining the number of men each can carry, and figuring the length of time the voyage would take.

HOW LONG A TRAINING PERIOD?

Why is the figure "6 months" so important? Because the program I suggest is based on the belief that troops can be ready for combat duty after 6 months of training.

I am not an authority on military training; in fact, I know practically nothing about it. But I believe any civilian who ever served in the last war will corroborate my statement. Actually I believe only 3 months of training is necessary but I have doubled the figure to be on the safe side.

I believe most authorities in the military itself say that 10 months of training is necessary for combat duty. Experience in the last war does not substantiate their opinion, in my belief. However, as I shall attempt to point out, I believe even the military viewpoint can be reconciled with my estimate of 6 months.

This is why: The military's own estimate is based on training a completely raw recruit who has had no instruction of any kind and who knows absolutely nothing about military life. That, however, is not true under the second and third steps of my program which insure that the recruits our Armed Forces get will have had a high degree of preservice training. With such personnel, I believe even the military will agree that 6 months in the service is more than adequate preparation for combat duty.

STUDENTS

The second step of the program I suggest would be what I call a Student Military Training program of 3 months a year for every high-school or college student between the ages of 17 and 35. Those 3 months would be from June 15 to September 15, 8 hours a day. The only exemptions for this type of training would be for reasons determined by our present selective-service boards or similar judges—probably for physical cause or for unusual hardship. Whether any payment for such service could or could not be given to trainees would be decided after a careful study of the country's financial state. Even if not paid, I believe most students would prefer this type of training to the universal military-training system with pay.

The period from June 15 to September 15 is based on two reasons: First, it will not interfere with their education; second, 3 months at 8 hours a day is a fairly substantial period of training for youths of that age who will still receive at least an additional 6 months of further training after they have been called to active duty, assuming that eventuality arises. And, as I have pointed out, since it is virtually impossible for them to even be landed abroad before they have been on active duty for 6 months, they will have had approximately at least 9 months of military training before getting combat duty.

I assume that such a student military-training program would give the military a reserve of about one-half million partially trained young men between the ages of 17 and 22—a reserve that is available for active duty at any time, a reserve that cannot even be shipped abroad until the million men already under arms in military camps in this country have first been shipped overseas.

CIVILIAN SELECTEES

The third step in the program I suggest I have called a Civilian-Selectee System. It will operate somewhat like the present selective-service system, under which we draft men right into the Armed Forces, but it is not an actual draft for active military duty.

What I call the Civilian-Selectee System would operate in this way: a civilian-selectee board, very comparable to the Selective Service Draft Board, would be established as a counterpart to the draft board. Except for students who were receiving training under the student military training program outlined above, every male civilian between the ages of 17 and 35 would be available for training under the Civilian-Selectee System. The only other exceptions would be exemptions granted under provisions similar to those prevailing under our present draft laws.

TRAINING CENTERS

Training centers would be established for every community in the Nation. Heavily populated areas might have several training centers; rural areas might have a central place for many surrounding communities. As far as possible, existing facilities would be used but unquestionably many additional ones would also have to be provided.

A schedule of training hours, probably not to exceed 10 hours a week, would be established. Regular military men would be instructors. Insofar as possible, training materials would be the same as those used by recruits on active duty in the Armed Forces. The training period would be 1 year—about 520 hours of training on the basis of 10 hours a week.

Rules for attendance, standards for marks, and other such details would be established. The enforcement provisions would be extremely strict: eligible for immediate call in the actual draft for absenteeism or continued failure to maintain satisfactory grades. There would be provisions to protect civilian selectees from unfair treatment, discriminatory instructors, and other possible injustices.

Insofar as possible, the hours of training would be set so as to interfere as little as possible with the civilian selectee's daily work and home life. I would assume that most civilian selectees would put in 4 hours on Saturday and 3 hours a night on two weekday nights for a total of 10 hours a week. Men working the 3 to 11 shift in industry—assuming industry goes on 2 or 3 shifts a day—would probably have their training mornings—4 hours on Saturday morning and 3 hours a morning on 2 weekdays for a total of 10 hours.

I am giving a very rough sketch of what I have in mind to illustrate possible training schedules. To detail it at length would require considerable time and, in addition, would not serve much purpose because the actual hours would depend largely on the type of instruction to be given. It might well be that one 8-hour day a week with study periods at home would be preferable.

I believe 520 hours a year of such training would be the equivalent of 2 months of training as a recruit on active duty in the Armed Forces, with the exception of physical conditioning. I also believe that a person who had had such training would only need an additional 4 months of active duty to be prepared for combat assignment, if it became necessary to call him into the Armed Forces.

There probably would be at least 15,000,000 men eligible for civilian selectee service. That would give the military an additional reserve of 15,000,000 at least partially trained men to call on if needed by this Nation.

OVER-ALL MILITARY PICTURE

What would our over-all military picture be then? Assuming 2,000,000 men are already abroad, another million in this country on active duty in military camps and fully trained for combat duty, there would be another half million about half trained under the Student Military Training program, and another 15,000,000 at least partially trained under the Civilian-Selectee System. And, returning to my original point that it will take at least 6 months to transport those in camps to overseas duty, it also means that there is still more than ample time to fully train every single one in that vast reserve of manpower.

If they are needed, the military will still have an additional 6 months to give them full military training as active duty draftees because they cannot be shipped abroad for at least 6 months. They cannot because every available means of transportation will be being used to ship the million men already in camps on active duty.

Assuming my facts are true, it means that the military has at all times a constant supply of adequately trained men ready for combat just as fast as the military has means of transportation to get them overseas.

NET RESULT

The net result is this: The military has enough men, domestic production has enough men, families are not disrupted, and there is no great drain on the Nation's finances.

Certainly such a program protects home life because it leaves more men at home with their families. Certainly industry and agriculture are better off for the same reason: more men remain on their jobs. Certainly such a program means a tremendous financial saving because fewer men are receiving military pay, food, clothing, and so forth; and fewer family allotments are being paid out by the Government.

As under the student military training program, it could be decided whether or not the country is able to pay civilian selectees anything. Even if not paid, I believe most men would prefer civilian-selectee training without pay to the alternative of active military duty with pay.

Incidentally, the financial saving part is double-barreled; not only is the

Government saving money on salaries and allowances but it is actually taking in more money in the form of income taxes from men who earn more because they remain on their civilian jobs than those men would pay from their earnings in the military services.

The threefold program I have outlined is the best method I can think of to militarily guarantee national security without hurting our productive output, bankrupting the Nation, or seriously undermining our American way of life. Of course it is based on the two major assumptions: First, we are not in world war III; second, we need a 25-year long-range policy.

WILL IT WORK

Will such a program work? I do not imagine you will find a military leader in the country who will say that it will. I will b surprised if even one agrees with me in the conclusions I have drawn. But there are certain facts on which I think many will agree.

The first one, and to me the basic one, is that they cannot ship over 1,000,000 men abroad in 6 months if they use every means of transportation we now have or expect to have for another 2 years.

The second one on which I think they will agree is that a man who has had absolutely no military training of any kind can be made ready for combat duty within 10 months from the time he first enters the service. If they do not agree to that, I believe the testimony of those who know best of all should be heard: the civilians who served in the last war. They may disagree with my estimate completely—I have no way of knowing their opinion, of course—but I believe they know more about it than anyone.

ASK ANY VETERAN

The third point on which I think many military leaders may agree is that there are at least a great many details of military training that can be given to men outside of regular military camps. Let me illustrate what I mean.

A good part of the training of any recruit in the Armed Forces involves such matters as drilling, understanding commands, practice in military courtesy, learning the mechanisms of weapons, firing practice, and such matters.

Men learn to drill when they are placed in a body and are given instructions by officers. It does not matter whether the ground on which they stand is a drill field in an Army camp or a football field or lot outside of camp. It does not matter if it is an Army base gymnasium or a YMCA, school gym, auditorium, town hall or basement outside of camp. All that is needed is enough room and an instructor giving the right commands. The same thing applies to learning the commands.

A recruit must also learn to know military organization, rates and ranks, who to salute and when, and things of that nature. That is mostly classroom training that can be done practically as well outside of a camp as in it.

What about first-aid training? Can an instructor teach that as well outside a camp as in it if he has textbooks and bandages?

Learning the mechanisms of weapons is a little different. As far as small arms are concerned—revolvers, rifles, and small weapons—there's no great problem. You need the weapon, an instructor, and maybe some printed diagrams. The student learns the parts of the revolver or rifle and he practices taking it apart, putting it together, and the cleaning and proper care of it. You do not need a camp for that. The same would apply to most machine guns, I believe.

Heavier artillery poses a different problem only because of its size, and it undoubtedly would be impractical to learn too much about it outside of a camp except for book knowledge—which, incidentally, is of great importance in learning the theory and parts of heavier weapons.

Other things a recruit may learn might include study to properly identify planes, ships, tanks, and so on to be able to distinguish friendly ones from those of the enemy. That is almost completely taught by books, movie slides, toy models, and so forth. Identification can be learned just as well in any adequate room as it can in a camp classroom.

Semaphore, Morse codes, ship's lights, signal identification and things of that nature—all classroom instruction with books or slides, and so forth.

Learning the layout of a ship, nautical terms, how to tie knots, points of the compass, and so on—about a hundred percent classroom training.

Revolver firing practice is exactly the same outside of a camp as in it, provided a safe location is chosen. Any community has at least dozens of safe places and most communities already have established facilities in rod and gun clubs, police stations, and so forth. The same probably cannot be said for rifle firing but certainly there would be no great problem about revolver firing. Target practice is still target practice whether it is on a firing range, in a camp, or a safe place outside of camp.

Anyone who has ever been in the service knows from his own experience that at least 75 percent of the instruction given him in his first 3 months in active duty could be given him just about as well outside of a camp if trained instructors and proper textbooks, literature, and equipment are provided.

He would not get the rigorous physical training, of course—nothing but active duty will give him that, in my opinion—but I do not think that is overly important when we remember that he will have at least 6 months in camp once he is called to active duty. In less than 2 months of active duty the average man of 17 to 35 will probably be in as good shape as he is ever going to be.

He also will not get the discipline or the regimentation that he would on active duty—but once he is called for active duty the military will take care of that in a good deal less than 6 months.

DOES YOUR OWN COMMUNITY HAVE FACILITIES?

There is no difficulty about obtaining instructors and educational material: the military already has both available. But there is a question about facilities in which to teach.

I think a survey will disclose that most communities already have existing facilities that are adequate. Schools, armories, gymnasiums, public halls, grange halls, civic and social clubrooms, arenas, YMCA's, Legion homes, police departments, athletic fields, town halls, community halls, church basements, rod and gun club grounds, parks, and other similar facilities exist in practically every community. Most industrial communities also have large gathering places in factories and other similar buildings. There are military bases in many areas of the country that also could be of great help.

So, to begin with, I think that many, many communities would be able to provide training space in local Federal, State, town, and public buildings, together with existing private facilities, at no expense to the Government.

Of course it would also be necessary to erect suitable structures in many, if not all, sections of the country. That would run to considerable expense but it would only be a fraction of the cost of continuing under the existing system.

IT SAVES A HUNDRED BILLION DOLLARS IN 5 YEARS

Suppose a thousand facilities had to be established all over the country in places where there were no facilities of any kind. I assume it would not cost over $200,000 at most per facility. The total cost would be about $200,000,000. Even that relatively small cost is further minimized in that the buildings erected would have considerable value to the Government. The buildings continue to have value even after long usage and are not in the same category as food, uniforms, wages, family allowances, and so forth, which, once used, are gone forever as far as any return value to the Government is concerned.

Contrast that with the existing system of holding draftees in readiness in military camps, where the cost of 4,000,000 men a month runs to over $1,000,000,000—or over $12,000,000,000 a year, not counting other costs of barracks, utilities, and training expenses that would run to almost another $10,000,000,000 or $12,000,000,000 a year.

Five years of that under the existing system would cost over $100,000,000,000 for 4,000,000 men in military camps in this Nation. Five years of the Civilian-Selectee System can be had for considerably less than $1,000,000,000 total, even if the erection of training facilities has cost $200,000,000.

I do not think providing facilities, if none be available, is any great obstacle in those circumstances.

COOPERATE OR BE DRAFTED

The next question is this: Will the civilian selectees seriously and conscientiously study, train, and cooperate? I think they will for several reasons.

First and foremost, of course, I believe they will as a patriotic duty.

Secondly, they will be impelled by recognizing the need for it if this country is to be saved.

Thirdly, the urge for civilian self-preservation and the desire to avoid active duty will be a strong factor. The system provides that failure to comply

with regulations means induction into the Armed Forces.

As I pointed out before, there will be suitable safeguards to protect the individual from any abuse of this power by military instructors. Some of the safeguards are provisions that no civilian selectees can be inducted into the Armed Forces without first having the right to a probationary period to change his ways, an appeal from the final decision, and a full review by the Civilian Selectee Board, composed exclusively of civilians.

Fourthly, domestic influences would give the civilian selectee every incentive to cooperate. He would know that suitable work would make it possible not only for him to keep on his civilian job but would also let him remain with his family. And, of course, in that situation the average wife would be a pretty safe guaranty of good training conduct by the husband.

If cooperation by any trainee is to be left to the tender mercies of either a tough sergeant or a loving wife, I am inclined to think that under the circumstances the wife will inspire even more dread than the sergeant. You can imagine the fate of any man guilty of either absenteeism or poor marks when the home and children of his wife are at stake. The wife's rolling pin in any man's marriage carries more authority than the sergeant's guardhouse in any man's army.

Boiling it down, what it comes to is this: If the civilian selectee does good work, the military should be satisfied. If he does not do good work, the military gets him and can make him cooperate, which should satisfy the military. The result should be satisfactory to the military in either event.

The program I have suggested is not going to be completely acceptable to anyone, of course. It does not give the military everything it wants but, on the other hand, neither does it give the individual or the family or agriculture or industry or the financier everything they want.

I am proceeding from the basic assumption that it is impossible to achieve 100 percent results for all the endeavors we seek to accomplish. That is necessarily so because our goals are completely opposite. We must resolve our dilemma by seeking to give reasonably adequate and satisfactory treatment to each of the many factors that must be considered. It would be very easy to arrive at an absolutely perfect solution to any one of the demands if we completely ignored the others. Unfortunately we cannot do that.

THE WHOLE PICTURE

I readily understand the insistence of the military for all the manpower they need to carry out their program. I have the same feeling for those responsible for our productive output and for those who are primarily concerned about our financial condition. Unfortunately, neither one is required to consider the difficulties of the others. Probably it is not the business of either to do that. It may be that they merely see one part of the picture and their conclusions are not based on any over-all factors.

I believe we in Congress have the responsibility of looking at the entire picture.

I do not believe any solution is proper unless it takes into account at least all the factors I have discussed. There probably are more and undoubtedly there will be different and better solutions reached by those with better information and judgment. I hope this will at least offer some ideas.

PATRIOTISM FOR ALL

While on the subject of service to this Nation, let me parenthetically mention a matter that has always disturbed me. When we think about people making sacrifices to defend this country, our minds invariably seem to turn only to those who are between the ages of 17 and 35. Our attitude there is that if this country needs those men for the Armed Forces, they are drafted at certain pay rates and that is all there is to it. They and their families get along as best they can. It may mean less food, clothing, and shelter for the draftee's dependents but that is one of the unfortunate things about war.

But the same reasoning does not seem to hold good for others. If the Government needs a high-powered executive, for example, we have to offer some "inducement" in terms of a large salary—large only in the sense that it is more than a military draftee gets. There are actually cases of vacancies in positions that are essential to national defense and attempts are being made to fill those vacancies by financial inducements to get the proper personnel. Why?

Perhaps Americans over the age of 35 should not be drafted into military service because of their age, but what about other defense duties they are physically and mentally qualified to perform? If this country needs anyone for any sort of duty that is essential to defense, why must any more "inducement" be offered to that person than to anyone called for duty in the Armed Forces? How do we rationalize calling young men without regard to whether they want to serve or not but still feel the necessity of offering inducements to those above draft age?

NOT SOLELY THE PRIVILEGE OF YOUTH

There are hundreds of illustrations of what I mean, but let me cite just one. We have ruled that civilian defense is essential to our national security. There must be a civilian director. Do we simply select the proper man and say "you are it"? Oh, no. We have to offer a salary that is "attractive" as an inducement.

I have no objection to that except insofar as it discriminates against the men in the Armed Forces and their families. If they do not need any inducement when services and sacrifices are required of them, neither does anyone else. We should simply choose anyone who is wanted and draft him into the job.

Does that mean a $50,000-a-year man may suddenly find himself pulled out of the presidency of some corporation and put into a $5,000-a-year job whether he wants it or not? The same thing has happened on a smaller scale to almost every man in the Armed Forces.

Patriotism and sacrifices for this Nation are not solely the privilege of those of draft age. We cannot spare anyone needed, whether it be individuals under or over the age of 35. The same applies to property and profits. If the liberty and life of the lowliest GI can be taken, anything can be taken: this is everyone's fight.

COOPERATION BETWEEN CIVILIAN AND MILITARY ESSENTIAL

Now let me resume my main discussion about the need for more cooperation and joint efforts by the civilian and military forces by briefly discussing another measure I advanced back in 1942. There are many examples similar to the one I shall take up now for purposes of illustration, but I think this will explain the point I wish to make.

Both the military and civilian populations need medical attention. There simply will not be enough doctors to take care of the needs of both if we follow the same procedure we did in World War II. In that war we largely disregarded the needs of the civilian population in order to give the military all the medical men requested. Perhaps the military did not get all the doctors they needed or wanted, I do not know, but as between the civilian population and the Armed Forces there can be no doubt that the wishes of the Armed Forces were given greater consideration.

I believe it is going to be necessary to adopt a program that will completely satisfy neither the military nor the civilian population. I think the two are going to have to share the services of many doctors.

The military must, of course, be given the full time of enough doctors to take care of the service men and women who are in our Armed Forces. But there are many, many cases where doctors can continue with their private practice and still devote some of their time to taking care of the military. That is not true of physicians called to overseas duty, of course, but it will apply to many others.

WHY NOT?

During the last war I recommended that the number of doctors on duty in military camps be reduced provided civilian doctors in adjacent communities would spend a certain part of their day either on call on or duty at the camp.

For example, there was—and is—an air base in my district in western Massachusetts with probably 500 civilian doctors practicing within a radius of 10 miles—less than 20 minutes away by automobile. If that air base needed 10 doctors, for example, to take care of the military personnel 24 hours a day, why would all 10 have to be full time military doctors? Why could not the camp get along adequately with three full time military doctors in charge supplemented by the services of many civilian doctors working on a schedule that called for duty for them at certain hours of the day at the camp?

If 10 doctors are needed 24 hours a day, the system would provide for 10 doctors at all times—but only 3 of the 10 would be full time military doctors. The other seven would be civilian physicians

rotating out of a medical pool of doctors in the area.

That system would give the military personnel adequate care and it would also enable the civilian physician to continue caring for the civilian population. Less than 4 hours a week would have been taken away from the civilian practice of each of several hundred civilian doctors—yet the total number of such hours would give the military the equivalent of full-time service by many military doctors.

What is wrong with that suggestion? Are not the bodies and illnesses of servicemen the same as those of civilians? Are not most military service exempt physicians as capable as those called for active duty?

Civilian doctors were willing to cooperate in such a system for many reasons, probably the first being patriotism. Another was the realization that such cooperation insured many doctors being available for civilian needs. A third was perhaps the hope that active duty for the physician himself might be avoided if military needs were taken care of under the system I had suggested.

We all remember the shortage of doctors for civilians in the last war. The need in the future may be even greater—probably will be because if there be a next war it will be fought largely against civilian populations.

Can the military get along with fewer doctors? Of course many doctors in the Armed Forces in World War II worked as hard or even harder than civilian doctors. But anyone who was in the service knows that there was often what seemed to be overmanning of physicians by the military. I am not referring now to cases where ships and combat units carried doctors who did very little but had to be on hand at all times in case of battle casualties. I am referring rather to doctors in camps in America.

There were often many days when many doctors did very little except put in their time. It was necessary to have the doctor on hand even if there were no business: there might be. And I want to emphasize that this is not intended as any criticism of the military medical fraternity—they had nothing to say about it. As a result, we had the anomalous situation of a scarcity of doctors at home even though many doctors in the Armed Forces were caring for patients only a few hours a day.

THE LUXURY OF WASTE

We can no longer afford any such waste of our medical manpower. The whole answer is not my suggestion but I believe it will at least ease the shortage a little bit. If we can give adequate medical service to military personnel in camps in America by a combined use of military and civilian doctors, why not do it? It will keep many doctors at home to care for their patients and will tend to keep our national health level up where it must be if America is to remain strong.

The same is perhaps true of dentists and probably there are many other similar cases in other fields. We have never felt the full brunt of the situation because we have never had it for any great length of time. If, however, we are to adopt a long-range policy runing over a great many years we will feel the impact of a shortage of physicians more than we now realize. We must prepare for it.

There are many other preparations that should be made in the light of present and probable future conditions. I pointed out earlier that we do not fully appreciate the changes that have taken place in the past 20 years that have so radically altered the world in which we live. We have not taken any positive steps to adapt ourselves to the new world. We must do so.

EDUCATION

Let me illustrate what I mean by referring to our educational system, for example. It naturally has been set up for a peacetime economy. The subjects of study have been chosen with that in mind. Emphasis on certain courses in philosophy, language, history, and so on has been the result of the world as we have known it. The changes in that world in the past 20 years have been largely disregarded by our educational authorities.

We know, for example, that there has been considerable change in the world position of Russia, India, China, France, Germany, and many other nations. New spheres of influence have replaced old ones, new peoples have emerged, and new forces on world history have been created.

Has there been any corresponding change in any of the subjects taught in our schools? Are we adequately equipping our youth for the world in which they will live? Have we forgotten that that world differs from the one into which we were graduated from school?

Subjects that might have been extremely valuable 20 years ago may not mean so much today and tomorrow may mean even less. Our students may be still studying for a world in which France and Germany were major influences, where China and Russia were vast nonentities, where Europe was dominant and Asia merely a great void—but is that the situation today? The culture, mores, and civilizations of once unimportant nations may have been of little significance once—but what about the future?

THE NEW WORLD

We must learn to know more about the peoples of the world with whom we are going to be compelled to deal. We must know their history, their ways of living, their philosophy of life, their ethnic background, and what motivates them. We must understand them before we can properly deal with them.

Very often the history of a nation will tell a great deal about the people who are the product of that history. How many schools in America offer courses in the history of Russia, China, and India, for example? How many teach the language?

We hear a great deal about the oriental mind and we are confused by such matters as "face" and other mystifying concepts that are almost meaningless to us. We overlook the fact that many people in other parts of the world often guide their lives by such concepts. Nations take action that may affect us and the world and we do not comprehend why. Sometimes the reason is hidden in the history of that nation and such a situation should concern our educational authorities and the people of this Nation.

What the leaders of another nation may do is often subject to ascertainment by some knowledge of the philosophy of that nation. The stream of history often carries a people along into channels that can be predetermined and foretold once we have traced it from the source. Men often fall into a mold that has been cast by the ages. There is a pattern of life that reveals itself once some basis of understanding has been reached. Have we forgotten that?

ARE WE KEEPING UP WITH IT?

The world has been changing but there has been no corresponding change made by us in our preparation for it. I do not mean any drastic revolutionary upheaval in our educational system—I mean slight, gradual, progressive change that will keep us up to the times in which we live.

Is a change necessary? I do not know because I do not know enough about either the world or our educational system—but there are people in this country who do know and we can easily find out. I believe the matter should be thoroughly investigated in a way that I shall propose in a few minutes.

CHANCE FOR SURVIVAL

I also believe that our educational system has not met the responsibility of more adequately helping to prepare our youth for the status of military readiness that we may have to maintain for a great many years. Has there been any change in our educational system to meet the world situation that confronts us militarily?—a world situation incidentally in which our youngsters will have a better chance of survival if they are better prepared for what they must face.

I do not mean any drastic revisions of the educational curriculum but merely some slight changes that might be beneficial even in peacetime and would certainly be extremely helpful in wartime. For example, courses in first aid; Morse code; knowledge of military rates, ranks, and commands; ship and plane identification; protective measures against gas, atomic radiation, and bacteriological warfare; intercommunication systems and language; nomenclature for parts of guns, ships, tanks, and so forth.

There are many, many things that must be taught to a recruit before he is ready for combat duty. They take time to learn—all too precious time. They concern matters that we must live with today whether we want to or not. Knowledge of such matters may save lives.

Why do we not give our high school students that chance for self-protection and self-preservation by including such courses in our educational curriculum? Why do we not give our Nation that same chance for self-preservation? Most of the courses would be helpful even if we never have another world war. Under present world conditions, the

value would be inestimable—it might even mean the life of the Nation.

NO UNTAPPED RESOURCES

I do not know if there have been any conferences between our military and educational leaders to determine whether or not one may be of help to the other without any sacrifice to itself. There certainly should be many such conferences because, from here on in, we cannot overlook any untapped resource of readiness.

There are so many illustrations but in my opinion, at least, they all point to one inescapable conclusion: the need to reexamine our whole educational system in the light of present and probable future world conditions.

I believe a congressional committee should immediately be named to call in leaders in military, educational, industrial, governmental, and productive fields for a united effort to determine whether we can give better preparation to the youth of America.

We must learn immediately what, if anything, our educational system may be able to contribute to the needs of the military. We must know where there may be better cooperation. We must know what changes there have been to conform to new world conditions.

RABBITS AND TIGERS

Russia now dominates over half the world and, from all indications, may continue to do so for many years. In that situation, it is incredible to me that every high school does not offer courses in Russian history, language, and civilization.

We are going to live under air raid warning signals that are established to tell us bombs, fire, death, and destruction are coming. In that situation, it is incredible to me that every high school does not have compulsory courses in first aid, the use of fire-fighting equipment, and other protective measures that may save lives.

We are preparing our children to hunt rabbits when tigers are stalking the jungle. It is not simply that history may call us to account. It is closer than that: our own children may call us to account. What is our answer to be to them?

I think it essential to have an over-all review of our educational system as quickly as possible so that, if any changes be desired, they may be put into effect as quickly as possible. Any nation gives its children a chance to die: let us give ours a chance to live.

A REAL SURVEY

Let me emphasize that the last thing in the world that I am recommending is that the military dictate to our educational authorities or be the final judge as to what subjects should be studied by our youth. I certainly would not subscribe to that.

Neither do I believe that industry should usurp that function. Nor should our diplomatic and governmental policy makers.

I am inclined to think that those who now determine our educational policies are fully qualified to make any changes once the need has been demonstrated. A real survey should be made and recommendations advanced by leaders in education, production, military affairs, and those who determine what our national and international policies are to be. I believe hearings should be held as soon as possible by a joint congressional committee appointed for that specific purpose.

STUDENT EXCHANGE

Speaking of education and high-school students brings to my mind another matter that I discussed some months ago that should be a feature of any long-range program, in my opinion. I am referring to a proposal I made that I termed the "truth through youth" movement.

Briefly, it is a modified version of the student-exchange program. I outlined my suggestion in detail in the CONGRESSIONAL RECORD of July 19, 1950, so I will not discuss it further at this time other than to say that I believe it should play an important role in any long-range program.

ACADEMY OF SCIENCES

We also know that the future is going to see the need for more highly trained specialists to be available for governmental service in the sciences. There is going to be a shortage in all those fields of endeavor and we must prepare for it.

Perhaps a United States Scientific Academy along lines similar to the academies at West Point and Annapolis may be one answer. Let the Government select applicants to such a scientific academy with the understanding that they will be held by the Government for a service period after graduation—say 5 years, for example. That would insure this Nation of a constant source of supply of personnel to fill needs that not only now exist but will continue. It would, for example, help eliminate the shortage of doctors in rural areas; and it would also insure our scientific laboratories of adequate personnel for both peacetime and wartime efforts.

Our need for doctors, biologists, chemists, physicists, bacteriologists, engineers, and others skilled in scientific pursuits is going to increase as the complexities of our world civilization increase. Our existing system cannot keep up with the demand.

EDUCATION IS WEALTH

Not exactly the same but in keeping with the need for education is another proposal I made back in January of 1949 which I termed the Federal scholarship plan. It contemplates a program whereby qualified high-school students may go on to higher education even though they are unable to pay for it. The Government makes it possible for them to do so but at no cost to the Government.

I outlined the details of my suggestion in the CONGRESSIONAL RECORD last year—January 25, 1949—so I will not repeat them here. In my opinion, the Federal scholarship plan I suggested should also be incorporated in any long-range program.

OUR JUDICIAL SYSTEM

I believe any long-range program must also encompass an over-all review of our judicial system in the light of world conditions. Over a year ago I asked the President to appoint a committee of outstanding legal authorities to survey the problem and make recommendations for necessary changes.

It is possible that present laws pertaining to arrest and introduction of evidence may no longer be adequate for the security of this Nation. It may well be that our Constitution does not place the security of any one individual above the security of the entire Nation although our present laws are susceptible of interpretations demanding that result.

Individuals who have been accused of committing acts detrimental to the Nation's security have not even been brought to trial in many cases because of laws that have not been carefully examined for many decades. Statutes of limitations, doctrines on illegal arrest, granting of mistrials, and rules of evidence have often been used as vehicles for miscarriages of justice.

In other cases, our judicial system has invited directed verdicts because of perfectly permissible legal maneuvers that have thwarted justice—if by justice we mean acquitting the innocent and convicting the guilty.

That is not theory; that is fact established by records of our courts, the Federal Bureau of Investigation, and the Department of Justice. Some of the cases have become public property in the newspapers; still others are buried in confidential files of our law-enforcement agencies.

LAW SHOULD BE STRENGTH

A legal system that was originally established to protect the Nation and all the individuals in our Nation is failing to fulfill its functions. The courts have often had to place the Nation in jeopardy in order to fully protect every single legal right given to individuals who sought to destroy the very Nation that was protecting them. It is truly an anomalous situation when the law and the Constitution are the tools of those who would destroy our law and Constitution.

Our rules of evidence have often placed the Department of Justice in a situation that has prevented it from even bringing to trial persons believed guilty of trying to destroy this Nation. I am not talking about convicting them, now—I am talking about even bringing them to trial.

Perhaps those people were not really guilty, regardless of the amount of evidence obtained against them by the Department of Justice—I would be the last to say the Department of Justice should decide—but certainly this Nation and the people of this Nation are at least entitled to have a decision made by the courts we have established to see that justice triumphs.

Under prevailing law, and under the world conditions that exist today, the Government of the people of the United States has often had to drop cases because of disclosures of confidential matters that could be forced by defendants—disclosures that would seriously impair the security of this Nation. That is not theory—it has happened and will happen again.

THE INDIVIDUAL OR THE NATION?

Perhaps there is no solution to the problem but we must at least attempt to arrive at one. Our only attempt thus far has been by a piecemeal, makeshift approach that finds the remedy at least as bad and possibly worse than the condition.

Our legal difficulties call for an exhaustive, penetrating analysis of our legal procedure by the most competent authorities we can obtain. Recommendations should be presented and then, in their turn, those recommendations should be sifted and thoroughly analyzed to be sure that the individual is given every possible protection that is consistent with the security of the Nation. That is not the situation today.

Right now we give the individual every possible protection even if it imperils the security of the Nation. We have placed the security of an individual who seeks to destroy this Nation above the security of the Nation itself. That may or may not be true in any theoretical or academic sense but it is gospel truth as a practical matter. The net result of many legal shibboleths and rationalizations is to give one individual greater rights than those guaranteed a hundred and fifty million people.

Neither I nor anyone else wants any change of any kind that will allow the conviction of an innocent defendant. If that ever comes to pass the America we love will have passed, too. Of course, no change in our laws that would result in that would be either necessary or worthy.

CRIMES AGAINST NATIONAL SECURITY

Let me point out, too, that the emphasis in any revision of existing legal procedure should be placed primarily on matters affecting national security. Perhaps it should even be limited solely to such matters.

Perhaps all we need is a separate code for such cases as espionage, treason, sabotage, and other related matters. Perhaps what is needed is a separate tribunal with rules of evidence solely for cases of that sort in that court. The great care that must be taken in trying to institute any reform is readily apparent when we see how dangerously close we may be getting to star-chamber proceedings.

I mention that only to indicate how carefully we must proceed and why hit-or-miss methods conceived in hysteria will not do. It must be a painstaking, detailed study by the best legal minds of the country. The results of their study must be followed by a review by the Nation's best nonlegal minds. Lastly, of course, the Congress itself must decide. The final legislative decision will be reviewed by the highest court of the land and, ultimately, by the people themselves.

I have suggestions I should like to present to a properly constituted committee and probably we all do. I hesitate to offer my ideas publicly before they have been considered by legal minds of much greater knowledge and wisdom than I possess. The right committee should be able to finish cooking a half-baked idea or throw out a lemon. My only qualification has been the very limited experience of a brief legal practice and I am the first to concede that that is not sufficient.

But there are suitable legal minds for the task and they can easily be found in our law schools, courts, and bar associations. Why not make use of their services to strengthen our internal security by strengthening our judicial system?

I wish to again renew my suggestion to the President of over a year ago that he immediately appoint a committee to begin such a study. Perhaps it will accomplish nothing—perhaps it may save this Nation—but certainly it cannot do any harm and it may do a great deal of good. Why not do it?

ECONOMY

A little earlier I mentioned that we are going to have to pull in our belts to keep this Nation solvent. It has been advisable to do it for some time but now it is imperative. It cannot be done without the cooperation of everyone in the Nation.

Taxes are going to increase, of course, regardless of every possible economy, because we must provide the financial sinews of war and defense. But the greater the economies practiced, the lesser the taxes needed. True economy does not mean simply cutting every expenditure because many expenditures provide strength for America and our people. Anything that weakens this Nation is poor economy. But there are many possible savings that can be made without hurting the Nation and they must be made.

Taxation alone will not suffice for any long-range policy. Our program must be double-barreled: taxes as low and as few as possible, economies as great and as many as possible. Only in that way can we maintain our military strength, our world position, our financial solvency, and our American way of life.

That means further cuts in some types of Government spending must be made. It probably also means depriving the general public of services and benefits to which our people have become accustomed. We had better steel ourselves because if we listen to domestic screams of anguish we will be deaf to moans on distant battlefields.

ANY CHANGE SINCE KOREA?

We should know as quickly as possible what every governmental department and agency has done to effect economy since the Korean war began. Maybe they believe no further savings are possible but, in the situation in which we find ourselves today, even "impossible" savings must be made. Let me cite just one example of what I mean—printing. I mentioned it last year. It covers merely very minor items, it is true, but pennies add up to dollars and we must begin some place.

BULLETS OR BULLETINS?

The Government prints and gives away many educational pamphlets that probably are very valuable and helpful to the public. I am not referring just to the familiar cook books, baby books, agricultural books, and so on, but also to the lesser-known books and pamphlets with the fantastic titles. Why Jellyfish Migrate, the Sex Life of the Clam, Flying Habits of the Cuckoo, How To Measure a Cupboard, and such might be illustrative of some of the subjects covered. Probably every single one may be helpful to someone but what do they contribute in any real sense to the strength of America? Can we afford them?

Every department or agency should be required to furnish a list of every book or pamphlet upon which a loss is taken. They must be ordered to stop printing every single one that is not clearly essential to our well-being, having in mind our precarious financial situation. Incidentally, I think we in Congress could probably set them a good example by cutting down items in the Appendix of the CONGRESSIONAL RECORD. Ninety percent of them are so much trash and we all know it. Some small saving might be effected there.

DUPLICATION IS EXPENSIVE

Another item has to do with congressional hearings. The House and Senate each considers substantially the same bills. Each holds hearings and copies of the testimony together with majority and minority reports are printed. The waste of time of Senators, Representatives, departments, agencies, clerks, stenographers, and witnesses in attending two hearings on the same subject is probably a fairly substantial item. The duplication in printing amounts to something, too.

That is the way the Government operates for reasons beyond my comprehension unless it be jealousy of power and authority on the part of each body of Congress. The necessity of separate reports and bills is readily discernible because, of course, each body must select its own report and write its own bill, but that can easily be done even after a joint hearing.

Would not a joint hearing eliminate double attendance by witnesses, stenographers, and clerks? Would not a joint hearing eliminate the duplication in printing? There should be no insurmountable difficulty in establishing some such time- and money-saving procedure. After all, the details would be set up by Representatives and Senators who provided for unification of the Armed Forces—and I suppose generals and admirals are as touchy and jealous of authority as Congressmen and Senators.

Perhaps such items are too small to talk about but they are painless savings. Let us begin there and continue on into the not so painless economies. It may cause some inconvenience and grumbling but that is not the governing consideration—after all, the men being drafted into military service are not getting exactly what they want, either.

GRASS ROOTS ECONOMY

I believe the public should also make a start on the so-called "Grass Roots Economy Program" I suggested in a talk on governmental expenditures several months ago. I will not go into detail here, as I went into the subject fully in the CONGRESSIONAL RECORD when I discussed it—June 29, 1950. In that talk I attempted to show that one branch of the Government had attempted to spend

about $2,000,000,000 a year more than the House of Representatives thought was necessary. The total came to about $20,000,000,000 in the period from 1940 to 1950. I suggested a program that I felt might have stopped such practices and effected economies.

I believe the proposal I termed a "grass roots economy program" would be helpful in our efforts to keep this Nation solvent and should be included in any long-range policy.

ALL THE ELEMENTS

I have not tried to give any full or detailed exposition of all the elements I believe are necessary for a rounded-out program for America. I have merely tried to indicate that America cannot embark on any sort of policy that does not provide for some cooperative effort on the part of all the phases of our civilization that combine to make the American way of life.

I do not believe we can remain strong merely by providing a great military force without regard to its effect upon our production or our economy. On the other hand, I do not believe we can keep strong by balancing our budget at the expense of the military. Neither do I think we can save our civil rights by allowing our defense secrets to be sold to the enemy. Nor do we protect our children by completely disrupting the family life of America.

The way to strength, in my opinion, lies in an over-all, united effort by all the people of America. No vital part in our strength must be either overemphasized or underemphasized.

We must not be topheavy militarily or otherwise; we must not spend ourselves into destruction; we must not sell ourselves into bondage by throwing away our liberties; we must not deplete our productive effort; we must not destroy the American way of life. Disaster lies in all those directions.

Any single remedy that does not give consideration to at least all those factors is not the answer; it will fall of its own weight.

"BETTER TO LIGHT ONE CANDLE THAN TO CURSE THE DARKNESS"

I have proposed the solution that appeals most to my judgment. It probably is not a good solution but if even one line of it has the slightest merit, at least that is something. I believe all Congressmen should offer their own solutions, not because any of us think ours is the best, but rather in the spirit and hope that something in our suggestions may be constructive or point the way to the right answer.

I have no desire to risk the scoffings of those who will easily prove what I already admit—that I not only am not an expert on military, productive, educational, historical, legal, or financial matters—but actually I know but little of any of those things. My only excuse for this talk is what I stated in the beginning—that if I have any thoughts at all on the subject, the position demands that they be expressed for the consideration of those with greater experience, knowledge, and judgment.

I shall not mind being accused of not having spoken wisely or well so long as I know I have spoken from my conscience and to the best of my ability. That I have done and I am content.

Let me conclude by again pointing out that practically everything I have said has been based on the assumption that we are not yet in world war III. Let us hope that with the help and cooperation of all, and with the help and guidance of God, we may yet find the right policy and program that will lead to peace.

EXTENSION OF REMARKS

Mr. RANKIN asked and was given permission to extend his remarks and include excerpts from a speech made last night by Hon. Herbert Hoover.

Mr. RAMSAY asked and was given permission to extend his own remarks.

Mr. FORD asked and was given permission to extend his own remarks and include an article.

Mr. McCORMACK asked and was given permission to extend his remarks and include the text of an address made recently by the President and also the text of the emergency proclamation.

Mr. FLOOD asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. CLEMENTE asked and was given permission to extend his remarks and include a letter from the mayor of the city of New York and a speech before the Senate Armed Services Committee.

Mr. PRICE asked and was given permission to extend his remarks in three separate instances and in each to include extraneous matter.

Mr. ROONEY asked and was given permission to extend his remarks in three instances, in each to include extraneous matter.

Mr. RODINO asked and was given permission to extend his remarks and include a resolution.

SENATE ENROLLED BILL SIGNED

The SPEAKER announced his signature to an enrolled bill of the Senate of the following title:

S. 3357. An act to prohibit transportation of gambling devices in interstate and foreign commerce.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to Mr. MAHON (at the request of Mr. PRIEST) for today, on account of sickness.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 29 minutes p. m.) the House adjourned until tomorrow, Friday, December 22, 1950, at 12 o'clock noon.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII,

Mr. BURNSIDE introduced a bill (H. R. 9940) to provide for the evacuation of dependents of Armed Forces personnel from occupation zones or areas, which was referred to the Committee on Armed Services.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. JENNINGS introduced a bill (H. R. 9941) for the relief of Dewey Esco Hill, which was referred to the Committee on the Judiciary.

SENATE

FRIDAY, DECEMBER 22, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Most gracious Father, we lift up our hearts as again o'er the earth's dark shadows the angels' song is heard, and over an earth grown old with its burden of care again the voice of the Christ Child rings out with its cheer, that mankind are the children of God.

May we see with new eyes, as Christmas comes to a world where ill will has wrought such horror, that that One whose coming breaks the ages in two is set for the falling and rising of nations; that He does not stay in the manger, He walks in our world of pretense and greed and self-seeking, and that where He goes the judgment of God goes with Him. Bending low through the gate of the child heart, may we find the simplicity, the freedom, and the truth that sword and tongue and pen can never give. Amen.

THE JOURNAL

On request of Mr. MCCARRAN, and by unanimous consent, the reading of the Journal of the proceedings of Thursday, December 21, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On December 21, 1950:

S. 3091. An act for the relief of Master Stanley (Zachne) Hiller.

On December 22, 1950:

S. 3329. An act for the relief of Kiyomi Kitamura;

S. 3430. An act for the relief of Martina Arnaiz Zarandona (Sister Blanca Eugenia);

S. 3444. An act for the relief of Victor Francis Oberschall; and

S. 4111. An act for the relief of Southern Fireproofing Co., of Cincinnati, Ohio.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had agreed to the concurrent resolution (S. Con. Res. 108) favoring the suspension of deportation of certain aliens, with amendments, in which it requested the concurrence of the Senate.

CALL OF THE ROLL

Mr. McCARRAN. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Anderson	Holland	Mundt
Brewster	Humphrey	Murray
Bridges	Hunt	Neely
Butler	Ives	O'Conor
Byrd	Johnson, Colo.	O'Mahoney
Capehart	Johnson, Tex.	Pepper
Chapman	Kefauver	Robertson
Chavez	Kem	Russell
Clements	Kerr	Saltonstall
Connally	Kilgore	Schoeppel
Cordon	Knowland	Smith, Maine
Donnell	Langer	Smith, N. J.
Douglas	Lehman	Smith, N. C.
Dworshak	Lodge	Sparkman
Eastland	Long	Stennis
Ecton	Lucas	Taft
Ellender	McCarran	Taylor
Frear	McClellan	Thomas, Okla.
Fulbright	McFarland	Thomas, Utah
George	McKellar	Tydings
Gillette	McMahon	Watkins
Gurney	Magnuson	Wherry
Hayden	Malone	Wiley
Hendrickson	Martin	Williams
Hickenlooper	Millikin	
Hill	Morse	

Mr. LUCAS. I announce that the Senator from Connecticut [Mr. BENTON], the Senator from North Carolina [Mr. HOEY], the Senators from South Carolina [Mr. JOHNSTON and Mr. MAYBANK], the Senator from Pennsylvania [Mr. MYERS], and the Senator from Rhode Island [Mr. PASTORE] are necessarily absent.

The Senator from Rhode Island [Mr. GREEN] is absent by leave of the Senate on official business, having been appointed a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

Mr. SALTONSTALL. I announce that the senior Senator from Vermont [Mr. AIKEN], the Senator from Ohio [Mr. BRICKER], the junior Senator from Vermont [Mr. FLANDERS], the Senator from Indiana [Mr. JENNER], the Senator from Wisconsin [Mr. McCARTHY], and the Senator from Minnesota [Mr. THYE] are necessarily absent.

The Senator from Kansas [Mr. CARLSON], the Senator from California [Mr. NIXON], the Senator from New Hampshire [Mr. TOBEY] and the Senator from North Dakota [Mr. YOUNG] are absent on official business.

The Senator from Michigan [Mr. FERGUSON] is absent by leave of the Senate on official business, having been appointed as a delegate from the Senate to attend the meeting of the Commonwealth Parliamentary Association in Australia.

The Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The VICE PRESIDENT. A quorum is present.

CREDENTIALS

The VICE PRESIDENT laid before the Senate the credentials of ROBERT A. TAFT, duly chosen by the qualified electors of the State of Ohio a Senator from that State for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, ROBERT A. TAFT was duly chosen by the qualified electors of the State of Ohio a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness His Excellency, our Governor, Frank J. Lausche, and our seal hereto affixed at Columbus, this 18th day of December in the year of our Lord 1950.

FRANK J. LAUSCHE,
Governor.

By the Governor:
[SEAL] CHARLES F. SWEENEY,
Secretary of State.

Mr. DOUGLAS presented the credentials of EVERETT MCKINLEY DIRKSEN, duly chosen by the qualified electors of the State of Illinois a Senator from that State for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

STATE OF ILLINOIS.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, EVERETT MCKINLEY DIRKSEN was duly chosen by the qualified electors of the State of Illinois a Senator from said State, to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness, His Excellency, our Governor, Adlai E. Stevenson, and our seal hereto affixed at Springfield this 29th day of November A. D. 1950.

ADLAI E. STEVENSON,
Governor.

By the Governor:
[SEAL] EDWARD H. BARRETT,
Secretary of State.

SUSPENSION OF DEPORTATION OF CERTAIN ALIENS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the concurrent resolution (S. Con. Res. 108) favoring the suspension of deportation of certain aliens, which were on page 10, strike out line 12; on page 15, strike out line 10; and on page 21, after line 10, insert:

A–6653416, Salgo, Miklos, or Nicholas Salgo or Nicolas M. Salgo.

Mr. McCARRAN. Mr. President, the House has amended Senate Concurrent Resolution 108 by striking out two names which were withdrawn by the Attorney General since the resolution was submitted in the Senate, and by adding one name which was referred to the Congress on December 1, 1950. I wish to say that the Committee on the Judiciary has examined the one name which has been added, and I now move that the Senate concur in the House amendments.

The motion was agreed to.

TRANSACTION OF ROUTINE BUSINESS

Mr. LUCAS. Mr. President, I ask that Members of the Senate be permitted to introduce bills and resolutions, and to submit petitions and memorials, without debate.

The VICE PRESIDENT. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The VICE PRESIDENT laid before the Senate the following letters, which were referred as indicated:

SUSPENSION OF DEPORTATION OF ALIENS—WITHDRAWAL OF NAME

A letter from the Attorney General, withdrawing the name of Carl John Cullum from a report relating to aliens whose deportation he suspended more than 6 months ago, transmitted to the Senate on January 16, 1950; to the Committee on the Judiciary.

REPORT ON COMMISSARY ACTIVITIES OF CIVIL AERONAUTICS ADMINISTRATION IN ALASKA

A letter from the Secretary of Commerce, transmitting, pursuant to law, a report on the commissary activities of the Civil Aeronautics Administration in Alaska and other points outside the continental United States, for the fiscal year 1950 (with an accompanying report); to the Committee on Interstate and Foreign Commerce.

PETITIONS

The VICE PRESIDENT laid before the Senate the petition of Mrs. Oda B. Thompson, of Philadelphia, Pa., referring to her claim against the United States, which was referred to the Committee on the Judiciary.

The VICE PRESIDENT also laid before the Senate a resolution adopted by the council of the city of Tacoma, Wash., relating to appropriating Federal grants-in-aid to communities adjacent to military bases for recreational facilities and programs, which was referred to the Committee on Armed Services.

GOVERNMENT IN BUSINESS—RESOLUTION OF YORK (MAINE) LIONS CLUB

Mrs. SMITH of Maine. Mr. President, I present for appropriate reference a resolution adopted by the Lions Club, of York, Maine, favoring an amendment to the Constitution providing that the United States shall not engage in any business, professional, commercial, or industrial enterprise in competition with its citizens except as specified in the Constitution.

The VICE PRESIDENT. The resolution will be received and referred to the Committee on the Judiciary.

LEGISLATIVE HISTORY OF COMMITTEE ON FOREIGN RELATIONS (S. DOC. NO. 247)

Mr. CONNALLY. Mr. President, I ask unanimous consent that a pamphlet entitled "Legislative History of the Committee on Foreign Relations, Eighty-first Congress," be printed as a Senate document.

The PRESIDENT pro tempore. Without objection, it is so ordered.

CHRISTMAS—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him entitled "Statement on Christmas, 1950," which appears in the Appendix.]

WAR AND INFLATION—STATEMENT BY SENATOR O'MAHONEY

[Mr. O'MAHONEY asked and obtained leave to have printed in the RECORD a statement on war and inflation prepared by him for delivery over the NBC radio network, which appears in the Appendix.]

AMERICA'S RESPONSIBILITY IN PRESENT WORLD CONDITIONS—STATEMENT BY SENATOR KERR

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD a statement by Senator KERR regarding America's responsibility in present world conditions, which appears in the Appendix.]

CHINESE COMMUNIST INTERVENTION IN KOREA—STATEMENT BY GEN. CARLOS P. ROMULO

[Mr. TAFT asked and obtained leave to have printed in the RECORD a statement on Chinese Communist intervention in Korea, delivered by Gen. Carlos P. Romulo, foreign secretary of the Philippines, on December 7, 1950, in the First Committee of the General Assembly of the United Nations, which appears in the Appendix.]

STATEMENT BY THE COMMITTEE ON THE PRESENT DANGER

[Mr. SALTONSTALL asked and obtained leave to have printed in the RECORD a statement by the Committee on the Present Danger, which appears in the Appendix.]

BOYHOOD BACKGROUND OF SENATOR HUMPHREY—ARTICLE FROM THE DOLAND (S. DAK.) TIMES-RECORD

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an article entitled "Doland People Tell of Senator HUMPHREY's Boyhood Background," published in the Doland (S. Dak.) Times-Record for November 9, 1950, which appears in the Appendix.]

JAPAN FORCED TO PLAY PASSIVE ROLE—ARTICLE BY SEBASTIAN HAFFNER

[Mr. ECTON asked and obtained leave to have printed in the RECORD an article entitled "Japan Forced To Play Passive Role," written by Sebastian Haffner, and published in the Washington Sunday Star of December 17, 1950, which appears in the Appendix.]

DEAN ACHESON—ARTICLE BY GEORGE SOKOLSKY

[Mr. BRIDGES asked and obtained leave to have printed in the RECORD an article entitled "These Days," written by George Sokolsky, and published in the Washington Times-Herald of December 21, 1950, which appears in the Appendix.]

SECRETARY ACHESON'S CRITICS—LETTERS IN THE NEW YORK TIMES

[Mr. LEHMAN asked and obtained leave to have printed in the RECORD two letters from the columns of the New York Times of December 20, 1950, with comment by the editor, regarding to effort to force the dismissal of Secretary Acheson, which appear in the Appendix.]

REORGANIZATION OF THE EXECUTIVE BRANCH OF THE FEDERAL GOVERNMENT—EDITORIAL FROM WILMINGTON (DEL.) MORNING NEWS

[Mr. WILLIAMS asked and obtained leave to have printed in the RECORD an editorial having to do with the reorganization of the executive branch of the Federal Government, published in the Wilmington (Del.) Morning News on December 21, 1950, which appears in the Appendix.]

TRIBUTE BY RADIO COMMENTATORS TO SENATOR JOHNSON OF TEXAS

[Mr. McFARLAND asked and obtained leave to have printed in the RECORD tributes to Senator JOHNSON of Texas by Edward R. Murrow and Eric Sevareid, which appear in the Appendix.]

ADDRESS BY PRESIDENT HOOVER—EXCERPT FROM BROADCAST BY ELMER DAVIS

[Mr. McMAHON asked and obtained leave to have printed in the RECORD an excerpt from an address by Elmer Davis broadcast over the facilities of the American Broadcasting Co. on December 21, 1950, regarding the recent address by President Hoover, which appears in the Appendix.]

NONDEFENSE EXPENDITURE REDUCTIONS—LETTER FROM SENATOR BYRD TO THE PRESIDENT

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter I have written to the President of the United States.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DECEMBER 22, 1950.

MY DEAR MR. PRESIDENT: You stated in your December 15 address to the Nation that the Director of the Budget had been "instructed to reduce nonmilitary expenditures to the minimum required to give the effective support to the defense effort."

Your statement encourages me to pledge to you my full support in this vital requirement.

When we started preparedness for World War I the Federal debt was little more than $1,000,000,000. When we started preparedness for World War II the debt was a little more than $40,000,000,000.

We are starting to prepare for this, the most perilous of all threats to our freedom, with a debt of more than a quarter of a trillion dollars.

Assuming conditions short of total war, expenditures in the current fiscal year, which began last July 1, will run to between $48,000,000,000 and $50,000,000,000. In peace and war we have been on a deficit financing basis in 19 out of 21 years, including the present.

The deficit this fiscal year will be relatively small, but we must not allow it to lull us into a sense of false security. New defense spending will not show up in its real proportion until next fiscal year, which begins July 1.

We have already imposed one tax increase of $4,500,000,000. The second increase, $3,500,000,000 in the form of an excess-profits levy, is being enacted now. Including these two increases, on a full year basis, maximum Federal revenue next year is estimated at little more than $50,000,000,000. This estimate by sources follows:

Direct taxes on individuals	$20,700,000,000
Direct taxes on corporations	19,400,000,000
Excise taxes	8,200,000,000
Customs and miscellaneous receipts	2,000,000,000
Net employment taxes	800,000,000
Total	51,100,000,000

Secretary Snyder testified before the Finance Committee that the level of governmental expenditures next year (fiscal year 1952, beginning July 1, 1951) may be half again as large as this year. This means the budget for the coming fiscal year would be approximately $75,000,000,000.

From these revenue and expenditure estimates its appears that within a year we would be operating at an annual deficit of $25,000,000,000, unless we reduce expenditures and raise taxes still further.

Security is our first obligation, and under existing conditions we must visualize tremendous military expenditures in a long-range perspective. It is frightening to contemplate continuation of $25,000,000,000-a-year deficits indefinitely. We do not control the duration. It may be 5 years, 10 years, or longer.

There has never been a similar situation. The free-enterprise system is our first line of defense. We cannot relax our military preparedness. Neither can be maintained at maximum efficiency in an atmosphere of fiscal weakness which is certain to accompany prolonged deficits of the indicated magnitude.

These threatened deficits must be precluded completely, or greatly reduced, by the combination of further tax increases and retrenchment in nonessential spending. I submit that we should start reducing nonmilitary expenditures at this time with reductions in excess of $7,000,000,000.

The urgency of your determination "to reduce nonmilitary expenditures to the minimum required to give effective support to the defense effort" is obvious. Under our system Federal budgets are the result of joint action by the Chief Executive and Congress. Therefore, your leadership is required. Without it drastic budget reductions may be difficult if not impossible.

Budget reductions to the level you have sanctioned will involve domestic-civilian spending programs which are tied to long-term statutory commitments. If we are to reach these items to the extent necessary, joint executive-legislative action on basic legislation to repeal, reduce, or suspend the commitments will be required, and legislative recommendations to this end should be included in the President's budget proposals.

As a member of the legislative branch who has studied Federal budgets closely for 18 years, I believe the present crisis requires cooperative action between the executive branch and Congress to eliminate immediately $7,000,000,000 to $8,000,000,000 in nonessential expenditures from the new budget as follows:

1. Expenditures in strictly domestic-civilian programs, including the postal deficit, should be reduced (along lines suggested in the appended details and tables) by at least	$3,600,000,000
2. The Armed Forces are notorious for extravagant use of civilian manpower. They are now employing approximately 1 civilian for each 2 men in uniform as compared with 1 civilian for each 5 men in uniform at the World War II peak. The military effort would be strengthened if, through greatly needed efficiency, the Military Establishment's projected civilian employment of more than 1,250,000 were reduced by at least 150,000 with a saving of	500,000,000
3. Foreign economic assistance for the current fiscal year was estimated at $4,000,000,000. This program is scheduled to expire only a year hence. Billions now being appropriated for foreign military assistance are overlapping the economic assistance programs at many points. Foreign economic assistance expenditures in the new budget should not exceed commitments already made, and therefore should be reduced under estimates for the current year by at least	3,500,000,000
Total	7,600,000,000

These suggestions should be regarded as the point from which further reductions should be considered. Even when they are substantially exceeded a third tax increase will be in immediate prospect.

I have confidence in Frederick J. Lawton, Director of the Budget, whom you have designated to make preliminary recommendations on reductions to be made. No man is more thoroughly versed in the complex Federal budget. I hope he finds that even greater reductions can be made immediately to strengthen our fiscal position without impairing the defense effort or damaging irreparably other aspects of national welfare.

I take the liberty of submitting my views to you and him in this letter which is written in a sprit of cooperation and constructive suggestion. The suggestions are supplemented by appended detail and tables.

Sincerely,

HARRY F. BYRD,
United States Senate.

ADDENDUM

The suggested budget reductions in the attached letter are in terms of broad expenditure categories.

The purpose of this addendum is primarily to expand domestic-civilian reductions first in terms of major expenditure functions, and second in terms of more specific expenditure programs.

In addition, further comment will be made on suggested reductions in expenditures for Military Establishment civilian employment, on expenditures for foreign economic assistance, and on the budget in general.

DOMESTIC-CIVILIAN

Figures in the following tables relative to domestic-civilian expenditures are exclusive of all military and related expenditure objects such as atomic energy, merchant marine, stockpile, National Advisory Committee for Aeronautics, Panama Canal, Coast Guard, Alaska construction and transportation, and cemeterial programs. They do not include any foreign military or economic aid expenditures. They do not include any veterans costs. They do not include any interest on the debt or refunds of erroneously collected taxes.

Expenditures for State-aid programs, now totaling nearly $3,000,000,000, account for about 25 percent of the domestic-civilian budget. They are to be found running through virtually all of the so-called major functions in this category—public assistance and health, housing, education and research, agriculture, resources development and recreation, transportation (including highways and civilian airports), business promotion, employment, and so forth.

In this critical period the question of merit under ordinary conditions is not the paramount consideration. The degree to which they support the defense effort must be the controlling factor. These items must be reached if we are to reduce nonmilitary expenditures to the minimum required to give effective support to the defense effort. Most of them are tied to long term statutory commitments, and most of them will require changes in State budgets. Wherever new basic legislation will be required to repeal, amend, or suspend these Federal commitments, legislative recommendations should be included in the President's budget proposals. The States are now better able than the Federal Government to finance the irreducible minimum of public assistance, public construction, resources development and public health within their borders. They must be given notice immediately in order that they may conform.

The tabulated domestic-civilian material which is to follow is set forth under functional headings which are numbered. It should be considered in the light of the preceding general observations and the following specific explanation:

1. With respect to the social welfare, health, and security function and programs: most of the reduction proposals would be in public assistance, and institutional construction grants to the States. The contributory social security system of course would not be affected. The original purpose of other public assistance grants was to fill gaps in the social-security program. Social-security insurance has been broadened this year. The war effort will require the labor of all who are able to work. Scarcity of materials automatically will curtail or halt nondefense construction. After the reductions suggested in this item it would still be a quarter of a billion dollars higher than it was in fiscal year 1946 when World War II ended.

2. With respect to housing and community facilities (including mortgage purchases): Adequate war effort precludes nonessential housing construction. This program already has been curtailed. It should be eliminated with the exception of essential defense housing. No new money would be provided, but returns from previous loans should meet the cost of housing for the war effort. Repayments in these programs during fiscal year 1946, when the war ended, exceeded expenditures.

3. With respect to education and general research: This item includes an increase for scientific research directed to the war effort which is not evident in the rounded figures. Other items remain virtually unchanged from the present except a reduction in funds for the census.

4. With respect to agriculture and agricultural resources (including Commodity Credit Corporation): Reductions in this item are principally in Commodity Credit Corporation price supports and nonessential rural electrification construction. Price support receipts this year are exceeding expenditures. If food subsidies have to be imposed, such as they were in World War II, price support receipts should meet the cost as they did at that time. The reduced figure contemplates expenditures for rural electrification construction essential to the war effort.

5. With respect to natural resources: Major reductions in this item would be in nonessential public works by the Army engineers and the Bureau of Reclamation. But funds remaining for these projects would be 25 percent more than was available in fiscal year 1946 when we had both war and postwar conditions.

6. With respect to transportation and communication (including the postal deficit): Decreases in this item would be in nonessential highway, airport, and Army engineers' construction, and the postal deficit. As in other categories of construction scarcity of materials automatically will halt or curtail all nonmilitary effort construction. The postal deficit should be wiped out under any circumstances. Those who use the mails should be willing to pay for the service. It disappeared during World War II. It should be eliminated now. Increases are provided for navigation aids and facilities for regulation of transportation and communication necessary for the war effort.

7. With respect to finance, commerce, and industry: Reductions are made in expenditures for ordinary activities under this item, but increases would be provided for export and domestic controls along with others provided for in the general Government function.

8. With respect to labor: The figures in this item contemplate the 1946 level of activity with an increase provided for labor training.

9. With respect to general government: Provision is made for increased immigration control costs. It is assumed that some of the civilian controls incident to current conditions will be reflected in the cost of general Government functions. The suggested reduction takes into account increased costs of Federal civilian retirement.

It may be worthy of note that in fiscal year 1946 we were descending from peak military requirements. In the coming fiscal year we shall be ascending in military requirements. Under suggested reductions total expenditures for domestic civilian programs in the coming year would be approximately 35 percent higher than they were in fiscal year 1946.

Reductions in strictly domestic-civilian expenditures by major functions are tabulated and compared as follows:

Reductions in strictly domestic civilian expenditures, by major functions (compared with war, postwar, and new emergency years)

[In billions of dollars]

Expenditure categories (strictly domestic civilian)	War peak, fiscal year 1946	Postwar period, fiscal year 1948	New emergency		Suggested budget, fiscal year 1952
			Fiscal year 1950	Fiscal year 1951	
1. Social welfare, health, and security	1.0	1.9	2.2	2.3	1.3
2. Housing and community facilities (including mortgage purchases)	−.2	.1	.5	.5	
3. Education and general research	.1	.1	.1	.1	.1
4. Agriculture and agricultural resources (including CCC)	.8	.6	2.6	1.5	.8
5. Natural resources	.2	.6	1.2	1.2	.4
6. Transportation and communication (including postal deficit)	.4	1.0	1.5	1.5	.4
7. Finance, commerce, and industry	.1	.1	.1	.2	.4
8. Labor	.2	.2	.2	.2	.2
9. General government	1.0	1.5	1.0	1.0	1.3
Total	3.6	6.1	9.4	8.5	4.9

A more detailed presentation of the suggested reductions is shown in the following table showing domestic-civilian expenditures on a program-by-program basis within the so-called major Federal functions:

Reductions in strictly domestic civilian expenditures, by programs within major functions

[In millions]

Functions and categories	Fiscal year 1946	Fiscal year 1950	Fiscal year 1951 estimate	Suggested, fiscal year 1952
1. SOCIAL WELFARE, HEALTH, AND SECURITY				
Assistance to aged and special groups:				
Federal Security Agency:				
Public assistance	$436	$1,146	$1,400	$440
Vocational rehabilitation		6	27	25
Other	14	2	2	14
School lunch (Agriculture Department)	50	83	83	83
Retirement and dependents' insurance:				
Railroad Retirement Board	294	583	424	425
Federal Security Agency and other	24	10	7	7
Promotion of public health:				
Federal Security Agency	169	259	207	200
General Services Administration and other	10	21	32	25
Crime control and correction (Justice and other)	78	93	98	98
Indian welfare (Interior) and other		29	35	
Accident compensation (Federal Security)	10	18	26	25
Total, social welfare	1,085	2,250	2,341	1,342
2. HOUSING AND COMMUNITY DEVELOPMENT				
Aids to private housing:				
Housing and Home Finance Agency:				
Federal Housing Administration:				
Current operations	−13	−34	−30	
Investments in United States securities		36	31	
Home Loan Bank Board:				
Home Owners' Loan Corporation	−275	−275	−134	
Federal savings and loan insurance:				
Current operations		−16	−18	
Investments in United States securities		17	18	
Reconstruction Finance Corporation:				
Mortgage purchases	−45	562	865	
Loans to prefabricators and builders and other	2	52		
Loans to housing cooperatives		10		
Department of Agriculture		20	21	
Public housing program:				
Housing and Home Finance Agency:				
Public Housing Administration:				
Low-rent housing	43	99	135	
War housing and other	34	19	−3	[1] (500)
Reconstruction Finance Corporation and other	3	−118	−1	
General housing aids: Housing and Home Finance Agency		7	7	
Slum clearance and community development, including community facilities:				
Housing and Home Finance Agency		11	42	
Reconstruction Finance Corporation	3	18	48	
General Services Administration and other	68	20	35	
Disaster relief			5	
Total, housing and community development	−180	428	1,021	[1] (500)
3. EDUCATION AND GENERAL RESEARCH				
Promotion of Education:				
Office of Education (Federal Security)	27	34	37	30
General Services Administration and Interior		8		
Elementary and secondary education:				
Surveys and emergency construction			22	
Children on Federal property and in emergency areas			7	10
Educational aids to special groups	13	7	12	13
Library and museum services	6	11	12	6
General-purpose research:				
Office of Scientific Research and Development	34			50
Department of Commerce:				
17th Decennial Census		45	32	5
Other Census Bureau programs	8	7	7	5
National Bureau of Standards		12	9	
Other agencies		1		
Total, education and general research	88	125	138	119
4. AGRICULTURE AND AGRICULTURAL RESOURCES				
Loan and investment programs:				
Department of Agriculture:				
Commodity Credit Corporation	−1,329	1,533	450	
Farmers' Home Administration	30	26	21	15
4. AGRICULTURE AND AGRICULTURAL RESOURCES—continued				
Loan and investment programs—Con.				
Department of Agriculture—Con.				
Rural Electrification Administration	$11	$362	$350	$50
Other programs	−285	9	1	
Reconstruction Finance Corporation, loans to REA	74			50
Other financial aids:				
Department of Agriculture:				
Conservation and use (including acreage allotments and marketing quotas)	311	285	306	200
Removal of surplus commodities	25	86	114	100
Sugar Act Agreement	54	63	69	65
International wheat agreement		82	76	75
Food subsidies (Commodity Credit and RFC)	1,634			
Other agencies	3			
Agricultural land and water resources	39	64	66	25
Other development and improvement of agriculture	134	161	99	150
Total, agriculture and agricultural resources	701	2,671	1,552	830
5. NATURAL RESOURCES (NOT PRIMARILY AGRICULTURAL)				
Land and water resources:				
Corps of Engineers (civil functions)	89	486	538	90
Department of the Interior:				
Bureau of Reclamation	62	300	303	75
Bonneville Power Administration and Southwestern and Southeastern power systems	9	42	40	40
Tennessee Valley Authority (net)	5	18	87	100
International Boundary and Water Commission (and other State departments)	1	7	13	1
Other, Interior Department	10	43	35	8
Forest resources:				
Forest Service and other (Agriculture)	40	76	79	80
Department of Interior	1	3	2	1
Mineral resources:				
Bureau of Mines and other (Interior)	18	37	35	25
Navy Department and other	3	18	20	20
General Resources Surveys (Interior)		16	20	10
Fish and Wildlife Resources (Interior and other)	12	26	20	15
Recreational use of resources:				
Department of Interior	5	20	27	5
Baltimore-Washington Parkway			2	2
Total, natural resources	257	1,103	1,239	448
6. TRANSPORTATION AND COMMUNICATION				
Proportion of merchant marine (Inland Waterways Corporation)		1	3	
Navigation aids and facilities:				
Corps of Engineers programs	93	212	218	125
Other (including Interior)		1	3	
Promotion of aviation: Civil Aeronautics Administration programs	62	187	165	125
Provision of highways:				
Bureau of Public Roads programs	77	490	465	100
Forest roads and trails (Agriculture)	13	2		
Regulation of transportation	22	15	16	30
Other services to transportation:				
Reconstruction Finance Corporation	−43	2	6	[1] (−)
Coast and Geodetic Survey and other	17	12	12	17
Postal service deficit	161	593	555	
Regulation of communication	11	7	7	12
Total, transportation and communication (including postal deficit)	413	1,522	1,450	409
7. FINANCE, COMMERCE AND INDUSTRY				
Business loans and guaranties (RFC)	−111	23	145	100
Promotion and regulation of business:				
Office of controls	184			225
Department of Commerce:				
Promotion	11	25	23	10
Export control		3	2	10
Other agencies (FTC, FPC, Justice, etc.)	15	7	7	15
Rent control		22	16	20
Other		7	7	
War damage insurance (War Damage Corporation)	−2			
Preferred stock of financial institutions (RFC)			−6	

[1] From receipts in excess of expenditures.

Reductions in strictly domestic civilian expenditures, by programs within major functions—Continued

[In millions]

Functions and categories	Fiscal year 1946	Fiscal year 1950	Fiscal year 1951 estimate	Suggested, fiscal year 1952
7. FINANCE, COMMERCE AND INDUSTRY—continued				
Control of private finance (SEC)	$5	$7	$7	$5
Total, finance, commerce and industry	102	124	201	385
8. LABOR				
Placement and unemployment compensation:				
Department of Labor	71	137	170	75
Railroad Retirement Board	13	13	9	9
Federal Security Agency	75	37		
Mediation and regulation of labor relations	24	12	12	20
Labor standards and training:				
Department of Labor	1	10	15	100
Department of Interior, mine safety		4	4	4
Labor information, statistics and general administration	8	9	11	10
Total, labor	192	222	214	218
9. GENERAL GOVERNMENT				
Executive direction and management	$8	$8	$12	$250
Federal financial management:				
Internal Revenue Bureau	350	136	122	140
Customs collection, debt management and other (mainly Treasury)		220	245	250
General Accounting Office	38	36	35	40
Other central services:				
Property management (mainly GSA)	98	139	108	175
Civil Service Commission	9	17	17	10
Legal services (Justice)	5	8	9	5
Special fund for management improvement		1		
Government Printing Office		9	11	15
Government payment toward civilian employees general retirement system	245	301	305	305
Public buildings construction (GSA)	61	22	47	
Weather Bureau (Commerce)	25	24	25	25
Immigration control (Justice)	30	32	32	40
Other	64	66	37	37
Total general Government	933	1,031	1,015	1,292
Grand total, domestic-civilian [1]	3,591	9,476	9,171	5,043

[1] Totals may not add precisely due to rounding.

GENERAL NOTE.—Substantial reductions in numerous instances, in addition to most State-aid programs, would require statutory legislation to be recommended along with the President's budget proposals.

MILITARY ESTABLISHMENT—CIVILIAN EMPLOYMENT

In my long study of Federal fiscal affairs I have watched especially for excessive civilian employment as a key to extravagance and inefficiency. I have observed in this connection that the Military Establishment, which is now employing a million civilians, or about one civilian for each two men in uniform, is the worst offender in extravagant and inefficient use of civilian personnel. The current ratio of civilian manpower to uniformed personnel is despite the fact that navy yard employment is still at a low ebb. At the peak of World War II the Military Establishment was employing one civilian to each five men in uniform. Civilian employment in the Military Establishment has been increasing for some time at the rate of 1,000 a day and published estimates indicate that a minimum of a quarter of a million more civilians are to be employed. A civilian payroll of one and one-quarter million employees would account for approximately $4,500,000,000 of defense expenditures. Maximum utilization of civilian manpower in the Defense Establishment would reduce this employment projection by at least 150,000, at a saving of one-half billion dollars. This should be made a matter of immediate attention by the best experts available.

FOREIGN ECONOMIC ASSISTANCE

Since World War II we have authorized $37,500,000,000 for foreign economic assistance. At present we are building up another multi-billion dollar program for foreign military assistance. Foreign economic assistance expenditures in the past 5 years have equaled expenditures for strictly domestic-civilian activities at home. This year's budget contemplated foreign economic assistance expenditures totaling $4,000,000,000. Military assistance is overlapping economic assistance at many points. Economic assistance has been withdrawn from England. The economic assistance program is scheduled to expire a year hence. The new budget should provide for no new commitments. Expenditures should be confined to commitments already made. The reduction, by comparison with this year's estimate, should be $3,500,000,000.

GENERAL OBSERVATIONS

In addition to the Military Establishment the Veterans' Administration, now employing nearly 200,000 is another excessive user of manpower. It has been my observation that its administrative costs could and should be reduced, and that could be accomplished without impairment of any services for veterans to whom the Government is obligated for bona fide war-connected sacrifices. Under terms of the recent single appropriation bill, the Director of the Budget has demonstrated the accuracy of this observation. More reductions in Veterans' Administration costs could and should be made.

The only major expenditure item in the Federal budget which is untouchable at this time is the interest on the debt and on erroneously collected taxes.

ONE HUNDREDTH ANNIVERSARY OF THE BIRTH OF OSCAR SOLOMON STRAUS

Mr. LEHMAN. Mr. President, Saturday, December 23, will be the one hundredth anniversary of the birth of one of our country's most devoted and dutiful servants, Oscar Solomon Straus, of New York State.

During this week the Library of Congress has deemed it fitting to honor his memory with an exhibit of his writings. Here on the floor of the Senate it also seems fitting to recall and honor the memory of this American diplomat, Cabinet member, lawyer and author, one of New York's finest citizens. This was a man who, under six Presidents, faithfully served his country, and who worked unceasingly for better international relations and for the cause of world peace.

Oscar Solomon Straus was loved and respected by the men of his own day. The characterizations of him by his contemporaries are eloquent tribute. I quote a few of these phrases of acclaim by his fellow citizens: "Our most beloved companion—a wise and perfect spirited citizen—a Jew, many of whose most important services were for Christian causes—a man honored by both the North and the South—a Republican who served his country under four Republican and two Democratic Presidents—a patriot who never considered the call to participate in public affairs a sacrifice but always a privilege."

I hope that recalling the selfless career of this citizen of yesterday will make us today aspire to ever greater magnanimity and unity of spirit.

DEDUCTIONS FOR WELFARE CLAUSES IN MARITIME CONTRACTS—ANNOUNCEMENT AS TO HOUSE BILL 8349

Mr. MAGNUSON. Mr. President, I want to make an announcement, because many persons are interested in it. There is a bill on the calendar, House bill 8349, to authorize deductions from the wages of seamen for payment into employee welfare funds. The bill passed the House unanimously. It also passed through the Senate Interstate and Foreign Commerce Committee unanimously, but was objected to at the last call of the calendar. Since that time the objection has been withdrawn but, because of a gentlemen's agreement that we will not bring up any of the bills to which objection has been made, in view of the further fact that it is very important to the stabilization of the whole maritime industry on the Pacific coast, and also the fact that I have discussed with both the majority and minority leaders the possibility of bringing this bill up on January 2, when Congress reconvenes, and inasmuch as I am sure there will be no objection on either side of the aisle, I want to make the announcement that I hope those who are vitally interested in the maritime industry which is so important on the Pacific coast will not become too excited about the matter, because the majority leader and the minority leader have agreed to bring the bill up on January 2, and we hope for its speedy passage.

PERSONAL STATEMENT BY SENATOR SMITH OF NEW JERSEY

Mr. SMITH of New Jersey. Mr. President, as a matter of personal privilege I ask unanimous consent to speak for about 2 or 3 minutes to correct the

interpretation in some newspaper accounts of a statement made by me.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator is recognized for 3 minutes.

Mr. SMITH of New Jersey. In the newspapers of this morning I was reported to have disputed my friend of many years, a man for whom I have the greatest respect and affection, in connection with his recent address on the subject of our foreign affairs. The newspaper announced that I had said that I had disagreed with Mr. Hoover in regard to the question of whether putting Armed Forces abroad required action by the Congress. What I did say, Mr. President was, that I did not think legislation by the Congress would be necessary to authorize such action. I do not have certain knowledge one way or the other. It simply seemed to me that the Commander in Chief of our Armed Forces would in the interest of security, have power, especially in view of the fact that we had not entered into peace treaties with Germany or Japan, to order our Armed Forces any place he might think the situation demanded.

Furthermore, I feel that since we have ratified the North Atlantic Pact, probably the President of the United States would have authority to collaborate with the other nations who are members of the pact, with regard to collective security in Europe. But I did emphasize that whatever legal questions were involved, and whether or not any action had to be taken by the Congress, I felt it vitally important that any program to commit substantial portions of our Armed Forces in Europe or elsewhere should be thoroughly explored by both Houses of the Congress in order that there should be a full understanding and a full agreement as to what we were doing, and in order that popular opinion in the country would be behind us.

I think that is all Mr. Hoover meant by his suggestions. I do not think he meant to imply that he felt legislation would be needed. But, because of the misunderstanding, I have prepared a brief statement which I should like to give to my colleagues respecting the whole situation, so that my position may be clear.

The world situation is gravely serious, but we must face it with a positive faith that the forces of freedom will prevail. I am not willing to move back from the faith that the forces of freedom are going to prevail.

What we have learned from Korea is that the threat to peace is worldwide. We must have a global strategy to meet it. We cannot have one policy in Western Europe and a conflicting policy—or no policy—in Asia.

A study of the speech which ex-President Hoover made two nights ago certainly brings out that any proposal to increase substantially our land forces abroad must be thoroughly explored by the Congress before any final commitments are made. I am entirely in accord with this construction of Mr. Hoover's speech. I think I am correct in making that construction.

Mr. Hoover is right in emphasizing the necessity of our maintaining sea and air supremacy. But certainly Mr. Hoover did not mean that we can withdraw from all responsibilities to the other freedom-loving nations of the world and seek only our own self-defense. That conception is not adequate for America which from the beginning has been the voice and spirit of freedom and which has always believed that in unity there is strength.

I cannot believe for 1 minute that, as some of the newspapers have implied, Mr. Hoover recommended that we withdraw from all these responsibilities.

There is no disgrace or defeat in strategic retreat and reorganization of our forces. I will say further it would be no disgrace or defeat, in my judgment, to withdraw our forces from Korea, if we find it necessary. But there is disgrace and defeat in any form of appeasement or compromise of principle. Under no conditions can we appease or compromise the flagrant aggression of the Moscow-directed Chinese Communists in Korea and their defiance of the United Nations. Their present government, the Peiping Government, Moscow directed, must never be recognized by the United States and must never be admitted to the United Nations. We must use the veto if necessary. I emphasize the statement that we must use the veto if necessary. We must strongly support the anti-Moscow forces in China in their effort to release the Chinese people from foreign bondage.

Our immediate responsibility is the exploration of the many proposals—and I have been exploring many of them with officials of the administration and with the leaders of our Armed Forces and others—for a new and dynamic strategy that can release and aid all the free people of the world to save themselves. We must all understand together the great truth that only united blood, sweat, and tears—yes, and prayers—can preserve the United Nations, save freedom, and establish peace on earth and good will to all men.

Mr. President, I want to emphasize again that in unity there is strength. We must have unity among all freedom-loving nations if we are to save freedom from destruction.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. SMITH of New Jersey. I yield to the Senator from California.

Mr. KNOWLAND. I should like to know if the Senator from New Jersey is familiar with the press dispatches of today which indicate that the official Peiping radio said the Communist regime in China has rejected the cease-fire proposal, and also the dispatches from Tokyo which indicate General MacArthur's headquarters feels that the Communists are at the present time building up for an attack upon Seoul, which is, of course, south of the thirty-eighth parallel?

Mr. SMITH of New Jersey. I anticipated that that would be the case, because it seems to me the cease-fire proposal could only lead to appeasement or else the kind of result to which the Senator from California called attention. I think we now have to concentrate on where we go from here, because it is conceivable that a great aggregation of force also would push us further. That is a matter for the military leaders to deal with.

The VICE PRESIDENT. The time of the Senator from New Jersey has expired.

Mr. SALTONSTALL. Mr. President, I ask unanimous consent that the Senator from New Jersey be granted 1 minute in order to answer a question.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. SALTONSTALL. I should like to ask the Senator from New Jersey to define a little more fully what he meant by the word "explore," when he said that Congress should "explore." He used that word several times. It seems to me that Congress must go further than that, particularly if it has in mind the appropriation of funds to raise armies.

Mr. SMITH of New Jersey. What I had in mind, I will say to the Senator from Massachusetts, is that it seems to me Congress has a responsibility, as well as has the administration, in exploring these matters that will call for appropriation of funds. Exploring is to find out what the facts are, and then we should develop and agree on policy after we thoroughly know the facts.

Mr. SALTONSTALL. So that Congress, in the Senator's opinion, must act on these matters as well as simply to explore them, and not leave them entirely to the decision of the President alone?

Mr. SMITH of New Jersey. I think it may come to that. As I said earlier, I have stated, in response to inquiries from newspaper representatives, that I do not think legislation is required to authorize the President to send troops abroad. I do not know. Maybe appropriation features do require legislation. I have also thought that since we have ratified the North Atlantic Treaty, there were certain implied commitments of joint action which might justify the administration, in cooperation with other countries, in sending troops abroad. But such exploration may and should be made by the President, in conjunction with Congress.

The VICE PRESIDENT. The time of the Senator from New Jersey has expired.

Mr. LEHMAN. Mr. President, I ask unanimous consent to be recognized for a minute in order that I may ask the Senator from New Jersey a question.

The VICE PRESIDENT. Is there objection to the Senator's request? The Chair hears none, and it is so ordered.

Mr. LEHMAN. Mr. President, the distinguished Senator from New Jersey made the statement that, in his opinion, ex-President Hoover did not intend to withdraw our assistance or our participation in the defenses of the world other than in Korea. I wonder how the Senator explains the statement contained in ex-President Hoover's speech to the effect that he would urge that not a dollar of money or any manpower be sent to Europe until the European countries

demonstrated their own ability to withstand the aggression that was threatened from the Soviet Republic and its satellites? It would seem to me that if we waited in sending any additional manpower to the threatened countries of western Europe we would so discourage them that we could not possibly hope that they would take the necessary action in advance.

Mr. SMITH of New Jersey. I will say to the distinguished Senator from New York that I was abroad this fall. I conferred with our representatives in London and in Paris. The whole question was whether we should send our boys to be a bulwark there while the European countries were organizing extra divisions, or whether we should have enough evidence that at least some of these extra divisions are already organized so that if and when our boys were sent there they would not be simply the first rank to be shot down. That was a very important question, and that I assume came up at Brussels in the past few days.

As a member of the Foreign Relations Committee I am looking forward with interest to hearing Mr. Acheson on that point. I felt that Mr. Hoover meant that the European nations were dragging their feet, were not prepared to go ahead and do their part in their self-defense, and he did not want to send our men or money there until there was evidence that the European nations would do their part.

The VICE PRESIDENT. The time of the Senator from New York has expired.

TRIBUTE TO SENATOR TYDINGS

Mr. O'CONOR. Mr. President, I ask unanimous consent that I may address the Senate for 2 minutes.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the Senator from Maryland may proceed.

Mr. O'CONOR. Mr. President, I arise today to note officially the imminent retirement from this honorable body of a distinguished Senator who has made an enviable and an outstanding record, and whose departure will take from the Senate one who will be sorely missed.

The occasion is one that affords opportunity to pay deserved tribute to our colleague, and to indicate to him the esteem and the admiration in which he is held by the membership of this body.

The reference is to my distinguished colleague, the senior Senator from Maryland [Mr. TYDINGS]. It has been my extreme good fortune to be associated with Senator TYDINGS in many endeavors over the past quarter century. I can say without any reservations that he is a gentleman of the highest order, a patriot who needs yield place to no one on his military or public service record, and an extraordinarily capable, earnest, and fearless leader and legislator whose worth to the people of his State and the Nation has been demonstrated uncounted times.

His record, during his 24 years in this honorable body, session by session, vote by vote, is imprinted upon the pages of the CONGRESSIONAL RECORD just as the forthright principles upon which he always has stood are recorded in the public annals, for time to demonstrate their worth and their soundness. Here, as in his previous years in the House of Representatives, as Speaker of the House of Delegates of Maryland, and as a member of the Maryland State Senate, he has been an indefatigable worker in the public service, devoted to the welfare of his constituency and his country, and possessed of wide experience. A forthright protagonist, his position on controversial matters has ever been in accord with deep-seated principles.

Senator TYDINGS has been a statesman in the highest Maryland tradition of independence and dependability.

High among his principles is an unwavering insistence upon individual initiative and private enterprise. His defense of these principles has brought him often into conflict with present trends toward a form of socialism and away from the basic ideals upon which this country was founded and has prospered. He has stoutly opposed socialization of industry, socialization of medicine, and compulsory health insurance. He has consistently and courageously thought for himself. Whatever he has supported, or opposed, was in accordance with his firm convictions of the rightness of his stand.

Mr. President, the tribute paid him here this week by his fellow members of the Armed Services Committee perhaps brings most sharply into focus one of the most valuable contributions he has made to the work of the United States Senate, namely, that as a member and, later, as chairman of the Senate Armed Services Committee. The wording of the testimonial scroll, in which his record is reviewed and deserved honor is paid him for his long and distinguished service to his State and Nation, is no mere collection of words. Rather, it is a tribute from the heart, accorded by his colleagues of both parties who knew most intimately the worth of his leadership and his abilities because of their close and continuing association with him during the critical years which have preceded and those which are still with us.

It is with the most intense regret that we say adieu to Senator TYDINGS—a regret in which I am sure the other Members of the Senate join heartily. In wishing the distinguished Senator all possible good fortune and high success and satisfaction in the years ahead, I know, too, that my colleagues and his subscribe wholeheartedly as well. There is no greater consolation that this world affords than the sincere conviction of a job well done. This sincere conviction, Senator TYDINGS will always have and cherish. I know of no words that could more fittingly express the feelings that we here in the Senate and the great body of our Maryland citizens have for Senator TYDINGS than to quote the words of Scripture: "Well, done, thou good and faithful servant."

ANNOUNCEMENT REGARDING CONFERENCE REPORT ON EXCESS-PROFITS TAX BILL

Mr. LUCAS. Mr. President, I desire to make an announcement of some importance with respect to the conference report on the excess-profits tax bill.

The distinguished Senator from Georgia [Mr. GEORGE] has advised me that the conferees will agree on a conference report sometime this afternoon, and that there are some questions of drafting which will take some little time before the conference report will be reported to the Senate. It is my understanding that the conferees on the part of the House have agreed that the Senator from Georgia, as chairman of the conferees and as chairman of the Finance Committee, may bring the papers to the Senate to be considered here in the first instance. It may take some time. If we pass the civil defense bill and finish any other business before the conference report comes to the Senate, we shall take a recess until such time as the conference report can be submitted. It might be 5 or 6 o'clock before the conference report comes to the Senate.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. TAFT. I may say that there is every hope that the agreement will be reached in a few minutes; and the draftsman has said that he probably could get through within 2 hours or 2 hours and one-half. So probably it will not be necessary for us to stay quite so late as the Senator from Illinois has indicated. On the other hand, of course, it might be necessary to do so; something might come up.

Mr. LUCAS. I was stating only what was reported to me.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. I should like to say that if it is possible for the conference report to be acted upon before 4 or 5 o'clock, it certainly will be deemed a real privilege by some of the Members of the Senate who already have reservations to leave at 5:30 this afternoon. I wonder whether the majority leader can relay that information to the conferees, at least to those from this side of the aisle, because it means a great deal to Senators who already have reservations.

Mr. LUCAS. I respectfully suggest that the Senator from Nebraska get in touch with the distinguished Senator from Colorado [Mr. MILLIKIN] and advise him of the situation of which he now advises me.

Mr. WHERRY. I shall be glad to do that. In fact, I have already advised the Senator from Colorado.

Mr. LUCAS. I have given the information to the Senate.

Mr. WHERRY. I thank the Senator.

Mr. LUCAS. I am sure the conference report will not be delayed any longer than is absolutely necessary.

SEÑORA RIVERA ET AL.—MOTION TO RECONSIDER

Mr. McCARRAN. Mr. President, referring to the bill (H. R. 5051) for the relief of Mrs. Juan Antonio Rivera, and others, which, in response to a request, was returned to the Senate yesterday by the House of Representatives, I ask the attention of the leaders on the other

side, particularly the attention of the Senator from New Jersey [Mr. HENDRICKSON]. I ask unanimous consent at this time to take up and dispose of a motion to reconsider made by the Senator from New Jersey, with reference to which he has entered into a discussion with me here this morning. I think the Senator is now satisfied that the motion might be dismissed.

Mr. HENDRICKSON. I ask that the motion be withdrawn. It is the bill (H. R. 5051) for the relief of Señora Rivera and others.

The VICE PRESIDENT. The Senator from New Jersey withdraws the motion to reconsider.

Mr. McCARRAN. Mr. President, in order that the RECORD may be complete, I wish to say that we have corresponded with the proper authorities. We have a copy of a cablegram, which I think the Senator from New Jersey has seen, which tells the story, as follows:

"Ministry Defense states no indemnity has been paid to five widows of Bolivian Air Force officers killed in crash USAF C–54 September 19, 1947, near San Juan Peru, pd. By Bolivian Army regulations each widow receives pension for life of same amount according to rank of husband at time of death, as if he retired at that date. Paid amounts per month are Señora Rivera, 7,000 Bolivianos; Señoras Raul Valle, Diaz Romero, Otto Beese, and Hugh Soria, 6,000 each. Paid parallel exchange rate 180 Bolivianos for $1.

That means that they are receiving about $537 a month. I ask that the motion to reconsider be disposed of.

The VICE PRESIDENT. The Senator from New Jersey has the right to withdraw the motion, and he has done so.

Mr. McCARRAN. I ask that the letter from the Department of the Air Force, dated December 21, 1950, be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE AIR FORCE,
Washington, December 21, 1950.

Mr. J. CARLISLE RUDDY,
Senate Judiciary Committee.

DEAR MR. RUDDY: I refer to your recent telephone request as to whether the Government of Bolivia has paid any indemnity to the widows of five Bolivian officers who were killed in the crash of an Air Force C-54 transport plane near San Juan, Peru, on September 19, 1947.

The following message has been received from the United States air attaché in La Paz, Bolivia:

"Ministry Defense states no indemnity has been paid to five widows Bolivian Air Force officers killed in crash USAF C-54, September 19, 1947, near San Juan, Peru. By Bolivian army regulations each widow receives pension for life of same amount according to rank of husband at time of death as if he retired at that date. Paid amounts per month are Señora Rivera, 7,000 bolivianos; Señoras Raul Valle, Diaz Romero, Otto Reese, and Hugo Soria, 6,000 each. Paid parallel exchange rate, 180 bolivianos for $1.

"BURNS."

Sincerely yours,
K. S. AXTATER,
Colonel, USAF, Deputy Director, Legislation and Liaison.

Mr. WHERRY. Mr. President, I desire to offer an observation in connection with this matter. I am not objecting to what is proposed, because the bill was passed with the understanding that a statement would be forthcoming explaining to the Senator from New Jersey whether the country from which these fliers came—Bolivia, I believe it was—had compensated them. It was my suggestion that the bill be passed, and that the time limit within which a motion to reconsider might be made be waived, in order that the explanation might be made. As I understand, the explanation has been made, it is satisfactory to the Senator from New Jersey, and he withdraws his motion. My reason for making this observation is that in order that it may be understood that we are not returning to the reconsideration of a bill. It was passed, and this takes it out of a class of bills that anyone might wish to reopen or to have reconsidered.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Hawks, one of his secretaries.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the House had passed, without amendment, the bill (S. 1139) for the relief of Mrs. Robert P. Horrell.

The message also announced that the House had passed a joint resolution (H. J. Res. 555) making temporary appropriations for the fiscal year 1951, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 4653. An act for the relief of the New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works;

H. R. 4803. An act for the relief of Bernard F. Elmers;

H. R. 8759. An act for the relief of Rev. Andrew Chai Kyung Whang;

H. R. 8973. An act for the relief of Archibald Walter Campbell Seymour;

H. R. 9145. An act for the relief of Tomoko Yamaya;

H. R. 9236. An act for the relief of H. Halpern and Bro., Inc., of Boston, Mass.;

H. R. 9272. An act to amend the act of October 5, 1949 (Public Law 322, 81st Cong.), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation; and

H. R. 9893. An act to authorize certain construction at military and naval installations, and for other purposes.

FEDERAL CIVIL-DEFENSE PROGRAM

The Senate resumed the consideration of the bill (S. 4268) to authorize a Federal civil-defense program, and for other purposes.

The VICE PRESIDENT. The bill is open to amendment.

Mr. KEFAUVER. Mr. President, last night I made an explanation of the pending bill, which apears in the RECORD. The bill has been very thoroughly discussed. It has been gone over very carefully by the Armed Services Committee. Prior to that time, the entire problem had been studied very closely by the Joint Committee on Atomic Energy, and a report submitted by that committee.

The bill which is now before the Senate, in general principle, I think, meets with the approval of the Committee on Atomic Energy. We have worked closely with the staff of that committee, and we have been in consultation from day to day with its distinguished chairman, the Senator from Connecticut [Mr. MCMAHON].

There are three or four amendments pending. I desire to say that I have been advised by the Parliamentarian of the House of Representatives that, at about 2 o'clock, or at any rate early this afternoon, the House may recess until after the holidays. I should like to expedite this bill, in order that the conferees may be appointed in both Houses, in case it is necessary to send the bill to conference.

The VICE PRESIDENT. The bill is before the Senate. There is no amendment pending.

Mr. IVES. Mr. President, on behalf of the junior Senator from Vermont [Mr. FLANDERS] and myself, I send to the desk an amendment to the pending bill, S. 4268. This amendment was proposed by me yesterday, it has been printed, and it is now lying on the table. Before the clerk reads it, I should like to make a brief statement about it.

In brief this amendment would add to the pending bill in substance the provisions set forth in title II of the Defense Production Act of 1950, Public Law 774, of the Eighty-first Congress, having to do with the President's authority to requisition.

The major part of title II of the Defense Production Act was written into the bill by the Senate Banking and Currency Committee and was adopted in conference and subsequently was enacted into law.

I believe that a reading of the amendment at this time would be useful. The amendment is self-explanatory. After it has been read, I shall continue my remarks.

The VICE PRESIDENT. The clerk will state the amendment.

The LEGISLATIVE CLERK. On page 22, between lines 22 and 23, it is proposed to insert the following new section, and renumber succeeding sections of the bill accordingly:

COMPENSATION FOR NONGOVERNMENTAL PROPERTY ACQUIRED

SEC. 402. (a) Except in the case of property acquired pursuant to section 201 (h) of this act through judicial proceedings for condemnation, the Administrator shall promptly determine the amount of the compensation to be paid for any property (other than that of the Federal Government or any department or agency thereof) or the use thereof acquired pursuant to this act, but each such determination shall be made as of the time it is acquired in accordance with the provisions for just compensation in the fifth amendment to the Constitution of the United States. If the person entitled to receive the amount so determined by the Administrator as just compensation is unwilling to accept the same as full and complete compensation for such property or the use thereof, he shall be paid promptly 75 percent of such amount and shall be entitled to recover from the United States, in an action brought in the Court of Claims, or,

without regard to whether the amount involved exceeds $10,000, in any district court of the United States, within 3 years after the date of the Administrator's award, such additional amount, if any, which, when added to the amount so paid to him, shall be just compensation.

(b) Whenever the Administrator determines that any real property acquired under this act and retained is no longer needed for the purposes of this act, he shall, if the original owner desires the return of the property and pays to the Administrator the fair value thereof, return such property to such owner. In the event the Administrator and the original owner do not agree as to the fair value of such property, the fair value shall be determined by three appraisers, one of whom shall be chosen by the Administrator, one by the original owner, and the third by the first two appraisers; the expenses of such determination shall be paid in equal shares by the Government and the original owner.

(c) Whenever the need for the purposes of this act of any personal property acquired under this act shall terminate, the Administrator may dispose of such property on such terms and conditions as he shall deem appropriate, but to the extent feasible and practicable he shall give to the former owner of any property so disposed of an opportunity to reacquire it (1) at its then fair value as determined by the Administrator, or (2) if it is to be disposed of (otherwise than at a public sale of which he shall give reasonable notice) at less than such value, at the highest price any other person is willing to pay therefor: *Provided*, That this opportunity to reacquire need not be given in the case of fungibles or items having a fair value of less than $1,000.

On page 2, in the table of contents, between the lines containing "Sec. 401." and "Sec. 402.", respectively, insert the following, and renumber succeeding section designations contained in such table of contents: "Sec. 402. Compensation for nongovernmental property acquired."

Mr. IVES. Mr. President, I am aware that Senate bill 4268 contains a section, section 202, relating to the Defense Production Act of 1950 to civil defense, which reads as follows:

SEC. 202. The terms "national defense" or "defense" as used in title II of the Defense Production Act of 1950 shall be construed to include "civil defense" as defined in this act.

It is my understanding that it is the intent of the Committee on Armed Services to carry over title II of the Defense Production Act into the pending civil-defense bill. However, I am not satisfied that section 202 does in fact accomplish what the committee intended.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. IVES. Please permit me to complete my statement, and then I shall be glad to yield.

If the Administrator exercised the authority to requisition granted in title II of the Defense Production Act, then the remedial language contained in the section for property owners would, of course, flow from the exercise of such authority.

However, if the Administrator acting under the emergency powers of this bill—section 303—were to exercise the authority contained in section 201 (h), I do not believe that in that case the provisions of title II of the Defense Production Act would attach. It is for that reason that I offer this amendment. If it is the intention of the Armed Services Committee by section 202 of Senate bill 4268 to incorporate by reference title II of the Defense Production Act of 1950 with reference to any requisition powers, I cannot see that it would be harmful to incorporate it as provided in my amendment. I might say in passing that the substance of this amendment, which was drafted by the office of the legislative counsel, was thoroughly discussed with them, and the legislative counsel's office is in agreement with my views as stated above. I do not believe that the Administrator of the civil-defense program should have greater powers than those granted to the President under the Defense Production Act with respect to the authority to requisition property. I trust the manager of the bill, the able Senator from Tennessee, can accept this amendment.

I now yield to the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, I think the Senator is quite correct in stating that it was the intention of the Armed Services Committee to incorporate title II of section 201 of the Defense Production Act, Public Law 774. Title II provides, as the distinguished Senator has said, that the President shall follow certain procedures with reference to compensating or reimbursing persons for property taken. The only difference in the amendment presented by the distinguished Senator from New York is that under the Defense Production Act, title II, the President grants compensation. I believe that is correct.

Mr. IVES. That is what I pointed out as I closed my remarks.

Mr. KEFAUVER. The Senator's amendment provides that it shall be done by the Administrator of the Civil Defense Act. It was, of course, intended that title II of the Defense Production Act be carried over and made a part of the law and that the procedures be incorporated in the Civil Defense Act.

I do not know of any particular harm in spelling it out fully, if it will clarify the matter in any way. But it was our intention to make the section which the Senator has offered as an amendment applicable by reference to section 202. If the Senator is insistent on having the matter clarified, I have no objection to the amendment.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from New York [Mr. IVES].

The amendment was agreed to.

Mr. IVES. I thank the Senator from Tennessee.

Mr. LEHMAN. Mr. President, I have no desire to delay for a minute passage of the Federal Civil Defense Act of 1950. There is certainly not a Member of this body, nor indeed any responsible person, who does not see the need for speedily enacting legislation to protect our country from a sudden attack.

I must, however, call the attention of the Senate to a viewpoint which was ably expressed to the Senate Armed Services Committee by the mayor of New York City, Vincent R. Impellitteri. Mayor Impellitteri, speaking for an area which would certainly be one of the primary targets of any enemy air attack, strongly urged in his statement that funds for bomb shelters be used to pay part of the cost of permanent projects. It is his feeling and that of many others that these projects would be useful not only for defense but also for peacetime purposes. Yet the bill as reported out by the committee has provided that such dual purpose projects might be aided only through an RFC loan program.

Mayor Impellitteri pointed out that the cost of the project sites in a congested community like New York City, with its understandably high property values, would be a major portion of the cost of the shelter. Not only New York City but many other American cities can demonstrate a crying need for more adequate Federal financial assistance in the bomb-shelter program. The pending legislation, however, prohibits the use of Federal funds to purchase the sites for bomb shelters.

Mr. President, I have not had time to read the voluminous hearings and to become acquainted with all the testimony that was presented before the Armed Services Committee on this point. There are many ramifications in legislation of this kind. I do not know them all.

Moreover, this is emergency legislation and, under the conditions today pertaining, must be rushed through. I would certainly have confidence, however, that the chief executive of the city of New York has no selfish motives in the position he has taken, but speaks only from a desire to advance and further this entire program. The city of New York is eager to contribute its full share to the civilian-defense program, as well as to the entire over-all defense program of this country.

I do not think, however, that the city of New York should be placed in a position where it will be unable, due to its concentration of population, to make adequate preparation for the protection of its civilian population. New York should not suffer unduly because it stands as the first target of an enemy's attack.

I trust that when the new Congress convenes, civilian-defense legislation, as well as much of the other emergency legislation that we have hurriedly passed, will be reviewed. I hope that at that time Mayor Impellitteri's views will be given reconsideration. I hope such changes can be made as are justified by reexamination of the financial formula set forth in this bill.

I know that the important consideration of the moment is the commencement of this vital program. Nothing must interfere with the earliest possible passage of this bill. I therefore do not propose to introduce any amendments or to delay the Senate any further.

Mr. President, I ask unanimous consent to insert in the RECORD at this point in my remarks a statement made by Mayor Impellitteri on December 15 before the Senate Armed Services Committee.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CIVIL DEFENSE—NEW YORK CITY

(Statement by Mayor Vincent R. Impellitteri to Senate Armed Services Subcommittee, Washington, D. C., December 15, 1950)

I appreciate the opportunity of appearing before your committee to outline to you the importance to New York City of establishing a permanent civil defense program on a national level for the whole of the United States. We realize the importance of being prepared for any eventuality in case our country is attacked. New York City, in our opinion, would become a prime target and we are determined to be ready if such an attack should come.

We are approaching this problem without hysteria and with the knowledge that New York City, like other energetic and advancing communities, must be kept functioning regardless of the possibility of attack. We reject the take to the hills and make for the caves philosophy. We shall not adopt a policy of dispersion and decentralization. We propose to do everything within our power to see that our city continues as a major port and as the greatest industrial, financial, business and transportation center of the country. Any other approach would give aid and comfort to our enemies, and impede all out mobilization of our full strength.

We are happy that a report is being made by your committee looking toward the enactment of Federal legislation to coordinate and aid States and local governments in the civil defense program. The main issues are clear. The strategists are available, and no prolonged, time-consuming studies are necessary. Lack of a definitive, authoritative Federal policy, implemented by Federal law and appropriations, has to date severely handicapped the cities and States. Washington must come forth with policy, leadership and help.

IMPORTANCE OF NEW YORK CITY TO THE WAR EFFORT

New York City is the greatest city in the world largely because of its port, which in turn has brought great industries to the area. In peace and war, the New York port, which is at the crossroads of the world shipping lanes, sends more ships of all varieties to more world ports than any other harbor in the world. The great part played by the New York port of embarkation during the last war is well known to all. We are proud of that record and ready to renew and expand it if we are told what is wanted and when.

New York City is the nerve center of far-flung industries and business. It is the financial center of the world and our most important gateway. Moreover, many great industries are concentrated within the city upon which millions of people depend for their livelihood. Ours is the center of management and finance.

New York's unique geographical situation requires many bridges and tunnels to connect its various boroughs and provide communication with the surrounding area to the north and south. These bridges and tunnels are part of an expanding, modern arterial highway system. Our population is approximately eight million and our rapid transit carries to and from Manhattan Island below Fifty-ninth Street approximately two and one-half million people each day. Our bridges, tunnels, and arterial system move millions of people in and out of the entire metropolitan district with a population of fifteen million.

Anyone familiar with the factors which make a city function smoothly, including water supply, utilities, transportation, industry, and communications, will not take seriously suggestions that we prepare to evacuate 8,000,000 people. There is no rhyme or reason in such thinking. It would be impractical to reproduce in the open country the public utilities and other services necessary to accommodate the millions of people in this and other large cities. New York will not be abandoned nor can our operations be suspended even for a day.

APPROPRIATIONS

Virtually all State and city officials are looking to the Federal Government to establish the mobilization policy and program to be followed throughout the country. These decisions must be made federally and be guided by a Federal agency, and implemented by Federal appropriations allocated fairly to the States and municipalities on the basis of estimated strategic dangers and needs.

There must be sharp differentiation between emergency disaster relief and long-range permanent construction so planned as to be usable for public purposes in peace as well as for civilian defense in war.

New York, like other cities, must operate on an intelligent budget for operating and capital expenditures. Our powers to levy taxes and incur debt are sharply defined, and limited. The State also is limited in its resources. We cannot plan and budget our program intelligently until we know what is going to be done on the Federal level.

CONTROL AND CARE OF BOMBED AREAS

We cannot make a really accurate estimate of the cost of housing, clothing, feeding, and providing medical attention for bombed areas. If we could predict accurately when and where attacks would be made, our Armed Forces could stop them, and our civilian defense problem would be simplified. Obviously, medical and other supplies required for the care of disaster areas must be stockpiled at various strategic points. These must be rushed to disaster areas as required, much as our Government and the Red Cross handle disasters in peacetimes. The cost of stockpiling must be borne by the Federal Government, and we in our communities must organize to use these materials when they are needed. We have attempted to estimate how much money will be required in our community for this purpose, and the results have varied greatly, depending upon the assumptions made by the estimator. We are not sufficiently familiar with the civilian defense needs to make accurate forecasts, and look to Washington for advice.

We do know that certain materials will be required and should be purchased promptly. The newspaper reports advise that the National Security Resources Board recommended to Congress an appropriation of $632,000,000, subdivided into three separate categories for the purchase of special equipment to augment fire, engineering, transportation, communications, stockpiles of critical materials and medical supplies and for communications and control centers. If our preliminary checks of possible requirements in New York City prove to be anywhere near accurate, this amount will be inadequate if several communities are attacked at once.

SHELTERS

I do not know what type of shelters your committee will recommend. I feel very strongly that it would be a distinct waste to spend $2,250,000,000, as suggested in some quarters, on shelters which would have no peacetime use. It would be impossible for municipalities even with State aid to finance the share of the cost of these expensive projects in the proportions suggested. States and cities cannot stretch their credit to 50 percent of the cost of such work. I strongly urge that you change this provision so that 80 percent of the funds are provided by the Federal Government with 20 percent contributed by the State and city governments. This is a more realistic approach. I also urge that any bill authorizing such shelters enlarge the definition to include places of assembly, parking garages, hospital additions and other related facilities which will serve a permanent, public use.

HOSPITAL FACILITIES

The city of New York has a substantial hospital expansion program under way. However, the funds available within the exemption from the debt limit granted by the State of New York will be inadequate to complete even part of the program. Should an emergency occur today, New York's hospitals could crowd in a substantial number of injured persons on an emergency basis. We could not, however, cope with a disaster. Were we on the other hand to expedite our entire planned hospital program and expand it so as to meet the immediate future needs of the city of New York, the emergency needs in case of disaster could also be met. Obviously, as we increase the capacity of our permanent hospitals, we also increase our ability to handle emergency cases. More money must be made available for this program if we are to expedite it and have it serve our people after an attack. Our plans and finances must be adjusted now if we are to meet this emergency.

MASS TRANSPORTATION

Plans have been virtually completed for large-scale additions to New York City's subway system. These plans include a new subway in Second Avenue in Manhattan, a low-level express subway in Sixth Avenue, and other extensions. Funds are not now available to build these subways. It would be entirely feasible to excavate substantial sections of these subway extensions and to use these excavations as bomb shelters. Once the emergency is past, subway sections can be completed and returned to their intended use as extensions of the existing rapid transit system.

PARKING GARAGES

One of our greatest concerns is traffic congestion. This problem is serious, anyway. In the light of a possible atomic attack on New York City, it is frightening. I have recently appointed a city parking authority, and they are now finding ways and means of financing construction of parking garages to get vehicles off the streets. Parking garages can be designed and built to serve as air-raid shelters. There are other important uses to which these garages could be put to in connection with civilian defense. Among them is use as temporary accident wards and hospitals. Great flexibility is possible in buildings of this type and they could be located at points of greatest congestion. We need parking garages in New York, having 12,000,000 square feet of floor space. We must have Federal help on this program.

I am in complete disagreement with those who have urged that the construction of combined parking garages and shelters be left entirely to cities. If this is done, no program which will meet the need is remotely possible. Funds needed for schools, hospitals, and other essential city services cannot be made available for the construction of parking garages and reduction of traffic congestion. It makes much more sense to build all-purpose buildings with shelter funds.

ARTERIAL PROGRAM

All studies by administrative officials, police, and engineers concerned with emergency transportation have shown that the express highway and parkway system constitutes the best means of ingress, egress, and rapid travel. These arteries can be controlled by proper officials and restricted to military and civil defense vehicles. We have a substantial program, including strategic expressways leading in and out of the city under way and the completion of these arteries is a defense requirement. Additional Federal defense funds should be made available to speed up this arterial program and push

it to an early completion. Our contracts are ready to let. We need funds and priorities.

PRIORITIES

Some dislocation of labor working in the construction industry is inevitable. Everything possible should be done to keep this at a minimum. In this connection, I urge you to take the steps necessary to insure that equipment and materials will be available for the defense program once the national administration has fixed it. I am sure you will find that Gen. W. H. Harrison, Administrator, National Production Authority, will agree that if the civilian defense program is approved as essential to the war effort, priorities must be determined accordingly. This will provide relief to labor which is in danger of unemployment, which will shake morale and seriously impede both mobilization and defense.

Additional information on the military and economic importance of New York City is attached.

Mr. LEHMAN. Mr. President, I also ask unanimous consent to insert at this point in the RECORD a copy of a letter addressed to me by Mayor Impellitteri.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

CITY OF NEW YORK,
OFFICE OF THE MAYOR,
New York, N. Y., December 19, 1950.

Hon. HERBERT H. LEHMAN,
New York, N. Y.

DEAR SENATOR: I am attaching copies of the statement I made before the Senate Armed Services Committee in connection with the proposed civilian defense bill.

The last draft of the bill available before I left Washington last Friday still contained a clause prohibiting the use of any of the Federal funds for the purchase of sites for bomb shelters. It also limited Federal participation to 50 percent of the cost of such projects. In a congested community like New York, the cost of the site alone will be between 25 and 50 percent of the total cost of the project. This automatically reduces the Federal participation far below 50 percent of the actual cost. I doubt very much if the States will find it possible to provide adequate shelters if these provisions are not changed to increase the Federal share of actual cost.

You will see that I strongly urged that shelter funds be used to pay part of the cost of permanent projects that will be useful for defense and in peacetimes. Referring the combined parking garage and shelter program to the RFC is not the answer. Some form of subsidy or grant is essential.

I hope that you will help adjust this law to make it workable in New York.

Cordially,

VINCENT R. IMPELLITTERI,
Mayor.

Mr. McMAHON. Mr. President——

The VICE PRESIDENT. The Senator from Connecticut is recognized.

Mr. McMAHON. Mr. President, I understand that the senior Senator from New York wishes to make a very brief observation.

Mr. IVES. Mr. President, I merely want to associate myself with the remarks which have just been made by my distinguished colleague [Mr. LEHMAN]. I feel that he has hit the nail on the head, and that it is most essential that the matter of which he spoke be attended to at the earliest possible time.

I thank the Senator from Connecticut.

Mr. McMAHON. Mr. President, the junior Senator from Massachusetts has a brief statement which he wishes to make at this time.

Mr. LODGE. Mr. President, I understand that the proposed Federal Civil Defense Act contains a provision granting congressional consent to interstate civil defense compacts.

I am particularly interested in this provision, having introduced, last September, Senate Joint Resolution 204, the so-called Lodge-McCormack resolution, which also provides for prior congressional assent to interstate cooperative efforts and mutual assistance compacts in this vital field of civil defense. In States of relatively small area, which are thickly populated, it is impossible to limit civil defense to State lines. In Massachusetts, in fact, throughout the industrial eastern seaboard, this provision has vital importance.

In this connection, Mr. President, I ask unanimous consent that the text of a telegram from Harold C. Ostertag, chairman, Northeastern Regional Conference on Civil Defense, dated September 22, 1950, enthusiastically endorsing this proposal, be inserted in the RECORD at this point.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y.

Senator HENRY CABOT LODGE, Jr.,
Senate Office Building,
Washington, D. C.:

The Regional Conference on Civil Defense, sponsored by the New York Interstate Cooperation Committee and the Council of State Governments, and attended by State administrators, civil-defense directors, and legislators from the 10 Northeastern States, unanimously adopted today a resolution strongly recommending immediate passage of pending Lodge-McCormack resolution granting consent to the States to enter into interstate compacts for developing maximum of mutual aid in civil defense among the States. The States of this region strongly believe immediate action on Senate Joint Resolution 204 and House Joint Resolution 542 by Congress is imperative.

HAROLD C. OSTERTAG,
Chairman, Northeastern Regional Conference on Civil Defense.

Mr. KEFAUVER. Mr. President, will the Senator from Connecticut yield so that I may make an observation?

Mr. McMAHON. I yield for that purpose.

Mr. KEFAUVER. The interstate compact provision of this bill is substantially the same as the one proposed by the distinguished Senator from Massachusetts. This is one of the most important parts of the bill, and I know that the governors are extremely eager that the proposed act be in effect so that the States can legislate accordingly when their legislatures meet early in January. I am glad that the Senator from Massachusetts brought the matter to the attention of Congress and to the attention of the governors at an early date, because it is one of the most important parts of the civil-defense program.

Mr. LODGE. I thank the Senator from Tennessee and the Senator from Connecticut.

EX-PRESIDENT HOOVER'S SPEECH

Mr. McMAHON. Mr. President, before beginning my rather brief remarks on the pending bill I wish to say that along with every other citizen of the United States I have given consideration to the message delivered by ex-President Hoover night before last. There will be many analyses made of the speech, and I intend to make my own close analysis of it and comment on it at some length after more reflection and deliberation. However, the importance of the speech is such and the necessity for pointing out to the American people some obvious things about it is so immediate that I shall venture to make some observations about the speech.

Mr. President, there was a specific denouncement of appeasement in Mr. Hoover's speech, and then a proposal was made to commit a most monstrous act of appeasement. Ex-President Hoover suggested that we turn away and retire to our own shores. In other words, says he, Turn the whole world over to the Communists except the Western Hemisphere. I would call the attention of the American people to the fact that the ex-Vice President of the United States, Mr. Henry Wallace, made substantially the same proposal in 1946. As a result he was driven from the Cabinet and denounced in unmeasured terms.

I would also call attention to the fact that in a treaty which we ratified in this very room within the past 12 months, this Nation pledged its sacred word to regard an attack on any of the treaty nations as an attack on ourselves. I do not believe the American people are going to welsh on it. There is plenty of room for debate as to how we shall implement or fulfill that obligation, and I for one have some questions in my mind as to how we should implement it, but the world should be told that we do not intend to welsh on our word, because that is not the spirit of the American people. It goes without saying that the obligation which we assumed is not unilateral. The Atlantic treaty nations—none of them—can contemplated welshing on their obligations. I was happy to hear the Senator from New Jersey [Mr. SMITH] announce today that so far as he was concerned he, too, denounced appeasement, and that he would have no part of it. However, I call his attention to the fact that the program enunciated by the ex-President constitutes nothing else but appeasement.

How many soldiers we should place in Western Europe for our own security I do not pretend at the moment to say. I think we shall have to study that question, and consider it very soon. I am not one of those who believe that the entire strategy of this situation can be settled in the Pentagon, and in the Pentagon alone. As a Senator of the United States I propose to have something to say about it myself, because it is partly my responsibility.

I notice, too, that the ex-President of the United States assured the world that the atomic bomb did not amount to very much. I do not know exactly the words he used. I do not know what information is available to him which is not available to me. I do not believe he should give that kind of assurance to the American people, and sing that kind of siren

song. That brings to mind the observations of another gentleman who has some reputation in this field, Dr. Vannevar Bush, who, I am told, has suggested recently that we could not successfully penetrate defenses with our atomic bomb. That must be good news to the Kremlin, the Soviets, and bad news to our friends in Europe. I do not think he knows what he is talking about. He is the gentleman who wrote a book in which he stated many theses and enunciated many propositions. I am reliably informed that in the book he made the prediction that the Soviets would not achieve an atomic bomb within 10 years. While the book was being printed the news of the Soviet achievement came out, and they had to stop the presses and he had to rewrite that portion of the book. After that I think no one took too much stock in the book. Therefore I do not think the Kremlin would pay too much attention to Dr. Vannevar Bush.

FEDERAL CIVIL DEFENSE ACT OF 1950

The Senate resumed the consideration of the bill (S. 4268) to authorize a Federal defense program, and for other purposes.

Mr. McMAHON. Mr. President, I have tried to keep in close touch with the hearings on the civil defense bill. I think the Senator from Tennessee who served as chairman of the Armed Services Subcommittee for this purpose and his colleagues and the staff are to be congratulated for the wisdom and sense of urgency which they have brought to their task. They have done an effective job and have met a rigorous time table.

I think that praise is also due to the National Security Resources Board; its Chairman, Mr. Symington; its acting Civil Defense Director, Mr. Wadsworth; and its legal adviser in this field, Mr. Sabin. They, too, through their recommendations, have contributed to the formulation of the bill which is now before us.

This bill is not presented to us as the embodiment of perfection. Indeed, perfection would be impossible, no matter how much time was spent in consideration, because the problem is so new and the field is so new that only concrete operating experience can tell us how the bill might later be improved.

Nevertheless, I am satisfied that this legislation is sound in principle, that it reflects the best that can be accomplished at this time, and that in the interests of national security it should be speedily approved.

I want particularly to congratulate the Civil Defense Subcommittee of the Armed Forces Committee for its accomplishment on three counts. The committee rewrote the original bill so as to place emergency powers under a separate title and so as to segregate these powers from the authority to be exercised during periods less dangerous and extraordinary than the time in which we now live. I feel that this recasting of the bill not only conduces to clarity but also helps keep the powers to be created more cleanly and effectively in line with the job that needs to be done.

Second, I want to congratulate the Civil Defense Subcommittee for its contribution in section 102 (a), which creates a Civil Defense Advisory Council. The Council can materially assist the Civil Defense Administrator and lend him both the value and the prestige of its advice. Furthermore, the Council is related to unofficial organizations without whose cooperation no sane civil defense program could succeed. I think the day will come when the Civil Defense Administrator will be grateful indeed for this provision in the bill.

In passing, incidentally, I wish to express my great satisfaction with the appointment made by President Truman as regards the top position in the existing civil defense agency created by executive order. Gov. Millard Caldwell, of Florida, is well known to all of us as an able, vigorous and public-spirited man, whose sole concern is with the security and safety of the United States.

Finally, I desire to congratulate the committee which reported out this bill for its wisdom in defining the conditions under which a civil defense emergency may be declared. It is only a recognition of objective truth to say that we are in an emergency today—a civil defense emergency, as well as other kinds of emergencies. The Soviet timetable does not appear to permit a rate of speed on our part short of our best effort.

For the sake of the record, I should like to offer several comments which I think may well form the subject of future consideration by the Congress. These comments reflect my own thinking based upon more than a year of study in the field of civil defense.

The bill makes no provision for federally organized mobile aid battalions which could move into areas so badly stricken that the State concerned and its neighboring States could not meet the emergency. The experience of World War II strongly suggests that expertly trained, full-time forces under the control of the National Government are an essential component in a realistic civil-defense program.

Second, the bill makes no provision even for limited reduction in vulnerability. A vital new defense plant could be constructed alongside an important old plant, thus making both a highly tempting target. Nothing is said about building codes that would require blast-resisting material in certain new construction. Although the spatial concentration of hospitals and fire-fighting apparatus in Hiroshima cost many lives that might otherwise have been saved, the bill is silent as to any move toward intracity dispersion of critical facilities. Nor does the bill contain language relating to the partial elimination of certain obvious "choke points"—such as telephone trunk lines concentrated in Washington, D. C., and railroad bottlenecks in Chicago. Needless to say, I am not talking about any widespread or major dispersal program. On the contrary, I would recommend powerfully against any such approach. But strictly limited steps—as simple as choosing a plant site a few miles from an existing plant rather than alongside, or locating a new hospital away from other hospitals or constructing a new office building with reinforced materials—these steps may become highly important in meeting enemy attack.

In the same connection one of the more serious dangers that confronts us relates to radio stations, television stations, newspapers, and other media of communication under conditions of enemy attack. It is quite possible that Communists are even now organized to seize a radio station when an enemy attack may occur, and to broadcast messages generating panic and chaos among the populace. An irresponsible and reckless use of communications facilities could greatly impair our capacity successfully to withstand a surprise assault. I think the gravity of this problem is apparent simply by mentioning it. The bill before us has nothing explicit to say on this score.

The authority to be conferred upon the Administrator, even so, is so immense and so rife with poverty and criticality that I think at some time the Congress will want to consider the concept of a congressional "watchdog" committee charged with continuous scrutiny of civil defense. The checks and balances established in our Constitution are liable to be thrown out of kilter unless this great increment in the power of the executive branch is associated with stepped-up activity in the legislative branch. Furthermore, the Administrator ought not to be hamstrung by excessive statutory restrictions—but the very granting of such latitude, so necessary to his urgent task, demands that elected representatives of the people keep abreast of his actions through the "watchdog" mechanism. I do not need to remind Senators that the bill provides no appeal from the Administrator's decisions, even though he may conceivably aggrieve great States and millions of people. This factor underscores the eventual need for a congressional "watchdog."

I may say in passing that the civil defense subcommittee of the Armed Services Committee, able though it is, headed as it is by the great and distinguished Senator from Georgia [Mr. RUSSELL], and having among its membership the distinguished Senator from Tennessee [Mr. KEFAUVER], to whom I have paid just tribute for the work he has done, is not equipped to do this job, because the work which is pouring into that committee—and I know a little about it—is such as to inundate the committee and its staff.

In this context I must also express concern over the fact that, as between listed critical targets, no provision is made for the possible necessity of priority treatment—even though a materials shortage, for example, might require that several areas receive special attention in the interests of national survival. I therefore suggest the future possibility of furnishing the option of priority treatment in certain cases—whereby the Administrator, on written request of the Secretary of Defense, would be empowered to grant priority to certain areas on the critical target list.

In this context Senators know how thoroughly I approve the civilian control principles which underlie the bill now before us. These principles are right and indispensable. At the same time, closest connections with the military must clearly be maintained, and we may therefore wish to consider the desirability of a statutory military liaison committee.

I offer these comments for the record only. The importance of speed in passing the bill before us is so great that I do not wish to make any issue of the points I have raised. At the same time I am reasonably certain that these points will figure in future congressional deliberation concerning civil defense. Indeed, they should be and must be considered. It is my hope that the Civil Defense Administrator and the executive branch may see fit to come forward with legislative recommendations dealing with what I believe to be the important issues which are essentially omitted from the present bill.

However, I do suggest one amendment at this time. It relates to the provision that would vest in the Administrator—a man appointed from civilian life, and without military knowledge or background—almost complete and exclusive legal responsibility for rendering what in essence is a military judgment, namely, the selection of critical target areas. Moreover, since the selection of those areas is to require the allocation of hundreds of millions of dollars of Federal funds, the Administrator might well find it easier to execute the decisions made if the decisions rested not only upon his judgment of the situation, but upon the considered advice of the Secretary of Defense, who, of course, will be in consultation with the Joint Chiefs of Staff.

In the meantime, while I still leave it with the Administrator to make the final legal determination of the critical target areas, I have suggested that he be required, before he fixes these areas, to consult with the Secretary of Defense, and he in turn shall consult with the Joint Chiefs of Staff.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question at that point?

Mr. McMAHON. I yield.

Mr. SALTONSTALL. I should like to suggest to the Senator from Tennessee [Mr. KEFAUVER] that if the amendment of the Senator from Connecticut [Mr. McMAHON] should be adopted in its present form, it seems to me it would involve the danger of the Administrator being able to make recommendation or make his decision on critical target areas only after receiving recomemndations submitted by the Secretary of Defense, following consultation with the Joint Chiefs of Staff. That seems to me to throw the matter back into the lap of the Joint Chiefs of Staff, and might very unnecessarily and excessively alarm the people of the communities where the areas are located.

I wonder if the Senator from Connecticut would not accomplish the same objective if, instead of using the word "recommendation," he would simply say "after consultation with the Secretary of Defense." That would leave out even the Joint Chiefs of Staff. What we want to do is to establish the critical target areas, so as to divide the shelters among them and provide the necessary protection, but I do not think it wise to scare unnecessarily the people in the communities affected.

Mr. McMAHON. Mr. President, I do not know how one would scare the people more than the other, but I would be glad to accept his modification of the amendment.

I ask unanimous consent that the amendment now pending be considered as stated by the Senator from Massachusetts, beginning on line 8 and continuing on line 9, to strike out "as determined by the Administrator" and substitute therefor "as determined by the Administrator after consultation with the Secretary of Defense."

Mr. SALTONSTALL. At least once every year.

Mr. McMAHON. I was somewhat intrigued by the suggestion that it would be better not to say that the Department of Defense had anything to do with the critical-target areas, because then when we became active in an area our potential enemies would know that the military considered that to be a critical area. That is the greatest venture into fantasy I ever heard of, because at least we must give the enemy credit for common sense enough to know that if we start spending a great deal of money and taking considerable precautions in a particular area it is done after consultation with the Secretary of Defense.

I may say to the Senator from Massachusetts that I have another motive in offering this amendment. Perhaps it is just as well that I state it. I look for a great many delegations to be descending on the Administrator asking that their particular areas be named critical areas, or that the critical areas he has drawn be enlarged. There will be a civil-defense activity proposed in a place—well, I had better not name any particular place, because it might be within the constituency of some Senator with respect to which it would be perfectly obvious there would be no sense in spending taxpayers' money to fortify it. So I would like to have the people know that when they come here to beat on the Civil Defense Administrator to put a shelter, we will say, in their town, he has an obligation to both himself and the Secretary of Defense. I think that will give some prestige to his decisions which might be very helpful and might save the taxpayers some money.

Mr. KEFAUVER. Mr. President, will the Senator yield?

Mr. McMAHON. Yes.

Mr. KEFAUVER. I should like to understand the language exactly as the Senator has agreed to have his amendment modified.

The PRESIDING OFFICER. Let the clerk state the language as modified.

The ASSISTANT JOURNAL CLERK. On page 12, beginning on line 8 and continuing on line 9, it is proposed to strike out "as determined by the Administrator" and substitute therefor "as determined by the Administrator after consultation at least once each year with the Secretary of Defense."

Mr. KEFAUVER. Mr. President, the language "once each year" may indicate that he is to consult only once a year.

Mr. McMAHON. I will drop the "once each year" out of the amendment because I agree with the Senator.

Mr. KEFAUVER. The language would be, "as determined by the Administrator after consultation."

Mr. McMAHON. Yes; "after consultation with the Secretary of Defense." That is its final form.

The PRESIDING OFFICER. If the wording has been agreed to, let us have it read, so we may have it cleared up. Let the clerk state the amendment as modified.

The ASSISTANT JOURNAL CLERK. It is proposed to insert "as determined by the Administrator after consultation with the Secretary of Defense."

The PRESIDING OFFICER. Is there objection to the unanimous-consent request that the language be so modified? The Chair hears none, and the amendment is so modified.

Mr. WHERRY. Mr. President, the Senator from Connecticut has the right to modify his own amendment.

The PRESIDING OFFICER. The Senator from Nebraska is correct. The amendment has been so modified.

Mr. KEFAUVER. Mr. President, while we are considering this amendment I think a word or two about the legislative history would be pertinent at this point. The amendment of the Senator from Connecticut, in my opinion, is a good amendment in that it clarifies what is expected of the Administrator in selecting taget areas, that is, that he will consult with the Secretary of Defense, and he undoubtedly will consult with other officials, because there are also other considerations, but, of course, he would consult with the Secretary of Defense, and the Chiefs of Staff would be the main ones from whom he would receive information and suggestions which would be of determinative value to him in making his selection.

I think it should be pointed out that on page 64 of the hearings Mr. WADSWORTH, to whom I join the Senator in paying high tribute for the work he has done, was asked a question. I read a part of it:

> As I understand the legislation, it is your intention to utilize the military for * * * making target evaluations and supply that information to you which will then become an inherent part of your planning; isn't that correct?
>
> Mr. WADSWORTH. That is correct, and I would like to make another statement along that line.

Then he went on to talk about the National Security Resources Board.

At the time the bill was being marked up in the full Committee on Armed Services, the following colloquy took place:

> Senator KEFAUVER. May I call your attention to this fact, Senator SALTONSTALL, that the maps of the critical areas as gotten up by the Administrator have been sent to the Governors of all of the States. I believe there has not been one complaint about the selections made.
>
> Senator RUSSELL. Did he get them up or did the Joint Chiefs get them up? When you

start bringing the Joint Chiefs in, of course, that is bringing in strictly the military.

Senator KEFAUVER. How were they gotten up, Mr. WADSWORTH?

Mr. WADSWORTH. They were gotten up after consultation with other agencies, including the Joint Chiefs. The list of the Joint Chiefs was only critical military installations. We had to add some on the population basis.

Then he proceeded with his testimony.

With respect to the proposal of the Senator from Connecticut not to put the burden on the Joint Chiefs, in the first place, we do not want to get the military into that part of the picture. In the second place, it would result in an inordinate burden if civilians and Governors and mayors were to feel that on this matter they had to come here and have consultation with the Secretary of Defense and the Joint Chiefs of Staff. There are other considerations. But I think the way the Senator from Connecticut has the language now drawn, which follows what they have already done in listing the critical areas, and their intent for the activities in the future, the provision is clarified, and does give direction as to what will be done. And I think it will lessen some of the pressure on the Administrator.

So, Mr. President, on behalf of the committee, I very happily recommend that the Senate adopt the Senator's amendment.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Connecticut, as modified. Without objection, the amendment as modified is agreed to.

Mr. McMAHON. I thank the Senator from Tennessee. I think both of us have accomplished our objectives. I want the local delegations, whom we wish to keep from bothering the Joint Chiefs of Staff, to realize that there is a necessity for the Administrator to go into very serious consultation with the Secretary of Defense, and that he simply cannot reach down and parcel out $100,000,000 for this shelter or that shelter.

Mr. President, I shall close by again making a reference to the recent address delivered by the ex-President of the United States, who assured the American people that if they would just withdraw to this continent and wait for a break they could balance the budget; that is the promise he held out to them. Mr. President, if we follow that advice—and let me interpolate that Mr. Hoover must have been looking at a flat map, instead of a globe, when he reached that conclusion—we shall spend three times as much on civil defense in the United States in the next decade as we propose to spend in protecting our security by keeping our word and retaining our allies. If we really wish to bankrupt the Nation in implementing this bill and in digging holes in the ground all over America, we should adopt the thesis of the ex-President for the defense of our Nation.

Mr. President, there never has been a piece of legislation which should be put into effect any quicker than that now pending. There are things which urgently need to be done, and we shall not be true to the best interests of the security of our people if we delay unnecessarily a moment.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. McMAHON. I yield.

Mr. WHERRY. I think all Members of the Senate are in total agreement with the statement made by the Senator from Connecticut about the necessity of enacting civil defense legislation. However, the final disposition of this measure depends upon how it will be handled in conference. I did not quite understand all the Senator said. I have been trying to arrange for some sort of recess or adjournment which will be agreeable to all Senators. I ask this question because I am interested in having constructive action taken: Does the Senator have in mind anything except the present plans about which we have been talking, or does the Senator believe we should remain here until the conference report on this particular measure is ready and until we take final action on it?

Mr. McMAHON. This morning I talked to the Senator from Nebraska, and I know what his disposition is. However, I have not heard of the result of his efforts to obtain an agreement to vote on the conference report on this measure during this Congress. Can the Senator inform me about that?

Mr. WHERRY. I think we are ready to report. I have contacted Members on both sides of the aisle, and I believe arrangements can be effected so that action will be taken on the conference report on this measure before the present Congress terminates. However, that probably will not be done until the 1st or 2d day of January.

I wonder whether the Senator from Connecticut has in mind anything different, relative to having the Senate take speedier action than that.

Mr. McMAHON. Mr. President, I do not anticipate that we could obtain quicker action than that on the conference report. Certainly I do not wish the present Congress to expire and have this measure die.

Mr. WHERRY. Yes.

Mr. McMAHON. Because then we shall have a new Congress and there will be new committees, and it will be necessary to go through the hearings on this measure again; and that would delay getting these procedures under way. Of course, they should be gotten under way promptly.

Mr. WHERRY. Mr. President, will the Senator yield to me again?

Mr. McMAHON. I yield.

Mr. WHERRY. Let me say that I now have a complete understanding of the observations and judgment of the Senator from Connecticut in regard to the handling of the conference report, and I believe it can be worked out accordingly.

Mr. McMAHON. Yes; anything which can be done to assure that this measure and the conference report on it will not die will be quite satisfactory to me.

Mr. DOUGLAS. Mr. President, I desire to associate myself with the remarks which were made earlier today by the distinguished Senator from New York [Mr. LEHMAN] in dealing with the peculiar and distressing problems of the major large cities of the United States in connection with civil defense. It is well known that the chief targets will be cities such as New York, Chicago, Philadelphia, Detroit, Pittsburgh, Cleveland, Cincinnati, and so forth, and that the need is concentrated primarily in those cities. The acquisition costs for shelters will be high. The cities already are in great financial difficulties. I hope it will be possible to make arrangements whereby the Federal Government's share of the appropriations for these major cities will be greater than will be the case on the average for the country as a whole.

I also hope that arrangements may be made so that the Federal Government will deal directly with these cities, and will not be compelled in each instance to proceed through the States. I hope all these problems may be worked out.

Mr. BRIDGES. Mr. President, I call up my amendment to the civil defense bill, and ask to have it stated.

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). The amendment will be stated.

The LEGISLATIVE CLERK. On page 24, it is proposed to strike out line 1 and to insert in lieu thereof the following: "have been conducted by the Civil Service Commission and a report thereon shall have been evaluated by the Administrator. In the event such full field investigation by the Civil Service Commission develops any data reflecting that such applicant for a position of critical importance is of questionable loyalty or reliability for security purposes, the investigation will be discontinued, referred to the Administrator for evaluation whereupon the Administrator may refer such data to the Federal Bureau of Investigation to conduct a full field investigation. The results of such latter investigation by the FBI shall be furnished to the Administrator for his action."

Mr. BRIDGES. Mr. President, there are now in the bill provisions for handling the security angle. The amendment I now offer will, however, clarify those provisions; it is a little more specific in regard to carrying them out.

I should like to ask the distinguished Senator from Tennessee whether he will accept the amendment.

Mr. KEFAUVER. Mr. President, I should like to make a brief statement before accepting the amendment, so that the position of the Administrator and the process through which this matter has gone, in order to reach the point where the Senator from New Hampshire has presented his amendment, can be clearly understood.

The bill as originally presented by the Administrator and as originally introduced in the Senate and in the House of Representatives provided that all Federal employees having to do with civil defense would have to be individually checked by the Federal Bureau of Investigation. Section 409 of the bill, on page 27, also provides that everyone working for the Atomic Energy Com-

mission will have to be checked, just the same as is now required.

During the hearings on the bill, as appears beginning on page 118, Mr. Cozier, representing the Department of Justice and the Federal Bureau of Investigation, came before the committee and said, in substance, that the work of the FBI had been so greatly increased by various laws which have been enacted that over a period of 3 months, for instance, the pending work of the FBI had been increased to the almost incredible extent of 63 percent, and that during that period the work assigned to investigative personnel had increased the workload per agent about 54 percent. He says that the personnel of the FBI was already on a 6-day week, and that it simply could not assume the responsibilities set forth in this bill.

Following that, we had a consultation with Mr. Caldwell, who feels that everyone ought to be screened; with Mr. Wadsworth and with Mr. Cozier; and the language which now appears in section 403 was agreed upon, which provides that employees shall go through the usual civil-service investigation, that the files of the FBI and other investigative agencies of the Government shall be checked, and that if anything shows up in any of those the FBI shall make an investigation, but that the FBI shall make an individual check of such employees who shall occupy "any position determined by the Administrator to be of critical importance from the standpoint of national security." Mr. Nichols and others of the FBI have informed the chairman of the subcommittee and the distinguished Senator from New Hampshire that even as it is, this gives them a workload which they simply cannot assume. I ask the Senator from New Hampshire whether that is correct?

Mr. BRIDGES. That is correct.

Mr. KEFAUVER. Mr. President, I am not very happy about agreeing to this amendment because I should like to see as many of the employees checked by the FBI as is humanly possible. But I am sure that, with the excellent Administrator we have, if there is any question at all about them from any source, or if he has any doubt about them whatever, he will exercise the right which he has under the Senator's amendment to require the FBI to make an individual check, and that is in addition to anything that may show up in a civil-service examination. So in order to try to satisfy the necessities of the situation in the FBI, I am willing to accept the amendment and take it to conference; but I want to say to the Senator from New Hampshire I hope that in conference, if the House does not agree to the amendment, we may find some method whereby we may obtain a little bit more in the way of a check than is provided for by the Senator's amendment; but I think this is the best we can do at the present time. So, Mr. President, I accept the Senator's amendment.

Mr. BRIDGES. I thank the distinguished Senator from Tennessee.

The PRESIDING OFFICER. Without objection, the amendment of the Senator from New Hampshire [Mr. BRIDGES] is agreed to.

The bill is open to further amendment.

Mr. KEFAUVER. Mr. President, my colleagues, the Senator from Ohio and the Senator from Florida, are about to draft certain language regarding a matter which pertains to the question of when the emergency powers go into operation, which is one of the vital points of this bill.

Mr. TAFT. Mr. President, I send to the desk an amendment, which I ask to have read.

The PRESIDING OFFICER. The clerk will read the amendment.

The LEGISLATIVE CLERK. On page 15, it is proposed to strike out the word "the" in line 10, and all of lines 11 to 22, inclusive, and insert:

(a) The existence of such emergency may be proclaimed by the President or by concurrent resolution of the Congress, if the President in such proclamation, or the Congress in such resolution finds that there is imminent danger of an attack on the United States (as defined in paragraph (f) of section 3 hereof) by bombing or otherwise and that the national safety therefore requires the invocation of the provisions of this title. Any such proclamation of the President shall only be issued after he transmits notice of his intention to the Armed Services Committees of the Congress.

Mr. HOLLAND. Mr. President, as has already been stated, there has been some informal discussion of this particular provision of the bill, and I hope that the settlement of this question, as worked out by the Senator from Ohio, the Senator from Tennessee, the Senator from Massachusetts, and the Senator from Florida, will prove acceptable to the Senate. It is agreed, as a matter of general procedure that the amendment offered by the Senator from Ohio is wisely designed to prevent any general resort to the powers of this act on an emergency basis. It is agreed that there should be no power to resort to the provisions of this act in general throughout the United States, its Territories and possessions, except after Presidential proclamation based upon the stated conditions or the enactment of a concurrent resolution of the Congress, either of which would secure the widest possible publicity to the action taken. However, I think it is agreed, at least among the four Senators, whom I have just mentioned, that it is entirely conceivable that there may be great danger evident as to an exposed area or even areas of the United States, as defined in this bill, which includes the Territories and possessions, which danger may not be established with such certainty, or may not exist on such a clear scale as to require or justify at that particular time, the invoking of emergency operation of this law by either of the two methods just mentioned; that is, by Presidential proclamation, which will call into existence all of these emergency powers throughout the Nation, or the passage of a concurrent resolution by the Congress, which would create the same result.

However, the danger might be so imminent in the exposed area or areas, as, for instance, in Alaska, Hawaii, or at the Canal Zone, or at other places which might be suggested, that it might be apparent that ordinary wisdom would require the creation of such a situation that these emergency powers could be quickly utilized in the threatened areas; as, for instance, by making available, to the civilian defense authorities in that particular area, of all of the transportation facilities owned by all the branches of the United States Government in that particular area, or by making available all the medical supplies, or by turning over all of the supplies of gasoline or of various other substances which can be thought of, which would have a direct bearing upon the ability of the civilian defense agencies there immediately to assist the civilian population to survive an attack, if such an attack should eventuate.

And so this proposed language has been drawn, and I hope it will prove sufficient. It is thought that by this language the giving of the power to the President to invoke the emergency powers under title III and to furnish the rights to the civilian defense authorities which are given only by title III, without a Nation-wide proclamation or without the enactment of a concurrent resolution here, shall be confined to the exposed area or areas on the perimeter of our system. We believe that this amendment so confines it and so localizes any occasion in which these emergency powers would be utilized, without general proclamation or without the passage of a concurrent resolution.

My proposed amendment, therefore, would read:

(b) Such an emergency shall exist, as to a localized area or areas only, when the President determines that the national safety requires the invocation of the provisions of this title as to any exposed area or areas of the United States, and, after transmitting notice of such determination to the Armed Services Committees of the Congress, directs the Administrator to proceed pursuant to the provisions of this title, as to such exposed area or areas of the United States, but not elsewhere.

Mr. President, I offer this as an amendment to the amendment offered by the Senator from Ohio.

Mr. TAFT. Mr. President, I intend to accept the amendment of the Senator from Florida, but I merely want to say a word as to the reason for the amendment.

On page 15 the committee very wisely has separated the general establishment of the defense organization in the entire bill into two groups of power, namely, one power that should go into effect at once so the whole thing can be organized; the other, the rather extraordinary power that would be exercised in the event of an actual attack on the United States.

The committee has done an excellent job in dividing those powers. I think the powers in the second part of the bill are not too great for an emergency, but I feel that under the language of the bill the manner of stepping into this emergency is almost too easy. Emergencies nowadays come pretty cheap, and already one of the requirements is that the President may declare the existence of a state of civil-defense emergency

only under certain conditions, one of them being a declaration of war and the other the existence of a national emergency declared by the President. We already have that. So that part of the bill is already obsolete.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. SALTONSTALL. Mr. President, I have read the amendment of the Senator from Ohio and I hope the distinguished Senator from Tennessee will accept it. However, I invite the attention of the Senator from Ohio and the Senator from Tennessee to the use of the word "imminent." The House bill uses the words "in the event of an enemy attack," which might be all over before we knew about it, or "the anticipation of an imminent enemy attack."

The distinguished Senator from Ohio also uses the word "imminent." That is the only word in his amendment to which I would call especial attention, having in mind whether there is not some other word that would apply a little more clearly to the problem we are trying to solve. Something that is imminent can be right now, or it can be a few hours from now; and yet an attack may come very suddenly and we might know nothing about it except through the CIA, or something else.

Mr. TAFT. I do not happen to think of any other word at the moment. I do not think the emergency powers should go into affect in the entire Nation and suspend all rules regarding contracts and a great many other things unless someone is willing to say that an attack is imminent. If he is willing to say that, and is a responsible person, I do not think we should wait until the bomb falls. I think we must leave that question to someone. One might be willing to say that an attack is imminent when the statement is not quite true. But I cannot think of any better word at the moment. If the Senator has one in mind, I shall be glad to consider it.

Mr. SALTONSTALL. I speak only for myself and not for the Senator from Tennessee. I think the word used by the Senator is better perhaps than any other.

Mr. TAFT. The Senator from Florida says, in general effect, that he agrees to that proposition. We should not allow these powers to be suspended everywhere until there is some imminent danger of attack. But he points out that there may be localized areas in Alaska, or elsewhere, throughout all the possessions of the United States, where it might be desirable, if such a state of emergency exists, not to commit the entire Nation to the suspension of all ordinary safeguards over the powers of the Executive. So the Senator from Florida has offered an amendment which seems to me to be entirely proper.

I would suggest that he might change the words in the first part as well as in the last line. Otherwise, I am glad to accept the amendment of the Senator from Florida and to modify my amendment to include his amendment immediately following the end of my amendment.

Mr. KEFAUVER. Mr. President, with reference to the legislative history of this matter, I desire to say a few words.

First, it was determined by both committees to try to separate the regular powers from the emergency powers, and, of course, to put into effect only the great emergency powers in the event that it becomes absolutely necessary for the protection of the country. In section 301 of the House bill it is provided that in the event of an enemy attack or the anticipation of an enemy attack, the President may proclaim an actual emergency for civil defense purposes.

The Senate bill provides, in section 301, that upon a declaration of war, or upon a declaration of a national emergency by the President, or by concurrent resolution of the Congress, certain things shall be done. If those things, or any one of them, should happen, the President may declare a civil defense emergency. The Congress may be asked to declare war, but that would not automatically put into effect the provisions of the bill, because the emergency might be in some remote place, and it might not be so substantial that we would want to have the great powers given the Administrator put into effect. Even after the declaration of an emergency such as the one which the President proclaimed recently, he might not necessarily put into effect the provisions of this bill.

Those are two of the ways in which this bill could be placed in operation.

The Administrator was particularly anxious that we write some section similar to subsection (c). A situation might arise in an area of the United States, including the Territories, but the Administrator might not want to alarm the whole country as it would be alarmed by a declaration of war or by the declaration of a complete civil-defense emergency. The Administrator and the President might not want to give information which would be of value to the enemy by making a proclamation that we had information that the enemy was massing for an attack, for instance, on one of the Hawaiian islands.

It was provided in subsection (c) that when the President determines that the national safety requires it, the provisions of the act may be put into effect by transmitting notices to the Committees on Armed Services, and directing the Administrator to proceed.

The subject was discussed in the full committee, and the subcommittee was authorized to try to draft language that would not be quite so broad as the language of subsection (c). I think the language which has been worked out by the distinguished Senator from Ohio [Mr. TAFT], the distinguished Senator from Florida [Mr. HOLLAND], the distinguished Senator from Massachusetts [Mr. SALTONSTALL], and other Senators is an improvement.

I should like to make it clear that we do not concur in the feeling that an attack may be localized. It is very difficult, of course, to tell where it might come. So that under the language "area or areas" the President may have a right to declare a civil-defense emergency, under the latter part of the section, in a substantial area and not merely in some little island or some particular section. I understand that is the intention of the authors of the amendment.

Furthermore, Mr. President, I do not understand that the language requires that the President make a public declaration that the provisions of the act are being put into effect as to a particular area or areas, without doing it as to the whole United States. I wonder if there is any disagreement on that point. I think it would be unfortunate, in some circumstances, if the President had to make a public declaration in order to put into effect civil-defense powers in some remote territory.

Mr. HOLLAND. Mr. President, the understanding of the Senator from Florida in offering his amendment to the amendment of the Senator from Ohio was that under that particular provision, that third method of invoking, in some threatened area or areas only, the emergency provisions of the act, the amendment would not require any public proclamation by the President, but, instead, it was built upon the thought that it is quite conceivable that the warning of a threatened attack may not be later actually realized and that the situation may not justify either the expense of the national confusion, excitement, and apprehension which would result from a public proclamation either throughout the Nation or at any point in the Nation. We felt that, under that last provision, the President could proceed effectively after having made his determination and after having advised the Armed Services Committees of Congress, without any further conditions being placed upon his invoking, in that specific area only, the emergency powers of the proposed act. Is that the answer the Senator desires?

Mr. KEFAUVER. I am very glad to have the answer of the Senator from Florida. I think the legislative record should show what the sponsor of the amendment to the amendment has in mind.

Mr. HOLLAND. I should like to invite comment from the Senator from Ohio [Mr. TAFT] and the Senator from Massachusetts [Mr. SALTONSTALL].

Mr. TAFT. I agree fully with what the Senator from Florida has stated. I understood that to be one of the purposes of his amendment.

Mr. KEFAUVER. I believe also that all of us are clear as to the meaning of "imminent." Some of us may have wanted to use a stronger word, and apparently we could not agree on a weaker word.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KEFAUVER. Yes.

Mr. SALTONSTALL. I brought up that question so, if the word were changed in conference, the Senator from Ohio would be on guard, so to speak.

Mr. KEFAUVER. I am certain that we all realize, in this atomic age, with airplanes able to fly through the air at such tremendous rates of speed, that the word "imminent" would not necessarily mean that an attack would have to be on the way before the proclamation

could be made, but would include reasonable grounds for believing that preparations were being made with the intent to bring about an attack on the United States.

Mr. President, with that explanation of the amendment, as modified, I think we have brought about an improvement in the language of the section, and have brought it nearer to what the Armed Services Committee wanted to do. I am deeply grateful to the Senators for the thought they have given and the work they have done on this most difficult point in the entire bill. I accept the amendment as modified.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Ohio [Mr. TAFT], as modified by the Senator from Florida [Mr. HOLLAND].

The amendment, as modified, was agreed to.

TRIBUTE TO MILLARD F. CALDWELL ON APPOINTMENT AS ADMINISTRATOR OF CIVILIAN DEFENSE

Mr. HOLLAND. Mr. President, I do not want the occasion to pass without expressing my very great appreciation of the comments made by the distinguished Senator from Connecticut a few minutes ago in complimenting the President of the United States upon his selection of a person to serve as Administrator of Civilian Defense. The person who was chosen, of course, is a very distinguished Floridian and a former Governor of Florida, Millard F. Caldwell. I wish the RECORD to show that, speaking for the people of Florida, we are grateful for the selection of one of our outstanding citizens to carry this heavy load of responsibility on behalf of our Nation, and we are grateful, also, to the Senator from Connecticut for his gracious remarks. Because of his essentially high character and his great and proven executive ability, because of his distinguished career for 8 years as a Member of the House of Representatives, and his outstanding service for 4 years as Governor of Florida, during which time he was honored by his fellow governors by being chosen to serve as president of the National Governors' Conference, it seems to the people of Florida that the selection of Governor Caldwell is peculiarly fitting, and that his service should demonstrate again his executive ability, as well as his ability to work cordially with the Congress of the United States and the governors of the several States in a position which will certainly require sympathetic and cooperative action on the part of both Congress and the governors of the respective States. I again thank the Senator from Connecticut.

FEDERAL CIVIL DEFENSE ACT OF 1950

The Senate resumed the consideration of the bill (S. 4268) to authorize a Federal defense program, and for other purposes.

Mr. TAFT. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The clerk will state the amendment.

The LEGISLATIVE CLERK. At the end of the bill it is proposed to insert:

SEC. . After June 30, 1953, or after the date of the passage of a concurrent resolution by the Congress which declares that the powers conferred on the Administrator under the provisions of this act are no longer necessary, whichever shall first occur, none of the functions authorized under such provisions may be exercised.

Mr. TAFT. Mr. President, the House bill contains the provision set forth in my amendment, except that the date is June 30, 1954, instead of 1953. In this time of emergency, when we are asked to enact a great deal of legislation which is not desirable in ordinary times, I think it is very wise, if we can do so, to establish a precedent by which a date termination is put on the various powers which we grant. The Committee on Finance has placed a date termination on the excess-profits tax, as an emergency tax. I think the date finally agreed upon with the House is July 1, 1953. It seems to me in the case of this bill that this is the proper time to fix a termination date, and that we should set the time for 2 years. The Eighty-third Congress will then have an opportunity during the first 6 months to extend the powers if it wishes to do so. Of course, if the emergency continues no doubt they will extend the powers. However, I think it is very important that the proponents of a continuation of emergency powers shall bear the burden of proof, instead of having the burden carried by those who wish to repeal emergency powers, after an emergency has passed.

Mr. KEFAUVER. Mr. President, I regret exceedingly to do so, but, representing the committee, I must very vigorously oppose the amendment offered by the Senator from Ohio. In the first place, Congress at any time by the passage of a bill can terminate the legislation. It is no more possible to build up civil defense establishments on an interim basis than it is possible to build up our Military Establishment on an interim basis. The reason why the pending bill has been separated into three sections covering a long range of governmental powers, with emergency power granted in only one section, is to have established on a permanent basis a skeleton organization which could be activated at any time over the years when the situation demanded it. Of course, it is contemplated that Congress at any time could either repeal the legislation, or the Committee on Appropriations could reduce the appropriations, and thus reduce the size of the organization. At least, the organizational administration and the functions should be kept on a permanent basis, so that the organization would be ready to be activated in the event we entered another period of cold or active war or difficulty with another nation. The whole bill, with the exception of section 3, is based upon and written with the idea that it would be in effect until Congress terminated the act, as Congress has already terminated other war powers during recent years, but that we would set up a permanent organization to be used if necessity called for it.

In the first place, Mr. President, the bill allows the States to make compacts which are based, and intended to be based, on a long-range basis. The stockpiling of materials, the training of personnel, and all that sort of thing are expected to be on a permanent basis.

Furthermore, Mr. President, we could hardly ask the cities and States to put up the amount of money which would be necessary under this legislation in order to do a first-class job and to get personnel of the caliber necessary to carry on in a satisfactory manner, if it were known that in any event this activity would be terminated June 30, 1953.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. CHAVEZ. I should like to ask the Senator a question. If an emergency should exist in 1953, 6 months prior to the date set by the amendment of the Senator from Ohio, does the Senator from Tennessee have any idea that Congress would be reluctant to continue the law?

Mr. KEFAUVER. Not at all; but neither do I have any question that if we were at a time of complete peace and did not need the stand-by provisions of the law, the permanent provisions, Congress would repeal the act.

Mr. CHAVEZ. It is simply a matter of opinion. My inclination is to go along with the amendment of the Senator from Ohio, because if an emergency should arise I am positive that Congress would continue the law. If there were no emergency, and the law should be repealed entirely, there is no reason why that should not be done. There is no reason why we should not say that it should end in 1953. Of course, it is a matter for argument. Personally I do not like to give continuing or perpetual power to any agency of the Government.

Mr. KEFAUVER. Mr. President, we do not wait to build our fire departments until we think there may be someone in town who is going to set fire to a building. We do not wait to start legislation about the hoof-and-mouth disease until after the disease becomes prevalent. We try to prevent the spread of the disease.

I should point out also that the pending legislation has not been conceived as emergency legislation, for only this period. The National Resources Security Board, under the chairmanship of a very able and distinguished public servant, Mr. Symington, started consideration of this program a year and a half or two years ago. Perhaps at that time the Board was under the chairmanship of someone else. This question was under study for a long time before the situation became more critical during the past 3 or 4 months. The so-called Hopley board was appointed, of which Mr. Hopley, who passed away recently, was chairman. It made an investigation and recommendations concerning civilian defense. That study started several years ago, before any immediate emergency arose. The Atomic Energy Committee has also been considering the subject.

At this time we are living in a world of emergencies. I think there is no reasonable expectation that by 1953 we shall have reached the period when we shall not need to have on the books at least the framework for the organization proposed by this bill. The fact that we are determined to keep the framework of the organization until such time as there is peace in the world may have some little persuasive value among those with whom we are in disagreement today. It may tend to persuade them that we are ready to go all the way, and are going to present our cause and protect our people so long as those with whom we are in disagreement want to upset the peace of the world.

Mr. President, the British tried the very thing which has been recommended by the Senator from Ohio. At the end of the war they had a fine civilian-defense organization, one of the most remarkable in the history of the world. The Armed Services Committee and the Atomic Energy Committee had the benefit of the studies which had been made, and what had been done by the British in connection with civilian defense.

After the cessation of hostilities the British abandoned the civil defense organization, together with its facilities. The personnel were completely dispersed. They left no organization around which to build when they started again, sometime before we did. They had to go through the task of reorganizing. They had to spend a great deal of money to rehabilitate facilities which they could have maintained over a period of years. I know that the British feel that it would have been much more in the public interest of their nation if they had had at least some kind of an organization to build around, and if they had not let everything be dispersed.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. I yield.

Mr. SALTONSTALL. As a member of the committee, I know that this subject was discussed in the committee room. After some discussion the provision referred to was left out of the bill as it was reported.

I invite the Senator's attention to a fact I am sure he knows, namely, that the House bill has a provision, section 412, which ends the act after June 30, 1954. In accelerating the discussion, and perhaps getting the matter into conference, I wonder how the Senator would feel if the amendment of the Senator from Ohio were offered to the emergency title only. I can see a great deal of argument along the lines which the Senator is discussing, in favor of continuing the permanent organization. I can see also what the Senator from Ohio means about giving Congress an opportunity to review the emergency powers and making the Administrator sell the arguments in favor of those powers, rather than the other way around. I wonder how a suggestion of that character, for the purpose of taking the entire question to conference, would appeal to the Senator from Tennessee?

Mr. KEFAUVER. I thank the Senator from Massachusetts. With the House providing that the act shall cease after June 30, 1954, and in view of the suggestion of the Senator from Massachusetts to apply the House provision to title III of the bill, the emergency section, there may be a very good opportunity for a compromise in the conference. But if we were to adopt the amendment of the Senator from Ohio we would not have anything upon which to compromise, except that the termination date would be somewhere between 1953 and 1954. I would very much prefer that the bill not have a termination date. However, I would recommend to the conferees that we agree upon the suggestion of the Senator from Massachusetts as a compromise of the difficulty.

Mr. TAFT. Mr. President, I feel that I am right. However, I do not wish to delay the bill at this point.

In view of the statement of the Senator from Tennessee that he will follow in conference the suggestion of the Senator from Massachusetts and attach the suggested date to the emergency sections, I withdraw my amendment.

What I picture is this: We are setting up a new Federal department, with an Administrator at a salary of $17,500 a year and a Deputy Administrator at a salary of $16,000 a year. There will be 5,000 employees before one can say "Jack Robinson." This activity is going down through the halls of time with another Federal department. If I were sure that there would never be more than a dozen people doing a little planning, I would not object. But I think it is a mistake to set up a permanent bureau. I hope that the Senate conferees may agree to the House provision as it is.

Mr. WHERRY. Mr. President, will the Senator yield for a question?

Mr. TAFT. I yield.

Mr. WHERRY. Why is the Senator withdrawing his amendment?

Mr. TAFT. I have tried to reach an agreement with the Senator from Tennessee on other questions. He has been most reasonable. I do not want to press this matter to a knock-down and drag-out vote.

Mr. WHERRY. As one who listened to the debate, I was deeply impressed by the attempt that was being made by the Senator from Ohio and the Senator from Florida to have accepted what I thought was a very constructive amendment. I am wondering what is the serious objection to the amendment. If the Senator from Tennessee is willing to take it to conference, just what is wrong with it?

Mr. KEFAUVER. I gladly accepted the amendment prepared by the Senator from Ohio [Mr. TAFT], and the Senator from Florida [Mr. HOLLAND].

Mr. WHERRY. I beg the Senator's pardon.

The PRESIDING OFFICER. That amendment has been adopted.

Mr. WHERRY. I thank the Senator for that statement. I was called off the floor in an endeavor to try to work out a unanimous-consent agreement. When I left the amendment to which I have just referred was under consideration. I felt that it was a very constructive amendment, and I am glad to hear that it has been adopted.

The PRESIDING OFFICER. The Senator from Ohio has withdrawn his latest amendment.

Mr. TAFT. Mr. President, I now offer an amendment for the purpose of raising a point and asking the Senator from Tennessee a question about it. I think I can withdraw it in time.

The PRESIDING OFFICER. The amendment will be stated.

The LEGISLATIVE CLERK. On page 27 at the end of line 9, it is proposed to insert:

It is intended that the powers granted by this section shall only be used to finance projects deemed by the Corporation to be self-liquidating in not more than 50 years.

Mr. TAFT. Mr. President, the report of the committee states very clearly that the power of the RFC to lend money up to $250,000,000 is intended to be used only for self-liquidating projects, garages or other arrangements that may pay out the expense. But I did not find that statement in the bill itself when I read the bill. So I suggest the amendment. The Senator from Tennessee has told me that even without the amendment, under the RFC law loans can only be made which are in fact considered by them to be sound, and therefore, self-liquidating in one way or another.

Mr. KEFAUVER. Mr. President, section 4 (a) (3) of the Reconstruction Finance Corporation law provides that no loan shall be made unless there is a reasonable possibility of repayment and collecting the loans, unless they are sound investments, and so forth. That is not affected by this provision. The RFC still goes through its normal loaning activities, and requires the same security as is required under section 4 (a) (3) of the law, the only thing being that it may amortize investment for 50 years on civilian defense projects instead of 40 years as ordinarily provided in the RFC law. The hearings and everything we have had in the RECORD show that the intention expressed by the Senator is what the RFC would carry out.

Mr. TAFT. So the only purpose of the section, as I understand it, is set forth on page 7 of the committee report where it is stated:

These self-liquidating projects might require Federal financing. Accordingly, the bill authorizes the Reconstruction Finance Corporation to make loans for such purpose.

Mr. KEFAUVER. Yes. At the bottom of page 12 of the report, the Senator will find this reference to section 408:

This section is aimed in encouraging the development of self-liquidating projects to provide civil defense facilities, including shelters, utilities, hospitals, and so forth. It merely modifies existing law to permit the Reconstruction Finance Corporation to grant loans for such purposes with a maturity period of 50 years instead of 40 years as contained in present law.

Mr. TAFT. In view of the statement of the Senator from Tennessee, Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The Senator from Ohio has withdrawn his amendment.

The bill is open to further amendment.

Mr. McCARRAN. Mr. President, the Senate is now considering Senate bill 4268, to authorize a Federal civil defense program, and for other purposes.

Mr. President, I draw the Senate's attention to some startling provisions in the bill. I refer to page 19, section 304:

SEC. 304. During the period of such emergency, neither the Federal Government nor, except in cases of willful misconduct, gross negligence, or bad faith, any officer or employee thereof while complying with or attempting to comply with any provision of this act or of any rule, regulation, or order issued pursuant to this act shall be liable to any person, whether or not such person is engaged in civil defense, for death, injury, or property damage resulting therefrom.

Mr President, I challenge the constitutionality of that provision. It takes from individuals the right of action against other individuals. I doubt not only the advisability but I challenge the constitutionality of it. And remember that the next section below, section 305, is as follows:

SEC. 305. During the period of such emergency, the functions and duties exercised under this act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237), except as to the requirements of section 3 thereof.

Mr. President, the individual is thereby deprived of the Administrative Procedure Act. We are setting aside the Administrative Procedure Act. There is not a scintilla in the bill which provides for tort action at all. What is more, by the language of section 304, which I just read, an individual is deprived of the right to sue when, as a matter of fact, his property rights may be involved in a case. I do not think the bill should receive the sanction of the Senate in its present form, and I hope it may not be considered. This is the first time these provisions have been brought to my attention. I think the bill should be referred to the Committee on the Judiciary for a review of the whole bill.

Mr. KEFAUVER. Mr. President, the Senator will observe that section 304 comes into operation only during time of great national emergency when it is necessary to protect the lives of our people through the civilian defense.

Mr. McCARRAN. We are in an emergency now, Mr. President.

Mr. KEFAUVER. We are not in the kind of emergency, I say with due respect to the Senator from Nevada, that action would have to be taken in the event we put into operation the emergency powers of this section. An attack would have to be imminent. During a time of attack I think the federal tort claim law, which was in the Legislative Reorganization Act, would have to be waived, if the employees of the Federal Government, under some circumstances, were going to be able to do a good job. The substance of section 304 is the waiver of the Federal Tort Claim Act. We discussed the matter at great length in committee and decided that during such a time as this, except in cases of bad faith, gross negligence, or willful misconduct—that is if they are following the instructions given them in the absence of those three things—the Federal Government should not assume the responsibility it has under the Federal Tort Claim Act. That act, of course, is supposed to be in operation during normal times and covering normal operations of the Government.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. WHERRY. The emergency authority is granted under title III, is it not?

Mr. KEFAUVER. Yes.

Mr. WHERRY. It is provided there that—

The existence of such emergency may be proclaimed by the President—

(a) Upon a declaration of war by the Congress;

(b) Upon the declaration of the existence of a national emergency by the President or by concurrent resolution of the Congress.

And then follows the third contingency.

Has the provision with respect to the second contingency been amended?

Mr. KEFAUVER. Yes; by the Taft-Holland-Saltonstall amendment.

Mr. WHERRY. What is the language?

Mr. KEFAUVER. The language in substance is "in case of imminent danger of attack."

Mr. WHERRY. So that in answer to the observation raised by the distinguished Senator from Nevada the provision still would be:

Upon a declaration of war by the Congress;

(b) Upon the declaration of the existence of a national emergency—

But now it is amended to make it only operative in case of imminent national emergency.

What is the difference between a national emergency and an imminent national emergency?

Mr. KEFAUVER. The words are "in case of imminent danger of attack."

Mr. WHERRY. For the purposes of the RECORD, what is the difference between that and subsection (b), as it now stands?

Mr. KEFAUVER. I may say to the Senator that a mere declaration of war does not put this emergency authority into operation; there still must be imminent danger of attack.

Mr. WHERRY. Do all three of the stated conditions have to exist before the emergency authority will go into operation?

Mr. KEFAUVER. No; the idea is that we might be at war and still might not put it into operation.

Mr. WHERRY. I wished the Senator to answer that question along with the question I already have asked.

At the present time a national emergency has already been declared.

Mr. KEFAUVER. But this emergency authority does not go into effect with the declaration of a national emergency.

Mr. WHERRY. But it would, as originally intended, would it not?

Mr. KEFAUVER. No.

Mr. WHERRY. I mean to say that the original provisions of the bill, under subsections (a), (b), and (c) were that the emergency authority would go into effect upon the declaration of a national emergency. Is that not correct?

Mr. KEFAUVER. No; the Senator must read lines 8 and 9, to see what kind of national emergency is referred to in the bill. I read two lines of section 301:

The provisions of this title shall be operative only during the existence of a state of civil defense emergency.

That is the kind of emergency referred to in subsection (b).

Mr. WHERRY. Beginning in line 11, on page 15, in section 301, we find these words:

Existence of such emergency may be proclaimed by the President—

(a) upon a declaration of war by the Congress;

(b) upon the declaration of the existence of a national emergency by the President or by concurrent resolution of the Congress; or

(c) at any time when the President determines that the national safety requires the invocation of the provisions of this title and, after transmitting notice of such determination to the Armed Services Committees of the Congress, directs the Administrator to proceed pursuant to the provisions of this title—

And so forth and so on. Now subsection (b) has been amended has it not?

Mr. KEFAUVER. Yes; both subsection (b) and subsection (c) have been stricken out.

Mr. WHERRY. And new language has been inserted has it not?

Mr. KEFAUVER. The Senator from Massachusetts [Mr. SALTONSTALL] discussed that.

Mr. SALTONSTALL. Mr. President, if the Senator will read the new language, I believe he will find it covers the point he has in mind.

Mr. WHERRY. I should like to have that langauge read into the RECORD at this point.

Mr. KEFAUVER. Very well; I shall be glad to have the Senator from Massachusetts do so.

Mr. SALTONSTALL. The language proposed by the Senator from Ohio [Mr. TAFT] and the Senator from Florida [Mr. HOLLAND], which was accepted by the Senator from Tennessee [Mr. KEFAUVER] as an amendment, reads as follows:

(a) The existence of such emergency may be proclaimed by the President or by concurrent resolution of the Congress if the President in such proclamation or the Congress in such resolution finds that there is imminent danger of attack on the United States (as defined in paragraph (f) of section 3 hereof) by bombing or otherwise and that the national safety therefore requires the invocation of the provisions of this title. Any such proclamation of the President shall only be issued after he transmits notice of his intention to the Armed Services Committees of the Congress.

That is subsection (a).

Then the Senator from Florida [Mr. HOLLAND] proposed an addition to the amendment of the Senator from Ohio [Mr. TAFT], and it also was accepted, in the form of a new subsection (b), which reads as follows:

(b) Such an emergency shall exist, for a localized area or areas only, when the President determines that the national safety requires the invocation of the provisions of this title as to any exposed area or areas of

the United States and, after transmitting notice of such determination to the Armed Services Committees of the Congress, directs the Administrator to proceed pursuant to the provisions of this title as to such exposed area or areas of the United States, but not elsewhere.

Mr. WHERRY. Mr. President, if the Senator will yield, I would as soon ask the question of my colleague, the Senator from Massachusetts, now that he has explained the amendment.

Mr. KEFAUVER. I yield.

Mr. WHERRY. That amendment puts the question of an emergency in a different category, I agree.

Let me ask this question: How is immunity from suit handled under the Holland amendment, since it relates to a localized emergency, as I understand? The Holland amendment reduces the emergency to local areas, first, and then—if necessary—deals with a national emergency. Is that correct?

Mr. KEFAUVER. Under the Holland amendment, if an attack on Pearl Harbor were imminent, and the President did not want to set this machinery into operation for the entire United States, he could apply the emergency powers to that particular area.

Mr. WHERRY. Then would immunity from suit apply only to that area?

Mr. KEFAUVER. Yes; then it would apply only to that area.

Mr. WHERRY. I understand.

Mr. KEFAUVER. Mr. President, if I may answer a further observation of the Senator from Nevada [Mr. McCARRAN], let me say, in regard to the section about which he spoke, that the Administrative Procedure Act, which he said would be waived in time of great emergency, provides for the orderly system of procedure, by means of allowing witnesses to be present, for instance. That provision and the other provisions which have been included in the Administrative Procedure Act can be complied with really only during normal times, but not during the kind of situation we are discussing in connection with the pending measure. I refer also to findings of fact, the right of appeal, and so forth, as set forth in the Administrative Procedure Act.

Our country got along without any Administrative Procedure Act at all until about 1946, as I recall; I think that is when the Administrative Procedure Act was passed.

Certainly during a time of great emergency, as is contemplated in connection with the pending measure, we should not apply the Administrative Procedure Act to things which may be done by the Administrator of the act now proposed or by his employees.

Mr. CORDON. Mr. President, I have been hopeful that this bill would not reach a vote today. It is a very important piece of proposed legislation. It is more sweeping in its terms than any which ever before has come to my attention. There are questions in my mind in reference to this measure.

Frankly, Mr. President, it contains provisions which I simply do not understand.

For instance, I call attention to the provision the Senator from Nevada discussed a moment ago, namely, that in regard to immunity from suit. I think I understand what was intended or what is intended by that provision; yet I wonder whether that will be its effect when it is placed in effect and is construed.

That section begins as follows:

SEC. 304. During the period of such emergency, neither the Federal Government nor, except in cases of willful misconduct, gross negligence, or bad faith, any officer or employee—

And so forth, under certain conditions—

shall be liable to any person, whether or not such person is engaged in civil defense, for death, injury, or property damage resulting therefrom.

I wonder whether that immunity is one which will be dissolved when the emergency is dissolved. That is one question.

I wish to ask several questions, and then I hope I may hear at length from the Senator from Tennessee in regard to some of the questions which are in my mind.

I also wonder about the provision in the bill with respect to the powers under title III; I refer to the emergency powers provided in section 303. I do not know whether any amendment has been made to that part of the bill, for I have been off the floor. The section in question, as it appears in the printed copy of the bill, reads as follows:

SEC. 303. During the period of such emergency—

I interpolate to say that means as civil defense emergency, as distinct from any other—

the Administrator is authorized to—

(a) Exercise the authority contained in section 201 (h) without regard to the limitation of any existing law, including—

Then certain specified laws are listed. That provision would appear to me to nullify every law on the statute books that protects the right of property. Section 201 (h) is the provision which gives to the Administrator the right to acquire property. It provides that he may acquire property by condemnation or otherwise. Of course, Mr. President, one way of acquiring property is by simply forcibly seizing it. We have laws providing compensation for the taking of property; but, under the terms of section 303, as I read them, all of those laws are nullified, and there is nothing left in the way of an obligation on the Administrator or the Government with respect to any property taken, not even the obligation of payment of compensation, because all laws are nullified. The language is "exercise the authority contained in section 201 (h) without regard to the limitation of any existing law." The provisions for the application of the right of eminent domain are limitations upon the Government. So far as I can see, they go out.

I go back now to the forepart of the bill, where there is provision for the creation of a Civil Defense Advisory Council, and for any other advisory council the Administrator may desire to establish. Then, at the bottom of page 7, I find this provision:

(c) The members of the Council and the members of any other advisory committees, other than the Administrator, may be compensated at rates not in excess of $50 per diem and, while away from their homes or regular places of business, they may be paid actual travel expenses and not to exceed $15 per diem in lieu of subsistence.

That language is sufficiently broad to clothe the Administrator with the power, and it does clothe him with the power, to appoint advisory committees and pay them 365 days out of the year at $50 a day. It is a pure delegation of absolute, uncontrolled authority, with no standard whatever to guide him in any action.

Certainly we want adequate civil defense, and I am not criticizing that. I understand what a tremendous job the committee has had in working out the bill. I have read as much of the hearings as I could. I just came from my office, where I had been poring over them again. I have not had an opportunity to read them through. I have had to pick out here and there some matter which I deemed of more pressing moment than a complete consideration of the entire bill or of the hearings, which, after all, to a very great extent, explain why the proponents of the bill desired certain provisions to be written into it. I should like to have had the opportunity to study them thoroughly. I think the Members of the Senate ought to have the opportunity to study them thoroughly.

I would hope, Mr. President, that we could discuss the matter, and I should like to hear from the Senator from Tennessee at length and have an opportunity to pose certain other questions to him; and then I could hope that we could let this bill go over until we return just before the close of the year or the close of the session, at which time other Members of the Senate, who I know are vitally interested in this matter, would have an opportunity to come equipped to understand what the bill seeks to do.

The report indicates—and I am sure that those who prepared the report believed, and do believe—that the philosophy of the proposed legislation is simply to make the Government of the United States a guiding authority to aid the States in the primary job of civil defense. It is so stated; and yet I have never seen a bill which so completely subordinated the States and their subdivisions to the arbitrary rule of an administrator. He prepares the programs. He presents the programs to the States. Certainly, the State can adopt or reject; but the State rejects at its peril; and if the program which it sets up, which it feels is a sound program, does not meet with the administrator's approval, then that State is out, and its people are without any protection under this proposed act.

With respect to the furnishing of financial aid, the administrator writes the terms; he writes the conditions. If he feels that the operation of the State

is in any wise unsatisfactory to him—not according to some standards of the Congress—he can refuse further aid, and nothing can be done about it; it is a final decision; and that ends it, until the Congress can act to correct what I feel is ill-advised legislation at the moment.

I call attention to the provision which I have just been discussing. On page 11, among the general powers of the administrator, to be exercised continuously and not the extraordinary powers in the case of a declaration of a civil defense emergency, we find that the administrator has the power to—

(i) make financial contributions, on the basis of programs or projects approved by the administrator, to the States for civil defense purposes, including, but not limited to, the procurement, construction, leasing, or renovating of materials and facilities.

That, Mr. President, is absolute authority. It is without limit. He may make contribution without limit for any purpose he may desire. The bill includes specifically certain uses for which the money is to be had, but there are the words "but not limited to," which make the sky the limit. Further, we find this:

Such contributions shall be made on such terms or conditions as the administrator shall prescribe—

And again—and we are now speaking of the terms and conditions—

including, but not limited to, the method of purchase.

He can tell them how to buy, and from whom, if he wants to and whether by bid or by privately negotiated purchase. He is there empowered to tell them what they may do with respect to any purchase that is made with this Federal contribution.

I read further:

But not limited to the method of purchase, the quantity, quality, or specifications of the materials or facilities, and such other factors or care or treatment—

And this is the only standard we find—

to assure the uniformity, availability, and good condition of such materials or facilities.

Mr. President, that is not putting a primary responsibility on either the State or its political subdivisions. It is leaving the primary responsibility in the Federal Government's Administrator entirely. He does the directing, he writes the rules, and he requires the performance.

There is another question which is bothering me with reference to purchases with such funds. The bill is not clear on that point. I hope I have the attention of the Senator from Tennessee, because I realize how valuable, in time to come, in the construction and interpretation of this proposed act, the positions of the sponsors, including the chairman of the committee, are. If a contribution is made, I assume that with respect to any article or thing purchased title thereto vests in the States. I hope that may be the view of the committee. If it is not, then there are several other knotty questions arising.

On the next page of the bill we find language with reference to contributions to the States for shelters and other protective facilities. That, as I understand the philosophy of the bill, Mr. President, represents the most important single feature of the bill. It represents bomb shelters and security when bombs are falling. The language is as follows:

That financial contributions to the States for shelters and other protective facilities—

And so forth. I assume again, Mr. President, and I hope the Senator will put into the RECORD the views of the committee on this question, that as to such shelters and protective facilities for which there is a Federal contribution, title to them vests in the States. If it does not, then we run into the knotty questions of ownership by the Government of certain facilities on a piece of real property and ownership of the land by the State with certain powers of the Government to dispose of them if they are found either unsuitable for defense or inadvisable for use in the program.

Mr. President, there are a number of questions which, it seems to me, should have more attention than can be given to them here. I believe the submission of the bill to the Judiciary Committee would be helpful solely because it has a highly qualified staff in the field of legal draftsmanship, well versed in the rules of statutory construction, and so forth. Of course, the answer can always be made, "If we find it wrong, we can amend it." But it seems to me there is not at this minute a compelling necessity to act today. A waiting period of 7 or 8 days cannot affect the operation of this bill. That will be soon enough to go forward under it, particularly when we now have a defense establishment, established by Executive order.

Mr. President, I have received complaints from municipalities which feel that the bill, while, as some of them have said, gives lip service to the primary responsibility of local subdivisions, actually gives them none but places all the control at the top level, in the Federal Government, and as to any association they might have, or any dealings with the Government, they feel that they are going to be compelled to go through the State government. In that respect I want to say, in all fairness, that the committee has, I believe, been helpful in its draft in including the power, at least, to deal with subdivisions to a greater extent than was provided for in the House bill, as I hurriedly read it, but it seems to me those matters are very important. It is a cooperative thing. We must get cooperation at the local level, and there is need for confidence in the minds of those who represent the local level that they can go direct to the Administrator, if that be necessary.

I invite attention, Mr. President, to another matter which has just entered my mind. There is a provision in the bill for education by the Administrator and for a training program. The report of the committee indicates that it is believed this educational and training program will cost approximately $10,000,000. If there is some figure that is reasonable, I should like to see a limitation as to the expenditure that could be made for that purpose written into the bill. After all, this is the Congress of the United States. We are spending other people's money, and we want to do adequately and completely the thing that needs to be done, but in doing it we do not want to grant any authority on any page, sentence, phrase, or word of the bill that is not needed anywhere.

Mr. MAGNUSON. Mr. President, I do not want to prolong the debate, but the remarks of my distinguished friend from Oregon [Mr. CORDON] called my attention to the fact that in the matter of civil defense there has been issued by the Government Printing Office—and I invite the attention of the Senator from Tennessee to it—a very comprehensive and lucid booklet on how to prepare for an atomic attack. It tells certain things which a citizen can do and which a community can do. The only unfortunate thing about it is, speaking about expense, that it suggests that a copy of the booklet may be obtained by sending 10 cents to the Government Printing Office. I was hoping that through the civil defense bill those booklets might be made available to citizens free of charge, or for a stamp. The 10 cents is not important. The booklet is a good one. It is very concise. It is almost in the so-called primer class. It might be necessary for some of our citizens to know what to do.

Mr. KEFAUVER. Mr. President, referring to the question raised by the Senator from Washington [Mr. MAGNUSON], I believe 60,000 or 70,000 of the booklets were sent to States and cities for free distribution, but when anyone writes in for a copy he has to pay 10 cents for it.

Mr. MAGNUSON. But any citizen can receive one free of charge?

Mr. KEFAUVER. That is correct.

Mr. MAGNUSON. I thank the Senator from Tennessee.

Mr. KEFAUVER. Mr. President, the questions raised by the distinguished Senator from Oregon [Mr. CORDON] are, of course, important. However, the issues he raised have been discussed back and forth in the Joint Committee on Atomic Energy and in the Armed Services Committee, and also to a considerable extent on the floor of the Senate. I think the Senator will find in the hearings and in the report the answers to most of the questions which he so ably raised.

Let me say, in the first place, that the mayors and other representatives from his own State, and particularly from the city of Portland, have been among the most urgent in asking that Congress immediately enact this proposed legislation. The time is already late if the cooperative program envisioned in this proposed legislation is to be carried out, and it is absolutely imperative that the bill be finally passed by January 1 in order that the 44 State legislatures which meet in January can formulate their program, can enter into compacts with other States, as provided for in the bill, and can carry out the part of the program which is theirs and which is a large part of it.

Governors of States, mayors of cities, and associations comprising local officials have blamed Congress already for our great delay in passing the bill, and they are urging prompt action. The

problem has been fully considered. Everything in the bill may not be perfect, but in view of the urgency of the matter we have spent a tremendous amount of time on it, and we have tried to prepare a bill which would be satisfactory. In our opinion it is in good shape. Of course experience may show that certain improvements should be made.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I should like to answer some of the questions raised by the Senator from Oregon, unless he wants me to yield on this particular point.

Mr. CORDON. I should like to ask the Senator to yield for a question with reference to the position of the mayors.

Mr. KEFAUVER. We have had, generally speaking, four groups of witnesses who have testified as representatives of cities, States, and municipalities. The Conference of Governors insists that the plan set forth in the bill should be followed. It is the Federal principle of dealing with States and letting the States deal with their local communities. Generally, that has been the way the Federal program has been handled in the past. The Conference of Governors urges that it be done in that way.

Witnesses for the American Municipal Association urge that the contact be on a sort of dual basis, that is, that the Federal Government deal simultaneously with the cities and the States. How it would be possible to work out a program to deal simultaneously with both the States and the cities, the witnesses were not able to say. The distinguished mayor of Portland, Oreg., Mrs. Lee, testified to that effect. I believe difficulty would be encountered if we were to get away from the principle of having the Federal Government deal with the States, and letting the States deal with their own political subdivisions.

Another practical difficulty is presented by the fact that in some instances one city runs into another city. For example, the incorporated city of Detroit completely surrounds two other incorporated cities. Mrs. Lee, the mayor of Portland, testified that some of the large industrial areas of Portland were located in counties outside the city of Portland, and even in other surrounding cities. In the case of Los Angeles, 5 or 6 cities run one into another. Therefore, how it would be possible to have one person to look to in situations of that kind cannot be explained. It seems to me that it would have to be left to the States to work out such problems with their own local communities on the basis of local cooperation. Furthermore, I think it is a good principle to try to keep the Federal Government on the basis of dealing with States, and not letting the Federal Government, through its agents, get into the hair, so to speak, of cities and municipalities, with all the resulting troublesome reactions.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. KEFAUVER. I am glad to yield to the Senator from Massachusetts.

Mr. SALTONSTALL. Mr. President, I join with the Senator from Tennessee 100 percent in what he has said. As I see it, the whole concept of the bill is directly contrary to what the Senator from Oregon has said, although I always have the utmost respect for his opinion. The problem starts with the individual. It works from the individual through the community to the State and from the State to the Nation. The whole principle of civilian defense, as I see it—and I worked on the problem for 5 years during World War II—is to stimulate voluntary action in communities. Without volunteers we cannot have civilian defense.

One of the great problems which developed during World War II was brought about by the Federal Administrator, the late Mayor LaGuardia, of New York, who, when called upon by a municipal, or other local official, would sometimes say things and make understandings and agreements which would completely upset the whole program developed with the State. The result was that one community would get one idea, another community would get another idea, and at the same time the State would be trying to encourage still another idea through municipalities and communities.

If the Senator from Oregon will read the policy declaration on page 2 of the bill he will see that it is the policy and intent of Congress that the responsibility for civil defense shall be shared by the Federal Government and the several States. The Federal Government must deal through the States. We have had a great deal of discussion on this subject, and we decided that it would be absolutely necessary to require the Federal Administrator to deal through the States. Furthermore, the Federal Government would provide cooperation in planning, and it would provide certain necessary equipment. Certain equipment would be paid for entirely by the Federal Government. The cost of other equipment would be shared by the Federal Government and the States. It seems to me that if the States are not sufficiently interested to put up their share of money for necessary civilian-defense equipment, the Federal Government should not put up a penny. I do not say that because we do not want to protect the States, but it seems to me that the impetus for wanting to protect their people must come from the States.

I can assure the Senator from Oregon from my experience of 5 years—and we started civilian defense in Massachusetts in February 1940—that people are afraid; that they want to cooperate if they have good leaders, and they will do their utmost. It must be done on a voluntary basis. It is not possible to buy civil defense.

I agree heartily with what the Senator from Tennessee has stated in response to the query of the Senator from Oregon. I believe the whole concept of the bill must be based on the individual. If it is not, I am not for the bill, and civil defense will not work, in my opinion.

Mr. KEFAUVER. I thank the Senator, and he is exactly right. It has been urged all the time that it is the individual, the local community, the city, and the State through which the problem must be handled. All the Federal Government can be asked to do is to guide, suggest, and direct. I invite the attention of the Senator from Oregon to the bottom of page 2 of the committee's report, where it is stated:

> It is a problem of survival to be solved by the individual, the community, and the State, under the guidance and coordination of the Federal Government. It is not intended that this program will be operated and controlled by the Federal Government, but rather that the Government furnish the necessary guidance and cooperation along with certain assistance in financing the program.

Mr. LEHMAN. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield.

Mr. LEHMAN. Mr. President, I feel more strongly than I can say the importance of passing this bill at this time. As one who has had a great deal to do with the handling of defense measures in New York State during the early stages of World War II, and the years spent in preparation, it is my opinion that we were further advanced in civil defense for a year and a half before we actually got into World War II, in December of 1941, than we are today, even though a shooting war is going on.

I handled civil defense in my State from the time the Defense Council was organized by me as Governor in 1940. I know that the coordination must be through the States. We cannot possibly be successful in our efforts unless the coordination springs from the State and the State is the responsible unit which deals with the Federal Government.

We had no difficulty in New York, and I am sure that my colleague from Massachusetts, who was Governor of his State at the same time I was Governor of New York, will testify that he had no difficulty in coordinating the activities of the various municipalities and counties. We coordinated the cities. We coordinated the police forces of the State. We coordinated the fire-fighting forces of the State. We made arrangements so that one city would help another city if the need should arise. It was all carried out under the encouragement and direction of the Federal Government.

Mr. SALTONSTALL. The State of New York and the Commonwealth of Massachusetts had very distinct understandings between them.

Mr. LEHMAN. We certainly did. As a matter of fact, the State of New York had distinct understandings with other neighboring States.

Mr. President, I could not go back to New York and acknowledge that I was willing to have the Congress adjourn while a measure of this importance was pending. The minds of the people of New York—and I do not think they are different from the people of other States—are definitely fixed on the idea that we must develop our civilian-defense machinery and be ready to defend our people if the need should unhappily arise. In justice to the people whom we represent, I think we must enact at this time a civil-defense program which will

at least be reasonably adequate. I do not claim that this bill is perfect. I read a statement earlier in the day, upon which I commented. I stated that there were certain things in the bill which I believed could be improved. I spoke not only for myself, but for the mayor of the great city of New York. I hope and expect that when the Congress meets again next year, whatever weaknesses there may be in the law will be removed and we can have a more perfect law. But the bill before us at least will tide us over. It will start the ball rolling, and will make it possible to give reasonably adequate defense to the people of the country.

Mr. McCARRAN. Mr. President, will the Senator from Tennessee yield to me to propound a question to the Senator from New York?

Mr. KEFAUVER. I yield.

Mr. McCARRAN. Has the Senator from New York studied the bill before the Senate?

Mr. LEHMAN. I have studied it with some care.

Mr. McCARRAN. Would the Senator from New York vote for a bill which he felt and knew contained provisions which were directly contrary to the Constitution of the United States?

Mr. LEHMAN. If I knew that they were directly contrary to the Constitution of the United States, of course I would not vote for such a bill. But I am not at all convinced that the provisions of the pending bill are contrary to the Constitution of the United States. I understand that the committees in both the House and the Senate have carefully studied the situation. Certainly, there is no indication that there are any provisions which are definitely contrary to the Constitution of the United States.

Mr. KEFAUVER. I thank the Senator.

Mr. CAPEHART. Mr. President, will the Senator yield?

Mr. KEFAUVER. I do not wish to yield the floor at this time.

Mr. CAPEHART. Will the Senator yield for as long a speech as the able Senator from New York has just made?

Mr. KEFAUVER. Yes, indeed.

Mr. CAPEHART. I should like to make an inquiry of the able Senator from Tennessee. I invite his attention to section 201 (h), in line 19, on page 10. Under this paragraph the Administrator is authorized, not merely in a time of emergency, but during the life of the bill, whether there is an emergency or not, to—

> (h) procure, by condemnation or otherwise, construct, lease, transport, store, maintain, renovate or distribute materials and facilities for civil defense, with the right to take immediate possession thereof.

There is nothing in the bill that says what he shall pay for them, or how he shall pay for them. There is nothing in the bill which provides that such properties must be returned to their original owners when they are no longer needed in the program.

I believe that the Administrator of Civil Defense should have the right to take such action during an emergency, that is, when the President has declared the emergency or when we are at war. But this provision would give the Administrator the right to do such things in the normal operations under the act. I do not know why we should give the Administrator more power than we gave the President of the United States under the 1950 Defense Production Act. Under title II of the 1950 Defense Production Act, section 201, we established a formula under which the President could acquire, condemn, and take over property; also a formula under which, when the Government had finished with the property, it was to be returned to its original owner. Here it is proposed to give the Administrator a blank check, not in time of emergency. I think he ought to have such authority in time of emergency, but we are proposing to give him a blank check during the life of the bill, and the life of the bill might well be 50 years.

I am one of those who feel that we should always have on our statute books legislation dealing with civilian defense, but the pending bill would give the Administrator—not the President of the United States—the right to take over property and keep it forever. There is nothing in the bill which requires that when the Government no longer needs the property it shall be returned to its original owners. There is nothing in the bill as to the method of disposition of the property.

Mr. President, I propose to offer an amendment before we are through today, to substitute the language of section 201 of the Defense Production Act of 1950.

Mr. KEFAUVER. Mr. President, I think that I can save the Senator a little time in that connection. I fully agree with the Senator from Indiana. The Senator will observe, on page 14, section 202, that it was the intention of the committee to put into operation title II of the 1950 Defense Production Act and make it applicable to this act, so that the same procedure would be followed as would be followed in the amendment which the Senator is about to propose. The hearings sustain the idea that that is the purpose of section 202. However, the Senator from New York [Mr. LEHMAN] had some misgivings about it, and did not think it was quite as clear as it should be, so he submitted an amendment which contains title II of the Defense Production Act. It is the same as the language of the Defense Production Act, with the exception that the Administrator is substituted for the President. So that part of the Defense Production Act is now explicitly made a part of this bill.

Mr. CAPEHART. If we are to do that, does not the Senator believe that it will be necessary to eliminate subsection (h) from section 201?

Mr. KEFAUVER. No.

Mr. CAPEHART. I do not understand the situation. What does section 202 mean?

Mr. KEFAUVER. Subsection (h) of section 201 is the normal language applying to any agency which has the right to procure anything. There are several ways in which property can be procured. It can be procured by condemnation. It can be procured by filing with the district attorney a notice of entry and taking over, paying for it later. It can be procured by rental, by purchase, and, of course, in many other ways. That language is the usual language which is found in any statute by which any administrator is given the right to procure property. It does not waive any of the requirements of condemnation or any of the protections which are usually provided. That language will be found in the case of any corporation or administrator given the right to procure property.

Mr. CAPEHART. Mr. President, I find that we did adopt an amendment offered by the senior Senator from New York which apparently covers the situation. Does it fully cover what we have been discussing?

Mr. KEFAUVER. Yes, I think it does.

Mr. CAPEHART. I shall study it and try to ascertain if it does. If it does not I shall talk about it a little later.

TRIBUTES TO SENATOR DONNELL

Mr. KEM. Mr. President, will the Senator from Tennessee yield to me to pay tribute at this time to my colleague from Missouri [Mr. DONNELL]?

Mr. KEFAUVER. Mr. President, I shall be glad to yield for that purpose, if I do not lose the floor thereby.

The PRESIDENT pro tempore. Is there objection to the Senator from Tennessee yielding for that purpose? The Chair hears none and it is so ordered.

Mr. KEM. Mr. President, I should like to say a few words, inadequate though they be, about my distinguished colleague from Missouri who will not be with us in the next Congress.

I wish to express the deep sense of personal satisfaction I have had in serving in the Senate with the senior Senator from Missouri [Mr. DONNELL]. During that time, and before, he has rendered outstanding service to his State and to his country.

I need not tell his colleagues here that he is a brilliant scholar and a tireless worker. His high sense of honor, his scrupulous honesty, and his intellectual integrity are proverbial. If a thing is right to the senior Senator from Missouri it is right, and if it is wrong, it is wrong and that is all there is to it.

In the Senate he judged with the fear of God in his heart. The truth is his Bible and he carries it with him always. I believe I express the sentiment of all his colleagues when I say that we wish him continued health and happiness and good luck in whatever he undertakes.

Mr. CHAVEZ. Mr. President, I am most happy that the junior Senator from Missouri rose and uttered the kind words he did in behalf of his colleague [Mr. DONNELL]. Everyone knows that I do not happen to subscribe to his political philosophy, but I have observed him in committees and in the Senate Chamber, and I wish to say amen to all that has been enunciated by the junior Senator from Missouri respecting his colleague.

I am very devoted to the State of Missouri. As the Senate knows I happen to be of Spanish extraction. The first contacts my ancestors had with the Anglo-Saxon civilization of the United

States of America was through Missouri. The American flag was raised in the Mexican Territory by Missouri troops who left Independence, Mo., in 1846. Since statehood we have had two governors who were natives of Missouri. Our basic law in New Mexico is still the Spanish Code.

I believe I know the history of Missouri. From early days to this moment Missouri has had great men to represent her in the Senate. But I can say in all sincerity that Missouri has had no better man to represent her in the Senate than the senior Senator from Missouri, who is to leave us when the present Congress adjourns.

Again I say amen to all the junior Senator from Missouri has said respecting his colleague.

Mr. WHERRY. Mr. President, I wish to join in the laudatory remarks which have just been made relative to the senior Senator from Missouri [Mr. DONNELL]. I join with the Senator from New Mexico in expressing my appreciation to the junior Senator from Missouri for the glowing tribute he has paid to his colleague, who is in every way a man worthy of membership in the United States Senate. No one here will dispute the statement that we all agree that the senior Senator from Missouri ranks among the highest of our citizens for ability and integrity. He is very able, influential, and studious. His character is above reproach.

I wish to join with other Senators in extending to him best wishes for his happiness wherever he may go, and to say to him that we shall greatly miss him, especially because of his industry and energy in the committees of the Senate and on the floor of the Senate.

Mr. SALTONSTALL. Mr. President, I wish to add about three sentences to what has been said about our colleague, FORREST DONNELL. I have served with him as a colleague in two capacities. We both served as governors of our respective States simultaneously, and we have now served together as Senators of the United States.

I have never known a man who has been more courteous, who, when I visited his State, was more hospitable, or who has been more sincere and conscientious in his work for the government of Missouri, and more lately for the Government of our whole country.

I shall greatly miss him as a friend and as a colleague in this body.

TRIBUTE TO SENATOR THOMAS OF UTAH

Mr. MURRAY. Mr. President, will the Senator from Tennessee yield to me to pay tribute to our colleague the Senator from Utah [Mr. THOMAS]?

Mr. KEFAUVER. Mr. President, I shall be glad to yield for that purpose under the same circumstances as I yielded previously.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

Mr. MURRAY. Mr. President, I should like to read into the body of the RECORD the following tribute to the chairman of the Senate Committee on Labor and Public Welfare, subscribed to unanimously by the members of the committee:

UNITED STATES SENATE,
COMMITTEE ON LABOR AND PUBLIC WELFARE.

TRIBUTE TO ELBERT D. THOMAS

In these closing days of the second session of the Eighty-first Congress, we, the Senate Committee on Labor and Public Welfare, are saddened by the forthcoming departure from our group of our respected chairman, ELBERT D. THOMAS. In recognition of his distinguished record of public service and as a token of our warm personal regard for him, we, his colleagues on the Senate Committee on Labor and Public Welfare, are honored to pay him this tribute.

His great vision and his unselfish devotion to the welfare of the American people have materially contributed to a permanent record of legislation serving their interests. Included in this legislation are such important landmarks as the National Labor Relations Act of 1935, the Fair Labor Standards Act of 1938, the Servicemen's Readjustment Act, the Science Foundation Act, and many other important measures designed to improve and serve the welfare of the people of this country. His record, which is written in the history of legislation before Congress during the period of his service, more than any statement we could make, reflects the outstanding public service which this great American, for whom we have a deep and affectionate regard, has rendered.

His unique personal qualities, his sympathetic understanding, his unselfishness, and his high character have made of each of us a warm and personal friend. It is in token of this friendship and out of regard for his statesmanlike qualities that we, his colleagues, set down our signatures.

JAMES E. MURRAY, LISTER HILL, HERBERT H. LEHMAN, H. ALEXANDER SMITH, MATTHEW M. NEELY, ROBERT A. TAFT, FORREST C. DONNELL, WAYNE MORSE, PAUL H. DOUGLAS, HUBERT H. HUMPHREY, CLAUDE PEPPER, GEORGE D. AIKEN

FEDERAL CIVIL DEFENSE ACT OF 1950

The Senate resumed the consideration of the bill (S. 4268) to authorize a Federal civil defense program, and for other purposes.

Mr. WHERRY. Let me inquire of the distinguished Senator from Tennessee whether it is true that sections 304 and 305 are in the House bill?

Mr. KEFAUVER. Yes; it is true that they are in the House bill.

Mr. WHERRY. It is the intention of the Senator, is it not, to have the text of the Senate bill substituted for that of the House bill, as an amendment after the Senate bill, as amended, is passed?

Mr. KEFAUVER. That is correct.

Mr. WHERRY. In view of the fact that there has been so much colloquy about sections 304 and 305—colloquy engaged in by the Senator from Oregon [Mr. CORDON] and other Senators—would it in any way jeopardize the final action on the bill if we were to strike sections 304 and 305 from the Senate bill, and then pass it? Under those circumstances, inasmuch as those sections are in the House bill, the subject matter of those sections would then be before the conferees.

I make that suggestion in view of the fact that there has been so much debate in the Senate in regard to those two sections. How does the Senator from Tennessee feel about removing those two sections from the Senate bill, and then letting the bill go to conference? Under those circumstances, those two sections would be in issue before the conferees, and that matter would be a subject for consideration by us when the conference report comes back to the Senate.

Mr. KEFAUVER. In answer to that question, let me say that the provisions of this bill in regard to procurement and many other matters——

Mr. WHERRY. I am speaking of sections 304 and 305. They contain provisions with regard to immunity from suit and waiver of the Administrative Procedure Act.

Mr. KEFAUVER. The Senator will find the same general principles covered by Public Law 875, a law to give Federal assistance to State and local communities in case of major disasters.

Mr. WHERRY. I do not dispute that, and at this time I am not disputing the merits of those provisions. I am simply asking whether it is true that section 304 or a provision similar to it is contained in the House bill. Is it also a fact that the provisions of section 305 of the Senate bill are to be found in the House bill? If so, in view of the fact that considerable colloquy seems to have developed in the Senate in regard to those provisions, I would suggest that those two sections be omitted from the bill as it is passed by the Senate. That action would not jeopardize the passage of the bill, and thereafter it would be up to the conferees to determine whether to include or exclude those sections.

Would not it expedite the procedure to have us omit those two sections from the bill, and then let the conferees act on those matters in accordance with their best judgment, in connection with drawing up the conference report?

Mr. KEFAUVER. If the text of the Senate bill, as amended, is substituted for all after the enacting clause of the House bill, by unanimous consent, at the conclusion of the debate, will not all parts of the bills be in dispute? In other words, the conferees could then rewrite any section.

Mr. WHERRY. They could if the language were omitted. But if this language is written into the bill, and if it also is written into the House bill, nothing will be in dispute, so far as that language is concerned. Is not that correct?

Mr. KEFAUVER. Under the rule laid down at one time by former Senator Pitman, who at that time was acting as Presiding Officer, if the Senate bill constitutes an amendment, I think the conference may rewrite the entire bill, so long as what is inserted is germane.

In any event, I say to the Senator that I know there are at least some differences between section 304 as contained in the Senate bill and the similar section of the House bill. I have not examined section 303 in detail.

Mr. WHERRY. I am merely making the suggestion. I have been very much interested in several of the questions asked during the colloquy—for instance, questions about the authority provided by sections 304 and 305. Nevertheless, I am quite satisfied that if those two sections were dropped from the Senate bill,

inasmuch as similar—if not identical—provisions are contained in the House bill, these provisions then would be before the conference.

I make that suggestion at this time in order to expedite the procedure in connection with the handling of the bill.

On the other hand, if these sections are included in both bills, there will be nothing on that subject to come before the conference, because those issues will then be settled.

Mr. KEFAUVER. I appreciate the suggestion very much.

Mr. HUMPHREY. Mr. President, will the Senator yield to me?

Mr. KEFAUVER. I yield to the Senator from Minnesota, with the understanding that I shall not thereby lose the floor.

The PRESIDENT pro tempore. The Chair recognizes the Senator from Minnesota, with the understanding that the Senator from Tennessee does not thereby yield the floor. Without objection, the Senator from Minnesota is recognized.

Mr. WHERRY. Just a minute, Mr. President; unanimous consent must be obtained for that purpose.

The PRESIDENT pro tempore. Perhaps the Chair did not understand the request.

Is there objection?

Mr. CORDON. Mr. President, reserving the right to object, I should like to have some questions about this bill answered.

Of course, the Senator from Tennessee is not required to yield, and I do not want him to yield if he does not wish to do so. Nevertheless, I wish to ask some questions about the bill.

Mr. HUMPHREY. Mr. President, I also wish to ask some questions about the bill.

Mr. CORDON. Mr. President, I have reserved the right to object to the unanimous-consent request, and I am speaking on that subject.

The PRESIDENT pro tempore. The Chair did not hear the Senator, unfortunately.

Mr. CORDON. I am sorry if I did not speak loud enough.

Mr. President, let me say that I will not object if I correctly understand that the Senator from Minnesota does not intend to take too long in making his remarks. I wonder whether the Senator will indicate how long he intends to speak.

Mr. HUMPHREY. I was going to ask a question or two about the pending measure.

Mr. CORDON. Oh, very well, then.

The PRESIDENT pro tempore. The Senator from Minnesota is recognized.

Mr. WHERRY. Mr. President, I wish the RECORD to show that I am not objecting to the proposed unanimous consent, but there is no need for such unanimous consent if the questions which are to be asked relate to the pending bill.

Mr. McCARRAN. Mr. President, may I ask what is before the Senate?

The PRESIDENT pro tempore. The Senator from Minnesota has the floor.

Mr. McCARRAN. Was unanimous consent requested?

The PRESIDENT pro tempore. It was, and it has been granted. The bill is open to further amendment; no amendment is pending at this time.

Mr. HUMPHREY. Mr. President, my inquiry of the Senator from Tennessee is in reference to what provision is made in this measure for further consideration by the Congress of some of the problems which might arise under the administration of a civil defense act. In other words, there has been some conflict here today as to the committee jurisdiction of this measure. It has been suggested that the bill should go to the Judiciary Committee. The bill has been reported by the Armed Services Committee.

I believe that the distinguished senior Senator from Connecticut [Mr. MCMAHON] spoke about the necessity for the creation of a special committee to watch over the activities of civil defense. For the purpose of the RECORD, I should like to have the observation of the Senator from Tennessee as to what he thinks would be the procedure or the machinery for further consideration on the part of the Congress of civil defense activities. Where would mayors come, where would governors come, where would interested local groups come, to obtain further information?

Mr. KEFAUVER. Mr. President, I am glad the Senator from Minnesota has asked the question, because certainly no one claims that this measure will be the final answer. I said in the beginning that this measure is only one of the bills which will have to be passed in connection with civil defense.

Of course, it is contemplated that it will be necessary for the Congress to enact a compensation law. Perhaps it will be necessary for the Congress to pass a bill—which might be referred to the Banking and Currency Committee—in regard to the financing of certain kinds of self-liquidating projects.

However, this bill contains provision for a 12-man advisory council to be appointed, and to be known as the Civil Defense Advisory Council. Section 102 of the bill deals with that Council, which is to be appointed by the President, with half its members to be taken from a slate submitted by the Council of State Governments, the Governors' Conference, the American Municipal Association, and the United States Conference of Mayors. It is expected that the Administrator will advise with this council a great deal.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I am happy to yield further for a question.

Mr. HUMPHREY. It is the observation of the Senator from Minnesota, and it is, I believe, expressly written in the language of the bill, that it is a Federal-State-local Government relationship as outlined and projected under the terms of the bill. I merely say by way of suggestion, that we have had many special committees in the Congress which have taken up subject matters of importance, such as the Joint Committee on Atomic Energy, and the Senate Select Small Business Committee. While I believe in using the straight line committees, that is, the normal committees of the Congress, it may be necessary in the days to come to establish a special committee to review the tremendous powers which are authorized under this bill,

I make the further observation that the Committee on Expenditures in the Executive Departments has a subcommittee on Intergovernmental Relations. It appears to me that some difficulties will arise in connection with the Federal-State-local Government administrative relationships, and that it would possibly be proper for the full committee to give some consideration to those problems.

I wondered whether the Senator from Tennessee, as he has studied this bill, would find any objection, for example, to an intergovernmental relations committee to give careful scrutiny to the operations of this act, and possibly if in the foreseeable future the necessity should arise, of having a specialized committee—a joint committee, possibly, or a special committee of the Senate—to give further study to civilian-defense operations and administration.

Mr. KEFAUVER. Mr. President, answering the inquiry of the distinguished Senator, I think there might be some merit in such a committee, but we are establishing a good many committees to watch over various activities, and I believe it would be better to go along and see how the administration of this bill is going to operate, and, for the time being at least, let the normal Senatorial committees, plus the Joint Committee on Atomic Energy, try to handle the problem. I am sure, if something of that kind becomes necessary and urgent, the advisory council, which is provided for, or the Administrator, will bring it to the attention of Congress, so that we can adopt appropriate legislation and act on it; but, for the time being, I should rather not commit myself as favoring a special committee to oversee the operations of the act.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. KEFAUVER. I am happy to yield further for a question.

Mr. HUMPHREY. I merely want to say to the Senator that the observations which have been made here today as to the urgency for this legislation are surely pertinent and to the point. I had the privilege of meeting with the municipal officers of my State, and they are desperately concerned about the confusion which now exists in the whole field of civilian defense. I believe the Committee on Armed Services, and particularly the Senator from Tennessee, has performed a distinct service by bringing about the consideration of this bill, and I know it is going to do much to clarify the situation and to point a way.

I hope that the Senate will act expeditiously upon it. It seems to me it is vitally important that this proposed legislation be passed within the next 2 or 3 days—or today, I would hope—so that we can assure the governors and the local officials and the State legislatures and city councils as to what the relationship of responsibility is between Federal, State, and local government. I merely wanted to urge the favorable consideration and speedy passage of the bill.

Mr. KEFAUVER. I thank the Senator. I want to say that all the mayors and the governors feel that it is very urgent that the bill be passed; in fact, they feel that it should have been passed many, many months ago.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. KEFAUVER. If the Senator from Oregon will let me answer some of the questions he has already asked, I should like to do that first. I am afraid there may be so many questions that I cannot answer them, anyway.

Mr. CORDON. Mr. President, will the Senator yield for one question relating to a matter to which the report of the committee does not seem to advert?

Mr. KEFAUVER. I yield to the Senator from Oregon for a question.

Mr. CORDON. What is the view of the Senator from Tennessee as to the legal effect of the language found in paragraph (f) on page 18, beginning in line 21? It reads:

> And to incur obligations on behalf of the United States for civil-defense purposes as authorized in this act.

The question is, Does the Senator construe that to be an unlimited, unqualified delegation of contract authority to bind the United States during the emergency period?

Mr. KEFAUVER. I am glad the Senator has asked that question. This is a statement of what all war agencies have a right to do; that is, they can employ temporary employees to meet an emergency, without regard to civil-service law, but, before they can become permanent, such appointees must qualify under civil-service law. It is only to meet an immediate situation. The Senator will see that that provision comes under title III of the act. In other words, if it were necessary to get additional employees to help out in an emergency, it would be too slow a process if we were required to go through the civil service, without making some temporary appointments.

Mr. CORDON. Mr. President, will the Senator yield for a further question on the same matter?

Mr. KEFAUVER. I yield.

Mr. CORDON. Is it the Senator's view that the language, "and to incur obligations on behalf of the United States for civil-defense purposes as authorized in this act," is limited only to obligations for the temporary employment of additional personnel without regard to the civil-service laws?

Mr. KEFAUVER. No, I did not intend that. The second part of subsection (f) means that the Administrator can incur an obligation to build an emergency shelter, or to remodel a subway, or something of that sort, under his emergency power, to take care of people who may be in jeopardy.

Mr. CORDON. Does not the language, however, grant him the unqualified and unlimited authority to contract and bind the Federal Government in any field within the purview of the act?

Mr. KEFAUVER. Yes, that is correct within the purview of civil defense, so long as it is operated for the purpose of protecting people, as provided by the bill.

The PRESIDENT pro tempore. The question is on engrossment of the amendment and the third reading of the bill.

Mr. WHERRY. Mr. President, the Senator from Tennessee has not answered the question asked by the Senator from Nebraska about sections 304 and 305.

Mr. KEFAUVER. I may say to the Senator, I do not think that is a proper way to legislate. Sections 303 and 304 are in the bill. If any amendments are indicated, we shall be glad to join in accepting any amendments which in our opinion represented an improvement; but I think it might be setting a very bad precedent merely to omit sections of the bill on the idea that they would be in conference.

Mr. WHERRY. Mr. President, I am not asking the distinguished Senator to mutilate the bill. All I am stating is that those provisions are in the House bill, and that the thing the Senate is working toward is a deadline for the passage of the bill, and there has been a great deal of objection. I am not even going to put my suggestion in the form of a motion, because, after all, I must leave it to the wisdom of the manager of the bill on the floor. But it is one way by which we can preserve any right which the conferees may have to look this thing over and bring it back through a conference report, according to their best judgment, and still not delete provisions which are found in the House bill which cover the subject matter of sections 304 and 305. It is one way to expedite it without getting into difficulty about the passage of the bill at this time.

Mr. KEFAUVER. Mr. President, a parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. KEFAUVER. If this bill were, by amendment, substituted completely for the House bill, could any part of the bill then be rewritten in conference, provided the portions so rewritten were germane?

The PRESIDENT pro tempore. The Chair suggests that paragraph 3 of rule XXVII be read. The clerk will read it.

The LEGISLATIVE CLERK. Rule XXVII, paragraph 3, of the Standing Rules of the Senate, reads as follows:

> 3. (a) In any case in which a disagreement to an amendment in the nature of a substitute has been referred to conferees, it shall be in order for the conferees to report a substitute on the same subject matter; but they may not include in the report matter not committed to them by either House. They may, however, include in their report in any such case matter which is a germane modification of subjects in disagreement.
>
> (b) In any case in which the conferees violate subsection (a), the conference report shall be subject to a point of order.

Mr. KEFAUVER. Mr. President, I would rather go along with the consideration of the bill.

Mr. WHERRY. Mr. President, as I interpret the rule, it would be a germane subject, and the conferees could do what they chose with reference to it.

The PRESIDENT pro tempore. Everything will be in conference.

Mr. KEFAUVER. Do I correctly understand the Chair to mean that if the amendment is adopted everything will be in conference?

The PRESIDENT pro tempore. That is correct.

Mr. KEFAUVER. Mr. President, in answer to the questions asked by the Senator from Oregon, let me say that he first asked about compensation for any property taken by the Administrator under the act. It was and is the intention of the committee, as set forth in the hearings, to provide in section 202 that the provisions of title II of the Defense Production Act be applied to this bill. That provides methods of arriving at compensation. But, in order to clarify it entirely and to remove any doubt about it, the committee and the Senate accepted the amendment offered by the Senator from New York [Mr. IVES] which makes it very clear. It deals with compensation.

In that connection the distinguished Senator from Indiana [Mr. CAPEHART] was also going to propose a similar amendment. He has advised the chairman of the committee that the amendment meets the point he had in mind and that it is acceptable to him.

The next question asked by the Senator from Oregon was as to what would become of the property involved. The title to property acquired by full contribution on the part of the Federal Government, such as the communications system or any property for which the Federal Government pays the entire amount, belongs to the Federal Government.

With reference to shelters on a 50–50 sharing basis, the title is in either the State or the local community, depending on what the legislation of the State provides for, or depending on the arrangement between the political subdivisions. Most of these things are provided by executive order, and the States want to pass on the subject, but they cannot do so until this bill is passed.

I think the Senator from Massachusetts [Mr. SALTONSTALL] fully answered the inquiry as to where the primary responsibility lies. In the declaration of policy, in the whole history of the legislation, and in the report the primary responsibility is in the community or State, and the only thing the Federal Government is trying to do is to give suggestions and directions, so that we can have uniformity in practice. Of course it rests upon the Federal Government with reference to the imminence of attack, the approach of planes, or the imminence of bombing, and matters of that sort.

The Senator from Oregon also asked with reference to section 303. The only purpose of section 303 is to exempt the Administrator from the operation of certain statutes which would make it impossible for him to operate quickly enough in case of a great national emergency. The statutes are set forth on page 10 of the report. The first one is 610 United States Code 278a, which pro-

vides that in the leasing of buildings to the Government the maximum rental shall not exceed 15 percent of the fair-market value.

The Administrator, in a time of emergency, would have the right to lease a building without going into the question of whether it exceeded 15 percent of the fair-market value.

The next statute listed is 41 United States Code 5, which provides that all purchases and contracts for supplies and purchases of services must be advertised.

We thought that could be waived during the exercise of these emergency powers.

The next one is 40 United States Code 259, which provides that no money shall be paid for a site for a public building in excess of the amount appropriated.

That is a peacetime provision. It might not be possible to have any amount appropriated at all for the purchase of a building or a site.

I am sure the Senator would agree that that restriction should be removed in case of an emergency.

The next statute referred to is 40 United States Code 267, regarding restrictions on buildings, the approval of sketch plans, with a limit on the cost, and what not. The architectural plans must be approved under the Federal Property and Administrative Services Act.

In other words, Mr. President, we are trying, during a time of emergency, not to tie the hands of the Administrator with restrictive provisions about advertising and what not which apply to other Federal agencies and which would apply to the Administrator during a time of normal operations.

Mr. CORDON. Mr. President, will the Senator yield?

Mr. KEFAUVER. I yield for a question.

Mr. CORDON. Permit me to preface my question with the statement that I have no objection whatever, insofar as the section provides for the relieving of the Administrator from any obligations under the statutes mentioned. The thing that bothers me, with reference to which, frankly, I intend to offer an amendment to the bill, is the phrase in lines 5 and 6 "any existing law." That is found on page 17 of the bill. This would relieve the Administrator of any limitation of any kind, including a requirement to pay reasonable compensation.

Mr. KEFAUVER. That is the usual language employed when emergency power is given. The intent is that if some other statutes, such as those which I have mentioned, which old line agencies have to deal with, are applicable, the Administrator will not have to act under them. But if it makes the Senator any less concerned about the matter if he wants to study it over further, I should be willing to accept an amendment clarifying that part of the bill.

Mr. CORDON. I would suggest, if the Senator will permit me, that if we eliminated the words "any existing law", then we would have the authority which is found in section 201 (h), but there would be no limitation with reference to those set out in the several acts described.

Mr. KEFAUVER. Then we would be confronted with the problem as to whether it would be possible to pick out all the laws relating to advertising, and so forth. If we find we can do it, we shall do so. But if it is going to hamper the work of the Administrator, we may have to put the language back in conference.

Mr. SALTONSTALL. Mr. President, as I have studied the situation more recently, I think the Senator from Oregon has done well to call these points to our attention. As I interpret section 303, subdivisions A through F, the situation would exist only when an actual emergency had arisen.

Mr. KEFAUVER. That is correct.

Mr. SALTONSTALL. Let us assume that city X has been bombed. If we were to try to place any limitations in this provision it could tie up all the assistance which the Administrator wanted to give. If it is desired to control the Administrator I would suggest that we place the matter in the discretion of the President. I was going to suggest the Budget Director or the Secretary of Defense, but I think the President is the proper person who should exercise discretion in a matter of this kind. If Chicago and New York were to be faced by a sudden emergency, it would be unwise to have the Administrator's hands tied with respect to what money he would be able to spend until Congress acted or until he got further authority. That is the way I interpret the section.

Mr. KEFAUVER. I appreciate the observations of the Senator from Massachusetts. I may say that it would involve the Food and Drug Act, some sanitary provisions, the Public Health Act, and many other acts. It would relate back to the matter of procurement, construction, maintenance and use of some facilities. Is the Senator from Oregon satisfied with the explanation given by the Senator from Massachusetts?

Mr. CORDON. The Senator from Oregon is concerned with the language. It appears to him that the inclusion of the language clearly would render the provision without effect, because it would have no constitutional standing. If the Senator would permit the Senator from Oregon to suggest, the reason it assumes the importance it does is because it would affect the right and power of the Government to take property without compensation.

Mr. KEFAUVER. The compensation provision is taken care of in section 202, which carries the Defense Production Act into this bill, and it is also taken care of by the so-called Ives amendment. Therefore, ample compensation would have to be paid. That subject is already taken care of.

EXCESS-PROFITS TAX OF 1950—CONFERENCE REPORT

Mr. GEORGE. Mr. President, will the Senator from Tennessee yield so that I may bring up the conference report on the excess-profits tax bill?

Mr. KEFAUVER. Mr. President, I ask unanimous consent that I may yield to the Senator from Georgia for the purpose of bringing up the conference report on the excess-profits tax without displacing the pending bill.

The PRESIDENT pro tempore. It being a privileged matter, it would not displace the pending bill.

Mr. GEORGE. Mr. President, I submit a conference report on the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes, and I ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The report will be read for the information of the Senate.

The report was read by the legislative clerk.

(For conference report, see proceedings of the House of Representatives, January 1, 1951, pp. 17025–17027.)

The PRESIDENT pro tempore. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. GEORGE. I yield.

Mr. WHERRY. I wonder whether the Senator from Georgia desires to ask for a quorum call. We have not had a quorum call all day, and perhaps this would be a good time to have one, unless the Senator from Georgia would like to proceed without having a quorum call. I shall be glad to accept the Senator's judgment.

Mr. GEORGE. I would rather proceed without a quorum call. I had hoped that a quorum would be present, or that a quorum had already been developed.

I wish to make a brief statement regarding the conference report.

The conference, on the whole, was very satisfactory. The House agreed to practically all of the Senate amendments. However, there were some provisions which we had to amend, or upon which we had to make compromises or to recede. I will discuss briefly the changes made in the Senate amendments by the conference.

First, as to the termination date for the excess-profits tax: The Senate bill provided a termination date with respect to taxable years beginning after January 1, 1953. The House bill had no termination date. The conferees agreed to terminate the tax with respect to taxable years beginning after June 30, 1953.

Second, as to the ceiling rate: The Senate bill had an over-all ceiling on normal tax, surtax, and excess-profits tax of 60 percent. The House had an over-all ceiling rate of 67 percent. We compromised on an over-all ceiling rate of 62 percent.

Third, as to the rate of return to be allowed on borrowed capital: The Senate amendment permitted borrowed capital to be counted at 100 percent in computing the credit for invested capital and in computing net additions to capital under the average-earnings basis. That is, under the Senate amendment, borrowed capital was treated the same as other forms of capital. The House bill allowed a credit for borrowed capital measured by the interest paid on the

borrowed funds. The conference accepted the Senate formula but allowed only 75 percent of the borrowed capital to be included in computing the invested-capital credit instead of 100 percent. However, one-fourth of the interest payments on this borrowed capital is to be deductible in computing excess-profits net income. This was not allowed under the Senate bill.

The House conferees agreed to the Senate bill increasing the corporate surtax rate by two percentage points.

The House conferees also agreed to the Senate amendments relating to public utilities, and the provisions relating to minerals with two exceptions:

First. The House conferees refused to agree to the Senate amendment exempting trona from the excess-profits tax as a strategic mineral.

Second. Beryllium was also eliminated by the conferees. It was pointed out that this last mineral was a derivative from "beryl," which is exempted as a strategic mineral.

I regret to report that we were unable to reach an agreement on that part of amendment No. 75, offered by Senator KERR, which gave the benefit of the growth formula to a taxpayer commencing business in the base period but prior to May 1, 1946. Under the growth formula before this amendment a taxpayer had to commence business before the beginning of the base period to secure the benefit of the growth formula. A corporation commencing business after the beginning of the base period is entitled to be treated as a new corporation, and the House conferees were unwilling to give such a corporation the benefit also of the growth formula.

The amendment of the Senate bill relating to the handling of deposits under the Merchant Marine Act was disagreed to by the House conferees. It was vigorously opposed by the Treasury. The Senate conferees receded on this amendment with the understanding that it should have further study next year.

The House did not agree to the Senate floor amendment which was intended to provide relief in cases where two or more corporations consolidated their operations during the base period and an increase in their combined incomes resulted from the consolidation. The amendment provided in effect that the increase in net income attributable to the increased efficiency resulting from the consolidation be added to average base period net income. The House conferees believed that this type of relief provision would involve very difficult questions of proof and make impossible the type of automatic relief which this bill employs. The House conferees believed that to give relief in this area and in the manner which the amendment provided, would depart from the basic principles of automatic relief followed elsewhere in the bill.

The amendment, offered by the Senator from Colorado [Mr. JOHNSON] relating to the amortization allowance for facilities certified for defense purposes, was not agreed to by the House conferees. The Senate conferees receded on this amendment with the understanding that the matter would be brought up in connection with the next revenue bill.

The amendment offered by the Senator from Connecticut [Mr. MCMAHON], providing for a minimum base period credit based upon the years 1936 to 1939 was opposed by the Treasury, and we were forced to recede.

The amendment offered by the Senator from Colorado to exempt Government payments to encourage exploration, development, and mining from the income tax was agreed to, as well as the amendment of the Senator from Oklahoma [Mr. KERR] to clarify the utility amendment where the unregulated rates of a utility are substantially as favorable to users and consumers as are the regulated rates.

The House conferees also accepted the Senate amendment giving sewerage disposal services subject to regulation the benefit of the utility treatment, treating perlite as a strategic metal, and the Senate amendments providing relief in the case of mines.

In connection with abnormalities in income in the tax period the Senate conferees receded on a House bill provision which would give the Secretary of the Treasury the authority to prescribe classifications in addition to those specified in the bill.

The Senate bill contained a special relief provision for corporations which experienced an unusually rapid growth during the base period. Qualified taxpayers were permitted to use a substitute average base period net income computed from their income in 1949, or the average of their income in 1948 and 1949, or the average of one-half of their 1949 income and 40 percent of their 1950 income, or the average of the income in the last half of 1948 and 40 percent of the income in 1950. The first two options were contained in the House bill; the third was added by the Committee on Finance; the fourth was the result of a Senate floor amendment.

The conference restricted the option to use the income of the last half of 1948 and 40 percent of the income of 1950 in order to confine the use of the option to cases in which the company's income for the calendar year 1949 was 25 percent or less than for the calendar year 1948.

As reported by the Committee on Finance a company qualified for growth treatment by establishing that its payroll in the last half of its base period was 130 percent or more of its payroll in the first half or its gross receipts in the second half were 150 percent or more of its gross receipts in the first half. Moreover, a company could qualify for the growth options only if its total assets in January 1, 1946, did not exceed $20,000,000. These limitations proved unduly restrictive and the committee offered a floor amendment which permitted a taxpayer to avoid the $20,000,000 limitation if it complied with the following tests:

(a) The taxpayer's net sales for the period January 1, 1950, to June 30, 1950, multiplied by two is at least 150 percent of its net sales for the calendar year 1948; and

(b) Fifty percent of the net sales in 1949 were attributable to a product or class of products not generally available to the public prior to January 1, 1946; and

(c) The taxpayer's net sales attributable to such product in the calendar year 1946 is not more than 5 percent of the net sales of the product for 1949.

The conference liberalized these rules in the following manner:

(a) The comparison of the taxpayer's net sales for 1950 is to be made with the average net sales in 1946 and 1947 instead of 1948.

(b) The product not generally available to the general public prior to 1946 need constitute only 40 percent of the taxpayer's net sales for 1950 instead of 50 percent of 1949 as provided in the Senate bill.

(c) The benefits of the option were made available not only to products of which the product marketed after January 1, 1946, is a principal component, as was provided in the Senate bill, but also to articles which are components of such products or classes of products.

The bill as approved by the Senate was estimated to yield $3,200,000,000 in a full year of operation. The conference agreement will increase this by about $100,000,000. This increase comes mainly from the reduction in the amount of borrowed capital allowed from 100 percent to 75 percent, and the increase on the over-all rate limitation. Of course, if the upward trend in corporate profits continue the bill will yield between $4,000,000,000 and $5,000,000,000 next year.

Mr. President, I move the adoption of the conference report.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

FEDERAL CIVIL DEFENSE ACT OF 1950

The Senate resumed the consideration of the bill (S. 4268) to authorize a Federal civil-defense program, and for other purposes.

The PRESIDENT pro tempore. Senate bill 4268 is before the Senate. Are there any further amendments to be offered?

Mr. KEFAUVER. Mr. President, a companion bill, House bill 9798, is on the calendar. It is Calendar No. 2681. I ask unanimous consent that the Senate proceed to the consideration of the House bill; that the House bill be amended by striking out all after the enacting clause and substituting the language of the Senate bill, as amended; that the Senate insist upon its amendment, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Tennessee?

Mr. MCCARRAN. Mr. President, is the bill still open to amendment?

The PRESIDENT pro tempore. The bill is still open to amendment.

Mr. McCARRAN. I move to strike out sections 304 and 305, on page 19, of the bill.

I suggest the absence of a quorum.

The PRESIDENT pro tempore. The Senator from Nevada has moved to strike sections 304 and 305 from the Senate bill and has suggested the absence of a quorum.

The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. McCARRAN. Mr. President, I ask unanimous consent that my suggestion of the absence of a quorum may be withdrawn, and that the further proceedings in connection with the call of the roll may be dispensed with.

The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so ordered.

The question is on agreeing to the amendment of the Senator from Nevada.

Mr. KEFAUVER. Mr. President, in order to get the matter before the conference and studied there, I have agreed to accept the amendment of the Senator from Nevada.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. KEFAUVER. Mr. President, I have an amendment which has been prepared by the Senator from Oregon. I offer it and ask that it be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The LEGISLATIVE CLERK. On page 18, in line 21, it is proposed to strike out all after the word "incur", and to insert "such obligations on behalf of the United States as may be required to meet the civil-defense requirements of an attack or imminent attack."

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Tennessee.

The amendment was agreed to.

UNANIMOUS-CONSENT AGREEMENT WITH RESPECT TO FUTURE PROCEEDINGS AT THE PRESENT SESSION

Mr. LUCAS. Mr. President, out of order, I should like to have the Senate consider a proposed unanimous-consent agreement which is extremely important. In view of the fact that we have just almost completed a quorum call, I think we might try to have this agreement entered now.

I have conferred with the minority leader, the Senator from Nebraska [Mr. WHERRY], and also with Members on this side of the aisle, and I know that the Senator from Nebraska also has conferred with various Senators, in respect to the proposed agreement.

I shall now read it, and ask that it be adopted, if possible. I hope all Senators will listen carefully to the reading of the proposed agreement, because some Senators may wish to object or may wish to ask a question about it:

Ordered, That at the conclusion of its business today the Senate take a recess until 12 o'clock noon on Tuesday, December 26, 1950; that immediately after the convening of the Senate on said day the Presiding Officer shall, without debate and without the transaction of business of any nature, declare the Senate in recess until 12 o'clock noon on Friday, December 29, 1950; that immediately after the convening of the Senate on said day of Friday, December 29, 1950, the Presiding Officer shall, without debate and without the transaction of business of any nature, declare the Senate in recess until Tuesday, January 2, 1951, at 11 o'clock a. m.

Ordered further, That on said day of Tuesday, January 2, 1951, a motion shall be in order that the Senate proceed to the consideration of the conference reports on the following bills, namely:

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes;

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941; and

H. R. 9798. An act to authorize a Federal civil defense program, and for other purposes.

Provided, That not to exceed one hour's debate shall be permitted on each of said conference reports, to be equally divided between those favoring and those opposing said reports, and controlled as follows: In the case of H. R. 9920, by Mr. McKELLAR and Mr. BRIDGES, respectively; in the case of S. 4266, by Mr. McCLELLAN and Mr. TAFT, respectively; and in the case of H. R. 9798, by Mr. KEFAUVER and Mr. SALTONSTALL, respectively.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous-consent agreement?

Mr. LONG. Mr. President, reserving the right to object, let me inquire whether the proposed agreement means that no other conference reports can be considered?

Mr. LUCAS. It does not. It does mean, however, that any other conference report which might be considered would not come under the limitation of time stated in the proposed agreement.

Mr. LEHMAN. Mr. President, reserving the right to object, let me ask the distinguished Senator from Illinois to read once again the part of the proposed agreement referring to a limitation on debate.

Mr. LUCAS. That part reads as follows:

Provided, That not to exceed 1 hour's debate shall be permitted on each of said conference reports, to be equally divided between those favoring and those opposing said reports, and controlled as follows—

And so forth.

Mr. LEHMAN. I thank the Senator.

Mr. LUCAS. We are asking that the Senate convene at 11 a. m. on Tuesday, January 2, because about 2 weeks ago the Democratic conference agreed to hold a further conference on the afternoon of January 2, at 2 p. m. I think all Senators understand why we have to do that; it is because, as everyone knows, the Senator from Illinois will not be a Member of the Senate the following day. Consequently, it is necessary for the Democratic conference to meet at that time and make decisions as to the leaders of the Senate, who will take over when the new Congress convenes.

I yield now to the Senator from Nebraska.

Mr. WHERRY. Mr. President, I respectfully call to the attention of the majority leader that there is included in the proposed unanimous-consent agreement a provision in regard to a conference report on the civil-defense bill. Of course, that bill has not yet been passed; and if it is not passed, such a conference report would not exist, and such a provision would not appear.

Mr. LUCAS. Of course, then that portion of the agreement would automatically be withdrawn.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous-consent agreement?

Mr. LEHMAN. Mr. President, reserving the right to object, I should like to have the Senate withhold action on the proposed unanimous-consent agreement until we ascertain whether the civil defense bill does pass. Frankly, I am very much in doubt as to whether I would concur in the proposed agreement unless that bill passes.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. WHERRY. The proposed agreement provides that when the Senate recesses today, the future program shall be thus and so. Such a provision means that the Senator from New York and all other Senators if they desire, can remain here until the civil defense bill is passed. The meaning is that when that bill is passed, the proposed agreement will control the time in the future.

Mr. LEHMAN. Very well. However, I would not agree to the proposed agreement unless the civil defense bill does pass.

The PRESIDENT pro tempore. The Parliamentarian advises the Chair that, so far as the proposed agreement is concerned, it would make no difference whether the bill is passed or is not passed.

Mr. LUCAS. Of course, Mr. President, the only difference is that the Senator from New York has just made the suggestion that in the event the civil defense bill is not passed, he will object to the entire proposed unanimous-consent agreement. Do I correctly understand the Senator from New York?

Mr. LEHMAN. Yes, I would object to any recess, in such case. I think the civil defense bill is so important that we should remain here all next week, if necessary, in order to pass that bill. I think we should remain here until it is passed.

Mr. LUCAS. I think we may be able to pass it at once. I shall withhold the proposed unanimous-consent agreement for the moment, because I think the civil defense bill is about to be passed.

Mr. WHERRY. Very well.

FEDERAL CIVIL DEFENSE ACT OF 1950

The Senate resumed the consideration of the bill (S. 4268) to authorize a Federal civil-defense program, and for other purposes.

Mr. KEFAUVER. Mr. President, a companion bill to Senate bill 4268 is House bill 9798, Calendar No. 2681.

I now ask unanimous consent that the Senate proceed to the consideration of House bill 9798.

The PRESIDENT pro tempore. Is there objection?

There being no objection, the Senate proceeded to consider the bill (H. R.

9798) to authorize a Federal civil defense program, and for other purposes.

Mr. KEFAUVER. I now ask unanimous consent that the House bill be amended by striking out all after the enacting clause and substituting the language of Senate bill 4268, as thus far amended.

The PRESIDENT pro tempore. Without objection, the amendment is agreed to.

Mr. KEFAUVER. Mr. President, I ask unanimous consent that the amendment be ordered to be engrossed and the bill to be read a third time, and passed.

The PRESIDING OFFICER. Is there objection?

There being no objection, the amendment was ordered to be engrossed, and the bill to be read a third time; and the bill was read the third time, and passed.

Mr. KEFAUVER. I now ask unanimous consent that the Senate insist upon its amendment, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The PRESIDENT pro tempore. Without objection, it is so ordered; and the Chair appoints the Senator from Tennessee [Mr. KEFAUVER], the Senator from Kentucky [Mr. CHAPMAN], and the Senator from Massachusetts [Mr. SALTONSTALL] as conferees on the part of the Senate.

Without objection, Senate bill 4268 is indefinitely postponed.

UNANIMOUS-CONSENT AGREEMENT WITH RESPECT TO FUTURE PROCEEDINGS AT THE PRESENT SESSION

Mr. LUCAS. I now renew the proposed unanimous-consent agreement, under the terms and conditions stated a moment ago.

The PRESIDENT pro tempore. Including the reference to the bill which has just been passed?

Mr. LUCAS. That is correct.

The PRESIDENT pro tempore. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and it is so ordered.

The agreement as reduced to writing is as follows:

Ordered, That at the conclusion of its business today the Senate take a recess until 12 o'clock noon on Tuesday, December 26, 1950, that immediately after the convening of the Senate on said day the Presiding Officer shall, without debate and without the transaction of business of any nature, declare the Senate in recess until 12 o'clock noon on Friday, December 29, 1950; that immediately after the convening of the Senate on said day of Friday, December 29, 1950, the Presiding Officer shall, without debate and without the transaction of business of any nature, declare the Senate in recess until Tuesday, January 2, 1951, at 11 o'clock a. m.

Ordered further, That on said day of Tuesday, January 2, 1951, a motion shall be in order that the Senate proceed to the consideration of the conference reports on the following bills, namely:

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes;

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941; and

H. R. 9798. An act to authorize a Federal civil defense program, and for other purposes.

Provided, That not to exceed 1 hour's debate shall be permitted on each of said conference reports, to be equally divided between those favoring and those opposing said reports and controlled as follows: In the case of H. R. 9920, by Mr. MCKELLAR and Mr. BRIDGES, respectively; in the case of S. 4266, by Mr. MCCLELLAN and Mr. TAFT, respectively; and in the case of H. R. 9798, by Mr. KEFAUVER and Mr. SALTONSTALL, respectively.

STUDY OF MENTAL AND PHYSICAL SEQUELAE OF MALNUTRITION AND STARVATION SUFFERRED BY CERTAIN INTERNEES OF WORLD WAR II—REPORT OF A COMMITTEE

Mr. DOUGLAS. Mr. President, from the Committee on Labor and Public Welfare, I ask unanimous consent to report favorably, without amendment, the bill (H. R. 8848) to provide for a study of the mental and physical sequelae of malnutrition and starvation suffered by prisoners of war and civilian internees during World War II, and I submit a report (No. 2699) thereon. The committee this afternoon unanimously recommended the passage of this bill.

The PRESIDENT pro tempore. Without objection, the report will be received, and the bill will be placed on the calendar.

HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H. J. Res. 555) making temporary appropriations for the fiscal year 1951, and for other purposes, was read twice by its title, and referred to the Committee on Appropriations.

ORDER OF BUSINESS

Mr. CHAVEZ obtained the floor.

Mr. WHERRY. Mr. President, will the Senator yield, that I may ask a question of the majority leader?

Mr. CHAVEZ. I yield, provided I do not lose the floor.

Mr. WHERRY. Mr. President, before Senators leave, I should like to ask the distinguished majority leader when he proposes to call the calendar. Some Senators are very much interested in it.

Mr. LUCAS. We agreed to call the calendar immediately following disposition of this bill.

Mr. WHERRY. That is correct.

Mr. LUCAS. As soon as we can clear the way, we can proceed to the call of the calendar.

Mr. PEPPER. Mr. President, I wish very humbly to suggest that I have been waiting 2 days to make some remarks, and I intend to seek recognition by the Chair as soon as the Senator from New Mexico concludes. I hope I shall not take long, and that Senators will indulge me for a few moments so that I may make some remarks I have been waiting for some time for an opportunity to make.

Mr. WHERRY. Mr. President, will the Senator from New Mexico yield?

Mr. CHAVEZ. I yield, on the same condition.

Mr. WHERRY. I may say to the distinguished Senator from Florida that there are several other Senators who are also waiting; there is no doubt about that. But there are many Senators who are interested in having a call of the calendar. It is only two and a half pages long, and I am satisfied it will take only a few moments, because its consideration is to be limited to unobjected-to bills. I am satisfied that, if we could call it, we could complete it within a very short time.

The PRESIDENT pro tempore. The Senator from New Mexico.

A FOREIGN LEGION FOR FREEDOM

Mr. CHAVEZ. Mr. President, today, only 3 days before Christmas, it is a sad commentary on Christian people and on present-day civilization that, instead of praising God on high and asking for peace and good will to men, we find it necessary to discuss matters having to do with the destruction of God's creatures. One can readily understand why that is possible, when even those of our friends with whom we are associated in the United Nations do not implore the guidance of God in their deliberations upon what purport to be noble efforts in the interest of humanity and peace. It appears that we have reached the point in our civilization, especially in this country, where, after the Chaplain has led us in prayer each day, we find it necessary at times to discuss matters having to do with destruction, with death, with blood, with suffering, and despair.

A few days ago I made a short statement to the Senate, trying to give this body and the American people and the Congress a plan of action to be followed if we are to carry on and not have the sad experiences we are undergoing in Korea. It was on December 6 that I made the statement, declaring that the United States should not recognize communistic China, and that in furtherance of the efforts of the United States to oppose the communistic world, and in the interest of liberty and freedom, it was my opinion it would become necessary for this country to sponsor a foreign legion composed of men from all nations who believe in a free world and who are willing to fight for such freedom. Today I desire to elaborate on the main objective.

I understand a conference was held in Europe within the past few days, in which our leading foreign officer participated. I do not believe that the American people are convinced that the governments represented at that conference want to cooperate with us to the full extent that is necessary, though I am satisfied in my own mind that in those countries there are thousands, yes, millions of people who are willing to fight for freedom and liberty. I have faith in the millions of people in Europe and in Asia, who are willing to fight on our side, but I have no confidence that certain governments will do their utmost in that behalf.

The main objective, as I see it, is to utilize the youth of the world in an appropriate division of the armed forces of the United States. This program is based on the world-wide faith in religion and in the worthiness and dignity of the individual—things which are inherently and diametrically opposed to communism. Communism is paganism. It denies the existence of God. It preaches that there is no hereafter. I do not believe that, and I do not think the

American people do, either. Communism worships power for the sake of power alone, vested in the state, and it is interested only in the use of that power for the exploitation of individual men and women. The youth of the world will enlist to destroy this pagan menace. All that is needed is a rallying point and a practical, common-sense program. I suggest to those who attend conferences such as the one recently held in Brussels, to which I have referred, that the legion of the world would be recruited first, under the United States Army, with the consent and cooperation of other governments, limited to a fixed number from each country. Recruiting may be limited to men between the ages even of 18 and 21.

Second, notwithstanding my feelings toward the United Nations as a result of its stand with respect to religion, but recognizing that they have certain laudable purposes in mind, if they will only carry them out, I would say that that army should be made available to the United Nations. They could be recruited, trained, fed, housed, and equipped as a branch of and on a par with United States troops; otherwise, they would not fight. Rates of pay may be adjusted. However, an attractive basic minimum rate of pay, including insurance benefits, family allotments, and other benefits should be provided.

Mr. President, only a short time ago Mr. Joseph Kennedy, who had been Ambassador to Great Britain, made, at the University of Virginia, what was in many respects an outstanding talk. Mr. Kennedy suggested that a start can be made among the peoples of the Western Hemisphere. Night before last a similiar suggestion was made by former President Hoover. In that particular respect I agree with him. Remember, I have said "in that particular respect." I think we have been missing the boat by not taking care of the Western Hemisphere from Hudson Bay to Patagonia. It is the only place that can grow; it is still young.

Mr. President, the cost of the program will be paid for by industrial production.

Only last week Mr. Edward Miller, Assistant Secretary of State for Latin America, issued a call to the 21 nations south of the American-Mexican border. I am glad that call was issued. I am in favor of it.

Approximately 2 or 3 weeks ago the Senator from Nevada [Mr. MALONE], the Senator from Missouri [Mr. KEM], and I were in Central America. The people of that area are our friends, but I received the impression, in many instances, and I know the other two Senators received the same impression, that, notwithstanding the desire of those people to send their boys to fight along with ours and to help out and be friendly and neighborly, they felt that about the only time any attention was paid to them by official Washington was when there was a so-called emergency.

A large proportion of the moneys used to pay the soldiers of the Legion of the World, including the benefits to their families, would inevitably go to the foreign countries involved, and would, in turn, be used to buy American goods. This means that the program would be largely paid for by industrial production, conserving our gold and silver reserves and our technical skills.

In turn, our industrial capacity must be expanded sufficiently through Government aid, if necessary, to meet the military needs and also to provide sufficient quantities of goods for export to satisfy the foreign demand created by the program. Of course, provision should be made for the importation of necessary raw materials. With sufficient Government encouragement for the expansion of industrial capacity, no one need worry about possible overexpansion. The times are too critical.

Only yesterday a bill was passed authorizing the expenditure of $1,800,000,000 additional for General Services for the procurement of raw materials.

Moreover, Mr. President, in order to meet the increased stress on our international-credit structure, necessarily caused by the exigencies of war, we must increase our metallic reserves. The only practical way to do that is to subsidize the production of gold and silver, as Canada has already done in the case of gold, both here and abroad, and, again, purchases of gold and silver abroad could be paid for with civilian goods.

My next suggestion is fighting communism with the weapon of hard money.

The rule of communism, everywhere, is largely based on the use of paper money, backed only by force. A study of the history of the financial operations of the Communists in Asia discloses that they are largely based on the use of paper money. What is there in Communist China now except a few I O U's which the people of the country are obliged to take at the point of a gun?

The competition of hard money would go far to disrupt the whole financial and economic structure of Communist rule, and, indeed, to undermine its entire foundation. We could do more in China today with Roosevelt dimes than we could with many other things.

Thus, hard money, silver in small coin denominations, should be infiltrated among the people of the many Communist countries where silver is acceptable—and in China silver is acceptable—through whatever means may be available. They might not know anything about an American bond, but they do know an American silver dollar and a Mexican peso. Such small coins should be distributed in the largest volume possible, because, with their very small denominations, by our standards, only a relatively small amount of our reserves would be involved. These small coins would naturally inspire confidence and would provide devastating competition with paper money; indeed, an influence infinitely greater in importance, because of the psychological effect, than the mere dollar value involved.

We can fight communism with the picture of democracy. We must hold out an ultimate hope for something better than communism, and that can be done through a public-relations campaign. A contemporaneous public-relations campaign should therefore be undertaken to portray what can be done. We should dramatize what can be done with a stable currency and loans for development, such as power and irrigation. Assistance along the lines of point 4 and the strikingly successful program of the Institute of Inter-American Affairs, to marshal the resources of labor and raw materials of such countries should be provided. The people should be bombarded with pictures of dams, industries, and so forth, and pamphlets and other orthodox media should be used consistently and intensively. Who knows but that we may, sooner or later, be dependent upon the raw materials of these countries for our own existence?

A NATURAL SUPPLEMENT TO THE MARSHALL PLAN

The Marshall plan has awakened the world to the menace of communism and has built up tremendous good will for the United Nations and also for the United States. But apparently political conditions preclude any attempt at large-scale induction by these foreign countries, in the absence of an obvious threat of imminent invasion. That has been the history up to the moment. Yes, they took the money, and we were glad to give it to them. They have progressed economically and financially. When it comes to the question of what they are going to do in the way of military personnel, their answer is, "Not anything." In addition, these foreign countries cannot offer, at the present time, attractive terms of enlistment for large numbers of troops.

Hence, in enlisting the youth of the world, the program described would capitalize on the results of the Marshall plan and lead the way toward world reconstruction. I believe it would work if only we would give it a chance to work.

ORDER OF BUSINESS

Mr. MALONE, Mr. PEPPER, Mr. McFARLAND, and Mr. BYRD addressed the Chair.

The PRESIDENT pro tempore. In accordance with the Chair's list of Senators, the junior Senator from Nevada is to be recognized. The Senator from Nevada.

Mr. WHERRY. Mr. President, will the Senator from Nevada yield for a question?

Mr. MALONE. I yield with the understanding that I do not lose my right to the floor.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WHERRY. Mr. President, I should like to ask the acting majority leader whether it is his intention to call the calendar today. I understand several speeches are to be made. Senators who have expressed themselves as wishing to address the Senate are the Senator from Nevada, the Senator from Florida, and the Senator from Utah.

Mr. McFARLAND. It was not my understanding that the Senator from Nevada intended to make an address.

Mr. WHERRY. I refer to the junior Senator from Nevada.

Mr. McFARLAND. I had hoped that we could call the calendar and dispose of measures listed on the calendar to which no objection is made. Extensive investigations have been made with respect to the measures on the calendar, and it is quite an expense to put measures on the

calendar. I hope the Senate will be willing to stay in session and dispose of the calendar. Of course, if it gets too late, we will not be able to dispose of the calendar.

Mr. WHERRY. I submit that if we start on the scheduled speeches—and I will be present to hear them—in all likelihood we will not be able to get a quorum. I submit the thing to do is to wait until January 2 to call the calendar. Furthermore, I understand the Executive Calendar is to be called today.

Mr. McFARLAND. It may not be possible to call the legislative calendar on January 2. Some of the bills may have to go to conference.

Mr. WHERRY. I do not want to disagree with the acting majority leader. However, my opinion is that if we do not have a quorum present most bills will be objected to, and we will not accomplish anything.

Mr. McFARLAND. Mr. President, I inquire who has the floor?

The PRESIDENT pro tempore. The junior Senator from Nevada has the floor.

DAY OF PRAYER

Mr. McCARRAN. Mr. President, will the junior Senator from Nevada yield to me?

Mr. MALONE. I am hapy to yield provided I may do so without prejudice to my right to the floor.

Mr. McCARRAN. Mr. President, a resolution submitted by me has been acted upon by the Committee on the Judiciary, and reported favorably by unanimous vote of the committee. I wonder if it would be agreeable to the junior Senator from Nevada to have the resolution considered at this time. I refer to Senate Resolution 378. Its consideration would not take more than 2 minutes.

Mr. MALONE. I shall be happy to yield provided I may do so without prejudicing my right to the floor.

Mr. McCARRAN. If consideration of the resolution takes more than 5 minutes I shall withdraw my request. The purpose of the resolution is to set aside a national day of prayer.

The PRESIDENT pro tempore. Is there objection to the present consideration of the resolution?

Mr. WHERRY. Mr. President, reserving the right to object, I understand that this resolution was on the calendar when the calendar was called the last time and that the House passed a similar resolution. In view of the circumstances involved, I have no objection to having the resolution considered at this time. However, it must not be considered that a precedent is set thereby and that the doors are opened to permit consideration of every measure that is not passed on the call of the calendar.

Mr. McCARRAN. The Senator is slightly in error. The resolution was not on the calendar on the last call. I submitted the resolution after the call of the calendar. It was referred to the Committee on the Judiciary, and the committee reported the resolution yesterday.

Mr. WHERRY. I understand a similar resolution is on the calendar of the House of Representatives. That is the resolution I was referring to. A House Member had offered the resolution, and he suggested to the Senator that a similar one be introduced in the Senate. I said I would not object to it. I have no objection to the consideration of the resolution at this time.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Nevada?

There being no objection, the resolution (S. Res. 378) to set aside a national day of prayer was considered and agreed to, as follows:

Whereas our country is in an hour of dire danger in which hostile forces, acting without conscience and guided by a godless ideology, threaten the very survival of our cherished institutions; and

Whereas, while we must mobilize our material resources to meet this threat, we are also deeply conscious of the fact that the moral and spiritual resources of our people constitute the Nation's great bulwark in times of national crisis; and

Whereas the churches of the Nation, of all creeds and faiths, are the instruments through which our moral and spiritual resources can best be marshaled and given strength: Therefore be it

Resolved, That the Senate suggests that the churches of the Nation, of all creeds and faiths, set aside and dedicate, Sunday, December 24, 1950, as a time for prayers and supplication for divine guidance of the men and women, elected and appointed, civilian and military, on whose shoulders rests the responsibility for leadership in this time of great crisis, and for strength and unity to enable our people to persevere, with other freedom-loving people, in the effort to bring about peace and justice in the world.

Mr. McCARRAN. Mr. President, would the junior Senator from Nevada and the senior Senator from Florida please yield, provided it is agreeable to the leadership, so that we may consider the Executive Calendar at this time?

Mr. PEPPER. Mr. President, reserving the right to object, in the 14 years I have been a Member of this body, I have always endeavored to be considerate of the rights and interests of my colleagues. I am willing to defer delivery of my address until later. I should be glad to defer delivery of it even until such time when no one is present in the Chamber but a substitute for the Chair. I am perfectly willing to defer delivery of my address until after the calendar is called, if the Senate desires to call the calendar.

Mr. MALONE. Mr. President, reserving the right to object, would the senior Senator from Nevada give some indication as to how long it would take to consider the Executive Calendar?

Mr. McCARRAN. I do not think it would take more than 5 or 10 minutes.

Mr. MALONE. Does the Senator refer to nominations on the Executive Calendar.

Mr. McCARRAN. There are two nominations on the Executive Calendar

Mr. MALONE. I am happy to yield for that purpose, provided I may do so without depriving me of my right to the floor.

EXECUTIVE SESSION

Mr. McCARRAN. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to, and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

CALIFORNIA DEBRIS COMMISSION

The legislative clerk read the nomination of Lt. Col. William R. Shuler, Corps of Engineers, to be a member of the California Debris Commission.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES ATTORNEY

The legislative clerk read the nomination of Frank J. Parker, of New York, to be United States attorney for the eastern district of New York.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

UNITED STATES MARSHAL

Mr. McCARRAN. Mr. President, there has been reported today the nomination of Ben Ivy King, of Tennessee, to be a United States marshal for the western district of Tennessee. I have conferred with the members of the Committee on the Judiciary. It is agreeable to them, and I ask unanimous consent that the nomination of Mr. King be confirmed by the Senate.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

COLLECTOR OF CUSTOMS

Mr. McFARLAND. Mr. President, out of order, I should like to report, the nomination of Cornelius F. Reardon, of Billings, Mont., to be collector of customs for the customs collection district No. 33, and ask unanimous consent that the nomination be confirmed. The nomination was ordered reported unanimously by the Committee on Finance.

The PRESIDENT pro tempore. Is there objection?

Mr. WHERRY. Mr. President, I should like to ask the distinguished chairman of the Committee on the Judiciary or the acting majority leader whether the nomination of former Senator Leahy is on the calendar, or whether it is to be considered by the Committee on the Judiciary? The reason I ask the question is that I understand the former Senator is desirous that this body, in which he served, confirm his nomination. I should like to have the RECORD show that, if it is the desire of the Senator from Nevada or of the acting majority leader to bring up the nomination at this time, I would have no objection to its consideration.

Mr. McCARRAN. The matter of former Senator Leahy's confirmation to a judicial position was brought to the

attention of the Committee on the Judiciary yesterday. Former Senator Leahy is to be appointed to fill a place which must be vacated and which is not vacant at the present time. It must be vacated by promoting the present occupant of the bench to another position. The Committee on the Judiciary was not content to take action on the latter nomination without some knowledge of the individual and reports from the bar association.

Mr. WHERRY. Does the Senator expect that that may happen between now and January 2?

Mr. McCARRAN. We have published the notice which is required under the rule so as to bring the nomination forward as soon as the opportunity is presented.

Mr. WHERRY. I thank the Senator.

The PRESIDENT pro tempore. The question is, Will the Senate advise and consent to the nomination of Cornelius F. Reardon to be collector of customs for customs collection district No. 33?

The nomination was confirmed.

The PRESIDENT pro tempore. Without objection, the President will be notified of all nominations confirmed this day.

LEGISLATIVE SESSION

The Senate resumed the consideration of legislative business.

Mr. McFARLAND. Mr. President, I should like to make a suggestion with reference to the call of the regular calendar. The Senator from Florida [Mr. PEPPER], in his usual friendly spirit, has offered to postpone his address until after the calendar is called. I wonder if the Senator from Nevada [Mr. MALONE] would be willing to do likewise? It will not take more than a few minutes to complete the call of the calendar.

Mr. MALONE. Let me say that it will take only about 5 or 6 minutes to complete my address. I am sure that it will take much longer than that to call the calendar.

ABANDONMENT OF AMERICAN FORCES IN KOREA ON THE EVE OF CHRISTMAS

The PRESIDENT pro tempore. The Senator from Nevada may proceed.

Mr. MALONE. Mr. President, on page 4 of the Times-Herald of this morning is written a tragedy of the ages.

FIRST TIME IN HISTORY OF NATION

For the first time during the 175 years of this Nation's existence there is recorded the complete abandonment of an American Army by this Nation on the eve of Christmas eve. The two news dispatches are side by side.

TOTAL CASUALTIES TO DECEMBER 12, 42,992

The first records the total of American losses in Korea up to December 12 as 42,992. They are probably much greater at this time. Those represent the dead, wounded, and missing. Eleven thousand nine hundred and sixty-four of these accrued in the 18 days preceding December 12.

THE UNITED NATIONS COMMITTEE CABLED THREE TIMES

During that period the committee appointed by the United Nations to bring about a "cease fire" in Korea has cabled to the Chinese Communist Government in Peking three times requesting them to halt the war in Korea.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. MALONE. I yield.

Mr. KILGORE. The Senator spoke about the losses in Korea. Does the Senator have the apportionment of the losses as between casualties from wounds, casualties by death, and casualties by loss?

Mr. MALONE. The number stated represents the dead, wounded, and missing—I do not have the exact number of each.

THE THREE-MAN COMMITTEE OF UNITED NATIONS

The three-man committee is made up of the United Nations representatives from India, Iran, and Canada. Two of these nations have themselves recognized Communist China, and the third is a part of the empire of a nation which has recognized Communist China.

THREE REQUESTS—ONE ACKNOWLEDGMENT

The second news dispatch records that today the committee has sent the third request to the Communist capital of China requesting them to cease fire. The committee is called the "cease fire" committee.

THE PRESIDENT WASHED HIS HANDS OF AMERICAN ARMY

Mr. President, the President of the United States sent the American boys into the so-called police action on June 26. On June 27 the United Nations passed a resolution supporting that action, by request of the President. The President promptly washed his hands of all responsibility for the American boys engaged in that bitter warfare in the cold, stormy, mountainous regions of central and northern Korea.

UN HELD MAC ARTHUR ON THE THIRTY-EIGHTH PARALLEL

The United Nations held MacArthur on the thirty-eighth parallel for 10 days, while the North Koreans re-grouped and called the Chinese Communists to their assistance.

Mr. KILGORE. Mr. President, will the Senator yield for a question?

Mr. MALONE. I am very happy to yield to the distinguished Senator from West Virginia.

Mr. KILGORE. Do the figures which the Senator has given include the casualties of the Turks, the Australians, the British, the French, the Indochinese, and other members of the United Nations?

Mr. MALONE. They include the American casualties only. We have 90 percent of the troops in that area, and more than 90 percent of the casualties.

Mr. KILGORE. I am not disputing the statement of the Senator. I simply wished to know if the figures were all-inclusive, and whether or not they included the total casualties within the area, among all the forces engaged.

Mr. MALONE. The figures are for American troops only. We have 90 percent of the United Nations troops in Korea and it is reported more than 90 percent of the casualties.

We have completely abandoned our troops. If the distinguished Senator from West Virginia has any other information, the junior Senator from Nevada would be very glad to hear it.

Mr. KILGORE. I am seeking information.

Mr. MALONE. The junior Senator from Nevada is very glad to furnish it.

Mr. KILGORE. I merely wished to get it.

Mr. MALONE. The Senator has it now, I believe.

Mr. KILGORE. My information is to the effect that the heaviest casualties have been among the Turks.

Mr. MALONE. I have just stated that the total casualties for American troops were 42,992—the Turks alone may have had heavy losses—I do not know the exact figures, but altogether the American losses are reported heavier in proportion to the remainder of the United Nations forces.

Mr. KILGORE. May I say to the Senator from Nevada that I am asking if he includes the battle casualties, by death, by wounds, and by capture, along with the frostbite casualties, and if he has any information about the losses within the various Allied arms. There are some Allied arms. There is a British brigade; there is a Turkish brigade, and there are two or three other battalions.

Mr. MALONE. The entire United Nations troops in addition, I am informed make no more than 10 percent—the Americans 90 percent.

Mr. KILGORE. I was just wondering if the distinguished Senator from Nevada has those figures to place in the RECORD.

NINETY PERCENT UNITED NATIONS ARMY AMERICANS

Mr. MALONE. Mr. President, I have answered the question of the distinguished Senator from West Virginia twice. I shall now answer it a third time.

The total losses of American troops to December 12 is given as 42,992 dead, wounded, and missing. The figures include all of the American armies in Korea. Ninety percent of the personnel of the United Nations armies in Korea is made up of Americans, and more than 90 percent of the casualties are said to be represented by Americans.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. KILGORE. May I ask this question——

Mr. MALONE. I decline to yield further to the Senator from West Virginia on account of the press of business before the Senate and the desire to complete my address.

Mr. KILGORE. I merely wished to know from the Senator from Nevada——

Mr. WHERRY. Mr. President, may we have order? The Senator from Nevada has declined to yield.

Mr. KILGORE. Has the Senator from Nevada information——

Mr. MALONE. Mr. President, I believe that we have answered the question of the Senator from West Virginia.

Mr. WHERRY. Mr. President, may we have order in the Senate?

The PRESIDENT pro tempore. The Senator from Nevada declines to yield to the Senator from West Virginia.

Mr. WATKINS. Mr. President——

Mr. MALONE. I yield to the Senator from Utah.

Mr. WATKINS. The question which was raised in my mind by the answer of the Senator from Nevada is this: Does the total number of casualties include also the casualties of the South Koreans, the Republic of Korea?

Mr. MALONE. It represents the American casualties alone.

Mr. WATKINS. Were there only forty-two-thousand-odd for all the forces?

Mr. MALONE. The American dead, wounded, or missing since the outbreak of the Korean War are 42,992.

Mr. President, I wish to correct a misunderstanding with the distinguished senior Senator from West Virginia. The figures include only American losses.

Mr. KILGORE. That is the point I am getting at.

The PRESIDENT pro tempore. Does the Senator yield, and if so to whom?

Mr. MALONE. I yield first to the distinguished Senator from Utah [Mr. WATKINS] until we complete this particular colloquy. Then I shall yield to the Senator from West Virginia.

Mr. WATKINS. I had understood that the casualties for the South Koreans far outnumbered all the other casualties of the United Nations put together, and that the figures which the Senator was reading a few moments ago included only the American casualties, and not those of any other nation.

AMERICAN ARMY ABANDONED

Mr. MALONE. Mr. President, that is true and the point I am making is that our American Army is abandoned in Korea tonight. No word has been sent to them by the President of the United States, that they are receiving reinforcements, that they are to abandon Korea, or that they are being furnished reinforcements or help of any kind whatsoever.

Mr. KILGORE. Mr. President, will the Senator from Nevada yield?

Mr. MALONE. Yes.

Mr. KILGORE. I think the distinguished Senator has brought this matter to a crux.

Mr. MALONE. I hope so.

Mr. KILGORE. After a considerable amount of questioning, the Senator has given us the total American casualties; is that correct?

Mr. MALONE. Yes; that is correct.

Mr. KILGORE. From what source is that derived?

Mr. MALONE. From a United Press dispatch dated Tokyo, December 21. It reads:

THE UNITED PRESS DISPATCH

United States forces in Korea suffered 11,964 casualties in their first 18 days of heavy fighting with Chinese Communist troops, General MacArthur's headquarters disclosed today.

The toll for November 24 through December 12 raised American dead, wounded, or missing since the outbreak of the Korean War to 42,992.

That does not include the losses suffered in the last 11 days which, under the conditions, may have been heavy.

Mr. KILGORE. I hope the Senator realizes I am trying to simmer this down to our own losses.

Mr. MALONE. Yes.

Mr. KILGORE. And the distinguished Senator from Nevada says he has simmered them down so they include the total losses from the first day we went into Korea.

Mr. MALONE. From June 27 to December 12.

Mr. KILGORE. Until a certain date. And what is that date?

Mr. MALONE. From the beginning until December 12 the total is 42,992.

Mr. KILGORE. Mr. President, will the Senator again yield?

Mr. MALONE. I yield.

Mr. KILGORE. Can the Senator break the figures down. We have had some naval losses, marine losses, Army losses, and Air Force losses. Does the total the Senator has given include the Army, Navy, Air Force, and Marine Corps?

Mr. MALONE. This dispatch gives the figure of American Army losses through December 12 to 42,992. I read:

By divisions, American casualties in part total: First Cavalry, 443; First Marine, 2,891; Second Infantry, 4,131; Third Infantry, 650; Seventh Infantry, 2,097; Twenty-fourth Infantry, 146; Twenty-fifth Infantry, 1,605.

Mr. KILGORE. The Senator read Third Infantry. That infantry division is stationed at Fort Myer. Does not the Senator mean the Third Division?

Mr. MALONE. I am reading from the dispatch.

Mr. KILGORE. Can the Senator give us a list of losses of other soldiers, Koreans, Turks, British, and others of the United Nations soldiers?

NEVER BEFORE UTTERLY ABANDONED OUR ARMY

Mr. MALONE. We do not have the exact list. I am concerned with the American Army, which has been abandoned in Korea on the eve of a Christmas eve for the first time in 175 years. We have never before utterly abandoned an Army.

Mr. KILGORE. Mr. President, does the Senator say we have abandoned the American Army in Korea, and if so, upon what is that statement based? Has it been abandoned by the Commander in Chief, General MacArthur, by the Nation, or by the Congress?

Mr. MALONE. By the Commander in Chief. The Commander in Chief is in the White House.

Mr. KILGORE. No; the only man who can abandon an army is the commander in chief in the field. Is that not right?

Mr. MALONE. What I said is that we in Washington have abandoned the Army to its fate.

Mr. KILGORE. When the Senator says, "We in Washington," may I ask the Senator from Nevada exactly what he means by the words "we in Washington"?

THE PRESIDENT ABANDONED THE AMERICAN ARMY

Mr. MALONE. I mean the President of the United States who is the Commander in Chief of all of the armies of the Republic.

Mr. KILGORE. Does the Senator mean the Congress?

Mr. MALONE. I mean the President of the United States sent those armies first into Korea in the so-called police action, and started the war with Communist China and almost immediately completely abandoned them to that helpless, inept organization known as the United Nations.

Mr. KILGORE. Then may I ask the distinguished Senator from Nevada if his use of the word "we" is the editorial we? Does the Senator from Nevada charge the President of the United States, as Commander in Chief, with abandoning the Army in Korea?

Mr. MALONE. Mr. President, the President of the United States sent these troops into Korea as Commander in Chief, and then washed his hands of all responsibility, by turning them over to the United Nations. He has done nothing since.

Mr. KILGORE. I may say that the Senator from Nevada begs the question. Let me ask the Senator again if he charges that the President of the United States has abandoned the American troops in Korea.

Mr. MALONE. Is that the Senator's question?

Mr. KILGORE. That is the question.

Mr. MALONE. Mr. President, I shall answer the question by saying that he has done nothing since he ordered the so-called police action which resulted in the war with Communist China.

Following his police-action order on June 26, he promptly turned them over to the United Nations. The United Nations has done nothing but send telegrams. We have had no promise of reinforcements; we have had no promise of supplies. The soldiers in Korea have not been told to stand and fight or to get out of Korea.

The President and the United Nations combination have done the unpardonable thing—they have done nothing—they have left the armies on their own while they fiddled around.

Mr. KILGORE. Then the distinguished Senator from Nevada says that the United Nations has abandoned our forces in Korea along with the other forces, is that right?

THE UNITED NATIONS HELPLESS BLUNDERING

Mr. MALONE. Mr. President, the United Nations could not abandon anything because they have no responsibility and cannot of course direct an army. But the President of the United States did have a responsibility for our troops and he has not discharged it—nor directed anyone else to do so.

The United Nations, Mr. President, held MacArthur on the thirty-eighth parallel for 10 days while the North Koreans could regroup and call up Chinese Communists to their assistance.

That same United Nations, Mr. President, held MacArthur on the boundary of Manchuria on the theory that by avoiding any destruction of bases beyond the Manchurian border Communist China would stay out of the fight.

Also MacArthur was forced to let the Communist Chinese regroup behind the lines without interference and to try to stop them on the line of scrimmage—like a football team.

MR. MARSHALL'S AGRARIAN REFORMERS

During this period Communist China came in a million strong and we found ourselves fighting a combination of the North Korean and the Chinese Communist Army. We were at war with Communist China—those agrarian reformers discovered by Mr. Marshall in China early in 1946.

Mr. President, no positive action has been taken by the President or by the United Nations during this time. The President sent the boys into Korea in the first place, but has taken no further action while 43,000 boys have been killed, wounded, or have been lost, American boys.

ABANDONED OUR FIGHTING MEN—FIRST TIME IN HISTORY

Mr. President, we find now on the eve of a Christmas eve we seemingly have abandoned our fighting men for the first time in history. The President has not said, "Stand and fight." He has not said, "Reinforcements are coming." He has not said, "Get out of Korea." He has said nothing.

The United Nations of course are incapable of taking action. So, Mr. President, we have done the unthinkable and unpardonable thing. We have abandoned our boys at this time to their fate.

THE FESTIVITIES IN WASHINGTON GO ON

The festivities in Washington go on as usual. It would seem impossible for a real American to enjoy such a procedure.

SHAMEFUL BLOT ON AMERICAN HISTORY

Mr. President, it is a shameful blot on American history. Remember that 90 percent of these boys are ours, and that more than 90 percent of the losses have been suffered by them.

THE "POLICE ACTION" IRONY—HOME BY CHRISTMAS MYTH

They are the boys who thought they were going into a police action and be home by Christmas.

A grand Christmas it will be for them when they realize that their fathers and mothers paid the taxes that armed the Communists through the Marshall plan through the nearly 100 trade treaties that the 16 ECA nations have made with Eastern European nations and Russia. When they finally realize that the two principal European nations, England and France, have separate nonaggression pacts with Russia reading startlingly like the North Atlantic Pact, and are ready to take their choice when the fight really starts—that they never really had a chance.

THE TOKYO DISPATCH

Mr. President, I ask unanimous consent that at this point in the RECORD there be printed two dispatches. The first is a United Press dispatch from Tokyo dated December 21, outlining the loss of 42,992 American boys up to and including December 12, and 11,964 suffered by the United States troops in their first 18 days of heavy fighting with Chinese Communist groups.

THE AMERICAN LOSSES DISPATCH

I ask the United Press dispatch from Tokyo may be printed in the RECORD at this point.

There being no objection, the dispatch was ordered to be printed in the RECORD, as follows:

ELEVEN THOUSAND NINE HUNDRED AND SIXTY-FOUR CASUALTIES SUFFERED BY UNITED STATES IN 18 DAYS

TOKYO, December 21.—United States forces in Korea suffered 11,964 casualties in their first 18 days of heavy fighting with Chinese Communist troops, General MacArthur's headquarters disclosed today.

The toll for November 24 through December 12 raised American dead, wounded, or missing since the outbreak of the Korean War to 42,992.

Other United Nations units, exclusive of South Korean, reported 1,011 casualties during the 18-day period for over-all Allied losses of 12,975. Communist casualties in the same period were put at nearly 130,000 men.

ESCAPE LOSSES INCLUDED

The figures covered the fighting from the start of MacArthur's ill-fated "win-the-war" offensive in northwest Korea to the escape of 60,000 Communist-encircled United States marines and infantrymen into the Hungnam beachhead in northeast Korea.

During those 18 days, the UN Eighth Army in the northwest retreated 125 miles from the Chongchon River line to the approaches to Seoul and the Tenth Corps fought its way back 60 miles from the Chosin reservoir to Hungnam. Both were under attack by overwhelmingly superior Chinese forces.

A headquarters communique said the casualties were being revealed to refute reports that UN forces had suffered a military disaster in Korea.

By divisions, American casualties totaled: First Cavalry, 443; First Marine, 2,891; Second Infantry, 4,131; Third Infantry, 650; Seventh Infantry, 2,097; Twenty-fourth Infantry, 146; Twenty-fifth Infantry, 1,606.

The Second Infantry Division, hardest hit of the American units, caught the brunt of the Chinese counteroffensive against the allied Chongchon River line above Pyongyang late last month.

Also on the northwest front were the First Cavalry, Twenty-fourth, and Twenty-fifth Infantry Divisions.

YANKS ENCIRCLED

Elements of the First Marine and the Seventh Divisions were encircled by the Chinese on either side of the Chosin reservoir in northeast Korea and had to fight their way through attacking Chinese all the way back to the northeast port of Hungnam, 60 road miles to the south.

GI FAMILIES NOTIFIED OF 36,421 CASUALTIES

The Defense Department said yesterday that American battle casualties in Korea based on notifications to next of kin through December 15, now total 36,421.

This is an increase of 2,543 over the cumulative total announced a week ago.

The figure is considerably less than the total of 42,992 reported yesterday from Tokyo. However, the Defense Department said the Tokyo figures presumably include medical casualties.

THE HELPLESS "CEASE FIRE" COMMITTEE DISPATCH

Mr. MALONE. Mr. President, I ask unanimous consent that another United Press news article entitled "Cease-Fire Unit Again Asks Mao To Talk Peace," dated Lake Success, may be printed in the RECORD at this point. It describes the thoroughly helpless "cease fire" committee upon which American lives must depend.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

CEASE-FIRE UNIT AGAIN ASKS MAO TO TALK PEACE

LAKE SUCCESS, December 21.—The United Nations cease-fire team sent a third cable to the Chinese Communist Government today, pressing its previous unanswered bids for formal talks on halting the war in Korea.

Secretary General Lie said he hoped the cease-fire group would succeed in stopping the Korean conflict and said it would not be the mediators' fault if they failed.

The United Nations chief reiterated his belief peace could be preserved. He added that the United Nations would survive, no matter what the outcome of the Korean conflict, though he conceded some United Nations Charter principles might suffer.

The mediation team—General Assembly President Nasrollah Entezam of Iran, India's Sir Benegal Rau and Canadian Foreign Minister Lester B. Pearson—sent its first cable to Peiping last Saturday, offering to meet Chinese Communist representatives "here or elsewhere" to discuss terms of a Korean cease-fire. No answer has been received.

A second message went Tuesday night.

The third message was drafted at a 2-hour session today. Pearson, who is in Ottawa, conferred with his colleagues by phone. Canadian delegate R. G. Riddell sat in for his chief through the rest of the session.

Today's message was addressed to Chou En-lai, Chinese Communist Foreign Minister, It said:

"We hope to receive your reply to our earlier messages regarding cease-fire arrangements in Korea. Political Committee of United Nations Assembly has now taken brief recess but will meet again very shortly in order to consider amongst other things a full report from the cease-fire group. We propose to begin preparation of that report next week, and would, therefore, appreciate an early reply from you."

ELEVEN FOREIGN POLICY RECOMMENDATIONS

Mr. MALONE. Mr. President, I ask unanimous consent to have inserted in the RECORD at this point as a part of my remarks the 11 foreign policy recommendations made during my Senate address on Thursday, December 14.

There being no objection, the matter was ordered to be printed in the RECORD, as follows:

PEOPLE AWAKENING TO THEIR PERIL

This is the time of decision. At this time of great crisis I feel more hopeful than I have dared to feel for some time—hopeful because the people are at last awakening to their peril, are becoming aware of its causes, and are showing definite signs of doing something about it. I suggest the following:

First. Forthwith stop assistance of every nature to Communist nations and to nations in any way assisting Russia or her satellites to consolidate Soviet gains and to prepare for world war III.

Second. Stop supporting colonial slavery in any form anywhere.

Third. Oppose with every means at our command the recognition of Communist China by the United Nations.

Fourth. Three suggested approaches to the war in Korea and Asia are as follows:

(a) We could do the obvious, namely, arm Chiang Kai-shek's Nationalists and guerrillas to furnish the foot soldiers for the job. Then, under General MacArthur, we could make the most efficient use of our air power and our Navy, including submarines, to destroy the war-making power of Communist Korea and the aggressor Communist China troops.

(b) We could withdraw from Korea and could arm and equip Chiang Kai-shek's troops and let him do the job. It would require a longer time, but he would engage the Communist forces to the extent that it would be doubtful if they could harass us for a considerable time.

If the first two alternatives are not accepted, we could (c) completely abandon Korea and China—with all of its possible consequences and repercussions.

(d) We can then establish our first line of defense through Japan, Formosa, Okinawa, Guam, the Philippines, Indonesia, New Guinea, and Australia, using ground troops recruited from those countries.

(e) If all of these suggestions are discarded, then we can come home and defend the Western Hemisphere. We must be prepared to defend this continent in any case.

The one thing that we cannot do is to continue the present course of indecision and the nervous jittery attitude, and inactivity until our boys out there either are dead or have climbed aboard the ships.

Fifth. We should inform the governments of Europe which still maintain political and economic agreements with the Soviet Union that these should be terminated at the earliest possible date, as a prerequisite to the continued friendship and assistance of Europe by the United States. Both England and France have separate nonaggression pacts with Russia reading startlingly like the North Atlantic Pact which they have signed with us.

Sixth. Let us give no more money as loans or gifts to any government. Make such loans in the same manner, and under the same rules and regulations, that the RFC loans funds to private business in this country in times of stress. I would not give any money direct to foreign governments as such, and I would not lend taxpayers' funds to private business in a foreign country on less exacting terms than those on which the RFC would make loans to business concerns or private businessmen or GI's in the United States; and furthermore it is not necessary to do so.

Seventh. Build as rapidly as possible a military force, spearheaded by an adequate submarine fleet and an air corps of whatever number of groups may be called for, and install radar equipment to protect the Western Hemisphere.

It will be remembered that in December 1947, or early in 1948, the President received the report of his air-policy commission. The Congress also received the report of a committee, which they had previously appointed. The two reports coincided; both reports contained the statement that the United States needed a 35,000-plane striking force which would cost $16,800,000,000, over a 5-year period to be effective in defense and offense.

What happened to that report? It was buried as is usual with reports not meeting the State Department's peculiar ideas of national defense.

When that report was made, I said on this floor, "Let us refer the report to the Armed Services Committee, and have them determine whether it makes sense. If it is found that the Air Force recommended in the report is what we need, let us build it." If we did that, then we would have sufficient money left over to lend private business in the areas which were important to our ultimate safety. However, those planes have never been built and no further mention of the report was ever made.

Eighth. If the European people will enlist in their own armies and will furnish the ground troops, then—and then only—serve notice on Russia that any move on Europe will be met with an aggressive aerial attack on their means of making war, using every means at our command to defeat their purpose of controlling Europe.

If the people in Europe will not enlist in their own armies, what can we do for them?

The suggestion has been made on the floor of the Senate that we send 20 or 30 divisions of American boys into Europe as bait, to persuade the people of Europe to enlist in their own armies. However, if we sent our boys over there, the European countries would find that they would need an additional 20 or 30 divisions of our American troops, as was the case in World War II, when our forces ultimately constituted approximately 70 percent of the Allied armed forces in Europe.

Ninth. In every possible way, protect and strengthen our national economy, while making all possible speed toward proper preparedness, guard well our national economy; stop wasting the hard-earned dollars of our taxpayers through Marshall-plan and other give-away schemes; and inaugurate a businesslike fiscal policy.

Tenth. Clean up our own Government—throw out the Communists, Communist associates, adherents to foreign ideologies, persons of abnormal moral weakness, and other dangerous security risks.

Eleventh. The Armed Services Committees of the Congress should immediately institute a thorough investigation to determine why we are not prepared to fight a war, considering the huge annual expenditures for that purpose. Where did it go—and why is it not effective?

Mr. MALONE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a release I have issued dated December 23.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

(For release to all Saturday papers, December 23, 1950)

United States Senator GEORGE W. MALONE, Republican, of Nevada, said today that—

"For the first time in our 175-year history we have completely abandoned an American army and that despite the new and horrible casualty list in the war in Korea, the President is doing nothing to relieve the situation. We have done this unpardonable thing on the eve of a Christmas Eve.

"In the news dispatches we read of the appalling number of dead and wounded boys, nearly 43,000 up to December 12, but we read nothing of positive action on the part of the President," the Nevada Senator said, continuing: "He seems to be spending his time writing letters about all kinds of unimportant personal matters, and the United Nations is spending its time in the impotent action of cabling Peiping, China, to stop the war.

"What action relating to the deplorable Korean situation can the administration point to? Has the President, as Commander in Chief, ordered the evacuation of our ground forces in Korea, to stop the meaningless killings? Has the Commander in Chief ordered the American boys to stand and die rather than retreat? Has the President taken steps to reinforce our troops there, or to completely stop the shipping of supplies to our enemy by United States firms and by nations receiving our Marshall plan aid? Has the President taken steps to get the foot soldiers of the Chinese Nationalists in action? What action is being taken now?

"Apparently, all that has been done is the writing of three notes to the Chinese Reds, not by the United States Government, but by an ineffective UN organization, asking the enemy to please stop—three notes, only one of which has even been acknowledged up to this time—and they are written by a committee, the members of which represent nations which have recognized Communist China. It is high time the President took some positive action, high time he gave more of his attention to matters affecting the lives of all Americans and to establishing an American foreign policy that makes some sense.

"Through this stupid so-called police action, and the still more stupid fiddling around by the United Nations, American blood is strewn from the Manchurian border to the ports of embarkation.

"How anyone who has had anything to do with this whole stupid business can eat a Christmas dinner and enjoy it is beyond my understanding."

PROPOSED CALL OF THE CALENDAR

Mr. McFARLAND. Mr. President, I move that the Senate proceed to the consideration of bills on the calendar to which there is no objection, beginning following the end of the last call of the calendar.

Mr. WHERRY. Does the Senator make such a motion?

The PRESIDING OFFICER (Mr. HOLLAND in the chair). The Chair rules that such a motion is not in order.

Does the Senator from Arizona request unanimous consent that the Consent Calendar be called at this time?

Mr. WHERRY. Mr. President, permit me to resubmit the statement I made a few minutes ago, namely, that the hour is late—it is now 5:30—and if there is to be a call of the calendar, we should have a quorum call. But we cannot now obtain a quorum.

I humbly beseech the acting majority leader not to have a call of the calendar until later, even though that may be on the second day of January.

A short time ago I asked the chairman of the Judiciary Committee whether there were on the calendar any bills reported by his committee which have to be passed tonight, and he said there were none. Of course, we realize that 50 percent of the bills on the calendar come from his committee.

Mr. McFARLAND. Mr. President, notice has been given that the calendar would be called. I concede that only a few bills may be passed during the call of the calendar; but it will take only a short time to have a call of the calendar, and there are on the calendar some bills in which various persons are interested.

Of course, if the Senator wishes to object, that will be all right; then we shall proceed with the next speech.

However, Mr. President, I have asked unanimous consent that the Senate proceed with the call of the calendar. I was asked to make request, and I feel bound to make it.

Mr. WHERRY. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

ORDER OF BUSINESS

Mr. WATKINS obtained the floor.

Mr. PEPPER. Mr. President, will the Senator from Utah yield to me, to permit me to propound a unanimous-consent request?

Mr. WATKINS. I yield for that purpose.

Mr. PEPPER. Mr. President, for some days I have been awaiting an opportunity to address the Senate, in order

to make a report which I think would be pertinent in regard to a trip I recently took around the world, and also in order to have an opportunity to submit some views on foreign policy.

It is now 5:30 in the afternoon, and Senators are tired, and we have come to the immediate prospect of the taking of a recess.

I have consulted the Parliamentarian and I find nothing in the unanimous-consent agreement which has been entered which would be contradictory to the unanimous-consent agreement I am now about to propound, namely, that when the Senate convenes on January 2, following a quorum call, the senior Senator from Florida be permitted to address the Senate for a reasonable period of time.

Mr. WHERRY. I have no objection.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Florida?

Mr. McFARLAND. Mr. President, reserving the right to object, will the Senator please repeat the request?

Mr. PEPPER. Mr. President, I ask unanimous consent that the senior Senator from Florida may be permitted to address the Senate on the 2d day of January, following the convening of the Senate and after a quorum call is had, and may then address the Senate for a reasonable period of time.

Mr. McFARLAND. Mr. President, there are the various conference reports to be acted on at that time. I am willing to dispense with the call of the calendar, but I hope the Senator from Florida will make his speech tonight, rather than on the 2d of January.

I do not know exactly what the situation on January 2 will be. Notice has been given that at that time we shall proceed to consider the conference reports which have been enumerated.

So I hope the Senator from Florida will proceed to make his speech this afternoon.

Let me inquire how long the Senator from Utah expects to take at this time.

Mr. WATKINS. Without any assistance from other Senators, I think I can conclude in 10 minutes. If I get assistance from other Senators, it may take me 20 minutes to conclude.

Mr. McFARLAND. Mr. President, I hope the Senator from Florida will make his speech this afternoon.

Mr. PEPPER. Mr. President, I do not know of anything in the unanimous-consent agreement which was entered quite recently which would be contradictory to the request I have submitted.

I understand that the only agreement is that certain matters are to be taken up on January 2, and that there will be a limitation on the time available for the disposition of certain of those matters.

If the existing unanimous-consent agreement contains anything contradictory to the agreement I have propounded, I am willing to agree to the fixing of an hour as the over-all limit of the time I would consume—which would seem to me to leave ample time for the disposition of the other matters.

Mr. McFARLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. McFARLAND. What was the unanimous-consent agreement which previously was entered?

The PRESIDING OFFICER. The present occupant of the chair is not sufficiently advised with reference to the exact details to be able to answer the question. The Chair asks that the unanimous-consent agreement which has been entered be read, or at least that the appropriate part of the agreement, so far as concerns the request made by the Senator from Florida, be read.

The legislative clerk read as follows:

Ordered further, That on said day of Tuesday, January 2, 1951, a motion shall be in order that the Senate proceed to the consideration of the conference reports on the following bills, namely:

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes;

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941; and

H. R. 9798. An act to authorize a Federal civil defense program, and for other purposes.

Provided, That not to exceed 1 hour's debate shall be permitted on each of said conference reports, to be equally divided between those favoring and those opposing said reports, and controlled as follows: In the case of H. R. 9920, by Mr. McKELLAR and Mr. BRIDGES, respectively; in the case of S. 4266, by Mr. McCLELLAN and Mr. TAFT, respectively; and in the case of H. R. 9798, by Mr. KEFAUVER and Mr. SALTONSTALL, respectively.

Mr. PEPPER. Mr. President, I renew my request.

Mr. WHERRY. Mr. President, reserving the right to object——

The PRESIDING OFFICER. If the Senators will defer for just a moment, the Chair will state that the present occupant of the Chair is advised by the Parliamentarian that under the unanimous-consent agreement, as entered, the Senator from Florida could with propriety request his proposed unanimous-consent agreement; and if consent is given, he could fulfill the same under the terms of the present unanimous-consent agreement, in two ways: First, by asking that he be given the floor prior to the bringing up of the first of the conference reports; second, by asking that he be allowed to have the floor upon the conclusion of action upon the conference reports.

The Chair has stated the interpretation of the unanimous-consent agreement as given by the Parliamentarian.

Mr. ANDERSON. Mr. President——

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. The Senator from Florida has the floor.

Mr. WHERRY. Mr. President, I thought I was to be recognized upon the conclusion of the statement by the Chair, for the Chair asked me to defer until the Chair could make a statement.

The PRESIDING OFFICER. Then the Chair recognizes the Senator from Nebraska.

Mr. WHERRY. I thank the Chair.

Mr. President, I suggest to the distinguished Senator from Florida that if he makes his unanimous-consent request to apply after the conference reports have been acted on, on January 2, there will be no objection then to giving the Senator from Florida an hour's time, at least. I should like to join in the request, because I think the Senator should be treated with all possible courtesy, in view of the fact that he has already waited 2 or 3 days to obtain the floor.

Mr. McFARLAND. Mr. President, I wish to accommodate the Senator from Florida. I am willing to remain here tonight until midnight, if necessary, to hear the Senator from Florida.

The reason for the division of the time provided by the existing unanimous-consent agreement is that the Democratic caucus is called for 2 o'clock on Tuesday, January 2. Between 11 a. m. and 2 p. m., on January 2, there will not be sufficient time for the Senate to dispose of those conference reports and also to hear the speech of the distinguished Senator from Florida, for the caucus is to be held at 2 p. m. on that day.

So I hope the distinguished Senator will make his speech this afternoon. I know it is asking a great deal of him to do so; but the program for January 2 is entirely full, and I do not see how we could go through with the program unless we follow the arrangements already made.

Mr. PEPPER. Mr. President, what would the Senator suppose would be the program for the remainder of the afternoon, on January 2? Is it contemplated that in view of the calling of the Democratic caucus for 2 p. m. on that afternoon, and the possibility that there will be a Republican caucus at the same time, there may be no session during the remainder of that afternoon?

Mr. McFARLAND. Very possibly. At any rate, I hope the Senator from Florida will make his speech today.

Mr. PEPPER. Very well. Mr. President, I withdraw the request I have made.

Mr. WHERRY. Mr. President, will the acting majority leader yield for a question?

Mr. McFARLAND. I yield.

Mr. WHERRY. If the acting majority leader can point out on the Consent Calendar any measure which has to do with civil defense and which needs to be acted upon between now and January 2, I shall not oppose bringing up those bills on the Consent Calendar, in order to expedite matters.

Mr. McFARLAND. Possibly we can take up such civil-defense measures following the addresses which Senators are to make. However, I do not think there are any such measures on the Consent Calendar.

Mr. WHERRY. Very well.

Mr. McFARLAND. I appreciate the Senator's suggestion.

REMOVAL OF MARKETING PENALTIES ON LONG-STAPLE COTTON

Mr. JOHNSON of Texas. Mr. President, will the Senator from Utah yield to me for a moment or two?

Mr. WATKINS. I yield.

Mr. JOHNSON of Texas. Mr. President, pursuant to the suggestion of the Senator from Nebraska, I wish to inform the Senate that there is on the calendar a bill (H. R. 9832) to remove marketing

penalties on certain long-staple cotton. It merely provides that in the case of cotton ginned in one type of gin, the marketing penalty shall not be applied.

Mr. WHERRY. There is no objection to considering the bill, if the Senator believes it urgent. We shall be glad to take it up.

Mr. JOHNSON of Texas. I ask unanimous consent for the immediate consideration of the bill (H. R. 9832).

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Texas for that purpose?

Mr. WATKINS. I yield for that purpose, provided there is no argument.

The PRESIDING OFFICER. The Senator from Texas asks unanimous consent for the immediate consideration of the bill mentioned. Is there objection?

There being no objection, the bill (H. R. 9832) to remove marketing penalties on certain long-staple cotton was considered, ordered to a third reading, read the third time, and passed.

Mr. JOHNSON of Texas. I thank the Senator from Utah very much.

EX-PRESIDENT HOOVER'S SPEECH—AMERICAN FOREIGN POLICY

Mr. WATKINS. Mr. President, within recent days a great American has spoken from his heart to the American people. No one can doubt his sincerity or his motives. Our only living ex-President, Herbert Hoover, has rendered a great service to this country.

Just how far-reaching that service will be, only history can tell. Men may differ with his conclusions. They may not agree to the facts which he assumes to be true, but no American, and more particularly the men in this country who have in charge our foreign policy, should fail to heed his grave warning message, and if they disagree, they should do so only after the most thorough examination and testing of what he has said.

The most profound advice which he has given us is his call for honest men now to state honest differences of opinion and to shape our future course on the anvil of public debate. This courageous stand should inspire all men who are deeply and sincerely interested in their country's future, to stop, look, and listen, so that we can give our foreign policy the complete and exhaustive examination and overhauling it so desperately needs.

It would be tragic indeed if for any reason Mr. Hoover's warning should be smothered with isolationist smears, either laughed off or ignored in order to evade the real issue he has raised. It will be a disservice to this country for men to pat Herbert Hoover on the back with one hand, while they deliberately dig the ground from under his feet with the other.

Mr. President, I speak today as one Senator who had grave questions about many phases of our foreign policy, yet who in spite of those doubts voted for the Greek-Turkey loan, also known as the Truman containment doctrine, and who also voted for the Marshall plan and for our appropriations to implement both these efforts to deter communism and to protect America and the other free nations of the world.

I raised many questions about the advisability of entering into the Atlantic Pact and I proposed reservations which would have preserved America's freedom of action. I announced that if these reservations were accepted I would vote for the pact. The reservations were rejected and I voted against the pact.

In accordance with our constitutional processes, the pact was approved and became the law of the land. As a loyal American I have supported that pact as the law of my country. I sincerely wanted it to succeed, but as the months have gone by since the ratification of the Atlantic Pact, I have heard and read with grave misgivings reports from Europe which indicated that our allies were not actually making progress toward building their defenses, even though heavily supported by us with money and arms.

Approximately 16 months of valuable time have passed since the pact was ratified. As far as visible results are concerned, that time seems to have been largely wasted, if not completely lost.

We were told during the debate that time was of the essence, that it was necessary to get the pact approved and its implementation under way immediately to meet the threats of Communist aggression, not only in Europe but throughout the world.

Necessarily, to make such a pact work as our Atlantic defense, it was necessary to have it in full operation within a very short time to meet the growing Communist threat. Referring again to Mr. Hoover's speech, let me quote:

> It is clear the UN cannot mobilize substantial military forces.

And remember that the Atlantic Pact was supposed to have been organized under and within the framework of the UN Charter.

He further declares:

> It is clear continental Europe has not in the 3 years of our aid developed that unity of purpose and that will power necessary for its own defense. It is clear that our British friends are flirting with appeasement of Communist China.

Again Mr. Hoover emphatically asserts:

> But the prime obligation of defense of western continental Europe rests upon the nations of Europe. The test is whether they have the spiritual force, the will and acceptance of unity among them by their own volition. America cannot create their spiritual forces; we cannot buy them with money.
>
> You can search all the history of mankind and there is no parallel to the effort and sacrifice we have made to elevate their spirit and to achieve their unity. To this date it has failed. Their minds are confused with fears and disunities. They exclude Spain, although she has the will and means to fight. They haggle with Germany, although she is their frontier. They vacillate in the belief that they are in little danger and hope to avoid again being a theater of war.

Mr. Truman and his Secretary of State, Mr. Acheson, deny these statements of facts and characterizations of Western European psychology. A mere general denial is not enough.

Why should not the President, who is supposed to have all the facts in his possession, give to the American people a bill of particulars? What have our European allies done to this date to prepare their defenses? What specific actions have they taken in the way of creation of defenses, of budgets, of programs actively under way? What have they done besides talking, holding meetings of the Atlantic Defense Council, or of interchanging notes with their allies?

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. WHERRY. I appreciate the questions which the Senator has propounded, because I am in total agreement with him. They are questions the American people are asking today, and they have a right to ask them. I wonder whether the distinguished Senator saw in today's Baltimore Sun an editorial which is along the line of his remarks. Near the end of the editorial, speaking of the American people, the editorial concludes:

> They want to know what the evidence is, pro and con, on the willingness of Europe to contribute to its own defense. They want to know how we want to handle the balky Germans.

The editorial goes on with a statement of various questions to which the Senator from Utah has alluded. If the Senator does not mind, and since this editorial fits in so completely with his remarks, I may say that, although I had intended asking for its insertion in the Appendix of the RECORD, I should like to have it follow at the proper place in the Senator's own remarks, in the body of the RECORD, if possible.

Mr. WATKINS. I should be very glad to accept it and have it placed in the RECORD at the conclusion of my remarks.

Mr. WHERRY. I thank the Senator very much. I ask unanimous consent that that may be done.

Mr. WATKINS. I may say I saw the editorial a moment before I rose to speak. I think it is along the same line that I am now discussing.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Nebraska? The Chair hears none, and it is so ordered.

(See exhibit 1.)

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. WATKINS. I yield to the Senator from Maine.

Mr. BREWSTER. Mr. President, I should like to inquire whether the Senator from Utah has had his attention drawn to a statement on this subject by Gen. Lucius D. Clay, who, I think, has never been classified as an isolationist or an appeaser, dealing with the very subject which the Senator is discussing.

Mr. WATKINS. I have not.

Mr. BREWSTER. It is a statement made by him almost a month ago, on November 27, at Charleston, S. C. If the Senator wishes it to be inserted in the RECORD at the close of his remarks, I should like to read it and ask him to insert it at any point he suggests.

Mr. WATKINS. I should be glad to yield to the Senator from Maine in order

that he might read it, with the understanding that it be placed at the conclusion of my remarks.

The PRESIDING OFFICER. Does the Senator request that that be done?

Mr. WATKINS. I so request, Mr. President.

The PRESIDING OFFICER. Without objection, consent is granted.

Mr. BREWSTER read the statement referred to.

(See exhibit 2.)

Mr. WATKINS. Mr. President, is there any truth to the persistent stories which come out of France, Italy, and the Benelux countries that their people want to be passively neutral in any war that may arise between the United States and Russia and her satellites? Such rumors have been persisting for many months, in fact, for more than a year, and many persons who have investigated the situation have come back and told us, and their statements are not contradicted, that the common people of those countries have had enough war, do not want to be involved in another war, and would rather have their countries occupied than to fight again.

Only yesterday the President declared that our allies mean business. Is that based on mere promises for future action, or have they put into effect measures which will establish a claim that they do mean business? Let Mr. Truman and Mr. Acheson specify.

No revelation of defense secrets need be involved in giving to the American people information on these questions. If anything has been done to build up defenses, that fact should be revealed to offset the damaging statements that have been made repeatedly, not only by the press, but semiofficially, that little if anything has been done to this date.

Giving the American people the facts—if substantial progress has been made—not theories or promises, will do more to restore the confidence of the people in our present policies with respect to our defense frontiers in the Atlantic area, than all the glittering promises our diplomats can make for future action.

In the words of the Scriptures, let them prove their faith by their works.

This was no doubt the basis for Mr. Hoover's proposal that—

> To warrant our further aid, they should show they have spiritual strength and unity to avail themselves of their own resources. But it must be far more than pacts, conferences, paper promises, and declarations. Today it must express itself in organized and equipped combat divisions of such huge numbers as would erect a sure dam against the Red front. And that before we land another man or another dollar on their shores.

Mr. President, there are still other questions which the President and the State Department should answer to the American people, and the answers to these questions should be given promptly so that they may be considered early in the first session of the Eighty-second Congress.

May I submit these interrogations among others that could be added?

First. What concessions has this administration made to our Western European allies in the Far East?

Second. What arrangements have been made concerning the division and allocation for civilian and military use of strategic materials?

Third. What concessions has this administration made concerning the financing of the rearmament of Western Europe, in proportion to the contributions of our allies? There is no point in shuffling hand-out programs by announcing the termination of ECA on one hand and the gift of $12,000,000,000 in armaments on the other. We desperately need to know what the European nations are determined to do for themselves.

Fourth. What is the maximum manpower potential of the Western European nations themselves which is available for the defense of Europe, and what proportion of that available manpower are they willing to enlist in the program?

Fifth. What is the basic military defense strategy underlying the North Atlantic Pact? Does it call for the defense of anti-Soviet Europe, or just for part of Western Europe?

Mr. President, these are questions to which the American people want answers. Many other questions will be asked from time to time. But I feel that Mr. Hoover has rendered one of the greatest services ever rendered to this country by any patriot in its long history. He has pointed out what is in the minds of literally millions of Americans. They want to know the truth about the entire situation. If the story is a bad one, they can take it. On the other hand, if there are matters with respect to Europe and the defense of Europe and of the free world that are encouraging, they should have the facts. The President should take the American people into his confidence, and that immediately, so that the American people can know what to do about the future course of American foreign policy.

EXHIBIT 1

[From the Baltimore Sun of December 22, 1950]

QUESTIONS TO BE ANSWERED

Mr. Hoover has now said what he thinks our foreign policy should be in these years of crisis. Mr. Dewey has said what he thinks it should be. Neither has outlined a complete program, but each has said enough to indicate the general course he wants the Nation to follow.

Between the policies outlined by these men—the one our only living ex-President and the other the titular head of the Republican Party—there is one glaring difference. To all intents and purposes, Mr. Hoover would have us withdraw all support from Europe, save possibly Great Britain. Mr. Dewey, by contrast, does not write Europe off as hopeless. He is certain Britain will fight and he has greater hopes of both France and Italy than Mr. Hoover. He is not wholly convinced that they will make valuable allies, but he thinks it would be a mistake to abandon them now when the general rearmament program under the Atlantic Pact is just getting under way.

These, then, are the two well-developed points of view which have been laid before the American people. Both have their passionate adherents. But the great body of Americans are tremendously puzzled by the whole business. Moreover, nothing that has so far come from either Mr. Truman or Mr. Acheson has served to lessen the general puzzlement.

The American record since the end of the Second World War proves that we lay great stress on the role Western Europe should play in the general struggle against Communist imperialism. Leaving out of account the loans made at the conclusion of hostilities, we have sent billions to Europe with the sole purpose of helping these countries to repair their economies and regain the spiritual tone of which 5 years of war had bereft them.

Specifically, we expected them to rehabilitate their industrial plant. Next we expected them to remove trade barriers so that Western Europe, if not Eastern Europe, would be a free trading area, comparable to the United States. We expected that the material prosperity resulting would of itself revive the flagging wills of these people so that they would be capable of self-defense, if self-defense were necessary.

Some industrial rehabilitation did, in fact, occur in Europe under the stimulus of the Marshall-plan funds. But small progress has been made toward removing trade barriers. Europe, including even Western Germany, seems superficially prospercus, but almost everyone feels that it is a false, almost hysterical prosperity. The revival of spirit, without which little else is important, is a matter of debate, with all too much evidence suggesting that it has not occurred.

It was to stimulate the will to self-defense that the Atlantic Pact was first proposed, then debated, and finally adopted. Under its terms, the United States becomes once more the arsenal of Europe. Also, as has now been decided, General Eisenhower, a man whom all Europe (save perhaps Germany) admires and trusts, has been named to create a unified defense force. Some American troops, perhaps a great many of them, will be a part of this defense force under the plan as discussed. If all goes well, the industry of the German Ruhr, as well as that of Britain, France, and Italy, will contribute a share of the implements of defense.

The knotty question of creating an actual German armed force is still being debated, though almost any military man will tell you that unless the Western Germans participate in the defense of their country there is almost no hope for the rest of continental Europe.

These, then, are some of the issues posed by the addresses of Mr. Dewey and Mr. Hoover. They would not, they could not, have brought them up if they did not feel, as so many of us feel, that the American people are floundering dangerously.

The reason the American people are floundering is not hard to find. They do not trust their present leadership. They know that Mr. Truman is a man of fits and starts. They find in him neither great wisdom nor steadfastness of purpose. They are being convinced, many of them unwillingly, that Mr. Truman is not capable of thinking in the large terms which the crisis demands.

When they turn to Mr. Acheson, they get little comfort. Even if they have not been worried and confused by the charge that he is "soft" with Communists, here and abroad, they are still uneasy. They know that he had a large part in the formulation of the Marshall plan and in its execution. They know that the Atlantic Pact was mainly his idea. But if they come to believe, and it is clear already that many have come to believe, that the Marshall plan has failed and that the continent of Europe will not resist if the Russians attack, then all Mr. Acheson's fine structure will collapse and we shall have to retreat to the lines suggested by Mr. Hoover.

And this, however it may be gilded by the apologists for complete isolationism, is a grisly prospect for 150,000,000 Americans and for the rest of the world too.

The American people cannot and should not follow a leadership which leaves so many life-and-death issues hanging in midair.

They have a right to demand that Mr. Truman and Mr. Acheson make an honest and straightforward effort to tell them the whole story as they see it.

They want to know what the evidence is, pro and con, on the willingness of Europe to contribute to its own defense.

They want to know how we want to handle the balky Germans.

They want to know what will happen to Japan, to the Philippines, to southeast Asia, and our supplies of tin and rubber, to India, and to Australia when we are finally forced to evacuate Korea.

They want to know, in brief, whether Mr. Truman and Mr. Acheson truly understand the fix we are in and what they propose we should do about it.

If these and related questions are not answered soon and with complete candor, our precious national unity will have been lost beyond recovery and the confusion which now grips the country will be replaced by a tragic and destructive isolationism.

EXHIBIT 2

GENERAL CLAY HITS WEST EUROPE APPEASEMENT

CHARLESTON, S. C., November 27.—Gen. Lucius D. Clay, former military governor of West Germany, assailed tonight increasing talk of possible appeasement abroad and said nations which we arm must be willing to fight for freedom.

In the United Kingdom and in Western Europe, Clay said, we are hearing appeasement talk instead of a renewed determination to get ready.

Clay, now New York State civil defense director, spoke to the southern governors' conference here. He questioned the wisdom of economists who, he said, have asserted the Marshall plan could not be used for war production without retarding the economic recovery of the beneficiary countries.

"The reasonable use of production facilities for armament purposes need not adversely affect the soundness of the over-all economy," Clay said. "In Europe and in this country, prosperity has been achieved even when substantial portions of the national productive powers were used."

Clay suggested that we put Marshall plan money into our own war machine unless we get assurance that Western Europe is preparing for a fight for freedom."

He urged the Government to find out what Western Europe is doing to rearm, because there is nothing more important to the success of our fight for freedom than the support of West Europe.

"Unless we can be sure that rearmament is taking place, should we not ask ourselves if any of the money being used to strengthen Europe could be employed more effectively in increasing our own strength.

"Western Germany will still be willing to join us in the defense of Europe," he added, "if the Germans are not made second-class associates."

He said he was not in favor of a preventive war but rather of bringing about "a proper balance in military strength that will make war unprofitable to any aggressor."

The need for that accomplishment is urgent, he said, because as "more and more satellite troops are being pushed into action we are coming dangerously close to a major war."

Mr. BREWSTER. That editorial which I read a few moments ago would seem to be very compelling evidence from a man who knows more about the European situation, certainly, than does any other American at this time, as a result of the 3 years he spent there in rehabilitation work. He speaks with profound knowledge to the very point which the Senator from Utah is seeking to drive home.

Mr. WATKINS. I appreciate the statement. Former President Herbert Hoover, by reason of his residence for many years, not only in Europe, but in China and the Far East, is, in effect, practically a world citizen. I think he is one of the best informed men in the world today on world conditions. Although he is not holding any official position at this tme, I understand he keeps in touch with events all around the world. That enables him to get information which will permit him to give expression of views which have all the force and effect of coming from one of the best informed men in the world today.

Mr. BREWSTER. That is unquestionably the case; and it should be added that General Clay—and I hope the country can take comfort from it—has just been selected by Mr. Charles Wilson as his chief assistant in the production effort at home, and he will seek to develop our own strength in America and be sure it is not wasted in any misadventure.

Mr. WATKINS. America is to be congratulated upon securing the services of General Clay as Mr. Wilson's assistant. I think he has a correct understanding of the European situation.

HIGHWAY CONVENTION WITH REPUBLIC OF PANAMA—REMOVAL OF INJUNCTION OF SECRECY

The PRESIDING OFFICER (Mr. HOLLAND in the chair). As in executive session, the Chair lays before the Senate Executive W, Eighty-first Congress, second session, a highway convention between the United States of America and the Republic of Panama, signed at Panama on September 14, 1950. Without objection, the injunction of secrecy will be removed from the convention; the convention and message from the President will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair hears no objection.

The message from the President is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the highway convention between the United States of America and the Republic of Panama, signed at Panama on September 14, 1950.

I transmit also, for the information of the Senate, the report by the Secretary of State with respect to the convention and a copy of each of two notes exchanged on September 14, 1950, constituting a modus vivendi between the two Governments, together with a translation of the Panamanian note.

HARRY S. TRUMAN.

DECEMBER 22, 1950.

Enclosures: (1) Report by the Secretary of State; (2) highway convention with Panama, signed September 14, 1950; (3) copy of each of two notes dated September 14, 1950, with translation of Panamanian note.

REPORT ON WORLD CONDITIONS

Mr. PEPPER. Mr. President, Senators will recall the famous words of the gladiators in the Roman Colosseum as they entered mortal combat:

O mighty Caesar! We who are about to die salute you.

As one of those whose term is about to expire in this great body, I salute my colleagues. I thank them for their uniform courtesies and their numerous kindnesses. I should like to make a few reports and observations for whatever value they may be to my distinguished colleagues in the service of their country during this period of great crisis.

On the sixth of September, in conjunction with two of my colleagues in the Senate and some Members of the House, I was one of the delegates to the Interparliamentary Union Conference at Dublin, Ireland. The meeting of this old and eminent organization was the occasion for the convening of representatives of 34 nations in the great capital of a great country. I shall not discuss the proceedings of the Interparliamentary Union, but shall refer only to some evidence of the shape of things to come which we heard at the conference. Our delegation made an effort to get through a resolution condemning the aggression which was taking place in Korea. The delegations of the other countries present were agreeable to the adoption of a general resolution. However, they were not willing to insert the word "Korea" in a resolution of condemnation. It reflected some timidity on the part of other countries, which has had some lamentable consequences in more recent times. As I say, it was interesting as evidencing the shape of things to come.

Another resolution, which I am sure my colleagues will recall, was a resolution offered by certain representatives from the Far East—Ceylon, India, and I believe other countries—in which they denounced food policies, particularly of this country. They surmised that those policies contemplated a scarcity of production of food and artificial raising of the price of food in the world market. They pointed out that hundreds of millions of people were starving in Asia, and intimated, even if they did not charge, that much of the starvation and suffering was due to the curtailed production of food in the United States, and that there would be much larger surpluses of food on hand were it not for scarcity production; that there would have been more food available for the starving millions of Asia had we not artificially raised the price in the world market so that they could not buy the food.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BREWSTER. Does the Senator from Florida recall that they pointed to the destruction of food, as well, which they deplored, and, to our great humiliation, denounced us as military colonialists?

Mr. PEPPER. That was embodied in their suggestion. I was going to refer to that a little later in my statement. They assumed falsely that we were de-

stroying food in large quantities in this country. Fortunately, the chairman of the House Committee on Agriculture, Representative COOLEY, from North Carolina, was chairman of our delegation, and to the surprise of our critics our delegation unanimously supported the resolution which was offered. It indicated that we were interested in succoring the starving people of Asia and other parts of the world and made it very clear that we were not squandering or wasting food in this country, or denying it designatedly to those who needed it in any part of the world. We were also advised by delegates from the Middle East that the United States was playing a policy of duplicity, and that while we perpetrated and condemned aggression in Asia we were guilty of it in the Middle East. Of course, they had reference to what had happened with respect to Palestine and Israel, in some respects, and with respect to the policies of certain Western Powers in the Middle East in the past.

However, that is rather a prologue to what I heard on Sunday from someone who had received a report from a representative of his company in Cairo. It is to the effect that when a picture of our President appeared on the screen in the newsreel there were manifestations of displeasure and animosity from the audience in the theater. When the manager of the theater remonstrated with the audience against their protest and their display of animosity, the audience reacted by tearing up the seats in the theater. As I say, those are only some of the ominous signs that we had as a prologue at the Interparliamentary Conference in Dublin. They indicate that there are many parts of the world which either misunderstands the attitude of the American Government and the American people, or were disseminating a propaganda which is desirous of discrediting the policies of our Government and our people and perverting them to mean something they do not mean.

Mr. BREWSTER. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. BREWSTER. I think the Senator could well emphasize, as it is unfortunately and tragically true, that within the next 3 months, under present policies, millions of bushels of potatoes will be destroyed, to the very great distress of the Senator from Maine. I also think that everyone appreciates what those potatoes might do in the production of industrial alcohol, or for our rubber-research program. I will not labor the point now. The fact that the foreign countries were talking about it in Dublin is, I hope, something that will persuade our friends in the next Congress to see that something is done about it.

Mr. PEPPER. Of course that relates to a domestic matter, and we know that here at home, and, as I pointed out to the delegates at Dublin, we have a policy and law which would permit those organizations who would like to supply food to the needy to come and get it provided they pay transportation charges across the ocean. We would make the food available to them for nothing. It is probably true that with potatoes and commodities like that they could not without great expense transport them across the ocean, and perhaps it would not be feasible to do so. At the same time, certainly, we are not a heartless and callous country, inconsiderate of the hungry and impoverished people of the world, as some of the critics of our policies would like to have others believe.

While we were in Dublin we heard debate between the spokesmen on both sides on the subject of Ireland's partition. Among those participating in the debate were the Minister for External Affairs of Ireland, Mr. McBride, and Mr. De Valera, the leader of the opposition. One of the participants was a member of the British Parliament who came from the north of Ireland. Another representative who participated was a member of the House of Commons who lived in England. The issue of partition was fairly debated before this international convention of 34 nations.

I may say, Mr. President, that I believe very strongly in what I gave out as a press release before leaving Dublin, that it is in the interest of the security of the Atlantic group that a way be found to eradicate the partition of that great and courageous people of Ireland, and I believe that they should either be a member of the North Atlantic Pact group of nations or at least a member of and participant in the military-aid program, for certainly they are of the greatest value and strategic importance to the security of the Atlantic community. I believe the elimination of the partition that divides Ireland, and allowing those people in a national referendum to determine their own destiny and to choose their own government, is not only in the interest of their unity, but it would also contribute immeasurably to the strength of the Atlantic community.

Mr. President, we spent a very brief period in London. It was obvious from only a superficial observation of England that things were very much better, that there was a far more encouraging attitude on the part of the people to be observed, that the economic strength of the country had been vastly improved and increased by the many programs in which we had participated, and in which we had been the greatest benefactor, and that today Britain was far abler to do her part in preserving freedom and resisting aggression in the world than she would have been had we not given her the great assistance which she has obtained since 1945. She will perhaps do more, although I understand that percentagewise she is doing as much as we are doing at the present time in the way of industrial production, and in building up armed forces. She is making a very material contribution by troops which are actually fighting in Korea. And Britain today deserves commendation for the part she is playing in standing by our side in opposing the aggression which confronts the free world today.

In Germany we found greatly improved economic conditions and a growing demand for a peace treaty and the end of occupation, and repeated assertions that the Germans were not going to furnish troops to defend Western Europe unless they had their own staff, command, and army on equal terms with other Western European nations.

We made a brief stop in Yugoslavia, and, having been to that country in 1945, I found a great change in conditions as I observed them at that time. When I arrived in Belgrade in the fall of 1945 and drove with the Ambassador of the United States from the airport into the city, we passed long lines of people in the streets carrying banners or placards, and chanting words and songs, and a little bit later we heard speakers speaking on a great decorated platform, and all was commendation of Russia or communism, and extolling the virtues of Lenin and Stalin. Of course, Tito was arrayed as one of the Communist immortals along with Stalin and Lenin.

On this visit this year, as is known by my distinguished colleague, the senior Senator from Maine [Mr. BREWSTER], who is doing me the honor of listening now, and was present in Belgrade, as well as two Members of the House of Representatives, Mr. COOLEY, of North Carolina, and Mr. POAGE, of Texas, there would be an occasional picture of Lenin. There was no picture of Stalin anywhere. There were certainly no banners extolling the virtues of Stalin and Russia. There were no Russian flags displayed anywhere.

On the contrary, Marshal Tito told us in the conference we had with him how definite and how final the break was between him and the Kremlin, of the aggression the Kremlin had committed against Yugoslavia, and how determined he was to defend his country, and preserve its integrity and its sovereignty.

He told us about the needs of the country for famine aid on account of the drought which the country had suffered. He told us that the 31 divisions which were attributed to Yugoslavia were not the total military potential of his country, and I believe, having inquired, as we did, of many sources outside of our own Embassy, that the consensus of the informed people is that Yugoslavia will fight if Russia attacks them, and that the resistance they will put up in case of an attack will divert large Russian forces from those we would have to face in other parts of the world. I am sure that the action Congress has recently taken in giving famine aid to the people of Yugoslavia is definitely and directly in the interest of the security of our own country and the free world.

We protested to Marshal Tito against religious persecution for which his government had been responsible. He assured us the whole subject was under consideration by his Government at the present time. I inferred that the Government's policy was going to undergo a favorable change.

We did also have advice that the general attitude of Tito, he being determined in his opposition to the Russian aggression, and his generally friendly attitude toward the Western Powers, was of great

value to our country in keeping the Russians from getting a seaport on the Adriatic, constituting less danger to Italy than had existed in the past, that is, less Communist pressure on Italy which would draw it away from the western countries, and also be of value to us in that it removed the pressure which had previously been upon Greece.

It was the opinion of those to whom we talked in Yugoslavia that the breach between Tito and Stalin is a real breach, that the prospect is that it will be of indefinite continuation, that the people are opposed to the domination of their country by Stalin and Russia, that they are opposed to the collectivization of their lands into communal farms, and the confiscation of their property by the Government. It was thought that Yugoslavia having been cut off from economic aid with the satellite countries and with Russia by the attitude of resistance they have taken to the aggression of communism in their country, they have to turn more and more to the Western Powers for economic aid, and gradually, as the Russian aggression becomes more pronounced, they will orient themselves more and more in the western orbit, and become more and more a country which may be depended upon to resist, certainly in Central Europe, the Russian aggression.

Tito also promised at my urging to expedite the return of all Greek children whose parents or the members of whose family would request their return. Later in confering with the Prime Minister of Greece and my reporting Tito's promise to him, the Prime Minister said he would call upon Greek parents or families to request the return of their children at once. Since my return to the United States, a number of these children have been returned to Greece.

As the author of the resolution of the Senate calling upon the President to do all he can to help these children to be returned, the results are particularly gratifying to me. Now that diplomatic relations between Greece and Yugoslavia are being resumed, there is every likelihood all of these Greek children will be returned.

In Greece, where we were for a time, we observed a remarkable economic, political, and morale recovery on the part of the people. A phenomenal job has been done by the American military mission which has been there, and by the economic aid we have given to that country. We have reduced our ECA contribution from $274,000,000 to $208,000,000, because it was felt by our ECA representatives that the local government could do more than it had been doing.

We saw the great work that had been done, and it would give an American's heart joy to see the way the Greek people appreciate the fact that the intervention of the United States, to the extent of protecting them against Communist aggression, has saved their country from outside domination, and given them an opportunity to rehabilitate themselves from the terrible destruction they sustained, and the devastation they experienced in the war.

However, Mr. President, we began to see there a pattern, which we saw repeated many, many times in the Middle East and in other parts of the world, where we found that the Government policies and personnel were simply inadequate to meet the challenge of modern times. For example, their tax policies were so unfair to the masses of the people that one could not expect either adequate revenue or general popular support for those policies. We found that, relatively and generally speaking, the rich pay little taxes. They are often able to bribe or intimidate the tax collector against the collection of the taxes. There is a great deal of corruption in officialdom, and there is, generally speaking, a total lack of a political party that is devoted, genuinely and unselfishly and truly, to the service of the public interest, and that has real democratic progress as well as broad, general goods as the aim and the aspiration of the party. Too often there appeared, as we saw in other countries, the same little cliques running everything, and though governments may change from day to day, basically the people who control public authority are the same people.

Mr. President, I do not mention that in derogation of the great people of Greece, to whom I am devoted, but I mention it as a pattern we observed through almost all the Middle East, and as we go to the Far East, we find it even more pronounced, which indicates there will never be the strength these great people should possess until there arise in all these countries political parties that are truly devoted to the public interest, that will diligently, faithfully, and fearlessly serve the people, which will adopt governmental policies and programs, including tax programs and policies, which are fair to all the people, and which will cause the people to have confidence in the true democracy that actuates the Government, and will cause them to be willing to associate themselves with those policies, even to the point of giving their lives that their country and their high aims may prevail. However, I do want to say that the future of Greece, in my opinion, is bright, for the intrepid spirit and courage of these people has revealed a determination that, no matter how hard the struggle, they are going to see it through, and this ancient home of democracy is not going to become the citadel of any new tyranny which might be devised by those who would be their masters.

In Turkey we found an improving economic condition, largely by the assistance of the ECA, a splendid morale on the part of the government and the people, unflinching courage in the face of Soviet intimidations and threats, and a willingness on their part to fight if they were attacked, to fight until they had stopped the aggressor, or until they had spent themselves in an effort to resist his vicious aggressions.

We were there at a time when the Turkish troops were embarking for Korea. We talked to the head of our military mission there, General Arnold. We came to appreciate the magnificent job General Arnold had done in welding the army into greater strength and unity and power, and we heard from General Arnold an expression of confidence in the showing the Turkish troops would make in Korea. I have followed with acute interest what those troops did there, and I heard stories from some of our people of the valor of these Turkish soldiers. They said that after the Turkish troops had been engaged in a terrible ordeal in resisting Chinese Communists who had come into the affray, after they had suffered severe casualties and they were ordered to retire, the first word these Turkish troops sent back was, "We are doing all right. Just let us alone. We are getting along fine."

It finally required a peremptory order from a superior authority to pull those courageous Turkish troops back out of the most terrific part of the front. That is the kind of courage, that is the kind of fighting qualities, those tough Turks have got. I feel that what we have done with our economy program and our military-aid program to Turkey has been wisely done, and corroboration and confirmation of it is being displayed by the fighting qualities they have exhibited in Korea.

I may add that today the democratic forces of Turkey are stronger than they have ever been in the recent past. They have free elections, and I believe it is only fair to say honest elections. They have a Government elected by the people and accountable to the people. I heard only recently of housing programs out in the little villages in Turkey which the Turkish Government is carrying on. They are poor relatively. Their private soldier receives only 21 cents a month for military service, and, therefore, it not being a very attractive service, they have a great shortage of noncommissioned officers. The soldier receives only two uniforms a year, one for winter and one for summer. Yet with those limitations which would be painful to us, as I say, they have shown remarkable and commendable fighting courage. There is a new Turkey oriented to the West which has risen upon the splendid edifice established by Kemal Pasha after World War I.

We were thrilled to observe the great strength, the morale, and the courageous facing of the future which one finds in Israel. Israel is truly a new hope for an old part of the world. Israel deserves our continued help, for it will be an effective bulwark of democracy and resistance to aggression in the whole Middle East.

Then we went on through all the other countries in the Middle East—Egypt, Lebanon, Syria, Iraq, Iran, Saudi Arabia. There one finds many contradictions. One finds great potentialities. Some of the countries have great new agricultural possibilities which would be fulfilled if they had irrigation and reclamation. In some areas those projects are getting under way. Many have great natural resources, some being developed, some not fully developed, and some not opened up at all.

On the other hand, one finds in most of those countries much abject poverty, as most other visitors will recall. In

some places conditions are almost offensive. It almost nauseates one to see the deplorable condition under which the people are living in some areas, where children are drinking green, stagnant water out of ditches where cattle and dogs are washing themselves. There are for large masses of people conditions of squalor almost indescribable. Yet somewhere nearby one will find the greatest evidences of riches, luxury, and indulgence.

In nearly every one of these countries one can expect two things. One is they do not have a tax system that is fair to the masses of the people and another is that the efficiency of their governments needs greatly to be improved. One of the valuable contributions we are making is to give them assistance under the Smith-Mundt bill and under the four-point program in improving the efficiency of their governments. In many of their governments, however, in fact in nearly all of them, one will find signs of hope, one will find men of confidence and character and liberal views coming into political importance and sometimes being the heads of the governments.

Mr. President, it is obvious that our plain duty is to try to help those ancient and great people in every possible way to help themselves. We should exchange more personnel with them, let their personnel be trained here in the United States, and send to them trained personnel when they would like to have it, to aid them in the administration of their governments. We should aid them in the development of their natural resources. We should assist them in extending their trade and in every possible way to encourage them to add new strength to the democratic world.

We were in India and Pakistan for a few days. In India one finds a strange and striking paradox. There are the very rich and the very poor. India, one of the great romantic countries of the world, is at the same time a country where probably in volume poverty is exceeded only by that which is to be found in China. The average per capita income in India is about $50 a year. They have, however, improved their condition a great deal. They have a truly democratic government now. Their people are proud of the liberty and independence they have gained. They feel that they have a great part to play in the future world. They are undertaking courageously their world responsibilities and, I believe, that taking into account their past, one can commend the part that India is playing in world affairs.

Having a tradition of nonviolence, it is not surprising that the great Hindu leader, Mr. Nehru, would desire in every possible way to settle disputes without violence. However, they have been realistic enough in their internal affairs to provide armed forces of considerable proportions which are quite burdensome to their economy, and as the threat to their own security has become more menacing by the recent invasions of the neighboring states, I think they are going to appreciate that we live in a world today, that we are dealing with enemies today who are not amenable to the persuasions of morality or the entreaty of reason, that they respect only force and superior force, and that if India is to save the independence she has won after so long and so glorious a struggle, she has got to have the courage and the conviction to associate herself with those who are trying to build the protection that will only make possible a free world.

Probably nowhere else is there better illustration of the significance of this collective security program than in India and Pakistan. India is spending 55 percent of her budget upon her military establishment. Pakistan is spending 65 percent of her budget upon the military establishment. Neither of these countries, relatively poor, can afford such expenditures. Tragically, each is arming principally against the other. It is to be regretted that they cannot reconcile peacefully their own fraternal differences and unite as sister states in building up the welfare of their people and contributing to the security of a free world. But, as I said many times, in that part of the world, to press conferences and to others, the collective security program that the United Nations offers today is the cheapest insurance which any nation can possibly obtain. If a nation takes an honorable course in the United Nations organization, if a nation does its part in that great association of peace-loving peoples, then it will not have to rely only upon its own strength for its own security; then it will have the assurance that men and women of good will in other parts of the world, men and women of peace-loving purpose, will come to its rescue if it is attacked. The cheapest insurance that any of the nations can possibly take out today is in an honorable and creditable way to do their own part in carrying out the objectives of the United Nations organization.

Mr. President, if I may in all humility offer a word of counsel to that great leader, Prime Minister Nehru, let it be that I hope he appreciates the danger to his own country and to the freedom of his own people and to the freedom of the peace-loving, independence-desiring world, and that he will do his full part—as I know his heart leads him to do—in the United Nations and in getting word to the Communist aggressors in Russia and in China that India will not give them aid or comfort, will not countenance their wrongs or appear indifferent to their crimes, but that India will stand with the peace-loving nations and, if need be, will fight and resist the aggressions that Russia and China are engaged in and the aggressions that they propose.

I wish to say, to the great credit of the people of India, that they did support us in the resolutions in the Security Council when the fateful decisions were made, in June, that the United Nations would resist the aggressions occurring in Korea.

In my conference with Prime Minister Nehru, he said that he felt that India was the window to the west, that India could play a great part in bringing the east and the west together, by trying to be the intermediary.

Mr. President, that view presupposes that Russia is disposed to have honorable differences, and to have them honorably reconciled; and it completely ignores the reality that Russia does not want any intermediary. In today's newspapers the headlines tell us that the Russians and Chinese Communists scorn efforts to get a cease-fire order into effect. They do not want reconciliation; they do not want mediation; they do not want conciliation; they do not want anyone to try to bring together themselves and their would-be victims, because they do not want to be arrested in the pursuit of their criminally aggressive aims.

So I hope that this great man, Prime Minister Nehru, who for nearly a lifetime has been devoted to obtaining the freedom of his people, will—now that he has such great power and confidence of his country and the admiration of a free world—be a great, eloquent voice in calling upon all the peace-loving peoples of Asia to arise against this danger, which now is apparent upon the borders of his own country, so that they will no longer try to appease it, so that they will no longer embrace it. I do not know of any man today who has an opportunity to make a greater contribution to the preservation of the freedom for which he fought so long, and which so recently has been obtained, for his country and for the peace-loving world, than the great leader of the Indian people, their honorable Prime Minister, Mr. Nehru.

Mr. BREWSTER. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. SPARKMAN in the chair). Does the Senator from Florida yield to the Senator from Maine?

Mr. PEPPER. I yield.

Mr. BREWSTER. It is an interesting contrast that when the Senator from Maine visited there a few years ago, it was impossible to see Mr. Nehru, because he was then confined in prison. There has certainly been a marvelous transformation.

The analogy he suggests—namely, that of India's being the window—suggests also that at this time the Russians would seem to be throwing a brick through the window.

Had the invasion of Tibet by the Chinese Communists occurred at the time when the Senator from Florida was in India?

Mr. PEPPER. No; it had not.

Mr. BREWSTER. So Mr. Nehru has been very much educated since then.

Mr. PEPPER. I think that event must have influenced Mr. Nehru greatly.

Mr. President, I still hope Mr. Nehru will rise to meet the challenge of today and will assume even a more bold leadership of the peace-loving peoples of Asia than he has asserted up to the present time.

Mr. President, I must commend Pakistan. Senators will recall the visit to this country of the Prime Minister of Pakistan. I think he made a favorable impression here. In the United Nations Pakistan has—with no deviation—supported the program of resisting aggression in Korea.

I found, on the part of the Prime Minister of Pakistan, every disposition to associate his country unqualifiedly with the peace-loving peoples of the world.

They were determined to continue to do their full duty in the United Nations. I commend very highly the attitude and the activity of the people of Pakistan in determinedly resisting aggression and associating themselves unqualifiedly with the rest of the peace-loving world.

In Siam we found an interesting example of another courageous government which had definitely alined itself with the rest of the peace-loving world, and was doing its part, not only in the United Nations, not only in its domestic program of strengthening democracy and extending the democratic base of its government, but in actually sending troops into Korea, where they have made a military contribution of meaningful significance.

Siam, famous for its friendliness, certainly engages one's warm feelings. While in Siam, I think I saw one of the most thrilling sights I ever beheld—when, one morning, we went in a small motorboat along one of the canals, which the Siamese call clongs, visiting what is called the floating market, where there are many boats and also shops and homes along the sides of the canal. What most caught the attention of Mrs. Pepper and myself was the unusual friendliness of the children. Hundreds of children in their enthusiastic and warm way waved very friendly greetings to our little group as we passed along in the motorboat. That brought to my mind one of the songs in the wonderful musical comedy, South Pacific: You Have To Be Taught To Hate. Those children did not know whether we belonged to one country or another or to one political party or another or to one religion or another. They simply saw some strangers passing along the canal in a boat, and they waved their friendly greetings.

Mr. President, Siam is a fascinating country. I know of nowhere that one would find a better confirmation of the wisdom of our course in extending aid and effective help under the Smith-Mundt program and under the military-aid program. We are giving Siam our help. Even though Siam is in an exposed position, that Nation is alining itself with the Western World, which is trying to serve the best interests of the peace of both the East and the West. Those people are courageously cooperating with us and deserve our continued help.

We spent a period of 3 or 4 days in Hong Kong, which, of course, is a very unique as well as a very attractive area. However, I must say that there are a great many persons there who did not seem to have any hesitation or any compunction against carrying on trade—even with materials which would be of war value—with Communist China.

Our own naval authorities told us that they consistently saw commercial craft going into Communist China, but they had no instructions or authority to stop it, because their duties related only to the performance of the function given to the Seventh Fleet by the President, to protect Formosa against attack from the mainland, and the mainland, of course, from attack by Formosa. But I regret very much that the disposition to carry on trade as usual has led some of the old firms in Hong Kong to continue to carry on trade with Communist China, as if Communist China were not dedicated as it is to its present course, a threat to the very security of Hong Kong. I am sorry that they have not felt that they, exposed as they are, cannot hope to survive, except, of course, by the possible temporary indulgence of the Chinese Communists, unless they associate themselves with the free world and we effectively stop the aggression of Russia and communism in the Far East.

Mr. BREWSTER. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield.

Mr. BREWSTER. Is the Senator familiar with the reports, just received, of over $1,000,000,000 worth of trade done through Hong Kong with Communist China during the past year? It is a tragic revelation of the extent to which their profits have gone.

Mr. PEPPER. I understood the report. I saw the press account that their 1950 business was the best year that they have had.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield to the Senator from Oregon.

Mr. MORSE. I should be interested in hearing the Senator's impression or opinion as to the possibility of Hong Kong, in the long run, really surviving as a British possession in the midst of Communist China.

Mr. PEPPER. Unless we can stop aggression by collective action, Hong Kong would have no hope of existing except through the temporary tolerance of Communist China.

Mr. MORSE. Does the Senator from Florida agree with the junior Senator from Oregon that the probabilities are that Great Britain is going to lose Hong Kong in the long run, and that she ought to face the realities of the situation and realize that Hong Kong is probably already a war casualty, at least a war prisoner, and certainly should not follow an economic course of action whereby Hong Kong can be used as a device by the Communist Chinese to do great damage to American forces in Korea?

Mr. PEPPER. The able Senator, in my opinion, is justified in his assertion. I think probably the best way to surmise what may happen to Hong Kong, if this determination and program of Russia, with and through Chinese communism, to occupy the whole of the Far East is carried out, as they are today carrying it on, is to surmise that the same thing will happen to Hong Kong under that aggression as happened to Hong Kong under the Japanese aggression, which was bent upon the same objective, namely, pushing all other influences out of the Far East, under what they called the doctrine of Asia for the Asiatics; and, just as certainly as did the Japanese occupy Hong Kong in that program of aggression, so would the Russians and the Communist Chinese take it, if their own program of aggression is permitted to be extended.

Mrs. Pepper and I went on to Japan, to Tokyo, and were there from November 1 to November 28. I must say I did not appreciate the magnificence of the job done in Japan by General MacArthur, until I got a chance to see something of it by personal inquiry and observation. I made a statement in Tokyo, which I am glad to repeat here in the Senate, that I had known before that General MacArthur was regarded as one of the great generals of history—and I have not changed my mind about it, by reason of recent reverses—but I had to discover in Japan that he was also entitled to be called one of the great statesmen of history; for, today, his work in Japan speaks for itself. In the first place, when the Korean attack occurred and our forces had to be thrown immediately into Korea, General MacArthur had practically to strip Japan of all our military forces there in order to send those forces at once to Korea. Yet there was never any threat of aggression or uprising, or in any sense of the word violence from the people or from the Government of Japan. On the contrary, we have not had the slightest feeling of insecurity of our administration there, however much we have found it necessary under the emergency to strip Japan of our occupying forces.

In addition to that, the people of Japan have been helping in the program that directly benefited our resistance to aggression in Korea, for they have, of course, helped load our ships, they have helped carry on the work of our agencies over there, where Japan has been an essential base in the conduct of our operations in Korea.

More than that, Japan has adopted a constitution which is democratic in character; and Japan, today, in my opinion, is entitled to be called a democratic country. Not only that, Mr. President; their people have learned to appreciate the blessings of democracy, and in my opinion they are not going to permit those blessings to be taken away from them in future years. The suffrage has been extended to the masses of the people, including the women. My wife and I visited a polling place late one afternoon in the course of an election, and the election officials were constituted, six women and four men. When we inquired of the election officials how many women had voted that day—women were not entitled previous to our occupation there to vote—they said more women had voted up to that time of the day than men.

In addition to that, Mr. President, in my opinion, the Japanese Government and people can be depended upon in the future to associate themselves with the western powers in resistance to Soviet aggression. They know that since we have been there we have not treated them with brutality or atrocity, but have treated them with fairness and consideration, and they have sense enough to know what sort of experience they would have under a Russian occupation.

So, Mr. President, my opinion is that the Japanese people have learned the error of their previous evil way, and in the future they are going to preserve basically a democracy for their country, and with appropriate help from us in arming and aiding them so that they can resist aggression, they will be found

on the side of the western powers in resisting Soviet aggression.

I cannot too highly commend, as I said, the statesmanship exhibited by General MacArthur in the way he has handled the whole Japanese situation. At the time he advised the retention of the Emperor. I doubted the wisdom of it, but after I got a chance to make inquiry in Japan itself, I learned that the Emperor was of the greatest benefit to General MacArthur and to our country in bringing about the transition of the Japanese people to the occupation; and he has been a great force in aid of the democratic character of the Japanese Constitution and the country.

On the 20th of November I joined our great Secretary of the Navy, Mr. Matthews, with Admiral Joy, naval commander of our far-eastern forces, at Fukuoka, and, on the following day, the 20th, I flew with these gentlemen and their party to Wonsan. We went immediately aboard the *Mount McKinley*, which was the flagship of Admiral Doyle, who had the immediate responsibility for one of the greatest military operations in history—the Inchon landing. During that afternoon we saw the *Consolation*, a naval hospital ship Senators can be proud of and the country can be grateful for what is being done by all of our Armed Forces, in giving medical care to those who sustained injury in Korea.

The hospital ships, Mr. President, are simply floating hospitals containing the best of hospital equipment, and the personnel is competent and devoted to their humane tasks. By having these hospital ships afloat in an area such as that of Korea, a base hospital is available, in a very short time, to those who have sustained injury.

My wife and I visited many hospitals in Japan, and I visited others, on the ground as well as upon the sea, while in Korea. Mrs. Pepper and I spent some time with Maj. Gen. E. E. Hume, the very able Surgeon General of our Far East forces, in visiting hospitals in Yokohama, at our great naval base at Yosuoka, and at Tachichawa, our air base. At those hospitals in Japan and Korea it is unbelievable the way medical science and devoted men and women have saved the lives of the sorely wounded who have been brought to those hospitals. The percentage of recovery of casualties exceeds any that has ever been experienced in the past, including World War II. One of the reasons for that is the rapidity with which the injured personnel are brought under medical care. Too high praise cannot be paid the corpsmen. Those corpsmen, without weapons, are attached to companies in the front line of combat, and their first job and their dedicated task is to get out of danger a man who is hurt and give him treatment at the earliest possible moment. The result is that we find these devoted corpsmen when necessary giving blood plasma right where they find a wounded man, right where he fell, sometimes with bullets flying around them. I have seen some of the phenomenal cases of recovery of men who came in with gangrene in the brain, with part of the head shot away, with fungus in the brain, and other severe injuries which had been sustained.

I said, "It certainly must be a hazardous task for these corpsmen to get men out of the places where they are hit."

I was told that there were corpsmen all over the hospital, that there was one next door who had been shot all to pieces in trying to rescue men who had been wounded.

I was very proud of the fact, Mr. President, that I discovered, at one of the places, a Negro corpsman who had been in the Navy. I was at a marine base with my wife. One of the marines in the little group was a Negro corpsman who had won the Distinguished Service Cross for the valor which he had shown in going back three times, although injured, to get men who had been wounded, and bringing them back. So let me pay the warmest tribute to the medical service of the Army, Navy, Marine Corps, and Air Force, for the magnificent job they have done in rescuing and in attending those who have fallen as casualties in battle.

Mr. President, on the evening of the 20th of November we of the Secretary's party went aboard the great battleship *Missouri* and spent the night aboard. Early next morning we saw the fueling of the *Missouri*, a system which has been developed by no other navy as effectively as by the American Navy. It is one of the remarkable improvements which make it possible for our fleet to stay at sea longer than can any other fleet in the world.

All praise to the ingenuity of the American naval service for having devised such a system.

We then went aboard the *Philippine Sea*, which is one of our great carriers, off the east coast of Korea. There we saw airmen going off the deck of that carrier in their dive bombers and in their jet planes, going right to the battle line to drop their bombs or to engage in combat protecting our planes which were dropping their bombs along the Yalu River. On that afternoon I saw one of the airplanes land on the deck, and a great many persons rushed around it to look at it. A little later it was brought to the hangar, and there was a great hole, at least 18 inches in diameter, which had been shot in the right wing of the plane which had been bombing the bridges over the Yalu River. But the shell which had torn that great hole through that wing and endangered the life of the flying American, did not come from the Korean side; it came from antiaircraft batteries on the Manchurian side, the China side, of the Yalu River. I heard some of our pilots tell the Secretary of the Navy, their superior officers, and me about having to fly along the river's edge, on the Korean side, and take the intensive flak from the other side, and take the fire from the other side, without any authority to cross the river either to pursue a plane that had tried to shoot them down or to silence a battery that had jeopardized their lives and their planes.

I cannot, for the life of me, Mr. President, believe it is wise policy or that it is fairness to our fighting personnel to deny them the right to resist those who are trying to destroy them, because of technicalities. If a bridge is the means over which the enemy is sending troops over on the Korean side to kill our men, I think our men have the same right to bomb that bridge on the China side as on the Korean side, and to stop those troops before they get within range of our men. If planes come over to shoot down our planes, our planes should have the right to pursue them across the border and probably impress upon them the hazard of their repeating any such attacks upon the Korean side.

Mr. President, on November 23 we saw some of the marines of the First Marine Division and had lunch with General Smith, the great commander of the First Marine Division which fought so valorously and with General Harris, his able air commander at Yonpo. All honor to those valiant marines. They paid a terrible price, but, Mr. President, I hope they impressed upon these evil forces that Americans and other peace-loving peoples in the United Nations are determined to resist aggression, even if some have to make the supreme sacrifice in order to do it.

I went over to Seoul and had dinner with our excellent and able Ambassador, Mr. Muccio, there, who has done such a splendid job and who is staying on so courageously, even in the face of the present danger.

I had Thanksgiving dinner with General Walker and his staff at Pyongyang. That afternoon we went in a plane to Anju, and then by jeep up to the regimental headquarters of the Nineteenth Regiment, and to some of the company headquarters.

I was very happy to see that the American soldiers had turkey which was roasted brown and which tasted and smelled very good. So far as I could observe, right up at the front, with the artillery shooting over our heads, the efficiency of the Quartermaster Corps was such that every American soldier was eating turkey and had on his mess-kit the same kind of food and the same little delicacies that I had enjoyed at the table of General Walker.

We also met the commander of the British brigade there, and General Walker complimented the British brigade for what it had done in the fighting. He said they were good fighters and had given a good account of themselves since.

The next day, the 24th, at 10 o'clock, the advance took place, and our troops began to move up. At 11:10 a. m. I took off in a small plane from Pyongyang and flew over the line for approximately 2 hours.

I saw our troops moving up, lines of tanks going forward, artillery at work, our B–26's shooting their rockets and dropping napalm. Also I watched our jet planes in action and fierce action it was against ground targets.

Let me pay highest praise to our Air Forces, to General Stratemeyer and the commander of the Fifth Air Force, General Partridge.

General Walker and other ground commanders told me of how intimate

and effective was the cooperation between the Air and Ground Forces. Both in strategic bombing and in giving support to our Ground Forces, the Air Force is doing a magnificent job.

From the air, Mr. President, one could see the terrible nature of that Korean terrain. One could see how easy it was for the Chinese and North Koreans to conceal themselves, for we flew, I suppose, as far as 30 miles behind their lines, and in all that flight of 2 hours we did not observe one vehicle moving on the roads. The Communists have devised a devilishly dangerous and devastating technique of combining the characteristics of guerrilla warfare with the most proficient use of modern weapons, and they were able to carry those modern weapons largely upon the backs of men. Since then they have been using camels and pack animals, but at that time they largely used the backs of men. They principally had three types of weapons—rifle, machine gun, and light and heavy mortars. It can be seen from looking at the terrain what a terrible task our forces have had to face in meeting the aggression.

Mr. President, in fairness to those who have had charge of these operations, let me say that I think our command was justified in launching the offensive they did at the time they did after they had built up enough supplies to make the offensive possible. That is all that held up the offense—building up enough supplies to initiate the forward movement. Better to have found out what they were going to face, instead of sitting in a given place and suddenly finding themselves surrounded by overwhelming superior forces, without any previous knowledge of the nature of the enemy they had to face. So I think the offensive was justified when it was taken. I want to say one other thing in defense of our command over there. They knew that those four hundred or five hundred thousand Chinese Communists were on the other side of the Yalu River. General MacArthur told us that on the 4th of November, when Mrs. Pepper and I had lunch with him and Mrs. MacArthur. He said, "We know they are over there. We know how serious it is and how threatening it is."

Who knew that they were going to advance across the Yalu River in the volume that they later displayed?

I think that nothing we have done, except our entry into Korea, has provoked the Chinese aggression with which we are faced today.

They would have aggressed as they have done today if we had stopped at the thirty-eighth parallel unless they had determined as a matter of policy to let us stop, and by some kind of deceitful negotiation get us out, when they could resume their aggression with the probability that we would not return to resist them again, because the Soviet Union and the Chinese Communists are bent upon one single objective, and that is the complete conquest of the total Far East, and they will not stop, unless they are resisted by superior forces, until they achieve that objective. We may as well accept the fact that that is the kind of contest in which we are engaged and that that is their objective and determination. Nothing save effective resistance will prevent their carrying that purpose into effect.

Mr. President, I have before me Admiral Mahan's book, The Problem of Asia. This is what one reads on page 24 of that book, which was written a good many years ago. It was written in 1900, a half century ago. This is what Admiral Mahan said:

> Upon a glance at the map, one enormous fact immediately obtrudes itself upon the attention—the vast, uninterrupted mass of the Russian Empire, stretching without a break in territorial consecutiveness from the meridian of western Asia Minor until to the eastward it overpasses that of Japan. In this huge distance no political obstacles intervene to impede the concentrated action of the disposable strength. Within the dominion of Russia, only the distances themselves, and the hindrances—unquestionably great and manifold—imposed by natural conditions, place checks upon her freedom and fullness of movement. To this element of power—central position—is to be added the wedge-shaped outline of her territorial projection into central Asia, strongly supported as this is, on the one flank by the mountains of the Caucasus and the inland Caspian Sea—wholly under her control—and on the other by the ranges which extend from Afghanistan, northeasterly, along the western frontier of China. From the latter, moreover, she as yet has no serious danger to fear.
>
> The fact of her general advance up to the present time—

This was half a century ago—

> most of which has been made within a generation, so that the point of the wedge is now inserted between Afghanistan and Persia, must be viewed in connection with the tempting relative facility of further progress through Persia to the Persian Gulf, and with the strictly analagous movement, on the other side of the continent, where long strides have been made through Manchuria to Port Arthur and the Gulf of Pe-chi-li. Thus, alike in the Far East and in the Far West, we find the same characteristic of remorseless energy, rather remittent than intermittent in its symptoms. Russia, in obedience to natural law and race instinct, is working, geographically, to the southward in Asia by both flanks, her center covered by the mountains of Afghanistan and the deserts of Eastern Turkestan and Mongolia.

It is therefore obvious, Mr. President, that they are carrying on today in the Far East southward, and in the Middle East northward, the same determined pressure forward, the same aggression, upon which Admiral Mahan commented half a century ago.

Mr. President, that is what we are facing. Let no one say that it was a tactical mistake to start an offensive on the 25th day of November, that had we not started that offensive, the Chinese Communists would have stopped at the 38th parallel, or never would have come in.

On the 26th of November I interviewed 43 Chinese prisoners, with our officers and with interpreters, as a part of the 6,000 prisoners of North Korea and the Communists we had in our compound in Pyongyang. Through the interpreters I asked some of these 43 Chinese Communist prisoners various questions.

First I said, "When did you come into North Korea?" The most recent arrival out of about 10 I questioned in that group, asking "When did you come over?", was 25 days prior to the 25th of November, in other words, the 1st of November. All the rest of them said "About 30 days ago." They had come over there 30 days before we started the offensive on the 25th day of November.

Then I said, "When you came over, did you know you were coming to Korea?"

They said, "No."

Of course, this was all through the interpreter. I said, "How did you get over here?"

They said, "They put us on trains and sent us over at night, and we did not know we were in Korea until we got there."

What does that show, Mr. President, about the claims of the Chinese Government that they are volunteers? A man does not volunteer and get in a train and be sent to a country to which he did not know he was going, and did not know where he was until he got there. That is just a part of the deliberate falsehood the Chinese Communists have tried to perpetrate upon the gullible world.

Not only that, but I said, "Did you want to fight the Americans?"

With enthusiasm they all shook their heads and said, "No; we did not want to fight the Americans."

Then I asked, "How many of you, if any, ever belonged to the Nationalist Army?" After the interpreter questioned them I asked all who had formerly belonged to the Nationalist Army to hold up their hands. Nearly every one of them held up his hand, to indicate that he had formerly been a member of Chiang Kai-shek's army.

I asked, "How did you happen to get into the Communist Army?" They said that they had surrendered, and that the Communists had coerced them into joining their own army. Most of them had been members of the Communist Army for 2 or 3 years.

Then I asked, "How many of the Chinese Communists who are fighting in North Korea, in your opinion, formerly belonged to the Nationalist Army?" Finally, after a good many consultations among them and among the interpreters, they said about 80 percent. That was interesting to me, because I had heard a story in Hong Kong to the effect that the Communists of China had a commitment to North Korea that they would come in if North Korea were attacked, that is, if the advance continued, and that in order technically to keep that commitment, they were sending over the troops in whom they did not have much confidence, because they had come over from Chiang Kai-shek's Nationalist Army.

There was one interesting corroboration of that. Up until that time, the 25th or 26th of November, there had been no instances of atrocities on the part of Chinese troops. On the contrary, there were many stories which indicated friendliness on their part toward American troops.

For example, I heard a story to the effect that some American prisoners were being carried back. One GI was injured so that he could not keep up. A North Korean soldier shot him through the foot, and when one of the Chinese

Communist soldiers saw it he walked over, snatched the gun out of the North Korean's hand, knocked him down with it, and then picked up the GI and leaned him against a tree and gave him some water, and left him there so that he would be found by our forces coming through there later. I believe they were going backward at that time. It has only been since that time—in fact, only in the past few days—that we have read stories about the Chinese Communist troops attacking our wounded in trucks and setting fire to the trucks, shooting and dancing around like wild Indians. Only recently have we heard of instances of atrocities. So it may be that the first troops which the Chinese Government sent in were the former Nationalists. It is absolutely a falsehood to claim that they were volunteers. They were ordered in in military units. They were not volunteers at all. It may be that the fanatical Communists were sent over in the later stages of the operation.

I made another discovery. I have here a .22 rifle which has on the outside of it, in plain figures, "1950," and the place where it was made. That rifle was found in grease in a North Korean arsenal, by our American troops, and was given to me by one of General Walker's aides at Pyongyang, to refute another falsehood of the Russians, that they had not given the North Koreans or the Chinese any military aid or matériel since 1945. This rifle is not loaded. I should like to exhibit it to Senators. It is stamped on the outside "1950" as plain as figures can be written. There is another marking upon it. I did not know what it was, so I consulted a colonel from the Ordnance Department of the Army. He came to my office to look at it. He said, "That means that that rifle was made at a place called Talu, about 100 miles south of Moscow, and that the figures 1950 mean it was made in the year 1950." That rifle, as I say, was found in a North Korean armory in grease. Evidently it was used as a sharpshooter's rifle. It has a long barrel. It is heavy and well balanced. It was said that evidently it had been used as a sharpshooter's rifle.

Also members of our naval forces tell me that they found Russian newspapers dated in 1950 on mines which they took out of the harbor at Wonsan. In the packing of the mines were Russian newspapers dated in 1950. So it is obvious that it is nothing but a pack of lies for the Communists to claim that the Communist troops in Korea are volunteers, and for the Russians to claim that they have not given aid or matériel to the aggressive forces since 1945.

On the 26th of November I interviewed North Korean prisoners. One of them was a full colonel, and the other a lieutenant colonel. They told me, through our interpreters, that up until October 1 the Russians had had advisers down to the battalion level in the North Korean Army. Then they pulled them out and limited their advisers only to the headquarters of the North Korean Army, the chief of staff, and the defense minister of North Korea. So again it is obvious that they are lying when they say that they are not giving aid and comfort to the forces of aggression.

So, Mr. President, we see the difficulty of our soldiers in the terrain in which they must fight, and we see the nature of the enemy opposing them. We see also the hypocrisy and deceitfulness of the claim of Soviet Russia that she is not the principal factor behind this aggression and the principal criminal in the aggression which is in progress today in Korea.

Mr. President, I wish to pay tribute to our great forces in Korea, and to the valor of our men. I pay tribute to them for the sacrifices which they have had to experience. I wish to let the commanders who are fighting this great battle for decency and democracy know, that so far as I am concerned, I am backing them up and will continue to back them up in every way I possibly can. This is the time when they need to know that the American people are with them, and are not barking at them with captious criticism when they are literally fighting not only for their lives and the honor of their country, but for the preservation of the free world.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. In view of the fact that the Senator has exhibited this Russian rifle on the floor of the Senate in support of certain observations and conclusions, I should like to have the Senator tell the Senate what information he gathered in regard to the quality of the Russian armaments as he witnessed them in his world travels. I should like to ask the Senator whether or not it is generally agreed among the military officials with whom he conferred that this particular so-called sharpshooter's rifle is an excellently made weapon, comparable in workmanship and quality to rifles made by the United States and by our allies.

Mr. PEPPER. Mr. President, it is not as good for long-range shooting, although I was told that it was very effective at shorter ranges. One of General Walker's aides gave me the rifle as I was leaving. We had talked about the hypocrisy on the part of the Russians. He had previously told me about this rifle. He said, "Perhaps you would like to have it to take back and show to your colleagues. There is one in the office." So he went and got it, and I brought it along with me.

This rifle is said to be very effective at the shorter ranges. When our ordnance man, a colonel from our ordnance department, came over and critically examined it, he said that it was not good beyond about 250 yards, but that for guerrilla fighting it was most effective. It is light. Evidently they used a cartridge with a high powder charge in it.

I was impressed, as I went through the hospitals, by seeing so many men who did not know exactly how they had been injured. I would ask, "How did you get hurt?" They would say, "It must have been a sniper." Evidently sniping was very effective. For guerrilla warfare a rifle like that would be very effective. It would be used at pretty short range, in any event.

The general quality of Russian rifles is excellent. Their planes are very speedy, even in relation to ours. As a matter of fact, I do not think it is any secret, but that it is a very well-known fact that their planes are faster than ours. But our pilots were superior. Their ability made it possible for them to win in every encounter they had with planes which came from beyond the Yalu River.

The mortars used by the Chinese Communists and the North Koreans are extremely effective, but the light and the heavy mortars. They have remarkable proficiency in using them. I asked the North Korean colonel, and other officers: "Where did you get the equipment with which you were fighting? Did you get your equipment from China?" They laughed. They said, "The Chinese did not let us have anything but some little medicine and some blankets." That is all they got from China, they said. In the early stages every bit of the rest of it was sent directly over the Russian border, and in the latter stages some of it was sent around Manchuria to give the pretense that it came from China. But they said the Chinese did not have such equipment as that. My opinion is that every mortar, probably every machine gun, probably every good rifle, certainly every airplane they used to kill our men has come from the arsenal of Russia.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. I am glad the Senator from Florida has made these comments about the quality of the munitions being used by the North Koreans. He has made a statement which I also believe to be the fact, that these munitions and weapons have come directly from Russia. I am glad the Senator has made that statement, in view of the fact that the Senator from Oregon has expressed himself so many times that we Americans might as well face the ugly fact that we are at war right now with Russia.

I am particularly glad that the Senator commented upon the Russian munitions and weapons, because I am astounded at the frequency with which I run into the point of view on the part of fellow Americans indicating that they just cannot believe that Russia is capable, from an engineering standpoint, a scientific standpoint, and an industrial standpoint, to manufacture effective munitions and weapons of war. And here we have a Senator who has been there and seen, and who testifies—and I think he has rendered a great public service in doing so here today—testifies as a witness before the American people that these Russian weapons and Russian munitions are effective, and that when we meet them in war we are up against, so far as weapons are concerned, very effective opposition.

I want to thank the Senator from Florida for making that clear on the record today, because I think the American people have to wake up to the fact that in this struggle for freedom we are being opposed by an enemy who is demonstrating time and time again that she does have the industrial know-how and

the industrial ability to manufacture very effective instruments of war.

Mr. PEPPER. The Senator from Oregon performs another in the many great public services he has rendered, by emphasizing that fact. There can be no more tragic folly on the part of the American people than even to assume that the Russians are just a bunch of ignoramuses wandering and stumbling around and that they are incapable of splendid production.

Not only have I heard stories from the fighting men themselves. Ask the men in the hospitals. I have seen them literally by the thousands. Ask those men what kind of weapons the enemy has. Ask their commanders what weapons they are having to face. They are having to face as good weapons as we ourselves have. The enemy is trained in the use of those weapons, too.

Senators will recall that I was in Moscow in 1945, at the same time the Colmer committee was there. We all together went to some Russian factories, one of which was an automobile factory. The assembly line moved as easily and efficiently in the making of good automobiles and good trucks in that Russian factory as I have seen it move in an American factory. They do not have as many such factories as we do, of course. But there are fine modern factory buildings in Moscow. They have all the attributes of factories producing the same products in this country. Their scientists are extremely capable scientists. I think the consensus is that they have not only a knowledge of the techniques of the atom bomb, but that they are making the atom bomb.

Everyone knows the excellence of the submarines they have today. We must remember that not only have they got their own technicians who made good artillery and good tanks and other war implements in World War II, even as against the Germans, but they have availed themselves since World War II of probably the cream of the German technicians in the making of weapons, because they took them by force. We must remember also that they took over the Skoda Works in Czechoslovakia, one of the greatest munitions works in the world, and that when they took over Manchuria they got, of course, the best the Japanese had built in Manchuria.

So I am glad the able Senator from Oregon emphasizes that we are not only up against a dastardly, devilish enemy, but a devilishly effective enemy in combat, and one that has an utter disregard for human life in combat as well.

Mr. President, one hears it said often here at home that it was a mistake ever to go into Korea. That we must have known that we might provoke the Chinese Communists. Mr. President, I do not believe those critics said that when the President made that courageous decision. I do not remember hearing Senators on the floor of the Senate condemning our carrying out the courageous action of the United Nations. There was remarkable unanimity on both sides of the aisle in both Houses of Congress. Encomiums were heaped upon the President for having taken that courageous action to throw our forces with other United Nations forces in Korea to stop the aggression. Why? Because we recognized that it was the Hitler technique all over again, and that if we let the aggressor have one country it would whet his appetite to take another, and that any kind of negotiations intended to lead him back to the paths of peace were as utterly hopeless with Stalin as they were with Hitler, that if we did not stop the aggression by force, and let the enemy know that aggression would be met with effective resistance, the sweep of his conquest would rush through all the Far East, and then into other areas of the world.

Some people retreat back again, as I said, and say, "We should not have crossed the thirty-eighth parallel. That maneuver provoked the Chinese Communists to come in. They are an easily frightened people. It was intimated that they are sort of dumb and cannot understand foreign soldiers being proximate to their border, and that in spite of all our declarations they became alarmed, and out of their deep concern they had to send in their volunteers.

Well, in the first place it is a little inconsistent to claim that they were provoked by our proximity to their shores or their border and then in the next breath to say that the Chinese Government did not send them over there at all; that it was just a sort of a mass volunteer movement; that people just rushed over there when they found there was some danger to their country.

Mr. President, if we had stopped at the thirty-eighth parallel it would not have made any difference, in my opinion. The Chinese troops were already in north China. They were waiting for their time to start. If we had stopped at the thirty-eighth parallel, it would not have accomplished anything except to have given them a chance to have regrouped and started their forces for another aggression south of the thirty-eighth parallel. Of course they, as a matter of deceitful strategy, have attempted to induce us to go away, so, with our departure, they would have no obstacle.

Mr. President, let our people not be deceived or confused. It was not our coming in that brought on the Chinese aggression. It was not our going beyond the thirty-eighth parallel; it was not the beginning of our offensive that brought on their aggression. The conflict in North Korea today is a part of an aggressive campaign and program conceived in Moscow, directed from Moscow, guided from Moscow, the objective of which is nothing less than the conquest of the whole of the Far East, involving substantially half of the human race. When I say the Far East I include Japan, for the aggressor is not going to stop, in my opinion, until he has occupied or conquered Japan, because he recognizes, as I have said, that today Japan has come to appreciate democracy and will resist aggression and will side with the peace-loving people of the world. So, Mr. President, that is what is responsible for the situation in Korea.

The next thing we hear is, "Let us pull out of Korea." Mr. President, I did not realize that it was a part of the American military tradition to pull out under fire unless we were thrown out. American soldiers have had to retreat at times, in the course of our history; but, thank God, American military tradition is free of the contamination of quitting in the face of an enemy.

If we voluntarily pull out of Korea, unless we can obtain some decent and honorable terms upon which to do so, that would mean that not only would we leave the aggressors free to take over all of Korea, but we would betray the men who died in order that we might give some kind of aid and assistance to the peace-loving forces of Korea. The South Koreans would be butchered by the millions if we were to pull out of Korea.

I do not know whether it is possible for us to stay in Korea; I am not a military expert. I know we are still there, and I know we are making the enemy pay dearly for his advances. I know we may have to leave, under compulsion. But we will cause every Asian who is on our side to give up hope of receiving our succor if we pull out of Korea now, and adopt the fallacious recommendations of some persons who evidently have not thought the thing through, and pull back to some line outside Korea, and let the aggressors go ahead with their devilish design and occupy all of Korea and butcher the democratic forces in Korea. Then the aggressors will go into Indochina; and when the forces of Indochina attempt to resist, the aggressors will say to them, "You cannot expect any help from the peace-loving nations. They have left Korea, and they will not come to your aid." Then the democratic forces of Indochina will retreat before they fire a shot, for they will know that there will be no use for them to hope that the freedom-loving, democratic nations will come to their aid.

So I say that we should fight, and fight to the best of our ability.

Of course, Mr. President, I defer to the superior judgment of our military commanders. Whenever General MacArthur and our other commanders say, "We can do no more good there without incurring losses far exceeding, in cost and value and importance, any good we may do by remaining," then I am willing to have that decision made. However, I do not want that decision to be made on a political level here in Washington or by persons who are not expert in military matters.

The British sent their troops into Greece during World War II, knowing they would be thrown out by the superior German forces; but the sending of the British troops into Greece heartened the resistance of the Yugoslavs and the Greeks and encouraged them to pour out their blood in resistance movements, in fighting against the aggressive Germans whom the British were not able to restrain.

So, Mr. President, if we want to tell every Asian who today is on the side of decency and democracy, "You cannot count on the United States to assist you," and if we simply pull out and take the foolish advice given by no less than a former President of the United States and a former Commander in Chief of the Army, Navy, and Air Force of our country; if we pull out and leave the

Pacific Ocean between ourselves and the unrestrained and unresisted forces of aggression—if we do that—we shall hand over all that area of the world to the aggressors, without putting up any further struggle.

Mr. President, I never heard of a law-enforcement officer who refused to restrain a gang of murderers and robbers simply because when he counted them, he might discover that they were more numerous than the members of his police squad.

So, Mr. President, we are committed to resist and to fight to the best of our ability.

As a matter of fact, I wish to say that I was over there at the time, and I read in the newspapers the suggestions which came from London—so the newspapers said—that we should establish a corridor along the Yalu and should let it be a neutral corridor across which we would not go. I wish to say that suggestion gave encouragement to the forces of aggression, and led them to believe that if they pressed us hard enough and perhaps frightened us we would make concessions; and that if we would yield a neutral zone, perhaps we would yield a larger area, and then perhaps we would yield all of North Korea, and then perhaps we would leave Korea—if they made the situation so frightening if we attempted to stay there. Mr. President, the only effect of those suggestions, so far as the enemy was concerned, was to encourage them to fight harder in the hope of eventually achieving success in what they are doing.

One may ask, What can we do? Of course, Mr. President, as I have said, we must take into account what the aims of the enemy are. We are not deceived as to who the principal enemy is. It is Russia which is carrying out, with the aid of the devilish doctrine of communism, aggressive policies which have been the policies of that country for generations, if not for centuries.

Mr. President, probably I was one of the last to give up hope that we could find some honorable basis of reconciliation. I was terribly penalized by certain critics when I was talking about peace and when I had in mind the terrible conflict that would become more and more probable if we did not stop it in its earlier inception. As I have said, I was denounced by many persons. Yet even now there is talk of having a four-power conference in the next few days, in the early part of January. I proposed that in 1945 and in 1946 and in 1947—still hoping that it might not be too late to stop the rush toward war, in which all of us were being thrust along by evil forces.

Well, Mr. President, that policy, as I urged it, was not adopted; and the situation has become worse and worse. Today it is regrettable to have to say that I do not see any hope for any kind of immediate reconciliation of our differences, because the enemy would not negotiate with a view to keeping its promises, in the first place; and in the second place, it has made up its mind that it is going as far as it can go, and it is not going to stop voluntarily; it will stop only when it meets a superior force. So, Mr. President, when one has to deal with a criminal mind with such a criminal purpose, negotiations will not do any good, for such a mind recognizes nothing but superior force.

Mr. President, what are the objectives of Russia and the Chinese Communists? First, as I have said, their objective is to push all western influences out of the Far East. That is what they are engaged upon now, and that is what they are going to continue to do until they are stopped.

That area offers more, at less cost, in terms of territory and materials and people, than any other part of the world they can attack. Not only that, but they attack it at a place where we would resist at our greatest disadvantage—in short, half way around the world.

We hear a great deal of talk about the shrinking world, but it is still a rather large world, if we go around it. For instance, it is 2,000 miles from Tokyo to Wake Island, and 2,000 miles from Wake Island to Honolulu, and 2,400 miles from Honolulu to San Francisco—a total of 6,400 miles that far—and it is 3,000 miles across the American Continent. So it is more than 9,000 miles from where we are now to Tokyo, and Korea is on the other side of Tokyo. So, Mr. President, we see that Korea and the adjacent parts of Asia are an area where we would resist to the greatest disadvantage, so far as we are concerned.

Mr. President, if the advice of the short-sighted is taken, and if we abandon all of that area to the aggressors, what will they do and where will they go? First, they will move down into, and occupy, Korea, and immediately will convert, by force, the people of South Korea to communism, or will kill them and get rid of them.

Then the aggressors will move right down into Indochina, and will take over the people of Indochina. Meanwhile, they will be moving ahead into Burma. Siam, which courageously is standing on our side, would be powerless to resist; so it is to be expected that Siam would easily acquiesce in the aggressor's encroachment, as happened in the case of the Japanese aggression; and then the aggressors would occupy Siam and Singapore, and then move into the East Indies. And what after that? They would take over not only about half the human race, in people, but one of the reservoirs of most strategic importance of all the earth in critical and strategic materials; so that would be one of the greatest gains of history. That is what the Japanese went to war to get, that they had by surrender, if the counsel of short-sighted opinion should be believed and relied on at the present time. That is their first objective.

My next point is that the next area that offers the greatest hope for the least cost is the Middle East. If the Russians could get the critical and strategic materials of southeast Asia and the populations of Asia, and if they could get the oil reserves of the Middle East, largely in Iran, Iraq, and Saudi Arabia, all they would need then would be the Ruhr; and the able Senator from Oregon was speaking well about that yesterday. If they could get the industrial capacity and the materials which are found in the Ruhr, with all the others in southeast Asia, with the oil of the Middle East, with the Ruhr, and over half of the human race under their dominion and control, why, Mr. President, history has never imagined any such force as they would possess.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. If they got the territory just described by the able Senator from Florida, does the Senator from Florida agree with the ex-President of the United States, Mr. Hoover, that the Pacific and the Atlantic Oceans, plus the arming to the teeth of our Army, our Navy, and our Air Force, would be adequate protection to our security?

Mr. PEPPER. Mr. President, that doctrine, promulgated by ex-President Hoover, is nothing in the world but a rehash of the old America-first doctrine, under which America was almost destroyed before we prepared to resist the aggression of Hitler. It completely ignores the power which a country that dominates the so-called heartland of the earth, and that left only to the Western Hemisphere the islands of the Atlantic and Pacific and part of Africa would possess, Mr. President, neither in manpower nor in strategic and critical materials, nor in bases, would we stand a chance against a power that possessed all that vast area with all of its contents, in materials and people.

So, Mr. President, that would be the most dangerous course that I could imagine. For, referring to the ex-President's address, he not only counseled us to give up Asia, but he practically counseled us to give up Europe, unless the Europeans, within the time that he allows and in the manner that he devises, build up their own forces. Of course, we expect Europe to defend itself, but when we are aiding in the defense of Europe, what are we doing? We are trying to move an enemy that many more miles away from America's shore.

Mr. President, neither in World War I nor in World War II could we afford to let an enemy power occupy Europe and have its bases around the North Atlantic; for England could not stand in the face of European occupation by such a power, in all probability, and the result would be that an enemy would be on the shores of Western Europe; and we have never been willing to countenance a strong enemy power taking possession of the shores of Western Europe without our fighting to prevent it; yet this gentleman speaks as if we are doing Europe a favor to advance the outpost of our friends to a point further removed from the shores of our own beloved country. No, Mr. President; that is the kind of selfish doctrine which would lead almost of necessity to the destruction of our country by the evil enemies who have their designs of aggression upon us.

Now, Mr. President, at a large dinner the other night, a certain very rich man walked up to me, and we chatted a little bit. He said, "If you want to gain politically in this country, go out and advocate America for the Americans." "Well," I

said, "I confess that there is much sentiment here in this country which would subscribe to such a doctrine. But I do not want political preferment at the price of sacrificing my country's security." Any man who counsels that doctrine, whether he knows it or not, threatens the security of his country. And if any there should be of those now in public office, who subscribe to any such fallacy, it is the same kind of isolationism which led us to the brink of disaster, upon the verge of World War II. I just cannot believe that either tragedy, unforeseen and regrettable reverses, or the magnitude of the sacrifice we shall have to make, will lead responsible American opinion ever to embrace so dangerous a doctrine; and I hope, Mr. President, that those who counsel it will diminish in number. Yet I read a statement in the paper, by so celebrated an author as Mr. Walter Lippmann, that we are going back toward armed isolation in America. Mr. President, we cannot defend America upon the shores of America, or upon even the oceans which touch the shores of America. Today, with modern weapons and with the means of aggression from foreign continents, we have got to stop an enemy before he springs, or else we risk destruction in his grasp.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McFARLAND. I ask the Senator whether he observed the result to those countries which have defended their own shores, instead of striking where they should, and when they should?

Mr. PEPPER. Exactly. We saw how far the security of France was preserved by the Maginot line. It is the same psychology which they want us to adopt—a strong fleet and a strong army. I do not know where they think we are going to put them, unless we put them in the islands of the Atlantic and the Pacific, or else we are going to let the war come to America.

Mr. President, it is tragic enough for American men to have to fall in battle anywhere, but if the ravages of war have to sweep anywhere, and if it be possible to spare our own homes and cities, I should think Americans at least would be anxious to do so. I have seen in Germany and in the European Continent, as my colleagues have, and I saw in Korea, what has happened to those cities and those countrysides over which the terrors of war have rolled, and they talk about defending America here upon our own shores, which completely ignores the nature of modern weapons and of modern war.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. McFARLAND. Even if the United States should be victorious in such a war, I ask whether the same terrors of war would not exist at least everywhere throughout the United States after the battle was over?

Mr. PEPPER. Yes. Why, certainly. Mr. President, in the face of this ordeal, what should be our policy? In the first place, we should be stalwart in our determination to support the United Nations, to work with those nations of good will and democratic character, to build up their own strength and the capacity of the free world to resist aggression. The United Nations is not a broken reed. It has done one of the most heroic acts in history by flinging its forces into the teeth of aggression and saying, "Stop." I hope we shall not now undo all that great deed by saying it was all a mistake to have undertaken it, that we are too weak to resist aggression, therefore, let us supinely accede to it and let it sweep over the free world.

No, Mr. President; the United Nations is still a great and powerful organization. It has established one of the greatest precedents in human history—that the free nations will fight aggression. That is the only thing that will stop it, showing them that we are determined to continue to fight until it stops. I admit that all the other nations have not done as much as we. I am not sure that all have done as much as they could have or should have done.

Maybe they have not appreciated as much as we have the importance of collective security. Surely the weaker nations of the world should recognize that if there is a nation on earth which might perhaps exist behind the policy of isolation it is the United States. We, of all the nations, are the nation whose soil is perhaps in the least danger. Yet we have sent American men to fight on the other side of the globe. Why? Because we think it is important to the security of America. We are willing to pay that premium to be insured that the free world will collectively resist aggression.

I would earnestly admonish other nations more liable to danger and less secure, less remote than we, not to dally with their own security, but to pay a premium that would give them the insurance of collective security in case they were attacked, by doing their own heroic part.

Next, Mr. President, we have got to let the peoples of the world know the truth, that we are not fighting, as these lying propagandists say, for aggression, imperialism, exploitation, or trade. We are fighting for principle, for the right of an Asian to be free as well as for the right of an American to be free, to show that America does not associate itself with any form of exploitation of the people of Asia or of any other part of the world. Whatever may have been the sins of the past, we are trying to chart a course for the future that will respect the dignity and the well-being of every other man in the world, as we ask that our own citizens be respected. We are trying to be a good neighbor. We run into many embarrassing situations, and sometimes we have to make a choice between what appears to be the immediate course of expediency and the long-range course of policy or principle.

Mr. President, whenever I held a press conference in Asia, question after question was thrown at me. I was asked, "Why is the United States supporting the French in Indochina? Why have you got there, as the western champion, a man who has never been in sympathy with democracy? Why are you identifying yourselves with the most hated form of exploitation so far as the Asiatic peoples are concerned, namely, western colonialism?"

One can go through a tedious explanation of why we are doing it—to keep the vacuum from being occupied by sinister Communist forces while democratic forces can be built up. But I am convinced, Mr. President, that since this is a long-range war which we shall have to fight, a long-range struggle upon which we are engaged, we have got to do certain definite things to let the peoples of Asia and all the rest of the world know that they cannot fairly charge us with being allied with the old colonialism or any other form of imperialism. That leads me to believe that, much as we appreciate the friendship of the French, the time has come when in the larger interest the United Nations should do with respect to Indochina what it did with respect to Indonesia. It should ask the French and the other forces to come together to the bar of the United Nations and take appropriate steps to see to it that those peoples have their own country to run in their own way. Then the United States as well as the United Nations would properly support the democratic forces that might be recognized, and then we would be free of the charge that we were aligning ourselves with the hated imperialism of the past.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. PEPPER. I yield.

Mr. MORSE. I should like to say to the Senator that the statement he just made with regard to his position on the Indochina question is most gratifying to the junior Senator from Oregon. To have one of the ability of the Senator from Florida and with the knowledge of foreign affairs possessed by him take that position is exceedingly satisfying to the junior Senator from Oregon, because during my recent campaign in the State of Oregon the question of Indochina came up in open-forum meeting after open-forum meeting, and I would be asked, "What is your position on Indochina?"

I want to say that I took the identical position which has just been expressed on the floor of the Senate, namely, that I think the United States should make clear to the United Nations that we feel that Indochina should receive the same procedural treatment that we insisted upon in connection with Indonesia. I think it is important that we make it perfectly clear to the French. They are not going to like it any better than the Dutch liked the position we took on Indonesia. But, after all, if we are going to chart a system of international justice through law, they too must submit these great questions to the processes of adjudication. I think the Indochina question ought to be answered by way of adjudication. They are going to have to face the fact that there should be an honorable negotiation worked out through the same kind of an international arbitration tribunal as we insisted upon in connection with Indochina.

Mr. PEPPER. Mr. President, I appreciate more than I can express the

concurrence of the able and respected Senator from Oregon. I feel that we must say to our friends as well as to others that we have got to go before the people of the world with clean hands if we are going to expect the people of the world to follow our leadership.

Mr. President, the next thing is that I think we have got to support the democratic forces of the world wherever there are areas of controversy and question. I think that sometimes we have been too dilatory in helping the liberal forces. In a certain country there was a Prime Minister in office, and our Ambassador said he was the best man that had ever headed the government there, that he was trying to carry out reforms for the benefit of the people and trying to aline that country with the democratic forces of the world. He has his own problems of internal politics, and always the sinister, scheming, slimy opposition of the Communists to sow discord and build up dissensions. When there are cases such as that, we need to help the liberal forces to help the people to broaden and strengthen the democratic base of government.

I think the time has come, Mr. President, for us not to be too timid about it and not to be too niggardly or too shortsighted. I know of one country in which the government may fall in a short time because of waiting for an Export-Import Bank loan, in spite of the entreaty of our Ambassador that in the interest of supporting a peace-loving government, the loan should be expedited.

We must act with more effectiveness and acceleration than that.

Mr. President, we, of course, must not allow any doctrine of either isolation or appeasement to weaken this great fight we have been carrying on to build a better world. After all, Mr. President, there has never in human history been anything so dramatic as the program which we started shortly after 1945, and which the United Nations has recently carried out. I am proud to have been part of a Government which had a part in the establishment of the United Nations Organization. I think history will record that the American part has not been an ignoble one in the setting up of that great institution. I am proud to have been a part of a Government which brought the Western Hemisphere nations into a closer fraternity, as we did by the Rio pact in 1945, when we agreed upon the principle of collective defense and collective resistance to aggression. I am proud, Mr. President, that our Government had a part, through the United Nations in resisting Soviet threats to Iran, without which, probably, that rich area of the world might long ago have been occupied.

Mr. President, I opposed the Truman doctrine in 1947 when it was first proposed, on the ground that we should not go unilaterally into Greece. I thought we should have gone as we have gone into this war in Korea, collectively, with members of the United Nations, or at least with those who would go with us. In going into Korea several nations did not go along, but the majority of nations did. I believe the majority of nations would have gone with us into Greece. Maybe I was right. Maybe I was wrong. As it turned out, we faced no real violent resistance as undoubtedly we can see now in retrospect, although we can see and observe the dangers which it entailed. However, when that decision was made, I supported the appropriations for it, and ever since that time I have supported every program that has been proposed by this Government which would stop aggression and strengthen the democratic and peace-loving forces of the world.

Mr. President, I am glad, therefore, to see that the nations in Europe with whom we were associated in the war have established a western union and a nucleus for cooperation more effective than it ever previously existed among the democratic nations of Europe.

Mr. President, I am proud to have been a member of the Committee on Foreign Relations which recommended, and a Member of the Senate that approved, the North Atlantic Pact, under which the nations assumed a reciprocal obligation to resist aggression and to stand up for peace and decency in the world.

Mr. President, I am proud to have been a member of the Committee on Foreign Relations which recommended, and of the Senate that adopted, a military aid program for Europe, parts of the Middle East, and areas in Asia.

I am glad, Mr. President, to have seen in my service in the Senate and to have had some part in the adoption of all that flowed from the North Atlantic Pact and the military aid program, namely, the council which was set up by the North Atlantic Pact nations and the military organization which was set up by those states, and to have seen the recent appointment by the President as the supreme commander of the forces of the Atlantic Pact nations of that great general, Gen. Dwight Eisenhower. He gives new hope to the democratic forces of the world that he will lead them in resistance to modern totalitariansim as effectively as he did against that initiated by the devilish Hitler.

Mr. President, I am glad that today's and yesterday's papers tell about the new spirit of cooperation and determination in Europe which our Secretary of State brings back, and the heartening message of the President to the effect that there is a new courage displayed in Europe today and grounds upon which we may base a more confident belief that they will do their full and great part than we have entertained heretofore.

Mr. President, what shall we do? We shall simply go ahead with that program, not retreating, not stopping, not shrinking. Mr. President, let us expand it and carry it ahead so long as the necessity exists.

Mr. President, I am also proud to have been part of a Congress which has met every request of the Executive to mobilize this country and which in its last hours has poured out twenty billion more dollars and is prepared to provide whatever funds are necessary to strengthen America. In fact, Congress, instead of being laggard, has been far ahead of the Executive in demanding more effective mobilization than we have thus far achieved, appreciating the deadly necessity that faces us, and the urgency of effective action, before again we shall have heard uttered the lament: "Too little and too late." What we have done since 1945 and the aims to which we have dedicated ourselves are the right course, Mr. President. All we need to do is to be strong in our faith, unfailing in our courage, and to go ahead in the way Americans are expected to go.

Mr. President, I mention last the most important thing. None of these things are possible, no hope of survival, let alone of victory over these evil forces of national aggression and communistic conquest, unless we have in America a united people bent upon a single purpose, standing for a decent and free world. Mr. President, this is no time for back biting. This is no time to profiteer politically with the peril of America. This is no time for a back-seat driver, Mr. President, to seek to direct where he is not in a position for the best of observation and responsibility.

What do these criticisms do? I will read from the New York Times of December 21, yesterday, at page 14:

ATLANTIC PARLEY ACCORDS VIEWED SKEPTICALLY BY SOME

Despite President Truman's reassertion of his intention to retain both Secretary Acheson and Defense Secretary George C. Marshall in his Cabinet, the continual rumors of their eventual departure worry those governments that have hitched their fate to the destiny of the United States. Although Mr. Truman's reiteration of faith in Mr. Acheson was received with pleasure, some delegates still talked of the Secretary's own desire to resign "at a date convenient to American and allied interests."

Mr. President, would any American think that General Eisenhower could do his job with constant demand in the United States Congress that he be fired?

Mr. President, I have not always been a great admirer of General MacArthur. I confess that I changed my mind after I got to know the man briefly, particularly when I saw the character of his work in Japan. While in the opinion of some soapbox orators, stove strategists, and armchair generals General MacArthur ought to be kicked out, on the 12th of December I sent this telegram to Gen. Douglas MacArthur:

DECEMBER 12, 1950.

Gen. DOUGLAS MACARTHUR,
Supreme Commander, Allied Powers,
Tokyo, Japan:

All of us deeply gratified your statement. We have undiminished confidence and faith in you and our magnificent Armed Forces in Korea, and will support you to the limit. All regards.

CLAUDE PEPPER,
United States Senator.

To which General MacArthur replied as follows, "Thanks and deepest appreciation paid."

When he is being sorely pressed by the enemy is no time to stab him in the back at home.

I said the same thing to the other great generals who are commanding over

there. I sent a telegram to Gen. Walton H. Walker, in which I said:

DECEMBER 12, 1950.

Lt. Gen. WALTON H. WALKER,
Commanding General, Eighth Army, Korea:

The gratitude and acclaim of the country go out to you and your heroic command for the wisdom, the valor, and the sacrifices with which you have emerged, still a glorious fighting force, from your unprecedented ordeal. You know my thoughts have been with you all and you have our continuing confidence.

CLAUDE PEPPER,
United States Senator.

General Walker replied:

Your message is deeply appreciated. My command is heartened, encouraged, and sustained by the knowledge that their efforts have the confidence and support of our people at home, whose stake in this war is as great as that of the soldiers who fight.

WALTON H. WALKER.

I knew I spoke not only for myself but for the American people.

I also sent a telegram to Gen. Edward M. Almond, in which I said:

Your country is grateful your splendid leadership and magnificent performance of your heroic forces in the ordeal from which they have emerged.

General Almond replied:

The officers and the men of the X corps deeply appreciate your inspiring message on their performance in combat during recent operations here in Korea. I am personally most grateful for your expression in my behalf. Maj. Gen. E. M. Almond.

I also sent a telegram to Gen. Oliver P. Smith, heroic commander of the valorous First Marine Division:

The heart of the Nation goes out to you in understanding praise for the magnificent courage and intrepid valor with which the First Division has emerged triumphant from its ordeal.

I have not heard from General Smith.

Mr. President, I would rather go on record as telling our leaders in time of adversity, "We are supporting you," than to be sniping at them or saying, "We never liked that fellow. Let us get rid of him." Critics write to me and say, "I read in the newspaper that you stated that you thought General MacArthur was a great general. We think he is a flop. Why do they not get rid of him?"

Mr. President, I have not followed the practice of running under fire. I still believe that General MacArthur is a great general. He has done everything that human direction could have done in the face of a very desperate situation. At least I am going to support him to the best of my ability in his herculean efforts.

It is not too much to say that our Secretary of State, Mr. Acheson, and our Secretary of Defense, General Marshall, are entitled to the same kind of support. General Marshall needs no defense. The record of the Secretary of State is a great record. Who equals that record as Secretary of State? It is said that he did not defend Formosa. I heard his speech at the Press Club in January 1950. If one reads that speech he finds that he did not say that we would not defend Korea as a member of the United Nations if it were attacked by the forces of aggression. He was speaking of a perimeter which was essential to the United States, and which the United States would defend whether anyone helped us or not—such as the Philippines, Okinawa, the Aleutian Islands, the Kuriles, and other places which we regarded as of necessity outposts of our own national defense. We do not have to ask the United Nations whether or not to defend the Western Hemisphere.

Mr. Acheson has not been an appeaser. He made the first speech for the Marshall plan at the Mississippi Delta Cotton Council, ahead of Marshall's Harvard address in 1947. Why? To stop economically the forces of aggression. I know of no man who has held more stalwartly to his course, that we could not rely upon the Russian word. When he first began to say that I did not believe him. I still thought it might be possible to come to some honorable accord with the Russians, until I abandoned hope entirely. They did not want an accord. They wanted conquest, or supine yielding to their aggressive force.

I respectfully say that the greatest shield of American strength is the unity of our people in their determination to continue to fight aggression, to continue to resist the devilish doctrine of communism in every way within our power, by trying to build a stronger and more noble edifice of democracy in every part of the world.

Some ask, "How long is it going to last? Where is it going to stop?" I do not know, and no one else does. In my opinion, this is the darkest period of American history, if not human history. It is the first time that, through the dark, impenetrable veil of the future, there is no glimmer of the light of hope, save the confidence that is in our faith, that God is still in his heaven, and that, just as right has prevailed in the long and tortuous past, it will again emerge triumphant under the banners of the just, the valorous, and the courageous. It will, of course, require sacrifice. The mobilization upon which we are now embarked is but the foothills of the mountains which we must ascend, the mountains of struggle and sacrifice, before we finally come to the eventual glorious dawn of victory.

Mr. President, there have been other periods in history when men who were on the side of God and good have struggled against darkness and superior forces, and have won. If that were not true, we would not have this grand world which is our inheritance today. We shall win, too. Have no doubt about that.

I saw Hitler in 1938, swaggering in his arrogance of Nuremberg, with Goering, Hess, and others about him. I saw most of them at Nuremberg again in 1945 at the prisoners' dock; and a little while later, most of them, in the very cold dawn in a forlorn jailyard, were hanged by the neck until they were dead.

I saw the swaggering braggart Mussolini in the streets of Rome taking the acclaim of the populace as he reviewed his troops. Seven years later he was dead, hanged ignobly by the heels by his own irate people, to the beams of a filling station.

Let Stalin read the lessons of history. They certainly should be sufficient to deter him from the evil course upon which he has embarked. But without unity here at home we shall be divided, and in division will come defeat for ourselves and all that we hold dear.

Mr. President, I have heard it said that in the Scandinavian countries it was the practice at one time for the priest, when the fishermen were about to go off to the sea in ships, to meet with them at the seaside, and, as their families were gathered around, to give what is called the fishermen's benediction. At this time, for the benefit of my beloved country and my colleagues, who have such fearful responsibility, may I, with no irreverence, repeat that benediction:

May the Lord bless thee and keep thee, grant thee favoring wind, a prosperous voyage, safe harbors, and stout hearts for the storms.

Mr. McFARLAND. Mr. President, I hope all Senators who are not present will read the able, courageous, and instructive speech of the distinguished Senator from Florida. I hope that many others throughout the United States will also read it. I have heard him deliver many, many able speeches on the floor of the Senate. I am not so sure but that his last speech has been his best. I have certainly been rewarded for remaining here and listening to his speech. I know that if other Senators could have known what was in store for them, they would have remained to listen.

I regret very much that the Senator from Florida had to speak at such a late hour. His willingness to wait showed the magnanimous attitude which he has evidenced throughout his career in the United States Senate. I wish him well, and I hope that this will be the happiest and best Christmas ever for him.

Mr. MORSE. Mr. President, will the Senator from Arizona yield for a moment?

Mr. McFARLAND. I yield to the Senator from Oregon.

Mr. MORSE. Mr. President, I join the Senator from Arizona in his commendation of the great speech just delivered by the Senator from Florida. I have heard the Senator from Florida make a number of historic speeches in the Senate. I would that every American could have heard the speech which he delivered here today. I feel that I am greatly indebted to him for the inspiration which he has given to me in his great speech, a speech of penetrating foresight and keen analysis, a courageous speech with regard to the great obligations and duties which confront the American people in the crisis which is ours.

I join with the Senator from Arizona in wishing the Senator from Florida Godspeed. I believe that he has made a great contribution to American history through his service in the Senate. I am sure I speak for my colleagues in the Senate when I say he will always find a warm welcome when he returns among us, which I hope will be often.

Mr. PEPPER. Mr. President, I thank my distinguished friends who have spoken so generously, and say that from no mouths could I have heard words that would have made me happier.

Mr. McFARLAND. I am sure we speak the sentiments of the entire United States Senate.

The PRESIDING OFFICER (Mr. SCHOEPPEL in the chair). Let the present occupant of the chair, without he hopes violating any of the dignities of this position, join and say, "Godspeed" to the Senator from Florida who has just concluded a great speech. I wish him good luck.

Mr. PEPPER. I thank the Senator from Kansas very much.

AMENDMENT OF SECTION 22 (d) (6) OF THE INTERNAL REVENUE CODE

Mr. McFARLAND. Mr. President, on behalf of the distinguished senior Senator from Georgia [Mr. GEORGE], from the Committee on Finance, I ask unanimous consent to report favorably, with amendments, House bill 9794 to amend section 22 (d) (6) of the Internal Revenue Code, and I request its immediate consideration.

Mr. President, I understand there is no objection to the bill. However, if there should be later, I am informed by the Parliamentarian that on the days on which the Senate meets next week a motion to reconsider could not be made. Such a motion could be made, however, on the following Tuesday, January 2. The meetings to be held next week will not be in the sense of the word actual sessions of the Senate as provided for in the rules limiting the time for reconsideration. That is, there will be no actual sessions held next week under Rule 13.

The PRESIDING OFFICER. The clerk will state the bill by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (H. R. 9794) to amend section 22 (d) (6) of the Internal Revenue Code.

Mr. MORSE. Mr. President, will the Senator yield?

Mr. McFARLAND. I yield

Mr. MORSE. I have discussed this bill with the minority leader, the Senator from Nebraska [Mr. WHERRY]. I am advised that the bill meets with the approval of the Republican members of the committee which reported the bill to the Senate. Therefore, the Republican side of the aisle offers no objection.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill (H. R. 9794) to amend section 22 (d) (6) of the Internal Revenue Code, which had been reported from the Committee on Finance with amendments, on page 2, line 6, after the word "Years", to strike out "Beginning after December 31, 1949", and insert "Ending after June 30, 1950"; on page 2, line 12, after the word "Years", to strike out "Beginning after December 1, 1949", and insert "Ending after June 30, 1950"; on page 2, line 15, after the word "year", to strike out "beginning after December 31, 1949", and insert "ending after June 30, 1950", and on page 5, line 16, after the word "years", to strike out "beginning after December 31, 1949", and insert "ending after June 30, 1950."

The amendments were agreed to.

The amendments were ordered to be engrossed and the bill to be read the third time.

The bill (H. R. 9794) was read the third time and passed.

NOMINATION OF ANNA M. ROSENBERG—STATEMENT BY BRIG. GEN. JULIUS KLEIN

Mr. MORSE. Mr. President, recently the Armed Services Committee of the United States Senate held intensive hearings on the nomination of Mrs. Anna M. Rosenberg for the position of Assistant Secretary of Defense. We received much help from a great many people in this country who recognized that the attack on Mrs. Rosenberg was unwarranted, was unfair, and, unfortunately, represented a spirit of intolerance, which if it becomes widespread in America, will endanger the great principles of democracy. Among those who were of great help to the junior Senator from Oregon in connection with his work on the Armed Services Committee in respect to the nomination was the consultant on national defense to the Republican National Committee, Gen. Julius Klein. I think it is only fitting and proper that I pay him this tribute of thanks and commendation on the floor of the Senate so that acknowledgement of his fine work may be a matter of record.

I want to say that he was a great help to me in supplying me information in answer to certain questions raised by the unfair and false charges against Anna Rosenberg, questions which I thought needed to be answered as we proceeded with those hearings.

Following the nomination a press release was issued in regard to Mr. Klein's position on the Rosenberg nomination, and I ask unanimous consent that the press release may be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the release was ordered to be printed in the RECORD, as follows:

"A group of open and notorious anti-Semites who sought to make Anna M. Rosenberg the victim of an American Dreyfus case has succeeded only in crippling this country's defense effort in an hour of immediate national peril," Brig. Gen. Julius Klein, of Chicago, asserted here today.

General Klein is the consultant on national defense to the Republican National Committee and a past national commander of the Jewish War Veterans of the United States of America.

Along with a group of national leaders, including Bernard M. Baruch, Gen. Dwight D. Eisenhower, former Secretary of War Robert P. Patterson, Gen. Walter Bedell Smith and others, he urged full Republican support for Mrs. Rosenberg's confirmation when her appointment was first recommended by Secretary of Defense Marshall. He charged that "precious weeks have been lost at a time when minutes are essential to preparations for the Nation's defense."

He added: "The Senate should proceed at once to a unanimous confirmation of Mrs. Rosenberg. By so doing it will indicate that those who are charged with the responsibility of making the Nation's laws will not tolerate the use of anti-Semitism and bigotry as political weapons."

General Klein noted that he had urged Republican Members of the Senate to endorse Mrs. Rosenberg's appointment because "As a woman she would have a special appreciation of the problems confronting American wives and mothers who twice in this decade are suffering the impact of a war emergency."

Exposure of "the clumsy plot to smear an able public servant," he said, "will prove of little value if the Senate does not speed action to determine whether Mrs. Rosenberg was the victim of calculated perjury, so that if guilt is properly assessed, prompt prosecution can be instituted."

Mr. MORSE. Mr. President, I now wish to take 4 or 5 minutes to make very brief comment on a great issue which I think confronts America, the issue of what kind of a foreign policy America will follow in the critical months ahead. It is an issue which raises the question as to whether or not the people of this country are going to continue to give support to a very much needed bipartisan foreign policy based upon a recognition that America cannot stand alone in the world without friends, that America cannot isolate herself from the rest of the world and survive in the great struggle between freedom and totalitarianism. That conflict is bound, I think, to be the struggle of our generation.

This afternoon my good friend, the distinguished Senator from Utah [Mr. WATKINS] presented his point of view, and he did it ably and sincerely. He commented on the speech of the ex-President of the United States, Mr. Hoover. The point of view which the able Senator from Utah presented this afternoon was almost diametrically opposed to the point of view the junior Senator from Oregon presented to the Senate at length yesterday. In the course of his remarks this afternoon the Senator from Utah pointed out that it was much to be desired that there be full and frank discussion of this great question of foreign policy. I completely agree with him, and undoubtedly in the weeks ahead, as we come into a new session of Congress, that issue is going to be the issue that will perhaps receive greater attention of the Congress than any other issue.

The Senator from Utah this afternoon raised a series of questions, and said he thought it was very important that the American people be informed of the administration's stand on the questions he raised. I agree with him. I feel that to the extent the administration can make available to the American people the information called for by those questions, it should do so, keeping in mind the fact, of course, that for security reasons certain information sometimes cannot be given to the American people when we would like to have it given.

On the other hand, I think it is very important that the administration does not use the matter of security and military secrecy as an alibi for denying to the American people information that it is in fact safe to give to them.

In the course of his remarks this afternoon the distinguished Senator from Utah pointed out that the ex-President of the United States, Mr. Hoover, was really a citizen of the world—and he is quite right about that. But I want to say here tonight, Mr. President, in taking a position somewhat different from that

of the Senator from Utah with regard to the speech of the ex-President, that the ex-President of the United States, Mr. Hoover, is not a military expert. I think that in his speech to the American people he demonstrated very clearly that he is not a military expert. I think one of the most unfortunate results of that speech, as is evidenced today by the newspaper stories and by the types of telegrams which Members of the Senate are receiving from people all over the United States, is that the speech of the ex-President has tended to give millions of American people a sense of security that is not supported by the facts. It seems to me that it is most unfortunate that one of the impressions formed by millions of Americans from the speech of the ex-President is that it is militarily safe for us to withdraw unto ourselves and to assume that the Atlantic and the Pacific Oceans, together with the building up of our Navy and our Air Force, will be adequate to protect our security. The Hoover speech gave the impression to many Americans that we can walk out of Europe with safety.

Mr. President, there is no question but that at least until this hour the reaction of many Americans to the speech of the ex-President has been one which has satisfied a psychological yearning of every American for an escape from the realities of the world situation. Each and every one of us must constantly be on guard, in connection with our own thinking on these problems, to make certain that we are not victimizing ourselves by exposing ourselves to the constant danger of a psychological escape mechanism, more commonly called wishful thinking—the psychological delight of imagining facts, when facts do not exist.

Mr. President, I was so disturbed about the implications of that part of the speech of the ex-President, which I think stirred up those feelings of false security on the part of many people, that today I took advantage of the opportunity to cross-examine one of the highest military officials in our Government. He is a general upon whose shoulders rest great responsibilities for the safety of our Nation. The replies I received from that high military official leave no room for doubt that the ex-President of the United States should have consulted with military officials of our Government before he, with his great prestige and great influence in this country, made a speech which had the effect of giving to the American people by the millions a false sense of security that is unwarranted by the military facts. For the RECORD, Mr. President, I wish to mention some of the questions I asked that high military official this afternoon, and I wish to give for the RECORD my best recollection of his answers.

I asked this high military official what his opinion was in regard to the following question:

General, if Western Europe, with all its industrial, war-making power, should fall into the hands of Communist Russia, and if we found ourselves in all-out war with Russia, would the fact that Russia controlled Western Europe make it more difficult for us to defeat Russia?

Mr. President, I think the Senate should ponder the answer that general gave to the question. He said, in effect:

It not only would make it more difficult for us to defeat Russia, but I think it is doubtful whether we would defeat her, whether we would survive that struggle.

Mr. President, I do not quote him verbatim, because I do not have the record before me; but I assure the Senate that is the import of his answer to my question.

Let us ponder the significance of that answer, Mr. President. Here we have a high military authority in our country, fully familiar with the great military problems that confront our country and the world; and in his answer to that question, he bore out the major premise of the speech I made yesterday on the floor of the Senate, namely, that if we walk out of Europe and permit Russia to obtain control of the Ruhr, there is a great danger and a great question whether in the years ahead America will survive an all-out war with Russia.

I think that military point of view needs to be made clear to those Americans who tonight are tending to victimize themselves by means of a psychological escape mechanism of wishful thinking about our security, and who wish to accept the false assumption made by the ex-President in his speech, namely, that it is safe for us to withdraw unto ourselves on this continent, and to assume that the Pacific and the Atlantic Oceans, along with a Navy and an Air Force, will protect us adequately in an all-out war with Russia.

Mr. President, there is no basis in fact for that assumption; but, to the contrary, the best military advice available to us is that our survival itself would be seriously threatened if we followed the philosophy set forth in that part of the speech of the ex-President.

I wanted to be sure that I thoroughly understood the position of this high-ranking American military authority, so I put the question in a somewhat different way, and asked him in effect this:

General, do you think it would be correct to say that if Western Europe should fall to Soviet Russia the resulting industrial war-making power of Western Europe in the hands of Russia would prolong for several years a war with Russia?

His reply, in effect, was:

It would not prolong it for several years; it would prolong it for many years.

Mr. President, that is one of the points I tried to drive home yesterday in my major speech on this question—namely, that we Americans must face the ugly reality, which in my opinion was not properly emphasized in the speech of the ex-President the other night, that if we lose Western Europe to Russia, we are going to be in a death struggle with Russia for a great many years, and it is doubtful whether we will survive that struggle.

I then asked the general if he thought that Russia would be able to use the industrial war-making power of Europe if she overran Europe by putting into effect with any degree of success her policy of slave labor or enforced labor of conquered people?

He replied in effect that he had little doubt about it judging from the success Russia has had in other conquered countries in respect to enforcing her slave-labor program.

Mr. President, I think the general is absolutely right. The people of Western Europe would have no choice. They would either have to produce war goods for Russia or be shot. That is the police-state method.

That is why I say, Mr. President, we must make clear to the American people in these days that, after all, Western Europe constitutes the front line of American defense, and if we walk out on our allies in Western Europe and adopt the isolationist philosophy which characterizes much of the speech of the ex-President of the United States, we shall threaten the security of America and the destiny of our country.

As far as I am concerned, I am going to continue to stand up against this flood of isolationism that is sweeping America in these days, because I think that flood of isolationism threatens to engulf and drown the security of the American people. The American people must be told, I think, that this hour is so critical that they must recognize that the psychologically comforting feeling of wishful thinking is one of their greatest enemies. They must face coldly and objectively the ugly facts of the world in which we live; and the ugliest fact of all is the fact that Soviet Russia gives every indication that she is proceeding to prepare herself as rapidly as possible to make war on the United States.

That is why I protest, Mr. President, the particular emphasis which the ex-President of the United States gave to his speech the other night, when I think unfortunately he gave the American people the impression that we could walk out on Europe and be secure in the United States. Mr. President, today I attended a conference of two Senate committees at which appeared the Secretary of State, the Secretary of the Army, and the Chairman of the Joint Chiefs of Staff. I am not privileged to discuss the information which was given us at that committee meeting in respect to the Brussels Conference. Incidentally, I think that much of the information which was given to us in regard to that conference should be given to all the American people. There were some things said of such a top-secret nature that I think it would be a great mistake to make them public; because to make them public would be of great assistance to our enemies. But much of the discussion could be given to the American people, and I think should be. I hope that at an early date the President of the United States will, either himself or through the Secretary of State, give the American people as much of a detailed report about the Brussels Conference as possible. I interpreted some of the remarks of my good friend from Utah this afternoon to be a plea for the same sort of information and on that, I think he is right. But what I do want to say about the joint committee meeting this afternoon, Mr. President, is that I wish the American people could have heard the Secretary of State

give his report on the Brussels Conference. If they could have heard it, they would have found in his factual analysis much greater reassurance for the security of America than they can possibly find in the speech of the ex-President of the United States given the other night. As I listened to the Secretary of State this afternoon and to the Secretary of the Army, and to the Chairman of the Joint Chiefs of Staff, I had a better understanding, a much clearer understanding of the great significance of the North Atlantic Pact and of the military implementation of it to the security of 160,000,000 American people. If the American people could have heard the report we received this afternoon, they would have a much clearer conception of the fact that the North Atlantic Pact and the military implementation of it constitute our front line of defense in this great struggle of freedom against totalitarianism. They would also have heard a report, in my judgment, which constituted a complete answer to the false assumptions contained in the ex-President's speech the other night.

I am satisfied from the information I received at the joint committee meeting this afternoon, and from the answers that I received from a high American military authority today, as I questioned him, that the major objections and reservations that I made to the ex-President's speech, on the floor of the Senate yesterday afternoon, in connection with the military implications of that speech were absolutely and completely correct. I repeat, I think it most unfortunate that the ex-President of the United States did not consult with the high military authorities of this country in regard to the military problems which confront our country, before he made a speech that gave the American people the impression that we could withdraw unto ourselves on the American Continent and take refuge on this side of the Pacific and Atlantic Oceans, stick our heads in the sand, and wishfully think ourselves into a security which does not exist, and will not exist for us, if we walk out on our allies in Europe.

I want to say, here and now, as a member of the Armed Services Committee of the United States Senate, that I do not believe there is any basis in fact for the assumption that our allies in Europe are not going to fulfill their full share of obligation in carrying out the objectives of the North Atlantic Pact. But let us keep in mind the fact that this fight for freedom is ours as well as theirs. Let us keep in mind the fact that Russia is as great a threat to us as she is to Western Europe. In fact, I happen to be one who believes that we in the United States, that our capitalistic system is the No. 1 target of Soviet Russia. If we are going to be able to stop Russia from gaining the great industrial war-making power that she would have if she got possession of the Ruhr and Western Europe, we must help make the North Atlantic Pact a success.

I close, Mr. President, by saying that in the historic debate which is going to be conducted in this country for the weeks ahead, the American people are going to face and answer the issue as to whether we are going to hold fast to that great philosophy of the Senator from Michigan [Mr. VANDENBERG], based upon the sound concept that we must in our generation seek to establish a system of international justice under law, or whether we are going to withdraw unto ourselves and prepare to face the Russian threat alone after Russia takes Europe which she will do if we walk out of Europe. Are we going to get our heads out of the sand too late to save ourselves? Are we going to wipe the myopia of isolationism away from our eyes too late, only to discover that we stand alone in the world? Mr. President, as I said yesterday if we follow the false assumptions of the Hoover speech we will stand as an isolated island of freedom surrounded by the raging seas of communism that will engulf and drown both our security and our freedom.

That is the issue between an isolationist philosophy that is rearing its head in this country and a philosophy of sound internationalism that recognizes that mankind has entered into an era in which freemen of the world must stand together. We must follow the principle of "United we stand for freedom, or divided we fall into the slave state of Russian communism."

EXPRESSION OF APPRECIATION—RECESS

Mr. McFARLAND. Mr. President, before moving a recess, I wish to take this opportunity of again expressing my appreciation to those who have waited on the Senate during the past year, and who have worked with us tirelessly and have remained in attendance when many other Senators have gone home on evenings such as this. I wish each and every one of them the best and the happiest Christmas ever.

Now, Mr. President, in accordance with the unanimous-consent agreement previously entered into, I move that the Senate stand in recess until Tuesday next, at 12 o'clock noon.

The motion was agreed to; and (at 8 o'clock and 52 minutes p. m.), the recess being under the unanimous consent agreement, the Senate took a recess to Tuesday, December 26, 1950, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate December 22 (legislative day of November 27), 1950:

DEPARTMENT OF THE NAVY

Rear Adm. Herbert L. Pugh, Medical Corps, United States Navy, to be Surgeon General and Chief of the Bureau of Medicine and Surgery in the Department of the Navy for a term of 4 years.

UNITED STATES MARSHAL

Ben Ivy King, of Tennessee, to be United States marshal for the western district of Tennessee. (Reappointment.)

CONFIRMATIONS

Executive nominations confirmed by the Senate December 22 (legislative day of November 27), 1950:

CALIFORNIA DEBRIS COMMISSION

Lt. Col. William R. Shuler, Corps of Engineers, to be a member of the California Debris Commission.

UNITED STATES ATTORNEY

Frank J. Parker to be United States attorney for the eastern district of New York.

UNITED STATES MARSHAL

Ben Ivy King to be United States marshal for the western district of Tennessee.

COLLECTOR OF CUSTOMS

Cornelius F. Reardon, of Billings, Mont., to be collector of customs for customs collection district No. 33, with headquarters at Great Falls, Mont.

HOUSE OF REPRESENTATIVES

FRIDAY, DECEMBER 22, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou great God of all love and mercy, we thank Thee for this hallowed and joyous Christmas season, commemorating the birth of our blessed Lord.

We are again calling to mind and pondering the oft-repeated beautiful story of the shepherds bowing in adoration and humility at the manger of the Christ Child and the story of the wise men following in the wake of natural piety and worshiping at the same shrine.

We rejoice that when there was no eye to pity and no arm to save them in the fullness of time Thou didst send Thy Son to be the Saviour of the world.

Grant that the Christ of prophecy and of history may become the Christ of experience. May there be in us and in the hearts of all mankind a new nativity of His spirit of peace and good will.

May this Christmas not only be a time of commemoration but of consecration when we shall pledge ourselves anew to every righteous endeavor to hasten that glorious day of prediction when every knee shall bow and every tongue shall confess that the Christ is the Lord to the glory of God.

Bless our beloved country, our homes, and all who are near and dear unto us. Wilt Thou give some special blessing and revelation of Thy sustaining presence and peace to our fellow citizens who are out on the fields of battle. May we daily send them our thoughts of love through the Christ of Christmas.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 4653. An act for the relief of the New York Quinine & Chemical Works, Inc., Merck & Co., Inc., and Mallinckrodt Chemical Works; and

H. R. 9893. An act to authorize certain construction at military and naval installations, and for other purposes.

The message also announced that the Senate had passed a bill of the following

title, in which the concurrence of the House is requested:

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. McKELLAR, Mr. HAYDEN, Mr. THOMAS of Oklahoma, Mr. RUSSELL, Mr. MCCARRAN, Mr. O'MAHONEY, Mr. BRIDGES, Mr. GURNEY, Mr. WHERRY, and Mr. CORDON to be the conferees on the part of the Senate.

NATIONAL HISTORICAL PUBLICATIONS COMMISSION

The SPEAKER. Pursuant to the provisions of title V, Public Law 754, Eighty-first Congress, the Chair appoints as a member of the National Historical Publications Commission the gentleman from Virginia [Mr. SMITH].

TEMPORARY APPROPRIATIONS FOR 1951

Mr. CANNON. Mr. Speaker, I send to the Clerk's desk a joint resolution (H. J. Res. 555) making temporary appropriations for the fiscal year 1951, and for other purposes, and ask unanimous consent for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, etc., That there are hereby appropriated, out of any money in the Treasury not otherwise appropriated, for the several departments, agencies, corporations, and other organizational units in each branch of the Government, such amounts as may be necessary for the carrying out of projects or activities for which appropriations, funds, or other authority (subject to limitations, restrictions, and permissive provisions) would be made available by the Second Supplemental Appropriation Act, 1951 (H. R. 9920, 81st Cong., 2d sess.), to the extent and in the manner provided for by said act as passed by the House of Representatives on December 15, 1950, or as passed by the Senate on December 21, 1950, whichever is lower: *Provided*, That no funds are appropriated by this joint resolution for any project or activity not provided for by both Houses in said bill.

SEC. 2. Appropriations and funds made available, and authority granted, pursuant to this joint resolution, shall remain available until (a) enactment into law of an appropriation for any project or activity provided for herein, or (b) enactment of the applicable appropriation act by both Houses without any provision for such project or activity, or (c) January 3, 1951, whichever first occurs.

SEC. 3. Expenditures from appropriations or funds made available pursuant to this joint resolution shall be charged to any applicable appropriation or fund whenever a bill in which such applicable appropriation or fund is contained is enacted into law.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

Mr. TABER. Reserving the right to object, Mr. Speaker, may I ask the chairman of the committee to explain this resolution?

Mr. CANNON. This is a continuing resolution. It is couched largely in routine language. It makes available the money provided in the pending bill upon which both Houses have agreed. If there is a difference as to the amount, the lower of the two is appropriated by this resolution. Any item which is not in either version of the bill is suspended pending action in conference. The resolution expires on January 3, 1951.

Mr. TABER. The idea would be that we would go to conference and clean it up before that time?

Mr. CANNON. Yes.

Mr. TABER. On top of that, the provision that is made here would take care of all needed defense activities until that date?

Mr. CANNON. Yes; that is correct, Mr. Speaker. We expect to go to conference on the pending bill as soon as a quorum is available, which is expected to be January 1. In the meantime, there are funds included in the bill for necessary defense expenditures which should be made available immediately. This takes care of all items on which there is complete agreement.

Mr. TABER. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

RETIRING MEMBERS OF CONGRESS

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. BROWN of Ohio. Mr. Speaker, with the conclusion of this session of the Eighty-first Congress, which will certainly come not later than Tuesday, January 2, there will be a number of distinguished Members of the House who will conclude their public services to the people of the United States. The Nation is fortunate in having had the services of these men. They will leave these legislative halls, Mr. Speaker, and return to private life bearing with them the gratitude and the appreciation of their colleagues and of the Nation for work well done. With them will also go the best wishes of all of us for their health, happiness, and prosperity in the years ahead.

I have asked for this time, Mr. Speaker, to especially pay tribute in my humble way to two Members of this House who have served on our side of the aisle, with the Republican minority. They have not only served their party, but in a broader sense, their country, with exceptional ability and with patriotic fervor.

These two men to whom I refer are legislative veterans—although young in spirit and in vision—who have served for 30 years in the Congress of the United States. I refer to the Honorable JAMES W. WADSWORTH, of New York, who has served 8 years in this body and 12 years as a Member of the United States Senate with great credit to himself and added honor to his family name; and to EARL C. MICHENER, of Michigan, who has been a leading Member of this body for 30 years. Both of these distinguished gentlemen are retiring voluntarily to private life. Both of them have been repeatedly urged by their constituents, of both political parties, to continue their public service. Yet they have been so diligent, contributed so much, and worked so zealously in behalf of the people they represent, that none of us can gainsay the fact that they have earned the right to the rest from their labors they seek. Both of these men served their country in its time of need. Both are veterans of our Armed Forces. Both fought beneath Old Glory in the war with Spain. Certainly they have set before all of us an example of public service and patriotic devotion that we can well follow.

They go forth from these halls into private life with the full knowledge in their own hearts and souls that they have lived good lives; that they have never done that of which they need be ashamed; that they have acted only as they believed was in the best interests of their beloved country. They take with them the love and affection of all who have known them.

It has been my privilege to have worked closely with both of these gentlemen as a member of the Committee on Rules. I know something of the stuff of which they are made, and of their strength of character which typifies the best in American manhood. Of each of them it can be truthfully said, "Well done, my good and faithful servant," for they have kept the faith.

Personally, and on behalf of each Member of this House, I wish them Godspeed.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I gladly yield to the gentleman from Missouri.

Mr. CANNON. I thank the gentleman for his consideration and appreciate the opportunity to join in the richly merited tribute he pays our colleagues who are leaving us.

One of the many compensations for service in the House of Representatives is association with the exceptional class of men who serve with us. As the years pass we are prone to forget on which side of the aisle they sit. While we must at times disagree with them on political and economic questions, that does not mean personal disagreement. After the debatable issue has been settled as it properly should be settled, the friendship and comradeship and mutual regard between those who battle on the proposition is all the stronger.

May I especially concur in the tribute which the gentleman from Ohio [Mr. BROWN] has paid the gentleman from Michigan [Mr. MICHENER]. I regret,

both personally and because of my interest in the House, the retirement of Mr. MICHENER. He has rendered not only distinguished service throughout these critical 30 years, but he is one of the ablest and most accomplished parliamentarians who has served in the House. On that account, as well as for many other invaluable services, he will be missed in the coming Congress.

And AL ENGEL is leaving. He probably has a wider and more comprehensive first-hand knowledge of the United States Military Establishment than any man who has ever sat in either House. To him in no small part is due much of the credit of modernizing and motorizing land branches of the military service.

We have on this side, too, Mr. Speaker, men whose retirement will leave vacancies which it will be difficult to fill.

It is going to be especially difficult to fill STEVE PACE'S place. He has served in a broad field including every interest of the Nation, but his comprehensive knowledge of all questions affecting agriculture and his wise and patriotic contribution to the solution of agricultural problems is perhaps unsurpassed by that of any man who has served in the American Congress in the last half century.

It is going to be hard to find a man to carry on adequately WILL WHITTINGTON'S work. In his service he has written one of the important chapters in the development of the Mississippi Valley.

HARDIN PETERSON also is leaving us, to the general regret of the House. No one leaves more or warmer friends. We tried in vain to dissuade him. When I was in his State recently I found a strong sentiment in favor of drafting him for the governorship of the State. No better selection could be made for that high position. But he will never serve in any official capacity more effectively than he has served here in this body.

SAM HOBBS is retiring in spite of every effort on the part of his colleagues to persuade him to remain. He has long been one of the outstanding members of his committee and the House. We can ill afford to lose him at this critical time.

And our beloved MARY NORTON is retiring after one of the longest and most distinguished services in the history of the House. She has broken many records while here. The first woman to serve as chairman of a standing committee of either House and one of the most useful Members of the House and the Congress.

There are many others who could be named if time permitted who like these are retiring voluntarily although they could have remained here indefinitely. Our hearts go with them. In their retirement we are losing not only useful and experienced legislators and statesmen but warm and valued personal friends.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I am happy to yield to our distinguished Speaker.

Mr. RAYBURN. Mr. Speaker, in the going of EARL MICHENER and JIM WADSWORTH, the gentleman from Michigan and the gentleman from New York, I feel a deep personal loss, because since they have been Members of this House they and I have been warm personal friends. I regret it not only on my own account but also because they are leaving the service of their country and I regret it deeply for our common country. I do not know of two men who have served more faithfully and with greater ability than these two.

The gentleman from Missouri remarked about the gentleman from Michigan [Mr. MICHENER] being a parliamentarian. I have seen him many times preside over the House and over the Committee of the Whole. He did it with great dignity, with great fairness, and with a regard for the rules of the House of Representatives. I think that the gentleman from Michigan [Mr. MICHENER], is one of the most perfect legislators I have ever had the privilege of serving with. He is gentle, he is fine, he is kind; and into his retirement he takes with him my every good wish.

The gentleman from New York [Mr. WADSWORTH] is the same type—maybe a little different, but I always knew that when the gentleman from New York [Mr. WADSWORTH] took the floor the Speaker would have no trouble keeping order because the gentleman from New York always brings a message from the heart and mind that appeals to every Member of this House and would appeal to every patriot throughout the length and breadth of this country if they knew him as we do.

I must say, of course, in the matter of the fine qualities he attained early in life that build the strong physical man and the strong character, that he got some of that out on the bounding prairies of west Texas where he was the manager of a great empire for, I think, 5 years. He carries back with him to his valley in northern New York my deep affection and kindest regards, and my hope that his useful life may be spared for many years to come.

Mr. BROWN of Ohio. Mr. Speaker, I ask unanimous consent that all Members may have permission to revise and extend their remarks relative to the gentleman from Michigan [Mr. MICHENER] and the gentleman from New York [Mr. WADSWORTH] at this point in the RECORD.

Mr. HOPE. Mr. Speaker, I want to express my agreement with everything that has been said today relative to the public service of the gentleman from Michigan [Mr. MICHENER] and the gentleman from New York [Mr. WADSWORTH]. I cannot add anything to the eloquent tributes which have just been paid them. I cannot forego however this opportunity to pay both of them a personal tribute and to express my appreciation of the splendid public service which they have rendered as Members of Congress.

EARL MICHENER was one of the first Members with whom I became acquainted when I came to Congress 24 years ago. I was impressed from the beginning with his knowledge of parliamentary procedure and his ability as a legislator. I made it a point as a new Member to question him on matters of legislation and procedure and found his suggestions, advice, and example most helpful. As the years went by my admiration for his ability and knowledge has increased. I can say without qualification that I have known of no better legislator during my time in Congress than EARL MICHENER. He not only has a thorough understanding of the mechanics of legislation but even more important he has the understanding of human nature and the ability to make wise compromises which are so important in the enactment of legislation.

His influence as a member of such important committees as Rules and Judiciary has been reflected in the provisions of many important laws now on the statute books.

EARL MICHENER has been a hard working Member of Congress but he was never too busy to make himself available for counsel and advice to Members of less experience. I shall always be appreciative of the sound advice and wise counsel which he has given me on many occasions and of the kindly spirit in which it was given. I have frequently referred new Members of Congress to EARL MICHENER as a man who had the correct answers to their questions.

The major part of EARL MICHENER'S life has been devoted to public service. This Congress and the Nation can ill afford to lose him but all of us who know him and have served with him know that he has earned the right to retire from the strenuous life of a Member of Congress. I hope that he may enjoy many happy years as a private citizen secure and serene in the knowledge that his public service constituted a great contribution to his country and that he left the Halls of Congress with the respect and best wishes of every Member with whom he had been associated.

JAMES W. WADSWORTH had a distinguished public career before he entered the House of Representatives. Had he never been a Member of this body his name would have gone down in history as a great legislator and political leader in his own State and as a most able and distinguished Member of the United States Senate.

After such a record there are some perhaps who would have hesitated about starting a new career in the House of Representatives. I am sure that in doing so JIM WADSWORTH had but a single idea in mind—that of serving his country.

During my time in Congress I have known no man who commanded closer attention when he took the floor or whose counsel was more highly regarded by his colleagues. Whenever he spoke he clarified the issues and contributed to the knowledge of the House on the subject under discussion. His course has been characterized by the highest ideals of public service and patriotism. His colleagues know him as a man of wisdom and one to whom the appellation of statesman in its true sense can be given with propriety.

JIM WADSWORTH will be greatly missed in this body. There are none who can take his place. His departure from Congress is a serious loss to the Nation. But I doubt if his leaving means the end of

JIM WADSWORTH'S public service. His wisdom and experience are so preeminent and well known that whether he is in public or private life his advice and counsel on public matters will be sought from near and far.

Mr. FERNANDEZ. Mr. Speaker, everyone in this House joins with the Speaker in the sentiments expressed by him with respect to our esteemed colleagues, the gentleman from New York [Mr. WADSWORTH] and the gentleman from Michigan [Mr. MICHENER]. It is a great tribute to them that all of us, Republicans and Democrats alike, so wholeheartedly join in our expressions of admiration and tribute to both of them.

Working together for years in the public service we learn to love and appreciate men of that character. This is true also in my case with respect to my colleague the gentleman from New Mexico [Mr. MILES], who likewise is leaving the Congress voluntarily and will not be with us after January 1. I, therefore, take this opportunity to say a few words about him as well.

I have known the gentleman from New Mexico, JOHN E. MILES, for many years. He has faithfully served my State in nearly every capacity of public trust. As a pioneer from the State of Tennessee, he settled in New Mexico close to 50 years ago and has been in the public life of the State since 1918, with a short digression into the newspaper field as an associate editor of two newspapers back in the twenties. As one of our most trusted party leaders, he helped to solidify and place the Democratic Party in a dominant position that lasted unbroken for two decades. As its chairman he gained the trust and confidence of the people throughout the State, and as the result he was elected as governor for two consecutive terms. It is characteristic of his down-to-earth humility that when he was first taking that office he declared he did not expect to be a great governor, but that he would try to be a good governor. That he was. The people appreciated his honesty, his sincerity, and his patience—qualities which have endeared him to his colleagues here in the House.

The people of the State rewarded him by sending him to Congress to which he could have been renominated without opposition and reelected without question had he chosen to stay. That he chose otherwise is a tribute to his devotion and loyalty to lifelong friends for whom he stepped aside from a virtually unopposed reelection to Congress, to accept a third nomination for Governor in an uncertain and bitterly contested election.

The members of the Public Lands Committee, where he chose to serve during his term of office, will remember him for his quiet, common-sense, and steadying influence. His pioneering experiences and instinct led him to take a special interest in the West and in our new frontiers. With a subcommittee of the House he made an arduous journey last year to visit the Pacific Islands, including Guam and Samoa, and took a special interest in their problems and aspirations.

During his term as Governor, and during his service in Congress, I have been closely associated with him and have learned to love and admire him as a man among men, free from all affectation or pretense, candid, sincere, and dependable as a rock. We will miss him in the House, where he leaves many friends. As for me, I hope I may have the opportunity of serving closely with him again either here or back in our beloved State.

Mr. FORD. Mr. Speaker, on January 3, 1951, when the curtain is drawn on the Eighty-first Congress, this Nation will lose a truly great public servant in our colleague, Representative EARL MICHENER. EARL MICHENER'S long record with his countless achievements as a legislator for his district, State, and Nation, will forever be the envy of those who serve in the House in the future.

EARL MICHENER has been a personal friend for only 2 years, but in that relatively short period of time I have learned to admire and respect him. His friendly and helpful advice were of great aid and assistance and I will miss his wise words of counsel in the crucial months ahead.

EARL MICHENER, a great American, has left an indelible mark on the pages of history. His colleagues on both sides of the aisle have spoken glowingly of his record which will shine even brighter in the future.

We all wish EARL our very best in health and happiness as he leaves the House, but we want him to know that his good influence will be long felt in the Chambers of this body.

Mr. AUCHINCLOSS. Mr. Speaker, there are many Members of the House of Representatives who, as real patriotic citizens, contribute much to the welfare of our country especially during these difficult times, but I seriously doubt that there are any in our membership who are held in higher esteem by their colleagues than the gentleman from Michigan [Mr. MICHENER] and the gentleman from New York [Mr. WADSWORTH.]

They have served their country faithfully and well, and have always executed their responsibilities with zeal and fidelity. Honor is a word which is too frequently abused, but when one speaks of honor in connection with Mr. MICHENER and Mr. WADSWORTH, he speaks of that rare quality in the highest sense of the word. When I refer to these men as men of honor I mean that they both have that delicate sense of what is right and are uncompromising in their stand for truth.

The House of Representatives, and through it, the Nation can ill afford to lose the services of these outstanding members who are retiring voluntarily, but they have earned their rest and they leave us with the gratitude and affectionate regard of their colleagues who will ever remember them as friends never lacking in warm affection. I venture to suggest that they will not be able to dismiss public service lightly from their minds but will always be ready to come to the aid of their country. I wish them all the good things of life bound up in the happiness and contentment of many years of devoted service.

Mr. ARENDS. Mr. Speaker, as we approach the close of this Eighty-first Congress, I should like to say a few words about the gentleman from Michigan [Mr. MICHENER] and the gentleman from New York [Mr. WADSWORTH] who are concluding their long and distinguished careers in Congress. I do not believe two finer and abler men have served in the Congress of the United States. They rank among the great legislators of all time.

I selfishly wish they had not decided to retire to private life. We will miss them in many, many ways. I do not know where we could possibly find a substitute for the parliamentary skill of the gentleman from Michigan and the persuasive oratory of the gentleman from New York. I can recall the many occasions when I first came to Congress that I solicited the advice of the gentleman from Michigan on some parliamentary rule. He was always patient and understanding with me, and always helpful. I can also recall the many times the gentleman from New York has taken the floor on some major issue to command the complete attention of the House. He always knew his subject. He spoke only when he really had something to say, and he always spoke with clarity and conviction.

Both EARL MICHENER and JIM WADSWORTH are personal friends of mine. Their retirement is a personal loss. I have made several trips with JIM to our international livestock expositions, of which he is a director. He probably knows more about cattle raising than any man in this country. I certainly learned a great deal from JIM.

The more I associated with JIM the greater my affection and respect for him. He always impressed me as the quality of man I should like to see in the White House. He never stooped to conquer. He has always been a man of principle who would never sacrifice principle for expediency. He has always been a man of convictions with the courage of his convictions. There are few like him. There are few with his intellectual, physical, and spiritual stature.

To my good friends, EARL MICHENER and JIM WADSWORTH, I extend my sincerest best wishes. You take with you my highest regards and deepest affection. It is a privilege to call you my friends. You have served your country well. In wishing for you every joy and contentment in the years ahead I know I am expressing the wishes of every Member of this House.

HON. HERBERT HOOVER AND GOV. THOMAS E. DEWEY

Mr. AUCHINCLOSS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. AUCHINCLOSS. Mr. Speaker, I think that Americans everywhere are very much heartened by two recent addresses given by prominent Republicans. I refer to the speech made before the New York County Lawyers Association by Gov. Thomas E. Dewey, and the more recent speech given by the only living ex-President of the United States, Honorable Herbert Hoover.

The one outstanding feature of both of these remarkable addresses was that they were definite, and set forth concrete proposals for the planning of the future. It is immaterial whether we agree with the details suggested by either of these great citizens but their definite proposals indicate far-sighted thinking and the kind of leadership which the country is sorely in need of.

I feel sure that the views of these men will be present in our thoughts in the days ahead because the truth of what they said is inescapable; it is logical; and, it appeals to the liberty-loving people of this great Nation.

I am moved to quote from another great American who was also a Republican, and whose loyalty and fearless courage will always be an inspiration to citizens of the United States. Theodore Roosevelt, in a speech which he made in Chicago in 1899 on the subject, The Strenuous Life, said:

> Our country calls not for the life of ease, but for the life of strenuous endeavor. The twentieth century looms before us big with the fate of many nations. If we stand idly by, if we seek merely swollen, slothful ease, and ignoble peace, if we shrink from the hard contests where men must win at hazard of their lives and at the risk of all they hold dear, then the bolder and stronger peoples will pass us by and will win for themselves the domination of the world. Let us therefore boldly face the life of strife, resolute to do our duty well and manfully; resolute to uphold righteousness by deed and by word; resolute to be both honest and brave, to serve high ideals, yet to use practical methods. Above all, let us shrink from no strife, moral or physical, within or without the Nation, provided we are certain that the strife is justified; for it is only through strife, through hard and dangerous endeavor, that we shall ultimately win the goal of true national greatness.

Theodore Roosevelt might well have said the same things today as we face, at this turn of the half-century, the tremendous responsibilities and problems involving the destiny of mankind. The high moral tone, the straight-forward inspiration, and the will to risk all for the right, can be found in the words of all three of these men. They are the words and the thoughts of true Americans everywhere and it is inspiring for us to know that this spirit of righteousness and strength and clear thinking is still to be found among our great men.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. HESELTON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, to revise and extend my remarks and include tabulations.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. HESELTON. Mr. Speaker, I have introduced a House Resolution No. 889 which has been referred to the Committee on Rules.

It would authorize and direct the Committee on Interstate and Foreign Commerce, or any directly authorized subcommittee thereof, to make a full, complete, and continuing study and investigation of the administration, execution, and enforcement by Government departments and agencies of the export policies and control regulations of the United States.

It provides for a continuing oversight into the effectiveness of measures and efforts instituted for the Federal agencies to prevent the shipment or transshipment of exported materials to countries unfriendly to the United States or to the lack of such measures or efforts.

The resolution also directs the committee to ascertain to what extent, if any, American carriers have been and are authorized in such transportation.

Finally, the committee would be directed to ascertain the names of all those engaged in making such shipments or transshipments.

I have now received a report, which I understand contains all of the criminal cases arising out of violations of these laws and regulations. I have had a partial analysis made in order to outline the facts as to the effectiveness, or lack of effectiveness, in the prosecution and disposition of these cases. I am not prepared to draw any firm conclusions as yet from this analysis, but I think it is necessary to state now that the resolution as drafted should undoubtedly contain a specific direction that the committee should inquire into the effectiveness of any criminal prosecution and into the question of whether existing penalties should be increased. It seems clear to me that procedures in effect prior to June 27, 1950, will be completely inadequate now.

Mr. Speaker, I am including the detailed report with reference to these criminal cases. It is obvious that in some instances, there are very substantial delays between the date when the case was referred and the dates of indictment and sentence. There also seem to be quite a variation in the disposition of the cases. Of course, after a fuller investigation of the entire facts, it would be impossible to make any sound determinations in this field but I am sure the outline indicates the wisdom of action by a congressional committee.

First, I include the covering letter from Nathan Ostroff, general counsel, Office of International Trade:

> DEPARTMENT OF COMMERCE,
> OFFICE OF INTERNATIONAL TRADE,
> *Washington, D. C., December 15, 1950.*
>
> Hon. JOHN W. HESELTON,
> *House of Representatives,*
> *Washington, D. C.*
>
> DEAR MR. HESELTON: Pursuant to our telephone conversation today I am enclosing a list of the export control violations that have been disposed of by administrative action, together with a list of the more serious cases which have been disposed of by way of criminal prosecution.
>
> Since mid-1948, we have instituted 76 administrative proceedings against over 200 United States and foreign individuals and firms for various violations of export controls, including about 20 instances of transshipment or diversion of strategic goods. License revocation and denial orders have now been issued in most of these cases; some are still pending awaiting hearing or decision. These orders have barred United States exporters from shipping, foreign buyers from receiving, and United States and foreign freight forwarders from handling United States goods for various periods of time extending up to the entire future in which United States export controls may remain in effect.
>
> Thirty-seven highly serious cases of violations of export controls have been sent to the Department of Justice. Of these, 23 cases have reached the stages of indictment or conviction; while 14 cases are being reviewed by the United States attorneys for criminal action. Sentences have been handed down including prison terms ranging from 3 months to 10 years, and including fines ranging from $300 to $10,000. The Customs Bureau, which aids in the enforcement of export controls, has also brought over 400 seizure cases since the summer of 1948, involving approximately $1,000,000 of United States goods attempted to be exported in violation of export controls.
>
> You may feel free to use any of this information as you may desire.
>
> Sincerely yours,
>
> NATHAN OSTROFF,
> *General Counsel.*

Criminal cases (under indictment, awaiting trial, or already convicted)

Title	Nature of case	Criminal action	Court	Date referred	Date indicted	Sentenced
Joseph L. Cardona	Unauthorized shipment	Awaiting trial in New Orleans	Louisiana	July 1947	October 1948	
Nicholas R. Benedetti, d. b. a. Pan Pacific Trading Co.	Falsification of shipper's export declarations to ship unlicensed commodity.	Fined $1,500 and year and day imprisonment, suspended for 5 years on probation.	San Francisco	November 1947	June 1948	November 1948.
A. W. Schwimmer et al.	Attempted exportation of 42 combat aircraft engines and aircraft radio parts either not declared or falsely described on declarations, and intended for shipment to Israel (Export Control Act and Neutrality Act).	A. W. Schwimmer, Reynold Selk, Leon Gardner, and Service Airways, Inc., each sentence to pay fine of $10,000.	Los Angeles	September 1948	April 1949	February 1950.
Irving Grossman, alias Charles E. Fox, d. b. a. Pacific Color Co.	Falsification of shipper's export declarations and exportation of commodities not disclosed in declarations.	United States court in Los Angeles sentenced Grossman to 10 years' imprisonment.	do	December 1949	March 1950	May 1950.

Criminal cases (under indictment, awaiting trial, or already convicted)—Continued

Title	Nature of case	Criminal action	Court	Date referred	Date indicted	Sentenced
Thomas P. Lynch	Misrepresentation of commodity for purpose of effecting exportation under general license.	Set for trial in New York	New York, southern district.	October 1948	December 1950	December 1950.
Martin Markowitz et al.	Bribery, conspiracy, and illegal use of licenses.	Martin Markowitz sentenced to year and day imprisonment; Arthur Blumenfeld sentenced to year and day imprisonment plus $5,500 fine and probation for 1 year after expiration of sentence; Rubin Leviton sentenced to 3 years imprisonment plus $11,000 fine and probation for 2 years after expiration of sentence. Trials still pending on several indictments.	do	March 1948	September 1949	February 1950.
Cervo Export Corp. et al.	Unauthorized shipments of streptomycin; falsification of shipper's export declarations.	Corporation fined $1,000; Bernard D. Hirsch and Franko G. Hirsch each sentenced to 18 months imprisonment and fined $2,500 and $1,000, respectively. Trial on another indictment resulted in additional fines of $2,500 each and additional sentences of 1 year and 1 day each.	do	April 1948	December 1948	June 1950.
Robert M. Mistrough.	Falsification of shipper's export declarations; exportation of commodities without license; false representations concerning existence of licenses.	Set for trial in New York (perjury case pending in Washington, D. C.).	do	July 1948	March 1949	Not yet.
Daubion Corp. et al.	Trafficking in licenses and unauthorized exportations.	Awaiting trial	do	July 19, 1948	November 1950	Do.
John A. Quinn and Thomas Quinn.	Forgery of export licenses and falsification of shipper's export declarations.	John A. Quinn sentenced to 18 months' imprisonment to be served at conclusion of New York State sentence of 15 months to 2½ years on attempted grand larceny charge. Thomas Quinn sentenced to 18 months' imprisonment on each count of 2 indictments, sentences to run concurrently.	do	November 1948	February 1949	May 1949.
Arthur Harris	False statements to obtain licenses	Awaiting trial	do	June 1949	November 1950	Not yet.
Wisconsin Farms, Inc., et al.	Misrepresentation of merchandise exported; exportation of merchandise in excess of that licensed and lawfully exportable.	Wisconsin Farms and Aaron Kelin (perpetrator of violation) each sentenced to pay fine of $2,500. Imposition of prison sentence on Kelin suspended; placed on probation for 1 year.	do	September 1949	March 1950	April 1950.
Penn Export Petroleum Division.	Misrepresentation of commodity	Individual given suspended sentence 1 year and 1 day; corporation fined $2,000.	New York	October 1949	May 1950	October 1950.
International Manufacturing & Equipment Co., Inc.	Transshipment of mine carloader	Awaiting trial	New York, southern district.	December 1949	May 1950	Not yet.
Aceto Chemical Co.	Transshipment	do	do	do	do	Do.
C. L. Janik, Rockefeller Plaza.	do	do	do	September 1950	December 1950	Do.
Cervo Export Corp. et al.	Unauthorized shipments of streptomycin; falsification of shipper's export declarations.	Corporation fined $1,000; Bernard D. Hirsch and Franko G. Hirsch each sentenced to 18 months imprisonment and fined $2,500 and $1,000, respectively. Trial on another indictment resulted in additional fines of $2,500 each and additional sentences of 1 year and 1 day each.	New York, eastern district.	April 1948	April 1949	April 1950.
Peter K. Semadis and Semadis & Co.	Submission of false donor-donee lists in effecting gift shipments; violation of suspension order.	Fined $300 (Semadis)	do	March 1949	December 1949	Do.
Minos K. Zongos	do	Zongos sentenced to pay fine of $100 on each of 3 counts of making exportations during period of suspension order and contrary to terms thereof.	do	May 1949	do	Do.
Orlando Lokpez	Attempted bribery and presentation of fraudulent licenses.	Sentenced to 3 to 9 months imprisonment by United States district court in Washington, D. C., on attempted bribery charge. United States attorney for southern district of New York has declined prosecution for violations of export control laws.	District of Columbia.	August 1948	September 1948	December 1948.
Greek Railway Express, Inc.	Submission of false donor-donee lists in effecting gift shipments.	Corporation sentenced to pay fine of $250. Case against individuals dismissed.	do	November 1948	September 1949	February 1950.
Robert J. Badal	Attempted bribery	Badal fined $1,000 and imprisoned for 2 years, suspended for 5 years.	Houston, Tex.	August 1948	September 1948	April 1950.
Pacific Trading Corp.	Transshipment	Arrested, awaiting indictment	Boston, Mass.	April 1950	November 1950	

Next, I include a description of 12 cases which are either pending hearing or awaiting decision before the Compliance Commissioner. The names are omitted because of the circumstances.

Names are omitted from the following cases which are either pending hearing or awaiting decision before Compliance Commissioner:

Case No. 1 (four companies): Switzerland, Italy, and Holland; false representations for license to ship boring and turning mill to Italy and transshipment to Hungary, without authorization; pending decision.

Case No. 2 (one corporation and two individuals): New York, N. Y.; false representations and transshipment of lubricating oil from Switzerland to Austria; pending decision.

Case No. 3 (one company): Zurich, Switzerland; false representation as to order for caterpillar tractors to Switzerland; awaiting decision.

Case No. 4 (four companies and two individuals): Split shipments of steel sheets to Ireland contrary to general license GLV; pending decision.

Case No. 5 (one individual): Union of South Africa; false representations and diversion of jute bags from Venezuela to South Africa; awaiting hearing.

Case No. 6 (one company and two individuals): Brooklyn, N. Y.; false representation to induce license for shipment of chemical to Hong Kong, actually intended for transshipment to China; also violation of suspension order; awaiting decision.

Case No. 7 (one company and two individuals): New York and Denmark; false representations to obtain license for shipment of chemical to Denmark, with intent to transship; awaiting hearing.

Case No. 8 (one company and one individual): New York, N. Y.; false representation to obtain license for shipment of chemical to Belgium, actually transshipped to Hungary; awaiting hearing.

Case No. 9 (one individual): New York, N. Y.; transshipment of electronic equipment from Italy to Czechoslovakia and un-

licensed shipments to Czechoslovakia; awaiting decision.

Case No. 10 (one company and four individuals): London, England; false representation by consignee abroad to obtain license for shipment of molybdenum to England, actually transshipped to U. S. S. R.; awaiting decision.

Case No. 11 (one company and two individuals): Switzerland; false representations by consignee abroad to obtain license for shipment of pavers to Switzerland, intended to be transshipped to Hungary; awaiting hearing.

Case No. 12 (two corporations and four individuals): New York and Belgium; false representations to obtain license for shipment of ball bearings to Belgium, actually transshipped to Switzerland; awaiting decision.

Next, I include a descriptive list of a substantial number of cases handled through administrative procedures:

Swiftway Enterprises, Inc., and three individuals, New Orleans, La.: False representations for licenses to ship steel bars to Dominican Republic and unlicensed shipment of same commodity to Cuba. August 10, 1948—Order suspending license privileges for 3 months.

Dalton-Cooper, Inc., and three individuals New York, N. Y.: Unlicensed shipment of lead to South America. May 1, 1948—Order suspending privilege to export lard for 3 months.

American Hellenic Corp. and two individuals, New York, N. Y.: Fraudulent gift-parcel shipments to Greece. October 14, 1948—Order suspending all license privileges for duration of export controls.

Oceanic Express Co. and one individual, New York, N. Y.: Fraudulent gift-parcel shipments to Greece. December 23, 1948—Order suspending license privileges for 6 months.

Superior Packing Co. and one individual, New York, N. Y.: Fraudulent gift-parcel shipments to Italy. December 2, 1948—Order suspending license privileges for 1 year.

Henry Robinson, New York, N. Y.: Trafficking in licenses for shipments of tinplate to Yugoslavia. March 7, 1949—Order suspending all license privileges for 6 months.

The Traders Syndicate and three individuals, New York, N. Y.: Unlicensed shipments of caustic soda to India. February 28, 1949—Order suspending all license privileges for 60 days.

Belimex Corp. and three individuals, New York, N. Y.: False representations and attempted transshipment of ball bearings from Belgium to Czechoslovakia, August 3, 1949—Order suspending all license privileges for duration of export controls.

Sheldon Merchandising Corp., two individuals, and one corporation, New York, N. Y.: Split shipments of streptomycin in violation of provisions of general license GLV. January 31, 1949—Order suspending all license privileges for 6 months.

Vilco, Inc., and two individuals, New York, N. Y.: Split shipments of streptomycin to Hong Kong in violation of provisions of general license GLV. December 24, 1948—Order suspending all license privileges except general license GO and GRO for 3 months.

I. D. Talve Trading Co., five individuals, and two companies, Brooklyn, N. Y.: Submission of false and altered firm orders in applications for export of soda ash and caustic soda to India. February 7, 1949—All license privileges suspended for 6 months. March 25, 1949—Appeals board decision reducing general license suspension to 2 months and validated license suspension to 3 months.

Murray M. Nelson, three individuals, and four companies, New York, N. Y.: Submission of false documents in support of applications for licenses, and misrepresentation of applicant on applications. March 23, 1949—Order suspending all license privileges for duration of export controls.

E. A. Bromund Co. and one individual, New York, N. Y.: Alteration of license as to destination, commodity, quantity, and price. March 30, 1949—Order suspending all license privileges for 3 months.

Arthur Harris and two corporations, New York, N. Y.: Submission of forged documents in support of applications for licenses, and exportation at price in excess of licensed price. April 1, 1949—Order suspending validated licenses for 9 months and general licenses for 2 months.

Nicholas R. Benedetti and one company, San Francisco, Calif.: Misdescription of commodity for purpose of effecting exportation of streptomycin under general license. March 31, 1949—Order suspending all license privileges for duration of export controls.

Thomas P. Lynch and one company, New York, N. Y.: Misrepresentation of commodity for purpose of effecting exportations of sanitary ware under general license, to Colombia. August 15, 1949—Order suspending all license privileges for duration of export controls.

Milton Berk, Newark, N. J.: Split shipments of streptomycin to Cuba contrary to general license GLV. May 25, 1949—Order suspending license privileges for duration of export controls.

Iro Trading Co., three individuals and one corporation, New York, N. Y.: Trafficking in license for shipment of caustic soda to India. August 25, 1949—Order suspending validated license privileges for 30 days.

American General Supply Corp., five individuals, and four corporations: Split shipments of streptomycin to Brazil contrary to general license GLV. June 1, 1949—Warning letter issued to all respondents.

Semadis & Co. and one individual, New York, N. Y.: Fraudulent gift parcel shipments to Greece. March 24, 1949—Order suspending all license privileges for durating of export controls.

David Schkolnik Sons and three individuals, New York, N. Y.: False representations to induce license for caustic soda to Pakistan. August 26, 1949—Order suspending validated license privileges for 3 months.

Elameric Co., Inc., and three individuals, New York, N. Y.: Fraudulent gift parcel shipments to Greece. August 26, 1949—Order suspending all license privileges for 3 months, plus additional 6 months for gift parcels.

Joseph R. Awad and one company, New York, N. Y.: False representations to obtain licenses for lard to Venezuela. July 28, 1949—Order suspending all license privileges for 2 months.

Wisconsin Farms, Inc., and three individuals, New York, N. Y.: False representation to export lard without license, disguised as gift parcels. August 26, 1949—Order suspending all license privileges to one individual for duration of export controls. Other respondents similarly barred for 30 days.

Pacific & Atlantic Overseas Trade Corp. and four individuals, New York, N. Y.: False representations to obtain licenses for flour and lard to Nicaragua. August 18, 1949—Order suspending all license privileges for 30 days.

Daubion Corp. and four individuals and two companies, New York, N. Y., Cleveland, Ohio, and Washington, D. C.: Trafficking in license and unauthorized export of barbed wire to Cuba. August 15, 1949—Order suspending all license privileges of one individual and one company for 6 months; all other respondents for 3 months.

Edwards International Corp. and three individuals, New York, N. Y.: Attempted transshipment of tires and tubes from Italy to Turkey or Rumania. August 16, 1949—Order suspending validated license privileges to R countries for 2 years and general licenses to all countries for 2 months. May 18, 1950—Order modified reducing suspension to 1 year.

Wisconsin Farms, Inc., and three individuals, New York, N. Y.: Fraudulent gift-parcel shipments to Germany. Case consolidated with first Wisconsin Farms case above, and consolidated order entered. See above.

Theodoros Miller, one individual and two companies, New York, N. Y.: Fraudulent gift-parcel shipments to Greece. September 16, 1949—Order suspending all license privileges for 4 months.

American Firstoline Corp., three individuals and two corporations, New York, Mexico, and Texas: Unlicensed shipment of carbon black to Mexico with intent to transship to Holland or Belgium. October 4, 1949—Order suspending all positive list exports for 1 year, as to one corporation and one individual. January 26, 1950—Order suspending all positive list exports to Mexican corporation and individual for 6 months, and suspended sentence 1 year's suspension on other respondents.

United States Intertrade Corp., five individuals and four corporations, New York, N. Y.: Trafficking and unlawful use of licenses for caustic soda to India. February 3, 1950—Order suspending validated license privileges of one corporation and individual, 4 months; two corporations and two individuals, 3 months; two corporations and two individuals, 2 months.

International Manufacturing & Equipment Co., Inc., and three individuals, New York, N. Y.: False representations with intent to transship mine carloader from Switzerland to Czechoslovakia. November 9, 1949—Order suspending validated license shipments of positive list commodities to group R countries for 6 months.

Allied Universal, Inc., and one individual, New York, N. Y.: Attempted transshipment of silicon steel sheets from Holland. October 25, 1949—All license privileges suspended for 6 months.

Maxwell Meyers Affiliation, Ltd., Inc., six individuals and two corporations, New York, N. Y.: Unauthorized transfer and use of license and shipment of wire nails in excess of quantity licensed. November 9, 1949—Order suspending positive list shipments for 9 months for one corporation and one individual, and for 1 year for one corporation and one individual.

Ralph F. Marotte, Miami, Fla.: Unauthorized use of license to effect an exportation of lard. August 18, 1949—Order suspending validated license privileges for 3 months.

Penn Export Petroleum Division of Harvey Watkins Associates, Inc., and one individual, New York, N. Y.: Misrepresentation of commodity in obtaining license and effecting exportation of fully refined paraffin wax to Norway. September 12, 1949—Order suspending validated and general license privileges for 3 months with exception of limited quantities of shipments of white oil or petrolatum to Latin-American countries.

Shawnee Milling Co., Inc., two individuals and one company, Kansas City, Mo., and San Francisco, Calif.: Diversion of shipment of flour from Philippines to same consignee in Hong Kong. April 17, 1950—Order suspending all license privileges of two individuals for 6 months, to be held in abeyance.

Frawley Chemical Corp. and one individual, New York, N. Y.: Split shipments of streptomycin to Hong Kong in violation of general license GLV. November 10, 1949—Order suspending validated license privileges for period of 60 days.

Aceto Chemical Co., Inc., and three individuals, New York, N. Y.: Misrepresentations in preparing applications for licenses and shipper's export declarations for purpose of effecting transshipment of 25,000 pounds of dibutyl phthalate from Belgium to Czechoslovakia. November 21, 1949—Order suspending all license privileges for 6 months.

Maurice Carten and one company, New York, N. Y.: Misrepresentation of toilet bowls for purpose of exporting under general

license. May 5, 1950—Order suspending all license privileges for 60 days.

Coal Export Corp., New York, N. Y.: Misrepresentation for purpose of effecting transshipment of chemicals from Holland to Germany. January 26, 1950—Order suspending for 90 days validated license privileges for shipment of positive list coal-tar products.

Indiex Trade Service, Inc., six individuals and two companies, New York, N. Y.: Trafficking in license and overshipment of caustic soda to authorized consignee and destination. July 3, 1950—Order suspending all license privileges for positive list commodities for 6 months with respect to one corporation and one respondent, and for 3 months with respect to one individual.

Charles G. Beth Export Corp. and two individuals, New York, N. Y.: Transshipment of 250 tons of lard from Holland to Austria, whereas Germany was authorized destination. Awaiting decision.

Prometheus Trading Co. and one individual, New York, N. Y.: Fraudulent gift parcel shipments to Greece. January 24, 1950—Order suspending all license privileges for 30 days.

Arthur Harris, two corporations and three individuals, New York, N. Y.: Violation of suspension order; misrepresentations on shippers export declarations. August 7, 1950—Order suspending all license privileges for positive list commodities for 6 months.

LaRapida Co. and two individuals, New York, N. Y.: Fraudulent gift parcel shipments to Italy and Yugoslavia. March 10, 1950—Order suspending all license privileges for duration of export controls.

Siegel Chemical Co., Inc., and two individuals, Brooklyn, N. Y.: Attempted transshipment of chemical from Switzerland to Czechoslovakia. February 23, 1950—Order suspending all license privileges for shipment of positive list commodities for 6 months. May 10, 1950—Appeals board decision reduced suspension of company and one individual from 6 to 3 months.

Berwin Trading Co., Inc., two corporations and two individuals, New York, N. Y.: False representations for licenses to ship wire to South Africa. February 23, 1950—Order suspending validated license privileges for 3 months and general license privileges for 30 days.

Minos K. Zongos, two companies and one individual, Long Island and Bronx, N. Y.: False representations and violation of suspension order. July 27, 1950—Order suspending positive list shipments for 1 year.

Rolf G. Grote, New York, N. Y.: Transshipment of chemicals from Switzerland to U. S. S. R. July 3, 1950—Order barring all positive list shipments for duration of export controls.

Alex Pruzan, New York, N. Y.: False representations for shipments of commodities to Spain. March 24, 1950—Order suspending all license privileges for duration of export controls.

Harris Chemical Corp. and three individuals, New York, N. Y.: False representations for license to ship chemicals to Belgium with knowledge of intended transshipment to Czechoslovakia. April 28, 1950—Order suspending all positive list shipments for 4 months.

John Rentzeperis and one corporation, New York, N. Y.: Violation of suspension order against Oceanic Express Co., owned by him. March 24, 1950—Order barring all exportations for duration of export controls.

David Einhorn, nine companies and nine individuals, New York and Colombia: Split shipments of steel sheets to Colombia contrary to CLV general license. August 31, 1950—Order barring positive list shipments for 1 year as to one respondent and one corporation; for 4 months for two individuals and two companies; for 2 months for one individual and one company; 20 days for one company; warning letters sent to four individuals and four companies; charges dismissed as to one company and two individuals. September 22, 1950—Order set aside as to company suspended for 20 days, and remanded for rehearing, now pending.

Pacific Trading Corp. and one individual, Boston, Mass.: False representation and transshipments of steel sheets to China and Europe. February 1, 1950—Order suspending positive list shipments for 4 months.

Paul Wormser, Zurich, Switzerland: False representations and transsipment of chemical from Switzerland to Czechoslovakia. May 19, 1950—Order barring all positive list shipments for duration of export controls.

Leon N. Rodeil Co. and Contrax, A. G., and two individuals, New York and Switzerland: False representations for license to ship chemical to Switzerland with knowledge of consignee's intention to transship to Eastern Europe. June 29, 1950—Order suspending all positive list shipments for 6 months and other commodities for 60 days. August 30, 1950—Case dismissed as to Swiss company and individual.

Theodore E. Kedros, and two other individuals, New York, N. Y., and Trieste: False representations and transshipment of tires from Trieste to Yugoslavia. July 28, 1950—Order barring all positive list shipments by United States participant for duration of export controls. December 5, 1950—Order suspending for duration of export controls the privilege of Trieste respondents of participating in any capacity in positive list exports from the United States to any destination.

Finally, I wish to include three recent press dispatches from Hong Kong with reference to the action taken to prevent strategic materials reaching Communist China and Russia and its satellites.

I do not know whether any billion-dollar lobby has made any effort to make itself heard at Washington quickly, but I suggest that if there is any such effort made, it points up the wisdom of having this suggested investigation by our House committee.

I want to call particular attention to the third of these dispatches with reference to the value of the shipments of strategic materials and to the accounts of materials which have been shipped.

I requested today as full a report as possible in connection with the advice that the Danish ship *Henrich Jessen* was scheduled to sail today for Communist China with aluminum ingots and scrap rubber, among other items.

UNITED STATES EXPORT BAN DEALS BIG BLOW TO HONG KONG—SOME BUSINESSMEN THERE FEAR GHOST CITY WILL ARISE; DOLLAR DECLINES

HONG KONG, December 10.—This British crown colony has virtually stopped functioning economically as the result of the American ban on critical exports which might find their way into the hands of Communists. Some observers held the view today that Great Britain's last foothold in China may become a "ghost city" of the Far East.

Two factors, they said, should determine whether Hong Kong will change, perhaps overnight, from one of the British Empire's biggest dollar earners to one of its biggest white elephants:

1. How far the American Government will go in enforcing its embargo, announced Friday, on "strategic" exports to Hong Kong;

2. How closely the line will be drawn between strategic and nonstrategic goods.

When news of the ban hit Hong Kong Saturday, the American dollar dropped in the exchange market from 6.45 Hong Kong dollars to 6.17, the lowest rate in nearly 9 months. Businessmen predict that in the next few days it may drop to the official rate, 5.79.

BANKS HARD HIT

American banks and Chinese banks with branches in the United States are refusing to issue letters of credit for would-be exporters.

It is perhaps ironic that American bankers should be so seriously hit by their own Government's action to stop movement of strategic goods into Communist China. This, in broad terms, is how the ban works:

A Chinese merchant in Hong Kong wants to buy $3,000 worth of goods in the United States for resale to Red China. He purchases a letter of credit from an American bank in Hong Kong, paying, say, $1,000 (U. S.) in cash and promising to pay the other $2,000 when the goods are delivered and resold.

MERCHANTS LOSE

Then the United States imposes a ban on exports to Hong Kong, and the already purchased and paid-for merchandise cannot be delivered. The bank in Hong Kong has lost its $2,000. The Hong Kong merchant has lost his $1,000 in cash.

Fifteen percent of Hong Kong's imports are purchased in the United States. With this in mind, it should be easy to see how Hong Kong's future could be affected by rigid enforcement of the American export restrictions.

However, some American banking sources here predict that the United States will be forced to relax the order. They say the "billion-dollar lobby" of American banking, shipping, and insurance interests is bound to make itself heard at Washington quickly.

HONG KONG URGES PROTEST OF UNITED STATES BLOCKADE OF COLONY

HONG KONG.—The Hong Kong Government has called on British Colonial Secretary James Griffiths to make the strongest representations to Washington on the "American blockade" of this colony.

A government spokesman said that the blockade was likely to have serious repercussions in the colony and would halt its trade and industry.

The American ban announced this month bars United States ships and planes from carrying "strategic materials" destined for Communist China and Russia and its European satellites. The ban included Hong Kong and the neighboring Portuguese colony of Macao, to make sure that goods would not be forwarded from these ports to China.

The Hong Kong spokesman pointed out that this colony "has already banned the export to China of a whole variety of strategic materials, of which the most important are oil and petroleum products."

Official and private sources here estimate that the colony will lose millions of pounds sterling if the United States does not relax its ban on imports to the colony.

They also are concerned over the possibility of widespread unemployment and labor trouble.

The ban, in its present form, will affect most of the 87,000 Chinese workers in Hong Kong's registered industries, as well as tens of thousands in small firms, according to industrial sources.

They say it already has jeopardized the future of 13 cotton mills and many enamelware, flashlight, match, and other industries using American raw materials.

The ban is also reported to be affecting Hong Kong's huge warehouse trade, by which it breaks down and distributes shipments of many goods to other countries.

STRATEGIC GOODS ARE HIGH ON HONG KONG EXPORT LIST

HONG KONG, December 21.—Shipments of strategic materials from Hong Kong to Communist China made up nearly one-half of

Hong Kong exports during November, official figures showed today.

The Chinese Reds bought rubber, pharmaceutical products, dyestuffs, tanning materials, iron, and steel in large quantities.

Total exports for November were 442,000,000 Hong Kong dollars ($77,350,000), of which 214,000,000 ($37,350,000) went to China and Portuguese Macao, off the coast.

Raw rubber was the largest single export item to China and Macao.

The trade figures also indicated that Nationalist China—now Formosa Island—and Communist China still were exchanging products, with Formosan sugar being traded for north Chinese soybeans.

The Danish ship *Henrich Jessen* is lying here with more than 27,000 aluminum ingots destined for Communist China, scheduled to sail Friday.

Aluminum is on the United States export blacklist, but not on that of Hong Kong. The cargo also includes dyestuffs, scrap rubber, and gunny sacks.

MRS. ROBERT P. HORRELL

Mr. KEATING. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1139) for the relief of Mrs. Robert P. Horrell.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. ARENDS. Mr. Speaker, reserving the right to object, I wish the gentleman would explain this bill to the membership of the House.

Mr. KEATING. Mr. Speaker, this is a private bill for the relief of Mrs. Robert P. Horrell, widow of Robert P. Horrell, in the amount of $4,344.13. It involves an insurance claim. The deceased served in the Armed Forces, and through a certain amount of confusion was not permitted to take out the insurance to which he would otherwise have been entitled in the amount of $10,000. The Committee on Claims and the Committee on the Judiciary felt that it was improper to allow him the $10,000, but this lesser figure is based upon the present amortized value of $25 a month for 240 months. This bill has passed the Senate and comes to us from that body.

The gentleman from Florida [Mr. BENNETT] is interested in the bill, and I am only acting by direction of the Committee on the Judiciary, and would therefore be happy to yield to the gentleman from Florida for any further explanation regarding the bill.

Mr. ARENDS. Mr. Speaker, I withdraw my reservation of objection.

Mr. BENNETT of Florida. Mr. Speaker, I am acting on behalf of my colleague, the gentleman from Florida [Mr. HERLONG], whose constituent is involved in this legislation. As I understand the situation the serviceman involved requested permission to get the insurance in a formal manner, and the only reason he did not fill out the insurance papers was because they did not have the form to let him do it in the way they thought it ought to be done. In the meantime the young man lost his life. It was felt by the committee, as I understand, that the man should have some compensation for it. They reduced the claim, but they have allowed the approximate amount which was requested. In my opinion it is a fair bill, and I do not think it is a type of legislation that could be expanded very greatly where a great many other people could come in; in other words, I do not think it opens the door very wide, because in this particular instance the evidence is clear and conclusive that he requested permission to take out the insurance, and the only reason he did not actually fill in the form was because they did not have the proper type of form for him to fill out.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. I would like to ask the gentleman from Florida, and I am in hearty sympathy with the principle of the bill, would it apply to a Navy man who intended to fill out his insurance papers and then was killed in an accident at sea? What I mean by that is, this particular case looks to me as though it was somewhat analogous to the case of a widow who was attempting to recover insurance in maintaining that she was named as the beneficiary of her husband, and yet he never signed the papers. I wonder whether this would be analogous to the gentleman's case.

Mr. KEATING. If I may be permitted, I suggest to the gentleman from New York that he introduce a private bill if he feels it is meritorious, and it will be considered in due course.

Mr. EDWIN ARTHUR HALL. I am for the gentleman's bill in principle, because I have had the same situation arise. But if that would set a precedent for the type of bill I have in mind, I would certainly be in favor of it. I think it is very fair.

Mr. KEATING. Has the gentleman introduced a bill on this matter?

Mr. EDWIN ARTHUR HALL. I introduced one a year ago. They have just been fussing along with it, to be honest with the gentleman about it.

Mr. KEATING. The gentleman's particular bill has not come to the attention of the gentleman now speaking to the House. If the gentleman will reintroduce his bill in the next Congress, I feel he will be granted a hearing before the Committee on Claims if he requests it. There may be and may not be any difference between that and the bill we have before us.

Mr. EDWIN ARTHUR HALL. I cannot object to the bill. I am glad to see the gentleman bring it up, but I think if this sets a precedent there are others that should be allowed to come under that category. I know I have one such case, and I imagine other Members have.

Mr. SMATHERS. Mr. Speaker, will the gentleman yield?

Mr. KEATING. I yield to the gentleman from Florida.

Mr. SMATHERS. The only difference is that in this particular case the young man actually evidenced his intention by going originally to the officer and attempting to get insurance. He was turned down. There is a record of that having happened.

Mr. EDWIN ARTHUR HALL. May I say to the gentleman that mine is exactly the same sort of case. Mine is the case of a widow whose husband had declared his intention, but he was killed the very next day and did not have the opportunity to sign his insurance. Therefore, if we are going to start passing bills like this, I can bring in at least one, and I hope others will, too. I hope this bill passes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury is authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Robert P. Horrell, of Orlando, Fla., the sum of $4,344.13 as a gratuity for the death of her husband, Lt. Robert P. Howell, United States Naval Reserve, who died on December 25, 1942, as the result of an illness contracted in active naval service: *Provided*, That no part of the amount appropriated in this act in excess of 10 percent thereof shall be paid or delivered to or received by any agent or attorney on account of services rendered in connection with this claim, and the same shall be unlawful, any contract to the contrary notwithstanding. Any person violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof hall be fined in any sum not exceeding $1,000.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

ELECTION OF SPEAKER PRO TEMPORE

Mr. HAYS of Arkansas. Mr. Speaker, I offer a resolution (H. Res. 891) and ask for its immediate consideration.

The SPEAKER. The Chair desires to say to the House that he will not be here next Tuesday or next Thursday. Therefore, it becomes necessary to elect a Speaker pro tempore.

The Chair takes this opportunity to wish each and every one of you a happy holiday, and hopes that you will get a good rest, that you come back invigorated and able and willing to do real hard work in passing upon questions that are world-shaking, indeed.

Mr. COX. Mr. Speaker, if the Chair will yield to me, may I give him assurance that he takes with him on his visit to his old home the love of his fellows here in the House.

The Clerk read the resolution, as follows:

Resolved, That Hon. WILBUR D. MILLS, a Representative from the State of Arkansas, be, and he is hereby, elected Speaker pro tempore during the absence of the Speaker.

Resolved, That the President of the Senate be notified by the Clerk of the election of Hon. WILBUR D. MILLS as Speaker pro tempore during the absence of the Speaker.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MILLS took the oath of office as Speaker pro tempore.

SIGNING OF ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. HAYS of Arkansas. Mr. Speaker, I ask unanimous consent that notwithstanding the adjournment of the House until Tuesday next, the Clerk may receive messages from the Senate and that the Speaker pro tempore be authorized

to sign any enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

COMMITTEE ON WAYS AND MEANS

Mr. MILLS. Mr. Speaker, I ask unanimous consent that the Committee on Ways and Means may have until midnight tonight to file a conference report on the excess-profits-tax bill, H. R. 9827.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

EXCESS-PROFITS TAX ACT OF 1950—CONFERENCE REPORT

Mr. DOUGHTON submitted a conference report and statement on the bill (H. R. 9827) to provide revenue by imposing a corporate excess-profits tax, and for other purposes.

EXTENSION OF REMARKS

Mr. GWINN (at the request of Mr. PHILLIPS of California) was given permission to extend his remarks in two instances and include extraneous matter.

Mr. JOHNSON asked and was given permission to extend his remarks and include an article entitled "Dinosaur National Monument" which is estimated by the Public Printer to cost $225.50.

Mr. McGREGOR asked and was given permission to extend his remarks and include a newspaper article.

Mr. CANFIELD asked and was given permission to extend his remarks and include a telegram.

Mr. BECKWORTH asked and was given permission to extend his remarks and include an editorial.

Mr. RIVERS asked and was given permission to extend his remarks in two instances and include therewith two articles.

Mr. RHODES asked and was given permission to extend his remarks and include an article from the Philadelphia Bulletin.

Mr. ASPINALL asked and was given permission to extend his remarks and include extraneous material.

Mr. GOSSETT asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. CARNAHAN asked and was given permission to extend his remarks in the RECORD and include an article.

Mr. BLATNIK asked and was given permission to extend his remarks in the RECORD in two instances; in one to include an address by Secretary of Defense Marshall, and in the other an editorial.

Mr. ELLIOTT asked and was given permission to extend his remarks and include extraneous matter.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD.

Mr. WADSWORTH (at the request of Mr. KEATING) was given permission to extend his remarks in the RECORD.

Mr. WILLIAMS asked and was given permission to extend his remarks in the RECORD and include extraneous material.

MERRY CHRISTMAS TO ALL

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I just wish to send a message to the Speaker—a very merry and happy Christmas, and thank him for his patience during these trying days, to thank the leaders and thank all my colleagues in the House, to thank all of the pages and clerks and everybody here, all of the members of the press, and wish them a most merry Christmas and a happy new year and peace on earth, good will toward men.

COL. CHARLES J. TREES, AUS

Mr. GOSSETT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 5244) for the relief of Lt. Col. Charles J. Trees, Army of the United States.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

Mr. TABER. Mr. Speaker, reserving the right to object, what is this bill about?

Mr. GOSSETT. It is a private claims bill from the Committee on the Judiciary. As the gentleman knows, I do not serve on that committee.

Mr. TABER. For whose benefit is it?

Mr. GOSSETT. It involves a man by the name of Trees.

Mr. TABER. Mr. Speaker, I object.

DUAL FEDERAL EMPLOYMENT

Mr. McCARTHY. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 2351) to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

Mr. SCRIVNER. Mr. Speaker, reserving the right to object, this is the measure which was brought up yesterday and to which I raised objection as to its consideration at that time. The objectionable portions of the bill will be deleted by amendment as a result of discussion on this particular measure with the leaders of the committee of the other body.

Mr. Speaker, I withdraw my reservation of objection.

Mr. HARRIS. Mr. Speaker, further reserving the right to object, I should like to inquire if there will be an opportunity to offer an amendment which would make the application of the exception to the Recreation Board of the District of Columbia similar to that of the Board of Education.

Mr. McCARTHY. I certainly have no objection to that, Mr. Speaker.

Mr. HARRIS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That unless otherwise specifically authorized by law, any person receiving compensation from any office or position, appointive or elective, under the United States or any department or agency thereof, including Government-owned or controlled corporations, or under the government of the District of Columbia, shall not be eligible to receive compensation from any other such office or position except to such extent as will not cause the combined amounts actually received for any period of time to exceed the rate of $5,000 per annum: *Provided*, That when the compensation of either office or position amounts to or exceeds the rate of $5,000 per annum such person shall be eligible to receive the compensation of either office or position, as he may elect.

SEC. 2. For the purpose of this act, an hourly rate, other than an hourly rate which is paid as a proportionate part of an annual rate, shall be multiplied by 2,080 to obtain an equivalent annual rate for the position; and a daily rate, other than a daily rate which is paid as a proportionate part of an annual rate, shall be multiplied by 260 to obtain an equivalent annual rate for the position.

SEC. 3. As used in this act, the phrase "compensation from any office or position" shall be construed to include any basic salary, wages, or other emolument, including permanent additions such as statutory pay increases, but excluding any temporary additions such as overtime pay or night differential, for or on account of service as a civilian officer or employee of the United States, or any department or agency thereof, including Government-owned or controlled corporations, or of the government of District of Columbia, and retired pay on account of services as a commissioned officer in any of the services specified in the Pay Readjustment Act of 1942 (U. S. C., title 37, sec. 101 and the following), but nothing in this act shall be construed to apply to retired pay of enlisted men or warrant officers of such service retired for any cause, nor to retired pay of Regular, Reserve, or temporary commissioned officers retired for disability incurred in combat with an enemy of the United States or for disabilities resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment as provided in Veterans Regulation No. 1 (a), part I, paragraph I, nor to retired pay of any officer, warrant officer, or enlisted person retired under provision of title III of Public Law 810 of the Eightieth Congress, as amended, when such retirement is effected during the time such person is so employed as to otherwise come under the provisions of this act as set forth in section 1 hereof.

SEC. 4. The provisions of this act may be suspended by order of the President during any period of national emergency when in his opinion the public interest would be served by making the services of Federal officers and employees available for additional duty.

SEC. 5. (a) All laws or parts of laws inconsistent with the provisions of this act are hereby repealed, and such repeal shall include but shall not be limited to the following acts and parts of acts:

(1) Section 2 of the act of July 31, 1894 (28 Stat. 205, as amended by the act of May 31, 1924, 43 Stat. 245); section 6 of the act of July 30, 1937 (50 Stat. 549); and the act

of June 25, 1938 (52 Stat. 1194), relative to the holding of two offices (U. S. C., title 5, sec. 62).

(2) Section 6 of the act of May 10, 1916 (39 Stat. 120), as amended by the act of August 29, 1916 (39 Stat. 582), relative to double salaries (U. S. C., title 5, secs. 58 and 59).

(3) Section 212 of the act of June 30, 1932 (47 Stat. 406), as amended by section 3 of the act of July 15, 1940 (54 Stat. 761), relative to limitation of retired pay received for commissioned service when combined with civilian salary (U. S. C., title 5, sec. 59a).

(4) Revised Statutes, section 1763, relative to the receiving of compensation from more than one office.

(5) Revised Statutes, section 1764, relative to additional compensation for extra services (U. S. C., title 5, sec. 69).

(6) Revised Statutes, section 1765, relative to additional compensation to any person whose salary is fixed by law or regulation (U. S. C., title 5, sec. 70).

(7) Section 7 of the act of June 3, 1896 (29 Stat. 235), relative to retired officers of the Army and Navy employed on river and harbor improvements (U. S. C., title 5, sec. 63).

(8) Section 9 of the act of October 6, 1917 (40 Stat. 384), relative to teachers in the public schools of the District of Columbia who are also employed as teachers of night schools and vacation schools (U. S. C., title 5, sec. 61).

(9) Act of July 8, 1918, section 1 (40 Stat. 823), last paragraph under the heading "Public schools", relative to employees of the community center department of the public schools of the District of Columbia (U. S. C., title 5, sec. 61).

(10) Act of June 25, 1920, section 1 (41 Stat. 1017), ninth paragraph under the heading "Public schools," relative to employees of the school garden department of the public schools of the District of Columbia (U. S. C., title 5, sec. 61).

(11) Act of February 17, 1922 (42 Stat. 373), the proviso to paragraph heading "Bureau of the Budget," relative to retired officers of the Army, Navy, Marine Corps, or Coast Guard, appointed to offices in the Bureau of the Budget (U. S. C., title 5, sec. 64).

(12) Section 6 of the act of March 3, 1925 (43 Stat. 1108), relative to employees of the Library of Congress receiving additional compensation from trust funds (U. S. C., title 5, sec. 60).

(13) Section 1 of the act of March 1, 1929 (45 Stat. 1441), as amended by the act of June 11, 1942 (56 Stat. 358, Public Law 605, 77th Cong.), and the act of December 23, 1944 (58 Stat. 922, Public Law 555, 78th Cong.), relative to dual employment of postal employees (U. S. C. Supp. V, title 39, sec. 136).

(14) Act of January 22, 1932, section 3, fifth sentence (47 Stat. 5), relative to employees of the Reconstruction Finance Corporation (U. S. C., title 15, sec. 603).

(15) Act of July 1, 1942 (56 Stat. 467, Public Law 642, 77th Cong.), relative to custodial employees of the Board of Education of the District of Columbia.

(16) Act of June 28, 1944, section 1 (58 Stat. 575), first paragraph, third proviso, under the heading "Finance Department, Finance Service, Army," and similar provisions in the act of July 3, 1945, section 1 (59 Stat. 386), first paragraph, third proviso, under the heading "Finance Department, Finance Service, Army," and the act of July 16, 1946, section 1 (60 Stat. 543), first paragraph, third proviso, under the heading "Finance Department, Finance Service, Army," relative to retired military personnel on duty at the United States Soldiers' Home (U. S. C., Supp. V, title 5, sec. 59b).

(17) Act of August 10, 1946 (60 Stat. 978, Public Law 718, 79th Cong.), relative to appointment of retired officers in the Veterans' Administration.

(b) The act of June 16, 1938 (52 Stat. 752, Public Law 645, 75th Cong.; U. S. C., title 28, sec. 569), is amended by striking out "$3,000 per annum" in the last line and substituting "$5,000 per annum."

(c) Nothing in this act, however, shall be construed to modify or repeal any of the following:

(1) Act of August 1, 1941 (55 Stat. 616, Public Law 202, 77th Cong.), as amended by act of April 7, 1942 (56 Stat. 200, Public Law 517, 77th Cong.), and the act of November 12, 1945 (59 Stat. 584, Public Law 226, 79th Cong.), relative to receipt of payment for annual leave by civilian employees who enter the Armed Forces, and receipt of compensation in civilian positions by military personnel on terminal leave from the Armed Forces (U. S. C., title 5, Supp. V, secs. 61a, 61a–1, a–f).

(2) Naval Reserve Act of June 25, 1938, section 4, third proviso (52 Stat. 1176), relative to members of the Naval Reserve receiving pay and alowances from civilian positions concurrently with pay and allowances under that act (U. S. C., title 34, sec. 853b).

(3) Public Law 153, Eightieth Congress, approved July 1, 1947, section 1 (b), relative to concurrent receipt of civilian pay and pay and allowances under laws relating to the Officers Reserve Corps and the Enlisted Reserve Corps.

(4) Public Law 153, Eightieth Congress, approved July 1, 1947, section 2, relative to concurrent receipt of civilian pay and pay and allowances under provisions of law relating to the National Guard.

With the following committee amendments:

Page 2, line 16, strike out all of section 3, and insert the following:

"SEC. 3. As used in this act, the term "compensation from any office or position" shall include—

"(1) any basic salary, wages, or other emolument, including permanent additions such as statutory pay increases, but excluding any temporary additions such as overtime pay or night differential, for or on account of service as a civilian officer or employee of the United States, or any department or agency thereof, including Government owned or controlled corporations, of the government of the District of Columbia; and

"(2) retired pay on account of services as a commissioned officer in any of the services subject to the Career Compensation Act of 1949 (U. S. C., title 37, sec. 231 and the following);

but shall not include—

"(A) retired pay of enlisted men, warrant officers, and flight officers in any such service retired for any cause;

"(B) retired pay of Regular, Reserve, or temporary comissioned officers retired for disability incurred in combat with an enemy of the United States or for disability resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment specified in Veterans Regulation No. 1 (a), part I, paragraph I;

"(C) retired pay of any commissioned officer, warrant officer, flight officer, or enlisted person retired under title III of the act of June 29, 1948 (Public Law 810, 80th Cong.), as amended; or

"(D) compensation of teachers, school officers, and custodial employees of the Board of Education of the District of Columbia for services rendered in connection with the operation of night or vacation schools in the public schools of the District of Columbia."

Page 5, line 3, strike out "provisions" and insert "first section."

Page 5, line 6, after the word "making", strike out the balance of the line and all of line 7, and insert in lieu thereof: "officers and employees subject to such section available for additional service." And add new section 5 and section 6, as follows:

"SEC. 5. When in the judgment of the Postmaster General the needs and interests of the postal service so require, he may employ any employee in the postal field service in a dual capacity or he may temporarily assign any employee in the postal field service to duty in any position in the postal field service; and, notwithstanding the first section of this act, any employee so employed or assigned shall be paid compensation at the rate provided by law for such services.

"SEC. 6. The first section of this act shall not apply to custodial employees of the Board of Education of the District of Columbia when such employees are performing work required of them in school buildings during the time these buildings are used for nonrecreational official purposes by any Federal department or agency or any department of the government of the District of Columbia other than the Board of Education, in accordance with the rules of the Board of Education governing the use of school buildings and grounds, including their use for day or evening schools; and nothing therein contained shall be deemed to prevent any custodial employee from receiving in addition to his pay, salary, or compensation as an employee of the Board of Education of the District of Columbia any other pay, salary, or compensation at a rate not in excess of the rate of pay received as an employee of the Board of Education, for services which may be rendered to any Federal department or agency or any department of the government of the District of Columbia other than the Board of Education, during its use of school buildings under the jurisdiction of the Board of Education of the District of Columbia."

Page 6, line 16, strike out the figure "5" and insert the figure "7."

Page 6, line 19, strike out "Acts and parts of acts" and insert "laws and parts of laws."

Page 6, line 21, strike out "205," and insert "205)"; strike out "1924, 43 Stat. 245);" and insert "1924 (43 Stat. 245)."

Page 6, line 23, strike out "549);" and insert "549)."

Page 8, line 5, strike out "25," and insert "5."

Page 8, line 11, strike out "to paragraph" and insert "in the paragraph under the."

Page 8, line 16, strike out all of subsection (12).

Page 8, line 20, strike out "(13)" and insert "(12)."

Page 8, line 25, strike out "Supp. V."

Page 9, line 1, strike out all of subsection (14) and insert new subsection (13) as follows:

"(13) Act of January 22, 1932, section 3, fifth sentence, as in effect on June 30, 1947 (47 Stat. 6), relative to employees of the Reconstruction Finance Corporation."

Page 9, line 7, strike out "(15)" and insert "(14)."

Page 9, line 11, strike out all of subsection (16) and insert a new subsection (15) as follows:

"(15) The first proviso in the paragraph under the heading 'Pay of the Army' in title III of the Defense Appropriation Act, 1951, the first proviso in the paragraph with the side heading 'Pay of the Army' in title III of the National Military Establishment Appropriation Act, 1950, and similar provisions in prior appropriation acts providing pay for the Army, relative to retired military personnel on duty at the United States Soldiers' Home (U. S. C., title 5, sec. 59b)."

Page 10, line 6, strike out "(17)" and insert "(16)."

Page 10, line 9, strike out all of subsection (b).

Page 10, line 13, strike out "(c)" and insert "(b)."

Page 10, line 18, strike out "12" and insert "21."

Page 10, line 24, strike out "Supp. V, secs. 61a, 61a 1, a f" and insert "secs. 61a and 61a–1)."

Page 11, line 1, strike out "third" and insert "second"; strike out "952 Stat. 1176)."

Page 11, line 3, strike out "that" and insert "such."

Page 11, line 5, after "(3)" insert:

"(3) The proviso in the fourth paragraph under the subheading 'Ordnance Stores and Equipment for Reserve Officers' Training Corps' of the act of May 12, 1917, added to such paragraph by."

Page 11, line 12, after "Corps" insert "(U. S. C., title 10, sec. 371b)."

Page 11, line 3, after "(4)" insert "That portion of section 80 of the act of June 3, 1916, added to such section by."

Page 11, line 17, after "Guard" insert "(U. S. C., title 32, sec. 75)." and the following:

"(5) Those portions of the Federal Farm Loan Act, as amended (U. S. C., title 12, secs. 676 and 1022), the Farm Credit Act of 1933, as amended (U. S. C., title 12, secs. 1131 and 1134), and the Farm Credit Act of 1937, as amended (U. S. C., title 12, sec. 6401), relative to the employment of officers and employees and joint officers and employees by the organizations named therein, or otherwise be deemed to restrict participation by corporations under the supervision of the Farm Credit Administration in the payment of the salary of an officer or employee serving more than one such corporation.

"SEC. 8. Section 6 of the act of March 3, 1925 (U. S. C., title 2, sec. 162), is amended to read as follows:

" 'SEC. 6. Employees of the Library of Congress who perform special functions for the performance of which funds have been entrusted to the board or the librarian, or in connection with cooperative undertakings in which the Library of Congress is engaged, shall not be subject to section 1914 of title 18 of the United States Code.' "

The committee amendments were agreed to.

Mr. MCCARTHY. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MCCARTHY: Page 5, strike out lines 3 to 9, inclusive; and on page 5, line 10, strike out "SEC. 5" and insert in lieu thereof "SEC. 4"; and on page 5, line 18, strike out "SEC. 6" and insert in lieu thereof "SEC. 5"; and on page 6, line 16, strike out "SEC. 7" and insert in lieu thereof "SEC. 6"; and on page 12, line 5, strike out "SEC. 8" and insert in lieu thereof "SEC. 7."

The amendment was agreed to.

Mr. HARRIS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HARRIS: At the end of section 3 insert the following: "(E) The compensation of any employee of the United States or any department or agency thereof, including Government owned or controlled corporations, or of the government of the District of Columbia for services rendered in connection with activities of the District Recreation Board under the provisions of the act of April 29, 1942, 56 Statutes 261, District of Columbia Code, 1940 edition, Supplement 7, title 6, chapter 2."

The amendment was agreed to.

Mr. MCCARTHY. Mr. Speaker, the enactment of this legislation, S. 2351, has been urgently requested by the executive branch because it is a measure related to the present national emergency.

For several years the executive branch and the House and Senate Committees on Post Office and Civil Service have given careful study to the revision of the laws relating to the receipt of compensation from dual employments under the Federal Government. The purpose of the legislation is to simplify and consolidate existing laws relating to this subject. Under the several statutes which presently apply, the annual salary limitation from dual Federal employments varies between $2,000 and $3,000 per annum. These laws were enacted on a piecemeal basis and their conflicting provisions have caused great confusion in connection with their administration. In addition, the present dual employment statutes prevent, in some cases, retired officers from the Armed Forces from taking civilian positions related to the national defense where either the retired pay or the salary of the civilian position amounts to or exceeds $2,500 per annum.

The legislation, which was approved unanimously by the committee, provides that any person receiving compensation from any Federal office or position may be employed in a dual capacity, provided the combined amounts of annual compensation received for any period of time does not exceed the rate of $5,000 annually. Further, the bill provides in section 1 that when the compensation of either office or position amounts to or exceeds $5,000 per annum, such person may be eligible to receive the compensation of either office or position as he may elect. This change of existing law regarding the holding of dual offices will permit the Federal Government to utilize the service of many retired officers from the Armed Forces who are particularly qualified to render invaluable assistance in strategic and highly confidential activities in the National Defense Establishment and the Central Intelligence Agency.

The committee believed that the dual-compensation limitation of $5,000 annually is more realistic at the present time because since the enactment of the dual-compensation statutes, between 1894 and 1932, salaries and living costs have been raised considerably. Consequently, the committee feels that raising the limitations of $2,000, $2,500, and $3,000 to $5,000 is not unjustified in the light of present-day conditions.

Based upon full and complete hearings conducted by the committee, it was believed that the pay or compensation for certain offices and positions should be excluded from the limitations imposed by the general policy of the legislation. These exclusions which are contained in present law are as follows:

First. Retired pay of enlisted men, warrant officers, and flight officers in any branch of the armed services.

Second. Retired pay of Regular, Reserve, or temporary commissioned officers retired for disability incurred in combat with an enemy of the United States or for disability resulting from an explosion of an instrumentality of war in line of duty during an enlistment.

Third. Retired pay of any commissioned officer, warrant officer, flight officer, or enlisted person retired under title III of the act of June 29, 1948.

Fourth. Compensation of teachers, school officers, and custodial employees of the Board of Education of the District of Columbia for services rendered in connection with the operation of night or vacation schools in the public schools of the District of Columbia.

Fifth. Compensation of employees in the field service of the Post Office Department who serve in a dual capacity or who are temporarily assigned other duties in the postal service when such work is performed at the direction of the Postmaster General.

Sixth. The compensation of custodial employees of the Board of Education of the District of Columbia when such employees are performing work in school buildings when such buildings are used by any Federal department or agency or by any Department of the District of Columbia Government — except the Board of Education—for nonrecreational official purposes.

Seventh. Compensation received by joint officers and employees who are employed in corporations under the supervision of the Farm Credit Administration.

Also, the legislation retains existing law with respect to the exemption from the criminal statutes of employees of the Library of Congress when such employees perform special functions for the performance of which funds have been entrusted to the Library of Congress Trust Fund Board or the Librarian, or in connection with cooperative undertakings in which the Library of Congress is engaged.

The amendments which were made to S. 2351 by the House Post Office and Civil Service Committee, with a few exceptions, are largely technical, perfecting, and clarifying in nature. The only amendments made by our committee which relate to the general policy of the legislation concern maintaining status quo or retaining existing law with respect to: First, the postal service; second, the corporations under the supervision of the Farm Credit Administration; third, teachers in the District of Columbia school system; fourth, custodial employees under the Board of Education of the District of Columbia; and fifth, employees of the Library of Congress. In each case it was necessary to amend S. 2351 in order to maintain existing administrative policy with respect to the use of employees in dual capacities or on temporary assignments in these agencies who were necessarily required to be exempt from the general provisions of the bill.

The distinguished chairman of the Post Office and Civil Service Committee, who has devoted a great deal of time to this subject, has conferred with the chairman of the Post Office and Civil Service Committee of the other body, and I am advised that the other body will accept the amendments which have been approved by our committee. Consequently, the necessity for a conference regarding this bill will be obviated, and full operation under its provisions within the immediate future is assured.

As chairman of the subcommittee of the Post Office and Civil Service Committee which considered this measure, I can assure the Members that much time and diligent study has been made of this subject, and it is a vast improvement

over existing law. In the judgment of the committee, economy in government operations will result because the present laws relating to dual compensation are so complicated and confused that the departments and agencies spend much useless time in solving problems and difficulties which arise in connection with their administration. The lack of uniformity among dual compensation statutes requires the executive departments and agencies to encounter needless difficulties in making certain that the several varied dual compensation limitations and restrictions are being observed.

It appears that the laws are in such a state that the average department or agency administrator feels required to consult with the Comptroller General and his own legal department before he is certain as to how a decision should be made in any given case.

The committee believes this legislation is most desirable, and in view of the national emergency which confronts our country at this time we believe it is important that this measure be approved without delay.

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. SASSCER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

Mr. SASSCER. Mr. Speaker, the House has just passed defense authorizations for tremendous appropriations for our national defense. Since World War II I have voted for similar authorizations and appropriations in the hope that they were not war measures but war preventives; and in an effort to avert war we have passed the Marshall plan, North Atlantic Pact, mutual-aid-assistance program, and many other measures which I have consistently supported.

In view of the events since the last war, many of them beyond our control, it is becoming more graphically apparent that this country cannot approach the problems of world peace, liberty, and the preservation of democratic forms of government among our allies, in the vein of what would be the most perfect or what we would like to see. As laudable as these objectives might be we must approach these problems from the angle of what we can accomplish within the limits of our own abilities and the abilities of our allies.

I therefore suggest that we immediately appraise our own present and potential military, industrial, and economic capacities, the strength and willingness of our allies to rearm and assist in this fight for survival, and then after we have determined from that appraisal what frontiers we and our allies can defend—whether that be Korea, Japan, Hawaii, the Pacific coast, Western Europe, or the Atlantic coast—defend that perimeter firmly and resolutely to the fullest extent of our joint military might and industrial capacity.

This is a conflict of survival and not of saving face. History has proven that it is better to lose a battle and win a war than to lose a war attempting to win a battle.

The line must be established past which the diabolical march of communistic progression shall stop. We must place that line not where we would like to have it but where we can hold it not with just words but with might.

I believe that if we establish a defense policy within the limits of our ability to carry out, and let our allies know that we are determined that they too must help to their full capacity, both in armament and in manpower, we can then have force enough to back up the policy that we have established to stop Russia, prevent aggression beyond that line, and work out the survival of our own country. Russia would be far less disposed to attack a line she felt we could defend, whereas, on the other hand, if more or less single-handledly we issue proclamations and statements that we are going to defend the far-flung corners of the earth—which anyone, whether military strategist or not, knows that we cannot defend, we will weaken this country through successive setbacks down to a point where it might be difficult to defend our own Nation.

We maintained military police guards in the countries where we are given trusteeships. These troops were placed there not as military defenders but as guardians. Since the outbreak in Korea we know that in the face of aggression such a force is futile. We will never be the ones to make the attack and Russia knows that, and she, as the aggressor, calls the shots in any spot in the world which we would be required to defend with the guard force authorized under the United Nations.

No one can question the bravery of our troops, the skill of our workmen, or the patriotism of our people, but Korea has taught us that Russia's aims are to attempt to frustrate our efforts for world peace and eventually undermine our own national security.

The hour is more grave than at any time in our history but our difficulties are not insurmountable if we make an all-out effort encompassing that effort within the limits of our ability. The liberties and freedom of this great Nation must be preserved by positive and strong action—not weakened by far-fidng commitments that we and our allies in their present effort and capacity cannot or will not carry out; not weakened by continuing aid to any nation that does not continue to help itself or supply troops for what must be a collective effort.

SPECIAL ORDER GRANTED

Mr. HOFFMAN of Michigan asked and was given permission to address the House today for 5 minutes, following the legislative business of the day and any other special orders heretofore entered.

CHRISTMAS

Mr. BAILEY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. BAILEY. Mr. Speaker, I have asked this time for the purpose of reading into the RECORD a brief letter just received from my good friend, President John W. Davis, of West Virginia State College, on the present-day application of the meaning of Christmas.

The letter follows:

WEST VIRGINIA STATE COLLEGE,
Office of the President,
Institute, W. Va., December 25, 1950.

Hon. CLEVELAND M. BAILEY,
House Office Building,
Washington, D. C.

DEAR MR. BAILEY: The Christmas season is upon us.

The pronouncement, "Behold, I bring you good tidings of great joy, which shall be to all people," is the essense of our faith and hope. It is applicable to the present threat to the survival of free nations. It is the overtone to life's grim reality. It is the new birth of confidence in life and in the God of life. It is Christmas functionally alive.

This Christmas is one of dedication to the affirmation of man's high destiny—to the cause of human freedom, to the ethical imperatives of world peace, to the supremacy of love in the world dilemma now facing mankind, to a right standard of living for all peoples. Christmas warns men of good will never to accept tyranny as natural, defeat as inevitable, and society as irredeemable. Christmas bespeaks the deep longings in the hearts of men.

This is my Christmas offering to you. It is to be added to the flow of love and joy which I hope will be yours in this holy season.

Sincerely yours,

JOHN W. DAVIS,
President.

The SPEAKER. Under previous order of the House, the gentleman from Michigan [Mr. HOFFMAN] is recognized for 5 minutes.

A FREE PRESS—FREE SPEECH

Mr. HOFFMAN of Michigan. Mr. Speaker, a great principle is threatened, a real peril is imminent, writes Doris Fleeson in last night's Evening Star.

Apparently unconvinced that the American people are fully occupied by their efforts to follow sound principles which will enable them to minimize or avoid the perils of world war III, she argues that the demand of a Member of the other body, if such a demand was made, that the public boycott the products of Mr. Pearson's radio sponsor and thus cause Mr. Pearson to lose his job, endangers a free press, the free speech.

Miss Fleeson apparently attempts to arouse her fellow writers with the argument that their jobs, their opportunity for work, might be curtailed if some Member of Congress criticizes their production, protests to a sponsor.

Would she have everyone who disagrees with what a reporter, an editor, a columnist or a radio commentator may write or say remain silent, deprive them of their right of free speech, of a free press, just so professional writers and

speakers may have their utterances unquestioned? Her argument, if adopted, would have that result.

True, the Member of the other body has no right to demand of Pearson's sponsor that Pearson be fired. That is the sponsor's business. On the other hand, has he not the right to purchase the kind of a hat he wants from the store he desires to patronize? Does he not have the right to call the attention of the manufacturer to the kind of advertising that he is doing? Has he not the right to call upon his friends, those who believe as he does, to refuse to increase the business revenue of a concern which hires a man to vilify individuals the writer or commentator does not like?

Must a man confine his criticism to the product, in this case the hat—keep quiet as to the package in which it is delivered or the line of thought which goes with it?

Doris Fleeson in this article is following the same line followed by so many who attempt to influence public opinion. Apparently she is all for free speech—a free press—for one school of thought, but resents any disagreement. That is her right.

Pearson, each week, announces that Adam is the first name in hats. Adam may make, for all I know, the best hat ever produced and sell it at a price less than that fixed by any other manufacturer.

But, as Pearson speaks over the radio, announcing time after time that Adam is the first name in hats, memory takes me back to my boyhood reading. I recall another Adam—the Adam who was the first man on earth, so Holy Writ tells us. That Adam was not only the first man—he was the only man in the Garden of Eden. Unfortunately, at least we are so told, he listened to the advice of a snake and shortly found himself on the outside of what has been pictured to us as a paradise.

It may be true that the story carried in today's Star to the effect that Adam has decided not to renew Drew Pearson's contract when it expired, is due, in part to the action of the Member of the other body, who called attention to some of the characteristics of the man who was advertising their wares over the radio. It may also be that Adam does not appreciate Mr. Pearson. But is the principle of free speech involved in this little incident? Is the Member of the other body doing other than handing back to Drew Pearson some of the left-handed compliments that Pearson has been paying him?

Nor can I see how the discussion, or perhaps more accurately, the exchange of compliments between these two gentlemen to whom she makes reference is a real peril to any great principle.

Perhaps she overrates the importance of the controversy—that few people are very greatly interested in it; that most of us are concerned with what is happening abroad, with what our foreign policy is to be.

But enough on that subject. Permit me to proceed on another topic.

AN AMERICAN FOREIGN POLICY

Mr. Speaker, using the methods of a sound builder who starts at the foundation, places block on block until the building is finished, Wednesday night, December 20, former President Herbert Hoover, placing fact upon fact, blueprinted a plan for an American foreign policy. That outline if followed through the years will not only promote the welfare of our country, but make secure through the centuries the existence of our Republic.

True, because the proposed policy parallels the principles carried in the advice of our first President, he may be, he already has been—as he was last night by Lief Eid—characterized through inuendo as a reactionary, an isolationist.

Fortunately, the American people, especially those who have not been, shall I say, completely educated at some of the so-called higher institutions of learning, are capable of weighing the facts which now confront them, of forming a sound judgment based on those facts.

That you may have the conclusions reached by Mr. Hoover and the facts upon which they were based, I will read what he said and then add an editorial from this morning's Times-Herald.

I read:

Mr. HOOVER. I have received hundreds of requests that I appraise the present situation and give my conclusions as to our national policies.

I speak with a deep sense of responsibility. And I speak tonight under the anxieties of every American for the Nation's sons who are fighting and dying on a mission of peace and the honor of our country.

No appraisal of the world situation can be final in an unstable world. However, to find our national path we must constantly reexamine where we have arrived and at times revise our direction.

I do not propose to traverse the disastrous road by which we reached this point.

THE GLOBAL MILITARY SITUATION

We may first survey the global military situation. There is today only one center of aggression on earth. That is the Communist-controlled Asian-European land mass of 800,000,000 people. They have probably over 300 trained and equipped combat divisions with over 30,000 tanks, 10,000 tactical planes and further large reserves they can put in action in 90 days. But they are not a great sea power. Their long-range air power is limited. These congeries of over 30 different races will some day go to pieces. But in the meantime they are cannon fodder.

Facing this menace on the eastern front there are about 100,000,000 non-Communist island peoples in Japan, Formosa, the Philippines, and Korea. Aside from Korea, which I will discuss later, they have probably 12 effective combat divisions with practically no tanks, air, or navy.

Facing this land mass on the south are the Indies and the Middle East of about 600,000,000 non-Communist peoples. There are about 150,000,000 non-Communist peoples in north Africa and Latin America. Except Turkey and Formosa, these 850,000,000 people have little military force which they would or could spare. But they could contribute vital economic and moral strength.

Facing this menace on the continental European front there are about 160,000,000 non-Communist people who, excluding Spain, have less than 20 combat divisions now available, few tanks, and little air or naval force. But their will to defend themselves is feeble and their disunities are manifest.

Of importance in military weight at this moment there is the British commonwealth of 150,000,000 people, with probably 30 combat divisions under arms, a superior navy, considerable air force, and a few tanks.

And there are 150,000,000 people in the United States preparing 3,500,000 men into a gigantic Air Force and Navy, with about 30 equipped combat divisions.

SOME MILITARY CONCLUSIONS

If we weigh these military forces as they stand today we must arrive at certain basic conclusions.

(a) We must face the fact that to commit the sparse ground forces of the non-Communist nations into a land war against this Communist land mass would be a war without victory, a war without a successful political terminal. Any attempt to make war on the Communist mass by land invasion, through the quicksands of China, India, or Western Europe is sheer folly. That would be the graveyard of millions of American boys and would end in the exhaustion of this Gibraltar of western civilization.

Even were Western Europe armed far beyond any contemplated program, we could never reach Moscow. The Germans failed with a magnificent army of 240 combat divisions and with powerful air and tank forces.

(b) Equally, we Americans alone with sea and air power can so control the Atlantic and Pacific Oceans that there can be no possible invasion of the Western Hemisphere by Communist armies. They can no more reach Washington in force than we can reach Moscow.

(c) In this military connection we must realize the fact that the atomic bomb is a far less dominant weapon than it was once thought to be.

(d) It is obvious that the United Nations have been defeated in Korea by the aggression of Communist China. There are no adequate forces in the world to repel them.

Even if we sacrifice more American boys to hold a bridgehead, we know we shall not succeed at the present time in the mission given to us by the 50 members of the United Nations.

OUR ECONOMIC STRENGTH

We may explore the American situation still further. The 150,000,000 American people are already economically strained by Government expenditures. It must not be forgotten that we are carrying huge burdens from previous wars, including obligations to veterans and $260,000,000,000 of bond and currency issues from those wars. In the fiscal year 1952, Federal and local expenditures are likely to exceed $90,000,000,000. That is more than our total savings. We must finance huge deficits by further Government issues. Inflation is already moving but we might with stern measures avoid the economic disintegration of such a load for a very few years. If we continued long on this road the one center of resistance in the world will collapse in economic disaster.

THE DIPLOMATIC FRONT

We may appraise the diplomatic front. Our great hope was in the United Nations. We have witnessed the sabotage of its primary purpose of preserving peace. It has been down to last week, a forum for continuous smear on our honor, our ideals and our purposes.

It did stiffen up against raw aggression last July in Korea. But in its call for that military action, America had to furnish over 90 percent of the foreign forces and suffer over 90 percent of their dead and injured. The effort now comes at least to a measurable military defeat by the aggression of Communist heroes.

Whether or not the United Nations is to have a moral defeat and suffer the collapse

of its whole moral stature now depends on whether it has the courage to:

(a) Declare Communist China an aggressor.

(b) Refuse admission of this aggressor to its membership.

(c) Demand that each member of the United Nations cease to furnish or transport supplies of any kind to Communist China that can aid in their military operations. Such a course honestly carried out by the non-Communist nations is not economic sanctions nor does it require military actions. But it would constitute a great pressure for rectitude.

(d) For once, pass a resolution condemning the infamous lies about the United States.

Any course short of this is appeasement.

What should our policies be?

And now I come to where we should go from here.

Two months ago I suggested a tentative alternate policy for the United States. It received a favorable reception from the large majority of our press.

Since then the crisis in the world has become even more acute. It is clear that the United Nations are defeated in Korea. It is also clear that other non-Communist nations did not or could not substantially respond to the United Nations call for arms to Korea. It is clear the United Nations cannot mobilize substantial military forces. It is clear continental Europe has not in the 3 years of our aid developed that unity of purpose, and that will power necessary for its own defense. It is clear that our British friends are flirting with appeasement of Communist China. It is clear that the United Nations is in a fog of debate and indecision on whether to appease or not to appease.

In expansion of my proposals of 2 months ago, I now propose certain principles and action.

First. The foundation of our national policies must be to preserve for the world this Western Hemisphere Gibraltar of western civilization.

Second. We can, without any measure of doubt, with our own air and naval forces, hold the Atlantic and Pacific Oceans with one frontier on Britain (if she wishes to cooperate); the other, on Japan, Formosa and the Philippines. We can hold open the sea lanes for our supplies.

I devoutly hope that a maximum of cooperation can be established between the British commonwealth and ourselves.

Third. To do this we should arm our air and naval forces to the teeth. We have little need for large armies unless we are going to Europe or China. We should give Japan her independence and aid her in arms to defend herself. We should stiffen the defenses of our Pacific frontier in Formosa and the Philippines. We can protect this island chain by our sea and air power.

Fourth. We could, after initial outlays for more air and Navy equipment, greatly reduce our expenditures, balance our budget and free ourselves from the dangers of inflation and economic degeneration.

Fifth. If we toil and sacrifice as the President has asked, we can continue aid to the hungry of the world. Out of our productivity we can give aid to other nations when they have already displayed spirit and strength in defense against communism. We have the stern duty to work and sacrifice to do it.

Sixth. We should have none of appeasement. Morally there is no appeasement of communism. Appeasement contains more dangers than Dunkerques. We want no more Tehrans and Yaltas. We can retrieve a battle but we cannot retrieve an appeasement. We are grateful that President Truman has denounced such a course.

Seventh. We are not blind to the need to preserve western civilization on the continent of Europe or to our cultural and religious ties to it. But the prime obligation of defense of western continental Europe rests upon the nations of Europe. The test is whether they have the spiritual force, the will and acceptance of unity among them by their own volition. America cannot create their spiritual forces; we cannot buy them with money.

You can search all the history of mankind and there is no parallel to the effort and sacrifice we have made to elevate their spirit and to achieve their unity. To this date it has failed. Their minds are confused with fears and disunities. They exclude Spain, although she has the will and means to fight. They haggle with Germany, although she is their frontier. They vacillate in the belief that they are in little danger and the hope to avoid again being a theater of war. And Karl Marx has added to their confusions. They still suffer from battle shock. Their highly organized Communist parties are a menace we must not ignore.

In both World War I and World War II (including West Germany) they placed more than 250 trained and equipped combat divisions in the field within 60 days with strong air and naval forces. They have more manpower and more productive capacity today than in either one of those wars. To warrant our further aid they should show they have spiritual strength and unity to avail themselves of their own resources. But it must be far more than pacts, conferences, paper promises, and declarations. Today it must express itself in organized and equipped combat divisions of such large numbers as would erect a sure dam against the Red flood. And that before we land another man or another dollar on their shores. Otherwise we shall be inviting another Korea. That would be a calamity to Europe as well as to us.

Our policy in this quarter of the world should be confined to a period of watchful waiting.

NATIONAL UNITY

There is a proper urge in all Americans for unity in troubled times. But unless unity is based on right principles and right action it is a vain and dangerous thing.

Honest difference of views and honest debate are not disunity. They are the vital process of policy making among freemen.

A right, a specific, an open foreign policy must be formulated which gives confidence in our own security before we can get behind it.

CONCLUSIONS

American eyes should now be opened to these hordes in Asia.

These policies I have suggested would be no isolationism. Indeed, they are the opposite. They would avoid rash involvement of our military forces in hopeless campaigns. They do not relieve us of working to our utmost. They would preserve a stronghold of Christian civilization in the world against any peradventure.

With the policies I have outlined, even without Europe, Americans have no reason for hysteria or loss of confidence in our security or our future. And in American security rests the future security of all mankind.

It would be an uneasy peace but we could carry it on with these policies indefinitely even if the Communists should attack our lines on the seas.

We can hope that in time the millions of other non-Communist peoples of the world will rise to their dangers.

We can hope that sometime the evils of communism and the disintegration of their racial controls will bring their own disintegration. It is a remote consolation, but twice before in world history Asiatic hordes have swept over a large part of the world and their racial dissensions dissolved their empires.

Our people have braved difficult and distressing situations in these three centuries we have been on this continent. We have faced our troubles without fear and we have not failed.

We shall not fail in this, even if we have to stand alone. But we need to realize the whole truth and gird ourselves for troubled times. The truth is ugly. We face it with prayer and courage.

The editorial reads as follows:

MR. HOOVER SPEAKS FOR THE NATION

Mr. Hoover made the most important speech of his life on Wednesday night.

Nominally he was speaking to the American people. In fact, he was speaking for the American people to their new Congress. He was telling the new Congress that the Truman-Acheson foreign policy was a failure in Korea and will be a failure in Europe; that the number of lives squandered for nothing in Korea is negligible compared with the number that would be sacrificed in a vain attempt to hold Europe against a Russian attack.

This the American people know and this, we are confident, the great majority of their Congressmen know even better. The question today is whether the new Congress will yield to the hysteria of a discredited Administration led by a President whose recent letters cast doubt on his mental and emotional stability.

There is no doubt that the hystericals have made progress. The eastern internationalist press is screaming in terror. Self-appointed committees are pleading for conscription of all boys and girls on their eighteenth birthdays even though there are no camps in which to house them, and, most important of all, far from enough experienced officers and noncommissioned officers to train them. Governor Dewey, of New York, who pretends to speak for the Republican Party, demands 100 divisions without explaining what may be the need for even one.

Mr. Hoover has clarified the issues with which the Eighty-second Congress must deal. Those who acknowledge the force of his argument will conclude that:

1. Our Army in Europe should not be reinforced. Under the North Atlantic Pact we are obliged to consult with the European powers if any of them is attacked and to assist in the defense with such means as we deem necessary. We are under no obligations to keep an army in Europe of any size.

2. As we do not intend to reinforce our garrison in Europe, there is no need to amend the draft law to take younger boys, to conscript girls, or to do anything else which would create a huge land army to tempt our administration into military adventures. Far from drafting more men, we should draft fewer or suspend the draft entirely. The volunteer system would give us all the men we need to defend our own possessions.

3. As we do not intend to fight on land in Europe, General Eisenhower should be ordered by Congress to stay home. His presence in Europe as the head of an allied military force is intended as a symbol or pledge of unlimited American support for the countries of Europe.

As Mr. Hoover said, and everybody ought to know, the nations of Western Europe lack the willingness to defend themselves. The symbol or pledge of unlimited help for those who won't help themselves should be withdrawn by any means that Congress can find for making the Nation's will manifest.

4. The Navy and the Air Force should be strengthened if there is any doubt that at

their present strength they cannot safeguard the Western Hemisphere. Likewise, the northern approaches to this country, in Alaska and Canada, should be made secure.

A Congress which would support such a program would be the most popular Congress this country has known in our lifetime. This Congress would save not only billions of dollars but the lives of a million American boys who have been condemned to futile sacrifice under the Truman-Acheson-Dewey-Eisenhower program.

Mr. Hoover's speech sought to rally common sense against hysteria. The people are with him. If Congress does not adopt his ideas, it will be because some Democrats put loyalty to Truman and Acheson above loyalty to their country and because some Republicans imagine that it is to their advantage to follow a wayward little fool like Dewey.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 4653. An act for the relief of the New York Quinine & Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works;

H. R. 4803. An act for the relief of Bernard F. Elmers;

H. R. 8759. An act for the relief of Rev. Andrew Chai Kyung Whang;

H. R. 8973. An act for the relief of Archibald Walter Campbell Seymour;

H. R. 9145. An act for the relief of Tomoko Yamaya;

H. R. 9236. An act for the relief of H. Halpern & Bro., Inc., of Boston, Mass.;

H. R. 9272. An act to amend the act of October 5, 1949 (Public Law 322, 81st Cong.), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation; and

H. R. 9893. An act to authorize certain construction at military and naval installations, and for other purposes.

BILL AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on December 21, 1950, present to the President, for his approval, a bill and joint resolution of the House of the following titles:

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950; and

H. J. Res. 554. Joint resolution amending section 3804 of the Internal Revenue Code.

ADJOURNMENT

Mr. COX. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 47 minutes p. m.) the House, under its previous order, adjourned until Tuesday, December 26, 1950, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1800. A letter from the Under Secretary, Department of Agriculture, transmitting the Annual Report of the Farm Credit Administration, covering its operations for the fiscal year ended June 30, 1950; to the Committee on Agriculture and ordered printed with illustrations.

1801. A letter from the Archivist of the United States, transmitting a report on records proposed for disposal and lists or schedules covering records proposed for disposal by certain Government agencies; to the Committee on House Administration.

1802. A letter from the Secretary of Commerce, transmitting the annual financial report on the commissary activities of the Civil Aeronautics Administration in Alaska and other points outside the continental United States, pursuant to Public Laws Nos. 179 and 390 of the Eighty-first Congress; to the Committee on Interstate and Foreign Commerce.

1803. A letter from the Secretary of the Interior, transmitting a copy of a law enacted by the Tenth Guam Congress, pursuant to Public Law No. 630, Eighty-first Congress; to the Committee on Public Lands.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. DOUGHTON: Committee of conference. H. R. 9827. A bill to provide revenue by imposing a corporate excess-profits tax, and for other purposes; without amendment (Rept. No. 3231). Ordered to be printed.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. SABATH:

H. R. 9942. A bill to repeal the Internal Security Act of 1950; to the Committee on Un-American Activities.

By Mr. WICKERSHAM:

H. Res. 892. Resolution creating a select committee to conduct an investigation and study of the farm machinery and equipment industry of the United States; to the Committee on Rules.

H. Res. 893. Resolution to provide funds for the expenses of the investigation and study authorized by House Resolution 892; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII,

Mr. MORRISON introduced a bill (H. R. 9943) for the relief of Aba Szejnbejm, Mrs. Dvora Szejnbejm, Shlomo Szejnbejm, and Daniel Szejnbejm, which was referred to the Committee on the Judiciary.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2414. The SPEAKER presented a petition of Edmond C. Fletcher, Washington, D. C., relative to grievances against the Government of the United States, praying the impeachment of A. Dewitt Vaneich, an Assistant Attorney General of the United States, for gross misbehavior in office, which was referred to the Committee on the Judiciary.

SENATE

TUESDAY, DECEMBER 26, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will be in order.

Under the order of the 22d instant, the Chair declares that the Senate now stands in recess until Friday, December 29, 1950, at 12 o'clock noon.

Thereupon (at 12 o'clock and 25 seconds p. m.) the Senate took a recess, the recess being under the order of Friday, December 22, 1950, to Friday, December 29, 1950, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 26, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, our hearts are filled with an increasing sense of wonder and gratitude as we continue to meditate upon the glad tidings of the birth of the Saviour for whom the ages had been waiting and in whom we have the answer to our deepest needs.

Grant that the salvation and joy which He came to bring may be the blessed experience of all mankind. May men and nations everywhere accept and respond to those great ideals and principles of love and mercy, of truth and righteousness, which were realized completely in the life of our Lord.

When we are tempted to feel that the struggle for peace on earth and good will among men is futile may we find our courage and hope in the conquering love and power of the Christ of Christmas, whose name is Immanuel, God with us.

May the glory and praise be Thine for ever and ever. Amen.

The Journal of the proceedings of Friday, December 22, 1950, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment a bill of the House of the following title:

H. R. 9832. An act to remove marketing penalties on certain long-staple cotton.

The measure also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code.

The message also announced that the Senate had passed, with an amendment in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 9798. An act to authorize a Federal civil defense program, and for other purposes.

The message also announced that the Senate insists upon its amendment to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. KEFAUVER, Mr. CHAPMAN, and Mr. SALTONSTALL to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the amendments of the House to a concurrent resolution of the Senate of the following title:

S. Con. Res. 108. Concurrent resolution favoring the suspension of deportation of aliens.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9827) entitled "An act to provide revenue by imposing a corporate excess-profits tax, and for other purposes."

The message also announced that the bill (H. R. 5051) entitled "An act for the relief of Mrs. Juan Antonia Rivera, Mrs. Paul Valle Antelo, Mrs. Jorge Diaz Romero, Mrs. Otto Resse, and Mrs. Hugo Soria," was passed, with amendments, by the Senate on December 15, 1950, and the concurrence of the House in said amendments is requested.

ADJOURNMENT UNTIL THURSDAY

Mr. VINSON. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet on Thursday next.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the request of the gentleman from Georgia?

There was no objection.

CIVIL DEFENSE

Mr. VINSON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9798) to authorize a Federal civil-defense program, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia?

Mr. BROWN of Ohio. Mr. Speaker, reserving the right to object, and I shall not object, may I inquire of the gentleman if he can give us some general review of the amendments that are in the bill?

Mr. VINSON. I regret very much I cannot, due to the fact this bill was handled by the gentleman from North Carolina [Mr. DURHAM], who is chairman of the subcommittee and who is more conversant with the Senate amendments than I am; but from reading the RECORD the main difference between the House bill and the Senate bill, it seems, is in reference to self-liquidating shelters. The House rejected that line of thought. Something of that character is in the bill.

Mr. BROWN of Ohio. The Senate does provide that it shall be legal to spend some of this huge sum on projects that may be of some value to the people after the emergency is over?

Mr. VINSON. There is something of that character in the bill, giving discretion to the Administrator to make loans to self-liquidating shelters.

Mr. BROWN of Ohio. I believe there is also a restriction written in the Senate measure with reference to the use of authority by the Administrator, confining that authority only to cases of real emergency?

Mr. VINSON. Yes.

Mr. BROWN of Ohio. After an attack has been made?

Mr. VINSON. Yes.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Georgia? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. DURHAM, KILDAY, PRICE, COLE of New York, and ELSTON.

EXTENSION OF REMARKS

Mr. BROWN of Ohio asked and was given permission to extend his remarks and include an editorial appearing in the Record-Herald of Washington Court House (Ohio) entitled "We Will Continue Being Taken for a Ride."

Mr. DAVIS of Wisconsin asked and was given permission to extend his remarks and include an editorial.

Mr. JUDD asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. REED of New York asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. WOODRUFF asked and was given permission to extend his remarks and include a sermon delivered by his pastor over radio station WBCM on December 19, 1950.

Mr. WOLVERTON asked and was given permission to extend his remarks and include extraneous matter.

Mr. CARNAHAN asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. ENGLE of California asked and was given permission to extend his remarks and include extraneous matter.

Mr. RANKIN asked and was given permission to extend his remarks and include extraneous matter.

SENATE ENROLLED BILLS SIGNED

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker;

S. 2888. An act for the relief of Frances Ethel Beddington;

S. 2981. An act for the relief of Giuseppe Merlinet Forgnone;

S. 3044. An act for the relief of Berniece Josephine Lazaga;

S. 3125. An act for the relief of Dr. Lutfu Lahut Usman;

S. 3241. An act for the relief of George Brander Paloheimo and Eva Leonora Paloheimo;

S. 3259. An act for the relief of Ethelyn Isobel Chenalloy;

S. 3260. An act for the relief of Richard H. Bush;

S. 3261. An act for the relief of Willard Sidmer Ruttan;

S. 3378. An act for the relief of Armando Santini;

S. 3554. An act for the relief of Jose Manzano Somera;

S. 3699. An act for the relief of Linda Leo;

S. 3945. An act to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation;

S. 3966. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.; and

S. 2967. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust.

ADJOURNMENT

Mr. VINSON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 7 minutes p. m.), under its previous order, the House adjourned until Thursday, December 28, 1950, at 12 o'clock noon.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298, resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3232). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII,

Mr. JAVITS introduced a concurrent resolution (H. Con. Res. 296) expressing favor of extending assistance to India to avert food shortage and famine during 1951, which was referred to the Committee on Foreign Affairs.

HOUSE OF REPRESENTATIVES

THURSDAY, DECEMBER 28, 1950

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the same yesterday, today, and forever and unchanging in Thy love and goodness, hitherto Thou hast blessed us and daily we have been the beneficiaries of Thy bountiful providence.

May we now render unto Thee the tribute of our heartfelt praise for Thou hast been our ever-present guide and companion and hast not withheld from us anything that was needful for our journey.

Grant that when we come to the closing hour of the old year we may be worthy of receiving the benediction which Thou dost bestow upon all who do justly, love mercy, and walk humbly with the Lord.

Hear us in Christ's name. Amen.

The Journal of the proceedings of Tuesday, December 26, 1950, was read and approved.

ADJOURNMENT UNTIL MONDAY

Mr. THOMAS. Mr. Speaker, I ask unanimous consent for the immediate consideration of House Resolution 894.

The Clerk read the resolution, as follows:

Resolved, That when the House adjourns Thursday, December 28, 1950, it adjourn to meet on Monday, January 1, 1951, at 12 o'clock meridian in the Hall of the House.

The SPEAKER pro tempore (Mr. MILLS). Is there objection to the request of the gentleman from Texas?

Mr. ARENDS. Reserving the right to object, Mr. Speaker, will the gentleman explain the resolution to the House? I am sure we are interested in it.

Mr. THOMAS. This resolution simply makes it legal for the House to move back into the Hall of the House, in the Capitol. It will be ready Monday.

Mr. ARENDS. I think that will be a pleasure. Does not the gentleman think so?

Mr. THOMAS. Yes, indeed.

Mr. RANKIN. Reserving the right to object, Mr. Speaker, may I ask the gentleman from Texas if he is sure the House Chamber will be ready for us Monday?

Mr. THOMAS. I am so advised, I may say to the gentleman from Mississippi.

Mr. RANKIN. Suppose it is not ready; then will we meet at all?

Mr. THOMAS. I think we can trust the workmen and the Architect. They say it will be ready.

Mr. RANKIN. The gentleman evidently has not seen the inside of the Chamber, or he would not be so enthusiastic.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

The resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. CARNAHAN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER pro tempore. Permit the Chair to advise that the Chair will not recognize any Member to proceed for 1 minute.

Mr. HOFFMAN of Michigan. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. HOFFMAN of Michigan. In view of the statement of the Speaker that he would not recognize Members to address the House for 1 minute, may I ask if that is because of the world situation, the great emergency, or is it just a "gentleman's agreement"?

The SPEAKER pro tempore. The present occupant of the chair is carrying out an agreement made by the leaders before the adjournment on Friday of last week, that no one would be recognized for a 1-minute speech.

Mr. HOFFMAN of Michigan. That does not prohibit me from putting in the RECORD what the New Deal bipartisan representative, Mr. Dulles, may say tonight, does it?

The SPEAKER pro tempore. By unanimous consent, the gentleman may extend his remarks in the Appendix of the RECORD.

Mr. HOFFMAN of Michigan. I do not want to do it, but I was just wondering whether I might, if I did.

EXTENSION OF REMARKS

Mr. WILSON of Texas asked and was given permission to extend his remarks and include a report by Mr. HOBBS to the Committee on the Judiciary.

Mr. MILLER of California asked and was given permission to extend his remarks in two instances and include in each editorials and other extraneous matter.

Mr. McCORMACK (at the request of Mr. CARNAHAN) was given permission to extend his remarks and include a newspaper article.

Mr. CARNAHAN asked and was given permission to extend his remarks and include a magazine article.

Mr. O'HARA of Illinois asked and was given permission to extend his remarks in six instances and include related matter.

Mr. HOFFMAN of Michigan asked and was given permission to extend his remarks on two subjects and include excerpts from certain newspaper articles.

Mr. BURDICK asked and was given permission to extend his remarks.

Mr. RANKIN asked and was given permission to extend his remarks and include extraneous matter.

Mr. WOODRUFF asked and was given permission to extend his remarks and include an article from the Review and Outlook on the Basis for Foreign Policy.

ADJOURNMENT

Mr. THOMAS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 6 minutes p. m.), pursuant to House Resolution 894, the House adjourned until Monday, January 1, 1951, at 12 o'clock noon, to meet in the Hall of the House.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1804. A letter from the Secretary of Agriculture, transmitting the report of the Federal Crop Insurance Corporation's operations for 1950, pursuant to the requirement of the Federal Crop Insurance Act; to the Committee on Agriculture.

1805. A letter from the Acting Chairman, Federal Power Commission, transmitting required information on licensed hydroelectric projects and on personnel of the Federal Power Commission for the fiscal year ended June 30, 1950, in compliance with section 4 (d) of the Federal Power Act, approved August 26, 1935; to the Committee on Interstate and Foreign Commerce.

1806. A letter from the Acting Executive Officer, National Capital Park and Planning Commission, transmitting a list of land acquisitions for parks, parkways, and playgrounds, cost of each tract, and method of acquisition for the fiscal year ending June 30, 1950; to the Committee on Public Works.

1807. A letter from the Acting Chairman, Federal Power Commission, transmitting a certified copy of Opinion No. 203 and accompanying order of the Commission, under section 7 (b) of the Federal Power Act, recommending the development of the water resources of the St. Lawrence River in the International Rapids section for both navigation and power by the Government of the United States of America; to the Committee on Public Works.

1808. A letter from the Attorney General, transmitting copies of the orders of the Commissioner of the Immigration and Naturalization Service granting the application for permanent residence filed by the subjects of such orders; to the Committee on the Judiciary.

1809. A letter from the Attorney General, transmitting copies of orders of the Commissioner of the Immigration and Naturalization Service suspending deportation as well as a list of the persons involved; to the Committee on the Judiciary.

1810. A letter from the Attorney General, transmitting a letter relative to the case of Carl John Cullum, file No. A-6336989 CR 26584, and requesting that it be withdrawn from those before the Congress and returned to the jurisdiction of the Department of Justice; to the Committee on the Judiciary.

1811. A letter from the Secretary of the Army, transmitting a letter from the Chief of Engineers, United States Army, dated December 5, 1950, submitting a report, together with accompanying papers on a review of reports on the Mississippi River and tributaries, with a view to determining the advisability of recommending the institution of measures to decrease the salinity of the water in the lower Mississippi River at and below New Orleans during periods of low water flow, requested by resolution of the Committee on Commerce, United States Senate and resolution of the Committee on Rivers and Harbors, House of Representatives, adopted on April 25, 1940; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298, resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3233). Referred to the Committee of the Whole House on the State of the Union.

SENATE

FRIDAY, DECEMBER 29, 1950

(Legislative day of Monday, November 27, 1950)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The PRESIDENT pro tempore. The Senate will be in order.

Under the previous order, the Senate will stand in recess until Tuesday next at 11 o'clock a. m.

Thereupon (at 12 o'clock and 9 seconds p. m.), the Senate took a recess, the recess being under the order of Friday, December 22, 1950, to Tuesday, January 2, 1951, at 11 o'clock a. m.

HOUSE OF REPRESENTATIVES

MONDAY, JANUARY 1, 1951

The House met at 12 o'clock noon, and was called to order by the Speaker.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the God of all the years and of all generations, grant that, having passed from the old year into the new year, we may forget what we

ought not remember and remember that which we ought never forget.

We pray that daily our minds and hearts may be filled with lofty aspirations and inspired with noble endeavors. May we believe that we are here within the years to cultivate and achieve those qualities of character which are beyond the years and eternal.

We humbly confess that we do not know what the new year holds for us, but may we trust Thee and not be afraid. Enable us by Thy grace to receive our blessings with a grateful heart and meet our hardships and trials with an indomitable faith.

Help us to feel the urge and the dignity of being loyal partners with all who are striving to build a better world. May we never forfeit the right to merit Thy divine approbation by our failure to be obedient to Thy holy will.

Grant that the vision of peace on earth and good will among men may never fade, and may our strength and will to make it a blessed reality never fail.

Hear us in the name of the Prince of Peace. Amen.

The Journal of the proceedings of Thursday, December 28, 1950, was read and approved.

THE LATE LT. GEN. WALTON H. WALKER—COMMUNICATION FROM THE PRESIDENT OF THE UNITED STATES

The SPEAKER laid before the House the following communication from the President of the United States, which was read and referred to the Committee on Armed Services:

THE WHITE HOUSE,
Washington, December 29, 1950.

DEAR MR. SPEAKER: I recommend the enactment of legislation which would permit the posthumous appointment of the late Lt. Gen. Walton H. Walker to the grade of general in the Army of the United States. I believe that General Walker's outstanding accomplishments as commanding general of the Eighth United States Army in Korea fully entitle him to this recognition. There he proved himself to be a brilliant military commander, and his indomitable courage was an inspiration to all the troops under his command.

Attached is a draft of a joint resolution which would authorize this appointment. I hope that it may receive prompt consideration by the Congress.

Sincerely yours,

HARRY S. TRUMAN.

Hon. SAM RAYBURN,
The Speaker, House of Representatives, Washington, D. C.

Mr. VINSON. Mr. Speaker, I ask unanimous consent for the immediate consideration of a resolution (H. J. Res. 556) which I send to the Clerk's desk.

The Clerk read the joint resolution, as follows:

Resolved, etc., That, notwithstanding any other provisions of law, the President is authorized to issue posthumously to the late Walton Harris Walker, late a lieutenant general, Army of the United States, a commission as general, Army of the United States, as of December 20, 1950.

SEC. 2. The Secretary of the Army is authorized and directed to amend the records of the Department of the Army so as to carry the late Walton Harris Walker as a general, Army of the United States, to rank from December 20, 1950.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

Mr. VINSON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in support of the resolution.

Mr. RANKIN. Mr. Speaker, reserving the right to object, and I shall not object, but I wish to suggest to the gentleman from Georgia that we should pay the same honor to Gen. George S. Patton, one of the greatest individual soldiers and the greatest military leader America has developed since the War Between the States, who was mysteriously killed in Europe after being persecuted as no leader in the armed services has ever been persecuted in this country before.

I am just wondering if there is any possibility of treating General Patton likewise and giving him that honor to which he is entitled.

Mr. VINSON. Mr. Speaker, in response to the gentleman's inquiry, I state that as far as I am concerned personally I think the same recognition should be given General Patton.

Mr. RANKIN. Then I will prepare and introduce a resolution to give General Patton the same recognition—with five stars instead of four.

He stands out as the greatest military genius of this generation, and I feel that this recognition should have been given him long ago.

I am going to ask that General Patton be given five stars—the largest number ever given a general in this country.

Let us not wait for future generations to recognize the great services of this matchless military leader who, by his wonderful tactics, probably saved the lives of a million American boys in Europe alone during the crucial days of World War II.

Mr. VINSON. Mr. Speaker, the President of the United States, in letters to the President of the Senate and the Speaker of the House, dated December 29, 1950, has asked for immediate consideration by the Congress of a joint resolution which would permit the posthumous appointment of the late Lt. Gen. Walton H. Walker to the grade of general in the Army of the United States. I am sending a copy of such a resolution to the Speaker's desk, and I ask unanimous consent for the immediate consideration of this joint resolution, which I have just introduced.

Mr. Speaker, this promotion is recommended by the President and the Department of Defense in recognition of General Walker's outstanding abilities as a leader of Armed Forces in actual combat. In his service in World War II and more especially in the present Korean conflict, in which unusual circumstances of combat necessitated the greatest of skill in attack as well as withdrawal, he had proven himself a brilliant military commander and displayed a great talent for generalship. His superb fighting spirit and unquenchable courage have been an inspiration to all the Army and to the Nation.

Let me explain why special legislation is necessary to accomplish this promotion. Public Law 680 of the Seventy-seventh Congress, an act to provide for the posthumous appointment to commissioned or noncommissioned grade of certain enlisted men and the posthumous promotion of certain commissioned officers and enlisted men, does not apply to this very meritorious case. That law requires that the individual concerned shall have been duly appointed to a commissioned grade and shall have been unable to accept the appointment to such a grade by reason of his death in line of duty. The law also specifies that the individual concerned shall have been officially recommended for appointment or promotion to a commissioned grade, which recommendation shall have been duly approved by the Secretary of War—now the Secretary of the Army—or the Secretary of the Navy, and who shall have been unable to receive or accept such appointment or promotion by reason of his death in line of duty. Neither of these requirements have been fulfilled in the case of General Walker.

I would like to make it clear that the Army had decided to recommend the promotion of General Walker to the grade of general prior to the time of his tragic death and had started the preparation of such a recommendation. As a matter of fact, General Collins, the Chief of Staff of the Army, had mentioned to me the Army's plans regarding General Walker about 2 months ago. The recommendation, however, had not been officially processed to the point where it was duly approved by the Secretary of the Army at the time of his death.

There is a very recent precedent for this action by the Congress. Just last year we passed a joint resolution authorizing the President to issue posthumously to the late John Sidney McCain a commission as Admiral, United States Navy, as of September 6, 1945, and authorizing and directing the Secretary of the Navy to amend the records of the Navy Department accordingly. This joint resolution, adopted by the Congress in recognition of the late Admiral McCain's distinguished services to our country in World War II, became Private Law 251, Eighty-first Congress, on September 3, 1949.

As a measure of appreciation for General Walker's exceptional qualities of leadership and his highly meritorious services to our Nation, I strongly urge the adoption of the joint resolution for his posthumous promotion by the House of Representatives this afternoon.

Under unanimous consent, I insert in the CONGRESSIONAL RECORD at this point in my remarks a summary of General Walker's distinguished military career.

LT. GEN. WALTON HARRIS WALKER, UNITED STATES ARMY

Walton Harris Walker was born in Belton, Tex., on December 3, 1889, son of Mr. and Mrs. Sam S. Walker, and grandson of two Confederate Army officers. He attended the Wedemyer Military Academy in Belton, and for 1 year

studied at Virginia Military Institute, which he left to accept an appointment to the United States Military Academy at West Point, N. Y. Upon graduation from the Military Academy he was appointed a second lieutenant of Infantry on June 12, 1912, and was assigned to the Nineteenth Infantry at Fort Sheridan, Ill.

He was a member of the Vera Cruz expedition under General Funston in 1914 and later on performed border patrol duty in the vicinity of Del Rio, Tex. In 1917, as a captain, he organized the Second Battalion of the Fifty-seventh Infantry, and also Company A of the Thirteenth Machine Gun Battalion, and accompanied the latter unit to France in April 1918.

In France, as a major commanding the Thirteenth Machine Gun Battalion, he served at St. Mihiel and in the Meuse-Argonne, where he was twice cited for gallantry in action, receiving the Silver Star with Oak Leaf Cluster. Upon termination of hostilities he served with the Army of Occupation in Germany until July 1919, when he returned to the United States. After attending courses at both the Field Artillery and Infantry Schools, he was detailed as a tactical officer at the United States Military Academy, West Point, serving there from August 1923 to August 1925; at the Command and General Staff School, Fort Leavenworth, Kans., as a student, graduating in June 1926; and was assigned as instructor at the Coast Artillery School, Fort Monroe, Va.

In 1930, he again was ordered overseas, this time to Tientsin, China, where he served as a member of the Fifteenth Infantry Regiment on international railroad patrol until March 1933.

After promotion to lieutenant colonel he was ordered to Washington, D. C., in 1937, for duty as member of the War Plans Division of the War Department General Staff, where he served for 3 years, becoming executive officer of that Division.

On February 14, 1941, he was promoted to colonel, and in April of the same year was assigned to the Thirty-sixth Infantry, Camp Polk, La., as commanding officer. On July 10, 1941, he was promoted to brigadier general and was given command of the Third Armored Brigade at Camp Polk.

In January 1942 he assumed command of the Third Armored Division and was advanced to major general. In August 1942 he became commanding general of the Fourth Armored Corps, Camp Young, Calif., and in October 1942 was given the coordinate mission of organizing and commanding the vast desert training center. On March 29, 1943, he relinquished command of the center and proceed to Camp Campbell, Ky., with his corps, later designated the Twentieth Corps. In February 1944 he went with the Twentieth Corps to the European theater of operations, where he commanded it until the end of hostilities.

General Walker's success in coordinating infantry and armor was praised by the War Department, and his tactics in the early fighting in France led to praise by Prime Minister Churchill in the House of Commons in England. For extraordinary heroism near Melun, where he directed establishment of a bridgehead across the Seine in the face of heavy fire, he received the Distinguished Service Cross. For gallantry in action while commanding the Twentieth Army Corps in France, June 1944, he was awarded a second Oak Leaf Cluster to his Silver Star.

On April 27, 1945, General Walker was promoted to lieutenant general, which was effective April 15. General Patton presented to him the three stars, which he, in turn, had inherited from Gen. Dwight Eisenhower.

Upon his return to the United States on June 23, 1945, General Walker was named to command the Eighth Service Command, with headquarters at Dallas, Tex.

On June 11, 1946, he assumed command of the Fifth Army area, with headquarters at Chicago, Ill.

On July 20, 1948, General Walker was assigned as commanding general, Eighth Army, Japan, and he assumed command on September 24.

In July 1950 General Walker took the Eighth Army to Korea to fight with the United Nations forces in the defense of South Korea against the Communist forces of aggression. Under his able and dynamic leadership this Army courageously and successfully defended the Pusan beachhead, rapidly and skillfully advanced well into North Korea after the Inchon landing, and only withdrew to positions along the thirty-eighth parallel when it was attacked by overwhelming numbers of a new enemy. While in active direction of further military operations in the field, General Walker was killed in line of duty at about 11 a. m., December 23, 1950—Korean time—near Uijongbu, Korea, in an accident involving his jeep and a truck of the United Nations forces. For continual acts of extraordinary heroism in the Korean campaign, General Walker was awarded an Oak Leaf Cluster to his Distinguished Service Cross on October 1, 1950. He was also awarded an Air Medal with 10 Oak Leaf Clusters for meritorious achievement in sustained flights against the enemy during this campaign.

In addition to the Distinguished Service Cross with Oak Leaf Cluster and the Silver Star with two Oak Leaf Clusters, General Walker holds the following awards and decorations: The Distinguished Service Medal, Legion of Merit, Bronze Star, Air Medal with 10 Oak Leaf Clusters, Legion d'Honneur—Officer Class—French, Croix de Guerre with Palm and Bronze Star—French, Medal of Metz—French, Medal of Verdun—French, Mexican Interior—World War I, Victory Medal with five Stars—World War I, Army of Occupation—World War I, American Defense, American Theater, European Theater of Operations with six Stars, Order of the War for the Fatherland First Class—Russian, Medal of Russian Guards Army, Grand Ducal Order of the Oak Leaf of the Crown—Luxemburg, Croix de Guerre—Luxemburg.

General Walker is an honorary citizen of the following cities of France and Luxemburg, all of which were liberated by the Twentieth Corps: Metz, Thionville, Chartres, Verdun, St. Symphorium, City of Luxemburg, Luxemburg.

The SPEAKER. The question is on the passage of the resolution.

The House joint resolution was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

SUPPLEMENTAL APPROPRIATION ACT, 1951

Mr. CANNON. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, with Senate amendments, disagree to the amendments of the Senate and agree to the conference asked by the Senate.

The Clerk read the title of the bill.

Mr. FOGARTY. Mr. Speaker, reserving the right to object, the Senate has included $75,000,000 additional for hospital construction. I am a little confused at this time as to the parliamentary procedure and am wondering if there is any way we can get a record vote in the House on this $75,000,000 that the Senate has added for hospital construction?

Mr. CANNON. Mr. Speaker, in response to the inquiry of the gentleman from Rhode Island, the item is in disagreement between the two Houses. If the conferees are unable to agree we will bring the amendment back for action by the House.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to my distinguished friend from Pennsylvania, whose voluntary departure from the House is a matter of general regret.

Mr. RICH. Is there anything in this legislation for the arming of the North Atlantic Fact countries?

Mr. CANNON. There is no provision to that effect in the bill.

Mr. RICH. No moneys whatever?

Mr. CANNON. There is no money for that purpose in the bill.

Mr. RICH. I think the Congress should be very careful in what they do by way of spending for the arming of foreign countries; I think that is one thing that ought to be considered very, very carefully by the membership of the House before it is too late.

Mr. CANNON. I thoroughly agree with the gentleman that the Congress should be very careful about all spending at this critical time.

The SPEAKER. Is there objection to the request of the gentleman from Missouri [After a pause.] The Chair hears none and appoints the following conferees: Messrs. CANNON, MAHON, KIRWAN, TABER, and WIGGLESWORTH.

EXCESS PROFITS TAX ACT OF 1950

Mr. DOUGHTON. Mr. Speaker, I call up the conference report on the bill (H. R. 9827) to provide revenue by imposing a corporate excess profits tax, and for other purposes, and ask unanimous

consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. No. 3231)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9827) to provide revenue by imposing a corporate excess profits tax, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 66, 151, 201, 205, and 229.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 5, 7, 8, 9, 10, 11, 13, 15, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 29, 30, 31, 32, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 68, 69, 70, 71, 72, 74, 76, 78, 79, 80, 81, 82, 83, 85, 88, 90, 91, 93, 94, 96, 97, 99, 100, 101, 102, 103, 105, 107, 108, 109, 110, 111, 113, 114, 115, 116, 117, 120, 121, 122, 123, 125, 126, 127, 128, 129, 130, 132, 133, 134, 135, 136, 137, 138, 139, 140, 141, 142, 146, 147, 148, 149, 152, 153, 154, 155, 156, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 172, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 192, 193, 194, 195, 196, 197, 198, 199, 200, 202, 203, 204, 208, 209, 210, 211, 212, 213, 214, 215, 216, 217, 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, and 228 and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and beginning before July 1, 1953,"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: On page 1 of the Senate engrossed amendments, line 7, strike out "60 per centum" and insert "62 per centum"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendment of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"(c) Taxable Years Beginning Before July 1, 1953, and Ending After June 30, 1953.—In the case of a taxable year beginning before July 1, 1953, and ending after June 30, 1953, the tax imposed by subsection (a) shall be an amount equal to that portion of a tentative tax, determined under subsection (a), which the number of days in such taxable year before July 1, 1953, bears to the total number of days in such taxable year."

And the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "and beginning before July 1, 1953,"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with the following amendments:

On page 3 of the Senate engrossed amendments, lines 14 and 15, strike out "beginning before January 1, 1953, and ending after December 31, 1952" and insert the following: "beginning before July 1, 1953, and ending after June 30, 1953".

On page 3 of the Senate engrossed amendments, lines 18 and 19, strike out "January 1, 1953" and insert the following: "July 1, 1953"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows:

On page 4 of the Senate engrossed amendments, line 13, insert after "days" the following: "in the taxable year"; and the Senate agree to the same.

Amendment numbered 28: That the House recede from its disagreement to the amendment of the Senate numbered 28, and agree to the same with the following amendments:

On page 7 of the Senate engrossed amendments, line 3, insert after "section 435" the following: "or is computed under section 436 (a) by use of the historical invested capital determined under section 458".

On page 8 of the Senate engrossed amendments, line 13, after "section 435" insert the following: "and is not computed under section 436 (a) by use of the historical invested capital determined under section 458"; and the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment, as follows: On page 9 of the Senate engrossed amendments, line 14, insert after "reduced by" the following: "an amount equal to 75 per centum of"; and the Senate agree to the same.

Amendment numbered 45: That the House recede from its disagreement to the amendment of the Senate numbered 45, and agree to the same with an amendment, as follows: On page 13 of the Senate engrossed amendments, line 1, insert after "years" the following: "(not including deductions arising from the same extraordinary event which gave rise to the deduction for the taxable year)"; and the Senate agree to the same.

Amendment numbered 67: That the House recede from its disagreement to the amendment of the Senate numbered 67, and agree to the same with an amendment, as follows: On page 26 of the House engrossed bill, line 10, insert after "taxpayer is" the following: "the amount"; and the Senate agree to the same.

Amendment numbered 73: That the House recede from its disagreement to the amendment of the Senate numbered 73, and agree to the same with an amendment, as follows: On page 19 of the Senate engrossed amendments strike out lines 7, 8, and 9; and the Senate agree to the same.

Amendment numbered 75: That the House recede from its disagreement to the amendment of the Senate numbered 75, and agree to the same with the following amendments:

On page 20 of the Senate engrossed amendments, line 1, strike out "May 1, 1946" and insert: "the beginning of its base period".

On page 20 of the Senate engrossed amendments strike out line 18 and all that follows through line 2 on page 21, and insert the following:

"'(B) (i) the taxpayer's net sales for the period beginning January 1, 1950, and ending June 30, 1950, when multiplied by 2, equals or exceeds 150 per centum of its average net sales for the calendar years 1946–1947; and

"'(ii) 40 per centum or more of the taxpayer's net sales for the calendar year 1950 is attributable to a product, or class of products (including any article in which such product or class of products is the principal component and including any article which is a component of such product or class of products), of a kind not generally available to the public at any time prior to January 1, 1946, and".

On page 21 of the Senate engrossed amendments strike out line 18 and all that follows through line 6 on page 22.

And the Senate agree to the same.

Amendment numbered 77: That the House recede from its disagreement to the amendment of the Senate numbered 77, and agree to the same with the following amendments:

On page 23 of the Senate engrossed amendments, line 17, strike out "By" and insert the following: "In the case of a taxpayer who is entitled to the benefits of this subsection only under paragraph (1) (B) and whose excess profits net income for the calendar year 1949 is not more than 25 per centum of its excess profits net income for the calendar year 1948, by".

On page 24 of the Senate engrossed amendments strike out lines 3 to 6, inclusive, and insert the following: "The average base period net income determined under this subsection shall be the amount ascertained under subparagraph (C), (D), or (F), whichever is the highest, except that in the case of a taxpayer described in subparagraph (G), its average base period net income determined under this subsection shall be the amount ascertained under subparagraph (C), (D), (F), or (G) (ii), whichever is the highest."

And the Senate agree to the same.

Amendment numbered 84: That the House recede from its disagreement to the amendment of the Senate numbered 84, and agree to the same with an amendment, as follows: On page 25 of the Senate engrossed amendments strike out lines 1 to 16, both inclusive, and insert the following:

"'(1) Definition of yearly base period capital.—For the purposes of this subsection, the yearly base period capital for any taxable year shall be the sum of the equity capital (as defined in section 437 (c)) at the beginning of such taxable year and an amount equal to 75 per centum of the daily borrowed capital (as defined in section 439 (b)) for the first day of such taxable year, reduced by the sum of—

"'(A) the amount of inadmissible assets at the beginning of such taxable year, determined under section 440, minus 25 per centum of the excess, if any, of such amount over the amount of the equity capital (as defined in section 437 (c)) at the beginning of such taxable year,

"'(B) 75 per centum of the amount of loans to members of a controlled group, determined under paragraph (4), and

"'(C) 75 per centum of the amount of the adjustment for interest on borrowed capital, determined under paragraph (5).".

And the Senate agree to the same.

Amendment numbered 86: That the House recede from its disagreement to the amendment of the Senate numbered 86, and agree to the same with an amendment, as follows: On page 29 of the Senate engrossed amendments strike out lines 1 and 2 and insert the following: "excess of the amount determined under the preceding sentence over—

"'(A) unless subparagraph (B) is applicable, the amount of such increase in inadmissible assets;

"'(B) if the amount of such increase in inadmissible assets is in excess of the net capital addition determined without regard to this sentence and without regard to paragraph (3) (C) the amount of such increase in inadmissible assets minus 25 per centum of such excess.".

And the Senate agree to the same.

Amendment numbered 87: That the House recede from its disagreement to the amendment of the Senate numbered 87, and agree

to the same with an amendment, as follows: On page 29 of the Senate engrossed amendments strike out lines 7 and 8 and insert the following: "sentence over—

"'(A) unless subparagraph (B) is applicable, the amount of such decrease in inadmissible assets;

"'(B) if the amount of such decrease in inadmissible assets is in excess of the net capital reduction determined without regard to this sentence and without regard to paragraph (4) (C) and (E), the amount of such decrease in inadmissible assets minus 25 per centum of such excess,'".

And the Senate agree to the same.

Amendment numbered 89: That the House recede from its disagreement to the amendment of the Senate numbered 89, and agree to the same with an amendment, as follows: On page 29, line 12, of the Senate engrossed amendments strike out "The" and insert in lieu thereof the following: "75 per centum of the"; and the Senate agree to the same.

Amendment numbered 92: That the House recede from its disagreement to the amendment of the Senate numbered 92, and agree to the same with the following amendments:

On page 29, line 20, of the Senate engrossed amendments strike out "The" and insert in lieu thereof the following: "75 per centum of the".

On page 30, line 6, of the Senate engrossed amendments strike out "The" and insert in lieu thereof the following: "75 per centum of the"; and the Senate agree to the same.

Amendment numbered 95: That the House recede from its disagreement to the amendment of the Senate numbered 95, and agree to the same with an amendment, as follows: On page 33, lines 9 and 10, of the Senate engrossed amendments strike out "added to the daily capital reduction under" and insert the following: "referred to in"; and the Senate agree to the same.

Amendment numbered 98: That the House recede from its disagreement to the amendment of the Senate numbered 98, and agree to the same with the following amendments:

On page 35 of the Senate engrossed amendments strike out lines 7 to 12, inclusive, and insert the following: "aggregate, divided by the number of days in such year, of the sum of the equity capital (determined under section 437 (c)) as of the beginning of each day of such taxable year and 75 per centum of the daily borrowed capital (determined under section 439 (b)) for each such day, (ii) the term 'assets' as used in section".

On page 36 of the Senate engrossed amendments, line 8, after "and" insert the following: "75 per centum of"; and the Senate agree to the same.

Amendment numbered 104: That the House recede from its disagreement to the amendment of the Senate numbered 104, and agree to the same with the following amendments:

On page 37 of the Senate engrossed amendments beginning in line 22, strike out all after the period over to and including the period in line 3 on page 38.

On page 38 of the Senate engrossed amendments, line 12, insert after "(C)" the following: "75 per centum of"; and the Senate agree to the same.

Amendment numbered 106: That the House recede from its disagreement to the amendment of the Senate numbered 106, and agree to the same with an amendment, as follows: On page 39 of the Senate engrossed amendments, line 12, strike out "which constitute" and insert the following: "used in computing"; and the Senate agree to the same.

Amendment numbered 112: That the House recede from its disagreement to the amendment of the Senate numbered 112, and agree to the same with an amendment, as follows:

On page 40 of the Senate engrossed amendments strike out lines 22 and 23 and insert the following: "under the preceding sentence over—

"'(1) unless paragraph (2) is applicable, the amount of such increase in inadmissible assets;

"'(2) if the amount of such increase in inadmissible assets is in excess of the net new capital addition determined without regard to this sentence and without regard to subsection (c) (3) and subsection (d) (3), the amount of such increase in inadmissible assets minus 25 per centum of such excess'".

And the Senate agree to the same.

Amendment numbered 118: That the House recede from its disagreement to the amendment of the Senate numbered 118, and agree to the same with an amendment, as follows: On page 41 of the Senate engrossed amendments, line 8, strike out "The" and insert the following: "75 per centum of the"; and the Senate agree to the same.

Amendment numbered 119: That the House recede from its disagreement to the amendment of the Senate numbered 119, and agree to the same with an amendment, as follows: On page 42 of the Senate engrossed amendments, line 14, strike out "The" and insert the following: "75 per centum of the"; and the Senate agree to the same.

Amendment numbered 124: That the House recede from its disagreement to the amendment of the Senate numbered 124, and agree to the same with an amendment, as follows: On page 44 of the Senate engrossed amendments, lines 5, 9, 11, and 21, strike out "50" each place it occurs and insert the following: "66⅔"; and the Senate agree to the same.

Amendment numbered 131: That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with the following amendments:

On page 62 of the Senate engrossed amendments, line 8, strike out "445" and insert the following: "447".

On page 63 of the Senate engrossed amendments, strike out lines 11 to 24, both inclusive.

And the Senate agree to the same.

Amendment numbered 143: That the House recede from its disagreement to the amendment of the Senate numbered 143, and agree to the same with the following amendments:

On page 70 of the Senate engrossed amendments, line 16, strike out "subsection (d) (2)" and insert: "subsection (e)".

On page 71 of the Senate engrossed amendments, line 7, strike out "1949" and insert: "1948".

On page 71 of the Senate engrossed amendments, line 8, strike out "60" and insert: "63".

On page 71 of the Senate engrossed amendments, lines 9 and 10, strike out "1936 through 1949" and insert: "1938 through 1948".

On page 71 of the Senate engrossed amendments, line 13, strike out "1949" and insert: "1948".

On page 71 of the Senate engrossed amendments, line 14, strike out "4-year" and insert: "3-year".

On page 71 of the Senate engrossed amendments, line 15, strike out "1949" and insert: "1948".

On page 71 of the Senate engrossed amendments, line 18, strike out "4 years 1946 through 1949" and insert: "3 years 1946 through 1948".

On page 72 of the Senate engrossed amendments, line 1, strike out "1948, and 1949" and insert: "and 1948".

On page 72 of the Senate engrossed amendments, line 4, strike out "1936–1949" and insert: "1938–1948".

On page 72 of the Senate engrossed amendments, beginning in line 5 strike out "14-year period 1936 through 1949" and insert: "11-year period 1938 through 1948".

On page 72 of the Senate engrossed amendments strike out lines 8 and 9 and insert: "years 1938 through 1948 for the years 1946 through 1948".

On page 72 of the Senate engrossed amendments, line 14, strike out "14-year period 1936 through 1949" and insert: "11-year period 1938 through 1948".

On page 72 of the Senate engrossed amendments, line 25, strike out "1936 through 1949" and insert: "1938 through 1948".

On page 74 of the Senate engrossed amendments, line 7, insert after "returns." the following: "For the purposes of this section, rates of return shall be determined after giving effect to renegotiation of contracts in accordance with renegotiation statistics published in the statistics compiled with respect to industry subgroups."

And the Senate agree to the same.

Amendment numbered 144: That the House recede from its disagreement to the amendment of the Senate numbered 144, and agree to the same with an amendment, as follows: On page 75 of the Senate engrossed amendments, line 6, strike out "returns." and insert the following: "returns, computing all rates of return after giving effect to renegotiation of contracts in accordance with renegotiation statistics published in the statistics compiled with respect to industry classifications."; and the Senate agree to the same.

Amendment numbered 145: That the House recede from its disagreement to the amendment of the Senate numbered 145, and agree to the same with the following amendments:

On page 83 of the Senate engrossed amendments, line 17, after "products" insert the following: "(including shale oil)".

On page 85 of the Senate engrossed amendments, line 14, insert after "dividends" the following: "or interest"; and the Senate agree to the same.

Amendment numbered 150: That the House recede from its disagreement to the amendment of the Senate numbered 150, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "molybdenum,"; and the Senate agree to the same.

Amendment numbered 206: That the House recede from its disagreement to the amendment of the Senate numbered 206, and agree to the same with an amendment, as follows: On page 93 of the Senate engrossed amendments, line 15, after "plus" insert the following: "75 per centum of"; and the Senate agree to the same.

Amendment numbered 207: That the House recede from its disagreement to the amendment of the Senate numbered 207, and agree to the same with the following amendments:

On page 113 of the Senate engrossed amendments, line 1, before the period insert the following: "and it shall combine with its net sales for that portion of the period prior to January 1, 1951, which preceded such transaction the net sales of such component corporations for that portion of such period".

On page 115 of the Senate engrossed amendments, at the end of line 18, insert the following: "and the net sales of the component corporation for the period prior to the date of the transaction,".

On page 115 of the Senate engrossed amendments, line 23, strike out "roll and gross receipts" and insert the following: "roll, gross receipts, and net sales".

On page 115 of the Senate engrossed amendments, line 25, strike out "payroll and gross receipts" and insert the following: "payroll, gross receipts, and net sales".

On page 116 of the Senate engrossed amendments, beginning with line 9, strike

out all through line 6 on page 117 and insert the following:

"'(3) Where any corporation, a party to a transaction described in section 461 (a), which had commenced business prior to the beginning of its base period (determined without reference to section 461 (d)), either was entitled at the time of the transaction to determine its average base period net income under section 435 (e) by reason of its having met the requirements of section 435 (e) (1) (B) or, where the transaction occurred prior to January 1, 1951, was furnishing at the time of the transaction a product or class of products of the type described in section 435 (e) (1) (B) (ii), the acquiring corporation shall be entitled to determine its average base period net income under section 435 (e) as provided in this subsection, substituting, for purposes of this paragraph, for the reference to the requirements of section 435 (e) (1) (A) (i), wherever it appears in paragraphs (1) and (2), a reference to the requirements stated in this paragraph, for the date July 1, 1950, wherever it appears in paragraph (1), the date January 1, 1951, and for the references, as they appear in paragraph (2), to transactions which occurred after the close of the base period of the component corporation and to transactions which occurred during the base period of the acquiring corporation, references to transactions which occurred after December 31, 1950 and to transactions which occurred prior to January 1, 1951, respectively."

On page 141 of the Senate engrossed amendments, line 7, strike out "December 1, 1950" and insert the following: "December 31, 1950".

On page 146 of the Senate engrossed amendments, after the period in line 2, insert the following: "For purposes of sections 435 (g) (3) (B) and 435 (g) (4) (B) the equity capital of the acquiring corporation at the beginning of its taxable year in which the transaction occurred shall be computed as of the day following the transaction.".

And the Senate agree to the same.

Amendment numbered 230: That the House recede from its disagreement to the amendment of the Senate numbered 230, and agree to the same with an amendment, as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following: "305"; and the Senate agree to the same.

Amendment numbered 231: That the House recede from its disagreement to the amendment of the Senate numbered 231, and agree to the same with the following amendments:

On page 169 of the Senate engrossed amendments, line 1, strike out "307" and insert: "306".

On page 169 of the Senate engrossed amendments, line 3, strike out "Section" and insert: "Effective with respect to taxable years beginning after December 31, 1950, section".

On page 169 of the Senate engrossed amendments strike out line 17 and the word "any" in line 18 and insert: "amount. Any"; and the Senate agree to the same.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
WILBUR D. MILLS,
DANIEL A. REED,
ROY O. WOODRUFF,
RICHARD M. SIMPSON,
Managers on the Part of the House.

WALTER F. GEORGE,
TOM CONNALLY,
HARRY F. BYRD,
E. D. MILLIKIN,
ROBERT A. TAFT,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9827) to provide revenue by imposing a corporate excess profits tax, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: This amendment provides that the excess profits tax imposed by the bill shall not apply to taxable years beginning on or after January 1, 1953. The House recedes with an amendment providing that the tax shall not apply to taxable years beginning on or after July 1, 1953.

Amendments Nos. 2 and 3: These amendments are clerical. The House recedes.

Amendment No. 4: The House bill provided that the excess profits tax shall not exceed an amount which when added to the normal tax and surtax for the taxable year is equal to 67 percent of the corporation's surtax net income. The Senate amendment provides that the tax shall not exceed an amount equal to the excess of 60 percent of the excess profits net income for the taxable year over the normal tax and surtaxes which would be imposed for the taxable year if the tax base applicable to the normal tax and surtax were the amount of the excess profits net income. The House recedes with an amendment substituting 62 percent for the 60 percent provided in the Senate amendment.

Amendment No. 5: This amendment is clerical. The House recedes.

Amendment No. 6: The Senate amendment provided for computation of the tax in the case of a fiscal year beginning before January 1, 1953, and ending after December 31, 1952. The House recedes with an amendment conforming to the action taken on amendment No. 1.

Amendment No. 7: This amendment is clerical. The House recedes.

Amendment No. 8: This amendment strikes out the provision in the House bill which provided certain rules with respect to payment of the tax in the case of taxpayers claiming the benefits of certain relief provisions contained in the House bill. The rules to be applied in such case are contained in the provisions inserted by Senate amendment No. 144. The House recedes.

Amendment No. 9: This amendment provides a number of cross references. The House recedes.

Amendments Nos. 10 and 11: These amendments are clerical. The House recedes.

Amendment No. 12: This amendment provides that there shall be no unused excess profits credit for a taxable year beginning after the last taxable year for which the excess profits tax is imposed. The House recedes with an amendment conforming to the action taken on amendment No. 1.

Amendment No. 13: This amendment provides that the unused excess profits credit for any taxable year shall be computed without regard to the deduction allowed for the year under section 23 (s) of the Internal Revenue Code, relating to net operating losses. The House recedes.

Amendment No. 14: This amendment provides for the computation of the unused excess profits credit for a taxable year beginning before January 1, 1953, and ending after December 31, 1952. The House recedes with an amendment conforming to the action taken on amendment No. 1.

Amendment No. 15: This is a technical amendment. The House recedes.

Amendment No. 16: This amendment provides, in effect, that there shall not be an unused excess profits credit carry-back for any period during which the taxpayer has distributed substantially all of its assets in liquidation or for any period during which the taxpayer has converted substantially of its assets into assets not held in good faith for the purposes of the business. The House recedes.

Amendment No. 17: This amendment strikes the provision of the House bill which excluded, for purposes of computing excess-profits net income for taxable years ending after June 30, 1950, certain gains and losses to which section 117 (j) of the Internal Revenue Code is applicable. Under the House bill, there would be excluded losses, as well as gains, from the voluntary sale of property used in the trade or business, but losses resulting from fire, theft, flood, and similar casualties would be allowed. The effect of the Senate amendment is to allow certain losses from the voluntary sale of business properties as ordinary losses, which the House provision would have disallowed. The House recedes. The conferees, however, have agreed that the treatment for excess-profits tax purposes of section 117 (j) losses is a subject matter which must have further study.

Amendment No. 18: This amendment makes a clarifying change in the provision of the House bill dealing with exclusions of income attributable to the recovery of bad debts. The House recedes.

Amendment No. 19: This amendment provides for the amount of the adjustment to be made of the normal-tax net income in the case of an insurance company computing the excess-profits credit based upon invested capital. The House recedes.

Amendments Nos. 20, 21, 22, 23, 24, 25, 26, and 27: These are clerical amendments. The House recedes.

Amendment No. 28: The House bill provided an adjustment, in computing excess profits net income, for the net operating loss adjustment. The Senate amendment (1) strikes out this provision of the House bill, (2) makes appropriate amendments in the adjustment to reflect the changes made by the Senate with respect to borrowed capital, and (3) provides, at the election of any taxpayer using the base period credit, for the carry forward to the years 1950 and 1951 of losses during the base period which have not otherwise been offset against the income of other years.

The House recedes with an amendment to allow any taxpayer computing invested capital by means of the historical credit also to carry forward to 1950 and 1951 losses during the base period which have not otherwise been offset in other years.

Amendment No. 29: The House bill provides that in the case of long-term leases, where the lessee is obligated to pay taxes imposed upon the lessor with respect to the rentals thereunder, such taxes shall be excluded by the lessor, and shall not be deducted by the lessee, in computing excess profits net income. The Senate amendment provides that the term of a lease of railroad properties entered into prior to December 1, 1950, shall include the years for which such lease may be renewed or continued. The House recedes.

Amendment No. 30: This is a clerical amendment. The House recedes.

Amendment No. 31: This amendment makes a clarifying change in the provisions relating to the treatment of blocked income. The House recedes.

Amendment No. 32: This is a clerical amendment. The House recedes.

Amendments Nos. 33 and 34: These are conforming amendments to the treatment accorded borrowed capital under Senate Amendment No. 124. The House recedes with an additional conforming amendment.

Amendment No. 35: This amendment provides that, in computing excess profits net income, adjustment shall be made to exclude any payments made to a taxpayer

by the United States or any agency or instrumentality thereof for the encouragement of exploration, development, or mining of critical and strategic minerals or metals for defense purposes. The House recedes.

Amendments Nos. 36 and 37: These are clerical amendments. The House recedes.

Amendments Nos. 38, 39, and 40: These are conforming amendments to Senate amendments Nos. 190–193. The House recedes.

Amendment No. 41: This is a clerical amendment. The House recedes.

Amendment No. 42: This amendment strikes out a provision of the House bill, the principle of which is set forth in section 441 (h), as added by Senate amendment No. 128.

Amendment No. 43: This is a clerical amendment. The House recedes.

Amendment No. 44: This amendment strikes out a provision of the House bill, the principle of which is set forth in section 441 (h), as added by Senate amendment 128.

Amendment No. 45: This is a clarifying amendment. The House recedes with an amendment relating to the treatment of abnormal deductions arising in different taxable years from the same extraordinary event (such as claims and awards arising in different taxable years from a single fire).

Amendment No. 46: This is a clarifying amendment. The House recedes.

Amendment No. 47: This is a technical amendment striking out as unnecessary a House provision. The principle expressed in this provision, of not treating as an abnormal deduction increased payrolls in the case of a growing corporation, is covered by other provisions of the same section of the bill with respect to all types of deductions which may be the cause or consequence of increased income. The House recedes.

Amendment No. 48: The House bill provides that in the case of long-term leases, where the lessee is obligated to pay taxes imposed upon the lessor with respect to the rentals thereunder, such taxes shall be excluded by the lessor, and shall not be deducted by the lessee, in the computation of average base period net income. The Senate amendment provides that the term of a lease of railroad properties entered into prior to December 1, 1950, shall include the years for which such lease may be renewed or continued. The House recedes.

Amendment No. 49: This amendment provides that with respect to banks the deduction for FDIC assessments in the taxpayer's base period years will be reduced proportionally with the credit allowed, pursuant to Public Law 797 of the 81st Congress, against the FDIC assessment in the excess profits tax year. The House recedes.

Amendment No. 50: This amendment adds to section 433 (b) of the bill as it passed the House a new paragraph (14) which provides, for purposes of computing average base period net income in the case of a life insurance company, that there be deducted from the normal-tax net income an amount equal to the excess of (1) the product of (A) the figure determined and proclaimed under section 202 (b) of the Internal Revenue Code and (B) the excess profits net income computed without regard to the paragraph, over (2) the adjustment for certain reserves provided in section 202 (c) of the code. This provision is comparable to section 433 (a) (1) (H) (applicable to excess profits tax taxable years) of the bill as it passed the House. The House recedes.

Amendments Nos. 51, 52, 53, 54, 55, and 56: These amendments are of a technical and clerical nature and the House recedes.

Amendment No. 57: This amendment relates to the action on Amendment No. 219 (adding a new paragraph (8) to section 141 (e) of the code) and Amendment No. 221 (adding a new subsection (j) to section 141 of the code) relating to the filing of consolidated returns. It provides that in the case of a regulated public utility which has made and filed a consent described in section 141 (e) (8) or (j) applicable to the taxable year, the excess profits credit is, for purposes of filing a consolidated return, to be determined in accordance with such consent. The House recedes.

Amendment Nos. 58, 59, 60, 61, 62, 63, and 64: These amendments are clerical or clarifying in nature. The House recedes.

Amendment No. 65: This amendment corresponds to Amendment No. 29 and Amendment No. 48. The House recedes.

Amendment No. 66: This amendment added a provision under which the excess profits credit based on income would be computed under section 713 (but without the benefit of subsection (f) or section 722) of the code for the last taxable year of the taxpayer beginning prior to January 1, 1946, if the amount so computed is greater than 85 percent of the average base period net income computed as provided in the bill. There was no comparable provision in the House bill. The Senate recedes.

Amendment No. 67: This is a technical conforming amendment. The House recedes with a clarifying amendment.

Amendment Nos. 68, 69, 70, 71, and 72: These are technical conforming amendments. The House recedes.

Amendment No. 73: This amendment provides for cross references. The House recedes with a conforming amendment.

Amendment No. 74: This is a technical drafting amendment. The House recedes.

Amendment No. 75: This amendment affects section 435 (e) which is to be added to the Code and which provides for an alternative average base period net income for growing corporations. Under the House bill this provision was available only to corporations which commenced business before the beginning of the base period. The Senate amendment made the provision applicable if the taxpayer commenced business before May 1, 1946.

The House bill also made the growth provision available only if (1) the taxpayer had total assets of not more than $20,000,000 at the beginning of its base period and if (2) the total payroll of the taxpayer for the last half of its base period was 130 percent or more of its total payroll for the first half of its base period or its gross receipts for the last half of its base period were 150 percent or more of its gross receipts for the first half of its base period.

The Senate amendment retains the above gross receipts and payrolls tests, and modifies the $20,000,000 asset test by requiring that there be added to the assets of the taxpayer, for the purposes of this test, the assets of other affiliated corporations with which the taxpayer has the privilege of filing consolidated returns for its first excess profits tax taxable year under the new law.

The Senate amendment also added a second set of tests (as an alternative to the $20,000,000 assets, payrolls and gross receipts tests) which if met qualify the taxpayer for relief under this section. These tests are based on growth as evidenced primarily by increased sales of a product or class of products of a kind not generally available to the public at any time prior to 1946. Television sets are an example of such a product. A product which is a modification of an old product, such as an improvement or change in style, is not a product of the type referred to. A product which was generally available prior to 1946, although not available at all times prior thereto, is also not intended to be covered.

The House recedes with amendments reinstating the requirement that the taxpayer must have commenced business prior to the beginning of its base period and reducing somewhat the qualifications for growth corporations based on sales of a new product.

Amendment Nos. 76 and 77: These amendments relate to the relief provided corporations which qualify as "growth" corporations.

The House bill provided that in the case of a corporation qualifying for relief under the growth provision, its average base period net income under this provision might be based on its income for the last 12 months of its base period or the average for the last 24 months of its base period, whichever is higher. Amendment No. 76 strikes out the provision for taking the higher of these two alternatives and amendment No. 77 provides for two additional alternatives, making four in all under this provision. The third alternative, as added by the Senate amendment, is based on the taxpayer's excess profits net income for the last six months of 1949 and 80 percent of the taxpayer's excess profits net income for the first six months of 1950 (or in the case of a taxpayer on a fiscal year basis, a weighted part of the taxpayer's excess profits net income for the first six months of 1950). The fourth alternative, as added by the Senate amendment, is based on the excess profits net income for the last six months of 1948 and the first six months of 1950 (weighted as above described).

The House recedes as to amendment No. 76, and also recedes as to amendment No. 77 with an amendment restricting the use of the fourth method as an alternative for computing average base period net income under this provision to only those corporations which qualify as growth corporations under the provision relating to a new product and whose excess profits net income for 1949 is 25 percent or less than the excess profits net income for 1948.

Amendment No. 78: This amendment relates to the definition of "total assets" for the purposes of the growth provision test based on $20,000,000 of total assets. Under the House bill only such assets were counted as were "used in the taxpayer's business". The Senate amendment substitutes for this expression the requirement that the assets be "held by such taxpayer for the purposes of the business." The House recedes.

Amendment No. 79: This amendment is made necessary by the provisions of Senate amendment No. 75 under which the $20,000,000 asset test for purposes of the growth formula is to be determined with reference to the assets of an affiliated group. The House recedes.

Amendments No. 80, 81, 82, and 83: These are clerical amendments. The House recedes.

Amendment No. 84: Under the House bill the base period capital addition was determined by treating borrowed capital in a manner similar to its treatment in determining the invested capital credit. This amendment strikes out the provisions of the House bill and substitutes provisions which, in the treatment of borrowed capital, correspond to the treatment of borrowed capital for the purpose of determining the net capital addition or reduction under the Senate bill. The House recedes with amendments conforming to the 75 percent limitation on the inclusion of borrowed capital (see amendment No. 124).

Amendments No. 85 to 95, inclusive: These amendments relate to the determination of the net capital addition or reduction applicable in determining the excess profits credit based on income. Amendments No. 85 and 91 are clerical amendments. Amendments No. 86, 87, 90, and 93 relate to the adjustment for an increase or decrease in inadmissible assets. Under the House bill, this adjustment was made on a daily basis. Under the Senate bill, amendment No. 95 provides rules for determining such increase or decrease for the taxable year, amendments 86 and 87 provide for the adjustment based on such determination, and amendments 90 and 93

strike out the provisions for a daily adjustment. Amendment 88 strikes out a provision in the House bill for the determination of the amount of property paid in as a capital addition, a similar rule being included in section 441 of the Senate bill (see amendment No. 128), and amendment 94 strikes out a cross-reference which appears in the provisions inserted by amendment No. 95. Amendments No. 89 and 92 provide for the inclusion of borrowed capital in determining the net capital addition or reduction. Amendments No. 92 and 95 also provide special rules in the case of an increase in inadmissible assets by, or loans to, a member of a controlled group. The House recedes with amendments necessary to reflect the inclusion of only 75 percent of the borrowed capital.

Amendment No. 96: This amendment is made necessary by amendments 85–95, inclusive, which include borrowed capital in determining net capital addition or reduction. Under the House bill, borrowed capital was not so included, but subsection (h) of section 435 provided special rules for additions and reductions in borrowed capital. Amendment No. 96 strikes out subsection (h), borrowed capital being included under amendments 85–95 in computing net capital addition or reduction. The House recedes.

Amendment No. 97: This amendment provides the general rule for determining the excess profits credit based on invested capital. Under the House bill, the invested capital credit is the sum of the basic equity capital credit, the new capital credit, and the borrowed capital credit, adjusted for inadmissible assets. The Senate bill provides that the invested capital credit shall be the sum of (1) the invested capital credit, reduced by the inadmissible asset adjustment, and (2) the new capital credit. These changes are made necessary by the change made in the treatment of borrowed capital and by the provision in section 437 (b) relating to the election of the historical invested capital method. The House recedes.

Amendment No. 98: This amendment provides rules for the computation of the excess profits credit based on invested capital in the case of foreign corporations engaged in a trade or business in the United States and corporations entitled to the benefits of section 251. The House recedes, with a clarifying amendment to section 436 (b) (1) (A) and technical amendments to section 436 (b) (1) (A) and 436 (b) (1) (B) to conform with the 75 per centum inclusion for borrowed capital.

Amendments Nos. 99, 100, 101, 102, and 103: These are technical amendments made necessary by amendment 104. Under these amendments, the rates for determining the invested capital credit apply to the invested capital determined for the taxpayer; under the House bill these rates applied only to the adjusted equity capital. The House recedes.

Amendment No. 104: This amendment relates to section 437 (b), which in the House bill defined adjusted equity capital. Under the House bill, the rates provided in section 437 (a) applied to the amount so determined under section 437 (b). Amendment No. 104 strikes out section 437 (b) of the House bill and inserts a new section 437 (b), paragraph (1) of which provides that the invested capital shall be, except in the case of a mutual insurance company (other than life or marine), the adjusted invested capital determined under paragraph (2) of section 437 (b), or at the election of the taxpayer in its return for the taxable year the historical invested capital determined under section 458 (see amendment No. 206), paragraph (2) of which provides that the adjusted invested capital is determined in a manner similar to that used in determining adjusted equity capital under section 437 (b) of the House bill, but with the addition thereto of the average borrowed capital for the taxable year, and paragraph (3) of which provides the manner for determining the invested capital in the case of a mutual insurance company (other than life or marine). The House recedes with an amendment providing for the inclusion, in determining adjusted invested capital, of only 75 percent of the average borrowed capital for the taxable year, and with an amendment conforming to the action on amendment No. 205.

Amendment No. 105: This amendment clarifies the provisions of section 437 (c) of the House bill, defining equity capital as the excess of the adjusted basis of the total assets held by the taxpayer over the total of its liabilities, by providing that such assets should include only those held in good faith for the purposes of the taxpayer's business. The purpose of this limitation is to disallow in computing invested capital those assets which are not required in the business and which have the principal effect of reducing excess profits tax. Similar provisions are contained elsewhere in the bill with respect to the other determinations made in computing the excess profits credit. The House recedes.

Amendment No. 106: This amendment provides special rules for determining the equity capital of an insurance company (other than mutual and other than life or marine). The House recedes with a clarifying amendment.

Amendment No. 107: This amendment excludes from the definition of "liabilities" for purposes of determining equity capital of a bank, as defined in section 104, the reserves for bad debts. The House recedes.

Amendments Nos. 108 and 109: These are clerical amendments to conform to amendment No. 128. The House recedes.

Amendment No. 110: This is a clerical amendment. The House recedes.

Amendment No. 111: This amendment conforms to amendment No. 104, and provides that the new capital credit shall not be allowed in the case of a taxpayer using the historical invested capital determined under section 458 (see amendment No. 206), or in the case of a mutual insurance company (other than life or marine). The House recedes.

Amendment No. 112: This amendment relates to the determination of the net new capital addition under section 437 (b). Under the House bill, the daily capital reduction used in determining the net new capital addition was determined under section 437 (e) and there was no adjustment in such determination for any increase in inadmissible assets. The amendment by the Senate provides for such adjustment, and further provides that the daily capital reduction used for purposes of section 438 (b) shall be determined under section 438 (d) (see amendment No. 119). The House recedes with an amendment made necessary by the amendment to amendment No. 104 with respect to the inclusion of only 75 per centum of the average borrowed capital.

Amendments Nos. 113 and 114: These are clerical amendments. The House recedes.

Amendment No. 115: This is a clerical amendment to conform to amendment No. 128. The House recedes.

Amendments Nos. 116 and 117: These are clerical amendments. The House recedes.

Amendment No. 118: This is a technical amendment to conform to the change in the treatment of borrowed capital provided by amendment No. 124. It further provides for treatment of excluded borrowed capital similar to that accorded excluded equity capital in determining the daily new capital reduction. The House recedes, with an amendment reducing the amount of the excess in the increase in daily borrowed capital to be taken into account to 75 per centum.

Amendment No. 119: This amendment inserts a new subsection (d) in section 438 to provide the rules for determining the daily capital reduction for purposes of section 438. The House recedes with an amendment conforming to the change to amendment No. 104 with respect to average borrowed capital.

Amendment No. 120: This amendment is a change in the designation of a subsection. The House recedes.

Amendment No. 121: This is a clerical amendment. The House recedes.

Amendment No. 122: This is a conforming amendment (see amendment No. 128). The House recedes.

Amendment No. 123: This is a conforming amendment made necessary by amendment No. 118, and provides, for borrowed capital, a definition of excluded borrowed capital. The House recedes.

Amendment No. 124: This amendment strikes out section 439 of the House bill, which related to the determination of the borrowed capital credit, and inserts a new section 439, relating to borrowed capital. Under the House bill, the borrowed capital credit generally was an amount equal to one-third of the amount of interest paid or incurred with respect to borrowed capital for the current taxable year, with certain maximum and minimum limitations and with certain special provisions relating to insurance companies. Under the Senate amendment, section 439 defines average borrowed capital for the taxable year and daily borrowed capital for any day. Under other Senate amendments, 100 percent of the indebtedness constituting borrowed capital is includible in the same manner as equity capital in computing the borrowed capital credit, and provision is made for the disallowance of the interest deduction attributable to such borrowed capital (see, for example, amendments Nos. 33 and 34, and 104). Under section 439 (b) (1) of the bill as amended by the Senate, the definition of borrowed capital includes only indebtedness incurred in good faith for the purposes of the business. The Senate amendment includes in borrowed capital the amount of the taxpayer's indebtedness to a bank which is evidenced by a bank loan agreement. It also contains special provisions for a 50 percent inclusion with respect to unearned premiums of insurance companies, certain reserves of life insurance companies, and certain reserves of face-amount certificate companies. In the case of the other Senate amendments with respect to borrowed capital, the House has, in general, receded with amendments providing for only a 75 percent inclusion with respect to borrowed capital. The House recedes with respect to Amendment No. 124, with amendments providing for an increase from 50 percent to 66⅔ percent with respect to insurance company unearned premiums, life insurance company reserves, and face-amount certificate company reserves. The effect of these amendments is to retain as borrowed capital taken into account in computing the excess profits credit in such cases the original 50 percent amount (75 percent of 66⅔ percent).

Amendment No. 125: This is a technical amendment. The House recedes.

Amendment No. 126: This is a clarifying amendment. The House recedes.

Amendment No. 127: Under the House bill, section 441 contained the provisions with respect to the computation of the invested capital credit in the case of foreign corporations and corporations entitled to the benefits of section 251. Under the Senate amendment, provisions with respect to such corporations are contained in section 436 (b) (see amendment No. 98). Amendment No. 127 strikes out section 441 of the House bill. The House recedes.

Amendment No. 128: This amendment is a new section containing definitions and rules applicable to section 435, relating to the excess profits credit based on income; section 437, relating to the invested capital credit;

section 438, relating to the new capital credit; and section 440, relating to admissible and inadmissible assets. Subsection (a) provides a definition of equity capital as the equity capital defined in section 437 (c). Subsection (b) corresponds to a portion of section 437 (d) of the House bill, stricken by Amendment No. 108. Subsection (c) is designed to prevent tax avoidance by including only money and property paid-in in good faith for the purposes of the taxpayer's business. Subsections (d), (e), (f), and (g), respectively, correspond to section 437 (g) of the House bill, stricken by Amendment No. 109. Subsection (i) modifies the general rule for valuation of certain intangible assets, and subsection (j) provides a special rule for certain railroad properties acquired upon rejection of a lease. The House recedes.

Amendment No. 129: The House bill provided that in the case of certain abnormalities in net income during base period years, the year affected by a substantial abnormality might be reconstructed by applying to the taxpayers net income in normal years in the base period the ratio of the industry rate of return for the abnormal years to the industry rate of return for the taxpayer's normal years. The Senate amendment (1) strikes out these provisions of the House bill and (2) provides, in general, for relief in the case of abnormalities by applying the industry rate of return for the period of abnormality to the taxpayer's total assets. In the event that no more than 12 months are affected by an abnormality (other than the period eliminated under section 435 (d)) a substitute excess profits net income is determined for the period of the abnormality by the use of the applicable industry rate of return. In the event that more than 12 months in the taxpayer's base period (other than the period eliminated under section 435 (d)) are affected by an abnormality, the average base period net income is determined by applying the base period rate of return for the 4 years 1946 though 1949 to the taxpayer's average assets during the base period. The provision is intended to be applicable only to periods in which the excess profits net income of the taxpayer is affected by an abnormality. The House recedes.

Amendment No. 130: The House bill provided that taxpayers which introduced a different product or service during the last three years of the base period might compute an alternative credit on the basis of the industry rate of return as applied to their assets. The Senate amendment (1) strikes out the provisions of the House bill and (2) substitutes provisions designed, in general, to provide similar relief. The application of the provisions has been clarified in order to permit a taxpayer who introduces more than one new product or service to aggregate the income from all such products or services for the purpose of qualifying under the section. Other changes have been made in the qualification requirements, in the method of computing average base period net income, and in provisions relating to capital additions and reductions. The House recedes.

Amendment No. 131: This amendment, for which there is no corresponding provision in the House bill, in general permits a taxpayer which has effected a substantial increase in its capacity for production or operation during the last 36 months of the base period to compute an average base period net income by applying the industry base period rate of return to its assets as of the end of the base period. The House recedes with an amendment eliminating a provision relating to a change in operations and management.

Amendment No. 132: This is a clerical amendment. The House recedes.

Amendment No. 133: This is a technical amendment.

Amendment No. 134: This amendment strikes out certain provisions of section 444 of the House bill relating to the method of computing average base period net income for new corporations, and inserts new rules for the computation. The House recedes.

Amendments Nos. 135, 136, 137, 138, and 139: These are technical amendments to the provisions relating to rules for application of the new corporation section. The House recedes.

Amendment No. 140: This amendment, for which there is no corresponding provision in the House bill, provides that certain corporations, under certain circumstances, are not eligible for the benefits of the new corporation provision. The House recedes.

Amendment No. 141: This amendment adds cross-references. The House recedes.

Amendment No. 142: This amendment strikes out section 445 of the House bill, relating to industry base period rates of return, for which provision is made in Senate Amendment No. 144. The House recedes.

Amendment No. 143: This amendment adds a new section providing relief for depressed industry subgroups. Under the Senate amendment a depressed industry subgroup is one in which the average rate of return on total assets during the years 1946 through 1949 is less than 60 percent of the average rate of return of the industry subgroup over the period 1936 through 1949. The Senate amendment would permit a taxpayer in such an industry subgroup to use an average base period net income computed by multiplying its average total assets during the base period by 80 percent of the depressed industry subgroup's average rate of return during the period 1936 through 1949. There was no corresponding provision in the House bill. The House recedes with amendments having the following effect. The comparative periods for determining whether the industry subgroup was depressed and the rate of return to be allowed in computing the average based period net income are limited to the periods 1938 through 1948 (instead of 1936 through 1949) and 1946 through 1948 (instead of 1946 through 1949). Under the Senate amendment the industry rate of return for the short period was required to be less than 60 percent of the rate of return for the long period. This is changed to 63 percent. A clarifying amendment is also made with respect to the effect of renegotiation in connection with the statistics to be used.

Amendment No. 144: This amendment replaces section 445 of the House bill, relating to industry rates of return and industry classifications. The amendment clarifies the method of rate determination and prescribes the industry classifications to be used in providing relief for abnormalities in the base period, change in product, increase in capacity, and new corporations. The industry classifications are the same (to the extent available statistical data will permit) as the Standard Industrial classifications developed by the Bureau of the Budget. The classification of individual corporations is to be made in accordance with the specifications shown in the Standard Industrial Classification Manual (prepared by the Division of Statistical Standards, Bureau of the Budget). The amendment requires the taxpayer to make application with his return, or within a prescribed period, for the benefits of sections 442 to 446. The House recedes with an amendment with respect to the effect of renegotiation in connection with the statistics to be used.

Amendment No. 145: This amendment relates to the minimum excess profits credit for regulated public utilities. The amendment applies to all utilities covered by the House bill and also to regulated public utilities engaged in the furnishing or sale of (1) sewerage disposal services, (2) transportation by motor vehicle, and (3) transportation by common carrier by water, subject to the jurisdiction of the Interstate Commerce Commission or Federal Maritime Board.

Under the House bill the percentage used in computing the credit for common carriers by railroad, and for common carriers by air, was 5 percent. Under the Senate amendment this was increased to 7 percent in the case of air carriers and 6 percent in the case of railroads. Under the House bill the percentage for telephone and telegraph companies was 6 percent, which is increased to 7 percent by the Senate amendment. The utilities added by the Senate amendment use the 6 percent rate.

Under the House bill adjusted equity capital was computed in the manner provided in section 437 (b) of the House bill. Under the Senate amendment, in certain cases where corporate books of account are maintained in accordance with systems of accounts prescribed by an appropriate regulatory body, the adjusted invested capital is the sum of the average outstanding common and preferred stock accounts and the capital surplus and earned surplus accounts as recorded on the corporate books of account.

The amendment also (1) made technical and clarifying changes, (2) expanded and clarified the definition of the term "regulated public utility", and (3) included provisions relating to consolidated returns of regulated public utilities.

The House recedes with clarifying amendments.

Amendments Nos. 146 and 147: These amendments change section numbers. The House recedes.

Amendment No. 148: This amendment comforms to amendment No. 152. The House recedes.

Amendment No. 149: This amendment includes "perlite" as a strategic mineral. The House recedes.

Amendment No. 150: This amendment includes molybdenum and beryllium as strategic minerals. The House recedes with an amendment limiting the inclusion to molybdenum.

Amendment No. 151: This amendment includes trona as a strategic mineral. The Senate recedes.

Amendment No. 152: The House bill extended the benefits of section 448 of the House bill (section 450 of the Senate bill) to corporations engaged in mining critical minerals as defined in subsection (b) (2). This amendment strikes out subsection (b) (2), and conforming changes are made by amendments Nos. 148 and 154. The House recedes.

Amendment No. 153: This is a clerical amendment. The House recedes.

Amendment No. 154: This amendment conforms to the change made by Amendment No. 152. The House recedes.

Amendments Nos. 155, 156, and 157: These are clerical amendments. The House recedes.

Amendments Nos. 158 to 185, inclusive: These are amendments to section 451 of the House bill, relating to nontaxable income from certain mining and timber operations, and from natural gas properties. Amendment No. 158 changes the section number. Amendments Nos. 159, 160, 161, 162, 163, 164, 165, 166, 168, 169, 170, 179, 182, 183, and 185 are clarifying amendments. Under the House bill the taxable years beginning after December 31, 1945, and not ending after June 30, 1950, are referred to as the "base period" for the purposes of this section. Under these amendments, such period is referred to as the "normal period". Amendment No. 167 adds "shell" to the list of nonmetallic substances designated as "minerals" for the purposes of this section. Amendments Nos. 172, 173, 174, and 180 are clerical amend-

ments. Amendment No. 171 permits a taxpayer with more than one mineral property to elect to treat its properties as one mineral property. Amendments Nos. 175, 176, 177, 178, and 181 apply to a metal or coal mining property the rule, applicable under the House bill in the case of a coal mining or iron mining property, for the determination by reference to unit net income of the nontaxable income from exempt excess output. Amendment No. 184 relates to nontaxable income from exempt excess output in the case of a property not in operation during the normal period. Under the House bill, such nontaxable income was one-sixth of the net income (computed with the allowance for depletion) in the case of a coal mining or iron mining property or from a timber block. Under the Senate amendment, it is one-third of such net income in the case of a metal or coal mining property or a timber block or a natural gas property, and a special rule is provided for considering certain metal mining properties as not having been in operation during the normal period. The House recedes.

Amendment No. 185: This is a clerical amendment. The House recedes.

Amendment No. 187: This is a clarifying amendment. The House recedes.

Amendment No. 188: This amendment exempts from the excess profits tax any corporation subject to certain provisions of the Civil Aeronautics Act of 1938 if, after excluding from gross income the amount of certain compensation for the transportation of mail by aircraft, its adjusted excess profits net income for the year is zero or less. The House recedes.

Amendment No. 189: This is a clerical amendment. The House recedes.

Amendments Nos. 190, 191, 192, and 193: These amendments extend the scope of section 455 (a) (section 453 (a) of the House bill) so as to permit dealers in installment sales obligations the same election with respect to reporting income on the accrual basis for excess profits tax purposes as is afforded other taxpayers computing income on the installment basis. The House recedes.

Amendments Nos. 194, 195, 196, 197, 198, 199, and 200: These are clerical amendments. The House recedes.

Amendment No. 201: This amendment relates to classes of abnormal income attributable to other taxable years. The Senate recedes.

Amendments Nos. 202, 203, and 204: These are clerical amendments. The House recedes.

Amendment No. 205: This amendment provides for adjustments in the determination of excess profits credits with respect to deposits under the Merchant Marine Act of 1936. The Senate recedes.

Amendment No. 206: This amendment makes available an historical invested capital credit similar to that provided for under the World War II excess profits tax law. Section 458 (a), (b), and (c) corresponds to sections 715, 716, and 717, respectively. Section 458 (d), providing for the addition to equity invested capital, corresponds to section 718 (a) of prior law and section 458 (e), describing the reductions in equity invested capital, is the counterpart of section 718 (b). Rules for the application of the section, comparable to section 718 (c) of prior law, are set forth in section 458 (f). The House recedes, with an amendment reducing the daily borrowed capital to 75 per centum in conformity with the amendment to section 437 (b) (2).

Amendment No. 207: This amendment substitutes a new Part II for Part II (of subchapter D of chapter I of the Internal Revenue Code) contained in the House bill, dealing with excess profits credit based on income in connection with certain exchanges. The Senate amendment revises the provisions of the House part, with additions made necessary by other Senate amendments. The Senate amendment also makes a number of technical and clarifying changes. The House recedes with technical and clarifying amendments.

Amendments Nos. 208, 209, and 210: These are technical amendments. The House recedes.

Amendment No. 211: This amendment adds to the bill two new sections (sections 471 and 472) relating to exchanges and to the invested capital adjustment at the time of tax-free intercorporate liquidations, respectively. These sections relate to the historical invested capital provisions, and correspond to the provisions of Supplement C of Chapter 2E of the Code. The House recedes.

Amendment No. 212: This amendment adds a new title II—"Increase in corporation surtax"—to the bill. This title increases the rate of surtax upon the corporation surtax net income of corporations for taxable years beginning on or after July 1, 1950, from 20 to 22 percent, and makes the necessary conforming changes in the law with respect to mutual insurance companies other than life or marine, regulated investment companies, business income of certain tax-exempt organizations, and the credits of corporations. Section 203 of title II amends section 108 (f) (2) (relating to fiscal year taxpayers) to make it clear that the increased surtax rate has no effect in the case of taxpayers with taxable years beginning before July 1, 1950, and ending after June 30, 1950. The House recedes.

Amendments Nos. 213, 214, 215, 216, and 217: These are clerical amendments. The House recedes.

Amendment No. 218: Under the House bill personal service corporations and certain corporations (otherwise exempt from the excess profits tax imposed by the bill) which were members of an affiliated group of corporations filing a consolidated return under section 141 were included within the definition of the term "includible corporation" if such corporations made and filed consents, for the taxable year or any prior taxable years beginning after December 31, 1943, to be treated as includible corporations. This amendment changes the reference to taxable years beginning after December 31, 1943, to taxable years ending after June 30, 1950. The effect of the amendment is to permit such corporations to make a new election as to whether they will be members of an affiliated group for taxable years ending after June 30, 1950. The House recedes.

Amendments Nos. 219 and 221: These amendments relate to the inclusion of regulated public utilities in an affiliated group of corporations making a consolidated return for a taxable year in lieu of separate returns.

Amendment No. 219 adds to section 141 (e) a new paragraph (8) which provides that the term "includible corporation" does not include regulated public utilities entitled to compute their excess profits credit under section 448 except such a utility which has made and filed a consent to compute its excess profits credit without regard to section 448.

Amendment No. 221 adds to section 141 a new subsection (j) which, despite the provisions of the paragraph added by Amendment No. 219, permits two or more regulated public utilities to be considered as includible corporations for the purposes of the application of subsection (d) (relating to definition of "affiliated group") to such regulated public utilities alone if each such regulated public utility has made and filed a consent to compute its excess profits credit under section 448 only.

A consent under section 441 (e) (8) or (j) is to be made and filed at such time and in such manner as may be prescribed by the Secretary and is to be applicable to the taxable year for which filed and to each consecutive subsequent taxable year for which a consolidated return is filed.

The House recedes.

Amendments Nos. 220, 222, 223, 224, 225, 226, 227, and 228: These are clerical amendments. The House recedes.

Amendment No. 229: This amendment relates to the amortization of emergency facilities. The Senate recedes.

Amendment No. 230: This is a clerical amendment. The House recedes with a clerical amendment.

Amendment No. 231: This amendment relates to the same subject as amendment No. 35, namely, payments made by the United States for the encouragement of exploration, development, or mining of strategic or critical minerals for defense purposes, but amends section 22 (b) of the code so as to exclude such payments from normal tax net income and surtax net income. The House recedes with a clerical amendment and with an amendment making this provision applicable to taxable years beginning after December 31, 1950.

R. L. DOUGHTON,
JERE COOPER,
JOHN D. DINGELL,
WILBUR D. MILLS,
DANIEL A. REED,
ROY O. WOODRUFF,
RICHARD M. SIMPSON,
Managers on the Part of the House.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CONFERENCE REPORT ON H. R. 9827, THE EXCESS PROFITS TAX ACT OF 1950

Mr. DOUGHTON. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD in explanation of the bill.

The SPEAKER. Is there objection to the quest of the gentleman from North Carolina?

There was no objection.

Mr. DOUGHTON. Mr. Speaker, the conference report on H. R. 9827, the Excess Profits Tax Act of 1950, was agreed to unanimously by the seven House conferees and the five Senate conferees. The conference report retains all the important provisions of the bill which passed the House of Representatives on December 5, by a vote of 378 to 20. A number of amendments were added in the Senate. Some of these made technical changes and others were designed to avoid hardship in the application of the excess-profits tax to particular industries, or to small new expanding corporations. Most of the Senate amendments were acceptable to the House conferees, but a few were not.

The principal differences between the conference report and the bill as passed by the House of Representatives are as follows:

A. Rate of tax and over-all ceiling: The rate of tax would be 77 percent of adjusted excess-profits net income. This includes an increase of 2 percent in the rate of surtax on corporations effective in the case of calendar-year corporations beginning with the 1951 taxable year.

The excess-profits tax would be applicable, in effect, retroactive to July 1, 1950. The over-all rate limitation on income and excess-profits taxes would be 62 percent instead of the 67 percent provided under the House bill and the 60 percent provided under Senate amendment.

B. Termination date: As passed by the House, the bill provided for an excess-profits tax for an indefinite period. A Senate amendment provided that the excess-profits tax should terminate as of December 31, 1952. The conferees agreed to terminate the tax with respect to taxable years beginning after June 30, 1953. The provision for a termination date really is not very important in view of the fact that our entire tax structure will be under constant review as we endeavor to meet the financial requirements of the preparedness program.

C. Borrowed capital: As under the House bill, the conference agreement retains the same election available under the World War II excess-profits tax of computing the excess-profits-tax credit on either the average earnings or invested-capital method, whichever is most favorable to the taxpayer. Under the House bill, taxpayers using the invested-capital credit generally were allowed a lower rate of return on borrowed capital than on equity capital. A Senate amendment allowed the same rate of return for borrowed capital as for equity capital by inclusion of 100 percent of borrowed funds as invested capital. Under the conference agreement, the House policy prevailed, since only 75 percent of borrowed capital would be taken into account, while one-fourth of the interest on borrowed funds would be allowed as a deduction in computing excess-profits net income for the taxable year.

D. Changes in the growth formula: The Committee on Ways and Means recognized that, in the case of small, growing corporations, the 1946–49 experience might not provide an adequate average earnings credit. Under the House bill, therefore, corporations with total assets of not more than $20,000,000 at the beginning of the base period and with a higher volume of business in 1948 and 1949 than in 1946 and 1947 would be permitted to use an alternative credit consisting of either 1949 earnings or the average of 1948 and 1949 earnings. As modified in conference, in accord with the original purpose of the House bill, a corporation with assets in excess of $20,000,000 may qualify for relief under the growth formula if it has a record of rapid growth in the base period attributable to the sale of a new product. Under the conference agreement, "growth" corporations may also elect to take into account, in computing average base period net income, earnings during the first 6 months of 1950.

E. Increase in capacity during the base period: The House bill provided for appropriate adjustment in the average earnings credit based on net income in the base period in the case of abnormalities which adversely affected the income of a corporation during the base period and a change in product or services during the base period which increased the potential earnings of a taxpayer. A Senate amendment carries out the purpose of the House bill by granting similar relief in the case of a taxpayer which made substantial changes in capacity to increase its output during the last 36 months of the base period.

F. Regulated public utilities: As passed by the House, the bill provided an alternative credit for regulated public utilities consisting of a minimum fixed return after corporate normal tax and surtax. Under the conference agreement, this alternative credit would be available to certain bus lines, truck lines, ship lines, and sewerage disposal companies, and the alternative credit was liberalized in certain respects.

G. Distressed industries: As agreed to in conference, the bill provides relief for depressed industries if the average rate of return on total assets of the industry in 1946 through 1948 were substantially below the rate of return for the period 1938 through 1948.

H. Other Senate amendments:

(a) The House receded on Senate amendment No. 17. This amendment does not change the treatment provided in the House bill in cases where gains exceed losses in the case of sales of section 117 (j) assets, including gains and losses upon the cutting of timber under section 117 (k). In such a case, under both the House and the Senate bills, where such gains exceed losses, the gain is not subject to the excess-profits tax.

(b) Though sympathetic with the principle of the Senate amendment relating to the amortization allowance for defense facilities, the House conferees could not accept the amendment because of the limited time available to explore the problem. The House conferees also had in mind that administration of the amortization section is in its early stages and that the officials in charge should be given an opportunity to conform their policy to the intent of the Congress to encourage the investment of private capital in war plants.

If the problem is not solved administratively at an early date, I personally, will ask the Ways and Means Committee to review the situation and to initiate appropriate remedial legislation. Any such legislation should apply retroactively, so that applicants who begin construction on the basis of certificates of necessity currently being issued will not be prejudiced.

I. Revenue yield: According to the estimates of the staff of the Joint Committee on Internal Revenue Taxation, the bill as agreed to in conference, at current levels of corporate profits, will yield about $3,300,000,000, and if the upward trend in corporate profits continues the bill will yield between $4,000,000,000 and $5,000,000,000 next year.

Mr. Speaker, as I have indicated, the conference report retains all of the essential provisions of the House bill. In my opinion, most of the Senate amendments agreed to in conference have improved the measure by providing greater protection against possible hardship. I believe that the bill now before the House fully complies with the mandate given to the Committee on Ways and Means to prepare as early as possible in the Eighty-first Congress an excess-profits tax bill, and I am grateful to everyone who has cooperated in making possible the completion of our assignment in the limited time available.

Mr. Speaker, I urge the adoption of the conference report.

Mr. REED of New York. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. REED of New York. Mr. Speaker, as it passed the House on December 5, 1950, H. R. 9827, the Excess Profits Tax Act of 1950 was probably the most hysterical piece of tax legislation ever to come before the Congress. It was a manifestation of what can, and does, happen when political emotionalism is substituted for judgment and reason and when haste becomes the measure of achievement. But it is to the everlasting credit of our legislative process that even under such a severe handicap the final product represented by the conference report is at least a wholehearted effort to enact a fair and equitable excess profits tax. Of course, any tax which attempts to define normal profits for all corporations is at best a clumsy and inherently inequitable sort of tax, and no amount of relief provisions can ever be made to prevent discrimination between corporate taxpayers. Considering, however, the pressure under which this legislation was framed it is at least a brave effort to achieve the desired objective of taxing the profits arising from our defense program and at the same time not erecting a tax barrier around the expansion of our industrial economy.

The fact that a vast improvement over the bill as it passed the House has been made is due primarily to the energetic fight which the Republican minority made. When the bill was being hurriedly considered by the House we Republicans pointed out many of the serious defects which it contained and urged, both in the minority views and during the debate, that certain changes be made. I am now happy to report to you that the conference report contains most of the Republican recommendations for improvements and that the basic concept of a minimum floor through an increased corporate rate and a maximum ceiling which I proposed is also contained in the conference report. Had the Democratic members of the Ways and Means Committee not peremptorily ruled my proposal out of order early in the public hearings, it would have greatly expedited the passage of this legislation and made it unnecessary for the House to have to consider the conference report at this late stage of the Fighty-first Congress.

It will be recalled that the Republican motion to recommit H. R. 9827 with instructions to report it back forthwith to the House consisted of only two simple amendments. The first amendment would have provided for an increase in the corporate surtax rate. This amendment is now provided for in the conference report in the form of a 2-percentage-point increase in the corporate income-tax rate with respect to taxable

years beginning on and after July 1, 1950. At the levels of corporate profits existing in 1950 this 2-percentage-point increase in the corporate surtax rate will yield approximately $600,000,000 annually. Since no increase is made in the normal tax rate the total tax rate on income of $25,000 or less will remain at 25 percent, which is the present rate under existing law for 1951. The second part of the Republican motion to recommit was the elimination of the 15-percent cutback in the average earnings credit. Although the effect of this amendment was not as simply achieved as under the Republican proposal, substantially the same result has been reached in many cases as the result of the liberalized relief provisions. Among these are the 62-percent ceiling, the more adequate growth formula, the election to use either the historical capital approach or the so-called asset approach provided in the House bill, the addition of the equivalent to section 722 (b) (4) of the World War II law for corporations which made substantial changes in its capacity during the base period, the depressed industries relief provision, the use of borrowed capital in computing the invested capital credit and other provisions.

In calling the attention of the House to the fact that the conference report is a vindication and tribute to the fight by the Republican minority to improve H. R. 9827 as it was reported by the Ways and Means Committee, I do not by any stretch of the imagination intend to infer that the provisions of the conference report are entirely satisfactory. But it can now at least, be said that the Congress has assumed its responsibility for writing tax legislation and has not delegated this right and duty to others.

The House bill provided that the excess-profits tax could not be greater than an amount which when added to the normal and surtax equaled 67 percent of the corporation's surtax net income. The Senate amendment reduced the 67 percent to 60 percent and changed the application of the ceiling so that the amount of the tax could not exceed an amount equal to the excess of 60 percent of the excess-profits net income for the taxable year over the normal tax and surtaxes which would have been imposed for the taxable year if the tax base applicable to the normal tax and surtax were the amount of the excess-profits net income. The House conferees adopted the Senate amendment but substituted 62 percent for the 60 percent. I personally felt that the ceiling should have remained at 60 percent and that a lower ceiling should be provided for small corporations but the 62-percent ceiling is a compromise. Under the World War II tax the ceiling limited the combined rate of the corporate income tax and excess-profits tax to slightly more than 72 percent after the allowance for the postwar credit.

Among the worst defects of the House bill was the inadequate growth formula which was intended as a substitute for the growth formula used in the World War II law which permitted taxpayers to calculate their base-period credit by adding to the average income of the last half of the base period 50 percent of the difference between the average income of the first and second halves of the base period, subject to certain limitations. The conference agreement has remedied the House provision by providing for two general sets of qualifications. One test is applicable to taxpayers whose total assets at the beginning of the base period are not more than $20,000,000, and if the corporation's total payroll for the last half of its base period is 130 percent or more of its total payroll for the first half of its base period, or its gross receipts during the last half of its base period is 150 percent or more of its gross receipts for the first half of its base period. In the case of corporations which do not have total assets of not more than $20,000,000 the following requirements must be met:

First. The taxpayer's net sales for the period January 1 through June 30, 1950, when multiplied by 2 are 150 percent or more of its average net sales in the calendar years 1946 and 1947;

Second. Forty percent or more of the taxpayer's net sales for the calendar year 1950 are attributable to a product or class of products not generally available to the general public prior to January 1, 1946. For this purpose a product or class of products includes articles of which the product or class of products is a principal component and articles which are themselves a component of such product or class of products;

Third. The taxpayer's net sales attributable to such product or class of products in the calendar year 1946 are 5 percent or less than its net sales so attributable in 1949.

If corporations meet either of these two tests they may use an alternate average base period net income on the basis of—

First. Income in the years 1948 and 1949;

Second. Income in the year 1949; or

Third. One-half of the income in 1949 and 40 percent of the income in 1950.

I believe that the growth formula provided in the conference agreement will afford some measure of relief to the electronics and television industry which has experienced such a substantial growth period, unrelated to our military program, in 1950.

The conference report adopts with minor amendments the Senate amendment providing relief for depressed industries. It will be recalled that the Republican minority pointed out that, as it passed the House, H. R. 9827 would have had disastrous impact on a substantial portion of the aircraft-production industry. In adopting the Senate amendment on this point the House conferees followed the Republican recommendations for more adequate relief in this area.

In general taxpayers in depressed industries are permitted to use a substitute average base period net income computed by multiplying their average total assets during the base period by 80 percent of the depressed industry's average rate of return during the period 1938 through 1948.

Among the provisions which were not in the House bill but which are contained in the conference report is the election which the taxpayer is given to use either the asset approach or the historical capital approach similar to that provided in the World War II excess profits tax law. In general the major difference between the asset approach and the so-called historical capital approach is the treatment of deficits.

The Senate amendments permitted borrowed capital to be included in full in computing the credit for invested capital and in computing net additions to capital under the average-earnings basis. This differed from the House bill which provided for the increase in the invested capital credit by one-third of the interest payment and allowed the full deduction for the amount of interest paid. The conference agreement follows the Senate amendment but reduces the amount of borrowed capital to 75 percent but permits one-quarter of the interest payments to be deductible in the current tax year in computing the income subject to the excess-profits tax.

I have attempted to touch on only some of the high lights of the conference report to show that major improvements have been made over the bill as it passed the House. In conclusion I want to particularly call the attention of the House to the fact that the conference report provides for a termination date for the excess-profits tax. The Senate amendments provided a termination date with respect to the taxable years beginning after January 1, 1953, and the House conferees agreed to terminate this tax for taxable years beginning after June 30, 1953. This is a most meritorious provision because it assures all the taxpayers which are subject to this tax that the Congress will review the law not later than 1953.

Mr. MARTIN of Iowa. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. MARTIN of Iowa. Mr. Speaker, during the debate in the House of Representatives on the original consideration of H. R. 9827, the Excess Profits Tax Act of 1950, I discussed quite fully the impact of the proposed legislation on certain industries of especial importance to our national defense, particularly airline operation, aircraft production, and strategic and critical mineral-mining industries. Quite naturally I followed the action in the other body and by the committee on conference on the provisions of the proposed legislation directly affecting those industries. I commend the Senate Committee on Finance and the Senate and the committee on conference for greatly improving the provisions affecting those particular industries.

The exemption of airmail compensation and the increase from 5 percent to 7 percent of profit allowed to the airline industry are changes of tremendous importance to that industry. Also liberalizing the provisions applicable to industries having low earnings during the base period is of great importance to the aircraft production industry. I call your attention particularly to amendment 143.

The need for further amendment to this legislation may arise from time to time and from the above changes made in this bill I feel confident that Congress will give such further changes timely consideration whenever situations may arise calling for additional legislation affecting these industries.

This tax bill is of definite aid in another all-important program which I have previously called to the attention of the House, namely the exploration, development, and encouragement of production of the metals and minerals needed for our defense.

We have far from an adequate supply of strategic minerals in this country, and this bill recognizes that the mining of these strategic minerals should be given all possible encouragement and that those who are willing to undertake the great risks of developing production during this emergency should not be subjected to an excess-profits tax on such production although they will, of course, be subject to the regular income tax. It also permits the defense mineral authorities in their judgment to certify additional strategic minerals besides those specifically named in the bill.

A further provision, under which critical minerals could be certified for excess-profits-tax exemption in the case of new mines, shut-down mines, or submarginal mines was omitted in the final bill, although certain other provisions introduced in the Senate and accepted by the conferees partially cover this situation.

In the case of mines which are called on to deplete their resources more rapidly to meet the emergency, a reasonable, normal unit of production should be allowed free from excess-profits tax. This principle was originally recognized in section 735 of the World War II law. That section, however, was so hemmed in with limitations and technicalities that it was far from adequate to accomplish its purpose of encouraging added mineral production. The bill now before us improves this section in certain respects. It extends to all metal mines a provision which was previously applicable only to coal and iron mines, under which one-half of the unit net income on production in excess of the average base-period production is excluded from excess-profits net income. As to mines which were not in operation during the base period, the bill excludes one-third of the net income from excess-profits tax and again makes this applicable to all metal mines as well as to coal and iron mines. A metal mine which operated at an overall loss during the base period is considered not to have been in operation during the base period and is hence entitled to the benefit of this provision. A mine which operated during the base period with some profit, including mines which may have operated at a very low or inadequate rate of return, would come under the general provision previously cited, under which one-half of their unit income on their increased production could be excluded from the tax.

A further provision for which I wish to compliment our colleagues in the other chamber and the committee on conference is one that will aid the defense minerals authorities in any programs of Government aid to exploration, development, and mining that the defense minerals authorities may undertake under the requirements of the Defense Production Act of 1950. This is a provision under which Government grants or the forgiveness of Government loans made for exploration, development, and mining purposes and expended in accordance with Government instructions shall not be considered as taxable income. I am informed by the Defense Minerals Administration that without such a provision the defense minerals officials would be powerless to carry out the job with which they have been charged. It would obviously be ridiculous to furnish a mining enterprise with $100,000 of Government funds for a vitally necessary development project and then to require that 47 or 77 percent of that $100,000 be taken in taxes. There are certain technical aspects of this provision as to which I am not clear, but it recognizes a principle which is highly important to the success of our minerals program.

On the whole, Mr. Speaker, I feel that this bill will give a measure of aid toward the production of the vital mineral resources which are the foundation of our defense production. While I have not had an opportunity to study it fully, I do know that there were further provisions which we have advocated and which we have felt were highly important in order to remove tax barriers that are holding back this vitally needed exploration and development. If on further study it appears that additional provisions are required, and I am inclined to think that this will be the case, I am sure that the Congress will wish to take promptly the necessary action in order that our defense program may not be impeded at the very time these strategic and critical materials are most urgently needed.

Mr. ALLEN of California. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ALLEN of California. Mr. Speaker, when H. R. 9827 was sent back to the House from the other body, it included Senate amendment No. 205 providing for the treatment to be accorded deposits made under section 511, or 607 of the Merchant Marine Act of 1936. Subsequently in conference the Senate receded. I believe however, that it was understood that the matter would be given further study. The time available being too short to permit such a study to be made during this session of Congress.

Mr. Speaker, the careful study and early appropriate action of the Congress on this subject is highly desirable in order that the maritime industry, so necessary to national defense in times of emergency, should be dealt with fairly and assisted in keeping itself in a healthy condition in accordance with the established policies of the Congress.

AMENDMENT OF SECTION 22 (D) (6) OF INTERNAL REVENUE CODE

Mr. CAMP. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (H. R. 9794) to amend section 22 (d) (6) of the Internal Revenue Code, with Senate amendments and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments as follows:

Page 2, lines 6 and 7, strike out "Beginning after December 31, 1949" and insert "Ending after June 30, 1950."

Page 2, line 12, strike out "Beginning after December 1, 1949" and insert "Ending after June 30, 1950."

Page 2, lines 15 and 16, strike out "beginning after December 31, 1949" and insert "ending after June 30, 1950."

Page 5, strike out line 16 and insert "ending after June 30, 1950."

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

FEDERAL CIVIL DEFENSE PROGRAM

Mr. DURHAM submitted the following conference report and statement on the bill (H. R. 9798) to authorize a Federal civil defense program, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 3235)

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9798) to authorize a Federal civil defense program, and for other purposes, having met after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendment of the Senate and agree to the same with an amendment as follows: In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

"That this Act may be cited as the 'Federal Civil Defense Act of 1950'.

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"Sec. 201. Detailed functions of Administrator.
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"TITLE III—EMERGENCY AUTHORITY

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"Sec. 302. Utilization of Federal departments and agencies.
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"Sec. 401. Administrative authority.
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"Sec. 409. Reconstruction Finance Corporation.
"Sec. 410. Atomic Energy Act of 1946.
"Sec. 411. Federal Bureau of Investigation.
"Sec. 412. Separability.

"DECLARATION OF POLICY

"SEC. 2. It is the policy and intent of Congress to provide a plan of civil defense for the protection of life and property in the United States from attack. It is further declared to be the policy and intent of Congress that this responsibility for civil defense shall be vested primarily in the several States and their political subdivisions. The Federal Government shall provide necessary coordination and guidance; shall be responsible for the operations of the Federal Civil Defense Administration as set forth in this Act; and shall provide necessary assistance as hereinafter authorized.

"DEFINITIONS

"SEC. 3. As used in this Act—

"(a) The term 'attack' means any attack or series of attacks by an enemy of the United States causing, or which may cause, substantial damage or injury to civilian property or persons in the United States in any manner by sabotage or by the use of bombs, shellfire, or atomic, radiological, chemical, bacteriological, or biological means or other weapons or processes;

"(b) The term 'civil defense' means all those activities and measures designed or undertaken (1) to minimize the effects upon the civilian population caused or which would be caused by an attack upon the United States, (2) to deal with the immediate emergency conditions which would be created by any such attack, and (3) to effectuate emergency repairs to, or the emergency restoration of, vital utilities and facilities destroyed or damaged by any such attack. Such term shall include, but shall not be limited to, (A) measures to be taken in preparation for anticipated attack (including the establishment of appropriate organizations, operational plans, and supporting agreements; the recruitment and training of personnel; the conduct of research; the procurement and stockpiling of necessary materials and supplies; the provision of suitable warning systems; the construction or preparation of shelters, shelter areas, and control centers; and, when appropriate, the nonmilitary evacuation of civil population); (B) measures to be taken during attack (including the enforcement of passive defense regulations prescribed by duly established military or civil authorities; the evacuation of personnel to shelter areas; the control of traffic and panic; and the control and use of lighting and civil communications); and (C) measures to be taken following attack (including activities for fire fighting; rescue, emergency medical, health and sanitation services; monitoring for specific hazards of special weapons; unexploded bomb reconnaissance; essential debris clearance; emergency welfare measures; and immediately essential emergency repair or restoration of damaged vital facilities);

"(c) The term 'organizational equipment' means equipment determined by the Administrator to be (1) necessary to a civil defense organization, as distinguished from personal equipment, and (2) of such a type or nature as to require it to be financed in whole or in part by the Federal Government. It shall not be construed to include those items which the local community normally utilizes in combating local disasters except when required in unusual quantities dictated by the requirements of the civil defense plans;

"(d) The word 'materials' shall include raw materials, supplies, medicines, equipment, component parts and technical information and processes necessary for civil defense;

"(e) The word 'facilities', except as otherwise provided in this Act, shall include buildings, shelters, utilities, and land;

"(f) The term 'United States' or 'States' shall include the several States, the District of Columbia, the Territories, and the possessions of the United States; and

"(g) The term 'neighboring countries' shall include Canada and Mexico.

"TITLE I—ORGANIZATION

"FEDERAL CIVIL DEFENSE ADMINISTRATION

"SEC. 101. (a) There is hereby established in the executive branch of the Government a Federal Civil Defense Administration (hereinafter referred to as the 'Administration') at the head of which shall be a Federal Civil Defense Administrator appointed from civilian life by the President, by and with the advice and consent of the Senate. The Federal Civil Defense Administrator (hereinafter referred to as the 'Administrator') shall receive compensation at the rate of $17,500 per year.

"(b) There shall be in the Administration a Deputy Administrator who shall be appointed from civilian life by the President, by and with the advice and consent of the Senate, and who shall receive compensation at the rate of $16,000 per year. The Deputy Administrator shall perform such functions as the Administrator shall prescribe and shall act for, and exercise the powers and perform the duties of, the Administrator during his absence or disability.

"(c) The Administrator shall perform his functions subject to the direction and control of the President.

"CIVIL DEFENSE ADVISORY COUNCIL

"SEC. 102. (a) There is hereby created a Civil Defense Advisory Council, hereinafter referred to as the Council, which shall advise and consult with the Administrator with respect to general or basic policy matters relating to civil defense. The Council shall consist of the Administrator, who shall be chairman, and twelve additional members to be appointed by the President, of whom three members shall be representative of the State governments, three members shall be representative of the political subdivisions of the States and the remaining members shall be selected among the citizens of the United States of broad and varied experience in matters affecting the public interest, other than officers and employees of the United States (including any department or agency of the United States) who, as such, regularly receive compensation for current services. The following organizations shall be invited to establish panels of names for the members representative of the States and the political subdivisions thereof:

"The Council of State Governments.

"The Governor's Conference.

"The American Municipal Association.

"The United States Conference of Mayors.

"The representatives of the States and the political subdivisions thereof appointed by the President shall be selected from the panels established by the above-mentioned organizations. Not more than a majority of two of the members shall be appointed to the Council from the same political party. Each member shall hold office for a term of three years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed, shall be appointed for the remainder of such term; and (2) the terms of office of the members first taking office after the date of the enactment of this Act shall expire, as designated by the President at the time of appointment, four at the end of one year, four at the end of two years and four at the end of three years, after the date of the enactment of this Act. The Council shall meet at least once in each calendar year and at such other times as the Administrator shall determine that its advice and counsel will be of assistance to the program.

"(b) The Administrator may appoint such other advisory committees as are deemed necessary.

"(c) The members of the Council and the members of any other advisory committees, other than the Administrator, may be compensated at rates not in excess of those prescribed in section 401 (b) of this Act.

"TITLE II—POWERS AND DUTIES

"DETAILED FUNCTIONS OF ADMINISTRATION

"SEC. 201. The Administrator is authorized, in order to carry out the above-mentioned purposes, to—

"(a) prepare national plans and programs for the civil defense of the United States, making such use of plans and programs previously initiated by the National Security Resources Board as is feasible; sponsor and direct such plans and programs; and request such reports on State plans and operations for civil defense as may be necessary to keep the President, the Congress and the several States advised of the status of civil defense in the United States;

"(b) delegate, with the approval of the President, to the several departments and agencies of the Federal Government appropriate civil defense responsibilities, and review and coordinate the civil defense activities of the departments and agencies with each other and with the activities of the States and neighboring countries;

"(c) make appropriate provision for necessary civil defense communications and for dissemination of warnings of enemy attacks to the civilian population;

"(d) study and develop civil defense measures designed to afford adequate protection of life and property, including, but not limited to, research and studies as to the best methods of treating the effects of attacks; developing shelter designs and materials for protective covering or construction; and developing equipment or facilities and effecting the standardization thereof to meet civil defense requirements;

"(e) conduct or arrange, by contract or otherwise, for training programs for the instruction of civil defense officials and other persons in the organization, operation, and techniques of civil defense; conduct or operate schools or classes, including the furnishing of subsistence and quarters for trainees and instructors subject to reimbursement on terms prescribed by the Administrator; and provide instructors and training aids as deemed necessary: *Provided*, That not more than one national civil defense college and three civil defense technical training schools shall be established under the authority of this subsection: *Provided further*, That no land shall be acquired and no buildings shall be constructed pursuant to this subsection unless specifically authorized by the Congress;

"(f) publicly disseminate appropriate civil defense information by all appropriate means;

"(g) assist and encourage the States to negotiate and enter into interstate civil defense compacts; review the terms and conditions of such proposed compacts in order to assist to the extent feasible in obtaining uniformity therein and consistency with the national civil defense plans and programs;

assist and coordinate the activities thereunder; aid and assist in encouraging reciprocal civil defense legislation by the States which will permit the furnishing of mutual aid for civil defense purposes in the event of an attack which cannot be adequately met or controlled by a State or political subdivision thereof threatened with or undergoing an attack: *Provided*, That a copy of each such civil defense compact shall be transmitted promptly to the Senate and the House of Representatives. The consent of the Congress shall be granted to each such compact, upon the expiration of the first period of sixty calendar days of continuous session of the Congress following the date on which the compact is transmitted to it; but only if, between the date of transmittal and expiration of such sixty-day period, there has not been passed a concurrent resolution stating in substance that the Congress does not approve the compact: *Provided*, That nothing in this subsection shall be construed as preventing Congress from withdrawing at any time its consent to any such compact;

"(h) procure by condemnation or otherwise, construct, lease, transport, store, maintain, renovate or distribute materials and facilities for civil defense, with the right to take immediate possession thereof: *Provided*, That facilities acquired by purchase, donation, or other means of transfer may be occupied, used, and improved for the purposes of this Act, prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended (40 U. S. C. 255): *Provided further*, That the Administrator shall report not less often than quarterly to the Congress all property acquisitions made pursuant to this subsection: *Provided further*, That on and after January 1, 1952, the Administrator shall not acquire any land, or any interest therein, pursuant to the provisions of this subsection unless such acquisition shall first have been specifically authorized by the Congress.

"(i) make financial contributions, on the basis of programs or projects approved by the Administrator, to the States for civil defense purposes, including, but not limited to, the procurement, construction, leasing, or renovating of materials and facilities. Such contributions shall be made on such terms or conditions as the Administrator shall prescribe, including, but not limited to, the method of purchase, the quantity, quality, or specifications of the materials or facilities, and such other factors or care or treatment to assure the uniformity, availability, and good condition of such materials or facilities: *Provided*, That, except as otherwise provided in section 303 (d) of this Act, no contributions shall be made for State or local personnel and administrative expenses, or for items of personal equipment for State or local workers, or for the procurement of land: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for organizational equipment shall be equally matched by such State from any source it determines is consistent with its laws: *Provided further*, That financial contributions to the States for shelters and other protective facilities shall be determined by taking the amount of funds appropriated or available to the Administrator for such facilities in each fiscal year and apportioning same among the States in the ratio which the urban population of the critical target areas (as determined by the Administrator, after consultation with the Secretary of Defense) in each State, at the time of the determination, bears to the total urban population of the critical target areas of all of the States: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for such shelters and protective facilities shall be equally matched by such State from any source it determines is consistent with its laws and, if not matched within a reasonable time, the Administrator may reallocate same to other States on the formula outlined above: *Provided further*, That the value of any land contributed by any State or political subdivision thereof shall be excluded from the computation of the State share: *Provided further*, That the amounts paid to any State under this subsection shall be expended solely in carrying out the purposes set forth herein and in accordance with State civil defense programs or projects approved by the Administrator: *Provided further*, That the Administrator shall make no contribution toward the cost of any program or project for the procurement, construction, or leasing of any facility which (1) is intended for use, in whole or in part, for any purpose other than civil defense and (2) is of such kind that upon completion it will, in his judgment, be capable of producing sufficient revenue to provide reasonable assurance of the retirement or repayment of such cost, except that (subject to the foregoing provisos of this subsection) he may make contribution to any State toward that portion of the cost of the construction, reconstruction, or enlargement of any facility which he shall determine to be directly attributable to the incorporation in such facility of any feature of construction or design not necessary for the principal intended purpose thereof but which is, in his judgment, necessary for the use of such facility for civil defense purposes. Whenever the Administrator, after reasonable notice and opportunity for hearing the State, finds that there is a failure to expend funds in accordance with the terms and conditions governing the Federal contribution for such approved programs or projects, the Administrator shall notify such State that further payments will not be made to the State from appropriations under this Act or from funds otherwise available for the purposes of this Act (or in his discretion from appropriations under this Act or from funds otherwise available for the purposes of this Act for any approved program or project with respect to which there is such failure to comply) until he is satisfied that there will no longer be any such failure. Until he is so satisfied, the Administrator shall either withhold the payment of any financial contributions to such State, or limit payments to the program or project with respect to which there is substantial compliance with the terms and conditions governing the Federal contribution for such program or project: *Provided*, That the Administrator shall report not less often than quarterly to the Congress all contributions made pursuant to this subsection.

"(j) arrange for the sale or disposal of materials and facilities found by the Administrator to be unnecessary or unsuitable for civil defense purposes in the same manner as provided for excess property in the Federal Property and Administrative Services Act of 1949, as amended, and any funds received as proceeds from the sale or other disposition of such materials and facilities shall be covered into the Treasury as miscellaneous receipts.

"RELATION OF DEFENSE PRODUCTION ACT OF 1950 TO CIVIL DEFENSE

"SEC. 202. The terms 'national defense' or 'defense' as used in title II of the Defense Production Act of 1950 shall be construed to include 'civil defense' as defined in this Act.

"MUTUAL AID PACTS BETWEEN SEVERAL STATES AND NEIGHBORING COUNTRIES

"SEC. 203. The Administrator shall give all practicable assistance to States in arranging, through the Department of State, mutual civil defense aid between the States and neighboring countries.

"IDENTITY INSIGNIA

"SEC. 204. The Administrator may prescribe insignia, arm bands, and other distinctive articles (including designs previously covered under Letters Patent which were assigned to the United States and held by the Office of Civilian Defense created by Executive Order Numbered 8757 issued May 20, 1941) which may be manufactured for or possessed or worn by persons engaged in civil defense activities pursuant to rules and regulations for the manufacture, possession, or wearing thereof established by the Administrator. The manufacture, possession, or wearing of any such insignia, arm band, or other distinctive article otherwise than in accordance with such rules and regulations shall be unlawful and shall subject such person to a fine of not more than $1,000 or imprisonment of not more than one year, or both.

"TITLE III—EMERGENCY AUTHORITY

"NATIONAL EMERGENCY FOR CIVIL DEFENSE PURPOSES

"SEC. 301. The provisions of this title shall be operative only during the existence of a State of civil defense emergency (referred to hereinafter in this title as "emergency"). The existence of such emergency may be proclaimed by the President or by concurrent resolution of the Congress if the President in such proclamation, or the Congress in such resolution, finds that an attack upon the United States has occurred or is anticipated and that the national safety therefor requires an invocation of the provisions of this title. Such emergency also shall exist with respect to any designated geographic area or areas of the United States when the President determines that any such attack has been made upon or is anticipated within such area or areas, and directs the Administrator to proceed pursuant to the provisions of this title with respect to such area or areas. Any such emergency shall terminate upon the proclamation of the termination thereof by the President, or the passage by the Congress of a concurrent resolution terminating such emergency.

"UTILIZATION OF FEDERAL DEPARTMENTS AND AGENCIES

"SEC. 302. During the period of such emergency, under such terms and conditions as to donation, compensation, or return as may be prescribed, and solely for civil defense purposes, the President may direct, after taking into consideration the military requirements of the Department of Defense, any Federal department or agency to provide, and such departments and agencies are hereby authorized to provide—

"(a) their personnel, materials, and facilities to the Administrator for the aid of the States;

"(b) emergency shelter by construction or otherwise; and

"(c) on public or private lands, protective and other work essential for the preservation of life and property, for clearing debris and wreckage, and for making emergency repairs to, and temporary replacement of, communications, hospitals, utilities, transportation facilities, or public facilities of States or their political subdivisions damaged or destroyed by attack.

"EMERGENCY POWERS

"SEC. 303. During the period of such emergency, the Administrator is authorized to—

"(a) exercise the authority contained in section 201 (h) without regard to the limitation of any existing law, including the provisions of the Act of June 30, 1932, as amended (40 U. S. C. 278a), and section 3709 of the Revised Statutes, as amended (41 U. S. C. 5), and section 3734 of the Revised Statutes, as amended (40 U. S. C. 259 and 267), and the Federal Property and Administrative Services Act of 1949, as amended;

"(b) sell, lease, lend, transfer, or deliver materials or perform services for civil defense purposes on such terms and conditions as

the Administrator shall prescribe and without regard to the limitations of existing law: *Provided*, That any funds received from the sale or other disposition of materials or for services shall be deposited to the credit of appropriations currently available and made pursuant to this Act and shall be available for expenditure for the purposes of such appropriations;

"(c) coordinate and direct, for civil defense purposes, the relief activities of the various departments and agencies of the United States as provided in section 302 hereof;

"(d) reimburse any State, including any political subdivisions thereof, for the compensation paid to and the transportation, subsistence, and maintenance expenses of any employees while engaged in rendering civil defense aid outside the State and to pay fair and reasonable compensation for the materials of the State government or any political subdivision utilized or consumed outside of the State, including any transportation costs, in accordance with rules and regulations prescribed by the Administrator. As used in this subsection, the term 'employees' shall include full- or part-time paid, volunteer, auxiliary, and civil defense workers subject to the order or control of a State government or any political subdivision thereof, and such employees shall not be deemed by reason of such reimbursement to be employees or appointees of the United States;

"(e) provide financial assistance for the temporary relief or aid of any civilian injured or in want as the result of any attack; and

"(f) employ temporarily additional personnel without regard to the civil-service laws and to incur such obligations on behalf of the United States as may be required to meet the civil defense requirements of an attack or of and anticipated attack.

During the period of any such emergency, the Administrator shall transmit quarterly to the Congress a detailed report concerning all action taken pursuant to this section.

"IMMUNITY FROM SUIT

"SEC. 304. The Federal Government shall not be liable for any damage to property or for any death or personal injury occurring directly or indirectly as a result of the exercise or performance of, or failure to exercise or perform, any function or duty, by any Federal agency or employee of the Government, in carrying out the provisions of this title during the period of such emergency. Nothing contained in this section shall affect the right of any person to receive any benefit or compensation to which he might otherwise be entitled under the Federal Employees' Compensation Act, as amended (5 U. S. C. 751), or any other act of Congress providing for any pension or retirement.

"WAIVER OF ADMINISTRATIVE PROCEDURE ACT

"SEC. 305. During the period of such emergency, the functions and duties exercised under this act shall be excluded from the operation of the Administrative Procedure Act (60 Stat. 237), except as to the requirements of section 3 thereof.

"COMPENSATION FOR NONGOVERNMENTAL PROPERTY ACQUIRED

"SEC. 306. (a) Except in the case of property acquired pursuant to section 201 (h) of this act in conformity with the provisions of the Federal Property and Administrative Services Act of 1949, as amended, or through judicial proceedings for condemnation, the Administrator shall promply determine the amount of the compensation to be paid for any property (other than that of the Federal Government or any department or agency thereof) or the use thereof acquired pursuant to this act, but each such determination shall be made as of the time it is acquired in accordance with the provisions for just compensation in the fifth amendment to the Constitution of the United States. If the person entitled to receive the amount so determined by the Administrator as just compensation is unwilling to accept the same as full and complete compensation for such property or the use thereof, he shall be paid promptly 75 per centum of such amount and shall be entitled to recover from the United States, in an action brought in the Court of Claims, or, without regard to whether the amount involved exceeds $10,000, in any district court of the United States, within 3 years after the date of the Administrator's award, such additional amount, if any, which, when added to the amount so paid to him, shall be just compensation.

"(b) Whenever the Administrator determines that any real property acquired by him is no longer needed for the purposes of this Act, he shall, if the original owner desires the return of the property and pays to the Administrator the fair value thereof, return such property to such owner. In the event the Administrator and the original owner do not agree as to the fair value of such property, the fair value shall be determined by three appraisers, one of whom shall be chosen by the Administrator, one by the original owner, and the third by the first two appraisers; the expenses of such determination shall be paid in equal shares by the Government and the original owner.

"(c) Whenever the need for the purposes of this Act of any personal property acquired under this Act shall terminate, the Administrator may dispose of such property on such terms and conditions as he shall deem appropriate, but to the extent feasible and practicable he shall give to the former owner of any property so disposed of an opportunity to reacquire it (1) at its then fair value as determined by the Administrator, or (2) if it is to be disposed of (otherwise than at a public sale of which he shall give reasonable notice) at less than such value, at the highest price any other person is willing to pay therefor: *Provided*, That this opportunity to reacquire need not be given in the case of fungibles or items having a fair value of less than $1,000.

"TERMINATION

"SEC. 307. The provisions of this title shall terminate on June 30, 1954, or on such earlier date as may be prescribed by concurrent resolution of the Congress.

"TITLE IV—GENERAL PROVISIONS

"ADMINISTRATIVE AUTHORITY

"SEC. 401. For the purpose of carrying out his powers and duties under this Act, the Administrator is authorized to—

"(a) employ civilian personnel for duty in the United States, including the District of Columbia, or elsewhere, subject to the civil-service laws, and to fix the compensation of such personnel in accordance with the Classification Act of 1949, as amended; and subject to the standards and procedures of that Act, to place not more than twenty-two positions in grades 16, 17, and 18 of the General Schedule established by that Act, and any such positions shall be additional to the number authorized by section 505 of that Act; and, notwithstanding the provisions of any other law, except those imposing restrictions upon dual compensation, employ, in a civilian capacity, with the approval of the President, not to exceed twenty-five retired personnel of the armed services on a full- or part-time basis without loss or reduction of or prejudice to their retired status;

"(b) employ not more than one hundred such part-time or temporary advisory personnel (including not to exceed twenty-five subjects of the United Kingdom and the Dominion of Canada) as are deemed necessary in carrying out the provisions of this Act. Persons holding other offices or positions under the United States for which they receive compensation, while serving as members of such committees, shall receive no additional compensation for such service. Other members of such committees and other part-time or temporary advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed $50 for each day of service, as determined by the Administrator;

"(c) utilize the services of Federal agencies and, with the consent of any State or local government, accept and utilize the services of State and local civil agencies; establish and utilize such regional and other offices as may be necessary; utilize such voluntary and uncompensated services by individuals or organizations as may from time to time be needed; and authorize the States to establish and organize such individuals and organizations into units to be known collectively as the United States Civil Defense Corps: *Provided*, That the members of such corps shall not be deemed by reason of such membership to be appointees or employees of the United States;

"(d) notwithstanding any other provisions of law, accept gifts of supplies, equipment, and facilities; and utilize or distribute same for civil defense purposes in accordance with the provisions of this Act;

"(e) reimburse any Federal agency for any of its expenditures or for compensation of its personnel and utilization or consumption of its materials and facilities under this Act to the extent funds are available;

"(f) purchase such printing, binding, and blank-book work from public, commercial, or private printing establishments or binderies as he may deem necessary upon orders placed by the Public Printer or upon waivers issued in accordance with section 12 of the Printing Act approved January 12, 1895, as amended; and

"(g) prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and, without being relieved of his responsibility therefor, perform any of the powers and duties vested in him through or with the aid of such officials of the Administration as he may designate.

"EXEMPTION FROM CERTAIN PROHIBITIONS

"SEC. 402. The authority granted in subsections 401 (b) and (c) shall be exercised in accordance with regulations of the President who may also provide by regulation for the exemption of persons employed or whose services are utilized under the authority of said subsections from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U. S. C. 99).

"SECURITY REGULATIONS

"SEC. 403. (a) The Administrator shall establish such security requirements and safeguards, including restrictions with respect to access to information and property as he deems necessary. No employee of the Administration shall be permitted to have access to information or property with respect to which access restrictions have been established under this section, until it shall have been determined that no information is contained in the files of the Federal Bureau of Investigation or any other investigative agency of the Government indicating that such employee is of questionable loyalty or reliability for security purposes, or if any such information is so disclosed, until the Federal Bureau of Investigation shall have conducted a full field investigation concerning such person and a report thereon shall have been evaluated in writing by the Administrator. No such employee shall occupy any position determined by the Administrator to be of critical importance from the standpoint of national security until a full field investigation concerning such employee shall have been conducted by the Civil Service Commission and a report thereon shall

have been evaluated in writing by the Administrator. In the event such full field investigation by the Civil Service Commission develops any data reflecting that such applicant for a position of critical importance is of questionable loyalty or reliability for security purposes, or if the Administrator for any other reason shall deem it to be advisable, such investigation shall be discontinued and a report thereon shall be referred to the Administrator for his evaluation in writing. Thereafter the Administrator may refer the matter to the Federal Bureau of Investigation for the conduct of a full field investigation by such Bureau. The result of such latter investigation by such Bureau shall be furnished to the Administrator for his action.

"(b) Each Federal employee of the Administration, except the subjects of the United Kingdom and the Dominion of Canada specified in section 401 (b) of this Act, shall execute the loyalty oath or appointment affidavits prescribed by the Civil Service Commission. Each person other than a Federal employee who is appointed to serve in a State or local organization for civil defense shall before entering upon his duties, take an oath in writing before a person authorized to administer oaths, which oath shall be substantially as follows:

"'I, ————, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.

"'And I do further swear (or affirm) that I do not advocate, nor am I a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence; and that during such time as I am a member of the (name of civil defense organization), I will not advocate nor become a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence.'

Any person who shall be found guilty of having falsely taken such oath shall be punished as provided in 18 U. S. C. 1621.

"TRANSFERS TO ADMINISTRATION

"SEC. 404. The functions, property, and personnel of the Federal Civil Defense Administration established by Executive Order Numbered 10186, issued December 1, 1950, are hereby transferred to the Administration established by this Act, and the President may transfer to the Administration such functions, property, and personnel of the National Security Resources Board concerned with civil defense activities as he deems necessary to carry out the purposes of this Act.

"UTILIZATION OF EXISTING FACILITIES

"SEC. 405. In performing his duties, the Administrator shall (1) cooperate with the various departments and agencies of the Government; (2) utilize to the maximum extent the existing facilities and resources of the Federal Government, and, with their consent, the facilities and resources of the States and local political subdivisions thereof, and of other organizations and agencies; and (3) refrain from engaging in any form of activity which would duplicate or parallel activity of any other Federal department or agency unless the Administrator, with the written approval of the President, shall determine that such duplication is necessary to accomplish the purposes of this Act.

"ANNUAL REPORT TO CONGRESS

"SEC. 406. The Administrator shall annually submit a written report to the President and the Congress covering expenditures, contributions, work, and accomplishments of the Administration, pursuant to this Act, accompanied by such recommendations as he shall deem appropriate.

"APPLICABILITY OF ACT

"SEC. 407. The provisions of this Act shall be applicable to the United States, its States, Territories and possessions, and the District of Columbia, and their political subdivisions.

"APPROPRIATIONS AND TRANSFERS OF FUNDS

"SEC. 408. There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act. Funds made available for the purposes of this Act may be allocated or transferred for any of the purposes of this Act, with the approval of the Bureau of the Budget, to any agency or Government corporation designated to assist in carrying out this Act: *Provided*, That each such allocation or transfer shall be reported in full detail to the Congress within thirty days after such allocation or transfer.

"RECONSTRUCTION FINANCE CORPORATION

"SEC. 409. To aid in carrying out the purposes of this Act, the Administrator is authorized to certify to the Reconstruction Finance Corporation as to the necessity under its Civil Defense Program of purchasing securities or making a loan or loans (including participations therein and guarantees thereof) for the purpose of aiding in financing projects for civil defense purposes, and the Reconstruction Finance Corporation upon such certification by the Administrator is hereby authorized to purchase such securities or to make such loan or loans (including participations therein and guarantees thereof) with maturities not to exceed fifty years and on such terms and conditions as the Corporation may determine except that any such purchases of securities or loans may be made only to the extent that financing is not otherwise available on reasonable terms. The total amount of loans, purchases, participations, and guarantees, made pursuant to this section shall not exceed $250,000,000 outstanding at any one time. The total amount of investments, loans, purchases, and commitments authorized by law to be made by the Reconstruction Finance Corporation is hereby increased by such sum.

"ATOMIC ENERGY ACT OF 1946

"SEC. 410. Nothing in this Act shall be construed to amend or modify the provisions of the Atomic Energy Act of 1946, as amended.

"FEDERAL BUREAU OF INVESTIGATION

"SEC. 411. Nothing in this Act shall be construed to authorize investigations of espionage, sabotage, or subversive acts by any persons other than personnel of the Federal Bureau of Investigation.

"SEPARABILITY

"SEC. 412. If any provision of this Act or the application of such provision to any person or circumstances shall be held invalid, the remainder of the Act, and the application of such provisions to persons or circumstances other than those as to which it is held invalid, shall not be affected thereby."

And the Senate agree to the same.

CARL T. DURHAM,
MELVIN PRICE,
W. STERLING COLE,
Managers on the Part of the House.

ESTES KEFAUVER,
LEVERETT SALTONSTALL,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9798) to authorize a Federal civil defense program, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

LEGISLATION IN CONFERENCE

On December 20, 1950, the House of Representatives passed H. R. 9798, which was a bill to authorize a Federal civil defense program, and for other purposes. On December 22, 1950, the Senate considered the House bill and amended it by striking all after the enacting clause and inserted the language of the companion bill in the Senate.

As a result of the foregoing action on the part of the Senate, a number of differences between the Senate language and the House language resulted. The greater majority of these, however, were technical in nature, such as correction of typographical mistakes, clarification of language, and other similar type corrections. The following are the instances in which the Senate language differed in substance from the language of the House bill:

1. The Senate amendment provided that the Deputy Administrator be appointed from civilian life. The House bill did not provide for this limitation on the Deputy Administrator, but did on the Administrator. It was agreed in conference that the Deputy Administrator should have the same qualifications as the Administrator and to be consistent, if the bill required the Administrator to be appointed from civilian life, the Deputy Administrator should likewise be so appointed. The House recedes.

2. The Senate amendment provided for a Civil Defense Advisory Council which would advise and consult with the Administrator with respect to general or basic policy matters relating to civil defense. The Council would consist of the Administrator and 12 additional members to be appointed by the President, and he would be required to appoint three members who would be representatives of the State governments, three of the political subdivisions, and the remaining members to be selected among experienced citizens of the United States. The Council of State Governments, Governors Conference, American Municipal Association, and the United States Conference of Mayors would submit panels to the President and the representatives of the States and the political subdivisions thereof appointed by the President would be selected from these panels. The Council would meet at least once each year and at such other times as the Administrator would determine.

It was pointed out in conference that since the States and political subdivisions were required to match Federal funds for shelters and organizational equipment, they should have some voice, in an advisory capacity, in the administration of the program. The House conferees agreed that this provision of the Senate amendment was worth while as it would bring into a closer working relationship the Federal Government and the States and the political subdivisions. The House recedes with an amendment.

3. Both the House bill and the Senate amendment provided for training programs to be administered by the Administrator. However, the House bill had two provisos which limited the number of schools to one national civil defense college and three civil defense technical training schools, and a further proviso that no land could be acquired nor buildings constructed for training purposes. The Senate amendment had no such restrictions. The Senate conferees agreed that the restrictions upon the Administrator concerning the training program were worth while and should be included in the act. The Senate recedes with an amendment.

4. Both the House bill and the Senate amendment contained a provision by which the Administrator would assist and encourage the States to negotiate and enter into interstate civil defense compacts. The House

bill contained a provision whereby consent was given in advance by the Congress to such compacts. The Senate amendment provided that such compacts would be transmitted promptly to the Congress and the approval of the Congress would be considered granted upon the expiration of 60 days following the date on which the compact had been transmitted to it. The provisions of the Senate amendment would give the Congress an opportunity to check each compact as it was made, and the House conferees agreed that the provisions of the Senate amendment should be included in the act. The conferees agreed that a proviso should be written in whereby the provisions of the section could not be construed as preventing Congress from withdrawing at any time its consent to any compact. The House recedes with an amendment.

5. Both the House bill and the Senate amendment provided authority for the Administrator to procure, construct, lease, transport, etc., materials and facilities for civil defense. This was a broad provision and the conferees agreed that although a proviso required the Administrator to report to the Congress all property acquisitions made, a further limitation should be inserted which would prohibit the Administrator from acquiring any land, or any interest therein, after January 1, 1952, unless specifically authorized by Congress. The House receded from its disagreement to the amendment of the Senate and agreed to the same with an amendment to which the Senate agreed.

A proviso was also included in the House bill which would require the Administrator to report in full detail to the Congress before entering into any transaction the value of which was $500,000 or more. The Senate amendment had no such provision. Inasmuch as the Senate amendment was further amended by limiting the time the Administrator could procure real estate, and further because he was required to report quarterly on property acquisitions, the additional report was not deemed to be necessary. The House recedes.

6. Both the House bill and the Senate amendment allowed the Administrator to make financial conditions to the States for shelters and set up a formula for such contributions, which included an apportionment of funds among the States in the ratio which the urban population of the critical target areas in each State bore to the total urban population of the critical target areas of all of the States. The House bill provided that the critical target areas would be determined by the Administrator. The Senate amendment added the words "after consultation with the Secretary of Defense." It was felt by the conferees that the Senate amendment was sound in that the Administrator should be required to obtain military advice when designating critical target areas. The House conferees therefore agreed to the additional language in the Senate amendment. The House recedes.

7. The House bill contained a provision whereby the Administrator was prohibited from approving any Federal contribution to a project which was self-liquidating. The provision established a self-liquidating project as one where the retirement or repayment of the construction cost could be accomplished within a period of 50 years. The Senate amendment had no prohibition against Federal contributions to self-liquidating projects. The conferees were in agreement that some prohibition was necessary but that the language in the House bill was too limiting and unwieldy. The conferees then agreed upon language which would prohibit Federal contributions to self-liquidating projects, with the exception that contributions could be made to both existing facilities and projects to be constructed, provided that such contribution went only to that portion of the renovation or construction which was being made for civil defense purposes. The conferees agreed that the principle of making no Federal contributions to self-liquidating projects should be maintained, but it was recognized that some contributions would be necessary for renovating existing facilities so that they could be used for shelters, and that future construction, in some instances, would have to be strengthened in order that the construction could serve as a bomb shelter. The Senate recedes with an amendment.

8. The House bill and the Senate amendment made it unlawful to manufacture, possess, or wear any insignia or other distinctive article prescribed by the Administrator other than in accordance with rules and regulations prescribed by him. The Senate amendment was identical with the exception that the penalties in the House bill were a $1,000 fine or imprisonment of 1 year, while in the Senate amendment the penalties were a $250 fine or 6 months imprisonment. The conferees agreed that firm penalties would be needed for violations of this type and the House language was therefore agreed to. The Senate recedes.

9. Both the House bill and the Senate amendment contained a provision which set forth how an emergency for civil defense purposes would be declared. The House bill had a simple method by which the President would proclaim a national emergency in the event of an attack or in anticipation of imminent enemy attack. On the other hand, the Senate amendment spelled out the method of declaring an emergency to a greater degree and, in addition, allowed for an emergency to be declared by a concurrent resolution of the Congress. In addition, the Senate amendment provided that a localized emergency could be declared. The House conferees agreed that this provision was necessary, for if an attack were made or anticipated on the island of Guam, an emergency for civil defense purposes could be declared for that United States possession without setting off the entire emergency powers of the Administrator, which would have been necessary under the House bill provisions. The language of the Senate amendment was rewritten slightly for clarity. The House recedes with an amendment.

10. Both the House bill and the Senate amendment provided that the Administrator, under his emergency powers, may sell, lease, lend, transfer, or deliver materials for civil defense purposes. However, the Senate amendment provided that the funds received from the sale should be deposited to the credit of appropriations currently available and made pursuant to the act and should be available for expenditure for the purposes of such appropriations. The House bill did not include such a provision and any funds received from the sale of materials would have gone into the miscellaneous receipts of the Treasury. The House conferees agreed that during an emergency the funds received from such sales should properly be made immediately available to the Administrator for other purposes consistent with the act so that there might be no delay or hampering of the Administrator in case of an extreme emergency. The House recedes.

11. The House bill contained a provision concerning immunity from suit so that during periods of emergency neither the Federal Government nor any officer or employee thereof, while complying with the provisions of the act, would be liable to any suit. This was placed in the bill in order that employees of the Civil Defense Administration or the Federal Government would not be harassed with lawsuits arising from the performance of their duties in the civil defense program. The original Senate bill had a companion provision which was stricken from the bill on the Floor of the Senate. In conference it was agreed between the conferees that the right to sue the Federal Government could be waived, but it was questionable whether an immunity from suit against the individual could be maintained. The conferees agreed therefore to exempt the Federal Government from liability but to not attempt to set down provisions concerning the right of an individual to sue another individual. The Senate recedes and accepts the House amendment.

12. The Senate amendment contained a provision regarding compensation for nongovernmental property acquired by the Administrator. This subsection would insure fair and just compensation to the property owner for property requisitioned under the emergency title of the act. The House bill was silent on this provision and the House conferees agreed that it was a protection for individual property owners and should be incorporated in the act. The House recedes.

13. The House bill contained a provision terminating the act on June 30, 1954, or after the date of the passage of a concurrent resolution by the Congress. The Senate amendment contained no such provision. Inasmuch as the Civil Defense Administration is being set up as a permanent governmental agency, the conferees agreed that the entire act should not be terminated as specified in the House bill, but that the emergency powers should be terminated at a specified date. Therefore, a provision was inserted under the emergency title of the bill that those provisions would terminate on June 30, 1954, or on such earlier date as may be prescribed by concurrent resolution of the Congress. The Senate recedes with an amendment.

14. Both the House bill and the Senate amendment contained provisions which would authorize the employment of consultants and advisory personnel at a compensation of $50 per diem. The House bill did not specify a limitation on the number of such experts or consultants which could be hired. The Senate amendment limited the number to 100. The House conferees agreed there should be a limitation on the hiring of such high-salaried personnel. The House recedes with an amendment. The House bill allowed compensation of $50 with no per diem per day for such personnel whereas the Senate amendment allowed $15 per diem in lieu of subsistence and other expenses while so employed. The Senate conferees agreed that $50 per day was sufficient and the $15 per diem in lieu of subsistence was stricken. The Senate recedes.

15. Both the House bill and the Senate amendment contained provisions concerning the investigation of applicants for positions with the Civil Defense Administration. The House bill would have required a complete field examination by the Federal Bureau of Investigation of any person to be employed who was determined by the Administrator to be of critical importance. The Senate amendment allowed such field investigations to be made by the Civil Service Commission and the investigations would not be referred to the Federal Bureau of Investigation unless the field investigation by the Civil Service Commission developed any data reflecting that the applicant was of questionable loyalty or liability. The House conferees agreed that the Federal Bureau of Investigation should not be given more of a load of investigations than they can properly conduct, and it was felt that so long as an investigation was made by the Civil Service Commission and the Federal Bureau of Investigation was called in if it were found that an applicant was of questionable loyalty or a liability for security purposes, the investigation so made would be adequate. The House recedes with an amendment.

16. The Senate amendment contained a provision which would authorize the Reconstruction Finance Corporation, in order to aid in carrying out the purposes of the program, to purchase securities or make loans

for the purpose of aiding in financing projects of civil defense purposes. The Reconstruction Finance Corporation could make such loans only upon certification by the Administrator that the projects were for civil defense purposes and the maturity of such loans would not exceed 50 years. The total amount of loans outstanding at any one time could never exceed $250,000,000. Inasmuch as the Senate and House conferees had agreed on a provision of the act which limited the authority of the Administrator to make contributions to the States and municipalities for self-liquidating projects, it was felt by the House conferees that the Senate amendments provision should be accepted in order that the municipalities would have a source of financial aid in assisting them in construction of facilities for civil defense purposes. The House recedes with an amendment.

CARL T. DURHAM,
MELVIN PRICE,
W. STERLING COLE,
Managers on the Part of the House.

Mr. DURHAM. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill (H. R. 9798) to authorize a Federal civil defense program, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. DURHAM. Mr. Speaker, on December 20, the House passed H. R. 9798, a bill to authorize a Federal civil defense program, and for other purposes. The Senate considered the bill on December 22, and amended it by striking all after the enacting clause and inserted the language of the Senate bill. A conference was asked by the Senate and agreed to by the House and the conference has been held with agreement resulting on the part of the conferees. As a result of the Senate striking all after the enacting clause and inserting the provisions of its bill, several differences resulted. The majority of these, however, were technical in nature such as correction of typographical mistakes, clarification of language and other similar type corrections. There were some differences in substance which were resolved in conference.

Mr. Speaker, in order not to take too much time, I will refer only to the major differences in substance.

The Senate amendment had a provision for a Civil Defense Advisory Council consisting of the Administrator and 12 additional members who would be appointed by the President and he would be required to appoint three members who would be representatives of the State governments, three members who would be representatives of the political subdivisions, and the remaining members to be selected among experienced citizens of the United States. The Council of State Governments, Governors Conference, American Municipal Associations and the United States Conference of Mayors would submit panels to the President and the Representatives of the States and the political subdivisions thereof appointed by the President would be selected from these panels. The council would meet at least once a year and at such other times as the Administrator would determine. The House Conferees agreed to this provision for an advisory council because it was felt the States and their political subdivisions should have a voice—in an advisory capacity only—in the administration of this program. After all the States are expected to do a good deal of the civil defense program themselves and they are further expected to match Federal funds. It therefore seems only fair and just that they should have a voice in the program.

Both the House bill and the Senate amendment provided broad authority for the Administrator to procure, construct, lease, transport, et cetera, materials and facilities for civil defense. Because this provision was so broad the conferees agreed that the Administrator should be given this authority for only 1 year and the conferees therefore wrote a limitation of January 1, 1952, into the bill and thereafter no acquisition of any land could be made unless specifically authorized by the Congress.

Mrs. BOLTON of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentlewoman from Ohio.

Mrs. BOLTON of Ohio. I wanted to ask whether a responsible position was found in the National Advisory Committee for Women. Is there any provision in the bill regarding that?

Mr. DURHAM. There is nothing in the bill differentiating as between men and women.

Mrs. BOLTON of Ohio. There is nothing to prevent their appointment?

Mr. DURHAM. Nothing at all.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Louisiana.

Mr. BROOKS. I am not on the committee of conference, but I am deeply interested in some features of the bill; especially have I been interested in the provision regarding the underground projects to be constructed under the terms of the bill. Will the gentleman explain whether or not the self-liquidating feature was incorporated in the conference report?

Mr. DURHAM. Yes. I will come to that in just a moment. Another major point of difference in the House bill and the Senate amendment was the provision in the House bill which prohibited the Administrator from making contributions to self-liquidating projects. The Senate conferees agreed to the House provisions after the provision was rewritten to liberalize it to some extent. As the provision now appears in the conference report the Administrator may not make Federal contributions for self-liquidating projects except he may make contributions to facilities for that portion which would be for civilian defense purposes. Let me give you an example: Under the bill as agreed upon in conference, the Administrator could make a contribution on a matching basis to strengthen the basement of a large office building if it was determined by him that after such strengthening the basement of the building would be an adequate bomb shelter. Furthermore, if a new building is to be built and it is determined by the Administrator that the building could be used as a bomb shelter by adding certain strengthening features, he could make contributions for those strengthening features in order that the building when built would be suitable for a bomb shelter. The House conferees felt that this provision as rewritten was sound and the Senate conferees agreed.

Mr. JENKINS. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Ohio.

Mr. JENKINS. Will the gentleman state again, briefly, what part the States will play and how the States will participate with the Federal Government in this undertaking?

Mr. DURHAM. On a 50–50 basis.

Mr. JENKINS. How will they participate from the standpoint of power and decision as to what shall be done? What authority will the States have?

Mr. DURHAM. It is all in the hands of the Administrator, of course, who will deal entirely with the Governors of the States.

Mr. JENKINS. In other words, it will go from the Chief Executive to the State executive; purely as an administrative matter.

Mr. DURHAM. Purely as an executive matter; that is correct.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Pennsylvania.

Mr. RICH. Will the Administrator for the Federal Government have the power to go just as far as he wants to go without coming back to the Congress to make reports from time to time as to the responsibility that the Federal Government would have?

Mr. DURHAM. No. Under the terms of the bill he has to report to the Congress just like any other administrator.

Mr. RICH. Suppose he would make commitments, must the Congress approve those commitments before work can proceed?

Mr. DURHAM. Not necessarily. The powers are rather broad. The gentleman understands there are two provisions of this bill, one relating to the preparation of civil defense and the other relating to the situation after the bombing has started. Under the latter provision, of course, the authority is pretty broad. It would necessarily have to be.

Mr. RICH. Then what is the limitation on the Administrator?

Mr. DURHAM. He does not have many limitations, after the bomb is dropped.

Mr. RICH. Then whoever the President sees fit to appoint, the sky is the limit?

Mr. DURHAM. I would say so, after the bomb is dropped, but not before the bomb is dropped, in making preparations for protection.

Mr. RICH. It seems pretty late to make provisions for protection, after the bomb is dropped.

Mr. DURHAM. Of course the committee recognized that fact. That is the reason we have to draft a measure very broad in scope and authority.

Mr. RICH. They are going ahead to try to look after certain cities particu-

larly, or certain vulnerable spots, so that the people of this country will have protection long before any bomb might be dropped?

Mr. DURHAM. That is certainly what the bill is designed to do.

Mr. RICH. The gentleman believes that is a good bill?

Mr. DURHAM. I believe we have a bill that is workable, one that will offer defense to this country if properly executed and put into effect.

Mr. RICH. The reason I make that statement is that I have a lot of confidence in the gentleman from North Carolina, and his judgment goes a good way with me in trying to formulate these plans.

Mr. DURHAM. I thank the gentleman. I am certainly sorry he is leaving this body and wish for you many happy years.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Missouri.

Mr. SHORT. The estimated total cost of this bill is $3,100,000,000 for the next 3 years. That figure stands, does it not?

Mr. DURHAM. The gentleman is correct.

Mr. SHORT. The gentleman spoke about the matching of funds. As passed by the House, the bill provides for contributions of the States and the Federal Government on a 50–50 basis?

Mr. DURHAM. That is correct.

Mr. SHORT. According to the press which I read yesterday, the Federal Government is to make contributions of $1,670,000,000 while the States make contributions of $1,340,000,000.

Mr. DURHAM. I do not think anybody can work that out on an accurate figure yet.

Mr. SHORT. I simply wanted the gentleman to make a plain and clear statement for the benefit of the record, that is all.

There are really three parts to this bill.

Mr. DURHAM. That is correct.

Mr. SHORT. It is not only for preparation for atomic, bacteriological, radiological, or any other conceivable type of attack, the second phase is to take care of panic and destruction after the attack comes, and the third part of the bill is to rehabilitate and give relief to those who have suffered most.

Mr. DURHAM. The gentleman is correct.

Mr. SHORT. Under the provisions of the bill, the Administrator must of necessity, because it is a new and unexplored field, have great latitude and flexibility in his operations.

Mr. DURHAM. I thoroughly agree with the gentleman.

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield to the gentleman from Ohio.

Mr. ELSTON. I think it should be very clearly understood what change has been made in this provision with respect to commercial projects. Assuming a city wants to build an underground garage, when may the Administrator authorize the contribution?

Mr. DURHAM. The Senate amendment contained a provision whereby the Reconstruction Finance Corporation could make loans for civil-defense purposes, upon certification by the Administrator. The maturity of these loans would not exceed 50 years and the total amount of loans outstanding at any one time could never exceed $250,000,000. The House conferees agreed to this provision because we felt that since Federal contributions were not going to be made for self-liquidating projects and further because the States and municipalities must carry an equal share of the Federal defense program, some source of financial aid should be given to the municipalities. This aid could be in the form of loans and the regular regulations of the RFC could be used in making the loans, that is, it would have to be a good loan and the lender could not have obtained financing elsewhere.

Does that answer the gentleman's question?

Mr. ELSTON. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. ELSTON. I do not think that fully answers it. The very purpose of our amendment in committee was to prevent a lot of boondoggling and to prevent the construction of commercial projects under the guise of civilian defense.

Mr. DURHAM. We wrote a provision to protect it as far as we could so that it should not be used for self-liquidating projects unless it was specifically used for civil-defense purposes. A merchant could not use his basement for storage or something like that. It would of necessity be readly at all times for immediate occupation purposes.

Mr. ELSTON. It might be contended that the underground garage could be used for the protection of the civilian population and at the same time be filled with automobiles. Who is going to determine whether or not that project should be authorized?

Mr. DURHAM. That is entirely up to the RFC people. And I think in fairness to the Administrator, if he has any judgment he should say that it cannot be used for that purpose. If there are 6,000 automobiles there 24 hours a day it would not be good judgment to determine that it could be used for civilian defense purposes.

Mr. ELSTON. Then, as I understand it, the intention of the whole thing is that these funds shall not be used for any commercial project unless it can be shown that part of that project may be used exclusively for the protection of the civilian population.

Mr. DURHAM. That is correct. We tried to tie that down as tight as we could because we realize the danger of the abuse that might arise under this provision.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. CRAWFORD. Did the gentleman also say that it must be approved by the RFC as a lending agency?

Mr. DURHAM. That is correct.

Mr. CRAWFORD. So far as the gentleman's study goes, how long do you estimate it will be before the States qualify through their enabling acts? Would you say by the first of June of this year?

Mr. DURHAM. I believe at the present time there are 25 States that already have enabling acts and those that do not have legislatures meeting early this year. All the governors endorse this legislation, perhaps not entirely, but in principle—the municipal group and mayors' organization.

Mr. CRAWFORD. In other words, where a State has not qualified, no work can go ahead until it does qualify?

Mr. DURHAM. That is correct.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. JAVITS. Are we correct in assuming this: The RFC provision means that the sole and single test contained in the bill is whether or not the particular facility is useful for civil defense. It does not make any difference what else it does or does not do, but the sole test is: Is it useful for civil defense?

Mr. DURHAM. That is correct.

Mr. JAVITS. I thank the gentleman very much.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. RICH. Suppose some State does not wish to participate. The Administrator will have no authority to go into that State and do anything unless they do wish to participate, is that correct?

Mr. DURHAM. That is correct.

Mrs. BOLTON of Ohio. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mrs. BOLTON of Ohio. What is the termination date of the act?

Mr. DURHAM. The House bill contained a provision terminating the act on June 30, 1954, or after the date of the passage of a concurrent resolution by the Congress. The Senate amendment contained no terminating provision. Inasmuch as the Civil Defense Administration is being set up as a permanent governmental agency, the conferees agreed that the entire act should not be terminated as specified in the House bill, but that the emergency powers only should be terminated at a specified date. Therefore, a provision was inserted under the emergency title of the bill that those provisions of the act would terminate on June 30, 1954, or on such earlier date as may be prescribed by concurrent resolution of the Congress. In this way even though the emergency authority was terminated a skeleton organization could be kept intact under the other provisions of the law. The conferees agreed that this was a sound way to legislate on this provision.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I yield.

Mr. CANFIELD. Suggestion has been made that there should be a congressional watchdog committee to follow through on this program. Does not the gentleman think there is real merit in that proposal?

Mr. DURHAM. The committee considered that somewhat late, and of course with the safeguards we wrote into the bill as we have it before us at the

present time, it is not necessary to set up another watchdog committee in the opinion of the conferees.

Mr. CANFIELD. But consideration may be given to that problem later?

Mr. DURHAM. Yes, consideration may be given to that problem later.

Mr. BROOKS. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count.

Mr. BROOKS. Mr. Speaker, I withdraw the point of order.

Mr. Speaker, will the gentleman yield?

Mr. DURHAM. I will be glad to yield to the gentleman.

Mr. BROOKS. I would like to ask the gentleman further in reference to the matter of RFC loans. What is the procedure which will be available for making application for an RFC loan for an underground shelter?

Mr. DURHAM. They will proceed on the same basis as they would for any RFC loan. It would be handled through the State office and then through the office here in Washington.

Mr. BROOKS. Would it be handled through the State or the municipality?

Mr. DURHAM. It will be handled through the State government; not the municipality. The State government will make application to the Administrator of Civilian Defense.

Mr. BROOKS. It will go through the State authority to the Federal Administrator?

Mr. DURHAM. That is correct.

Mr. BROOKS. Then the operation of the underground shelter would be handled by the State or by the municipality?

Mr. DURHAM. It would be done by the municipality, of course, along with the State administrator and the Governor's office of that particular State.

The SPEAKER. Is there objection to the request of the gentleman from South Carolina [Mr. DURHAM] that the statement may be read in lieu of the report?

There was no objection.

The Clerk read the statement.

The SPEAKER. The question is on agreeing to the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

CALL OF THE HOUSE

Mr. WILLIAMS. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and seven Members are present; not a quorum.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 300]

Allen, La.	Davenport	Gwinn
Angell	Davies, N. Y.	Hand
Barden	D'Ewart	Hare
Blackney	Dondero	Hébert
Carroll	Doyle	Hinshaw
Cavalcante	Eberharter	Hoeven
Christopher	Engel, Mich.	Hoffman, Ill.
Clevenger	Gamble	Horan
Coudert	Gillette	Jackson, Calif.
Crook	Gilmer	Jennings
Crosser	Gregory	Jonas
Jones, Woodrow W.	Michener	Sabath
Karst	Miles	Sanborn
Kearns	Miller, Md.	Scudder
Kee	Miller, Nebr.	Sikes
Keefe	Morrison	Smith, Ohio
Kennedy	Noland	Smith, Wis.
Kerr	O'Brien, Mich.	Stefan
Kilburn	Passman	Towe
Kunkel	Patterson	Vorys
Larcade	Peterson	Weichel
LeCompte	Pfeifer, Joseph L.	Werdel
LeFevre	Pfeiffer, William L.	White, Calif.
Lodge	Plumley	White, Idaho
Lynch	Powell	Whittington
McDonough	Redden	Willis
McMillen, Ill.	Reed, Ill.	Wilson, Okla.
Mansfield	Roosevelt	Winstead
Mason	Sadowski	Woodruff
		Yates

The SPEAKER. On this roll call 338 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

AMENDING TITLE II OF THE FIRST WAR POWERS ACT, 1941

Mr. CELLER. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (S. 4266) to amend and extend title II of the First War Powers Act, 1941.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. RICH. Reserving the right to object, Mr. Speaker, I would like to know what this bill does.

Mr. CELLER. Mr. Speaker, this bill permits changes to be made in certain contracts by the armed services. We sought to bring this legislation up by unanimous consent last week, as the gentleman will recall, and there was objection to so-called title I of the bill, involving a reshuffling of agencies. We have eliminated title I, and we limit the consideration to title II, affecting contracts.

The bill was passed by the Senate without any controversy. I have already discussed the matter with the gentlemen, leaders on the minority side, and they are all in accord that title II, referring to contracts, to which this bill is limited, should be passed.

Mr. RICH. What change does it make in the law from the present law, relative to contracts?

Mr. CELLER. For example, it permits contractors who are facing bankruptcy because of the high cost of commodities that go into armaments and Armed Forces procurements, to appeal to the armed services and procurement agencies for changes in the contracts, upping the prices so that supplies to the armed services can be continuous.

There is presently involved about $40,000,000, affecting some 46 Army contractors who now hold contracts which they cannot fulfill. They are making matériel which is urgently needed by the Armed Forces, and unless these contracts can be changed that supply will be cut off because those contractors presently face bankruptcy. If the Armed Forces must go to other sources for these same goods, they will pay much higher prices and there will be consequent delays. If these contractors are forced to the wall, the armed services in many instances may be permanently precluded from getting certain supplies. The source might be dried up.

Mr. RICH. When a man bids for a Government contract, is it not good sound business for him to take care of all the material that he needs to fulfill that contract? Why should anyone be so foolish as to go into a contract with the Government or any other person if he did not prepare himself to take care of his obligations? Why should the taxpayers bail out inefficiency whether in business or individuals?

Mr. CELLER. I think that statement would be sound; but we are facing an emergency, and it is very essential, highly essential to the Armed Forces to get the goods when they want them, not at a later date, because serious consequences and repercussions flow therefrom and we must give this relief to the Government; otherwise there will be serious difficulty.

Mr. RICH. I appreciate that, but it is nearly time that the Federal Government stopped bailing everybody out; it does not make any difference whether it is a businessman or who it may be. As long as this Government is going to take care of all the obligations practically of all the people in this country and all the nations of the world there is going to be the greatest calamity and catastrophe that has ever happened to this Nation. I warn the gentleman and I warn him today, on the first day of the new year 1951, that you have got to guard the very fundamental soundness of this Government and its cash position. As long as you are going to wreck it like you have been doing for the last 18 years you will see the greatest trouble any nation ever had. I do not believe in doing a lot of these unnecessary things that we have been doing. I think you ought to be very very careful in what you are doing, do only sound sensible business transactions.

Mr. CELLER. We have been very careful. The Judiciary Committee reported this bill unanimously, this section for the relief of contractors. It is not so much a bill for the relief of the contractors as it is a bill for the relief of the armed services.

Mr. RICH. The armed services is having to assume that burden because a lot of poor businessmen who are jumping on your neck for more money which they cannot get if you do not pass a lot of poor legislation. You have got to be mighty careful that you do not permit gross and reckless and needless expenditures.

Mr. VINSON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. VINSON. The sum and substance of this bill is brought about by failure of having some price control; is not that correct?

Mr. CELLER. That may be one reason for it, but since we have not got price control something must be done along this line for the relief of the Government; the Government needs desperately this material that has been contracted for.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. CASE of South Dakota. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. Does the gentleman from Pennsylvania yield for a parliamentary inquiry?

Mr. RICH. I yield.

Mr. CASE of South Dakota. Are we operating under a reservation of objection by the gentleman from Pennsylvania?

The SPEAKER. That is correct.

Mr. RICH. I reserved the right to object.

Mr. CASE of South Dakota. And the reservation is still pending?

Mr. RICH. That is right.

Mr. CASE of South Dakota. Then, Mr. Speaker, it occurs to me that the gentleman from Pensylvania is in control of the time and not the gentleman from New York.

Mr. RICH. That is correct.

Mr. HALLECK. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield, yes. We have a bear by the tail; we ought to hold on to that bear.

Mr. HALLECK. Let me make just this statement under the reservation of objection by the gentleman from Pennsylvania: I call to the attention of the gentleman from New York [Mr. CELLER] that the other day when it was attempted to call this matter up he will recall that I objected. The sole reason for my objection was that title I was included. I indicated at that time that title I would not be included in the action taken on the other body and stated very definitely that I had no objection at all to the enactment of title II. After that objection was entered by me I noticed in the press that the gentleman from New York, referring to that action on my part, was quoted as saying that the people with dear ones in Korea certainly would not be happy at the action I took.

I realize that the gentleman may not have been quoted entirely correctly in the press but the quotation was in almost exactly the words I have used. But if the quotation were made, would not the gentleman agree with me that it would be highly unfair as against me because I sought to bring about the enactment of title II of the bill which so far as I could discover was the only part of the bill about which there was any urgency at all? Certainly to charge me with a lack of solicitude for the boys in Korea would be most unfair.

Mr. CELLER. Mr. Speaker, will the gentleman from Pennsylvania yield for me to reply?

Mr. RICH. I yield.

Mr. CELLER. I would say to the distinguished whip on the other side that there was no intention to hurt the gentleman in any way. I know of no one in this body more patriotic than he. The remarks that were attributed to me concerned other matters than the matter to which the gentleman referred; I was referring also to certain objections that were made to certain of the policies of the administration. I assure the gentleman my remarks were not aimed at him.

Mr. HALLECK. I am glad to hear the gentleman make that explanation, because the way the piece was written the clear intent of it was that I was being taken to task by the gentleman from New York due to the fact I had objected to the enactment of title I without further consideraiton and hearings.

Mr. CELLER. May I say to the gentleman that he may have been right when he objected, because what the other body did was to follow the gentleman's suggestion. They objected to title 1 concerning the reshuffling of agencies. We have deemed discretion the better part of valor and we thought it would be best to agree to what the Senate has done and thus agree to what the gentleman wanted. We are asking support only of title I. That is what we are bringing in here this morning.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from New York.

Mr. REED of New York. I am interested in title II to see whether or not it brings any relief to the contractor who entered into a contract before the Korean War, in this instance for the building of nurses' quarters all around the country. This industry is in one of my cities, it employs a great many men. The industry entered into a contract with the Government without an escalator clause. The price of labor and the price of materials have gone up, also there is a scarcity of materials. Do they get any relief under title II?

Mr. CELLER. As I read the original wording of section 201 of the War Powers Act, relief would be accorded in the case the gentleman indicated.

Mr. REED of New York. I thank the gentleman.

Mr. Speaker, I ask unanimous consent to insert a letter in the RECORD at this point bearing on the matter under consideration.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

The matter referred to follows:

DECEMBER 19, 1950.

The Honorable DANIEL A. REED,
House of Representatives,
Washington, D. C.

DEAR CONGRESSMAN REED: On May 11 of this year we submitted a bid on substantial quantities of furniture for Army nurses quarters throughout the country. This was a firm-priced bid with no escalator clause included.

In June we were awarded a contract for approximately $300,000 worth of this furniture which we are performing on and producing at the present time with deliveries commencing in October 1950 and continuing through April 1951.

At the time we submitted our bid, prices of labor and materials looked stable for the period of the next year in view of the fact that there has been very little fluctuation over the period of the past year to 18 months.

The onset of the Korean war skyrocketed both labor costs and materials and as a result we find ourselves in the position of having to complete a contract at costs of conservatively 15–20 percent higher than those at the time we bid. You can see how serious a loss this is to our firm.

For a number of years our firm has been a supplier of materials on General Services Administration's contracts which are fixed-price contracts of a year's duration under which various Government agencies place orders.

We find ourselves in the same position on these contracts as on the Army contracts, namely, that there was no provision in our costs to provide for unforeseen or uncontrolled price and wage increases.

If the writer remembers correctly, during the last war legislation was passed which offered some recourse to manufacturers who found themselves in the same predicament as we find ourselves in at the present time.

Can you advise us if there is any possibility of such legislation being enacted at the present time and if so, what our chances for recovery of any losses would be.

Very truly yours.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Pennsylvania.

Mr. FULTON. I would also like to inquire of the gentleman from New York, chairman of the Judiciary Committee, about contracts that were entered into before the Korean War without an escalator clause. For example, I have in mind three young men who own the Diamond Metal Products Corp., which, during the current year, has been making mechanics' tool boxes for the Navy and Air Force under several contracts. In the midst of difficulties, which the company was experiencing in performing, Navy contracting personnel gave them general assurances of procuring necessary steel. These young men, relying on the assurance that steel would be so obtained, did not follow up other sources where they could then have gotten it themselves. They were held up for a period of several critical months without getting the steel. As a result, in the meantime, prices and costs all went up, and the contract performance is now threatened by the company's great financial difficulty. These being patriotic young fellows, they have tried to go ahead and are making as much effort as they can to fulfill their contracts although they were told that the General Accounting Office could not, under existing law, permit any relief. As they would otherwise be prevented from completing needed deliveries on such contracts because of increased costs, the Navy would be disposed to give them relief in order to keep this firm in defense production and avoid undue delays. May I ask the gentleman, When the question comes up of contracts like that, and the people are nevertheless doing a good job and trying to make deliveries under very detrimental circumstances, are they likewise intended to be taken care of by the favorable exercise of the discretion vested in the respective defense departments by this bill?

Mr. CELLER. If they have acted in good faith and if the conditions that brought about this situation were beyond their control they could be afforded relief.

Mr. FULTON. Who would afford the relief? Would it be the Navy Department in this case?

Mr. CELLER. Whatever department has jurisdiction over the particular contract. The gentleman said the Navy Department in this case?

Mr. FULTON. The Navy Department.

Mr. CELLER. They would have the authority.

Mr. FULTON. If it is divided between the Navy and the Air Force, and even though part of the contract is completed by delivery and payment prior to the enactment of this bill, there nevertheless would be relief accorded?

Mr. CELLER. I think so without peradventure of doubt.

Mr. FULTON. That is the intention of the Congress?

Mr. CELLER. That is the intent of the sponsors of this bill.

Mr. RICH. About 2 or 3 months ago the Congress passed a bill giving and granting the President of the United States authority to freeze everything so that prices could not go up?

Mr. CELLER. That is correct.

Mr. RICH. He has not done anything up to this time, has he?

Mr. CELLER. That is correct.

Mr. RICH. He has just simply laid down and did not try to stop prices from going higher, so that you gentlemen who voted to give him that authority now find out he did not accept this responsibility. I voted against that bill because I said then he would not do it. I find now I have been vindicated right here on the floor of the House because he did not do anything. I knew he would not do anything because he never has when it comes to freezing wages. He wants to freeze the manufacturers. Now the gentleman wants to help pull a lot of manufacturers out.

You have done so many crazy, foolish things in this "Eighty-worst" Congress that it is about time it ends, and it is going to end tomorrow or the next day, and the quicker the "Eighty-worst" Congress ends the better it will be for the country. I hope that the new Congress that comes in on the 3d at noon will do things entirely different than the "Eighty-worst" Congress did, because I think the Eighty-first is the worst that the country has ever had. I wish you would tell that to Mr. Truman. He should admit it.

Mr. CELLER. The gentleman has asked me a question. Of course, I cannot subscribe to all those observations.

Mr. RICH. The gentleman agreed that he did not do anything with the price control bill you passed several months ago.

Mr. CELLER. That is correct as far as invoking controls across the board.

Mr. RICH. I just added these other things to pay my compliments to the Chief Executive for his inability and his not doing anything.

Mr. SHORT. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Missouri.

Mr. SHORT. I trust that the Members will not lose sight of the forest because of the trees when we consider this particular piece of legislation. The big and the important thing to keep in mind is that several important contracts have been let. These contracts cannot be fulfilled in supplying the materials and weapons that are so sorely and directly needed at this particular moment, and unless we pass this legislation or something similar providing for negotiated contracts it will be next to impossible to accelerate our defense program, and I hope that the House will go along with it.

Mr. RICH. Let me ask the gentleman this question: Will it bring the boys back out of Korea and save them from being shot? If it does, why we ought to do everything we possibly can to get them out of there, because this Truman war that we have had in Korea is just about one of the worst things that ever happened to this country of ours. To this time over 40,000 catastrophies.

Mr. SHORT. I admit it is a very bad thing, but not being a Delphian oracle I cannot answer the gentleman's question.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from Pennsylvania.

Mr. FULTON. Under this legislation, might I ask the gentleman from New York, is the discretion in the various Departments of Defense, such as the Army, the Navy, and the Air Force a broad discretion?

Mr. CELLER. It is.

Mr. FULTON. Responsibility and discretion for relief resting right in each of those Departments, and that discretion is not a narrow one?

Mr. CELLER. It is a broad discretion, and I do not see how you can make it otherwise under present conditions.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. I should like to ask the gentleman from New York how he expects to save any money for the Government under this bill over what would happen if the contracts were canceled and the Government had to make new contracts.

Mr. CELLER. In some instances it might react to the disadvantage of the Government. If, for example, these contractors who are sought to be helped in this instance cannot supply the material, it might dry up a permanent source of supply. If they were pushed to bankruptcy it would cost the Government a substantial sum.

Mr. SHORT. It would cause delay, in addition.

Mr. CELLER. It would cause delay as well as embarrassment.

Mr. CASE of South Dakota. The gentleman said a while ago that if the Government had to make new contracts it would cost more money. In the same breath, practically, he said that the powers were desired so that the Government could modify existing contracts and agree to pay more to bail out the present contractors.

Mr. CELLER. That is only a seeming contradiction. If they had to search out a new source of supply they would have to pay not only the extra cost caused by new bids or new negotiations but the added cost brought about by the inflation.

Mr. CASE of South Dakota. Mr. Speaker, this bill may be brought in here under the kind of a situation where we are operating today as emergency legislation, but it certainly is not good legislation and it cannot be defended as deliberate legislation. For the act to be extended, it apparently would authorize the President to "authorize any department or agency of the Government exercising functions in connection with the national defense, in accordance with regulations prescribed by the President for the protection of the interests of the Government, to enter into contracts and into amendments or modifications of contracts heretofore or hereafter made and to make advance, progress, and other payments thereon, without regard to the provisions of law relating to the making, performance, amendment, or modification of contracts whenever he deems such action would facilitate the national defense."

In other words, you are here proposing to set up for the currently described national defense the same powers as we had in the First War Powers Act of 1941.

Mr. CELLER. That is correct, with this reservation, that if the gentleman will read further in the Senate bill he well find another provision that the powers granted shall last only for the duration of the emergency declared by the President in December.

Mr. CASE of South Dakota. But it is not clear that that would limit contracts that would be amended, modified, or made between now and the 30th of June 1952.

Mr. CELLER. That is correct. Of course, we have to let the power reside somewhere. Somebody must have the power. Otherwise I do not see how you could get relief.

Mr. CASE of South Dakota. This is particularly bad because at the present time you do not have a general statute of renegotiation applying to all defense contracts.

Mr. CELLER. Yes; and renegotiation would apply completely to all these contracts.

Mr. CASE of South Dakota. Renegotiation applies to the contracts that are made by the Army, Navy, and Air Force, but it does not apply under the existing statutes to contracts made by the Atomic Energy Commission or the Tennessee Valley Authority or agencies of government other than those within the Defense Establishment.

Mr. CELLER. With those exceptions the gentleman would say, I am sure, that renegotiation would be applicable all along the line.

Mr. CASE of South Dakota. I would say it is applicable to the funds of the Defense Establishment. I do not understand that it is applicable under our 1948 extension to other agencies of the Government, and other agencies of the Government are making contracts in connection with the national defense; for example, the Atomic Energy Commission and the Reconstruction Finance Corporation. The defense minerals administration and other similar agencies.

Mr. CELLER. For example, the Office of the Director of the Budget, a watchdog of our proceedings as far as finance is concerned, is very anxious to get this bill through.

Mr. CASE of South Dakota. Has Lindsay Warren, the Comptroller Gen-

eral, appeared before the committee and asked for its passage?

Mr. CELLER. No, he has not personally appeared, but we are informed, I repeat, the Bureau of the Budget and all defense agencies approve this bill.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield?

Mr. RICH. I yield.

Mr. HOFFMAN of Michigan. I should like to ask the gentleman from Missouri [Mr. SHORT] two questions, if I may. Did the gentleman state that this legislation was necessary in order to obtain material, munitions, or money for the men who are fighting?

Mr. SHORT. I should like to answer the gentleman by saying I agree wholeheartedly with the gentleman from South Dakota and the gentleman from Pennsylvania. I believe the gentleman from Michigan will agree with us that no one can defend this as good legislation, but we have been maneuvered into a bad and dangerous position. Perhaps I should not say "maneuvered," but we have floundered and blundered and bungled our way there due to the incompetency and stupidity of certain men in high places in Government; but we are there, in a very bad and dangerous position, and now is no time to argue how we got there. We are in a dangerous position, and we have to face the very ugly fact, a reality and not a theory. We need these munitions, that can be provided only by the contracts that have been entered into, but due to the enormous increase in the price of these materials, unless this legislation is passed it will be utterly impossible for the companies entering into these contracts to produce these vital and strategic instruments of war. That is my answer.

Mr. HOFFMAN of Michigan. The gentleman's answer is that this legislation is needed in order to obtain adequate material or munitions of war for the men who are fighting?

Mr. SHORT. More money is needed to meet the increased cost of raw materials in order to get the weapons of war. We must get them now—not later. Unless we vote it, you will not get them, I do not care what the price is. We are in a race against time.

Mr. HOFFMAN of Michigan. What I want to know is, if the President can send our men in there without authority, how come he cannot send the munitions of war with them?

Mr. SHORT. Oh, well, the gentleman can answer that question himself. No one can send the weapons until we make the weapons. We do not have them now.

Mr. RICH. If this legislation does not go through, are we liable to be responsible for the killing of one more American soldier in Korea?

Mr. SHORT. I think unless we pass this legislation we will be held more responsible for the loss of other men who sorely need these weapons of war which we do not yet have and which we will not get if there is further delay.

Mr. RICH. Then I will say this: While I and none of the other Members of Congress had any vote in sending the men to Korea, I am not going to be one to stop getting the material and supplies that are necessary to get them back home, and the quicker we get them out the better.

Mr. SHORT. I will not argue with the gentleman on that.

Mr. RICH. Mr. Speaker, I withdraw my reservation of objection. I do not object.

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, I believe this bill is in the interest of increasing war profiteering and the men in Korea are being used as an excuse for war profiteering. There is not a single word which safeguards the Government against being subjected to the worst kind of war profiteering. The discretion here is absolute. The sky is the limit. Therefore, Mr. Speaker, I am constrained to object.

Mr. Speaker, I object.

Mr. CELLER. Mr. Speaker, will the gentleman withhold his objection for a moment?

Mr. MARCANTONIO. Yes, but I will object anyway.

Mr. CELLER. May I state to the gentleman that the Congress has the power to review the situation. We have the power to make appropriations. In that sense we can negate what may have been done. There is a limitation here that the contract shall refer to materials supplied to the armed forces.

Mr. MARCANTONIO. It gives the department absolute discretion in the matter.

Mr. CELLER. It only applies during the emergency. The words "national defense" are used. I do not think the gentleman wants to do anything which would interfere with our national defense, would he?

Mr. MARCANTONIO. I think the point here is that some people are going to come in and are going to get more money from the Government than they are entitled to, using the emergency as an excuse. Because of the lack of guarantees against that condition I am constrained to object.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. McCORMACK. In connection with the statement made by the gentleman from New York, the gentleman from Virginia [Mr. HARDY] is going to offer an amendment enabling the Comptroller General to inspect the books of these companies. It is an amendment which I very strongly favor and which I understand the committee will accept.

Mr. MARCANTONIO. Then, Mr. Speaker, may we have the amendment read for the information of the House?

The SPEAKER. Without objection, for the information of the House, the Clerk will read the amendment which the gentleman from Virginia [Mr. HARDY] intends to offer.

There was no objection.

The Clerk read as follows:

Amendment offered by Mr. HARDY: On page 1, line 8, strike out the period and insert a semicolon and the following: "and such section 201 is further amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following:

"'*Provided further*, That all contracts entered into, amended, or modified pursuant to authority contained in this section shall include a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving transactions related to such contracts or subcontracts.'"

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. CASE of South Dakota. It occurs to me that that does not go as far as it should. To say that the Comptroller General shall have the right to inspect the books and to look at them does not give him any powers. If the gentleman from Virginia would go further and provide that any contracts modified under the authority of this extension should be subject to the Renegotiation Act of 1948, then he would be getting somewhere, and it would be in line with what the gentleman from New York [Mr. CELLER] assured me a few moments ago he wanted to see done.

Mr. HARDY. I think the gentleman is right, that we should go further. I have felt that way. However, in trying to get something that was workable, this was about as far as we could go and still have a workable bill.

Mr. CASE of South Dakota. It would certainly be workable to say that any contract modified under authority of this act shall be subject to the provisions of the Renegotiation Act of 1948.

Mr. HARDY. The trouble is this: Under the contract termination bill and under the existing Contract Settlement Act of 1944, this is the only type of protection that we have.

Mr. CASE of South Dakota. For whom?

Mr. HARDY. For the Congress to review or have any action taken to audit it. If we can get this far we can get action by the Comptroller General and a report to the Congress of what he then finds.

Mr. CASE of South Dakota. All it means is that you are going to let the Comptroller General stand by and let the horse be stolen.

Mr. HARDY. We would certainly have this deterrent that we did not have under the other law. We are reenacting that was weak in this respect, and my purpose is to try to strengthen it so that we will at least get our foot in the door, and the Congress will have an opportunity to observe intimately just what takes place in these renegotiations. I would like to see the amendment provide greater control, but have been unable to work out stronger wording without burdening the bill in such a way that it would be unworkable by the Departments.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. MARCANTONIO. I yield.

Mr. McCORMACK. May I say to my friend that I have just been informed, and my memory refreshed, that the Ways

and Means Committee will give very early consideration to the whole question of renegotiation.

Mr. CASE of South Dakota. The trouble is that we have been told that before on some of the other emergency legislation that has been brought in, and unless we make that retroactive, with all the difficulties that arise when you attempt to enact legislation which is ex post facto, it would not go back to these contracts which are modified.

Mr. McCORMACK. I may say that I hesitatingly go along with this section. Some of us might be inclined to object for reasons other than those given by some of the others. There are 45 or 50 companies that face absolute bankruptcy unless something is done, and through no fault of their own. I would like to see the amendment go further in connection with the control by the Comptroller General's office. I can remember back in 1941, or thereabouts, when we passed a bill wiping away the preaudit of transportation charges. I served on the subcommittee of the Committee on Expenditures, of which our colleague, Mr. BENDER, was chairman, and I was satisfied that the Government paid at least $500,000,000 more to the railroads of the country than should have been paid if there had been a preaudit. The preaudit was eliminated. I voted at that time against eliminating the preaudit. Then there was a postaudit. Of course, the postaudit was incapable of being adequately carried on because there were very few traffic men in the country. They were in the service or the railroads had them. The General Accounting Office had all of this other work to do. We have looked this whole question over very carefully all along the line. I agree with the gentleman from Pennsylvania [Mr. RICH] and the gentleman from South Dakota [Mr. CASE]. As far as the amendment offered by the gentleman from Virginia [Mr. HARDY] is concerned, to those of you who are concerned about these 45 or 50 companies—and I have some general concern about them; no specific concern—as I understand, he has surveyed it and he thinks that is about as far as we can go and have the other body accept the amendment. Is that correct?

Mr. HARDY. That is correct.

Mr. MARCANTONIO. I think every Member of this House will agree that the best guaranty against mulcting the Government and the people of these United States in using this emergency for war profiteering in this connection would be simply to add these words: "Subject to the approval of the Comptroller General."

What is wrong with that?

Mr. CELLER. Would you not have confusion? There would be endless delays.

Mr. MARCANTONIO. Where would you have confusion? This language would provide a square deal for the American people against profiteering, and that is all.

Mr. CELLER. I understand that this amendment has been cleared by the gentleman who happens to be chairman of the Committee on Expenditures in the other body, which committee handled this legislation. I am informed that the amendment will be acceptable to the other body. If we add to it other provisions we will just be walking around in circles. Time is of the essence. We are suitably going to revise the entire system of renegotiation. Time undoubtedly is of the essence in affording this relief, and if we are going to have many more amendments suggested to the amendment offered by the gentleman from Virginia, we will get nowhere today—the day before adjournment. I hope the gentleman from New York will not press his request.

Mr. CASE of South Dakota. I hope the gentleman from New York will press his request for the addition to the amendment.

Mr. MARCANTONIO. I will have to press it unless some action is taken which makes these operations subject to the approval of the Comptroller General.

Mr. CASE of South Dakota. I am sure the gentleman from New York will remember that after VE-day when we had up the bill to facilitate the liquidation of wartime contracts the Comptroller General ventured a word of warning to the Congress and suggested that that might cause us some trouble. We did not heed that warning and as a result when that legislation was passed and carried out the Comptroller General was able to point out later in many of the liquidated contracts advantage was taken of the Government. The Comptroller's remarks were far from complimentary. In this instance we can avoid that, especially if the gentleman from Virginia would agree to add to his amendment the language suggested by the gentleman from New York.

Mr. CELLER. It is agreeable to me, though reluctantly, to have those words added, and I understand that it is agreeable to the gentleman who sponsored the amendment originally.

The SPEAKER. The Chair thinks it is a matter that should be given further consideration. The Chair may state that the Chair is going to recognize the gentleman from New York to suspend the rules, either later today or early tomorrow. For that reason the Chair thinks the gentleman ought to stand by the amendment offered by the gentleman from Virginia until some further investigation is had.

Mr. CELLER. Mr. Speaker, I withdraw my request.

The SPEAKER. The gentleman withdraws his request.

The Chair recognizes the gentleman from Texas [Mr. BECKWORTH].

Mr. SMITH of Virginia. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SMITH of Virginia. I have been waiting for 2 days to call up a rule. The matter that has been under consideration for the past half hour has been made the subject of a rule making it in order for consideration by the House, and I am wondering now if it is in order for me at this moment to call up the preferred resolution which is here from the Rules Committee for the consideration of the bill that has been brought under consideration by consent request.

The SPEAKER. The Chair has recognized the gentleman from Texas to make a privileged motion.

CALL OF THE HOUSE

Mr. SMITH of Virginia. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 301]

Allen, La.	Hoffman, Ill.	Peterson
Anderson, Calif.	Horan	Pfeifer
Angell	Jackson, Calif.	Joseph I.
Barden	Jennings	Pfeiffer,
Blackney	Jonas	William L.
Cannon	Jones,	Plumley
Carroll	Woodrow W.	Powell
Cavalcante	Karst	Redden
Celler	Kearns	Reed, Ill.
Christopher	Kee	Rivers
Clevenger	Keefe	Roosevelt
Colmer	Kennedy	Sabath
Coudert	Kerr	Sadowski
Cox	Kirwan	Sanborn
Crook	Kunkel	Scott, Hardie
Crosser	LeCompte	Scudder
Davenport	LeFevre	Sikes
Davies, N. Y.	Lodge	Smith, Ohio
Davis, Tenn.	Lynch	Smith, Wis.
D'Ewart	McDonough	Stefan
Dondero	McMillen, Ill.	Towe
Eberharter	Mahon	Vorys
Engel, Mich.	Mansfield	Werdel
Gamble	Michener	White, Calif.
Gillette	Miles	White, Idaho
Gilmer	Miller, Md.	Whittington
Gregory	Miller, Nebr.	Wigglesworth
Guill	Morrison	Williams
Hare	Murray, Tenn.	Willis
Harrison	Noland	Wilson, Okla.
Hébert	O'Toole	Winstead
Herlong	Pace	Wood
Hinshaw	Passman	Woodruff
Hoeven	Patterson	Yates

The SPEAKER. On this roll call 329 Members have answered to their names; a quorum is present.

By unanimous consent, further proceedings under the call were dispensed with.

TO AMEND THE RAILWAY LABOR ACT

Mr. BECKWORTH. Mr. Speaker, by direction of the Committee on Interstate and Foreign Commerce, I call up from the Speaker's table the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions, a bill substantially the same (H. R. 7789) being on the House Calendar.

The Clerk read the title of the Senate bill.

Mr. SMITH of Virginia. Mr. Speaker, I raise the question of consideration.

The SPEAKER. The gentleman from Virginia raises the question of consideration.

The question is, Will the House consider the bill?

The question was taken; and the Speaker announced the ayes appeared to have it.

Mr. SMITH of Virginia. Mr. Speaker, I object to the vote on the ground that

a quorum is not present, and I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred Members are present, not a quorum.

The roll call is automatic. The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 286, nays 48, not voting 94, as follows:

[Roll No. 302]

YEAS—286

Abbitt	Fellows	McConnell
Addonizio	Fenton	McCormack
Albert	Fernandez	McCulloch
Allen, Calif.	Flood	McGrath
Andersen, H. Carl	Fogarty	McGregor
	Forand	McGuire
Andresen, August H.	Ford	McKinnon
	Frazier	McSweeney
Arends	Fugate	Mack, Ill.
Aspinall	Fulton	Mack, Wash.
Auchincloss	Furcolo	Madden
Bailey	Garmatz	Magee
Baring	Gavin	Mahon
Barrett	George	Marcantonio
Bates, Ky.	Golden	Marsalis
Bates, Mass.	Goodwin	Marshall
Beall	Gordon	Martin, Iowa
Beckworth	Gore	Martin, Mass.
Bennett, Fla.	Gorski	Merrow
Bennett, Mich.	Graham	Miller, Calif.
Bentsen	Granahan	Mills
Biemiller	Granger	Mitchell
Bishop	Grant	Monroney
Blatnik	Green	Morgan
Boggs, Del.	Gross	Morris
Boggs, La.	Gwinn	Morton
Bolling	Hagen	Moulder
Bolton, Md.	Hale	Multer
Bolton, Ohio	Hall, Edwin Arthur	Murdock
Bosone		Murphy
Bramblett	Halleck	Murray, Wis.
Breen	Harden	Nelson
Brehm	Harris	Nicholson
Brooks	Hart	Norrell
Brown, Ga.	Harvey	Norton
Brown, Ohio	Havenner	O'Brien, Ill.
Buchanan	Hays, Ohio	O'Brien, Mich.
Buckley, Ill.	Hedrick	O'Hara, Ill.
Buckley, N. Y.	Heffernan	O'Hara, Minn.
Burdick	Heller	O'Konski
Burke	Herter	O'Neill
Burnside	Heselton	O'Sullivan
Byrne, N. Y.	Hill	O'Toole
Camp	Hoffman, Mich.	Patman
Canfield	Holifield	Patten
Cannon	Holmes	Perkins
Carnahan	Hope	Philbin
Case, N. J.	Howell	Phillips, Calif.
Case, S. Dak.	Huber	Phillips, Tenn.
Celler	Hull	Pickett
Chelf	Irving	Poage
Chesney	Jackson, Calif.	Polk
Chiperfield	Jackson, Wash.	Potter
Chudoff	Jacobs	Poulson
Clemente	James	Preston
Cole, Kans.	Javits	Price
Cole, N. Y.	Jenison	Priest
Combs	Jenkins	Quinn
Cooley	Jensen	Rabaut
Cooper	Johnson	Rains
Corbett	Jones, Ala.	Ramsay
Cotton	Jones, Mo.	Rees
Crawford	Jones, Hamilton C.	Rhodes
Cunningham		Ribicoff
Curtis	Judd	Riehlman
Dague	Karsten	Rodino
Davis, Wis.	Kean	Rogers, Mass.
Dawson	Kearney	Rooney
Deane	Keating	Sadlak
DeGraffenried	Kelley, Pa.	St. George
Delaney	Kelly, N. Y.	Sasscer
Denton	Kennedy	Saylor
Dingell	Keogh	Scott, Hardie
Dollinger	Kilburn	Scott, Hugh D., Jr.
Dolliver	King	
Donohue	Kirwan	Scrivner
Douglas	Klein	Secrest
Doyle	Kruse	Shafer
Eaton	Lane	Shelley
Elliott	Lanham	Sheppard
Elston	Lind	Short
Engle, Calif.	Linehan	Simpson, Ill.
Evins	Lovre	Sims
Fallon	Lyle	Smith, Kans.
Feighan	McCarthy	Spence
Staggers	Tollefson	White, Idaho
Steed	Trimble	Wickersham
Stigler	Underwood	Widnall
Stockman	Van Zandt	Wier
Sullivan	Velde	Wigglesworth
Sutton	Vinson	Wilson, Ind.
Tackett	Vursell	Withrow
Talle	Wagner	Wolcott
Tauriello	Walter	Wolverton
Thomas	Weichel	Woodhouse
Thompson	Welch	Young
Thornberry	Whitaker	Zablocki

NAYS—48

Abernethy	Durham	Regan
Allen, Ill.	Ellsworth	Rich
Anderson, Calif.	Fisher	Richards
Andrews	Gary	Rivers
Battle	Gathings	Robeson
Bonner	Gossett	Rogers, Fla.
Boykin	Hays, Ark.	Smathers
Bryson	Herlong	Smith, Va.
Burleson	Hobbs	Stanley
Burton	Kilday	Taber
Byrnes, Wis.	Lucas	Teague
Carlyle	McMillan, S. C.	Wadsworth
Colmer	Murray, Tenn.	Wheeler
Cox	Norblad	Whitten
Davis, Ga.	Rankin	Williams
Doughton	Reed, N. Y.	Wilson, Tex.

NOT VOTING—94

Allen, La.	Hoffman, Ill.	Peterson
Angell	Horan	Pfeifer, Joseph L.
Barden	Jennings	
Blackney	Jonas	Pfeiffer, William L.
Carroll	Jones, Woodrow W.	
Cavalcante		Plumley
Chatham	Karst	Powell
Christopher	Kearns	Redden
Clevenger	Kee	Reed, Ill.
Coudert	Keefe	Roosevelt
Crook	Kerr	Sabath
Crosser	Kunkel	Sadowski
Davenport	Larcade	Sanborn
Davies, N. Y.	Latham	Scudder
Davis, Tenn.	LeCompte	Sikes
D'Ewart	LeFevre	Simpson, Pa.
Dondero	Lichtenwalter	Smith, Ohio
Eberharter	Lodge	Smith, Wis.
Engel, Mich.	Lynch	Stefan
Gamble	McDonough	Taylor
Gillette	McMillen, Ill.	Towe
Gilmer	Macy	Vorys
Gregory	Mansfield	Walsh
Guill	Mason	Werdel
Hall, Leonard W.	Michener	White, Calif.
	Miles	Whittington
Hand	Miller, Md.	Willis
Hardy	Miller, Nebr.	Wilson, Okla.
Hare	Morrison	Winstead
Harrison	Noland	Wood
Hébert	Pace	Woodruff
Hinshaw	Passman	Yates
Hoeven	Patterson	

So the House agreed to consider the bill.

The Clerk announced the following pairs:

On this vote:

Mr. Horan for, with Mr. Smith of Ohio against.

Until further notice:

Mr. Carroll with Mr. Angell.
Mr. Gregory with Mr. Patterson.
Mr. Redden with Mr. Reed of Illinois.
Mr. Karst with Mr. D'Ewart.
Mr. Barden with Mr. Gillette.
Mr. Chatham with Mr. Leonard W. Hall.
Mr. Roosevelt with Mr. Hand.
Mr. Eberharter with Mr. Hoeven.
Mr. Morrison with Mr. Taylor.
Mr. Hébert with Mr. Blackney.
Mr. Larcade with Mr. Dondero.
Mr. Sabath with Mr. Jonas.
Mr. Lynch with Mr. Kearns.
Mr. Kee with Mr. Woodruff.
Mr. Kerr with Mr. LeCompte.
Mr. Sikes with Mr. Latham.
Mr. Powell with Mr. Gamble.
Mr. Passman with Mr. Towe.
Mr. Willis with Mr. Werdel.
Mr. Gilmer with Mr. Hoffman of Illinois.
Mr. Davis of Tennessee with Mr. Clevenger.
Mr. Winstead with Mr. Miller of Maryland.
Mr. Crosser with Mr. Coudert.
Mr. Yates with Mr. Vorys.
Mr. Crook with Mr. Simpson of Pennsylvania.
Mr. Wood with Mr. Smith of Wisconsin.
Mr. Woodrow W. Jones with Mr. Stefan.
Mr. Allen of Louisiana with Mr. Miller of Nebraska.

The result of the vote was announced as above recorded.

The doors were opened.

Mr. BECKWORTH. Mr. Speaker, the Committee on Interstate and Foreign Commerce of the House gave considerable attention to the legislation which is before this body today. As the Members know, the chairman of our committee, the gentleman from Ohio [Mr. CROSSER], has been in the hospital because of an eye operation; however, one of the fields in which he has worked most diligently as a Member of the House of Representatives for many years is in connection with railroad labor. When the bill was heard it was not heard by the Subcommittee on Transportation, of which I have the privilege to be chairman. The chairman of the committee, the gentleman from Ohio [Mr. CROSSER], felt it expeditious to conduct the hearings himself, and all of the members of the Committee on Interstate and Foreign Commerce were privileged to attend and many did attend from day to day. It certainly cannot be said that the bill is one that the entire membership of the Committee on Interstate and Foreign Commerce does not understand. I feel sure it is understood by the great majority of that committee, and certainly by many Members of the House.

One of the pieces of legislation that was considered most carefully in this body was the so-called Taft-Hartley bill. It is the contention of Senator TAFT, and I expect to read one of his statements about this legislation, that, to some extent at least, this particular measure simply carries into the provisions of the Railway Labor Act some of the provisions which already are in the Taft-Hartley law. I repeat, many of the Members, of course, know what the provisions of the Taft-Hartley law are in detail, and particularly with reference to the points covered in this bill.

Mr. FISHER. Mr. Speaker, will the gentleman yield for a question?

Mr. BECKWORTH. Not at this time.

I was directed by the membership of our committee to bring this bill to the floor of the House when I could be recognized by the Speaker for that purpose. As a matter of fact, I shall read the motion which was passed in the committee, which directed me to bring this to the floor of the House.

The motion offered by the gentleman from Wisconsin [Mr. BIEMILLER] was this:

Mr. Chairman, I move that Mr. BECKWORTH be authorized and directed to call from the Speaker's table, under rule 24, Senate bill 3295, and ask for immediate consideration thereof by the House, a bill substantially the same, H. R. 7789 being on the House Calendar.

H. R. 7789 is today before the Rules Committee. It has not been reported by the Rules Committee that I know of. When that bill passed the Committee on Interstate and Foreign Commerce, it passed by a vote of 14 to 4. As is

evidenced by the very fact that we have the bill here under the rule under which we do have it, the Senate has passed a very similar bill, a bill which was passed incidentally on December 11 by a voice vote.

Certainly the question of amendments is one that has been given consideration in the House Committee on Interstate and Foreign Commerce, and given consideration on the Senate floor. As a matter of fact, there were several amendments offered while we were considering the bill in the committee. Even after the bill was reported, some amendments were worked out which it was felt would cause the legislation to be more desirable. But the Senate bill substantially is the same bill as the bill which the Interstate and Foreign Commerce Committee reported.

As I said before, the Senate bill passed by a voice vote.

One of the amendments which was considered by our committee was the so-called States' rights amendment. The gentleman from Florida [Mr. ROGERS] offered that amendment. I voted for the amendment. I recall Representative HARRIS, of Arkansas, voted for the Rogers States' rights amendment.

The so-called FEPC amendment was offered in the committee. At times there has been great agitation for that amendment. I voted against the FEPC amendment, of course. There were several other amendments which were offered.

It has been pointed out, and I think rather accurately, that railroad labor historically has not been dealt with in exactly the same fashion as other types of labor in this country; and, of course, when we say railroad labor we refer also to labor that is employed by airlines, because airline employees do come under the Railway Labor Act. Railroads and airlines have been considered direct instrumentalities of interstate commerce. Employer and employee relationships in the railroad industry often independent of State laws have been the subject of Federal legislation for many years because of the direct effect of labor disputes in that industry upon the free flow of interstate commerce; I wish to invite your attention to some of these acts which I shall enumerate: The Railway Labor Act, the Railroad Retirement Act, the Railroad Employment Insurance Act, the Federal Employees Liability Act, the Hours of Service Act, and even other acts besides those I have enumerated.

I wish to emphasize again that historically railroad legislation has been dealt with in a different manner certainly in a number of instances to that which other labor in this country has been dealt with.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. I yield.

Mr. HARRIS. I asked the gentleman to yield merely for the purpose of asking a question. A great many Members here have been asking about the procedure and just what is before us for consideration at this time. The gentleman has very ably explained it to a point under this particular and unusual rule. Is it not a fact that the legislation now before the House for consideration is the Senate-passed bill which has been held by the Speaker to be substantially the same as the bill that has been reported by our committee and is now on the House Calendar?

Mr. BECKWORTH. The gentleman is exactly right.

Mr. HARRIS. And if the House passes this bill, then the bill becomes final, it is adopted, and there will be no conference at all; it will have passed both the House and the Senate?

Mr. BECKWORTH. The gentleman has stated the situation correctly.

Mr. HARRIS. For further clarification, is it not also true that the gentleman from Texas who has been recognized has 1 hour and that he is not permitted to yield for any purpose at all except debate, or he loses control of the legislation?

Mr. BECKWORTH. That is correct.

Mr. HARRIS. And is it not also true that no amendment will be offered to this bill at all for the House membership to pass on as we passed on in the committee? It is a legislative proposal to be voted up or down in the House.

Mr. BECKWORTH. That is true. As I pointed out, as a member of this committee, who in this instance is taking the place of our beloved chairman, I am simply following the rather formal instructions of the committee as is illustrated by the resolution I read a moment ago which was passed in our committee.

Mr. HARRIS. That was the other point I was going to mention for clarification of the situation, I may say to the gentleman; that by direction of the committee the gentleman called up the bill, was recognized, and is to have 1 hour of debate, and by direction of the committee is not to yield to anyone to offer an amendment.

Mr. BECKWORTH. Yes; in effect you have concisely stated the situation as it is.

CALL OF THE HOUSE

Mr. GOSSETT. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] One hundred and eighty-five Members are present, not a quorum.

Mr. PRIEST. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 303]

Allen, La.	Crosser	Gulil
Anderson, Calif.	Davenport	Hall,
Angell	Davies, N. Y.	Leonard W.
Barden	Davis, Tenn.	Hare
Blackney	Davis, Wis.	Hart
Boggs, La.	D'Ewart	Hébert
Bonner	Dondero	Hinshaw
Cannon	Durham	Hoeven
Carroll	Eaton	Hoffman, Ill.
Cavalcante	Eberharter	Holifield
Chatham	Engel, Mich.	Horan
Christopher	Gary	Jennings
Clemente	Gillette	Jonas
Clevenger	Gilmer	Jones,
Coudert	Gossett	Woodrow, W.
Crook	Gregory	Karst
Kearns	Monroney	Sikes
Kee	Morrison	Smith, Ohio
Keefe	Morton	Smith, Wis.
Kerr	Murray, Tenn.	Stefan
Kilday	Noland	Stigler
Kirwan	O'Konski	Stockman
Kunkel	Pace	Taber
Larcade	Passman	Towe
LeCompte	Patterson	Vorys
LeFevre	Peterson	Walsh
Lichtenwalter	Pfeifer,	Werdel
Lodge	Joseph L.	Whitaker
Lynch	Pfeiffer,	White, Calif.
McDonough	William L.	Whittington
McMillen, Ill.	Plumley	Wier
Macy	Powell	Wigglesworth
Mahon	Redden	Willis
Mansfield	Reed, Ill.	Wilson, Okla.
Mason	Roosevelt	Wilson, Tex.
Michener	Sabath	Winstead
Miles	Sadowski	Wood
Miller, Md.	Sanborn	Woodruff
Miller, Nebr.	Scudder	Yates

The SPEAKER. On this roll call 311 Members have answered to their names: a quorum is present.

Without objection, further proceedings under the call will be dispensed with.

Mr. LUCAS. Mr. Speaker, I object.

The SPEAKER. The question is, Will the House dispense with further proceedings under this call?

Mr. LUCAS. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

The question was taken; and the House agreed to dispense with further proceedings under the call.

TO AMEND THE RAILWAY LABOR ACT

The SPEAKER. The gentleman from Texas [Mr. BECKWORTH] is recognized.

Mr. HOFFMAN of Michigan. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. BECKWORTH. Yes; I yield for a unanimous-consent request only.

Mr. HOFFMAN of Michigan. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD at that point following the debate of the gentleman from Texas.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield for a unanimous-consent request?

Mr. BECKWORTH. I yield only for a unanimous-consent request.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the RECORD and insert a telegram I received from General MacArthur thanking me for the Christmas message and prayers for the men at the front, in which he states he will do his best, no matter what happens.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mr. BECKWORTH. Mr. Speaker, it is not my purpose to take much more time. Several members of the committee have requested time. Some of them have studied this legislation in detail and have worked diligently to perfect as much as possible the provisions of the bill. Suffice it to say that this bill does not make mandatory a union shop. It permits organizations representing the railroad

men to work out and to bring about agreements with carriers providing for union shops, a principle enacted into law in the Taft-Hartley bill. Likewise, it permits agreements that would call for the check-off; this, too, is recognized in the Taft-Hartley bill. One of the important amendments that was agreed to requires that a given railroad worker must make assignment in behalf of the labor union to the company which is paying the worker.

Another important provision which changed the original bill is with reference to the fact that no person is required to be a member at any one time of more than one union. That was one of the purposes of one of the amendments which our committee acted on and favorably reported after the bill was originally reported out of our committee. Still another change which has been made is that fines and penalties will not be permitted to be checked off as assessments, and membership or initiation fees will be checked off if agreements are reached between carriers and railway labor organizations providing for such check-off of assessments, membership or initiation fees.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. Not at this time.

One of the members of our committee who worked most diligently on this legislation is a man who has served on the committee for many years. I regard him as one of the finest authorities we have respecting railroad labor legislation and at this point I propose to yield to the distinguished former chairman of our committee, now ranking minority member, the gentleman from New Jersey [Mr. WOLVERTON], for debate only. I yield to Mr. WOLVERTON 18 minutes.

Mr. FISHER. Mr. Speaker, will the gentleman yield?

Mr. BECKWORTH. Not at this time. I hope to yield later if I have time.

Mr. FISHER. There is a question about the bill I wish to ask the gentleman.

Mr. BECKWORTH. I have already yielded to the gentleman from New Jersey for debate, but I may say that before the debate is over I will undertake to yield to the gentleman from Texas for a question about the bill, but not at this time.

Mr. Speaker, I yield 18 minutes to the gentleman from New Jersey [Mr. WOLVERTON].

Mr. HOFFMAN of Michigan. Mr. Speaker, the bill which the House is now considering is the Senate, not the House, bill.

Whatever may be the situation on the Democratic side, copies of the Senate bill which we are now considering, which we will within the hour be asked to vote upon, are not available to the membership of the House.

Within the last few moments, I was able to obtain from the ranking Republican member on the Committee on Interstate and Foreign Commerce the loan—mark you, the loan for a few moments—of a copy of the Senate bill.

The report on the House bill which I have been asked by union officials to support is, especially on page 6, misleading and not in accord with the provisions of the Senate bill.

Labor, a national weekly newspaper published here in Washington, complains most bitterly of those of us who have wanted an opportunity for the consideration of, and an opportunity to debate, this proposed legislation for a union shop in connection with our transportation systems.

But those who have charge of this legislation have today, by their tactics, used methods which have stifled practically all debate in opposition to the bill. My remarks are carried here because, and only because, of a parliamentary maneuver I made—the securing of unanimous consent to extend my remarks at this point.

As I recall, but 7 minutes were allocated to those who desired to explain the provisions of the bill.

This bill provides that certain transportation systems may, dealing with union representatives, impose the union shop upon all employees of those systems.

The only practical difference between the closed shop and the union shop is the 60 days reprieve which is given by the union job practice, during which an employee can either make up his mind to give up his job or surrender his independence to the union.

If transportation systems derived their revenue solely from union men, I could understand why union men should have all the jobs. As long as the public generally, union and nonunion men, pay for transportation, enable the transportation systems to function, I cannot see the justice of insisting that the transportation system and the unions, through their representatives, can deny employment to a man simply because he does not belong to the union.

Nor can I see the justice in permitting the company and the union to enter into an agreement—and that is what the Senate bill does—which provides that, in order to hold his job, the union man must have deducted from his pay check "the periodic dues, initiation fees, and assessments uniformly required as a condition of acquiring or retaining membership" in the union.

I voted for a somewhat similar, but not an identical, provision when I voted for the Taft-Hartley Act. I did not believe then, I do not now believe, in the principle of a union or closed shop, but, in order to get some degree of relief for employees, who were members of the union and for the public, I was forced, when voting for the Taft-Hartley Act, to accept that provision. I am in a somewhat similar position today. It is this bill or nothing.

My vote cast against the bill would be a futile protest against legislation which I do not believe should be put upon the books. I will, therefore, go along with the overwhelming majority of my colleagues, hoping that the railway unions, getting what they argue they must have in order to stop communism and wildcat strikes, will use the power given them wisely and justly, and not, as some of these organizations are today using it, to oppress, coerce, their own members.

The recent wildcat strike, which held up the delivery of mail; which prevented some men in service going home for a last visit with their families before being shipped abroad; which prevented other men who had enlisted or who had been drafted reaching their training camps at the designated time, was an exhibition of the misuse, in a disloyal way, of arbitrary power.

It is no answer for union officials to say that the strike was a wildcat strike, for it is apparent to the most casual observer that union officials did not make an honest, vigorous effort to either keep the men from walking out or to induce them to return.

Moreover, two Presidential fact-finding boards, so far as I have been able to learn, earnest and honest in their conclusions, failed to give the railway unions a demanded increase. Did those unions abide by the law of the land? They did not. A strike was called and, in the end, the President, yielding to political pressure, gave the unions increases, which they accepted. Now, according to the press, they intend to repudiate those agreements and are coming back to Washington for additional benefits.

Nor have I forgotten that a few years ago, at the time of another great emergency, when the national safety was involved, these railway unions called a strike. At that time, at the request of the President, the House by an overwhelming majority passed a bill to draft railway men into the Federal service. My vote was one of the very, very few which was not cast in favor of that legislation.

If the officials of the railway unions follow the policy which they have sometimes followed in the past, of insisting, even when the welfare of the people, the security of the Republic, is endangered, upon having their way, employees of transportation unions will, before world war III is over, be made subject to a draft, be assigned to work when and where and for a compensation determined by the Federal Government.

Members of Congress may fear the political power of the unions. Personally, I am more in fear, from a political standpoint, of the people who do not belong to these unions, whose sons, brothers, husbands, are being drafted to fight on foreign soil.

If there comes a strike which interferes with the war effort; if the unions demand for their members an increased wage which the people finally decide is out of all proportion to the service rendered, it is just possible that, once again, the people will make their wishes known to the Congressmen in such manner that there will be no hesitation on the part of the Congress in protecting the welfare of the people as a whole. It was that kind of an uprising which put through the Taft-Hartley bill.

There is one other piece of advice, unasked, I am giving to the railway unions. It is this: That they should quit levying political assessments or assessments for the benefit of some union officials and, through the use of this legislation now before us, force their members to meet

those assessments—especially those for political purposes—as a condition of an opportunity to earn a livelihood.

What I mean by that statement you will gather from reading the following excerpts from a letter—and, by the way, it is not the only one which has come to me from transportation workers, who are members of the unions which are back of this bill, protesting the enactment of this legislation. The excerpts read as follows:

DEAR SIR: I note by the daily press the Senate recently passed and now has before the House a bill to authorize a union shop for the railroad employees. Please accept this as my opposition to such an act. Before the recent election I was a dues-paying union member, but withdrew when I found the leaders were using most of my dues ($28 per year) to oppose such outstanding men as the Honorable ROBERT TAFT.

In retaliation for my withdrawal this is what happened. Previously I have been allowed my vacation at a time agreeable somewhat to me and when my family could enjoy it. This year I could not have it during the summer months when my children were also on vacation from school. Instead it was given the first week of this month, which as you may know isn't a very enjoyable time for a vacation, especially with three children in school. Likewise for the coming year, I am dated for May 2, which will be about as convenient. All of these vacation dates are established by the union vacation committee and given to the superintendent for compliance.

Another point to be mentioned is the fact that heretofore, we did not have to take our vacation if we so desired. In that case we were paid for the vacation not used and in my case, is what I had planned on doing. However, the union chairman informed me the contract called for a vacation, and it must be taken when scheduled. I talked with our superintendent, and it was agreeable with him to defer the vacation until a later date or pay me for the time not used. However, such was not the case. The union (CRT) must impress these new men with their power to furnish them jobs and the only way to do this, is to force everyone to use his vacation time regardless of his liking.

No doubt this is old news to you, after you have held so many investigations respecting the union's powers. But I bring it to your attention as my protest against the union shop for the railroad employees.

Permit me also to answer the charge that some of us have been influenced by the railroad lobby. I have had no communications whatever from anyone connected with the management of our transportation system. I have had communications favoring this legislation from union officials.

Some of my colleagues may wonder why I am making these remarks. One answer is that I do not subscribe to the principle of the closed or union shop. I fear that the union shop will be followed by the closed union.

Why, then, will I vote for the bill? I will vote first to recommit the bill. Failing in that, I will, as stated, vote for it because any other course would be futile, and because I do not want the railway unions to say, even though it would not be true, that I refused to extend to their membership the opportunity for a union shop which was given to other employees by the Taft-Hartley Act.

This is but the third time in my 16 years of service here that I have supported legislation to which the beneficiaries were not, I thought, entitled, and which I thought might be unsound, but which would nevertheless have been overwhelmingly adopted without my vote.

The first such time was when I voted for the so-called Bretton Woods measure, when two of my Michigan colleagues overpersuaded me. The second was when I voted for the unification bill, and the last will be my vote on this bill which is before us today.

To my friends who are working on the railroads, may I say I am going along with you today; I hope the ride will not be too rough, and I hope you will so use the privilege granted as to avoid going full-speed into the dead end of a public sentiment which, once aroused because of injustice or unfairness or arbitrariness, causes the pendulum to swing too far in the other direction.

Mr. WOLVERTON. Mr. Speaker, before addressing myself to the legislation now before the House, I wish to congratulate the gentleman from Texas [Mr. BECKWORTH] on the splendid manner in which he has analyzed the provisions of the bill and explained the purpose and effect of the bill. It was sound, logical, and fair. I also wish to commend him for the fine spirit and great ability he has shown as acting chairman of the Committee on Interstate and Foreign Commerce in the consideration of the proposed legislation during the time our chairman, the gentleman from Ohio [Mr. CROSSER] has been incapacitated by illness.

The purpose of the bill now under consideration (S. 3295) is to amend the Railway Labor Act, approved May 20, 1926, so as to permit any carrier subject to that act and any labor organization duly designated and authorized to represent employees in accordance with the requirements of that act to make agreements, first, providing, subject to certain limitations, for the union shop. By this is meant a requirement that within 60 days after the beginning of employment, or the taking effect of the act, whichever is the later, employees of the carrier shall be members of the labor organization representing their craft or class; and, second, providing for the check-off. By this is meant a deduction by the carrier from the wages of the employees, and payment to the appropriate labor organization, of dues, initiation fees, or assessments which may be payable to the labor organization.

Under paragraphs 4 and 5, section 2, of the Railway Labor Act, carriers are prohibited from requiring any employee to join, refrain from joining, or remaining a member of any labor organization. The carrier is also prohibited from deducting from the wages of employees any dues, fees, assessments, or other contributions payable to labor organizations.

The effect of this bill would modify these provisions so as to make the union shop and check-off arrangements appropriate subjects of collective bargaining available to carriers and employee representatives subject to the Railway Labor Act. The bill will also similarly apply to common carriers by air and their employees.

As I see it, the matter before us is very simple. It is merely a question of whether the Congress desires to continue to deny to railway labor the right by collective bargaining with management to negotiate union-shop agreements when we have protected by the Taft-Hartley Act that right in all industries except those subject to the Railway Labor Act.

We are not being asked to impose compulsory union-shop conditions by statute. The bill before us merely permits the collective-bargaining process to operate in that field. It merely removes an existing statutory prohibition against the negotiation of union-shop agreements if the carrier and the representatives of its employees are able to reach a meeting of the minds.

I do not see how in justice and fairness we can continue to deny this right to the employees in our great railroad and airline industries and at the same time grant such rights to all others, as we do under the provisions of the Taft-Hartley Act.

In the consideration of this legislation it should be borne in mind that the Railway Labor Act requires the labor organizations as the representatives of any craft or class of railroad or airline employees, to represent all of the members of the craft or class fairly and equitably and without regard to membership or nonmembership in a union. Benefits of collective bargaining may not be withheld from employees because they are not members of the union which represents them.

One of the compelling reasons that in my opinion justifies the union-shop provision grows out of the fact that under the act whatever benefits result from the collective bargaining of the employees' representatives is shared by all employees of the particular craft or class. The representative therefore actually represents all the employees of such craft or class whether they be members or not of the union. To me it seems simple justice to expect, and, if necessary, require all employees who stand to benefit from the collective bargaining to belong to the union that acts for them, and in their behalf. Otherwise, employees who did not belong to the union share equally with those who do belong, the same benefits, and, without assuming any of the responsibilities incident to membership. The mere statement of this fact seems to me to present an unanswerable argument in favor of what this bill seeks to do.

In further amplification of this viewpoint, if any is necessary, it should be understood that at the present time there are approximately 1,200,000 employees of our railroads. Of these between 75 and 80 percent are members of one or another of the railway labor unions. Thus 20 to 25 percent, who are not members of any union, are enabled to share in all benefits derived from union bargaining without bearing any part of the expense incident to obtaining such benefits. It

is only fair to provide that benefits and responsibility should be jointly shared by all. This principle likewise justifies the check-off system as fulfillment of part of the responsibility or obligation due to membership in the union.

It is a matter of common knowledge that activities of labor organizations which result in the procurement of employees' benefits are costly. The only source of funds with which these labor organizations may carry on these activities is the dues received from members of the organization. I believe that it is essentially unfair for nonmembers to participate in the benefits of these activities without contributing anything to the cost. This is especially true when the collective-bargaining representative is one from whom the employee receives very important and substantial benefits and one which is obligated by law to extend these advantages to him.

Under the Taft-Hartley Act we have permitted union-shop agreements in industries where the collective-bargaining process is not nearly as complex and restricted as it is under the Railway Labor Act. In the railroad and airline industries, the provisions for mediation, arbitration, Presidential emergency boards and the National Railroad Adjustment Board, while very much in the public interest, are administrative processes which are very costly to the involved labor organizations.

It seems to me that the rights sought under this bill have an additional important significance. The employees in the railroad and airline industries, unlike those in most industries, frequently are scattered over hundreds, if not thousands, of miles of territory and are not concentrated in one locality. This obviously makes the problem of organization on a voluntary membership basis much more difficult to achieve than in those industries where the employment is localized. Furthermore, it must be kept in mind that under the Railway Labor Act, all crafts and classes are established by the National Mediation Board on a system-wide basis. Thus the railway unions may not carve out any group in a particular geographical location where its membership may be substantial and represent only those who contribute to the collective bargaining expense. These unions must represent every employee on the entire railroad system who is a member of the craft or class which the union represents. In view of these facts, it appears to me that the justification for the right for which provision is made in this bill might well be said to be greater than in other industries where we have conferred such rights.

This bill is essentially the same as the union shop and check-off provisions of the Taft-Hartley Act, the only differences being those which are required to make it practical of operation in the railroad and airline industries.

In support of this bill it was stated by Senator TAFT in the debate on this bill in the Senate on December 7:

> In effect, the bill inserts in the railway mediation law almost the exact provisions, so far as they fit, of the Taft-Hartley law, so that the conditions regarding the union shop and the check-off are carried into the relations between railroad unions and the railroads. I believe that those provisions have worked satisfactorily under the Taft-Hartley law. I feel that they would work well in connection with the Railway Labor Act.

Here then is a bill on which there have been extensive hearings in the Senate committee and considerable debate on the floor of the Senate which resulted in a voice vote and passage. Extensive hearings have been held in the House Committee and the committee has reported a bill which is substantially the same. Furthermore, here is a bill which now has, with one exception, the unanimous support of the affected railway labor organizations.

There is another provision of the bill that I would like to discuss. That is the provision dealing with voluntary dues deductions. It authorizes the negotiation of agreements between labor organizations and the carriers to provide for the deduction from the wages of the employees of any "periodic dues, initiation fees and assessments uniformly required as a condition of acquiring or retaining membership" in the union.

This provision is confined, as specifically stated to periodic—that is, normal—dues, fees, and assessments. The carrier would in no way be expected to deduct fines and penalties that might be imposed by a union in exceptional cases.

Furthermore—and this is especially important—the provision is completely voluntary. Such deductions would be made by a carrier only on the individually signed authorization of the employee.

The proposed legislation declares plainly that "no such agreement shall be effective with respect to any individual employee until he shall have furnished the employer with a written assignment to the labor organization of such membership dues, initiation fees and assessments, which shall be revocable in writing after the expiration of 1 year, or upon the termination date of the applicable collective agreement, whichever occurs sooner." Thus, it is hedged in with safeguards.

The employee will have two alternatives. He may pay his customary dues, fees or assessments directly to his local union, or he may authorize the railroad or airline on which he is employed to deduct the amount regularly from his wages and turn that over to his union. The choice will be up to him.

Surely, there can be no sound objection to such a provision. Where a union-shop agreement is in effect, the employees covered are required to belong to the union, and they must pay their dues as a condition of continued employment. This provision would merely facilitate the payment of the dues.

It will be helpful alike to the employees, the managements and the unions. As everyone knows, the railroads cover tremendous areas, crossing and crisscrossing the Nation in every direction for a total of 225,000 miles. Employees are scattered far and wide. Many are at isolated points, hard to reach. This naturally makes collection of dues more difficult and more involved than in any other industry.

For the employee, the provision will simplify payment of his dues. He will not have to make long trips to the headquarters of his local union, or search out the representative of his union, to pay his dues. His signed authorization will take care of the matter and save him much inconvenience.

For the management, the provision will also be beneficial. True, it may add a bit to bookkeeping costs, but that will be more than offset in other ways. For example, collection of dues by union representatives on company time—a practice difficult to control—will be eliminated.

Also, the management would be relieved of the responsibility for discharge of employees who neglect or forget to pay their dues. The provision will reduce controversy over the issue of whether or not an employee is delinquent in dues payments. In short, it will make for smoother operation of the union shop and hence for greater efficiency and less disruption on the job.

Likewise, the dues-deduction provision will be of help to the union. It will simplify collection of the dues which must be paid. It will do away with the necessity of taking disciplinary action against members who become delinquent in dues payments. It will eliminate the need of proving to the management that a member has failed to pay his dues and should be discharged.

In short, this provision will make for better relations all around, and serve as another influence for minimizing strife and assuring uninterrupted transportation.

I repeat that the matter before us is not complicated and would not justify a failure to enact this bill at this session and thus require that the entire legislative process be initiated anew in the next session.

I can see no justifiable reason for continuing to withhold from railroad and airline employees the right to bargain collectively for union-shop and check-off agreements in the face of the rights which we have preserved by the Taft-Hartley Act to employees in all other industries. I think to do so would result in a grave injustice.

In conclusion it should also be borne in mind that there is nothing in this proposed legislation that makes the union shop or the check-off effective unless and until a union and the carrier as a result of collective bargaining agree to it. The law is permissive and not compulsory. The bill has the endorsement of 21 standard railway labor organizations affiliated with the Railway Labor Executives Association and is in full accord with present-day thought in labor-management relations. The Senate has already approved the bill and I trust it will have the approval of the House.

Mr. HARRIS. Mr. Speaker, will the gentleman yield?

Mr. WOLVERTON. I yield to the gentleman from Arkansas.

Mr. HARRIS. The gentleman has referred to the applicability of this amendment to the provisions of the Railway

Labor Act affecting the mediation and arbitration. This amendment in no way affects the present procedure of the National Mediation Board with reference to adjustment of disputes; is that true?

Mr. WOLVERTON. I did not say anything that would indicate that this bill would in any way affect the present law with respect to mediation, arbitration, or the jurisdiction of the Adjustment Board. It would not do so. I am in full accord with the statement of the gentleman from Arkansas that this amendment of the Railway Labor Act does not make or contemplate any change with respect to the National Mediation Board with respect to adjustment of disputes.

Mr. HARRIS. The question has been raised that there might be some application that would affect the present arbitration provisions of the Railway Labor Act.

Mr. WOLVERTON. It does not, either directly or indirectly.

Mr. HARRIS. I want to make very clear that this in no way amends such provisions of that law.

Mr. WOLVERTON. The gentleman has correctly stated the situation. I trust that the House will give its approval to this bill. It has had the favorable consideration of the Senate in its present form. It likewise has the approval of the House Committee on Interstate and Foreign Commerce, which has given its provisions full and careful consideration after extended hearings. The legislation does nothing more or less than give to railway and airline employees the benefit of similar provisions as now contained in the Taft-Hartley Act. It is entitled to the support of the membership of this House.

Mr. BECKWORTH. Mr. Speaker, I yield 8 minutes to the gentleman from Minnesota [Mr. O'HARA].

Mr. O'HARA of Minnesota. Mr. Speaker, I appreciate that most of my colleagues will support this legislation. If I were working in the railroad industry, I would want to belong to one of the brotherhoods in the craft or the class of work that I did. I would not want to have to do so as a matter of compulsion, however. If I had to have a job and had to pay a toll for that job, I would not enjoy that as an American citizen. That is my own personal feeling. Believing as I do in the railroad brotherhoods and the unions, respecting what the union shop is and the closed shop, and the justification that may exist for each, I think they all are part and parcel of our American way of life, but still, as an American citizen, I would not like to have to belong to a union in order to obtain or hold a job.

All of the brotherhoods have not endorsed this legislation. One of the oldest of the present American labor organizations with a continuous record of service to its membership since 1863 opposes this legislation. That is the Brotherhood of Locomotive Engineers. Mr. John Corbett, the national legislative representative of that organization, has authorized me to use and to insert in the RECORD the statement of the position of the Brotherhood of Locomotive Engineers in opposition to this legislation, and I now ask unanimous consent, Mr. Speaker, to insert at this point in the RECORD that statement.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The statement is as follows:

The Brotherhood of Locomotive Engineers is the oldest of the railroad labor organizations and is one of the oldest of any of the present American labor organizations, with a continuous record of service to its membership since 1863.

It has been the policy of the brotherhood to endeavor to make the organization such as to have men in locomotive service desirous of becoming members and, because of that policy, it has never favored any proposals for closed-shop and/or union-shop conditions in its contracts with the railroads of the United States and/or Canada.

The Brotherhood of Locomotive Engineers is on record before both the Senate committee and the House committee holding hearings on bills S. 3295 and H. R. 7789 as being opposed to the proposed provisions of those bills which, as originally introduced, were companion or identical bills, as it has been the practice to promote men in locomotive service, in train service, from the position of locomotive fireman to the position of locomotive engineer and, as the act of promoting the man does not carry any guarantee of work as a locomotive engineer except as the railroad may need his services as an extra locomotive engineer to take the place of some senior man who may lay off because of illness for a day's vacation, or some similar occasion, such an employee would be required to become, and retain, membership in two labor organizations in order to be protected in his efforts to make a living. He would be required to maintain membership in the Brotherhood of Locomotive Firemen and Enginemen to retain his right to work as a locomotive fireman and to acquire and retain membership in the Brotherhood of Locomotive Engineers to protect his right to work as a locomotive engineer.

Three amendments to bill H. R. 7789 were given favorable consideration by the House Committee on Interstate and Foreign Commerce, subsequent to August 7, 1950, when the bill was reported out of committee—with House Report No. 2811.

The first of the three amendments would have little effect; the second amendment proposing: "*Provided further*, That no such agreement shall require membership in more than one labor organization," appears to merit considerable attention and there must be some controversy as to whether an employee, as a young man, was in service as a waiter in a railroad restaurant and joined the union of such employees, might assume that his union card in the waiters' union should qualify him for rights in the other 127 different crafts and/or divisions of crafts identified by the Interstate Commerce Commission as being railroad employees, if those other crafts had contracts with the different railroads under the authority of this legislation.

Under the provisions of bill S. 3295, as passed by the Senate, amended, there appears the guarantee that the young man who has served his apprenticeship as a locomotive fireman shall never be required to become a member of the Brotherhood of Locomotive Engineers, and this guarantee, apparently, in opposition to the proposed provisions that the Brotherhood of Locomotive Engineers, which has contracts with practically all of the principal railroads of the United States, may be expected to secure contracts with those railroads, if this legislation is approved, which would provide protection for the organization on those railroads.

We submit the opinion that such a proposed condition is in direct opposition to any existing condition; that it would be unjust to a group of outstanding American workers; that there is no precedent for such action in all the history of our great Government; that there is no right or reason for taking such action and we respectfully request that no such action shall ever be taken.

JOHN T. CORBETT,
National Legislative Representative, Brotherhood of Locomotive Engineers.

Mr. O'HARA of Minnesota. Mr. Speaker, I should like to call to the attention of my colleagues two statements particularly, which were made by this great brotherhood with reference to this type of legislation. I quote from the statement of Mr. Corbett:

It has been the policy of the brotherhood to endeavor to make the organization such as to have men in locomotive service desirous of becoming members and, because of that policy, it has never favored any proposals for closed-shop and/or union-shop conditions in its contracts with the railroads of the United States and/or Canada.

There is a provision of the bill which is now before you for consideration to which I would like to call your attention. That has been well set out and I again quote from Mr. Corbett, as follows:

Under the provisions of bill S. 3295, as passed by the Senate, amended, there appears the guaranty that the young man who has served his apprenticeship as a locomotive fireman shall never be required to become a member of the Brotherhood of Locomotive Engineers, and this guaranty, apparently, in opposition to the proposed provisions that the Brotherhood of Locomotive Engineers, which has contracts with practically all of the principal railroads of the United States, may be expected to secure contracts with those railroads, if this legislation is approved, which would provide protection for the organization on those railroads.

In other words, if a young man was a locomotive fireman and was promoted to an engineer, under the provisions of this bill he would not have to belong to the Brotherhood of Locomotive Engineers, which, of course, in time perhaps means the defeat or would help defeat the continuation of that great brotherhood.

I recognize the difficulty that arises and the difficulty with which the committee was involved in considering this legislation where we wanted to get away with the overlapping of crafts or classes of the brotherhoods so that the worker did not have to belong to three or four organizations.

I think the comment which has been made by Mr. Corbett in regard to this amendment is extremely important.

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. O'HARA of Minnesota. I yield for a question only.

Mr. JACOBS. I really wanted to make a brief statement.

Mr. O'HARA of Minnesota. I yield to the gentleman.

Mr. JACOBS. I think the House has been inadvertently misinformed in regard to one aspect of this bill. It was told that the bill merely carries into the Railway Labor Act the provisions of the Taft-Hartley law. The truth of the matter is the Taft-Hartley law permits a

closed union where closed shop or union shop conditions are contracted for. This bill absolutely legislates the right for closed unions where there are union shop conditions.

I do not believe there is any Member of this House who is any stronger in favor of the right of a union to have union shop conditions if they can contract them, but I will guarantee there is no Member of this House who is more opposed to a closed union than I am. I have worked to try to get legislation that would correct the abuses that have often followed and were made possible by union or closed shops.

I regret there can be no amendments offered to this bill for I cannot support this bill as written. At this time I would like to ask permission to extend my remarks and include an amendment that I propose to offer and a statement which I made to the Committee on Education and Labor on March 7, 1949, bearing on this subject:

On page 2, strike out from word *"Provided,"* on line 9, through line 19 and insert *"Provided,* That no labor organization which enters into such an agreement shall—

"(1) refuse to grant membership to persons, having the qualifications generally required, upon the same terms and conditions generally required; or

"(2) penalize a member or a subordinate body for criticizing or demanding an explanation of the conduct of its officers or agents or an examination of its books and records, or for its officers or agents to refuse such examination during reasonable hours; or

"(3) penalize a member or a subordinate body without written charges; adequate notice thereof with copy of such charges attached; and a hearing before a tribunal composed of persons who have no personal interest in the controversy, with opportunity to produce favorable witnesses and cross-examine adverse witnesses, or without substantial evidence to sustain such charges."

STATEMENT BY HON. ANDREW JACOBS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF INDIANA, BEFORE THE HOUSE COMMITTEE ON EDUCATION AND LABOR, MARCH 7, 1949, IN HEARINGS UPON H. H. 2032, TO REPEAL THE TAFT-HARTLEY LAW AND ENACT A NEW LABOR-MANAGEMENT RELATIONS LAW

Gentlemen, within the next 15 minutes I hope to be able to induce you to give serious consideration to some much-needed labor legislation. This will pertain to evils which have not been heretofore covered by legislation.

We must accept the facts as they exist, recognizing that combinations of wealth or men or both possess economic power with which an individual cannot cope. Then we must acknowledge that a prime function of government is to regulate and restrain such excessive power so as to enable all men to fairly compete for their just share of what they help produce by their labor or investment. To apply this principle of government we must do four things:

(1) Evaluate the general economic power of the usual types of combinations.

(2) Determine who is normally the object of the abuse of such combined economic power.

(3) Determine the corresponding economic power of those upon whom the first is ordinarily exerted.

(4) Regulate and restrain any abuse of such excessive economic power so as to restore competition and enable ordinarily prudent and energetic men to bargain for what they helped produce by their labor or investment.

For a half century legislative bodies recognized the inability of the employee to meet the general economic power of the employer. More than a half century ago the Federal and most State legislative bodies enacted into law the principles of the Wagner Act, only to have them stricken down or denied enforcement by the courts.

This was a strange jurisprudence, since the common law recognized and curtailed economic duress in almost every contractual matter save the labor contract. Fortunately, the principles of the Wagner Act are no longer seriously challenged. They are enacted as the first sections of the Taft-Hartley Act.

However, the opponents of and those who did not fully understand the Wagner Act abandoned the direct assault for a flanking attack. Though the act was left standing, its effect was largely emasculated by the Taft-Hartley Act.

Some of the detailed provisions, and an analysis thereof, are more fully set out in my response to the General Electric questionnaire, now a part of the CONGRESSIONAL RECORD, and which I request, Mr. Chairman, be made a part of the record of this hearing.

Suffice it to be recorded at this point that the most damaging effect of certain provisions of the Taft-Hartley law has now been conceded by its senior coauthor, Senator TAFT, as well as by three national periodicals, which are generally accepted by business as sound reliable publications.

I hasten to say, Mr. Chairman, I do not mention Senator TAFT's concession as partisan chiding of an opponent. I believe his change of mind is perfectly honest and highly commendable. The politics of this question should not concern us. I will join with or oppose Democrat or Republican to gain a fair law. I believe a majority of this committee feels likewise.

I will not dwell longer upon either the Wagner or Taft-Hartley law, except as they may illustrate my proposals. Both of those laws will be the principal consideration before this committee, including the administration provisions regarding boycotts and jurisdictional disputes, which I discuss in response to the General Electric questionnaire. Rather I come here in the capacity of a witness and urge you to consider the necessity of applying the rules I suggested to another phase of the labor problem.

The proponents of the Taft-Hartley law claimed it reduced the power of union officials. That it did. But I feel that in so reducing such power they did not "determine who (was) normally the object of the abuse of such combined economic power." And the Taft-Hartley law did not restrain the abuse of such excessive economic power so as to relieve those who were the objects thereof.

The power of the union officer can be directed toward bargaining for wages and working conditions. But that power can also be used to oppress members and local union organizations affiliated with the national or international.

It was the former power, or the power to bargain for wages, that the Taft-Hartley law curbed, not the latter. It is the latter that is sometimes abused, and concerning which I will urge legislative restraint.

Many union people know of this and want remedies. I urged it upon the Seventy-ninth Congress and again upon the Eightieth. I will furnish you names of witnesses, good union men, who will give you illustrations of what I want remedied. These practices are certainly not prevalent in all unions, and there should be no objections from those unions that recognize and honor democratic processes.

I will, to induce your interest, give you a relatively brief example:

A local union was held in a captive status for over 16 years. It was never permitted to elect an officer. Every officer was appointed by the international president. The same group served through the entire 16 years. Vacancies by death were filled by the international president. Petition after petition to elect officers were rejected or ignored by the international president, until finally he yielded after 16 years and permitted a partial election. But the partial election, together with ground rules laid down by the international president, left his personal appointees in full control of the local's finances.

Finally, the few newly elected officers summoned up the courage and demanded to see the books. They were gone. Suit was filed against the international president, who then produced remnants of the books. Most of them had been destroyed after a very questionable audit by a Washington accountant.

Then, in order to intimidate the local into dismissing its suit for possession of its own books and an accounting of his stewardship, the international president suspended from the union pension roll all the old members of the local who had fully paid for their pensions. I think that was one of the cruelest acts I ever saw committed by an individual who had somehow been favored with a human appearance.

Finally, after proof of embezzlement became overwhelming, he repaid the local a large sum from the international treasury, promising to recoup it by proceeding against his own agents. But, in the meantime, the local had another problem. The wage scale had lagged to 34 cents per hour less than that in an adjoining district in the same craft. This occurred while it was captive and its contracts were made by the administrator, trustee, or whatever you choose to call him (these union members had a few very choice names, which don't belong in the record).

The employers in that district had to learn collective bargaining all over again. The pretended representative of these laboring men had become a mere broker of their labor. But the scale was finally raised. How much the men lost during the captivity of their local is incapable of quick estimate, but the equalizing increase amounted to about one and a half millions per year.

Now, let's have this cleared on the point of financial reports. The members got financial reports. But without looking at the books and behind the financial reports, the reports didn't mean anything. And without protection when demanding a look at the books, no one was apt to demand a look except in desperation.

This is pretty well illustrated by the next phase of the matter.

Part of the local embezzlement was concealed by items in the audit and some of the recovered books. "Special organizing" was the only explanation for items totaling $90,000. So the very term "special organizing" was suspect.

Recall the international president had obligated himself to proceed against his agents who were at least the primary, though probably not the sole defaulters in the local. Well, he dragged his feet for 8 months without commencing action. In the meantime, an international convention was called. A financial report was furnished and again up bobbed our friend "special organizing." But this time he was responsible for expenditures of over a million dollars. The local's officers announced they would press action against the defaulters of their own treasury and demanded, through their delegates, to know who got the million dollars from the international and what the international got in return. Whereupon the international president intimidated the convention into expelling the four elected delegates.

I won't prolong this by outlining the method of intimidation further than to say it was implied threats of expulsion against the delegates, and requiring them, when voting, to stand long enough to be identified.

He also intimidated the convention into granting him power to revoke the local's charter. Then he put up a $700,000 bond and, without notice, recaptured the local, its treasury, offices, and functions by a mandatory injunction.

During this time, the matter was brought to the attention of one of the Senators from the State where the local was situated. He was vainly asked to sponsor legislation such as I am going to ask you to consider.

Finally, the charter was restored with autonomy, but the local's president was never again recognized as a member. He is still wandering about like a lost soul, and the Taft-Hartley law does not help him in the least. This will become apparent during these hearings.

But to return to the court that ousted the local's elected officers. That court refused to listen to the evidence of those things heretofore related. While the judge no doubt wanted to be fair, he just didn't comprehend the problem, its scope nor its effect upon the workers.

Being reduced to the utter lack of representation they had suffered for almost 17 years, the local members accepted a compromise that did not reinstate the local president; the man who had led the fight that restored its autonomy, its treasury and its wage scale. This man later obtained a civil court judgment ordering him reinstated as a member, but that was appealed and the appeal is still pending.

Now, during the same convention, the international president refused to permit nomination of candidates to run against himself and at least one of his co-officers. The same intimidating methods were employed. The delegates trying to make nominations were simply ruled out of order. The printed convention proceedings will establish these facts without verbal proof.

I have related these matters as pertaining to one case. They have their counterparts in other cases. I do not represent that they are prevalent in many unions. But that these conditions exist in a few unions is too much. We cannot in good conscience ignore them.

These abuses were offered as excuses for the Taft-Hartley Act. Thus some union officials themselves furnished ammunition which apparently justified destruction of unions. On March 12, 1947, I offered to the then chairman of this committee this information as a basis for remedial legislation. He ignored me. I hope that you gentlemen won't.

Let me assure you the case I outlined is not a single isolated instance. True, a few unions have most of the trouble. The law reports are replete with examples where these matters have reached the highest courts.

There are remedies for these abuses at common law, but they are long, delayed, tedious and too expensive for those who are thus abused. I believe a more expeditious remedy should be provided in the labor act with jurisdiction in the National Labor Relations Board. It car comprehend the problems.

Proper remedies would, in my judgment be:

(1) Provisions requiring periodical election of union officers, and a remedy for fraud or duress in such election.

(2) Provisions for any member to audit or examine the books of the local or international, and of the local and international to audit each other's books.

(3) Provisions requiring due process of law, including disinterested trial boards for violation of union laws, and a right to have a Government agency review heavy penalties, including expulsion, which are capriciously or arbitrarily imposed.

(4) A requirement that a union accept qualified workers in a craft or area where such union controls all or substantially all work in that category.

With these provisions, the abuses of the closed shop can be eliminated and the worker can again establish a single unified front to meet the unity of the corporate employer. If we treat those four matters properly in our legislation, we will contribute decency to the unions whose officers have abused their power and we will not injure any union or employer.

We will have determined the persons who are the objects of that abuse of power and protected them by eliminating the abuses rather than destroying the only instrumentality they have to protect themselves from the economic power of the employer.

Our economic system cannot function without large employers; employers whose power is too great for the employee to meet and bargain with. Hence the only hope for a free economy is that labor can organize to match the employers' economic power. Let those who preach free economy and in the same breath damn the unions find another solution. And let those who damn the unions for such abuses as I point out here come forward and help legislate union decency and not union destruction.

It is possible, even probable, that I have not made friends nor influenced people (even you gentlemen) by this statement and these recommendations. But my statement is true, and what I recommend will have to be eventually adopted.

However, I want to particularly correct the impression that this is the same as the Taft-Hartley provision on union shops—because this bill, on page 2, lines 9 to 13, specifically legislates the right to a closed union where there are closed-shop or union-shop conditions.

A member of one of the railroad brotherhoods met me in the lobby one day and said: "The only difference between those who do not belong to a union and who we do not accept to membership, and those who do, is that those who do not belong to the union do not have to pay dues."

I said, "There is another difference, is there not? The fellow that you do not accept does not have to go to the trouble of voting. Is that not right?"

He said, "Yes; that is right."

Well, I do not believe that people can get good representation when they cannot vote and have a voice in the government of the organization that is supposed to represent them.

The SPEAKER. The time of the gentleman from Minnesota [Mr. O'HARA] has expired.

Mr. BECKWORTH. Mr. Speaker, in connection with what the gentleman from Indiana [Mr. JACOBS] has just said, I think it might be interesting to read a few words from the statement that Senator TAFT made when he spoke on this bill in the Senate. He said:

> In effect, the bill inserts in the railway mediation law almost the exact provisions, as far as they fit, of the Taft-Hartley law. So that the conditions regarding the union shop and the check-off are carried into the relations between railroad unions and the railroads. I believe that those provisions have worked satisfactorily under the Taft-Hartley law, and I feel that they would work well in connection with the Railway Labor Act. In response to a question from the unions, I have stated to them that I thought those provisions would work well in the railway labor law.

I yield to my colleague the gentleman from Texas [Mr. FISHER] for a question.

Mr. FISHER. The gentleman has referred immediately to the fact that this bill would bring railway employees under provisions similar to those which apply under the Taft-Hartley Act in States which now have control or regulation over the closed shop, union shop, and check-off. I wish the gentleman would state for the RECORD whether this bill would recognize the validity of the various State laws in those respects or whether it would supersede those laws.

Mr. BECKWORTH. As I pointed out when I made my first statement a moment ago an amendment was offered by the gentleman from Florida [Mr. ROGERS], which would have done that. I stated that the gentleman now talking had voted for the amendment and that it was not adopted. I stated that the FEPC amendment was offered but was not adopted. I further stated, however, that for many years railroad labor, being labor in interstate and foreign commerce activities has been dealt with differently than other types of labor as is evidenced by the Railway Labor Act, the Railroad Retirement Act, the Railroad Unemployment Insurance Act, the Federal Employees Liability Act, and the Hours of Service Act. The two types of labor, interstate and foreign commerce transportation labor and other labor, have not been dealt with historically identically.

Mr. FISHER. I understand. Will the gentleman yield for a further question?

Mr. BECKWORTH. I will yield for a brief question, but I do not have much more time and there are many requests for time.

Mr. FISHER. Then, in that respect this bill does not do the same thing for railway labor that is provided under the Taft-Hartley law?

Mr. BECKWORTH. The gentleman is correct in that respect; that is my understanding.

I now yield to the gentleman from Wisconsin [Mr. BIEMILLER] 7 minutes.

Mr. BIEMILLER. Mr. Speaker, I wish to start these remarks by going further into the question raised by the gentleman from Texas [Mr. FISHER].

We must recognize that all aspects of the economics of the railroad industry are under national control, not under State control. Since the passage of the Interstate Commerce Act in 1887 it has been wisely recognized that all matters relating to railroads whether they be rates or labor problems are much better handled by the Federal Government than they are by the various State governments. If we were to break down this Federal control in the field of railway labor we would be setting a precedent that could only lead to chaos in the entire railroad industry, because certainly the question of rates and other problems must stay in Federal hands. I think that point should be recognized very clearly when one talks about the possibility of trying to have State labor legislation apply to problems of railroad labor. After all we must also recognize that the contracts that are made between railroad management and railroad labor are made on a system basis; they are not made on a State-wide basis;

some will cover as many as thirteen or fourteen States in their various terms. To try to break those down in terms of the conflicting laws of the thirteen or fourteen States covered by a particular railroad system would lead inevitably only to chaos.

I must confess that I am a little surprised to find that there is still opposition to this bill. It seems to me to be a bill that every Member of this House should conscientiously support. It is, as has been said, simply an attempt to give to railway labor the same bargaining rights that other labor groups have in the United States. It does not make the union shop mandatory; it simply makes it a matter of bargaining between railroad management and labor. Today it is not legal to bargain for the union shop under the Railway Labor Act. The bill is a simple amendment of the Railway Labor Act to deal with matters which properly come under the relationships of management and labor. What is wrong about that?

Those of you who voted for the Taft-Hartley law have voted for a similar provision for industry. Those of you who opposed the Taft-Hartley law did not oppose it because it had the union-shop provision in it. Those who fought that act fought it because it was too restrictive on labor. Obviously, it seems to me, whether you were for or against the Taft-Hartley law, this is a bill that should be supported by every Member of the House of Representatives and if you think of it in those terms you will see what the real solution is.

I recognize that there are on the railroads today a number of employees who do not belong to the railway labor unions. They are people who are getting a free ride. Some of the management representatives who appeared before our committee were brutally frank in saying they were using those nonunion members as management stooges to interfere in the labor-relations problems of the railroads. Let me give you one quote from a statement made before our committee. Paul Neff, chief executive officer of the Missouri Pacific, said:

> If we are deprived of these nonmembers, we would be in the position of men who knew noth'ng. We would be in the dark. We would not be able to get the information that we need to bargain with.

That is a very obvious statement as to what is still going on in connection with certain phases of railway labor problems, a condition that every student of industrial relations says tends toward very poor labor relations in any industry where such a situation exists. So long as management uses spies in an effort to disrupt the legitimate activities of unions we cannot hope to achieve stable labor relations.

The rest of American industry Nationwide has accepted the provision of the union shop. That issue is not debated very much any more in labor-management circles. The last time I checked on elections on the union shop, 98 percent of those who participated in such elections voted for the union shop. You are all aware of the fact that Senator TAFT said in effect, "What is the use of holding these elections any longer? Let us get rid of them," and the Senate last year did pass such a proposed amendment to the Taft-Hartley law.

All you are being asked to do is to O. K. a provision that gives to railway labor the right to bargain for the union shop just as any other labor group in the country may do.

We have had all kinds of issues raised on this matter—State's rights, civil rights, and so forth. These are questions that people have talked to me about, that they have to come to you about; have come to all of us about. But actually there is one simple issue before the House of Representatives today and that is, Are we going to give to railway labor the same right to bargain for a union shop that we have given to labor in industries throughout the United States?

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. BIEMILLER. I yield to the gentleman from Ohio.

Mr. BROWN of Ohio. I think the gentleman is correct that the real issue involved in this bill is whether we should give to railroad labor the same rights and privileges of the union shop that are contained in the Taft-Hartley Act. As I understand the gentleman's position he favors this bill.

Mr. BIEMILLER. Correct.

Mr. BROWN of Ohio. Am I to accept the gentleman's position as one favoring also the Taft-Hartley Act? That is, Does he approve the Taft-Hartley Act? If so, I am happy to accept him at the mourners bench this late in the session.

Mr. BIEMILLER. My good friend from Ohio did not hear some remarks I made quite carefully a few minutes ago.

Mr. BROWN of Ohio. I did hear them and that is the reason I am asking the gentleman whether he is also endorsing the Taft-Hartley Act by his statement.

Mr. BIEMILLER. The gentleman must not have heard the remarks I made pointing out that both those who voted for the Taft-Hartley Act, and those who were opposed to the Taft-Hartley Act, approved the union shop provision and thus all supported for the same kind of provisions that are in this bill. I am definitely of the opinion that the Taft-Hartley bill is bad for the public, bad for management, and bad for labor. I am convinced the union shop is a sound provision for the public, for labor, and for management. I trust the House will approve this bill.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. BECKWORTH. Mr. Speaker, I yield 4 minutes to the gentleman from Pennsylvania [Mr. HUGH D. SCOTT, JR.]

Mr. HUGH D. SCOTT, JR. Mr. Speaker, as a member of the Committee on Interstate and Foreign Commerce, I rise to support S. 3295. The bill as passed by the Senate is in substance identical to H. R. 7789, which has received the most careful consideration in our committee.

There is nothing revolutionary to my mind about Congress saying to industry and to labor, "If you fellows get together on a contract, it will be all right with us." The Labor-Management Act of 1947 does that very thing.

Consider, for a moment. You are being asked to permit privately owned railroads to enter into agreements with their own employees. I see nothing radical about that. To adopt as public policy the continued prohibition on the part of the Government of the normal collective-bargaining processes is the height of folly. The Labor-Management Act of 1947 is the law of the land. In the interest of consistency, and as the result of the enactment of that act and of the natural desire of other labor organizations to enjoy some of its benefits, we are faced with the responsibility of seeing to it that that law works and that it is properly extended under legislative conditions as this bill proposes.

The bill that we are now considering extends to the railroad workers and employees of common carriers by air a great principle embodied in the Taft-Hartley Act. It has extended such benefits to much of the Nation's labor population in the Taft-Hartley Act. This bill extends them to the employees of the railroad and aviation industry. Can we afford to go on record in favor of a principle for one group of workers and oppose it as to another? I think not. I think we must demonstrate our good faith; we must show that we stand by our convictions. This bill is wholly consistent with existing labor-management legislation.

I appeal to the Members of the House to support this bill. It will promote peaceful solutions and stability of relationship between labor and management in the industries concerned. I am satisfied that that is the purpose, and that that will be the effect of the bill. It is not radical; it is common justice. I support the bill without amendment because I believe it is consistent with our previous efforts in connection with the promotion of good labor-management relations.

S. 3295 relaxes existing prohibition against union security and check-off agreements contained in Railway Labor Act.

Permits, but does not require, union-shop agreements notwithstanding provisions of State laws.

Permits agreements requiring union membership 60 days after employment or date of agreement.

Provides that no employee may be deprived of employment for failure to join union which will not accept him on same terms and conditions applicable to any other member.

Provides that no employee may be deprived of his employment if his union membership is terminated for any reason other than failure to tender his dues, initiation fees, or assessments (not including fines and penalties).

Provides that in transportation groups such as engineers, firemen, and so forth, membership in any organization, national in scope, which accepts such employees as members shall fulfill requirements of union membership. This is to prevent employees who regularly move back and forth between various crafts

from being required to join more than one union.

Requires individual authorizations as a prerequisite to the deduction of dues, and so forth, from employees' wages.

Except for the provision with respect to State laws and the provision against double membership, both of which are required because of conditions peculiar to the railroad industry, the bill prescribes conditions which are practically identical to those contained in the Taft-Hartley Act.

For those reasons I support the bill and urge its support by the House.

Mr. BECKWORTH. Mr. Speaker, I yield 3 minutes to the gentleman from Florida [Mr. ROGERS] to close debate.

Mr. ROGERS of Florida. Mr. Speaker, as a member of the committee I offered two amendments to this bill, one dealing with wages and assessments and that there must be written authorization from the employee. Unfortunately that amendment was not adopted, but when it got to the Senate it was put in there. Now, another very important amendment I offered, and which I think ought to be in this bill, is respecting those States that have constitutional amendments or legislative acts where it is not necessary, in order for a man to work, to belong to a union. The people of my State of Florida spoke in no uncertain terms, through a constitutional amendment, saying that it is not necessary for a man to belong to a union before he can have a job. Therefore, as a Member of this House I think I am bound by the constitutional provisions of my State, and so am opposing this bill.

Mr. LUCAS. Mr. Speaker, will the gentleman yield?

Mr. ROGERS of Florida. I yield to the gentleman from Texas.

Mr. LUCAS. Does the gentleman mean that in the State of Texas, where we have a law against the closed shop, this bill will nullify that law?

Mr. ROGERS of Florida. It will absolutely nullify it. Your State laws and your constitution are not worth a cent so far as the provisions of this bill are concerned.

Mr. Speaker, in view of the provisions of the constitution of my State and in view of my thinking, I am going to vote against this bill.

Mr. BECKWORTH. Mr. Speaker, I yield one-half minute to the gentleman from Michigan [Mr. CRAWFORD] for debate.

Mr. CRAWFORD. Mr. Speaker, as one who voted against the Wagner Act and who supported the Taft-Hartley Act at the time it was passed, and who still supports the Taft-Hartley Act, and in the hope that we can improve it some day, I am in favor of this bill and in favor of bringing all of American labor who desires to come under the Taft-Hartley Act, within its provisions. If it is a good act and if it is to stand down through the years, why deny any group its protection. I think the railway men have given emphatic proof the Taft-Hartley Act is not a slave act, as contended by President Truman.

Mr. BECKWORTH. Mr. Speaker, I yield one-half minute to the gentleman from Idaho [Mr. WHITE] for debate.

Mr. WHITE of Idaho. Mr. Speaker, I am in hearty support of this bill. The members of the railroad unions have poineered and blazed the way in establishing orderly and constructive relations between employers and employees, and have set the example in establishing constructive labor relations being followed by the unions in many other lines of employment. I am for the bill.

Mr. BECKWORTH. Mr. Speaker, I yield one-half minute to the gentleman from Michigan [Mr. BENNETT] for debate.

Mr. BENNETT of Michigan. Mr. Speaker, I think this legislation is entirely sound and just. It puts the railroad worker on a par with the other workers. I am for the bill and hope it will be adopted.

The purpose of the bill is to amend the Railway Labor Act to give railroad workers throughout the country the same right to enjoy the benefits and privileges of a union-shop arrangement that is now accorded to all workmen in most other types of employment. It merely extends equal justice to the railroad worker.

The legislation is permissive. It will enable the carrier to bargain collectively with representatives of the particular craft or class and permit them to enter into an agreement that requires membership in the union representing the craft or class as a condition of continued employment. There is no compulsion to make the agreement. It must be mutually satisfactory to both the carrier and the union. The passage of this bill will put the railroad man on the same footing with respect to union security as that presently enjoyed by other American workers and it is the duty of Congress to give him that recognition without further delay.

Mr. BECKWORTH. Mr. Speaker, I yield one-half minute to the gentleman from Massachusetts [Mr. HESELTON] for debate.

Mr. HESELTON. Mr. Speaker, this bill primarily provides for the same kind of treatment of railroad and airline employees as is now accorded employees in all other industries under existing law. It is in no sense a departure from the labor-management relations as they exist throughout other industries.

Others have discussed and explained the details of the Senate bill and the comparisons between the provisions of that bill and the one reported by the House Committee on Interstate and Foreign Commerce with the committee amendments.

I shall confine myself to two differences between the Labor-Management Relations Act of 1947 and the bill now before us.

First, there is in the Labor-Management Relations Act a requirement for union-shop elections. However, I am sure you will all recall that when the question of amendments to that act came before this session of Congress it was proposed to repeal that provision for elections. The reason was that experience had demonstrated that it was unnecessary and served only to cost additional expense in the holding of such elections. Under these circumstances I submit that the decision of the committee was in line with proven experience and was a sound one.

The second difference is the omission of the requirement contained in section 14 (b) of the Labor-Management Relations Act, which reads as follows:

> Nothing in this act shall be construed as authorizing the execution or application of agreements requiring membership in a labor organization as a condition of employment in any State or Territory in which such execution or application is prohibited by State or Territorial law.

Again, the committee considered this carefully but decided not to include it. I think no one will dispute the fact that if any of our business units is primarily intrastate in character, it is the transportation business and particularly railroads and airlines. Under the Railway Labor Act, agreements must be systemwide, and in an overwhelmingly number of instances, cross many State lines. Seniority districts lap over from one State to another. Therefore, any requirement which would exclude union-shop coverage in those States prohibiting union-shop agreements would be both illogical and unworkable. It is true 17 States have laws prohibiting union-shop agreements. However, six of these States exempt the application of their laws insofar as employees under the Railway Labor Act are concerned. The State of Massachusetts is one of the six. I submit that Massachusetts and these other five States shows a realistic and sound course to take.

I have been advised that this bill in its present form is vigorously supported by 21 of the 22 standard railway labor organizations and that these 21 organizations represent approximately 1,300,000 out of a total of 1,350,000 employees. It is rare that any legislation affecting any groups is supported by any such overwhelming majority, in this instance, a ratio of about 26 to 1.

It seems to me that any fair-minded person, considering all of the evidence and arguments for and against this bill would readily admit, even if he could not support or approve the bill, that it is a reasonable proposal and is entitled to the support of those who wish to be fair in the development of sound labor-management laws. I can and do urge that we pass this bill today by an overwhelming vote.

Mr. BECKWORTH. Mr. Speaker, I ask unanimous consent that all Members be permitted to extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CROSSER. Mr. Speaker, it was with profound regret that I was unable to be present on January 1, 1951, to participate in the discussion of S. 3295, a bill to amend the Railway Labor Act. Because of a very delicate eye operation I was urged to refrain from active participation in the affairs of the House for several days.

As chairman of the Interstate and Foreign Commerce Committee of the House I introduced H. R. 7789, a bill substantially the same as S. 3295, and arranged for the hearings and executive sessions thereon. My interest in legisla-

tion of this and kindred nature goes back almost to the beginning of my service in Congress in 1913. I was a member of the House Committee on Interstate and Foreign Commerce during the time when the Railway Labor Act was passed in 1926. I was the author of the Railway Labor Act amendments in 1934, which is the present law.

The purpose of S. 3295 is to amend the Railway Labor Act, as amended in 1934, so as to permit carriers subject to that act, and labor organizations duly designated and authorized to represent employees in accordance with the requirements of that act, to make voluntary agreements, first providing for the union shop, and second, providing for the check-off.

The Railway Labor Act, as currently in effect, makes it unlawful for any carrier or its agents to influence or coerce employees in an effort to induce them to join, remain, not to join, or not to remain members of any labor organization. The carrier also is prohibited by the Railway Labor Act from deducting from the wages of any employees any dues, initiation fees, assessments, or other contributions payable to labor organizations.

The present prohibitions against all forms of union-security agreements and the check-off were made part of the Railway Labor Act in 1934. They were enacted into law against the background of employer use of these agreements as devices for establishing and maintaining company unions, thus effectively depriving a substantial number of employees of their right to bargain collectively.

It was because of this situation that labor organizations agreed to the present statutory prohibitions against union-security agreements. An effort was made to limit the prohibition to company unions. This, however, proved unsuccessful; and in order to reach the problem of company control over unions, labor organizations accepted the more general prohibitions which also deprived the national organizations of seeking union-security agreements and check-off provisions. It is thus clear that these organizations did not oppose union-security and check-off agreements as such but merely their use as a means of carrier control over the bargaining process.

The principle of authorizing agreements for the union shop and the deduction of union dues has now become firmly established as a national policy for all industry subject to the Labor Management Relations Act of 1947, including transportation industries other than railroads and airlines. Unions representing railway employees and employees of common carriers by air, however, not only are exempted from the provisions of that act, but, as explained above, also are denied the right to negotiate such agreements by the Railway Labor Act.

There are approximately 1,200,000 employees in the railroad industry today. Between 75 and 80 percent of these employees hold membership in one or another of the railway labor unions. Nonunion members, nevertheless, share in the benefits derived from collective agreements negotiated by the railway labor unions but bear no share of the cost of obtaining such benefits. It is manifestly unfair that individual employees should be permitted to obtain all the benefits resulting from collective bargaining process and be subject to none of the obligations of the process.

No sound reason exists for continuing to deny to labor organizations subject to the Railway Labor Act the right to negotiate agreements with railroads and airlines of a character permitted in the case of labor organizations in the other large industries of the country. I, therefore, recommend prompt enactment into law of the legislation here proposed, which would extend to labor organizations subject to the Railway Labor Act the privilege of negotiating agreements containing provisions for the union shop and for deduction of dues, initiation fees, or assessments from the wages of employees.

Mr. SULLIVAN. Mr. Speaker, as some of you may know, I come from a railroad-labor family. I have known at first-hand the problems of the railroad man. This bill that we are now considering has my full support. I have given it very careful consideration through long hearings in our committee and I can see nothing to be afraid of. As a matter of fact, I cannot understand why railroad management does not agree to the bill and dispense with all of this hubbub to which we have all been exposed.

Most of you know that there have been some problems in getting agreement among all of the railroad unions with respect to the bill. On the other hand all of the railroad unions that believe in the principle of the union shop are now in agreement on S. 3295. The only organization, out of the 23 standard railroad unions, that has opposed this bill has made it perfectly clear that it opposes any type of union security. All the other organizations are for the bill. All of the shopcraft unions, the clerks, the telegraphers, the trainmen, the firemen, the conductors and all the rest are asking us to vote for this bill.

It seems appropriate to stop for a moment to consider what the House is being asked to do. We are being asked to permit unions and management to make agreements regarding the union shop. We are not being asked to vest in some Government board the authority to order union-shop agreements. We are not being asked to set up some new authority at great expense to the Government to administer some standards that will be set here. We are simply proposing to say to railroad management and railroad labor—"If you fellows can get together on contracts of this sort and want to sign one it is all right."

As a matter of broad public policy, I can see nothing wrong with the negotiation of union-shop agreements on the railroads. When the Railway Labor Act was passed, the Congress had in mind stabilizing as much as possible labor relations. This bill will help stabilize the industry. It will place responsibility squarely in the unions for the conduct of bargaining and eliminate the shadow area of nonmembers who at the same time exercise all employee prerogatives. Within the past few days we have all witnessed the spectacle of men going off the job all over the country after reporting sick to their superiors. As could be expected, there was a howl set up calling for the scalps of the union leaders. We know that the leaders asked their men to return to their jobs, but in most instances the men did not go back. It may very well be that a large number of the men who called up sick and tied up several major rail terminals were not even members of the unions whose leaders were being denounced. Certainly, if this bill were passed and all the men belonged to unions, the responsibility could be fixed and there would be no doubt as to who was speaking for the men on the job.

We must bear in mind here that the Railway Labor Act as we have known it requires that the bargaining agent for the clerks, for example, on a railroad represent all of the clerks on that railroad. This is true even though the clerk to be represented may not be a member of the union. This is comparable to saying to the American Medical Association that it must treat every person who becomes ill regardless of whether the patient pays or not. In my judgment to continue as public policy the requirement that unions represent employees who do not pay their share of the cost of representation is socializing the unions.

We are not blazing a new trail here today. There is nothing new in this proposal that union shop contracts be permitted on the railroads. The War Labor Board during the late war ordered union shop contracts in a large number of cases. Most responsible students of modern labor relations agree that the principle of union security is sound. Some of the country's largest industries have profited by adopting this system. I have no doubt that it would help the railroad industry.

This bill has the support of a great majority of the Committee on Interstate and Foreign Commerce. We have given it the most careful consideration. There is no doubt that the bill is needed. I shall support it without amendment and urge all of my colleagues in the House to do likewise.

Mr. McGUIRE. Mr. Speaker, I rise to lend my support to the Senate passed bill, S. 3295, which is similar in all respects to H. R. 7789, which was reported by the Committee on Interstate and Foreign Commerce. I am happy to take part in an action which will accord the railway labor organizations substantially the same rights as are enjoyed by unions in other industries.

This bill, when enacted into law, will permit negotiations by railway labor organizations for agreements with the carriers, providing for union security. I believe it is only fair that this body should act to permit the negotiations for such agreements. The organizations of railroad workers are among the most respected of our democratic institutions. They have unquestionably made real contributions to the welfare of railroad workers, the railroads and the Nation as a whole.

These railway labor organizations will be called upon to render even greater service to the Nation in the troublesome times which lie ahead. They are entitled to the stability which will be permitted by enactment of this bill.

The physical structure of the railroad industry poses certain unique problems in dealing with the employer-employee relationship, as well as the employee's relationship with his union. The reason is that, to a great extent, a large number of employees are scattered over an area of several hundreds and even thousands of miles of railroad property, and yet these employees in a given class or craft are under one collective bargaining agreement for an entire railroad system. Therefore, if union security agreements are to be made permissible in the railroad industry, it should be done in such a way as to make such agreements feasible and workable. It would be of little value to railroad unions to authorize the negotiations of union security agreements and at the same time place so many obstacles in the path of effectuating such agreements as to make them almost unworkable and worthless.

During the hearings on H. R. 7789, and in the deliberations of the Committee on that bill, several amendments were proposed which in my opinion would impose undue restriction and hardship if adopted. The Committee gave careful consideration to each amendment that was proposed. Some were adopted for purposes of clarification and the protection of individual employees. Others were rejected either on the basis that they were unworkable in a wholly interstate commerce industry, or because they were not germane to the subject of the proposed legislature. As stated before, the bill now before the House—S. 3295, is substantially identical to the bill reported by our Committee, the only difference being language agreed to by the railway labor organizations themselves, for the purpose of clarifying the section dealing with union membership requirements, where employees hold rights in more than one class or craft, and where different organizations hold the bargaining rights in such crafts or classes. This generally applies to what is termed train and engine service employees. Under such circumstances, such an employee could not be required to hold membership in more than one such organization. The very fact that these unions worked this out themselves for the protection of the individual employee demonstrates their sincerity and good faith.

It is my opinion that the proposed legislation is long overdue. I therefore urge that S. 3295 be adopted without amendment.

Mr. LUCAS. Mr. Speaker, I am opposed to this bill for several reasons. First, because of the manner in which it has been brought up. I think it a sad commentary upon our legislative process here in the House that on a bill as important as this, affecting thousands, yes, even hundreds of thousands of railroad employees, that not one amendment may be offered. Are the sponsors of this bill afraid of some changes in it? Do they not trust the Members of this body in the presenting of amendments? No, Mr. Speaker; this bill is being railroaded through this House without proper consideration, and if for no other reason than this, I shall vote against it.

Second, Mr. Speaker, we have in Texas a State statute prohibiting the closed shop. While I appreciate the benefits of such an arrangement, I do not believe that I should vote for legislation which will arbitrarily and absolutely nullify my own local laws. Our railway employees in Texas have done rather well, I think, under this statute, and I can see no reason why I should repeal it by voting for the passage of this bill. In fact, I cannot in good conscience vote for this bill after taking an oath to support the laws of this country. And no false logic, which I have heard argued here, can alter my conviction on this question. I understand that an amendment providing that this act will not supersede State laws and State constitutions will be offered in a motion to recommit. If such a motion is offered I shall, of course, support it. Not unless such a provision is put in this bill will I vote for it.

These reasons, Mr. Speaker, impel my action. I think some one should say it—and I shall—I think that someone should say that not one copy of this bill, not in the hands of those supporting this measure, is on the floor. I have asked at both pages' desks and I am unable to find one copy of the bill. Are we so desperate to pass this bill that we have to force it through the House the Members of which cannot even read what they are being called upon to vote on?

No, Mr. Speaker; I will not be a party to such machinations, and whether, save for its nullification of my own State laws, it contains good or bad features, I cannot but register my disapproval of such tactics by casting an emphatic "No" vote.

Mr. LINEHAN. Mr. Speaker, I believe that the principle of the union shop—as embodied in the proposed legislation before us—is 100-percent American.

It reflects the American spirit of fair play. It provides that those who accept the benefits secured by an organization shall also share equally in the expense of operating such organization.

"Free riders"—those who seek to get something for nothing are resented in every walk of life, and justly so. We all believe no man should shirk his responsibility. None among us will deny that all who benefit from the services provided by organized society, through government, should help pay the cost of government. Why should not the same principle apply to workers who secure the benefits of trade unionism?

There is nothing compulsory about this legislation. It is merely permissive. It provides that unions and managements in our great railroad industry may voluntarily negotiate union-shop agreements by the process of collective bargaining.

I want to stress the words "union shop." The legislation would in no way authorize what is known as the closed shop, under which employers are required to obtain their workers from the union.

On the contrary, under this legislation, the railroads would be entirely free in the future as in the past to select their own labor. A union-shop agreement, if entered into in conformity with this legislation, would merely provide that a worker hired by the railroad would, after 60 days, join a union of his craft, and remain so as a condition of continued employment.

There are ample safeguards in the bill against any possible abuse or discrimination. For example, it provides that if a union for any reason declines to accept a worker into membership, his employment will in no way be jeopardized.

This measure is the very essence of democracy. It encourages 100-percent membership and 100-percent participation in the activities of a union. Thereby, the policies formulated by a union will more truly reflect the wishes of the great majority.

This bill will also enhance peace on the rails. It will remove a major source of irritation and unrest. As I said earlier, railroad workers who regularly and loyally tender their dues to support their unions resent the "free riders" in their midst—the men who take the gains which unions win through long and costly struggles, but refuse to pay one penny toward the expense involved.

Such a situation creates friction. It makes for hard feelings. It lowers morale. It affects output and productivity. Without question, correction of such situations will raise morale and make for greater productivity. Under the union shop, workers will be pulling together. Each man will be bearing his proper share of the load. This should undoubtedly result in improved productivity and greater harmony which will be equally beneficial to the employees, the management, and the public.

It should be remembered that the Railway Labor Act has, as its foundation stone, the principle that genuine collective bargaining is the way to peaceful relations between labor and management—the way to uninterrupted transportation.

Certainly, collective bargaining can function more effectively if the union voices the sentiments of all the employees and if it is supported by all the employees.

The union shop is an old, established American institution. It has existed in many industries for decades, and has made for stability. It is welcomed by many employers as an aid to discipline and efficiency in the shop. Fair employers who have operated under union-shop conditions would frankly declare they would never go back to the irresponsibility and the confusion of the open shop.

This is recognized even in the Taft-Hartley Act, which sanctions the union shop in all other industries. Why should the railroad industry be discriminated against in this respect? Why should the conditions permitted in other industries be denied on the railroads? The answer, obviously, is that this discrimination must be ended now.

Summing up, I should like to emphasize that the union shop makes for equality and fairness, for harmony and peace, for high morale and better productivity. For that and many other reasons, I think this legislation should be overwhelmingly approved by this body.

Mr. MADDEN. Mr. Speaker, the Committee on Interstate and Foreign Commerce is to be commended for the outstanding work it has accomplished in presenting this bill on the floor of the House. The officers and representatives of the various railroad brotherhoods have worked incessantly for months to get this legislation so the House Members could vote on the bill.

This legislation if enacted into law will tend to improve relations between railroad management and railroad employees. Its enactment will elevate union brotherhood status and solidify railway labor and place union officials in a position to more effectively bargain on problems which will inure to the benefit of industrial relations on all our carrier systems. This bill will reinstate union security and provide check-off arrangements which will aid in clarifying railroad work problems and give union collective bargainers a legal status which does not now exist.

The gentleman from Ohio, Chairman CROSSER, is to be congratulated on his effective work for this bill as well as other legislation involving the betterment of railroad labor relations back through the years. This bill should receive an overwhelming vote on final passage.

Mr. HARRIS. Mr. Speaker, it is true this proposed legislation, Senate bill 3295, is before the House under somewhat unusual circumstances as provided by the rules of the House. This particular rule provided in paragraph 2 of rule XIV is rarely used and in fact has not been used as I understand in the last 20 or 25 years.

I think the position of the committee should be clearly understood as to the responsibility in connection with this legislation in view of the application of this rarely used procedure.

Let me repeat the rule provides that when a committee of the House reports a bill which is placed on the House Calendar and the Senate passes a bill substantially the same, it is privileged and may be called up from the Speaker's table by some Member directed by the committee having jurisdiction.

In this instance, our Committee on Interstate and Foreign Commerce reported H. R. 7789 August 7, 1950. Later the committee adopted certain amendments. The bill as reported was placed on the House Calendar.

The Senate passed a similar bill before the holidays which has been on the Speaker's table. There were certain amendments adopted by the Senate which has brought that bill in line and substantially the same as the bill reported by the House. This brings this legislation within this special rule.

Before the Christmas holidays, after a number of meetings by our committee, the gentleman from Texas [Mr. BECKWORTH], the acting chairman of the committee, was directed to call up the Senate bill from the Speaker's table. This he has done today, and thus the legislation before us.

But let me explain further. A number of the Members have asked for information and clarification as to just how this applies. The gentleman from Texas [Mr. BECKWORTH], acting chairman of the committee, has 1 hour, which is at his discretion to yield to other Members only for debate. Under the direction, he cannot yield for amendments. As a practical matter, he could not yield, or else he would lose control of the legislation completely. As an example, should he yield for any purpose other than debate, the person to whom he would yield would have then 1 hour, and so on.

There have been many Members who inquired about the opportunity of voting for some amendments. Therefore, this explanation giving the reasons why the gentleman from Texas will not yield to anyone for the purpose of offering amendments.

Now, Mr. Speaker, the purpose of this bill, S. 3295, has, as I have already said, the same purposes as that of H. R. 7789, reported by our committee in August. It would amend the Railway Labor Act, so as to permit rail and air carriers and labor organizations to negotiate agreements providing for, first, union shop; and, second, for the deduction from employees' wages of union dues, initiation fees, and assessments, commonly referred to as the check-off system.

The similar House bill, H. R. 7789, was a subject of lengthy hearings by our committee during May and June of 1950. During the course of the hearings differences of opinion developed, first, between the carriers and labor organizations over the general principle involved and the protection afforded individual employees; and, second, among labor organizations themselves, particularly those in operating services over the possible requirement that certain employees be required to maintain membership in more than one union.

We in the committee attempted to determine and resolve these differences at least on the questions other than the differences of opinion on the basic issue.

It was not entirely satisfactory, therefore, subsequently certain further questioning arose over the definiteness of the protection afforded operating employees against being compelled to belong to more than one union and over the matter of handling the deductions of periodic dues, fees, and assessments payable to labor organizations.

As the bill was reported and language adopted relating to these two problems, the operating brotherhoods opposed it. On September 11, 1950, the Brotherhood of Locomotive Engineers, the Brotherhood of Locomotive Firemen and Enginemen, and the Brotherhood of Railroad Trainmen, directed a letter to Senator LUCAS opposing the bill, S. 3295, before the Senate in its present form.

The following day, September 12, 1950, a letter was directed to the members of the Rules Committee of the House signed by representatives of all four of the operating brotherhoods, the Locomotive Engineers, the Firemen and Enginemen, Brotherhood of Railway Conductors, and the Brotherhood of Railroad Trainmen, opposing H. R. 7789, which had been reported by our committee and stating that the proposed amendments in their opinion "make the bill more unsatisfactory." They, therefore, requested the Rules Committee to decline a rule on the proposal.

In December, these two differences, that is, dual membership and deductions, were matters of amendment on the Senate floor during the consideration of the bill by that body. Clarification of the amendments was made. There were adjustments and the bill in the amended form as it comes to us now from the Senate appears to be endorsed and actually urged by 21 of the 22 national railroad labor organizations.

On December 11, three of the four operating brotherhoods: the Firemen and Engineers, Order of Railway Conductors and the Trainmen, wrote a letter to the chairman of the House committee, to the effect that they had been opposed to railway union shop bills, S. 3295, and H. R. 7789, but the Senate had just passed S. 3295, and incorporated therein a measure which makes the proposal entirely satisfactory. Having cleared up these two issues, they urged that the Senate bill, 3295, which we have before us today be passed.

The Brotherhood of Locomotive Engineers as I understand are still opposed to the proposal.

I have stated the purposes of this proposed amendment. Now the two principal changes in this Senate-passed bill from the House bill as reported by the committee are:

First. Page 2, lines 24, 25 to page 3, line 9, of Senate bill 3295, the addition of language providing for the written assignment by the employee to the labor organization of periodic dues, initiation fees, and assessments; and second, the addition of subparagraph (c) which leaves to the individual employee in the operating services the choice of operating union to which he will belong, and thus specifically resolves any doubt concerning a possible requirement of dual membership. However, if an employee is not a member of any union at the time of union-shop agreement, if any, he must join the craft of the bargaining agent, within the 60 days in which he is working at the time.

The fundamental proposition involved in the bill, even as amended, still remains; namely, shall the national policy expressed in the Taft-Hartley Act regarding the lawfulness of labor organizations and employers entering into agreements providing for the union shop and voluntary check-off be extended to permit railroad and airline labor organizations and rail and air carriers to make the same kind of agreements?

The granting of this authority in the railroad and airline industries is urged by labor organizations on the ground that employees who are nonunion members receive the benefits accruing to all by reason of the collective agreements negotiated by the bargaining representatives, but bear no share in the cost of obtaining such benefits.

Testimony before our committee was to the effect that some 80 percent of the 1,200,000 railroad employees today are members of a railroad labor organization. Thus it appears this bill is directed at some 250,000 who are not now in one of the unions.

It is obvious, however, that even under negotiated agreements for union shop, a substantial portion of these employees will never become union members. Many employees are not eligible for union membership because of constitutional limitations of the labor organizations upon and requirements for membership.

The gentleman from Indiana [Mr. JACOBS] referred to this a moment ago. It is a fact that because of limitations, a number of employees are not eligible for membership and this legislation permits it to continue. In addition, many employees exercise supervisory confidential management functions.

They are excludible from the coverage of the agreements. In other words, these employees not eligible for membership in the labor organizations because of the constitutional limitations and supervisory control, and so forth, which exclude them from the organization, are protected by the fact that they can continue their employment.

The fact that they will not be accepted in the labor organizations will in no way affect their employment.

The exact union-shop status of supervisory employees or confidential secretaries is not as closely and directly defined in the Railway Labor Act as in the Taft-Hartley Act. The latter act provides that no employer subject to that act shall be compelled to define as employees—and hence subject to union-shop agreements—individuals defined as supervisors, and such term is defined in the act. The Railway Labor Act, on the other hand, includes within the term "employee," every person in the service of a carrier who performs any work defined as that of an employee or subordinate official in the orders of the Interstate Commerce Commission. Under such orders, many supervisors are considered employees under the Railway Labor Act. It is to be hoped that any ambiguity over union membership requirements of supervisory employees will be clarified in any agreements negotiated.

There are two propositions not now contained in the Senate bill before us, nor in the House bill on the House Calendar, which were proposed as amendments in the Senate and before our committee.

One of these related to an exemption of the applicability of the union shop and check-off in those States which now prohibit such agreements. This is provided for in the Taft-Hartley law, but not in the bill before us. This proposition was defeated in our committee, although I supported it in committee because my State of Arkansas has a constitutional provision prohibiting agreements of this character. This proposition was also defeated on the Senate floor 23 to 59.

The other proposition provided that the permission to negotiate agreements for the union shop would not apply where the union denied membership to applicants on grounds of race, creed, or color. This amendment was voted down in our committee. I opposed the amendment in the belief that this policy question is of such broad and general scope that it does not belong in this bill. A similar amendment along these lines was tabled when proposed on the Senate floor, 64 to 17.

This is the situation which I feel though quite important but a relatively similar problem. As already stated, the only issue other than the possible differences that could arise over supervisory employees is the basic question.

The Taft-Hartley Act, on this particular issue seems to be national policy, providing union-shop agreements with 60 days following any agreement through bargaining for any employee who does not belong to join and pay his dues, permitting check-off only by the voluntary system.

With this background and history of a national policy, I feel sure that this bill even though brought under this procedure will be adopted.

Mr. O'HARA of Illinois. Mr. Speaker, there could be no more hopeful omen for the future, and at a time when certainly we need such stimulus to our morale, than the passage on this New Year's Day of 1951 of the measure we have been debating.

The larger the majority by which we declare ourselves for this necessary and beneficial measure the greater will be the brilliance of the omen.

We are facing the greatest crisis of our national history. To survive, all of us, whether we furnish the capital and supply the contribution of management or whether we furnish the labor, must look forward to years of sacrifice. Sacrificing together, we will learn to think and act together, leaning on one another and supporting one another in the trials, the struggles, and the tests ahead. Thus that which organized labor has always envisioned, that which organized labor has during the years constantly and steadfastly worked to achieve, will come into realization.

Often the aims and the aspirations of organized labor have been misrepresented, sometimes unfortunately they have been misunderstood, but always dominating every action of organized labor and every advocacy of desired labor legislation has been a deeply sincere and a laudable desire to make of capital and labor a perfect team in the true American sense, pulling together and going ahead together as partners on an equal basis of authority in counsel and equal respect for the dignity of man regardless of whether his contribution to the success of a common undertaking is in the field of management or that of labor.

All this is no more in the interest of labor than it is in the best interest of management. More and more the large industrialists of the Nation are coming to realize this. Harmonious and satisfactory labor relations can exist only where there is absolute equality in the authority of counsel and in dignity. I think that now, when we will be called upon to sacrifice as we never have before, the truth of this will be more widely accepted.

I had hoped that during my service in this Congress the Taft-Hartley Act would have been repealed and the replacement would have been legislation reflecting this spirit of friendly and cooperating team mates. It would have been so helpful to our country if we had done out part in bringing labor and management together on this basis of equality in counsel and in dignity by discarding entirely the labor enactment that was built on the principle that I am better than you.

I am sorry that the Eighty-first Congress failed to obey the mandate of the American people in November of 1948. But when I leave this Hall tomorrow and prepare to return to my activities in private life, it will be with the complete confidence that the hour is not far distant when all labor legislation framed in the lust to take advantage of men and women who live by the labor of their hands will be wiped from our laws.

As certain as the day will break tomorrow, as certain as we shall meet the crises facing us and that we and a universe of democracy will survive, legislation is coming in our land of justice and of equality that will promote and safeguard the working together of Americans in management and Americans who labor as a perfect team of partners guided by the rule of equality in authority in counsel and equality in dignity.

I am glad that during the 2 years I have been privileged to represent a great district on the shores of Lake Michigan in the metropolis of Chicago I have voted on the side of men and women who earn their daily bread by toil. Property rights I respect and will defend, but I could never accept a philosophy that circumstances of good fortune on one side and circumstances of not-so-good fortune on another side could ever place property rights in priority to human rights. I have lived my life that way. I have not changed in the Eighty-first Congress. I will return to my neighbors with the satisfaction that in the one term I have been here I have kept the faith with them.

I am voting for the bill now before us. I anticipate that it will pass by a large majority. Its provisions are fair, and they are necessary if labor is to march on undiscriminated against in a partnership with management on the basis of equality to do the work ahead in our fight for survival and for a better world.

I was on the floor of the House some days ago when the bill first came up. I have remained in my office and in attendance at the sessions during the holidays and one propelling reason, aside from a desire to do my job as the representative of my constituents up to the final hour, has been to be on hand to cast a vote for this good bill as one of the last acts of my service with the Eighty-first Congress.

I might add, Mr. Speaker, that this to me has had a significance in consistency since in my first legislative service, as presiding officer of the State senate in Illinois more than three decades ago, I was privileged to have a not unimportant part in the fight against stubborn opposition resulting in the enactment of the Full Crew Act. The brotherhoods were right then, as experience has so conclusively shown; and their counsel, supporting the enactment of the bill before us, is as wise now as it was those many years ago.

I want to congratulate the chairman and the members of the committee for the faithful work they have done, and also the railway labor officials who have so effectively presented the case of their membership.

Mr. VURSELL. Mr. Speaker, we now have before the House for consideration, Senate bill 3295 which passed that body. I am supporting this bill.

The purpose of this legislation is to give the railway workers of the Nation an opportunity to bargain collectively with railway management to secure what is known as the union shop.

It says to the railway workers and railway management, we are changing the present law which prohibits under the Railway Labor Act collective bargaining between employers and employees to bring about a union shop. This bill, if enacted into law, removes the present prohibition of such a course now written into the Railway Labor Act and says if you, management, and you, the railroad workers, can get together on a contract which provides for a union shop it will be legal under the law.

This proposed legislation makes it legal for railway management to apply the check-off of union dues for all members who specifically authorize such check-off in writing. It provides that all railway employees hereafter shall become members of their craft union within 60 days after such employment.

Mr. Speaker, the facts are that the railway men and their representatives are now asking that the Congress extend to the railway unions the benefits of that provision of the Labor-Management Act of 1947, commonly known as the Taft-Hartley Act, to them, which provides that employers and employees through collective bargaining may establish the union shop.

There is nothing radical in the Congress making this change in the Railway Labor Act. As a result of the enactment of the Labor-Management Act of 1947—the Taft-Hartley law—the railway labor organizations naturally desire some of the benefits of this act.

This bill simply extends to the railroad workers and employers the benefit of this provision now enjoyed by all other laboring men under the Taft-Hartley Act. We cannot afford to withhold from the railway workers these benefits granted to practically all other workers in 1947 under the Labor-Management Act, commonly known as the Taft-Hartley law.

I have supported this legislation for many months because it is consistent with my previous efforts in constantly looking to the improvement and promotion of good, fair, labor-management relations.

Mr. BECKWORTH. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the third reading of the Senate bill.

The bill was ordered to be read a third time, and was read the third time.

Mr. SMITH of Virginia. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. SMITH of Virginia. I am opposed to the bill, Mr. Speaker.

The SPEAKER. The gentleman qualifies.

The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. SMITH of Virginia moves to recommit the bill to the Committee on Interstate and Foreign Commerce with instructions to report the same back with the following amendment: "Strike out all of page 3 down to and including line 22 and insert the following:

"'Eleventh. Any carrier or carriers as defined in this act and a labor organization or labor organizations duly designated and authorized to represent employees in accordance with the requirements of this act shall be permitted—

"'(a) to make agreements requiring, as a condition of continued employment, that within 60 days following the beginning of such employment, or the effective date of such agreements, whichever is the later, all employees shall become members of the labor organization representing their craft or class: *Provided*, That no such agreement shall require such condition of employment with respect to employees to whom membership is not available upon the same terms and conditions as are generally applicable to any other member or with respect to employees to whom membership was denied or terminated for any reason other than the failure of the employee to tender the periodic dues, initiation fees, and assessments uniformly required as a condition of acquiring or retaining membership: *Provided further*, That nothing contained in this act shall permit the making of any agreement between a carrier and a labor union not permitted by the laws of the State or States in which it is to operate.'"

Mr. BECKWORTH. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. WILLIAMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present; and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 61, nays 285, not voting 82, as follows:

[Roll No. 304]

YEAS—61

Abernethy	Gary	Rich
Allen, Ill.	Gathings	Richards
Anderson, Calif	Gossett	Rivers
Andrews	Harrison	Robeson
Battle	Herlong	Rogers, Fla.
Bennett, Fla.	Hobbs	Smathers
Bentsen	Hoffman, Mich.	Smith, Kans.
Bonner	Kilday	Smith, Va.
Bryson	Larcade	Stanley
Burleson	Lucas	Taber
Burton	Lyle	Teague
Byrnes, Wis.	McMillan, S. C.	Thompson
Carlyle	Macy	Thornberry
Chatham	Murray, Tenn.	Wadsworth
Colmer	O'Hara, Minn.	Wheeler
Cooley	Pace	Whitten
Cox	Pickett	Williams
Davis, Ga.	Poage	Wilson, Tex.
Doughton	Rankin	Winstead
Durham	Reed, N. Y.	
Fisher	Regan	

NAYS—285

Abbitt	Dolliver	Jenkins
Addonizio	Donohue	Jensen
Albert	Douglas	Johnson
Allen, Calif.	Doyle	Jones, Ala.
Allen, La.	Elliott	Jones, Mo.
Andersen, H. Carl	Ellsworth	Jones, N. C.
	Elston	Judd
Andresen, August H.	Engle, Calif.	Karsten
	Evins	Kean
Arends	Fallon	Kearney
Aspinall	Feighan	Keating
Auchincloss	Fellows	Kelley, Pa.
Bailey	Fenton	Kelly, N. Y.
Baring	Fernandez	Kennedy
Barrett	Flood	Keough
Bates, Ky.	Fogarty	Kilburn
Bates, Mass.	Forand	King
Beall	Ford	Kirwan
Beckworth	Frazier	Klein
Bennett, Mich.	Fugate	Kruse
Biemiller	Fulton	Lane
Bishop	Furcolo	Lanham
Blatnik	Gamble	Latham
Boggs, Del.	Garmatz	Lichtenwalter
Boggs, La.	Gavin	Lind
Bolling	George	Linehan
Bolton, Md.	Golden	Lovre
Bolton, Ohio	Goodwin	McCarthy
Bosone	Gordon	McConnell
Bramblett	Gore	McCormack
Breen	Gorski	McCulloch
Brehm	Graham	McGrath
Brooks	Granahan	McGregor
Brown, Ga.	Granger	McGuire
Brown, Ohio	Grant	McKinnon
Buchanan	Green	McSweeney
Buckley, Ill.	Gross	Mack, Ill.
Buckley, N. Y.	Gwinn	Mack, Wash.
Burdick	Hagen	Madden
Burke	Hale	Magee
Burnside	Hall, Edwin Arthur	Mahon
Byrne, N. Y.		Marcantonio
Camp	Hall, Leonard W.	Marsalis
Canfield		Marshall
Cannon	Halleck	Martin, Iowa
Carnahan	Harden	Martin, Mass.
Case, N. J.	Hardy	Merrow
Celler	Harris	Miller, Calif.
Chelf	Hart	Mills
Chesney	Harvey	Mitchell
Chiperfield	Havenner	Monroney
Chudoff	Hays, Ark.	Morgan
Clemente	Hays, Ohio	Morris
Cole, Kans.	Hedrick	Morton
Cole, N. Y.	Heffernan	Moulder
Combs	Heller	Multer
Cooper	Herter	Murdock
Corbett	Heselton	Murphy
Cotton	Hill	Murray, Wis.
Crawford	Holifield	Nelson
Cunningham	Holmes	Nicholson
Curtis	Hope	Noland
Dague	Howell	Norblad
Davis, Tenn.	Huber	Norrell
Davis, Wis.	Hull	Norton
Dawson	Irving	O'Brien, Ill.
Deane	Jackson, Calif.	O'Brien, Mich.
DeGraffenried	Jackson, Wash.	O'Hara, Ill.
Delaney	Jacobs	O'Konski
Denton	James	O'Neill
Dingell	Javits	O'Sullivan
Dollinger	Jenison	O'Toole

Patman	Sasscer	Thomas
Patten	Saylor	Tollefson
Perkins	Scott, Hardie	Trimble
Philbin	Scott,	Underwood
Phillips, Calif.	Hugh D., Jr.	Van Zandt
Phillips, Tenn.	Scrivner	Velde
Polk	Secrest	Vinson
Potter	Shafer	Vursell
Poulson	Shelley	Wagner
Preston	Sheppard	Walter
Price	Short	Weichel
Priest	Simpson, Ill.	Welch
Quinn	Simpson, Pa.	White, Idaho
Rabaut	Sims	Wickersham
Rains	Spence	Widnall
Ramsay	Staggers	Wier
Rees	Steed	Wigglesworth
Rhodes	Stigler	Wilson, Ind.
Ribicoff	Stockman	Withrow
Richlman	Sullivan	Wolcott
Rodino	Sutton	Wolverton
Rogers, Mass.	Tackett	Woodhouse
Rooney	Talle	Young
Sadlak	Tauriello	Zablocki
St. George	Taylor	

NOT VOTING—82

Angell	Horan	Pfeiffer,
Barden	Jennings	William L.
Blackney	Jonas	Plumley
Boykin	Jones,	Powell
Carroll	Woodrow W.	Redden
Case, S. Dak.	Karst	Reed, Ill.
Cavalcante	Kearns	Roosevelt
Christopher	Kee	Sabath
Clevenger	Keefe	Sadowski
Coudert	Kerr	Sanborn
Crook	Kunkel	Scudder
Crosser	LeCompte	Sikes
Davenport	LeFevre	Smith, Ohio
Davies, N. Y.	Lodge	Smith, Wis.
D'Ewart	Lynch	Stefan
Dondero	McDonough	Towe
Eaton	McMillen, Ill.	Vorys
Eberharter	Mansfield	Walsh
Engel, Mich.	Mason	Werdel
Gillette	Michener	Whitaker
Gilmer	Miles	White Calif.
Gregory	Miller, Md.	Whittington
Guill	Miller, Nebr.	Willis
Hand	Morrison	Wilson, Okla.
Hare	Passman	Wood
Hébert	Patterson	Woodruff
Hinshaw	Peterson	Yates
Hoeven	Pfeifer	
Hoffman, Ill.	Joseph L.	

So the motion to recommit was rejected.

The Clerk announced the following pairs:

Mr. Whitaker with Mr. Werdel.
Mr. Morrison with Mr. Hand.
Mr. Hébert with Mr. Reed of Illinois.
Mr. Mansfield with Mr. Angell.
Mr. Eberharter with Mr. D'Ewart.
Mr. Boykin with Mr. Dondero.
Mr. Barden with Mr. Hoeven.
Mr. Carroll with Mr. Blackney.
Mr. Crook with Mr. Vorys.
Mr. Kee with Mr. Horan.
Mr. Powell with Mr. Stefan.
Mr. Roosevelt with Mr. Towe.
Mr. Sikes with Mr. Patterson.
Mr. Sabath with Mr. LeCompte.
Mr. Lynch with Mr. Miller of Maryland.
Mr. Kerr with Mr. Smith of Wisconsin.
Mr. Gregory with Mr. Gillette.
Mr. Gilmer with Mr. Coudert.
Mr. Redden with Mr. Woodruff.
Mr. Yates with Mr. Kearns.
Mr. Willis with Mr. Jonas.
Mr. Wood with Mr. Hoffman of Illinois.
Mr. Crosser with Mr. Clevenger.

The result of the vote was announced as above recorded.

The doors were opened.

The SPEAKER. The question is on the passage of the bill.

Mr. BIEMILLER. On that, Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 293, nays 52, not voting 83, as follows:

[Roll No. 305]

YEAS—293

Abbitt	Furcolo	Marsalis
Addonizio	Gamble	Marshall
Albert	Garmatz	Martin, Iowa
Allen, Calif.	Gavin	Martin, Mass.
Allen, La.	George	Merrow
Andersen,	Golden	Miller, Calif.
H. Carl	Goodwin	Mills
Andresen,	Gordon	Mitchell
August H.	Gore	Monroney
Arends	Gorski	Morgan
Aspinall	Graham	Morris
Auchincloss	Granahan	Morton
Bailey	Granger	Moulder
Baring	Grant	Multer
Barrett	Green	Murdock
Bates, Ky.	Gross	Murphy
Bates, Mass.	Gwinn	Murray, Wis.
Battle	Hagen	Nelson
Beall	Hale	Nicholson
Beckworth	Hall,	Norrell
Bennett, Mich.	Edwin Arthur	Norton
Bentsen	Hall,	O'Brien, Ill.
Biemiller	Leonard W.	O'Brien, Mich.
Bishop	Halleck	O'Hara, Ill.
Blatnik	Harden	O'Konski
Boggs, Del.	Hardy	O'Neill
Boggs, La.	Harris	O'Sullivan
Bolling	Hart	O'Toole
Bolton, Md.	Harvey	Patman
Bolton, Ohio	Havenner	Patten
Bosone	Hays, Ark.	Perkins
Bramblett	Hays, Ohio	Philbin
Breen	Hedrick	Phillips, Calif.
Brehm	Heffernan	Phillips, Tenn.
Brooks	Heller	Pickett
Brown, Ga.	Herter	Poage
Brown, Ohio	Heselton	Polk
Buchanan	Hill	Potter
Buckley, Ill.	Hoffman, Mich.	Poulson
Buckley, N. Y.	Holifield	Preston
Burdick	Holmes	Price
Burke	Hope	Priest
Burnside	Howell	Quinn
Byrne, N. Y	Huber	Rabaut
Camp	Hull	Rains
Canfield	Irving	Ramsay
Cannon	Jackson, Calif.	Reed, N. Y.
Carnahan	Jackson, Wash.	Rees
Case, N. J	James	Rhodes
Celler	Javits	Ribicoff
Chelf	Jenison	Riehlman
Chesney	Jenkins	Rodino
Chiperfield	Jensen	Rogers, Mass.
Chudoff	Johnson	Rooney
Clemente	Jones, Ala.	Sadlak
Cole, Kans.	Jones,	St. George
Cole, N. Y.	Hamilton C.	Sasscer
Combs	Jones, Mo.	Saylor
Cooley	Judd	Scott, Hardie
Cooper	Karsten	Scott,
Corbett	Kean	Hugh D., Jr.
Cotton	Kearney	Scrivner
Crawford	Keating	Secrest
Cunningham	Kelley, Pa.	Shafer
Curtis	Kelly, N. Y.	Shelley
Dague	Keogh	Sheppard
Davis, Tenn.	Kilburn	Short
Davis, Wis.	King	Simpson, Ill.
Dawson	Kirwan	Simpson, Pa.
Deane	Klein	Sims
DeGraffenried	Kruse	Spence
Delaney	Lane	Staggers
Denton	Lanham	Steed
Dingell	Latham	Stigler
Dollinger	Lichtenwalter	Stockman
Dolliver	Lind	Sullivan
Donohue	Linehan	Sutton
Douglas	Lovre	Tackett
Doyle	Lyle	Talle
Elliott	McCarthy	Tauriello
Elston	McConnell	Taylor
Engle, Calif.	McCormack	Thomas
Fallon	McCulloch	Thompson
Feighan	McGrath	Thornberry
Fellows	McGregor	Tollefson
Fenton	McGuire	Trimble
Fernandez	McKinnon	Underwood
Flood	McSweeney	Van Zandt
Fogarty	Mack, Ill.	Velde
Forand	Mack, Wash.	Vinson
Ford	Macy	Vursell
Frazier	Madden	Wadsworth
Fugate	Magee	Wagner
Fulton	Mahon	Walter
	Marcantonio	Weichel
	Welch	Wier
	Wheeler	Wigglesworth
	White, Idaho	Williams
	Wickersham	Wilson, Ind.
	Widnall	Withrow
		Wolcott
		Wolverton
		Woodhouse
		Young
		Zablocki

NAYS—52

Abernethy	Durham	Rankin
Allen, Ill.	Ellsworth	Regan
Anderson, Calif	Fisher	Rich
Andrews	Gary	Richards
Bennett, Fla.	Gathings	Rivers
Bonner	Gossett	Robeson
Boykin	Harrison	Rogers, Fla.
Bryson	Herlong	Smathers
Burleson	Hobbs	Smith, Kans.
Burton	Jacobs	Smith, Va.
Byrnes, Wis.	Kilday	Stanley
Carlyle	Larcade	Taber
Case, S. Dak.	Lucas	Teague
Chatham	McMillan, S. C.	Whitten
Colmer	Murray, Tenn.	Wilson, Tex.
Cox	Norblad	Winstead
Davis, Ga.	O'Hara, Minn.	
Doughton	Pace	

NOT VOTING—83

Angell	Horan	Peterson
Barden	Jennings	Pfeifer,
Blackney	Jonas	Joseph L.
Carroll	Jones,	Pfeiffer,
Cavalcante	Woodrow W.	William L.
Christopher	Karst	Plumley
Clevenger	Kearns	Powell
Coudert	Kee	Redden
Crook	Keefe	Reed, Ill.
Crosser	Kennedy	Roosevelt
Davenport	Kerr	Sabath
Davies, N. Y.	Kunkel	Sadowski
D'Ewart	LeCompte	Sikes
Dondero	LeFevre	Smith, Ohio
Eaton	Lodge	Smith, Wis.
Eberharter	Lynch	Stefan
Engel, Mich.	McDonough	Towe
Evins	McMillen, Ill.	Vorys
Gillette	Mansfield	Walsh
Gilmer	Mason	Werdel
Gregory	Michener	Whitaker
Guill	Miles	White, Calif.
Hand	Miller, Ind.	Whittington
Hare	Miller, Nebr.	Willis
Hébert	Morrison	Wilson, Okla.
Hinshaw	Noland	Wood
Hoeven	Passman	Woodruff
Hoffman, Ill.	Patterson	Yates

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Horan for, with Mr. Smith of Ohio against.

Until further notice:

Mr. Redden with Mr. Angell.
Mr. Hébert with Mr. Dondero.
Mr. Gregory with Mr. Gillette.
Mr. Morrison with Mr. Stefan.
Mr. Mansfield with Mr. Towe.
Mr. Whitaker with Mr. Jonas.
Mr. Barden with Mr. Hoffman of Illinois.
Mr. Sabath with Mr. Hand.
Mr. Sikes with Mr. Hinshaw.
Mr. Kee with Mr. Hoeven.
Mr. Kerr with Mr. Patterson.
Mr. Gilmer with Mr. LeCompte.
Mr. Powell with Mr. Woodruff.
Mr. Evins with Mr. Werdel.
Mr. Eberharter with Mr. Vorys.
Mr. Roosevelt with Mr. Smith of Wisconsin.
Mr. Yates with Mr. Coudert.
Mr. Willis with Mr. Reed of Illinois.
Mr. Carroll with Mr. Blackney.
Mr. Passman with Mr. D'Ewart.
Mr. Woodrow W. Jones with Mr. Miller of Nebraska.
Mr. Wood with Mr. Miller of Maryland.
Mr. Crook with Mr. Scudder.
Mr. Lynch with Mr. Clevenger.
Mr. Kennedy with Mr. McDonough.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. LANE was given permission to address the House for 15 minutes today following the legislative program and any special orders heretofore entered.

EXTENSION OF REMARKS

Mr. JACOBS asked and was given permission to revise and extend his remarks on S. 3295 and include an amendment he had intended to offer, together with his remarks last year before the Committee on Education and Labor.

Mr. SMITH of Ohio (at the request of Mr. SHORT) was given permission to extend his remarks.

Mr. SHORT asked and was given permission to extend his remarks and include a newspaper article.

Mr. LANE asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. HART asked and was given permission to extend his remarks and include several addresses.

Mr. PRICE asked and was given permission to extend his remarks in five instances and include extraneous matter in each.

Mr. FEIGHAN asked and was given permission to extend his remarks and include an article.

Mr. BENNETT of Florida asked and was given permission to extend his remarks and include extraneous matter.

Mr. CARNAHAN asked and was given permission to extend his remarks in two instances and include in each a newspaper article.

Mr. BUCHANAN asked and was given permission to extend his remarks in two instances.

Mr. HARRIS asked and was given permission to extend his remarks in the RECORD during the consideration of the union-shop bill and include letters and other information.

Mr. BREEN (at the request of Mr. MCSWEENEY) was given permission to extend his remarks and include a newspaper article relating to his colleague, Mr. SABATH.

Mr. LYLE asked and was given permission to extend his remarks and include a prayer by George Washington.

Mr. MADDEN asked and was given permission to extend his remarks and include an editorial.

Mr. BOYKIN asked and was given permission to extend his remarks and include a letter.

Mr. JOHNSON asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. WIGGLESWORTH asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. GAMBLE asked and was given permission to extend his remarks and include an editorial.

Mr. LEFEVRE (at the request of Mr. COLE of New York) was given permission to extend his remarks.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks and include a letter from a constituent.

Mr. AUCHINCLOSS asked and was given permission to extend his remarks.

Mr. SHAFER asked and was given permission to extend his remarks and include extraneous matter.

Mr. WOLVERTON asked and was given permission to extend his remarks in two instances.

Mr. HOLIFIELD asked and was given permission to extend his remarks and include an editorial.

Mr. MCKINNON asked and was given permission to extend his remarks and include a message from a newspaper.

Mr. BURNSIDE asked and was given permission to extend his remarks and include an editorial.

Mr. FLOOD asked and was given permission to extend his remarks and include three editorials and a news item.

Mr. COLE of Kansas asked and was given permission to extend his remarks and include a speech.

Mr. RICH asked and was given permission to extend his remarks in two instances and include an article in each.

TUSKEGEE INSTITUTE'S REPORT ON LYNCHINGS FOR THE YEAR 1950

Mr. HOBBS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. HOBBS. Mr. Speaker, I wish to call attention to the report of the Tuskegee Institute for the year just closed, 1950, with reference to the crime of lynching in America. This report shows that in the whole of the United States there were only two killings of any kind within that category or that could possibly fall within that category, and neither of these was a lynching within the definition of that crime as contained in the antilynching bills. As described in the Tuskegee report, both these crimes more closely resemble gang slayings than what are usually regarded as lynchings.

Please permit me to congratulate the Nation upon the progress that has been made toward complete stamping out of the vile crime of mob murder, called lynching. It is with particular pride that I note again from this report that the vanishing point for this crime has almost been reached.

God speed the day when human life may be as sacred to man as to his Creator and all murder cease, whether called war, gang slaying, or lynching.

SPECIAL ORDERS GRANTED

Mr. BUCHANAN asked and was given permission to address the House for 15 minutes today following any special orders heretofore entered.

Mr. CANFIELD asked and was given permission to address the House today for 10 minutes following any special orders heretofore entered.

Mr. KEATING asked and was given permission to address the House on tomorrow for 10 minutes at the conclusion of the legislative program and following any special orders heretofore entered.

NATIONAL ASSEMBLY FOR MORAL REARMAMENT

Mr. COX. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. COX. Mr. Speaker, this week there is taking place at the Shoreham Hotel the greatest step yet taken toward the ideological mobilization of America. Members of Congress have already received notices of this event from Mr. WADSWORTH and myself. This National Assembly for Moral Rearmament has as its theme, An Ideology That Can Win the World. I would strongly urge all Members of the House to take the chance of going over to the Shoreham this week and seeing there at first hand the striking evidence of an effective strategy at work to answer communism.

As reported in Washington newspapers yesterday, five of the overseas delegates from 22 countries are men who have left the top ranks of the Communist Party because of the force of a superior idea.

Sessions at the conference are at 11 and 5 each day till January 8. Plays will be presented each evening at 8 o'clock at the Lisner Auditorium dramatizing the basic ideas of democracy for which we are fighting. Members will recall The Good Road, which played here 3 years ago. Information as to how tickets may be obtained can be gotten from my office.

PRESIDENT TRUMAN

Mr. SHAFER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. SHAFER. Mr. Speaker, I dislike very much to let this 1st day of January go by without recalling two very significant events in American history. In April 1945 President Truman called upon the people of the country to pray for him. In December 1950, just before Christmas, he called upon them to pray for the country.

THE LATE C. FREDERICK PRACHT

Mr. HUGH D. SCOTT, JR. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania

There was no objection.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, it is my sad duty to call to the attention of the House the recent passing of a former Member of this body from Philadelphia, the Honorable C. Frederick Pracht, who in the Seventy-eighth Congress represented the Fifth Congressional District, which adjoins mine. Those of us who served with Fred Pracht will remember him with affection and with deep regard. It was my pleasure and my privilege to be associated

with him on terms of great friendliness over a period of many years before he came to Congress and afterward.

Fred was a man of notable amiability, tact, good humor, and kindliness. He had many of the qualities which make friendship come so easy as between men. Unlike so many Members of Congress who have grown to like every minute of their stay here, I think it ought to be noted in passing that Fred was fundamentally a family man and devoted to his family and his immediate coterie in Philadelphia, and he did, I think, at times rejoice in the opportunities to go home. Now he has gone home to join those others of his loved ones who wait for him in the land beyond dreams, in the place prepared for him by the Most High.

THE LATE HONORABLE AMOS HENRY RADCLIFFE

Mr. CANFIELD. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. CANFIELD. Mr. Speaker, I have the sorrowful duty of announcing to the House the death last Friday of a distinguished former Member of this body from my congressional district, the Honorable Amos Henry Radcliffe, who would have been 81 years of age on January 16, next. He lived in Paterson, N. J., and his service in the House was in the Sixty-sixth and Sixty-seventh Congresses, March 4, 1919–March 3, 1923. There are now nine Members still serving in the House who were colleagues of Mr. Radcliffe.

Altogether, Mr. Radcliffe served 18 years in public life. For 5 years he was a Passaic County assemblyman in the New Jersey State Legislature, 1907–12. Then from 1912 to 1915 he was sheriff of Passaic County. In 1916 he was elected mayor of Paterson, serving two 2-year terms. He was a life-long Republican and was a delegate to State and National conventions of his party.

Mr. Radcliffe attended the public schools of Paterson, was graduated from the Paterson High School and from the New York Trade School. He became a blacksmith and ornamental and structural ironworker for his father, the late James Radcliffe. He joined his father's firm in 1896 and was made secretary when the business was incorporated in 1907.

In addition to becoming a director of the Franklin Trust Co. in 1916, Mr. Radcliffe was also a director of the United States Trust Co., the Paterson Savings Institution—now the Paterson Savings & Trust Co.—and the Clifton Trust Co. He was also president of the Frankham Realty Corp. and of the Ben Lynn Corp.

In 1888 Mr. Radcliffe joined the Second Regiment, National Guard, and was honorably discharged as a sergeant in 1894.

Fraternally, Mr. Radcliffe was a past master and life member of the Benevolent Lodge 45, Free and Accepted Masons; a member of Cataract City Chapter, Royal Arch Masons; Terry Council of New Jersey; Melita Commandary, Knights Templar of New Jersey; a life member, Mecca Temple, Ancient Arabic Order, Nobles of the Mystic Shrine of New York City; a member of the Paterson Lodge, BPO Elks; Paterson Lodge, Loyal Order of Moose; William Parker Council, Junior Order, United American Mechanics; Pioneer Camp, Modern Woodmen of the World; Silk City Lodge, Order of Heptasophs; and National Association of Engineers 2 of New Jersey. He was also a member of the Hamilton and Masonic Clubs, and the Phelps Outing Club of Greenwood Lake.

He was married to Ruth Hartley in 1897. Before her death a few years ago she was an active member of the Paterson Park Board.

He is survived by three children, James S. Radcliffe, of Lafayette, N. J.; Hartley E. Radcliffe, of Sparta, N. J.; and Mrs. Emma R. Wright, of Baleville, N. J.; also four grandchildren, Susan, Frances, and Jim Radcliffe; and George F. Wright.

Editorially eulogizing Mr. Radcliffe, the Paterson Morning Call last Saturday pointed to his administration as Paterson's mayor and said:

> It ran as smoothly as any within the writer's recollection. He insisted only on being consulted on political appointments and the men he named to the various boards were honorable and given a free hand. None violated the trust he reposed in him.

The Call also recalled that soon after he was first elected mayor Mr. Radcliffe called upon a severe critic to become a member of the city's board of public works and when the latter declined he permitted him to suggest another competent man for the appointment.

> It was a natural thing for Amos Radcliffe to gravitate toward politics because he liked people, was an excellent mixer, and made friends easily—

Editorialized the Paterson Evening News last Saturday. The News went on to say that—

> Mr. Radcliffe leaves an honored name with many pleasant memories.

According to the Passaic Herald-News, in its editorial eulogy, Mr. Radcliffe was "like other American ironmasters whose grandsires learned their trade at English forges." The Herald-News continued:

> He had rugged health, a buoyant step, and undiminished energy for almost all of his 80 years, and like Longfellow's blacksmith he looked the whole world in the face for he owed not any man.

While it had been impossible for Mr. Radcliffe to visit Washington in recent years due to failing health, I made it a point to call upon him shortly before the convening of each session of Congress. I admired him for his intense patriotism, his ready wit, and his down-to-earth expressions. He was terribly concerned about the state of our country because of its spending policies. He feared that any destruction of our American way of life would come chiefly from within. Occasionally, he sent me a brief message of reassurance and cheer as I sought to act wisely on the problems facing the Congress.

Amos Radcliffe spoke often of some of his old friends in the Congress, particularly EARL MICHENER, whom he was wont to describe as his ideal of a true Congressman. He was extremely sorry to learn some few months before his passing that Mr. MICHENER had decided to retire this year.

My predecessor also never forgot two of the faithful employees of the House who were very kind to him during his service, Republican clerks James P. Griffin and John McCabe, both of whom corresponded with him and visited him at his Paterson home.

Mr. Radcliffe always insisted that our Nation's strength rested in the type of man that Ralph Waldo Emerson described in his poem, A Nation's Strength.

In closing, I quote a few lines therefrom:

> What builds the nation's pillars high
> And its foundations strong?
> What makes it mighty to defy
> The foes that round it throng?
> Not gold but only men can make
> A people great and strong;
> Men who, for truth and honor's sake,
> Stand fast and suffer long.
> Brave men who work while others sleep—
> Who dare while others fly—
> They build a nation's pillars deep
> And lift them to the sky.

SUPPLEMENTAL APPROPRIATION BILL, 1951

Mr. CANNON, from the Committee on Appropriations, submitted the following conference report and statement on the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes:

CONFERENCE REPORT (H. REPT No. 3240)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 11, 13, 14, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29 and 30, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7 and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,065,000,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "five hundred"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$66,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, 6, 8, 12, 15, 17, 22 and 23.

CLARENCE CANNON,
GEORGE MAHON,
MICHAEL J. KIRWAN,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

KENNETH MCKELLAR,
CARL HAYDEN,
ELMER THOMAS,
RICHARD B. RUSSELL,
PAT MCCARRAN,
JOSEPH C. O'MAHONEY,
STYLES BRIDGES,
CHAN GURNEY,
KENNETH S. WHERRY,
GUY CORDON,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

CHAPTER I

LEGISLATIVE BRANCH

House of Representatives

Amendment No. 1—Payment of sums due deceased Congressional personnel: Reported in disagreement.

ARCHITECT OF THE CAPITOL

Capitol buildings and grounds

Amendments Nos. 2 and 3—Capitol Building: Appropriates $21,500 as proposed by the Senate.

Amendment No. 4—Senate Restaurants: Reported in disagreement.

CHAPTER II

DEPARTMENT OF COMMERCE

Amendment No. 5—Bureau of Public Roads, Access Roads: Reported in disagreement.

Amendment No. 6—Maritime Activities, Ship Construction: Reported in disagreement.

CHAPTER IV

FEDERAL SECURITY AGENCY

Amendment No. 7—Public Health Service, Grants for hospital construction: Appropriates $10,000,000 instead of $75,000,000 as proposed by the Senate.

CHAPTER V

DEPARTMENT OF THE INTERIOR

Amendment No. 8—Southeastern Power Administration, Construction: Reported in disagreement.

CHAPTER VI

INDEPENDENT OFFICES

Amendment No. 9—Atomic Energy Commission: Appropriates $1,065,000,000 instead of $840,000,000 as proposed by the House and $1,080,000,000 as proposed by the Senate.

Amendment No. 10—Atomic Energy Commission: Provides for purchase of not to exceed five hundred passenger motor vehicles instead of two hundred and fifty as proposed by the House and five hundred and fifty as proposed by the Senate.

Amendment No. 11—General Services Administration, Strategic and critical materials: House recedes.

Amendment No. 12—National Advisory Committee for Aeronautics: Salaries and expenses: Reported in disagreement.

Amendments Nos. 13 and 14—Selective Service System, Salaries and expenses: Appropriates $11,000,000 as proposed by the Senate instead of $10,787,890 as proposed by the House and inserts language as proposed by the Senate.

Amendment No. 15—Selective Service System, Salaries and expenses: Reported in disagreement.

Amendment No. 16—Tennessee Valley Authority: Appropriates $66,500,000 instead of $64,500,000 as proposed by the House and $67,000,000 as proposed by the Senate.

Amendment No. 17—Tennessee Valley Authority: Reported in disagreement.

CHAPTER VII

DEPARTMENT OF DEFENSE

Amendment No. 18—Department of the Army, Corps of Engineers: Inserts language proposed by the Senate.

Amendment No. 19—Department of the Army, Civilian Relief in Korea: Appropriates $50,000,000 as proposed by the Senate instead of $100,000,000 as proposed by the House.

Amendment No. 20—Department of the Army, Civilian Relief in Korea: Inserts language proposed by the Senate.

Amendment No. 21—Department of the Navy, Public Works: Inserts language proposed by the Senate.

CHAPTER VIII

DISTRICT OF COLUMBIA

Amendment No. 22—Office of Civil Defense: Reported in disagreement.

CHAPTER IX

FOREIGN AID

Amendment No. 23—Foreign Aid: Reported in disagreement.

CHAPTER X

CLAIMS FOR DAMAGES, AUDITED CLAIMS, AND JUDGMENTS

Amendment No. 24: Changes a chapter number as proposed by the Senate.

Amendment No. 25: Inserts language proposed by Senate.

Amendment No. 26: Appropriates $6,983,938 as proposed by the Senate instead of $5,274,034 as proposed by the House.

CHAPTER XI

GENERAL PROVISIONS

Amendment No. 27: Changes a chapter number as proposed by the Senate.

Amendments Nos. 28, 29, and 30: Change section numbers as proposed by the Senate.

CLARENCE CANNON,
GEORGE MAHON,
MICHAEL J. KIRWAN,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

Mr. CANNON. Mr. Speaker, I ask unanimous consent for the immediate consideration of the conference report on the bill H. R. 9920.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the statement may be read in lieu of the report.

Mr. TABER. Mr. Speaker, I think we had better have the conference report read. I object.

The SPEAKER. Objection is heard. The Clerk will read the report.

The Clerk read the conference report as above set out.

Mr. CANNON. Mr. Speaker, this report includes all items in the supplemental appropriation bill with the exception of the Senate amendment proposing to provide contract authority for additional cargo ships and the amendment striking out the transmission line from Buggs Island Dam to Langley Field, and two of three technical amendments, which it is necessary to bring back in disagreement in order to comply with the rules.

The bill, as originally passed by the House, carried appropriations totaling $17,809,304,424. The Senate added $2,163,000,000, bringing the bill up to $20,247,062,938, of which $224,000,000 is contractual authority. The bill, as recommended by the conference committee, aggregates $19,941,412,938.

Mr. Speaker, the bill is essentially a defense measure, and for that reason we have included every dollar requested by the Joint Chiefs of Staff, the Secretary of Defense, and the Bureau of the Budget. Wherever there has been any question the doubt has been resolved in favor of the budget estimate.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman has told me, but there are other Members who would like to know because of the interest in the hospital construction appropriation. Will the gentleman state what happened with reference to that?

Mr. CANNON. We reached an agreement in conference on the hospital item, and added $10,000,000 above the budget estimate for that purpose. The item is included in the conference report.

I now yield 10 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, this bill, as it comes from the conference, calls for nearly $20,000,000,000. Probably with reappropriations and funds made available, very nearly $21,000,000,000.

The greatest part of it is for the war effort. I just want to say that the people of the United States are going to be called upon for tremendous sacrifices in connection with that war effort.

I want to warn the Defense Establishment that in connection with the war effort they must just as far as it is humanly possible guard against unnecessary waste and extravagance in purchasing and building the things that are required, and that they must get the best prices possible for everything for which they are provided funds. We remember too well the numbers of occasions where someone like the gentleman from Michigan [Mr. ENGEL], who was on the military subcommittee for years, found enormous waste in the construction of camps. A better job than that must be done. We must not have the purchase of things for the stockpile to such an extent that prices are built up to the point where the war effort is handicapped. We must not have the purchase of things that will spoil in a short time. We must have a more intelligent approach to all of these things than we had before, and I hope that the Defense Department and all those connected with it will take heed of what I have said here today, because I am sure that the Congress intends to follow it up to the limit.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BROWN of Ohio. I have asked the gentleman to yield to tell us whether or not the bill does not carry provision for more civilian employees for the Defense Department than we had in proportion to the number of men in the armed services during World War II.

Mr. TABER. I do not know that I can answer that question, but it does call for a very large number of civilian employees. On the other hand, of the number of employees that are to be used probably 85 percent are in arsenals, navy yards, and such places rather than in clerical work.

Mr. BROWN of Ohio. If the gentleman will yield further, Mr. Speaker, the House has a special committee which has been making an examination or investigation of overstaffing in various Government departments and a report, I understand will be submitted which will show that there has been great overstaffing and waste of manpower in civilian employment within the Government. I am wondering what steps, if any, the Committee on Appropriations is taking to make certain that there will not be such overstaffing of civilian employees in connection with the war emergency.

Mr. TABER. I would not say that the committee has taken any action as yet. I understand, however, that it is the intention of the committee to follow these appropriations through and to try and see that there is just as little waste as possible and just as little unnecessary employment as possible.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. CANFIELD. Would the gentleman also include a warning against the ten percenters and the five percenters who, it is reported, are resuming operations again?

Mr. TABER. Yes; and the guys who go out and get small manufacturers out in the country to give them $500 or $600 and do nothing for them. That is a terrible fraud, and it is going on right now. I ran into several cases of it while I was home last week.

Mr. CANFIELD. I had a similar experience.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. RICH. I am glad the gentleman from New York made the statement that we are going to watch the armed services in reference to the letting of contracts. I can cite instances I know of, for instance, wool, which a year ago was worth $1.05 a pound. Today wool is worth $2.50 on the market. The Government is going in now and stockpiling at the highest price of wool I have ever known. Furthermore, the specifications covering various items for the Army are so complicated that it is made very difficult for the people of this country to get wool. If the Army takes it all and if they do not make some agreement with Great Britain, who now controls the wool market of the world, we will be in a bad fix. Great Britain is pulling the wool over the eyes of the American people because they control it and the State Department will not do anything to help get this wool from Great Britain. I asked Mr. Howard 3 months ago why he had not stockpiled more and he said that he had gone to the State Department to get permission to stockpile and he was prohibited from doing so. That is when wool was worth $1.25 a pound. Now they want $2.50 for the same item.

Mr. TABER. I think there is a great deal to what the gentleman has said. But we have a terrible situation that the State Department has brought on to us through these reciprocal trade agreements by which they have practically killed off the American sheep producer, put them out of business, and as a result we have not any defense against gouging on the part of the nations outside who own the outside wool.

Mr. EDWIN ARTHUR HALL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. EDWIN ARTHUR HALL. It is my understanding that there are some who, anticipating this huge expenditure for defense, are going beyond the 5 percent and the 10 percent classification. They are going back to the small-business men and small concerns representing themselves as supersalesmen able to go into these various departments and get huge defense orders. They are setting themselves up in lush offices here in Washington so that these businessmen have to carry the load and are trying to get big defense orders for them beyond the 5-percent classification.

Mr. TABER. Does not the gentleman think they are trying to get the money out of these poor suckers to a greater extent than they are trying to get contracts?

Mr. EDWIN ARTHUR HALL. I think the gentleman is quite right.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Texas [Mr. MAHON].

Mr. MAHON. Mr. Speaker, I think it appropriate at this time to point out that the other body made no material changes in the military portions of the appropriation bill now before us. As Members are aware, those of us who are conferees on this bill have been required to be away from the House sessions for much of the afternoon in order to work out with the Senate conferees the final language of the bill now before us in the form of this conference report. The bill is, of course, vital to our defense effort.

However, there was one rather considerable change in the military part of the bill. The House version of the bill provided $100,000,000 for use in connection with civilian relief behind our lines in Korea to support our Army effort. In view of the fact that the portion of Korea which we now have under our control is much smaller than formerly, this item was cut in half by the Senate. The House went along with that figure. The $50,000,000 would seem to be entirely adequate. Otherwise, there is no change whatever of consequence in the military portion of the bill.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Pennsylvania.

Mr. RICH. Is there anything in this bill for the rearming of the North Atlantic Pact nations?

Mr. MAHON. There is nothing in this bill for the rearming of the North Atlantic Pact nations. In this connection it might be pointed out that funds previously appropriated to assist in the rearming of these nations would not necessarily be used for rearming those countries in the event they should be overrun. The airplanes, the tanks and the guns produced for those countries would become immediately available to this Government in the event they were not used by our allies.

Mr. RICH. How are you going to have them available for this Government if you ship them over there and if they are overrun and if some of those governments do not care whether they are overrun or not and are not going to fight very much? If they take possession of those implements of war and use them against us, what are you going to do then?

Mr. MAHON. This Congress has appropriated this year $5,200,000,000 for assistance to other free nations in building up their military establishments. Much of that money has been obligated, but most of it has not been spent. Most of those weapons have not been delivered, and until they are delivered, they will be available to this country. And, furthermore, it is our hope that other free nations will not be overrun.

Mr. RICH. Are you going to see that this money is appropriated and given only to those nations who really want it, who really want to protect themselves, who really want to defend themselves in case of aggression rather than to have us go over there and say, "Now, in case something happens, we want you to be on our side, and we want you to do the fighting?" If they are not willing to go in there and defend themselves, then you ought not to send them one cent's worth of military supplies.

Mr. MAHON. The gentleman from Texas feels as does the gentleman from Pennsylvania that no funds should be appropriated to rearm countries that are not willing to fight for their own liberties and support the efforts of the United States to promote peace.

Mr. RICH. You have done it before. You armed Russia to the tune of $12,500,000,000 and you armed China to the tune of $2,500,000,000. Now, are you satisfied we did that? Be careful what you do or it will come right back; it will be a bomb against you in the end if you do not keep your eyes open.

Mr. MAHON. Of course, the issue of rearming other free nations is not involved in the pending measure.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman from Texas [Mr. MAHON] has a congressional district which lies very close to the great mohair producing subdivision of that great State, and I should like to ask him this question as relates to the point

made by the gentleman from Pennsylvania [Mr. RICH]. If through this $5,000,000,000 appropriation or other types of appropriations or through plan 4 or the Marshall plan we are to pour billions of dollars into the treasuries of other countries, why is it not logical—I am asking this question; I am not defending the proposition but I am talking about the logic of it—why is it not logical—and I might say, political—to assist those countries through paying to them very, very high prices for the raw material that they ship to us, and do business straight over the counter instead of channeling it through the so-called Marshall plan, plan 4, or otherwise? Would the gentleman care to comment on that phase?

Mr. MAHON. I doubt that we have the time to discuss that matter but the gentleman raises a very important question.

Mr. CRAWFORD. If we are going to do the job, I think we may find it will be more constructive all the way through to pay the prices through the commodity markets instead of channeling them through these subterranean avenues.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. CANNON. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The SPEAKER pro tempore. The question is on the conference report.

The question was taken; and the Speaker pro tempore announced that the ayes seemed to have it.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present. However, I will withdraw that, if the Chair will permit me to make a statement to the effect that my vote be recorded at this place in the negative.

The SPEAKER pro tempore. The gentleman's statement will appear, of course, in the RECORD.

The conference report was agreed to.

The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 1, insert the following:

"PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

"(a) Section 49 of the Revised Statutes is amended to read as follows:

"'SEC. 49. When any person dies while serving as a Member of or Delegate to Congress, as Resident Commissioner from Puerto Rico, as an officer or employee of either the Senate or House of Representatives, or as an employee of a joint committee of the Senate and House of Representatives, the appropriate disbursing officer of the Senate or House of Representatives shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death.'

"(b) Section 50 of the Revised Statutes is repealed."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 1, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

"When any person dies while serving as a Senator or officer or employee of the Senate, the disbursing officer of the Senate shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death.

"Section 50 of the Revised Statutes shall not be effective as to persons included within the foregoing."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 4: On page 2, line 21, insert the following:

"Senate Restaurants: For replacement of equipment, Senate Restaurant, Capitol Building, to be expended by the Architect of the Capitol under the supervision of the Senate Committee on Rules and Administration, without regard to section 3709 of the Revised Statutes, as amended, $4,000."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: On page 4, line 6, insert the following:

"ACCESS ROADS (ACT OF SEPTEMBER 7, 1950)

"For expenses necessary in carrying out the provisions of section 12 of the Federal-Aid Highway Act of 1950, including $2,000,000 for payments of obligations incurred pursuant to the contract authorization granted by said section, to remain available until expended, $10,000,000, of which $2,000,000 shall be derived by transfer from the unexpended balance of funds heretofore appropriated for carrying out the provisions of section 6 of the Defense Highway Act of 1941 (55 Stat. 765)."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate Numbered 5, and concur therein with an amendment, as follows: In lieu of the sum of $10,000,000 named in said amendment, insert "$7,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: On page 5, line 19, insert the following:

"MARITIME ACTIVITIES

"SHIP CONSTRUCTION

"The first proviso in the paragraph under the head 'United States Maritime Commission, ship construction' in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951.'

"Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951, and in addition thereto $224,000,000 in contract authority, the totals of which, including not to exceed $500,000 which may be transferred to the appropriation "Salaries and expenses" for necessary administrative costs without regard to limitations thereon in said appropriations, and including not to exceed $15,000,000 for the construction, activation, acquisition, and expansion of plants or facilities, on land whether owned by the Government or otherwise owned, shall be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head 'New ship construction' in the Independent Offices Appropriation Act, 1950, or the last proviso under the head 'Ship construction' in the Independent Offices Appropriation Act, 1951.

"For the payment of obligations incurred on or after July 1, 1946, including obligations authorized herein, for ship construction, reconditioning and betterments, pursuant to the Merchant Marine Act, 1936, as amended, and to the authority granted under the head 'United States Maritime Commission' in the several appropriation acts for the fiscal years 1947, 1948, 1949, 1950, and 1951, the unexpended balance of funds heretofore appropriated for the liquidation of such obligations may be consolidated and may, in total, be available for the liquidation of such obligations.

"SALARIES AND EXPENSES

"Limitations under the head 'Salaries and expenses,' United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: 'Maintenance of shipyard facilities' is increased from '$452,000' to '$483,000,' and 'Maintenance and operation of terminals' is decreased from '$765,000' to '$734,000.'"

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate numbered 6, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"MARITIME ACTIVITIES

"SHIP CONSTRUCTION

"The first proviso in the paragraph under the head 'United States Maritime Commission, ship construction' in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951.'

"Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951 shall also be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head 'New ship construction' in the Independent Offices Appropriation Act, 1950, or the last proviso under the head 'Ship construction' in the Independent Offices Appropriation Act, 1951.

"SALARIES AND EXPENSES

"Limitations under the head 'Salaries and expenses,' United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: 'Maintenance of shipyard facilities' is increased from '$452,000' to '$483,000,' and 'Maintenance and operation of terminals' is decreased from '$765,000' to '$734,000.' "

Mr. THOMAS. Mr. Speaker, I offer a preferential motion.

The Clerk read as follows:

Mr. THOMAS moves that the House recede from its disagreement to the Senate amendment No. 6 and concur in the same.

Mr. CANNON. Mr. Speaker, I ask for a division of the question.

The SPEAKER. The question is, Will the House recede from its disagreement to the amendment of the Senate No. 6?

The motion was agreed to.

Mr. CANNON. Mr. Speaker, I move that the House concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House concur in the amendment of the Senate numbered 6 with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"MARITIME ACTIVITIES

"SHIP CONSTRUCTION

"The first proviso in the paragraph under the head 'United States Maritime Commission, ship construction' in the Independent Offices Appropriation Act, 1951, is hereby amended by striking out 'December 31, 1950' and inserting in lieu thereof 'June 30, 1951.'

"Appropriations and contract authority made available to the United States Maritime Commission for ship construction in the fiscal years 1950 and 1951 shall also be available, without regard to the provisions of the Merchant Marine Act of 1936 with respect to essential trade routes, for construction of such additional dry-cargo vessels as the Secretary of Commerce, with the approval of the President, shall find necessary for national security: *Provided*, That such additional vessels shall not be subject to the first proviso under the head 'New ship construction' in the Independent Offices Appropriation Act, 1950, or the last proviso under the head 'Ship construction' in the Independent Offices Appropriation Act, 1951.

"SALARIES AND EXPENSES

"Limitations under the head 'Salaries and expenses,' United States Maritime Commission, in the Independent Offices Appropriation Act, 1951, are amended as follows: 'Maintenance of shipyard facilities' is increased from '$452,000' to '$483,000,' and 'Maintenance and operation of terminals' is decreased from '$765,000' to '$734,000.' "

Mr. THOMAS. Mr. Speaker, really the question—to put it in different language—is simply this: you will vote on the motion of the gentleman from Missouri. His motion is to reduce for cargo ship construction the over-all sum of $360,000,000, by $224,000,000. The motion that the gentleman from Texas has made is to keep intact the $350,000,000 as voted by the other body.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. CANNON. The motion of the gentleman from Missouri is not to reduce the amount. It is to adopt the language of the budget estimate.

Mr. THOMAS. May I say to my distinguished friend that he may make his own speech on his own time. But you certainly do not deny that you are taking off $224,000,000?

Mr. CANNON. I certainly do. We are not moving to reduce the amount at all.

Mr. THOMAS. That is exactly what your motion is, and I certainly am surprised at my distinguished friend in not being a little more frank with the House.

Mr. CANNON. Furthermore, when this very identical question was before the House, they voted down this same motion.

Mr. THOMAS. I do not yield to my friend any further. If I may proceed with my statement, may I say that we all love our friend, and if he is confused, will you just forgive both of us?

Now, Mr. Speaker, of course the motion of the gentleman from Missouri [Mr. CANNON] in truth and in fact lops off $224,000,000. Let me give you quickly in chronological order a history of things that have been going on in the full committee and in the Independent Offices Subcommittee. This item came to your subcommittee for $126,000,000 to build 15 or 16 fast cargo ships—fast 20-knotters. We have nothing that will go faster than 10 knots now, with the exception of 75 others that will go 15 knots.

Perhaps one of the many errors in judgment which we made during World War II was to build these slow ships, every one of which has to be convoyed, which means a loss of time, a loss of manpower, and a loss of dollars. The Maritime Commission, the White House, the Navy, the Joint Chiefs of Staff, and everybody, says that we need these fast cargo ships. These ships will be able to travel without a convoy. Look at the time you are going to save. Look at the manpower that the Navy will save. They will have a helicopter at either end to protect themselves. They will have torpedo tubes and they will have guns. They will weigh around 13,000 deadweight tons and will cost anywhere from $6,500,000 to $7,000,000. They will require from 11 to 14 months to build.

Your subcommittee unanimously raised the budget estimate from 16 of these ships to 50 because they told us that they would have to have several hundred of them. We cannot go to Sears-Roebuck catalogue and get these ships. It takes from 11 to 14 months to build one of them. Let us reactivate these yards on the Atlantic and on the Pacific and in the Gulf and get our labor started and trained, and let us start building these ships.

My distinguished friend from Missouri [Mr. CANNON], our able and genial chairman, did not like the unanimous vote of our subcommittee, and he just overturned it. I do not know by what authority, but my hat goes off to him. He really overturned it. I think he whispered to the clerks in a firm voice and said, "Just take it out." I love him for that.

The SPEAKER. The time of the gentleman from Texas [Mr. THOMAS] has expired.

Mr. CANNON. Mr. Speaker, I yield the gentleman five additional minutes.

Mr. THOMAS. Let me thank the gentleman from Missouri. He is a gentleman and a scholar and one of the ablest men in this House.

Mr. PHILLIPS of California. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. PHILLIPS of California. Should not the gentleman from Texas, with whom I agree, point out that the Senate put it back as contract authority; so that the actual amount of money involved is not an addition to the present budget?

Mr. THOMAS. That is right; $224,000,000 contract authority, but in the final analysis there is no difference, because it has to be paid.

The subcommittee was unanimous, five to nothing. We came to the full committee, and we had a closed session and a little friendly argument among ourselves, and we had a vote, and, by about 2 to 1, we put it back in. It came to the House, there was some confusion, and it went out on a point of order. Over in the other chamber the Senate put it back in. Now, that is the situation. The question is very clear. Do you want to build some fast cargo ships, when the Navy, the Bureau of the Budget, the White House, and the Joint Chiefs of Staff, and everybody says we need them?

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. CANNON. The White House and everybody else the gentleman mentioned says we do not need them in this bill.

Mr. THOMAS. Now, you are too smart a man to make that statement, if you will pardon me for chiding my friend. It came up as a budget item for 16. Now, did your people send you up here to let some CAF–8, or 9, or 10, in the Budget Bureau tell you what to do? If they did, you can do it. My people did not send me up here to do that, and I am going to follow my own judgment, and the House of Representatives is supposed to provide the money, and not the Bureau of the Budget, I think we are going to be too little and too late, if we do not keep this item in here.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. RICH. You made the statement that these vessels were built during World War II.

Mr. THOMAS. Oh, no, no. They have not been built. We are trying to get them started, and it takes from 11 to 14 months to build them.

Mr. RICH. Well, where are those slow ships?

Mr. THOMAS. They are laid up in the reserve fleet at various points throughout the country. They do not make more than 10 knots an hour. They must go in convoy, and in convoy they make about 7½ knots. Do you know how long it will take these ships to get to our boys in Korea? Forty-five full sailing days. With these ships that we are trying to build, we can get that time down, from 45 days to about 19 days.

Mr. RICH. Where are the ships you built during World War II?

Mr. THOMAS. You have got about 1,600 of them. That is what I am trying to tell you now. They will only make about 7½ knots an hour.

Mr. RICH. Did not the same White House, did not the same Budget Bureau, and did not the same people who advocate this and who were doing these things that they did when they built these slow ships, now come in here and tell you to do something different?

Mr. THOMAS. No. No.

Mr. RICH. If you are going to follow them now, you ought to get new people down there.

Mr. THOMAS. I will say to my distinguished friend that it is a different set of people. Of course, we are not following the budget. That is what we are trying to get away from. We are trying to move a little faster than the budget.

Mr. RICH. Well, the way the budget has been moving and spending for the last two or three decades, it is about time we got away from them.

Mr. CANFIELD. Mr. Speaker, will the gentleman yield?

Mr. THOMAS. I yield.

Mr. CANFIELD. It seems to me the most important executive authority is Admiral Cochrane, Chairman of the United States Maritime Commission.

Mr. THOMAS. Do you want me to tell you what he said?

Mr. CANFIELD. Yes; that is what I want the gentleman to tell the House.

Mr. THOMAS. And the admiral said, "I have got to defend this budget; but if you will let me tell you what I think, we have got to have several hundred of these vessels, and the more we build now the better off our fighting boys are going to be."

Mr. CANFIELD. I am glad the gentleman said that; that is why I am going to vote to support the gentleman.

Mr. THOMAS. Why build these guns, tanks, planes, and implements of war if you cannot deliver them when you need them?

Mr. CANFIELD. The gentleman is right.

Mr. THOMAS. Now, let us vote down the motion of my distinguished friend to cut out $224,000,000 which virtually cuts out 34 of these ships; then when the motion to recede and concur comes along, vote for it and put the money back.

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. THOMAS. Let me thank my genial chairman for yielding to me.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from California [Mr. PHILLIPS].

Mr. PHILLIPS of California. Mr. Speaker, the question before us is how much responsibility we as individuals are willing to take on a chance we may delay the production of ships for carrying material, munitions, and men to fighting zones.

Mr. Speaker, if we could use some of the money it has taken to rebuild and redecorate this Chamber and buy a first-class crystal ball, we might know what to expect. Since we cannot, we have to decide today whether we will start ships, open shipyards, and train men at once, to have the ships ready when they are needed. I think there is no doubt that they will be needed. Many of the old slow ships now laid up will be used but they were built because that was the design that could be built more quickly at that time.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield.

Mr. COLMER. Did I understand the gentleman from Texas [Mr. THOMAS], to say that the Joint Chiefs of Staff had recommended this?

Mr. PHILLIPS of California. I have no report of that, but I do know that the Maritime Commission and Admiral Cochrane, whom the gentleman from Texas quoted, came before us; and I also heard the testimony before the Senate committee, and the testimony there was even stronger that we must get these boats started now.

Mr. COLMER. Before the gentleman leaves that subject, I understood the gentleman from Texas to make that statement.

Mr. PHILLIPS of California. I heard the gentleman from Texas make it.

Mr. COLMER. Then I understand that so far as the gentleman has any information on that he does not deny that that is true.

Mr. PHILLIPS of California. I think it is very likely true; I simply did not know it myself. I do know that all five members of my subcommittee representing both parties were unanimous in feeling that this money should be put in, and we were joined by the gentleman from Massachusetts who was chairman in the preceding Congress, who sits beside me.

Mr. COLMER. Finally, is it not true that we have in the final analysis to rely upon the recommendation of our military authorities?

Mr. PHILLIPS of California. I would much rather rely upon them than on the Budget Bureau which is trying to maintain a rule that you cannot increase the budget after it has once been agreed on, and whose decisions are often made weeks or months before we consider the requests.

Mr. MAHON. Mr. Speaker, will the gentleman yield,

Mr. PHILLIPS of California. I yield.

Mr. MAHON. I do not think the gentleman from Texas [Mr. THOMAS] while he is here and can speak for himself, said that the Joint Chiefs of Staff had recommended these additional ships above and beyond the budget. Insofar as I know the Joint Chiefs were not called upon to make recommendations for or against the idea of additional cargo ships. The testimony shows that Admiral Cochrane said that additional ships would be helpful.

Mr. PHILLIPS of California. I think he said that.

Mr. MAHON. The gentleman from Texas [Mr. THOMAS], if I understood his viewpoint, indicated that the top officials of the Government recognized the great need for fast cargo vessels in the event of full-scale war. That was my understanding of the remarks.

Mr. PHILLIPS of California. There is no question of that. The important thing is not who recommended or who did not recommend; the important thing is that it takes time to produce a fleet of ships, to open navy yards, to train men. We should start immediately on this program. I think that our problem today is whether or not we are willing to take the responsibility of not having such boats ready when they are needed. The item in question calls for contract authorization; it does not add to the present budget.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from Michigan.

Mr. CRAWFORD. These are to be merchant ships?

Mr. PHILLIPS of California. Yes; cargo ships.

Mr. CRAWFORD. Will these cargo ships travel in a convoy?

Mr. PHILLIPS of California. They will not necessarily be convoyed. The old ships required convoys. These should be fast enough to move without convoy.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. PHILLIPS of California. I yield to the gentleman from New York.

Mr. TABER. My understanding from the Department of Defense is that the snorkel submarine will go 26 knots under the surface and 30 knots on the surface and that these ships having 20 knots would not be able to get away from them. With that picture in mind, it does not seem to me that the approach to it on the part of the gentleman from Texas and the subcommittee is realistic. I do not see how a 20-knot ship can run away from a 26-knot submarine.

Mr. PHILLIPS of California. I have not the time to give the gentleman a technical description of how it is done. We asked the same question in subcommittee. I think the answer to the gentleman from New York is that I would rather have them go 20 knots than 7½ knots.

The SPEAKER. The time of the gentleman from California has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from Massachusetts [Mr. WIGGLESWORTH].

Mr. WIGGLESWORTH. Mr. Speaker, in my judgment the House made a mistake, and a serious one, when it eliminated the construction of all fast cargo ships from the bill now under consideration.

I think the House ought to support the motion which the distinguished gentleman from Texas [Mr. THOMAS] has offered in order to make it possible to start construction of 50 of these ships as soon as possible.

I look at this matter solely from the standpoint of national defense.

We have been told for a long time of our need for fast cargo vessels—vessels which can outrun submarines and take care of themselves. Korea and the general picture in the world today have served to emphasize this need.

These ships, if we are to believe the printed record, meet the requirement of greater speed than the submarine and of being able to proceed and to take care of themselves, without benefit of convoy.

I have known Admiral Cochrane, present head of the new Maritime Board for a number of years as a high-ranking

naval officer—I have confidence in him. He has already been referred to.

I want to quote one sentence from the record of the hearings before the Senate Appropriations Committee in this connection. I think it is important.

Senator HILL asked Admiral Cochrane the following question. I quote:

> Is it the idea that these ships would be so fast that they would outrun a submarine—if they found a submarine there they could outdistance it?

Admiral Cochrane replied, and I quote:

> They will outrun any submarines that we know about today.

Mr. Speaker, the truth of the matter is that Admiral Cochrane asked the Bureau of the Budget for the construction of 50 of these ships. Your Subcommittee on Appropriations after careful consideration recommended to the full committee the construction of 50 of these ships. Your full Committee on Appropriations by record vote recommended to the House the construction of 50 of these ships.

The Senate Committee on Appropriations after hearings on the subject also recommended to the Senate as a whole the construction of 50 of these ships. And the Senate as a whole in approving the measure before us, also gave its approval of the construction of 50 of these ships.

Sixteen ships, Mr. Speaker, are better than no ships but I personally think that 50 ships is a very reasonable request in the light of probable requirements.

We need the ships for national defense. We need the construction of the ships for national defense. In my opinion, we are going to need a lot more than 50 of these ships before long.

It takes from 10 to 14 months to build any one of these ships. Time in terms of national defense is of the essence. We should go along with the gentleman from Texas [Mr. THOMAS] and permit construction of 50 ships to be started at the earliest possible moment.

Mr. CANNON. Mr. Speaker, I yield 3 minutes to the gentleman from California [Mr. SHELLEY].

Mr. SHELLEY. Mr. Speaker, I rise to support the position taken by the gentleman from Texas. I think there are several factors in connection with this issue that the Members of the House who may not come from coast line areas should know. This country, through two World Wars, has found itself without a merchant marine and has found it necessary to depend upon foreign merchant marine shipping to carry ammunition, men and supplies abroad. In haste we then built vessels of a type that could be speedily built, but vessels not of an economical nature to serve in peacetime, and not actually adequate in war, except that we were able to build so many of them because of our productive capacity. Those are the vessels that are laid up in our various ports now. They are not adequate for the problem with which we are confronted. Secondly, we do not have a merchant marine that is modern and up to date. The Maritime Board now proposes to meet both of these problems. If we get into an all-out war, if we get into any expansion of that situation with which we are now confronted as a country, we cannot depend upon liberty ships, an antiquated and obsolete type, powered by triple expansion reciprocating engines with a top speed when new of 10 knots; they were an emergency job. We need fast new prototype cargo and troop-carrying vessels, Diesel or electric turbine powered and capable of maintaining over 20 knots cruising speed for long periods; vessels equipped for a "fast turn-around" and with far more modern cargo-handling gear than the "libertys." The Dutch and the English and other foreign nations are building 20-, 22- and 24-knot vessels. We do not have vessels to compete with them in peacetime, and we cannot always depend upon their vessels to carry our men and our supplies in wartime. We should get into this program immediately, and I think it is just as much a part of our national defense as building tanks, airplanes or arms for the men in the field. The program will take some time to get into. We do not build a ship overnight, but after the first one, two or three vessels are built, then you speed up your program. The shipyards are lying idle throughout this country, and foreign countries are busily engaged in building new, fast ships. The so-called No. 1 enemy of this country and of democracy throughout the world is for the first time in its history recognizing the importance of sea power in world affairs, and Russia is now building battle vessels and fast cargo-carrying vessels, as well as a huge fleet of submarines. Is this country going to be found wanting again for the third time and depend on chartering foreign vessels and using vessels that are laid up because they do not meet the purpose? I think the proposal made by the gentleman from Texas should be kept in the bill and should not be stricken out. It is all too modest to meet the needs. This is a subject and a problem which I have repeatedly urged action upon before this body. My remarks of July 10, 1950, and September 8, 1950, calling attention to the critical need have received wide support from those who really know the situation and the danger. We now have opportunity to take the first step in adequately meeting that danger. I strongly urge adoption of the proposal.

Mr. JENSEN. Mr. Speaker, will the gentleman yield?

Mr. SHELLEY. I yield to the gentleman from Iowa.

Mr. JENSEN. In the gentleman's estimation, would American boys' lives be saved by the building of these additional ships?

Mr. SHELLEY. My answer is, "Yes"; definitely so.

The SPEAKER. The time of the gentleman from California has expired.

Mr. CANNON. Mr. Speaker, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. RABAUT. I just want to ask the gentleman from New York who sat on this committee, if the budget estimate did not call for 16 ships?

Mr. TABER. It did.

Mr. RABAUT. And I want to ask the gentleman if these ships are in any other form than the blueprint stage?

Mr. TABER. That is correct; they are not beyond the blueprint stage.

Mr. RABAUT. This is a trial order for 16 ships in the blueprint stage. They might find a lot of trouble with them when they finally have them built. So, are you going to get into a wholesale construction of these ships when you have never had one of these ships built before?

Mr. TABER. That is one of the things that disturbs me tremendously.

Mr. RABAUT. And they cost $7,000,000 apiece.

Mr. TABER. That is correct.

Mr. RABAUT. You do not know whether they will be the success they predict they will be or not.

Mr. TABER. We do not. If they do what Admiral Cochrane said they would do, go 20 knots, they will not be fast enough to go without convoy against the 26-knot snorkel submarines under water and 30 knots on the surface.

Mr. RABAUT. Another thing is, we are going to have the defense forces before us again before long, at which time, if they want to revise their order and stay within the budget estimates, they can do so.

Mr. TABER. That is correct.

To my mind, the provision for 15 or 16 of these ships is exceedingly liberal, because they are unproved. On top of that, in building them we are following the pattern which got us into trouble in the last war, where we built a couple of thousand of these Liberty ships, that the gentleman from Texas told us a minute or two ago would do only 7½ knots. Now we are going to build another bunch that will not do the job. I want to see us design ships that will do the job, and then I am ready to give them the money.

The gentleman from California told us that other nations were building ships that would do 22 and 24 knots. I want to see our folks design ships that will do at least 26 knots, so that they would be some good to us in this situation we are facing, rather than go ahead with a lot of ships that will do 20 knots which will not serve the purpose we desire to have brought about. That is the position I take.

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Texas.

Mr. THOMAS. Most of us certainly admire the judgment of my distinguished friend from New York, although I am afraid he has gone a little far afield today, but I wonder if the gentleman would want to stop the purchase of some five or six thousand airplanes we are buying now on the theory that they are brand new planes and we do not know whether or not they are going to work.

Mr. TABER. The planes we are ordering on a quantity basis are pretty well tried out.

Mr. THOMAS. Does not the gentleman know that we have been building cargo ships in this country for the last 100 years, and there is no error in these ships? The gentleman knows that.

Mr. TABER. There is plenty of error in those old Liberty ships that will do only 7½ knots.

Mr. RABAUT. That is the point I was going to make. We are talking about error in ships. We have ships galore in mothballs that they claim they cannot use today.

Mr. COLMER. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Mississippi.

Mr. COLMER. The statement was made by the gentleman from Michigan that none of these ships had been tried out, that they would all be new. Does not the gentleman know that there is now one of these ships, a prototype, already under construction.

Mr. TABER. I did not understand that anything was beyond the blueprint stage. That is what I have been told. That is the information that has come to me. Maybe it is wrong.

Mr. COLMER. I have just had some information to the effect that under a contract a prototype ship is now being built along this line. It happens that it is being built in my home town. That is the reason I happen to know something about it.

Mr. TABER. I read the hearings of Admiral Cochrane before both committees, and I did not see anything about it.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Michigan.

Mr. CRAWFORD. Part of the question I desired to ask the gentleman from California [Mr. PHILLIPS] was this: If these new ships to make 20 knots an hour are to be convoyed, how can the speed of such ships be utilized with the slow-moving other ships that must go along with the convoy?

Mr. TABER. They cannot go in a convoy with slower ships. That would not do. The only way they could go in a convoy and have it successful would be to have all the ships of about the same speed.

Mr. CRAWFORD. That is the next point I want to develop. Where are the other ships which are necessary in the make-up of a convoy, or a train, we will call it, with the necessary speed to meet the 26- or 30-mile speed of the submarines?

Mr. TABER. There is nothing in sight that can do that.

Mr. RABAUT. They are to be equipped with helicopters. The helicopters are supposed to be their protection. They are not supposed to go in convoys.

Mr. TABER. They would not be able to go ahead and get anywhere unless they had more speed than 20 knots.

That is absolutely certain. Why we should attempt to build ships that will go 20 knots when other countries are building them at 22 and 24 knots is a little beyond my understanding. If this was for the benefit of our national defense, I would be for it, but I do not see it.

Mr. BATES of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BATES of Massachusetts. I am given to understand that at the present time, or at least in the recent past, the Maritime Commission has authorized the selling of ships capable of doing 18 knots to private enterprise on the Great Lakes. Can the gentleman enlighten the House in that respect?

Mr. TABER. I understand they have been negotiating for them and I supposed that they had sold them some of these Victory ships which some people say will do 14 and 15 and 16 and 17 knots. I do not know. But I understand that that is the story—they are negotiating for them and getting ready to move them.

Mr. BATES of Massachusetts. I wonder if the gentleman would inquire of the proponents of this bill whether or not they have information along that line.

Mr. RABAUT. What does the gentleman want to know?

Mr. TABER. Are they the Victory ships that will go 15, 16, and 18 knots?

Mr. RABAUT. I think they are not the troop-carrying type, but the cargo-carrying ships. I think they have been negotiating for 10 of those ships to be transferred to the Great Lakes for the purpose of carrying ore. You certainly need ore for the war effort.

Mr. BATES of Massachusetts. We certainly need both types of ships.

Mr. TABER. Yes.

Mr. BURNSIDE. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. BURNSIDE. What evidence does the gentleman have that submarines can make 26 knots?

Mr. TABER. Only what the Defense Department tells us—that is all I have. I do not have anything better. I do not know any other way that you can get any better information.

Mr. HUGH D. SCOTT, JR. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. HUGH D. SCOTT, JR. I gather in referring to the fact that there may be submarines that can go faster than 20-knot ships, the gentleman is thinking in terms of a submarine overtaking a ship. Is it not true that a 20-knot ship is better able to get near a safer or a friendly shore or a friendly fleet than a 14-knot ship?

Mr. TABER. Unquestionably. On the other hand, if other nations can build faster ships we ought to get designs out that would enable our ships which we are building do the job which they are supposed to do. We made a terrible mistake in World War II in building too many of these Liberty ships which have turned out to be absolutely helpless in this particular; and we will get into the same boat again unless we are careful as to how we proceed.

Mr. RABAUT. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. RABAUT. I am certain the gentleman does not want to leave the impression that we do not favor any of these ships. We are in favor of 16 of these ships as approved by the budget.

Mr. TABER. That is correct. Frankly I think it is a very liberal figure considering the fact that they are not fast enough on the basis of our knowledge today as to the conditions that they will have to meet at sea.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield.

Mr. DINGELL. There is no guaranty that this type of ship, of which the committee provides for the construction of 16, traveling at the rate of 20 knots an hour cannot be hit by a 44- or 48-knot-per-hour torpedo? Is there any guaranty that because they have a 20-knot speed that they will not be hit by a 44- or 48-knot torpedo?

Mr. TABER. There is no guaranty.

Mr. DINGELL. Of course not. Moreover, do we have any guarantee that these ships can go without a convoy?

Mr. TABER. We do not.

Mr. DINGELL. There is no guaranty, and no one else can give me that guaranty. The convoy is the safest thing. It is indispensable to delivering the goods. Unless you can build a ship that will travel about 36 knots an hour, like a good fast Chris-Craft, you might just as well forget the 20-knot an hour ship and claiming immunity for such a ship from submarine attack with submarines now traveling at the rate of 26 knots an hour which have 44- to 48-knot torpedoes, and even torpedoes that travel at a higher rate of speed. It just cannot be done. It does not make common sense. I can understand this demand from some of our shipbuilding centers, Mr. Speaker, because I think it will mean more business to them, but when you have an order of 16—a trial order—I think that is sufficient.

Mr. TABER. It seems to me that we ought to vote for the motion that has been made by the gentleman from Missouri [Mr. CANNON].

The SPEAKER. The time of the gentleman from New York [Mr. TABER] has again expired.

Mr. CANNON. Mr. Speaker, this is not an unimportant matter. The country is at war. We are confronted by perhaps the most serious situation the country has faced in its history.

One of the bottlenecks is money. We do not have the financial resources we had when we fought the First World War. We are not where we were financially when we fought the Second World War. We have hanging over us a stupendous debt. And nothing has been paid on it. We have been engaged in deficit spending ever since 1941 and are spending twice our income today with the prospect of accelerated disbursements.

And, we are finding it difficult to borrow more money. For 3 months this last summer although we were in a bond-selling campaign, more bonds were cashed than we were able to sell.

Furthermore, everything we buy today costs twice what it cost during the Second World War. The cost of war materials and military armament has advanced enormously. We are in desperate need of money. It is one of the most vital factors in the war.

To meet this appalling situation we must not only levy additional taxes but we must discontinue all spending not absolutely essential and we must spend such funds as we have with the greatest care. It must be put where it counts most. We must not spend more money than is urgently required and certainly we should not spend more money than the military authorities have asked for. They have not asked for this additional money.

My good friend from Texas [Mr. THOMAS] has made some of the most astonishing statements here. In the first place, he said the pending motion is to reduce $350,000,000 for cargo ship construction by $224,000,000.

Mr. Speaker, we do not propose to decrease the bill by one penny. The motion is at the desk and speaks for itself. Then the gentleman from Texas said I directed the clerks to take the item out. No such instructions were given. The item was never in the bill. It was never voted for by more than three Members until after the bill was printed and was never at any time voted unanimously by the subcommittee. The gentleman from Texas further said the Maritime Commission, the White House, the Navy, and the Joint Chiefs of Staff say we need these additional ships. The Maritime Commission, the President, the Navy, nor the Joint Chiefs of Staff have never made any such statement to anybody under any circumstances at any time anywhere. The printed hearings are before us and there is no such intimation. If there is then let us have the book and the page. We talked again to the Bureau of the Budget this morning and they said nothing has developed since the hearings that would warrant any increase in the $126,000,000 asked for the 16 ships.

Now, what is the situation? The Bureau of the Budget sent up a request for 16 ships. They are experiments. They are in the blueprint stage. We do not know what they can do. We can only guess what they might do. As the gentleman from New York [Mr. TABER] said, that seems a very liberal allowance when we do not know what they will do. If we should go wholesale and build 50 ships when steel is hard to get, when all supplies used are strategic materials, and these ships will only travel 20 knots an hour, we will waste a large part of everything we put into them.

We already have cargo ships. We have 2,021 in moth balls at this time. They are serviceable, because during this Korean war we have taken 151 of them out of moth balls, and they are now in service. The only difference between that ship and the ship they propose to build is possibly 5 knots an hour.

As has been said, these new Snorkel submarines will travel 26 knots. How is a 20-knot ship going to run away from a submarine that travels 26 knots?

Mr. THOMAS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Texas.

Mr. THOMAS. Does the gentleman have any competent authority on earth to the effect that there is a submarine in being now that will make 26 knots?

Mr. CANNON. We were told that during the hearings.

Mr. THOMAS. Our own Navy has some snorkel submarines, and no one claims that they will make more than 10 or 12 knots an hour. Admiral Cochrane testified that these 20-knot ships—bear in mind, we do not have one single ship that will make 20 knots an hour—but he testified that these 20-knot ships will outrun any known submarine. If he does not know, who does? He built all of our submarines in World War II and is the outstanding authority in America.

Now, Mr. Speaker, there have been some loose statements made here about these submarines making 26 knots. We certainly do not have one; and, as far as the Navy and our naval architects are concerned, they do not know of one on earth that will do it. Let us be perfectly frank about it. Why build 16? Why build 1 if they are experiments? But these are not experimental ships; they are practical, everyday cargo ships, and we need them and need them badly.

Too little, too late. Let us not have that hurled at us.

Mr. CANNON. The gentleman makes the statement that these are not experimental ships. Not one has been built; they are still in blueprint stage. We do not know what such a ship it will be until we have built one. They want to build 16 ships. That is all they ask. Let us build the 16 ships and see what they will do; then if they are a success we can proceed with others.

Mr. CRAWFORD. Mr. Speaker, will the gentleman yield for a question?

Mr. CANNON. I yield to the gentleman from Michigan.

Mr. CRAWFORD. If any or all of the Members of this distinguished body wish to come to my office I will show a current report on this experimental shipbuilding proposition that will open your eyes on this debate, because they are full of bugs. You have got to rout the bugs out by building a few and trying them out under the pressure of their normal use.

The chairman of the committee is right. This is an experiment. It is a public record. I will show it to you if you will come over to my office.

Mr. CANNON. The gentleman from Michigan makes a statement axiomatic in ship building. In spite of every effort to build 20-knot cargo ships for the last 100 years no ship has ever been launched that would make that speed. What ground is there for believing that we can just go out and build 50 ships offhand that will do what no previous ship has done. Such ships are purely experimental and 16 is enough for a try-out.

Mr. Speaker, what little money we have we must make go as far as possible. And we must follow the best advice we can get in spending it. The gentleman from Texas says he will follow his own judgment in preference to that of the Defense Department and the trained Army and Navy officers who appeared before the committee and recommended the 16 ships. The managers on the part of the House do not have such confidence in their own judgment. We believe in critical times like these, when the very safety of the Nation is at stake, we should be guided by those who have made a life study of means of national defense. This item is a part of a great program, a coordinated program; it is related one part with another. When we propose to increase some favored item in the program it unbalances and dislocates to that extent the remainder of the program. We appeal to the House not to disorganize the program recommended by General Marshall, General Bradley, General Collins, Admiral Sherman, and General Vandenberg. They say this is all the money they need for these ships for the present. They do not recommend that we build more than 16 ships of this type at this time. It is merely a question of whose judgment the House prefers to take when our troops are falling back before an aggressive enemy overseas, with every prospect of more serious contingencies.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Michigan.

Mr. DINGELL. I think the experts are talking now with some sense. It was not so very long ago that the experts were telling us that the battleship was obsolete. If instead of following their advice and sinking a number of them at Bikini we had retained them and had them to use against both coasts of Korea we would be better off.

Mr. CANNON. All that the committee is asking today, Mr. Speaker, is that we follow the program laid down by the Bureau of the Budget, the Joint Chiefs of Staff, and the Department of Defense. I trust the House will agree to the motion of the conference committee.

Mr. Speaker, I move the previous question on the motion.

Mr. THOMPSON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. THOMPSON. In order to vote for the Thomas amendment, as I understand, we must first vote down the Cannon motion.

The SPEAKER. Yes; the Cannon motion must first be voted down.

The question is on ordering the previous question.

The previous question was ordered.

The SPEAKER. The question is on motion of the gentleman from Missouri.

The question was taken; and on a division (demanded by Mr. THOMAS) there were—ayes 94, noes 95.

Mr. CANNON. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and forty-six Members are present, a quorum.

Mr. CANNON. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were refused.

So the motion was rejected.

The SPEAKER. The question is on the motion offered by the gentleman from Texas [Mr. THOMAS].

The question was taken; and the Chair being in doubt, the House divided and there were—yeas 127, noes 82.

Mr. CANNON. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 8: Page 11, strike out all of lines 3 to 11, inclusive.

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 12: Page 12, line 7, insert:

"SALARIES AND EXPENSES

"For an additional amount for 'Salaries and expenses', $3,250,000; and the limitation imposed by section 103 of the Independent Offices Appropriation Act, 1951, on the amount available for travel expenses under this head, is increased from '$260,000' to '$300,000'."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 15: Page 13, line 10, insert: "*Provided*, That both of the limitations under this head in the Supplemental Appropriation Act, 1951, on the amounts available for travel expenses are hereby repealed."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 17: Page 13, line 22, insert: "*Provided*, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provisions of law relating to advertising or competitive bidding.'

Mr. CANNON. Mr. Speaker, I move that the House insist on its disagreement to the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 22: Page 30, line 8, insert:

"CHAPTER VIII

"DISTRICT OF COLUMBIA

"(Out of revenues of the District of Columbia)

"OFFICE OF CIVIL DEFENSE

"For an additional amount, fiscal year 1951, for 'Office of Civil Defense,' $337,500; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service and classification laws."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 22, and concur in the same with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"CHAPTER VIII

"DISTRICT OF COLUMBIA

"(Out of revenues of the District of Columbia)

"OFFICE OF CIVIL DEFENSE

"For an additional amount, for 'Office of Civil Defense,' $250,000; and appropriations granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service laws as related to recruitment."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 23: Page 30, line 17, insert:

"CHAPTER IX

"FOREIGN AID

"Whenever he determines that such action is essential, the President may from time to time utilize, for the effective carrying out of the purposes of the China Area Aid Act of 1950 (title II of Public Law 535, 81st Cong.), not to exceed in the aggregate 5 percent of the funds made available for the fiscal year 1951 for the purposes of the Economic Cooperation Act of 1948 (Public Law 472, 80th Cong.), as amended."

Mr. CANNON. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. CANNON moves that the House recede from its disagreement to the amendment of the Senate No. 23, and concur in the same with an amendment, as follows: In lieu of the words "5 percent" named in said amendment, insert "3 percent."

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. LANE] is recognized for 15 minutes.

STOCKPILING WORSTED FABRIC

Mr. LANE. Mr. Speaker, on June 5, 1950, I introduced H. R. 8707, which would authorize, for a temporary period, the purchase by the Government of worsted fabric in amounts sufficient to maintain normal production and employment in the worsted-fabric industry, to promote the national welfare, and for other purposes.

One of these other purposes was to establish a stockpile of worsted fabric to insure that adequate supplies will be favorable for the common defense in any future emergency.

The Korean war broke out suddenly—several weeks later—while my bill was put to bed by the Committee on Interstate and Foreign Commerce, where it has been dead to the world ever since.

Meanwhile, a summer of hard fighting passed and when the bitter Korean winter hit our troops, there was much criticism that winter clothing was not supplied to them in time.

Now it could not have been that winter came as a surprise, because it is one factor that cannot be adjourned, amended, or otherwise put off. It has a habit of arriving on time.

Back here in the States, there has been a decrease in civilian demand for worsted fabrics. At the same time, with a curious sense of unreality, the procurement agencies of the Department of Defense have been slow in setting forth requirements and placing orders. Not only have they been UN-ready. Even with a war that is 6 months old, and with new men coming into the Armed Forces by the thousands, they hesitate on the first and fundamental necessity of providing them with uniforms.

Who is responsible for this stubborn and criminal neglect?

The finger points to the Munitions Board.

For verification of this charge, I refer you to the third report of the Preparedness Subcommittee of the Committee on Armed Services of the United States Senate, dated November 27, 1950. Many months before this, my efforts in this matter were prompted by concern for the woolen worsted textile industry of New England which furnishes employment to tens of thousands of workers. It occurred to me that the jobs of these people could be protected by Government purchases of the goods they produced, during those periods when civilian demand slackened. We had established the precedent of protecting farm income. We could do no less for industrial workers.

Since then, the merits of this proposal have become national in scope, because the security of this Nation is threatened. The new levies coming into the Armed Forces, whose numbers will swell into the millions, need clothing and equipment to do their job of protecting the free way of life from aggression. And clothing comes first.

Apparently the policy of the Munitions Board is to make haste slowly for the Strategic and Critical Materials Stockpiling Act was passed by the Congress as far back as June 7, 1939, and was amended as of July 23, 1946.

But when one looks for results, early in 1951, and at a critical moment in the history of this Nation, one is stopped by the statement of the Munitions Board that it will not reveal figures concerning the stockpile of wool.

Previously this hush-hush attitude gave rise to suspicions in the Congress that our wool stockpiling program was a "paper program" at best. Early in 1950, the Senate Armed Services Stockpiling Subcommitte decided to investigate the mystery. They were shocked by the lack of performance which they discovered. When the casualty lists from Korea started coming in, and the Nation realized that a police action had turned into a full-scale war, Congress authorized in a supplemental appropriation bill the procurement of 100,000,000 pounds of wool textiles, yarns, and other wool products, for the purpose of creating a war reserve. Even though the Defense

Department subsequently took steps to secure 30,000,000 pounds of wool, and 70,000,000 pounds of wool products for the war reserves, no substantial amounts of either have been acquired.

The Munitions Board is deliberately ignoring the lessons that were learned during World Wars I and II. In both conflicts we were caught without a sufficient supply of wool to meet stepped-up demands. In 1917 and 1918, the shortage was so serious that shoddy was used in the manufacture of military uniforms and blankets.

According to the Preparedness Subcommittee's report—November 27, 1950—there is no wool in the strategic materials stockpile.

The United States produces scarcely more than one-quarter of the wool it consumes in a year. Current production is about 230,000,000 pounds, grease base, as against a consumption of about 800,000,000 pounds annually.

We have been obliged for many years to import wool to meet our ordinary requirements. With the early shortages of World War II still fresh in our minds, and with the press keeping us informed that Russia was actively bidding for the Australian crop since the end of the war, the Munitions Board was given ample notice to stockpile without delay. But it ignored every competent warning. As a result, we will have to pay much, much more for the wool now—if we can get it—than we would have had to pay in 1947, 1948, and 1949, when we still had a substantial supply of home-grown wool in the Department of Agriculture inventory.

The Agriculture Department, at the end of World War II, had 400,000,000 pounds of wool. The supply held by the British Empire came to 1,500,000,000 pounds. This was possible because such large consuming areas as Europe, Japan, China, and other sections of Asia were excluded from the market, due to war conditions.

Beginning in 1947, these reserves were used up rapidly and were exhausted by 1949.

This was no secret to the Munitions Board.

CLINTON P. ANDERSON, former Secretary of Agriculture, and present Senator from New Mexico, urged the Board to secure some of the Department's wool stock for the strategic materials stockpile in a letter dated February 11, 1947.

The Board vaguely replied that the matter was being studied.

On four separate occasions, from May 1947 to April 1950, the Interagency Textiles Committee, which operates as a lesser voice within the Munitions Board set-up, asked that wool or wool products be stockpiled.

On January 13, 1949, the experts on the Industry Advisory Subcommittee on Wool of the Munitions Board recommended the stockpiling of garments as well.

But the "study" went on, while the wool disappeared, and the war clouds gathered.

Even after the Korean war had started, the Board refused to get going.

Maybe the stockpiling funds were less than adequate, but that does not absolve the Munitions Board. The clear fact is that 460,000,000 pounds were offered to the Board, which it refused.

Why?

The answer to this is hidden in the labyrinth of bureaucracy.

If the Board failed to carry out the duties vested in it by the stockpiling law because it was the prisoner of some higher authorities who secretly instructed it to ignore the law, then those responsible must be searched out and discharged from the service of this Government.

The Senate Armed Services Subcommittee has warned that, if rapid mobilization is ordered, it might well result in inadequately clad troops.

The alternative to this is a mobilization insufficient for the security of our Nation should the international situation worsen.

All because of the tragic failure of the Munitions Board, and the failure to take action on H. R. 8707, which I introduced on June 5, 1950.

In the spring of 1950, with the able assistance and support of the Honorable James P. Meehan, mayor of Lawrence, Mass., and of Mr. John A. O'Hearn, chairman of the Greater Lawrence Citizens Committee for Industrial Development, I urged the stockpiling of worsted fabrics to insure that adequate supplies will be available for the common defense in any future emergency.

On December 20, 1950, I brought the seriousness of the wool situation to the attention of Dr. Steelman's office at the White House.

Gentlemen, the American people are looking for purpose and direction from those to whom they entrust leadership. They are disturbed by the fumbling indecision, of which the failure to stockpile wool and to stockpile worsted fabrics is a glaring example.

In the present state of emergency we cannot excuse a continuance of those failures.

It is up to this Congress to initiate a full-fledged program to make sure that we get adequate reserves of critical materials and to supervise those agencies delegated with the responsibility so that our authorizations will be obeyed.

It is time for the Munitions Board, in particular, to wake up to the fact that we are at war.

The SPEAKER. Under previous order of the House, the gentleman from Pennsylvania [Mr. BUCHANAN] is recognized for 15 minutes.

SELECT COMMITTEE ON LOBBYING ACTIVITIES

Mr. BUCHANAN. Mr. Speaker, the House Select Committee on Lobbying Activities, of which I have the honor of being chairman, has completed its assigned task. Our committee was directed to conduct and did conduct an investigation of lobbying activities by private groups, and by Government agencies. As a result of our investigation, we have concluded:

First. The existing safeguards on lobbying by Government agencies are adequate. The General Accounting Office, the House Committee on Expenditures in the Executive Departments, and the Senate Committee on Expenditures in the Executive Departments are performing their assigned duties in an efficient manner, and no change is needed in the Federal law dealing with lobbying by Government agencies.

Second. The passage of the Federal Lobbying Act in 1946 was an important step toward the preservation of our system of representative government, since it provides for the identification of pressure groups which seek to influence Congress.

Third. During the 4 years since the passage of the Lobbying Act, America has been supplied with a wealth of information about pressure groups by the reports filed under the Lobbying Act.

Fourth. More information can and should be obtained about pressure-group operations. We have made specific recommendations to achieve this aim in our final report, as I will note more specifically later.

Fifth. There should not be regulation of attempts to influence legislation, but only identification of pressure groups and the sources of their support.

Sixth. Most of the money spent to influence legislation is spent in advertising and pamphleteering—attempting to influence legislation by use of the printed word to arouse public opinion, and thus influence legislation by indirect means.

Seventh. The Lobbying Act applies to direct lobbying and it applies to indirect lobbying. It covers advertising campaigns which seek to influence legislation, and it covers mass pamphleteering campaigns where thousands of leaflets or booklets are distributed to the public or Congress to affect legislation.

Eighth. The Lobbying Act applies to all attempts to influence legislation which involve substantial amounts of money. Some organizations and individuals, anxious to avoid revealing the identity of their financial backers or the way they spend money to influence legislation, had contended that the Lobbying Act applies only to those whose principal purpose is influencing legislation. Our committee made a careful study of the Lobbying Act, of its legislative history, and what is most important, of the legislative history of the bills from previous Congresses from which the Lobbying Act was drawn.

We have concluded that the principal-purpose section does not limit the coverage of the Lobbying Act.

Our complete legislative recommendations are as follows:

(a) Exemption of radio and television broadcasting from the act, which already excepts newspapers and other periodicals.

(b) Deletion of the word "lobbying" from the title of the act because the word has an evil connotation to many people.

(c) Repeal of the section which prohibits convicted lobbyists from attempting to influence legislation for a 3-year period after conviction.

(d) Simplification of reporting requirements to require less detailed reports of expenditures.

(e) Exemption from the provisions of the act for all persons spending or receiving less than $1,000 a year to influence legislation.

(f) Prohibition of contingent fee lobbying agreements.

We have also included in our report several administrative recommendations:

First. We urge that Congress designate subcommittees at the present time within existing committees to maintain constant surveillance over Lobbying Act compliance.

Second. The Legislative Reference Service should be utilized to provide Congress with more information based on Lobbying Act filings.

Third. The Justice Department should enforce the Lobbying Act as a positive law designed to furnish information, and not as a criminal statute designed to punish.

Fourth. Congress should conduct a special investigation of lobbying to influence action by agencies in the executive branch, a subject which was not within the assigned task of our committee.

Fifth. Congress should give consideration to the desirability of establishing a permanent Joint Committee on the Legislative Process, at some time in the future, to administer the Lobbying Act and the Corrupt Practices Act, since there is a closs relationship between the influencing of legislation and the influencing of elections.

I want to take this opportunity to express my sincere and heartfelt thanks to the members of the committee for their cooperation in the work of the committee. It has been a pleasure to work with my colleagues on the committee, and they have given a great deal of time and thought to these problems. Thanks again.

EXTENSION OF REMARKS

Mr. CANNON asked and was given permission to revise and extend his remarks.

Mrs. BOLTON of Ohio and Mr. JENISON asked and were given permission to revise and extend their remarks.

Mr. WOLVERTON asked and was given permission to extend his remarks.

ENROLLED BILLS SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 9827. An act to provide revenue by imposing a corporate excess-profits tax, and for other purposes; and

H. R. 9832. An act to remove marketing penalties on certain long staple cotton.

BILLS PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on December 26, 1950, present to the President, for his approval, bills of the House of the following titles:

H. R. 4653. An act for the relief of the New York Quinine and Chemical Works, Inc.; Merck & Co., Inc.; and Mallinckrodt Chemical Works;

H. R. 4803. An act for the relief of Bernard F. Elmers;

H. R. 8759. An act for the relief of Rev. Andrew Chai Kyung Whang;

H. R. 8973. An act for the relief of Archibald Walter Campbell Seymour;

H. R. 9145. An act for the relief of Tomoko Yamaya;

H. R. 9236. An act for the relief of H. Halpern & Bro., Inc., of Boston, Mass.;

H. R. 9272. An act to amend the act of October 5, 1949 (Public Law 322, 81st Cong.), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation; and

H. R. 9893. An act to authorize certain construction at military and naval installations, and for other purposes.

ADJOURNMENT

Mr. PRIEST. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 27 minutes p. m.) the House adjourned until tomorrow, Tuesday, January 2, 1951, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1812. A letter from the Acting Director, Office of Territories, Department of the Interior, transmitting a copy of the Journal of the House of Representatives of the Legislature of the Territory of Hawaii, regular session of 1949, pursuant to section 69 of an act of Congress entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900; to the Committee on Public Lands.

1813. A communication from the President of the United States, transmitting a draft of a joint resolution entitled "Joint resolution to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as general, Army of the United States, and for other purposes"; to the Committee on Armed Services.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. WILLIAMS: Committee on Post Office and Civil Service. Report pursuant to House Resolution 114, Eighty-first Congress. Resolution authorizing and directing the Committee on Post Office and Civil Service to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (e) of the Rules of the House of Representatives; without amendment (Rept. No. 2457, pt. IV). Ordered to be printed.

Mr. WILLIAMS: Committee on Post Office and Civil Service. Report pursuant to House Resolution 114, Eighty-first Congress. Resolution authorizing and directing the Committee on Post Office and Civil Service to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (e) of the Rules of the House of Representatives; without amendment (Rept. No. 2457, pt. V). Ordered to be printed.

Mr. WILLIAMS: Committee on Post Office and Civil Service. Report pursuant to House Resolution 114, Eighty-first Congress. Resolution authorizing and directing the Committee on Post Office and Civil Service to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (e) of the Rules of the House of Representatives; without amendment (Rept. No. 2457, pt. VI). Ordered to be printed.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298. Resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3234). Referred to the Committee of the Whole House on the State of the Union.

Mr. DURHAM: Committee of conference. H. R. 9798. A bill to authorize a Federal civil defense program, and for other purposes; with amendment (Rept. No. 3235). Ordered to be printed.

Mr. PATMAN: Select Committee on Small Business. Report pursuant to House Resolution 22. Resolution creating a Select Committee To Conduct a Study and Investigation of the Problems of Small Business; without amendment (Rept. No. 3236). Referred to the Committee of the Whole House on the State of the Union.

Mr. PATMAN: Select Committee on Small Business. Report pursuant to House Resolution 22. Resolution creating a Select Committee To Conduct a Study and Investigation of the Problems of Small Business; without amendment (Rept. No. 3237). Referred to the Committee of the Whole House on the State of the Union.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298, Eighty-first Congress. Resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3238). Referred to the Committee of the Whole House on the State of the Union.

Mr. BUCHANAN: Select Committee on Lobbying Activities. Report pursuant to House Resolution 298, Eighty-first Congress. Resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3239). Referred to the Committee of the Whole House on the State of the Union.

Mr. CANNON: Committee of conference. H. R. 9920. A bill making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; without amendment (Rept. No. 3240). Ordered to be printed.

Mr. BECKWORTH: Committee on Interstate and Foreign Commerce. S. 1281. An act to amend the Federal Airport Act so as to make the United States share of costs for land acquisition the same as for other project costs; without amendment (Rept. No. 3241). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII,

Mr. RANKIN introduced a joint resolution (H. J. Res. 557) authorizing the President to issue posthumously to the late George Smith Patton, Jr., a lieutenant general, Army of the United States, a commission as a five-star general, which was referred to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2415. Mr. HESELTON presented a resolution of Athens Chapter, No. 24, Order of Ahepa, Boston, Mass., favoring means of achieving the union of Cyprus with Greece be placed on the agenda for proper action through the United States Congress, which was referred to the Committee on Foreign Affairs.

SENATE

TUESDAY, JANUARY 2, 1951

(Legislative day of Monday, November 27, 1950)

The Senate met at 11 o'clock a. m., on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father God, as the gateway of an old year has noiselessly closed behind us with its final record of "what we have written, we have written," may its mistakes and failures be left in the merciful shadows of the past. With renewed powers and with renewed souls, returning to the high tasks of this national chamber of deliberation, to Thee we turn with a solemn sense of our own inadequacy. With the dim lamps of our own devising we cannot find a sure and clear path through the tangled maze of this stricken generation.

Be Thou the guardian and guide of the unbeaten way our feet must take. Above all, give us a consuming passion, not for our own way but for Thy holy will. May Thy kingdom come to us and through us. May no cherished resentments, no camouflaged selfishness, no ingrained prejudices choke and clog the channels of our public service. Enlarge our spirits to meet the stupendous dimensions of these epic days. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. LUCAS, and by unanimous consent, the reading of the Journal of the proceedings of Friday, December 29, 1950, was dispensed with.

MESSAGES FROM THE PRESIDENT—APPROVAL OF BILLS

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, and he announced that the President had approved and signed the following acts:

On December 27, 1950:

S. 995. An act for the relief of Irene George Livanos;

S. 1344. An act for the relief of Gerda Moller Uldall and her son, Mikkel Moller;

S. 2420. An act for the relief of Shaoul Minashi Shami, Emily Shami, Joseph Clement Shami, and Charles Henry Shami;

S. 2799. An act for the relief of Johan Wilhelm Adriaans;

S. 2803. An act for the relief of Angela Maria Pisano;

S. 2961. An act for the relief of Magdalena L. Jardeleza, Jr.;

S. 2968. An act for the relief of Chen Hua Huang;

S. 3066. An act for the relief of Dionisio Aguirre Irastorza;

S. 3067. An act for the relief of Andres Aguirre Irastorza;

S. 3263. An act to amend Veterans' Preference Act of 1944 with respect to certain mothers of veterans;

S. 3406. An act for the relief of Lee Yee Yen;

S. 3484. An act for the relief of Barbara Sugihara;

S. 3519. An act authorizing the Secretary of the Interior to issue a patent in fee to James Chester Stevens;

S. 3654. An act to amend section 8 of the Postal Salary Act of July 6, 1945;

S. 3965. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Lamm Lumber Co.;

S. 4072. An act for the relief of Ella Stufka and her son;

S. 4074. An act for the relief of Pamela Bentley; and

S. 4102. An act relating to contracts for the transmission of mail by pneumatic tubes or other mechanical devices.

On December 28, 1950:

S. 2179. An act for the relief of Stephen A. Patkay and his wife, Madeline;

S. 3672. An act to amend section 3 (c) of the Civil Service Retirement Act so as to make the exclusion from such act of temporary employees of the Senate and House of Representatives inapplicable to such employees with one or more years of service;

S. 3910. An act relating to the assignment of surplus clerks in the Postal Transportation Service;

S. 4229. An act to extend to certain persons who served in the military, naval, or air service on or after June 27, 1950, the benefits of Public Law No. 16, Seventy-eighth Congress, as amended;

S. 4240. An act to amend the act incorporating the American Legion so as to redefine eligibility for membership therein; and

S. 4254. An act to redefine eligibility for membership in AMVETS (American Veterans of World War II).

On December 29, 1950:

S. 297. An act for the relief of Ruggiero Di-Costanzo;

S. 3250. An act for the relief of Marne Post No. 28, American Legion, New Martinsville, W. Va.; and

S. 4234. An act to promote the foreign policy and provide for the defense and general welfare of the United States by furnishing emergency relief assistance to Yugoslavia.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, informed the Senate that Hon. WILBUR D. MILLS, a Representative from the State of Arkansas, had been elected Speaker pro tempore during the absence of the Speaker.

The message announced that the House had passed, without amendment, the bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions.

The message also announced that the House had passed the bill (S. 2351) to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes, with amendments, in which it requested the concurrence of the Senate.

The message further announced that the House had agreed to the amendments of the Senate to the bill (H. R. 9794) to amend section 22 (d) (6) of the Internal Revenue Code.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9798) to authorize a Federal civil defense program, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. DURHAM, Mr. KILDAY, Mr. PRICE, Mr. COLE of New York, and Mr. ELSTON were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9798) to authorize a Federal civil defense program, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9827) to provide revenue by imposing a corporate excess profits tax, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. CANNON, Mr. MAHON, Mr. KIRWAN, Mr. TABER, and Mr. WIGGLESWORTH were appointed managers on the part of the House at the conference.

The message further announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to House bill H. R. 9920, making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; that the House had receded from its disagreement to the amendments of the Senate numbered 4, 6, 12, and 15 to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 1, 5, 22, and 23, and concurred therein, each with an amendment, in which it requested the concurrence of the Senate, and that the House insisted upon its disagreement to the amendments of the Senate numbered 8 and 17 to the bill.

The message also announced that the House had passed a joint resolution (H. J. Res. 556) to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as general, Army of the United States, and for other purposes, in which it requested the concurrence of the Senate.

ENROLLED BILLS SIGNED

The message further announced that the Speaker has affixed his signature to the following enrolled bills, and they were signed by the Vice President:

S. 1139. An act for the relief of Mrs. Robert P. Horrell;

S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker;

S. 2888. An act for the relief of Frances Ethel Beddington;

S. 2981. An act for the relief of Giuseppe Merlinet Forgnone;

S. 3044. An act for the relief of Berniece Josephine Lazaga;

S. 3125. An act for the relief of Dr. Lutfu Lahut Usman;

S. 3241. An act for the relief of George Brander Paloheimo and Eva Lenora Paloheimo;

S. 3259. An act for the relief of Ethelyn Isobel Chenalloy;

S. 3260. An act for the relief of Richard H. Bush;

S. 3261. An act for the relief of Willard Sidmer Ruttan;

S. 3378. An act for the relief of Armando Santini;

S. 3554. An act for the relief of Jose Manzano Somera;

S. 3699. An act for the relief of Linda Leo;

S. 3945. An act to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation;

S. 3966. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.; and

S. 3967. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust.

The message also announced that the Speaker pro tempore had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 9827. An act to provide revenue by imposing a corporate excess profits tax, and for other purposes; and

H. R. 9832. An act to remove marketing penalties on certain long-staple cotton.

GEN. WALTON H. WALKER

Mr. JOHNSON of Texas. Mr. President, the Nation has been deeply shocked by the tragic loss of a brave and gallant soldier, Lt. Gen. Walton Walker.

General Walker had served his country with devotion and distinction for more than 40 years. He was a soldier's soldier who was loved by all ranks. As a battlefield leader during World War II he was almost without a peer in his ability to strike with sudden and devastating force. He was George Patton's strong right arm.

His performance as commanding general, Eighth Army, in Korea, has been as brilliant as any in the history of American fighting men. The tragedy of his death occurred at the peak of his career and at a time when our country sorely needs every fighting heart and valiant spirit.

General Walton Walker was from Belton, Tex.

We from Texas take great pride in the achievements of General Walker. He was a true Texan.

The position of Army commander carries with it the rank of general. General Walker was serving in that capacity as commanding general, Eighth Army, with the rank of lieutenant general. His promotion had been recommended, but had not at the time of his death actually been officially processed.

Yesterday the House, by House Joint Resolution 556, unanimously approved authority for the President to issue posthumously to General Walker a commission as general, Army of the United States.

There is a very recent precedent for this action. Last year the Congress, by joint resolution, authorized the President to issue posthumously to the late John Sidney McCain a commission as admiral, United States Navy, to date from September 6, 1945. This joint resolution was adopted by the Congress in recognition of the late Admiral McCain's distinguished service to our country during World War II.

Mr. President, I ask unanimous consent for the immediate consideration of House Joint Resolution 556 so that our action will be taken before the time General Walker is laid to rest today in Arlington Cemetery.

The VICE PRESIDENT. The Secretary will state the joint resolution by title for the information of the Senate.

The LEGISLATIVE CLERK. A joint resolution (H. J. Res. 556) to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as general, Army of the United States, and for other purposes.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

Mr. WHERRY. Mr. President, reserving the right to object—and I shall not object, because I am heartily in favor of the joint resolution—I should like to ask whether the joint resolution has been reported unanimously by the committee?

Mr. JOHNSON of Texas. I will say to the distinguished minority leader that the committee has not had an opportunity to consider the joint resolution. However, I did discuss it with the acting chairman of the committee, the Senator from Georgia [Mr. RUSSELL], the ranking minority member of the committee, the Senator from New Hampshire [Mr. BRIDGES], and the Senator from Oregon [Mr. MORSE].

Mr. WHERRY. I merely wanted the RECORD to show that it is agreeable to the membership of the committee.

The VICE PRESIDENT. Is there objection to the present consideration of the joint resolution?

There being no objection, the joint resolution (H. J. Res. 556) was considered, ordered to a third reading, read the third time, and passed.

The VICE PRESIDENT. The Chair has received a communication from the President of the United States in regard to the joint resolution passed a moment ago with reference to General Walker. Without objection, the letter and accompanying paper will be referred to the Committee on Armed Services, and the letter will be printed in the RECORD. The Chair hears no objection.

The letter is as follows:

DEAR MR. VICE PRESIDENT: I recommend the enactment of legislation which would permit the posthumous appointment of the late Lt. Gen. Walton H. Walker to the grade of general in the Army of the United States. I believe that General Walker's outstanding accomplishments as commanding general of the Eighth United States Army in Korea fully entitles him to this recognition. He proved himself to be a brilliant military commander, and his indomitable courage was an inspiration to all the troops under his command.

Attached is a draft of a joint resolution which would authorize this appointment. I hope that it may receive prompt consideration by the Congress.

Sincerely yours,

HARRY S. TRUMAN.

CREDENTIALS

Mr. JOHNSON of Colorado presented the credentials of EUGENE D. MILLIKIN, duly chosen by the qualified electors of the State of Colorado, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, EUGENE D. MILLIKIN was duly chosen by the qualified electors of the State of Colorado a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, Walter W. Johnson, and our seal hereto affixed at Denver this 27th day of November, in the year of our Lord 1950.

By the Governor:

WALTER W. JOHNSON,
Governor.

[SEAL] GEO. J. BAKER,
Secretary of State.

Mr. KNOWLAND presented the credentials of RICHARD NIXON, duly chosen by the qualified electors of the State of California, a Senator from that State, for the term beginning January 3, 1951, which were read and ordered to be filed, as follows:

EXECUTIVE DEPARTMENT,
STATE OF CALIFORNIA.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 7th day of November 1950, RICHARD NIXON was duly chosen by the qualified electors of the State of California a Senator from said State to represent said State in the Senate of the United States for the term of 6 years, beginning on the 3d day of January 1951.

Witness: His Excellency, our Governor, Earl Warren, and our seal hereto affixed at Sacramento this 22d day of December, in the year of our Lord 1950.

By the Governor:

EARL WARREN,
Governor.

Attest:

[SEAL] FRANK W. JORDAN,
Secretary of State.

ELMER BELLER—VETO MESSAGE (S. DOC. NO. 249)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Senate, which was read, and ordered to lie on the table, as follows:

JANUARY 2, 1951.

To the PRESIDENT OF THE SENATE:

Attached hereto is a sealed envelope from the President of the United States addressed to the President of the Senate of the United States, received by me at 12:48 p. m. on December 29, 1950, which purports to contain a veto message on the bill (S. 1528) for the relief of Elmer Beller.

Very respectfully,

LESLIE L. BIFFLE,
Secretary.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying

bill, referred to the Committee on the Judiciary and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, S. 1528, for the relief of Elmer Beller.

This enrollment proposes to reimburse Mr. Beller for expenditure of his own funds paid to private physicians and hospitals for treatment of injuries received by him during the course of his civilian employment with the Federal Government.

Some time ago Mr. Beller filed a claim with the Bureau of Employees Compensation, Department of Labor, seeking the recovery of these same expenditures. I am informed that the Bureau of Employees Compensation is now in a position administratively to settle Mr. Beller's reimbursement claim under the terms and procedures of the Federal Employees Compensation Act.

Since the enactment of the present bill into law is unnecessary, I feel obliged to withhold my approval from it. As a matter of principle, I believe that it is always more desirbale to bring about recompense for obligations of the United States under the provisions of general law than to resort to the enactment of private legislation.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 29, 1950.*

S. A. HEALY CO.—VETO MESSAGE (S. DOC. NO. 250)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Senate, which was read, and ordered to lie on the table, as follows:

JANUARY 2, 1951.

To the PRESIDENT OF THE SENATE:

Attached hereto is a sealed envelope from the President of the United States addressed to the President of the Senate of the United States, received by me at 12:48 p. m. on December 29, 1950, which purports to contain a veto message on the bill (S. 1816) for the reimbursement of the S. A. Healy Co.

Very respectfully,

LESLIE L. BIFFLE,
Secretary.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, the enrolled bill (S. 1816) for the reimbursement of the S. A. Healy Co.

The bill provides for payment to the S. A. Healy Co. of amounts not to exceed $51,485.99 and $40,837.97, under certain Navy contracts held by it, as reimbursement for and settlement of claims against the United States arising out of increases in the rate of wages payable under the contracts.

It appears that the increases in question resulted from action by the Wage Adjustment Board which granted an application of labor in the San Diego area authorizing the payment of higher wage rates. It was not a mandatory directive to do so. Furthermore, despite the fact that this application was pending at the time claimants' contracts were entered into, the one on August 14 and the other on August 22, 1945, the bids submitted were based on existing wage rates. While it appeared at this time that adjustments of wages and material prices were imminent so far as the immediate future was concerned there were many who believed that postwar conditions might subsequently produce a period of downward readjustment in prices and wages. The work to be done under the contracts was to require several years—it was actually completed in September 1947.

The contracts each provided, as required by the Davis-Bacon Act (49 Stat. 1011), that the contractor should pay laborers and mechanics employed directly upon the site of the work at wage rates not less than those specified therein. There was no prohibition against the payment of higher wage rates: there was no guaranty on the part of the Government that prevailing wage rates might not later be higher than those specified, and there was no agreement on the part of the Government, expressly or impliedly, that in the event of a change in labor conditions, the contract price would be adjusted accordingly.

From these facts it appears that claimant company, with respect to wage and price increases, occupied a position identical with that of thousands of other war contractors who voluntarily assumed a risk in making bids on the basis of existing costs. There were other contractors who, like the Healy Co., lost money, and no reason appears why claimant company should be singled out for preferred treatment in this regard.

The courts have consistently held that only those contractors who paid increased wages as a result of Government compulsion on contracts for the Government can obtain judicial relief and that any voluntary payment of increased cost is not compensable. Furthermore, while the action of the Wage Adjustment Board undoubtedly had considerable indirect effect upon the contractor's operations, nevertheless it was not such as to render inapplicable the general rule of law that the Government as a contractor is not liable for its acts as a sovereign performed by agencies carrying out general programs in the national interest.

Every contract, either private or governmental, represents a risk voluntarily assumed by the contractor for the purpose of profit. That some of these undertakings prove to be unprofitable is unfortunate, but the Government cannot be expected to assume the financial liability therefor. There are no facts in this case which would distinguish claimant's position from that of countless other war contractors who sustained similar losses.

I do not believe that there are any equitable considerations here involved which justify my approval of this bill or which justify the granting of any relief other than that which would be afforded in a claim brought before the Court of Claims under rules applicable to all.

Accordingly, I am withholding my approval of this bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 29, 1950.*

LOUIS E. GABEL—VETO MESSAGE (S. DOC. NO. 251)

The VICE PRESIDENT laid before the Senate a letter from the Secretary of the Senate, which was read and ordered to lie on the table, as follows:

JANUARY 2, 1951.

To the PRESIDENT OF THE SENATE:

Attached hereto is a sealed envelope from the President of the United States addressed to the President of the Senate of the United States, received by me at 12:48 p. m. on December 29, 1950, which purports to contain a veto message on the bill (S. 2702) for the relief of Louis E. Gabel.

Very respectfully,

LESLIE L. BIFFLE,
Secretary.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, and, with the accompanying bill, referred to the Committee on the Judiciary and ordered to be printed:

To the United States Senate:

I return herewith, without my approval, the enrolled bill (S. 2702) for the relief of Louis E. Gabel.

The bill provides for payment of the sum of $38,956.42 to Louis E. Gabel, an individual trading as Gabel Construction Co., of Orlando, Fla., in full satisfaction of his claim against the United States for uncompensated losses and damages sustained by him in the performance of a contract for the construction of a water-softening plant at Florida City, Fla., for the navy yard at Key West, Fla., as a result of a delay in receiving materials and equipment provided for in the contract.

The claimant was the beneficiary of a private relief act (Private Law No. 450, 80th Cong., 2d sess., July 2, 1948), which conferred jurisdiction upon the District Court of the United States for the Southern District of Florida to "hear, determine, and render findings of fact as to the amount of loss and damages, if any, sustained" by him in the performance of this contract, and directed the Secretary of the Treasury to pay to him the amount so ascertained. Claimant brought proceedings under this act seeking to recover $226,251.15 in alleged losses and damages. After a full hearing before the court during which the claimant was given ample opportunity to present his evidence, the court rendered an award in the amount of $26,132.69 as representing the amount of loss or damage suffered by the claimant in the performance of the contract, and this amount was paid to him on September 27, 1949. This judgment was not predicated on any liability of the United States for the losses or damages incurred, but was arrived at solely in accordance with the directive of the private act which limited the court to a

determination of the amount of such loss or damage without regard to its causation.

Thus, the claimant has had his day in court under the terms of a previous private jurisdictional relief act most favorable to him. As previously stated, Private Law No. 450 of the Eightieth Congress directed the court solely to "render findings of fact as to the amount of loss and damages sustained" and consequently precluded the raising of any defense by the United States that it was not responsible for the losses claimant incurred. The favorable treatment thus afforded the claimant was in fact made the subject of comment by the district court in the rendition of its award to him. The court stated:

The private act, conferring jurisdiction on this court for the purpose above stated, is a most unusual act. All other private acts conferring jurisdiction upon the courts for such determination, have been based on a claim for damages resulting from some alleged act of the United States, or agency thereof. In this case, no contention is made that the Government is liable for any damages growing out of the contract the Government had with Gabel.

As stated, these proceedings resulted in an award to the claimant of $26,132.69. The award thus rendered constituted a judicial determination of the amount of losses or damages suffered by the claimant which is entitled to full respect. An additional appropriation such as is proposed by this bill for the purpose of making a further payment to claimant for his alleged losses must be regarded as a simple gratuity and is entirely unwarranted.

Accordingly, I am constrained to withhold my approval from the bill.

HARRY S. TRUMAN.

THE WHITE HOUSE, *December 29, 1950.*

CALL OF THE ROLL

Mr. LUCAS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Hickenlooper	Morse
Anderson	Hill	Mundt
Benton	Hoey	Murray
Brewster	Holland	Neely
Bricker	Humphrey	O'Conor
Bridges	Hunt	O'Mahoney
Butler	Ives	Pastore
Byrd	Jenner	Pepper
Carlson	Johnson, Colo.	Robertson
Chapman	Johnson, Tex.	Russell
Chavez	Johnston, S. C.	Saltonstall
Clements	Kefauver	Schoeppel
Connally	Kem	Smith, Maine
Cordon	Kerr	Smith, N. J.
Donnell	Kilgore	Smith, N. C.
Douglas	Knowland	Sparkman
Dworshak	Langer	Stennis
Eastland	Lehman	Taft
Ecton	Long	Taylor
Ellender	Lucas	Thomas, Utah
Ferguson	McCarran	Thye
Flanders	McClellan	Tobey
Frear	McFarland	Tydings
Fulbright	McKellar	Watkins
George	McMahon	Wherry
Gillette	Magnuson	Wiley
Green	Malone	Williams
Gurney	Martin	Young
Hayden	Maybank	
Hendrickson	Millikin	

Mr. LUCAS. I announce that the Senator from Pennsylvania [Mr. MYERS] and the Senator from Oklahoma [Mr. THOMAS] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. NIXON], the Senator from Massachusetts [Mr. LODGE], and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The VICE PRESIDENT. A quorum is present.

NEW YEAR GREETINGS FROM THE VICE PRESIDENT

The VICE PRESIDENT. Before the Senate begins to transact business the Chair would like to wish all Senators and all employees of the Senate and of Senators, as well as members of the press, a very happy and prosperous new year.

To those who are departing from our membership, whether voluntarily or otherwise, the Chair wishes long life and success in whatever may be their endeavors hereafter.

The Chair also expresses the hope that in this new year, in some way or other, we may justify a greater hope for peace and accord among the nations of the world and the peoples of the world than we have been able to attain during the past year.

Mr. WHERRY. Mr. President, I want the RECORD to show that at least the minority—and I am sure I speak the sentiments of all Members of the Senate—wish the Vice President a happy new year at the beginning of the fine new year of 1951.

The VICE PRESIDENT. The Chair thanks the Senator.

TRANSACTION OF ROUTINE BUSINESS

By unanimous consent, the following routine business was transacted:

CIVIL DEFENSE COMPACT

The VICE PRESIDENT laid before the Senate a communication from the secretary of state of New Hampshire, transmitting a compact with reference to civil defense, which, with the accompanying compact, was referred to the Committee on Armed Services, and ordered to be printed in the RECORD, as follows:

The State of New Hampshire, through its governor, Sherman Adams, duly authorized, solemnly agrees with any other State which is or may become a party to this compact, as follows:

ARTICLE 1

The purpose of this compact is to provide mutual aid among the States in meeting any emergency or disaster from enemy attack or other cause (natural or otherwise) including sabotage and subversive acts and direct attacks by bombs, shellfire, and atomic, radiological, chemical, bacteriological means, and other weapons. The prompt, full and effective utilization of the resources of the respectives States, including such resources as may be available from the United States Government or any other source, is essential to the safety, care and welfare of the people thereof in the event of enemy action or other emergency, and all such resources, including personnel, equipment or supplies, shall be incorporated into a plan or plans of mutual aid to be developed among the civil defense agencies or similar bodies of the States that are parties hereto. The directors of civil defense of all party States shall constitute a committee to formulate plans and take all necessary steps for the implementation of this compact.

ARTICLE 2

It shall be the duty of each party State to formulate civil defense plans and programs for application within such State. There shall be frequent consultation between the representatives of the States and with the United States Government and the free exchange of information and plans, including inventories of any materials and equipment available for civil defense. In carrying out such civil defense plans and programs the party States shall so far as possible provide and follow uniform standards, practices and rules and regulations including:

(a) Insignia, arm bands and any other distinctive articles to designate and distinguish the different civil defense services;

(b) Black-outs and practice black-outs, air-raid drills, mobilization of civil defense forces and other tests and exercises;

(c) Warnings and signals for drills or attacks and the mechanical devices to be used in connection therewith;

(d) The effective screening or extinguishing of all lights and lighting devices and appliances;

(e) Shutting off water mains, gas mains, electric power connections and the suspension of all other utility services;

(f) All materials or equipment used or to be used for civil defense purposes in order to assure that such materials and equipment will be easily and freely interchangeable when used in or by any other party State;

(g) The conduct of civilians and the movement and cessation of movement of pedestrians and vehicular traffic, prior, during and subsequent to drills or attacks;

(h) The safety of public meetings or gatherings; and

(i) Mobile support units.

ARTICLE 3

Any party State requested to render mutual aid shall take such action as is necessary to provide and make available the resources covered by this compact in accordance with the terms hereof; provided that it is understood that the State rendering aid may withhold resources to the extent necessary to provide reasonable protection for such State. Each party State shall extend to the civil defense forces of any other party State, while operating within its State limits under the terms and conditions of this compact, the same powers (except that of arrest unless specifically authorized by the receiving State), duties, rights, privileges, and immunities as if they were performing their duties in the State in which normally employed or rendering services. Civil defense forces will continue under the command and control of their regular leaders but the organizational units will come under the operational control of the civil defense authorities of the State receiving assistance.

ARTICLE 4

Whenever any person holds a license, certificate or other permit issued by any State evidencing the meeting of qualifications for professional, mechanical or other skills, such person may render aid involving such skill in any party State to meet an emergency or disaster and such State shall give due recognition to such license, certificate, or other permit as if issued in the State in which aid is rendered.

ARTICLE 5

No party State or its officers or employees rendering aid in another State pursuant to

this compact shall be liable on account of any act or omission in good faith on the part of such forces while so engaged, or on account of the maintenance or use of any equipment or supplies in connection therewith.

ARTICLE 6

Inasmuch as it is probable that the pattern and detail of the machinery for mutual aid among two or more States may differ from that appropriate among other States party hereto, this instrument contains elements of a broad base common to all States, and nothing herein contained shall preclude any State from entering into supplementary agreements with another State or States. Such supplementary agreements may comprehend, but shall not be limited to, provisions for evacuation and reception of injured and other persons, and the exchange of medical, fire, police, public utility, reconnaisance, welfare, transportation, and communications personnel, equipment, and supplies.

ARTICLE 7

Each party State shall provide for the payment of compensation and death benefits to injured members of the civil defense forces of that State and the representatives of deceased members of such forces in case such members sustain injuries or are killed while rendering aid pursuant to this compact, in the same manner and on the same terms as if the injury or death were sustained within such State.

ARTICLE 8

Any party State rendering aid in another State pursuant to this compact shall be reimbursed by the party State receiving such aid for any loss or damage to, or expense incurred in the operation of, any equipment answering a request for aid, and for the cost incurred in connection with such requests; provided, that any aiding party State may assume in whole or in part such loss, damage, expense, or other cost, or may loan such equipment or donate such services to the receiving party State without charge or costs; and provided further, that any two or more party States may enter into supplementary agreements establishing a different allocation of costs as among those States. The United States Government may relieve the party State receiving aid from any liability and reimburse the party State supplying civil defense forces for the compensation paid to, and the transportation, subsistence, and maintenance expenses of, such forces during the time of the rendition of such aid or assistance outside the State and may also pay fair and reasonable compensation for the use or utilization of the supplies, materials, equipment, or facilities so utilized or consumed.

ARTICLE 9

Plans for the orderly evacuation and reception of the civilian population as the result of an emergency or disaster shall be worked out from time to time between representatives of the party States and the various local civil-defense areas thereof. Such plans shall include the manner of transporting such evacuees, the number of evacuees to be received in different areas, the manner in which food, clothing, housing, and medical care will be provided, the registration of the evacuees, the providing of facilities for the notification of relatives or friends, and the forwarding of such evacuees to other areas or the bringing in of additional materials, supplies, and all other relevant factors. Such plans shall provide that the party State receiving evacuees shall be reimbursed generally for the out-of-pocket expenses incurred in receiving and caring for such evacuees, for expenditures for transportation, food, clothing, medicines and medical care, and like items. Such expenditures shall be reimbursed by the party State of which the evacuees are residents, or by the United States Government under plans approved by it. After the termination of the emergency or disaster the party State of which the evacuees are resident shall assume the responsibility for the ultimate support or repatriation of such evacuees.

ARTICLE 10

This compact shall be available to any State, Territory, or possession of the United States, and the District of Columbia. The term "State" may also include any neighboring foreign country or province or state thereof.

ARTICLE 11

The committee established pursuant to article 1 of this compact may request the Civil Defense Agency of the United States Government to act as an informational and coordinating body under this compact, and representatives of such agency of the United States Government may attend meetings of such committee.

ARTICLE 12

This compact shall become operative immediately upon its ratification by any State as between it and any other State or States so ratifying and shall be subject to approval by Congress unless prior congressional approval has been given. Duly authenticated copies of this compact and of such supplementary agreements as may be entered into shall, at the time of their approval, be deposited with each of the party States and with the Civil Defense Agency and other appropriate agencies of the United States Government.

ARTICLE 13

This compact shall continue in force and remain binding on each party State until the legislature or the governor of such party State takes action to withdraw therefrom. Such action shall not be effective until 30 days after notice thereof has been sent by the governor of the party State desiring to withdraw to the governors of all other party States.

ARTICLE 14

This compact shall be construed to effectuate the purposes stated in article 1 hereof. If any provision of this compact is declared unconstitutional, or the applicability thereof to any person or circumstance is held invalid, the constitutionality of the remainder of this compact and the applicability thereof to other persons and circumstances shall not be affected thereby.

Given at the executive chambers in Concord this 29th day of December in the year of our Lord 1950.

In witness whereof I hereby affix my signature, pursuant to the authority vested in me as Governor of the State of New Hampshire, by section 5, paragraph V, of chapter 304 of the New Hampshire Session Laws of 1949.

SHERMAN ADAMS,
Governor.

Attest:

ENOCH D. FULLER,
Secretary of State.

ALLOCATION OF DAIRY MACHINERY—RESOLUTION OF WISCONSIN ASSOCIATION OF ICE CREAM MANUFACTURERS

Mr. WILEY. Mr. President, I have received a very important resolution adopted by the Wisconsin Ice Cream Manufacturers Association at its thirty-sixth annual convention, pertaining to dairy machinery.

I believe that unfortunately it is not generally appreciated how absolutely essential it is that a continued flow of milk and related machinery be assured for the dairy industry, if it is to be adequate to its tremendous production requirements for the defense and health effort. I thoroughly endorse the sentiments expressed by the ice cream manufacturers' resolution on this score, and promise complete cooperation toward proper allocation of machinery. I ask unanimous consent that the text of this resolution as forwarded by Paul Carver, secretary of the association, be printed in the RECORD and appropriately referred.

There being no objection, the resolution was referred to the Committee on Interstate and Foreign Commerce, and ordered to be printed in the RECORD, as follows:

To Our Representatives, Senators, and All Federal Agencies in Charge of Allocation of Vital Materials:

Whereas the membership of the Wisconsin Ice Cream Manufacturers Association, during its thirty-sixth annual convention, has given due and serious consideration to its responsibility of supplying the public uninterruptedly with one of the basic seven foods during any possible emergency; and

Whereas such uninterrupted supply of such dairy food is in the greatest interest of public health and safety; and

Whereas the manufacturing and distribution of such food is, and always will be, dependent on an uninterrupted flow of necessary machinery and media of transportation: Be it therefore

Resolved, That the membership of this industry, assembled at this convention respectfully requests the House of Representatives, the United States Senate, and all other Federal agencies, having jurisdiction over such allocations, that the needs of this industry be given full consideration in the interest of such public health and safety; and be it further

Resolved, That the International Association of Ice Cream Manufacturers, its officers and directors are hereby requested to work and cooperate with all Federal agencies toward a comprehensive study of this vital question in the interest of public welfare and this industry, and that a copy of this resolution be sent to every Wisconsin Member of the House of Representatives and Members of the United States Senate.

WISCONSIN ICE CREAM MANUFACTURERS ASSOCIATION,
P. C. CARVER, *Secretary.*
WM. ERNST,
WALTER HERSCHLEB,
C. E. LEMKE,
ROSALIE SMITH,
Resolution Committee.

IMPORTATION OF FURS FROM RUSSIA—RESOLUTION OF EXECUTIVE COUNCIL, WISCONSIN CONSERVATION CONGRESS

Mr. WILEY. Mr. President, at the December 19 meeting of the executive council of the Wisconsin Conservation Congress, there was adopted an important resolution affecting every fur farmer in Wisconsin and the Nation; but more important, affecting our entire relations with the Soviet Union. This resolution pertained to the continued dumping of Russian and satellite furs into the United States and Canada. I have previously commented on this issue on the floor of the Senate, pointing out the terrific damage that has been done to American fur farmers.

In recent months, many longshoremen have protested against being required to unload these furs—furs which

involve payments of money to Russia and to her satellites, at the very time Russian funds and Russian guns are being used to kill American soldiers.

I present for appropriate reference and ask unanimous consent, therefore, that there be printed in the RECORD the resolution received from Richard Hemp, chairman of the executive council of the Wisconsin Conservation Congress. The council consists of three committeemen from each county, who are elected to represent the people of their area on conservation affairs.

There being no objection, the resolution was referred to the Committee on Finance, and ordered to be printed in the RECORD, as follows:

RESOLUTION OPPOSING IMPORTATION OF FURS FROM RUSSIA AND ITS SATELLITES INTO UNITED STATES AND CANADA

Whereas the fur markets of the United States are constantly being demoralized by large importations of furs from Communist Russia and its satellites; and

Whereas the Russian Government in past years has sold millions of dollars' worth of fur in the United States, which fact has contributed materially to the low ebb in the market on furs produced in this country and at the same time provided American dollars which may be used to increase the military strength of Soviet Russia and her satellites: Now, therefore, be it

Resolved by the executive council of the Wisconsin Conservation Congress assembled in session at Stevens Point, Wis., this 9th day of December 1950, That this deplorable situation be called to the attention of the President of the United States, as well as the United States Senators and Members of Congress from the State of Wisconsin that this intolerable position be corrected at the earliest possible date.

PROCEEDINGS AGAINST HENRY W. GRUNEWALD FOR CONTEMPT OF SENATE—REPORT OF A COMMITTEE (S. REPT. NO. 2701)

Mr. NEELY, from the Committee on the District of Columbia, submitted a report relating to proceedings against Henry W. Grunewald for refusal to answer certain pertinent questions pertaining to wire tapping in the District of Columbia, which was ordered to be printed.

WIRE TAPPING IN THE DISTRICT OF COLUMBIA—REPORT OF A COMMITTEE (S. REPT NO. 2700)

Mr. PEPPER, from the Committee on the District of Columbia, submitted a report relating to wire tapping in the District of Columbia, which was ordered to be printed.

REPORTS OF PERSONNEL AND FUNDS BY COMMITTEE ON ARMED SERVICES

Pursuant to Senate Resolution 123, Eightieth Congress, first session, the following reports were received by the Secretary of the Senate:

DECEMBER 30, 1950.

REPORT OF COMMITTEE ON ARMED SERVICES

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eightieth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1950, to December 30, 1950, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
J. Nelson Tribby, chief clerk	$10,846.00	$5,423.00
Justice M. Chambers, staff adviser	10,846.00	5,423.00
Mark H. Galusha, staff adviser	10,846.00	5,423.00
Verne D. Mudge, staff adviser	10,846.00	5,423.00
Herbert S. Atkinson, assistant chief clerk	7,109.06	3,554.53
Georgia P. Earle, clerical assistant	4,154.38	2,077.19
Irene P. Gray, clerical assistant	4,154.38	2,077.19
Roberta R. Van Beek,[1] clerical assistant	4,154.38	807.98
Maurine E. Klingaman,[2] clerical assistant	3,806.78	951.69

[1] July 1 through Sept. 9, 1950.
[2] Oct. 1 through Dec. 30, 1950.

Funds authorized or appropriated for committee expenditure, 81st Cong	$10,000.00
Funds authorized by S. Res. 149, Aug. 11, 1941	10,000.00
Total	20,000.00
Amount expended Jan. 1, 1949, to June 30, 1950	15,876.96
	4,123.04
Amount expended July 1 to Dec. 30, 1950	2,632.92
Balance unexpended Dec. 30, 1950	1,490.12

M. E. TYDINGS,
Chairman.

DECEMBER 30, 1950.

REPORT OF COMMITTEE ON ARMED SERVICES

PREPAREDNESS SUBCOMMITTEE—PURSUANT TO SENATE RESOLUTION 93, EIGHTIETH CONGRESS

To the SECRETARY OF THE SENATE:

The above-mentioned committee, pursuant to Senate Resolution 123, Eightieth Congress, first session, submits the following report showing the name, profession, and total salary of each person employed by it and its subcommittees for the period from July 1, 1950, to December 30, 1950, together with the funds available to and expended by it and its subcommittees:

Name and profession	Rate of gross annual salary	Total salary received
Lyon L. Tyler, Jr., assistant chief counsel, from Sept. 18, 1950	$7,526.46	$2,171.10
Horace W. Busby, Jr., principal clerk, from Sept. 18, 1950	7,526.46	2,171.10
Richard O. Ridgeway, Jr., investigator, from Sept. 21, 1950	6,500.74	1,625.13
Arthur D. Horner, investigator, from Oct. 2, 1950	6,500.74	1,625.13
Robert B. Sheldon, investigator, from Oct. 2, 1950	6,500.74	1,625.13
Dorothy J. Nichols, assistant administrative clerk, from Sept. 11, 1950	4,675.00	1,438.72
Wallace L. Engle, stenographer, from Aug. 28, 1950	3,806.78	1,243.57
Helen S. Karpowicz, stenographer, from Aug. 28, 1950	3,806.78	1,243.57
Maurine E. Klingaman, stenographer, from Sept. 11 to Sept. 30, 1950	3,806.78	208.60
Willie Day Taylor, stenographer, from Dec. 21, 1950	3,632.97	109.45

Funds authorized or appropriated for subcommittee expenditure by S. Res. 93	$25,000.00
Amount expended	17,847.05
Balance unexpended	7,152.95

M. E. TYDINGS,
Chairman.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, January 2, 1951, he presented to the President of the United States the following enrolled bills:

S. 1139. An act for the relief of Mrs. Robert P. Horrell;

S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker;

S. 2888. An act for the relief of Frances Ethel Beddington;

S. 2981. An act for the relief of Giuseppe Merlinet Forgnone;

S. 3044. An act for the relief of Berniece Josephine Lazaga;

S. 3125. An act for the relief of Dr. Lutfu Lahut Usman;

S. 3241. An act for the relief of George Brander Paloheimo and Eva Lenora Paloheimo;

S. 3259. An act for the relief of Ethelyn Isobel Chenalloy;

S. 3260. An act for the relief of Richard H. Eush;

S. 3261. An act for the relief of Willard Sidmer Ruttan;

S. 3295. An act to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions;

S. 3378. An act for the relief of Armando Santini;

S. 3554. An act for the relief of Jose Manzano Somera;

S. 3699. An act for the relief of Linda Leo;

S. 3945. An act to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation;

S. 3966. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.; and

S. 3967. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co. and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust.

EXECUTIVE MESSAGES REFERRED

As in executive session,

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting several nominations, which were referred to the Committee on the Judiciary.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF A COMMITTEE

As in executive session,

The following favorable reports of nominations were submitted:

By Mr McCARRAN, from the Committee on the Judiciary:

Alfred E. Modarelli, of New Jersey, to be United States district judge for the district of New Jersey;

John Patrick Hartigan, of Rhode Island, to be United States circuit judge, first circuit, vice John C. Mahoney, retired;

Edward L. Leahy, of Rhode Island, to be United States district judge for the district of Rhode Island, vice John Patrick Hartigan, elevated;

Everett M. Grantham of New Mexico to be United States attorney for the district of New Mexico; and

Martin Lopez, of New Mexico, to be United States marshal for the district of New Mexico, vice Felipe Sanchez y Baca, retired.

CULTURAL CONVENTION WITH BRAZIL—REMOVAL OF INJUNCTION OF SECRECY

The VICE PRESIDENT. As in executive session the Chair lays before the

Senate Executive X, Eighty-first Congress, second session, a cultural convention between the United States of America and the United States of Brazil, signed at Washington on October 17, 1950. Without objection, as in executive session, the injunction of secrecy will be removed from the convention, and the convention, together with the President's message of transmittal, will be referred to the Committee on Foreign Relations, and the President's message will be printed in the RECORD. The Chair understands the Senator from Texas is agreeable that the injunction of secrecy be removed.

The President's message is as follows:

To the Senate of the United States:

With a view to receiving the advice and consent of the Senate to ratification, I transmit herewith the cultural convention between the United States of America and the United States of Brazil, signed at Washington on October 17, 1950.

I transmit, also, for the information of the Senate, the report by the Secretary of State with respect to the convention.

HARRY S. TRUMAN.

JANUARY 2, 1951.

(Enclosures: (1) Report by the Secretary of State; (2) cultural convention with Brazil, signed October 17, 1950.)

MESSAGE FROM THE HOUSE—ENROLLED BILL AND JOINT RESOLUTION SIGNED

A message from the House of Representatives, by Mr. Snader, its assistant reading clerk, announced that the Speaker had affixed his signature to the following enrolled bill and joint resolution, and they were signed by the Vice President:

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code; and

H. J. Res. 556. Joint resolution to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as General, Army of the United States, and for other purposes.

ADDRESS BY SENATOR PEPPER BEFORE THE KOJUNSHA CLUB, TOKYO

[Mr. MURRAY asked and obtained leave to have printed in the RECORD an address delivered by Senator PEPPER before the Kojunsha Club, Tokyo, on November 16, 1950, which appears in the Appendix.]

PENETRATION PROGRAM AGAINST COMMUNISM—STATEMENT BY SENATOR WILEY

[Mr. WILEY asked and obtained leave to have printed in the RECORD a statement prepared by him urging a worldwide penetration program against communism, together with certain telegrams and letters received by him on the same subject, and an article from the Reader's Digest, which appear in the Appendix.]

ADDRESS BY HENRY FORD II TO NATIONAL FARM BUREAU FEDERATION

[Mr. KERR asked and obtained leave to have printed in the RECORD an address delivered by Henry Ford II, president of the Ford Motor Co., at the annual convention of the National Farm Bureau Federation, at Dallas, Tex., on December 13, 1950, which appears in the Appendix.]

SHERIDAN DOWNEY, STATESMAN—LETTER FROM ALFONSO MIRABEL

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD a tribute to Senator Downey, written by Alfonso Mirabel, which appears in the Appendix.]

FAT UN EMPLOYEE PAY FOR DOLING OUT RELIEF AROUSES ARABS' WRATH—ARTICLE BY DOROTHY THOMPSON

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Fat UN Employee Pay for Doling Out Relief Arouses Arabs' Wrath," written by Miss Dorothy Thompson, and published in the Washington Star of December 30, 1950, which appears in the Appendix.]

A COMPARISON OF AMERICAN AND SOVIET DEMOCRACY—ARTICLE BY ROBERT G. SIMMONS

[Mr. BUTLER asked and obtained leave to have printed in the RECORD an article entitled "Do We Want What They Have?—A Comparison of American and Soviet Democracy," written by Robert G. Simmons, Chief Justice of the Supreme Court of Nebraska, and published in the November 1950 issue of the American Bar Association Journal, which appears in the Appendix.]

POWER IS OUR BEST FRIEND NOW—EDITORIAL FROM THE FARM JOURNAL

[Mr. THYE asked and obtained leave to have printed in the RECORD an editorial entitled "Power Is Our Best Friend Now," published in a recent edition of the Farm Journal, which appears in the Appendix.]

OUR NATIONAL LEADERS SHOULD AVOID ARROGANCE, BELLIGERENCY, AND A SENSE OF INFALLIBILITY—OPEN LETTER TO THE PRESIDENT

[Mr. KEM asked and obtained leave to have printed in the RECORD an open letter addressed to President Truman, and read by Rev. T. T. Swearingen, pastor of the Oak Park Christian Church, Kansas City, Mo., to his congregation on December 24, which appears in the Appendix.]

REPUBLICAN DEMANDS FOR GREATER SHARE IN SHAPING FOREIGN POLICY

[Mr. KEM asked and obtained leave to have printed in the RECORD an editorial from the Springfield (Mo.) Bias of December 13, 1950, relating to Republican demands for a greater share in shaping foreign policy, which appears in the Appendix.]

GOVERNOR DEWEY'S SENATE INFORMATION SECOND-HAND — RELEASE BY SENATOR MALONE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release entitled "Governor Dewey's Senate Information Second-hand," which appears in the Appendix.]

UNDER COVER OF WAR NEWS STATE DEPARTMENT SELLING OUT AMERICAN ECONOMY AT TORQUAY CONFERENCE—RELEASE BY SENATOR MALONE'S OFFICE

[Mr. MALONE asked and obtained leave to have printed in the RECORD a release by his office on December 27, 1950, entitled "Under Cover of War News State Department Selling Out American Economy at Torquay Conference," which appears in the Appendix.]

MALONE ASSAILS ATTLEE FOR ROLE IN PARLEY HERE — EDITORIAL FROM WASHINGTON TIMES-HERALD

[Mr. MALONE asked and obtained leave to have printed in the RECORD an editorial entitled "MALONE Assails Attlee for Role in Parley Here," published in the Washington Times-Herald of December 6, 1950, which appears in the Appendix.]

BACKS HEARST ON UN "BETRAYAL" OF UNITED STATES—ARTICLE FROM NEW YORK JOURNAL-AMERICAN

[Mr. MALONE asked and obtained leave to have printed in the RECORD an article entitled "Backs Hearst on UN 'Betrayal' of United States," published in the New York Journal-American, December 26, 1950, which appears in the Appendix.]

MALONE HITS TARIFF POLICY—ARTICLE FROM NEW YORK JOURNAL-AMERICAN

[Mr. MALONE asked and obtained leave to have printed in the RECORD an article entitled "MALONE Hits Tariff Policy," published in the New York Journal-American, December 27, 1950, which appears in the Appendix.]

MALONE WARNS AGAINST THE GRAY REPORT—EDITORIAL FROM MINERAL COUNTY (NEV.) INDEPENDENT-NEWS

[Mr. MALONE asked and obtained leave to have printed in the RECORD an editorial entitled "MALONE Warns Against the Gray Report," published in the Mineral County (Nev.) Independent-News of December 13, 1950, which appears in the Appendix.]

ACTIVITIES AND ACCOMPLISHMENTS OF THE SENATE COMMITTEE ON BANKING AND CURRENCY

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that there be printed in the body of the RECORD a statement prepared by the chairman of the Senate Committee on Banking and Currency, the senior Senator from South Carolina [Mr. MAYBANK] giving a summary of the activities and accomplishments of the committee during the Eighty-first Congress.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SUMMARY OF ACTIVITIES AND ACCOMPLISHMENTS OF THE SENATE BANKING AND CURRENCY COMMITTEE DURING THE EIGHTY-FIRST CONGRESS

As chairman of the Senate Banking and Currency Committee, I would like to submit for the RECORD a rather brief summary of the activities and accomplishments of your committee during this Congress. It is a record to which every member of the committee contributed heavily and one of which each can be deservingly proud. I wish to express my deep appreciation to every member of the committee for his loyalty, help, cooperation, and friendship throughout this Congress during which I was privileged to serve as chairman. We were confronted with difficult, complex, and controversial legislative proposals and it was only because of the real teamwork that existed that we were able to do our job as successfully as we have.

Under the Legislative Reorganization Act the Banking and Currency Committee is charged with the responsibility of considering and acting on all matters relating to the following subjects:

1. Banking and currency generally.
2. Financial aid to commerce and industry, other than matters relating to such aid which are specifically assigned to other committees under this rule.
3. Deposit insurance.
4. Public and private housing.
5. Federal Reserve System.
6. Gold and silver, including the coinage thereof.

7. Issuance of notes and redemption thereof.

8. Valuation and revaluation of the dollar.

9. Control of prices of commodities, rents, or services.

Broadly speaking your committee during 1949 and 1950 concentrated its efforts on legislation aimed at developing and maintaining a high level of peacetime economic activity. Certain wartime controls had to be continued temporarily, but were revised to encourage and hasten the return to normal conditions, others were allowed to lapse or were terminated. Housing, the shortage of which had become so acute previous to and during the war period, was a field of major legislative concern. The banking and credit machinery of the country was made to operate on a more efficient basis. The problem of small business was investigated and legislative and other means were devised and developed for its fuller participation in the economy of the country. As the Eighty-first Congress drew to a close we were once again confronted by a need for wartime controls on production, prices and credit and for devising methods of encouraging and inducing production for defense.

The major problems and the legislation considered by your committee were for the most part highly technical and complex and much of it was highly controversial, and of tremendous public interest and concern. In all, your committee had before it for consideration during the two sessions 168 bills and resolutions and 28 confirmations. Your committee held 145 sessions of hearings and 87 executive sessions. Fifty-one reports on bills and resolutions were presented to the Senate and seven special reports were issued. Thirty-six bills acted upon by the committee became public law.

HOUSING LEGISLATION

In 1950 over 1,200,000 housing units were started—some 500,000 more than the immediate prewar peak in 1941 of 706,000 units. Your committee deserves a share of the credit for this remarkable record, for to a large extent this phenomenal achievement can be directly attributable to the many and varied programs of Federal financial aid and assistance. In the main the Federal program operated through the traditional channel of private enterprise; to a very small but necessary extent through local public bodies. The aim of all the legislation was to provide an opportunity for a decent home for every citizen.

The Housing Act of 1949 (Public Law 171, approved July 15, 1949)

The Housing Act of 1949 provided the first over-all approach to the whole problem of housing. Your committee enacted proposals which had been under consideration by the Congress since 1945, and established for the first time national housing objectives and the policies to be followed in attaining them. The declaration of national housing policy states that the general welfare and security of the Nation require the realization as soon as feasible of the goal of a decent home and a suitable living environment for every American family. The act provides that private housing enterprise shall be encouraged to serve as large a part of the total need as it can; that local public bodies shall be encouraged to undertake positive programs to assist the development of well-planned residential neighborhoods, the development and redevelopment of communities, and the production at lower costs of housing of sound standards of design, construction, livability, and size for adequate family life; and that governmental assistance shall be given where the need is not being met through reliance solely upon private enterprise.

Title I of the act authorizes the Housing and Home Finance Administrator to make loans and grants to localities to assist locally initiated, locally planned, and locally managed slum clearance and urban redevelopment undertakings. The act authorizes $1,000,000,000 in loans and $500,000,000 in grants over a 5-year period. As a condition to Federal aid there must be a feasible method for the temporary relocation of families displaced from the slum clearance area and the permanent provision of decent, safe, and sanitary dwellings at prices and rents within the financial means of such families. (First preference to such displaced families of low income is required in low-rent public housing projects provided under title III of the act.)

Title III of the act amends the United States Housing Act of 1937 by authorizing Federal contributions and loans for local programs involving not to exceed 810,000 additional units of low-rent public housing over a 6-year period. (NOTE.—The President's letter of July 18, 1950, requested the Housing and Home Finance Administrator, as a measure to lessen inflationary tendencies and to conserve materials for national defense purposes, to limit the commencement of construction of public housing to not more than 30,000 dwelling units in the first 6 months of fiscal year 1951, pending a reexamination of the public housing program in terms of the international situation.)

The 1937 act was amended to strengthen the statutory safeguards to assure occupancy of the projects by low-income families in need of adequate housing. Eligible families displaced by slum-clearance projects aided under title I of the Housing Act of 1949 are given first preference for admission to low-rent housing, with preferences among such families to veterans and families of deceased veterans and servicemen. As among families who have not been displaced by slum clearance, preference shall be extended to veterans and servicemen, and among such, families of veterans with service-connected disabilities have first preference and families of deceased veterans and servicemen whose death was service-connected have second preference.

The act fixes the limitation on the cost of construction and equipment of dwelling facilities at $1,750 per room. An increase in the cost limitation of not more than $750 per room is authorized in areas where it would not be feasible without such increase to construct sound housing. In no event may a project be of elaborate or extravagant design or materials.

The housing-research program authorized by the Housing Act of 1948 was enlarged. The Housing and Home Finance Administrator is authorized by title IV of the Housing Act of 1949 to undertake and conduct technical research and studies which will promote reduction in housing construction and maintenance costs and stimulate the increased production of housing. The Administrator shall also prepare estimates of national housing needs and encourage and assist localities to make studies of their own housing needs and markets and plans for housing and community development.

Title II of the act provided for temporary extensions (through August 31, 1949) of FHA's title I and section 608 insurance operations; also for a $500,000,000 increase in FHA's title II mortgage insurance authorization. The extensions under title I relate to small loans for home alteration and improvement and new construction and under section 608 to rental housing. The title II mortgage insurance applies to owner occupied, small- and large-scale rental and sales housing, and cooperative housing.

Title V provided a new program in the Department of Agriculture of technical services, loans and grants, and an expanded farm housing research program for the improvement of farm housing and other farm buildings.

The act directed the Director of the Census to take a census of housing in 1950 and decennially thereafter.

INTERIM HOUSING AMENDMENTS—1949

Public Law 278, approved August 30, 1949, extended FHA title I authority to insure loans for home modernization and improvement until November 1, 1949, extended FHA section 608 rental housing mortgage insurance until November 1, 1949, and increased the title II FHA mortgage insurance authorization to $6,000,000,000.

Public Law 387, approved October 25, 1949, was enacted as interim legislation pending continued consideration by the second session of the Eighty-first Congress in 1950 of other phases of the housing problem which had not been covered by the Housing Act of 1949, notably the need for developing means of providing additional housing for middle- and lower-middle-income families, and revisions in the Federal Government's secondary market facilities for GI and FHA loans. It also extended FHA mortgage insurance authorizations as follows: Title I from November 1, 1949, to March 1, 1950, and from $200,000,000 to $225,000,000. Title II from $6,000,000,000 to $6,750,000,000. Section 608 from October 31, 1949, through March 1, 1950, and from $6,150,000,000 to $6,650,000,000. In addition, it exempted certain GI home loans from restrictions on the number of such loans which might be sold to the Federal National Mortgage Association by lenders.

HOUSING ACT OF 1950 (PUBLIC LAW 475, APPROVED APRIL 20, 1950)

The Housing Act of 1950 added a new section 8 to the national housing act providing a new FHA mortgage insurance program for low-cost homes in suburban and outlying areas. This program replaces the former class 3 FHA loans. The section 8 authorization is limited to $250,000,000.

The FHA title I authorization to insure lenders against losses on home modernization and repair loans was extended to July 1, 1955. A new formula was provided which limits the total amount of such outstanding insured loans to $1,250,000,000. This amounts to an increase in authorization of approximately $5,000,000.

The FHA title II home-mortgage-insurance authorization was increased by $2,250,000,000 to a total authorization of not more than $9,000,000,000, and the program was revised to stimulate more lower-cost homes of a size adequate for family life.

The section 207 FHA rental-housing-mortgage-insurance program was amended to continue the stimulation of rental-housing construction formerly provided by the temporary section 608 rental-housing program. Provisions were added to section 207 requiring certification by the mortgagor that there will be no discrimination in the selection of tenants by reason of the fact that there are children in the families.

New provisions were added to the National Housing Act liberalizing the FHA program of mortgage insurance for projects of housing cooperatives. The act required the appointment of a new Assistant Commissioner of FHA to administer cooperative housing mortgage insurance and to furnish technical advice and assistance to such housing.

An increase of $500,000,000 in the mortgage-insurance authority under section 608 of the National Housing Act was provided in order that applications for section 608 mortgage insurance on rental housing received in the FHA field offices on or before March 1, 1950, might be processed. (Section 608 authority was a temporary emergency program and no more applications can be processed under that section.)

Section 610 of the National Housing Act was amended to make mortgage insurance in connection with the sale of war housing by the Government or any public-housing agency applicable also to the sale of war housing constructed under Public Law 671, Seventy-sixth Congress.

The FHA mortgage-insurance authorization was liberalized covering insurance of loans to finance the manufacture of houses and to finance large-scale modernized site construction of housing.

The Servicemen's Readjustment Act of 1944 was amended by raising the maximum maturity of GI loans from 25 to 30 years; by raising the maximum home loan guaranty from $4,000 or 50 percent of the loan to $7,500 or 60 percent of the loan; to require all homes financed by GI home loans to meet construction requirements prescribed by the Veterans' Administration; to abolish combination VA-FHA loans effective December 31, 1950; and to provide for stand-by direct home loans to veterans unable to obtain loans under the terms of the act from private sources. (Note: Down payments and maximum maturities have been changed under new anti-inflation controls.)

The Housing Act of 1950 provided for the disposition of all war and veterans' housing under the jurisdiction of the Housing and Home Finance Agency and for the transfer of the farm labor camps under the jurisdiction of the Secretary of Agriculture to the Public Housing Administration for management and disposal. (Program being reexamined due to international situation.)

The Housing and Home Finance Administrator was authorized to make loans to educational institutions of higher learning for the construction of housing for their students and faculties. To provide funds for the loans the Administrator was authorized to issue and have outstanding at any one time obligations for purchase by the Treasury in an amount not to exceed $300,000,000. (Program temporarily suspended due to international situation.)

An additional authorization of $250,000,000 was provided to the Federal National Mortgage Association for the purchase of home mortgages. The new section 8 FHA home mortgages were made eligible for purchase by the Federal National Mortgage Association. GI farm home mortgages were added to the home mortgages exempted from the 50 percent limitation on the amount of eligible mortgages in a lender's portfolio which may be sold to the Association.

MILITARY HOUSING ASSISTED BY FHA MORTGAGE INSURANCE

Public Law 211, approved August 8, 1949, added a new title VIII to the National Housing Act providing additional incentives through FHA mortgage insurance to rental housing for military and civilian personnel in areas adjacent to military installations. The act also permitted the armed forces to lease portions of military reservations and to furnish utilities on a long-term basis for such housing.

Public Law 498, approved May 2, 1950, amended title VIII to permit the military services to employ architects to draft plans for military housing projects. Upon the basis of these plans and specifications prospective sponsors of projects bid competitively for the privilege of supplying the housing so that the necessity of each prospective sponsor preparing separate plans and specifications is eliminated, thus expediting and encouraging the provision of military housing by private enterprise.

ALASKA HOUSING ACT

Public Law 52, the Alaska Housing Act, approved April 23, 1949, authorized more liberal FHA mortgage insurance in Alaska, housing loans and a more liberal secondary mortgage market through the Federal National Mortgage Association, construction of sales or rental housing by the Alaska Housing Authority, housing construction and certain repair loans by the Alaska Housing Authority, and $15,000,000 in loans to the Alaska Housing Authority through the purchase of the Authority's obligations) by the Housing and Home Finance Administrator.

HOME MORTGAGE SECONDARY MARKET OPERATIONS ENLARGED

Public Law 176, approved July 10, 1949, increased the Federal National Mortgage Association authorization to purchase FHA and GI home mortgages to $1,500,000,000. The Association's authorization was further increased to $2,500,000,000 by the interim housing amendments of 1949, supra, and to $2,750,000,000 by the Housing Act of 1950, supra. See the interim housing amendments of 1949 and the Housing Act of 1950 for other provisions enlarging secondary market operations.

SALE OF SUBURBAN RESETTLEMENT PROJECTS ASSISTED

Public Law 65, approved May 19, 1949, authorized the sale of the suburban resettlement projects known as Greenbelt, Md.; Greendale, Wis.; and Greenhills, Ohio, by means of negotiated sale and without competitive bidding or public advertising, with a sales preference being given to nonprofit organizations of veterans and tenants.

MISCELLANEOUS HOUSING AND DISPOSAL LEGISLATION

Public Law 827 approved September 23, 1950, authorized the HHFA to release the trustees of Columbia University and the Citizens Veterans' Home Association of Rockland County from obligations under their contracts for the operation of a veterans temporary housing project of 1,500 units.

Public Law 218 approved August 10, 1949, provided for the conveyance of a tract of land in Prince Georges County, Md., to the State of Maryland for use as a site of a National Guard Armory and for the training of the National Guard and for other military purposes.

Public Law 737 approved August 29, 1950, provided for the conveying of land and buildings at the Fort Phillip Kearney Military Reservation, without consideration, to the State of Rhode Island.

SECONDARY MORTGAGE CREDIT ACT (HEARINGS, JULY 12, 13, AND 14, 1950)

The bill provided among other things for a private secondary mortgage corporation and for the modification of the Government's secondary market for FHA-insured and VA-guaranteed residential mortgages. After 3 days of hearings it was generally agreed by the experts attending the last day of hearings that it would be agreeable to all who were interested in the legislation to report out a bill doing the following: (1) In order to provide a completely satisfactory cushion there should be an increase of $250,000,000 authorization; (2) That the FNMA be permitted to purchase other than from the originating lender; (3) That the FNMA be permitted to prescribe specific periods for which a mortgage be held before it purchases it; and (4) That it be empowered to purchase mortgages at a discount. There was a rather general agreement that the purchase of GI loans be restricted to 75 percent of the lender's portfolio rather than 100 percent as at the present, and 35 percent of their FHA mortgage portfolio rather than 50 percent. No further action was taken.

RENT CONTROL EXTENSION

The Housing and Rent Act of 1947, as amended, was extended until June 30, 1950 (Public Law 31 approved March 30, 1949). The veterans preference provisions of the act were continued with amendments designed to extend the preference to housing accommodations not heretofore included. The so-called local option provision for rent decontrol was provided, requiring the Housing Expediter to terminate rent control in any city, town, or village upon receipt of a resolution adopted in accordance with local applicable law and based upon a finding that a shortage of rental accommodations no longer existed, if the resolution was approved by the Governor. As a means of adjusting hardships and inequities and as a means of determining a maximum rent, a fair net operating income criteria was provided. Provision was made for the control of nontransient accommodations in nontransient hotels in cities of over 2,500,000. Recontrol by the Housing Expediter was permitted where he decontrolled an area or when there was a recommendation of a local board, except where the Emergency Court of Appeals approved a decontrol action, or in the case where decontrol resulted from the action of a State, city, town, or village. Provision was made for hearings and appeals by landlords and tenants to the Expediter and the Emergency Court of Appeals. The Housing Expediter was given authority to issue regulations governing the eviction of tenants from controlled accommodations, thus providing for uniformity in the operation of the eviction provisions throughout the country. The Expediter was directed to provide officers in local rent offices to assist tenants and landlords in preparing applications and properly informing them as to the various aspects of the law in relation to their problems.

Public Law 574, approved June 23, 1950, extended rent control from June 30, 1950, to December 31, 1950, at which time it would be terminated unless by affirmative action (by resolution or by popular referendum) of any incorporated city, town, or village which was still under Federal rent control, it resolved that it deemed the continuance of Federal rent control necessary in that area. It provided for the termination of rent control by concurrent resolution of the two Houses of Congress and upon a proclamation by the President. It also provided for the termination of rent control in any incorporated city, town, or village if a resolution was adopted by the local governing body after a public hearing, in accordance with local applicable law. Such a resolution recommending the termination of Federal rent control must be based on a finding that a shortage of rental housing accommodations no longer exists so as to require rent control.

Public Law 880, approved December 20, 1950, provided for a temporary extension of rent control to March 31, 1951, in those areas still under rent control which took no affirmative action to extend it beyond December 31, 1950. It also provided that the term "Resolution" in the Housing and Rent Act shall not be construed to be limited to ordinances or other legislative acts.

BANKING, CURRENCY, AND COINAGE

To amend the Federal Deposit Insurance Act (Public Law 797, approved September 21, 1950)

The principal provisions of the act:

1. Reduced the cost to banks of insuring accounts of depositors by 60 percent of net assessment income.

2. Increased maximum insurable deposit from $5,000 to $10,000.

3. Simplified the basis of calculating the amount of premium required of banks for insurance.

4. Permitted Federal Deposit Insurance Corporation examiners to make special examination of any insured bank, State or National, member or nonmember, "whenever in the judgment of the Board of Directors (of the FDIC) such special examination is necessary to determine the condition of any such bank for insurance purposes."

5. Required the payment by the Corporation to the Treasury of 2 percent simple annual interest on the capital advanced to the Corporation and retired in accordance with provisions of Public Law 363, Eightieth Congress.

Reduction in cost of insurance, at first sought by reducing the rate from one-twelfth to one-twenty-fourth of 1 percent, was finally accomplished by providing that

present rate of assessment be continued, but that insured banks be allowed a refund against future assessments of 60 percent of net assessment income of corporation, defined as "the total assessments which became due during the calendar year less (1) the operating costs and expenses of the corporation for the calendar year; (2) additions to reserve to provide for insurance losses during the calendar year, except that any adjustments to reserve which result in a reduction of such reserve shall be added; and (3) the insurance losses sustained in said calendar year plus losses from any preceding years in excess of such reserves." It is estimated that this change will result in a reduction of approximately 55 percent in the amount insured banks will hereafter pay for insurance of deposits as compared with amounts heretofore paid.

Conversion, merger, and consolidation of national banks (Public Law 706, approved August 17, 1950)

Permitted the conversion of national banks into, and the merger or consolidation with, State banks, essentially on the same conditions that State banks may convert into or merge with national banks.

Amendment to the Federal Reserve Act (Public Law 589, approved June 30, 1950)

Extended from June 30, 1950, to June 30, 1952, authority of Federal Reserve banks to buy directly from the Treasury, rather than in the open market, direct obligations of the United States on obligations fully guaranteed by the United States, up to an aggregate of $5,000,000,000, to meet temporary needs which otherwise would cause unnecessary fluctuations in money markets.

To permit national banks to give security in the form required by State law for deposits of funds by local public agencies and officers (Public Law 715, approved August 18, 1950)

Amended section 5153, Revised Statutes, so as to permit national banks to accept and give security for deposits of States and political subdivisions thereof, and of officers, employees, or agents of States and political subdivisions thereof in their official capacities, to the same extent as is authorized in the case of other banking institutions in the State in which the national bank is located.

Amendment to the Federal Credit Union Act (Public Law 376, approved October 25, 1949)

Increased from 2 years to 3 years the limit for maturity of loans made by the Federal Credit Union. Increased the limit of unsecured loans from $300 to $400. Placed a ceiling on regular reserves of 10 percent to deposits and limited the transfer to the regular reserve fund to an amount not exceeding fees and fines and 20 percent of the net earning of the credit union in any one year. Provided that the reserve fund could be used in addition to covering bad loans to cover other losses that might be sustained.

Bank holding bill (S. 2318) (hearings 8 days in March 1950)

The purpose of the bill is to subject all bank holding companies to control and regulation. The present law is susceptible to abuse in that it enables holding company to evade limitation upon bank expansion by refraining from requesting a permit to vote stock held, by acquiring only nonmember banks or by causing member banks acquired to withdraw from the Federal Reserve System, by definition of holding company predicated upon ownership of a majority of voting shares whereas control is exercised through smaller ownership, by absence of definition of limits within which holding companies should be permitted to expand, and by permitting unlimited holdings of nonbanking company securities, etc.

The bill would subject all bank holding companies to control and regulation and not permit some of them to escape as is now possible because of the loopholes in the definitions and the voluntary nature of the regulation under existing law.

It gives Federal bank supervisory authorities the power to control the acquisition of banks by bank holding companies and describes the factors to be considered by them in acting upon applications involving the expansion of bank holding company groups.

It requires bank holding companies to divest themselves of control over enterprises unrelated to banking.

It provides generally a more effective supervisior of bank holding companies and prescribes appropriate sanctions.

It does not abolish bank holding companies or prohibit the creation of new ones. It does not prohibit bank holding companies from expanding their control over banks within reasonable bounds. It does not require bank holding companies to divest themselves of any enterprises unrelated to banking where such investments are insignificant from the standpoint of control or influence over policies.

In addition to the hearings numerous conferences and executive sessions were held in consideration of th's bill. However, it did not reach the stage of final action and on May 5, 1950, Senator ROBERTSON introduced a substitute bill (S. 3547) to define bank holding companies, control their future expansion, and to require the divestment of nonbanking assets. Senators TOBEY and DOUGLAS introduced amendments to it. It was deemed desirable not to act upon the substitute until hearings could be had on it.

Amending the Federal Reserve Act (reported March 8, 1950; passed Senate April 19, 1950)

Amended Federal Reserve Act by increasing from $10,000,000 to $25,000,000 the aggregate amount permitted to be used for construction of branch Federal Reserve bank buildings.

State taxation of national banks (S. 2547—hearings, July 20, 1950)

To amend section 5219, Revised Statutes, relating to State taxation of national banks. Existing law, originally enacted in 1864, amended in 1923 and in 1926, permits States to tax national banks by only one of four specified methods. S. 2547 would legislate certain court decisions into statute law and would clarify and reaffirm methods long used without statutory authority, and would make other minor changes. The committee on Federal legislation of the American Bankers Association and the National Tax Association, which includes State taxing authorities, have agreed on the provisions of S. 2547 as desirable legislation.

Representatives of these associations were heard in favor of the bill. No opposing witnesses appeared. The bill was not reported as the session was drawing to a close and full attention of committee was then focused on Defense Production Act.

For establishment of the National Monetary Commission (S. 1559, reported June 1, 1949, passed Senate June 2, 1949)

Established a National Monetary Commission, to be composed of 18 members, 6 appointed by President, 6 by President of Senate, and 6 by Speaker of House. The Commission could make adequate studies to determine what changes are necessary or desirable in the banking and monetary system of the United States or in the laws relating to banking and currency.

Coinage (Public Law 508, approved May 10, 1950)

To amend section 3552 of Revised Statutes so as to permit reimbursement to appropriation for Bureau of the Mint of moneys received from sale of medals and proof coins, instead of covering such funds into Treasury's miscellaneous receipts.

Public Law 221 (approved August 12, 1949) authorized the coinage of a medal for Vice President.

Public Law 509 (approved May 10, 1950) provided that losses and wastage incident to recoinage of worn and uncurrent silver coins shall be charged to the silver profit fund arising from coinage of silver bullion into coins exceeding the value of the bullion.

INTERNATIONAL BANKING

Amendment to the National Bank Act and the Bretton Woods Agreement Act (Public Law 142, approved June 29, 1949)

The act is intended to aid the marketing in the United States of securities issued by International Bank for Reconstruction and Development (World Bank) as follows: (1) Allows national banks and State member banks of Federal Reserve System to deal in and underwrite such securities up to 10 percent of its paid-in and unimpaired capital stock and 10 percent of its unimpaired surplus fund; (2) exempts such securities from provisions of Securities Act of 1933 and Securities Exchange Act of 1934, with safeguards so that Securities and Exchange Commission can suspend such exemption as it deems necessary.

Foreign investment guaranties (reported September 22, 1949) (an amended bill passed the House)

The bill would allow the Export-Import Bank to guarantee United States private capital invested in productive enterprises abroad which contribute to economic development in foreign countries against risk peculiar to such investments (inconvertibility).

HOME LOAN BANK AND SAVINGS AND LOAN ASSOCIATIONS

Savings and loan industry strengthened

Public Law 576, approved June 27, 1950. The provisions are designed to strengthen the savings and loan industry, thus further aiding in the financing of homes and the encouragement of savings.

The act requires lending institutions which are members of Federal home loan banks (principally savings and loan associations) to maintain a certain minimum liquidity. In order to assure a source of funds to savings and loan associations to meet demands upon them for mortgage funds and to meet withdrawal requests by savers and account holders, the Secretary of the Treasury is authorized to purchase the obligations of Federal home loan banks up to $1,000,000,000. The proceeds of these obligations would be used for advances by the banks to savings and loan associations and other members of the Federal home loan banks.

The insurance protection afforded by the Federal Savings and Loan Insurance Corporation to the accounts of savers in savings and loan associations is increased from $5,000 to $10,000 for each account. The Federal Savings and Loan Insurance Corporation is also authorized by Public Law 576 to borrow from the Treasury such funds as in the judgment of the Home Loan Bank Board are required for insurance purposes.

The act also accelerates retirement of the Government-owned capital stock in the Federal home loan banks and the Federal Savings and Loan Insurance Corporation.

Conversion of Federal savings and loan associations to mutual savings banks (S. 1175, reported September 30, 1949; passed Senate October 17, 1949)

Permits Federal savings and loan associations to convert into mutual savings banks provided State law permits mutual savings banks to convert into Federal savings and loan associations.

Branches of Federal savings and loan associations (S. 2006, reported September 30, 1949)

Amends Home Owners' Loan Act so as to place the same restrictions upon establishment of branches by Federal savings and loan associations as are prescribed by law for establishment of branches of national banks. Branches could be established only if law or custom of State permitted establishment of branches by State savings and loan associations.

RECONSTRUCTION FINANCE CORPORATION

Restriction on employment of RFC personnel by certain borrowers (reported July 11, 1950)

Any company hereafter obtaining financial assistance from the RFC would be required to execute an agreement undertaking not to employ within 2 years after the date such financial aid is extended any personnel of the Corporation exercising discretion with respect to the making of loans to that class of borrowers, with certain exceptions.

RFC investigation

The subcommittee on the Reconstruction Finance Corporation was designated by the Banking and Currency Committee to conduct a study of the operations of the Reconstruction Finance Corporation pursuant to the terms of Senate Resolution 219, adopted February 8, 1950.

The subcommittee undertook to consider the problem of availability of capital and credit to American industries, particularly small-business enterprises; the need, if any, and its extent and character, for direct lending by the Government during a peacetime, nonemergency period. It also explored the manner in which the lending powers, and limitations thereon, as described in the law, have been interpreted and applied by the Reconstruction Finance Corporation. And it examined the organizational structure and administrative efficiency of the Reconstruction Finance Corporation, its procedures and costs, as well as the extent to which its policies and activities were harmonized with the broader fiscal policies and programs of the Government.

The subcommittee made a study of specific loans, believing that a discussion of broad principles and purposes unrelated to a specific factual situation would be comparatively useless in obtaining an accurate picture of the character of the activities of a public agency. It was the subcommittee's hope that by observing the actual execution of congressional policy it could assist the Congress in formulating and expressing its future policy with respect to the Reconstruction Finance Corporation with greater clarity and in greater detail.

The first of these studies was the loan to the Texmass Petroleum Co. On this study the subcommittee issued its first interim report on May 19, 1950. Some 200 or so additional loans were studied and about 30 of them were discussed in public hearings, some in considerable detail. The hearings on the loan to Waltham Watch Co. occupied 2 days and covered 200 pages of printed record.

Public and executive hearings were also held to investigate the contract between Lustron Corp., an RFC borrower, and the corporation which contracted to transport its output of prefabricated houses. There had been allegations of impropriety in the administration of this contract. The subcommittee's second interim report, dated August 11, 1950, was issued with respect to this investigation.

Under an extension of its authority, the subcommittee is required to issue its final report on or before January 31, 1951.

War Damage Corporation Act of 1950 (H. R. 9802, reported December 21, 1950)

Extends the program undertaken during World War II to provide insurance against loss of, or damage to real or personal property resulting from enemy attack, including any action taken by the Armed Forces in resisting such ttack.

MATERIAL, PRODUCTION, PRICE, IMPORT AND EXPORT CONTROLS

Voluntary agreements and plans (Public Law 6, approved February 9, 1949)

The act extended to September 30, 1949, the President's authority to approve voluntary agreements by industry, business, and agriculture concerning allocation and control of inventory. If the President requested compliance with the agreements, persons entering them were exempted from provisions of the antitrust laws and the Federal Trade Commission Act in carrying out the agreements. This was a continuation of a voluntary allocation program pending expected enactment of mandatory allocation legislation as part of a stabilization program. The Defense Production Act of 1950, approved September 8, 1950, now provides the legislative basis for voluntary and mandatory allocations.

Continuation of export controls (Public Law 11, approved February 26, 1949)

The act authorizes President to impose export controls over articles, materials, or supplies. Policy is to use such controls to protect domestic economy from an excessive drain of scarce materials and to reduce the impact of abnormal foreign demand; to further United States foreign policy; and to safeguard national security. The Secretary of Agriculture is to determine when supply of any agricultural commodity exceeds domestic requirements. Maximum penalty of $10,000 fine or 1 year imprisonment or both prescribed for conviction after violation of act. Authority terminates June 30, 1951, or earlier if Congress by concurrent resolution or President so designates.

Continuation of tin allocation (Public Law 153, approved June 30, 1949)

It extended until June 30, 1950, power to allocate tin.

Diversification of tin facilities (Public Law 148, approved June 30, 1949)

The act authorizes RFC to sell to private industry for refining low-grade tin concentrates or tin-bearing material. The minimum sales price shall be such as to require the Government to take no more loss than it would if it refined the low-grade concentrates in the Government-owned tin smelter at Texas City, Tex. RFC is to replace any material so sold by placing future contracts for delivery within 4 months.

The committee was also consulted by the Armed Services Committee relative to legislation extending the authority of RFC to operate the Government-owned tin smelter at Texas City, Tex., and to supervise operation of synthetic-rubber facilities.

Import controls on fats and oils (Public Law 155, approved July 1, 1949)

Continued until July 1, 1950, import control authority affecting fats and oils (except petroleum and petroleum products) and rice and rice products. Controls may be exercised only upon Presidential decision that they are required for orderly liquidation of surplus Government stocks (applicable to fats and oils) or for proper distribution of products in world short supply (applicable to rice).

Public Law 590 (approved June 30, 1950)

It extends import control authority on the same basis as Public Law 155 until July 1, 1951, except that it removed coconuts and coconut products from the controllable list.

Defense Production Act (Public Law 774, approved September 8, 1950)

Title I—Priorities and allocations: Authorizes the President to require that priority be given to contracts and orders which he deems necessary or appropriate to promote the national defense, to require acceptance and performance under penalty, and to allocate materials and facilities.

Title II—Authority to requisition: Authorizes the President on payment of just compensation, to requisition equipment, supplies, and manufacturing facilities when he determines it to be of immediate necessity for national defense. Authorizes action in Court of Claims and district courts for increased compensation.

Title III—Expansion of productive capacity and supply: Provides that the President by regulation may authorize the military departments and other procurement agencies to guarantee loans made to defense contractors. Authorizes the President to make provision for loans, participation in and guaranty of loans, (1) to private business for capacity expansion, development of technological processes or the production of essential materials, and (2) to provide for the purchase of metals, minerals, and liquid fuels without regard to existing limitations as to quantities, terms, and so forth. In connection with (1) and (2) he may use existing officials or agencies or create new agencies. A revolving fund of $600,000,000 is provided and an appropriation of $1,400,000,000.

Title IV—Price and wage stabilization: In addition to voluntary action for the control of prices and wages authorized the President to impose selective price controls under certain conditions and provided for the stabilization of wages, salaries, and other compensation in the industry or business producing the material or performing the service upon which a ceiling was imposed. It provided for the imposition of price ceilings and wage stabilization generally, whenever ceilings are established on materials comprising a substantial part of all sales at retail and materially affecting the cost of living. Provision is made for adjusting ceilings and wages when the President deems it necessary to prevent hardships and inequities, and the President is authorized to give due consideration to the national effort to achieve maximum production in furtherances of the objectives of the act. Specific provisions are provided for imposing ceilings on agricultural commodities and certain prices and industries are exempted from the imposition of price ceilings. The President is required to set up a single agency to administer price, wage, and ration controls whenever he imposes general price and wage controls. Provision is made for court review and appeals and also penalties are provided for violation of the title.

Title V—Settlement of labor disputes: The President is authorized to initiate voluntary conferences between management, labor, and representatives of the Government and the public and to take such action as may be agreed in any such conference so long as the action is not inconsistent with existing applicable law.

Title VI—Control of consumer and real estate credit: Authorizes the Board of Governors of the Federal Reserve Board to prescribe regulations controlling the volume of consumer credit. The President is given the authority to control real estate credit. Requires persons extending credit to keep full records on accounts and make such reports as may be required. Registration may be required of persons or classes of transactions and after notice and opportunity for hearing such registration may be suspended for violation of this section. It provides penalties for violation.

Title VII—General provisions: Requires that full information of activities under this act be furnished small business. And provides for the appointment of business advisory committees for the purpose of consultation in the formulation of rules and regulations issued under the authority of

the act. Provision is also made for exemption of small-business enterprises from the provisions of the act insofar as feasible. Authorizes the President, by regulation, to provide exemptions from the antitrust laws and the Federal Trade Commission Act in the interest of national defense. Insofar as practicable in allocating materials of agreements to allocate, where a significant dislocation of the normal distribution in the civilian market is likely to occur, the President shall make available a fair share of the civilian supply based so far as practicable on the share received by such businesses under normal conditions during a representative period. Exempts functions of this act from all provisions of the Administrative Procedure Act except those relating to publication of rules, opinions, and so forth. Authorizes the President to employ additional persons in GS–16 and GS–18 to carry out this act.

A joint congressional committee to be known as the Joint Committee on Defense Production consisting of five members from the Senate Banking and Currency Committee and five from the House Committee on Banking and Currency is provided for. Provisions of the act are made applicable wherever the United States has jurisdiction and the authority conferred by titles IV, V, and VI are terminated on June 30, 1951, while the authority conferred by titles I, II, III, and VII are terminated on June 30, 1952.

MISCELLANEOUS LEGISLATION AND HEARINGS

Securities Exchange Act amendments (S. 2440) (hearings, February 7, 8, 9, and 10, 1950)

The bill would extend to the investors in companies having over $3,000,000 of assets and over 300 security holders, and where securities are not listed and registered on exchanges, the same protection available to investors in listed and registered securities. The purpose of the bill was to fill in the gaps in the SEC Act which had been built up in a rather piecemeal fashion since 1933. Amendments were proposed by the SEC Commission and by several witnesses.

Public Law 161 (approved July 9, 1949)

Directed the RFC to transfer to the Secretary of State without reimbursement or transfer of funds all of the corporations rights, titles, and interest in and to certain international broadcasting facilities and property.

Public Law 135 (approved June 28, 1949)

Repeals the provision relating to $12,500,000 made available to the FWA for public works advance planning which provided that no loans shall be made or participated in by any Federal agency for the construction of any public works, plans for which have been wholly or partly financed out of this appropriation, except in pursuance of specific appropriation.

Public Law 330 (approved October 6, 1949)

Increased authorization for Joint Committee on the Economic Report from $50,000 to $150,000.

Economic power of labor organizations

(Hearings 16 days during July–August 1949)

The purpose of these hearings was to inquire into the existence and extent of economic power over trade and commerce, its concentration in a few hands, and the effect of that power on the small-business man and on prices paid by the consumer.

The necessity for this investigation was originally suggested by the report that a single individual would be authorized to speak for the coal industry in contract negotiations and that he, with a single representative of labor in the industry, could determine not only wage but also production levels. The "stabilization" strikes, the 3-day week then imposed on the coal industry by the United Mine Workers of America, the then threatening strike in steel, and the then existing tie-up of shipping in Hawaii were current developments which reemphasized the need for such investigation.

Your committee extended invitations to be heard to all the labor organizations and the coal producers, as well as to industrialists affected by existing labor difficulties. None of the labor leaders chose to appear.

The committee gathered valuable data upon the extent of the power which industry-wide labor organizations have acquired, the manner in which the power is being exercised, the effects of the economic power of labor unions in the coal industry, and in industry generally upon banking and credit policies, small-business enterprises, consumers, prices, and national economic stabilization.

However, as the remedies suggested by the spokesmen for affected industries consisted of legislative proposals that are not normally committed to the jurisdiction of your committee, it was found expedient to forward your committee's hearings and accumulated data to the Judiciary Committee. This latter committee appointed a subcommittee to inquire further into the subject. The subcommittee made legislative recommendations based upon the data accumulated and these recommendations are pending before the Judiciary Committee.

OTHER HEARINGS

Your committee also conducted hearings on a number of intermediate coinage bills, the Gold Trading Act, the extension of consumer credit control, and provision for bank reserve requirements and held a number of hearings on legislation and problems relating to the welfare of small business. The latter is covered in a separate report.

ACCOMPLISHMENTS OF SUBCOMMITTEE ON SMALL BUSINESS OF THE SENATE COMMITTEE ON BANKING AND CURRENCY

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a summary, prepared by the senior Senator from South Carolina [Mr. MAYBANK], of the work accomplished by the Subcommittee on Small Business of the Senate Committee on Banking and Currency.

There being no objection, the summary was ordered to be printed in the RECORD, as follows:

SUMMARY OF WORK ACCOMPLISHED BY THE SUBCOMMITTEE ON SMALL BUSINESS OF THE SENATE COMMITTEE ON BANKING AND CURRENCY

It is self-evident that independent small-business enterprises are indispensable to the free-enterprise system in the United States. Small business makes up more than 90 percent of our business enterprises, employs nearly 50 percent of those working in business, and handles nearly 35 percent of the total volume of business transacted. Your subcommittee has endeavored to strengthen the position of independent small business in our economy. It is happy to report that it has assisted small business to take long steps toward more equal opportunities in competition with big business. For a complete study of the subcommittee's accomplishments in the Eighty-first Congress, see the report with recommendations made on February 9, 1950, Senate Report No. 1263, Eighty-first Congress, second session.

ROUTINE COMMITTEE TASKS

The volume of mail received by the subcommittee is particularly heavy. Whenever a small-business man runs into difficulties of procurement or financial difficulties, he writes directly to the subcommittee or to a Member of Congress to suggest new legislation in aid of small business. As 80 percent of small-business problems fall categorically within the jurisdiction of the Banking and Currency Committee, these requests for legislation are directed to your subcommittee for consideration. Actually, very few of the problems encountered call for curative legislation. Very often they are based upon a misconception on the part of the owner of a small-business enterprise, or upon inadequate or faulty regulations by the administrative agency involved. The staff of the subcommittee can often verify the needs of a small-business entrepreneur by acquainting himself more fully with his problem and advising him of the status of the law and governmental regulations. The complainant, upon finding that a particular provision of the regulation applies to his case, is able to proceed to keep his business in existence.

On other occasions the particular problem necessitates on the part of the subcommittee staff a series of conferences with governmental officials. The difficulties of small business are thoroughly discussed in the light of existing circumstances, and adjustments in regulations are made to insure the survival and prosperity of small business.

On numerous occasions the subcommittee has intervened with the Reconstruction Finance Corporation in the interest of independent small business. At times, the RFC could not, under existing law, make a loan to the particular business. This was fully explained to the applicant involved and the reason for the law was made known to him. At the very least, the applicant would secure through the intervention of your subcommittee a complete and instructive hearing. At times, he received financial advice of great value. In many instances, the small-business applicant was enabled to obtain a much-needed loan. This was helpful not only to him but to the national economy, as it placed small business in a more equal competitive position with big business rivals whose sources of credit were inexhaustible. A large number of small-business men were assisted by the simple process of placing their facilities and the nature of their products before the proper procurement officers. They later received bid invitations and often succeeded in becoming the successful bidders upon valuable Government contracts.

For instance, the Continental Electronics Co. of Dallas, Tex., a small company, wished to bid on the production of a very high-powered transmitter for the State Department. The invitation to bid was so worded that independent small-business enterprises found it difficult to qualify. The Continental Electronics Co. appealed to your subcommittee. After a series of conferences with small-business companies and officials of the State Department rebids were requested and the Continental Electronics Co. was a successful bidder on the transmitter.

The following letter addressed to a member of your subcommittee is typical of the gratitude expressed by small-business companies throughout the country:

"You will recall that several months ago I discussed with you the problem facing the Continental Electronics Manufacturing Co. in connection with its and RCA's bids with the State Department. At that time, you were good enough to refer me to Bill Stewart of your subcommittee.

"Mr. Stewart gave this matter very efficient and intense attention. In the course of what ensued, Mr. Stewart made several very valuable suggestions, which we followed. The State Department asked for rebids and the final outcome is that the Continental Electronics Manufacturing Co. has been awarded the contract. This is a distinct victory for small business and results in a substantial savings to the Government.

"I want to thank you and Mr. Stewart for your interest in the matter.

"Sincerely,

"MARCUS COHN."

Your subcommittee has assisted a large number of small-business enterprises either directly or at the request of Members of the Senate by enabling them to secure the information and financial advice necessary to qualify for Government contracts. The following letter is one example of the appreciation shown by a Senator in a case where your subcommittee successfully advised a small-business enterprise and assisted it in obtaining a $500,000 contract for chairs for the Chicago Quartermaster Depot of the United States Army:

"This is to thank you for your prompt and efficient service in assisting me to help the Hale Co., Inc., of East Arlington, Vt., to obtain the award of the Chicago Quartermaster Depot, United States Army, contract for 46,000 chairs.

"I also appreciate the very helpful information you obtained for my constituent, the Gordon M. Glier & Co. of Manchester, Vt. Enclosed find copy of an appreciative letter from Mr. Glier, president of the company.

"Sincerely yours,

"RALPH E. FLANDERS."

It would be impossible to enumerate the countless numbers of individual requests which have been received from various Senators and on which the difficulties presented have been resolved satisfactorily.

In every instance wherein a complaint was made by any small business, without regard to type, nature, or location, your subcommittee has endeavored to seek individual relief and at the same time has endeavored to ferret out the weakness in the over-all policy which would permit such malpractices, either from errors of omission or commission on the part of any official of the Government.

STUDIES AND INVESTIGATIONS

Although the bulk of the subcommittee's staff work is comprised of the routine work outlined above, a large number of continuous studies and investigations are conducted by your subcommittee. One of the greatest defects of the procurement program in World War II was the limited dissemination of procurement information. In many instances small independent companies were unable to obtain timely information upon Government contracts. These difficulties continued after termination of hostilities. The staff of your subcommittee held numerous conferences and conducted intense studies with the staff of the National Defense Department and the General Services Administration. Thanks to these efforts, timely information is now being distributed through all the Department of Commerce field offices and a large number of Chambers of Commerce. Radical changes were made in the procurement program on March 1, 1950. After protracted conferences, hearings, correspondence, and telephone calls from August 1949 to March 1950, finally a detailed program was approved by the Department of National Defense. The new program was nationally acclaimed by individual small-business men and small-business associations. The following letter received from a small-business owner is typical of the reaction to your subcommittee's accomplishment with respect to the dissemination of procurement information:

"DEAR SENATOR: This letter will serve as an anniversary celebration since finally after 1 year's work on the part of your committee and self we are now in a position to close our files on the matter of procurement information through the Department of Defense.

"Unbelievable as it may sound, during the past few weeks, the balance of the agencies that have not heretofore complied have reconsidered their previous position and are now furnishing us with the public information that had been denied us for so long. I cannot praise your efforts and those of your committee too highly; without your constant work on this matter we probably would still be on a nip-and-tuck basis with the procurement agencies.

"Particularly at a time like this, when more and more manufacturers are seeking defense orders we are now able to furnish them with the information that they need and are entitled to receive.

"Your willingness to personally intercede in this matter as often as you have was undoubtedly the guiding factor in bringing this matter to a satisfactory conclusion. I would like to thank you for your past favors.

"With very best regards,

"Sincerely,

"HENRY SCHARF."

In June of 1950, your subcommittee started receiving requests from small companies for assistance in securing much needed steel sheets in order that they could continue in business. These requests were greatly multiplied after the outbreak of war in Korea. Inasmuch as the voluntary steel-rationing program had ended some months before, and no allocation powers were in force at that time, your subcommittee held several conferences with several large steel companies to find a way out of the impasse. Informal agreements were made with these companies. As a result, requests for assistance from independent small-business enterprises were accepted by the large steel companies and channeled to the proper distributors for the orders to be filled. The large steel companies, upon investigation of the needs of these smaller companies, offered your subcommittee the fullest cooperation and in a great many instances made it possible for small-business enterprises to stay in business.

This informal arrangement remained in effect until Public Law 774 was approved on September 8, 1950. Since then all requests for critical materials are being channeled to the staff of the National Production Authority where they are being acted upon with great dispatch.

Through frequent negotiations with the various departments, your subcommittee has been influential in encouraging them to organize divisions devoted to the interests of independent small business. The Department of Commerce, the Department of Defense, General Services Administration, the National Production Authority, and the Department of Justice have Small Business Divisions designed to be of assistance to independent small businesses and promote their interests. Your subcommittee staff works in close harmony with the staffs of these various divisions.

In many instances complaints of small-business enterprises resulted in action by your subcommittee's staff in cooperation with the Federal Trade Commission. For instance the staff cooperated in investigations pertaining to small paint manufacturers. Many of these, especially in the Pacific Northwest are being hurt by the discriminatory distribution policies of producers of titanium dioxide, which is monopolized by certain large producers. This action by the subcommittee has resulted in much needed relief to a large number of small paint manufacturers and it is hoped that a permanent satisfactory solution may be worked out.

The staff of your subcommittee has also investigated the alleged discrimination in the sale of nylon yarn. Finding that this was a matter which could be handled efficiently by the Federal Trade Commission, it was referred to that Commission for necessary field work to determine the underlying facts. Several investigations have been conducted which pertain to situations within the chemical industry which threaten to exclude many small firms from participating in Government contracts. Many of these involve secret information pertaining to the Atomic Energy Commission or the Office of International Trade which cannot be discussed in a public document.

Assisting independent small business to participate in the program of the Economic Cooperation Administration and conferring with the ECA in designing its programs to be of the fullest opportunity to small business is a continuous activity of your subcommittee.

At present your subcommittee is investigating the effect of regulation W of the Board of Governors of the Federal Reserve System upon the small taxi owner. In regulation W, exemptions are made for trucks, busses, funeral cars, vehicles for hire of 10 or more passengers, or equipment for business purposes. Taxicabs are not on the exempt list. The charge is made that this discriminates against the small taxi owner in favor of large corporations which own vehicles of 10 or more passengers. Another discrimination is found in the $5,000 limitation beyond which consumer credit controls do not apply. The staff of your subcommittee is meeting with the staff of the Board of Governors with a view to making proper adjustments designed to place the small taxi owner in a more equal competitive position with large rival taxi owners without vitiating the intended effect of regulation W.

Those are but a few of the large number of studies and investigations being currently conducted by your subcommittee. Most of them result in direct action being taken not only for the survival but for the increased vitality and prosperity of independent small-business enterprise the health of which is vitally connected with a vigorous national economy.

LEGISLATIVE FUNCTIONS

Besides the routine work, the studies and investigations which have been discussed above, your subcommittee has exercised its traditional legislative functions. It has examined the various bills and amendments pertaining to small business which have been introduced and referred to the Banking and Currency Committee. Many of the objectives of these bills were reached through the amendment of administrative regulations as has been explained previously. Your subcommittee and its staff have made valuable contributions to the work of the Banking and Currency Committee by injecting considerations of the interest of independent small-business enterprises in all pending legislation. For instance, your subcommittee assisted in drawing plans in aid of small business for the Economic Cooperation Administration in hearings held on June 6, 1949. Your subcommittee stressed the interest of independent small petroleum producers and petroleum distributors in the hearings on petroleum prices on June 29 and 30, 1949. In July and August 1949, your subcommittee brought out facts of interest to small-business enterprises in the hearings on the effect of economic labor organizations. Similar contributions to the understanding of the needs of small business were made in August 1949, in the hearings to amend the Reconstruction Finance Corporation Act and in January 1950, in the hearings to amend the Federal Deposit Insurance Act, and in March 1950, in the hearings on the Bank Holding Company bill. For instance, the Federal Deposit Insurance Corporation Act, increasing the insurance from $5,000 to $10,000, is expected to have a substantial beneficial effect upon small country banks in particular. Your subcommittee is determined to exert its influence to insert in any amendment to the Reconstruction Finance Corporation Act provisions designed to assist promising independent small-business enterprises to obtain adequate credit in their struggle for survival in the war conditions that inevitably favor monopolies. In short, there is no legislation emanating from the Banking and Currency Committee which is not scrutinized closely to determine its effect upon small business, and proper amendments are attached to all bills to insure favorable con-

sideration of the interests of independent small-business enterprises.

An example of the influence of your subcommittee upon legislation is found in the Defense Production Act of 1950. In title 7, section 701, we find the following language:

"(a) It is the sense of the Congress that small-business enterprises be encouraged to make the greatest possible contribution toward achieving the objectives of this act.

"(b) In order to carry out this policy—

"(i) the President shall provide small-business enterprises with full information concerning the provisions of this act relating to, or of benefit to, such enterprises and concerning the activities of the various departments and agencies under this act:

"(ii) such business advisory committees shall be appointed as shall be appropriate for purposes of consultation in the formulation of rules, regulations, or orders, or amendments thereto issued under authority of this act, and in their formation there shall be fair representation for independent small, for medium, and for large business enterprises, for different geographical areas, for trade association members and nonmembers, and for different segments of the industry;

"(iii) in administering this act such exemptions shall be provided for small-business enterprises as may be feasible without impeding the accomplishment of the objectives of this act; and

"(iv) in administering this act special provision shall be made for the expeditious handling of all requests, applications, or appeals from small-business enterprises.

"(c) Whenever the President invokes the powers given him in this act to allocate, or approve agreements allocating, any material, to an extent which the President finds will result in a significant dislocation of the normal distribution in the civilian market, he shall do so in such a manner as to make available, so far as practicable, for business and various segments thereof in the normal channel of distribution of such material, a fair share of the available civilian supply based, so far as practicable, on the share received by such business under normal conditions during a representative period preceding June 24, 1950, and having due regard to the needs of new businesses."

INCREASING SMALL BUSINESS ACTIVITIES

The problems of small business under regulation W of the Board of Governors of the Federal Reserve System have been discussed above. This is but a small part of the numerous difficulties that will be encountered by small business organizations in a controlled economy. The Defense Production Act of 1950 went into effect on September 8, 1950. Consumer credit controls were the first to be invoked under the act. The administrative machinery for the control of our national economy is in the process of organization. The new session of Congress will likely witness the invocation of all or many of the powers lodged in the President by the Defense Production Act of 1950. Among these powers we find priorities and allocations, authority to requisition, expansion of productive capacity and supply, price and wage stabilization, settlement of labor disputes, control of consumer and real estate credit. Under all of these, the difficulties of small-business enterprises will multiply. The assistance of your subcommittee and its staff will be called upon by small independent businessmen throughout the country who will be lost in the maze of governmental regulations, orders, and directives. Your subcommittee looks forward with enthusiasm and optimism to the continuance of investigations and studies already initiated. Your subcommittee stands ready to seek the solution to the innumerable problems besetting independent small business that are always born of a war economy.

RECORD OF THE EIGHTY-FIRST CONGRESS ON PREPAREDNESS

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a statement by the senior Senator from South Carolina [Mr. MAYBANK] covering the record of the Eighty-first Congress in the matter of the preparedness program.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

I want to take this opportunity to make clear, in no uncertain terms, the record of the Congress in the interest of our entire preparedness program. Other Senators must have received mail from all over the Nation in equal volume to that which has come to my office and to the Banking and Currency Committee. Many of these letters are tirades against both the legislative and executive branches of our Government.

Once and for all I want the people of this country to understand what has been done and what is being done. I hope the news reporters and the radio commentators will help us in every way they can to get the message of truth across to their millions of readers and listeners. I hope the people will pay as close attention as they do to stories of sordid crime and other sensational news releases.

Many of our people have forgotten their civics lessons and their other classes in government. They should think back and remember that the Congress is the legislative branch of our Government. Surely everyone knows that the constitutional function of the executive branch is to execute and administer the laws enacted by the legislative branch.

With this admonition in mind, I would like to make clear the record of the Congress, and my own record, too, in the interest of our preparedness program—both military and domestic.

On July 19, 1950, I introduced the Defense Production Act. The Banking and Currency Committee held hearings beginning on July 24, 1950. Beginning on that date the committee was in almost constant session, many times well into the night, in an effort to expedite action on legislation which we recognized at that time to be of vital concern to every American. With the splendid cooperation of the committee members, from both sides of the aisle, I reported that legislation to the Senate on August 7, 1950. A similar bill was passed in the House of Representatives on August 10. The Senate acted on August 21. Following day and night sessions, the conferees agreed, and the Defense Production Act of 1950 was passed by both the House and the Senate on September 1. The act was approved and became Public Law 774 on September 8.

I cite this record of progress because so many people write and call me and ask, "Why don't you do something?" I say the Congress did do something. I say the chairman of the Banking and Currency Committee did do something. Had I not felt the urgency of getting such a program under way as quickly as possible, I would never have asked my friends in the Senate and in the House to spend the many fatiguing hours in close, stuffy committee rooms that we devoted to this legislation.

Four months have now passed since the enactment of this bill which gave to the President complete and broad authority to institute a program of priorities and allocations for materials and facilities. The authority also extended to requisitioning materials and facilities, providing financial assistance for expansion of productive capacity and supply, providing for price and wage stabilization, the settlement of labor disputes, and the strengthening of controls over credit. Under this authority and by these measures, the President was directed to facilitate the production of goods and services necessary for the national security.

Now let's see what has happened. Prices have continued to spiral upward until they have reached an all-time high on the standard-of-living index which is kept by the Bureau of Labor Statistics. Labor unions have forced wages ever higher. Critical materials have again slipped under the counter into the black market. Fly-by-night firms are again entering the picture and hoarding scarce items and materials, diverting them from normal business channels and seriously affecting the production of goods for both the civilian and military market.

This must not be allowed to continue. We are dealing in human lives. We are dealing in the security of our Nation. We are juggling, with butterfingers, the future of our way of life.

The time has come for firm, positive action. I hope it is not too late. We have had enough of pussyfooting and cowtowing. Our very lifeblood depends now on swift, mail-fist determination. We must sacrifice luxuries and soft living. Business as usual must take a back seat until we have forever repelled the constant threat of invasion and internal disruption.

I have charged the Department of Defense in sessions of the Appropriations Committee to spend their money wisely and more effectively. Since 1945 I have urged the adoption of a program of universal military training. I warned in 1945 and 1946 against too rapid demobilization of our Armed Forces. I have strenuously supported the stockpiling program.

These things are basic. They are fundamental issues to a Nation to whom the free and the would-be free turn for spiritual and moral guidance. Our strength now, as in times past, must stem from a unified effort of all our people. We have no room for petty, partisan politics or any other selfish interests.

During this period of international crisis when the alinement of global powers consists of a bulwark of Christian nations on one side opposed by a clique of godless despots on the other, we must move forward with our preparedness at an ever-increasing tempo of production. A program of less than maximum effort at this time would be a breach of faith with the ghosts of GI's who know the full meaning of "supreme sacrifice."

ORDER OF BUSINESS

The VICE PRESIDENT. Under the unanimous-consent agreement, certain conference reports are in order to be taken up. A motion is in order to proceed with one of the conference reports to which reference has been made. Under the unanimous-consent agreement there is no precedence as to which one shall be taken up first.

Mr. McKELLAR. Mr. President, I have been asked to await the arrival of another Senator who is opposed to the motion I am about to make, so I shall wait until that time. It will be only a few moments.

FEDERAL CIVIL DEFENSE PROGRAM—CONFERENCE REPORT

Mr. McCARRAN. Mr. President, the Senator from Tennessee [Mr. KEFAUVER] is in the Chamber. Will he kindly state what was done with reference to the amendments of the Senate to the internal-security bill?

Mr. KEFAUVER. Mr. President, I submit the conference report on House bill 9798.

The report was read.

(For conference report, see House proceedings of CONGRESSIONAL RECORD for January 1, 1951, on pp. 17034–17040.)

The VICE PRESIDENT. Is there objection to the present consideration of the conference report? The Chair hears none. Without objection, the conference report is agreed to.

Mr. McCARRAN. Mr. President, I understand that we are considering the conference report on the Internal Security Act.

The VICE PRESIDENT. The Chair had already declared the conference report agreed to, without objection.

Mr. McCARRAN. I apologize to the Chair. My attention was distracted at the time. I wished to make an inquiry of the Senator from Tennessee as to what was done with reference to the amendments which were adopted by the Senate with regard to sections 304 and 305?

The VICE PRESIDENT. The Chair withdraws his announcement.

Mr. KEFAUVER. As to section 304, as it was passed by the House it provided that suit should not be brought against any employee following the instructions of the Administrator. I should like to make a brief statement with reference to several matters which were agreed to by the conferees. This statement will cover the questions of the distinguished Senator from Nevada.

The House and Senate conferees sat through two lengthy sessions before arriving at the agreement set out in the conference report. Generally speaking, I believe it is safe to say the Senate language prevailed. However, I desire to call attention to the more material matters which were decided by the conferees.

It will be recalled that during the debate on this legislation considerable attention was given to the conditions under which the emergency powers of this bill could be invoked. The senior Senator from Ohio [Mr. TAFT] and the junior Senator from Florida [Mr. HOLLAND] collaborated in amending the Senate bill. During the colloquy on this section several Senators were disturbed about using the word "imminent" to define the proximity of an attack which would permit the President to proclaim the existence of a civil-defense emergency. After considerable discussion the conferees agreed on language which would permit the proclaiming of such emergency by the President or by the Congress if there is an attack on the United States, or if it is anticipated that an attack is about to take place. Prior to the proclamation of this national emergency a finding would have to be made that the national safety required the invocation of the provisions of this title. Insofar as that portion of the language which was proposed by the junior Senator from Florida is concerned, it is believed that the language of the conferees substantially carries out the intent that he had by inserting such language. The conferees are confident that the change is a little tighter than the Senate version and a little more liberal than the House version. In any event, the right to terminate such emergency by concurrent resolution by the Congress was retained.

During the debate on the passage of the bill, there was considerable discussion headed by the able senior Senator from Nevada [Mr. McCARRAN] concerning the provisions of sections 304 and 305. The deletion of these two sections from the Senate bill was agreed to with the reservation that it was hoped that the conferees would discuss the matter at considerable length and make a final determination as to the properness of including the provisions of these two sections. Section 304, which was deleted from the Senate version, in effect removed the requirements of the Federal Tort Act insofar as the emergency powers of the Administrator were concerned, and further appeared to take away from an individual his right of legal redress. The conferees, after considerable discussion, agreed that the constitutional questions raised by the Senator from Nevada deserved much further study. Accordingly, section 304 was rewritten to provide only for the removal of the effects of the Federal Tort Act during the periods of an emergency, but does not include any denial of the right of an individual to sue another. It is believed that this rewritten version should satisfactorily overcome the objections that have been raised to the prior language, and the conferees feel that the material now included in this section is without question insofar as constitutionality is concerned. Further, it is the belief of the conferees that if an individual is sued for damages caused while he is engaged in such activities, that such a fact would probably serve as a good defense in court.

In further amplification of that point, the Senator from Nevada raised a sound point, as to whether the sovereign could prevent someone from suing an agent of the sovereign in carrying out an act. It was our opinion that if a person were ordered to do something, upon direct orders by the Government, he would probably be relieved even from suit. At any rate, that language has been stricken out, so that as matters now stand a person can be sued, but he is still left with his defense that he was following directly the order of the Government in the act which he did, which probably, under the law and the cases, would be a good defense.

Section 305 as contained in the House bill was reinstated in its entirety. This section merely excludes during an emergency the requirements of the Administrative Procedure Act with the exception of the requirement for publication. Careful study of the requirements of this act indicated no area where the conferees believed that the Administrator should be impeded by the requirements of this act. Of course, neither of these sections applies other than during a civil defense emergency as defined in title III.

On December 28 the chairman of the conference committee received a very cogent letter from the senior Senator from Nevada [Mr. McCARRAN] which was fully considered. In that letter the Senator from Nevada pointed out that the Administrative Procedure Act, by its own terms, was not supposed to apply under unusual circumstances, but the conference concluded that during a time of emergency the Civilian Defense Administrator should not have to make the particular finding that he could not apply the sections of the Administrative Procedure Act, and, therefore, decided to reinstate the provision exempting the Administrator from the Administrative Procedure Act during a time of emergency.

The amendment submitted by the Senator from New York [Mr. IVES], designed to make certain that the broad powers contained in section 303 of this bill do not work undue hardship or injustice upon any individual, was retained by the conferees, but was moved into title III where it was believed it should more properly be placed. It was moved into title III because under the normal functioning of the law the Administrator is required to go through the usual procedures in making reimbursement for property taken and in making any sort of redress during normal operations.

During the debate on the floor of the Senate it was proposed by the senior Senator from Ohio [Mr. TAFT] that a termination date be written into this bill. The House version had a termination date of June 30, 1954. After debate on the floor the Senator from Ohio withdrew his proposed amendment, but the subject was discussed fully in conference. While the conferees decided not to put a termination date in the bill as a whole, it did believe that the broad powers conferred by title III—that is, the emergency provision—should be terminated and require new congressional examination. Accordingly, the termination date of June 30, 1954, contained in the House bill, was inserted in title III by the conferees. This was the agreement or the compromise proposed by the distinguished Senator from Massachusetts [Mr. SALTONSTALL], and I think it provides a satisfactory solution.

The floor amendment proposed by the senior Senator from New Hampshire [Mr. BRIDGES] concerning the method through which security regulations would be enforced was retained by the conferees in substantially the same form as it passed the Senate.

Mr. BRIDGES. Mr. President, will the Senator yield for a question?

Mr. KEFAUVER. Yes; I yield.

Mr. BRIDGES. The Senator from Tennessee said the amendment was essentially in the same form as adopted by the Senate. Because of the fact that there was some discussion about the matter, will the Senator indicate what changes were made in it?

Mr. KEFAUVER. As adopted by the Senate, it was changed to provide that if anything derogatory was found about the security risk of an applicant for a position upon examination by the Civil Service Commission, the examination should cease at that time, and that the Administrator should certify the file of the particular person to the Federal Bureau of Investigation for a full personal check. Under the amendment the Administrator does not have to wait for something derogatory to show up respecting a person by the civil-service examination. If the Administrator wants to make another examination, or

if he has any personal grounds to believe that there might be some question of disloyalty respecting an applicant, he himself may refer the matter to the Federal Bureau of Investigation. That is, he does not have to obtain his information solely from the Civil Service Commission. That is the change which was made.

Mr. BRIDGES. I thank the Senator.

Mr. KEFAUVER. The Senate provision permitting the Reconstruction Finance Corporation to make loans for civil-defense purposes under its normal loaning procedures and after certification by the Administrator that the project was necessary to civil defense, was retained with a clarifying sentence to make it clear that the amounts authorized to be used for this purpose were in addition to the other loaning authorities held by the Reconstruction Finance Corporation.

It was agreed by the conference that the Administrator would make no contribution to self-liquidating projects. The only inducement to self-liquidating projects is that the period of amortization or repayment, in case the money is borrowed from the Reconstruction Finance Corporation, is extended from 40 to 50 years. It was agreed by the conferees that the ability to rehabilitate basements of existing offices or to add certain civil defense features to proposed structures should result in a considerable saving to the taxpayer, and at the same time offer adequate shelter in the event of attack. The House bill had contained a flat provision against such a matching provision, whereas the Senate version was silent on the subject. It is believed that this compromise will give a more economical solution to the problem of shelters.

The other changes made were on relatively minor points, and it is believed the conferees have agreed upon an improved version which should meet the general requirements of the civil defense program.

Mr. President, it is the opinion of the conferees that the bill constitutes a well worked-out proposal which will enable the Civilian Defense Administrator to begin his work with the main burden placed upon the States, and through the States on the local communities; that the Civilian Defense Administrator will be the coordinator and will try to guide the program, and that the bill as now framed meets the insistent demands on the parts of the States and local communities as to what type of legislation should be passed. While we agree that it is not perfect, we have worked out these compromises with the House and I think the conference committee has done a very good job.

Mr. McCARRAN. Mr. President, if the bill becomes law it will be one of the most drastic and far-reaching laws ever placed on the statute books of our country. It goes further toward curtailing the rights and liberties of the individual than any act Congress has passed, to my knowledge. The question of what is an emergency, and how long it can last, is a serious proposition. We see emergencies arising overnight. We do not know when they will come to an end any more than we know when the war which was declared some years ago will be ended. Were the bill not so drastic, were it not for the fact that it does impinge upon the rights of the individual, one would not take it so seriously.

There is now on the statute books, and in operation, what has been known as the Administrative Procedure Act. It stood as a sentry, if you please, as a guidepost, as a protection, between the bureau and the bureaucrat, and the individual. It was the only recourse in solving problems involving an individual in his contacts with an administrative bureau. That law was put on the statute books after long and continuous study. If there ever was a time when that act should come into effect and be operative it seems to me it is on the occasion of an emergency, and, as I have said, an emergency can be declared overnight; and God only knows when the emergencies are going to end.

The conferees have not seen fit to follow the amendment which was adopted by the Senate striking out section 305, and allowing the Administrative Procedure Act to remain in full force and effect.

No delay of moment would result from the operation of the Administrative Procedure Act. It can move as rapidly as desired. It calls upon individual arbiters to decide between a bureau and an individual seeking to redress his wrongs or to sustain his rights. That is all the act does, in reality, and no delay would be occasioned by its application.

Here, however, we have a bill, which is about to become the law, which first of all would take from the individual the right to sue, and it would take from him the right to have the benefit of the Administrative Procedure Act.

Mr. President, I am glad to see that the conferees followed the suggestion of the Senate in changing section 304. Had that not been done, the situation would have been ever more serious.

The right of the individual to sue is a property right which should not be taken from him, either in time of emergency or at any other time.

Mr. President, while the conference report undoubtedly will be approved, I repeat, the act will be one of the most drastic, dangerous laws ever put on the statute books of America, because it is something which impinges upon the rights of the individual. An individual must face an individual, not a court; he must face an individual and have his rights determined, without the right of appeal, without the right to sue, without the right of redress in the courts of the land.

Mr. President, following the discussion upon the floor of the Senate when the bill was before this body, I addressed a letter to the chairman of the conferees, the Senator from Tennessee [Mr. KEFAUVER], together with a memorandum covering my researches with respect to the law relating to the points involved, which I hoped would be of guidance to the conferees. I am glad to know that the able Senator from Tennessee made note of the fact that this memorandum was received and considered. I now ask that my memorandum and letter be inserted in full in the RECORD at this point.

There being no objection, the letter and memorandum were ordered to be printed in the RECORD, as follows:

DECEMBER 28, 1950.

Hon. ESTES KEFAUVER,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: So that the record may be clear with respect to the Senate's action in striking out sections 304 and 305 of the proposed Civil Defense Act, and because it was on my motion that the Senate so acted, I believe it is both proper and desirable that I should give you this statement, and I ask that you convey it to the other Senate conferees.

The Civil Defense Act of 1950 will be a law under which tremendous powers will be conveyed to an agency which the law will set up, to be used by that agency in time of emergency. The powers of the agency, under the law, will impinge upon many if not all of the civil rights of individuals.

It is easy to say that in time of great emergency, it is proper that the rights of the individual be subjugated to the good of the majority; but, of course, any proposal which involves subjugating the rights of individuals to the welfare of the state should be most carefully examined.

It was on the basis of both legality and policy that I objected to the provisions of section 304 (a).

Whether it is necessary, or even desirable, during a period of emergency, to give Government employees of a certain class a degree of immunity from suit by persons whom they may injure by their own wrongful acts is an arguable question to which my own answer would be negative.

Whether the Congress may constitutionally provide for such immunity is a rather complex legal question involving a number of factors. I have examined some of the authorities with respect to points involved, and submit herewith a memorandum on the subject which may be of some value to the conferees, and as a part of the legislative history of the Federal Civil Defense Act of 1950.

In this connection, the following conclusions appear justified:

1. The right of action for a tort committed by an agent of the sovereign, even though in the course of his official duties, is well recognized; and this is a property right.

2. Under the fifth amendment of the Constitution no person may, by Federal action, be deprived of property without due process of law.

3. Tort liability generally is controlled by State law; and a person within the jurisdiction always is amenable to the law unless shielded by a constitutional rule of law which exonerates him.

4. Congress has no power to legislate respecting the personnal tort liability of its employees for acts performed outside the scope of their employment.

5. When the rules of law are changed so as to take certain rights away from a class of persons, the question always arises whether special remedies have been provided to replace those that would otherwise be available; whether there is "a reasonable substitute for the legal measure of duty and responsibility previously existing."

6. If Federal employees can be exempted from tort liability for acts performed within the scope of their employment, on the theory of extending to them the Government's own immunity from suit without its consent, the exemption so extended must be limited to acts performed under actual authority, in behalf of and in the name of the Federal Government.

7, Section 304 (a) of H. R. 9798 can be legally justified, if at all, only on the theory that it changes a general rule of law, has no ex post facto effect, is applicable to all persons alike, and purports to grant no immunity from suit with regard to any acts not performed strictly within the scope of authority, in behalf of and in the name of the Federal Government.

With respect to section 305, the question is entirely one of policy.

Congress is here creating a new agency and vesting in it broad powers, necessarily on the assumption such powers will be used only as needed in the natural interest, and only in a proper manner, never arbitrarily or unreasonably. Why should Congress then say to the new agency, in effect: "There is to be no person, no entity, which can challenge, in any legal way, the validity or propriety of anything you do."?

There is no provision in this statute for court review of any action of the new agency. In the absence of any provision for such review in another statute and under the Administrative Procedure Act exemption contained in section 305, there would be no such provision applicable—there is no way (other than by habeas corpus or some other extraordinary writ not of general application) in which the validity or propriety of any action by this agency can be called into account in any court in the land.

It has been pointed out that the Defense Production Act contains a provision exempting the agency there created from the Administrative Procedure Act, except with respect to the requirement of publicity under section 3. But the Defense Production Act contains alternative safeguards in the form of specified provisions for administrative and judicial review.

The Administrative Procedure Act is not a strait-jacket. It is sufficiently flexible to permit an emergency operation.

If it be argued that in an emergency there would not be time to give advance notice and permit hearings upon proposed rules and regulations, it need only be noted that in section 4 (a) of the Administrative Procedure Act, concerned with rule-making, it is provided that the requirements of the section shall not apply "in any situation in which the agency for good cause finds * * * that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest."

In subsection 4 (c), concerning effective dates of new agency rules, the Administrative Procedure Act provides that:

"The required publication or service of any substantive rule * * * shall be made not less than 30 days prior to the effective date thereof except as otherwise provided by the agency upon good cause found and published with the rule."

In other words, under the Administrative Procedure Act, hearings are not mandatory in connection with emergency rule-making, and the prescribed period of notice before new rules become effective may be shortened or eliminated as the exigencies of a situation may require.

The procedural section of the act with respect to adjudication provides that:

"The agency shall afford all interested parties opportunity for (1) the submission and consideration of facts, arguments, offers of settlement, or proposals of adjustment where time, the nature of the proceeding, and the public interest permit."

Again, in the section of the act dealing with appearance, it is provided that:

"So far as the orderly conduct of public business permits, any interested person may appear before any agency or its responsible officers or employees for the presentation, adjustment, or determination of any issue, request, or controversy in any proceedings (interlocutory, summary, or otherwise) or in connection with any agency function."

The Administrative Procedure Act is the Bill of Rights for the private citizen in civil litigation before Government departments and agencies. It is not to be lightly discarded.

One of the important guaranties in the Administrative Procedure Act is the right of any person compelled to appear in person before an agency or representative thereof, to be accompanied, represented, and advised by counsel.

Another is the right of every person compelled to submit data or evidence to be entitled to retain, or, on payment of lawfully prescribed costs, to procure a copy or transcript thereof.

Another is the right of a person suffering legal wrong because of an agency action to have judicial review thereof.

Surely, there is nothing about the prospective civilian defense program which requires the suspension or abolition of these rights.

The Administrative Procedure Act provides that "no sanction shall be imposed or substantive rule or order be issued except within jurisdiction delegated to the agency and as authorized by law."

Surely, not even the civilian Defense Establishment would desire to be freed from the operation of that requirement.

On the basis of the above, it is respectfully submitted that:

1. Unless alternative provisions for administrative and judicial review are written into the bill, the exemption from the Administrative Procedure Act, which was stricken from the bill in the Senate should not be restored.

2. If the conferees restore section 304, the first sentence thereof should be changed so as to read:

"During the period of such emergency the Federal Government shall not, by virtue of any act or omission, by any officer or employee thereof while complying with or attempting to comply with any provision of this act, or of any rule, regulation, or order issued pursuant to this act, be liable to any person, whether or not such person is engaged in civil defense, for death, injury, or property damage resulting therefrom."

Thanks for your cooperation in presenting this matter to the conference committee, and kindest personal regards.

Sincerely,

PAT MCCARRAN.

MEMORANDUM RE SECTION 304, H. R. 9798

COMPARABLE PROVISIONS IN OTHER STATUTES

A comparable provision will be found in District of Columbia Code, title 6, section 6-1012 (55 Stat. 859, ch. 625); amended August 6, 1942 (56 Stat. 740, ch. 548, sec. 1), which reads as follows:

"Neither the District of Columbia nor any officer, agent, employee, or regularly appointed volunteer worker in the service of said District, nor any individual, receiver, firm, partnership, corporation, association, or trustee, or any of the agents thereof, in good faith and without willful or gross negligence carrying out, complying with, enforcing, or attempting to carry out, comply with, or enforce this chapter, or any order, rule, or regulation issued or promulgated pursuant to this chapter, shall be liable for any damage sustained to any persons or property as the result of such activity."

A search reveals no litigation challenged this section of the socalled Blackout Act (the civil-defense law for the District of Columbia in World War II). It will be noted that the above-quoted provisions are broader in scope than the comparable section of H. R. 9798, but it appears that the District of Columbia Blackout Act was used as a model for parts of the National Civil Defense Act.

Except for two sections of the District of Columbia Blackout Act its provisions were terminated by Public Law 239, Eightieth Congress, approved July 25, 1947.

In view of the fact that litigation has not tested the validity of this section of the District Code, its brief existence as a statute justifies no conclusions respecting the validity of section 304 (a) of H. R. 9798.

The Defense Production Act of 1950 (Public Law 774, 81st Cong.) contains no mention of the Federal Tort Claims Act, and does not appear to affect tort claims in any way.

A comparison between section 304 of H. R. 9798 and the provisions of the Soldiers' and Sailors' Relief Act seemed desirable because the latter affords benefits to members of the armed services in legal proceedings or otherwise due to such service.

The Soldiers' and Sailors' Relief Act, in paragraph 4 of section 511 (title 50, U. S. C.), provides that "the term 'court' as used in this act shall include any court of competent jurisdiction of the United States or any State, whether or not a court of record." Section 520 states that "in any action or proceeding commenced in any court, if there shall be a default of any appearance by the defendant, the plaintiff, before entering judgment shall file in the court an affidavit setting forth facts showing that the defendant is not in military service. If unable to file such affidavit, plaintiff shall in lieu thereof file an affidavit setting forth either that the defendant is in the military service or that plaintiff is not able to determine whether or not defendant is in such service. If an affidavit is not filed showing that the defendant is not in military service, no judgment shall be entered without first securing an order of court directing such entry, and no such order shall be made if the defendant is in such service until after the court shall have appointed an attorney to represent defendant and protect his interest, and the court shall on application make such appointment. Unless it appears that the defendant is not in such service, the court may require, as a condition before judgment is entered, that the plaintiff file a bond approved by the court conditioned to indemnify the defendant, if in military service, against any loss or damage that he may suffer by reason of any judgment should the judgment be thereafter set aside in whole or in part. And the court may make such other and further order or enter such judgment as in its opinion may be necessary to protect the rights of the defendant under this act."

In *Jurilla* v. *Roth* (38 A 2d, 862), the court stated that the Soldiers' and Sailors' Relief Act does not suspend the exercise of the judicial power to acquire jurisdiction in personam for adjudication of civil controversies, but applies a policy of noninterference in this regard.

It will be further noted that the court is given discretion to use its judgment as to the application in a proper case of the Soldiers' and Sailors' Civil Relief Act. In the case of *Neu* v. *McCarthy* (33 N. E. 2d, 570), the court held that a person who enters the military service is not thereby relieved from the obligation to observe the laws of the jurisdiction in which he finds himself and generally he is liable for his torts as are other persons.

The holding in this case would seem to indicate that while the Soldiers' and Sailors' Relief Act was passed for the benefit of the men in the service, it did not give them a blanket right to abuse any privileges granted therein and was only passed for their protection. The Soldiers' and Sailors' Relief Act deals primarily with contractual obligations that existed prior to their entry into the service. In the case of *Ellis* v. *Smithers* (174 S. W. (2d) 568) it was held this act protects only those entering Armed Forces who were already obligated when said sections were approved and became effective, and do not apply to those who became obli-

gated after their effective date and then go into the Armed Forces. In the case of *Brooklyn Trust Company* v. *Papa* (33 N. Y. S. (2d) 57) it was held that this act has application only when the military service in fact has prevented or is preventing a man of the military service from meeting the obligations imposed on him by the instrument sued on. (See also *Twitchell* v. *Home Owners' Loan Corporation*, 122 P. (2d) 210.)

From the foregoing, it would appear that while the Congress can pass legislation for the express benefit of the armed services in time of emergency, which imposes a duty on all courts, jurisdiction of the courts was not impaired and discretion was given them in the exercise of their functions under the Soldiers' and Sailors' Relief Act. It cannot be concluded therefore that the Soldiers' and Sailors' Relief Act in any way abolished, or deprived any person of, a cause of action, but merely in the proper case suspended temporarily the enforcement of the right of action.

Since section 304 (a) of H. R. 9798 goes far beyond merely suspending the enforcement of the right of action in a proper case, the conclusion must be reached that the Soldiers' and Sailors' Relief Act is not a precedent therefor.

STATE AUTHORITIES RELATING TO LIABILITY OR SUIT OF MUNICIPAL OFFICERS

In *Christopher* v. *City of El Paso* (98 S. W. (2d) 394) a case involving personal injury to an infant who was lawfully present at an airport observing stunt flying, etc., the court, having distinguished between proprietary and governmental functions of municipalities, held that the legislation there in question could not waive the liability of the municipality for negligent acts occurring in connection with its proprietary functions.

The specific provisions of a statute (dealing with municipal airports) which exempted cities from liability for injuries to persons caused by negligence of their operating agents was held unconstitutional, despite the presumption in favor of the validity of legislative acts, as violating both the protection clause of Federal Constitution (amendment 14, section 1) and the due process clause of State constitution.

The case of *Stocker* v. *The City of Nashville* (126 S. W. (2d) 339) involved a plaintiff who had tripped on a wire stretched across a path to protect a grass plot. The suit was defended by the municipality on the ground that the State legislature had by statute exempted the municipality from liability from accidents such as that occurring here. The plaintiff raised the issue of repugnance of the State statutes to the fourteenth amendment to the United States Constitution. After discussion of the difference between cases in which the sovereign acts in a proprietary interest and in those in which a governmental interest is exercised, the court decided that a sovereign may pass on to an agency of the sovereign its rights to immunity from suit within violation of the fourteenth amendment, citing *Keifer and Keifer* v. *RFC* (59 S. Ct. 516).

A rather exhaustive study of the constitutionality of statutes which relieve municipalities from liability for torts is contained in the annotation 124 ALR 350. The case of *Batdorf* v. *Oregon City* (53 Oreg. 402, 100 P. 937), cited in the annotation, discusses a provision of a city charter which exempted the municipality and its officers from any liability for any loss or injuries growing out of an accident due to the condition of its streets except that the officers were liable individually, where the accident was caused by the willful neglect by any officer of any duty or where it was caused by his gross negligence or his willful misconduct. (It will be noted that this exception to the limitation of liability roughly parallels that of H. R. 9798.)

The court in the Batdorf case held that the exemption from liability with this exception "practically denies a remedy to any person injured" and that it contravened article 1, section 10 of the Oregon State Constitution. That particular provision of the Oregon State Constitution provides that "every man shall have remedy by due course of law for injury done in person, property, or reputation." This roughly parallels the provisions of the fifth amendment to the Federal Constitution which states that no person shall be deprived of life, liberty, or property without due process of law.

An analogy may be drawn between the holding of the court in the Batdorf case, on the constitutionality of a municipal charter, and the possible holding of a Federal court on section 304 (a) of the proposed civil defense act, if it becomes law.

Shepard's citator shows that the above case has been cited with approval in a number of Oregon decisions as well as in other jurisdictions, notably Minnesota and North Carolina. *Tholkes* v. *Decockk et al.* (147 NW 648 (1914) (the Minnesota case)) contains a fairly good review of the attitude of the other States on this problem.

EXISTENCE OF RIGHT OF ACTION FOR TORT COMMITTED BY AGENT OF THE SOVEREIGN

The Supreme Court has held repeatedly that a suit may be maintained against an officer or agent of a State or the United States, and that it is not a suit against the sovereign to recover damages at law, for a past act of tort by a State official or instrumentality, done in good faith in the name of the State under color of office, where the officer, having no personal interest, was mistaken in thinking he had the lawful right to take the action he did, *Bates* v. *Clark* (95 U. S. 204, 209); *White* v. *Greenhow* (114 U. S. 307); *Chaffin* v. *Taylor* (114 U. S. 310); *Mitchell* v. *Harmony* (13 How. 114, 137); *Scott* v. *Donald* (165 U. S. 58, 67–70); *Hopkins* v. *Clemson College* (221 U. S. 636, 645); *Johnson* v. *Lankford* (245 U. S. 541, 546); *Belknap* v. *Schild* (161 U. S. 10, 18, 23, 26); as to the damages at law, arguendo see *Cunningham* v. *Macoon & Brunswick R. R. Co.* (109 U. S. 446, 452); and a fortiori where the official's act was arbitrary, capricious and in disregard of the law, *Johnson* v. *Lankford* (245 U. S. 541, 546).

Federal cases which appear to merit special attention include the Fleet Corporation cases, the Texas Power case, Brady against Steamship Company, and Luther against Borden. These cases are discussed hereafter under separate subheads.

Sloan Shipyards Corp. et al. v. *U. S. Shipping Board Emergency Fleet Corp. and the United States (249 U. S. 150)*

This was an action against the Fleet Corporation, involving the question of whether the Corporation, as an agent of the United States could be sued. In deciding this and two other related cases, the court said:

"These provisions sufficiently indicate the enormous powers ultimately given to the Fleet Corporation. They have suggested the argument that it was so far put in place of the sovereign as to share the immunity of the sovereign from suit otherwise than as the sovereign allows. But such a notion is a very dangerous departure from one of the first principles of our system of law. The sovereign properly so-called is superior to suit for reasons that often have been explained. But the general rule is that any person within the jurisdiction always is amenable to the law. If he is sued for conduct harmful to the plaintiff his only shield is a constitutional rule of law that exonerates him. Supposing the powers of the Fleet Corporation to have been given to a single man we doubt if anyone would contend that the acts of Congress and the delegations of authority from the President left him any less liable than other grantees of the power of eminent domain to be called upon to defend himself in court. An instrumentality of government he might be and for the greatest ends, but the agent, because he is agent, does not cease to be answerable for his acts. *Osborn* v. *Bank of United States*, 9 Wheat, 738, 843, 842; *United States* v. *Lee*, 106 U. S. 196, 213, 221. The opposite notion left some traces in the law, 1 Roll. Abr. 95, Action sur Cast, T., but for the most part long has disappeared."

Continuing, the Court said:

"If what we have said is correct it cannot matter that the agent is a corporation rather than a single man. The meaning of incorporation is that you have a person, and as a person one that presumably is subject to the general rules of law. The only serious question is whether special remedies have been provided by statute that displace those that otherwise would be at the plaintiff's command. The acts of April 22, 1918 (ch. 62, sec. 3, 40 Stat. 535), and of July 18, 1918 (ch. 157, sec. 13, 40 Stat. 913, 916), give compensation for a plant taken by the President under the powers conferred by the act of June 15, 1917 (ch. 29, 40 Stat. 182), and otherwise, with a resort for claims exceeding $10,000 to the Court of Claims; in the later act, by a suit against the United States. But the taking possession of the plaintiffs' plants on December 1, 1917, is alleged to have been unlawful and it cannot be assumed at this stage that the act of the Fleet Corporation was in pursuance of any powers then delegated to it or was within the ratification of December 3, 1918. The plaintiffs are not suing the United States but the Fleet Corporation, and if its act was unlawful, even if they might have sued the United States, they are not cut off from a remedy against the agent that did the wrongful act. In general the United States cannot be sued for a tort, but its immunity does not extend to those that acted in its name."

In a minority opinion, Mr. Chief Justice Taft, with the concurrence of Mr. Justice Van Devanter and Mr. Justice Clarke said:

"The question presented is one of the interpretation of the will of Congress. No one can contend that Congress is using the Fleet Corporation for its purposes might not have given it express immunity from suit as a representative of the United States. What we have to decide is whether in the mass of urgent legislation in respect to the Government's construction and operation of shipping made indispensable by the peculiar exigencies of the Great War, Congress intended that this corporate agent should be subject to suit only as its principal is. I concede that the legislation originally creating this corporation, without express immunity from suit, naturally gives rise to the inference that Congress concluded that the greater freedom of action secured by carrying on business in corporate form was desirable and that in the absence of express provision for it, and in respect to what the corporation was originally intended to do, immunity cannot be reasonably implied from the relation of the Government to the corporation and its interest in its business. As I read the record, however, the transactions in the two cases I am discussing, and which we have to consider, took place after the situation prompting the creation of this corporation had greatly changed and after much additional legislation. The power to do the things which were here done, and which are the subjects of these suits, is not to be found in the act creating the Fleet Corporation or in legislation expanding its original faculties. It was power vested directly in the President himself, the exercise of which he was given express authority to delegate to an agent, who might be the Fleet Corporation. The act conferring this Presidential power provided a specific remedy for compensation to those whose property rights were invaded by its exercise through award by the President and immediate payment of part due thereunder, with the right to the claimant to litigate the justice of the whole award in the Court of

Claims. The Fleet Corporation in the arrangements which it forced upon the claimants in these two cases to their detriment expressly declared that it acted as a representative of the United States. I think the proper construction to be put upon the facts and the law is that these suits are in fact against the United States and cannot be brought except in the manner and under the procedure provided by the statute for claims for compensation for acts done by authority of the President under the act vesting him with it."

All the Chief Justice says here is that since Congress could create a corporation as an arm of the Government and give that corporation immunity from suit, the Court is not precluded, by the simple fact that Congress did not expressly grant such immunity, from finding in a specific case an intention that a corporation so acting as an arm of the Government should be immune from suit.

Only one of the cases referred to by the Chief Justice involved any allegations of tort, and the minority opinion appears to concern itself with contract rights.

Middleton v. *Texas Power and Light Company (249 U. S. 150)*

This was a case testing the validity of the Texas Workmen's Compensation Act. The plaintiff was a worker who had been injured and who sued outside the Compensation Act, such act then being pleaded as a defense.

The question presented, the Supreme Court said, was whether the Texas employer's liability act was in conflict with the due process and equal protection provisions of the fourteenth amendment to the Constitution. (The similar constitutional question with respect to a Federal status would arise under the fifth amendment.)

After disposing of all contentions made under the equal-protection clause (by holding that the act's discrimination between different classes of workers was neither arbitrary nor unreasonable), the Court said (at p. 162):

"It is argued further that there is a deprivation of liberty and property without due process of law in requiring employees, willingly or unwillingly, to accept the new system where their employer has adopted it. Of course, there is no suggestion of a deprivation of vested property in the present case, since the law was passed in April and took effect in September, while the plaintiff's injuries were received in the following December, after he had been notified of his employer's acceptance of the act. What plaintiff has lost, therefore, is only a part of his liberty to make such contract as he pleased with a particular employer and to pursue his employment under the rules of law that previously had obtained fixing responsibility upon the employer for any personal injuries the plaintiff might sustain through the negligence of the employer or his agents. But, as has been held so often, the liberty of the citizen does not include among its incidents any vested right to have the rules of law remain unchanged for his benefit. The law of master and servant, as a body of rules of conduct, is subject to change by legislation in the public interest. The definition of negligence, contributory negligence, and assumption of risk, the effect to be given to them, the rule of respondent superior, the imposition of liability without fault, and the exemption from liability in spite of fault—all these, as rules of conduct, are subject to legislative modification. And a plan imposing upon the employer responsibility for making compensation for disabling or fatal injuries irrespective of the question of fault, and requiring the employee to assume all risk of damages over and above the statutory schedule, when established as a reasonable substitute for the legal measure of duty and responsibility previously existing may be made compulsory upon employees as well as employers. *New York Central R. R. Co.* v. *White* (243 U. S. 188, 198-206), *Mountain Timber Co.* v. *Washington* (243 U. S. 219, 234)."

Language used in this decision is susceptible of misinterpretation. What the Court is saying here is not that due process is not required under the circumstances, but only that in this case there was due process, in view of the fact that there was a change in the rules of law, affecting everyone alike, and also a reasonable substitute for the legal measure of duty and responsibility previously existing.

Brady, Administratrix, v. *Roosevelt Steamship Company (317 U. S. 575)*

This case came up on certiorari to review a reversal of judgment for the plaintiff in suit against the steamship company to recover damages for the death of plaintiff's intestate. The deceased was a United States customs inspector who died as a result of injuries sustained when the rung of the ship's ladder broke under him while he was, in the course of his official duties, boarding a vessel owned by the United States.

The Court said: "We agree with the court below that this was a maritime tort over which the admiralty court has jurisdiction. * * * The sole question here is whether the Suits in Admiralty Act makes private operators such as respondent nonsuable for their torts." (It should be noted this case arose prior to the effective date of the Federal Tort Claims Act.)

Continuing, the Court said: "There is ample support for the holding in the Johnson case that section 2 of the Suits in Admiralty Act was intended to provide the only available remedy against the United States or its wholly owned corporations for enforcement of maritime causes of action covered by the act. But there is not the slightest intimation or suggestion in the history of that act that it was designed to abolish all remedies which might exist against a private company for torts committed during its operation of Government vessels under agency agreements.

"Section 1 of the Suits in Admiralty Act provides that no vessel owned by the United States or a governmental corporation or 'operated by or for the United States, or such corporation' shall be 'subject to arrest or seizure by judicial process in the United States or its possessions'." That section was designed to avoid the inconvenience, expense, and delay resulting from the holdings in *The Florence H.* (248 F. 1012), and *The Lake Monroe* (250 U. S. 246), that libel in rem would lie against vessels owned by the United States. (See S. Rept. No. 223, 66th Cong., 1st sess.; H. Rept. No. 497, 66th Cong., 2d sess.) The wording of that section makes clear that the right to arrest or seize the vessel was taken away whether the vessel was operated by the United States or its wholly owned corporation or for either of them by a private company. To that extent the act affects remedies which would otherwise exist on maritime causes of acting arising out of operation of Government vessels by private companies for the United States or its wholly owned corporations. Yet there is no indication whatsoever that it went further and took away any personal remedy which a tort claimant might have against such a private operator. While section 1 abolishes the right to arrest or seize the vessel, section 2 provides that 'a libel in personam may be brought against the United States or against such corporations' in cases where 'if such vessel were privately owned or operated * * * a proceeding in admiralty could be maintained.' Section 2, however, does not mention private operators. Nor do the committee reports advert to private operators, except as they may be affected by section 1. The liability of an agent for his own negligence has long been embedded in the law. *Quinn* v. *Southgate Nelson Corp.* (121 F. 2d 190), is a recent application of that principle to a situation very close to the present one. But the principle is an ancient one and applies even to certain acts of public officers or public instrumentalities. As stated in *Sloan Shipyards Corp.* v. *Emergency Fleet Corp.* (258 U. S. 549, 567), 'An instrumentality of Government he might be and for the greatest ends, but the agent, because he is agent, does not cease to be answerable for his acts.' In that case the Fleet Corp. was held to be amenable to suit. And that policy has been followed. * * * Congress adopted that policy when it made corporations wholly owned by the United States suable on maritime causes of action under section 2 of the Suits in Admiralty Act. That it had the power to grant or withhold immunity from suit on behalf of governmental corporations is plain. *Federal Land Bank* v. *Priddy* (295 U. S. 229); *Reconstruction Finance Corp.* v. *Menihan Corp.* (312 U. S. 81). We may also assume that it would have the power to grant immunity to private operators of Government vessels for their torts. But such a basic change in one of the fundamentals of the law of agency should hardly be left to conjecture. The withdrawal of the right to sue the agent for his torts would result at times in a substantial dilution of the rights of claimants. * * * We can only conclude that if Congress had intended to make such an inroad on the rights of claimants it would have said so in unambiguous terms."

Luther v. *Borden et al.* (*7 Howard, at p. 45*)

This early (1849) case, in which Mr. Chief Justice Taney delivered the opinion, was an action of trespass brought by Martin Luther against the defendants for breaking and entering the plaintiff's house. The defendants pleaded justification in that their actions were those of soldiers acting by command of their superior officers.

In the course of his opinion, Mr. Chief Justice Taney said: "The remaining question is whether the defendants, acting under military orders issued under the authority of the government, were justified in breaking and entering the plaintiff's house. In relation to the act of the legislature declaring martial law, it is not necessary in the case before us to inquire to what extent, nor under what circumstances, that power may be exercised by a State. Unquestionably a military government, established as the permanent government of the State, would not be a republican government, and it would be the duty of Congress to overthrow it. But the law of Rhode Island evidently contemplated no such government. It was intended merely for the crisis, and to meet the peril in which the existing government was placed by the armed resistance to its authority. It was so understood and construed by the State authorities. And, unquestionably, a State may use its military power to put down an armed insurrection, too strong to be controlled by the civil authority. The power is essential to the existence of every government, essential to the preservation of order and free institutions, and is as necessary to the States of this Union as to any other governments. The State itself must determine what degree of force the crisis demands. And if the government of Rhode Island deemed the armed opposition so formidable, and so ramified throughout the State, as to require the use of its military force and the declaration of martial law, we see no ground upon which this court can question its authority. It was a state of war; and the established government resorted to the rights and usages of war to maintain itself, and to overcome the unlawful opposition. And in that state of things the officers engaged in its military service might lawfully arrest anyone, who, from the information before them, they had reasonable grounds to believe was engaged in the insurrection; and might order a house to be forcibly entered and searched,

when there were reasonable grounds for supposing he might be there concealed. Without the power to do this, martial law and the military array of the government would be mere parade, and rather encourage attack than repel it. No more force, however, can be used than is necessary to accomplish the object. And if the power is exercised for the purposes of oppression, or any injury willfully done to person or property, the party by whom, or by whose order, it is committed would undoubtedly be answerable."

The VICE PRESIDENT. The question is on agreeing to the conference report.

The conference report was agreed to.

ADDITIONAL SUPPLEMENTAL APPROPRIATIONS, 1951—CONFERENCE REPORT

Mr. McKELLAR. Mr. President, I submit a conference report on H. R. 9920, making additional supplemental appropriations for 1951, and ask for its immediate consideration.

The VICE PRESIDENT. The clerk will read the report.

The report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 11, 13, 14, 18, 19, 20, 21, 24, 25, 26, 27, 28, 29 and 30, and agree to the same.

Amendment numbered 7: That the House recede from its disagreement to the amendment of the Senate numbered 7, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$10,000,000"; and the Senate agree to the same.

Amendment numbered 9: That the House recede from its disagreement to the amendment of the Senate numbered 9, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$1,065,000,000"; and the Senate agree to the same.

Amendment numbered 10: That the House recede from its disagreement to the amendment of the Senate numbered 10, and agree to the same with an amendment as follows: In lieu of the matter stricken out and inserted by said amendment insert the following: "five hundred"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "$66,500,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 1, 4, 5, 6, 8, 12, 15, 17, 22 and 23.

KENNETH McKELLAR,
CARL HAYDEN,
ELMER THOMAS,
RICHARD B. RUSSELL,
PAT McCARRAN,
JOSEPH C. O'MAHONEY,
STYLES BRIDGES,
CHAN GURNEY,
KENNETH S. WHERRY,
GUY CORDON,
Managers on the Part of the Senate.

CLARENCE CANNON,
GEORGE MAHON,
MICHAEL J. KIRWAN,
JOHN TABER,
R. B. WIGGLESWORTH,
Managers on the Part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

There being no objection, the Senate proceeded to consider the report.

The VICE PRESIDENT. The Senator from Tennessee [Mr. McKELLAR] has 30 minutes if he wishes to take it, and the Senator from New Hampshire [Mr. BRIDGES] has 30 minutes.

Mr. McKELLAR. Mr. President, I move that the conference report be agreed to.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. LANGER. Mr. President——

The VICE PRESIDENT. The only question is on agreeing to the conference report presented by the Senator from Tennessee. There are two other matters in disagreement.

Mr. WHERRY. Mr. President, before the report is agreed to, will not the distinguished Senator from Tennessee, for the benefit of those who might desire to debate the matters which have been compromised, give an explanation of what the conference report does? Will the Senator not make a brief statement?

Mr. McKELLAR. I shall be glad to do so.

Mr. President, the conferees have agreed on every item in the bill except two. I believe a larger number of Senate amendments than House amendments were adopted.

As the Senate will recall, for a number of years there has been brought before the Senate and the House an item for the Buggs Island Dam. It was finally agreed to, and the dam is being constructed.

Amendment No. 8 has to do with the following provision:

For construction and acquisition of transmission lines, substations, and appurtenant facilities, and for administrative expenses connected therewith, in carrying out the provisions of section 5 of the Flood Control Act of 1944 (16 U. S. C. 825s), as applied to the southeastern power area, including purchase (not to exceed five) and hire of passenger motor vehicles, $1,850,000, to remain available until expended.

The House inserted that language for the reason that the Government has spent a very large sum of money in building this great enterprise in the State of Virginia at Buggs Island.

As I understood, the Senators from that State were strongly in favor of it. At all events, the Government has built the dam, as it has built other dams, at great cost.

Under this measure the Virginia power company will build the transmission lines from this project to Langley Field; that is the purpose. The Government now has built the dam; the Government owns it. The proposal is that the Government turn it over to the private power company.

We have had this fight with the private power companies for a number of years, as all Senators know.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. AIKEN. Does this mean that a single power company will get the full benefit of the power generated there?

Mr. McKELLAR. I cannot say that. They claim that if they are allowed to build lines to Langley Field, they will provide the power as cheaply as the Government could do so.

Mr. AIKEN. Will the private power company have control of the lines from the bus bar?

Mr. McKELLAR. The private company will have the only transmission lines.

Mr. AIKEN. That means, does it not, that the private company will get all the power?

Mr. McKELLAR. In my judgment, that will happen.

Mr. AIKEN. And it will be power that will be generated at Government expense.

Mr. McKELLAR. I wish to say that this matter was brought out before our committee. Incidentally, the committee was opposed to my view that we should let the Government develop these lines. The dam will not be completed for 2 or 3 years.

Mr. President, why should we allow these proposed contracts to be made? If this language is retained, the Government will still have control. If not, the Virginia power company will control; it is a private power company, and it will control this business to Langley Field. I do not think that should be done. I opposed it; but a majority of the members of my committee are against me, and voted the other way.

This matter went to the House, and the House refused to accept the Senate amendment. So the first proposition before the Senate is whether we shall move to recede from the Senate amendment and concur in the action of the House.

Later on I shall move that the Senate recede and concur. I do not think this important bill should be held up in order to aid a private power company at this time.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I simply wish to become acquainted with what the conferees did with reference to the Buggs Island power plant. As I recall, in the committee the idea was that inasmuch as the Government had constructed the power plant it would be advisable to have some control of the distribution of the power by the private concern. Is that correct?

Mr. McKELLAR. This provides that the company will control it.

Mr. CHAVEZ. But the taxpayers paid for the plant; the Government built it.

Mr. McKELLAR. Yes.

Mr. CHAVEZ. The Senate amendment provides for the distribution of the power under private control; is that correct?

Mr. McKELLAR. Yes. After the Government has built the dam this amendment provides that the power shall be turned over to the private power company.

Mr. CHAVEZ. Do I correctly understand that if we accept the language the House has provided the Government will continue to have control?

Mr. McKELLAR. Yes; it will continue to have absolute control of it, and in my judgment it should have.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. LANGER. I did not quite understand the explanation. How much did the Government spend for the dam and the improvements?

Mr. McKELLAR. I shall have to supply those figures.

Mr. BRIDGES. Mr. President, will the Senator permit me to answer that question?

Mr. McKELLAR. Yes; I shall be glad to have the Senator from New Hampshire do so.

Mr. BRIDGES. The estimated Federal Government cost is $78,800,000.

Mr. McKELLAR. Yes; $78,800,000. Yet it is now proposed that we turn it over to the Virginia Power Co.

The committee estimated that the cost will be approximately $80,000,000. Of course, the work has not yet been finished, but fifty-odd-million dollars have actually been appropriated.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. LANGER. Will the Government have anything to say about the rates, or will the rates be fixed by the State of Virginia?

Mr. McKELLAR. Very high rates have been charged in the State of Virginia—rates approximately double what the Government would charge under this project, I believe.

At the present time, although the company has made no contract, it says it will do better than it has in the past, so far as rates are concerned.

Mr. LANGER. Mr. President, will the Senator yield further?

Mr. McKELLAR. I yield.

Mr. LANGER. Did any other member of the committee take the same position that the distinguished chairman of the committee took?

Mr. McKELLAR. Does the Senator mean in regard to the motion to concur?

Mr. LANGER. Yes.

Mr. McKELLAR. Oh, yes; there are at least five that I know of. Would the Senator like me to name them?

Mr. LANGER. Yes, please.

Mr. McKELLAR. I shall be glad to: the Senator from Tennessee [Mr. McKELLAR], the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. THOMAS], by proxy, the Senator from Georgia [Mr. RUSSELL], and the Senator from Wyoming [Mr. O'MAHONEY]. They are the ones among the conferees. Those five have signified to me that they do not wish to hold up this bill and they do not wish this bill to fail because of this provision.

The House has passed on it twice. The chances are that if we vote to insist upon the Senate amendment, we may not be able to enact this bill at this session, and then in the next session the new Congress will have to go over this measure again. I hope to heaven the Senate will not permit that to occur.

Mr. CHAVEZ. Mr. President, will my good friend from Tennessee yield to me for a moment?

Mr. McKELLAR. I yield.

Mr. CHAVEZ. I attended the discussion and the consideration of this item before the Appropriations Committee, and there is no question as to the state of mind of the committee as a whole. The members of the committee wanted to be fair with the private power company; but as the evidence developed, it appeared that for what could be done now for 3 cents the private power company was charging 10 cents.

Of course, the representatives of the private power company said, in effect, "If we are permitted to do this, we will reduce the rate." However, that reduction could have been made by now.

Mr. McKELLAR. There is no contract or agreement to that effect; is there?

Mr. CHAVEZ. That is correct.

The private power company could reduce the rate from 10 cents to 9⅔ cents or to 9 cents, of course, and still act in accordance with that statement; but still there would not be a reduction to the 3-cent rate.

I personally think we should accept the conference report insofar as the House language is concerned.

Mr. McKELLAR. I thank the Senator.

Mr. President, I now turn to the next item, amendment No. 17, on page 13 of the bill. This is language in what is known as the Tennessee Valley Authority item in the bill. The language is as follows:

Provided, That purchases and contracts for supplies or services may be made by the Authority during the fiscal year 1951 without regard to any provision of law relating to advertising or competitive bidding.

The Tennessee Valley Authority is largely in my State; but in order to get the bill through, and because I believe in competitive bidding, I am going to move that the Senate agree with the House action. The House has passed on this item twice. I do not believe the House will change its position. Unless we agree to the motion to recede and concur, insofar as these two amendments are concerned, I doubt that any bill of this sort will be enacted at this session, and I am quite sure that the Senate wants this bill enacted. We have done a tremendous amount of work on the bill, and at this late day, it ought not to be defeated in the Senate.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. HAYDEN. I understand the time is limited. I should like to have about 5 minutes.

Mr. McKELLAR. Yes. I promised to yield to the Senator from Illinois, but I will yield to him later.

The VICE PRESIDENT. The Chair would suggest that the debate on the amendments has taken place on the motion to agree to the conference report. The report must be agreed to before any motion can be made in regard to the amendments which are in disagreement.

Mr. HAYDEN. Let us agree to the conference report.

The VICE PRESIDENT. The question is on agreeing to the conference report.

Mr. BRIDGES. Mr. President, is this a vote on the conference report?

The VICE PRESIDENT. That is correct.

Mr. BRIDGES. It is not a vote on the amendments which are still in disagreement.

The VICE PRESIDENT. The vote is on agreeing to the conference report, which has been agreed to by the conferees. The two amendments will have to come up separately.

Mr. BRIDGES. Is the division of time to hold on the amendments?

The VICE PRESIDENT. One hour is permitted on the report, and that includes the amendments.

Mr. BRIDGES. So there will be a full half hour allocated to the Senator from New Hampshire on the amendments, then, is that correct?

The VICE PRESIDENT. That is correct, if the Senator does not take any of it on the motion to agree to the conference report. The question now is on agreeing to the conference report.

The report was agreed to.

The VICE PRESIDENT laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 9920, which was read as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S.,
January 1, 1950.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 4, 6, 12, and 15 to the bill (H. R. 9920), making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 1 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment insert:

"PAYMENT OF SUMS DUE DECEASED CONGRESSIONAL PERSONNEL

"When any person dies while serving as a Senator or officer or employee of the Senate, the disbursing officer of the Senate shall pay to the widow or widower of such person, or, if there is no widow or widower, to the next of kin or heirs at law of such person, any unpaid balance of salary or other sums due such person at the time of his death.

"Section 50 of the Revised Statutes shall not be effective as to persons included within the foregoing."

That the House recede from its disagreements to the amendment of the Senate numbered 5 to said bill and concur therein with an amendment as follows: In lieu of the sum of $10,000,000 named in said amendment, insert: "$7,000,000,"

That the House recede from its disagreement to the amendment of the Senate numbered 22 to said bill and concur therein with an amendment as follows: In lieu of the matter proposed by said amendment, insert:

"CHAPTER VIII

"DISTRICT OF COLUMBIA

"(Out of revenues of the District of Columbia)

"Office of Civil Defense

"For an additional amount, for 'Office of Civil Defense,' $250,000; and appropriations

granted under this head for the fiscal year 1951 shall be available for personal services without reference to the civil-service laws as related to recruitment."

That the House recede from its disagreement to the amendment of the Senate numbered 23 to said bill and concur therein with an amendment as follows: In lieu of the words "5 per centum" named in said amendment, insert: "3 per centum."

That the House insist upon its disagreement to the amendments of the Senate numbered 8 and 17 to said bill.

Mr. McKELLAR. I should like to have the amendments of the House to the amendments of the Senate, to which there is no objection, namely, those numbered 1, 5, 22, and 23, agreed to; following which I shall yield to the Senator from Arizona [Mr. HAYDEN].

The VICE PRESIDENT. The question is on agreeing to amendments of the House to the amendments of the Senate numbered 1, 5, 22, and 23.

The amendments were agreed to.

The VICE PRESIDENT. The Senator from Tennessee yields 5 minutes to the Senator from Arizona.

The Chair suggests that a motion should be made at this time in regard to amendment No. 8.

Mr. HAYDEN. Mr. President, I desire to move——

The VICE PRESIDENT. Is the Senator from Arizona now making that motion?

Mr. HAYDEN. I move that the Senate recede from its amendment No. 8.

The VICE PRESIDENT. The question is on the motion of the Senator from Arizona that the Senate recede from its amendment No. 8.

Mr. McKELLAR. Amendments Nos. 8 and 17 are both in disagreement.

Mr. HAYDEN. I will include them both.

I should like to discuss No. 8 for a moment.

The situation as I see it is this: Until the House of Representatives made an actual appropriation of money for the construction of this transmission line, the Virginia Electric Power Co. did not submit any kind of satisfactory agreements to wheel the power from Buggs Island to Langley Field, but it has now submitted something which upon its face looks like a fairly satisfactory contract. I think, however, it is the part of wisdom to arm the Department of the Interior with the money with which to commence construction of a transmission line, pending the time when an agreement of that kind indicated is finally consummated. I base that statement upon experience.

The first experience we had was when the power companies in Arkansas, Oklahoma, and Texas opposed the hooking together of the various Government dams in that area, with the idea that each power company would go to the particular dam nearest it to get the power at the bus bar. The dams in the Southwest area were hooked together. The Texas Power & Light Co., we may say, then saw the light, and made a proper wheeling contract with the Government. Subsequently, Congress made the same kind of arrangement, whereby the Government would build transmission lines in the Southwestern Power area, unless the private power companies agreed to wheel the power to municipalities, cooperatives, and to Government agencies. A satisfactory agreement was reached and last year Congress rescinded $6,000,000 appropriated for those transmission lines.

A similar situation prevailed in Colorado in the case of the Colorado public utilities. We appropriated the money for transmission lines, conditioned upon the inability of the power company to make a proper contract with the Government. The utility company made a contract. We appropriated money last year to the Bonneville Administration, for the purpose of building transmission lines in western Montana, with the understanding that if a proper agreement were made with the Montana Power Co., the money would not be spent. The agreement has been made. There is one agreement of that kind still pending between the Montana Power Co., nd the Reclamation Service which I am satisfied can be adjusted on the same basis.

If Congress arms the Department of the Interior with the money to build this line, we shall, in my judgment, get from the Virginia Power Co. a satisfactory agreement to wheel and distribute the power at a reasonable cost, an arrangement which will materially reduce the price paid by the Government heretofore for power at Langley Field.

I now yield to the Senator from Virginia [Mr. ROBERTSON].

Mr. ROBERTSON. Mr. President, the Senator, of course, knows that the Senators from Virginia, North Carolina, and other States are very much opposed to this item, yet all of us have been disturbed by the statement of the distinguished chairman of the committee that unless the Senate recedes he feels that there will be little chance of completing action on this bill. Certainly every Member of the Senate wants to put the defense needs first. Senators do not want to delay for 1 day, much less for a month, the letting of a contract, if such delay would involve bringing forward a new bill at the next session and holding the necessary hearings thereon.

The distinguished Senator from Arizona has said, if I understood him correctly, that if we get a satisfactory contract from the Virginia Electric & Power Co. to wheel the power from Buggs Island to Langley Field, or wherever the Government might want it delivered, he does not think this money should be spent for a Government transmission line to parallel the existing lines of a taxpaying utility.

Mr. HAYDEN. Mr. President, in substance, I agree with what the Senator says. In the absence, however, of authority to build the transmission line, this company has shown no indication of doing anything even resembling a fair wheeling agreement. If we get a fair wheeling agreement, we ought to treat them just as we did the Oklahoma and Texas power companies, just as we have treated the Colorado power companies, and the Montana power companies. If the contract is advantageous to the Government, if we can get a rate which will move the power to the preferred customers of the Government—and Langley Field is, of course, the outstanding preferred customer—it will save the Government money; it will avoid the necessity of constructing a new transmission line. If the private company will deliver the power in necessary quantities whenever it is needed and at a reasonable price, there would then be no necessity of making this appropriation. But I say the Government must have the ability to build the transmission line in order to assure that it gets the kind of contract which should be written.

Mr. ROBERTSON. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. ROBERTSON. Would it be a fair statement of the Senator's position to say that, if those of us who are putting defense needs first do not continue this fight, but yield to the proposal, as I understand made by the distinguished Senator from Arizona, that there will be a moral obligation upon the Department of the Interior not to spend this money until it has determined whether it can obtain a desirable contract?

Mr. HAYDEN. That is exactly what was stated, in all the other cases.

The VICE PRESIDENT. The Senator's time has expired.

Mr. McKELLAR. Mr. President, will the Senator yield some of his time?

Mr. BRIDGES. Yes, but before yielding, I shall use a minute myself. The general provisions of the bill have been agreed to, and it comes down to two amendments, as to one of which I do not think there will be any controversy. The other relates to the question of a development in Virginia involving the transmission of power to Langley Field, and so on. There is an honest difference of opinion on the approach to this issue, but the committee, after hearing all the evidence, voted 13 to 5 in favor of striking out the House provision. In conference, the Senate conferees insisted on the position of the Senate. The House, yesterday, without any consideration and without any time for discussion, took the other position; so the bill now comes back to the Senate and the question is whether we will accept the House version, or will insist upon our position. That is the parliamentary situation. As to the details of the situation, I should like to yield 5 minutes to the Senator from Virginia.

The VICE PRESIDENT. The Senator from Virginia is recognized for 5 minutes.

Mr. ROBERTSON. Mr. President, I should like to summarize the issues involved. We are having a power plant built at Buggs Island, which is partly in Virginia and partly in North Carolina. It has been a long pull to get the plant built. It was sponsored by the Roanoke River Development Basin. Every sponsor and every supporter of the program contemplated that the power would be used in the basin.

Last fall, when a supplemental defense bill came up, the Department of the Interior had inserted in the bill an item for

the construction of 146 miles of transmission line from Buggs Island to Langley Feld. The line would parallel for the most part existing lines of a privately owned, taxpaying utility, which has always served Langley Field and will always be glad to do so. The claim was asserted that it was a defense move. However, the Defense Department said they never heard of it. The NACA said they did not sponsor it. They said they knew nothing about it. They said, "We want the power and we want it at a cheap rate. It is immaterial to us whether we get it from the Virginia Electric & Power Co. or from Buggs Island." They are now getting it from the private company.

Buggs Island would not come into production until early 1953. Unless the projected development at Buggs Island is doubled the current consumed at Langley Field would take every kilowatt of power from Buggs Island, and the rural areas and the REA's in Virginia and North Carolina would be completely denied the cheap Government power which we plan to make available to them. There would be no power left, because it would produce less than 100,000 kilowatts, and it would not be firm power. Representatives of Langley Field have stated that in 1953 there would be times when they would need 150,000 kilowatts.

On December 12, before the House acted, the Virginia Electric & Power Co. offered a new contract to the Government at Langley Field. They testified before us that in their opinion the rates under that contract were less than the contract offered by the Southeastern Power Administration. On December 20, the power company wrote a letter to Langley Field and said, "Since we offered you this agreement on December 12 you have received a proposal from Southeastern. We will give you the exact terms that Southeastern has offered to you."

That is the reason we asked the Committee on Appropriations not to appropriate the money in the present emergency, particularly in view of the scarcity of copper.

What happened in the House? The subcommittee was divided 3 to 3. A motion was made to take the item out of the bill, but it failed. The full committee voted to put it into the bill by a vote of 21 to 17. It came up on the floor of the House, and not a word was said about it. It went through. Then it came to the Senate. The Senate committee voted to delete the item. That action was confirmed without a record vote on the floor of the Senate. The House conferees would not accept the action of the Senate. The item went back to the House yesterday. What happened there? Not a word was said about it. Someone in the gallery said that when the House acted on the amendment on a voice vote, Representative CANNON voted "aye," Representative TABER voted "no," and the Speaker said, "The ayes have it." That is all there was to it.

The VICE PRESIDENT. The time of the Senator from Virginia has expired.

Mr. ROBERTSON. May I have an additional half minute?

Mr. BRIDGES. I yield an additional minute to the Senator from Virginia.

The VICE PRESIDENT. The Senator from Virginia is recognized for 1 minute.

Mr. ROBERTSON. I do not want to take too long. I feel that we are called upon to compromise on a very fundamental principle. I believe that if we had the time to explain the merits of the case the item would be completely eliminated from the bill.

However, we do not have the time to do so. All of us must leave in approximately an hour to attend our respective caucuses. We must finish action on the bill today. I merely wish to say that if in the present emergency we are forced to compromise in behalf of our defense on a principle for which we have stood I hope it will be clearly understood that there will be no shilly-shallying with us by the Department of Interior if we say, "You are not to spend this money until we have seen whether you can get a suitable contract." We expect them not to spend the money until such time, and the contract has already been offered.

Mr. BRIDGES. Mr. President, I yield 10 minutes to the Senator from Oregon.

The VICE PRESIDENT. The Senator from Oregon is recognized for 10 minutes.

Mr. CORDON. Mr. President, I wish to say first to my colleagues that I hope they will keep in mind that we have before us a $20,000,000,000 supplemental appropriation bill for defense purposes. The amendment now under discussion provides funds for a first installment of some $7,000,000 for the construction of parallel transmission lines from Buggs Island generating plant to Langley Field, for the purpose of supplying electric energy to a Government defense installation at Langley Field.

Two offers have been made by the Virginia Electric & Power Co. The undisputed testimony before the committee was that the total necessity at Langley Field could be met by the Virginia Electric Power Co. from generating sources which it now has in existence or under construction, at a time prior to the time the electricity would be needed, for less money than the Federal Government could supply it from Buggs Island.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CORDON. I have only 10 minutes. If the Senator will ask a question, I shall be glad to yield for that purpose.

Mr. McKELLAR. The Senator said there is no proof to the contrary. The Senator remembers the proof to the effect that the Virginia Co.'s lines cannot at present carry the required power to Langley Field, and the company would have to construct new lines in order to do so.

Mr. CORDON. The testimony is that two additional lines are now being constructed which would carry the power, and another would be constructed if the offer were accepted.

Mr. President, I think the RECORD should show that I believe I know as much about the situation as any other Senator on the floor. I have studied the subject, and am prepared to prove any statements I make with respect to it. When I say an offer has been made, I mean an offer has been made in writing to the NACA, and the offer is good at this minute. If we look at the issue solely from the standpoint of defense, there is nothing which would back up or justify this kind of appropriation.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. CORDON. I am sorry I cannot yield within the time I have allotted to me.

Mr. CHAVEZ. I merely wanted to keep the record straight.

Mr. CORDON. I am sorry. If I had the time, I would be very happy to yield. There are some other factors involved. There is the Buggs Island Dam, where some 208,000 kilowatts will be generated in 1953. The Government does have the investment. Some lines ultimately will be needed, whether they are built by the Government or by the Virginia Electric Power Co. under a wheeling agreement, as has been done in Montana, Oklahoma, and Texas. Those factors are all in this picture; but from the standpoint of the defense factor, the undisputed testimony with reference to the offer which has been made is that the company is ready, able, and willing to furnish the necessary power at a rate less than the Government's rate. That is in the record.

Mr. CHAVEZ. Mr. President——

Mr. CORDON. Coming to the next point, the question of the transmission of the Buggs Island power, the testimony is that the company has offered to enter into a wheeling agreement on the basis of the Montana, Colorado, and Oklahoma contracts. Let me say at this point that in my mind the testimony is equally clear that the company could have made the offer long ago and did not. Unquestionably the company was forced into making the offer by the fact that the Government power was there and was going to be moved.

I have no brief whatever for the Virginia Electric Power Co. However, it is an institution which is financially able to carry out its commitments. It has a record of carrying out its commitments. It has made an offer in writing which would answer the necessities of the Government for power at Langley Field. Whether we can rely on the testimony as to the contents of the offers being exactly the same, I cannot tell the Senate. I am not an electrical engineer. The testimony was that they were. The testimony will be found on pages 342 and 343 of the hearings.

Mr. CHAVEZ. Mr. President——

Mr. CORDON. I am sorry I cannot yield, because I do not have the time. I regret it.

Mr. CHAVEZ. I am just wondering whether the Senator——

The VICE PRESIDENT. The Senator from Oregon declines to yield.

Mr. CHAVEZ. Very well. He is not required to do so.

Mr. CORDON. I wish I could yield. I regret that I do not have the time to go into the facts. We are face to face with this question. This is the last day

of the session. On two occasions the House acted without any knowledge of the facts. In my opinion, the thing that ought to be done is to save to the Federal Government $7,000,000 which it does not need to spend at a time when it is called upon to spend billions of dollars for defense purposes.

On the other hand, if at this time we take the action which I believe is the proper action, the bill must go back to the House and probably into another conference. That cannot be done. I recognize that fact when I say that I feel that we should have before us at this time the status of the matter as the record itself discloses it. I have tried in a few words, probably with oversimplification, to present it. I shall not oppose the motion to recede. I do not think it ought to be done. However, I understand that there is a $20,000,000,000 bill hanging in the balance. That is more important than even the total of $7,000,000 involved in building some transmission lines in Virginia.

The Senator from Arizona [Mr. HAYDEN] and I have worked on these problems time after time. I join with him in voicing the hope that when this money is made available the Interior Department will understand that it is made available solely for the purpose of building lines if the contracts mentioned cannot be executed. When we say that we mean contracts based upon the Texas, Oklahoma, Colorado, and Montana wheeling contracts. That does not mean giving control over Government power to anyone but the United States Government. The people get the benefit of the power just as they would if the Government were to spend its dollars to do the same thing.

Having made that statement, I shall not oppose the motion, although I regret that we do not have time to present the entire case and reach a decision which, in my opinion, the facts warrant.

Mr. BRIDGES. Mr. President, I yield 3 minutes to the Senator from North Carolina [Mr. HOEY].

Mr. HOEY. Mr. President, I was very strongly in favor of the amendment which was adopted by the Appropriations Committee. I thought it was very proper action. The amendment was adopted by a vote of 13 to 5. I do not happen to be a member of that committee, but I am familiar with the entire situation.

I am opposed to the Government building transmission lines or engaging in private business anywhere if private enterprise will meet the conditions and respond to the needs.

The Senator from Arizona [Mr. HAYDEN] has very strongly stated the position of the Senate with reference to the other contracts. I believe that the same policy should be pursued in this case. At this time I shall not oppose adopting what the House has done, because I think to do otherwise would jeopardize the entire appropriation bill. However, I think it ought to be distinctly understood that the mind and thought of the Senate is not that the Government should go into private business and build transmission lines when private enterprise is willing to do it and wheel the power at a price comparable to that which the Government could achieve by its own action.

The reason I say that is that there is a very definite disposition in the Interior Department to go after private utilities and interfere with private companies. In my opinion, no one can dispute that fact. I think it is going too far in my own State, where we are served by the Bugg's Island development, which is in Virginia. We have all supported that development.

There is a proposal pending by which the Virginia Electric Power Co. would build a big power plant in North Carolina at Roanoke Rapids. The Power Commission has heard the case, and the examiner has approved the project. Yet the Interior Department is going before the Power Commission and trying to defeat the effort of this company to build a dam to furnish power which is very greatly needed. The State of North Carolina, the State of Virginia, the REA's, and many private owners need the power. This company has offered to build a dam. The Federal Power Commission examiner, after hearing the case for weeks and months, decided that it should be built. Yet the Interior Department has intervened before the Federal Power Commission and is trying to stop the private company from building the dam, because that is one of the projects which it had hoped some day to include in the Bugg's Island project. The beginning of construction would not be reached before 1952 or 1953. It is said that there is a great scarcity of power in that section; yet the Department of the Interior is deliberately stalling and trying to prevent the building of a dam at Roanoke Rapids. I believe that the policy of the Interior Department is contrary to the policy which the Senate has adopted, which the Congress has heretofore approved, and which the public welcomes.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. SALTONSTALL. As one of those who voted in support of the position which the Senate originally took, I have listened with great interest to what the Senator has just said. What I cannot understand is this: If we now recede, as the Senator from North Carolina has urged, how can the position which we have heretofore taken be retrieved? Will it not be completely water over the dam? If we authorize the first appropriation, we must authorize the remaining appropriations, must we not?

Mr. HOEY. I agree with the Senator. However, I feel that probably we ought not hold up the entire appropriation bill at this late hour merely because of this item.

As the Senator from Arizona [Mr. HAYDEN] has said, there should be an understanding that this money shall not be used for the purpose of building transmission lines if satisfactory contracts can be obtained.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. TAFT. Why should the Senate yield, rather than the House?

Mr. HOEY. I thoroughly agree with the Senator. However, the question is one of limitation of time.

Mr. TAFT. The House is in session. It has not yet passed the War Powers Act. I see no reason why it cannot recede.

Mr. HOEY. I should be entirely willing to take that position. The only thing I was interested in was not jeopardizing the entire appropriation bill.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. HOEY. I yield.

Mr. SALTONSTALL. If the Senator's position is correct, what steps are going to be taken toward getting the additional power in his State about which he is talking, and the dam which he wishes to see built?

Mr. HOEY. That is not involved, I will say to the Senator.

The VICE PRESIDENT. The time of the Senator from North Carolina has expired.

Mr. HOEY. Mr. President, will the Senator from New Hampshire yield me half a minute more?

Mr. BRIDGES. Yes.

Mr. HOEY. As I said, that is not involved in the appropriation. What I was talking about was the fact that the Interior Department is taking an attitude of antagonism to private enterprise and private utilities, and undertaking to undermine them wherever it has the opportunity. In my State the additional dam which the private company wants to build is not involved in this appropriation at all. That is merely a thing for which it hopes to obtain an appropriation in the future, which I shall oppose when it comes up.

Mr. BRIDGES. Mr. President, I yield 2 minutes to the Senator from Michigan [Mr. FERGUSON] to address a question to the chairman of the committee.

Mr. FERGUSON. Mr. President, the question I wish to ask the Senator from Tennessee, is this: Would it be possible for the Senator from Tennessee to talk to the Secretary of the Interior and obtain from him an understanding that before he will proceed to build this line with the Government's money he will notify the Senate, and wait at least 30 days? Can the Senator obtain such an understanding so the Senate may act today on the emergency legislation?

Mr. McKELLAR. Mr. President, I have not talked with the Secretary of the Interior at all on the subject.

Mr. FERGUSON. Can the Senator talk to him and come back to the floor with an answer?

Mr. McKELLAR. I do not think so. We have just a few minutes left. If the Senator wants to vote against the report, he can do so; that is all.

Mr. CHAVEZ. Mr. President——

The VICE PRESIDENT. The time is divided between the Senator from Tennessee [Mr. McKELLAR] and the Senator from New Hampshire [Mr. BRIDGES]. The Senator from Tennessee has 13 minutes left. The Senator from New Hampshire has 5 minutes left.

Mr. McKELLAR. Mr. President, I promised to yield to the Senator from Illinois [Mr. LUCAS]. I wish to make that statement for the benefit of the Senator from New Hampshire.

Mr. CHAVEZ. Mr. President, will the Senator yield me 1 minute?

The VICE PRESIDENT. Does the Senator from Tennessee yield to the Senator from New Mexico?

Mr. McKELLAR. Yes.

Mr. CHAVEZ. Why should we ask the Secretary of the Interior what he is going to do? We are passing the law. Is that not correct? I should like to have some Senator answer that question. Why should we ask any Cabinet member what he is going to do?

Mr. FERGUSON. If the bill is passed as it now reads there would be no strings attached to the money. He could use it tomorrow.

Mr. CHAVEZ. Except that the Senator from Arizona [Mr. HAYDEN] has told us over and over—and I trust him to the full extent—that unless actions are taken in a certain way they cannot be taken at all. Is that correct?

Mr. HAYDEN. If I had time——

The VICE PRESIDENT. The time of the Senator from New Mexico has expired.

Mr. McKELLAR. Mr. President, has the Senator from Michigan concluded?

Mr. FERGUSON. Yes.

Mr. McKELLAR. I now yield to the Senator from Illinois [Mr. LUCAS].

The VICE PRESIDENT. The Senator from Illinois is recognized for 12 minutes.

FAREWELL ADDRESS BY SENATOR LUCAS

Mr. LUCAS. May I ask the Senator from New Hampshire if he has any time left?

Mr. BRIDGES. I think I have 5 minutes.

Mr. LUCAS. I may want to ask the Senator to yield me a minute.

Mr. BRIDGES. I yield to the Senator from Illinois the additional time he may need.

Mr. LUCAS. Mr. President, the most interesting and fruitful period of my life will be concluded on tomorrow. For 12 years I have had the high honor of representing the State of Illinois in the foremost Legislative Hall in all the world.

The people of the great State of Abraham Lincoln and Stephen A. Douglas were kind enough to entrust to me legislative power and authority that can only come to one living in a democracy such as ours.

Tomorrow I relinquish that trust. I return it to the people. They are the Government. They give—they also take away. May such a cherished and fundamental right remain inviolate forever. If so, our Republic will approach immortality.

In leaving this hallowed chamber, consecrated so long ago to the cause of liberty, I do so with many solemn recollections. When I entered the Senate in 1939 the world was moving into the shadows of a global war. Since that hour I have been privileged to take part in many great decisions involving the welfare of my fellow Americans and the fate of mankind. In lifting my voice and casting my vote upon every occasion, I have kept one great objective before me—the cause of world peace.

Mr. President, I shall never forget the strong and affectionate ties which bind Members of this body, irrespective of their political affiliations. There is a feeling of fellowship which permeates this Legislative Hall that does not exist in any other body of men in all the world. To Members on both sides of the aisle I express my gratitude for their years of tolerance, forebearance, and cooperation.

However, I would not for one moment want to leave the impression that all my legislative days have been filled with sunshine and joy. I have had some painful collisions with some of my distinguished colleagues. But, in the main, the colloquies and debates have been tempered with a strict observance of justice and public faith and in keeping with the best traditions of the past.

So, Mr. President, as I say farewell, I do it knowing that my long association with so many able public servants has made me a better and more useful American. A study in government over such a long period of time has given me wide knowledge of national and international affairs. The experience gained in these troubled years qualifies me to compare our beloved country with strife-torn, poverty-ridden, and tyrannical nations in other parts of the world. Any thoughtful and wide awake patriot who thoroughly understands that sharp contrast between our Nation and others, lives with the words in his heart, "Thank God, I am an American." But to those of us upon whom has rested the grave responsibility of solving the world-shaking problems brought about by despots, tyrants, and dictators, the great privilege of being an American penetrates to human depths which cannot accurately be measured.

Yes, to be an American is the greatest privilege that can come to a human being. Millions behind the iron curtain, millions in far-off desolated lands, tortured and miserable souls, yearn for an opportunity to find a refuge from their sorrows and troubles on the blessed soil of America.

But, Mr. President, the things that have made this country the envy of the world—our cherished institutions, our respect for the dignity of the human being, our high standard of living—are in mortal danger of destruction. Communism, the antithesis of democracy, is on the march throughout the world. The Communist ideology is striving desperately for supremacy everywhere. The seriousness of this cannot be underestimated. The smug, the complacent, the selfish, and the obstructionist must awaken to the grave dangers which lie ahead. We cannot live on the glories and the accomplishments of the past, renowned as they are. Free peoples everywhere face a supreme challenge by those cruel forces which are pledged to destroy our destiny. The lofty principles of God and the rights of man demand that we meet and defeat that challenge.

Mr. President, if we have faith in the future of our country and can find a formula for unity, I submit that another great war is not inevitable. With this combination, we can preserve our Nation through sacrifice and toil so that the generations yet to be born will be endowed with a heritage which equals or surpasses that which was handed down to us by our fathers.

Mr. President, one of the ways to reach this coveted goal is for those high in the councils of the Nation, whether they be Democrats or Republicans, in concord and in unity, to fight the hideous creeping creature of communism wherever it may be found threatening directly or indirectly the safety and security of our Republic. If such an ungodly concept of human affairs should ever find its wicked and monstrous way into a republic that was founded on the theory that we are a nation of laws and not of men, then the last best hope of freemen is doomed. Folly and madness will be the forerunner to a life of slavery. I believe with all of my heart that "resistance to tyrants is obedience to God."

Mr. President, it took the Pearl Harbor disaster to bring about national unity in 1941. Will it be necessary for the Kremlin to drop a bomb on Washington before we obtain the unity we ought to have in this crisis? Is there a Senator who does not believe that the Communists, working out of Moscow, seek to dominate the world? Do not the huge land army and air force of the Russians, along with the Soviet-armed and dominated satellite nations, admonish us to take all fair and honorable means to meet such potential aggression?

With the liberty of every loyal American at stake in this cold and hot war, it seems to me that the time for idle chatter is over. The hour has passed when men in high positions can, for the sake of some political advantage, without jeopardizing their country's safety, fire the imagination of the emotional and the uninformed with reckless and irresponsible charges. The hour has passed when assessment of blame for yesterday's purported mistakes on foreign policy should be constantly resurrected. If some must condemn, I respectfully request that such pronouncements be withheld until a less dangerous day arrives. I ask this not in the interest of any political party but in the name of a united America—yes, in the interest of the soldiers in Korea who now are bearing the brunt of battle with their blood and their lives. In this international crisis the political veneer corroding our foreign policy should be removed lest the body politic suffer a national disaster.

In the conduct of our foreign policy, we are dealing with the lives of our fellow Americans, and we are under a deep obligation to live up to the highest standards. When men are dying in the wastelands of Korea in defense of a great principle based upon world peace and justice, we should disavow every prejudice, forget personal pique and ambition, remove every political roadblock, and strike a blow for national unity that will resound for years in the capitals of those nations where tyrannical masterminds are plotting to destroy us all. Such unity will remove frustration and fear at home and will tell those who scheme against us that they can expect no aid

or comfort from a divided country. It will lift the morale of our allies in the western democracies, as well as the morale of those in other parts of the world who believe in our cause. While unity at home is indispensable, unity among our allies, both in Europe and Asia, is also vital to the success of the free world.

Mr. President, I am one who believes that at this hour we cannot refuse to accept the responsibilities of world leadership. We cannot fail to fulfill the international commitments and obligations we have made. If we should falter and fail at this crucial hour of history, we would hand over the world to Stalin and his ruthless lieutenants. We would lose our friends and allies everywhere. Never before in the history of this Republic has America needed friends and allies as America needs them now. If Europe and the Asiatic nations should fall into the hands of the Communists, America would ultimately stand alone—a garrison state, surrounded by a military wall of iron. Regimentation and austerity over a long period of time would be inevitable. We would bear the crushing burden of an immense army, navy, and air force without any military assistance from our friends across the sea. Such a course would enable the Soviet leaders to attain one of their great objectives in their master plan for world domination. So long as Europe remains free, the Western Hemisphere is safe from Communist domination.

Never let it be said by future historians that Americans—free Americans, if you please—abandoned the freedom-loving peoples throughout the world by failing to unite on our foreign policy.

Mr. President, I would not attempt to say to the Members of this august body that any one man or group of men has the complete answer to what our foreign policy should be. We all understand that under our Constitution the Commander in Chief has the principal responsibility for the formation of our foreign policy. I recognize the different views which honorable men have upon the most intricate and delicate questions which this Nation has ever faced. I also recognize the fact that Congress has a voice in the making of the foreign policy, through both the treaty-making power and the appropriations. I firmly believe that the administration, through its leaders, and the leaders of the minority in Congress should lay aside every political or other consideration, and should compromise their differences on foreign policy. I doubt that there are 10 Members of the United States Senate who today would agree on every detail of a program to solve our international problems. But, Mr. President, we cannot win a war, nor can we win a peace, hopelessly divided. If we remember that, we can, as Americans, unite and achieve a noble victory for all mankind.

Mr. President, this may be a voice crying in the wilderness, but I speak from long experience and the deep conviction that unity is indispensable if permanent peace is to be obtained. I plead in this hour—in this desperate hour—of our existence that politics stop at the water's edge, both in the executive and the legislative branches of our Government. Give us clear thinking, cool heads, high purpose, firm resolve, unselfish cooperation in the uncertain days ahead. Let the Executive give to the American people all of the information which is possible without jeopardizing our safety and security. Surely there must be a common denominator upon which virtually all members of both branches of Congress could agree with the executive branch of the Government in the solution of European and Asiatic problems.

Mr. President, some may say that I have painted a pessimistic picture, but to me it is a tragically realistic one. Nevertheless, I am and always will be an optimist about the future of America. I could not be otherwise, having been the recipient of her great opportunities. Throughout my career in the Senate and in public life, I have opposed those who preached the gospel of despair. I have opposed the little men of little faith who lack confidence in the strength and the destiny of America. I have opposed the cynics and the disbelievers—those who declared that we could not build 100,000 planes a year; those who declared that we could not defeat Germany and Japan; those who wanted to get down on their knees and surrender to the forces of evil. Mr. President, I have no doubts about our ultimate victory over any ungodly and uncompromising foe if we maintain essential unity and our brotherhood as Americans. If we can have that kind of unity, there is no aggressor wicked and powerful enough to be capable of standing against the resourceful, determined, and intelligent efforts of 150,000,000 free Americans who have faith in Almighty God and the flag. This is the kind of unity that will bring about an everlasting peace based upon law and justice.

Mr. President, we are passing through the most extraordinary and dangerous days since the birth of this Republic. We can destroy all of the things that made America great if we continue to quarrel among ourselves. Let us unite and face the tremendous task which must be done in the spirit of patriotism and forbearance. Let us unite under a flag which has stood, and will ever stand, for the liberties of the human race.

[Applause, Senators rising.]

The VICE PRESIDENT. The time of the Senator from Illinois has expired.

ADDITIONAL SUPPLEMENTAL APPROPRIATIONS, 1951—CONFERENCE REPORT

The Senate resumed the consideration of the motion of Mr. HAYDEN that the Senate recede from its amendments Nos. 8 and 17, to the bill (H. R. 9920) making additional supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

The VICE PRESIDENT. The Senator from New Hampshire is recognized for 3 minutes.

Mr. BRIDGES. Mr. President, the issue involved here is a question of private enterprise versus operation by the Federal Government.

Insofar as public power is concerned, when private enterprise refuses to give service for a comparable figure, then, of course, the Federal Government is entitled to enter the field, and should do so. However, when private enterprise is willing to render the same service for a comparable price, in these days of war in Korea, when there is such a tremendous burden on the finances of the Federal Government, we have no obligation to have the Federal Government enter the field, and, in my judgment, no right to have the Government do so.

That is the issue; and on that issue I ask for the yeas and nays.

Mr. SALTONSTALL. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. I yield.

Mr. SALTONSTALL. Does the Senator, in voting on this question, understand that the House is still in session, so that there is an opportunity for further discussion of this subject without holding up the entire military appropriation bill?

Mr. BRIDGES. I do. This is not a question of being for or against the military bill, but it is a question of giving the House another opportunity to pass on this issue.

Mr. McKELLAR. Mr. President, I take issue with the Senator on that point, and I ask for the yeas and nays.

The VICE PRESIDENT. Let the Chair state the question.

Does the Chair correctly understand that the motion includes both amendments?

Mr. McKELLAR. Yes; both amendments.

The VICE PRESIDENT. The question is on agreeing to the motion——

Mr. WHERRY. Mr. President, I think the only request for the yeas and nays has been in regard to amendment numbered 8.

Mr. McKELLAR. Mr. President, I made the request for the yeas and nays in regard to both amendments, and so did the Senator from Arizona.

Mr. HAYDEN. Mr. President, I suggest that both amendments be acted on at the same time.

The VICE PRESIDENT. Only by unanimous consent can both amendments be voted on at the same time.

Is there objection?

Mr. BRIDGES. No, Mr. President——

Mr. WHERRY. Let us vote on the amendments one at a time.

The VICE PRESIDENT. Objection is heard.

The question is on agreeing to the motion of the Senator from Arizona that the Senate recede from its disagreement to amendment numbered 8, which is the Southeastern Power amendment.

On this question the yeas and nays have been demanded. Is there a sufficient second?

The yeas and nays were ordered.

Mr. WHERRY. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Aiken	Clements	Frear
Anderson	Connally	Fulbright
Benton	Cordon	George
Brewster	Donnell	Gillette
Bricker	Douglas	Green
Bridges	Dworshak	Gurney
Butler	Eastland	Hayden
Byrd	Ecton	Hendrickson
Carlson	Ellender	Hickenlooper
Chapman	Ferguson	Hill
Chavez	Flanders	Hoey

Holland	McClellan	Russell
Humphrey	McFarland	Saltonstall
Hunt	McKellar	Shoeppel
Ives	McMahon	Smith, Maine
Jenner	Magnuson	Smith, N. J.
Johnson, Tex.	Malone	Smith, N. C.
Johnston, S. C.	Martin	Sparkman
Kefauver	Millikin	Stennis
Kem	Morse	Taft
Kerr	Mundt	Taylor
Kilgore	Murray	Thye
Knowland	Neely	Tobey
Langer	O'Conor	Watkins
Lehman	O'Mahoney	Wherry
Long	Pastore	Wiley
Lucas	Pepper	Williams
McCarran	Robertson	Young

The VICE PRESIDENT. A quorum is present. The question is on agreeing to the motion of the Senator from Arizona that the Senate recede from its amendment No. 8. Those who favor the motion to recede will vote "yea" and those who are opposed to the motion will vote "nay," when their names are called.

Mr. WHERRY. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. WHERRY. Am I correct in saying that a vote "nay" means a vote to maintain the Senate's position?

The VICE PRESIDENT. A vote "nay" means not to recede from the Senate's position.

Mr. McKELLAR. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. McKELLAR. A vote "yea" is a vote that will mean passage of the bill, is it not?

The VICE PRESIDENT. The Chair thinks Senators are intelligent enough to know what they are voting on.

Mr. SALTONSTALL. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. SALTONSTALL. Will the Chair inform the Senate whether the House of Representatives is still in session?

The VICE PRESIDENT. In the view of the Chair, that is not a parliamentary inquiry. Furthermore, the Chair does not know.

The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk called the roll.

Mr. LUCAS. I announce that the Senator from Colorado [Mr. JOHNSON] is unavoidably detained on official business.

The Senator from South Carolina [Mr. MAYBANK], the Senator from Pennsylvania [Mr. MYERS], the Senator from Oklahoma [Mr. THOMAS], the Senator from Utah [Mr. THOMAS], and the Senator from Maryland [Mr. TYDINGS] are necessarily absent.

Mr. SALTONSTALL. I announce that the Senator from Washington [Mr. CAIN] and the Senator from Michigan [Mr. VANDENBERG] are absent by leave of the Senate.

The Senator from Indiana [Mr. CAPEHART], the Senator from California [Mr. NIXON], the Senator from Massachusetts [Mr. LODGE], and the Senator from Wisconsin [Mr. MCCARTHY] are necessarily absent.

The result was announced—yeas 43, nays 41, as follows:

YEAS—43

Aiken	Hayden	Magnuson
Anderson	Hill	Morse
Benton	Humphrey	Murray
Chapman	Hunt	Neely
Chavez	Johnson, Tex.	O'Mahoney
Clements	Johnston, S. C.	Pastore
Connally	Kefauver	Pepper
Cordon	Kerr	Russell
Donnell	Langer	Sparkman
Douglas	Lehman	Taylor
Frear	Long	Tobey
Fulbright	Lucas	Wiley
George	McFarland	Young
Gillette	McKellar	
Green	McMahon	

NAYS—41

Brewster	Hickenlooper	O'Conor
Bricker	Hoey	Robertson
Bridges	Holland	Saltonstall
Butler	Ives	Schoeppel
Byrd	Jenner	Smith, Maine
Carlson	Kem	Smith, N. J.
Dworshak	Kilgore	Smith, N. C.
Eastland	Knowland	Stennis
Ecton	McCarran	Taft
Ellender	McClellan	Thye
Ferguson	Malone	Watkins
Flanders	Martin	Wherry
Gurney	Millikin	Williams
Hendrickson	Mundt	

NOT VOTING—12

Cain	McCarthy	Thomas, Okla.
Capehart	Maybank	Thomas, Utah
Johnson, Colo.	Myers	Tydings
Lodge	Nixon	Vandenberg

So Mr. HAYDEN's motion to recede from amendment No. 8 was agreed to.

The VICE PRESIDENT. The question now is on agreeing to the motion of the Senator from Arizona [Mr. HAYDEN] to recede from amendment No. 17.

The motion was agreed to.

The VICE PRESIDENT. That completes action on the conference report.

ORDER OF BUSINESS

Mr. NEELY obtained the floor.

Mr. GEORGE. Mr. President, will the Senator from West Virginia yield to me for a moment, without his losing the right to proceed?

Mr. NEELY. On that condition, I yield.

Mr. LUCAS. Mr. President, will the Senator from Georgia permit me to make an announcement before Senators leave the Chamber?

Mr. GEORGE. Certainly.

Mr. LUCAS. Some time ago the Democratic Members of the Senate arranged for a caucus to be held this afternoon at 2 o'clock. However, it may be that the Senate will remain in session a little beyond that hour. I have conferred with a number of the Democratic Members of the Senate, and it is agreeable with all of them that we meet in our conference at 20 minutes after the adjournment this afternoon. It may be 3 or 4 o'clock before we get into the conference.

Mr. WHERRY. Mr. President, will the majority leader permit a question?

Mr. LUCAS. I yield to the Senator.

Mr. WHERRY. Does the majority leader wish to make any statement about a call of the calendar?

Mr. LUCAS. I do not believe we will have time to call the calendar today.

Mr. McCLELLAN. May I ask the majority leader how long he expects the Senate to remain in session?

Mr. LUCAS. I do not have any particular hour in mind. We have one more conference report to consider.

Mr. McCLELLAN. Did I understand the majority leader correctly to say that when the Senate adjourns for the caucus, it will mean final adjournment?

Mr. LUCAS. That is correct.

Mr. McCLELLAN. There is the war powers bill, which the Senate passed a few days ago and which the House is considering today, and I do not believe it would be advisable for an adjournment to be taken until there had been opportunity to act on that measure.

Mr. LUCAS. I thank the Senator for that information. Under those circumstances we will merely recess, to meet at the call of the Chair.

Mr. McCLELLAN. I believe that would be advisable, because that legislation is important.

LEAVE OF ABSENCE

Mr. WHERRY. Mr. President, will the Senator from Georgia permit me to present a unanimous consent request?

Mr. GEORGE. I yield to the Senator for that purpose.

Mr. WHERRY. As all of us know, the junior Senator from Washington [Mr. CAIN] underwent a rather serious operation in mid-December. It will please his friends to know that his recovery has been rapid, and that he will soon be fully recovered.

It is necessary, however, that the Senator from Washington take some rest before returning to his work in the Senate. I ask unanimous consent that the Senator from Washington may be absent from sessions of the Senate until January 22 next.

The VICE PRESIDENT. The Chair is not certain that the Senate can in one session of Congress grant a Senator leave of absence for the next session.

Mr. WHERRY. Mr. President, I ask that the Senator from Washington be granted permission to be absent from the Senate during the remainder of the Eighty-first Congress.

The VICE PRESIDENT. Without objection, it is so ordered.

AMENDMENT OF SECTION 120 OF THE INTERNAL REVENUE CODE

Mr. GEORGE. Mr. President, I ask unanimous consent for the present consideration of Calendar No. 2183, House bill 7303, to amend section 120 of the Internal Revenue Code.

The VICE PRESIDENT. Is there objection to the request of the Senator from Georgia?

There being no objection, the Senate proceeded to consider the bill (H. R. 7303) to amend section 120 of the Internal Revenue Code, which had been reported from the Committee on Finance with amendments, on page 1, line 8, after the word "by," to strike out "this act" and insert in lieu thereof "section 1," and after line 10, to insert:

SEC. 3. (a) Section 3930 (a) of the Internal Revenue Code (relating to salary, etc., of the General Counsel for the Department of the Treasury) is amended by striking out "$10,000" and inserting in lieu thereof "$15,000."

Mr. GEORGE. Mr. President, I ask that the Senate reject the committee amendments to the bill.

The VICE PRESIDENT. The question is on agreeing to the committee amendments.

The amendments were rejected.

The VICE PRESIDENT. The question is on the third reading and passage of the bill.

The bill was ordered to a third reading, read the third time, and passed.

CHILDREN BORN OUT OF WEDLOCK

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 1122) relating to children born out of wedlock, which were, on page 3, line 4, strike out all after "Counsel" down to and including "truth" in line 7, and insert "to determine the validity"; on page 3, line 9, strike out all after "believe" down to and including "believe" in line 14; on page 3, line 15, strike out "thereof" and insert "of the child in question"; on page 3, lines 15 and 16, strike out "by such officer"; on page 3, line 24, after "necessary" insert "by the court"; on page 4, lines 13 and 14, strike out "Washington Asylum and" and insert "District"; on page 5, line 4, strike out "shall" and insert "may"; on page 5, line 5, after "public", insert a comma and "and shall do so"; on page 5, line 15, strike out "shall" and insert "may"; on page 5, lines 15 and 16, strike out "the payment of annual amounts, equal or varying," and insert "payments"; on page 5, line 21, strike out "the", where it appears the first time, and insert "a"; on page 5, line 21, strike out "wherein he resides through" and insert "of"; on page 6, lines 2 and 3, strike out "upon petition of any party in interest,"; on page 6, line 5, strike out "child. Hearing on such petition" and insert "child: *Provided, however*, That a hearing"; on page 6, line 18, strike out "may" and insert "shall"; on page 6, line 21, after "of", insert "any"; on page 6, line 22, after "may", insert "revoke probation and"; on page 6, line 23, after "year", insert "at any one time"; on page 6, line 23, strike out "the" where it appears the second time and insert "a"; on page 7, line 1, after "judgment", insert "or for commitment for further default"; on page 7, line 3, strike out "suspend sentence" and insert "set aside commitment"; on page 7, line 3, after "and", insert "again"; on page 7, line 15, strike out "for"; on page 7, line 15, strike out "provided" and insert "ordered"; on page 8, line 3, strike out "at any time"; on page 8, line 6, strike out "the" and insert "and"; on page 8, line 21, strike out "the precinct wherein he resides, through the" and insert "a precinct of the"; on page 9, line 11, strike out "approved voluntary agreements" and insert "accept voluntary payments"; on page 9, lines 12 and 13, strike out "and to accept payments made pursuant thereto"; on page 9, line 13, after "and", insert "to"; on page 11, line 12, strike out "attorneys, and the" and insert "attorneys. The"; and on page 11, line 16, after "act", insert a comma and "and to the Bureau of Vital Statistics as provided in section 16 (a) hereof."

Mr. NEELY. Mr. President, I ask unanimous consent that the Senate concur in the House amendments to the bill (S. 1122) relating to children born out of wedlock.

Mr. WHERRY. Mr. President, reserving the right to object—and I do not intend to object—I hope the Senator will state the reason why it is necessary to bring up the subject at this time.

Mr. NEELY. Mr. President, it is not absolutely necessary but it is entirely proper to dispose of this matter today. The bill was passed by the Senate several weeks ago. It was amended by the House. This morning the Committee on the District of Columbia unanimously instructed me to request the Senate to concur in the House amendments.

Mr. WHERRY. Is the report of the committee unanimous?

Mr. NEELY. It is.

Mr. WHERRY. Were the minority members of the committee present?

Mr. NEELY. Yes; the Senator from New Jersey [Mr. HENDRICKSON] and the Senator from Idaho [Mr. DWORSHAK] were present.

The VICE PRESIDENT. The question is on agreeing to the amendments of the House.

The amendments were agreed to.

INTERNAL SECURITY ACT OF 1950

Mr. McCARRAN. Mr. President, the differences of opinion between the Department of Justice and the Department of State respecting interpretation of certain portions of the Internal Security Act of 1950 have become known to us largely through hearings before the Joint Subcommittee on Immigration and Naturalization.

I ask unanimous consent to insert in the body of the RECORD copies of letters, which are self-explanatory, respecting the interpretation of certain provisions of the Internal Security Act of 1950.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

DECEMBER 21, 1950.

Hon. J. HOWARD MCGRATH,
The Attorney General,
Washington, D. C.

MY DEAR MR. ATTORNEY GENERAL: The differences of opinion between the Department of Justice and the Department of State respecting the interpretation of certain portions of the Internal Security Act of 1950 have become known to us, largely through joint hearings of the Senate and House Subcommittees on Immigration and Naturalization.

We have read with interest the attached file of correspondence, made a part of the record at such hearings, and including—

1. Letter transmitted by you to the Secretary of State under date of October 20, 1950.

2. Three letters transmitted to you from the Department of State dated respectively November 28, 1950, December 5, 1950, and December 6, 1950.

3. Letter transmitted to you under date of November 17, 1950, by Representative FRANCIS E. WALTER, chairman of the Subcommittee on Immigration and Naturalization of the Committee on the Judiciary of the House of Representatives.

After careful study and consideration of (a) certain language of the act of October 16, 1918; (b) identical language which appears in section 22 of the Internal Security Act of 1950, which amends the foregoing act of October 16, 1918; and (c) the judicial and administrative interpretations of such language, it is the opinion and judgment of the undersigned, who were members of the conference committee on the Internal Security Act of 1950, that the interpretations of such langauge contained in the above-quoted letters dated respectively November 28, 1950, December 5, 1950, December 6, 1950, and November 17, 1950, are in accord with the established body of judicial and administrative interpretations upon which was premised the reenactment of such language in the Internal Security Act of 1950.

In view of the great importance to this country of a proper administration of the Internal Security Act of 1950, in accordance with the intent of the Congress, we deem it not improper to express our opinion as noted above and most respectfully to urge that you give renewed consideration to this matter.

We each of us extend to you our kindest personal regards and assurances of our highest esteem.

Respectfully,

JOHN S. WOOD, FRANCIS E. WALTER, BURR P. HARRISON, JOHN MCSWEENEY, RICHARD M. NIXON, HAROLD H. VELDE, BERNARD W. KEARNEY, who were Managers on the Part of the House on the Internal Security Act of 1950; PAT MCCARRAN, JAMES O. EASTLAND, HERBERT R. O'CONOR, ALEXANDER WILEY, HOMER FERGUSON, who were Managers on the Part of the Senate on the Internal Security Act of 1950.

OCTOBER 20, 1950.

Hon. DEAN G. ACHESON,
Secretary of State,
Washington, D. C.

MY DEAR MR. SECRETARY: It is believed that the following may help to clarify this Department's views as to the administration of the immigration features of the Internal Security Act of 1950.

As you know, the following three general classes of aliens are excluded from admission to the United States by section 22 of the act.

1. Those who would engage in activities which would be "prejudicial to the public interest, or would endanger the welfare or safety of the United States."

2. Those who "at any time, shall be or shall have been members * * * of the Communist or other totalitarian party * * * or organization."

3. Those who are "likely to * * * engage in activities which would be prohibited by the laws of the United States relating to espionage, sabotage, public disorder, or in other activity subversive to the national security."

Those in classes 1 and 3 are excluded from admission under any circumstances. As you know, aliens in these categories were excluded from admission under law and regulations and as a matter of policy (22 U. S. C. 223; 8 C. F. R. 175) prior to the Internal Security Act of 1950.

Communists in class 2 were also excludable from admission (8 U. S. C. 137) prior to the Internal Security Act of 1950. Hence, the main new class of aliens excluded by the act are those who are or have been members of any "other totalitarian party * * * or organization." This class, i. e., mere membership, past or present, in a totalitarian party or organization has not heretofore been excluded by law, regulations, or policy.

Hence, the test as to those excluded in category 2 is not whether the alien is considered dangerous to the national security (which is covered by categories 1 and 3) but simply whether or not he is or has been a member of a totalitarian party or organization, regardless of whether or not he may now be harmless, antitotalitarian, pro-American, or the circumstances under which he is

or was a member of such totalitarian party or organization.

Section 3 (15) of the Internal Security Act of 1950 defines totalitarianism as "systems of government not representative in fact, characterized by (A) the existence of a single political party, organized on a dictatorial basis, with so close an identity between such party and its policies and the governmental policies of the country in which it exists, that the party and the government constitute an indistinguishable unit, and (B) the forcible suppression of opposition to such party."

The Nazi, Fascist, and Falangist Parties and organizations have been determined (by reason of immediate cases involving these parties) to be within the class of "other totalitarian party or organization" proscribed by category 2, and consequently there is no alternative to regarding present and former members of such parties or organizations as excludable from admission to the United States in accordance with section 22 of the act.

However, in order to enforce the law and at the same time alleviate undue hardship, the Attorney General has exercised his discretionary authority under the ninth proviso of section 3 of the Immigration Act of February 5, 1917 (8 U. S. C. 136 (q)), to grant temporary admission to aliens in category 2 where the only ground of exclusion is the alien's nominal membership, whether present or past, in either the Nazi, Fascist, Falangist, or other totalitarian party or organization, and it appears that the alien has a good and legitimate reason which would justify such temporary admission.

Such action is authorized by the ninth proviso of the 1917 act (supra) and section 22 of the Internal Security Act of 1950. In each case the Attorney General is obliged by section 22 of the Internal Security Act of 1950 to make a detailed report of such action to the Congress.

It is realized that temporary admission under the ninth proviso of the 1917 act does not furnish a permanent solution to the problem, especially where the alien seeks to enter the United States for permanent residence. However, it is the only expedient available for temporary relief, and it is hoped that it will alleviate undue hardship in legitimate cases until the Congress may consider appropriate amendments to furnish a permanent solution.

This temporary relief is extended by the Attorney General to aliens who departed for the United States prior to the enactment of the Internal Security Act of 1950, those who have arrived after its enactment, and to those who have not yet departed for the United States, subject, of course, to the discretion of the Department of State in the issuance of visas, whether the aliens seek either temporary admission or permanent admission as quota immigrants. As to the latter, however, the immigrants should be advised that their admission, if granted, can only be for a temporary period under the law and that they must assume the risk of having to depart from the United States at the end of such temporary period.

By "nominal" membership, whether present or former in the Nazi, Fascist, Falangist, or other totalitarian party or organization, is meant mere membership during infancy under 16 years of age, or for purposes of obtaining employment, food-ration cards, general education, or through military service, or similar circumstances, and the alien has not actively engaged in advocating totalitarianism or voluntarily taken part in any atrocities committed by such totalitarian party or organization.

By good and legitimate reasons for wanting to enter the United States, is meant for purposes of health, business relations affecting the national economy, in the national interest from a standpoint of foreign relations, or similar considerations.

In cases where the alien has not yet departed for the United States, it is proposed that he should request consideration for advance exercise of the ninth proviso through the appropriate consul and the Department of State. Upon receipt of the request from the Department of State, the Department of Justice will consider the request in the light of the above criteria and advise the Department of State of its decision which may be relayed to the consul. It is anticipated that this procedure may be carried out without any appreciable delay.

The foregoing is respectfully submitted for your consideration as a temporary means of alleviating undue hardship in deserving cases under existing law.

Sincerely,

J. HOWARD MCGRATH,
Attorney General.

NOVEMBER 28, 1950.

The Honorable J. HOWARD MCGRATH,
Attorney General.

MY DEAR MR. ATTORNEY GENERAL: I refer to your letter of October 20, 1950, in which you outline some of the views of your Department concerning certain provisions of the Internal Security Act of 1950.

While the Department has some doubts concerning several of the propositions enunciated in your letter, it seems necessary for the present to refer only to the provisions of section 1 (2) (C) of the act of October 16, 1918, as amended by the Internal Security Act of 1950, which you state, authorize the exclusion from the United States of aliens who "at any time, shall be or shall have been members * * * of the Communist or other totalitarian party * * * or organization."

For convenience the full text of 1 (2) (C) is herewith quoted:

"(C) Aliens who are members of or affiliated with (i) the Communist Party of the United States, (ii) any other totalitarian party of the United States, (iii) the Communist Political Association, (iv) the Communist or other totalitarian party of any State of the United States, of any foreign state, or of any political or geographical subdivision of any foreign state; (v) any section, subsidiary, branch, affiliate, or subdivision of any such association or party; or (vi) the direct predecessors or successors of any such association or party, regardless of what name such group or organization may have used, may now bear, or may hereafter adopt."

The quotation in your letter seems to have been based upon a combination of two separate provisions of section 1 (2) (C) (iv) and (vi). The word "organization" is clearly separated in the text of the act from the first part of the quotation by an intervening clause, (v), which refers to a "section, subsidiary, branch, affiliate, or subdivision" of the Communist Political Association or of the Communist or other totalitarian party.

Section 1 (2) (C) appears to be composed of categories which are not necessarily alike, beginning with (i) through (iv), which lists the parent or principal association or party followed by secondary or subsidiary groups thereof (v), and thirdly a listing of predecessors or successors of such parent or secondary groups (vi). In this connection (vi) reads:

"The direct predecessors or successors of any such association or party, regardless of what name such group or organization may have used, may now bear, or may hereafter adopt."

It is clear that the German Wehrmacht was not the predecessor of the Nazi Party and that it could not be considered as a successor of the Nazi Party since both ceased to exist for all practical purposes with the downfall of the German state.

Attention is also directed to the words "such group or organization," underscored in the above quotation. The word "such," it is believed, should be taken to refer to "predecessors or successors" of the two groups outlined in (i) through (iv) and (v), as previously indicated.

You state that the Nazi, Fascist, and Falangist Parties and organizations have been determined (by reason of immediate cases involving these parties) to be within the class of "other totalitarian party or organization," and you conclude that "there is no alternative to regarding present and former members of such parties or organizations as excludable from admission to the United States." It is not clear, however, whether by condensing and telescoping the language of the statute into the phrase "other totalitarian party or organization" its original and true meaning has been preserved, i. e., that the word "party" refers to the principal or parent organization, while the word "organization," as technically used in the statute refers to the offspring or creation which is subsidiary to the principal or parent party.

In this connection reference is made to the practice of the Immigration and Naturalization Service in holding that aliens who served in the military forces of Germany and Italy were at one time members of, or affiliated with, the Nazi or Fascist Parties or with a totalitarian party or organization, within the meaning of the act. This practice has been discussed by officers of the Department with the officers of the Immigration and Naturalization Service. It has been agreed that neither the German nor the Italian Army under Hitler or Mussolini constituted a totalitarian party within the meaning of the act. In order to hold that aliens who served in those armies are excludable, therefore, it would seem to be necessary to find that the German and Italian armies were "totalitarian organizations" within the meaning of the act.

In a sense, all armies are totalitarian, or at least authoritarian. It obviously was not the intention of Congress to exclude aliens who had served in the French or British Armies. In order to place the German and Italian Armies within the category of a "totalitarian organization" within the meaning of the act, it would seem to be necessary to find that these military organizations were a "section, subsidiary, branch, affiliate, or subdivision" of the parent Nazi or Fascist Parties.

I respectfully submit that this was not the fact. The military forces were arms of the German and Italian Governments and were of a military nature only. They were not in themselves political or party organizations. Membership in the party did not mean affiliation with the military forces, or vice versa. The German and Italian Armies were not created by the Nazi or Fascist Parties, but existed long before these parties came into power. They were not a "section, subsidiary, branch, affiliate, or subdivision" of any party, political or otherwise. In fact the military forces resisted the attempts of the Nazi and Fascist Parties to control them. They were never completely subjugated by, nor subservient to, the Nazi or Fascist Parties, and as late as 1944 there was concluded in the German Army an attempt to assassinate Hitler, the head of the German state and the Nazi Party. It would be a grave error of fact to hold that the German and Italian Armies were "sections, subsidiaries, branches, affiliates, or subdivisions" of the Nazi or Fascist Parties.

On the other hand, there were, of course, some members of the armed forces of Germany and Italy who were members of, or

affiliated with, the Nazi or Fascist Parties, and some were members of, or affiliated with, the "sections, subsidiaries, branches, affiliates, or subdivisions" of the Nazi or Fascist Party. The Nazi Party records are in our hands. In the case of such personal membership or affiliation it may be that the aliens could properly be held to be excludable under the act, but to hold that members of the armed forces, which constituted the nonpolitical arms of these two governments, which governments in turn were controlled by the Nazi and Fascist political parties, makes them members, through the governments, of the parties, or even affiliated with the parties, would be so contrary to the facts that such a construction of the act might possibly be regarded by Congress as an attempt to give it an absurd interpretation in an effort to sabotage or discredit it.

The Department should appreciate your further consideration of, and advice on, this particular question as soon as practicable.

Sincerely yours,

CARLISLE H. HUMELSINE,
Deputy Under Secretary.

DECEMBER 5, 1950.

The Honorable J. HOWARD MCGRATH,
Attorney General.

MY DEAR MR. ATTORNEY GENERAL: In accordance with your respect the Department has considered your letter of October 20, 1950, in which you set forth some of your views concerning the provisions of the act of October 16, 1918, as amended by the Internal Security Act of 1950.

Having communicated to you the views of this Department regarding the question whether service in the armed forces of Germany or Italy during the Hitler and Mussolini regimes constituted membership in, or affiliation with, the Nazi or Fascist Parties, or a totalitarian organization within the meaning of the act, and having requested a reconsideration and a further ruling on that question, the Department now desires to invite your attention to certain questions relating to the following statements in your letter:

"The Nazi, Fascist, and Falangist Parties and organizations have been determined (by reason of immediate cases involving these parties) to be within the class of 'other totalitarian party or organization' prescribed by category 2, and consequently there is no alternative to regarding present and former members of such parties or organizations as excludable from admission to the United States in accordance with section 22 of the act.

"However, in order to enforce the law and at the same time alleviate undue hardship, the Attorney General has exercised his discretionary authority under the ninth proviso of section 3 of the Immigration Act of February 5, 1917 (8 U. S. C. 136 (q)), to grant temporary admission to aliens in category 2 where the only ground of exclusion is the alien's normal membership, whether present or past, in either the Nazi, Fascist, Falangist, or other totalitarian party or organization, and it appears that the alien has a good and legitimate reason which would justify such temporary admission.

* * * * *

"By 'nominal' membership, whether present or former, in the Nazi, Fascist, Falangist, or other totalitarian party or organization, is meant mere membership during infancy under 16 years of age, or for purposes of obtaining employment, food ration cards, general education, or through military service, or similar circumstances, and the alien has not actively engaged in advocating totalitarianism or voluntarily taken part in any atrocities committed by such totalitarian party or organization."

This Department has no doubt that the statute must be considered as authorizing the exclusion of aliens who were members of, or affiliated with, the proscribed parties and organizations described in the act, even though such membership or affiliation was not evidenced by activities on behalf of such parties or organizations. The Department is also of the view that there is no objection to granting ninth proviso admission in the cases of "nominal" members, but in considering the minimum elements which must be present to constitute even nominal membership there are certain considerations on which the Department would like to have an expression of your views.

The Department concurs in the view that an alien who may have voluntarily taken part in any atrocities committed by a totalitarian party or organization is to be considered to be more than a "nominal" member of an excluded class. Conversely, however, if an act done involuntarily in connection with the commission of an atrocity is to be used as a basis for excusing the perpetrator from that degree of culpability which the statute requires to exclude upon a basis of more than "nominal" membership in, or affiliation with, a proscribed party or organization, why could not the involuntary act of becoming a member of a proscribed party or organization be likewise considered as vitiating the effects of the action? The principle involved seems to be the same in each instance, and the distinction in favor of a person involuntarily participating in the commission of an atrocity, but against a person who involuntarily became a member of a proscribed party or organization, is not clearly understood.

This Department has applied the well-established rules relating to the recognition of duress as a proper means of ameliorating the harsh and unreasonable application of the strict letter of other statutes. Section 401 (c) of the Nationality Act of 1940 provides that a citizen of the United States shall lose his nationality by "entering or serving in, the armed forces of a foreign state unless expressly authorized by the laws of the United States, if he has or acquires the nationality of such foreign state." However, it has been held administratively and by the courts that nationality is not lost under that statute when the military service was involuntary. (*In re Asgal* (75 F. Supp. 268 (1947)); *Dos Reis ex rel. Camara* v. *Nicolls* (161 F. 2d 500 (1947).)

In the case of *Inouye* v. *Clark* (73 F. Supp. 1000 (1948)), the court held that where the parents of a 17-year-old son were deportable as Japanese aliens, the son's renunciation of American citizenship, under parental pressure and because of his desire to accompany his parents, was voidable as having been made under duress, coercion, or undue influence.

In the case of *United States* v. *Reiner* (79 F. (2d) 315, 317 (1935)) the Circuit Court of Appeals, Second Circuit, reviewed the denial of a petition for a writ of habeas corpus which challenged the detention of an alien under an order of deportation based upon his membership in, or affiliation with, the Communist Party under the act of October 16, 1918, as amended, but prior to the amendment contained in section 22 of the Internal Security Act of 1950. The court said:

"In deciding this case, we shall not attempt to give a comprehensive definition of the word 'affiliation' as used in the statute. Very likely that is as impossible as it is now unnecessary. It is enough for present purposes to hold that it is not proved unless the alien is shown to have so conducted himself that he has brought about a status of mutual recognition that he may be relied on to cooperate with the Communist Party on a fairly permanent basis. He must be more than merely in sympathy with its aims or even willing to aid it in a casual intermittent way. Affiliation includes an element of dependability upon which the organization can rely which, though not equivalent to membership duty, does rest upon a course of conduct that could not be abruptly ended without giving at least reasonable cause for the charge of a breach of good faith."

In *Colyer* v. *Sheffington* (Fed. 17, 72 (D. C. Mass. 1920)) the court, in considering petitions for writs of habeas corpus of aliens held under warrants of arrest for deportation, made the following statement with respect to membership in an organization that advocates the overthrow of the Government of the United States by force or violence proscribed by the act of October 16, 1918:

"Assuming for the purposes of the present point that the Secretary's construction and application of the act to the Communist Party may be held to be correct, I accord with what I understand now to be the view of the Department of Labor, that such membership must be a real membership in or an actual affiliation with the proscribed organization. I do not think that Congress meant to authorize the expulsion of aliens who pass from one organization into another, supposing the change to be a mere change of name, and that by assenting to membership in the new organization they had not really changed their affiliations or political or economic activities. For illustration: When, at meetings of a local of the Socialist Party, notice was given that the local had been expelled or had seceded from the Socialist Party and would thereafter take the name 'Communist', and that signatures for membership in the new organization were requisite, nothing more appearing, I could not hold that such new membership, thus created, brings the new members within the purview of the act of Congress. Congress could not have intended to authorize the wholesale deportation of aliens who, accidentally, artificially, or unconsciously in appearance only, are found to be members of or affiliated with an organization of whose platform and purposes they have no real knowledge."

In the case of *Bridges* v. *Wixon* (326 U. S. 135 (1945)) the Supreme Court of the United States reviewed the denial of a petition for a writ of habeas corpus challenging the detention of an alien under an order of deportation under the act of October 16, 1918, as amended, but prior to the amendment contained in section 22 of the Internal Security Act of 1950, on the ground that the alien was a member of, or affiliated with, the Communist Party of the United States. In its opinion, the Supreme Court stated:

"The legislative history throws little light on the meaning of 'affiliation' as used in the statute. It imports, however, less than membership but more than sympathy. By the terms of the statute it includes those who contribute money or anything of value to an organization which believes in, advises, advocates, or teaches the overthrow of our Government by force and violence. That example throws light on the meaning of the term 'affiliation.' He who renders financial assistance to any organization may generally be said to approve of its objectives or aims. * * * Whether intermittent or repeated, the act or acts tending to prove 'affiliation' must be of that quality which indicates an adherence to or a furtherance of the purposes or objectives of the proscribed organization as distinguished from mere cooperation with it in lawful activities. The act or acts must evidence a working alliance to bring the program to fruition."

If the rulings mentioned above are deemed to be relevant, and the term "affiliation"

as used in previous statutes means something less than "membership" in, but more than sympathy with the aims of, an organization, and if the term "affiliation" as used in the statute in question can be given the same meaning, it would seem to be clear that not all infants under 16 years of age may be said to be even "nominal" members of, or affiliated with, one of the proscribed parties or organizations mentioned in the statute in question. Similarly, it would appear that an alien who was under compulsion, coercion, duress, or force majeure, when involuntarily impressed into a party or organization, or who was inducted without his proper knowledge, particularly into a party or organization with which he has had no ideological affinity and in behalf of which he has not rendered active ideological support, even if he could be considered to be only a "nominal" member of the organization, could also be considered as not being the kind of member which the Congress intended to exclude from the United States under the statute in question, particularly in the absence of evidence of such a specific intent.

It is believed that it would be possible to hold that the statute was not designed or intended to exclude aliens who found themselves under various kinds of coercive pressure to join a proscribed party or organization. The emphasis in the statute is upon security, coupled with the lack of faith in the reformation, conversion, or defection of aliens who, once classifiable as undesirable, may not be trusted to maintain their professed opposition to what they previously had stood for, and therefore would constitute a security risk if permitted to come to the United States. In the case of a person who was not a voluntary member or affiliate of a proscribed organization, and who never believed in what it stood for, but who was made an involuntary member or an affiliate of the organization under some form of duress, there may have been no security risk in the first place and, particularly when the forced membership or affiliation has ended, the reason for exclusion because of such former connection with a proscribed organization becomes obscure and questionable. Instead of such "membership" or "affiliation" being held to be "nominal," and to work exclusion in the absence of ninth proviso action, it is believed that it would be quite permissible and appropriate and wholly desirable, under the statute, to hold that aliens in such cases were not actually members of, or affiliated with, the proscribed organization, either nominally or otherwise, within the meaning of the statute. No ninth proviso action would therefore be required in such cases.

If such a construction of the statute should be considered appropriate, it would mean that aliens as much under 16 years of age as from birth to the age of reason would not be excludable from the United States because of having been inducted into the Hitler Youth, or other similar organizations; that aliens who, unwittingly and without their knowledge or consent, were impressed into the labor front are not excludable; and that the rank and file of non-Nazi and non-Fascist members of a proscribed party or organization, never having become connected with a proscribed party or organization through the exercise of their own free will, would not be excludable from the United States under the statute.

It would be appreciated if you could review the questions hereinbefore presented and advise the Department of your opinion and conclusions.

Sincerely yours,

CARLISLE H. HUMELSINE,
Deputy Under Secretary.

DECEMBER 6, 1950.

MY DEAR MR. ATTORNEY GENERAL: The Department refers again to your letter of October 20, 1950, concerning the Internal Security Act of 1950 and invites the attention of the Department of Justice to the provisions of section 22, subdivision 2 (C) (v), of the act which authorize the exclusion of aliens "who, at any time, shall be or shall have been members of * * * any section, subsidiary, branch, affiliate, or subdivision" of the Communist Party or other totalitarian party.

In considering the question of what the Congress intended by the words "any section, subsidiary, branch, affiliate, or subdivision" of the parties concerned, the Department has come to the conclusion that all organizations created by the Nazi or Fascist Parties of Germany and Italy for political propaganda, or subversive purposes may fall within the intent of the statute. However, organizations which existed long before the Hitler or Mussolini regimes, and particularly those which have also survived those regimes, such as the medical association, engineers society, or other business or professional organizations and clubs, are not comprehended within the intent of the statute.

If the conclusion above stated is the proper one it would mean that an alien who was a voluntary member of such organization or club would not be excludible because of such membership. On the other hand, an alien who voluntarily joined the Nazi or Fascist Parties, or any organization created by those parties for political, propaganda, or subversive purposes, would be held to be excludible under the statute, as such a person would appear to be classifiable within an ideological category which Congress intended to be excluded.

It would be appreciated if the Department of Justice would advise this Department of its opinion and conclusion on the question hereinbefore presented.

Sincerely yours,

CARLISLE H. HUMELSINE,
Deputy Under Secretary.

NOVEMBER 17, 1950.

Hon. J. HOWARD MCGRATH,
The Attorney General, Department of Justice, Washington, D. C.

MY DEAR MR. ATTORNEY GENERAL: During recent weeks the attention of this subcommittee has been directed to the increasing number of cases in which nonimmigrant and immigrant visas have been withheld, or admission into this country denied to aliens on the basis of certain rulings issued by the Department of Justice pursuant to the Internal Security Act of 1950.

In the majority of the cases brought to our attention—many of which involve spouses of servicemen—the reason most frequently given for the denial of admission appears to be the applicant's past membership of or affiliation with organizations such as Hitler Youth (HJ), Fascist Youth (Balilla), German Girls' Union (BDM), German Labor Front (AF), certain trade and professional unions and organizations, or his service in the German or Italian Armies.

It is believed that this situation, creating undue personal hardship and greatly damaging our international relations, requires urgent rectification. It is further believed that it has been caused by misinterpretation of the Internal Security Act of 1950.

I am familiar with the contents of your letter to the Secretary of State, dated October 20, 1950, but it is not believed that the policy therein outlined, would provide the desired remedy. Moreover, the policy of admitting temporarily under the ninth proviso certain immigrants who apply for permanent admission, does not appear to have been authorized by the new law.

In order to assist you in the promulgation of regulations designed to correct the interpretation which is obviously erroneous and detrimental to the national interest, the following is respectfully submitted for your consideration:

1. In providing for a better protection of our internal security and in making a determined but carefully weighed effort to eliminate from our body politic the subversive elements, both presently and potentially dangerous and undesirable, the Congress has diligently tried to write the new law so as to preclude unfairness, exaggeration, or abuse in its enforcement.

2. The large group of us lawyers, entrusted with the drafting of this legislation, was fully familiar with the considerable volume of judicial and administrative interpretations of the existing immigration and naturalization laws, as they have accumulated—unchallenged—through the years.

3. With these binding interpretations in our minds, we have carefully and studiously avoided including into the new statute any language which would nullify the existing jurisprudence and open the doors to new interpretations.

4. Comparison of the pertinent language of the old and the new statutes will, I hope, prove my point:

(a) The act of October 16, 1918, as amended by the act of June 28, 1940, reads in part as follows:

"That any alien who, at any time shall be or shall have been a member of any one of the following classes shall be excluded from admission into the United States:

"(c) Aliens who believe in, advise, advocate, or teach, or who are members of or affiliated with any organization, association, society, or group that believes in, advises, advocates, or teaches * * *" etc.

(b) Section 22 of the act of September 23, 1950 (Internal Security Act of 1950), in amending the foregoing act of 1918, incorporates the subsection (c) above and adds, among other provisions, the following:

"Aliens who are members of or affiliated with * * *" (list of proscribed organizations follows).

This pertinent language, identical in both statutes, reads: "members of or affiliated with." As stressed above, the preservation of this language—tested as it is in courtrooms and in administrative rulings—was intentional.

5. The unchallenged interpretations referred to above, pertain both to the definition of "membership" and of "affiliation." To cite only a few of them:

In *Colver* v. *Skeffington* (Fed. 17, 72 (D. C. Mass. 1920)) the Court, in considering petitions for writs of habeas corpus of aliens held under warrants of arrest for deportation, made the following statement with respect to membership in an organization that advocates the overthrow of the Government of the United States by force or violence proscribed by the act of October 16, 1918:

"I accord with what I understand now to be the view of the Department of Labor, that such membership must be a real membership in or an actual affiliation with the proscribed organization * * *. Congress could not have intended to authorize the wholesale deportation of aliens who, accidentally, artificially, or unconsciously in appearance only, are found to be members of or affiliated with an organization of whose platform and purpose they have no real knowledge."

In *Bridges* v. *Wixon* (326 U. S. 135 (1945)), the Supreme Court of the United States said:

"The legislative history throws little light on the meaning of 'affiliation' as used in the statute. It imports, however, less than membership but more than sympathy. * * * But he who cooperates with such an organization only in its wholly lawful activities cannot by that fact be said as a matter of law to be 'affiliated' with it. Nor is it conclusive that the cooperation was more than intermittent and showed a rather consistent course of conduct. * * * Whether intermittent or repeated, the act or acts tend-

ing to prove 'affiliation' must be of that quality which indicates an adherence to or a furtherance of the purposes or objectives of the proscribed organization as distinguished from mere cooperation with it in lawful activities. The act or acts must evidence a working alliance to bring the program to fruition. * * * But close cooperation is not sufficient to establish an 'affiliation' within the meaning of the statute. It must evidence a working alliance to bring the proscribed program to fruition."

I wish also to refer to the decision rendered in *United States* v. *Reiner* (79 F. (2d) 315, 317 (C. C. A. (2d), 1935) and to the following, as it appears in the Immigration Manual of the Immigration and Naturalization Service, Department of Justice:

"'Affiliation' is a working alliance to bring to fruition the proscribed program of an organization, as distinguished from mere cooperation with the organization in its lawful activities or in the attainment of its wholly lawful objectives. The word imports less than membership but more than sympathy, and includes an element of dependability upon which the organization can rely that, though not equivalent to membership duty, rests upon a course of conduct that could not be abruptly ended without giving at least reasonable cause for the charge of a breach of good faith.

"The act or acts tending to prove affiliation must be of that quality that indicates an adherence to or a furtherance of the purposes or objectives of the proscribed organization as distinguished from mere cooperation with it in wholly lawful activities."

There is also available a convincing outline of the Department of State's policy—concurred in by the Department of Justice—regarding the membership in the Nazi or Fascist Party or service in the German or Italian Armies, as presented in an address delivered on February 26, 1949, by Mr. Herve J. L'Heureux, Chief, Visa Division, Department of State.

Further, there is a ruling of the Department of State regarding the membership in the People's Front of Yugoslavia which was induced for the purpose of obtaining food rations, job, or housing permits, etc. Although I am not ready to express my personal approval of the ruling regarding this particular organization which has declared itself to be a part of the Communist Party of Yugoslavia, I nevertheless see in this decision an attempt at a differentiation between real Communists and those who might have joined a proscribed organization under duress.

6. In the consideration of cases in which membership of or affiliation with proscribed organizations occurred during the alien's childhood or his early youth, the following Court decision discussing the validity of legal acts exercised by minors, deserves attention:

In the case of *Inouye* v. *Clark* (73 F. Supp. 1000 (1948)) the Court held that where the parents of a 17-year-old citizen were subject to deportation as Japanese aliens, the boy's renunciation of American citizenship under parental pressure and because of his desire to go with his parents was voidable as having been made under duress, coercion, and undue influence. The Court stated:

"Freedom of will is essential in the exercise of an act which is urged to be binding, and the right of citizenship being an important civil one can only be waived as the result of free and intelligent choice. The mere fact that some of the plaintiffs having stated that they knew the results of their renunciations does not remove the primary force and effect of duress, coercion, and undue influence that caused them to renounce.

"For the reason thus stated, the results of the plaintiffs' renunciations having been made under undue influence, duress, and coercion and not of their free will and act, and the further thought as to the plaintiff, Albert Yuichi Inouye, not being competent of legal age at the time he made his application for renunciation, who also acted under undue influence, duress, and coercion, their renunciations are declared to be null and void and canceled and they are restored to their rights of citizenship."

It certainly appears that these wise considerations are equally applicable in cases where the child's education and welfare, indeed its very subsistence, was made by the totalitarian regimes of Germany and Italy dependent on its membership in the various youth groups and organizations.

7. Similarly, membership of adult persons who had to join the proscribed organizations for the purpose of obtaining or preserving their employment, food ration cards, general education, etc., clearly falls within the purview of the term "duress" as defined and interpreted in numerous judicial and administrative decisions only perfunctorily mentioned in this letter, but certainly available to you, as they were available to us during our work on the Internal Security Act of 1950.

Mr. Attorney General, let me briefly recapitulate what is in our minds. It was, and it invariably remains, our intention to bar from admission and to eliminate from our midst the Communist subversive element, the active advocates of a totalitarian form of government. We want to exclude the alien who comes to our shores or remains in our country in order to attempt to overthrow our form of government by subversion, by deceit, by force, and by violence, and to replace it by a dictatorial rule controlled from abroad. Similarly, we want to close our doors to those who as Nazis or Fascists actively, knowingly, and willingly helped in the perpetration of the most appalling crimes ever recorded in human history, and who—if permitted to live among us—would undoubtedly spread the totalitarian poison of hatred and intolerance.

We have made it, however, abundantly clear in the carefully chosen and clear language of the Internal Security Act of 1950, that we do not want to exclude immigrants or visitors who as children had to wear fancy shirts of various colors, or who as adults, under threat of imprisonment, of starvation or of violent death, reluctantly joined the auxiliaries of the Nazis or Fascist parties.

Hoping that these thoughts could be speedily conveyed to the personnel charged with the administration of the new law I remain,

Sincerely yours,

FRANCIS E. WALTER,
Chairman.

COMPENSATION FROM DUAL EMPLOYMENTS

The VICE PRESIDENT laid before the Senate the amendments of the House of Representatives to the bill (S. 2351) to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes, which were, on page 2, strike out lines 14 to 25, inclusive, and on page 3, strike out lines 1 to 15, inclusive, and insert:

SEC. 3. As used in this act, the term "compensation from any office or position" shall include—

(1) any basic salary, wages, or other emolument, including permanent additions such as statutory pay increases, but excluding any temporary additions such as overtime pay or night differential, for or on account of service as a civilian officer or employee of the United States, or any department or agency thereof, including Government-owned or controlled corporations, or of the government of the District of Columbia; and

(2) retired pay on account of services as a commissioned officer in any of the services subject to the Career Compensation Act of 1949 (U. S. C., title 37, secs. 231 and the following);

but shall not include—

(A) retired pay of enlisted men, warrant officers, and flight officers in any such service retired for any cause;

(B) retired pay of Regular, Reserve, or temporary commissioned officers retired for disability incurred in combat with an enemy of the United States or for disability resulting from an explosion of an instrumentality of war in line of duty during an enlistment or employment specified in Veterans Regulation No. 1 (a), part I, paragraph I;

(C) retired pay of any commissioned officer, warrant officer, flight officer, or enlisted person retired under title III of the act of June 29, 1948 (Public Law 810, 80th Cong.), as amended.

(D) compensation of teachers, school officers, and custodial employees of the Board of Education of the District of Columbia for services rendered in connection with the operation of night or vacation schools in the public schools of the District of Columbia; or

(E) the compensation of any employee of the United States or any department or agency thereof, including Government-owned or controlled corporations, or of the government of the District of Columbia for services rendered in connection with activities of the District Recreation Board under the provisions of the act of April 29, 1942 (56 Stat. 261; D. C. Code; 1940 ed., Supp. VII, title 8, ch. 2).

On page 3, strike out lines 16 to 20, inclusive.

On page 3, after line 20, insert:

SEC. 4. When in the judgment of the Postmaster General the needs and interests of the postal service so require, he may employ any employee in the postal field service in a dual capacity or he may temporarily assign any employee in the postal field service to duty in any position in the postal field service; and, notwithstanding the first section of this act, any employee so employed or assigned shall be paid compensation at the rate provided by law for such services.

SEC. 5. The first section of this act shall not apply to custodial employees of the Board of Education of the District of Columbia when such employees are performing work required of them in school buildings during the time these buildings are used for nonrecreational official purposes by any Federal department or agency or any department of the government of the District of Columbia other than the Board of Education, in accordance with the rules of the Board of Education governing the use of school buildings and grounds, including their use for day or evening schools; and nothing therein contained shall be deemed to prevent any custodial employee from receiving in addition to his pay, salary, or compensation as an employee of the Board of Education of the District of Columbia any other pay, salary, or compensation at a rate not in excess of the rate of pay received as an employee of the Board of Education, for services which may be rendered to any Federal department or agency or any department of the government of the District of Columbia other than the Board of Education, during its use of school buildings under the jurisdiction of the Board of Education of the District of Columbia.

On page 3, line 21, strike out "SEC. 5." and insert "SEC. 6."

On page 3, line 24, strike out "acts and parts of acts" and insert "laws and parts of laws."

On page 4, line 1, strike out "205," and insert "205."

On page 4, lines 1 and 2, strike out "1924, 43 Stat. 245);" and insert "1924 (43 Stat. 245)."

On page 4, line 2, strike out "549);" and insert "549)."

On page 5, line 9, strike out "25," and insert "5."

On page 5, line 15, strike out "to paragraph" and insert "in the paragraph under the."

On page 5, strike out lines 19 to 22, inclusive.

On page 5, line 23, strike out "(13)" and insert "(12)."

On page 6, line 4, strike out "Supp. V."

On page 6, strike out lines 5 to 7, inclusive, and insert:

(13) Act of January 22, 1932, section 3, fifth sentence, as in effect on June 30, 1947 (47 Stat. 6), relative to employees of the Reconstruction Finance Corporation.

On page 6, line 8, strike out "(15)" and insert "(14)."

On page 6, strike out lines 11 to 21, inclusive, and insert:

(15) The first proviso in the paragraph under the heading "Pay of the Army" in title III of the Defense Appropriation Act, 1951, the first proviso in the paragraph with the side heading "Pay of the Army" in title III of the National Military Establishment Appropriation Act, 1950, and similar provisions in prior appropriation acts providing pay for the Army, relative to retired military personnel on duty at the United States Soldiers' Home (U. S. C., title 5, sec. 59b).

On page 6, line 22, strike out "(17)" and insert "(16)."

On page 6, strike out line 25, and lines 1 to 3 on page 7.

On page 7, line 4, strike out "(c)" and insert "(b)."

On page 7, line 9, strike out "12," and insert "21."

On page 7, line 15, strike out "Supp. V, secs. 61a, 61a–1, a–f" and insert "secs. 61a and 61a–1."

On page 7, line 17, strike out "third" and insert "second."

On page 7, line 17, strike out "(52 Stat. 1176)."

On page 7, line 19, strike out "that" and insert "such."

On page 7, line 21, after "(3)" insert "The proviso in the fourth paragraph under the subheading 'Ordnance Stores and Equipment for Reserve Officers' Training Corps' of the act of May 12, 1917, added to such paragraph by."

On page 7, line 25, after "Corps", insert "(U. S. C., title 10, sec. 371b)."

On page 8, line 1, after "(4)", insert "That portion of section 80 of the act of June 3, 1916, added to such section by."

On page 8, line 4, after "Guard", insert "(U. S. C., title 32, sec. 75)."

On page 8, after line 4, insert:

(5) Those portions of the Federal Farm Loan Act, as amended (U. S. C., title 12, secs. 676 and 1022), the Farm Credit Act of 1933, as amended (U. S. C., title 12, secs. 1131 and 1134), and the Farm Credit Act of 1937, as amended (U. S. C., title 12, sec. 6401), relative to the employment of officers and employees and joint officers and employees by the organizations named therein, or otherwise be deemed to restrict participation by corporations under the supervision of the Farm Credit Administration in the payment of the salary of an officer or employee serving more than one such corporation.

SEC. 7. Section 6 of the act of March 3, 1925 (U. S. C., title 2, sec. 162), is amended to read as follows:

"SEC. 6. Employees of the Library of Congress who perform special functions for the performance of which funds have been entrusted to the board or the Librarian, or in connection with cooperative undertakings in which the Library of Congress is engaged, shall not be subject to section 1914 of title 18 of the United States Code."

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent that the Senate disagree to the amendments of the House, ask a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. Is there objection to the request of the Senator from South Carolina? Without objection, it is so ordered.

The VICE PRESIDENT appointed Mr. JOHNSTON of South Carolina, Mr. LONG, and Mr. LANGER conferees on the part of the Senate.

RESUMPTION OF SESSIONS IN SENATE CHAMBER

Mr. LUCAS. Mr. President, I submit a resolution, and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution will be read for the information of the Senate.

The resolution (S. Res. 381) was read as follows:

Resolved, That Senate Resolution 326, providing for sessions of the Senate in the old Supreme Court room, agreed to August 9, 1950, be, and the same is hereby, rescinded, and that the Senate, at the beginning of the Eighty-second Congress, resume its sessions in the Senate Chamber.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

There being no objection, the resolution (S. Res. 381) was considered and agreed to.

AUTHORITY TO RECEIVE MESSAGES FROM HOUSE AFTER ADJOURNMENT

On motion of Mr. LUCAS, and by unanimous consent, it was

Ordered, That notwithstanding the adjournment of the present session of the Congress, the Secretary be, and he is hereby, authorized to receive during the remainder of the Eighty-first Congress, messages from the House of Representatives.

TRIBUTES TO RETIRING SENATORS

Mr. McFARLAND. Mr. President, I desire to take this opportunity, on the closing day of the Eighty-first Congress, to say a brief word with respect to those of our colleagues whose service in this body ends today.

SCOTT W. LUCAS, OF ILLINOIS

On a prior occasion, I joined with other Members of this body in felicitating our retiring majority leader, the distinguished senior Senator from Illinois, SCOTT W. LUCAS. I doubt that I can add to the encomiums made then. It seems to me, however, that our friend from Illinois should know the warm place he holds in each of our hearts. His has been a difficult, thankless, and at times an almost impossible task. He has performed his duty with zeal, ability, and a fine sense of public duty. The responsibility which his colleagues laid upon him was always uppermost in his mind. I believe that I am bespeaking the regard and affection of every Member of the Senate, on both sides of the aisle, when I wish him well in whatever endeavors he undertakes in the future. He has our sincere personal regards and good wishes for good health and prosperity in the years ahead.

FRANCIS J. MYERS, OF PENNSYLVANIA

Holding no less a place in our esteem is the retiring majority whip, Senator FRANCIS J. MYERS, of Pennsylvania. It was my great good fortune to have the privilege of serving on the same committee with the distinguished Senator from the Keystone State throughout his term in the United States Senate, and I believe I am expressing the viewpoint of every one of his colleagues on that committee when I say that no Senator has been more zealous in his duties, more alert and responsive to the problems before us, more conscientious in his attention to business, and more considerate and pleasant to work with than has Senator MYERS. Perhaps some measure of his ability and the high regard in which he is held by Democrats and Republicans alike is evidenced by the assertions I have heard made on numerous occasions that it is unfortunate that Senator MYERS does not come from a border or Southern State, where his tenure in office might be more reasonably assured, since he and his abilities are an adornment to the Senate and of great value to the public interest. The Senator from Pennsylvania, fortunately, is a young man, and I am sure that the people of the Commonwealth of Pennsylvania will again call on his great ability and devoted service. In the meantime, in this holiday season, I extend to him and his family cordial good wishes for their happiness and prosperity.

MILLARD E. TYDINGS, OF MARYLAND

It is with regret that I note the departure of the distinguished senior Senator from Maryland [Mr. TYDINGS]. His length of service has made him one of the truly great and experienced legislators of our time. He has distinguished himself by his fine mind, his great capability for work, and his wise counsel in difficult times of stress. He has brought honor and respect not alone to himself but to the citizens of the great Free State of Maryland, whom he has represented so ably and devotedly in this body for nearly a quarter of a century. That his abilities and experience will be sadly missed goes without saying. He has, I am sure, our best wishes for the future and our hope that we may see him frequently and call on his store of experience to help us over some of the hurdles we will have to surmount in the troubled times ahead.

ELMER THOMAS, OF OKLAHOMA

It is with a sharp feeling of personal sorrow that I allude to the departure of the distinguished senior Senator from Oklahoma [Mr. THOMAS]. As one who

was born and raised in Oklahoma Territory, I have maintained a sort of proprietary interest in the problems and representation of the Sooner State and I have no hesitation in saying that ELMER THOMAS has been a great and devoted servant of his people and State. He, too, had long service in this body, and, out of the fullness of that experience, his wisdom and counsel were helpful to many of us. His service in behalf of agriculture particularly, will not soon be forgotten by those who fill the granaries of the country. I transmit to him our friendly regard and sincere affection and wish him well.

ELBERT D. THOMAS, OF UTAH

The intellectual attainments and scholarly devotion to his duties of the able senior Senator from Utah [Mr. THOMAS] are well known to all of us. He has given valuable service as a member and chairman of the important Committee on Labor and Public Welfare and the men and women of labor are losing a fast friend and warm supporter of their ideals and objectives. Moreover, his knowledge and study of international relations made him an equally valuable member of the Committee on Foreign Relations where his counsel also will be sorely missed. I feel sure that the ability and experience of the senior Senator from Utah will be taken advantage of by our Government as he leaves this body with our good wishes and warm regards.

TRIBUTE TO OTHER RETIRING SENATORS

In addition to these five eminent Senators, the majority loses the services, the ability, and the friendly companionship of six other Members of this body to whose character and attainments I have previously alluded. I have specific reference to the able Senator from Florida [Mr. PEPPER], whose felicity of public expression was never more ably demonstrated than last week; to the gifted Senator from North Carolina, Mr. Graham, whose friendliness and charm has endeared him to all of us; to the forceful Senator from California, Mr. Downey, with whom I have personally differed on some irrigation and reclamation matters but whose forensic ability I most humbly respect; to the gracious Senator from Kentucky [Mr. WITHERS], whose stay with us has been all too brief; to the respected Senator from Rhode Island [Mr. LEAHY], whose quietness and humility has not cloaked his legal ability and who we all know will make an able jurist; and to the able and gifted Senator from Idaho [Mr. TAYLOR], who has convinced all of us of his complete sincerity of purpose and ideals. To all of these gentlemen I wish health and happiness in the years ahead.

I would be derelict to my conscience and less than frank if I did not at this time pay my sincere respects to my colleagues on the other side of the aisle who are about to leave us. It has been my experience that, in the main, issues here are not determined on narrow partisan political lines, but rather on the basis of conception of principles. No three Senators on either side of the aisle more nearly typify and exemplify that nonpartisan approach than do the Senator from South Dakota [Mr. GURNEY], the Senator from Missouri [Mr. DONNELL], and the Senator from Kansas, Mr. Darby.

There is little I can add to what already has been said on this floor about the Senator from South Dakota [Mr. GURNEY]. He has been an able and conscientious legislator and enjoys the respect and confidence not alone of his colleagues but of the officials in the executive arm of the Government with whom he has worked. The Senator from Missouri [Mr. DONNELL] has proved beyond any question his right to be regarded as one of the hardest working, fairest and most judicially minded, sincere and able legislators on either side of this aisle. In my judgment he has never sought to take partisan advantage but rather to fulfill his post strictly according to the letter of the law and his oath; his record is a monument to fairmindedness and tolerance. Mr. DARBY, who until recently was the junior Senator from Kansas was with us only a few months, but in that short space of time he endeared himself to all of us with his friendliness, courtesy, and genuine good fellowship. All of us will miss him and we hope and expect that he will sometime adorn this Chamber again. Therefore, to all three of these friends, and they are our friends and respected colleagues, I extend my sincere good wishes for their health and happiness in the days ahead.

TRIBUTE TO SENATOR GURNEY AND SENATOR DONNELL

Mr. TAFT. Mr. President, on this last day of the Eighty-first Congress, I wish to express my great friendship, appreciation, and admiration for two of my fellow Senators who are leaving the Senate and with whom I have served for a long time, the Senator from South Dakota [Mr. GURNEY] and the Senator from Missouri [Mr. DONNELL].

The Senator from South Dakota and I came to the Senate on the same day, and we were sworn in on the same day. We have served together continuously for 12 years. During that time we have had the most pleasant personal associations. Senator GURNEY was elected to the Senate from South Dakota, where he was born. He is a veteran of the First World War. He has made himself an authority on military affairs, and his opinion on that subject commands universal respect throughout the Nation. I have had many personal associations with him. I remember that during the first session in which we served he introduced a bill, which I supported, to require the introduction of a certain amount of alcohol into gasoline in order to provide a better market for farm products. From that time there have been many matters in which we have been associated. He has served not only as a member of the Committee on Military Affairs, but also as a valuable and industrious member of the Committee on Appropriations. He has been conscientious, he is an able man, and he has always been most courteous and most judicial in his judgments. His judgments have always been on the progressive side and in behalf of the progressive improvement of American conditions. I shall greatly miss him as a friend and colleague in the next Congress.

The Senator from Missouri [Mr. DONNELL] was elected 6 years ago, and I have served with him during that time, in some ways more intimately, because we have served together on the Committee on Labor and Public Welfare. Certainly his work on that committee has been outstanding. I think it would be very difficult to find a Senator who has done better work or who could be relied on more for serious, intelligent, and impartial consideration of every measure that has come before the committee and the Senate.

The Senator from Missouri [Mr. DONNELL] has approached every problem without prejudice. He has approached it with an open mind. He has studied every problem that has come before the Senate, and he has specialized on questions of labor, and particularly on questions with respect to public health. He has held long sessions as the only member of the committee present, when I was most apologetic because I was not able to be there and he has spent much time in studying the whole subject of national health insurance and many other health subjects. I feel very confident that it will be difficult indeed to find any Senator who has contributed more to the actual legislative work of this Congress, a Senator who has been more able, or has done more work. He has always been a good friend of all other Senators, he has commanded their respect, and he has certainly well represented for 6 years the interests of the people of Missouri as he has seen those interests. In my judgment he has seen them right in practically every instance that I know of. I shall always regard him as a dear friend.

FORREST C. DONNELL, OF MISSOURI

Mr. MURRAY. Mr. President, I should like to associate myself with the remarks just made by the distinguished Senator from Ohio [Mr. TAFT] concerning our colleague, the Senator from Missouri [Mr. DONNELL], who is about to leave us.

During the past 6 years I have had very close associations with the Senator from Missouri. Our relations have always been of the most cordial kind. I consider him one of the ablest Members of this body with whom I have ever had any contact. He has been a great help to our committee. While we have differed on many of the problems which have come before the committee, he has been a man of honor, a man of great ability, and has contributed much to the activities of the Committee on Labor and Public Welfare.

I have discussed with other members of the committee his contribution. I think there is not a member of that committee who has not the highest respect for the distinguished Senator from Missouri. The committee has authorized me to present the following tribute to FORREST C. DONNELL, which has been agreed to by all members of the committee on both sides:

A TRIBUTE TO FORREST C. DONNELL

We, the members of the Senate Committee on Labor and Public Welfare, desire to, and

do hereby, express our high respect and admiration for our distinguished colleague, FORREST C. DONNELL.

Our committee in its deliberations during the past 6 years has been most fortunate in having the advice and assistance of an able legislative technician and constitutional lawyer, in the person of our highly respected colleague. His honesty, sincerity, and untiring determination to uphold those principles which he believed to be right have left their imprint on all legislative matters considered by our committee. In all his activities as a legislator he has shown himself to be a man of sterling character and unusual ability—a man who recognizes public office as a public trust. His diligent pursuit of the truth and his untiring industry have guaranteed that our committee, in all its deliberations, acted with complete knowledge of the facts and the law.

His pleasing and unaffected personality, and his devotion to high principles, have made him our highly respected friend and colleague. The eminent fairness of his attitude in all our deliberations has everlastingly endeared him to all of us and we extend to him our cordial good wishes for success and happiness in all his future life.

[Applause.]

REPLY BY SENATOR DONNELL

Mr. DONNELL. Mr. President, I would indeed be insensible of the honor which has been shown me by the very eloquent remarks of the Senator from Arizona, the Senator from Ohio, and the Senator from Montana did I not say at least a word in response.

In responding to these remarks, I do so likewise with respect to certain other very generous and kind observations which were made several days ago by other colleagues upon the floor of the Senate, including my own distinguished colleague from Missouri [Mr. KEM].

I shall trespass only a moment upon the time of the Senate. First I desire to spread upon the records of the Senate my appreciation of the privilege which the people of my native State have given to me in permitting me to serve in this great body. I wish also to express my realization of the great privilege it is to be a Member of the United States Senate, and the education it affords to any man who undertakes to do his duty fearlessly and honestly in this body. I express to Members of the Senate my hearty thanks and appreciation for all the many courtesies which have been extended to me. I should like also to include in that observation the distinguished Presiding Officer, the Vice President of the United States.

It will always be a great pleasure to me to recall my associations in this body. I am deeply indebted to all Senators. I am deeply indebted to the people of my State.

For all Senators, as individuals, and for this great body, confronted as it is today with all the problems to which reference has been made from time to time, I wish the guidance of God Himself in carrying out the responsibilities which confront us. [Applause.]

SCOTT W. LUCAS, OF ILLINOIS

Mr. MCKELLAR. Mr. President, one of the few sad experiences connected with service in the Senate of the United States is the departure of beloved associates. It is peculiarly hard when a departing associate is a close personal friend; when he is a real leader; when he is an able, just, and attractive leader; when he has a fine personality, winning ways, great ability and a friendly temper, and a marvelous power to lead. Such a man is SCOTT LUCAS, of Illinois, who by an accident of politics lost out in the November election, and who will not be with us in the next Congress.

In the nearly 34 years that I have been a Member of the Senate we have never had a better leader. I did not know him well before he became our leader. But for the past 2 years Senator LUCAS and I have sat next to each other on the floor of the Senate. I have seen him perform his difficult and arduous duties. I have witnessed his kindly, diplomatic, and friendly methods of dealing with his fellow Senators of his own party, and his use of the same methods in his dealings with the members of the Republican Party; I have seen the skill and ability that he has used in furthering legislation; I have witnessed his continuous and able labors for his own people in Illinois, for his own party, but above all for his Government and for his country and the people of this Nation. I can truthfully say that, while we have had fine leaders in the Senate before, we have never had a better or more hard working or more faithful and successful leader than we have had in SCOTT LUCAS.

As we all know, he was a veteran of the First World War; a founder of the American Legion; a fighter for a strong national defense; and he is in the vanguard of American leaders who have erected a great Federal program to meet the needs of American veterans.

He was born in Illinois near Havana in the very heart of the Lincoln country. He was highly educated and entered into the practice of law when he grew up. He is a fine lawyer as well as a soldier. In 1926 he became commander of the Legion's Illinois Department. Afterward he was unanimously elected as national judge advocate of the Legion and served four terms in this position.

As majority leader of the Senate, Senator LUCAS led the fight to push through all measures to strengthen the military power of America and the free world. Under his leadership bills have been enacted to streamline and unify our Armed Forces, to improve the administration of the Central Intelligence Agency, and to increase the pay scale of our officers and enlisted men. He is one of the most valiant friends the veterans ever had.

In many ways, Senator LUCAS has demonstrated the wisdom and foresight which has made him one of the most valuable Members of the United States Senate. Washington newspaper men and radio commentators rate him as one of the hardest working Senators in recent history.

In times of crisis Senator LUCAS acts swiftly and successfully.

He served in the House of Representatives for two terms, where he made a notable record.

As the top man in the Senate, Senator LUCAS has vigorously advocated our bipartisan foreign policy to defeat the ruthless forces of communism. Throughout his career he has been a man of action and achievement. He has become known throughout America and the world as a constructive Senator who has the ability to get things done.

From my close association with him, in sitting next to each other in the Senate, I have come to respect, esteem, and admire him very greatly. I take this occasion to say to him that we shall miss him in our labors here and that we wish for him in the coming years every prosperity and success.

Mr. President, other Senators for whom I have the greatest respect, admiration, and esteem, who will not be with us in the next session of Congress, have been eulogized today. I join in the statements that have been made about them by other Senators.

ELMER THOMAS, OF OKLAHOMA

Mr. KERR. Mr. President, as this session of Congress draws to a close, it will usher from this Chamber some of our most beloved and able Members. Regardless of an occasional difference of opinion in this great deliberative body, there is a strong bond of mutual respect and appreciation, and we all feel a certain sadness to see the ranks break for the passing of a familiar face.

For me, it is particularly a time of sober reflection to witness the departure from official life—at least temporarily—of one with whom I personally have been associated for so many years. But, I also am lifted by pride and satisfaction when reviewing the splendid career of my good friend and senior colleague from Oklahoma, Senator ELMER THOMAS.

When I served as an official in the Democratic Party and then as Governor of Oklahoma, I found ELMER THOMAS most effective and helpful in every way. This fruitful association first taught me the real significance and value of close and friendly cooperation between the State and Federal Governments.

And when I myself entered the Senate 2 years ago, I began to appreciate him even more. I came here as a freshman into a situation that was highly specialized. Much had to be learned with reference to procedure, rules, and methods of service.

I could always count on Elmer. He not only was available when I called on him, but he often volunteered helpful suggestions. He even told me about the Senate barber shop, and he showed me where it was. He gave me accurate information about the shaving mug I would get with my name on it. He also gave me some mighty wise counsel about the mug I brought with me. He said I would find the shaving mug readily available when I needed it, but that it reposed in safe obscurity when not in productive use. He warned me it would be the better part of wisdom to be just as certain that the mug I brought with me was needed before I insisted on using it. He convinced me that it also should spend much time in safe security.

The Nation long has rated ELMER THOMAS as one of the most influential Senators, a leader in farm legislation and money matters generally. But to

Oklahoma, directly benefiting in countless ways from his 24-year service in this body, ELMER THOMAS literally is Mr. United States Senator. For so long so many Oklahomans personally have come in contact with ELMER THOMAS, they just naturally think of him when there is reference to the United States Senate.

Tall, distinguished, silver-haired, he typifies the popular conception of a statesman, both in manner and appearance. His mental genius and his dynamic personality have more than matched his impressive physical bearing.

This unusual combination of talents, reinforced by willing hands, and a generous heart, has developed an almost unique career. The result is a record of service to both the State and Nation.

ELMER THOMAS came to Oklahoma on November 16, 1900, exactly 7 years before statehood. Both had vast dreams and the promise of a great future. The two grew and matured together. They influenced each other's course, and today, the story of ELMER THOMAS and the story of Oklahoma are closely entwined.

ELMER THOMAS developed a real affection and sentiment for his adopted State of Oklahoma. And, I know the citizens of our State reciprocate in full measure. Only last November, on the eve of the general election, this mutual feeling was dramatically demonstrated by his magnificent speech for the Democratic ticket and the fine reception it received.

Although he was defeated in the runoff primary, ELMER THOMAS came back to Oklahoma, and told the people that regardless of his defeat, he never would forget how good they had been to him all these years. And, he asked them to keep on being good to the Democratic ticket, even though he was not on it this time.

Well, I do not need to tell Senators that Elmer had never been more eloquent nor sounded better to us Democrats than on that occasion. And, from all results, the people liked him, too. The Oklahoma Democratic ticket did mighty well at the polls. Again, Elmer had helped do it.

ELMER THOMAS, indeed, has a permanent place in the hearts of Oklahomans. His official works for Oklahoma have made lasting history.

To give the Senate some idea of the amazing scope of his contributions to Oklahoma, the projects and improvements which ELMER THOMAS helped secure cost more than the current assessed valuation of our entire State. This includes our vital flood-control program in Oklahoma, which is protecting the soil and harnessing the water power for industry. His strong position on the Senate Appropriations Committee made him most valuable to his State in so many ways.

All in all, I think it is entirely accurate to say that in his 40 years as a legislator the successful efforts of ELMER THOMAS have boosted the development of our State more than those of any other single individual.

When there was a tough legislative problem, the tendency was to "let Elmer do it." He seemed always able to come up with the answer. A letter he wrote, a conference he arranged, an amendment inserted—just a few lines in the right place. We let Elmer do it, and he always knew what to do. Yes, sir; I know the Oklahoma delegation is really going to miss the guidance and assistance of ELMER THOMAS.

All these years, in his quiet but most effective way, Senator THOMAS really got the job done. But he always felt that actions speak for themselves, and he never was one to dramatize himself.

Perhaps, in Oklahoma, we got so accustomed to having ELMER THOMAS do it for us we were inclined to take him for granted. Even here, where ELMER THOMAS has served so long with brilliance and distinction, I am sure that many of his colleagues would be amazed to hear the wide range of his manifold accomplishments.

The economic welfare of the American farmer generally has been advanced, and the working conditions of the American laborer improved, thanks to Senator THOMAS. He has been keenly aware of the importance of adequate purchasing power for the masses. It was on the stabilization of their income that he has tried to build a real and permanent prosperity for the Nation.

This basic objective took him into diverse fields of activity. For example, it was Senator THOMAS who originated the legislation for the devaluation of the dollar. President ROOSEVELT personally called him to the White House, embraced his idea, and threw the weight of the administration to insure its passage. This fiscal device netted nearly a $3,000,000,000 profit for the Government, and, at the same time, contributed to equitable prices and a permanent stabilization of our economy.

As an active friend of labor Senator THOMAS was the father of the first 40-hour-week law. He authored the amendment which first legalized a standard workweek providing time and one-half for overtime. This particular bill, known as the Thomas 40-hour workweek, applied only to the employees of the Government Printing Office, but it paved the way for a general adoption.

ELMER THOMAS developed a skill for handling the highly complex problems of Government finance. He has shown an amazing insight into the basic principles which shape our whole economy. But ELMER THOMAS, the farmer's son from Indiana, learned his practical lessons about dollars and cents in the school of hard knocks.

Times were hard back there in Indiana, at the turn of the century. Farm prices were low, dollars scarce. No matter how hard a farmer worked, nor how many hours of toil that went into his crops, he just could not make enough to buy what he needed at the store.

ELMER THOMAS' well-known conviction about the necessity for agricultural parity took root back there in the difficulties he experienced, and the hardships he knew on the family farm.

Back in those boyhood days, encouraged by his mother, there budded the dream of a political career. And one of the first things ELMER THOMAS hoped to do was to improve the lot of the farmer and give him a better life.

It seemed a faint hope for a poor farmer's son to make his own way in the outside world, secure an education, and climb the political ladder to the Nation's highest lawmaking body. ELMER THOMAS' father was a practical man, beset with the task of making a living, and he wanted his son to stick to the land.

Fate, however, sometimes intervenes strangely, and it was a weak physical condition which helped set ELMER THOMAS on his future career. Because he was unable to carry the load of field work, he became his mother's chief assistant. The two lived closely, and their daily association greatly affected his sensitive nature.

Like so many other great Americans he was inspired by a mother's glowing pictures of the outside world, and he was fortified by her words of wisdom and courage. Then and there, he determined he would get a college education, and that he would move on to the greater goals ahead.

As in so many of our success stories, ELMER THOMAS thrived on adversity. At 15, he graduated from country school, ready for college, but to spare his father's feelings, he did not make the break from home until the next year.

Thereafter, for 8 years, he divided his time between teaching and attending school. He earned several diplomas from Central Normal and from DePauw in Indiana. A graduate in law, in pedagogy, and in elocution, ELMER THOMAS also found time for a wide range of extracurricular activities. He served as editor of the university paper, and of the annual.

Already, he was showing the talents for leadership that later were to bring him victory at the polls and an outstanding career in public life.

ELMER THOMAS took what he had learned in the classroom and on the college campus and first began to apply it in his home territory. He displayed his oratorical ability on the political stump. He successfully promoted a bond issue for a system of badly needed gravel roads. Before he set out for new frontiers, ELMER THOMAS already had made a considerable reputation as a young man who was going places. But the free lands of the West were too inviting. So, the acorn that had been planted on the banks of the Wabash was transplanted to Oklahoma, and ELMER THOMAS was on the road to a new career in a new and virgin territory.

Almost exactly a half-century ago, ELMER THOMAS first arrived in Oklahoma City. His small capital of $200 was vanishing, but young THOMAS was undaunted. He soon proceeded to the town of Lawton and drew for a homestead nest-egg.

At Lawton, ELMER THOMAS hung out his shingle to practice law, and he early began to work in the Democratic Party organization. His reputation for brilliance in the law and sagacity in politics spread rapidly. Soon, he was on his way.

At the opening of statehood, the district Democrats were engulfed in a controversy—and, incidentally we still have them. ELMER THOMAS was sought out as the compromise candidate for State senator, and he won an easy victory.

He soon came to the forefront at the State capitol, rising to the chairmanship of the important appropriations committee. A permanent capitol building, financed under his leadership, today stands as a monument to his resourcefulness and his practical ability. It is also symbolic of his pioneer role in the building of Oklahoma.

Senator THOMAS set about to make possible the fine new building without imposing a heavy burden of debt on the people. He discovered several odds and ends in the State treasury, left over from territorial days. He was thus able to scrape together $550,000 which he got authorized with an additional appropriation of $250,000 in two equal payments. This did the job.

Another significant achievement of ELMER THOMAS was his part in launching a permanent road program for Oklahoma. Again displaying thrift and wisdom in things financial, ELMER THOMAS opposed and helped defeat the $50,000,000 road bond proposal. With this out of the way, the State could proceed to develop a great highway network on a pay-as-you-go basis. This set a pattern for the rest of the country, and today that is our established national policy.

From the State senate ELMER THOMAS went to the National House of Representatives for two terms, 1923–1927. Then he found the chance he had been awaiting all these years, and he struck out for the United States Senate. In 1926 he won the nomination of his party without difficulty and then he easily defeated the Republican incumbent who had been swept in by the Harding landslide.

At 50 years of age, he thus achieved the goal that had been constantly before him since early childhood. But, never pausing to rest on his laurels, ELMER THOMAS began diligently working toward a new goal—to become a skilled and effective United States Senator.

This persistent course led to the chairmanship of the Committee on Agriculture, and chairman of several subunits of the Committee on Appropriations. As head of the Defense Department appropriations subcommittee ELMER THOMAS was a commanding figure in building the great military machine which won one World War and is preparing us against the dangers of another.

His broad grasp, covering both domestic and international fields, led him to conceive numerous far-reaching solutions. For instance, he has promoted the plan to relieve American farm surpluses by distribution to our needy foreign allies.

But underlying his whole program has been his constant interest in the American farmer. He strove to keep up farm prices to the point that the farmer would realize the cost of production and a reasonable profit. He understood that farm prices are the lifeblood of our economy, and that without fair returns to the farmer, the rest of the Nation cannot prosper. As he often said, $1 paid to the farmer will mushroom into $7 for the national income.

As a friend of the farmer, Senator THOMAS pioneered in getting cheap electricity to the cross roads. In 1938, as a member of the Committee on Agriculture and Forestry, he helped develop and pass the law creating the Rural Electrification Administration, and as a member of the Committee on Appropriations he supported extensive funds to develop this program.

While assuming leadership on the broader national problems, Senator THOMAS also had a genius for keeping the ball rolling on local projects for his own State. Public buildings, airports, all kinds of improvement programs; he personally saw to their approval with aid from Uncle Sam.

Again and again, his realization of the importance of the development of natural resources has been demonstrated. As chairman of the subcommittee which handled the funds for Army engineers, he was able to help both his State and his Nation in this vital field.

The State of Oklahoma has Senator THOMAS to thank for finding a way to finance the great Grand River Dam and its hydroelectric power plant. By a stroke of the legislative pen, Senator THOMAS made it possible for the State Grand River Dam Authority in Oklahoma to obtain the necessary funds from the Federal Government.

This was done again by one of those "simple" amendments for which Senator THOMAS became noted. By the insertion of a "few words" in the "appropriate" place, Senator THOMAS had made available to the GRDA and two other like projects, $70,000,000 in grants and $22,000,000 in loans.

His ingenuity and his influence were brought into play in obtaining the first big irrigation project for Oklahoma, the W. C. Austin. In the face of rising construction costs at the beginning of World War II, he was able to get helping hands for the State from WPA labor. Then, in a final effort to hold down the farmers' repayment debt to the original $2,000,000, he made the project eligible for Federal experimentation. This was done in another one of those little amendments which Senator THOMAS convinced his colleagues was appropriate language.

Senator THOMAS also secured funds for the building of the Fort Supply, Great Salt Plains, Hulah, Wister, Canton, Heyburn, Fort Gibson, Tenkiller, and Denison flood-control, hydroelectric, and irrigation projects, most all of which lie in Oklahoma.

Having served as chairman of the former Senate Indian Committee, Senator THOMAS was able to do much toward meeting some of our obligations to these first Americans. Only recently he put over legislation turning some $3,000,000 in oil royalties from the south half of the Red River to the Kiowa, Comanche, and Apache Indians. He added an amendment to the bill authorizing sale of the Chickasaw-Choctaw coal lands in Oklahoma which recognized a treaty obligation, and as usual, he followed through to secure the nearly $10,000,000 to pay the purchase price.

So it will be seen that if we got into difficulty in Oklahoma, whether it related to price supports for agriculture, taking care of the welfare of the Indians, or getting flood-control projects, or military installations, we just left it to ELMER. He knew the answers and went after them. Oklahoma and the Nation benefited.

It is with great pride and satisfaction that we review the results of a long and fruitful career. All these accomplishments, among many tangible evidences of his good work, will stand as a permanent monument to ELMER THOMAS. And this monument also will loom as a beacon to us, challenging us and guiding us to carry on the torch of democracy for a better and safer America.

Our good wishes, our warmest, friendliest feelings, go with ELMER THOMAS as he takes leave of this Senate and his long-time associates. I am happy to report that he will be near us in Washington, back to his first love, the private practice of law. While we continue here, still making the law, we hope that we shall see him often and that he may continue to give us the benefit of his wisdom and experience in these critical times.

TRIBUTE TO THE VICE PRESIDENT AND TO RETIRING SENATORS

Mr. CHAVEZ. Mr. President, this is the last day of this particular Congress. I wish to beg the indulgence of the Chair and also of the Senate while I very briefly express my opinion of you, sir, and of some of the Members who are about to leave us, and also of some of the Members who, through the kindness of a superior power, will still be with us.

Mr. President, I am most happy that I have been given the opportunity to serve in this body while you have been the President of the Senate. I believe that I understand American history; therefore, please believe me when I say that in my opinion you represent what is best in America and what best represents America. I am glad to have served with you.

I am glad to have served with the Senator from Tennessee [Mr. MCKELLAR].

I am glad to have served with the Senator from Arizona [Mr. HAYDEN].

I am glad to have served in the past in the House of Representatives, with its Members. Notwithstanding any differences of political opinion, I am proud that all of us are Americans and are able to represent differences of opinion.

I am happy to have served with the Senator from Missouri [Mr. DONNELL].

For 12 years I have known the Senator from South Dakota [Mr. GURNEY]. We served on the Appropriations Committee. Possibly at times we have disagreed, but never was there any idea that his patriotism and loyalty were not as great as those of any other member of the committee. I am most happy for that; that is what makes service in this body worth while.

I realize with regret that we are about to lose some of the present Members of the Senate, including the Senator from Illinois [Mr. LUCAS], simply because of the workings of American politics. Six years ago he defeated another candidate, as he did 12 years ago. Now he is about

to leave us. We shall miss him very greatly, and all of us love him.

Of course, I also dislike the fact that my friend, the Senator from Maryland [Mr. TYDINGS], will not return with us at the coming session. However, after all, the American people of the State of Maryland have a right to decide who shall represent them; that is not my right.

Of course, I also dislike the fact that my friend the Senator from Oklahoma [Mr. THOMAS] will not return. However, after all, the American people of Oklahoma have a right to decide that.

Also I dislike the fact that my friend the Senator from Utah [Mr. THOMAS] will not return.

Despite the fact that my friend the Senator from Misscuri [Mr. DONNELL] will be succeeded by a man of my political faith, I still dislike to see Senator DONNELL leave the Senate.

Mr. President, I am simply trying to make clear that these changes are in accordance with the American way of doing things. Let us continue to live by the American system.

I thank the Chair.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed the bill (S. 4266) to amend and extend title II of the First War Powers Act, 1941, with an amendment, in which it requested the concurrence of the Senate.

AMENDMENT OF FIRST WAR POWERS ACT, 1941

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 4266) to amend and extend title II of the First War Powers Act, 1941, which was, on page 1, line 8, strike out the period and insert a semicolon and the following: "and such section 201 is further amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: *'Provided further*, That all contracts entered into, amended, or modified pursuant to authority contained in this section shall include a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving transactions related to such contracts or subcontracts.'"

Mr. McCLELLAN. Mr. President, I move that the Senate concur in the amendment of the House. This is the war powers bill, reviving and extending the powers under title II of the First War Powers Act of 1941. The House has added this amendment to the bill as it was passed by the Senate a few days ago. I believe the amendment actually strengthens and further safeguards the powers granted in the bill as it was passed by the Senate. I approve of the amendment, and urge its adoption.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arkansas that the Senate concur in the amendment of the House of Representatives to the bill.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. McCLELLAN. I am glad to yield.

Mr. TAFT. As I understand, no action whatever is now proposed to amend or revive title I of the War Powers Act.

Mr. McCLELLAN. That is not involved in this measure. However, I may say to the Senator that there is such a proposal, and it is being considered—namely, to grant certain powers, at least.

Mr. TAFT. I would agree that certain powers, perhaps necessary for coordination of the work under Mr. Wilson, might well be granted. However, so far as this particular measure is concerned, that has been dropped, has it?

Mr. McCLELLAN. Yes; it is not involved in this proposed legislation.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Arkansas.

The motion was agreed to.

DEDUCTIONS FROM SEAMEN'S WAGES FOR EMPLOYEE WELFARE FUNDS

Mr. MAGNUSON. Mr. President, under a previous general agreement with Members on both sides of the aisle, I now move that the Senate proceed to the consideration of House bill 8349, Calendar No. 2627.

The VICE PRESIDENT. The bill will be read by title.

The LEGISLATIVE CLERK. A bill (H. R. 8349) to authorize deductions from the wages of seamen for payment into employee welfare funds.

Mr. AIKEN. Mr. President, I understand that if this measure is taken up, the Senator from Washington contemplates moving that the Senate reconsider the bill and disagree to the amendments heretofore agreed to by the Senate, and that the bill then be passed.

Mr. MAGNUSON. Yes.

Mr. AIKEN. I have no objection.

The VICE PRESIDENT. The question is on the motion of the Senator from Washington.

Mr. WHERRY. Mr. President, I understand the distinguished Senator from Washington has moved that the bill be considered. Am I correct in that?

Mr. MAGNUSON. That is correct.

Mr. WHERRY. I want the RECORD to show that to be the case because on a previous occasion, at a late hour, the distinguished Senator asked unanimous consent that the bill be considered. At that time there was some thought of a calendar call. I then suggested that following the disposition of certain conference reports, it would be appropriate for him to move the consideration of this bill.

Mr. MAGNUSON. That is my understanding.

The VICE PRESIDENT. The question is on the motion of the Senator from Washington to proceed to the consideration of the bill.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 8349) to authorize deductions from the wages of seamen for payment into employee welfare funds, which had been reported from the Committee on Interstate and Foreign Commerce, with an amendment.

The VICE PRESIDENT. The amendments which have been heretofore proposed were agreed to previously.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the amendments heretofore adopted by the Senate be reconsidered and rejected, and that the House bill be passed without amendment.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered. Without objection, the House bill, without amendment, is ordered to a third reading, read the third time, and passed. Without objection, the Senate bill is indefinitely postponed.

Mr. HOLLAND. Mr. President, the Senator from Louisiana [Mr. ELLENDER] left the request that an objection be made in his name if this bill were called up.

Mr. TAFT. The Senator from Louisiana is here.

The VICE PRESIDENT. The bill was taken up on motion, not by unanimous consent.

Mr. MAGNUSON. Mr. President, I desire to make a brief explanation of the bill. The Pacific-coast maritime groups, including the seamen, have made contracts and agreements in which they allow, with the consent of the seamen, a deduction from their wages. That is to say, by written consent of the seaman, a certain portion of his wages, along with the contributions of the employer, is used to set up a welfare fund, which, particularly in California, is mandatory under the law. Under the Federal law it is not clear whether seamen working offshore and in the Federal maritime could be subjected to these deductions. The only purpose of the bill is to allow the Pacific-coast maritime groups to do what is mandatory under the State law, and what they have agreed to, under all their agreements which have been signed, sealed, and delivered, and to bring the Federal law into line.

The bill, which has been approved by all segments of the maritime industry, was passed unanimously by the House. Heretofore it passed the Senate, with amendments. In view of the lateness of the hour and of the milder approach made by the House, we have arranged to accept the House bill without amendment. So far as I know, the only objection to the bill arose as a result of a proposed amendment offered by myself, which has now been withdrawn.

The VICE PRESIDENT. The bill has passed.

Mr. ELLENDER. Mr. President, will the Senator yield for a question?

Mr. MAGNUSON. I yield.

Mr. ELLENDER. I arrived late. As I understand, what the Senator proposed was the passage of the House version of the bill.

Mr. MAGNUSON. That is correct.

Mr. ELLENDER. I have no objection.

The VICE PRESIDENT. The House bill has already been passed.

SENATOR PEPPER'S REPORT ON WORLD CONDITIONS

Mr. HOLLAND. Mr. President, on Friday, December 22, my distinguished

colleague [Mr. PEPPER] made what I consider a most able and eloquent farewell address to the Senate. I regret exceedingly that I could not remain here for the whole of that address, by reason of the fact that I had reservations on a train for Florida which left before he had finished speaking. I wanted at this time to voice my appreciation, and the appreciation of the people of the State of Florida, for the cordial sentiments which were so ably expressed by several of my colleagues at the termination of the speech by my distinguished colleague. I believe that the Senator from Arizona [Mr. MCFARLAND], the Senator from Oregon [Mr. MORSE], and the Senator from Kansas [Mr. SCHOEPPEL]—who, at the moment, occupied the chair—all expressed sentiments of appreciation of the service of my distinguished senior colleague, and of appreciation of the able speech which he had just made, as well as of affection for him personally.

Mr. President, may I say that I think my colleague has rendered a peculiarly distinguished and colorful service to our Nation and to our State during the 14 years of his representation of the State of Florida here—14 years which have been years of tremendous crisis for our Nation, and of unparalleled importance in the history of the world. I shall not attempt in these brief remarks to make any résumé of the distinguished career of my colleague, but I wanted to speak my own appreciation for all the cordial expressions, and all the courteous and kindly things he has done for me in the period of something more than 4 years that I have been privileged to serve with him as his junior colleague.

We have not always agreed on all matters, but I want to say there has never been manifested toward me by Senator PEPPER anything but complete cordiality and unfailing courtesy, which speaks best for a Senator who really understands what a high honor and responsibility it is to be a Senator in the truest meaning of the word. I feel that he has rendered outstanding service to our State and to our Nation, particularly in the humanitarian field, in which he has served so ably as a member of the Committee on Labor and Public Welfare; likewise, in the field of foreign relations, where he has served as a member of the Foreign Relations Committee.

It so happens that his farewell speech, which I think will be referred to for many years in the Senate and in the country for some of the observations which he made during a period of nearly 3 months of travel, going practically around the world, shows his breadth of grasp of international affairs and his feeling that our Nation is now in one of its most crucial periods, a period in which strong action and sturdy, united action is required on the part of all our people.

Mr. President, it goes without saying that I speak what is known to almost every man, woman, and child in our Nation, when I say that my distinguished senior colleague is without a peer in debate, whether as a Senator of the United States or as a pleader before the highest courts of the land. His voice will be greatly missed in the Senate, where he has always been colorful, most effective, highly eloquent, and yet always most courteous in every expression, in every debate. My own admiration for him has been heightened by the complete poise which he has shown in maintaining constant courtesy, even under the most difficult situations and in the most heated debate, for those who have, and who have stated, different convictions from those which he held. Aside from his outstanding resourcefulness and oratorical quality as a great and eloquent debater, my distinguished colleague has been one of the hardest working men in the Senate of the United States, certainly during the 4 years that I have had the privilege of seeing him so intimately at work. Prior thereto, I had almost an equal opportunity, during the 4 years when I was serving our people in another capacity in Florida, but having of necessity to cooperate closely with those who represented our State in the Halls of Congress.

Senator PEPPER has worked indefatigably for the issues in which he believes, and insofar as his State is concerned, I do not see how any Senator could have been more zealous, more effective, more unyielding in his position that the people and the interests and the communities of his State should have from the Federal Government the consideration and attention to which he felt that they were entitled.

He has been fearless in the taking of positions, sometimes unpopular positions, but positions which his convictions approved.

I close by stating that it has been a privilege and a pleasure to serve with my distinguished senior colleague, and I am sure I speak for every Member of the Senate who has served with him when I state that he has been regarded by all his colleagues as being one of the most colorful, one of the most resourceful, one of the most devastating debaters as well as one of the most able proponents of any issue in which he believed, among all those who have ever stood upon the floor of the United States Senate.

TRIBUTE TO RETIRING SENATORS

Mr. NEELY. Mr. President, this, the last day of the Eighty-first Congress—this—

> Parting day
> Dies like the dolphin, whom each pang imbues
> With a new color as it gasps away,
> The last still loveliest, till—'tis gone, and all is gray.

But grayer far than the dead dolphin, and sadder far than the dreary light of waning moon is the rapidly approaching hour of separation from our retiring colleagues whom we shall never fail to cherish and never cease to love.

Unfortunately, the whirligig of politics, like that of time, brings in not only its revenges but also its sorrows and its sighs.

According to Fuller's seventeenth century volume entitled "The Worthies of England," Dr. William Butler was styled the Aesculapius of his age. On a certain occasion he said:

> Doubtless God could have made a better berry than the strawberry, but doubtless God never did.

Since the Almighty's arm is never shortened and His omnipotence is never impaired, He presumably could have made better United States Senators than those to whom we are about to say "goodbye". But, in my opinion, the great Creator has never made six more patriotic, diligent legislators than Senators LUCAS, of Illinois; MYERS, of Pennsylvania; PEPPER, of Florida; THOMAS of Oklahoma; THOMAS of Utah; and TYDINGS, of Maryland. These have all won for themselves conspicuous, permanent places in the great American hall of fame.

History's pages are burdened with examples of the sinful inflicting upon the sinless every species of punishment from death upon the cross to defeat at the polls. For discovering a new world that was destined to overshadow the old, Columbus was sent to prison in anguish and chains. The Athenians banished the illustrious Aristides because they had grown envious and weary of hearing him called the Just. Abel, because of his superior righteousness, was murdered by his wicked brother Cain. But for these and a legion of other similar well-known examples of human perversity and vile ingratitude it would be difficult for those who know the Senators mentioned to believe that their constituencies recently failed to reelect them to office. But let no hearts be troubled. A defeat at the ballot box is simply an obstruction on the highway of political life. And aspiring, wise, and worthy men transmute obstructions into stepping stones upon which to mount to the topmost heights of fortune and fame.

With reservations concerning matters of political philosophy about which the distinguished Senator from South Dakota [Mr. GURNEY] and the able Senator from Missouri [Mr. DONNELL], on the one hand, and I, on the other, have never agreed, let me wholeheartedly concur in all that was said of these eminent men an hour ago by "Mr. Republican"—the senior Senator from Ohio.

In existing circumstances, it is manifestly impossible to pay proper tributes to all upon whose present senatorial terms the curtain is about to fall forever. Therefore, let me speak briefly of the peerless orator, the matchless debater, the unsurpassable statesman—the beloved senior Senator from Florida [Mr. PEPPER]. During my 28 years' membership in the Senate and the House and my much longer period of studying American biography and history I never discovered anyone whom I considered superior in logic, eloquence, patriotism, and statesmanship to Senator CLAUDE PEPPER—the fortunate possessor of a profound mind, a silver tongue and a heart of gold. In the Senate he has been a tower of strength and a source of lofty inspiration to every lover of the right. He has been a gallant champion of every worthy cause. There are many reasons why he is particularly near and dear to

me. With the exception of the distinguished Vice President [Mr. BARKLEY], Senator PEPPER has made more campaign speeches in West Virginia for Democratic candidates for office than any other living nonresident of the Mountain State has ever made. He is the only one of the departing Senators who is a member of the Committee on the District of Columbia over which, as chairman, it is my present privilege, honor, and pleasure to preside. Through all the years that have passed since he and I first became acquainted he has been one of my most deeply appreciated, never-failing, never-faltering, faithful friends.

The able junior Senator from Florida [Mr. HOLLAND] a few moments ago specified a number of Senator PEPPER's rare and praiseworthy qualifications. But there are still others which he possesses in the highest degree. Some of these are poetically indicated by Oliver Wendell Holmes in the slightly modified, well-known lines:

To hear CLAUDE PEPPER laughing—you'd think he's all fun;
But the angels laugh, too, at the good he has done;
The children laugh loud as they troop to his call,
And the poor man that knows him laughs loudest of all!

Any place this man leaves will be poorer by reason of his going—no matter who his successor may be. The place to which he goes will become richer as soon as he arrives. My esteem and affection for this—

Hero who dost wield
The golden sword and burnished shield—
Shield of a comprehensive mind,
And sword to slay the foes of human kind—

is epitomized in the sonnet:

When, in disgrace with fortune and men's eyes,
I all alone beweep my outcast state,
And trouble deaf heaven with my bootless cries,
And look upon myself, and curse my fate,
Wishing me like to one more rich in hope,
Featured like him, like him with friends possess'd,
Desiring this man's art and that man's scope,
With what I most enjoy contented least;
Yet in these thoughts myself almost despising,
Haply I think on thee, and then my state,
Like to the lark at break of day arising
From sullen earth, sings hymns at heaven's gate;
For thy sweet love remember'd such wealth brings
That then I scorn to change my state with kings.

Mr. President, upon a monument in St. Michael's cemetery in Charleston, S. C., is the following remarkable epitaph:

JAMES LOUIS PETIGRU, JURIST, ORATOR, STATESMAN, PATRIOT

Unawed by opinion, unseduced by flattery, undismayed by disaster, he confronted life with antique courage and death with Christian hope. In the great Civil War he withstood his people for his country; but his people did homage to the man who held his conscience higher than their praise; and his country heaped her honors upon the grave of the patriot, to whom, living, his own righteous self-respect sufficed alike for motive and reward.

It is my confident prediction that a hundred years from now the people of Florida and the Nation will gratefully erect a magnificent monument to commemorate forever the memory of CLAUDE PEPPER and on that monument will appear the identical substance of every stirring word and letter of the epitaph which proclaims the deeply lamented James Louis Petigru's deathless fame.

Senator PEPPER, regardless of the choice you make, the path you take or the task to which you turn, it will be our constant, fervent hope that you and all who are dear to you will be blessed with perfect health, unlimited prosperity and happiness, and the peace of God which passeth all understanding, to the end of your days. [Applause.]

TRIBUTE TO SENATOR LUCAS

Mr. DOUGLAS. Mr. President, I wish to join with my colleagues in paying tribute to my senior colleague from Illinois. Long before he came to Washington in 1934 he had made a distinguished record in our State. He was State's attorney of his county at an early age. He was the commander of the Illinois American Legion. He served four terms as national judge advocate of the American Legion.

In 1932 he ran for State office for the first time. He was a candidate for the Democratic nomination for the United States Senate. Although he did not win the nomination then, he won the admiration of virtually all Democrats in the State. In the next year when the Governor of Illinois, Henry Horner, was reorganizing the system of taxation of our State, he appointed my senior colleague chairman of the State tax commission. In this position, during the next year and a half, he made a notable record, especially in connection with the reform of the general property tax.

In 1934 the Speaker of the United States House of Representatives, the Honorable Henry T. Rainey died, and my senior colleague was nominated and was elected as his successor from the historic Twentieth District of Illinois. He served for 4 years in the United States House of Representatives, making a notable and distinguished record. While he customarily voted on the Democratic side of issues, he also did his own thinking, and on several issues, particularly in connection with the changes proposed in the Supreme Court, he opposed the programs of the party which he did not believe in his conscience to be correct.

In 1938, after a very hard primary fight, he was nominated as a Democratic candidate for the United States Senate. He was elected to this body in November of that year.

His record in the 12 years since then is known not only to all of us in the Senate, but to the country as well. He has served with distinction on a number of important committees of this body including those on Agriculture and Armed Services. On those committees he also worked for the best interests of the Nation regardless of party claims. His contributions to the preparedness of his country to resist totalitarian aggression during the period prior to and after Pearl Harbor have been excelled by no Member of this body. His work to protect the security of America's farm families has been notable.

In recent years he has served on the Senate Committee on Finance, where his work has also been distinguished and progressive. And we are all familiar with the patient, yet persistent and effective way in which he has carried the heavy burdens of the majority leadership in these past 2 years.

No long eulogy is needed from me about the merits of SCOTT LUCAS. We all know him as an able Senator and majority leader, fair in spirit, courteous to his opponents, eager to get results, but considerate of all. In the past Illinois has sent many eminent men to this body. I am sure that the verdict of history will be that SCOTT LUCAS is in the very front rank. I can only add a personal word, that in the 2 years I have been here he has been a most considerate and generous colleague. We shall miss him in the Senate, but we know that his great services for the country will continue. [Applause.]

THE "LAME DUCK" CONGRESS—A DANGEROUS PRECEDENT

Mr. MALONE. Mr. President, in order to save the time of the Senate, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a brief statement which I have prepared.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

THE "LAME DUCK" CONGRESS—A DANGEROUS PRECEDENT

Mr. President, I do not want this "lame duck" session of Congress to come to an end without raising my voice against what I consider an evasion on the part of the administration leaders of the spirit of the law which was intended to put an end to "lame duck" legislation.

After much thought and study, Congress in 1933 passed the Norris amendment, the twentieth amendment to the Constitution, which was to eliminate decisions being made by Members who had been repudiated at the polls.

Ignoring the spirit and intent of the twentieth amendment, the administration leaders insisted upon this "lame duck" session in which to ram through certain administration measures. The administration obviously knew that it needed the votes of the repudiated "lame ducks" to do the job.

The result is that poorly prepared and little-considered legislation has been railroaded through this session—without permitting proper debate and consideration—three tremendously important measures being passed by this body without even a record vote: A $20,000,000,000 appropriation, the excess-profits tax bill, and the bill to extend war powers to the President. All of these bills contain provisions little understood by the individual Members of Congress through lack of time for proper study and debate.

No good purpose could possibly be served by rushing this policy-making legislation through in December 1950 instead of January 1951, except to transfer and to confer powers to the executive branches not authorized and not intended by the Constitution of the United States.

The junior Senator from Nevada calls the attention of the Senate to this violation of the spirit of the constitutional amendment intended to eliminate exactly what we have

witnessed here during the past few unhappy weeks. Now is the poorest possible time for blithe evasion.

Mr. President, it is a dangerous precedent.

PERSONAL STATEMENT BY SENATOR GURNEY

Mr. GURNEY. Mr. President, this is my last day in the Senate. I should like to say a very few words.

First, let me say that I am deeply grateful to the people of my great State of South Dakota for having given me the opportunity to serve as a Member of the United States Senate. After my service in the Senate, I have a profound conviction, greater than that which I had when I came here, that our kind of government is the best in the world; and I have a firm conviction that it will continue that way.

I regard it as a high privilege given to me by the people of South Dakota to serve here with others who have made up the membership of the Senate, including the two ladies who have been Members while I have been here during the past 12 years. I am taking away with me the richest possession any man ever had, the good wishes of Senators. I thank you all, and I wish you all personally the best of success and happiness. [Applause.]

GLEN H. TAYLOR, OF IDAHO

Mr. LANGER. Mr. President, I join my colleagues in all that has been said about Senators who are retiring. However, I cannot let the opportunity pass without saying a few words about my departing colleague, the Senator from Idaho [Mr. TAYLOR].

Only a Senator who comes from a State small in population can begin to understand the difficulties under which the Senator from Idaho has labored. One of his predecessors was the late Senator Borah. When one travels through the great Western State of Idaho, he finds that no matter who its Senators may be, the people of that State instinctively compare them to the late William E. Borah. That is a handicap under which every Senator coming from the State of Idaho suffers.

To my mind our colleague the Senator from Idaho represents something which no other Member of this body really represents. Nearly all his life he has had to make his living by working with his hands. Shortly before he made his successful race for the Senate he went to the west coast and took a job as a day laborer in a war industry. He worked hard from early in the morning until late at night. I believe that in this great body there are too few who have had the experience of getting up early in the morning and working until late at night, either upon the farm or as a day laborer.

I have watched the progress of my colleague in the Senate. I do not know of a single instance in which GLEN H. TAYLOR ever voted against the interests of the small man, the workingman, the small farmer, the tenant farmer, or the sharecropper. As he leaves here, he can hold his head high and throw out his chest, knowing that he has kept the faith.

PERSONAL STATEMENT BY SENATOR TAYLOR

Mr. TAYLOR. Mr. President, I thank the Senator from North Dakota for his tribute. It is typical of his independence and fearlessness to speak out on any issue or subject which he feels he should discuss. I believe that the most important thing in our Nation today is that people should remember the principle on which our country was founded. Every man has a right to speak his mind. I am afraid there is beginning to be altogether too much "conformitism" in our country. I am reminded of an incident which happened many years ago when I was with a car show. It was called a car show because we had railroad cars and lived on the train. We had a tent in which to perform our plays.

An Italian trombone player joined the company. He had recently come from Italy. He could not speak English very well, but everyone accepted him. Possibly once in a while they made jokes at his expense. We got along fairly well until in one town the male members of the company were persuaded to join the Moose. Everyone joined the Moose except Vanny, the Italian. He was saving his money and sending it back to Italy, and he did not feel that he could afford the luxury of becoming a Moose.

After the other boys all became Moose and Vanny did not join, the other boys chose to kid Vanny a little. Every time he would approach a group who were talking, they would "clam up," as the popular saying goes, and gradually disperse, leaving Vanny standing alone. They were only kidding, but Vanny did not understand that. It was only a matter of a few weeks when one day Vanny was found on the station platform in his bare feet, jumping up and down. He literally broke the balls of his feet open. He was screaming "I want to be a Moosaboy." He had blown his top completely.

I am afraid there is too much in this country of wanting to "be a Moosaboy," wanting to go along with the popular idea of the moment. I have not done that. I have known, when I did certain things, that I was not doing what was politically expedient, so I have no excuses to offer for my defeat. At one time I stated on the floor of the Senate that I was going to vote my convictions, as though I never expected to come back. All I can say is that I did vote my convictions, and I did not come back.

PERSONAL STATEMENT BY SENATOR THOMAS OF UTAH

Mr. THOMAS of Utah. Mr. President, it would indeed be ungracious on my part to sit longer and not at least say "thanks" to my colleagues for the wonderful words that have been spoken in behalf of those of us who, I am sure, today are thinking of the old expression "Hail and farewell."

I came to the United States Senate after having lived under various types of government. I knew what the American Government meant. I know now what it means not only to the people of the United States, but to the people of the whole world. It seems to me that what has taken place here in the Senate this afternoon exemplifies one of the fine things about our Government.

The people's interests are vital, but at the same time friendships mean a great deal. What good is service to mankind if, for example, those who serve together cannot in some way or another evaluate the service and say whether it is wise or unwise?

When we consider the political life of the world we find that the associations in this body are extremely unique. America has been in existence now for a long time. Under the Constitution of the United States, which now is the mother of all constitutions, we are no longer a young country. Where in the world do we find parties still to be the amateur affairs they are in the United States? In a country where the parties are professional in their nature the loss of an election has a different meaning than it has in this country. Here, the loss of an election does not affect the fundamentals upon which our country is based. Therefore, we should really and truly evaluate America's representative Government as it exists, and realize above all things that, no matter what theory one may have as a member of the Republican Party or as a member of the Democratic Party, no matter what theory one may have in regard to such a thing as a social compact, whether it be historical or not, the Declaration of Independence probably will be forever America's great symbol of liberty.

It is by that knowledge we live, and under it we have the type of government which is the hardest for men to live under, because we think of and work constantly for the advancement of the individual, yet strive for unity in a land where freedom of speech and freedom of the press are guaranteed.

It is hard to live under our type of Government. When people, by common consent, do not live up to its ideals, things happen which are disastrous, and as was foretold by the philosophers of old, another kind of government comes into being. I do not think the other type of government is coming to America. I believe our land is stronger than it ever was. I believe the people of the world realize what America means as they never realized it before.

Mr. President, I appreciate beyond words my associations here. It is a very great honor for a man to be called by his people to serve them here; it is a unique honor, which has no counterpart elsewhere in the world today. The friendships which come from association here are lasting.

I shall always remember the things which have been said about those of us who are leaving. No matter in what capacity I may serve in the future or in what capacities my colleagues who leave here today may serve, or if we serve in no capacity, I trust we may all remain worthy of the things which have been said about us here today. [Applause.]

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Snader, its assisting reading clerk, announced that the House had agreed to the following concurrent resolutions, in which it requested the concurrence of the Senate:

H. Con. Res. 297. Concurrent resolution providing that the two Houses of Congress shall adjourn on Tuesday, January 2, 1951, and that when they adjourn on said day they stand adjourned sine die; and

H. Con. Res. 298. Concurrent resolution providing that notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate be authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

ENROLLED BILL SIGNED

The message also announced that the Speaker had affixed his signature to the enrolled bill (S. 3295) to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for reductions from the wages of carriers' employees for certain purposes and under certain conditions, and it was signed by the Vice President.

PERSONAL STATEMENT BY THE VICE PRESIDENT

The VICE PRESIDENT. Prior to laying before the Senate the concurrent resolution coming from the House the Chair would like to take advantage of the opportunity to join the Senators who have spoken in regard to the circumstances of the departure today of some of our colleagues, particularly because two of the Senators who are leaving this body came into it at the same time I entered it 24 years ago.

Woodrow Wilson once remarked, speaking of men in public life, "Some men grow and others swell." In my long service in the House and in the Senate, I have seen few men swell. I would not say that I have not observed one now and then. But most of them have grown, because most thoughtful men who take their duties here seriously, coming in contact with the intellectual and personal and political factors which enter into our Government, cannot fail to grow in their knowledge of the Government and in their determination to serve the country which has honored them by membership here.

The rewards of service in this Chamber are not financial. I dare say there is not a Member now here, whether he remains or leaves, who could not, if working as hard and as diligently in private profession or business, make infinitely more money than he draws as his salary for service in the Senate. The real compensation of one who is a Member here grows out of the pride and the belief that he is serving his country. It may be an illusion in a sense, but even if it is an illusion, it is a delightful one, because it helps to bolster up a man's faith in himself and his faith in his country.

When I entered the Senate, on the 4th of March 1927, there came over from the House five Members, the others being the Senator from Arizona [Mr. HAYDEN], the Senator from Oklahoma [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], and the Senator from Missouri, Mr. Hawes. Senator Hawes' people were born in Kentucky, as so many Missourians were. The county seat of Hancock County, Ky., is named Hawesville after the family of Harry Hawes. I came along with that class. Senator Wagner came in at the same time, but he came from the bench in New York.

Twenty-four years is a long time out of a man's life to serve in any body. The changes that have taken place in politics leave only one member of that class now as a Member of the Senate, the Senator from Arizona [Mr. HAYDEN]. I am neither in the Senate nor of it, but I am merely hanging around. I am taking advantage, with the consent of the Senate, of this opportunity to say a word or two, because two Members of this class, leaving only one remaining, are taking their departure due to the vicissitudes of politics.

This is a great body. It is the only remaining body in the world where men may speak freely. Some of us sometimes think Members speak too freely and too long, but really the Senate is the one forum of free debate in the world today where men may at their will express their views, their convictions, and try to impress them upon their colleagues and upon the country.

So, as the President of the Senate, I join in the tributes which have been paid to our colleagues who are leaving us. I do so without regard to politics. Here we make friendships which endure. They are not delineated by the middle aisle. Some of my warmest and most cherished friends since I have been a Member of this body have been Republicans, and I have had the pleasure of feeling that those friendships have been mutual.

The Senate has already adopted a resolution nullifying the resolution which brought us into this Chamber back in August. Since we are to depart from this Chamber today, not to return to it for a long time, if ever, I am prompted to remind Senators of the historic importance of this great Chamber, in which we in the Congress have worked twice, and from which we shall depart this afternoon.

Not only has this Chamber been great as a forum for debate and eloquence and statesmanship in the formative periods of our country, but it is rich in personal histories and anecdote and tradition. When Andrew Jackson and Thomas H. Benton were young men in Nashville, Tenn., they fought, not a regular duel, but a pistol battle on the streets. One of them fell back over a bannister into a basement, and that fall may thus have saved his life. Thereafter Thomas H. Benton went to Missouri. Later he became a Member of the Senate of the United States, and here he met Andrew Jackson, who then also was a Senator. Andrew Jackson subsequently resigned from the Senate and returned to Tennessee, where later he took the command of troops. Later on, when Andrew Jackson was President, Thomas H. Benton was his great spokesman in the Senate; and in this Chamber, Thomas H. Benton moved to expunge from the Journal of the Senate a scurrilous resolution in regard to Jackson, which, some time before that had been adopted by the Senate.

Henry Clay and John Randolph, of Roanoke, fought a duel over a debate in the House of Representatives which one of them regarded as insulting. They went across the Potomac River to what is now Rosslyn, Va., and fought a bloodless duel. For years thereafter they did not speak to one another. One day Henry Clay was going down a footpath which led from the Capitol to what is now Peace Monument, and Randolph was coming up the same path, which was too narrow for two men to pass on it. They met, glared at each other. Randolph sneered, "I never get out of the way of a damn scoundrel." Clay replied, "I always do," and stepped out of the way, and let Randolph pass. Years later, when it was announced that Clay would address the Senate from his desk in this Chamber, John Randolph, who by then had become an invalid, asked that he be carried on a stretcher into this Chamber, in order that he might hear Clay's last speech.

I have mentioned those two episodes, involving Andrew Jackson and Thomas H. Benton and Henry Clay and John Randolph of "Roanoke," in order to illustrate what has already been said more beautifully: That no matter how bitter we may become, no matter how aroused in behalf of some particular cause we may become, no matter how acrimonious may be the debate in this Chamber or in the other Chamber, there is always that residue of gentlemanliness and courtesy and recognition of the rights of others which usually brings the participants back together in friendly embrace in behalf of their country and of our own. Those things happened in this Chamber, which some of us are about to leave.

The only Vice President of the United States who ever resigned, John C. Calhoun, who was Vice President under Andrew Jackson, resigned from the desk at which I am now sitting. I hope no one will take any hope from that episode. [Laughter.]

So the Senate of the United States 92 years ago this month moved out of this Chamber into the Chamber which it has occupied at the north end of the Capitol Building for that length of time, and to which it will return tomorrow.

Heretofore I have said that I regard with some pride the fact that when the Senate moved out of this Chamber, 92 years ago, a Kentuckian, John C. Breckinridge, was Vice President of the United States, and when it moves out again today a much lesser Kentuckian, but no lesser in appreciation than was John C. Breckinridge, will move with it.

I have mentioned these things, and could mention many others associated with this Chamber, because I cherish the desire that we preserve these historic places where American history has been

made, where the battles for liberty have been fought, and where we delight in beautiful thoughts of the memories of those who have served here and the traditions they have established through their consecrated devotion to public duty. I think those who serve here today, although perhaps not always so colorful as were Clay, Webster, and Calhoun, are just as able, just as sincere, and just as devoted to the welfare of their country as those great statesmen were.

The problems which faced the Federal Government in their day were infinitely fewer in number and in importance, in a sense, than are those which face us today. It was easy for them, during the vacation periods of the Congress, to prepare great speeches, which have gone down in our history and are now in the books of oratory. No one knows whether if those men had had facing them the multiplicity of problems and questions which face Senators today and to which they must devote detailed and meticulous attention, they could ever have made such speeches as those which adorn the oratorical volumes of that era of our history. That matter is speculative, and there never will be an answer to that question.

I have wished to say these few words not only in tribute to our departing colleagues, with whom I have served, and whom I have honored, and whose views I have respected, even though I have not always agreed with them—it would be a monotonous world if everyone agreed about everything—but also to refer briefly to some of the events which have occurred in this Chamber in years long since passed and to some of the glorious traditions which have been established here. Those are some of the great events which have occurred in our development into a great Nation; and those traditions, if we adhere to them, will continue to make us a great Nation.

When I was a boy in college, we used to have a debating society where frequently we debated the question, "Resolved, that the signs of the times point to the downfall of the Republic." [Laughter.] That was a long time ago. I recall that some of the politicians who used to come to my home town to speak at the courthouse, in the course of political campaigns, would re-echo the feeling that the old ship of state was just about gone and was about to sink, largely because of domestic conditions which they described as unfavorable to the continuation of liberty and of our Nation as such.

Since that day we have grown in power, in wealth, in population, and in influence. We have grown also in the liberties we enjoy despite the fact that now and then we are told that we have lost all of them or are about to lose them. Today our danger does not come from within, although we are not a perfect democracy or a perfect republic, and we have in our system inequalities which from time to time we try to correct, and should correct. Today the great danger to us as a people and as a Nation comes from beyond the shores of the United States. It is a real danger. However, as we have overcome dangers in the past century and a half of our growth, development, and cooperation, in spite of wars, injustices, inequalities, and deficiencies here and there, and we have grown stronger with each battle to overcome them; so, in the providence of Almighty God and by His direction and with cooperation among ourselves, we will win the battle of the future and will preserve this great Nation and hand it down to our posterity as strong and as free as it was when it came to us from the hands of our forefathers.

[Applause, Senators rising.]

SUMMARY OF LEGISLATIVE RECORD OF SECOND SESSION, EIGHTY-FIRST CONGRESS (S. DOC. No. 248)

Mr. LUCAS. I ask unanimous consent to have printed in the RECORD a supplemental summary of the legislative record of the Eighty-first Congress, second session, from November 27, 1950, to adjournment, and that it be printed as a Senate document.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

The legislative summary is as follows:

SUPPLEMENTAL SUMMARY OF THE LEGISLATIVE RECORD, EIGHTY-FIRST CONGRESS, SECOND SESSION, FROM NOVEMBER 27, 1950, TO ADJOURNMENT

ACCOMPLISHMENTS

Appropriations

Appropriation	Estimate	Amount approved	Savings
SECOND SUPPLEMENTAL			
Legislative	----------	$38,000	----------
State, Justice, Commerce, Judiciary	$18,237,000	15,725,000	$2,512,000
Treasury-Post Office	27,361,000	27,156,000	205,000
Labor-Federal Security	175,000	10,175,000	----------
Interior	3,300,000	3,300,000	----------
Independent Offices	2,986,429,000	2,982,854,000	3,575,000
Defense Establishments	16,845,181,000	16,795,181,000	50,000,000
District of Columbia	[1] 337,500	[1] 337,500	----------
Claims and judgments	6,983,938	6,983,938	----------
Total	19,887,666,938	19,841,412,938	46,254,000

[1] Not included in total. Tentative figures.

ECONOMIC STABILIZATION

Antimonopoly

H. R. 2734: This legislation amends what is commonly known as the Clayton Act passed in 1914 to supplement the Sherman Act of 1890. This amendment will bar a corporation from acquiring the physical assets of a company if, by so doing, it would lessen competition while, under the present law, a corporation is prohibited from acquiring the stock of such a corporation. (Public Law 899. Approved December 29, 1950.)

DISTRICT RENT CONTROL

Senate Joint Resolution 209: This legislation extends the present rent-control law, 592, in the District of Columbia until March 31, 1951. (Public Law 883. Approved December 21, 1950.)

NATIONAL RENT CONTROL

Senate Joint Resolution 207: This resolution extends the present national rent-control law, 574, until March 31, 1951. Such an extension will give the Congress an opportunity to make a thorough and complete study of the problem. (Public Law 880. Approved December 20, 1950.)

INTERNATIONAL RELATIONS

Aid to Yugoslavia

S. 4234: This act authorizes that not more than $50,000,000 of ECA funds, already appropriated, may be earmarked to provide aid to Yugoslavia. Most of this assistance will be in the form of food and is being provided to assist the Yugoslavs in their efforts to avoid economic disaster and thereby maintain their independence.

LABOR

Railway employees—Union membership

S. 3295: This legislation amends the Railway Labor Act, approved May 20, 1926, as amended, to permit a carrier or carriers, and any labor organization or organizations, authorized to represent employees in accordance with the requirements of that act, to make agreements (1) providing, subject to certain limitations, for the union shop (required membership in a labor organization); and (2) providing for the check-off (deduction from wages for payments of dues, etc.).

NATIONAL DEFENSE

Navigation laws—Waiver

H. R. 9681: In order to expedite the movement of troops and supplies to the Korean war front, it has been found necessary to enact legislation to direct the head of each department or agency responsible for the administration of the navigation and vessel-inspection laws to waive compliance of the laws, at the request of the Secretary of Defense or upon his own initiative, if he feels such action is necessary in the interest of national defense. (Public Law 891. Approved December 27, 1950.)

FEDERAL CIVIL DEFENSE ACT OF 1950

H. R. 9198: This act will establish in the executive branch of the Government a Federal Civil Defense Agency designed to provide a plan of civil defense for the protection of life and property in the United States from an enemy attack. The responsibility for civil defense is to be shared by the Federal Government and the States. The Federal Civil Defense Agency will provide necessary coordination, prepare national plans and programs, and assist and encourage the States in civil defense planning.

PUBLIC WORKS

H. R. 9893: This act authorizes the Secretaries of the Army, Navy and the Air Force to construct public works urgently needed for defense purposes, such as—

1. Facilities for Army field force stations.
2. Special weapons project.
3. Construction in Alaska.
4. Operational support facilities, training facilities, research and development and test facilities within the continental United States.
5. Aircraft control and warning system.

EXTENSION OF TITLE II OF THE FIRST WAR POWERS ACT, 1941

S. 4266: This legislation will reactivate title II of the above-mentioned act for the present national emergency, to be terminated June 30, 1952. Due to the state of national emergency, authority to let contracts through negotiation can be exercised and this act grants authority to modify contracts after they have been entered into. In order to cope with the present emergency and avoid delays in production, the defense agencies needed this additional authority to modify existing contracts in order to afford relief to small business firms who might be prevented from completing deliveries on such contracts because of increased costs.

SOCIAL WELFARE

Interstate gambling

S. 3357: The purpose of this act is to support the basic policy of the States, which outlaw slot machines and similar gambling devices, by prohibiting the interstate shipment of such machines except into States where their use is legal. The foreign import or export of the machines is prohibited and their manufacture, possession, and use is forbidden in localities, such as the District of Columbia, where the Federal Government is primarily responsible for enforcement of the criminal laws.

TAXATION

Taxes—Excess profits

H. R. 9827: This act provides for raising revenue by levying, collection, and payment of a corporate excess-profits tax which will produce approximately $3,300,000,000 for the calendar year 1950 (retroactive to July 1, 1950), and approximately $4,000,000,000 to $5,000,000,000 for the calendar year 1951. The surtax on corporate returns is increased by 2 percent on the regular corporate income tax, or to 47 percent, on incomes in excess of $25,000; with no increase in the corporate normal tax rate on incomes of $25,000 or less.

This act imposes an additional excess-profits tax rate of 30 percent which, together with the regular corporate normal tax and surtax, represents a total of 77 percent; however, the combined rate cannot exceed 62 percent of the corporation's income. The corporation is given a choice of the higher of two alternative bases in determining what proportion of its income is subject to excess-profits tax; the primary credit, which is an average earnings credit based on average income for the 4-year period 1946 to 1949; the alternative is a credit based on the rate of return on "invested capital."

Tax penalties

H. R. 9913: This act prevents penalties and additions to taxes in cases where individuals have failed to meet estimated tax requirements by reason of increases imposed by the Revenue Act of 1950. This act removes the necessity for a reestimate of a tax declaration by January 15, 1951.

Taxes—Armed services

House Joint Resolution 554: This resolution extends the time for filing tax returns by soldiers and others connected with the armed forces in Korea, or in other combat areas, until 180 days after their return to the United States; also, postpones the payment of their taxes during this period.

Servicemen—Transportation tax

H. R. 9840: This act exempts personnel of the United States Army, Air Force, Navy, Marine Corps, Coast Guard, and authorized cadets and midshipmen traveling in uniform from the tax on transportation while on furlough. (Public Law 878. Approved December 15, 1950.)

TRANSPORTATION

H. R. 5967: This act will amend the Interstate Commerce Act, as amended, in order to clarify the status of freight forwarders. This act will clearly recognize freight forwarders as common carriers and will authorize the continuance of contracts between freight forwarders and common carriers, by motor vehicle, under certain regulations specifically set forth. (Public Law 881. Approved December 20, 1950.)

VETERANS

Benefits for disabled

S. 4229: This act extends the benefits of Public Law 16, Seventy-eighth Congress, to those persons who suffered a disability incurred in or aggravated by service during a period beginning June 27, 1950, the date of the beginning of the Korean campaign, and ending at a time not yet determined. Only those cases entitled to wartime rate of compensation for disability incurred under the circumstances provided for under certain special provisions of Veterans Regulation No. 1, or those who would be entitled to such compensation if they were not receiving retirement pay, will benefit by this particular act. This law permits the disabled veteran to undertake any type education or training for which he has an aptitude and interest. (Public Law 894. Approved December 28, 1950.)

AMVETS—Membership

S. 4254: This legislation will permit those men serving with the United Nations forces in the Korean action to join the AMVETS, if they so desire. (Public Law 896. Approved December 28, 1950.)

American Legion—Membership

S. 4240: Opportunity for membership in the American Legion is extended to all persons who served in the naval or military services of the United States during any of the following periods and honorably discharged: April 6, 1917, to November 11, 1918; December 7, 1941, to September 2, 1945; June 25, 1950, to the end of hostilities. (Public Law 895. Approved December 28, 1950.)

CONFIRMATION OF POSTMASTER NOMINATIONS

Mr. JOHNSTON of South Carolina. Mr. President, as in executive session, I submit from the Committee on Post Office and Civil Service a report covering the nominations of 14 postmasters. I ask unanimous consent for the immediate consideration of the nominations which have been unanimously reported by the committee, and approved by the two Senators from each State particularly interested in the nominations.

The VICE PRESIDENT. Is there objection?

Mr. LANGER. Reserving the right to object, will the Senator yield for a question?

Mr. JOHNSTON of South Carolina. I yield.

Mr. LANGER. Does the list include any one from North Dakota?

Mr. JOHNSTON of South Carolina. No—and no one from South Carolina, either.

The VICE PRESIDENT. Without objection, the nominations are confirmed en bloc, and without objection, the President will be notified.

TRIBUTE TO SENATOR PEPPER

Mr. MURRAY. Mr. President, like all other Members of this body who have the privilege of being here this afternoon and listening to the many beautiful tributes paid to departing Members, I have been deeply affected by the remarks which were made. A short time ago I placed in the RECORD a tribute to a departing member of the Committee on Labor and Public Welfare, the distinguished Senator from Missouri [Mr. DONNELL]. I now wish to offer a tribute to the distinguished Senator from Florida [Mr. PEPPER], and to read it into the RECORD.

A TRIBUTE TO SENATOR CLAUDE PEPPER

On this, the last day of the second session of the Eighty-first Congress, we, the members of the Senate Committee on Labor and Public Welfare, pay tribute to our esteemed colleague, Senator CLAUDE PEPPER, of Florida. His retirement from the United States Senate, after 14 years of distinguished service, saddens us.

His distinguished talent as a lawyer, his profound grasp of constitutional issues, his courage and ability to meet the problems of the American people with honesty and intelligence, have earned him our respect and admiration. We have had the privilege and pleasure of being associated with him, and we know that his contributions toward the public good are now firmly imbedded in the legislative annals of the United States Government. We will long remember him with warm, deep, and affectionate regard as a gentleman, a patriot, and an outstanding legislator. It is in recognition of these qualities that we, his colleagues on the Senate Committee on Labor and Public Welfare, join in this tribute to our distinguished senior Senator from Florida.

Mr. President, I also ask to have printed in the RECORD, at this point, the remarks which I made at a dinner tendered to Senator PEPPER by his colleagues on August 15, 1950, at the Hotel Statler.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

My friends, we have come here tonight to pay our respects and express our sentiments of friendship and affection for our friend and colleague of many years, CLAUDE PEPPER.

We have been closely associated with our distinguished friend for many years. We admire him for his great ability, and we love him and are attached to him for his simple modesty and his kindly, friendly spirit.

He has been the soul of honor and fairness in all his dealings with his fellow Senators, and so we have come to have a very sincere admiration and affection for our friend whom we honor here tonight.

It seems like only a few brief years since Claude came to Washington. The years have flown with lightning-like speed for this is his fourteenth year to serve his State in the Senate.

During those 14 years we have greatly enjoyed and have benefited from our association with him. We have come to know him intimately and to recognize all his fine traits of character, his courage, and tenacity of purpose—his willingness to stand for the right on every issue, regardless of consequences.

The 14 years CLAUDE PEPPER has been with us here in the Senate have been the most exciting and thrilling in our lives. More important events, domestic and international, have been crowded into these 14 years than in any similar period in the history of our country.

When we look back over the record we are proud to see what the liberal Democratic membership in the Congress has accomplished, and we recognize the conspicuous part CLAUDE PEPPER has performed in that accomplishment. We have sponsored a long program of liberal, constructive legislation, to the great benefit of our country and our people.

In every program for the correction of the evils that had developed in our economic and political system, Claude had a leading part. He threw caution to the winds, and forgetting all danger to his political fortunes, he supported every valid progressive measure designed to better our country and rescue it from the dangers that threatened it.

Senator PEPPER's work for Florida is impressive. I can't begin to list the vast number of measures affecting agriculture, industry, labor, rivers and harbors, military and naval installations, airports, aid to education,

school and hospital construction, health and social security, and like programs from which the State of Florida has immensely benefited.

In the realm of national and foreign affairs, legislation for the defense and general welfare of our country, he has been one of the really constructive leaders in the Senate. The measures that he sponsored and fought for in committees and on the floor comprise a long list of progressive legislation enacted in the Senate during the years he has been here—a record of which he can be justly proud. His brilliant arguments on the floor were responsible in a large degree for the enactment of many of these liberal measures.

But Senator PEPPER was too brave a man, too conscientious in his regard for genuine democratic principles, too honest and consistent in respecting human rights, to be permitted to represent a State where reactionary interests could employ great wealth and a controlled press to deceive the public in its election campaigns.

A real hoax seems to have been perpetrated upon the good people of Florida. That State is about to lose a Senator who accomplished much for its development, for its economic advancement, prosperity, and for the welfare of its people. There is no question about this—the record demonstrates it.

So Florida is about to lose a great Senator, a great Democrat, a man of courage who represented the highest traditions of Americanism; and we will lose an able, conscientious colleague. He was defeated by false propaganda and the corrupt use of great wealth, defeated by a biased press, by slander and by falsehood spread over his State at great cost.

The question may be raised: How are we going to meet this sort of political sabotage in the future? It can happen to any of us. But, my friends, this is not the time or place to solve that question. We are here tonight for the purpose of honoring our friend and opening to him our pent-up feelings of friendship and affection. We will always be for him in any course he may undertake. We will wish him Godspeed and good luck in all his future years.

Let us hope that he may return to us and continue to fight with us for a better tomorrow.

I know you are all anxious to express your sentiments, so I'll take up your time no longer.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed, without amendment, the bill (S. 1281) to amend the Federal Airport Act so as to make the United States share of costs for land acquisition the same as for other project costs.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5244) for the relief of Lt. Col. Charles J. Trees, Army of the United States.

ENROLLED BILLS SIGNED

The message further announced that the Speaker had affixed his signature to the following enrolled bills, and they were signed by the Vice President:

H. R. 5244. An act for the relief of Charles J. Trees;

H. R. 9798. An act to authorize a Federal civil-defense program, and for other purposes; and

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

SINE DIE ADJOURNMENT

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 297, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Tuesday, January 2, 1951, and that when they adjourn on said day they stand adjourned sine die.

Mr. LUCAS. Mr. President, I ask unanimous consent for the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

There being no objection, the concurrent resolution (H. Con. Res. 297) was considered and agreed to.

AUTHORIZATION FOR SPEAKER OF HOUSE AND VICE PRESIDENT TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS AFTER ADJOURNMENT

The VICE PRESIDENT laid before the Senate House Concurrent Resolution 298, which was read, as follows:

Resolved by the House of Representatives (the Senate concurring), That, notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

Mr. LUCAS. Mr. President, I ask unanimous consent for the immediate consideration of the concurrent resolution.

The VICE PRESIDENT. Is there objection to the request of the Senator from Illinois?

There being no objection, the concurrent resolution (H. Con. Res. 298) was considered and agreed to.

PERSONAL STATEMENT BY SENATOR PEPPER

Mr. PEPPER. Mr. President, like the other recipients of the sentiments of tender farewell which we have heard today, I do not trust myself with endeavoring to say very much, lest I evoke from my heart manifestations unbecoming to this great deliberative body. But, Mr. President, I do want the Senator from West Virginia, the Senator from Montana, and other Senators, who have spoken so generously, to know that forever imbedded indelibly upon my memory in gratitude will be the generous sentiments they have expressed here today; and I am most grateful that they were willing to do so.

Mr. President, the greatest of the privileges of coming to be a United States Senator is the immeasurable satisfaction and exhilaration which comes from association with the Members of the United States Senate. I know of no attachments that we form that are more lasting and are more meaningful to us than those that are bound around our hearts here in our association one with another. My term began November 4, 1936, but I was sworn in, in January 1937. Joe Robinson, of Arkansas, was the great Democratic leader at that time, and I can still seem to feel around me the presence of Pat Harrison and all those others on both sides of the aisle, who have gone on to their reward, who were, in my own time, the adornments of this distinguished body. It will be a little difficult tomorrow, for those of us who do not come back, to feel that we are not still Members of this, the greatest of associations, here. But we will all be sustained by the memories of our long friendships; we will all have a feeling that you and we are still one as fellow citizens of our great country.

I want to express particularly my gratitude to my distinguished junior colleague for what he has said here today. He has said truly that we have not always voted alike, but never has there been a cloud to cast a shadow upon our friendship or our mutual respect and esteem. I am grateful to the people of my great State that, in three elections, they have honored me with their confidence, and allowed me the great privilege, in periods of crisis in our country's history, to have one small voice in the Senate of the United States.

Mr. President, as I said, when I came here in 1937, we were in the midst of a depression, and there were some who despaired that the economy of this great country might ever again rise with vigor and strength and power; and yet, today, we are told that we are producing 50 percent more than in 1940. We have not yet approximated the zenith of glory and greatness and grandeur that America will eventually achieve. And so those who doubted have surely had their doubts dispelled and they have been given every reason for confidence in our country.

Only a few days ago my wife and I took a trip in a Navy boat around Pearl Harbor, and there one sees the *Arizona*, and another great battleship, the *Utah*. One of them has scores of American bodies still pinned beneath it, in their watery grave; the other has more than 1,000 Americans still entombed where a dastardly Japanese attack cast them. America's future looked dreary to us all that day, December 7, 1941. How, with our Navy, eight battleships and eight cruisers, knocked out of activity and operation, could we hold against the fearful forces advancing against us? Yet, now, Mr. President, our power is immeasurably greater than it was then. We went on to the greatest victory in all our history. Today there are some who wonder what will be the outcome of this struggle in which we are now engaged, for I think all of us agree that it is the most difficult we have ever faced.

Yet one has only to read the lessons of history to know that people when on the side of God and good finally won out. I have no fear about what will be the outcome of the present contest whatever the duration.

I add but one further condition to our victory and it has been well illustrated by what has been said here today. If men remain true to their own consciences and to their country, surely we can have

no doubt about the future. The advice of Polonius to Laertes—

To thine own self be true,
And it must follow, as the day the night,
Thou canst not then be false to any man—

Is just as true today as it was when the advice was given, and it applies to Senators as to citizens.

If Senators will go before the electorates standing for something; advocating what in their own consciences seems right; and not just seeking to be reelected; if they do not bend their consciences to the adverse winds of public opinion; when they think that opinion wrong, then they remain patriots, and then only, in the conflict of many counsels, will we come to a common course that will save our country and our kind of a world.

I read only last night the splendid article in Life magazine telling about the Peloponnesian War. It is when statesmen dare not tell their fellow countrymen the truth, dare not be true to their country, that their country collapses and their democracy perishes. I am sure that this illustrious Senate will not fail in the future to observe the great traditions of the past.

I wish to say that if I have during my service offended any of my colleagues by any words I may have uttered which were not appropriate to the sentiments of affection and esteem which I bore, and now bear, for every Senator, they were the fruit of the moment's excitement, and not from an unfriendly heart, and I ask forgiveness for any offense I may have committed.

I wish to say to the distinguished occupant of the Chair that I am grateful for the privilege of having served under him as Democratic leader, and now as the Vice President of the United States. No one ever led better and more nobly than did he, and I likewise pay tribute to his illustrious successor, our esteemed friend, the senior Senator from Illinois [Mr. LUCAS], who followed in his footsteps as the leader on the Democratic side.

And now, Mr. President, in this season, may I say, God bless America, God bless the United States Senate, God bless every United States Senator.

[Great applause, Senators rising.]

PERSONAL STATEMENT BY SENATOR LUCAS

Mr. LUCAS. Mr. President, although I addressed the Senate earlier in the day, I feel that I would be recreant to an overpowering impulse if I left this hallowed Chamber this afternoon without expressing to the Members of the Senate my sense of deep gratitude for the kindness and cordiality and generosity they have exhibited in my behalf, and for the many kind things they have said about me.

Particularly do I desire to assure the Vice President of the United States of my deep affection. While I have been acting as majority leader during the past 2 years he has always been extremely kind and considerate and generous in his counsel and his advice in connection with many intricate and delicate problems and policies.

Nothing could have pleased me more than to have had the distinguished and eminent senior Senator from Tennessee [Mr. MCKELLAR], who has served this body longer than any other Member, take the floor of the Senate, as he did earlier today, and express such admiration of me and my leadership as he voiced. The expressions of the Vice President and the expressions of the Senator from Tennessee will live long in my memory, as among the most greatly enjoyed tributes ever paid to me either in public or private.

Of course, Mr. President, I am also grateful to the other Members of the Senate, and especially to my distinguished and brilliant and courageous colleague, PAUL DOUGLAS. My association with him during the past 2 years has been on the highest plane. He cooperated with me on almost all occasions, and it was a pleasure to serve with him during my term as leader.

Mr. President, I now say once again, farewell and God bless everyone.

[Great applause, Senators rising.]

CONFIRMATIONS IN THE JUDICIARY

Mr. LUCAS. Mr. President, some nominations which have been reported by the Committee on the Judiciary unanimously, I understand, are now on the desk. I ask unanimous consent that they may be considered at this time as in executive session.

The VICE PRESIDENT. Is there objection? The Chair hears none, and the clerk will state the first nomination.

EVERETT M. GRANTHAM

The legislative clerk read the nomination of Everett M. Grantham, of New Mexico, to be United States attorney for the district of New Mexico.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

MARTIN LOPEZ

The legislative clerk read the nomination of Martin Lopez, of New Mexico, to be United States marshal for the district of New Mexico.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

JOHN PATRICK HARTIGAN

The legislative clerk read the nomination of John Patrick Hartigan, of Rhode Island, to be United States circuit judge, first circuit.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

EDWARD L. LEAHY

The legislative clerk read the nomination of Edward L. Leahy, of Rhode Island, to be United States district judge for the district of Rhode Island.

The VICE PRESIDENT. Without objection, the nomination is confirmed, and the President will be notified.

Mr. MAGNUSON. Mr. President, we have today heard many fine and deserved tributes paid to departing Senators. One of them, the recent junior Senator from Rhode Island, Mr. Leahy, a man of great distinction, who served a short time in the Senate under appointment, could not be present today. I know the Senate is happy to honor him, as we have honored other Senators, by unanimously confirming his nomination to be United States district judge in the great State of Rhode Island. He served with some of us on the Committee on the Judiciary, he is a lawyer of distinction, and I know he will be a judge of great caliber.

The VICE PRESIDENT. The clerk will state the next nomination.

ALFRED E. MODARELLI

The legislative clerk read the nomination of Alfred E. Modarelli, of New Jersey, to be United States district judge for the district of New Jersey.

Mr. SMITH of New Jersey. Mr. President, neither my colleague, the junior Senator from New Jersey [Mr. HENDRICKSON] nor I oppose the nomination of Mr. Modarelli, but I wish to make an announcement in regard to this matter. At the beginning of the next session of the Senate I propose to discuss at the appropriate time the whole subject of judicial appointments, which has come to my attention particularly in connection with the pending nomination.

The VICE PRESIDENT. The question is, Will the Senate advise and consent to this nomination?

The nomination was confirmed.

ADJOURNMENT SINE DIE

Mr. LUCAS. Mr. President, in accordance with the terms of House Concurrent Resolution 297, I move that the Senate stand adjourned sine die.

The motion was agreed to; and (at 2 o'clock and 58 minutes p. m.) the Senate adjourned sine die.

ENROLLED BILLS SIGNED AFTER SINE DIE ADJOURNMENT

Pursuant to House Concurrent Resolution 298, Eighty-first Congress, second session, the President pro tempore, after sine die adjournment, signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

S. 1122. An act relating to children born out of wedlock;

S. 1281. An act to amend the Federal Airport Act so as to make the United States share the costs for land acquisition the same as for other project costs;

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941;

H. R. 7303. An act to amend section 120 of the Internal Revenue Code; and

H. R. 8349. An act to authorize deductions from the wages of seamen for payment into employee welfare funds.

ENROLLED BILLS PRESENTED AFTER SINE DIE ADJOURNMENT

The Secretary of the Senate on today, January 3, 1951, presented to the President of the United States the following enrolled bills:

S. 1122. An act relating to children born out of wedlock;

S. 1281. An act to amend the Federal Airport Act so as to make the United States share the costs for land acquisition the same as for other project costs; and

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941.

APPROVAL OF SENATE BILLS AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the Senate, notified the Secretary of the Senate that he had approved and signed acts of the following titles:

On January 2, 1951:

S. 3357. An act to prohibit transportation of gambling devices in interstate and foreign commerce; and

S. 3699. An act for the relief of Linda Leo.

On January 3, 1951:

S. 2888. An act for the relief of Frances Ethel Beddington;

S. 3044. An act for the relief of Berniece Josephine Lazaga;

S. 3259. An act for the relief of Ethelyn Isobel Chenalley;

S. 3554. An act for the relief of Jose Manzano Somera;

S. 3966. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Forest Lumber Co.; and

S. 3967. An act to confer jurisdiction upon the Court of Claims to hear, determine, and render judgment upon the claim of the Algoma Lumber Co., and its successors in interest, George R. Birkelund and Charles E. Siddall, of Chicago, Ill., and Kenyon T. Fay, of Los Angeles, Calif., trustees of the Algoma Lumber Liquidation Trust.

On January 4, 1951:

S. 3241. An act for the relief of George Brander Paloheimo and Eva Leonora Paloheimo.

On January 9, 1951:

S. 1281. An act to amend the Federal Airport Act so as to make the United States share of costs for land acquisition the same as for other project costs;

S. 2460. An act for the relief of George O. Drucker, Livia Drucker, and their minor daughter, Gloria Elizabeth Drucker;

S. 2981. An act for the relief of Giuseppe Merlinet Forgnone;

S. 3125. An act for the relief of Dr. Lutfu Lahut Uzman; and

S. 3378. An act for the relief of Armando Santini.

On January 10, 1951:

S. 3260. An act for the relief of Richard H. Bush;

S. 3261. An act for the relief of Willard Sidmer Ruttan;

S. 3295. An act to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for deductions from the wages of carriers' employees for certain purposes and under certain conditions; and

S. 3945. An act to amend sections 3052 and 3107 of title 18, United States Code, relating to the powers of the Federal Bureau of Investigation.

On January 11, 1951:

S. 1122. An act relating to children born out of wedlock.

On January 12, 1951:

S. 1139. An act for the relief of Mrs. Robert P. Horrell; and

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941.

NOMINATIONS

Executive nominations received by the Senate January 2 (legislative day of November 27, 1950) 1951:

UNITED STATES ATTORNEY

Everett M. Grantham, of New Mexico, to be United States attorney for the district of New Mexico. He is now serving in this office under an appointment which expired August 8, 1950.

UNITED STATES MARSHAL

Martin Lopez, of New Mexico, to be United States marshal for the district of New Mexico, vice Felipe Sanchez y Baca, retired.

CONFIRMATIONS

Executive nominations confirmed by the Senate January 2 (legislative day of November 27, 1950), 1951:

UNITED STATES CIRCUIT JUDGE

John Patrick Hartigan, of Rhode Island, to be United States circuit judge, first circuit.

UNITED STATES DISTRICT JUDGES

Alfred E. Modarelli, of New Jersey, to be United States district judge for the district of New Jersey. (New position.)

Edward L. Leahy, of Rhode Island, to be United States district judge for the district of Rhode Island.

UNITED STATES ATTORNEY

Everett M. Grantham, of New Mexico, to be United States attorney for the district of New Mexico.

UNITED STATES MARSHAL

Martin Lopez, of New Mexico, to be United States marshal for the district of New Mexico.

POSTMASTERS

IDAHO

Leland W. Stanford, Saint Anthony.

MISSOURI

Nelson Maness, Stark City.
Maurice G. Lentz, Sumner.

MONTANA

Francis I. Adams, Livingston.

NEW JERSEY

Charles D. Tingley, Washington.

NEW YORK

Fred S. Richardson, Westfield.

WISCONSIN

Richard P. Koenigs, Campbellsport.
Richard E. Graichen, Coloma.
Norman W. Helgoe, Durand.
Leora C. Zieger, Lake Beulah.
Robert E. Myers, North Freedom.
Robert C. Davenport, Okauchee.
Fred J. French, Prescott.
John G. Stoffel, Richland Center.

HOUSE OF REPRESENTATIVES

TUESDAY, JANUARY 2, 1951

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Almighty God, we pray that as we continue our journey into the new year, all the difficult problems of each day and all the adventures of the unknown tomorrows may be illumined and glorified with the light and power of the lofty ideals and principles of truth and righteousness.

May we daily walk in the ways of godliness and goodness, meeting our tasks and responsibilities with calmness and courage, with wisdom and clear judgment, with faith and hope, and in faithfulness and in the fear of the Lord.

Grant that in our plans and efforts to withstand and conquer the evil forces of aggression and aggrandizement, we may never place our confidence solely in the primacy of human ingenuity, and in the might of our manpower and material resources, or in the help that our allies and the freedom-loving nations may be able and willing to give.

We pray that in these days of crisis and emergency when we are filled with a sense of our insecurity and inadequacy and fears and forebodings haunt our hearts, we may enter into an alliance and compact with the King of Kings and Lord of Lords, whose strength is invincible.

May the souls of God-fearing men and nations everywhere be aflame with a passion to bring in the day of peace and brotherhood.

Hear us in Christ's name. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment a joint resolution of the House of the following title:

H. J. Res. 556. Joint resolution to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as general, Army of the United States, and for other purposes.

PERMISSION TO FILE MINORITY VIEWS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the minority members of the Select Committee on Lobbying Activities may have until noon tomorrow to file minority views to accompany the majority report.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

AMENDING TITLE II OF THE FIRST WAR POWERS ACT, 1941

The SPEAKER. The Chair recognizes the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Speaker, I move to suspend the rules and pass the bill (S. 4266) to amend and extend title II of the First War Powers Act, 1941, as amended.

The Clerk read the title of the bill.

The Clerk read as follows:

Be it enacted, etc., That section 201 of the First War Powers Act, 1941 (55 Stat. 838) is hereby amended by striking out the words "the prosecution of the war effort" and the words "the prosecution of the war", appearing in such section, and inserting in lieu of each stricken provision the words "the national defense"; and such section 201 is further amended by striking out the period at the end thereof and inserting in lieu thereof a colon and the following: "*Provided further*, That all contracts entered into, amended, or modified pursuant to authority contained in this section shall include a clause to the effect that the Comptroller General of the United States or any of his duly authorized representatives shall have access to and the right to examine any pertinent books, documents, papers, and records of the contractor or any of his subcontractors engaged in the performance of and involving

transactions related to such contracts or subcontracts."

SEC. 2. Title II of such act, as amended, shall remain in force during the national emergency proclaimed by the President December 16, 1950, or until such earlier time as the Congress by concurrent resolution or the President may designate, but in no event beyond June 30, 1952.

SEC. 3. Nothing in this act shall prejudice anything heretofore done under the said title II of the First War Powers Act, 1941, or the continuance in force of any action heretofore taken thereunder.

The SPEAKER. Is a second demanded?

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask that the gentleman from Pennsylvania [Mr. GRAHAM] be recognized to demand a second.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. GRAHAM. I am.

The SPEAKER. The gentleman qualifies.

Without objection a second will be considered as ordered.

There was no objection.

The SPEAKER. The gentleman from New York [Mr. CELLER] will be recognized for 20 minutes and the gentleman from Pennsylvania [Mr. GRAHAM] for 20 minutes.

Mr. CELLER. Mr. Speaker, this bill was thoroughly debated yesterday when an attempt was made to get unanimous consent for its immediate consideration. I am not going to take up much time in unfolding its benefits.

There has been read to you the so-called Hardy amendment which is to be added to the Senate bill. We are reliably informed through Senator MCFARLAND, chairman of the Senate Committee on Expenditures, that the Hardy amendment will be acceptable.

Mr. HARDY. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Virginia.

Mr. HARDY. I have conferred with Senator MCFARLAND and he tells me that he thinks this should be a part of the bill and he felt certain if the House would approve the amendment the measure could be adopted in the Senate without the necessity for the appointment of conferees and that he would undertake to see that that is done.

Mr. CELLER. The import of the amendment is to give to the General Accounting Office power of investigation and the right of access to all records and to examine all data of any firm whose contract has been modified or is to be modified or affected.

Mr. WALTER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. WALTER. Is title I of the bill considered by the House committee in the Senate bill or has that been deleted?

Mr. CELLER. We are considering the Senate bill which has eliminated title I that concerns the rearrangement and reshuffling of the various branches and agencies of government. This bill is limited to title II of the War Powers Act of 1941 and appertains only and solely to contracts.

Mr. Speaker, I think it would be pertinent for me to read a few paragraphs from a report I received from the Department of the Army concerning title II:

The armed services are bending every effort to get the procurement program into high gear. A number of problems similar to those encountered during World War II have already arisen and require this additional authority for their solution. The need, however, is particularly urgent at this time in order that relief may be afforded certain contractors with fixed-price contracts. So far 46 Army contractors holding contracts in a total sum of more than $40,000,000 have applied for relief. The better part of the supplies involved are badly needed and many of the contractors face financial ruin unless prompt action is taken.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. JAVITS. Will the gentleman tell us in a word, because it is important to the country, exactly how it will help the mobilization effort besides giving relief to the particular firms the gentleman has mentioned? What is its general application to mobilization?

Mr. CELLER. There may be additional contractors beyond those I have mentioned who are unable to perform their contracts for military matériel because of inflated prices, because of general conditions beyond their control, brought about by inflation. The armed services are in particular need of many of these supplies that will be furnished by the contractors thus embarrassed. If, for example, these contractors are compelled to abide by these burdensome conditions and inflated prices they cannot supply the matériel and it will be essential, therefore, for the Government to ask for new bids with consequent delays. Those delays, the gentleman will agree, will handicap the defense effort.

Mr. JAVITS. In other words, this changes existing law by making it unnecessary to go through the standard procedure for the placing of contracts in order to renegotiate or change existing contracts?

Mr. CELLER. I think the gentleman eloquently states the point.

Mr. JAVITS. I thank the gentleman.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. First in reference to the Hardy amendment, will the gentleman explain in more detail the powers of the GAO under this legislation?

Mr. CELLER. As I understand the Hardy amendment, the powers given are like a Damoclean sword that will hang over the heads of the contractors whose contracts are changed. The amendment will give power to the General Accounting Office to go into the books and delve into the records of these contractors who have been relieved to determine whether or not there is fraud or overreaching or whether they have done anything untoward, in which event reports will be made and suitable action may be taken. The power of investigation and inquiry of the General Accounting Office should be an excellent deterrent. Those reports also would be of great help subsequently on the question of renegotiation.

Mr. FULTON. Then if there is no fraud and the books have been looked at by the General Accounting Office, the decision goes to the particular department of defense having jurisdiction to make it, and that is where the final responsibility rests for the decision, is it not?

Mr. CELLER. I think the gentleman stated it correctly.

Mr. FULTON. Where there is a contractor who is trying to cooperate with the particular defense department even to go so far as to say, "Well, if you can get the particular material or steel delivered elsewhere and to a subcontractor, I will just stand aside," and he can show a severe loss, that kind of a case would still be under this hardship provision, would it not?

Mr. CELLER. I think it would. It would be entirely in the discretion of the procurement agency, the armed services, the Army, the Navy, the Air Force, and so on.

Mr. FULTON. And the cooperation of a particular contractor in doing what the particular defense department wanted them to do to assist the defense effort should not be held against him when the final judgment comes up on whether they are under this bill or not for relief.

Mr. CELLER. I am in accord with the gentleman's observation.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Pennsylvania.

Mr. RICH. I do not want any names of any manufacturers, but can the gentleman give us some illustration of what the manufacturers are up against that they want to be relieved of now by the Federal Government from the contract which they made to furnish the Government with certain supplies?

Mr. CELLER. I have not the names of any particular contractors.

Mr. RICH. I do not want the names; I want a list and an explanation of some of these contracts.

Mr. CELLER. For example, where a contract called for a certain product and the raw materials that go into that product have advanced exorbitantly high, in such a case the contractor would be permitted to get his contract changed so that the resulting product would bear a higher price to cover the advanced prices that he has to pay for labor and/or the raw material. Most of the cases are of that concern.

Mr. RICH. Supposing some contractor bid on furnishing the Government with certain material, and the raw

materials now have advanced so he cannot furnish them, why did not that contractor, like any good, sensible businessman would do if he is bidding on a contract, cover himself with the materials that are necessary to supply the Government with the materials which he is bidding on rather than have you come here now with legislation such as this to bail out somebody who got caught? This is no time for the Government to be trafficking in giving a manufacturer something that he ought to have known about beforehand.

Mr. CELLER. When the gentleman asks me a question I am glad to answer it. Now the gentleman is making a speech. We covered all of that yesterday, and I thought I had adequately answered the gentleman in that regard. There is no attempt to give relief to a man who has been negligent, a man who has been improvident, a man who did not exercise common sense. We are not trying to bail out contractors; we are trying to bail out the Government. We are trying to rescue in the interest of the public welfare—in the interest of better and quicker defense.

Mr. RICH. Yes, you are bailing out the Government, you are bailing out the Treasury of the United States, and you are going to bail out some manufacturers.

Mr. CELLER. Mr. Speaker, I refuse to yield further.

Mr. RICH. That is what you are bailing out.

Mr. CELLER. We are not deliberately bailing out any of these contractors. We are helping the Government; we are helping the armed services.get the goods that they desperately need.

Mr. DURHAM. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from North Carolina.

Mr. DURHAM. I think the question that the gentleman from Pennsylvania has raised can be answered in this respect. Since 1946, if you look back over it historically, the stockpiling needs ordinarily by industry have been only on a 30- to 60-day basis because of the large consumption, not only for carrying out the war effort but from a civilian economy standpoint. Today that stands about as it did a year ago. Industry today does not carry over a 90-day stockpiling, so the effect of the legislation I do not believe would carry back as bad as the gentleman from Pennsylvania assumes it would in contributions to the contractors.

Mr. CELLER. I thank the gentleman for his statement. I am sure the gentleman will agree also that we are in a desperate situation. We need the strategic materials and products. We cannot be pinchpenny about it. It may be that somebody is to blame. It may be that the contractors should have foreseen some of their difficulty, but they could not have foreseen it to the degree that the inflation exacted. Let us pass this bill so that we can get these much-needed goods at the right time—now—not months later.

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The purpose of this bill is to try to bring practical justice to a number of business concerns throughout the country. We may disagree on this or that piece of legislation, but I think all of us are in agreement that we do not want to bring about any kind of unintentional injustice. This is a matter of vital concern to a number of what might be termed the smaller or independent business activities, corporations, or partnerships, throughout the country, who in good faith made contracts. I am able to look ahead and see the tremendous impact of prices on these concerns. They will be forced into bankruptcy unless something is done. They are entitled to this relief. I will agree that these contracts should be looked into very carefully to see that the Government gives these concerns practical justice. That is the contribution of the gentleman from Pennsylvania [Mr. RICH] and to that extent I thoroughly agree with him. I think the amendment of the gentleman from Virginia [Mr. HARDY] will be very, very beneficial in that respect.

Mr. CELLER. I am also informed by the Department of the Army that most of these contractors are small businesses. I am sure we all want to lend a helping hand to small business. We want to keep them in a position where we can continue our competitive economy, where they can continue to aid our defense effort.

Mr. McCORMACK. May I suggest that it is not a question of lending a hand, it is a question of practical justice under the circumstances. That is what attracts me. I know the gentleman used the phrase "lend a helping hand" in the same sense.

Mr. CELLER. Indeed I did.

Mr. JAVITS. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from New York.

Mr. JAVITS. Is it not a fact that in most raw-material contracts with manufacturers the price is left open, it is to be the market price? That is true of rubber and it is true of wool. Those are exactly the commodities which have put the squeeze on the situation as far as the manufacturers are concerned to whom I think the gentleman is referring.

Mr. CELLER. That is correct.

Mr. JAVITS. As I understand, the Renegotiation Act applies to contracts with the armed services. The gentleman from New York [Mr. CELLER] says the Committee on the Judiciary will consider extending the Renegotiation Act to other types of contracts. Will the Committee on the Judiciary be able to make that retroactive so that it will apply to all contracts, including these?

Mr. CELLER. I am not in a position to answer that thoroughly at this moment, as to whether it could be made applicable to all contracts. As far as I am personally concerned, I think it should be made applicable to them.

Mr. JAVITS. I agree with the gentleman from New York [Mr. CELLER]. I think the Renegotiation Act should be made applicable to all contracts, armed services or not, in any way connected with this mobilization.

Mr. SCRIVNER. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Kansas.

Mr. SCRIVNER. We have heard some discussion about the fact that this would permit some renegotiation up. Would this same power permit the Government to renegotiate contracts down; that is, if they find there has been a higher charge made than possibly should have been made, they can reduce that cost to the Government?

Mr. CELLER. If the end result of the operations is such as to indicate that the contractor has made more than a just and reasonable amount of profits, and you take into consideration the over-all power in the Renegotiation Act, the procurement agency has the right to cut down and slash, beyond question.

Mr. SCRIVNER. In other words, this will work both ways?

Mr. CELLER. The end result will be the working both ways.

Mr. REED of New York. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield.

Mr. REED of New York. Just for clarification, may I ask this: If a company makes inordinate profits, then it would be renegotiated down. On the other hand, if because of the increase in wages and materials costs and the scarcity of goods, and all that, the contract price should be raised, then these contracts can be renegotiated up in order to work out justice; is not that right?

Mr. CELLER. That is correct.

Mr. GRAHAM. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Indiana [Mr. HALLECK].

Mr. HALLECK. Mr. Speaker, I intend to support this legislation as it has been now presented. I think it is needed in the public interest, in the interest of the security of the country, and in the interest of fair dealing for our citizens who will be involved in the operation of the legislation after it becomes effective.

I do not want to recite ancient history, but I do want to recall that the other day when a similar measure, including title I, was sought to be called up, I objected to it. I objected to it, among other reasons, because adequate hearings had not been held and because in respect to title I, so far as I could find out, there was absolutely no evidence of any great urgency or immediate necessity for the enactment of title I.

So I commend the gentleman from New York and those who have worked with him in bringing before us this measure which deals only with title II.

Generally speaking, of course, we all realize that in any time of great crisis and emergency it becomes necessary to grant additional authority and power to

the Central Government. The Congress must necessarily grant that power. No one of us will object to the granting of emergency power providing careful consideration is given to the measure by which we grant such authority.

In other words, even though we are at war and even though we are faced with a great emergency condition, the Congress of the United States cannot abdicate its responsibility to pass carefully and deliberately upon all such grants of power. Moreover, it also should be said at this time that while the people, through the Congress, are ready to grant great powers to the Central Government the people one day in the future, when the crisis and emergency is past, will and should be equally insistent through the Congress that these powers be restored to the Congress and the country.

As the committee begins its consideration of title I, as I assume it will after the beginning of the new Congress, it seems to me that very careful consideration should be given to the provisions of that title. As it was presented the other day, I am quite sure that its provisions were much too broad. Power would have been granted to the President and those operating under his direction to do things in connection with the Government that might well be completely outside the matter of our national security and our national defense.

Certainly no authority and no power should be granted if a clear case for its necessity cannot be made. I am quite sure that in the calm deliberations which the committee can give those provisions of title I, we can expect the great Committee on the Judiciary to present us with a fair report.

As to title II, and its provisions in respect to adjustment of contracts, I know enough of the situation to be convinced that in the national interest and in the fundamental interest of the country in procuring supplies which we so desperately need, the provisions of this title are necessary.

It is for that reason, as I said at the outset, that I propose to support this bill.

Mr. GRAHAM. Mr. Speaker, I yield 3 minutes to the distinguished gentleman from Pennsylvania [Mr. RICH] to make what may be his farewell address to the Congress.

Mr. RICH. Mr. Speaker, the chairman of the Judiciary Committee says we are in a desperate situation. I will say we are in a desperate situation. All you need to do is to read the Treasury statement today to see what a desperate situation you are in. Two hundred and sixty-seven billion in debt, taxpayers bending their backs, and the country in a Truman police war.

The majority leader says this is practical justice. Practical justice for whom? Why is there not someone in this House to talk about economizing in government and trying to take care of the taxpayers of this country and give us a little practical justice, such as the Nation needs; a little practical justice that will keep this country afloat from bankruptcy? If we do not watch out, we are going to fundamentally wreck ourselves. You are doing it every day and you are doing it fast. We need common business sense in Government.

Now let us look at this legislation. What does it mean? If a contractor, a businessman in this country, goes out and takes a contract to furnish the Government with supplies, he is supposed to be enough of a businessman when he gets such a contract, to cover himself with the necessary raw materials to fulfill that contract and to furnish the Federal Government with the material on which he is bidding. That is only good, common, ordinary, every-day horse sense and justice. It means that a businessman who does that knows what is good sound business. But what are you doing in this legislation? You are bailing out a few poor businessmen in this country who were dumb enough to bid on a Government contract and then foolish enough not to cover themselves with the necessary supplies to furnish the Government with that material. I think that is bad business in any man's language, and I do not care whose business it is, where the business is located or in what section of the country.

I have been in this Congress for a great many years. I have seen the New Deal bring in legislation just as bad as this. What do I refer to? I recall when we had bonding companies which had guaranteed that money that was paid out by various Federal agencies, be put up by the bonding companies if errors were made. Errors have been made to the tune of $80,000,000 at one time, in this New Deal Congress, with which I have been associated ever since it was established in 1933. They forgave the bonding companies. That Congress has done more damage, more wrecking of the American people, than any other Congress in the history of this Nation. It is a Congress that has been doing more to disrupt the harmony and good order of good business for the benefit of the American people, than anything that could have been done. I am referring to this spending, New Deal, Fair Deal, "Raw Deal" Government we have in Washington now. It is about time we stopped rotten legislation such as this. Not only once has the New Deal bailed out the bonding companies, they have passed laws doing it a number of times.

They have spent lavishly, taxed heavy, now you have the country in a financial fix. You have taught our people they can live off the Government and have no responsibility. O, where are our strong men who believe in work, earn, and save? Where are the men who believe in our Constitution and our laws? I say, Mr. Speaker, God save America—from themselves, as interpreted by the New Deal.

The SPEAKER. The time of the gentleman from Pennsylvania has expired.

Mr. CELLER. Mr. Speaker, I yield such time as he may desire to use to the gentleman from Massachusetts [Mr. PHILBIN].

Mr. PHILBIN. Mr. Speaker, this bill is most essential to the defense effort. It will permit the immediate readjustment of many contracts for military materials and supplies which are presently arrested or hampered because of the sharp rise of prices of many basic commodities.

Many concerns will be faced with bankruptcy if this measure is not enacted. That would be unjust, inequitable, and, from the Government standpoint, unconscionable. But the primary effect of this bill is to insure the flow of goods and supplies to the Armed Forces—clothing, shoes, overcoats, yes, and weapons, devices, and other instruments of war which are vitally needed.

I urge the House to pass this bill without further delay. It is required in the emergency for the national interest and the national security.

I commend the able gentleman from New York for his efforts in this vital matter.

Mr. GRAHAM. Mr. Speaker, I yield 5 minutes to the distinguished gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, it seems to me that perhaps the best legislation we could enact would be to change the fundamental law of the land, or, if necessary, the Constitution, so as to permit the genial and able gentleman from Pennsylvania [Mr. RICH], who is leaving these Halls in voluntary retirement tonight or tomorrow morning, to return here, and for the good of our souls and the benefit of the Nation, to ask his famous question now and then: "Where are you going to get the money?" I know that we shall miss him, and I hope he will miss us. We all give him Godspeed on his way.

Mr. Speaker, in connection with this pending bill, I am not unmindful of the fact, as I am sure most of you are not, that it is easier for Congress to delegate power than it is to recapture power once it is given. This piece of legislation is a measure designed only to delegate or grant power to the Chief Executive.

As a member of the Rules Committee, when this original bill was before that committee, I opposed the granting of a rule, because the original bill, as it came from the House Committee on the Judiciary, contained title I, which would grant broad power to the President of the United States to reorganize the executive branch of the Government.

Under title I the President would have the power to do many things which the Congress has specifically voted against and has officially decided they do not want done, in connection with the reorganization of the executive branch of the Government. For instance, the President would have had the power to do that which was in the minds of some people at one time, and which the Congress prevented: Merging the Marine Corps into the Army. Under the provisions of title I the President could transfer the air arm of the Navy and the air arm of the Marine Corps over to the Air Force. Under this title, if such becomes law, the President could, in his wisdom,

if he so desired, establish the Department of Welfare which the Congress of the United States twice has rejected as a reorganization plan submitted under the Reorganization Act of 1949. The President could do a dozen other things that this Congress has in the past rejected, as proposals that he submitted as reorganization plans under the authority of the 1949 Reorganization Act. The President could have had and would have had these unusual powers under title I as included in the original House bill. I am very happy that the House Committee on the Judiciary has gone along with the Senate in eliminating title I. I pointed out, at the time the original measure was before the House Committee on Rules, that the other legislative body on Capitol Hill would not approve title I, that there was no reason why such a power should be granted so suddenly in the closing days of this so-called "lame duck" session. Of course, the other body, in its wisdom did not see fit to approve title I of the bill. When Mr. Wilson, the Director of Mobilization, was called before the Expenditures Committee of the other body, he said that he did not know what powers might be necessary.

So I have taken this time, Mr. Speaker, to urge the Committee on the Judiciary that, when it considers in the new Congress legislation to grant many of the powers contained in title I that it be very zealous, be very careful—as able and learned lawyers—to write into that measure provisions that may be necessary to see to it that the President does not have the power to do those things, in connection with the reorganization of the executive branch of the Government, which we have specifically refused to permit by legislative enactment in the past. I want to be certain, if I can, and I think the majority of this House wants to be certain, that the President is not given any power that will permit him to set aside any part of the great work this Congress has done in making effective the recommendations of the Hoover Commission.

I hope the President will never be granted the power to transfer or to do away with, or in any way to injure, the United States Marine Corps, of which we all are so proud, or that he will not be given the power to take away from the Navy and from the Marine Corps their air arms which have proven so necessary and so valuable in recent months in far-off Korea.

Mr. CELLER. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I yield.

Mr. CELLER. I do hope that if and when the bill concerning the subject matter of title I comes before the Committee on the Judiciary that the gentleman from Ohio will come before that committee and give us the benefit of his views.

Mr. BROWN of Ohio. I shall certainly be happy to appear before the gentleman's committee. I am grateful for the invitation. May I in turn express the sincere hope that when I do appear before the committee that you will give full consideration to any suggestions I may have to make. Certainly we want to be very careful in voting away the powers and authorities which primarily belong to the legislative branch.

Mr. GRAHAM. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, this bill gives us an opportunity to understand the productive processes on which we must depend if we are to win for freedom and beat the challenge of the Soviet bloc. It is my firm conviction that unless production is increased 50 percent in the next 5 years our chances of winning will be much endangered. If production is increased 50 percent in the next 5 years we can win and probably without a major war.

The reason the argument of the gentleman from Pennsylvania on this point is not, in my humble view, valid is that if we make every manufacturer in the private economy on which we are going to depend for production do what he says should be done we would be defeating our own purpose. Let us remember that depending upon our private economy for production and having the private economy successfully deliver is one of the key points we are going to use to defeat communism ideologically as well. If our private economy can outproduce the Soviet economy—as I am convinced it will continue to do by an enormous margin—this is a demonstration to the people of the world that our private economy is a lot more sound and more beneficial to them than a Communist economy.

If we were to follow the view of the gentleman from Pennsylvania to its logical conclusion, we would be asking the businessman to get the maximum price out of the Government because he would have to take all of the risk in a very volatile situation. What we are trying to do by this bill is to temper the private economic system—the relationship between competitors and the buying needs of Government—by giving some relief when relief is needed so that the businessman does not have to feel in this emergency mobilization situation that he has to get the maximum nickel out of the Government to take care of every conceivable contingency as to the price of his raw materials or other increases in cost. That is a salutary measure in trying to save money during this great mobilization effort.

Mr. RICH. Mr. Speaker, will the gentleman yield?

Mr. JAVITS. I yield to the gentleman from Pennsylvania.

Mr. RICH. Does the gentleman mean to tell me that I am not in favor of the private-enterprise system?

Mr. JAVITS. No; I would say no such thing. If the gentleman will permit me to finish, I meant to tell the gentleman that if he wants the private-enterprise system to work to its best effectiveness, as I am sure he does, it must be given a certain degree of flexibility in a mobilization situation where we should have a 50-percent increase in production in 5 years to assure that free institutions will win out.

The SPEAKER. The time of the gentleman from New York has expired.

Mr. GRAHAM. Mr. Speaker, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN of Michigan. Mr. Speaker, the noon press carries the headline, "Fall of Seoul appears near."

Here we are in the House considering legislation, if I understand the debate, to determine how we are going to permit the war profits to be divided. There should be no so-called war profits.

Would it not be more appropriate if we were considering a way to save the lives of some of the American men who are now overseas, the lives of others who are about to be sent over there?

Here we are in a war declared not by the Congress, as provided by the Constitution but a war in which we become involved because the Security Council of the United Nations asked the President of the United States to send our fighting men into battle. The President did that. That is what he said he did in his message to Congress. This is a war in which our men are dying by the thousands.

This is a war which a majority of our people believe never can be won. Former President Hoover is one man whose patriotism, whose sincerity, and whose ability, whose knowledge of world conditions cannot be questioned. He has nothing to gain or nothing to lose in this war. But his country has its future security—its existence at stake.

Mr. Hoover cames before the American people, and marshaling the facts as a competent builder would, starting at a foundation based on facts, builds up fact upon fact an argument which convinces me at least that we never can by the use of a land army in Asia or a land army in Europe win world war III. With his views so expressed a former Ambassador to Great Britain, Joseph P. Kennedy, a Democrat, agrees. Neither one of these gentlemen in expressing these views said anything that has not been in the minds of the overwhelming majority of our people for the last 4 or 5 years. One reason the people are now accepting those views and want the Congress to act on them is because the views so expressed by those two great Americans are the views of the so-called common man.

We are in a war. What for? To make Hong Kong safe for Great Britain? To save the trade of the dollars of British merchants and investors? That seems to be the present primary objective. And the price paid? The lives of American men. How many? No one knows.

Why is it that American men are sent to die and freeze to death in Korea while a fighting force of Chinese eager to fight remains inactive on Formosa? Answer me that, if you will, someone who is in favor of this war, if anyone is. Answer me that, someone who wants us to be a stooge of the UN, which induced Truman to put us in. Or did Truman pull the strings which moved the UN? Oh,

yes, Tom Dewey is in favor of it, if the press quotes him right. He wants to mobilize something like 9,000,000 young men and young women. Note that word "women." Now, I am sorry to say I have never been in the armed services of my country; I never have. Perhaps Tom thinks if you induct 9,000,000 young Americans, when you have no place to train them, no clothing, no food for them, no weapons with which to train them, no competent instructors to make them warwise, that the war will be won. Might I say, perhaps, if me and Tom—yes I said me and Tom—never mind the grammar—would start off for Europe, Stalin might crawl down in his hole. But I do not believe it. I am not in favor of continuing to waste the lives of our young men in a hopeless, thankless task. I have heard men stand in the well of this House and shake their fists and roar, "We will fight them; we will lick them," but those men who were talking that way were not going to any war anywhere. They were going to send somebody else to war, and the folks in my part of the country, my district, and the surrounding districts, so far as I can get in contact with them, and the mail I get—and I challenge you to deny that your mail is not the same—are saying it is time that we quit fighting the battles of millions who do not propose to go all out in support of the war effort. Why fight to bring freedom to people who will not themselves fight for it—who do not appear to want the kind of freedom we seek to impose on them? It is time that we quit robbing our country of its young manhood. I am not so deeply concerned about this effect that my friend from Pennsylvania [Mr. RICH] talks about, bankruptcy. In normal times it is all right to consider our dollars, but in times of emergency, personally I do not care so much about that. If I lose what property, what money I have, I can go back to work, get along with less, but if my son and my grandsons die in war, I cannot bring them back. Nor can the millions of American parents bring back their loved ones. Nor can the Nation make secure its future if it wastes the lives of millions of its men in opposing Stalin on untenable battlefields as Acheson and Truman and the United Nations seems determined to do.

Mr. CELLER. Mr. Speaker, I yield 2 minutes to the gentleman from New York [Mr. O'TOOLE].

Mr. O'TOOLE. Mr. Speaker, the statement by the gentleman from Ohio that the House would be very careful not to grant such powers to the President as the House had heretofore reserved unto itself was very amusing to me. He further expressed a concern that the Marine Corps might be reduced and that the Navy might be disarmed.

I would like to remind the gentleman from Ohio that it was his party, when they controlled the administration of this country, that reduced the Marine Corps from 215,000 to 9,000 men, and who, under the Kellogg Pact, almost made the United States Navy a museum piece. In fact, they left the United States Navy so ill-equipped and undermanned that it was necessary for the Congress to appropriate between 1934 and 1939 more money for the rebuilding of our Navy than had been appropriated heretofore in the history of the country.

Having expressed these facts, I know that I can anticipate a retort from the gentleman from Ohio that will bring out fully his "kindness and light" spirit. It is always pleasant to engage in debate with the gentleman, for one knows that he will never hit below the belt as long as the belt is worn firmly around the ankles. His cute personal remarks remind one of the subtlety of the rampaging animal symbol of the GOP. His dainty but mastadonic inferences would crush into nothingness the old bowler that he wore in his house-detective days. I hope that the gentleman received a stone crusher for his Christmas so that he may indulge in his whimsical notions for the new year. "Whimsical Clarence" as a boy and still "Whimsical Clarence" as he approaches manhood.

Mr. DINGELL. Mr. Speaker, will the gentleman yield?

Mr. O'TOOLE. I yield to the gentleman from Michigan.

Mr. DINGELL. And let us recall that the Hoover budget provided funds for the entire Army, which then included the Air Corps, a total, I think, of about $232,000,000 for everything.

Mr. O'TOOLE. And do not forget that Mr. Hoover is one of the few Presidents of the United States who, when he ran for reelection, was repudiated by the American people.

Mr. BROWN of Ohio. Mr. Speaker, will the gentleman yield, inasmuch as he mentioned my name?

Mr. O'TOOLE. For a question or a speech?

Mr. BROWN of Ohio. For a brief statement.

Mr. O'TOOLE. I cannot yield.

Mr. BROWN of Ohio. I appreciate the gentleman's courtesy.

Mr. GRAHAM. Mr. Speaker, I yield 1 minute to the gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Speaker, I appreciate the opportunity to answer the gentleman from New York who seems to be in a confused state of mind this morning, so soon after New Year's Eve. I want to remind the gentleman that it was the Republican Eightieth Congress which enacted into law the Unification Act that provided for the continuation of the Marine Corps, and protected it from being merged into the Army by those men who publicly criticized, and in written letters, have condemned the Marine Corps; that gallant fighting force has been our first line of national defense in every critical hour of our country's history. The same Republican Congress authorized the larger Air Force his party's President refused to call to the colors. That Republican Eightieth Congress provided for the big Navy aircraft carrier—the *United States*, that the Truman administration refused to build, yes—the Republican Congress also provided our Armed Forces be enlarged to more than 2,000,000 men—but Mr. Truman, not the Congress, refused to enlarge our Military Establishment. So let the gentleman from New York put the responsibility for our unpreparedness squarely where it belongs—on the President—not on the Republican Party.

Mr. O'TOOLE. Who reduced it to 9,000——

Mr. BROWN of Ohio. I cannot yield to the gentleman. He has not extended me such courtesy. But I am happy to see that the gentleman is back here. I hope he will remain here in the House until he is sworn in for the new session, before he returns to the confines of Brooklyn. While he is here he may learn that the Republican Congress, the Eightieth Congress, voted every dollar requested for national defense, that it gave to this administration a larger Army, a larger Navy, and a larger Marine Corps than it ever called into service until Korea, that the Republicans in this Congress have voted for every single item for the national defense of this country, and, above all else, that the Republican Members of Congress were here on the job in Congress, voting, I want to say to the gentleman.

Mr. O'TOOLE. Mr. Speaker, will the gentleman yield?

Mr. BROWN of Ohio. I am sorry, I cannot yield.

Mr. O'TOOLE. My attendance record was 96.2, and the gentleman can match that with the record of anyone else.

The SPEAKER. The question is, Will the House suspend the rules and pass the bill as amended?

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

A motion to reconsider was laid on the table.

AUTHORIZING SPEAKER TO DECLARE A RECESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that it be in order for the Speaker to declare a recess any time during the remainder of the day, subject to the call of the Chair.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

COMMITTEE TO NOTIFY PRESIDENT OF THE UNITED STATES

Mr. McCORMACK. Mr. Speaker, I offer a resolution (H. Res. 895) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That a committee of two Members be appointed by the House to join a similar committee appointed by the Senate, to wait upon the President of the United States and inform him that the two Houses have completed their business of the session and are ready to adjourn, unless the President has some other communication to make to them.

The resolution was agreed to.

The SPEAKER. The Chair appoints the gentleman from Massachusetts [Mr. McCORMACK] and the gentleman from Massachusetts [Mr. MARTIN] as a committee to notify the President.

REVIEW OF ACCOMPLISHMENTS OF THE EIGHTY-FIRST CONGRESS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent to address the House for 5 minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK. Mr. Speaker, the Eighty-first Congress has written a remarkable record into the Nation's annals—a record reflecting the rapidity with which history-making events move in the world today.

The volume and the speed of the work done by this Congress demonstrated the ability of our democratic legislative body to meet the needs of the hour and to function decisively in the face of emergency.

When we convened 2 years ago, a world struggling to recover from the ravages of World War II was menaced by the rise of another aggressive and tyrannical force—communism.

Moscow-directed communism had extended its police-state powers across the borders of a dozen neighboring and helpless small nations.

Thanks to American support of liberty-loving people in France, Italy, Greece, Turkey, and Iran, those countries were saved from subjugation.

Rather than cede the future of civilization—by appeasement or default—to the encroaching aggressor, the Eighty-first Congress, in its wisdom and courage, made an historic choice. It committed this Nation to the leadership of the forces of freedom.

Once our policy was determined, we enacted the specific measures necessary to make it effective.

We extended for a second and then a third year the Marshall plan which lifted the economy of Western Europe from the doldrums and restored it to productiveness and stability.

We ratified the North Atlantic Pact assuring its signatory nations of collective security.

We implemented this agreement with a program of military aid to the pact members under the Mutual Defense Assistance Act.

We approved the principle of point four and made the first funds available for assisting underprivileged countries to utilize their resources.

By combating poverty, disease, and illiteracy, this program has struck at the very conditions of human misery upon which communism thrives. By raising the standards of living of underprivileged peoples, we help strengthen their will to resist the force which would enslave them.

We have strengthened our ties with the United Nations and through the UN with every other peace-loving nation on earth.

The great program of legislation enacted by the Eighty-first Congress was not only designed to stop the spread of communism, but it was positive and affirmative in its objectives of strengthening the cause of democracy, peace, and economic well-being at home as well as abroad.

We expanded our social-security system to bring over 10,000,000 more citizens under its benefits.

We authorized the first comprehensive and long-range housing program for families in lower- and middle-income brackets.

We extended the Reciprocal Trade Act and removed restrictive provisions.

We raised the minimum level of wages and improved the standards of working conditions in industries engaged in interstate commerce.

We enacted measures designed to safeguard the economic security of the farmer, to liberalize disability benefits to veterans and their dependents, and to promote full development of our natural resources.

The Eighty-first Congress authorized the greatest peacetime expansion of our Armed Forces in the history of our country in an effort to deter and to discourage any aggressor. In our second session now closing, however, we found it necessary to raise and reraise our sights—to speed our timetable of rearmament.

The first time was after the treacherous and unprovoked attack by Communist North Korea on its neighbor, the independent Republic of Korea. We passed the National Production Act to speed up defense production, authorize controls over critical materials and price and wage controls if they became necessary.

We removed limitations on the size of our Armed Forces.

We authorized the President to extend current enlistments for a year and to call up the National Guard and Reserves.

We provided $17,000,000,000 in additional appropriations for our Armed Forces and for arming our Atlantic Pact allies.

We enacted a tax measure designed to bring in $4,700,000,000 in new revenues to partially meet these obligations.

To guard our internal security we enacted measures against subversion, sabotage, and espionage, and to prevent possible sneak attacks. We also provided authority to control the movement of foreign vessels in our home waters and of aircraft over our cities and defense production centers.

It was generally expected when this Congress recessed on September 23 that our final labors would be only the enactment of an excess-profits tax.

For the second time, however, international developments dictated otherwise.

The reversal of our victory over the North Korean Communist invaders by intervention of the Red Chinese Army confronted us again with naked aggression.

And again the Eighty-first Congress responded nobly to a crisis.

In the few weeks since reconvening on November 27, we have levied an excess-profits tax estimated to yield $3,400,000,000.

We have made supplemental defense appropriations totaling $19,000,000,000.

We have established a Civil Defense Authority.

We have authorized additional aid to Yugoslavia.

We have amended and extended the first War Powers Act and passed numerous other measures to put our Nation in a state of readiness for total mobilization should that step become necessary.

In its two full years of service, the Eighty-first Congress has appropriated a total of approximately $132,000,000,000, including contract authorizations. Of this vast sum, $73,000,000,000 was made available for our own Armed Forces and for military and economic assistance to nations abroad.

Rarely has a Congress of the United State been called upon to perform, even in the midst of all-out war, such monumental tasks as those which the Eighty-first has now completed. Never before has a Congress grappled with a wider variety of grave problems involving questions arising from this ultramodern and rapidly developing era.

The results are a tribute to the processes by which free people govern themselves and to the institution of Congress as one of the three coordinate branches of the Federal Government

To the Members of this body, be they returning with the Eighty-second, or retiring to their homes, I want to express my personal thanks for their good work, cooperation, understanding, and appreciation of the problems that have confronted us here during the past 24 months of swift changes.

I believe that the grateful people of this country—and most all are grateful—are appreciative of the work Congress has completed in this trying and strainy period to strengthen our country.

To those who are retiring from this body, I say farewell and God bless you. To those who remain to enter the new Congress, I ask for God's blessing to give us the strength and wisdom to handle expeditiously and efficiently the many new problems that confront our beloved country—the greatest Nation on earth.

CHARLES J. TREES

Mr. DENTON. Mr. Speaker, I call up the conference report on the bill (H. R. 5244) for the relief of Charles J. Trees, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

The Clerk read the statement.

The conference report and statement are as follows:

CONFERENCE REPORT (H. REPT. 3205)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the House to the bill (H. R. 5244) a bill for the relief of Charles J. Trees, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendments of the House and agree to the same with an amendment as

follows: In lieu of the sum inserted by the Senate amendment on page 1, line 4, insert "$9,448.86"; and the Senate agree to the same.

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
Managers on the Part of the House.

JAMES O. EASTLAND,
By W. E. JENNER,
W. E. JENNER,
Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 5244) for the relief of Lt. Col. Charles J. Trees, Army of the United States, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

This bill as passed the House would confer jurisdiction upon the United States District Court for the Southern District of Indiana, Indianapolis division, to hear, determine, and render judgment upon the claim of Lt. Col. Charles J. Trees for damages allegedly sustained as the result of court-martial sentence of November 29, 1945, and nullified July 22, 1946.

The bill was originally introduced to appropriate the sum of $21,948.86. The Senate amended the bill to appropriate the sum of $21,948.86, as was originally introduced and, in view of the fact that a large amount of this appropriation was to compensate him for mental anguish, the conferees are of the opinion that this should not be allowed However, the records indicate that he had an out-of-pocket expense of $9,448.86 and should be reimbursed this amount, and at the conference the sum of $9,448.86 was agreed upon.

WILLIAM T. BYRNE,
WINFIELD K. DENTON,
Mangers on the Part of the House.

CALL OF THE HOUSE

Mr. TABER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. McCORMACK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 306]

Angell	Horan	Pfeifer,
Blackney	Jennings	Joseph L.
Boykin	Karst	Pfeiffer,
Buckley, Ill.	Kearns	William L.
Byrne, N. Y.	Kee	Plumley
Carroll	Keefe	Poulson
Cavalcante	Kennedy	Powell
Celler	Kilday	Ramsay
Chesney	LeCompte	Sanborn
Christopher	Lichtenwalter	Scudder
Crook	Lodge	Shafer
Crosser	Lynch	Smathers
Davenport	McDonough	Smith, Ohio
Davies, N. Y.	McMillen, Ill.	Smith, Wis.
Davis, Tenn.	Mansfield	Stefan
Engel, Mich.	Marcantonio	Vorys
Gillette	Mason	Vursell
Gilmer	Michener	Wagner
Guill	Miles	Walsh
Hall,	Miller, Nebr.	White, Calif.
Leonard W.	Murphy	White, Idaho
Hand	Murray, Wis.	Whittington
Hare	Noland	Willis
Hébert	Norton	Wilson, Okla.
Hinshaw	Peterson	Woodruff

The SPEAKER. On this roll call 353 Members have answered to their names, a quorum.

By unanimous consent, further proceeding under the call were dispensed with.

Mr. DENTON. Mr. Speaker, this is a private bill in which a sum of money is given to Charles J. Trees in the nature of damages for malicious prosecution. As the bill passed the House he was given an opportunity to bring suit in the southern district of Indiana. When the bill went to the Senate it was amended and the gentleman was given damages in the sum of a little over $21,000.

The facts in this case are about as follows: This man was attached to the OSS, and was performing duties in Rangoon. That was before the Allies had taken possession of the country. It was his duty to stir up insurrection and encourage guerrillas, and get information, and things like that behind the lines. There was little accountability of the property they had.

As a matter of fact, he was given a large number of guns. I think the evidence showed they were parachuted to the men that were doing this kind of work. He entered into an arrangement with a Burmese whose wife was an American. They were going to have a detail go and rescue the American wife of this Burmese from a concentration camp. About that time the Allies came into possession of Rangoon. He had turned over, I think, 50 guns to a captain who was working under him. This captain gave these guns to this Burmese to carry out this expedition.

Trouble developed between this officer and his immediate superior, and probably the British authorities, and he was ordered back into India. At that time they tried him for not accounting for these 50 guns. This man had other property entrusted to him while he was working for the OSS behind the lines.

He found when he came back that he was tried according to the strict principles of accountability for Army property that applied to the service forces. The captain was tried first, and all the witnesses were heard, and he was found guilty by the court martial. Then all the witnesses disappeared. They put Colonel Trees on trial. He was unable to get his witnesses. He was found guilty by the court martial, for not accounting for these 50 guns.

The case was appealed and taken to the Judge Advocate General, who reversed the case, but this man had to expend a large sum of money. He was out of pocket easily the $9,448—some we have allowed in this bill. The Senate allowed him $21,000. That included money he lost because he was kept in the Army, and also included mental anguish and some other things we did not think should be allowed. But there was plenty of evidence that he was out of pocket this $9,448.

We all know what courts martial are in the Army. I think it is only fair that this man should be reimbursed for the expense he suffered.

Mr. TABER. Mr. Speaker, will the gentleman yield?

Mr. DENTON. I yield to the gentleman from New York.

Mr. TABER. Is it not a fact that if we pass this bill we establish a precedent for paying the expenses of every single person who is hauled before a court martial if he happens to be acquitted? The same thing would follow if anybody were hauled into court on a criminal charge and acquitted. It would set such a precedent that there would be no telling where we would get off in the long run.

Mr. DENTON. In answer to that, may I say there is a United States statute which gives a person just that right of action, an action for malicious prosecution. That applies to Army courts martial.

There is a precedent for this case. The Eightieth Congress passed a bill to reimburse the captain about whom I spoke, who got the 50 guns and turned them over to the natives. He was convicted and appealed the case, and it was reversed. This is an extremely bad case. I do not think that just because it sets a precedent we ought to shy away from the facts.

Mr. TABER. The War Department is opposed to the bill?

Mr. DENTON. That is right. I have a letter here from Major General Donovan, under whom he acted. I should like to read that letter.

General Donovan was in charge of the CSS in the far eastern theater of operation. It is addressed to Mr. WILLIAM T. BYRNE, who is chairman of the subcommittee. The letter reads as follows:

DEAR CONGRESSMAN BYRNE: I am informed that you have before your subcommittee H. R. 5244, a bill for the relief of Lt. Col. Charles J. Trees, ORC.

I am quite interested in the disposition of such a matter, inasmuch as Colonel Trees served in the OSS, of which I was commanding officer.

Because I felt that Colonel Trees' court-martial conviction was a miscarriage of justice, I personally, and through my partner, James R. Withrow, Jr., assisted Colonel Trees in securing its reversal and his acquittal. As you know, the acts of which he was accused consisted of the distribution of arms to native peoples for use against Japanese troops. Such activities were pursuant to entirely authorized conduct and procedure in the OSS under the circumstances in the India-Burma theater, in which he served.

As far as Colonel Trees personally is concerned, I do, and have commended him most highly as a capable and zealous officer in the service of our country in time of war.

In view of the financial loss incurred by him in clearing his person and name of the accusations against him, I feel that Congress representing all of us would serve a proper purpose in recompensating him for losses which a good patriotic officer should not have been forced to incur when merely carrying out orders on a highly important and secret operation.

I hope my views of the matter can be of assistance to the members of your committee in resolving any question on the passage of Colonel Trees' bill.

Yours very truly,
WILLIAM J. DONOVAN.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. DENTON. I yield.

Mr. FULTON. Then how did it come about in the first place that the court-martial decision was made against him?

What was the reason for the misunderstanding or miscarriage of justice?

Mr. DENTON. He was operating behind the lines when this occurred. He did have some difficulty with his colonel and probably with the English authorities. This happened in Rangoon and he was ordered back into the interior of India. They tried him for the accountability of this property under the same rules of accountability and responsibility for property which would apply to a situation behind the lines, whereas he was operating in an active theater.

Mr. FULTON. If I may make my question a little more aimed: On what evidence was he convicted? Was it perjured, was it false evidence, or was it careless evidence, or was it a misconception of fact?

Mr. DENTON. I think it was a misconception of fact. There has been a great deal said about the evidence. It is pretty hard for anybody to be the judge of that. He asked to have a number of witnesses testify in his behalf. They appeared for a captain who was tried first; but when he wanted to have his own witnesses testify for him they were not available. Quite an investigation was made about this whole thing by the OSS. I think it is a great miscarriage of justice. The Judge Advocate General of the Army reversed the conviction.

Mr. KEATING. Mr. Speaker, will the gentleman yield?

Mr. DENTON. I yield.

Mr. KEATING. I feel sure the gentleman would not want to leave the impression with the House as a result of his reply to the gentleman from New York [Mr. TABER] that the gentleman from New York was incorrect when he said that the Army is opposed to the passage of this bill. That is a correct statement, is it not?

Mr. DENTON. Of course most of the bills of this kind that we have are opposed by the Department.

Mr. KEATING. Since I was the third member of the conference committee and declined to sign the conference report, I feel I should say I did so because I do not agree that this bill has merit. The measure which we passed originally in the House, which would have conferred jurisdiction upon the district court to hear and determine his claim, seems to me to be the proper disposition in this matter. Then, if the man has a legitimate, justiciable claim he can prove it in court. That has been the practice of the other body frequently. Where we have passed bills for specific amounts, they have often adopted that method of dealing with the matter. I entirely agree that this man or any other claimant should have his day in court, but it seems to me that the evidence does not justify the passage of a bill to pay him any set sum of money. I am very much impressed with the argument advanced by the gentleman from New York [Mr. TABER] that if we do allow this claim we must then, perforce, allow the expenses of anyone who happens to be acquitted in an Army court-martial, to be paid by the United States Government, which is contrary to all practice in the past, and I believe is a precedent which we should not follow.

Mr. DENTON. In answer to the gentleman from New York [Mr. KEATING] I think when this matter was heard before the subcommittee we thought it was doubtful about the question of the sum of $21,000 damages, and we thought it best to let it go to court and let the court determine the damage. However, the Senate allowed the full amount. All conferences are a matter of compromise. We thought that the man showed a loss of at least this $9,448.

As far as precedence is concerned, you do have a statute that authorizes this. A case can be tried by military personnel under that statute. This same captain who was convicted with him was recompensed for the damages he suffered, in a bill passed by the Eightieth Congress.

Mr. KEATING. If the gentleman will yield further, would that result not be effected, if the man has a good claim, by the bill which we enacted in the House originally? It seems to me he would then be able to prove his claim.

Mr. DENTON. I do not see much point, when we have heard the evidence and feel that he has a good claim and that there is no question about the damages, in sending it over there to the court to try the case.

Mr. KEATING. If the gentleman will yield further, a representative of the Judge Advocate General's Department of the Army has complained to me that they were not heard before the committee on their side of this controversy and that they are very much opposed to this claim and should have an opportunity to be heard, in addition to the signing of a letter which they gave us in opposition to this claim.

Mr. DENTON. Of course, you do have this letter from his commanding general, General Donovan, entirely exonerating him.

Mr. BARDEN. Mr. Speaker, will the gentleman yield?

Mr. DENTON. I yield.

Mr. BARDEN. Apparently there is no difference of opinion on the question of whether this officer was mistreated. I am not familiar with the detailed facts, but if he was mistreated, then I am not afraid of the precedent to be set by this body in correcting any error that this Government has made. If it mistreats a man, I am not afraid of the precedent which it may set, regardless of the amount involved, if it is to treat him right, as far as possible.

I do want to add this. I have had considerable experience with these court-martial cases. I have seen some of them that were absolutely outrageous. I do not make that statement as an attack upon the armed services or the officers in general. I do say there is too much laxity and sometimes too much influence wielded by those who preside over the proceedings. When we have this kind of case that comes up, then I think the names of those officers who perpetrated this wrong should be spread upon the record of this House and that we should not pass them by and thereby license those who follow later. According to the remarks of all concerned, this man was mistreated, and I am not afraid of the precedent of doing right after we find that we have been wrong, or one of our agencies has been wrong.

Mr. DENTON. I thank the gentleman.

REPORT OF COMMITTEE TO INFORM THE PRESIDENT

Mr. McCORMACK. Mr. Speaker, your committee appointed to join a committee of the Senate to inform the President that the Congress is ready to adjourn, and to ask him if he has any further communications to make to the Congress, has performed that duty. The President has directed us to say that he has no further communication to make to the Congress.

PROVISION FOR SINE DIE ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 297) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That the two Houses of Congress shall adjourn on Tuesday, January 2, 1951, and that when they adjourn on said day they stand adjourned sine die.

The resolution was agreed to.

AUTHORITY TO SIGN ENROLLED BILLS AND JOINT RESOLUTIONS

Mr. McCORMACK. Mr. Speaker, I offer a privileged resolution (H. Con. Res. 298) and ask for its immediate consideration.

The Clerk read as follows:

Resolved by the House of Representatives (the Senate concurring), That, notwithstanding the sine die adjournment of the two Houses, the Speaker of the House of Representatives and the President of the Senate be, and they are hereby, authorized to sign enrolled bills and joint resolutions duly passed by the two Houses and found truly enrolled.

The resolution was agreed to.

AUTHORITY TO CLERK TO RECEIVE MESSAGES FROM THE SENATE

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that, notwithstanding the sine die adjournment of the House, the Clerk be authorized to receive messages from the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

PRINTING OF REPORTS

Mr. McCORMACK. Mr. Speaker, I ask unanimous consent that reports filed with the Clerk following the sine die adjournment by committees authorized by the House to conduct investigations, may be printed by the Clerk as reports of the Eighty-first Congress.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

CHARLES J. TREES

Mr. DENTON. Mr. Speaker, the evidence in this case shows that this was an

out-of-pocket expense, money he was compelled to pay for trips, traveling expenses, halfway across the continent two or three times because of this case. It did not include such things as loss of time because he had to stay in the Army longer than he otherwise would have; it does not include mental suffering or damage to reputation, things of that nature; it includes only out-of-pocket money, and there is an itemized statement showing the out-of-pocket expense.

Mr. JACOBS. Mr. Speaker, will the gentleman yield for one observation in connection with this case?

Mr. DENTON. I yield.

Mr. JACOBS. I wish to clarify one matter in the mind of the House. There has been some discussion of the possibility of giving a lawsuit in connection with this case. This case arose out of conditions that might be described as cloak-and-dagger warfare. Many of the witnesses are scattered not only throughout the United States, but throughout the world.

The expenses incurred were $9,448 and some cents, and that is what this bill calls for. The man could not have been damaged any less than that.

If you gave him a lawsuit he would have to spend substantially the same amount to establish his lawsuit in court in connection with the statute which has been discussed here. There is a statute whereby a malicious prosecution action may be brought against the Government. The report quotes from the Army's objection to this bill in which they contend, and with some respectable authority, I might say, that the statute does not apply to court martials; consequently it is not certain by any means that he has such a right under that statute, and there is no precedent to say that the act of 1938 would constitute a remedy in this case, and in no event would it be a complete remedy because such statute limits recovery to $5,000.

I am talking to you for the last time I shall ever speak on the floor of this House. If I did not think that he had a just claim I would certainly tell him so and I would not present this bill; I would not urge it upon you. I hope that the Members of this House feel, in view of my service here, that when I make that statement I am telling the truth. I sincerely think that it is a just bill and should pass.

Mr. DENTON. Mr. Speaker, I yield 3 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, I dislike to oppose a bill which the gentleman from Indiana is asking for at this date. My duty requires me to differ with him. If we were to pass this bill and provide by legislation for the payment of a specific amount to this colonel who was court-martialed and convicted in the first instance, later on after an appeal the conviction being reversed, if we undertake to establish that kind of a precedent, we are establishing one which will require the Government of the United States to pay the expenses of every defendant in every court martial that results ultimately in an acquittal. It is going to be a great temptation to a lot of people, and, further, it is going to result in the passage of legislation which would require the payment of the expenses of defense on the part of those who are charged in the regular court martial courts with criminal offenses.

Under the circumstances I do not see how we can pass this bill. The Secretary of the Army states that the enactment of this bill would have the effect of granting to this claimant benefits denied to other persons in similar circumstances and would constitute a legislative discrimination which would be a precedent for presentation to the Congress of innumerable similar bills to compensate other members or former members of the Armed Forces for similar alleged damages. The Department is strongly opposed to the enactment of this bill and, under the circumstances, I hope the House will vote down the conference report.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. If we accept the view of the sponsors of the bill, on the point made by the gentleman from New York if we paid the expenses of defense of court martial where the conviction has been reversed finally, why, then, should we not pay the expenses of defense of any person court-martialed even though acquitted to begin with?

Mr. JACOBS. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Indiana.

Mr. JACOBS. In the first place, I see no reason why you should not if a man's innocence has been established. I hold to the philosophy that the only reason that government exists is to administer individual justice.

I do not want to impose upon the time of the Members of the House to go into all of the details of this case, for I would take this man's career from the time he went into the Army and relate everything he did from that time on. For instance, I would cite one mission where he was given 3 weeks to pay his last visit on a suicide mission; I would cite the time he parachuted into Burma behind enemy lines and maintained radio contact with the outside world, where men died from diseases and enemy sniping; I would cite the time where he was arrested in India. Even the officer who prosecuted him commended him for his service. He never had a rating of less than excellent, most of his ratings being superior. I would refer to the over 50 pistols that were issued to a Burmese colonel, who was a loyal British subject, to liberate civilians from a concentration camp, one of whom was the wife of the Burmese colonel, the daughter of a Milwaukee man. If I were to relate all the facts to you, I would tell you that even Colonel Donovan said that there was a miscarriage of justice.

If I were to cite these facts to you, will you tell me one reason why 151,000,000 Americans should expect Colonel Trees to bear the expenses of establishing his innocence, dig down into his own pocket and take $9,844 out of his pocket in order to establish his innocence?

The Army comes forward and makes certain objections on the ground of precedence.

I say that there is enough justice for everyone, and if a man has been wronged, this body of 435 men, sitting here representing 151,000,000 people of this country, cannot be unmindful or careless of the rights of this colonel who was wronged and occasioned to spend this money out of his pocket. When the captain was tried—and this Congress reimbursed the captain, do not forget that; the Eightieth Congress passed a bill for the relief of the captain—when the captain was tried and convicted, Colonel Trees' witnesses were told that Colonel Trees would not be tried, and they were sent home. Gentlemen, if it has come to the point where we will be careless and negligent and unconcerned over the rights of an officer that has so valiantly served his country, then I say the very ultimate object of government is lost, because the ultimate object is justice to the individual. Yes, the Army says there is no precedent for compensating a man who has been wrongfully convicted. Well, I might invite the Army to read the book by Professor Bashore, of Yale, entitled "Convicting the Innocent," which is replete with instances of world legislative bodies who passed bills for the relief of men who have been the victims of miscarriage of justice. I am not afraid of any precedent for justice.

Mr. FULTON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Pennsylvania.

Mr. FULTON. If the gentleman says that an officer should be reimbursed for his out-of-pocket expense for defense in a general court martial proceedings, where do you stop? Do you then go to the summary court martial and would you then go to the deck court of the Navy, and if a young enlisted man thinks he ought to get counsel, then in every one of those cases where he is then found innocent, the Congress of the United States should make up his out-of-pocket expense? Where is the rule by which you stop, if you do this?

Mr. SUTTON. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Tennessee.

Mr. SUTTON. The gentleman realizes that we furnish an attorney for him now. This is a case of justice, shall I say, for big brass. There is no one who has fought big brass any more than PAT SUTTON has, but this time I am standing up for him because it is a case of justice; because it was a man who was dealt with in such a way that you would not want to be treated or your constituents would not want to be treated. The precedent has been set by the Eightieth Congress when the captain was reimbursed and along with that this lieutenant colonel is now asking that justice be dealt out to him.

Mr. TABER. This whole thing seems to be approached without comprehension of the safeguards that the Army and the legislative bodies that prescribe the procedure of our courts have provided. They have provided that when a court martial is to be held, that the Army or the Navy or the Air Force will provide counsel to defend the accused against the charges. That program is already set up, and it is set up for every single person who is accused in a court-martial case. And they make the arrangements whereby the witnesses are provided by the Government. Now, it does not seem to me that we should have this kind of a situation presented. Even in the regular criminal courts a defendant, when he does not have counsel, is provided with one.

Mr. Speaker, I hope this conference report will be defeated.

The SPEAKER. The question is on the conference report.

Mr. KEATING. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. The Chair will say to the gentleman from New York that the Senate has already acted upon this conference report, so a motion to recommit is not in order in the House.

The question was taken; and on a division (demanded by Mr. TABER) there were—ayes 84, noes 38.

Mr. TABER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 219, nays 127, answered "present" 1, not voting 81, as follows:

[Roll No. 307]

YEAS—219

Abbitt	Burton	Garmatz
Abernethy	Byrne, N. Y.	Gary
Addonizio	Camp	Gathings
Albert	Carlyle	Gordon
Allen, Calif.	Carnahan	Gore
Andresen, August H.	Case, N. J.	Gorski
Andrews	Chatham	Gossett
Aspinall	Chelf	Granahan
Bailey	Chudoff	Granger
Barden	Clemente	Grant
Baring	Combs	Green
Barrett	Cooley	Gregory
Bates, Ky.	Cooper	Gross
Battle	Dawson	Gwinn
Beckworth	Deane	Hagen
Bennett, Fla.	DeGraffenried	Harden
Bennett, Mich.	Delaney	Hardy
Bentsen	Denton	Harris
Biemiller	Dingell	Harrison
Blatnik	Dollinger	Hart
Boggs, La.	Donohue	Harvey
Bolling	Doughton	Havenner
Bolton, Md.	Doyle	Hays, Ark.
Bonner	Eaton	Hays, Ohio
Bosone	Eberharter	Hedrick
Boykin	Elliott	Heller
Brambiett	Engle, Calif.	Herlong
Breen	Evins	Hobbs
Brehm	Fallon	Holifield
Brown, Ga.	Feighan	Holmes
Bryson	Fernandez	Howell
Buchanan	Flood	Huber
Buckley, N. Y.	Fogarty	Hull
Burdick	Forand	Irving
Burke	Frazier	Jackson, Wash.
Burnside	Fugate	Jacobs
	Furcolo	Javits
Jones, Ala.	Morris	Roosevelt
Jones, Mo.	Morrison	Sabath
Jones, Hamilton C.	Moulder	Sasscer
	Multer	Secrest
Jones, Woodrow W.	Murphy	Shelley
	Norblad	Sheppard
Karsten	O'Brien, Ill.	Sims
Kelley, Pa.	O'Brien, Mich	Smith, Va.
Kelly, N. Y.	O'Hara, Ill.	Spence
Keogh	O'Sullivan	Stanley
Kerr	O'Toole	Steed
King	Pace	Stigler
Kirwan	Patman	Stockman
Klein	Patten	Sullivan
Kruse	Patterson	Sutton
Lane	Perkins	Tackett
Lanham	Philbin	Tauriello
Lind	Pickett	Thomas
Linehan	Poage	Thompson
Lucas	Polk	Thornberry
Lyle	Preston	Tollefson
McCarthy	Price	Trimble
McCormack	Priest	Underwood
McGrath	Quinn	Walter
McGuire	Rabaut	Welch
McMillan, S. C.	Rains	Whitaker
McSweeney	Ramsay	Whitten
Mack, Ill.	Redden	Wickersham
Madden	Regan	Wier
Mahon	Rhodes	Wilson, Ind.
Marsalis	Richards	Wilson, Tex.
Marshall	Rivers	Withrow
Miller, Calif.	Robeson	Wolverton
Mills	Rodino	Woodhouse
Mitchell	Rogers, Fla.	Yates
Monroney	Rogers, Mass.	Young
Morgan	Rooney	Zablocki

NAYS—127

Allen, Ill.	George	Morton
Allen, La.	Golden	Nelson
Andersen, H. Carl	Goodwin	Nicholson
	Graham	Norrell
Arends	Hale	O'Hara, Minn.
Auchincloss	Hall, Edwin Arthur	O'Konski
Bates, Mass.		Phillips, Calif.
Beall	Hall, Leonard W.	Potter
Bishop		Rankin
Boggs, Del.	Hand	Reed, Ill.
Bolton, Ohio	Herter	Reed, N. Y.
Brooks	Heselton	Rees
Brown, Ohio	Hill	Rich
Burleson	Hoeven	Riehlman
Byrnes, Wis.	Hoffman, Ill.	Sadlak
Canfield	Hoffman, Mich.	St. George
Cannon	Hope	Saylor
Case, S. Dak.	Jackson, Calif.	Scott, Hardie
Chiperfield	Jenison	Scott, Hugh D., Jr.
Clevenger	Jenkins	
Cole, Kans.	Jensen	Scrivner
Cole, N. Y.	Johnson	Shafer
Colmer	Jonas	Short
Corbett	Judd	Sikes
Cotton	Kean	Simpson, Ill.
Coudert	Kearney	Simpson, Pa.
Crawford	Keating	Smith, Kans.
Cunningham	Kilburn	Taber
Curtis	Kunkel	Talle
Dague	Latham	Taylor
Davis, Ga.	LeFevre	Towe
D'Ewart	Lovre	Van Zandt.
Dolliver	McConnell	Velde
Dondero	McCulloch	Wadsworth
Durham	McGregor	Weichel
Ellsworth	McKinnon	Werdel
Elston	Mack, Wash.	Wheeler
Fellows	Macy	Widnall
Fenton	Magee	Wigglesworth
Fisher	Martin, Iowa	Williams
Ford	Martin, Mass.	Winstead
Fulton	Mason	Wolcott
Gamble	Merrow	Wood
Gavin	Miller, Md.	

ANSWERED "PRESENT"—1

Cox

NOT VOTING—81

Anderson, Calif.	Davis, Tenn.	James
Angell	Davis, Wis.	Jennings
Blackney	Douglas	Karst
Buckley, Ill.	Engel, Mich.	Kearns
Carroll	Gillette	Kee
Cavalcante	Gilmer	Keefe
Celler	Guill	Kennedy
Chesney	Halleck	Kilday
Christopher	Hare	Larcade
Crook	Hébert	LeCompte
Crosser	Heffernan	Lichtenwalter
Davenport	Hinshaw	Lodge
Davies, N. Y.	Horan	Lynch
McDonough	Pfeifer, Joseph L.	Staggers
McMillen, Ill.		Stefan
Mansfield	Pfeiffer, William L.	Teague
Marcantonio		Vinson
Michener	Phillips, Tenn.	Vorys
Miles	Plumley	Vursell
Miller, Nebr.	Poulson	Wagner
Murdock	Powell	Walsh
Murray, Tenn.	Ribicoff	White, Calif.
Murray, Wis.	Sadowski	White, Idaho
Noland	Sanborn	Whittington
Norton	Scudder	Willis
O'Neill	Smathers	Wilson, Okla.
Passman	Smith, Ohio	Woodruff
Peterson	Smith, Wis.	

So the conference report was agreed to.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Engel of Michigan.
Mr. Ribicoff with Mr. Blackney.
Mr. Kee with Mr. Angell.
Mr. Carroll with Mr. Anderson of California.
Mr. Powell with Mr. McDonough.
Mr. O'Neill with Mr. Davis of Wisconsin.
Mr. Gilmer with Mr. Poulson.
Mr. Staggers with Mr. Miller of Nebraska.
Mr. Lynch with Mr. McMillen of Illinois.
Mr. Mansfield with Mr. Sanborn.
Mr. Willis with Mr. Gillette.
Mr. Vinson with Mr. Halleck.
Mr. Teague with Mr. Stefan.
Mr. Kilday with Mr. Hinshaw.
Mr. Larcade with Mr. Horan.
Mr. Crook with Mr. Woodruff.
Mr. Crosser with Mr. Kearns.
Mr. Davis of Tennessee with Mr. Plumley.
Mr. Celler with Mr. Scudder.
Mr. Heffernan with Mr. Vorys.
Mr. Kennedy with Mr. Vursell.
Mr. Murdock with Mr. Smith of Wisconsin.
Mr. Passman with Mr. LeCompte.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

AMENDMENT OF FEDERAL AIRPORT ACT

Mr. HARRIS. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 1281) to amend the Federal Airport Act so as to make the United States share of costs for land acquisition the same as for other project costs.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

Mr. MARTIN of Massachusetts. Reserving the right to object, Mr. Speaker, may I ask how this bill affects airports like that of the city of Fall River, which has been trying to secure some money for some time. It has been unable to do so because of the freezing of the money appropriated for airports? Would this have any effect on an airport like that?

Mr. HARRIS. It would not have any effect upon such an airport as the gentleman has just described, in Fall River, Mass. As I understand, you already have your land acquired.

Mr. MARTIN of Massachusetts. We already have the land, and they are getting ready to go ahead and develop it, but they stopped the development because of the fact that the promised Federal contribution was not given.

Mr. HARRIS. This would have no effect on that whatsoever.

Mr. MARTIN of Massachusetts. I withdraw my reservation of objection, Mr. Speaker.

Mr. HESELTON. Reserving the right to object, Mr. Speaker, will the gentleman explain what the attitude of the committee was in terms of this additional money? I have in mind that in all probability most of the funds will be allocated to the larger airports by reason of the national defense requirements. My understanding is that the committee does not intend that these funds shall be permanently allocated in any manner which would be inequitable to the smaller airports. They are vitally necessary for a sound air transport system.

Mr. HARRIS. The gentleman is correct. The only way to correct at all the condition the gentleman has just described is through the National Defense Establishment. The Air Force is highly interested in this legislation and has asked that it be passed.

Mr. HESELTON. I withdraw my reservation of objection, Mr. Speaker.

The SPEAKER. Is there objection to the request of the gentleman from Arkansas?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 10 of the Federal Airport Act is amended by striking out all of subsection (d) thereof.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. PRIEST. Mr. Speaker, I ask unanimous consent that the gentleman from Texas [Mr. BECKWORTH] may have until midnight tonight to file an activity report for the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

ECONOMY

Mr. RICH. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RICH. Mr. Speaker—

A New Year's resolution that would do
our country the greatest good
Would be to economize in Government
spending, as you should.
Colleagues, as the New Year begins for
Nineteen Fifty-one,
The best resolution I could offer, by gum,
Is that Congress would be wise if it
would economize.

I warn you again and again and again,
It will be the only salvation for men,
Whether in the mills, factories, farms, or
our armed services.
Members of Congress, you have been
spending and spending and spending,
Now the backs of our people are bending
and bending and bending,
While you tax and tax and tax.
Why, in the name of heaven, do you not
let them relax?
If you stop spending, and giving, and
lending,
You can let up on the taxing, and straining and bending.

The everlasting meddling in the business
of other nations,
Is the great cause of our trouble.
Change your foreign policy, or we will
burst like a bubble.
If you want peace more and more,
You can have it, I am sure,
If you stop this foreign meddling, and
this great preparation for war.

My colleagues, to all I hold dear,
Economy should be your watchword
throughout the new year.
Now I wish you joy, pleasure, health,
happiness, and sich,
And on this floor now is the last for BOB RICH.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment bills of the House of the following titles:

H. R. 7303. An act to amend section 120 of the Internal Revenue Code; and

H. R. 8349. An act to authorize deductions from the wages of seamen for payment into employee welfare funds.

The message also announced that the Senate agrees to the amendments of the House to bills of the Senate of the following titles:

S. 1122. An act relating to children born out of wedlock; and

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941.

The message also announced that the Senate disagrees to the amendments of the House to the bill (S. 2351) entitled "An act to simplify and consolidate the laws relating to the receipt of compensation from dual employments under the United States, and for other purposes"; requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. JOHNSTON of South Carolina, Mr. LONG, and Mr. LANGER to be the conferees on the part of the Senate.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9920) entitled "An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes."

The message also announced that the Senate agrees to the House amendments to the Senate amendments Nos. 1, 5, 22, and 23; and recedes from its amendments Nos. 8 and 17.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9798) entitled "An act to authorize a Federal civil defense program, and for other purposes."

EXTENSION OF REMARKS

Mr. DONDERO asked and was given permission to extend his remarks in two instances and in each to include an editorial.

Mr. DOLLINGER asked and was given permission to extend his remarks in two instances and in each to include extraneous matter.

Mr. JUDD asked and was given permission to extend his remarks and include extraneous material.

Mr. O'SULLIVAN asked and was given permission to extend his remarks in two instances and in each include extraneous matter.

Mr. RANKIN asked and was given permission to extend his remarks in two instances and include extraneous matter.

Mr. HELLER asked and was given permission to extend his remarks in three instances and include extraneous matter.

Mr. LANE asked and was given permission to extend his remarks in four instances and include extraneous matter.

Mr. PRIEST asked and was given permission to extend his remarks and include a transcript of the program incident to the unveiling of portraits of Mr. SPENCE and Mr. WOLCOTT.

Mr. MCCORMACK (at the request of Mr. TACKETT) was given permission to extend his remarks and include the text of Mr. Dulles' plea for the united countering of Red aggression, as published in the New York Times of Saturday, December 30.

Mr. BOLTON of Maryland asked and was given permission to extend his remarks.

Mrs. BOSONE asked and was given permission to extend her remarks and include a letter from a constituent who is in the armed services.

Mr. CANNON (at the request of Mr. NORRELL) was given permission to extend his remarks and include certain tables from the Committee on Appropriations.

Mr. HESELTON asked and was given permission to extend his remarks and to include extraneous matter.

Mr. SABATH asked and was given permission to extend his remarks and include a list of rules and resolutions approved by the Committee on Rules.

RECESS

The SPEAKER. Under authority previously granted, the Chair declares a recess subject to the call of the Chair.

Accordingly (at 2 o'clock and 26 minutes p. m.) the House stood in recess subject to the call of the Chair.

AFTER RECESS

The recess having expired, the House was called to order by the Speaker at 4 o'clock and 48 minutes p. m.

STILL FURTHER MESSAGE FROM THE SENATE

A still further message from the Senate, by Mr. Woodruff, its enrolling clerk, announced that the Senate had passed without amendment concurrent resolutions of the House of the following titles:

H. Con. Res. 297. Concurrent resolution providing for the sine die adjournment of the Congress; and

H. Con. Res. 298. Concurrent resolution authorizing the Speaker of the House and the President of the Senate to sign bills and joint resolutions duly passed and found truly enrolled.

The SPEAKER. Under previous special order of the House, the gentleman from New York [Mr. KEATING] is recognized for 10 minutes.

HON. JAMES W. WADSWORTH

Mr. KEATING. Mr. Speaker, I rise today to pay tribute to one of our colleagues who unfortunately will not be a Member of the Eighty-second Congress. The vast knowledge, unselfish statesmanship, and good fellowship of the distinguished Representative of the Forty-first New York District, JAMES W. WADSWORTH, will indeed be sorely missed in the coming Congress. And we shall not be alone in this. The entire country will miss his well-founded wisdom, sage foresight, and courageous leadership in the years of crisis ahead.

JIM WADSWORTH'S devotion to duty and sense of public responsibility follow in the long tradition of his ancestors. His career is not the exception, but rather the rule in the Wadsworth family whose name has been prominently connected with the major undertakings representing the best episodes in American history.

His great-great-great-grandfather, William Wadsworth, was one of the group of determined pioneers who made their way through the wilderness to found Hartford, Conn. Decades later, when the royal governor of Connecticut attempted to seize the charter of the colony, the candles were snuffed out in a dramatic moment, and Capt. Joseph Wadsworth hid the document in the hollow of Charter Oak. Years after, it was retrieved to become the constitution of the colony.

Gen. James Wadsworth served as major general of the Connecticut line in the American Revolution and as a Member of the First Continental Congress when the United States became a reality. His uncle, Jeremiah Wadsworth, was commissary general and it was in his residence that Washington and Rochambeau worked out plans for the conduct of revolutionary campaigns.

When peace was restored and the Colonies had purchased their independence by their bloody sacrifices, Jeremiah Wadsworth loaned funds to his nephews, James and William, to buy land at a dollar an acre in western New York, which at that time was still a largely unexplored wilderness.

So, in the spring of 1790, the young men set out with their party of axmen up the Hudson River to Albany, portaged to Schenectady and thence moved up the Mohawk River. Whenever possible they brought cattle, which William herded via the forest trails while James continued on the water route. Finally they met at their rendezvous on the banks of the Genesee River. They decided to settle on the rich valley land, where they established friendly relations with the Indians, cleared their land, and built a log dwelling.

In the War of 1812 William Wadsworth was commissioned major general in command of the militia of the Genesee district and led his troops in an expedition across the Niagara River into Canada.

As the wagon roads and the Erie Canal were completed, produce from the west began to flow eastward toward the Atlantic seaports, and western New York State flourished and attracted large numbers of new settlers. The Wadsworths prospered with the region.

JIM WADSWORTH'S grandfather, Maj. Gen. James Samuel Wadsworth, was born in 1807. He read law in Daniel Webster's office, then attended Yale Law School. After the death of his father and uncle he took over management of the family property. He became a free-soiler and joined with Martin Van Buren in seceding from the Democratic Party. He became active in support of the free-democracy group, whose motto was "Free soil, free speech, free labor, and free-men," and which later evolved into the Republican Party.

In 1860 he supported Abraham Lincoln for President. When the War Between the States commenced he was commissioned and demonstrated his courage and his ability in the Battle of Bull Run to such an extent that he was promoted to brigadier general and later made military governor in charge of the defense of Washington.

General Wadsworth took time off from active service to run for Governor of New York on the Republican ticket, but was defeated. He returned to active military duty and was subsequently killed in the Battle of the Wilderness.

General Wadsworth's youngest son, James, although a mere boy of 16, enlisted and participated in the closing battles of the war. He was cited for bravery, promoted to captain, and finally was mustered out a brevet major.

Later he was elected to the State legislature for two terms before becoming State comptroller in 1880. From State office, he moved on to become a Congressman. This office he graced and filled with distinction for more than 20 years, until 1907.

For 10 years, the elder Wadsworth was chairman of the House Committee on Agriculture, for which his intimate knowledge of farming particularly suited him. The Meat Inspection Act which was drafted by the committee during his chairmanship was a tremendous step forward in consumer protection.

"Young JIM" WADSWORTH was born at Geneseo in 1877. His early childhood was spent amid rural scenes of great beauty. It is little wonder, therefore, that he has always loved the outdoors and all the rigorous activity that goes with it. When Jim was 5, his father took the family with him to Washington. There young Jim got his first taste of politics and feeling for Government service which has distinguished his entire life.

He went to school in Washington, and later in Geneseo. When he was 10 he was sent to the Fay School in Massachusetts and then continued on to St. Mark's School. It was at St. Mark's that Jim first became interested in history and particularly in American history. This keen enthusiasm has lasted through the years.

During his vacations, his father kept him busy learning the practical side of farming. Ever since he was a boy of 12, Jim had had his heart set on farming as a career and had begun preparing to be a success at that career. His father was an expert judge of cattle and drummed into his son all the fine points by which to evaluate their worth.

When Jim became a little older, he was sent during the summer to work on one of the family farms about 15 or 20 miles away, since it is an old family adage that the best thing for land is the owner's foot. There he worked with the other men and was allowed to come home only to play baseball on Saturday.

Back in the seventies, Jim's father had organized a baseball team called the Livingstons, many of whose members became noted professional ball players. Our colleague followed in his father's footsteps in his interest in baseball and became a star first baseman as his father had been before him. In college, he played on the freshman team and later in 1898, while first baseman on the varsity team, he was mentioned for the all-America nine. During the summer of 1897, he played with the Rochester Geneseos when they won the championship of Canada after touring as far west as Chicago and up through Michigan. During these years of playing ball, Jim displayed the sportsmanship and good fellowship which endeared him to partisan and opponent alike. Today in Rochester, many of his contemporaries still like to think of him as just young Jim who played first base on the local ball team.

In 1898, he graduated from Yale, having taken every course in history which the university offered. At the same time his father received an honorary degree of master of arts.

After graduation, he enlisted in Light Battery A, of the Pennsylvania Volunteers, which was about to sail for Puerto Rico to fight in the Spanish-American War. However, when their troop ship entered the harbor at Puerto Rico, it went aground on a shoal. Since the captain knew of Jim's experience with animals, he drew the job of tending the horses and mules while the rest of the men went ashore. One afternoon, a cutter drew alongside, and Jim's father came aboard. The Congressman had come down to survey the war situation and, while there, included his son's four-legged charges in his inspection.

At the end of the war, Light Battery A was returned home, and Private WADSWORTH became a civilian again. With considerable pride, I have often heard Jim say that he is the only Member of Congress who holds the distinction of

having entered the Army as a private and retired as a private.

Shortly thereafter, however, Jim got permission from the Secretary of War to accompany a troop transport, the *Sherman*, on a trip around the world. By the time the troopship arrived in Manila, the Philippine insurrection had broken out, and Jim had his first opportunity to view trained and seasoned troops in action. There he learned the lesson of preparedness from the sharp contrast between these regulars and the ill-trained recruits and volunteers in the Spanish-American campaign. From that time on, our colleague has been a stanch advocate of preparedness and a strong national defense.

Home again and having seen the world at the ancient age of 22, Jim settled down to farming in earnest. All summer and autumn, he raised crops and tended his cattle and sheep. But, as winter set in, he decided, at his father's suggestion, to clerk at the local bank to learn something about finance and local business. But when spring came, he went back to the farming he loved.

This same year, he made his first public speech—on the beneficial effects of and the necessity for good roads. His only other political efforts were directed toward bringing voters to the polls at election time and organizing a mounted campaign troop which performed at all the Republican meetings in the district. During the fall of 1900, the troop, with the erstwhile Army private as its captain, rode nearly 300 miles in the interests of Republicanism.

In 1902, he married Miss Alice Hay, the daughter of the Secretary of State, and they settled on Jim's farm in the Genesee Valley.

In the summer of 1904, his active political career began with the announcement of his candidacy for assemblyman from Livingston County. He was duly nominated and in November received 5,600 out of 9,400 votes cast. During this first campaign and in subsequent elections, the office-seeker found that his baseball prowess and fame had won him many friends and admirers. This remained true through all his political life.

During his first term as assemblyman, he was appointed to the committees on taxation and on villages. He was reelected in the fall of 1905 without difficulty. Shortly before the fall election, the speaker of the assembly, S. Fred Nixon, had died, with the result that the 1906 session of the legislature had to choose a new speaker. In December 1905, the young legislator received a wire from the governor requesting him to visit the executive mansion when he returned to Albany after Christmas. To his amazement, he then found that he was the governor's choice for speaker. After a hot factional dispute within the Republican caucus, he was elected and thus became speaker of the New York State Assembly at the age of 28.

The great achievement of the session was the passage of the insurance-reform legislation drafted by Charles Evans Hughes. In addition, the first bond issue for $50,000,000 for the improvement of public roads was authorized.

For 5 years, our colleague served as speaker of the New York State Assembly, but the work required so much of his time—he frequently worked all day Saturday and Sunday—that he decided not to stand for reelection in 1910.

In 1911, he and Mrs. Wadsworth toured Europe and Africa for 5 months. It was while he was in Egypt that he received a letter from his aunt, Mrs. Adair, who owned the famous J. A. Ranch in Texas. She, knowing that her nephew was a good judge of cattle, and raised fine cattle himself, asked if he would take over the management of the J. A. Ranch.

Thus began a new and exciting phase of life. During the next 5 years he rode the Texas panhandle country, learned to ride western style, and all the innumerable things a good ranch hand should know. He did not neglect his own farm, however, but alternated between Texas and New York.

Although dividing his activity, WADSWORTH kept in close contact with New York politics, and in 1912 was chairman of the New York Republican delegation to the national convention. That year the split between Roosevelt and Taft rent the Republican Party nationally. WADSWORTH and a friend, Job E. Hedges, unwilling to see the governorship go by default, even though it was obvious that any Republican would be defeated because of the split in party ranks, decided to team up to head the State ticket. Hedges was chosen in the convention and WADSWORTH ran with him as candidate for the lieutenant governorship. They made a gallant fight and came out second best, which was all they had hoped to accomplish.

In 1914 WADSWORTH was out on the Texas range working with the men branding cattle when one of the cowboys from the home ranch rode up with a telegram. It was to the effect that a mass meeting in Geneseo, his home town, had adopted a resolution urging him to run as Republican candidate for United States Senator.

He won easily in the primaries and again in the general election in the autumn.

When he came to the Senate, Jim began to put his ideas on national defense and military training into effect. He was appointed to the Committee on Military Affairs, of which he later became chairman in 1919. In 1916 he foresaw that the country would be drawn into the war and urged immediate preparedness. He opposed the embargo on Allied shipping as discriminatory against England and the Allies. At a time when Wilson was elected President again on a platform of "He kept us out of war," WADSWORTH was advocating and speaking in favor of sending regular troops to Europe in the event of war. He said, too, that the United States would not be able to wage war effectively if we relied solely on a volunteer arm. A year later President Wilson and his advisers came to the same conclusion, and presented a bill for congressional action to draft American men into the Army.

After the declaration of war in 1917, the Committee on Military Affairs in the Senate took a very active and personal interest in the progress of mobilization, and committee members, including WADSWORTH, toured the country visiting the various plants and military camps.

The lack of coordination and planning which resulted in endless delays and red tape, lack of transportation and equipment, drove home relentlessly the lesson WADSWORTH never forgot and never ceased to fight for—that preparation for war must come before war begins, not after.

WADSWORTH later went to France and saw the AEF in operation there and added to his growing knowledge of American military problems. In 1919 when he assumed the chairmanship of the Senate Military Affairs Committee, he headed a subcommittee of five which undertook to revise the national defense statutes. After a year of hard work, extensive hearings, and concentrated research, the committee reported out the bill which became the National Defense Act of June 6, 1920. At this time, too, he fought in vain for a universal training law in peacetime.

After the Defense Act became law, WADSWORTH was sponsor of a bill to revise the pay schedules of the armed services. It was at this time that the saying became current that JIM WADSWORTH had four children and the oldest was the Army. After one short term in the Senate, Jim was a national figure and one of the most influential men in Congress.

Years later, when in 1940, World War II loomed ominously on the horizon, WADSWORTH again led the fight for a peacetime draft law, although he was not a member of the Armed Services Committee. Now he is again advocating universal military training, believing as he always has that a large standing army is not in the American tradition but that a nucleus of professional soldiers, backed by large numbers of civilians who have had military training, is a must if we are to survive in this perilous world. Certainly the events in Korea have more than borne out the wisdom of his fight for a strong national defense, backed by millions of trained civilians, which he advocated when he came to the Senate in 1913 and which he has continued to press for right up to the time of his retirement.

During his 12 years in the Senate, WADSWORTH gained national recognition as a leader and authority on military matters. Nevertheless, he was defeated when he ran for reelection to the Senate in 1926.

Both of the reasons for his defeat were based on his belief in the right of States to determine certain questions for themselves. WADSWORTH had boldly opposed both suffrage for women and prohibition, although both were popular causes during that period. He stated honestly and forthrightly that he could

not drink wet and vote dry. A Prohibition Party was formed, splitting the up-State Republican vote, which he usually carried solidly. The dry ticket polled 232,000 votes, enough to cause him to lose to Robert F. Wagner by a margin of 116,000..

After his unsuccessful campaign for reelection, he went back to his farming. For 6 years, he cultivated his land and mended his fences. During this period, his name was mentioned for numerous offices, ranging from Governor of New York to President of the United States.

Then in 1932, he decided to run for the House, and was elected with a very comfortable majority from what is now the Forty-first District. He took his seat in the House in time to vote for the repeal of the eighteenth amendment, no doubt with a great deal of pleasure. Many people have wondered why he was not content to enjoy his retirement from public life and till his wide acres in the Genesee Valley and live the life of a gentleman of leisure.

However, public service has been a tradition in the Wadsworth family since long before this Nation was founded so that it did not seem at all strange to him that he should continue to serve the people of his district and represent their interests in Washington.

Certainly those of us who are his juniors will remember all our lives his generous advice and help when we first came to Congress, and the Nation has profited greatly by his continued presence. His years of service in the House have been marked by the same rugged integrity and intellectual independence which have characterized his entire life. Whether in agreement or disagreement with Mr. WADSWORTH'S position, I have never failed to respect his opinion and his shrewdness. His vote has always been solidly based on reason and the respect in which he is held by all of us who are or have been his colleagues is richly deserved and earned through years of association and personal knowledge.

As we well know, Mr. WADSWORTH has been one of our most influential Members. Content to work behind the scenes and without publicity or glory, he has been more powerful than many another with greater seniority, simply because of the unanswerable logic of his reasoning and the soundness of his approach to the problems before us. We have all known that when JIM WADSWORTH rose to speak, it was time to come in and listen attentively. For many of us upon many an occasion, his presentation of the facts has been the deciding factor in our determination as to the way to vote upon a particular question.

Jim has always voted, as he pleaded with the entire membership of the House to vote on that momentous day when the extension of the draft was at stake in 1941, when he said:

> My prayer is, Mr. Chairman, that our decision shall be made in the interest of the safety of the United States.

With our colleague's retirement to his farms in the Forty-first District, the name of WADSWORTH will continue to be a credit to the long line of Wadsworths who have served their country so faithfully and well.

Fortunately, too, our distinguished friend does not intend to spend all his time in the Genesee Valley, so that his familiar voice will not be entirely absent from the Capitol, I trust. His host of friends at both ends of the Capitol will always have the office latchstring out to welcome his advice and gain benefit from his words of wisdom.

We, his neighbors, are justly proud of JIM WADSWORTH, from his superb play at first base to his national eminence and well-deserved fame. Although his special place in the hearts of the people of the Genesee Valley and the Nation can never be filled and in that sense, we suffer an irreparable loss, I know all my colleagues join me in wishing that he will thoroughly enjoy for many years the rest and retirement he has earned so completely.

Mr. Speaker, I now yield to the gentleman from New York [Mr. REED].

Mr. REED of New York. Mr. Speaker, I have followed the career of Hon. JAMES W. WADSWORTH, of New York State from the days when he was a star baseball player at Yale University. Few athletes have more completely captured the imagination and admiration of the youth than did our much-beloved friend Jim in the day of his baseball prowess. He was then the idol of the hundreds of thousands of young men. They have been his devoted friends throughout his long and distinguished service as a legislator and statesman. Those of us who knew JAMES W. WADSWORTH never doubted that his courage, ability, and personality would be an open sesame to a great public career. Aside from serving 5 years as speaker of the New York State Assembly, his record as a Member of the United States Senate is one of outstanding statesmanship. Those of us who have served with Jim, as we like to think of him and call him, know full well the contribution he has made during his conspicuous public service in the Seventy-fourth, Seventy-fifth, Seventy-sixth, Seventy-seventh, Seventy-eighth, Seventy-ninth, Eightieth, and Eighty-first Congresses.

I regret to have our good friend retire as a Member of the House of Representatives. His ability, his experience, and his qualities as a statesman are needed in this critical period of our country which he has served so faithfully and with such distinction. I believe that our friend JIM WADSWORTH has measured up to the standard of representation set by Edmund Burke, the great English statesman and political philosopher, who, when challenged by his colleagues for not representing what seemed to them to be the views of his constituents, replied:

> Certainly, gentlemen, it ought to be the happiness and glory of a representative to live in the strictest union, the closest correspondence, and the most unreserved communication with his constituents. Their wishes ought to have great weight with him; their opinion high respect; their business unremitted attention. It is his duty to sacrifice his repose, his pleasure, his satisfaction to theirs; and above all, ever, and in all cases to prefer their interests to his own.
>
> But his unbiased opinion, his mature judgment, his enlightened conscience, he ought not to sacrifice to you, to any man, or to any set of men living. These he does not derive from your pleasure; no, nor from the law or the Constitution. They are a trust from Providence for the abuse of which he is deeply answerable. A representative owes his constituents, not his industry only, but his judgment; and he betrays, instead of serving them, if he sacrifices it to your opinion.

These principles, I believe, have guided and charted the representation of Hon. JAMES W. WADSWORTH in the affairs of state. His fine character, his sense of fairness and justice have set a worthy example of true statesmanship to legislators present and those to follow. I wish for our distinguished colleague as he now retires from public office many years of health and happiness and these blessings, too, I wish for Mrs. Wadsworth and the other members of the Wadsworth family.

Mr. KEATING. Mr. Speaker, I yield to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Speaker, the name of JAMES W. WADSWORTH has been a household word in New York State for 40 years. He has been a tower of strength in the fight for good, honest government, and loyalty to the United States. It was a matter of regret to all of us to learn that he was going out.

Mr. KEATING. Mr. Speaker, I yield to the gentleman from New York [Mr. COLE].

Mr. COLE of New York. Mr. Speaker, it is a strange mixture of emotions that comes over me as I contemplate the departure of New York State's most distinguished son from the Halls of the Congress and join with others today in paying tribute to him. I am deeply saddened that the day has arrived when JIM WADSWORTH, of his own free will and accord, is to lay aside the cloak of public office which he has worn with such outstanding credit and distinction for a generation, and once more is to join the army of private citizens for whom he has devoted his entire lifetime. But I am delighted that in leaving us he moves out under his own steam in the full health and vigor of his threescore years and ten. It means that he himself can smell the sweet fragrance of the flowery words of praise that are being spoken of him and be conscious of the fact that he takes with him the love and respect and admiration of all who have ever known and worked with him.

JIM WADSWORTH has always been an inspiration to me—an ideal to be studied and copied, realizing, of course, that a copy or reproduction never possesses the full, fine high quality of the original. This does not mean that in the endless decisions which we are called upon to make here in the Congress I have unswervingly followed his judgment, but in his approach to a problem, his attitude toward the responsibilities of public office, I have endeav-

ored to match the pattern which he has set. Throughout these 16 years of my own service in the House I have constantly been mindful of the fact that JIM WADSWORTH was the Speaker of the assembly in New York State in the year when I was born and that throughout all these intervening years he has held the confidence of the voting public. Many, many other names and faces have moved across the stage of national politics during those 50 years, but he is one actor who played a dominant role in all that drama of American public life, except for one brief interval when he was temporarily called off stage.

Undoubtedly the secret of his success and the reason for the great respect which we all have for him is that his profound ability to pierce the maze of complexities which invariably cloud a public problem was matched by that greater human quality known as intellectual honesty. Never once, can it be said, did JIM WADSWORTH ever fail to speak and vote his honest convictions—even though at the time his own judgment perhaps did not concur with the existing public fancy. In being true to himself, to his conscience and his judgment, he has been everlastingly true to the best of American history, tradition, principles and future of our Nation.

Mr. Speaker, I consider it to be one of the greatest privileges of my life to have been able to learn about Government and to participate in Government at the feet of this great patriot and statesman and it is my prayer that I, as well as all of us who may continue to serve here, may be guided in our conduct by the treasured inspiration which JIM WADSWORTH has made for us.

I hate to see him go. This is a day which I have dreaded to occur for I realize that from now on we will be deprived of the privilege of association with this great personality but the memories of pleasant association with him here during these years of trial will be among the richest of my possessions. And it is comforting to know that much of his time from now on will be spent here in Washington. We hope that he will return frequently in order that we may have the benefit of his counsel and his example. We hope that this is not farewell, or good by to Jim but simply "so long."

The nicest thing about Jim's leaving us is that he goes with full vigor and health—there is nothing old and decrepit about JIM WADSWORTH—and we pray that he may have the many, many years of health and comfort which a lifetime of consecrated public service makes him so richly deserve.

Mr. KEATING. Mr. Speaker, I yield to the gentleman from New York [Mr. KILBURN].

Mr. KILBURN. Mr. Speaker, I am sorry to see the gentleman from New York [Mr. WADSWORTH] leave the Congress. I do not blame him; but it is a great loss to the country, in my opinion.

I had known him slightly before I came to Congress, and years ago he and my father were good friends. Since I have been in the House, I have imposed on his kindness many times. He has advised me on difficult votes and straightened out my thinking on major problems presented to the House.

In my opinion, he is a man of such great ability, honor, and integrity that he could have filled with distinction any office this country can offer, including the Presidency. My grateful best wishes go to him as he retires.

Mr. KEATING. Mr. Speaker, I yield to the gentleman from New York [Mr. EDWIN ARTHUR HALL].

Mr. EDWIN ARTHUR HALL. Mr. Speaker, I join with those of you today who are paying tribute to our distinguished colleague, JIM WADSWORTH.

During the past 11 years I have served in this House I have witnessed with great admiration the outstanding abilities possessed by him. There is no man in Congress superior to him either in prowess of debate, clarity of reasoning, and soundness of thought.

The test of a man's lasting achievement is his ability to weather the storms and vicissitudes of time. Mr. WADSWORTH has maintained a high place of importance in our national affairs many years longer than most of us ever dare to hope for.

Perhaps his greatest contribution during a life of statesmanship has been his unceasing devotion to the necessity of making our country secure both in peace and in war. I refer to his sterling leadership during World War II in the matters of mobilizing our manpower and our weapons. I am pleased to tell you that I went down the line with Mr. WADSWORTH during World War II in my votes in favor of each draft and for universal military training.

At this hour, this Nation is once more faced with the task of defending ourselves, only on a much larger scale than when we fought Hitler and the Japs. Today, a large segment of the world's teeming population is pitted in the opposite camp. The future looks more grim than in 1941.

In view of this sad fact, I would feel a lot more cheerful and more confident if I did not see the impressive figure of JAMES W. WADSWORTH leaving this House. We need his worthy counsel, his sage advice, his considerable knowledge and his excellent judgment at the most crucial period of America's history. His retirement will create a vacancy here that cannot possibly be filled.

Mr. GWINN. Will the gentleman yield?

Mr. KEATING. I yield to the gentleman from New York.

Mr. GWINN. I want to pay my respects to our colleague JAMES W. WADSWORTH. He is retiring from the House today after serving here 18 years and in the Senate 12 years. He is one of the distinguished public servants who help to prod the consciences of the citizenship to patriotic duty. He had a great deal to do unknowingly with prodding my own sense of duty to volunteer in politics.

He is going back to his ancestral homestead with the satisfaction that he has rendered more than his share of service to his country and with the acclaim of his fellow citizens—"Well done!"

Like the old Roman senator, Cato, he is returning to the soil in the community from whence he sprang.

There the population produces the bravest men, the most valiant soldiers, and a class of citizens the least given of all to evil design. And like most farmers who leave their farms and come to Washington, he has felt, no doubt, a growing urgency to be about the restoration and the treatment of woods, fields, and meadows so long neglected.

It was Jim's grandfather, I believe, who taught his grandson that the best manure for a meadow is the footprints of its owner. Even Jim's best friends may not suspect, but my guess is that he longs to cap off an unusual career of public service by being just a small-town guy who has always belonged to Genesee County, although absent from there a long, long time.

Many of us feel the tug of the journey he is taking. We realize how far removed he will be from the ring of three bells and the long trek between the office and the Capitol in response to the gentleman who makes a point of "no quorum present." Those of us who remain here for a while would like for him to stay with us. But, like him, we know that our country is not saved by what transpires in the Halls of Congress. We know the dangers of losing it here. We know too that the genius of our country lies in its institutions that the people love and are ready to fight to defend back home.

JAMES W. WADSWORTH, of Geneseo, great American patriot, soldier, statesman, wherever you may be, we know that you will always help to maintain and defend that precious individual liberty which is the Republic of the United States of America.

RESOLUTION PRESENTING THANKS OF THE HOUSE TO THE SPEAKER

The SPEAKER. Will the gentleman from Indiana [Mr. HALLECK] kindly take the chair?

Mr. HALLECK assumed the chair.

Mr. MARTIN of Massachusetts. Mr. Speaker, I offer a resolution which I know will be unanimously endorsed because it carries with it the warmest sentiments of every one of us on both sides of the aisle.

The Clerk read the resolution (H. Res. 896), as follows:

Resolved, That the thanks of the House are presented to the Honorable SAM RAYBURN, Speaker of the House of Representatives, for the able, impartial, and dignified manner in which he has presided over the deliberations and performed the arduous duties of the Chair during the present term of Congress.

Mr. MARTIN of Massachusetts. Mr. Speaker, I ask that a rising vote be taken.

The question was taken.

The SPEAKER pro tempore. On this vote the ayes are 225 and the noes are

none. The resolution is unanimously adopted.

The SPEAKER resumed the chair.

The SPEAKER. Mr. MARTIN and my fellow Members, I am deeply grateful for this further evidence of your kindness and your favor. In bringing this Congress to a close I want to say that I deeply appreciate the courtesy of every Member of the House.

To those who will not serve with us again I say that I wish for you in your own districts that you may enjoy health and a reasonable degree of prosperity. You will pray with us, I know, that peace may come to this troubled earth.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED

Mrs. NORTON, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills and a joint resolution of the House of the following titles, which were thereupon signed by the Speaker:

H. R. 5244. An act for the relief of Charles J. Trees;

H. R. 7303. An act to amend section 120 of the Internal Revenue Code;

H. R. 8349. An act to authorize deductions from the wages of seamen for payment into employee welfare funds;

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code;

H. R. 9798. An act to authorize a Federal civil-defense program, and for other purposes;

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and

H. J. Res. 556. Joint resolution to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as general, Army of the United States, and for other purposes.

The SPEAKER announced his signature to enrolled bills of the Senate of the following titles:

S. 3295. An act to amend the Railway Labor Act and to authorize agreements providing for union membership and agreements for reductions from the wages of carriers' employees for certain purposes and under certain conditions; and

S. 4266. An act to amend and extend title II of the First War Powers Act, 1941.

BILLS AND JOINT RESOLUTION PRESENTED TO THE PRESIDENT

Mrs. NORTON, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills and a joint resolution of the House of the following titles:

H. R. 5244. An act for the relief of Charles J. Trees;

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code;

H. R. 9798. An act to authorize a Federal civil-defense program, and for other purposes;

H. R. 9827. An act to provide revenue by imposing a corporate excess-profits tax, and for other purposes;

H. R. 9832. An act to remove marketing penalties on certain long-staple cotton;

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes; and

H. J. Res. 556. Joint resolution to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as general, Army of the United States, and for other purposes.

ADJOURNMENT

Mr. McCORMACK. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

The SPEAKER. In accordance with House Concurrent Resolution 297, the Chair declares the second session of the Eighty-first Congress adjourned sine die.

Accordingly (at 4 o'clock and 53 minutes p. m.) the House adjourned sine die.

SENATE BILLS SIGNED AFTER SINE DIE ADJOURNMENT

The Speaker, pursuant to House Concurrent Resolution 298, Eighty-first Congress, did on January 3, 1951, sign enrolled bills of the Senate of the following titles:

S. 1122. An act relating to children born out of wedlock; and

S. 1281. An act to amend the Federal Airport Act so as to make the United States share of costs for land acquisition the same as for other costs.

BILLS PRESENTED TO THE PRESIDENT AFTER SINE DIE ADJOURNMENT

Mrs. NORTON, from the Committee on House Administration, reported that the committee did, on January 3, 1951, present to the President, for his approval, bills of the House of the following titles:

H. R. 7303. A bill to amend section 120 of the Internal Revenue Code; and

H. R. 8349. A bill to authorize deductions from the wages of seamen for payment into employee welfare funds.

BILLS AND JOINT RESOLUTIONS APPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the second session of the Eighty-first Congress, notified the Clerk of the House of Representatives that on the following dates he had approved and signed bills and joint resolutions of the House of the following titles:

On December 15, 1950:

H. R. 9840. An act to exempt furlough travel of service personnel from the tax on transportation of persons.

On December 20, 1950:

H. R. 5967. An act to amend the Interstate Commerce Act, as amended, to clarify the status of freight forwarders and their relationship with motor common carriers; and

H. R. 9524. An act to supplement the District of Columbia Teachers' Leave Act of 1949.

On December 21, 1950:

H. R. 7445. An act authorizing the village of Baudette, State of Minnesota, its public successors or public assigns, to construct, maintain, and operate a toll bridge across the Rainy River at or near Baudette, Minn.;

H. R. 8546. An act to amend the Philippine Property Act of 1946; and

H. R. 9484. An act to authorize the Secretary of the Treasury to effect the settlement of claims for losses and damages inflicted upon the Portuguese territory of Macao by United States Armed Forces during World War II in violation of neutral rights.

On December 27, 1950:

H. R. 2093. An act authorizing the Secretary of Agriculture to execute a quitclaim deed to property owned by Jacob F. Riedel;

H. R. 7735. An act to authorize the Secretary of the Army to grant to the Southern California Edison Co. an easement and right-of-way for electric transmission line purposes in the Santa Fe flood-control basin and the San Gabriel River improvement, California;

H. R. 8851. An act to authorize the Secretary of the Treasury to transfer by quitclaim deed to the Browns Point Improvement Club a portion of a small strip of land at Coast Guard light station facility, Browns Point, Pierce County, Wash., and to transfer by quitclaim deed the remaining portion of such strip to the county of Pierce, State of Washington;

H. R. 9475. An act for the relief of Mrs. Enid Louise Noble Romick, Jr.; and

H. R. 9681. An act to authorize the waiver of the navigation and vessel inspection laws.

On December 28, 1950:

H. R. 8136. An act for the relief of Giuseppe Umberto Mantalban-Troy; and

H. R. 8834. An act for the relief of Yamaguchi Michiko.

On December 29, 1950:

H. R. 2733. An act to authorize the construction, operation, and maintenance by the Secretary of the Interior of the Canadian River reclamation project, Texas;

H. R. 2734. An act to amend an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914 (38 Stat. 730), as amended;

H. R. 4579. An act to amend section 333 of title 28 of the United States Code to provide for the attendance at judicial conferences of their respective circuits of the district judges in Puerto Rico, the Virgin Islands, the Canal Zone, Hawaii, and Alaska;

H. R. 5467. An act to provide for the review of orders of the Federal Communications Commission under the Communications Act of 1934, as amended, and of certain orders of the Secretary of Agriculture made under the Packers and Stockyards Act, 1921, as amended, and the Perishable Agricultural Commodities Act, 1930, as amended, and of orders of the United States Maritime Commission or the Federal Maritime Board or the Maritime Administration under the Shipping Act, 1916, as amended, and the Intercoastal Shipping Act, 1933, as amended;

H. R. 5902. An act for the relief of the Pan American Union;

H. R. 6228. An act for the relief of Dr. Chaojen Chen, Dr. Janet Wang Chen, and Eleanor Chen;

H. R. 8821. An act authorizing payment to certain States amounts withheld from grazing fees on public lands;

H. R. 9272. An act to amend the act of October 5, 1949 (Public Law 322, 81st Cong.), so as to extend the time of permits covering lands located on the Agua Caliente Indian Reservation; and

H. R. 9284. An act to amend the act entitled "An act to establish a uniform system of bankruptcy throughout the United States," approved July 1, 1898, and acts amendatory thereof and supplementary thereto.

On January 2, 1951:

H. R. 9913. An act to prevent penalties and additions to tax in case of failure to meet requirements with respect to estimated tax by reason of increases imposed by the Revenue Act of 1950;

H. J. Res. 554. Joint resolution amending section 3804, of the Internal Revenue Code; and

H. J. Res. 556. Joint resolution to authorize the President to issue posthumously to the late Walton Harris Walker, lieutenant general, Army of the United States, a commission as general, Army of the United States, and for other purposes.

On January 3, 1951:

H. R. 9827. An act to provide revenue by imposing a corporate excess-profits tax, and for other purposes;

H. R. 4653. An act for the relief of the New York Quinine & Chemical Works, Inc.; Merck

& Co., Inc.; and Mallinckrodt Chemical Works;

H. R. 5973. An act for the relief of Archibald Walter Campbell Seymour; and

H. R. 9145. An act for the relief of Tomoko Yamaya.

On January 4, 1951:

H. R. 8759. An act for the relief of Rev. Andrew Chai Kyung Whang; and

H. R. 9236. An act for the relief of H. Halpern & Bro., Inc., of Boston, Mass.

On January 6, 1951:

H. R. 9893. An act to authorize certain construction at military and naval installations, and for other purposes; and

H. R. 9920. An act making supplemental appropriations for the fiscal year ending June 30, 1951, and for other purposes.

On January 9, 1951:

H. R. 9832. An act to remove marketing penalties on certain long-staple cotton.

On January 10, 1951:

H. R. 8349. An act to authorize deductions from the wages of seamen for payment into employee welfare funds.

On January 11, 1951:

H. R. 7303. An act to amend section 120 of the Internal Revenue Code; and

H. R. 9794. An act to amend section 22 (d) (6) of the Internal Revenue Code.

On January 12, 1951:

H. R. 5244. An act for the relief of Charles J. Trees; and

H. R. 9798. An act to authorize a Federal civil-defense program, and for other purposes.

BILL DISAPPROVED AFTER SINE DIE ADJOURNMENT

The President of the United States, subsequent to the sine die adjournment of the second session of the Eighty-first Congress, notified the Clerk of the House of Representatives that on January 6, 1951, he had disapproved the bill (H. R. 4803) for the relief of Bernard F. Elmers, together with his reasons for such action as follows:

BERNARD F. ELMERS

H. R. 4803. I have withheld my approval from H. R. 4803, for the relief of Bernard F. Elmers.

This enactment directs the Secretary of State to pay "out of the funds appropriated for the International Refugee Organization" $12,500 to Bernard F. Elmers, Pleasant Plains, N. Y., "in full satisfaction of his claim against the United States." Of this amount, $10,000 is to be paid to him for personal injuries sustained on January 8, 1947, when he was assaulted and robbed on the streets of Lesum, Germany, by two men later identified as Polish displaced persons. The remaining $2,500 represents payment to him for the theft by unknown persons, of securities and personal effects while these were in the temporary custody of the Criminal Investigation Division of the Army.

The claimant, at the time of the assault, was in Germany under an employment contract with the Army Exchange Service, European theater, as a junior auditor. On the night his injuries were sustained, he had been working late in his quarters in Lesum, adjoining Camp Grohn, near Bremen, completing an audit of the accounts of the Officers' Mess and of the Enlisted Men's Club. This work was unrelated to his Army Exchange Service employment. It had apparently been undertaken by him as extra employment at the suggestion or request of the commanding officer at Camp Grohn. Upon completion of his audit report, he accompanied a fellow employee part way to her home. While returning to his own quarters, about midnight, he was ambushed by the two Polish assailants, receiving severe injuries which apparently will incapacitate him for any further employment.

Mr. Elmers is precluded from recovering, by any means other than this special relief legislation, any compensation for his personal injuries out of federally appropriated funds. He is not entitled to the benefits of the Federal Employee Compensation Act, since he was an employee of the Army Exchange Service and paid from nonappropriated funds. He is without remedy under the Federal Tort Claims Act. Nor is he apparently entitled to the benefits of the employees' compensation program provided from private sources for the protection of Army Exchange Service employees. The lack of any other right of recourse, and the severity and incapacitating nature of the injuries inflicted upon him, apparently led the Congress in the end to feel that restitution to this claimant from some Federal funds source was justified, even though purely gratuitous.

While this case presents a stirring emotional appeal and the plight of the claimant arouses the deepest sympathy, I cannot find any basis to support the view that the United States should recompense the claimant for the tortious and criminal acts committed upon him. It is true that the assailants previously had been employed as civilian guards at an American quartermaster depot, but they had been discharged some time prior to the night of the assault. The fact of former employment by the United States obviously does not give rise to a proper fastening of responsibility upon the Federal Government for their action. Neither can the fact that they were displaced persons give support to any such attachment. They were not in any way under the supervision or control of Federal officials. That the extra work Mr. Elmers was engaged in on this particular night was being performed at the suggestion or request of an Army officer, likewise, affords no premise for Federal responsibility. The arrangement was entirely one between the officer and the claimant, and related to work even more remote from Federal employment than his regular employment with the Army Exchange Service.

Upon a record thus bare of any participation by the Federal Government, functionally or by acts of its officers and employees, in the unprovoked assault upon the claimant, I find myself readily and completely in agreement with the position of the Senate Committee on the Judiciary (S. Rept. 2556) that there is no conceivable liability on the part of the Government for the injuries received by Mr. Elmers. In the absence thereof, the enactment of this bill would indeed, open the door to a wide and unchartered field of Federal liability and insurmountable fiscal effects.

The bill is both novel and objectionable in another respect. I refer to the directive that the $12,500 payment be made out of funds appropriated for the International Refugee Organization. This is not only an undesirable fiscal procedure, but it is equally unwise from a foreign relations standpoint. The appropriations of funds heretofore made by this Government for the support of the International Refugee Organization represent the fulfillment of commitments made to the foreign nations participating in that program. To carry out the directive of the enrolled measure, depleting, as it would, the United States contribution by the amount proposed in payment of Mr. Elmers' claim, could very properly be considered a breach of our international commitment. That the provision has other unfortunate and disturbing imputations is also apparent.

While this lamentable incident is to be greatly deplored, I have nevertheless felt obliged, in view of the foregoing considerations, to withhold my approval from this bill. I would, however, be entirely willing to approve a measure reimbursing Mr. Elmers in such sum as may represent a fair value of the securities and personal effects which were lost while in the custody of the officials of the Government.

HARRY S. TRUMAN.

THE WHITE HOUSE, *January 6, 1951.*

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1814. A letter from the Director, Philippine War Damage Commission, transmitting the eighth semiannual report of the United States Philippine War Damage Commission, for the period ending June 30, 1950, pursuant to the Philippine Rehabilitation Act of 1946, as amended; to the Committee on Foreign Affairs.

1815. A letter from the Board of Directors, Tennessee Valley Authority, transmitting the seventeenth annual report of the Tennessee Valley Authority, covering the activities of the Authority for the fiscal year beginning July 1, 1949, and ending June 30, 1950; to the Committee on Public Works.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HALLECK: Select Committee on Lobbying Activities. Part II, minority views pursuant to House Resolution 298. Resolution creating a Select Committee on Lobbying Activities; without amendment (Rept. No. 3239). Ordered to be printed.

Mr. PETERSON: Committee on Public Lands. Report pursuant to House Resolution 66, Eighty-first Congress, first session. Resolution to authorize the Committee on Public Lands to make investigations into any matter within its jurisdiction, and for other purposes; without amendment (Rept. No.

3242). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAWSON: Committee on Expenditures in the Executive Departments. Report pursuant to Public Law No. 601, Seventy-ninth Congress; without amendment (Rept. No. 3243). Referred to the Committee of the Whole House on the State of the Union.

Mr. DAVIS of Georgia: Special Subcommittee To Investigate Crime and Law Enforcement in the District of Columbia. Report pursuant to House Resolution 340, Eighty-first Congress, first session. Resolution to authorize the Committee on the District of Columbia to investigate and study crimes committed in the District of Columbia in recent years; without amendment (Rept. No. 3244). Referred to the Committee of the Whole House on the State of the Union.

Mr. VINSON: Committee on Armed Services. Report in accordance with House Resolution 617, resolution authorizing and directing the Committee on Armed Services to conduct thorough studies and investigations relating to matters coming within the jurisdiction of such committee under rule XI (1) (c) of the rules of the House of Representatives; and House Resolution 624, resolution to provide funds for the expenses of the investigations and studies authorized by House Resolution 617; without amendment (Rept. No. 3245). Referred to the Committee of the Whole House on the State of the Union.

Mr. HART: Committee on Merchant Marine and Fisheries. Report pursuant to House Resolution 215, Eighty-first Congress. Resolution investigating certain matters pertaining to the merchant marine and fisheries of the United States; without amendment (Rept. No. 3246). Referred to the Committee of the Whole House on the State of the Union.

Mr. SPENCE: Committee on Banking and Currency. Report pursuant to House Resolution 331. Resolution to authorize the Committee on Banking and Currency to make investigations into any matter in the field of housing within its jurisdiction, and for other purposes; without amendment (Rept. No. 3247). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOOD: Committee on Un-American Activities. Report pursuant to Public Law No. 601, Seventy-ninth Congress; without amendment (Rept. No. 3248). Referred to the Committee of the Whole House on the State of the Union.

Mr. WOOD: Committee on Un-American Activities. Report pursuant to Public Law No. 601, Seventy-ninth Congress; without amendment (Rept. No. 3249). Referred to the Committee of the Whole House on the State of the Union.

Mr. HART: Committee on Merchant Marine and Fisheries. Report pursuant to House Resolution 643, Eighty-first Congress. Resolution to authorize the Committee on Merchant Marine and Fisheries to investigate the recent explosion at South Amboy, N. J.; without amendment (Rept. No. 3250). Referred to the Committee of the Whole House on the State of the Union.

Mr. CROSSER: Committee on Interstate and Foreign Commerce. Report pursuant to House Resolution 107, Eighty-first Congress. Resolution to authorize the Committee on Interstate and Foreign Commerce to make investigations into any matter within its jurisdiction, and for other purposes; without amendment (Rept. No. 3251). Referred to the Committee of the Whole House on the State of the Union.

Mr. MANSFIELD: Special Committee To Investigate Campaign Expenditures for the House of Representatives, 1950. Report pursuant to House Resolution 635. Resolution providing for the appointment of a special committee of the House of Representatives to investigate the campaign expenditures of the various candidates for the House of Representatives, and for other purposes; without amendment (Rept. No. 3252). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE: Select Committee To Investigate the Educational and Training Program Under the GI Bill. Report pursuant to paragraph 2, House Resolution 474, Eighty-first Congress, second session, resolution authorizing the creation of a Select Committee To Investigate the Education and Training Program Under the Servicemen's Readjustment Act; without amendment (Rept. No. 3253). Referred to the Committee of the Whole House on the State of the Union.

Mr. DELANEY: Select Committee To Investigate the Use of Chemicals in Food Products. Report pursuant to House Resolution 323, Eighty-first Congress, first session. Resolution creating a Select Committee To Conduct an Investigation and Study of the Use of Chemicals, Pesticides, and Insecticides in and With Respect to Food Products, and for Other Purposes; without amendment (Rept. No. 3254). Referred to the Committee of the Whole House on the State of the Union.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. DAVIS of Georgia:

H. R. 9944. A bill to provide for the more effective prevention, detection, and punishment of crime in the District of Columbia; to the Committee on the District of Columbia.

By Mrs. ROGERS of Massachusetts:

H. J. Res. 558. Joint resolution authorizing the President to issue posthumously to the late George Smith Patton, Jr., a lieutenant general, Army of the United States, a commission as a five-star general; to the Committee on Armed Services.

PETITIONS, ETC.

Under clause 1 of rule XXII,

2416. Mr. GRAHAM presented a petition of 14 residents of New Galilee, Pa., urging the prohibition of the sale of alcoholic beverages or beer in or any nearer than 10 miles from Army or Navy installations, which was referred to the Committee on Armed Services.